

Financial Results for the Fiscal Year Ended September 30, 2013 [Japanese Standards] (Consolidated)

October 31, 2013

Listed company name: CyberAgent, Inc.

Listed stock exchange: TSE Mothers

Code No.: 4751

URL: <http://www.cyberagent.co.jp/>

Representative: (Title) President

(Name) Susumu Fujita

Inquiries: (Title) Managing Director

(Name) Go Nakayama

Tel: +81-3-5459-0202

Scheduled date of the Annual General Meeting of Shareholders: December 13, 2013

Scheduled filing date of the Annual Securities Report: December 16, 2013

Preparation of supplementary references regarding financial results: Yes

Holding the briefing of financial results: Yes (For security analysts and institutional investors)

(Amounts less than ¥ million are rounded down.)

1. Consolidated Performance for the Fiscal Year Ended September 30, 2013 (October 1, 2012 – September 30, 2013)

(1) Consolidated Results of Operations

(The percentages indicate the change from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2013	162,493	15.2	10,318	(40.7)	10,570	(38.3)	10,504	23.3
FY2012	141,111	18.0	17,410	21.3	17,146	21.5	8,522	16.4

(Note) Comprehensive Income: FY 2013: 11,806 million yen (30.6%) FY 2012: 9,040 million yen (19.3%)

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating income margin
	Yen	Yen	%	%	%
FY2013	166.41	166.39	24.0	9.7	6.4
FY2012	131.62	131.54	21.7	13.8	12.3

(Reference) Equity in earning of affiliates: FY 2013: 18 million yen FY 2012: -141 million yen

(Note) The Company conducted a 1:100 stock split of common stocks as of October 1, 2013. The "Net income per share" and "Diluted net income per share" are calculated assuming that the said stock split was conducted at the beginning of the previous consolidated FY.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥ million	¥ million	%	¥
FY2013	81,425	50,587	56.0	731.86
FY2012	136,366	43,594	30.6	645.18

(Reference) Equity capital: As of Sep. 30, 2013 ¥45,594 million, as of Sep. 30, 2012 ¥41,767 million

(Note) The Company conducted a 1:100 stock split of common stocks as of October 1, 2013. The "Net assets per share" is calculated assuming that the said stock split was conducted at the beginning of the previous consolidated FY.

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of the period
	Million yen	Million yen	Million yen	Million yen
FY2013	4,980	10,837	-7,081	28,448
FY2012	13,627	-10,913	-1,548	19,248

2. Dividends

	Annual dividends per share					Amount of dividends (Total)	Dividend ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q	2Q	3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY 2012	—	0.00	—	3,500.00	3,500.00	2,265	26.6	5.8
FY 2013	—	0.00	—	3,500.00	3,500.00	2,180	21.0	5.1
FY 2014 (forecast)	—	0.00	—	40.00	40.00		—	

(Note) The Company conducted a 1:100 stock split of common stocks as of October 1, 2013. Therefore, the year-end dividends for FY 2013 are calculated using the figures before the stock split, while the year-end dividends for FY2014 are calculated using the figures after the stock split.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

3. Consolidated Performance Forecast for the Fiscal Year Ending September 30, 2014
(October 1, 2013 – September 30, 2014)

(The percentages indicate the change from the previous period in the case of the entire year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2Q of FY2012 (cumulative)	—	—	—	—	—	—	—	—	—
Full year	180,000	10.8	20,000	93.8	20,000	89.2	10,000	(4.8)	160.51

(Note) No forecasts have been made for first half of the consolidated fiscal year. For details, please see “Earnings Estimates for the Next Period (October 1, 2013 to September 30, 2014)” under “Results of Operations” on page 3.

*Notes

(1) Changes in important subsidiaries during the period (change of specified subsidiaries that lead to a change in the scope of consolidation): Yes

One company excluded (corporate name: CyberAgent FX)

(Note) For details, refer to “Corporate Group” on Page 5

(2) Changes to accounting policies, changes to accounting estimates, restatements:

1) Changes associated with revisions of accounting standards: None

2) Change other than those included in 1): None

3) Changes to Accounting Estimates: None

4) Restatements: None

(3) Number of shares issued (common stock)

(1) Number of shares issued and outstanding (including treasury stock)	
Sep. 2013 Period: 63,213,300	Sep. 2012 Period: 65,249,700
(2) Number of shares of treasury stock issued and outstanding	
Sep. 2013 Period: 914,500	Sep. 2012 Period: 512,500
(3) Average number of shares during the period (consolidated cumulative accounting period)	
Sep. 2013 Period: 63,122,430	Sep. 2012 Period: 64,750,923

(Note) The Company conducted a 1:100 stock split of common stocks as of October 1, 2013. The “Number of shares issued and outstanding (common stock) is calculated assuming that the said stock split was conducted at the beginning of the previous consolidated FY. For details, please refer to “Information on value per share” on P.22.

(Reference)

Non-consolidated Performance for the Fiscal Year Ended September 30, 2013 (October 1, 2012 – September 30, 2013)

(1) Non-consolidated Results of Operations

(The percentages indicate the change from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
FY2013	88,519	9.8	(1,481)	—	(1,360)	—	16,358	187.4
FY2012	80,640	8.8	7,493	(6.8)	8,566	5.4	5,691	11.0

	Net income per share	Diluted net income per share
	Yen	Yen
FY2013	259.14	259.11
FY2012	87.89	87.83

(Note) The Company conducted a 1:100 stock split of common stocks as of October 1, 2013. Therefore, the “Net income per share” and “Diluted net income per share” are calculated assuming that the said stock split was conducted at the beginning of the previous consolidated FY.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥ million	¥ million	%	¥
FY2013	54,460	35,034	64.0	559.90
FY2012	41,260	25,599	61.7	393.55

(Reference) Equity capital: As of Sep. 30, 2013 ¥34,881 million, as of Sep. 30, 2012 ¥25,477 million

(Note) The Company conducted a 1:100 stock split of common stocks as of October 1, 2013. Thus, the “Net assets per share” is calculated assuming that the said stock split was conducted at the beginning of the previous consolidated Fiscal Year.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

*Indication regarding the implementation status of the audit procedures

The audit procedures for reviewing financial statements pursuant to the Financial Instruments and Exchange Act are in progress at the time of disclosure of the financial results.

