

# Quarterly trends and results

Earnings (cumulative) (JPYmn)	FY04/23				FY04/24				FY04/24	
	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	% of forecast	Company forecast
Revenue	11,142	22,582	34,216	46,772	14,040	27,073	39,992	53,038	100.1%	53,000
YoY	4.4%	5.7%	7.0%	8.6%	26.0%	19.9%	16.9%	13.4%		13.3%
Cost of revenue	7,902	16,019	24,214	33,444	9,916	19,281	28,337	37,651		
YoY	6.3%	6.8%	8.3%	9.1%	25.5%	20.4%	17.0%	12.6%		
Cost ratio	70.9%	70.9%	70.8%	71.5%	70.6%	71.2%	70.9%	71.0%		
Gross profit	3,240	6,563	10,002	13,327	4,124	7,792	11,655	15,386		
YoY	0.1%	3.0%	4.1%	7.4%	27.3%	18.7%	16.5%	15.5%		
Gross profit margin	29.1%	29.1%	29.2%	28.5%	29.4%	28.8%	29.1%	29.0%		
SG&A expenses	2,375	4,600	6,834	9,320	2,460	4,721	6,985	9,499		
YoY	7.7%	6.6%	5.0%	0.8%	3.6%	2.6%	2.2%	1.9%		
SG&A-to-sales ratio	21.3%	20.4%	20.0%	19.9%	17.5%	17.4%	17.5%	17.9%		
OP	865	1,962	3,168	4,008	1,665	3,072	4,670	5,888	100.6%	5,850
YoY	-16.2%	-4.5%	2.2%	26.6%	92.5%	56.5%	47.4%	46.9%		46.0%
OPM	7.8%	8.7%	9.3%	8.6%	11.9%	11.3%	11.7%	11.1%		11.0%
Recurring profit	773	1,805	2,964	3,707	1,624	3,014	4,592	5,756	101.0%	5,700
YoY	-23.9%	-9.7%	-2.0%	28.8%	110.0%	67.0%	54.9%	55.3%		53.7%
Recurring profit margin	6.9%	8.0%	8.7%	7.9%	11.6%	11.1%	11.5%	10.9%		10.8%
Net income	306	844	1,657	1,792	863	1,981	2,869	3,566	108.1%	3,300
YoY	-45.7%	-24.7%	2.1%	116.5%	182.5%	134.8%	73.2%	99.0%		84.1%
Net margin	2.7%	3.7%	4.8%	3.8%	6.2%	7.3%	7.2%	6.7%		6.2%
Quarterly (JPYmn)	FY04/23				FY04/24					
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Revenue	11,142	11,440	11,635	12,555	14,040	13,033	12,919	13,045		
YoY	4.4%	6.9%	9.7%	13.1%	26.0%	13.9%	11.0%	3.9%		
Cost of revenue	7,902	8,117	8,195	9,230	9,916	9,365	9,057	9,314		
YoY	6.3%	7.3%	11.2%	11.2%	25.5%	15.4%	10.5%	0.9%		
Cost ratio	70.9%	71.0%	70.4%	73.5%	70.6%	71.9%	70.1%	71.4%		
Gross profit	3,240	3,323	3,439	3,325	4,124	3,668	3,862	3,732		
YoY	0.1%	6.1%	6.2%	18.7%	27.3%	10.4%	12.3%	12.2%		
Gross profit margin	29.1%	29.0%	29.6%	26.5%	29.4%	28.1%	29.9%	28.6%		
SG&A expenses	2,375	2,225	2,234	2,486	2,460	2,261	2,264	2,514		
YoY	7.7%	5.4%	2.0%	-9.2%	3.6%	1.6%	1.3%	1.2%		
SG&A-to-sales ratio	21.3%	19.5%	19.2%	19.8%	17.5%	17.3%	17.5%	19.3%		
OP	865	1,098	1,205	840	1,665	1,407	1,599	1,217		
YoY	-16.2%	7.4%	15.1%	1201.2%	92.5%	28.2%	32.6%	45.0%		
OPM	7.8%	9.6%	10.4%	6.7%	11.9%	10.8%	12.4%	9.3%		
Recurring profit	773	1,032	1,159	743	1,624	1,390	1,578	1,164		
YoY	-23.9%	4.9%	13.1%	-	110.0%	34.8%	36.2%	-		
Recurring profit margin	6.9%	9.0%	10.0%	5.9%	11.6%	10.7%	12.2%	8.9%		
Net income	306	538	813	135	863	1,117	888	697		
YoY	-45.7%	-3.4%	61.8%	-	182.5%	107.7%	9.2%	-		
Net margin	2.7%	4.7%	7.0%	1.1%	6.2%	8.6%	6.9%	5.3%		

Source: Shared Research based on company materials

Notes: Figures may differ from company materials due to differences in rounding methods.

