

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	18.84	0.00	-
FY12/2020	YoY	10.3%	-	-	-	-	-	-	-
FY12/2021CoE	YoY	13.0%	96.1%	-	-	-	-	-	-
Consolidated Half Year		Sales	EBITDA	Operating Profit	Recurring Profit	Profit At. to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
(Million Yen)									
Q1 to Q2 FY12/2020		6,354	(104)	(551)	(665)	(1,110)	-	-	-
Q3 to Q4 FY12/2020		7,455	1,021	655	384	(5,362)	-	-	-
Q1 to Q2 FY12/2021		7,863	1,434	1,231	1,141	743	-	-	-
Q3 to Q4 FY12/2021CoE		7,737	366	149	99	(53)	-	-	-
Q1 to Q2 FY12/2021	YoY	23.8%	-	-	-	-	-	-	-
Q3 to Q4 FY12/2021CoE	YoY	3.8%	(64.2%)	(77.3%)	(74.2%)	-	-	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (11 August 2021)

Over 30% Sales Growth

On 5 August 2021, UZABASE, advocating that "we guide business people to insights that change the world" as own mission, released its Q1 to Q2 FY12/2021 results. It has been revealed that sales of continued operations in Q2 (April to June) increased by 33% over the same period of the previous year. As a consequence, it has been spotted that sales as a whole for the Company are now running ahead of Company forecasts. The Company is making steady progress in implementing growth investment to consistently realize sale growth rate of 30% or more for FY12/2022 and thereafter, implying an improved probability for the Company to achieve the growth as anticipated over a long-term perspective. In June 2021, MRR came in at ¥924m (up 19%), while sales other than MRR increased even faster in Q2 (April to June). Sales associated with advertising, etc. are surging, while the Company suggests that those of new operations represented by Expert Research will be contributing for the future. With respect to "FORCAS", whose MRR is increasing fast in particular, the Company is looking to a high growth potential even further, given the fact that it is exposed to a large size of TAM (Total Addressable Market). With an objective of accelerating the growth for this domain, the Company has launched "FORCAS Sales (a productivity-boosting research platform tailored to the needs of sales teams)", while some users have highly appreciated its effectiveness to date, according to the Company.

For your reference: a) [2021 Q2 Financial Results Transcript \(5 August 2021\)](#)

b) [UZABASE \(3966\) Persistently Realizing High Growth \(9 April 2021\)](#)

