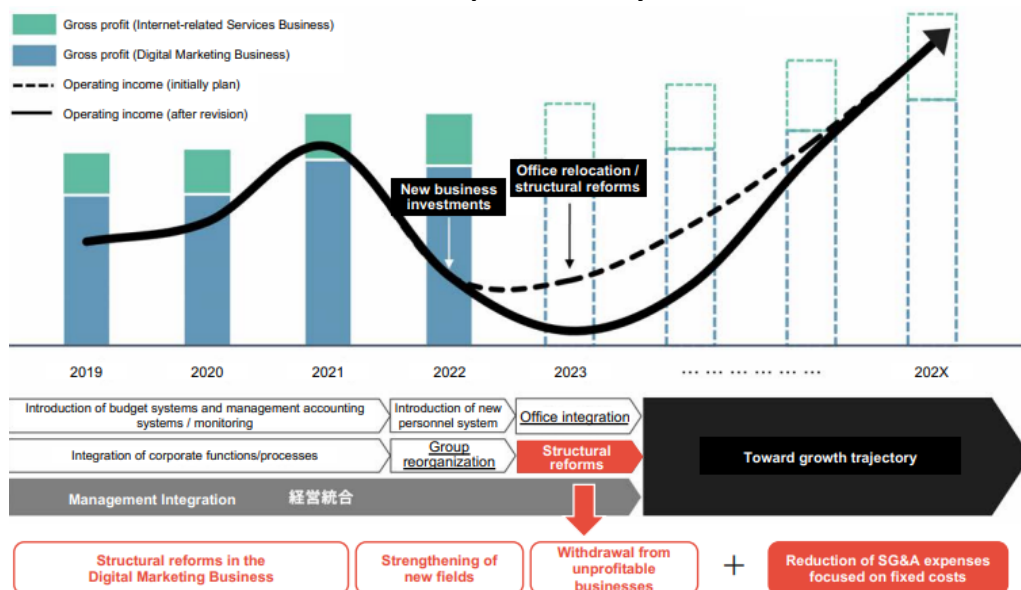


Pushing forward with earnings structure improvements

Executive summary

- Specific measures for structural reforms are being implemented one after another. CARTA Holdings had announced the withdrawal from unprofitable businesses (game and hometown tax payment businesses), a ¥1 bn reduction in SG&A expenses centered on fixed costs, the integration of four direct sales subsidiaries, and other streamlining measures leading up to the 2Q FY23/12 earnings announcement, and on September 5, 2023, the company's board of directors newly approved a resolution to call for voluntary retirement. While the macroeconomic downturn was particularly noticeable in the April-June 2023 earnings results, with advertising companies downwardly revising their forecasts one after another, no other company has implemented such drastic measures like CARTA Holdings has, and this move is worth highlighting for its future sharp recovery.
- The company's share price has been falling linearly for over a year, but has been flat since the 2Q FY23/12 earnings results announcement. With the downward revision of its earnings forecast, market participants may have begun to consider the possibility of the share price bottoming out and potentially recovering. In addition, CARTA Holdings' relatively high dividend yield in the sector may be underpinning its share price. As part of its shareholder return policy, the company targets a DOE of 5.0%, and its dividend yield has been above 4.3% for some time now. In looking for upside, it will be important for investors to determine when and to what extent expectations of earnings improvement through structural reforms will be factored in. While it will be 2-4 quarters before the impact of the reforms is reflected on the income statement, we believe that updates on streamlining measures, including additional measures, and guidance for FY24/12 could serve as a catalyst.

Initiatives for V-shaped Recovery of Performance



Source: Excerpt from the company IR material.

2Q FOLLOW-UP



Focus Points: VOYAGE Group and Dentsu Group's Cyber Communications merged in Jan. 2019. In addition to serving as a media rep., CARTA HD conducts various businesses related to digital advertising, such as ad platforms and internet media.

Key indicators (¥/mm/dd)

Share price (9/19)	1,262
YH (23/2/6)	1,697
YL (23/8/18)	1,136
10YH (14/7/4)	4,110
10YL (20/3/19)	688
Shrs. out (mn, shr)	25.164
Mrk cap (¥bn)	31.5
EV (¥bn)	15.0
Shr. equity ratio (6/30)	55.4%
23/12 PER (CE)	-
22/12 PBR (act)	1.16x
23/12 DY (CE)	4.31%

Share Price Chart (from 2022)



Source: SPEEDA

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This report was prepared by Sessa Partners on behalf of CARTA Holdings. Please refer to the legal disclaimer at the end for details.

