

SEPTENI

FY 12/2024

Q4 (Full Year)

Business Results

Feb. 12, 2025

SEPTENI HOLDINGS CO., LTD.

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Download the fact sheet [here](#) (in xlsx format)

From FY2023, IP Platform Business has been reclassified as discontinued operations.

As a result, revenue, operating profit, and Non-GAAP operating profit for continuing operations are presented excluding discontinued operations.

Since the start of FY9/16, IFRS has been applied instead of the previous J-GAAP.

Conventional "net sales" are voluntarily disclosed as reference information, while "revenue" is disclosed as an indicator based on IFRS.

Revenue from advertising agency sales, which account for the majority of the Digital Marketing Business, are recorded on a net basis only for the margin portion.

"Non-GAAP operating profit" is voluntarily disclosed in order to appropriately express the actual state of the business. It refers to the profit indicator to assess ordinary business conditions after adjustments are made to IFRS-based operating profit pertaining to gain and loss related to acquisition actions such as amortization of acquisition-related intangible assets and M&A expenses, and temporary factors such as share-based compensation expenses, the impairment loss, and gain or loss on the sales of fixed assets.

Figures in this material are rounded to the nearest unit.

Business Results in FY2024

- Net sales grew by **5.8%** YoY, and revenue also rose **2.2%**, both setting new record highs*.
- Non-GAAP operating profit decreased by 20.4% YoY due to delayed revenue conversion in response to personnel increase compared to plan.
- Due to sales of shares of subsidiaries, etc., **profit attributable to owners of parent and EPS largely increased and significantly strengthened shareholder returns.**
- With organizational restructuring and withdrawal from/divestment of unprofitable businesses, achieving steady progress on “Focus,” a medium-term theme.

Policy for FY2025

- Given the rapidly changing business environment, which makes three-year outlook difficult, discontinuing the rolling medium-term management policy and the three-year plan announced in February 2024, and setting a mid- to long-term vision.
- Maintaining the medium-term theme of “Focus & Synergy,” reorganizing the business portfolio and updating policies for each business through changes in reportable segments.
- Addressing ongoing challenges in revenue to net sales ratio and productivity through targeted initiatives and committed to **returning to profit growth.**
 - ➔ Targeting a V-shaped recovery in 2025 by steadily achieving the annual earnings forecast.

01

Consolidated Earnings Overview in FY12/2024

05 FY2024 (Jan–Dec) Highlights

(After reclassification of discontinued operations)

- Net sales steadily increased by 5.8% YoY and revenue increased by 2.2% YoY, both record highs.*1
- Non-GAAP operating profit exceeded revised earnings estimates due to cost control.
- The year-end dividend is ¥31.35 per share and the payout ratio is 117.6%.

	Value	YoY	Compared to revised forecasts
Revenue	¥28,284mn	+2.2%	+0.7%
Non-GAAP operating profit	¥3,197mn	-20.4%	+6.6%
Profit attributable to owners of parent	¥5,526mn	+47.9%	+7.3%
Earnings per share (EPS)*2	¥26.65	+¥8.70	+¥1.81
[Reference] Net sales	¥145,996mn	+5.8%	-0.1%
Revenue to net sales ratio	19.4%	-0.6Pt	+0.2Pt
Dividend per share	¥31.35	+¥26.15	—
Payout ratio	117.6%	+92.5Pt	—

*1 Comparison with the aggregated figures for the period of January to December, and those figures prior to FY2023 are before the reclassification of discontinued operations.

*2 EPS in CY2023 is for reference only.

06 FY2024 (Jan–Dec) Highlights

(After reclassification of discontinued operations)

Digital Marketing Business

- Revenue increased driven by the expansion of the Marketing Communication Area.
- Non-GAAP operating profit decreased due to increased expenses in the Marketing Communication Area.

(unit: ¥mn)	Value	YoY	Compared to revised forecasts
Revenue	26,810	+3.5%	+0.8%
Non-GAAP operating profit	6,357	-6.4%	+4.2%
[Reference] Net sales	144,740	+5.9%	–

Media Platform Business

- Lower revenue and wider loss compared to the previous fiscal year.
- Two operating companies were excluded from consolidation in 4Q in accordance with the business continuity criteria.

(unit: ¥mn)	Value	YoY	Compared to revised forecasts
Revenue	1,703	-13.0%	+0.2%
Non-GAAP operating profit	-93	(-15)	(-3)

07 FY2024 (Jan–Dec) Consolidated Income Statement

(After reclassification of discontinued operations)



Profit attributable to owners of parent increased substantially due to a boost from gains on sales of shares associated with the partial share transfer of COMISMA INC.*¹ and an increase in equity in earnings of affiliates, etc.

(unit: ¥mn)	FY2024 (Jan–Dec)			Jan–Dec 2023	
	Value	Ratio	YoY	Value	Ratio
Revenue	28,284	100.0%	+2.2%	27,674	100.0%
Gross profit	22,203	78.5%	+0.4%	22,106	79.9%
SG&A expenses	19,096	67.5%	+5.1%	18,171	65.7%
Non–GAAP operating profit	3,197	11.3%	-20.4%	4,016	14.5%
Operating profit	3,129	11.1%	-20.2%	3,922	14.2%
Equity in earnings of affiliates, etc.	1,603	5.7%	+32.8%	1,207	4.4%
Profit from continuing operations	3,309	11.7%	-20.9%	4,182	15.1%
Profit from discontinued operations	2,210	7.8%	—	-483	—
Profit attributable to owners of parent	5,526	19.5%	+47.9%	3,736	13.5%
[Reference] Net sales	145,996	—	+5.8%	138,036	—

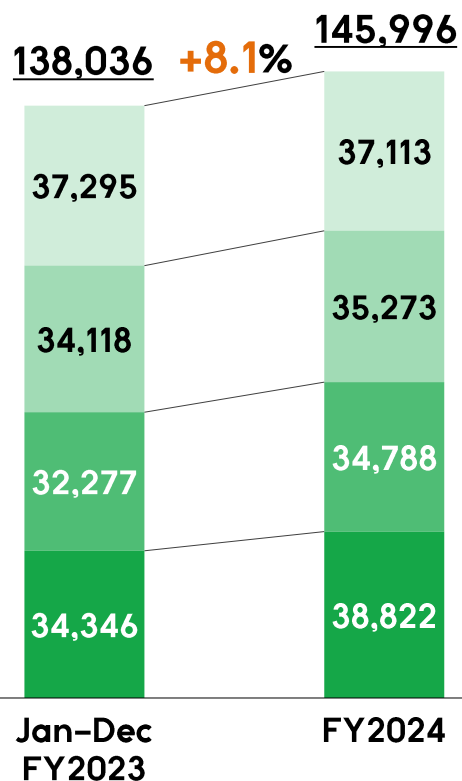
*1 Former COMICSMART INC. *The performance of the IP Platform Business have been reclassified as discontinued operations in January–December 2023 and FY2024/1Q results. From FY2024/2Q onwards, it is recorded in equity in earnings of affiliates based on the Company's equity as of the end of each quarter.

08 FY2024 (Jan-Dec) Consolidated Earnings Trends

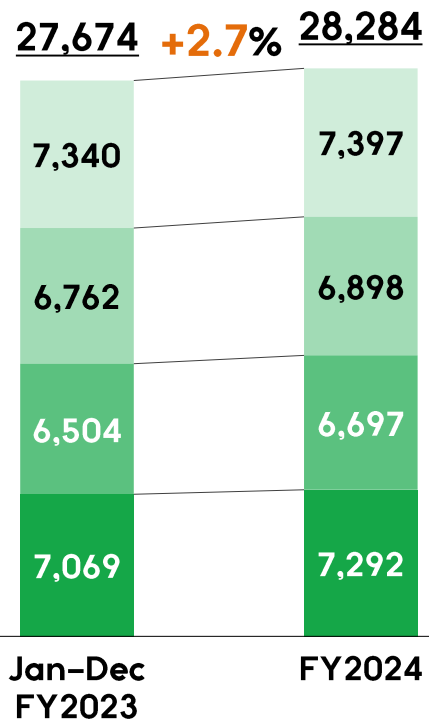
Net sales and revenue increased driven by the Marketing Communication Area, while the expected return to profit driven by increased headcount underperformed, resulting in a decline in Non-GAAP operating profit.

1Q 2Q 3Q 4Q (unit: ¥mn)

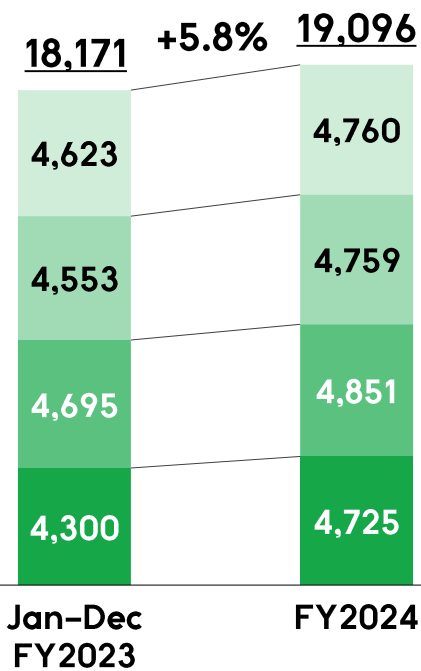
Net Sales



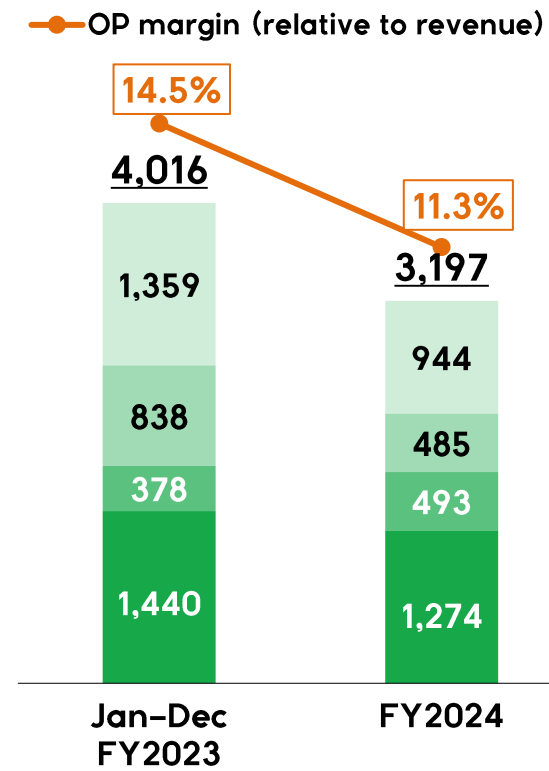
Revenue



SG&A Expenses

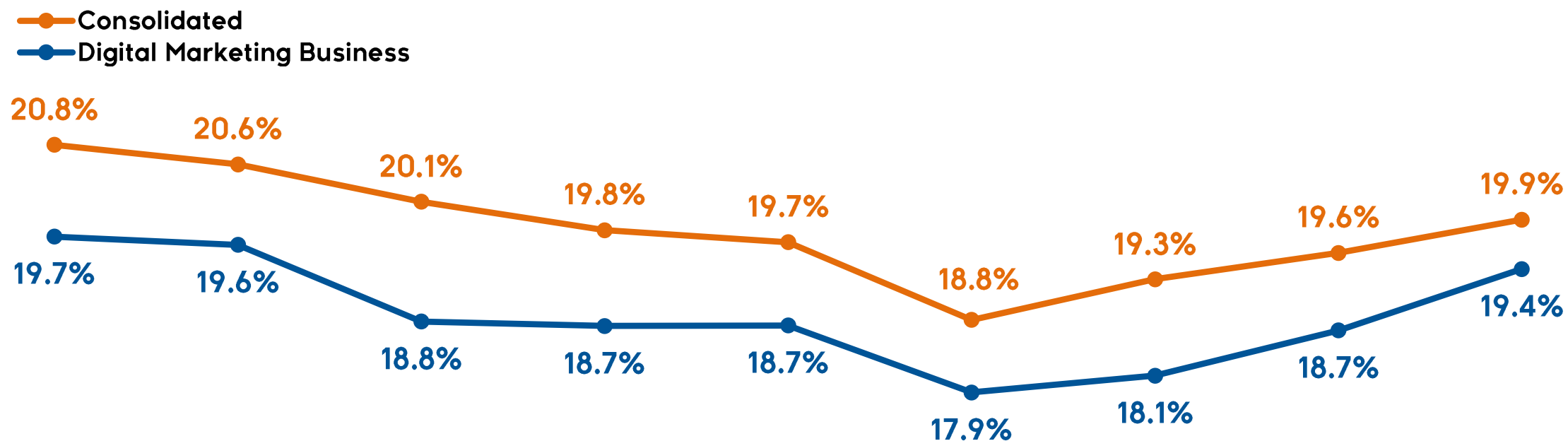


Non-GAAP Operating Profit



09 Revenue to Net Sales Ratio

Initiatives aimed at increasing the revenue to net sales ratio have resulted in quarterly improvement, with consolidated results bottoming out in FY2024/1Q and rising 1.1Pt by 4Q. Efforts will continue to expand sales of high-margin solutions.



