

TOW (4767)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY06/2023		11,774	1,150	1,178	355	8.61	14.40	208.86
FY06/2024		17,503	2,006	2,058	1,405	34.71	14.00	228.76
FY06/2025CoE		18,000	2,120	2,150	1,428	35.17	15.00	-
FY06/2024		YoY 48.7%	74.4%	74.6%	295.3%	-	-	-
FY06/2025CoE		YoY 2.8%	5.7%	4.5%	1.6%	-	-	-
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 FY06/2024		9,563	1,333	1,348	893	-	-	-
Q3 to Q4 FY06/2024		7,939	673	710	512	-	-	-
Q1 to Q2 FY06/2025CoE		9,000	1,089	1,100	732	-	-	-
Q3 to Q4 FY06/2025CoE		9,000	1,031	1,050	696	-	-	-
Q1 to Q2 FY06/2025CoE		YoY (5.9%)	(18.3%)	(18.4%)	(18.1%)	-	-	-
Q3 to Q4 FY06/2025CoE		YoY 13.4%	53.1%	47.8%	35.9%	-	-	-

Source: Company Data, WRJ Calculation

1.0 Executive Summary (8 October 2024)


Hop, Step and Jump

TOW, which focuses on the development of planning & producing for sophisticated integrated promotions, is currently in the process of taking a step forward in its performance after recovering from the COVID-19 pandemic. Meanwhile, the Company is also preparing for a major leap forward from a longer-term perspective at the same time. In terms of the FY06/2024 results, a return to real-world events has been in full swing throughout the year and street promotions, particularly for beverages and cosmetics, have become increasingly active. Furthermore, the Company's performance has benefited from a major automotive exhibition held every other year as well as large-scale events of IP content and local administration, having regained the levels of performance prior to the COVID-19 pandemic. Meanwhile, for FY06/2025, the Company plans to enforce strategic investments aimed at increasing its sustainable growth potential in the long-term future. On top of aggressively investing in human capital, the Company is keen on development associated with AI and environment raised as the key themes for the future. In a sense, FY06/2025 Company forecasts are going for a rather limited increase in sales, but it should be the case for the latest strategic investments will drive the Company's sales from a longer-term perspective.

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

2.0 Company Profile

Planning & Producing Sophisticated Integrated Promotions

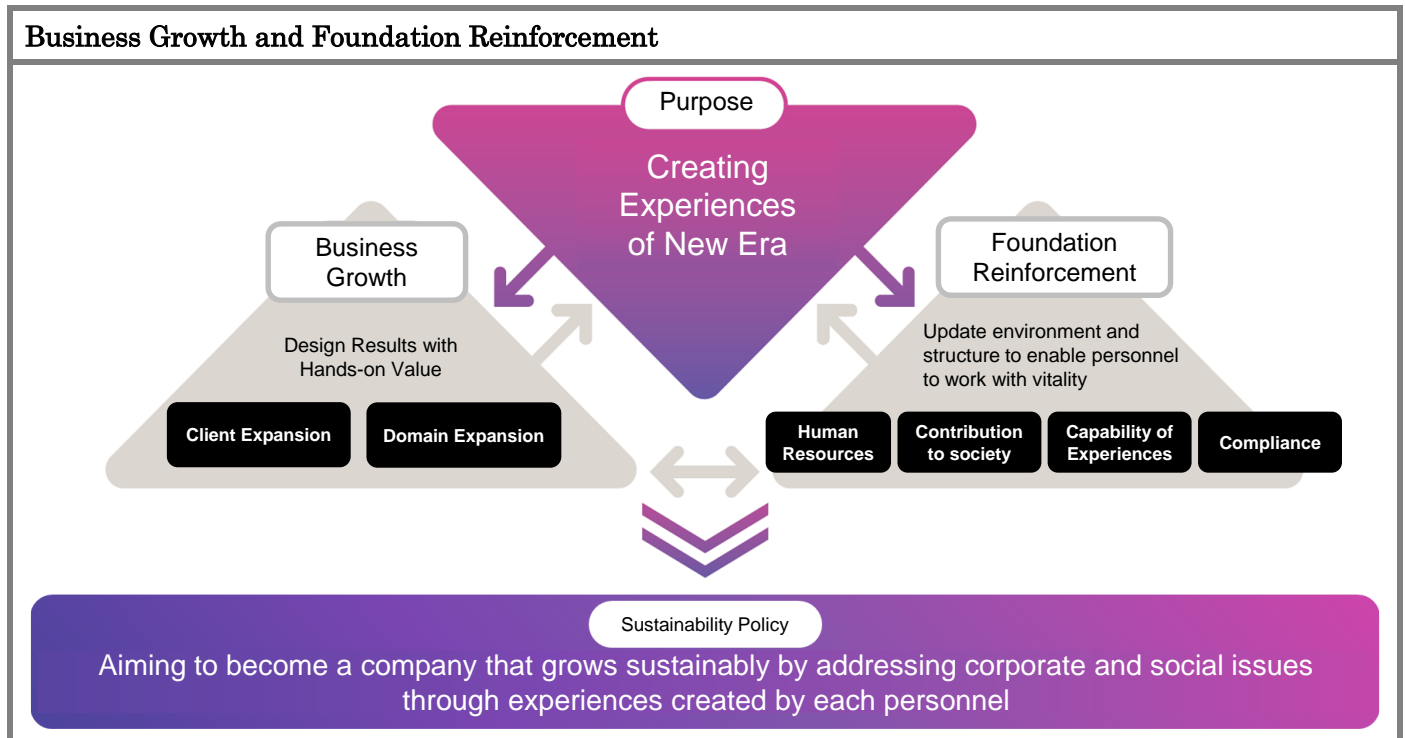
Company Name	TOW CO., Ltd. Company HP IR Information (Japanese) Share Price (Japanese)	
Established	6 July 1976	
Listing	20 October 2023: Tokyo Stock Exchange Standard Market (ticker: 4767) 4 April 2022: Tokyo Stock Exchange Prime Market 25 June 2008: Tokyo Stock Exchange 1st section 25 June 2007: Tokyo Stock Exchange 2nd section 13 July 2000: JASDAQ	
Capital	¥948m (as of the end of June 2024)	
No. of Shares	48,969,096 shares, including 8,349,752 treasury shares (as of the end of June 2024)	
Main Features	<ul style="list-style-type: none"> ● Major ad firms account for 60% of sales and 19% for direct clients ● Producing events and/or content with own planning ● Measures to promote business growth: Design Results with Hands-on Value 	
Representative	Representative Director and President: Kenichi Muratsu	
Shareholders	Master Trust Bank of Japan, T. 16.63%, Katsuji Maki 9.71%, Custody Bank of Japan, T. 5.83%, LIKE, Inc. 2.56%, Employee Stock Ownership Plan 1.95% (as of the end of June 2024, but for treasury shares)	
Head Office	Minato-ku, Tokyo, JAPAN	
No. of Personnel	Consolidated: 263, Parent: 200 (as of the end of June 2024)	

Source: Company Data

3.0 Purpose and Management Policy

Creating Experiences of New Era

The Company which focuses on the development of planning & producing for sophisticated integrated promotions, with the key objective to propel marketing activities of clients (advertisers), strives to maximize satisfaction of clients (advertisers) by ensuring that each project is always fully tailored to their needs as well as deliver results in fact.



Source: Company Data

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 people exists, *experiences* will freely change their forms and roles, cuddling up to those who pursue enrichment and self-realization via consumptions as well as society, moving human 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.” In order to achieve sustainable growth and Purpose, the Company will promote sustainability management through business growth based on the evolution of experience design and the strengthening of its infrastructure, including its human capital. The Company's sustainability policy is “aiming to become a company that grows sustainably by addressing corporate and social issues through experiences created by each personnel.”

The Company's policy for promoting business growth is to “design results with hands-on value,” intending to use this for client expansion and domain expansion. Meanwhile, the Company's policy to promote foundation reinforcement is to “update environment and structure to enable personnel to work with vitality,” intending to use this to undertake task of human resources, contribution to society, capability of experiences and compliance.