- Since the days of operating as the former VOYAGE GROUP, one of the company's strengths has been its ability to develop and promote new businesses by transferring authority and fostering motivation based on a "one business = one subsidiary" system, and its structural reforms go against this. Although the company has decided to carry out reforms based on the belief that it must become more lean in response to the weak macroeconomic environment, it will maintain its essence as "The Evolution Factory" and intends to focus on the development of new business areas once again after improving its earnings structure.

FY2023/12 2Q
Results Summary

Advertising market remains weak; Pushing ahead with review of incentive structure

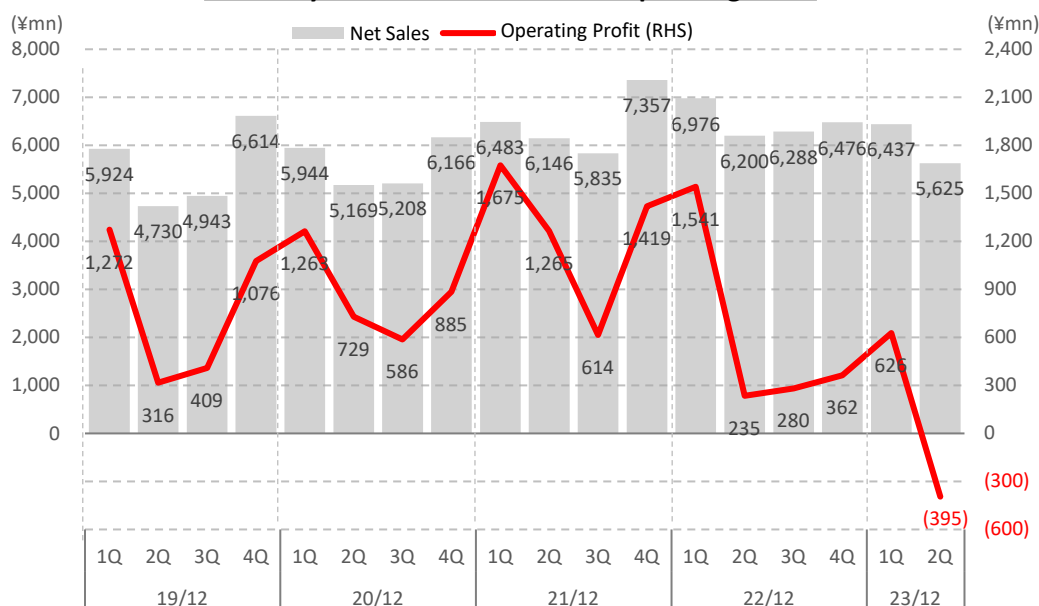
On August 10, the company announced its 2Q results for the FY 23/12 and financial results briefing. In the April-June period, sales declined 9.3% YoY to ¥5.63 bn, leading to a ¥0.4 bn loss at the operating level, compared to an operating profit of ¥0.24 bn in the same period last year. The company downwardly revised its FY23/12 full-year forecast on the same day, lowering its projection for net sales from ¥26.6 bn to ¥24.2 bn and operating profit from ¥2.3 bn to ¥0.5 bn owing to a slower than initially expected recovery in business performance.

The main reason behind the weak performance was the negative growth of reservation-based ads primarily offered by CARTA COMMUNICATIONS, which was adversely affected by the sluggish advertising market. In addition to the lack of firm demand from advertisers, the April-June period is usually a slow period for advertising, which led to a larger drop in profits compared to other quarters. The company's earnings structure is multi-tiered, with margins determined based on advertising volume. Accordingly, its rates can be unfavorable unless it is able to secure a certain level of volume, and this has exacerbated the drop in earnings. In response to the current situation, the company appears to be shifting to a business model that does not rely on incentives and is making changes to its contracts.

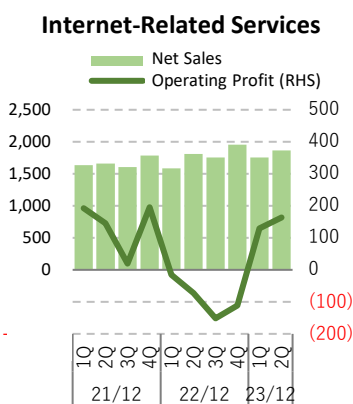
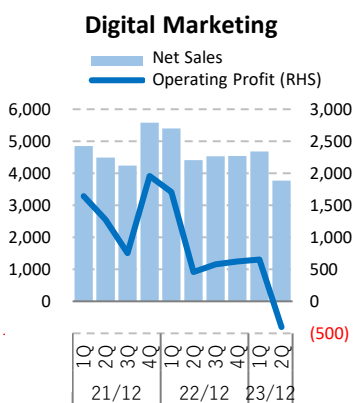
Furthermore, the company was affected by unprofitable projects with low take rates booked in 2Q. While it is pushing ahead with measures to improve profitability by raising its direct sales ratio, some projects became unprofitable due to a mismatch in supply-demand prices. In April-June 2023, while transaction volume in the digital marketing business grew 6.8% YoY, sales fell 14.5% YoY, with the distortion caused by the lower take rate stemming from the above-mentioned factors. The direct sales ratio in the April-June period was 23.2%, a clear rise from 16.1% in 2Q FY22/12 and 18.8% in 1Q FY23/12, indicating that the measures in place are progressing smoothly.

