

A “drastic” year. Operating profit returned to black, by focusing on domestic business. Company aims for sales of ¥100bn in 2028 with 30%(CAGR) sales growth from 2022.

► **Results for FY2020/12: 10% revenue growth (¥13.8bn) and a return to operating profitability thanks to solid domestic business**

—Although it was a drastic year of withdraw from the Quartz business in the US, Japan business remained strong. Net sales were ¥13,809mn (+10.3% YoY), operating income was ¥104mn (¥1,236mn loss the previous year), recurring loss was ¥281 mn (¥1,429mn loss the previous year), and net income attributable to shareholders of the parent company was ¥6,472 mn (¥1,620mn loss the previous year).

—In Japan, SPEEDA (+21%), NewsPicks (+42%), and other B2B businesses (FORCAS, INITIAL, +63%) grew steadily, and sales excluding Quartz (Quartz's contribution through October) grew 34%.

—Monthly recurring revenue (MRR) as of the end of FY12/2020 was ¥842mn, and recurring revenue alone was at the ¥10bn/year level, further solidifying the Company's stable profitability.

► **Full-year forecast for FY2021/12: 13% increase in revenue (¥15.6bn), increase by 13x for operating profit to ¥1.38bn planned**

—Although the withdrawal from the Quartz business will eliminate ¥900mn in sales from the previous year (January-October), the Company expect full-year sales of ¥15.6bn (+13%), EBITDA of ¥1.8bn (+96%), operating profit of ¥1.38bn (+13.3x), recurring profit of ¥1.24bn (¥280mn loss the previous year), and net income attributable to the parent company of 690 mn (¥6.47bn loss the previous year).

—Concentration on domestic business. The firm will accelerate the collaboration and growth of each business by integrating subsidiaries into the main company, and focus on creating customer value as "One Uzabase" beyond the boundaries of business.

—Plans call for investing heavily in engineering organization in 2021 in order to achieve 30% annual growth from 2022.

► **Future Issues**

—The failure of the Quartz acquisition was partly due to the unfortunate effects of COVID-19, but the Company is now calmly analyzing the inadequacies of its initial due diligence. This will be a major lesson for upcoming challenges in the global market. On the other hand, the Company plans to strengthen its earnings structure by first consolidating its domestic business, which has been performing well even during the pandemic. In addition to the existing core businesses of SPEEDA and NewsPicks, other B2B businesses such as FORCAS and INITIAL are also expected to become profitable.

—The Company's share price has been falling, in line with tech stock price adjustments, since the announcement of earnings results. However, the Company's PSR-based comparison with SaaS companies, which it uses as a benchmark, suggests that it is still underappreciated.

JPY mn, %	Net Sales	YoY (%)	Oper. Profit (Loss)	YoY (%)	Ord. Profit (Loss)	YoY (%)	Profit (Loss) ATOP	YoY (%)	EPS (¥)
2016/12	3,081	60.9	250	-	225	-	267	-	10.03
2017/12	4,565	48.2	545	117.5	518	130.0	438	63.8	15.13
2018/12	9,340	104.6	830	52.1	533	2.9	610	39.5	20.42
2019/12	12,521	34.1	(1,236)	-	(1,429)	-	(1,620)	-	(51.35)
2020/12	13,809	10.3	104	-	(281)	-	(6,472)	-	(186.58)
2021/12(CE)	15,600	13.0	1,380	x13.3	1,240	-	690	-	19.89

Source: Sessa Partners from Company data

FOLLOW-UP

UZABASE

Focus points:

Economic information platform company. Annual Recurring Revenues (ARR) from SPEEDA, NewsPicks etc. have reached ¥10bn. Focusing on Japan Business after withdrawing from Quartz. Aiming for ¥100bn in sales by 2028.

