

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		15,900	1,850	1,456	1,366	500	13.64	0.00	-
FY12/2020	YoY	10.3%	-	-	-	-	-	-	-
FY12/2021CoE	YoY	15.1%	101.6%	-	-	-	-	-	-
Consolidated Q1 to Q3		Sales	EBITDA	Operating Profit	Recurring Profit	Profit At. to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
(Million Yen)									
Q1 to Q3 FY12/2020		9,938	395	(309)	(488)	(6,063)	-	-	-
Q1 to Q3 FY12/2021		11,738	1,767	1,447	1,321	495	-	-	-
Q1 to Q3 FY12/2021	YoY	18.1%	347.4%	-	-	-	-	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (9 November 2021)

Recovery of SaaS Sales

On 4 November 2021, UZABASE, advocating "we guide business people to insights that change the world" as own mission, released its Q1 to Q3 FY12/2021 results. It has been revealed that the Company saw a recovery in SaaS sales growth rate up to 28% for Q3 (July to September), while it is suggested that the achievement of a growth rate of 30% is in sight. Further, the Company plans to maintain a long-term growth rate of 30% or more by continuing to promote the growth of existing products and continuing to release new products through aggressive efforts to invest in future growth, represented by enhancement of hiring for engineers. According to the Company's suggestion, ARR of total SaaS comprising SPEEDA, FORCAS and INITIAL for Q3 (July to September) reached ¥8,522m, having seen a recovery of growth rate up to 25% in terms of change over the same period of the previous year. Meanwhile, the contribution from SPEEDA Expert Research, FORCAS Sales, and SPEEDA Edge has increased SaaS sales growth rate more than the growth rate of ARR. On Thursday, 16 December 2021, at 6:00–7:00 PM JST, the Company plans to hold Briefing Session on Long-Term Strategy (Up to 2025) on the web for the sake of announcement of business strategy, including quantification of prospective earnings. When the details are confirmed, we are to send out e-mails to take part in, while planning to update [UZABASE \(3966\) Persistently Realizing High Growth \(9 April 2021\)](#) to release anew in light of the contents of the briefing.

For your reference: [2021 Q3 Financial Results Transcript](#)

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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	¥7,185m (as of the end of September 2021)	
No. of Shares	36,724,758 shares, including 258 treasury shares (as of the end of September 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	
Representatives	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)	