On the other hand, the Internet-related business secured higher sales and profit thanks to strong sales of "Supporterz," which supports job-hunting activities by IT and venture companies, as well as a reduction in the advertising burden that had been placed on the game business in the same period of the previous fiscal year. Although it will take some time for cost cutting efforts, such as the withdrawal from unprofitable businesses to have a significant effect on results, we think these cuts will prove significant contributors to the company's performance in the medium-term.

Quarterly Trends in Net Sales and Operating Profit



Source: compiled by SIR from the company material.



Source: compiled by SIR from the company IR material.
Note: Sales figures are before consolidation offsetting. Operating profit is adjusted to exclude amortization of intangible assets and goodwill and closing incentives.

Quarterly results

Item	unit	21/12				22/12				23/12		22/12	23/12CE
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	Full year	Full year
Number of employees	p	1,434	1,465	1,453	1,434	1,435	1,477	1,501	1,526	1,492	1,592	1,526	-
Directors and regular employees	p	1,340	1,361	1,341	1,320	1,332	1,357	1,376	1,387	1,397	1,476	1,387	-
Part-timer	p	94	104	112	114	103	120	125	139	95	116	139	-
Annual turnover rate	%	6.3	7.8	8.6	10.2	10.8	11.1	10.4	9.1	8.5	7.7	9.1	-
Sales volume													
Digital Marketing Business	¥mn	31,928	26,084	26,537	31,377	30,408	23,386	25,323	28,436	26,749	24,974	107,553	-
YoY	%	5.3	13.8	11.1	3.4	-4.8	-10.3	-4.6	-9.4	-12.0	6.8	-7.2	-
Programmatic ads	¥mn	14,814	14,861	15,032	18,399	18,279	15,390	16,250	18,461	18,346	18,875	68,380	-
YoY	%	3.4	31.2	23.9	17.8	23.4	3.6	8.1	0.3	0.4	22.6	8.4	-
within TELECY	¥mn	261	167	929	859	1,534	1,792	1,600	1,403	1,891	1,935	6,329	-
YoY	%	-	-	7,046.2	647.0	487.7	973.1	72.2	63.3	23.3	8.0	185.6	-
Reservation-based ads	¥mn	16,260	10,789	11,834	13,455	12,190	8,684	9,666	11,223	9,960	8,512	41,763	-
YoY	%	12.9	4.1	11.0	-2.8	-25.0	-19.5	-18.3	-16.6	-18.3	-2.0	-20.2	-
Other / Segment offset	¥mn	854	434	-329	-477	-61	-688	-593	-1,248	-1,557	-2,413	-	-
Direct sales	¥mn	2,277	2,109	2,926	2,713	3,662	3,754	4,244	4,456	5,031	5,803	16,116	-
YoY	%	-6.2	-26.1	52.9	28.2	60.8	78.0	45.0	64.2	37.4	54.6	60.8	-
Agency	¥mn	29,341	24,026	23,366	28,334	26,676	19,592	20,912	23,828	21,754	19,282	91,008	-
YoY	%	4.8	19.4	7.7	1.0	-9.1	-18.5	-10.5	-15.9	-18.5	-1.6	-13.4	-
Other / Segment offset	¥mn	310	-51	245	330	70	40	167	152	-36	-111	-	-
Direct sales ratio	%	7.1	8.1	11.0	8.6	12.0	16.1	16.8	15.7	18.8	23.2	15.0	-
Net Sales	¥mn	6,483	6,146	5,835	7,357	6,976	6,200	6,288	6,476	6,437	5,625	25,940	24,200
YoY	%	9.1	18.9	12.0	19.3	7.6	0.9	7.8	-12.0	-7.7	-9.3	0.5	-6.7
Digital Marketing Business	¥mn	4,849	4,490	4,241	5,575	5,401	4,407	4,532	4,537	4,685	3,769	18,877	-
YoY	%	14.6	21.9	17.7	24.3	11.4	-1.8	6.9	-18.6	-13.3	-14.5	-1.5	-
Take rate	%	15.2	17.2	16.0	17.8	17.8	18.8	17.9	16.0	17.5	15.1	-	-
Internet-related Business	¥mn	1,636	1,658	1,603	1,785	1,583	1,810	1,752	1,953	1,755	1,863	7,098	-
YoY	%	-4.9	11.0	0.5	6.1	-3.2	9.2	9.3	9.4	10.9	2.9	6.2	-
