



July 10, 2025

## Consolidated Financial Results for the Three Months Ended May 31, 2025 (Based on Japanese GAAP)

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 Listing: Tokyo Stock Exchange  
 Securities code: 3678  
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 Scheduled date to commence dividend payment: —  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefings: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for Q1 FYE 2/26 (from March 1, 2025 to May 31, 2025)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Q1 FYE 2/26	26,011	3.6	654	37.6	669	36.7	818	234.8
Q1 FYE 2/25	25,113	11.0	475	(2.1)	490	11.0	244	5.0

(Note) Comprehensive income: Q1 FYE 2/26: ¥688 million (78.7%), Q1 FYE 2/25: ¥385 million (62.7%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Q1 FYE 2/26	53.99	—
Q1 FYE 2/25	16.17	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Q1 FYE 2/26	53,399	17,929	33.3
FYE 2/25	53,160	17,708	33.1

(Reference) Equity: Q1 FYE 2/26: ¥17,772 million, Q1 FYE 2/25: ¥17,599 million

### 2. Cash dividends

	Annual dividends per share (Yen)				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
FYE 2/25	—	0.00	—	36.00	36.00
FYE 2/26	—	—	—	—	—
FYE 2/26 (Forecast)	—	0.00	—	40.00	40.00

(Note) Revision to the forecast for dividends announced most recently: No

### 3. Consolidated earnings forecasts for FYE 2/26 (from March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	106,000	4.0	2,720	9.9	2,700	14.4	2,000	46.7	132.00

(Note) Revision to the financial results forecast announced most recently: No

\* Notes

(1) Significant changes in the scope of consolidation during the period: None

Newly included: None, Excluded: None

(2) Application of specific accounting treatment for preparation of quarterly consolidated financial statements: Yes

Note: For details, please refer to page 11 of the attachment “2. Quarterly consolidated financial statements and significant notes, (3) Notes on quarterly consolidated financial statements, (Application of specific accounting treatments for preparation of quarterly consolidated financial statements).”

(3) Changes in accounting policies, changes in accounting estimates, and restatements

(i) Changes in accounting policies due to revisions of accounting standards and other regulations: Yes

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

Note: For details, please refer to page 9 of the attachment “2. Quarterly consolidated financial statements and significant notes, (3) Notes on quarterly consolidated financial statements, (Notes on changes in accounting policies).”

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury stock)

Q1 FYE 2/26	15,172,972shares	FYE 2/25	15,172,972shares
Q1 FYE 2/26	21,705shares	FYE 2/25	21,705shares
Q1 FYE 2/26	15,151,267shares	Q1 FYE 2/25	15,111,657shares

(ii) Number of treasury stock at the end of the period

(iii) Average number of shares during the period

\* Status of quarterly review by certified public accountants or audit firms: Not conducted

\* Notes on forward-looking statements and other matters

(Caution regarding forward-looking statements)

The forward-looking statements contained in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable. Actual results may differ significantly due to various factors. Please refer to page 4 of the attachment, “1. Overview of operating results,” for the assumptions underlying the earnings forecasts and notes on the use of such forecasts.

(Method of obtaining supplementary materials for the financial results)

The Company plans to hold a financial results briefing for institutional investors and analysts on July 10, 2025. The presentation materials will be disclosed on TDnet after the briefing.

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# 1. Overview of operating results

## (1) Overview of operating results for the quarter

### Consolidated results

	Q1 FYE 2/25 (March 1, 2024 – May 31, 2024)	Q1 FYE 2/26 (March 1, 2025 – May 31, 2025)	Year on year change	
			Amount of increase/decrease	Percentage
Net sales	25,113	26,011	898	3.6%
eBook Distribution Business	23,248	24,203	954	4.1%
Strategic Investment Businesses	2,207	2,167	(39)	(1.8%)
Operating profit	475	654	178	37.6%
Ordinary profit	490	669	179	36.7%
Profit attributable to owners of parent	244	818	573	234.8%

(Note) Segment sales do not match the total net sales due to the exclusion of inter-segment adjustments.

The MEDIA DO Group operates with the mission of realizing a “unleashing a virtuous cycle of literary creation,” by distributing such creation as broadly as possible under fair conditions and returning the profits to the creators. The Group upholds the vision of “More Content for More People!,” and is committed to expanding its business operations and enhancing corporate value, thereby contributing to the development of culture and the creation of a rich society in Japan.

