

# Sportsfield (TYO: 7080)

1Q financial results for FY12/2024 continue to show high growth. Record highs in both sales and profits.

## ◆ Results for 1Q FY12/2024: continued high growth.

Sportsfield's 1Q FY12/2024 results, announced after the close on 13 May 2024, continued to show positive results. Net sales were 1.1 billion yen (+19% YoY), operating profit was 0.4 billion yen (+27% YoY), ordinary profit was 0.4 billion yen (+27% YoY), and net profit attributable to owner of the parent was 0.25 billion yen (+25% YoY). Sales, operating profit, ordinary profit and net profit attributable to owner of parent all reached record highs. All three main businesses have increased their sales and delivered high profit growth while implementing measures such as increasing personnel and strengthening advertising. This indicates that demand for human capital, particularly amongst new graduates, is strong, and the company is capturing this well into its business.

The progress ratio against the company's full-year forecasts is high: 29% for sales and around 44% each for operating profit, ordinary profit, and net profit attributable to owner of parent.

## ◆ FY12/2024 company forecasts: no change.

The company does not disclose forecasts for the first two quarters. The company has maintained the full-year forecast announced at the beginning of the fiscal year, although the 1Q progress ratio is high.

The year-end dividend per share is set at 16 yen, considering the stock split at the end of March 2024, and remains unchanged.

KPIs are discussed below, and they are generally running on track.

## ◆ Share price and future highlights:

The share price, which had been in the low 600s to mid-700s yen in April, rose to 850s on positive 1Q results. However, it failed to reach the 52-week high of 947 yen and has since been slowly falling back to the low 700s. However, it has not fallen below the April low (i.e., the low since the beginning of the year).

This can be understood as the stock market appreciating the good 1Q results and the start of the dividend from March 2024 but awaiting upward revisions to full-year results and catalysts on medium-term growth potential.

Given the seasonality of the company's performance, the forthcoming 2Q results will bring more certainty about the full-year earnings, and from around 3Q, the order stream, which will determine the performance of the next financial year, will become clear. If the company's earnings potential for the current financial year and the direction of its medium-term management plan for the next financial year and beyond become visible, there should be considerable scope for a re-valuation of the forecast PER, which is currently below 10x. In that case, the 52-week high of 947 yen and the all-time high of 1,098.75 yen would interest investors.

The outlook and plans for the company's stage-up from the TSE Growth Market to the Prime Market are also interesting.

## 1Q results update

### Service

As of 18 June, 2024

<b>Share price (6/17)</b>	<b>791 Yen</b>
52weeks high/low	¥947/603
Avg Vol (3 month)	20 thou shrs
Market Cap	¥5.8 bn
Enterprise Value	¥4.1 bn
PER (24/12 CE)	8.2 X
PBR (23/12 act)	4.2 X
Dividend Yield (24/12 CE)	2.4 %
ROE (23/12 act)	56.1 %
Operating margin (23/12)	25.4 %
Beta (5Y Monthly)	N/A
Shares Outstanding	7.36 mn shrs
Listed market	TSE Growth section

### Share price performance



% of	1mo.	3mo.	12mo.
Share prices	3.8	-7.8	1.0
Relative share price	2.7	-10.0	-20.4

### Points of interest

Deepening of the placement support business for athletics students and students with sports experience. Development of business diversification. Maintaining and improving high operating profit margins and high ROE. Step-up from the TSE Growth Market. Improving the liquidity of the shares and releasing shares held by owners and other principals.

This report (financial update) has been prepared at the request of Sportsfield. For details, please refer to the Disclaimer on the last page.

## Table of contents

Summary	1
Key financial data	2
Financial results for 1Q of FY2024	3
Company forecasts for FY12/2024	10
Share price and future highlights	11
Financial results	12
Useful information	14

## Key financial data

(Unit: Thousand yen)

Fiscal Year	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12
Net sales	1,106,727	1,516,370	1,917,813	1,883,269	2,130,256	2,866,214	3,418,218
Ordinary profit	60,171	113,916	192,045	32,016	-35,298	634,239	869,134
Net income	41,031	72,809	132,965	17,055	-79,133	412,318	608,172
Capital stock	10,300	10,300	92,680	92,712	92,869	93,079	93,513
Total number of shares issued	20,000 400	20,400 -	881,600 -	882,560 -	897,400 -	1,808,080 -	3,681,440 -
Net asset	59,396	132,205	429,932	446,826	368,007	780,524	1,389,498
Total asset	418,961	735,377	1,106,275	1,488,182	1,540,544	2,127,327	2,310,947
Book value per share*1 (Yen)	9.10	20.25	60.96	63.29	51.27	107.94	188.74
EPS*1 (Yen)	6.29	11.16	20.34	2.42	-11.10	57.22	83.73
Equity to asset (%)	14.2	18.0	38.9	30.0	23.9	36.7	60.1
ROE (%)	100.6	76.0	47.3	3.9	-19.4	71.8	56.1
Cash flow from operating activities	108,208	82,994	198,181	-88,974	53,789	609,537	448,887
Cash flow from investing activities	-32,962	-75,085	-24,984	-32,077	-67,943	-7,100	-68,115
Cash flow from financing activities	-82,366	191,526	149,891	396,399	18,139	-120,077	-371,385
Cash and cash equivalents at end of period	163,792	363,227	686,315	961,663	965,648	1,448,007	1,457,392
Number of employees	118	164	201	233	266	242	272

\*1 : A 40-for-1 split of ordinary shares was carried out on 4 October 2019, a 2-for-1 split of ordinary shares on 1 July 2022, 1 April 2023 and 1 April 2024. Book value per share and EPS in the table are calculated assuming such splits were carried out at the beginning of the year ended 31 December 2017.

