

UZABASE (3966)

Consolidated Fiscal Year		Sales	EBITDA	Operating Profit	Recurring Profit	Profit At. to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
(Million Yen)									
FY12/2019		12,521	(411)	(1,236)	(1,429)	(1,620)	(51.35)	0.00	178.20
FY12/2020		13,809	917	104	(281)	(6,472)	(186.58)	0.00	158.01
FY12/2021CoE		15,600	1,800	1,380	1,240	690	19.89	0.00	-
FY12/2020	YoY	10.3%	-	-	-	-	-	-	-
FY12/2021CoE	YoY	13.0%	96.1%	-	-	-	-	-	-

Source: Company Data, WRJ Calculation)

1.0 Executive Summary (9 April 2021)

Persistently Realizing High Growth

UZABASE, advocating that “we guide business people to insights that change the world” as own mission, has set performance target of persistently increase prospective sales by 30% from a long-term perspective. Meanwhile, the Company is to continue implementing growth investment to realize persistent sales growth rate of 30% for the future at the same time, resulting in EBITDA and/or EBITDA margin in each fiscal year inevitably depending on the extent of cost burden from growth investment during the same period. FY12/2021 Company forecasts (announced on 10 February 2021) are going for prospective sales growth rate of 21.5%, when excluding the impacts of having had pulled out of Quartz Business, as well as aggressive growth investment to accelerate sales growth rate up to 30% for FY12/2022 and thereafter. Given the latter, it appears that the Company is to see cost burden from growth investment substantial in particular. For example, “Priority Areas for Investment in 2021”, disclosed by the Company as initiative for FY12/2021, suggests collective cost burden from growth investment as much as some ¥1,650m (10.6% of sales). Consequently, it appears that FY12/2021 Company forecasts are going for almost the lower end of prospective range for EBITDA margin over a long-term perspective. In other words, when based on the actual results in FY12/2021, i.e., the first year with new management after having had pulled out of Quartz Business, the Company is likely to see improving EBITDA margin from a long-term perspective.

IR Representative: Daisuke Chiba, Executive Officer / CFO (81-(0)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 IR Information Share price (Japanese)	UZABASE
Established	1 April 2008	
Listing	21 October 2016: Mothers of Tokyo Stock Exchange (ticker: 3966)	
Capital	¥7,170m (as of the end of December 2020)	
No. of Shares	36,533,502 shares, including 258 treasury shares (as of the end of December 2020)	
Main Features	<ul style="list-style-type: none">● Providing a foundation of intelligence that supports the needs of business and business people● Analyzing, organizing and creating global information so you can make the right decisions at the right time● Unleashing your creative and innovative potential	
Business Segments	I . SPEEDA Business II . NewsPicks Business III . Quartz Business IV . Other Business (Other B2B Business)	
Representatives	Representative director and Co-CEO: Yusuke Inagaki / Taira Sakuma	
Shareholders	Ryosuke Niino 17.0%, Yusuke Umeda 16.5%, Yusuke Inagaki 6.8%, SSBTC Client Omnibus Account 5.3% (as of the end of December 2020, but for treasury shares)	
Head Office	Minato-ku, Tokyo, JAPAN	
No. of Employees	Consolidated: 611, Unconsolidated: 198 (as of the end of December 2020)	

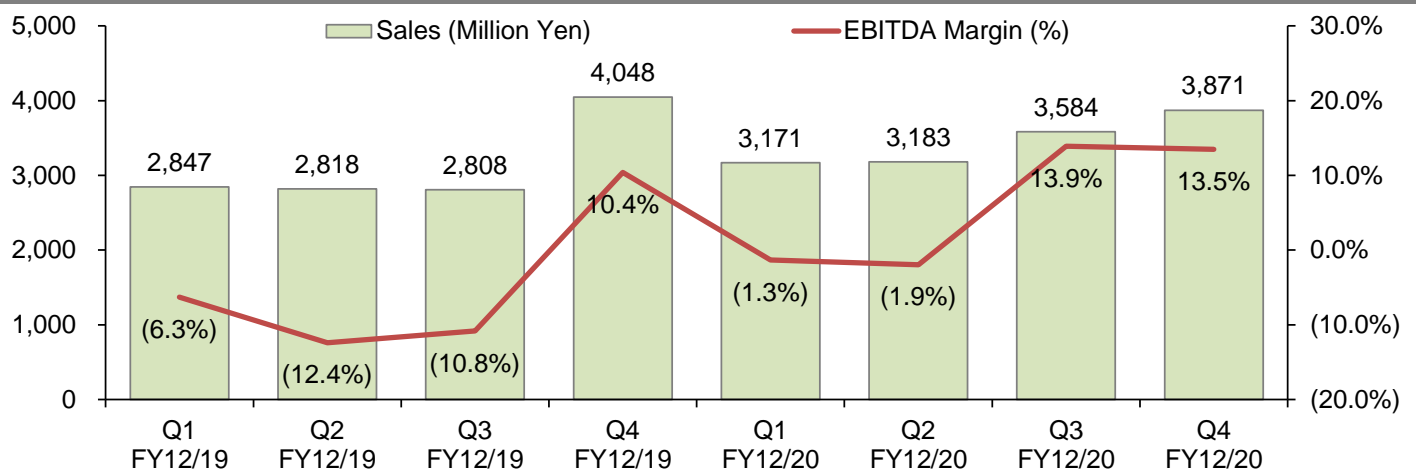
Source: Company Data

3.0 Recent Trading and Prospects

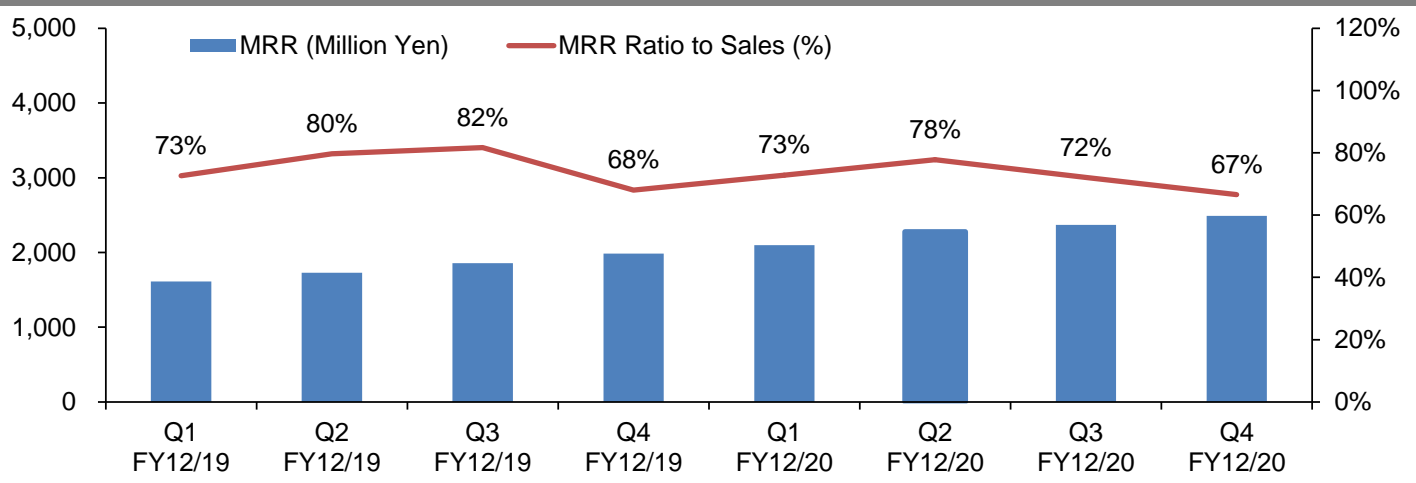
FY12/2020

In FY12/2020, sales came in at ¥13,809m (up 10.3% YoY), EBITDA ¥917m (versus minus ¥411m in the previous year), operating profit ¥104m (minus ¥1,236m), recurring profit minus ¥281m (minus ¥1,429m) and profit attributable to owners of parent minus ¥6,472m (minus ¥1,620m), while EBITDA margin 6.6% (up 9.9% points).

Sales and EBITDA Margin (quarterly)

