

August 12, 2020




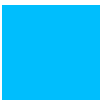
Fibergate Inc.

# Financial Results Briefing for FY2020



**Listing exchange:** First Section of the Tokyo  
Stock Exchange, Sapporo  
Securities Exchange

**Securities code:** 9450

-  **Operating Results for the Fiscal Year Ended June 2020**
  -  **Earnings Forecast for the Fiscal Year Ending June 2021**
  -  **Strategies for the New Normal After/With COVID-19**
  -  **Topics**
- Appendix**

## **Operating Results for the Fiscal Year Ended June 2020:**

- ✓ **The impact of stay-at-home requests and the 3Cs (closed spaces, crowded places, close-contact settings) approach appeared in the Free Wi-Fi Business in mid-March and persisted throughout the rest of the fiscal year.**
- ✓ **In the Residential Wi-Fi Business, demand remained strong amid the shift to remote work. In addition, new demand arose for infrastructure development to promote remote work.**

## **Earnings Forecast for the Fiscal Year Ending June 2021:**

- ✓ **In the Free Wi-Fi Business, demand at facilities where it is difficult to avoid the 3Cs is likely to remain sluggish.**
- ✓ **Meanwhile, demand for infrastructure development is expected to materialize in response to business needs for remote work.**
- ✓ **The Residential Wi-Fi Business is expected to see a slightly faster increase in subscription numbers.**

## 1

### **Operating Results for the Fiscal Year Ended June 2020:**

**Year-on-year increase in sales of 36% and year-on-year increase in ordinary profit of 37%**

- ✓ The Residential Wi-Fi Business grew significantly with an increase in the number of contracted units. This was also driven by the shift to remote work. The subscription-based business continued growing steadily.
- ✓ The results fell within the latest assumption range, taking into account the impact of the COVID-19 pandemic.

## 2

### **Earnings Forecast for the Fiscal Year Ending June 2021:**

**Expecting ordinary profit to increase for the sixth consecutive fiscal period**

- ✓ The Home Use Wi-Fi Business is expected to continue growing, driven by the transition to a remote society.
- ✓ It is predicted that profit will remain weak in Q1 due to the persistent impact of COVID-19, but profit for the full fiscal year will increase as a result of expanding the customer base in the Home Use Wi-Fi Business and capturing business demand from Q2 onwards.

## 3

### **Strategies for the New Normal after/with COVID-19**

- ✓ The Free Wi-Fi Business is likely to continue the uphill battle to overcome the negative impact of stay-at-home requests. We will reorganize our business structure by adding remote support services for corporate customers as well as enhance the provision of Wi-Fi and other devices and applications.
- ✓ The Home Use Wi-Fi Business will promote Home IoT services in parallel with the advancement of Wi-Fi technology.



# Operating Results for the Fiscal Year Ended June 2020

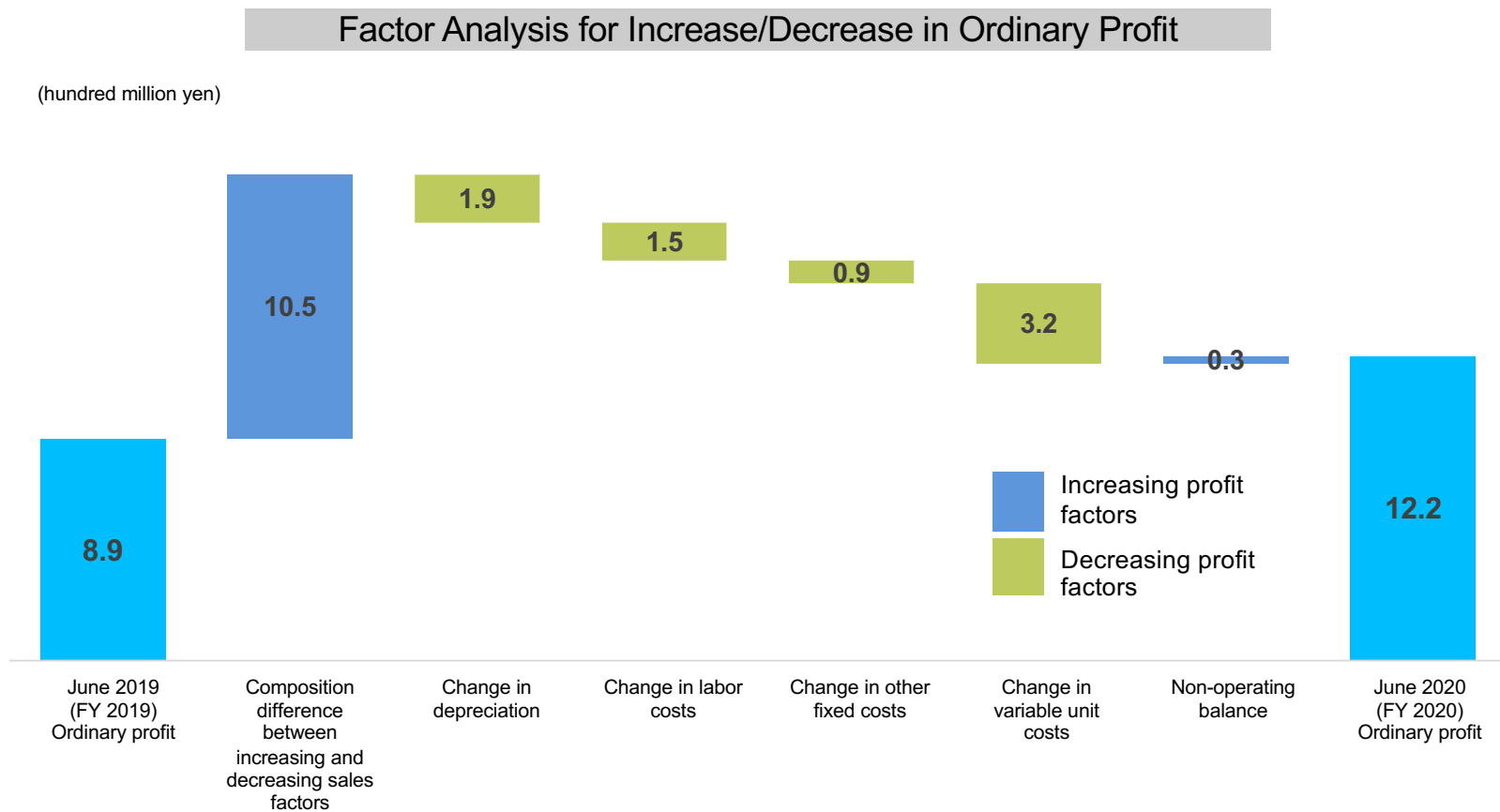
# Overview of Consolidated Financial Results

- Net sales and ordinary profit increased year on year by 36% and 37%, respectively. Their growth rates remained high despite the COVID-19 pandemic.
- The Residential Wi-Fi Business enjoyed a steady increase in the number of customers. Meanwhile, the Free Wi-Fi Business saw a continued but slower increase in sales due to the closure of retail facilities during the COVID-19 pandemic.
- The results fell almost within the latest forecast range. The impact of the COVID-19 pandemic also fell within the range of assumptions.

	(million yen) Amounts are rounded down to the nearest million yen, and percentages are rounded down to the first decimal place.	June 2019 (FY 2019) Actual	June 2020 (FY 2020) Actual		Compared with forecast	Year-on-year change	
			Latest forecast (May 14, 2020)	Actual		Amount of change	Rate of change
Net sales		5,446	7,390	<b>7,424</b>	+34	+1,978	+36.3%
Residential Wi-Fi Business		4,073	5,670	<b>5,712</b>	+42	+1,638	+40.2%
Free Wi-Fi Business		1,373	1,720	<b>1,712</b>	-7	+339	+24.6%
Other		-	-	-	-	-	-
Operating profit		936	1,230	<b>1,234</b>	+4	+298	+31.9%
Residential Wi-Fi Business		1,197	1,520	<b>1,484</b>	-35	+287	+24.0%
Free Wi-Fi Business		371	520	<b>507</b>	-12	+135	+36.5%
Other		-	-	<b>-1</b>	-1	-1	-
Reconciliation		-632	-810	<b>-755</b>	+54	-122	-19.4%
Ordinary profit		886	1,210	<b>1,215</b>	+5	+328	+37.0%
Ordinary profit ratio		16.2%	16.3%	<b>16.3%</b>	±0.0 pts	-0.1 pts	-
Profit		550	740	<b>722</b>	-17	+171	+31.2%

# Factor Analysis for Year-on-Year Increase/Decrease in Ordinary Profit Outlook

- Significant profit growth was attributed to higher sales, underpinned by changes in some product compositions.
- In terms of costs, fixed costs continued to increase due to customer growth and infrastructure development for the head office. Variable costs also increased due to the buildup of sales promotion costs. However, these costs are considered upfront investments necessary for continuous growth.