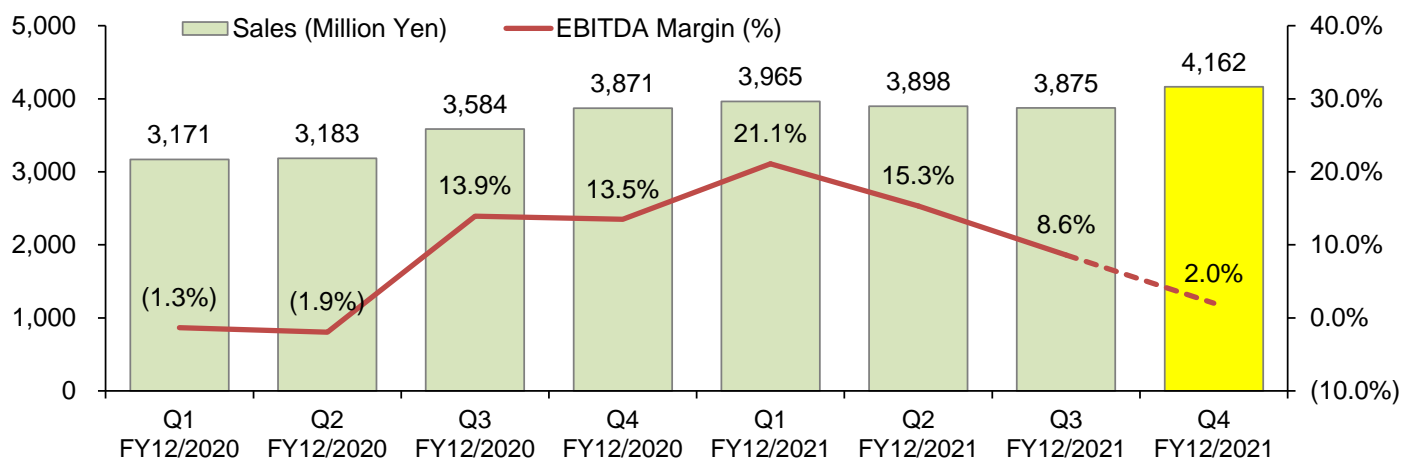
Source: Company Data

3.0 Recent Trading and Prospects

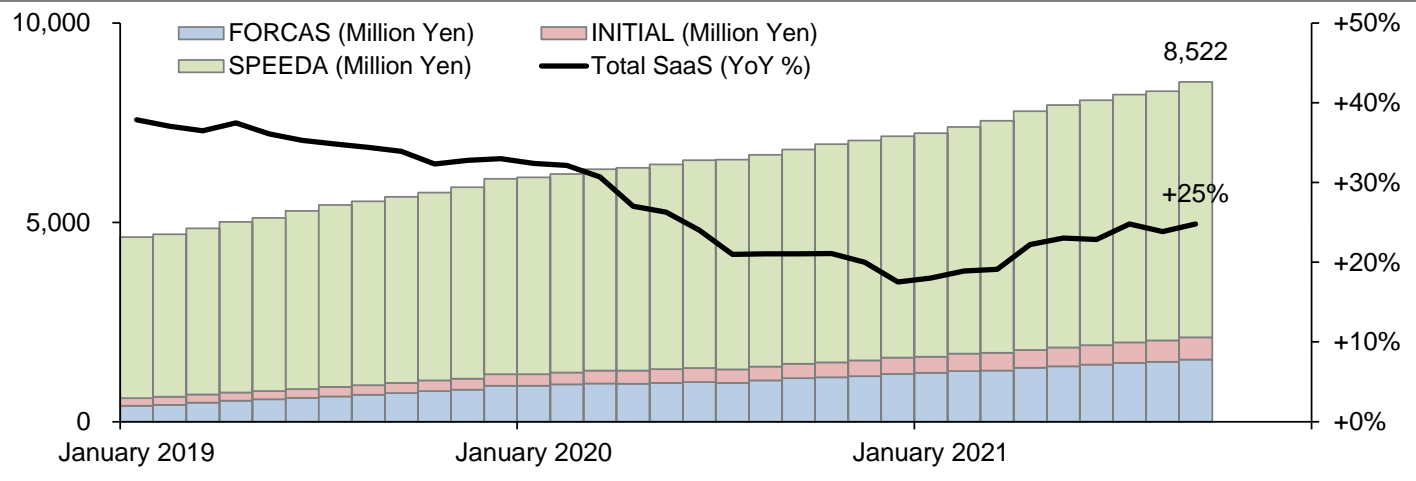
Q1 to Q3 FY12/2021

In Q1 to Q3 FY12/2021, sales came in at ¥11,738m (up 18.1% YoY), EBITDA ¥1,767m and EBITDA margin 15.1% (up 11.1% points). Meanwhile, excluding the impacts stemming from withdrawal from Quartz Business in Q4 FY12/2020, consolidated MRR came in at ¥970m (up 21%), sales ¥3,875m (up 18%) and EBITDA ¥332m for Q3 (July to September), according to the Company. For EBITDA margin, the Company saw 8.6% during the same period.

Sales and EBITDA Margin



ARR of Total SaaS



Source: Company Data, WRJ Calculation

According to the Company's suggestion, ARR of total SaaS comprising SPEEDA, FORCAS and INITIAL for Q3 (July to September) reached ¥8,522m, having seen a recovery of growth rate up to 25% in terms of change over the same period of the previous year. For MRR, SPEEDA saw ¥534m (up 19%) and Other B2B (mainly FORCAS and INITIAL) saw ¥176m (up 45%).

With respect to SPEEDA, the Company has seen an improvement in churn rate, while having consistently benefited from a recovery of growth rate in MRR after the impacts stemming from COVID-19. On top of this, the Company saw SPEEDA Expert Research taking off on a full-fledged basis, having realized ARPA of ¥320,000 (up 12%). Consequently, SPEEDA Business saw sales of ¥1,700m (up 22.5%), EBITDA of ¥513m (up 2.0%) and EBITDA margin of 30.1% (down 6.2% points), having accounted for 154.5% of EBITDA as a whole for the Company, which suggests that SPEEDA Business is the overwhelming source of earnings for the Company.

With respect to Other B2B (mainly FORCAS and INITIAL), MRR has continued to grow fast. Since launched in FY12/2017, FORCAS and INITIAL have persisted to steadily expand the size of MRR. More importantly, this trend is expected to further persist for the future, contributing to the Company's plan to achieve a growth rate of 30% or more for SaaS sales.

Meanwhile, with respect to NewsPicks, the Company has started providing "NewsPicks Topics" on 1 November 2021, representing a new feature that allows individuals to monetize their expertise and experience. Together with "NewsPicks Startup" in charge of enhancing categories, the Company is now trying to enhance subscription of individual users. On top of having seen a changeover from net decrease to net increase through Q2 (April to June) to Q3 (July to September) for subscription of individual users, the Company saw a favorable trend for subscription of corporate users. Still, MRR came in at ¥262m (up 12%) for NewsPicks, implying a relatively slowing trend of growth rate. At the same time, the Company saw another slowing trend of growth rate for advertising revenue, albeit temporarily, according to the Company.

