



**Q1 FY2023**

# **Operating Results**

**August 9, 2023**  
**DeNA Co., Ltd.**

# **1. Financial Results Summary**

# Financial Results Summary\*

(billion yen)	FY2022				FY2023			FY2022	
	Q1	Q2	Q3	Q4	Q1	QoQ change	YoY change	YoY change	
Revenue (IFRS)	34.8	36.4	30.2	33.5	36.1	8%	4%	134.9	3%
Operating profit (IFRS)	4.0	3.1	-2.0	-0.9	1.7	-	-56%	4.2	-63%
Operating profit (Non-GAAP)	3.8	3.0	-1.7	-0.8	1.6	-	-57%	4.3	-42%
Finance income / costs (net)	6.9	1.7	-2.0	1.0	2.9	199%	-59%	7.6	104%
Share of profit (loss) of associates accounted for using the equity method**	-0.2	0.8	-0.4	1.5	1.4	-11%	-	1.8	-88%
Profit before tax	10.7	5.6	-4.4	1.6	6.0	263%	-44%	13.6	-54%
Profit for the period attributable to owners of the parent	7.1	3.9	-3.8	1.6	4.6	195%	-35%	8.9	-71%
EPS (Yen)	60.27	33.71	-33.24	14.07	41.66	196%	-31%	76.78	-70%

\*For full reconciliation of IFRS to Non-GAAP metrics, the calculation process, Non-GAAP EBITDA, and Sports Business seasonality, please see the reference materials at the end of the presentation.

\*\*In Q1 FY2023 recognized a one-time gain in earnings of 2.4 billion yen due to capital increase through a third-party allotment by GO Inc.

# Financial Results Summary: Financial Results by Segment

(billion yen)		FY2022				FY2023			FY2022	
		Q1	Q2	Q3	Q4	Q1	QoQ change	YoY change	YoY change	
Game	Revenue	15.8	16.9	14.1	17.2	12.5	-27%	-21%	64.0	-14%
	Segment profit/loss	1.7	2.3	1.6	4.0	0.2	-95%	-88%	9.6	-17%
Live streaming	Revenue	9.6	9.9	10.2	10.3	10.8	5%	12%	40.1	16%
	Segment profit/loss	-0.2	-0.2	-0.1	-0.1	-0.2	-	-	-0.6	-
Sports*	Revenue	7.9	7.9	3.0	2.1	10.2	382%	29%	21.0	42%
	Segment profit/loss	2.6	2.0	-1.8	-2.8	3.4	-	33%	-0.0	-
Healthcare & Medical**	Revenue	0.7	1.1	2.0	3.2	2.0	-38%	165%	7.0	133%
	Segment profit/loss	-0.2	-0.7	-0.9	-0.4	-1.2	-	-	-2.2	-
New Businesses and Others	Revenue	0.7	0.7	0.8	0.8	0.7	-8%	1%	2.9	-24%
	Segment profit/loss	-0.2	-0.2	-0.2	-0.3	-0.3	-	-	-0.9	-

\*See slides 15-16 for the seasonality of the Sports Business and status of matches for each quarter.

\*\*PPA (a series of operations to allocate the acquisition cost to the assets and liabilities existing in the acquired company and record them in the consolidated financial statements) for DATA HORIZON and Allm was completed and the FY2022 portion of amortization of intangible assets, etc. was recognized in Q4 FY2022. Management accounting of the financial performance excluding this impact is shown on slide 17.

# Financial Results Summary: Cost and Expense Breakdown

(billion yen)	FY2022				FY2023			FY2022	
	Q1	Q2	Q3	Q4	Q1	QoQ change	YoY change	YoY Change	
<b>Cost of Sales</b>	<b>17.4</b>	<b>18.4</b>	<b>17.2</b>	<b>17.8</b>	<b>19.0</b>	<b>7%</b>	<b>9%</b>	<b>70.8</b>	<b>9%</b>
Personnel Expenses	2.0	2.2	2.4	2.1	2.2	1%	5%	8.8	28%
Depreciation and amortization	0.8	0.9	0.9	0.9	1.0	13%	24%	3.5	5%
Outsourcing expenses	3.9	4.1	3.6	3.6	4.5	24%	15%	15.2	4%
Commission fees	7.9	8.3	7.7	8.1	7.8	-4%	-2%	32.0	6%
Others	2.7	3.0	2.6	3.1	3.6	17%	31%	11.4	13%
<b>Selling, general, and administrative expenses</b>	<b>13.8</b>	<b>15.0</b>	<b>14.8</b>	<b>16.3</b>	<b>15.4</b>	<b>-6%</b>	<b>11%</b>	<b>60.0</b>	<b>5%</b>
Personnel Expenses	3.5	3.4	4.2	4.3	4.6	8%	34%	15.4	12%
Sales promotion & Advertising expenses	3.8	4.3	3.9	3.9	4.3	11%	13%	15.8	10%
Outsourcing expenses & Commission fees	4.8	5.7	4.8	5.3	4.4	-16%	-9%	20.6	-10%
Others	1.7	1.6	2.0	2.9	2.1	-29%	20%	8.2	31%
<b>Other income*</b>	<b>0.5</b>	<b>0.1</b>	<b>0.2</b>	<b>0.4</b>	<b>0.2</b>	<b>-65%</b>	<b>-70%</b>	<b>1.3</b>	<b>-82%</b>
<b>Other expenses*</b>	<b>0.1</b>	<b>0.0</b>	<b>0.4</b>	<b>0.7</b>	<b>0.2</b>	<b>-75%</b>	<b>82%</b>	<b>1.2</b>	<b>-73%</b>
<b>Consolidated employee headcount**</b>	<b>2,294</b>	<b>2,589</b>	<b>2,854</b>	<b>2,951</b>	<b>3,079</b>	<b>4%</b>	<b>34%</b>	<b>2,951</b>	<b>35%</b>

\*Includes non-operating income / expenses and extraordinary income / expenses, excluding finance income / costs under Japanese GAAP (e.g. Loss on sales / retirement of tangible / intangible assets).

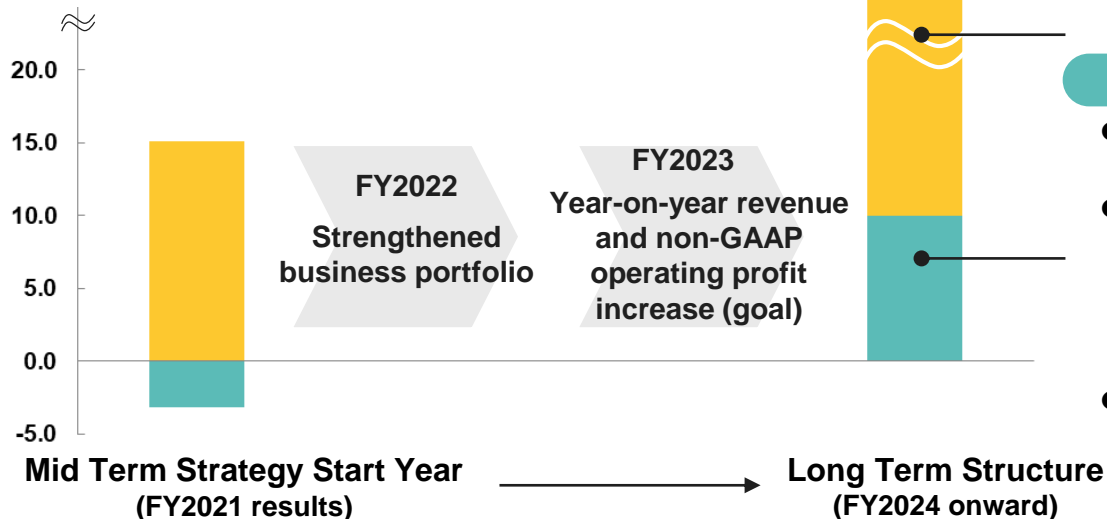
\*\*The consolidated employee headcount from Q2 FY2022 onward includes DATA HORIZON CO., LTD., and from Q3 FY2022 onward includes Allm Inc.

