

March 13, 2026

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Representative Director, President Executive Officer: Masanori Inomata
(Code No: 9450, TSE Standard, Sapporo Securities Exchange)
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Notice Regarding the Publication of a Sponsored Report by Storm Research

Fibergate Inc. hereby announces that a sponsored report on the Company has been published by Storm Research Limited (UK), an independent research firm specializing in Japanese small- and mid-cap equities.

This report is intended to help investors gain a deeper understanding of the Company's business operations and growth strategy.

Fibergate (9450, Corporate)

Earnings inflection

12th March 2026

Share price: ¥678

Market cap: ¥14.0bn

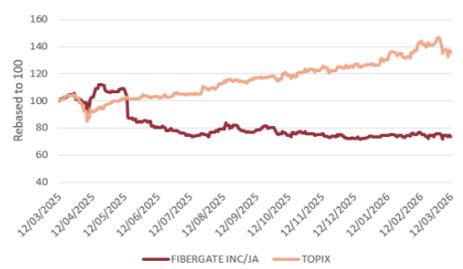
Margin recovery, cross-selling growth & a strong balance sheet support an earnings inflection ahead.

Company sector

Diversified Telecommunication (GICS Industry)

Stock data

Price (¥)	678
Mkt cap (¥bn)/(\$m)	14.0 / 87.9
52-week range (¥)	653 - 1,038
Shares O/S (m)	20.6
Average daily value (\$m)	0.3
Free float (%)	52.7
Foreign shareholding (%)	5.0
Ticker	9450
Exchange	Tokyo Standard
Net Debt/Equity (%)	22.8



Source: Bloomberg

BUSINESS OVERVIEW

Fibergate is the #2 ranked supplier of domestic wireless telecom services, including free Wi-Fi spot construction, maintenance & operation.

Next event

3Q 6/26 results in May 2026.

Storm Corporate: +44 (0) 121 815 9426

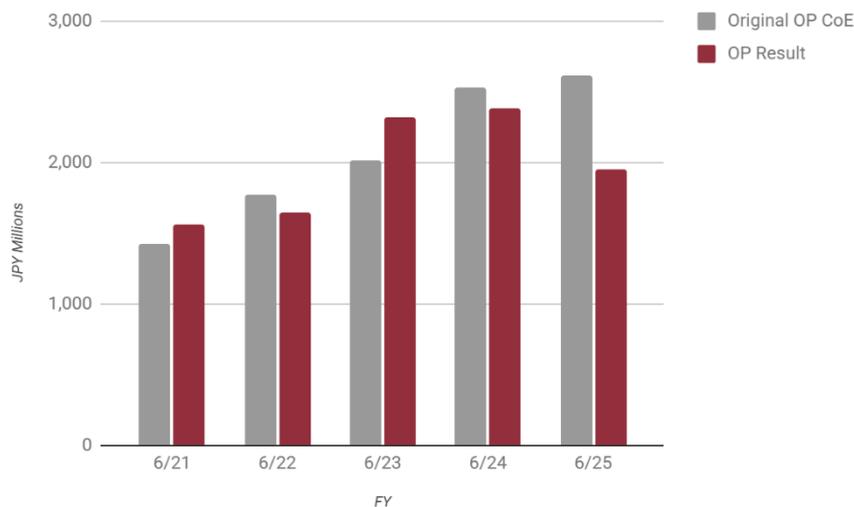
info@stormresearch.co.uk[Storm Corporate profile page](#)

Fibergate is a research client of Storm Research

- 1H 6/26 sales increased in line with plan, but OP remained slightly weaker than expected as upfront investment in telecom-energy integration, renewable expansion, outright equipment sales & organisational strengthening weighed on OPM, which declined -1.4ppt YoY to 13.6%. However, the **2Q OPM improved +3.4ppt QoQ to 15.3%, indicating stabilisation.**
- Core Home-Use 1H sales were in line with the company forecast as new unit growth met expectations, but OP was slightly disappointing given the continued shift towards outright sales of equipment & resulting front-loaded depreciation. **The cross-sell ratio reached a record 19.3%**, with management targeting further medium-term improvement, which would support meaningful incremental margin expansion as higher-value services scale up.
- Business-Use division 1H sales increased in line with forecast, whilst OP rose +35.3%YoY & the OPM +6.0ppt YoY to 24.6% as high-value projects came to fruition. Deployments in hospitals, nursing care facilities & shared office infrastructure drove the margin recovery, alongside appropriate pricing & improved sales mix.
- Within Core Business-Use growth areas, subsidy-supported care home deployments are expected to accelerate in the 3Q, & the "Wi-Fi BUS@" rollout across ~200 Hokkaido Chuo intercity buses marks Fibergate's expansion within the transport infrastructure domain, further strengthening its presence in this area, which we expect to lead to further contracts. Flow sales remained slightly below plan due to timing, but are forecast to recover in the 2H.
- The Renewable Energy business remained loss-making in the 1H due to a slower than expected rollout of residential rooftop solar power service SOLERIO. Fibergate expects the business to turn profitable in the 2H & become its 3rd earnings pillar in the medium term to 2030.
- Management views **FY 6/26 as the year to establish growth foundations** through cross-selling expansion, telecom & energy infrastructure integration & margin normalisation. 2H earnings are expected to be stronger, particularly 3Q, supported by seasonal Home-Use completions & Business-Use telecom equipment deliveries.
- With recurring revenue growth, signs of margin stabilisation & a medium-term RP target of ¥5bn, **Fibergate appears to be approaching an earnings inflection point.** Strong FCF generation (+¥650m in the 1H) & a robust balance sheet provide significant financial flexibility to fund renewable expansion, infrastructure investment & potential strategic M&A to accelerate its telecom-energy infrastructure integrator strategy. On 11x FY 6/26 company estimates, with the stock -75% below its 2021 peak, we recommend investors book time with management to understand the recovery story: [here](#).

