



# **Info Mart Corporation**

## **FY12/21 First Quarter**

### **Financial Results**

**April 30, 2021**  
**TSE First (1st) Section (2492)**



<b>I . About Infomart</b>	<b>... P1</b>
<b>II . FY12/21 First Quarter Financial Results</b>	<b>... P8</b>
<b>III . Management Policies Consolidated Business Forecasts for FY12/21</b>	<b>... P14</b>
<b>IV . Return Profits to Shareholders</b>	<b>... P21</b>

# **I . About Infomart**

- Company Name Infomart Corporation  
( TSE First (1st) Section / Stock code: 2492 )
- Representative President and CEO Osamu Nagao  
Vice President Naotake Fujita
- Headquarters 13th Floor, Shiodome Shibarikyu Building,  
1-2-3 Kaigan, Minato-ku, Tokyo, 105-0022, Japan
- Nishinohon sales office Yodogawa-ku, Osaka-city
- Customer center Hakata-ku, Fukuoka-city
- Established February 13, 1998
- Capital 3.2 billion 12.51 million yen Consolidated
- Subsidiaries Infomart International Corporation  
Infomart Beijing Consulting Co., Ltd.
- No. of employees (connection) 596 (full-time 503 / temporary 93)
- URL <https://www.infomart.co.jp/>

▼ Please enjoy the video showing the world we envision with our BtoB Platforms.

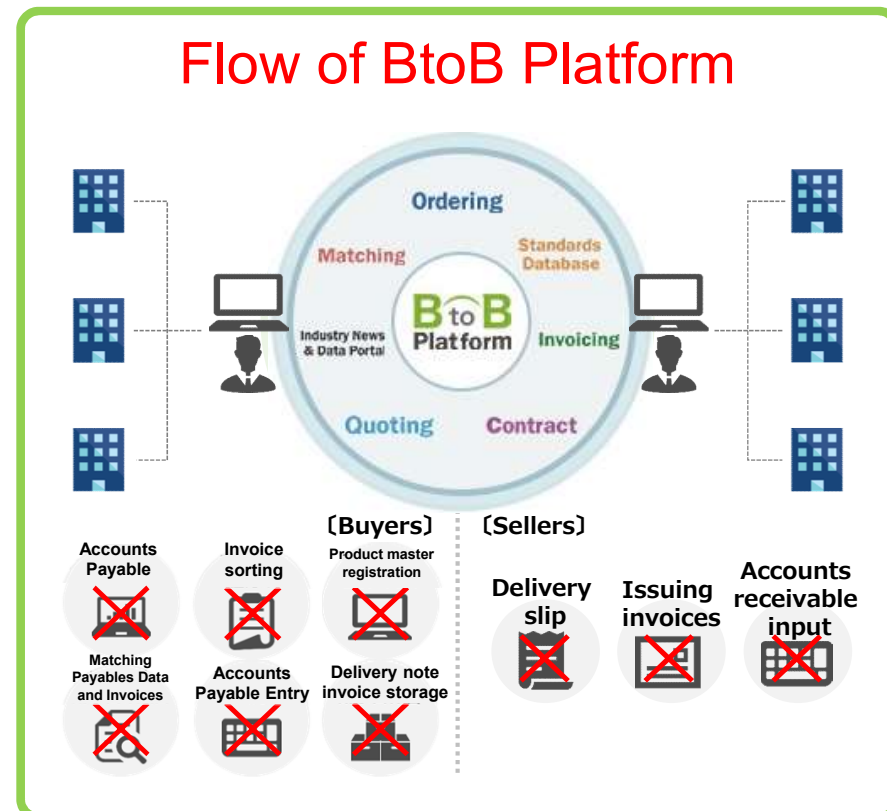
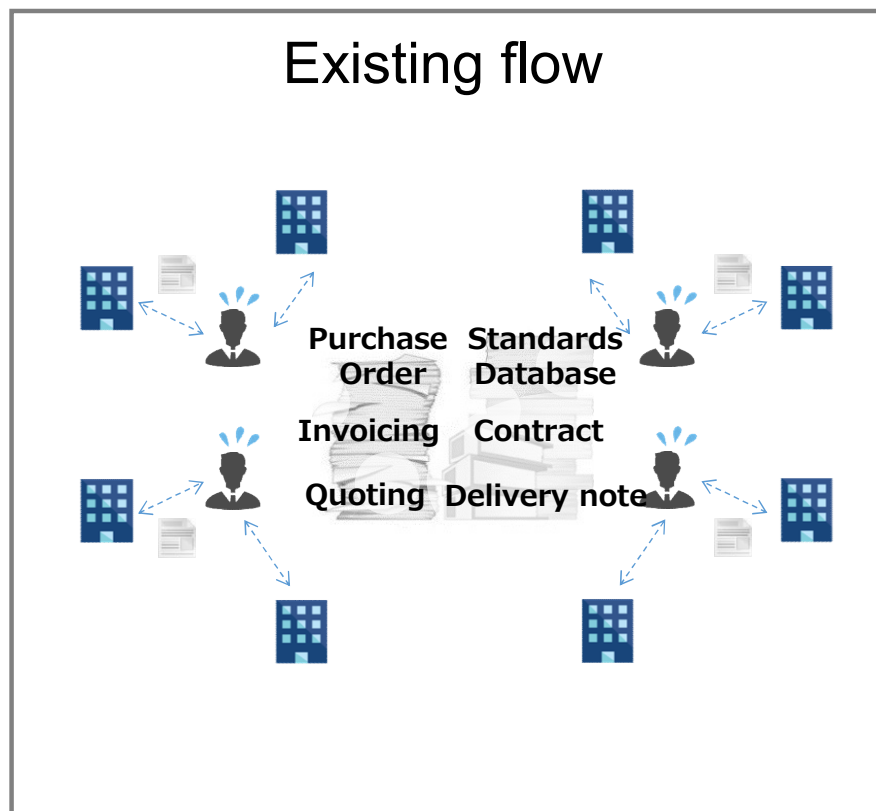
<https://www.infomart.co.jp/movie/>



# Business Overview

Since its founding, we specialize in BtoB Platform

- Providing a common system as a place for streamlining transactions and exchanges between companies
- Cloud-based systems: Companies can use the same screen with their business partners for daily operations.



