
First Quarter, Fiscal Year Ending March 2022

Financial Results

August 5, 2021



United, Inc.
(TSE Mothers : code 2497)

Agenda

- 1 Financial Highlights of Q1 FY03/22 P 1
- 2 Performance by Segment in Q1 FY03/22 P 7
- 3 Appendix P20

This presentation contains statements describing future plans, strategies, and performance forecasts of United and its affiliated companies. These statements reflect forecasts based on management’s assumptions and beliefs using information available as of the date of this presentation. The accuracy of this information is not guaranteed. Actual performance may differ substantially due to unforeseen circumstances in the operating environment. Company names and product names are trademarks or registered trademarks of their respective companies.

Segments and Their Businesses

Growth drivers

DX Platform Segment



Operates a range of services (e.g., career support for students, corporate training) centered on TechAcademy, an online programming school



Develops apps and systems



Offers consulting services to support digital transformation (DX)* of companies

Investment Segment



Invests in a wide range of startups with growth potential, from seed to early stage and middle to later stage companies

Earnings drivers

Content Segment



Operates games such as CocoPPa Play and Crash Fever



Operates CHEERZ, a service to help invigorate artists' activities



Produces sports-related websites and plans and develops media



Plans and operates Dream Mail, a sweepstakes and gift site

Ad Technology Segment



Operates Bypass, a DSP service specializing in smartphones; adstir, an SSP service specializing in smartphones; and HaiNa, an ad optimization network

* Digital transformation refers to the process of companies transforming their products, services, and business models based on the needs of customers and society by using data and digital technology in response to drastic changes in the business environment, as well as transforming the business itself, organization, processes, and corporate culture and climate to establish a competitive advantage. (Ministry of Economy, Trade and Industry, "DX Promotion Index")

Financial Highlights FY03/21

Sales fell YoY, in reaction to the heavy concentration of sale of securities*1 in Q1 a year ago. We continued to make upfront investments in the DX Platform Segment using profits generated from earnings driver businesses.

Consolidated Operating Performance

Sales : **¥4,752 million (-32% YoY)**
Operating Income : **¥3,003 million (-43% YoY)**

Growth Drivers

DX Platform Segment

Sales: ¥540 million (+3% YoY) KIRAMEX Co.
 Operating Income: -¥170 million (-152 million YoY) Brewus, Inc.

For the Details **P8**

Investment Segment

Sales: ¥3,280 million (-40% YoY) Investment Business
 Operating Income: ¥3,202 million (-41% YoY) VENTURE UNITED, inc .

For the Details **P15**

Earnings Drivers

Content Segment

Sales: ¥660 million (-2% YoY)^{*2} Plus U ,Inc..
 Operating Income: ¥76 million (+4% YoY) Fogg, inc.
 International Sports Marketing Co., Ltd.
 TREiS, inc.

For the Details **P18**

Ad Technology Segment

Sales: ¥268 million (-28% YoY)
 Operating Income: ¥155 million (+1% YoY) UNITED Marketing Technologies Inc.

For the Details **P19**

*1 Q1 FY03/21 sales in the Investment Segment amounted to ¥5,456 million.

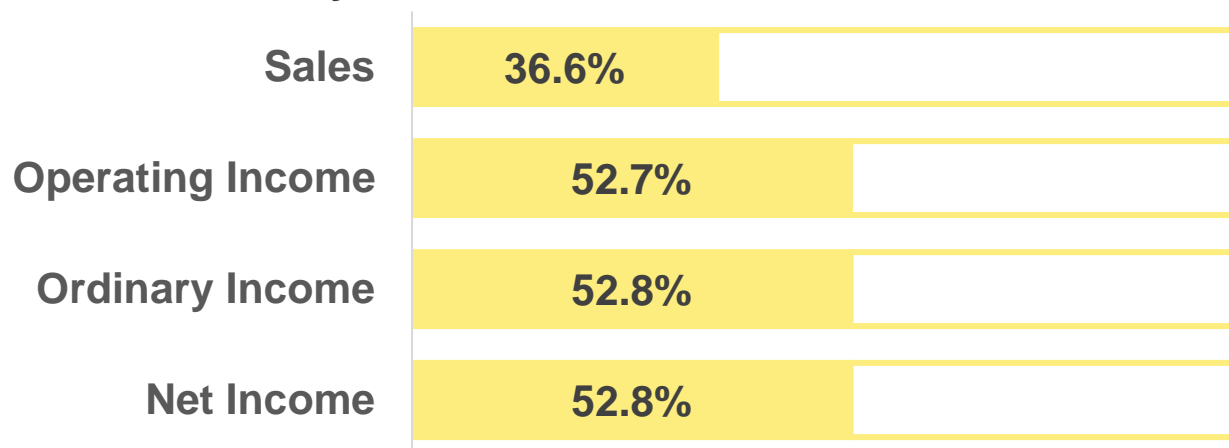
*2 In accordance with the application of the new revenue recognition standard (ASBJ Statement No. 29 "Accounting Standard for Revenue Recognition" and ASBJ Guidance No. 30 "Guidance on Accounting Standard for Revenue Recognition") from FY03/22, prior year results for the Ad Technology Segment are calculated and presented using the same standard in this report for ease of comparison. Figures before the application of the new standard are presented in the consolidated financial statements and quarterly report disclosed on the same day as this report.

Q1 Progress Toward Full-year FY03/22 Forecast

Progress versus the full-year FY03/22 targets reached 36.6% for sales and over 50% for all profit lines from operating income down, owing to the recording of gains on the sale of securities. However, we decided to maintain our forecast as we will continue making upfront investments to grow the DX Platform Segment in Q2 and beyond.

Consolidated Forecast *1	Sales:	¥13,000 million	(YoY +3%)
	Operating Income:	¥5,700 million	(YoY +2%)
	Ordinary Income:	¥5,700 million	(YoY +1%)
	Net Income:	¥3,900 million	(YoY +5%)
	EPS:	¥186.00	(YoY +11%)

