



**Smartvalue Co., Ltd.**

(Securities code: 9417)

# **Fiscal Year Ended June 30, 2025 (FY6/25)**

## **Results of Operations**

August 18, 2025

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# 01

## **Business Highlights**

# Financial Highlights

Although a fourth quarter downturn affected results of operations, net profit increased significantly because of the sale of the Digital Government business. At the end of the fiscal year, cash and deposits were about ¥4.1 billion. There were impairment losses for some non-current assets and goodwill.

In the Smart Venues segment, the first application of a new accounting standard for leases had a big negative impact on ordinary profit. There were cancelations and other problems caused by confusion immediately after the arena began operating. These were one-time issues and operations are improving. Smartvalue forecasts a big increase in earnings in FY6/26. There were cancelations in the Mobility Services business, but Kuruma Base is growing.

## Digital Government

- Smartvalue sold this business because of the increasingly difficult market conditions resulting from the limit on the percentage of successful bids due to the use of competitive bidding for government contracts, the decline in the percentage of orders received and rates for services, and other reasons.

## Mobility Services

- The operating margin improved following the sale of the car solutions business, which had low profitability.
- A small increase in the number of CiEMS contracts due to new customers despite some cancelations. ARR increased to 57.4% of total Mobility Services sales.
- The number of Kuruma Base sharing platform contracts increased 182.3% from the previous fiscal year due to a large volume of orders.

## Smart Venues

- Ordinary profit was down compared with the medium-term plan announced in 2024 because of the start of a new accounting standard for leases.
- Operations started in April as planned but problems began to emerge soon afterward, including problems involving the arena's operations. Performance was below the plan due to cancelations and other reasons. All problems were temporary issues that have ended.
- Storks profitability improved significantly due to the April opening of Kobe Arena, creating positive momentum for a strong performance in FY6/26.

# Performance Highlights

## 01. Business Highlights

Earnings were down in all three businesses, but there was a large net profit because of the sale of the Digital Government business.

In FY6/26, forecast significant sales growth of 70.1% and a ¥100 million decrease in administration expenses. As a result, operating and ordinary profit are expected to increase significantly. However, due to the estimated ¥277 million negative effect of the start of a new accounting standard for leases, a bottom-line profit is expected to turn into a loss.

(Millions of yen)

		FY6/24 Results	FY6/25 Results	FY6/26 Forecast	FY6/27 Forecast	FY6/28 Forecast
Digital Government	Net sales	1,711	1,743	-	-	-
	Operating profit	245	169	-	-	-
Mobility Services	Net sales	1,462	1,103	1,234	1,086	1,205
	Operating profit	193	176	169	130	200
Smart Venues	Net sales	641	1,515	6,187	6,912	7,371
	Operating profit	(271)	(320)	1,108	1,176	1,294
Administration	Operating profit	(475)	(466)	(367)	(348)	(351)
Consolidated	Net sales	3,814	4,361	7,421	7,999	8,576
	Operating profit	(308)	(440)	910	958	1,144
	Ordinary profit	(312)	(733)	20	89	302
	Profit attributable to owners of parent	(348)	916	(68)	(69)	76
EBITDA		(152)	1,993	2,078	2,154	2,317

# Information about the Digital Government Sale

The sale of the Digital Government business was completed at the end of June 2025 as planned.

## [Background]

- The competitive advantage of the functions of Smartvalue services decreased mainly because of the use of open technologies and advances involving cloud services.
- There are inherent limits to the ability to receive new contracts when using competitive bids for government contracts.
- Rates for services decreased as technologies became cheaper with the decline of Smartvalue's competitive strengths.
- Providing only the services of this business was not enough to be successful as the transition to digital government in Japan continues to grow.

## [Terms]

- The Digital Government business was sold to WingArc1st Inc. for ¥2.3 billion.
- The sale did not include NORTHDETAIL Co., Ltd., a Smartvalue subsidiary that develops software.

## [Increase in cash and deposits]

Cash and deposits at the end of FY	
As of June 30, 2024	¥1,726 million
As of June 30, 2025	¥4,126 million

## [Goals]

- Smartvalue will become the main provider of services, rather than supplying only individual tools, for the purpose of creating social systems that revitalize regions and create communities (smart cities).
- Instead of relying on competitive bids for public-sector contracts, Smartvalue will use a business model in which companies assume risk involving projects.
- In the Smart Venues segment, the first step is ongoing activities for social implementation in the city of Kobe.
- Based on the nationwide venue plan and other plans, Smartvalue plans to start creating ideas and proposals for the operation of a smart city business model.

# FY6/26 Forecast Revisions vs. August 2024 Medium-Term Plan

## 01. Business Highlights

(Millions of yen)

		Medium-term Business Plan Announced in August 2024	Medium-term Business Plan Announced in August 2025
		FY6/26 Forecast	FY6/26 Forecast
Consolidated	Net sales	8,456	7,421
	Operating profit	506	910
	Ordinary profit	465	20
	Profit attributable to owners of parent	337	(68)

### [Summary]

- Sales and earnings decreased due to sale of the Digital Government business.
- Although the sale of this business lowers operating profit due to a decrease in sales, the FY6/26 forecast is higher because of the start of a new accounting standard for leases.
- The new accounting standard for leases increased the amount of arena leasing fees that are recognized by ¥277 million but has no effect on lease payments.

		Planned accounting treatment as of August 2024	Accounting treatment using new standard (FY6/25 results)
Consolidated	Cost of sales	-	630
	SG&A expenses	1,100	-
	Interest expenses	-	746
	Total	1,100	1,377

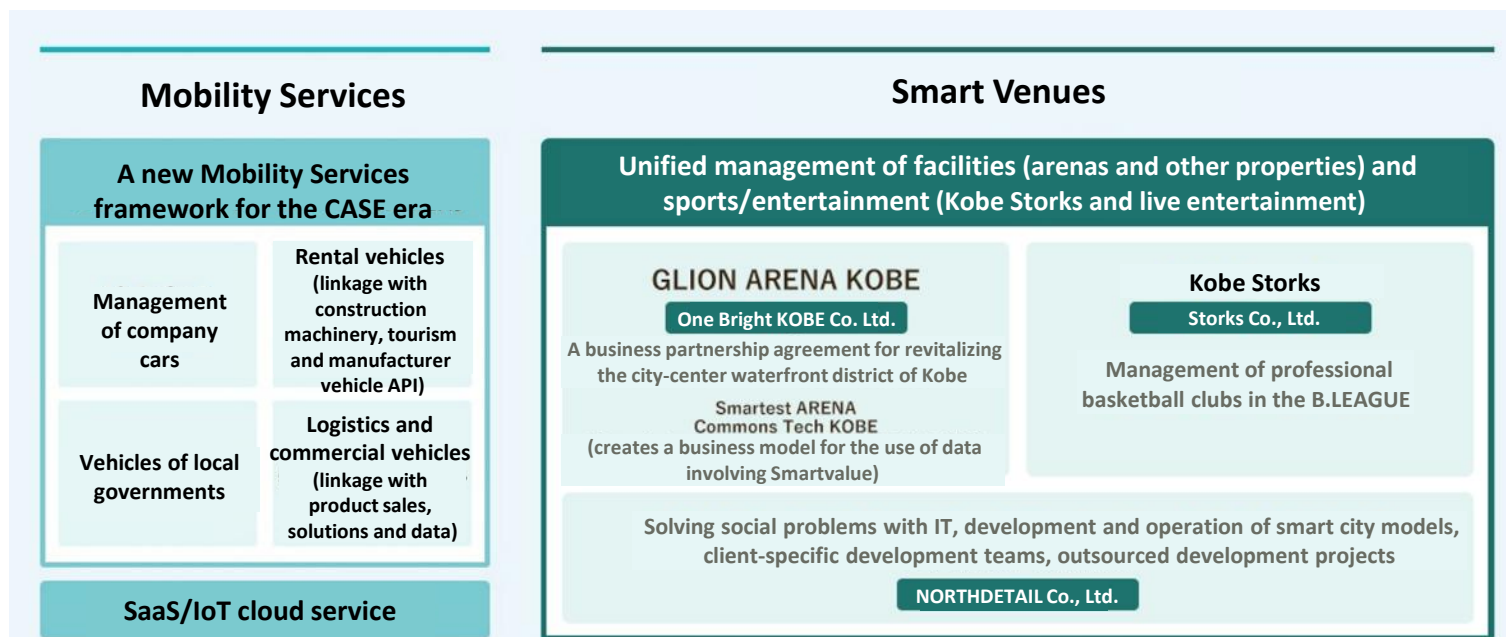
# New Segments

## 01. Business Highlights

Beginning in FY6/26, Smartvalue has two business segments,  
Mobility Services and Smart Venues, due to the sale of the Digital Government business.

(Millions of yen)

		FY6/26 Forecast	FY6/27 Forecast	FY6/28 Forecast
Mobility Services	Net sales	1,234	1,086	1,205
	Operating profit	169	130	200
Smart Venues	Net sales	6,187	6,912	7,371
	Operating profit	1,108	1,176	1,294





02

# **FY6/25 Financial Results and FY6/26 Business Plan**

# Financial Summary (Consolidated)

02. FY6/25 Financial Results and  
FY6/26 Business Plan

MRR steadily increased in the Digital Government and Mobility Services segments, but earnings decreased.

A big sales increase in Smart Venues sales but a large negative impact on earnings of one-time arena opening expenses and the new accounting standard for leases.

Forecast significant increases in sales and earnings in FY6/26 and an ordinary profit as positive trends offset the effects of the new accounting standard for leases and other items.

		FY6/24 Results	FY6/25 Results	YoY		
					FY6/26 Forecast	YoY
Digital Government	Net sales	1,711	<b>1,743</b>	31	-	-
	Operating profit	245	<b>169</b>	(75)	-	-
Mobility Services	Net sales	1,462	<b>1,103</b>	(359)	<b>1,234</b>	130
	Operating profit	193	<b>176</b>	(16)	<b>169</b>	(7)
Smart Venues	Net sales	641	<b>1,515</b>	874	<b>6,187</b>	4,671
	Operating profit	(271)	<b>(320)</b>	(49)	<b>1,108</b>	1,429
Administration	Operating profit	(475)	<b>(466)</b>	8	<b>(367)</b>	99
Consolidated	Net sales	3,814	<b>4,361</b>	547	<b>7,421</b>	3,059
	Operating profit	(308)	<b>(440)</b>	(132)	<b>910</b>	1,351
	Ordinary profit	(312)	<b>(733)</b>	(420)	<b>20</b>	754
	Profit attributable to owners of parent	(348)	<b>916</b>	1,265	<b>(68)</b>	(984)

(Millions of yen)

# Selected Financial Indicators

02. FY6/25 Financial Results and  
FY6/26 Business Plan

Big increases in EBITDA and year-end cash because of the sale of the Digital Government business.  
Used the lease accounting standard for the recognition of initial investments in Smart Venues.  
Expect a strong performance in FY6/26.

		FY6/24 Results	FY6/25 Results	YoY
EBITDA	(Millions of yen)	(152)	<b>1,993</b>	2,154
Year-end cash	(Millions of yen)	1,726	<b>4,126</b>	2,399
Capital expenditures	(Millions of yen)	838	<b>18,454</b>	17,616
Shareholders' equity	(Millions of yen)	1,689	<b>2,543</b>	853
Total assets	(Millions of yen)	4,037	<b>24,903</b>	20,865
Equity ratio	(%)	41.8	<b>10.2</b>	(31.6)

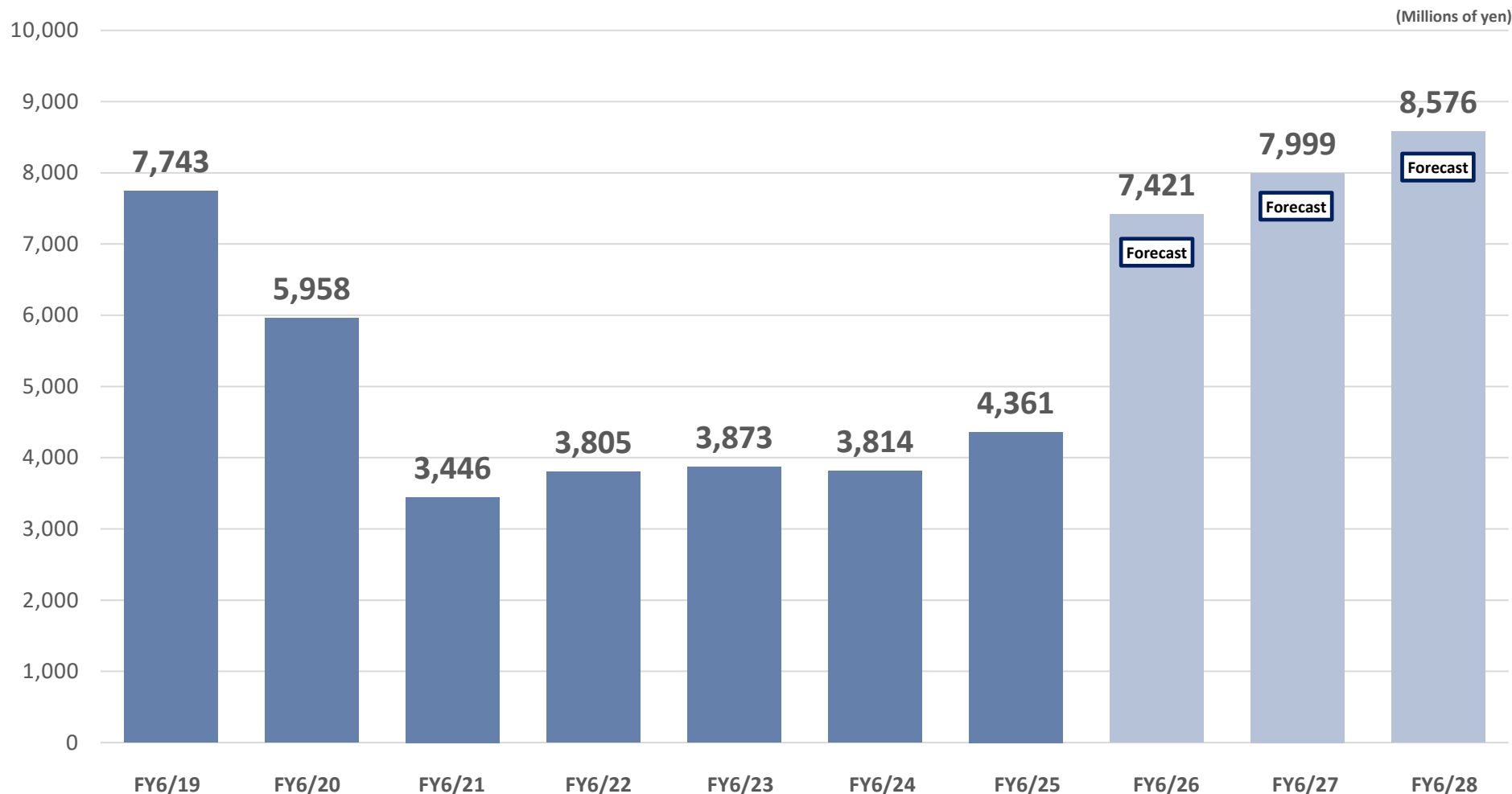
FY6/26 Forecast	YoY
<b>2,078</b>	<b>84</b>
<b>3,603</b>	<b>(522)</b>
<b>250</b>	<b>(18,203)</b>
<b>2,403</b>	<b>(139)</b>
<b>23,546</b>	<b>(1,357)</b>
<b>10.2</b>	<b>-</b>

# Sales Trends and Forecasts

02. FY6/25 Financial Results and  
FY6/26 Business Plan

## Consolidated

The 2020 termination of the carrier shop agency business and 2025 sale of the Digital Government business have changed the composition of Smartvalue's business portfolio. Strong growth in sales is expected to begin in FY6/26.

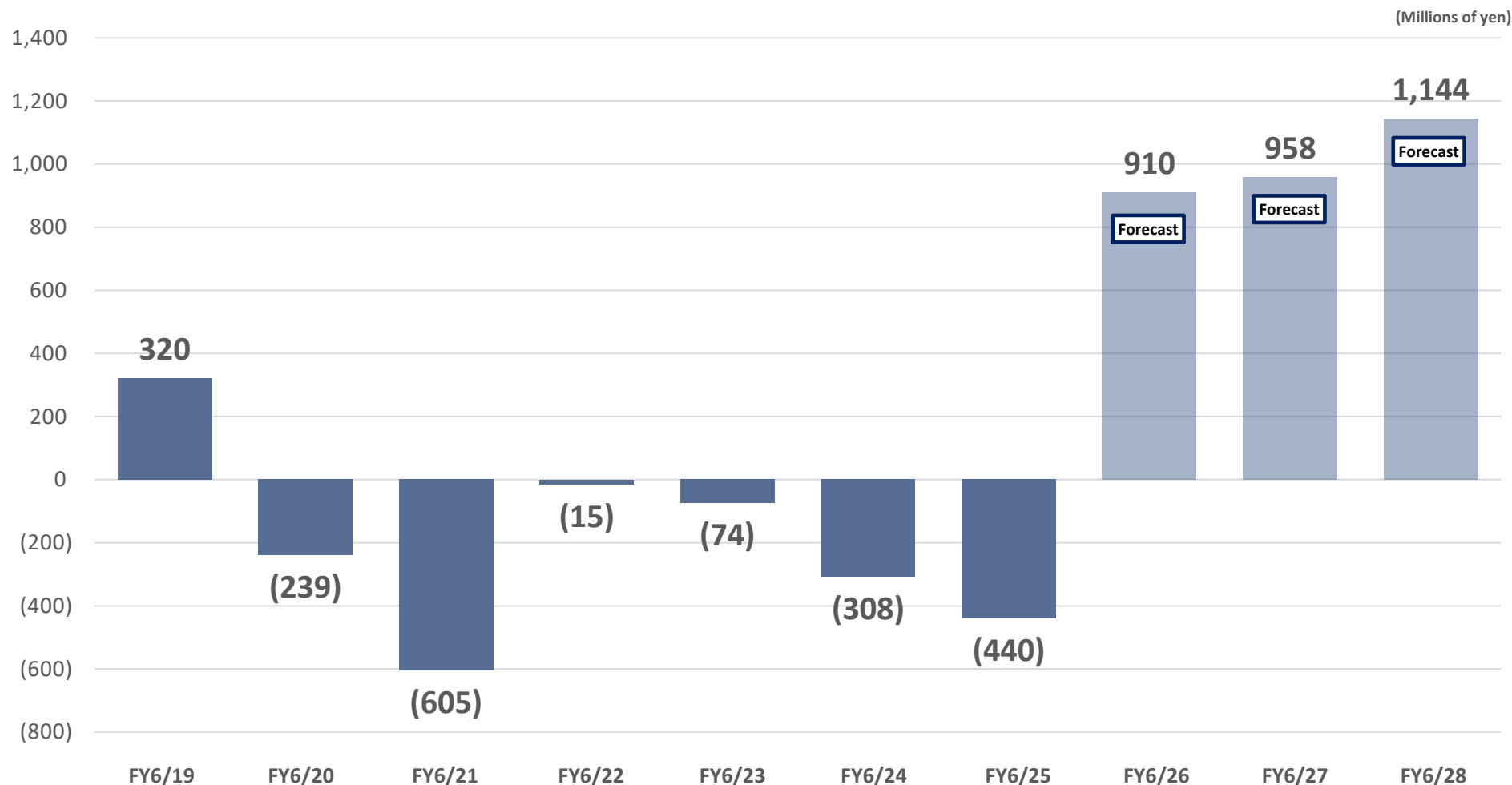


# Operating Profit Trends and Forecasts

02. FY6/25 Financial Results and  
FY6/26 Business Plan

## Consolidated

The 2020 termination of the carrier shop agency business and 2025 sale of the Digital Government business have changed the composition of Smartvalue's business portfolio. Strong growth in operating profit is expected to begin in FY6/26.