Year end	6/2024	6/2025	1H 6/2026	6/2026E
Sales (¥bn)	12.6	13.1	6.8	14.1
OP (¥bn)	2.4	2.0	0.9	2.0
NP (¥bn)	1.6	1.3	0.6	1.3
EPS (¥)	77.2	65.2	31.0	63.1
DPS (¥)	17.5	27.0	13.5	27.0
Sales growth YoY (%)	-1.4	3.6	3.3	7.5
OP growth YoY (%)	2.9	-18.0	-6.1	2.1
NP growth YoY (%)	5.7	-15.8	-4.8	-3.7
EPS growth YoY (%)	6.2	-15.5	-4.1	-3.2
PER (x)	14.4	11.0	10.6	10.7
EV/EBITDA (x)	6.2	4.3	4.2	4.3
PBR (x)	3.9	2.2	2.0	2.0
ROE (%)	29.8	21.5	19.8	n/a
ROIC (%)	16.5	13.6	12.8	n/a
FCF yield (%)	2.2	11.0	9.1	n/a
Dividend yield (%)	1.6	3.8	n/a	4.0

Source: Company & Bloomberg

RESULTS VS
FORECAST HISTORY

EARNINGS

1H FY 6/26 sales increased +3.3%YoY to ¥6.8bn, in line with the company expectation, but OP was slightly lower than expected & declined -6.1%YoY to ¥919m.

- *OP*: **The 1H OP decline reflects strategic investment to accelerate Fibergate's transition towards its telecom-energy infrastructure integrator model**, including expansion of outright equipment sales, renewable energy investments, strengthening the salesforce, & organisational expansion. 1H EBITDA remained resilient at ¥930m with a strong EBITDA margin of 28%, confirming the stability of the recurring subscription earnings base.

- *OPM*: The 1H OPM declined -1.4ppt YoY to 13.6%, but margin stabilisation is emerging, with 2Q OPM improving +3.4ppt QoQ to 15.3%, reflecting a better sales mix, Business-Use profitability recovery & initial benefits from cross-selling expansion.

Management indicated OPM in the Home-Use division has likely passed the peak impact of upfront costs related to outright equipment sales & expects a gradual recovery as cross-selling & recurring revenue increase. Stock revenue is steadily growing, with **recurring subscription income rising for over 31 consecutive quarters**, supporting earnings visibility.

- *FY 6/26*: FY 6/26 guidance remains unchanged, with sales forecast +7.5%YoY to ¥14.1bn & OP +2.1%YoY to ¥2.0bn. Management expects earnings to be weighted towards the 2H, particularly the 3Q, which is seasonally the strongest period due to concentrated residential construction completions & Business-Use telecom equipment deliveries. Management emphasises that **FY 6/26 is a strategic preparation year establishing the foundation for sustained earnings expansion** & medium-term RP growth towards ¥5bn.

Quarterly progression is improving, with 2Q OPM recovering sequentially & Business-Use telecom equipment deliveries accelerating. Management expects stronger 2H sales of ¥7.3bn +7.3%HoH, with the OPM improving from 13.6% in the 1H to 15.0% in the 2H, supported by improved operating leverage, easing upfront cost impacts from outright equipment sales & increased cross-selling. Whilst a sharp recovery is not anticipated, **management believes earnings are approaching an inflection point as upfront investment tapers off & telecom-energy infrastructure integration effects begin to emerge.**

COMPANY STRATEGY & POSITIONING

Fibergate has launched its new corporate slogan, 'Lead the Telecomenergy', accelerating its transformation into an on-premise infrastructure integrator that combines telecommunications, renewable energy & infrastructure solutions.

The company aims to maximise property value whilst contributing towards carbon neutrality by integrating connectivity, solar generation, storage & IoT infrastructure into unified on-premise infrastructure platforms. **Management is repositioning Fibergate from a pure connectivity provider into a hybrid telecom-energy infrastructure platform.**

Industry conditions are evolving, with competition intensifying as residential apartment Wi-Fi becomes increasingly commoditised. At the same time, annual net new installations of internet connections in apartment buildings have declined from the historical peak of ~90k units to ~60k units today. In response, Fibergate is shifting its growth focus towards infrastructure integration, renewable energy, premium connectivity & cross-selling expansion to increase differentiation, ARPU & profitability. Management believes this transition will restore earnings growth & strengthen its competitive positioning.

