



Financial Results Briefing for Q1 FY03/2021

INFOCOM CORPORATION

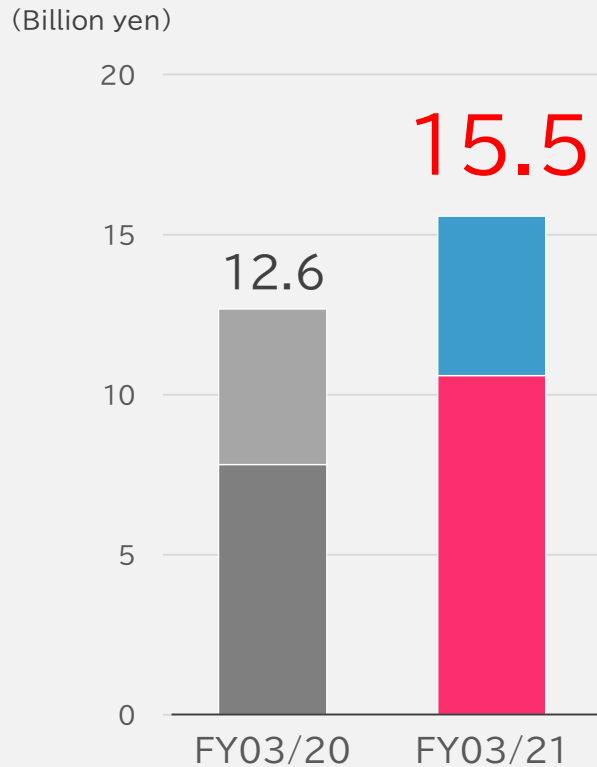
2020.07.31

Q1 FY03/21 Results (Consolidated)

E-comics are performing well, accelerated growth
Impact of COVID-19 on IT services was minor