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

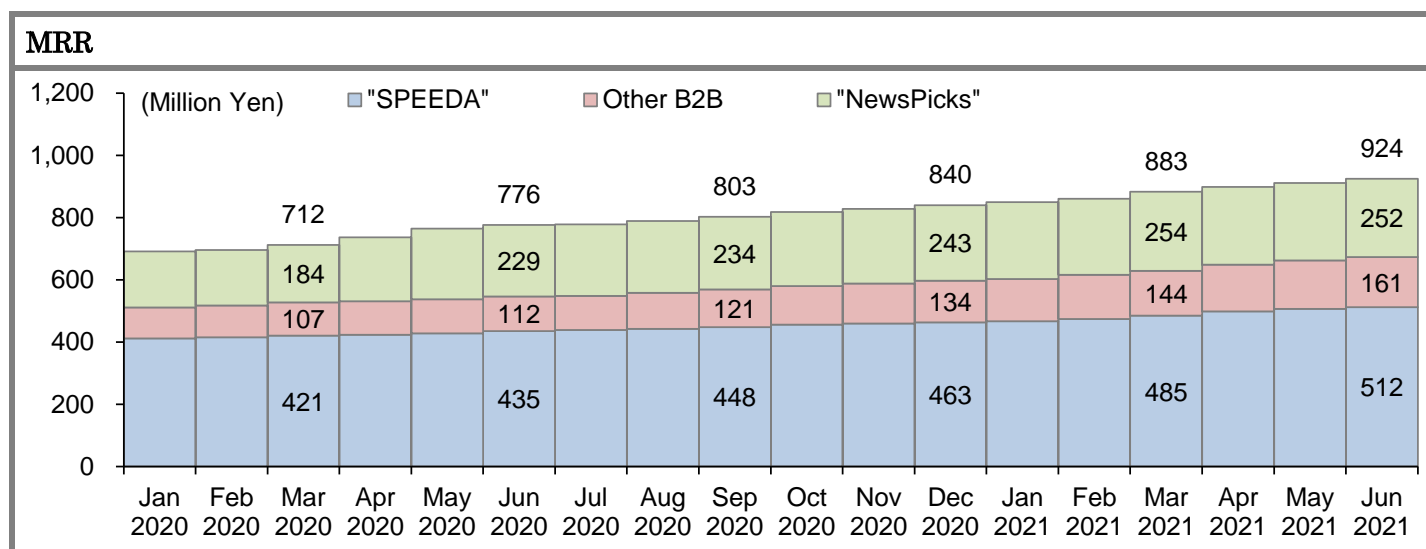
Company Name	Uzabase, Inc. Company Website IR Information Share price (Japanese)	UZABASE
Established	1 April 2008	
Listing	21 October 2016: Tokyo Stock Exchange Mothers (ticker: 3966)	
Capital	¥7,181m (as of the end of June 2021)	
No. of Shares	36,680,022 shares, including 258 treasury shares (as of the end of June 2021)	
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	
Segments	I . SPEEDA Business II . NewsPicks Business III. Other B2B Business	
Representation	Representative director and Co-CEO: Yusuke Inagaki / Taira Sakuma	
Shareholders	Ryosuke Niino 17.0%, Yusuke Umeda 12.9%, Yusuke Inagaki 6.8%, SSBTC Client Omnibus Account 5.8% (as of the end of June 2021, but for treasury shares)	
Head Office	Minato-ku, Tokyo, JAPAN	
No. of Personnel	Consolidated: 611, Unconsolidated: 198 (as of the end of December 2020)	

Source: Company Data

3.0 Recent Trading and Prospects

Q1 to Q2 FY12/2021

In Q1 to Q2 FY12/2021 (January to June), sales came in at ¥7,863m (up 23.8% YoY), EBITDA ¥1,434m (versus minus ¥104m during the same period of the previous year), operating profit ¥1,231m (minus ¥551m), recurring profit ¥1,141m (minus ¥665m) and profit attributable to owners of parent ¥743m (minus ¥1,110m), while EBITDA margin 18.2% (up 19.9% points). Compared with FY12/2021 initial Company forecasts (announced on 10 February 2021), the Company saw progress rate of 50% for sales and 80% for EBITDA.



Source: Company Data, WRJ Calculation

Meanwhile, when excluding Quartz Business (withdrawn in Q4 FY12/2020), sales for Q2 (April to June) came in at ¥3,898m (up 33%). i.e., sales growth rate of more than 30% being achieved over the same period of the previous year. MRR as a whole for the Company is firm, while sales other than MRR on the NewsPicks Business side are surging. Advertising saw sales of ¥713m (up 51.1%) and other sales of ¥391m (up 119.7%).

