Financial Results for the Fiscal Year Ended September 30, 2012
[Japanese Standards] (Consolidated)

October 25, 2012

Listed company name: CyberAgent, Inc. Listed stock exchange: TSE Mothers
Code No.: 4751 URL: http://www.cyberagent.co.jp/
Representative: (Title) President and CEO (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 14, 2012
Scheduled filing date of the Annual Securities Report: December 17, 2012
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, 2012 (October 1, 2011 – September 30, 2012)
(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	%
FY2012	141,111	18.0	17,410	21.3	17,146	21.5	8,522	16.4
FY2011	119,578	23.7	14,349	53.7	14,114	53.0	7,323	33.3

(Note) Comprehensive Income: FY 2012:9,040 million yen (19.3%) FY 2011:7,579 million yen (43.4%)

	Net income per share	Diluted net income per share	Return on aquity	Return on assets	Operating income margin
	Yen	Yen	%	%	%
FY2012	13,162.55	13,154.54	21.7	13.8	12.3
FY2011	11,281.91	11,264.79	21.9	14.4	12.0

(Reference) Equity in earning of affiliates: FY 2012:-141 million yen FY 2011:-53 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥ million	¥ million	%	¥
FY2012	136,366	43,594	30.6	64,518.29
FY2011	111,689	38,677	33.0	56,499.21

(Reference) Equity capital: As of Sep. 30, 2012 ¥41,767 million, As of Sep. 30, 2011 ¥36,851 million

(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
FY2012	13,627	-10,913	-1,548	19,248
FY2011	8,268	-8,564	-1,665	18,108

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 2011	–	0.00	–	3,500.00	3,500.00	2,282	31.0	6.8
FY 2012	–	0.00	–	3,500.00	3,500.00	2,265	26.6	5.8
FY 2013 (forecast)	–	0.00	–	3,500.00	3,500.00		–	

3. Consolidated Performance Forecast for the Fiscal Year Ending September 30, 2013

The consolidated performance forecast for the fiscal year ending September 30, 2013 is not listed due to the inability to make a reasonable forecast at this time. The reasons for this are listed on page 3 under '1. Results of Operations, Earnings Estimates for the Next Period (October 1, 2012 to September 30, 2013)'.

4. Other

(1) Changes in important subsidiaries during the period (change of specified subsidiaries that lead to a change in the scope of consolidation): None

(2) Changes to accounting policies, changes to accounting estimates, restatements:
1) Changes associated with revisions of accounting standards: Yes
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. 2012 Period: 652,497	Sep. 2011 Period:652,251
(2) Number of shares of treasury stock issued and outstanding	
Sep. 2012 Period: 5,215	Sep. 2011 Period: 0
(3) Average number of shares during the period (consolidated cumulative accounting period)	
Sep. 2012 Period: 647,509	Sep. 2011 Period: 649,111

(Note) For details, please see "Information on value per share" on page 23

(Reference)

Non-consolidated Performance for the Fiscal Year Ended September 30, 2012 (October 1, 2011 – September 30, 2012)

(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	%
FY2012	80,640	8.8	7,493	-6.8	8,566	5.4	5,691	11.0
FY2011	74,136	33.6	8,039	139.1	8,125	132.7	5,125	54.5

	Net income per share	Diluted net income per share
	Yen	Yen
FY2012	8,789.08	8,783.73
FY2011	7,895.58	7,882.30

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥ million	¥ million	%	¥
FY2012	41,260	25,599	61.7	39,355.39
FY2011	39,434	23,164	58.6	35,416.13

(Reference) Equity capital: As of Sep. 30, 2012 ¥25,477 million, As of Sep. 30, 2011 ¥23,100 million

*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

The consolidated performance forecast for the fiscal year ending September 30, 2013 isn't listed, as indicated earlier. All statements related to the future included in this document are forecasts based on conditions and plans in effect the day this document is released.

○Table of contents of the appendix

1. Results of Operations

(1) Qualitative Information Related to Consolidated Results of Operations

In fiscal 2011, the shipment volume of smartphones was 24.17 million, 2.8 times larger than the shipment volume for the previous year, and was 56.8% of the total shipment, exceeding 50 percent for the first time. The shift to smartphones should continue to accelerate, with expectations that fiscal 2012 will have shipments of 27.9 million units (68.7% of total shipment) and fiscal 2013 will have shipments of 30.8 million units (75.1% of total shipment) [*1]. The domestic internet business market expanded to ¥14 trillion in fiscal 2011, and is predicted to increase to approximately ¥15 trillion in fiscal 2012 and ¥22 trillion in fiscal 2016[*2]. In particular, the social games market has rapidly expanded to ¥257 billion in 2011, 1.8 times compared to the previous year, and is expected to expand to ¥342.9 billion in 2012[*3].

In these conditions, the Group worked on improving service and expanding the social game line-up for smartphone media, in particular Ameba, and simultaneously worked on reforming comprehensive Internet business (former Internet advertising agency business).

