

Supplementary Materials on Financial Results

First Quarter of FY03/2024



**From the
Stations**

駅から始めよう

August 10, 2023

EKITAN&Co., Ltd.

TSE Growth: 3646



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1Q of FY03/2024

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From the Stations

駅から始めよう

Section 1

1Q of FY03/2024
Financial results overview
(company-wide)



Higher revenues / Lower earnings

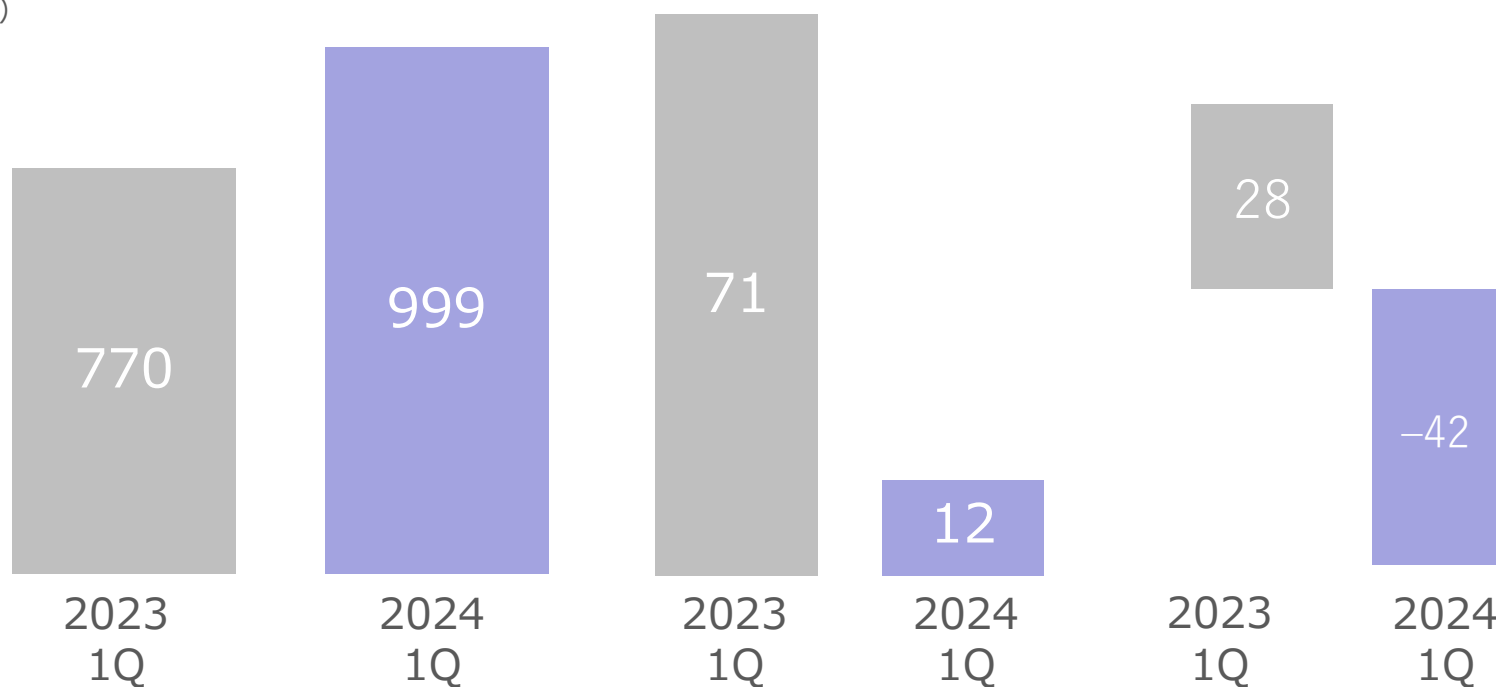
Net sales
+29.6%

EBITDA
-82.9%

Operating profit
—

(+/- % YoY)

(mil. yen)





Highlights

1Q of FY03/2024

Higher revenues / Lower earnings

(YoY)

Net sales	999 mil. yen	+29.6%	+228 mil. yen	FY2023	770 mil. yen
EBITDA	12 mil. yen	-82.9%	-59 mil. yen	FY2023	71 mil. yen
Operating profit	-42 mil. yen	-	-71 mil. yen	FY2023	28 mil. yen

Factors of higher revenues

Advertisement Platform Business: Proud Engine Inc.

Became a fully-consolidated subsidiary in Nov., 2022

M&A/Incubation Business: EKITAN I&I

Became a fully-consolidated subsidiary in Apr., 2023

Factors of lower revenues

Decreased sales of services for paid subscribers

Continuously decreased paid subscribers affected by such as market environment including commoditization

Factors of decrease in Operating profit

Decrease in services for paid subscribers

Partly increased sales was not enough to cover decrease in net sales of services for paid subscribers which provided high profit rate

Increased cost for BTOOnline

Increased cost for renovating "BTOOnline" (a service for arrangement of ticketless business trip)

Temporarily incurred costs in relation to establishment and share acquisition of EKITAN I&I