Source: company materials



## Financial results for 1Q of FY2024

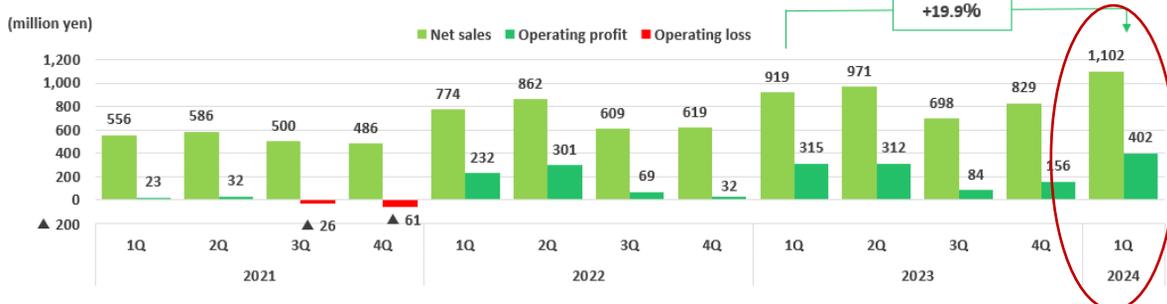
Sportsfield's 1Q FY12/2024 (Jan-Mar) results, announced after the close on 13 May 2024, continued to be positive.

Net sales were 1.1 billion (+19% YoY), operating profit was 0.4 billion (+27% YoY), ordinary profit was 0.4 billion (+27% YoY), and net profit attributable to owner of the parent was 0.25 billion (+25% YoY). Sales, operating profit, ordinary profit and net profit attributable to owner of parent all reached record highs. All three main businesses have seen their sales increase and achieved high profit growth while implementing measures such as headcount increase and bolstering advertising. This points to a strong demand for human capital, particularly amongst new graduates, and the company is very well turning this into its business.

The progress ratio against the company's full-year forecasts is high: 29% for sales and around 44% each for operating profit, ordinary profit, and net profit attributable to owner of parent.

### Quarterly performance and seasonal variations

- Sales and operating profit reached record highs in the past 1Qs
- Despite increased expenses for growth investment, such as strengthening the personnel structure and strategic advertising investments, the sales growth outweighed the expense increase, and profits reached a record high



Source: company materials

### Summary of 1Q results for FY2024

(million yen)	1Q of FY2024		YoY	
	FY12/2024	FY12/2023	Amount	%
<b>Net sales</b>	<b>1,102</b>	919	+ 182	+ 19.9%
<b>New Graduate Events</b>	<b>713</b>	578	+ 135	+ 23.3%
<b>New Graduate Placement Support</b>	<b>139</b>	92	+ 46	+ 50.5%
<b>Graduate Placement Support</b>	<b>215</b>	213	+ 2	+ 1.1%
<b>Other</b>	<b>32</b>	34	-1	-3.9%
<b>Operating profit</b>	<b>402</b>	315	+ 87	+ 27.7%
<b>Operating margin</b>	<b>36.5%</b>	34.3%		+ 2.2PP
<b>Ordinary profit</b>	<b>402</b>	314	+ 87	+ 27.7%
<b>Ordinary margin</b>	<b>36.5%</b>	34.3%		+ 2.2PP
<b>Net profit attributable to owners of the parent</b>	<b>258</b>	205	+ 52	+25.7%

- Sales reached record highs for the past 1Q in all three main businesses
- Operating profit and ordinary profit reached record highs, and operating profit margin and ordinary profit margin also exceeded those of the same period last year, reaching record highs
- The Graduate Placement Support business sales were flat YoY, but record-high sales are expected in April