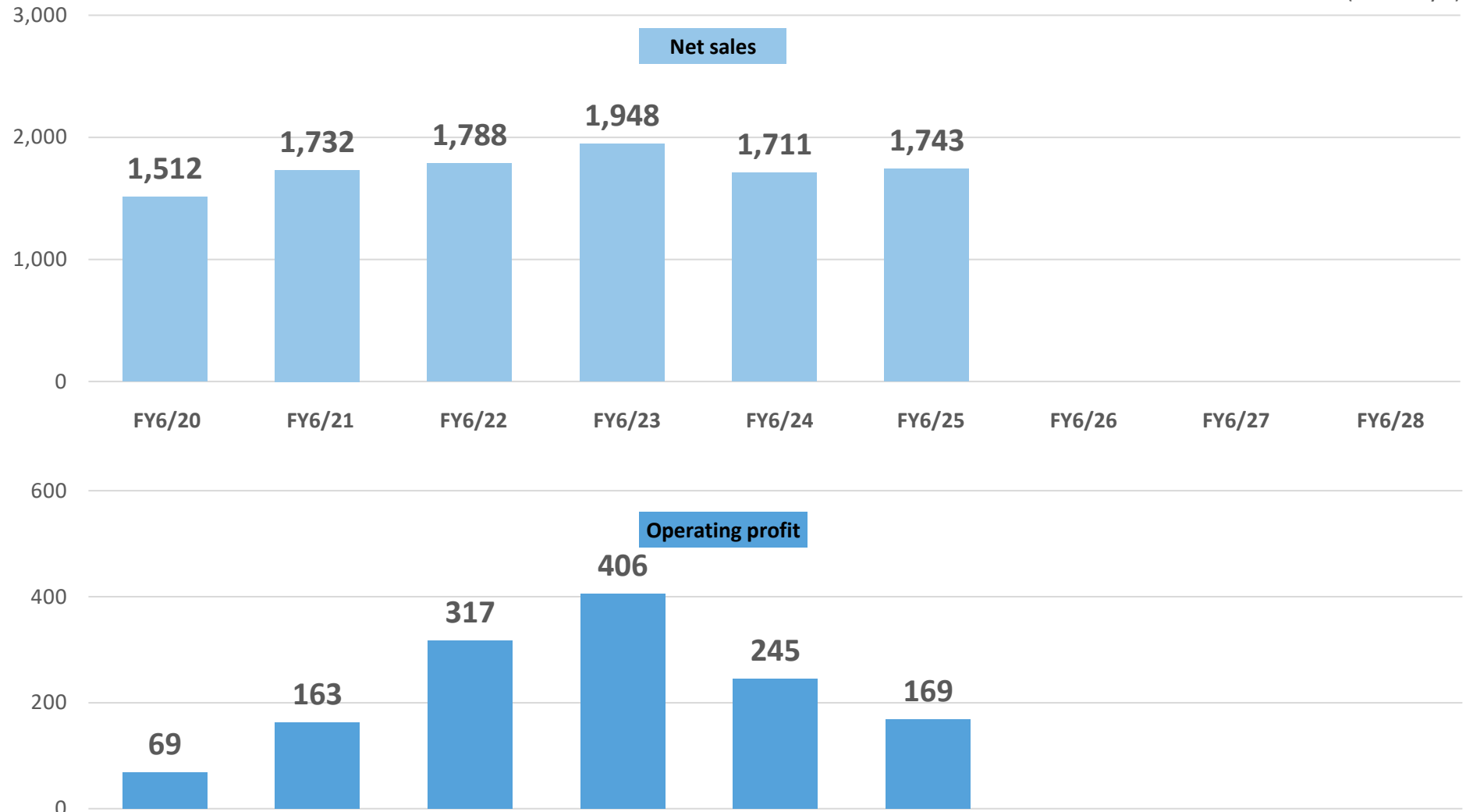


# Sales/Operating Profit Trends and Forecasts

02. FY6/25 Financial Results and  
FY6/26 Business Plan

## Digital Government

(Millions of yen)

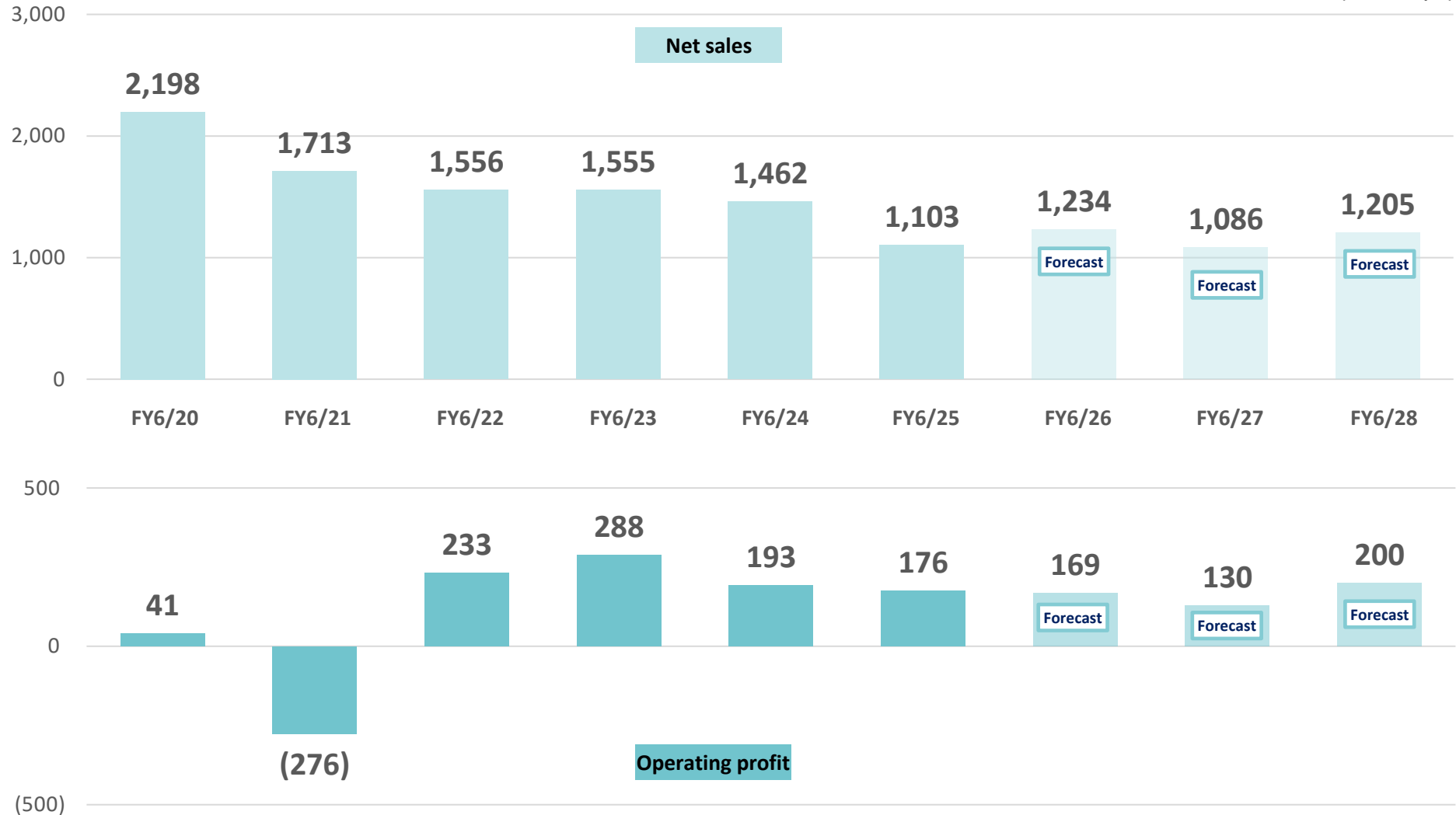


# Sales/Operating Profit Trends and Forecasts

02. FY6/25 Financial Results and  
FY6/26 Business Plan

## Mobility services

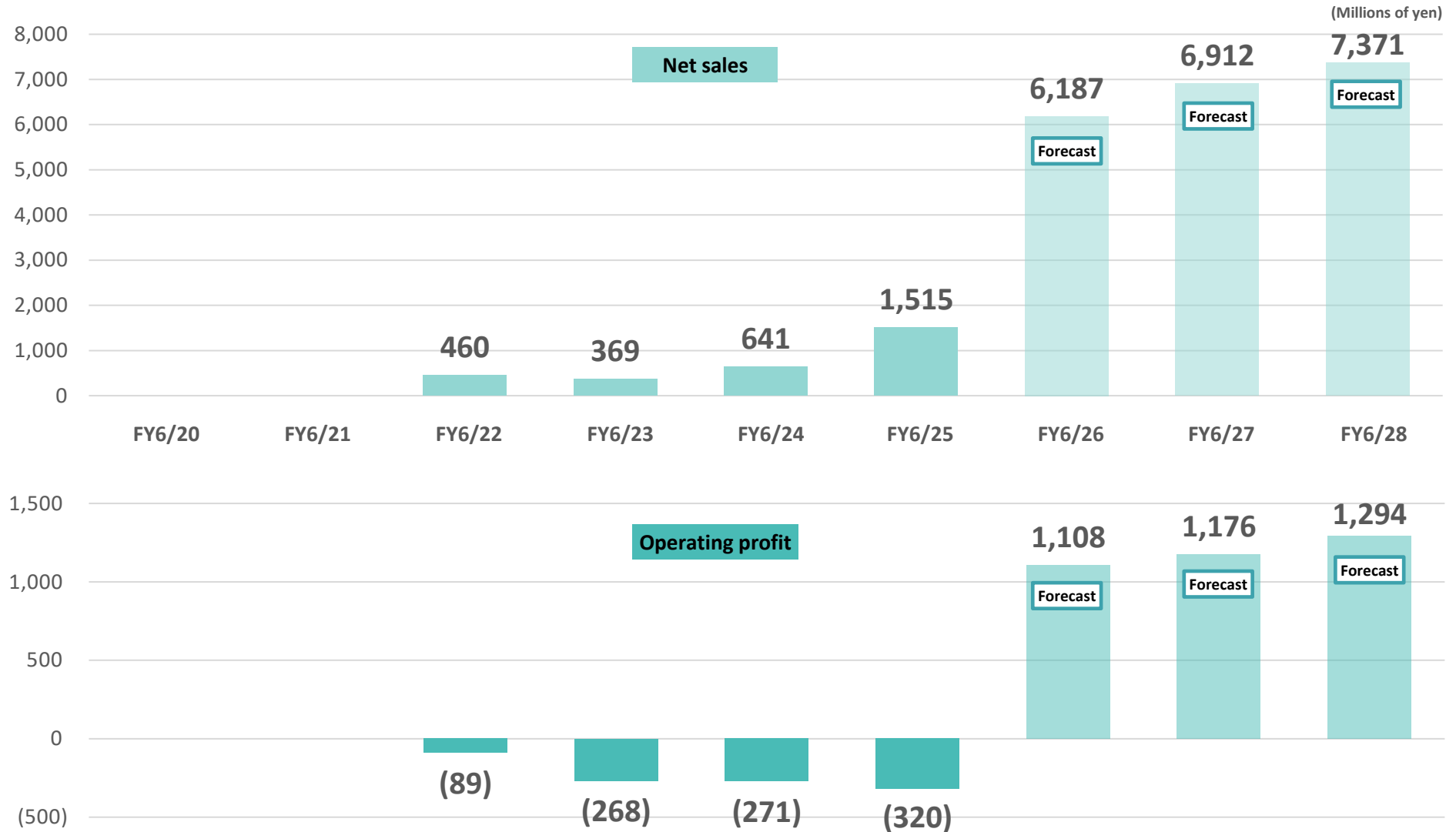
(Millions of yen)



# Sales/Operating Profit Trends and Forecasts

02. FY6/25 Financial Results and  
FY6/26 Business Plan

## Smart Venues



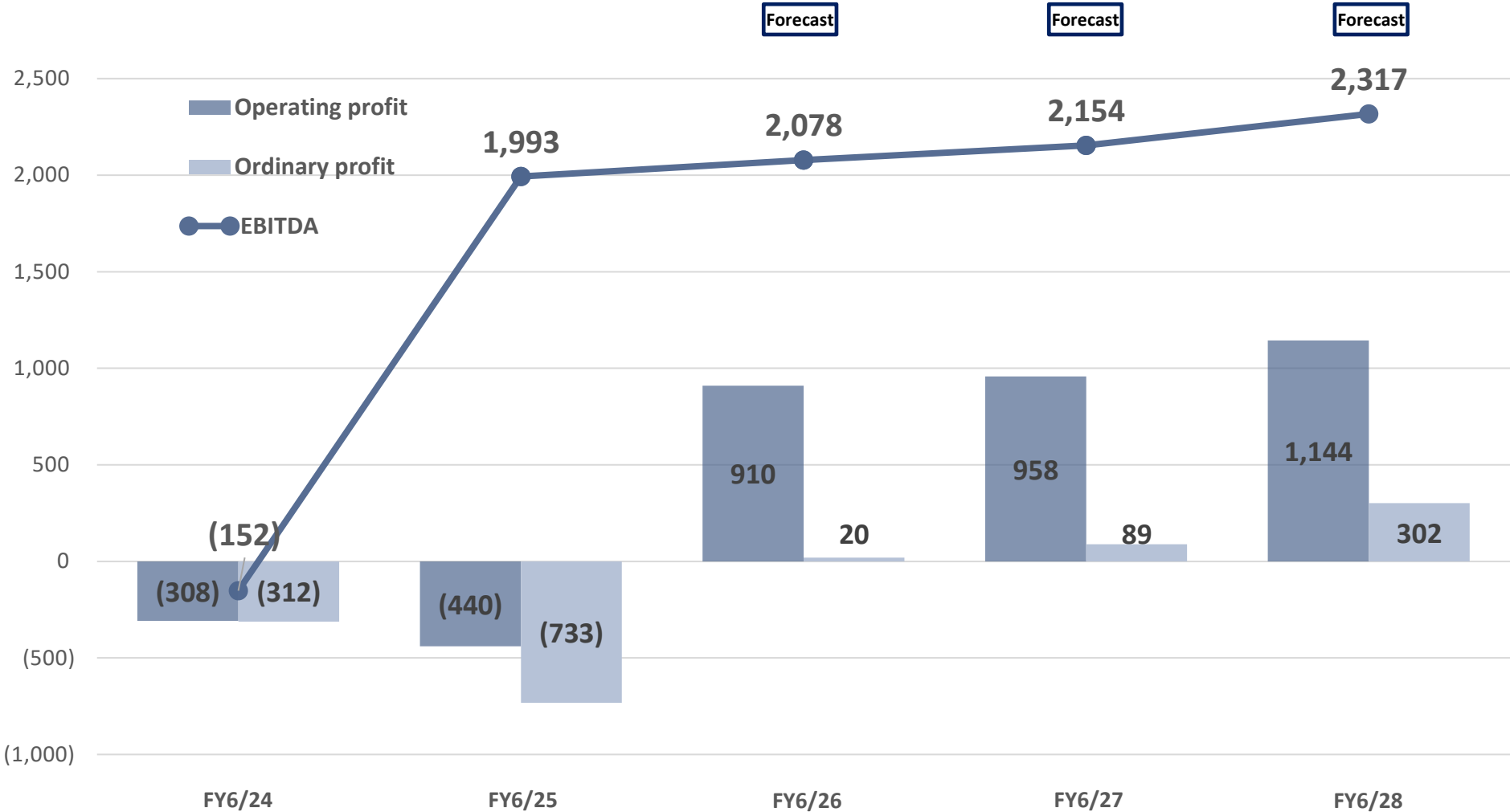


# Operating Profit, Ordinary Profit and EBITDA Results and Three-year Forecast

Consolidated

EBITDA is expected to remain high and grow consistently

(Millions of yen)



# Financial Summary (Consolidated)

02. FY6/25 Financial Results and  
FY6/26 Business Plan

(Millions of yen)

	FY6/24 Results	FY6/25 Results	YoY
Net sales	3,814	<b>4,361</b>	547
Digital Government	1,711	<b>1,743</b>	31
Mobility Services	1,462	<b>1,103</b>	(359)
Smart Venues	641	<b>1,515</b>	874
Operating profit	(308)	<b>(440)</b>	(132)
Digital Government	245	<b>169</b>	(75)
Mobility Services	193	<b>176</b>	(16)
Smart Venues	(271)	<b>(320)</b>	(49)
Corporate expenses	(475)	<b>(466)</b>	8
Operating margin	-	-	-
Digital Government	14.3%	<b>9.8%</b>	(4.5)%
Mobility Services	13.3%	<b>16.0%</b>	2.7%
Smart Venues	-	-	-
Ordinary profit	(312)	<b>(733)</b>	(420)
Profit attributable to owners of parent	(348)	<b>916</b>	1,265

FY6/26 Forecast	YoY
<b>7,421</b>	3,059
-	-
<b>1,234</b>	130
<b>6,187</b>	4,671
<b>910</b>	1,351
-	-
<b>169</b>	(7)
<b>1,108</b>	1,429
<b>(367)</b>	99
<b>12.3%</b>	-
-	-
<b>13.7%</b>	(2.3)%
<b>17.9%</b>	-
<b>20</b>	754
<b>(68)</b>	(984)

# Changes in Operating Profit (FY6/24-FY6/25)

02. FY6/25 Financial Results and  
FY6/26 Business Plan

Consolidated

Higher Smart Venues sales, but lower earnings because of large arena opening expenses and increases in the cost of sales, personnel expenses, and SG&A expenses.



