

Digital advertisement company aiming to become the long-term escort runner for clients

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[9244 DIGITALIFT Sector : Services]

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Sep. 2019	2,060	57.2	106	-	106	148.9	71	145.2	52.6	124.6	0.0
Sep. 2020	2,065	0.2	110	4.3	113	6.1	73	3.1	53.7	178.3	0.0
Sep. 2021 f	2,523	22.2	175	57.9	169	49.5	110	50.4	80.7	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending September 2021 are the company's forecasts.

Company Specialized in Trading Desk Business Handling Management of Digital Advertisements in Proxy

DIGITALIFT is a company specialized in the trading desk business that undertakes all matters related to digital advertisement distribution from advertisers and handles advertisement management on their behalf with an aim to maximize the effects. It handles programmatic advertising, which changes advertisement content, number of advertisement servings, audience for advertisements, advertisement budgets, etc. on a real-time basis.

The company's trading desk business is comprised of three services: agile advertisement management service, CdMO service and LIFT+, which was launched in April 2020. Regardless of industry or advertisement budget size, it aims to provide value that meets every client's needs. Specifically, it provides LIFT+ for clients with small advertisement budgets, agile advertisement management service for clients with medium budgets and a combination of CdMO service and agile advertisement management service for clients with large budgets. The composition ratio of net sales in the fiscal year ended September 2020 by service was 36.0% for the combination of CdMO service and agile advertisement management service, 61.5% for agile advertisement management service and 2.5% for LIFT+.

The company provides services to various customer bases. The cumulative total number of customer business categories between the fiscal year ended September 2019 and the third quarter of the fiscal year ending September 2021 has reached 83. The major advertisers are Ropping Life, which is a consolidated subsidiary of TV Asahi Holdings and engaged in mail-order sales, U.K. brand shoes sales company DR. MARTENS AirWair Japan, and DOORS, which is a company operating a matching site for exterior wall painting.

DIGITALIFT (9244 TSE Mothers) ----- October 1,2021**Financial Statements**

Statement of income	Fiscal Year	Sep.2019		Sep.2020		Nine months to Jun. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		2,060	100.0	2,065	100.0	1,770	100.0
Cost of sales		1,564	75.9	1,560	75.6	1,297	73.3
Gross profit		496	24.1	504	24.4	473	26.7
Selling, general and administrative expenses		389	18.9	393	19.1	320	18.1
Operating profit		106	5.2	110	5.4	152	8.6
Non-operating income		2	-	4	-	2	-
Non-operating expenses		1	-	2	-	1	-
Ordinary profit		106	5.2	113	5.5	153	8.7
Profit before income taxes		105	5.1	113	5.5	153	8.7
Net profit		71	3.5	73	3.5	100	5.7

Balance sheet	Fiscal Year	Sep.2019		Sep.2020		Jun. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		694	92.7	704	94.3	894	95.5
Cash and deposits		404	54.0	449	60.2	608	64.9
Accounts receivable-trade		285	38.0	246	33.0	280	29.9
Non-current assets		54	7.3	42	5.7	42	4.5
Property, plant and equipment		13	1.7	8	1.2	5	0.6
Intangible assets		-	-	-	-	-	-
Investments and other assets		41	5.5	33	4.5	36	3.9
Total assets		749	100.0	746	100.0	937	100.0
Current liabilities		502	67.1	493	66.1	548	58.6
Accounts payable - trade		226	30.3	188	25.3	192	20.5
Short-term borrowings		-	-	200	26.8	200	21.3
Current portion of long-term borrowings		16	2.2	16	2.2	47	5.1
Non-current liabilities		76	10.2	9	1.3	44	4.7
Long-term borrowings		26	3.5	9	1.3	44	4.7
Net assets		170	22.7	243	32.6	343	36.7
Owners' equity		170	22.7	243	32.6	343	36.7

Statement of cash flows	Fiscal Year	Sep.2019	Sep.2020
		(mn yen)	(mn yen)
Cash flows from operating activities		71	21
Depreciation		6	4
Cash flows from investing activities		-23	-10
Cash flows from financing activities		47	33
Dividends paid		-	-
Net increase in cash and cash equivalents		95	44
Cash and cash equivalents		404	449

Note: Non-consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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