

TOW (4767)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY06/2022		11,134	883	924	598	13.22	14.00	231.21
FY06/2023		11,774	1,150	1,178	355	8.61	14.40	208.86
FY06/2024CoE		14,000	1,370	1,400	915	22.74	14.00	-
FY06/2023		YoY	5.8%	30.2%	27.5%	(40.6%)	-	-
FY06/2024CoE		YoY	18.9%	19.1%	18.7%	157.4%	-	-
Consolidated Half Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q2 FY06/2023		6,392	663	677	17	-	-	-
Q3 to Q4 FY06/2023		5,381	486	501	338	-	-	-
Q1 to Q2 FY06/2024CoE		7,962	956	970	637	-	-	-
Q3 to Q4 FY06/2024CoE		6,038	414	430	278	-	-	-
Q1 to Q2 FY06/2024CoE		YoY	24.6%	44.0%	43.2%	-	-	-
Q3 to Q4 FY06/2024CoE		YoY	12.2%	(14.9%)	(14.2%)	(17.8%)	-	-

Source: Company Data, WRJ Calculation

1.0 Executive Summary (6 October 2023)


Online Promotions

TOW, planning and producing integrated promotions with strengths in the experience horizon, is keen on developing Online Promotions which has a high growth potential for the future. At the same time, the Company is also keen on steadily capturing the recovery in demand for projects of traditional Real-World Events. So far for FY06/2024, all those projects are resuming in earnest, leaving behind the negative impact of the Corona disaster, which has resulted in surging order backlog over the same period of the previous year for the Company as a whole. The Company has entered Online Events and Online Promotions since the early stage of the 2010s, while accumulating knowhow of planning and producing integrated promotions to be put together with Real-World Events. With respect to Online Promotions, the Company has been consistently and aggressively exploring and developing innovated domains. In other words, the Company is now in a good position to benefit from the recovery and expansion of demand stemming from revitalization of marketing activities contingent to that of socioeconomics and consumptions after the Corona disaster, taking advantage of its capability to provide an optimal solution to integrate real and online domains. Over the past four years (FY06/2020 to FY06/2023), the Company's performance had been entangled and tossed about mainly by the Corona disaster, while the latest results in its proper position was seen for the actual results of FY06/2019 or just prior to the relevant period, i.e., sales of ¥16,278m, operating profit of ¥1,995m and operating profit margin of 12.3%, according to the Company. As far as we could see, the Company is now trying to get at performance beyond such levels as soon as possible, while planning to realize sustainable growth from a long-term perspective by means of steadily meeting increasing demand for integrated promotions.

IR Representative: Takehito Masumori, Director / Executive Officer (211masumori@tow.co.jp)

2.0 Company Profile

Planning and Producing Integrated Promotions with Strengths in the Experience Horizon

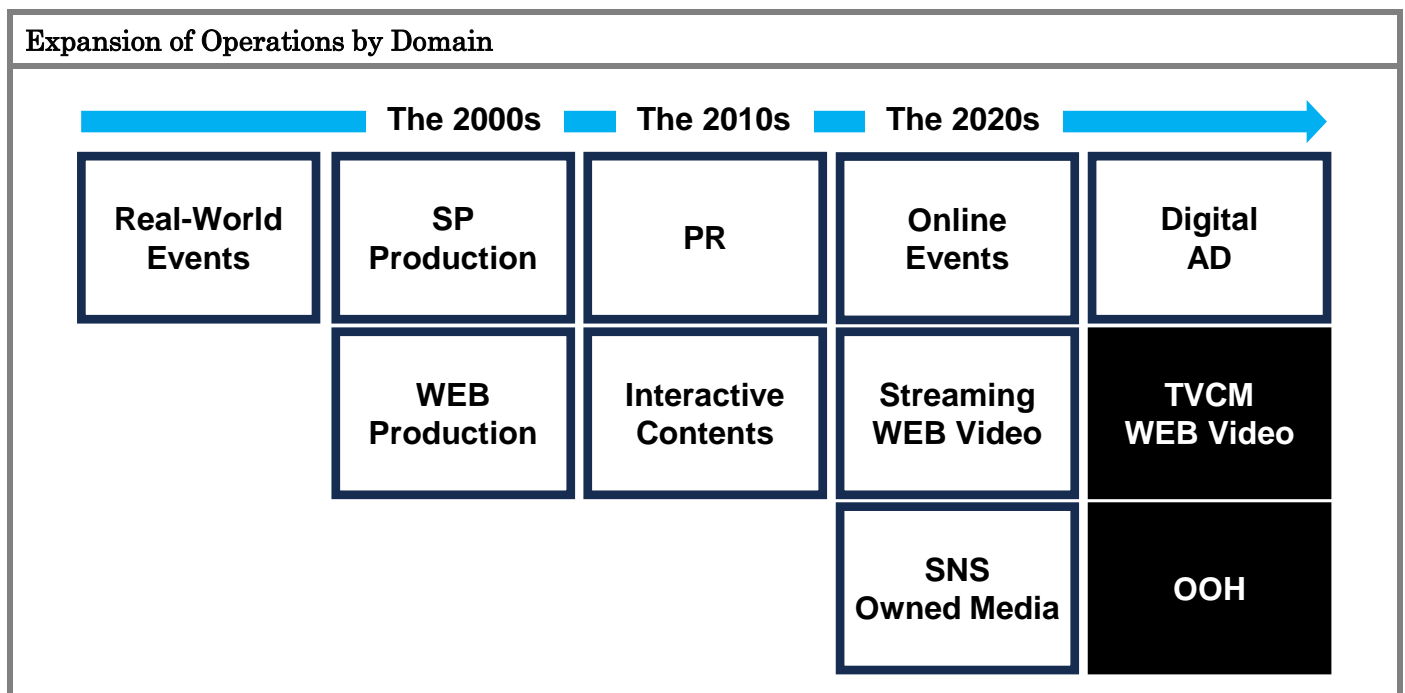
Company Name	TOW CO., Ltd. Company HP IR Information (Japanese) Share Price (Japanese) 
Established	6 July 1976
Listing	20 October 2023 (scheduled): Tokyo Stock Exchange Standard Market 4 April 2022: Tokyo Stock Exchange Prime Market (ticker: 4767) 25 June 2008: Tokyo Stock Exchange 1st section 25 June 2007: Tokyo Stock Exchange 2nd section 13 July 2000: JASDAQ
Capital	¥948m (as of the end of June 2023)
No. of Shares	48,969,096 shares, including 8,696,752 treasury shares (as of the end of June 2023)
Main Features	<ul style="list-style-type: none"> ● Major clients: the leading ad firms, i.e., Dentsu and Hakuhodo ● Producing events and contents with own planning ● Playing a successful role mainly with experience horizon of video, SNS, etc.
Segments	I . "Analysis and Research", "Planning of Strategy and Formulation of Concept", "Proposal of Planning", "Implementation of Production" and "Verification of Effectiveness" for events and promotions as well as other related operations
Representative	Representative Director and President: Kenichi Muratsu
Shareholders	Master Trust Bank of Japan, T. 13.20%, Katsuji Maki 9.79%, BBH Fidelity LowPriced Stock F. 5.97%, Custody Bank of Japan, T. 3.88% (as of the end of June 2023, but for treasury shares)
Head Office	Minato-ku, Tokyo, JAPAN
No. of Personnel	Consolidated: 233, Parent: 184 (as of the end of June 2023)

Source: Company Data

3.0 Purpose

Creating Experiences of New Era

The Company, planning and producing integrated promotions with strengths in the experience horizon primarily for the sake of stimulating marketing activities by its clients, strives to maximize client satisfaction by ensuring that each project is always fully tailored to the clients' needs, while being committed to delivering results or "designing results by experience value as the core," in the Company's terminology. In February 2022, the Company has run up "Creating Experiences of New Era" as Purpose, going "No matter how much the times change, as long as a connection between individuals exists, *experiences* will freely change their forms and roles, accompanying people who pursue enrichment and self-realization via paying as well as society and moving people's hearts and bodies. We will continue to deliver excitement, empathy and inspiration to people by creating *experiences* through a variety of real and digital means."



Source: Company Data

Meanwhile, in order to realize Purpose, the Company has set AI and Environment as themes to be strengthened, while consistently distending the contents of operations to be integrated by means of getting domains of operations distended. As is well known, AI is a technology that will fundamentally transform society and industry, which makes it essential for the Company to actively involve with in order to see a sustainable growth in these uncertain times. In light of the growing awareness on ESG and SDGs in recent years, the same applies to Environment as well. The Company's sustainability policy is "to become a company that grows sustainably via the experiences created by each and every employee and by facing corporate and social challenges." In other words, "human resources," "compliance," "social contribution" and "future potential of experiences" are identified as materiality (important issues to be addressed as a priority).

In July 1976, the Company was established for planning and production of Real-World Events such as projects to promote sales and/or concerts, while having entered the domain of SP Production (production of flyers, posters, etc. to encourage consumers to purchase specific products) as well as WEB Production in the 2000s. Then, in the 2010s, the Company has begun its involvements with Online Events and Online Promotions. With respect to Online Promotions, the Company has been keen on exploring and developing innovated domains such as contracted management of SNS / Owned Media and Digital AD (advertisements) in particular. In addition, the Company has entered TVCM (television commercial) / WEB Video and OOH (Out of Home: a generic term for advertisements placed on streets and mass transit system) most recently.