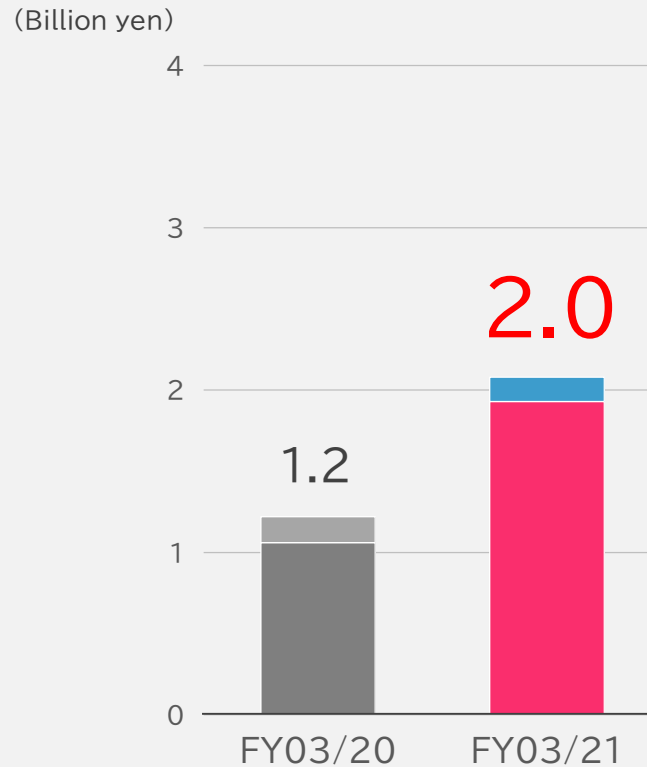
Net sales

+22.9%



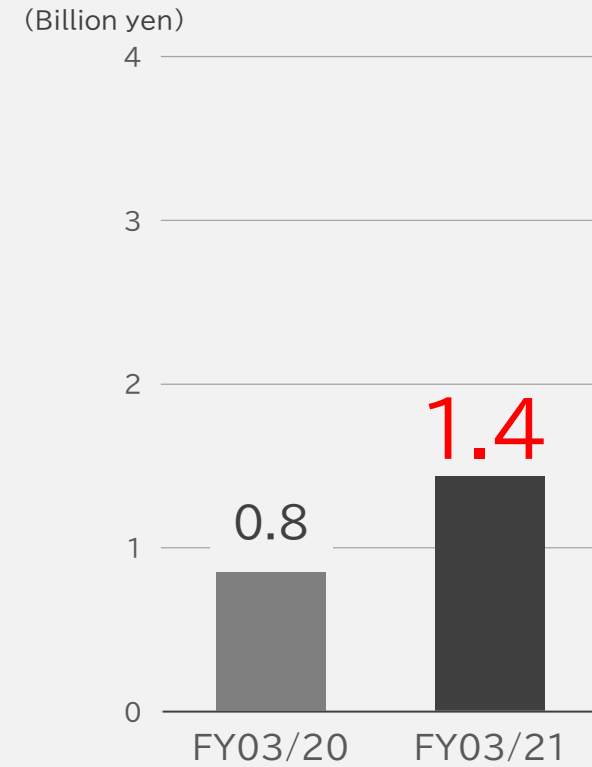
Operating profit

+68.6%



Profit attributable to owners of parent

+67.7%



Digital Entertainment Business Solution

Q1 FY03/21 Results (Consolidated)

(Billion yen)

	FY03/20	FY03/21	YoY	
			Change	%
Net Sales	12.6	15.5	+2.9	+22.9%
Operating profit (Operating margin)	1.2 (9.8%)	2.0 (13.4%)	+0.8	+68.6%
EBITDA	1.5	2.3	+0.8	+56.2%
Ordinary profit	1.2	2.1	+0.8	+67.6%
Profit attributable to owners of parent	0.8	1.4	+0.5	+67.7%

Business Areas and Segment Structure

Digital Entertainment Group



Digital Entertainment

E-comic

•General consumers

Business Solution Group



Health IT

Package services
for medical
institutions

- Hospitals
- Pharmaceutical companies
- Nursing-care companies
- Health industry



Business Software

ERP
Business package
cloud services

- Companies
- Government offices
- Local governments



Enterprise Service
Management

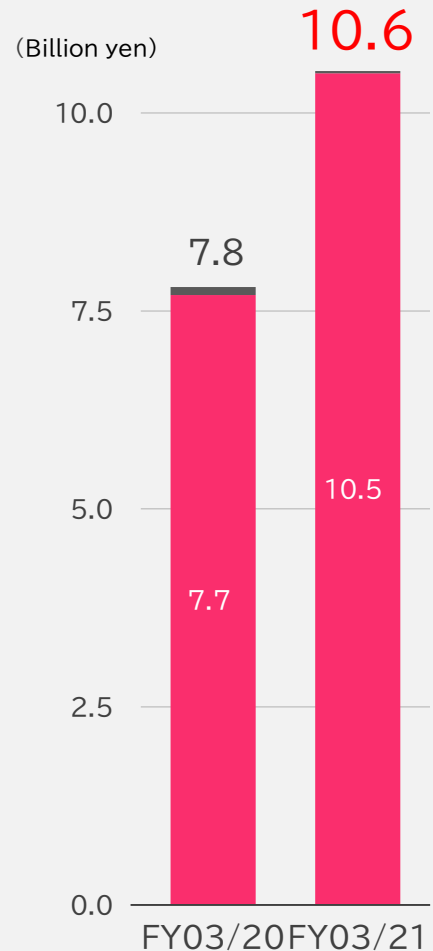
System integration
for major companies

- Textile manufacturers
- Trading companies
- Pharmaceutical wholesalers
- Mobile phone companies

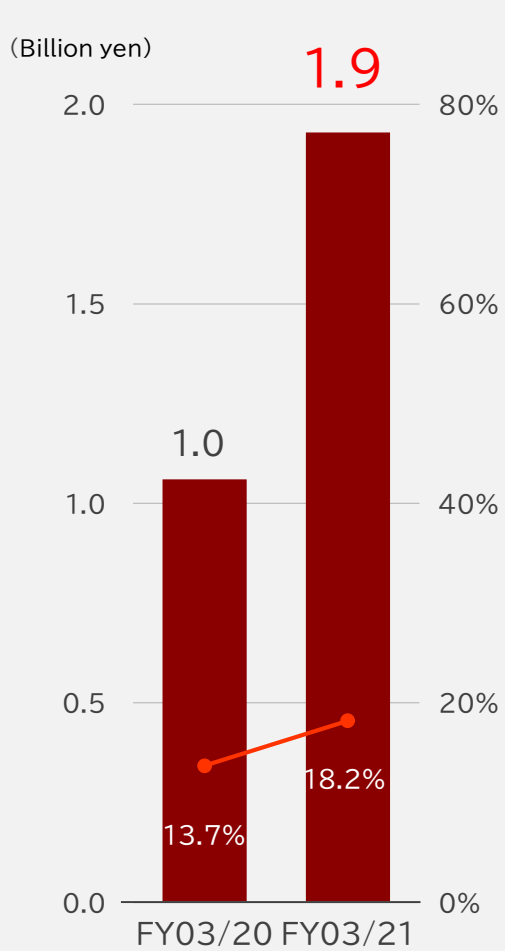
Digital Entertainment Results (Consolidated)

