

## Startia Holdings (3393)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY03/2018		11,058	358	376	613	60.74	12.00	478.21
FY03/2019		11,907	517	573	323	32.15	9.00	473.95
FY03/2020CoE		12,822	506	504	290	28.32	9.00	-
FY03/2019	YoY	7.7%	44.4%	52.3%	(47.3%)	-	-	-
FY03/2020CoE	YoY	7.7%	(2.2%)	(12.1%)	(10.3%)	-	-	-
Consolidated Q1 to Q3 (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q3 FY03/2019		8,624	378	415	264	-	-	-
Q1 to Q3 FY03/2020		9,240	355	383	193	-	-	-
Q1 to Q3 FY03/2019	YoY	6.6%	34.7%	41.6%	(45.1%)	-	-	-
Q1 to Q3 FY03/2020	YoY	7.1%	(6.0%)	(7.7%)	(26.9%)	-	-	-

Source: Company Data, WRJ Calculation

### 1.0 Results Update (12 February 2019)

#### Changeover

On 7 February 2020, Startia Holdings focusing on digital marketing released its Q1 to Q3 FY03/2020 results. It has been revealed that recent trading is in line with assumptions of initial Company forecasts. On the Digital Marketing Business side, which helps customers to make money by means of optimizing their information through own IT services, subscription sales came in at ¥1,030m (up 15.6% YoY) and flow sales ¥510m (down 13.6%), implying a remarkable changeover to operations based on subscription-type business model to realize maximization of earnings in a long-term view from that of outright sales. Given decreased flow sales to contribute to short-term earnings and increased subscription sales, in the process of taking off on a full-fledged basis, to postpone the timing of contributing to earnings short-term when compared with those of flow sales, earnings in this business segment is coming down. However, more importantly, we have an impression that the Company is seeing higher potential to drive long-term earnings with a stability to the same extent. Meanwhile, on the IT Infrastructure side, i.e., traditional source of earnings with the Company, earnings are still surging. Thus, earnings as a whole for the Company has not come down very much. We are to interview with management to discuss the issues more in depth so that we should be able to update [Startia Holdings \(3393\) Investment Phase \(14 January 2020\)](#) and release anew.