## 8 Quarterly Change in Consolidated Financial Results



- Sales and profit increased significantly year on year in Q4, driven by the growth of the Residential Wi-Fi Business.
- On the other hand, compared with Q3, sales and profit for Q4 decreased due to seasonal factors. Still, the Free Wi-Fi Business remained relatively strong in this quarter, especially in the sale of devices. Therefore, despite the impact of the COVID-19 pandemic, the decline was not very significant.

(million yen)	June 2019 (FY 2019)				June 2020 (FY 2020)				Year-on-year change	Q3-Q4 change
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Net sales	1,293	1,230	1,523	1,398	1,730	1,705	2,039	<b>1,948</b>	<b>+550</b>	<b>-90</b>
Residential Wi-Fi	956	896	1,117	1,103	1,368	1,249	1,578	<b>1,515</b>	<b>+412</b>	<b>-62</b>
Free Wi-Fi	337	334	406	295	362	455	461	<b>432</b>	<b>+137</b>	<b>-28</b>
Other	-	-	-	-	-	-	-	-	-	-
Operating profit	304	192	345	94	389	248	466	<b>131</b>	<b>+36</b>	<b>-335</b>
Residential Wi-Fi	336	227	361	271	441	293	481	<b>268</b>	<b>-3</b>	<b>-213</b>
Free Wi-Fi	104	101	137	28	111	130	151	<b>113</b>	<b>+84</b>	<b>-37</b>
Other	-	-	-	-	-	-	-	<b>-1</b>	<b>-1</b>	<b>-1</b>
Reconciliation	-136	-136	-153	-205	-163	-175	-166	<b>-249</b>	<b>-43</b>	<b>-82</b>
Ordinary profit	298	186	336	65	381	240	463	<b>128</b>	<b>+63</b>	<b>-334</b>
Ordinary profit ratio	23.0%	15.1%	22.0%	4.7%	22.0%	14.1%	22.7%	<b>6.6%</b>	<b>+1.9 pts</b>	<b>-16 pts</b>
Profit	189	118	215	28	245	144	294	<b>37</b>	<b>+9</b>	<b>-257</b>

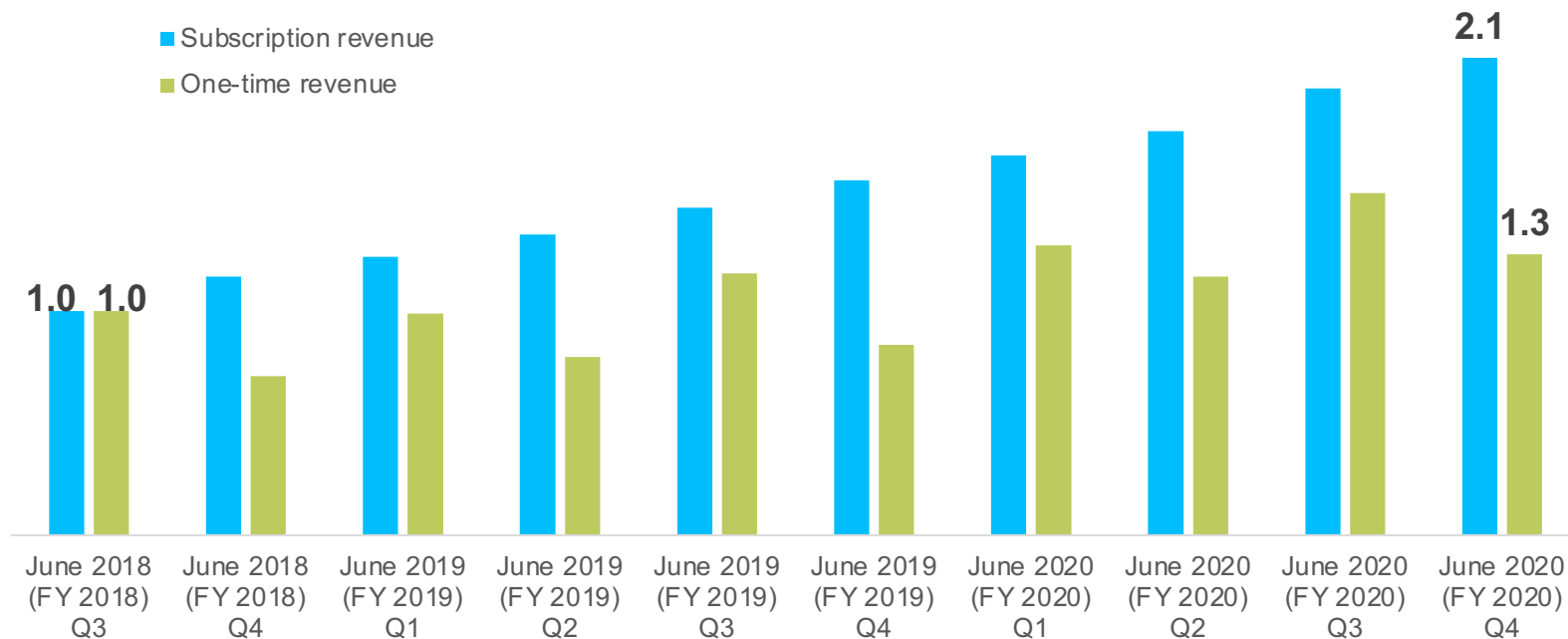
\*Amounts are rounded down to the nearest million yen, and percentages are rounded down to the first decimal place.



## Change in Revenue by Business Type

- Subscription revenue has increased for nine consecutive quarters since listing. Revenue increased by 2.1 times from FY2018 Q3 in FY2020 Q4. Accordingly, the subscription-based business model pursued since founding is coming to fruition.
- Meanwhile, one-time revenue slipped briefly in Q4 due to seasonal factors, although it still hovered at a high level despite the impact of COVID-19, underpinned by strong demand. These services remained as entry points for subscription services.

Change in Quarterly Revenue by Business Type

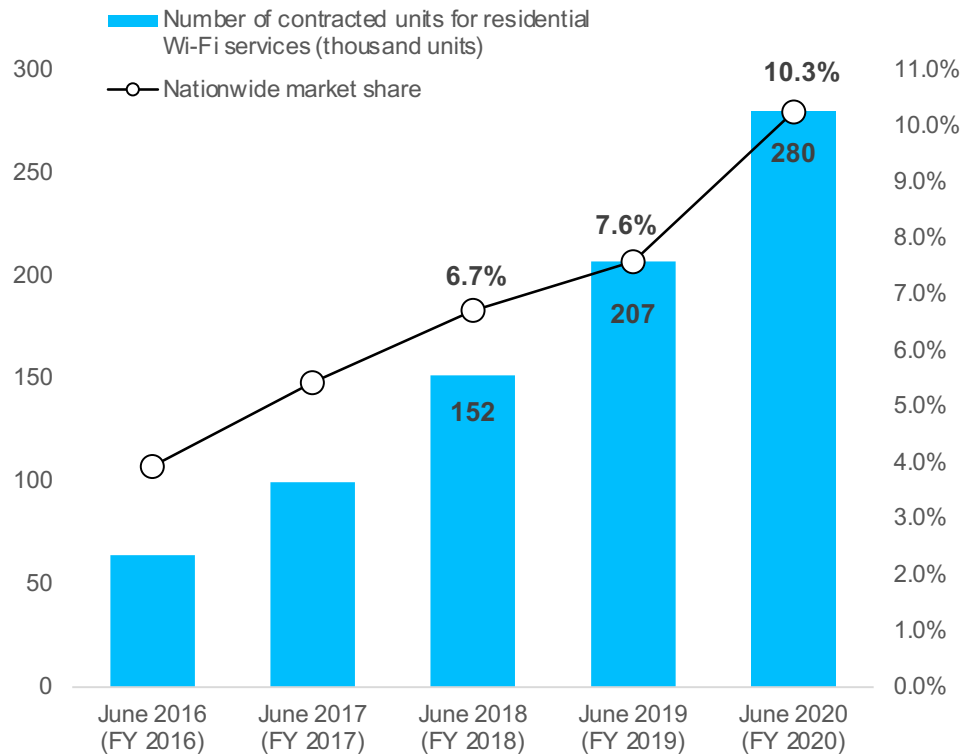


(Note) Indexed with the figure for Q3 of the fiscal year ended June 2018 set as 1. Due to differences in the decimal numbers, the height of the bar graphs may appear to differ despite the indication of the same figures.

