

## 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 FY06/2025		8,808	1,091	1,109	740	-	-	-
Q3 to Q4 FY06/2025CoE		9,191	1,028	1,040	687	-	-	-
Q1 to Q2 FY06/2025		YoY (7.9%)	(18.2%)	(17.7%)	(17.2%)	-	-	-
Q3 to Q4 FY06/2025CoE		YoY 15.8%	52.8%	46.5%	34.3%	-	-	-

Source: Company Data, WRJ Calculation

### 1.0 Executive Summary (4 April 2025)


#### Investment Phase

TOW, focusing on the advanced development of planning & producing for integrated promotions, is strengthening its human capital management and making priority investments in the AI and environmental fields in order to achieve sustainable growth. This incurs a corresponding increase in costs, but the Company is to secure an increase in sales and earnings for FY06/2025 as it succeeds in its measures to enhance profitability by means of promoting fee-based operations and in-house producing. As initially assumed, the Company suffered from decreased sales in the actual results for Q1 to Q2 (July to December) due to the absence of projects related to a biennially-held large automotive exhibition, which posted sales during the same period of the previous year, while anticipating sales for H2 (January to June) to increase substantially over the same period of the previous year due to concentrated sales related to the World Expo. Meanwhile, it appears that the Company continues strategically raising personnel costs for FY06/2025, as it did for FY06/2024, in order to boost employee morale. Further, the Company suggests that 80% of employees have completed an AI learning program so far and the full-scale launch of business efficiency and sophistication through the use of AI tools is underway. On top of this, the Company also suggests that there has been an increase in environment-conscious proposals through the use of the Company's independently developed tool to access CO2 emissions at events, EventGX. In light of all those factors, it should be the case that the turning point from the current investment phase to the growth phase will arrive in the foreseeable future.

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

## 2.0 Company Profile

### Advanced Development of Planning & Producing for Integrated Promotions

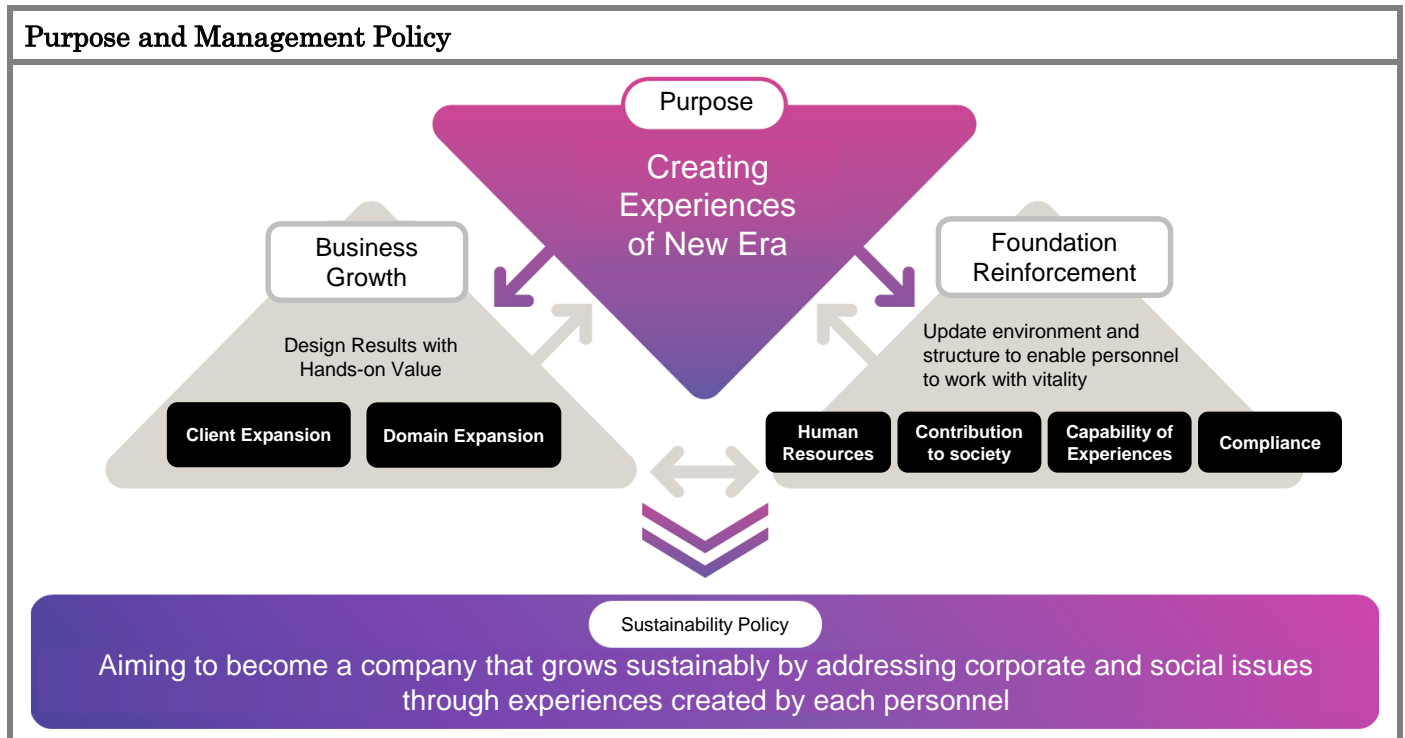
<b>Company Name</b>	TOW CO., Ltd. <a href="#">Company HP</a> <a href="#">IR Information (Japanese)</a> <a href="#">Share Price (Japanese)</a>	
<b>Established</b>	6 July 1976	
<b>Listing</b>	20 October 2023: Tokyo Stock Exchange Standard Market (ticker: 4767) 4 April 2022: Tokyo Stock Exchange Prime Market 25 June 2008: Tokyo Stock Exchange 1st section 25 June 2007: Tokyo Stock Exchange 2nd section 13 July 2000: JASDAQ	
<b>Capital</b>	¥948m (as of the end of December 2024)	
<b>No. of Shares</b>	48,969,096 shares, including 7,978,812 treasury shares (as of the end of Dec. 2024)	
<b>Main Features</b>	<ul style="list-style-type: none"> <li>● Major ad companies account for 57% of sales and 20% for direct clients</li> <li>● Producing events and/or contents with own planning</li> <li>● Measures to promote business growth: Design Results with Hands-on Value</li> </ul>	
<b>Representative</b>	Representative Director and President: Kenichi Muratsu	
<b>Shareholders</b>	Master Trust Bank of Japan, T. 17.11%, Katsuji Maki 9.62%, Custody Bank of Japan, T. 5.99%, LIKE, Inc. 2.54%, Hide Imazu 1.32% (as of the end of December 2024, but for treasury shares)	
<b>Head Office</b>	Minato-ku, Tokyo, JAPAN	
<b>No. of Personnel</b>	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, focusing on the advanced development of planning & producing for integrated promotions with the key objective to promote 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 delivering results in fact.