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## 2.0 Company Profile

### IT Infrastructure to Digital Marketing

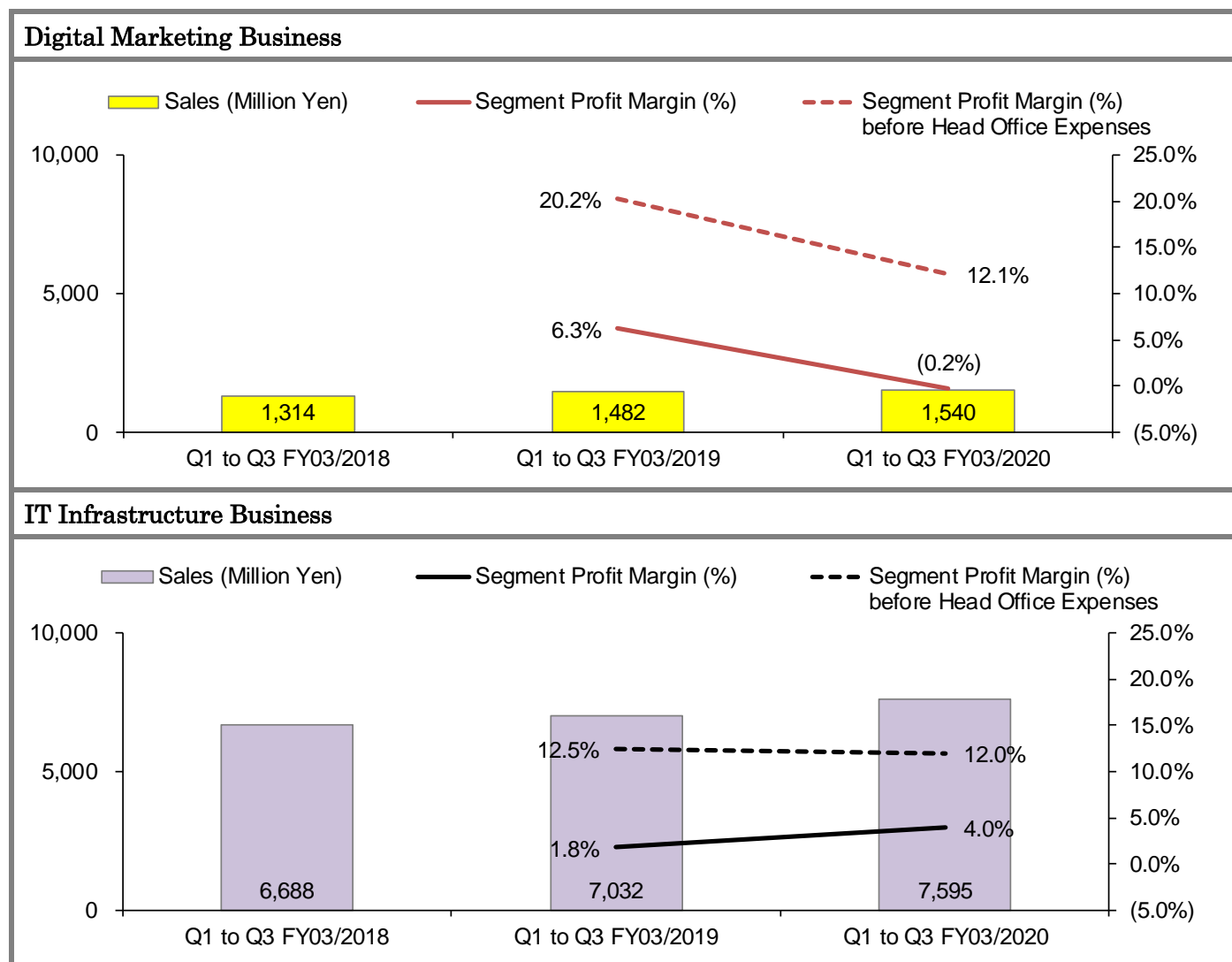
<b>Company Name</b>	Startia Holdings, Inc. <a href="#">Company Website</a> <a href="#">IR Information</a> <a href="#">Share Price (Japanese)</a>	
<b>Established</b>	21 February 1996	
<b>Listing</b>	28 February 2014: Tokyo Stock Exchange 1st section (ticker: 3393) 20 December 2005: Tokyo Stock Exchange Mothers section	
<b>Capital</b>	¥824m (as of the end of December 2019)	
<b>No. of Shares</b>	10,240,400 shares, including 421,811 treasury shares (as of the end of Dec. 2019)	
<b>Main Features</b>	<ul style="list-style-type: none"> <li>● Focus on digital marketing to see high growth</li> <li>● Freemium plan to beef up opportunities for sales and earnings for the future</li> <li>● Steady growth for building of IT infrastructure for smaller business</li> </ul>	
<b>Businesses</b>	I . Digital Marketing Business II . IT Infrastructure Business III. CVC Business IV. Overseas Business	
<b>Top Management</b>	Representative Director, President and Group CEO: Hideyuki Hongo	
<b>Shareholders</b>	Hideyuki Hongo 40.3%, Hikari Tsushin 8.1%, Akira Saiga 4.8% (as of the end of September 2019)	
<b>Headquarters</b>	Shinjuku-ku, Tokyo, JAPAN	
<b>No. of Employees</b>	Consolidated: 668, Unconsolidated: 49 (as of the end of December 2019)	

Source: Company Data

## 3.0 Recent Trading and Prospects

### Q1 to Q3 FY03/2020 Results

In Q1 to Q3 FY03/2020, sales came in at ¥9,240m (up 7.1% YoY), operating profit ¥355m (down 6.0%), recurring profit ¥383m (down 7.7%) and profit attributable to owners of parent ¥193m (down 26.9%), while operating profit margin 3.8% (down 0.5% points).