# Change in Key Indicators

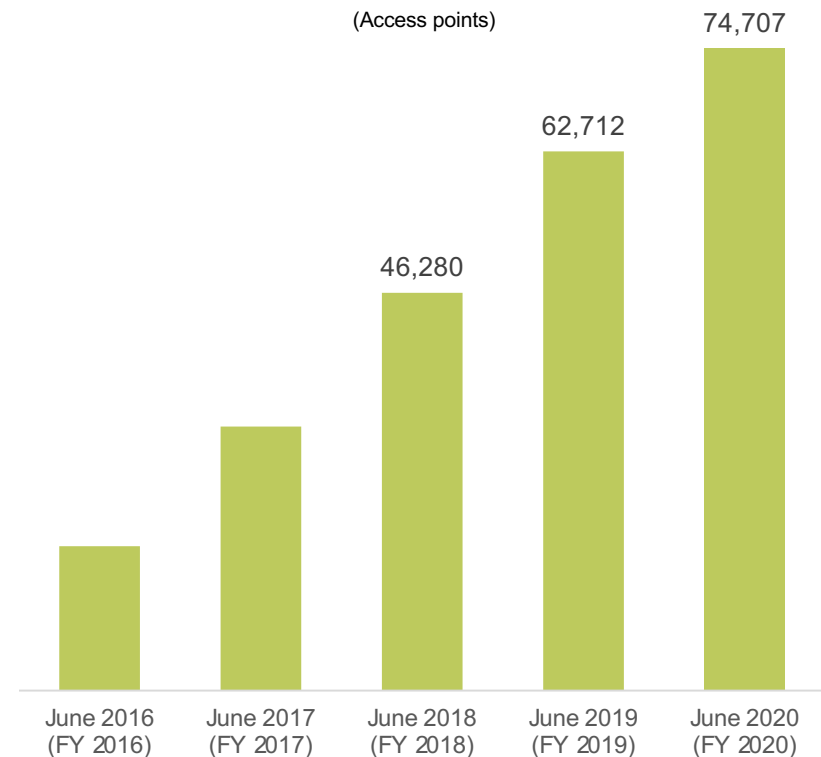
- The cumulative number of contracted units for Residential Wi-Fi services was 280,000 at the end of Q4. Nationwide market share is estimated to have exceeded 10%.
- The number of access points for Free Wi-Fi services reached 75,000. The growth rate slowed down due to the headwinds of COVID-19.

Change in the Number of Contracted Units for Residential Wi-Fi Services and Nationwide Market Share



\* Nationwide market share is calculated by dividing the total number of provision of connection services for condominiums employing a lump-sum subscription for all dwelling units at the end of every March published by MM Research Institute by the total number of contracted units of residential complexes at the end of each fiscal year of the Company (or the end of the latest quarter).

Change in the Number of Access Points (Note) for Free Wi-Fi Services



(Note) Number of access points using the Company's authentication systems

# Overview of Consolidated Operating Results (Balance Sheet)

- The equity-to-asset ratio was 38.8%. The fragile financial standing improved steadily.
- Still, the financial structure exhibits a tendency that receivables and tangible fixed assets increase with customer growth due to our business model. Because it still requires large upfront cash outflows, we are continuing our efforts to secure working capital.

(million yen)	June 2018 (FY 2018)	June 2019 (FY 2019)	June 2020 (FY 2020)	Compared with June 2019 (FY 2019)
Current assets	2,202	2,351	<b>2,795</b>	+444
Cash and deposits	1,118	1,058	<b>1,415</b>	+356
Accounts receivable - trade	918	993	<b>1,071</b>	+78
Inventory	138	269	<b>272</b>	+2
Non-current assets	2,154	2,955	<b>4,185</b>	+1,229
Property, plant, and equipment	2,020	2,806	<b>4,005</b>	+1,198
Total assets	4,364	5,311	<b>6,984</b>	+1,672
Liabilities	2,984	3,330	<b>4,274</b>	+944
Interest-bearing debt	2,422	2,378	<b>3,073</b>	+694
Other	562	951	<b>1,200</b>	+249
Net assets	1,380	1,981	<b>2,710</b>	+728
Total liabilities and net assets	4,364	5,311	<b>6,984</b>	+1,672

Used to increase working capital necessary for the business model that requires upfront cash outflows

Increased with sales growth

Resulted from an increase in upfront capital investments driven by customer growth

Incurred to cover the upfront cash outflows driven by customer growth

Stable financial standing with an equity-to-asset ratio of 38.8%

\*Amounts are rounded down to the nearest million yen, and percentages are rounded down to the first decimal place.

# Overview of Consolidated Financial Results (Cash Flow Statement)

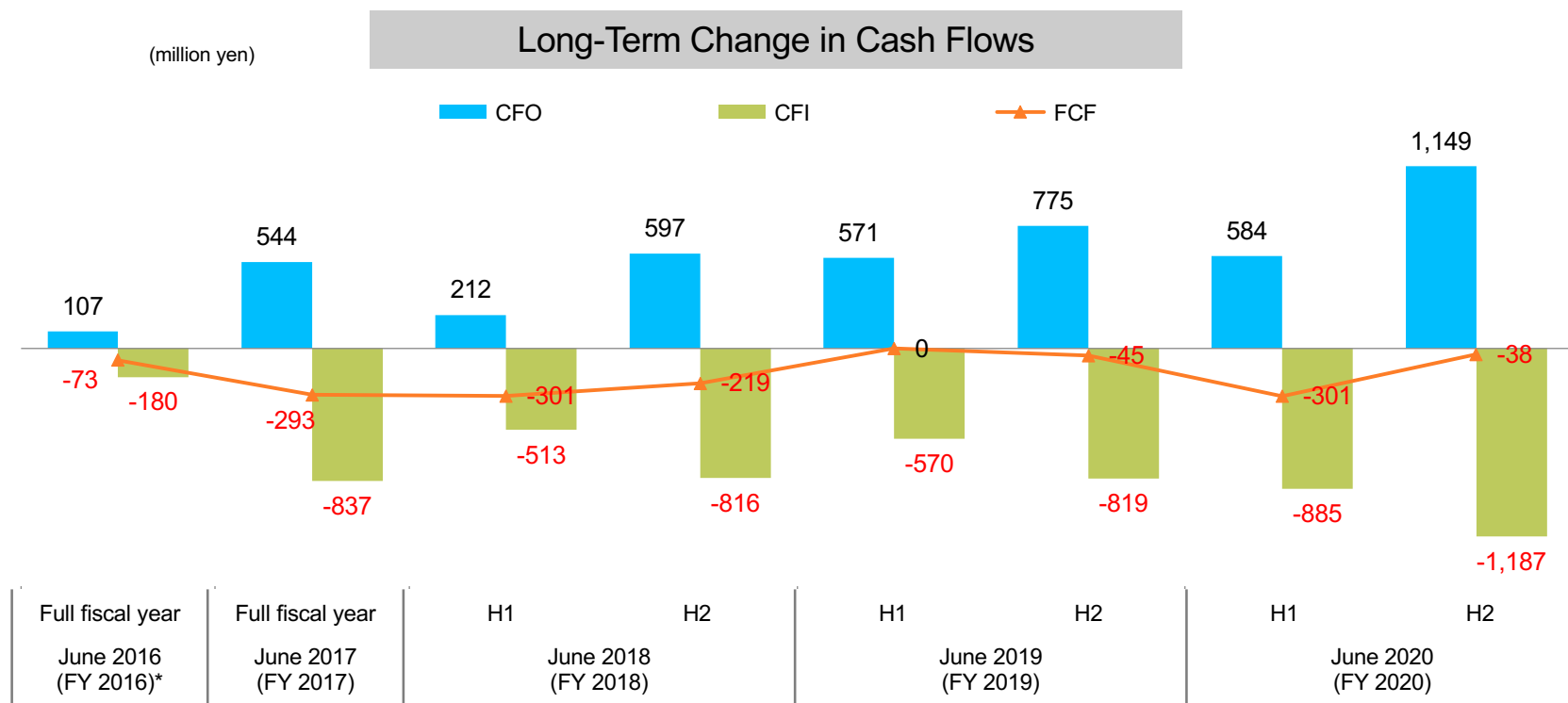
- Working capital costs increased with customer growth. We also continued to make upfront investments in facilities, equipment, etc.
- This fiscal year again saw large cash outflows and negative FCFs, which, given the characteristics of our business model, was proof that our business performance remained strong.

(million yen)	June 2018 (FY 2018)	June 2019 (FY 2019)	June 2020 (FY 2020)	Compared with June 2019 (FY 2019)	
Cash flow from operating activities (CFO)	808	1,345	<b>1,732</b>	+387	Increased year on year by 37%
Profit before tax	494	874	<b>1,183</b>	+309	Resulted from an increase in fixed assets driven by sales growth
Depreciation	445	611	<b>798</b>	+187	Decreased due to the temporary increase in trade payables despite increasing receivables
Change in debts and credits	-50	7	<b>65</b>	+57	
Other	-81	-147	<b>-314</b>	-167	Resulted from an increase in corporate taxes due to the strong performance
Cash flow from investing activities (CFI)	-1,328	-1,389	<b>-2,071</b>	-681	Resulted from facility development for new customers
Property, plant and equipment	-1,275	-1,365	<b>-2,034</b>	-669	
Free cash flow (FCF)	-520	-44	<b>-338</b>	-294	Attributed to the business model that requires upfront cash outflows
Cash flow from financing activities (CFF)	868	-15	<b>699</b>	+714	Incurred to cover the upfront cash outflows
Change in interest-bearing debt	234	-43	<b>694</b>	+738	
Share issuance / acquisition	647	0	<b>-100</b>	-99	
Cash balance at end of period	1,118	1,058	<b>1,415</b>	+356	Abundant liquidity on hand

\*Amounts are rounded down to the nearest million yen, and percentages are rounded down to the first decimal place.