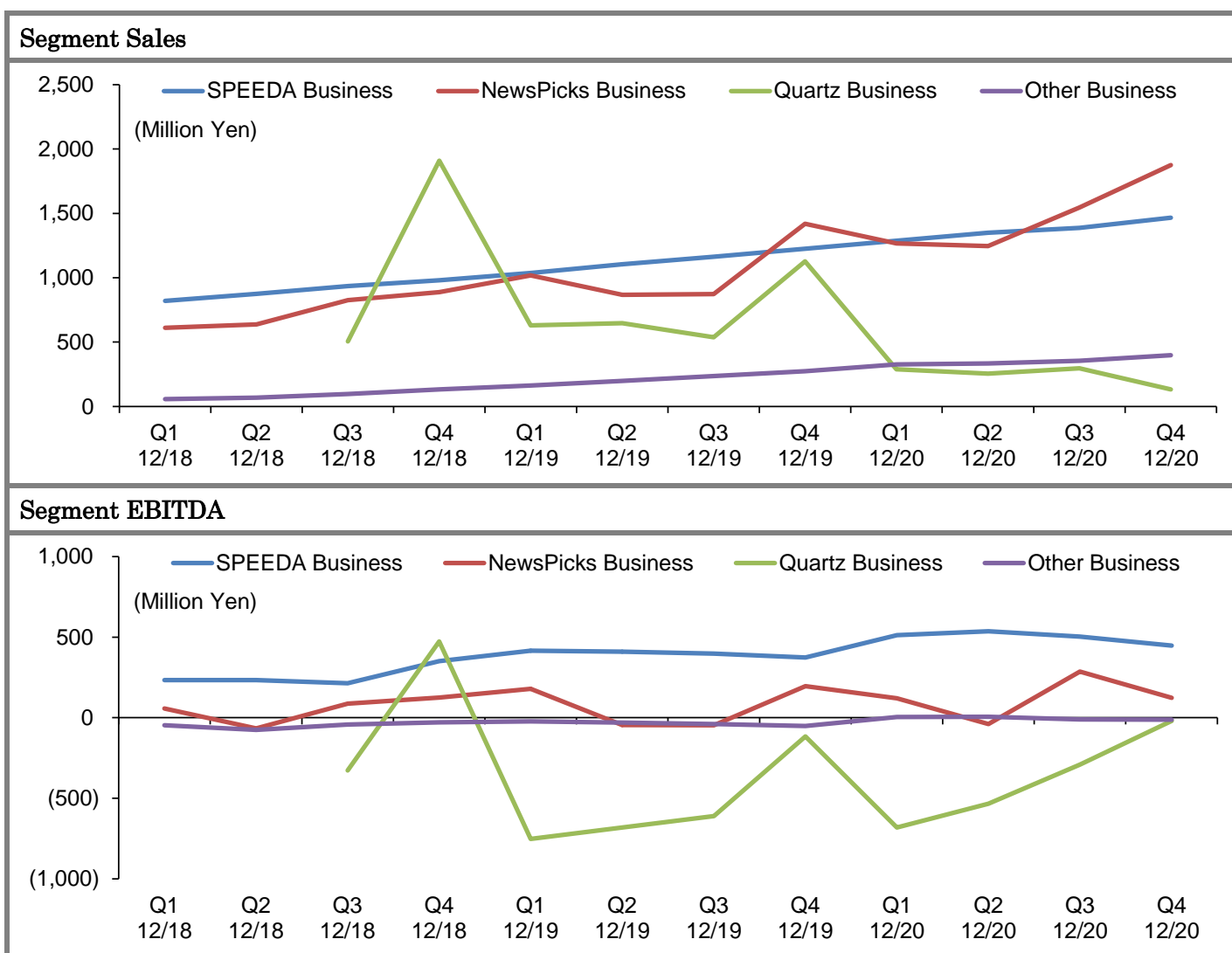


MRR and MRR Ratio to Sales (cumulative, quarterly and excluding Quartz Business)



Source: Company Data, WRJ Calculation

With respect to MRR (monthly recurring revenue) designated as the key performance indicator, the Company saw the actual results of ¥842m (up 23% over the same month of the previous year) as a whole in December 2020, excluding that of “Quartz” to be discontinued from Q1 FY12/2021, implying ARR (annual recurring revenue) of some ¥10,100m at the same time. Meanwhile, by service, MRR came in at ¥243m (up 38%) for "NewsPicks", ¥100m (up 33%) for "FORCAS", ¥34m (up 44%) for "INITIAL" and ¥463m (up 13%) for "SPEEDA". In other words, “NewsPicks," "FORCAS," and "INITIAL" all saw high growth exceeding 30% versus rather limited growth for "SPEEDA", accounting for the majority of MRR as a whole for the Company. Meanwhile, on the NewsPicks Business side, the Company has seen surging advertising revenue as media, driven by successful introduction of video advertising, in which the Company has been investing since 2018. This has also contributed high growth in sales as a whole for the Company. Excluding Quartz Business for the Company to have had pulled out of in November 2020, the Company suggests that it saw sales growth as much as some 34%.

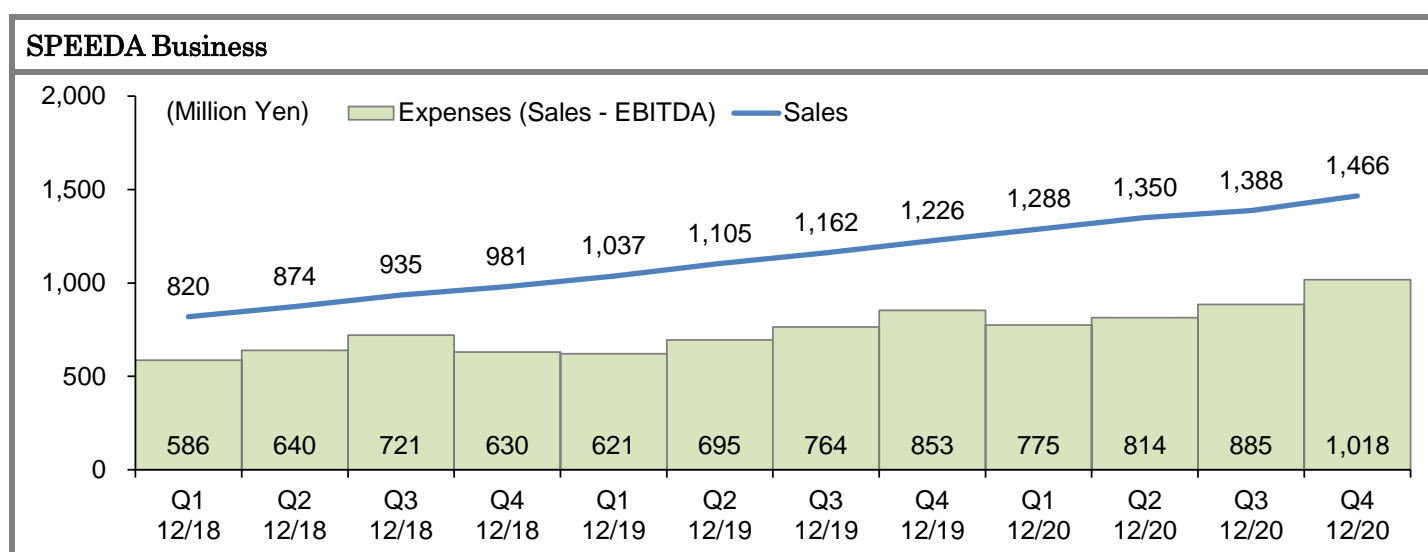


Source: Company Data, WRJ Calculation

On the Quartz Business side, the Company saw plummeting advertising revenue as media for “Quartz” in the United States, accounting for bulk of segment sales, but it was more than compensated for by cost cutting, having contributed for EBITDA as a whole for the Company to return to profitability most substantially out of all the segments. Still, basically stemming from having had pulled out of the operations here, the Company suffered from extraordinary loss of ¥9,189m for FY12/2020. Meanwhile, second only to Quartz Business, the Company saw the largest contribution to improvement in EBITDA on the SPEEDA Business side, which was followed by NewsPicks Business. With respect to Other Business (Other B2B Businesses), comprising “FORCAS” and “INITIAL”, the Company saw surging sales and thus the same for EBITDA margin, having contributed to improvement of EBITDA as a whole for the Company on an absolute amount basis to more than a certain extent, albeit small in size of segment sales.

SPEEDA Business

On the SPEEDA Business side, the Company is developing operations related to business intelligence platform “SPEEDA”, representing a SaaS to provide the information necessary for business strategy development and/or market analysis, including global and local company/market data, industry reports, M&A information, patent-related trends and more. Most recently, it appears that MRR related to “SPEEDA” accounts for some 95% of segment sales, while the remainder or 5% are of collections of initial charges on the occasion of introducing “SPEEDA” and additional billing for the use of “SPEEDA Expert Research”, i.e., a service that offers access to the opinions of industry experts in cutting-edge fields, developed by Mimir, Inc, to have become wholly-owned subsidiary in April 2020.

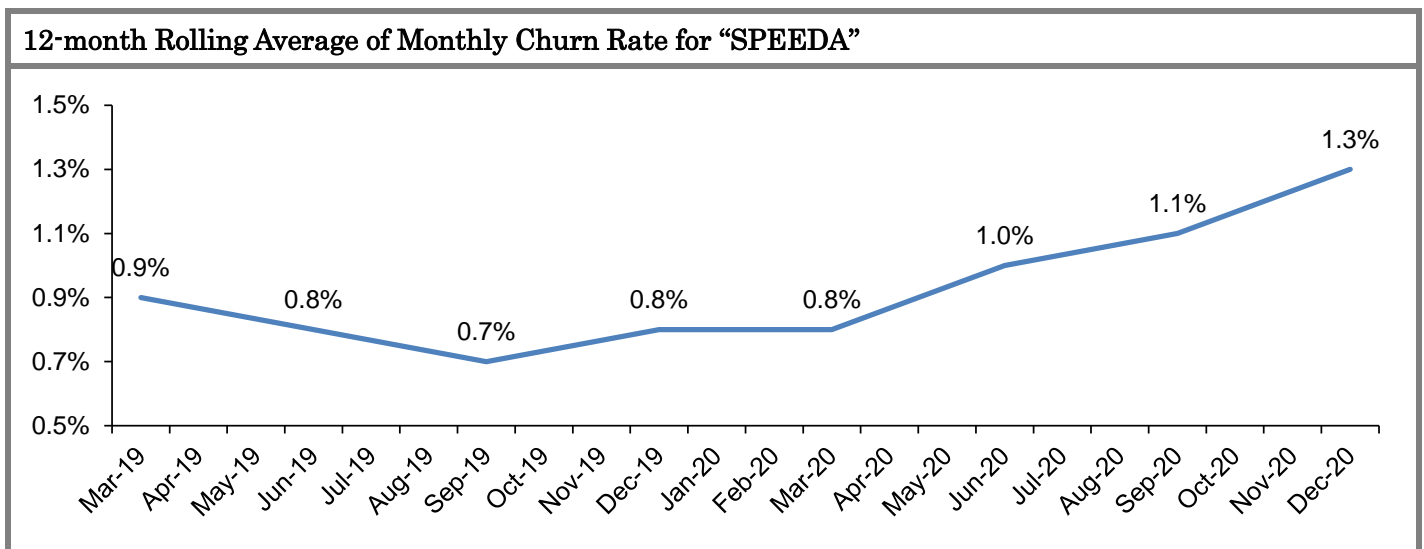


Source: Company Data, WRJ Calculation

In FY12/2020, segment sales came in at ¥5,492m (up 21.2%), segment EBITDA ¥2,000m (up 25.2%) and segment EBITDA margin 36.4% (up 1.2% points). It appears that the growth rate of MRR related to “SPEEDA”, accounting for almost everything of segment sales, has decelerated for FY12/2020 over FY12/2019, while “SPEEDA Expert Research” has started to take off well. As a result, the Company suggests that the growth rate in segment sales has exceeded that of MRR related to “SPEEDA”.