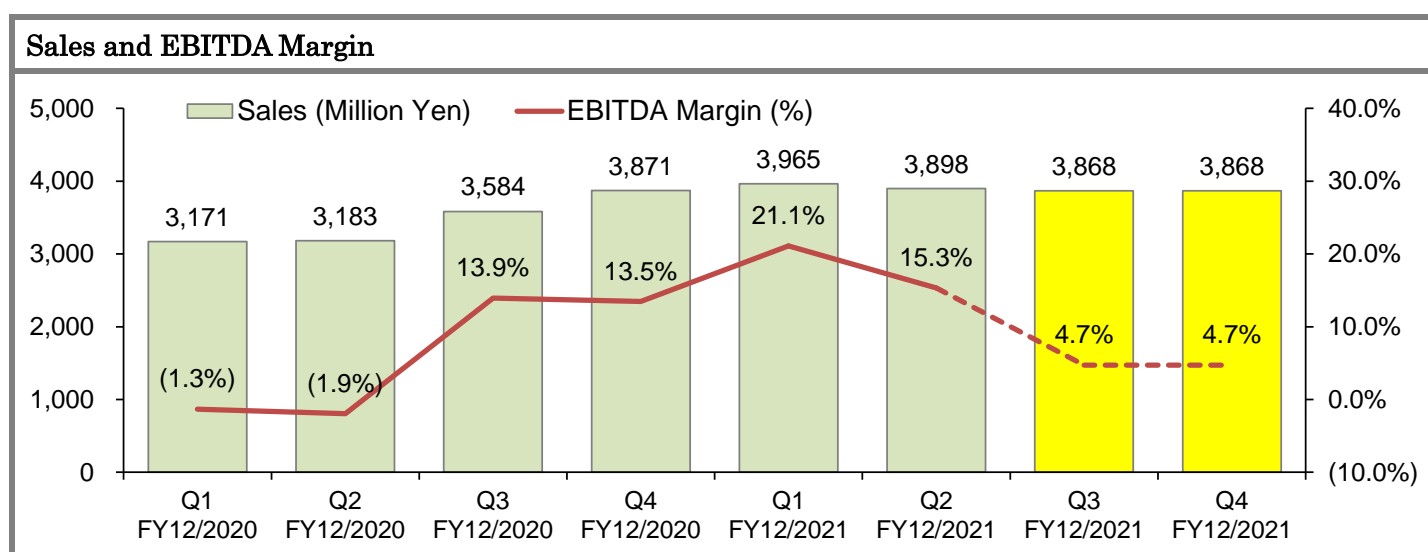
In June 2021, MRR as a whole for the Company came in at ¥924m (up 19%), comprising that of ¥512m (up 18%) for "SPEEDA", ¥161m (up 43%) for Other B2B ("FORCAS" and "INITIAL") and ¥252m (up 10%) for "NewsPicks". For "SPEEDA" and "Other B2B" ("FORCAS" and "INITIAL"), the Company has seen accelerating growth rate over time.

In Q2 (April to June), SPEEDA Business saw sales of ¥1,659m (up 22%) and EBITDA of ¥589m. The Company suggests that ARPA (Average Revenue per Account) came in at ¥320,000, including sales associated with Expert Research, which came down marginally over the quarter preceded due to a one-off factor but increased favorably over the same period of the previous year, having driven sales of this segment rather faster than MRR.

At the same time, B2B Business saw sales of ¥486m (up 45%) and EBITDA of minus ¥10m. The mainstay “FORCAS” has been seeing fast growth in MRR. NewsPicks Business saw sales of ¥1,765m (up 41%) and EBITDA of ¥89m. The Company suggests that MRR is slowing due to temporary factors and the high growth rate will be resumed for Q3 (July to September) and thereafter. For example, the Company launched “NewsPicks + d”, jointly developed with NTT DoCoMo, on 19 July 2021, which is expected to gradually increase its contribution.

FY12/2021 Company Forecasts

FY12/2021 Company forecasts (announced on 10 February 2021) have remained unchanged, going for prospective sales of ¥15,600m (up 13.0% YoY), 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 (Q3 and Q4 FY12/2021 : Company forecasts, after subtracting Q1 to Q2 results, pro rata)

As mentioned earlier, the Company saw high progress rate for Q1 to Q2 in terms of sales and EBITDA, while implying that sales are now running ahead in fact. For EBITDA, the Company saw high progress rate in particular, but being in line according to the Company. In the first place, Company forecasts assume that it spends expenses for growth investment, i.e., that of hiring engineers and that of marketing, intensively for H2. When it becomes convincing that Company forecasts for full-year sales to be far exceeded, it is planned that the Company may spend expenses (for growth investment) more than expected for the sake of accelerating its long-term growth potential.