Q1 Progress Toward Full-year FY03/22 Forecast



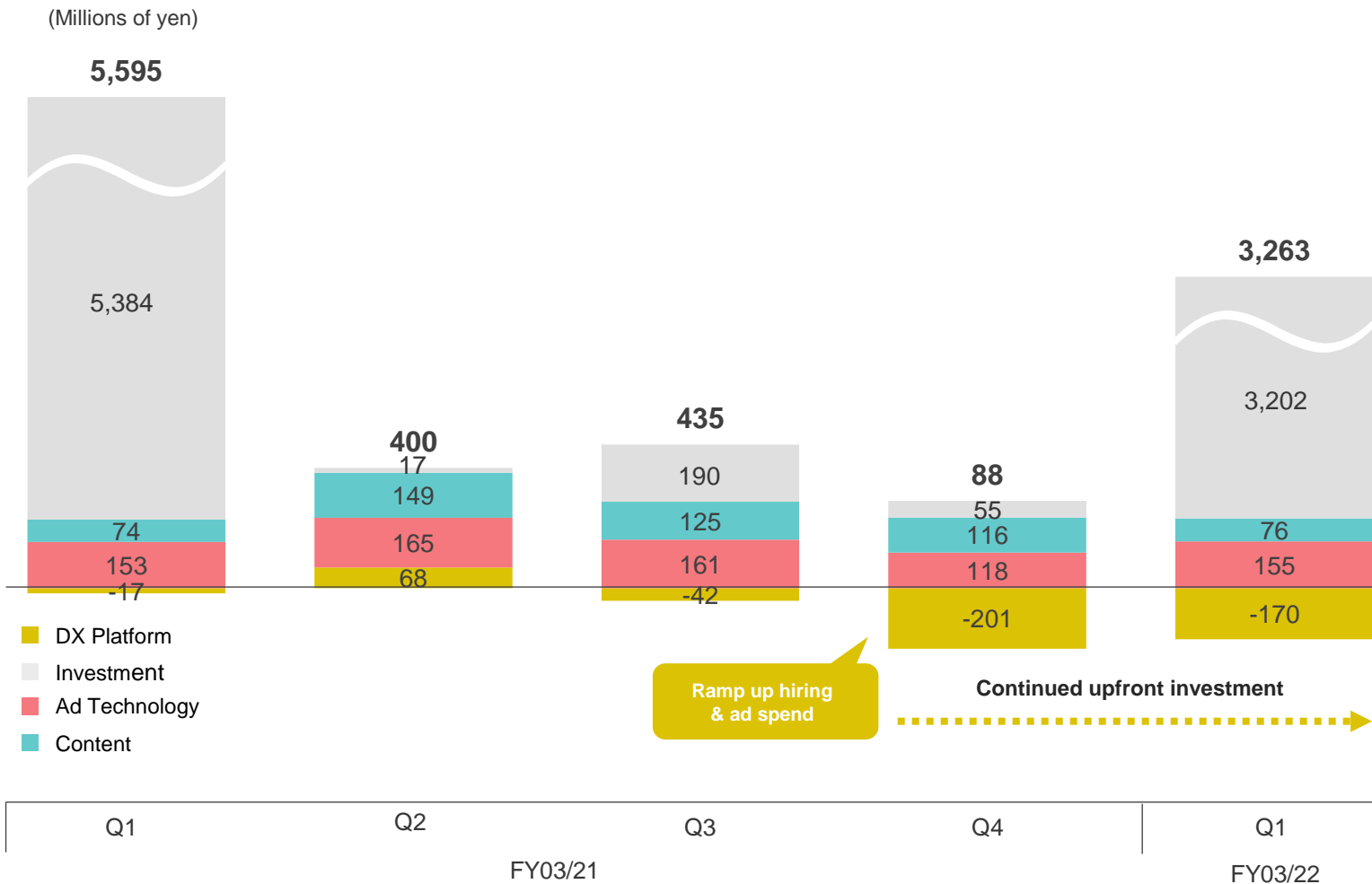
Consolidated P/L Statement

Gross profit fell 40% YoY on lower sales in the Investment Segment and the bolstered ad investment at KiRAMEX. SG&A expenses dropped 22% YoY, owing largely to the office downsizing we carried out in FY03/21.

(Millions of yen)	Q1 FY03/21	Q1 FY03/22	QoQ
Sales	7,026	4,752	- 32%
Gross profit	6,128	3,651	- 40%
G&A expenses	827	647	- 22%
Operating Income	5,300	3,003	- 43%
Non-operating income	6	10	+71%
Non-operating expenses	4	5	+47%
Ordinary Income	5,303	3,008	-43%
Extraordinary profit	8	-	-
Extraordinary loss	3	-	-
Profit before income taxes	5,308	3,008	- 43%
Net Income [*]	3,706	2,060	- 44%

Operating Income by Segment

Operating income excluding headquarters expenses was ¥3,263 million, reflecting the capital gain posted by the Investment Segment. We continued to ramp up hiring and ad spend for future growth in the DX Platform Segment.



Agenda

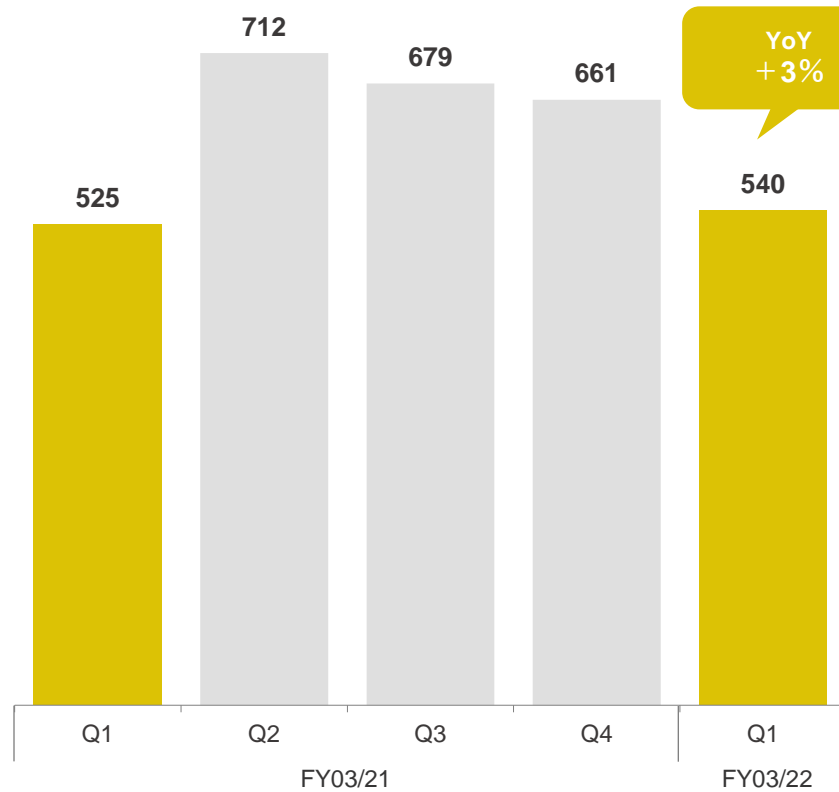
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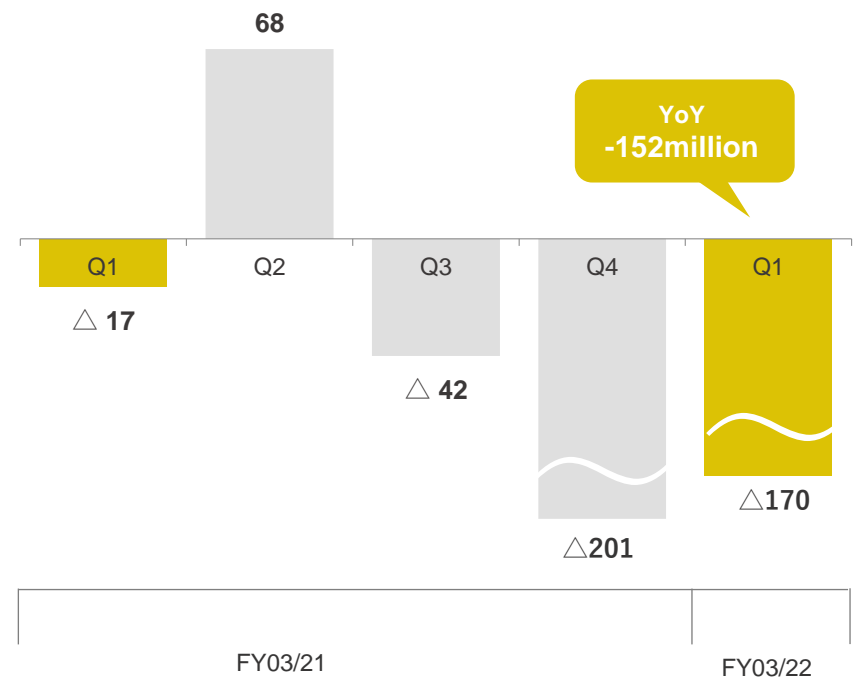
DX Platform Segment: Sales and Operating Income

Sales rose 3% YoY, but operating income fell ¥152 million YoY on ramped-up hiring and higher ad spend.