Key Indicators

Share price (Mar 4)	2,879
YH (Feb 10)	3,975
YL (Mar 9)	2,765
10YH (Oct 12, 2020)	4,445
10YL (Nov 4, 2016)	637.5
Shrs. out. (mn shrs)	36.573
Mkt cap (¥bn)	105.295
EV (¥bn)	103.347
Shr eqty ratio (Dec 31)	51.5%
FY12/21 P/E (CE)	152.41x
FY12/20 P/B (act)	18.22x
FY12/20 ROE (act)	-110.9%
FY12/21 DY (CE)	0.00%

Share price 52 weeks



Source: Sessa Partners from SPEEDA data

Takafumi Yamawaki

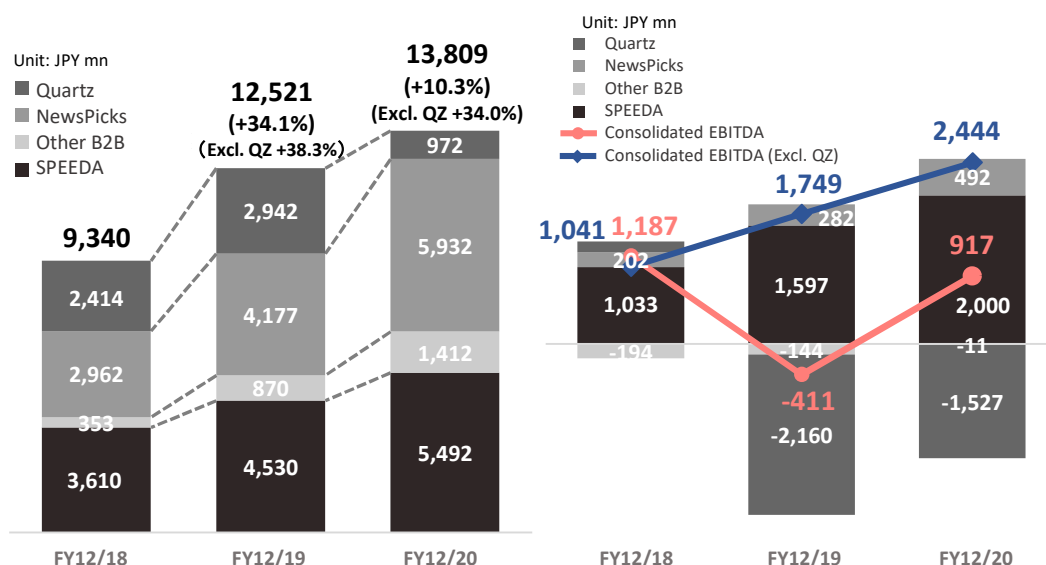
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This report was prepared by Sessa Partners on behalf of Uzabase, Inc. Please refer to the legal disclaimer at the end for details.

Consolidated FY results over the last three years: Net sales and EBITDA



Note: Internal transactions between segments are excluded

Source: Sessa Partners from company materials (FY12/20 earnings presentation)

1. FY2020/12 Financial Results

1) 10% increase from the previous fiscal year (¥13.8 bn, +34%, excluding the Quartz business), operating income: ¥100mn (¥1.2bn loss the previous year).

–Existing businesses in Japan performed well, both in B2B (SPEEDA, FORCAS, INITIAL) and B2C (NewsPicks). Excluding the Quartz business in the U.S., sales increased by 34.1%. MRR (excluding Quartz) grew +23% YoY to ¥842mn, and annual recurring revenue (ARR) expanded to ¥10.1bn (see figure on next page).

–EBITDA was ¥917mn, a significant improvement from ¥411mn loss in the previous year; EBITDA excluding Quartz was ¥2,444mn, up 39.7% from ¥1,749mn in the previous year.

–Operating profit was ¥104mn, returning to profitability from a loss of ¥1,236mn in the previous year.

–Net income attributable to parent company shareholders was a loss of ¥6.472bn (¥1.620 bn loss the previous year) due to expenses related to the restructuring of Quartz (¥279mn), impairment losses on goodwill and other assets of this business (¥7.81bn), losses on sales of shares in affiliates (¥1.042bn), and income taxes (¥-2,771mn). Net loss was ¥6,472mn (¥1,620mn loss the previous year).