4.0 Financial Statements

Income Statement (Cumulative/Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	12/2020	12/2020	12/2020	12/2020	12/2021	12/2021	12/2021	12/2021		
Sales	3,171	6,354	9,938	13,809	3,965	7,863	-	-	-	+1,509
Cost of Sales	1,549	3,127	4,629	6,216	1,473	2,964	-	-	-	(163)
Gross Profit	1,621	3,226	5,308	7,592	2,491	4,899	-	-	-	+1,673
SG&A Expenses	1,885	3,778	5,618	7,488	1,752	3,667	-	-	-	(111)
Operating Profit	(263)	(551)	(309)	104	739	1,231	-	-	-	+1,782
Non Operating Balance	(54)	(114)	(179)	(385)	(62)	(90)	-	-	-	+24
Recurring Profit	(317)	(665)	(488)	(281)	677	1,141	-	-	-	+1,806
Extraordinary Balance	-	(179)	(8,005)	(9,085)	-	-	-	-	-	+179
Profit before Income Taxes	(317)	(844)	(8,493)	(9,366)	677	1,141	-	-	-	+1,985
Total Income Taxes	185	317	(2,367)	(2,771)	235	439	-	-	-	+122
NP Belonging to Non-Controlling SHs	(29)	(50)	(63)	(122)	(40)	(41)	-	-	-	+9
Profit Attributable to Owners of Parent	(473)	(1,110)	(6,063)	(6,472)	482	743	-	-	-	+1,853
Sales YoY	+11.4%	+12.2%	+17.3%	+10.3%	+25.0%	+23.8%	-	-	-	-
Operating Profit YoY	-	-	-	-	-	-	-	-	-	-
Recurring Profit YoY	-	-	-	-	-	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	-	-	-	-	-	-	-	-
Gross Profit Margin	51.1%	50.8%	53.4%	55.0%	62.8%	62.3%	-	-	-	+11.5%
Sales to SG&A Expenses Ratio	59.4%	59.5%	56.5%	54.2%	44.2%	46.6%	-	-	-	(12.8%)
Operating Profit Margin	(8.3%)	(8.7%)	(3.1%)	0.8%	18.6%	15.7%	-	-	-	+24.3%
Recurring Profit Margin	(10.0%)	(10.5%)	(4.9%)	(2.0%)	17.1%	14.5%	-	-	-	+25.0%
Profit Attributable to Owners of Parent Margin	(14.9%)	(17.5%)	(61.0%)	(46.9%)	12.2%	9.4%	-	-	-	+26.9%
Tax Charges etc./Pretax Profit	-	-	-	-	34.7%	38.5%	-	-	-	-
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.
	12/2020	12/2020	12/2020	12/2020	12/2021	12/2021	12/2021	12/2021		
Sales	3,171	3,183	3,584	3,871	3,965	3,898	-	-	-	+715
Cost of Sales	1,549	1,578	1,502	1,587	1,473	1,491	-	-	-	(87)
Gross Profit	1,621	1,605	2,082	2,284	2,491	2,408	-	-	-	+803
SG&A Expenses	1,885	1,893	1,840	1,870	1,752	1,915	-	-	-	+22
Operating Profit	(263)	(288)	242	413	739	492	-	-	-	+780
Non Operating Balance	(54)	(60)	(65)	(206)	(62)	(28)	-	-	-	+32
Recurring Profit	(317)	(348)	177	207	677	464	-	-	-	+812
Extraordinary Balance	-	(179)	(7,826)	(1,080)	-	-	-	-	-	+179
Profit before Income Taxes	(317)	(527)	(7,649)	(873)	677	464	-	-	-	+991
Total Income Taxes	185	132	(2,684)	(404)	235	204	-	-	-	+72
NP Belonging to Non-Controlling SHs	(29)	(21)	(13)	(59)	(40)	(1)	-	-	-	+20
Profit Attributable to Owners of Parent	(473)	(637)	(4,953)	(409)	482	261	-	-	-	+898
Sales YoY	+11.4%	+13.0%	+27.6%	(4.4%)	+25.0%	+22.5%	-	-	-	-
Operating Profit YoY	-	-	-	+106.5%	-	-	-	-	-	-
Recurring Profit YoY	-	-	-	+60.5%	-	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	-	-	-	-	-	-	-	-
Gross Profit Margin	51.1%	50.4%	58.1%	59.0%	62.8%	61.8%	-	-	-	+11.4%
Sales to SG&A Expenses Ratio	59.4%	59.5%	51.3%	48.3%	44.2%	49.1%	-	-	-	(10.3%)
Operating Profit Margin	(8.3%)	(9.0%)	6.8%	10.7%	18.6%	12.6%	-	-	-	+21.7%
Recurring Profit Margin	(10.0%)	(10.9%)	4.9%	5.3%	17.1%	11.9%	-	-	-	+22.8%
Profit Attributable to Owners of Parent Margin	(14.9%)	(20.0%)	(138.2%)	(10.6%)	12.2%	6.7%	-	-	-	+26.7%
Tax Charges etc./Pretax Profit	-	-	-	-	34.7%	44.0%	-	-	-	-