Consolidated Profit and Loss Statement

1Q of FY03/2024

Consolidated Profit and Loss Statement

(mil. yen)	(YoY)					
	2023 1 Q	ratio to sales	2024 1 Q	ratio to sales	+/- %	+/- amount
Net sales	770	100.0%	999	100.0%	+29.6%	+228
Cost of sales	535	69.5%	725	72.6%	+35.5%	+190
Gross profit	235	30.5%	273	27.4%	+16.3%	+38
SG&A expenses	206	26.8%	316	31.6%	+52.9%	+109
Operating profit	28	3.7%	-42	-4.3%	-249.9%	-71
Ordinary profit	30	3.9%	-41	-4.2%	-239.8%	-71
Net profit attributable to owners of parent	24	3.2%	-41	-4.1%	-269.2%	-65
EBITDA	71	9.3%	12	1.2%	-82.9%	-59



Consolidated Balance Sheet

1Q of FY03/2024

Consolidated Balance Sheet

(mil. yen)	2023 1 Q	2024 1 Q	+/- amount	(mil. yen)	2023 1 Q	2024 1 Q	(YoY) +/- amount
Total current assets	2,295	1,985	-310	Total current liabilities	407	616	208
Property, plant and equipment	67	66	0	Total non-current liabilities	291	484	193
Intangible assets	1,032	1,209	176	Total liabilities	698	1,100	401
Investments and other assets	89	255	166	Capital stock	291	291	-
Total non-current assets	1,189	1,531	341	Retained earnings	2,873	2,389	-484
Total assets	3,485	3,516	31	Treasury stock	-673	-595	77
				Total shareholders' equity	2,786	2,382	-403
				Total net assets	2,786	2,416	-370
				Total liabilities and net assets	3,485	3,516	31



From the Stations

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Section 2

1Q of FY03/2024

Financial results overview
(by segment)

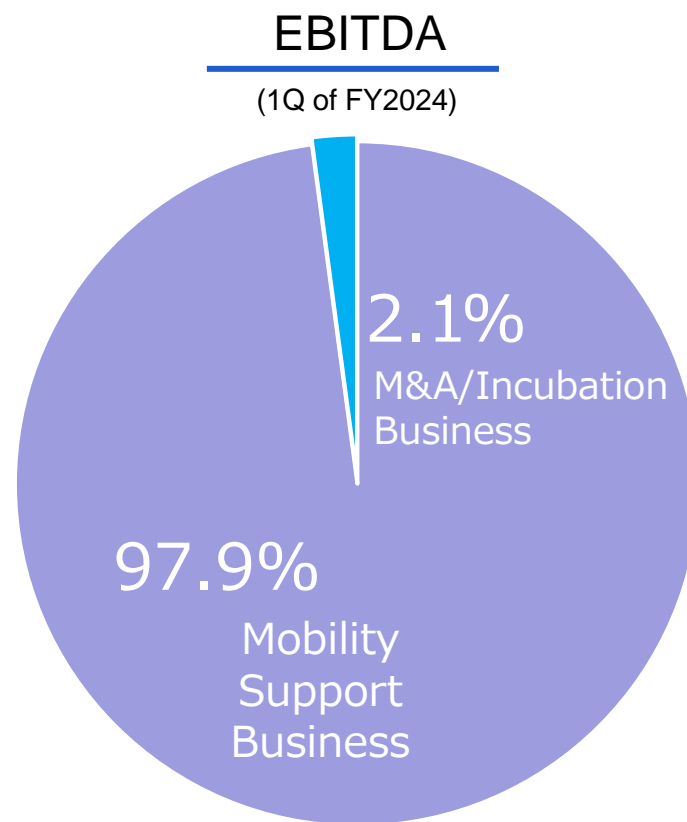
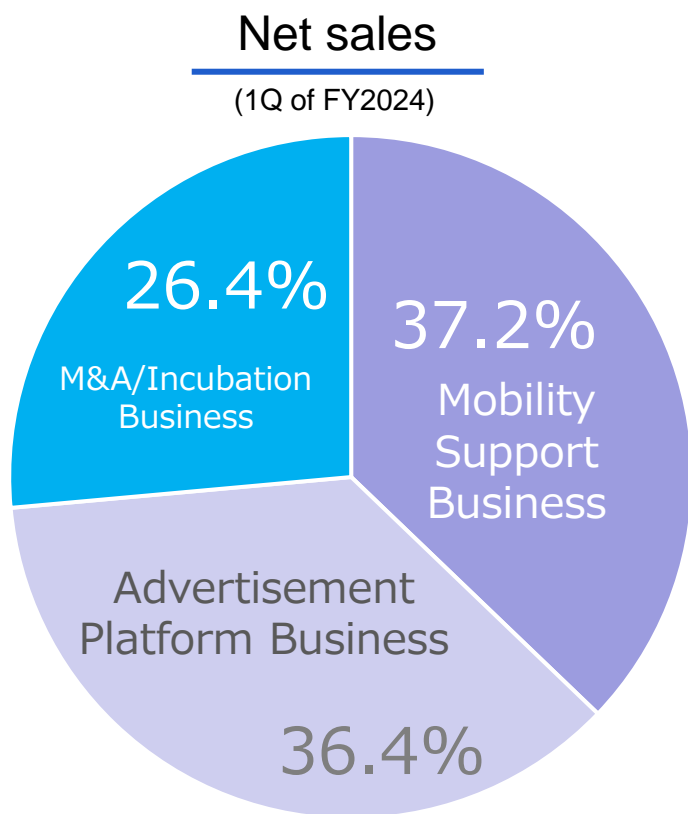


Proportions by segment

1Q of FY03/2024

Proportions of net sales are almost the same for the three segments

Negative EBITDA in Advertisement Platform Business is offset by Mobility Support Business



