



PORT INC.

Second Quarter of the Fiscal Year
Ending March 31, 2023
Financial Results Briefing

PORT INC. Securities Code: 7047

November 14, 2022



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01

**Summary of Results in the Second Quarter
of Fiscal Year Ending March 31, 2023**

Executive Summary

Sales revenue: **2,640** million yen Adjusted EBITDA: **746** million yen EBITDA: **510** million yen

- ✓ Both sales revenue (up 77% YoY) and EBITDA exceeded previous quarterly record highs. Among others, the Job Hunting Segment drove growth as sales revenue was up 66% year on year.
- ✓ In the Renovation Segment, sales revenue surpassed previous quarterly record highs due to the strong performance of PMI.
- ✓ In the Energy Segment, the number of intermediary transactions grew to produce positive effect on results despite the adverse impact of the market environment.

Job Hunting

Sales revenue and operating income grew significantly year on year, reflecting strong indicators in both the number of customers who used the job hunting support service and that of customers who used the recruiting support service.

Sales revenue: **939** million yen (up 66% yoy) Operating income: **517** million yen (up 94% yoy)

Budget for sending customers: up 45% yoy Number of people introduced: up 65% yoy

Renovation

Sales revenue exceeded previous record highs, reflecting progress in the improvement of marketing efficiency and the implementation of DX in contracting services.

Sales revenue: **323** million yen (up 14% yoy) Operating income: **108** million yen (up 145% yoy)

Number of customers sent: up 7%

Number of contracts: down 8% YoY Number of member companies: up 11% YoY CPA: down 29% (compared to 3Q of FY ended March 2021)

Card loans

We maintained high profitability for the segment. We project a significant increase in sales revenue in 3Q and beyond because the optimization of advertising became feasible in the first half.

Sales revenue: **417** million yen (down 13% yoy) Operating income: **76** million yen (down 14% yoy)

Energy

Efforts to minimize the impact of the market environment such as the rising resource prices and a strong number of customers intermediary transactions were factors positively impacting the results.

Sales revenue: **793** million yen Operating income: **68** million yen

New, Other Businesses

Operating income fell after the withdrawal from businesses due to a focus on the Energy Segment and other segments and the revision of the portfolio.

Sales revenue: **167** million yen (up 3% yoy) Operating income: **8** million yen (down 37% yoy)

Q2 Results for FY Ending March 2023

- Sales revenue was **up 77%** year on year, reflecting growth driven by the Job Hunting Segment.
- Profitability indicators also showed a **significant year-on-year rise** in profitability, reflecting steady increases in operating income in respective areas.

*Accounting standards: IFRS	Q2 Result for FY Ending March 2023	Q2 Result for FY Ending March 2022	YoY Change (%)
Sales revenue	2,640	1,491	+77%
Adjusted EBITDA	746	337	+121%
EBITDA	510	146	+248%
Operating profit	442	96	+358%
Profit before tax	429	89	+383%
Profit	314	54	+476%
Profit attributable to owners of parent	303	54	+456%

* EBITDA = Operating profit + depreciation + stock-based compensation expenses (The figure for Q2 of the year ended March 2022 does not include stock-based compensation expenses.)

* EBITDA after adjustment = EBITDA + Account investment + Content investment + System investment

(Million yen)

First Half of the Fiscal Year Ending March 31, 2023

- Sales revenue **increased 81% year on year** and profitability indicators showed **a significant increase in profitability.**

*Accounting standards: IFRS	Year ending March 2023 First Half Results	Year ended March 2022 First Half Results	YoY Change (%)
Sales revenue	5,266	2,914	+ 81%
Adjusted EBITDA	1,355	599	+ 126%
EBITDA	914	221	+ 312%
Operating profit	792	123	+ 541%
Profit before tax	777	105	+ 640%
Profit	601	57	+ 954%
Profit attributable to owners of parent	534	57	+ 838%

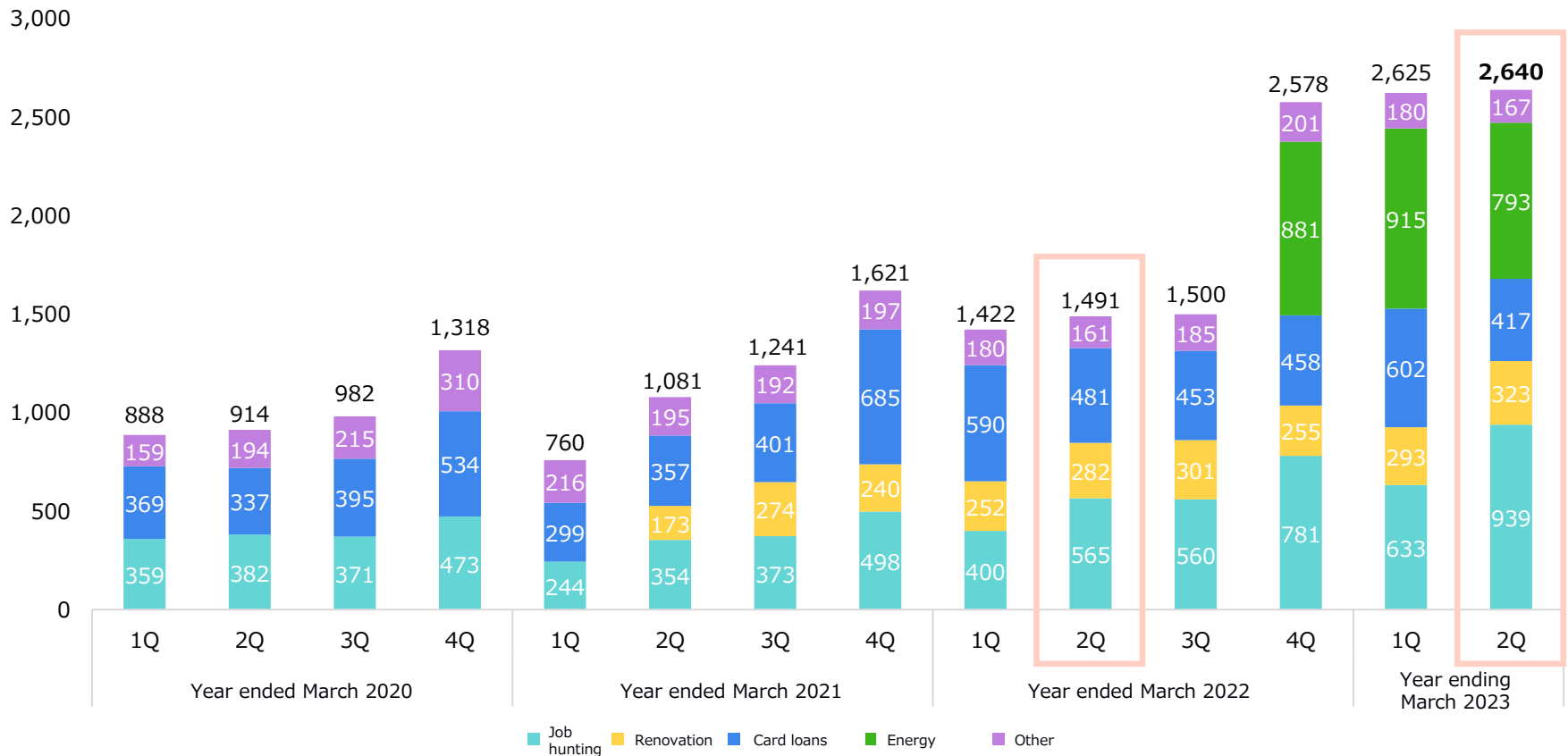
* EBITDA = Operating profit + depreciation + stock-based compensation expenses (The figure for Q2 of the year ended March 2022 does not include stock-based compensation expenses.)

* EBITDA after adjustment = EBITDA + Account investment + Content investment + System investment

(Million yen)

Trends in Quarterly Sales Revenue by Segment

- Sales revenue surpassed the level for Q1 of the year ending March 2023 and **hit a record high on a quarterly basis**.
- Sales revenue **grew 66%** year on year in the Job Hunting Segment. In addition, **26% year-on-year** growth was recorded in existing businesses, including the Renovation and Card Loans segments.



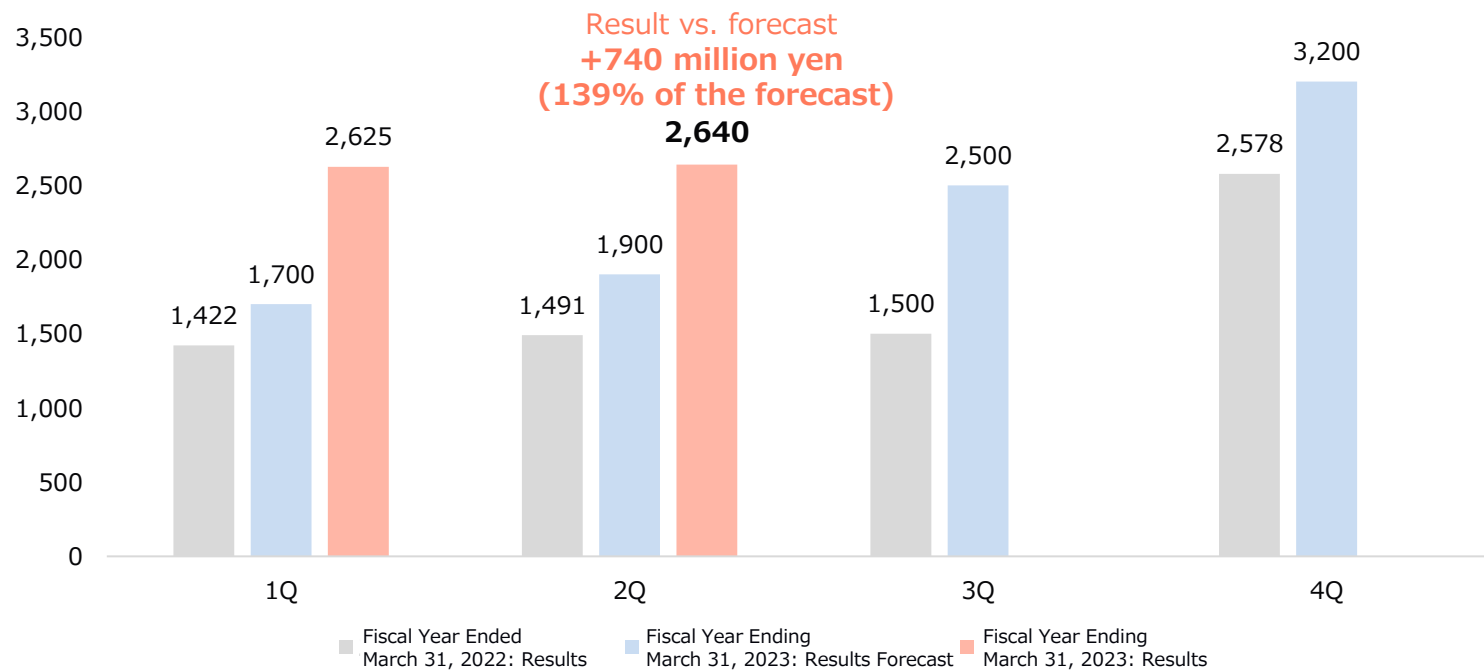
Trends in Quarterly Sales Revenue



- It was much higher, **39% higher** than the initial forecast.

	Q2 Results Forecast	Q2 Results	Difference	Achievement Rate
Sales revenue	1,900	2,640	740	139%

Sales revenue



(Million yen)

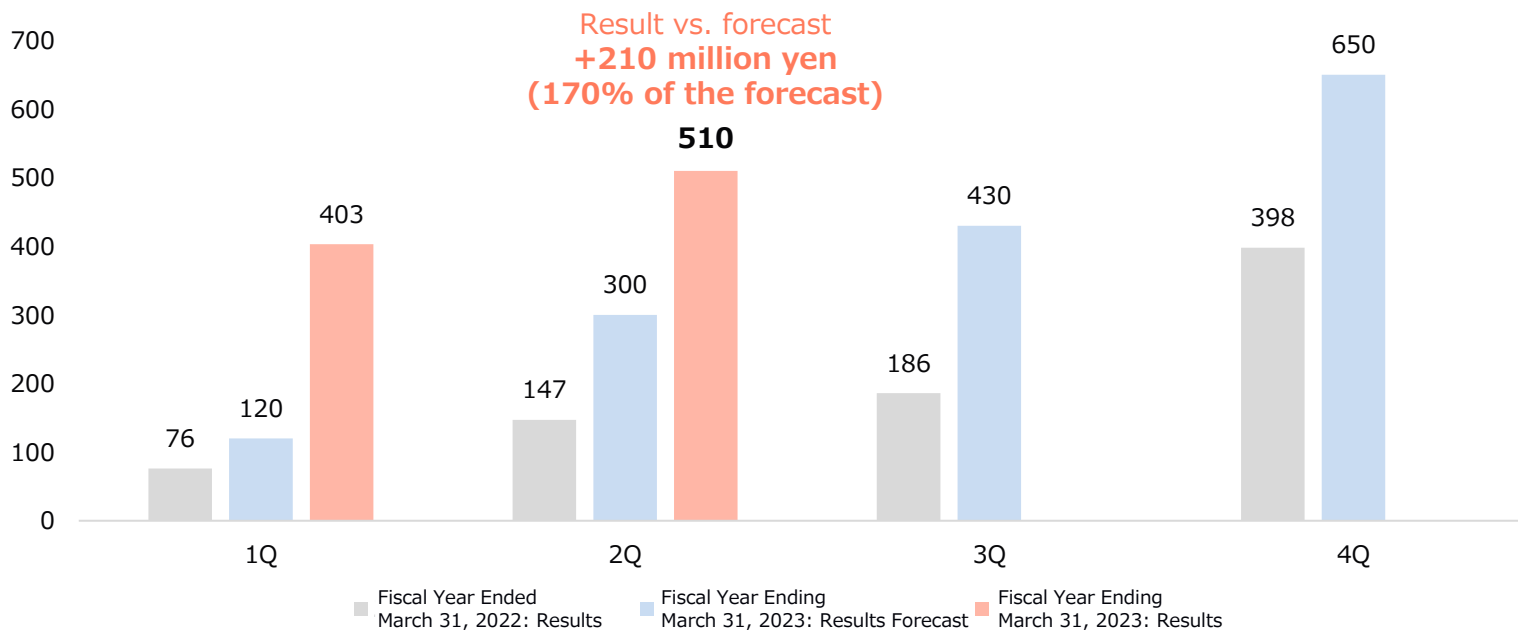
Quarterly Results Forecast for EBITDA



- It was much higher, **70% higher** than the initial forecast.

	Q2 Results Forecast	Q2 Results	Difference	Achievement Rate
EBITDA	300	510	210	170%

EBITDA



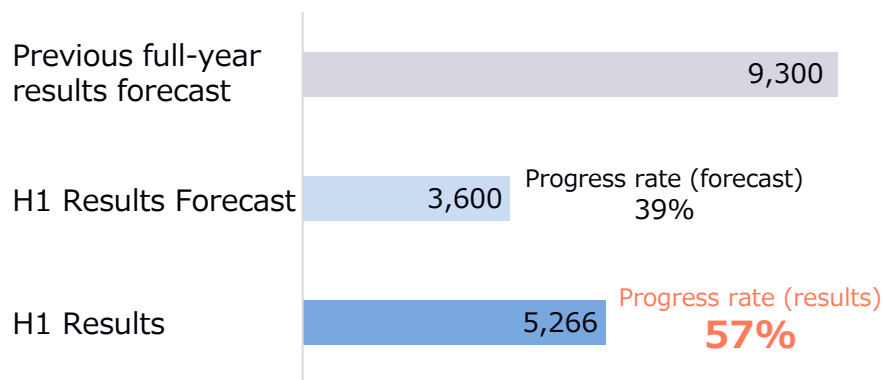
* EBITDA = Operating profit + Depreciation and amortization + stock-based compensation expenses
As stock-based compensation expenses have been added, figures for FY2022/3 have been adjusted

Full-Year Results Forecast (changes from the previous results forecast)

- Typically, we record higher sales in the second half than in the first half. That said, in light of strong results in both Q1 and Q2, as well as very good progress toward targets, we have decided to make upward revisions to the full-year forecast.