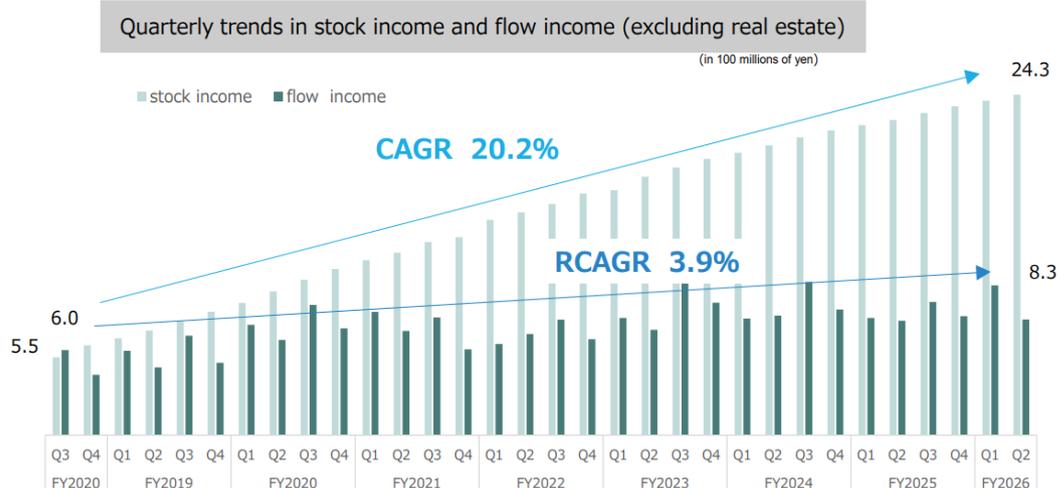
Fibergate is currently in Stage 5 of its long-term corporate roadmap, representing an investment phase preparing for Stage 6, expansion, by ~2030. Stage 5 prioritises infrastructure investment, renewable expansion, organisational strengthening & business model transformation to establish a fully integrated telecom-energy infrastructure platform. Management expects this investment phase to support accelerated earnings growth from the late 2020s.

TELECOMMUNICATIONS DIVISION

Fibergate reorganised its structure in July 2025, integrating Home-Use & Business-Use into a unified Telecommunications segment aligned geographically to improve efficiency, responsiveness & cross-selling capability. This structural integration improves operational efficiency & supports the infrastructure integrator strategy execution.

1H Telecommunications sales increased +4.8%YoY to ¥6.4bn whilst OP increased +0.5%YoY to ¥1.5bn, demonstrating continued earnings stability despite margin pressure elsewhere. Growth was driven by steady expansion in multi-dwelling unit connectivity services, strong cross-selling adoption & expanding telecom equipment demand in the medical, nursing care, logistics, office & transportation sectors.

- *Stock revenue*: Recurring subscription stock revenue remains the core earnings driver & continues to grow steadily. Wi-Fi connected multi-dwelling units increased +57k YoY to 708.3k units, with FY 6/26 forecast to reach ~742k units (+~60k YoY). Whilst growth has slowed due to market maturity, recurring income expansion continues to support stable earnings growth & cash flow.



Source: Company

- *Cross-selling*: Cross-selling is accelerating significantly & has become a major earnings driver. **The 1H cross-selling ratio reached a record 19.3%**, reflecting strong adoption of network cameras, delivery boxes, smart locks, intercom systems & EV charging infrastructure.

Network cameras represent ~80-90% of cross-sell volume, indicating strong tenant security demand & supporting higher ARPU & profitability. Management targets further cross-selling ratio improvement over the medium term.

The shift towards outright equipment sales continues to impact the near-term OPM due to upfront cost recognition. However, management emphasised this transition improves long-term cash flow stability, reduces the capex burden & strengthens the durability of recurring earnings. Management has also noted that the Home-Use OPM has stabilised near ~24-25% & expects a gradual recovery as cross-selling expands & the upfront cost impact from outright equipment sales normalises.

HOME-USE BUSINESS

(JPY Millions)	1Q 6/26 Results	YoY	1H 6/26 Result	YoY	6/26 CoE	YoY
Sales	2,752	4.1%	5,563	5.3%	11,600	6.8%
OP	591	-11.5%	1,286	-3.4%	6.8%	10.3%
OPM	21.5%	-3.8%	23.1%	-2.1%	2,910	0.8%

The Home-Use division is expected to remain Fibergate's dominant earnings driver, contributing 82.1% of total sales & the majority of OP. 1H 6/26 sales increased +5.3%YoY to ¥5.6bn, & were broadly in line with plan, whilst OP was slightly disappointing versus the company's forecast, declining -3.4%YoY to ¥1.3bn, reflecting the continued shift towards outright equipment sales, which front loads depreciation & temporarily reduces profitability.

