COMPANY RESEARCH AND ANALYSIS REPORT

E·J Holdings Inc

2153

Tokyo Stock Exchange First Section

18-Sept.-2020

FISCO Ltd. Analyst

Yuzuru Sato

FISCO Ltd.

http://www.fisco.co.jp

Index

Summary

The outlook is for strong results to continue against a backdrop of rising demand for measures to strengthen national resilience and to prevent and mitigate disasters

E·J Holdings Inc. <2153> (hereinafter referred to as "the Company") is a major, comprehensive construction consultant whose strength is that it is able to provide services in every process for public work, etc. from planning and development through to plan formulation, surveys and design, construction management, and operations and maintenance management, with its subsidiary Eight-Japan Engineering Consultants Inc. as the core company. Orders-received to central and local government offices and agencies account for 80 to 90% of its total sales, and overseas, it has a track record of projects in Africa and Southeast Asia. The Company is also involved in the planning and management of regional revitalization projects. In July 2018, its listing was upgraded from the Second Section to the First Section of the Tokyo Stock Exchange (TSE).

1. FY5/20 results overview

In the FY5/20 consolidated results, sales and profits increased by double digits, with net sales rising 16.1% year on year (YoY) to ¥30,394mn, operating income growing 74.4% to ¥2,984mn, and ordinary income climbing 87.4% to ¥3,203mn, significantly updating record highs. The backdrop to these strong results was the expansion of public works projects, mainly for measures to strengthen national resilience and to prevent and mitigate disasters. As a result, sales for construction consultancy projects were strong, while the cost-of-sales ratio also improved due to improvements to work efficiency, which led to major increases in profits. Orders-received rose 16.8% YoY to ¥35,492mn, centered on the public works field. Orders-received for the five fields that the Company has positioned as priority business fields* increased 24.6% to ¥18,271mn, within which they rose 26.0% to ¥7,262mn in the natural disaster risk mitigation field. In FY5/20, the Company newly made an equity-method affiliate of ENZAN KOUBOU CO., LTD. (investment ratio: slightly more than 30%) from the viewpoint of its importance, and equity-method investment income of ¥145mn was recorded as non-operating income. It seems that the growth was from ENZAN KOUBOU's mountain tunnel drilling guidance system being used for the Linear Chuo Shinkansen line tunnel project.

* The five fields that the Company is working on as a priority are the environment and energy, natural disaster risk mitigation, urban and regional revitalization, infrastructure management, and information and communications.

2. Outlook for FY5/21

The outlook for FY5/21 is for net sales to increase 8.6% YoY to ¥33,000mn, operating income to rise 0.5% to ¥3,000mn, and ordinary income to decrease 3.2% to ¥3,100mn. At the end of the previous period, the Company had an abundant order backlog of ¥24,399mn, so it seems highly likely that it can achieve the net sales forecast. For operating income, it is viewing the cost-of-sales ratio conservatively, so at FISCO, we think it is also highly likely that results will exceed the forecasts. In addition, the equity-method investment income recorded in the previous fiscal period has not been incorporated into the forecasts. In November 2019, the Company made subsidiaries of two companies, Futagami Architects & Associates (Hyogo Prefecture) and DAIMIC Co., Ltd. (Tochigi Prefecture). Both companies are scheduled to be included in the scope of consolidation from FY5/21.

3. Progress in the medium-term management plan

The 4th medium-term management plan was started in FY5/18 and its final fiscal year is FY5/21. The plan's management targets are consolidated net sales of not less than ¥30bn, ordinary income of not less than ¥2.1bn, and ROE of not less than 8.0%, but the Company has already achieved all of these targets one year ahead of schedule. This is because it made steady progress in its growth strategy, including due to the growth of investment in public works projects from the expansion of the domestic construction consultancy field and the infrastructure management field. On the other hand, the expansion of the overseas consultancy business has been halted by the impact of the novel coronavirus pandemic. However, the Company plans to establish a local subsidiary in Thailand in August 2020, and going forward, its policy is to actively progress acquisitions of orders locally. It also intends to continue to investigate M&A proposals as a share-expansion strategy.

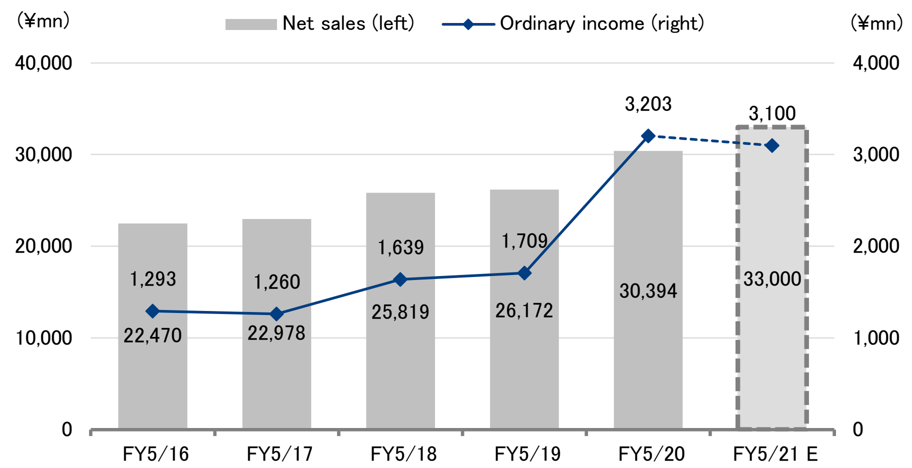
4. Shareholder return policy

The Company returns profits to shareholders through dividends, and its basic policy is to pay stable dividends while considering factors such as the results trend, dividend payout ratio, and ratio of dividends to shareholders' equity. The FY5/21 dividend per share is forecast to increase for the fourth consecutive period, up ¥3 YoY to ¥53 (for a dividend payout ratio of 18.0%). The Company has also introduced a shareholder benefits program, gifting to shareholders a QUO card according to the number of shares they hold at the end of November in each year (worth ¥1,000 for shareholders holding 100 or more but less than 1,000 shares).

Key Points

- Made progress in FY5/20 in increasing sales and reducing costs, and achieved higher sales and profits that greatly exceeded the Company's forecasts
- For the FY5/21 results, the strong impression is that the profit forecasts are conservative and that results are highly likely to exceed the forecasts
- Aiming to be the leading solutions consultancy group for infrastructure in Japan, while utilizing M&A

Result trends



Source: Prepared by FISCO from the Company's financial results

Company profile

A comprehensive construction consultancy major that is currently expanding its business areas and fields

1. Company history

The Company is a holding company that was established in June 2007 by a joint share transfer between Eight Consultants Co., Ltd. and Japan Engineering Consultants Co., Ltd.—two companies that primarily operated construction consultancy businesses. After this development, in January 2008, Eight Consultants' measurement equipment rental business was succeeded by Japan Infrastructure Management Co., Ltd. through an absorption split, and then in June 2009, Japan Engineering Consultants' construction consultant business was succeeded by Eight Consultants. After these successions, Eight Consultants changed its company name to Eight-Japan Engineering Consultants Inc., and Japan Engineering Consultants changed its company name to EJ Business Partners Co., Ltd. (EJ Business Partners was merged into Eight-Japan Engineering Consultants through an absorption merger in May 2015).

In June 2010, the Company conducted a share exchange to make a subsidiary of Kindai-Sekkei Consultant, Inc., which is a construction consultancy business specializing in bridges, structures, and urban infrastructure. Then in December 2017, it established Hokkaido Kindai-Sekkei Consultant Inc., from a company split from Kindai-Sekkei Consultant in order to expand its business in Hokkaido. Also, for overseas business development, Eight-Japan Engineering Consultants opened a representative office in Bangkok, Thailand, in November 2014, and a branch office in Myanmar in September 2018.

Recently, the Company made subsidiaries of Arc Consultants Co., Ltd., which conducts construction consultancy business in Okayama Prefecture, in March 2019, and of i DEVELOP CONSULTANTS Co., Ltd., which provides customer support and infrastructure-management services in the Kyushu region, in July of the same year. In November of the same year, it made subsidiaries of Futagami Architects & Associates, which conducts construction-related planning, surveys, and project planning as well as seismic diagnostics, mainly in Hyogo Prefecture, and DAIMIC Co., Ltd., which is a leading construction consultancy company in Tochigi Prefecture, and it is working to expand share in every region through its M&A strategy.