Increase in net sales	
Digital government	31
Mobility Services	(359)
Smart Venues	874

Increase in cost of sales	
Digital government	42
Mobility Services	(291)
Smart Venues	498

Increase in personnel expenses	
Digital government	15
Mobility Services	(27)
Smart Venues	118
Administration	(33)

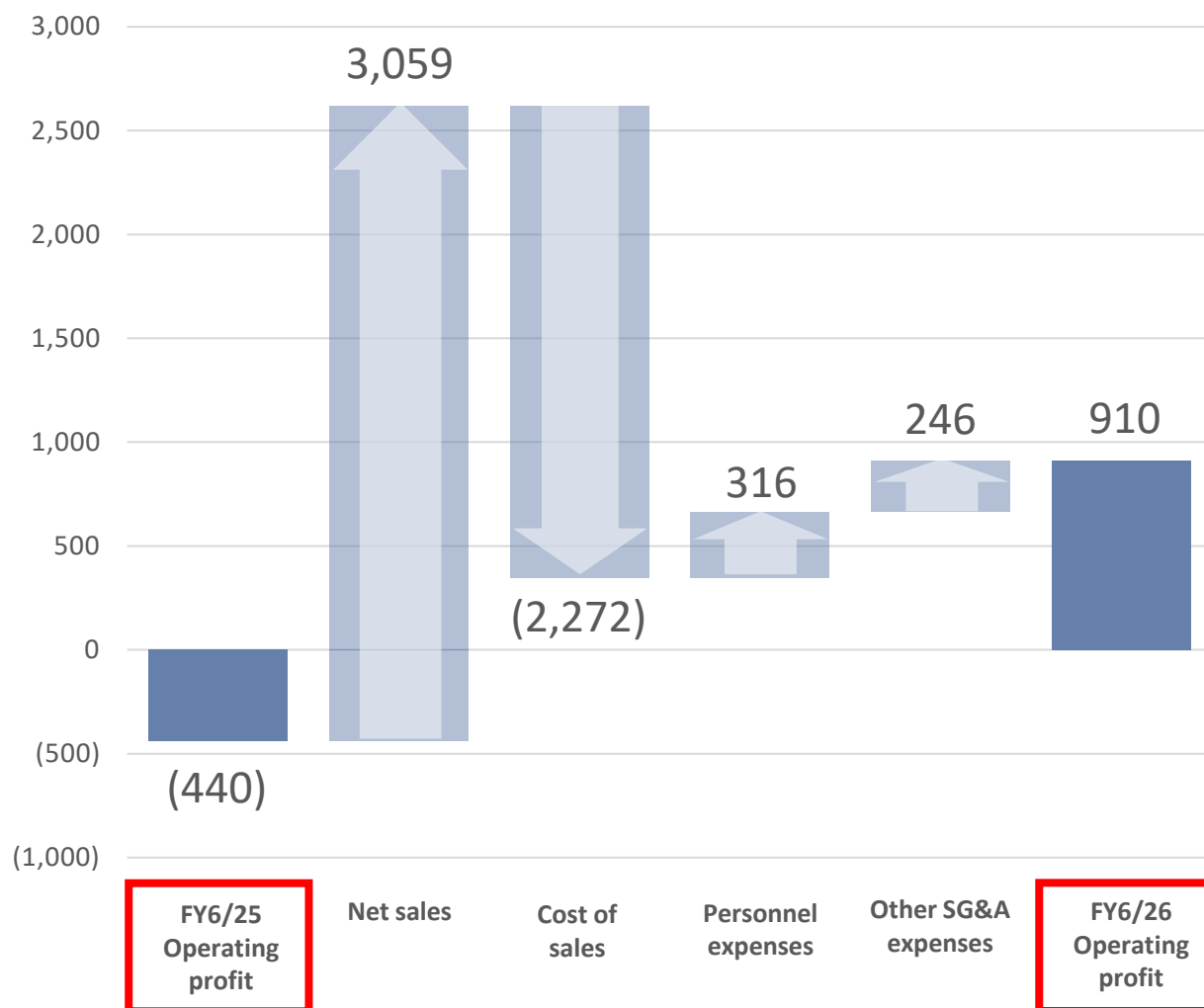
Increase in other SG&A expenses	
Digital government	48
Mobility Services	(23)
Smart Venues	307
Administration	24

# Changes in Operating Profit (FY6/25-FY6/26 Forecast)

02. FY6/25 Financial Results and  
FY6/26 Business Plan

## Consolidated

A substantial increase in operating profit due to significant sales growth offsetting increases in the cost of sales and personnel expenses.



(Millions of yen)

Increase in net sales	
Digital government	(1,743)
Mobility Services	130
Smart Venues	4,671

Decrease in cost of sales	
Digital government	(570)
Mobility Services	126
Smart Venues	2,716

Increase in personnel expenses	
Digital government	(879)
Mobility Services	(5)
Smart Venues	580
Administration	(12)

Increase in other SG&A expenses	
Digital government	(123)
Mobility Services	17
Smart Venues	(54)
Administration	(86)

# Financial Results Overview (Business Segment Performance )

Consolidated

02. FY6/25 Financial Results and  
FY6/26 Business Plan

(Millions of yen)

	FY6/24 Results	FY6/25 Results	YoY	Comp.	FY6/26 Forecast
Net sales	3,814	<b>4,361</b>	114.3%	100.0%	7,421
Cloud services	2,162	<b>2,204</b>	102.0%	50.5%	1,059
MRR (Monthly recurring revenue)	1,519	<b>1,562</b>	102.8%	35.8%	687
Service start-up and construction	642	<b>641</b>	99.9%	14.7%	371
Outsourced development	203	<b>153</b>	75.3%	3.5%	130
Sales of products	488	<b>128</b>	26.3%	2.9%	44
Client-specific development team service	319	<b>359</b>	112.8%	8.2%	634
Smart Venues	641	<b>1,515</b>	236.4%	34.8%	5,552
Operating profit	(308)	<b>(440)</b>	-	-	910
Operating margin	-	-	-	-	12.3%

# Net Sales by Business Format

02. FY6/25 Financial Results and  
FY6/26 Business Plan

## Digital Government

(Millions of yen)

	FY6/24 Results	FY6/25 Results	YoY	Comp.	FY6/26 Forecast
Net sales	1,711	<b>1,743</b>	101.9%	100.0%	-
Cloud services	1,375	<b>1,338</b>	97.3%	76.8%	-
MRR (Monthly recurring revenue)	887	<b>929</b>	104.7%	53.3%	-
Service start-up and construction	487	<b>409</b>	83.9%	23.5%	-
Outsourced development	16	<b>44</b>	268.3%	2.5%	-
Client-specific development team service	319	<b>359</b>	112.8%	2.5%	-
Operating profit	245	<b>169</b>	69.4%	-	-
Operating margin	14.3%	<b>9.8%</b>	68.5%	-	-

# Net Sales by Business Format

02. FY6/25 Financial Results and  
FY6/26 Business Plan

## Mobility Services

(Millions of yen)

	FY6/24 Results	FY6/25 Results	YoY	Comp.	FY6/26 Forecast
Net sales	1,462	<b>1,103</b>	75.4%	100.0%	1,234
Cloud services	786	<b>865</b>	110.0%	78.5%	1,059
MRR (Monthly recurring revenue)	632	<b>633</b>	100.2%	57.4%	687
Service start-up and construction	154	<b>232</b>	150.4%	21.1%	371
Outsourced development	186	<b>108</b>	58.2%	9.9%	130
Sales of products	488	<b>128</b>	26.3%	11.6%	44
Operating profit	193	<b>176</b>	91.3%	-	169
Operating margin	13.3%	<b>16.0%</b>	120.3%	-	13.7%

# Net Sales by Business Format

02. FY6/25 Financial Results and  
FY6/26 Business Plan

## Smart Venues

(Millions of yen)

	FY6/24 Results	FY6/25 Results	YoY	Comp.	FY6/26 Forecast
Net sales	641	1,515	236.4%	100.0%	6,187
Operation of arena/professional basketball team	641	1,515	236.4%	100.0%	5,552
Client-specific development team service/ Outsourced development/smart city models	-	-	-	-	634
Operating profit	(271)	(320)	-	-	1,108
Operating margin	-	-	-	-	17.9%



# FY6/25 Consolidated Balance Sheet

02. FY6/25 Financial Results and  
FY6/26 Business Plan

Property, plant and equipment and interest-bearing debt increased due to investments in the Smart Venues segment.

(Millions of yen)

As of June 30, 2024	
<b>Total assets: 4,037</b>	
Assets	Liabilities
Cash and deposits 1,726	Interest-bearing debt 831
Notes and accounts receivable-trade, and contract assets 474	Various liabilities 1,047
Property, plant and equipment 867	Net assets
Various assets 969	
	Shareholders' equity 1,689
	Non-controlling interests 469



As of June 30, 2025	
<b>Total assets: 24,903</b>	
Assets	Liabilities
Cash and deposits 4,126	Interest-bearing debt 18,667
Notes and accounts receivable-trade, and contract assets 497	
Property, plant and equipment 18,696	
Various assets 1,582	Various liabilities 3,237
	Net assets
	Shareholders' equity 2,543
	Non-controlling interests 455

# 03

## Company Profile

# Company Profile

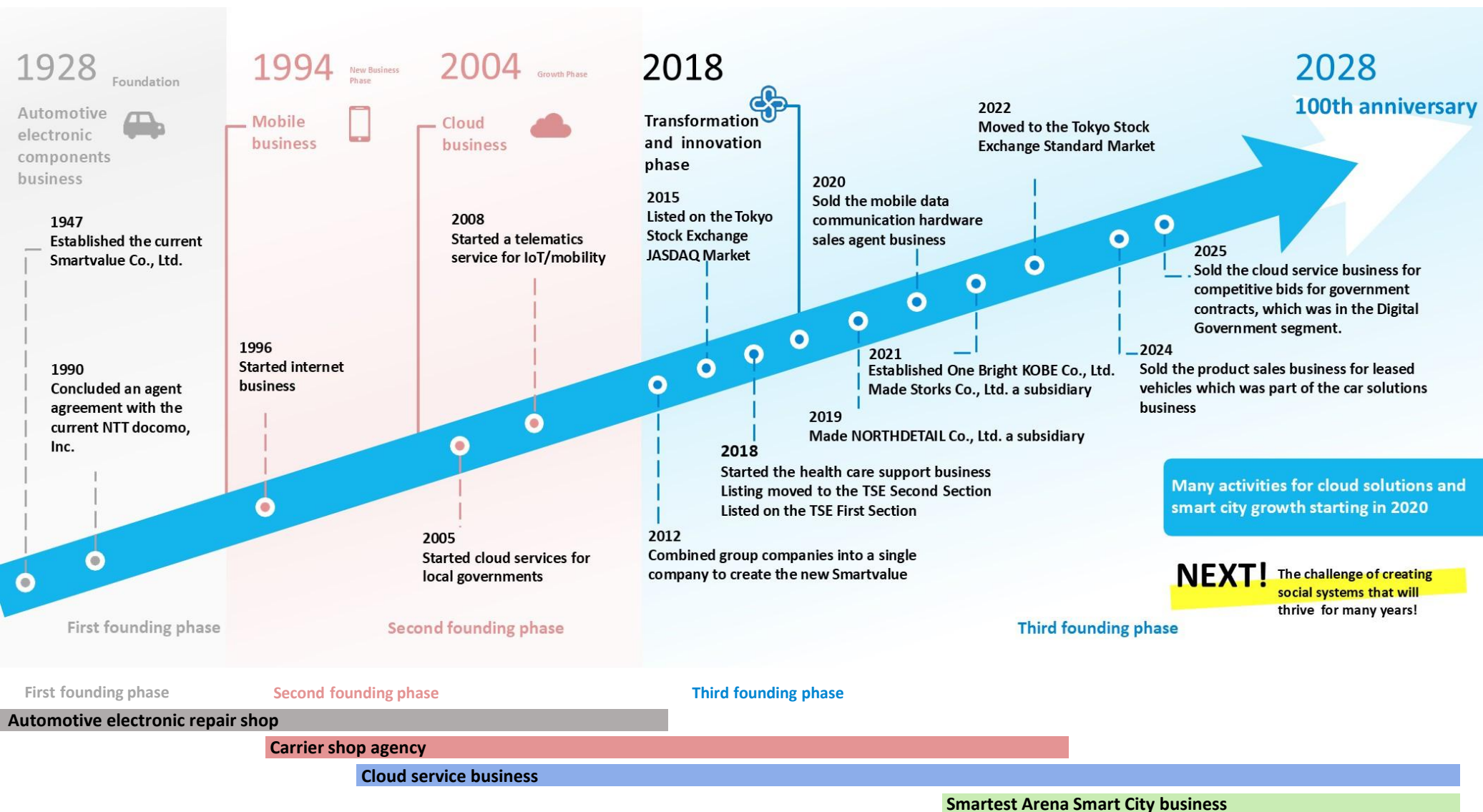
## 03. Company Profile

Now in the 97th year and looking ahead to the 100th anniversary while retaining the spirit of an entrepreneurial company. Beginning in the fiscal year ending in June 2026, our 79th year since incorporation, operations consist of two business segments: Mobility Services and Smart Venues.

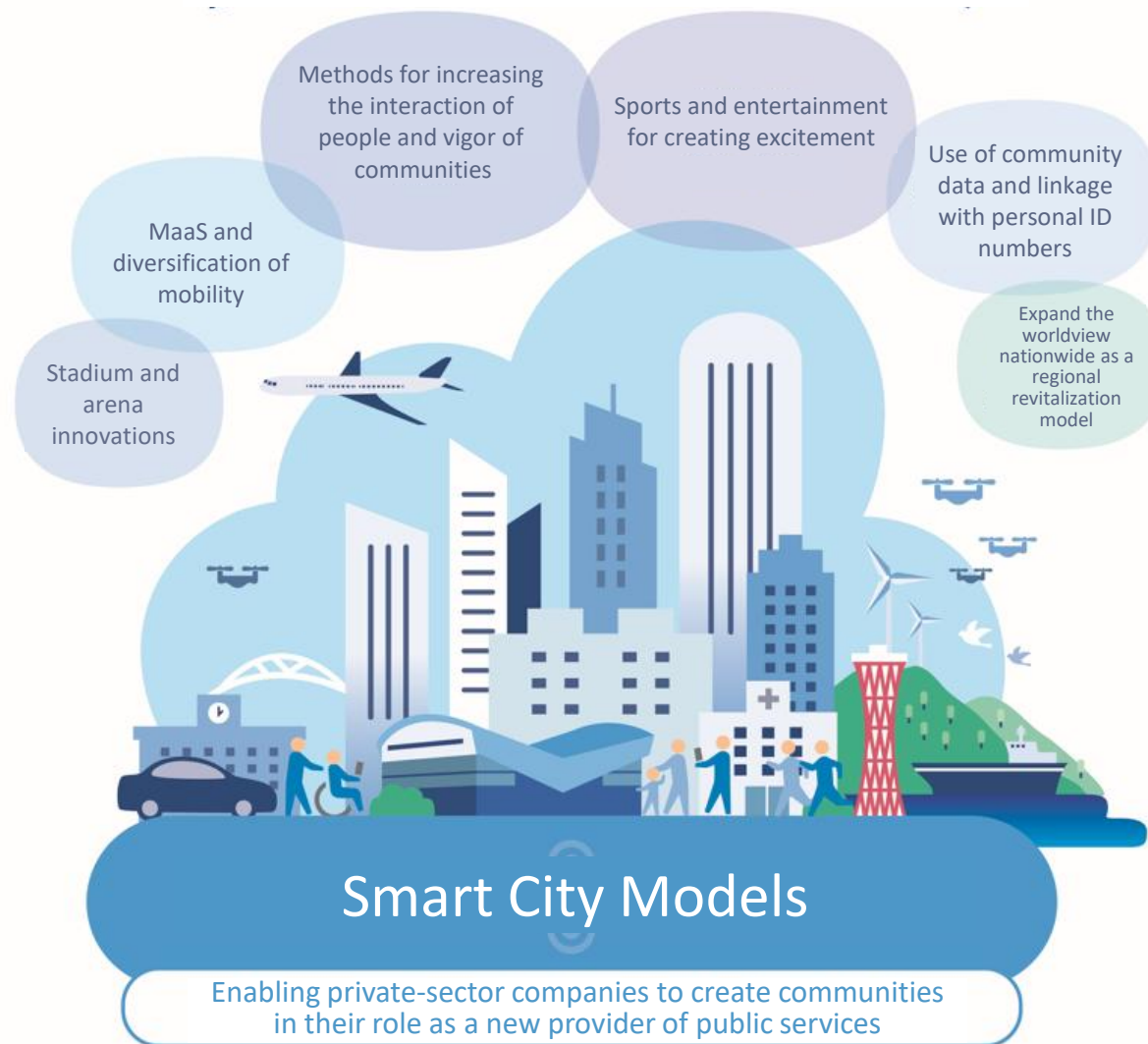
<b>Name</b>	<b>Smartvalue Co., Ltd.</b>
<b>Listing</b>	<b>Tokyo Stock Exchange, Standard Market (Securities code: 9417)</b>
<b>Founded</b>	<b>October 1928</b>
<b>Established</b>	<b>June 1947</b>
<b>Capital</b>	<b>¥1,044,944,000</b>
<b>Representative</b>	<b>Jun Shibuya, President and CEO</b>
<b>Employees</b>	<b>197 (As of June 30, 2025) including group employees</b>
<b>Headquarters</b>	<b>Keihanshin Midosuji Bldg. 7F, 3-6-1, Doshomachi, Chuo-ku, Osaka</b>
<b>Offices</b>	<b>Tokyo office (Chuo-ku, Tokyo)</b>
<b>Consolidated Subsidiaries</b>	<b>NORTHDETAIL Co., Ltd. (Sapporo, Hokkaido) / One Bright KOBE Co., Ltd. (Kobe, Hyogo) / Storks. Co., Ltd. (Kobe, Hyogo)</b>
<b>Business</b>	<b>Mobility Services/ Smart Venues</b>

# History

Growth over 97 years from a small factory to a cloud services provider. A company backing up social systems as new events continue to reshape society.



## Create social systems that can thrive for many years



# 04

## **Business Activities, Topics and KPI by Segment**

# Business Segment Overview

## Segment Information and Business Activities

04. Business Activities, Topics and  
KPI by Segment

The goal is the establishment of a business portfolio that can be an important component of the social infrastructure of the 21st century. One step is generating sales and earnings now with activities including cloud services MRR growth in the Digital Government and Mobility Services businesses and steady revenue from arena leasing business. Measures to accomplish this goal also include next-generation social systems such as smart cities, community marketing, MaaS, arena ICT solutions, and other activities.

### Mobility Services

A new Mobility Services  
framework for the CASE era

Management of  
company cars

Rental vehicles  
(linkage with  
construction  
machinery, tourism  
and manufacturer  
vehicle API)

Vehicles of local  
governments

Logistics and  
commercial vehicles  
(linkage with  
product sales,  
solutions and data)

SaaS/IoT cloud service

### Smart Venues

Unified management of facilities (arenas and other properties) and  
sports/entertainment (Kobe Storks and live entertainment)

#### GLION ARENA KOBE

One Bright KOBE Co. Ltd.

A business partnership agreement for revitalizing  
the city-center waterfront district of Kobe

Smartest ARENA

(creates a business model for the use of data  
involving Smartvalue)

#### Kobe Storks

Storks Co., Ltd.

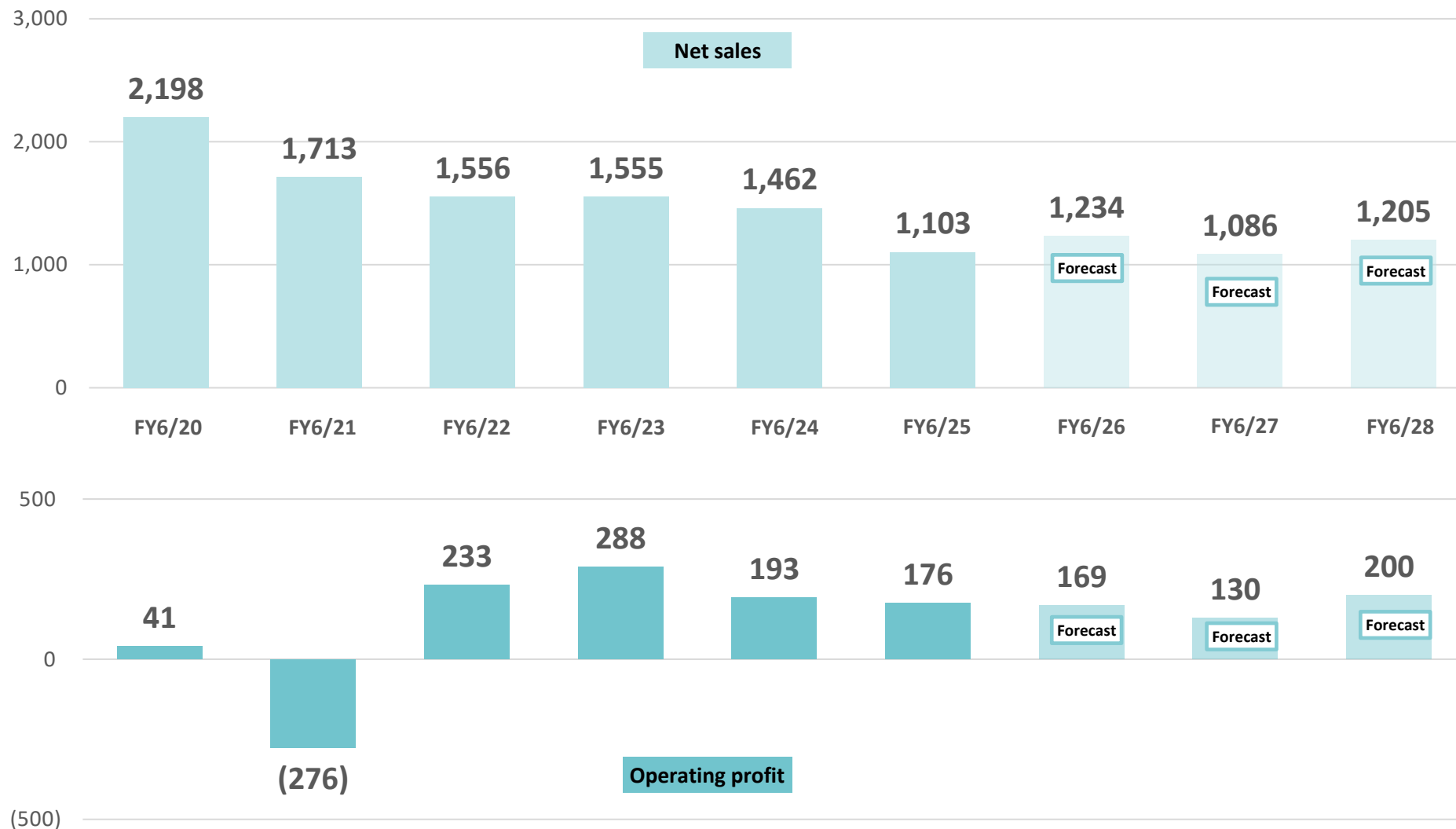
Management of professional  
basketball clubs in the B.LEAGUE

Solving social problems with IT, development and operation of smart city models,  
client-specific development teams, outsourced development projects

NORTHDDETAIL Co., Ltd.

