# **Walden Research Japan**

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# **UZABASE (3966)**

Consolidated Fiscal Year (Million Yen)		Sales	EBITDA	Operating Profit	Recurring Profit	Profit Attribua- ble to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY12/2018		9,340	1,187	830	533	610	20.42	0.00	170.33
FY12/2019		12,521	(411)	(1,236)	(1,429)	(1,620)	(51.35)	0.00	178.20
FY12/2020CoE		15,500	-	-	-	-	-	0.00	_
FY12/2019	YoY	34.1%	-	-	-	-	-	-	-
FY12/2020CoE	YoY	23.8%	-	-	-	-	-	-	-
Consolidated Quarter (Million Yen)		Sales	EBITDA	Operating Profit	Recurring Profit	Profit Attribua- ble to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
		Sales 2,847	EBITDA (179)			ble to Owners			
(Million Yen)				Profit	Profit	ble to Owners of Parent			
(Million Yen) Q1 FY12/2019		2,847	(179)	Profit (380)	Profit (395)	ble to Owners of Parent (296)			
(Million Yen) Q1 FY12/2019 Q2 FY12/2019		2,847 2,818	(179) (349)	(380) (551)	(395) (612)	ble to Owners of Parent (296) (669)	(Yen)		
(Million Yen) Q1 FY12/2019 Q2 FY12/2019 Q3 FY12/2019		2,847 2,818 2,808	(179) (349) (304)	(380) (551) (505)	(395) (612) (551)	ble to Owners of Parent (296) (669) (606)	(Yen)		

Source: Company Data, WRJ Calculation (CoE: median)

### **1.0 Results Update (21 May 2020)**

#### **Positive Turnaround for Quartz Media**

On 14 May 2020, UZABASE, advocating "We guide business people to insights that change the world" as own mission, released its Q1 FY12/2020 results. It has been revealed that advertising revenue in the United States are plummeting but local expenses even more. As result, Quartz Media (Quartz Media, Inc.) in charge of advertising in the United States and in some other regions has seen reduced loss and thus as a whole for the Company at the same time. In the United States, demand for advertising is coming down sharply, generating excess human resources with Quartz Media. In light of this, the Company has decided to cut back on the number personnel with Quartz Media (headcounts of 187) by some 40%. In other words, the Company is now keen on persuading early retirement mainly for those who are writing free of charge contents for the sake of gaining advertising revenue. In the first place, meanwhile, demand for advertising is coming down and thus for free of charge contents, resulting in a situation that those who are to leave has hardly contributed to advertising revenue for some time. The Company is to suffer from extraordinary loss in Q2 stemming from here. More importantly, however, sales with the Company are effectively immune to this workforce reduction, while personnel expenses of those who are to leave will be gone in Q2 and thereafter. With all those measures, the Company is trying to get at positive turnaround for Quartz Media as soon as possible.

For information: <u>UZABASE (3966)</u> A Turnaround (13 April 2020)

IR Representative: Daisuke Chiba, Executive Officer and CFO (+81 3 4533 1999/ir@uzabase.com)

# 2.0 Company Profile

## "We Guide Business People to Insights that Change the World"

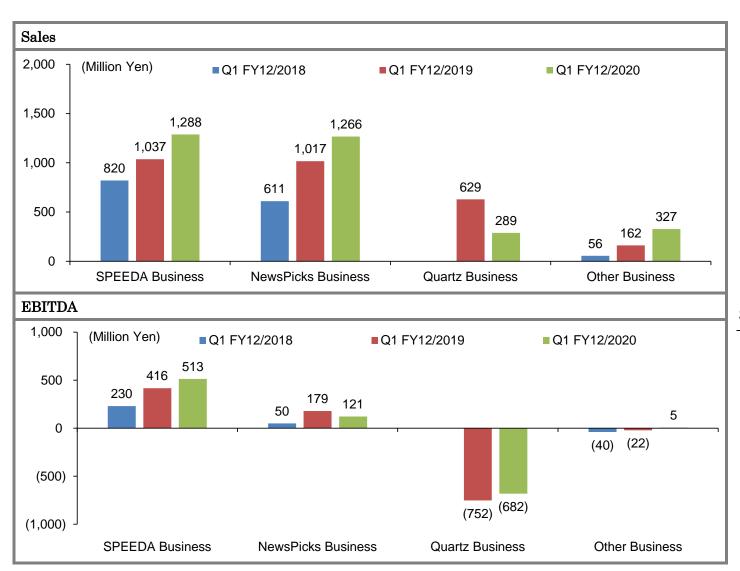
Company Name	Uzabase, Inc.
	Company Website UZABASE
	IR Information UZABASE
	Share price (Japanese)
Established	1 April 2008
Listing	21 October 2016: Tokyo Stock Exchange Mothers (ticker: 3966)
Capital	¥4,104m (as of the end of March 2020)
No. of Shares	33,040,334 shares, including 258 treasury shares (as of the end of March 2020)
Main Features	• Providing a foundation of intelligence that supports the needs of business and
	business people
	• Analyzing, organizing and creating global information so one can make the
	right decisions at the right time
	Unleashing one's creative and innovative potential
Business Segments	I . SPEEDA Business
	II . NewsPicks Business
	III. Quartz Business
	IV. Other Business
Top Management	Chief Executive Officer: Yusuke Umeda, Chief Operating Officer: Yusuke Inagaki
Shareholders	Ryosuke Niino 21.9%, Yusuke Umeda 18.3%, Yusuke Inagaki 7.5% (as of the end of
	December 2019, excluding treasury shares)
Headquarters	Minato-ku, Tokyo, JAPAN
No. of Employees	Consolidated: 704, Parent: 181 (as of the end of December 2019)

Source: Company Data

## 3.0 Recent Trading and Prospects

#### Q1 FY12/2020 Results

In Q1 FY12/2020, sales came in at \(\pm\)3,171m (up 11.4% YoY), EBITDA minus \(\pm\)42m (versus minus \(\pm\)179m during the same period of the previous year), operating profit minus \(\pm\)263m (minus \(\pm\)380m), recurring profit minus \(\pm\)317m (minus \(\pm\)395m) and profit attributable to owners of parent minus \(\pm\)473m (minus \(\pm\)296m), while EBITDA margin minus 1.3% (up 5.0% points). Compared with assumptions of FY12/2020 Company forecasts, sales are rather worse but EBITDA rather better, according to the Company.