## Characteristics of BtoB Platform

### 1. Standardization:

Not customized → Promoting the participation of a large number of businesses  
→ Defactorization → Enhancement of platform usage value

### 2. Digitization:

Electronic data processing → Efficiency enhancement  
+ Management advancement + Minimize environmental impact

### 3. Low Rate:

Increase in number of users ≠ Increase in proportional cost  
→ High cost effectiveness



## Customer's natural choice = Continued use

Stable recurring revenues: 95% of sales are from monthly system usage fees  
→ Profit margin increases when the number of customers exceeds a certain level

# Major BtoB Platform

## BtoB-PF FOOD

### Service

### Overview

#### **B**to**B** Platform **Ordering**

From February 2003

Electronic ordering between restaurants, wholesalers, and manufacturers. Significant efficiency was achieved from orders received and placed by telephone and fax.

Decreased verification work due to daily sharing of transaction data, and greatly reduced monthly verification work.

#### **B**to**B** Platform **Standards Database**

From April 2005

A tool for managing allergens and origin information to promote food safety and security.

Efficiency is improved by electronically managing merchandise standard documents managed in different formats in a unified format.

## BtoB-PF ES

### Service

### Overview

#### **B**to**B** Platform **Invoicing**

From January 2015

A system that digitizes both invoicing and receipt operations, regardless of industry.

Realize more efficient accounting operations.

#### **B**to**B** Platform **Contract**

From July 2018

Signing of business-to-business agreements on a blockchain platform.

It also incorporates an internal workflow function to further improve the convenience of business-to-business transactions and achieve paperless operations.

#### **B**to**B** Platform **Matching**

From June 1998

A website where buyers and sellers of foodstuffs can match up on the Internet.

Offers one-stop services ranging from the development of business partners to business negotiations, estimates, ordering and receipt, and settlement.