Source: Company Data, WRJ Calculation

On the Digital Marketing Business side, sales came in at ¥1,540m (up 3.9%), segment profit minus ¥3m (versus ¥92m during the same period of the previous year) and segment profit margin minus 0.2% (down 6.5% points). Prior to the allocation of head office expenses, segment profit margin came in at 12.1% (down 8.1% points). In line with the transition to holding company structure started on 1 April 2018, the Company discloses profit and loss of each business segment after allocating head office expenses since Q1 FY03/2019.

In Q1 to Q3 FY03/2020, sales on the Digital Marketing side have failed to increase rapidly over the same period of the previous year, while segment profit margin came down sharply and also before allocation of head office expenses. As far as we could gather, this has a lot to do with the fact that changeover is progressing faster than initially expected to subscription sales booked by collecting fees of granting rights to use products and/or services for each contract period from flow sales booked by outright sales.

For example, outright sales of COCOAR or AR (augmented reality) creation software should see high gross profit margin, given that it is packaged software developed by the Company. Still, most recently, there are increasing needs to take advantage of subscription-type services. The Company, actively coping with all those needs, are currently seeing delayed timing of booking sales when compared with that of outright sales, resulting in a difficulty to compensate for SG&A expenses in a short-term view. More importantly, however, this shows nothing but the fact that the Company is in the process of accumulating stock to generate stable earnings over the long term. As far as we are concerned, an aspect that the Company is steady accumulating stable source of earnings is most noteworthy.

Meanwhile, on the IT Infrastructure Business side to build IT infrastructure for smaller business, the Company has continued to see surging earnings. Sales came in at ¥7,959m (up 8.0%), segment profit ¥302m (up 134.0%) and segment profit margin 4.0% (up 2.1% points). Prior to the allocation of head office expenses, segment profit margin came in at 12.0% (down 0.5 % points). In Q2, the Company saw frontloaded delivery on UTMs (United Threat Management), networking equipment and MFPs (MultiFunctional Peripherals) ahead of consumption tax hike and reactionary decreases of sales stemming from here appear to have been limited in Q3.

#### **FY03/2020 Company Forecasts**

FY03/2020 initial Company forecasts have remained unchanged, going for prospective sales of ¥12,822m (up 7.7% YoY), operating profit of ¥506m (down 2.2%), recurring profit of ¥504m (down 12.1%) and profit attributable to owners of parent of ¥290m (down 10.3%), while operating profit margin of 3.9% (down 0.4% points). At the same time, Company forecasts have remained unchanged also for prospective annual dividend, going for ¥9.00 per share, implying payout ratio of 31.8%.