* EBITDA in Advertisement Platform Business is negative



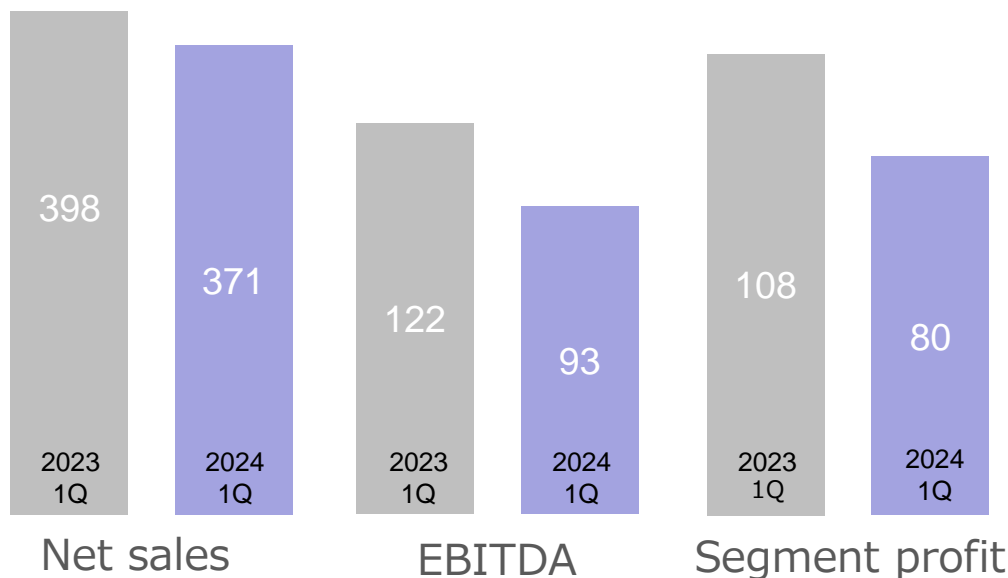
Mobility Support Business

1Q of FY03/2024

Lower revenues / Lower earnings

					(YoY)
Net sales	371 mil. yen	-6.7%	-26 mil. yen	FY2023	398 mil. yen
EBITDA	93 mil. yen	-23.6%	-28 mil. yen	FY2023	122 mil. yen
Segment profit	80 mil. yen	-25.5%	-27 mil. yen	FY2023	108 mil. yen

(mil. yen)



Factor 1: Lower revenues / Lower earnings

This segment experienced downward trend because of continuously decreasing number of paid subscribers due to commoditization of Transfer Information service

Factor 2: Lower earnings

Additional cost was incurred for renovation of "BTOOnline" (a service for arrangement of ticketless business trip) which had already carried out during the previous consolidated FY



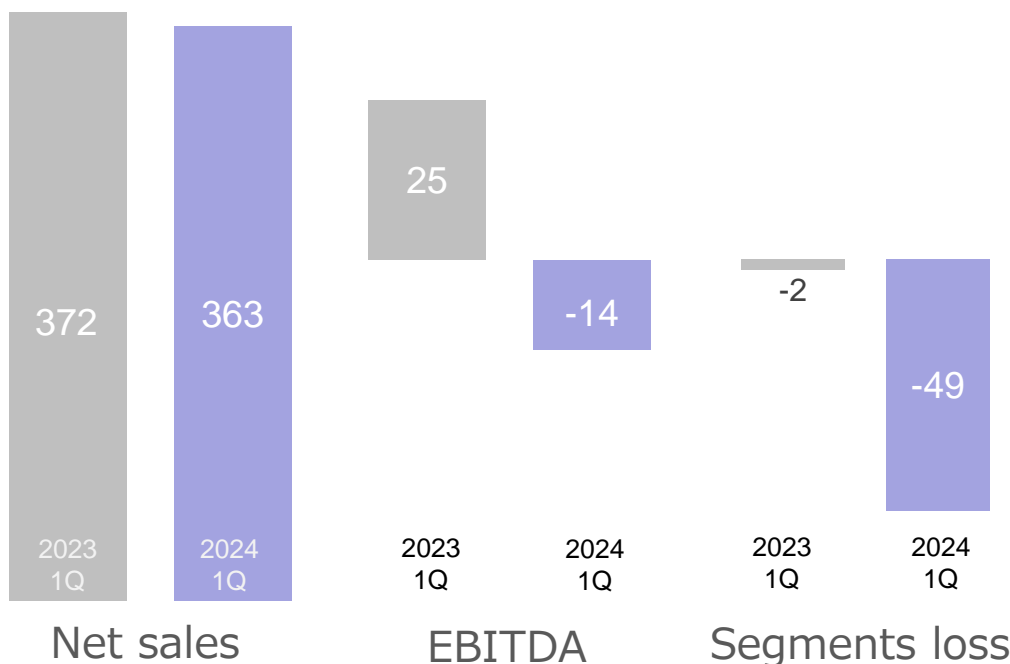
Advertisement Platform Business

1Q of FY03/2024

Net sales slightly decreased, EBITDA and Segment profit decreased

						(YoY)
Net sales	363 mil. yen	-2.4%	-8 mil. yen	FY2023	372 mil. yen	
EBITDA	-14 mil. yen	-154.4%	-39 mil. yen	FY2023	25 mil. yen	
Segment profit	-49 mil. yen	—	-47 mil. yen	FY2023	-2 mil. yen	

(mil. yen)



Factor 1: Higher revenues

Proud Engine Inc.