# Change in Cash Flows

- In the fiscal year ended June 2020, the FCF deficit grew briefly due to the strong increase in customer numbers. Given that our business model requires upfront investment, we should accept an increase in cash outflows.
- The FCF deficit was reduced to almost zero in H2, with an increase in subscription revenue. While inter-account cash transfers were increasing with business growth, subscription revenue also increased gradually, reaching a sufficient level to cover costs for upfront investment cost.



\* Six-month results for the fiscal year ended June 2016



# Earnings Forecast for the Fiscal Year Ending June 2021

## Consolidated Earnings Forecast for the Fiscal Year Ending June 2021 (1) Summary

- In the fiscal year ending June 2021, sales and ordinary profit are expected to increase by 21% and 16%, respectively. Despite the COVID-19 pandemic, we will aim to exceed the targets set for the fiscal year ending June 2021 in the Medium-Term Plan.
- The Home Use Wi-Fi Business (formerly the Residential Wi-Fi Business) is expected to remain strong, driven by an increase in contracted units. Meanwhile, the Business Use Wi-Fi Business (reorganized from the former Free Wi-Fi Business) is likely to face headwinds due to restrictions imposed on retail facility operations to contain the COVID-19 pandemic.

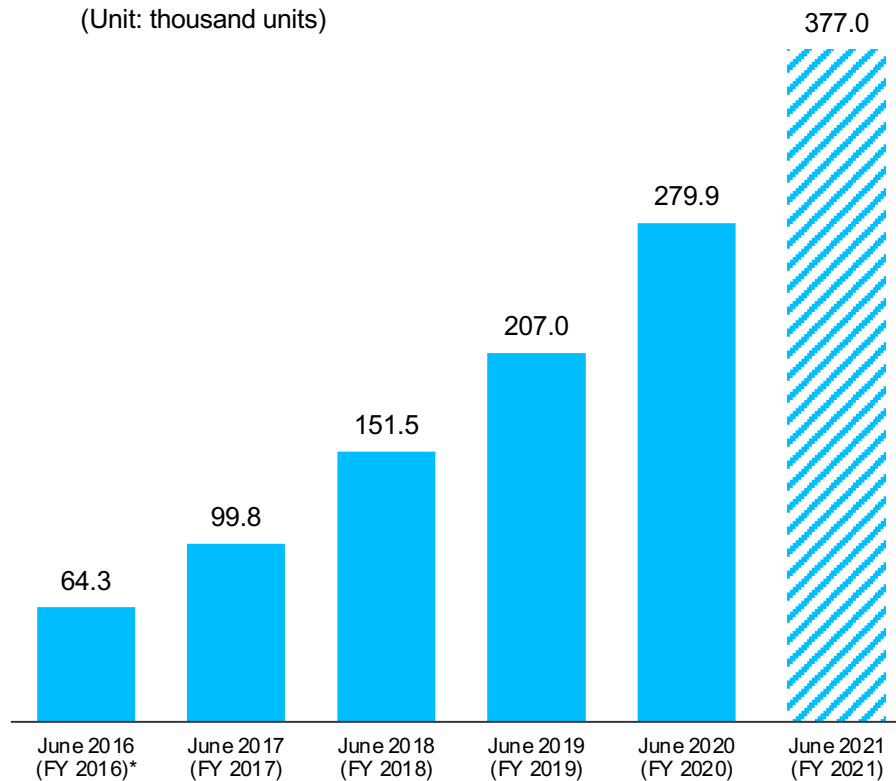
(million yen; rounded down to the nearest million yen)		June 2019 (FY 2019)	June 2020 (FY 2020)	June 2021 (FY 2020) Outlook	Year-on-year change	
					Amount of change	Rate of change
Net sales		5,446	7,424	<b>9,050</b>	+1,625	+21.8%
	Home Use Wi-Fi Business	4,073	5,712	<b>7,410</b>	+1,697	+29.7%
	Business Use Wi-Fi Business	1,373	1,712	<b>1,630</b>	-82	-4.8%
	Other	-	0	<b>10</b>	+10	-
Operating profit		936	1,234	<b>1,430</b>	+195	+15.8%
	Home Use Wi-Fi Business	1,197	1,484	<b>1,830</b>	+345	+23.2%
	Business Use Wi-Fi Business	371	507	<b>420</b>	-87	-17.2%
	Other	-	-1	<b>-10</b>	-8	Upfront
	Reconciliation	-632	-755	<b>-810</b>	-54	-7.2%
Ordinary profit		886	1,215	<b>1,410</b>	+194	+16.0%
Profit		550	722	<b>940</b>	+217	+30.0%
<b>* Assumptions</b>						
Number of contracted units for residential Wi-Fi services (thousand units)		207.0	279.9	<b>377.0</b>	+97.0	+34.7%
Number of access points for free Wi-Fi services (thousand access points)		62.7	74.7	<b>81.0</b>	+6.3	+8.4%

## Consolidated Earnings Forecast for the Fiscal Year Ending June 2021 (2) Analysis of Key Preconditions

- The cumulative number of contracted units for Home Use Wi-Fi services is expected to increase at a slightly faster rate, in part due to the shift to remote work.
- Meanwhile, the number of access points for Business Use Wi-Fi services is likely to increase at a slower pace due to restrictions imposed on retail facility operations to contain the COVID-19 pandemic.

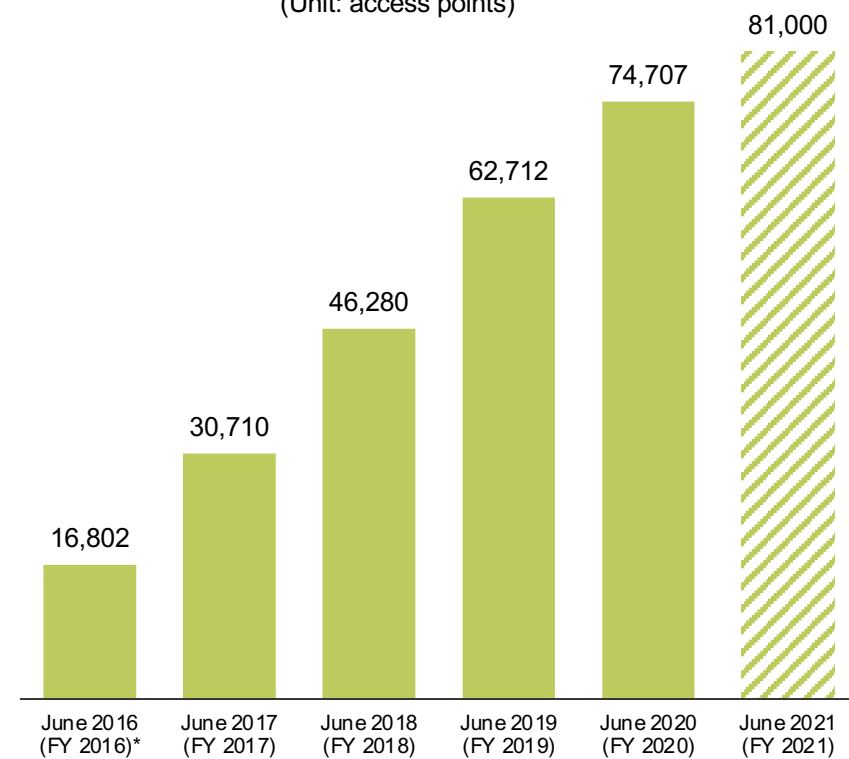
### Number of Contracted Units for Home Use Wi-Fi Services

(Unit: thousand units)



### Change in the Number of Access Points (Note) for Business Use Wi-Fi Services

(Unit: access points)



\* Six-month results for the fiscal year ended June 2016

(Note) Number of access points using the Company's authentication systems



# Consolidated Earnings Forecast for the Fiscal Year Ending June 2021 (3) Factor Analysis for Year-on-Year Increase/Decrease

June 2020 (FY 2020) Actual

Net sales **7.42** billion yen  
Ordinary profit **1.22** billion yen

June 2021 (FY 2021) Outlook

Net sales **9.05** billion yen  
Ordinary profit **1.41** billion yen

Ordinary profit forecast **+0.19** billion yen

Home Use Wi-Fi Business (former Residential Wi-Fi Business)