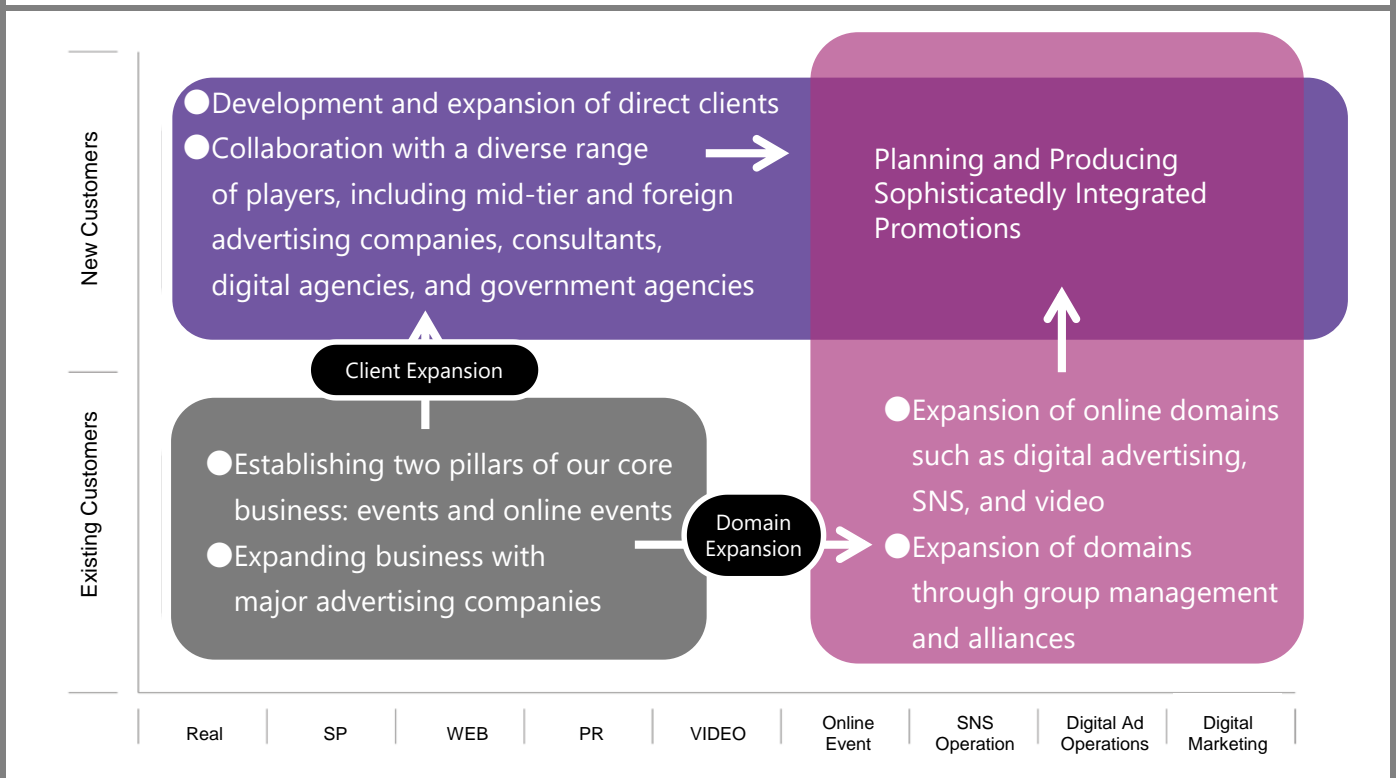


Source: Company Data

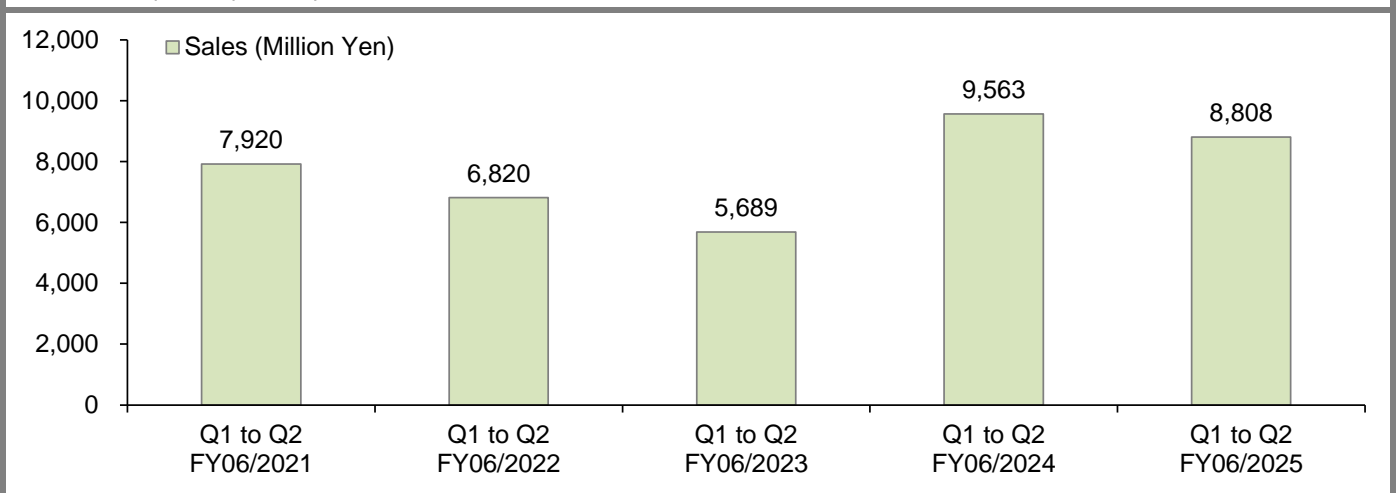
In February 2022, the Company has run up Creating Experiences of New Era as Purpose, going “No matter how much the time changes, as long as a connection between people exists, *experiences* will freely change their forms and roles, cuddling up to ordinary people (who pursue enrichment and self-realization 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 evolution of experience design and foundation reinforcement, 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.” 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 address the challenges of human resources, contribution to society, capability of experiences and compliance.

## Business Strategy: Expansion by Twin Spindles



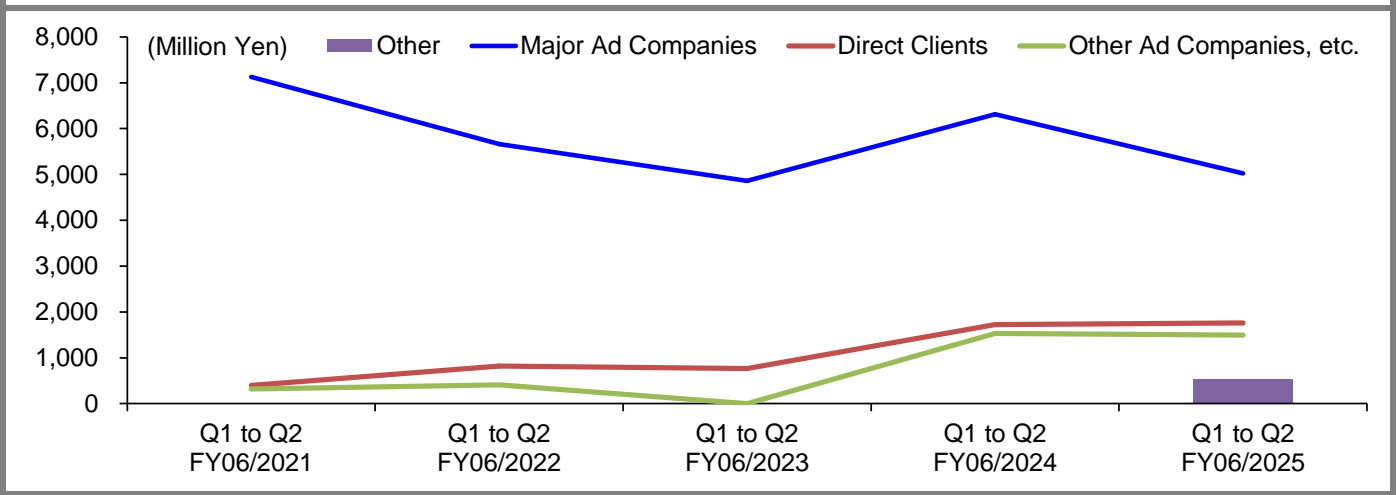
## Sales for Q1 to Q2 (July to December)



Source: Company Data

The Company has set out Twin Spindles as its business strategy, looking to actually drive the advanced development of planning & producing for integrated promotions with this. The Twin Spindles are Client Expansion and Domain Expansion. For Q1 to Q2 (July to December) FY06/2024, when the decline in sales due to the impact of coronavirus crisis had run its course, the Company was making steady progress on both sides and there was also a contribution from projects related to a biennially-held large automotive exhibition, having resulted in sales of ¥9,563m (up 49.6% YoY). Then, also for Q1 to Q2 (July to December) of FY06/2025, it appears that the Company has made steady progress on both sides. However, the Company suggests that it was not substantial enough to fully compensate for the absence of the above-mentioned projects related to a biennially-held large automotive exhibition. In conclusion, sales came in at ¥8,808m (down 7.9%).

**Sales by Client for Q1 to Q2 (July to December)**

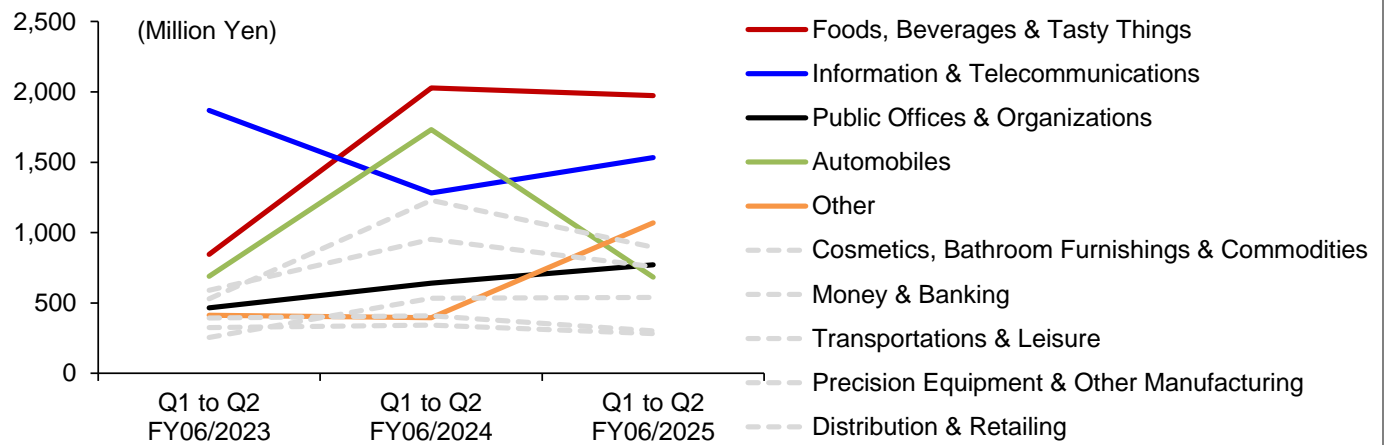


Source: Company Data

In terms of sales by client for Q1 to Q2 (July to December) FY06/2025, sales to the category of major ad companies accounted for 57% of sales (versus 66% during the same period of the previous year), the category of direct clients 20% (18%), the category other ad companies, etc. 17% (16%) and the category of other 6%.