Newly joined to this segment since the last 3Q

Factor 2: Lower revenues / Lower earnings

With respect to “Cirqua”, an advertisement service operated by Cirqua, profitability status temporarily improved thanks to operations based on new criteria for posting advertisings in accordance with the revised PMD Act, but increasingly severe environment around this segment resulted in lower revenues



M&A/Incubation Business

1Q of FY03/2024

New segment

* YoY not applicable

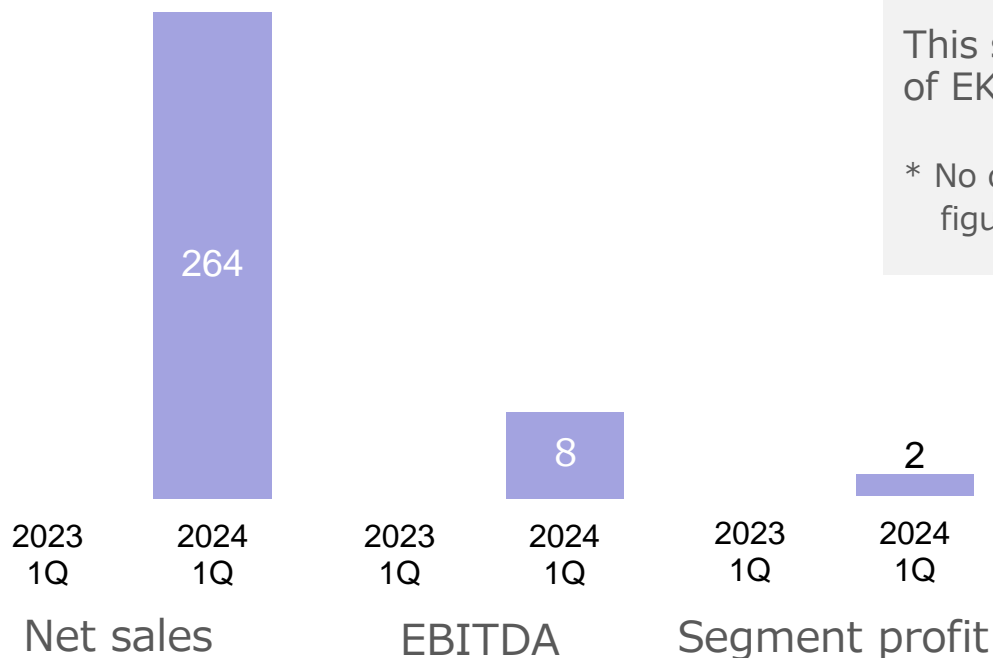
Net sales	264 mil. yen	—	—	FY2023	—
EBITDA	8 mil. yen	—	—	FY2023	—
Segment profit	2 mil. yen	—	—	FY2023	—

(mil. yen)

Background

This segment was newly added due to establishment of EKITAN&Co., Ltd. on April 25, 2023

* No data is available on the previous FY for comparison, figures are given only for the current 1Q





Current progress in primary measures (1Q of FY2024)

Framework

Regional Marketing Platform Framework

Strategies	Measures	Progress
RMP strategies*	<p>【Media business】</p> <ul style="list-style-type: none"> Facilitating the RMP framework <ul style="list-style-type: none"> Enhancement of media (Ekitan PICKS, Ekitan LOCAL, and Ekitan Odekake-Lab) Higher regional XX search ranking achieved by richer regional information and contents More revenues from Ad-net/affiliate advertising (By becoming a regionally powerful site attracting more users, visitors to the media should be increased) 	<ul style="list-style-type: none"> Releasing articles like “XX from YY station” which we are good at Adding information about various events in each region Adding information about each spot
	<p>【Advertisement business】</p> <ul style="list-style-type: none"> Sales expansion by advertisement media Expansion of Proud Engine and Cirqua (matching of advertisers and media) (Applying both companies’ own technologies relating to advertisement and other elements to the RMP framework will lead to profitability expansion) 	<ul style="list-style-type: none"> Demonstration experiments were started in order for profitability expansion of Ekitan PICKS by making use of Ad-network system of Cirqua and SNS advertisement operation of Proud Engine
	<p>【Solutions business】</p> <ul style="list-style-type: none"> Development of solutions services in line with the RMP framework For municipalities and railway companies <ul style="list-style-type: none"> (services related to transfer information for corporations) Providing services which contribute to regional revitalization <ul style="list-style-type: none"> For municipalities and railway companies Existing services (MaaS package, etc.) Providing new solutions services 	<ul style="list-style-type: none"> Adopted as a “Co-creation Model Operational Demonstration Project (2023)” sponsored by MLIT “Esashi MaaS” which is an earnings circularity model aiming at maintaining and revitalizing regional public transportation
M&A/alliance strategy	Faster promotion of M&A/Incubation Business	<ul style="list-style-type: none"> EKITAN I&I Co., Ltd. was established (Apr. 28, 2023)

* RMP (Regional Marketing Platform) strategy: To create new sources of earnings by using EKITAN’s business assets namely media clients such as transfer information technologies and EKITAN.com. It is an effort to “connect business entities and users around a regional axis”.



