CARTA HOLDINGS

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

Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2019 〔Japanese Standards〕（Consolidated）

Aug 6, 2019

Listed company name:	CARTA HOLDINGS, Inc.			Listed stock exchange:	TSE first section
Stock Code No.:	3688		URL:	https://cartaholdings.co.jp/en/ir/	
Representative:	Title	Chairman	Name:	Shinsuke Usami	
Contact:	Title	Director and CFO	Name:	Hidenori Nagaoka	TEL +81-3-4577-1453

Date to submit the Securities Report:	Aug 6, 2019
Scheduled date of dividend payments:	Sep 30, 2019
Availability of supplementary information	Yes
Holding investors' meeting:	Yes (For security analysts and institutional investors)

(Rounded down to million yen)

1. Consolidated Financial Results for FY 2019 First Nine Months (October 1, 2018 – June 30, 2019)

(1)Consolidated results of operations (cumulative total) (The percentage indicates year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	¥million	%	¥million	%	¥million	%	¥million	%
FY 2019 first nine months	14,280	—	2,408	—	2,447	—	1,329	—
FY 2018 first nine months	21,272	8.3	1,160	(29.4)	1,249	(26.3)	1,108	(31.7)

(Note) Comprehensive Income: FY 2019 first nine months: ¥1,280 million —%
FY 2018 first nine months: ¥1,495 million (14.0)%

	Net income per share	Diluted net income per share	EBITDA	
	¥	¥	¥million	%
FY 2019 first nine months	63.75	63.12	2,850	—
FY 2018 first nine months	92.71	90.85	2,249	—

(Note) CARTA HOLDINGS, Inc. (the "Company") and Cyber Communications Inc. ("CCI") carried out a share exchange (the "Share Exchange"), having the Company as the share exchange wholly-owning parent company and CCI as the share exchange wholly-owned subsidiary, effective on January 1, 2019. The Share Exchange applies to a reverse acquisition in accounting for business combinations, having the Company as an acquired company and CCI as an acquiring company, the assets and liabilities in the consolidated financial statements of the Company just before the Share Exchange are recorded at fair value and taken over to CCI's balance sheet. In addition, consolidated results for the period under review are the total amount of CCI's three-months consolidated results of the first quarter (from October 1, 2018 to December 31, 2018) and the Company's six-months consolidated results from the second quarter through the third quarter (from January 1, 2019 to June 30, 2019) after the Share Exchange. For this reason, there is no continuity between the consolidated financial statement of the period under review and the first quarter of the current fiscal year or before that. Due to this effect, each of the figures of the period under review has significantly changed, compared to the third quarter of the previous fiscal year or the previous fiscal year. Thus, the year-on-year change rate for the third quarter of the fiscal year ending December 31, 2019 is omitted.

* EBITDA noted above (earnings before interest, tax, depreciation and amortization) is calculated by adding interest expenses, depreciation, amortization, and amortization of goodwill to the Company's profit before income taxes.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥million	¥million	%	Yen
June 30, 2019	45,479	22,863	49.6	888.34
September 30, 2018	16,794	8,777	50.8	717.22

(Reference) Owned capital: June 30, 2019 ¥22,566 million
September 30, 2018 ¥8,527 million

(Note) "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) and other standards have been adopted from the beginning of the first quarter of the fiscal year ending December 31, 2019. With respect to

the financial position for the previous fiscal year, figures have been adjusted for the retroactive adoption of the said accounting standards.

2. Dividend status

	Annual dividends					
	1Q end	2Q end	3Q end	4Q end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen	Yen
FY 2018	—	0.00	—	—	15.00	15.00
FY 2019	—	—	8.00			
FY 2019 (Forecast)				—	8.00	16.00

(Note) Revisions to dividend forecast for the current quarter: No

As for the year-end dividend of the fiscal year ended September 30, 2018, the dividend results for VOYAGE GROUP, INC. are stated.