# Focus Points and Progress in Three Years Starting FY2021

- No change to the view for FY2023 announced at the beginning of the fiscal year
- Continuing efforts to further grow our strengthened business portfolio and enhance the earnings base to achieve the structural shift for Serve to contribute about the same level of profit as Entertain

## Long Term Structure Shift

(Profit, billion yen)



### Entertain

- Aim to secure a good level of profit, despite volatility

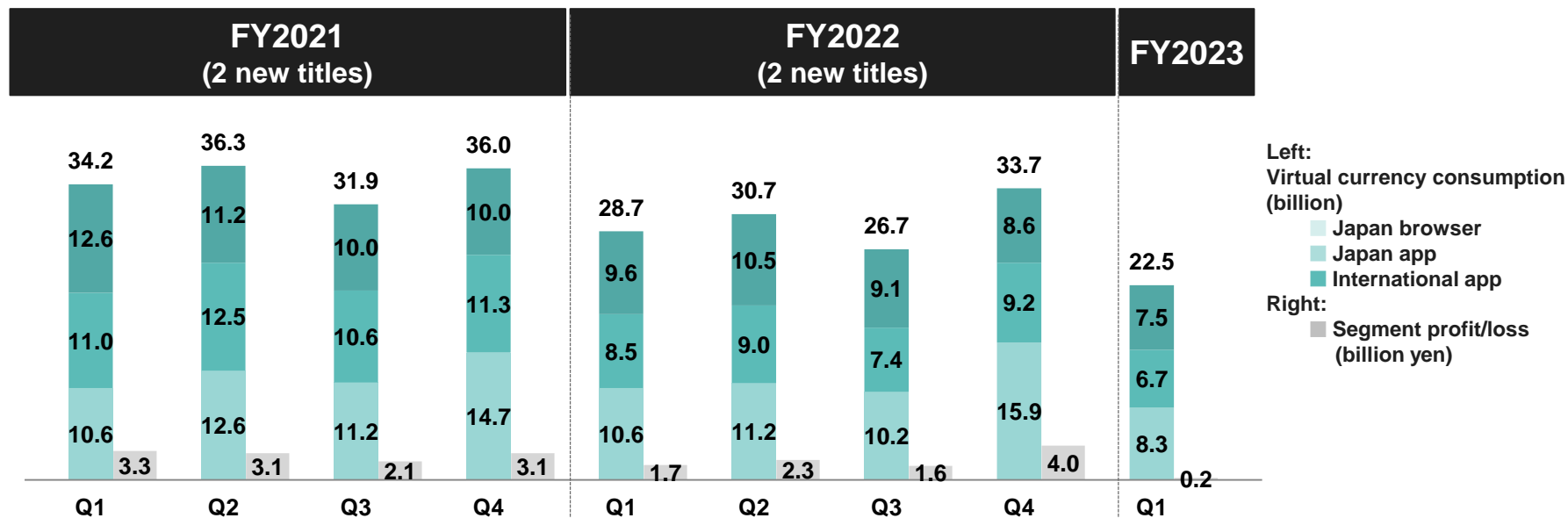
### Serve

- Aim to secure similar level of profit contribution to Entertain
- Aim to achieve full year profitability in both Healthcare & Medical in FY2023 and 20.0 billion yen in revenue and 5.0 billion yen in profit for the whole business in FY2024
- Aim to achieve profit contribution of approx. 3.0 billion yen per year in Sports & Community in the mid to long term

## **2. Entertain**

## Game Business: Results

- Q1 performance centered on existing title operations
- Some costs related to marketing, etc. around a new title launch at the end of June
- Business overall is continuing streamlined operations





## Game Business: New Titles

### *takt op.*

- Launched on June 28 in over 130 countries & regions, including Japan, and a future launch in China is planned
- With advance marketing and other initiatives, reached 1 million downloads in Japan shortly after launch
- Future events, new content, updates, etc. are planned to ensure this title is enjoyed over the long term



©DeNA/takt op. game partners

### *HUNTER x HUNTER* (Title in Chinese: 獵人×獵人)

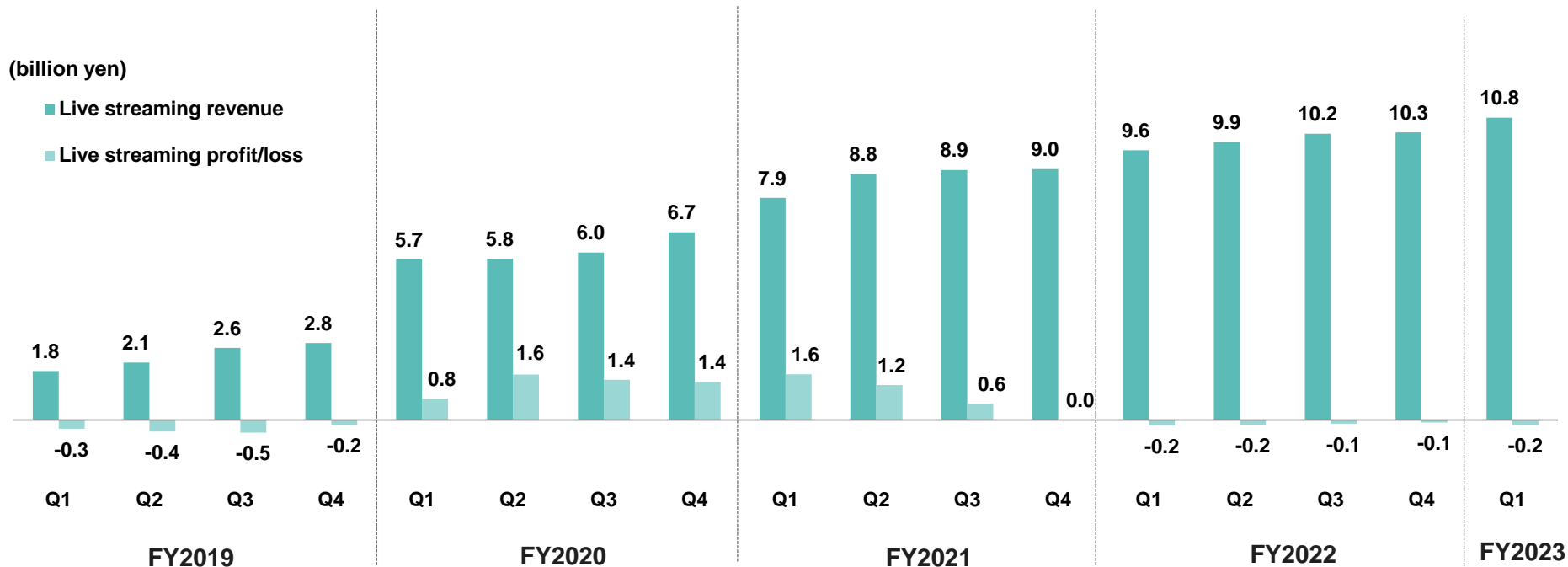
- Launched in Traditional Chinese regions (Hong Kong, Macao, Taiwan) on February 8
- License obtained for China in March, aim for launch in FY2023

