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Quarterly trends and results

Earnings (cumulative)					FY04/24				FY04/25				FY04/25	
(JPYmn)	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	% of forecast	Company forecast
Revenue	14,040	27,073	39,992	53,038	13,291	26,623	40,551	55,073	102.0%				102.0%	54,000
YoY	26.0%	19.9%	16.9%	13.4%	-5.3%	-1.7%	1.4%	3.8%						1.8%
Cost of revenue	9,916	19,281	28,337	37,651	9,342	18,818	28,726	39,360						
YoY	25.5%	20.4%	17.0%	12.6%	-5.8%	-2.4%	1.4%	4.5%						
Cost ratio	70.6%	71.2%	70.9%	71.0%	70.3%	70.7%	70.8%	71.5%						
Gross profit	4,124	7,792	11,655	15,386	3,949	7,805	11,825	15,713						
YoY	27.3%	18.7%	16.5%	15.5%	-4.2%	0.2%	1.5%	2.1%						
Gross profit margin	29.4%	28.8%	29.1%	29.0%	29.7%	29.3%	29.2%	28.5%						
SG&A expenses	2,460	4,721	6,985	9,499	2,486	4,780	7,134	9,830						
YoY	3.6%	2.6%	2.2%	1.9%	1.1%	1.3%	2.1%	3.5%						
SG&A-to-sales ratio	17.5%	17.4%	17.5%	17.9%	18.7%	18.0%	17.6%	17.8%						
OP	1,665	3,072	4,670	5,888	1,463	3,025	4,690	5,884	103.2%				103.2%	5,700
YoY	92.5%	56.5%	47.4%	46.9%	-12.1%	-1.5%	0.4%	-0.1%						-3.2%
OPM	11.9%	11.3%	11.7%	11.1%	11.0%	11.4%	11.6%	10.7%						10.6%
Recurring profit	1,624	3,014	4,592	5,756	1,451	3,077	4,639	5,231	104.6%				104.6%	5,000
YoY	110.0%	67.0%	54.9%	55.3%	-10.6%	2.1%	1.0%	-9.1%						-13.1%
Recurring profit margin	11.6%	11.1%	11.5%	10.9%	10.9%	11.6%	11.4%	9.5%						9.3%
Net income	863	1,981	2,869	3,566	814	1,768	2,528	2,749	109.9%				109.9%	2,500
YoY	182.5%	134.8%	73.2%	99.0%	-5.7%	-10.7%	-11.9%	-22.9%						-29.9%
Net margin	6.2%	7.3%	7.2%	6.7%	6.1%	6.6%	6.2%	5.0%						4.6%
Quarterly					FY04/24				FY04/25					
(JPYmn)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Revenue	14,040	13,033	12,919	13,045	13,291	13,332	13,928	14,522						
YoY	26.0%	13.9%	11.0%	3.9%	-5.3%	2.3%	7.8%	11.3%						
Cost of revenue	9,916	9,365	9,057	9,314	9,342	9,476	9,908	10,634						
YoY	25.5%	15.4%	10.5%	0.9%	-5.8%	1.2%	9.4%	14.2%						
Cost ratio	70.6%	71.9%	70.1%	71.4%	70.3%	71.1%	71.1%	73.2%						
Gross profit	4,124	3,668	3,862	3,732	3,949	3,856	4,020	3,889						
YoY	27.3%	10.4%	12.3%	12.2%	-4.2%	5.1%	4.1%	4.2%						
Gross profit margin	29.4%	28.1%	29.9%	28.6%	29.7%	28.9%	28.9%	26.8%						
SG&A expenses	2,460	2,261	2,264	2,514	2,486	2,294	2,354	2,695						
YoY	3.6%	1.6%	1.3%	1.2%	1.1%	1.4%	4.0%	7.2%						
SG&A-to-sales ratio	17.5%	17.3%	17.5%	19.3%	18.7%	17.2%	16.9%	18.6%						
OP	1,665	1,407	1,599	1,217	1,463	1,562	1,665	1,193						
YoY	92.5%	28.2%	32.6%	45.0%	-12.1%	11.0%	4.2%	-2.0%						
OPM	11.9%	10.8%	12.4%	9.3%	11.0%	11.7%	12.0%	8.2%						
Recurring profit	1,624	1,390	1,578	1,164	1,451	1,625	1,562	592						
YoY	110.0%	34.8%	36.2%	-	-10.6%	16.9%	-1.0%	-49.2%						
Recurring profit margin	11.6%	10.7%	12.2%	8.9%	10.9%	12.2%	11.2%	4.1%						
Net income	863	1,117	888	697	814	954	759	221						
YoY	182.5%	107.7%	9.2%	-	-5.7%	-14.6%	-14.5%	-68.3%						
Net margin	6.2%	8.6%	6.9%	5.3%	6.1%	7.2%	5.5%	1.5%						

Source: Shared Research based on company materials

Notes: Figures may differ from company materials due to differences in rounding methods.