Adjustments	¥mn	(3)	(3)	(10)	(4)	(7)	(18)	3	(14)	(3)	(7)	(36)	-
Cost of sales	¥mn	800	577	622	621	735	615	681	720	715	681	2,751	-
% of Sales	%	12.3	9.4	10.7	8.4	10.5	9.9	10.8	11.1	11.1	12.1	10.6	-
Gross profit	¥mn	5,682	5,569	5,213	6,736	6,241	5,584	5,608	5,756	5,722	4,944	23,189	-
% of Sales	%	87.6	90.6	89.3	91.6	89.5	90.1	89.2	88.9	88.9	87.9	89.4	-
SG&A expenses	¥mn	4,007	4,303	4,600	5,317	4,699	5,350	5,328	5,394	5,095	5,339	20,771	-
% of Gross profit	%	70.5	77.3	88.2	78.9	75.3	95.8	95.0	93.7	89.0	108.0	89.6	-
Personnel expenses	¥mn	2,272	2,431	2,455	2,231	2,339	2,512	2,545	2,538	2,605	2,738	9,935	-
% of Gross profit	%	40.0	43.7	47.1	33.1	37.5	45.0	45.4	44.1	45.5	55.4	42.8	-
Advertising and promotion expenses	¥mn	271	337	454	512	522	787	734	697	397	505	2,741	-
% of Gross profit	%	4.8	6.1	8.7	7.6	8.4	14.1	13.1	12.1	6.9	10.2	11.8	-
Digital Marketing Business, etc.	¥mn	158	275	336	182	327	500	454	542	205	299	1,823	-
Internet-related Business	¥mn	113	62	118	330	195	287	280	155	192	206	917	-
System-related expenses	¥mn	453	491	577	636	650	662	705	751	680	673	2,770	-
% of Gross profit	%	8.0	8.8	11.1	9.4	10.4	11.9	12.6	13.0	11.9	13.6	11.9	-
Outsourcing expenses	¥mn	188	214	248	331	350	417	462	516	493	492	1,746	-
% of Gross profit	%	3.3	3.8	4.8	4.9	5.6	7.5	8.2	9.0	8.6	10.0	7.5	-
Earnings-linked incentives	¥mn	0	0	0	575	0	0	0	0	0	0	0	-
% of Gross profit	%	0.0	0.0	0.0	8.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Other expenses	¥mn	823	830	866	1,032	838	972	882	892	920	931	3,579	-
% of Gross profit	%	14.5	14.9	16.6	15.3	13.4	17.4	15.7	15.5	16.1	18.8	15.4	-
Operating Profit	¥mn	1,675	1,265	614	1,419	1,541	235	280	362	626	(395)	2,418	500
% of Sales	%	25.8	20.6	10.5	19.3	22.1	3.8	4.5	5.6	9.7	-7.0	9.3	2.1
Digital Marketing Business	¥mn	1,645	1,278	752	1,957	1,708	457	580	622	654	(400)	5,338	-
% of Segment sales	%	33.9	28.5	17.7	35.1	31.6	10.4	12.8	13.7	14.0	-10.6	28.3	-
Internet-related Business	¥mn	192	145	19	195	(16)	(73)	(152)	(112)	129	163	(341)	-
% of Segment sales	%	11.7	8.7	1.2	10.9	-1.0	-4.0	-8.7	-5.7	7.4	8.7	-4.8	-
Intangible assets and amortization of goodwill	¥mn	(162)	(158)	(157)	(158)	(151)	(149)	(148)	(148)	(157)	(158)	(594)	-
Earnings-linked incentives	¥mn	0	0	0	-575	0	0	0	0	0	0	0	-
EBITDA*	¥mn	2,478	1,556	960	1,708	3,174	896	748	1,273	84	249	6,091	-
% of Sales	%	38.2	25.3	16.5	23.2	45.5	14.5	11.9	19.7	1.3	4.4	23.5	-

Source: compiled by SIR from the company material.

Note: The company complies with the new segment standards that began to be disclosed from the results of FY23/12 Q1.

Progress of med-term plan

Watch for developments in ¥1 billion in fixed cost reductions

The company has been proposing restructuring measures, including business withdrawal, as one of its new medium-term management policies, and it is noteworthy that it has now specifically indicated the targets (games and hometown tax) and has newly announced a policy to reduce SG&A expenses by ¥1 bn. The company's management is serious about improving profitability, as evidenced by the announcement of a reduction in directors' remuneration from August to December 2023.