3. Forecast of Consolidated Financial Results for FY 2019 (October 1, 2018 — December 31, 2019)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	EBITDA	
	¥million	%	¥million	%	¥million	%	¥million	%	Yen	¥million	%
Full year	26,000	—	2,500	—	2,500	—	1,600	—	70.54	3,900	—

(Note) Revisions to dividend forecast for the current quarter: No

Since the fiscal year ending December 31, 2019 is an irregular accounting period of 15 months due to the change of fiscal year-end, year-on-year change rate is not stated.

※ Notes

(1) Changes in significant subsidiaries during the period : Yes

(Change of specified subsidiaries that lead to a change in the scope of consolidation)

Newly Companies: 1 (Company Name: cyber communications inc.)

Excluded Companies: — (Company Name: —)

(2) Specific accounting procedures : Yes

(Note) For more information, see page 12, "2. Consolidated Financial Statements (3) Notes to Condensed Interim Consolidated Financial (Adoption of Accounting Method Specific to Preparation of Quarterly Consolidated Financial Statements) ".

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

1) Changes in accounting policy resulting from revisions to accounting standards : None

2) Changes in accounting policy other than above : Yes

3) Changes in accounting estimates : None

4) Retrospective restatements : None

(Note) For more information, see page 13, "2. Consolidated Financial Statements (3) Notes to Condensed Interim Consolidated Financial (Changes in Accounting Policies) ".

(4) Number of shares issued (common stock)

1)Number of shares issued and outstanding (including treasury stock)

Year ended June 30, 2019	25,403,852	Year ended September 30, 2018	11,890,346

2) Number of treasury stock issued and outstanding

Year ended June 30, 2019	554	Year ended September 30, 2018	—

3) Average number of shares during the period (quarterly consolidated cumulative accounting period)

Year ended June 30, 2019	20,851,409	Year ended June 30, 2018	11,960,137

※ Notice regarding audit procedures

This financial result is excluded from audit procedures.

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

(Note on forward - looking statements)

Earnings forecasts and other forward-looking statements in this report are based on information currently available and certain assumptions judged to be reasonable. Therefore, these statements do not constitute a guarantee of achievement. Actual results may differ materially for various reasons.

Please refer to the section of "1. Qualitative Information on Quarterly Financial Results for the Period under Review (3) Explanation of Consolidated Performance Forecast and Other Forward-looking Information" on page 7 of the attached

documents.

(Supplementary materials)

Supplementary materials on quarterly financial results are on our website (in English and Japanese).

Attachment

Contents

1. Qualitative Information on Quarterly Financial Results for the Period under Review

CARTA HOLDINGS, Inc. (the "Company") and Cyber Communications Inc. ("CCI") carried out a share exchange (the "Share Exchange"), having the Company as the share exchange wholly-owning parent company and CCI as the share exchange wholly-owned subsidiary, effective on January 1, 2019. The Share Exchange applies to a reverse acquisition in accounting for business combinations, having the Company as an acquired company and CCI as an acquiring company, the assets and liabilities in the consolidated financial statements of the Company just before the Share Exchange are recorded at fair value and taken over to CCI's balance sheet. In addition, consolidated results for the period under review are the total amount of CCI's three-months consolidated results of the first quarter (from October 1, 2018 to December 31, 2018) and the Company's six-months consolidated results from the second quarter through the third quarter (from January 1, 2019 to June 30, 2019) after the Share Exchange. For this reason, there is no continuity between the consolidated financial statement of the period under review and the first quarter of the current fiscal year or before that. Due to this effect, each of the figures of the period under review has significantly changed, compared to the third quarter of the previous fiscal year or the previous fiscal year. Thus, in (1) Analysis of Operating Results and (2) Analysis of Financial Position, the comparison with the same quarter of the previous fiscal year and the end of previous quarter of the current fiscal year is omitted.