By the way, the Company is applying for the listing on Standard Market as found in [the announcement \(in Japanese\) released on 15 September 2023](#). The Company's shares, currently traded on Prime Market as those of meeting all the criteria to maintain the listing, are now scheduled to transfer to Standard Market as of 20 October 2023.

Under the leadership of Kenichi Muratsu who has spent his entire career with the Company (born on 31 January 1977, joined in April 2000 and appointed as representative director in January 2022), the Company is dedicated to enlargement of corporate value from a long-term perspective. Meanwhile, the Company has stated that it could be sometimes the case for its share prices being determined by factors other than the results of the above-mentioned dedication, which implies that it is currently exposed to a risk of failing to fulfill criteria to maintain the listing represented by market capitalization of tradable shares (¥12,153m as of the end of June 2023, according to the Company's estimates). If so, it appears that the implementation of measures to reduce the said risk will contribute to the above-mentioned dedication with the Company. Meanwhile, in light of the fact that it is required to contribute expenses and allocate resources increasingly more than before to maintain the listing on Prime Market, it is suggested that the Company's decision made to transfer to Standard Market is favorable also in an aspect for this to help it concentrate on the dedication.

Company History (extract)

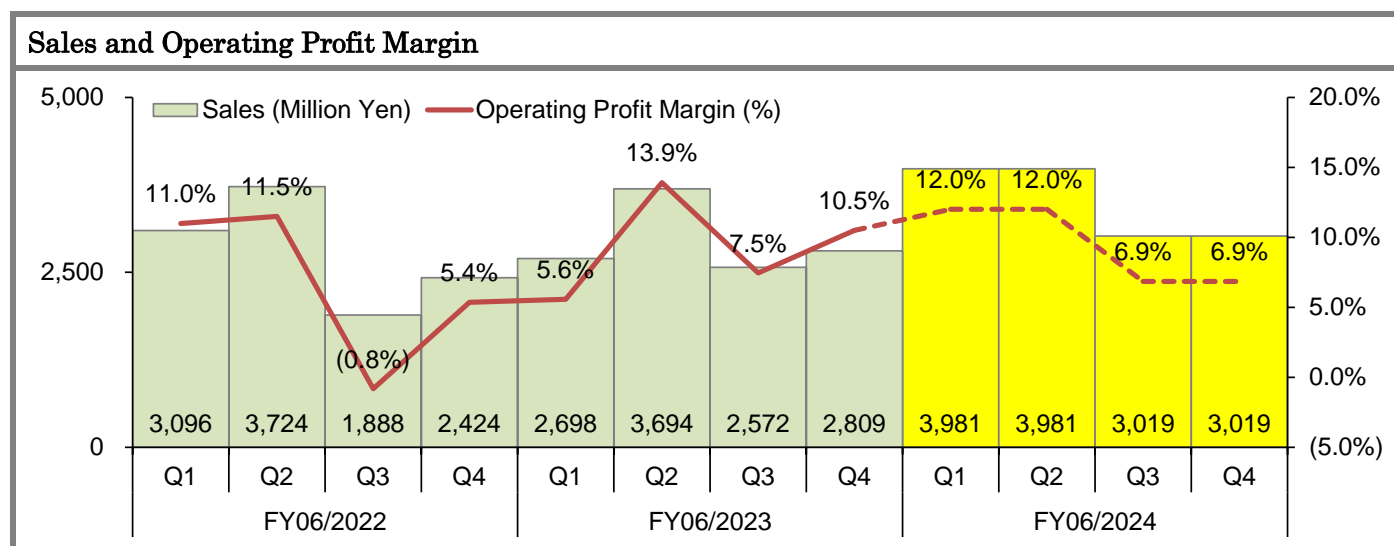
Date	Events
July 1976	TOW, established as limited private company (capital of ¥2m) in Chiyoda-ku, Tokyo with an objective of planning projects to promote sales and/or concerts, while Osamu Kawamura appointed as representative director
January 1981	Order placed from Hakuhodo on a project of campaign for the launch of Sony's WALKMAN, having resulted in the startup for ongoing business with Hakuhodo
March 1989	TOW (limited private company), reorganized as TOW CO., Ltd. (capital of ¥5m)
March 1989	Head office, relocated to Maruman Roppongi Bldg., 3-4-33 Roppongi, Minato-ku, Tokyo
June 1993	Sales activities, implemented extensively on top of various departments and agencies with Hakuhodo in Hakuhodo PROS, Dentsu, Tokyu Agency, Asatsu, Yomiuri Advertising, Daiko Advertising, Asahi Advertising, McCann Erickson Japan, Toppan Printing, JR East Marketing & Communications etc.
April 1996	Osaka branch office, opened to begin sales activities in the Kansai region in earnest
August 1996	Registered as a specified construction business (interior finishing business: registered with the Governor of Tokyo)
February 1998	Contracted to operate the torch relay for the Nagano Winter Olympics in the Kanto region and the Hakuba venue booth for official sponsor Coca-Cola Japan
August 1998	Contracted to be in charge of planning and operations of the opening ceremonies for the Summer National Athletic Meet and the Fall National Athletic Meet
July 2000	Registered as an over-the-counter company with Japan Securities Dealers Association, being the first out of event production companies
December 2000	ISO 14001 certification, obtained
January 2001	The TOW Event Planner's School, launched
May 2001	Head office, relocated to Toranomom 17 Mori Bldg., 1-26-5 Toranomom, Minato-ku, Tokyo
January 2002	A business and capital tie-up with Korea-based Uniwan Communications, formed
March 2002	T2 Creative, established as a wholly owned consolidated subsidiary
November 2004	ISMS (Information Security Management System) certification, obtained
December 2004	Over-the-counter registration with Japan Securities Dealers Association, canceled and shares listed on JASDAQ
March 2005	Contracted to be in charge of planning, staging and operations for various pavilions at Expo 2005 Aichi, Japan
July 2005	Nagoya branch office, opened to begin sales activities in the Tokai region in earnest
August 2005	P Mark (Privacy Mark) certification, acquired
November 2005	Exclusive rights to market the new Free Format video technology at events as well as exclusive execution (production) rights for all implementation work in Japan, acquired from viZoo
June 2007	Listed on Tokyo Stock Exchange 2nd section
June 2008	Listing on Tokyo Stock Exchange 1st section, assigned
May 2009	Head office, relocated to Kamiyacho Central Place, 4-3-13 Toranomom, Minato-ku, Tokyo (currently, Hulic Kamiyacho Bldg.)

February 2010	A business and capital alliance with J-COM Holdings (currently, LIKE), formed
November 2014	TOW Interactive Promotional School, launched
July 2015	A new project TOWAC, a buzz-worthy event in business partnership with KAYAC, launched
September 2015	Transitioned to a company with an audit committee system
February 2016	A new project PR Motions in business alliance with Material, launched
October 2016	Kansai branch office, relocated to 1-4-4 Dojimahama, Kita-ku, Osaka
July 2017	Experience Design Division, established
September 2019	TOW×T2 Creative e-Sports Unit TTe, a team specializing in e-Sports that realizes integrated production of event staging and streaming, established
January 2020	Michihiro Akimoto, appointed as representative director and president, while Kenichi Muratsu as representative director and vice president
June 2020	Provision of TOW Online Event Package to extend the value of experiences in the age of digital platforms, began
February 2021	A business alliance with Digital Identity, a digital marketing company, formed
February 2021	A business alliance with Inclusive, a media management company, formed
May 2021	Experience Design Engine, a result analysis tool to utilize collective knowledge of data on promotion results, developed
May 2021	Provision of Promotion DX Package, a new service to pursue results by applying DX technology on customer experiences, began
July 2021	Social Media Group and Customer Experience Marketing Office, established within Experience Design Division, established to expand domains of operations
July 2021	TOW Group Kamiyacho Studio, opened
January 2022	Kenichi Muratsu, appointed as representative director and president
February 2022	PLAY LAB project, a co-creation partner program in game promotions, launched
February 2022	Purpose of Creating Experiences of New Era, established
April 2022	Transition from Tokyo Stock Exchange 1st section to Prime Market, implemented due to a change in the market segmentation by the Exchange
September 2022	Founder and executive board chairperson Osamu Kawamura as well as founder and executive board vice chairperson Michihiro Akimoto, retired due to expiration of their terms of office

4.0 Recent Trading and Prospects

FY06/2023

For FY06/2023, sales came in at ¥11,774m (up 5.8% YoY), operating profit ¥1,150m (up 30.2%), recurring profit ¥1,178m (up 27.5%) and profit attributable to owners of parent ¥355m (down 40.6%), while operating profit margin 9.8% (up 1.8% points). At the same time, FY06/2024 Company forecasts are going for prospective sales of ¥14,000m (up 18.9% YoY), operating profit of ¥1,370m (up 19.1%) and operating profit margin of 9.8% (up 0.0% point). By the way, the Company's performance is well exposed to seasonal factors to lead to concentration of sales for Q1 to Q2 and an adjustment as a result for H2.