ASAHI DRY CRYSTAL Hands-on Event to Sample



REGENERATION by L'OCCITANE EN PROVENCE



SusHi Tech Tokyo 2024



hololive SUPER EXPO 2024



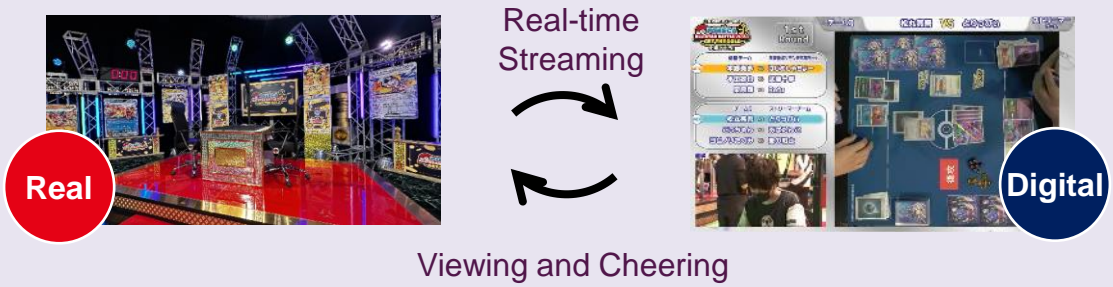
In terms of the FY06/2024 results, the Company sees demand picking up sharply for brand experience events mainly associated with products where hands-on value is important, such as foods, beverages, cosmetics and so on. In case of beverages (alcoholic and/or non-alcoholic), the traditional scheme of offering free samples of the beverages to visitors at the venue is one way of providing hands-on value, while the hands-on value provided by the Company also has another aspect of attempting to create a sense of immersion and/or elation around the beverages.

For example, measures are being implemented to provide an experience using all five senses (sight, hearing, touch, taste and smell) through the creation of an environment in which people can concentrate on tasting the beverages in question. Specifically, the venue may be equipped with facilities similar to a dome theater (an immersive theater that uses a high-precision 3-D curved screen and high-quality sound to create a highly immersive experiences). Thus, at the venue, the Company intends to strongly promote the attractiveness of the beverages in question with an effect literally similar to a dome theater with such measures.

At the same time, the Company is also engaged in a variety of other activities, such as creating spaces on the rooftops of buildings in central Tokyo that create a brand image for its clients (advertisers), for example. In this case, the Company attempts to encourage visitors to actually experience various goods, including recycled ones, which are in line with strongly pro-environmental philosophy of the clients (advertisers) in the aforementioned spaces, thereby strengthening sales expansion.

Further, the Company has an advantage of being able to utilize its ability of producing large-scale events, having had an experience of efficiently taking on work to build a literally large-scale event program for visitors to experience the vision of a local administration, for example. According to the Company, a progress is also made in taking on large-scale events related to so-called VTuber or virtual YouTuber, where a scheme is established for visitors to experience diverse content provided by VTuber in an efficient fashion. As well, there is an aspect for the Company to strive for maximization of hands-on value by leveraging both of its real-world and digital means with respect to work on IP content (e.g., popular character) and so on, whose market size continues to expand.

POKÉCA ALL-STAR BATTLE 2023



JAPAN MOBILITY SHOW 2023

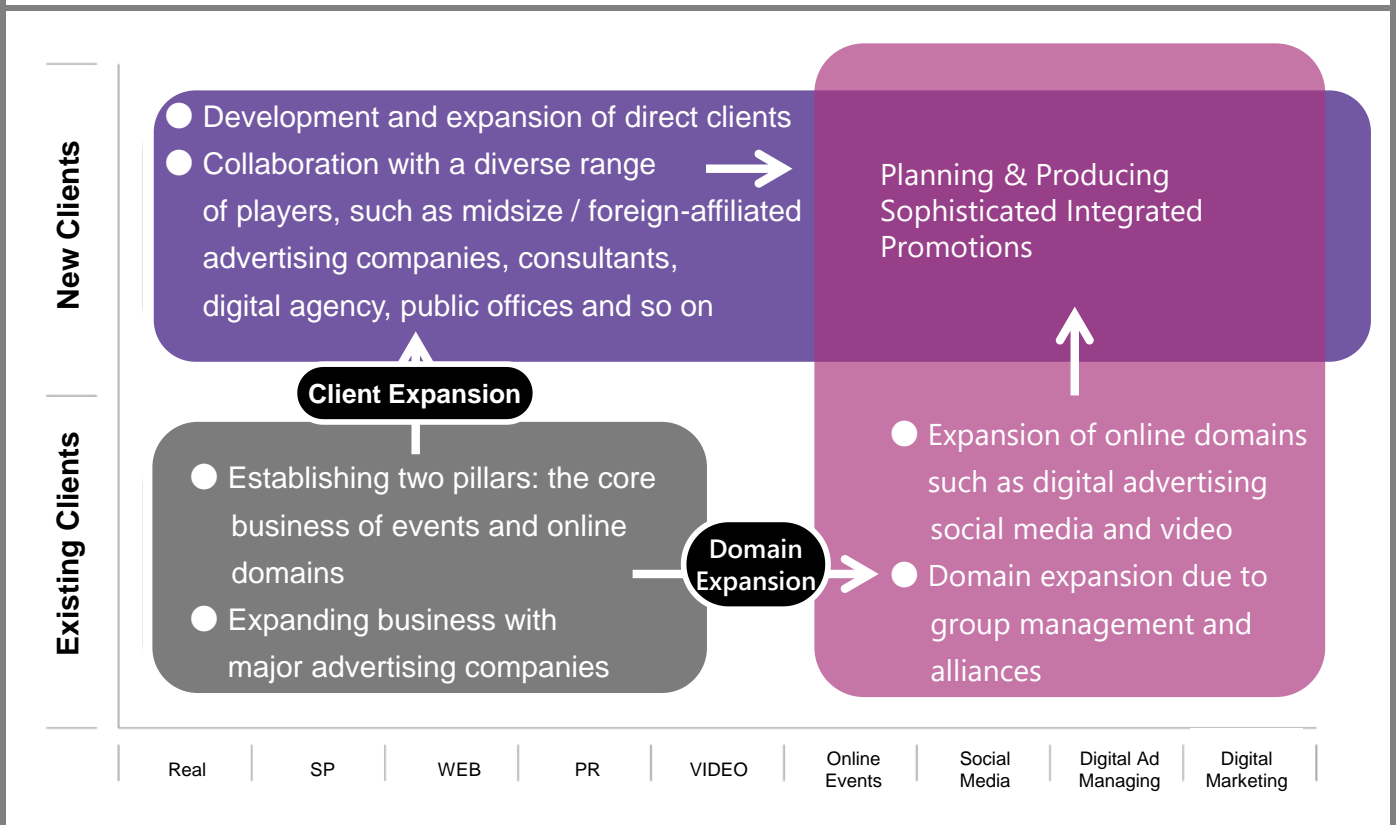


Source: Company Data

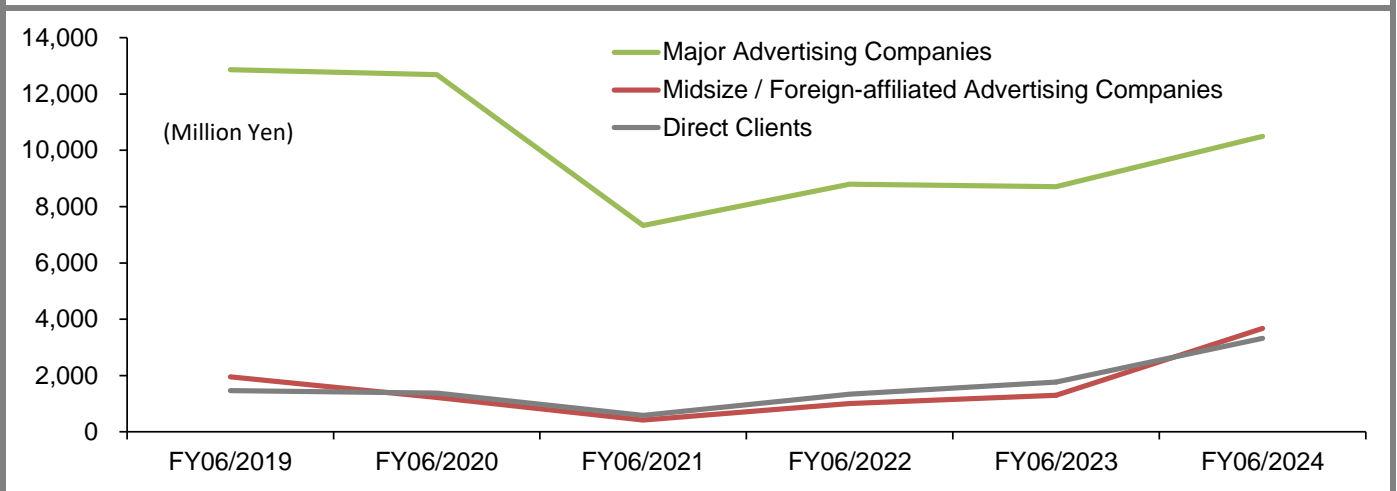
For example, the Company has provided a scheme of real-time streaming to view and cheer on the battles in a real-world event associated with a character that is popular worldwide, held by itself, so that many people can take part in the event.