Company history

Date	Major events
June 2007	Eight Consultants Co., Ltd. and Japan Engineering Consultants Co., Ltd. conducted a share exchange to establish E·J Holdings Inc., as the parent company. Listed on the Tokyo Stock Exchange Second Section.
January 2008	Japan Infrastructure Management Co., Ltd. succeeded the measurement equipment rental business of Eight Consultants Co., Ltd. through an absorption split, while at the same time, the company acquired the shares of Japan Infrastructure Management Co., Ltd. held by Eight Consultants Co., Ltd.
June 2009	Eight Consultants Co., Ltd. succeeded the construction consultancy business of Japan Engineering Consultants Co., Ltd. and changed its company name to Eight-Japan Engineering Consultants Inc., and Japan Engineering Consultants Co., Ltd. changed its company name to EJ Business Partners Co., Ltd.
June 2010	Kindai-Sekkei Consultant, Inc. was made a subsidiary through a share exchange.
May 2015	Eight-Japan Engineering Consultants, Inc. merged with EJ Business Partners through an absorption merger.
December 2017	Established Hokkaido Kindai-Sekkei Consultant, Inc. from a company split from Kindai-Sekkei Consultant, Inc.
July 2018	Listed on the First Section of the TSE.
March 2019	Made a wholly owned subsidiary of Arc Consultants Co., Ltd.
July 2019	Made a wholly owned subsidiary of i DEVELOP CONSULTANTS Co., Ltd.
November 2019	Entered into a capital and business alliance with Futagami Architects & Associates and made it a subsidiary Made a wholly owned subsidiary of DAIMIC Co., Ltd.

Source: Prepared by FISCO from Company materials

The Group's strength is its ability to provide services for all processes in a social capital development project, from planning and project formulation through to surveys, design, construction, and management operations

2. Business overview

The Group's strength is its ability to provide a one-stop service for all the processes in a project, from planning and concepts through to plan formulation and project creation, surveys and design, construction management, and operations and maintenance management. This is mainly for the public works projects of government offices and agencies. As of the end of May 2020, the Group consisted of 9 consolidated subsidiaries (and 8 non-consolidated subsidiaries and 1 equity-method affiliate), and had a total of 1,517 employees (an increase of 140 employees compared to the end of the previous fiscal period). Also, from FY5/20, the Company made ENZAN KOUBOU Co., Ltd. an equity-method affiliate from the viewpoint of its importance. ENZAN KOUBOU has its head office in Kyoto and develops and provides software to control surveying equipment and for data management, mainly in the construction and civil engineering fields.

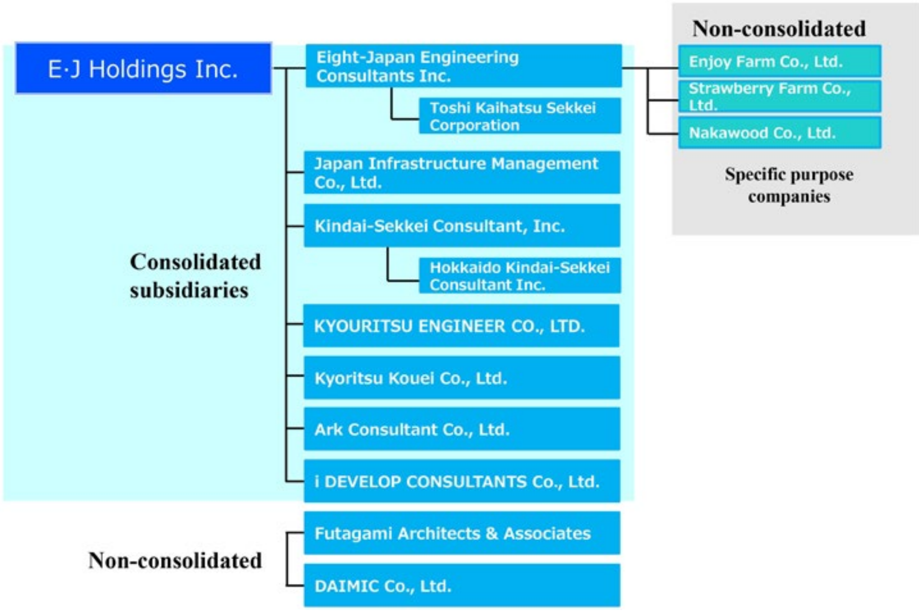
(1) Overview of subsidiaries

Eight-Japan Engineering Consultants, the main subsidiary contributing nearly 80% of total consolidated net sales, provides construction consultancy services, including for planning, project formulation, surveys and design, diagnostics, and management. It also provides overseas consultancy services and the development of businesses leading to regional creation, such as tourist farms and agri-businesses. Its subsidiary, Toshi Kaihatsu Sekkei Corporation primarily conducts planning, construction design, and management work for the designs of water supply and sewer systems, etc.

Kindai-Sekkei Consultant, Inc. which provides slightly more than 10% of total net sales, conducts businesses including construction management for roads, bridges, and other structures and customer support projects. Its features also include that it has a strong track record for the electrical projects that do not use utility poles that are being promoted by the Ministry of Land, Infrastructure, Transport and Tourism (planning and design, surveys, and maintenance-management support), with a share of orders of more than approximately 20%. There are several methods for removing utility poles, but the basic method is to remove the above-ground utility poles, while moving the communications cables below ground. This requires close negotiations and adjustments between various operators, as it involves grouping cables together with other infrastructure that are buried under the road, such as gas and water pipes. This expertise, which is one source of the Company's competitiveness, is shared throughout the Group, and Eight-Japan Engineering Consultants has also started to receive a number of orders. Other than the above, KYOURITSU ENGINEER CO., LTD. and Kyoritsu Kouei Co., Ltd. carry out measurement and geological surveys and design work, while Japan Infrastructure Management conducts operations including measurement surveys, construction management, dispatches of engineers, and rental and sales of measuring equipment.

Also, since 2Q FY5/20, Arc Consultants has been newly added as a consolidated subsidiary, mainly providing construction consultancy services in the north of Okayama Prefecture, including for surveying, planning and design of roads and bridges, and design of rivers, with annual sales of just under ¥0.3bn. Also, i DEVELOP CONSULTANTS, which is based in the north of Kyushu, conducts businesses including a social infrastructure customer support business and an infrastructure facilities management business with annual sales of around ¥0.8bn to ¥0.9bn. These companies were made subsidiaries with the aim of expanding the business scale in their respective regions. Goodwill of approximately ¥1.1bn (11-year straight-line amortization) was generated in relation to i DEVELOP CONSULTANTS.

Overview of the Group



Source: Prepared by FISCO from the Company's results briefing materials

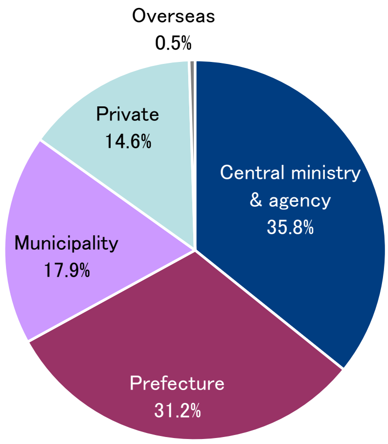
(2) Percentages of orders-received by ordering institution and region

Of the Company's orders-received, 80 to 90% are provided by sales to government offices and agencies, and a feature is that a high percentage of those projects are related to traffic infrastructure, such as roads and bridges, and conservation of national land, including river and mountain flood management. In the FY5/20 results, the composition of orders-received was 35.8% for central government ministries and agencies, mainly for the Ministry of Land, Infrastructure, Transport and Tourism; 31.2% for prefectures; and 17.9% for municipalities, therefore totaling 84.9% for government ministries and agencies alone, 14.6% for private-sector companies, and 0.5% for overseas. The majority of overseas orders were for projects in Africa and Asia through the Japan International Cooperation Agency (JICA), including for road infrastructure, flood control, and water supply projects.

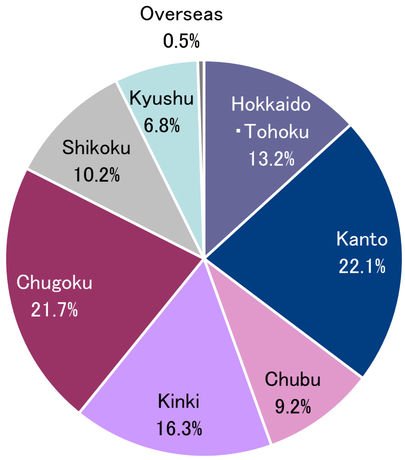
Looking at the composition of orders-received by region in FY5/20, the Kanto area was the highest at 22.1%, followed by the Chugoku area, the site of the head office, at 21.7%, and then Kinki at 16.3%, and these 3 regions provided approximately 60% of the total. Compared to 5 years before in FY5/15, the percentage of orders in Kanto, Kinki, and Kyushu have risen by 2 percentage points (pp), 3pp, and 2pp, respectively. Conversely, Shikoku, overseas, and Hokkaido/Tohoku have decreased by 3pp, 2pp, and 1pp, respectively.