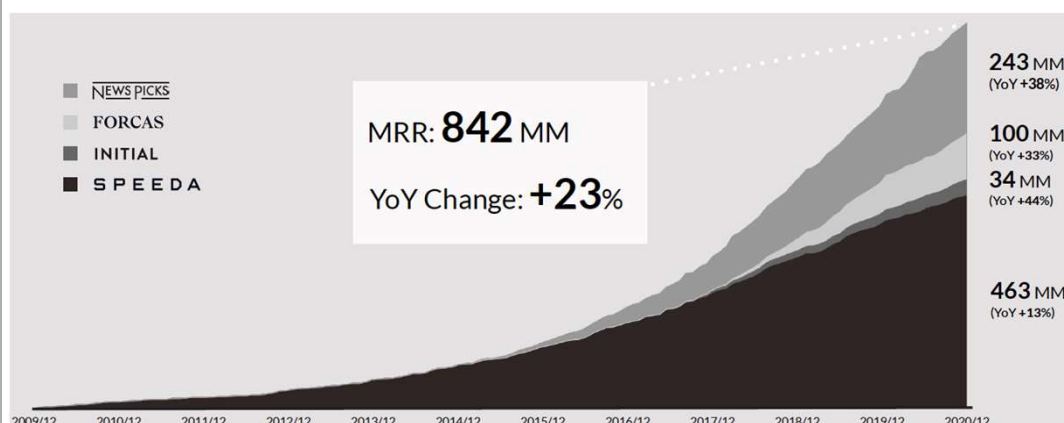
2) Trends by Segment

a) SPEEDA Business: 21% revenue growth (¥5,509mn), MRR ¥463mn (+13.1% YoY), EBITDA ¥2,000mn (+25.2% YoY), EBITDA margin 36.3% (+1.1 points).

–Although the acquisition of subscriber IDs in Japan progressed steadily (number of subscriber IDs in Japan at the end of December: 2,956, compared to 2,750 in the previous year), the acquisition of subscriber IDs in China and other Asian countries slowed down due to COVID-19.

–In addition, the churn rate worsened, especially in 2Q, due to COVID impacts, and the Company has identified cutting the churn rate as a future issue (quarterly churn rate: 1Q 0.8% → 2Q 1.0% → 3Q 1.1% → 4Q 1.3%. However, since the figures are based on 12-month averages, the high churn rate in 2Q will have an impact on subsequent quarters. EBITDA and EBITDA margins both progressed in line with the increase in sales. As previously announced, the Company will also focus on expert research services, taking advantage of the integration of Me Mill and the alliance with GlobalWonks, etc.

MRR Trend



Source: Company materials (earnings presentation for FY12/20)

b) Other B2B business - Sales increased by 63% YoY, EBITDA was ¥-11mn, an improvement of ¥13mn YoY.

—Both FORCAS and INITIAL grew steadily. Sales in this business were ¥1.421bn (+63.1%), EBITDA was ¥-11mn (¥-144mn the previous year), and segment profit was ¥46mn (¥122mn segment loss the previous year). The MRR for FORCAS was ¥100mn, an increase of 33%.

c) NewsPicks business - Segment sales surpassed SPEEDA's to become the firm's largest.

—In addition to a significant increase in the number of paying subscribers in 2Q, the acquisition of corporate subscribers in 4Q drove sales. MRR for this business was ¥243mn, up 37.8% from ¥176mn a year earlier. In addition, advertising expenses remained strong even as COVID-19 spread, and advertising sales grew significantly by 40.4%. In addition to increasing the value of media by disseminating high-quality media content, the growth of video advertising, which has been a focus since 2018, contributed to this growth. Sales in this segment increased by 42.0% to ¥5,905mn, surpassing SPEEDA to become the largest segment in terms of sales. Segment EBITDA was ¥492mn (+74.4%), and segment profit was ¥711mn (+65.9%).

—NewsPicks renewed its application in October 2020. The Company plans to further enhance its value as a media outlet by continuously introducing new features such as a simple and dynamic interface.

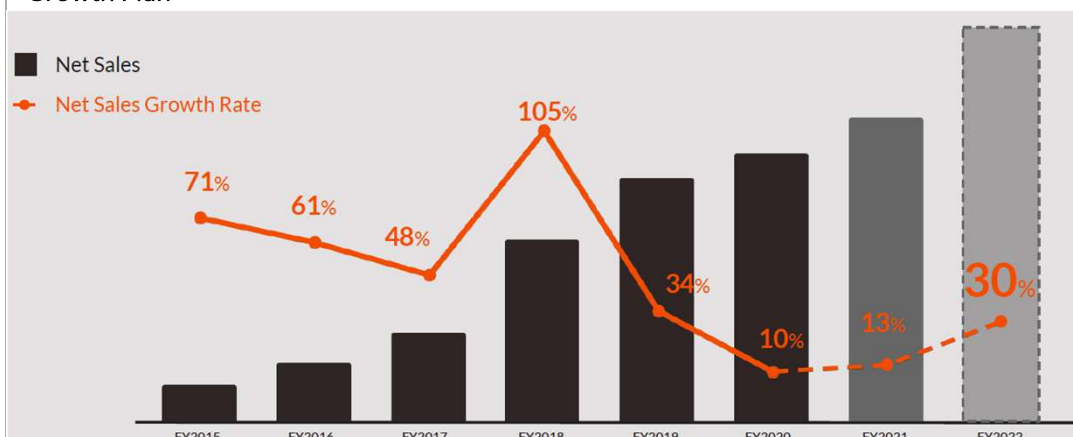
d) Quartz Business - Advertising revenue declined significantly due to COVID-19 impacts. No contribution to sales after November.