# Mobility Services: KGI

## 04. Business Activities, Topics and KPI by Segment

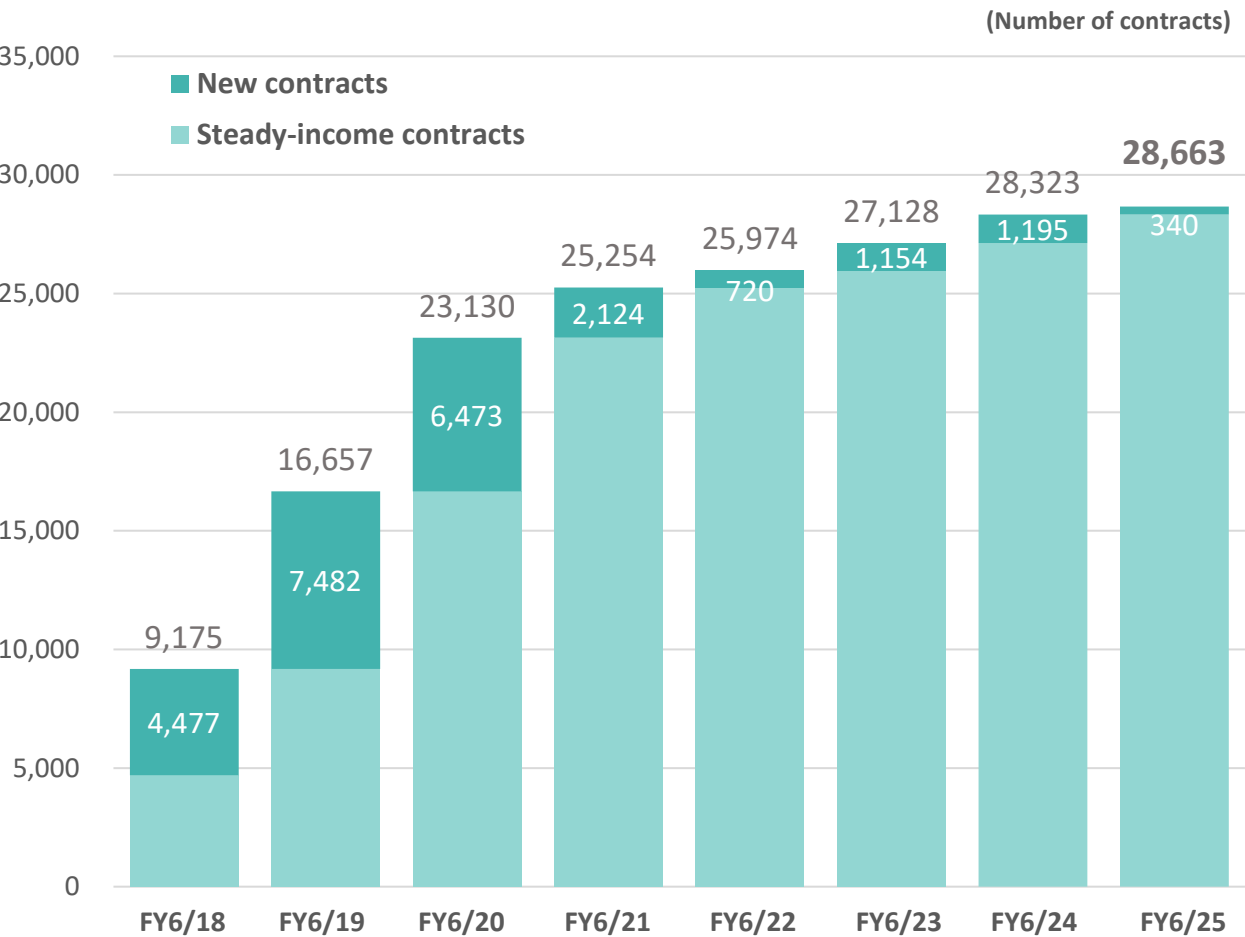


The sale of car solutions and other businesses to realign the business portfolio affected results of operations. The goal is a stable profit structure with ARR accounting for almost 60% of sales.



# Mobility Services: KPI

## Mobility IoT: Number of CiEMS Hardware Contracts

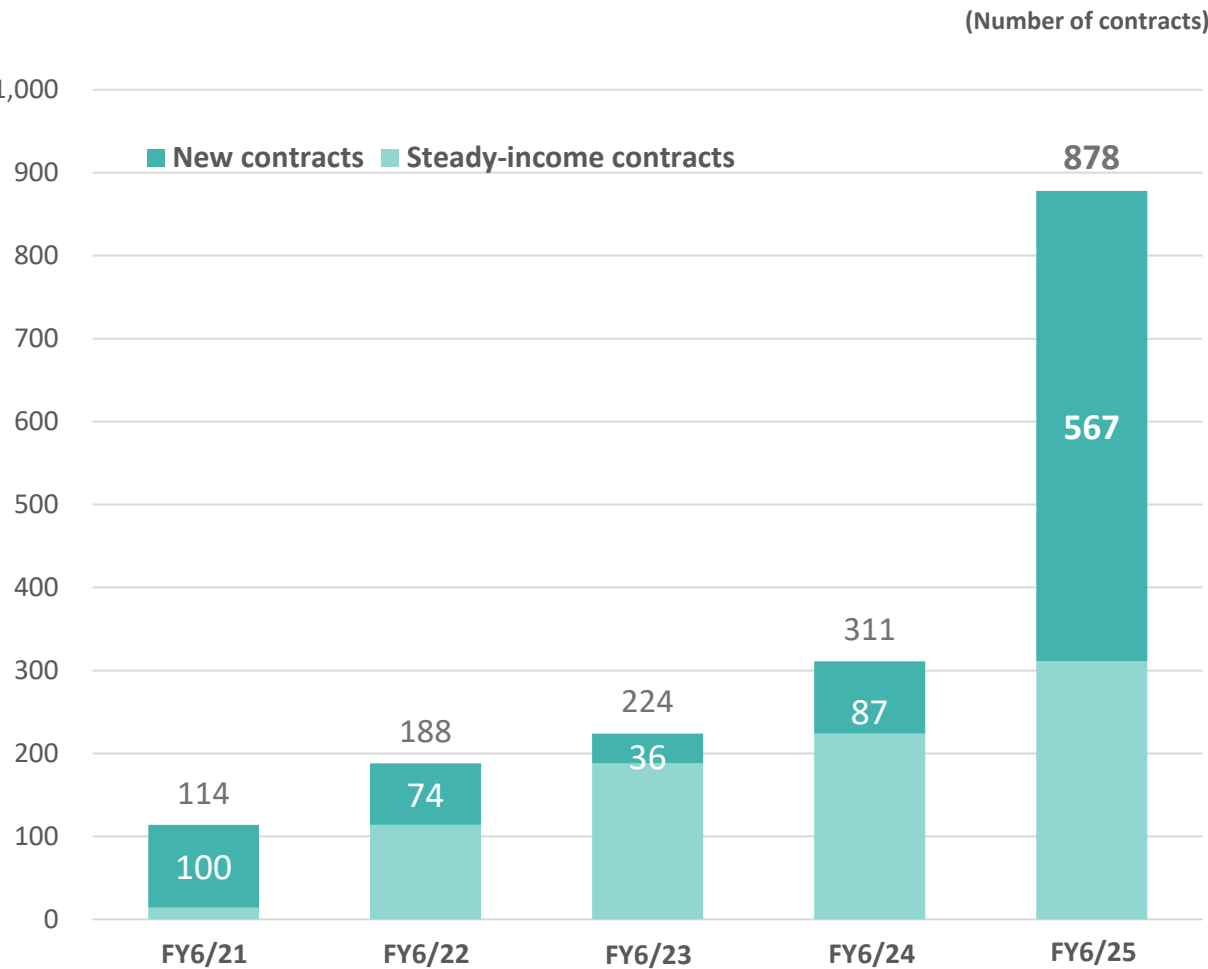


The number of contracts is **up 1.2%** from FY6/24

CiEMS contract cancelations increased and the growth rate was down from the previous fiscal year. Building strong ties with current contracted companies will be essential for establishing a foundation for stability.

Strong sales of services involving the alcohol test recording app and alcohol test device linkage service that were launched in September 2024. These products will be used as much as possible as tools for contacting current customers.

Mobility IoT: Number of Kuruma Base Contracts



The number of contracts is **up 182.3%** from FY6/24

Steady growth, mainly with Sky Mobility Service, of the use of car sharing equipment by rental car operators that serve mainly tourists.

The increase in contracts is currently slow in relation to the initial target because of delays in the construction of fully automated rental car bases. A big increase in the volume of business with AKTIO, Japan’s largest construction machinery rental company and a Smartvalue alliance partner since 2024.

Rent Corporation contacted us about working together and a service has started. We plan to use our automation and labor-saving services for more companies that rent construction machinery.

# Mobility Services: Business Climate and Initiatives

04. Business Activities, Topics and  
KPI by Segment

## Upgrading IoT services while focusing on three key market sectors

Companies  
Local governments

CiEMS business



**Widespread use of the fleet management app in conjunction with telematics**

**Target:** Corporations that own company cars without commercial registrations

**Market size:** About 13.2 million vehicles, more than 95% not yet using telematics

Cost, accidents, legal compliance, and tasks required for maintenance and administration are major issues at organizations that need to manage vehicles. The use of data obtained through telematics and apps is effective for all of these issues.

Rental cars  
Car sharing

Kuruma Base  
business



**Construction machinery rental company IT system linkage/service expansion**

**Target:** Businesses that own vehicles and parking facilities

**Market size:** About 920,000 rental cars/about 52,000 vehicles for sharing

The horizontal expansion of automated services initially for the rental construction equipment industry and support for car sharing operations in the rental car industry.

Logistics  
Cargo transport

Business Solution  
business



**Investments for building a cloud service for cargo transport companies**

**Target:** Cargo transport companies/Companies with truck fleets

**Market size:** About 14.4 million vehicles

Operators of trucks in Japan need to deal with many issues, including the new 2024 restrictions on working time, the aging of maintenance technicians, the labor shortage, the high cost of fuel, and the need to reduce CO2 emissions to protect the environment. Smartvalue is making investments for the remote diagnosis of vehicle problems and the creation of a service for the visualization of fuel consumption.

Source: Smartvalue survey (forecasts for Smartvalue service core targets and market categories not yet served)

Statements about the future incorporate risk factors and uncertainties and are not guarantees about future results of operations.

Smartvalue has not verified the accuracy or suitability of all information other than items about Smartvalue and does not guarantee accuracy or suitability.

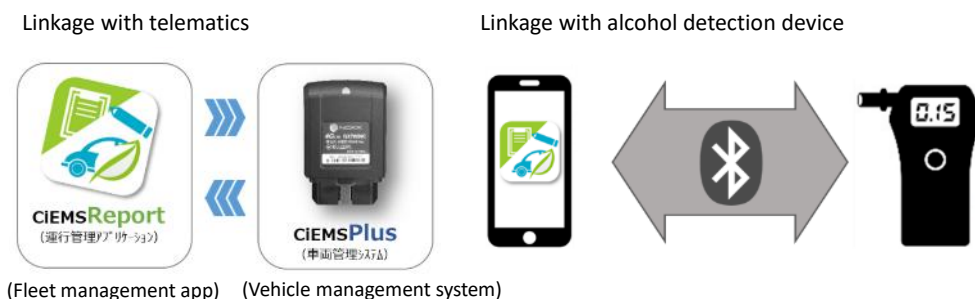
# Mobility Services: Topics

## 04. Business Activities, Topics and KPI by Segment

### [CiEMS] Cumulative users surpass 1,000 companies

**More than 1,000 companies with more than 100,000 IDs are now using Smartvalue's fleet management app linked to an alcohol detection device.**

The CiEMS Report fleet management app of Smartvalue (Head office: Osaka; President and CEO: Jun Shibuya) added a Bluetooth link for its alcohol detection device in October 2024. The cumulative number of users of this service has surpassed 1,000 companies with more than 100,000 IDs. (as of July 31, 2025)



- Measures are needed to reduce cancellations of CiEMS, a major source of sales and earnings at Smartvalue.
- Many sales activities for urging customers to use both telematics and Smartvalue's fleet management app, a combination that lowers the cancellation rate.

### [Kuruma Base] Full automation of Rent's construction machinery rentals

**Smartvalue provides Kuruma Base to Rent to eliminate the need for people to process rental applications**

Smartvalue (Head office: Osaka; President and CEO: Jun Shibuya) will start providing its Kuruma Base mobility sharing platform, which includes a key management function, to RENT CORPORATION (Head office: Shizuoka; President and CEO: Akira Okada). This platform will allow the complete automation of the construction machinery process.

Rent plans to use Kuruma Base to start a new service called "Smart Rent" that allows customers to rent construction machinery using a fully automated process.



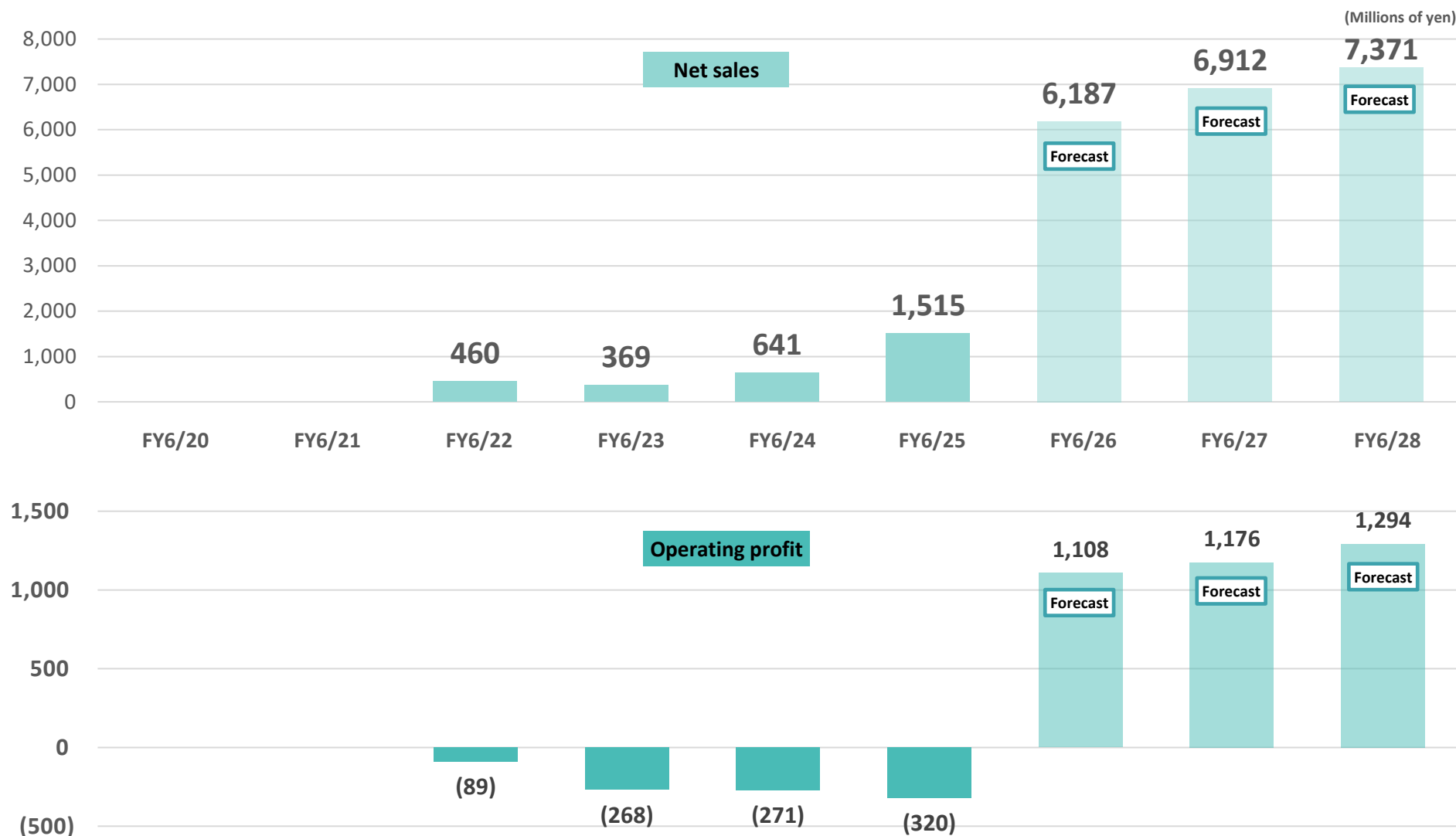
- After automating construction machinery rentals at AKTIO Corporation, Smartvalue is now providing Kuruma Base to Rent to eliminate the need for people to process rental applications.
- Smartvalue will continue to offer innovative ideas to construction machinery rental companies to reduce the need for people and automate many tasks.