Sales revenue

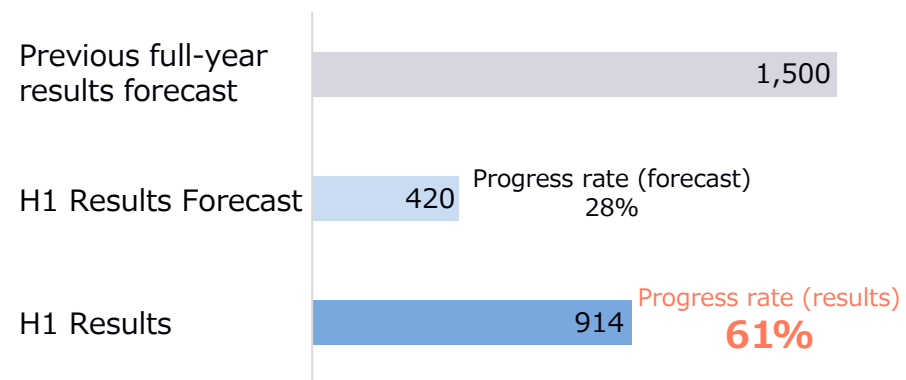
	Previous full-year results forecast Announced on May 13, 2022	H1 Results	Progress in H1
Sales revenue	9,300	5,266	57%



Reference: Progress rate for H1 of the previous fiscal year: 42%

EBITDA

	Previous full-year results forecast Announced on May 13, 2022	H1 Results	Progress in H1
EBITDA	1,500	914	61%



Reference: Progress rate for H1 of the previous fiscal year: 27%

* The progress rates for H1 of the previous fiscal year was calculated based on the results for the previous fiscal year.

Revisions to the Results Forecast for the Fiscal Year Ending March 31, 2023

- In conjunction with the Medium-Term Management Plan, taking serious external business environments into consideration, we re-examined the respective Segments' plans conservatively at the beginning of the FY ending March 2023, or the final year of the Plan, renewing them to reflect results forecasts that we believe are achievable (initial plan: sales revenue of 10 billion yen and EBITDA of 2 billion yen).
- In light of the remarkable growth of the Job Hunting Segment and solid performance of the Energy Segment, we **have re-calculated the Segments' projections conservatively** and as a result, found that both sales revenue and profits are expected to be higher. We therefore have decided to make revisions to the results forecast.
- Sales revenue is expected to **exceed 10.0 billion yen**, or the initial projection of the Medium-Term Management Plan.

	Year ending March 2023					
	Sales revenue	EBITDA	Operating profit	Profit before tax	Profit	Profit attributable to owners of parent
Initial plan (Announced on September 18, 2020)	10,000	2,000	-	-	-	-
Previously announced forecasts (Announced on May 13, 2022)	9,300	1,500	1,200	1,100	800	700
Revised forecast (Announced on November 7, 2022)	10,300	1,750	1,450	1,350	975	850

Reason for the Revision of Results Forecasts

- We are making progress toward achieving results that surpass the initial plan, driven by the Job Hunting and Energy Segments, coupled with the improved profitability of the Renovation Segment.

Job Hunting

In 2Q, sales revenue of the Job Hunting Segment **increased 66% year on year.**

- The external environment is improving, reflecting firm corporate hiring needs and rising competition in recruiting, coupled partly with a recovery in inbound tourism. Against this background, both the number of customers who used the job hunting support service and that of customers who used the recruiting support service are very strong, aided by a solid membership base accounting for approximately 75% of job hunters.

Energy

Forecasts for both revenue and operating income have both been revised upward, reflecting solid performances despite harsh environments.

- While electric power providers' surplus capacity is declining in terms of new customer acquisition, demand for reviewing electricity is growing among users.
- The number of electricity agency services increased year on year because the contract rate remained at a high level and the efforts to strengthen cross-selling of gas and other services started to produce an effect.

Q3 of the Year Ending March 2023 and Beyond

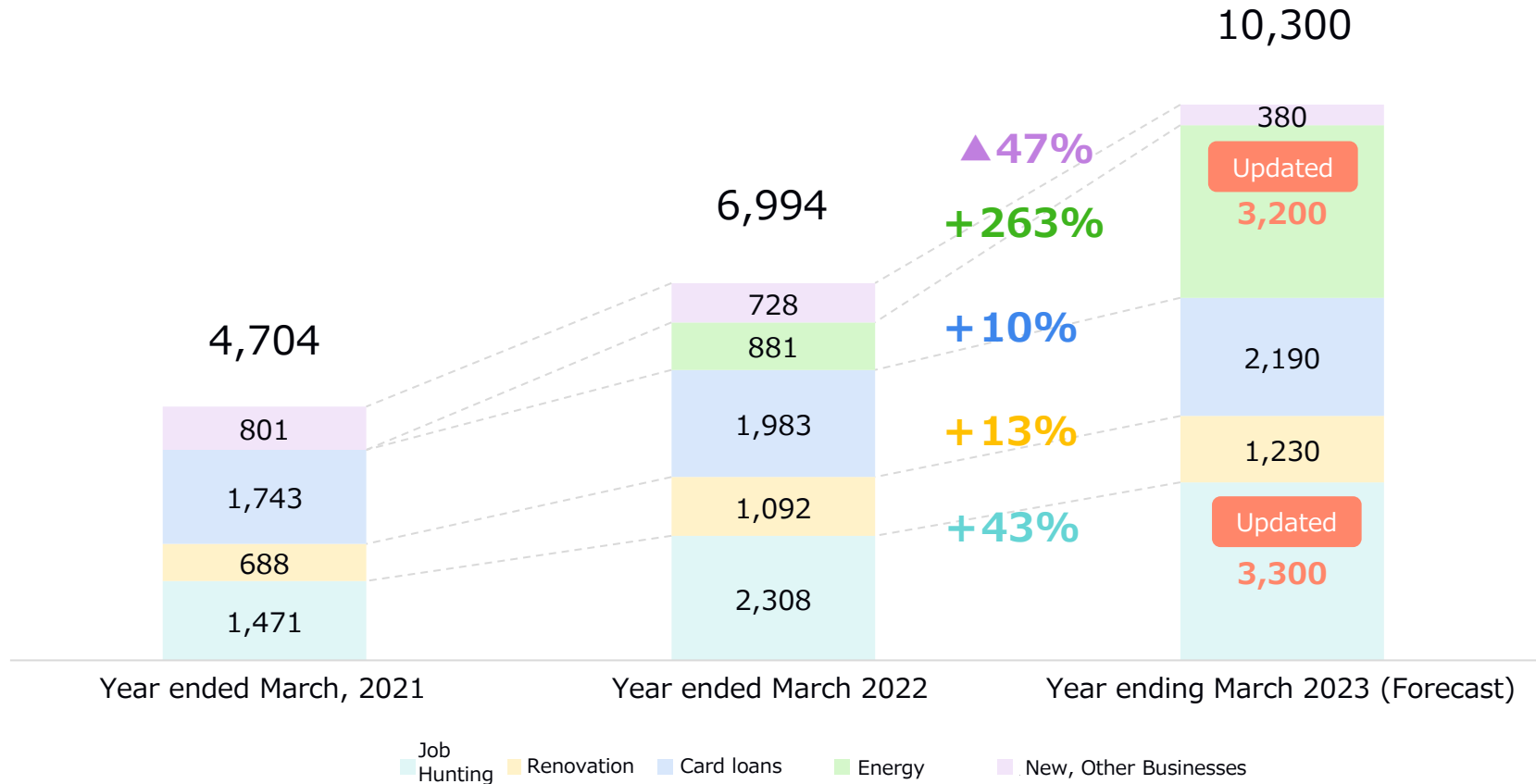


- We will aim to achieve 2.0 billion yen, the initial EBITDA target set out in the Medium-Term Management Plan by continuing to take necessary measures and implement adjustments.

Job Hunting	Corporate hiring needs will continue to remain firm, and many companies are expected to further increase the number of employees who graduate from schools in 2024. Given this situation, we expect steady growth in results in the second half, a period during which demand rises, as well as in the first half.
Renovation	We expect a steady rise in operating income and, in addition, we will facilitate the optimization of marketing with a view toward again achieving topline growth in the next fiscal year and beyond.
Card loans	Our policy is to continue operation with a focus on securing operating income while simultaneously capitalizing on a recovery with the absence of customer's budget cuts, aided a range of measures taken to expand consumer spending, such as the reopening of the economy.
Energy	The market environment remains challenging. Even so, we will aim to increase the number of electricity agency services to the same or a higher level while at the same time we are being proactive in strengthening cross-selling and expanding businesses that generate recurring revenues.

Per-Segment Breakdown of Forecast Sales Revenue

- Results forecast for the Job Hunting Segment and Energy Segment have been revised upward.

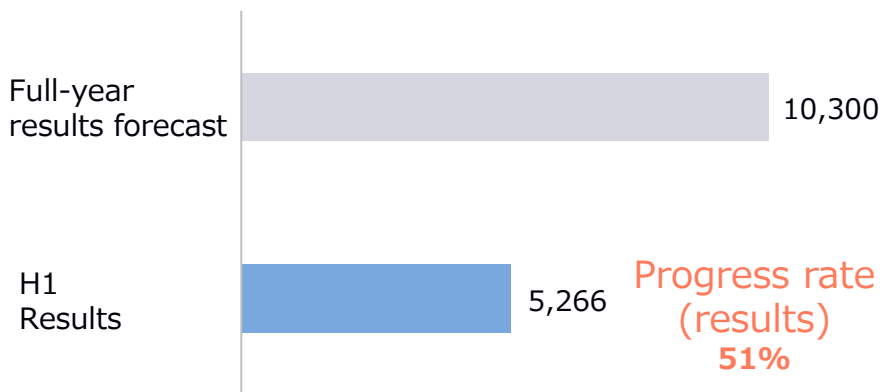


Full-Year Results Forecast Progress Rate (reflecting the upward revision)

- While sales revenue is typically higher in the second half than in the first half, we recorded strong results in both Q1 and Q2. In addition, we are making good progress toward the revised targets.

Sales revenue

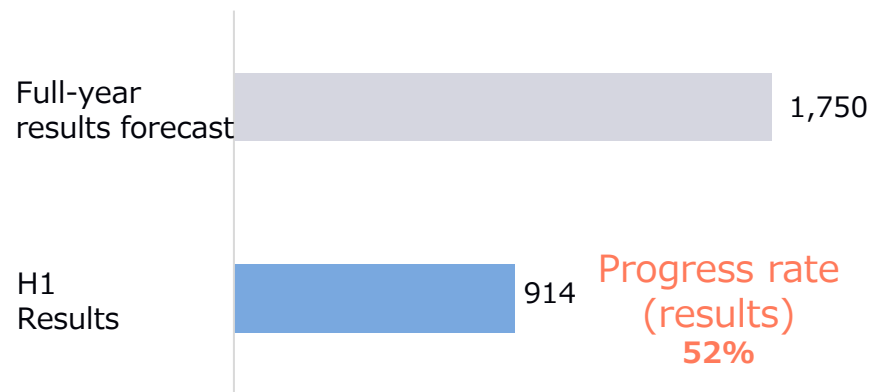
	Full-year results forecast	H1 Results	Progress in H1
Sales revenue	10,300	5,266	51%



Reference: Progress rate for H1 of the previous fiscal year: 42%

EBITDA

	Full-year results forecast	H1 Results	Progress in H1
EBITDA	1,750	914	52%



Reference: Progress rate for H1 of the previous fiscal year: 27%

* The progress rates for Q1 of the previous fiscal year was calculated based on the results for the previous fiscal year.

Medium-term Management Plan Investment Progress

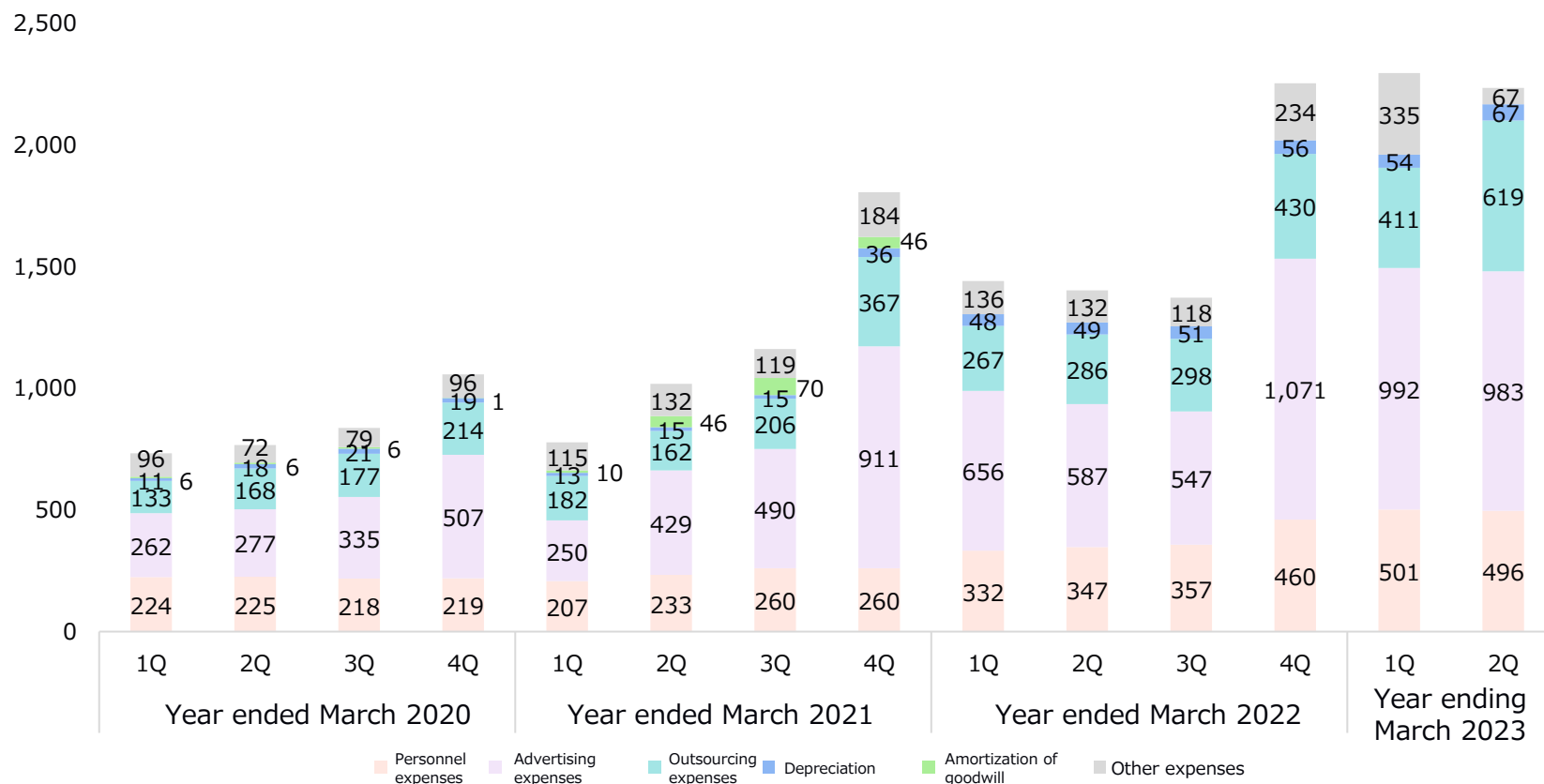
- Total investments of 235 million yen were made in Q2 in line with the initial plan.

Investment Type	Investment Value Q2 FY March 2023	Investment Details (in and after the year ended March 2021)	Investment Details (in and after the year ending March 2023)
Content Investment	38 million yen	<ul style="list-style-type: none"> Creation of video content (Job Hunting, Renovation Segment) Creation of online learning content (Job Hunting) Creation of job hunting diagnostic content (Job Hunting) Creation of original content (Renovation) Creation of alliance media content (Card Loans) Joint service development (Job Hunting) Book publication (Renovation) Port brand (all segments) 	<ul style="list-style-type: none"> Creation of illustration content (Job Hunting) Collection of job hunting data about people obtaining informal job offers (Job Hunting) Development of new services (Energy) Development of tools to deal with job hunting activities (Job Hunting) Development of reskilling content (Job Hunting)
Account Investment	41 million yen	<ul style="list-style-type: none"> New customer development (Job Hunting and Renovation) R&D into new sales channels (Job Hunting and Renovation) Development of alliances (all segments) 	
Matching system investment	156 million yen	<ul style="list-style-type: none"> Strengthening of personnel for matching operations (Job Hunting) Development of tools to reduce expenses (Job Hunting) Development of tools to boost sales (Card Loans) Improvements to matching efficiency (Renovation and Card Loans) Development of sales management system for member companies (Renovation) Building of operational system for cross-selling (Renovation) Creation of Port brand website (all segments) Development of alliance media (Renovation) Development of job hunting metaverse (Job Hunting) 	<ul style="list-style-type: none"> Construction of an operation system for increasing the contract success rate (Renovation and Energy) Building of systems to strengthen recruiting operations (Job Hunting)

Change in Major Expenses

- Mostly unchanged from the 4Q of the previous fiscal year.
- Other expenses were transferred partially to outsourcing expenses in the 2Q of the FY ending March 2023.

Change in Operating Expenses



* In and before the fiscal year ended March 31, 2021, Japan GAAP had been applied. From the fiscal year ended March 31, 2022, IFRS is applied.