As a result, the Group's operating results for this consolidated fiscal year were as follows. Net sales reached ¥141,111 million (up 18.0% from ¥119,578 million in the previous fiscal year); operating income reached ¥17,410 million (up 21.3% from ¥14,349 million in the previous fiscal year); ordinary income reached ¥17,146 million (up 21.5% from ¥14,114 million in the previous fiscal year); and net income reached ¥8,522 million (up 16.4% from ¥7,323 million in the previous fiscal year).

Source: MM Research Institute, Ltd. [*1], Nomura Research Institute, Ltd. [*2], Yano Research Institute Ltd. [*3]

Performance of each business segment was as follows.

(a) Ameba business

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

Ameba's PV number for September 2012 was 33.16 billion PV (up 4.16 billion PV from 29 billion PV in the same month of the previous year), and subscribers totaled 25.28 million (up 7.05 million from 18.23 million in the same month of the previous year).

In this business, despite the transition from feature phones to smartphones, net sales totaled ¥25,015 million (up 43.3% from ¥17,450 million in the same period of the previous year), and we recorded an operating income of ¥5,586 million (up 3.3% from an operating income of ¥5,405 million in the same period of the previous year).

(b) Media business

The media business includes social game businesses in our Group companies such as Cygames Inc., Applibot, Inc., and Grenge, Inc., and CA Mobile, LTD.

In this business, due to factors such as steady expansion of our social games business, net sales totaled ¥48,040 million (up 40.1% from ¥34,288 million in the same period of the previous year), and we recorded an operating income of ¥5,009 million (up 132.8% from an operating income of ¥2,151 million in the same period of the previous year).

(c) Comprehensive Internet business

From the current business year, reforms were made to change from Internet advertising agency business to comprehensive Internet business.

In this business, while focusing on starting the smartphone media business, net sales totaled ¥69,759 million (up 2.9% from ¥67,762 million in the same period of the previous year), and we recorded an operating income of ¥3,385 million (down 11.6% from ¥3,830 million in the same period of the previous year).

(d) FX business

The FX business includes foreign exchange margin trading in CyberAgent FX, Inc.

In the current business year, the number of account openings and deposit accounts increased steadily. As a result, net sales totaled ¥7,480 million (down 3.5% from ¥7,751 million in the same period of the previous year), and we recorded an operating income of ¥3,647 million (up 14.0% from an operating income of ¥3,200 million in the same period of the previous year).

(e) 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 this business, due mainly to sales of shares, net sales totaled ¥352 million (up 50.2% from ¥234 million in the same period of the previous year), and we recorded an operating loss of ¥219 million (an operating loss of ¥239 million for the same period of the previous year).

Earnings Estimates for the Next Period (October 1, 2012 to September 30, 2013)

In this period (FY2012), in order to take advantage of the rapid adoption of smartphones, management resources were focused on smartphone related businesses, with the creation of an open Ameba platform on smartphones, development and operations of a large number of community services and social games and sales of advertising.

In the next period (FY2013), while continuing to focus on succeeding with the smartphone Ameba, large scale promotional campaigns including television commercials and advertising on public transportation will be carried out, with management resources being more focused on smartphone businesses than before. At the same time, some businesses will be considered for restructuring.

The impact of the large scale promotional campaign on Ameba for smartphones and the decisions made on restructuring businesses have a high chance of causing fluctuations in business results, so earnings estimates will not be indicated at this time due to the inability to make a reasonable estimate at this time. Results will be tracked during the period and an estimate will be announced as soon as feasible.

(2) Qualitative Information on Consolidated Financial Position

(a) Assets, Liabilities and Net Assets

At the end of this consolidated fiscal year, total assets stood at ¥136,366 million (up ¥24,676 million from the end of the previous fiscal year). This was mainly due to the fact that foreign exchange dealings cash segregated as deposits for customers increased, as a result of the balance on deposit assets in our FX business steadily increasing, and cash and deposits, and accounts and notes receivable-trade increased as a result of healthy sales activities.

Liabilities totaled ¥92,771 million (up ¥19,760 million from the end of the previous fiscal year). This was mainly due to an increase in foreign exchange dealings deposits from customers in our FX business.

Net assets totaled ¥43,594 million (up ¥4,916 million from the end of the previous fiscal year). This was mainly due to the fact that retained earnings increased, as a result of our solid operating activities.

(b) (Status of cash flow)

Cash and cash equivalents (hereafter 'funds') at the end of this consolidated fiscal year increased by ¥1,139 million from the end of the previous consolidated fiscal year, and totaled ¥19,248 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 ¥13,627 million (net cash provided by the same period of the previous year totaled ¥8,268 million). This was mainly due to the fact that we recorded a profit.

(Net cash used in investing activities)

Net cash used in investing activities totaled ¥10,913 million (net cash used in the same period of the previous year totaled ¥8,564 million). This was mainly due to purchase of non-current assets.

(Net cash used in financing activities)

Net cash used in financing activities totaled ¥1,548 million (net cash used in the same period of the previous year totaled ¥1,665 million). This was mainly due to cash dividends paid and purchase of treasury stock.