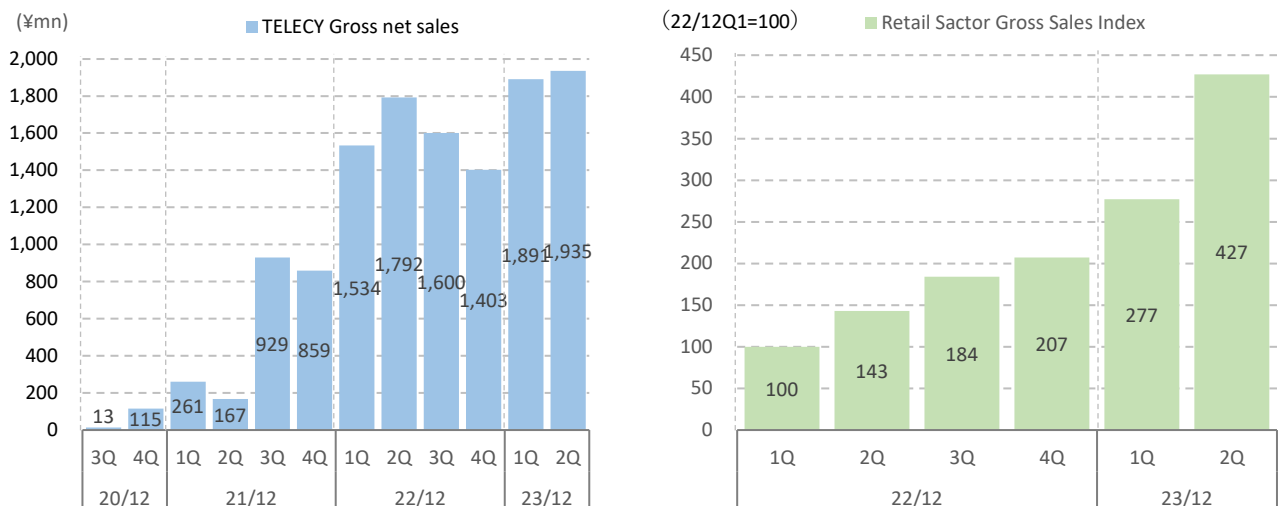
The breakdown of the planned ¥1 bn reduction in SG&A expenses consists of (1) reduction of personnel and recruiting costs, (2) reduction of system usage costs, (3) review of outsourcing and subcontracting costs, and (4) integration and streamlining of duplicated functions in line with office consolidation. Although the company did not disclose the breakdown for each of these, it is likely that a considerable portion of the reductions will come from (1) reduction of personnel and recruiting costs, given the fact that the company called for around 70 applicants for voluntary retirement on September 5, 2023.

In addition, the company will likely have room to reduce outsourcing costs, which have been on the rise despite a drop in net sales, by promoting in-house operations. The planned streamlining of head office functions with the relocation of its office is also likely to have some effect. Although it remains to be seen whether the company will be able to achieve a cumulative impact of ¥1 bn, it should be able to reduce fixed costs to a certain extent from FY24/12 onward.

In terms of proactive measures, there is some concern about the somewhat sluggish growth of the programmatic TV commercial service TELECY. While transaction volume hit a record quarterly high in the April-June period, it lacked momentum, rising only 8.0% YoY and 2.3% QoQ. Demand is strong, but the company has not been able to secure enough skilled workers to meet this demand, and supply constraints appear to be holding back growth. Although this differs from the company-wide policy, it plans to continue hiring skilled personnel to increase supply capacity for this business, and it will be interesting to monitor developments going forward.

The retail domain has yet to disclose its actual value, and its volume is expected to be limited. However, based on the collaboration with Arara (4015), which provides original electronic money that can be used at specific chains and stores and its settlement function, we will closely monitor trends to see if it will blossom as a third or fourth business axis.

Performance in Mass Advertising and Sales Promotion



Source: compiled by SIR from the company material.

Note: Figures represent gross sales, which differ from sales in the company's financial statements

Valuation

P/B ratio relatively low at 1.1x, with a dividend yield of over 4.3%

A number of advertising companies downwardly revised their earnings forecasts during the April-June period. In addition to CARTA Holdings, Dentsu Group (4324), Septeni Holdings (4293), Orchestra Holdings (6533), and AViC (9554) revised their forecasts due to weak performance in the advertising business. As a result, many of the stocks in the sector suffered temporary share price drops in early to mid-August, when their earnings results were announced. However, there were not many stocks that continued to fall through mid-September, and it is likely that investors have already factored in the sector's weak business conditions to some extent, and are beginning to consider the possibility of share prices bottoming out and potentially recovering.