Source: Company Data, WRJ Calculation

EBITDA, which the Company cites as the key management indicator, saw net increases by ¥137m over the same period of the previous year. Expect NewsPicks Business currently suffering from increased burden from frontloaded investment in line with frontloaded hiring, all the business segments, i.e., SPEEDA Business, Quartz Business and Other Business saw some improvements in EBITDA. From Q1 FY12/2020, the Company has classified Corporate Cost into Direct Cost and Indirect Cost and has begun disclosing information for all those business segments more appropriate than before. The above EBITDA trends over the same period of the previous year are based on retroactively adjusted figures.

In SPEEDA Business (B2B business intelligence platform services), MRR (Monthly Recurring Revenue: consistent billing revenue on a monthly basis) is trending steadily and sales increased by 24.2% over the same period of the previous year. MRR came in at ¥420m in March 2020. Sales in this business segment are roughly equal to the aggregate of MRR during the specified period and it appears that MRR is increasing in line with the rate of increases in sales. Meanwhile, the Company has acquired Mimir, Inc. in order to get at an evolution for this business intelligence platform by adding human expertise. This is expected to realize by means of integrating Mimir's expert research services with SPEEDA. The Company is looking to further differentiation with this and trying to further enhance MRR over the long term.

In NewsPicks Business (B2C social business media services in Japan), sales also increased fast, i.e., by 24.5%. It appears that both advertising revenue and billing revenue or the two mainstay constituents of sales are doing well and sales of books, etc. are also trending strongly. Billing revenue comes from MRR of NewsPicks and is now entering a new growth phase, having had corrected for some time, according to the Company. MRR came in at ¥184m in March 2020, while the Company is currently going for a surge in Q2.

In Quartz Business (B2C social business media for ex-Japan, mainly, the United States), sales came down by 54.1% over the same period of the previous year in line with plummeting advertising revenue, currently accounting for the bulk of sales as a whole in this business segment. Still, it should be noted that the Company is seeing a steady takeoff for its new billing operations. MRR here came in at ¥12m in March 2020.

In Other Business, sales increased by 101.9%, to which FORCAS (B2B marketing platform services), accounting for the majority of sales in this business segment, has contributed significantly.

#### FY12/2020 Company Forecasts

FY12/2020 Company forecasts are going for prospective sales of ¥15,000m to ¥16,000m, implying ¥15,500m (up 23.8% YoY) in the median value as well as for a return to profitability for EBITDA. The background why the Company does not disclose specific amounts for any earnings is that the Company pays respect to "the risks of fluctuations in adverting business due to changes in the business environment, the impacts of the suspension of operations in China in SPEEDA Business due to the spread of coronavirus infections and the realization of investments swift and flexible in line with business progress during the term."