(Reference) Movement of Cash Flow Related Indices

	September 2010 Period	September 2011 Period	September 2012 Period
Equity Ratio (%)	36.0	33.0	30.6
Market Value Basis Equity Ratio (%)	116.6	121.8	79.9
Debt to Cash Flow Ratio (%)	15.7	43.5	13.7
Interest Coverage Ratio (times)	365.3	182.7	463.6

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

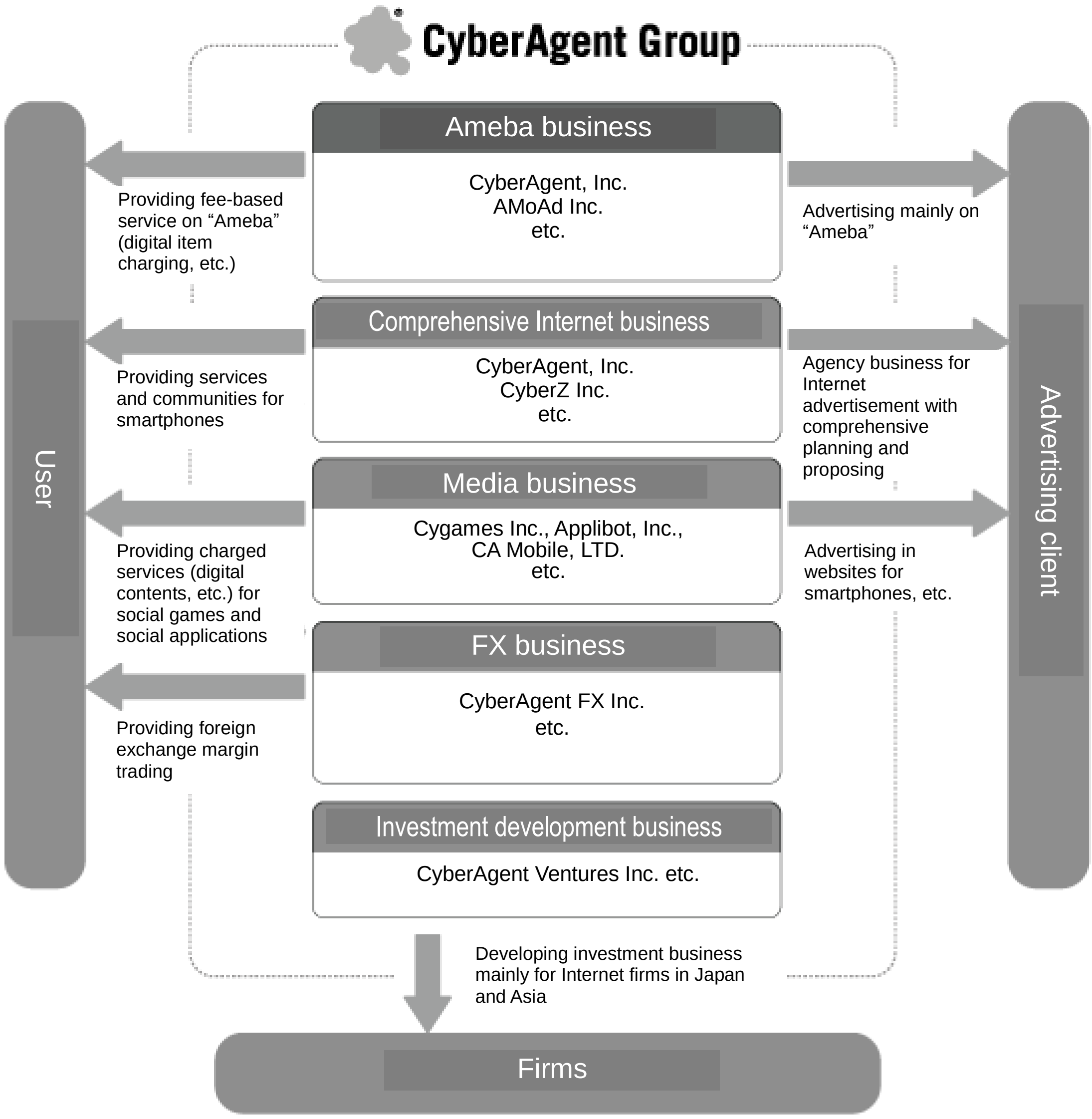
The Company considers returning profits to our shareholders an important issue for management, and plans to continue to provide dividends while working on increasing share value over the mid-term with business growth and improved capital efficiency. Decisions on retained earnings for the sake of future 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 (FY2012) will be ¥3,500, with dividends for the next period (FY2013) also planned to be the same as this period at ¥3,500.

2. Corporate Group

The Group is currently, as of September 30, 2012, made up of the Company (CyberAgent, Inc.), 39 consolidated subsidiaries (including three associations), and three companies to which the equity method is applied (including two associations), and internal management business divisions are divided into Ameba business, media business, comprehensive Internet business, FX 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.

