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Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 [Japanese GAAP]

February 13, 2025

Stock Listing TSE

Company Vision Inc. **URL** <https://www.vision-net.co.jp/en>
Stock Code 9416 **Contact** Kenichi Sano
Representative Chairman and CEO **Shinichi Nakamoto** **TEL** +81-3-5287-3110
Contact Director and CFO
 Scheduled date of general shareholders' meeting : March 28, 2025
 Scheduled starting date of dividend payment : March 13, 2025
 Scheduled date of submission of financial reports : March 31, 2025
 Supplementary financial documents : Yes
 Financial results briefing : Yes (for institutional investors and analysts)

(Round down to million yen)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024

(January 1, 2024 through December 31, 2024)

(1) Consolidated Operating Results (% change from the previous corresponding period)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	35,528	11.7	5,365	25.3	5,422	25.0	3,375	11.6
December 31, 2023	31,807	24.8	4,280	77.3	4,337	79.1	3,025	95.4

(Note) Comprehensive income; Fiscal year ended December 31, 2024: 3,425 million yen [11.2%]
 Fiscal year ended December 31, 2023: 3,079 million yen [90.5%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit /Total assets	Operating profit /Net sales
	Yen	Yen	%	%	%
December 31, 2024	69.59	69.18	21.2	23.3	15.1
December 31, 2023	61.87	61.21	22.9	22.1	13.5

(Reference) Equity in earnings (losses) of affiliates; Fiscal year ended December 31, 2024: 17 million yen
 Fiscal year ended December 31, 2023: (4) million yen

(2) Consolidated Financial Position

As of	Total assets	Net assets	Shareholder's equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
December 31, 2024	25,261	17,890	69.1	357.62
December 31, 2023	21,366	14,607	67.3	297.72

(Reference) Shareholders' equity; As of December 31, 2024: 17,467 million yen
 As of December 31, 2023: 14,389 million yen

(3) Consolidated Cash Flow Position

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2024	3,116	(1,163)	(478)	11,912
December 31, 2023	5,054	(1,840)	(1,040)	10,410

2. Dividends

Fiscal year ended	Annual dividend					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Dividends/ Net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
December 31, 2023	—	0.00	—	0.00	0.00	—	—	—
December 31, 2024	—	13.00	—	14.00	27.00	1,315	38.8	8.2
Fiscal year ending December 31, 2025 (Forecast)	—	20.00	—	25.00	45.00		50.0	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 2025 (January 1, 2025 through December 31, 2025)

(% change from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending June 30, 2025	18,719	10.0	2,797	2.8	2,800	1.6	1,904	6.7	39.14
Full year	40,002	12.6	6,439	20.0	6,445	18.9	4,382	29.8	90.07

* Notes

(1) Significant changes in the scope of consolidation during the period: None

New: — (Company name) — Excluded: — (Company name) —

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: : None
- 2) Changes in accounting policies due to other reasons: : None
- 3) Changes in accounting estimates: : None
- 4) Restatement: : None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2024	50,422,000 shares
As of December 31, 2023	50,505,300 shares

2) Number of treasury shares at the end of the period

As of December 31, 2024	1,578,235 shares
As of December 31, 2023	2,171,681 shares

3) Average number of shares outstanding during the period

Fiscal Year ended December 31, 2024	48,506,200 shares
Fiscal Year ended December 31, 2023	48,910,015 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 through December 31, 2024)

(1) Non-consolidated Operating Results (% change from the previous corresponding period)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	31,848	12.4	5,199	28.7	5,314	28.2	3,343	13.0
December 31, 2023	28,332	24.4	4,041	86.6	4,144	85.9	2,959	94.6

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
December 31, 2024	68.92	68.52
December 31, 2023	60.51	59.87

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Shareholder's equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
December 31, 2024	22,153	16,254	71.5	324.12
December 31, 2023	18,387	13,033	69.7	265.15

(Reference) Shareholders' equity; As of December 31, 2024: 15,831 million yen
As of December 31, 2023: 12,815 million yen

* **This report is not subject to audit procedures by certified public accountants or audit firm.**

* **Explanation for appropriate use of forecasts and other notes**

The forward-looking statements such as operational forecasts contained in this statement summary are based in information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ from such forward-looking statements for a variety of reasons. Please refer to “1. Summary of Business Results, (4) Future Outlook” on page 7 for the assumptions used in forecasting business results and precautions regarding the use of business results forecasts.