Net sales

■ E-comic



Operating profit



(Billion yen)

	FY03/20	FY03/21	YoY	
			Change	%
Net Sales	7.8	10.6	+2.7	+35.5%
E-comic	7.7	10.5	+2.8	+36.9%
Operating profit	1.0	1.9	+0.8	+80.7%
(Operating margin)	(13.7%)	(18.2%)		

Net Sales

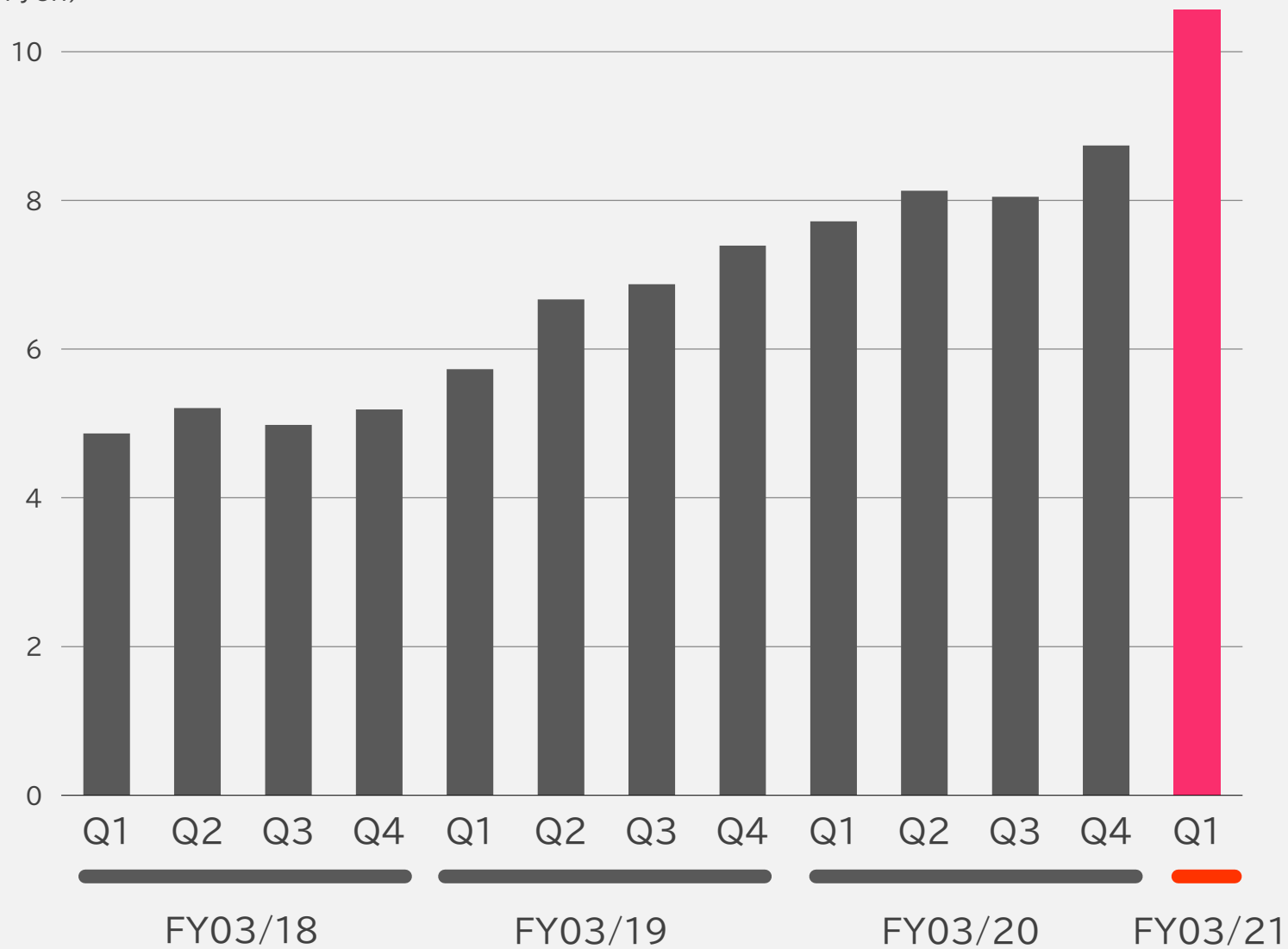
E-comic distribution service recorded higher sales. In addition to offering free series, exclusive first-run distributions, and adding more original comic titles, stay-at-home requests also drove demand.