### *Captain Tsubasa*

- Closed beta tests being held periodically in multiple regions in preparation for the FY2023 launch
- Launch regions and other details to be finalized going forward

# Live Streaming Business: Results\*

- Continuing to prioritize revenue growth while aiming to secure profitability for the segment in FY2023



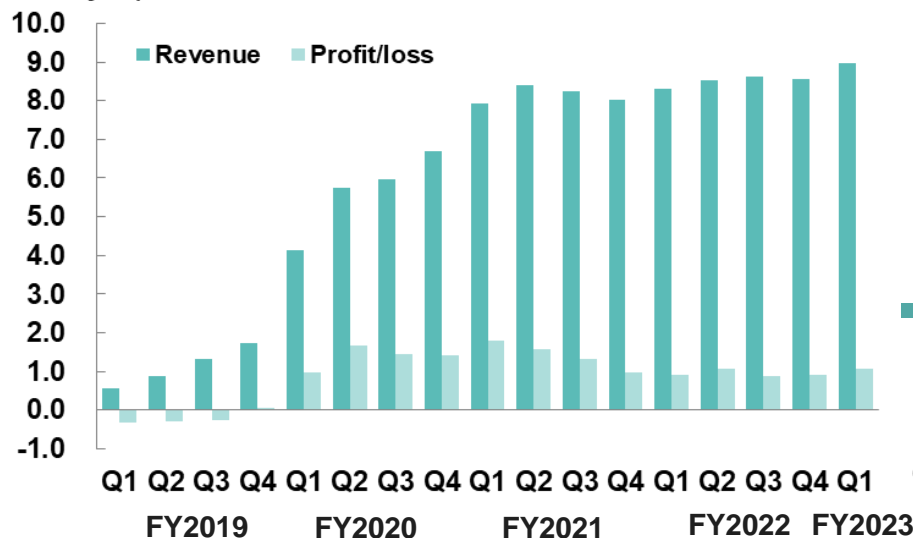
\*The performance of SHOWROOM Inc. is not included from Q2 FY2020 onwards.

# Live Streaming Business: Pococha Japan

- Aim for sufficient revenue growth for growth investment in the segment and to secure profitability
- Enhancing our efforts to bolster activity among existing users, and to acquire new users and engage them in the platform
- 5.12 million downloads in Japan as of June 30, 2023

## Pococha Japan Results\*

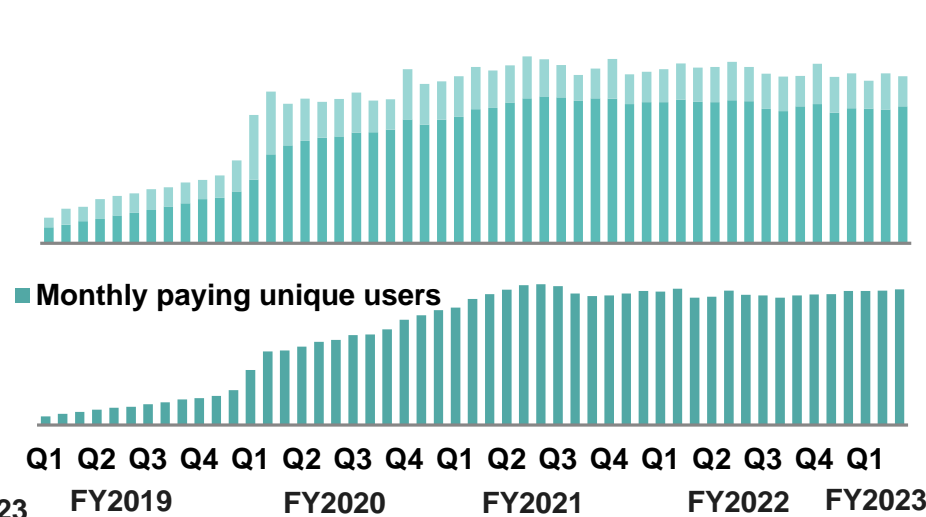
(billion yen)



## User Trends

■ New unique users

■ Unique users from the previous month or earlier

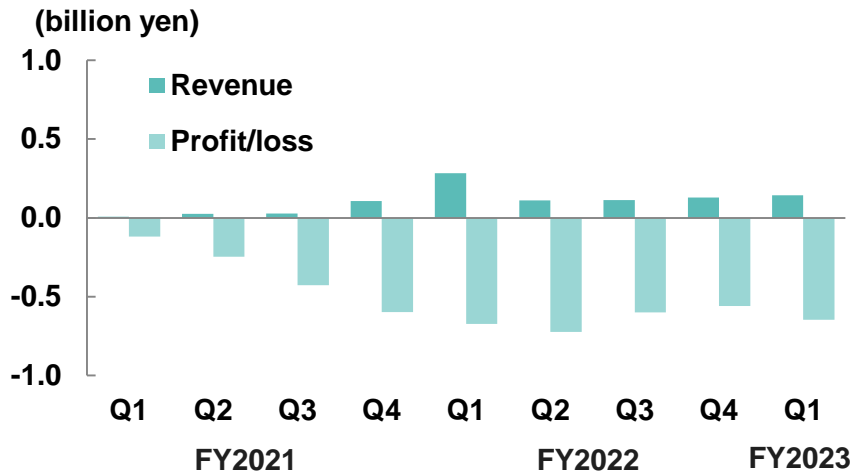


\*The revenue and profit/loss figures from management accounting for each segment shown above are for reference purposes.

# Live Streaming Business: Global Pococha

- Continuing to verify the appropriate investment size and optimal operations for each region while enhancing the service balance
- Over 1.3 million downloads in the US as of June 30, 2023

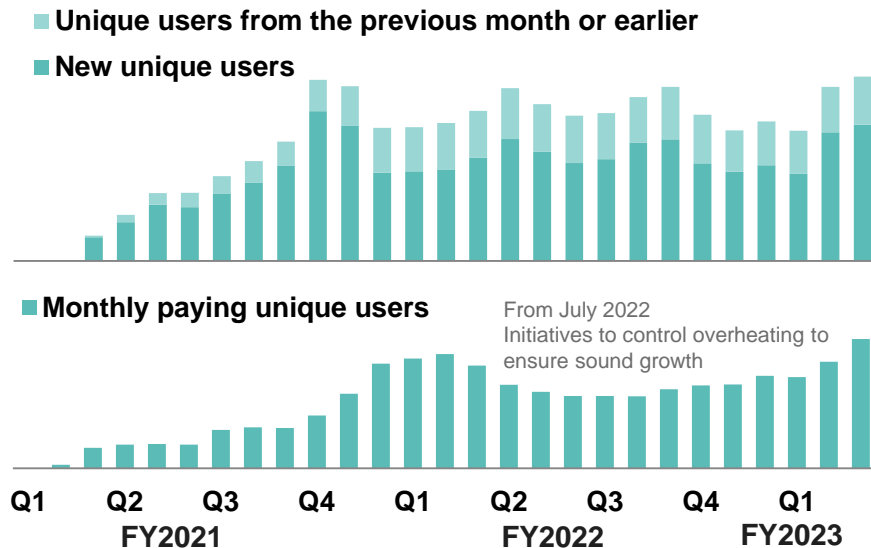
## Global Pococha Results\*



Reference: exchange rate  
(JPY per 1 USD)

