

May 2, 2025

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Name of representative: (Name) Junichi Goishi, Representative Director and CEO
(Securities code: 6182; Listing Market TSE)
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(Corrections and Corrections of Numerical Data) Partial Corrections of “Consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Japanese GAAP)”

We hereby announces that there have been corrections made partly to the “Consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Japanese GAAP)” that was disclosed on April 14, 2025 and (Corrections and Corrections of Numerical Data) Partial Corrections of “Consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Japanese GAAP)” that was disclosed on April 18, 2025. In addition, there were corrections to the numerical data, so we will transmit the revised numerical data.

1. Reason for corrections

Regarding the “Consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Japanese GAAP)” which was disclosed on April 14, 2025, we found in “Segment assets” in “3. Information on net sales, income (loss), assets and other items by reportable segment and breakdown of income” that the balance of undepreciated goodwill of 408,422 thousand yen was included in “Adjustment”. Originally, however, it should had been included in the “Metaverse business”.

In conjunction with this correction, the adjustment to Segment assets disclosed in (Corrections and Corrections of Numerical Data) Partial Corrections of “Consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (Japanese GAAP)” disclosed on April 18, 2025 is also revised.

2. Details of corrections

Corrections appear with an underline.

<Attached documents Page 17>

3. Consolidated Financial Statements and Major Notes

(5) Notes on Consolidated Financial Statements

(Segment Information)

[Segment Information]

3. Information on net sales, income (loss), assets and other items by reportable segment and breakdown of income

(Before Correction)

Current fiscal year (From March 1, 2024 to February 28, 2025)

(Thousands of yen)

	Reportable Segments				Adjustments (Notes 1, 3, 4)	Amounts on the consolidated financial statements (Note 2)
	AI business (Note 5)	HT business	Metaverse business	Total		
By type of goods or services						
Machine translation	2,631,697	16,173	-	2,647,871	-	2,647,871
Human translation	54,043	867,908	-	921,951	-	921,951
Metaverse	-	-	1,125	1,125	-	1,125
Consigned development	400,883	-	112,931	513,814	-	513,814
Revenue from contracts with customers	3,086,624	884,081	114,057	4,084,762	-	4,084,762
Revenue recognition by period						
Goods or services that are transferred at one time	419,332	771,918	113,046	1,304,297	-	1,304,297
Goods or services that are transferred over a period of time	2,667,291	112,163	1,010	2,780,465	-	2,780,465
Revenue from contracts with customers	3,086,624	884,081	114,057	4,084,762	-	4,084,762
Net sales to unaffiliated customers	3,086,624	884,081	114,057	4,084,762	-	4,084,762
Intersegment sales or transfer	5,248	46,595	25,449	77,293	△77,293	-
Total	3,091,872	930,677	139,506	4,162,056	△77,293	4,084,762
Segment income or loss (△)	493,905	88,733	△216,791	365,847	△248,527	117,319
Segment assets	2,471,139	484,850	<u>401,566</u>	<u>3,357,556</u>	<u>1,562,103</u>	4,919,659
Other						
Depreciation	263,865	5,207	509	269,582	△5,290	264,292
Amortization of goodwill	-	-	5,304	5,304	-	5,304
Impairment loss	-	9,080	1,217	10,297	-	10,297
Increase in property, plant and equipment, and intangible assets	341,363	1,220	1,217	343,802	809	344,611

(Note) 1. Adjustments to segment income or loss (△) of △248,527 thousand yen include an elimination of intersegment transactions of 272,450 thousand yen and corporate expenses not attributable to reportable segments of △520,977 thousand yen.

Corporate expenses mainly consist of expenses related to the administrative departments of the parent company that are not attributable to reportable segments.

2. Segment income or loss (△) is adjusted with operating income in the consolidated statements of income.

3. Adjustments to segment assets of 1,562,103 thousand yen are corporate assets not attributable to reportable segments. They mainly consist of parent-company assets and deferred tax assets.

4. Among the adjustments for other items, the adjustment amount of depreciation expenses of △5,290 thousand yen pertains to the depreciation expenses and unrealized profit and loss adjustments related to the parent company's assets. The adjustment amount of 809 thousand yen for the increase in tangible and intangible fixed assets pertains to the increase related to the parent company's assets.

5. Sales related to generative AI are included in [Machine translation] for platform-type sales and [Consigned development] for consigned development-related sales.

(After Revision)

Current fiscal year (From March 1, 2024 to February 28, 2025)

(Thousands of yen)

	Reportable Segments				Adjustments (Notes 1, 3, 4)	Amounts on the consolidated financial statements (Note 2)
	AI business (Note 5)	HT business	Metaverse business	Total		
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Revenue from contracts with customers	3,086,624	884,081	114,057	4,084,762	-	4,084,762
Revenue recognition by period						
Goods or services that are transferred at one time	419,332	771,918	113,046	1,304,297	-	1,304,297
Goods or services that are transferred over a period of time	2,667,291	112,163	1,010	2,780,465	-	2,780,465
Revenue from contracts with customers	3,086,624	884,081	114,057	4,084,762	-	4,084,762
Net sales to unaffiliated customers	3,086,624	884,081	114,057	4,084,762	-	4,084,762
Intersegment sales or transfer	5,248	46,595	25,449	77,293	△77,293	-
Total	3,091,872	930,677	139,506	4,162,056	△77,293	4,084,762
Segment income or loss (△)	493,905	88,733	△216,791	365,847	△248,527	117,319
Segment assets	2,471,139	484,850	<u>809,988</u>	<u>3,765,978</u>	<u>1,153,681</u>	4,919,659
Other						
Depreciation	263,865	5,207	509	269,582	△5,290	264,292
Amortization of goodwill	-	-	5,304	5,304	-	5,304
Impairment loss	-	9,080	1,217	10,297	-	10,297
Increase in property, plant and equipment, and intangible assets	341,363	1,220	1,217	343,802	809	344,611

(Note) 1. Adjustments to segment income or loss (△) of △248,527 thousand yen include an elimination of intersegment transactions of 272,450 thousand yen and corporate expenses not attributable to reportable segments of △520,977 thousand yen.

Corporate expenses mainly consist of expenses related to the administrative departments of the parent company that are not attributable to reportable segments.

2. Segment income or loss (△) is adjusted with operating income in the consolidated statements of income.

3. Adjustments to segment assets of 1,153,681 thousand yen are corporate assets not attributable to reportable segments. They mainly consist of parent-company assets and deferred tax assets.

4. Among the adjustments for other items, the adjustment amount of depreciation expenses of △5,290 thousand yen pertains to the depreciation expenses and unrealized profit and loss adjustments related to the parent company's assets. The adjustment amount of 809 thousand yen for the increase in tangible and intangible fixed assets pertains to the increase related to the parent company's assets.

5. Sales related to generative AI are included in [Machine translation] for platform-type sales and [Consigned development] for consigned development-related sales.

The End.