FY12/2021 Company Forecasts

FY12/2021 Company forecasts (announced on 4 November 2021) are going for prospective sales of ¥15,900m (up 15.1% YoY), EBITDA of ¥1,850m (up 101.6%) and EBITDA margin of 11.6% (up 5.0% points). Compared with initial Company forecasts (announced on 10 February 2021), prospective sales have been revised up by ¥300m (1.9%) and ¥50m (2.8%) for EBITDA.

In other words, prospective sales and EBITDA are expected to be roughly in line with assumptions of initial Company forecasts. Meanwhile, the background for the above-mentioned revision is that the Company saw extraordinary loss for Q3 having not been initially assumed, stemming from withdrawal from NewsPicks GINZA, i.e., ¥289m in impairment loss on fixed assets and ¥210m in provision for loss on facility closure. Consequently, prospective profit attributable to owners of parent has been revised down by ¥190m (27.5%) from ¥690m to ¥500m.

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	11,738	-	-	+1,800
Cost of Sales	1,549	3,127	4,629	6,216	1,473	2,964	4,563	-	-	(66)
Gross Profit	1,621	3,226	5,308	7,592	2,491	4,899	7,175	-	-	+1,867
SG&A Expenses	1,885	3,778	5,618	7,488	1,752	3,667	5,727	-	-	+109
Operating Profit	(263)	(551)	(309)	104	739	1,231	1,447	-	-	+1,756
Non Operating Balance	(54)	(114)	(179)	(385)	(62)	(90)	(126)	-	-	+53
Recurring Profit	(317)	(665)	(488)	(281)	677	1,141	1,321	-	-	+1,809
Extraordinary Balance	-	(179)	(8,005)	(9,085)	-	-	(500)	-	-	+7,505
Profit before Income Taxes	(317)	(844)	(8,493)	(9,366)	677	1,141	821	-	-	+9,314
Total Income Taxes	185	317	(2,367)	(2,771)	235	439	386	-	-	+2,753
NP Belonging to Non-Controlling SHs	(29)	(50)	(63)	(122)	(40)	(41)	(59)	-	-	+4
Profit Attributable to Owners of Parent	(473)	(1,110)	(6,063)	(6,472)	482	743	495	-	-	+6,558
Sales YoY	+11.4%	+12.2%	+17.3%	+10.3%	+25.0%	+23.8%	+18.1%	-	-	-
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%	61.1%	-	-	+7.7%
Sales to SG&A Expenses Ratio	59.4%	59.5%	56.5%	54.2%	44.2%	46.6%	48.8%	-	-	(7.7%)
Operating Profit Margin	(8.3%)	(8.7%)	(3.1%)	0.8%	18.6%	15.7%	12.3%	-	-	+15.4%
Recurring Profit Margin	(10.0%)	(10.5%)	(4.9%)	(2.0%)	17.1%	14.5%	11.3%	-	-	+16.2%
Profit Attributable to Owners of Parent Margin	(14.9%)	(17.5%)	(61.0%)	(46.9%)	12.2%	9.4%	4.2%	-	-	+65.2%
Tax Charges etc./Pretax Profit	-	-	-	-	34.7%	38.5%	47.0%	-	-	-
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	3,875	-	-	+291
Cost of Sales	1,549	1,578	1,502	1,587	1,473	1,491	1,599	-	-	+97
Gross Profit	1,621	1,605	2,082	2,284	2,491	2,408	2,276	-	-	+194
SG&A Expenses	1,885	1,893	1,840	1,870	1,752	1,915	2,060	-	-	+220
Operating Profit	(263)	(288)	242	413	739	492	216	-	-	(26)
Non Operating Balance	(54)	(60)	(65)	(206)	(62)	(28)	(36)	-	-	+29
Recurring Profit	(317)	(348)	177	207	677	464	180	-	-	+3
Extraordinary Balance	-	(179)	(7,826)	(1,080)	-	-	(500)	-	-	+7,326
Profit before Income Taxes	(317)	(527)	(7,649)	(873)	677	464	(320)	-	-	+7,329
Total Income Taxes	185	132	(2,684)	(404)	235	204	(53)	-	-	+2,631
NP Belonging to Non-Controlling SHs	(29)	(21)	(13)	(59)	(40)	(1)	(18)	-	-	(5)
Profit Attributable to Owners of Parent	(473)	(637)	(4,953)	(409)	482	261	(248)	-	-	+4,705
Sales YoY	+11.4%	+13.0%	+27.6%	(4.4%)	+25.0%	+22.5%	+8.1%	-	-	-
Operating Profit YoY	-	-	-	+106.5%	-	-	(10.7%)	-	-	-
Recurring Profit YoY	-	-	-	+60.5%	-	-	+1.7%	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	-	-	-	-	-	-	-	-
Gross Profit Margin	51.1%	50.4%	58.1%	59.0%	62.8%	61.8%	58.7%	-	-	+0.6%
Sales to SG&A Expenses Ratio	59.4%	59.5%	51.3%	48.3%	44.2%	49.1%	53.2%	-	-	+1.8%
Operating Profit Margin	(8.3%)	(9.0%)	6.8%	10.7%	18.6%	12.6%	5.6%	-	-	(1.2%)
Recurring Profit Margin	(10.0%)	(10.9%)	4.9%	5.3%	17.1%	11.9%	4.6%	-	-	(0.3%)
Profit Attributable to Owners of Parent Margin	(14.9%)	(20.0%)	(138.2%)	(10.6%)	12.2%	6.7%	(6.4%)	-	-	+131.8%
Tax Charges etc./Pretax Profit	-	-	-	-	34.7%	44.0%	-	-	-	-