At the expense of the mainstay category of major ad companies, including sales of the above-mentioned projects related to a biennially-held large automotive exhibition, the Company saw increased exposure to the category of direct clients and the category of other ad companies, etc. (medium-sized or foreign-affiliated ad companies, consulting firms, digital agencies, public offices and so on) in terms of composition ratio for sales. Furthermore, the Company has posted sales for the category of other for projects that cannot be classified into any of the existing three categories of sales by client. In light of such a trend in recent trading, it should be the case that the Company is making steady progress in Client Expansion. Meanwhile, for Domain Expansion, the Company is making progress associated with digital domains, i.e., digital advertising, social media, video and so on, while promoting management on a group basis and/or enhancing alliances to do so at the same time.

### Sales by Industry Sector for Q1 to Q2 (July to December)



Source: Company Data

In terms of sales by industry sector for Q1 to Q2 (July to December) FY06/2025, the mainstay category of foods, beverages & tasty things has maintained a high level in terms of composition ratio for sales due mainly to an increase in the number of experience-based projects for sales promotions. Meanwhile, with respect to an increase in sales of the category of information and telecommunications, the Company suggests a key driver of increased number of hybrid events for operators of SaaS and platformers. With respect to the category of public offices and organizations, the Company has benefited from a large event of autonomous body. On the other hand, sales in the category of automobiles have declined sharply as a result of the absence of the aforementioned projects related to a biennially-held large automotive exhibition, while there was a decrease in sales also for street promotions for this sector, according to the Company. For information, sales in the category of other, having risen most substantially, comprised those of energy, raw materials, machinery, education, medical services, religion, publishing, real estate and housing equipment.

## 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, Tokyu 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.)

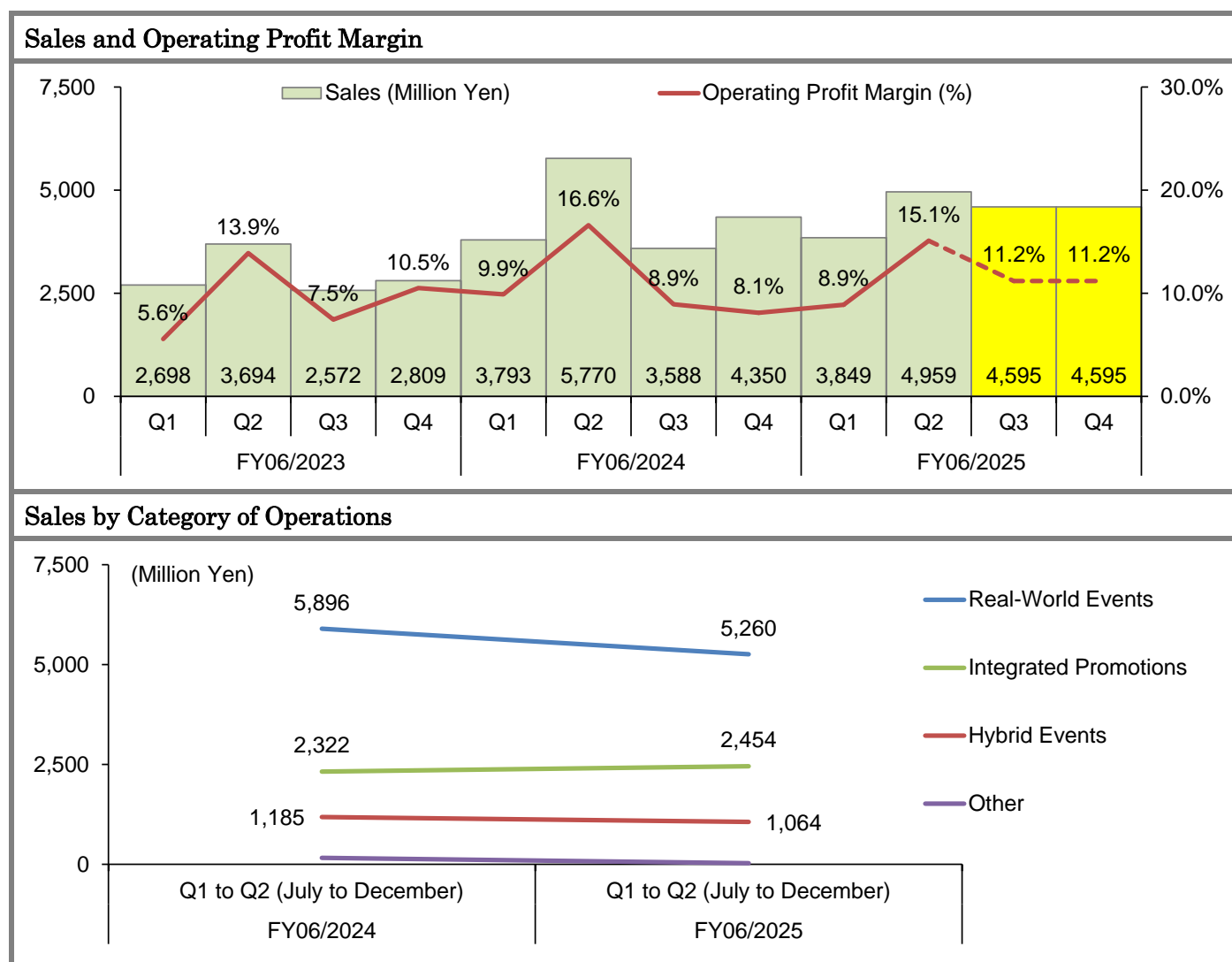
February 2010	A business and capital alliance with J-COM Holdings (currently, LIKE), formed
November 2014	TOW Interactive Promotional School, launched
July 2015	A new project TOWAC, a buzz-worthy event in business partnership with KAYAC, launched
September 2015	Transitioned to a company with an audit 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
July 2023	Acquisition of all shares in Motto Inc. to create videos and consolidation as wholly owned subsidiary
October 2023	Transition to Standard Market
August 2024	Launch of EventGX, a tool for accessing CO2 emissions at events
January 2025	Acquisition of all shares in Qetic Inc. to produce digital contents being robust over social media and consolidation as wholly owned subsidiary



## 4.0 Recent Trading and Prospects

### Q1 to Q2 (July to December) FY06/2025

For Q1 to Q2 (July to December) FY06/2025, sales came in at ¥8,808m (down 7.9% YoY), operating profit ¥1,091m (down 18.2%), recurring profit ¥1,109m (down 17.7%) and profit attributable to owners of parent ¥740m (down 17.2%). Meanwhile, gross profit came in at ¥1,593m (down 9.5%) and SG&A expenses ¥502m (up 17.8%), implying gross profit margin of 18.1% (down 0.3% points) and SG&A ratio of 5.7% (up 1.2% points), having resulted in operating profit margin of 12.4% (down 1.6% points).



Source: Company Data, WRJ Calculation (Q3 and Q4 FY06/2025: H2 Company forecasts, pro rata)

Sales have stagnated due mainly to the absence of the impact stemming from the projects related to a biennially-held large automotive exhibition, which posted sales for Q2 (October to December) FY06/2024, while the Company has continued strengthening its human capital management and making priority investments in the AI and environmental fields in order to achieve sustainable growth, having increased costs to a corresponding extent. However, this aspect was mostly compensated for by another aspect that the Company has succeeded in its measures to enhance profitability by means of promoting fee-based operations to provide high added value and in-house producing on a group basis. Thus, the Company saw gross profit margin having declined rather marginally.