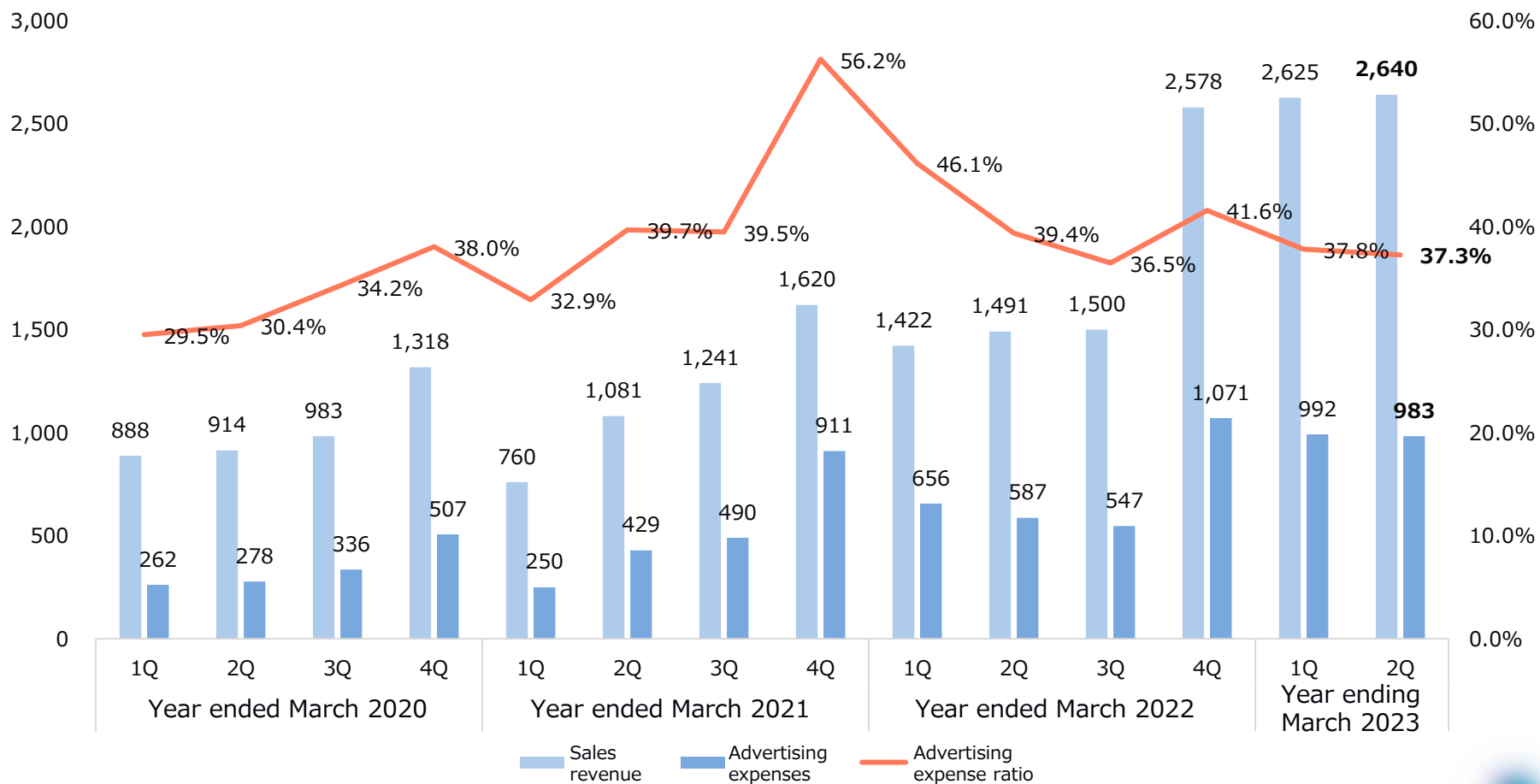
Operating Expenses: Year-on-Year Comparison

- Although expenses increased due to the consolidation of INE (Energy Segment), they decreased in terms of the ratio to sales except for outsourcing expenses.
- We have not restrained expenses, including investment activities. We expect expenses to remain at the same level in the future.

	Q2, Year Ending March 2023	Vs. Sales	Q2, Year Ended March 2022	Vs. Sales	Amount of Change	Vs. Sales
Personnel expenses	496	19%	347	23%	+149	-5%
Advertising expenses	983	37%	587	39%	+396	-2%
Outsourcing expenses	619	23%	286	19%	+333	+4%
Depreciation	67	3%	49	3%	+17	-1%
Other expenses	67	3%	132	9%	-64	-6%

Change in Ratio of Advertising Expenses to Sales Revenue

- The ratio of advertising expenses continued to be at a low level in the Renovation Segment.
- The overall advertising ratio decreased 2.1% year on year, mainly due to a decline in the sales revenue ratio of the Card Loan Segment.



(Million yen)

Statement of Financial Position




- With the contract starting (from September) to take effect with respect to the building in which the headquarters were relocated, lease liabilities increased 562 million yen.
- The ratio of equity attributable to owners of the parent increased 1.2% from the end of June to 26.2% due to the steady profitability trend, more than offsetting an increase in liabilities.

	(Million yen)	Q2, Year Ending March 2023 (September 30, 2022)	Q1, Year Ending March 2023 (June 30, 2022)	Compared with June 30, 2022
	Total Current Assets	5,222	5,212	9
	Total Non-current Assets	5,160	4,388	771
Total Assets		10,382	9,601	781
	Total Current Liabilities	2,439	2,403	35
	Total Non-current Liabilities	4,541	4,120	421
Total Liabilities		6,980	6,524	456
Total Equity		3,402	3,077	325

The Company's Valuation of Goodwill

- At present, there is no sign of impairment or other change of goodwill.

Goodwill

<p>Acquired in January 2022</p>  <p>1,490</p>	Market	△	Agency contract unit prices are trending downward as the cost of acquiring customers incurred by electric power companies dropped for reasons including the increase of resource prices and wholesale electricity prices. However, soaring electricity rates are increasing people's need to change electric power companies.
	Results	○	Despite being negatively impacted by the market to a degree, the impact was minimized and has not led to a material worsening of business performance, with a rise in the number of the intermediary transactions.
	Outlook	△	Despite uncertainty regarding recovery of the market environment, we expect to enhance normal earnings power and achieve growth by improving matching rates, enhancing recurring revenue and strengthening cross-selling
<p>Acquired on July 31, 2020</p>  <p>1,270</p>	Market	◎	Despite a declining trend in new construction projects, demand for renovation is strong. In addition, due to the development of online renovation applications, the market related to the Company is expanding.
	Results	◎	Despite the range of issues that we faced in the fiscal year ended March 2022, sales revenue and operating income have been strong, aided by various PMI measures such as the improvement of marketing efficiency and the facilitation of DX to support contracting.
	Outlook	◎	In FY2023/3, efficiency-focused management is expected to lead to a greater increase in profit
<p>Acquired on June 30, 2020</p>  <p>638</p>	Market	○	Despite a declining trend in the youth population, the number of students going to university will remain flat for the next 20 years due to an increase in the rate of students going to university. In addition, the market is on an expansionary trend due to the intensifying recruitment market.
	Results	◎	The results planned at the time of acquisition were comfortably achieved. That was a great help to the progress of the results in the Job Hunting Segment.
	Outlook	◎	Including the number of members, the KPIs grew steadily. Continued growth is anticipated.
<p>Total 3,399</p>			

(Million yen)

02

Business Results by Segment

[Results, Strategies and KPIs by Segment] Job Hunting

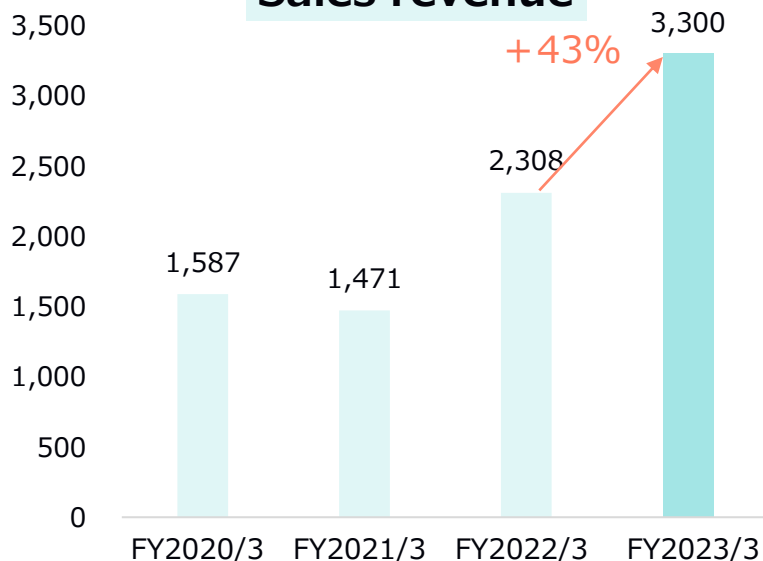
Updated

Fiscal Year Ending March 31, 2023: Results Forecast for the Job Hunting Segment

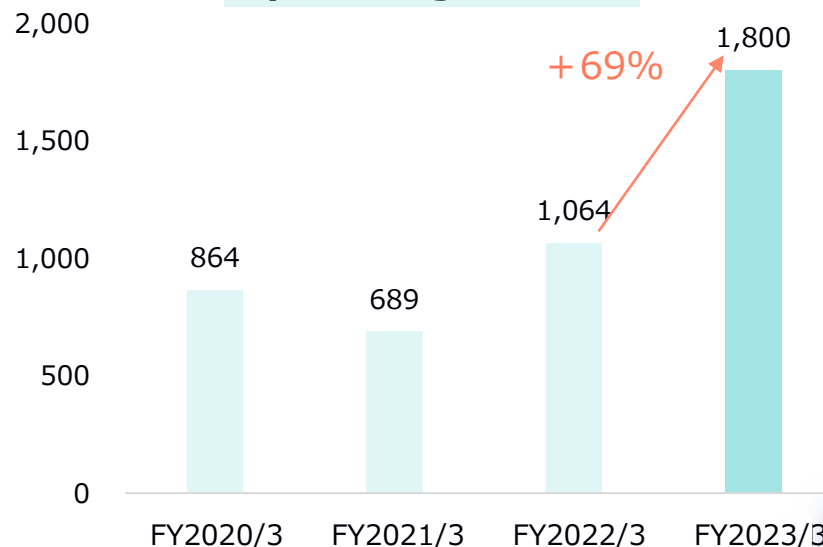
- The full-year results forecast has been revised upward, reflecting strong performances in 1Q and 2Q.
- The operating income is expected to exceed the initial plan.

	FY2022/3	FY2023/3		YoY	Compared with FY2020/3 prior to the medium-term management plan	
	Results	Initial plan Announced on September 18, 2020	Previously announced forecasts Announced on May 13, 2022			Revised forecast Announced on November 14, 2022
Sales revenue	2,308	3,650	3,000	3,300	+43%	+108%
Operating income	1,064	1,610	1,610	1,800	+69%	+108%

Sales revenue



Operating income



Report

Fiscal Year Ending March 31, 2023: Strategies for the Job Hunting Segment

- We maintain a membership base with a job hunter utilization rate of more than 70%, and the expansion of customer destinations has also proceeded steadily
- For this reason, we can secure sufficient budgets and aim to improve matching rates for both sending customers and recruitments in FY2023/3

01 Improvement in the Matching Rate

As the figure on the right shows, as we have steadily secured budgets for sending customers, in FY2023/3 we aim for growth by enhancing budget utilization rates

- In terms of measures to achieve this, we will work to improve the efficiency of all measures, focusing on the development of new channels (social media platforms such as LINE and YouTube) and increased organic engagement (improving the webpage re-visit rate)

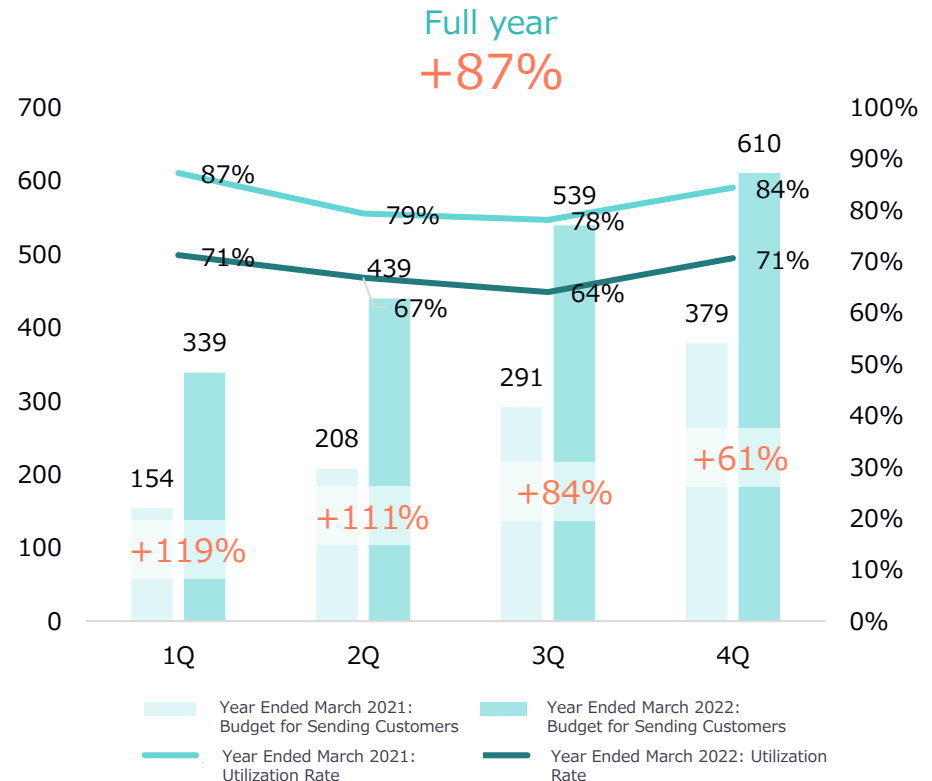
02 Expanded Organizational Size

- In the area of recruitments, we will aim to increase the number and rate of successful recruitments by hiring additional matching staff and boosting productivity

03 Improved Matching Unit Price

- As the Company's market share has risen for both sending customers and recruitments, we will promote a project to improve the unit price of compensation earned during each successful match by enhancing the value of having the Company act as an intermediary

Budget for Sending Customers - Results



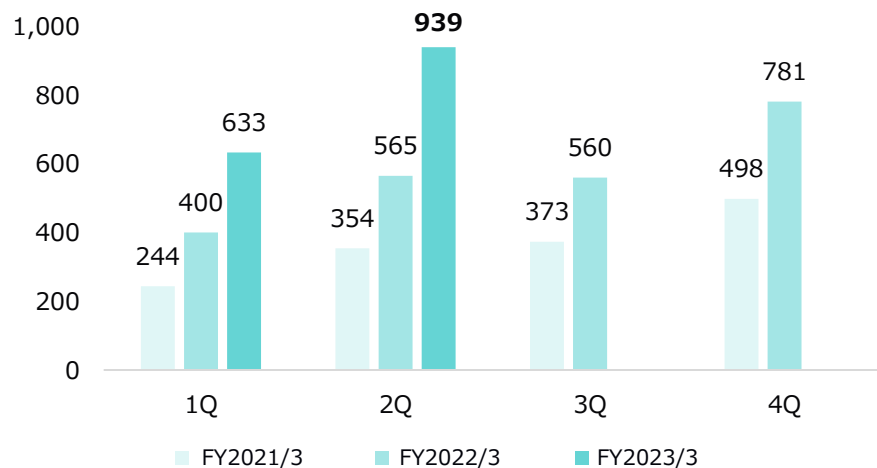
(Million yen)

Second Quarter Results for the Fiscal Year Ending March 31, 2023

- The number of both customers who used the job hunting support service and customers who used the recruiting support service was brisk. Sales revenue grew 66% year on year, and operating income 94%.
- Good progress is being made toward the full-year forecast, reflecting the upward revision as we move into the second half, a period during which demand typically rises.