Increase in contracted units for Home Use Wi-Fi services +0.43 billion yen

Decrease in one-time profit -0.10 billion yen

Business Use Wi-Fi Business (former Free Wi-Fi Business)

Decrease in Free Wi-Fi profit -0.12 billion yen

Increase in business demand +0.04 billion yen

Other businesses

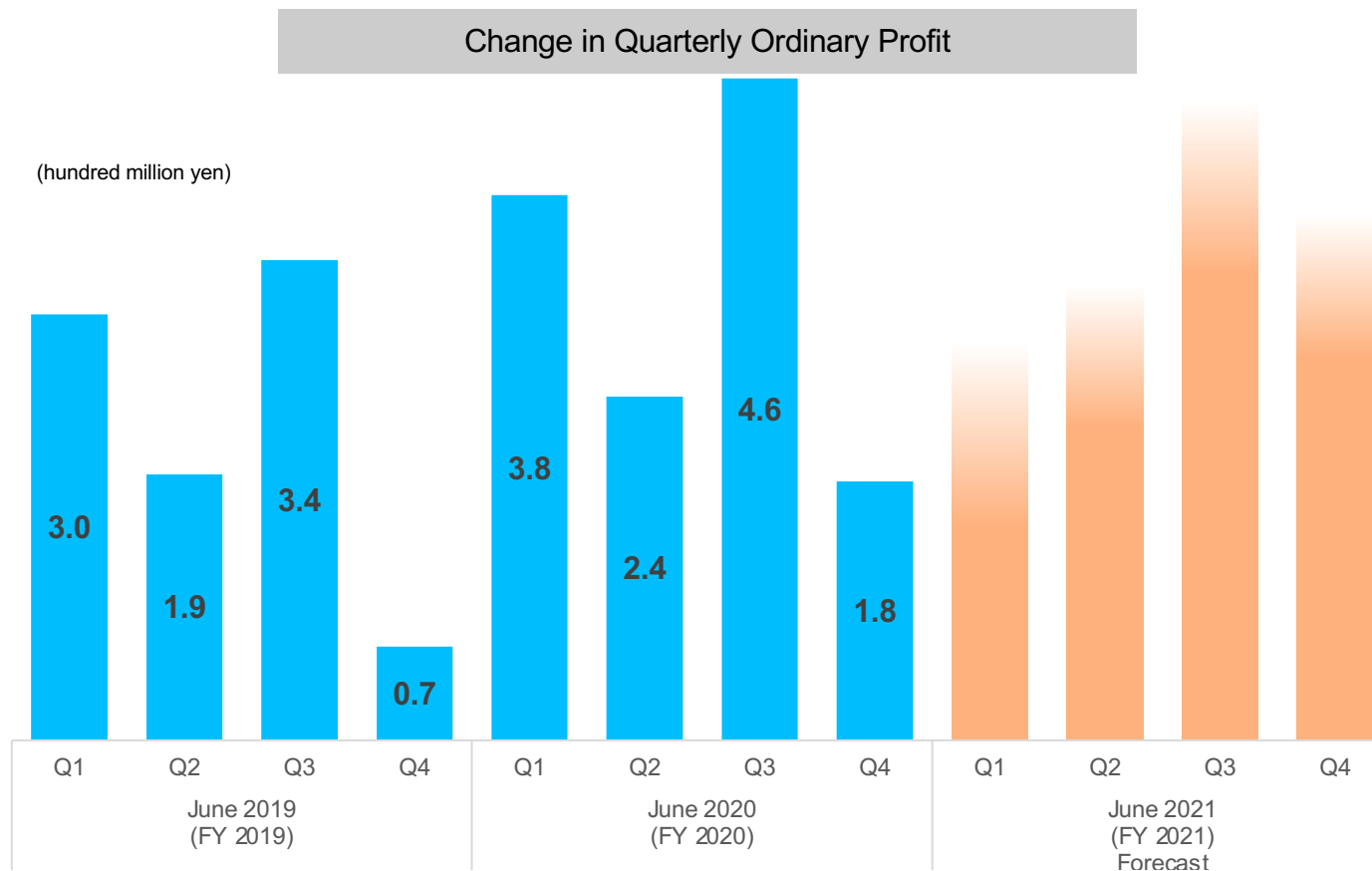
-0.01 billion yen

Increase in labor and other fixed costs

-0.05 billion yen

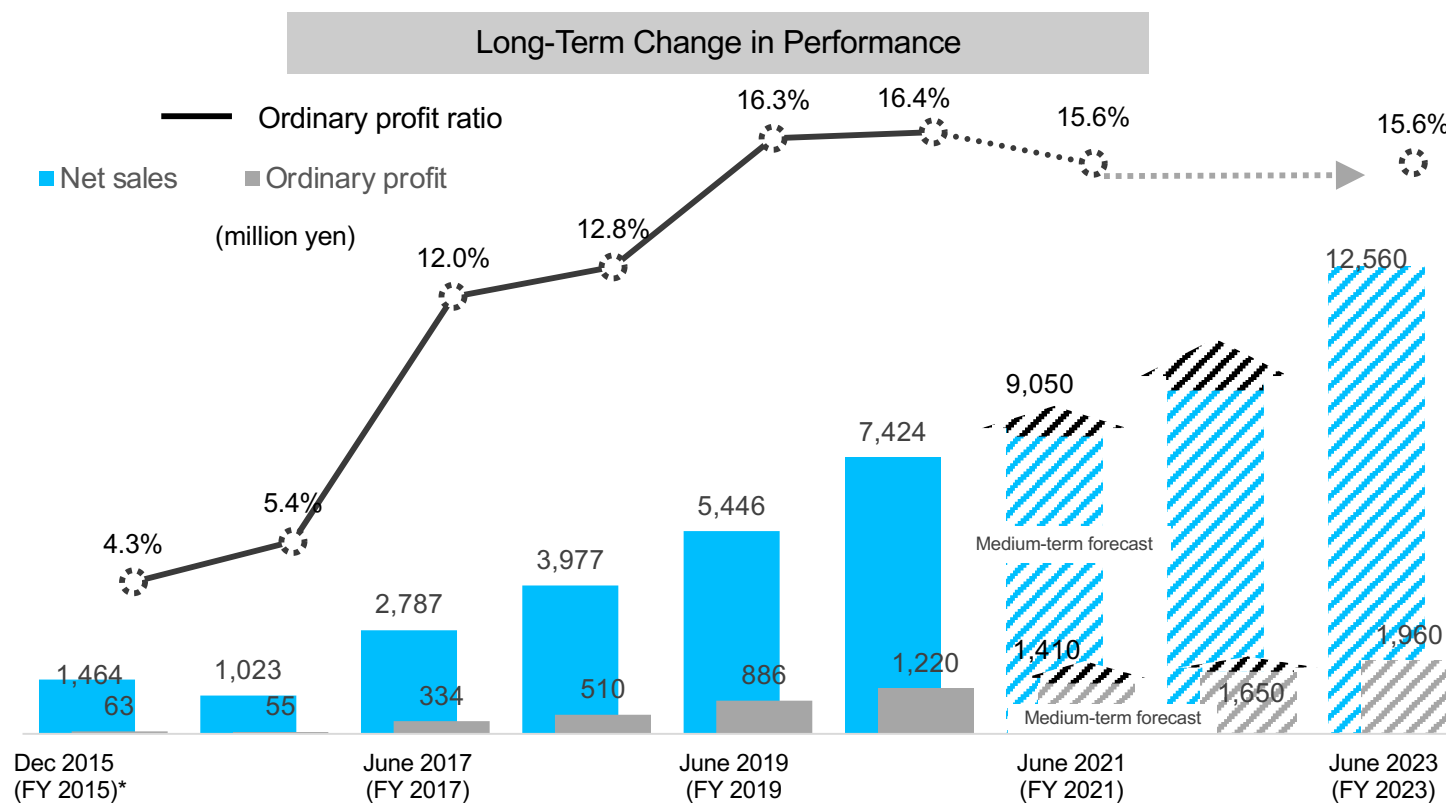
## Consolidated Earnings Forecast for the Fiscal Year Ending June 2021 (4)

- The quarterly forecast predicts that profit will remain weak in Q1. Compared with last year, the Business Use Wi-Fi Business is likely to struggle this year due to the COVID-19 pandemic, in addition to the absence of the last-minute demand before the consumption tax hike. We cannot deny the possibility that ordinary profit will drop year on year even though the Home Use Wi-Fi Business is expected to expand the customer base.
- However, the rest of the fiscal year is expected to see a turnaround from the previous year despite the COVID-19 crisis, expanding the customer base in the Home Use Wi-Fi Business and capturing business demand expected to grow except for Free Wi-Fi. As a result, profit for the full fiscal year is expected to increase.



