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Fiscal Year Ending March 2023

# Financial Results





Our Business Plan and Growth Potential

May 11, 2023



United, Inc.  
(TSE Growth: code 2497)

# Agenda

	<b>1</b>	<b>FY03/23 Financial Highlights</b>	<b>P2</b>
	2	FY03/23 Business Overview	P6
	3	FY03/24 Outlook	P11
	4	Appendix	P41

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# FY03/23 Financial Highlights

Achieved growth in both sales and profit, primarily driven by robust performance in Investment and Ad Technology.

Consolidated Operating Performance	Sales: ¥13,140 million (+3.3% YoY) Operating profit: ¥5,823 million (+1.5% YoY)
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DX Platform	Sales: ¥2,343 million (+0.3% YoY) Operating profit: -¥406 million (-¥23 million YoY)	KiRAMEX Co. LIBASE Inc. Cocodoru, Inc. Innoop Inc.	Kasooku inc. Brewus, Inc. DX Solution Division	For details P6
Investment	Sales: ¥7,028 million (+6.8% YoY) Operating profit: ¥6,620 million (+6.7% YoY)	Investment Division		For details P7
Content	Sales: ¥2,816 million (-2.4% YoY) Operating profit: ¥41 million (-90.0% YoY)	Fogg, inc. International Sports Marketing Co., Ltd. Plus U, Inc. TREiS, inc.		For details P8
Ad Technology	Sales: ¥961 million (+4.7% YoY) Operating profit: ¥477 million (+5.3% YoY)	UNITED Marketing Technologies Inc.		For details P9

# FY22 Results vs. Forecast

- Sales, operating profit, and ordinary profit outperformed our forecasts.
- An extraordinary profit of ¥365 million was recorded from the transfer of joint operation rights for Crash Fever. Despite this, net income slightly fell short of the forecast, mainly due to higher-than-anticipated income taxes and other expenses\*.
- EPS surpassed the forecast, resulting from the retirement of treasury shares.

	Forecast	Actual	Vs. Forecast	YoY
<b>Sales</b>	<b>12,800</b> million yen	<b>13,140</b> million yen	<b>+2.7%</b>	<b>+3.3%</b>
<b>Operating profit</b>	<b>5,800</b> million yen	<b>5,823</b> million yen	<b>+0.4%</b>	<b>+1.5%</b>
<b>Ordinary profit</b>	<b>5,800</b> million yen	<b>5,851</b> million yen	<b>+0.9%</b>	<b>+1.6%</b>
<b>Net income*</b>	<b>4,200</b> million yen	<b>4,139</b> million yen	<b>-1.4%</b>	<b>+8.2%</b>
<b>EPS</b>	<b>208.00</b> yen	<b>209.33</b> yen	<b>+0.6%</b>	<b>+15.5%</b>

\*Unplanned goodwill amortization expenses occurred due to M&A executed during the period.

\* Refers to net income attributable to owners of parent

Although operating profit, including the goodwill amortization expenses, was in line with the forecast, the pre-goodwill amortization operating profit, which forms the basis for calculating taxable income, exceeded the projected value.

# Dividend for FY03/23

We plan to pay a year-end dividend of ¥23.0 in accordance with our consolidated payout ratio target of 20%. This will bring the full-year dividend up to ¥43.0.\*

Details of Annual Dividends				
	FY03/23		FY03/22	
	Interim	Year-End	Interim	Year-End
Record date	Sep. 30, 2022	Mar. 31, 2023	Sep. 30, 2021	Mar. 31, 2022
Dividend per share (interim)	¥20.0	¥23.0	¥17.0	¥20.0
Dividend per share (full year)	¥43.0		¥37.0	
Total annual dividends	¥842 million		¥764 million	
Payout ratio (Anual)	20.3%		20.4%	

\*To be decided at the 26th Annual General Meeting of Shareholders to be held in late June 2023.

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1	FY03/23 Financial Highlights	.....	P2
2	<b>FY03/23 Business Overview</b>	.....	<b>P6</b>
3	FY03/24 Outlook	.....	P11
4	Appendix	.....	P41

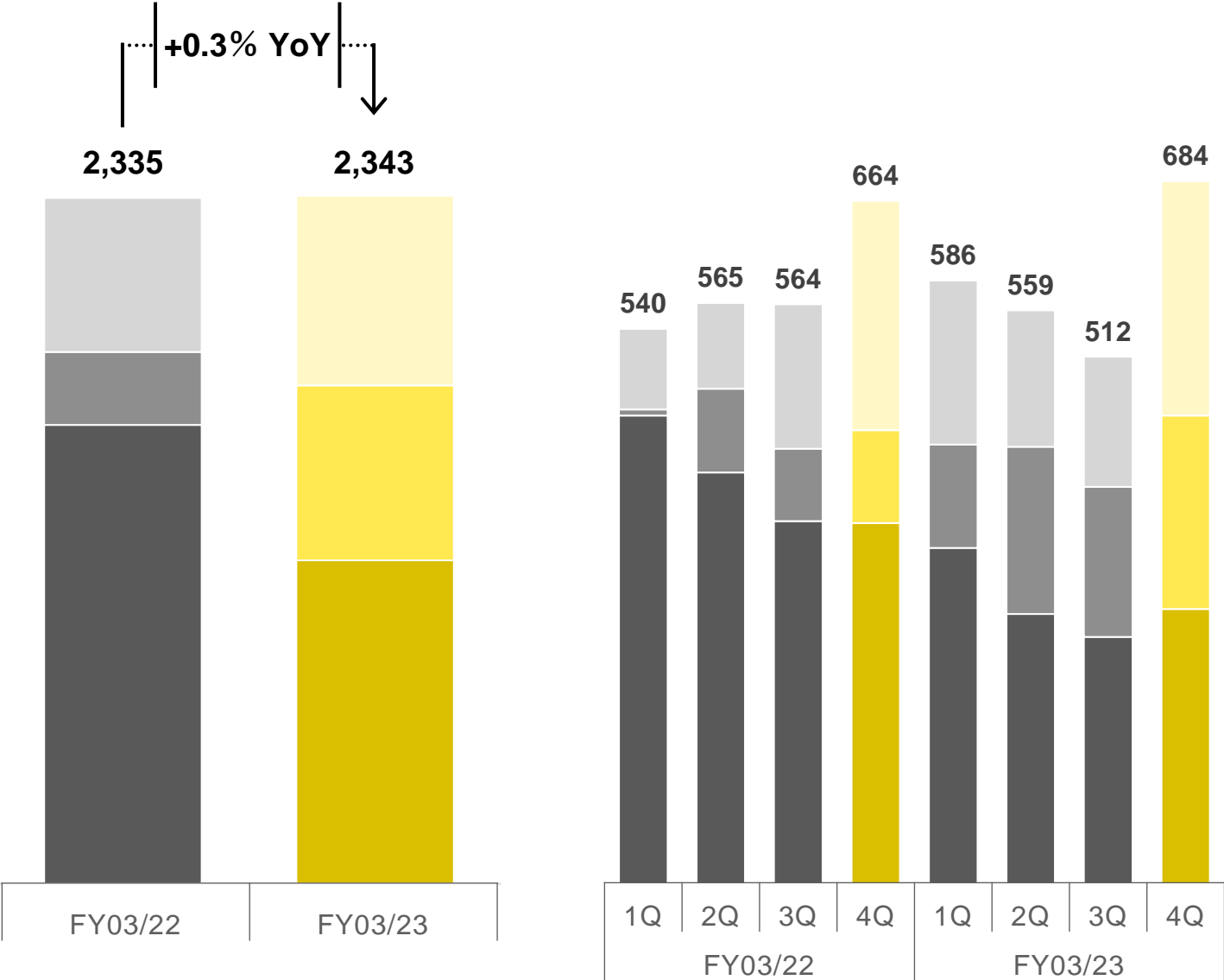
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# DX Platform: Sales and Operating Profit

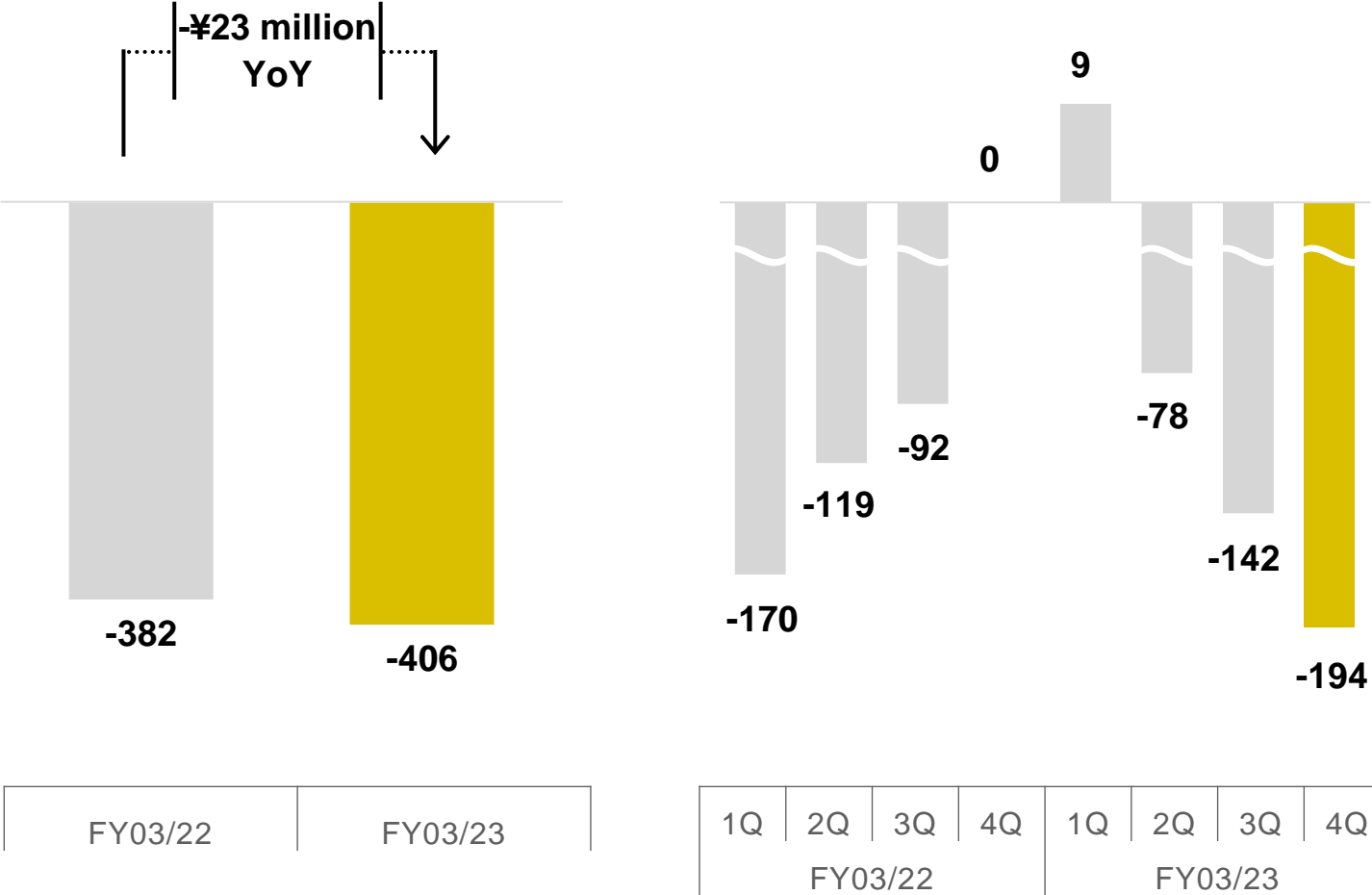
Sales increased YoY, as the growth in the Personnel Matching business offset the decline in sales from the Education business. The operating loss expanded YoY due to our proactive investments in the Personnel Matching business.

Sales Trend (Millions of yen)

Education business Personnel Matching business Other businesses



Operating Profit Trend (Millions of yen)

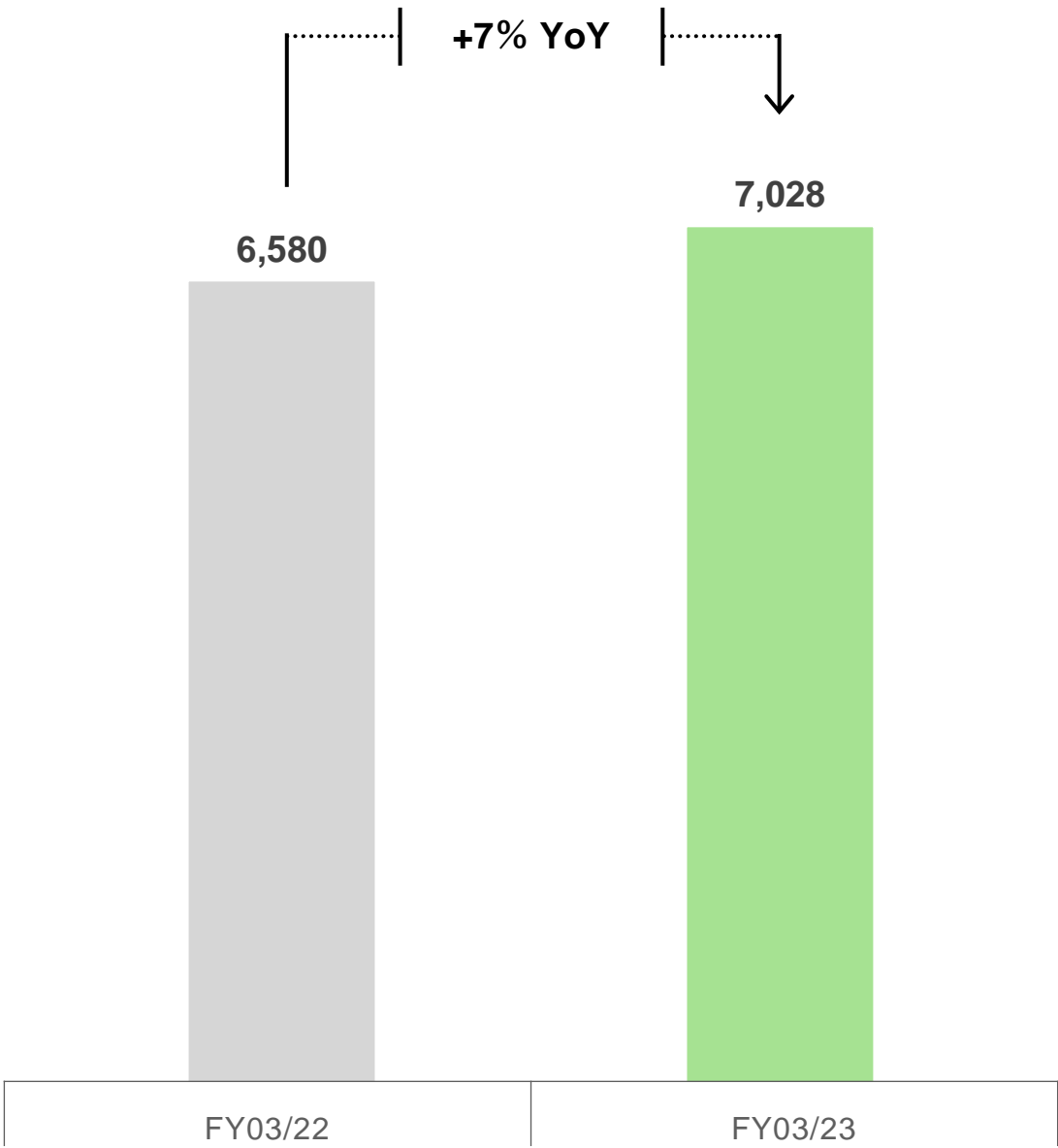


# Investment Business:

## Sales and Breakdown of Operational Investment Securities

Sales increased YoY driven by the sale of investment securities and the recording of profits from investments made through limited partnerships (LPs).

Sales Trend (Millions of yen)



Breakdown of Operational Investment Securities

	Investee Companies	As of March 31, 2023 (amount on BS)
Listed shares	•Mercari, Inc. •Wonder Planet, Inc. •CyberBuzz, Inc. •Socialwire Co., Ltd. •Confidence Inc.	Approx. <b>¥5.8</b> bn*
Unlisted shares	<b>76</b> companies	Approx. <b>¥3.8</b> bn
Investment in funds as LP	<b>36</b> funds	Approx. <b>¥1.5</b> bn

\*Of this amount, operational investment securities related to Mercari totaled ¥5,396 million.