* Explanations related to appropriate use of the performance forecast: other special instructions

This forecast of performance is based on the judgment of the Group in accordance with information that was available at the time of its creation, and includes factors of risk and uncertain elements. Accordingly, actual results, performance, etc., may differ from the listed estimates. For information related to the forecast of performance indicated above, please see “(1) Qualitative Information Related to Consolidated Results of Operations” under “1. Results of Operations” on page 2.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

○Table of contents of the appendix

1. Results of Operations.....	2
(1) Qualitative Information Related to Consolidated Results of Operations	2
(2) Qualitative Information on Consolidated Financial Position	3
(3) Fundamental Policy on Distribution of Profits and Dividends for This Period and Next Period	4
2. Corporate Group	5
3. Management Policies.....	6
(1) Company Fundamental Management Policy.....	6
(2) Target Business Indicators.....	6
(3) Mid-to-Long-Term Company Management Strategy.....	6
(4) Issues the Company Should Address.....	6
4. Consolidated Financial Statements.....	7
(1) Consolidated Balance Sheets.....	7
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	9
Consolidated Statements of Income.....	9
Consolidated Statements of Comprehensive Income	10
(3) Consolidated Statements of Changes in Shareholders' Equity	11
(4) Consolidated Statements of Cash Flows	13
(5) Notes Regarding the Premise of a Going Concern	14
(6) Important Items Forming Basis for Creation of Consolidated Financial Statement	14
(7) Change to Indication Methods	16
(8) Notes Regarding Consolidated Financial Statements	18
(Segment Information).....	18
(Information on value per share)	23
(Important Subsequent Events).....	24

1. Results of Operations

(1) Qualitative Information Related to Consolidated Results of Operations

The prevalence rate of smart phones (number of contracts) as of the end of March 2013 was 37.3%, and, in 2015, it is predicted that the rate will be more than half (53.6%)*¹. Furthermore, the market scale of smartphone/cellphone currency (the money that is circulated via smartphone/cellphone) increased from 2.4 trillion yen in the previous year to 4.2 trillion yen, up 70.9%. These figures indicate a rapid growth of the smartphone market*². The Internet Advertisement Market is also steadily expanding: it was 868 billion yen in 2012, up 7.7% from the previous year*³.

Under these circumstances, the Group focused the management resources on smartphone related businesses. For example, we began offering full service for the smartphone community and game "Ameba", for which we conducted large scale promotion activities using TVCM and transit advertising. At the same time, we also made efforts to re-strengthen the Internet advertisement business and expand the SAP business. In the meantime, we also undertook restructuring of our business, such as selling our FX business.

As a result, the Group's operating results for this consolidated fiscal year were as follows. Net sales reached ¥162,493 million (up 15.2% from the same period of the previous year); operating income reached ¥10,318 million (down 40.7% from the same period of the previous year); ordinary income reached ¥10,570 million (down 38.3% from the same period of the previous year); and net income reached ¥10,504 million (up 23.3% from the same period of the previous year).

Source: MM Research Institute, Ltd. *¹, Nikkei BP Consulting, Inc. *², Dentsu Inc. *³

Performance of each business segment was as follows.

As of the 1st quarter of this consolidated accounting period, the division of the reporting segments has been changed, so for comparisons to the same period the previous year the values from the previous year have been changed to follow the new segment divisions.

(a) Ameba business

The Ameba business includes Ameba, Ameba Pigg and AMoAd, etc.

For this business, there were large-scale promotion activities for the smartphone community and game SNS "Ameba", and new smartphone media businesses that were previously part of Internet advertisement agency business (formerly comprehensive Internet business) were consolidated.

As a result, net sales totaled ¥28,907 million (up 13.6% from the same period of the previous year), and we recorded an operating loss of ¥8,715 million (an operating income of ¥2,799 million in the same period of the previous year).

(b) SAP and other media businesses

The SAP and other media businesses include SAP (social game) businesses in our Group companies such as Cygames Inc., Applibot, Inc., and Sumzap, Inc.

For these businesses, with active expansion of SAP businesses, net sales totaled ¥60,010 million (up 24.9% from the same period of the previous year), and we recorded an operating income of ¥8,800 million (up 75.7% from the same period of the previous year).

(c) Internet advertisement business

Internet advertisement business includes advertising agency businesses and SEM (search engine marketing), centered on the Company's Internet advertising business department.

For this business, with healthy sales of smartphone advertising, net sales totaled ¥80,499 million (up 15.5% from the same period of the previous year), and we recorded an operating income of ¥7,850 million (up 27.2% from the same period of the previous year).

(d) Investment development business

Our investment development business includes the Company's corporate venture capital business, and fund operation in CyberAgent Ventures, Inc. It discovers, develops and generates value for promising venture companies both within Japan and in Asian countries.

In the current business year, due mainly to sales of shares, net sales totaled ¥1,801 million (up 411.6% from the same period of the previous year), and we recorded an operating income of ¥697 million (an operating loss of ¥219 million in the same period of the previous year).

(e) FX business

As all shares of CyberAgent FX, Inc., which was a consolidated subsidiary, were sold on January 31, 2013, the performance of the FX business only for the period from October 1, 2012 to January 31, 2013 is included.

Sales and operating income of this business were ¥2,916 million and ¥1,686 million, respectively.

Earnings Estimates for the Next Period (October 1, 2013 to September 30, 2014)

During the current FY (FY ended September 30, 2013), we tried to build a foundation for the success of smartphone community and game "Ameba" by conducting large-scale promotion activities and making a large amount of prior investment in new services.

We predict that the consolidated sales for the next period (FY ending September 30, 2014) will be 180,000 million yen, up 10.8% from the current FY, by taking advantage of the growth of the smartphone market.

The consolidated operating profit and consolidated ordinary income will be 20,000 million yen, up 93.8% from the previous FY, and 20,000 million yen, up 89.2%, respectively, mainly from the Internet advertisement business, SAP and other media businesses as well as full-scale profit contribution from "Ameba".

The consolidated net income is expected to be 10,000 million yen due to tax expenses and minority interest in income.

We do not disclose the first half earnings estimates because the environment surrounding the Internet changes drastically, and the Group's operating results may fluctuate greatly in a short period of time.

The above estimates are based on the information that is available at this moment. It is possible that the actual operating results, etc. may differ due to various uncertain elements.

(2) Qualitative Information on Consolidated Financial Position

(a) Assets, Liabilities and Net Assets

In the second consolidated quarter, CyberAgent FX, Inc. was excluded from the consolidation. As of the end of the previous consolidated fiscal year, the total assets and liabilities of the FX business were 74,196 million yen and 65,192 million yen, respectively, and these values were excluded. Accordingly, at the end of this consolidated fiscal year, total assets stood at ¥81,425 million (down ¥54,940 million from the end of the previous fiscal year), liabilities totaled ¥30,837 million (down ¥61,933 million from the end of the previous fiscal year).