The company expects to incur an extraordinary loss related to office relocation in the current fiscal year, so P/E ratio can not be used as a reference. However, its P/B ratio is the lowest in the sector at around 1.1x, and its dividend yield is the highest at over 4.3%. Since the company's performance from the start of the year is among the lower end of the sector, if expectations for a sharp recovery from FY24/12 onward rise, its share price may be up for a re-rating, depending on how much impact its various measures can yield and where its profits land. The short-term focus will be on assessing the company's guidance for FY24/12 by closely examining the quantitative and qualitative disclosures of its 3Q earnings results.

Price Trends of Advertising Stocks and valuation table



Code	Company	EOFY	Stock price	Market value	P/E			PBR	Net Cash	Ordinary profit	Ordinary profit margin			
			(9/15)	(9/15)	FY21	FY22	FY23E	Most recent FY	Most recent FY	FY21	FY21	FY22	FY23E	
-	-	-	yen	¥mn			X	X	¥mn					%
3688	CARTA HOLDINGS	12	1,254	31,556	10.2	10.5	(19.7)	1.16	15,954	5,614	68.3	(45.9)	(70.4)	
-	Ad Industry	-	-	-	23.8	19.7	32.0	2.87	-	-	33.7	4.8	(11.4)	
2433	Hakuhodo DY HD	3	1,360	529,801	9.2	16.4	18.8	1.38	38,707	75,740	52.7	(20.3)	(15.5)	
4293	SEPTENI HD	9→12	395	83,376	19.2	12.9	-	1.32	18,254	3,796	66.9	54.2	-	
4324	Dentsu Group	12	4,496	1,214,663	11.6	20.1	17.2	1.35	(152,848)	241,841	(272.0)	(51.4)	7.6	
4751	CyberAgent	9	851	430,672	10.3	17.8	71.8	2.98	119,652	104,694	209.2	(33.7)	(64.0)	
6533	Orchestra Holdings	12	1,056	10,368	13.7	12.1	14.7	2.00	1,308	1,286	88.3	8.9	(17.9)	
7095	Macbee Planet	4	18,850	67,447	78.6	39.1	37.3	8.21	5,587	1,233	57.1	71.0	32.8	

Code	Company	EOFY	ROE		Ordinary profit margin		Asset turnover		Equity ratio		Payout ratio		Dividend return
			FY21	FY22	FY21	FY22	FY21	FY22	FY21	FY22	FY21	FY22	current period
-	-	-	%		%		times		%		%		%
3688	CARTA HOLDINGS	12	12.0	11.1	21.7	11.7	0.49	0.49	49.6	53.9	41.6	45.3	4.31
-	Ad Industry	-	23.4	15.7	13.4	11.6	1.52	1.03	36.9	43.1	15.4	27.1	1.71
2433	Hakuhodo DY HD	3	16.0	8.6	8.5	6.1	0.90	0.95	34.0	35.5	21.7	38.5	2.35
4293	SEPTENI HD	9→12	15.2	14.1	17.8	20.3	0.56	0.44	43.9	70.7	16.5	15.1	TBD
4324	Dentsu Group	12	13.1	6.9	22.3	9.5	0.31	0.33	22.7	23.5	30.2	69.5	3.49
4751	CyberAgent	9	38.1	17.7	15.7	9.8	2.07	1.85	33.7	37.6	13.4	29.2	1.76
6533	Orchestra Holdings	12	24.7	18.0	7.7	13.5	2.18	0.94	40.9	45.4	10.3	10.3	0.95
7095	Macbee Planet	4	33.5	29.0	8.5	10.8	3.12	1.67	46.2	46.2	0.0	0.0	0.00

Source: compiled by SIR from the company material.

Note: Figures for Septeni Holdings show non-GAAP operating profit instead of recurring profit and figures for the Dentsu Group show operating profit instead of recurring profit. No FY2023 estimates are shown for Septeni Holdings owing to an irregular 15-month accounting period for the current fiscal year.