From FY06/2023 to FY06/2024, the Company increased the number of personnel as of the end of the year from 233 to 263, i.e., by 30 and/or 12.9% on a consolidated basis, while from 184 to 200, i.e., by 16 and/or 8.7% on a parent basis. Further, with respect to the latter, the Company had raised the average annual salary from ¥6.366m to ¥7.397m, i.e., by ¥1.030m and/or 16.2%. Then, this trend has persisted for Q1 to Q2 (July to December) FY06/2025, according to the Company. Elsewhere, on 14 November 2024, the Company granted shares with a restriction on transfer (384,000 in the number at ¥327 per share and/or ¥125m in the total amount) to directors and employees of the parent company and subsidiaries for the sake of boosting employee morale on a group basis.

Meanwhile, the Company suggests that 80% of employees have completed an AI learning program so far and the full-scale launch of business efficiency and sophistication through the use of AI tools is underway. The Company has held 12-session AI learning program for employees and introduced Microsoft 365 Copilot (an AI assistant integrated into Microsoft 365 tools / contributing to streamlining of work and improved productivity / used with Office applications such as Word, Excel, PowerPoint and Outlook) across the board. Furthermore, the Company is also promoting the introduction of paid AI tools related to image and video generation, working to improve the efficiency and sophistication of their operations in areas that directly support services for clients, such as those for planning, developing ad-supported contents and producing.

The Company also suggests that there has been an increase in the number of environment-conscious proposals through the use of the Company's independently developed tool to access CO2 emissions at events, EventGX. In August 2024, the Company began using the said tool, having accessed CO2 emissions of some 200 projects at the final stage of making the estimates for them so far. More importantly, in light of the data obtained, the Company is urging clients to cut back on CO2 emissions by means of actively utilizing recycled materials and/or leased items, as well as replacing fossil fuels with alternative energy sources.

Fee-based operations to 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 contents, 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.

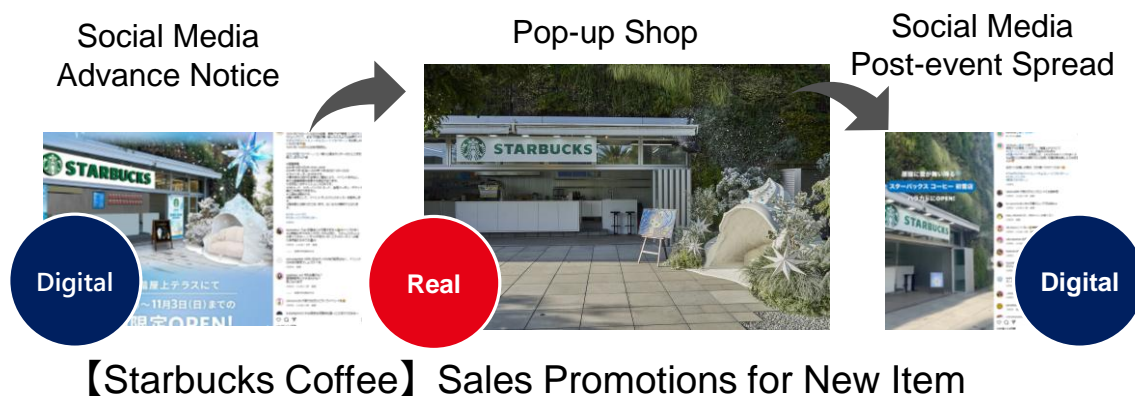
As for in-house producing on a group basis, the Company refers to a policy of reinforcing internal involvement with executions of a wide range of work on a group basis, with respect to some part of operations having been outsourced to date, for the sake of internally accumulating know-how on practical work such as event producing, management, staging and so on, as well as increasing the degree of added value creation within the group at the same time. According to the Company, the personnel of T2 Creative (wholly owned subsidiary) are in charge of the above-mentioned work.

### Real-World Events (59.7% of sales)

For Q1 to Q2 (July to December) FY06/2025, sales came in at ¥5,260m (down 10.8%). The Company was forced to accept the decrease in sales due to the absence of contribution from a biennially-held large automotive exhibition that took place during the same period of the previous year. However, the Company suggests that demand is continuing for real-world experiences, driving sales of large projects associated with conferences, public offices, etc. For information, the Company suggests that sales on the Real-World Events side for Q1 to Q2 (July to December) comprised those of street events (44% of total), recitals & conferences (25%), exhibitions (19%), the World Expo (6%) and other (6%) by kind.

#### Case Example of Real-World Events for Q1 to Q2 (July to December) FY06/2025

### ● Attracting Customers for Real-World Events by Digital Means to Reach More Consumers



Source: Company Data

With respect to the category of street events, the mainstay by kind, a case example is given of sales promotions for new item by a client (advertiser) that manages coffee stores and sells coffee and related products, i.e., that of the Company's operations, mainly of real-world event, to promote sales of new Frappuccino, Macadamia White Snow Chocolate Frappuccino, which was released on 1 November 2024.

For a limited time of four days only, from 31 October to 3 November, a store was opened in the 701 area of the Tokyu Plaza Harajuku, Harakado, where visitors can enjoy the new Frappuccino under the ambience as if they were experiencing the first snowfall in the season. At this limited-time store, where the new Frappuccino was being sold in advance, there was a "whip-cream snow hut" that recreated the fluffy cream, sparkling candy and sugar of the new Frappuccino and it was possible to go inside the hut. In addition, the artificial snow was made to fall and it was possible to enjoy the experiences of feeling as if the real winter had arrived. Thus, the Company was responsible for creating an environment where this kind of real experiences were possible. Furthermore, the Company was also responsible for attracting customers through advance notice using social media as well as encouraging the post-event spread of information to ordinary people (who pursue enrichment and self-realization via consumptions) through social media.

### Integrated Promotions (27.9% of sales)

For Q1 to Q2 (July to December) FY06/2025, sales came in at ¥2,454m (up 5.7%). The Company suggests that sales were driven by an increased number of projects to utilize integrate means comprising those of real-world, digital, social media and so on, in addition to an impact stemming from having consolidated Motto Inc. to create videos as subsidiary for FY06/2024, i.e., increased video-related assignments, including TV commercials. The Company has laid out a policy to further strengthen its group alignment for the sake of providing clients (advertisers) with integrated promotions more efficient than ever before going forward, including alignment with Qetic Inc. which has been consolidated as subsidiary since 15 January 2025, having had gone through a long track record of collaboration with the Company.