The impacts stemming from COVID-19 are cited as one of the reasons for decelerating growth rate of MRR related to "SPEEDA". For new ID acquisitions, there were little impacts, supported by a factor that demand from major companies promoting digital transformation (DX) was firm, etc. In FY12/2020, the Company has raised billing prices to a certain extent, but strengths have continued for new ID acquisitions. Meanwhile, the churn rate has risen sharply in Q2 (April to June), according to the Company. For users belonging to some specific industries, the Company suggests that it was often the case that they were forced to suspend the use of "SPEEDA" due to deterioration of their own earnings caused by the impacts stemming from COVID-19. This tendency is said to have been particularly pronounced amongst smaller business. On the other hand, there were virtually no disengagements for all those users taking advantage of "SPEEDA" for three years or more, given the fact that they use "SPEEDA" as a tool simply indispensable for decision-making associated with business strategy, etc.

Now, having analyzed the background of disengagements as above-mentioned, the Company has raised it as the key challenge on the SPEEDA Business side for FY12/2021 to make the best effort for lowering the churn rate by means of coping with the issues of the background. In the first place, it is extremely important to lower the churn rate for any operations on a SaaS basis and thus the Company is currently in the process of actively beefing up capacity of customer success team with the aim of continuing to address the issues. Meanwhile, being keen on investor relations, the Company has just started disclosing the churn rate at this timing. In the end, however, it is highly likely that the disclosure created a misleading impression.



Source: Company Data, WRJ Calculation

According to the Company, the churn rate, which rose significantly in Q2 (April to June), was trending downward for Q3 (July to September) and Q4 (October to December). However, the data disclosed for the churn rate during the same period indicates that the churn rate was trending rather upward. In light of the general method of disclosing the churn rate, the Company uses the data based on that of rolling average, which has a lot to do with this problem, according to the Company. More specifically, the Company says that it looks that the churn rate has continued rising on the face of it, as the calculation of the churn rate for the relevant period includes the actual results in Q2 (April to June) when the churn rate rose sharply. It should be noted that the actual churn rate during the relevant period did decline, when just being simply compared.

On the other hand, another challenge raised on the SPEEDA Business side for FY12/2021 is to invest to promote full-scale launch of “SPEEDA Expert Research”. Specifically, the Company is to make progress for hiring for this goal as well as actively spending on marketing at the same time. According to “Priority Areas for Investment in 2021”, disclosed by the Company as initiative for FY12/2021, cost burden will be some ¥350m on the SPEEDA Business side.

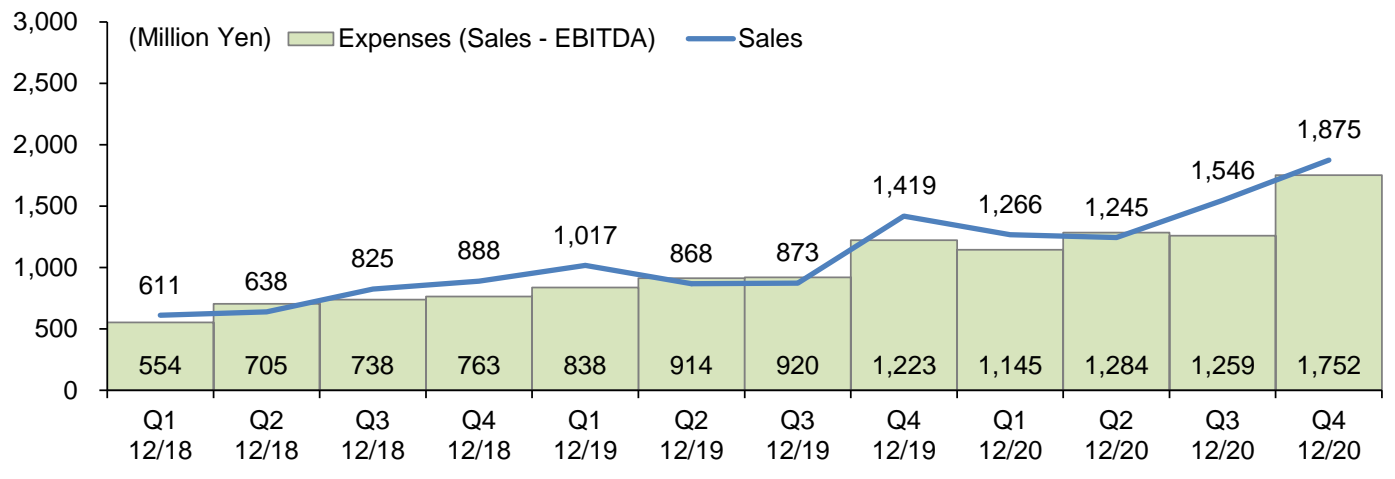
The Company has begun offering “SPEEDA Expert Research” by integrating “Expert Research” of Mimir, Inc. into “SPEEDA”, which revamps “SPEEDA” into a comprehensive business intelligence platform, including the provision of expertise from frontline professionals. In the fall of 2020, a new feature FLASH Opinion was added to “SPEEDA”. By using this new feature, "SPEEDA" users are able to ask questions to experts in a variety of domains, while the answers to the questions will be obtained in texts from several experts within 24 hours. On top of this, a mechanism has been established to enable direct interviews with all those experts on a personalized manner if they wish to deepen the contents of the responses. Meanwhile, billing is made for users on the occasion of using all those services at each stage. In other words, with the increase in the use of such services, the billing per user is expected to rise and so-called upselling is expected to make progress.

For example, one of the issues in consulting firms, raised by the Company, is that lots of time and process of works have to be incurred in the collection and understanding of initial information in the research business. In the specific case study disclosed by the Company, it is said that the use of new feature FLASH Opinion reduced time costs of user in a consulting firm to one third.

NewsPicks Business

On the NewsPicks Business side, the Company develops services related to business news media “NewsPicks” through its subsidiary NewsPicks, Inc. In “NewsPicks”, news articles from over 100 media in Japan and overseas are provided as well as its own original articles and video contents created by “NewsPicks” editorial desk, alongside comments from industry professionals and experts. It appears that billing for paid subscribers account for almost half of segment sales, which is also true of advertising revenue as media at the same time. Meanwhile, it appears that the remainder is of various services related to “NewsPicks”.

NewsPicks Business



Source: Company Data, WRJ Calculation

In FY12/2020, segment sales came in at ¥5,932m (up 42.0%), segment EBITDA ¥492m (up 74.4%) and segment EBITDA margin 8.3% (up 1.5% points). Meanwhile, the rate of growth in segment sales appears to be roughly in line with that of MRR, stemming from billing to paid subscribers, while advertising revenue as media also appears to be roughly in line. On top of this, the Company suggests that sales were also firm for various services related to “NewsPicks”, including those of publishing, NewSchool, etc.

Given a long-term perspective that “NewsPicks” may grow so fast, assuming a potential to replace business news media based on a conventional format, e.g., newspapers and magazines, the Company is continuing to actively invest in marketing-related and other areas. Consequently, EBITDA margin has remained fairly lower than that of “SPEEDA”, which has become the mainstay source of earnings as a whole for the Company to date. More importantly, however, surging sales have brought about steady improvement in EBITDA margin for FY12/2020.

According to the Company, MRR increased fast basically in line with increases in the number of paid subscribers. In Q2 (April to June), when the impacts stemming from COVID-19 began in earnest, the number of retail paid subscribers surged, driven by increased needs for reliable information sources, according to the Company. Although the Company suffered from a back action stemming from here for Q3 (July to September), it was more than compensated for recovery for Q4 (October to December) with respect to corporate paid subscribers which had been sluggish for some time due to the impacts stemming from COVID-19, having resulted in strengths for MRR on a full-year basis.

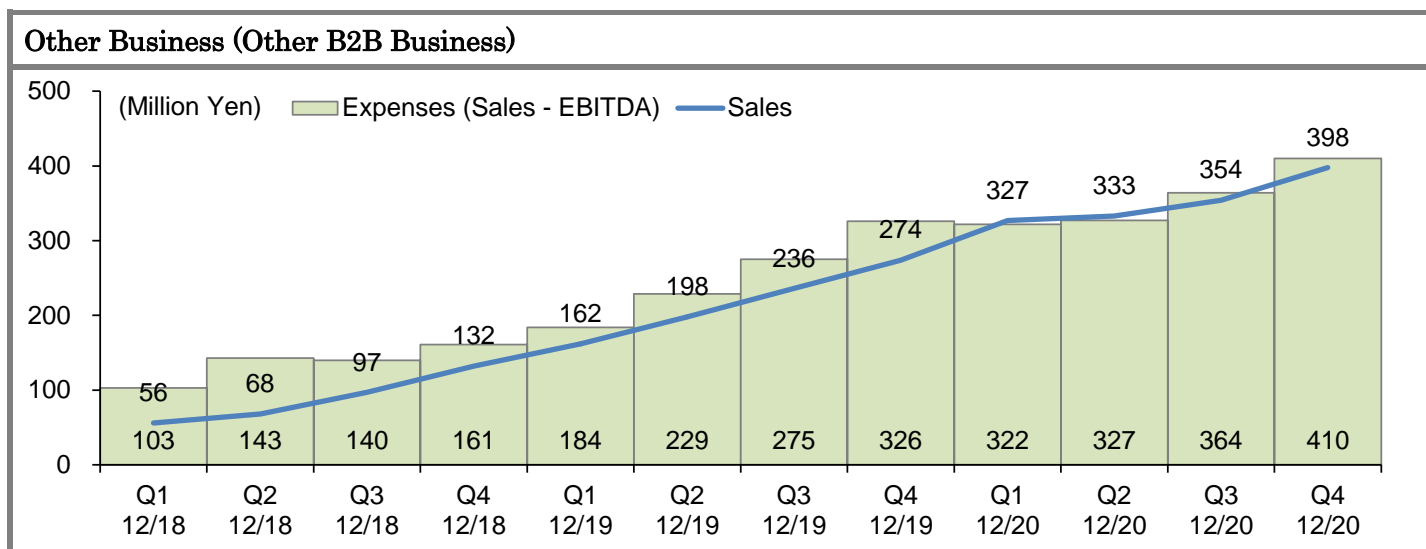
Advertising revenue as media also increased fast driven by successful introduction of video advertising, in which the Company has been investing since 2018 prior to trades. While advertising revenue in Q4 (October to December) renewed its record high, it is suggested that the extent of renewal is remarkably large in comparison with the latest record high to have achieved in Q3 (July to September). As far as business news media is concerned, the Company has maintained an overwhelming superiority for video advertising and no trades have moved on with the Company to date, according to the Company.