Net assets totaled ¥50,587 million (up ¥6,992 million from the end of the previous fiscal year). This was mainly due to the fact that retained earnings increased as a result of recording quarterly net income, etc.

(b) (Status of cash flow)

Cash and cash equivalents (hereafter 'funds') at the end of this consolidated fiscal year increased by ¥9,200 million from the end of the previous consolidated fiscal year, and totaled ¥28,448 million.

Cash flow situations and major causal factors for this consolidated fiscal year are as follows.

(Net cash provided by operating activities)

Net cash provided by operating activities totaled ¥4,980 million (net cash provided by the same period of the previous year totaled ¥13,627 million). This was mainly due to the fact

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

that we recorded a profit and income taxes paid.

(Net cash provided by investing activities)

Net cash provided by investing activities totaled ¥10,837 million (net cash used in the same period of the previous year totaled ¥10,913 million). This was mainly due to sales of stocks of subsidiaries and affiliates.

(Net cash used in financing activities)

Net cash used in financing activities totaled ¥7,081 million (net cash used in the same period of the previous year totaled ¥1,548 million). This was mainly due to purchase of treasury stock and cash dividends paid.

(Reference) Movement of Cash Flow Related Indices

	September 2011 Period	September 2012 Period	September 2013 Period
Equity Ratio (%)	33.0	30.6	56.0
Market Value Basis Equity Ratio (%)	121.8	79.9	207.5
Debt to Cash Flow Ratio (%)	43.5	13.7	9.6
Interest Coverage Ratio (times)	182.7	463.6	228.6

Equity Ratio: Owner's Equity / Total Assets

Market Value Basis Equity Ratio: Market Capitalization / Total Assets.

Debt to Cash Flow Ratio: Interest Bearing Liabilities / Cash Flow

Interest Coverage Ratio: Cash Flow / Interest Payments

Note: 1. All are calculated from financial values with a consolidated basis.

2. Market capitalization is calculated based on number of shares outstanding, excluding treasury shares.

3. Cash flow uses operating cash flow.

4. Interest bearing liabilities refers to all liabilities on the consolidated balance sheet for which interest is being paid.

(3) Fundamental Policy on Distribution of Profits and Dividends for This Period and Next Period

The Company considers returning profits to our shareholders an important issue for management, and plans to continue to provide dividends while working on increasing share value over the mid-term with business growth and improved capital efficiency. Decisions on retained earnings for the sake of future business expansion and fiscal soundness considering consolidated results and individual cash management will be made after comprehensive consideration.

Based on this policy, dividends for this period (FY2013) is planned to be ¥3,500 (¥35 after taking into account the stock split). The dividends for the next period (FY2014) is planned to be ¥40.

About risk information, please see our corporate website.

http://www.cyberagent.co.jp/en/corporate/risk_management/

English Translation

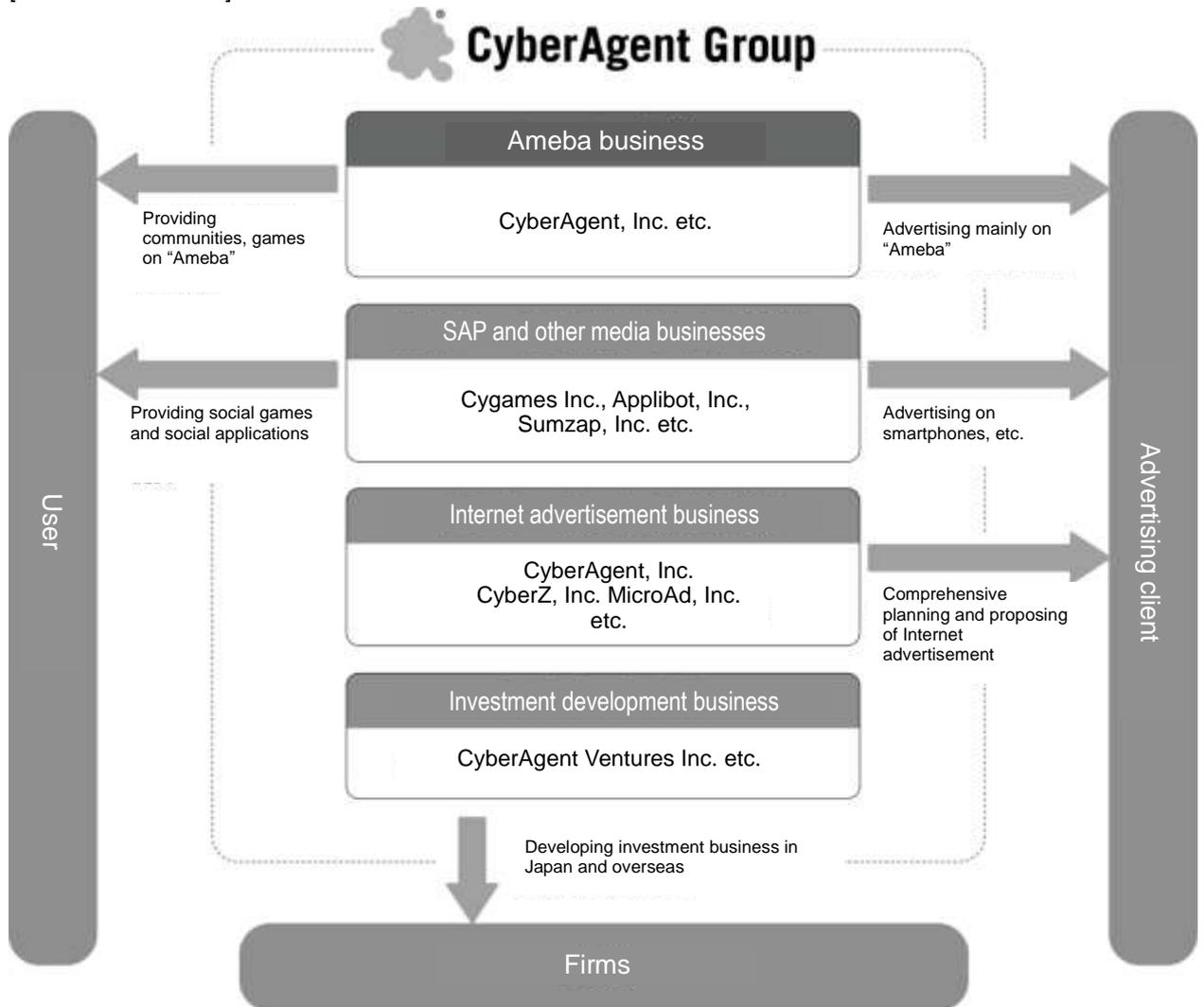
This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

2. Corporate Group

The Group is currently, as of September 30, 2013, made up of the Company (CyberAgent, Inc.), 49 consolidated subsidiaries (including 4 associations), and 5 affiliated companies to which the equity method is applied (including 2 associations).