(4) Issues the Company Should Address

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

1) Ameba and media business

Creation of smartphone platform “Ameba”

Strengthening of services, communities and social games for smartphones

2) Comprehensive Internet business

Improved sales of advertising 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.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: ¥ million)

	FY2011 (As of September 30, 2011)	FY2012 (As of September 30, 2012)
Assets		
Current assets		
Cash and deposits	20,755	20,925
Accounts and notes receivable-trade	14,917	21,192
Inventories	184	92
Sales investment securities	3,069	3,638
Foreign exchange dealings cash segregated as deposits for customers	34,023	51,644
Foreign exchange dealings variation margin paid for customers	14,170	12,252
Deferred tax assets	1,538	1,326
Other	8,807	5,243
Allowance for doubtful accounts	(53)	(46)
Total current assets	97,414	116,268
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,378	1,987
Accumulated depreciation	(603)	(510)
Buildings and structures, net	775	1,476
Tools, furniture and fixtures	4,386	5,888
Accumulated depreciation	(2,977)	(3,702)
Tools, furniture and fixtures, net	1,409	2,186
Lease assets	28	28
Accumulated depreciation	(8)	(15)
Lease assets, net	19	13
Construction in progress	—	148
Total property, plant and equipment	2,204	3,825
Intangible assets		
Goodwill	3,102	2,991
Software	2,507	4,981
Lease assets	10	6
Other	935	2,039
Total intangible assets	6,555	10,019
Investments and other assets		
Investment securities	3,693	2,740
Long-term loans receivable	8	12
Deferred tax assets	382	898
Other	1,506	2,653
Allowance for doubtful accounts	(77)	(53)
Total investments and other assets	5,514	6,252
Total non-current assets	14,274	20,097
Total assets	111,689	136,366

(Unit: ¥ million)

	FY2011 (As of September 30, 2011)	FY2012 (As of September 30, 2012)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	8,594	12,226
Short-term loans payable	220	220
Lease obligations	10	9
Income tax payable	4,353	4,711
Foreign exchange dealings deposits from customers	47,896	63,468
Asset retirement obligation	6	—
Provision for point card certificates	409	—
Other	9,196	10,943
Total current liabilities	70,686	91,579
Non-current liabilities		
Bonds payable	300	100
Long-term loans payable	1,515	315
Lease obligations	21	12
Accrued long service rewards for employees	—	122
Deferred tax liabilities	118	—
Asset retirement obligation	364	624
Other	—	11
Total non-current liabilities	2,319	1,187
Reserves under the special laws		
Reserve for financial products transaction liabilities	5	4
Total reserves under the special laws	5	4
Total liabilities	73,011	92,771
Net assets		
Shareholders' equity		
Capital stock	7,177	7,203
Capital surplus	5,512	5,400
Retained earnings	24,268	30,379
Treasury stock	—	(1,388)
Total shareholders' equity	36,958	41,595
Other comprehensive income		
Valuation difference on available-for-sale securities	76	310
Foreign currency translation adjustments	(183)	(138)
Total other comprehensive income	(107)	171
Subscription rights to shares	64	121
Minority interests	1,761	1,705
Total net assets	38,677	43,594
Total liabilities and net assets	111,689	136,366

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

Consolidated Statements of Income

(Unit: ¥ million)

	FY2011 (Oct. 1, 2010 to Sep. 30, 2011)	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)
Net sales	119,578	141,111
Cost of sales	73,767	84,301
Gross profit	45,810	56,810
Selling, general and administrative expenses	31,461	39,399
Operating income	14,349	17,410
Non-operating income		
Interest income	27	39
Dividends income	3	3
Employment subsidy income	13	21
Other	57	57
Total non-operating income	100	121
Non-operating expenses		
Interest expenses	45	29
Equity in losses of affiliates	53	141
Consumption tax adjustments	101	124
Other	134	90
Total non-operating expenses	335	385
Ordinary income	14,114	17,146
Extraordinary income		
Gain on sales of investment securities	357	—
Gain on sales of subsidiaries and affiliates' stocks	593	1,081
Other	109	67
Total extraordinary gain	1,059	1,148
Extraordinary loss		
Loss on retirement of noncurrent assets	243	—
Impairment loss	960	1,436
Earthquake related expenses	159	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	110	—
Other	244	588
Total extraordinary loss	1,718	2,024
Income before income taxes and minority interests	13,455	16,270
Income taxes-current	6,179	7,971
Income taxes-deferred	(285)	(467)
Total income tax	5,893	7,503
Income before minority interests	7,562	8,767
Minority interests in net income	239	244
Net income	7,323	8,522

Consolidated Statements of Comprehensive Income

(Unit: million yen)

	FY2011 (Oct. 1, 2010 to Sep. 30, 2011)	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)
Income Before Minority Interests	7,562	8,767
Other Comprehensive Income		
Valuation difference on available-for-sale securities	76	231
Foreign currency translation adjustment	(56)	28
Share of other comprehensive income of associates accounted for using equity method	(3)	13
Total other comprehensive income	17	273
Comprehensive Income	7,579	9,040
(Comprehensive Income Attributable to)		
Owners of the parent	7,312	8,801
Minority interests	267	238

(3) Consolidated Statements of Changes in Shareholders' Equity

(Unit: million yen)

