
First Quarter, Fiscal Year Ending March 2023

Financial Results

August 4, 2022



United, Inc.
(TSE Growth: code 2497)

Agenda

1	Financial Highlights of Q1 FY03/23	.....	P1
2	FY03/23 Business Policy	.....	P11
3	Strategies for Core Businesses	.....	P16
4	Appendix	.....	P26

All opinions, forecasts, and outlooks expressed in this presentation reflect the judgement of United, Inc. based on the information available at the time the material was created, and actual performance and results may differ substantially due to changes in various factors. Company names and product names are trademarks or registered trademarks of the respective companies.

Business Domains and Their Components

DX Platform



App and system development



Consulting service to support the digital transformation (DX*) of companies



The TechAcademy online programming school, and TechAcademy Works through which graduates and mentors offer development support to companies



JOOi, a crowdsourcing service specializing in designers

Investment



Investment in startups and provision of support to boost their value

Content



CHEERZ, a service to help invigorate artists' activities



Sports-related business



CocoPPa Play, an avatar game app



Dream Mail, a sweepstakes and gift site

Ad Technology



Bypass (DSP), adstir (SSP)

* Digital transformation (DX) 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 Indices")

Financial Highlights of Q1 FY03/23

Consolidated Operating Performance

Sales: ¥4,776 million (+0% YoY)
Operating Profit: ¥3,125 million (+4% YoY)

DX Platform

Sales: ¥586 million (+9% YoY)
Operating Profit: ¥9 million (+¥179 million YoY)

KIRAMEX Co.
 Brewus, Inc.
 DX Solution Division
 LIBASE Inc.

For Details **P7**

Investment

Sales: ¥3,528 million (-1% YoY)
Operating Profit: ¥3,206 million (+0% YoY)

Investment Division

For Details **P8**

Content

Sales: ¥661 million (+0% YoY)
Operating Profit: -¥22 million (-99% YoY)

Plus U, Inc.
 Fogg, inc.
 International Sports Marketing Co., Ltd.
 TREiS, inc.

For Details **P9**

Ad Technology

Sales: ¥270 million (+1% YoY)
Operating Profit: ¥152 million (-2% YoY)

UNITED Marketing Technologies Inc.

For Details **P10**

Consolidated P/L Statement

We transferred joint operating rights for Crash Fever on May 1, 2022. This resulted in ¥359 million in extraordinary income.

(Millions of yen)	Q1 FY03/22	Q1 FY03/23	YoY
Sales	4,752	4,776	+0%
Gross profit	3,651	3,796	+4%
SG&A expenses	647	670	+4%
Operating Profit	3,003	3,125	+4%
Non-operating Income	10	9	△11%
Non-operating expenses	5	9	+65%
Ordinary Profit	3,008	3,125	+4%
Extraordinary income	-	359	+359
Extraordinary losses	-	2	+2
Profit before income taxes	3,008	3,481	+16%
Profit*	2,060	2,399	+16%

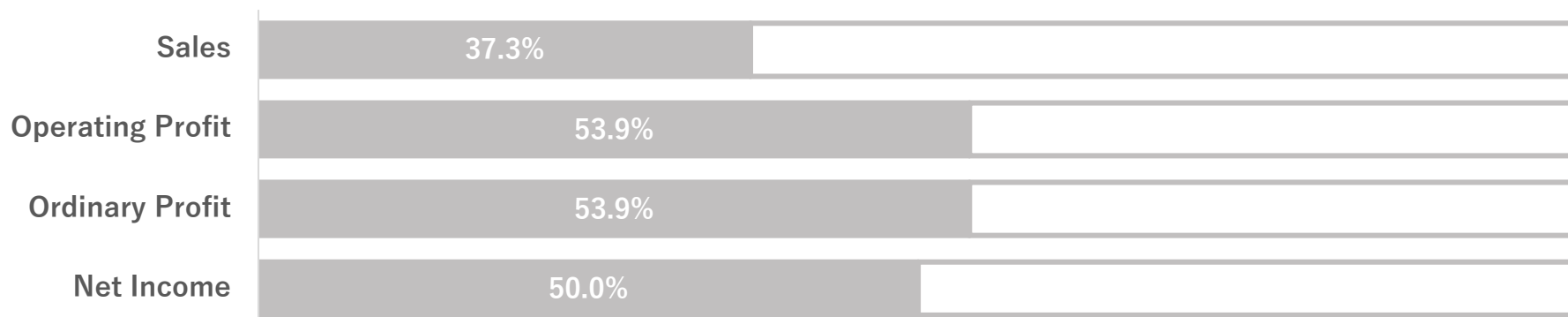
※* Refers to profit attributable to owners of parent

Q1 Progress vs. Full-year FY03/23 Forecast

Progress versus the full-year targets exceeded 50% for all profit lines from operating profit down, owing to the sale of securities partially executed ahead of schedule. However, we decided to maintain our forecast for the full year as we will continue to make investments for the growth of our core businesses.

Consolidated Forecast	Sales:	: ¥12,800million (+ 1% YoY)
	Operating Profit	: ¥5,800million (+ 1% YoY)
	Ordinary Profit	: ¥5,800million (+ 1% YoY)
	Profit *	: ¥4,800million (+10% YoY)
	EPS	: ¥208.00 (+12% YoY)

Q1 Progress vs. Full-year Forecast (as of the end of Q1 FY03/23)



Status of Share Repurchase

We have been repurchasing our shares to improve capital efficiency and boost share value.

All treasury shares resulting from the repurchase at this time are scheduled for retirement effective February 28, 2023.

