

Aiming for growth by supporting companies in their marketing to local governments

This report is an English translation of part of the report issued on March 26, 2024.
For inquiries concerning the report, please contact info@stock-r.org

【134A Ishin Sector : Service】

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)
Mar.2022	1,024	-	71	-	116	-	97	-	60.8	296.8	0.0
Mar.2023	1,148	12.1	95	33.8	111	-4.3	83	-14.4	52.4	358.1	0.0
Mar.2024 f	1,278	11.3	168	76.8	165	48.6	126	51.8	78.9	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending March 2024 is the company's forecasts.

It conducted 1:100 stock split on November 2, 2023. Per share indices are adjusted retroactively.

Providing Media, Solutions and Platforms across Three Business Areas

Consisting of the company, three subsidiaries and one affiliated company, the Ishin group is engaged in three business areas. These are the public-private co-creation business which supports private companies in their marketing activities to local governments, the global innovation business which supports open innovation at large companies and the media PR business which supports venture companies in their recruitment and such activities.

The public-private co-creation business is primarily targeted at large and medium-sized private companies and provides them with marketing support services for local governments.

The global innovation business supports major Japanese corporate clients in promoting open innovation by providing information and solutions related to startups and growing industries in Japan and overseas. This business is handled by Ishin and Ishin USA, a subsidiary of the company responsible for conducting research, interviews and related activities in both the company and the U.S.

The media PR business provides venture companies with branding and recruitment support.

Each business provides three services. Centered around "media" from which they earn advertising revenue from customers, they also offer "solutions" to address customer problems and provide "platform" services as a system, which earns usage fees.

The sales composition ratio of each business for the first three quarters of fiscal year ending March 2024 was 40.4% from the public-private co-creation business, 27.7% from the global innovation business and 31.8% from the media PR business. The sales composition ratio of the public-private co-creation business, an area of growth, is increasing. Additionally, for the same period, the stock-type sales consisting of monthly advertising fees for online media and monthly platform usage fees accounted for approximately 64%.

Financial Statements

Statement of income	Fiscal Year	Mar. 2022		Mar.2023		Nine months to Dec.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,024	100.0	1,148	100.0	884	100.0
Cost of sales		244	23.8	266	23.2	204	23.1
Gross profit		779	76.1	881	76.7	680	76.9
Selling, general and administrative expenses		707	69.0	786	68.5	550	62.2
Operating profit		71	6.9	95	8.3	129	14.6
Non-operating income		62	-	39	-	14	-
Non-operating expenses		17	-	23	-	23	-
Ordinary profit		116	11.3	111	9.7	120	13.6
Profit before income taxes		116	11.3	106	9.2	124	14.0
Profit attributable to owners of parent		97	9.5	83	7.2	89	10.1

Balance sheet	Fiscal Year	Mar. 2022		Mar.2023		Dec.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		950	71.3	1,080	67.0	1,121	69.1
Cash and deposits		757	56.8	880	54.6	997	61.4
Accounts receivable-trade		151	11.3	162	10.0	72	4.4
Inventories		1	0.1	4	0.2	20	1.2
Non-current assets		382	28.7	532	33.0	502	30.9
Property, plant and equipment		10	0.8	7	0.4	10	0.6
Intangible assets		24	1.8	28	1.7	18	1.1
Investments and other assets		347	26.1	497	30.8	472	29.1
Total assets		1,332	100.0	1,613	100.0	1,623	100.0
Current liabilities		384	28.8	436	27.0	401	24.7
Accounts payable - trade		44	3.3	31	1.9	14	0.9
Non-current liabilities		2	0.2	2	0.1	4	0.2
Net assets		945	70.9	1,174	72.8	1,218	75.0
Owners' equity		474	35.6	573	35.5	666	41.0

Statement of cash flows	Fiscal Year	Mar. 2022	Mar.2023
		(mn yen)	(mn yen)
Cash flows from operating activities		64	106
Depreciation		11	11
Cash flows from investing activities		-18	-17
Cash flows from financing activities		0	0
Dividends paid		-	-
Net increase in cash and cash equivalents		79	122
Cash and cash equivalents		757	880

Note: Consolidated

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

About Stock Research Center

Stock Research Center is engaged in the preparation of analyst reports, mainly on companies that are not sufficiently covered by analysts, based on a neutral perspective, and broadly disclose the reports to the public with an aim to revitalize the stock market.

Note: Reports prepared by Stock Research Center are created in reference to the Ministry of Economy, Trade and Industry's Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation.



■ Supporting Members

Tokyo Stock Exchange, Inc.

Nomura Securities Co., Ltd.

KPMG AZSA LLC

Deloitte Touche Tohmatsu LLC

PricewaterhouseCoopers Japan LLC

A&A Partners

TAKARA PRINTING CO., LTD.

Japan Securities Dealers Association

SMBC Nikko Securities Inc.

Mizuho Securities Co., Ltd.

ICMG Co., Ltd.

SBI SECURITIES Co., Ltd.

J Trust Global Securities Co., Ltd.

GYOSEI & CO.

PRONEXUS INC.

The Securities Analysts Association of Japan

Daiwa Securities Co. Ltd.

Ernst & Young ShinNihon LLC

Grant Thornton Taiyo LLC

BDO Sanyu

Ichiyoshi Securities Co., Ltd.

Avantia G.P.

■ Endorsement

Nagoya Stock Exchange, Inc.

Japan Venture Capital Association

Sapporo Securities Exchange

Japan Investor Relations Association

Certification by Analysts

Analysts indicated in the reports certify that the content indicated in the report precisely reflects the personal opinions of the analysts on all securities and issuer companies discussed in the report. In addition, it is ensured that the opinions directly or indirectly indicated in the report will have no influence on the analyst's compensation in the past, present, and future upon writing the report.

Disclaimer

- The report is prepared by stock analysts affiliated with the Stock Research Center for the purpose of disclosure to a wide range of investors as reference information and not to recommend or solicit to buy or to sell any particular securities or financial instrument.
- The content and indication of the report is based on disclosed information available publicly and is prepared by adding necessary supplementary information gained through interviews by analysts. The writer of the report is, without exception, prohibited to use insider information, or to acquire such information. The information included in the report is believed to be precise and reliable, but its preciseness is not verified objectively. In addition, the report is not intended to comprehensively include all information required by investors.
- The information included in the report may become outdated due to changes in the financial market, economic environment, etc. There are risks that the prices of stocks featured directly or indirectly in the report will fall below the par value due to fluctuations in stock prices, changes in management/financial conditions of the issuers, fluctuations in exchange rates or interest rates, etc. Past performance does not imply or guarantee future performance.
- The opinions indicated in the report are subject to change without notice and the Stock Research Center has no obligation to update the information or opinions included in the report.
- The Stock Research Center does not bear any responsibility for any results, including direct losses, indirect losses, losses of profit and damages, suffered by investors due to using the report or relying on the report. Final investment decisions shall be made by investors themselves and the sole responsibility concerning the investment lies with the investors that viewed the report.
- The copyright of the report belongs to the Stock Research Center and it may not be copied, reproduced, quoted, etc. in any form without prior consent.