Sales Trend (Millions of yen)



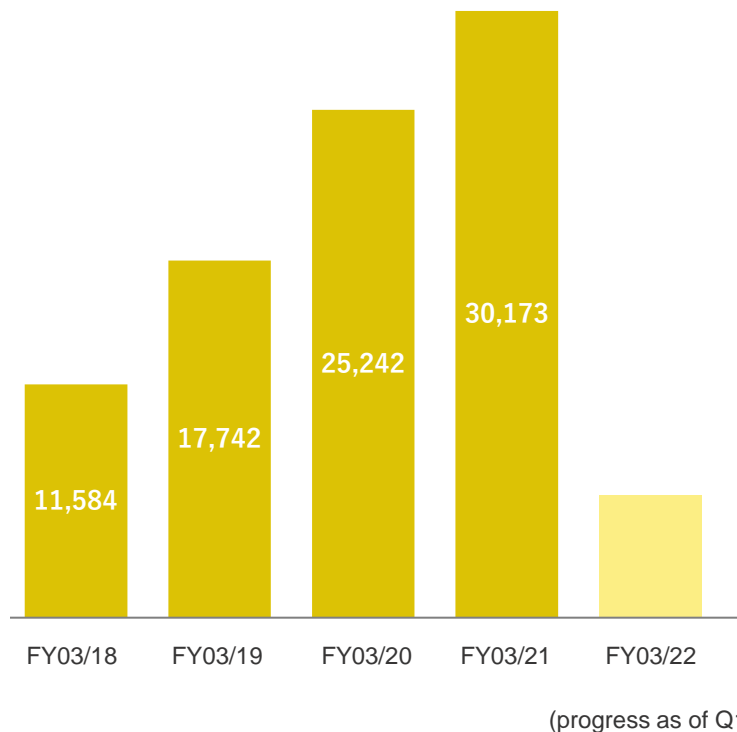
Operating Income Trend (Millions of yen)



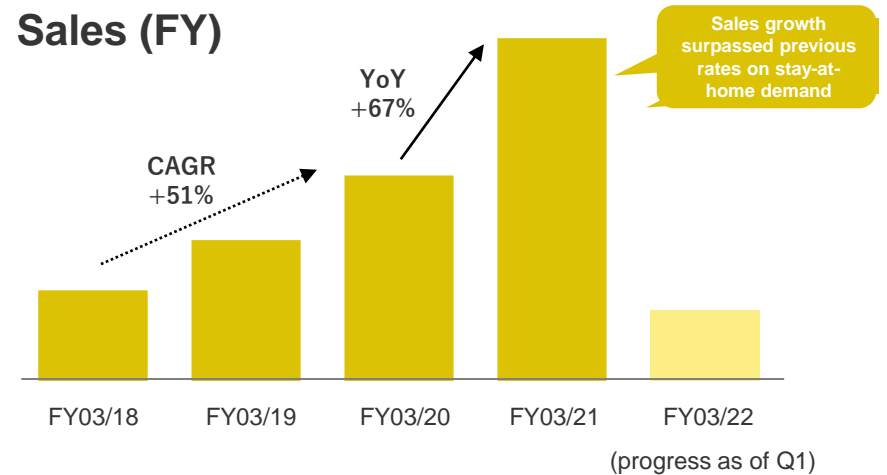
Highlights of KiRAMEX Co.

We aim for medium-term sales growth although we expect a reactionary slowdown from the stay-at-home demand in FY03/21. Operating income is expected to fall temporarily on account of upfront investment for future growth.

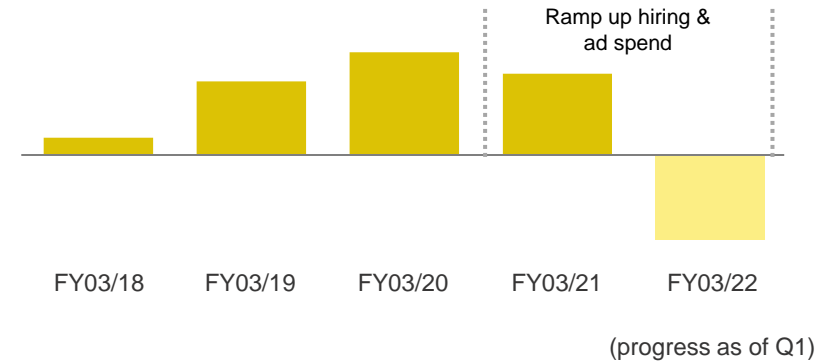
Number of Students (FY)*



Sales (FY)



Operating income (FY)

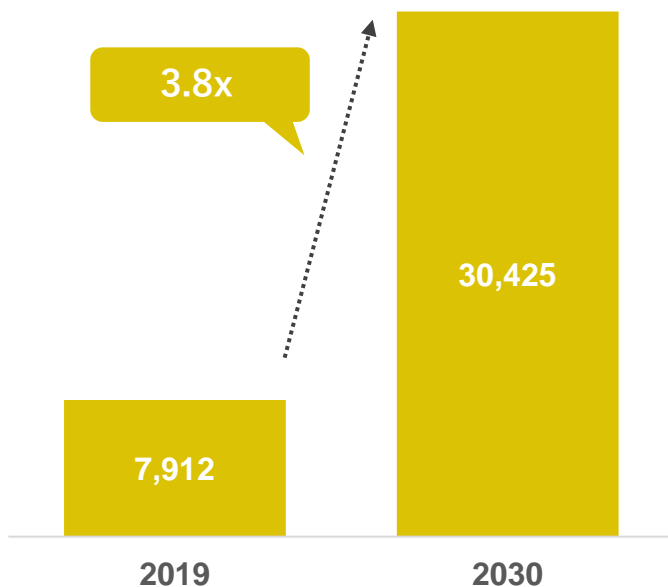


DX Platform Segment Challenges to Address

The DX market is expected to continue to grow in Japan, with the market size projected to reach ¥3,042.5 billion in 2030, approximately 3.8 times the size in 2019. On the other hand, there is a lack of talent capable of promoting DX throughout society, and the demand for training DX personnel is expected to grow.