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
	Q1 12/2020	Q1 to Q2 12/2020	Q1 to Q3 12/2020	Q1 to Q4 12/2020	Q1 12/2021	Q1 to Q2 12/2021	Q1 to Q3 12/2021	Q1 to Q4 12/2021	Q1 to Q4 12/2021	Net Chg.
SPEEDA Business	1,288	2,638	4,026	5,492	1,589	3,243	4,943	-	-	+917
NewsPicks Business	1,266	2,511	4,057	5,932	1,938	3,695	5,345	-	-	+1,288
Quartz Business	289	544	840	972	-	-	-	-	-	(840)
Other B2B Business	327	660	1,014	1,412	436	921	1,440	-	-	+426
Other	-	-	-	-	-	3	9	-	-	+9
Sales	3,171	6,354	9,938	13,809	3,965	7,863	11,738	-	-	+1,800
SPEEDA Business	513	1,049	1,552	2,000	547	1,137	1,651	-	-	+99
NewsPicks Business	121	82	369	492	324	414	382	-	-	+13
Quartz Business	(682)	(1,216)	(1,507)	(1,527)	-	-	-	-	-	+1,507
Other B2B Business	5	11	1	(11)	12	2	(9)	-	-	(10)
Other	-	(32)	(21)	(50)	(47)	(120)	(255)	-	-	(234)
Company-wide / Eliminations	-	-	-	14	-	-	-	-	-	-
EBITDA	(42)	(104)	395	917	837	1,434	1,767	-	-	+1,372
SPEEDA Business	39.8%	39.7%	38.5%	36.4%	34.4%	35.1%	33.4%	-	-	(5.1%)
NewsPicks Business	9.6%	3.6%	9.1%	8.3%	16.7%	11.2%	7.1%	-	-	(1.9%)
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%	(0.6%)	-	-	(0.7%)
Other	-	-	-	-	-	-	-	-	-	-
Company-wide / Eliminations	-	-	-	0.1%	-	-	-	-	-	-
EBITDA Margin	(1.3%)	(1.6%)	4.0%	6.6%	21.1%	18.2%	15.1%	-	-	+11.1%

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
	Q1 12/2020	Q2 12/2020	Q3 12/2020	Q4 12/2020	Q1 12/2021	Q2 12/2021	Q3 12/2021	Q4 12/2021	Q4 12/2021	Net Chg.
SPEEDA Business	1,288	1,350	1,388	1,466	1,589	1,654	1,700	-	-	+312
NewsPicks Business	1,266	1,245	1,546	1,875	1,938	1,757	1,650	-	-	+104
Quartz Business	289	255	296	132	-	-	-	-	-	(296)
Other B2B Business	327	333	354	398	436	485	519	-	-	+165
Other	-	-	-	-	-	3	6	-	-	+6
Sales	3,171	3,183	3,584	3,871	3,965	3,898	3,875	-	-	+291
SPEEDA Business	513	536	503	448	547	590	513	-	-	+10
NewsPicks Business	121	(39)	287	123	324	90	(32)	-	-	(319)
Quartz Business	(682)	(534)	(291)	(20)	-	-	-	-	-	+291
Other B2B Business	5	6	(10)	(12)	12	(10)	(11)	-	-	(1)
Other	-	(32)	11	(29)	(47)	(73)	(135)	-	-	(146)
Company-wide / Eliminations	-	-	-	14	-	-	-	-	-	-
EBITDA	(42)	(62)	499	522	837	597	332	-	-	(167)
SPEEDA Business	39.8%	39.7%	36.2%	30.6%	34.4%	35.7%	30.1%	-	-	(6.2%)
NewsPicks Business	9.6%	(3.1%)	18.6%	6.6%	16.7%	5.1%	(1.9%)	-	-	(20.5%)
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%)	(2.1%)	-	-	+0.7%
Other	-	-	-	-	-	-	-	-	-	-
Company-wide / Eliminations	-	-	-	0.4%	-	-	-	-	-	-
EBITDA Margin	(1.3%)	(1.9%)	13.9%	13.5%	21.1%	15.3%	8.6%	-	-	(5.4%)