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	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.
	12/2020	12/2020	12/2020	12/2020	12/2021	12/2021	12/2021	12/2021		
SPEEDA Business	1,288	2,638	4,026	5,492	1,589	3,243	-	-	-	+605
NewsPicks Business	1,266	2,511	4,057	5,932	1,938	3,695	-	-	-	+1,184
Quartz Business	289	544	840	972	-	-	-	-	-	(544)
Other B2B Business	327	660	1,014	1,412	436	921	-	-	-	+261
Other	-	-	-	-	-	3	-	-	-	+3
Sales	3,171	6,354	9,938	13,809	3,965	7,863	-	-	-	+1,509
SPEEDA Business	513	1,049	1,552	2,000	547	1,137	-	-	-	+88
NewsPicks Business	121	82	369	492	324	414	-	-	-	+332
Quartz Business	(682)	(1,216)	(1,507)	(1,527)	-	-	-	-	-	+1,216
Other B2B Business	5	11	1	(11)	12	2	-	-	-	(9)
Other	-	(32)	(21)	(50)	(47)	(120)	-	-	-	(88)
Company-wide / Eliminations	-	-	-	14	-	-	-	-	-	-
EBITDA	(42)	(104)	395	917	837	1,434	-	-	-	+1,538
SPEEDA Business	39.8%	39.7%	38.5%	36.4%	34.4%	35.1%	-	-	-	(4.6%)
NewsPicks Business	9.6%	3.6%	9.1%	8.3%	16.7%	11.2%	-	-	-	+7.6%
Quartz Business	(236.0%)	(223.5%)	(179.4%)	(157.1%)	-	-	-	-	-	-
Other B2B Business	1.5%	1.7%	0.1%	(0.8%)	2.8%	0.2%	-	-	-	(1.4%)
Other	-	-	-	-	-	-	-	-	-	-
EBITDA Margin	(1.3%)	(1.6%)	4.0%	6.6%	21.1%	18.2%	-	-	-	+19.9%

Segmented Information	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.
	12/2020	12/2020	12/2020	12/2020	12/2021	12/2021	12/2021	12/2021		
SPEEDA Business	1,288	1,350	1,388	1,466	1,589	1,654	-	-	-	+304
NewsPicks Business	1,266	1,245	1,546	1,875	1,938	1,757	-	-	-	+512
Quartz Business	289	255	296	132	-	-	-	-	-	(255)
Other B2B Business	327	333	354	398	436	485	-	-	-	+152
Other	-	-	-	-	-	3	-	-	-	-
Sales	3,171	3,183	3,584	3,871	3,965	3,898	-	-	-	+715
SPEEDA Business	513	536	503	448	547	590	-	-	-	+54
NewsPicks Business	121	(39)	287	123	324	90	-	-	-	+129
Quartz Business	(682)	(534)	(291)	(20)	-	-	-	-	-	+534
Other B2B Business	5	6	(10)	(12)	12	(10)	-	-	-	(16)
Other	-	(32)	11	(29)	(47)	(73)	-	-	-	(41)
Company-wide / Eliminations	-	-	-	14	-	-	-	-	-	-
EBITDA	(42)	(62)	499	522	837	597	-	-	-	+659
SPEEDA Business	39.8%	39.7%	36.2%	30.6%	34.4%	35.7%	-	-	-	(4.0%)
NewsPicks Business	9.6%	(3.1%)	18.6%	6.6%	16.7%	5.1%	-	-	-	+8.3%
Quartz Business	(236.0%)	(209.4%)	(98.3%)	(15.2%)	-	-	-	-	-	-
Other B2B Business	1.5%	1.8%	(2.8%)	(3.0%)	2.8%	(2.1%)	-	-	-	(3.9%)
Other	-	-	-	-	-	-	-	-	-	-
EBITDA Margin	(1.3%)	(1.9%)	13.9%	13.5%	21.1%	15.3%	-	-	-	+17.3%