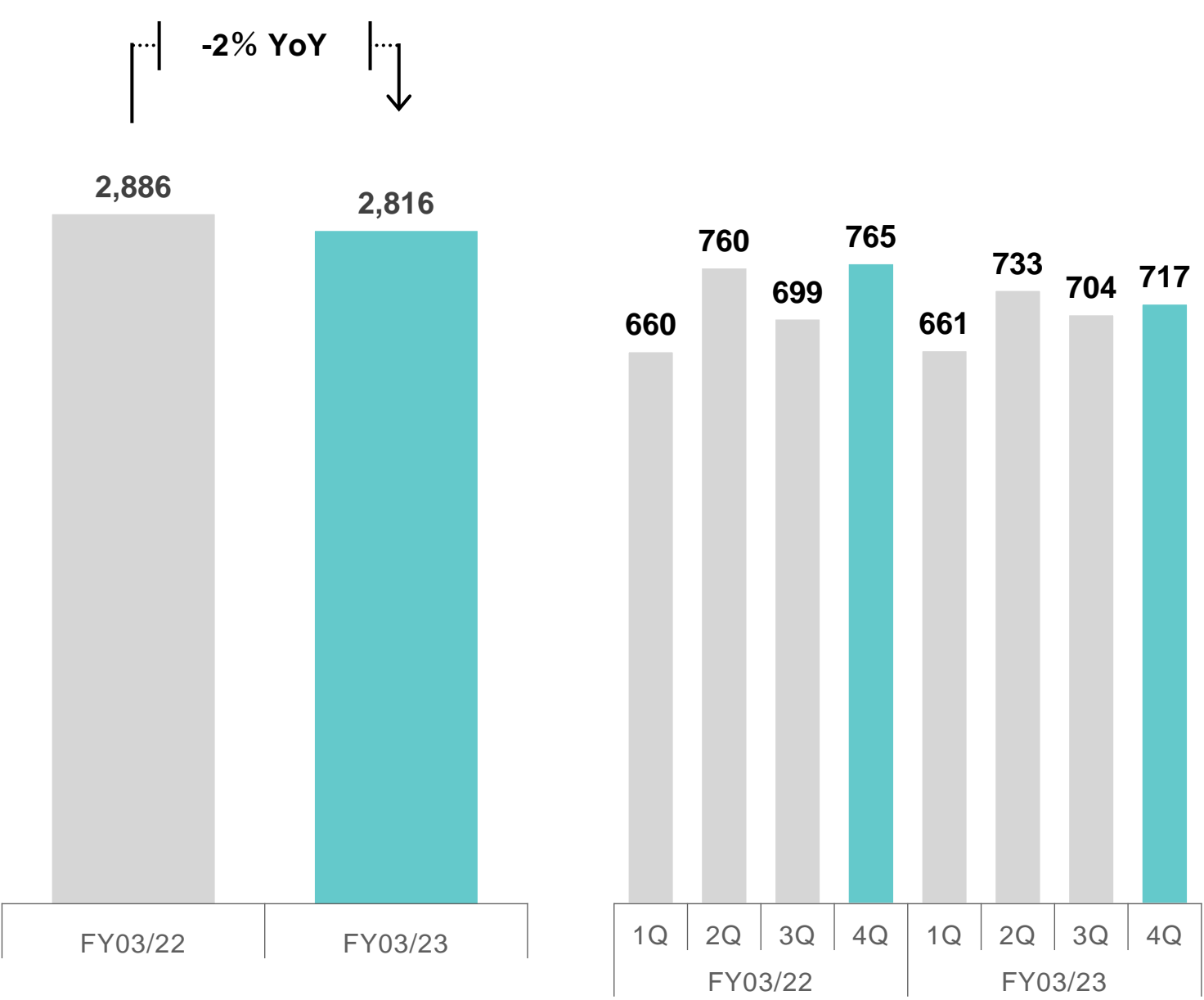
\*We have forward contracts for some stocks. Including derivatives in the balance sheet, the amount was **¥9,851 million** as of end-March 2023.



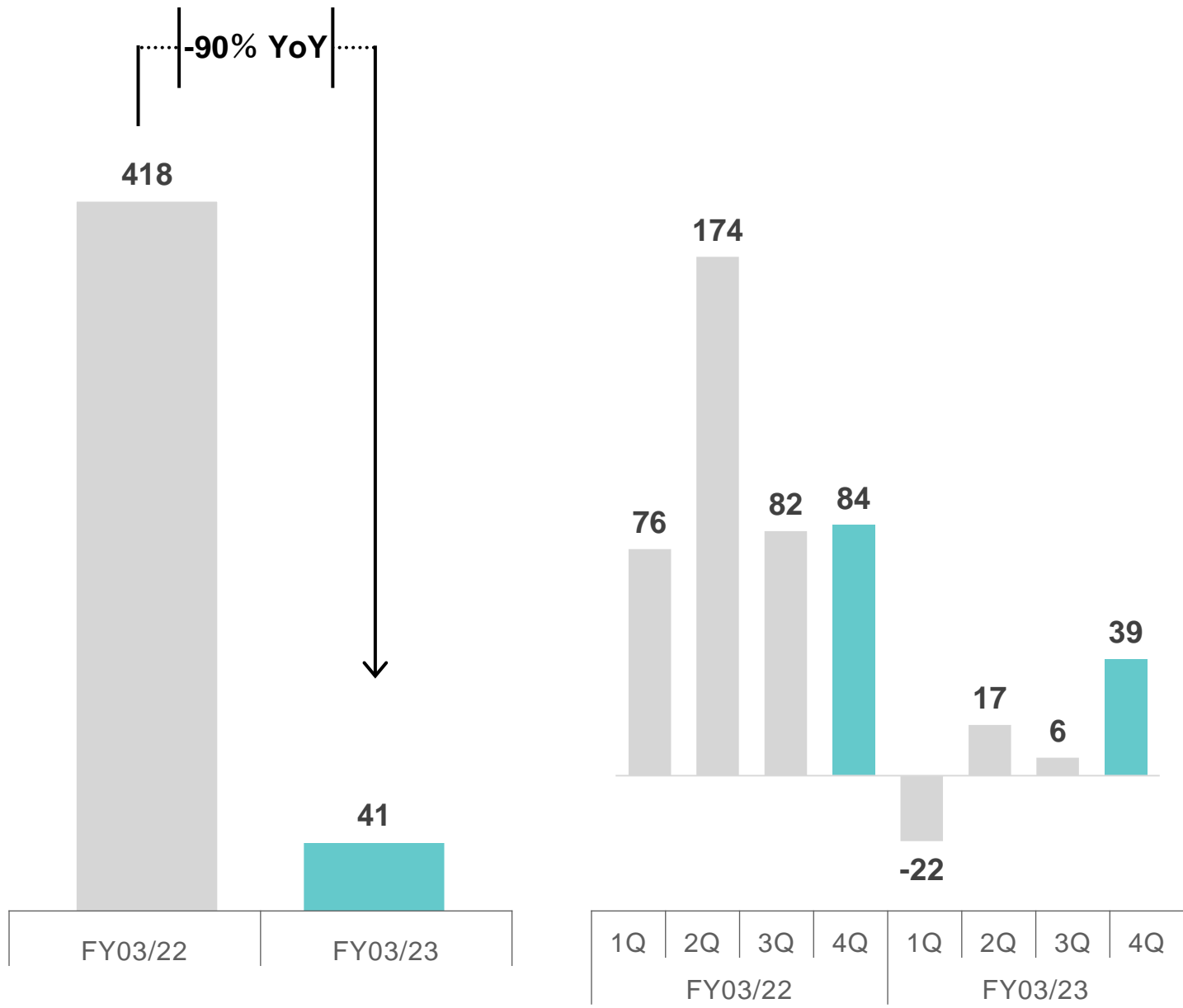
# Content: Sales and Operating Profit

Although sales decreased YoY due to the business transfer of Crash Fever, both Fogg, inc. and International Sports Marketing Co., Ltd. experienced an increase in sales.  
Operating profit declined YoY due to the impact of the aforementioned transfer.

Sales Trend (Millions of yen)



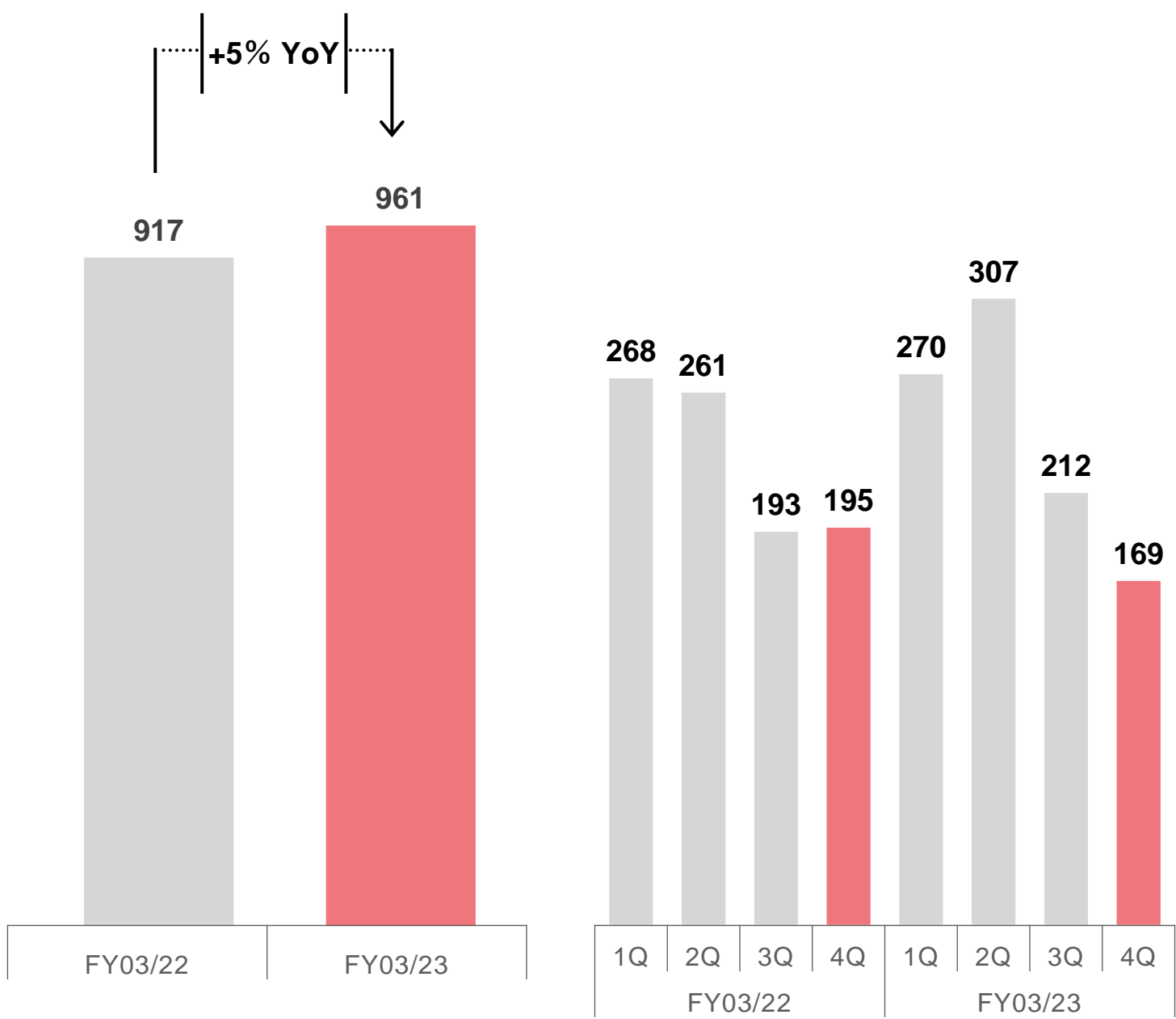
Operating Profit Trend (Millions of yen)



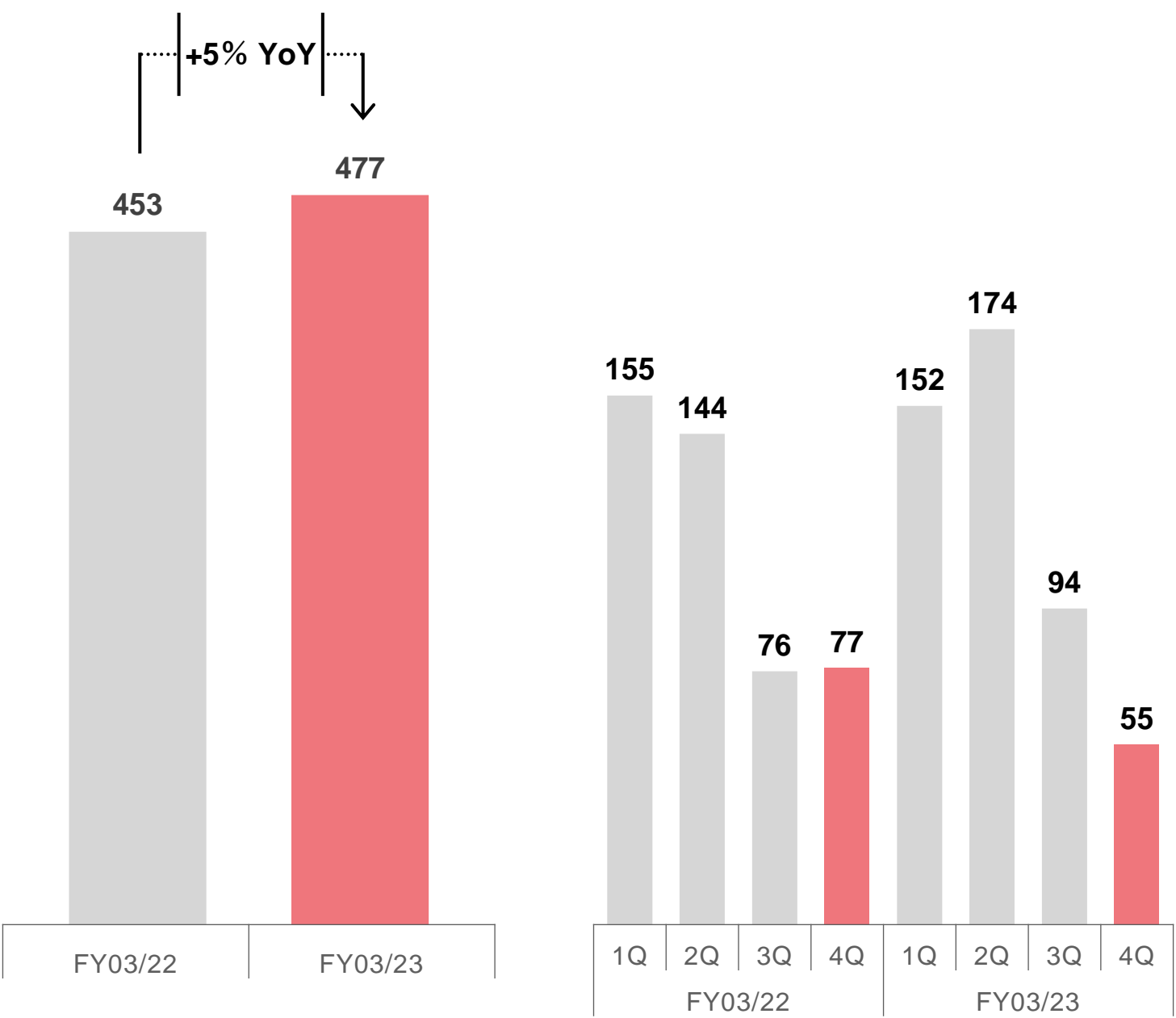
# Ad Technology: Sales and Operating Profit

Mainly in the first half of the fiscal year, large advertisers increased their advertising budgets, leading to higher sales and profit YoY.