Status of share repurchase (as of June 30, 2022)

Class of shares repurchased	Common shares of United, Inc.
Total number of shares repurchased	165,900 shares (30% of the upper limit of 550,000 shares)
Total amount repurchased	¥269 million (27% of the upper limit of ¥1,000 million)
Period of repurchase	May 12, 2022 to June 30, 2022 (Repurchase period ends on December 23, 2022)
Method of repurchase	Market purchases on the Tokyo Stock Exchange (based on a discretionary trading contract)

Retirement of treasury shares (Planned retirement date: February 28, 2023)

Retirement of treasury shares being repurchased	All shares to be repurchased as part of the program will be subject to retirement. (In the event the repurchase reaches the upper limit of 550,000 shares, the retirement would amount to 2.7% of the total number of issued shares as of May 11, 2022)
--	--

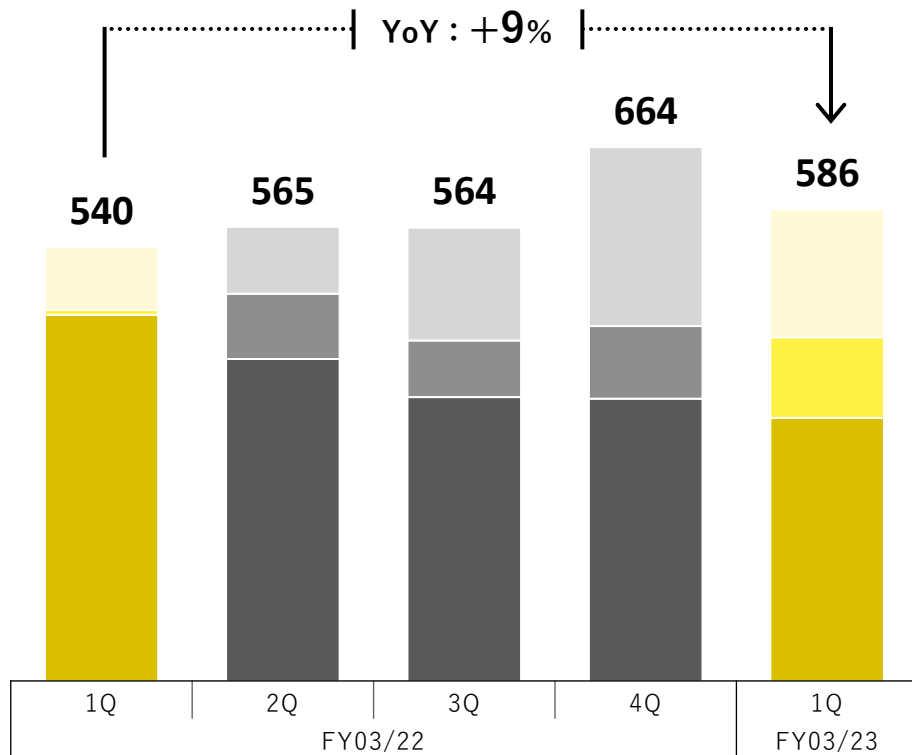
DX Platform: Sales and Operating Profit

Sales were up YoY thanks to expansion of the Personnel Matching business.

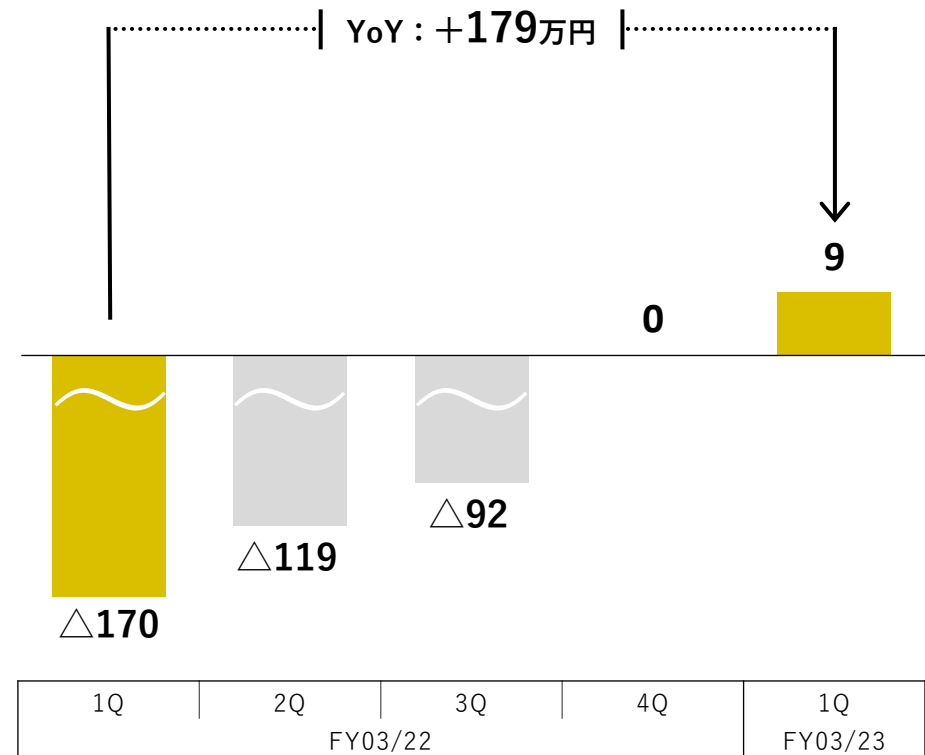
Operating profit increased YoY on improved efficiency in securing student enrollment at TechAcademy in the Education business.

Sales Trend (Millions of yen)

- Education business
- Personnel Matching business
- Other businesses



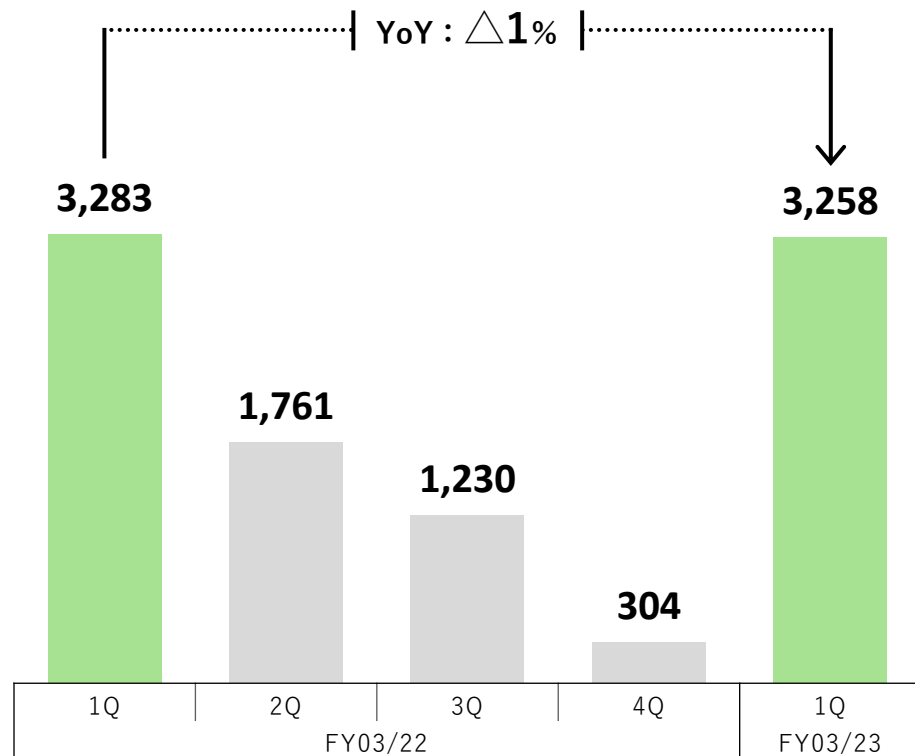
Operating Profit Trend (Millions of yen)



Investment: Sales and Breakdown of Operational Investment Securities

Sales came in largely on par YoY as we booked gains on sales of investment securities and gains on distributions from investment in funds as LP.