1Q	2Q	3Q	4Q	5Q	1Q	2Q	3Q	4Q
Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
FY2023					FY2024			

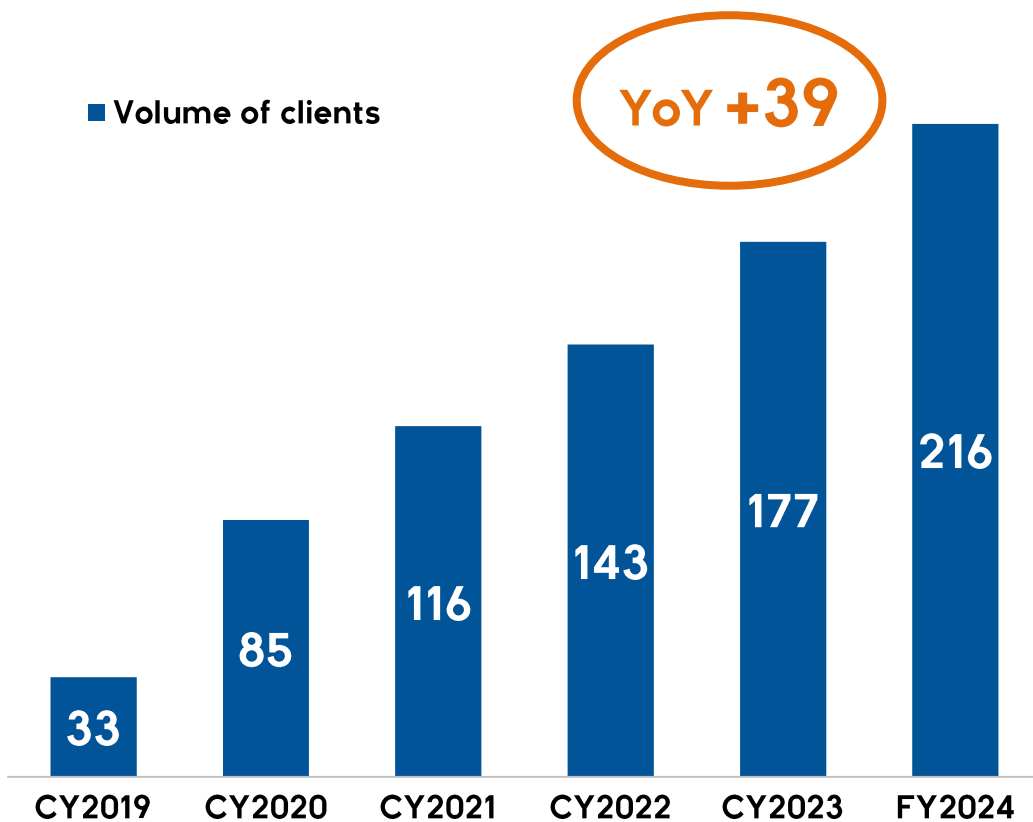
*Solutions: Marketing solutions without ad sales, etc.

10 Digital Marketing Business

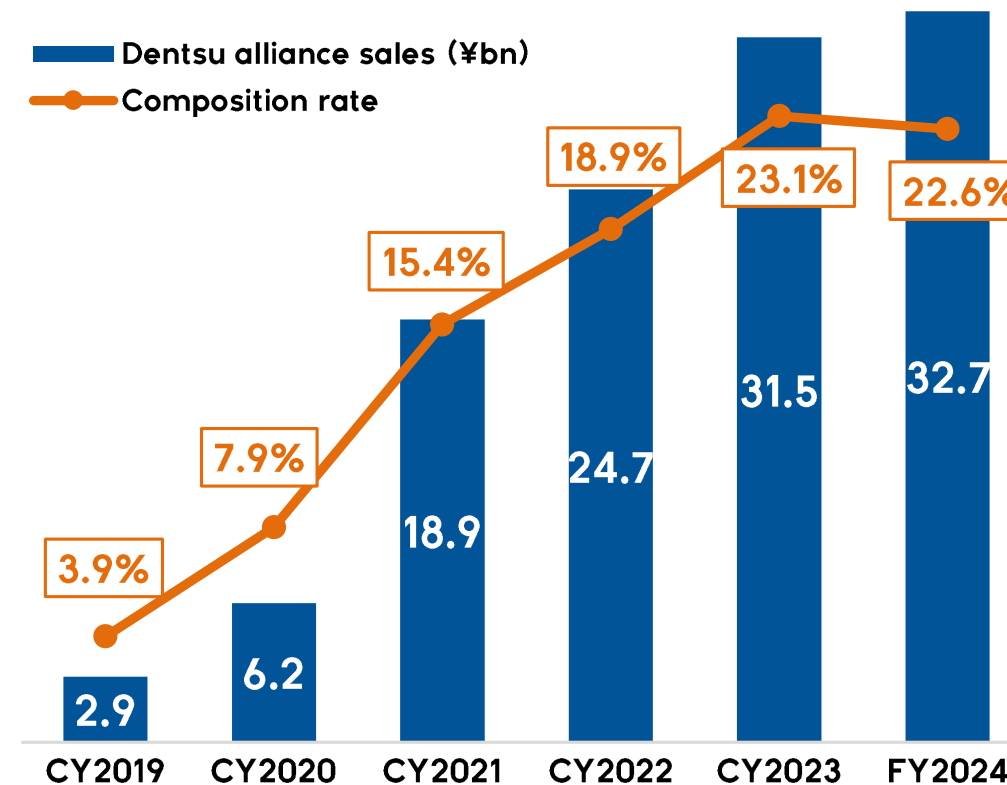
Overview on Business Alliance with Dentsu Group

Despite a decrease in spending from large-scale clients, collaborative sales reached a record high, driven by steady growth in the number of collaborative clients.

Volume of clients in collaboration with Dentsu Group



Sales from the collaboration with Dentsu Group



11 Digital Marketing Business Initiatives in Generative AI

Delight Tube Inc., which promoting AI-driven marketing, established “FUKURO AI STUDIO” to support companies and brands by utilizing the generative AI.

Provides “**FUKURO AI AVATAR**,” a service that creates original still images and video avatars using the generative AI, and a service that develops **banner creation agents** capable of mass-producing banner ads and predicting their performance.

Created apparel creative images for sportswear brand *DESCENTE*’s EC website using “FUKURO AI AVATAR”



Created AI models for *Nanboya*, a luxury brand reseller, using “FUKURO AI AVATAR”



Created original avatar chefs, promotional videos, and a concept video for *Hilton Tokyo*’s autumn sweets buffet



02

Quarterly Consolidated Earnings Overview

13 FY2024/4Q (Oct–Dec) Consolidated Income Statement

(After reclassification of discontinued operations)



Improved revenue to net sales ratio offset the impact of reduced demand from some clients compared to the previous year, resulting in increased revenue.

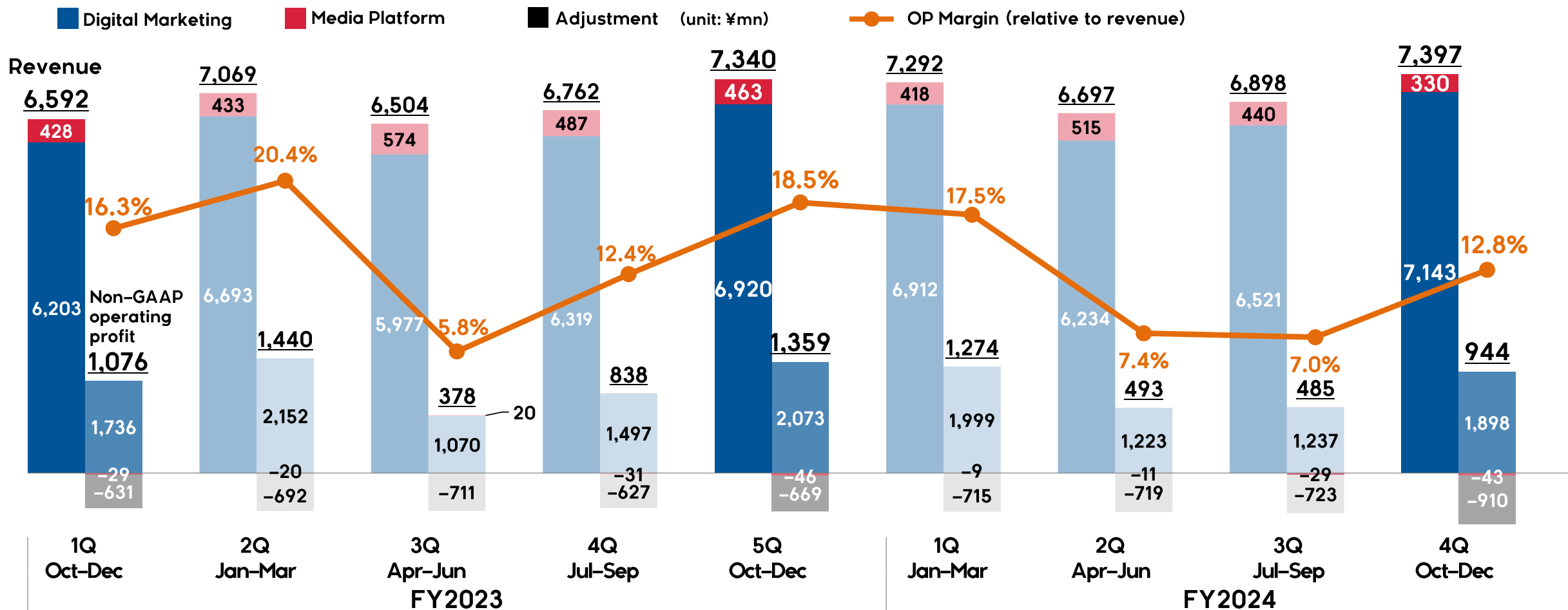
(unit: ¥mn)	4Q/2024 (Oct–Dec)			5Q/2023 (Oct–Dec)	
	Value	Ratio	YoY	Value	Ratio
Revenue	7,397	100.0%	+0.8%	7,340	100.0%
Gross profit	5,685	76.9%	-4.7%	5,966	81.3%
SG&A expenses	4,760	64.4%	+3.0%	4,623	63.0%
Non-GAAP operating profit	944	12.8%	-30.5%	1,359	18.5%
Operating profit	937	12.7%	-31.2%	1,363	18.6%
Equity in earnings of affiliates	688	9.3%	+38.9%	495	6.7%
Profit from continuing operations	1,259	17.0%	-23.5%	1,646	22.4%
Profit from discontinued operations	—	—	—	-103	—
Profit attributable to owners of parent	1,254	17.0%	-19.1%	1,550	21.1%
[Reference] Net sales	37,113	—	-0.5%	37,295	—

The performance of the IP Platform Business have been reclassified as discontinued operations in FY2023/5Q results. In FY2024/4Q, it is recorded in equity in earnings of affiliates based on the Company's equity as of the end of the quarter.

14 Quarterly Trend of Earnings by Business Segment

(After reclassification of discontinued operations)

Revenue increased due to the expansion of the Digital Marketing Business, and operating profit margin is also improving QoQ.



*As the elimination of intersegment revenue is omitted, the total of each business revenue and consolidated revenue (underlined figures) do not coincide.

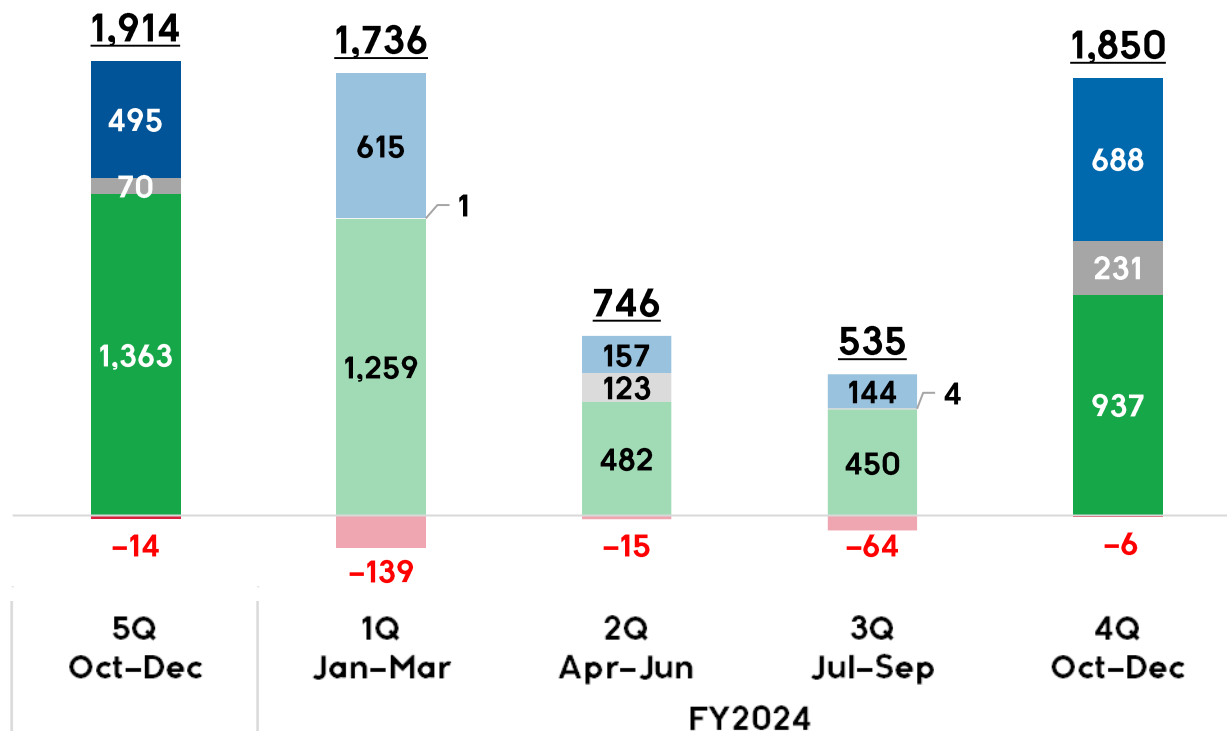
15 Quarterly Trend of Consolidated Profit Before Tax

(After reclassification of discontinued operations)

Equity in earnings of affiliates, primarily from Dentsu Digital, saw a steady increase of approximately ¥400 million YoY.