## Performance Trend

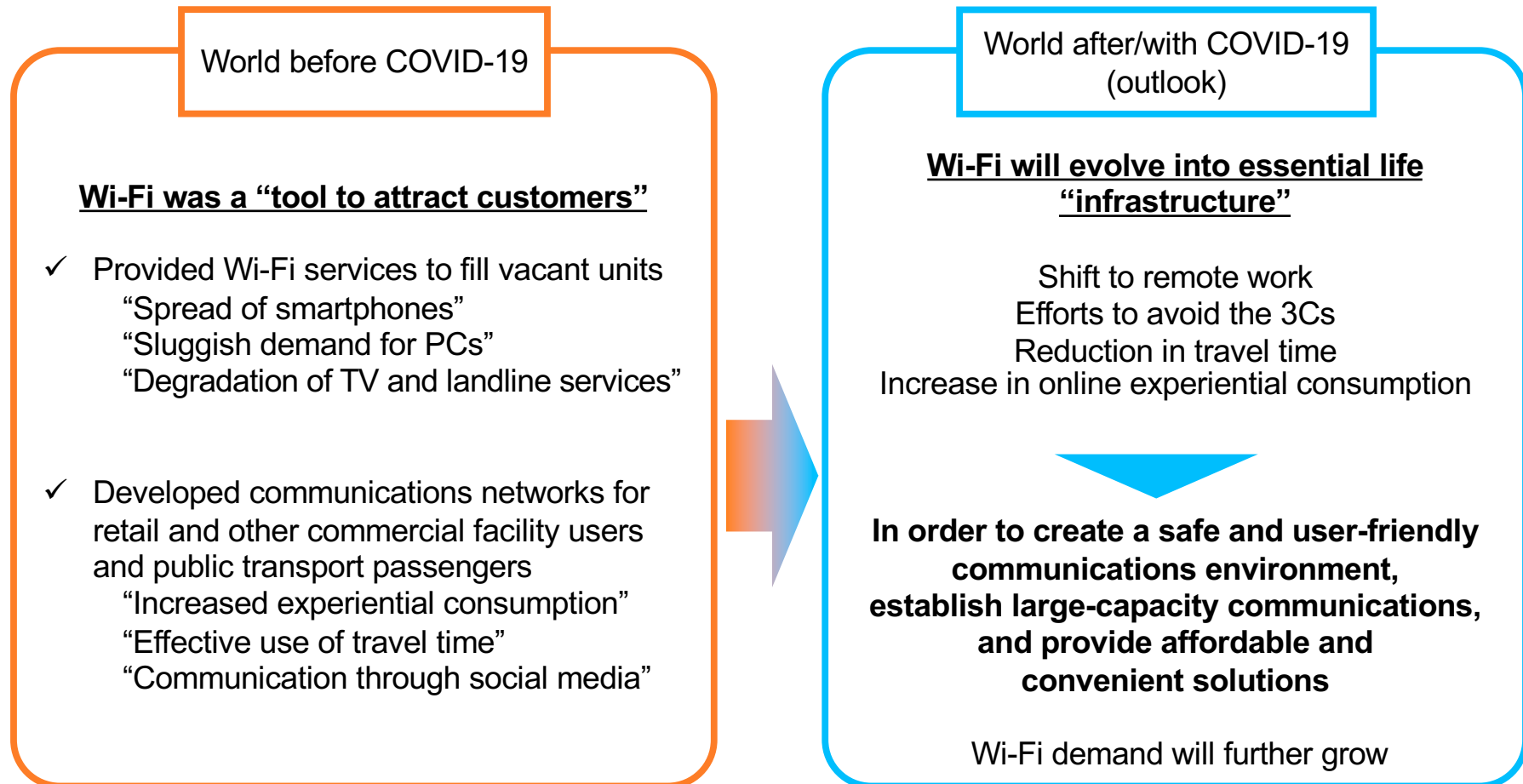
- Apart from the unforeseen obstacles caused by the COVID-19 pandemic, we are accelerating our efforts to reform our company. In the fiscal year ending June 2021, when these efforts will be put to the test, we will focus our efforts on achieving the interim targets set in the Medium-Term Plan in order to exceed the targets of the Medium-Term Plan (ordinary profit of 1.65 billion yen for the fiscal year ending June 2022).
- We set new medium-term targets for the fiscal year ending June 2023: Aim to exceed sales of 12.5 billion yen and ordinary profit of 1.9 billion yen.





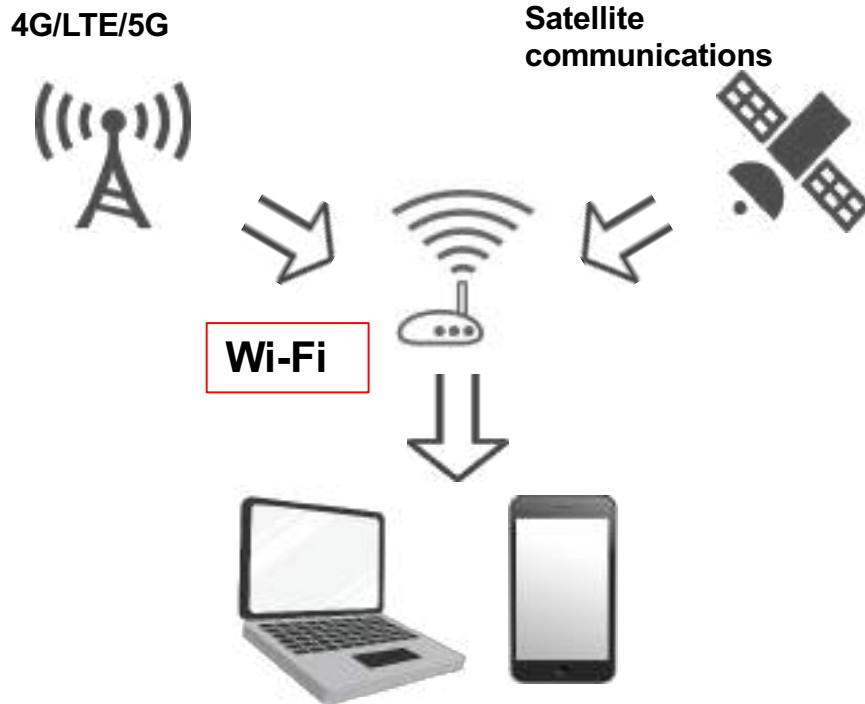
**Strategies for the New Normal  
After/With COVID-19  
(Business Use Wi-Fi Deployment/Home IoT)**

- The COVID-19 pandemic will inevitably change lifestyles and social attitudes. It is highly likely that the 3Cs approach and the shift to remote work will evolve Wi-Fi communications into essential life infrastructure.



- The COVID-19 pandemic increased interest in communications infrastructure in a broad sense. The trend towards more user-friendly and more economical carriers may become mainstream.
- It is also highly likely that the demand for Alternative Carriers, as envisioned in our strategy, will grow faster than previously expected.

### Alternative Carrier Strategy: Becoming a gateway to all communications



### Impact of COVID-19:

#### Facilities where it is difficult to avoid the 3Cs:

- ✓ Decrease in retail facility users  
Probably causing headwinds against the Free Wi-Fi Business

#### Remote work:

- ✓ Increase in demand for communications services
- ✓ Increase in demand for communications infrastructure development
- ✓ Diversification of online needs

Increase in popularity of Wi-Fi for both home and business use  
Emerging demand to meet the diversifying needs

# Developmental Reorganization by Adding Remote Services to the Free Wi-Fi Business

## Business Use Wi-Fi Business

### Corporate Remote Services Business

**To meet the changing Wi-Fi needs of retail facilities and businesses under the COVID-19 pandemic**



Support services for corporate customers shifting to remote work (e.g. VPN setting services)

Support for corporate customers using online communications

Remote medical and nursing care support for medical and nursing fields, etc.