## 4.0 Financial Statements

### Income Statement (Cumulative, Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	03/2019	03/2019	03/2019	03/2019	03/2020	03/2020	03/2020	03/2020	03/2020	
<b>Sales</b>	<b>2,782</b>	<b>5,731</b>	<b>8,624</b>	<b>11,907</b>	<b>2,873</b>	<b>6,240</b>	<b>9,240</b>	-	-	<b>+616</b>
Cost of Sales	1,582	3,145	4,760	6,582	1,641	3,469	5,168	-	-	+408
Gross Profit	1,199	2,585	3,864	5,325	1,232	2,770	4,071	-	-	+207
SG&A Expenses	1,162	2,290	3,485	4,807	1,235	2,450	3,716	-	-	+230
<b>Operating Profit</b>	<b>37</b>	<b>294</b>	<b>378</b>	<b>517</b>	<b>(2)</b>	<b>320</b>	<b>355</b>	-	-	<b>(22)</b>
Non Operating Balance	12	35	36	55	(9)	15	27	-	-	(9)
<b>Recurring Profit</b>	<b>49</b>	<b>330</b>	<b>415</b>	<b>573</b>	<b>(12)</b>	<b>335</b>	<b>383</b>	-	-	<b>(32)</b>
Extraordinary Balance	18	23	23	25	0	2	2	-	-	(20)
Profit before Income Taxes	67	353	438	598	(12)	338	385	-	-	(52)
Total Income Taxes	13	135	186	289	20	159	193	-	-	+7
NP Belonging to Non-Controlling SHs	(8)	(9)	(12)	(13)	(1)	(1)	(1)	-	-	+11
<b>Profit Attributable to Owners of Parent</b>	<b>62</b>	<b>228</b>	<b>264</b>	<b>323</b>	<b>(31)</b>	<b>180</b>	<b>193</b>	-	-	<b>(71)</b>
Sales YoY	+6.2%	+6.7%	+6.6%	+7.7%	+3.3%	+8.9%	+7.1%	-	-	-
Operating Profit YoY	-	+33.0%	+34.7%	+44.4%	-	+8.6%	(6.0%)	-	-	-
Recurring Profit YoY	-	+40.6%	+41.6%	+52.3%	-	+1.5%	(7.7%)	-	-	-
Profit Attributable to Owners of Parent YoY	+52.8%	+8.6%	(45.1%)	(47.3%)	-	(21.1%)	(26.9%)	-	-	-
Gross Profit Margin	43.1%	45.1%	44.8%	44.7%	42.9%	44.4%	44.1%	-	-	(0.7%)
Sales to SG&A Expenses Ratio	41.8%	40.0%	40.4%	40.4%	43.0%	39.3%	40.2%	-	-	(0.2%)
Operating Profit Margin	1.3%	5.1%	4.4%	4.3%	(0.1%)	5.1%	3.8%	-	-	(0.5%)
Recurring Profit Margin	1.8%	5.8%	4.8%	4.8%	(0.4%)	5.4%	4.1%	-	-	(0.7%)
Profit Attributable to Owners of Parent Margin	2.2%	4.0%	3.1%	2.7%	(1.1%)	2.9%	2.1%	-	-	(1.0%)
Total Income Taxes / Profit before Income Taxes	20.3%	38.2%	42.6%	48.3%	(166.6%)	47.3%	50.3%	-	-	+7.7%

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	03/2019	03/2019	03/2019	03/2019	03/2020	03/2020	03/2020	03/2020	03/2020	
<b>Sales</b>	<b>2,782</b>	<b>2,948</b>	<b>2,893</b>	<b>3,283</b>	<b>2,873</b>	<b>3,366</b>	<b>3,000</b>	-	-	<b>+107</b>
Cost of Sales	1,582	1,562	1,614	1,821	1,641	1,828	1,698	-	-	+84
Gross Profit	1,199	1,385	1,278	1,461	1,232	1,538	1,301	-	-	+22
SG&A Expenses	1,162	1,128	1,195	1,321	1,235	1,214	1,266	-	-	+71
<b>Operating Profit</b>	<b>37</b>	<b>257</b>	<b>83</b>	<b>139</b>	<b>(2)</b>	<b>323</b>	<b>35</b>	-	-	<b>(48)</b>
Non Operating Balance	12	23	1	19	(9)	24	12	-	-	+10
<b>Recurring Profit</b>	<b>49</b>	<b>281</b>	<b>84</b>	<b>158</b>	<b>(12)</b>	<b>347</b>	<b>47</b>	-	-	<b>(37)</b>
Extraordinary Balance	18	5	-	1	-	2	-	-	-	-
Profit before Income Taxes	67	286	84	160	(12)	350	47	-	-	(37)
Total Income Taxes	13	121	51	102	20	139	34	-	-	(17)
NP Belonging to Non-Controlling SHs	(8)	(1)	(3)	(0)	(1)	0	0	-	-	+3
<b>Profit Attributable to Owners of Parent</b>	<b>62</b>	<b>166</b>	<b>36</b>	<b>58</b>	<b>(31)</b>	<b>211</b>	<b>13</b>	-	-	<b>(23)</b>
Sales YoY	+6.2%	+7.1%	+6.4%	+10.7%	+3.3%	+14.2%	+3.7%	-	-	-
Operating Profit YoY	-	+13.0%	+41.2%	+79.2%	-	+25.4%	(57.7%)	-	-	-
Recurring Profit YoY	-	+18.7%	+45.7%	+89.6%	-	+23.7%	(44.0%)	-	-	-
Profit Attributable to Owners of Parent YoY	+52.8%	(2.0%)	(86.6%)	(55.3%)	-	+27.0%	(63.3%)	-	-	-
Gross Profit Margin	43.1%	47.0%	44.2%	44.5%	42.9%	45.7%	43.4%	-	-	(0.8%)
Sales to SG&A Expenses Ratio	41.8%	38.3%	41.3%	40.3%	43.0%	36.1%	42.2%	-	-	+0.9%
Operating Profit Margin	1.3%	8.7%	2.9%	4.2%	(0.1%)	9.6%	1.2%	-	-	(1.7%)
Recurring Profit Margin	1.8%	9.5%	2.9%	4.8%	(0.4%)	10.3%	1.6%	-	-	(1.3%)
Profit Attributable to Owners of Parent Margin	2.2%	5.6%	1.3%	1.8%	(1.1%)	6.3%	0.4%	-	-	(0.8%)
Total Income Taxes / Profit before Income Taxes	20.3%	42.5%	60.7%	63.9%	(166.6%)	39.8%	71.8%	-	-	+11.1%