(1) Analysis of Operating Results

With regard to the online advertising market where the Group operates its mainstay business, according to research by Dentsu Inc., in 2018, internet advertising spending reached ¥1,758.9 billion, up 16.5% year on year, supported by growth of the performance-based advertising on mobile devices (Note 1.) and the video advertising. In addition, performance-based advertising costs rose 22.5% year on year to ¥1,151.8 billion, due to the fact that more advertisers are using data and technology as well as the spread of programmatic ad trading (Note 2.), with its increasing significance in branding and market reach.

Under these economic circumstances, the Group has changed the classification of its reportable segments from the second quarter of the current fiscal year in accordance with the management integration by the Share Exchange (the "Management Integration"). The three new reportable segments are: 1) the "Partner Sales Business" which provides advertising sales and solutions mainly through a media rep, 2) the "Ad Platform Business" which operates ad distribution platforms, 3) the "Consumer Business" which plans and operates its owned media and HR related services, operates EC sites and rolles out smartphone game publishing, as well as develops investment and consulting business, etc.

As a result, the Group posted net sales of ¥14,280 million in the period under review, operating income of ¥2,408 million, ordinary income of ¥2,447 million, and profit attributable to owners of parent of ¥1,329 million.

Financial results for each segment were as follows. Sales of each segment include intersegment sales and transfers.

1) Partner Sales Business

The Partner Sales Business sells advertising space and provides solutions mainly through a media rep. In reserved advertising, as the media's shift to performance-based advertising accelerates, in addition to working with existing media, the Group actively carried out sales measures etc. to emerging media, including young people media. In performance-based advertising, the Group actively responded to diversifying needs of advertisers by utilizing abundant audience data that corresponds to the target and building an optimal trading desk system using multiple DSPs (demand-side platforms) and ad exchanges. Also, the Group strengthened its collaboration with solution vendors for the purpose of securing "brand safety (advertisers' brand safety by ensuring the quality of advertising sites)". Additionally, with data utilization becoming increasingly important in corporate management and marketing activities, the Group established "DataCurrent Inc." specialized in the field of data consulting on June 3, 2019, in order to promote data-oriented strategy formulation and execution support.

As a result, the Partner Sales Business recorded sales of ¥8,365 million in the period under

review, and segment income of ¥2,215 million.

2) Ad Platform Business

The Ad Platform Business mainly operates the SSP (Supply Side Platform) "fluct" and services for advertisers "Zucks", "BEYOND X". Additionally, in April 2019, we released "PORTO", an ad platform for brand advertising, in order to strengthen our approaches to the field of branding advertisement. For "fluct", with the rapid spread of programmatic ad trading in the online advertising market, the Group has made efforts particularly in proposing the introduction for smartphone publishers and using it to provide support in maximizing advertising revenues. "Zucks" was robust as the Group enhanced its services and functions, while capturing demand of clients.

However, mainly due to the effect of the decline in ad distribution by major advertising companies in the operation of "fluct" and the amortization of goodwill etc. recorded in connection with the Management Integration, the Ad Platform Business recorded sales of ¥2,951 million in the period under review, and segment income of ¥146 million.

3) Consumer Business

In the Consumer Business, in addition to the operation of its owned media that utilizes points, mainly "EC Navi" and "PeX", the Group is actively investing in the HR field, EC field and FinTech field as expansion fields, in order to create businesses that will be the next pillar in the medium- to long-term. Also, the amortization of goodwill etc. recorded in connection with the Management Integration is incurred.

As a result, the Consumer Business recorded sales of ¥2,968 million in the period under review, and segment income of ¥47 million.

(Notes)

1. Performance-based advertising is a method of advertising with platforms that process vast amounts of data to help optimize ad distribution either automatically or instantaneously. Typical examples include search engine advertising, certain ad networks, as well as DSPs (systems that aid advertisers in maximizing their advertisements' effectiveness), ad exchanges, and SSPs (mechanisms that aid publishers in maximizing advertising efficiency). Selling advertising space, tie-ups and affiliate advertising are not included in performance-based advertising. (Source: Advertising Expenditures in Japan, 2015, Dentsu Inc.)
2. Programmatic ad trading is a form of trading that enables the automatic online purchase of advertising space based on audience data, where advertisers (buyers of advertising space) and publishers (sellers of advertising space) make transactions through ad distribution platforms such as a DSP or SSP.