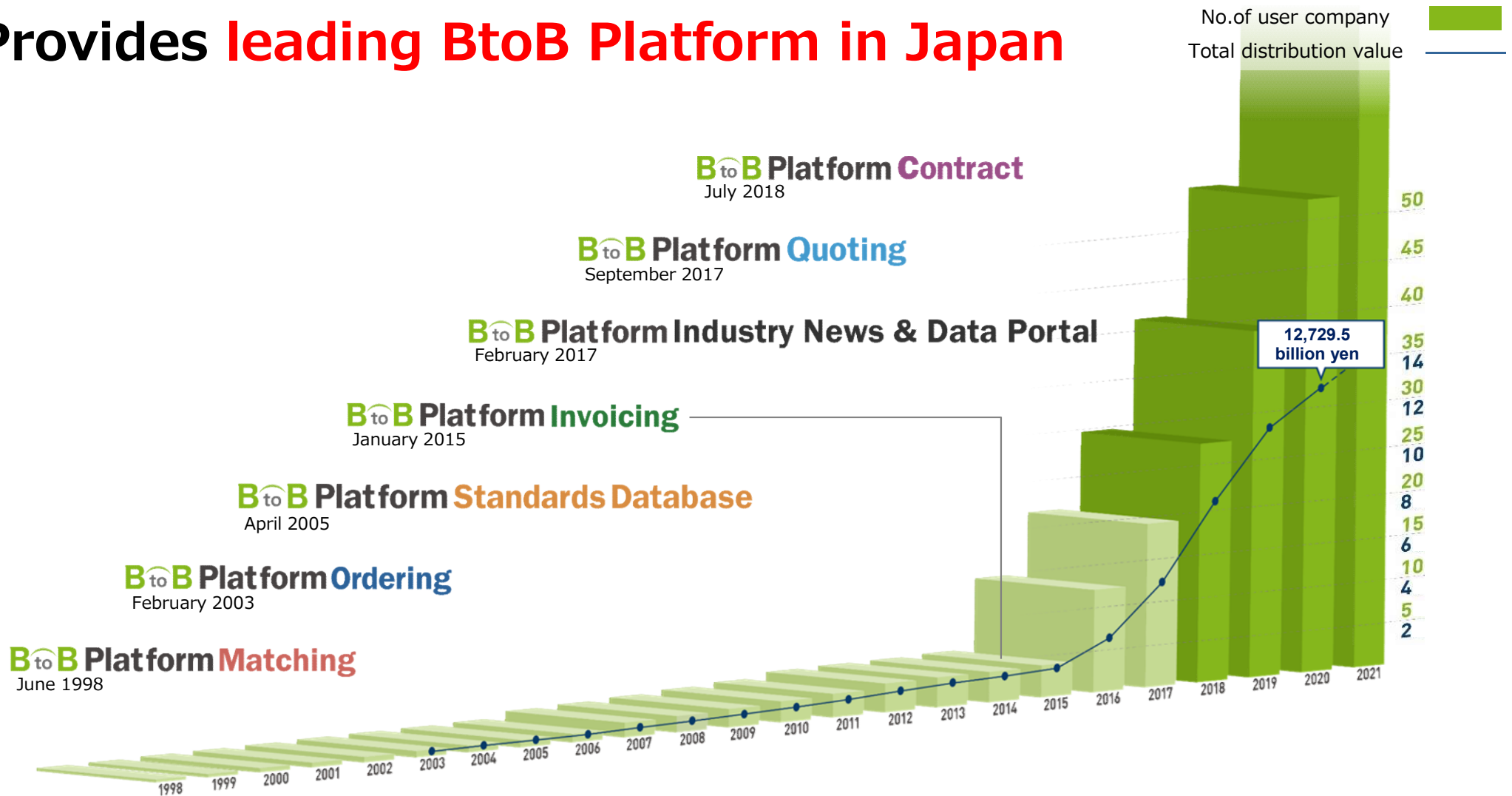
# Fee Structure by Service

as of end-March 2021

Business	Service	Fees (excluding taxes)		
BtoB-PF FOOD	<b>BtoB Platform Ordering</b>	<u>&lt;Buyer Company&gt;</u> «Monthly usage fee» •Head office: JPY18,000 •Store: JPY1,300 «Initial fee» from JPY300,000 (depending on store count)		<u>&lt;Seller Company&gt;</u> «Monthly usage fee» (choice: fixed fee or pay-for-use fee) •Fixed fee: JPY30,000 •Pay-for-use: 1.2% of monthly transaction amount (up to JPY100,000 transactions for free) •Adding IDs: JPY800 per ID
	<b>BtoB Platform Standards Database</b>	<u>&lt;Buyer Company&gt;</u> «Monthly system usage fee» JPY50,000 «Initial fee» from JPY300,000	<u>&lt;Wholesaler Ordering Function&gt;</u> «Monthly system usage fee» JPY35,000 «Initial fee» from JPY50,000	<u>&lt;Wholesaler Ordering Seller Function&gt;</u> «Monthly system usage fee» •Fixed fee : JPY35,000 or JPY50,000 •Pay-for-use : JPY3,000 to JPY20,000
BtoB-PF ES	<b>BtoB Platform Invoicing</b>	<u>&lt;Receiving Company&gt;</u> «Monthly system usage fee» [Fixed fee] JPY15,000 + [Pay-for-use fee] Number of invoices receiving invoices per month • Up to 50 invoices included in the fixed fee • 51 to 1,000 transactions: JPY100 per transaction • 1,001 transactions and over: JPY90 per transaction «Initial fee» from JPY300,000		<u>&lt;Issuing Company&gt;</u> «Monthly system usage fee» [Fixed fee] JPY15,000 + [Pay-for-use fee] Number of invoices issued per month • Up to 100 invoices included in the fixed fee • 101 to 1,000 invoices: JPY60 per invoice • 1,001 invoices or more: JPY50 per invoice «Initial fee» from JPY300,000
	<b>BtoB Platform Contract</b>	<u>&lt;Gold Plan&gt;</u> «Monthly system usage fee» [Fixed fee] JPY30,000 + [Pay-for-use fee] Number of contract issued and received per month •Up to 100 contracts are included in the fixed fee. •101 or more: JPY50 per contract •In-house storage: Unlimited «Initial fee» estimate separately		<u>&lt;Silver Plan&gt;</u> «Monthly system usage fee» [Fixed fee] JPY10,000 + [Pay-for-use fee] Number of contract issued and received per month •1 or more: JPY50 per contract •In-house storage: Up to 3 contracts/month «Initial fee» estimate separately
	<b>BtoB Platform Matching</b>	<u>&lt;Buyer Company&gt;</u> [Fixed fee] JPY5,000	<u>&lt;Seller Company&gt;</u> [Fixed fee] JPY25,000	



## Provides **leading BtoB Platform in Japan**



No. of user companies  
( as of end-March 2021)

**566,446 companies**

No. of offices  
( as of end-March 2021)

**1,101,158 offices**

Total distribution value  
(2020 result)

**12,729.5 billion yen**

## **II. FY12/21 First Quarter Financial Results**

# FY12/21 First Quarter (YoY)

(Million yen / %: YoY)

	2021/1Q	
	Actual	YoY
BtoB-PF FOOD	1,656	-3.3%
BtoB-PF ES	642	37.9%
<b>【Sales】</b>	<b>2,299</b>	<b>5.5%</b>
BtoB-PF FOOD	459	24.8%
BtoB-PF ES	307	21.8%
<b>【CoGS】</b>	<b>764</b>	<b>23.9%</b>
BtoB-PF FOOD	1,197	-11.0%
BtoB-PF ES	334	57.0%
<b>【Gross Profit】</b>	<b>1,534</b>	<b>-1.8%</b>
BtoB-PF FOOD	591	1.8%
BtoB-PF ES	556	12.9%
<b>【SG&amp;A】</b>	<b>1,151</b>	<b>6.8%</b>
BtoB-PF FOOD	605	-20.7%
BtoB-PF ES	-221	-
<b>【Operating Profit】</b>	<b>383</b>	<b>-20.8%</b>
<b>【Recurring Profit】</b>	<b>402</b>	<b>-16.9%</b>
<b>【Net Income】※</b>	<b>285</b>	<b>-14.4%</b>

※Net income denotes net income attributable to owners of the parent

BtoB-PF FOOD	72.2%	
BtoB-PF ES	52.1%	
High gross profit margin	<b>66.7%</b>	
BtoB-PF FOOD	36.5%	
OPM	<b>16.7%</b>	
RPM	17.5%	

## ■ Sales

### 【BtoB-PF FOOD】

System usage fees from buyer companies increased as the number of companies using BtoB-PF Ordering and BtoB-PF Standards Database increased. On the other hand, seller companies suffered from the impact of the third wave of COVID-19, which reduced the distribution value of foodstuffs and other items for BtoB-PF Ordering. As a result, system usage fees (pay-for-use) from seller companies declined.

### 【BtoB-PF ES】

In BtoB-PF Invoicing, the number of new paid contracts increased mainly from major companies in the food industry and a wide range of industries. The growth is attributable to the progress in streamlining of operations and teleworking due to COVID-19. Along with the start of operations (digitization of invoices), system usage fees and setup sales increased.

## ■ CoGS

Data center expenses increased due to the reinforcement of the server system in response to the increase in the number of users.

## ■ SG&A expenses

Personnel expenses increased due to the reinforcement of sales staffs and sales support staffs for business expansion up to last year.

## ■ Operating profit

Operating profit decreased due to a decrease in sales of BtoB-PF FOOD reflecting the impact of COVID-19, and aggressive investment to accelerate sales growth.

## ■ Net income

Net income decreased due to an increase in ordinary income.

