



Securities code: 3657
Abbreviation: Pole HD
March 15, 2021

Poletowin Pitcrew Holdings, Inc.

Supplementary Information to the Financial Results

for the Year Ended January 31, 2021

【Summary】

Net sales:	¥ 26,729 million	(2.3% increase YoY)
Operating profit:	¥ 3,217 million	(8.9% decrease YoY)
Net profit:	¥ 2,119 million	(18.6% increase YoY)

<Overall>

- Net Sales: ¥6,804 million(3Q)→ ¥7,525 million(4Q), Operating profit: ¥954 million(3Q)→ ¥986 million(4Q).
Achieved record high quarterly net sales and operating profit.

<Internet Supporting Business>

- Net sales increased 6.6%, Operating profit increased 108.9% compared to the same period in the previous year.
- Profit improvement was achieved due to increase in services related to EC, QR code settlement and recruitment efficiency.

<Testing/Verification & Evaluation Business>

- Net sales increased 1.3%, Operating profit decreased 17.7% compared to the same period in the previous year.
- Sales for third party verification in non games market and services toward overseas clients increased.
- Received orders related to GIGA School Project as support servicer to provide IT enabled education environment at schools.
- Posted deficit due to upfront investment in CREST Inc.

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1-1. Overview of Consolidated Financial Results for the Year Ended January 31, 2021 (Change YoY)

Units: ¥ million (Amounts less than ¥1 million omitted)

	FY2021.1 Fiscal Year Ended January 31, 2021		FY2020.1 Fiscal Year Ended January 31, 2020		Change YoY	
	Results	Margin	Results	Margin	Results	Margin
Net sales	26,729	- %	26,120	- %	+608	+2.3%
Operating profit	3,217	12.0%	3,531	13.5%	(313)	(8.9%)
Ordinary profit	3,595	13.5%	3,473	13.3%	+121	+3.5%
Profit attributable to owners of parent	2,119	7.9%	1,787	6.8%	+332	+18.6%

*Percentages rounded down to one decimal place

1-2. Overview of Consolidated Financial Results for the Year Ended January 31, 2021 (vs. Forecast)

Units: ¥ million (Amounts less than ¥1 million omitted)

	FY2021.1 Results		FY2021.1 Forecast		Comparison to Forecast	
	Results	Margin	Initial forecast	Margin	Change amount	Attainment rate
Net sales	26,729	- %	28,744	- %	(2,015)	93.0%
Operating profit	3,217	12.0%	3,587	12.5%	(369)	89.7%
Ordinary profit	3,595	13.5%	3,576	12.4%	+19	100.5%
Profit attributable to owners of parent	2,119	7.9%	2,341	8.1%	(221)	90.6%

*Percentages rounded down to one decimal place

1-3. Segment Overviews for the Year Ended January 31, 2021

Testing/Verification & Evaluation Business

Net Sales 20,129 million (75.3% of net sales)

	FY2021.1	FY2020.1	Change YoY	
			Change	Margin
Net sales	20,129	19,874	+254	+1.3%
Operating profit	2,647	3,216	(568)	(17.7%)
Operating margin	13.2%	16.2%	(3.0%)	—

Units: ¥ million
(Amounts less than ¥1 million omitted)

Percentages rounded down to one decimal place

Internet Supporting Business

Net Sales 6,441 million (24.1% of net sales)

	FY2021.1	FY2020.1	Change YoY	
			Change	Margin
Net sales	6,441	6,043	+398	+6.6%
Operating profit	611	292	+318	+108.9%
Operating margin	9.5%	4.8%	+4.7%	—

Units: ¥ million
(Amounts less than ¥1 million omitted)