—Quartz has been focusing on the pay-per-view business, but its mainstay advertising revenue declined sharply YoY due to the impact of the economic downturn caused by COVID-19. Sales in this segment decreased significantly by 67.0% YoY to ¥972mn. Segment EBITDA was ¥-1,527mn (¥-2,160mn the previous year), and the segment loss was ¥1,961mn (¥-2,693mn the previous year). Due to the sale of the business in November, FY2020/12 period consolidation will take place from January to October.

2. Full-year forecast for FY2021/12: 13% increase in sales (¥15.6bn), 13 times operating profit of ¥1.38bn.

—Withdrawal from the Quartz business will eliminate ¥900mn of sales from last fiscal year (Jan-Oct), and the Company will concentrate on domestic business. Full year sales will be ¥15.6bn (up 13%). In terms of profit, the Company expects EBITDA of ¥1.8bn (up 96%), operating income of ¥1.38bn (up 13.3 times), ordinary income of ¥1.24bn (¥280mn loss the previous year), and net income attributable to shareholders of the parent company of ¥690mn (up 64.7%) due to the withdrawal from loss-making businesses and the elimination of the burden of amortization of goodwill related to Quartz (¥600mn).

Growth Plan



Source: Company materials (earnings presentation for FY12/20)

–In the current fiscal year, with the weight of the Quartz business removed, the Company can concentrate on its domestic business. Thus far subsidiaries have been established for each business to delegate decision-making authority, clarify management responsibility, and ensure flexible and swift execution.

–But as each service has been growing steadily, the firm has been unable to fully utilize business synergies. In order to promote the "One Uzabase" concept to customers, subsidiaries were integrated into the main company in December. The Company plans to accelerate the collaboration and growth of each business, and aims to create new customer value by linking NewsPicks with B2B SaaS businesses such as SPEEDA, FORCAS, and INITIAL.

–The Company's top-line growth rate has been high due to the growth of its SPEEDA and NewsPicks businesses, but slowed down after the Quartz acquisition. With the withdrawal from the Quartz business, the Company plans to make this fiscal year the year of investment to achieve +30% growth from 2022 onward (see chart above).

–Specific priority investment areas include the following: approximately ¥350mn in SPEEDA (investment in recruitment and marketing to launch the expert research business), approx. ¥170mn for NewsPicks (investment in recruitment and marketing to launch the corporate business, investment in development to strengthen communities including NewsPicks Expert), and approximately ¥630mn for new businesses (investment in FORCAS Sales and SPEEDA Edge. Other areas include milestone investments in line with business progress, and about ¥500mn for the engineering organization (the hiring of more than 50 engineers plus system implementation costs).

–In particular, investment in the engineering organization is the most important investment area, and the Company has established a new "Fellow" position to lead engineers with high technical skills. Furthermore, the Company plans to accelerate the development of its business by expanding the number of engineering positions to deepen existing businesses, accelerate the launch of new businesses, and realize the value of integration after M&A. The Company plans to strengthen the linkage between core assets and products through the power of technology, and realize its "One Uzabase" vision.

–As a result, the Company's growth policy is to achieve sales growth of 30% annually from 2022 onwards, aiming for sales of ¥100bn by 2028.



Source: Sessa Partners from SPEEDA data

3. Efforts to Improve Corporate Governance

–The Company announced the following initiatives to improve corporate governance:

1) establishment of the Nomination and Compensation Committee, 2) appointment of an outside director as chairman of the Board of Directors, 3) participation of outside directors in various internal projects, and 4) commencement of evaluation of the effectiveness of the Board of Directors.