## 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	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	12/2019	12/2019	12/2019	12/2019	12/2020	12/2020	12/2020	12/2020	Net Chg.
Sales	2,847	5,665	8,473	12,521	3,171	-	-	-	+324
Cost of Sales	1,216	2,495	3,695	5,321	1,549	-	-	-	+333
Gross Profit	1,630	3,170	4,777	7,200	1,621	-	-	-	(9)
SG&A Expenses	2,010	4,101	6,214	8,437	1,885	-	-	-	(125)
Operating Profit	(380)	(931)	(1,436)	(1,236)	(263)	-	-	-	+117
Non Operating Balance	(15)	(76)	(122)	(193)	(54)	-	-	-	(39)
Recurring Profit	(395)	(1,007)	(1,558)	(1,429)	(317)	-	-	-	+78
Extraordinary Balance	311	311	311	299	0	-	-	-	(311)
Profit before Income Taxes	(84)	(696)	(1,247)	(1,130)	(317)	-	-	-	(233)
Total Income Taxes	247	345	447	619	185	-	-	-	(62)
NP Belonging to Non-Controlling SHs	(34)	(76)	(124)	(130)	(29)	-	-	-	+5
Profit Attributable to Owners of Parent	(296)	(965)	(1,571)	(1,620)	(473)	-	-	-	(177)
Sales YoY	+91.3%	+84.6%	+56.0%	+34.1%	+11.4%	-	-	-	-
Operating Profit YoY	-	-	-	-	-	-	-	-	-
Recurring Profit YoY	-	-	-	-	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	-	-	-	-	-	-	-
Gross Profit Margin	57.3%	56.0%	56.4%	57.5%	51.1%	-	-	-	(6.1%)
Sales to SG&A Expenses Ratio	70.6%	72.4%	73.3%	67.4%	59.4%	-	-	-	(11.2%)
Operating Profit Margin	(13.3%)	(16.4%)	(16.9%)	(9.9%)	(8.3%)	-	-	-	+5.1%
Recurring Profit Margin	(13.9%)	(17.8%)	(18.4%)	(11.4%)	(10.0%)	-	-	-	+3.9%
Profit Attributable to Owners of Parent Margin	(10.4%)	(17.0%)	(18.5%)	(12.9%)	(14.9%)	-	-	-	(4.5%)
Tax Charges etc. / Pretax Profit	-	-	-	-	-	-	-	-	-
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	Q1 12/2019	Q2 12/2019	Q3 12/2019	Q4 12/2019	Q1 12/2020	Q2 12/2020	Q3 12/2020		Net Chg.
(Million Yen) Sales	Q1 12/2019 2,847	Q2 12/2019 2,818	Q3 12/2019 <b>2,808</b>	Q4 12/2019 4,048	Q1 12/2020 3,171	Q2	Q3	Q4	Net Chg. +324
(Million Yen) Sales Cost of Sales	Q1 12/2019 2,847 1,216	Q2 12/2019 <b>2,818</b> 1,279	Q3 12/2019 2,808 1,200	Q4 12/2019 4,048 1,626	Q1 12/2020 3,171 1,549	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333
(Million Yen) Sales Cost of Sales Gross Profit	Q1 12/2019 2,847 1,216 1,630	Q2 12/2019 2,818 1,279 1,540	Q3 12/2019 2,808 1,200 1,607	Q4 12/2019 4,048 1,626 2,423	Q1 12/2020 3,171 1,549 1,621	Q2 12/2020	Q3 12/2020	Q4	<b>Net Chg.</b> +324 +333 (9)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses	Q1 12/2019 2,847 1,216 1,630 2,010	Q2 12/2019 2,818 1,279 1,540 2,091	Q3 12/2019 2,808 1,200 1,607 2,113	Q4 12/2019 4,048 1,626 2,423 2,223	Q1 12/2020 3,171 1,549 1,621 1,885	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit	Q1 12/2019 2,847 1,216 1,630 2,010 (380)	Q2 12/2019 2,818 1,279 1,540 2,091 (551)	Q3 12/2019 2,808 1,200 1,607 2,113 (505)	Q4 12/2019 4,048 1,626 2,423 2,223 200	Q1 12/2020 3,171 1,549 1,621 1,885 (263)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61)	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46)	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71)	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61)	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551)	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612)	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551)	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12)	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 0	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 0 (612) 98	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62)
(Million Yen) Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247 (34)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 0 (612) 98 (42)	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102 (48)	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172 (6)	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185 (29)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62) +5
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A Expenses  Operating Profit Non Operating Balance  Recurring Profit Extraordinary Balance  Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs  Profit Attributable to Owners of Parent	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247 (34) (296)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 0 (612) 98 (42) (669)	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102 (48) (606)	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172 (6) (49)	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185 (29) (473)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A Expenses  Operating Profit Non Operating Balance  Recurring Profit Extraordinary Balance  Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs  Profit Attributable to Owners of Parent  Sales YoY	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247 (34)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 0 (612) 98 (42)	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102 (48)	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172 (6) (49)	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185 (29)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62) +5
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(Million Yen)  Sales  Cost of Sales Gross Profit SG&A Expenses  Operating Profit Non Operating Balance  Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs  Profit Attributable to Owners of Parent  Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247 (34) (296) +91.3%	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 98 (42) (669) +78.3%	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102 (48) (606) +18.8%	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172 (6) (49) +3.6% (72.4%) (80.9%)	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185 (29) (473) +11.4%	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62) +5 (177)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A Expenses  Operating Profit Non Operating Balance  Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs  Profit Attributable to Owners of Parent  Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY  Gross Profit Margin	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247 (34) (296) +91.3%	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 98 (42) (669) +78.3% 54.6%	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102 (48) (606) +18.8% 57.2%	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172 (6) (49) +3.6% (72.4%) (80.9%)	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185 (29) (473) +11.4%	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62) +5 (177) (6.1%)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin Sales to SG&A Expenses Ratio	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247 (34) (296) +91.3%	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 98 (42) (669) +78.3% 54.6% 74.2%	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102 (48) (606) +18.8% 57.2% 75.2%	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172 (6) (49) +3.6% (72.4%) (80.9%)	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185 (29) (473) +11.4%	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62) +5 (177) (6.1%) (11.2%)
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin Sales to SG&A Expenses Ratio Operating Profit Margin	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247 (34) (296) +91.3% 57.3% 70.6% (13.3%)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 98 (42) (669) +78.3% 54.6% 74.2% (19.6%)	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102 (48) (606) +18.8% 57.2% (18.0%)	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172 (6) (49) +3.6% (72.4%) (80.9%) - 59.9% 54.9% 4.9%	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185 (29) (473) +11.4% 51.1% 59.4% (8.3%)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62) +5 (177) (6.1%) (11.2%) +5.1%
Cost of Sales Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin Sales to SG&A Expenses Ratio Operating Profit Margin Recurring Profit Margin	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247 (34) (296) +91.3% 57.3% 70.6% (13.3%) (13.9%)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 98 (42) (669) +78.3% 54.6% 74.2% (19.6%) (21.7%)	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102 (48) (606) +18.8% 57.2% (18.0%) (19.6%)	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172 (6) (49) +3.6% (72.4%) (80.9%) - 59.9% 54.9% 4.9% 3.2%	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185 (29) (473) +11.4% 51.1% 59.4% (8.3%) (10.0%)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62) +5 (177) (6.1%) (11.2%) +5.1% +3.9%
(Million Yen)  Sales  Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin Sales to SG&A Expenses Ratio Operating Profit Margin	Q1 12/2019 2,847 1,216 1,630 2,010 (380) (15) (395) 311 (84) 247 (34) (296) +91.3% 57.3% 70.6% (13.3%)	Q2 12/2019 2,818 1,279 1,540 2,091 (551) (61) (612) 98 (42) (669) +78.3% 54.6% 74.2% (19.6%)	Q3 12/2019 2,808 1,200 1,607 2,113 (505) (46) (551) 0 (551) 102 (48) (606) +18.8% 57.2% (18.0%)	Q4 12/2019 4,048 1,626 2,423 2,223 200 (71) 129 (12) 117 172 (6) (49) +3.6% (72.4%) (80.9%) - 59.9% 54.9% 4.9%	Q1 12/2020 3,171 1,549 1,621 1,885 (263) (54) (317) 0 (317) 185 (29) (473) +11.4% 51.1% 59.4% (8.3%)	Q2 12/2020	Q3 12/2020	Q4	Net Chg. +324 +333 (9) (125) +117 (39) +78 (311) (233) (62) +5 (177) (6.1%) (11.2%) +5.1%