Sales Trend (Millions of yen)



Breakdown of Operational Investment Securities

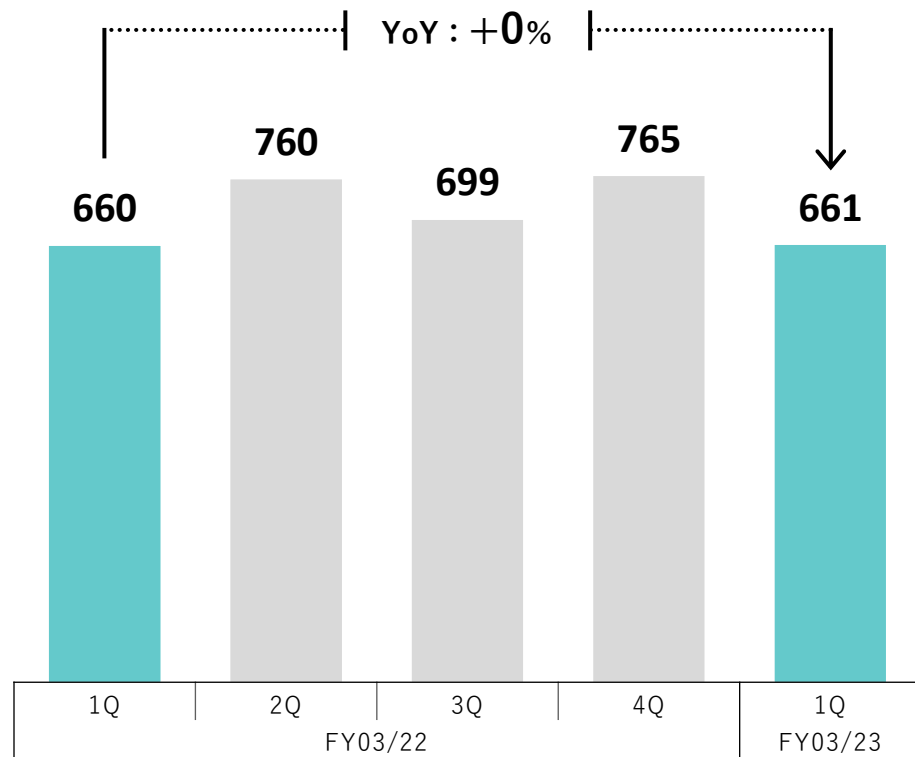
	Investee Companies	As of March 31, 2022 (amount on BS)
Listed shares	<ul style="list-style-type: none"> • Mercari, Inc. • Wonder Planet, Inc. • CyberBuzz, Inc. • Socialwire Co., Ltd., etc. 	Approx. 78 bn*
Unlisted shares	More than 62 companies	Approx. 31 bn
Investment in funds as LP	35 funds	Approx. 17 bn

*Of this amount, operational investment securities related to Mercari totaled ¥7,098 million.

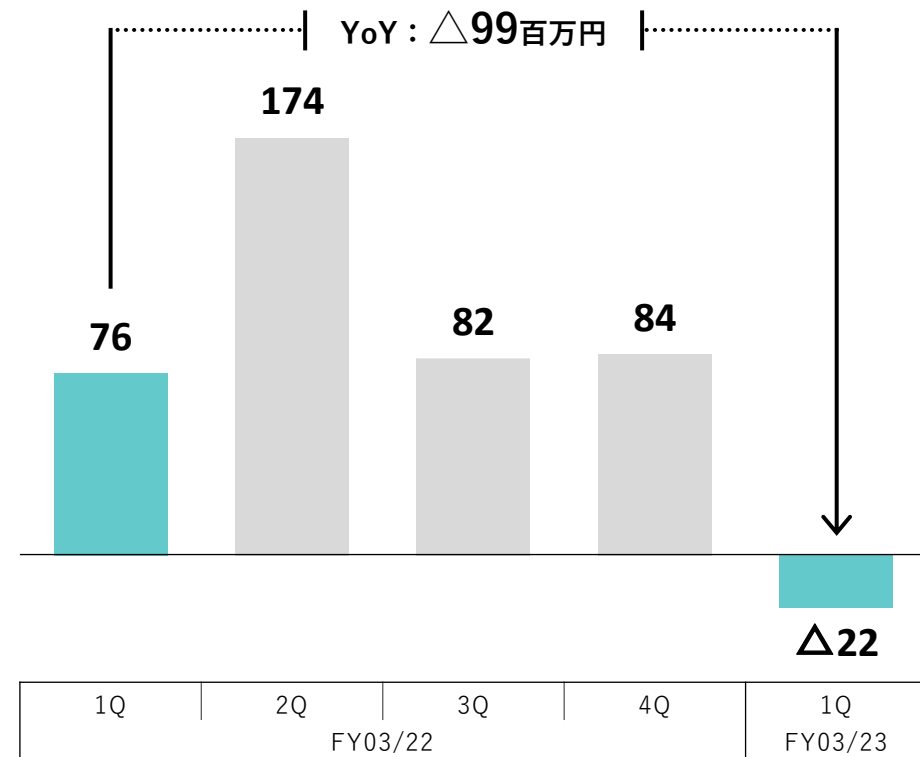
Content: Sales and Operating Profit

Sales were largely on par YoY. Growth at Fogg, Inc. offset a sales decline resulting from the transfer of joint operating rights for Crash Fever. Operating profit fell YoY because of the transfer and an increase in sales promotion costs at Fogg.