FY2021				FY2022				FY2023
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
109	110	114	116	130	138	141	132	137

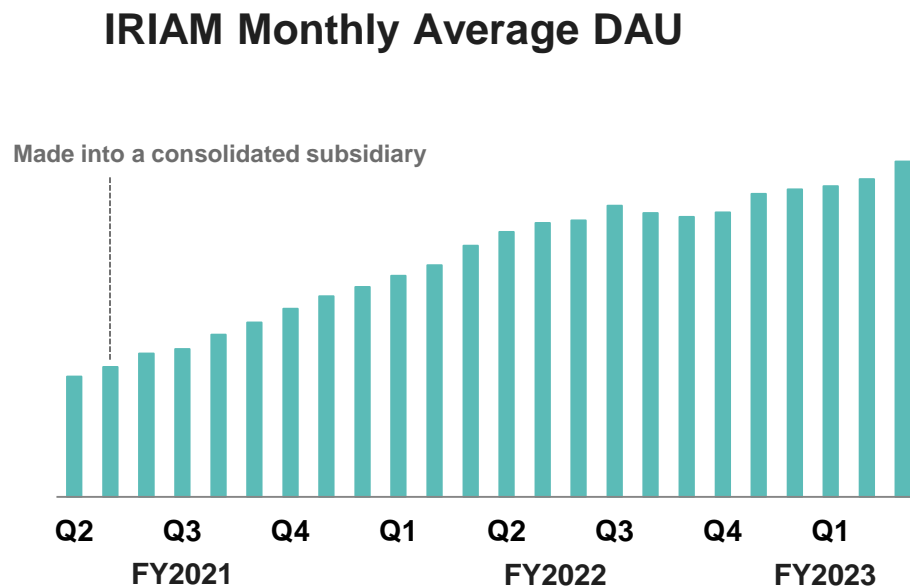
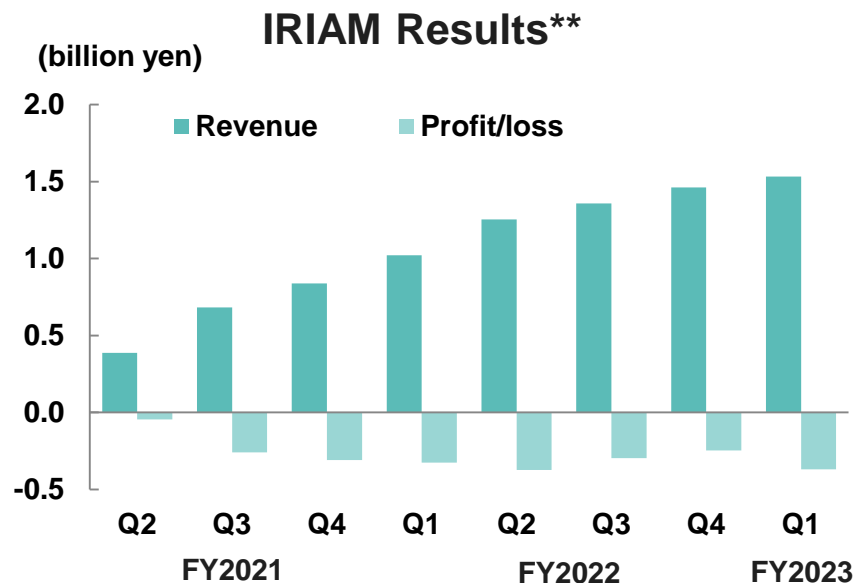
## US Usage Trends



\*The revenue and profit/loss figures from management accounting for each segment shown above are for reference purposes.

# Live Streaming Business: IRIAM

- In FY2023 focusing on revenue growth and profit/loss improvement
- IRIAM achieved 1.97 million downloads\* as of June 30, 2023, and in the same month IRIAM achieved the highest ever DAU for the service



\*Definition for aggregation partially updated.

\*\*The revenue and profit/loss figures from management accounting for each segment shown above are for reference purposes.

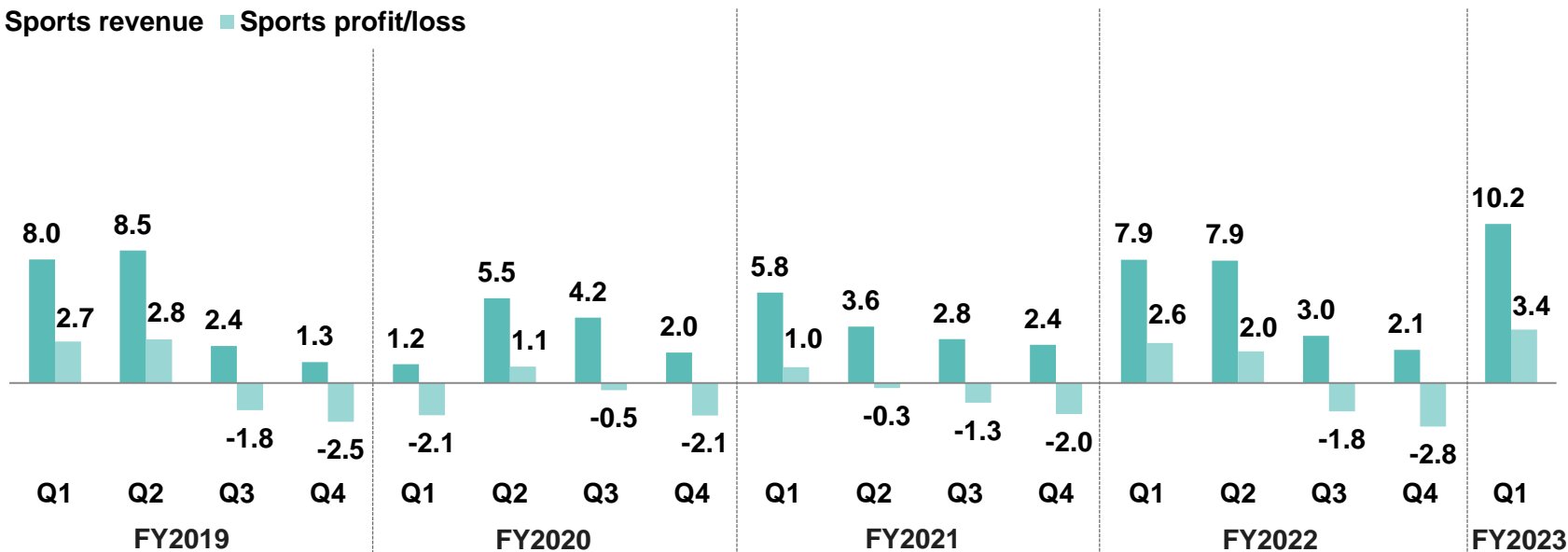
# 3. Serve

# Sports Business: Results\*

- Segment performance for Q1 grew compared to pre-COVID-19 levels
- Both baseball and basketball saw record-high attendance at home games