#### Case Example of Integrated Promotions for Q1 to Q2 (July to December) FY06/2025

## Integrated Promotions to Make Full Use of TV Commercials and Digital Advertising

### Operations of Digital Advertising



Digital Advertising

### TV Commercials



Video

### Must-Buy Campaigns



Digital Contents

### 【IRIS OHYAMA】 Sales Promotions of New Item

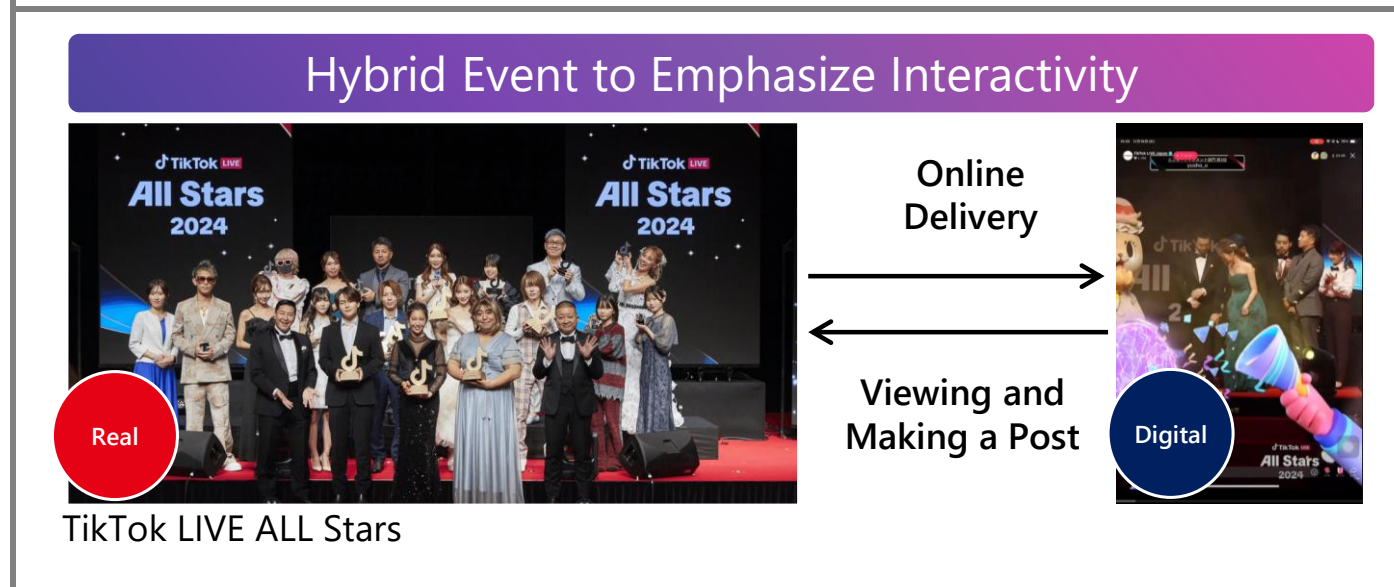
Source: Company Data

As a case example of integrated promotions to make full use of TV commercials and digital advertising, the Company refers to that of sales promotions for a client (advertiser) that plans, manufactures and sells household goods. In order to promote the Water Omikuji campaign, which advocates to win a deluxe prize by drinking Mt. Fuji Natural Water, delectable and unadulterated water nurtured in nature, where the Company was responsible for creating vides for TV commercials and running digital advertising as well as creating and delivering digital contents. That is to say, it appears that the Company's concept of advanced integrated promotions means that it undertakes a wide range of such work as a whole and provides the services in an optimally integrated form.

### Hybrid Events (12.1% of sales)

For Q1 to Q2 (July to December) FY06/2025, sales came in at ¥1,064m (down 10.2%). On the Hybrid Events side, where the Company joins together offline and online means, the Company suggests strength for projects related to information and telecommunications. However, sales on this side have declined for Q1 to Q2 (July to December), as the impact did not reappear, stemming from a large project that occurred during the same period of the previous year.

#### Case Example of Hybrid Events for Q1 to Q2 (July to December) FY06/2025



Source: Company Data

The Company refers to a case example of hybrid events to emphasize interactivity, where the client (advertiser) is an operator of social media specializing in videos. On 18 December 2024, the client (advertiser) held real-world event to showcase and award the performances of creators who were active in CY2024, based on a scheme provided by the Company, which also streamed the event online in real time. For this streaming, the number of viewers and posts made was quite large and the Company suggests that deep empathy and understanding were achieved, as staging of the real-world event was “updated” by the streaming.

## 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.
	06/2024	06/2024	06/2024	06/2024	06/2025	06/2025	06/2025	06/2025		
<b>Sales</b>	<b>3,793</b>	<b>9,563</b>	<b>13,152</b>	<b>17,503</b>	<b>3,849</b>	<b>8,808</b>	-	-	-	<b>(755)</b>
Cost of Sales	3,198	7,803	10,843	14,564	3,242	7,215	-	-	-	(588)
Gross Profit	595	1,760	2,309	2,939	606	1,593	-	-	-	(166)
SG&A Expenses	219	426	655	932	264	502	-	-	-	+75
<b>Operating Profit</b>	<b>375</b>	<b>1,333</b>	<b>1,653</b>	<b>2,006</b>	<b>342</b>	<b>1,091</b>	-	-	-	<b>(242)</b>
Non Operating Balance	15	14	32	51	10	18	-	-	-	+3
<b>Recurring Profit</b>	<b>390</b>	<b>1,348</b>	<b>1,686</b>	<b>2,058</b>	<b>352</b>	<b>1,109</b>	-	-	-	<b>(238)</b>
Extraordinary Balance	0	0	0	(2)	-	0	-	-	-	+0
Profit before Income Taxes	390	1,348	1,686	2,055	352	1,109	-	-	-	(238)
Total Income Taxes	142	454	569	649	124	369	-	-	-	(85)
<b>Profit Attributable to Owners of Parent</b>	<b>248</b>	<b>893</b>	<b>1,116</b>	<b>1,405</b>	<b>227</b>	<b>740</b>	-	-	-	<b>(153)</b>
Sales YoY	+40.6%	+49.6%	+46.7%	+48.7%	+1.5%	(7.9%)	-	-	-	-
Operating Profit YoY	+149.7%	+100.8%	+93.3%	+74.4%	(8.9%)	(18.2%)	-	-	-	-
Recurring Profit YoY	+138.0%	+98.9%	+90.8%	+74.6%	(9.8%)	(17.7%)	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	+636.3%	+295.3%	(8.2%)	(17.2%)	-	-	-	-
Gross Profit Margin	15.7%	18.4%	17.6%	16.8%	15.8%	18.1%	-	-	-	(0.3%)
SG&A Ratio	5.8%	4.5%	5.0%	5.3%	6.9%	5.7%	-	-	-	+1.2%
Operating Profit Margin	9.9%	13.9%	12.6%	11.5%	8.9%	12.4%	-	-	-	(1.6%)
Recurring Profit Margin	10.3%	14.1%	12.8%	11.8%	9.2%	12.6%	-	-	-	(1.5%)
Profit Attributable to Owners of Parent Margin	6.5%	9.3%	8.5%	8.0%	5.9%	8.4%	-	-	-	(0.9%)
Total Income Taxes / Profit before Income Taxes	36.5%	33.7%	33.8%	31.6%	35.4%	33.3%	-	-	-	(0.4%)
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.
	06/2024	06/2024	06/2024	06/2024	06/2025	06/2025	06/2025	06/2025		
<b>Sales</b>	<b>3,793</b>	<b>5,770</b>	<b>3,588</b>	<b>4,350</b>	<b>3,849</b>	<b>4,959</b>	-	-	-	<b>(810)</b>
Cost of Sales	3,198	4,605	3,039	3,720	3,242	3,972	-	-	-	(632)
Gross Profit	595	1,165	549	629	606	986	-	-	-	(178)
SG&A Expenses	219	206	228	277	264	237	-	-	-	+30
<b>Operating Profit</b>	<b>375</b>	<b>958</b>	<b>320</b>	<b>352</b>	<b>342</b>	<b>749</b>	-	-	-	<b>(209)</b>
Non Operating Balance	15	(0)	17	19	10	7	-	-	-	+8
<b>Recurring Profit</b>	<b>390</b>	<b>957</b>	<b>337</b>	<b>372</b>	<b>352</b>	<b>756</b>	-	-	-	<b>(200)</b>
Extraordinary Balance	0	(0)	0	(3)	-	0	-	-	-	+0
Profit before Income Taxes	390	957	338	368	352	757	-	-	-	(200)
Total Income Taxes	142	311	115	79	124	244	-	-	-	(66)
<b>Profit Attributable to Owners of Parent</b>	<b>248</b>	<b>645</b>	<b>222</b>	<b>289</b>	<b>227</b>	<b>512</b>	-	-	-	<b>(133)</b>
Sales YoY	+40.6%	+56.2%	+39.5%	+54.8%	+1.5%	(14.1%)	-	-	-	-
Operating Profit YoY	+149.7%	+86.5%	+67.3%	+19.6%	(8.9%)	(21.8%)	-	-	-	-
Recurring Profit YoY	+138.0%	+86.4%	+64.0%	+26.2%	(9.8%)	(21.0%)	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	+87.3%	+66.0%	+41.9%	(8.2%)	(20.7%)	-	-	-	-
Gross Profit Margin	15.7%	20.2%	15.3%	14.5%	15.8%	19.9%	-	-	-	(0.3%)
SG&A Ratio	5.8%	3.6%	6.4%	6.4%	6.9%	4.8%	-	-	-	+1.2%
Operating Profit Margin	9.9%	16.6%	8.9%	8.1%	8.9%	15.1%	-	-	-	(1.5%)
Recurring Profit Margin	10.3%	16.6%	9.4%	8.6%	9.2%	15.3%	-	-	-	(1.3%)
Profit Attributable to Owners of Parent Margin	6.5%	11.2%	6.2%	6.7%	5.9%	10.3%	-	-	-	(0.9%)
Total Income Taxes / Profit before Income Taxes	36.5%	32.6%	34.2%	21.5%	35.4%	32.3%	-	-	-	(0.2%)