On the other hand, according to “Priority Areas for Investment in 2021”, disclosed by the Company as initiative for FY12/2021, cost burden will be some ¥170m on the NewsPicks Business side. Specifically, the Company plans to invest in hiring and marketing to beef up corporate services as well as developments to cultivate communities aimed at expanding retail paid subscribers.

For example, the Company is to release a new corporate service as paid media in early summer 2021. This is based on a project being pursued through strategic alliance with NTT DoCoMo, Inc., where the Company is trying to provide “some 650,000 personnel amongst client companies nationwide” of the counterparty with a media service utilizing the contents of “NewsPicks”. FY12/2021 Company forecasts assume no sales stemming from here, while the impacts could be conspicuously large for FY12/2022 and thereafter, according to the Company.

Other Business (Other B2B Business)

On the Other Business (Other B2B Business) side, B2B marketing platform "FORCAS" and startup information platform "INITIAL" are provided on a SaaS basis. “FORCAS” offers support for implementing Account Based Marketing (ABM) practices to help identify high probability prospects where a specific user sees high efficiency in its sales activities via integration and analysis of data on “SPEEDA” and the user’s internal data. Meanwhile, “INITIAL” provides business descriptions, funding round information, etc. on startups as well as original articles on startups. MRR related to each collectively accounts for almost everything in segment sales. It appears that MRR related to “FORCAS” accounts for almost 75% of total and almost 25% for “INITIAL”. At the same time, the Company has begun to provide sales research platform “FORCAS Sales” on a SaaS basis. While “FORCAS” identifies promising prospects on a corporate basis, this platform can drill down into data to identify the person in charge, according to the Company.



Source: Company Data, WRJ Calculation

In FY12/2020, segment sales came in at ¥1,412m (up 62.3%), segment EBITDA minus ¥11m (versus minus ¥144m in the previous year) and segment EBITDA margin minus 0.8% (up 15.8% points). A recovery in the growth rate of MRR related to the mainstay “FORCAS” is cited as the main reason for the fast growth as the segment, having rather exceeded the growth as the segment, as far as we could gather. “FORCAS” has an eminent aspect of having created the market for Account Based Marketing (ABM) in Japan and thus the Company is sometimes regarded as the one and only leading company in this domain. Meanwhile, it appears that MRR related to “INITIAL” saw growth rate almost as high as that of the segment.

In its essence, the story is that the Company continued to invest in the developments of new services over the last three years or so, utilizing data of existing "SPEEDA" to some extent, having led to a situation where MRR stemming from here is now surging and short-term EBITDA is almost breaking even after some loss in the past. Meanwhile, for FY12/2021, the Company plans to accelerate investment for the sake of further pursuing high growth. Specifically, the Company is to implement aggressive investment aimed at full-scale launch of “FORCAS Sales”. Given substantially increased cost burden from such growth investment, the Company suggests that short-term earnings for FY12/2021 are to get worse.

FY12/2020 Company Forecasts and The Actual Results

Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	EBITDA	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY12/2020CoE	12-Feb-20	Q4 Results	15,500	-	-	-	-
FY12/2020CoE	14-May-20	Q1 Results	15,500	-	-	-	-
FY12/2020CoE	13-Aug-20	Q2 Results	15,500	-	-	-	-
FY12/2020CoE	9-Nov-20	Revision	13,000	400	(410)	(840)	(6,890)
		Amount of Gap	(2,500)	-	-	-	-
		Rate of Gap	(16.1%)	-	-	-	-
FY12/2020CoE	12-Nov-20	Q3 Results	13,000	400	(410)	(840)	(6,890)
FY12/2020CoE	17-Dec-20	Revision	13,700	660	(150)	(610)	(6,760)
		Amount of Gap	700	260	260	230	130
		Rate of Gap	5.4%	65.0%	-	-	-
FY12/2020Act	10-Feb-21	Q4 Results	13,809	917	104	(281)	(6,472)
		Amount of Gap	109	257	254	329	288
		Rate of Gap	0.8%	39.1%	-	-	-
FY12/2020CoE	12-Feb-20	Q4 Results	15,500	-	-	-	-
FY12/2020Act	10-Feb-21	Q4 Results	13,809	917	104	(281)	(6,472)
		Amount of Gap	(1,691)	-	-	-	-
		Rate of Gap	(10.9%)	-	-	-	-
Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	EBITDA	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY12/2020CoE	12-Feb-20	Q4 Results	-	-	-	-	-
Q1 to Q2 FY12/2020CoE	14-May-20	Q1 Results	-	-	-	-	-
Q1 to Q2 FY12/2020Act	13-Aug-20	Q2 Results	6,354	(104)	(551)	(665)	(1,110)
		Amount of Gap	-	-	-	-	-
		Rate of Gap	-	-	-	-	-
Q1 to Q2 FY12/2020CoE	12-Feb-20	Q4 Results	-	-	-	-	-
Q1 to Q2 FY12/2020Act	13-Aug-20	Q2 Results	6,354	(104)	(551)	(665)	(1,110)
		Amount of Gap	-	-	-	-	-
		Rate of Gap	-	-	-	-	-
Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	EBITDA	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY12/2020CoE	12-Feb-20	Q4 Results	-	-	-	-	-
Q3 to Q4 FY12/2020CoE	14-May-20	Q1 Results	-	-	-	-	-
Q3 to Q4 FY12/2020CoE	13-Aug-20	Q2 Results	9,146	-	-	-	-
Q3 to Q4 FY12/2020CoE	9-Nov-20	Revision	6,646	504	141	(175)	(5,780)
		Amount of Gap	(2,500)	-	-	-	-
		Rate of Gap	(27.3%)	-	-	-	-
Q3 to Q4 FY12/2020CoE	12-Nov-20	Q3 Results	6,646	504	141	(175)	(5,780)
Q3 to Q4 FY12/2020CoE	17-Dec-20	Revision	7,346	764	401	55	(5,650)
		Amount of Gap	700	260	260	230	130
		Rate of Gap	10.5%	51.6%	184.4%	-	-
Q3 to Q4 FY12/2020Act	10-Feb-21	Q4 Results	7,455	1,021	655	384	(5,362)
		Amount of Gap	109	257	254	329	288
		Rate of Gap	1.5%	33.6%	63.3%	598.2%	-
Q3 to Q4 FY12/2020CoE	12-Feb-20	Q4 Results	-	-	-	-	-
Q3 to Q4 FY12/2020Act	10-Feb-21	Q4 Results	7,455	1,021	655	384	(5,362)
		Amount of Gap	-	-	-	-	-
		Rate of Gap	-	-	-	-	-