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1. Summary of Business Results

(1) Summary of Operating Results

For the fiscal year ended December 31, 2024, the Japanese economy had been recovering moderately, although some standstills remain.

However, the downturn in overseas economies, including the continued high level of interest rates in Europe and the U.S. and the effects associated with the continued stagnation of the real estate market in China, poses downward pressure risks to the economy. It is important that we pay close attention to the effects of rising prices, future policy trends in the U.S., the situation in the Middle East, and fluctuations in financial and capital markets, etc.

Within this economic environment, the Group has focused on its core business, the GLOBAL WiFi Business, the Information and Communications Service Business, and the Glamping and Tourism Business, and strived to respond flexibly to consumer needs.

As a result, net sales, operating profit, ordinary profit, and profit attributable to owners of the parent company for the fiscal year ended December 31, 2024 all exceeded the results of the previous year.

In the GLOBAL WiFi Business, we had received orders from the Ministry of Health, Labour and Welfare for the operations of the Tokyo Airport Quarantine Office, etc. (quarantine support operations, hereinafter referred to as the “support operations”), and recorded net sales of approximately 1.8 billion yen and operating profit of approximately 550 million yen for the fiscal year ended December 31, 2023. However, the positioning of COVID-19 has been lowered to Category V Infectious Diseases, and the support operations, etc. are not currently provided. Based on the above, actual results after deducting the amount of support operations, etc. provided were substantially higher than in the previous year, with net sales increasing approximately 5.54 billion yen (up 18.5% year on year) and operating profit increasing approximately 1.63 billion yen (up 43.8% year on year).

	Fiscal year ended December 31, 2024 (Millions of yen)	Fiscal year ended December 31, 2023 (Millions of yen)	Change (Millions of yen)	YoY (%)
Net sales	35,528	31,807 [29,982]	3,721 [5,546]	11.7 [18.5]
Operating profit	5,365	4,280 [3,730]	1,084 [1,634]	25.3 [43.8]
Ordinary profit	5,422	4,337	1,084	25.0
Profit attributable to owners of parent	3,375	3,025	349	11.6

* The amount in [] is the amount of support operations, etc. performed in the previous fiscal year is deducted.

Business results by segment are as follows.

(GLOBAL WiFi Business)

For the fiscal year ended December 31, 2024, there had been a high recovery trend in travel demand, particularly in inbound travel. The number of foreign visitors to Japan totaled 36.86 million for the year, up 47.1% from the previous year and up 15.6% from 2019, exceeding the previous record of 31.88 million in 2019 by approximately 5 million, setting a new annual record.

The number of outbound Japanese travelers totaled 13 million for the year, which is still recovering at 64.8% compared to 2019, but is growing at 35.2% compared to the previous year, especially since July, exceeding 1 million monthly travelers. (Source: Japan National Tourism Organization (JNTO))

In this environment, in the inbound business, sales of “NINJA WiFi,” a Wi-Fi rental service for foreign visitors to Japan, and sales from SIM card vending machines installed at airport counters remained steady. In addition, at Kansai International Airport, we are working to strengthen our revenue base at airport counters by doubling the sales floor space.

In the outbound business, the coverage area of the “Unlimited Data Plan” was expanded to 128 countries and regions, and the coverage area of the “5G Plan,” which enables high-speed data communication, was also expanded to 50 countries and regions. The Average Revenue Per Use remained at a high level due to strong corporate demand and high demand for the “Unlimited Data Plan (4G and 5G).” We are also focusing on the sales of “World eSIM” as a new service, which is also performing well.

As a result, both net sales and segment profit for the fiscal year ended December 31, 2024 significantly exceeded those of the previous year.