# Smart Venues: Outline of Kobe Arena Project

## 04. Business Activities, Topics and KPI by Segment





# Smart Venues: Outline of Kobe Arena Project

## Strategy and goals

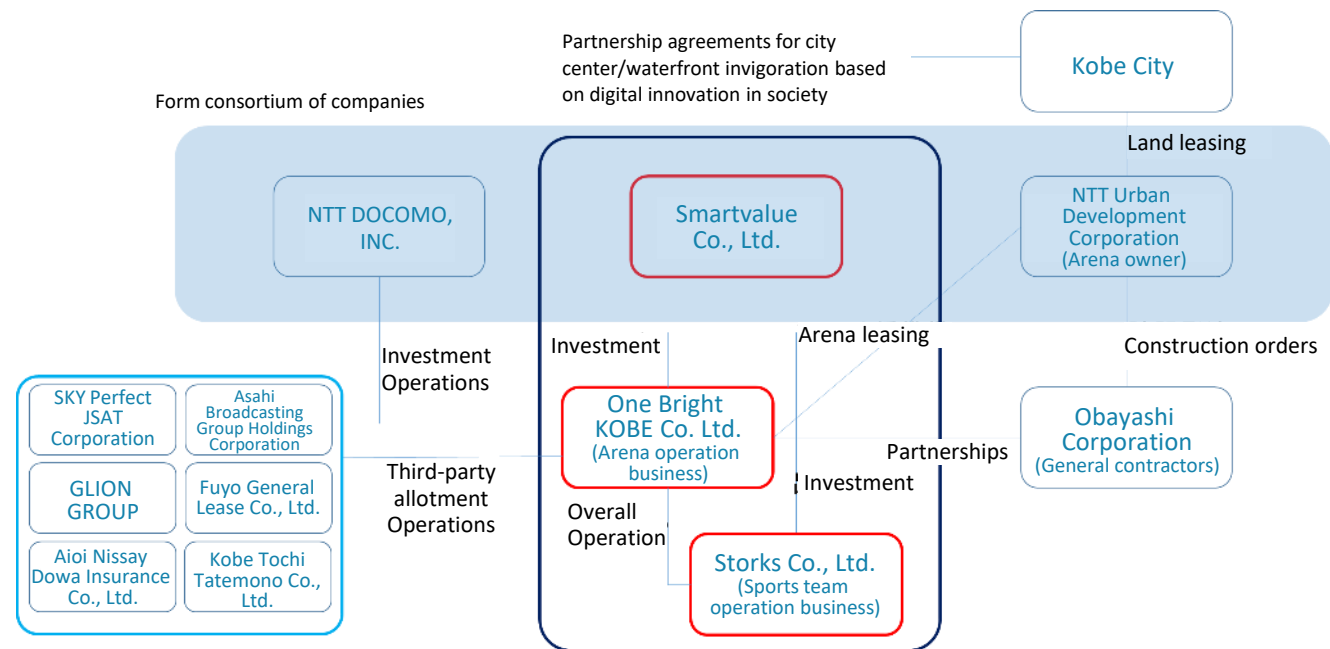
Stadium and arena innovation is part of the Japanese government's strategy for growth. The GLION ARENA KOBE will contribute to these innovations and make Smart Venue\* an integral part of society. The April 2025 opening of this arena that is built and operated by the private sector will generate revenue and produce data that can be used for creating smart city models.

## Profile of GLION ARENA KOBE



Name	GLION ARENA KOBE
Capacity	Approx. 10,000 people
Completion	February 2025
Opening	April 2025
Site area	Approx. 23,700m <sup>2</sup>
Floor area	Approx. 32,300m <sup>2</sup>

## Scheme



\*Smart Venue is a community creation strategy, including sources of entertainment and activities, the use of data and other elements, that is centered on a stadium, arena or other venue.



## Smart Venues: GLION ARENA KOBE and Its Location

04. Business Activities, Topics and  
KPI by Segment

This private-sector arena that brings people together and adds vitality to the surrounding area has the goal of annual attendance of 3 million, which will be a major source of economic activity.

Creation of a model for a smart city

Aiming for profits and helping solve social issues involving Japan's falling population

Operation of the arena as well as content and digital community activities

A rare waterfront site with a hinterland of over 3 million people, located within walking distance of a major railway station

One of the few 10,000 spectator arenas in the Kansai area

Profits from operating the arena with the Kobe Storks basketball team

Japan's first ZEB Ready certification (Arena uses 100% energy from renewable sources)

The world's first arena constructed on a jetty surrounded by 270 degrees of the sea





# Smart Venues: The New Large Multi-purpose Arena

## 04. Business Activities, Topics and KPI by Segment





# Smart Venues: The New Large Multi-purpose Arena

## 04. Business Activities, Topics and KPI by Segment





# Smart Venues: Planned Events

## 04. Business Activities, Topics and KPI by Segment

The new arena will be a source of enjoyment and excitement for people as a place that hosts a variety of events. The arena is expected to be used on 160 to 200 days of the year. The goal is a utilization rate of more than 80%, including set-up and other preparation days for events.

- ✓ The multi-purpose arena will be used for sporting events, concerts and many other events
- ✓ The goal for this multi-purpose arena, which has a capacity of 10,000 people, is to operate more than 160 days every year and have an annual attendance of more than one million.



**Kobe Storks games**  
30+ days every year

Capacity: About 8,000 people  
The only private-sector arena in the Kansai area that is home to a pro sports team



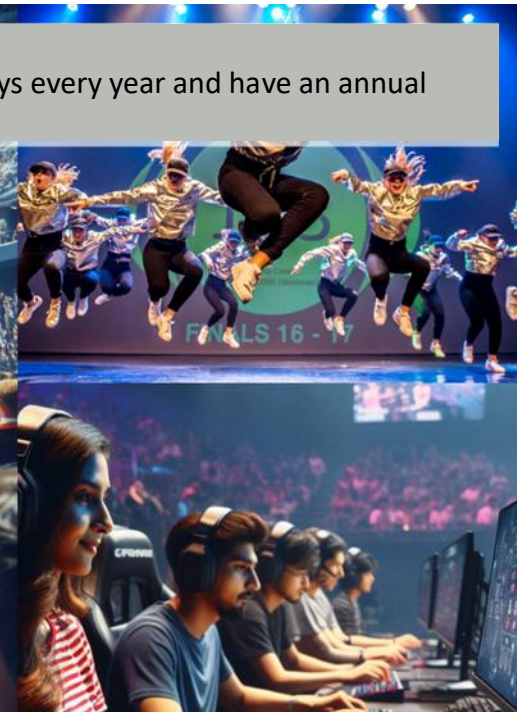
**Concerts**  
80+ days every year

Capacity: About 10,000 people  
Planning on performances by artists and groups from Japan and many other countries



**MICE/Corporate events**  
10+ days every year

International conferences, academic events, corporate events, making Kobe a new destination for the global MICE market



**Other events**  
20+ days every year

Planning on using tie-ups with content holders and media companies for events by GLION ARENA KOBE or with partners

# Smart Venues: Partnership Agreement with the City of Kobe

04. Business Activities, Topics and  
KPI by Segment

On August 5, 2022, Smartvalue and the City of Kobe signed a business partnership agreement for activities to “create the future of the city center and waterfront area.” One objective is to be a source of digital innovation.



More city center-waterfront  
circulation of people centered on  
GLION ARENA KOBE

A source of digital innovation, such  
as the creation of a digital twin city

Activities for increasing engagement  
with residents and visitors and  
attracting even more people

Using mainly the arena app, tie-ups  
with public transportation and  
nearby businesses will be used for  
distributing points and incentives.  
Links with area information and  
other measures will make this area  
an even more appealing destination  
and a place where visitors can  
receive outstanding services.

GLION ARENA KOBE will be a place  
where people can enjoy many types  
of entertainment by combining  
physical and digital amenities.  
Entertainment will incorporate  
functional and efficient  
characteristics and offer value  
through experiences.

For marketing activities, CRM will  
be used to increase the size of the  
population that will visit this area  
and strengthen engagement with  
all visitors. The project is also  
designed to be environmentally  
responsible.

# Smart Venues: Smart City “Commons Tech KOBE”

04. Business Activities, Topics and  
KPI by Segment

Commons Tech KOBE, a model for a smart city, is initially attracting IT service companies, transportation companies and public-sector organizations.

During the next phase, activities will target the addition of companies that generate consumer spending, such as Kobe shops, department stores, tourism facilities and other businesses.

By marketing Commons Tech KOBE using a new concept for a public space, the aim is to increase engagement with employees, visitors and others who use and enjoy this location.

## Commons Tech KOBE

**KOBE**   
CITY of DESIGN

 **SMART VALUE**  
Hospitality First

  
One Bright KOBE

  
KOBE STORKS

  
GLION ARENA  
KOBE



  
TOTTEI  
KOBE

**WingArc**   
The Data Empowerment Company

  
JR西日本

**Bestie** 

 **TIS**

  
MS&AD  
あいおいニッセイ同和損保

 SynergyMarketing

Connect with  
Potentials  
  
neos

 North Detail



**TOTTEI KOBE App** collects data on events, purchases, locations and preferences

## Event information

Info on all events listed on TOTTEI

### RECOMMEND



2024.05.12 CONCERT  
ダミーテキスト。イベント情報の



2025.12.27 ~ 12.28 SPORTS  
ダミーテキスト。イベント情報の

North Detail

## Tickets

App goes from ticket purchases to arena entry



Tixplus



## TOTTEI PAY

Payments are easy and efficient



200pt GET!

残高: 5,000円

TIS  
TIS INTEC Group

キタコ

## Bonus stamps

TOTTEI is used to receive discount and other coupons in the Sannomiya/Kobe area.



三ノ宮駅

TOTTEI

メリケンパーク

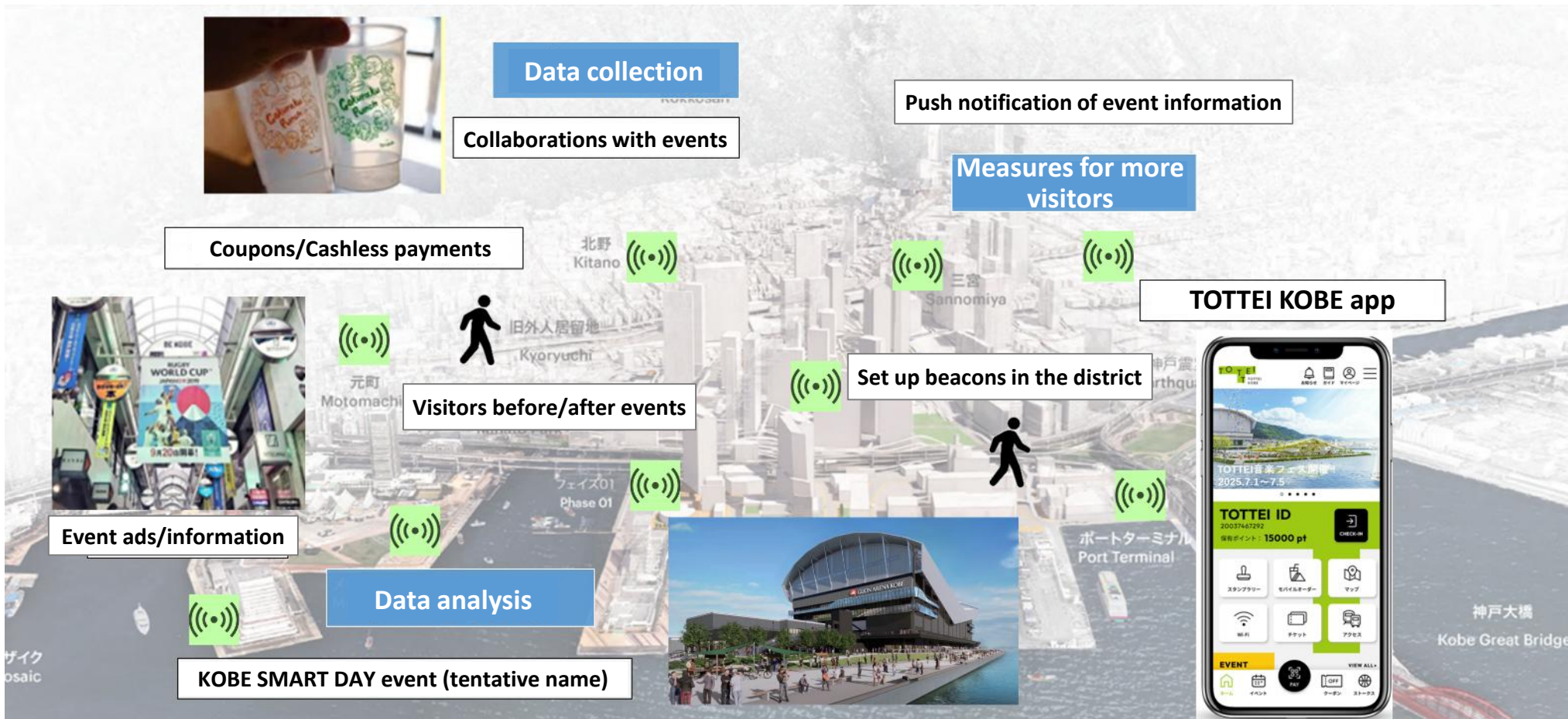
Connect with  
ne os

# Smart Venues: Smart City “Commons Tech KOBE”

## 04. Business Activities, Topics and KPI by Segment

The Commons Tech KOBE platform, a source of vitality for the area, uses the TOTTEI KOBE app to provide information about local events, sell tickets, and facilitate loyalty points, e-payments and other functions.

The app will collect information about people who visit the area, mainly to attend events, and about what they purchase based on payment processing data. These activities will make marketing activities covering the entire area possible. Beacons will be installed throughout the city to obtain location data.



# Smart Venues: Smart City “Commons Tech KOBE”

04. Business Activities, Topics and KPI by Segment

One example of an alliance with a participating company is the request to JR West (JRW) to set up beacons and collect data.

**Use of beacons** to collect data and increase the number of people visiting various locations and businesses in Commons Tech KOBE



**Partnership with JR West for setting up beacons to complement TOTTEI app capabilities and to collect and disseminate information**

## The beacon infrastructure



Combines beacons and smartphone Bluetooth links for **directly sending promotional information** to carefully selected individuals.

Direct promotions to selected targets can be implemented to achieve **highly publicized measures**.

## Strengths of the JRwest-derived system

1. Beacons are placed at the automatic ticket gates of JR West stations, which can provide a high-touch environment due to the nature of **high-traffic locations**.
  - \* Installed on the Osaka Loop Line and the main line between Kyoto and Kobe
  - \* Other rail operators are being approached for installation.
2. By **analyzing data** on the number of contacts for each beacon, it is possible to demonstrate and improve promotional measures on an ongoing basis.

## Envisioned overall picture

Based on data obtained from the app about the interests of individuals, information that matches these interests is sent with the proper timing (when an individual is near a particular restaurant, for example) to increase effectiveness and encourage people to stay in the area and visit more shops and other businesses.





# Smart Venues: Smart City “Commons Tech KOBE”

04. Business Activities, Topics and KPI by Segment

One example of joint activities with participating companies is a customer relationship management (CRM) alliance with Synergy Marketing, Inc. Fan marketing is used to create an area that has even more engagement with visitors.

Better understanding of customers **by using CRM/questionnaire info**



Select monitors from a diverse base of fans

Use the TOTTEI system for many types of questionnaires

Use questionnaire data to create/share output

Diverse customers

- Fans of Kobe Storks (basketball team)
- People traveling to Kobe for concerts
- Other activities in Kobe



Ask for applicants

Questionnaire monitors (members)

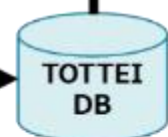
Questionnaire info

Information in questionnaires

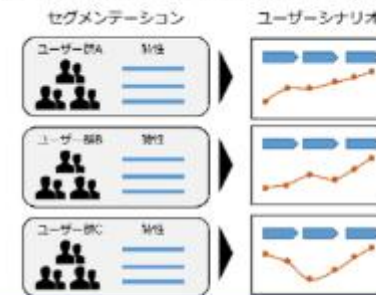
- Customer satisfaction (Net Promoter Score)
- Events people want to see
- Lifestyle information
- Requests concerning Kobe
- Other items



TOTTEI  
TOTTEI KOBE



Determination of core consumer segments for Kobe



Useful information for City of Kobe policies/programs



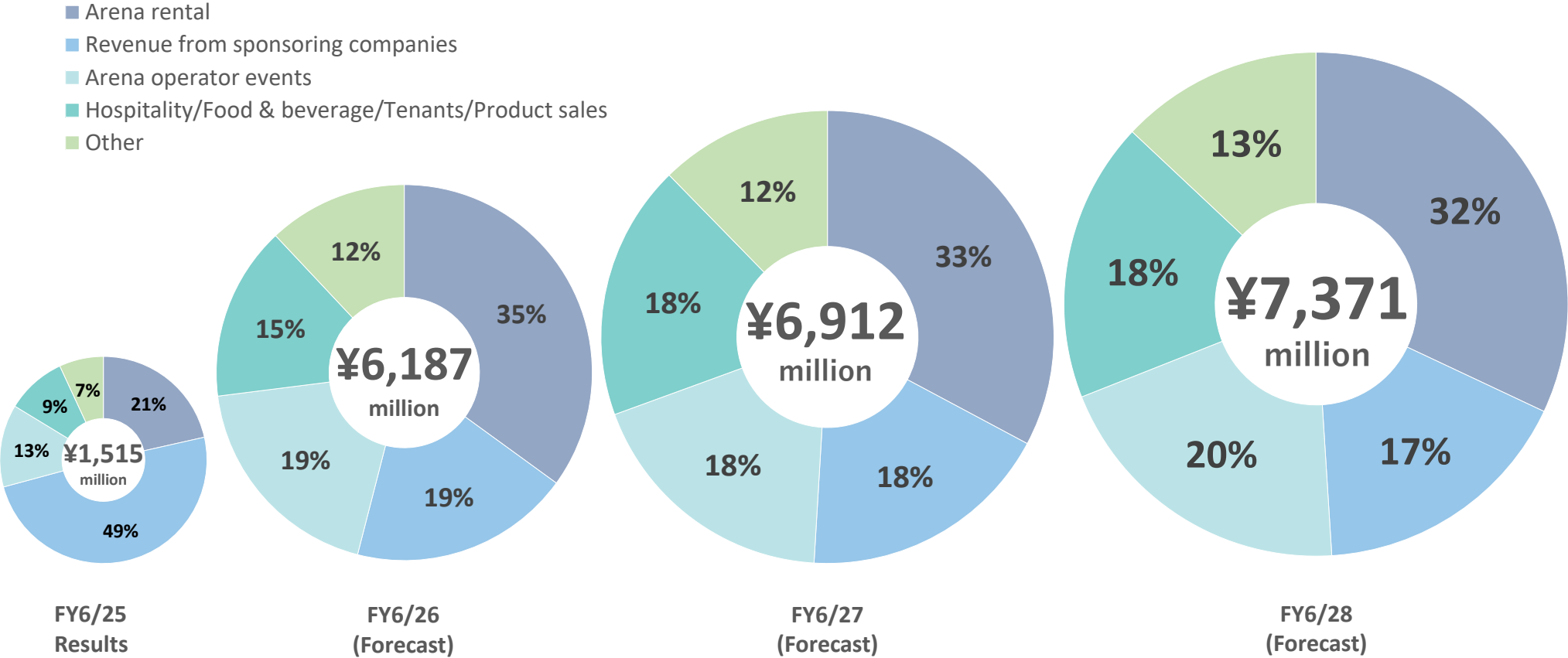
<https://www.city.kobe.lg.jp/a93584/smartcity/toppage.html>

TOTTEI ID holders (Members)

\*Target is 500,000 in the first year

# Smart Venues: Three-year Budget following the April 2025 Opening

A privately built and operated arena opened in April 2025, simultaneously launching the use of a smart city model in the area. Three-year forecasts were estimated based on reservations for renting the arena, sales received from sponsoring companies, hospitality contracts and other aspects of operations. Our goal is to balance economic and social value.



