

ADWAYS INC.

Market: TSE Mothers

Stock Code: 2489

Sector: Internet Services

Company Profile

Adways is a digital advertising network and game publisher head quartered in Tokyo, Japan.
It runs the largest mobile affiliate network in Japan as well as the largest smartphone app distribution network.

Directors

| | |
|------------------|------------------|
| Founder and CEO | Haruhisa Okamura |
| Senior Executive | Yoichi Tanaka |

(¥mn)

Share Data

11/05/2018

| | | | |
|---------------|-----|--------------------|------------|
| Currency | JPY | Volume | 159,400 |
| Closing price | 525 | Market Cap (¥mn) | 21,834 |
| | | Shares Outstanding | 41,588,500 |

<http://www.bloomberg.com/quote/2489:JP>

Full Year FY2018 Earnings Guidance

| | |
|---|--------|
| Net sales | 42,000 |
| Operating profit | 500 |
| Ordinary profit | 500 |
| Profit attributable to owners of parent | 190 |
| Dividends per share (DPS) (¥) | 4.90 |

Key Figures

| (¥mn) | 4Q FY2017 (Cumulative) | 4Q FY2016 (Cumulative) | 4Q FY2015 (Cumulative) |
|---|---------------------------|---------------------------|---------------------------|
| Net sales | 41,501 | 42,329 | 39,613 |
| Gross profit | 7,173 | 7,335 | 7,187 |
| SG&A expenses | 6,874 | 7,019 | 6,499 |
| Operating profit | 299 | 315 | 687 |
| Ordinary profit | 575 | 248 | 744 |
| Profit attributable to owners of parent | 9 | -450 | 145 |

(¥mn)

| | | | |
|-------------------|--------|--------|--------|
| Total assets | 17,921 | 18,316 | 19,950 |
| Total liabilities | 6,899 | 7,265 | 7,461 |
| Net assets | 11,022 | 11,051 | 12,489 |
| Capital stock | 1,605 | 1,605 | 1,605 |
| Owner's equity | 10,169 | 10,264 | 11,811 |
| Retained earnings | 2,689 | 2,771 | 3,317 |

(¥mn)

| | | | |
|--------------------------------------|-------|--------|------|
| Cash flow from operating activities | 1,095 | -53 | 477 |
| Cash flow from investment activities | 188 | -987 | -763 |
| Cash flow from financing activities | -156 | -1,164 | -599 |

(¥)

| | | | |
|--------------------------------|--------|--------|--------|
| Basic earnings per share (EPS) | 0.26 | -11.11 | 3.51 |
| Dividends per share (DPS) | 2.35 | 2.35 | 2.35 |
| Net assets per share | 281.05 | 281.92 | 302.18 |

(%)

| | | | |
|------------------------|-------|-------|-------|
| ROE | 0.1% | -3.9% | 1.2% |
| Capital adequacy ratio | 60.8% | 59.6% | 61.7% |

(#)

| | | | |
|---------------------|-------|-------|-------|
| Number of Employees | 1,048 | 1,184 | 1,215 |
|---------------------|-------|-------|-------|

Shareholders Breakdown by Investor Types (31/03/2018)

| Name | Number of Shares | % |
|--------------------------------------|------------------|------|
| Treasury Stock | 2,837,800 | 6.8 |
| Financial Institutions | 1,402,400 | 3.3 |
| Securities Companies | 1,778,357 | 4.2 |
| Domestic Companies | 4,275,100 | 10.2 |
| Foreign Institutions and Individuals | 1,212,629 | 2.9 |
| Individuals and Others | 30,082,217 | 72.3 |

Major Shareholders(31/03/2018)

| Name | Number of Shares | % |
|----------------------------------|------------------|------|
| Haruhisa Okamura | 8,149,300 | 19.5 |
| ITOCHU Corporation | 4,000,600 | 9.6 |
| Adways Inc.(Treasury Stock) | 2,837,800 | 6.8 |
| Japan Trustee Services Bank,Ltd. | 1,198,300 | 2.8 |
| Matsui Securities Co., Ltd. | 283,800 | 0.6 |

Shareholders Breakdown by Number of Shares (31/03/2018)

| Shares | Number of Shareholders | % |
|-------------------|------------------------|------|
| Treasury Stock | 1 | 0.0 |
| 500,000- | 3 | 0.0 |
| 100,000 - 499,999 | 16 | 0.0 |
| 50,000 - 99,999 | 18 | 0.0 |
| 10,000 - 49,999 | 274 | 1.0 |
| 5,000 - 9,999 | 475 | 1.8 |
| 1 - 4,999 | 25,349 | 96.9 |

Sales Breakdown by Segment (Outside Sales Only)

● Domestic Advertising (¥mn)

| | | | |
|------------------|--------|--------|--------|
| Net sales | 34,684 | 35,690 | 31,584 |
| Operating profit | 2,202 | 2,975 | 2,759 |

● App, Media (¥mn)

| | | | |
|------------------|------|-----|-------|
| Net sales | 686 | 697 | 1,035 |
| Operating profit | -191 | -74 | -208 |

● Overseas (¥mn)

| | | | |
|------------------|-------|-------|-------|
| Net sales | 6,117 | 5,860 | 6,813 |
| Operating profit | -130 | -830 | -194 |

● Other (¥mn)

| | | | |
|------------------|------|------|------|
| Net sales | 13 | 81 | 181 |
| Operating profit | -237 | -273 | -374 |

Sales Breakdown by Segment (Full Year FY2017)