Despite slower housing market conditions, residential connectivity expansion remains steady, with total connections increasing to 708.3k units, +57k YoY & +28.2k FYTD. Fibergate anticipates 742k units by FY6/26, representing +~60k YoY growth. A growing installed base supports continued expansion in recurring subscription revenue.

- *Housing market slowdown*: 1H new construction openings declined -10%YoY, reflecting a broader housing market slowdown, but the proportion of new construction within total installations increased to 53%, improving cross-selling potential & lifetime value per installation.

Fibergate continues balancing new construction & existing building acquisitions, with rapid conversions of existing buildings supporting near-term revenue stability & smoothing installation volatility. **Structural demand remains structurally strong**, driven by tenant demand for high-quality connectivity, security & smart building integration. Approximately 10% of tenants subscribe to premium individual connectivity services, providing further ARPU expansion opportunities.

- *Cross-selling*: Cross-selling continues to accelerate significantly & is a key structural earnings driver. The 1H cross-selling ratio increased to a record 19.3%, improving +3.7ppt QoQ & +4.7ppt YoY, driven by rapid adoption of network cameras, delivery box solutions, smart locks, intercom systems, & EV charging infrastructure.

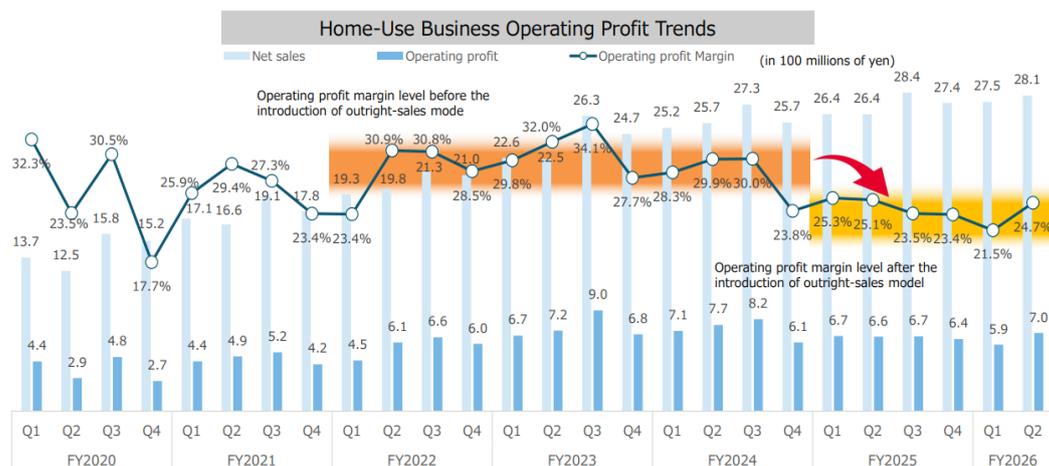
Cross-selling materially increases ARPU, improves customer lifetime value & enhances the long-term margin profile. Management targets further cross-selling ratio improvement over the medium term, which would support meaningful incremental profit growth given the high-margin nature of cross-sold products.

- *Shift to outright sales*: The shift towards outright equipment sales continues to impact short-term profitability, as depreciation is recognised upfront rather than spread over the contract period. This temporarily reduces OPM but improves long-term cash flow, reduces capex requirements & strengthens recurring earnings stability. Management indicated the negative margin impact has stabilised & expects a gradual recovery as the upfront cost impact from outright equipment sales normalises & the higher margin cross-selling contribution increases.

- *FY 6/26*: FY 6/26 Home-Use sales are forecast to increase +6.8%YoY to ¥11.6bn whilst OP is forecast +10.3%YoY to ¥2.9bn, approaching record levels. Management expects Home-Use earnings to be weighted towards the 2H, particularly in the 3Q, which is seasonally the strongest period for residential construction completions.

Growth is set to be driven by ongoing strength in recurring stock revenue as the number of connected homes rises towards the company's FY 6/26 forecast of 742k units, as cross-selling continues—including cameras, FG Smart Call & delivery box solutions—and as operating leverage improves.

The 2H OPM is forecast +3.8ppt HoH to 26.9%, reflecting stabilisation of the outright equipment impact & an increasing contribution from high-margin value-added services.



Source: Company

**BUSINESS-USE
BUSINESS**

(JPY Millions)	1Q 6/26 Results	YoY	1H 6/26 Result	YoY	6/26 CoE	YoY
Sales	389	-4.0%	833	2.1%	1,810	7.5%
OP	82	13.9%	204	35.3%	400	22.7%
OPM	21.1%	3.3%	24.6%	6.0%	22.1%	2.7%

1H Business-Use sales & OP showed the start of a recovery trend, with **improving profitability driven by high-margin telecom equipment installation projects, a better project mix & an expanding infrastructure deployment pipeline.**

1H sales increased +2.1%YoY to ¥833m whilst OP increased +35.3%YoY to ¥204m, with the 1H OPM improving +6.0ppt YoY to 24.6%. This reflects **improving earnings quality as Fibergate focuses on higher-value infrastructure deployments across core target sectors**, including medical, nursing care, office, logistics, public infrastructure, tourism & transportation.