Operating profit

- Higher profits due to higher sales.
- Improved advertising efficiency also made a positive contribution.

Q1 FY03/21 Results of E-Comic Distribution Service

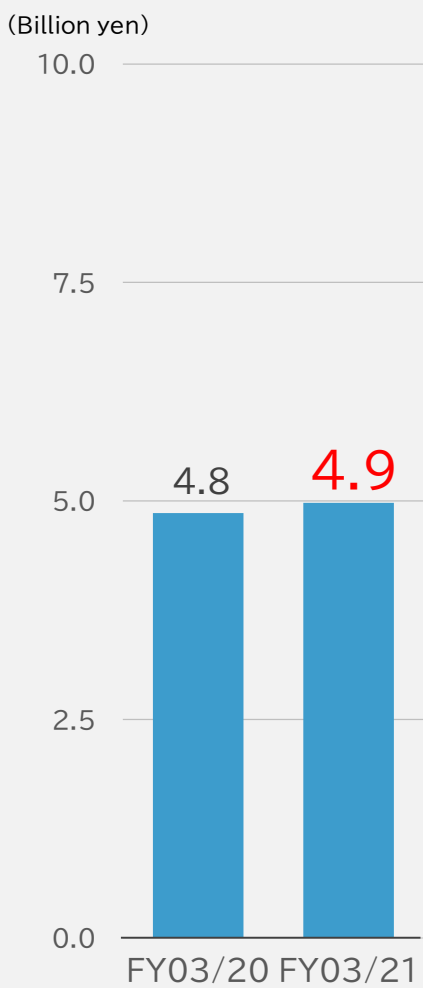
(Billion yen)



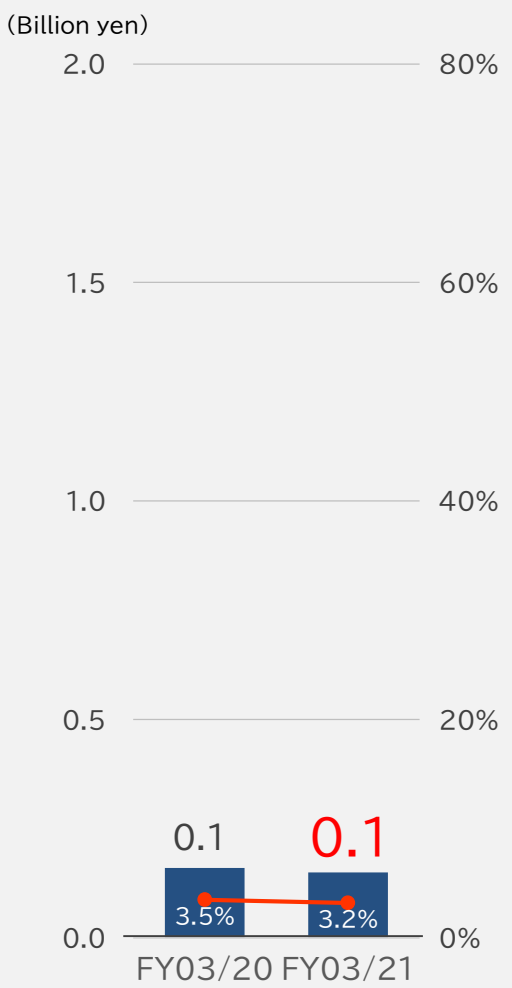
Business Solution Results (Consolidated)

(Billion yen)

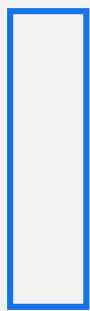
Net Sales



Operating profit

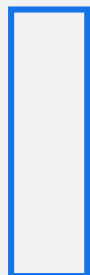


	FY03/20	FY03/21	YoY	
			Change	%
Net Sales	4.8	4.9	+0.1	+2.5%
Operating profit	0.1	0.1	-0.0	-6.6%
(Operating margin)	(3.5%)	(3.2%)		



Net sales

Results were firm, as COVID-19 had a smaller impact that initially projected.