	FY2011 (Oct. 1, 2010 to Sep. 30, 2011)	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	6,771	7,177
Changes of items during the period		
Issuance of new shares	406	25
Total changes of items during the period	406	25
Balance at the end of current period	7,177	7,203
Capital surplus		
Balance at the beginning of current period	5,106	5,512
Changes of items during the period		
Issuance of new shares	406	25
Decrease of capital surplus by disposal of treasury stock	—	(137)
Total changes of items during the period	406	(111)
Balance at the end of current period	5,512	5,400
Retained earnings		
Balance at the beginning of current period	18,374	24,268
Changes of items during the period		
Dividends from surplus	(1,426)	(2,282)
Decrease of retained earnings by decrease of consolidated subsidiaries	—	(128)
Decrease of retained earnings by increase of consolidated subsidiaries	(3)	—
Net income	7,323	8,522
Total changes of items during the period	5,893	6,111
Balance at the end of current period	24,268	30,379
Treasury stock		
Balance at the beginning of current period	—	—
Changes of items during the period		
Purchase of treasury stock	—	(1,999)
Disposal of treasury stock	—	611
Total changes of items during the period	—	(1,388)
Balance at the end of current period	—	(1,388)
Total shareholders' equity		
Balance at the beginning of current period	30,252	36,958
Changes of items during the period		
Issuance of new shares	812	51
Dividends from surplus	(1,426)	(2,282)
Decrease of capital surplus by disposal of treasury stock	—	(137)
Decrease of retained earnings by decrease of consolidated subsidiaries	—	(128)
Decrease of retained earnings by increase of consolidated subsidiaries	(3)	—
Net income	7,323	8,522
Purchase of treasury stock	—	(1,999)
Disposal of treasury stock	—	611
Total changes of items during the period	6,706	4,636
Balance at the end of current period	36,958	41,595

(Unit: million yen)

	FY2011 (Oct. 1, 2010 to Sep. 30, 2011)	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)
Other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	24	76
Changes of items during the period		
Net changes of items other than shareholders' equity	51	233
Total changes of items during the period	51	233
Balance at the end of current period	76	310
Foreign currency translation adjustments		
Balance at the beginning of current period	(121)	(183)
Changes of items during the period		
Net changes of items other than shareholders' equity	(61)	44
Total changes of items during the period	(61)	44
Balance at the end of current period	(183)	(138)
Total other comprehensive income		
Balance at the beginning of current period	(96)	(107)
Changes of items during the period		
Net changes of items other than shareholders' equity	(10)	278
Total changes of items during the period	(10)	278
Balance at the end of current period	(107)	171
New share subscription rights		
Balance at the beginning of current period	27	64
Changes of items during the period		
Net changes of items other than shareholders' equity	36	57
Total changes of items during the period	36	57
Balance at the end of current period	64	121
Minority interests		
Balance at the beginning of current period	3,281	1,761
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,519)	(56)
Total changes of items during the period	(1,519)	(56)
Balance at the end of current period	1,761	1,705
Total net assets		
Balance at the beginning of current period	33,464	38,677
Changes of items during the period		
Issuance of new shares	812	51
Dividends from surplus	(1,426)	(2,282)
Decrease of capital surplus by disposal of treasury stock	—	(137)
Decrease of retained earnings by decrease of consolidated subsidiaries	—	(128)
Decrease of retained earnings by increase of consolidated subsidiaries	(3)	—
Net income	7,323	8,522
Purchase of treasury stock	—	(1,999)
Disposal of treasury stock	—	611
Net changes of items other than shareholders' equity	(1,493)	279
Total changes of items during the period	5,213	4,916
Balance at the end of current period	38,677	43,594

(4) Consolidated Statements of Cash Flows

(Unit: ¥ million)

	FY2011 (Oct. 1, 2010 to Sep. 30, 2011)	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)
Cash flow from operating activities		
Income before income taxes and minority interests	13,455	16,270
Depreciation	2,345	3,334
Amortization of goodwill	322	376
Impairment loss	960	1,436
Loss on adjustment for changes of accounting standard for asset retirement obligations	110	—
Increase (decrease) in allowance for doubtful accounts	11	1
Loss on retirement of noncurrent assets	243	—
Equity in (earnings) losses of affiliates	53	141
Loss (gain) on sales of stocks of subsidiaries and affiliates	(584)	(1,081)
Earthquake related expenses	159	—
Decrease (increase) in notes and accounts receivable-trade	(2,701)	(7,103)
Decrease (increase) in investment securities for sale	(938)	(347)
Decrease (increase) in margin requirement for foreign exchange transactions	(1,550)	1,199
Net decrease (increase) in outstanding amount of foreign exchange transactions	(819)	(241)
Increase (decrease) in notes and accounts payable-trade	1,098	3,959
Increase (decrease) in accounts payable-other	1,393	3,065
Increase (decrease) in accrued consumption taxes	245	(190)
Other, net	(569)	311
Sub-total	13,235	21,131
Interest and dividends income received	24	33
Interest expenses paid	(50)	(29)
Income taxes paid	(4,942)	(7,507)
Net cash provided by (used in) operating activities	8,268	13,627

(Unit: ¥ million)