Sales Trend (Millions of yen)



Operating Profit Trend (Millions of yen)



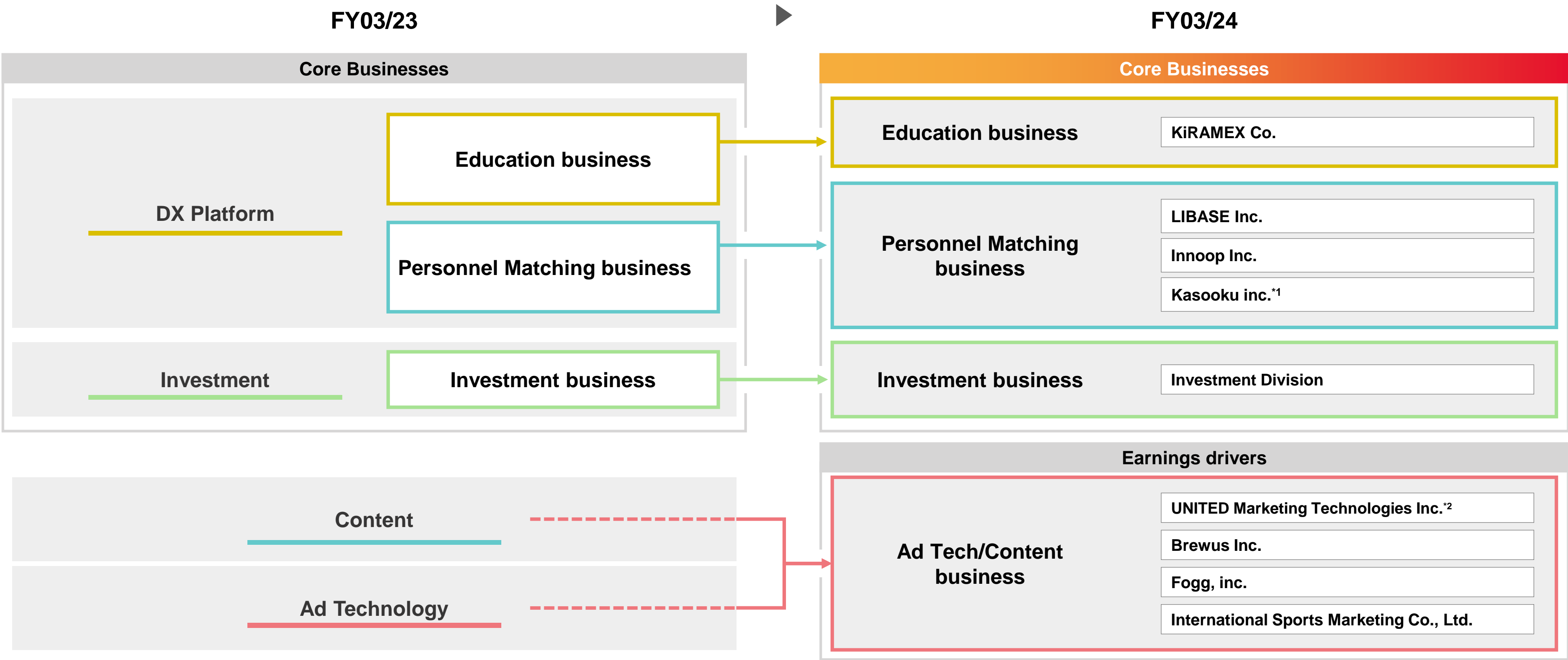
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# Business Segments for FY03/24 and Beyond

We are restructuring the segments to clarify our core businesses: Education, Personnel Matching, and Investment.

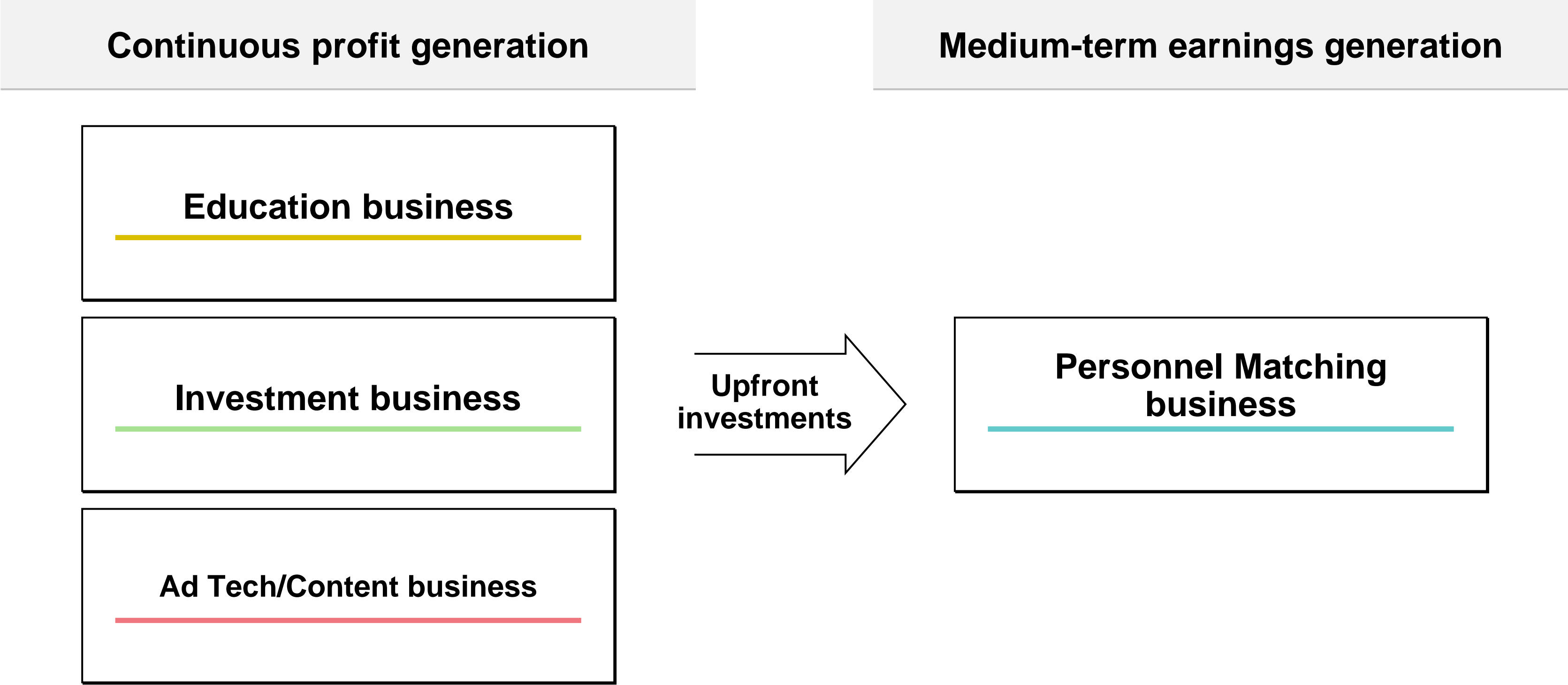


\*1 Kasooku inc. acquired Cocodoru, Inc.

\*2 United Marketing Technologies Inc. acquired Plus U Inc. and TREiS, inc.

# Overall Strategy for FY03/24

In order to drive medium-term growth for the Personnel Matching business, we will actively invest profits generated from our other businesses.



# FY03/24 Forecast

- Considering market conditions, we expect to restrain the sale of held listed shares compared to FY03/23.
- We project net profit to decrease by 20.3% YoY due to the dropout of the extraordinary profit\*<sup>1</sup> recorded in FY03/23.




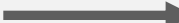




	Forecast	Actual	YoY
Sales	13,150 million yen	13,140 million yen	+0.1%
Operating profit	5,000 million yen	5,823 million yen	-14.1%
Ordinary profit	5,000 million yen	5,851 million yen	-14.5%
Net income	3,300 million yen	4,139 million yen	-20.3%
EPS	159.00 yen (79.50 yen* <sup>2</sup> )	209.33 yen	-24.0%

\* Refers to net income attributable to owners of parent

\*1 Extraordinary profit of ¥365 million from the transfer of joint operation rights for Crash Fever

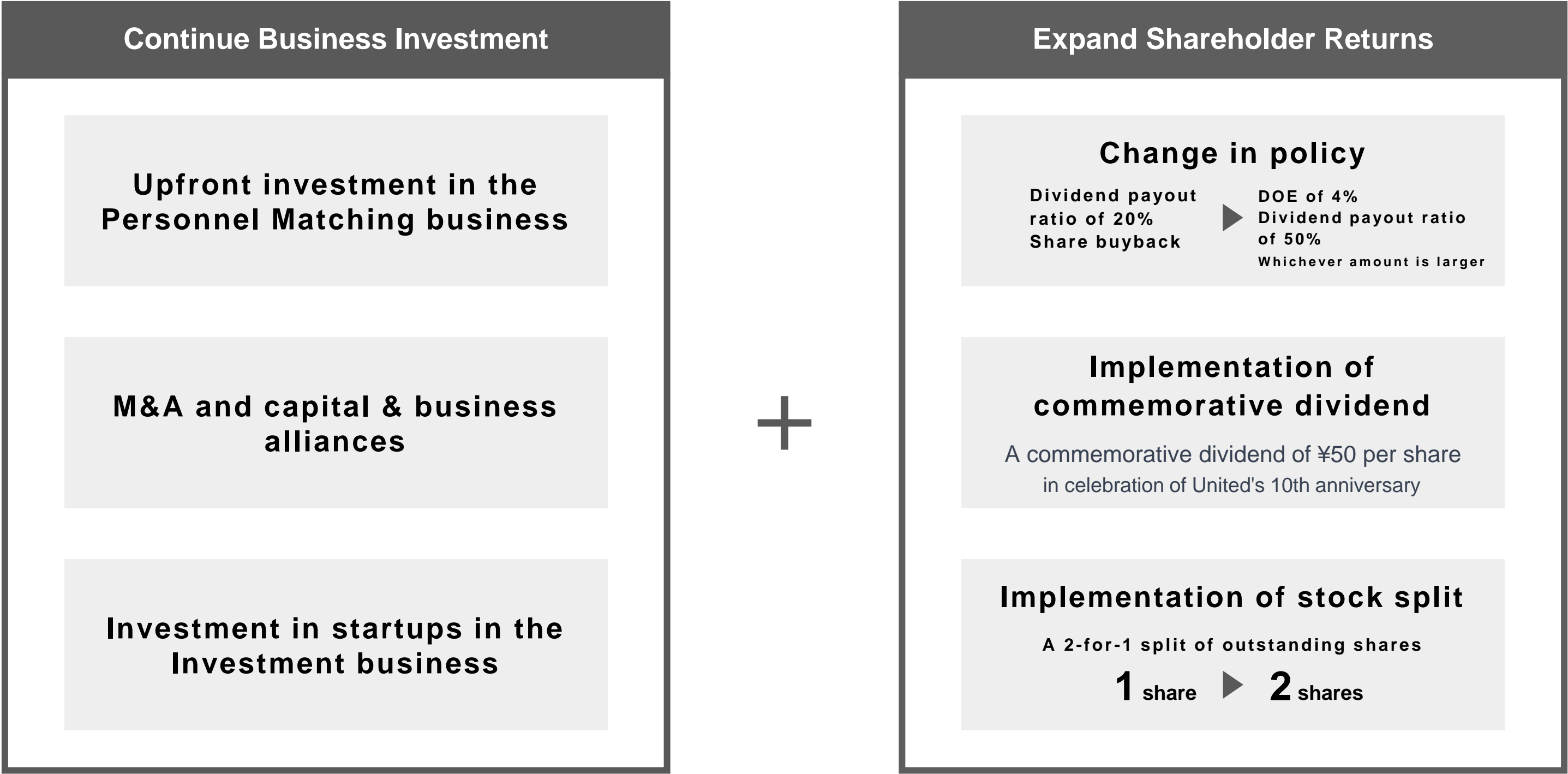
\*2 EPS after considering the stock split (Scheduled to implement a 2-for-1 stock split of common stock with June 1, 2023 as the effective date)

# FY23 Outlook by Segment

	Segment	Sales (YoY)	Operating profit (YoY)	Forecast
Core Businesses	<b>Education business</b>			Expecting increased sales and operating profit due to the expansion of services offered such as Yahoo! TechAcademy.
	<b>Personnel Matching business</b>			Projecting sales growth as a result of the expansion in each business. Anticipating operating profit to remain flat due to increased advertising expenses and personnel costs for organizational strengthening.
	<b>Investment business</b>			Implementing the sale of a portion of held listed shares through forward contracts. For other held listed shares, expecting to restrain sales compared to FY03/23, considering market conditions.
Earnings drivers	<b>Ad Tech/Content business</b>			Anticipating sales expansion due to the growth of Fogg, inc. Projecting operating profit to decline in the Ad Technology business, as a decrease in advertising volume is expected in some industries.

# Use of Funds

To improve capital efficiency and optimize fund utilization, we will continue business investment and expand shareholder returns.





# Dividend Forecast for FY03/24

Due to the change in dividend policy, we expect the ordinary dividend to be ¥46 per share, an increase of ¥3 per share compared to FY03/23. With the addition of the ¥50 per share commemorative dividend, the total dividend is projected to be ¥96 per share, an increase of ¥53 per share compared to FY03/23.

Dividend per Share Forecast			
	Dividend Forecast*1 (FY03/24)	Previous Fiscal Year*1 (FY03/23)	YoY
Ordinary dividend	¥46 (¥23*2)	¥43	+¥3
Commemorative dividend	¥50 (¥25*2)	-	+¥50
Total	¥96 (¥23*2)	¥43	+¥53
DOE	9.5% (Including commemorative dividend)	4.3%	+4.9%
Payout ratio	56.8% (Including commemorative dividend)	20.3%	+36.3%

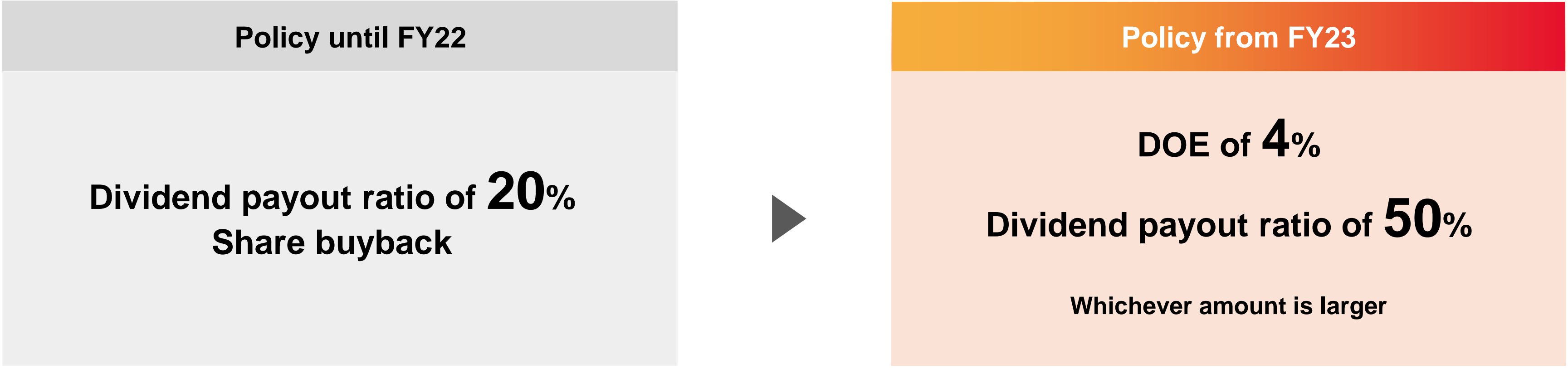
\*1 To be decided at the 26th Annual General Meeting of Shareholders to be held in late June 2023.  
\*2 Dividend after considering stock split (Scheduled to implement a 2-for-1 stock split of common stock with June 1, 2023 as the effective date)

# Expanding Shareholder Returns (1): Change in Dividend Policy

Starting this fiscal year, the dividend policy has been changed to "the larger amount of either DOE of 4% or a dividend payout ratio of 50%."