Source: Company Data, WRJ Calculation

## Segmented Information (Cumulative/Quarterly)

Segmented Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	12/2019	12/2019	12/2019	12/2019	12/2020	12/2020	12/2020	12/2020	Net Chg.
SPEEDA Business	1,037	2,142	3,304	4,530	1,288	-	-	-	+251
NewsPicks Business	1,017	1,885	2,758	4,177	1,266	-	-	-	+249
Quartz Business	629	1,276	1,814	2,942	289	-	-	-	(340)
Other Business	162	360	596	870	327	-	-	-	+165
Sales	2,847	5,665	8,473	12,521	3,171	-	-	-	+324
SPEEDA Business	459	696	1,031	1,295	580	-	-	-	+121
NewsPicks Business	218	157	121	342	168	-	-	-	(50)
Quartz Business	(892)	(1,726)	(2,488)	(2,721)	(833)	-	-	-	+59
Other Business	(19)	(56)	(94)	(146)	18	-	-	-	+37
Segment Profit	(234)	(929)	(1,430)	(1,229)	(67)	-	-	-	+167
Elimination	(145)	(1)	(5)	(6)	(196)	-	-	-	(51)
Operating Profit	(380)	(931)	(1,436)	(1,236)	(263)	-	-	-	+117
SPEEDA Business	44.3%	32.5%	31.2%	28.6%	45.0%	-	-	-	+0.8%
NewsPicks Business	21.4%	8.3%	4.4%	8.2%	13.3%	-	-	-	(8.2%)
Quartz Business	(141.8%)	(135.3%)	(137.2%)	(92.5%)	(288.2%)	-	-	-	(146.4%)
Other Business	(11.7%)	(15.6%)	(15.8%)	(16.8%)	5.5%	-	-	-	+17.2%
Operating Profit	(13.3%)	(16.4%)	(16.9%)	(9.9%)	(8.3%)	_	_	_	+5.1%
operating i ront	(13.370)	(10.779)	(10.9/0)	(3.370)	(0.379)				T 3. 1 /0
Segmented Information	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	+3.170
· -	, , ,		· · ·		<u> </u>	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
· -	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act				
Segmented Information	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Q2	Q3	Q4	YoY
Segmented Information (Million Yen)	Cons.Act Q1 12/2019	Cons.Act Q2 12/2019	Cons.Act Q3 12/2019	Cons.Act Q4 12/2019	Cons.Act Q1 12/2020	Q2 12/2020	Q3	Q4	YoY Net Chg.
Segmented Information (Million Yen) SPEEDA Business	Cons.Act Q1 12/2019 1,037	Cons.Act Q2 12/2019 1,105	Q3 12/2019 1,162	Cons.Act Q4 12/2019 1,226	Cons.Act Q1 12/2020 1,288	Q2 12/2020	Q3	Q4	YoY Net Chg. +251
Segmented Information  (Million Yen)  SPEEDA Business  NewsPicks Business	Cons.Act Q1 12/2019 1,037 1,017	Cons.Act Q2 12/2019 1,105 868	Cons.Act Q3 12/2019 1,162 873	Cons.Act Q4 12/2019 1,226 1,419	Cons.Act Q1 12/2020 1,288 1,266	Q2 12/2020	Q3	Q4	YoY Net Chg. +251 +249
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business	Cons.Act Q1 12/2019 1,037 1,017 629	Cons.Act Q2 12/2019 1,105 868 647	Cons.Act Q3 12/2019 1,162 873 538	Cons.Act Q4 12/2019 1,226 1,419 1,128	Cons.Act Q1 12/2020 1,288 1,266 289	Q2 12/2020	Q3	Q4	YoY Net Chg. +251 +249 (340)
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business	Cons.Act Q1 12/2019 1,037 1,017 629 162	Cons.Act Q2 12/2019 1,105 868 647 198	Q3 12/2019 1,162 873 538 236	Cons.Act Q4 12/2019 1,226 1,419 1,128 274	Cons.Act Q1 12/2020 1,288 1,266 289 327	Q2 12/2020 - - -	Q3 12/2020 - - -	Q4	YoY Net Chg. +251 +249 (340) +165
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847	Cons.Act Q2 12/2019 1,105 868 647 198 2,818	Cons.Act Q3 12/2019 1,162 873 538 236 2,808	Cons.Act Q4 12/2019 1,226 1,419 1,128 274 4,048	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171	Q2 12/2020 - - - - -	Q3 12/2020 - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales  SPEEDA Business	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847	Cons. Act Q2 12/2019 1,105 868 647 198 2,818	Cons.Act Q3 12/2019 1,162 873 538 236 2,808	Cons. Act Q4 12/2019 1,226 1,419 1,128 274 4,048	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171 580	Q2 12/2020 - - - - -	Q3 12/2020 - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324 +121
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales  SPEEDA Business NewsPicks Business	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847 459 218	Cons.Act Q2 12/2019 1,105 868 647 198 2,818 237 (61)	Cons.Act Q3 12/2019 1,162 873 538 236 2,808 335 (36)	Cons.Act Q4 12/2019 1,226 1,419 1,128 274 4,048 264 221	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171 580 168	Q2 12/2020 - - - - -	Q3 12/2020 - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324 +121 (50)
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales  SPEEDA Business NewsPicks Business Quartz Business	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847 459 218 (892)	Cons.Act Q2 12/2019 1,105 868 647 198 2,818 237 (61) (834)	Cons.Act Q3 12/2019 1,162 873 538 236 2,808 335 (36) (762)	Cons.Act Q4 12/2019 1,226 1,419 1,128 274 4,048 264 221 (233)	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171 580 168 (833)	Q2 12/2020 - - - - -	Q3 12/2020 - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324 +121 (50) +59
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales  SPEEDA Business NewsPicks Business Quartz Business Other Business Other Business	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847 459 218 (892) (19)	Cons.Act Q2 12/2019 1,105 868 647 198 2,818 237 (61) (834) (37)	Cons.Act Q3 12/2019 1,162 873 538 236 2,808 335 (36) (762) (38)	Cons.Act Q4 12/2019 1,226 1,419 1,128 274 4,048 264 221 (233) (52)	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171 580 168 (833) 18	Q2 12/2020 - - - - -	Q3 12/2020 - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324 +121 (50) +59 +37
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales  SPEEDA Business NewsPicks Business Quartz Business Other Business Other Business Segment Profit	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847 459 218 (892) (19) (234)	Cons.Act Q2 12/2019 1,105 868 647 198 2,818 237 (61) (834) (37) (695)	Cons.Act Q3 12/2019 1,162 873 538 236 2,808 335 (36) (762) (38) (501)	Cons.Act Q4 12/2019 1,226 1,419 1,128 274 4,048 264 221 (233) (52) 201	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171 580 168 (833) 18 (67)	Q2 12/2020 - - - - -	Q3 12/2020 - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324 +121 (50) +59 +37 +167
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales  SPEEDA Business NewsPicks Business Quartz Business Other Business Other Business Segment Profit Elimination	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847 459 218 (892) (19) (234) (145)	Cons.Act Q2 12/2019 1,105 868 647 198 2,818 237 (61) (834) (37) (695)	Cons.Act Q3 12/2019 1,162 873 538 236 2,808 335 (36) (762) (38) (501)	Cons.Act Q4 12/2019 1,226 1,419 1,128 274 4,048 264 221 (233) (52) 201 (1)	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171 580 168 (833) 18 (67) (196)	Q2 12/2020 - - - - - - - - - - - - - - - - - -	Q3 12/2020 - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324 +121 (50) +59 +37 +167 (51)
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales  SPEEDA Business NewsPicks Business Quartz Business Quartz Business Other Business Other Business Segment Profit Elimination Operating Profit	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847 459 218 (892) (19) (234) (145) (380)	Cons.Act Q2 12/2019 1,105 868 647 198 2,818 237 (61) (834) (37) (695) 144 (551)	Cons.Act Q3 12/2019 1,162 873 538 236 2,808 335 (36) (762) (38) (501) (4) (505)	Cons.Act Q4 12/2019 1,226 1,419 1,128 274 4,048 264 221 (233) (52) 201 (1) 200	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171 580 168 (833) 18 (67) (196) (263)	Q2 12/2020 - - - - - - - - - - - - - - - - - -	Q3 12/2020 - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324 +121 (50) +59 +37 +167 (51) +117
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales  SPEEDA Business NewsPicks Business Quartz Business Quartz Business Other Business Other Business Segment Profit Elimination Operating Profit SPEEDA Business	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847 459 218 (892) (19) (234) (145) (380)	Cons.Act Q2 12/2019 1,105 868 647 198 2,818 237 (61) (834) (37) (695) 144 (551) 21.4%	Cons.Act Q3 12/2019 1,162 873 538 236 2,808 335 (36) (762) (38) (501) (4) (505)	Cons.Act Q4 12/2019 1,226 1,419 1,128 274 4,048 264 221 (233) (52) 201 (1) 200 21.5%	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171 580 168 (833) 18 (67) (196) (263) 45.0%	Q2 12/2020 - - - - - - - - - - - - - - - - - -	Q3 12/2020 - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324 +121 (50) +59 +37 +167 (51) +117 +0.8%
Segmented Information  (Million Yen)  SPEEDA Business NewsPicks Business Quartz Business Other Business Sales  SPEEDA Business NewsPicks Business Quartz Business Other Business Other Business Segment Profit Elimination Operating Profit SPEEDA Business NewsPicks Business	Cons.Act Q1 12/2019 1,037 1,017 629 162 2,847 459 218 (892) (19) (234) (145) (380) 44.3% 21.4%	Cons.Act Q2 12/2019 1,105 868 647 198 2,818 237 (61) (834) (37) (695) 144 (551) 21.4% (7.0%)	Cons.Act Q3 12/2019 1,162 873 538 236 2,808 335 (36) (762) (38) (501) (4) (505) 28.8% (4.1%)	Cons.Act Q4 12/2019 1,226 1,419 1,128 274 4,048 264 221 (233) (52) 201 (1) 200 21.5% 15.6%	Cons.Act Q1 12/2020 1,288 1,266 289 327 3,171 580 168 (833) 18 (67) (196) (263) 45.0% 13.3%	Q2 12/2020 - - - - - - - - - - - - - - - - - -	Q3 12/2020 - - - - - - - - - - - - - - - - - -	Q4	YoY Net Chg. +251 +249 (340) +165 +324 +121 (50) +59 +37 +167 (51) +117 +0.8% (8.2%)