Sales Trend (Millions of yen)



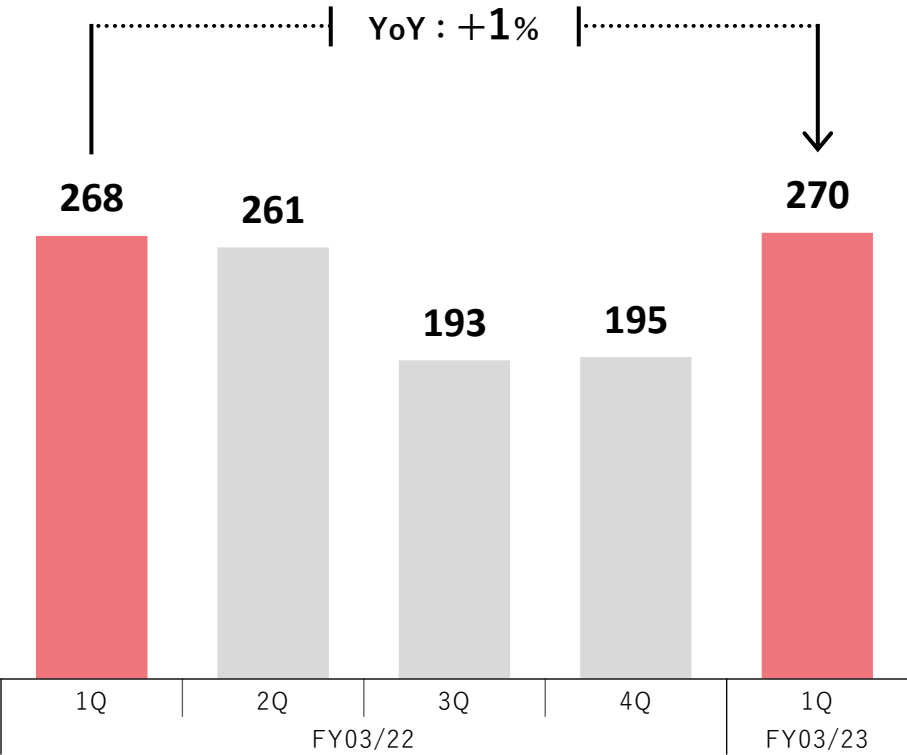
Operating Profit Trend (Millions of yen)



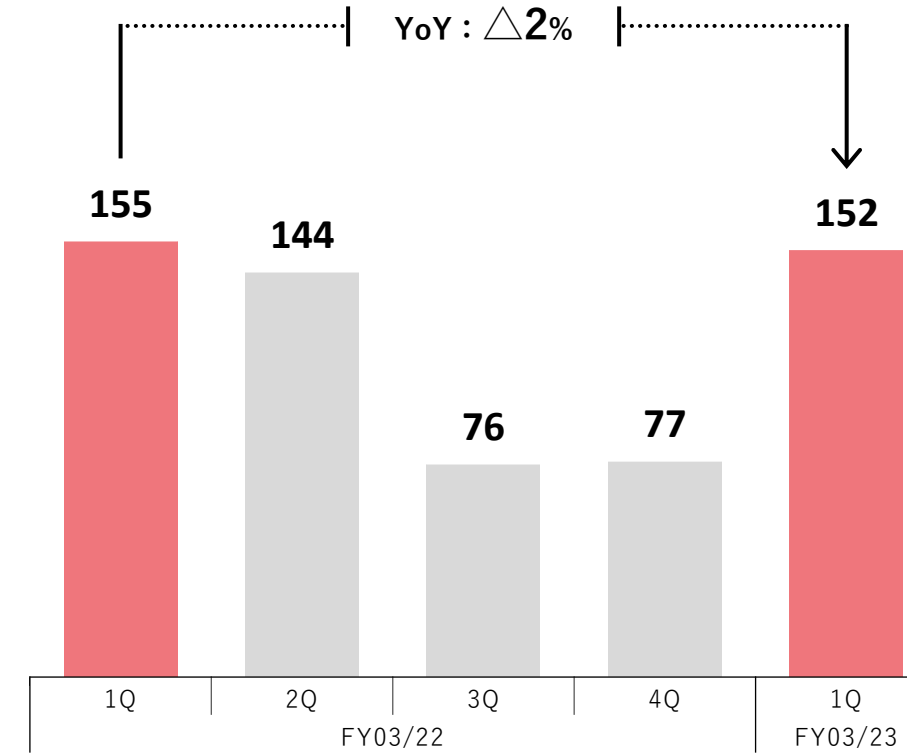
Ad Technology: Sales and Operating Profit

Results were largely on par YoY thanks to the recovery of ad placement demand among major advertisers. We expect to generate stable sales and earnings in Q2 and beyond.

Sales Trend (Millions of yen)



Operating profit Trend (Millions of yen)



Agenda

1	Financial Highlights of Q1 FY03/23	P1
2	FY03/23 Business Policy	P11
3	Strategies for Core Businesses	P16
4	Appendix	P26

All opinions, forecasts, and outlooks expressed in this presentation reflect the judgement of United, Inc. based on the information available at the time the material was created, and actual performance and results may differ substantially due to changes in various factors. Company names and product names are trademarks or registered trademarks of the respective companies.

**Maximize willpower and
accelerate the betterment
of society.**

People who push themselves forward.

Businesses that move society forward.

The betterment of society is driven by people and businesses with willpower.

Strong willpower is the source of energy that changes society for the better.

UNITED will maximize this energy and willpower.

We will provide knowledge and opportunities to people with willpower.

We will provide funds and know-how to businesses with willpower.

And when both parties meet, their mutual growth will spark even further growth.