(billion yen)

■ Sports revenue ■ Sports profit/loss

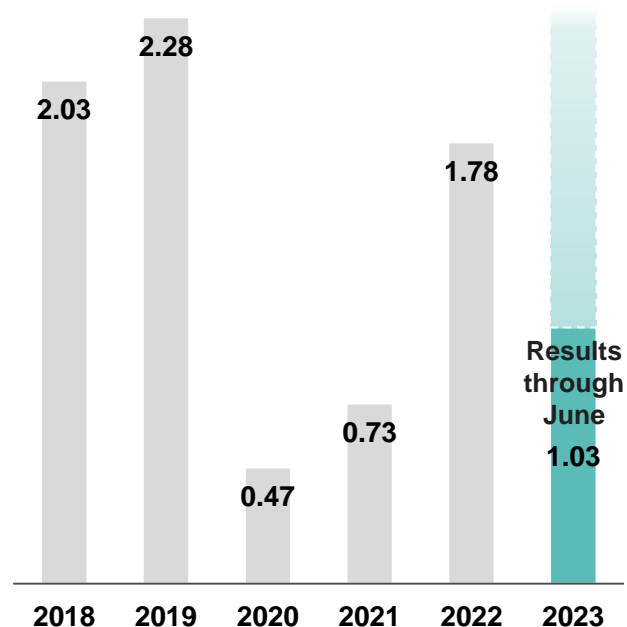


\*Supplemental information regarding the number of home games (including Climax Series) held per quarter for the highly seasonal baseball business:  
FY2023: Q1 33; FY2022: Q1 34, Q2 33, Q3 5, Q4 0; FY2021: Q1 36, Q2 21, Q3 12, Q4 3; FY2020: Q1 9, Q2 35, Q3 16, Q4 2; FY2019: Q1 34, Q2 35, Q3 4, Q4 0

# Sports Business: Results



**Yokohama DeNA BayStars  
Stadium Attendance\***  
(million people)



\*Data on official home games for the Yokohama DeNA BayStars each season (including home games held outside Yokohama Stadium). The figures 16 for annual attendance are for the respective annual season up to 2022, and for 2023 the figures are for the 33 games held through June 30.

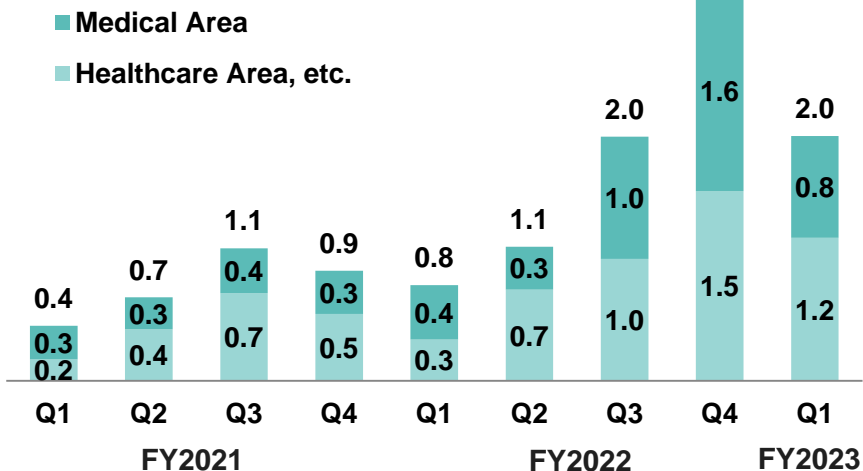


# Healthcare & Medical Business: Results

- In Q1 saw decline compared to seasonally strong Q4, but making steady progress in both areas towards revenue and profit goals for FY2023 and FY2024

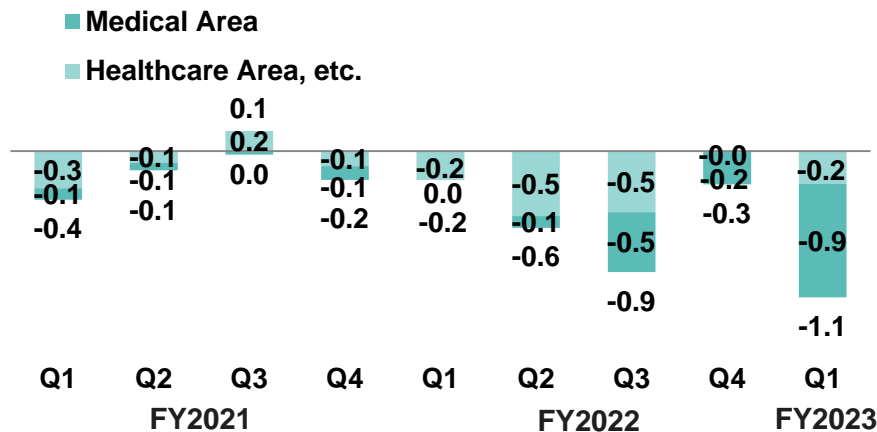
## Healthcare & Medical Business Revenue\*

(billion yen)



## Healthcare & Medical Business Profit/Loss\*

(billion yen)



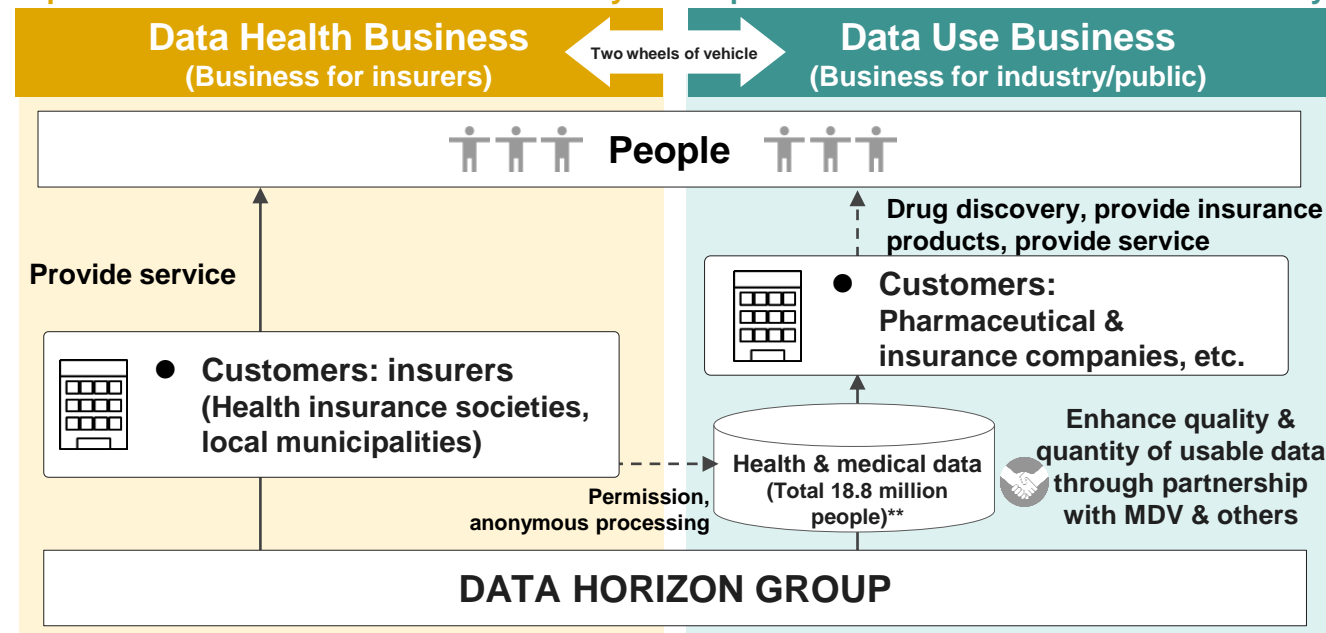
\*The figures shown on this slide are on a management accounting basis, not including asset-related amortization costs, etc., which have begun to be recognized upon completion of PPA, and do not match the segment results. "Healthcare Area, etc." includes health big data and other current initiatives primarily in the Healthcare Business Unit. As of August 2022 this also includes DATA HORIZON results. "Medical Area" includes medical digital transformation and other current initiatives primarily in the Medical Business Unit. As of September 2021 this includes Nipponect Systems, and as of October 2022 this includes Allm results.