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.
	06/2024	06/2024	06/2024	06/2024	06/2025	06/2025	06/2025	06/2025	06/2025	
Real-World Events	2,590	5,896	-	-	2,666	5,260	-	-	-	(636)
Hybrid Events	420	1,185	-	-	374	1,064	-	-	-	(121)
Integrated Promotions	712	2,322	-	-	786	2,454	-	-	-	+132
Other	68	160	-	-	21	28	-	-	-	(132)
<b>Sales</b>	<b>3,793</b>	<b>9,563</b>	<b>13,152</b>	<b>17,503</b>	<b>3,849</b>	<b>8,808</b>	-	-	-	<b>(755)</b>
Real-World Events	-	-	-	-	+2.9%	(10.8%)	-	-	-	-
Hybrid Events	-	-	-	-	(11.0%)	(10.2%)	-	-	-	-
Integrated Promotions	-	-	-	-	+10.3%	+5.7%	-	-	-	-
Other	-	-	-	-	(69.3%)	(82.5%)	-	-	-	-
<b>Sales (YoY)</b>	<b>+40.6%</b>	<b>+49.6%</b>	<b>+46.7%</b>	<b>+48.7%</b>	<b>+1.5%</b>	<b>(7.9%)</b>	-	-	-	-
Real-World Events	68.3%	61.7%	-	-	69.3%	59.7%	-	-	-	-
Hybrid Events	11.1%	12.4%	-	-	9.7%	12.1%	-	-	-	-
Integrated Promotions	18.8%	24.3%	-	-	20.4%	27.9%	-	-	-	-
Other	1.8%	1.7%	-	-	0.5%	0.3%	-	-	-	-
<b>Sales (Composition Ratio)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	-	-	-	-

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.
	06/2024	06/2024	06/2024	06/2024	06/2025	06/2025	06/2025	06/2025	06/2025	
Real-World Events	2,590	3,305	-	-	2,666	2,594	-	-	-	(711)
Hybrid Events	420	764	-	-	374	690	-	-	-	(74)
Integrated Promotions	712	1,609	-	-	786	1,668	-	-	-	+58
Other	68	91	-	-	21	7	-	-	-	(84)
<b>Sales</b>	<b>3,793</b>	<b>5,770</b>	<b>3,588</b>	<b>4,350</b>	<b>3,849</b>	<b>4,959</b>	-	-	-	<b>(811)</b>
Real-World Events	-	-	-	-	+2.9%	(21.5%)	-	-	-	-
Hybrid Events	-	-	-	-	(11.0%)	(9.8%)	-	-	-	-
Integrated Promotions	-	-	-	-	+10.3%	+3.6%	-	-	-	-
Other	-	-	-	-	(69.3%)	(92.4%)	-	-	-	-
<b>Sales (YoY)</b>	<b>+40.6%</b>	<b>+56.2%</b>	<b>+39.5%</b>	<b>+54.8%</b>	<b>+1.5%</b>	<b>(14.1%)</b>	-	-	-	-
Real-World Events	68.3%	57.3%	-	-	69.3%	52.3%	-	-	-	-
Hybrid Events	11.1%	13.3%	-	-	9.7%	13.9%	-	-	-	-
Integrated Promotions	18.8%	27.9%	-	-	20.4%	33.6%	-	-	-	-
Other	1.8%	1.6%	-	-	0.5%	0.1%	-	-	-	-
<b>Sales (Composition Ratio)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	-	-	-	-

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 06/2024	Q2 06/2024	Q3 06/2024	Q4 06/2024	Q1 06/2025	Q2 06/2025	Q3 06/2025	Q4 06/2025		
Cash and Deposit	6,347	7,111	7,242	8,452	7,567	7,352	-	-	-	+240
Electronically Recorded Receivables	97	71	87	86	500	222	-	-	-	+150
Accounts Receivables and Contract Assets	2,950	4,044	3,262	3,455	2,678	3,755	-	-	-	(288)
Other	1,231	1,339	824	331	447	571	-	-	-	(767)
<b>Current Assets</b>	<b>10,627</b>	<b>12,567</b>	<b>11,417</b>	<b>12,326</b>	<b>11,194</b>	<b>11,901</b>	-	-	-	<b>(665)</b>
Tangible Assets	157	150	143	216	206	207	-	-	-	+57
Intangible Assets	50	52	48	44	41	38	-	-	-	(14)
Investments and Other Assets	1,412	1,374	1,518	1,497	1,406	1,403	-	-	-	+29
<b>Fixed Assets</b>	<b>1,620</b>	<b>1,578</b>	<b>1,710</b>	<b>1,759</b>	<b>1,655</b>	<b>1,649</b>	-	-	-	<b>+71</b>
<b>Total Assets</b>	<b>12,247</b>	<b>14,145</b>	<b>13,127</b>	<b>14,085</b>	<b>12,849</b>	<b>13,551</b>	-	-	-	<b>(593)</b>
Electronically Recorded Debt	4	25	1	11	-	-	-	-	-	(25)
Accounts Payable	1,975	2,939	1,814	2,034	1,838	2,001	-	-	-	(938)
Short-Term Debt	840	840	840	840	840	525	-	-	-	(315)
Other	714	900	976	1,536	562	777	-	-	-	(123)
<b>Current Liabilities</b>	<b>3,534</b>	<b>4,706</b>	<b>3,632</b>	<b>4,422</b>	<b>3,241</b>	<b>3,303</b>	-	-	-	<b>(1,403)</b>
Long-Term Debt	-	-	-	-	-	-	-	-	-	-
Other	386	399	426	360	400	413	-	-	-	+13
<b>Fixed Liabilities</b>	<b>386</b>	<b>399</b>	<b>426</b>	<b>360</b>	<b>400</b>	<b>413</b>	-	-	-	<b>+13</b>
<b>Total Liabilities</b>	<b>3,920</b>	<b>5,106</b>	<b>4,058</b>	<b>4,782</b>	<b>3,641</b>	<b>3,716</b>	-	-	-	<b>(1,389)</b>
<b>Shareholders' Equity</b>	<b>7,779</b>	<b>8,524</b>	<b>8,463</b>	<b>8,752</b>	<b>8,696</b>	<b>9,334</b>	-	-	-	<b>+809</b>
Other	546	514	605	549	511	501	-	-	-	(13)
<b>Net Assets</b>	<b>8,326</b>	<b>9,039</b>	<b>9,068</b>	<b>9,302</b>	<b>9,207</b>	<b>9,835</b>	-	-	-	<b>+795</b>
<b>Total Liabilities and Net Assets</b>	<b>12,247</b>	<b>14,145</b>	<b>13,127</b>	<b>14,085</b>	<b>12,849</b>	<b>13,551</b>	-	-	-	<b>(593)</b>
Equity Capital	8,310	9,028	9,058	9,291	9,197	9,824	-	-	-	+796
Interest-Bearing Debt	840	840	840	840	840	525	-	-	-	(315)
Net Debt	(5,507)	(6,271)	(6,402)	(7,612)	(6,727)	(6,827)	-	-	-	(555)
Equity Ratio	67.9%	63.8%	69.0%	66.0%	71.6%	72.5%	-	-	-	-
Net Debt-to-Equity Ratio	(66.3%)	(69.5%)	(70.7%)	(81.9%)	(73.1%)	(69.5%)	-	-	-	-
ROE (12 months)	11.3%	14.1%	15.2%	15.9%	15.8%	13.3%	-	-	-	-
ROA (12 months)	11.9%	14.1%	16.2%	16.3%	16.1%	13.1%	-	-	-	-
Quick Ratio	266%	239%	292%	271%	332%	343%	-	-	-	-
Current Ratio	301%	267%	314%	279%	345%	360%	-	-	-	-

Source: Company Data, WRJ Calculation

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## Cash Flow Statement (Cumulative)