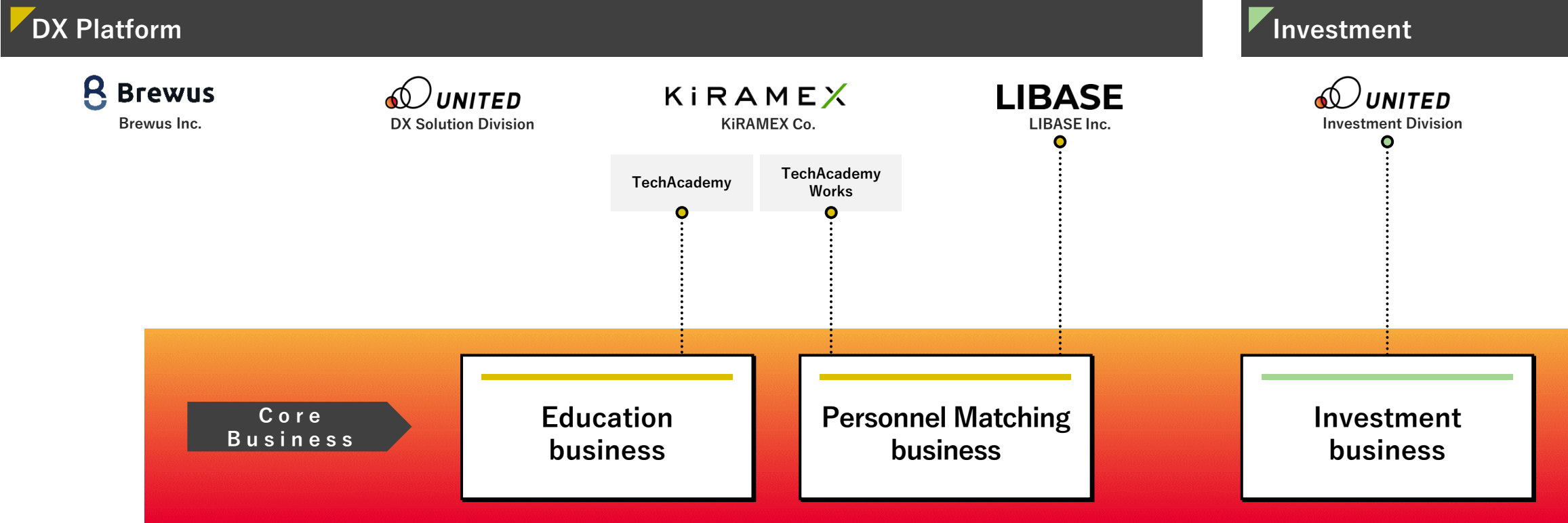
This cycle of growth will enrich society.

We will move society in a better direction faster with willpower.

We will maximize willpower and accelerate the betterment of society.

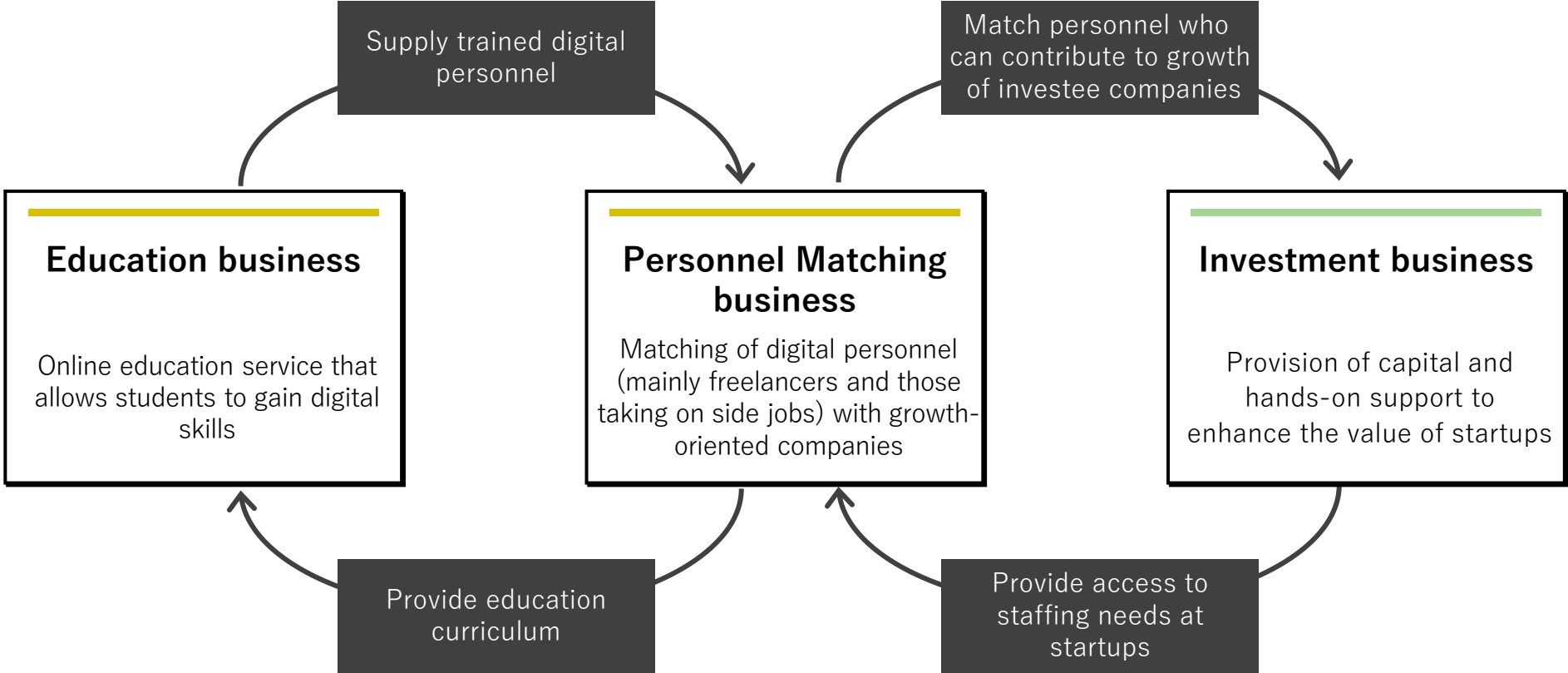
Core Businesses

In line with our purpose statement, the Education and Personnel Matching businesses within the DX Platform as well as the Investment business have been designated as our core businesses for driving growth going forward.