My town as usual may be more convenient and interesting

Regional media which provide information useful for housing/living around local information about outing and events

Adding information about various events in each region

駅探 LOCAL いつもの街を、もっと便利におもしろく

東京都のイベント一覧

指定された条件で表示しています。 [条件を変更](#)

1~18件 / 18件 (新着順)

新宿ペイントパーティー「カクテル片手に絵を描こう」ダーツアップ 西新宿店 (8月)

お酒を飲みながら楽しく絵を描こう

開催 2023年8月5日(土)~8月19日(土)

会場 ダーツアップ 西新宿店

東京都 新宿区 新宿駅/都庁前駅/西新宿駅

駅内

「ICC キッズ・プログラム 2023」ギャラリーツアー
小学生とその保護者向けの対話型鑑賞ツアー

開催 2023年8月5日(土)

会場 NTTインターコミュニケーション・センター「ICC」

東京都 新宿区 初台駅/参宮橋駅/西新宿五丁目駅

駐車場 駅内

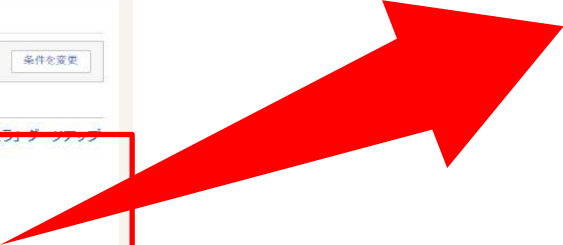
ICC キッズ・プログラム 2023 「ごんには、もうひとつのじぶん」
メディアアートを体験する入場無料の展覧会

開催 2023年8月1日(火)~8月20日(日)

会場 NTTインターコミュニケーション・センター「ICC」

東京都 新宿区 初台駅/参宮橋駅/西新宿五丁目駅

無料 駐車場 駅内



駅探 PICKS

歌籠伎町おすすめのブランド買取店7選 | 買取方法やポイントまとめ

▼ もっとみる

新宿ペイントパーティー「カクテル片手に絵を描こう」ダーツアップ西新宿店 (8月)



お酒を飲みながら楽しく絵を描こう

ペイントパーティーはBARとお酒を飲みながら大勢で楽しく絵を描くイベント。初心者でもお手本の絵をもとに講師の先生が1ステップごとに教えてくれて、2時間で絵が完成！インスタ映えする写真撮ってもらえて、絵は持ち帰れる。キャンバス、絵の具などはすべて用意してくれるので手ぶらで参加OK。お祝い、女子会、デート、子連れ家族、一人でも、ワイワイ楽しめて思い出に残る体験。趣味友もできるかも。事前申し込み制。

ペインティ 駅内

基本情報

開催期間・時間	2023年8月5日(土)~8月19日(土) 13:00 ~ 15:00 開催日は8/5・19
会場	ダーツアップ 西新宿店 東京都新宿区西新宿1-19-4
駐車場	なし
料金	有料 前売り券4,620円 当日券5,620円 ※ワンドリンク制
お問い合わせ	050-3716-9785(ペインティ事務局)
参考URL	> 公式サイト/関連サイト

※掲載の情報は天候や主催者側の都合などにより変更または中止になることがあります。

情報提供: EventBank
2023/07/30

In conjunction with strengthening relationship with municipalities / railway companies, reinforcement and enhancement of regional information are sought



Ekitan Odekake-Lab

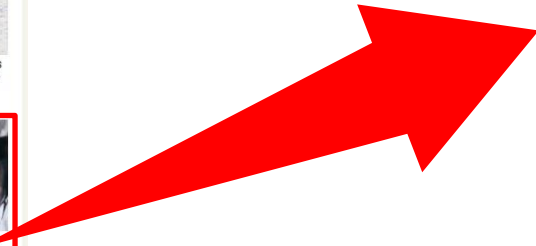
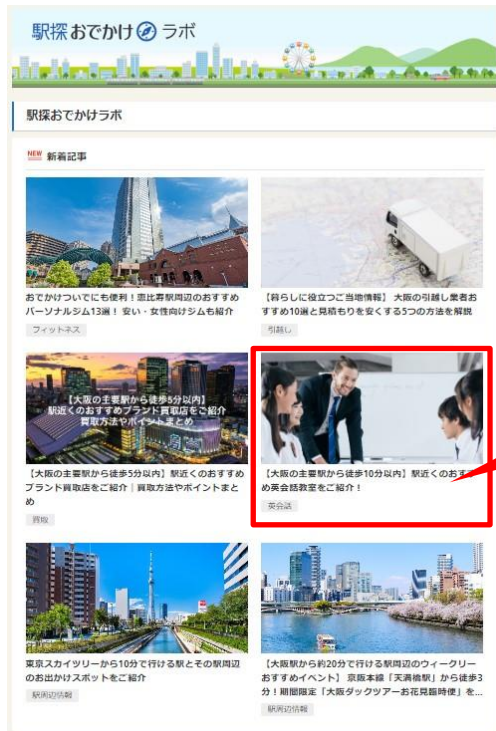
Media business

駅探 おでかけ ラボ

A website that gathers events information and distributes regional information

Areas surrounding a station are analyzed using our own data and transfer information technologies
Regional information is provided, such as recommended events and outing spots

Releasing articles like “XX from YY station” which we are good at





Adding information about each spot

Featuring information about tourist spots
Information about amusement parks and theme parks nationwide is provided

おでかけ

観光スポット

動物園に探検に行こう
珍しい動物たちに会える有名スポットから、地元で人気の動物園まで一挙掲載!