Percentages rounded down to one decimal place

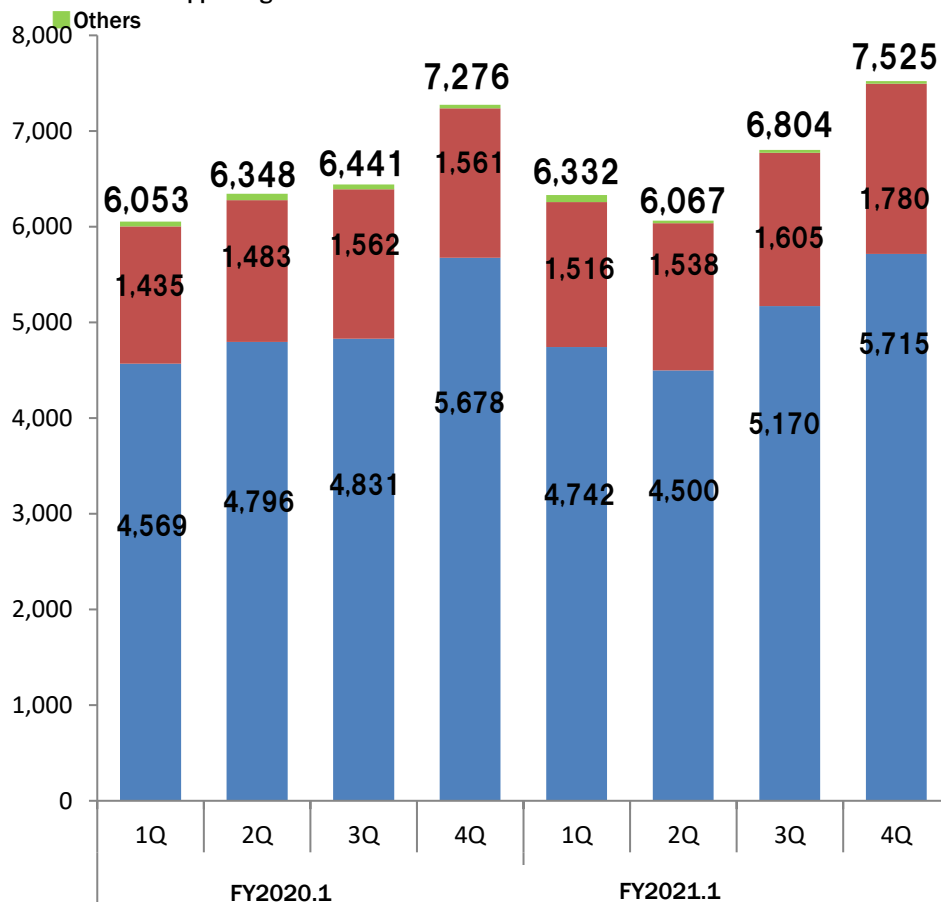
1-4. Quarterly Net Sales and Operating Profit

Units: ¥ million (Amounts less than ¥1 million omitted)

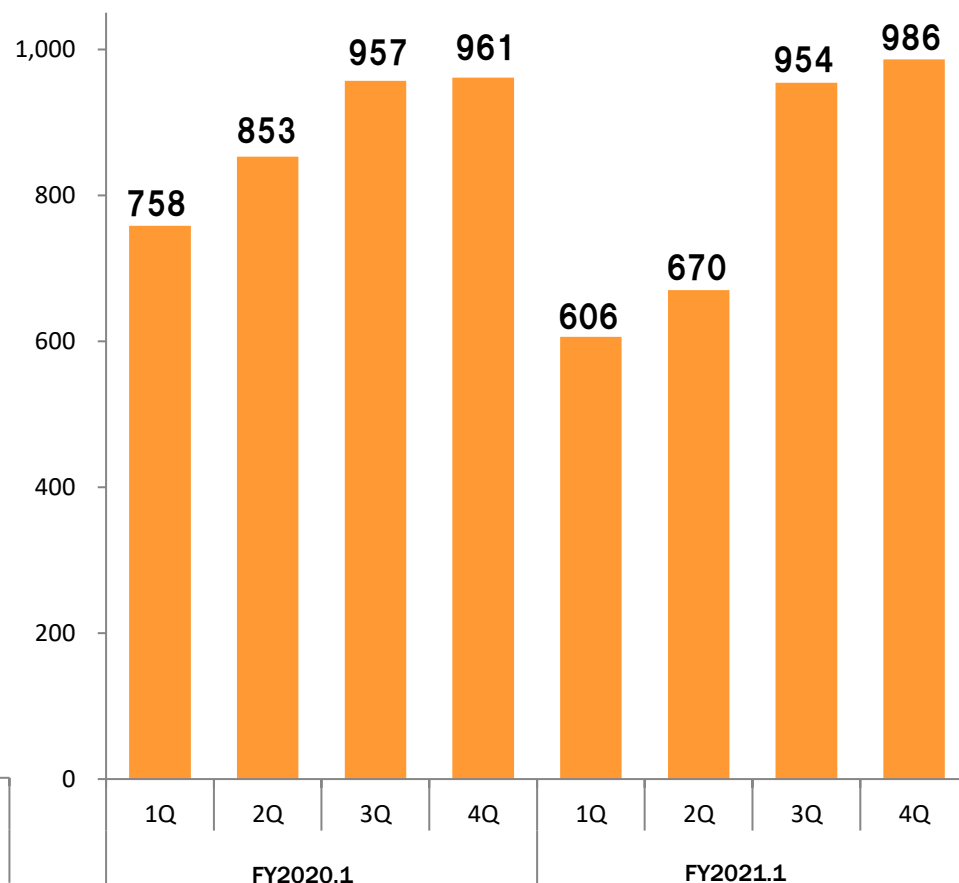
Units: ¥ million (Amounts less than ¥1 million omitted)