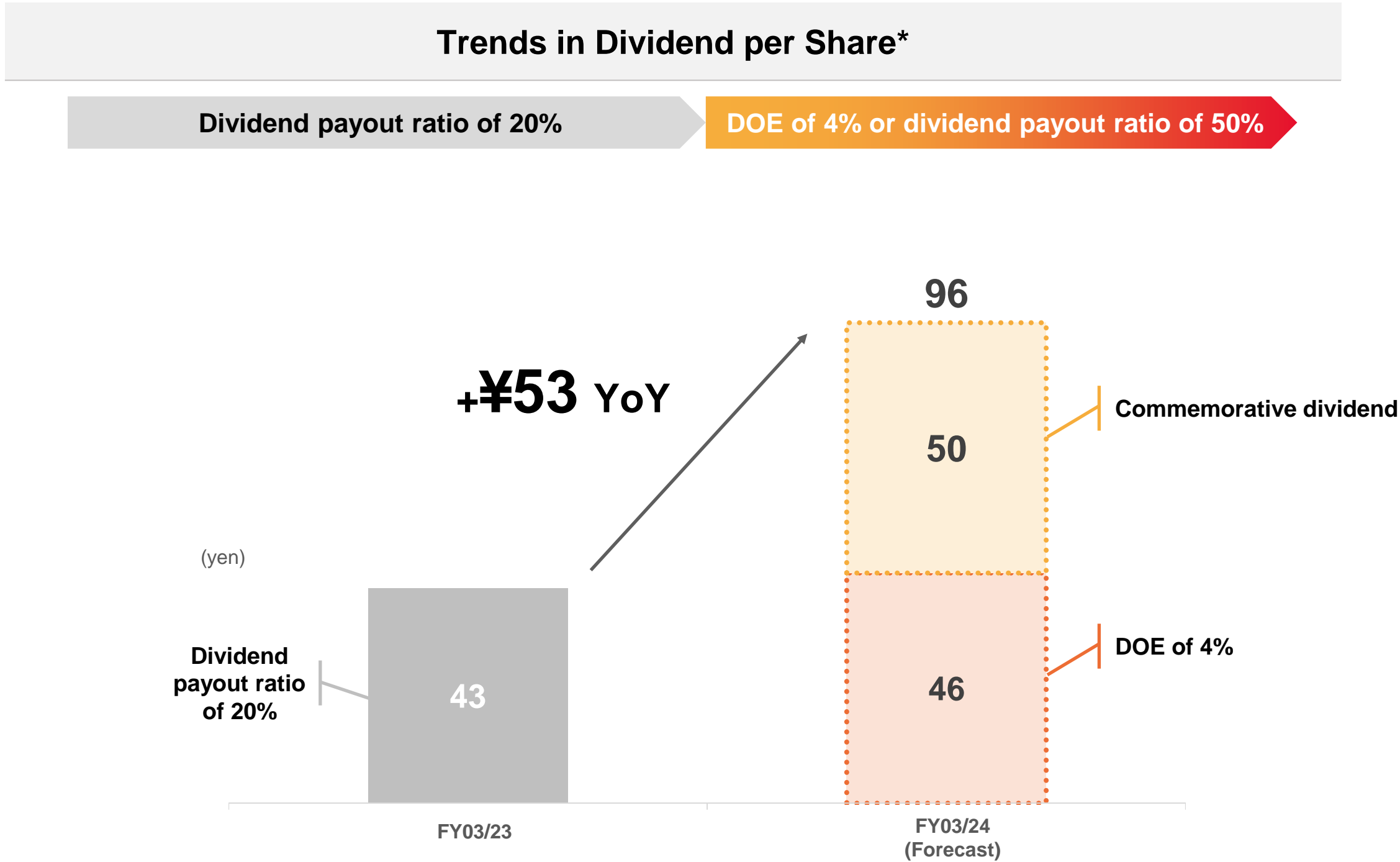
Adopting DOE allows for stable dividends without being affected by short-term performance fluctuations due to the timing of selling shares held in Investment business.

Meanwhile, the dividend payout ratio is also used to enable shareholder returns corresponding to any substantial profits generated.



# Expanding Shareholder Returns (2): Implementation of Commemorative Dividend

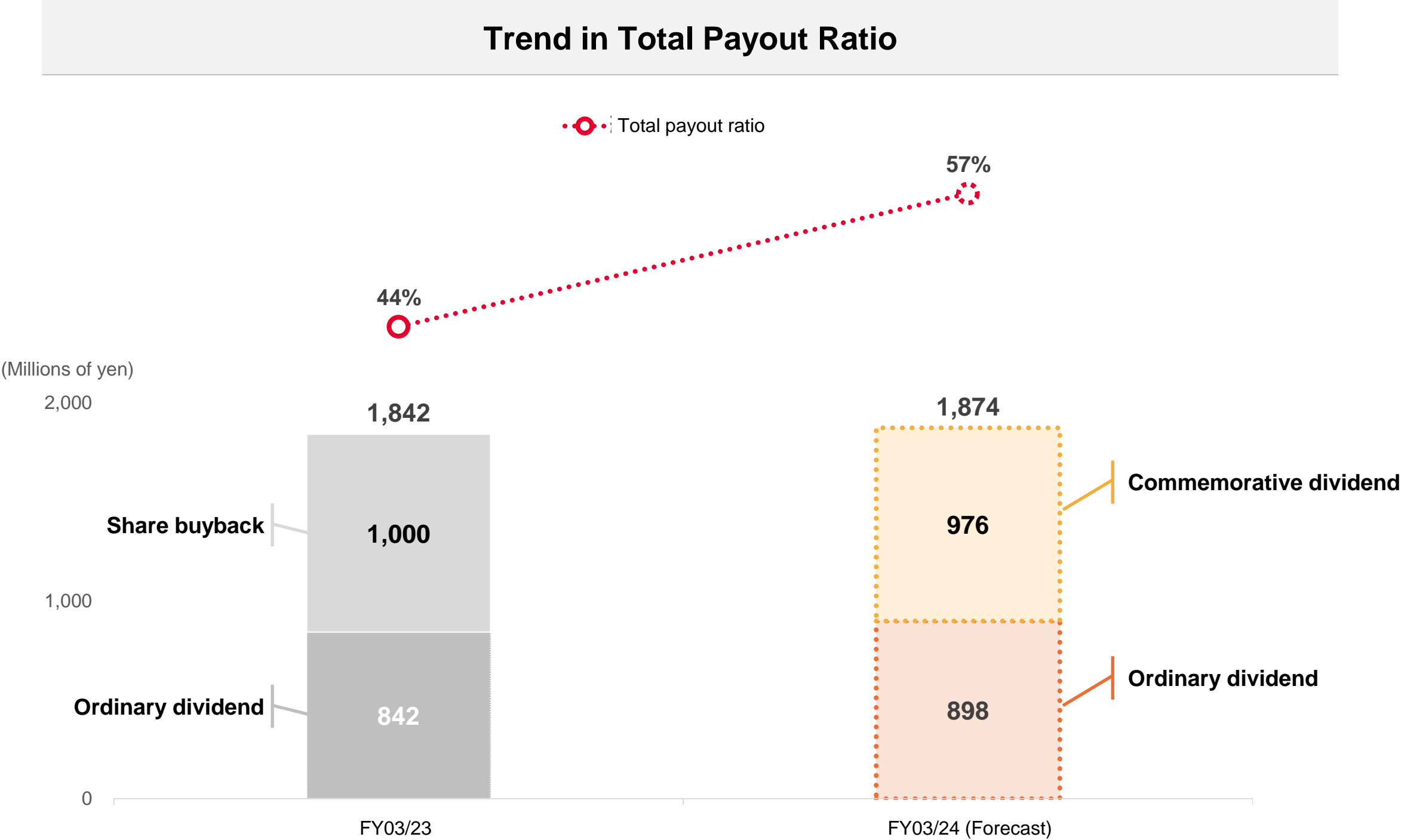
In commemoration of United's 10th anniversary in the previous fiscal year, a commemorative dividend of ¥50 per share will be distributed.



\*Amount without considering stock split

# Trends in Total Payout Ratio

Considering the decrease in the number of outstanding shares, share buybacks that were implemented until FY03/23 will be put on hold from FY03/24. However, the total payout ratio is expected to increase due to the change in dividend policy and the implementation of the commemorative dividend.



# Expanding Shareholder Returns (3): Stock Split

By implementing a stock split, we aim to lower the investment unit amount, which will in turn improve stock liquidity and expand the investor base. We will conduct the stock split at a ratio of 2-for-1, using May 31, 2023, as the base date.

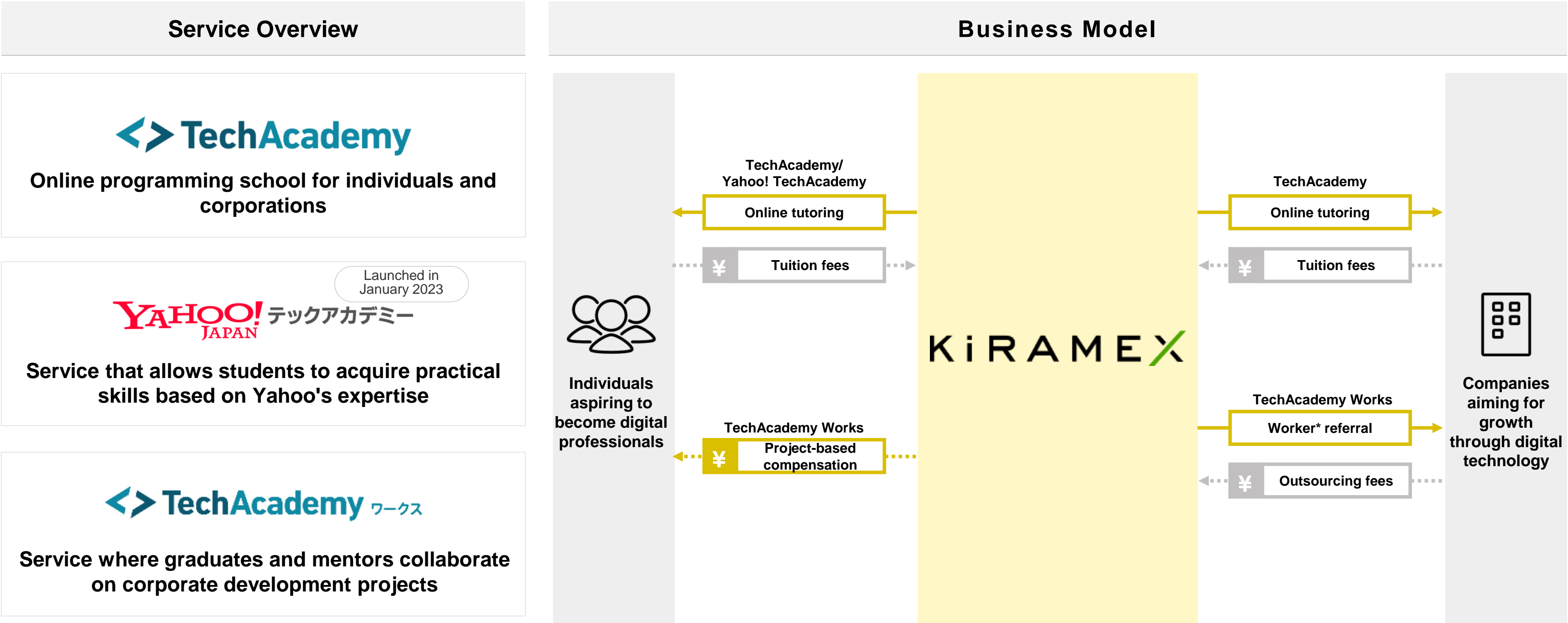
Stock Split	
Stock split ratio	1 : 2
Number of outstanding shares before the split	20,206,345 shares
Number of outstanding shares after the split	40,412,690 shares
Announcement date	May 16, 2023
Record date	May 31, 2023

# Education Business

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# Education Business: Service Overview & Business Model

We operate the online school TechAcademy, where students can learn programming and app development, and we offer TechAcademy Works, which provides practical work opportunities for acquiring hands-on skills and supports career changes.



\*TechAcademy graduates working on TechAcademy Works projects

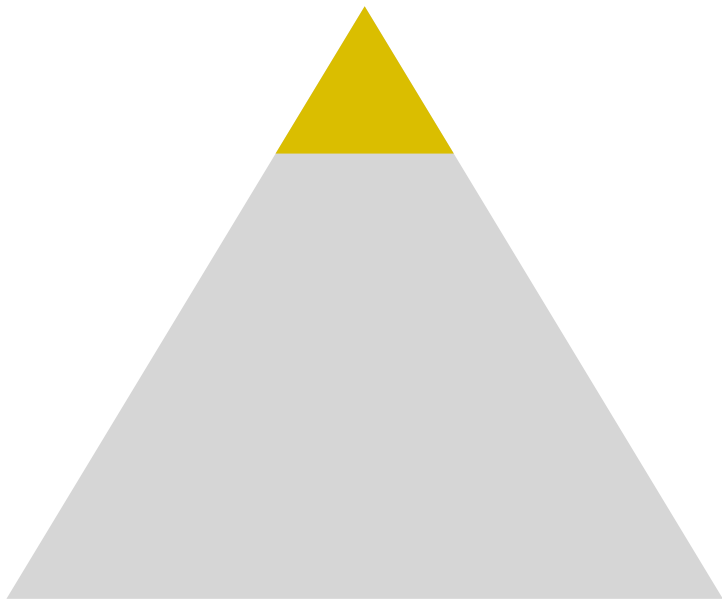
# Education Business: Competitive Advantage (KIRAMEX Co.)

KIRAMEX provides high-quality education through three sources of competitive strength.

## 1. High quality mentors

Approximately 1,000 quality mentors who have passed the selection process with around a 10% acceptance rate, testing both technical and communication skills, provide instruction to students.

Practicing engineers\*<sup>1</sup> who have passed our selection process (10% acceptance rate)



## 2. Improved proficiency and retention through mentoring

High education quality is achieved through regular mentoring and daily Slack support from active engineers.



Improve student proficiency and retention

## 3. Acquisition of practical skills

Through TechAcademy Works, students can acquire hands-on skills by working on real-world projects with mentors after graduation.



Collaborate on real-world projects

\*1 Some courses are taught by practicing professionals in various fields (designers, marketers, etc.) depending on the course content.

\*2 The services offered vary depending on the course.



# Education Business: Growth Strategy

1

## Regrowth through expanding service offerings

- Further enhance the added value centered around TechAcademy.
- Expand the value of services offered through business initiatives such as Yahoo! TechAcademy and First Prompt Engineering Course.

2

## Expanding business domains

Launch education services in new areas, based on the needs identified in the Investment business and the Personnel Matching business.

# Planning to Launch a New Course for Generative AI Utilization

We plan to launch the First Prompt Engineering Course in June, designed for utilizing Generative AI\* in real-world work.

First Prompt Engineering Course	
Learning content	Understand large-scale language models and acquire skills for practical use
Target students	<ul style="list-style-type: none"><li>Those who want to utilize Generative AI in their business</li><li>Those who want to relearn digital skills or are interested in reskilling</li></ul>
Duration and price	4-week course: ¥55,000 (tax included)

\*Generative AI, as represented by OpenAI's ChatGPT, is an artificial intelligence capable of generating various content such as text, images, audio, program code, and structured data.

# Personnel Matching Business

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As the core company of the Personnel Matching business, Kasooku inc. focuses on matching digital professionals in the areas of career changes, side jobs, and freelancing with growth-oriented companies.



# Personnel Matching Business: Growth Strategy

1

## **Promote growth of existing businesses**

By merging Kasooku inc. and Cocodoru, Inc., we will consolidate management resources, strengthen investment in Kasooku as a core company in the Personnel Matching business, and aim for growth.

2

## **Strengthen collaboration with Investment business**

Through collaboration with the Investment business, we will refer ready-to-contribute talent to startups, thereby accelerating hands-on support for our investee companies.