- *2Q acceleration:* Momentum accelerated in the 2Q, with sales increasing +14.1%QoQ & +8.2%YoY whilst OP increased +48.9%QoQ & +55.6%YoY. The 2Q OPM recovered sharply to 27.6%, improving +6.4ppt QoQ & +8.4ppt YoY, reflecting the delivery of high-margin projects including hospital network installations, nursing care infrastructure, office connectivity deployments & transportation infrastructure projects.

Management confirmed that project quality, profitability & pricing discipline have improved materially, driving a structural margin recovery. Demand remains strong across its core target areas of medical & nursing care, tourism, logistics, public infrastructure & office infrastructure, supported by ongoing digital transformation, infrastructure modernisation & the inbound tourism recovery.

- *Transport infrastructure:* Fibergate is also expanding into transportation infrastructure, strengthening its position as an infrastructure integrator. The company had previously secured deployment of its "WiFi BUS®" service across ~200 intercity highway buses operated by Hokkaido Chuo Bus, with installation on individual vehicles completed in Dec 2025 & service provision beginning in Jan 2026. The project is supported by government subsidies under the Ministry of Land, Infrastructure, Transport & Tourism's DX/GX subsidy programme.

This project demonstrates Fibergate's technological advantage in delivering highspeed & more stable connectivity than existing systems & further strengthens its position within the transportation infrastructure domain.

Management expects this bus deployment to serve as a reference project, enhancing credibility & likely leading to additional transport sector contracts across intercity buses, tourism transportation & public infrastructure networks.

- *Stock revenue:* Stock revenue continues to accumulate steadily, strengthening recurring income visibility & supporting profitability improvement. Flow sales remain slightly below plan due to project timing & delivery phasing, but are expected to recover in the 2H as subsidy-supported infrastructure projects progress. In particular, care home infrastructure deployments supported by government subsidy programmes are expected to accelerate in 3Q, contributing to revenue growth & margin expansion.

Flow sales are forecast to remain broadly stable at ~¥870m near term, whilst stock revenue continues to expand steadily as the installed infrastructure base increases. This rising stock

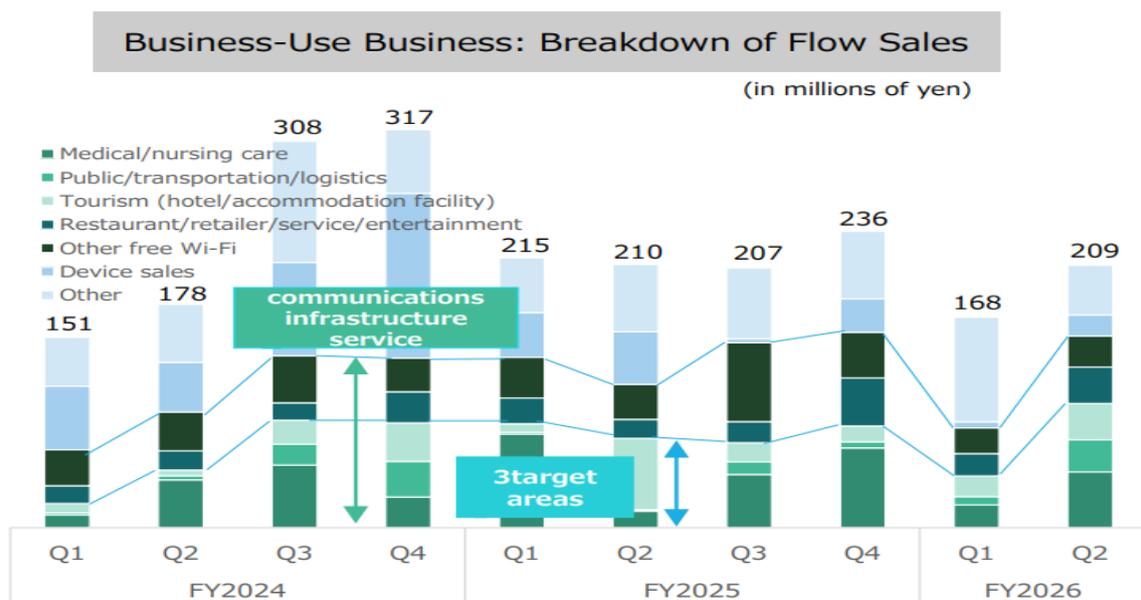
revenue component improves earnings stability, reduces volatility & supports gradual OPM expansion through operating leverage.

- FY 6/26: FY 6/26 Business-Use sales are forecast to increase +7.5%YoY to ¥1.8bn & OP +22.4%YoY to ¥400m, reflecting continued expansion in high-value infrastructure deployments & improving operating efficiency.