# FY12/21 First Quarter (vs. Plan)

(Million yen / %:YoY)

	2021/1Q			2021/2Q	2021/3Q	2021/4Q	2021/Full Year	
	Plan	Actual	Diff	Plan	Plan	Plan	Plan	YoY
BtoB-PF FOOD	1,606	1,656	50	1,692	1,764	1,837	6,899	3.2%
BtoB-PF ES	579	642	63	648	680	735	2,642	26.7%
<b>【Sales】</b>	<b>2,184</b>	<b>2,299</b>	<b>115</b>	<b>2,339</b>	<b>2,444</b>	<b>2,572</b>	<b>9,540</b>	<b>8.7%</b>
BtoB-PF FOOD	477	459	-18	505	684	677	2,343	41.6%
BtoB-PF ES	325	307	-18	341	383	395	1,444	37.1%
<b>【CoGS】</b>	<b>799</b>	<b>764</b>	<b>-35</b>	<b>843</b>	<b>1,065</b>	<b>1,070</b>	<b>3,779</b>	<b>40.3%</b>
BtoB-PF FOOD	1,128	1,197	69	1,187	1,080	1,160	4,556	-9.5%
BtoB-PF ES	254	334	80	307	297	340	1,198	16.2%
<b>【Gross Profit】</b>	<b>1,385</b>	<b>1,534</b>	<b>149</b>	<b>1,496</b>	<b>1,379</b>	<b>1,502</b>	<b>5,761</b>	<b>-5.3%</b>
BtoB-PF FOOD	646	591	-55	647	622	627	2,543	8.5%
BtoB-PF ES	607	556	-51	653	622	629	2,511	11.6%
<b>【SG&amp;A】</b>	<b>1,255</b>	<b>1,151</b>	<b>-104</b>	<b>1,301</b>	<b>1,246</b>	<b>1,257</b>	<b>5,061</b>	<b>9.8%</b>
BtoB-PF FOOD	482	605	123	541	457	533	2,013	-25.1%
BtoB-PF ES	-354	-221	133	-346	-325	-288	-1,313	7.8%
<b>【Operating Profit】</b>	<b>130</b>	<b>383</b>	<b>253</b>	<b>195</b>	<b>133</b>	<b>245</b>	<b>700</b>	<b>-52.4%</b>
<b>【Recurring Profit】</b>	<b>110</b>	<b>402</b>	<b>292</b>	<b>176</b>	<b>114</b>	<b>226</b>	<b>625</b>	<b>-57.1%</b>
<b>【Net Income】※</b>	<b>75</b>	<b>285</b>	<b>210</b>	<b>119</b>	<b>77</b>	<b>154</b>	<b>425</b>	<b>-58.1%</b>

※Net income denotes net income attributable to owners of the parent

BtoB-PF FOOD	70.3%	72.2%	2.0%	70.2%	61.2%	63.1%	66.0%	
BtoB-PF ES	43.9%	52.1%	8.2%	47.3%	43.7%	46.3%	45.3%	
High gross profit margin	63.4%	66.7%	3.3%	64.0%	56.4%	58.4%	60.4%	
BtoB-PF FOOD	30.0%	36.5%	6.5%	32.0%	25.9%	29.0%	29.2%	
OPM	6.0%	16.7%	10.7%	8.3%	5.4%	9.5%	7.3%	
RPM	5.0%	17.5%	12.5%	7.5%	4.6%	8.8%	6.6%	

## ■ Sales

### 【BtoB-PF FOOD】

The number of new contracts for BtoB-PF Ordering increased from new restaurant formats such as take-away and delivery stores, and from hotels and school meal services. As such, system usage fees and setup sales from buyer companies exceeded our forecasts.

In addition, the distribution value of foodstuffs for BtoB-PF Ordering exceeded our expectations due to the impact of the third wave of COVID-19, and system usage fees from seller companies (pay-for-use) from seller companies exceeded our forecasts.

### 【BtoB-PF ES】

In BtoB-PF Invoicing, system usage fees and setup sales exceeded our forecasts due to an increase in the number of new paid-service contracting companies for receiving and issuing model due to the progress in streamlining of operations and teleworking.

In addition, owing to steady progress in its operation (digitization of invoices), system usage fees and setup sales increased.

## ■ CoGS

Delay in recording of data center expenses and software depreciation expenses were delayed after 2Q.

## ■ SG&A expenses

Delay in recording of sales promotion expenses after 2Q. Travel expenses due to self-restraint on domestic business trips have not been incurred.

## ■ Operating profit

Operating profit exceeded the plan owing to the increase in sales and the delay in recording of costs.

## ■ Net income

Net income exceeded the plan due to an increase in ordinary income.

# Impact of COVID-19 on our business

## Impact on sales from existing food business customers

- 10% of total sales are generally proportional to the distribution amount of foodstuffs
- The number of user stores decreased as the restaurant and tourism industries suspend its operations or close its stores, due to
- On the other hand, the number of stores are maintained, as restaurants have launched new business models to meet the needs of the new normal society, and change business models to take-away, delivery, and mobile catering by utilizing government support systems