3

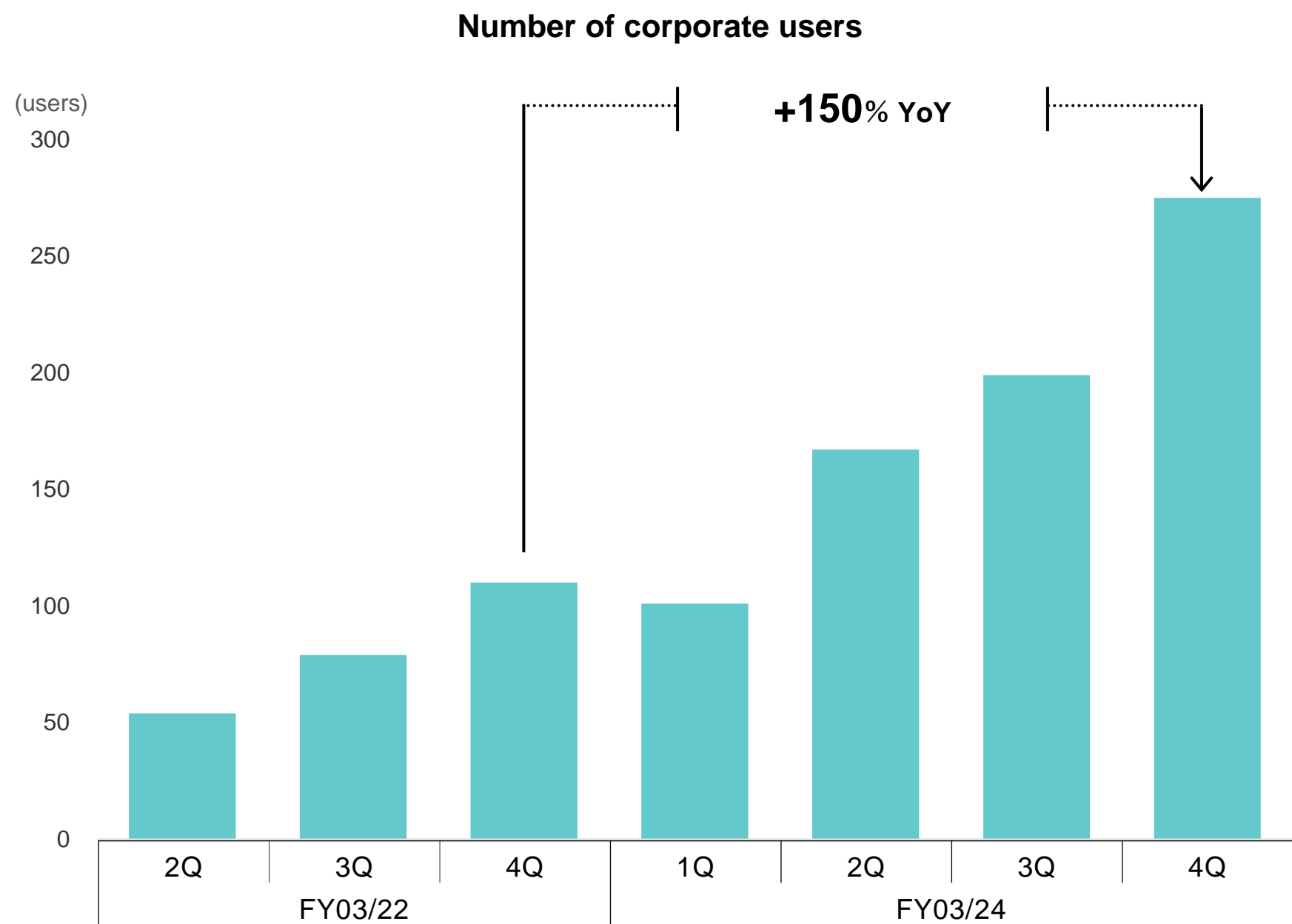
## **Strengthen M&A and new business development**

We will expand services that match growth-oriented companies and digital talent.

# Personnel Matching Business: Growth of Existing Business and Strengthening Collaboration with Investment Business

- The number of companies using our services, which serves as a key performance indicator (KPI), is increasing.
- Through collaboration with the Investment business, we will introduce ready-to-contribute talent to investee companies, thereby facilitating their growth.

## 1. Promote growth of existing business



## 2. Strengthen collaboration with investee companies

**Referral of ready-to-contribute talent necessary for the growth of investee startups**

**We will supply the necessary talent for growth in adaptable ways, such as part-time roles and career transitions, tailored to the stage of investee startups. Our aim is to elevate the certainty of value enhancement for investee companies.**

# Investment Business

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# Investment Business: Competitive Advantages

Drawing on four core competitive advantages, we are well-equipped to invest in promising startups.

Characteristics of the Investment business	
<b>Extensive track record</b>	We can reach out to startups that are potential investees and make investment decisions with foresight thanks to our investment and exit track record.
<b>Wide range of network</b>	Our network including management and venture capitalists, and our investment in many external funds through limited partnerships, enables us to maintain relationships with a wide range of start-ups.
<b>Investments using own funds</b>	We can make flexible and quick decisions because we invest only with our own funds.
<b>Knowledge gained from business operations</b>	We can make investments and provide hands-on support based on our experience and track record in various business developments.



# Investment Business: Growth Strategy

1

## Expand number of investment projects

- Plan to continuously invest in 20 companies annually with a total investment amount of ¥1 billion<sup>\*1</sup>.
- Increase the number of investments as a lead investor<sup>\*2</sup> to strengthen hands-on support for investees.

2

## Strengthen hands-on support through business collaboration

- Provide hands-on support for value enhancement by UNITED Venture Success (UVS<sup>\*3</sup>), an investee support organization.
- Foster collaboration with the Personnel Matching business to supply digital talent tailored to the needs of investee startups.

<sup>\*1</sup> Equivalent to the scale of a ¥4 billion-plus fund (if committed over three years)

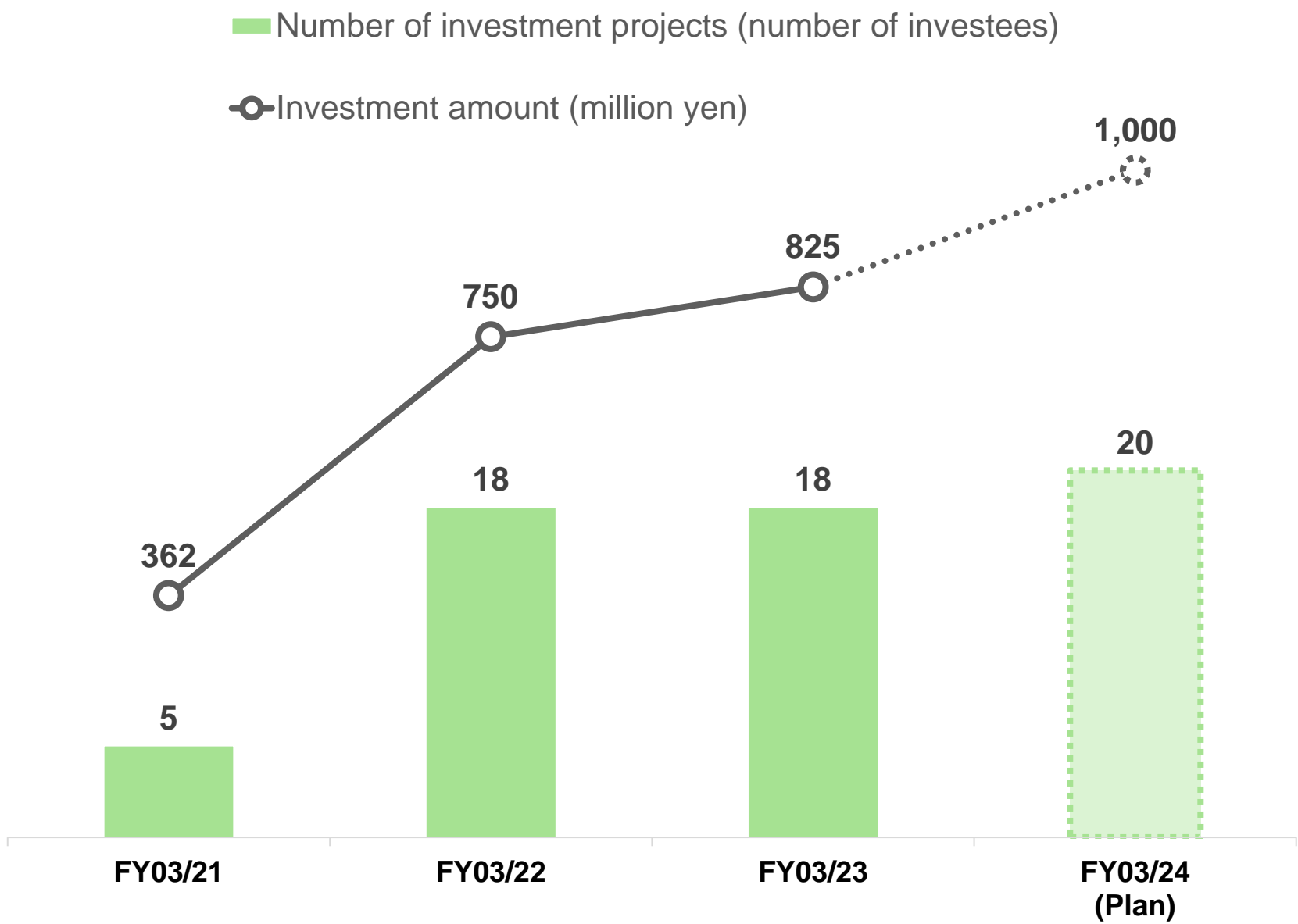
<sup>\*2</sup> Largest investor in a funding round

<sup>\*3</sup> UNITED Venture Success. Investee support organization comprised of venture capitalists and consultants

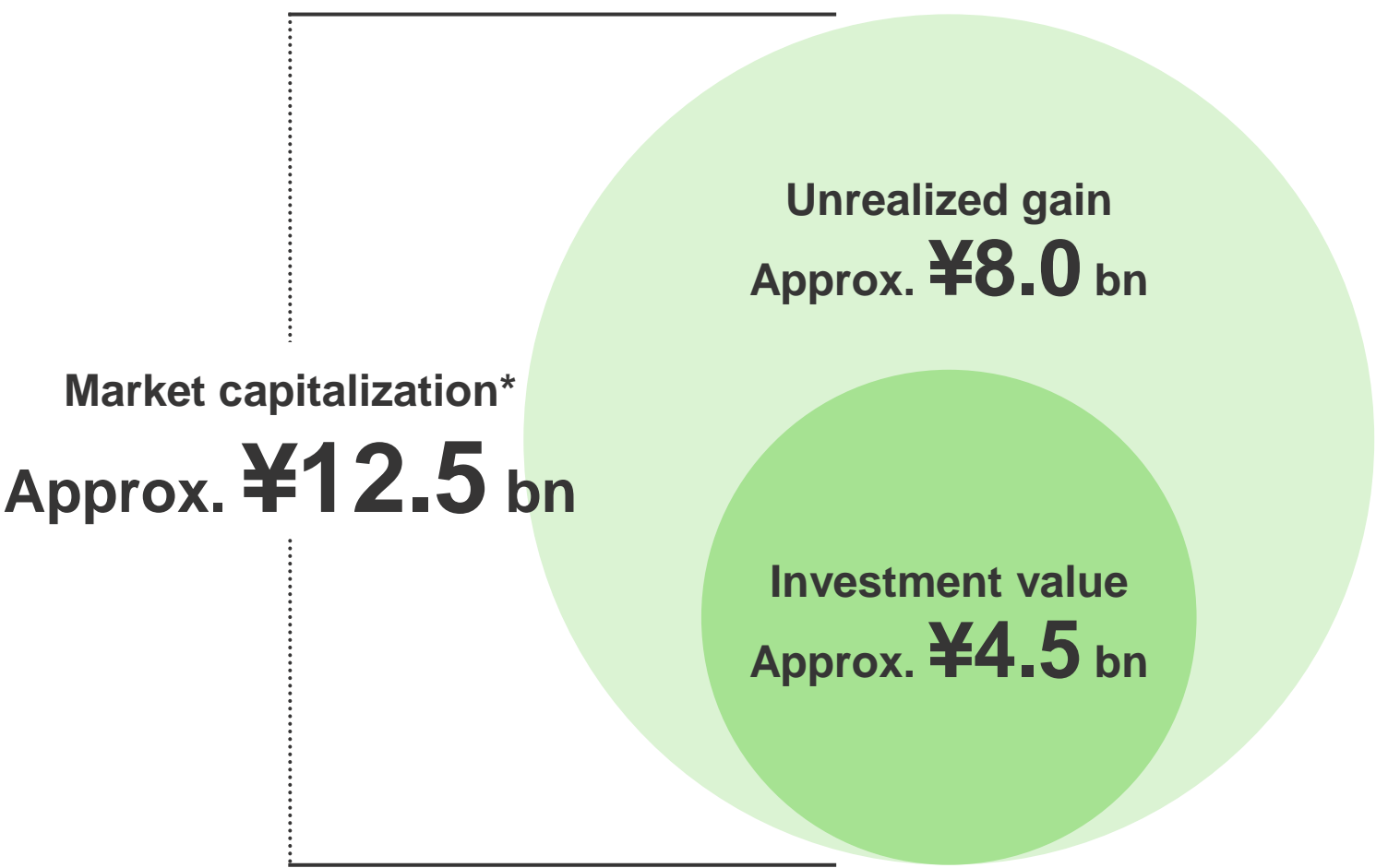
# Investment Business (1): Increase in Investment Projects, Growth of Investees

In FY03/23, we executed investments totaling ¥825 million across 18 companies.  
To bolster hands-on support for our investee companies, we are reinforcing our role as a lead investor.

Number of investment projects, the amount of investment



Valuation of shares held as of end-March 2023



\* For unlisted companies, the calculation is based on their most recent reports.

# Investment Business (2): Strengthening Hands-on Support through Business Collaboration

Concentrating on seed and early-stage startups, we deliver funding and hands-on support to boost their value. Our investee support organization, UVS, made up of capitalists and strategists\*, carries out this hands-on assistance.

Examples of UVS support	
<div><div>Formulating business strategies and plans</div><div><ul style="list-style-type: none"><li>• Strategy formulation</li><li>• KPI design</li><li>• Dashboard construction support</li></ul></div></div>	<div><div>Providing financial assistance</div><div><ul style="list-style-type: none"><li>• Business plan updates</li><li>• Advice on pitch decks</li><li>• Introducing suitable investors and financial institutions</li></ul></div></div>
<div><div>Developing and implementing organizational strategies</div><div><ul style="list-style-type: none"><li>• Talent requirements planning</li><li>• Search and selection of professional side job talent</li><li>• Introduction of recruitment experts</li><li>• Design of stock option and other systems</li></ul></div></div>	<div><div>Developing and executing digital marketing strategies</div><div><ul style="list-style-type: none"><li>• Digital marketing strategy development and launch</li><li>• Project management office (PMO)</li></ul></div></div>

\*A hands-on support team mainly consisting of members with consulting firm backgrounds.

# Investment Business: IPO of Investee Companies

Our investee company, Excite Holdings Co., Ltd., has been newly listed on the Tokyo Stock Exchange Standard Market.

**Listing date and our ownership status**




















































- Listing date: April 19, 2023 (Wednesday)
- We had an 12.91% stake in the company at the time of IPO approval.



Excite Holdings Co., Ltd. Overview	
Representative	President and CEO: Shinichi Saijo
Business	Platform Business, Broadband Business, SaaS & DX Business
Results	Sales of ¥7,131 million, operating profit of ¥398 million (Consolidated financial results for FY21)




























# Investment Business: Major Startup Investments

Invested in six companies during the fourth quarter, including Ms. Engineer Inc. as a lead investor.