Source: Company Data, WRJ Calculation

#### 7

## **Balance Sheet (Quarterly)**

Cash and Deposit   1/2/2019   1/2/2019   1/2/2019   1/2/2019   1/2/2020   1	Balance Sheet	Cons.Act	Cons. Act	Cons.Act	Cons. Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Cash and Deposit         5,512         6,929         6,259         7,954         7,331         -         -         41,819           Accounts Receivables         1,804         1,248         1,285         1,916         1,518         -         -         (286)           Other         384         307         301         354         390         -         -         +66           Current Assets         7,700         8,484         7,845         10,224         9,239         -         -         +1,539           Tangible Assets         406         378         363         344         522         -         -         +116           Intangible Assets         9,103         8,685         8,618         9,001         8,807         - <t< th=""><th></th><th>Q1</th><th>Q2</th><th>Q3</th><th>Q4</th><th>Q1</th><th>Q2</th><th>Q3</th><th>Q4</th><th>YoY</th></t<>		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
Accounts Receivables         1,804         1,248         1,285         1,916         1,518         .         .         (286)           Other         384         307         301         354         390         .         .         .         46           Current Assets         7,70         8,484         7,845         10,224         9,239         .         .         .         1,1539           Tangible Assets         406         378         363         344         522         .         .         1,116           Invastments and Other Assets         9,103         8,685         8,618         9,001         8,807         .         .         .         2,295           Fixed Assets         10,82         9,898         9,888         10,733         10,700         .         .         -         4,618           Total Assets         17,783         18,293         17,833         10,700         .         .         -         .         4,518           Corporate Bond (Less than 1 year)         102         102         102         102         102         102         102         .         .         .         4,515           Current Liabilities         3,348	(Million Yen)	12/2019	12/2019	12/2019	12/2019	12/2020	12/2020	12/2020	12/2020	Net Chg.
Other         384         307         301         354         390         -         -         46           Current Assets         7,700         8,484         7,845         10,224         9,239         -         -         1,539           Tangible Assets         406         378         363         344         522         -         -         1116           Intensible Assets         9,103         8,685         8,618         9,001         8,807         -         -         2,296           Investments and Other Assets         572         744         1,005         1,388         1,370         -         -         4,788           Fixed Assets         10,82         9,898         10,733         10,700         -         -         4,818           Total Assets         11,783         18,293         17,833         20,958         19,940         -         -         +2157           Corporate Bond (Less than 1 year)         102         102         102         102         -         -         +35           Corporate Bond (Less than 1 year)         3,48         3,73         4,009         5,131         4,935         -         -         +1,587           Current Liabil	Cash and Deposit	5,512	6,929	6,259	7,954	7,331	-	-	-	+1,819
Current Assets         7,700         8,484         7,845         10,224         9,239         -         -         +1,539           Tangible Assets         406         378         363         344         522         -         -         -         +116           Intangible Assets         9,103         8,685         8,618         9,001         8,807         -         -         +798           Fixed Assets         10,082         9,809         9,898         10,733         10,700         -         -         +618           Total Assets         17,783         18,293         17,833         20,958         19,940         -         -         +215           Accounts Payables         215         203         1102         102         102         102         -         -         +35           Corporate Bond (Less than 1 year)         102         102         102         102         102         -         -         +35           Corporate Bond (Less than 1 year)         102         102         1,023         1,408         -         -         +801           Other         2,424         2,754         2,897         2,76         246         -         -         +1,587 </td <td>Accounts Receivables</td> <td>1,804</td> <td>1,248</td> <td>1,285</td> <td>1,916</td> <td>1,518</td> <td>-</td> <td>-</td> <td>-</td> <td>(286)</td>	Accounts Receivables	1,804	1,248	1,285	1,916	1,518	-	-	-	(286)
Tangible Assets         406         378         363         344         522         -         -         +116           Intangible Assets         9,103         8,685         8,618         9,001         8,807         -         -         (296)           Investments and Other Assets         572         744         1,005         1,388         1,370         -         -         +798           Fixed Assets         10,082         9,809         9,988         10,733         10,700         -         -         +618           Total Assets         17,783         18,293         17,833         20,958         19,940         -         -         +21,157           Accounts Payables         215         203         190         319         250         -         -         +35           Corporate Bond (Less than 1 year)         102         102         102         102         102         -         -         0           Short-Term Debt         607         679         820         1,123         1,408         -         -         +801           Other         2,424         2,754         2,897         3,587         3,175         -         -         -         1,587	Other	384	307	301	354	390	-	-	-	+6
Intangible Assets   9,103   8,685   8,618   9,001   8,807   -   -   (296)     Investments and Other Assets   572   744   1,005   1,388   1,370   -   -   4788     Fixed Assets   10,082   9,809   9,988   10,733   10,700   -   -   4618     Total Assets   17,783   18,293   17,833   20,958   19,940   -   -   -   42,157     Accounts Payables   215   203   190   319   250   -   -   -   435     Copprate Bond (Less than 1 year)   102   102   102   102   102   102   -   -   0     Short-Term Debt   607   679   820   1,123   1,408   -   -   4801     Other   2,424   2,754   2,897   3,587   3,175   -   -   -   475     Current Liabilities   3,348   3,738   4,009   5,131   4,935   -   -   -   415     Copprate Bond   348   327   297   276   246   -   -   (102)     Long-Term Debt   3,337   9,116   8,288   8,378   7,929   -   -   -   (408)     Other   41   41   41   41   41   -   -   -   (102)     Long-Term Debt   8,726   9,484   9,166   8,695   8,216   -   -   (510)     Total Liabilities   12,075   13,223   13,175   13,826   13,151   -   -   +   4,076     Shareholders' Equity   4,776   4,374   3,778   6,118   5,663   -   -   +   4,076     Shareholders' Equity   4,776   4,374   3,778   6,118   5,663   -   -   +   4,081     Net Assets   5,707   5,070   4,658   7,131   5,871   5,349   -   -   +   +   4,081     Total Liabilities and Net Assets   17,783   18,293   17,833   20,958   19,940   -   -   -   +   +   +   +   +   +   +	Current Assets	7,700	8,484	7,845	10,224	9,239	-	-	-	+1,539