Source: Company Data, WRJ Calculation (quarters of FY06/2024: half-year Company forecasts pro rata)

For the actual results of FY06/2023, the Company saw a steady increase in sales and an improvement in operating profit margin. According to the Company, the number of projects came in at 1,490 (up 16.4%), collectively, while unit prices per project ¥7.8m (down 9.3%). For FY06/2022, the period under comparison, the Company saw sales of large-scale projects (unit prices of ¥100m or more) associated with the Tokyo 2020 Olympic Games (session: July 23 to 8 August 2021) and the Paralympics (session: 24 August to 5 September 2021), which did not reappear and thus brought forth a decline in unit prices per project for FY06/2023. On the other hand, the number of medium-scale projects (¥20m to ¥50m / ¥50m to ¥100m) has increased significantly, having resulted in a large increase in the number of projects as a whole and steady increase in sales. In particular, it appears that the Company has benefited from its successful measures to steadily capture a recovery in demand for Real-World Event projects.

Meanwhile, the Company suggests that sales associated with so-called direct clients have been on the rise. The bulk of the Company's sales come from projects by clients basically comprising national brands of each industry sector, which are heavily involved with commercials on TV, acquired through the major advertising companies represented by Dentsu and Hakuhodo, while the Company also acquires projects from relatively smaller clients, which are hardly involved with commercials on TV, by means of running own direct sales activities.

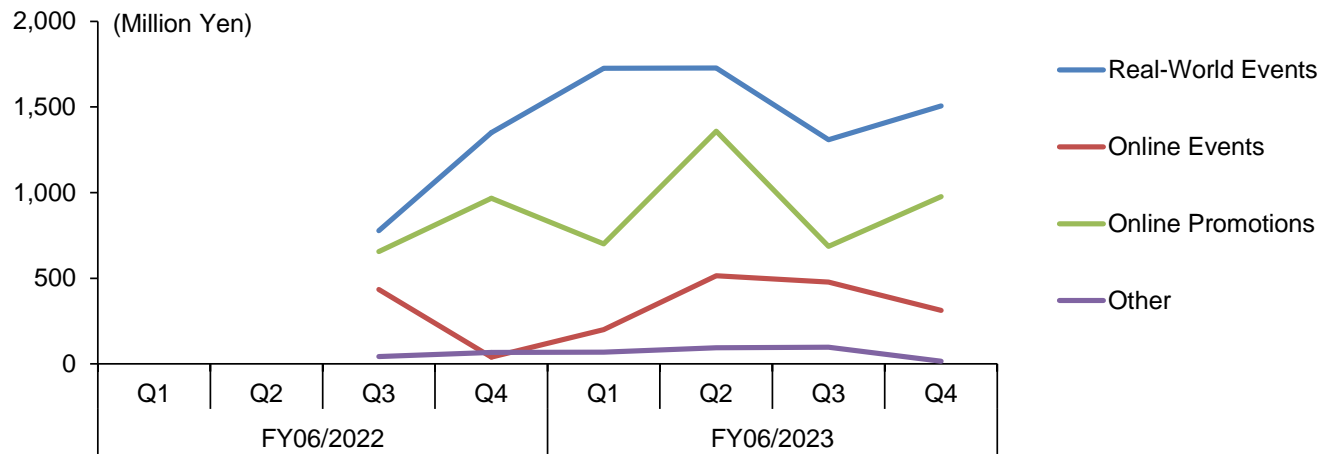
As of 31 July 2023, the Company suggests that order backlog stood at ¥6,934m, having increased by 49.2% on a year-on-year basis, while equating almost half of prospective sales of ¥14,000m, assumed in FY06/2024 Company forecasts. In light of this, the Company's short-term performance is likely to exceed the assumptions. According to the Company, order backlog has surged due mainly to firm order intake on large-scale Real-World Event projects scheduled to be held for Q1 (July to September) and Q2 (October to December). By the way, it takes some two months in terms of weighted average to see sales after booking order backlog, according to suggestions by the Company.

For the actual results of FY06/2023, gross profit came in at ¥1,900m (up 9.6%) and SG&A expenses ¥750m (down 11.8%), implying gross profit margin of 16.1% (up 0.6% points) and SG&A ratio of 6.4% (down 1.3% points), having resulted in operating profit margin of 9.8% (up 1.8% points). The increase in gross profit is basically attributable to that of sales, while the improvement in gross profit margin is attributable to two factors, i.e., that the Company has made a progress in its measures to optimize order placement from clients and that it saw an increase in sales of so-called fee-based operations. There is an aspect for the Company to have expanded its human resources in charge of specialized domains for video, SNS management, etc. in line with its measures to focus on Online Promotions to have come to a stage to often make a valuable proposal to clients, decent enough for itself to make money. Over the past few years, the Company has been making efforts to actually make it commercially viable, while starting to being successful in doing so most recently.

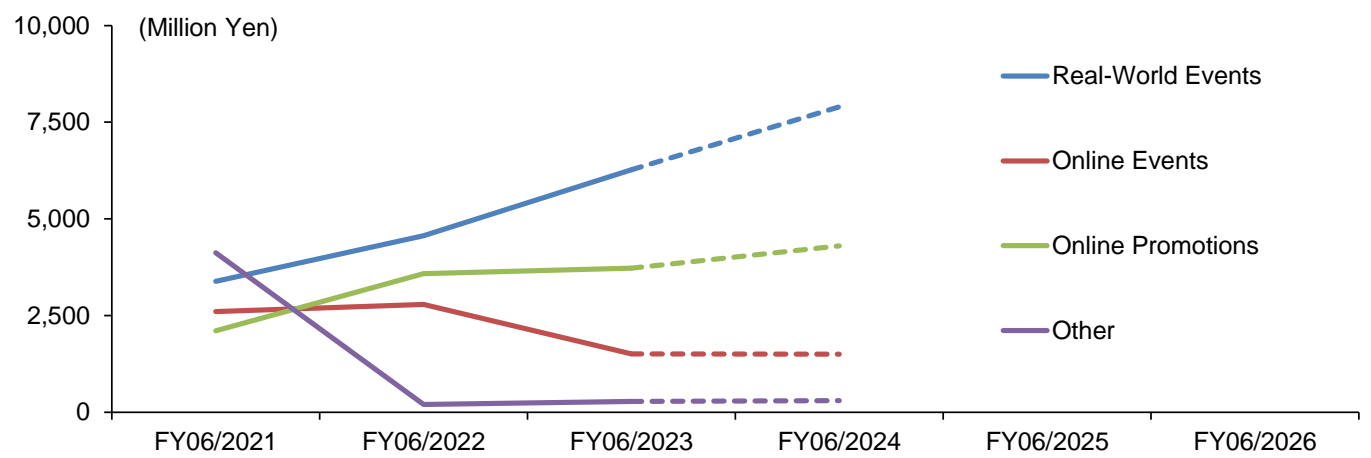
As for the decrease in SG&A expenses, an aspect raised is that board members' compensation and provision of reserve for retirement lump-sum plan for directors have declined in line with directors (founders) having left office. However, the retirement also ended up with recording special service bonus of ¥647m at the extraordinary level, having consequently forced profit attributable to owners of parent to substantially decline. By the way, none of all those factors will reappear for FY06/2024.

Meanwhile, FY06/2024 Company forecasts assume gross profit of ¥2,255m (up 18.7%) and SG&A expenses of ¥885m (up 18.0%), implying gross profit margin of 16.1% (down 0.0% point) and SG&A ratio of 6.3% (down 0.0% point). The Company states that it will continue focusing on the above-mentioned fee-based operations as well as the optimization of order placement from clients in order to ensure gross profit margin. At the same time, the Company will implement strategic investment in human capital as well as proactively contributing expenses to develop its management base through focusing on priority themes for the growth of operations, which is expected to lead to the increase in SG&A expenses. The Company is looking to a sustainable growth from a long-term perspective, planning to consistently implement all those investment and contribution of expenses even for H2, when sales are to adjust due to seasonal factors, which is expected to result in operating profit margin for H2 lower than the levels during the same period of the previous year.

Sales by Category of Operations (quarter)



Sales by Category of Operations (fiscal year)



Source: Company Data

Other (2.4% of sales)

For FY06/2023, sales came in at ¥277m (up 40.3%), while FY06/2024 Company forecasts are going for prospective sales of ¥300m (up 8.3%). Sales surged for FY06/2023, as order intake from Public Offices and Organizations increased sharply. Meanwhile, the Company saw sales of no less than ¥4,121m for FY06/2021, which was also supported by firm order intake from Public Offices and Organizations. As part of the emergency economic measures taken in response to the impact of the Corona disaster (the first confirmed cases of infections in Japan at the beginning of CY2020), the Ministry of Economy, Trade and Industry established the project of National Sustainability Benefits and accepted applications for the period from 1 May 2020 to 15 February 2021 at so many venues set up across Japan. The Company, which was in charge of part of setting them up as well as operations, etc., saw sales in a large amount stemming from here for FY06/2020 and FY06/2021 with those rather concentrated for FY06/2020.