Guided by Article 1 of Chapter 1, General Provisions of the Japanese Copyright Act, which states that “literary creation contributes to cultural development” and emphasizes the “balance between the use and protection of creations,” our business is dedicated to delivering a large volume of digitized literary creations to a wide audience, ensuring fair compensation to creators for their usage, and encouraging the creation of new works—thus supporting the cycle of creative content.

During the Q1 FYE 2/26, net sales in the eBook Distribution business remained robust due to the steady growth of existing distribution channels. In the Strategic Investment businesses, the IP Solution business, including NIHONBUNGEISHA Co.,Ltd., benefited from fundamental management reforms that progressed smoothly, contributing to a reduction in segment losses compared to the same period of the previous year. Additionally, the sale of shares in MyAnimeList Co., Ltd., an equity-method affiliate, resulted in a significant increase in profit attributable to owners of parent. This gain was incorporated into our initial plan, and we are progressing as expected toward achieving our full-year targets.

As a result, for the Q1 FYE 2/26, consolidated net sales were ¥26,011 million (up 3.6% YoY), operating profit was ¥654 million (up 37.6% YoY), ordinary profit was ¥669 million (up 36.7% YoY) and profit attributable to owners of parent was ¥818 million (up 234.8% YoY).

Segment results for the Q1 FY2/26 are outlined below.

From FYE 2/26, the Company has reclassified the SC (Sustainability Creation) business under the Strategic Investment businesses segment, in accordance with the launch of the new Medium-Term Management Plan. Accordingly, the comparative figures for the same period of the previous fiscal year have been restated based on this new segment classification.

### (eBook Distribution Business)

In the eBook Distribution business, the Group continued to provide eBook distribution and content delivery solutions to eBook retailers such as “Comic Cmoa” and “Amazon Kindle.” As of the end of February 2025, we had partnerships with more than 2,200 publishers and over 150 eBook retailers, handling over 2.6 million content files, and managing over 18,000 promotional campaigns annually with publishers and eBook retailers. As the largest eBook distributor in Japan, the Group has contributed to the growth of the publishing industry. As the eBook market continues to expand, the number of titles and promotional campaigns handled by publishers and eBook retailers continues to grow, leading to increased operational costs for eBook distribution each year. Under these circumstances, the value of eBook distributors is becoming increasingly critical. In response, we are working to expand our market share and grow the eBook market itself by enhancing core system integration with our business partners, developing new systems such as episode-based distribution management systems, and providing detailed support based on our accumulated expertise to improve operational efficiency and reduce the incidence of distribution errors.

In the Q1 FYE 2/26, while net sales remained due to growth in existing distribution channels, profit declined due to

temporary factors such as the absence of a prior-year campaign that was shifted in timing and fluctuations in sales incentives.

As a result, net sales were ¥24,203 million (up 4.1% YoY), and segment profit was ¥1,202 million (down 4.5% YoY).

#### (Strategic Investment Businesses)

In the Strategic Investment businesses, we reorganized our subsegments this fiscal year and are focusing on three core areas as key initiatives for the medium to long term: the Global business, IP Solution business, and the SC (Sustainability Creation) business.

In the Global business, our overseas subsidiaries' SaaS-based DX services for publishers performed steadily, leading to higher sales. However, segment profit declined due to increased SG&A expenses associated with strengthening the overall business structure. The Global business is a key focus area in our Medium-Term Management Plan announced in April 2025. Going forward, we aim to further expand our contribution beyond Japan by distributing Japanese content to a global audience. Challenges such as translation costs and securing distribution channels remain in expanding Japanese content overseas, as much of the content remains untranslated. Through our U.S. subsidiary, Media Do International, Inc., established in 2016, we support global expansion for Japanese publishers, including translation services. Additionally, through the Firebrand Group, with over 35 years of industry history and a network of over 300 overseas publishers including the five largest U.S. publishers, we possess strong distribution and promotion capabilities. By leveraging these strengths and providing "MDTS (MediaDo Translation System)," a service enabling fast, low-cost multi-use translations and audiobook production, we will support the global expansion of Japanese content in terms of both quantity and quality.