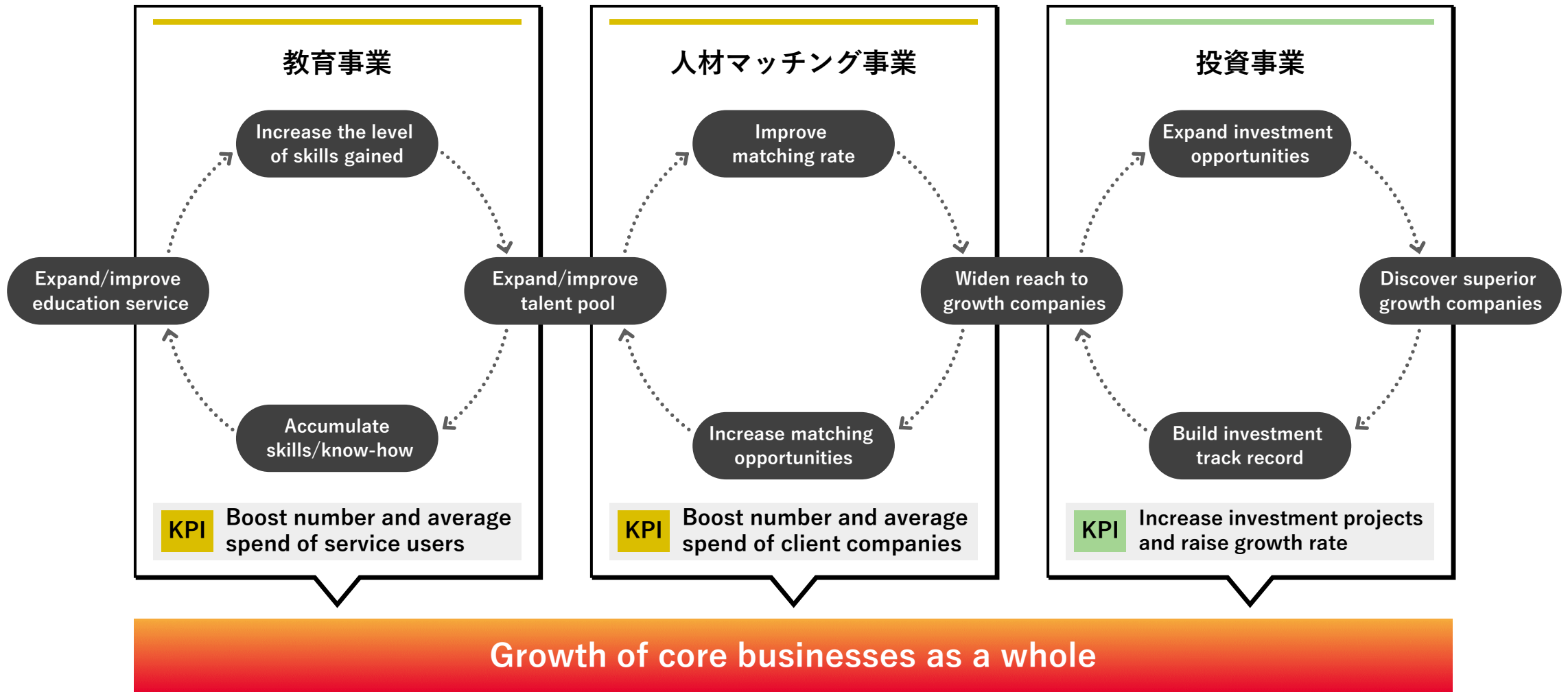
Collaboration of the Core Businesses

We will build unique strengths by enhancing collaboration among core businesses and creating synergies.



Growth Mechanism

We will build a unique growth mechanism where the growth of each core business will lead to mutual enhancement of competitive strengths and KPIs.



Agenda

1	Financial Highlights of Q1 FY03/23	P1
2	FY03/23 Business Policy	P11
3	Strategies for Core Businesses	P16
4	Appendix	P26

All opinions, forecasts, and outlooks expressed in this presentation reflect the judgement of United, Inc. based on the information available at the time the material was created, and actual performance and results may differ substantially due to changes in various factors. Company names and product names are trademarks or registered trademarks of the respective companies.

Personnel Matching Business: Growth Policy

We match digital personnel, particularly those who take on side jobs or work freelance, with growth-oriented companies. We plan to step up our investments based on the growth policy outlined below.

① Promote growth of existing businesses

Expand business scale of JOOi (LIBASE Inc.) and TechAcademy Works (KiRAMEX Co.)

② Strengthen M&A as well as capital and business alliances

Expand and improve our business portfolio through M&A as well as capital and business alliances.

③ Strengthen development of new businesses

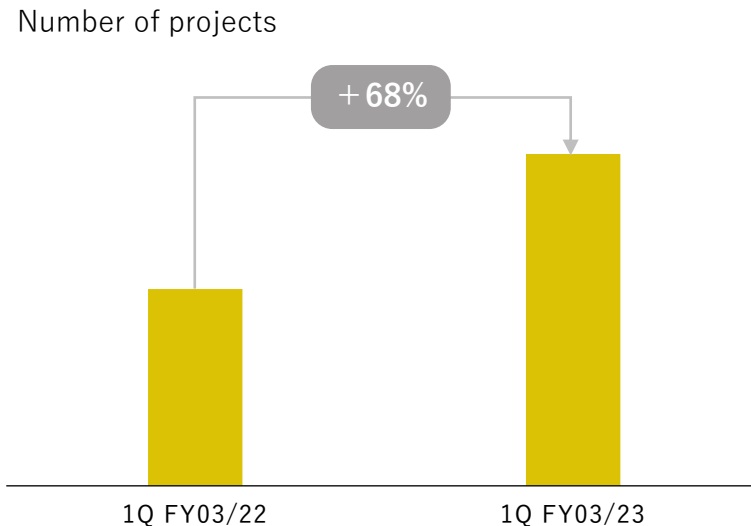
Launch matching service between digital personnel and growth-oriented companies, focusing on our investee startups, in multiple fields.

Personnel Matching Business: 1. Promote Growth of Existing Businesses

The numbers of projects handled by JOOi and TechAcademy Works are both rising steadily. We will enhance the strengths of these businesses to further expand the scale of their operations.

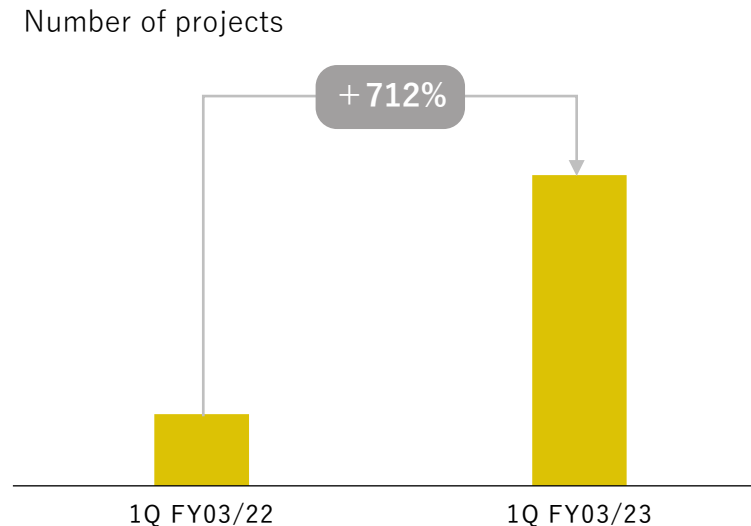
JOOi

Increase the number of high-skilled top designers by investing in ads and stepping up marketing efforts



TechAcademy Works

Increase project count by continuously expanding the number of workers* in collaboration with TechAcademy



※Tech Academy Graduate

Personnel Matching Business: 2. M&A and Capital/Business Alliances

We executed two M&A transactions and two capital/business alliances in order to expand the domain of the Personnel Matching business. We will continue to actively pursue M&As and capital/business alliances.