水族館で癒されませんか
カラフルな熱帯魚やかわいイルカと会えるおすすめのスポットを集めました。

週末は遊園地・テーマパークへ!
全国のテーマパークや遊園地の情報が満載。おでかけ前にチェック!

日帰り温泉でゆったり
人気の露天風呂や貸切温泉はもちろん、全国の温泉宿もご紹介します。

地図から探す
地図上の各エリアをクリックすると、地域ごとの一覧が表示されます。

地域から探す

- 北海道
- 東北: 青森/岩手/宮城/秋田/福島
- 関東: 茨城/栃木/群馬/埼玉/東京/千葉
- 甲信越: 新潟/長野/山梨
- 北陸: 福井/石川/富山/岐阜
- 東海: 愛知/三重/滋賀/京都/奈良
- 四国: 徳島/高松/香川/愛媛/高知
- 中国: 鳥取/岡山/広島/山口
- 九州・沖縄: 福岡/佐賀/長崎/熊本/大分/宮崎/鹿児島/沖縄

全国の遊園地・テーマパークから駅探がピックアップ

【東京】東京ドームシティアトラクションズ
スリルライドからファミリー向けまで、20種類以上のアトラクションが楽しめる入場料無料の遊園地。
[詳細はこちら](#)

【山梨】富士急ハイランド
世界に誇る富士急大コースター「FUJIYAMA」「ド・ドン!」「ええじゃないか」「轟轟車」のほか、回転系絶叫アトラクション「デンデコマイ」も人気。
[詳細はこちら](#)

【大阪】ユニバーサル・スタジオ・ジャパン
ライド・アトラクションだけでなく、様々なショー・アトラクションも楽しめる。パーク内では数多くの人気キャラクターたちと出会え、一日では遊びきれないほどだ。
[詳細はこちら](#)

気軽に立ち寄れる都市型アミューズメントパーク
東京ドームシティアトラクションズ

アクセス案内

行き方: JR中央線水戸橋駅から徒歩

【料金】入場料無料、ワンデーパスポート大人4200円・中学生3700円・小学生2800円・3歳以上1800円・80歳以上3700円、アトラクション450~1500円

営業時間: 10:00~21:00

休業日: 無し

雨天時の楽しみ方: 雨、嵐の程度やアトラクションにより異なる

飲食施設について: 園内ドベンチ・テーブル設置スペース

飲み物について: 東京ドームシティ内に多数あり

乳幼児お預けについて: ベビーベッド・授乳室・給乳室、ベビーカー貸し出しあり

お問い合わせ先: 東京ドームシティアトラクションズ(03-5800-0000 東京ドームシティわくわくダイヤル) 03-3817-0001

ペット同伴について: 園内は、園内は原則により異なる



Solutions business

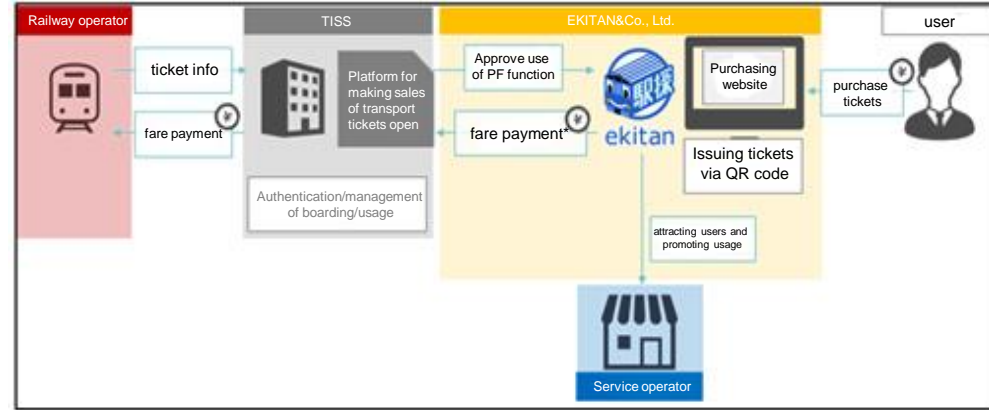
Took part in demonstration experiments of “digital boarding tickets + service usage” conducted by Tokyo Metro at every station of Marunouchi Line

Purpose To make sales of tickets open and to realize external ticket sales by entities other than railway companies
 Demonstration experiments to examine how “service usage + movement” are facilitated

■ Role of each participating company

Name	Role overview
Tokyo Metro	As a railway company to provide experimental fields
Toshiba Infrastructure Systems & Solutions	To provide digital boarding ticket system
EKITAN	To provide, with via-at, UI for purchasing boarding tickets and substitute settlement services
via-at	To provide services for co-working spaces

■ Diagram of service provision



■ Overview of the demonstration experiments

Period

April 25 - June 25, 2023 * This period is subject to change.