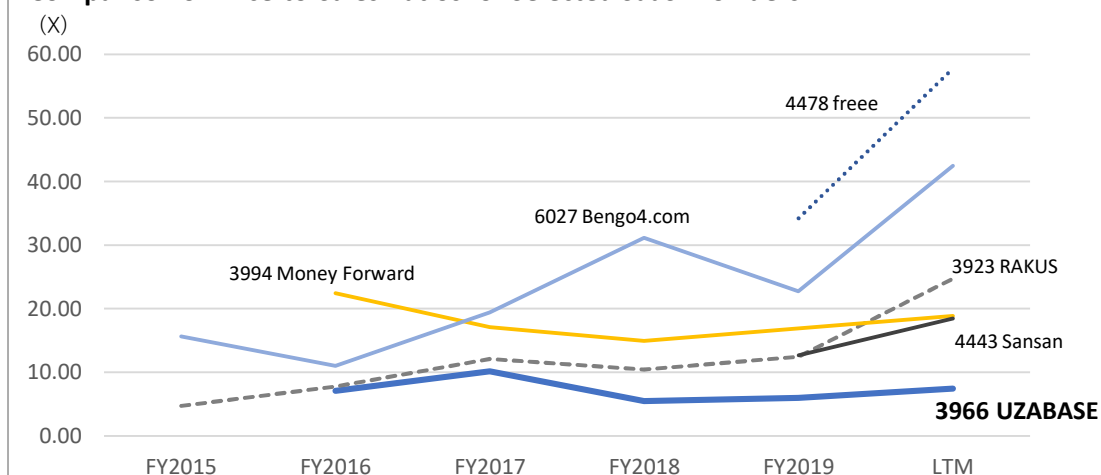
–The Company has been highly praised by investors for its transparency-conscious approach to management, and it will be interesting to see how it further advances this approach.

4. Share Price Trends

–The Company's stock price has been declining since the announcement of its financial results; it bottomed out on March 13, 2020, but is likely to remain weak for a while due to the adjustment of high-tech stocks that had been surging since the beginning of February 2021.

–In addition, management has expressed a sense of comparison with other SaaS companies in its view of the Company's stock price, which, as illustrated in the graph below, appears low. After the heavy weight of Quartz has lifted and favorable growth of Japan business stands out, we want to follow whether there is room for a re-rating of the Company's stock price.