In the second consolidated quarter, all shares of CyberAgent FX, Inc., which was a consolidated subsidiary, were sold and we do not have FX business anymore. Therefore, as of September 30, 2013, our reporting segments are “Ameba business”, “SAP and other media businesses”, “Internet advertisement business”, and “Investment development business”.

[Business Flow Chart]



3. Management Policies

(1) Company Fundamental Management Policy

The Group's vision is to "create the company that symbolizes the 21st century," and it has placed its focus on the rapidly expanding field of the Internet and works to create a new society through the Internet based on the fundamental management policy.

(2) Target Business Indicators

The business indicators the Group focuses on are (1) sales and (2) operating income. The Group will increase profitability by developing and expanding highly profitable businesses.

(3) Mid-to-Long-Term Company Management Strategy

The Group will improve mid-to-long-term corporate value by developing and expanding highly profitable businesses utilizing human resources, customer attraction abilities, operational capabilities, and sales strength to become an integrated Internet business enterprise centering on Ameba.

(4) Issues the Company Should Address

The following three points are recognized as the chief management issues within the Group.

1) Ameba and SAP and other media businesses

Improving profitability of smartphone "Ameba"

Strengthening of services, communities and social games for smartphones

2) Internet advertisement business

Strengthening of advertisement and ad technology for smartphones

3) Strengthening of technical abilities

Hiring and training of superior technicians

In order to resolve the management issues and continue expanding and growing the businesses, the Group will actively work to strengthen employee hiring and development as well as brand permeation of the media company centered on Ameba while also enhancing corporate governance and internal management systems in response to business expansion.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

4. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

(Unit: ¥ million)

	FY2012 (As of September 30, 2012)	FY2013 (As of September 30, 2013)
Assets		
Current assets		
Cash and deposits	20,925	28,455
Accounts and notes receivable-trade	21,192	22,881
Inventories	92	164
Sales investment securities	3,638	5,619
Foreign exchange dealings cash segregated as deposits for customers	51,644	—
Foreign exchange dealings variation margin paid for customers	12,252	—
Deferred tax assets	1,326	1,581
Other	5,243	2,260
Allowance for doubtful accounts	(46)	(47)
Total current assets	116,268	60,916
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,987	2,150
Accumulated depreciation	(510)	(635)
Buildings and structures, net	1,476	1,514
Tools, furniture and fixtures	5,888	6,791
Accumulated depreciation	(3,702)	(4,229)
Tools, furniture and fixtures, net	2,186	2,561
Construction in progress	148	261
Other	13	8
Total property, plant and equipment	3,825	4,346
Intangible assets		
Goodwill	2,991	2,812
Software	4,981	4,812
Other	2,046	2,792
Total intangible assets	10,019	10,417
Investments and other assets		
Investment securities	2,740	2,613
Long-term loans receivable	12	8
Deferred tax assets	898	1,233
Other	2,653	1,908
Allowance for doubtful accounts	(53)	(19)
Total investments and other assets	6,252	5,744
Total non-current assets	20,097	20,509
Total assets	136,366	81,425

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(Unit: ¥ million)

	FY2012 (As of September 30, 2012)	FY2013 (As of September 30, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	12,226	14,268
Notes and accounts payable-other	6,608	5,076
Short-term loans payable	220	—
Income tax payable	4,711	6,971
Foreign exchange dealings deposits from customers	63,468	—
Other	4,343	3,545
Total current liabilities	91,579	29,861
Non-current liabilities		
Bonds payable	100	—
Long-term loans payable	315	47
Accrued long service rewards for employees	122	267
Asset retirement obligation	624	658
Other	24	3
Total non-current liabilities	1,187	976
Reserves under the special laws		
Reserve for financial products transaction liabilities	4	—
Total reserves under the special laws	4	—
Total liabilities	92,771	30,837
Net assets		
Shareholders' equity		
Capital stock	7,203	7,203
Capital surplus	5,400	2,289
Retained earnings	30,379	37,439
Treasury stock	(1,388)	(1,933)
Total shareholders' equity	41,595	44,999
Other comprehensive income		
Valuation difference on available-for-sale securities	310	436
Foreign currency translation adjustments	(138)	157
Total other comprehensive income	171	594
Subscription rights to shares	121	152
Minority interests	1,705	4,840
Total net assets	43,594	50,587
Total liabilities and net assets	136,366	81,425

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(Unit: ¥ million)

	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)	FY2013 (Oct. 1, 2012 to Sep. 30, 2013)
Net sales	141,111	162,493
Cost of sales	84,301	104,907
Gross profit	56,810	57,585
Selling, general and administrative expenses	39,399	47,266
Operating income	17,410	10,318
Non-operating income		
Interest income	39	9
Dividends income	3	—
Gain on valuation of investment securities	8	39
Equity in earnings of affiliates	—	18
Foreign exchange gains	—	205
Other	70	98
Total non-operating income	121	371
Non-operating expenses		
Interest expenses	29	21
Equity in losses of affiliates	141	—
Consumption tax adjustments	124	45
Other	90	51
Total non-operating expenses	385	119
Ordinary income	17,146	10,570
Extraordinary income		
Gain on sales of subsidiaries and affiliates' stocks	1,081	16,661
Other	67	290
Total extraordinary gain	1,148	16,952
Extraordinary loss		
Impairment loss	1,436	3,835
Loss on withdrawal from business	34	1,807
Other	553	906
Total extraordinary loss	2,024	6,549
Income before income taxes and minority interests	16,270	20,973
Income taxes-current	7,971	10,482
Income taxes-deferred	(467)	(873)
Total income tax	7,503	9,608
Income before minority interests	8,767	11,364
Minority interests in net income	244	860
Net income	8,522	10,504

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

Consolidated Statements of Comprehensive Income

(Unit: million yen)

	FY2012	FY2013
	(Oct. 1, 2011 to Sep. 30, 2012)	(Oct. 1, 2012 to Sep. 30, 2013)
Income Before Minority Interests	8,767	11,364
Other Comprehensive Income		
Valuation difference on available-for-sale securities	231	58
Foreign currency translation adjustment	28	185
Share of other comprehensive income of associates accounted for using equity method	13	196
Total other comprehensive income	273	441
Comprehensive Income	9,040	11,806
(Comprehensive Income Attributable to)		
Owners of the parent	8,801	10,927
Minority interests	238	878