Activities on the basis of Real-World Events



Experience-Based Promotion Events at Curbside on a National basis

REGENERATION by L'OCCITANE EN PRONENCE / SUNTORY, The Local Area Beer Ball Festival



Large-Scale Events and/or Exhibitions to be Held, The First in Four Years

TOKYO GAME SHOW / JAPAN MOBILITY SHOW



Events for Various Stakeholders to Disseminate Purpose and Strengthen Engagement

Events to disseminate purpose, awards ceremonies, events for clients, etc.

Source: Company Data

Real-World Events (53.2% of sales)

For FY06/2023, sales came in at ¥6,269m (up 37.4%), while FY06/2024 Company forecasts are going for prospective sales of ¥7,900m (up 26.0%). Sales increased fast for FY06/2023, as the shift away from Online Events and back to Real-World Events made a progress, contingent to revitalization of socioeconomics and consumptions. According to the Company's indications, the largest clients mainly comprising national brands of each industry sector, accounting for the bulk of the Company's sales, had a rather conservative attitude toward Real-World Events until recently, while the transition of COVID-19 to a category five infection (8 May 2023) has eventually led to an attitude initiative-taking enough to resume the events in earnest. Thus, the Company suggests sales of Real-World Events are to remain firm for FY06/2024.

Online Events (12.8% of sales)

For FY06/2023, sales came in at ¥1,504m (down 40.6%), while FY06/2024 Company forecasts are going for prospective sales of ¥1,500m (down 0.3%). Sales declined for FY06/2023, as the above-mentioned shift away from Online Events and back to Real-World Events had a major impact, while it was another negative factor that a large-scale project to have significantly contributed to sales in the previous year has run its course. It appears that the impact of back to Real-World Events is to persist for FY06/2024, but the Company is going for prospective sales almost unchanged from the previous year.

Marketing Activities on the basis of Online Promotions



Campaigns to integrate Digital, Video, PR, etc.

Norton: Training by Quiz to Prevent Cyber Crime



Annual Promotions Aimed at Contribution to Corporate Activities with Digital Advertising as a Starting Point

ECOVACS: Robot Cleaner



Operations in Specialized Areas of Video and SNS

SUNTORY: WEB CM on "Quercetin-Gold-Combined TOKUCHA" / Chupa Chups: Management of SNS / Milano Collection: SKY ART MUSEUM

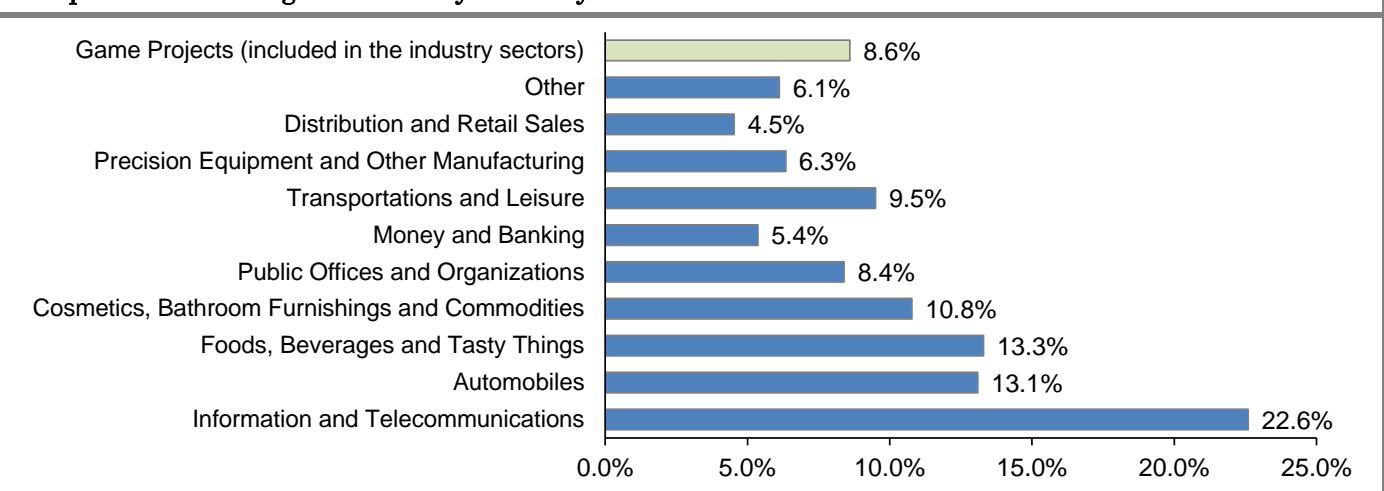
Source: Company Data

Online Promotions (31.6% of sales)

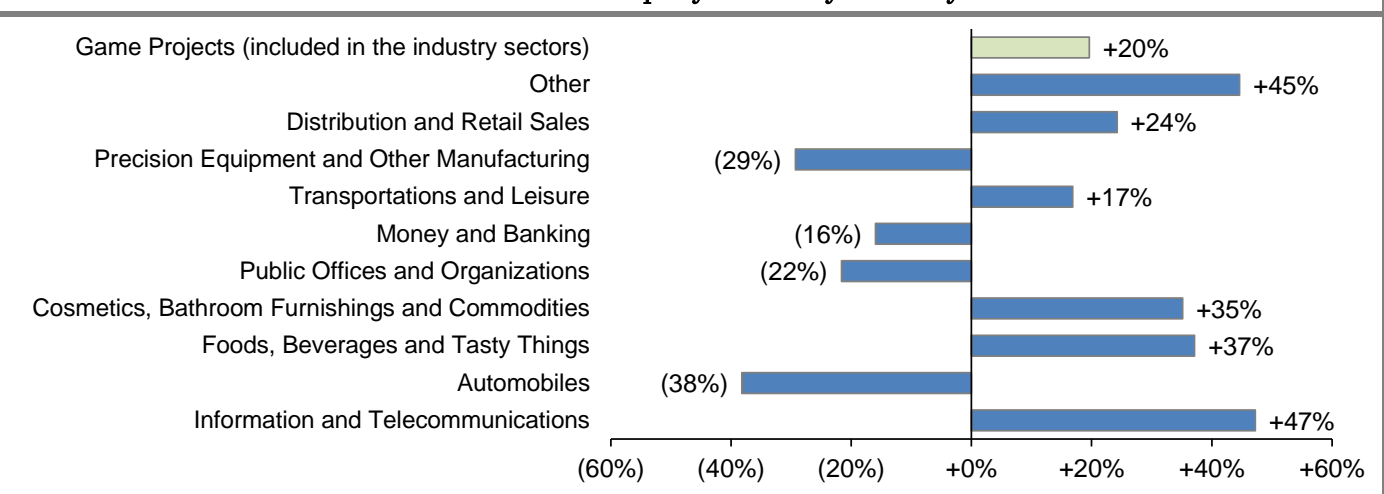
For FY06/2023, sales came in at ¥3,723m (up 3.8%), while FY06/2024 Company forecasts are going for prospective sales of ¥4,300m (up 15.5%). Sales increased for FY06/2023, as order arrivals were firm for promotions utilizing SNS and video, digital advertising, etc. For FY06/2024, the Company plans to promote aggressive sales activities, including those of capturing demand for promotions integrated with Real-World Events and/or Online Events.

As the key target of sales activities, the Company set the mainstay clients, i.e., the major advertising companies represented by Dentsu and Hakuhodo as well as their affiliated subsidiaries, where the Company speaks to representatives in charge of creations (of advertising, materials for advertising, etc.) and/or planning with an objective of appealing the Company's high capability of planning, while propelling the operations of residing in as outsourced personnel at the same time. In other words, the Company dispatches own personnel of planning and/or production to the counterparty to reside in on a contract basis and all those personnel are directly in charge of operations to solve problems at the end clients.

Component Percentages of Sales by Industry Sector: FY06/2023



The Rate of Contribution to Increase in The Company's Sales by Industry Sector



Source: Company Data, WRJ Calculation

In terms of sales by industry sector (which exclude planning sales and described in the above chart and the following text) for FY06/2023, the Company's sales came in at ¥11,745m (up 5.9% or net increase of ¥652m), while sales in the mainstay Information and Telecommunications came in at ¥2,648m (up 13.2% or net increase of ¥308m), having accounted for 22.6% of the Company's sales and seen a 47% (=308 / 652) contribution to net increase in the Company's sales. In other words, about half of the net increase in the Company's sales came from Information and Telecommunications. Sales here were driven principally by those of being related to digital platformers represented by GAFA (Google: now part of Alphabet, Apple, Facebook: renamed Meta from October 2021 and Amazon.com). In the past, sales related to major cell phone carriers (NTT DoCoMo, KDDI and SoftBank) were quite large, implying that the contents of sales in Information and telecommunications have changed significantly to date.