Nearly all ordered projects are scheduled to end within a year. In the case of a continuous ordered project in which construction periods are divided into multiple periods, there are long-term projects that last as long as 3 to 4 years in total. Also, for projects for government offices and agencies, sales tend to be concentrated in March, which is the acceptance-inspection period, so around 60% to 70% of net sales are concentrated in the 4Q (March to May). Therefore, it is necessary to be aware that in a typical year a loss is recorded up to the 3Q, but that this is a seasonal factor.

Composition of orders-received by ordering institution (FY5/20)



Composition of orders-received by region (FY5/20)



Source: Prepared by FISCO from the Company's materials

3. Corporate philosophy

The Group's management mission is to "contribute to the creation of a truly affluent society through using our technological and decision-making capabilities that are kind to the global environment." Its management vision is "aiming to be a leading solution group for infrastructure in Japan by continuing to pursue sustainable growth and improving corporate value."

In order to realize its management vision, the Company conducts its business activities in accordance with the Code of Conduct that it formulated from the four viewpoints of innovation*1, professionalism*2, integrity*3, and teamwork*4.

*1 Innovation: Aiming to ascertain changes in society and the environment and to solve problems in all infrastructure fields by acting based on "glocal" (from global to local) thinking
*2 Professionalism: As a group of professionals with excellent skills who are able to respond precisely to diverse and high-level needs, and who possess an abundance of sensitivity and sincere personalities, to work toward self-improvements in order to increase the value of our human resources and our corporate value
*3 Integrity: Observing not only the relevant laws, but also corporate and professional ethics, and fulfilling our social responsibilities from a fair and neutral standpoint
*4 Teamwork: Aware of being Japan's leading infrastructure solutions consultancy group, always aiming for high targets, and taking on the challenge of achieving these targets using the Group's comprehensive strength

Result trends

Made progress in FY5/20 in increasing sales and reducing costs, and achieved higher sales and profits that greatly exceeded the Company's forecasts

1. Overview of the FY5/20 results

In the FY5/20 consolidated results, net sales increased 16.1% YoY to ¥30,394mn, operating income rose 74.4% to ¥2,984mn, ordinary income grew 87.4% to ¥3,203mn, and net profit attributable to owners of the parent was up 60.9% to ¥2,029mn. Net sales reached a new record high for a fourth consecutive fiscal year, while operating income, ordinary income, and net profit attributable to owners of the parent were record highs for the first time in six fiscal periods, and results greatly improved.

Business performance for FY5/20 (consolidated)

(¥mn)

	FY5/19		FY5/20				
	Results	Ratio to net sales	Forecast	Results	Ratio to net sales	YoY	Vs. forecast
Orders-received	30,377	-	29,000	35,492	-	16.8%	22.4%
Net sales	26,172	100.0%	29,000	30,394	100.0%	16.1%	4.8%
Cost of sales	18,369	70.2%	20,700	20,470	67.4%	11.4%	-1.1%
SG&A expenses	6,091	23.3%	6,300	6,938	22.8%	13.9%	10.1%
Operating income	1,711	6.5%	2,000	2,984	9.8%	74.4%	49.2%
Ordinary income	1,709	6.5%	2,100	3,203	10.5%	87.4%	52.5%
Profit attributable to owners of the parent	1,261	4.8%	1,300	2,029	6.7%	60.9%	56.1%

Source: Prepared by FISCO from the Company's financial results

Orders-received increased 16.8% YoY to ¥35,492mn for a record high for the second consecutive period. Overseas orders declined, mainly due to the impact of the novel coronavirus. However, government spending on public works increased above the initial forecast of around ¥7tn to ¥8.6tn, mainly for measures to strengthen national resilience and to prevent and mitigate disasters. For the private sector as well, results were strong and increased by double digits, centering on construction management projects for NEXCO (an expressway company). The order backlog also greatly increased, up 32.9% compared to the end of the previous fiscal period to ¥24,399mn. The number of work projects increased for the fifth consecutive period, rising 3.8% YoY to 3,036 projects, and the order amount per project also continues to trend upward, increasing 12.6% to ¥1,169mn.

Net sales were 4.8% higher than initially forecast due to the abundant order backlog and steady acquisitions of new orders. The operating margin rose significantly, from 6.5% in the previous period to 9.8%, mainly due to the effects of higher sales and a 2.8pp improvement in the cost-of-sales ratio compared to the previous period. It seems that the Company was successful in improving work efficiency by thoroughly implementing work-progress management and reducing the expense ratio per project by acquiring large-scale ordered projects and conducting order-acquisition activities centering on high-value-added projects. It set the initial forecasts assuming a conservative cost-of-sales ratio of 71.4%, so it seems that there is room for profits to exceed their forecasts by improving the cost-of-sales ratio. The impact of the novel coronavirus pandemic on results will be minimal.

Looking at the increases in SG&A expenses by item, they include personnel expenses* (+¥541mn), depreciation and amortization expenses (+¥72mn), and amortization of goodwill (+¥92mn). Also, in measures to respond to the novel coronavirus pandemic, the Company invested around ¥30mn in establishing a teleworking environment, while at the same time, transportation costs decreased ¥30mn YoY as the Company responded to customer inquiries using web conferencing and other means.

* Personnel expenses: Total of executive compensation, salaries and allowances, bonuses, retirement benefit expenses, provision for share-based remuneration, and legal welfare expenses

Non-operating income/expenditure improved ¥221mn YoY, which was mainly due to the recording of equity-method investment income of ¥145mn. Results of affiliate ENZAN KOUBOU grew and it was newly made an equity-method affiliate. It seems that sales of ENZAN KOUBOU's products increased in regard to mountain tunnel projects.

In Q2 FY5/20, two companies, Arc Consultants and i DEVELOP CONSULTANTS, entered the scope of consolidation, which was the main reason why net sales increased by around ¥0.9bn. However, it seems that the effect of this on operating income was minimal due to the recording of amortization of goodwill of ¥97mn.

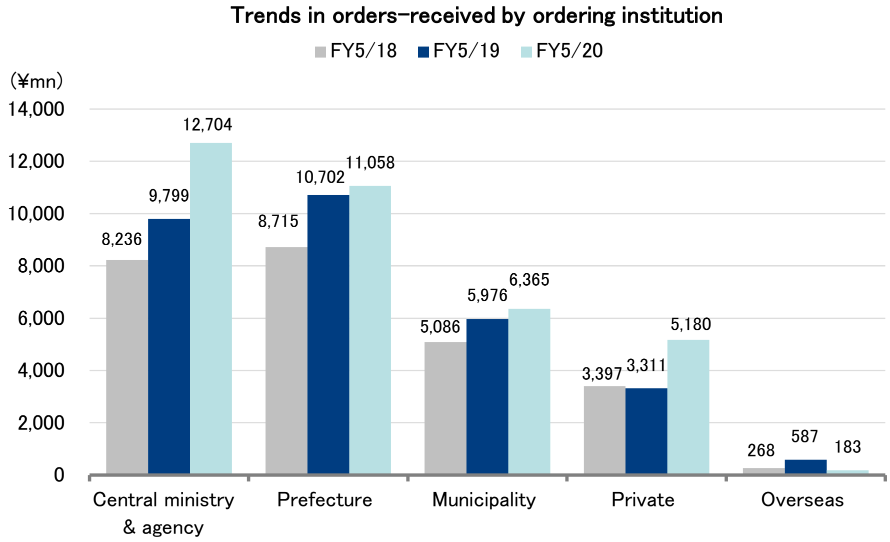
Orders-received and net sales grew by double digits for both the public and private sectors

2. Trends in orders-received and net sales

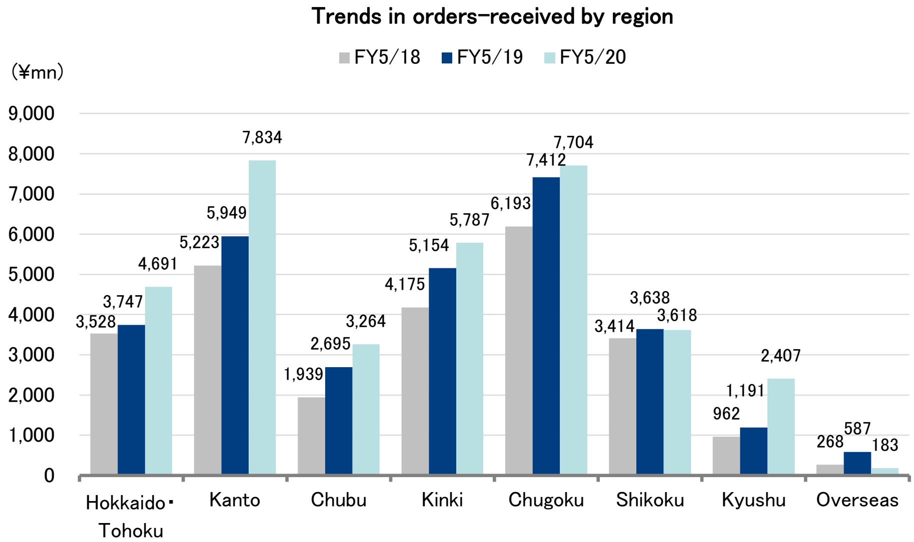
(1) Trends in orders-received

In FY5/20, orders-received increased 16.8% YoY to ¥35,492mn. Looking at the breakdown by ordering institution, they increased 29.6% for central government ministries and agencies, 3.3% for prefectures, 6.5% for municipalities, and in total for government offices and agencies, they increased 13.8% to ¥30,127mn. Orders-received also increased significantly for the private sector, rising 56.4% to ¥5,180mn. Conversely, they slumped for overseas, declining 68.8% to ¥183mn, due to the postponement of JICA orders because of the impact of the novel coronavirus.