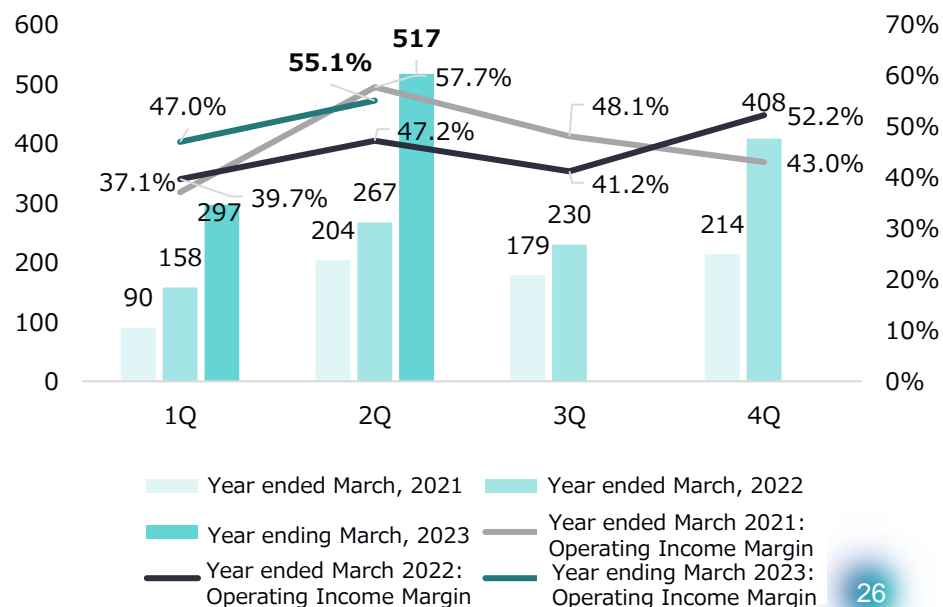
Sales revenue

	Year ending March 2023				
	Updated Full-year results forecast	2Q	Change from the 2Q of the previous fiscal year	First half total	Progress in H1
Total	3,300	939	+66%	1,572	48%
Sending customers	-	501	+60%	906	-
Recruitments	-	438	+73%	665	-



Operating income

	Year ending March 2023				
	Updated Full-year results forecast	2Q	Change from the 2Q of the previous fiscal year	First half total	Progress in H1
Total	1,800	517	+94%	814	45%

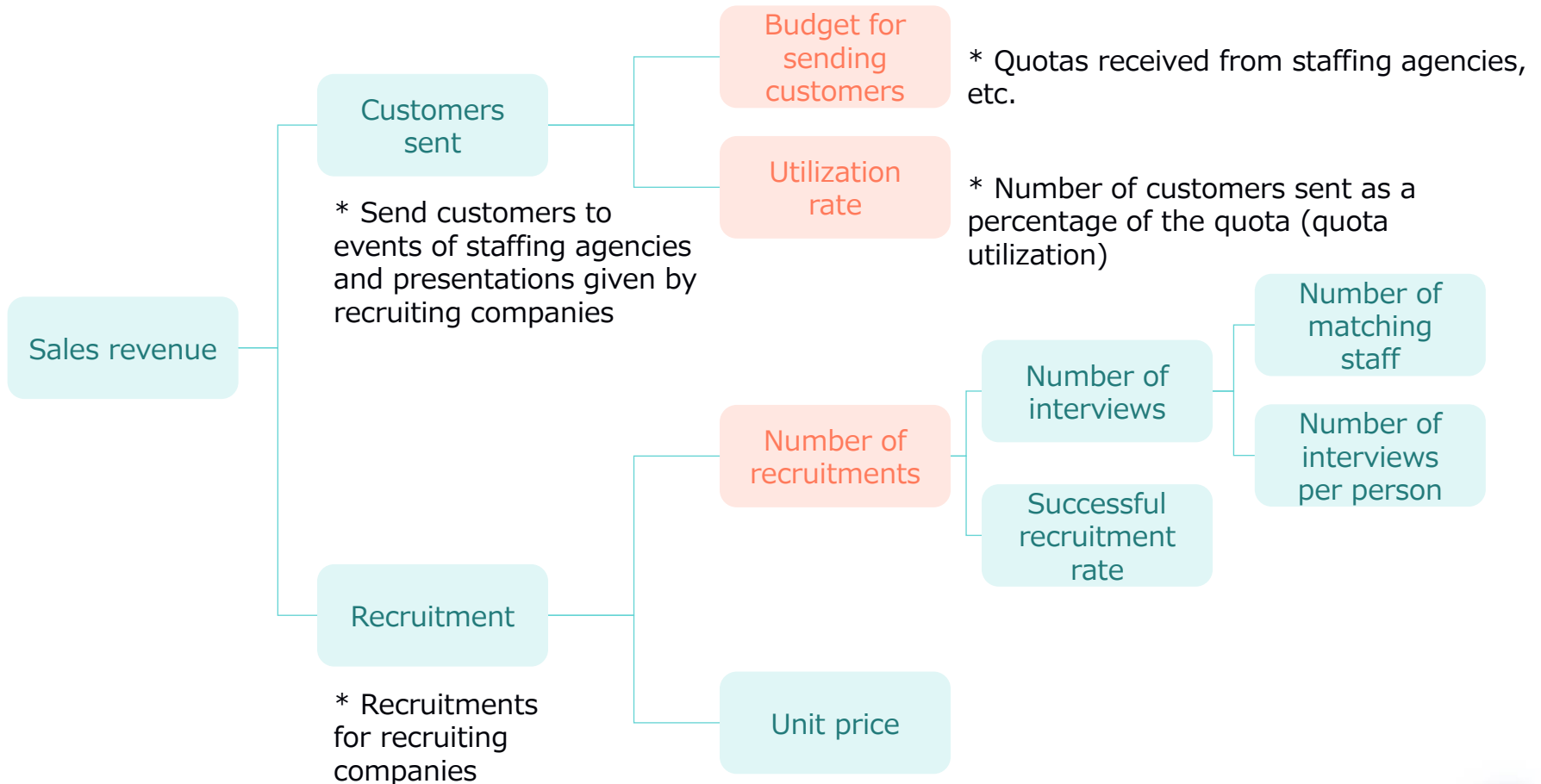


Report KPIs in the Job Hunting Segment



- In the Job Hunting Segment, KPIs are disclosed for customers sent and recruitment respectively

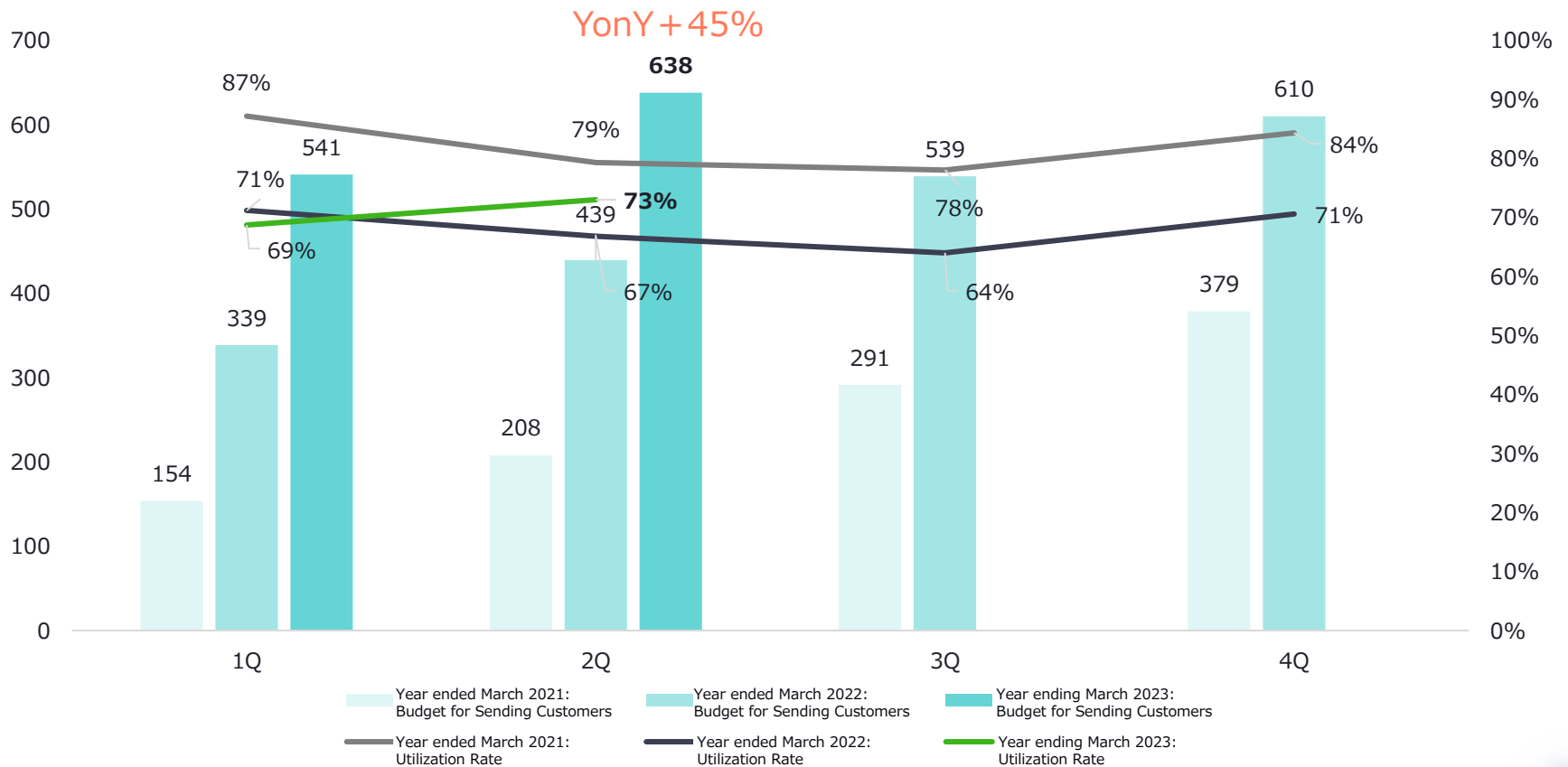
Disclosed KPIs



KPI Budget for Sending Customers and Utilization Rate

- Budgets for supporting customers' job hunting by staff agencies steadily increased. They are now **45% higher year on year**.
- The utilization rate, which had been declining due to an increase in staff agencies' budgets for the job hunting support service, **improved 6%** year on year, reflecting the recovery trend.

Budget for Sending Customers - Results

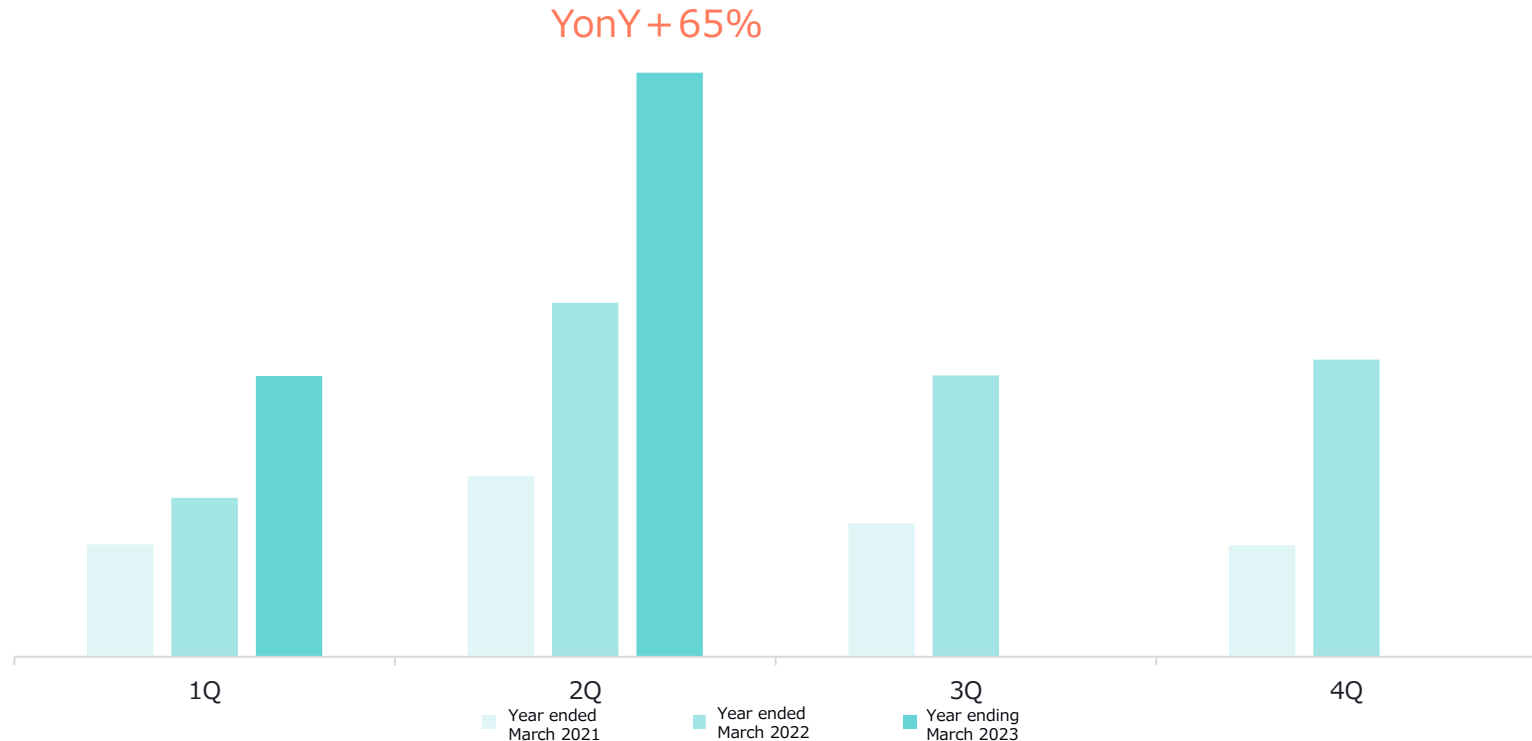


* Sales from sending customers cover some items not included in budgets for sending customers.

KPI Number of Recruitments

- Year-on-year growth of 65% was achieved in Q2 thanks to the increase in matching staff and improved performance.
- Recruitments for personnel with a science and engineering background and those through digital professionals training schools increased and contributed to business results.

Number of Recruitments: Results

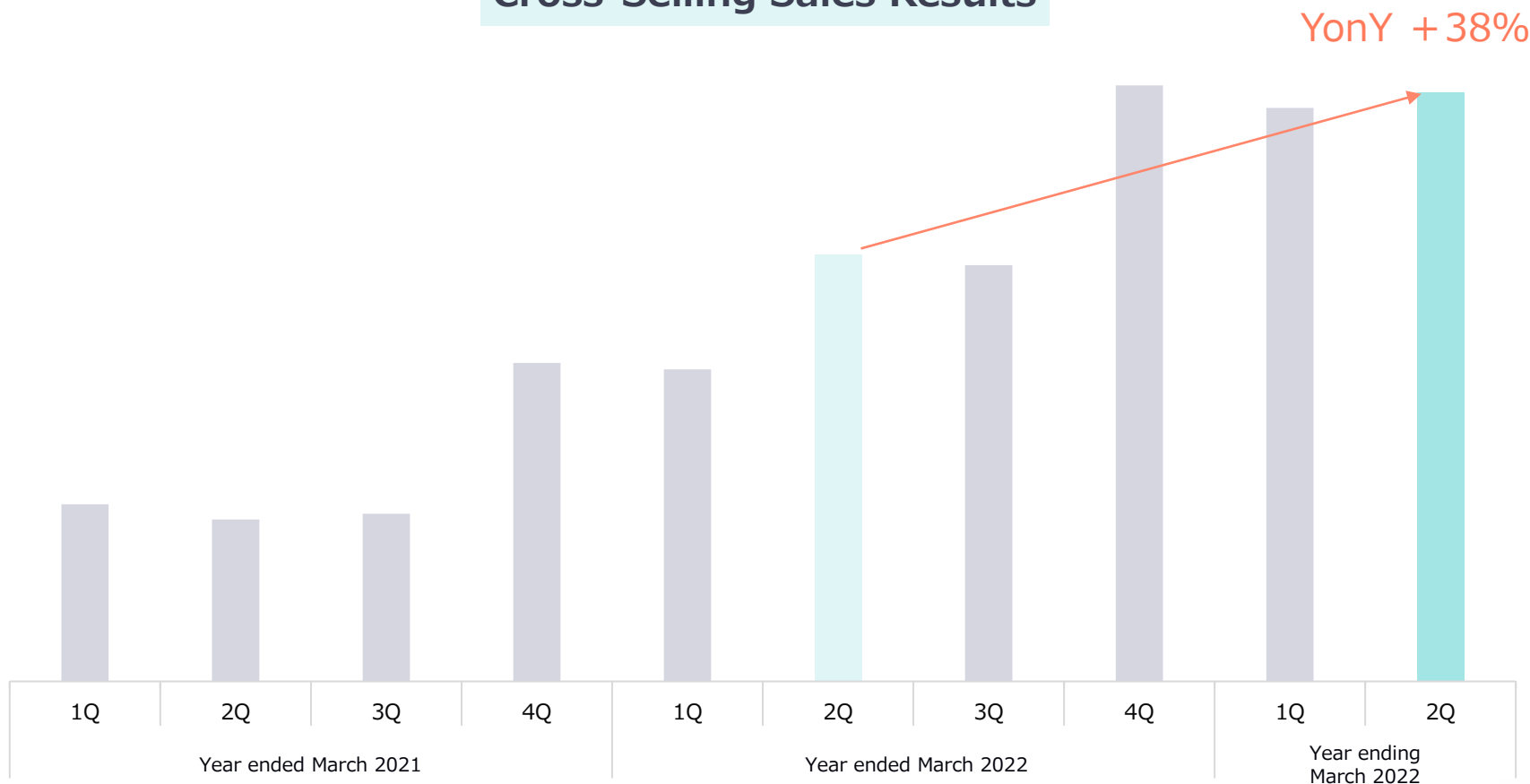


* The number of recruitments was slightly adjusted from the time the full-year results for the year ended March 2022 were announced due to the re-examination of data including the recruitment of graduates, recent graduates, part-time workers and digital professionals.