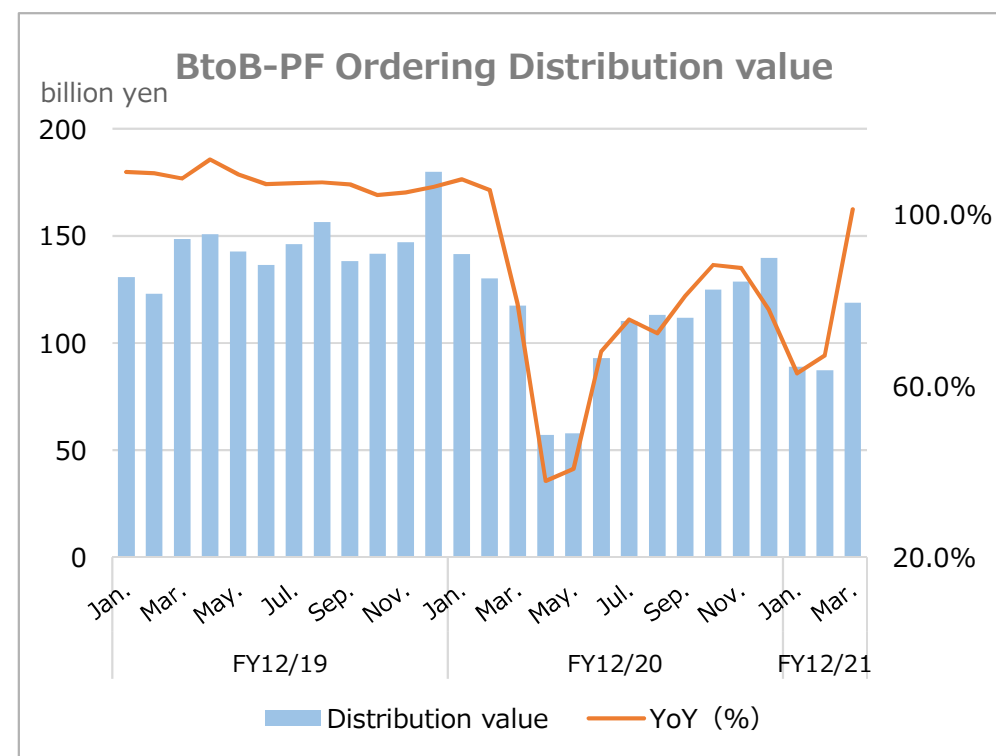
## Changes associated with the progress of teleworking

- Growing interest in digitization from potential customers
- Adaptation of teleworking system by our employees
- Changes in the process of acquiring and operating new contracts

## BtoB-PF FOOD

The value of food distribution at restaurants declined again following the declaration of the State of Emergency in January this year, and recovered to the level of March last year after the declaration was lifted in March this year.

(March 2021: 101.2% compared to the previous year)



**Confirmation of business resilience as a result of simulation of the impact on our business performance**

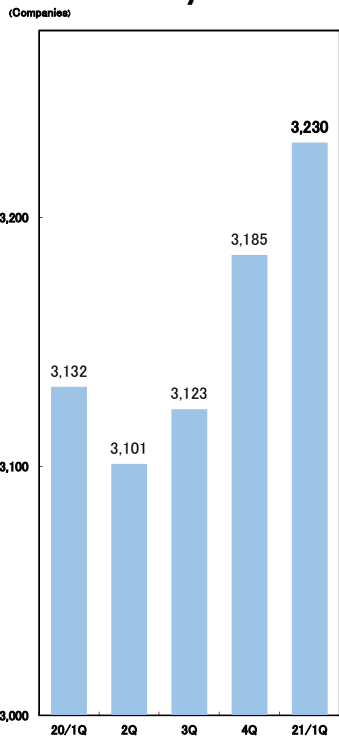
## [BtoB-PF Ordering]

- In the number of buyer companies and shops using our service, although cancellations caused by bankruptcy and insolvency continues, the number of user companies increased for both buyers and sellers, owing to the increase in customers of new business categories such as take-away and delivery, hotels, and food services from 2021.

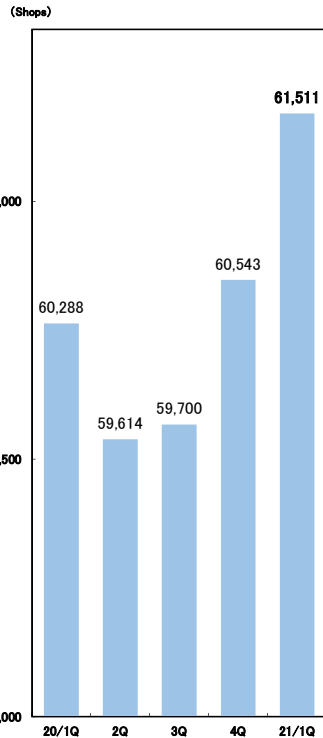
## [BtoB-PF Standards Database]

- Due to the revision of the Food Sanitation Law, HACCP compliance (partially enforced in June 2020) will become fully mandatory in June 2021.
- Launched "Menu plus," a new system that digitizes the creation, management, and sharing of food and beverage recipes (April 13)