Furthermore, the Company has built an environment at the venue for a real-world event that follows the concept of Immersive Theater (a new type of theater that allows people to experience being inside a movie or play with the characters from the story), as well as holding a festival or gathering by inviting many popular artists and comedians to the venue at the same time, implying that the Company is involved with a wide range of business activities. According to the Company, under an environment to follow the concept of Immersive Theater, the clients (advertisers) are able to strongly appeal to visitors about even feelings and so on they put into the relevant products and/or services with immersive experiences. Elsewhere, the Company has also developed and provided official smartphone app that is useful for navigating around venue. In fact, the Company does strive for maximization of hands-on value by leveraging both of its real-world and digital means as mentioned earlier.

Business Strategy: Twin Spindles to Drive Expansion



Trends of Sales by Client (excluding sales of BPO operations related to the COVID-19 pandemic)



Source: Company Data

The Company has set out Twin Spindles to Drive Expansion as its business strategy, looking to actually drive the development of planning & producing for sophisticated integrated promotions with this. Twin spindles are Client Expansion and Domain Expansion as found in the chart above. For Client Expansion, the Company is to promote expansion of business with major advertising companies (60% of sales for the FY06/2024 results) as well as pursuing development of new ones and sales in the existing ones with respect to direct clients (19%), while promoting collaboration with a diverse range of players, i.e., midsize / foreign-affiliated advertising companies (21%), including consultants, digital agency, public offices and so on. According to the Company, sales of direct clients and midsize / foreign-affiliated advertising companies have continued rising for a while toward FY06/2024 in line with increasing demand for marketing based on hands-on value. Meanwhile, for Domain expansion, the Company is to promote digital advertising, social media, video and all those online domains as well as promoting group management and alliances at the same time.

Company History (extract)

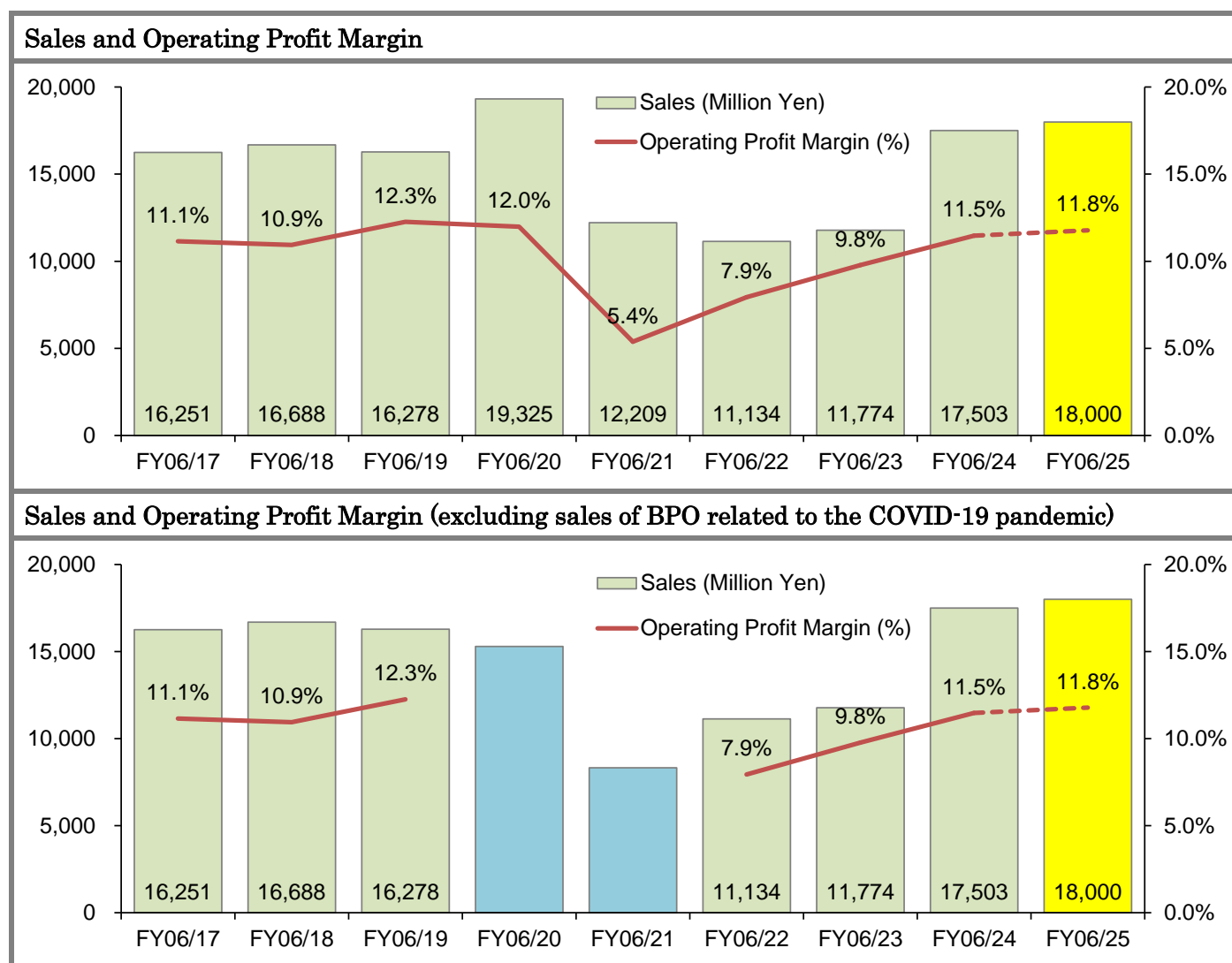
Date	Events
July 1976	TOW, established as limited private company (capital of ¥2m) in Chiyoda-ku, Tokyo with an objective of planning projects to promote sales and/or concerts, while Osamu Kawamura appointed as representative director
January 1981	Order placed from HAKUHODO on a project of campaign for 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 for Hakuhodo PROS, DENTSU, Tokyo Agency, ASATSU, Yomiuri Advertising, Daiko Advertising, Asahi Advertising, McCann Erickson Japan, Toppan Printing, JR East Marketing & Communications, etc. on top of various departments and agencies with HAKUHODO
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 producing 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 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 (producing) rights for all implementation works in Japan, acquired from viZoo
June 2007	Listed on Tokyo Stock Exchange 2nd section
June 2008	Listing on Tokyo Stock Exchange 1st section
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 K.K., 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 producing 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
October 2023	Transition to Standard Market
August 2024	Launch of EventGX, a tool for visualizing CO2 emissions at events

4.0 Recent Trading and Prospects

FY06/2024

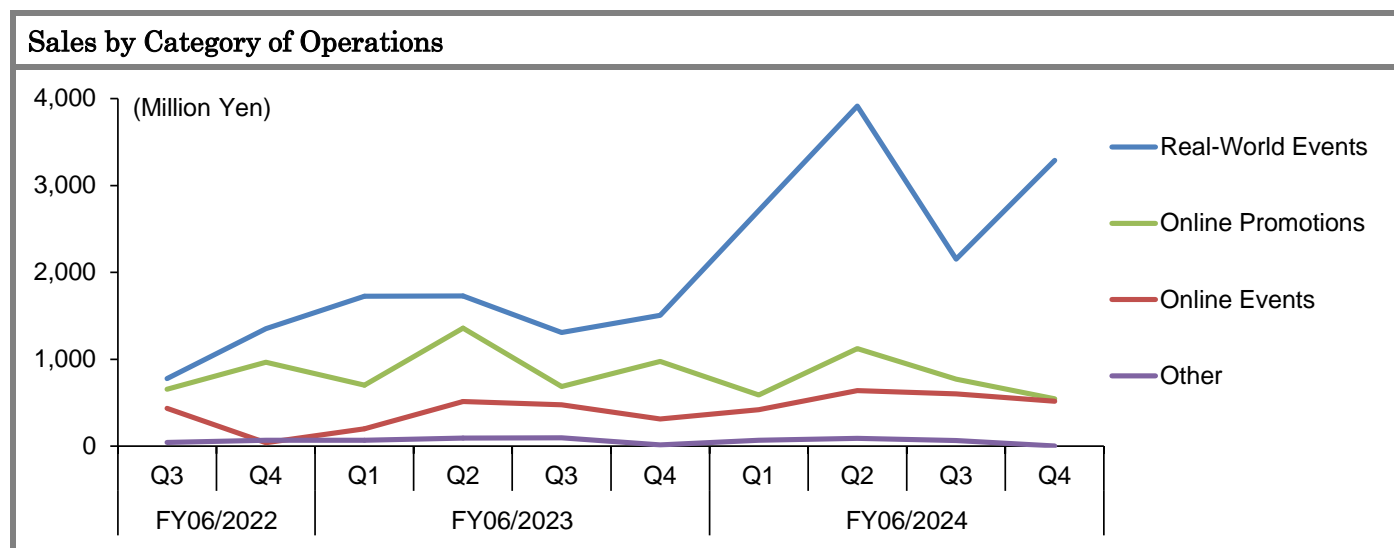
For FY06/2024, sales came in at ¥17,503m (up 48.7% YoY), operating profit ¥2,006m (up 74.4%), recurring profit ¥2,058m (up 74.6%) and profit attributable to owners of parent ¥1,405m (up 295.3%), while operating profit margin 11.5% (up 1.7% points). At the extraordinary level, the Company posted payment of special career achievement bonus of ¥647m for FY06/2023, which did not reappear, having resulted in an improvement in profit attributable to owners of parent to a corresponding extent.