Operating profit

Level year on year.

Earnings Forecast for FY03/21 (Consolidated)

(Billion yen)

	FY03/20 Results			FY03/21 Forecast			YoY(%)		
	H1	H2	FY	H1	H2	FY	H1	H1	FY
Net Sales	27.6	30.6	58.3	32.0	37.0	69.0	+15.6%	+20.5%	+18.2%
Operating profit	3.8	4.3	8.2	4.2	5.9	10.1	+8.7%	35.7%	+23.0%
(Operating margin)	(14.0%)	(14.2%)	(14.1%)	(13.1%)	(15.9%)	(14.6%)			
EBITDA	4.4	4.9	9.3	4.9	6.6	11.5	+10.0%	+33.7%	+22.4%
Ordinary income	3.8	4.3	8.2	4.2	5.9	10.1	+8.3%	+34.4%	+22.2%
Profit attributable to owners of the parent	2.5	2.9	5.5	2.7	3.9	6.6	+4.8%	+31.4%	+19.1%
Net income per share(yen)			101.32			120.58			+19.0%
ROE			16.2%			17.1%			+5.4%

- ◆ We made an upward revision in first half and fiscal year forecasts based on Q1 performance and future outlook for key businesses.

Earnings Forecast for FY03/21 (Consolidated) [Comparison with initial forecast]

(Billion yen)

	FY03/20 Results			FY03/21 Initial Forecast			FY03/21 New Forecast			Change		
	H1	H2	FY	H1	H2	FY	H1	H2	FY	H1	H2	FY
Net Sales	27.6	30.6	58.3	30.5	36.5	67.0	32.0	37.0	69.0	+1.5	+0.5	+2.0
Operating profit	3.8	4.3	8.2	3.4	5.3	8.7	4.2	5.9	10.1	+0.8	+0.6	+1.4
(Operating margin)	(14.0%)	(14.2%)	(14.1%)	(11.1%)	(14.5%)	(13.0%)	(13.1%)	(15.9%)	(14.6%)			
EBITDA	4.4	4.9	9.3	4.1	6.0	10.1	4.9	6.6	11.5	+0.8	+0.6	+1.4
Ordinary income	3.8	4.3	8.2	3.4	5.3	8.7	4.2	5.9	10.1	+0.8	+0.6	+1.4
Profit attributable to owners of the parent	2.5	2.9	5.5	2.2	3.5	5.7	2.7	3.9	6.6	+0.5	+0.4	+0.9
Net income per share(yen)			101.32			104.18			120.58			+16.40
ROE			16.2%			15.1%			17.1%			+2.0%

Earnings Forecast for FY03/21 by segment (Consolidated)

[Digital Entertainment]

(Billion yen)

	FY03/20 Results			FY03/21 Forecast			YoY(%)		
	H1	H2	FY	H1	H2	FY	H1	H2	FY
Net Sales	16.0	16.9	32.9	22.0	23.0	45.0	+37.1%	+35.8%	+36.4%
E-comic	15.8	16.7	32.6	21.8	22.8	44.7	+37.8%	+36.2%	+36.9%
Operating profit (Operating margin)	2.5 (15.8%)	2.4 (14.3%)	4.9 (15.0%)	3.9 (17.7%)	4.0 (17.4%)	7.9 (17.6%)	+53.8%	+65.6%	+59.5%

- ◆ We made an upward revision for net sales and operating profit, reflecting our expectation of strong performance in E-comic.

[Business Solution]

(Billion yen)

	FY03/20 Results			FY21 03/21 Forecast			YoY(%)		
	H1	H2	FY	H1	H2	FY	H1	H2	FY
Net Sales	11.6	13.7	25.3	10.0	14.0	24.0	-14.0%	+1.7%	-5.5%
Health IT	4.8	5.9	10.7	4.6	5.9	10.5	-3.9%	-0.5%	-2.1%
Operating profit (Operating margin)	1.3 (11.4%)	1.9 (14.0%)	3.2 (12.8%)	0.3 (3.0%)	1.9 (13.6%)	2.2 (9.2%)	-77.3%	-1.5%	-32.3%

- ◆ Despite uncertainties due to COVID-19, we expect to see a moderate recovery in IT investment.
- ◆ We expect to achieve the performance forecasts in our initial plan by adopting new sales styles (online conferences, webinars, etc.) and capturing IT demand.