Earnings trends by segment

Earnings (cumulative)					FY04/24				FY04/25				FY04/25	
(JPYmn)	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	% of forecast	Company forecast
Revenue	14,040	27,073	39,992	53,038	13,291	26,623	40,551	55,073	102.0%				102.0%	54,000
YoY	26.0%	19.9%	16.9%	13.4%	-5.3%	-1.7%	1.4%	3.8%						
5G Infrastructure Support	2,428	4,924	7,425	9,932	2,547	5,166	7,839	10,568						
YoY	4.3%	4.1%	4.4%	4.7%	4.9%	4.9%	5.6%	6.4%						
% of revenue	16.5%	17.4%	17.7%	17.8%	18.3%	18.5%	18.5%	18.4%						
5G Lifestyle Support	7,600	13,655	19,904	26,612	6,214	12,619	19,177	26,308						
YoY	38.8%	22.4%	18.7%	14.4%	-18.2%	-7.6%	-3.7%	-1.1%						
% of revenue	51.7%	48.1%	47.4%	47.7%	44.6%	45.3%	45.2%	45.7%						
Enterprise/Creator 5G DX SupportDX Support	4,668	9,799	14,655	19,278	5,162	10,076	15,375	20,699						
YoY	15.6%	21.3%	18.0%	14.4%	10.6%	2.8%	4.9%	7.4%						
% of revenue	31.8%	34.5%	34.9%	34.5%	37.1%	36.2%	36.3%	36.0%						
Other	-	-	-	-	-	-	-	-						
YoY	-	-	-	-	-	-	-	-						
% of revenue	-	-	-	-	-	-	-	-						
Adjustments	-656	-1,305	-1,991	-2,785	-632	-1,238	-1,839	-2,502						
OP	1,665	3,072	4,670	5,888	1,463	3,025	4,690	5,884	103.2%				103.2%	5,700
YoY	92.5%	56.5%	47.4%	46.9%	-12.1%	-1.5%	0.4%	-0.1%						
OPM	11.9%	11.3%	11.7%	11.1%	11.0%	11.4%	11.6%	10.7%						
5G Infrastructure Support	463	949	1,421	1,616	325	689	1,056	1,405						
YoY	17.7%	29.4%	22.4%	17.2%	-29.7%	-27.4%	-25.7%	-13.0%						