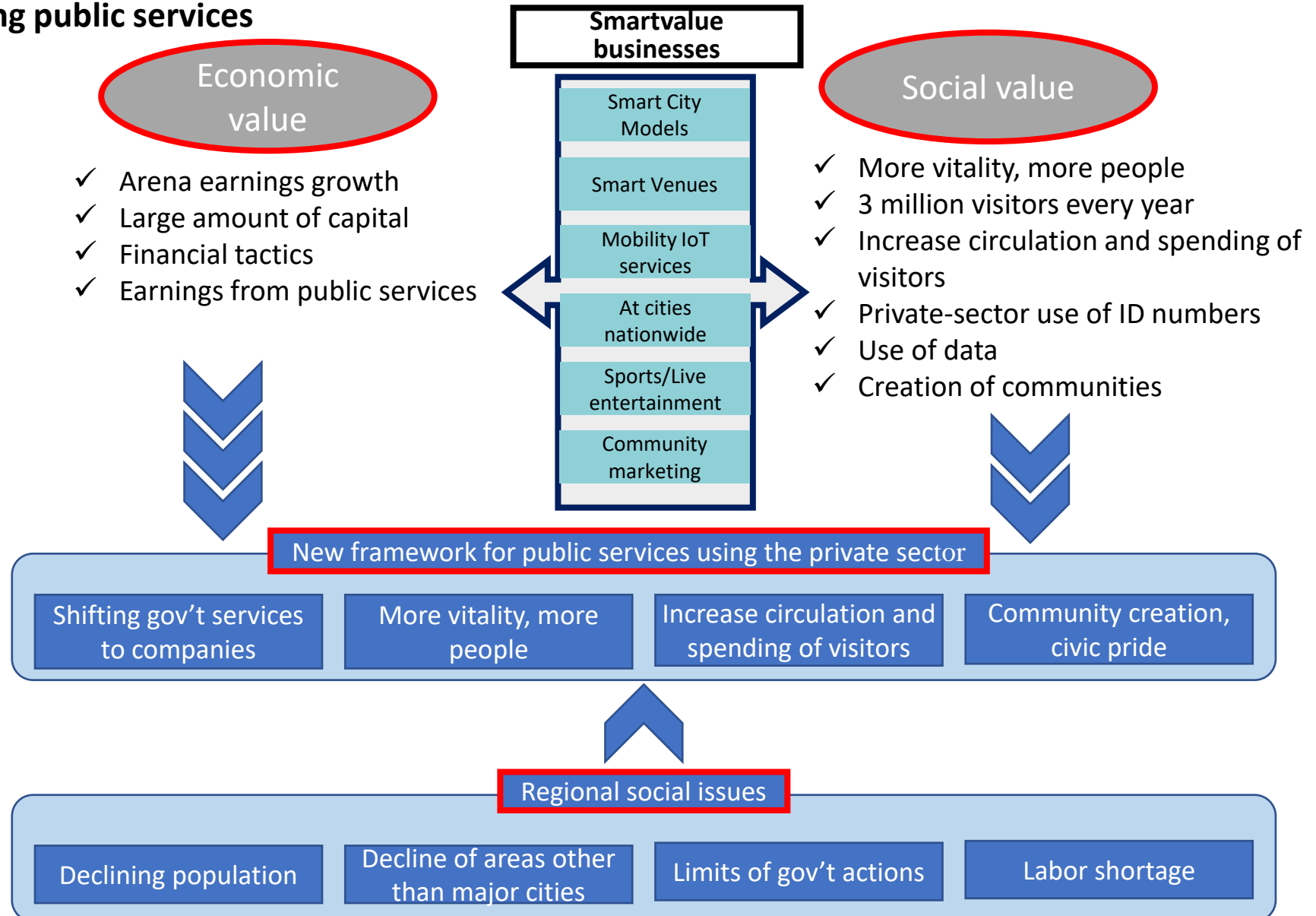
05

# Medium-term Business Plan

(Announced in August 2025)

# Medium/Long-term Goal: Regional revitalization model using the Smartvalue concept for a new framework including companies for providing public services

05. Medium-term Business Plan



# FY6/26-FY6/28 Statement of Income

05. Medium-term Business Plan

Planning on slowly rebuilding and revitalizing Mobility Services, mainly by making Kuruma Base profitable.

Backed by substantial increases in Smart Venues sales and earnings, as well as the absorption of the impact of the new accounting standard for leases, Smartvalue now has a path to profitability for both ordinary and net profits.

(Millions of yen)

		FY6/25 Results	FY6/26 Forecast	FY6/27 Forecast	FY6/28 Forecast
Digital Government	Net sales	1,743	-	-	-
	Operating profit	169	-	-	-
Mobility Services	Net sales	1,103	1,234	1,086	1,205
	Operating profit	176	169	130	200
Smart Venues	Net sales	1,515	6,187	6,912	7,371
	Operating profit	(320)	1,108	1,176	1,294
Administration	Operating profit	(466)	(367)	(348)	(351)
Consolidated	Net sales	4,361	7,421	7,999	8,576
	Operating profit	(440)	910	958	1,144
	Ordinary profit	(733)	20	89	302
	Profit attributable to owners of parent	916	(68)	(69)	76

# FY6/26-FY6/28 Financial Indicators

05. Medium-term Business Plan

The Digital Government sale increased cash and initial expenditures in the Smart Venues business are finished. The new lease accounting standard will increase capital expenditures. EBITDA is increasing steadily as the profitability of Smartvalue's businesses recovers.

(Millions of yen)

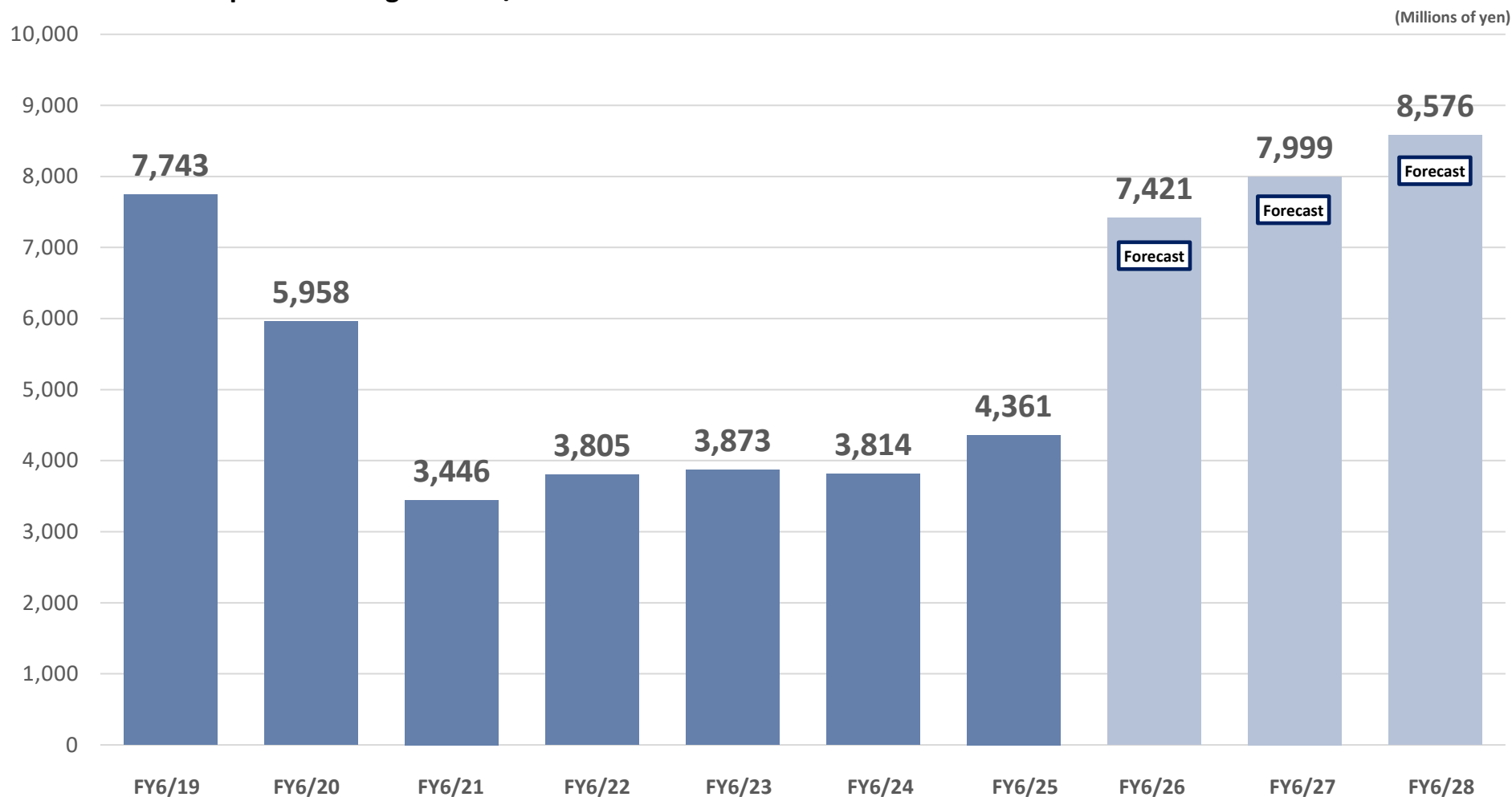
		FY6/25 Results	FY6/26 Forecast	FY6/27 Forecast	FY6/28 Forecast
EBITDA	(Millions of yen)	1,993	2,078	2,154	2,317
Year-end cash	(Millions of yen)	4,126	3,603	3,255	3,157
Capital expenditures	(Millions of yen)	18,454	250	117	97
Shareholders' equity	(Millions of yen)	2,543	2,403	2,254	2,276
Total assets	(Millions of yen)	24,903	23,546	23,304	23,255
Total assets	(%)	10.2	10.2	9.7	9.8

\*EBITDA = Profit before income taxes + Interest (Interest expenses - Interest received) + Depreciation

# Sales Trends and Forecasts

## Consolidated

The 2020 termination of the carrier shop agency business and 2025 sale of the Digital Government business have changed the composition of Smartvalue's business portfolio. Strong growth in sales is expected to begin in FY6/26.

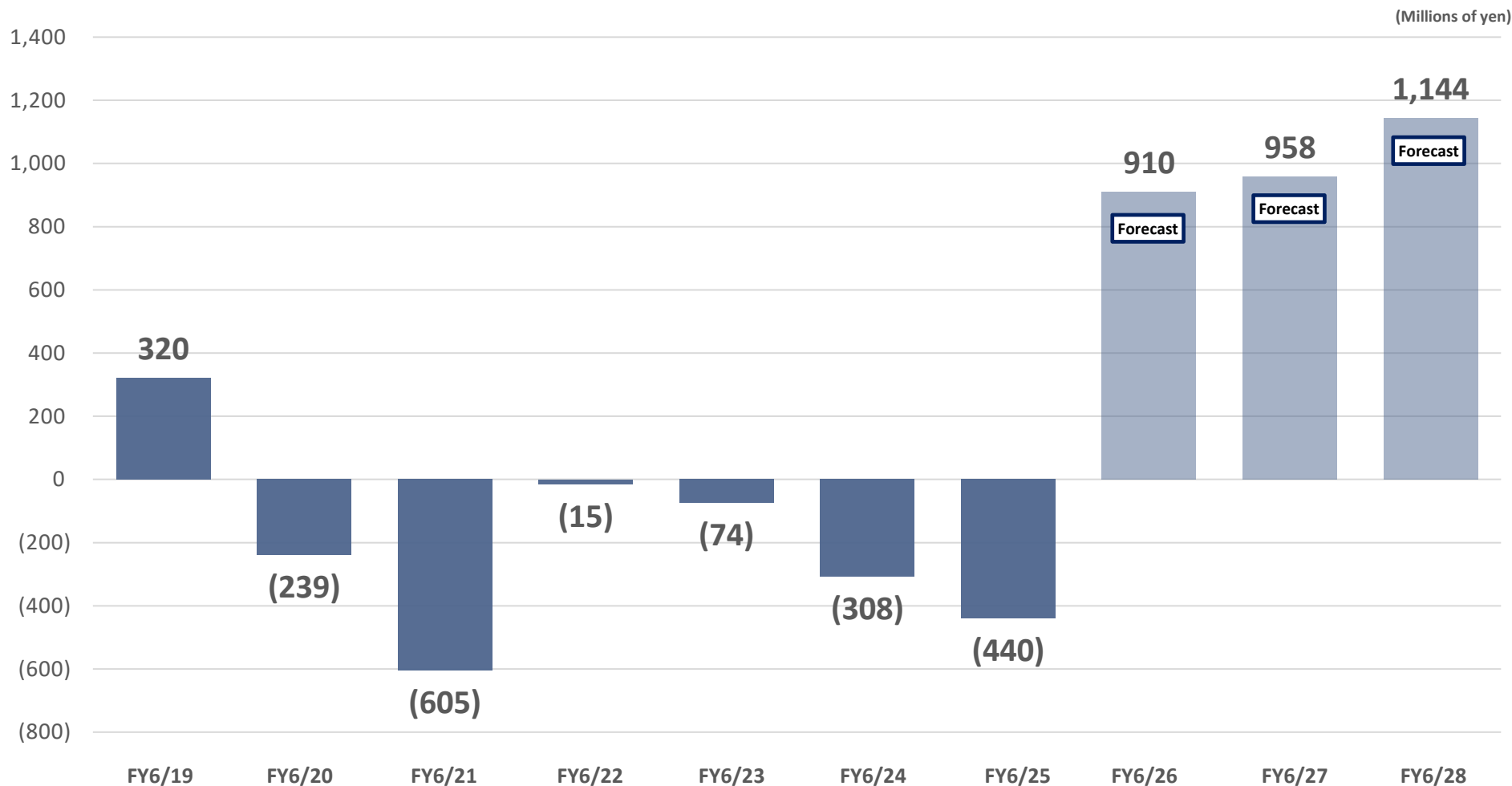


# Operating Profit Trends and Forecasts

05. Medium-term Business Plan

## Consolidated

The 2020 termination of the carrier shop agency business and 2025 sale of the Digital Government business have changed the composition of Smartvalue's business portfolio. Strong growth in operating profit is expected to begin in FY6/26.



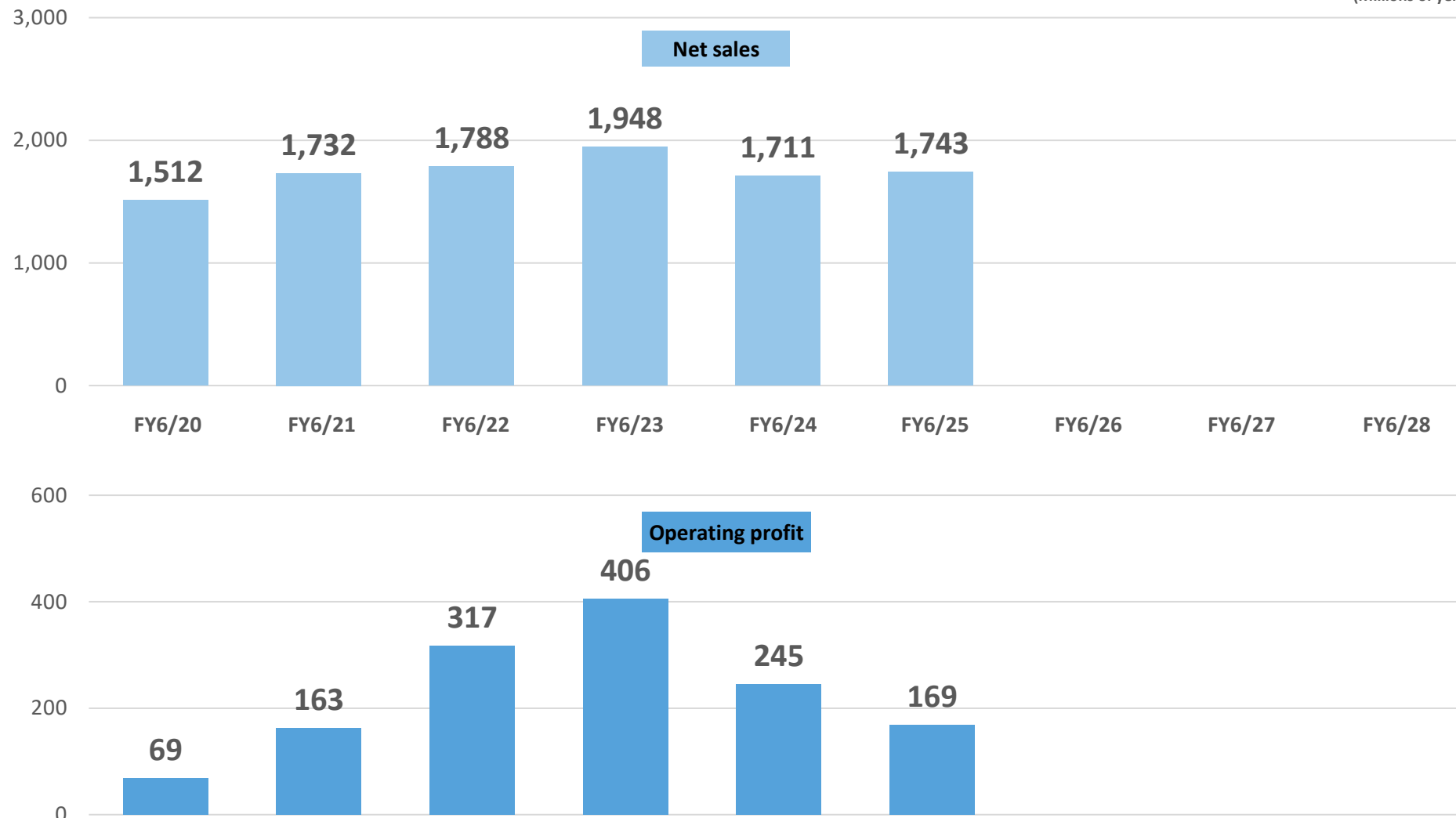


# Sales/Operating Profit Trends and Forecasts

05. Medium-term Business Plan

## Digital Government

(Millions of yen)