# Healthcare & Medical Business: Healthcare Area

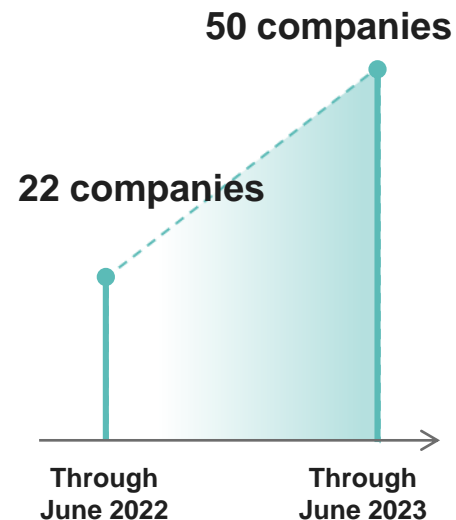
- 2023 is the formulation year for the Japanese government Data Health Plan, so accelerating sales outreach, and as a result the number of acquired customers and received orders are at a higher level than the same time last year
- Sales pitches, etc. are off to a good start in data use, with the aim to achieve year-on-year growth

Expected Market Size\*: Around 30.0 billion yen

Expected Market Size\*: Around 100.0 billion yen



Cumulative No. of Clients in Data Use Business\*\*\*



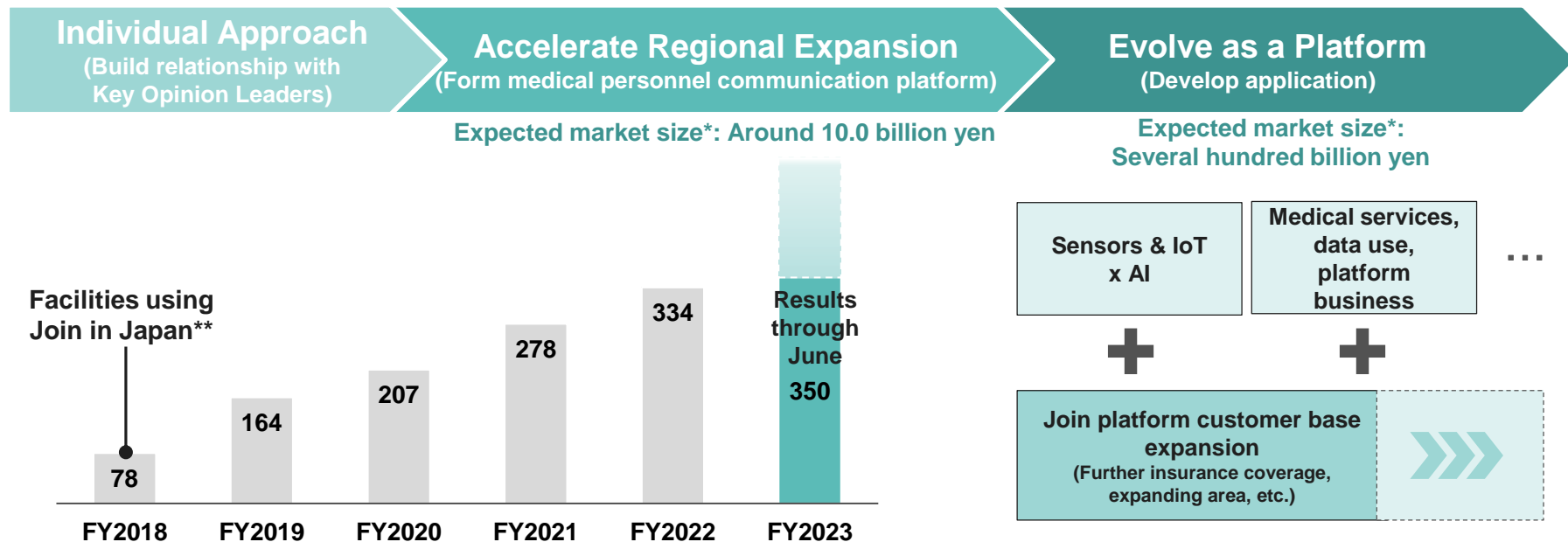
\*Estimate based on the DeNA Group's target markets and customers

\*\*This is the total amount of DeNA Group data and anonymously processed data held by IQVIA Solutions Japan K.K. as of June 30, 2023

\*\*\*This is the total number of clients of DATA HORIZON GROUP on a cumulative basis from the launch of the data use business until the end of the relevant month and year

# Healthcare & Medical Business: Medical Area

- Examples of deployment to medical institutions through local municipality subsidies, etc. have expanded into 8 prefectures, including Hokkaido
- Making progress in evolving as a platform (see next page)



\*Calculated based on eligible facilities, etc. in Japan

\*\*Changed to be aggregation of only normal paying institutions to be a more meaningful reference. Facilities with an exceptional use, such as use for a demo or for COVID-19 are excluded. Under the previous definition the number of facilities in Q1 would be 478.