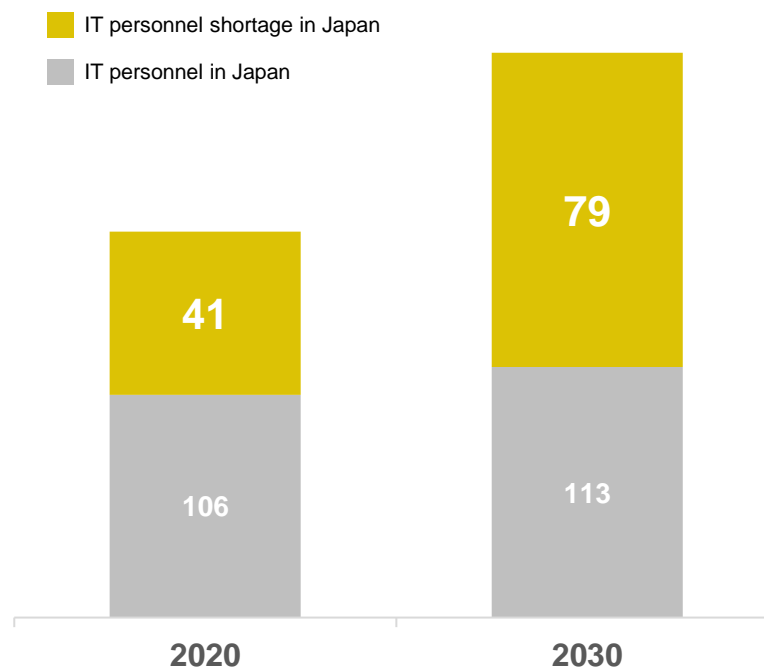
Growing DX market *1

Domestic DX market size (amount invested) (100 Millions of yen)



Expanding IT Personnel Shortages *2

Supply and demand of IT personnel in Japan ('000 people)

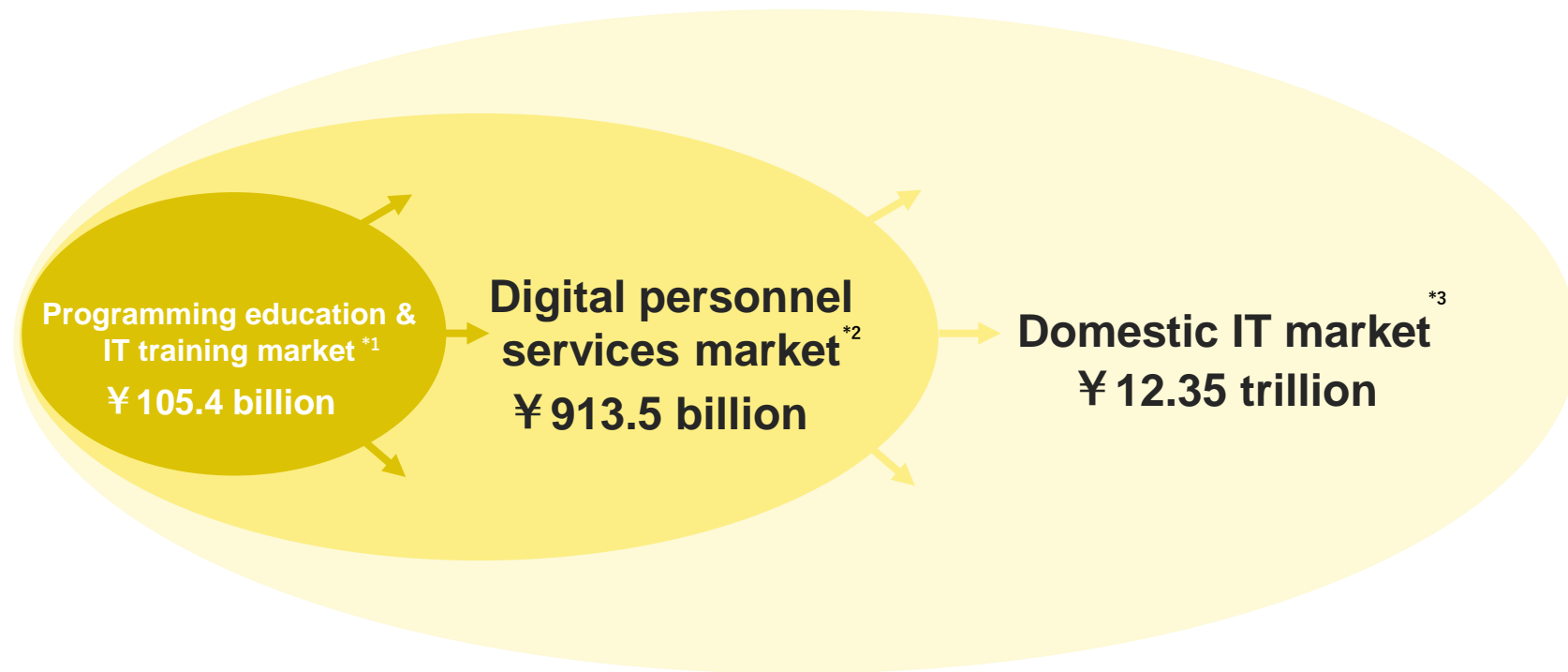


*1 Fuji Chimera Research Institute (2020) "2020 Future Prospects of Digital Transformation Market" Domestic ICT-related investment for the purpose of digital transformation

*2 Ministry of Economy, Trade and Industry "Survey on Supply and Demand of IT Human Resources" (2019). IT personnel defined as including systems consultants and designers, software creators, and other information processing and communication engineers

DX Platform Segment: Business Domains

On top of TechAcademy's business domain of programming education and IT training, we will expand our business in the digital personnel services market, including recruitment support, and the domestic IT market, including app and system development.



*1 Company's own estimate of the FY2021 programming education market for individuals of ¥29.4 billion, based on GMO Media, Inc. and Funai Research Institute's "2020 Programming Education Market Survey for Children" and interviews with competitors, plus ¥76 billion for the corporate IT training market, extracted from Yano Research Institute's "Corporate Training Service Market Status and Outlook 2020"

*2 The digital personnel services market is the sum of the digital personnel development and training services, digital personnel staffing services, and digital personnel placement services markets for FY2021, based on a survey conducted by Yano Research Institute on the digital personnel services market (2021). Digital personnel is defined as information processing/telecommunications engineers, DX-related project promotion personnel, etc.

*3 Forecast of domestic private-sector IT investment (including hardware, software, and services) for FY2021, based on "Survey on IT Investment by Domestic Companies (2020)" by Yano Research Institute

DX Platform Segment: M&A

Acquired all shares of LIBASE, which operates JOOi, a crowdsourcing service specializing in designers*, and IKETERU DUDES, which operates MOOCRES, a video creator school, in anticipation of collaboration with KiRAMEX Co. and future earnings contributions.

LIBASE Inc.

Operates JOOi, a crowdsourcing* service specializing in designers that matches high quality designers with companies in need of outsourcing design work

LIBASE

Establishment date	July 2016
Voting rights held after share transfer	100% UNITED, Inc.
Share transfer date	June 23, 2021

Prospects for collaboration within the Group

Collaboration with TechAcademy to improve the quality of education in the design domain and strengthening support for design projects at TechAcademy Works

IKETERU DUDES, Inc.

Operates MOOCRES, a hands-on-style video creator school where students can learn production and editing from professional video creators



Establishment date	October 2018
Voting rights held after share transfer	100% KiRAMEX Co.
Share transfer date	July 5, 2021

Prospects for collaboration within the Group

Collaboration with TechAcademy to share knowledge and resources in the education domain to improve the quality of services for both companies

* An online service used to outsource work to or solicit work from a large number of unspecified people over the internet

DX Platform Segment: Strategic Investments

We invested in Africa's Decagon Global, a global engineer training and talent placement* company, and in Inglewood, a DX support company specializing in the retail industry, with an eye toward forming partnerships with businesses in the DX Platform Segment.

Decagon Global, Inc.

Provides integrated services for training and producing engineers, from programming education to talent placement*, globally in Nigeria, Europe, and the United States



Representative	Chika Nwobi, Founder & CEO
Establishment date	August 2015

Prospects for collaboration within the Group

Collaboration with TechAcademy to share knowledge and expertise and build a future partnership to improve the quality of services for both companies

Inglewood Co., Ltd.