OPM	19.1%	19.3%	19.1%	16.3%		12.8%	13.3%	13.5%	13.3%					
				% of OP		27.8%	30.9%	30.4%	27.3%		22.2%	22.8%	22.5%	23.9%
5G Lifestyle Support						1,009	1,702	2,496	3,205		769	1,638	2,671	3,546
				YoY		167.5%	73.6%	62.6%	57.1%		-23.7%	-3.7%	7.0%	10.6%
				OPM		13.3%	12.5%	12.5%	12.0%		12.4%	13.0%	13.9%	13.5%
				% of OP		60.6%	55.4%	53.4%	54.2%		52.6%	54.1%	57.0%	60.3%
Enterprise/Creator 5G DX SupportDX Support						199	431	771	1,109		373	709	976	954
				YoY		106.3%	68.7%	60.1%	83.5%		87.7%	64.5%	26.6%	-14.0%
				OPM		4.3%	4.4%	5.3%	5.8%		7.2%	7.0%	6.4%	4.6%
				% of OP		11.9%	14.0%	16.5%	18.8%		25.5%	23.4%	20.8%	16.2%
Other						-5	-11	-16	-21		-5	-11	-16	-21
				YoY		-	-	-	-		-	-	-	-
				OPM		-	-	-	-		-	-	-	-
				% of OP		-0.3%	-0.3%	-0.3%	-0.4%		-0.4%	-0.4%	-0.3%	-0.4%
Adjustments						-0	1	-2	-21		1	-1	3	-1
Quarterly(3-months)						FY04/24				FY04/25				
(JPYmn)						Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4
Revenue						14,040	13,033	12,919	13,045		13,291	13,332	13,928	14,522
				YoY		26.0%	13.9%	11.0%	3.9%		-5.3%	2.3%	7.8%	11.3%
5G Infrastructure Support						2,428	2,497	2,500	2,508		2,547	2,619	2,673	2,729
				YoY		4.3%	3.8%	5.2%	5.4%		4.9%	4.9%	6.9%	8.8%
				% of revenue		16.5%	18.2%	18.4%	18.1%		18.3%	18.8%	18.4%	18.0%
5G Lifestyle Support						7,600	6,054	6,249	6,709		6,214	6,405	6,557	7,131
				YoY		38.8%	6.6%	11.5%	3.3%		-18.2%	5.8%	4.9%	6.3%
				% of revenue		51.7%	44.3%	45.9%	48.5%		44.6%	46.0%	45.1%	47.0%
Enterprise/Creator 5G DX SupportDX Support						4,668	5,131	4,855	4,624		5,162	4,914	5,299	5,325
				YoY		15.6%	27.1%	11.9%	4.3%		10.6%	-4.2%	9.1%	15.2%
				% of revenue		31.8%	37.5%	35.7%	33.4%		37.1%	35.3%	36.5%	35.1%
Other						-	-	-	-		-	-	-	-
				YoY		-	-	-	-		-	-	-	-
				% of revenue		-	-	-	-		-	-	-	-
Adjustments						-656	-649	-686	-794		-632	-606	-601	-662
OP						1,665	1,407	1,599	1,217		1,463	1,562	1,665	1,193
				YoY		92.5%	28.2%	32.6%	45.0%		-12.1%	11.0%	4.2%	-2.0%
				OPM		11.9%	10.8%	12.4%	9.3%		11.0%	11.7%	12.0%	8.2%
5G Infrastructure Support						463	486	472	195		325	364	367	349
				YoY		17.7%	42.9%	10.5%	-10.4%		-29.7%	-25.1%	-22.2%	79.0%
				OPM		19.1%	19.5%	18.9%	7.8%		12.8%	13.9%	13.7%	12.8%
				% of OP		27.8%	34.6%	29.5%	15.8%		22.2%	23.3%	22.1%	29.2%
5G Lifestyle Support						1,009	693	795	709		769	869	1,033	875
				YoY		167.5%	14.9%	43.1%	0		-23.7%	25.4%	30.0%	23.4%
				OPM		13.3%	11.4%	12.7%	10.6%		12.4%	13.6%	15.8%	12.3%
				% of OP		60.6%	49.3%	49.6%	57.3%		52.6%	55.6%	62.1%	73.1%
Enterprise/Creator 5G DX SupportDX Support						199	232	340	338		373	336	267	-22
				YoY		106.3%	45.9%	50.3%	175.6%		87.7%	44.6%	-21.4%	-
				OPM		4.3%	4.5%	7.0%	7.3%		7.2%	6.8%	5.0%	-
				% of OP		11.9%	16.5%	21.2%	27.3%		25.5%	21.5%	16.1%	-1.8%
Other						-5	-5	-5	-5		-5	-5	-5	-5
				YoY		-	-	-	-		-	-	-	-
				OPM		-	-	-	-		-	-	-	-
				% of OP		-0.3%	-0.4%	-0.3%	-0.4%		-0.4%	-0.3%	-0.3%	-0.4%
Adjustments						-0	1	-3	-19		1	-1	3	-3

Source: Shared Research based on company materials

Notes: Figures may differ from company materials due to differences in rounding methods.

Effective from the fiscal year ending April 2025, some expenses related to basic research, which had been classified in the 5G Infrastructure Support Business, 5G Lifestyle Support Business, and Enterprise/Creator 5G DX Support Business, were reclassified into the 5G Lifestyle Support Business since they have reached the social implementation stage. Accordingly, Q1, Q2, and Q3 FY04/24 results have also been revised, with Q4 FY4/24 (three months) results for each segment being the difference between full-year FY04/24 results (former classification) and cumulative Q3 FY04/24 results (new classification).