(2) Analysis of Financial Position

Assets, Liabilities and Net Assets

(Assets)

Consolidated assets as of the end of the period under review totaled ¥45,479 million. Of the current assets ¥31,379 million, main items are accounts receivable – trade of ¥14,704 million. Non-current assets of ¥14,099 million mainly consist of investment securities of ¥3,636 million and goodwill of ¥3,018 million.

(Liabilities)

Consolidated liabilities as of the end of the period under review totaled ¥22,615 million. Of the current liabilities ¥20,980 million, the main items are accounts payable – trade of ¥14,287 million. Non-current liabilities of ¥1,634 million mainly consist of asset retirement obligations of ¥536 million and long-term loans payable of ¥261 million.

(Net Assets)

Consolidated net assets as of the end of the period under review totaled ¥22,863 million. Of this amount, total shareholders' equity was ¥22,131 million and accumulated other comprehensive income was ¥435 million.

(3) Explanation of Consolidated Performance Forecast and Other Forward-looking Information

No revisions have been made to the full-year consolidated performance forecast announced in "Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2019" on February 14, 2019.

2. Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Thousands of yen)

	As of September 30, 2018	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	5,679,809	14,320,184
Accounts receivable - trade	3,639,618	14,704,241
Supplies	472,122	470,281
Other	746,878	1,884,775
Allowance for doubtful accounts	(75)	—
Total current assets	10,538,354	31,379,482
Non-current assets		
Property, plant and equipment	192,770	1,726,973
Intangible assets		
Goodwill	1,468,564	3,018,481
Other	351,475	4,065,451
Total intangible assets	1,820,040	7,083,933
Investments and other assets		
Investment securities	3,558,911	3,636,091
Other	684,473	1,652,946
Allowance for doubtful accounts	—	(350)
Total investments and other assets	4,243,384	5,288,687
Total non-current assets	6,256,194	14,099,594
Total assets	16,794,549	45,479,077
Liabilities		
Current liabilities		
Accounts payable - trade	2,549,450	14,287,266
Short-term loans payable	—	19,600
Current portion of long-term loans payable	489,988	359,713
Income taxes payable	295,364	344,213
Provision for bonuses	38,581	869,079
Provision for directors' bonuses	—	4,242
Provision for point card certificates	2,837,684	458,037
Asset retirement obligations	50,736	74,250
Other	896,515	4,563,713
Total current liabilities	7,158,320	20,980,118
Non-current liabilities		
Long-term loans payable	498,912	261,696
Asset retirement obligations	—	536,000
Other	359,974	837,282
Total non-current liabilities	858,886	1,634,978
Total liabilities	8,017,206	22,615,097

(Thousands of yen)

	As of September 30, 2018	As of June 30, 2019
Net assets		
Shareholders' equity		
Capital stock	1,073,304	1,087,668
Capital surplus	1,063,308	12,007,535
Retained earnings	5,229,730	9,035,876
Treasury shares	—	(35)
Total shareholders' equity	7,366,343	22,131,045
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,167,607	453,367
Foreign currency translation adjustment	(5,955)	(17,442)
Total accumulated other comprehensive income	1,161,652	435,924
Share acquisition rights	1,908	7,652
Non-controlling interests	247,438	289,357
Total net assets	8,777,342	22,863,980
Total liabilities and net assets	16,794,549	45,479,077

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

(Consolidated Statements of Income)

(Thousands of yen)