Earnings Forecast for FY03/21 by segment (Consolidated) [Comparison with initial forecast]

[Digital Entertainment]

(Billion yen)

	FY03/20 Results			FY03/21 Initial Forecast			FY03/21 New Forecast			Change		
	H1	H2	FY	H1	H2	FY	H1	H2	FY	H1	H2	FY
Net Sales	16.0	16.9	32.9	21.0	22.0	43.0	22.0	23.0	45.0	+1.0	+1.0	+2.0
E-comic	15.8	16.7	32.6	20.8	21.8	42.7	21.8	22.8	44.7	+1.0	+1.0	+2.0
Operating profit	2.5	2.4	4.9	3.2	3.3	6.5	3.9	4.0	7.9	+0.7	+0.7	+1.4
(Operating margin)	(15.8%)	(14.3%)	(15.0%)	(15.2%)	(15.0%)	(15.1%)	(17.7%)	(17.4%)	(17.6%)			

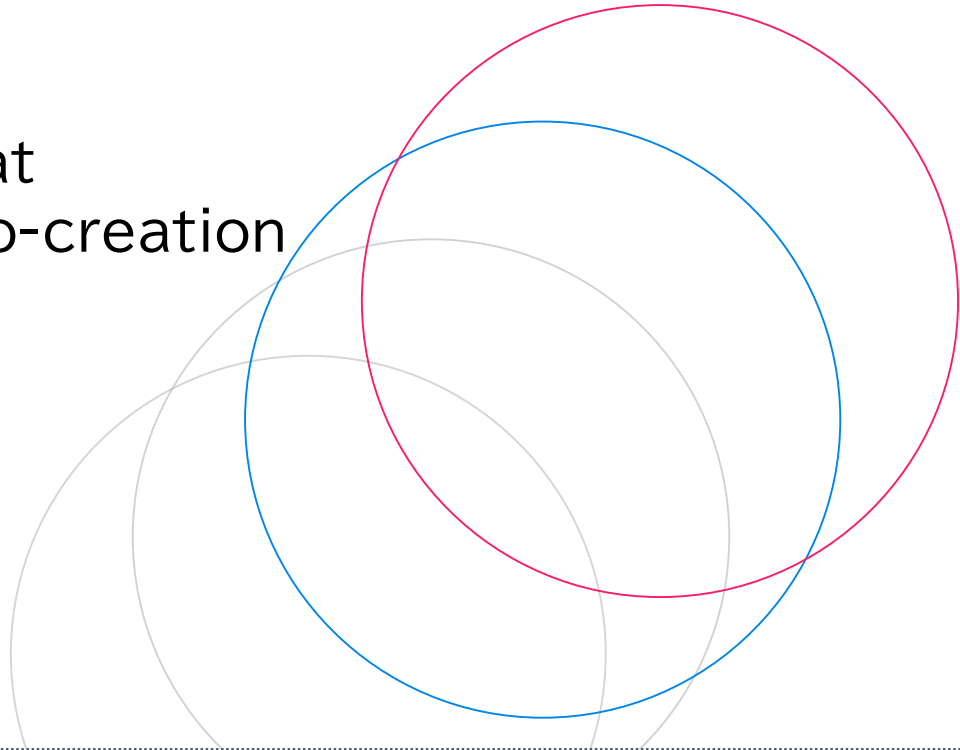
[Business Solution]

(Billion yen)

	FY03/20 Results			FY03/21 Initial Forecast			FY03/21 New Forecast			Change		
	H1	H2	FY	H1	H2	FY	H1	H2	FY	H1	H2	FY
Net Sales	11.6	13.7	25.3	9.5	14.5	24.0	10.0	14.0	24.0	+0.5	-0.5	±0
Health IT	4.8	5.9	10.7	4.3	6.1	10.5	4.6	5.9	10.5	+0.2	-0.2	±0
Operating profit	1.3	1.9	3.2	0.2	2.0	2.2	0.3	1.9	2.2	+1.0	-1.0	±0
(Operating margin)	(11.4%)	(14.0%)	(12.8%)	(2.1%)	(13.8%)	(9.2%)	(3.0%)	(13.6%)	(9.2%)			

- ◆ No major changes to our initial plan, which reflects a natural decrease in sales due to the rush in demand prior to the consumption tax increase in the first half of the previous fiscal year

Becoming a **services company** that
delivers new value through the co-creation
of ICT and real-world businesses



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