GLOBAL WiFi Business	Fiscal year ended December 31, 2024 (Millions of yen)	Fiscal year ended December 31, 2023 (Millions of yen)	Change (Millions of yen)	YoY (%)
Net sales	19,875	18,728 [16,903]	1,147 [2,971]	6.1 [17.6]
Segment profit	5,987	5,032 [4,482]	954 [1,504]	19.0 [33.6]

(Information and Communications Service Business)

According to the “178th Survey of Business Conditions of Small and Medium Enterprises,” the business conditions DI (Diffusion Index: Index of various estimations by companies on business conditions, facilities, excess or deficiency of employees, etc.) for all industries of small and medium-sized enterprises (SMEs), which are the main service sectors provided by our business, declined 18.0 points in the October-December 2024 period from the previous year.

In this business environment, we strengthened our sales capabilities by actively promoting mid-career recruitment. As a result, sales of office automation equipment and mobile communications equipment and the electricity agency business (Eco-solution business) performed well. In addition, we have focused on expanding sales of in-house developed recurring-revenue services in order to maximize lifetime value (customer lifetime value), with the aim of achieving future up-selling and cross-selling, reducing long-term churn rates, and building a stable revenue base through recurring-revenue products.

As a result, both net sales and segment profit for the fiscal year ended December 31, 2024 exceeded those of the previous year.

Information and Communications Service Business	Fiscal year ended December 31, 2024 (Millions of yen)	Fiscal year ended December 31, 2023 (Millions of yen)	Change (Millions of yen)	YoY (%)
Net sales	14,490	12,108	2,382	19.7
Segment profit	1,693	1,040	652	62.7

(Glamping and Tourism Business)

According to the Japan Tourism Agency’s “Survey on Consumption Trends of Foreigners Visiting Japan,” inbound foreign travel spending in 2024 is estimated to be 8,139.5 billion yen (up 53.4% from the previous year and up 69.1% from 2019).

Looking at the composition of inbound travel spending by expense category, accommodation was the most common, accounting for 33.6%, amounting to 2,736.6 billion yen.

In this business environment, more and more guests are choosing “VISION GLAMPING Resort & Spa Koshikano Onsen” (Kirishima City, Kagoshima Prefecture) and “VISION GLAMPING Resort & Spa Yamanakako” (Yamanakako, Yamanashi Prefecture) opened in December 2022 as their lodging destination, seeking extraordinary experiences not found in existing hotels and inns.

As a result, both net sales and segment profit for the fiscal year ended December 31, 2024 exceeded those of the previous year.

Glamping and Tourism Business	Fiscal year ended December 31, 2024 (Millions of yen)	Fiscal year ended December 31, 2023 (Millions of yen)	Change (Millions of yen)	YoY (%)
Net sales	1,155	913	242	26.6
Segment profit	119	88	31	35.0

(2) Summary of Financial Position

(Assets)

Total assets were 25,261 million yen (3,895 million yen more than the end of the previous fiscal year).

Current assets were 19,232 million yen (3,785 million yen more than the end of the previous fiscal year). The main reasons for this were a 1,662 million yen increase in cash and deposits and a 2,474 million yen increase in accounts receivable.

Non-current assets were 6,029 million yen (109 million yen more than the end of the previous fiscal year). The main reasons were a

53 million yen increase in buildings and structures, a 64 million yen increase in rental assets, a 115 million yen increase in land, and a 127 million yen increase in construction in progress, while goodwill decreased by 343 million yen.

(Liabilities)

Total liabilities were 7,370 million yen (611 million more than the end of the previous fiscal year).

Current liabilities were 6,687 million yen (713 million yen more than the end of the previous fiscal year). The main reasons for this were a 233 million yen increase in notes and accounts payable and a 423 million yen increase in provision for shareholder benefit program.

Non-current liabilities were 683 million yen (101 million yen less than the end of the previous fiscal year). The main reason was a 137 million yen decrease in long-term borrowings.

(Net assets)

Net assets were 17,890 million yen (3,283 million yen more than the end of the previous fiscal year). The main reasons were a 2,482 million yen increase in retained earnings, a 510 million yen increase due to the cancellation of treasury shares, and a 205 million yen increase in share acquisition rights.