Looking at the ordering conditions by region, domestic orders increased in every region except for Shikoku. They increased significantly in Kyushu by 102.0% YoY due to i DEVELOP CONSULTANTS being made a subsidiary. In addition, they increased by double digits in each of Kanto by 31.7%, Hokkaido/Tohoku by 25.2%, Chubu by 21.1%, and Kinki by 12.3%.



Source: Prepared by FISCO from the Company's materials

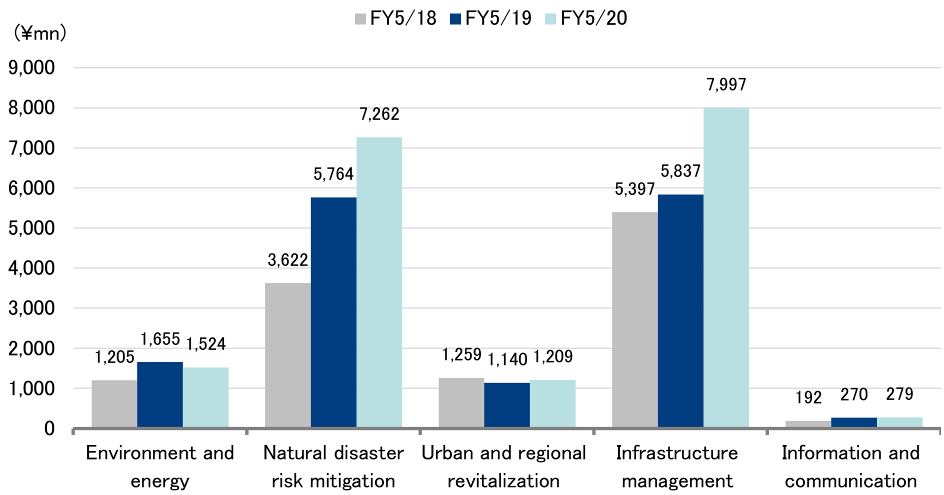


Source: Prepared by FISCO from the Company's materials

Looking at the ordering conditions in the five fields that the Company has positioned as priority business fields, orders increased 24.6% YoY to ¥18,271mn, a new record high. This percentage of total orders-received rose from 48.3% in the previous period to 51.5% as a result of growth in other projects. Looking by field, orders continued to grow greatly in the natural disaster risk mitigation field, increasing 26.0% to ¥7,262mn. The background to this is the fact that budgets for measures to prevent and mitigate disasters, such as frequently occurring torrential rain and typhoons, have increased in the last few years. Orders also grew significantly in the infrastructure management field, rising 37.0% to ¥7,997mn, due to the rapid increase in orders for customer-support projects. It appears that growth was sluggish in the other three fields (environment and energy, urban and regional revitalization, and information and communications).

The order amount for high-value-added, technical proposal-type projects increased for the second consecutive period, up 26.2% YoY to ¥11,977mn, and the percentage of total orders also rose from 31.2% in the previous period to 33.7%. The number of proposals adopted increased 12.0% to 279 proposals, and the average order unit price rose 12.6% to ¥4,293mn, which were the main factors pushing up the total order unit price.

Trends in orders-received in the five priority fields

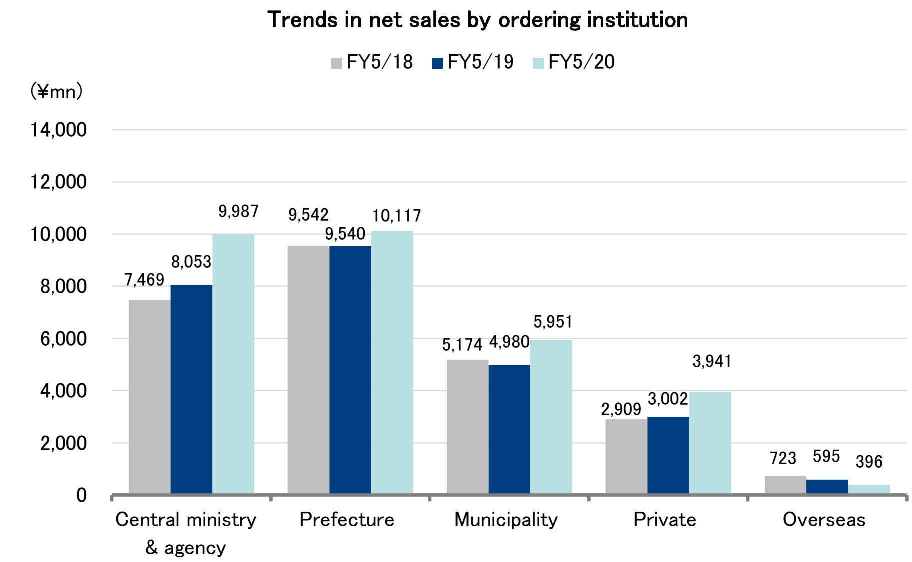


Source: Prepared by FISCO from the Company's materials

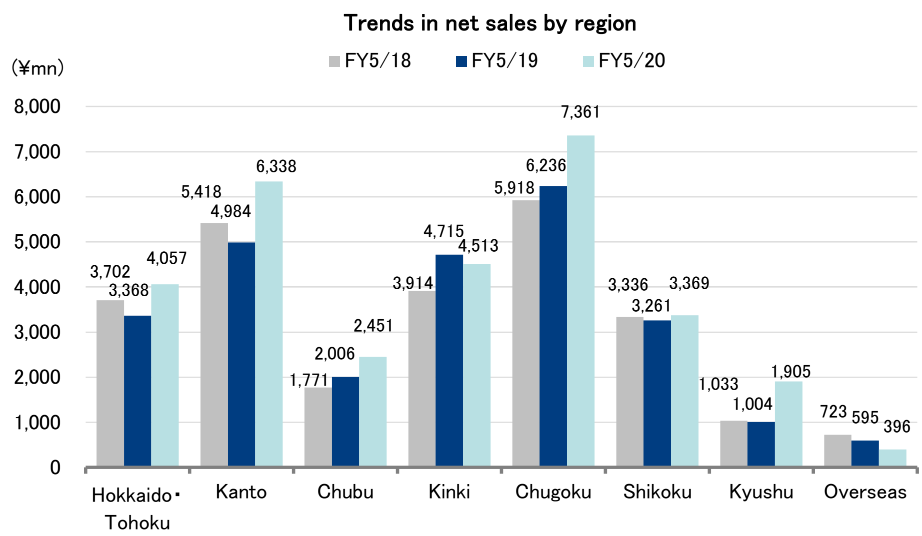
(2) Trends in net sales

Looking at net sales by ordering institution, they increased 24.0% YoY to central government ministries and agencies, 6.0% to prefectures, 19.5% to municipalities, and in total for government offices and agencies, they increased 15.4% to ¥26,055mn. For the private sector, they rose 31.3% to ¥3,941mn, while for overseas, they decreased 33.3% to ¥396mn. The same as the trend for orders, projects increased in the field of prevention and mitigation of natural disasters. In addition, for the private sector, projects grew for NEXCO, which are conducted by the subsidiary Kindai-Sekkei Consultant.

Looking at sales conditions by region, they increased in every region domestically other than Kinki, where they declined 4.3%. Sales rose 89.7% in Kyushu, while they also increased by double digits in each of Kanto by 27.2%, Chubu by 22.2%, Hokkaido/Tohoku by 20.5%, and Chugoku by 18.0%. In Chugoku, reconstruction projects in western Japan following the torrential rain disaster in 2018 contributed to sales.