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(3) Consolidated Statements of Changes in Shareholders' Equity

(Unit: million yen)

	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)	FY2013 (Oct. 1, 2012 to Sep. 30, 2013)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	7,177	7,203
Changes of items during the period		
Issuance of new shares	25	—
Total changes of items during the period	25	—
Balance at the end of current period	7,203	7,203
Capital surplus		
Balance at the beginning of current period	5,512	5,400
Changes of items during the period		
Issuance of new shares	25	—
Cancellation of treasury stock	—	(4,305)
Disposal of treasury stock	(137)	(9)
Transfer to capital surplus from retained earnings	—	1,203
Total changes of items during the period	(111)	(3,110)
Balance at the end of current period	5,400	2,289
Retained earnings		
Balance at the beginning of current period	24,268	30,379
Changes of items during the period		
Net income	8,522	10,504
Dividends from surplus	(2,282)	(2,265)
Transfer to capital surplus from retained earnings	—	(1,203)
Decrease of retained earnings by decrease of consolidated subsidiaries	(128)	—
Change of scope of equity method	—	24
Total changes of items during the period	6,111	7,060
Balance at the end of current period	30,379	37,439
Treasury stock		
Balance at the beginning of current period	—	(1,388)
Changes of items during the period		
Purchase of treasury stock	(1,999)	(4,999)
Cancellation of treasury stock	—	4,305
Disposal of treasury stock	611	149
Total changes of items during the period	(1,388)	(545)
Balance at the end of current period	(1,388)	(1,933)
Total shareholders' equity		
Balance at the beginning of current period	36,958	41,595
Changes of items during the period		
Net income	8,522	10,504
Issuance of new shares	51	—
Dividends from surplus	(2,282)	(2,265)
Purchase of treasury stock	(1,999)	(4,999)
Disposal of treasury stock	474	140
Decrease of retained earnings by decrease of consolidated subsidiaries	(128)	—
Change of scope of equity method	—	24
Total changes of items during the period	4,636	3,404
Balance at the end of current period	41,595	44,999

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(Unit: million yen)

	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)	FY2013 (Oct. 1, 2012 to Sep. 30, 2013)
Other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	76	310
Changes of items during the period		
Net changes of items other than shareholders' equity	233	126
Total changes of items during the period	233	126
Balance at the end of current period	310	436
Foreign currency translation adjustments		
Balance at the beginning of current period	(183)	(138)
Changes of items during the period		
Net changes of items other than shareholders' equity	44	296
Total changes of items during the period	44	296
Balance at the end of current period	(138)	157
Total other comprehensive income		
Balance at the beginning of current period	(107)	171
Changes of items during the period		
Net changes of items other than shareholders' equity	278	422
Total changes of items during the period	278	422
Balance at the end of current period	171	594
New share subscription rights		
Balance at the beginning of current period	64	121
Changes of items during the period		
Net changes of items other than shareholders' equity	57	30
Total changes of items during the period	57	30
Balance at the end of current period	121	152
Minority interests		
Balance at the beginning of current period	1,761	1,705
Changes of items during the period		
Net changes of items other than shareholders' equity	(56)	3,135
Total changes of items during the period	(56)	3,135
Balance at the end of current period	1,705	4,840
Total net assets		
Balance at the beginning of current period	38,677	43,594
Changes of items during the period		
Net income	8,522	10,504
Issuance of new shares	51	—
Dividends from surplus	(2,282)	(2,265)
Purchase of treasury stock	(1,999)	(4,999)
Disposal of treasury stock	474	140
Decrease of retained earnings by decrease of consolidated subsidiaries	(128)	—
Change of scope of equity method	—	24
Net changes of items other than shareholders' equity	279	3,588
Total changes of items during the period	4,916	6,992
Balance at the end of current period	43,594	50,587

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(4) Consolidated Statements of Cash Flows

(Unit: ¥ million)

	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)	FY2013 (Oct. 1, 2012 to Sep. 30, 2013)
Cash flow from operating activities		
Income before income taxes and minority interests	16,270	20,973
Depreciation	3,334	4,276
Amortization of goodwill	376	418
Impairment loss	1,436	3,835
Loss (gain) on sales of stocks of subsidiaries and affiliates	(1,081)	(16,606)
Loss on withdrawal from business	34	1,807
Decrease (increase) in notes and accounts receivable-trade	(7,103)	(1,710)
Decrease (increase) in investment securities for sale	(347)	(1,735)
Decrease (increase) in margin requirement for foreign exchange transactions	1,199	1,549
Net decrease (increase) in outstanding amount of foreign exchange transactions	(241)	208
Increase (decrease) in notes and accounts payable-trade	3,959	2,133
Increase (decrease) in accounts payable-other	3,065	(1,410)
Increase (decrease) in accrued consumption taxes	(190)	(76)
Other, net	419	(968)
Sub-total	21,131	12,695
Interest and dividends income received	33	9
Interest expenses paid	(29)	(21)
Income taxes paid	(7,507)	(7,703)
Net cash provided by (used in) operating activities	13,627	4,980
Cash flow from investing activities		
Payments into time deposits	(836)	(600)
Proceeds from withdrawal of time deposits	405	75
Purchase of property, plant and equipment	(2,898)	(2,273)
Purchase of intangible assets	(6,963)	(6,693)
Proceeds from sales of stocks of subsidiaries and affiliates	289	7,065
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	595	13,647
Other, net	(1,504)	(383)
Net cash used in investing activities	(10,913)	10,837
Cash flow from financing activities		
Net increase (decrease) in short-term loans payable	—	(220)
Repayment of long-term loans payable	(1,231)	(1,003)
Redemption of bonds	(200)	(200)
Proceeds from stock issuance to minority shareholders	687	1,518
Purchase of treasury stock	(1,999)	(5,004)
Proceeds from disposal of treasury stock	462	95
Cash dividends paid	(2,280)	(2,263)
Proceeds from trust account for purchase of treasury stock	3,002	—
Other, net	9	(4)
Net cash provided by (used in) financing activities	(1,548)	(7,081)
Effect of exchange rate change on cash and cash equivalents	(26)	464
Net increase (decrease) in cash and cash equivalents	1,139	9,200
Cash and cash equivalents at beginning of period	18,108	19,248
Cash and cash equivalents at end of period	19,248	28,448

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(5) Notes Regarding the Premise of a Going Concern
No applicable items.