The FY OPM is forecast at 22.1%, with the 2H OPM expected at 20.1%, reflecting normalisation following exceptionally strong 2Q profitability whilst remaining above prior year levels. Management anticipates growth being driven by its three key strategic focus areas of medical & nursing care, public infrastructure & tourism, alongside continued expansion of recurring stock revenue & transportation infrastructure deployments.

In aggregate, **Business-Use is evolving into a stronger earnings contributor**, with improving margin quality, a growing recurring revenue base, a strengthened infrastructure deployment pipeline & entry into transportation infrastructure markets.

Management foresees continued improvement in project profitability, stable recurring revenue expansion, additional subsidy-driven infrastructure deployments & gradual operating leverage improvement, positioning the division as an increasingly important medium-term earnings growth driver within Fibergate's on-premise infrastructure integrator strategy.



Source: Company

**REAL ESTATE,
RENEWABLE, &
OTHER BUSINESSES**

(JPY Millions)	1Q 6/26 Results	YoY	1H 6/26 Result	YoY	6/26 CoE	YoY
Sales	315	7775.0%	377	-17.0%	640	23.1%
OP	-16	n/a	-64	n/a	90	34.3%
OPM	n/a	n/a	n/a	n/a	14.1%	1.2%

Renewable Energy remains in an investment phase, with upfront costs still impacting near-term profitability. 1H Renewable & Other sales increased significantly YoY, with Other Business recording sales of ¥81m (vs ¥13m YoY), driven by Off Grid Lab & the consolidation of Power Denki Innovation (PDI).

- *Renewable energy*: The renewable energy segment recorded an operating loss of -¥88m, reflecting accelerated upfront investment, EPC integration costs, organisational expansion & solar infrastructure build-out. The acquisition of PDI strengthens in-house EPC capabilities, enabling internal solar installations, improving cost efficiency & enhancing long-term margin potential.

Solar deployment continues to expand through the SOLERIO rooftop solar platform, integrated with Fibergate's telecommunications infrastructure. Deployment includes rooftop solar, battery storage & flexible solar panels, enabling installation across urban buildings with structural constraints.

Renewable energy adoption is gradually increasing, particularly in new construction projects, with the order backlog building steadily. Profitability is likely to improve in the 2H as project execution accelerates, delivery timing improves & upfront investment normalises.

Medium term, Renewable Energy is forecast to become Fibergate's third core earnings pillar alongside Home-Use & Business-Use, supporting its telecom-energy integration strategy towards 2030.

- *Real Estate*: 1H Real Estate sales declined -33.0%YoY to ¥296m whilst OP declined -66.3%YoY to ¥24m, reflecting the sale of a smaller property by FG Smart Asset versus the prior year. Whilst one property was sold in both periods, the reduced scale lowered both sales & profitability.

Real estate inventory increased as Fibergate prepared future development projects, aligning the division with its infrastructure integrator strategy. Management anticipates earnings remaining modest in the near term but increasing from FY 6/27 onwards as the development pipeline is executed.

For FY 6/26, Renewable Energy, Real Estate & Other sales are forecast +22.8%YoY to ¥640m, with OP recovering to ¥90m, reflecting renewable scaling & reduced losses. As renewable project execution improves & in-house EPC capability strengthens, the segment is set to transition from an investment phase towards a sustainable contribution.

B2C EXPANSION DEPLOYMENT

Through its partnership with Sony Network Communications, Fibergate has launched a full-scale B2C expansion, increasing Fibergate's addressable market by ~1.5x & enhancing its direct consumer connectivity services. Whilst the initial investment increases costs in the short-term, it is expected to support long-term revenue growth & margin expansion.

CASH FLOW & BALANCE SHEET

1H FCF increased +¥650m, marking 4 consecutive quarters of positive FCF, supported by strong recurring subscription revenue & controlled capex with the shift towards outright equipment sales.

Total assets increased +6%YoY to ¥12.9bn, driven by higher receivables, infrastructure investment & renewable development inventory. Equity increased to ¥6.8bn & the equity ratio recovered to 52.7%, reflecting strong financial stability.

Fibergate aims to leverage its balance sheet for efficient growth investments, including M&A, renewable expansion, HR & IT improvements, as well as shareholder returns.

OUTLOOK & MEDIUM TERM TARGETS

Management expects an earnings recovery in the 2H FY 6/26 supported by cross-selling growth, telecom equipment delivery, renewable scaling & improved operating leverage. The 3Q is likely to be the strongest earnings quarter due to a seasonal concentration of telecom equipment deployment projects. Management indicated margin stabilisation is emerging & **an earnings inflection may be approaching.**

In the medium term, Fibergate expects steady sales growth of ~5-8% annually, supported by recurring subscription expansion, infrastructure integration, renewable deployment & cross-selling growth. Management is positioning Fibergate to evolve into a telecom-energy infrastructure platform with improved profitability, stronger recurring earnings & long-term structural growth potential.