Investments and Other Assets   572   744   1,005   1,388   1,370   -   -   +798	Tangible Assets	406	378	363	344	522	-	-	-	+116
Fixed Assets   10,082   9,809   9,988   10,733   10,700   -   -   -   +618   10   10   10   10   10   10   10	Intangible Assets	9,103	8,685	8,618	9,001	8,807	-	-	-	(296)
Total Assets         17,783         18,293         17,833         20,958         19,940         -         -         + 42,157           Accounts Payables         215         203         190         319         250         -         -         + 35           Corporate Bond (Less than 1 year)         102         102         102         102         102         -         -         -         0           Short-Term Debt         607         679         820         1,123         1,408         -         -         +801           Other         2,424         2,754         2,897         3,587         3,175         -         -         +751           Current Liabilities         3,348         3,738         4,009         5,131         4,935         -         -         +1,587           Corporate Bond         348         327         297         276         246         -         -         -         (102)           Long-Term Debt         8,337         9,116         8,828         8,378         7,929         -         -         -         -         -         (102)           Diter         41         41         41         41         41         41 <td>Investments and Other Assets</td> <td>572</td> <td>744</td> <td>1,005</td> <td>1,388</td> <td>1,370</td> <td>-</td> <td>-</td> <td>-</td> <td>+798</td>	Investments and Other Assets	572	744	1,005	1,388	1,370	-	-	-	+798
Accounts Payables         215         203         190         319         250         -         -         +35           Corporate Bond (Less than 1 year)         102         102         102         102         102         -         -         0           Short-Term Debt         607         679         820         1,123         1,408         -         -         +801           Other         2,424         2,754         2,897         3,587         3,175         -         -         +751           Current Liabilities         3,348         3,738         4,009         5,131         4,935         -         -         +1,587           Corporate Bond         348         327         297         276         246         -         -         (102)           Long-Term Debt         8,337         9,116         8,828         8,378         7,929         -         -         (408)           Other         41	Fixed Assets	10,082	9,809	9,988	10,733	10,700	-	-	-	+618
Corporate Bond (Less than 1 year)         102         102         102         102         102         -         -         -         0           Short-Term Debt         607         679         820         1,123         1,408         -         -         -         +801           Other         2,424         2,754         2,897         3,587         3,175         -         -         -         +751           Current Liabilities         3,348         3,738         4,009         276         246         -         -         -         1(122)           Long-Term Debt         8,337         9,116         8,828         8,378         7,929         -         -         -         (1022)           Other         41         41         41         41         41         41         -         -         -         (1028)           Fixed Liabilities         8,726         9,484         9,166         8,695         8,216         -         -         -         -         -         1,610           Fixed Liabilities         12,075         13,223         13,175         6,118         5,663         -         -         -         +887           Other         <	Total Assets	17,783	18,293	17,833	20,958	19,940	-	-	-	+2,157
Short-Term Debt         607         679         820         1,123         1,408         -         -         +801           Other         2,424         2,754         2,897         3,587         3,175         -         -         +751           Current Liabilities         3,348         3,738         4,009         5,131         4,935         -         -         +1,587           Corporate Bond         348         327         297         276         246         -         -         (102)           Long-Term Debt         8,337         9,116         8,828         8,378         7,929         -         -         (408)           Other         41         41         41         41         41         41         41         -         -         0           Fixed Liabilities         8,726         9,484         9,166         8,695         8,216         -         -         (510)           Total Liabilities         12,075         13,223         13,175         13,826         13,151         -         -         +1,076           Shareholders' Equity         4,776         4,374         3,778         6,118         5,663         -         -         +287	Accounts Payables	215	203	190	319	250	-	-	-	+35
Other         2,424         2,754         2,897         3,587         3,175         -         -         +751           Current Liabilities         3,348         3,738         4,009         5,131         4,935         -         -         +1,587           Corporate Bond         348         327         297         276         246         -         -         -         102)           Long-Term Debt         8,337         9,116         8,828         8,378         7,929         -         -         -         (102)           Other         41	Corporate Bond (Less than 1 year)	102	102	102	102	102	-	-	-	0
Current Liabilities         3,348         3,738         4,009         5,131         4,935         -         -         -         +1,587           Corporate Bond         348         327         297         276         246         -         -         (102)           Long-Term Debt         8,337         9,116         8,828         8,378         7,929         -         -         (408)           Other         41         41         41         41         41         -         -         -         (408)           Fixed Liabilities         8,726         9,484         9,166         8,695         8,216         -         -         -         6,510           Total Liabilities         12,075         13,223         13,175         13,826         13,151         -         -         +10,766           Shareholders' Equity         4,776         4,374         3,778         6,118         5,663         -         -         +887           Other         931         696         880         1,013         1,125         -         -         +1944           Net Assets         5,707         5,070         4,658         7,131         6,788         -         -	Short-Term Debt	607	679	820	1,123	1,408	-	-	-	+801