Reference: Cross-selling for Members in Job Hunting Segment

- Cross-selling to career services aimed at graduates, recent graduates, part-time workers and other young people soared **38% year on year**. We expect to achieve results growth by continuously expand the member base.

Cross-Selling Sales Results

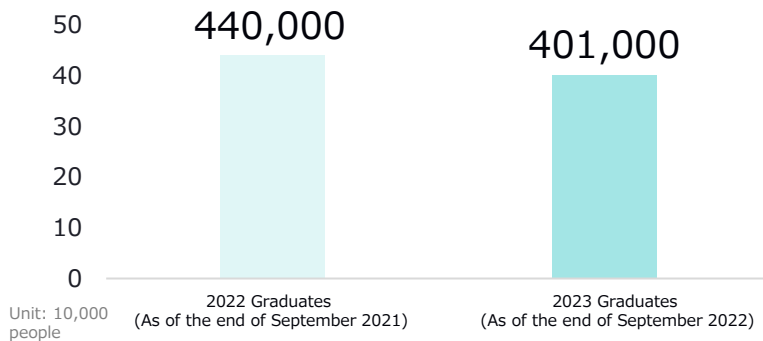


* Career services aimed at graduates, recent graduates, part-time workers and other young people target those who remain unemployed after graduating from university and other institutions, those who quit their job in early days after employment and equivalents.

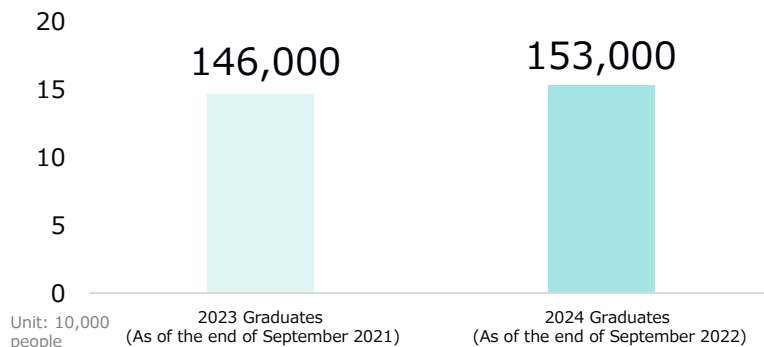
Reference: Number of Members

- Because the definition of members was narrowed, the nominal number of 2023 graduate members appears to be smaller than the 2022 graduate members. However, there is no gap in the number of effective members between 2023 graduates and 2022 graduates.
- We will steadily increase members in the Job Hunting Segment in a bid to exceed a **total of 5 million members** and to hold a **market share of 70% in the market of working adults** in their twenties in ten years.
- We expect to produce greater synergy for cross-selling and other initiatives.

Number of Members (2023 Graduates)

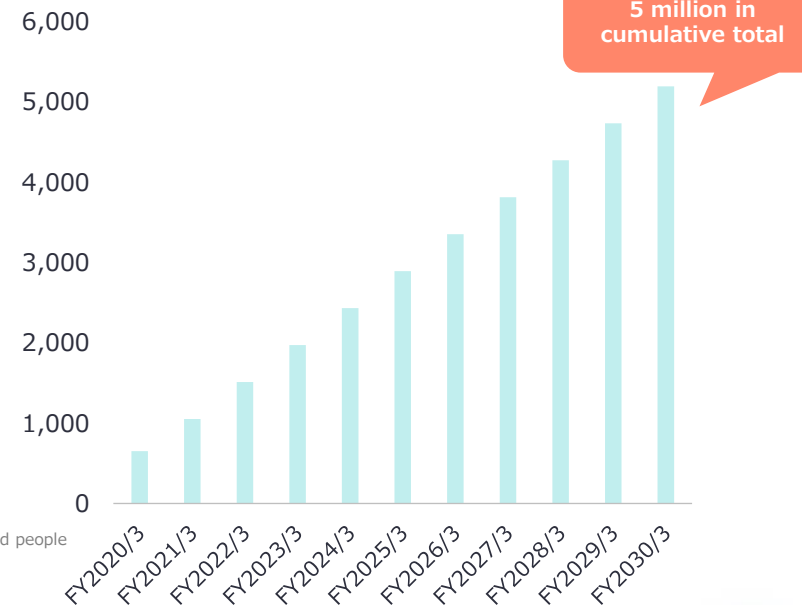


Number of Members (2024 Graduates)



Membership Base

By steadily building up the membership share each year to 70%, in 10 years' time we will achieve a membership based **of over 5 million**.
(Share of 70% of working adults in their 20s)



* Job Hunter Utilization Rate: Our share of members among the roughly 600,000 overall number of job hunters.

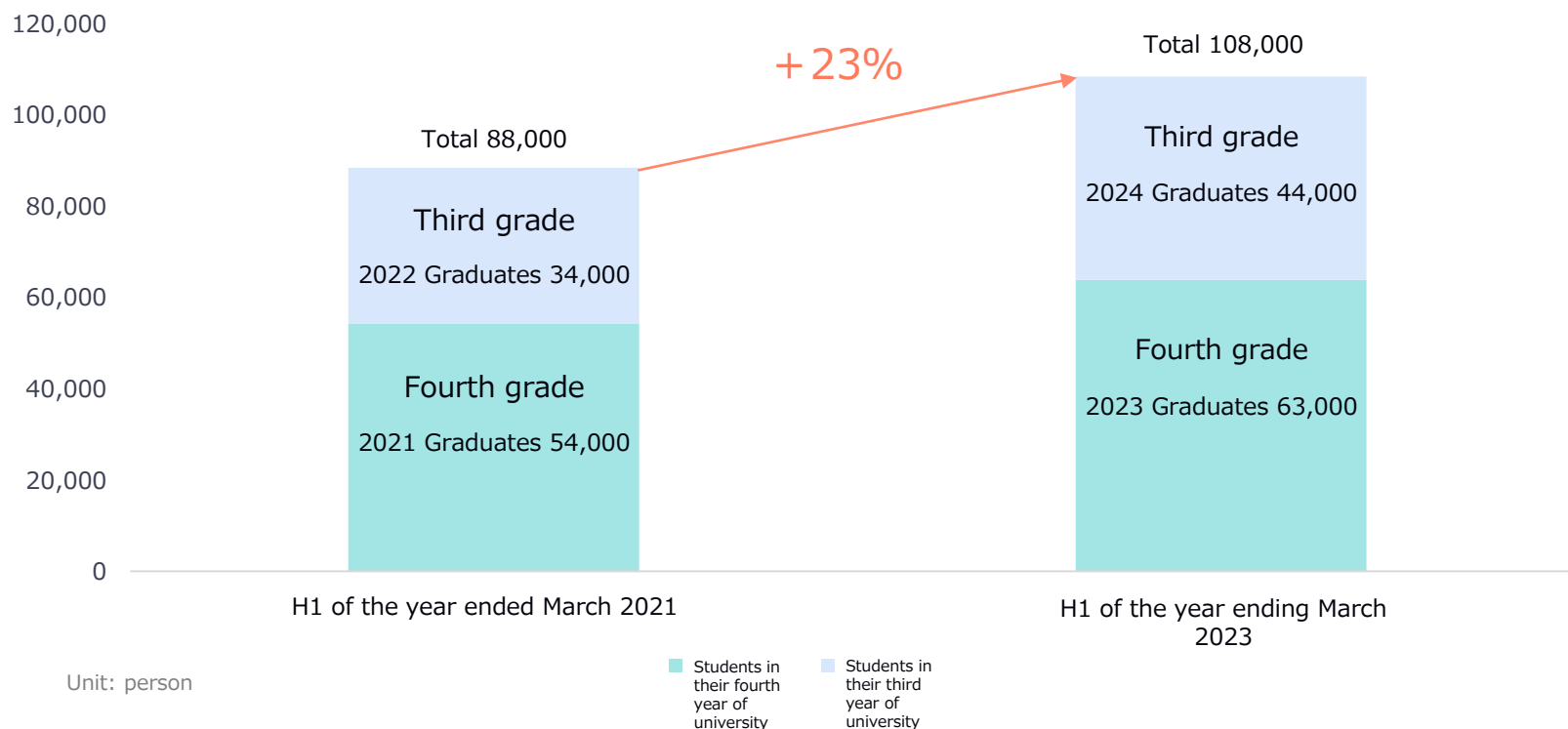
* The number of members is calculated based on the number of unique members of Career Park and Syukatsu Kaigi.

Revision of the definition of members in September 2021: Conditions for membership were toughened.

Reference: State of Syukatsu Kaigi

- Approximately two years have passed since the merger and acquisition of Syukatsu Kaigi. The number of new members increased **23%** from the same quarter two years earlier as a result of PMI measures such as investments in content and in matching.
- The solidification of the groupwide foundation for acquiring members leads to the stability of revenue and growth potential.

Number of new members of Syukatsu Kaigi



* We acquired Syukatsu Kaigi at the end of June 2020.

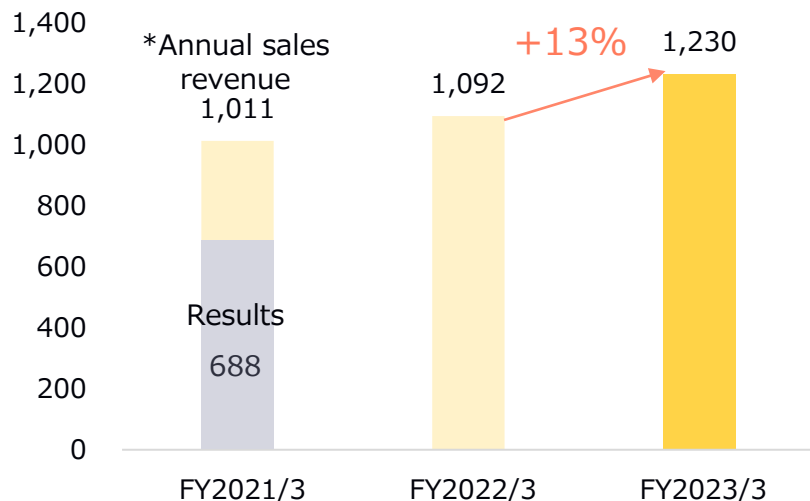
[Results, Strategies and KPIs by Segment]
Renovation

Fiscal Year Ending March 31, 2023: Results Forecast for the Renovation Segment

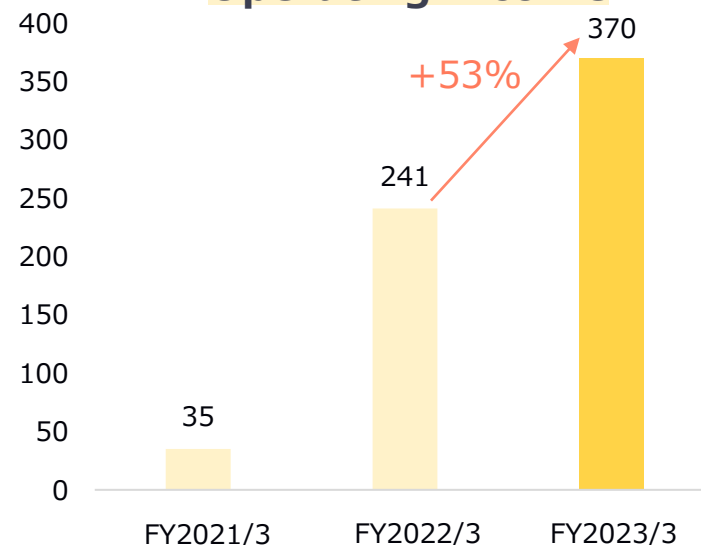
- Although a deviation has occurred since FY2022/3 from the targets established when the medium-term management plan was formulated, through post M&A PMI activities we will aim to significantly improve operating income in FY2023/3

	FY2022/3	FY2023/3		YoY
	Results	Initial plan	Revised plan	
Sales revenue	1,092	1,800	1,230	+13%
Operating income	241	700	370	+53%

Sales revenue



Operating income



* For the fiscal year ended March 2021, full-year results are at the level of around 1 billion yen due to consolidation occurring since August 2020.

(Million yen)

Fiscal Year Ending March 31, 2023: Strategies for the Renovation Segment

- Policy putting the greatest emphasis on operating income greater than the top line, by reducing the per-user cost of attracting customers and implementing measures to improve the rate of successful contracts

01 Improved Marketing Efficiency

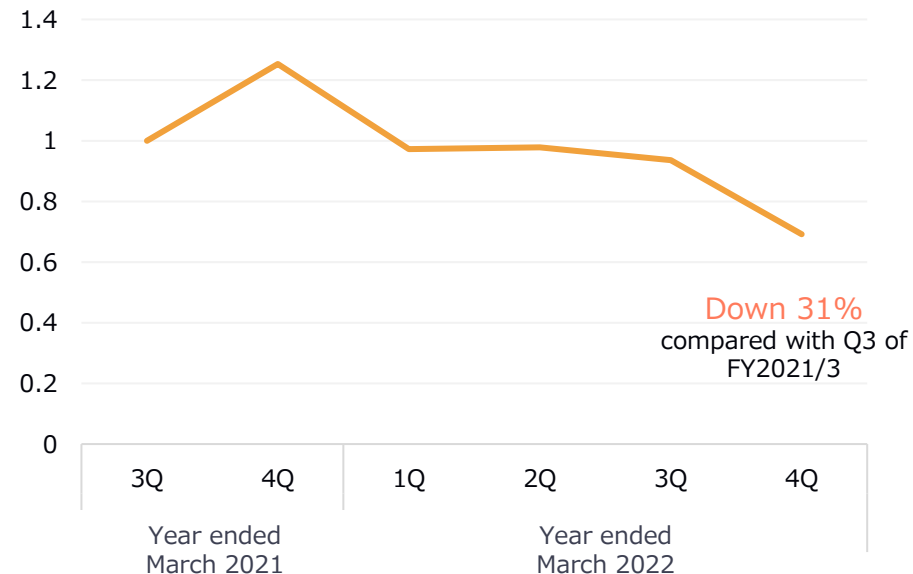
- Through PMI following the acquisition, the per-user cost of attracting customers (cost per user acquisition) has steadily fallen due to the Company's strength in improving the efficiency of marketing
- New marketing measures will be implemented, productivity of the team responding to user inquiries will be improved, and a quality enhancement project will be run

02 Promoting DX in Contracting Operations

- In Q4 of FY2022/3, since operational efficiency was improved by being partially involved in the contract conclusion process for construction contractors, we will aim to improve the overall successful contract rate by quickly expanding the scope of those targets in FY2023/3

Cost per user acquisition (CPA)

* Changes with Q3 FY2021/3 results indexed to 1



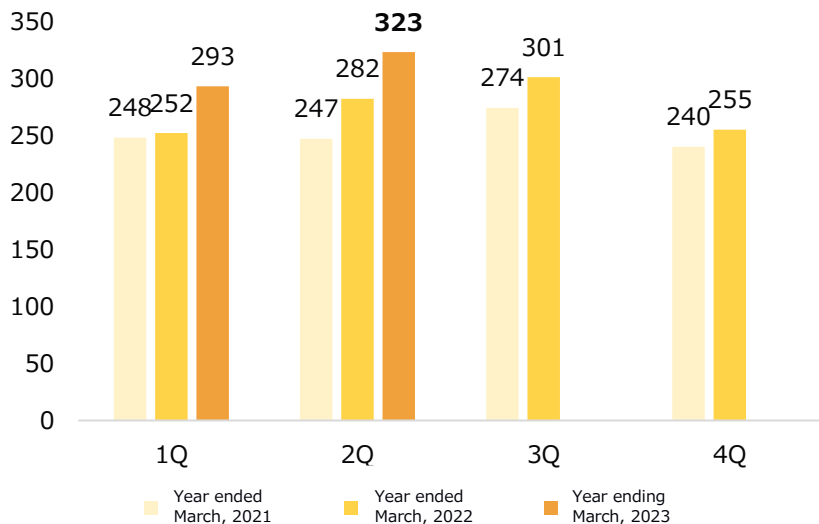
*1: CPA - cost per user acquisition. The cost required to acquire one user.