■ Testing/Verification & Evaluation Business
 ■ Internet Supporting Business
 ■ Others

Quarterly sales



Quarterly operating profit



Note: Quarterly sales and operating profit are internal management figures provided as reference information

1-5. Financial Position: Consolidated Balance Sheets

Units: ¥ million (Amounts less than ¥1 million omitted)

	As of Jan. 31, 2021	As of Jan. 31, 2020	Change
Total current assets	17,102	14,705	+2,397
Cash and deposits	11,158	10,514	+644
Total property, plant and equipment	694	718	(24)
Total intangible assets	940	908	+31
Investments and other assets	1,652	1,431	+221
Total non-current assets	3,286	3,058	+228
Total assets	20,389	17,763	+2,625
Total current liabilities	4,454	3,146	+1,307
Total non-current liabilities	260	296	(36)
Total liabilities	4,714	3,443	+1,271
Total net assets	15,675	14,320	+1,354
Capital stock	1,239	1,237	+1
Capital surplus	2,379	2,377	+1
Retained earnings	12,372	10,706	+1,665
Treasury shares	(167)	(169)	+1
Total liabilities and net assets	20,389	17,763	+2,625

1-6. Financial Position: Consolidated Statements of Cash Flows

Units: ¥ million (Amounts less than ¥1 million omitted)

	FY2021.1 (2020.2-2021.1)	FY2020.1 (2018.2-2020.1)	Change YoY
Operating cash flows	2,040	2,402	(361)
Investing cash flows	(963)	(850)	(113)
Financing cash flows	(468)	(416)	(52)
Effect of exchange rate changes on cash and cash equivalents	35	32	+3
Net increase in cash and cash equivalents	644	1,168	(523)
Cash and cash equivalents at beginning of year	10,514	9,345	+1,168
Cash and cash equivalents at end of year	11,158	10,514	+644

1-7. Shareholder Returns (Forecast of Cash Dividends per Share)

Dividend policy

Target payout ratio of 25% to consolidated net profit

Yearly dividends per share



(Note) The Group conducted a two-for-one split of its common shares effective as of January 1, 2020. For the dividend amount for fiscal year ended January 31, 2018, the amount is displayed with retroactive adjustments made reflecting the two-for-one share split.