(6) Important Items Forming Basis for Creation of Consolidated Financial Statement

Item	Current consolidated fiscal year (From Oct. 1, 2012 to Sep. 30, 2013)
1 Items related to the scope of consolidation	<p>(1) Number of consolidated subsidiaries: 49</p> <p>Major consolidated subsidiaries</p> <p>AMoAd, Inc. Cygames Inc. Applibot, Inc. Sumzap, Inc. CA Mobile, LTD. CyberZ, Inc. MicroAd, Inc. CyberAgent Ventures, Inc.</p> <p>CyberSS, Inc., Amesta, Inc., Pashaoku, Inc., GRIPHONE, Inc., CyberAgent Crowd Funding, Inc., CA Tech Kids, Inc., Ameba Products, Inc., 7gogo, Inc., CADrive, Inc., and other six companies are included in the consolidated subsidiaries because they are newly established during the current consolidated FY.</p> <p>Because all shares of CyberAgent FX were sold during the current consolidated FY, and Fraudia Communications, Inc., and QuunApp, Inc., and other two companies were dissolved, they are excluded from the consolidated subsidiaries.</p> <p>(2) Name of major nonconsolidated subsidiaries</p> <p>MicroAd Asia Holdings Ltd.</p> <p>All the nonconsolidated subsidiaries are excluded from the scope of consolidation because of their small scale and because of little impact of their total net assets, sales, current term net profit and loss (worth of shareholding ratios), and accumulated earnings (worth of shareholding rations) on the consolidated financial statement.</p>
2 Items related to the application of equity method	<p>(1) Number of affiliated companies to which an equity method is applied: 5</p> <p>Name of major companies:</p> <p>Netprice.com Ltd.</p> <p>The ownership ratio of Ceres, Inc. increased during the current consolidated FY. CyberAgent Ventures Shanghai was newly established. Therefore, they are included in the affiliated companies to which an equity method is applied.</p> <p>(2) Nonconsolidated subsidiaries and affiliates to which equity method is not applied/ Name of major companies:</p> <p>MicroAd Asia Holdings Ltd.</p> <p>All the nonconsolidated subsidiaries and affiliates, to which the equity method is not applied, are excluded from the scope of the application of the equity method because of little impact of their current term net profit and loss (worth of shareholding ratios) and accumulated earnings (worth of shareholding rations) on the consolidated financial statement—even if they are excluded—and because of their relatively small significance for the whole picture.</p>

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

Item	Current consolidated fiscal year (From Oct. 1, 2012 to Sep. 30, 2013)
	<p>(3) Name of companies that are not categorized as our affiliates despite our ownership of voting rights of more than 20/100 but less than 50/100 (our calculation):</p> <p>Mind Pallet Inc., etc.</p> <p>Reasons:</p> <p>They are not categorized as our affiliate because the purpose of our deals with those companies is not to control the companies via sales, personnel, or financial channels, but to augment investment chances, our business objective.</p>
3 Items related to the business year, etc. of consolidated subsidiaries	<p>Among consolidated subsidiaries, CyberAgent Ventures (Beijing) and CyberAgent Ventures Shanghai settle account on December 31.</p> <p>In preparation for the creation of the consolidated financial statement, the companies settle the account necessary for the creation of the financial statement, which forms a basis for the consolidated financial account, on the consolidated account closing day.</p>

(7) Change to Indication Methods

Current consolidated fiscal year
(From Oct. 1, 2011 to Sep. 30, 2012)

(Consolidated Statements of Income)

The "Notes and accounts payable-other" which was included in "Other" under the "Current liabilities" in the previous consolidated FY is separately stated in the current consolidated FY, because it exceeded 5% of the total amount of liabilities and net assets. In order to reflect these changes, we rearranged the Consolidated Financial Statements of the previous consolidated FY.

As a result, 10,943 million yen in "Other" under the "Current liabilities" are separated as 6,608 million yen in "Notes and accounts payable-other" and 4,334 million yen in "Other".

(Consolidated Statements of Comprehensive Income)

The "Gain on valuation of investment securities" which was included in "Other" under the "Non-operating income" in the previous consolidated FY is separately stated in the current consolidated FY, because it exceeded 10% of the total amount of Non-operating income.

Furthermore, the "Employment subsidy income" which was stated under the "Non-operating income" in the previous consolidated FY is incorporated into "Other" in the current consolidated FY, because it became smaller than 10% of the total amount of Non-operating income. In order to reflect these changes, we rearranged the Consolidated Financial Statements of the previous consolidated FY.

As a result, 57 million yen in "Other" under the "Non-operating income" are separated as 8 million yen in "Gain on valuation of investment securities" and 49 million yen in "Other", and 21 million yen under the "Employment subsidy income" is included in "Other" in the current consolidated FY.

The "Loss on withdrawal from business" which was included in "Other" under the "Extraordinary loss" in the previous consolidated FY is separately stated in the current consolidated FY, because it exceeded 10% of the total amount of extraordinary loss. In order to reflect these changes, we rearranged the Consolidated Financial Statements of the previous consolidated FY.

As a result, 588 million yen in "Other" under the "Extraordinary loss" are separated as 34 million yen in the "Loss on withdrawal from business" and 553 million yen in "Other".

(Consolidated Statements of Cash Flows)

The "Loss on withdrawal from business", which was included in "Other" under the "Cash flow from operating activities" in the previous consolidated FY is stated separately in the current consolidated FY, because its importance has increased.

Furthermore, the "Increase (decrease) in allowance for doubtful accounts" and "Equity in (earnings) losses of affiliate" which were separately stated under the "Cash flow from operating activities" in the previous consolidated FY are included in "Other" in the current consolidated FY because their importance has decreased. In order to reflect these changes, we rearranged the Consolidated Financial Statements of the previous consolidated FY.

As a result, 311 million yen in "Other" under the "Cash flow from operating activities" are separated as 34 million yen in "Loss on withdrawal from business" and 276 million yen in "Other", and 1 million yen in "Increase (decrease) in allowance for doubtful accounts" and 141 million yen in "Equity in (earnings) losses of affiliates" are incorporated into "Other" in the current consolidated FY.

The "Proceeds from sales of stocks of subsidiaries and affiliates" which was included in "Other" under the "Cash flow from investing activities" in the previous consolidated FY is stated separately in the current consolidated FY because its importance has increased.

The "Proceeds from sales of investment securities", "Purchase of stocks of subsidiaries and affiliates", "Payments for lease and guarantee deposits", and "Proceeds from collection of lease and guarantee deposits", which were separately stated in the previous consolidated FY, are included in "Other" in the current consolidated FY, because their importance has decreased. In order to reflect these changes, we rearranged the Consolidated Financial Statements of the previous consolidated FY.