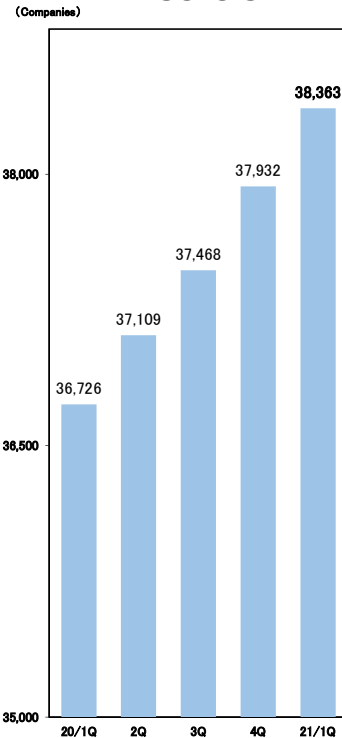
**Ordering Buyers**



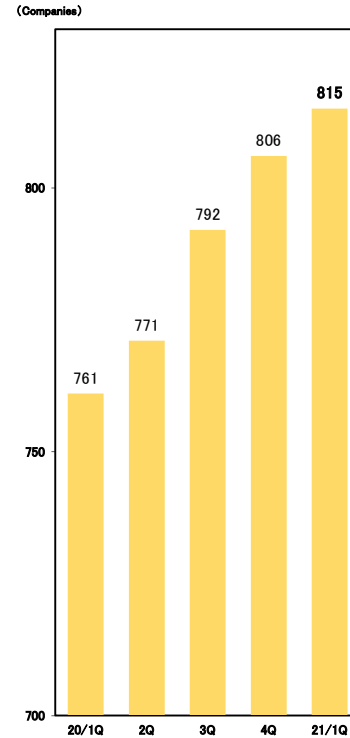
**Ordering Stores**



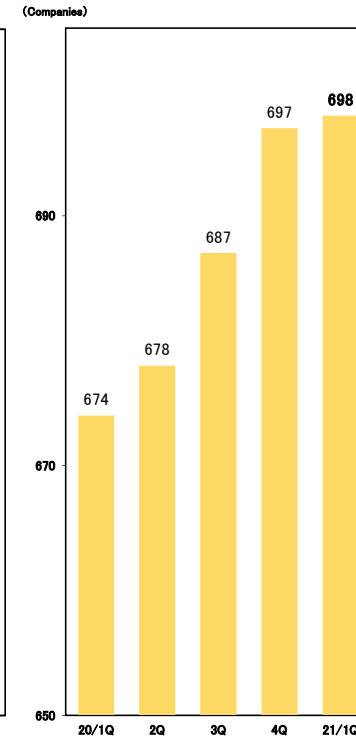
**Ordering Sellers**



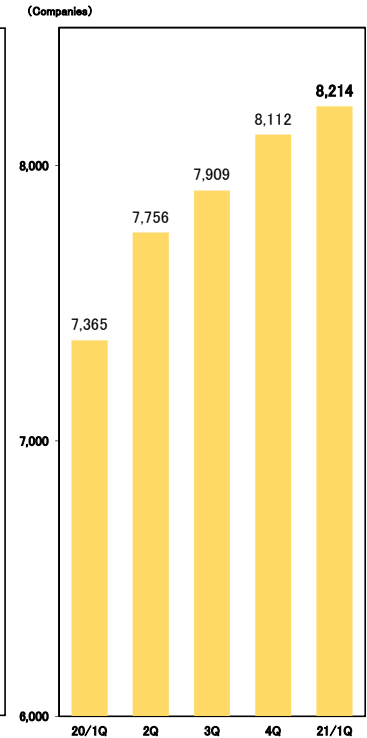
**Standards Database Buyers**



**Standards Database Wholesalers**



**Standards Database Food manufactures**



※Number of companies and stores of the graph is the number at the end of each quarter.

## [BtoB-PF Invoicing]

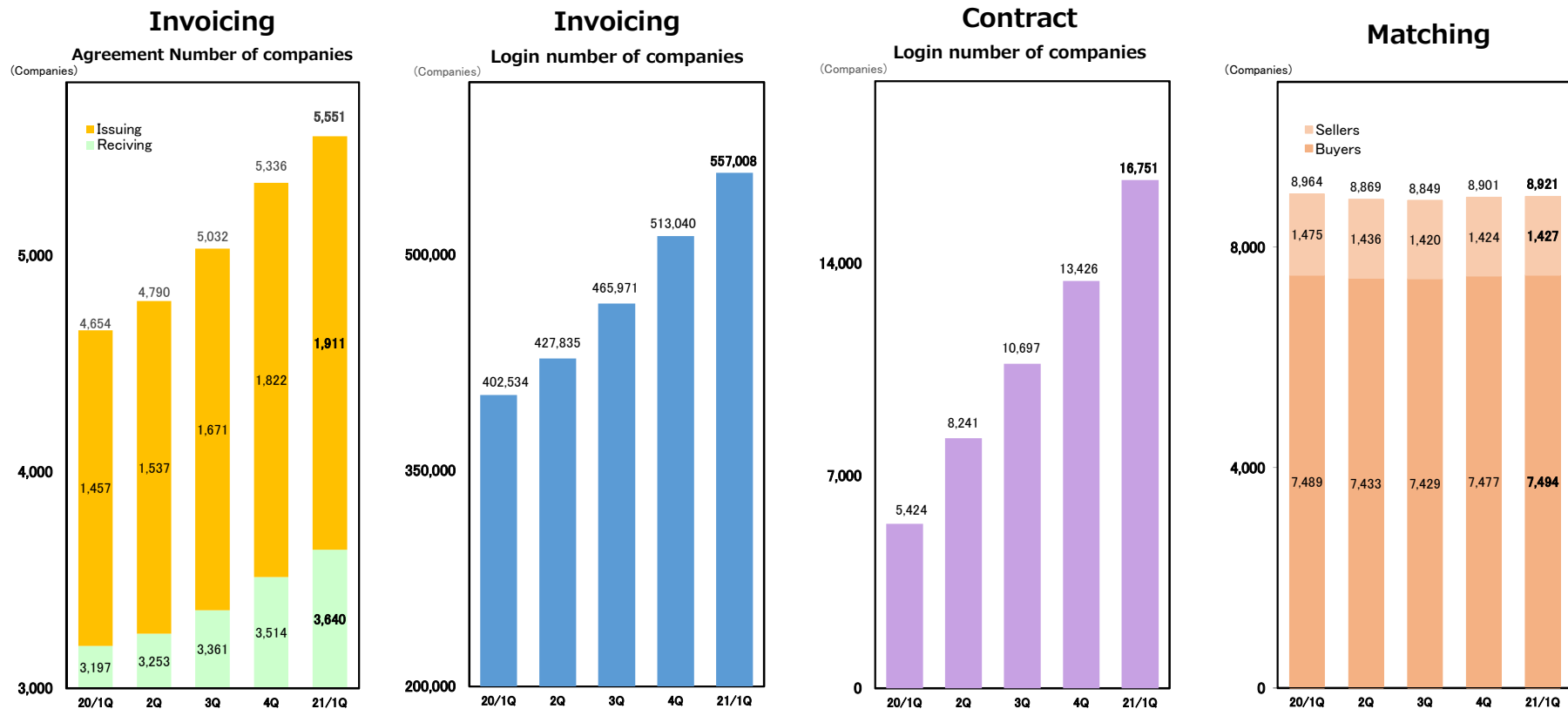
- The number of companies logged in exceeded 560,000 due to the promotion of digitization of invoices by existing paid contract companies. (As of April, 2021)
- Equipped with a AI-OCR function, achieves 100% digitization of all invoices received by companies.