Source: Company Data, WRJ Calculation

Meanwhile, the actual results for FY06/2024 in terms of sales and operating profit margin were roughly equivalent to the actual results for FY06/2019, which was before the impact of the COVID-19 pandemic. As above-mentioned, the former was ¥17,503m and 11.5%, respectively, while the latter ¥16,278m and 12.3%, respectively. For FY06/2020, the Company posted sales of ¥19,325m and operating profit margin of 12.0%, i.e., sales having been far larger, but it is irrelevant to compare with on an apple-to-apple basis because sales were boosted by a one-time factor, according to the Company.

For FY06/2020, the impact of the COVID-19 pandemic had become apparent and the Company had been forced to suffer from a decrease in sales associated with the organic operations. Nevertheless, the Company saw record-high sales as the Company was entrusted with BPO operations, specifically related to the COVID-19 pandemic. As well, the Company further posted sales of the said operations also for FY06/2021, while the impact of the COVID-19 pandemic persisted and thus sales associated with the organic operation further declined. To date, however, the Company has been consistently capturing a recovery in demand since then.

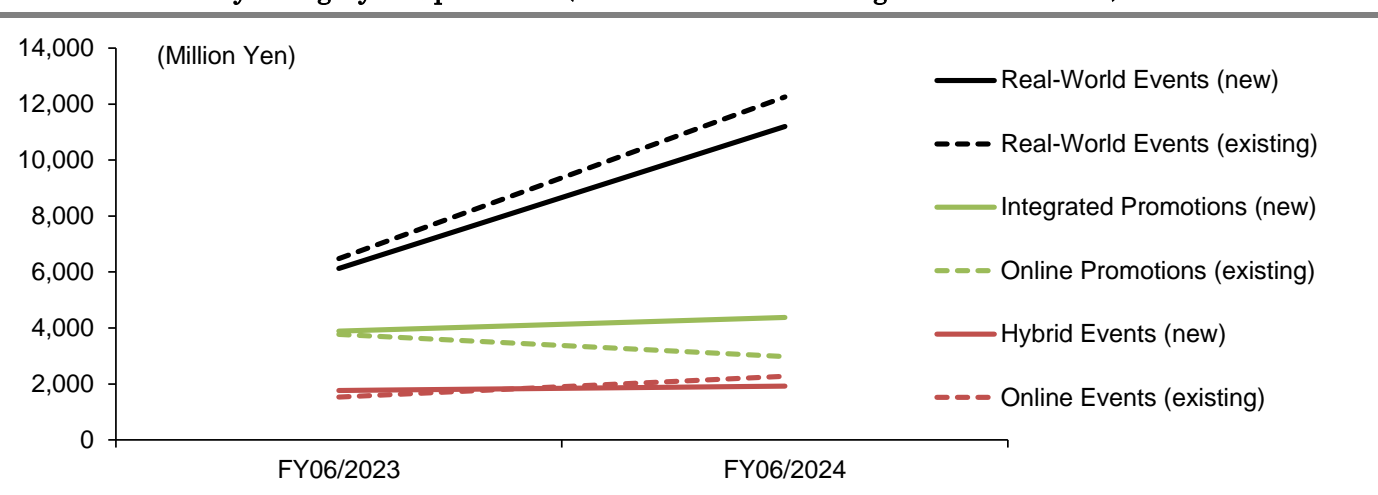


Source: Company Data, WRJ Calculation

For FY06/2024, sales of Real-World Events came in at ¥12,069m (up 92.5%), sales of Online Promotions ¥3,027m (down 18.7%), sales of Online Events ¥2,181m (up 45.0%) and sales of Other ¥225m (down 18.8%). In other words, the increase in sales of the mainstay Real-World Events has made a significant contribution to the Company's sales as a whole. A return to real-world events has been in full swing throughout the year and street promotions, particularly for beverages and cosmetics, have become increasingly active. Furthermore, the Company's performance has benefited from a major automotive exhibition held every other year as well as large-scale events of IP content and local administration.

With respect to the recent trading of Online Promotions, the Company suggests that there is an aspect of a stagnation in its allocation of resources to activities for sales and/or proposals as a result of the rapid recovery of real-world events. Meanwhile, for FY06/2025, the Company is to pursue sales once again by means of implement new measures to do so. With respect to Online Events, sales were firm for the mainstay operations of providing hybrid events that combine real-world events with online events, in which the scheme has become established to date, according to the Company.

Trends of Sales by Category of Operations (before and after a change in classification)



Source: Company Data, WRJ Calculation

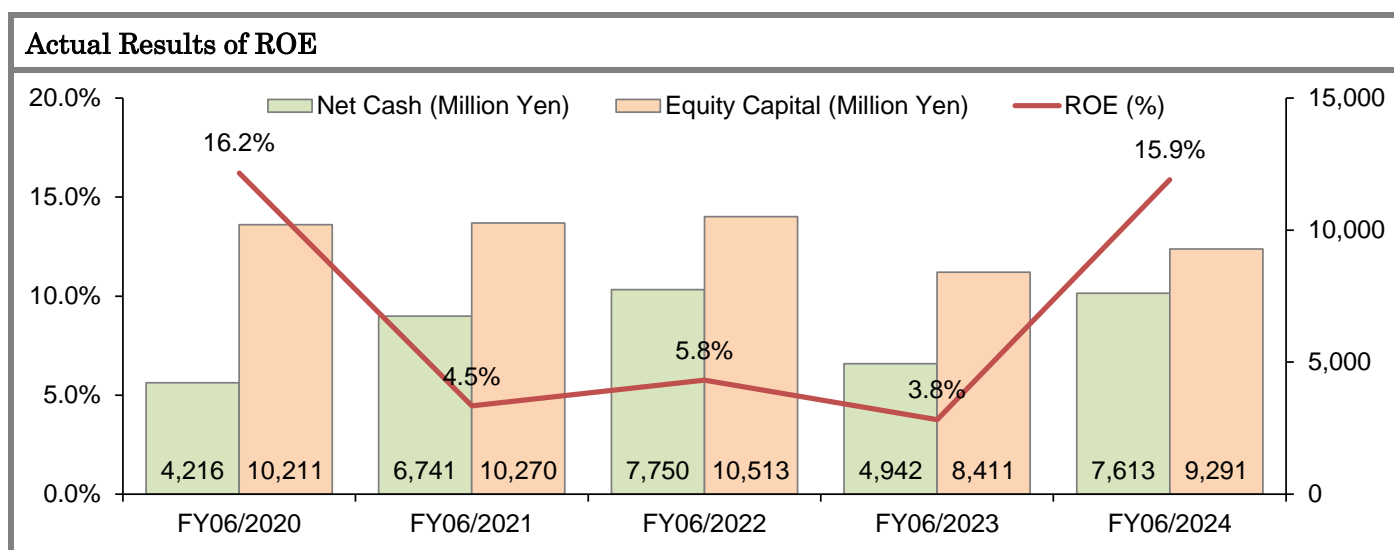
Recent trading of sales by category of operations for FY06/2024 is as above-mentioned, while the Company is to make a change in classification for category of operations from the beginning of FY06/2025. With an objective of reinforcing design of hands-on experiences to integrate real-world and digital means, the Company attempts to improve the accuracy of its understanding of the situation and strategically accelerate initiatives for each category.

The followings are the main points of the change in classification for category of operations: For Real-World Events (existing), there will be no change in the name of category, while it appears that sales of some projects are to be transferred to Integrated Promotions (new) in light of the reality of the situation. For Online Promotions (existing), there will be a change in the name of category to Integrated Promotions (new), while the Company suggests that it will post sales of projects where real-world and digital means are integrated based on a new accuracy-enhanced definition. Lastly, for Online Events (existing), there will be a change in the name category to Hybrid Events (new), while the Company suggests that it will exclusively post sales of hybrid events which have become established to date.

Meanwhile, the Company's sales came in at ¥17,503m (up 48.7%) for FY06/2024, as above-mentioned, while cost of sales ¥14,564m (up 47.5%) and SG&A expenses ¥932m (up 24.3%). As well, gross profit came in at ¥2,939m (up 54.6%), implying gross profit margin of 16.8% (up 0.6% points). According to the Company, cost of sales and SG&A expenses have risen as a result of the Company's policy to strategically invest in human capital, having enforced across-the-board pay increase since the beginning of H2, for the sake of pursuing a sustainable growth, as well as in initiatives for the key themes for business growth at the same time. Given that a significant portion of the Company's cost of sales is said to be accounted for by personnel expenses, the impact of the increase in personnel expenses appears to have been quite large. However, while the rate of increase in SG&A expenses was lower than the rate of increase in sales, gross profit margin has risen, resulting in an improvement in the operating profit margin. The reason cited for this is that the Company has maintained a high profitability in its fee-based operations that provide high added value and internal producing within the group.