Comparison of Price-to-Sales Ratios for Selected SaaS Providers



Source: Sessa Partners from SPEEDA data

Quarterly consolidated results

	2018/12				2019/12				2020/12			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	1,488	1,580	2,363	3,908	2,847	2,818	2,808	4,048	3,171	3,183	3,583	3,871
YoY	52.9%	49.9%	106.1%	180.6%	91.3%	78.4%	18.8%	3.6%	11.4%	13.0%	27.6%	15.0%
SPEEDA	820	873	935	985	1,041	1,107	1,165	1,228	1,289	1,355	1,391	1,473
YoY	—	—	—	—	26.5%	27.2%	23.6%	24.2%	24.3%	22.6%	19.7%	20.2%
% of SLS	55.1%	55.0%	39.8%	25.3%	36.4%	39.2%	41.4%	30.3%	40.6%	42.6%	38.8%	38.1%
MRR	273	295	313	332	346	373	389	407	420	435	448	463
NewsPicks	611	640	843	888	1,019	875	870	1,424	1,267	1,248	1,551	1,882
YoY	—	—	—	—	66.4%	36.1%	5.8%	59.8%	24.6%	43.9%	77.7%	32.7%
% of SLS	41.1%	40.4%	34.9%	22.7%	35.7%	30.8%	31.1%	35.1%	40.0%	39.2%	43.3%	48.6%
MRR	98	100	119	131	141	143	148	170	184	229	234	243
Quartz	—	—	505	1,909	629	647	538	1,128	289	255	297	131
YoY	—	—	—	—	—	—	6.5%	-40.9%	-54.1%	-60.6%	-44.8%	-88.4%
% of SLS	—	—	21.4%	48.8%	22.1%	23.0%	19.2%	27.9%	9.1%	8.0%	8.3%	3.4%
MRR	—	—	—	0	3	5	8	11	12	15	16	16
Other BtoB	58	70	99	133	163	198	235	274	330	335	355	400
YoY	—	—	—	—	188.3%	190.5%	141.8%	117.2%	103.7%	69.2%	51.1%	46.0%
% of SLS	3.8%	4.3%	4.1%	3.2%	5.7%	7.0%	8.4%	6.8%	10.4%	10.5%	9.9%	10.3%
MRR(only FORCAS)	7	12	17	30	40	50	60	75	80	83	91	100
MRR total	371	398	433	461	494	523	609	689	725	793	821	842
Excluding Quartz	1,488	1,580	1,857	1,999	2,217	2,171	2,270	2,919	2,882	2,927	3,287	3,739
YoY	52.9%	49.9%	62.1%	43.5%	49.1%	37.4%	22.2%	46.1%	29.9%	34.9%	44.8%	28.1%
EBITDA												
Total	238	85	(56)	919	(179)	(349)	(304)	421	(42)	(61)	499	522
SPEEDA	234	233	214	350	416	409	398	372	513	536	503	447
NewsPicks	57	(67)	88	124	179	(45)	(47)	196	121	(38)	286	122
Quartz			(327)	473	(752)	(681)	(611)	(116)	(682)	(534)	(291)	(20)
Other BtoB	(47)	(75)	(42)	(29)	(22)	(30)	(39)	(51)	5	5	(9)	(13)
Excluding Quartz	238	85	271	444	572	331	307	537	640	471	789	542
EBITDA/SLS	16.4%	5.8%	-2.9%	23.5%	-6.3%	-12.3%	-10.6%	9.9%	-1.3%	-1.9%	13.9%	13.5%
EBITDA(-QZ)/SLS(-QZ)	16.4%	5.8%	13.9%	22.3%	25.9%	15.3%	13.7%	17.7%	22.1%	17.1%	23.6%	14.5%
Operating Profit (Loss)	226	66	(186)	724	(380)	(551)	(505)	200	(263)	(288)	242	261
YoY	61.1%	-59.0%	—	717.2%	—	—	—	-72.4%	—	—	—	30.7%
Operating profit margin	15.2%	4.2%	-7.9%	18.5%	-13.3%	-19.6%	-18.0%	4.9%	-8.3%	-9.0%	6.8%	10.7%
Ordinary Profit (Loss)	167	37	(345)	674	(395)	(612)	(551)	129	(317)	(348)	177	191
YoY	24.3%	-78.3%	—	828.5%	—	—	—	-80.9%	—	—	—	48.2%
Ordinary profit margin	15.2%	4.2%	-7.9%	18.5%	-13.3%	-19.6%	-18.0%	4.9%	-8.3%	-9.0%	4.9%	5.3%
Profit (Loss) ATOP	117	(49)	(661)	1,205	(296)	(669)	(606)	(49)	(473)	(637)	(4,953)	(409)
YoY	-3.4%	—	—	24x	—	—	—	—	—	—	—	—
Net profit margin	7.9%	-3.1%	-28.0%	30.8%	-10.4%	-23.7%	-21.6%	-1.2%	-14.9%	-20.0%	-138.2%	-10.6%

Source: Sessa Partners from company materials

Note: YoY changes not shown prior to 2017 due to different segmentation. MRR partially includes company estimates. EBITDA uses a new standard from FY12/20.

Financial Results: Consolidated Income Statement

(JY; mn)