Source: Company Data, WRJ Calculation

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.
	12/2019	12/2019	12/2019	12/2019	12/2020	12/2020	12/2020	12/2020		
Sales	2,847	5,665	8,473	12,521	3,171	6,354	9,938	13,809		+1,288
Cost of Sales	1,216	2,495	3,695	5,321	1,549	3,127	4,629	6,216		+895
Gross Profit	1,630	3,170	4,777	7,200	1,621	3,226	5,308	7,592		+392
SG&A Expenses	2,010	4,101	6,214	8,437	1,885	3,778	5,618	7,488		(949)
Operating Profit	(380)	(931)	(1,436)	(1,236)	(263)	(551)	(309)	104		+1,340
Non Operating Balance	(15)	(76)	(122)	(193)	(54)	(114)	(179)	(385)		(192)
Recurring Profit	(395)	(1,007)	(1,558)	(1,429)	(317)	(665)	(488)	(281)		+1,148
Extraordinary Balance	311	311	311	299	-	(179)	(8,005)	(9,085)		(9,384)
Profit before Income Taxes	(84)	(696)	(1,247)	(1,130)	(317)	(844)	(8,493)	(9,366)		(8,236)
Total Income Taxes	247	345	447	619	185	317	(2,367)	(2,771)		(3,390)
NP Belonging to Non-Controlling SHs	(34)	(76)	(124)	(130)	(29)	(50)	(63)	(122)		+8
Profit Attributable to Owners of Parent	(296)	(965)	(1,571)	(1,620)	(473)	(1,110)	(6,063)	(6,472)		(4,852)
Sales YoY	+91.3%	+84.6%	+56.0%	+34.1%	+11.4%	+12.2%	+17.3%	+10.3%		-
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%	50.8%	53.4%	55.0%		(2.5%)
Sales to SG&A Expenses Ratio	70.6%	72.4%	73.3%	67.4%	59.4%	59.5%	56.5%	54.2%		(13.2%)
Operating Profit Margin	(13.3%)	(16.4%)	(16.9%)	(9.9%)	(8.3%)	(8.7%)	(3.1%)	0.8%		+10.6%
Recurring Profit Margin	(13.9%)	(17.8%)	(18.4%)	(11.4%)	(10.0%)	(10.5%)	(4.9%)	(2.0%)		+9.4%
Profit Attributable to Owners of Parent Margin	(10.4%)	(17.0%)	(18.5%)	(12.9%)	(14.9%)	(17.5%)	(61.0%)	(46.9%)		(33.9%)
Tax Charges etc./Pretax Profit	-	-	-	-	-	-	-	-		-
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.
	12/2019	12/2019	12/2019	12/2019	12/2020	12/2020	12/2020	12/2020		
Sales	2,847	2,818	2,808	4,048	3,171	3,183	3,584	3,871		(177)
Cost of Sales	1,216	1,279	1,200	1,626	1,549	1,578	1,502	1,587		(39)
Gross Profit	1,630	1,540	1,607	2,423	1,621	1,605	2,082	2,284		(139)
SG&A Expenses	2,010	2,091	2,113	2,223	1,885	1,893	1,840	1,870		(353)
Operating Profit	(380)	(551)	(505)	200	(263)	(288)	242	413		+213
Non Operating Balance	(15)	(61)	(46)	(71)	(54)	(60)	(65)	(206)		(135)
Recurring Profit	(395)	(612)	(551)	129	(317)	(348)	177	207		+78
Extraordinary Balance	311	-	-	(12)	-	(179)	(7,826)	(1,080)		(1,068)
Profit before Income Taxes	(84)	(612)	(551)	117	(317)	(527)	(7,649)	(873)		(990)
Total Income Taxes	247	98	102	172	185	132	(2,684)	(404)		(576)
NP Belonging to Non-Controlling SHs	(34)	(42)	(48)	(6)	(29)	(21)	(13)	(59)		(53)
Profit Attributable to Owners of Parent	(296)	(669)	(606)	(49)	(473)	(637)	(4,953)	(409)		(360)
Sales YoY	+91.3%	+78.3%	+18.8%	+3.6%	+11.4%	+13.0%	+27.6%	(4.4%)		-
Operating Profit YoY	-	-	-	(72.4%)	-	-	-	+106.5%		-
Recurring Profit YoY	-	-	-	(80.9%)	-	-	-	+60.5%		-
Profit Attributable to Owners of Parent YoY	-	-	-	-	-	-	-	-		-
Gross Profit Margin	57.3%	54.6%	57.2%	59.9%	51.1%	50.4%	58.1%	59.0%		(0.9%)
Sales to SG&A Expenses Ratio	70.6%	74.2%	75.2%	54.9%	59.4%	59.5%	51.3%	48.3%		(6.6%)
Operating Profit Margin	(13.3%)	(19.6%)	(18.0%)	4.9%	(8.3%)	(9.0%)	6.8%	10.7%		+5.7%
Recurring Profit Margin	(13.9%)	(21.7%)	(19.6%)	3.2%	(10.0%)	(10.9%)	4.9%	5.3%		+2.2%
Profit Attributable to Owners of Parent Margin	(10.4%)	(23.7%)	(21.6%)	(1.2%)	(14.9%)	(20.0%)	(138.2%)	(10.6%)		(9.4%)
Tax Charges etc./Pretax Profit	-	-	-	147.0%	-	-	-	-		-

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 12/2019	Q1 to Q2 12/2019	Q1 to Q3 12/2019	Q1 to Q4 12/2019	Q1 12/2020	Q1 to Q2 12/2020	Q1 to Q3 12/2020	Q1 to Q4 12/2020		
SPEEDA Business	1,037	2,142	3,304	4,530	1,288	2,638	4,026	5,492	+962	
NewsPicks Business	1,017	1,885	2,758	4,177	1,266	2,511	4,057	5,932	+1,755	
Quartz Business	629	1,276	1,814	2,942	289	544	840	972	(1,970)	
Other Business (Other B2B Business)	162	360	596	870	327	660	1,014	1,412	+542	
Other	-	-	-	-	-	-	-	-	-	
Sales	2,847	5,665	8,473	12,521	3,171	6,354	9,938	13,809	+1,288	
SPEEDA Business	416	826	1,224	1,597	513	1,049	1,552	2,000	+403	
NewsPicks Business	179	133	86	282	121	82	369	492	+210	
Quartz Business	(752)	(1,433)	(2,044)	(2,160)	(682)	(1,216)	(1,507)	(1,527)	+633	
Other Business (Other B2B Business)	(22)	(53)	(92)	(144)	5	11	1	(11)	+133	
Other	-	-	-	-	-	(32)	(21)	(50)	(50)	
Company-wide / Eliminations	-	(1)	(5)	13	-	-	-	14	+1	
EBITDA	(179)	(528)	(832)	(411)	(42)	(104)	395	917	+1,328	
SPEEDA Business	40.1%	38.4%	37.0%	35.3%	39.8%	39.7%	38.5%	36.4%	+1.2%	
NewsPicks Business	17.6%	7.1%	3.1%	6.8%	9.6%	3.6%	9.1%	8.3%	+1.5%	
Quartz Business	(119.6%)	(112.3%)	(112.7%)	(73.4%)	(236.0%)	(223.5%)	(179.4%)	(157.1%)	(83.7%)	
Other Business (Other B2B Business)	(13.6%)	(14.7%)	(15.4%)	(16.6%)	1.5%	1.7%	0.1%	(0.8%)	+15.8%	
Other	-	-	-	-	-	-	-	(0.4%)	(0.4%)	
EBITDA Margin	(6.3%)	(9.3%)	(9.8%)	(3.3%)	(1.3%)	(1.6%)	4.0%	6.6%	+9.9%	

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 12/2019	Q2 12/2019	Q3 12/2019	Q4 12/2019	Q1 12/2020	Q2 12/2020	Q3 12/2020	Q4 12/2020		
SPEEDA Business	1,037	1,105	1,162	1,226	1,288	1,350	1,388	1,466	+240	
NewsPicks Business	1,017	868	873	1,419	1,266	1,245	1,546	1,875	+456	
Quartz Business	629	647	538	1,128	289	255	296	132	(996)	
Other Business (Other B2B Business)	162	198	236	274	327	333	354	398	+124	
Other	-	-	-	-	-	-	-	-	-	
Sales	2,847	2,818	2,808	4,048	3,171	3,183	3,584	3,871	(177)	
SPEEDA Business	416	410	398	373	513	536	503	448	+75	
NewsPicks Business	179	(46)	(47)	196	121	(39)	287	123	(73)	
Quartz Business	(752)	(681)	(611)	(116)	(682)	(534)	(291)	(20)	+96	
Other Business (Other B2B Business)	(22)	(31)	(39)	(52)	5	6	(10)	(12)	+40	
Other	-	-	-	-	-	(32)	11	(29)	(29)	
Company-wide / Eliminations	-	(1)	(4)	18	-	-	-	14	(4)	
EBITDA	(179)	(349)	(304)	421	(42)	(62)	499	522	+101	
SPEEDA Business	40.1%	37.1%	34.3%	30.4%	39.8%	39.7%	36.2%	30.6%	+0.1%	
NewsPicks Business	17.6%	(5.3%)	(5.4%)	13.8%	9.6%	(3.1%)	18.6%	6.6%	(7.3%)	
Quartz Business	(119.6%)	(105.3%)	(113.6%)	(10.3%)	(236.0%)	(209.4%)	(98.3%)	(15.2%)	(4.9%)	
Other Business (Other B2B Business)	(13.6%)	(15.7%)	(16.5%)	(19.0%)	1.5%	1.8%	(2.8%)	(3.0%)	+16.0%	
Other	-	-	-	-	-	-	-	-	-	
EBITDA Margin	(6.3%)	(12.4%)	(10.8%)	10.4%	(1.3%)	(1.9%)	13.9%	13.5%	+3.1%	

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 12/2019	Q2 12/2019	Q3 12/2019	Q4 12/2019	Q1 12/2020	Q2 12/2020	Q3 12/2020	Q4 12/2020		
Cash and Deposit	5,512	6,929	6,259	7,954	7,331	7,983	10,334	7,584	(370)	
Accounts Receivables	1,804	1,248	1,285	1,916	1,518	1,294	1,121	984	(932)	
Other	384	307	301	354	390	362	380	658	+304	
Current Assets	7,700	8,484	7,845	10,224	9,239	9,639	11,835	9,226	(998)	
Tangible Assets	406	378	363	344	522	701	595	554	+210	
Intangible Assets	9,103	8,685	8,618	9,001	8,807	9,028	1,184	1,214	(7,787)	
Investments and Other Assets	572	744	1,005	1,388	1,370	1,714	4,824	4,831	+3,443	
Fixed Assets	10,082	9,809	9,988	10,733	10,700	11,444	6,603	6,600	(4,133)	
Deferred Assets	-	-	-	-	-	-	96	87	+87	
Total Assets	17,783	18,293	17,833	20,958	19,940	21,083	18,536	15,915	(5,043)	
Accounts Payables	215	203	190	319	250	237	223	370	+51	
Corporate Bond (less than one year)	102	102	102	102	102	102	102	102	0	
Short-Term Debt	607	679	820	1,123	1,408	1,636	1,734	761	(362)	
Other	2,424	2,754	2,897	3,587	3,175	4,241	3,787	3,989	+402	
Current Liabilities	3,348	3,738	4,009	5,131	4,935	6,216	5,846	5,222	+91	
Corporate Bond	348	327	297	276	246	225	195	174	(102)	
Long-Term Debt	8,337	9,116	8,828	8,378	7,929	7,480	5,104	3,270	(5,108)	
Other	41	41	41	41	41	126	126	129	+88	
Fixed Liabilities	8,726	9,484	9,166	8,695	8,216	7,831	5,425	3,573	(5,122)	
Total Liabilities	12,075	13,223	13,175	13,826	13,151	14,048	11,271	8,796	(5,030)	
Shareholders' Equity	4,776	4,374	3,778	6,118	5,663	6,026	6,173	5,796	(322)	
Other	931	696	880	1,013	1,125	1,009	1,091	1,322	+309	
Net Assets	5,707	5,070	4,658	7,131	6,788	7,035	7,264	7,118	(13)	
Total Liabilities and Net Assets	17,783	18,293	17,833	20,958	19,940	21,083	18,536	15,915	(5,043)	
Equity Capital	4,695	3,973	3,391	5,871	5,349	5,613	5,855	5,772	(99)	
Interest Bearing Debt	9,394	10,224	10,047	9,879	9,685	9,443	7,135	4,307	(5,572)	
Net Debt	3,882	3,295	3,788	1,925	2,354	1,460	(3,199)	(3,277)	(5,202)	
Capital Ratio	26.4%	21.7%	19.0%	28.0%	26.8%	26.6%	31.6%	36.3%	-	
Net Debt Equity Ratio	82.7%	82.9%	111.7%	32.8%	44.0%	26.0%	(54.6%)	(56.8%)	-	
ROE (12 months)	6.0%	(14.3%)	(9.6%)	(29.1%)	(35.8%)	(36.8%)	(132.2%)	(111.2%)	-	
ROA (12 months)	(0.2%)	(5.3%)	(5.1%)	(7.2%)	(7.2%)	(5.5%)	(2.0%)	(1.5%)	-	
Quick Ratio	219%	219%	188%	192%	179%	149%	196%	164%	-	
Current Ratio	230%	227%	196%	199%	187%	155%	202%	177%	-	