With respect to Automobiles, the mainstay in the past, sales accounted for 13.1% of total, implying a situation to maintain a certain level of sales. However, against the backdrop of an insufficient supply of new vehicles as a result of the global shortage of semiconductors, the clients in this sector had a hard time for their advertising and sales promotion activities to aggressively expand sales. In this sector, the Company's sales have declined sharply over the previous year, equating a 38% negative contribution, which means that this is the sector to have seen the largest negative contribution out of all the sectors. Meanwhile, the JAPAN MOBILITY SHOW 2023 will be held from 26 October to 5 November 2023 at the Tokyo Big Sight as the main venue to replace the traditional Tokyo Motor Show, suggesting that the Company's sales in Automobiles are on the way to recovery for FY06/2024. The Tokyo Motor Show will be held in a new format for CY2023, after being cancelled for CY2021 due to the Coron disaster (the first confirmed cases of infections in Japan at the beginning of CY2020).

It is also the case for the rest of sectors but for the above-mentioned two that sales have been rather mixed as a trend, but the impact of sectors seeing a positive contribution is more than offsetting that of sectors seeing a negative contribution for the Company as a whole. A major positive contribution came from Foods, Beverages and Tasty Things as well as Cosmetics, Bathroom Furnishings and Commodities, while sales in Other increased due to strengths associated with self-staging, energy, materials, etc., i.e., the constituents of this sector. By the way, a positive contribution was seen also in Distribution and Retail Sales as well as Transportations and Leisure. Meanwhile, there was a negative contribution the largest second only to Automobiles in Precision Equipment and Other Manufacturing and a negative contribution in Public Offices and Organizations as well as Money and Banking. With respect to Public Offices and Organizations, there is an aspect that large-scale projects associated with the Tokyo 2020 Olympic Games and Paralympics have run their course. Meanwhile, sales in Game Projects, accounting for 8.6% of the Company's sales, had a 20% contribution, but were included as part of some sectors out of the specified 10 sectors.

FY06/2023 Company Forecasts and Actual Results

Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY06/2023CoE	9-Aug-22	Q4 Results	11,700	992	1,015	175
FY06/2023CoE	14-Nov-22	Q1 Results	11,700	992	1,015	175
FY06/2023CoE	8-Feb-23	Q2 Results	12,000	1,076	1,100	289
		Amount of Gap	300	85	85	115
		Rate of Gap	2.6%	8.5%	8.4%	65.6%
FY06/2023CoE	15-May-23	Q3 Results	12,000	1,076	1,100	289
FY06/2023Act	9-Aug-23	Q4 Results	11,774	1,150	1,178	355
		Amount of Gap	(226)	74	78	66
		Rate of Gap	(1.9%)	6.9%	7.1%	22.8%
FY06/2023CoE	9-Aug-22	Q4 Results	11,700	992	1,015	175
FY06/2023Act	9-Aug-23	Q4 Results	11,774	1,150	1,178	355
		Amount of Gap	74	159	163	181
		Rate of Gap	0.6%	16.0%	16.1%	103.4%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY06/2023CoE	9-Aug-22	Q4 Results	6,084	538	550	(266)
Q1 to Q2 FY06/2023CoE	14-Nov-22	Q1 Results	6,084	538	550	(266)
Q1 to Q2 FY06/2023Act	8-Feb-23	Q2 Results	6,392	663	677	17
		Amount of Gap	308	125	128	283
		Rate of Gap	5.1%	23.2%	23.2%	-
Q1 to Q2 FY06/2023CoE	9-Aug-22	Q4 Results	6,084	538	550	(266)
Q1 to Q2 FY06/2023Act	8-Feb-23	Q2 Results	6,392	663	677	17
		Amount of Gap	308	125	128	283
		Rate of Gap	5.1%	23.2%	23.2%	-
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY06/2023CoE	9-Aug-22	Q4 Results	5,616	454	466	441
Q3 to Q4 FY06/2023CoE	14-Nov-22	Q1 Results	5,616	454	466	441
Q3 to Q4 FY06/2023CoE	8-Feb-23	Q2 Results	5,608	413	423	272
		Amount of Gap	(8)	(41)	(43)	(169)
		Rate of Gap	(0.1%)	(8.9%)	(9.1%)	(38.3%)
Q3 to Q4 FY06/2023CoE	15-May-23	Q3 Results	5,608	413	423	272
Q3 to Q4 FY06/2023Act	9-Aug-23	Q4 Results	5,381	486	501	338
		Amount of Gap	(227)	73	78	66
		Rate of Gap	(4.0%)	17.7%	18.4%	24.3%
Q3 to Q4 FY06/2023CoE	9-Aug-22	Q4 Results	5,616	454	466	441
Q3 to Q4 FY06/2023Act	9-Aug-23	Q4 Results	5,381	486	501	338
		Amount of Gap	(235)	33	36	(103)
		Rate of Gap	(4.2%)	7.2%	7.6%	(23.3%)

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.
(Million Yen)	06/2022	06/2022	06/2022	06/2022	06/2023	06/2023	06/2023	06/2023	06/2023	Net Chg.
Sales	3,096	6,820	8,709	11,134	2,698	6,392	8,964	11,774		+640
Cost of Sales	2,534	5,611	7,305	9,400	2,320	5,317	7,526	9,873		+473
Gross Profit	561	1,208	1,404	1,733	377	1,075	1,437	1,900		+167
SG&A Expenses	220	439	651	850	227	411	582	750		(99)
Operating Profit	340	769	753	883	150	663	855	1,150		+266
Non Operating Balance	20	21	41	40	13	13	28	28		(12)
Recurring Profit	361	790	794	924	164	677	883	1,178		+254
Extraordinary Balance	(0)	(0)	2	2	(622)	(622)	(625)	(625)		(627)
Profit before Income Taxes	360	790	796	926	(458)	55	258	553		(373)
Total Income Taxes	128	266	273	328	(130)	37	107	198		(130)
Profit Attributable to Owners of Parent	232	523	523	598	(327)	17	151	355		(242)
Sales YoY	(38.0%)	(13.9%)	(5.0%)	(8.8%)	(12.9%)	(6.3%)	+2.9%	+5.8%		-
Operating Profit YoY	+91.9%	+81.4%	+222.8%	+34.7%	(55.8%)	(13.7%)	+13.6%	+30.2%		-
Recurring Profit YoY	+91.5%	+76.8%	+188.6%	+32.3%	(54.5%)	(14.3%)	+11.2%	+27.5%		-
Profit Attributable to Owners of Parent YoY	+107.0%	+73.7%	+199.2%	+31.3%	-	(96.7%)	(71.0%)	(40.6%)		-
Gross Profit Margin	18.1%	17.7%	16.1%	15.6%	14.0%	16.8%	16.0%	16.1%		+0.6%
SG&A Ratio	7.1%	6.4%	7.5%	7.6%	8.4%	6.4%	6.5%	6.4%		(1.3%)
Operating Profit Margin	11.0%	11.3%	8.7%	7.9%	5.6%	10.4%	9.5%	9.8%		+1.8%
Recurring Profit Margin	11.7%	11.6%	9.1%	8.3%	6.1%	10.6%	9.9%	10.0%		+1.7%
Profit Attributable to Owners of Parent Margin	7.5%	7.7%	6.0%	5.4%	(12.1%)	0.3%	1.7%	3.0%		(2.4%)
Total Income Taxes / Profit before Income Taxes	35.5%	33.7%	34.4%	35.4%	28.6%	68.4%	41.4%	35.8%		+0.3%
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.
(Million Yen)	06/2022	06/2022	06/2022	06/2022	06/2023	06/2023	06/2023	06/2023	06/2023	Net Chg.
Sales	3,096	3,724	1,888	2,424	2,698	3,694	2,572	2,809		+385
Cost of Sales	2,534	3,077	1,693	2,095	2,320	2,996	2,209	2,346		+251
Gross Profit	561	647	195	329	377	697	362	463		+133
SG&A Expenses	220	218	211	198	227	183	170	168		(30)
Operating Profit	340	428	(15)	130	150	513	191	294		+164
Non Operating Balance	20	1	19	(0)	13	0	14	0		+0
Recurring Profit	361	429	3	129	164	513	206	295		+165
Extraordinary Balance	(0)	(0)	2	0	(622)	0	(2)	(0)		(0)
Profit before Income Taxes	360	429	6	129	(458)	513	203	295		+165
Total Income Taxes	128	138	7	54	(130)	168	69	90		+36
Profit Attributable to Owners of Parent	232	291	(0)	75	(327)	344	134	204		+128
Sales YoY	(38.0%)	+27.2%	+51.8%	(20.4%)	(12.9%)	(0.8%)	+36.2%	+15.9%		-
Operating Profit YoY	+91.9%	+73.9%	-	(69.2%)	(55.8%)	+19.8%	-	+126.7%		-
Recurring Profit YoY	+91.5%	+66.1%	-	(69.4%)	(54.5%)	+19.5%	-	+127.4%		-
Profit Attributable to Owners of Parent YoY	+107.0%	+53.9%	-	(73.1%)	-	+18.3%	-	+170.4%		-
Gross Profit Margin	18.1%	17.4%	10.4%	13.6%	14.0%	18.9%	14.1%	16.5%		+2.9%
SG&A Ratio	7.1%	5.9%	11.2%	8.2%	8.4%	5.0%	6.6%	6.0%		(2.2%)
Operating Profit Margin	11.0%	11.5%	(0.8%)	5.4%	5.6%	13.9%	7.5%	10.5%		+5.1%
Recurring Profit Margin	11.7%	11.5%	0.2%	5.4%	6.1%	13.9%	8.0%	10.5%		+5.2%
Profit Attributable to Owners of Parent Margin	7.5%	7.8%	(0.0%)	3.1%	(12.1%)	9.3%	5.2%	7.3%		+4.1%
Total Income Taxes / Profit before Income Taxes	35.5%	32.2%	114.0%	41.9%	28.6%	32.9%	34.0%	30.8%		(11.1%)