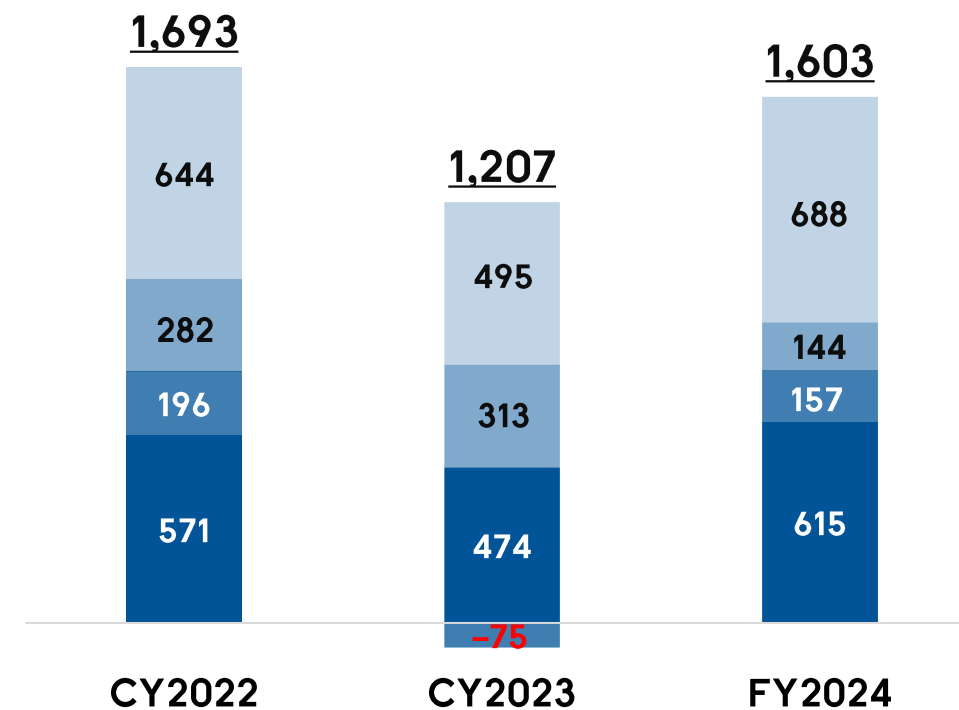
Quarterly Trend

■ IFRS operating profit ■ Finance income ■ Finance costs
 ■ Equity in earnings of affiliates ■ Profit before tax (unit: ¥mn)



Full-year Trend of Equity in Earnings of Affiliates

■ 1Q ■ 2Q ■ 3Q ■ 4Q ■ Total (unit: ¥mn)



16 Constitution of Consolidated Expenses

(IFRS, After reclassification of discontinued operations)

Subcontract costs for creative production in the Direct Business Area increased.

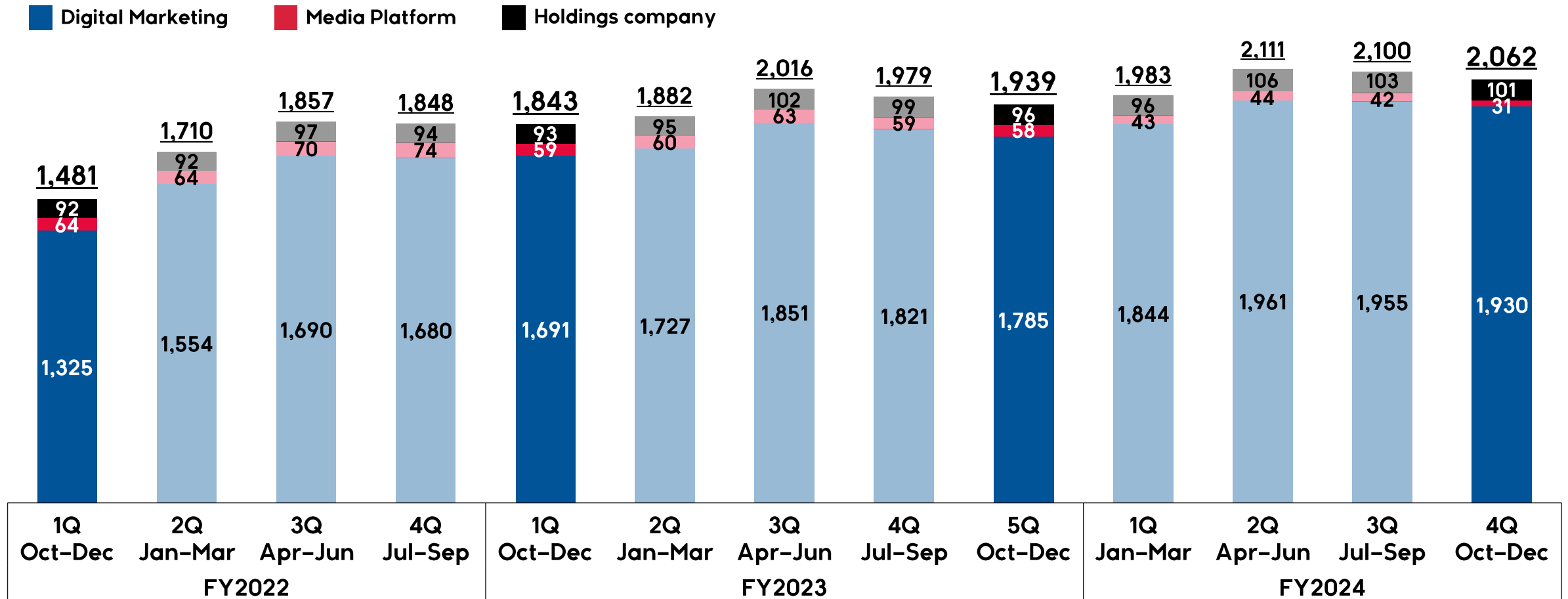
(unit: ¥mn)	FY2023					FY2024				QonQ	YonY
	1Q Oct-Dec	2Q Jan-Mar	3Q Apr-Jun	4Q Jul-Sep	5Q Oct-Dec	1Q Jan-Mar	2Q Apr-Jun	3Q Jul-Sep	4Q Oct-Dec		
Total of cost of sales	1,232	1,370	1,424	1,400	1,374	1,310	1,392	1,668	1,712	+2.7%	+24.6%
Labor costs	393	408	453	442	439	422	443	430	472	+9.7%	+7.5%
Subcontract costs	545	659	623	650	596	592	606	932	960	+3.0%	+61.2%
Others	294	303	349	308	339	296	343	305	280	-8.3%	-17.5%
Total of SG&A expenses	4,329	4,300	4,695	4,553	4,623	4,725	4,851	4,759	4,760	+0.0%	+3.0%
Labor costs *1	2,878	2,892	3,248	3,154	3,149	3,227	3,334	3,236	3,171	-2.0%	+0.7%
Employee bonuses *2	147	155	148	195	204	177	130	156	174	+11.4%	-14.5%
Rent expenses etc.	293	284	297	294	295	266	266	267	271	+1.6%	-8.1%
Advertising expenses	160	124	154	164	157	180	198	193	140	-27.6%	-11.2%
Taxes and dues	105	105	97	61	97	104	102	102	92	-9.4%	-4.4%
Others	747	740	751	685	721	772	820	804	912	+13.3%	+26.5%

*1 Performance-linked share compensation (BIP trust), which is a reconciliation to Non-GAAP operating profit, is recognized as labor costs. *2 Including estimation amount for additional performance-linked bonus.

17 Workforce Size Trend

The number of personnel in the Media Platform Business decreased due to the business portfolio review.

Aiming to improve productivity by enhancing personnel mobility within the Group in 2025.



*Employees in the IP Platform business have been excluded from the number of employees on a consolidated basis due to the reclassification of discontinued operations.

18 Initiatives to Improve Productivity

Promoting company-wide productivity improvement measures, including office attendance policies and the utilization of generative AI in business operations.

FUKURO AI

The diverse features of FUKURO AI are now available thanks to the development and operational framework that combines multiple LLMs and other technologies for business improvement and marketing problem-solving. This framework enables the utilization of our own data within a highly secure and privacy-protected environment.

FUKURO AI
CHAT

- Chat Assistant
 - Audio file transcription
 - Image generation and recognition
 - Data analysis and chart creation, etc.

FUKURO AI
COLLECTIVE INTELLIGENCE

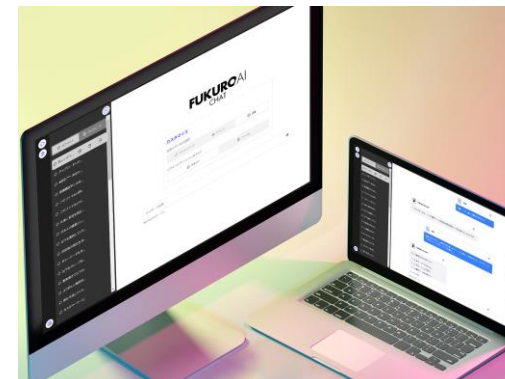
- Chatbot
 - Source learning
 - Model configuration, etc.

Utilization of generative AI

Adopting “FUKURO AI” throughout all Japanese operations to improve operational efficiency and productivity.

<Use Cases>

- Creative and report analysis
- Image/LP error and regulation checks
- Knowledge sharing via chatbot



Company-wide (in Japan)
average MAU

Approx. **51%**
(as of December 2024)

Estimated reduction in work hours*
8 hours per person per month

03

Digital Marketing Business

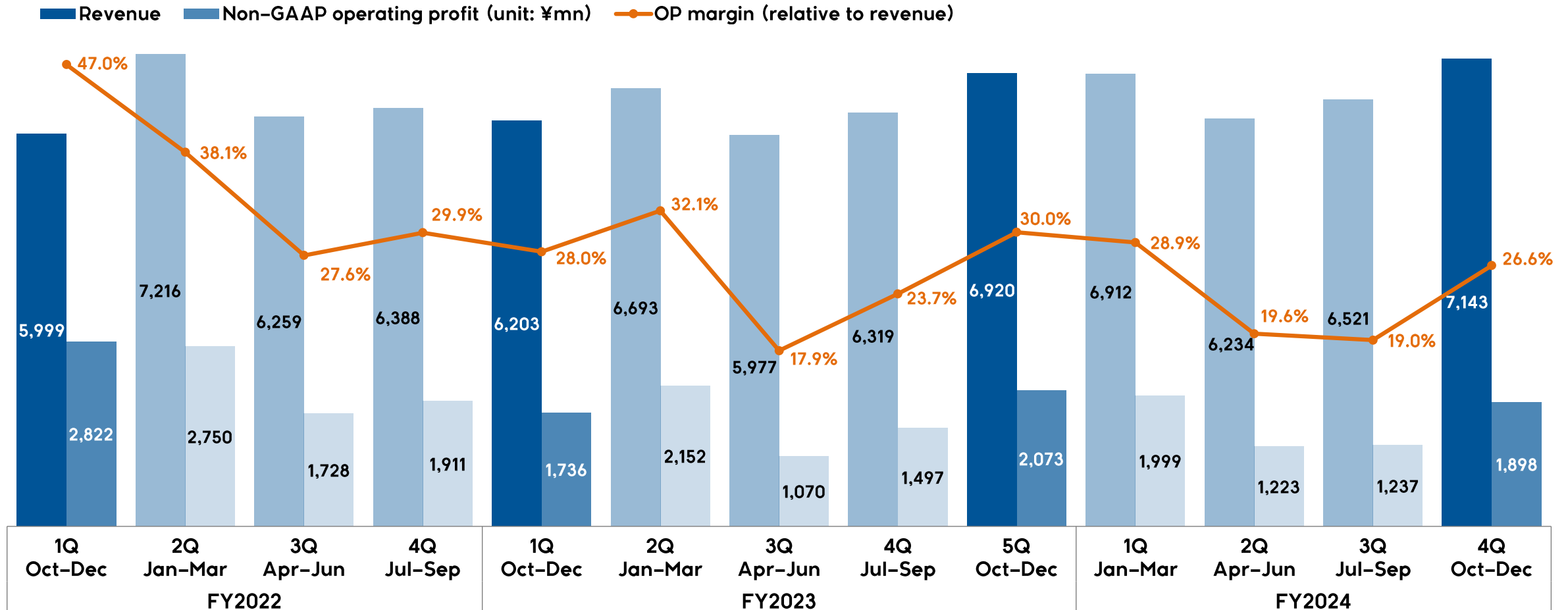
20 Digital Marketing Business Earnings Overview

While revenue increased and revenue to net sales ratio **improved by 0.7Pt**, operating profit decreased, leading to ongoing planning and implementation of hiring adjustments and personnel reassignments, etc.