(3) Summary of Cash Flow Position

Cash and cash equivalents (hereinafter referred to as “net cash”) at the end of the fiscal year was 11,912 million yen which was 1,502 million yen more than the end of the previous fiscal year.

(Cash flows from operating activities)

Net cash increased as a result of operating activities amounted to 3,116 million yen (net cash increase of 5,054 million yen in the previous fiscal year). This was mainly due to profit before income taxes of 5,305 million yen, depreciation of 705 million yen, and provision for shareholder benefit program of 423 million yen, while there was an increase in accounts receivable of 2,517 million yen and income taxes paid of 1,807 million yen.

(Cash flows from investing activities)

Net cash decreased as a result of investing activities amounted to 1,163 million yen (net cash decrease of 1,840 million yen in the previous fiscal year). This was mainly due to outflows of 1,043 million yen for purchase of property, plant, and equipment, and 228 million yen for payment for guarantee deposits.

(Cash flows from financing activities)

Net cash decreased as a result of financing activities amounted to 478 million yen (net cash decrease of 1,040 million yen in the previous fiscal year). This was mainly due to the repayment of long-term loans payable in the amount of 128 million yen and the dividend payments in the amount of 629 million yen, while income from exercising stock options was 281 million yen.

(Reference) Change in cash flow-related indicators

	FY2020	FY2021	FY2022	FY2023	FY2024
Shareholder's equity ratio (%)	77.3	67.7	67.0	67.3	69.1
Shareholder's equity ratio based on the market value (%)	406.2	381.4	394.1	290.7	255.5
Interest-bearing debt to cash flow ratio (years)	—	0.6	0.6	0.1	0.2
Interest coverage ratio (times)	—	275,281.9	127.0	407.6	300.0

Shareholder's equity ratio: Shareholders' equity/Total assets

Shareholder's equity ratio based on the market value: Market capitalization/Total assets

Interest-bearing debt to cash flow ratio : Interest-bearing debt/Cash flow

Interest coverage ratio : Cash flow/Interest payment

(Note) 1. All calculations are based on consolidated financial results.

2. Operating cash flow is used as Cash flow.

3. Interest-bearing debts cover all debts recorded in the consolidated balance sheets on which interest is paid.

4. For FY2020, the interest-bearing debt to cash flow ratio and the interest coverage ratio are not listed because operating cash flow was negative.

(4) Future Outlook

As for the outlook for Japan's economy going forward, it is expected that a gradual recovery will continue, supported by the effects of various policies and an improving employment and income environment.

Additionally, according to the United Nations World Tourism Organization (UN Tourism) and other sources, international tourist arrivals in 2024 are estimated to be approximately 1.4 billion, representing a substantial recovery of 99% of pre-COVID-19 pandemic levels. Furthermore, the initial prediction of international tourist arrivals in 2025 are based on the premise that global economic conditions remain favorable, inflation continues to ease, and geopolitical conflicts don't escalate, but are anticipated to be 3-5% higher than 2024, assuming a continued recovery in the Asia Pacific region and robust growth elsewhere.

Under these economic conditions, the Group today announced the Business Strategy 2025-2028, which covers the four-year period from the fiscal year ending December 31, 2025 to the fiscal year ending December 31, 2028. With strengthening our competitiveness, we will position the first two years of the Business Strategy 2025-2028 as a period for rebuilding our revenue base and promote various measures to achieve stable growth over the medium to long term.

In the fiscal year ending December 31, 2025, the first year of the Business Strategy 2025-2028, we will further expand our existing businesses such as strengthening eSIM sales, expand into overseas markets by establishing a subsidiary in New York, promote strategic Data-Driven Sales, and strengthen cooperation within the Group.

In addition, we will promote measures to ensure that the value provided by the Group itself contributes to building a sustainable society.

We would like to ask all shareholders for their continued support and encouragement.

With these initiatives, we forecast net sales of 40,002 million yen (12.6% increase year-on-year), operating profit of 6,439 million yen (20.0% increase year-on-year), and profit attributable to owners of parent of 4,382 million yen (29.8% increase year-on-year) for the fiscal year ending December 31, 2025.