Provides DX support specialized for the retail industry using AI and data technology built on knowledge cultivated through the operation of its own e-commerce business



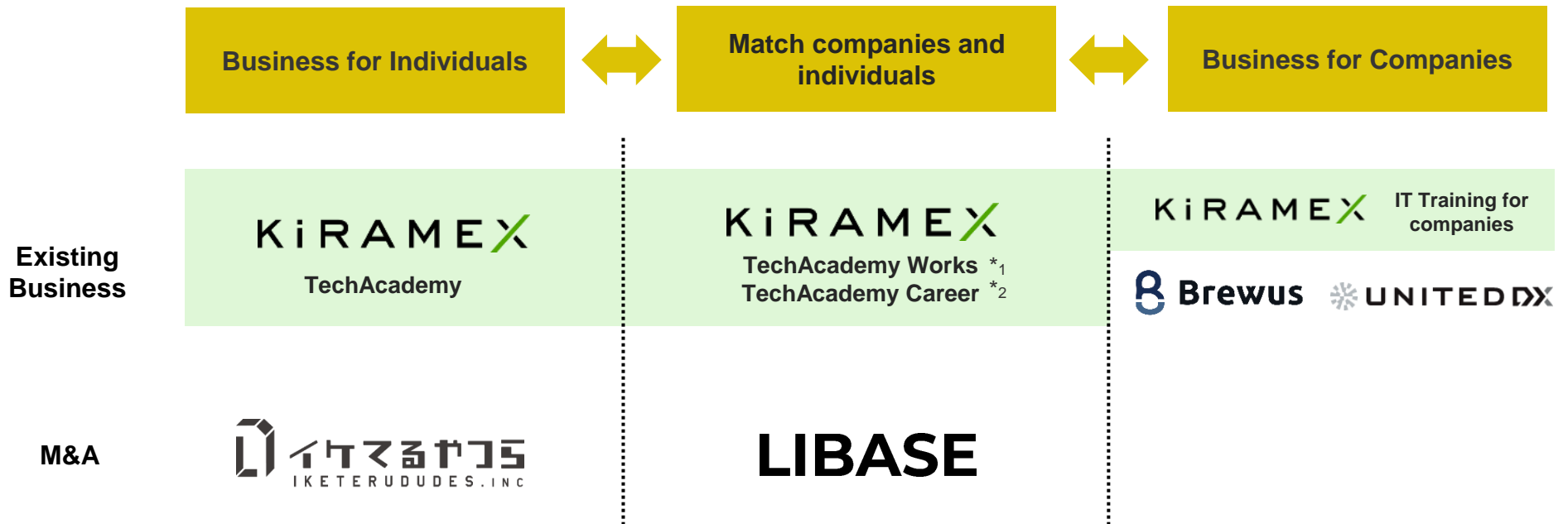
Representative	Ryusuke Kurokawa, President & CEO
Establishment date	August 2005

Prospects for collaboration within the Group

Collaboration with TechAcademy Works to strengthen services by building a joint DX support implementation system for companies

DX Platform Segment : Growth Strategy

We will promote the digital transformation (DX) of individuals and companies, and advance DX in society as a platform that can also match the two. In addition to growing our existing businesses, we plan to strengthen our M&A and strategic investment efforts.



*1 TechAcademy Works provides TechAcademy graduates with the opportunity to gain practical experience before finding a job or starting their own business by working with mentors on real-world projects.

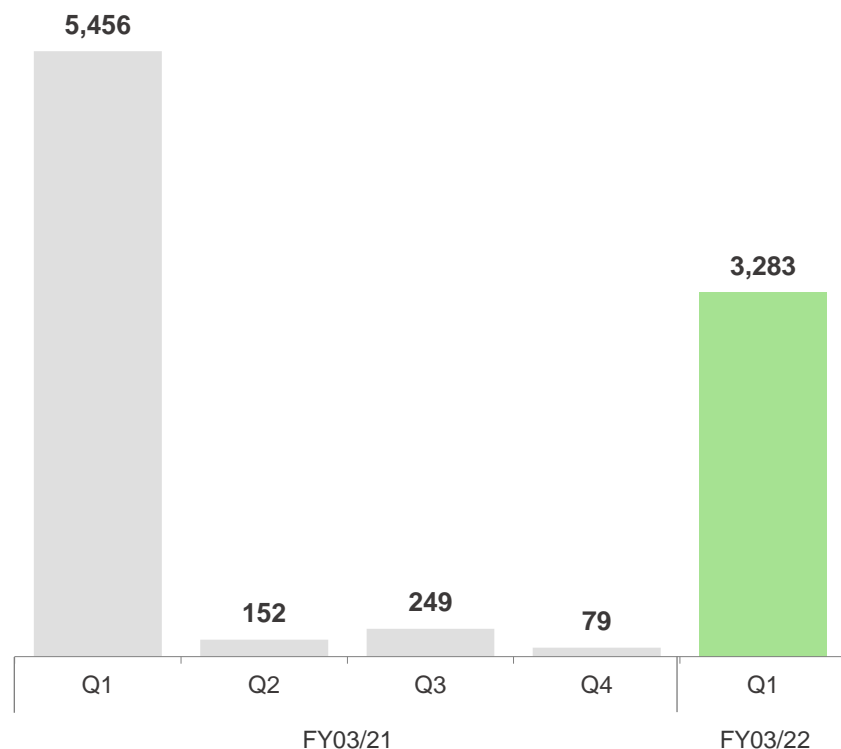
*2 TechAcademy Career provides career support to TechAcademy graduates and recruitment support to companies.

Investment Segment: Sales and Breakdown of Operational Investment Securities

Sales amounted to ¥3,283 million, reflecting capital gains from the listing of WonderPlanet and sale of Mercari shares. Operational investment securities at end-Q1 totaled ¥32,804 million*.

Sales Trend

(Millions of yen)



Breakdown of Operational Investment Securities

	Investee Companies	As of June 30, 2021 (amount on BS)
Listed shares	Mercari, Inc. Wonder Planet, Inc. Confidence, Inc	Approx. ¥28.9 Bn
Unlisted shares	More than 50 companies	Approx. ¥2.6 Bn
Investment in funds as LP	More than 25 funds	Approx. ¥1.3 Bn

*Of this amount, operational investment securities related to Mercari totaled ¥27,671 million (3.0% of voting rights held, as of June 30, 2021).
Unlisted shares are valued at investment book value; listed shares are marked to market.

Investment Segment: IPOs

Two of our portfolio companies had IPOs in Q1.

- WonderPlanet, which operates the game Crash Fever, a joint business with UNITED
- Confidence, which operates personnel services in the entertainment industry

WonderPlanet Inc.



Representative	Tomoki Tsunekawa, Representative Director & CEO
Business	Engaged in the entertainment services business, including game application development. Key titles include Crash Fever, Jumputi Heroes
Results	Sales of ¥3,434 million, ordinary income of ¥312 million (consolidated FY08/20 results)
IPO date	June 10, 2021 (Tokyo Stock Exchange, Mothers Market)
Market capitalization	¥ 8,232 million (Closing price at end-June 2021 x total number of outstanding shares)
Company stake at IPO	9.03%

























Confidence Inc.