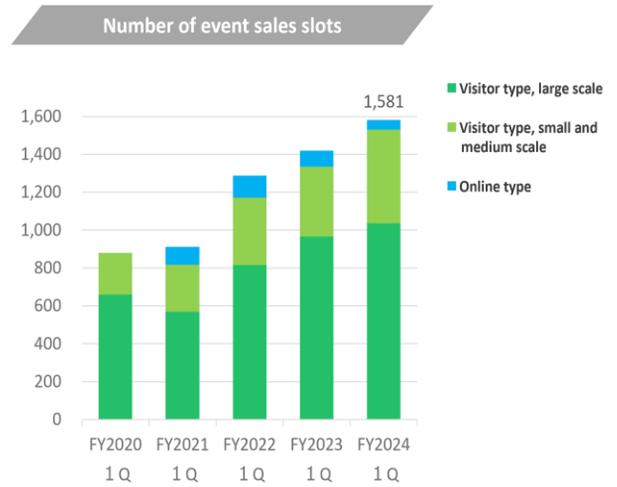
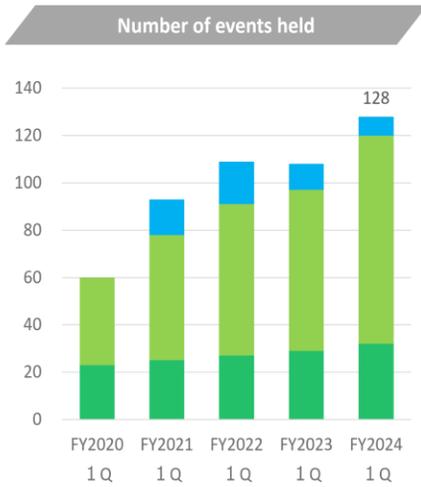
Source: company materials



## Financial results for 1Q of FY2024

### New Graduate Events Business

1Q FY12/2024 sales were 710 million yen (+23% YoY). The number of events held and event sales slots were higher YoY due to strong corporate demand for event stalls. In particular, the number of visitor events is growing.



2019 results: for 2020 and 2021 graduates | 2020 results: for 2021 and 2022 graduates | 2021 results: for 2022 and 2023 graduates  
2022 results: for 2023 and 2024 graduates | 2023 results: for 2024 and 2025 graduates | 2024 results: for 2025 and 2026 graduates  
Sponavi only, not including Spochalle events.

Source: company materials

It should be noted that orders for the event business for March 2026 graduates are expected to begin substantially in 2Q. This is a leading indicator of the direction of performance from the end of the current financial year into the following year, and company disclosure from 2Q onwards will be of interest.

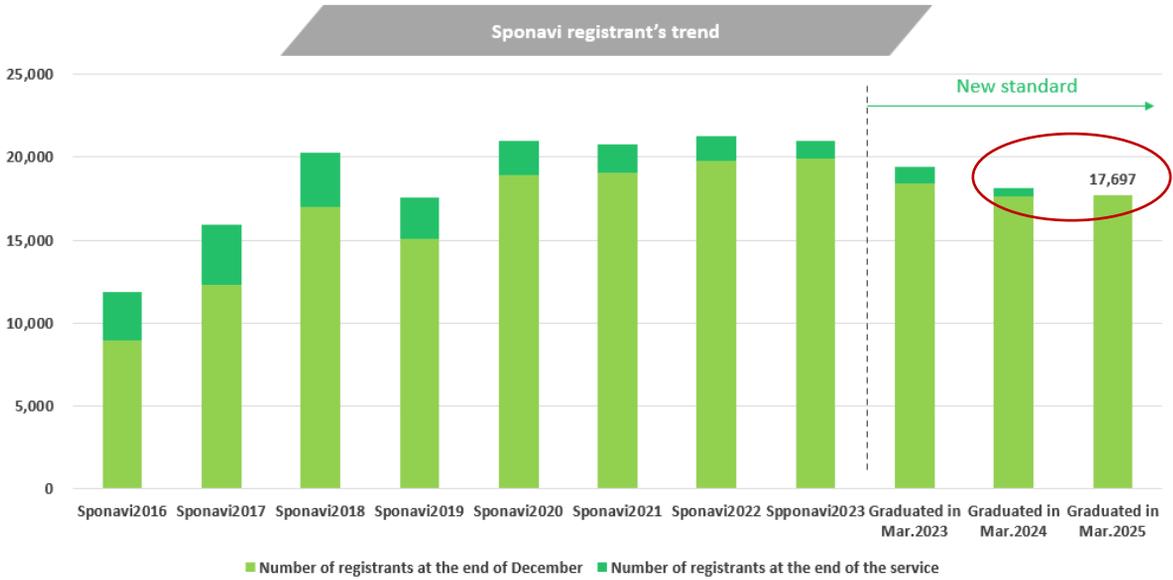


## Financial results for 1Q of FY2024

### New Graduate Placement Support

1Q FY12/2024 sales were strong at 139 million yen (YoY +50%).