Corporate Bond         348         327         297         276         246         -         -         -         (102)           Long-Term Debt         8,337         9,116         8,828         8,378         7,929         -         -         -         (408)           Other         41         41         41         41         41         41         -         -         -         -         0           Fixed Liabilities         8,726         9,484         9,166         8,695         8,216         -         -         -         -         0           Total Liabilities         12,075         13,223         13,175         13,826         13,151         -         -         -         +1,076           Shareholders' Equity         4,776         4,374         3,778         6,118         5,663         -         -         -         +887           Other         931         696         880         1,013         1,125         -         -         -         +1,081           Total Liabilities and Net Assets         17,783         18,293         17,833         20,958         19,940         -         -         -         +2,157           Equity Capit	Other	2,424	2,754	2,897	3,587	3,175	-	-	-	+751
Long-Term Debt         8,337         9,116         8,828         8,378         7,929         -         -         408           Other         41         41         41         41         41         41         41         -         -         -         0           Fixed Liabilities         8,726         9,484         9,166         8,695         8,216         -         -         -         5010           Total Liabilities         12,075         13,223         13,175         13,826         13,151         -         -         -         +1,076           Shareholders' Equity         4,776         4,374         3,778         6,118         5,663         -         -         -         +887           Other         931         696         880         1,013         1,125         -         -         +194           Net Assets         5,707         5,070         4,658         7,131         6,788         -         -         -         +1,081           Total Liabilities and Net Assets         17,783         18,293         17,833         20,958         19,940         -         -         -         +2,157           Equity Capital         4,695         3,973 </td <td>Current Liabilities</td> <td>3,348</td> <td>3,738</td> <td>4,009</td> <td>5,131</td> <td>4,935</td> <td>-</td> <td>-</td> <td>-</td> <td>+1,587</td>	Current Liabilities	3,348	3,738	4,009	5,131	4,935	-	-	-	+1,587
Other         41         41         41         41         41         41         -         -         -         0           Fixed Liabilities         8,726         9,484         9,166         8,695         8,216         -         -         -         (510)           Total Liabilities         12,075         13,223         13,175         13,826         13,151         -         -         -         +1,076           Shareholders' Equity         4,776         4,374         3,778         6,118         5,663         -         -         -         +887           Other         931         696         880         1,013         1,125         -         -         -         +194           Net Assets         5,707         5,070         4,658         7,131         6,788         -         -         -         +1,081           Total Liabilities and Net Assets         17,783         18,293         17,833         20,958         19,940         -         -         -         +2,157           Equity Capital         4,695         3,973         3,931         5,871         5,349         -         -         -         +291           Net Debt         20,000	Corporate Bond	348	327	297	276	246	-	-	-	(102)
Fixed Liabilities         8,726         9,484         9,166         8,695         8,216         -         -         -         (510)           Total Liabilities         12,075         13,223         13,175         13,826         13,151         -         -         +1,076           Shareholders' Equity         4,776         4,374         3,778         6,118         5,663         -         -         -         +887           Other         931         696         880         1,013         1,125         -         -         -         +194           Net Assets         5,707         5,070         4,658         7,131         6,788         -         -         -         +1,081           Total Liabilities and Net Assets         17,783         18,293         17,833         20,958         19,940         -         -         -         +2,157           Equity Capital         4,695         3,973         3,391         5,871         5,349         -         -         -         +654           Interest Bearing Debt         9,394         10,224         10,047         9,879         9,685         -         -         -         +291           Net Debt         2,041	Long-Term Debt	8,337	9,116	8,828	8,378	7,929	-	-	-	(408)
Total Liabilities         12,075         13,223         13,175         13,826         13,151         -         -         -         +1,076           Shareholders' Equity         4,776         4,374         3,778         6,118         5,663         -         -         -         +887           Other         931         696         880         1,013         1,125         -         -         -         +194           Net Assets         5,707         5,070         4,658         7,131         6,788         -         -         -         +1,081           Total Liabilities and Net Assets         17,783         18,293         17,833         20,958         19,940         -         -         -         +2,157           Equity Capital         4,695         3,973         3,391         5,871         5,349         -         -         -         +654           Interest Bearing Debt         9,394         10,224         10,047         9,879         9,685         -         -         -         +291           Net Debt         20,20         3,882         3,295         3,788         1,925         2,354         -         -         -         -         -         -         <	Other	41	41	41	41	41	-	-	-	0
Shareholders' Equity         4,776         4,374         3,778         6,118         5,663         -         -         -         +887           Other         931         696         880         1,013         1,125         -         -         -         +194           Net Assets         5,707         5,070         4,658         7,131         6,788         -         -         -         +1,081           Total Liabilities and Net Assets         17,783         18,293         17,833         20,958         19,940         -         -         -         +2,157           Equity Capital         4,695         3,973         3,391         5,871         5,349         -         -         -         +654           Interest Bearing Debt         9,394         10,224         10,047         9,879         9,685         -         -         -         +291           Net Debt         3,882         3,295         3,788         1,925         2,354         -         -         -         -         -         +291           Net Debt Equity Ratio         82,7%         82,9%         111,7%         32,8%         44,0%         -         -         -         -         -      <	Fixed Liabilities	8,726	9,484	9,166	8,695	8,216	-	-	-	(510)
Other         931         696         880         1,013         1,125         -         -         -         +194           Net Assets         5,707         5,070         4,658         7,131         6,788         -         -         -         +1,081           Total Liabilities and Net Assets         17,783         18,293         17,833         20,958         19,940         -         -         -         +2,157           Equity Capital         4,695         3,973         3,391         5,871         5,349         -         -         -         +654           Interest Bearing Debt         9,394         10,224         10,047         9,879         9,685         -         -         -         +291           Net Debt         3,882         3,295         3,788         1,925         2,354         -         -         -         (1,528)           Capital Ratio         26.4%         21.7%         19.0%         28.0%         26.8%         -         -         -         -         -           Net Debt Equity Ratio         82.7%         82.9%         111.7%         32.8%         44.0%         -         -         -         -         -           ROA (12 mo	Total Liabilities	12,075	13,223	13,175	13,826	13,151	-	-	-	+1,076
