

## Japan Ecosystem (9249 TSE Second Section / NSE Second Section)- - - - October 14 ,2021

**Engaged in operation and maintenance businesses of publicly managed betting sports, as well as inspection, maintenance, construction, etc. of highways in Chubu region**

This report is an English translation of part of the report issued on October 12, 2021.  
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### [9249 Japan Ecosystem 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	6,149	-	477	-	474	-	236	-	161.5	638.1	45.0
Sep. 2020	6,122	-0.4	411	-13.8	419	-11.6	226	-4.2	95.8	732.1	0.0
Sep. 2021 f	6,846	11.8	712	73.1	742	76.8	512	126.4	256.2	-	-

Note: Consolidated basis. Figures for the fiscal year ending September 2021 are the company's forecasts.  
It conducted 1-to-100 stock split on August 19, 2020. Per share indices are adjusted retroactively.

### Engaged in the Public Services, Transportation Infrastructure and Environmental Businesses

Japan Ecosystem group is comprised of eight companies, Japan Ecosystem and seven consolidated subsidiaries, and the major businesses are the public service business, the transportation infrastructure business and the environmental business. Of net sales during the first three quarters of the fiscal year ended September 2021, the public service business accounted for 50.1%, the transportation infrastructure business for 35.6%, the environmental business for 9.1% and other businesses for 5.2%.

#### The Public Service Business

In the public service business, the company conducts the facility repair business and the operation and maintenance businesses of publicly managed betting sports.

In the facility repair business, it mainly conducts design, manufacturing, sales, equipment installment, etc. of totalizer system in publicly managed betting sports.

In the operation and maintenance businesses of publicly managed betting sports, it is engaged in maintenance of totalizer system developed by the company as well as operation work that utilize security, maintenance and AI such as in the execution of events.

#### The Transportation Infrastructure Business

In the transportation infrastructure business, the company conducts road engineering-related businesses including structure inspection, maintenance of telecommunication equipment/electronic toll collection system (ETC), traffic control operation and maintenance of road lights, as well as road maintenance-related businesses including maintenance and repair work and accident/disaster recovery work. Both of these businesses are mainly for highways operated and managed by the Central Nippon Expressway group.

Approximately three fourths of net sales of the transportation infrastructure business during the first three quarters of the fiscal year ended September 2021 was from the Central Nippon Expressway group.

#### The Environmental Business

In the environmental business, the company is engaged in the wastewater purification business and the industrial solar power generation business. In the wastewater purification

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**October 14 ,2021**

business, it conducts research and development, manufacturing and sales of formulations that accelerate wastewater purification processes.

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## October 14 ,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		6,149	100.0	6,122	100.0	4,817	100.0
Cost of sales		4,557	74.1	4,596	75.1	3,464	71.9
Gross profit		1,591	25.9	1,526	24.9	1,352	28.1
Selling, general and administrative expenses		1,114	18.1	1,114	18.2	834	17.3
Operating profit		477	7.8	411	6.7	518	10.8
Non-operating income		22	-	31	-	47	-
Non-operating expenses		25	-	23	-	15	-
Ordinary profit		474	7.7	419	6.9	550	11.4
Profit before income taxes		346	5.6	326	5.3	550	11.4
Profit attributable to owners of parent		236	3.8	226	3.7	378	7.9

Balance sheet	Fiscal Year	Sep.2019		Sep.2020		Jun. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		2,285	39.3	2,211	36.4	2,107	36.1
Cash and deposits		825	14.2	700	11.5	771	13.2
Accounts receivable-trade		671	11.6	867	14.3	700	12.0
Inventories		564	9.7	505	8.3	533	9.1
Non-current assets		3,523	60.6	3,865	63.6	3,730	63.9
Property, plant and equipment		3,211	55.2	3,535	58.1	3,389	58.0
Intangible assets		113	2.0	129	2.1	104	1.8
Investments and other assets		198	3.4	200	3.3	235	4.0
Deferred assets		5	0.1	3	0.1	2	0.0
Total assets		5,815	100.0	6,081	100.0	5,840	100.0
Current liabilities		2,063	35.5	2,120	34.9	1,875	32.1
Accounts payable - trade		221	3.8	173	2.9	198	3.4
Short-term borrowings		699	12.0	839	13.8	560	9.6
Current portion of bonds payable		167	2.9	157	2.6	117	2.0
Current portion of long-term borrowings		413	7.1	416	6.8	363	6.2
Non-current liabilities		2,452	42.2	2,430	40.0	2,049	35.1
Bonds payable		443	7.6	286	4.7	257	4.4
Long-term borrowings		1,686	29.0	1,912	31.5	1,597	27.3
Net assets		1,299	22.4	1,529	25.2	1,915	32.8
Owners' equity		1,267	21.8	1,490	24.5	1,870	32.0

Statement of cash flows	Fiscal Year	Sep.2019	Sep.2020
		(mn yen)	(mn yen)
Cash flows from operating activities		251	549
Depreciation		367	378
Cash flows from investing activities		-1,314	-800
Cash flows from financing activities		1,051	94
Cash dividends paid		-60	-
Dividends paid to non-controlling interests		-	-4
Net increase in cash and cash equivalents		-11	-156
Cash and cash equivalents		709	552

Note: Consolidated basis.

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

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