

Issuer-sponsored research | Not Rated*

2025-12-12

* This report is for informational purposes only and does not constitute a recommendation or endorsement of any security, financial instrument, or investment strategy. No investment rating is provided in this report. Please perform your own independent analysis or consult a professional financial advisor before making any investment decisions.

Quarterly trends and results

Earnings (cumulative)	FY04/25				FY04/26				FY04/26	
(JPYmn)	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	% of Est.	Company forecast
Revenue	13,291	26,623	40,551	55,073	15,178	30,799			51.3%	60,000
YoY	-5.3%	-1.7%	1.4%	3.8%	14.2%	15.7%				8.9%
Cost of revenue	9,342	18,818	28,726	39,360	10,986	22,454				
YoY	-5.8%	-2.4%	1.4%	4.5%	17.6%	19.3%				
Cost ratio	70.3%	70.7%	70.8%	71.5%	72.4%	72.9%				
Gross profit	3,949	7,805	11,825	15,713	4,192	8,346				
YoY	-4.2%	0.2%	1.5%	2.1%	6.1%	6.9%				
Gross profit margin	29.7%	29.3%	29.2%	28.5%	27.6%	27.1%				
SG&A expenses	2,486	4,780	7,134	9,830	2,505	4,882				
YoY	1.1%	1.3%	2.1%	3.5%	0.7%	2.1%				
SG&A-to-sales ratio	18.7%	18.0%	17.6%	17.8%	16.5%	15.9%				
OP	1,463	3,025	4,690	5,884	1,687	3,464			56.8%	6,100
YoY	-12.1%	-1.5%	0.4%	-0.1%	15.3%	14.5%				3.7%
OPM	11.0%	11.4%	11.6%	10.7%	11.1%	11.2%				10.2%
Recurring profit	1,451	3,077	4,639	5,231	1,650	3,308			57.3%	5,770
YoY	-10.6%	2.1%	1.0%	-9.1%	13.7%	7.5%				10.3%
Recurring profit margin	10.9%	11.6%	11.4%	9.5%	10.9%	10.7%				9.6%
Net income	814	1,768	2,528	2,749	1,063	2,270			64.9%	3,500
YoY	-5.7%	-10.7%	-11.9%	-22.9%	30.6%	28.4%				27.3%
Net margin	6.1%	6.6%	6.2%	5.0%	7.0%	7.4%				5.8%
Quarterly	FY04/25				FY04/26					
(JPYmn)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Revenue	13,291	13,332	13,928	14,522	15,178	15,622				
YoY	-5.3%	2.3%	7.8%	11.3%	14.2%	17.2%				
Cost of revenue	9,342	9,476	9,908	10,634	10,986	11,468				
YoY	-5.8%	1.2%	9.4%	14.2%	17.6%	21.0%				
Cost ratio	70.3%	71.1%	71.1%	73.2%	72.4%	73.4%				
Gross profit	3,949	3,856	4,020	3,889	4,192	4,154				
YoY	-4.2%	5.1%	4.1%	4.2%	6.1%	7.7%				
Gross profit margin	29.7%	28.9%	28.9%	26.8%	27.6%	26.6%				
SG&A expenses	2,486	2,294	2,354	2,695	2,505	2,377				
YoY	1.1%	1.4%	4.0%	7.2%	0.7%	3.7%				
SG&A-to-sales ratio	18.7%	17.2%	16.9%	18.6%	16.5%	15.2%				
OP	1,463	1,562	1,665	1,193	1,687	1,776				
YoY	-12.1%	11.0%	4.2%	-2.0%	15.3%	13.7%				
OPM	11.0%	11.7%	12.0%	8.2%	11.1%	11.4%				
Recurring profit	1,451	1,625	1,562	592	1,650	1,658				
YoY	-10.6%	16.9%	-1.0%	-49.2%	13.7%	2.0%				
Recurring profit margin	10.9%	12.2%	11.2%	4.1%	10.9%	10.6%				
Net income	814	954	759	221	1,063	1,207				
YoY	-5.7%	-14.6%	-14.5%	-68.3%	30.6%	26.5%				
Net margin	6.1%	7.2%	5.5%	1.5%	7.0%	7.7%				

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)	FY04/25				FY04/26				FY04/26	
(JPYmn)	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	% of Est.	Company forecast
Revenue	13,291	26,623	40,551	55,073	15,178	30,799			51.3%	60,000
YoY	-5.3%	-1.7%	1.4%	3.8%	14.2%	15.7%				
5G Infrastructure Support	2,547	5,166	7,839	10,568	2,869	5,850				