However, if the aforementioned risk factors cause the Group's business environment to deteriorate, the consolidated forecasts may be revised.

2. Basic Approach to the Choice of Accounting Standards

The Group's policy for the time being is to prepare consolidated financial statements in accordance with Japanese GAAP, taking into consideration the comparability of consolidated financial statements from period to period and from company to company.

Regarding the adoption of IFRS, the Group intends to respond appropriately in consideration of various domestic and international situations.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	10,221,202	11,883,390
Accounts receivable - trade	3,713,323	6,187,813
Investments in leases	1,317	-
Merchandise	305,559	329,440
Supplies	5,957	34,327
Other	1,376,274	1,057,827
Allowance for doubtful accounts	(177,158)	(260,352)
Total current assets	15,446,475	19,232,446
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,811,511	1,974,230
Accumulated depreciation	(262,621)	(372,119)
Buildings and structures, net	1,548,890	1,602,111
Machinery, equipment and vehicles	131,490	142,863
Accumulated depreciation	(41,460)	(62,343)
Machinery, equipment and vehicles, net	90,029	80,520
Tools, furniture and fixtures	456,325	562,064
Accumulated depreciation	(250,126)	(336,052)
Tools, furniture and fixtures, net	206,198	226,011
Rental assets	1,791,887	1,982,295
Accumulated depreciation	(1,349,908)	(1,475,780)
Rental assets, net	441,979	506,514
Leased assets	7,629	7,629
Accumulated depreciation	(7,375)	(7,629)
Leased assets, net	254	-
Land	784,041	899,203
Construction in progress	116,766	243,813
Other	318	318
Accumulated depreciation	(174)	(203)
Other, net	144	115
Total property, plant and equipment	3,188,305	3,558,290
Intangible assets		
Software	104,969	102,694
Goodwill	1,248,924	905,650
Other	21	21
Total intangible assets	1,353,914	1,008,366
Investments and other assets		
Investment securities	127,259	115,026
Deferred tax assets	406,975	322,582
Other	933,927	1,164,488
Allowance for doubtful accounts	(90,351)	(139,677)
Total investments and other assets	1,377,810	1,462,419
Total non-current assets	5,920,030	6,029,075
Total assets	21,366,505	25,261,522

(Thousands of yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,229,622	1,462,700
Current portion of long-term borrowings	120,665	135,594
Lease liabilities	1,317	-
Accounts payable - other	2,052,298	1,957,601
Income taxes payable	1,203,290	1,247,737
Provision for bonuses	439,572	221,098
Provision for shareholder benefit program	18,081	441,601
Other	908,881	1,221,279
Total current liabilities	5,973,728	6,687,612
Non-current liabilities		
Long-term borrowings	601,451	464,401
Deferred tax liabilities	17,454	24,711
Other	166,236	194,141
Total non-current liabilities	785,141	683,253
Total liabilities	6,758,870	7,370,866
Net assets		
Shareholders' equity		
Share capital	2,571,601	2,713,443
Capital surplus	2,637,682	2,531,442
Retained earnings	11,663,013	14,145,156
Treasury shares	(2,645,942)	(2,135,941)
Total shareholders' equity	14,226,354	17,254,100
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(9,563)	(7,862)
Deferred gains or losses on hedges	-	18,800
Foreign currency translation adjustment	172,936	202,452
Total accumulated other comprehensive income	163,373	213,390
Share acquisition rights	217,907	423,164
Total net assets	14,607,635	17,890,656
Total liabilities and net assets	21,366,505	25,261,522