Item	Unit	Actual			Co's	21/12				22/12				23/12	
		20/12	21/12	22/12		23/12 CE	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Net sales	¥mn	22,487	25,821	25,940	24,200	6,483	6,146	5,835	7,357	6,976	6,200	6,288	6,476	6,437	5,625
YoY	%	1.2	14.8	0.5	(6.7)	9.1	18.9	12.0	19.3	7.6	0.9	7.8	(12.0)	(7.7)	(9.3)
Cost of sales	¥mn	2,852	2,620	2,751	-	800	577	622	621	735	615	681	720	715	681
% of Sales	%	12.7	10.1	10.6	-	12.3	9.4	10.7	8.4	10.5	9.9	10.8	11.1	11.1	12.1
Gross profit	¥mn	19,635	23,200	23,189	-	5,682	5,569	5,213	6,736	6,241	5,584	5,608	5,756	5,722	4,944
% of Sales	%	87.3	89.8	89.4	-	87.6	90.6	89.3	91.6	89.5	90.1	89.2	88.9	88.9	87.9
SG&A expenses	¥mn	16,172	18,227	20,771	-	4,007	4,303	4,600	5,317	4,699	5,350	5,328	5,394	5,095	5,339
% of Sales	%	71.9	70.6	80.1	-	61.8	70.0	78.8	72.3	67.4	86.3	84.7	83.3	79.2	94.9
Operating profit	¥mn	3,463	4,973	2,418	500	1,675	1,265	614	1,419	1,541	235	280	362	626	(395.0)
% of Sales	%	15.4	19.3	9.3	2.1	25.8	20.6	10.5	19.3	22.1	3.8	4.5	5.6	9.7	(7.0)
Non-operating income	¥mn	149	691	698	-	327	59	113	192	374	339	110	(125)	75	423.0
Non-operating expenses	¥mn	277	49	79	-	14	11	9	15	31	(2)	28	22	154	(7)
Ordinary profit	¥mn	3,335	5,614	3,036	900	1,988	1,313	718	1,595	1,884	576	362	214	548	34
% of Sales	%	14.8	21.7	11.7	3.7	30.7	21.4	12.3	21.7	27.0	9	6	3	9	0.6
Extraordinary income	¥mn	231	259	2,017	-	248	10	0	1	1,022	68	117	810	12	7
Extraordinary losses	¥mn	511	723	355	-	131	31	65	496	11	39	0	305	1,975	(190)
Profit before income taxes	¥mn	3,055	5,151	4,698	-	2,104	1,294	652	1,101	2,896	604	479	719	(1,414)	230
Income taxes	¥mn	1,190	2,027	1,596	-	760	446	289	532	941	285	149	221	(223)	154
Effective tax rate	%	39	39	34	-	36	34	44	48	32	47	31	31	-	67
Profit	¥mn	1,865	3,124	3,102	-	1,344	848	362	570	1,954	319	331	498	(1,191)	77
Non-controlling interests	¥mn	83	19	66	-	0	(23)	4	38	-20	(64)	73	77	58	21
Net Profit Attribute to parent company shareholders	¥mn	1,782	3,105	3,036	(1,600)	1,344	871	358	532	1,974	383	258	421	(1,249)	55
EPS	¥	70.6	122.7	119.2	(63.6)	-	-	-	-	-	-	-	-	-	-
Diluted EPS	¥	70.2	121.3	118.6	-	-	-	-	-	-	-	-	-	-	-
BPS	¥	967.5	1,070.4	1,080.5	-	-	-	-	-	-	-	-	-	-	-
DPS	¥	48.0	51.0	54.0	54.0	-	-	-	-	-	-	-	-	-	-
Payout ratio	%	68.0	41.6	45.3	-	-	-	-	-	-	-	-	-	-	-
ROE	%	7.5	12.0	11.1	-	-	-	-	-	-	-	-	-	-	-
Equity ratio	%	49.5	49.6	53.9	-	-	-	-	-	-	-	-	-	-	-