	Nine months ended June 30, 2018	Nine months ended June 30, 2019
Net sales	21,272,812	14,280,315
Cost of sales	15,129,151	1,567,518
Gross profit	6,143,660	12,712,797
Selling, general and administrative expenses	4,982,876	10,304,268
Operating profit	1,160,784	2,408,528
Non-operating income		
Dividends income	5,805	10,637
Gain on investments in partnership	—	11,057
Business commission fee	—	21,942
Rent income	—	15,023
Insurance dividend	—	21,265
investment dividend	137,451	—
Other	1,589	12,286
Total non-operating income	144,846	92,212
Non-operating expenses		
Share of loss of entities accounted for using equity method	40,373	24,227
Loss on investments in partnership	—	13,141
Foreign exchange losses	7,094	11,284
Other	8,247	4,672
Total non-operating expenses	55,716	53,325
Ordinary profit	1,249,914	2,447,415
Extraordinary income		
Gain on change in equity	80,184	—
Gain on sales of investment securities	20,365	—
Gain on reversal of subscription rights to shares	—	193
Gain on sales of shares of subsidiaries and associates	541,289	—
Total extraordinary income	641,839	193
Extraordinary losses		
Loss on step acquisitions	36,936	—
Loss on retirement of non-current assets	30,577	34,691
Loss on sales of investment securities	—	163,298
Loss on valuation of investment securities	20,599	—
Head office relocation expenses	—	109,528
Other	1,779	1,090
Total extraordinary losses	89,893	308,608
Profit before income taxes	1,801,860	2,139,001
Income taxes	678,114	805,986
Profit	1,123,745	1,333,015
Profit attributable to non-controlling interests	14,918	3,716
Profit attributable to owners of parent	1,108,826	1,329,298

(Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	Nine months ended June 30, 2018	Nine months ended June 30, 2019
Profit	1,123,745	1,333,015
Other comprehensive income		
Valuation difference on available-for-sale securities	378,402	(34,784)
Share of other comprehensive income of entities accounted for using equity method	(6,469)	(17,442)
Total other comprehensive income	371,932	(52,226)
Comprehensive income	1,495,677	1,280,788
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,480,758	1,277,081
Comprehensive income attributable to non-controlling interests	14,918	3,706

(4) Notes to Condensed Interim Consolidated Financial Statements

(Going Concern Assumption)

None

(Notes on Significant Changes in the Amount of Shareholders' Equity)

The Company and CCI carried out the Share Exchange, having the Company as the share exchange wholly-owning parent company and CCI as the share exchange wholly-owned subsidiary, effective on January 1, 2019.

The Share Exchange applies to a reverse acquisition in accounting for business combinations, having the Company as an acquired company and CCI as an acquiring company, the assets and liabilities in the consolidated financial statements of the Company just before the Share Exchange are recorded at fair value and taken over to CCI's balance sheet. In addition, consolidated results for the period under review are the total amount of CCI's three-months consolidated results of the first quarter (from October 1, 2018 to December 31, 2018) and the Company's six-months consolidated results from the second quarter through the third quarter (from January 1, 2019 to June 30, 2019) after the Share Exchange. For this reason, there is no continuity between the consolidated financial statement of the period under review and the first quarter of the current fiscal year or before that.

The main reasons for changes in each item of shareholders' equity and their amounts in the period under review were as follows.

	Shareholders' equity (Thousands of yen)				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of October 1, 2018 (Note 1.)	490,000	122,500	7,706,578	–	8,319,078
Changes of items during the period under review					
Increase (decrease) by the Share Exchange (Note 2.)	595,643	11,883,023	–	–	12,478,666
Profit attributable to owners of parent	–	–	1,329,298	–	1,329,298
Purchase of treasury shares	–	–	–	(35)	(35)
Exercise of subscription rights to shares	2,025	2,025	–	–	4,051
Change in ownership interest of parent due to transactions with non-controlling interests	–	(14)	–	–	(14)
Total of changes of items during the period under review	597,668	11,885,035	1,329,298	(35)	13,811,966
Balance as of June 30, 2019	1,087,668	12,007,535	9,035,876	(35)	22,131,045

(Notes)

1. "Balance as of October 1, 2018" indicates CCI's balance at the beginning of the period.
2. "Increase (decrease) by the Share Exchange" indicates increase (decrease) recorded by using Purchase Method, having CCI as an acquiring company and the Company as an acquired company.