Post IPO	Middle to later stage		Seed to early stage				
						 <div>new</div>	 <div>new</div>
					 <div>new</div>	 <div>new</div>	
							
							
							
							
							
							
							

# 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					
					
					
					
					
					

# Ad Tech/Content business

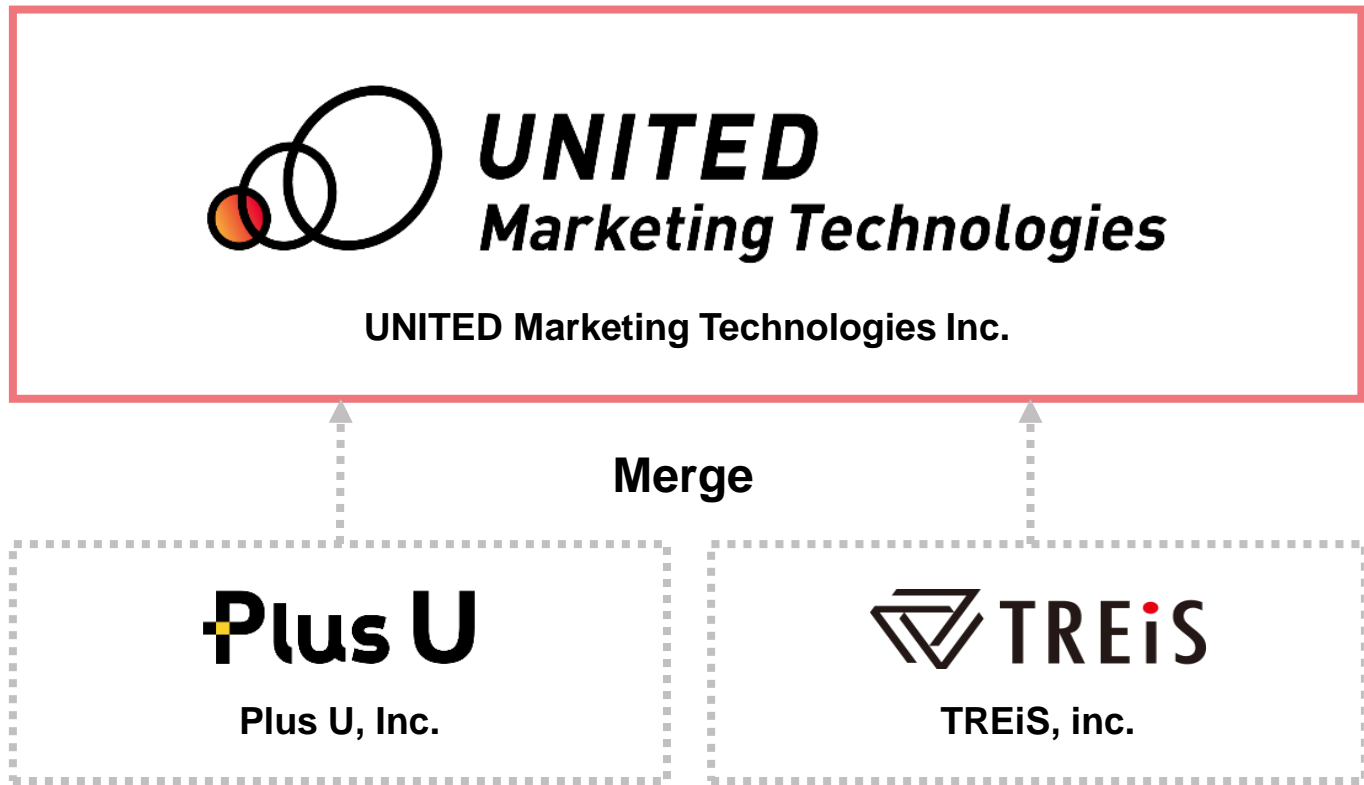
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# Ad Tech · Content business: Strategy for Each Business

- Merge Plus U, Inc., and TREiS, inc. into UNITED Marketing Technologies Inc., which will continue as the surviving entity.
- Establish a stable earnings foundation by implementing tailored strategies for each company as earnings driver businesses.

## UNITED Marketing Technologies Inc.'s Strategy

Operate ad technology businesses centered on DSP and SSP.



## Individual Strategies for Each Company



Operate fan business in the entertainment industry, focusing on IP monetization and promotional/PR support through the online raffle, "Raffle."



Run a digital marketing support business for the sports industry, focusing on expanding the membership management cloud service, "MiiT+."



Operate a business focused on outsourced development of both apps and systems, with an emphasis on the creation of live streaming tools.



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## **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.

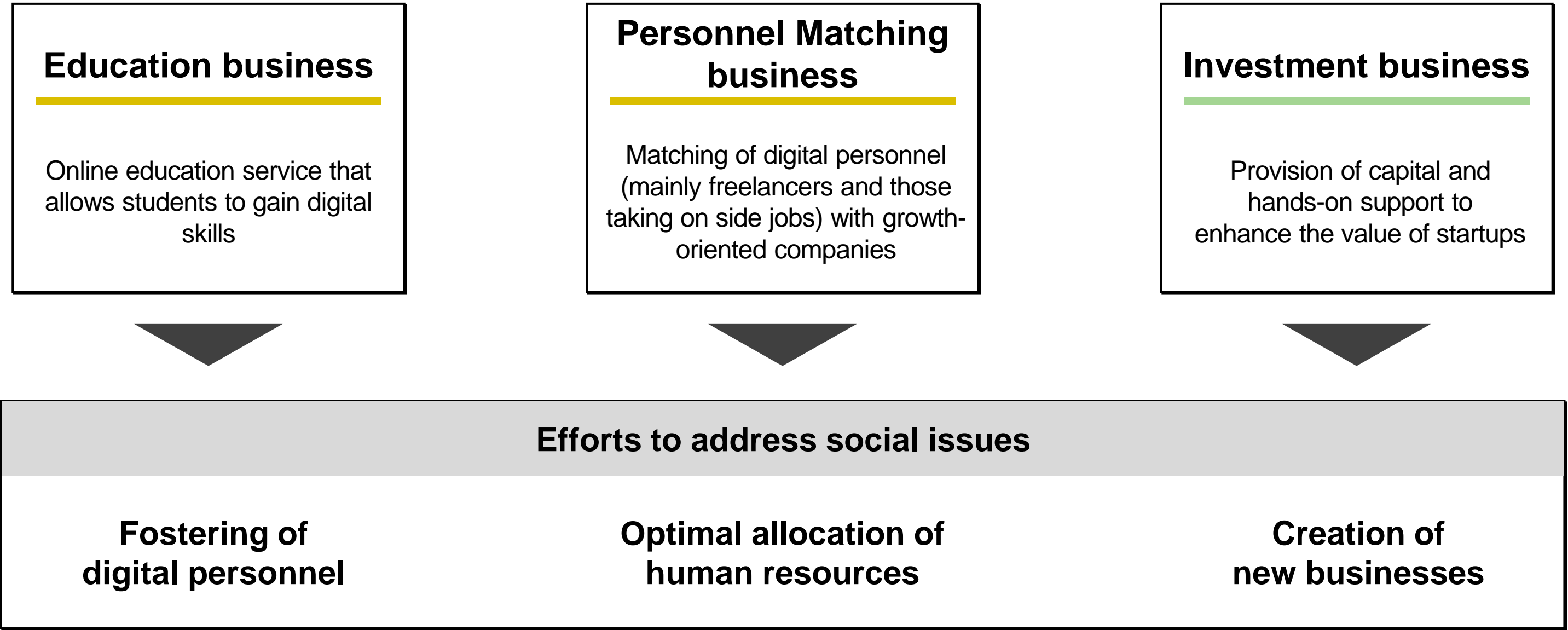
This cycle of growth will enrich society.

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

We will maximize willpower and accelerate the  
betterment of society.

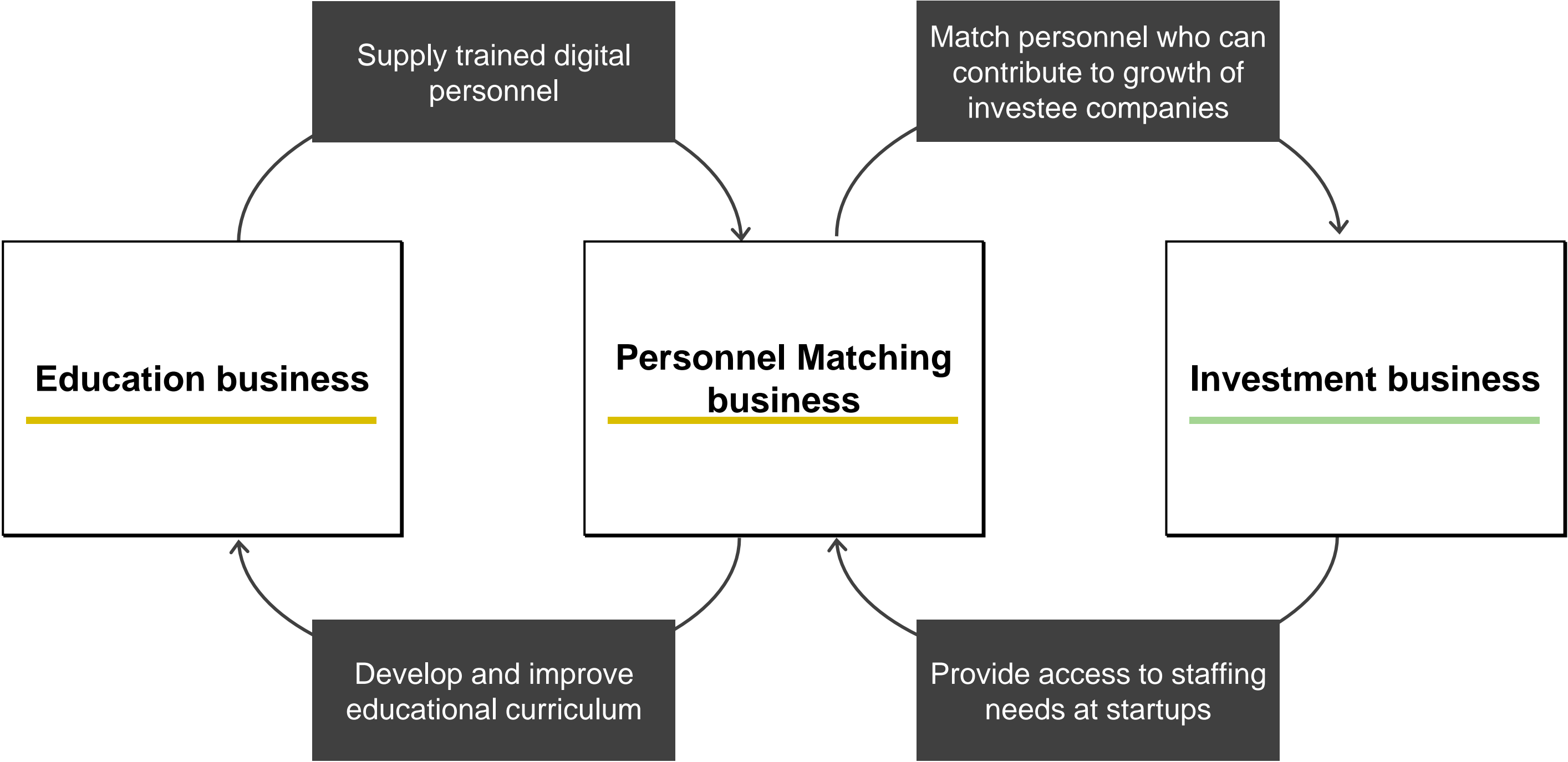
# Core Businesses

In line with our purpose statement, we designated the Education business, the Personnel Matching business, and the Investment business as core businesses starting this fiscal year. These businesses will drive our growth going forward. We will tackle social issues through these core businesses and help improve society.



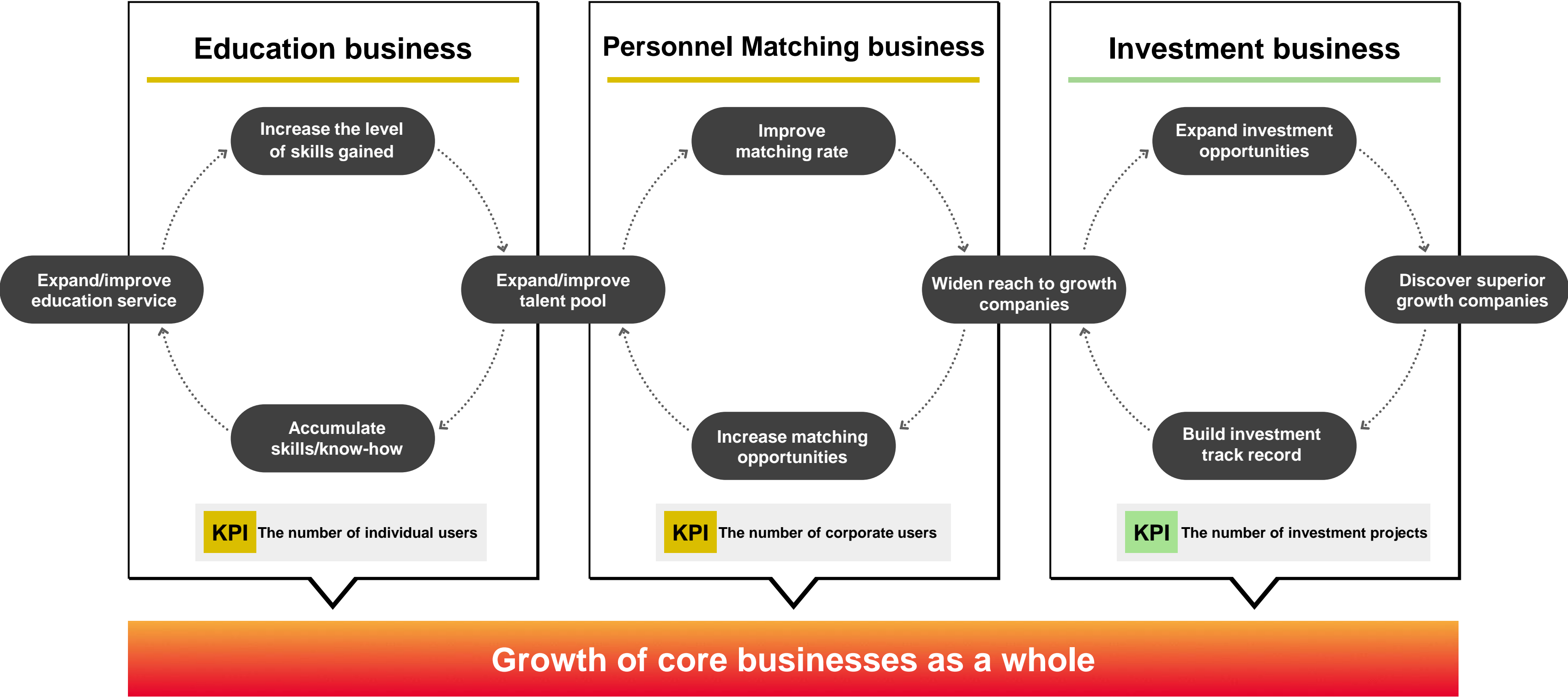
# Collaboration of the Core Businesses

We will create synergies by strengthening collaboration of our core businesses.



# Growth Mechanism

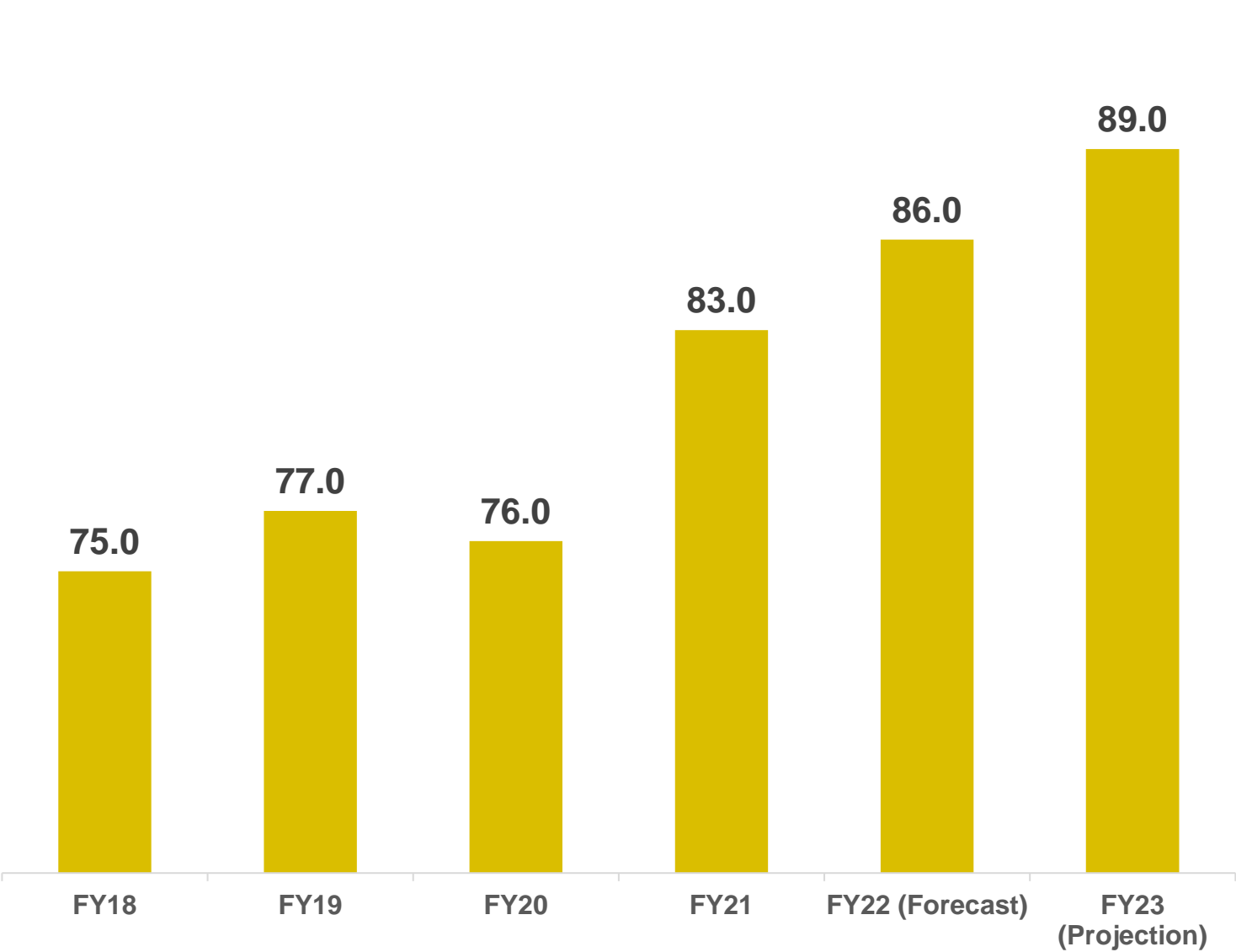
We will build a unique growth mechanism where the growth of each core business will lead to mutual enhancement of competitive strengths and KPIs.