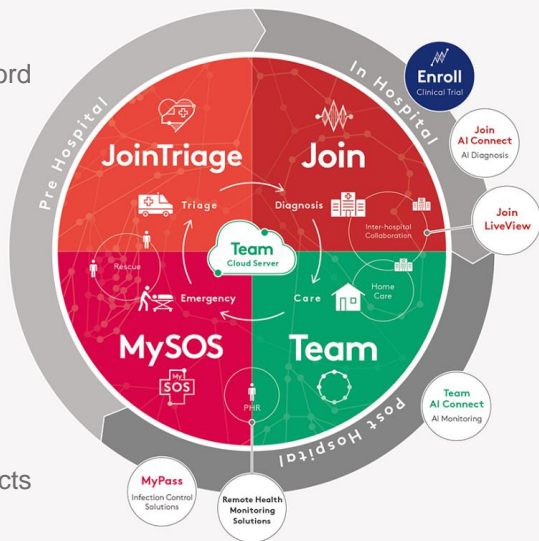
# Healthcare & Medical Business: Medical Area

## Allm Mid to Long Term Business Concept

Greater product synergy

Monetization expansion

- × Personal health record (patient) app
- × Care (nurse & caregiver) app
- × Triage (EMS) app
- × IoT & sensor products



Clinical study and clinical trial support

Medical personnel education

Surveys and marketing

Patient monitoring

MAH & DMAH\*

## Specific Initiatives

### Linkage with devices and more use settings

- Join deployed to the ECMO vehicles at the Center for Advanced Emergency and Critical Care, Nippon Medical School Hospital
- Business alliance with TytoCare, who develop medical devices that acquire lung sounds, heart sounds, body temperature, and other medical data for use in online medical care
- Capital & business alliance with Phelcom Technologies, who provide ophthalmic IoT devices

### Initiatives with pharmaceutical companies

- Concluded business alliance agreement with Shionogi & Co., Ltd. to establish total care for infectious diseases
- Concluded strategic partnership with Moderna Japan to establish digital transformation for infectious disease control

\*MAH: Marketing Authorization Holder; DMAH: Designated Marketing Authorization Holder



**We delight people beyond their wildest dreams**

**The DeNA IR Day 2023 is scheduled to be held in November 2023.  
More information about the exact schedule and event itself shall be posted on the DeNA homepage when available. (<https://dena.com/intl/ir/calendar.html>)**

# Reference Materials

- View for FY2023 (Disclosed on May 10, 2023)
- IFRS to Non-GAAP Reconciliation
- Consolidated Cash Flows
- Consolidated Financial Position
- Segment Breakdown
- Mission, Vision, and Value

## **View for FY2023 (Disclosed on May 10, 2023)**

- The consolidated financial results forecast for FY2023 cannot be provided due to the difficulty of reasonably & accurately estimating the figures
- Aim to increase revenue and non-GAAP operating profit year-on-year

### **Major Change Factors in Non-GAAP Operating Profit for FY2023**

#### **Game Business**

- Approx. 3 new titles are planned for launch throughout FY2023

#### **Live Streaming Business**

- Prioritize revenue growth and positioning in each market
- In FY2023 continue to prioritize revenue growth while also aiming to secure segment profitability

#### **Sports Business**

- If games are held without attendance restrictions or other restrictions in all sports throughout FY2023, then expect year-on-year revenue growth and operating profit improvement

#### **Healthcare & Medical Business**

- Focus on further growth of business portfolio strengthened in FY2022 and earnings base enhancement
- Aim to grow revenue year-on-year and achieve profitability in both the Healthcare & Medical Areas

# IFRS to Non-GAAP Reconciliation

(billion yen)	FY2022				FY2023	FY2022	YoY change
	Q1	Q2	Q3	Q4	Q1		
Reconciliation of Operating profit to Non-GAAP operating profit							
Operating profit (IFRS)	4.0	3.1	-2.0	-0.9	1.7	4.2	-63%
Accounting adjustments related to seasonality & one-time factors	-0.1	-0.1	-0.1	+0.4	-0.1	+0.1	-42%
Acquisition and restructuring related expenses	-	-	+0.3	-	-	+0.3	-
Sales and disposition related gains	-	-	-	-0.3	-	-0.3	-
<b>Non-GAAP operating profit</b>	<b>3.8</b>	<b>3.0</b>	<b>-1.7</b>	<b>-0.8</b>	<b>1.6</b>	<b>4.3</b>	<b>-42%</b>
Profit (loss) from seasonal sports business	-2.6	-2.0	+1.8	+2.8	-3.5	+0.0	-99%
<b>Non-GAAP operating profit excluding Sports</b>	<b>1.3</b>	<b>1.0</b>	<b>0.1</b>	<b>2.0</b>	<b>-1.8</b>	<b>4.3</b>	<b>-57%</b>

(billion yen)	FY2022				FY2023	FY2022	YoY change
	Q1	Q2	Q3	Q4	Q1		
Reconciliation of Operating profit to Non-GAAP EBITDA							
Operating profit (IFRS)	4.0	3.1	-2.0	-0.9	1.7	4.2	-63%
Accounting adjustments related to seasonality & one-time factors	-0.1	-0.1	-0.1	+0.4	-0.1	+0.1	-42%
Acquisition and restructuring related expenses	-	-	+0.3	-	-	+0.3	-
Sales and disposition related gains	-	-	-	-0.3	-	-0.3	-
Depreciation and amortization	+1.3	+1.3	+1.4	+1.5	+1.4	+5.4	-3%
Retirement / impairment of fixed assets (excl. one-time factors)	+0.0	+0.0	+0.0	+0.5	+0.1	+0.5	-88%
<b>Non-GAAP EBITDA</b>	<b>5.1</b>	<b>4.3</b>	<b>-0.3</b>	<b>1.2</b>	<b>3.1</b>	<b>10.2</b>	<b>-41%</b>



# Consolidated Cash Flows

(billion yen)	FY2022 Apr-Jun	FY2022	FY2023 Apr-Jun
<b>Operating cash flow (A)</b>	<b>5.4</b>	<b>10.8</b>	<b>-4.0</b>
Profit before tax	10.7	13.6	6.0
Depreciation and amortization	1.3	5.4	1.4
Impairment loss	-	0.4	0.1
Share of loss (profit) of associates accounted for using the equity method	0.2	-1.8	-1.4
Decrease (increase) in trade and other current receivables	5.7	-0.8	8.3
Increase (decrease) in trade and other current payables	-4.0	-1.7	-3.5
Dividends received	0.0	3.2	1.1
Income tax paid	-0.3	-2.2	-11.4
Others	-8.2	-5.3	-4.6
<b>Investing cash flow (B)</b>	<b>47.4</b>	<b>12.5</b>	<b>-2.3</b>
<b>Financing cash flow</b>	<b>-4.7</b>	<b>-4.9</b>	<b>-4.3</b>
Proceeds from borrowings, net	-0.0	16.5	-1.6
Cash dividends paid	-4.5	-4.6	-2.2
Purchase of treasury stock	-0.0	-15.0	-
Others	-0.1	-1.8	-0.6
<b>FCF ((A)+(B))</b>	<b>52.9</b>	<b>23.3</b>	<b>-6.2</b>
<b>Cash and cash equivalents (Consolidated)</b>	<b>127.9</b>	<b>97.7</b>	<b>88.1</b>
(Non-consolidated basis)	95.0	64.0	52.8