## [BtoB-PF Contract]

- The number of user companies exceeded 17,000 in response to the trend toward digitalization of contracts through breaking away from traditional seal usage. (As of April, 2021)

## [BtoB-PF Matching]

- The number of new customers increased due to the new features released in August 2020 (website renewal, web exhibitions and business negotiations).



※Number of companies of the graph is the number at the end of each quarter.

**III. Management Policies  
Consolidated Business Forecasts for FY12/21**



## ■ Balance between growth and profits

- Expand our BtoB Platform and basically remain the current growth ratio and the profit margin.
- Incorporate external management resources and work to increase the value of BtoB Platform.

## ■ To diversify our revenue sources

- To realize our future vision of "Covering the entire BtoB space all over the world", we will lay the groundwork strategically while making profitable businesses through various initiatives.

## ■ Mid-Term Business Goal

- Achieve sales of over **10 billion yen**, operating profit of over **3 billion yen**, and recurring profit margin of over **30%**.

(Ratio: 60~40%)

## ■ Thoroughly expand BtoB platforms

**Grow up**

- Food (Ordering/Standards Database) ➡ Establish an overwhelming position
- Invoicing ➡ Aiming to make it a "profit pillar"
- Contract ➡ Launch with strong results
- Matching/Industry News & Data Portal ➡ Improve profits for future growth

(Ratio: 30~20%)

## ■ Start to make new sources of profits by utilizing our advantages

**Utilizing**

- In order to maximize the value of our BtoB Platform, we began harvesting the results by utilizing our commercial distribution data, ordering data, user access data, and industry, business knowledge.

(Ratio: 10~20%)

## ■ Initiatives for future prospects

**Make great leaps**

- Clarify the path to creating a variety of revenue sources other than existing system usage fees. Ordering from multiple industries, vertical development of the food industry, overseas expansion, etc.
- Continue researching cutting-edge technologies to build next-generation BtoB Platform.

# Direction for development and strengthening of Infomart

Marketing / Advertising  
Consulting services



Alliance from January 2020



Alliance from July 2020



Alliance from February 2021

**Data and companies**  
gathered on the platform

Foothold and foundation in the  
**food industry**

**B to B**  
**Platform**

**FinTech Credit**  
rating

**AI/Cloud Service**  
Human resources  
solution

Ordering Standards Database  
Invoicing Contract Matching

Consideration of  
**overseas**  
expansion

Expansion to  
**other**  
industries

**Provision of convenience**  
For corporations and business people

**Expansion of platform**

北京博君優選網絡科技有限公司  
Alliance from March 2021



Alliance from March 2020

## Partners

### ■ Goals Inc.

Alliance from July 2020

### ■ Tanomu Inc.

Alliance from February 2020

### ■ Beijing Bojunyouxuan Technology Co., Ltd.

Alliance from March 2021

- In connection with this capital and business alliance, the Company and Mitsui established a special purpose company, named "I&M Co., Ltd." (hereinafter "I&M"), on October 21, 2020.
- Bojun is a member company of the top Chinese food tech group "Acewill Information Technology (Beijing) Co., Ltd. (Acewill)" (Headquarters: Beijing, China; Chairman: Kong Lingbo; hereinafter "Acewill") engaged in developing supply chain management services in the food service industry, with 500 companies using its services in China across more than 14,000 stores.

## Overview

### **Order Forecasting Cloud Service** (for chain restaurants)

Joint development of a next-generation new menu management system, contributing to the advancement of management and the reform of business models in the restaurant industry.

### **Cloud service to support efficient order processing and sales promotion** (for wholesalers)

Accelerating sales expansion in the food wholesaling industry and promoting further digital transformation (DX) of BtoB transactions under the COVID-19 crisis.

### **Supply chain management services in the Chinese restaurant industry**

Promoting the revitalization of business in China by combining the technology of top Chinese food tech companies with our knowledge.

# FY12/21 Consolidated Business Forecasts (Overview)

We will maintain its aggressive stance and prioritize measures to accelerate medium-term sales growth while paying close attention to COVID-19 situation, although profits will decline.

## ■ **BtoB-PF FOOD**

Responding to the needs of restaurant chains, individual stores, and wholesalers, and promoting the digitization of transactions between restaurants and wholesalers

## ■ **BtoB-PF ES**

Comprehensively work to expand digitization of invoices to establish a leading position in electronic invoicing



- Maintain reliability by expanding the server system as the number of users increases.
- In addition to the core businesses, we will invest in development and sales promotion expenses for new businesses and refocusing on existing areas.
- Strengthen collaboration with other companies' services and systems, and seek to provide multiple services and information to users



**To expand sales growth and resume profit margin growth from FY12/22 onward**

# Consolidated Business Forecasts for FY12/21

(Million yen / %:YoY)