	FY2011 (Oct. 1, 2010 to Sep. 30, 2011)	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)
Cash flow from investing activities		
Payments into time deposits	(2,155)	(836)
Proceeds from withdrawal of time deposits	850	405
Purchase of property, plant and equipment	(1,329)	(2,898)
Purchase of intangible assets	(3,199)	(6,963)
Proceeds from sales of investment securities	258	266
Purchase of stocks of subsidiaries and affiliates	(736)	(340)
Purchase of treasury stock of subsidiaries in consolidation	(2,199)	―
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(317)	―
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	542	595
Payments for lease and guarantee deposits	(351)	(801)
Proceeds from collection of lease and guarantee deposits	131	158
Other, net	(58)	(498)
Net cash used in investing activities	(8,564)	(10,913)
Cash flow from financing activities		
Proceeds from long-term loans payable	3,300	―
Repayment of long-term loans payable	(1,212)	(1,231)
Redemption of bonds	(200)	(200)
Proceeds from stock issuance to minority shareholders	201	687
Purchase of treasury stock	―	(1,999)
Proceeds from disposal of treasury stock	―	462
Cash dividends paid	(1,429)	(2,280)
Payments made to trust account for purchase of treasury stock	(3,002)	―
Proceeds from trust account for purchase of treasury stock	―	3,002
Other, net	677	9
Net cash provided by (used in) financing activities	(1,665)	(1,548)
Effect of exchange rate change on cash and cash equivalents	(89)	(26)
Net increase (decrease) in cash and cash equivalents	(2,051)	1,139
Cash and cash equivalents at beginning of period	20,134	18,108
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	25	―
Cash and cash equivalents at end of period	18,108	19,248

(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, 2011 to Sep. 30, 2012)
1 Items related to the scope of consolidation	(1) Number of consolidated subsidiaries: 39 Major consolidated subsidiaries AMoAd, etc. Cygames Inc. Applibot, Inc. Grenge, Inc. CA Mobile, LTD. CyberZ, Inc. CyberAgent FX, Inc. CyberAgent Ventures, Inc. CA Asia Internet Fund I, L.P., SIROK, Inc., CyDesignation, Inc., CyberZ USA, Inc., and Appibot America, Inc. were newly established during this consolidated fiscal year, Pitapat, Inc. shares were acquired, and additional shares were acquired for R-Force Entertainment Inc., so they are considered consolidated. CA Technologies Inc. and CAH Inc. were absorbed in mergers during this consolidated fiscal year, and investment partnership CAJ-I, AmebaBooks Shinsha Inc. and Poupeegirl Inc. were dissolved so they are not included as consolidated. For Voyage Group Inc. and 17 other companies, a portion of shares in Voyage Group Inc. were sold during this consolidated fiscal year leading to a decrease in ownership ratio, so they are not included as consolidated. (2) Name of major nonconsolidated subsidiaries MicroAd Asia Holdings Ltd. 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.
2 Items related to the application of equity method	(1) Number of affiliated companies to which an equity method is applied: 3 Name of major companies: Netprice.com Ltd. Tranders Inc is excluded from application of the equity method because of a decrease in shareholding rations due to the partial sale of its shares during this consolidated fiscal year. (2) Nonconsolidated subsidiaries and affiliates to which equity method is not applied/ Name of major companies: MicroAd Asia Holdings Ltd. 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.

Item	Current consolidated fiscal year (From Oct. 1, 2011 to Sep. 30, 2012)
	(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): Mind Pallet Inc. Reasons: 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.
3 Items related to the business year, etc. of consolidated subsidiaries	Among consolidated subsidiaries, CyberAgent FX settle account on March 31 while CyberAgent Ventures (Beijing) settle account on December 31. 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.

(7) Change to Accounting Policies

Current consolidated fiscal year (From Oct. 1, 2011 to Sep. 30, 2012)
As of this consolidated fiscal year, Accounting Standard for Earnings Per Share (ASBJ Statement No.2, June 30, 2010), Guidance on Accounting Standard for Earnings Per Share (ASBJ Guidance No.4, June 30, 2010), and Practical Solution on Accounting for Earnings Per Share (ASBJ PITF No.9, June 30, 2010) are all being applied. Calculations of net income per share fully diluted have been changed to a method where the rights for stock options that arise after a certain length of employment, the price that would be paid should these options be exercised, and a fair estimated value for stock options will be included as services the company will provide in the future. The impact this change will have on information per share are listed in the appropriate areas.