Source: Company Data, WRJ Calculation

## Segmented Information (Cumulative, Quarterly)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2019	Q1 to Q2 03/2019	Q1 to Q3 03/2019	Q1 to Q4 03/2019	Q1 03/2020	Q1 to Q2 03/2020	Q1 to Q3 03/2020	Q1 to Q4 03/2020		
Digital Marketing Business	482	967	1,482	2,054	465	1,006	1,540	-	-	+58
IT Infrastructure Business	2,273	4,700	7,032	9,709	2,356	5,156	7,595	-	-	+562
CVC Business	-	-	-	-	-	-	0	-	-	+0
Overseas Business	26	62	107	141	48	73	99	-	-	(7)
Other	0	0	0	1	2	3	3	-	-	+2
Adjustments	0	0	0	-	-	-	0	-	-	(0)
<b>Sales</b>	<b>2,782</b>	<b>5,731</b>	<b>8,624</b>	<b>11,907</b>	<b>2,873</b>	<b>6,240</b>	<b>9,240</b>	-	-	<b>+616</b>
Digital Marketing Business	14	54	92	154	(50)	(13)	(3)	-	-	(96)
IT Infrastructure Business	(0)	150	129	241	(1)	291	302	-	-	+173
CVC Business	(1)	(2)	(3)	(30)	(0)	(0)	(0)	-	-	+2
Overseas Business	(28)	(38)	(38)	(11)	20	9	7	-	-	+45
Other	(1)	(3)	(4)	(4)	(7)	(13)	(14)	-	-	(10)
<b>Segment Profit</b>	<b>(16)</b>	<b>161</b>	<b>176</b>	<b>350</b>	<b>(39)</b>	<b>272</b>	<b>290</b>	-	-	<b>+114</b>
Adjustments	53	133	202	167	36	47	64	-	-	(137)
<b>Operating Profit</b>	<b>37</b>	<b>294</b>	<b>378</b>	<b>517</b>	<b>(2)</b>	<b>320</b>	<b>355</b>	-	-	<b>(22)</b>
Digital Marketing Business	3.1%	5.7%	6.3%	7.5%	(10.9%)	(1.4%)	(0.2%)	-	-	(6.5%)
IT Infrastructure Business	(0.0%)	3.2%	1.8%	2.5%	(0.0%)	5.6%	4.0%	-	-	+2.1%
CVC Business	-	-	-	-	-	-	(178.4%)	-	-	-
Overseas Business	(110.6%)	(61.6%)	(35.3%)	(8.2%)	41.6%	12.7%	7.5%	-	-	+42.9%
Other	-	(1,161.3%)	(548.3%)	(291.7%)	(290.4%)	(398.1%)	(396.8%)	-	-	+151.4%
Adjustments	1.9%	2.3%	2.3%	1.4%	1.3%	0.8%	0.7%	-	-	(1.6%)
<b>Operating Profit Margin</b>	<b>1.3%</b>	<b>5.1%</b>	<b>4.4%</b>	<b>4.3%</b>	<b>(0.1%)</b>	<b>5.1%</b>	<b>3.8%</b>	-	-	<b>(0.5%)</b>