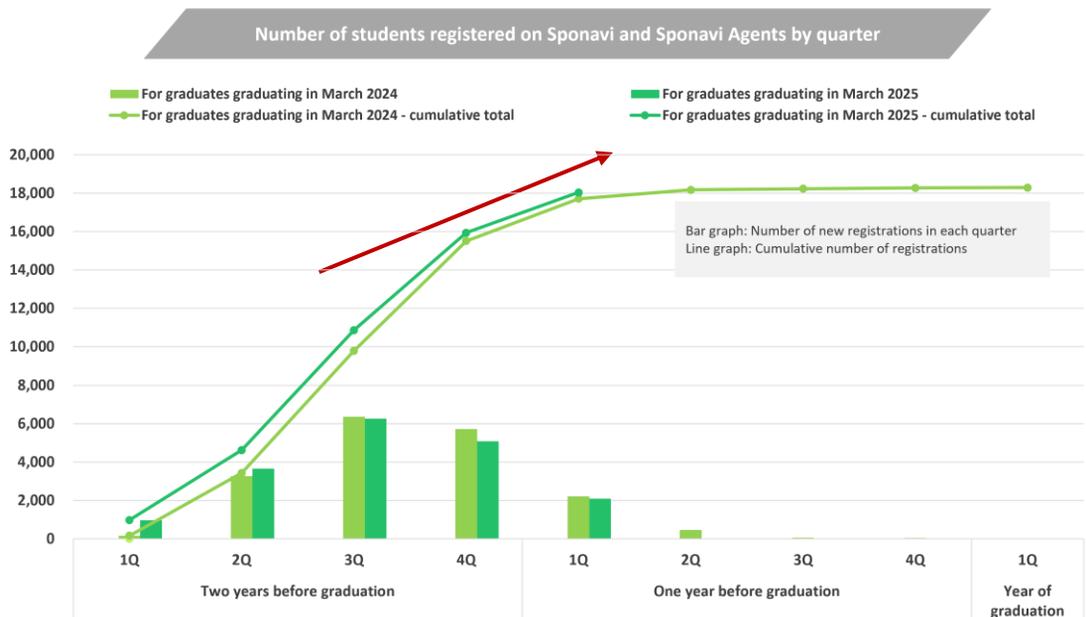
Firstly, the number of students registered on Sponavi (number of student-athletes registered), which serves as the population for business activities, has remained flat, with the number of students graduating in March 2025 slightly higher YoY than those graduating in March 2024. In response, the company has strengthened its staffing structure and is working to re-expand the number of registrations.



\*The disclosed number of students registered on Sponavi 2024 has been changed from the total number of students registered, including students graduating in 2025 or later, students registered only as students graduating in FY12/2023, who will be eligible for introduction to companies in March 2024.

Source: company materials

### (Reference) Quarterly number of new registrations for graduates graduating in March 2025



Source: company materials

## Financial results for 1Q of FY2024

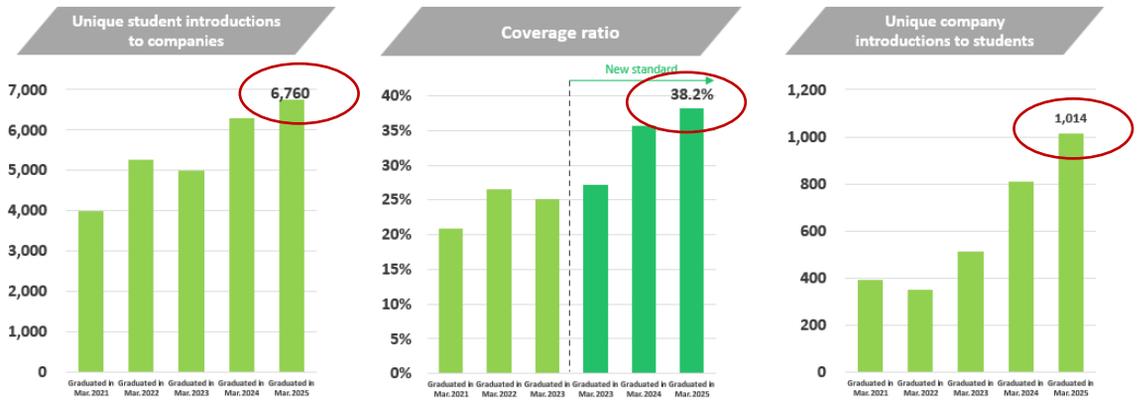
### New Graduate Placement Support

Next, the KPIs linked to sales have remained steady, indicating that the company is promoting solid sales support to its registrants.

Firstly, the number of unique student introductions for students graduating in March 2025 increased YoY in response to earlier recruitment and placement activities.

Next, the (sales) coverage ratio of Sponavi registrants with whom the company has established an analogue relationship has also improved YoY.

Furthermore, the number of unique company introductions increased YoY due to solid graduate recruitment needs.