	2021/1Q	2021/2Q	2021/3Q	2021/4Q	2021/Full Year		2021/2Q Total	
	Plan	Plan	Plan	Plan	Plan	YoY	Plan	YoY
BtoB-PF FOOD	1,606	1,692	1,764	1,837	6,899	3.2%	3,298	1.4%
BtoB-PF ES	579	648	680	735	2,642	26.7%	1,226	28.8%
<b>【Sales】</b>	<b>2,184</b>	<b>2,339</b>	<b>2,444</b>	<b>2,572</b>	<b>9,540</b>	<b>8.7%</b>	<b>4,523</b>	<b>7.5%</b>
BtoB-PF FOOD	477	505	684	677	2,343	41.6%	982	27.8%
BtoB-PF ES	325	341	383	395	1,444	37.1%	666	34.5%
<b>【CoGS】</b>	<b>799</b>	<b>843</b>	<b>1,065</b>	<b>1,070</b>	<b>3,779</b>	<b>40.3%</b>	<b>1,642</b>	<b>30.8%</b>
BtoB-PF FOOD	1,128	1,187	1,080	1,160	4,556	-9.5%	2,316	-6.8%
BtoB-PF ES	254	307	297	340	1,198	16.2%	560	22.9%
<b>【Gross Profit】</b>	<b>1,385</b>	<b>1,496</b>	<b>1,379</b>	<b>1,502</b>	<b>5,761</b>	<b>-5.3%</b>	<b>2,881</b>	<b>-2.4%</b>
BtoB-PF FOOD	646	647	622	627	2,543	8.5%	1,293	10.0%
BtoB-PF ES	607	653	622	629	2,511	11.6%	1,260	23.8%
<b>【SG&amp;A】</b>	<b>1,255</b>	<b>1,301</b>	<b>1,246</b>	<b>1,257</b>	<b>5,061</b>	<b>9.8%</b>	<b>2,556</b>	<b>16.1%</b>
BtoB-PF FOOD	482	541	457	533	2,013	-25.1%	1,023	-21.8%
BtoB-PF ES	-354	-346	-325	-288	-1,313	7.8%	-700	24.7%
<b>【Operating Profit】</b>	<b>130</b>	<b>195</b>	<b>133</b>	<b>245</b>	<b>700</b>	<b>-52.4%</b>	<b>325</b>	<b>-56.6%</b>
<b>【Recurring Profit】</b>	<b>110</b>	<b>176</b>	<b>114</b>	<b>226</b>	<b>625</b>	<b>-57.1%</b>	<b>285</b>	<b>-61.8%</b>
<b>【Net Income】※</b>	<b>75</b>	<b>119</b>	<b>77</b>	<b>154</b>	<b>425</b>	<b>-58.1%</b>	<b>194</b>	<b>-62.3%</b>

※Net income denotes net income attributable to owners of the parent

BtoB-PF FOOD	70.3%	70.2%	61.2%	63.1%	66.0%	70.2%
BtoB-PF ES	43.9%	47.3%	43.7%	46.3%	45.3%	45.7%
High gross profit margin	<b>63.4%</b>	<b>64.0%</b>	<b>56.4%</b>	<b>58.4%</b>	<b>60.4%</b>	<b>63.7%</b>
BtoB-PF FOOD	30.0%	32.0%	25.9%	29.0%	29.2%	31.0%
OPM	<b>6.0%</b>	<b>8.3%</b>	<b>5.4%</b>	<b>9.5%</b>	<b>7.3%</b>	<b>7.2%</b>

## ■ Sales

(BtoB-PF FOOD)

Our sales forecast for this business is based on the assumption that we will be able to return to a growth trajectory by accurately capturing the growing needs for management sophistication through DX in the food industry due to COVID-19, and that the negative impact of COVID-19 from December last year on the food industry in general will continue for the time being. In addition, we have made our forecasts based on careful consideration of the increase in the number of companies using BtoB Platform Ordering and BtoB Platform Standard Database, as well as higher Pay-for-use sales based on the amount of foodstuffs distributed.

(BtoB-PF ES)

BtoB Platform Invoicing, which has been the driving force behind the growth of this business, is expected to continue to grow at a high rate. The growth is supported by an increase in the number of new paid-service contracting companies and the digitalization of invoices at existing paid-service contracting companies, reflecting the establishment of teleworking and the introduction of an invoicing system started from 2023 and the rapid spread of DX trend. The number of companies using BtoB Platform Contract is also expected to rise due to the growing demand for electronic contracts.

## ■ CoGs

Data center expenses are expected to increase due to plans to expand the server system to maintain reliability in response to the expansion of the number of users.

## ■ SG&A expenses

Personnel expenses are expected to increase due to the reinforcement of sales staffs and sales support staffs for business expansion.

In addition, sales promotion expenses are expected to remain at the same level as the previous fiscal year, which increased from the two years ago.

## ■ Operating Profit

Profits are expected to decrease in order to maintain our aggressive stance, prioritizing measures to accelerate medium-term sales growth and re-increase profit margins.

## **IV. Return Profits to Shareholders**

# Return Profits to Shareholders

## Dividend policy

Infomart considers most important to pay dividends to shareholders and the company aims for a “**basic dividend payout ratio of 50% based on Infomart’s non-consolidated business results**” while improving operating results and strengthening financial position.

In the last fiscal year, we left the dividend amount unchanged to cope with a temporary decrease in profits, but in the fiscal year ending December 2021, we will return to the basic policy. Although our management base remains strong, we believe that in the current economic environment, it is becoming increasingly important to secure sufficient funds to respond to sudden changes in the future.

We will strive to further increase returns to our shareholders by improving our business performance while strengthening our financial structure.

(Yen)

	FY12/15	FY12/16	FY12/17	FY12/18	FY12/19	FY12/20	FY12/21 (Plan)
<b>I n t e r i m d i v i d e n d</b>	<b>1.47</b>	<b>1.48</b>	<b>1.64</b>	<b>1.83</b>	<b>1.84</b>	<b>1.85</b>	<b>0.47</b>
<b>Y e a r - e n d d i v i d e n d</b>	<b>1.47</b>	<b>1.48</b>	<b>1.64</b>	<b>1.83</b>	<b>1.87</b>	<b>1.86</b>	<b>0.47</b>
<b>T o t a l</b>	<b>2.94</b>	<b>2.95</b>	<b>3.27</b>	<b>3.67</b>	<b>3.71</b>	<b>3.71</b>	<b>0.94</b>

(Note)

The amount of the year-end dividend for FY12/20 was resolved in the 23<sup>th</sup> Ordinary Meeting of General Shareholders held on March 25, 2021. (Effective date: March 26, 2021)

The company conducted a 2-for-1 stock split on January 1, 2015, a 2-for-1 stock split on January 1, 2017 and a 2-for-1 stock split on January 1, 2020. Dividends on the bar chart are calculated assuming that the stock splits were conducted.



**This material is prepared based on economic, social and other situations, and certain assumptions that the company deems to be reasonable as of April 30, 2021.**

**However, the material is subject to change without prior notice due to the changing management environment and other reasons.**

**Readers are asked to make investment decisions at their own discretion.**

**This material was prepared by Infomart Corporation.**