Source: Company Data, WRJ Calculation

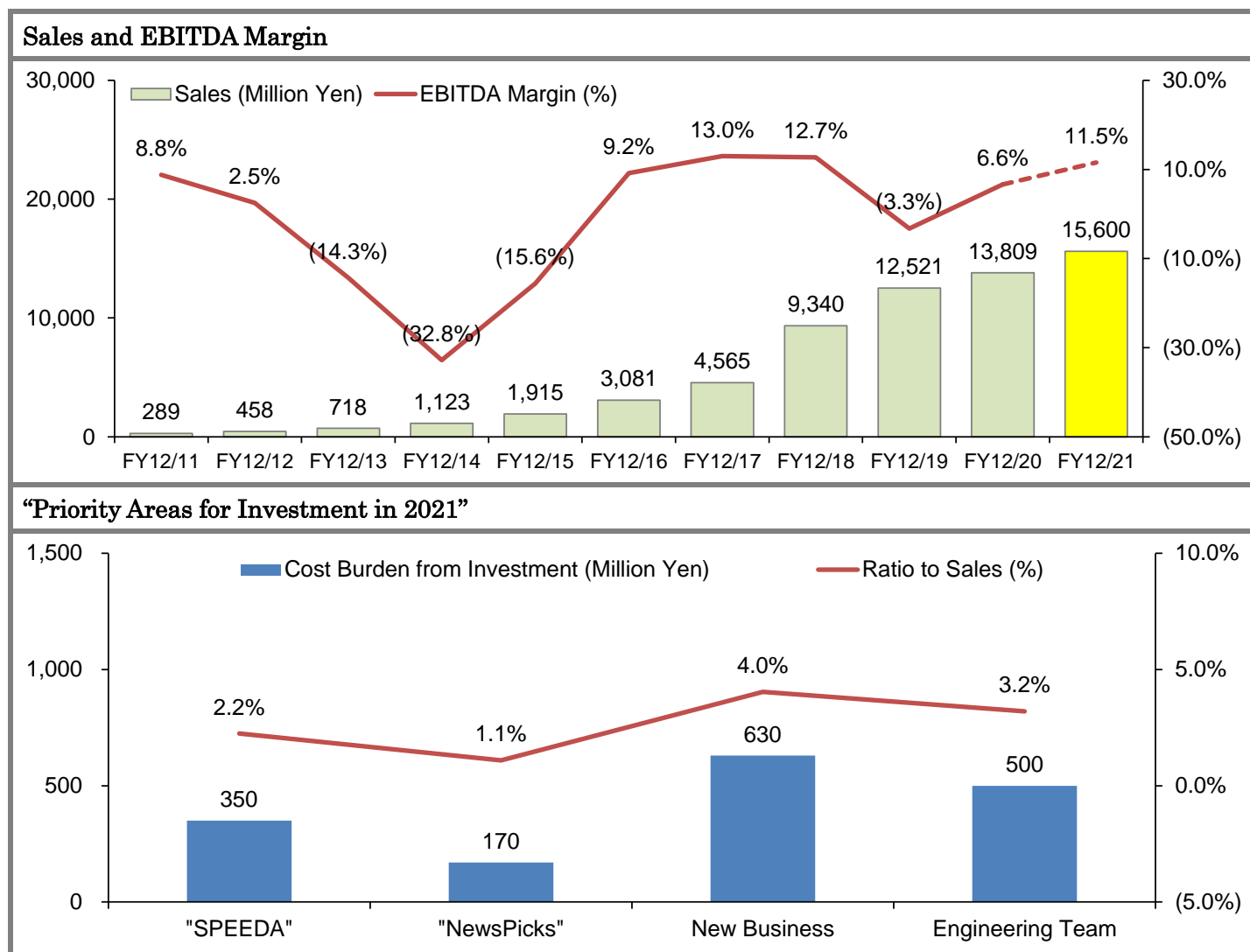
Cash Flow Statement (Cumulative)

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 12/2019	Q1 to Q2 12/2019	Q1 to Q3 12/2019	Q1 to Q4 12/2019	Q1 12/2020	Q1 to Q2 12/2020	Q1 to Q3 12/2020	Q1 to Q4 12/2020		
Operating Cash Flow	-	358	-	60	-	265	-	1,026	+966	
Investing Cash Flow	-	(258)	-	(851)	-	(931)	-	(2,028)	(1,177)	
Operating CF and Investing CF	-	100	-	(791)	-	(666)	-	(1,002)	(211)	
Financing Cash Flow	-	1,390	-	3,282	-	722	-	613	(2,669)	

Source: Company Data, WRJ Calculation

FY12/2021 Company Forecasts

FY12/2021 Company forecasts (announced on 10 February 2021) are going for prospective sales of ¥15,600m (up 13.0% YoY and/or up 25.1%, excluding the impacts to have had pulled out of Quartz Business), EBITDA of ¥1,800m (up 96.1%), operating profit of ¥1,380m (versus ¥104m in the previous year), recurring profit of ¥1,240m (minus ¥281m) and profit attributable to owners of parent of ¥690m (minus ¥6,472m), while EBITDA margin of 11.5% (up 4.9% points).



Source: Company Data, WRJ Calculation

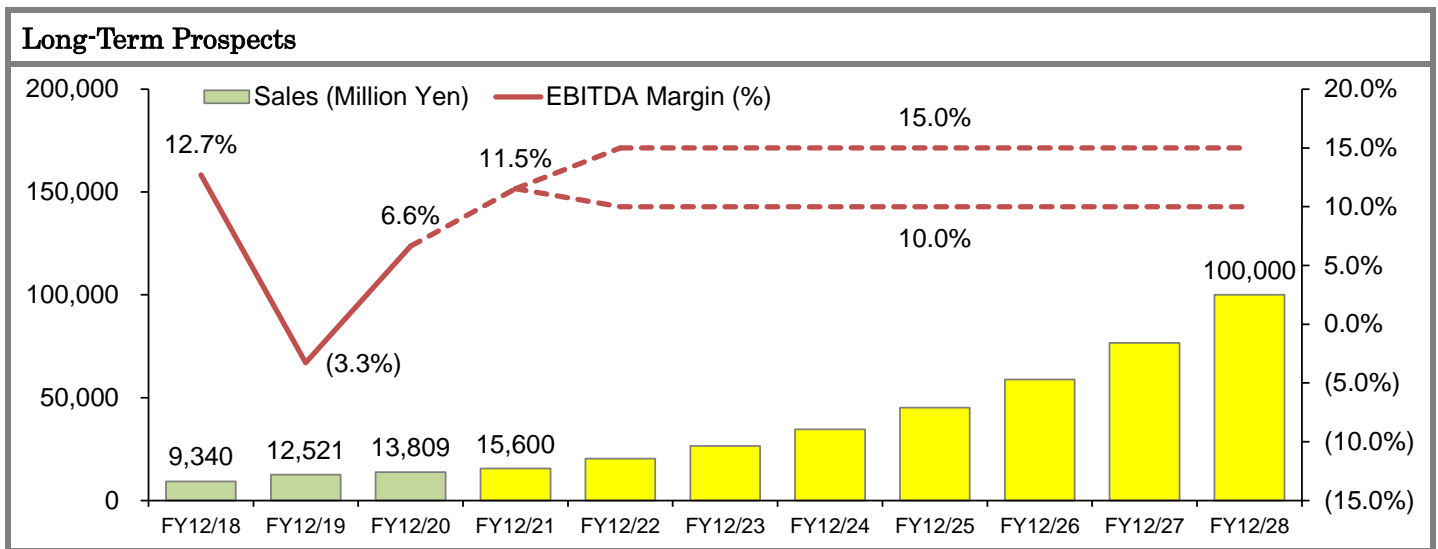
“Priority Areas for Investment in 2021”, disclosed by the Company as initiative for FY12/2021, suggests collective cost burden from growth investment as much as some ¥1,650m (10.6% of sales). Details on "SPEEDA" and "NewsPicks" are as mentioned earlier, while the Company suggests that cost burden from growth investment in New Business as much as up to some ¥630m, comprising that of “FORCAS Sales” and “SPEEDA Edge”. On top of this, the Company is going for some ¥500m as cost burden from investment to beef up Engineering Team.

With respect to growth investment in “FORCAS Sales” and “SPEEDA Edge”, so-called milestone investment is envisaged, i.e., what is envisaged is to implement investment in line with actual takeoff of the services. As far as an assumption realizes that both sees favorable takeoff, the Company is to implement investment up to some ¥630m in terms of cost burden. While the contents of “FORCAS Sales” are as already discussed, “SPEEDA Edge” represents a SaaS-based emerging industry analysis platform being envisaged to be used by venture capital and the like investing in startups in North America. According to the Company, there exists a lot of startups implying an exponential growth potential over a long-term perspective in North America, e.g., those of smart factory, connected fitness, etc., although the market for each has not been created yet. “SPEEDA Edge” is to provide list of all those startups with a particular theme, chaotic maps, forecasts for the size of market, state of funding, news, etc., according to the Company.