Source: Prepared by FISCO from the Company's materials



Source: Prepared by FISCO from the Company's materials

The Company's equity ratio is at a sound level of above 60% and their financial position is excellent

3. Financial position and management indicators

Looking at the Company's financial position at the end of FY5/20, total assets were up ¥4,454mn from the end of the previous fiscal year to ¥31,185mn. The main influencing factor was an increase of ¥3,253mn in cash and deposits under current assets. Inventory assets also increased ¥849mn against the backdrop of an expansion in work volume. In non-current assets, tangible non-current assets rose ¥286mn. In addition, goodwill increased ¥1,007mn due to i DEVELOP CONSULTANTS being made a subsidiary. Investment securities grew ¥804mn, while long-term suspense payments of ¥1,498mn that had been recorded at the end of the previous fiscal period were not recorded in this period.

Total liabilities increased ¥2,278mn from the end of the previous fiscal year to ¥10,860mn. The provision for litigation decreased ¥1,498mn. Conversely, there were increases of ¥544mn in accrued payments, ¥1,926mn in advances received on service contracts in progress, and ¥801mn in interest-bearing debt. Net assets were up ¥2,175mn compared to the end of the previous fiscal period to ¥20,324mn. Dividend payments were ¥261mn, but net profit attributable to owners of the parent of ¥2,029mn was recorded and retained earnings increased ¥2,071mn.

Looking at management indicators, the equity ratio, which is an indicator of management stability, was 65.2% and was maintained in the 60% range. Also the extent of reliance on interest-bearing debt trended at a low level of 4.2%, and the Company's financial position can be judged to be sound. On the other hand, looking at indicators of profitability, ROA was 11.1%, ROE 10.5%, and the ordinary margin 10.5%, so each is in the 10% range. The Company achieved the targets of the medium-term management plan (ROE of at least 8.0% and an ordinary margin of at least 7.0%) a year ahead of schedule.

Consolidated balance sheet

(¥mn)

	FY5/17	FY5/18	FY5/19	FY5/20	YoY
Current assets	16,200	14,907	16,417	20,580	4,162
(Cash and deposits)	11,461	9,989	10,884	14,138	3,253
Non-current assets	7,256	9,939	10,313	10,604	291
Total assets	23,457	24,847	26,731	31,185	4,454
Total liabilities	8,684	9,095	8,582	10,860	2,278
(Interest-bearing debt)	1,043	758	523	1,324	801
Net assets	14,772	15,751	18,149	20,324	2,175
Management indicators					
(Stability)					
Equity ratio	63.0%	63.4%	67.9%	65.2%	-2.7pt
Extent of reliance on interest-bearing debt	4.4%	3.0%	2.0%	4.2%	2.2pt
Net cash	10,418	9,231	10,361	12,814	2,453
(Profitability)					
ROA (return on assets)	5.6%	6.8%	6.6%	11.1%	4.5pt
ROE (return on equity)	-2.0%	6.3%	7.4%	10.5%	3.1pt
Operating margin	5.5%	6.3%	6.5%	10.5%	4.0pt

Source: Prepared by FISCO from the Company's financial results and materials

Business outlook

For the FY5/21 results, the strong impression is that profit forecasts are conservative, and it is highly likely that results will exceed the Company's forecasts

1. FY5/21 outlook

The outlook for the FY5/21 consolidated results is that net sales will increase 8.6% YoY to ¥33,000mn, operating income will rise 0.5% to ¥3,000mn, ordinary income will decrease 3.2% to ¥3,100mn, and net profit attributable to owners of the parent will fall 1.4% to ¥2,000mn. Orders-received are expected to decline 7.0% YoY to ¥33,000mn, if not taking into account special factors such as a supplementary budget. In FY2020, it is highly likely there will be a supplementary budget due to the frequent occurrence of natural disasters. Conversely, costs will increase for measures to respond to the novel coronavirus, but it is difficult to imagine that they will increase significantly as seen in the previous period. The net sales forecast seems fully achievable, including due to the abundant order backlog.

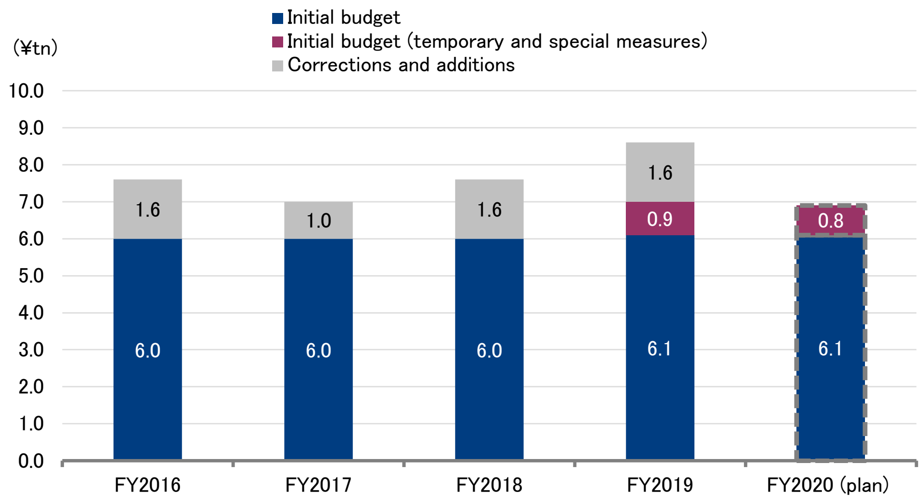
FY5/21 outlook (consolidated)

(¥mn)

	FY5/20		FY5/21		
	Results	Ratio to net sales	Forecast	Ratio to net sales	YoY
Orders-received	35,492	-	33,000	-	-7.0%
Net sales	30,394	100.0%	33,000	100.0%	8.6%
Cost of sales	20,470	67.4%	23,000	69.7%	12.4%
SG&A expenses	6,938	22.8%	7,000	21.2%	0.9%
Operating income	2,984	9.8%	3,000	9.1%	0.5%
Ordinary income	3,203	10.5%	3,100	9.4%	-3.2%
Profit attributable to owners of the parent	2,029	6.7%	2,000	6.1%	-1.4%
EPS (¥)	298.31		294.04		

Source: Prepared by FISCO from the Company's financial results and materials

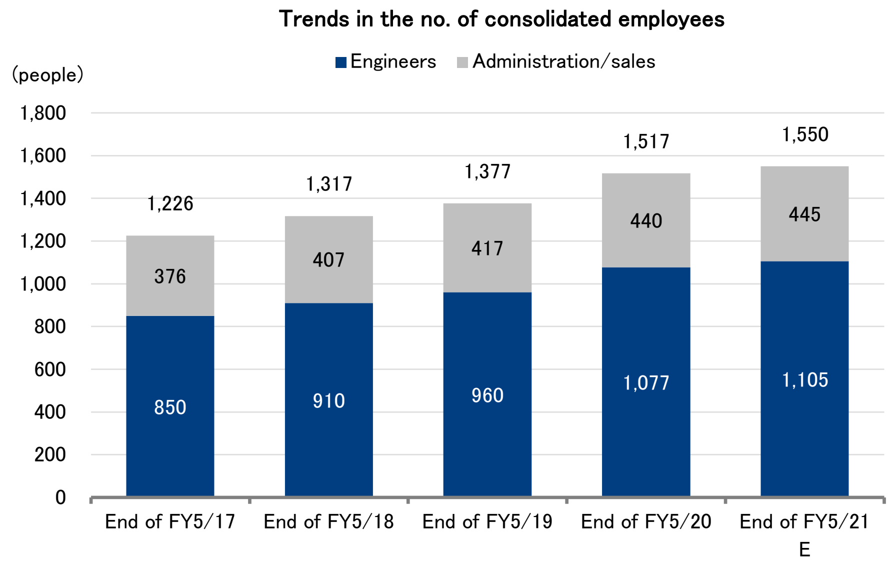
Trend in public works-related expenses



Source: Prepared by FISCO from the Ministry of Land, Infrastructure, Transport and Tourism's website

The cost-of-sales ratio is forecast to rise 2.3pp YoY to 69.7%. The main factors will be that as part of its workstyle reforms, on the one hand the Company is working to reduce overtime and encourage employees to take paid leave, while on the other hand it is strengthening the personnel structure in order to respond to the increase in work volume, so the labor expenses ratio will increase. However, high-value-added projects are increasing from the selection of orders, so at FISCO, we think it is highly likely that the cost-of-sales ratio will be below the Company forecast. The outlook is for SG&A expenses to increase only slightly, rising 0.9% YoY, as IT investment conducted up to the previous fiscal period will slow down.