FY	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12
Total Revenue	1,915	3,082	4,566	9,340	12,521	13,809
Total Cost of Sales	1,204	1,378	2,092	3,568	5,321	6,217
Cost of Sales	1,204	1,378	2,092	3,568	5,321	6,216
Gross Profit	711	1,704	2,474	5,772	7,200	7,592
Gross Margin (%)	37.1	55.3	54.2	61.8	57.5	55.0
SG&A Expenses	1,044	1,453	1,928	4,942	8,437	7,488
Operating Profit	(333)	251	546	830	(1,236)	104
Operating Profit Margin (%)	(17.4)	8.1	12.0	8.9	(9.9)	0.8
Non-Operating Income	6	13	11	15	21	34
Interest and Dividends Income					6	7
Non-Operating Expenses	12	38	39	312	214	420
Interest Expenses	4	6	9	35	97	88
Income from Equity Method - Non-Operating	3	5	(24)	(185)		
Ordinary Profit	(339)	225	518	533	(1,429)	(281)
Ordinary Profit Margin (%)	(17.7)	7.3	11.3	5.7	(11.4)	(2.0)
Extraordinary Gains/Losses	423	0	1	354	299	(9,085)
Extraordinary Gain	444	0	1	635	311	104
Extraordinary Loss	21			281	12	9,189
Pretax Profit	85	225	519	888	(1,130)	(9,366)
Pretax Profit Margin (%)	4.4	7.3	11.4	9.5	(9.0)	(67.8)
Income Taxes	2	(44)	78	326	620	(2,772)
Income Taxes - Current	3	33	80	265	822	232
Income Taxes - Deferred	(1)	(77)	(2)	61	(202)	(3,004)
Net Profit Attribute to parent company shareholders	111	267	438	611	(1,620)	(6,472)
Net Profit	83	269	441	562	(1,750)	(6,594)
Net Profit Attribute to non-controlling shareholders	(28)	2	3	(49)	(130)	(122)
Net Profit Margin (Attribute to parent company shareholders) (%)	5.8	8.7	9.6	6.5	(12.9)	(46.9)
Other Comprehensive Income	2	2	6	(49)	(196)	223
Net Gain on Revaluation of Available-for-sale Financial Assets(CI)				0	0	(1)
Foreign Currency Translation Adjustments (CI)	2	2	3	(45)	(195)	225
Share of Other Comprehensive Income of Associates			3	(3)		
Comprehensive Income	85	272	447	514	(1,946)	(6,371)
CI Attributable to Owners of the Parent	112	270	444	562	(1,816)	(6,244)

(Others)

EBIT	89	231	528	923	(1,039)	(1,039)
EBITDA	(298)	284	595	1,187	(412)	(412)
EBITDA Margin	(15.6)	9.2	13.0	12.7	(3.3)	(3.3)

(Detail of Expenses)

Total Payroll	241	331	397	1,256	2,901	
Payroll	241	331	397	1,256	2,901	
Labor Cost						
Rent Expenses (inc. Lease)						
Advertising Expenses	192	180	210	517	794	
Packing, Transportation and Warehousing						
Travel and Communication						
R&D Expenses						
Enterprise Taxes, Taxes and Dues						
Depreciation	35	33	36	118	192	280

Source: SPEEDA data

Consolidated Balance Sheets

(JY; mn)

FY	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12
Total Assets	1,690	3,618	4,409	18,814	20,958	15,915
Current Assets	1,500	3,445	3,733	8,620	10,224	9,226
Cash Cash Equivalents & ST Investments	1,269	3,096	3,217	5,726	7,954	7,584
Cash & Cash Equivalents	1,269	3,096	3,217	5,726	7,954	7,584
Accounts Receivables	150	202	320	2,487	1,916	984
Prepaid Expenses	72	66	95			
Deferred Tax Assets - Current		77	69			
Allowance for Doubtful Accounts - Assets		(1)	(4)	(8)	(24)	(19)
Non-Current Assets	190	174	676	10,194	10,733	6,600
Property, Plant & Equipment (PPE)	56	54	51	426	344	554
Intangible Assets	4	7	127	9,292	9,001	1,214
Goodwill			118	9,262	8,870	811
Investments and Other Assets	131	112	498	476	1,388	4,831
Investment Securities (inc. Subs & Affili)	8	13	2	218	694	1,219
Investment Securities	8	13	2	218	694	1,219
Long-term Prepaid Expenses	37	16	2			
Deferred Tax Assets - Non-Current			10		221	3,226
Deferred Assets						87
Total Liabilities	1,034	1,179	2,589	12,498	13,826	8,796
Current Liabilities	708	959	1,533	3,567	5,131	5,222
Trade Payables	74	89	184	284	319	370
Accounts Payable - Other and Accrued Exp.	232	293	411	1,157	598	543
Short-Term Debt	104	105	204	696	1,225	863
Current Portion of Long-term Debt	104	105	204	696	1,225	863
Current Portion of Long-Term Borrowings	104	105	204	594	1,123	761
Current Portion of Straight Bonds				102	102	102
Deferred Income - Current	205	310	501	773	1,210	1,962
Non-Current Liabilities	325	220	1,056	8,931	8,695	3,573
Long-Term Debt	325	220	1,056	8,881	8,654	3,444
Long-Term Borrowings	325	220	1,056	8,503	8,378	3,270
Straight Bonds				378	276	174
Deferred Tax Liabilities - Non-Current		0	0			
Total Net Assets	656	2,439	1,819	6,316	7,131	7,118
Total Shareholders' Equity	628	2,409	1,819	5,878	5,882	5,788
Shareholders' Equity	631	2,410	1,807	5,313	6,118	5,796
Capital Stock	548	1,303	1,329	2,732	4,096	7,170
Capital Surplus	502	1,258	191	1,684	3,029	6,105
Retained Earnings	(419)	(151)	287	898	(1,006)	(7,478)
Treasury Stock			0	0	0	0
Accumulated Other Comprehensive Income	(3)	0	6	(51)	(247)	(23)
Val. Difference On Available-for-sale Securities						(2)
Foreign Currency Translation Adjustments	(3)	0	6	(51)	(246)	(21)
Share Warrants			7	616	10	14
Non-controlling interest	28	30		438	1,249	1,330