Fee-based operations that provide high added value refers to those of collecting compensations almost equivalent to consulting fees based on provisions of the knowledge and know-how acquired and accumulated by the professional human resources belonging to the Company's Experience Design Division. The Company's traditional earnings model is to collect compensations for its operations to actually undertake planning & producing of events and/or content, while it appears that the Company's earnings model has begun to become more diversified to date. That is to say, without actually undertaking the above-mentioned work in reality, the Company is now able to collect compensations for providing clients (advertisers) with knowledge and know-how which are the foundations of the said operations. As far as we could see, a new earnings model is on the verge of taking off in earnest for the Company in this respect.

On the other hand, internal producing within the group refers to a policy of reinforcing internal involvement with executions of a wide range of work on a group basis, with respect to some part of having been outsourced to date, for the sake of internally accumulating know-how on practical work such as event producing, management, mise en scene and so on as well as increasing the degree of added value creation within the group at the same time. That is to say, the Company suggests that there is an aspect that the Company's gross profit margin has risen for FY06/2024 due to a progress made in the said reinforcement. According to the Company, the personnel of T2 Creative (wholly owned subsidiary) are in charge of the above-mentioned work.



Source: Company Data, WRJ Calculation

Due to a recovery of earnings in the past few years, as above-mentioned, the Company has seen a recovery also in the actual results of ROE, having seen ROE of 15.9% for FY06/2024. Meanwhile, the Company has maintained a high level of net cash outstanding. The reason for this is that it is desirable to continuously secure a certain level of highly liquid equity capital, as the Company's task on events and promotions is consistently and inevitably exposed to a number of risk factors, such as economic trends, social conditions, infectious diseases, natural calamities and so on. Elsewhere, there is an aspect that the Company is laying out a policy to conduct new M&As as one of the initiatives to promote business growth, which also requires deliberately maintaining a high level of cash and deposit outstanding, which stood at ¥8,452m as of the end of FY06/2024.

Meanwhile, net cash outstanding had temporarily declined from the end of FY06/2022 to the end of FY06/2023, which is attributable to an outflow on the aforementioned special career achievement bonus of ¥647m for FY06/2023. As well, the Company also saw an outflow on the acquisition of treasury shares of ¥1,694m. With respect to a major recovery in net cash outstanding from the end of FY06/2023 to the end of FY06/2024, the Company suggests that it generated operating cash flow of ¥3,395m, which was contributing. On top of an increase in cash flow of net income before income taxes as a result of an improvement in its performance, the Company also saw a shorten terms of payments in clients (advertisers), including the major advertising companies.

FY06/2024 Company Forecasts and Actual Results

Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY06/2024CoE	9-Aug-23	Q4 Results	14,000	1,370	1,400	915
FY06/2024CoE	14-Nov-23	Q1 Results	14,000	1,370	1,400	915
FY06/2024CoE	18-Dec-23	Revision	14,000	1,370	1,400	915
FY06/2024CoE	8-Feb-24	Q2 Results	16,000	1,748	1,777	1,172
		Amount of Gap	2,000	377	377	256
		Rate of Gap	14.3%	27.5%	27.0%	28.0%
FY06/2024CoE	15-May-24	Q3 Results	16,000	1,748	1,777	1,172
FY06/2024CoE	14-Jun-24	Revision	17,300	1,920	1,950	1,267
		Amount of Gap	1,300	172	173	95
		Rate of Gap	8.1%	9.8%	9.7%	8.1%
FY06/2024Act	8-Aug-24	Q4 Results	17,503	2,006	2,058	1,405
		Amount of Gap	203	86	108	138
		Rate of Gap	1.2%	4.5%	5.5%	10.9%
FY06/2024CoE	9-Aug-23	Q4 Results	14,000	1,370	1,400	915
FY06/2024Act	8-Aug-24	Q4 Results	17,503	2,006	2,058	1,405
		Amount of Gap	3,503	636	658	490
		Rate of Gap	25.0%	46.4%	47.0%	53.6%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY06/2024CoE	9-Aug-23	Q4 Results	7,962	956	970	637
Q1 to Q2 FY06/2024CoE	14-Nov-23	Q1 Results	7,962	956	970	637
Q1 to Q2 FY06/2024CoE	18-Dec-23	Revision	9,300	1,167	1,180	778
		Amount of Gap	1,337	210	209	140
		Rate of Gap	16.8%	22.1%	21.6%	22.1%
Q1 to Q2 FY06/2024Act	8-Feb-24	Q2 Results	9,563	1,333	1,348	893
		Amount of Gap	263	166	168	115
		Rate of Gap	2.8%	14.2%	14.2%	14.8%
Q1 to Q2 FY06/2024CoE	9-Aug-23	Q4 Results	7,962	956	970	637
Q1 to Q2 FY06/2024Act	8-Feb-24	Q2 Results	9,563	1,333	1,348	893
		Amount of Gap	1,601	377	378	256
		Rate of Gap	20.1%	39.4%	39.0%	40.2%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY06/2024CoE	9-Aug-23	Q4 Results	6,038	414	430	278
Q3 to Q4 FY06/2024CoE	14-Nov-23	Q1 Results	6,038	414	430	278
Q3 to Q4 FY06/2024CoE	18-Dec-23	Revision	4,700	203	220	137
		Amount of Gap	(1,338)	(211)	(210)	(141)
		Rate of Gap	(22.2%)	(51.0%)	(48.8%)	(50.7%)
Q3 to Q4 FY06/2024CoE	8-Feb-24	Q2 Results	6,437	415	429	279
		Amount of Gap	1,737	212	209	142
		Rate of Gap	37.0%	104.4%	95.0%	103.6%
Q3 to Q4 FY06/2024CoE	15-May-24	Q3 Results	6,437	415	429	279
Q3 to Q4 FY06/2024CoE	14-Jun-24	Revision	7,737	587	602	374
		Amount of Gap	1,300	172	173	95
		Rate of Gap	20.2%	41.4%	40.3%	34.1%
Q3 to Q4 FY06/2024Act	8-Aug-24	Q4 Results	7,939	673	710	512
		Amount of Gap	202	86	108	138
		Rate of Gap	2.6%	14.7%	17.9%	36.9%
Q3 to Q4 FY06/2024CoE	9-Aug-23	Q4 Results	6,038	414	430	278
Q3 to Q4 FY06/2024Act	8-Aug-24	Q4 Results	7,939	673	710	512
		Amount of Gap	1,901	259	280	234
		Rate of Gap	31.5%	62.6%	65.1%	84.2%

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	Q1 to Q4	Net Chg.
(Million Yen)	06/2023	06/2023	06/2023	06/2023	06/2024	06/2024	06/2024	06/2024	06/2024	Net Chg.
Sales	2,698	6,392	8,964	11,774	3,793	9,563	13,152	17,503	17,503	+5,729
Cost of Sales	2,320	5,317	7,526	9,873	3,198	7,803	10,843	14,564	14,564	+4,690
Gross Profit	377	1,075	1,437	1,900	595	1,760	2,309	2,939	2,939	+1,038
SG&A Expenses	227	411	582	750	219	426	655	932	932	+182
Operating Profit	150	663	855	1,150	375	1,333	1,653	2,006	2,006	+856
Non Operating Balance	13	13	28	28	15	14	32	51	51	+23
Recurring Profit	164	677	883	1,178	390	1,348	1,686	2,058	2,058	+879
Extraordinary Balance	(622)	(622)	(625)	(625)	0	0	0	(2)	(2)	+622
Profit before Income Taxes	(458)	55	258	553	390	1,348	1,686	2,055	2,055	+1,501
Total Income Taxes	(130)	37	107	198	142	454	569	649	649	+451
Profit Attributable to Owners of Parent	(327)	17	151	355	248	893	1,116	1,405	1,405	+1,050
Sales YoY	(12.9%)	(6.3%)	+2.9%	+5.8%	+40.6%	+49.6%	+46.7%	+48.7%		-
Operating Profit YoY	(55.8%)	(13.7%)	+13.6%	+30.2%	+149.7%	+100.8%	+93.3%	+74.4%		-
Recurring Profit YoY	(54.5%)	(14.3%)	+11.2%	+27.5%	+138.0%	+98.9%	+90.8%	+74.6%		-
Profit Attributable to Owners of Parent YoY	-	(96.7%)	(71.0%)	(40.6%)	-	-	+636.3%	+295.3%		-
Gross Profit Margin	14.0%	16.8%	16.0%	16.1%	15.7%	18.4%	17.6%	16.8%		+0.6%
SG&A Ratio	8.4%	6.4%	6.5%	6.4%	5.8%	4.5%	5.0%	5.3%		(1.0%)
Operating Profit Margin	5.6%	10.4%	9.5%	9.8%	9.9%	13.9%	12.6%	11.5%		+1.7%
Recurring Profit Margin	6.1%	10.6%	9.9%	10.0%	10.3%	14.1%	12.8%	11.8%		+1.7%
Profit Attributable to Owners of Parent Margin	(12.1%)	0.3%	1.7%	3.0%	6.5%	9.3%	8.5%	8.0%		+5.0%
Total Income Taxes / Profit before Income Taxes	28.6%	68.4%	41.4%	35.8%	36.5%	33.7%	33.8%	31.6%		(4.2%)