# Consolidated Financial Position

(billion yen)	As of Jun. 30, 2022	As of Mar. 31, 2023	As of Jun. 30, 2023
<b>Current assets</b>	<b>156.7</b>	<b>133.3</b>	<b>115.5</b>
Cash and cash equivalents	127.9	97.7	88.1
<b>Non-current assets</b>	<b>177.7</b>	<b>215.6</b>	<b>232.1</b>
Property and equipment & Right-of-use assets	20.4	20.2	20.2
Goodwill	17.5	49.1	49.1
Intangible assets	13.7	23.0	23.9
Investments accounted for using the equity method	55.7	58.0	60.9
Other non-current financial assets	69.4	63.2	76.4
<b>Total assets</b>	<b>334.4</b>	<b>348.9</b>	<b>347.6</b>
<b>Current liabilities</b>	<b>60.8</b>	<b>50.6</b>	<b>34.7</b>
Borrowings	200	2.7	1.4
<b>Non-current liabilities</b>	<b>29.9</b>	<b>64.3</b>	<b>67.6</b>
Borrowings	0.1	35.0	34.8
<b>Equity</b>	<b>243.7</b>	<b>234.0</b>	<b>245.3</b>
Total equity attributable to owners of the parent	238.6	221.6	233.0
<b>Total liabilities and equity</b>	<b>334.4</b>	<b>348.9</b>	<b>347.6</b>

## Segment Breakdown

Segment	Businesses
Game Business	Japan and international game businesses
Live Streaming Business	Japan and international Pococha, IRIAM, etc.
Sports Business	Baseball, basketball, soccer, etc.
Healthcare & Medical Business	Health big data related services, Japan and international medical digital transformation related services
New Businesses & Others	Previous E-commerce business, previous Automotive business, and other new businesses, etc.

\*Allm Inc. became a subsidiary from October 2022, and its performance is not included in the segment results for Q2 FY2022 and earlier.

\*\*The financial results of the following companies became included in "Share of profit (loss) of associates accounted for using the equity method" in the consolidated income statement and became excluded from segment results as of the timing stated in the parenthesis.

- Previous Automotive business: GO Inc. (Q1 FY2020),  
DeNA SOMPO Mobility Co., Ltd. and DeNA SOMPO Carlife Co., Ltd. (Q1 FY2020)
- Live streaming business: SHOWROOM Inc. (Q2 FY2020)
- Healthcare business: PFDeNA Inc. (Q1 FY2020)
- New businesses & others: Manga Box Co., Ltd. (Q1 FY2021)

## **Mission**

**We delight people  
beyond their  
wildest dreams**

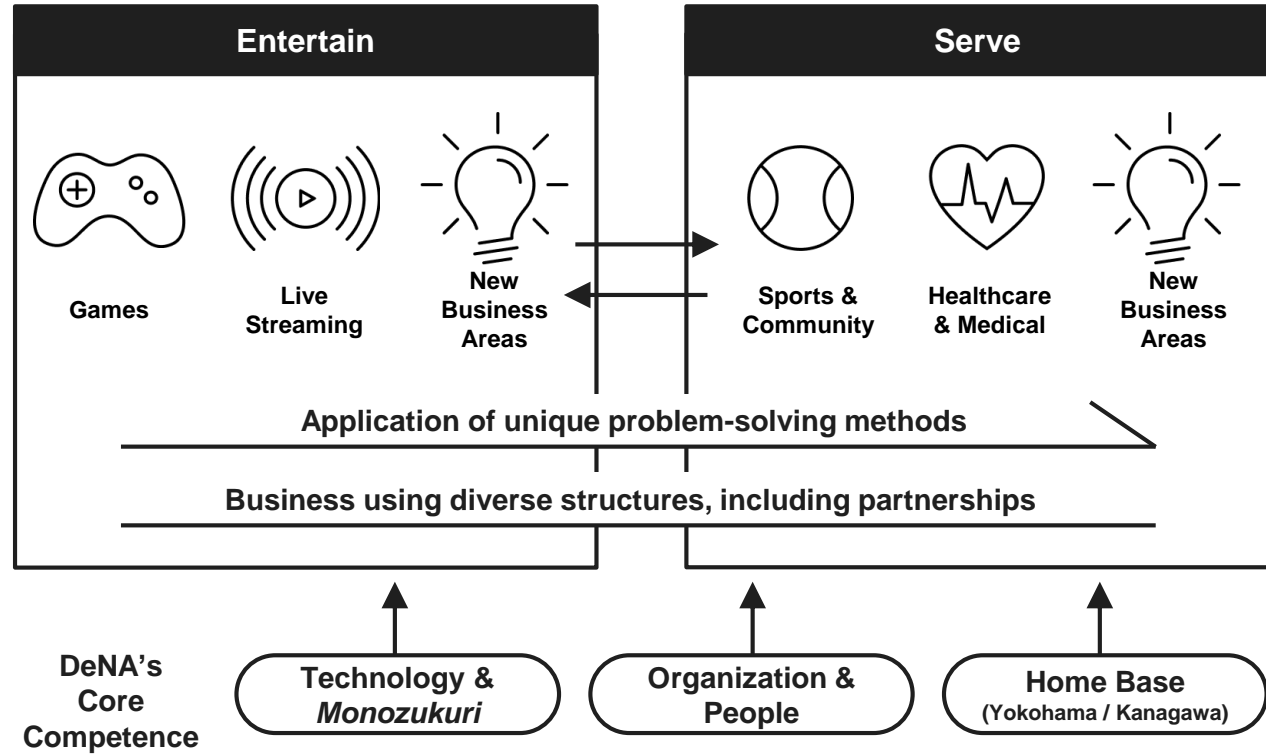
# Vision

**We will be the world's premier provider of internet and AI technology to delight people everywhere.**

**We seek to entertain and enrich lives, and to serve and make the world a better place.**

**Each of us harnesses our individual strengths to make our unique business succeed.**

# Vision



# Value



Reference: Updated information on DeNA sustainability initiatives frequently made available on the DeNA webpage.  
<https://dena.com/jp/sustainability/>

## DeNA Promise

### Our Social Promise

#### Commitment to Product & Service Quality

We deliver delight to our customers through an obsessive commitment to making our products and services trustworthy and easy to use.

#### Cooperation & Prosperity for All

We cooperate with business partners and other members of the community to create prosperity for everyone.

#### Overcoming Challenges

We provide delight that surpasses expectations. We challenge ourselves to develop new technology and services while overcoming any issues that may arise.

#### Acting with Transparency

As a member of the community, we believe that transparency should be reflected in the actions of everyone on staff and in management.

#### Providing Growth Opportunities

We seek to provide a unique and invaluable work experience, enabling our employees to contribute to society.

#### Acting Sustainably

As a global citizen, we strive for harmony with the economy, society, and the environment in order to contribute to a sustainable future.

# Value

## DeNA Quality

### One Team in Pursuit of Delight

---

#### Focus on Substance

We focus on providing value, and each of us works as a part of an effective, purposeful team.

---

#### Being Our Best

We strive for the highest degree of professionalism in all our actions.

---

#### Speak Up & Listen

We share our thoughts and listen carefully, regardless of our position in the organization.

---

#### Respect Diversity

We appreciate the diverse strengths of our colleagues and harness them to achieve success.

---

#### Enjoy the Journey

Mindful that challenges can lead to success or failure, we thoroughly enjoy the journey.





**We delight people beyond their wildest dreams**

The information and data contained within this presentation and these presentation materials have been determined based on information available as of August 9, 2023. The company disclaims any obligation to update or revise such information and data, whether as a result of new information, future events or otherwise.

In addition, any forward-looking statements contained in this presentation or these presentation materials are based on our opinions and information available as of August 9, 2023, and involve uncertainty. Please be aware that the actual performance data and similar information are subject to influence from diverse factors and may differ from the forecasts presented herein.