Source: Company Data, WRJ Calculation

Sales by Category of Operations (Cumulative/Quarterly)

Sales by Category of Operations (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 06/2022	Q1 to Q2 06/2022	Q1 to Q3 06/2022	Q1 to Q4 06/2022	Q1 06/2023	Q1 to Q2 06/2023	Q1 to Q3 06/2023	Q1 to Q4 06/2023		
Real-World Events	-	2,434	3,212	4,563	1,726	3,454	4,763	6,269		+1,706
Online Events	-	2,311	2,746	2,786	200	714	1,191	1,504		(1,282)
Online Promotions	-	1,964	2,619	3,586	701	2,060	2,747	3,723		+137
Other	-	87	130	197	69	163	261	277		+80
Sales	3,096	6,797	8,709	11,134	2,698	6,392	8,964	11,774		+640
Real-World Events	-	+57.1%	+53.6%	+35.0%	+4.1%	+41.9%	+48.3%	+37.4%		-
Online Events	-	+53.4%	+44.9%	+7.1%	(73.3%)	(69.1%)	(56.6%)	(46.0%)		-
Online Promotions	-	+123.4%	+126.8%	+70.3%	+8.0%	+4.9%	+4.9%	+3.8%		-
Other	-	(97.8%)	(96.7%)	(95.2%)	+77.6%	+85.8%	+99.5%	+40.3%		-
Sales (YoY)	(38.0%)	(14.0%)	(5.0%)	(8.8%)	(12.9%)	(6.0%)	+2.9%	+5.8%		-
Real-World Events	-	35.8%	36.9%	41.0%	64.0%	54.0%	53.1%	53.2%		-
Online Events	-	34.0%	31.5%	25.0%	7.4%	11.2%	13.3%	12.8%		-
Online Promotions	-	28.9%	30.1%	32.2%	26.0%	32.2%	30.6%	31.6%		-
Other	-	1.3%	1.5%	1.8%	2.6%	2.6%	2.9%	2.4%		-
Sales (Component Percentages)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		-

Sales by Category of Operations (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 06/2022	Q2 06/2022	Q3 06/2022	Q4 06/2022	Q1 06/2023	Q2 06/2023	Q3 06/2023	Q4 06/2023		
Real-World Events	-	-	778	1,351	1,726	1,728	1,309	1,506		+155
Online Events	-	-	435	40	200	514	477	313		+273
Online Promotions	-	-	655	967	701	1,359	687	976		+9
Other	-	-	43	67	69	94	98	16		(51)
Sales	3,096	3,701	1,912	2,425	2,698	3,694	2,572	2,810		+385
Real-World Events	-	-	-	-	+4.1%	-	+68.3%	+11.5%		-
Online Events	-	-	-	-	(73.3%)	-	+9.7%	+682.5%		-
Online Promotions	-	-	-	-	+8.0%	-	+4.9%	+0.9%		-
Other	-	-	-	-	+77.6%	-	+127.9%	(76.1%)		-
Sales (YoY)	(38.0%)	+27.1%	+51.5%	(20.3%)	(12.9%)	(0.2%)	+34.5%	+15.9%		-
Real-World Events	-	-	40.7%	55.7%	64.0%	46.8%	50.9%	53.6%		-
Online Events	-	-	22.8%	1.6%	7.4%	13.9%	18.5%	11.1%		-
Online Promotions	-	-	34.3%	39.9%	26.0%	36.8%	26.7%	34.7%		-
Other	-	-	2.2%	2.8%	2.6%	2.5%	3.8%	0.6%		-
Sales (Component Percentages)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		-

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 06/2022	Q2 06/2022	Q3 06/2022	Q4 06/2022	Q1 06/2023	Q2 06/2023	Q3 06/2023	Q4 06/2023		
Cash and Deposit	7,047	7,507	7,760	8,590	6,008	5,786	5,464	5,781	(2,808)	
Electronically Recorded Receivables	254	222	184	196	168	341	487	169	(27)	
Accounts Receivables and Contract Assets	2,531	3,391	2,137	1,936	2,230	3,037	2,293	2,289	+353	
Other	1,893	1,253	1,032	814	1,022	1,021	1,268	1,307	+493	
Current Assets	11,727	12,375	11,116	11,537	9,428	10,186	9,513	9,548	(1,988)	
Tangible Assets	220	217	205	192	184	176	175	164	(28)	
Intangible Assets	27	25	23	28	27	25	23	26	(2)	
Investments and Other Assets	1,759	1,694	1,852	2,005	1,749	1,670	1,631	1,454	(551)	
Fixed Assets	2,007	1,937	2,081	2,226	1,961	1,872	1,831	1,645	(581)	
Total Assets	13,734	14,313	13,197	13,764	11,390	12,059	11,344	11,194	(2,569)	
Electronically Recorded Debt	20	38	5	6	14	13	10	4	(1)	
Accounts Payable	1,572	1,705	833	1,081	1,347	1,859	1,297	986	(95)	
Short Term Debt	840	840	840	840	840	840	840	840	0	
Other	560	653	574	670	744	461	444	534	(136)	
Current Liabilities	2,992	3,237	2,252	2,598	2,946	3,174	2,593	2,365	(233)	
Long Term Debt	-	-	-	-	-	-	-	-	-	
Other	550	537	578	620	301	354	399	401	(218)	
Fixed Liabilities	550	537	578	620	301	354	399	401	(218)	
Total Liabilities	3,543	3,775	2,831	3,219	3,248	3,529	2,992	2,767	(452)	
Shareholders' Equity	9,521	9,929	9,662	9,737	7,398	7,820	7,617	7,821	(1,916)	
Other	670	608	704	806	744	710	735	605	(201)	
Net Assets	10,191	10,537	10,366	10,544	8,142	8,530	8,352	8,427	(2,117)	
Total Liabilities & Net Assets	13,734	14,313	13,197	13,764	11,390	12,059	11,344	11,194	(2,569)	
Equity Capital	10,136	10,495	10,336	10,513	8,111	8,508	8,336	8,411	(2,102)	
Interest Bearing Debt	840	840	840	840	840	840	840	840	0	
Net Debt	(6,207)	(6,667)	(6,920)	(7,750)	(5,168)	(4,946)	(4,624)	(4,941)	+2,808	
Equity Ratio	73.8%	73.3%	78.3%	76.4%	71.2%	70.6%	73.5%	73.8%	-	
Net Debt Equity Ratio	(61.2%)	(63.5%)	(67.0%)	(73.7%)	(63.7%)	(58.1%)	(55.5%)	(61.2%)	-	
ROE (12 months)	5.7%	6.5%	7.9%	5.8%	0.4%	1.0%	2.4%	3.8%	-	
ROA (12 months)	6.2%	7.6%	9.5%	6.8%	5.8%	6.2%	8.3%	9.4%	-	
Quick Ratio	329%	343%	448%	413%	285%	289%	318%	348%	-	
Current Ratio	392%	382%	493%	444%	320%	321%	367%	404%	-	