Second Quarter Results for the Fiscal Year Ending March 31, 2023

- Sales revenue surged 14% year on year, reflecting the impact of the enhancement in marketing efficiency, progress in contracting DX and active alliances.
- Operating income continued to be at a high level on a quarterly basis, which led to the creation of a revenue structure similar to the Job Hunting Segment's in terms of the operating income ratio.

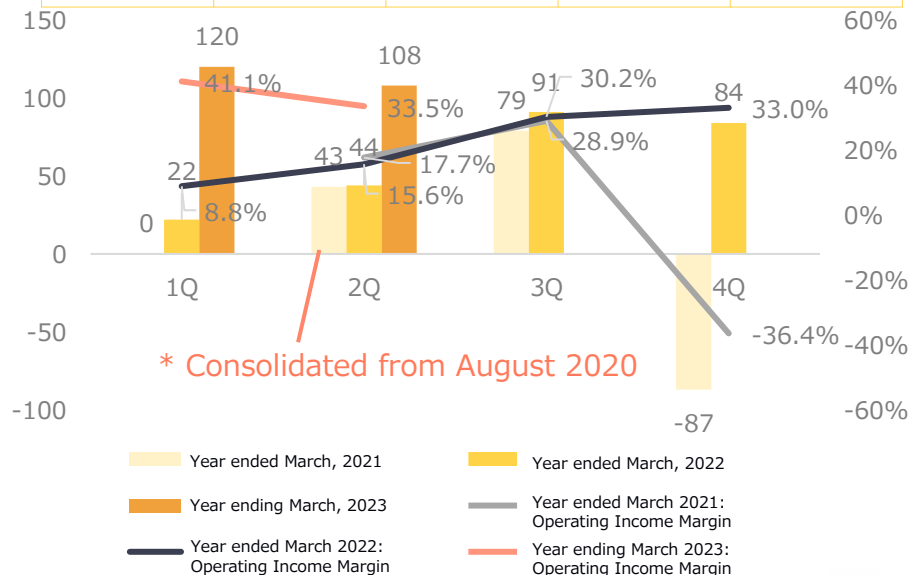
Sales revenue

Year ending March 2023				
Full-year results forecast	2Q	2Q YoY	H1 Total members to date	H1 Progress Rate
1,230	323	+14%	617	50%



Operating income

Year ending March 2023				
Full-year results forecast	2Q	Change from the 2Q of the previous fiscal year	First half total	Progress in H1
370	108	+145%	228	62%



* As we acquired the Gaihekitoso-no-madoguchi outer wall painting consultation service at the end of July 2020, results from August 2020 onwards are consolidated, but the results prior to the acquisition are disclosed for reference purposes.

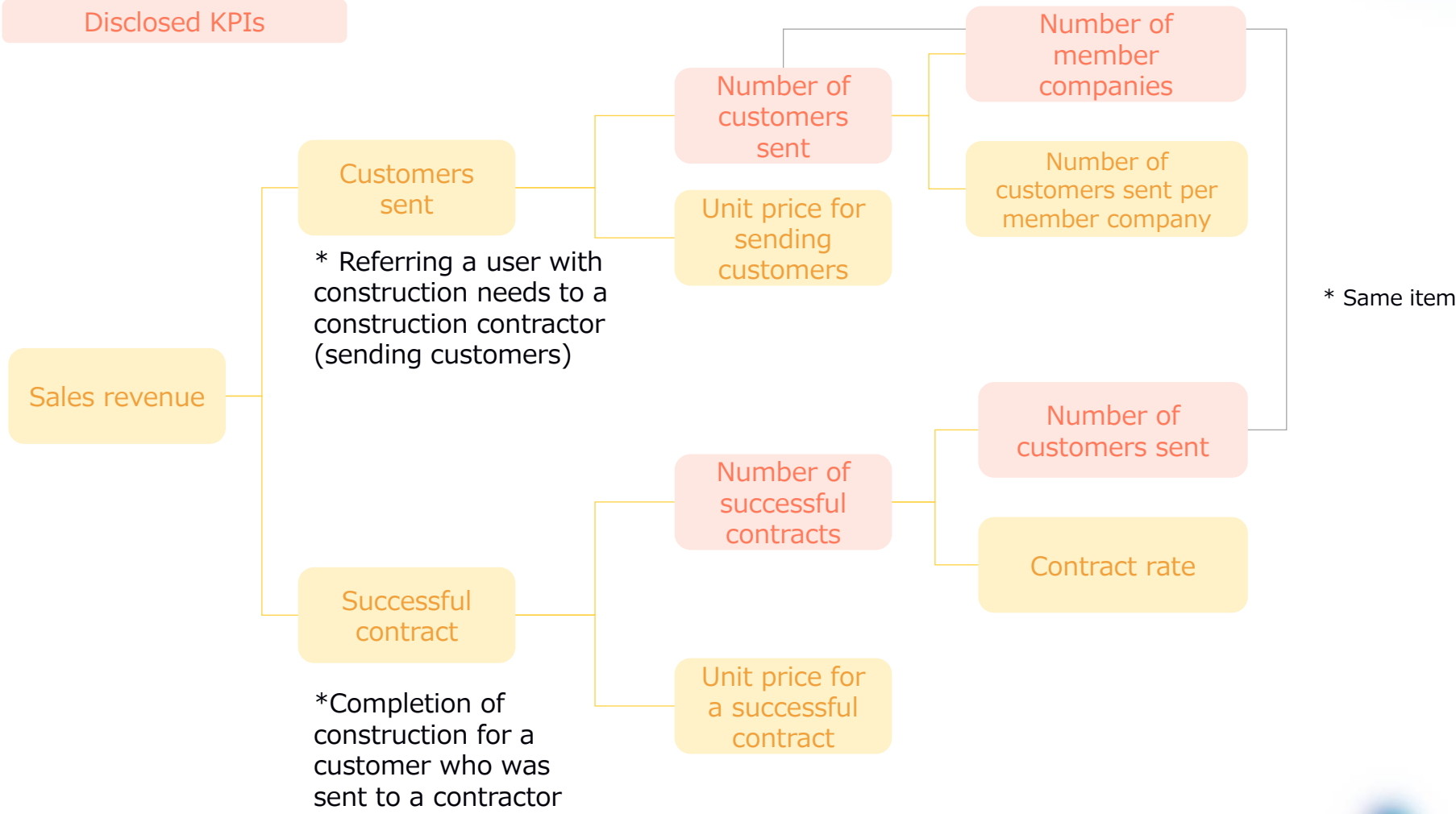
*Due to consolidation from August 2020 onwards, the calculation of operating income for Q2 of the year ended March 2021 uses operating income for two months.

KPIs in the Renovation Segment



- The following KPIs in the Renovation Segment are disclosed.

Disclosed KPIs



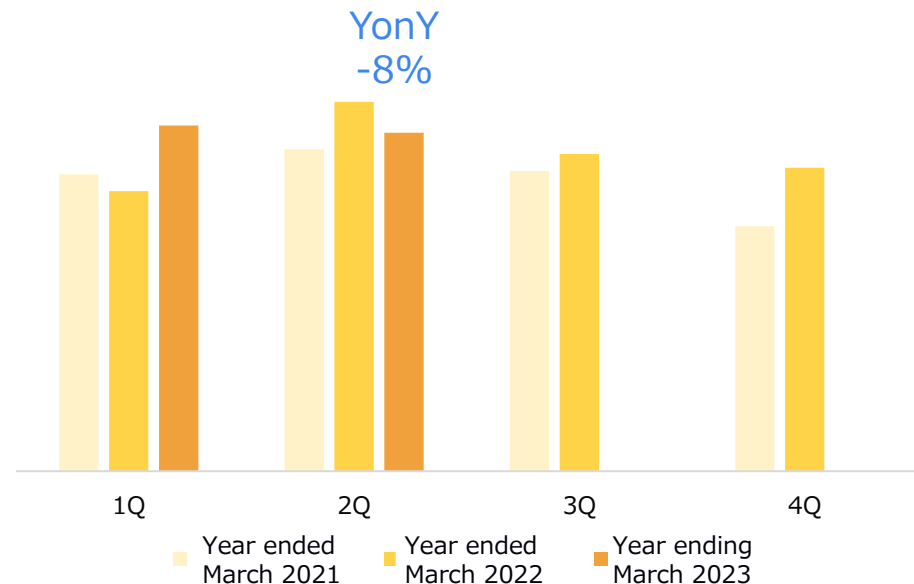
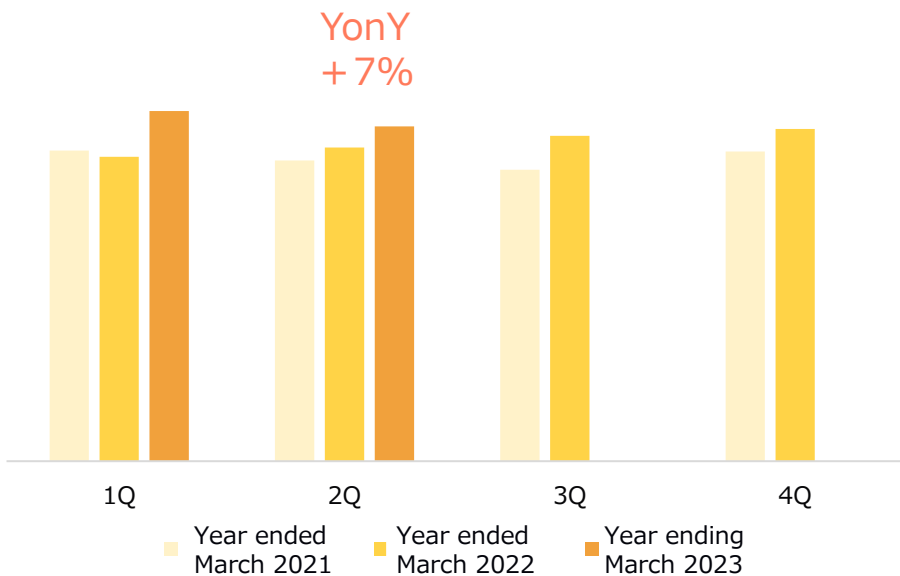
KPI Number of Customers Sent and Successful Contracts



- The number of customers who used the job hunting support service the was up **7% year on year** in 2Q.
- The number of successful contracts **decreased 8% year on year** in the 2Q of the current fiscal year, reflecting the absence of a surge in the number of renovations that had occurred in the 2Q in the previous year due to the unusually early start to the rainy season.

Number of Customers Sent - Results

Number of Successful Contracts - Results



* Number of sent customers: The number of users with construction needs who were sent to affiliate stores

* Number of successful contracts: The number of customers sent who have signed contracts and seen construction completed

KPI Change in the Number of Member Companies

- The total number of member companies was 4,692 as of September 30, 2022, a year-on-year increase of 11% (456 companies).

Trends in Total Number of Member Companies



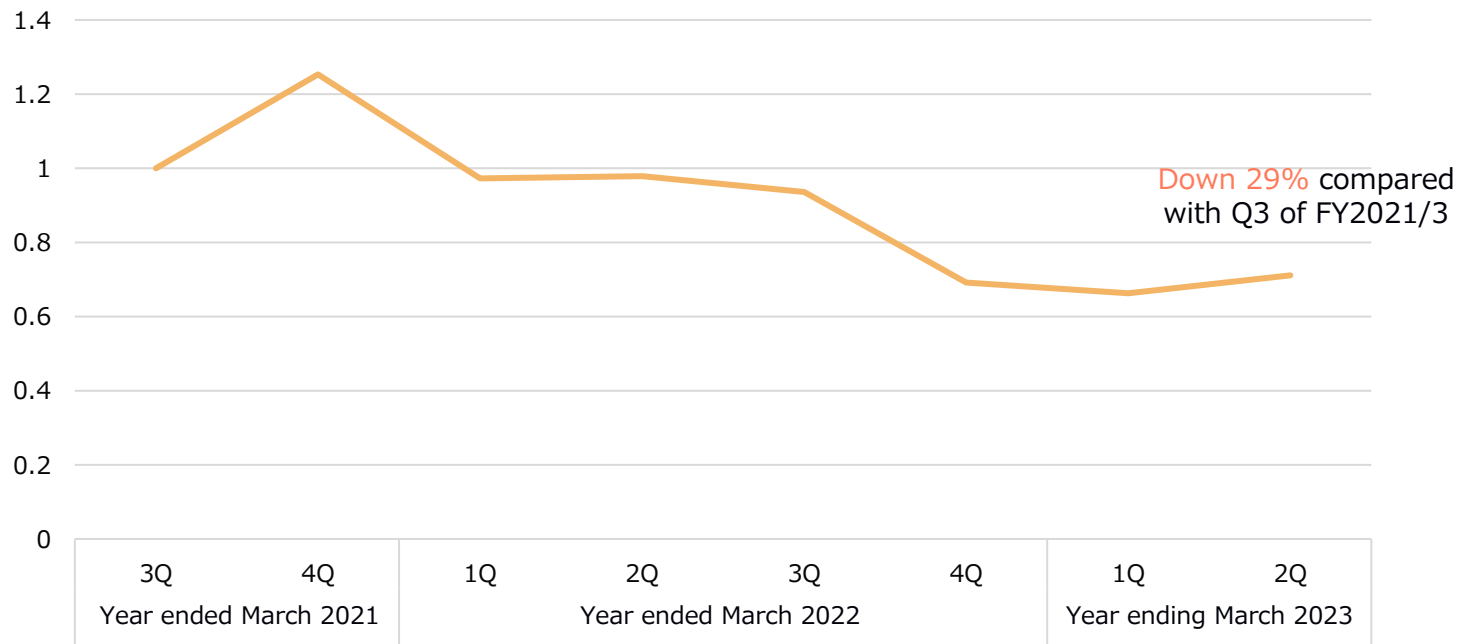
KPI Cost Per User Acquisition (CPA)



- The CPA remained at consistently low levels, reflecting progress in the improvement of market efficiency due to the implementation of PMI measures after acquisition.
- The cost was **down 29%** compared with the level in the 3Q of FY ended March 2021.

Cost per user acquisition (CPA)

* Changes with Q3 FY2021/3 results indexed to 1



*1: CPA - cost per user acquisition. The cost required to acquire one user.

PMI Progress

- About two years have passed since the acquisition of DOORS at the end of July 2020. In the previous fiscal year, the growth rate dropped due to implementation of various test marketing approaches. In the current fiscal year, a massive income increase is forecast.
- We plan to invest in content in the current fiscal year, which will contribute to further improvements in efficiency in the next fiscal year.

01

Improved Marketing Efficiency

- The cost per user acquisition (CPA), which is an indicator of the cost of customer attraction per user, continued to decline in the 2Q of FY ending March 2023, recording **a fall of 29%** from the 3Q of FY ended March 2021. The cost of attracting customers has been at consistently low levels.

02

Promoting DX in Contracting Operations

- The number of successful contracts remained steady due to the introduction of the dedicated advisor system.
- It has positively impacted results, including the improvement of the satisfaction of affiliate stores and enhanced productivity that has led to a rise in the rate of users continuing to enjoy our services.

03

Active alliances

- We actively worked to form alliances with large companies in the year ended March 2022. This resulted in the growth of the number of customers who used the intermediary service.
- Actions to increase the appeal of the platform also helped increase the contract success rate.