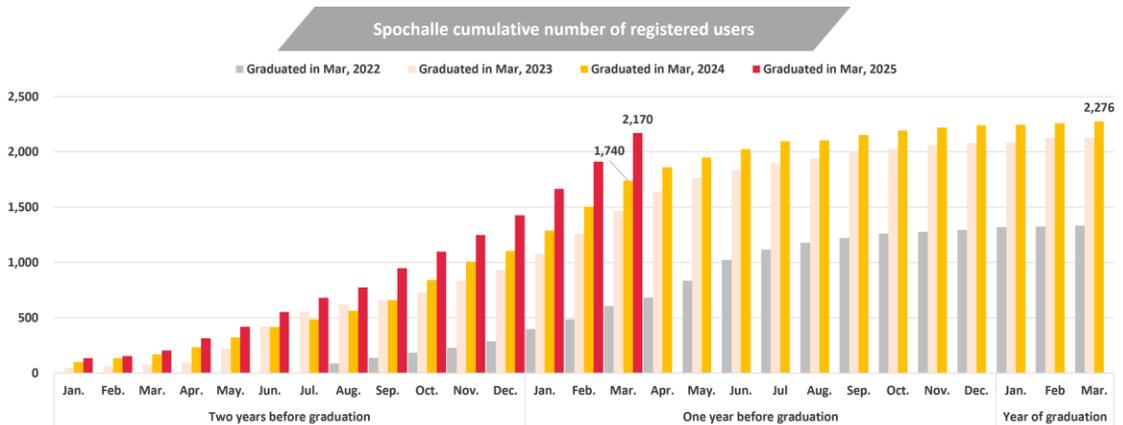


\*KPI as of the third quarter (end of September of the year before graduation) includes only Sponavi (excluding Spochalle)  
 \*Unique student introductions: The number of non-duplicated students introduced to companies | Unique company introductions: The number of non-duplicated companies.  
 \*Coverage ratio: The ratio of registrants who have built an analog relationship through interviews (calculation: unique student introductions/Sponavi registrants)  
 \*The disclosed number of students registered on Sponavi 2024 has been changed from the total number of students registered, including students graduating in 2025 or later, to the number of students registered only as students graduating in FY12/2023, who will be eligible for introduction to companies in March 2024.

Source: company materials

As a result of these activities, the company has achieved a significant increase in revenue since 1Q. In addition, Spochalle, which targets people with sports experience, has also steadily increased the number of registrations, contributing to revenue growth.

Going forward, we expect sales to build up without a break from 2Q to 3Q, reflecting companies' strong desire to recruit, so we will keep a close eye on the company.