Capital allocation targets are one-third of NP for shareholder returns (dividends), one-third for HR & business growth, & one third as internal reserves. **Fibergate is maintaining an annual dividend of ¥27 per share in FY 6/26, implying a 41.4% dividend payout ratio.**

PREVIOUS REPORTS

- 9th December 2025: [‘Growth foundations’](#)
- 18th September 2025: [‘Business model transition’](#)
- 12th June 2025: [‘Strategic refocus’](#)
- 4th March 2025: [‘Salesforce Investment’](#)
- 6th December 2024: [‘Rising cross-sell ratio’](#)
- 27th August 2024: [‘Transformation’](#)
- 30th May 2024: [‘Business-Use emergence’](#)
- 5th March 2024: [‘Business-Use traction’](#)
- 1st Dec 2023: [‘Growth in tandem’](#)
- 28th Sep 2023: [‘Improving momentum’](#)
- 5th Jun 2023: [‘Renovation & new build WiFi’](#)
- 3rd March 2023: [‘Laying foundations’](#)
- 25th Nov 2022: [‘Strong residential WiFi’](#)
- 11th Nov 2022: Initiating coverage: [‘Residential & business WiFi’](#)

COMPANY
INFORMATION

Key corporate timeline	
2003	Began fully-fledged operations. Core business: selling broadband lines via the internet and a network of multiple brick-and-mortar locations
2004	Started business: free internet for communal housing
2005	Established Tokyo Office in Minato-ku, Tokyo Started business: free internet for communal housing using wireless LAN Unified all services and began operation using the FGBB® Series across the board
2006	Began providing free internet for communal housing using a private brand
2008	Started business: internet connection for monthly serviced apartments
2009	Call centre began providing customer service to tenants of FGBB® equipped properties in multiple languages Started business: the free Wi-Fi service “Wi-Fi Nex®”
2011	Established Osaka Office in Chuo-ku, Osaka
2013	Established NOIS Inc. as a wholly-owned subsidiary to plan, develop, and sell computer hardware and software, and to act as an internet line agency
2014	Started business: the sale of company-developed communication devices Began providing Wi-Fi services for stores and commercial facilities under a private brand Established Fukuoka Office in Hakata-ku, Fukuoka Established Nagoya Office in Atsuta-ku, Nagoya
2015	Acquired Telecommunications Contractor Authorization (Governor of Hokkaido Authorization (Fune-26) Ishi No.22017) Began providing the Wi-Fi service “SHINOBI Wi-Fi” to visiting foreigners Established Fibergate Taiwan Inc. as a wholly-owned subsidiary in Taiwan Acquired a license as a telecommunications business in accordance with the Telecommunications Business Act (Registration Number: No.358)
2016	Certified as a Management Innovation Plan Approval Company by the Governor of Hokkaido (Sekishoro: No.74-33) Acquired Privacy Mark certification (Registration Number: No. 17002586 (01)) End of fiscal year changed from December to June Nagoya Office moved to Naka-ku, Nagoya
2017	Satellite office opened in the Tokyo Office Osaka Office moved to Chuo-ku, Osaka Established Sendai Office in Miyagino-ku, Sendai Fukuoka Office moved within Hakata-ku, Fukuoka
2018	Listed on TSE Mothers Began providing the “One-Touch Wi-Fi” service as a Wi-Fi service for offices and stores Acquired certification as an Information Security Management System (ISMS) (Certification No.: MSA-IS-284)
2019	Transferred to the TSE 1 st Section Listed on the Main Market of the Sapporo Securities Exchange
2020	Established FG-Lab Inc. as a wholly-owned subsidiary that researches and develops company-provided telecommunication devices and systems Established BizGenesis Inc. to provide telecommunication services to corporations Relocated Fukuoka office within Hakata-ku, Fukuoka
2021	Established FG Smart Asset Inc. as a wholly-owned subsidiary to engage in real estate-related business including the purchase, sale, leasing, and management of real estate Established OffGrid-Lab Inc. to operate a renewable energy business
2022	Acquired TM Asset Inc. as a wholly-owned sub-sub-subsidiary to engage in real estate sales and leasing Merged with BizGenesis Inc., a telecommunication service provider for enterprises
2023	Started the Renewable Energy business
2024	Established Enepulse Inc., a joint venture company that operates as an energy agency
2025	Changed market classification to the Tokyo Stock Exchange Standard Market. OffGrid-Lab Inc. acquired Power Denki Innovation Inc., a company that handles in-house installation of solar power generation and storage battery systems, as a subsidiary.