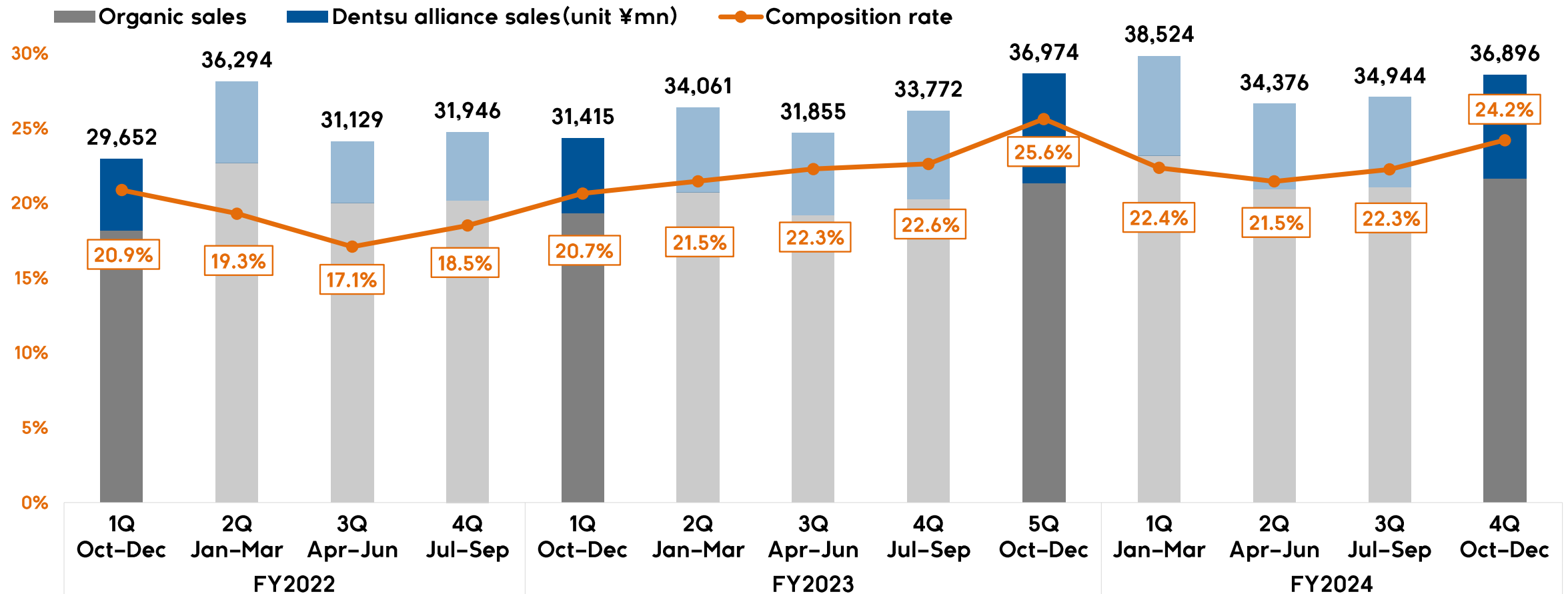
(unit: ¥mn)	4Q/FY2024 (Oct–Dec)			5Q/FY2023 (Oct–Dec)	
	Value	Ratio	YoY	Value	Ratio
Revenue	7,143	100.0%	+3.2%	6,920	100.0%
Gross profit	5,484	76.8%	-3.1%	5,662	81.8%
SG&A expenses	3,602	50.4%	-0.1%	3,605	52.1%
Non–GAAP operating profit	1,898	26.6%	-8.5%	2,073	30.0%
Net sales	36,896	—	-0.2%	36,974	—
[Reference] Revenue to net sales ratio	—	19.4%	+0.7Pt	—	18.7%
OP margin (relative to net sales)	—	5.1%	-0.5Pt	—	5.6%

21 Digital Marketing Business Quarterly Earnings Trend

Revenue for the October–December period reached a record high, resulting in increased revenue but decreased profit; however, the operating profit margin is showing signs of recovery.



Projects for which delivery commenced this fiscal year have been steadily expanding.



*Since FY2022/2Q, organic sales include the effects of new consolidation.

04

Media Platform Business

24 Media Platform Business Earnings Overview

(After reclassification of discontinued operations)



Revenue decreased due to the deconsolidation of the Men's Cosmetics Business and the Childcare Platform Business, while cost reductions narrowed the loss.

(unit:¥mn)	4Q/FY2024 (Oct-Dec)			5Q/FY2023 (Oct-Dec)	
	Value	Ratio	YoY	Value	Ratio
Revenue	330	100.0%	-28.7%	463	100.0%
Gross profit	268	81.2%	-22.4%	345	74.6%
SG&A expenses	311	94.3%	-20.3%	391	84.3%
Non-GAAP operating profit	-43	—	+2	-46	—

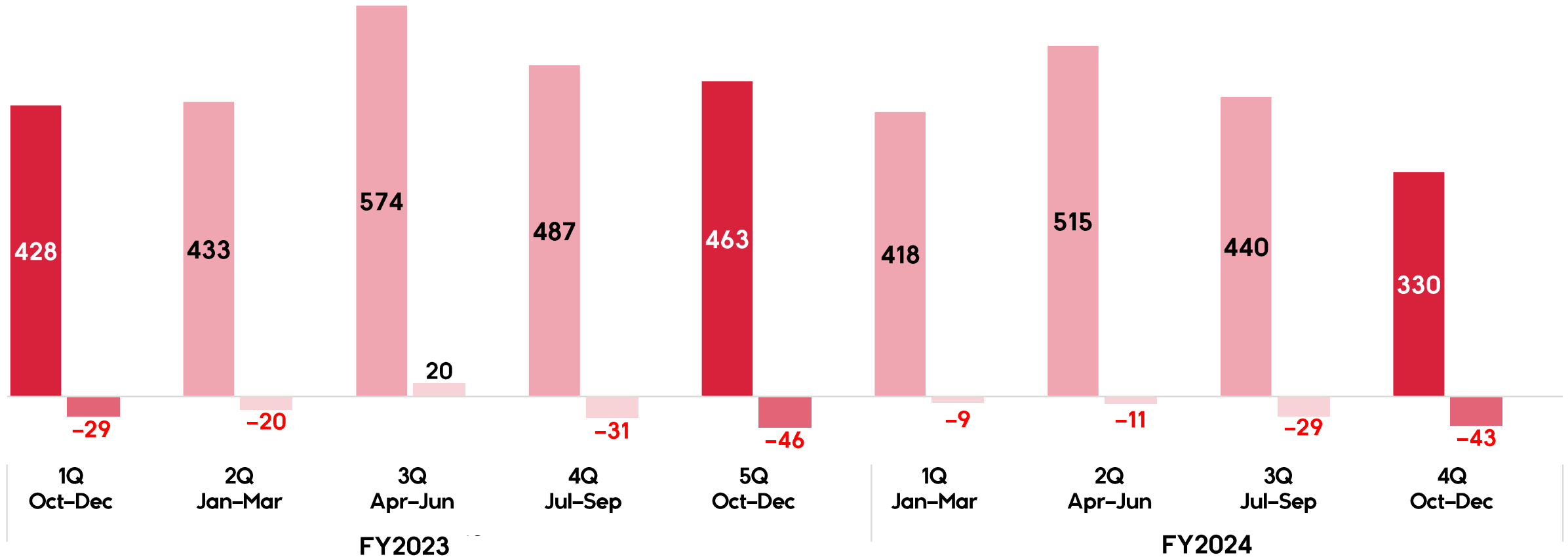
*Men's Cosmetics Business : ALPHABLE, Childcare Platform Business: TowaStela

25 Media Platform Business Quarterly Earnings Trend

(After reclassification of discontinued operations)

Made significant progress in this fiscal year's business portfolio review, continuing to rigorously manage businesses in accordance with business continuity criteria.

■ Revenue ■ Non-GAAP operating profit (unit: ¥mn)



05

Mid- to Long-Term Vision

Mid- to Long-Term Vision

- Continuing to pursue our medium-term theme of “Focus & Synergy” to achieve our long-term vision.
 - Further enhancing the existing businesses (=Focus) through ongoing organizational restructuring and thorough portfolio management, while simultaneously pursuing further synergy creation across four layers: within businesses, between businesses, in collaboration with Dentsu, and with external partners.
- ➔ Aiming to generate a **net profit of ¥10 billion by 2030** and establish a corporate structure that **achieves both high growth and high shareholder returns**, through acquisition and strengthening of capabilities, and promotion of alliances, in areas adjacent to digital marketing.

Policy for FY2025 Based on the Mid- to Long-Term Vision

- Shifting to a three-segment structure by changing the reportable segments from FY2025 to promote medium-term theme.
- Aiming for continuous revenue growth through the growth of each business while tackling short-term challenges such as improving profitability and productivity and targeting a **V-shaped recovery by returning to operating profit growth**.
- The year-end dividend forecast is currently undetermined as various measures for growth investments and shareholder returns are under consideration.

28 Medium-term Business Policy

Given the rapidly changing business environment, which makes three-year outlook difficult, discontinuing the rolling medium-term management policy and maintaining the mid- to long-term theme of “Focus & Synergy.”

Past Medium-Term Business Policy

	FY2022	FY2023	FY2024	FY2025	FY2026
FY22~24 rolling		Update			
FY23~25 rolling			Update		
FY24~26 rolling				Update	

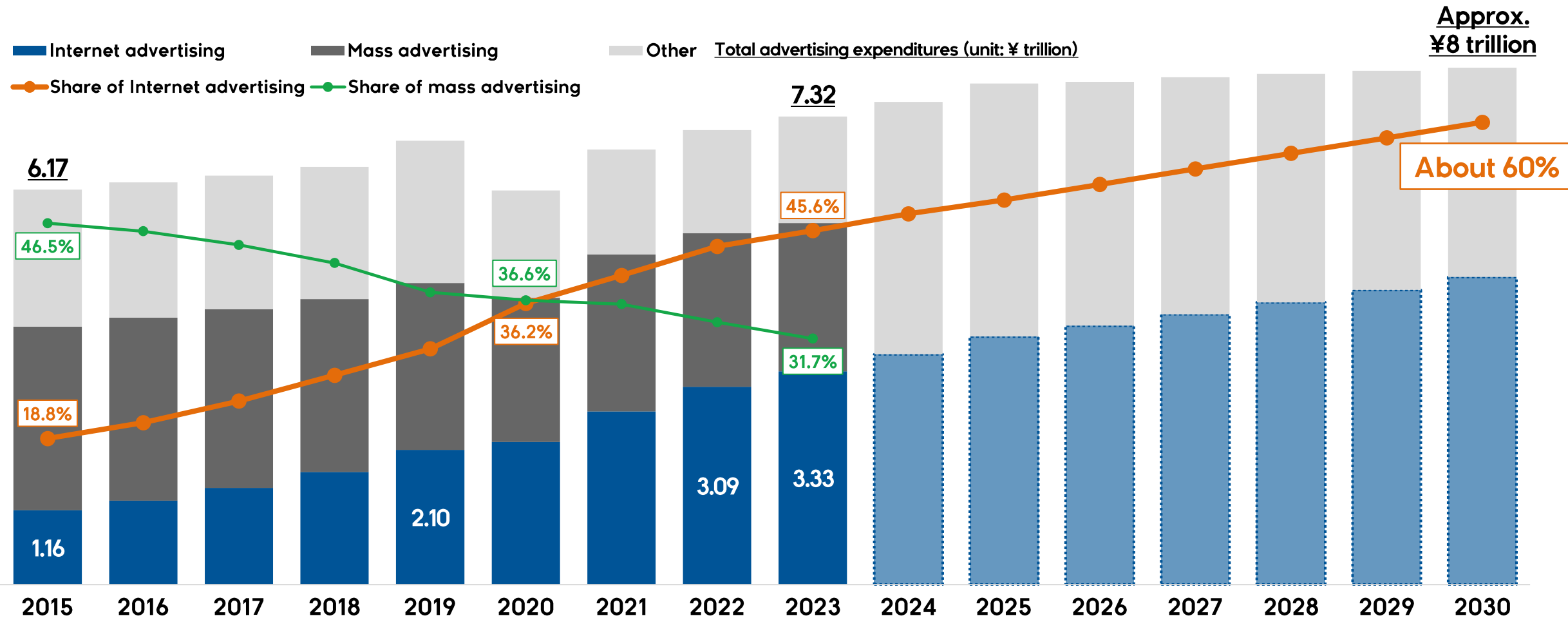
Mid- to Long-Term Vision

FY2025~

Through business operations, organizational restructuring, and portfolio management to realize our long-term vision and the medium-term “Focus & Synergy” theme, aiming for both high growth and high shareholder returns, with a target net profit of ¥100 billion by 2030.