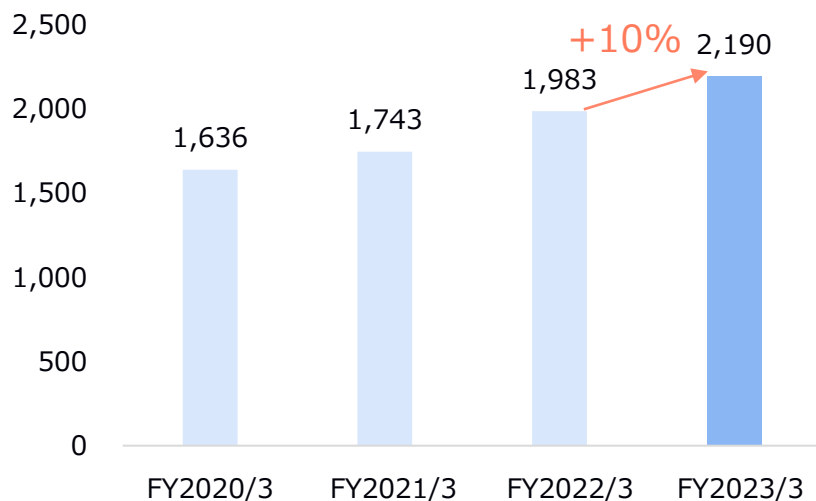
**[Results, Strategies and KPIs by Segment]
Card Loans**

Fiscal Year Ending March 31, 2023: Results Forecast for the Card Loans Segment

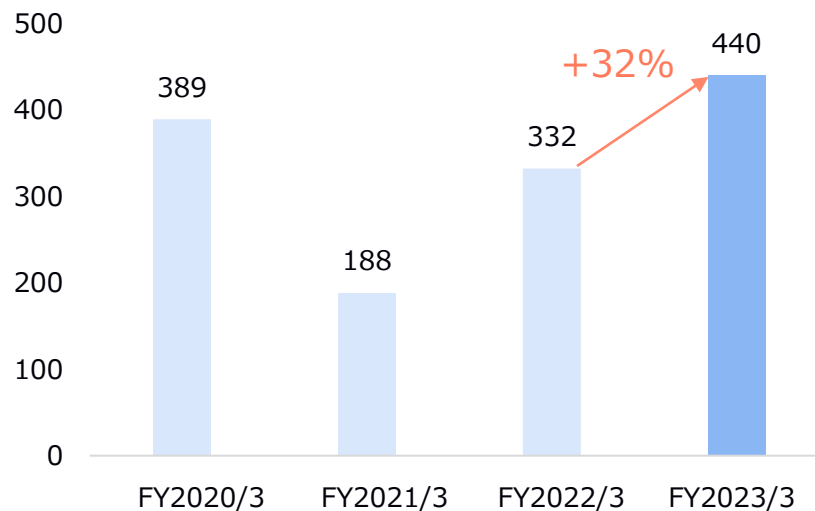
- Although we expect to see some degree of recovery from the shrinking customers budgets continuing from FY2022/3 due to the prolonged COVID-19 pandemic, as a significant budget increase is unlikely, we will conduct operations with a focus on operating income

	FY2022/3	FY2023/3		YoY	Compared with FY2020/3 prior to the medium-term management plan
	Results	Initial plan	Revised plan		
Sales revenue	1,983	3,070	2,190	+ 10%	+ 34%
Operating income	332	440	440	+ 32%	+ 13%

Sales revenue



Operating income



(Million yen)

Fiscal Year Ending March 31, 2023: Strategies for the Card Loans Segment

- Policy putting the greatest emphasis on operating income greater than the top line by improving marketing efficiency and increasing the number of customers sent through DX for financial services providers

01 Improved Marketing Efficiency

- Policy of operations emphasizing operating income by continuing to promote improved marketing efficiency

02 Increased Revenue from Financial Institution DX

- As we have secured a certain amount of alliance-based media operated on a joint basis with consumer finance institutions and financial services operators, in the current fiscal year we will aim for higher profits due to an increase in the number of customers sent organically by way of growth in the target businesses

FY2022/3: List of Alliance Partners

June 28, 2021

Consumer finance companies

* Company names are not disclosed.

August 30, 2021



October 5, 2021

Large consumer finance companies

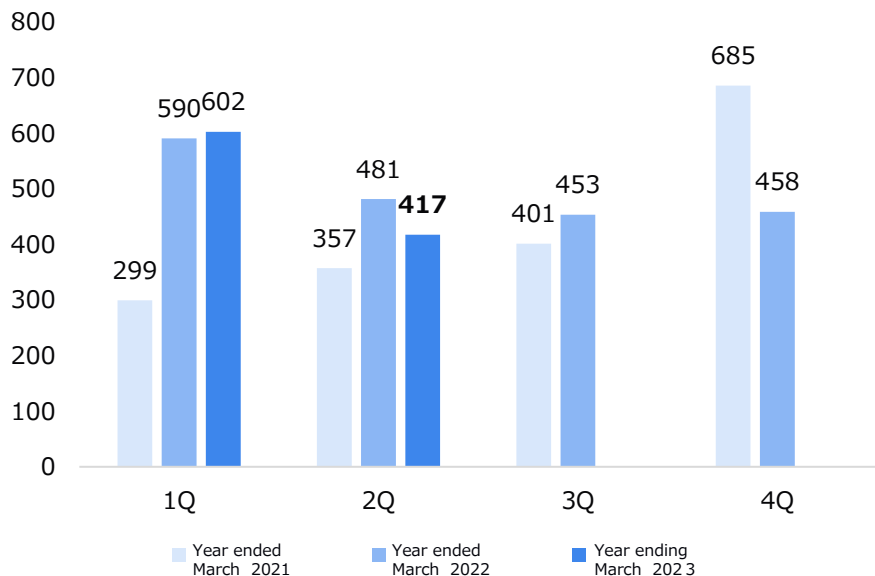
* Company names are not disclosed.

Second Quarter Results for the Fiscal Year Ending March 31, 2023

- Both sales revenue and operating income fell due to the impact of decreases in unit prices for sending customers. Even so, we maintained high operating income ratios as a result of the optimization of advertisements.
- With an operational system for advertisement optimization almost established in the first half, we forecast a significant increase in sales revenue in 3Q and beyond.

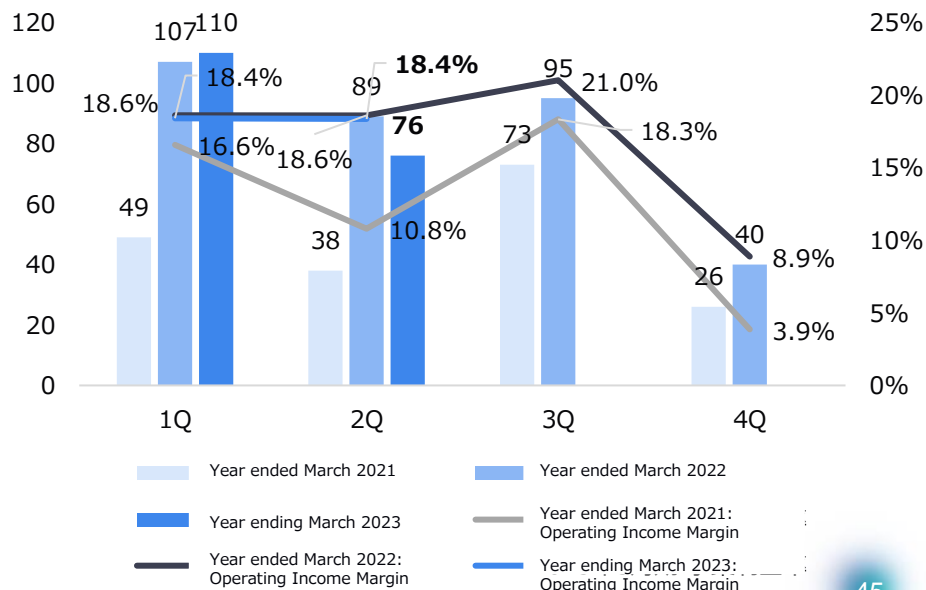
Sales revenue

Year ending March 2023				
Full-year results forecast	2Q	Change from the 2Q of the previous fiscal year	First half total	Progress in H1
2,190	417	▲ 13%	1,020	47%



Operating income

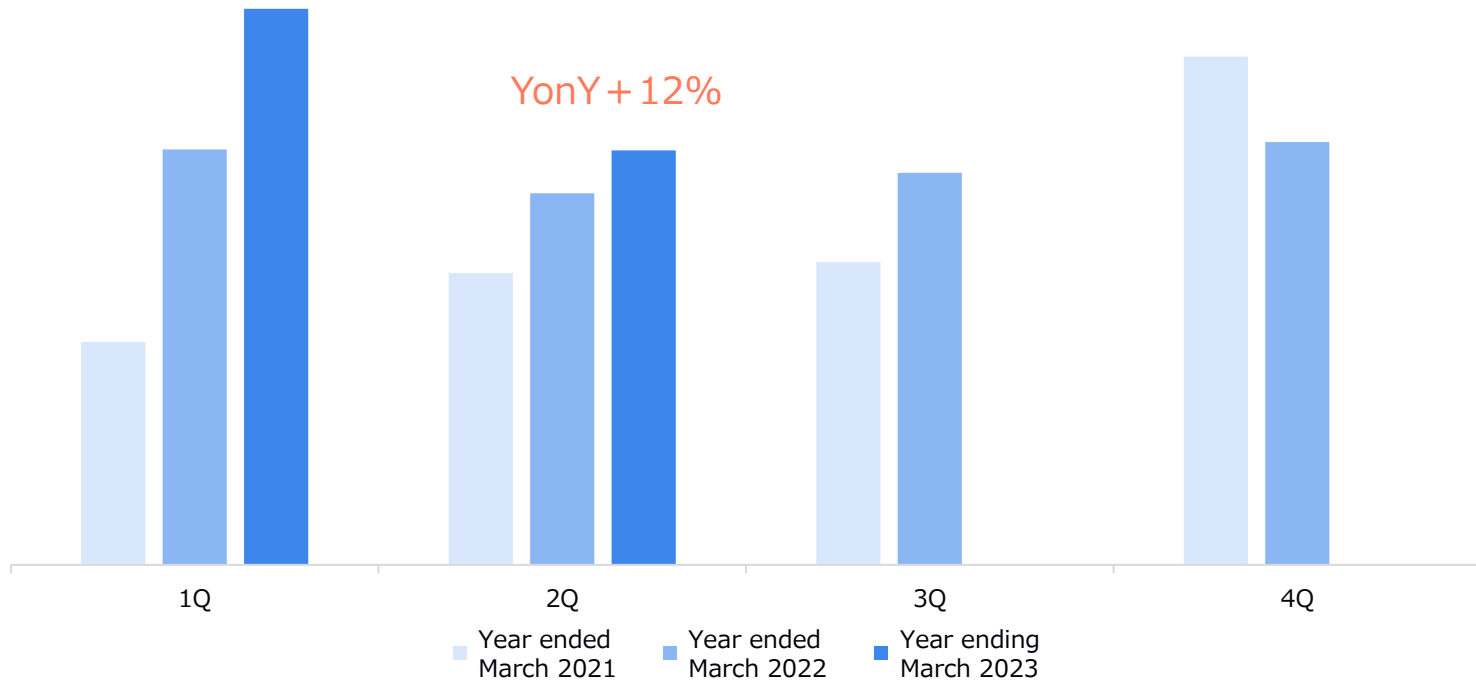
Year ending March 2023				
Full-year results forecast	2Q	Change from the 2Q of the previous fiscal year	First half total	Progress in H1
440	76	▲ 14%	187	43%



KPI Number of Customers Sent

- The number of customers who used the intermediary service **surged 12% year on year** amid the upward trend of the market environment.
- However, this trend did not lead to sales revenue growth, given decreases in unit prices for sending customers.

Number of Customers Sent - Results



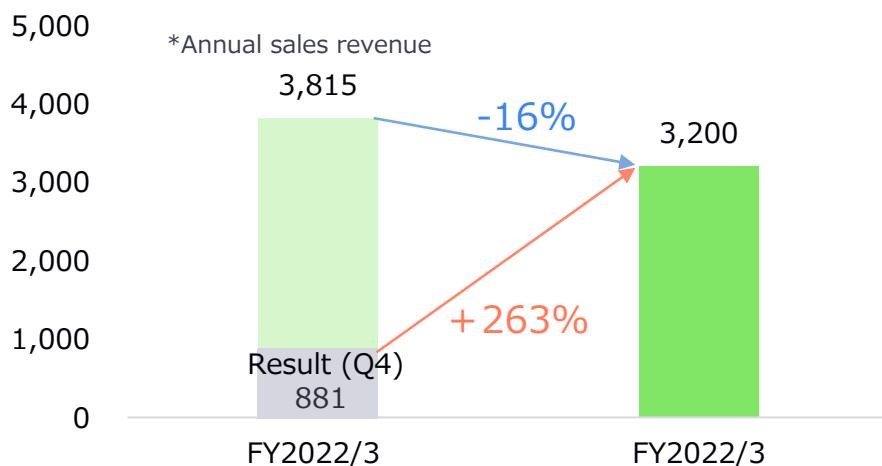
[Results, Strategies and KPIs by Segment]
Energy

Fiscal Year Ending March 31, 2023: Results Forecast for the Energy Segment

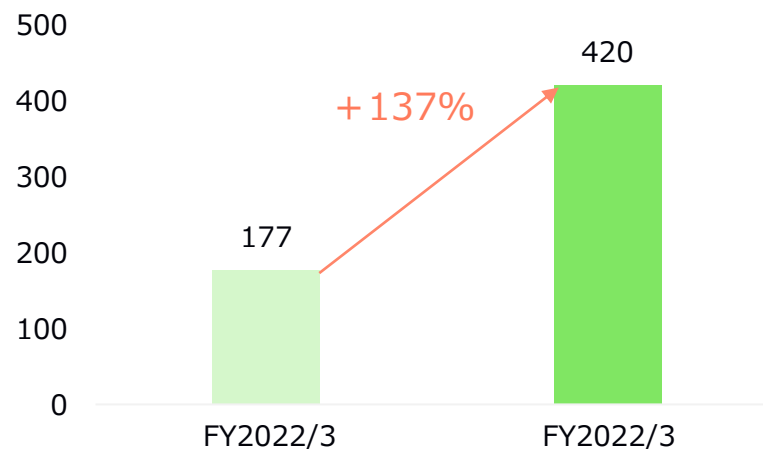
- The forecast for results of the Energy Segment has been revised upward because the high rates of successful contracts were maintained and performances remained strong in the first half, partly due to the effects of cross-selling, despite the impact of declines in agency contract unit prices amid the difficult market environment.

	FY2022/3		FY2023/3		YoY
	Results	Initial plan	Previously announced forecasts Announced on May 13, 2022	Revised forecast Announced on November 14, 2022	
Sales revenue	881	-	2,500	3,200	+263%
Operating income	177	-	370	420	+137%

Sales revenue



Operating income



* For the fiscal year ended March 31, 2022, consolidation was from January 2022 onward (Q4 only)

(Million yen)

Fiscal Year Ending March 31, 2023: Strategies for the Energy Segment



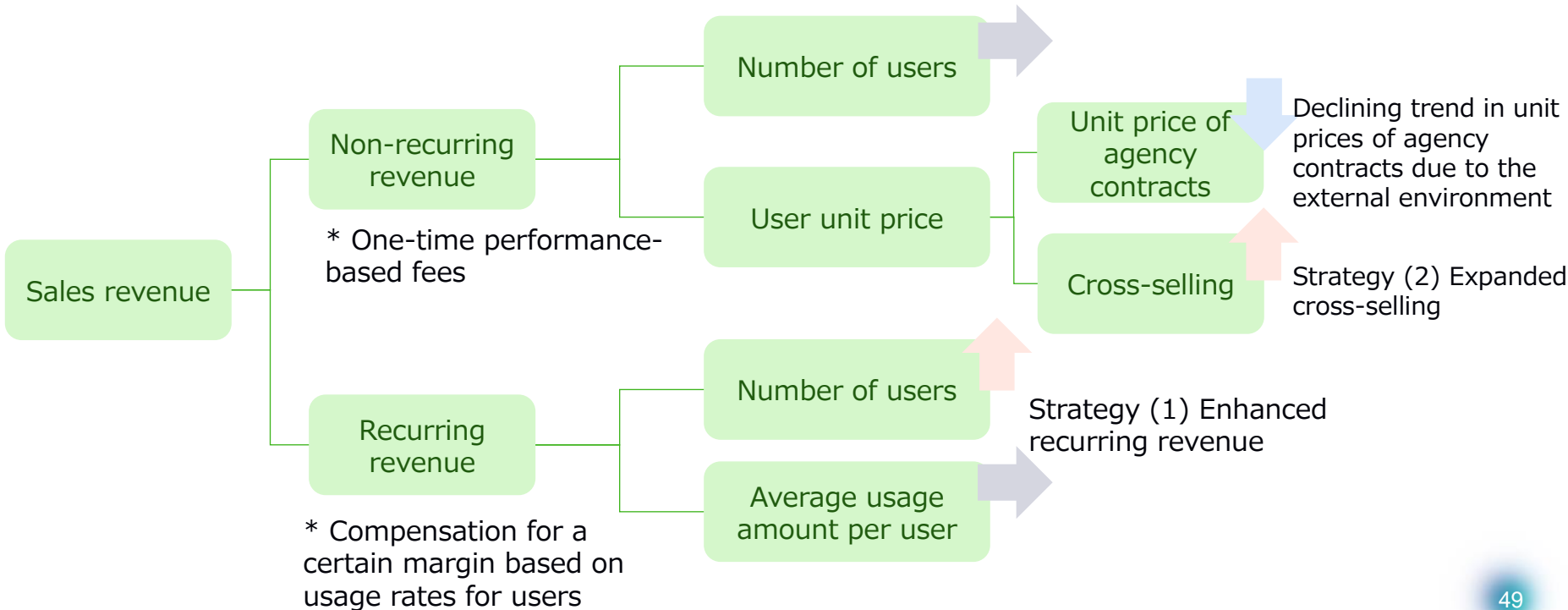
- Although unit prices for agency contracts is on a declining trend due to the external environment, we will strive to improve normal earnings strength for when market conditions recover and aim to upwardly revise results forecasts by expanding recurring revenue and strengthening cross-selling

01 Enhancement of Recurring Revenue

- To also respond to the needs of electric power companies, we will expand recurring revenue in electricity agency contracts for individual consumers

02 Expansion of Cross Selling

- In addition to electric power, we will strengthen cross-selling related to gas and renewable energy as well

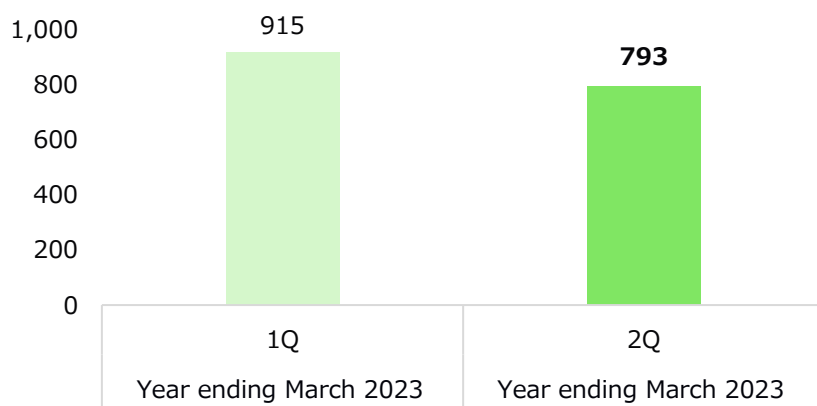


Second Quarter Results for the Fiscal Year Ending March 31, 2023

- The full-year forecast for the results of the Energy Segment has been revised upward, reflecting solid performances despite the harsh environment.
- Operating income did not reach the full-year plan announced on May 13 due to the temporary posting of approximately 50 million yen before the 2Q financial results. Still, we made good progress with 75% in the first six months.