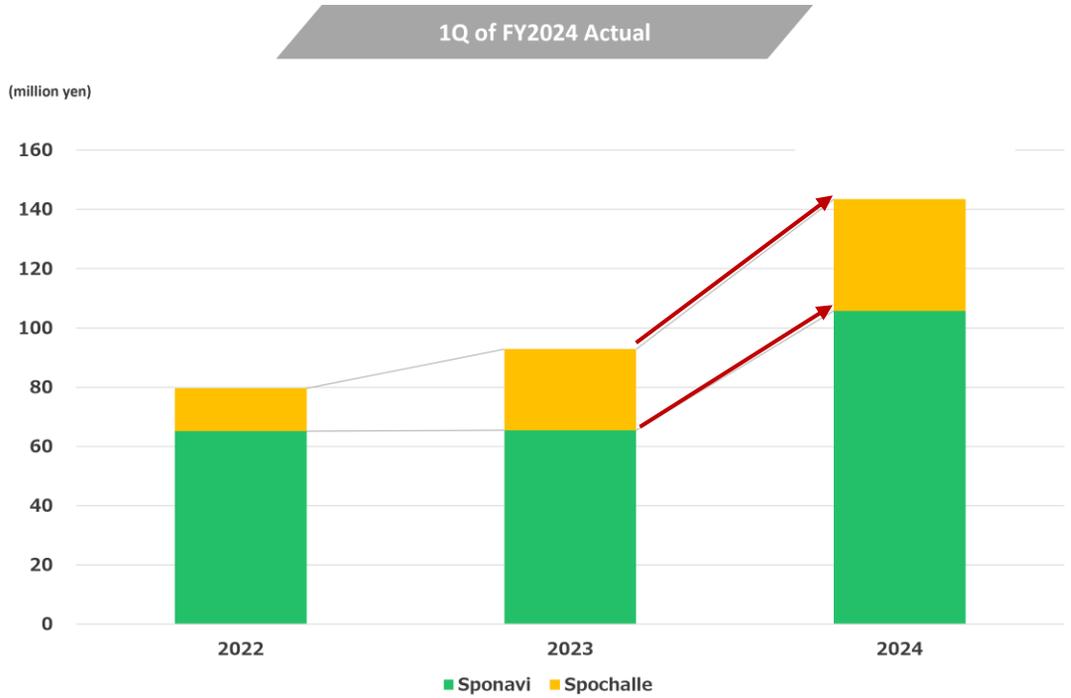


Source: company materials



## Financial results for 1Q of FY2024

### New Graduate Placement Support



Source: company materials

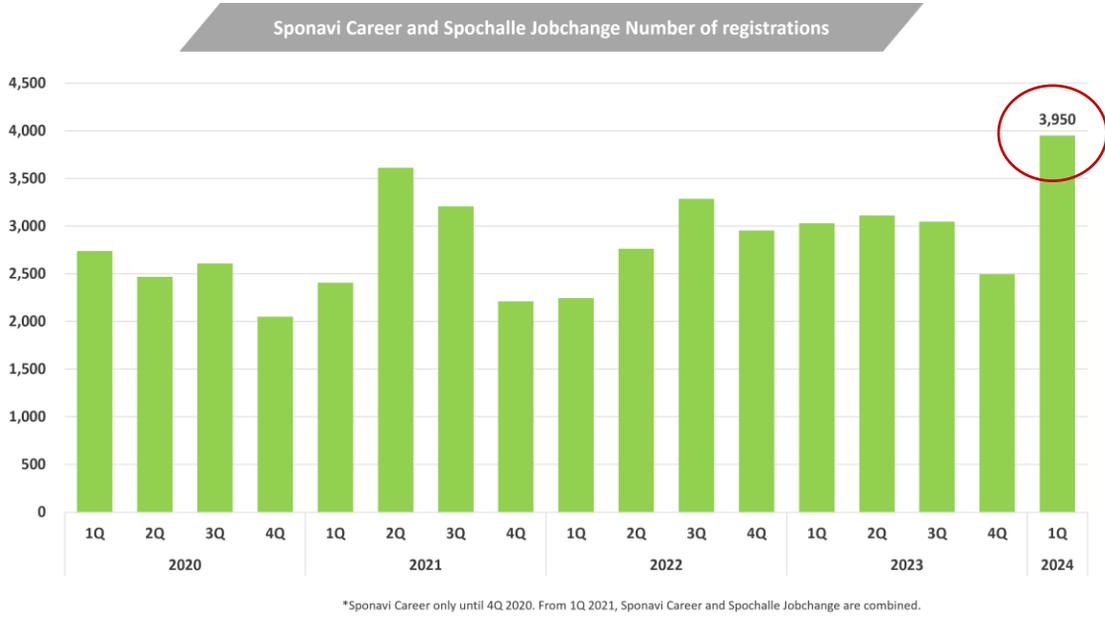


## Financial results for 1Q of FY2024

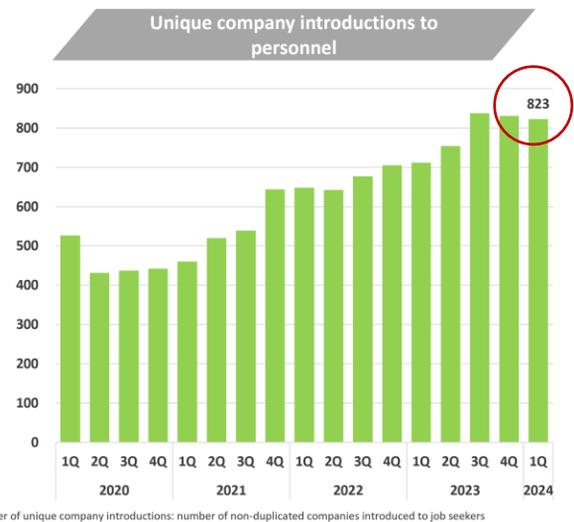
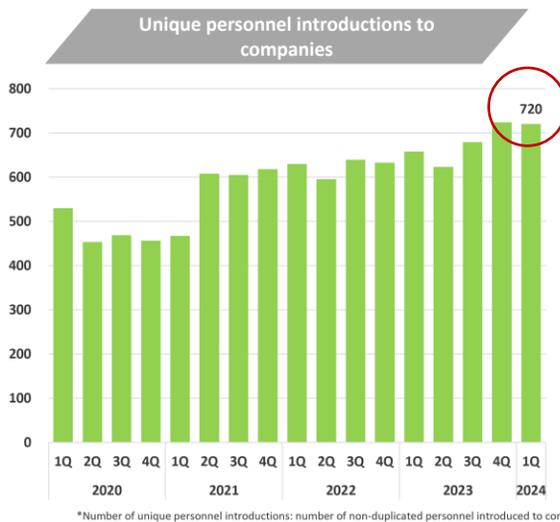
### Graduate Placement Support

Sales in 1Q FY12/2024 increased slightly to 215 million yen (+1% YoY). However, the leading indicators, the number of unique human resources and unique company introductions, increased YoY. According to the company's briefing material on the financial results, sales in April, part of 2Q, will be the highest ever, so the business is doing well.

The increase in human resource referrals from Spojoba, a job placement and career change information website specialising in sports-related companies, has also increased the number of referrals.



Source: company materials



\*Number of unique personnel introductions: number of non-duplicated personnel introduced to companies | Number of unique company introductions: number of non-duplicated companies introduced to job seekers

Source: company materials



## Financial results for 1Q of FY2024

### (Reference) Spojoba Quarterly sales



Source: company materials



## Company forecasts for FY12/2024

### FY12/2024 company forecast: unchanged

The 1Q progress ratio against the full-year company forecast is high, at 29% for revenue and around 44% each for operating profit, ordinary profit and net profit attributable to owner of the parent.

However, the forecasts at the beginning of the year remain unchanged (the company does not disclose 2Q forecasts). The year-end dividend per share is set at 16 yen, considering the stock split at the end of March 2024, and remains unchanged.