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	Q4	Net Chg.
(Million Yen)	06/2023	06/2023	06/2023	06/2023	06/2024	06/2024	06/2024	06/2024	06/2024	Net Chg.
Sales	2,698	3,694	2,572	2,809	3,793	5,770	3,588	4,350	4,350	+1,540
Cost of Sales	2,320	2,996	2,209	2,346	3,198	4,605	3,039	3,720	3,720	+1,374
Gross Profit	377	697	362	463	595	1,165	549	629	629	+166
SG&A Expenses	227	183	170	168	219	206	228	277	277	+109
Operating Profit	150	513	191	294	375	958	320	352	352	+57
Non Operating Balance	13	0	14	0	15	(0)	17	19	19	+19
Recurring Profit	164	513	206	295	390	957	337	372	372	+77
Extraordinary Balance	(622)	0	(2)	(0)	0	(0)	0	(3)	(3)	(3)
Profit before Income Taxes	(458)	513	203	295	390	957	338	368	368	+73
Total Income Taxes	(130)	168	69	90	142	311	115	79	79	(11)
Profit Attributable to Owners of Parent	(327)	344	134	204	248	645	222	289	289	+85
Sales YoY	(12.9%)	(0.8%)	+36.2%	+15.9%	+40.6%	+56.2%	+39.5%	+54.8%		-
Operating Profit YoY	(55.8%)	+19.8%	-	+126.7%	+149.7%	+86.5%	+67.3%	+19.6%		-
Recurring Profit YoY	(54.5%)	+19.5%	-	+127.4%	+138.0%	+86.4%	+64.0%	+26.2%		-
Profit Attributable to Owners of Parent YoY	-	+18.3%	-	+170.4%	-	+87.3%	+66.0%	+41.9%		-
Gross Profit Margin	14.0%	18.9%	14.1%	16.5%	15.7%	20.2%	15.3%	14.5%		(2.0%)
SG&A Ratio	8.4%	5.0%	6.6%	6.0%	5.8%	3.6%	6.4%	6.4%		+0.4%
Operating Profit Margin	5.6%	13.9%	7.5%	10.5%	9.9%	16.6%	8.9%	8.1%		(2.4%)
Recurring Profit Margin	6.1%	13.9%	8.0%	10.5%	10.3%	16.6%	9.4%	8.6%		(1.9%)
Profit Attributable to Owners of Parent Margin	(12.1%)	9.3%	5.2%	7.3%	6.5%	11.2%	6.2%	6.7%		(0.6%)
Total Income Taxes / Profit before Income Taxes	28.6%	32.9%	34.0%	30.8%	36.5%	32.6%	34.2%	21.5%		(9.3%)

Source: Company Data, WRJ Calculation

Sales by Category of Operations (Cumulative/Quarterly)

Sales by Category of Operations	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.
	06/2023	06/2023	06/2023	06/2023	06/2024	06/2024	06/2024	06/2024	06/2024	
Real-World Events	1,726	3,454	4,763	6,269	2,712	6,627	8,781	12,069		+5,800
Online Events	200	714	1,191	1,504	421	1,062	1,663	2,181		+677
Online Promotions	701	2,060	2,747	3,723	591	1,713	2,483	3,027		(696)
Other	69	163	261	277	68	159	223	225		(52)
Sales	2,698	6,392	8,964	11,774	3,793	9,563	13,152	17,503		+5,729
Real-World Events	+4.1%	+41.9%	+48.3%	+37.4%	+57.1%	+91.9%	+84.3%	+92.5%		-
Online Events	(73.3%)	(69.1%)	(56.6%)	(46.0%)	+110.4%	+48.7%	+39.6%	+45.0%		-
Online Promotions	+8.0%	+4.9%	+4.9%	+3.8%	(15.6%)	(16.8%)	(9.6%)	(18.7%)		-
Other	+77.6%	+85.8%	+99.5%	+40.3%	(1.4%)	(2.3%)	(14.3%)	(18.8%)		-
Sales (YoY)	(12.9%)	(6.0%)	+2.9%	+5.8%	+40.6%	+49.6%	+46.7%	+48.7%		-
Real-World Events	64.0%	54.0%	53.1%	53.2%	71.5%	69.3%	66.8%	69.0%		-
Online Events	7.4%	11.2%	13.3%	12.8%	11.1%	11.1%	12.6%	12.5%		-
Online Promotions	26.0%	32.2%	30.6%	31.6%	15.6%	17.9%	18.9%	17.3%		-
Other	2.6%	2.6%	2.9%	2.4%	1.8%	1.7%	1.7%	1.3%		-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		-

Sales by Category of Operations	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.
	06/2023	06/2023	06/2023	06/2023	06/2024	06/2024	06/2024	06/2024	06/2024	
Real-World Events	1,726	1,728	1,309	1,506	2,712	3,915	2,154	3,288		+1,782
Online Events	200	514	477	313	421	641	601	518		+205
Online Promotions	701	1,359	687	976	591	1,122	770	544		(432)
Other	69	94	98	16	68	91	64	2		(14)
Sales	2,698	3,694	2,572	2,810	3,793	5,770	3,589	4,351		+1,541
Real-World Events	+4.1%	-	+68.3%	+11.5%	+57.1%	+126.6%	+64.6%	+118.3%		-
Online Events	(73.3%)	-	+9.7%	+682.5%	+110.4%	+24.7%	+26.0%	+65.5%		-
Online Promotions	+8.0%	-	+4.9%	+0.9%	(15.6%)	(17.4%)	+12.1%	(44.3%)		-
Other	+77.6%	-	+127.9%	(76.1%)	(1.4%)	(3.2%)	(34.7%)	(87.5%)		-
Sales (YoY)	(12.9%)	(0.2%)	+34.5%	+15.9%	+40.6%	+56.2%	+39.5%	+54.8%		-
Real-World Events	64.0%	46.8%	50.9%	53.6%	71.5%	67.9%	60.0%	75.6%		-
Online Events	7.4%	13.9%	18.5%	11.1%	11.1%	11.1%	16.7%	11.9%		-
Online Promotions	26.0%	36.8%	26.7%	34.7%	15.6%	19.4%	21.5%	12.5%		-
Other	2.6%	2.5%	3.8%	0.6%	1.8%	1.6%	1.8%	0.0%		-
Sales (Composition Ratio)	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	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	06/2023	06/2023	06/2023	06/2023	06/2024	06/2024	06/2024	06/2024		
Cash and Deposit	6,008	5,786	5,464	5,781	6,347	7,111	7,242	8,452	8,452	+2,671
Electronically Recorded Receivables	168	341	487	169	97	71	87	86	86	(82)
Accounts Receivables and Contract Assets	2,230	3,037	2,293	2,289	2,950	4,044	3,262	3,455	3,455	+1,165
Other	1,022	1,021	1,268	1,307	1,231	1,339	824	331	331	(976)
Current Assets	9,428	10,186	9,513	9,548	10,627	12,567	11,417	12,326	12,326	+2,777
Tangible Assets	184	176	175	164	157	150	143	216	216	+52
Intangible Assets	27	25	23	26	50	52	48	44	44	+18
Investments and Other Assets	1,749	1,670	1,631	1,454	1,412	1,374	1,518	1,497	1,497	+43
Fixed Assets	1,961	1,872	1,831	1,645	1,620	1,578	1,710	1,759	1,759	+113
Total Assets	11,390	12,059	11,344	11,194	12,247	14,145	13,127	14,085	14,085	+2,890
Electronically Recorded Debt	14	13	10	4	4	25	1	11	11	+6
Accounts Payable	1,347	1,859	1,297	986	1,975	2,939	1,814	2,034	2,034	+1,048
Short-Term Debt	840	840	840	840	840	840	840	840	840	0
Other	744	461	444	534	714	900	976	1,536	1,536	+1,001
Current Liabilities	2,946	3,174	2,593	2,365	3,534	4,706	3,632	4,422	4,422	+2,057
Long-Term Debt	-	-	-	-	-	-	-	-	-	-
Other	301	354	399	401	386	399	426	360	360	(41)
Fixed Liabilities	301	354	399	401	386	399	426	360	360	(41)
Total Liabilities	3,248	3,529	2,992	2,767	3,920	5,106	4,058	4,782	4,782	+2,015
Shareholders' Equity	7,398	7,820	7,617	7,821	7,779	8,524	8,463	8,752	8,752	+931
Other	744	710	735	605	546	514	605	549	549	(55)
Net Assets	8,142	8,530	8,352	8,427	8,326	9,039	9,068	9,302	9,302	+875
Total Liabilities and Net Assets	11,390	12,059	11,344	11,194	12,247	14,145	13,127	14,085	14,085	+2,890
Equity Capital	8,111	8,508	8,336	8,411	8,310	9,028	9,058	9,291	9,291	+880
Interest-Bearing Debt	840	840	840	840	840	840	840	840	840	0
Net Debt	(5,168)	(4,946)	(4,624)	(4,941)	(5,507)	(6,271)	(6,402)	(7,612)	(7,612)	(2,671)
Equity Ratio	71.2%	70.6%	73.5%	73.8%	67.9%	63.8%	69.0%	66.0%	66.0%	-
Net Debt-to-Equity Ratio	(63.7%)	(58.1%)	(55.5%)	(61.2%)	(66.3%)	(69.5%)	(70.7%)	(81.9%)	(81.9%)	-
ROE (12 months)	0.4%	1.0%	2.4%	3.8%	11.3%	14.1%	15.2%	15.9%	15.9%	-
ROA (12 months)	5.8%	6.2%	8.3%	9.4%	11.9%	14.1%	16.2%	16.3%	16.3%	-
Quick Ratio	285%	289%	318%	348%	266%	239%	292%	271%	271%	-
Current Ratio	320%	321%	367%	404%	301%	267%	314%	279%	279%	-