Net Assets         5,707         5,070         4,658         7,131         6,788         -         -         -         +1,081           Total Liabilities and Net Assets         17,783         18,293         17,833         20,958         19,940         -         -         -         +2,157           Equity Capital         4,695         3,973         3,391         5,871         5,349         -         -         -         +654           Interest Bearing Debt         9,394         10,224         10,047         9,879         9,685         -         -         -         +291           Net Debt         3,882         3,295         3,788         1,925         2,354         -         -         -         (1,528)           Capital Ratio         26.4%         21.7%         19.0%         28.0%         26.8%         -         -         -         -         -           Net Debt Equity Ratio         82.7%         82.9%         111.7%         32.8%         44.0%         -         -         -         -         -           ROE (12 months)         6.0%         (14.3%)         (9.6%)         (29.1%)         (35.8%)         -         -         -         -         -	Shareholders' Equity	4,776	4,374	3,778	6,118	5,663	-	-	-	+887
Total Liabilities and Net Assets         17,783         18,293         17,833         20,958         19,940         -         -         -         +2,157           Equity Capital         4,695         3,973         3,391         5,871         5,349         -         -         -         +654           Interest Bearing Debt         9,394         10,224         10,047         9,879         9,685         -         -         -         +291           Net Debt         3,882         3,295         3,788         1,925         2,354         -         -         -         (1,528)           Capital Ratio         26.4%         21.7%         19.0%         28.0%         26.8%         -         -         -         -         -         -           Net Debt Equity Ratio         82.7%         82.9%         111.7%         32.8%         44.0%         -         -         -         -         -           ROE (12 months)         6.0%         (14.3%)         (9.6%)         (29.1%)         (35.8%)         -         -         -         -         -         -           ROA (12 months)         (0.2%)         (5.3%)         (5.1%)         (7.2%)         (7.2%)         -         - <td>Other</td> <td>931</td> <td>696</td> <td>880</td> <td>1,013</td> <td>1,125</td> <td>-</td> <td>-</td> <td>-</td> <td>+194</td>	Other	931	696	880	1,013	1,125	-	-	-	+194
Equity Capital         4,695         3,973         3,391         5,871         5,349         -         -         -         +654           Interest Bearing Debt         9,394         10,224         10,047         9,879         9,685         -         -         -         +291           Net Debt         3,882         3,295         3,788         1,925         2,354         -         -         -         (1,528)           Capital Ratio         26.4%         21.7%         19.0%         28.0%         26.8%         -         -         -         -         -         -           Net Debt Equity Ratio         82.7%         82.9%         111.7%         32.8%         44.0%         -         -         -         -         -           ROE (12 months)         6.0%         (14.3%)         (9.6%)         (29.1%)         (35.8%)         -         -         -         -         -           ROA (12 months)         (0.2%)         (5.3%)         (5.1%)         (7.2%)         (7.2%)         -         -         -         -         -           Quick Ratio         219%         219%         188%         192%         179%         -         -         -         - </td <td>Net Assets</td> <td>5,707</td> <td>5,070</td> <td>4,658</td> <td>7,131</td> <td>6,788</td> <td>-</td> <td>-</td> <td>-</td> <td>+1,081</td>	Net Assets	5,707	5,070	4,658	7,131	6,788	-	-	-	+1,081
Interest Bearing Debt         9,394         10,224         10,047         9,879         9,685         -         -         -         +291           Net Debt         3,882         3,295         3,788         1,925         2,354         -         -         -         (1,528)           Capital Ratio         26.4%         21.7%         19.0%         28.0%         26.8%         -         -         -         -         -         -           Net Debt Equity Ratio         82.7%         82.9%         111.7%         32.8%         44.0%         -         -         -         -         -         -           ROE (12 months)         6.0%         (14.3%)         (9.6%)         (29.1%)         (35.8%)         -         -         -         -         -           ROA (12 months)         (0.2%)         (5.3%)         (5.1%)         (7.2%)         (7.2%)         -	Total Liabilities and Net Assets	17,783	18,293	17,833	20,958	19,940	-	-	-	+2,157
Net Debt         3,882         3,295         3,788         1,925         2,354         -         -         -         (1,528)           Capital Ratio         26.4%         21.7%         19.0%         28.0%         26.8%         -	Equity Capital	4,695	3,973	3,391	5,871	5,349	-	-	-	+654
Capital Ratio         26.4%         21.7%         19.0%         28.0%         26.8%         -	Interest Bearing Debt	9,394	10,224	10,047	9,879	9,685	-	-	-	+291
Net Debt Equity Ratio         82.7%         82.9%         111.7%         32.8%         44.0%         -	Net Debt	3,882	3,295	3,788	1,925	2,354	-	-	-	(1,528)
ROE (12 months)       6.0%       (14.3%)       (9.6%)       (29.1%)       (35.8%)       - </td <td>Capital Ratio</td> <td>26.4%</td> <td>21.7%</td> <td>19.0%</td> <td>28.0%</td> <td>26.8%</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td>	Capital Ratio	26.4%	21.7%	19.0%	28.0%	26.8%	-	-	-	-
ROA (12 months)         (0.2%)         (5.3%)         (5.1%)         (7.2%)         (7.2%)         -	Net Debt Equity Ratio	82.7%	82.9%	111.7%	32.8%	44.0%	-	-	-	-
Quick Ratio 219% 219% 188% 192% 179%	ROE (12 months)	6.0%	(14.3%)	(9.6%)	(29.1%)	(35.8%)	-	-	-	-
	ROA (12 months)	(0.2%)	(5.3%)	(5.1%)	(7.2%)	(7.2%)	-	-	-	-
Current Ratio         230%         227%         196%         199%         187%         -         -         -         -         -	Quick Ratio	219%	219%	188%	192%	179%	-	-	-	-
	Current Ratio	230%	227%	196%	199%	187%	-	-	-	-

Source: Company Data, WRJ Calculation

## **Cash Flow Statement (Cumulative)**

Cash Flow Statement	Cons.Act								
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	12/2019	12/2019	12/2019	12/2019	12/2020	12/2020	12/2020	12/2020	Net Chg.
Operating Cash Flow	-	358	-	60	-	-	-	-	-
Investing Cash Flow	-	(258)	-	(851)	-	-	-	-	-
Operating CF and Investing CF	-	100	-	(791)	-	-	-	-	-
Financing Cash Flow	-	1,390	-	3,282	-	-	-	-	-

Source: Company Data, WRJ Calculation

#### Disclaimer

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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