## Earnings trends by segment

Earnings (cumulative) (JPYmn)	FY04/23				FY04/24				FY04/24	
	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	% of forecast	Company forecast
Revenue	11,142	22,582	34,216	46,772	14,040	27,073	39,992	53,038	100.1%	53,000
YoY	4.4%	5.7%	7.0%	8.6%	26.0%	19.9%	16.9%	13.4%		
5G Infrastructure Support	2,328	4,733	7,109	9,489	2,428	4,924	7,425	9,932		
YoY	4.7%	5.8%	6.1%	5.1%	4.3%	4.1%	4.4%	4.7%		
% of revenue	19.7%	19.7%	19.6%	19.1%	16.5%	17.4%	17.7%	17.8%		
5G Lifestyle Support	5,477	11,157	16,764	23,261	7,600	13,655	19,904	26,612		
YoY	4.2%	4.4%	4.6%	7.0%	38.8%	22.4%	18.7%	14.4%		
% of revenue	46.2%	46.6%	46.2%	46.9%	51.7%	48.1%	47.4%	47.7%		
Enterprise/Creator 5G DX SupportDX Support	4,039	8,076	12,415	16,849	4,668	9,799	14,655	19,278		
YoY	3.5%	5.0%	8.3%	9.5%	15.6%	21.3%	18.0%	14.4%		
% of revenue	34.1%	33.7%	34.2%	34.0%	31.8%	34.5%	34.9%	34.5%		
Other	-	-	-	-	-	-	-	-		
YoY	-	-	-	-	-	-	-	-		
% of revenue	-	-	-	-	-	-	-	-		
Adjustments	-703	-1,383	-2,072	-2,828	-656	-1,305	-1,991	-2,785		
OP	865	1,962	3,168	4,008	1,665	3,072	4,670	5,888	100.6%	5,850
YoY	-16.2%	-4.5%	2.2%	26.6%	92.5%	56.5%	47.4%	46.9%		
OPM	7.8%	8.7%	9.3%	8.6%	11.9%	11.3%	11.7%	11.1%		
5G Infrastructure Support	393	733	1,161	1,378	438	907	1,342	1,506		
YoY	33.2%	34.7%	21.2%	21.6%	11.5%	23.6%	15.6%	9.3%		
OPM	16.9%	15.5%	16.3%	14.5%	18.1%	18.4%	18.1%	15.2%		
% of OP	45.6%	37.4%	36.7%	34.4%	26.3%	29.5%	28.7%	25.5%		
5G Lifestyle Support	377	980	1,535	2,039	1,034	1,746	2,579	3,319		
YoY	-33.4%	-17.5%	-6.4%	41.1%	174.4%	78.2%	68.0%	62.8%		
OPM	6.9%	8.8%	9.2%	8.8%	13.6%	12.8%	13.0%	12.5%		
% of OP	43.7%	50.0%	48.5%	50.9%	62.1%	56.9%	55.2%	56.2%		
Enterprise/Creator 5G DX SupportDX Support	96	256	482	604	197	429	767	1,104		
YoY	-44.8%	-22.5%	-6.4%	0.1%	104.7%	67.8%	59.3%	82.7%		