Source: Company Data, WRJ Calculation

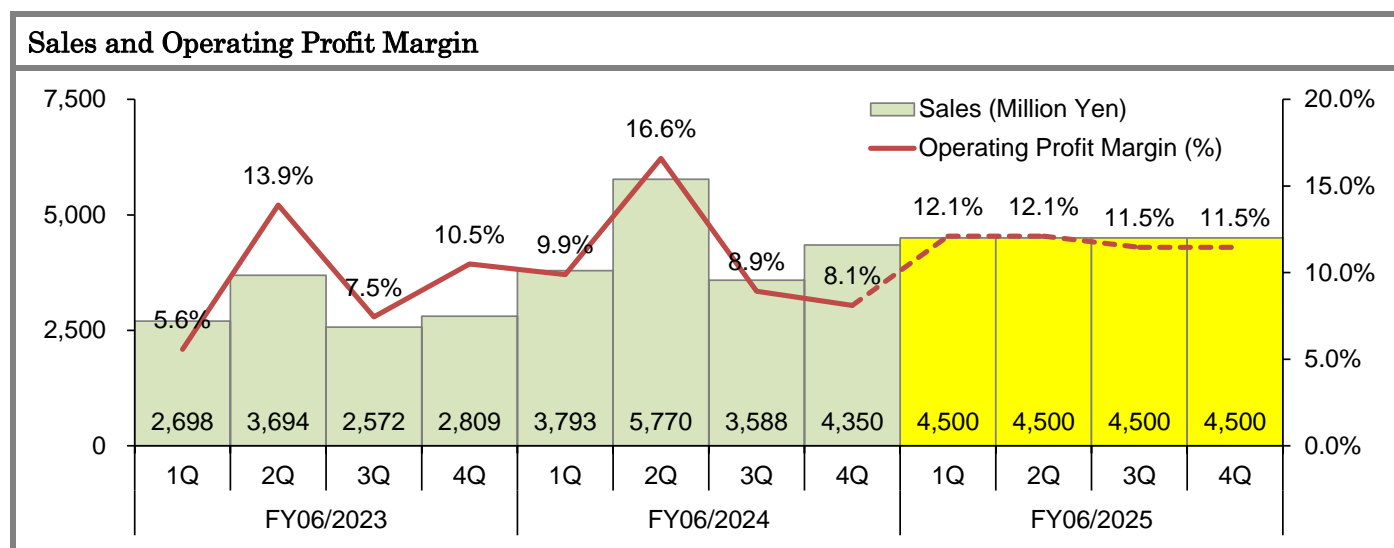
Cash Flow Statement (Cumulative)

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	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	06/2023	06/2023	06/2023	06/2023	06/2024	06/2024	06/2024	06/2024		
Operating Cash Flow	-	(999)	-	(718)	-	1,732	-	3,395	3,395	+4,112
Investing Cash Flow	-	206	-	211	-	(9)	-	(45)	(45)	(257)
Operating Cash Flow and Investing Cash Flow	-	(792)	-	(506)	-	1,724	-	3,350	3,350	+3,856
Financing Cash Flow	-	(2,013)	-	(2,304)	-	(395)	-	(679)	(679)	+1,624

Source: Company Data, WRJ Calculation

FY06/2025 Company Forecasts

FY06/2025 Company forecasts, announced on 8 August 2024, are going for prospective sales of ¥18,000m (up 2.8% YoY), operating profit of ¥2,120m (up 5.7%), recurring profit of ¥2,150m (up 4.5%) and profit attributable to owners of parent of ¥1,428m (up 1.6%). Meanwhile, Company forecasts assume gross profit of ¥3,220m (up 9.6%) and SG&A expenses of ¥1,100m (up 18.0%), implying gross profit margin of 17.9% (up 1.1% points) and SG&A ratio of 6.1% (up 0.8% points), resulting in prospective operating profit margin of 11.8% (up 0.3% points).



Source: Company Data, WRJ Calculation (quarters for FY06/2025: half year Company forecasts, pro rata)

In the sectors of business to which the Company's mainstay clients (advertisers) belong, demand continues picking up for events and promotions, while the Company is looking to steadily capturing such demand, which is mentioned as a reason for the projected increase in the Company's sales. Meanwhile, the Company suggests that order backlog stood at ¥7,774m (up 12.1% YoY) as of the end of July 2024, implying that sales of the same amount are now virtually fixed to be posted by the end of the current fiscal year. In light of the fact that full-year Company forecasts are going for an increase of no more than 2.8% on a year-on-year basis, it looks the case that Company forecasts are based on conservative assumptions. According to the Company, however, such a simple analysis is rather irrelevant in that the above-mentioned order backlog already includes that of projects on a World Exposition to be held from April 2025.

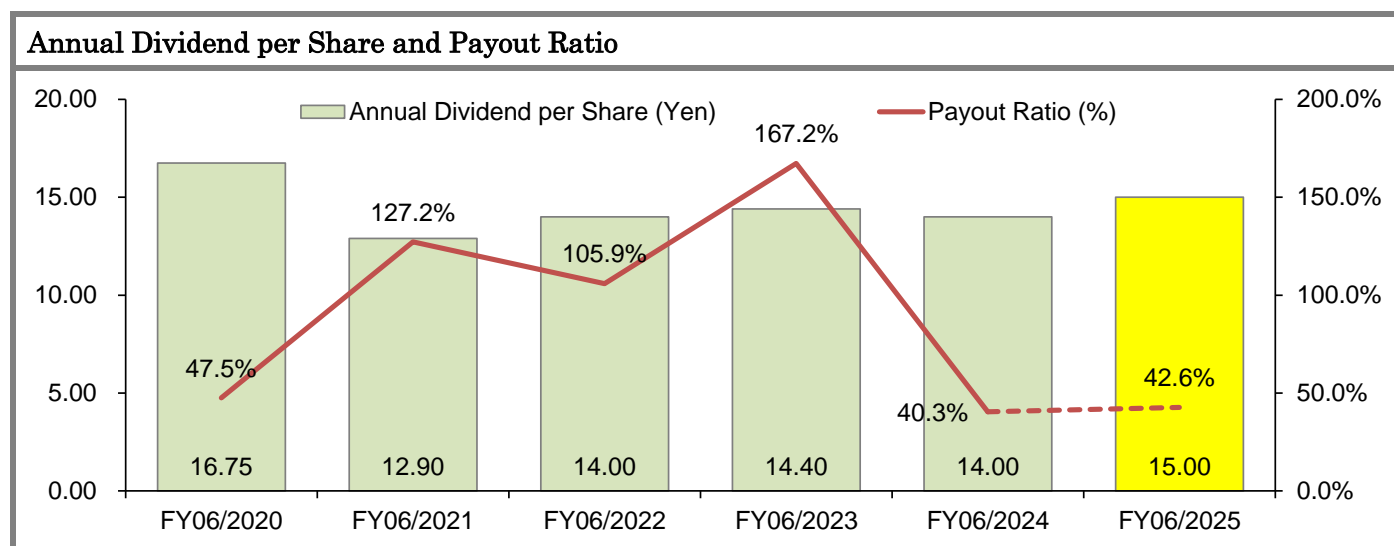
Sales will fall away with respect to those of projects on a major automotive exhibition held every other year, which posted sales for FY06/2024, while the Company suggests that it will post sales for projects on an exposition for H2. As a result, Company forecasts assume that the impact of both will largely cancel out each other in terms of changes in the Company's sales from FY06/2024 to FY06/2025. Meanwhile, Company forecasts assume an increase of some 3% in sales during the relevant period, when the impact of both is excluded.