# Education Business Market Environment: Growth in Digital Talent Development and Digital Education Content Markets

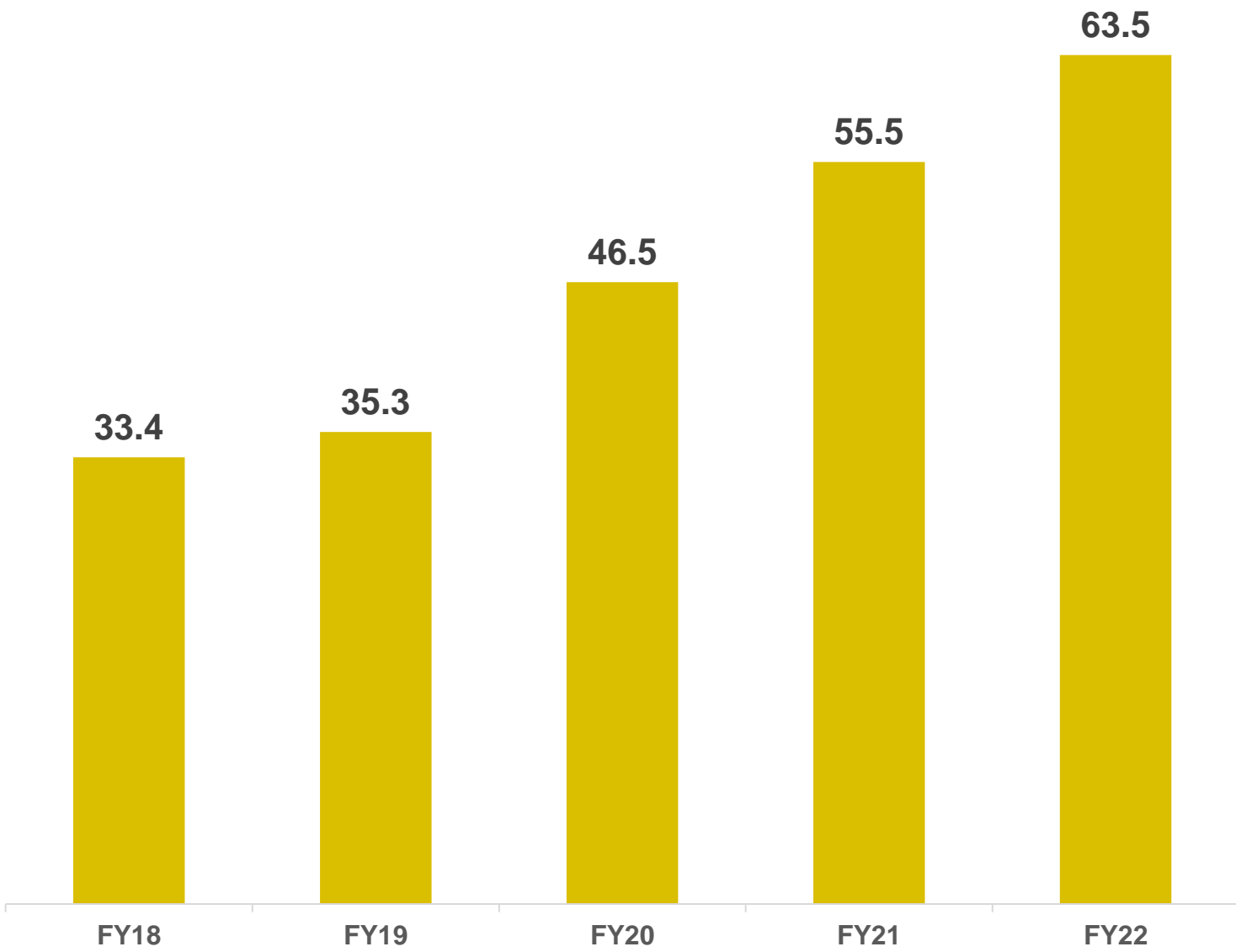
Amid a shortage of domestic digital talent, the market for digital talent development and training services is on the rise. Furthermore, the digital education content market is experiencing growth, driven by heightened demand in the wake of the COVID-19 pandemic.

Digital Talent Development & Training Service Market\*1  
(billions of yen)



\*1 Yano Research Institute Ltd., "Digital Talent-Related Services Market: Current Status and Prospects, 2023 Edition" - Market Size Trends by Type of Digital Talent-Related Services


Digital Education Content Market Size Trend\*2  
(billions of yen)



\*2 Yano Research Institute Ltd., "EdTech/Digital Education Contents Business Report 2022" - Digital Education Content Market Size Trends

# Education Business: Competitive Environment and Positioning (KIRAMEX Co.)

Our goal is to establish a competitive edge by delivering high-quality educational programs led by practicing engineers and by presenting growth opportunities through the introduction of development projects.

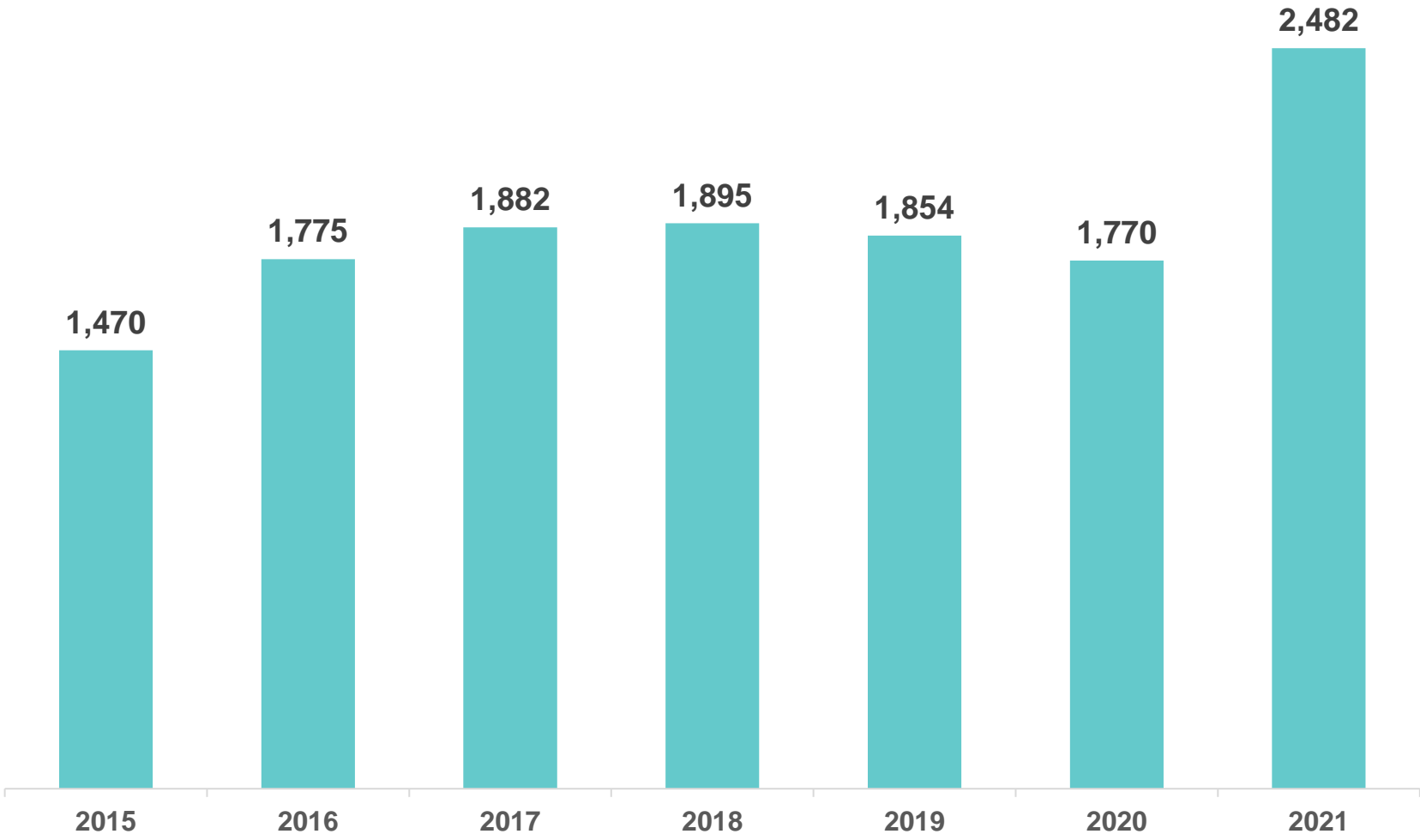
		Lower-priced service
Fees	¥175,000 to ¥540,000	¥50,000 to ¥100,000
Mentors	Practicing engineers who have passed a highly selective screening process with a 10% acceptance rate	Full-time instructor at the school with engineering experience
Mentoring	Dedicated practicing engineers* assigned exclusively to each student conduct sessions twice a week	×
Introduction of development projects for graduates	○ (TechAcademy Works)	×
Career change support	Available for all courses	×
Number of job-seeking companies	Over 1,000	×

\*Some courses are taught by professionals in each respective field, depending on the content.

# Personnel Matching Business Market Environment

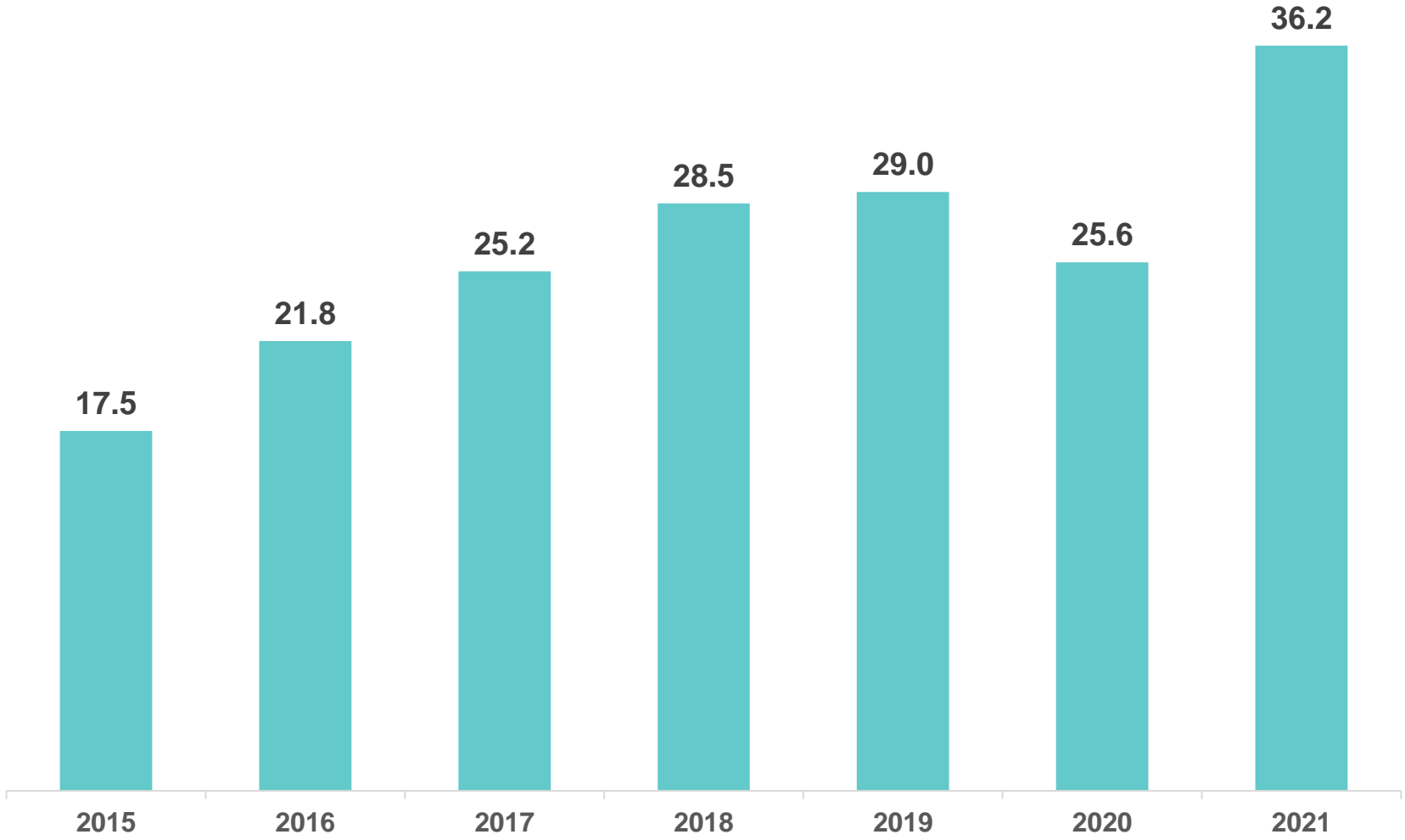
Work style reforms and the rise of remote work during the COVID-19 pandemic have led to a surge in the number of individuals working side jobs and freelancing, contributing to the growth of the gig economy's size.

Side-Job & Freelance Population\*<sup>1</sup> (unit: 10,000 people)



\*1 Lancers, Inc. (2021) "New Freelance Fact-Finding Investigation Report 2021-2022" Segment-Specific Trends  
Lancers, Inc. (2021) "Freelance Fact-Finding Investigation Report 2021" Increase of Side-job and Multiple-job Workers  
Lancers, Inc. (2018) "Freelance Fact-Finding Investigation Report 2018" Trends in the Economic Scale and Population of Side-job Workforce

Size of Side-Job & Freelance Economy\*<sup>2</sup> (unit: trillions of yen)