(8) Change to Indication Methods

Current consolidated fiscal year (From Oct. 1, 2011 to Sep. 30, 2012)
(Consolidated profit and loss statement) During the previous consolidated fiscal year, 'gain on valuation of investment securities' was indicated as a separate category for non-operating income, but during this consolidated fiscal year it accounted for less than 10% of total non-operating income, and so is included in the 'other' category. In order to reflect this change to indication methods, the financial statements from the previous consolidated fiscal year are being reclassified. As a result, the ¥11 million indicated as 'gain on valuation of investment securities' for non-operating income has been reclassified to be included in 'other'. During the previous consolidated fiscal year, 'foreign exchange loss' was indicated as a separate category for non-operating expenses, but during this consolidated fiscal year it accounted for less than 10% of total non-operating expenses, and so is included in the 'other' category. In order to reflect this change to indication methods, the financial statements from the previous consolidated fiscal year are being reclassified. As a result, the ¥61 million indicated as 'foreign exchange loss' for non-operating expenses has been reclassified to be included in 'other'. (Consolidated Statements of Cash Flows) During the previous consolidated fiscal year, 'Decrease (increase) in margin requirement for foreign exchange transactions' and 'net decrease (increase) in outstanding amount of foreign exchange transactions)' which were included in the 'other' category for cash flow from operations are being indicated separately for this consolidated fiscal year for increased clarity of indications. Also, during the previous consolidated fiscal year 'interest income', 'dividends income', 'interest expenses', 'foreign exchange loss (gain)', 'loss (gain) on sales of investment securities' and 'decrease (increase) in inventories' were all listed separately for cash flow from operations, but due to a loss of importance they will be indicated as part of the 'other' category for this consolidated fiscal year. In order to reflect this change to indication methods, the financial statements from the previous consolidated fiscal year are being reclassified. As a result, in the consolidated cash flow accounting statement from the previous consolidated fiscal year the -¥2,370 million indicated as 'other' for cash flow from operations has been reclassified as -¥1,550 million 'Decrease (increase) in margin requirement for foreign exchange transactions' and -¥819 million 'net decrease (increase) in outstanding amount of foreign exchange transactions)', while the -¥27 million 'interest income', -¥3 million 'dividends income', ¥45 million 'interest expenses', ¥73 million 'foreign exchange loss (gain)', -¥357 million 'loss (gain) on sales of investment securities' and -¥31 million 'decrease (increase) in inventories' have been reclassified to be indicated as 'other'. During the previous consolidated fiscal year, 'expenditures due to acquisition of investment securities' was indicated as a category for cash flow from investments, but due to a loss of importance it will be indicated as part of the 'other' category for this consolidated fiscal year. In order to reflect this change to indication methods, the financial statements from the previous consolidated fiscal year are being reclassified. As a result, in the consolidated cash flow accounting statement from the previous consolidated fiscal year the -¥112 million indicated as 'purchase of investment securities' in cash flow from investments has been reclassified to be indicated as 'other'.

Current consolidated fiscal year (From Oct. 1, 2011 to Sep. 30, 2012)
During the previous consolidated fiscal year, 'proceeds from issuance of common stock' and 'cash dividends paid to minority shareholders' were indicated as categories for financial cash flow, but due to a loss of importance they will be indicated as part of the 'other' category for this consolidated fiscal year. In order to reflect this change to indication methods, the financial statements from the previous consolidated fiscal year are being reclassified. As a result, in the consolidated cash flow accounting statement from the previous consolidated fiscal year the -¥811 million indicated as 'proceeds from issuance of common stock' and -¥121 million indicated as 'cash dividends paid to minority shareholders' in financial cash flow have been reclassified to be indicated as 'other'.

(9) Additional Information

Current consolidated fiscal year (From Oct. 1, 2011 to Sep. 30, 2012)
For changes to accounting and corrections of past mistakes made since the beginning of this consolidated fiscal year, the Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No.24, December 4, 2009) and the Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No.24, December 4, 2009) will be applied.

(10) 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," "Media business," "Comprehensive Internet business," "FX business" and "Investment development business."

As of this period, with the goal of transforming our Internet advertising agency business into a high-profit business model organizational changes were made to create new businesses with a focus on service development, and management resources were divided differently.

Along with these organizational changes, the name of the "Internet advertising agency business" was changed to "Comprehensive Internet business". Also, considering business conditions part of the Ameba business and Media business were reorganized as part of Comprehensive Internet Business.

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.
Media business	Social game business, operation of PC and mobile media, etc.
Comprehensive Internet 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.

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.

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

Previous consolidated fiscal year (Oct. 1, 2010 to Sep. 30, 2011)

(Unit: ¥ million)

	Reporting Segment						Adjustment Amount	Consolidated balance sheet amount
	Ameba business	Media business	Comprehensive Internet business	FX	Investment development business	Subtotal		
Sales								
(1) Sales to external customers	13,163	32,953	65,475	7,751	234	119,578	—	119,578
(2) Inter-segment sales	4,287	1,335	2,287	—	0	7,909	(7,909)	—
Total	17,450	34,288	67,762	7,751	234	127,488	(7,909)	119,578
Segment income (loss)	5,405	2,151	3,830	3,200	(239)	14,349	—	14,349
Segment assets	4,972	23,375	12,306	57,179	3,625	101,458	10,230	111,689
Other items								
Depreciation	482	1,010	470	378	3	2,345	—	2,345
Increase/decrease in Current /Non-current assets	1,047	2,603	865	230	10	4,757	—	4,757

(Note) The adjustment amount of segment assets (10,230 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, 2011 to Sep. 30, 2012)

(Unit: ¥ million)