Source: Company Data, WRJ Calculation

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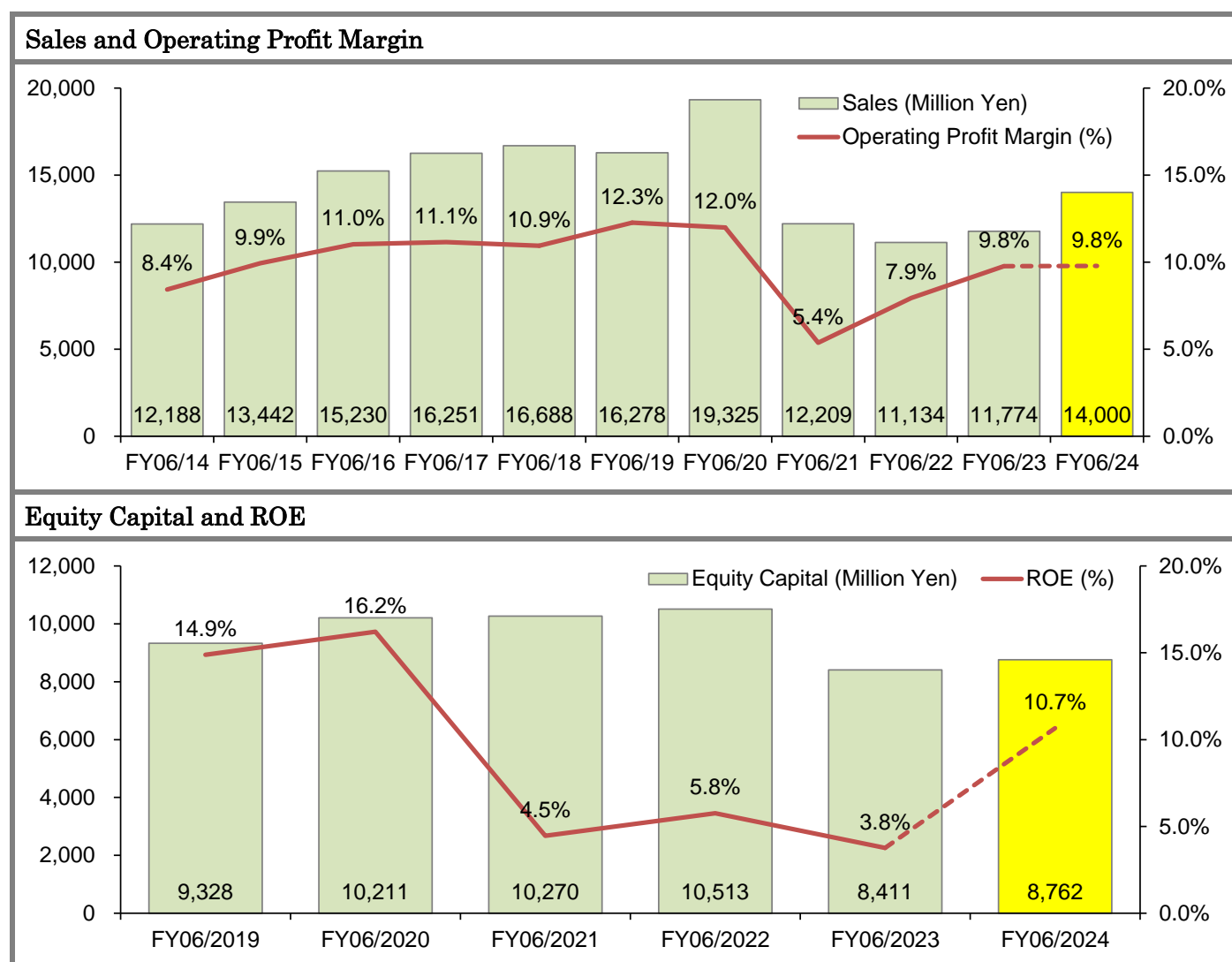
Cash Flow Statement (Cumulative)

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 06/2022	Q1 to Q2 06/2022	Q1 to Q3 06/2022	Q1 to Q4 06/2022	Q1 06/2023	Q1 to Q2 06/2023	Q1 to Q3 06/2023	Q1 to Q4 06/2023		
Operating Cash Flow	-	211	-	1,555	-	(999)	-	(718)	(2,273)	
Investing Cash Flow	-	(40)	-	(25)	-	206	-	211	+236	
Operating Cash Flow and Investing Cash Flow	-	171	-	1,530	-	(792)	-	(506)	(2,037)	
Financing Cash Flow	-	(245)	-	(521)	-	(2,013)	-	(2,304)	(1,783)	

Source: Company Data, WRJ Calculation

Long-Term Prospects

According to the Company, the actual results of FY06/2019 equate its proper position, i.e., sales of ¥16,278m, operating profit of ¥1,995m and operating profit margin of 12.3%, while ROE of 14.9% at the same time. As far as we could see, the Company is now trying to get at performance beyond such levels as soon as possible, while planning to realize sustainable growth from a long-term perspective by means of steadily meeting increasing demand for integrated promotions.



Source: Company Data, WRJ Calculation

FY06/2024 Company forecasts (announced on 9 August 2023) are going for prospective sales of ¥14,000m (up 18.9% YoY), operating profit of ¥1,370m (up 19.1%), recurring profit of ¥1,400m (up 18.7%) and profit attributable to owners of parent of ¥915m (up 157.4%). By the way, we estimate that the Company will see ROE of 10.7% for FY06/2024, when Company forecasts are met, assuming that the changes in equity capital during the relevant period are to be determined solely by addition of profit attributable to owners of parent and subtraction of dividend paid.

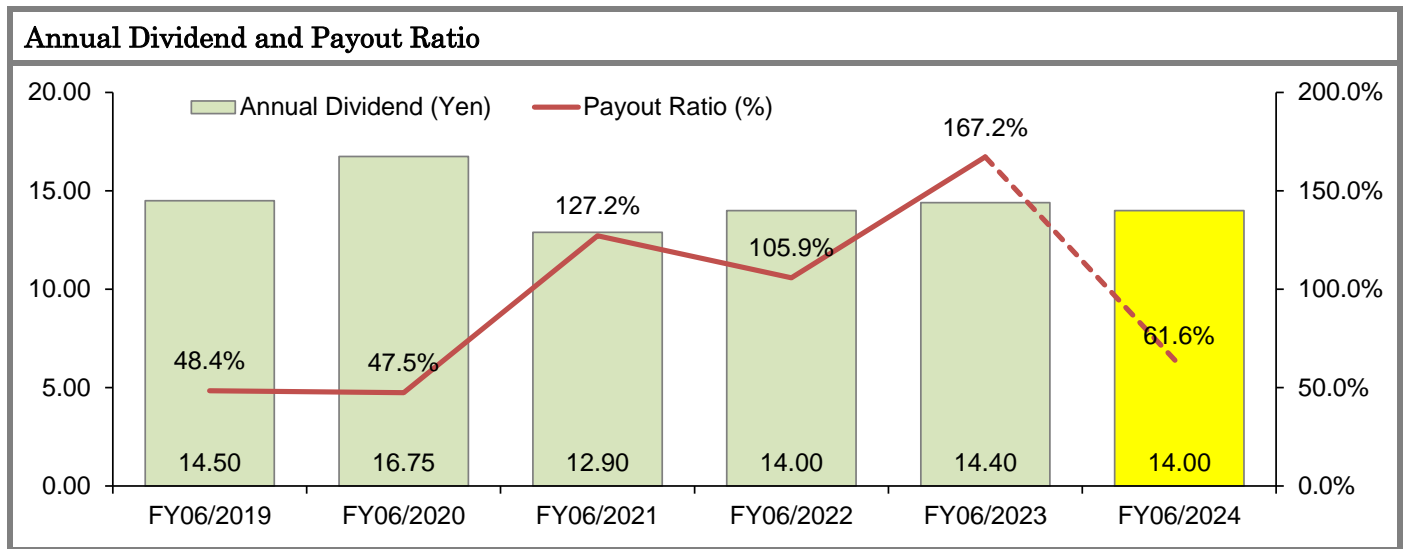
By the way, on 16 September 2022, the Company repurchased its own shares (5,500,000 common shares equating 12.1% of the number of shares outstanding but for treasury shares or ¥1,694m in the amount) through the Tokyo Stock Exchange's off-hours trading system (ToSTNeT-3) in order to respond to changes in the business environment and flexibly implement capital policies. The deal reduced equity capital by this amount, explaining a significant portion of the reduction in equity capital for FY06/2023. Furthermore, the Company's cash flow has temporarily deteriorated due to extraordinary loss of ¥647m for special service bonus. However, it is obvious that the effects of both will run their course for FY06/2024 and the Company is on track to see a recovery trend in a variety of aspects from FY06/2023 to FY06/2024.

The Great East Japan Earthquake (occurred on 11 March 2011) had a significant impact on the Company's performance in those days, while the same is true for the impact of the Corona disaster (the first confirmed cases of infections in Japan at the beginning of CY2020). The latter has generated a certain amount of increase in sales for FY06/2020 and FY06/2021, as it generated a large-scale project of the aforementioned National Sustainability Benefits from the outset for the Company. For FY06/2020, as the impact of the Corona disaster to economic activities did not begin at all until H2, the Company saw full-year sales as much as almost ¥20,000m, given add-ons by the project of National Sustainability Benefits. Meanwhile, for FY06/2021, when the Corona disaster continued to affect economic activities throughout the year, the Company's sales declined significantly, despite the ongoing contribution from the project of National Sustainability Benefits. Then, for FY06/2022, the Tokyo 2020 Olympic Games (held from 23 July to 8 August 2021) and Paralympics (held from 24 August to 5 September 2021) generated large-scale projects for the Company, but the Company's sales failed to increase as the impact from here was rather offset by that of the Corona disaster on economic activities in general. With respect to the actual results of FY06/2023, the Company's performance was as discussed and the same applies to assumptions for FY06/2024 Company forecasts.

Thus, the Company's performance in a single fiscal year tends to be inevitably exposed to some unforeseen circumstances and the Company is rather unhurried to disclose its detailed prospective performance target in the form of midterm management plan or equivalents, although it has set up the plan inhouse for a sustainable growth from a long-term perspective as far as we could see.

Dividend Policy and Dividend

The Company recognizes that returning earnings to shareholders is an important management issue and its basic dividend policy is to pay stable dividend on an ongoing basis. In fact, for the past five years (FY06/2019 to FY06/2023), the Company has paid an upper end of ¥16.75 per share and a lower end of ¥12.90 per share, suggesting that it has been paying dividend as advocated by the basic policy in essence. Meanwhile, FY06/2024 Company forecasts are going for planned annual dividend of ¥14.00 per share (¥7.00 as of the end of Q2 and ¥7.00 as of the end of Q4), implying payout ratio of 61.6%, which means that the Company's basic policy for dividend is to further persist in reality.