Representative	Noriyuki Takushi, Representative Director & President
Business	Engaged in personnel staffing, placement, outsourcing and media management services in the entertainment industry.
Results	Sales of ¥2,604 million, ordinary income of ¥331 million (consolidated FY03/20 results)
IPO date	June 28, 2021 (Tokyo Stock Exchange, Mothers Market)
Market capitalization	¥ 13,771 million (Closing price at end-June 2021 x total number of outstanding shares)
Company stake at IPO	0.44%

Investment Segment: Investment Portfolio

Major Directly Invested Start-ups

Post IPO			
			
mercari		ビザスク	
Middle ~ Later			
			
			
			
Entertainment Startup			
Seed ~ Early			
			
			

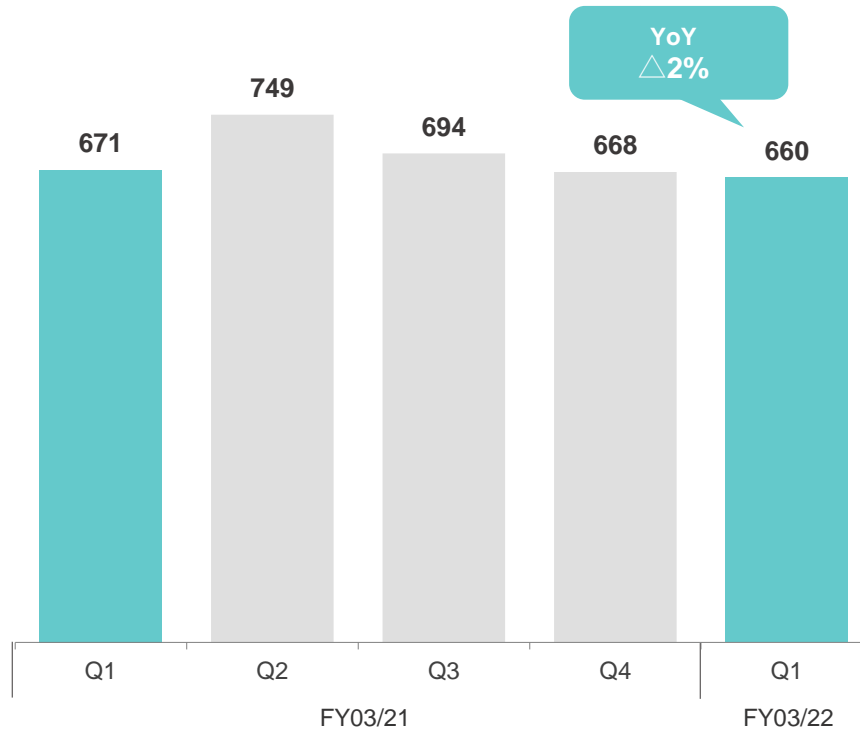
Major Invested Funds as LP

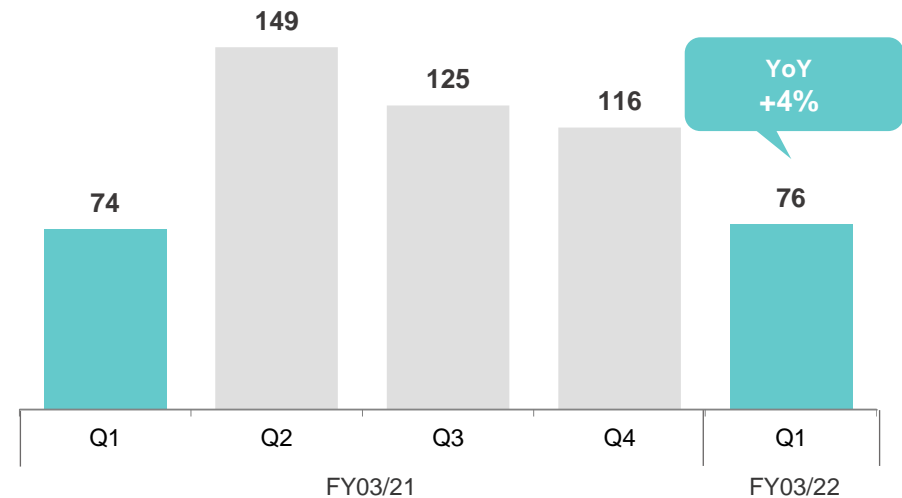
Content Segment: Sales and Operating Income

Sales fell slightly by 2% YoY, but operating income rose 4% YoY.
As the Content Segment is an earnings driver, we aim to continue generating stable earnings from Q2 onward.

Sales Trend (Millions of yen)



Operating Income Trend (Millions of yen)