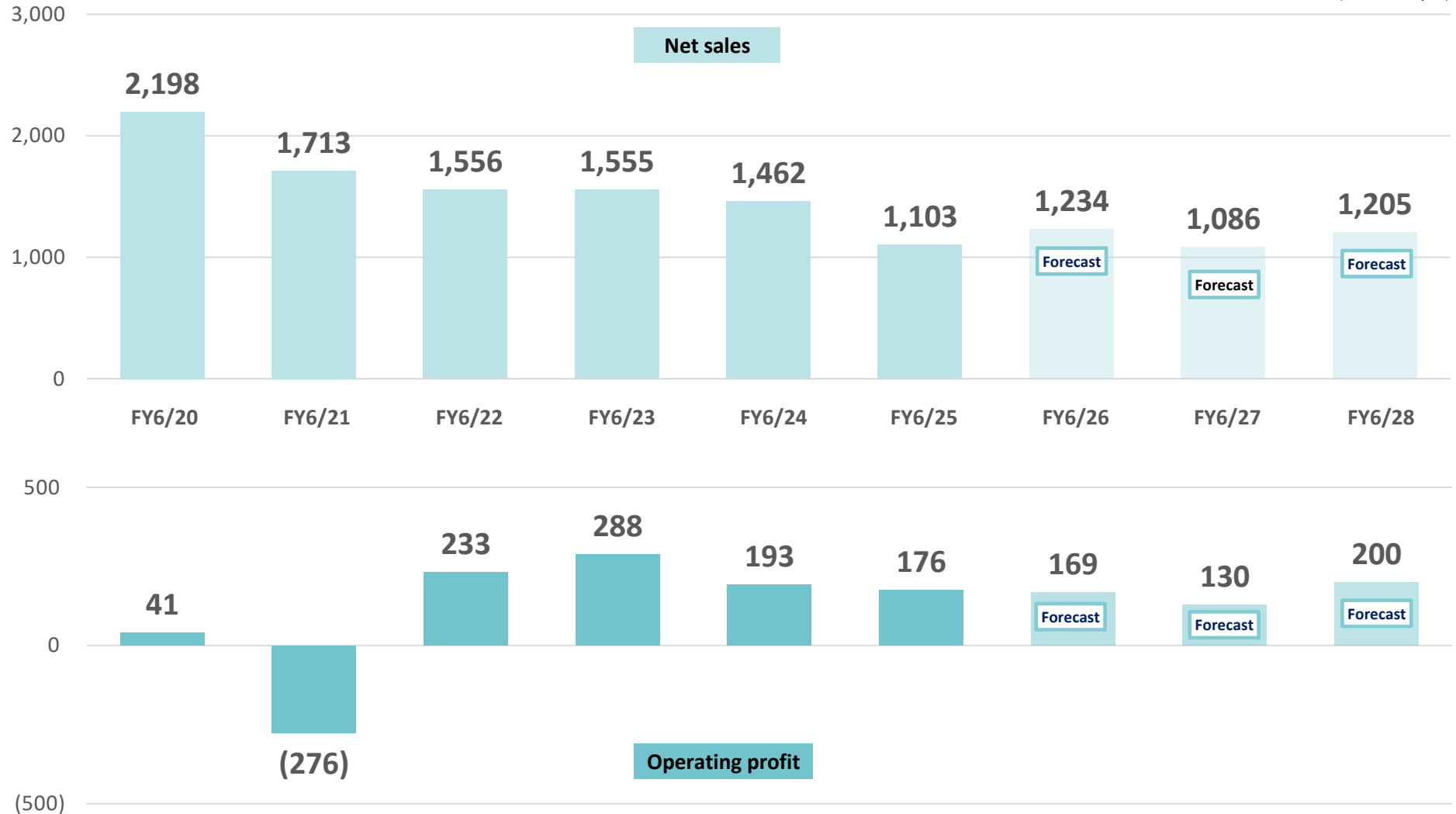


# Sales/Operating Profit Trends and Forecasts

05. Medium-term Business Plan

## Mobility services

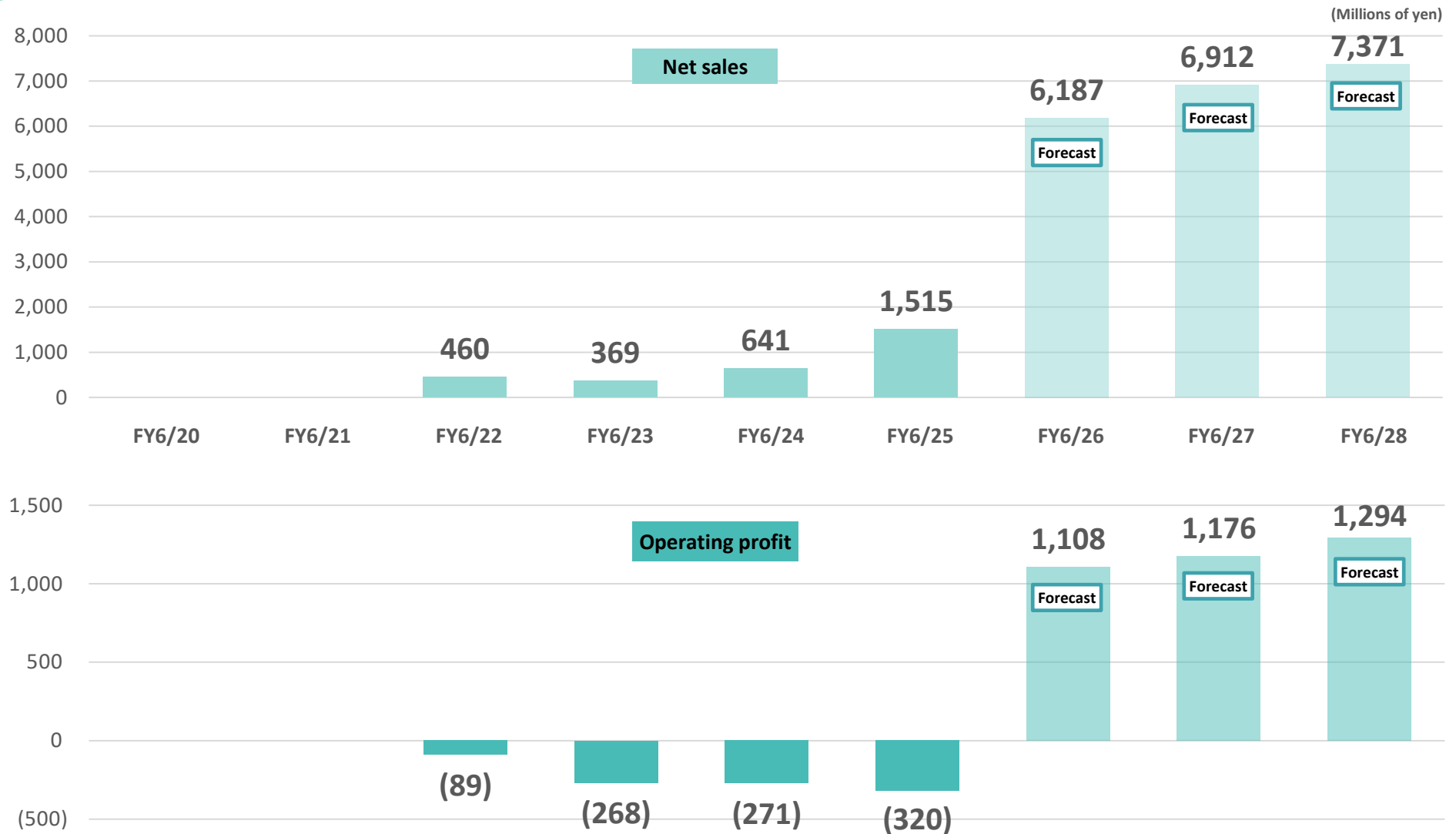
(Millions of yen)



# Sales/Operating Profit Trends and Forecasts

05. Medium-term Business Plan

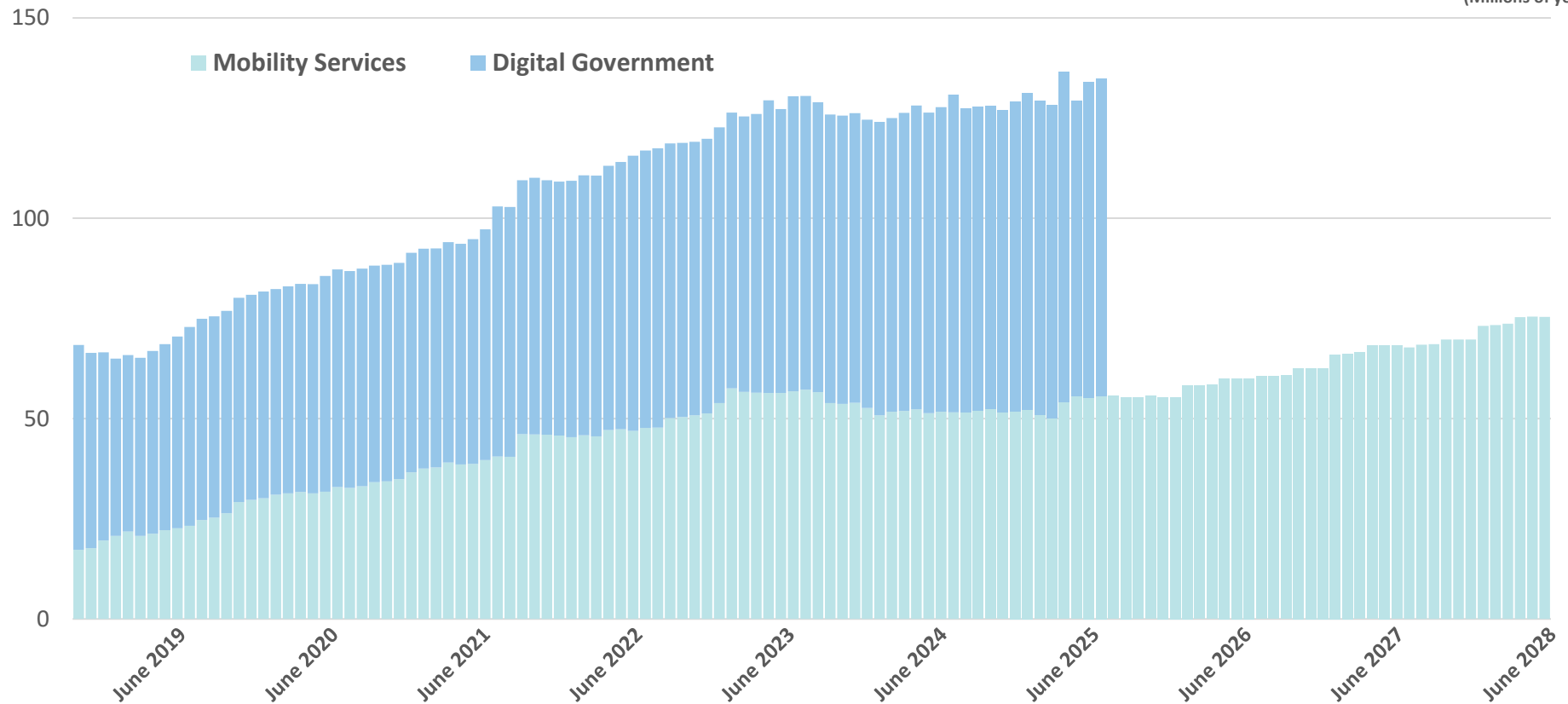
## Smart Venues



# Growth of MRR

## 05. Medium-term Business Plan

(Millions of yen)



MRR as of the term-end

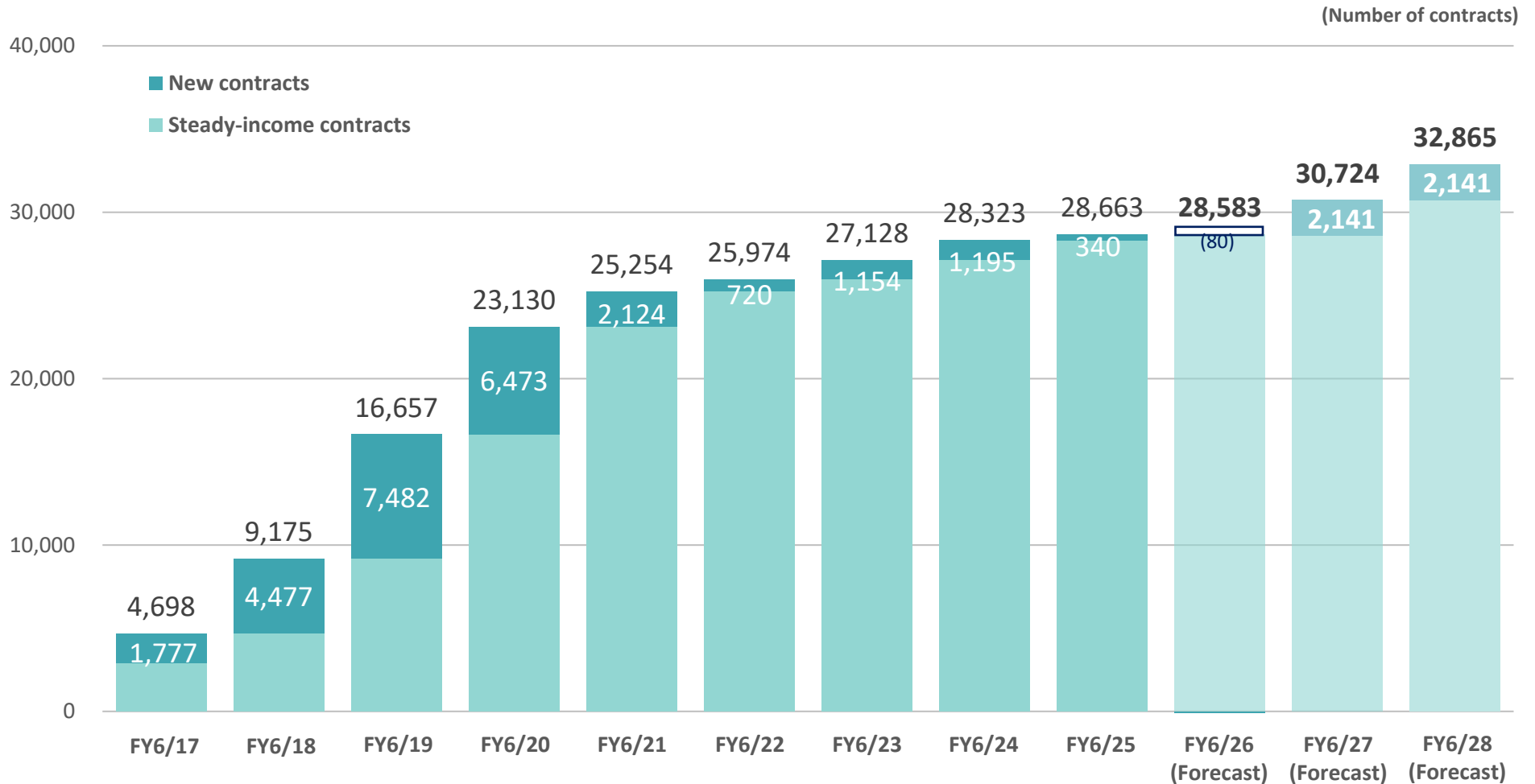
	FY6/19 Results	FY6/20 Results	FY6/21 Results	FY6/22 Results	FY6/23 Results	FY6/24 Results	FY6/25 Results	FY6/26 (Forecast)	FY6/27 (Forecast)	FY6/28 (Forecast)
Digital Government	50	54	62	69	73	79	79	-	-	-
Mobility Services	25	33	40	47	57	51	55	60	68	75
Total	75	87	102	117	130	130	134	60	68	75

\* MRR: Monthly recurring revenue, which is cloud service fees and other income received on a monthly basis

# KPI (Mobility IoT: Number of CiEMS Hardware Contracts)

05. Medium-term Business Plan

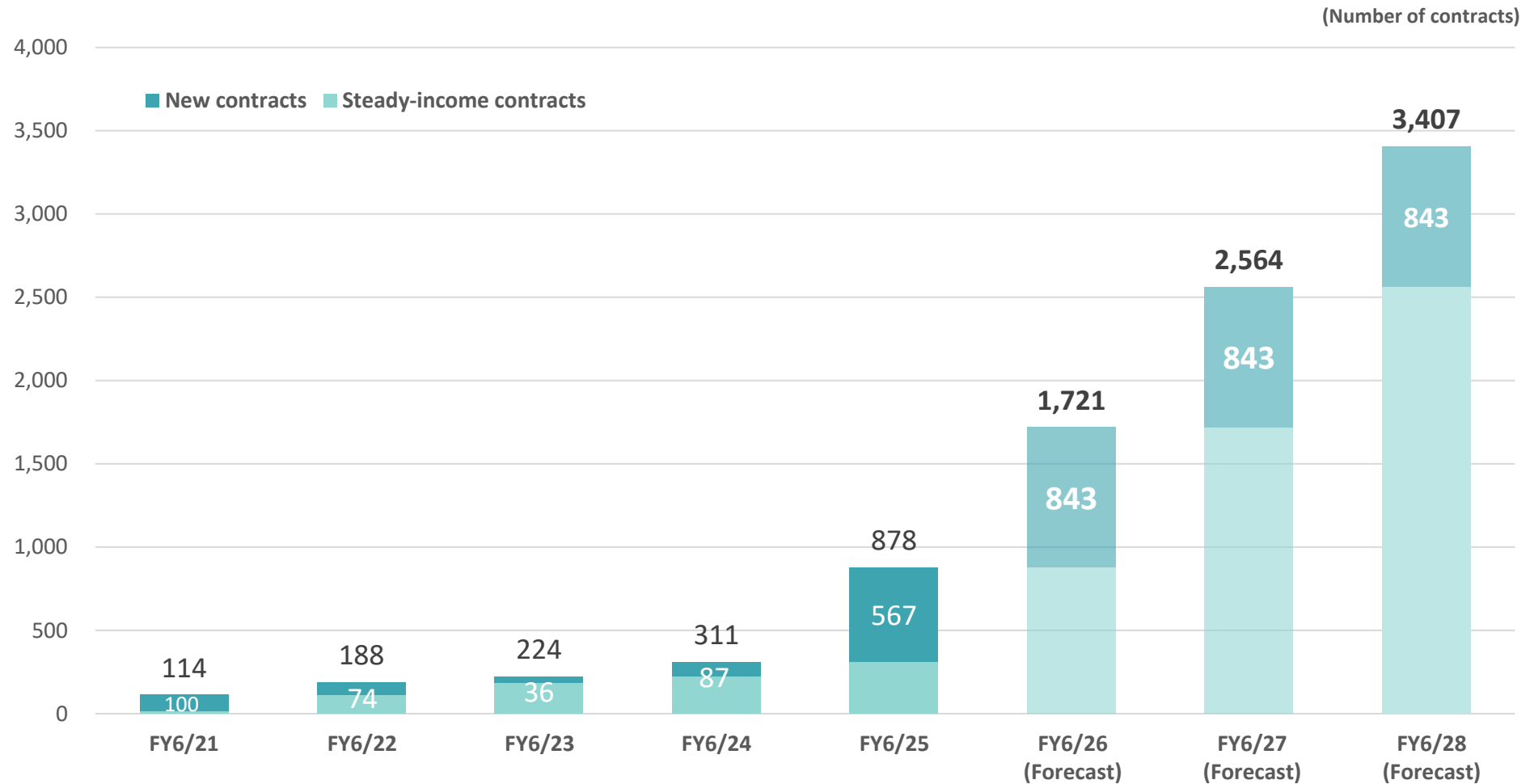
## Mobility Services



# KPI (Mobility IoT: Number of Kuruma Base Contracts)

05. Medium-term Business Plan

## Mobility Services

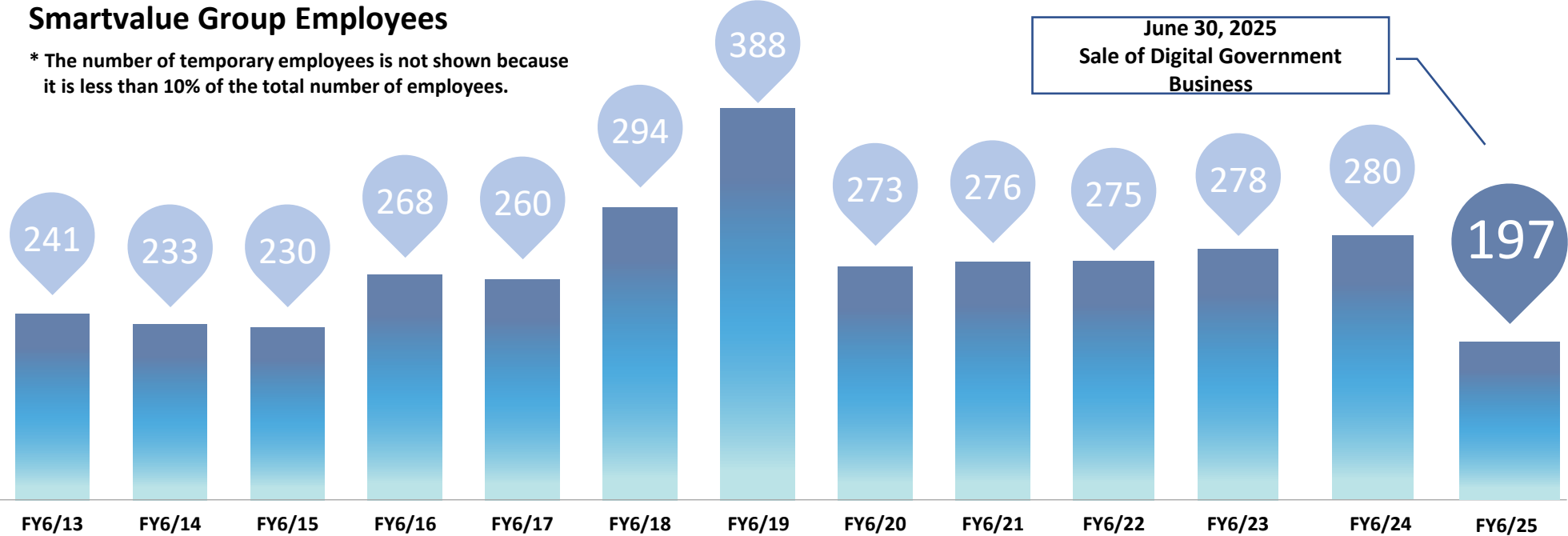


# Appendix 06

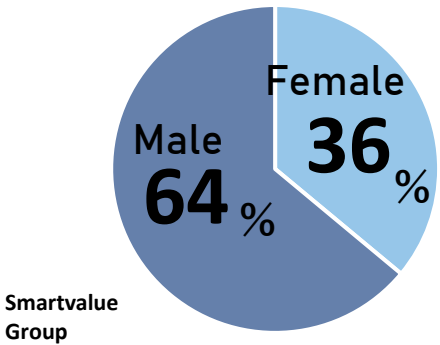
# Employees

## Smartvalue Group Employees

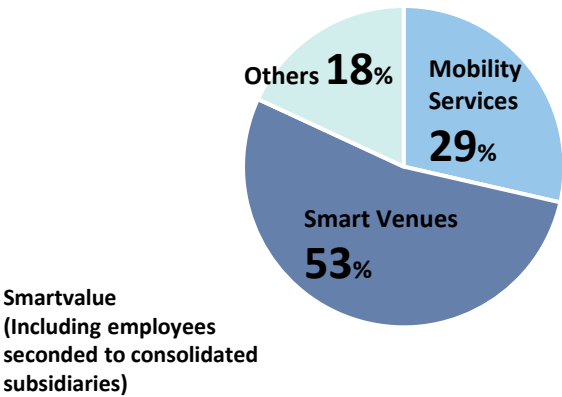
\* The number of temporary employees is not shown because it is less than 10% of the total number of employees.