29 Market Environment Outlook

By around 2030, Japan's total advertising expenditure is projected to expand to ¥8 trillion, even under conservative estimates, with internet advertising expected to grow to approximately 60% of that total.



*Source: Dentsu Inc., "2023 Advertising Expenditures in Japan." Figures for 2024 onward are the Company's projections based on CAGR.

30 Mid- to Long-Term Vision

Aiming to form a business portfolio that provides comprehensive support, from strategy planning to execution, centered on digital marketing to solve client challenges, by creating business synergies through the combination of high-growth and high-profit areas.

Future Vision (reintroduced)

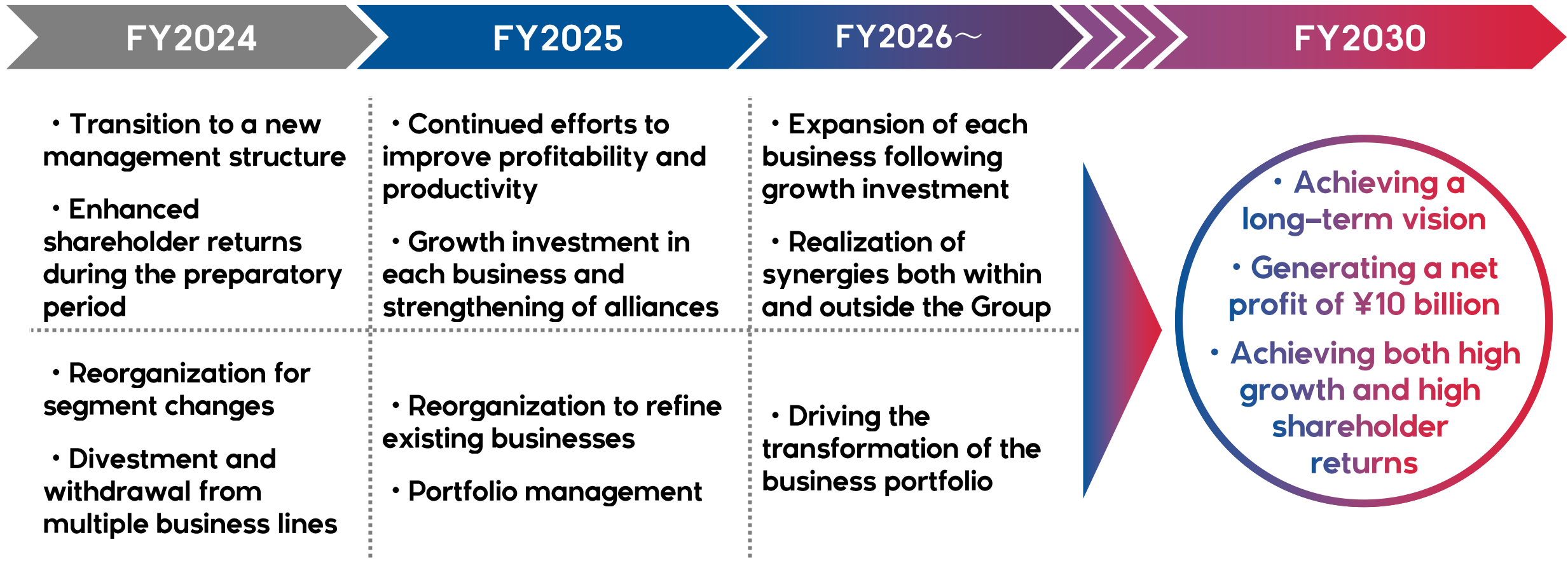


Medium-Term Theme



31 Milestones Toward Achieving Mid- to Long-Term Vision

Building upon the FY2024 initiatives into FY2025, driving focus and creating synergies.



Marketing Communication Segment

Focus

- Enhancing value provided by maximizing advertising performance
- Refining competitiveness through the utilization of specialized personnel and technology to realize integrated marketing

Synergy

- Promoting capability expansion in adjacent areas, both through vertical development within the Group and alliances outside the Group, to establish a position that enables the provision of a wide range of solutions to client challenges

Direct Business Segment

Focus

- Establishing a foundation for sustainable growth

Synergy

- Refining new revenue models independent of existing advertising models and promoting collaboration with external companies



Data & Solutions Segment

Focus

- Strengthening external sales by expanding the front team
- Strengthening collaboration within the engineering team

Synergy

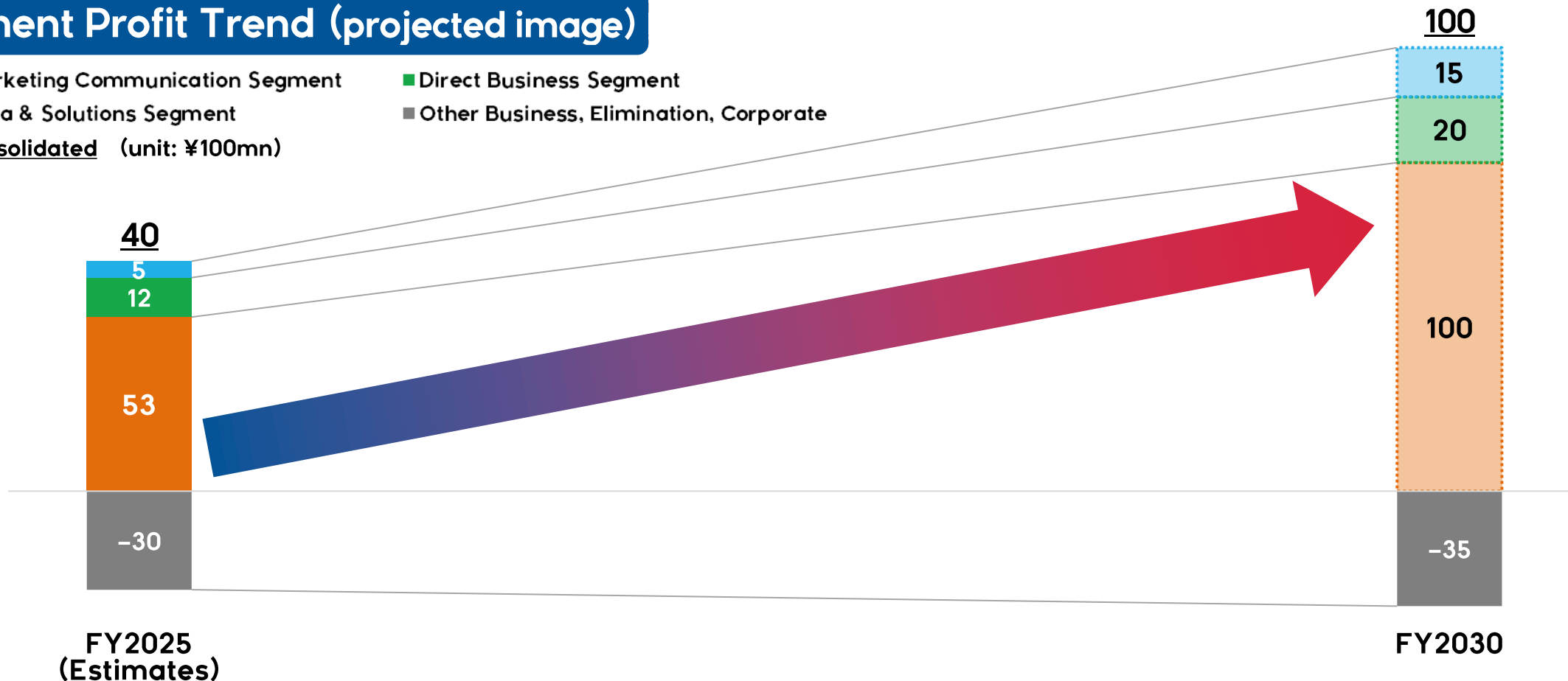
- Promoting business development through collaboration with external partners

33 Projected Growth by Segment

Continuing to strengthen growth investments to drive the growth of each business and transform our business portfolio, while aiming to outperform market growth.

Segment Profit Trend (projected image)

- Marketing Communication Segment
 - Data & Solutions Segment
 - Direct Business Segment
 - Other Business, Elimination, Corporate
- Consolidated (unit: ¥100mn)

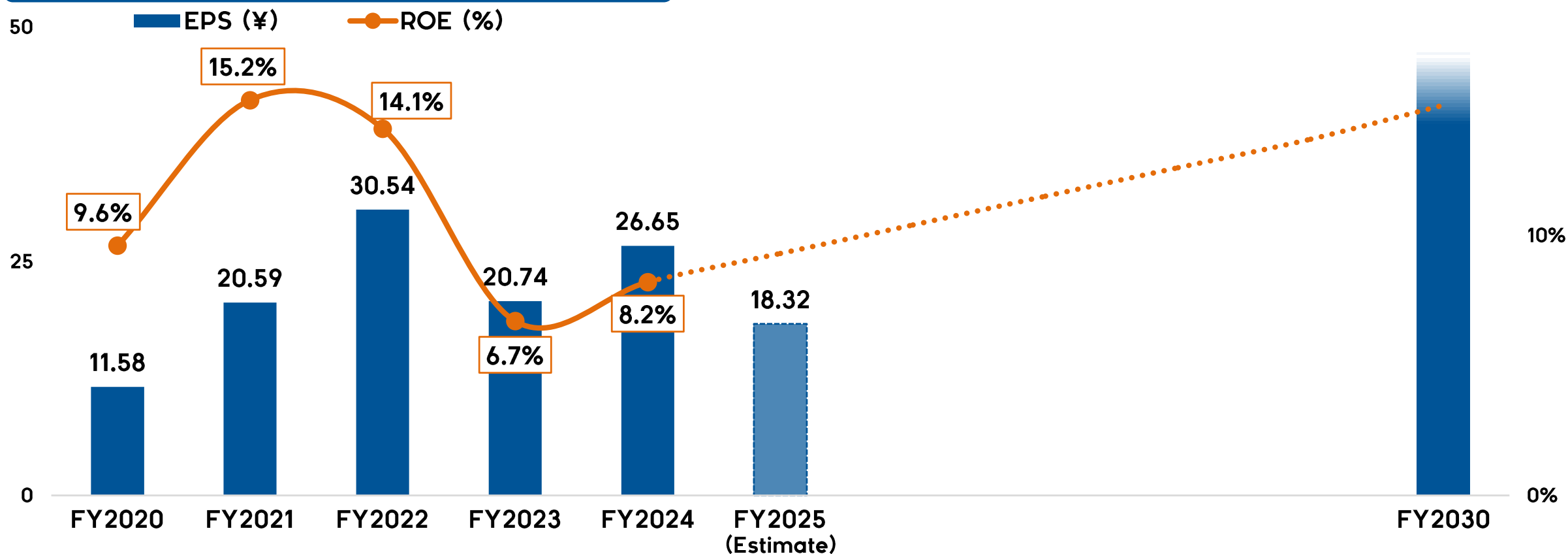


34 Mid- to Long-Term Vision

Aiming to achieve a net profit of ¥10 billion by 2030, increase EPS, and improve ROE by realizing both high growth and high shareholder returns.