Non-operating income/expenditure is forecast to worsen ¥119mn YoY, but this is because it is a conservative forecast that does not consider equity-method investment income. Also, the results of two companies, Futagami Architects & Associates and DAIMIC, will be newly incorporated into the consolidated results from FY5/21. At the end of FY5/21, the number of employees is forecast to rise by 33 compared to the end of the previous fiscal period to 1,550 employees, of which the number of engineers will increase by 28 to 1,105.



Source: Prepared by FISCO from the Company's materials

The outlook is for orders for technical proposal-type projects and in the natural disaster risk mitigation field to continue to increase

2. FY5/21 sales policy and sales forecasts

As its sales policy for FY5/21, the Company is particularly focusing on the following three points: increasing orders for technical proposal-type projects, strengthening Group collaborations, and expanding the overseas consultancy services field.

(1) Increasing orders for technical proposal-type projects

In the last few years, the Company has taken measures to strengthen national resilience in order to prepare for frequently occurring natural disasters such as torrential rain and earthquakes. Specifically, it has provided technical proposals in the natural disaster risk mitigation field, including creating and updating hazard maps, and technical proposals in the infrastructure management field for its customer-support response. It is progressing these measures while aiming to cooperate with the companies that newly joined the Group in FY5/20. As a result of these efforts, orders-received for technical proposal-type projects are forecast to increase 8.5% to ¥13,000mn. It is also progressing developments of new technologies through BIM/CIM* together with utilizing technical proposals, with the aims of improving quality and productivity.

* Serving as a solution for sharing and utilizing information in every process from design to construction and maintenance, BIM (Building Information Modeling) is a work flow that contributes to improving the efficiency of construction projects, etc. through a building database in which attribute data, including costs, finishing, and management information, are included in the creation of a digital model of a 3D building on a computer. The Ministry of Land, Infrastructure, Transport and Tourism, which is aiming to reduce costs for public works projects and other projects, has formulated BIM guidelines, together with CIM guidelines.
CIM (Construction Information Modeling/Management) is an IT system that introduces 3D modeling in the planning, research and design stages of construction projects, with the aims of improving the efficiency and sophistication of a series of construction and production systems. In each of the subsequent stages of construction and maintenance management, 3D modeling is coordinated and developed, making it easier for relevant parties to share information across the entire project.

The order amount from the five priority business fields is forecast to increase 7.8% YoY to ¥19,700mn. By field, it will continue to grow in the natural disaster risk mitigation field, rising 16.4% to ¥8,450mn. Flood control measures have become a pressing issue, including the occurrence of river flooding in July 2020 in Kyushu due to torrential rain, which caused major damage to the regional economy. The current design standards for river embankments, etc. remain unchanged from 50 years ago, and they were not created assuming the torrential rains that have been occurring recently. Therefore, in the future, demand is expected to increase for flood control measures, including the creation of hazard maps. The Company is also focusing on the environment and energy and the urban and regional revitalization fields, with the aim of business expansion.

Forecast for orders-received in the five priority fields

(¥mn)

	FY5/18	FY5/19	FY5/20	FY5/21 E	YoY
Environment and energy	1,205	1,655	1,524	1,800	18.1%
Natural disaster risk mitigation	3,622	5,764	7,262	8,450	16.4%
Urban and regional revitalization	1,259	1,140	1,209	1,450	19.9%
Infrastructure management	5,397	5,837	7,997	7,700	-3.7%
Information and communication	192	270	279	300	7.5%
Total	11,675	14,666	18,271	19,700	7.8%
Percentage of orders from the five priority fields	45.4%	48.3%	51.5%	59.7%	

Source: Prepared by FISCO from the Company's materials

(2) Strengthening Group collaborations

The Company is aiming to increase its work volume by leveraging the expertise of each Group company, as well as progressing technological cooperation between them. The Group will continue to provide a one-stop service, from upstream to downstream, from the infrastructure management business, regional revitalization business, and social capital maintenance business. For the fields in which it is weak, it will continue its policy of strengthening through an M&A strategy. In 2019, the Company made a subsidiary of i DEVELOP CONSULTANTS, which conducts customer-support projects in the north part of Kyushu. It has also made subsidiaries of Futagami Architects & Associates, which conducts construction planning and supervision work in Hyogo Prefecture, and DAIMIC, which has a track record of many projects in Tochigi Prefecture in fields including roads and bridges, river erosion control, the environment, water supply and sewer system design. Going forward, the Group will work to expand its share in both regions.

(3) Expanding the overseas consultancy field

The Company has a track record of carrying out projects in various countries in Africa and South East Asia, and it is establishing wide-area infrastructure that connects countries, conducting urban development, and strengthening its businesses in the waste disposal and other fields. In particular, for the South East Asia market, in August 2020, it plans to make a local subsidiary of the Thailand representative office. Its policy is also to work to expand orders while cooperating with the Myanmar office. Establishing a local subsidiary in Thailand will make it possible to directly receive orders locally, so the business is expected to grow in the future. At present, employees dispatched to local offices overseas have returned to Japan due to the impact of the novel coronavirus and new projects have been temporarily stopped.

(4) Sales forecasts by ordering institution and by region

Looking at the FY5/21 forecasts by ordering institution, net sales are expected to rise year on year across the board: central government ministries and agencies 13.1% YoY, prefectures 4.8%, municipalities 2.5%, private sector 14.2%, and overseas 27.0%. Overseas sales may be lower than forecast due to the continued impact of the novel coronavirus. However, it seems that the increases for the public and private sectors will cover for this.

Looking at net sales by region, they are forecast to decline 13.8% YoY for Hokkaido/Tohoku due to the end of earthquake reconstruction-related demand, but they are expected to increase 15.2% in both Kanto and Kinki. Among the regions, sales will grow significantly in Kyushu, rising 36.5%, due to the effects of M&A. In other regions as well, the forecasts are for sales to trend solidly, increasing 6.1% in Chubu, 3.2% in Chugoku, and 9.8% in Shikoku. The rate of growth in Chugoku will be low mainly due to the completion of reconstruction and restoration projects addressing the torrential rains in 2018.

Sales outlook by ordering institution

(¥mn)

	FY5/17	FY5/18	FY5/19	FY5/20	FY5/21 E	YoY
Central ministry & agency	6,979	7,469	8,053	9,987	11,300	13.1%
Prefecture	7,950	9,542	9,540	10,117	10,600	4.8%
Municipality	4,784	5,174	4,980	5,951	6,100	2.5%
Private	2,649	2,909	3,002	3,941	4,500	14.2%
Overseas	613	723	595	396	500	27.0%
Total	22,978	25,819	26,172	30,394	33,000	8.6%

Source: Prepared by FISCO from the Company's materials

Sales outlook by region

(¥mn)

	FY5/17	FY5/18	FY5/19	FY5/20	FY5/21 E	YoY
Hokkaido • Tohoku	3,561	3,702	3,368	4,057	3,500	-13.8%
Kanto	4,752	5,418	4,984	6,338	7,300	15.2%
Chubu	1,625	1,771	2,006	2,451	2,600	6.1%
Kinki	3,166	3,914	4,715	4,513	5,200	15.2%
Chugoku	5,051	5,918	6,236	7,361	7,600	3.2%
Shikoku	3,102	3,336	3,261	3,369	3,700	9.8%
Kyushu	1,103	1,033	1,004	1,905	2,600	36.5%
Overseas	613	723	595	396	500	27.0%
Total	22,978	25,819	26,172	30,394	33,000	8.6%

Source: Prepared by FISCO from the Company's materials

Aiming to be the leading solutions consultancy group for infrastructure in Japan, while utilizing M&A

3. Progress in the medium-term management plan

E·J Glocal Challenge 2020 is the Group's four-year medium-term management plan that started in FY5/18, and this period has been positioned as the time to build a solid management foundation on which to actively advance its Group vision of being "a leading solution consultancy group for infrastructure in Japan by continuing to pursue sustainable growth and improving corporate value." The Company is progressing measures to realize its vision in conjunction with implementing its three basic management policies: "deepen core businesses and strengthen new businesses," "expand business volume by promoting globalization," and "promote the establishment of a management infrastructure able to respond immediately to environmental changes."

(1) Numerical management targets

Numerical management targets for FY5/21 in the medium-term management plan were consolidated net sales of not less than ¥30bn, ordinary income of not less than ¥2.1bn, and net income attributable to owners of the parent of not less than ¥1.4bn. As previously mentioned, the Company already achieved each of these targets in FY5/20, one year ahead of schedule. This was because the public works investment amount increased more than anticipated due to the promotion of measures to strengthen national resilience and to prevent and mitigate frequently occurring disasters. Moreover, an important factor is that the Company is succeeding in measures to improve profitability. Also, as its capital policy, it is aiming for business expansion by improving capital efficiency and investing in growth, and it has been working to improve enterprise value. As a result, ROE in FY5/20 was 10.5% and the initial target (at least 8%) was achieved one year ahead of schedule.