OPM	2.4%	3.2%	3.9%	3.6%	4.2%	4.4%	5.2%	5.7%					
	% of OP					11.2%	13.0%	15.2%	15.1%	11.9%	14.0%	16.4%	18.7%
Other						-4	-8	-12	-17	-5	-11	-16	-21
	YoY					-	-	-	-	-	-	-	-
	OPM					-	-	-	-	-	-	-	-
	% of OP					-0.5%	-0.4%	-0.4%	-0.4%	-0.3%	-0.3%	-0.3%	-0.4%
Adjustments						2	1	2	2	-0	1	-2	-21
<b>Quarterly</b>	<b>FY04/23</b>								<b>FY04/24</b>				
<b>(JPYmn)</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>					
Revenue	11,142	11,440	11,635	12,555	14,040	13,033	12,919	13,045					
	YoY					4.4%	6.9%	9.7%	13.1%	26.0%	13.9%	11.0%	3.9%
5G Infrastructure Support	2,328	2,404	2,376	2,380	2,428	2,497	2,500	2,508					
	YoY					4.7%	7.0%	6.6%	2.0%	4.3%	3.8%	5.2%	5.4%
	% of revenue					19.7%	19.8%	19.3%	17.9%	16.5%	18.2%	18.4%	18.1%
5G Lifestyle Support	5,477	5,679	5,607	6,497	7,600	6,054	6,249	6,709					
	YoY					4.2%	4.7%	4.9%	13.9%	38.8%	6.6%	11.5%	3.3%
	% of revenue					46.2%	46.9%	45.5%	48.8%	51.7%	44.3%	45.9%	48.5%
Enterprise/Creator 5G DX SupportDX Support	4,039	4,037	4,339	4,434	4,668	5,131	4,855	4,624					
	YoY					3.5%	6.6%	15.1%	12.9%	15.6%	27.1%	11.9%	4.3%
	% of revenue					34.1%	33.3%	35.2%	33.3%	31.8%	37.5%	35.7%	33.4%
Other						-	-	-	-	-	-	-	-
	YoY					-	-	-	-	-	-	-	-
	% of revenue					-	-	-	-	-	-	-	-
Adjustments						-703	-681	-688	-756	-656	-649	-686	-794
OP						865	1,098	1,205	840	1,665	1,407	1,599	1,217
	YoY					-16.2%	7.4%	15.1%	1201.2%	92.5%	28.2%	32.6%	45.0%
	OPM					7.8%	9.6%	10.4%	6.7%	11.9%	10.8%	12.4%	9.3%
5G Infrastructure Support	393	340	427	218	438	468	435	164					
	YoY					33.2%	36.5%	3.4%	23.4%	11.5%	37.6%	1.9%	-24.6%
	OPM					16.9%	14.2%	18.0%	9.1%	18.1%	18.8%	17.4%	6.6%
	% of OP					45.6%	31.0%	35.5%	25.9%	26.3%	33.3%	27.2%	13.3%
5G Lifestyle Support	377	603	555	504	1,034	712	833	740					
	YoY					-33.4%	-2.9%	22.7%	-	174.4%	18.1%	49.9%	0
	OPM					6.9%	10.6%	9.9%	7.8%	13.6%	11.8%	13.3%	11.0%
	% of OP					43.7%	54.9%	46.1%	60.0%	62.1%	50.6%	52.0%	59.9%
Enterprise/Creator 5G DX SupportDX Support	96	159	226	123	197	231	339	337					
	YoY					-44.8%	2.5%	22.5%	37.4%	104.7%	45.4%	49.7%	174.8%
	OPM					2.4%	3.9%	5.2%	2.8%	4.2%	4.5%	7.0%	7.3%
	% of OP					11.2%	14.5%	18.8%	14.6%	11.9%	16.5%	21.1%	27.3%
Other						-4	-4	-4	-5	-5	-5	-5	-5
	YoY					-	-	-	-	-	-	-	-
	OPM					-	-	-	-	-	-	-	-
	% of OP					-0.5%	-0.3%	-0.3%	-0.6%	-0.3%	-0.4%	-0.3%	-0.4%
Adjustments						2	-1	1	0	-0	1	-3	-19

Source: Shared Research based on company materials

Notes: Figures may differ from company materials due to differences in rounding methods.