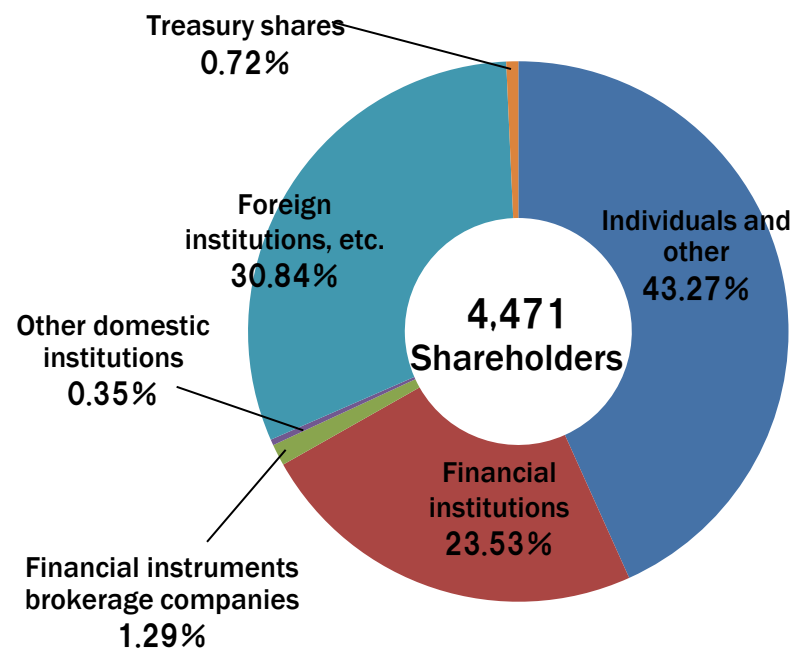
1-8. Stock Information

Number of Shares Issued

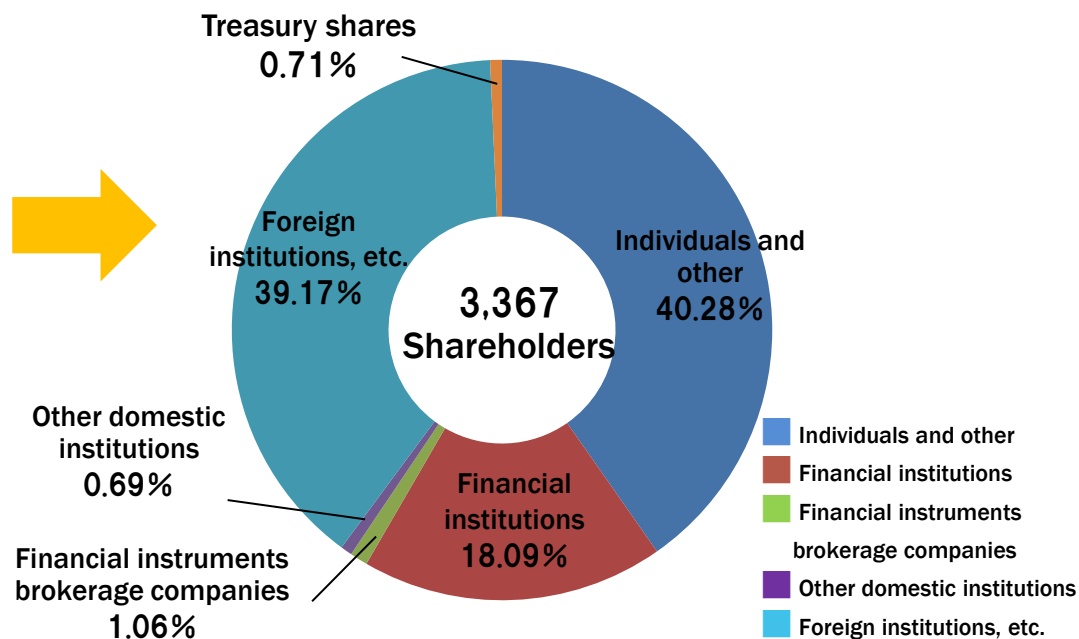
As of January 31, 2020	38,120,800
As of January 31, 2021	38,156,000

Stock Distribution by Shareholder

Fiscal 2020 (As of January 31, 2020)



Fiscal 2021 (As of January 31, 2021)



Note: Both charts have been compiled based on the number of outstanding shares, with fractions rounded off