Gender



Segment





# Human Resources Initiatives (Work-life Support )

The SMART WORK project of Smartvalue includes initiatives to enable people to do their jobs by using many working styles, increase assistance for people raising children, support employees with needs involving care for an aging parent, infertility or other issues, and improve the workplace environment in many other ways. We will continue to take actions for more improvements concerning the workplace environment, measures to deal with Japan's aging and declining population, and other activities. We are committed to maintaining workplaces and providing benefits that enable people to work with confidence while realizing their full potential.

## Kurumin certification



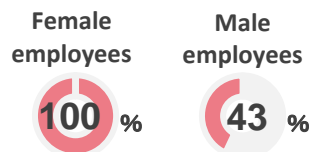
In March 2025, Smartvalue received for the fifth time Kurumin certification from the Minister of Health, Labour and Welfare as a company that provides support for raising and caring for children. (Continuously certified since April 2013)

## Eruboshi certification



In September 2022, Smartvalue was certified by the Minister of Health, Labour and Welfare as an outstanding company concerning the empowerment and advancement of women.

## Use of child care time off



Women have used 100% of available time off for child care since this program started.

During FY6/25, utilization rate of child care time off by men was 43% .

## Work and family member care



Smartvalue has its own system to support employees who need to care for a family member while continuing to work. Salaries are paid for part of this time off and employees can decide working hours in the family care support program.

## Infertility treatment support

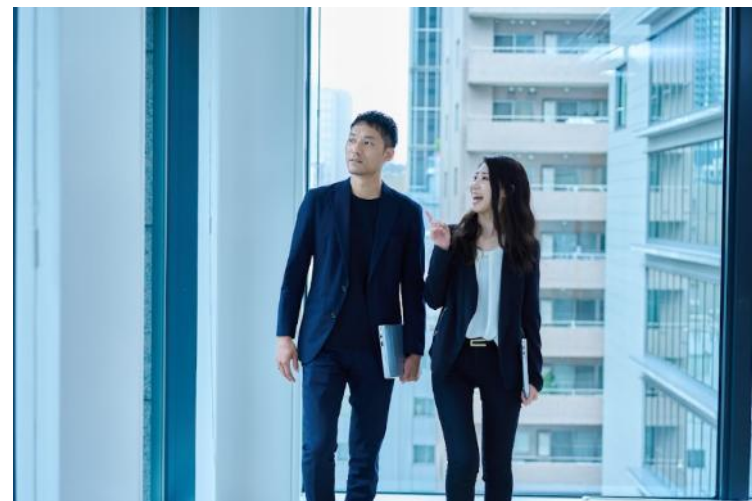


In July 2023, Smartvalue added a program to assist employees undergoing procedures involving infertility. Employees can take time off for these treatments or reduce working hours. A consultation service is also available.

## Work-life support info meetings



Smartvalue holds information meetings periodically to explain programs that enable employees to remain at the company while meeting obligations at home. These meetings raise the awareness of these benefits as well as the understanding of how the programs function.



## Purpose of Health Management

Smartvalue has the mission of “combining ‘smart’ systems and technologies to create social systems that can thrive for many years.” Health management is an essential component of management for accomplishing this mission. Health management makes employees more aware of the need for measures to stay healthy, improves their sense of well-being, and helps everyone perform “smart work.”

## Recognized as the 2025 KENKO Investment for Health Outstanding Organizations (Large Enterprise Category)

Smartvalue received Health Management Outstanding Organization 2025 (Large Enterprise Category) certification from the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. This certification recognizes companies that have outstanding health management programs.



## Policy for DE&I

In 2013, Smartvalue started several activities for assisting employees who are caring for children. These activities are based on our commitment to providing environments that make it easy for people to do their jobs while maintaining a suitable work-life balance. This assistance also has the benefit of raising productivity.

In 2017, we started the SMART WORK project to accomplish three goals: higher productivity, more added value, and ensuring the safety and good health of our employees. This project enables people to do their jobs in many ways, increases assistance for people raising children, supports employees with needs involving care for an aging parent, infertility or other issues. Many actions were taken to give people an even better environment for doing their jobs.

Going one more step, we are providing a workplace environment where people respect and care for others and are able to use their skills and achieve their full potential. The aim is to create a community based on mutual trust, support the growth of the company and its people, and implement business reforms and innovations. These Diversity, Equity & Inclusion (DE&I) measures have the goal of consistently producing value that will remain well into the future.

DE&I is the concept of increasing diversity, equity, and inclusion in an organization and creating an environment where diverse human resources respect each other and can demonstrate their abilities.)

On the DE&I page of the Smartvalue corporate website, we share achievements and initiatives for the SMART WORK.



## Basic Policy for Sustainability

The purpose of Smartvalue is to serve as “a business infrastructure that can be effective forever as a valuable element of society and play key roles in creating new stages for society over the years.” Our businesses help solve social issues and business activities are backed by sound corporate governance. We are also committed to protecting the environment and constantly being a positive and beneficial member of society in other ways. This commitment and our socially responsible business activities are rooted in our belief that the implementation of sustainability initiatives is our purpose.



### Convergence of “digital” and “real”

Our businesses help solve social issues through the use of technology for achieving the convergence of the “digital” and “real” domains.



### Earth is our biggest stakeholder

Our activities for helping deal with environmental issues are based on the belief that the Earth is our biggest stakeholder.



### Respect for diversity

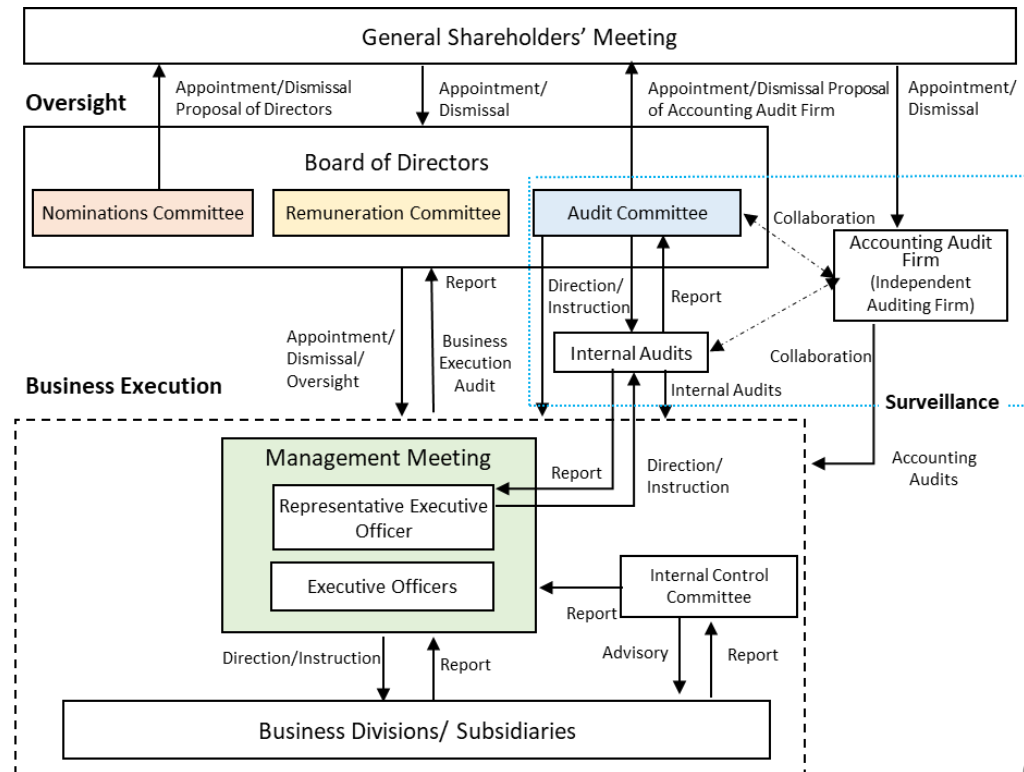
We respect the diversity of our people and recognize this diversity as the premise for ability to produce innovative ideas. Based on this thinking, we maintain an organizational culture that always puts people first.

## A Governance Structure for the Growth of Corporate Value

Based on the corporate philosophy of serving as “a business infrastructure that can be effective forever as a valuable element of society and play key roles in creating new stages for society over the years,” we are dedicated to using “smart” systems and technology for creating the social systems that will thrive for many years. We want to be a company that is a constant source of new value for our customers.

We will build strong relationships with stakeholders as we make our business operations even more efficient. Maintaining and improving a sound governance structure is vital to our ability to fulfill our responsibilities to society as well as for the long-term growth of corporate value.

### Corporate Governance Structure



**Management consistent with the objectives of governance with a Nominations Committee and Remuneration Committee**

- Strengthen the management supervision function
- Higher speed of conducting business operations
  - More external directors



**A proper management framework based on the Corporate Governance Code**



**Distribution of more information to all stakeholders**

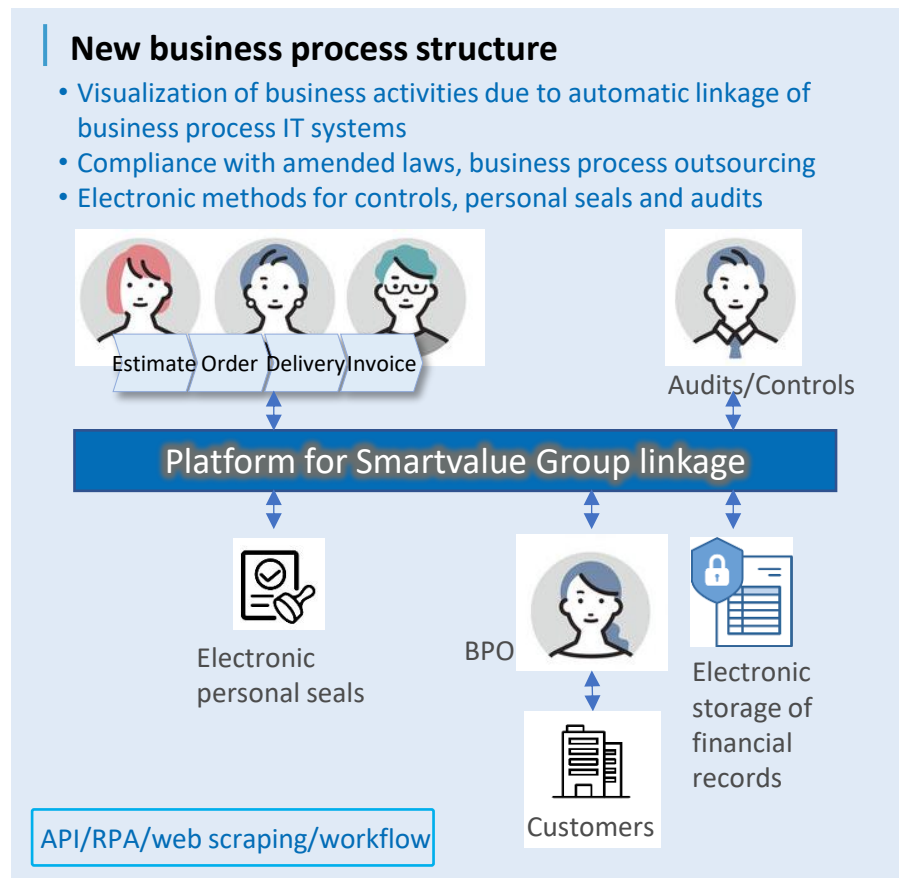
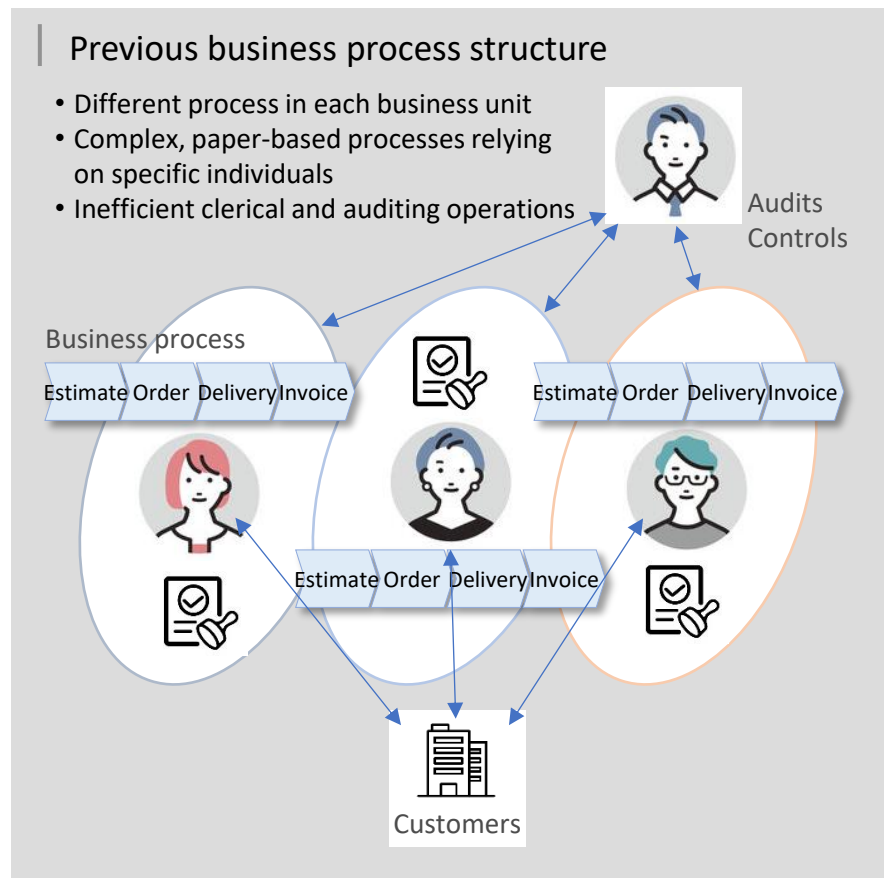


**Stronger oversight of group companies**



## Automation of Business Processes

Smartvalue is using the digital transformation for two reasons. One is compliance with two newly amended laws involving invoices and the storage of electronic financial records. The other is becoming more competitive by standardizing business processes and raising the productivity and quality of our work. Smartvalue is using its IT expertise for automatic linkage of front-office systems that are the nucleus of the company's diverse business activities. This structure ensures the consistency of business activities by eliminating reliance on specific individuals. Furthermore, this platform with linkage of Smartvalue Group businesses facilitates business process outsourcing and centralized auditing operations.



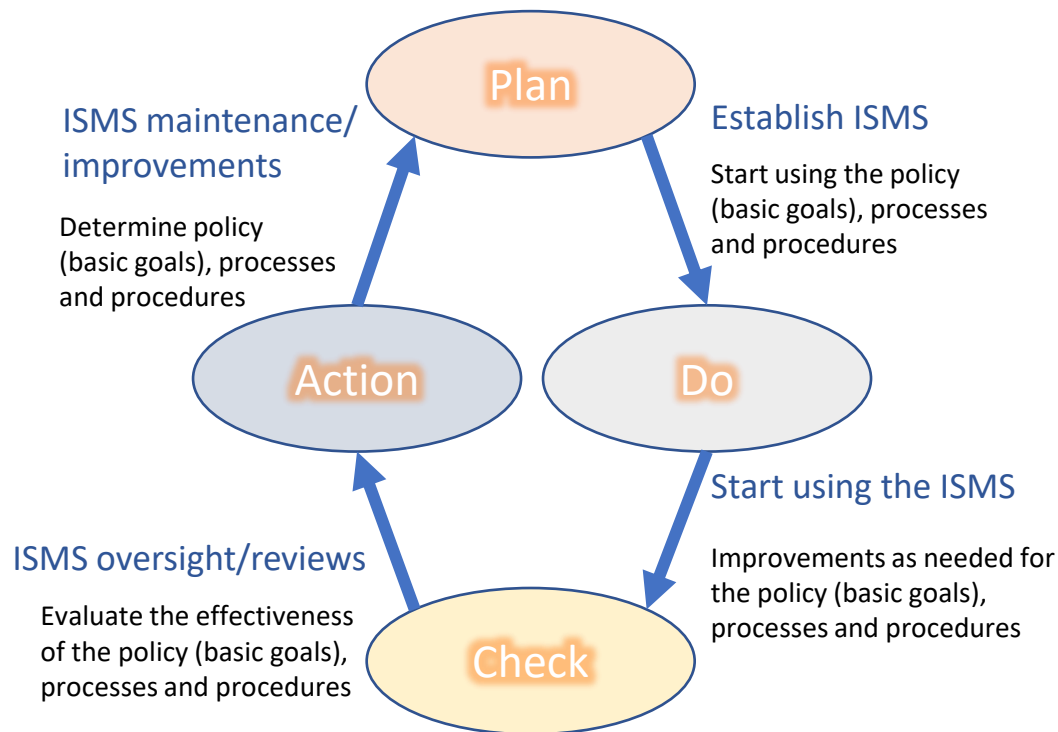
## ISO27001 Certification

Smartvalue earned ISO27001 certification, which is a standard for information security management systems (ISMS), in 2005 and maintains a sound framework for the safe management of information.

As business operations change and grow, we are expanding the range of operations covered by this certification.

A framework covering the entire company is used for the implementation of a plan that does not rely on only countermeasures involving individual technologies. The information security plan also incorporates the self-assessment of risk from the perspective of organizational management and the required level of security.

### The Smartvalue Group ISMS Cycle



- Appropriate protection of information assets by using the risk management framework
- Maintenance/upgrades of information security; strengthen compliance
- Earn the trust of business partners and customers, differentiation from other companies
- Prevent security management problems; corporate social responsibility
- Compliance with information security laws, regulations, and other requirements and guidelines