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	31,807,789	35,528,993
Cost of sales	14,005,098	14,958,936
Gross profit	17,802,691	20,570,057
Selling, general and administrative expenses	13,521,925	15,205,001
Operating profit	4,280,765	5,365,056
Non-operating income		
Interest income	647	734
Dividend income	6,883	4,024
Share of profit of entities accounted for using equity method	-	17,841
Foreign exchange gains	9,789	1,239
Commission income	-	10,925
Subsidy income	31,562	27,064
Surrender value of insurance policies	12,233	-
Other	22,239	14,612
Total non-operating income	83,355	76,442
Non-operating expenses		
Interest expenses	12,373	10,618
Share of loss of entities accounted for using equity method	4,462	-
Consumption tax difference	2,487	3,978
Commission expenses	3,370	2,812
Other	3,437	1,855
Total non-operating expenses	26,130	19,264
Ordinary profit	4,337,990	5,422,233
Extraordinary income		
Gain on sale of investment securities	84,282	60,204
Return profit on cancellation of contract	9,370	-
Total extraordinary income	93,652	60,204
Extraordinary losses		
Loss on sale of non-current assets	-	698
Loss on retirement of non-current assets	44,303	57,703
Impairment losses	-	118,243
Total extraordinary losses	44,303	176,645
Profit before income taxes	4,387,340	5,305,793
Income taxes - current	1,396,690	1,846,568
Income taxes - deferred	(35,744)	83,634
Total income taxes	1,360,945	1,930,202
Profit	3,026,394	3,375,590
Profit attributable to non-controlling interests	499	-
Profit attributable to owners of parent	3,025,895	3,375,590

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Profit	3,026,394	3,375,590
Other comprehensive income		
Valuation difference on available-for-sale securities	4,635	1,700
Deferred gains or losses on hedges	-	18,800
Foreign currency translation adjustment	48,517	29,515
Total other comprehensive income	53,152	50,017
Comprehensive income	3,079,547	3,425,607
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,079,048	3,425,607
Comprehensive income attributable to non-controlling interests	499	-

(3) Consolidated Statements of Changes in Shareholders' Equity

For the fiscal year ended December 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,535,941	2,602,056	8,637,117	(1,862,967)	11,912,147
Changes during period					
Issuance of new shares - exercise of share acquisition rights	35,660	35,660			71,320
Profit attributable to owners of parent			3,025,895		3,025,895
Purchase of treasury shares				(782,974)	(782,974)
Purchase of shares of consolidated subsidiaries		(34)			(34)
Net changes in items other than shareholders' equity					
Total changes during period	35,660	35,626	3,025,895	(782,974)	2,314,207
Balance at end of period	2,571,601	2,637,682	11,663,013	(2,645,942)	14,226,354

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(14,198)	124,419	110,220	11,344	6,284	12,039,996
Changes during period						
Issuance of new shares - exercise of share acquisition rights						71,320
Profit attributable to owners of parent						3,025,895
Purchase of treasury shares						(782,974)
Purchase of shares of consolidated subsidiaries						(34)
Net changes in items other than shareholders' equity	4,635	48,517	53,152	206,563	(6,284)	253,431
Total changes during period	4,635	48,517	53,152	206,563	(6,284)	2,567,639
Balance at end of period	(9,563)	172,936	163,373	217,907	-	14,607,635

For the fiscal year ended December 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,571,601	2,637,682	11,663,013	(2,645,942)	14,226,354
Changes during period					
Issuance of new shares - exercise of share acquisition rights	141,842	141,842			283,684
Dividends of surplus			(631,463)		(631,463)
Profit attributable to owners of parent			3,375,590		3,375,590
Purchase of treasury shares				(66)	(66)
Disposal of treasury shares to stock benefit trust		(10,529)		10,529	-
Cancellation of treasury shares		(499,537)		499,537	-
Transfer from retained earnings to capital surplus		261,984	(261,984)		-
Net changes in items other than shareholders' equity					
Total changes during period	141,842	(106,240)	2,482,143	510,000	3,027,745
Balance at end of period	2,713,443	2,531,442	14,145,156	(2,135,941)	17,254,100

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	(9,563)	-	172,936	163,373	217,907	14,607,635
Changes during period						
Issuance of new shares - exercise of share acquisition rights						283,684
Dividends of surplus						(631,463)
Profit attributable to owners of parent						3,375,590
Purchase of treasury shares						(66)
Disposal of treasury shares to stock benefit trust						-
Cancellation of treasury shares						-
Transfer from retained earnings to capital surplus						-
Net changes in items other than shareholders' equity	1,700	18,800	29,515	50,017	205,257	255,274
Total changes during period	1,700	18,800	29,515	50,017	205,257	3,283,020
Balance at end of period	(7,862)	18,800	202,452	213,390	423,164	17,890,656