Source: Company Data, WRJ Calculation

In the past four years (FY06/2020 to FY06/2023), the Company has been forced to suffer from a significant swing in profit attributable to owners of parent, which is the source of dividend, due to the aforementioned backgrounds. In light of this, the Company eliminated its policy of capping payout ratio at 50% for FY06/2021, which has continued for FY06/2022 and FY06/2023 and the Company is to apply this for FY06/2024 as well. FY06/2024 Company forecasts are going for planned annual dividend of ¥14.00, implying payout ratio 61.6%, based on a policy of paying a minimum dividend of either equating a payout ratio of 40% or a dividend yield of 4.5%, whichever is higher. In other words, the planned annual dividend of ¥14.00 for FY06/2024, implying payout ratio 61.6%, is equivalent to some 4.52% of the closing price of ¥310 on 8 August 2023, the day before FY06/2024 Company forecasts were released (9 August). The payout ratio exceeds 60%, which is clearly a higher level than the payout ratio of 40% and marginally higher than the other lower end of the policy.

5.0 Financial Statements

Income Statement

Income Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 06/2019	FY 06/2020	FY 06/2021	FY 06/2022	FY 06/2023	FY 06/2024	YoY Net Chg.
Sales	16,278	19,325	12,209	11,134	11,774	14,000	+2,225
Cost of Sales	13,453	16,086	10,738	9,400	9,873	11,745	+1,871
Gross Profit	2,825	3,239	1,470	1,733	1,900	2,255	+354
SG&A Expenses	829	922	815	850	750	885	+134
Operating Profit	1,995	2,316	655	883	1,150	1,370	+219
Non Operating Balance	21	16	43	40	28	30	+1
Recurring Profit	2,017	2,332	698	924	1,178	1,400	+221
Extraordinary Balance	(3)	6	11	2	(625)	-	-
Profit before Income Taxes	2,014	2,338	710	926	553	-	-
Total Income Taxes	671	754	254	328	198	-	-
Profit Attributable to Owners of Parent	1,345	1,584	455	598	355	915	+559
Sales YoY	(2.5%)	+18.7%	(36.8%)	(8.8%)	+5.8%	+18.9%	-
Operating Profit YoY	+9.3%	+16.1%	(71.7%)	+34.7%	+30.2%	+19.1%	-
Recurring Profit YoY	+7.7%	+15.6%	(70.0%)	+32.3%	+27.5%	+18.7%	-
Profit Attributable to Owners of Parent YoY	+11.4%	+17.8%	(71.2%)	+31.3%	(40.6%)	+157.4%	-
Gross Profit Margin	17.4%	16.8%	12.0%	15.6%	16.1%	16.1%	(0.0%)
SG&A Ratio	5.1%	4.8%	6.7%	7.6%	6.4%	6.3%	(0.0%)
Operating Profit Margin	12.3%	12.0%	5.4%	7.9%	9.8%	9.8%	+0.0%
Recurring Profit Margin	12.4%	12.1%	5.7%	8.3%	10.0%	10.0%	(0.0%)
Profit Attributable to Owners of Parent Margin	8.3%	8.2%	3.7%	5.4%	3.0%	6.5%	+3.5%
Total Income Taxes / Profit before Income Taxes	33.3%	32.2%	35.9%	35.4%	35.8%	-	-

Source: Company Data, WRJ Calculation

Sales by Category of Operations

Sales by Category of Operations (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 06/2019	FY 06/2020	FY 06/2021	FY 06/2022	FY 06/2023	FY 06/2024	YoY Net Chg.
Real-World Events	-	-	3,381	4,563	6,269	7,900	+1,631
Online Events	-	-	2,601	2,786	1,504	1,500	(4)
Online Promotions	-	-	2,106	3,586	3,723	4,300	+577
Other	-	-	4,121	197	277	300	+23
Sales	16,278	19,325	12,209	11,134	11,774	14,000	+2,226
Real-World Events	-	-	-	+35.0%	+37.4%	+26.0%	
Online Events	-	-	-	+7.1%	(46.0%)	(0.3%)	
Online Promotions	-	-	-	+70.3%	+3.8%	+15.5%	
Other	-	-	-	(95.2%)	+40.3%	+8.3%	
Sales (YoY)	(2.5%)	+18.7%	(36.8%)	(8.8%)	+5.8%	+18.9%	
Real-World Events	-	-	27.7%	41.0%	53.2%	56.4%	
Online Events	-	-	21.3%	25.0%	12.8%	10.7%	
Online Promotions	-	-	17.2%	32.2%	31.6%	30.7%	
Other	-	-	33.8%	1.8%	2.4%	2.1%	
Sales (Component Percentages)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Source: Company Data, WRJ Calculation

Balance Sheet

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 06/2019	FY 06/2020	FY 06/2021	FY 06/2022	FY 06/2023	FY 06/2024	YoY Net Chg.
Cash and Deposit	4,754	5,055	7,580	8,590	5,781	-	-
Electronically Recorded Receivables	2,092	1,630	312	196	169	-	-
Accounts Receivables and Contract Assets	3,404	4,390	2,318	1,936	2,289	-	-
Other	1,849	3,362	1,113	814	1,307	-	-
Current Assets	12,100	14,439	11,325	11,537	9,548	-	-
Tangible Assets	102	188	229	192	164	-	-
Intangible Assets	16	24	28	28	26	-	-
Investments and Other Assets	1,460	1,541	1,840	2,005	1,454	-	-
Fixed Assets	1,578	1,754	2,098	2,226	1,645	-	-
Total Assets	13,679	16,194	13,423	13,764	11,194	-	-
Electronically Recorded Debt	61	-	5	6	4	-	-
Accounts Payable	1,966	3,151	1,341	1,081	986	-	-
Short Term Debt	840	840	840	840	840	-	-
Other	978	1,496	341	670	534	-	-
Current Liabilities	3,846	5,488	2,528	2,598	2,365	-	-
Long Term Debt	-	-	-	-	-	-	-
Other	416	448	570	620	401	-	-
Fixed Liabilities	416	448	570	620	401	-	-
Total Liabilities	4,263	5,937	3,099	3,219	2,767	-	-
Shareholders' Equity	8,928	9,782	9,594	9,737	7,821	-	-
Other	488	473	729	806	605	-	-
Net Assets	9,416	10,256	10,324	10,544	8,427	-	-
Total Liabilities & Net Assets	13,679	16,194	13,423	13,764	11,194	-	-
Equity Capital	9,328	10,211	10,270	10,513	8,411	-	-
Interest Bearing Debt	840	840	840	840	840	-	-
Net Debt	(3,914)	(4,215)	(6,740)	(7,750)	(4,941)	-	-
Equity Ratio	68.2%	63.1%	76.5%	76.4%	75.1%	-	-
Net Debt Equity Ratio	(42.0%)	(41.3%)	(65.6%)	(73.7%)	(58.8%)	-	-
ROE (12 months)	14.9%	16.2%	4.5%	5.8%	3.8%	-	-
ROA (12 months)	15.1%	15.6%	4.7%	6.8%	9.4%	-	-
Quick Ratio	267%	202%	404%	413%	348%	-	-
Current Ratio	315%	263%	448%	444%	404%	-	-

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 06/2019	FY 06/2020	FY 06/2021	FY 06/2022	FY 06/2023	FY 06/2024	YoY Net Chg.
Operating Cash Flow	1,310	1,142	3,388	1,555	(718)	-	-
Investing Cash Flow	(35)	(111)	(207)	(25)	211	-	-
Operating Cash Flow and Investing Cash Flow	1,276	1,032	3,182	1,530	(506)	-	-
Financing Cash Flow	(621)	(732)	(658)	(521)	(2,304)	-	-

Source: Company Data, WRJ Calculation

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 06/2019	FY 06/2020	FY 06/2021	FY 06/2022	FY 06/2023	FY 06/2024	YoY Net Chg.
No. of Shares FY End (thousand shares)	48,969	48,969	48,969	48,969	48,969	-	-
Net Profit / EPS (thousand shares)	44,939	44,939	44,959	45,272	41,313	-	-
Treasury Shares FY End (thousand shares)	4,032	4,032	3,992	3,497	8,697	-	-
Earnings Per Share	29.94	35.26	10.14	13.22	8.61	22.74	-
Earnings Per Share (Fully Diluted)	29.09	34.90	10.08	13.15	8.57	-	-
Book Value Per Share	207.60	227.24	228.35	231.21	208.86	-	-
Dividend Per Share	14.50	16.75	12.90	14.00	14.40	14.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 06/2019	FY 06/2020	FY 06/2021	FY 06/2022	FY 06/2023	FY 06/2024	YoY Net Chg.
Share Split Factor	1	1	1	1	1	1	-
Earnings Per Share	29.94	35.26	10.14	13.22	8.61	22.74	-
Book Value Per Share	207.60	227.24	228.35	231.21	208.86	-	-
Dividend Per Share	14.50	16.75	12.90	14.00	14.40	14.00	-
Payout Ratio	48.4%	47.5%	127.2%	105.9%	167.2%	61.6%	-

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.

Company name: Walden Research Japan Incorporated

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

URL: <https://walden.co.jp/>

E-mail: info@walden.co.jp

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