Elsewhere, Company forecasts assume sales on a half year basis to show a trend unlike anything seen before. According to the Company, it has been often the case in the past years that sales for Q1 to Q2 accounted for some 55% of full-year sales and the remaining 45% or so for H2, due to seasonal factors and so on. For example, this trend can be seen in both the results for FY06/2023 and the results for FY06/2024. However, for FY06/2025, Company forecasts are going for prospective sales of ¥9,000m for each and thus a 50% exposure in sales for each, as is taken for granted. The reason given is that, while there is a decrease in sales for Q1 to Q2, to which the Company used to have a larger exposure, due to the reaction to a large-scale automotive exhibition which posted sales during the same period of the previous year, there is a contribution from work on a World Exposition in sales for H2, to which the Company used to have a smaller exposure.

As with FY06/2024, meanwhile, the Company is laying out a policy of maintaining high profitability by means of focusing on fee-based operations that provide high added value and internal producing within the group. The Company suggests that it will continue aggressively investing in human capital, which has taken off in earnest since H2 FY06/2024 with the aim of achieving sustainable growth, as well as strategically and consistently undertaking task of AI and environment raised as the main themes for the future. Consequently, the Company is to continue seeing an ongoing increase in personnel expenses and SG&A expenses. As mentioned earlier, FY06/2025 Company forecasts assume SG&A expenses of ¥1,100m (up 18.0%), while ¥14,780m (up 1.5%) for cost of sales, including the bulk of personnel expenses. According to the Company, cost of sales is to only see a rather limited increase on a year-on-year basis, which is attributable to a factor that it will not see a one-time issue and so on, two years in a row, to have increased it for FY06/2024.

Dividend Policy and Dividend per Share

FY06/2025 Company forecasts are going for planned annual dividend of ¥15.00 per share (¥7.50 as of the end of Q2 and ¥7.50 as of the end of year), implying payout ratio of 42.6%. The Company sets returning earnings to shareholders as an important management issue and its basic dividend policy is to pay stable dividend on an ongoing basis. In fact, during the past five years (FY06/2020 to FY06/2024), 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. At the same time, as above-mentioned, FY06/2025 Company forecasts are going for planned annual dividend of ¥15.00 per share, which means that payment of dividend in line with the Company's basic dividend policy is to further persist for FY06/2025.



Source: Company Data, WRJ Calculation

For FY06/2021, the Company suffered from a low level of profit attributable to owners of parent, the source of dividend, due to sluggishness in socioeconomic activities and lifestyle behaviors due to the impact of the COVID-19 pandemic. In light of this, the Company eliminated its policy of capping payout ratio at 50%, which has continued for FY06/2022 and FY06/2023. Meanwhile, for FY06/2024, the Company has newly introduced measures of paying dividend of either equating to payout ratio of 40% or dividend yield of 4.5%, whichever being higher to be the minimal, having set planned annual dividend of ¥14.00 per share and this is executed. Consequently, the Company sees payout ratio of 40.3% and the above-mentioned policy of capping payout ratio at 50% is achieved.

The Company adopts the measures newly introduced for FY06/2024 also for FY06/2025. As well, it has reassured its policy of capping payout ratio at 50%. Meanwhile, the level of applying 40% in payout ratio equates to ¥14.07 per share (EPS of ¥35.17, multiplied by payout ratio of 40%), while the level of applying dividend yield of 4.5% equates to ¥14.13 per share (closing price of ¥314 on 7 August or as of the day before of the FY06/2024 results announcement, multiplied by divided yield of 4.5%), resulting in the minimal divided of ¥14.13 per share. Now, FY06/2025 Company forecasts are going for planned annual dividend of ¥15.00 per share, which is the corresponding value.

5.0 Financial Statements

Income Statement

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	06/2020	06/2021	06/2022	06/2023	06/2024	06/2025	Net Chg.
Sales	19,325	12,209	11,134	11,774	17,503	18,000	+496
Cost of Sales	16,086	10,738	9,400	9,873	14,564	14,780	+215
Gross Profit	3,239	1,470	1,733	1,900	2,939	3,220	+280
SG&A Expenses	922	815	850	750	932	1,100	+167
Operating Profit	2,316	655	883	1,150	2,006	2,120	+113
Non Operating Balance	16	43	40	28	51	30	(21)
Recurring Profit	2,332	698	924	1,178	2,058	2,150	+91
Extraordinary Balance	6	11	2	(625)	(2)	-	-
Profit before Income Taxes	2,338	710	926	553	2,055	-	-
Total Income Taxes	754	254	328	198	649	-	-
Profit Attributable to Owners of Parent	1,584	455	598	355	1,405	1,428	+22
Sales YoY	+18.7%	(36.8%)	(8.8%)	+5.8%	+48.7%	+2.8%	-
Operating Profit YoY	+16.1%	(71.7%)	+34.7%	+30.2%	+74.4%	+5.7%	-
Recurring Profit YoY	+15.6%	(70.0%)	+32.3%	+27.5%	+74.6%	+4.5%	-
Profit Attributable to Owners of Parent YoY	+17.8%	(71.2%)	+31.3%	(40.6%)	+295.3%	+1.6%	-
Gross Profit Margin	16.8%	12.0%	15.6%	16.1%	16.8%	17.9%	+1.1%
SG&A Ratio	4.8%	6.7%	7.6%	6.4%	5.3%	6.1%	+0.8%
Operating Profit Margin	12.0%	5.4%	7.9%	9.8%	11.5%	11.8%	+0.3%
Recurring Profit Margin	12.1%	5.7%	8.3%	10.0%	11.8%	11.9%	+0.2%
Profit Attributable to Owners of Parent Margin	8.2%	3.7%	5.4%	3.0%	8.0%	7.9%	(0.1%)
Total Income Taxes / Profit before Income Taxes	32.2%	35.9%	35.4%	35.8%	31.6%	-	-

Source: Company Data, WRJ Calculation

Sales by Category of Operations

Sales by Category of Operations	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	06/2020	06/2021	06/2022	06/2023	06/2024	06/2025	Net Chg.
Real-World Events	-	3,381	4,563	6,269	12,069	-	-
Online Events	-	2,601	2,786	1,504	2,181	-	-
Online Promotions	-	2,106	3,586	3,723	3,027	-	-
Other	-	4,121	197	277	225	-	-
Sales	19,325	12,209	11,134	11,774	17,503	18,000	+497
Real-World Events	-	-	+35.0%	+37.4%	+92.5%	-	-
Online Events	-	-	+7.1%	(46.0%)	+45.0%	-	-
Online Promotions	-	-	+70.3%	+3.8%	(18.7%)	-	-
Other	-	-	(95.2%)	+40.3%	(18.8%)	-	-
Sales (YoY)	+18.7%	(36.8%)	(8.8%)	+5.8%	+48.7%	+2.8%	-
Real-World Events	-	27.7%	41.0%	53.2%	69.0%	-	-
Online Events	-	21.3%	25.0%	12.8%	12.5%	-	-
Online Promotions	-	17.2%	32.2%	31.6%	17.3%	-	-
Other	-	33.8%	1.8%	2.4%	1.3%	-	-
Sales (Composition Ratio)	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	FY	FY	FY	FY	FY	YoY
	06/2020	06/2021	06/2022	06/2023	06/2024	06/2025	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	44,959	45,272	41,313	40,506	-	-
Treasury Shares FY End (thousand shares)	4,032	3,992	3,497	8,697	8,350	-	-
Earnings Per Share	35.26	10.14	13.22	8.61	34.71	35.17	-
Earnings Per Share (Fully Diluted)	34.90	10.08	13.15	8.57	34.62	-	-
Book Value Per Share	227.24	228.35	231.21	208.86	228.76	-	-
Dividend Per Share	16.75	12.90	14.00	14.40	14.00	15.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	06/2020	06/2021	06/2022	06/2023	06/2024	06/2025	Net Chg.
Share Split Factor	1	1	1	1	1	1	-
Earnings Per Share	35.26	10.14	13.22	8.61	34.71	35.17	-
Book Value Per Share	227.24	228.35	231.21	208.86	228.76	-	-
Dividend Per Share	16.75	12.90	14.00	14.40	14.00	15.00	-
Payout Ratio	47.5%	127.2%	105.9%	167.2%	40.3%	42.6%	-

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.

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