Consolidated numerical management targets

(¥mn)

	FY5/19 Results	FY5/20 Results	FY5/21 (target)		Special notes (initial forecasts)
			Initial target	Forecast	
Net sales	26,172	30,394	30,000 or above	33,000	Promoting alliances
Ordinary income	1,709	3,203	2,100 or above	3,100	Profit margin, 7.0% or above
Profit attributable to owners of the parent	1,261	2,029	1,400 or above	2,000	ROE, 8% or above

Source: Prepared by FISCO from the Company's materials

(2) Growth strategy

There have been no changes to the previous growth strategy, and going forward, the Company intends to work on the following five points as key strategies

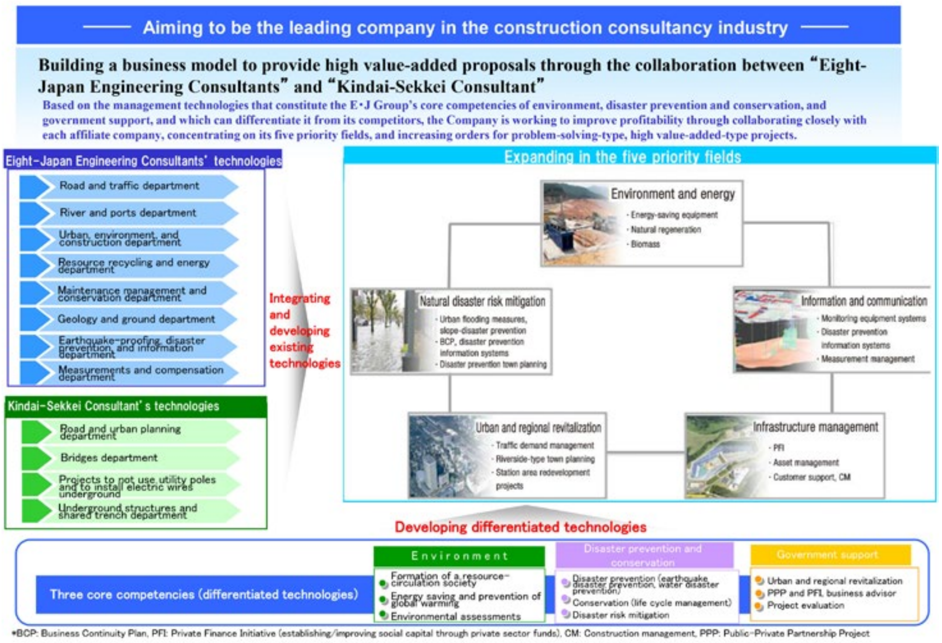
a) Strengthening Group collaborations

Through actively conducting M&A, it will aim to strengthen in regions and technical fields in which it is weak and to secure personnel. Moreover, it is increasing its comprehensive capabilities by strengthening collaborations between Group companies. For the regional strategy, as it is relatively weak in regions such as Kyushu, Okinawa, Hokuriku, and Hokkaido, its strategy is to progress M&A and alliances focused on these regions.

b) Strengthening the domestic construction consultancy services field

In the domestic construction consultancy field, which is the core business, it is aiming for collaborations between Group companies that leverage the strengths of its three core competencies—the environment, disaster prevention and conservation, and government support. Also, in the five priority fields (environment and energy, natural disaster risk mitigation, urban and regional revitalization, infrastructure management, and information and communications), it is focusing on acquiring orders for high-value-added, technical proposal-type projects to improve profitability.

Group business strategy in the construction consultancy field



Source: Prepared by FISCO from the Company's results briefing materials

Particularly in the natural disaster risk mitigation field in which demand is growing, the Company has established a research center specializing in disaster risk in order to tackle disaster recovery and reconstruction, and it is continuously working on technological developments and research. As a result, in response to the typhoon disaster in eastern Japan in 2019, the Company acquired approximately 10 orders in the Tohoku jurisdiction and about 20 orders in the Tokyo jurisdiction for projects related to roads, rivers, waste disposal, etc. In these projects, it is conducting surveys of damage conditions and providing designs for the emergency restoration of damaged sites and assessment designs. It is currently continuing to work on disaster recovery designs.

Furthermore, Kindai-Sekkei Consultant, which has a strong track record for utility pole removal technologies, must closely negotiate and make adjustments with various other operators to remove above-ground utility poles and move communications cables below ground, as this involves grouping cables together with other infrastructure buried under the road, such as gas and water pipes. This expertise is one source of the Company's competitiveness, and orders are expected to increase in the future. Nationwide, there are still around 36,000,000 utility poles, and this number is increasing every year. The domestic utility pole removal rates in 2017 were only around 8% in Tokyo's 23 wards and approximately 6% in Osaka City, and these rates lag behind the rates in other major cities around the world. Demand to remove utility poles is expected to be continuously generated in the future as part of measures to prevent and mitigate disasters. In a plan formulated by the Tokyo Metropolitan Government, removal of utility poles for all lines in the Tokyo metropolitan area by FY2027 is planned, including the 23 wards and the densely populated area of the Tama region. As of FY2017, the utility pole removal rates in the Tokyo metropolitan area were 58% in the 23 wards and 18% in the Tama region.

Tokyo metropolitan area utility pole removal conditions (FY2017)

	Targeted distance for removals	Already removed	Rate of transference to underground
23 wards	1,288km	744km	58%
Tama region	1,040km	191km	18%
Total	2,328km	935km	40%

Source: Prepared by FISCO from the Tokyo Metropolitan Government's Bureau of Construction's Utility Pole Removal Plan (Revised)

In addition, the Company is actively introducing the latest ICT and robotic devices in order to strengthen competitiveness for technical proposal-type projects. To give some specific examples, in the natural disaster risk mitigation field, it is utilizing AR (augmented reality) and VR (virtual reality) technologies in regional disaster management plans for evacuation simulations that assume the occurrence of a tsunami. Also, in 2017, it introduced autonomous underwater vehicles (AUVs) to conduct water inspections of port and river structures and for water quality surveys, such as in reservoirs, and it is using them for research activities. Using AUVs makes it possible to conduct surveys using less labor power (around 50%) and at a lower cost (around 25%) compared to conventional methods, and this is contributing to improved productivity.

c) Progress in the overseas consultancy field

In the medium-term management plan, the target is to increase the percentage of total net sales provided by the overseas business to 10% in FY5/21 (3.8% in FY5/18), for a scale of sales of around ¥3bn. But as previously explained, it seems that achieving this target will have to be carried over to the next medium-term management plan, mainly due to the impact of the novel coronavirus.

In developing countries such as those in Africa and South East Asia, there continues to be demand for projects to establish living infrastructure (including roads and transport, water supply, waste processing, and renewable energy). In the future also, new demand is expected to increase, like for disaster prevention (measures for earthquakes and flooding) and urban planning. The Company's strategy is to grow the overseas business by utilizing the expertise it has cultivated in Japan.

d) Expansion in the infrastructure management field

In the infrastructure management field, Group companies like Kindai-Sekkei Consultant and i DEVELOP CONSULTANTS will collaborate, mainly with Japan Infrastructure Management, and work to increase orders for both the public and private sectors. The aim is to increase orders from a wide range of fields, including dispatches of engineers; construction management support; facilities maintenance; operations and management support; measurements, surveys, and analyses; and the measurement equipment rental business.

In March 2020, the Company entered into a partnership agreement with Japan Infrastructure Waymark Co., Ltd. (below, JIW) which develops infrastructure maintenance services. JIW has expertise in infrastructure inspection solutions using small drones. As a new initiative, they will share information and cooperate on technologies to improve and enhance support technologies for inspection work, such as of aging bridges. It is thought that this will lead to an increase in orders for infrastructure inspections and maintenance work.

e) Evolving in the business development field

Centered on Eight-Japan Engineering Consultants, the Group is progressing the expansion of the CDM (clean development mechanism) business and the advisory business, through collaborations with trading companies and other companies in different industries. As a new business development in a peripheral field, it is also working on a regional revitalization business on the main axes of tourism and agriculture.

In the regional vitalization business since 2012, the Company has been conducting measures for sixth-sector industrialization in the agri-business in Okayama Prefecture, Akita Prefecture, and Tokushima Prefecture, through joint investment with local public bodies, companies, and other organizations. Enjoy Farm Co., Ltd. in Okayama Prefecture concluded a management operations outsourcing contract (contract period until FY2022) from April 2013 for Suisha no Sato Fruitopia, which is a facility for visitors to experience fruit cultivation and agricultural work in its gardens. Through these efforts, it has become profitable, if only slightly.