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2019	Q2 03/2019	Q3 03/2019	Q4 03/2019	Q1 03/2020	Q2 03/2020	Q3 03/2020	Q4 03/2020		
Digital Marketing Business	482	484	515	572	465	540	534	-	-	+19
IT Infrastructure Business	2,273	2,427	2,331	2,676	2,356	2,799	2,439	-	-	+107
CVC Business	-	-	-	-	-	-	0	-	-	+0
Overseas Business	26	36	45	33	48	25	25	-	-	(19)
Other	-	0	0	0	2	1	0	-	-	(0)
Adjustments	0	0	0	(0)	-	-	0	-	-	(0)
<b>Sales</b>	<b>2,782</b>	<b>2,948</b>	<b>2,893</b>	<b>3,283</b>	<b>2,873</b>	<b>3,366</b>	<b>3,000</b>	-	-	<b>+107</b>
Digital Marketing Business	14	40	37	62	(50)	37	9	-	-	(27)
IT Infrastructure Business	(0)	150	(21)	112	(1)	292	11	-	-	+32
CVC Business	(1)	(1)	(1)	(27)	(0)	(0)	0	-	-	+1
Overseas Business	(28)	(9)	0	26	20	(10)	(1)	-	-	(2)
Other	(1)	(1)	(0)	(0)	(7)	(6)	(1)	-	-	(0)
<b>Segment Profit</b>	<b>(16)</b>	<b>178</b>	<b>15</b>	<b>173</b>	<b>(39)</b>	<b>311</b>	<b>18</b>	-	-	<b>+3</b>
Adjustments	53	79	68	(34)	36	11	17	-	-	(51)
<b>Operating Profit</b>	<b>37</b>	<b>257</b>	<b>83</b>	<b>139</b>	<b>(2)</b>	<b>323</b>	<b>35</b>	-	-	<b>(48)</b>
Digital Marketing Business	3.1%	8.3%	7.3%	10.9%	(10.9%)	6.9%	1.9%	-	-	(5.5%)
IT Infrastructure Business	(0.0%)	6.2%	(0.9%)	4.2%	(0.0%)	10.4%	0.5%	-	-	+1.4%
CVC Business	-	-	-	-	-	-	7.1%	-	-	-
Overseas Business	(110.6%)	(26.7%)	0.9%	78.8%	41.6%	(43.1%)	(7.1%)	-	-	(8.0%)
Other	-	(559.0%)	(184.8%)	(20.9%)	(290.4%)	(656.6%)	(382.4%)	-	-	(197.6%)
Adjustments	1.9%	2.7%	2.4%	(1.1%)	1.3%	0.3%	0.6%	-	-	(1.8%)
<b>Operating Profit Margin</b>	<b>1.3%</b>	<b>8.7%</b>	<b>2.9%</b>	<b>4.2%</b>	<b>(0.1%)</b>	<b>9.6%</b>	<b>1.2%</b>	-	-	<b>(1.7%)</b>