	YoY	4.9%	4.9%	5.6%	6.4%	12.7%	13.2%		
	% of revenue	18.3%	18.5%	18.5%	18.4%	18.2%	18.3%		
5G Lifestyle Support		6,214	12,619	19,177	26,308	6,919	13,977		
	YoY	-18.2%	-7.6%	-3.7%	-1.1%	11.3%	10.8%		
	% of revenue	44.6%	45.3%	45.2%	45.7%	43.9%	43.7%		
Enterprise/Creator 5G DX SupportDX Support		5,162	10,076	15,375	20,699	5,974	12,137		
	YoY	10.6%	2.8%	4.9%	7.4%	15.7%	20.5%		
	% of revenue	37.1%	36.2%	36.3%	36.0%	37.9%	38.0%		
Other		-	-	-	-	-	-		
	YoY	-	-	-	-	-	-		
	% of revenue	-	-	-	-	-	-		
Adjustments		-632	-1,238	-1,839	-2,502	-585	-1,166		
OP		1,463	3,025	4,690	5,884	1,687	3,464	56.8%	6,100
	YoY	-12.1%	-1.5%	0.4%	-0.1%	15.3%	14.5%		
	OPM	11.0%	11.4%	11.6%	10.7%	11.1%	11.2%		
5G Infrastructure Support		325	689	1,056	1,405	498	1,002		
	YoY	-29.7%	-27.4%	-25.7%	-13.0%	53.3%	45.3%		
	OPM	12.8%	13.3%	13.5%	13.3%	17.4%	17.1%		
	% of OP	22.2%	22.8%	22.5%	23.9%	29.6%	29.0%		
5G Lifestyle Support		769	1,638	2,671	3,546	918	1,996		
	YoY	-23.7%	-3.7%	7.0%	10.6%	19.3%	21.9%		
	OPM	12.4%	13.0%	13.9%	13.5%	13.3%	14.3%		
	% of OP	52.6%	54.1%	57.0%	60.3%	54.5%	57.8%		
Enterprise/Creator 5G DX SupportDX Support		373	709	976	954	272	469		
	YoY	87.7%	64.5%	26.6%	-14.0%	-27.2%	-33.8%		
	OPM	7.2%	7.0%	6.4%	4.6%	4.6%	3.9%		
	% of OP	25.5%	23.4%	20.8%	16.2%	16.2%	13.6%		
Other		-5	-11	-16	-21	-5	-11		
	YoY	-	-	-	-	-	-		
	OPM	-	-	-	-	-	-		
	% of OP	-0.4%	-0.4%	-0.3%	-0.4%	-0.3%	-0.3%		
Adjustments		1	-1	3	-1	5	8		
Quarterly(3-months)		FY04/25				FY04/26			
(JPYmn)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue		13,291	13,332	13,928	14,522	15,178	15,622		
	YoY	-5.3%	2.3%	7.8%	11.3%	14.2%	17.2%		
5G Infrastructure Support		2,547	2,619	2,673	2,729	2,869	2,981		
	YoY	4.9%	4.9%	6.9%	8.8%	12.7%	13.8%		
	% of revenue	18.3%	18.8%	18.4%	18.0%	18.2%	18.4%		
5G Lifestyle Support		6,214	6,405	6,557	7,131	6,919	7,058		
	YoY	-18.2%	5.8%	4.9%	6.3%	11.3%	10.2%		
	% of revenue	44.6%	46.0%	45.1%	47.0%	43.9%	43.6%		
Enterprise/Creator 5G DX SupportDX Support		5,162	4,914	5,299	5,325	5,974	6,163		
	YoY	10.6%	-4.2%	9.1%	15.2%	15.7%	25.4%		
	% of revenue	37.1%	35.3%	36.5%	35.1%	37.9%	38.0%		
Other		-	-	-	-	-	-		
	YoY	-	-	-	-	-	-		
	% of revenue	-	-	-	-	-	-		
Adjustments		-632	-606	-601	-662	-585	-581		
OP		1,463	1,562	1,665	1,193	1,687	1,776		
	YoY	-12.1%	11.0%	4.2%	-2.0%	15.3%	13.7%		
	OPM	11.0%	11.7%	12.0%	8.2%	11.1%	11.4%		
5G Infrastructure Support		325	364	367	349	498	503		
	YoY	-29.7%	-25.1%	-22.2%	79.0%	53.3%	38.3%		
	OPM	12.8%	13.9%	13.7%	12.8%	17.4%	16.9%		
	% of OP	22.2%	23.3%	22.1%	29.2%	29.6%	28.4%		
5G Lifestyle Support		769	869	1,033	875	918	1,078		
	YoY	-23.7%	25.4%	30.0%	23.4%	19.3%	24.1%		
	OPM	12.4%	13.6%	15.8%	12.3%	13.3%	15.3%		
	% of OP	52.6%	55.6%	62.1%	73.1%	54.5%	60.8%		
Enterprise/Creator 5G DX SupportDX Support		373	336	267	-22	272	197		
	YoY	87.7%	44.6%	-21.4%	-	-27.2%	-41.2%		
	OPM	7.2%	6.8%	5.0%	-	4.6%	3.2%		
	% of OP	25.5%	21.5%	16.1%	-1.8%	16.2%	11.1%		
Other		-5	-5	-5	-5	-5	-5		
	YoY	-	-	-	-	-	-		
	OPM	-	-	-	-	-	-		
	% of OP	-0.4%	-0.3%	-0.3%	-0.4%	-0.3%	-0.3%		
Adjustments		1	-1	3	-3	5	3		