(4) Consolidated Statements of Cash Flow

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	4,387,340	5,305,793
Depreciation	544,740	705,255
Impairment losses	-	118,243
Amortization of goodwill	210,385	230,516
Share-based payment expenses	207,000	207,000
Increase (decrease) in allowance for doubtful accounts	81,007	132,523
Increase (decrease) in provision for bonuses	71,239	(217,795)
Increase (decrease) in provision for shareholder benefit program	12,429	423,520
Interest and dividend income	(7,531)	(4,758)
Subsidy income	(31,562)	(27,064)
Interest expenses	12,373	10,618
Share of loss (profit) of entities accounted for using equity method	4,462	(17,841)
Loss (gain) on sale of non-current assets	-	698
Loss on retirement of non-current assets	44,303	57,703
Loss (gain) on sale of investment securities	(84,282)	(60,204)
Decrease (increase) in trade receivables	(94,810)	(2,517,071)
Decrease (increase) in inventories	(70,940)	(53,225)
Increase (decrease) in trade payables	397,923	228,229
Increase (decrease) in accounts payable - other	(90,002)	17,307
Other, net	161,572	362,660
Subtotal	5,755,645	4,902,108
Interest and dividends received	7,467	4,694
Subsidies received	31,562	27,064
Interest paid	(12,401)	(10,388)
Income taxes paid	(727,654)	(1,807,320)
Net cash provided by (used in) operating activities	5,054,619	3,116,158
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,766,502)	(1,043,389)
Proceeds from sales of property, plant and equipment	23	6,997
Purchase of intangible assets	(48,387)	(33,427)
Proceeds from sale of investment securities	160,148	91,697
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(211,738)	-
Payments for acquisition of businesses	(33,958)	(5,619)
Payment for guarantee deposits	(158,837)	(228,519)
Proceeds from collection of lease deposits and guarantee deposits	140,600	43,488
Other, net	78,465	5,233
Net cash provided by (used in) investing activities	(1,840,186)	(1,163,539)
Cash flows from financing activities		
Repayments of long-term borrowings	(308,668)	(128,768)
Income from exercising stock options	70,883	281,942
Purchase of treasury shares	(782,974)	(66)
Repayments of lease liabilities	(12,977)	(1,317)
Dividends paid	-	(629,810)
Other, net	(6,783)	-
Net cash provided by (used in) financing activities	(1,040,520)	(478,019)
Effect of exchange rate change on cash and cash equivalents	50,926	27,440

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net increase (decrease) in cash and cash equivalents	2,224,838	1,502,039
Cash and cash equivalents at beginning of period	8,185,773	10,410,612
Cash and cash equivalents at end of period	10,410,612	11,912,652

(5) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Segment Information, etc.)

Segment Information

For the fiscal year ended December 31, 2023

(Thousands of yen)

	Reporting segment				Other (Note 1)	Total	Adjustments (Note 2)	Consolidated income statement (Note 3)
	GLOBAL WiFi	Information and Communications Service	Glamping and Tourism	Total				
Net sales								
Sales to external customers	18,728,403	12,086,342	902,863	31,717,609	90,180	31,807,789	—	31,807,789
Intersegment sales and transfers	—	21,717	10,224	31,942	4,561	36,504	(36,504)	—
Total	18,728,403	10,040,957	913,088	31,749,551	94,742	31,844,294	(36,504)	31,807,789
Segment profit (loss)	5,032,760	1,040,957	88,801	6,162,520	(176,682)	5,985,837	(1,705,071)	4,280,765
Segment assets	3,516,083	5,560,367	2,159,408	11,235,859	301,449	11,537,309	9,829,196	21,366,505
Other items								
Depreciation	321,244	91,504	110,571	523,320	2,748	526,069	18,671	544,740
Goodwill amortization	4,748	205,636	—	210,385	—	210,385	—	210,385
Increase in tangible and intangible fixed assets	583,522	294,637	692,128	1,570,288	—	1,570,288	12,666	1,582,955

Note 1: The “Other” category is for businesses that are not included in the reporting segment such as media and catalog sales businesses.