In the IP Solution business, we aim to further expand the publishing content market through initiatives such as creating engaging titles at NIHONBUNGEISHA and promoting multimedia adaptations such as TV dramas and films, as well as offering services such as book summaries and audiobook production. At NIHONBUNGEISHA, efforts to build a leaner earnings structure progressed, resulting in an operating profit for the Q1 FYE 2/26. In addition, titles such as Onigoroshi, Gannibal, and Dr. Ashura benefited from successful media mix strategies. We will continue our initiatives to improve performance. Flier Inc., which offers book summary services and was listed on the Tokyo Stock Exchange Growth Market in February 2025, continued steady progress with its SaaS-based business model, surpassing 1,250 corporate contracts. Flier Inc. also achieved operating profitability during the first quarter.

In the SC business, we are working to address regional issues, starting in Tokushima Prefecture, by collaborating with key regional stakeholders including local governments, financial institutions, media, and educational institutions. Our goal is to drive medium- to long-term business growth and enhance corporate value. TOKUSHIMA GAMBAROUS, a professional men's basketball team operated by GAMBAROU TOKUSHIMA Co., Ltd., achieved operating profitability in its second season in the B3 League (2024–2025 season) and aims to further increase revenue and profit this season.

Although the exclusion of Everystar Co., Ltd., which operated a web-novel platform, from consolidation following the transfer of its shares in February 2025 contributed to a decline in sales, the improved performance of NIHONBUNGEISHA and other initiatives in the IP Solution business helped reduce segment losses compared to the same period of the previous year.

As a result, for the Strategic Investment businesses overall, net sales were ¥2,167 million (down 1.8% YoY), and segment loss was ¥146 million (compared to a segment loss of ¥388 million in the same period of the previous year).

#### (2) Overview of financial position for the quarter

Total assets at the end of the Q1 FYE 2/26 increased by ¥239 million from the end of the previous fiscal year to ¥53,399 million. This increase was mainly due to a ¥527 million rise in notes and accounts receivable-trade and contract assets, partially offset by a ¥164 million decrease in cash and deposits and a ¥150 million decrease in goodwill.

Total liabilities increased by ¥17 million from the end of the previous fiscal year to ¥35,469 million. This increase was primarily due to a ¥149 million increase in notes and accounts payable-trade and a ¥380 million increase in income taxes payable, partially offset by a ¥428 million decrease in long-term borrowings.

Total net assets increased by ¥221 million from the end of the previous fiscal year to ¥17,929 million. This increase was primarily due to a ¥271 million increase in retained earnings, as quarterly profit attributable to owners of parent of ¥818 million exceeded dividend payments of ¥546 million, which was partially offset by factors such as a ¥120 million decrease in the foreign currency translation adjustment.

#### (3) Forecasts and other forward-looking information

For the Q1 FYE 2/26, consolidated earnings increased year on year, driven by the steady growth of existing distribution channels in the eBook Distribution business and reduced operating losses at NIHONBUNGEISHA in the Strategic Investment businesses. Going forward, in the eBook Distribution business, we will continue to provide high-quality

services that meet the needs of our business partners, aiming to be an indispensable player in the market. Through these efforts, we will expand our market share and achieve business growth that exceeds that of the eBook market itself. In the Strategic Investment businesses, we will continue to optimize our investments and review our business portfolio. For any business that does not achieve a ROIC of 8% or more after three years, we will consider a review of its position in our portfolio, aiming to reduce segment losses and achieve our full-year targets.

There are no changes to the consolidated earnings forecasts announced on April 14, 2025, at this time.

## 2. Quarterly consolidated financial statements and significant notes

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	FYE 2/25 (March 1, 2024 – February 28, 2025)	Q1 FYE 2/26 (March 1, 2025 – May 31, 2025)
<b>Assets</b>		
Current assets		
Cash and deposits	13,591	13,427
Notes and accounts receivable - trade, and contract assets	24,033	24,560
Other	2,335	2,553
Allowance for doubtful accounts	(0)	(0)
Total current assets	39,960	40,541
Non-current assets		
Property, plant and equipment	582	562
Intangible assets		
Goodwill	4,198	4,047
Software	624	609
Software in progress	9	7
Other	1,207	1,186
Total intangible assets	6,039	5,850
Investments and other assets		
Investment securities	5,669	5,532
Deferred tax assets	310	315
Guarantee deposits	468	468
Other	135	135
Allowance for doubtful accounts	(7)	(7)
Total investments and other assets	6,577	6,445
Total non-current assets	13,199	12,858
Total assets	53,160	53,399