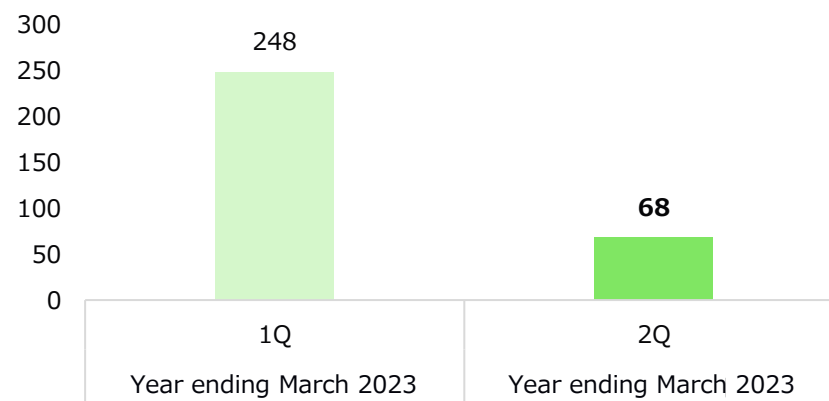
Sales revenue

Year ending March 2023				
Updated				
Full-year results forecast	2Q	Change from the 2Q of the previous fiscal year	First half total	Progress in H1
3,200	793	-	1,709	53%



Operating income

Year ending March 2023				
Updated				
Full-year results forecast	2Q	Change from the 2Q of the previous fiscal year	First half total	Progress in H1
420	68	-	316	75%



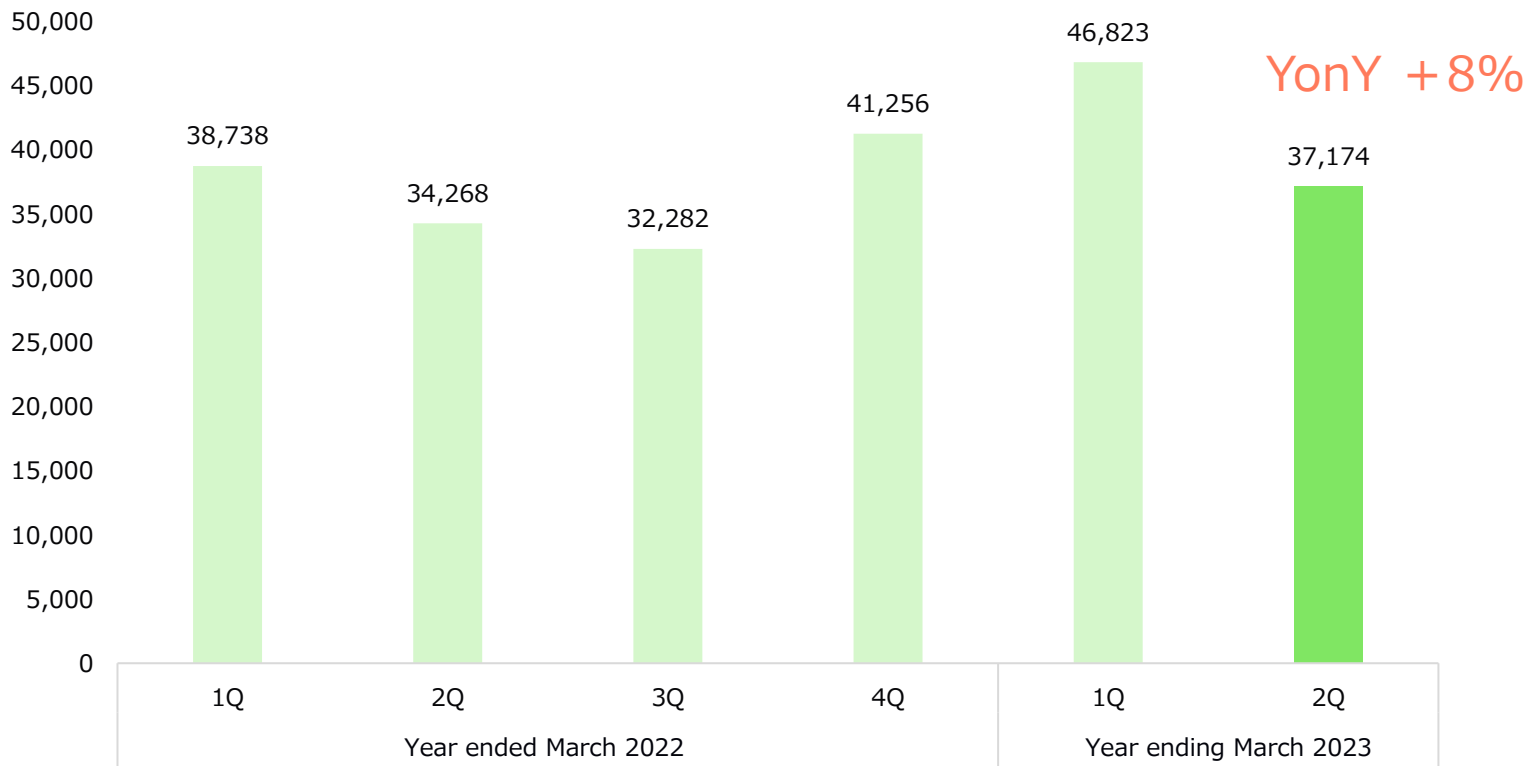
*As there were changes to revenue recognition standards due to adapting the Company's accounting standards, comparisons with the preceding year are not disclosed.

(Million yen)

KPI: Number of Customers Who Used the Intermediary Service (Number of Contracts Covered by the Electricity Agency Service)

- The number of contracts covered by the electricity agency service was **up 8% year on year** although it was expected to be at the same level as in the previous year. This increase resulted mainly from people's need to change electric power companies as electricity bills soared, solid demand for new contracts at the time the end user moves, and a rise in the contract success rate by our concierges.

Number of contracts covered by agency services ^{*1}



*1: Calculated by multiplying the number of orders, which is INE's important index, by the average rate of openings

Market Environment



- The electricity agency contract unit price fell within the forecast range. Its decline is expected to continue. It will normalize and sales revenue and operating income margin will increase if the markets in the energy sector regain stability in the future.

	Environment in the Q2 of the FY ending March 2023	Impact in Q3 of the year ending March 2023 and later
Minus	<ul style="list-style-type: none"> • Electric power companies became less willing to develop new customers and their surplus capacity to cover customer acquisition costs declined, reflecting changes in the international situation such as the Russia-Ukraine situation and surging resource prices attributable to the weak yen. • Some power producers and suppliers withdrew or discontinued their business operations. (We had no recent transactions with any company that withdrew or discontinued their business operations.) • Some major electric power companies temporarily stopped acquiring new customers. • The electricity agency contract unit price dropped (within the forecast range as of the time of announcing full-year targets). 	<ul style="list-style-type: none"> • As indicated on the left, agency contract unit prices for electric power companies will fall as expected. • Electric power shortages are expected to occur in TEPCO's service areas during the winter.
Plus	<ul style="list-style-type: none"> • Due to soaring electricity fees in this summer, the needs of users who are eager to change electric power companies grew further. • There were needs for new contracts at the time the customer moved and because of other changes in lifestyles. • Our concierges achieved high rates of successful contracts by responding to user needs. • The strengthening of cross-selling produced effects. 	<ul style="list-style-type: none"> • We will aim to maintain the number of agency contracts at least at the same level as the previous fiscal year while also further strengthening the cross-selling of gas and other services. • We will achieve the results targets for the current fiscal year and seek to expand revenue stably and continuously, going forward. With this in mind, we will actively promote the agency service for recurring revenue contracts in electricity agency contracts for household users.

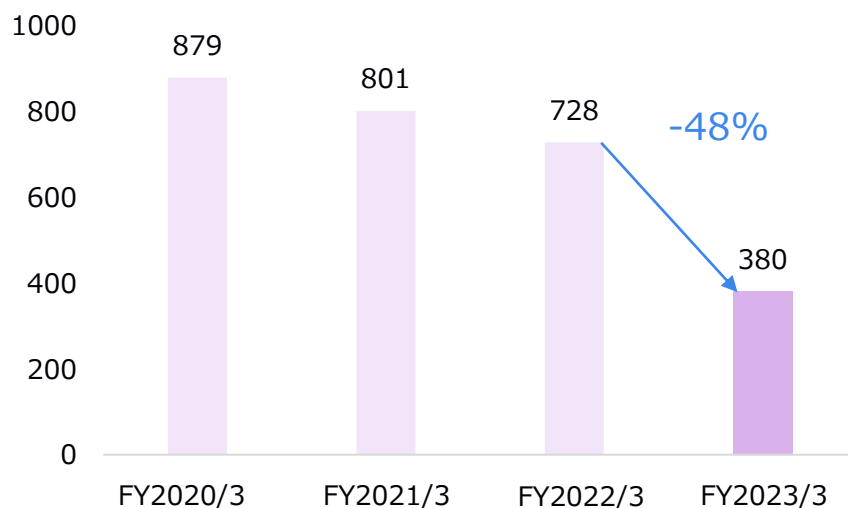
**[Business Results by Segment]
New and Other Segments**

Fiscal Year Ending March 31, 2023: Results Forecast for New, Other Segment

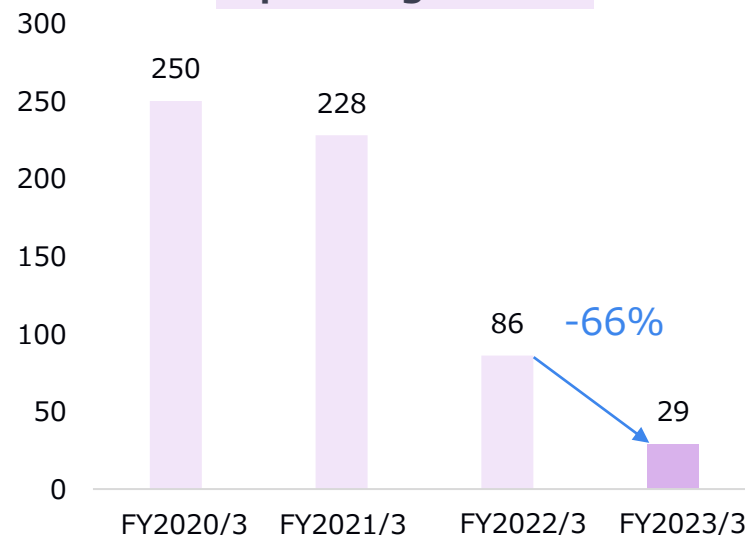
- Lower revenue and profit is forecast due to transfer to the Energy Segment due to the INE M&A, withdrawal from or de-focusing of some businesses, and partial revisions to the business portfolio

	FY2022/3	FY2023/3		YoY
	Results	Initial plan	Revised plan	
Sales revenue	728	1,500	380	-48%
Operating income	86	410	29	-66%

Sales revenue



Operating income



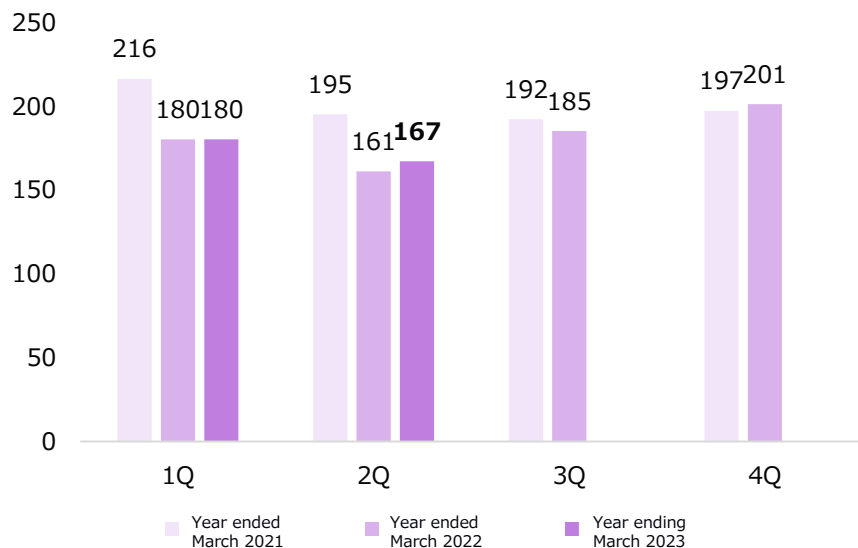
(Million yen)

Second Quarter Results for the Fiscal Year Ending March 31, 2023

- Operating income tumbled due to the revision of the business portfolio, including withdrawal from businesses.

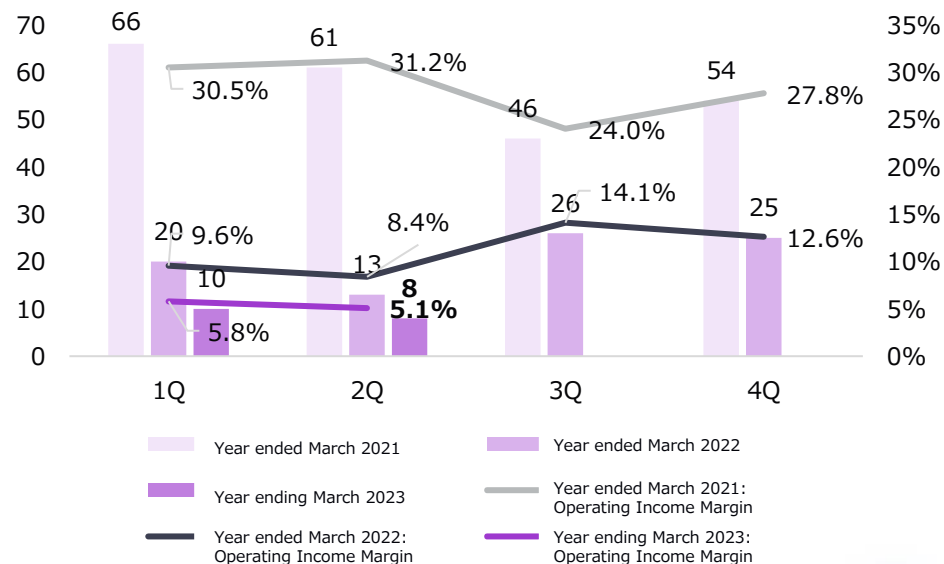
Sales revenue

Year ending March 2023				
Full-year results forecast	2Q	Change from the 2Q of the previous fiscal year	First half total	Progress in H1
380	167	+3%	347	91%



Operating income

Year ending March 2023				
Full-year results forecast	2Q	Change from the 2Q of the previous fiscal year	First half total	Progress in H1
29	8	-37%	18	65%





■ Note on forward-looking statements

- The materials and information provided in this presentation include so-called forward-looking statements.
- These statements are based on assumptions associated with current expectations, forecasts and risks, and include uncertainties that could cause actual results to differ substantially from them.
- These risk and uncertainties include regular economic conditions in Japan and overseas, including regular industry and market conditions, interest rates and currency fluctuations.
- The Company does not assume any obligations to update or revise the forward-looking statements contained in this presentation even in response to new information or future events.