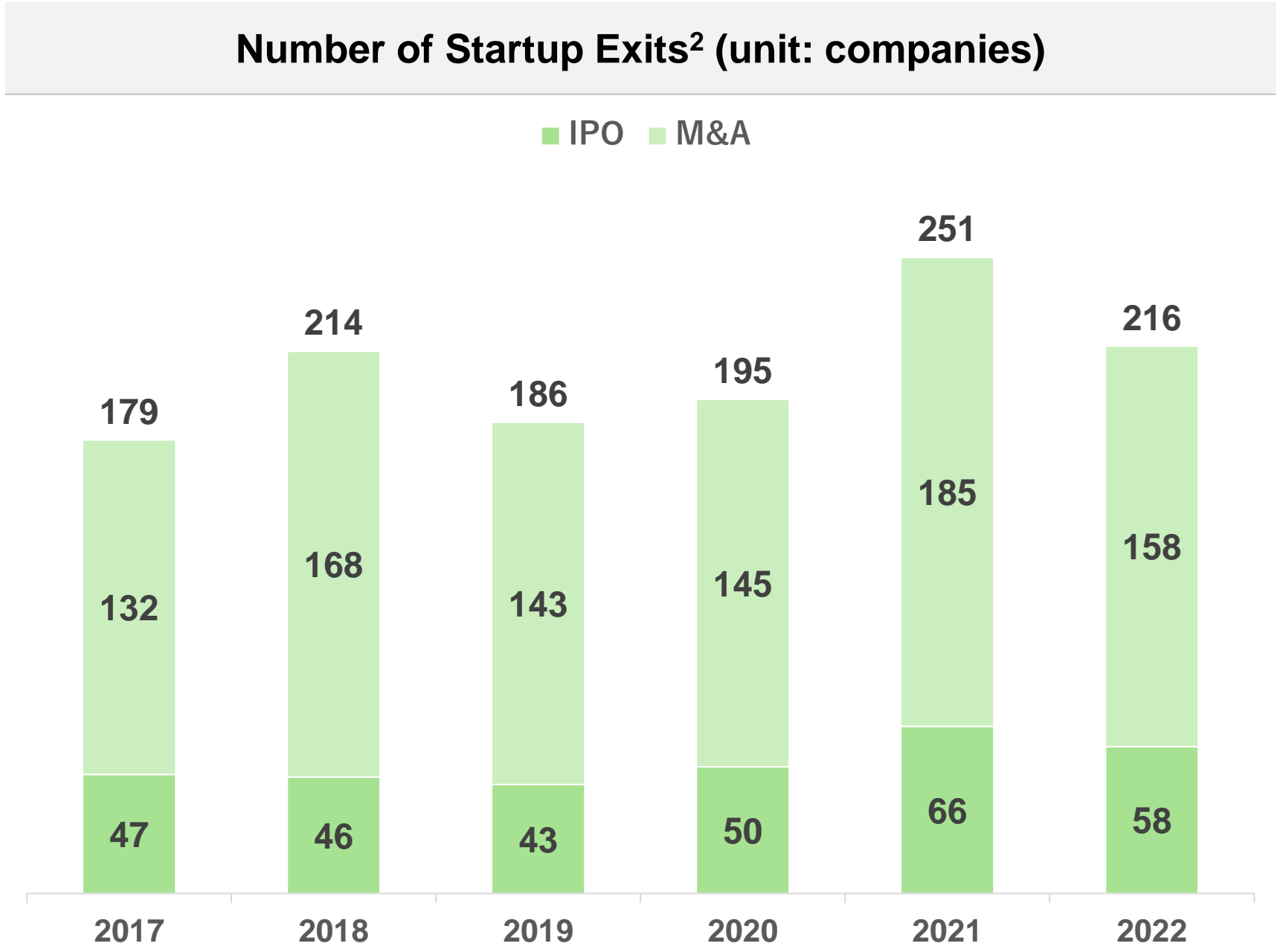
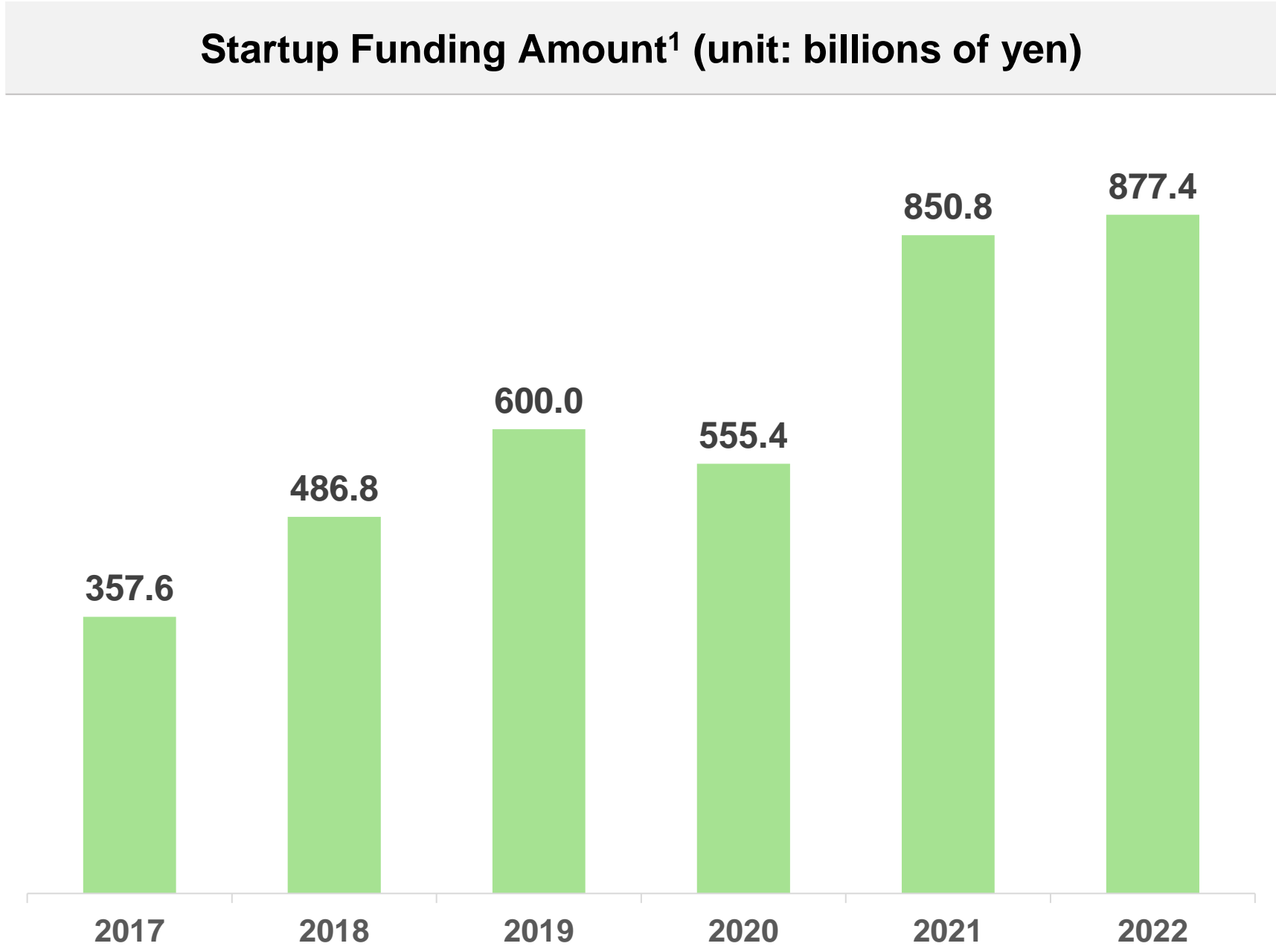


\*2 CrowdWorks, Inc. (2022) "Side-Job Data Book 2022" Potential Side-job Market Size  
Lancers, Inc. (2021) "New Freelance Fact-Finding Investigation Report 2021-2022" Current Population of Freelance Workforce and Economic Scale  
Lancers, Inc. (2018) "Freelance Fact-Finding Investigation Report 2018" Trends in the Economic Scale and Population of Side-job Workforce



# Investment Business Market Environment

- As international investors enter the market and domestic investor participation rises, capital raised by homegrown startups continues to trend upwards.
- While the number of successful exits has generally been increasing, a market downturn in 2022 led to a decline compared to the previous year.



<sup>\*1</sup> INITIAL Inc., "JAPAN Startup Finance 2022," Domestic Startup Funding Amount

<sup>\*2</sup> INITIAL Inc., "JAPAN Startup Finance 2022," Domestic Startup IPOs, Acquisitions/Subsidiaries, and Business Transfer Situations  
Startup definition: Refers to unlisted companies in Japan (including those established by foreigners in Japan and those founded by Japanese individuals overseas) that possess distinctive technologies, products/services, or business models, and actively pursue investment to facilitate business growth and expansion.

# Risk Awareness and Countermeasures

Item	Affected Segment	Key Risks	Manifestation Probability	Manifestation Period	Manifestation Impact	Risk Countermeasures
Technological Innovation	Education Business Personnel Matching Business Ad Tech/Content business	Obsolescence of existing businesses due to the spread of new technologies	Low	Long term	Large	Establishing extensive networks with startups for early information gathering and, when necessary, implementing strategies such as M&A.
Investment	Investment Business	Market fluctuations and performance decline of investee companies	Medium	Medium term	Large	Diversifying investments and managing businesses with lower volatility compared to investments, thereby reducing overall company risk.
Business Environment	Ad Tech/Content business	Stagnation of the entire market due to the introduction of regulations in the internet sector	Low	Medium term	Large	In the Education Business, Personnel Matching Business and Investment Business, operating businesses that do not solely rely on the internet, diversifying risk.
Competitive Environment	Education Business Personnel Matching Business	Rising competition and increased presence of digital transformation talent development providers	Medium	Medium term	Medium	Continuously evolving and differentiating business models through launching new businesses, engaging in M&A, and making strategic investments.

For other risks recognized by our company, please refer to the “Business and Other Risks” section in the securities report.

# Consolidated P/L Statement for FY22

We transferred joint operating rights for Crash Fever on May 1, 2022. This resulted in ¥365 million in extraordinary profit.

(Millions of yen)	FY03/22	FY03/23	YoY (%)
Sales	12,714	13,140	+3.3%
Gross profit	8,363	8,797	+5.2%
SG&A expenses	2,625	2,973	+13.3%
Operating Profit	5,738	5,823	+1.5%
Non-operating profit	26	40	+55.4%
No-operating expenses	7	13	+89.9%
Ordinary Profit	5,757	5,851	+1.6%
Extraordinary profit	64	365	+468.6%
Extraordinary losses	10	49	+350.9%
Profit before income taxes	5,811	6,167	+6.1%
Net Income*	3,825	4,139	+8.2%

\*Refers to net income attributable to owners of parent

# Consolidated P/L Statement for FY22 Q4

(Millions of yen)	FY03/22 Q4	FY03/23 Q4	Difference	
			YoY (Amount)	YoY (%)
Sales	1,927	2,965	+1,037	+54%
DX Platform	664	684	+19	+3%
Investment	304	1,398	+1,093	+359%
Content	765	717	△ 47	△ 6%
Ad Technology	195	169	△ 25	△ 13%
Other	△ 1	△ 4	△ 2	-
Gross Profit* <sup>1</sup>	837	1,766	+929	+111%
DX Platform	209	169	△ 39	△ 19%
Investment	252	1,279	+1,026	+406%
Content	245	219	△ 26	△ 11%
Ad Technology	130	101	△ 28	△ 22%
Other	△ 0	△ 2	△ 1	-
SG&A Expenses	711	876	+164	+23%
Operating Profit	125	890	+765	+610%
DX Platform	0	△ 194	△ 195	-
Investment	230	1,261	+1,031	+448%
Content	84	39	△ 45	△ 53%
Ad Technology	77	55	△ 21	△ 28%
Other	△ 267	△ 271	△ 4	-
Ordinary Profit	138	902	+764	+553%
Net Income* <sup>2</sup>	△ 49	547	+597	-

\*1 Cost of sales for each business mainly includes advertising, outsourcing, and personnel expenses

\*2 Refers to net income attributable to owners of parent

# Consolidated B/S Statement

Decrease in assets and liabilities mainly due to mark-to-market valuation and sales of listed shares held.  
Goodwill amortization increased because of the acquisition of Cocodoru, Inc., Innoop Inc., and Kasooku inc.

(Millions of yen)	End of FY03/22 (March 31, 2022)	End of FY03/23 (March 31, 2023)	Difference
Current Assets	34,179	27,891	△ 6,287
Cash & Deposits	12,165	13,370	+1,205
Operating Investment Securities	18,789	11,236	△ 7,553 <sup>*1</sup>
Non Current Assets	4,521	4,426	△ 95
Amortization of Goodwill	327	905	+578
Total Assets	38,701	32,318	△ 6,382
Current Liabilities	2,812	2,777	△ 34
Non Current Liabilities	5,600	2,893	△ 2,706
Deferred Tax Liabilities	5,524	2,838	△ 2,685 <sup>*2</sup>
Total Liabilities	8,412	5,671	△ 2,741
Net Assets	30,288	26,647	△ 3,641
Unrealized Gain on Securities	9,601	3,934	△ 5,667 <sup>*3</sup>

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

\*1 Operational investment securities -¥8,299 million

\*2 Deferred tax liabilities -¥2,509 million

\*3 Unrealized gain on securities -¥5,687 million.

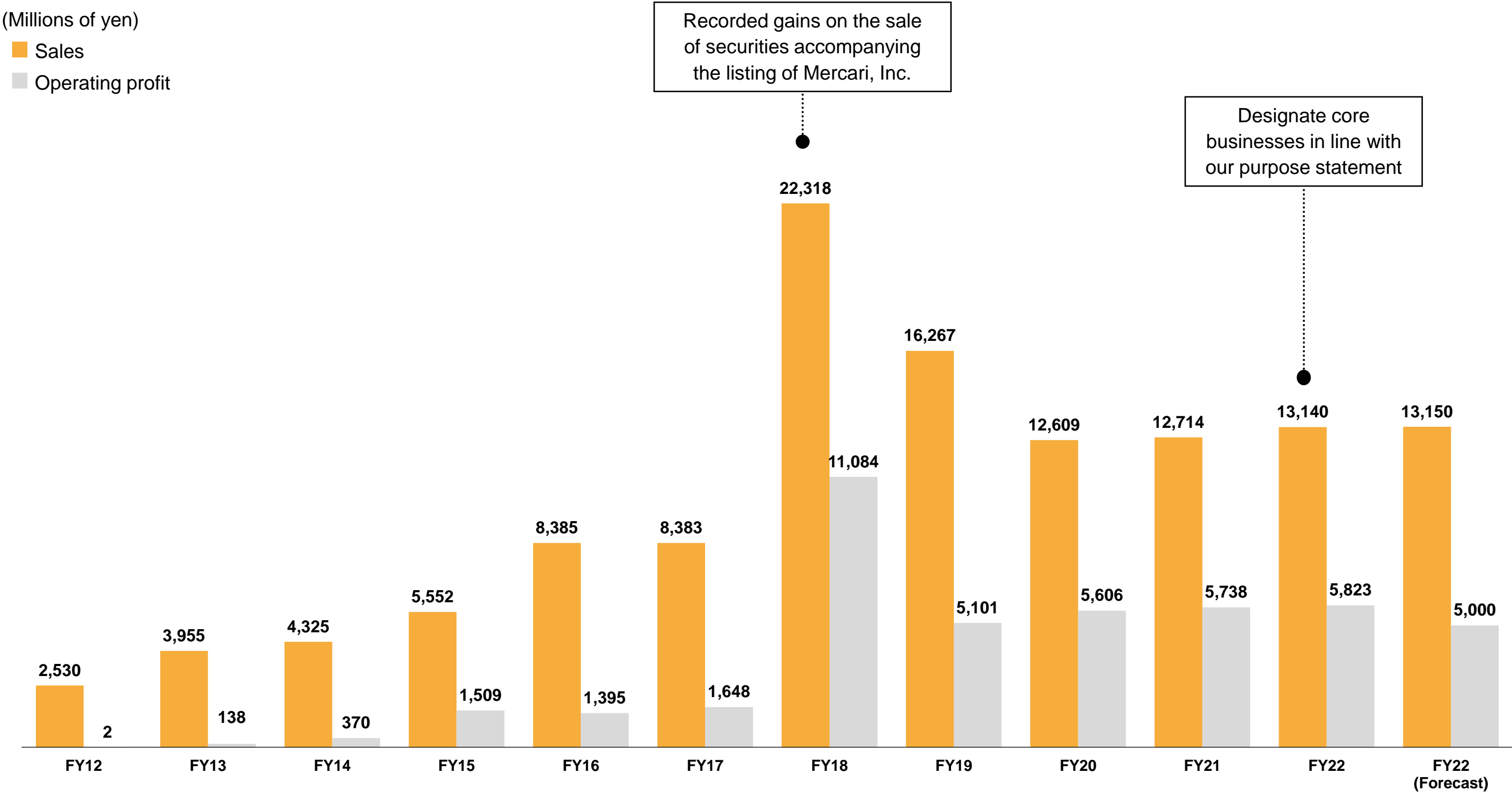
# Cashflow

Net cash provided by operating activities increased YoY due to an increase in the sales of investment securities.  
Net cash used in financing activities decreased YoY due to a decrease in share repurchase-related expenses.

(Millions of yen)	FY03/22	FY03/23	Difference
Cash Flow from Operating Activities	<sup>*1</sup> 2,718	<sup>*2</sup> 3,947	+1,228
Cash Flow from Investing Activities	△ 477	△ 839	△ 361
Cash Flow from Financing Activities	<sup>*3</sup> △ 3,849	<sup>*4</sup> △ 1,903	+1,946
Cash and Cash Equivalents at End of Period	12,165	13,370	+1,205

\*1 The amount factors in ¥6,281 million from sale of operational investment securities and ¥2,107 million from income taxes paid  
\*2 The amount factors in ¥6,937 million from sale of operational investment securities and -¥1,989 million from income taxes paid  
\*3 The amount factors in -¥3,000 million from share repurchase and -¥775 million from cash dividends paid  
\*4 The amount factors in -¥1,001 million from share repurchase and -¥794 million from cash dividends paid

# Sales and Earnings (FY03/13–FY03/23)



\*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 FY21. 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