As a result, -498 million yen in "Other" under the "Cash flow from investing activities" are separated as 289 million yen in the "Proceeds from sales of stocks of subsidiaries and affiliates" and -787 million yen in "Other", and 266 million yen in the "Proceeds from sales of investment securities", -340 million yen in the "Purchase of stocks of subsidiaries and affiliates", -801 million yen in the "Payments for lease and guarantee deposits" and

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

Current consolidated fiscal year
(From Oct. 1, 2011 to Sep. 30, 2012)

158 million yen in the "Proceeds from collection of lease and guarantee deposits" are included in "Other" in the current consolidated FY.

(8) Notes Regarding Consolidated Financial Statements
(Segment Information)

1. Overview of Reporting Segments

The Company's reporting segments are possible to separately acquire financial information among the Company's structural units, and are subject to reviews that are carried out periodically to make a decision on allocations of management resources and to evaluate performance by the board of directors.

The Company has business headquarters and subsidiaries for each product and service, and each business headquarters and subsidiary develops business activities both within Japan and overseas, with the aim of improving services and increasing sales and profit.

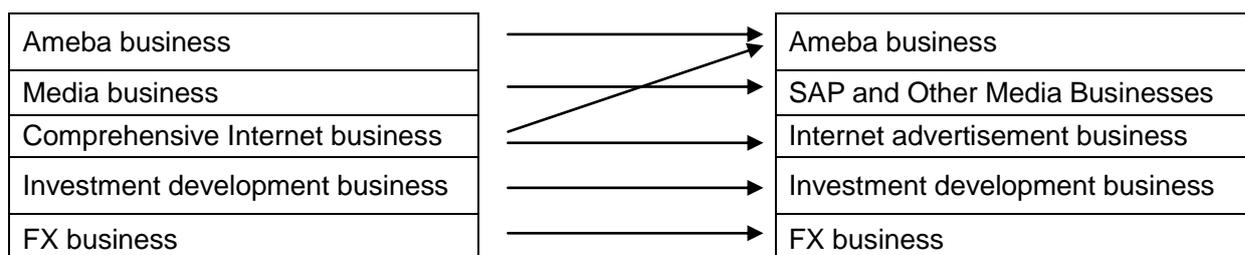
Therefore, the Company is comprised of service-specific segments that are based on business headquarters and subsidiaries. We have five reporting segments: "Ameba business," "SAP and Other Media Businesses," "Internet advertisement business," "Investment development business" and "FX business."

The Group has been focusing operating resources on smartphone businesses since the previous year. This year also continued to focus on the success of the smartphone community and game SNS "Ameba," and in order to concentrate more operating resources on smartphone businesses the division of operating resources was re-examined, including business restructuring. With this restructuring, new reporting segments were made based on the internal company results management system.

- (1) Smartphone media new development businesses that were previously part of Comprehensive Internet Business were consolidated into Ameba Business, and the name of Comprehensive Internet Business was changed to Internet Advertisement Business.
- (2) In order to bring it in line with the reality of the expansion of the social game business, the name of Media Business was changed to SAP and Other Media Businesses.

Old Segments

New Segments



The segment information for the previous consolidated fiscal year was created based on segment divisions after the organizational changes.

Details of services belonging to each segment are as follows.

Reporting Segment	Details of Services Belonging to the Segment
Ameba business	Ameba, Ameba Pigg, AmoAd, etc.
SAP and Other Media Businesses	Social game business, operation of PC and mobile media, etc.
Internet advertisement business	Advertising agency business, smartphone media business, etc.
FX business	Foreign exchange margin trading
Investment development business	Investment through corporate venture capital, fund operation, etc.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

2. Method for calculating sales, profit/loss, assets, and liabilities, etc. for each segment

The profit for each segment is based on operating profit. Internal rate of return and transfer to other accounts among segments are based on prevailing market rates.

The assets per segment in the current consolidated FY look drastically different from the ones as of the end of previous consolidated FY. The main reason is as follows.

The Company sold all of the shares of CyberAgent FX Inc., which belonged to the “FY business” segment as of January 31, 2013. As a result, it is excluded from the Consolidated Financial Statements from February 1, 2013 in the second consolidated quarter.

As a result, there is no amount in the assets under the “FX business” segment.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

3. Information concerning monetary amounts for net sales, income/loss, assets and liabilities for each reporting segment

Previous consolidated fiscal year (Oct. 1, 2011 to Sep. 30, 2012)

(Unit: ¥ million)

	Reporting Segment						Adjustment Amount	Consolidated balance sheet amount
	Ameba business	SAP and Other Media Businesses	Internet advertisement business	Investment development business	FX	Subtotal		
Sales								
(1) Sales to external customers	19,567	47,059	66,664	338	7,480	141,111	—	141,111
(2) Inter-segment sales	5,872	980	3,018	13	—	9,884	(9,884)	—
Total	25,440	48,040	69,682	352	7,480	150,996	(9,884)	141,111
Segment income (loss)	2,799	5,009	6,172	(219)	3,647	17,410	—	17,410
Segment assets	9,423	29,337	13,773	4,607	74,245	131,387	4,978	136,366
Other items								
Depreciation	1,032	1,187	736	9	369	3,334	—	3,334
Increase/decrease in Current /Non-current assets	4,514	3,424	1,545	71	423	9,980	—	9,980

(Note) The adjustment amount of segment assets (4,978 million yen) corresponds to the amount of company-wide assets. It is composed of mainly cash, securities, investment securities, and the assets for the management section.

Current consolidated fiscal year (Oct. 1, 2012 to Sep. 30, 2013)

(Unit: ¥ million)

	Reporting Segment						Adjustment Amount	Consolidated balance sheet amount
	Ameba business	SAP and Other Media Businesses	Internet advertisement business	Investment development business	FX	Subtotal		
Sales								
(1) Sales to external customers	22,681	58,796	76,297	1,801	2,916	162,493	—	162,493
(2) Inter-segment sales	6,226	1,213	4,201	—	—	11,642	(11,642)	—
Total	28,907	60,010	80,499	1,801	2,916	174,135	(11,642)	162,493
Segment income (loss)	(8,715)	8,800	7,850	697	1,686	10,318	—	10,318
Segment assets	11,812	30,357	16,478	7,412	—	66,060	15,364	81,425
Other items								
Depreciation	2,453	1,119	587	3	111	4,276	—	4,276
Increase/decrease in Current /Non-current assets	4,303	3,963	1,104	10	80	9,463	—	9,463

(Note) The adjustment amount of segment assets (15,364 million yen) corresponds to the amount of company-wide assets. It is composed of mainly cash, deposits, investment securities, and the assets for the management section.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

b. Related information

Previous consolidated fiscal year (Oct. 1, 2011 to Sep. 30, 2012)

1. Information on each product and each service

The description is omitted, because the same information is included in the segment information.