EPS/ROE Trend (projected image)

*Number of shares and capital are based on current levels

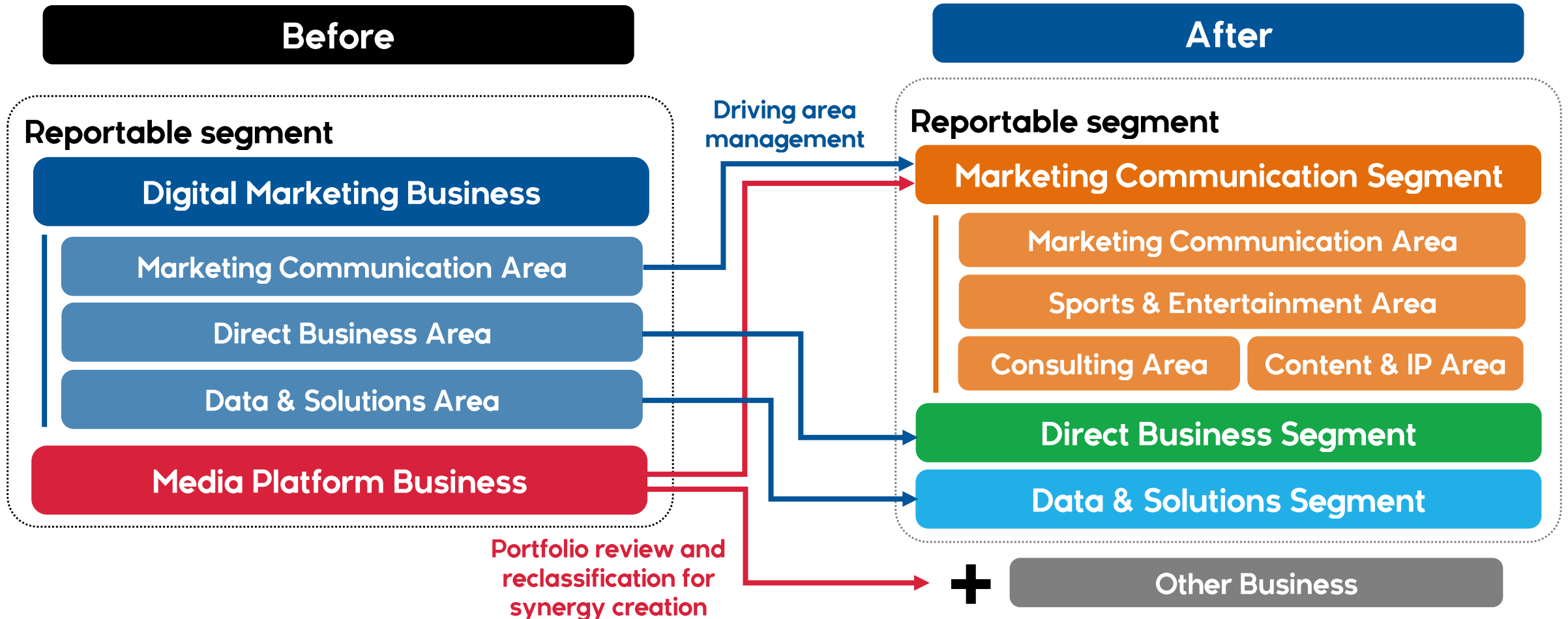


06

Policy for FY2025 and Earnings Estimates

36 Changes to Reportable Segments

Changed the reportable segments to align with the organizational structure and segment classifications used for information disclosure, aiming to further promote area management.



*For details, please refer to the timely disclosure published on December 24, 2024.

37 Management Policy for FY2025

Under the medium-term theme of “Focus & Synergy,” working to create synergies within and between businesses and across the Group, while also advancing preparations for strengthening collaborations with external partners.

FY2024 Focus Points

Reorganization and strengthening of the Digital Marketing Business

Group Synergies utilizing the Digital Marketing Business assets

Creation of businesses from within each area



FY2025 Focus Points

Strengthening focus through group reorganization and intra-business synergies

Creating inter-business synergies by strengthening sales functions

Further development of collaboration with Dentsu Group

Preparation and promotion of alliances with external partners

38 Marketing Communication Segment consulting area

Entered into a capital and business alliance agreement with beBit, Inc. to strengthen the consulting area within the Marketing Communication Segment.

Purpose of the alliance

To deliver innovative marketing solutions by effectively combining the management resources and strengths of both companies, with the ultimate aim of maximizing client value.



Business alliance initiatives

Business expansion utilizing mutual client bases and the channels of both companies

Enhancement of client value through collaboration between the services of both companies

Mutual utilization and enhanced collaboration of existing products

Joint development of new UX/CX products to achieve integrated marketing

Deployment of joint marketing/PR initiatives for clients

39 Marketing Communication Segment sports & entertainment area



Established SEPTENI SPORTS & ENTERTAINMENT, Inc. to provide comprehensive support for digital initiatives in the sports & entertainment area.

Past initiatives

Supporting the operations of sports clubs and the growth of teams through assistance in the digital domain, leveraging the expertise cultivated in the digital marketing business.



Established in
January 2025



SEPTENI SPORTS & ENTERTAINMENT

Future initiatives

Strengthening support for various sports organizations and professional sports clubs through digital initiatives and operational support.

➡ Providing support for activities such as attracting attendees to games and events and building CRM system infrastructure to enhance fan engagement.

40 Full Year Earnings Estimates for FY12/2025 (Consolidated)

Aiming for a V-shaped recovery by achieving increased revenue and a return to profit growth through improved profitability and productivity.

(unit: ¥mn)	FY2024 results	FY2025 estimates	Projected growth rate (YoY)
Revenue	28,284	30,300	+7.1%
Non-GAAP operating profit	3,197	4,000	+25.1%
Profit attributable to owners of parent	5,526	3,800	-31.2%
Continuing operations only	3,303	3,800	+15.0%
Earnings per share (EPS) (¥)*	26.65	18.32	-8.33
Continuing operations only	15.93	18.32	+2.39
Net sales	145,996	153,000	+4.8%
Revenue to net sales ratio	19.4%	19.8%	+0.4pt

*EPS (continuing operations only) is for reference only.

41 Full Year Earnings Estimates for FY12/2025 (By business segment)

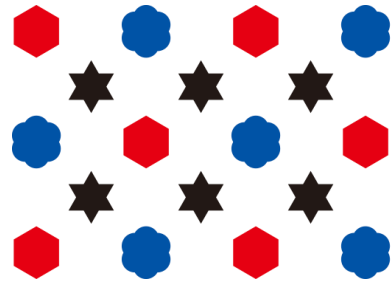


Aiming to achieve increased revenue and profit through growth centered on the Marketing Communication Segment, momentum recovery in the Direct Business Segment, and steady growth in the Data & Solutions Segment.

(unit: ¥mn)	Revenue			Non-GAAP operating profit			
	FY2024 results	FY2025 estimates	YoY	FY2024 results	FY2025 estimates	Operating profit margin (to revenue)	YoY
Marketing Communication	20,271	21,600	+6.6%	4,817	5,300	24.5%	+10.0%
Direct Business	5,175	5,800	+12.1%	1,054	1,200	20.7%	+13.8%
Data & Solutions	3,195	3,400	+6.4%	494	500	14.7%	+1.3%
Other Business	832	500	-39.9%	-59	0	-	(+59)
Elimination, Corporate	-1,188	-1,000	-	-3,109	-3,000	-	-
Consolidated	28,284	30,300	+7.1%	3,197	4,000	13.2%	+25.1%

*FY2024 results for each business are for reference only.

Thank you for your interest!



SEPTENI

Contact Information

SEPTENI HOLDINGS CO., LTD. IR Department, CEO Office

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E-mail : ir@septeni-holdings.co.jp

All estimates, opinions and plans provided in this document are based on the best information available at the time of the creation of this document on February 12, 2025 and we do not guarantee their accuracy. Therefore, our actual results may differ due to various unforeseen risk factors and changes in global economies.

06

Appendix

Quarterly Consolidated Income Statement

(Consolidated, after reclassification of discontinued operations)

(unit: ¥mn)	FY2023										FY2024							
	1Q (Oct–Dec)		2Q (Jan–Mar)		3Q (Apr–Jun)		4Q (Jul–Sep)		5Q (Oct–Dec)		1Q (Jan–Mar)		2Q (Apr–Jun)		3Q (Jul–Sep)		4Q (Oct–Dec)	
	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio
Revenue	6,592	100.0%	7,069	100.0%	6,504	100.0%	6,762	100.0%	7,340	100.0%	7,292	100.0%	6,697	100.0%	6,898	100.0%	7,397	100.0%
Gross profit	5,361	81.3%	5,699	80.6%	5,080	78.1%	5,363	79.3%	5,966	81.3%	5,982	82.0%	5,306	79.2%	5,231	75.8%	5,685	76.9%
SG&A expenses	4,329	65.7%	4,300	60.8%	4,695	65.7%	4,553	67.3%	4,623	63.0%	4,725	64.8%	4,851	72.4%	4,759	69.0%	4,760	64.4%
Non-GAAP operating profit	1,076	16.3%	1,440	20.4%	378	5.8%	838	12.4%	1,359	18.5%	1,274	17.5%	493	7.4%	485	7.0%	944	12.8%
Operating profit	1,027	15.6%	1,347	19.0%	390	6.0%	822	12.2%	1,363	18.6%	1,259	17.3%	482	7.2%	450	6.5%	937	12.7%
Equity in earnings of affiliates	644	9.8%	474	6.7%	-75	—	313	4.6%	495	6.7%	615	8.4%	157	2.3%	144	2.1%	688	9.3%
Profit attributable to owners of parent	583	8.8%	1,573	22.3%	-125	—	738	10.9%	1,550	21.1%	3,489	47.9%	516	7.7%	266	3.9%	1,254	17.0%
[Reference] Net sales	31,683	—	34,346	—	32,277	—	34,118	—	37,295	—	38,822	—	34,788	—	35,273	—	37,113	—

Quarterly Consolidated Income Statement

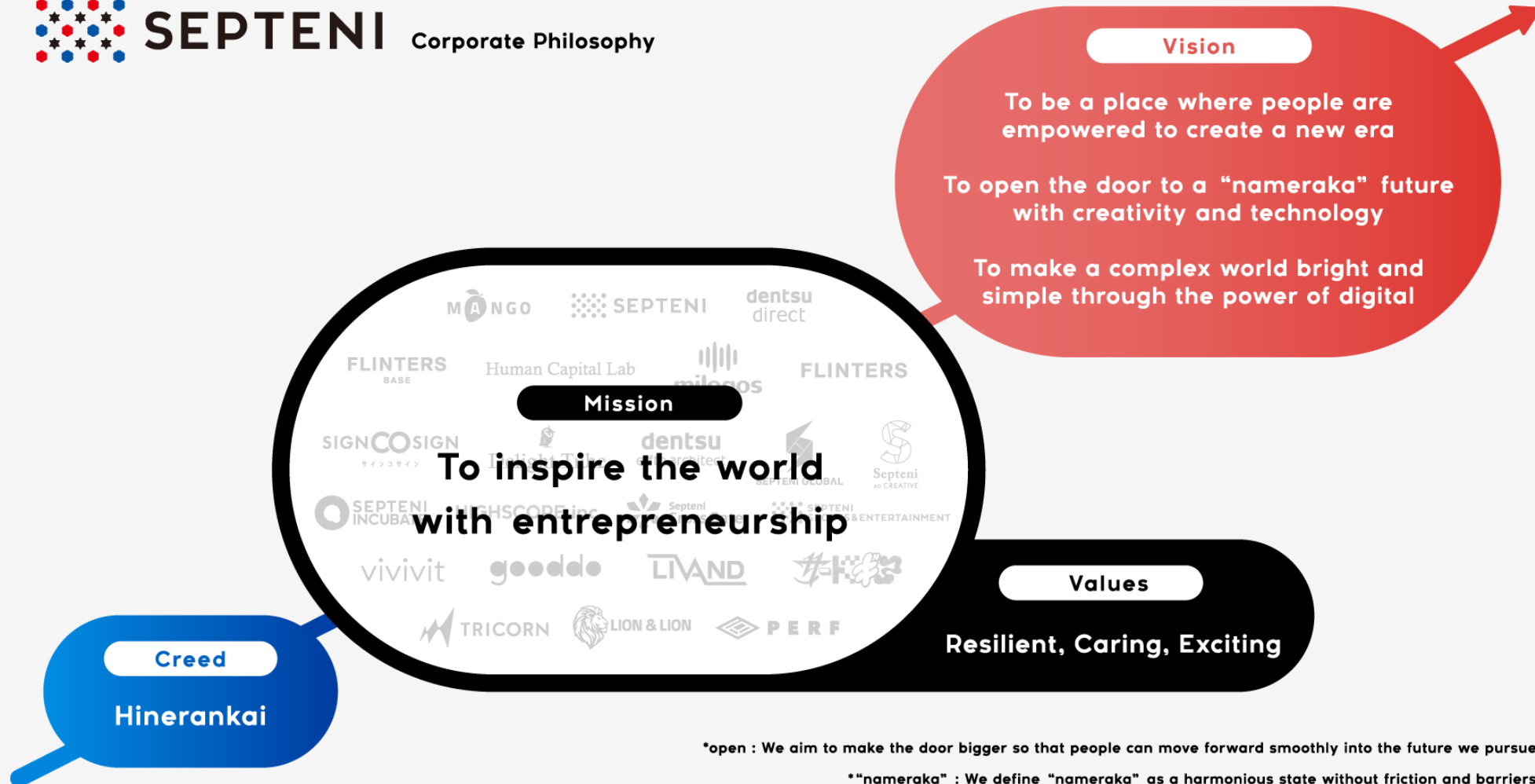
(Media Platform Business, after reclassification of discontinued operations)

(unit: ¥mn)	FY2023										FY2024							
	1Q (Oct–Dec)		2Q (Jan–Mar)		3Q (Apr–Jun)		4Q (Jul–Sep)		5Q (Oct–Dec)		1Q (Jan–Mar)		2Q (Apr–Jun)		3Q (Jul–Sep)		4Q (Oct–Dec)	
	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio
Revenue	428	100.0%	433	100.0%	574	100.0%	487	100.0%	463	100.0%	418	100.0%	515	100.0%	440	100.0%	330	100.0%
Gross profit	348	81.2%	353	81.5%	443	77.1%	392	80.5%	345	74.6%	352	84.3%	410	79.6%	359	81.7%	268	81.2%
SG&A expenses	377	88.1%	374	86.3%	422	73.6%	424	86.9%	391	84.3%	362	86.5%	422	81.8%	388	88.2%	311	94.3%
Non-GAAP operating profit	-29	—	-20	—	20	3.4%	-31	—	-46	—	-9	—	-11	—	-29	—	-43	—

46 Consolidated Statement of Financial Position

(unit: ¥mn)	End of 2024	End of FY2023	Change
Current Assets	45,978	43,683	+2,294
Non-Current Assets	51,660	49,923	+1,737
Total Assets	97,637	93,606	+4,031
Current Liabilities	26,211	26,333	-122
Non-Current Liabilities	1,472	1,569	-97
Total Liabilities	27,683	27,901	-219
Total Capital	69,955	65,705	+4,250
Total Liabilities and Capital	97,637	93,606	+4,031

47 Group Corporate Philosophy



*open : We aim to make the door bigger so that people can move forward smoothly into the future we pursue.