M&A

2022. 7. 4



Cocodoru, Inc.

Operates a work-ready-resource sharing business and a job-by-job matching business for those who take on side jobs

2022. 8. 3



Innoop Inc.

Operates a hiring support business, an RPA support business, and a consulting service

Capital/ Business Alliances

2022. 6. 10



HeaR Inc.

Offers Job Test, a SaaS to test applicants' skills, and operates a recruitment consulting service

2022. 6. 23



Lbose, Inc.

Operates ATTEND biz, a support platform for the development of digital products

Education Business: Growth Policy

We provide online education services that enable students to gain digital skills.
We intend to expand the scope of this business based on the growth policy outlined below.

① Enhance the value we provide by collaborating with the Personnel Matching business

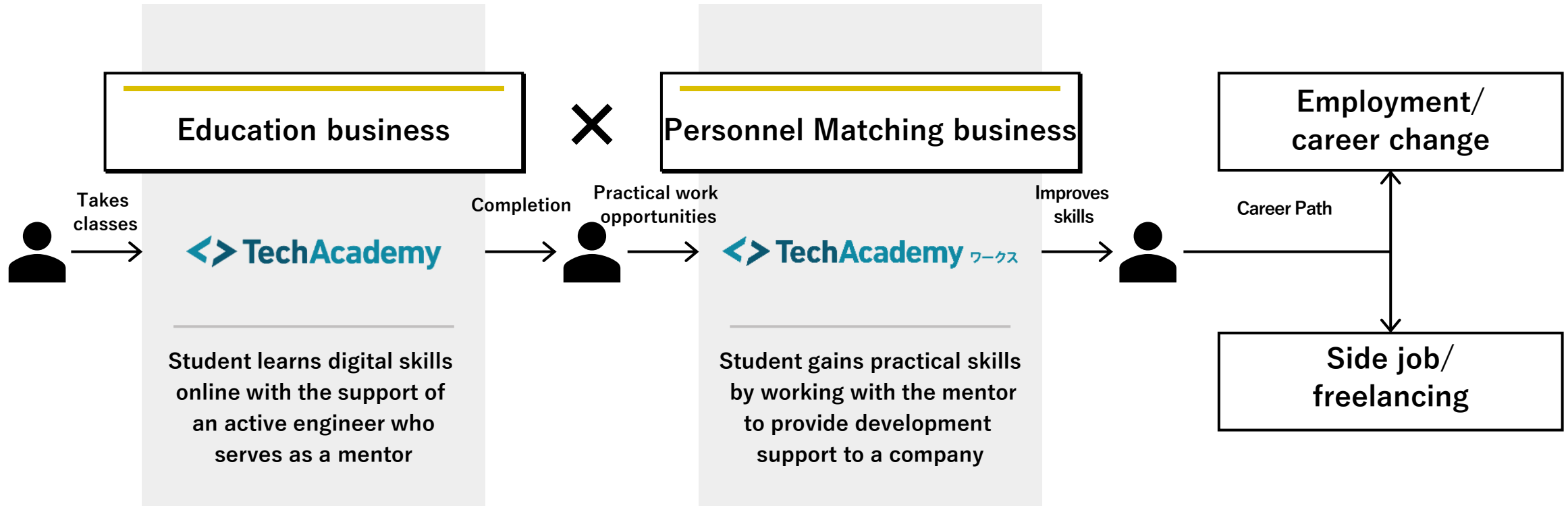
Strengthen collaboration between TechAcademy and TechAcademy Works to support the acquisition of practical skills that lead to various career paths

② Expand into new fields

Launch education service in new fields, leveraging the needs cultivated in the Investment business and the Personnel Matching business.

Education Business: Enhance Value through Collaboration with Personnel Matching

We will provide graduates of TechAcademy with the opportunity to acquire practical skills through TechAcademy Works, thereby supporting the realization of diverse career paths.



We provide funding and hands-on support mainly to seed- to early-stage startups so that their value can be enhanced.

① Strengthen hands-on support through business collaboration

- Cooperate with the DX Solution Division to utilize their consulting expertise and provide investee startups the know-how for growth.
- Work with the Personnel Matching business to provide digital personnel that suit the needs of investee startups.

② Expand number of investment projects


















































In line with our purpose statement, boost the number of investment projects, particularly those involving seed- to early-stage startups.

Investment Business: Major Startup Investments

Education

Personnel Matching

Investment

Post IPO	Middle to later stage		Seed to early stage			
						
						
						
						
						
						
						

Investment Business: Major Funds We Invest in as LP

We expect to record gains on distribution from the multiple external funds we invest in as an LP. These funds, which allow us to reach out to over 1,000 startups, also serve as our source of new investment projects.

Funds we invest in as LP





























Agenda

1	Financial Highlights of Q1 FY03/23	.....	P1
2	FY03/23 Business Policy	.....	P11
3	Strategies for Core Businesses	.....	P16
4	Appendix	.....	P26

All opinions, forecasts, and outlooks expressed in this presentation reflect the judgement of United, Inc. based on the information available at the time the material was created, and actual performance and results may differ substantially due to changes in various factors. Company names and product names are trademarks or registered trademarks of the respective companies.