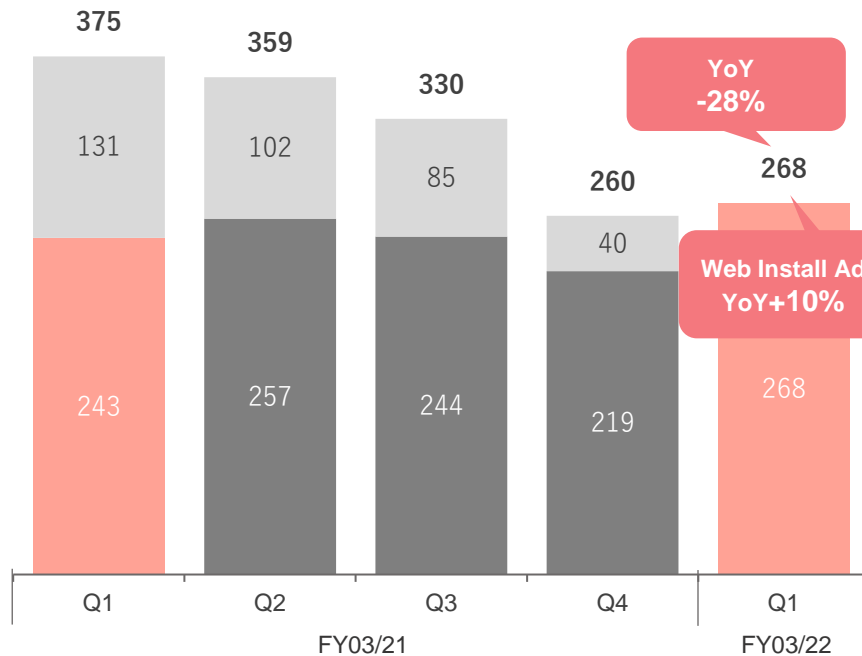


Ad Technology Segment: Sales and Operating Income

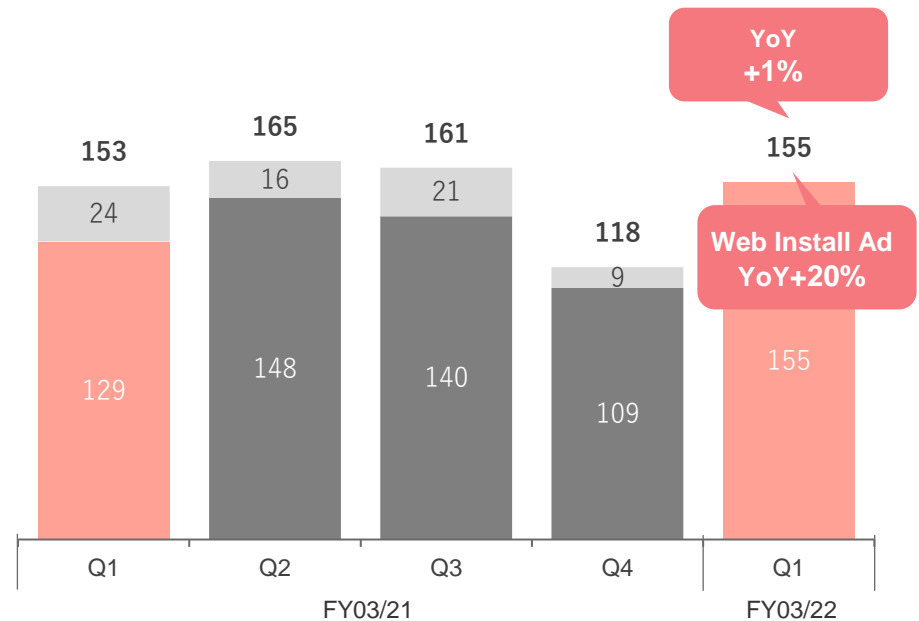
Sales fell 28% YoY as we withdrew from the App Install Ad business, but operating income rose slightly. In the Web Ad business, which will be continued, sales rose 10% YoY while operating income rose 20% YoY.

Sales Trend (Millions of yen)

- App Install Ad(Discontinued)
- Web Install Ad(Continuing)



Operating Income Trend (Millions of yen)



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Consolidated P/L Statement Q1 FY03/22

(Millions of yen)	Q1 FY03/21	Q4 FY03/21	Q1 FY03/22	Difference	
				YoY	QoQ
Sales	7,026	1,668	4,752	- 32%	+185%
DX Platform Segment	525	661	540	+3%	- 18%
Investment Segment	5,456	79	3,283	- 40%	+4,044%
Ad Technology Segment	671	668	660	- 2%	- 1%
Content Segment	375	260	268	- 28%	+3%
Other Segment	- 1	- 0	- 0	-	-
Gross Profit	6,128	605	3,651	- 40%	+502%
DX Platform Segment	170	25	3	-173	- 29
Investment Segment	5,403	73	3,226	- 40%	+4,313%
Ad Technology Segment	287	318	223	- 22%	- 30%
Content Segment	267	188	204	- 24%	+9%
Other Segment	-	- 0	- 0	-	-
SG&A expenses	827	692	647	- 22%	- 6%
Operating Income	5,300	86	3,003	- 43%	+3,089
DX Platform Segment	- 17	- 201	170	-152	+31
Investment Segment	5,384	55	3,202	- 41%	+5,711%
Content Segment	74	116	76	+4%	- 34%
Ad Technology Segment	153	118	155	+1%	+30%
Other Segment	- 294	- 175	260	+34	- 85
Ordinary Income	5,303	132	3,008	- 43%	+3,140
Net Income*	3,706	-122	2,060	- 44%	+2,182

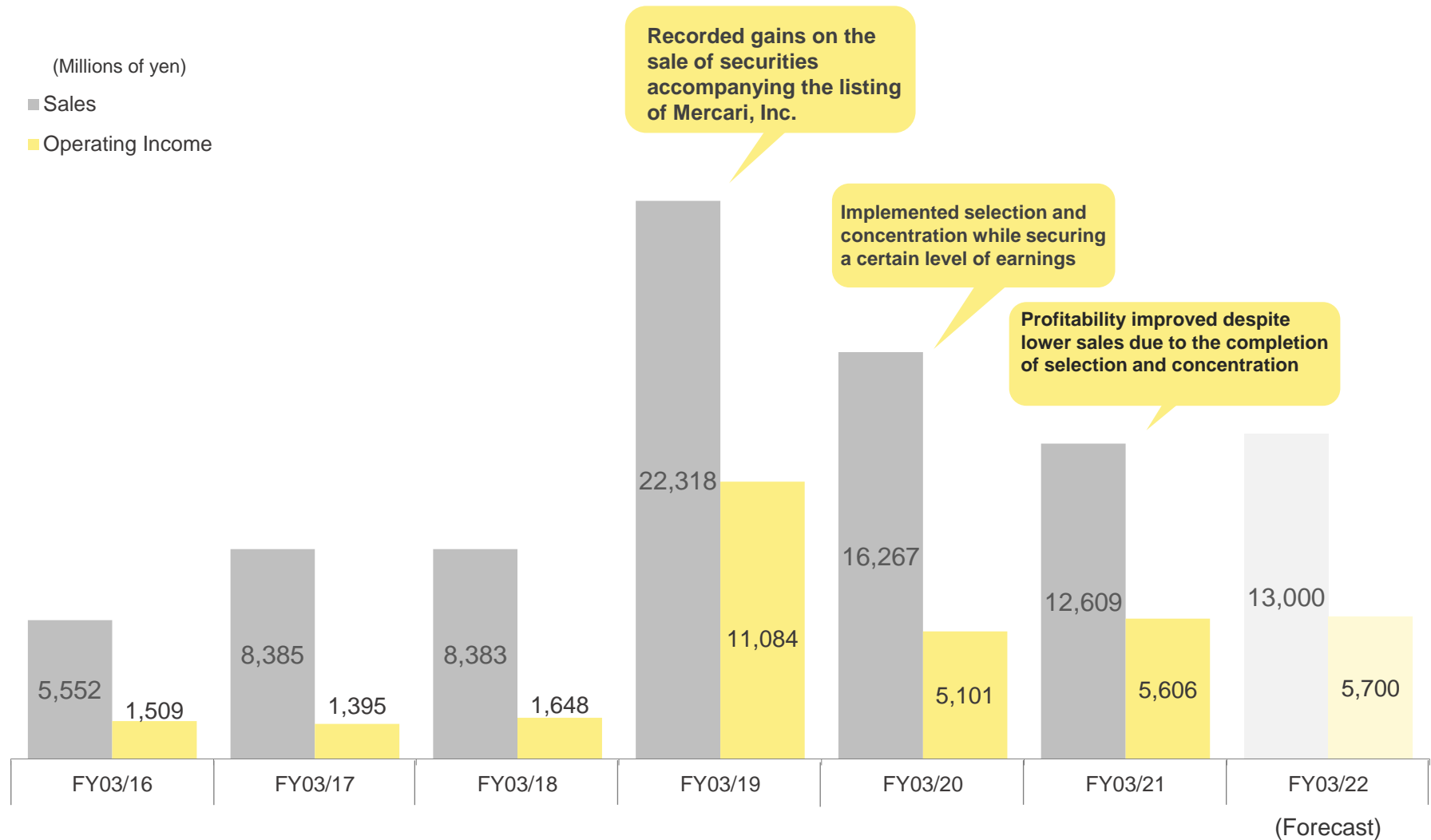
*: Refers to net income attributable to owners of parent.