**“nameraka” : We define “nameraka” as a harmonious state without friction and barriers.

Adopted Mission and Vision from the Group Philosophy as Sustainability Policy and reviewed its materiality.

Sustainability Policy

- **To inspire the world with entrepreneurship**
To be a place where people are empowered to create a new era
- **To open the door to a “nameraka” future with creativity and technology**
To make a complex world bright and simple through the power of digital

Promotion of sustainability activities

Response to
Climate Change

Enhancement of Corporate
Value by Empowering People
Who Create a New Era

Realization of a “Nameraka”
Society Through Creativity
and Technology

Building an Advanced
Governance System to
Support Discontinuous Growth

Carrying out activities in line with the four material issues identified to contribute to a sustainable society and achieve its mission and vision

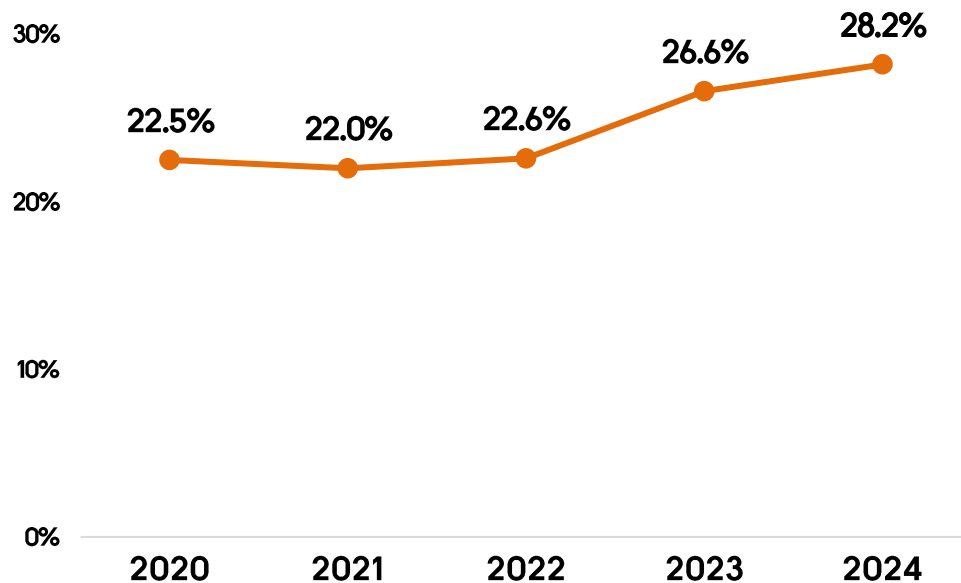
Materiality	Subcategory of Materiality	Key KPIs
<ul style="list-style-type: none"> • Enhancement of Corporate Value by Empowering People Who Create a New Era • Realization of a “Nameraka” Society Through Creativity and Technology 	<ul style="list-style-type: none"> • Human resource development with reproducibility through digital HR • DEI (Diversity, Equity & Inclusion) • Democratization of entrepreneurship • Respect for human rights • Value creation leading to a “nameraka” society 	<ul style="list-style-type: none"> • Increase of the female managers ratio to 30% by 2030 • Establishing a human rights due diligence system
<ul style="list-style-type: none"> • Response to Climate Change 	<ul style="list-style-type: none"> • Reduction of GHG emissions and disclosure of information in accordance with TCFD recommendations 	<ul style="list-style-type: none"> • 70% Reduction of scope 1 and 2 emissions by 2030
<ul style="list-style-type: none"> • Building an Advanced Governance System to Support Discontinuous Growth 	<ul style="list-style-type: none"> • Efforts for discontinuous growth • Efforts for risk reduction 	<ul style="list-style-type: none"> • Improving management indicators through business portfolio management • Continuous implementation of executive sessions • Continuous implementation of effectiveness evaluations

50 Initiatives and Progress in Human Capital Management

Setting human capital-related KPIs within Social, which is a particularly high-priority materiality, and promoting various measures.

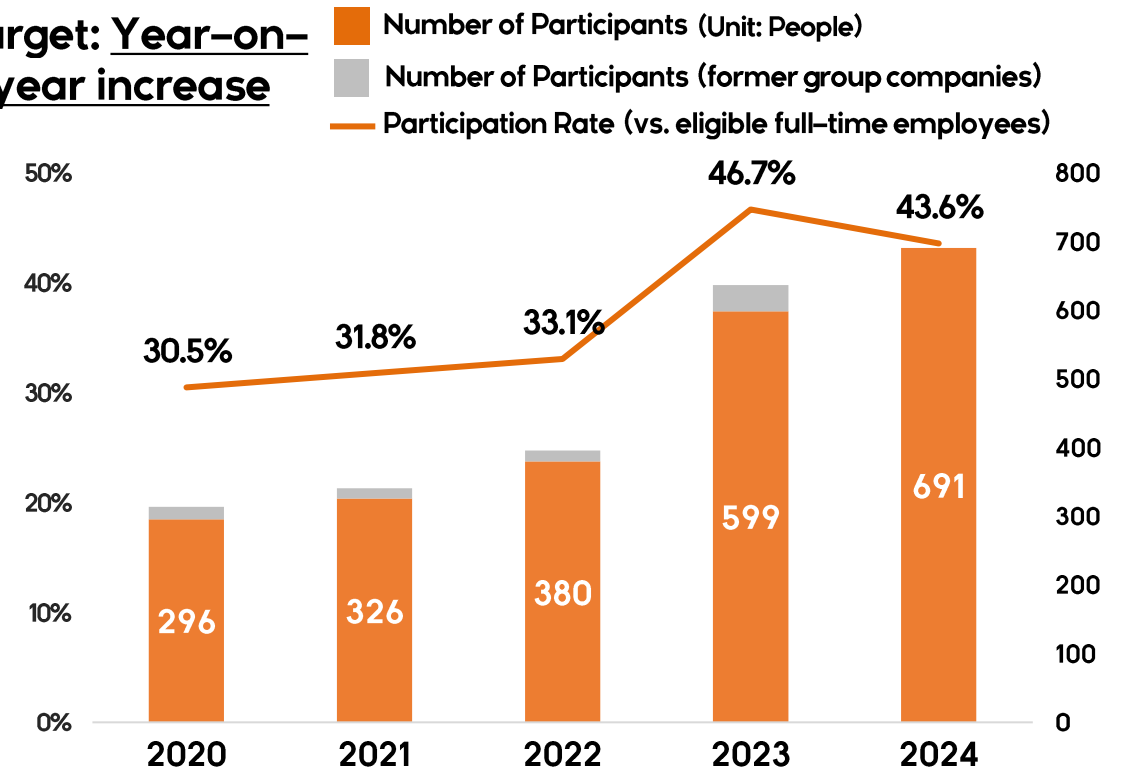
Ratio of female managers*1

Target: 30% by 2030 (domestic group companies)



Employee Stock Ownership Plan Participation Trends

Target: Year-on-year increase



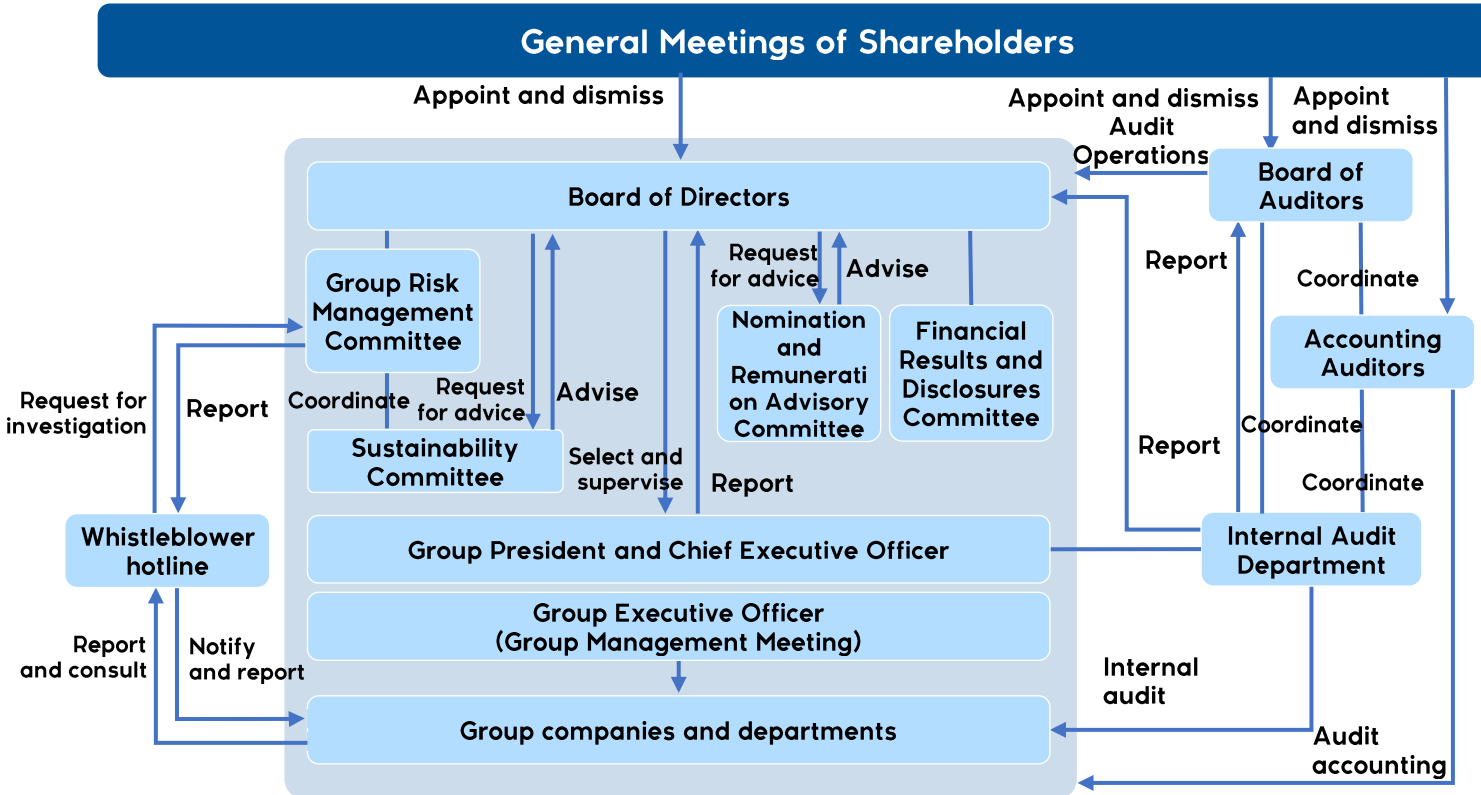
*For sustainability information, please check the link: <https://www.septeni-holdings.co.jp/en/csr/data.html>

Through 2023: Major domestic companies as of October each year. 2024: Domestic group companies as of the end of December.

51 Enhancing Corporate Governance

In addition to conducting business in accordance with the Corporate Philosophy and making fair and efficient decisions, focusing on establishing and operating a system to ensure compliance with laws and regulations and appropriate supervision of corporate performance.