(Notes on Changes in Significant Subsidiaries during the Period)

The Company and CCI carried out the Share Exchange, having the Company as the share exchange wholly-owning parent company and CCI as the share exchange wholly-owned subsidiary, effective on January 1, 2019, and from the same day, CCI has been included in the scope of consolidation.

(Adoption of Accounting Method Specific to Preparation of Quarterly Consolidated Financial Statements)

Tax expenses for the period are calculated by multiplying net income before income taxes for the period by the reasonably estimated annual effective tax rate after applying tax effect accounting which is calculated based on the estimated net income before income taxes for the entire fiscal year.

(Changes in Accounting Policies)

(Adoption of the Accounting Standard for Revenue Recognition, etc.)

As the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 30, 2018, hereinafter "Accounting Standard for Revenue Recognition") and "Implementation Guidance on Accounting Standard for Revenue Recognition" (ASBJ Guidance No.30, March 30, 2018) became applicable from the beginning of the fiscal year commencing on and after April 1, 2018, the Company adopted the Accounting Standard for the Revenue Recognition from the beginning of the first quarter of the fiscal year ending December 31, 2019 and made following changes.

In line with the adoption of the Accounting Standard for Revenue Recognition, the Company examined the case that other parties are involved in providing goods or services to customers, whether the nature of its promise is a performance obligation to self-provide the specified goods or services (i.e. the Company is the principal) or a performance obligation to arrange for those goods or services to be provided by other party (i.e. the Company is the agent). Accordingly, the Company changed the revenue recognition of Partner Sales Business transactions excluding some part, all transactions in Ad Platform Business, and part of transactions in Consumer Business from gross to net amount. As a result, compared to the previous accounting method, net sales and cost of sales in the consolidated statements of income for the period under review decreased by ¥69,896 million, respectively. In addition, point card deposits received of ¥2,489 million of VOYAGE MARKETING Inc., which were previously included in "provision for point card certificates" in the consolidated balance sheet, are now included in "deposits received". Furthermore, as this "deposits received" of ¥2,489 million is less than 10% of the total of liabilities and net assets, it is included in "other current liabilities".

Regarding the adoption of the Accounting Standard for Revenue Recognition, the Company follows the transitional treatment stated in the provision under Paragraph 84 of the Accounting Standard for Revenue Recognition. However, since there is no cumulative impact to be reflected in the net assets at the beginning of the current consolidated fiscal year, there is no impact on the balance of the retained earnings at the beginning of the current consolidated fiscal year.

(Additional Information)

(Accounting Method for the Share Exchange)

The Company and CCI carried out the Share Exchange, having the Company as the share exchange wholly-owning parent company and CCI as the share exchange wholly-owned subsidiary, effective on January 1, 2019. The Share Exchange applies to a reverse acquisition in accounting for business combinations, having the Company as an acquired company and CCI as an acquiring company, the assets and liabilities in the consolidated financial statements of the Company just before the Share Exchange are recorded at fair value and taken over to CCI's balance sheet. In addition, consolidated results for the period under review are the total amount of CCI's three-months consolidated results of the first quarter (from October 1, 2018 to December 31, 2018) and the Company's six-months consolidated results from the second quarter through the third quarter (from January 1, 2019 to June 30, 2019) after the Share Exchange. For this reason, there is no continuity between the consolidated financial statement of the period under review and the first quarter of the current fiscal year or before that.