As we have seen earlier, KPIs have remained strong, and it will be interesting to see whether results from 2Q onwards will suggest that the company will beat its full-year forecasts.

### Summary of full-year forecasts for FY12/2024

Net sales	3,749 million yen	YoY +331 million yen
Operating profit	903 million yen	YoY +33 million yen
Ordinary profit	902 million yen	YoY +33 million yen
Net profit attributable to owners of the parent	586 million yen	YoY -21 million yen

Source: company materials



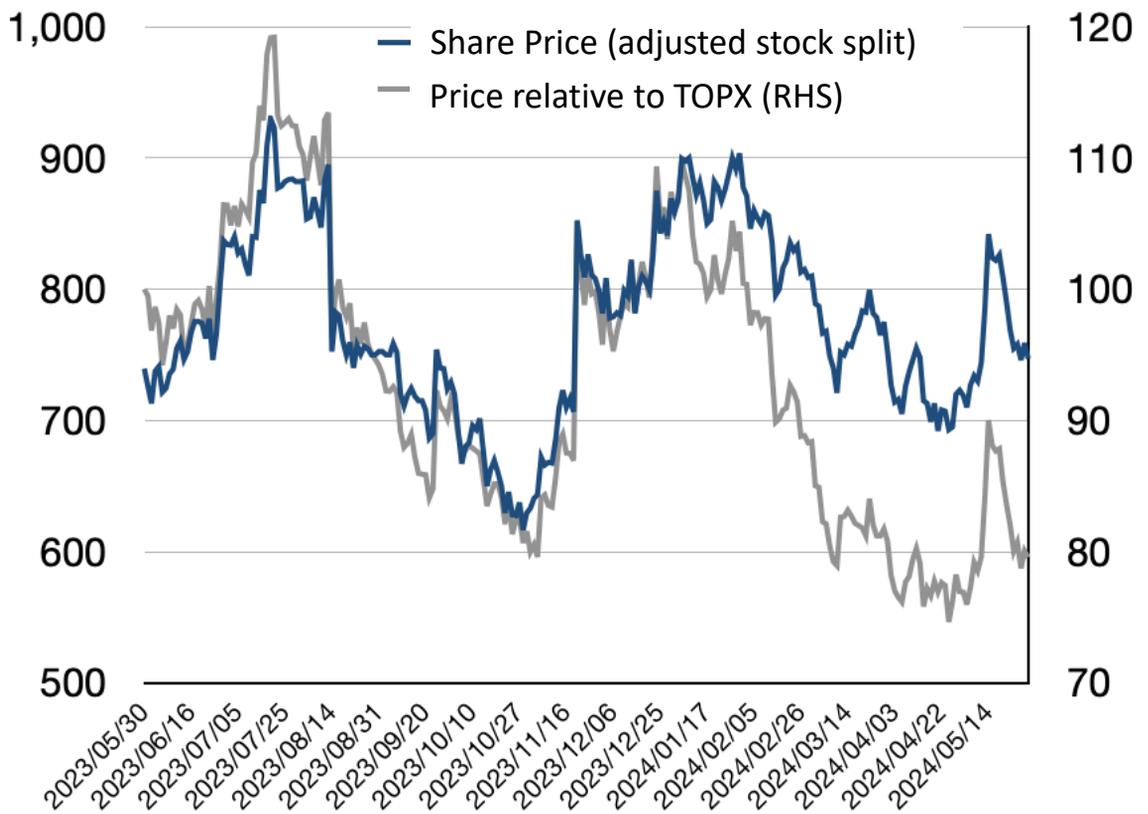
## Share price and future highlights

The share price, which had been in the low 600s to mid-700s in April, rose to 850s on positive 1Q results but failed to reach the 52-week high of 947 yen and has since been slowly falling back to the low 700s. However, it has yet to fall below the April low (i.e. the lowest price since the beginning of the year).

This can be understood as the stock market appreciating the good 1Q results and the start of the dividend from March 2024 but awaiting upward revisions to full-year results and catalysts on medium-term growth potential.

Given the seasonality of the company's performance, the forthcoming 2Q results will bring more certainty about the full-year earnings, and from around 3Q, the order stream, which will determine the performance of the next financial year, will become clear. If the company's earnings potential for the current financial year and the direction of its medium-term management plan for the next financial year and beyond become visible, there should be considerable scope for a re-valuation of the forecast PER, which is currently below 10x. In that case, the 52-week high of 947 yen and the all-time high of 1,098.75 yen would be of interest.

The outlook and plans for the company's stage-up from the TSE Growth Market to the Prime Market are also interesting.