Meanwhile, for the sake of beefing up engineering team, the Company plans to hire engineers as many as 50 or more in the number, while improving efficiency to utilize engineering team by means of introducing shared system across the Company in line with the hiring. The Company also plans to use this as the basis for persistently achieving sales growth rate of 30% for FY12/2022 and thereafter. So far, the Company has been continuously deepening its existing services, while creating and launching new services in succession. With the upcoming enhancement of engineering team, the Company plans to accelerate all those developments. On top of this, this is also expected to improve efficiency in pursuing synergy associated with acquisitions of business, which is expected to play an important role to persistently achieve sales growth rate of 30%.

Long-Term Prospects

On 10 February 2020, the Company has announced the actual results of FY12/2020, which was followed by online briefing where it has revealed its performance target of persistently seeing sales growth rate of 30% from a long-term perspective. Setting assumptions of FY12/2021 Company forecasts announced on the same day (10 February 2021) as the starting point, the Company is calling for prospective sales of some ¥100,000m for the 7th year after that or for FY12/2028. Meanwhile, we estimate that EBITDA margin could possibly reach some 15% during the relevant period, paying respect to a factor that the Company should benefit from effect on increased sales to a certain extent. On a single fiscal year basis, however, we estimate that EBITDA margin could possibly see some 10% as lower end, because of an aspect for EBITDA margin to inevitably depend on the extent of cost burden from growth investment.



Source: Company Data, WRJ Calculation

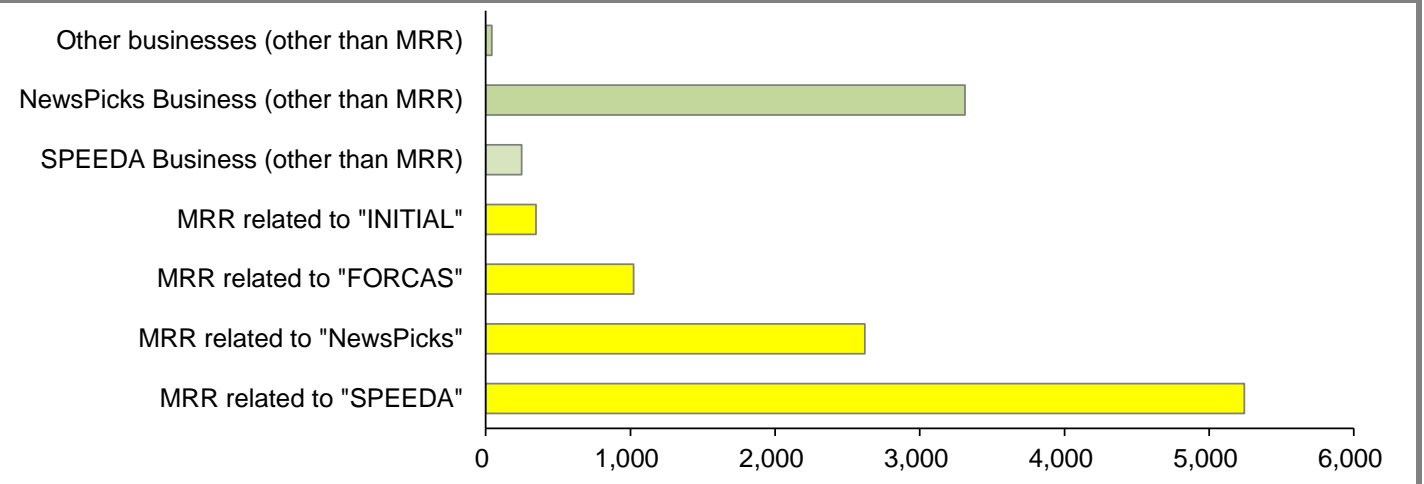
The Company, advocating that “we guide business people to insights that change the world” as own mission, is convinced that it is essential to see growth rate of 30% in sales to change the world in light of the outcome of case study on companies which has changed the world. For earnings, the Company has set the rule of growth rate plus EBITDA margin being equal to 50%. Based on an assumption of 30% for growth rate in sales, the rule implies EBITDA margin of 20%, which is prior to allocation of company-wide overhead costs, according to the Company. Further details are expected to be disclosed in line with the announcement of the actual results of FY12/2021.

4.0 Business Model

We guide business people to insights that change the world

The Company, advocating that “we guide business people to insights that change the world” as own mission, reveals its intention to develop its operations with exclusive focus on the said mission for the future. The Company goes as follows: “We provide a foundation of intelligence that supports the needs of business and business people. We analyze, organize and create global information so you can make the right decisions at the right time, unleashing your creative and innovative potential.”

Sales Breakdown (FY12/2020)



Source: Company Data, WRJ Calculation

The said intelligence is provided via own platforms, i.e., "SPEEDA", "FORCAS", "INITIAL", etc. as well as own media, i.e., "NewsPicks". It appears that collective MRR related to them all together accounts for some 72% of sales as a whole for the Company, while the majority of the remainder or some 28% are of advertising revenue of “NewsPicks” as charge-free media or compensations for the said intelligence posted. In other words, for the Company’s business model, the said intelligence is analyzed and organized, while being created and then provided for users in a way of corresponding to needs of each or through developments of diverse formats, mainly comprising "SPEEDA", "FORCAS", "INITIAL” and "NewsPicks".

5.0 Financial Statements

Income Statement

Income Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 12/2016	FY 12/2017	FY 12/2018	FY 12/2019	FY 12/2020	FY 12/2021	YoY Net Chg.
Sales	3,081	4,565	9,340	12,521	13,809	15,600	+1,791
Cost of Sales	1,377	2,091	3,567	5,321	6,216	-	-
Gross Profit	1,703	2,474	5,772	7,200	7,592	-	-
SG&A Expenses	1,452	1,928	4,942	8,437	7,488	-	-
Operating Profit	250	545	830	(1,236)	104	1,380	+1,276
Non Operating Balance	(25)	(27)	(296)	(193)	(385)	(140)	+245
Recurring Profit	225	518	533	(1,429)	(281)	1,240	+1,521
Extraordinary Balance	0	0	354	299	(9,085)	-	-
Profit before Income Taxes	225	519	888	(1,130)	(9,366)	-	-
Total Income Taxes	(43)	77	325	619	(2,771)	-	-
NP Belonging to Non-Controlling SHs	1	3	(48)	(130)	(122)	-	-
Profit Attributable to Owners of Parent	267	438	610	(1,620)	(6,472)	690	+7,162
Sales YoY	+60.9%	+48.2%	+104.6%	+34.1%	+10.3%	+13.0%	-
Operating Profit YoY	-	+117.5%	+52.1%	-	-	-	-
Recurring Profit YoY	-	+130.0%	+2.9%	-	-	-	-
Profit Attributable to Owners of Parent YoY	+141.5%	+63.8%	+39.5%	-	-	-	-
Gross Profit Margin	55.3%	54.2%	61.8%	57.5%	55.0%	-	-
Sales to SG&A Expenses Ratio	47.1%	42.2%	52.9%	67.4%	54.2%	-	-
Operating Profit Margin	8.1%	12.0%	8.9%	(9.9%)	0.8%	8.8%	+8.1%
Recurring Profit Margin	7.3%	11.4%	5.7%	(11.4%)	(2.0%)	7.9%	+10.0%
Profit Attributable to Owners of Parent Margin	8.7%	9.6%	6.5%	(12.9%)	(46.9%)	4.4%	+51.3%
Tax Charges etc./Pretax Profit	-	15.0%	36.7%	-	-	-	-

Source: Company Data, WRJ Calculation

Segmented Information

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 12/2016	FY 12/2017	FY 12/2018	FY 12/2019	FY 12/2020	FY 12/2021	YoY Net Chg.
SPEEDA Business	2,143	2,825	3,610	4,530	5,492	-	-
NewsPicks Business	938	1,661	2,962	4,177	5,932	-	-
Quartz Business	-	-	2,414	2,942	972	-	-
Other Business (Other B2B Business)	-	79	353	870	1,412	-	-
Other	-	-	-	-	-	-	-
Sales	3,081	4,565	9,340	12,521	13,809	15,600	+1,791
SPEEDA Business	-	-	1,033	1,597	2,000	-	-
NewsPicks Business	-	-	202	282	492	-	-
Quartz Business	-	-	146	(2,160)	(1,527)	-	-
Other Business (Other B2B Business)	-	-	(194)	(144)	(11)	-	-
Other	-	-	-	-	(50)	-	-
Company-wide / Eliminations	-	-	-	13	14	-	-
EBITDA	-	-	1,187	(411)	917	1,800	+883
SPEEDA Business	-	-	28.6%	35.3%	36.4%	-	-
NewsPicks Business	-	-	6.8%	6.8%	8.3%	-	-
Quartz Business	-	-	6.0%	(73.4%)	(157.1%)	-	-
Other Business (Other B2B Business)	-	-	(55.0%)	(16.6%)	(0.8%)	-	-
Other	-	-	-	-	(0.4%)	-	-
EBITDA Margin	9.2%	13.0%	12.7%	(3.3%)	6.6%	11.5%	+4.9%