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet	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.
	12/2020	12/2020	12/2020	12/2020	12/2021	12/2021	12/2021	12/2021		
Cash and Deposit	7,331	7,983	10,334	7,584	7,443	9,278	-	-	-	+1,295
Accounts Receivables	1,518	1,294	1,121	984	1,473	1,067	-	-	-	(227)
Other	390	362	380	658	663	505	-	-	-	+143
Current Assets	9,239	9,639	11,835	9,226	9,579	10,850	-	-	-	+1,211
Tangible Assets	522	701	595	554	525	521	-	-	-	(180)
Intangible Assets	8,807	9,028	1,184	1,214	1,216	1,265	-	-	-	(7,763)
Investments and Other Assets	1,370	1,714	4,824	4,831	4,782	5,063	-	-	-	+3,349
Fixed Assets	10,700	11,444	6,603	6,600	6,524	6,850	-	-	-	(4,594)
Deferred Assets	-	-	96	87	78	70	-	-	-	+70
Total Assets	19,940	21,083	18,536	15,915	16,182	17,770	-	-	-	(3,313)
Accounts Payables	250	237	223	370	409	354	-	-	-	+117
Corporate Bond (less than one year)	102	102	102	102	102	102	-	-	-	-
Short-Term Debt	1,408	1,636	1,734	761	930	1,020	-	-	-	(616)
Other	3,175	4,241	3,787	3,989	3,942	4,946	-	-	-	+705
Current Liabilities	4,935	6,216	5,846	5,222	5,383	6,422	-	-	-	+206
Corporate Bond	246	225	195	174	144	123	-	-	-	(102)
Long-Term Debt	7,929	7,480	5,104	3,270	2,911	2,630	-	-	-	(4,850)
Other	41	126	126	129	132	134	-	-	-	+8
Fixed Liabilities	8,216	7,831	5,425	3,573	3,187	2,887	-	-	-	(4,944)
Total Liabilities	13,151	14,048	11,271	8,796	8,570	9,309	-	-	-	(4,739)
Shareholders' Equity	5,663	6,026	6,173	5,796	6,296	6,562	-	-	-	+536
Other	1,125	1,009	1,091	1,322	1,315	1,898	-	-	-	+889
Net Assets	6,788	7,035	7,264	7,118	7,611	8,460	-	-	-	+1,425
Total Liabilities and Net Assets	19,940	21,083	18,536	15,915	16,182	17,770	-	-	-	(3,313)
Equity Capital	5,349	5,613	5,855	5,772	6,303	6,569	-	-	-	+956
Interest Bearing Debt	9,685	9,443	7,135	4,307	4,087	3,875	-	-	-	(5,568)
Net Debt	2,354	1,460	(3,199)	(3,277)	(3,356)	(5,403)	-	-	-	(6,863)
Capital Ratio	26.8%	26.6%	31.6%	36.3%	38.9%	37.0%	-	-	-	-
Net Debt Equity Ratio	44.0%	26.0%	(54.6%)	(56.8%)	(53.2%)	(82.2%)	-	-	-	-
ROE (12 months)	(35.8%)	(36.8%)	(132.2%)	(111.2%)	(94.7%)	(75.8%)	-	-	-	-
ROA (12 months)	(7.2%)	(5.5%)	(2.0%)	(1.5%)	3.9%	7.9%	-	-	-	-
Quick Ratio	179%	149%	196%	164%	166%	161%	-	-	-	-
Current Ratio	187%	155%	202%	177%	178%	169%	-	-	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement (Cumulative)

Cash Flow 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.
	12/2020	12/2020	12/2020	12/2020	12/2021	12/2021	12/2021	12/2021		
Operating Cash Flow	-	265	-	1,026	-	2,057	-	-	-	+1,792
Investing Cash Flow	-	(931)	-	(2,028)	-	(571)	-	-	-	+360
Operating CF and Investing CF	-	(666)	-	(1,002)	-	1,486	-	-	-	+2,152
Financing Cash Flow	-	722	-	613	-	171	-	-	-	(551)

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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