2-1. Consolidated Forecasts for the Year Ending January 31, 2022



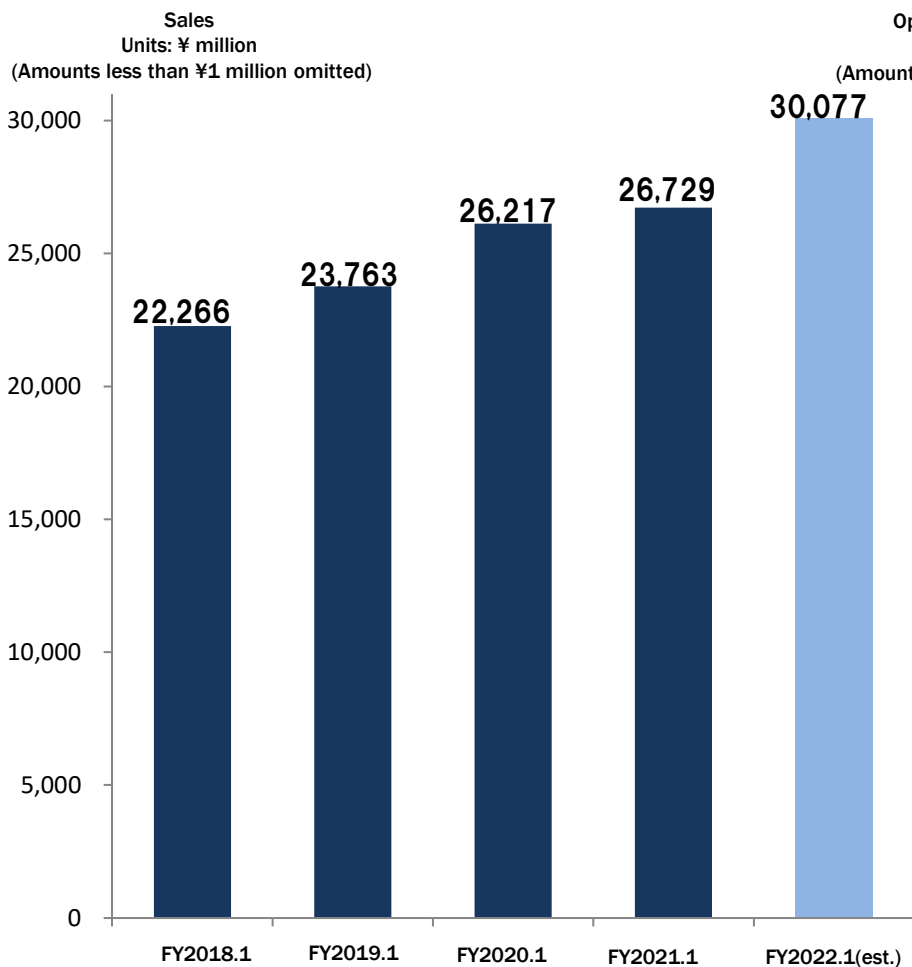
Units (except for per-share figures): ¥ million (Amounts less than ¥1 million omitted)

	FY2022.1 Forecasts	FY2021.1 Results	YoY change	
			Amount	%
Net sales	30,077	26,729	+3,347	+12.5%
Operating profit	3,452	3,217	+234	+7.3%
Ordinary profit	3,392	3,595	(203)	(5.7%)
Profit attributable to owners of parent	2,123	2,119	+3	+0.2%
Net profit per share	¥ 55.66	¥ 55.99	(¥ 0.33)	—
Cash dividends per share	¥ 14	¥ 13	¥ +1	—

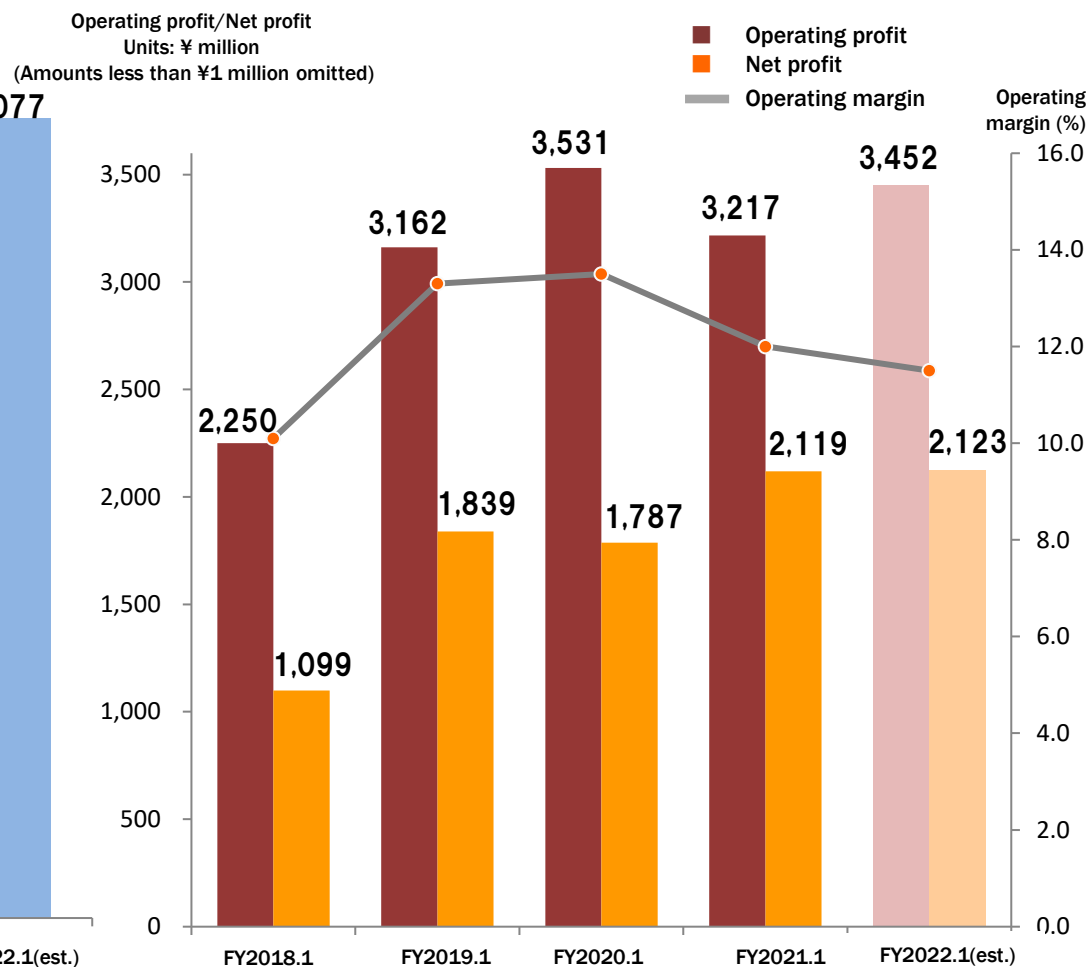
Percentages rounded down to one decimal place