## Full-year FY04/24 results

- Revenue: JPY53.0bn (+13.4% YoY)
- Operating profit: JPY5.9bn (+46.9% YoY)
- Recurring profit: JPY5.8bn (55.3% YoY)
- Net income attributable to owners of the parent: JPY3.6bn (+99.0% YoY)

In FY04/24, revenue, operating profit, recurring profit, and net income attributable to owners of the parent rose 13.4% YoY, 46.9% YoY, 55.3% YoY, and 99.0% YoY, respectively. Giga Prize Co., Ltd. and its subsidiaries changed their fiscal year-end from March 31 to April 30, the same date as the company, resulting in a 13-month accounting period from April 1, 2023 to April 30, 2024 for FY04/24. Against its full-year forecast, the company achieved 100.1% for revenue, 100.6% for operating profit, 101.0% for recurring profit, and 108.1% for net income attributable to shareholders of the parent company. Excluding the impact of the change in fiscal year-end for Giga Prize and its subsidiaries, revenue grew 9.7% YoY to JPY51.3bn, operating profit was JPY5.5bn (+37.0% YoY), recurring profit was JPY5.4bn(+44.6% YoY) and net income attributable to owners of the parent was 3.4bn (+90.2% YoY).

### 5G Infrastructure Support

- Revenue: JPY9.9bn (+4.7% YoY)
- Operating profit: JPY1.5bn (+9.3% YoY)

In FY04/24, the segment posted an increase in revenue and profit. The company's group performed well due to the expansion of the scale of its support business for MVNOs. Operating profit (excluding strategic investments) was up 7.6% YoY.

### 5G Lifestyle Support

- Revenue: JPY26.6bn (+14.4% YoY)
- Operating profit: JPY3.3bn (+62.8% YoY)

In FY04/24, the segment posted an increase in revenue and profit. In the 5G Homestyle business (internet services for housing complexes), the number of households using the company's service grew at a steady pace.

Excluding the impact of the change in fiscal year-end for Giga Prize and its subsidiaries, revenue was up 7.0% YoY, and operating profit (excluding strategic investments (one-time investments)) was up 22.7% YoY.

### Enterprise/Creator 5G DX Support

- Revenue: JPY19.3bn (+14.4% YoY)
- Operating profit: JPY1.1bn (+82.7% YoY)

In FY04/24, the segment posted increases in both revenue and profit. Customer acquisition for affiliate services grew at a steady pace. Operating profit (excluding strategic investments (one-time investments)) was up 51.6% YoY.

## Full-year company forecast

### FY04/25 company forecast

(JPYmn)	FY04/24			FY04/25
	1H Act.	2H Act.	FY Act.	FY Est.
Revenue	27,073	25,965	53,038	54,000
YoY	19.9%	7.3%	13.4%	1.8%
OP	3,072	2,816	5,888	5,700
YoY	56.5%	37.7%	46.9%	-3.2%
OPM	11.3%	10.8%	11.1%	10.6%
Recurring profit	3,014	2,742	5,756	5,500
YoY	67.0%	44.2%	55.3%	-4.5%
Recurring profit margin	11.1%	10.6%	10.9%	10.2%
Net income	1,981	1,585	3,566	3,000
YoY	134.8%	67.1%	99.0%	-15.9%
Net margin	7.3%	6.1%	6.7%	5.6%

Source: Shared Research based on company materials

Notes: Figures may differ from company materials due to differences in rounding methods.

### Initial company forecast (out June 14, 2024)

- Revenue: JPY54.0bn (+1.8% YoY)
- Operating profit: JPY5.7bn (-3.2% YoY)
- Recurring profit: JPY5.5bn (-4.5% YoY)
- Net income attributable to owners of the parent: JPY3.0bn (-15.9% YoY)

For FY04/25, the company forecasts sales of JPY54.0bn (+1.8% YoY), operating profit of JPY5.7bn (-3.2% YoY), recurring profit of JPY5.5bn (-4.5% YoY), and net income attributable to owners of the parent of JPY3.0bn (-15.9% YoY).

In FY04/25, the first year of its medium-term management plan SiLK VISION 2027, the second phase of its 10-year plan covering the period from FY2021 to FY2030, FreeBit plans to expand its strategic portfolio through M&A and business alliances in addition to continued growth in existing businesses. In the 5G/web3 domain, the company will position its business in the social implementation phase and plan to expand the TONEIN strategy to other fields, including IoT, using the technologies and services cultivated by Tone Mobile and build services based on the conceptual design of Medical DX and Trusted Web Concept in the medical and healthcare fields. Furthermore, it will also promote group-wide efforts to solve various social issues in the 5G/web3 era by utilizing next-generation communications (5G), including IoT, and its blockchain technology and advanced technologies.

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