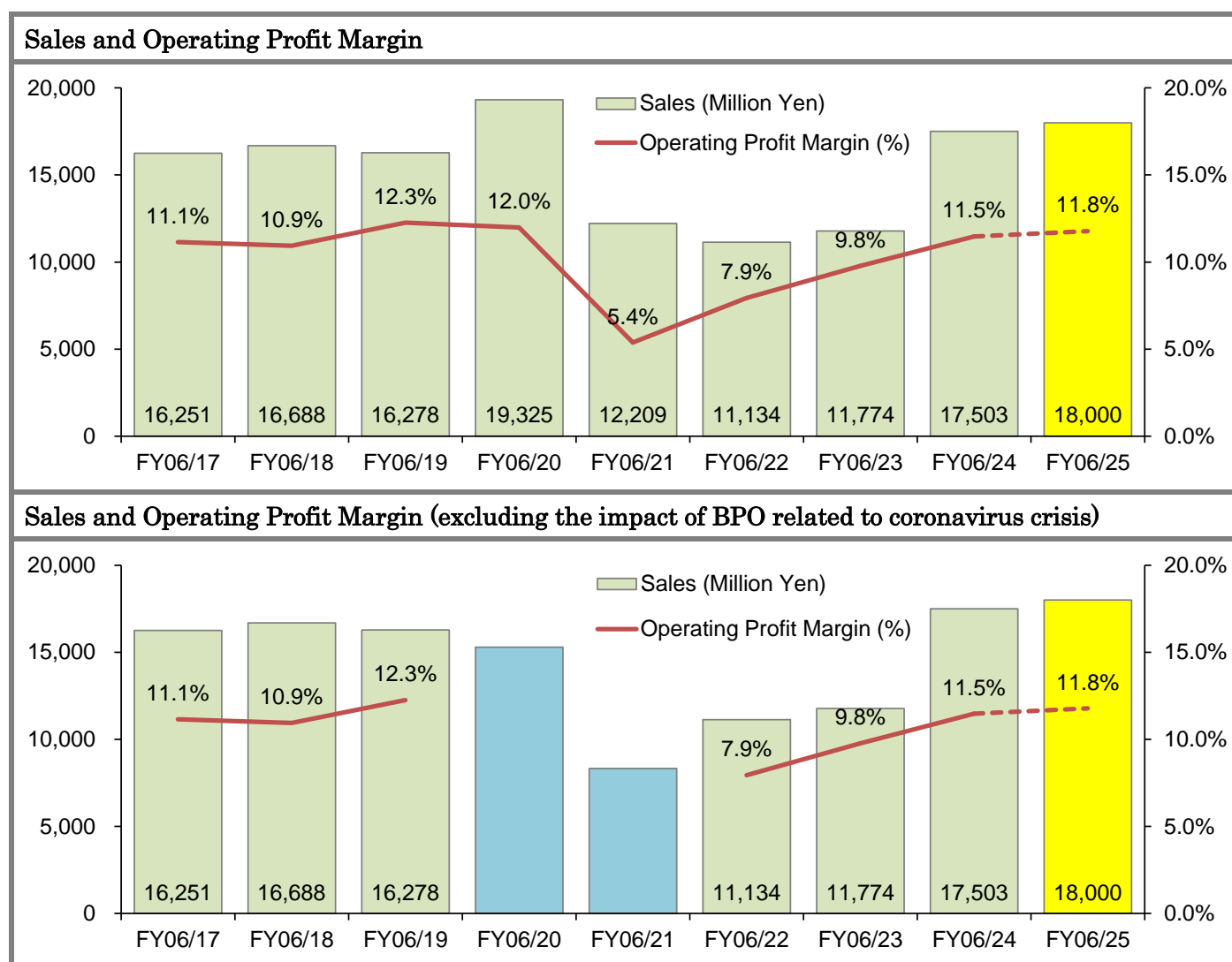
Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 06/2024	Q1 to Q2 06/2024	Q1 to Q3 06/2024	Q1 to Q4 06/2024	Q1 06/2025	Q1 to Q2 06/2025	Q1 to Q3 06/2025	Q1 to Q4 06/2025		
Operating Cash Flow	-	1,732	-	3,395	-	(416)	-	-	-	(2,148)
Investing Cash Flow	-	(9)	-	(45)	-	(86)	-	-	-	(78)
<b>Operating Cash Flow and Investing Cash Flow</b>	-	<b>1,724</b>	-	<b>3,350</b>	-	<b>(502)</b>	-	-	-	<b>(2,226)</b>
Financing Cash Flow	-	(395)	-	(679)	-	(600)	-	-	-	(205)

Source: Company Data, WRJ Calculation



### FY06/2025 Company Forecasts

FY06/2025 initial Company forecasts, announced on 8 August 2024, have remained unchanged, 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%), while operating profit margin of 11.8% (up 0.3% points).



Source: Company Data, WRJ Calculation

For FY06/2024, the previous year, the Company saw sales and operating profit margin, roughly equating to the levels of FY06/2019, which is the period prior to the impact of coronavirus crisis, i.e., ¥17,503m and 11.5% for the former, while ¥16,278m and 12.3% for the latter, respectively. As for the FY06/2020 results, the Company saw sales of ¥19,325m and operating profit margin of 12.0%, i.e., sales having had been larger than those of FY06/2024 and operating profit margin roughly the same. According to the Company, the said levels are irrelevant to be compared with on an apple-to-apple basis, because sales were boosted by a one-time factor associated with changes in the external environment. For FY06/2020, the impact of coronavirus crisis had become apparent and the Company had been forced to suffer from a decrease in sales associated with the organic operations, but this was more than compensated for by the fact that the Company was entrusted with the operations of BPO specifically related to coronavirus crisis. As a result, the Company saw sales highest ever in the way of simple thinking.

On the other hand, for Q1 to Q2 (July to December) FY06/2025, sales came in at ¥8,808m (down 7.9% YoY), operating profit ¥1,091m (down 18.2%) and operating profit margin of 12.4% (down 1.6% points), while Company forecasts are going for prospective sales ¥9,191m (up 15.8%), operating profit of ¥1,028m (up 52.8%) and operating profit margin of 11.2% (up 2.7% points) for H2 (January to June). Sales for Q1 to Q2 (July to December) were slightly lower than assumptions of Company forecasts, but Company forecasts were met for earnings, implying that the Company's performance has been basically in line with assumptions of initial Company forecasts.

For H2 (January to June), Company forecasts are going for a substantial increase in sales over the same period of the previous year due to concentrated sales related to the World Expo. Meanwhile, the Company is to remain strengthening its human capital management and making priority investments in the AI and environmental fields in order to achieve sustainable growth, while its measures to enhance profitability by means of promoting fee-based operations and in-house producing will persist. In light of all those factors, it should be the case that the turning point from the current investment phase to the growth phase will arrive in the foreseeable future.

#### FY06/2025 Company Forecasts and Actual Results

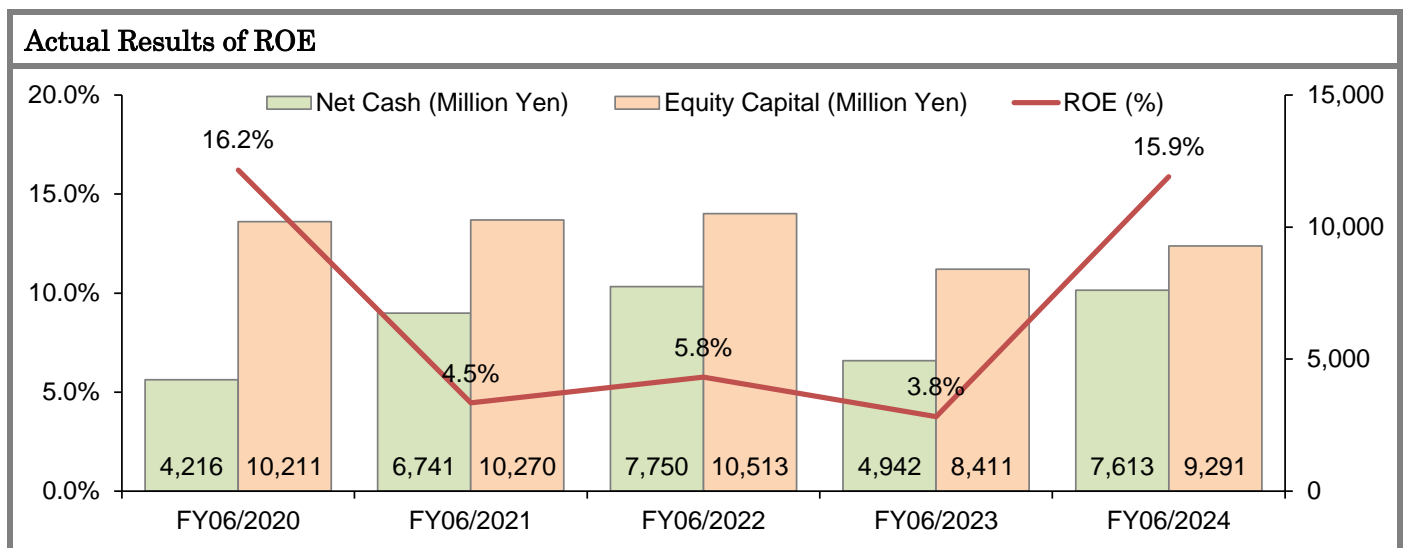
Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY06/2025CoE	8-Aug-24	Q4 Results	18,000	2,120	2,150	1,428
FY06/2025CoE	14-Nov-24	Q1 Results	18,000	2,120	2,150	1,428
FY06/2025CoE	13-Feb-25	Q2 Results	18,000	2,120	2,150	1,428
		Amount of Gap	0	0	0	0
		Rate of Gap	0.0%	0.0%	0.0%	0.0%
FY06/2025CoE	8-Aug-24	Q4 Results	18,000	2,120	2,150	1,428
FY06/2025CoE	13-Feb-25	Q2 Results	18,000	2,120	2,150	1,428
		Amount of Gap	0	0	0	0
		Rate of Gap	0.0%	0.0%	0.0%	0.0%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY06/2025CoE	8-Aug-24	Q4 Results	9,000	1,089	1,100	732
Q1 to Q2 FY06/2025CoE	14-Nov-24	Q1 Results	9,000	1,089	1,100	732
Q1 to Q2 FY06/2025Act	13-Feb-25	Q2 Results	8,808	1,091	1,109	740
		Amount of Gap	(192)	2	9	8
		Rate of Gap	(2.1%)	0.2%	0.8%	1.1%
Q1 to Q2 FY06/2025CoE	8-Aug-24	Q4 Results	9,000	1,089	1,100	732
Q1 to Q2 FY06/2025Act	13-Feb-25	Q2 Results	8,808	1,091	1,109	740
		Amount of Gap	(192)	2	9	8
		Rate of Gap	(2.1%)	0.2%	0.8%	1.1%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY06/2025CoE	8-Aug-24	Q4 Results	9,000	1,031	1,050	696
Q3 to Q4 FY06/2025CoE	14-Nov-24	Q1 Results	9,000	1,031	1,050	696
Q3 to Q4 FY06/2025CoE	13-Feb-25	Q2 Results	9,192	1,029	1,041	688
		Amount of Gap	192	(2)	(9)	(8)
		Rate of Gap	2.1%	(0.2%)	(0.9%)	(1.1%)
Q3 to Q4 FY06/2025CoE	8-Aug-24	Q4 Results	9,000	1,031	1,050	696
Q3 to Q4 FY06/2025CoE	13-Feb-25	Q2 Results	9,192	1,029	1,041	688
		Amount of Gap	192	(2)	(9)	(8)
		Rate of Gap	2.1%	(0.2%)	(0.9%)	(1.1%)