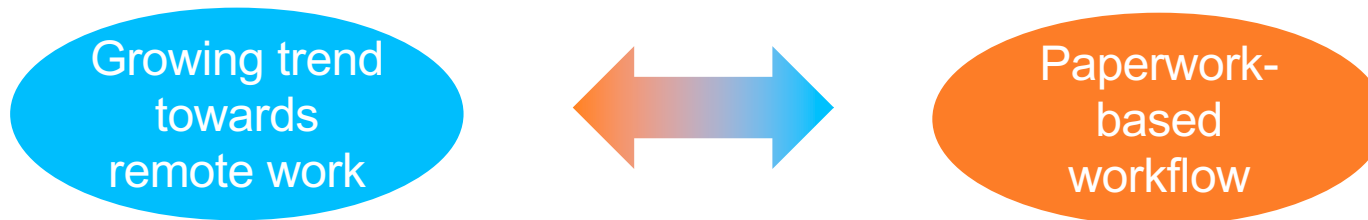
### Free Wi-Fi Business

Providing Wi-Fi services for retail facilities and businesses

Providing internet provider services for corporate customers

Manufacturing and selling routers, access points, and other networking devices

# Remote Work Pilot Program Started at the Finance and Accounting Division



**Some teams, such as finance and accounting teams, may find it difficult to shift to remote work**



In order to promote the Business Use Wi-Fi Business, we launched a remote work pilot program in our finance and accounting teams

**We will accumulate know-how through the pilot program to enhance our remote services for corporate customers**



# Home Use Wi-Fi Business Accelerating the Promotion of Home IoT

**EG-Lab, a development subsidiary**

Serves as a hub for product development to establish an exclusive communications service in order to achieve the Alternative Carrier Strategy (Founded in January 2020)



Launched integrated Home IoT Services using state-of-the-art products in a residential building under its ownership (Toyonaka, Osaka)



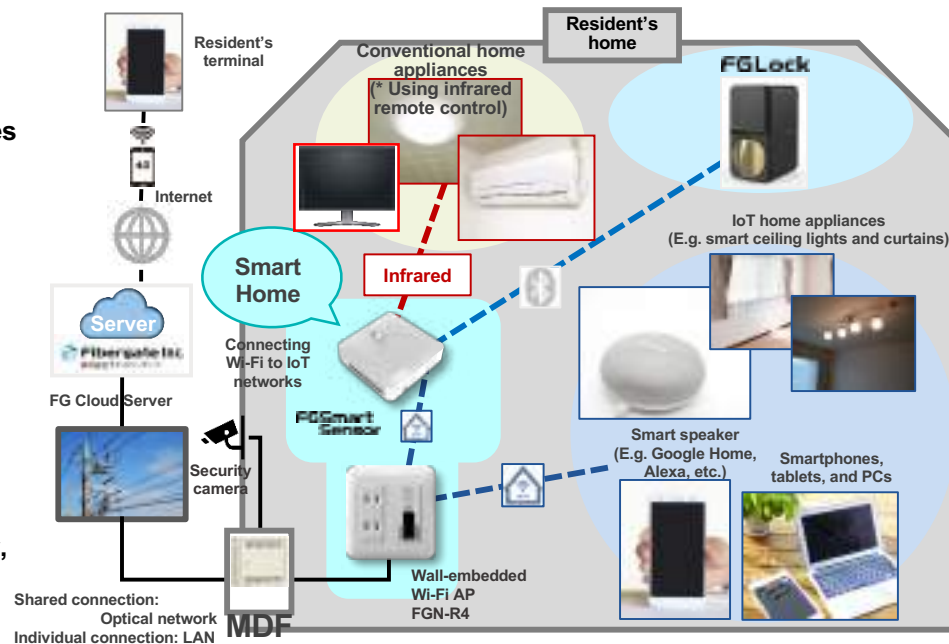
## FG Lock

- Easy installation
- Master key shared through smartphones
- Hands-free unlocking
- Administrator registration
- Move-in/Move-out registration
- All functions and devices integrated in a single app



## FG Smart Sensor

- Self-learning remote control
- Motion detection sensor
- Equipped with temperature, humidity, illuminance, and noise sensors
- All functions and devices integrated in a single app





# Topics

June 2020~

## The Event Wi-Fi Premium Plan was launched

Providing a plug-in solution to establish safer and more reliable communications for live streaming during the COVID-19 pandemic without the need for large-scale construction or feeder installation



Large-scale construction



Feeder installation



Electric socket to be plugged in

Target customers:



Event organizers



Advertising agencies



Venue operators

- Features:
- (1) Providing an extremely cost-effective one-stop service that eliminates intermediate costs
  - (2) Enabling users to stream any content of their choice (Used for sales promotion and marketing)
  - (3) Offering flexible construction and service options to meet the needs of users



# Appendix



**An independent (not belonging to any telecommunication carriers) Wi-Fi solution company\* that provides end-to-end services from the development and production of networking devices to telecommunications services**

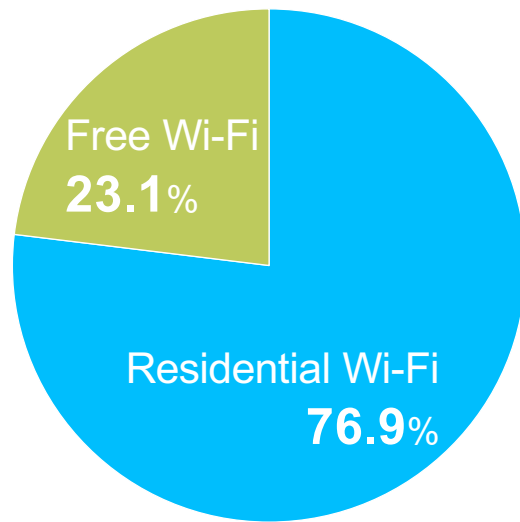
**\* Independent public wireless LAN operators**

In the public wireless LAN (Wi-Fi) access service sector, there are currently 15 companies regulated by the Ministry of Internal Affairs and Communications (Telecommunications Policy Division, Telecommunications Bureau) and providing services throughout Japan. The Company has a presence comparable to major carriers.

# Overview of Main Businesses

- The Company conducts two main businesses, of which the Residential Wi-Fi Business is the mainstay business accounting for 76.9% of all sales (for the fiscal year ended June 2020).
- Focus is placed on “provision of private brand services to customers” (the Company makes behind-the-scenes contributions).

Sales Breakdown



June 2020 (FY 2020) Actual

## Residential Wi-Fi Business



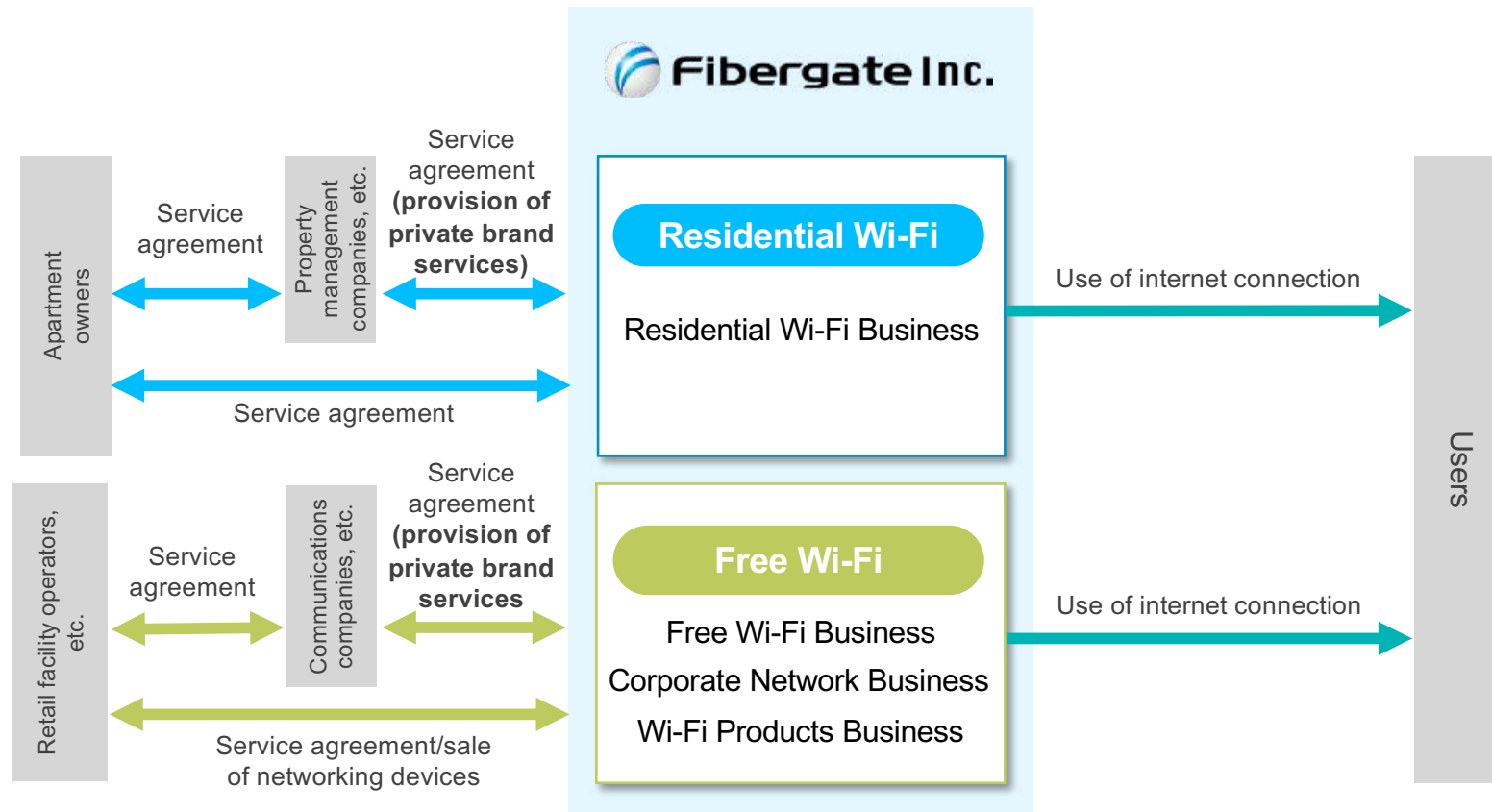
- Provision of internet connection services for condominiums and apartments employing a lump-sum subscription for all units
- Customers are apartment owners