Source: Company Data, WRJ Calculation

Balance Sheet

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 12/2016	FY 12/2017	FY 12/2018	FY 12/2019	FY 12/2020	FY 12/2021	YoY Net Chg.
Cash and Deposit	3,096	3,217	5,725	7,954	7,584	-	-
Accounts Receivables	202	320	2,486	1,916	984	-	-
Other	146	194	381	354	658	-	-
Current Assets	3,444	3,732	8,592	10,224	9,226	-	-
Tangible Assets	54	50	426	344	554	-	-
Intangible Assets	7	127	9,291	9,001	1,214	-	-
Investments and Other Assets	112	497	494	1,388	4,831	-	-
Fixed Assets	173	676	10,211	10,733	6,600	-	-
Deferred Assets	-	-	-	-	87	-	-
Total Assets	3,618	4,408	18,804	20,958	15,915	-	-
Accounts Payables	88	183	284	319	370	-	-
Corporate Bond (less than one year)	-	-	102	102	102	-	-
Short-Term Debt	104	202	592	1,123	761	-	-
Other	765	1,146	2,588	3,587	3,989	-	-
Current Liabilities	958	1,532	3,566	5,131	5,222	-	-
Corporate Bond	-	-	378	276	174	-	-
Long-Term Debt	217	1,054	8,501	8,378	3,270	-	-
Other	3	2	41	41	129	-	-
Fixed Liabilities	220	1,056	8,920	8,695	3,573	-	-
Total Liabilities	1,179	2,589	12,487	13,826	8,796	-	-
Shareholders' Equity	2,409	1,807	5,313	6,118	5,796	-	-
Other	29	12	1,003	1,013	1,322	-	-
Net Assets	2,439	1,819	6,316	7,131	7,118	-	-
Total Liabilities and Net Assets	3,618	4,408	18,804	20,958	15,915	-	-
Equity Capital	2,409	1,812	5,261	5,871	5,772	-	-
Interest Bearing Debt	321	1,257	9,573	9,879	4,307	-	-
Net Debt	(2,774)	(1,960)	3,848	1,925	(3,277)	-	-
Capital Ratio	66.6%	41.1%	28.0%	28.0%	36.3%	-	-
Net Debt Equity Ratio	(115.2%)	(108.2%)	73.1%	32.8%	(56.8%)	-	-
ROE (12 months)	17.6%	20.7%	17.3%	(29.1%)	(111.2%)	-	-
ROA (12 months)	8.5%	12.9%	4.6%	(7.2%)	(1.5%)	-	-
Quick Ratio	344%	231%	230%	192%	164%	-	-
Current Ratio	359%	244%	241%	199%	177%	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 12/2016	FY 12/2017	FY 12/2018	FY 12/2019	FY 12/2020	FY 12/2021	YoY Net Chg.
Operating Cash Flow	474	817	145	60	1,026	-	-
Investing Cash Flow	(40)	(547)	(6,592)	(851)	(2,028)	-	-
Operating CF and Investing CF	433	270	(6,447)	(791)	(1,002)	-	-
Financing Cash Flow	1,395	(152)	8,968	3,282	613	-	-

Source: Company Data, WRJ Calculation

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act FY 12/2016	Cons.Act FY 12/2017	Cons.Act FY 12/2018	Cons.Act FY 12/2019	Cons.Act FY 12/2020	Cons.CoE FY 12/2021	YoY Net Chg.
No. of Shares FY End (thousand shares)	7,203	29,300	30,892	32,950	36,534	-	-
Net Profit/EPs (thousand shares)	6,663	28,951	29,918	31,548	34,688	-	-
Treasury Shares FY End (thousand shares)	-	0	0	0	0	-	-
Earnings Per Share	40.14	15.13	20.42	(51.35)	(186.58)	19.89	-
Earnings Per Share (Fully Diluted)	36.62	13.84	19.07	-	-	-	-
Book Value Per Share	338.65	61.86	170.33	178.20	158.01	-	-
Dividend Per Share	0.00	0.00	0.00	0.00	0.00	0.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act FY 12/2016	Cons.Act FY 12/2017	Cons.Act FY 12/2018	Cons.Act FY 12/2019	Cons.Act FY 12/2020	Cons.CoE FY 12/2021	YoY Net Chg.
Share Split Factor	4	1	1	1	1	1	-
Earnings Per Share	10.04	15.13	20.42	(51.35)	(186.58)	19.89	-
Book Value Per Share	84.66	61.86	170.33	178.20	158.01	-	-
Dividend Per Share	0.00	0.00	0.00	0.00	0.00	0.00	-
Payout Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-

Source: Company Data, WRJ Calculation

6.0 Other Information

“One Uzabase”

The Company set up in April 2008 launched “SPEEDA” in May 2009, which was followed by formulation of course of actions as “The 7 Values” in July 2012, comprising “Be free & own it”, “Unleash ingenuity”, etc. With this course of actions, the Company launched “NewsPicks” in July 2013. Then, being listed on Mothers of Tokyo Stock Exchange in October 2016, the Company has fostered “SPEEDA” as the key source of earnings to date.

Meanwhile, the Company has paid the utmost respect to the course of actions, represented by “Be free & own it”, even on the occasion of Yusuke Umeda’s resignation as representative director and CEO, having had took the lead of Quartz Business for the Company to have had inevitably pulled out of. Umeda says that “Be free & own it” in “The 7 Values” forms the foundation of the Company's competitive strengths and he is just convinced that this is the best course of actions to maximize the talents of the Company's human resources. In other words, the Company pays respect to the culture of freedom more than any other companies and thus outcome accountability is inevitably heavy to the extent corresponding to the flexibility given.

Under the new management with Yusuke Inagaki and Taira Sakuma serving as representative director and Co-CEO, Umeda is appointed as non-executive director and Shinobu Matsui to have been taking the lead of corporate division is appointed as director with an objective of strengthening governance. Meanwhile, Sakuma says that he will create the power as “One Uzabase” via his efforts to integrate services of “SPEEDA”, “NewsPicks”, “FORCAS”, “INITIAL”, etc. in order to pursue further growth for the future.

For example, in December 2020, Uzabase, Inc. (parent company) announced to absorb and merge its subsidiary in charge of “FORCAS” and another one in charge of “INITIAL”. So far, the Company has pursued competitive strengths by means of fostering entrepreneurial spirit in each of all those services on a one-by-one basis. Going forward, meanwhile, the Company will remain fostering competitive strengths in each as well as trying to integrate all those services across the board at the same time for the sake of pursuing common competitive strengths as a whole for the Company in the form of “One Uzabase”. That is to say, on the occasion of this change of direction, the Company anticipates increasing opportunities to pursue synergy amongst all those services provided, driving growth potential as a whole for the Company.

Company History

Date	Events
April 2008	Uzabase, Inc., founded in Kohnan, Minato-ku, Tokyo
May 2009	Launched “SPEEDA”
February 2012	Started up provision of information on companies overseas
July 2012	Formulated course of actions as “The 7 Values”
January 2013	Set up representative office in Shanghai
July 2013	Set up Uzabase Asia Pacific Pte. Ltd. and Uzabase Hong Kong Limited Launched “NewsPicks”
October 2013	Started up provision of “SPEEDA” English-edition
February 2014	Started up service to bill on “NewsPicks”
August 2014	Started up provision of M&A data on a global basis on “SPEEDA”
March 2015	Incorporated representative office in Shanghai and set up Uzabase China Limited Started up provision of data from Tokyo Shoko Research with respect to unlisted companies on “SPEEDA”
April 2015	Set up NewsPicks, Inc. (NewsPicks in what follows) by company split
January 2016	Set up representative office in Sri Lanka as global research base for SPEEDA Business
October 2016	Listed on Mothers of Tokyo Stock Exchange
January 2017	Acquired all the shares and fully consolidated Japan Venture Research Co., LTD. (Japan Venture Research in what follows) and added “entrepedia” of Japan Venture Research as own service of the Company’s group
April 2017	Consolidated Mimir, Inc. as equity-accounted affiliate by capital injection
May 2017	Set up NewsPicks USA LLC (NewsPicks USA in what follows) in the United States as joint company of NewsPicks and Dow Jones & Company, Inc. (Dow Jones in what follows), having consolidated as equity-accounted affiliate in the Company’s group
May 2017	Launched “FORCAS”
February 2018	Set up UB Ventures, Inc. (UB Ventures in what follows)
June 2018	Set up NewsPicks Studios, Inc. as joint company between NewsPicks and DENTSU INC.
June 2018	UB Ventures composed UBV Fund - I Investment Limited Partnership
July 2018	Head office, moved to Roppongi, Minato-ku, Tokyo
July 2018	Acquired all the shares and fully consolidated Quartz Media, Inc. (Quartz in what follows) as subsidiary to start up operations on a global basis
October 2018	Acquired all the equity interests of NewsPicks USA held by Dow Jones and consolidated it as wholly-owned subsidiary
November 2018	Quartz launched “Quartz” or new platform service, starting up provision of “Quartz Membership” or service for paid subscribers
March 2019	Started up provision of “SPEEDA” Chinese-edition
March 2019	NewsPicks launched premium plan for corporate subscribers
March 2019	Shifted to company with an auditing committee
April 2019	NewsPicks started up book publishing operations
July 2019	NewsPicks published new book label “NewsPicks Publishing”

November 2019	Japan Venture Research changed its name to INITIAL, Inc. Integrated service of "entrepedia" and "ami" and identified as "INITIAL"
November 2019	Acquired all shares of Alpha Drive Co., Ltd. (Alpha Drive in what follows) and made it a consolidated subsidiary aimed at strengthening "News Picks for Business" by NewsPicks
December 2019	Entered into capital and business alliance with TOKYO BROADCASTING SYSTEM HOLDINGS, INC. (currently, TBS Holdings, Inc.)
March 2020	Entered into capital and business alliance with Mitsubishi Estate Company, Limited
April 2020	Consolidated Mimir as wholly-owned subsidiary via additional acquisition of the shares
May 2020	Entered into capital and business alliance with GlobalWorks, Inc.(GlobalWorks in what follows) based in the United States via subscription to its convertible bond issued
July 2020	FORCAS started provision of new product "FORCAS Sales" to specify client tasks via collection of information prior to sales activities
November 2020	Pulled out of Quartz Business via sellout of all the shares for Quartz Intermediate Holding, Inc. (erstwhile Uzabase USA, Inc.) which runs Quartz Media, Inc., NewsPicks USA, LLC and other two as 100% subsidiaries

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.

Company name: Walden Research Japan Incorporated

Head office: Level 4 Ginza Ishii Building, 6-14-8 Ginza Chuo-ku Tokyo 104-0061, JAPAN

URL: www.walden.co.jp

E-mail: info@walden.co.jp

Tel: 81-(0)3-3553-3769