Note 2: The details of adjustments are as follows.

(1) Adjustments in the segment profit (1,705,071) thousand yen are company-wide expenses that are not allocated to each reporting segment. These are mainly general and administrative expenses that do not belong to the reporting segment.

(2) Adjustments in the segment assets 9,829,196 thousand yen are company-wide expenses that are not allocated to each reporting segment. These are mainly cash and cash equivalents that do not belong to the reporting segment.

Note 3: Segment profit is adjusted to the operating profit of the consolidated financial statements.

For the fiscal year ended December 31, 2024

(Thousands of yen)

	Reporting segment				Other (Note 1)	Total	Adjustments (Note 2)	Consolidated income statement (Note 3)
	GLOBAL WiFi	Information and Communications Service	Glamping and Tourism	Total				
Net sales								
Sales to external customers	19,875,571	14,465,900	1,155,350	35,496,822	32,171	35,528,993	—	35,528,993
Intersegment sales and transfers	—	24,701	344	25,045	54	25,100	(25,100)	—
Total	19,875,571	14,490,601	1,155,695	35,521,868	32,225	35,554,094	(25,100)	35,528,993
Segment profit (loss)	5,987,093	1,693,125	119,839	7,800,058	(202,561)	7,597,496	(2,232,440)	5,365,056
Segment assets	4,467,767	7,494,417	2,248,567	14,210,752	275,662	14,486,414	10,775,093	25,261,507
Other items								
Depreciation	477,117	98,576	114,981	690,674	1,597	692,272	12,983	705,255
Goodwill amortization	4,950	225,566	—	230,516	—	230,516	—	230,516
Increase in tangible and intangible fixed assets	770,267	172,467	129,767	1,072,502	—	1,072,502	3,805	1,076,308

Note 1: The “Other” category is for businesses that are not included in the reporting segment such as media and catalog sales businesses.

Note 2: The details of adjustments are as follows.

(1) Adjustments in the segment profit (2,232,440) thousand yen are company-wide expenses that are not allocated to each reporting segment. These are mainly general and administrative expenses that do not belong to the reporting segment.

(2) Adjustments in the segment assets 10,775,093 thousand yen are company-wide expenses that are not allocated to each reporting segment. These are mainly cash and cash equivalents that do not belong to the reporting segment.

Note 3: Segment profit is adjusted to the operating profit of the consolidated financial statements.

(Per Share Information)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net assets per share	297.72 yen	357.62 yen
Basic earnings per share	61.87 yen	69.59 yen
Diluted earnings per share	61.21 yen	69.18 yen

(Note) 1. The Company has introduced a Board Benefit Trust-Restricted Stock t (BBT-RS) from the fiscal year ended December 31, 2024, and the Company's shares remaining in the trust, which are recorded as treasury shares in shareholders' equity, are included in treasury shares as a deduction in the calculation of net assets per share and net income per share, as well as in the total number of shares issued and outstanding at the end of the fiscal year and the average number of shares during the fiscal year.

2. The basis for calculating basic earnings per share and diluted earnings per share is as follows.

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Basic earnings per share		
Profit attributable to owners of parent (thousand yen)	3,025,895	3,375,590
Amount not attributable to common shareholders (thousand yen)	—	—
Profit attributable to owners of parent related to common stock (thousand yen)	3,025,895	3,375,590
Average number of shares of common stock during the period (shares)	48,910,015	48,506,200
Diluted earnings per share		
Adjustment of profit attributable to owners of parent (thousand yen)	—	—
Increase in common stock (shares)	526,816	289,344
[Of which stock acquisition rights (shares)]	[526,816]	[289,334]
Summary of potential stock not included in the calculation of diluted earnings per share due to lack of dilutive effect	Stock acquisition rights (360,000 shares of common stock) pursuant to a resolution of the Board of Directors on March 1, 2022	—

(Important Subsequent Events)

Not applicable.