## Financial results

### Full-year financial results

(Unit: million yen)

Financial period	FY12/2019	FY12/2020	FY12/2021	FY12/2022	FY12/2023	FY12/2024
<b>Consolidated, Japanese GAAP</b>	<b>(IPO)</b>					<b>Company forecast</b>
[Statements of income]						
Net sales	1,918	1,883	2,130	2,866	3,418	3,749
Operating profit	194	16	-32	637	869	903
Ordinary profit	192	32	-35	634	869	902
Net profit before income taxes	192	32	-81	634	869	
Net profit attributable to owners of the parent	133	17	-79	412	608	586
[Balance Sheets]						
Total assets	1,106	1,488	1,541	2,127	2,311	
Total liabilities	676	1,041	1,173	1,347	921	
Total net assets	430	447	368	781	1,389	
Total borrowings	334	731	749	630	259	
[Statements of cash flows]						
Cash flow from operating activities	198	-89	54	610	449	
Cash flow from investing activities	-25	-32	-68	-7	-68	
Cash flow from financing activities	150	396	18	-120	-371	
Free cash flow	173	-121	-14	602	381	
Cash and cash equivalents at end of period	686	962	966	1,448	1,457	
[Efficiency]						
Ratio of ordinary profit to sales	10.0%	1.7%	-1.7%	22.1%	25.4%	24.1%
ROA	14.4%	1.3%	-5.2%	22.5%	27.4%	
ROE	47.3%	3.9%	-19.4%	71.8%	56.0%	
[Per-share] Unit : Yen						
EPS (Adjusted for stock splits, etc.)	41	5	-22	114	167	162
BPS (Adjusted for stock splits, etc.)	122	127	103	216	377	
DPS (Adjusted for stock splits, etc.)	0	0	0	0	33	32
[Number of employees]						
Number of consolidated employees	201	233	266	242	272	

Source: Omega Investment from company materials.

The per-share indicators EPS and BPS are adjusted for the 1:2 share split carried out in March 2023.

**A 1:2 share split is planned for the end of March 2024, which is not reflected in the EPS, BPS, and DPS above.**

## Financial results

### Quarterly results

(Unit: million yen)

	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
<b>Net sales</b>	<b>774</b>	<b>862</b>	<b>609</b>	<b>619</b>	<b>919</b>	<b>971</b>	<b>698</b>	<b>829</b>	<b>1,102</b>
New Graduate Events	507	267	61	292	578	267	64	455	713
New Graduate Placement support	79	290	354	119	92	426	396	115	139
Graduate Placement Support	158	277	164	176	213	247	204	228	215
Other	28	26	29	31	34	30	32	30	32
<b>Operating profit</b>	<b>232</b>	<b>301</b>	<b>69</b>	<b>32</b>	<b>315</b>	<b>312</b>	<b>84</b>	<b>156</b>	<b>402</b>
<b>Ordinary profit</b>	<b>231</b>	<b>301</b>	<b>68</b>	<b>31</b>	<b>314</b>	<b>312</b>	<b>84</b>	<b>156</b>	<b>402</b>
<b>Net profit attributable to owners of the parent</b>	<b>148</b>	<b>196</b>	<b>45</b>	<b>23</b>	<b>205</b>	<b>202</b>	<b>53</b>	<b>148</b>	<b>258</b>

Source: Omega Investment from company materials.



## Useful information

### Company profile

<b>Company name</b>	Sportsfield Corporation, Ltd.	
<b>Representative</b>	Representative director: Katsushi Shinozaki	
<b>Date of establishment</b>	Jan 2010	
<b>Head office location</b>	4F FORECAST Ichigaya, 3-29 Ichigaya-Honmuracho, Shinjuku-ku, Tokyo	
<b>Capital stock</b>	93,513 thousand yen (as at 31 December 2023)	
<b>Board of directors and executive officers</b>	Representative director: Katsushi Shinozaki Executive vice president: Kazuyoshi Ijichi Senior managing director: Tadashi Kaji Senior managing director: Shota Morimoto	Director (Outside): Akihiko Kobayashi Director (Outside): Naoto Kawamura Full-time auditor (Outside): Yasuro Osumi Auditor (Outside): Kenji Yamamoto Auditor (Outside): Junichiro Tajima
<b>Business activities</b>	New graduate business section: events business, human resources placement business Mid-career business section: human resources placement business	
<b>Sales</b>	3,418,218 (thousand yen) [FY12/2023]	
<b>Number of employees</b>	272 (consolidated, end-December 2023)	
<b>Location</b>	12 offices (Tokyo HQ, Osaka, Tokai, Kyushu, Chiba, Sendai, Sapporo, Kyoto, Kobe, Yokohama, Okayama, Hiroshima)+ 7 satellite offices	
<b>Total assets</b>	2,310,947 (thousand yen) [end-December 2023]	



## General disclaimer and copyright

This report was created and displayed based on interviews with the company concerned and financial statements, but we do not guarantee the accuracy, completeness, or credibility of the content and data. This report is for informational purposes only and is not intended to solicit or recommend investment. Omega Investment is not responsible for the consequences of using this report.

This report is informed by the target company through interviews with the target company, but the hypotheses, conclusions and all other content contained in this report are based on research by Omega Investment.

Intellectual ownership, including copyrights of the text and data, belongs to Omega Investment. Distribution, transfer, reproduction, transfer or other use constitutes copyright infringement of this report and is strictly prohibited.