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	9,245	-	-	(1,089)
Accounts Receivables	1,518	1,294	1,121	984	1,473	1,067	1,006	-	-	(115)
Other	390	362	380	658	663	505	554	-	-	+174
Current Assets	9,239	9,639	11,835	9,226	9,579	10,850	10,805	-	-	(1,030)
Tangible Assets	522	701	595	554	525	521	195	-	-	(400)
Intangible Assets	8,807	9,028	1,184	1,214	1,216	1,265	1,333	-	-	+149
Investments and Other Assets	1,370	1,714	4,824	4,831	4,782	5,063	5,646	-	-	+822
Fixed Assets	10,700	11,444	6,603	6,600	6,524	6,850	7,176	-	-	+573
Deferred Assets	-	-	96	87	78	70	61	-	-	(35)
Total Assets	19,940	21,083	18,536	15,915	16,182	17,770	18,042	-	-	(494)
Accounts Payables	250	237	223	370	409	354	357	-	-	+134
Corporate Bond (less than one year)	102	102	102	102	102	102	102	-	-	0
Short-Term Debt	1,408	1,636	1,734	761	930	1,020	1,003	-	-	(731)
Other	3,175	4,241	3,787	3,989	3,942	4,946	4,961	-	-	+1,174
Current Liabilities	4,935	6,216	5,846	5,222	5,383	6,422	6,423	-	-	+577
Corporate Bond	246	225	195	174	144	123	93	-	-	(102)
Long-Term Debt	7,929	7,480	5,104	3,270	2,911	2,630	2,501	-	-	(2,603)
Other	41	126	126	129	132	134	162	-	-	+36
Fixed Liabilities	8,216	7,831	5,425	3,573	3,187	2,887	2,756	-	-	(2,669)
Total Liabilities	13,151	14,048	11,271	8,796	8,570	9,309	9,179	-	-	(2,092)
Shareholders' Equity	5,663	6,026	6,173	5,796	6,296	6,562	6,321	-	-	+148
Other	1,125	1,009	1,091	1,322	1,315	1,898	2,542	-	-	+1,451
Net Assets	6,788	7,035	7,264	7,118	7,611	8,460	8,863	-	-	+1,599
Total Liabilities and Net Assets	19,940	21,083	18,536	15,915	16,182	17,770	18,042	-	-	(494)
Equity Capital	5,349	5,613	5,855	5,772	6,303	6,569	6,339	-	-	+484
Interest Bearing Debt	9,685	9,443	7,135	4,307	4,087	3,875	3,699	-	-	(3,436)
Net Debt	2,354	1,460	(3,199)	(3,277)	(3,356)	(5,403)	(5,546)	-	-	(2,347)
Capital Ratio	26.8%	26.6%	31.6%	36.3%	38.9%	37.0%	35.1%	-	-	-
Net Debt Equity Ratio	44.0%	26.0%	(54.6%)	(56.8%)	(53.2%)	(82.2%)	(87.5%)	-	-	-
ROE (12 months)	(35.8%)	(36.8%)	(132.2%)	(111.2%)	(94.7%)	(75.8%)	1.4%	-	-	-
ROA (12 months)	(7.2%)	(5.5%)	(2.0%)	(1.5%)	3.9%	7.9%	8.4%	-	-	-
Quick Ratio	179%	149%	196%	164%	166%	161%	160%	-	-	-
Current Ratio	187%	155%	202%	177%	178%	169%	168%	-	-	-

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	-	-	-	-
Investing Cash Flow	-	(931)	-	(2,028)	-	(571)	-	-	-	-
Operating CF and Investing CF	-	(666)	-	(1,002)	-	1,486	-	-	-	-
Financing Cash Flow	-	722	-	613	-	171	-	-	-	-

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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