FYE 2/25                      Q1 FYE 2/26  
(March 1, 2024 – February 28, 2025)    (March 1, 2025 – May 31, 2025)

<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	28,273	28,423
Short-term borrowings	52	52
Current portion of long-term borrowings	1,455	1,365
Income taxes payable	27	407
Provision for bonuses	42	39
Other	2,369	2,383
Total current liabilities	32,220	32,672
Non-current liabilities		
Long-term borrowings	2,358	1,930
Deferred tax liabilities	81	74
Retirement benefit liability	621	623
Other	169	169
Total non-current liabilities	3,231	2,796
Total liabilities	35,451	35,469
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,990	5,990
Capital surplus	5,901	5,932
Retained earnings	4,645	4,916
Treasury shares	(48)	(48)
Total shareholders' equity	16,488	16,790
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	127	117
Foreign currency translation adjustment	984	864
Total accumulated other comprehensive income	1,111	981
Share acquisition rights	—	17
Non-controlling interests	108	139
Total net assets	17,708	17,929
Total liabilities and net assets	53,160	53,399



## (2) Quarterly consolidated statements of income and comprehensive income

## Quarterly consolidated statement of income

(Cumulative first quarter)

(Millions of yen)

	Q1 FYE 2/25 (March 1, 2024 – May 31, 2024)	Q1 FYE 2/26 (March 1, 2025 – May 31, 2025)
Net sales	25,113	26,011
Cost of sales	22,680	23,599
Gross profit	2,433	2,412
Selling, general and administrative expenses	1,957	1,758
Operating profit	475	654
Non-operating income		
Interest and dividend income	0	1
Foreign exchange gains	9	—
Share of profit of entities accounted for using equity method	12	33
Other	1	6
Total non-operating income	24	41
Non-operating expenses		
Interest expenses	8	9
Foreign exchange losses	—	9
Loss on investments in investment partnerships	0	5
Other	0	0
Total non-operating expenses	9	25
Ordinary profit	490	669
Extraordinary income		
Gain on sale of non-current assets	1	—
Gain on sale of shares of subsidiaries and associates	—	531
Total extraordinary income	1	531
Extraordinary losses		
Loss on valuation of investment securities	27	—
Settlement payments	—	20
Total extraordinary losses	27	20
Profit before income taxes	464	1,181
Income taxes	236	362
Profit	227	818
Profit (loss) attributable to non-controlling interests	(16)	0
Profit attributable to owners of parent	244	818

Quarterly consolidated statements of comprehensive income  
(Cumulative first quarter)

(Millions of yen)

	Q1 FYE 2/25 (March 1, 2024 – May 31, 2024)	Q1 FYE 2/26 (March 1, 2025 – May 31, 2025)
Profit	227	818
Other comprehensive income		
Valuation difference on available-for-sale securities	(1)	(8)
Foreign currency translation adjustment	157	(120)
Share of other comprehensive income of entities accounted for using equity method	1	(1)
Total other comprehensive income	157	(130)
Comprehensive income	385	688
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	401	687
Comprehensive income attributable to non-controlling interests	(16)	0

(3) Notes on quarterly consolidated financial statements

(Notes on going concern assumption)

None.

(Notes on significant changes in shareholders' equity)

None.

(Notes on changes in the scope of consolidation and application of the equity method)

(1) Significant changes in the scope of consolidation:

None.

(2) Significant changes in the scope of application of the equity method:

The Company excluded MyAnimeList Co., Ltd. from the scope of the equity method as of the Q1 FYE 2/26, following the transfer of all shares in the company.

(Notes on changes in accounting policies)

(Application of "Accounting Standard for Current Income Taxes")

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022) from the beginning of the Q1 FYE 2/26. There is no impact from this change in accounting policy on the quarterly consolidated financial statements.