	Reporting Segment						Adjustment Amount	Consolidated balance sheet amount
	Ameba business	Media business	Comprehensive Internet business	FX	Investment development business	Subtotal		
Sales								
(1) Sales to external customers	19,390	47,059	66,841	7,480	338	141,111	—	141,111
(2) Inter-segment sales	5,624	980	2,917	—	13	9,536	(9,536)	—
Total	25,015	48,040	69,759	7,480	352	150,648	(9,536)	141,111
Segment income (loss)	5,586	5,009	3,385	3,647	(219)	17,410	—	17,410
Segment assets	8,042	29,290	15,154	74,245	4,607	131,340	5,025	136,366
Other items								
Depreciation	1,031	1,187	736	369	9	3,334	—	3,334
Increase/decrease in Current /Non-current assets	3,283	3,424	2,777	423	71	9,980	—	9,980

(Note) The adjustment amount of segment assets (5,025 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.

b. Related information

Previous consolidated fiscal year (Oct. 1, 2010 to Sep. 30, 2011)

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, 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.

c. Significant impairment loss for non-current assets

Previous consolidated fiscal year (Oct. 1, 2010 to Sep. 30, 2011)

	Reporting Segment						Other (Note)	Company-wide/ Deletion	Total
	Ameba business	Media business	Comprehensive Internet business	FX	Investment development business	Subtotal			
Impairment loss	36	913	10	—	—	960	—	—	960

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

	Reporting Segment						Other (Note)	Company-wide/ Deletion	Total
	Ameba business	Media business	Comprehensive Internet business	FX	Investment development business	Subtotal			
Impairment loss	169	1,003	262	—	0	1,436	—	—	1,436

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

Previous consolidated fiscal year (Oct. 1, 2010 to Sep. 30, 2011)

	Reporting Segment						Other (Note)	Company-wide/ Deletion	Total
	Ameba business	Media business	Comprehensive Internet business	FX	Investment development business	Subtotal			
Amortization amount for the current term	—	314	6	—	1	322	—	—	322
Balance at the end of the current term	—	3,102	—	—	—	3,102	—	—	3,102

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

	Reporting Segment						Other (Note)	Company-wide/ Deletion	Total
	Ameba business	Media business	Comprehensive Internet business	FX	Investment development business	Subtotal			
Amortization amount for the current term	5	356	14	—	—	376	—	—	376
Balance at the end of the current term	32	2,917	41	—	—	2,991	—	—	2,991

e. Significant gains on negative goodwill

Previous consolidated fiscal year (Oct. 1, 2010 to Sep. 30, 2011)

There are no applicable items.

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

There are no applicable items.

(Information on value per share)

FY2011 (Oct. 1, 2010 to Sep. 30, 2011)		FY2012 (Oct. 1, 2011 to Sep. 30, 2012)	
Net asset per share	56,499.21 yen	Net asset per share	64,518.29 yen
Net profit per share for the cur ent term	11,281.91 yen	Net profit per share for the current term	13,162.55 yen
Current term net profit per share fully diluted	11,264.79 yen	Current term net profit per share fully diluted	13,154.54 yen

(Note) Base for calculating current term net profit per share and its fully diluted value

	FY2011 (Oct. 1, 2010 to Sep. 30, 2011)	FY2012 (Oct. 1, 2011 to Sep. 30, 2012)
Net profit for the current term	7,323 million yen	8,522 million yen
Current term net profit for common shares	7,323 million yen	8,522 million yen
Average number of common shares during period	649,111 shares	647,509 shares
Increase in common shares (share warrant)	986 shares (986 shares)	394 shares (394 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 5,745 shares	Share warrant for common shares 7,660 shares

(Note) As indicated in “Changes to Accounting Policies”, as of this consolidated fiscal year accounting policies were retroactively applied, with the consolidated financial statements from the previous consolidated fiscal year reflecting these changes. As a result, compared to before the retroactive changes were applied, the net income per share fully diluted for the previous consolidated fiscal year has increased by ¥1.86.

(Important subsequent events)
There are no applicable items.

5. Other

(1) Change in directors

1) Change in representative director

No applicable items.

2) Change in other directors

・Candidates for director

Director Masahide Koike

(current position: General Manager of the Ameba Business)

Director Takahiro Yamauchi

(current position: Representative director and president of CyberZ, Inc.)

・Retiring director (effective October 2, 2012)

Senior managing director, COO Shinichi Saijo

Director Hiroyuki Ishii

2) Expected date of appointment for new board members

December 14, 2012

(For reference)

New Management Structure

Title	President & CEO	Vice president , director	Managing director	Managing director	Director	Director	Director	Director
Name	Susumu Fujita	Yusuke Hidaka	Go Nakayama	Yauo Okamoto	Tetsuto Soyama	Takahito Naito	Masahide Koike	Takahiro Yamauchi

Old Management Structure

Title	President & CEO	Vice president , director	Senior managing director, COO	Managing director	Managing director	Director	Director	Director
Name	Susumu Fujita	Yusuke Hidaka	Shinichi Saijo	Go Nakayama	Yasuo Okamoto	Tetsuto Soyama	Takahito Naito	Hiroyuki Ishii

(2) Other

No applicable items.