Relevant stations: Marunouchi Line of Tokyo Metro (5 stations as shown below)

Shinjuku / Yotsuya 3-chome / Awaji-cho / Ochanomizu / Ikebukuro (east gate of central passage only)

Relevant services

via-at, Marunouchi Line

Eligible user

users of the above relevant services

This demonstration experiment will lead to enhancement of the following services of EKITAN

- Integration of Transfer Information site run by EKITAN with other contents sites which support from sales to issuance of boarding tickets
- Obtaining new paid subscribers from contents additional to existing services for paid subscribers of Transfer Information
- Adding functions of EKITAN's own MaaS packages



Solutions business

Adopted as a “Co-creation Model Operational Demonstration Project (2023)” sponsored by MLIT

“Esashi MaaS” which is an earnings circularity model aiming at maintaining and revitalizing regional public transportation
We have participated in the final demonstration experiment so that it would become our actual business in 2024

■ Key functions

- 1 On-demand car reservation (phone/call-center, LINE app) and movement
- 2 Information about stores/shopping-mall
- 3 Distribution of shopping coupons
- 4 Information about municipal events
- 5 Borrow/return books from/to library

■ Operating period

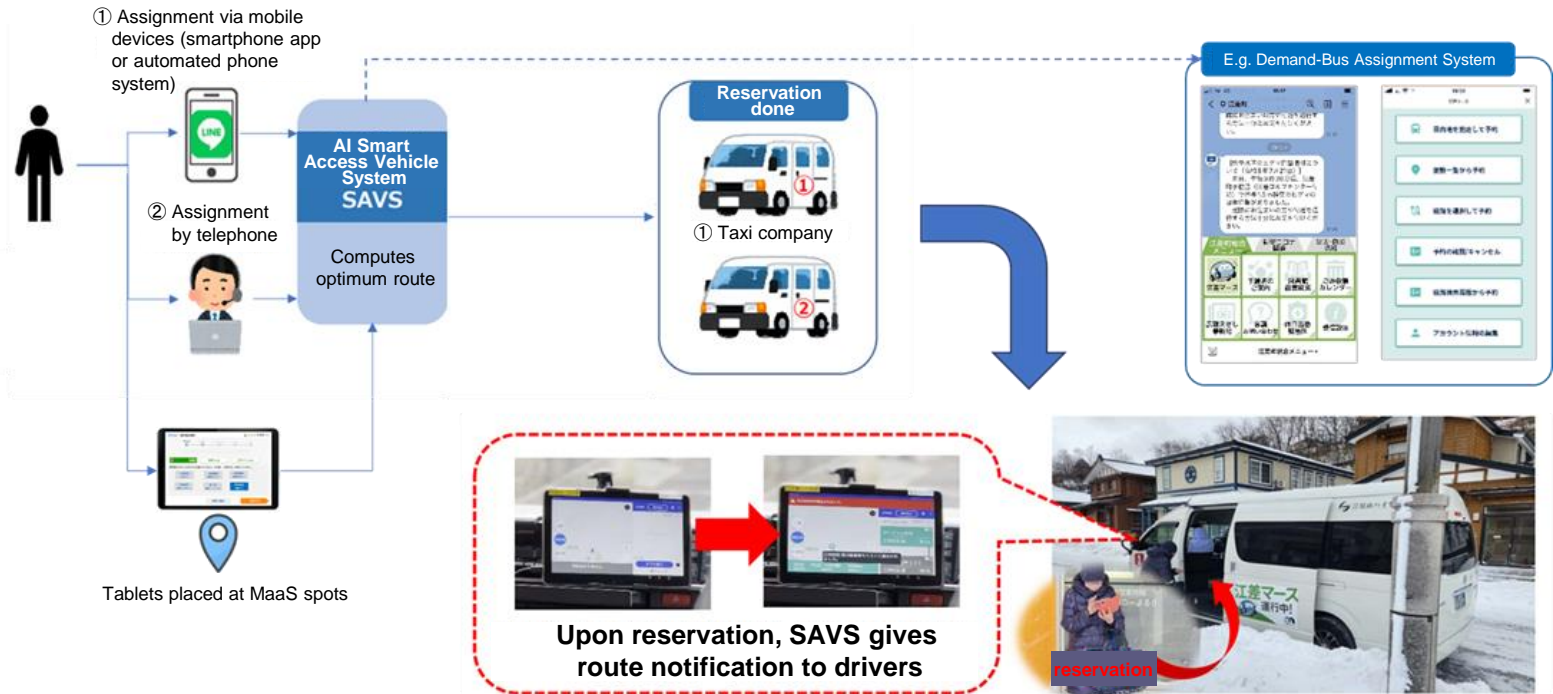
Nov. 2023 - Feb. 2024

■ Covered area

Esashi Town (almost all)

■ Eligible user

Residents of Esashi Town (operating area) and visitors from Okushiri Town to Esashi Town



■ This system increases demands for travel/purchase, and tries a revenue cycle model in which income of the business entity is returned for service operation

■ This is an attempt to increase convenience for residents such as introduction of cashless payment with Esashi EZOCA card



M&A/alliance strategy

Established **EKITAN I&I Co., Ltd.**

Joint venture established with ITL Holdings

(a group company affiliated to Bold Investment which is a top shareholder of EKITAN)

to strengthen investment/incubation business



fellow subsidiary of Bold Investment which is a top shareholder of EKITAN

Purposes

Purpose 1: Accelerating M&A/alliance strategy

By making use of ITLHD's own insights into and know-hows of investment/incubation

Purpose 2: Measures to convert affiliated companies to subsidiaries (under a joint venture) for expanded profitability

By ensuring stable profitability of Bold and its affiliated companies, and convert several companies which would realize synergies with the Group to subsidiaries of the joint venture, improvement in the Group's profitability should be sought.