2-2. Consolidated Fiscal Performance and Plan

Sales



Operating profit and net profit



Note: FY2022.1 estimates are forecasts disclosed on March 12, 2021.

3-1. Future Business Strategy Approaches (1)

【Market Condition】

- Life styles have changed due to world wide Covid-19 impact
- Shopping thru internet, leisure thru game/movie/music distribution.
- Education and culture lessons also thru distribution. Educational material digitalized.

1

【Testing/Verification & Evaluation Business】

Promote order increase in detection (finding bugs), localization and game development support as game market revitalized as a result of number increase of people staying home. Also enhance third-party verification services in AI, MaaS, and xTech.

2

【Internet Supporting Business】

Promote order increase in fraud prevention service.







Ex.)Non-face-to face service: e-commerce, Non-contact service: cashless payment. Increase game market share in customer support, by enhancing collaboration with Testing/Verification & Evaluation Business.

3

【Corporate Structure】

To further enhance management efficiency and synergistic effects, integrate administration and sales division of the Group's main business subsidiaries to headquarters. Also continue to acquire talent, enhance capital and business alliance and M&A.

3-2. Future Business Strategy Approaches (2)

Service Property	Segment		Market Movement	Main Company
Domestic BPO	Internet Supporting Business		 Non-face-to-face, Non-contact service increase. (Ex: e-commerce & cashless payment)	PITCREW CO., LTD
	[Testing/Verification & Evaluation Business	Game Defect Detection	 Game market revitalized as more people staying home due to Covid-19 and new hardware launch	Pole To Win Co., Ltd.
		Verification	 Market expansion in AI, MaaS, & xTech	QaaS Co., Ltd.
		Overseas Business	 More people staying home due to Covid-19. New hardware launch. Potential with population growth	PTW International Holdings Limited
		Media & Content	 Worldwide anime popularity and game development interlinked	QBIST Inc. colorful Inc CREST Inc.
Others	Other		 SDGs related barrier-free demand increasing	Palabra Inc. IMAid Inc.