Source: Company Data, WRJ Calculation

## Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	03/2019	03/2019	03/2019	03/2019	03/2020	03/2020	03/2020	03/2020		
Cash and Deposit	3,164	3,117	3,395	3,293	2,983	2,855	2,976	-	-	(418)
Accounts Receivables	1,523	1,605	1,517	1,918	1,615	1,984	1,671	-	-	+153
Inventory	134	131	118	106	131	112	143	-	-	+24
Other	370	480	598	801	487	523	395	-	-	(202)
<b>Current Assets</b>	<b>5,192</b>	<b>5,334</b>	<b>5,629</b>	<b>6,119</b>	<b>5,218</b>	<b>5,476</b>	<b>5,186</b>	-	-	<b>(443)</b>
Tangible Assets	101	133	124	116	124	118	111	-	-	(12)
Intangible Assets	388	400	424	499	476	503	502	-	-	+78
Investments and Other Assets	1,384	1,276	1,394	1,482	1,437	1,420	1,372	-	-	(21)
<b>Fixed Assets</b>	<b>1,874</b>	<b>1,810</b>	<b>1,942</b>	<b>2,098</b>	<b>2,038</b>	<b>2,043</b>	<b>1,986</b>	-	-	<b>+44</b>
<b>Total Assets</b>	<b>7,066</b>	<b>7,145</b>	<b>7,572</b>	<b>8,218</b>	<b>7,256</b>	<b>7,519</b>	<b>7,173</b>	-	-	<b>(399)</b>
Accounts Payables	672	669	618	810	685	725	684	-	-	+65
Short Term Debt	316	233	466	466	466	466	466	-	-	0
Other	740	872	916	1,465	879	999	837	-	-	(79)
<b>Current Liabilities</b>	<b>1,729</b>	<b>1,775</b>	<b>2,002</b>	<b>2,742</b>	<b>2,031</b>	<b>2,191</b>	<b>1,988</b>	-	-	<b>(14)</b>
Long Term Debt	408	350	879	751	626	498	373	-	-	(505)
Other	131	78	71	93	70	77	83	-	-	+12
<b>Fixed Liabilities</b>	<b>539</b>	<b>428</b>	<b>950</b>	<b>845</b>	<b>697</b>	<b>575</b>	<b>457</b>	-	-	<b>(493)</b>
<b>Total Liabilities</b>	<b>2,268</b>	<b>2,203</b>	<b>2,953</b>	<b>3,588</b>	<b>2,728</b>	<b>2,767</b>	<b>2,445</b>	-	-	<b>(507)</b>
<b>Shareholders' Equity</b>	<b>4,408</b>	<b>4,670</b>	<b>4,428</b>	<b>4,431</b>	<b>4,354</b>	<b>4,578</b>	<b>4,569</b>	-	-	<b>+141</b>
Other	389	270	191	198	173	172	157	-	-	(33)
<b>Net Assets</b>	<b>4,798</b>	<b>4,941</b>	<b>4,619</b>	<b>4,629</b>	<b>4,528</b>	<b>4,751</b>	<b>4,727</b>	-	-	<b>+108</b>
<b>Total Liabilities and Net Assets</b>	<b>7,066</b>	<b>7,145</b>	<b>7,572</b>	<b>8,218</b>	<b>7,256</b>	<b>7,519</b>	<b>7,173</b>	-	-	<b>(399)</b>
Equity Capital	4,768	4,913	4,595	4,628	4,528	4,751	4,727	-	-	+132
Interest Bearing Debt	725	583	1,346	1,218	1,093	965	840	-	-	(505)
Net Debt	(2,439)	(2,534)	(2,048)	(2,075)	(1,889)	(1,890)	(2,135)	-	-	(86)
Equity Ratio	67.5%	68.8%	60.7%	56.3%	62.4%	63.2%	65.9%	-	-	-
Net Debt Equity Ratio	(51.2%)	(51.6%)	(44.6%)	(44.8%)	(41.7%)	(39.8%)	(45.2%)	-	-	-
ROE (12 months)	14.6%	14.0%	8.5%	6.8%	5.0%	5.7%	5.4%	-	-	-
ROA (12 months)	6.8%	7.1%	7.0%	7.2%	7.1%	7.9%	7.3%	-	-	-
Quick Ratio	271%	266%	245%	190%	226%	221%	234%	-	-	-
Current Ratio	300%	300%	281%	223%	257%	250%	261%	-	-	-

Source: Company Data, WRJ Calculation

## Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	03/2019	03/2019	03/2019	03/2019	03/2020	03/2020	03/2020	03/2020		
Operating Cash Flow	-	(108)	-	194	-	49	-	-	-	-
Investing Cash Flow	-	(113)	-	(537)	-	(178)	-	-	-	-
<b>Operating CF and Investing CF</b>	<b>-</b>	<b>(222)</b>	<b>-</b>	<b>(343)</b>	<b>-</b>	<b>(128)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financing Cash Flow	-	(372)	-	(73)	-	(294)	-	-	-	-

Source: Company Data, WRJ Calculation

**Disclaimer**

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Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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