(Stage 1) Three companies of GC, CYB and ITJ became subsidiaries of the joint venture (sub-subsidiaries of EKITAN)

These companies have abundant track records and know-hows of dispatching engineers to multiple fields, system-engineering, and software systems development

Corporate profile of EKITAN I&I Co., Ltd.

Name:	EKITAN I&I Co., Ltd.
Address:	5-4, Kojimachi, Chiyoda Ward, Tokyo
Established:	April 25, 2023
Business activities:	Overall management control over the Group's subsidiaries, etc. and any other contingent business operations
Capital stock:	160 mil. yen
Fiscal year end:	March 31
Capital contribution ratio:	90.0% by EKITAN 10.0% by ITL Holdings



**From the
Stations**

駅から始めよう

Section 3

Performance forecasts
FY03/2024



Performance forecasts (FY03/2024)

Higher revenues / Lower earnings (forecasts)

Advertisement Platform Business

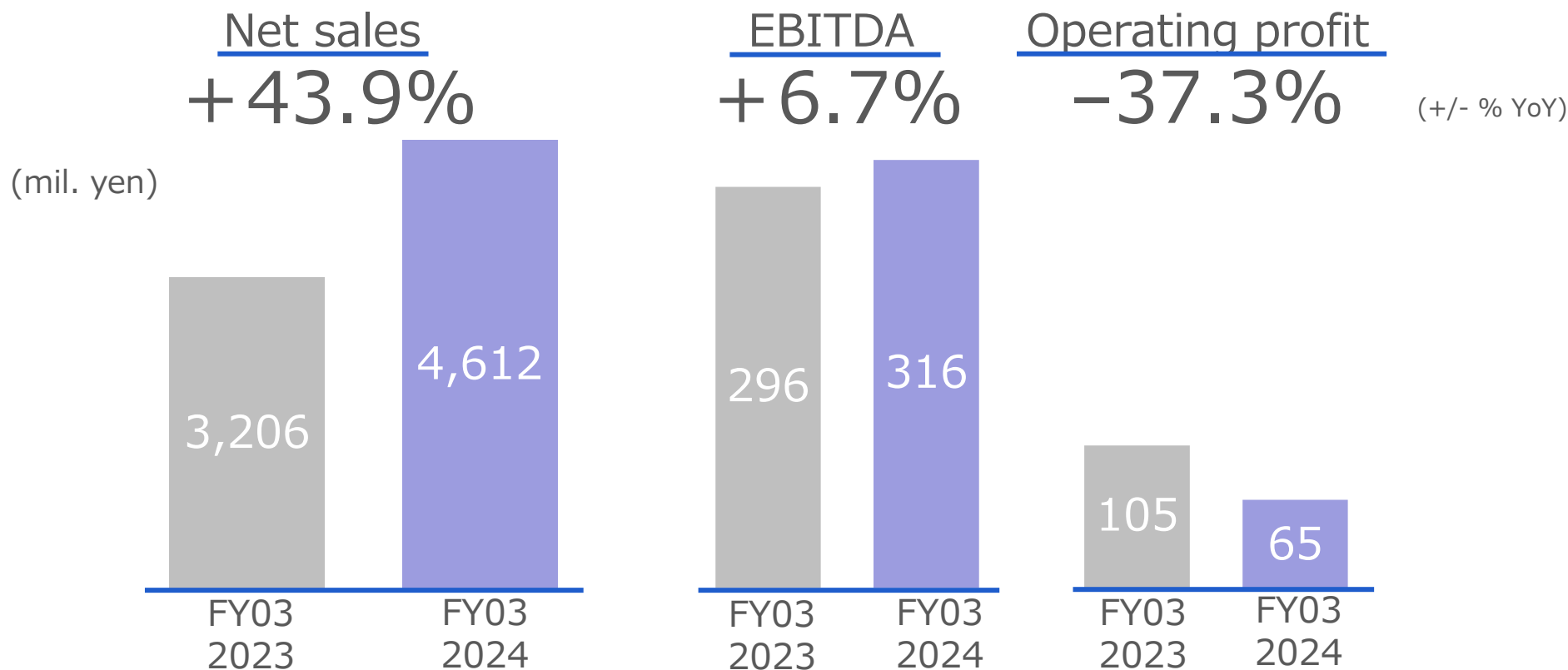
For growth of the next mainstay business in FY03/2025 and onward, various measures and investment should be carried out so that business foundation could be built up

Mobility Support Business

There will be temporary cost increase influenced by renovation of "BTOline" (a service for arrangement of ticketless business trip)

M&A/Incubation Business

There will be some amount of temporary cost associated with establishment and share acquisition of EKITAN I&I Co., Ltd., but this company is projected to contribute to the Group's overall earnings



~ From the Stations ~



From the
Stations

駅から始めよう

【Contact for IR】

EKITAN Co., Ltd. IR staff E-mail ir@ekitan.co.jp
URL <https://ekitan.co.jp/>

These materials are intended only for providing information for reference concerning current business performance, and therefore investors are encouraged to make their final decisions on investment or any other matters based on their own judgements.

Of course these materials have been created with extreme care as much as possible. However, the Company shall not assume any responsibility for their completeness.

In addition, the Company shall not assume any responsibility for any results and other matters concerning investment decided based on these materials.

Forecasts and plans presented in these materials have been created based on currently available information. Actual business performance to be achieved in the future may differ from such forecasts and/or plans due to various factors including overall economic situations.