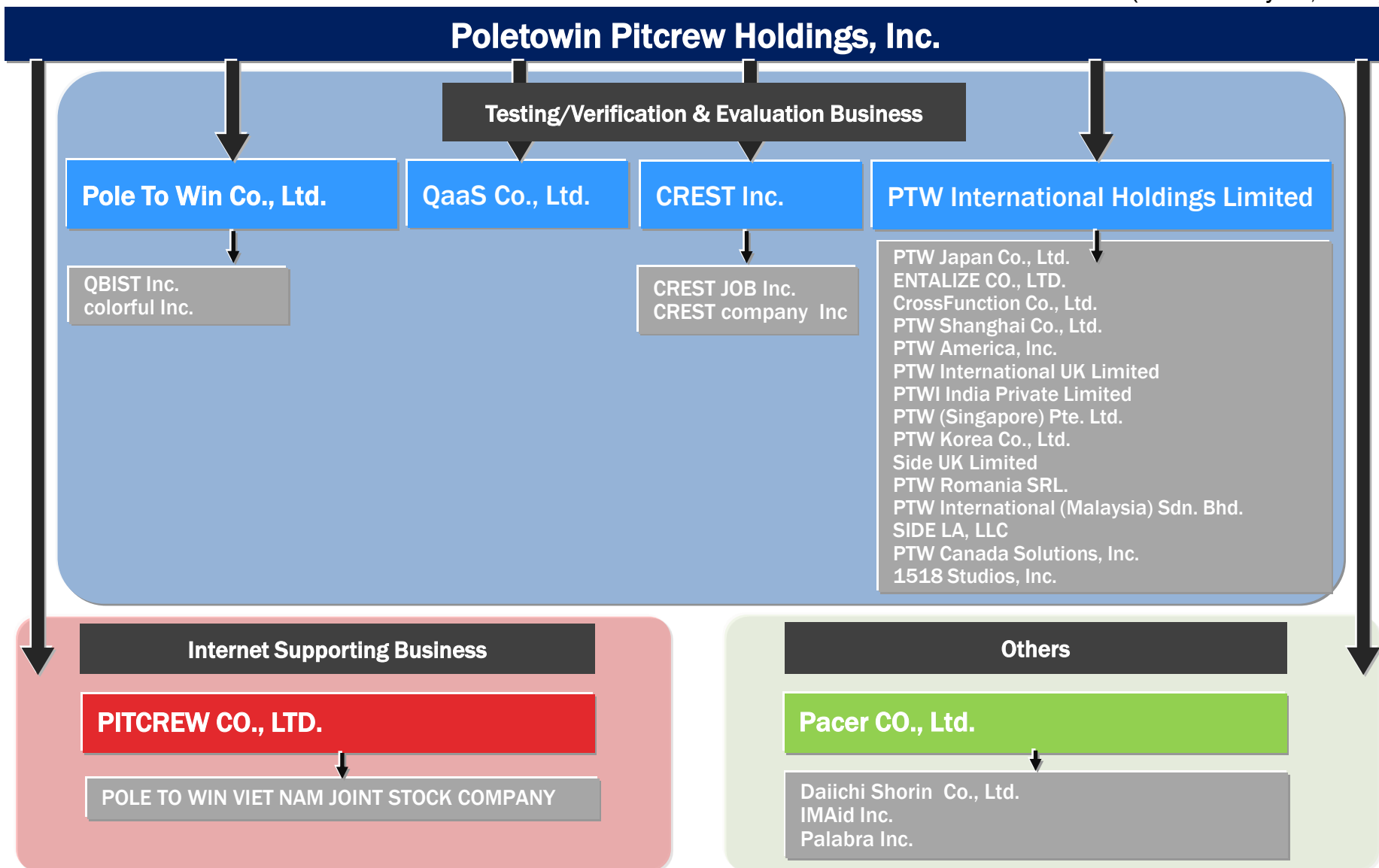
4-1. Corporate Profile

(As of January 31, 2021)

Company Name	Poletowin Pitcrew Holdings, Inc.		
Representatives	Tamiyoshi Tachibana, Chairman Teppei Tachibana, President & CEO		
Head Office	Shinjuku NS Building, 2-4-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo, Japan		
Date Established	February 2, 2009		
Capital	¥1,239 Million (As of January 31, 2021)		
Stock Exchange/ Securities Code	Tokyo Stock Exchange (First Section) (Securities Code: 3657 Abbreviation: Pole HD)		
Business Description	<p>Operations ancillary and pertaining to the control and management of business activities of the Company and the entire Group encompassed 29 consolidated subsidiaries.</p> <p>Major Group Businesses</p> <ol style="list-style-type: none"> 1. Testing/Verification & Evaluation Business Detecting defects (finding bugs) in support of enhancing the quality of software and hardware 2. Internet Supporting Business Detecting fraud and illegal or harmful information on the Internet to help websites operate soundly 3. Others Including medical staffing services, publishing/media businesses 		
Consolidated Financial Results (Fiscal 2021)	Net Sales:	¥26,729 Million	No. of Employees on Consolidated Basis: 5,693
	Ordinary Profit:	¥3,595 Million	(including 2,276 full-time employees as of January 31, 2021)
	Net Profit:	¥2,119 Million	