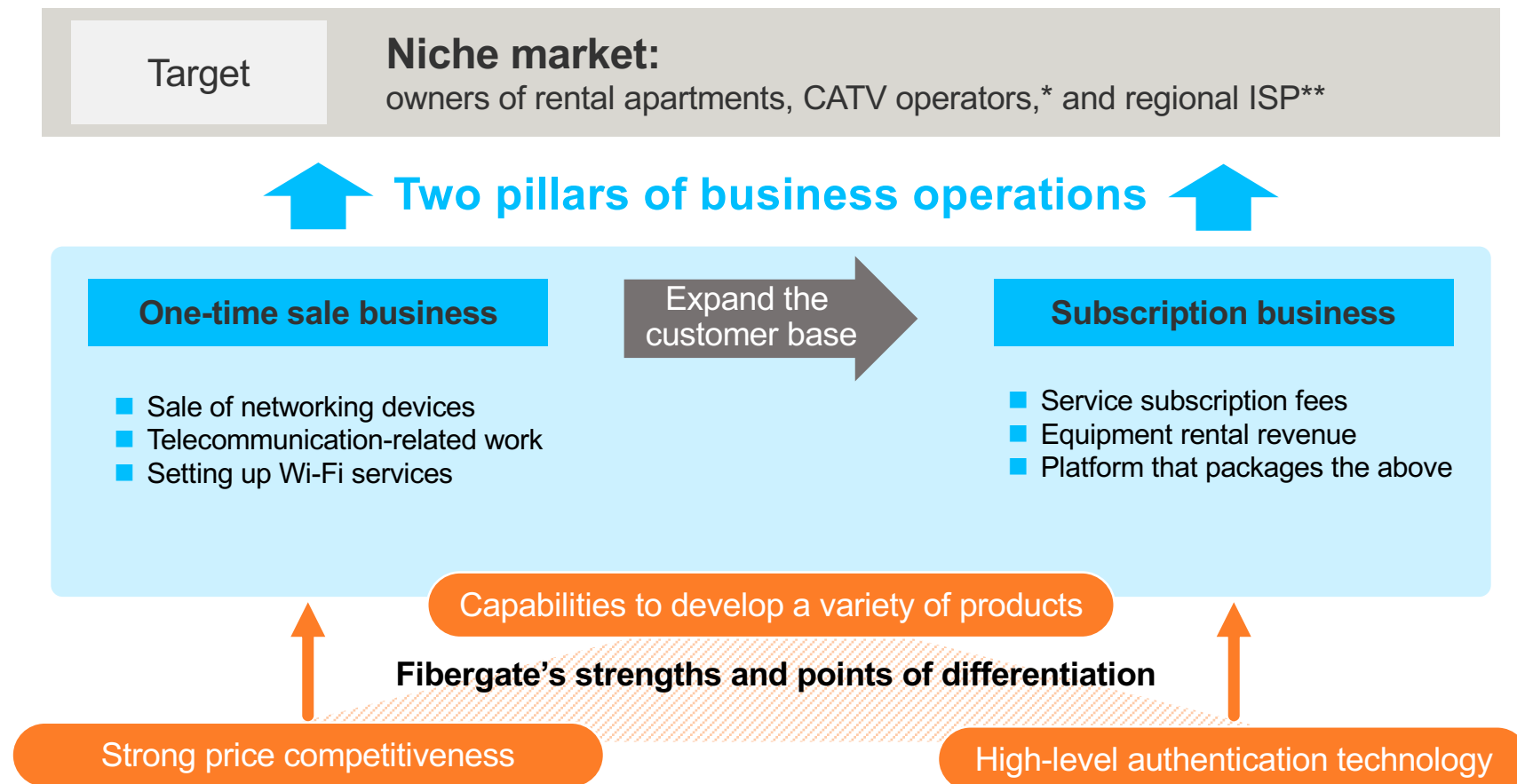
## Free Wi-Fi Business

- Free Wi-Fi Business (for tourist destinations and retail facilities)
- Corporate Network Business (Internet provider services, etc.)
- Wi-Fi Products Business (manufacture and sale of communications equipment)
- Customers are local governments of tourist destinations and owners of retail facilities and other locations

- Monetary compensation is received from the parties with which service agreements have been concluded. Users of internet connection bear no monetary burden
- The mainstay operation is “provision of private brand services to clients.”



- Built on the two pillars of one-time sale business and subscription business aimed at the niche market.
- Differentiated from others by the three aspects of “product development capabilities,” “price competitiveness,” and “authentication technology.”



\* CATV (cable television): CATV providers are companies that provide such services as television broadcasting, internet connection, and telephone services using optical cables, etc.

\*\*ISP (internet service provider): ISPs are telecommunications operators that provide telecommunications services for internet connection.



Year	Description
2000	➤ Established in Wakabayashi Ward, Sendai City, to arrange subscriptions to domestic and international telephone services
2003	➤ Relocated the head office to Chuo Ward, Sapporo City ➤ Conducted network rebuilding for companies based on multiple locations and online sales of broadband lines as main business
2004	➤ Started the Residential Wi-Fi Business
2005	➤ Started Wi-Fi-based broadband services
2006	➤ Started free internet services for apartments through private brand services
2008	➤ Started internet connection services for monthly rental condominiums
2009	➤ Started the Free Wi-Fi Business
2013	➤ Established NOIS, a subsidiary in charge of planning and developing computer hardware and software and conducting internet agency services
2014	➤ Started the sale of networking devices developed by the Company (the Wi-Fi Products Business) ➤ Started Wi-Fi services for stores and retail facilities through provision of private brand services
2015	➤ Acquired Telecommunications Contractor Permit (approval by Governor of Hokkaido) ➤ Established Fibergate Taiwan Inc., a wholly owned subsidiary, in Taiwan ➤ Acquired a license as a telecommunications business pursuant to the Telecommunications Business Act
2016	➤ Certified as a Management Innovation Plan Approval Company
2018	➤ Listed on the Mothers market of the Tokyo Stock Exchange ➤ Conducted a 2-for-1 stock split
2019	➤ Listed on the First Section of the Tokyo Stock Exchange ➤ Listed on the Sapporo Securities Exchange ➤ Conducted a 2-for-1 stock split
2020	➤ Established FG-Lab, a product development subsidiary ➤ Established BizGenesis, a subsidiary providing corporate communications services, etc.

Fiscal Year (*6-month operating results)		June 2016 (FY 2016)*	June 2017 (FY 2017)	June 2018 (FY 2018)	June 2019 (FY 2019)	June 2020 (FY 2020)
Net sales	(thousand yen)	1,023,483	2,787,387	3,977,485	5,446,396	7,424,440
Ordinary profit	(thousand yen)	55,270	334,836	510,171	886,999	1,215,285
Profit	(thousand yen)	27,012	209,331	312,312	550,888	722,848
Share capital	(thousand yen)	51,300	54,300	401,372	426,896	479,674
Total number of shares issued and outstanding	(shares)	54,200	56,200	4,761,900	9,807,400	20,402,400
Net assets	(thousand yen)	200,854	413,480	1,380,144	1,981,638	2,710,068
Total assets	(thousand yen)	2,255,326	3,054,242	4,364,688	5,311,858	6,984,297
Net assets per share	(yen)	74.12	147.15	144.92	202.06	133.52
Basic earnings per share	(yen)	10.08	75.92	81.62	57.60	36.19
Equity-to-asset ratio	(%)	8.91	13.54	31.62	37.30	38.80
Return on equity	(%)	14.50	68.15	34.82	32.77	30.81
Net cash provided by (used in) operating activities	(thousand yen)	106,606	544,165	808,563	1,345,616	1,732,865
Net cash provided by (used in) investing activities	(thousand yen)	-179,893	-836,777	-1,328,849	-1,389,763	-2,071,718
Net cash provided by (used in) financing activities	(thousand yen)	147,142	313,955	868,783	-15,102	699,639
Balance of cash and cash equivalents at end of period	(thousand yen)	748,311	773,093	1,118,034	1,058,574	1,415,418
Number of employees	(persons)	92	115	141	159	180

# Thank you for your attention.

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## <Notes on Outlook>

The contents of this document are based on certain assumptions and should not be construed as a promise or guarantee of achieving the planned figures and measures for the future.

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