Item	Unit	Actual			Co's 23/12 CE	21/12				22/12				23/12	
		20/12	21/12	22/12		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Total Assets	¥mn	49,259	55,376	50,440	-	50,567	47,651	47,485	55,376	52,254	46,570	46,434	50,440	47,696	46,310
Current Assets	¥mn	37,004	42,513	38,364	-	37,979	34,754	34,332	42,513	40,943	34,732	34,380	38,364	36,470	34,406
Cash & Cash Equivalents	¥mn	15,600	21,031	16,101	-	15,169	17,949	17,925	21,031	19,100	18,402	17,361	16,101	16,350	16,589
Accounts Receivables	¥mn	17,697	18,349	15,796	-	19,832	14,234	13,611	18,349	18,480	11,879	12,818	15,796	15,357	12,789
Inventories	¥mn	564	338	660	-	694	660	866	50	858	1,008	880	83	680	493
Other Current Assets	¥mn	3,143	2,795	5,807	-	2,284	1,911	1,930	3,083	2,505	3,443	3,321	6,384	4,083	4,535
Noncurrent assets	¥mn	12,255	12,863	12,075	-	12,58	12,896	13,152	12,863	11,311	11,838	12,054	12,075	11,225	11,904
Property, Plant & Equipment	¥mn	1,276	1,290	1,515	-	1,446	1,553	1,522	1,290	1,374	1,444	1,462	1,515	624	633
Intangible Assets	¥mn	5,462	4,689	3,975	-	5,219	5,079	4,917	4,689	4,509	4,358	4,209	3,975	4,080	3,925
Investments and Other Assets	¥mn	5,516	6,883	6,584	-	5,920	6,263	6,713	6,883	5,426	6,036	6,382	6,584	6,520	7,345
Total Liabilities	¥mn	24,705	27,619	22,969	-	25,324	21,282	21,050	27,619	24,008	18,520	19,210	22,969	22,006	20,288
Current liabilities	¥mn	23,287	26,280	21,841	-	23,815	19,740	19,383	26,280	23,194	17,803	18,528	21,841	21,292	19,350
Trade Payables	¥mn	16,655	16,899	14,855	-	17,487	12,429	12,119	16,899	15,864	10,627	12,089	14,855	14,022	11,695
Short term Interest-bearing Debt	¥mn	19	0	147	-	137	118	117	0	100	15	147	147	0	0
Income taxes	¥mn	-	1,356	0	-	-	720	644	1,356	192	542	-	0	0	10
Other liabilities	¥mn	6,613	8,025	6,839	-	6,191	6,473	6,503	8,025	7,038	6,619	6,292	6,839	7,270	7,645
Non-current liabilities	¥mn	1,417	1,339	1,127	-	1,508	1,542	1,666	1,339	814	716	682	1,127	714	937
Long-term liabilities	¥mn	180	63	0	-	149	120	91	63	49	45	0	0	0	0
Other liabilities	¥mn	1,237	1,276	1,127	-	1,359	1,422	1,575	1,276	765	671	682	1,127	714	937
Total net assets	¥mn	24,553	27,757	27,471	-	25,242	26,369	26,434	27,757	28,246	28,050	27,224	27,471	25,689	26,022
Shareholders' equity	¥mn	23,924	26,002	26,689	-	24,278	25,227	25,043	26,002	27,316	27,372	26,357	26,689	24,739	24,823
Accumulated other comprehensive income	¥mn	452	1,441	498	-	786	988	1,234	1,441	687	545	660	498	613	853
Share acquisition rights	¥mn	7	122	75	-	7	7	6	122	122	75	75	75	75	75
Non-controlling interests	¥mn	170	190	207	-	169	146	150	190	120	56	129	207	260	269
Cash Flows from Operating Activities	¥mn	1,883	7,102	(1,886)	-	-	-	-	-	-	-	-	-	-	-
Pretax profit	¥mn	3,055	5,151	4,698	-	-	-	-	-	-	-	-	-	-	-
Depreciation	¥mn	1,073	1,173	1,077	-	-	-	-	-	-	-	-	-	-	-
increase of working capital	¥mn	(849)	(182)	187	-	-	-	-	-	-	-	-	-	-	-
Other working capital	¥mn	506	1,457	(4,548)	-	-	-	-	-	-	-	-	-	-	-
Income tax paid	¥mn	(1,902)	(497)	(3,300)	-	-	-	-	-	-	-	-	-	-	-
Cash flows from investing activities	¥mn	197	(765)	(698)	-	-	-	-	-	-	-	-	-	-	-
Increase of property, plant and equipment	¥mn	(97)	(436)	(490)	-	-	-	-	-	-	-	-	-	-	-
Increase of intangible assets	¥mn	(219)	(330)	(246)	-	-	-	-	-	-	-	-	-	-	-
Others	¥mn	513	1	38	-	-	-	-	-	-	-	-	-	-	-
Free cash flow	¥mn	2,080	6,337	(2,584)	-	-	-	-	-	-	-	-	-	-	-
Cash flows from financing activities	¥mn	(892)	(1,215)	(2,504)	-	-	-	-	-	-	-	-	-	-	-
Interest-bearing Debt	¥mn	(243)	(171)	(46)	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	¥mn	(404)	(1,639)	(1,355)	-	-	-	-	-	-	-	-	-	-	-
Increase in Equity	¥mn	(251)	596	(1,054)	-	-	-	-	-	-	-	-	-	-	-
Others	¥mn	6	(1)	(49)	-	-	-	-	-	-	-	-	-	-	-
Effect of exchange rate change on cash equivalents	¥mn	(134)	308	160	-	-	-	-	-	-	-	-	-	-	-
Increase in cash equivalents	¥mn	1,054	5,430	(4,929)	-	-	-	-	-	-	-	-	-	-	-
Cash equivalents at beginning of period	¥mn	14,546	15,600	21,031	-	-	-	-	-	-	-	-	-	-	-
Cash equivalents at end of period	¥mn	15,600	21,031	16,101	-	-	-	-	-	-	-	-	-	-	-

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