Corporate Management Structure



Transition of Governance Reform

FY2015 – Appointed outside directors

– Introduced an evaluation of the effectiveness of the Board of Directors

FY2016 – Strengthen checking functions by establishing various committees

– Withdrawal of anti-takeover defense measures

FY2017 – Introduction of a performance-linked stock compensation system for officers

– Introduction of a delegated executive officer system

➔ Separation of executive and supervisory functions

– Establishment of the Sustainability Committee and enhancement of awareness of ESG

FY2022 – Further strengthen independence and diversity of representative directors

Outside director ratio: 5 out of 8,
Female directors: 2 out of 8 (as of February 12, 2025)

FY2023 – Establishment of Nomination and Remuneration Advisory Committee

52 Main Group Companies by Business Segment as of February 12, 2025 SEPTENI

Marketing Communication Segment



SEPTENI



SEPTENI GLOBAL



Delight Tube



milogos



Septeni
AD CREATIVE

MANGO

HIGHSCORE,inc



LION & LION



SIGNCOSIGN
サインコサイン



SEPTENI
SPORTS&ENTERTAINMENT

Direct Business Segment

dentsu
direct

dentsu
elfto architect

Data & Solutions Segment

FLINTERS



TRICORN



Septeni
Cross Gate

Other Business

vivivit

Human Capital Lab



SEPTENI
INCUBATE

Equity-method affiliates

DENTSU
DIGITAL

PRIMECROSS

& and factory

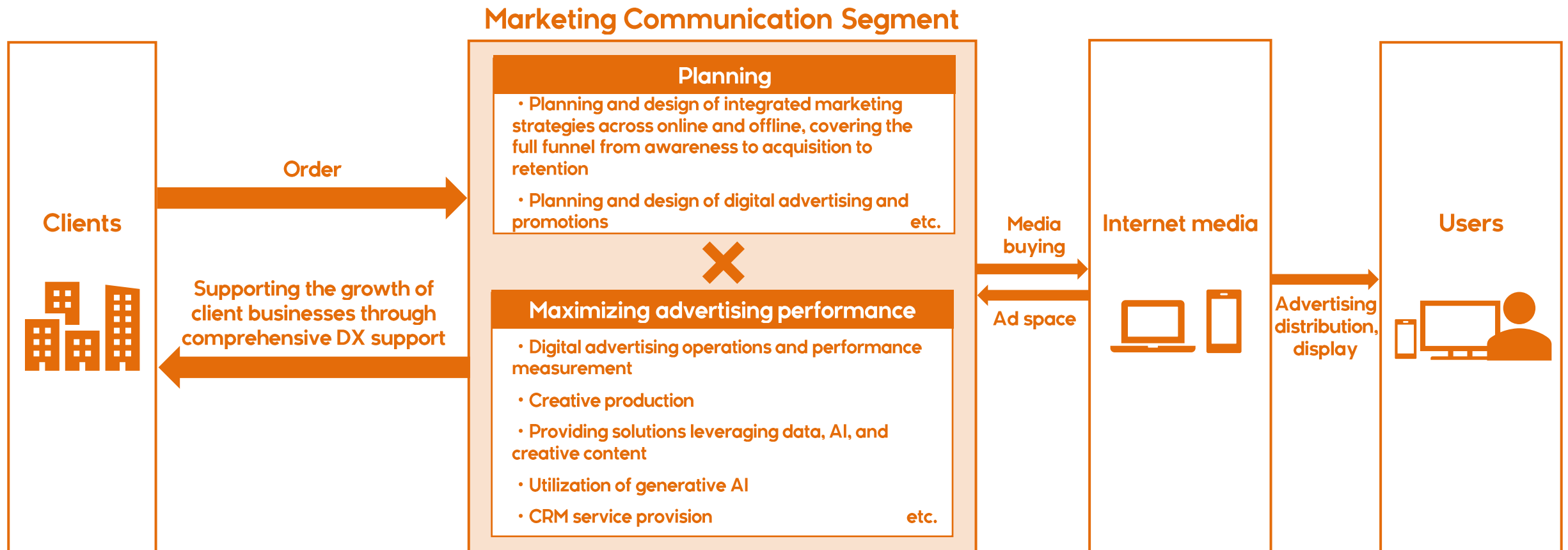
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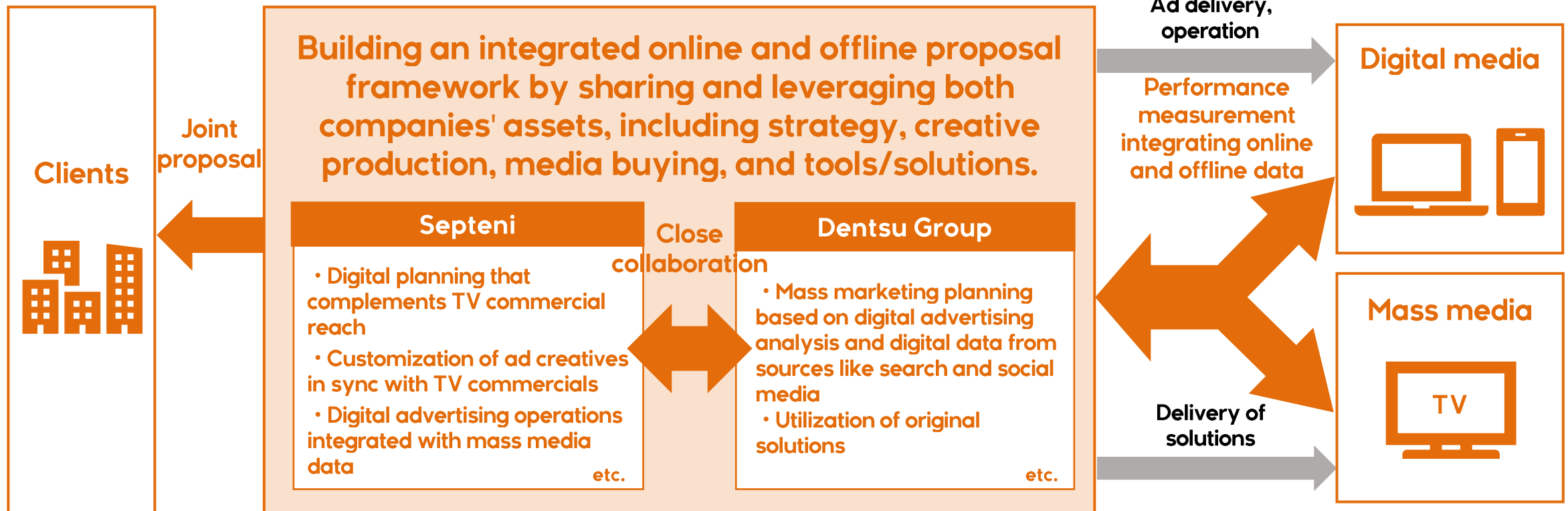
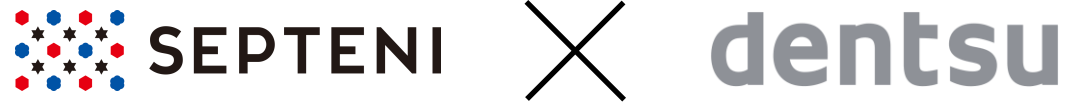
SEPTENI HOLDINGS CO., LTD. (Holding company)

53 Business Model for the Marketing Communication Segment

The Marketing Communication Segment provides comprehensive DX support through integrated marketing services centered on digital advertising sales and operations.

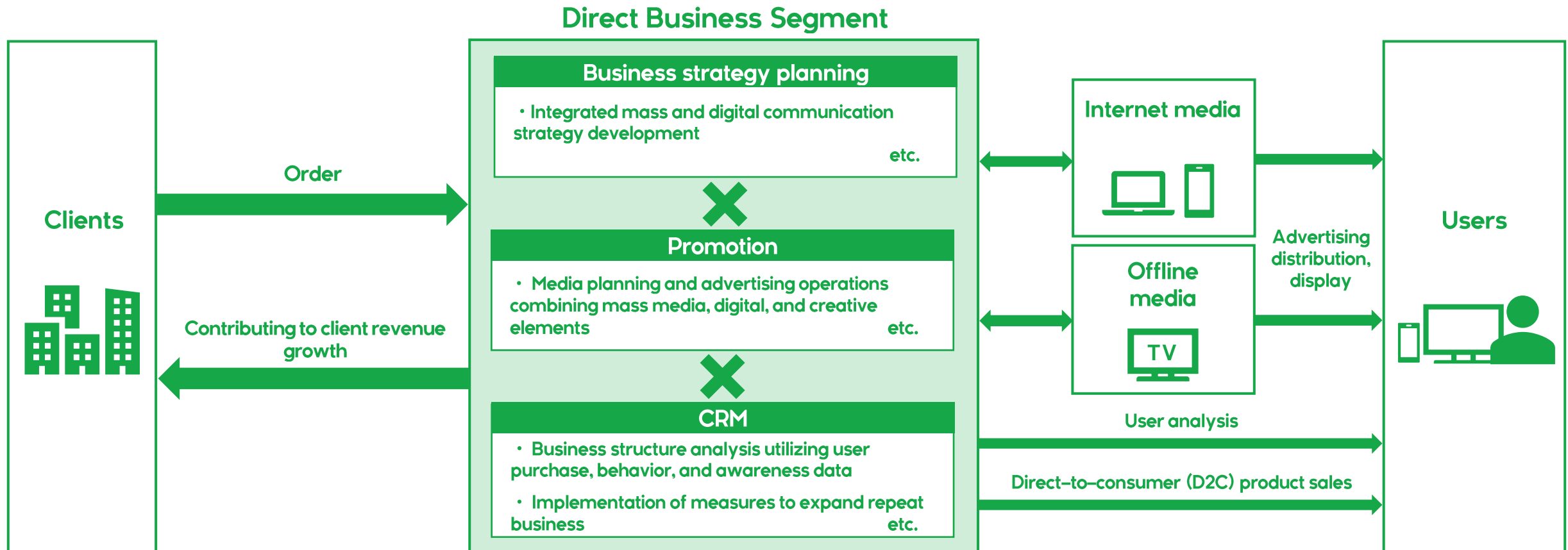


Integrated online and offline marketing proposals leveraging both companies' client bases (conceptual image)



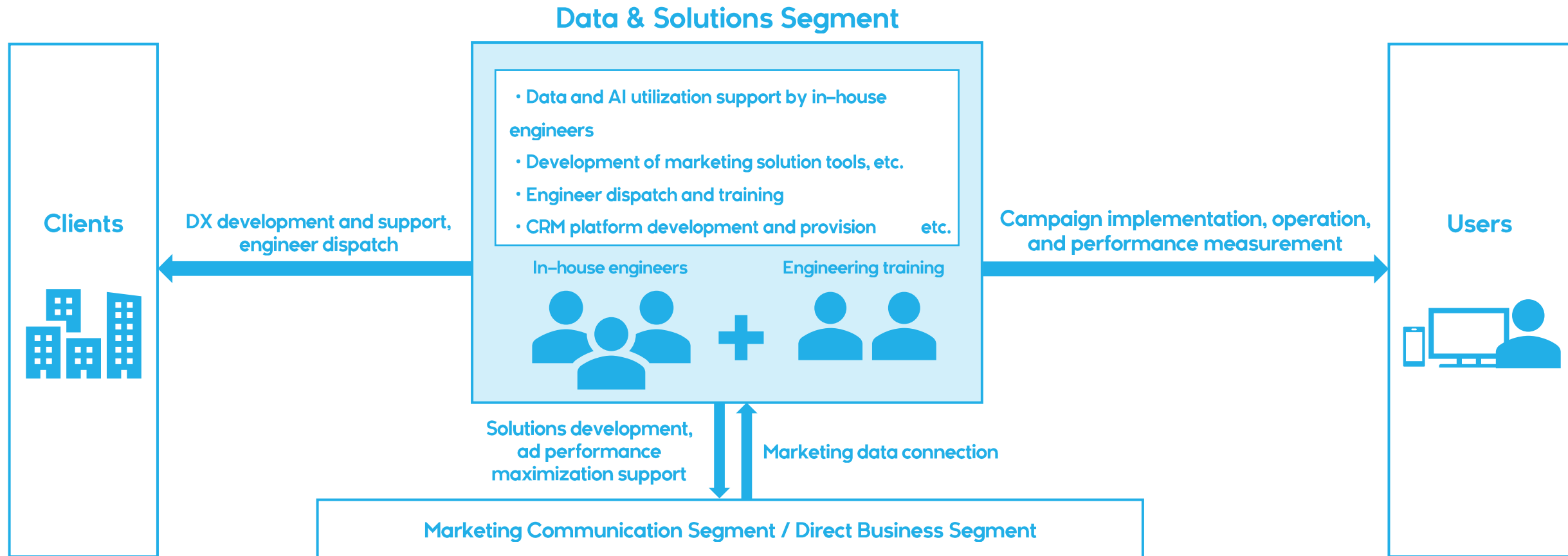
55 Business Model for the Direct Business Segment

The Direct Business Segment provides integrated client support by seamlessly executing everything from business strategy planning to direct response promotions and CRM in both B2C and B2B areas, thereby unifying offline media and digital strategies.



56 Business Model for the Data & Solutions Segment

The Data & Solutions Segment leverages long-standing expertise in digital marketing to provide data collection, integration, and utilization services, develop and deliver data- and AI-driven solutions, support client development, and dispatch engineering personnel.





Integrated Report 2023

Integrated Report 2023 is published and available on our website. The report introduces updates to the Group's value creation process, and management and business policies under the new management structure.

For further details, please check the link or the code.

(https://www.septeni-holdings.co.jp/en/ir/library/integrated-report/integratedreport2023_en.pdf)



セプテーニHD IR Magazine

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Septeni Group official “note” (Japanese only)

Septeni Group official “note” introduces various initiatives around its people and culture.

We have established an “IR Magazine” within the official note, through which we deliver information to our shareholders and investors.

For further details, please check the link or the code.

(https://note.com/septeni_group)