2. Information on each region**(1) Sales**

The description is omitted, because the sales toward the customers outside Japan exceeded 90% of the sales in the consolidated profit-and-loss statement.

(2) Tangible fixed assets

The description is omitted, because the amount of tangible fixed assets located inside Japan exceeded 90% of the amount of tangible fixed assets in the consolidated balance sheet.

3. Information on each major client

The description is omitted, because there are no clients that account for over 10% of sales in the consolidated profit-and-loss statement for the sales toward foreign customers.

Current consolidated fiscal year (Oct. 1, 2012 to Sep. 30, 2013)

1. Information on each product and each service

The description is omitted, because the same information is included in the segment information.

2. Information on each region**(1) Sales**

The description is omitted, because the sales toward the customers outside Japan exceeded 90% of the sales in the consolidated profit-and-loss statement.

(2) Tangible fixed assets

The description is omitted, because the amount of tangible fixed assets located inside Japan exceeded 90% of the amount of tangible fixed assets in the consolidated balance sheet.

3. Information on each major client

The description is omitted, because there are no clients that account for over 10% of sales in the consolidated profit-and-loss statement for the sales toward foreign customers.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

c. Significant impairment loss for non-current assets

Previous consolidated fiscal year (Oct. 1, 2011 to Sep. 30, 2012)

	Reporting Segment						Other (Note)	Company-wide/ Deletion	Total
	Ameba business	SAP and Other Media Businesses	Internet advertisement business	Investment development business	FX	Subtotal			
Impairment loss	276	1,003	156	—	—	1,436	—	—	1,436

Current consolidated fiscal year (Oct. 1, 2012 to Sep. 30, 2013)

	Reporting Segment						Other (Note)	Company-wide/ Deletion	Total
	Ameba business	SAP and Other Media Businesses	Internet advertisement business	Investment development business	FX	Subtotal			
Impairment loss	1,247	2,574	14	—	—	3,835	—	—	3,835

d. Significant changes in amount of goodwill and the information on unamortized balance

Previous consolidated fiscal year (Oct. 1, 2011 to Sep. 30, 2012)

	Reporting Segment						Other (Note)	Company-wide/ Deletion	Total
	Ameba business	SAP and Other Media Businesses	Internet advertisement business	Investment development business	FX	Subtotal			
Amortization amount for the current term	5	356	14	—	—	376	—	—	376
Balance at the end of the current term	32	2,918	41	—	—	2,991	—	—	2,991

Current consolidated fiscal year (Oct. 1, 2012 to Sep. 30, 2013)

	Reporting Segment						Other (Note)	Company-wide/ Deletion	Total
	Ameba business	SAP and Other Media Businesses	Internet advertisement business	Investment development business	FX	Subtotal			
Amortization amount for the current term	13	397	7	—	—	418	—	—	418
Balance at the end of the current term	30	2,761	21	—	—	2,812	—	—	2,812

e. Significant gains on negative goodwill

Previous consolidated fiscal year (Oct. 1, 2011 to Sep. 30, 2012)

There are no applicable items.

Current consolidated fiscal year (Oct. 1, 2012 to Sep. 30, 2013)

There are no applicable items.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(Information on value per share)

FY2012 (Oct. 1, 2011 to Sep. 30, 2012)		FY2013 (Oct. 1, 2012 to Sep. 30, 2013)	
Net asset per share	645.18 yen	Net asset per share	731.86 yen
Net profit per share for the current term	131.62 yen	Net profit per share for the current term	166.41 yen
Current term net profit per share fully diluted	131.54 yen	Current term net profit per share fully diluted	166.39 yen

(Note) 1. The Company conducted a 1:100 stock split of common stocks as of October 1, 2013. The "Net profit per share" and "net profit per share fully diluted" are calculated assuming that the said stock split was conducted at the beginning of the previous consolidated FY.

2. The base for calculating current term net profit per share and its fully diluted value is as follows.

	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)	FY2013 (Oct. 1, 2012 to Sep. 30, 2013)
Net profit for the current term	8,522 million yen	10,504 million yen
Current term net profit for common shares	8,522 million yen	10,504 million yen
Average number of common shares during period	64,750,923 shares	63,122,430 shares
Increase in common shares (share warrant)	39,431 shares (39,431 shares)	8,138 shares (8,138 shares)
Brief description of residual shares excluded from current term net profit per share fully diluted, because it does not have the dilutive effect	Share warrant for common shares 766,000 shares	Share warrant for common shares 870,700 shares

(Important Subsequent Events)
(Stock Split and Adoption of Share Unit System)

Based on the decisions at the Board of Directors' Meeting on August 29, 2013, we conducted the following stock split and adopted the Share Unit system as of October 1, 2013.

1. Purposes of stock split and adoption of the Share Unit system

We decided to conduct a 1:100 stock split and adopt the Share Unit system, which defines 100 shares as one unit, in accordance with the Action Plan for the Consolidation of Trading Unites announced by Japanese stock exchange.

2. Overview of stock split

(1) Method

As of September 30, 2013, we split shares held by shareholders listed or recorded in the final shareholder registry of the day at a ratio of 100 to one.

(2) Increase in shares resulting from the stock split

Shares outstanding prior to the stock split: 632,133 shares (including 9,145 Treasury Shares)

Increase resulting from the stock split: 62,581,167 shares

Shares outstanding following the stock split: 63,213,300 shares (including 914,500 Treasury Shares)

Total shares authorized for issue following the stock split: 252,853,200 shares

(3) Schedule of stock split

Record date: September 30, 2013

Effective date: October 1, 2013

3. Adoption of Share Unit System

(1) The number of shares constituting one Share Unit

The Share Unit system is adopted and the number of shares constituting one Share Unit will be fixed at one hundred.

(2) Effective date

October 1, 2013

4. The impact on information per share

Based on the assumption that the said stock split was conducted at the beginning of previous FY, the information per share is as follows.

Previous consolidated FY

Net assets per share	645.18 yen
Net profit per share for the current term	131.62 yen
Current term net profit per share fully diluted	131.54 yen

Current consolidated FY

Net assets per share	731.86 yen
Net profit per share for the current term	166.41 yen
Current term net profit per share fully diluted	166.39 yen