4-2. Group Composition

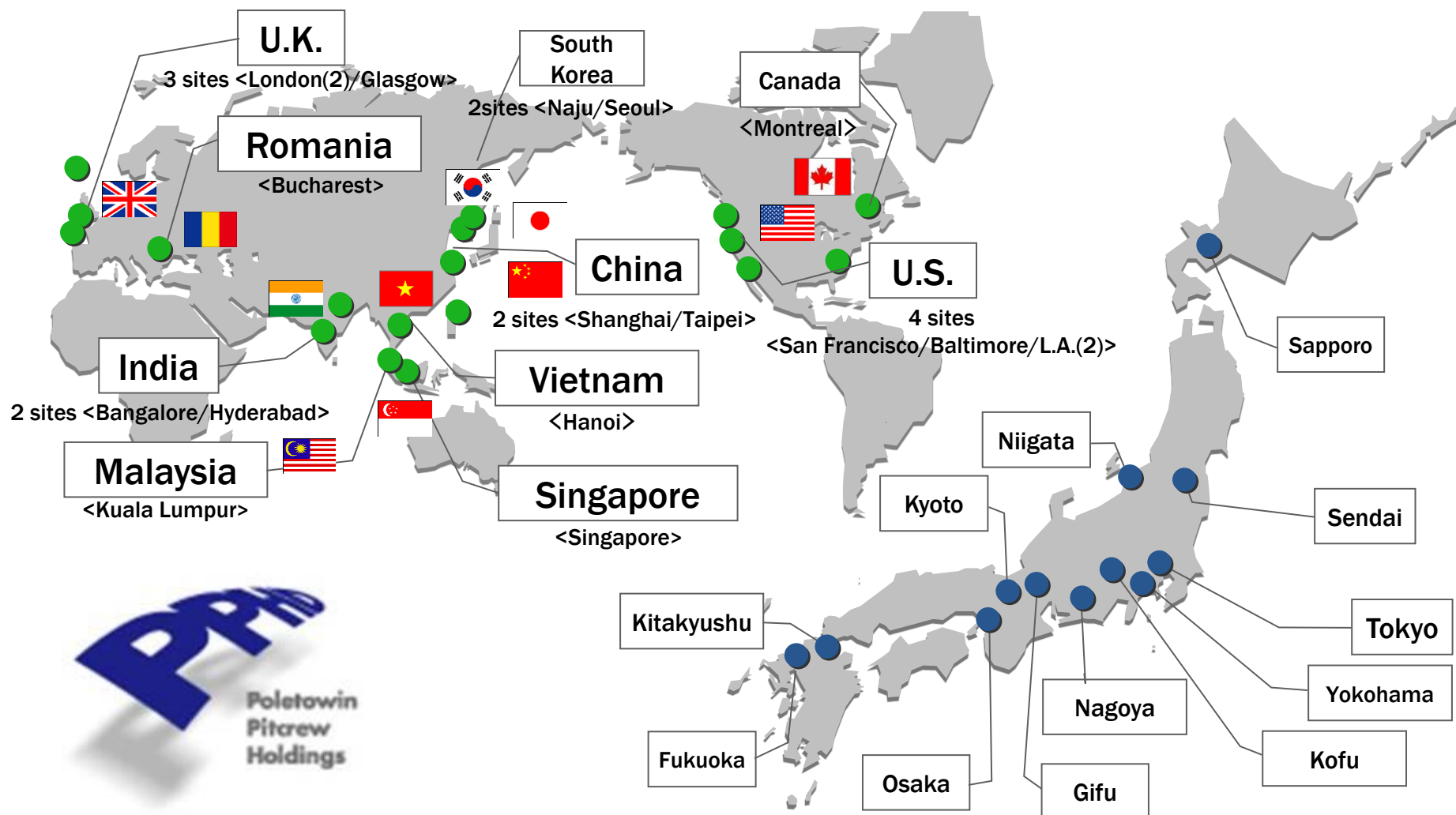
(As of January 31, 2021)



4-3. Business Sites

■ Operating in 12 cities in Japan and 18 sites in 10 overseas countries

(As of January 31, 2021)



- The information on this website includes forward-looking statements. These forward-looking statements do not guarantee our future financial results, but involve risks and uncertainties that could cause actual results to differ materially from those discussed in the forward-looking statements.
- Risks and uncertainties include general and industry market conditions, and general domestic and international economic conditions such as interest rate and foreign exchange fluctuations.
- Poletowin Pitcrew Holdings, Inc., bears no obligation to update and revise the forward-looking statements disclosed herein, even in the event of new information, future events and other material incidents arising.