From the above, the Company is adopting the "Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Statement No.24, December 4, 2009) and "Accounting Standard for Accounting Changes and Error Corrections and its Implementation Guidance" (ASBJ Guidance No.24, December 4, 2009), but as comparative data, figures of the previous fiscal year and the same quarter of the previous fiscal year of former VOYAGE GROUP, INC. (the Company before the Share Exchange) are used.

(Adoption of "Partial Amendments to Accounting Standard for Tax Effect Accounting" and Other Standards)

"Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) and other standards have been adopted from the beginning of the first quarter of the fiscal year ending December 31, 2019, whereby deferred tax assets are presented under investments and other assets, while deferred tax liabilities are presented under non-current liabilities.

(Segment Information)

I For the nine-month period ended June 30, 2018 (October 1, 2017 to June 30, 2018)

1. Information on sales and income or loss by reportable business segment

(thousands of yen)

	Reportable Segments				Adjustment	Consolidation (Note)
	Ad Platform Business	Points Media Business	Incubation Business	Total		
Sales						
Outside Sales	14,178,760	5,220,476	1,873,574	21,272,812	—	21,272,812
Intersegment Sales or Transfer	40,326	9,521	105,070	154,919	(154,919)	—
Total	14,219,087	5,229,998	1,978,645	21,427,731	(154,919)	21,272,812
Segment Income (loss)	1,027,447	191,158	(57,821)	1,160,784	—	1,160,784

(Note) Segment income or loss is adjusted with operating income on the quarterly consolidated statements of income.

2. Information concerning impairment loss on noncurrent assets, goodwill and other items by reportable business segment

(Material impairment loss on noncurrent assets)
No significant items to be reported.

(Material changes in goodwill)
No significant items to be reported.

(Material profit from negative goodwill)
No significant items to be reported.

II For the nine-month period ended June 30, 2019 (October 1, 2018 to June 30, 2019)

1. Information on sales and income or loss by reportable business segment

(thousands of yen)

	Reportable Segments				Adjustment	Consolidation (Note)
	Partner Sales Business	Ad Platform Business	Consumer Business	Total		
Sales						
Outside Sales	8,365,147	2,946,506	2,968,662	14,280,315	—	14,280,315
Intersegment Sales or Transfer	—	5,336	—	5,336	(5,336)	—
Total	8,365,147	2,951,843	2,968,662	14,285,652	(5,336)	14,280,315
Segment Income	2,215,247	146,064	47,217	2,408,528	—	2,408,528

(Note) Segment income is adjusted with operating income on the quarterly consolidated statements of income.

2. Information concerning impairment loss on noncurrent assets, goodwill and other items by reportable business segment

(Material impairment loss on noncurrent assets)
No significant items to be reported.

(Material changes in goodwill)

In connection with the Management Integration, for goodwill, ¥2,416,228 thousand in Ad Platform Business and ¥761,120 thousand in Consumer Business were recorded.

(Material profit from negative goodwill)

No significant items to be reported.

3. Matters concerning changes etc. in reportable segments

Since the Company changed its accounting method concerning revenue recognition as described in the Changes in Accounting Policies, it changed its method for measuring profit or loss in each business segment as well.

In addition, in connection with the Management Integration as of January 1, 2019, the Company changed the reportable segments from "Ad Platform Business", "Points Media Business" and "Incubation Business" to "Partner Sales Business", "Ad Platform Business", and "Consumer Business".

The segment information of the third quarter of the previous fiscal year has been prepared using the segment classification before the change.

Company Name	Business Contents	Business Segments (Before the Management Integration)	Business Segments (After the Management Integration)
Cyber Communications Inc.	Media Rep, etc.	-	Partner Sales Business
	BEYOND X, PMP, etc.	-	Ad Platform Business
VOYAGE GROUP, INC.	Zucks, fluct, CMerTV, etc.	Ad Platform Business	
	EC Navi, PeX, Research Panel	Points Media Business	Consumer Business
	EC, FinTech, HR, etc.	Incubation Business	
	VOYAGE VENTURES, etc.		