Consolidated P/L Statement for Q1 FY03/23

(Millions of yen)	Q1 FY03/22	Q1 FY03/23	Difference	
			YoY (Amount)	YoY (%)
Sales	4,752	4,776	+23	+0%
DX Platform	540	587	+46	+9%
Investment	3,283	3,258	△25	△1%
Content	660	661	+0	+0%
Ad Technology	268	270	+2	+1%
Other	△0	△1	△0	-
Gross Profit*1	3,651	3,796	+145	+4%
DX Platform	△3	215	+218	-
Investment	3,226	3,226	△0	△0%
Content	223	153	△70	△31%
Ad Technology	204	201	△2	△1%
Other	△0	△0	+0	-
SG&A Expenses	647	670	+23	+4%
Operating Profit	3,003	3,125	+122	+4%
DX Platform	△170	9	+179	-
Investment	3,202	3,206	+4	+0%
Content	76	△22	△99	-
Ad Technology	155	152	△2	△2%
Other	△260	△221	+39	-
Ordinary Profit	3,003	3,125	+117	+4%
Profit*2	2,060	2,399	+339	+16%

*1 Cost of sales for each business mainly includes advertising, outsourcing, and personnel expenses. *2 Refers to profit attributable to owners of parent

Consolidated B/S Statement for Q1 FY03/23

Decrease in assets and liabilities mainly due to mark-to-market valuation and sales of listed shares held.

(Millions of yen)	End of FY03/21 (March 31, 2021)	End of Q1 FY03/23 (June 30, 2022)	Difference
Current Assets	34,179	29,962	△4,217
Cash & Deposits	12,165	13,095	+930
Operational Investment Securities	18,789	12,613	△6,176
Non Current Assets	4,521	3,908	△612
Amortization of Goodwill	327	308	△19
Total Assets	38,701	33,870	△4,830
Current Liabilities	2,812	2,763	△49
Non Current Liabilities	5,600	3,593	△2,006
Deferred Tax Liabilities	5,524	3,531	△1,992
Total Liabilities	8,412	6,356	△2,055
Net Assets	30,288	27,513	△2,774
Valuation Difference on Available-for-sale Securities	9,601	5,216	△4,385

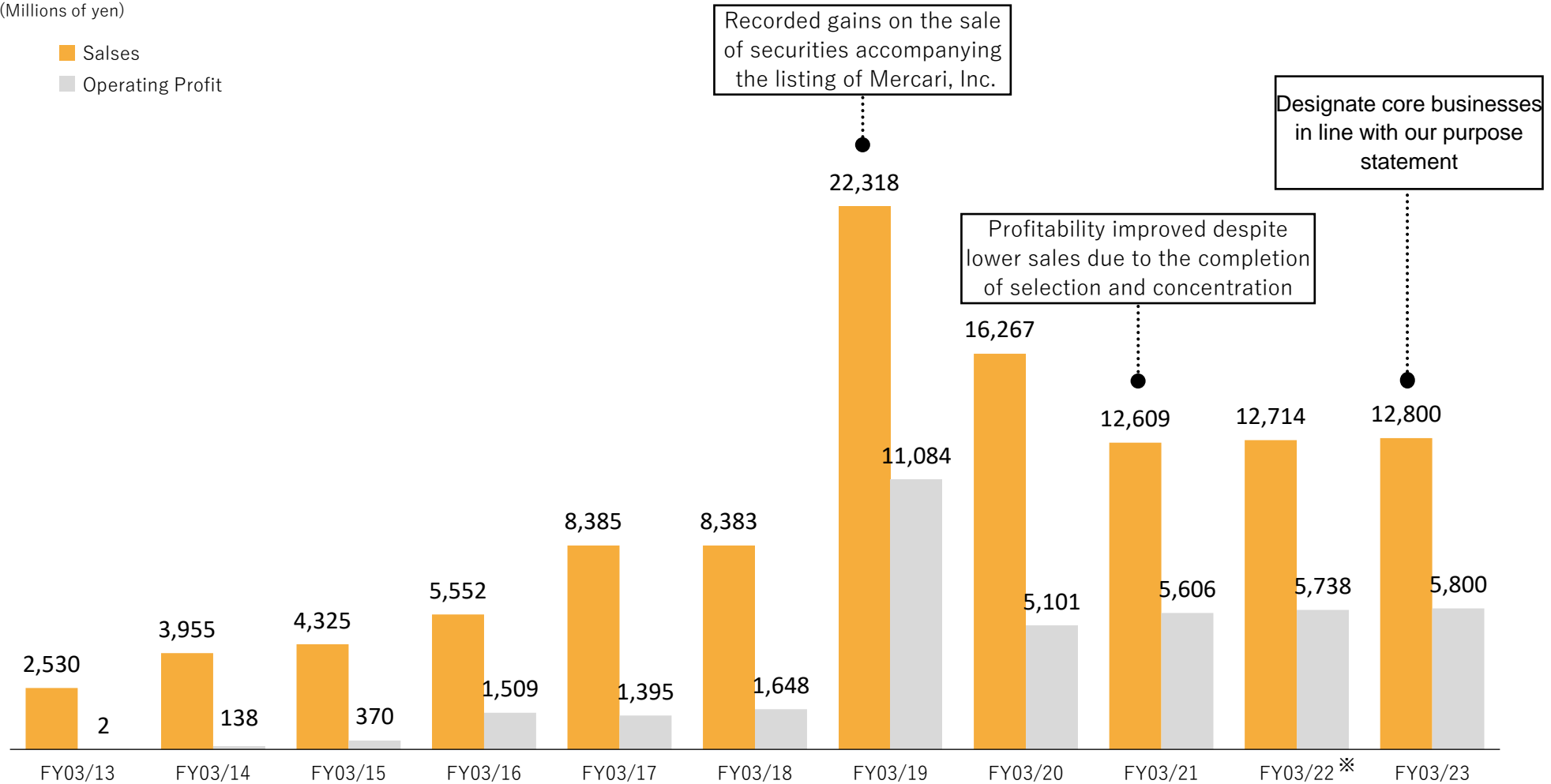
* Of this amount, the impact of revaluation (mark-to-market) and disposal of operational investment securities (listed shares) was as follows:

※operational investment securities, -¥6,332 million; deferred tax liabilities, -¥1,935 million; and valuation difference on available-for-sale securities, -¥4,385 million.

Sales and Earnings (FY03/13–FY03/22)

(Millions of yen)

■ Sales
■ Operating Profit



*We adopted the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) and the ASBJ Guidance No. 30 (Implementation Guidance on Accounting Standard for Revenue Recognition) from FY03/22. In this document, we applied this standard to the past earnings of the Ad Technology business in order to make the comparison easier.

Number of Consolidated Employees and Directors

(単位：百万円)

- Temporary employees
- Other full-time employees (Investment Segment/HQ staff)
- Ad Technology full-time employees
- Content full-time employees
- DX Platform full-time employees
- Officers (Directors and corporate auditors of parent, including outside directors/auditors)