Also, Strawberry Farm Co., Ltd. in Akita Prefecture is working on the sixth-sector industrialization of summer and fall strawberry agriculture. Currently, 90% of the total supply of summer and fall strawberries depends on imports, and distribution prices are also high, at around 4 to 5 times the normal price. Strawberry Farm has succeeded in cultivating the rare Natsu Akari (summer light) strawberry variety, and it is able to acquire orders from pastry and confectionary stores and restaurants around the country. In order to respond to rising demand, it increased its number of greenhouses from 3 to 6 in 2019, and shipments are forecast to double from the summer of 2020 (yielding approximately 5 tons). It is expected to become profitable from FY5/21.

Nakawood Co., Ltd. in Tokushima Prefecture is working on the sixth-sector industrialization of the forestry industry. As a part of projects to promote the utilization of timber and revitalize the regional economy, it is promoting the use of high-quality wood powder produced in Tokushima Prefecture as a recycling material that is an alternative to petroleum. Currently, it is being sold as a material for wooden tables and wooden decks in public facilities, as well as a material for simple toilets, fans, and interior-use wood products. However, more time is needed before this business becomes profitable, and going forward, finding uses for this material will continue to be an issue.

Regional development projects in Japan

Company name	Date of establishment	Location	Description of business
Enjoy Farm Co., Ltd.	August 2012	Okayama Prefecture	Started business activities as the designated manager of "Suisha no Sato Fruitopia." Sales of fruits harvested locally, and public relations and event activities that will lead to regional revitalization
Strawberry Farm Co., Ltd.	November 2012	Akita Prefecture	Established to cultivate and sell summer strawberries, it will develop multiple business in the future, including a tourism business with the aim of contributing to regional revitalization.
Nakawood Co., Ltd.	April 2014	Tokushima Prefecture	Established to manufacture and sell cedar wood powder. It sells wood powder to customers including plastic manufacturers as the raw material of "wood plastic." Also, in April 2017, it opened the Naka Town Forestry Business Center as a base to promote the forestry industry.

Note: All 3 companies are non-consolidated subsidiaries
Source: Prepared by FISCO from the Company's materials

(3) Measures for SDGs

The Company is progressing measures for SDGs (Sustainable Development Goals)* from the viewpoint of ESG. Its business is centered on consulting work in the public-works field, which means it is closely connected with aspects like the environment and social contribution. Globally also, abnormal weather due to global warming and natural disasters is occurring frequently, and in this situation, demand for investment in the environment and social infrastructure fields is trending upward. So at FISCO, we think there is plenty of room for the Company to conduct activities.

* SDGs (Sustainable Development Goals) refers to the international goals for the period from 2016 to 2030 described in the 2030 Agenda for Sustainable Development adopted at the United Nations Summit in September 2015. It consists of 17 goals and 169 targets for realizing a sustainable world.

Social contribution activities

The Yakumo Foundation for Environmental Science →

- Promoting industry-academia joint research
- The development of new technologies
- Securing human resources in the environmental science field

- Established in July 1998 through donations, including from Eight Consultants Co., Ltd. (currently, Eight-Japan Engineering Consultants Inc.)
- Provision of funding for researchers in Okayama Prefecture to conduct environmental science surveys and research
- Since its establishment, it has provided research grants for 410 projects totaling ¥192mn (¥8mn to ¥10mn a year)

≪Holding a symposium to think about "disaster prevention"≫

Sanyo Shimbun newspaper November 6, 2014

〈Held in 2014〉

Sanyo Shimbun newspaper November 16, 2018

〈Held in 2018〉

In recent years, major disasters like earthquakes, typhoons, and torrential rain causing significant damage have occurred. In this situation, the symposium was held in order to think about "disaster prevention" with the aim of ensuring the safety and security of regions. It was also planned to help further improve our awareness of disaster prevention.

Source: The Company's materials

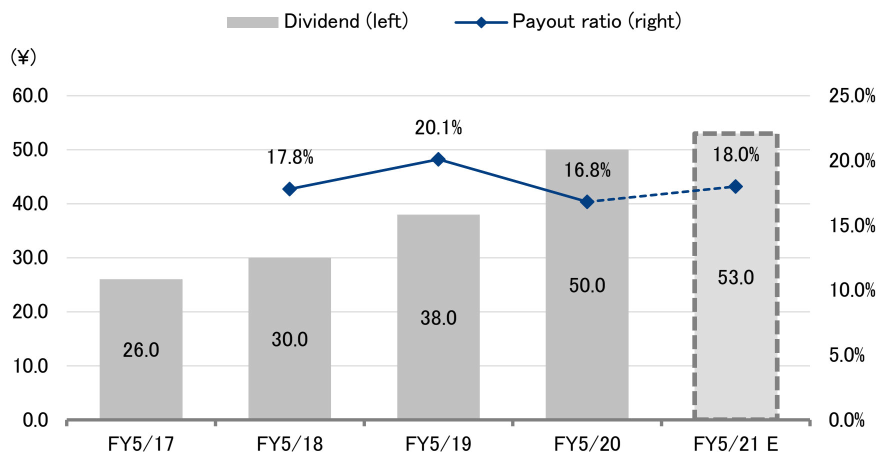
Shareholder return policy

In FY5/21, plans to increase the annual dividend per share for the fourth consecutive fiscal period, to ¥53

The Company pays dividends and has introduced a shareholder benefits program in order to return profits to shareholders. Its basic dividend policy is to continuously pay dividends from a medium- to long-term perspective. While supplementing internal reserves to strengthen its corporate structure and for business development, it determines the dividend by taking into consideration not only the results of a single fiscal year, but also factors such as the market environment, results trends, dividend payout ratio, and ratio of dividends to shareholders' equity. In FY5/21, it plans to increase the dividend by ¥3 per share YoY to ¥53 per share (dividend payout ratio: 18.0%), a fourth consecutive fiscal year for dividend increases.

Also, in the shareholder benefits program, the Company gifts a QUO card to shareholders at the end of November each year according to the number of shares that they hold. Shareholders holding 100 or more but less than 1,000 shares receive QUO cards worth ¥1,000, those holding 1,000 or more but less than 5,000 shares receive cards worth ¥3,000, and those holding 5,000 shares or more receive cards worth ¥5,000.

Dividend per share and dividend payout ratio



Note: Includes commemorative dividends of ¥4 in FY5/18 and ¥5 in FY5/19
Source: Prepared by FISCO from the Company's financial results

Details of the shareholder benefits program

No. of shares held	Shareholder benefit
100 or more to less than 1,000 shares	QUO card worth ¥1,000
1,000 or more to less than 5,000 shares	QUO card worth ¥3,000
5,000 shares or more	QUO card worth ¥5,000

Note: For shareholders registered at the end of November
Source: Prepared by FISCO from the Company website

Disclaimer

FISCO Ltd. ("FISCO") offer stock price and index information for use under the approval of the Tokyo Stock Exchange, the Osaka Stock Exchange and Nikkei Inc.

This report is provided solely for the purpose of offering information, and is not a solicitation of investment nor any other act or action.

FISCO prepared and published this report based on information which it considered reliable; however, FISCO does not warrant the accuracy, completeness, fitness nor reliability of the contents of this report or the said information.

The issuers' securities, currencies, commodities, securities and other financial instruments mentioned in this report may increase or decrease in value or lose their value due to influence from corporate activities, economic policies, world affairs and other factors. This report does not make any promises regarding any future outcomes. If you use this report or any information mentioned herein, regardless of the purpose therefor, such use shall be made based on your judgment and responsibility, and FISCO shall not be liable for any damage incurred by you as a result of such use, irrespective of the reason.

This report has been prepared at the request of the company subject hereto based on the provision of information by such company through telephone interviews and the like. However, the hypotheses, conclusions and all other contents contained herein are based on analysis by FISCO. The contents of this report are as of the time of the preparation hereof, and are subject to change without notice. FISCO is not obligated to update this report.

The intellectual property rights, including the copyrights to the main text hereof, the data and the like, belong to FISCO, and any revision, reprocessing, reproduction, transmission, distribution or the like of this report and any duplicate hereof without the permission of FISCO is strictly prohibited.

FISCO and its affiliated companies, as well as the directors, officers and employees thereof, may currently or in the future trade or hold the financial instruments or the securities of issuers that are mentioned in this report.

Please use the information in this report upon accepting the above points.

■ For inquiry, please contact: ■
FISCO Ltd.
5-11-9 Minami Aoyama, Minato-ku, Tokyo, Japan 107-0062
Phone: 03-5774-2443 (Financial information Dept.)
Email: support@fisco.co.jp