Source: SPEEDA data

(Supplemental data)

(% , JY; mn)

FY	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12
Shareholders' Equity Ratio	37.2	66.6	41.3	31.2	28.1	36.4
ROE	26.3	17.6	20.7	15.9	(27.6)	(110.9)
ROA	9.2	10.1	10.9	5.3	(8.1)	(35.1)
ROIC	(47.2)	15.3	16.0	5.3	(11.3)	20.2
Interest-bearing Debt	429	325	1,260	9,576	9,879	4,307
D/E Ratio	0.68	0.13	0.69	1.63	1.68	0.74
Net D/E Ratio	(1.34)	(1.15)	(1.08)	0.65	0.33	(0.57)
Total Interest Bearing Debt/EBITDA		1.14	2.12	8.07		4.7
Net Total Interest Bearing Debt/EBITDA				3.24		
Accumulated Depreciation	56	81	108	265	430	437
Investments in Affiliates and Loans	6	12	158			
Investments in Affiliates	6	12	158			

Source: SPEEDA data

Consolidated Statements of Cash Flows

(JY; mn)

FY	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12
Cash Flows from Operating Activities	(218)	474	818	146	60	1,026
Depreciation and Amortization - CF	35	33	49	357	824	813
Depreciation - CF	35	33	36	118	192	280
Amortization of Goodwill - CF			13	239	632	533
Gain/Loss on Sale of Stocks of Subs & Affils						1,042
Gain/Loss on Sale of PPE	0	0				
Interest and Dividends Received - Oper. CF	0	0	0	0	6	7
Interest Paid - Operating CF	(4)	(6)	(10)	(35)	(97)	(88)
Cash Flows from Investing Activities	(2)	(41)	(548)	(6,592)	(851)	(2,028)
Payments for Purchases of Secs & Inv. Secs				(218)	(473)	(604)
Payments for Purchases of Inv. Securities				(218)	(473)	(604)
Payments for Purchases of Stocks of Subs & Affils			(183)	(293)		
Purchases/Sales of PPE	(21)	(32)	(38)	(280)	(105)	(404)
Payments for Purchases of PPE	(21)	(32)	(38)	(280)	(105)	(404)
Proceeds from Sales of PPE	0	0				
Purchases/Sales of Intangible Assets	(2)	(5)			(125)	(330)
Payments for Purchases of Intangible Assets	(2)	(5)			(125)	(330)
Cash Flows from Financial Activities	1,082	1,396	(152)	8,968	3,282	613
Increase in Long-Term Debt	350		1,124	8,800	6,500	1,500
Proceeds from Long-Term Borrowings	350		1,124	8,290	6,500	1,500
Proceeds from Issuance of Bonds				510		
Repayments of Long-Term Debt	(44)	(103)	(208)	(483)	(6,194)	(7,139)
Repayments of Long-Term Borrowings	(44)	(103)	(208)	(453)	(6,092)	(7,037)
Redemption of Bonds				(30)	(102)	(102)
Proceeds from Issuance of Stock	797	1,500	51	384	2,077	6,043
Foreign exchange adjustment	(2)	(3)	3	(13)	(12)	(53)
Changes in Cash Flow	861	1,827	121	2,508	2,229	(441)
Cash & Cash Equivalent - Beginning	408	1,269	3,096	3,217	5,725	7,954
Cash & Cash Equivalent - Ending	1,269	3,096	3,217	5,726	7,954	7,513
Free Cash Flow (FCF)	(220)	433	270	(6,446)	(791)	(1,002)

Source: SPEEDA data

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