Source: Shared Research based on company materials

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

1H FY04/26 results

- Revenue: JPY30.8bn (+15.7% YoY)

- Operating profit: JPY3.5bn (+14.5% YoY)
- Recurring profit: JPY3.3bn (+7.5% YoY)
- Net income attributable to owners of the parent: JPY2.3bn (+28.4% YoY)

In 1H FY04/26, the company reported revenue of JPY30.8bn (+15.7% YoY), operating profit of JPY3.5bn (+14.5% YoY), recurring profit of JPY3.3bn (+7.5% YoY), and net income attributable to owners of the parent of JPY2.3bn (+28.4% YoY).

Against the company's full-year forecast, 1H revenue reached 51.3% of the target (vs. 48.3% in 1H FY04/25), operating profit 56.8% (51.4%), recurring profit 57.3% (58.8%), and net income attributable to owners of the parent 64.9% (64.3%). The company maintained its full-year forecast.

5G Infrastructure Support

- Revenue: JPY5.9bn (+13.2% YoY)
- Operating profit: JPY1.0bn (+45.3% YoY)

As business support services for MVNOs expanded steadily, revenue grew 13.2% YoY to JPY5.9bn, and operating profit rose 45.3% YoY to JPY1.0bn.

5G Lifestyle Support

- Revenue: JPY14.0bn (+10.8% YoY)
- Operating profit: JPY2.0bn (+21.9% YoY)

The company steadily increased the number of households for its 5G Homestyle service (an internet service for housing complexes). As a result, revenue increased 10.8% YoY to JPY14.0bn, and operating profit rose 21.9% YoY to JPY2.0bn. As of end-Q2 FY04/26, Giga Prize provided ISP services to roughly 1.41mn homes, up by about 64 thousand YoY.

Enterprise/Creator 5G DX Support

- Revenue: JPY12.1bn (+20.5% YoY)
- Operating profit: JPY469mn (-33.8% YoY)

Revenue increased 20.5% YoY to JPY12.1bn, driven mainly by strong demand in the affiliate business. Operating profit, however, declined 33.8% YoY to JPY469mn, reflecting higher expenses related to the expansion of the affiliate business as well as increased provisions for doubtful accounts.

Full-year company forecast

FY04/26 company forecast

(JPYmn)	FY04/25			FY04/26		
	1H Act.	2H Act.	FY Act.	1H Act.	2H Est.	FY Est.
Revenue	26,623	28,450	55,073	30,799	29,201	60,000
YoY	-1.7%	9.6%	3.8%	15.7%	2.6%	8.9%
OP	3,025	2,859	5,884	3,464	2,636	6,100
YoY	-1.5%	1.5%	-0.1%	14.5%	-7.8%	3.7%
OPM	11.4%	10.0%	10.7%	11.2%	9.0%	10.2%
Recurring profit	3,077	2,154	5,231	3,308	2,462	5,770
YoY	2.1%	-21.4%	-9.1%	7.5%	14.3%	10.3%
Recurring profit margin	11.6%	7.6%	9.5%	10.7%	8.4%	9.6%
Net income	1,768	980	2,749	2,270	1,230	3,500
YoY	-10.7%	-38.2%	-22.9%	28.4%	25.5%	27.3%
Net margin	6.6%	3.4%	5.0%	7.4%	4.2%	5.8%

Source: Shared Research based on company materials

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




About Shared Research Inc.

We offer corporate clients comprehensive report coverage, a service that allows them to better inform investors and other stakeholders by presenting a continuously updated third-party view of business fundamentals, independent of investment biases. Shared Research can be found on the web at <https://sharedresearch.jp>.

Contact Details

 2-6-10 Kanda-Sarugakucho Chiyoda-ku Tokyo, Japan

 +81 (0)3 5834-8787

 info@sharedresearch.jp

 <https://sharedresearch.jp>

Disclaimer

This document is provided for informational purposes only. No investment opinion or advice is provided, intended, or solicited. Shared Research Inc. offers no warranty, either expressed or implied, regarding the veracity of data or interpretations of data included in this report. We shall not be held responsible for any damage caused by the use of this report. The copyright of this report and the rights regarding the creation and exploitation of the derivative work of this and other Shared Research Reports belong to Shared Research. This report may be reproduced or modified for personal use; distribution, transfer, or other uses of this report are strictly prohibited and a violation of the copyright of this report. Our officers and employees may currently, or in the future, have a position in securities of the companies mentioned in this report, which may affect this report's objectivity.

Japanese Financial Instruments and Exchange Law (FIEL) Disclaimer: The report has been prepared by Shared Research under a contract with the company described in this report ("the company"). Opinions and views presented are ours where so stated. Such opinions and views attributed to the company are interpretations made by Shared Research. We represent that if this report is deemed to include an opinion from us that could influence investment decisions in the company, such an opinion may be in exchange for consideration or promise of consideration from the company to Shared Research.