Full-year FY04/25 results

- Revenue: JPY55.1bn (+3.8% YoY)
- Operating profit: JPY5.9bn (-0.1% YoY)
- Recurring profit: JPY5.2bn (-9.1% YoY)
- Net income attributable to owners of the parent: JPY2.7bn (-22.9% YoY)

In FY04/25, revenue increased 3.8% YoY, while operating profit, and recurring profit and net income attributable to owners of the parent declined 0.1% YoY, 9.1% YoY, and 22.9% YoY, respectively. In Q1 FY04/24 Giga Prize Co., Ltd. and its subsidiaries changed their fiscal year-end from March 31 to April 30, the same date as the company, resulting in a 13-month accounting period from April 1, 2023 to April 30, 2024 for FY04/24. The company stated that excluding the impact of the change in fiscal year-end for Giga Prize and its subsidiaries, FY04/25 revenue and operating profit grew 7.3% YoY and 7.2% YoY, respectively.

FreeBit exceeded its full-year forecasts, achieving 102.0% of the revenue target, 103.2% of the operating profit target, 104.6% of the recurring profit target, and 109.9% of the net income target attributable to owners of the parent.

5G Infrastructure Support

- Revenue: JPY10.6bn (+6.4% YoY)
- Operating profit: JPY1.4bn (-13.0% YoY)

In FY04/25, although business support services for MVNOs expanded steadily, costs associated with communication equipment upgrades and enhanced human resources increased. As a result, revenue grew 6.4% YoY, but operating profit declined 13.0% YoY.

5G Lifestyle Support

- Revenue: JPY26.3bn (-1.1% YoY)
- Operating profit: JPY3.5bn (+10.6% YoY)

In FY04/25, the company steadily increased the number of households for its 5G Homestyle service (an internet service for housing complexes). As a result, revenue declined 1.1% YoY, but operating profit rose 10.6% YoY. Excluding the impact of the fiscal year-end change at Giga Prize and its subsidiaries, revenue and operating profit actually increased 5.7% YoY and 26.3% YoY, respectively.

Enterprise/Creator 5G DX Support

- Revenue: JPY20.7bn (+7.4% YoY)
- Operating profit: JPY954mn (-14.0% YoY)

In FY04/25, while overseas operations—primarily affiliate-based businesses—performed steadily, increased costs from the rollout of StandAlone and upfront investments in the e-commerce business led to a 7.4% YoY increase in revenue but a 14.0% YoY decline in operating profit.

Full-year company forecast

FY04/26 company forecast

(JPYmn)	FY04/25			FY04/26	
	1H Act.	2H Act.	FY Act.	FY Est.	
Revenue	26,623	28,450	55,073	60,000	
YoY	-1.7%	9.6%	3.8%	8.9%	
OP	3,025	2,859	5,884	6,100	
YoY	-1.5%	1.5%	-0.1%	3.7%	
OPM	11.4%	10.0%	10.7%	10.2%	
Recurring profit	3,077	2,154	5,231	5,770	
YoY	2.1%	-21.4%	-9.1%	10.3%	
Recurring profit margin	11.6%	7.6%	9.5%	9.6%	
Net income	1,768	980	2,749	3,500	
YoY	-10.7%	-38.2%	-22.9%	27.3%	
Net margin	6.6%	3.4%	5.0%	5.8%	

Source: Shared Research based on company materials

Notes: Figures may differ from company materials due to differences in rounding methods.

Initial company forecast (out June 13, 2025)

- Revenue: JPY60.0bn (+8.9% YoY)
- Operating profit: JPY6.1bn (+3.7% YoY)
- Recurring profit: JPY5.8bn (+10.3% YoY)
- Net income attributable to owners of the parent: JPY3.5bn (+27.3% YoY)

FreeBit forecasts full-year results for FY04/26 of JPY60.0bn in revenue (+8.9% YoY), JPY6.1bn in operating profit (+3.7% YoY), JPY5.8bn in recurring profit (+10.3% YoY), and JPY3.5bn in profit attributable to owners of the parent (+27.3% YoY).

The projected increase in revenue reflects continued growth aligned with the company's medium-term plan, SiLK VISION 2027, which targets a CAGR of 7–10%. To achieve the final-year targets of SiLK VISION 2027, the company plans to actively pursue growth investments and business refactoring. In conjunction with its capital and business alliance with SoftBank, and the conversion of Giga Prize into a wholly owned (voting rights) subsidiary, FreeBit is undertaking a fundamental overhaul of its business structure. This includes the integration of group-wide management, joint procurement, collaborative sales, and co-development of technology and services to generate synergy. Furthermore, while telecommunications has been the group's core business, it now aims to transform its business model into a high-margin, sustainable enterprise by leveraging cutting-edge technologies such as web3 and AI to address social challenges.

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