Consolidated Balance Sheet for 1Q FY03/22

(Millions of yen)	End of FY03/21 (Mar. 31, 2021)	End of FY03/21 (June. 30, 2021)	Difference
Current Assets	46,115	48,268	+2,153
Cash & Deposits	13,774	13,454	320
Operating Investment Securities	30,953	32,804	+1,851 ※
Non Current Assets	1,240	1,544	+304
Amortization of Goodwill	-	291	+291
Total Assets	47,356	49,813	+2,457
Current Liabilities	3,114	2,604	- 510
Non Current Liabilities	8,206	8,753	+547
Deferred Tax Liabilities	8,098	8,647	+548 ※
Total Liabilities	11,321	11,358	+36
Net Assets	36,034	38,455	+2,420
Unrealized Gain on Securities	18,571	19,768	+1,196 ※

* : Of this amount, the impact of revaluation (mark-to-market) and disposal of operational investment securities (listed shares) was as follows:
operational investment securities +¥1,660 million, deferred tax liabilities +¥524 million, valuation difference on available-for-sale securities: +¥1,188 million

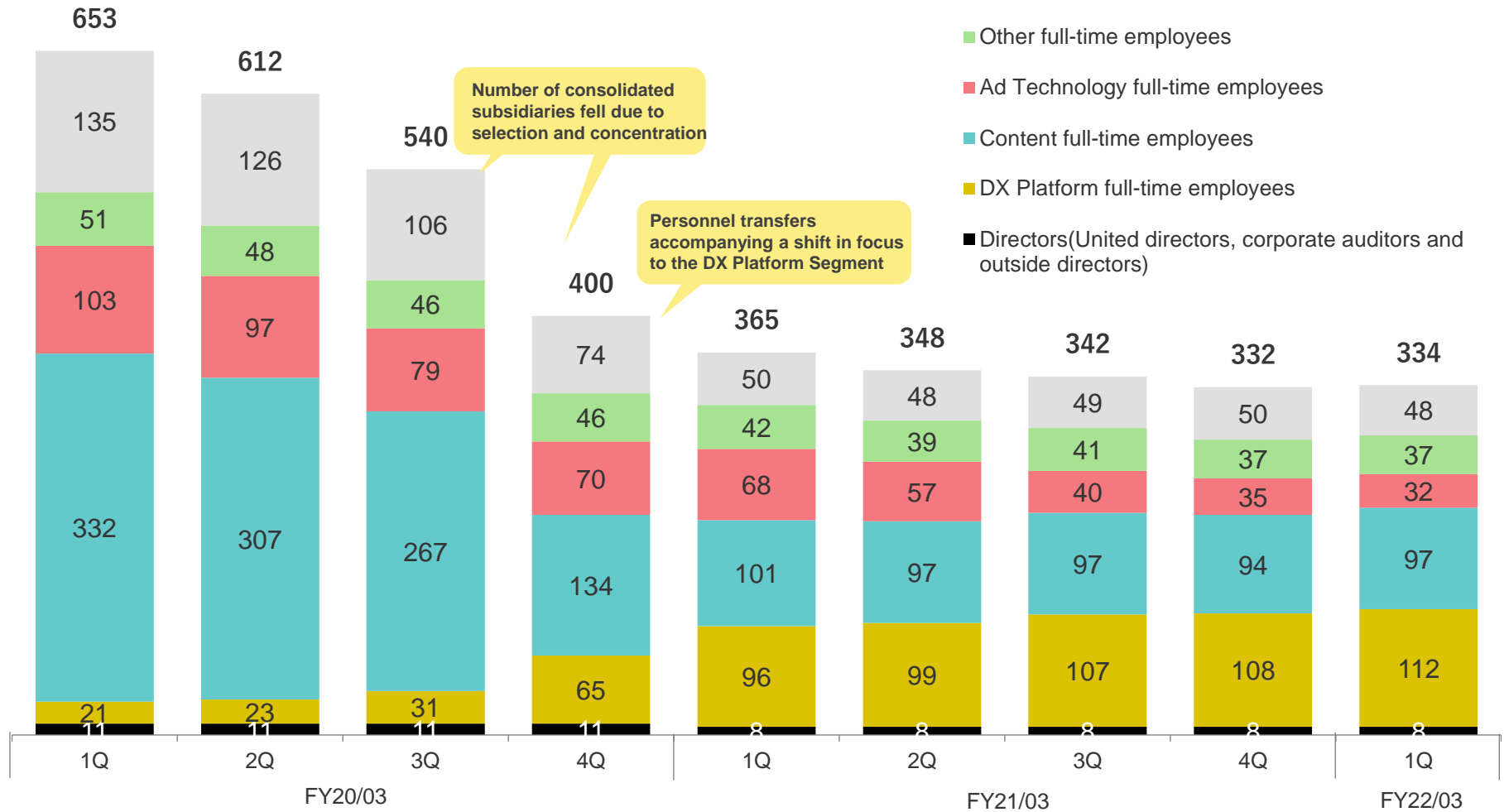
Consolidated Sales and Operating Income in Previous Fiscal Years



Number of Consolidated Employees and Directors

(Unit: Numbers employed)

- Temporary employees
- Other full-time employees
- Ad Technology full-time employees
- Content full-time employees
- DX Platform full-time employees
- Directors (United directors, corporate auditors and outside directors)



DX Platform Segment: Group Companies and business overview

The logo for KiRAMEX Co. features the word "KiRAMEX" in a bold, black, sans-serif font. The letter "X" is stylized with a green diagonal line through it.

KiRAMEX Co.

Online Programming Education Business
Operation of a range of services (e.g., career support for students, media management) centered on TechAcademy, an online school where students learn about programming and app development

The logo for Brewus, Inc. consists of a blue stylized icon resembling a lowercase "b" or a person's head and shoulders, followed by the word "Brewus" in a bold, black, sans-serif font.

Brewus, Inc.

App and System Development Business
Development across a wide range of domains focusing on apps.

The logo for LIBASE Inc. features the word "LIBASE" in a bold, black, sans-serif font.

LIBASE Inc.

Operates JOOi, a crowdsourcing service specializing in designers

The logo for IKETERU DUDES, Inc. features a stylized icon of a person's head and shoulders on the left, followed by the Japanese text "イケてる dudes" and "IKETERU DUDES . INC" in a black, sans-serif font.

IKETERU DUDES, Inc.

Operates MOOCRES, a hands-on-style video creator school

The logo for UNITED DX Consulting Business features a stylized sunburst icon on the left, followed by the word "UNITED" in a bold, black, sans-serif font, and "DX" in a larger, bold, black, sans-serif font.

DX Consulting Business

Consulting services to support DX of companies

Content Segment: Group Companies and business overview

The logo for Plus U, Inc. features the word "Plus U" in a bold, black, sans-serif font. A small yellow square is positioned to the left of the letter "P".

Plus U ,Inc.

Operates games such as CocoPPa Play and Crash Fever

The logo for Fogg, inc. consists of a stylized diamond shape on the left, composed of several intersecting lines. To the right of the diamond, the word "FOGG" is written in a bold, black, sans-serif font.

Fogg, inc.

Operates CHEERZ, a service to help invigorate artists' activities

The logo for International Sports Marketing Co., Ltd. features the lowercase letters "ism" in a bold, black, sans-serif font. A small blue dot is placed above the letter "i". Below the letters, the full name "INTERNATIONAL SPORTS MARKETING Co., Ltd." is written in a smaller, black, sans-serif font.

International Sports Marketing Co., Ltd.

Produces sports-related websites and plans and develops media

The logo for TREiS, inc. features a stylized diamond shape on the left, composed of several intersecting lines. To the right of the diamond, the word "TREiS" is written in a bold, black, sans-serif font. The letter "i" is lowercase and has a red dot above it.

TREiS, inc.

Plans and operates Dream Mail, a sweepstakes and gift site

Ad Technology Segment: Group Companies and business overview



UNITED Marketing Technologies Inc.
Operates the following ad technology products

Products



DSP specializing smartphones



SSP specializing smartphones



Ad network optimizing ad effectiveness