(Notes on changes in presentation)

(Quarterly consolidated statement of income)

From the Q1 FYE 2/26, certain operational costs related to publishing industry solutions services provided by overseas subsidiaries, which were previously recorded under "Selling, General and Administrative Expenses," have been reclassified under "Cost of Sales." This change was made to strengthen the profit management framework in preparation for future business expansion at these subsidiaries and to appropriately match net sales with cost of sales, thereby providing a clearer presentation of gross profit. Comparative figures for the Q1 FYE 2/25 have been restated to reflect this change in presentation. As a result, ¥237 million previously included in "Selling, General and Administrative Expenses" for the Q1 FYE 2/25 has been reclassified under "Cost of Sales."

(Application of specific accounting treatments for preparation of quarterly consolidated financial statements)

	Q1 FYE 2/26 (March 1, 2025 - May 31, 2025)
Tax Expense Calculation	For the Company and certain consolidated subsidiaries, income tax expense for the first quarter is calculated by multiplying profit before income taxes for the quarter by a reasonably estimated effective tax rate for the fiscal year. This rate is estimated for the full fiscal year, including the first quarter, after applying tax effect accounting to profit before income taxes for the full year.

(Notes on the quarterly consolidated statement of cash flows)

A quarterly consolidated statement of cash flows has not been prepared for the cumulative first quarter. Depreciation and amortization expenses (including amortization of intangible assets other than goodwill) and amortization of goodwill for the cumulative first quarter are as follows:

	Q1 FYE 2/25 (March 1, 2024 - May 31, 2024)	Q1 FYE 2/26 (March 1, 2025 - May 31, 2025)
Depreciation and amortization	¥153 million	¥182 million
Amortization of goodwill	¥163 million	¥113 million

(Notes on segment information, etc.)

## Segment information

### I Q1 FYE 2/25 (March 1, 2024 – May 31, 2024)

#### 1. Information on amounts of net sales and profit or loss by reportable segment

(millions of yen)

	Reportable segments			Reconciling items <sup>*1</sup>	Per quarterly consolidated financial statements <sup>*2</sup>
	eBook Distribution Business	Strategic Investment Businesses	Total		
Sales					
Revenues from external customers	23,235	1,878	25,113	0	25,113
Transactions with other segments	13	328	342	(342)	—
Net sales	23,248	2,207	25,456	(342)	25,113
Operating profit (loss)	1,259	(388)	870	(394)	475

\*1 The adjustment in segment profit (loss) mainly consists of general and administrative expenses not attributable to any reportable segment.

\*2 Segment profit (loss) corresponds to operating profit in the quarterly consolidated statement of income.

#### 2. Information on impairment loss on fixed assets or goodwill, etc. by reportable segment

None.

### II Q1 FYE 2/26 (March 1, 2025 – May 31, 2025)

#### 1. Information on amounts of net sales and profit or loss by reportable segment

(millions of yen)

	Reportable segments			Reconciling items <sup>*1</sup>	Per quarterly consolidated financial statements <sup>*2</sup>
	eBook Distribution Business	Strategic Investment Businesses	Total		
Sales					
Revenues from external customers	24,192	1,806	25,999	12	26,011
Transactions with other segments	10	361	371	(371)	—
Net sales	24,203	2,167	26,370	(358)	26,011
Operating profit (loss)	1,202	(146)	1,056	(402)	654

\*1 The adjustment in segment profit (loss) mainly consists of general and administrative expenses not attributable to any reportable segment.

\*2 Segment profit (loss) corresponds to operating profit in the quarterly consolidated statement of income.

#### 2. Matters concerning changes in reportable segments, etc.

The Group has two reportable segments: the "eBook Distribution business," which primarily engages in eBook distribution to domestic online bookstores, and the "Strategic Investment businesses," which comprises a group of businesses aiming to create a second revenue stream by leveraging networks developed through the distribution business.

Effective from the Q1 FY2/26, following the definition of the SC (Sustainability Creation) business in the new Medium-Term Management Plan, revenue from the professional basketball team operated by

GAMBAROU TOKUSHIMA, previously included in "Reconciling items" as it did not fall under a business segment definition, has been reclassified under the "Strategic Investment businesses" segment.

Comparative figures for the Q1 FY2/25 have been restated based on this new segment classification.

3. Information on impairment loss on fixed assets or goodwill, etc. by reportable segment

None.

(Notes on significant subsequent events)

None.