Source: Company Data, WRJ Calculation

## Recovery of ROE

In the actual results for FY06/2024, the Company saw ROE recovered up to 15.9%. Meanwhile, the Company is going for some 15% in ROE for FY06/2025. At the stage of Q1 to Q2 (July to December), the Company suggests that it saw ROE having been rather adjusted due mainly to a one-time increase in equity capital in line with a decrease in accounts payable and debt loans, while suggesting as well that it will maintain a high level of ROE on a full-year basis. According to our estimates, the Company saw ROE of 13.3% at the stage of Q1 to Q2, when based on the performance over the past 12 months.

Meanwhile, the Company has laid out a policy to maintain 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 keen on 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. In terms of the results for Q1 to Q2 (July to December) FY06/2025, net cash stood at ¥6,827m, equity capital ¥9,824m and cash and cash equivalents ¥7,352m as of the end of the term.

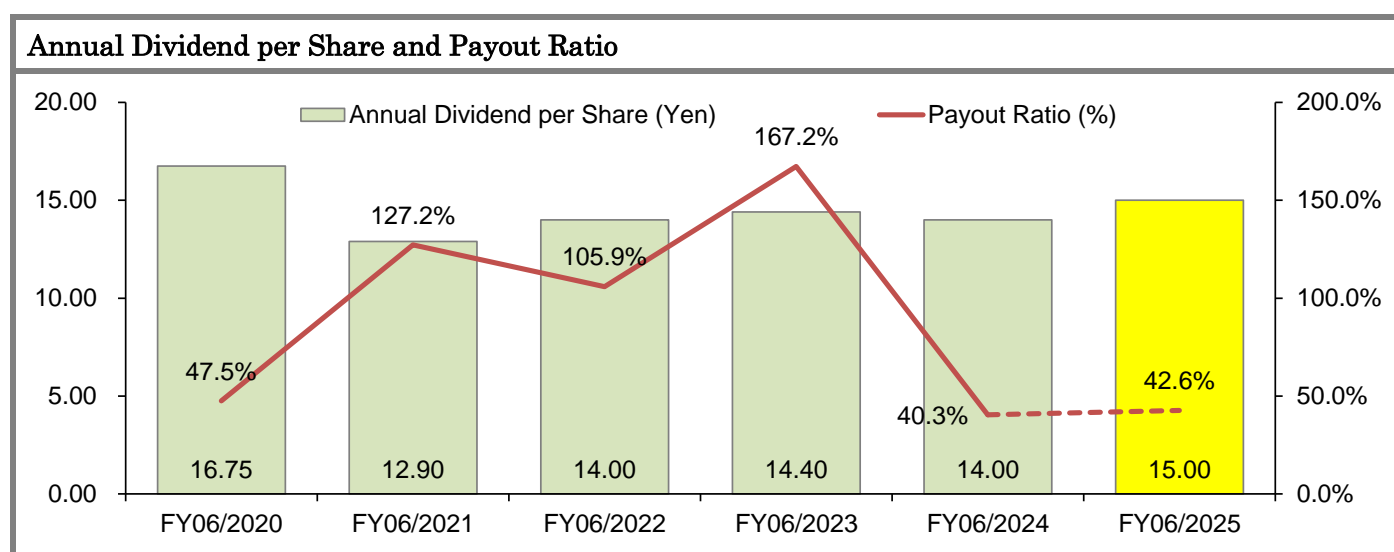


Source: Company Data, WRJ Calculation

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 special career achievement bonus of ¥647m for FY06/2023. Further, 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 shortened terms of payments by clients (advertisers), including the major ad companies.

## Dividend Policy and Annual Dividend

FY06/2025 Company forecasts have remained unchanged also for planned annual dividend, going for ¥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 coronavirus crisis. 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 newly introduced the policy 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 was executed. Consequently, the Company saw payout ratio of 40.3% and the above-mentioned policy of capping payout ratio at 50% was achieved.

The Company adopts the policy newly introduced for FY06/2024 also for FY06/2025. 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 dividend 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 (Million 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.
<b>Sales</b>	<b>19,325</b>	<b>12,209</b>	<b>11,134</b>	<b>11,774</b>	<b>17,503</b>	<b>18,000</b>	<b>+496</b>
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
<b>Operating Profit</b>	<b>2,316</b>	<b>655</b>	<b>883</b>	<b>1,150</b>	<b>2,006</b>	<b>2,120</b>	<b>+113</b>
Non Operating Balance	16	43	40	28	51	30	(21)
<b>Recurring Profit</b>	<b>2,332</b>	<b>698</b>	<b>924</b>	<b>1,178</b>	<b>2,058</b>	<b>2,150</b>	<b>+91</b>
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	-	-
<b>Profit Attributable to Owners of Parent</b>	<b>1,584</b>	<b>455</b>	<b>598</b>	<b>355</b>	<b>1,405</b>	<b>1,428</b>	<b>+22</b>
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

### 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

## 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	-	-
<b>Current Assets</b>	<b>12,100</b>	<b>14,439</b>	<b>11,325</b>	<b>11,537</b>	<b>9,548</b>	-	-
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	-	-
<b>Fixed Assets</b>	<b>1,578</b>	<b>1,754</b>	<b>2,098</b>	<b>2,226</b>	<b>1,645</b>	-	-
<b>Total Assets</b>	<b>13,679</b>	<b>16,194</b>	<b>13,423</b>	<b>13,764</b>	<b>11,194</b>	-	-
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	-	-
<b>Current Liabilities</b>	<b>3,846</b>	<b>5,488</b>	<b>2,528</b>	<b>2,598</b>	<b>2,365</b>	-	-
Long Term Debt	-	-	-	-	-	-	-
Other	416	448	570	620	401	-	-
<b>Fixed Liabilities</b>	<b>416</b>	<b>448</b>	<b>570</b>	<b>620</b>	<b>401</b>	-	-
<b>Total Liabilities</b>	<b>4,263</b>	<b>5,937</b>	<b>3,099</b>	<b>3,219</b>	<b>2,767</b>	-	-
<b>Shareholders' Equity</b>	<b>8,928</b>	<b>9,782</b>	<b>9,594</b>	<b>9,737</b>	<b>7,821</b>	-	-
Other	488	473	729	806	605	-	-
<b>Net Assets</b>	<b>9,416</b>	<b>10,256</b>	<b>10,324</b>	<b>10,544</b>	<b>8,427</b>	-	-
<b>Total Liabilities &amp; Net Assets</b>	<b>13,679</b>	<b>16,194</b>	<b>13,423</b>	<b>13,764</b>	<b>11,194</b>	-	-
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	-	-
<b>Operating Cash Flow and Investing Cash Flow</b>	<b>1,276</b>	<b>1,032</b>	<b>3,182</b>	<b>1,530</b>	<b>(506)</b>	-	-
Financing Cash Flow	(621)	(732)	(658)	(521)	(2,304)	-	-

Source: Company Data, WRJ Calculation

**Disclaimer**

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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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