Company contact details

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Major shareholders	Stake %
MI Corp KK	23.60
Masanori Inomata	13.88
Sumitomo Mitsui Trust Bank, Limited (Trust Account No. 23)	8.44
Custody Bank of Japan, Ltd. (Trust Account)	8.06
Taizo Matsumoto	5.45
UH5 Co., Ltd.	4.85
The Master Trust Bank of Japan, Ltd. (Trust Account)	3.19
INTERACTIVE BROKERS LLC (Interactive Brokers Securities Japan, Inc.)	1.51
Makoto Asakura	1.42
Hikari Tsushin, Inc.	1.02

Source: Company

Income statement ・ 連結損益計算書

	FY 6/21	FY 6/22	FY 6/23	FY 6/24	FY 6/25
Sales ・ 売上高	8,491	10,624	12,795	12,613	13,070
Cost of goods sold ・ 売上原価	4,140	5,785	7,054	6,795	7,641
Gross Profit ・ 売上総利益	4,351	4,839	5,741	5,817	5,428
Selling, general and administrative expenses ・ 販売費及び一般管理費	2,791	3,187	3,421	3,430	3,470
Operating Profit ・ 営業利益	1,559	1,652	2,320	2,387	1,958
Non-Operating Income ・ 営業外収益					
Interest income ・ 受取利息	0	0	0	0	1
Dividend income ・ 受取配当金	0	0	0	0	0
Surrender value of insurance policies ・ 保険解約返戻金	n/a	n/a	2	n/a	n/a
Exchange gain ・ 為替差益	1	n/a	n/a	n/a	n/a
Subsidy income ・ 助成金収入	n/a	n/a	n/a	n/a	n/a
Point revenue ・ ポイント収入額	3	1	5	5	5
Insurance income ・ 受取保険金	n/a	n/a	n/a	26	n/a
Other ・ その他	0	0	1	2	1
Total non-operating income ・ 営業外収益合計	6	2	8	34	11
Non-Operating Expenses ・ 営業外費用					
支払利息 ・ Interest expenses	18	24	29	23	23
為替差損 ・ Foreign exchange loss	n/a	6	3	2	2
社債発行費償却 ・ Amortization of bond issuance costs	1	0	0	n/a	n/a
融資解約違約金 ・ Loan cancellation penalty	n/a	17	4	n/a	n/a
Listing-related expenses ・ 上場関連費用	n/a	n/a	n/a	n/a	n/a
Other ・ その他	1	0	0	0	0
Total non-operating expenses ・ 営業外費用合計	21	50	38	26	26
Ordinary Profit ・ 経常利益	1,543	1,604	2,290	2,395	1,943
Extraordinary Income ・ 特別利益					
Gain from sale of fixed asset ・ 固定資産売却益	n/a	n/a	24	n/a	n/a
Gain from sale of investment securities ・ 投資有価証券売却益	n/a	0	0	n/a	n/a
Total extraordinary income ・ 特別利益合計	n/a	0	24	n/a	n/a
Extraordinary Losses ・ 特別損失					
Loss on disposal of fixed assets ・ 固定資産除却損	27	19	33	51	52
Loss on devaluation of investment securities ・ 投資有価証券評価損	n/a	0	n/a	39	n/a
Impairment loss ・ 減損損失	39	1	110	n/a	n/a
Total extraordinary losses ・ 特別損失合計	66	20	144	91	52
Profit Before Income Taxes ・ 税金等調整前当期純利益	1,477	1,584	2,171	2,304	1,890
Net Income - Current ・ 法人税、住民税及び事業税	501	417	686	631	490
Net Income - Deferred ・ 法人税等調整額	△44	92	1	100	91
Total Income Taxes ・ 法人税等合計	457	510	687	732	581
Profit ・ 当期純利益	1,019	1,073	1,483	1,572	1,309
Profit (loss) attributable to non-controlling interests ・ 非支配株主に帰属する当期純利益又は非支配株主に帰属する当期純損失 (△)	n/a	n/a	0	4	△10
Profit Attributable to Owners of Parent ・ 親会社株主に帰属する当期純利益	1,019	1,073	1,482	1,567	1,319
Other Comprehensive Income ・ その他の包括利益					
Valuation difference on available-for-sale securities ・ その他有価証券評価差額金	0	△0	0	0	△0
Foreign currency translation adjustment ・ 為替換算調整勘定	0	1	0	1	0

Total Other Comprehensive Income ・ その他の包括利益合計	0	1	0	1	0
Comprehensive Income ・ 包括利益	1,020	1,074	1,483	1,573	1,309
Comprehensive Income Attributable to ・ 内訳					
Comprehensive income attributable to owners of parent ・ 親会社株主に係る包括利益	1,020	1,074	1,483	1,568	1,319
Comprehensive income attributable to non-controlling interests ・ 非支配株主に係る包括利益	n/a	n/a	0	4	△10

(JPY Millions ・ 百万円)

Balance sheet ・ 連結貸借対照表

■Assets ・ 資産の部	FY 6/21	FY 6/22	FY 6/23	FY 6/24	FY 6/25
Current assets ・ 流動資産					
Cash & deposits ・ 現金及び預金	2,196	2,303	2,382	2,120	1,853
Accounts receivable ・ 売掛金	1,234	1,375	1,585	1,772	1,809
Contract Assets ・ 契約資産	n/a	197	217	208	182
Commodity ・ 商品	310	654	635	665	577
Real estate for sale ・ 販売用不動産	55	1,426	655	489	212
Work in progress ・ 仕掛品	n/a	n/a	0	0	0
Supplies ・ 貯蔵品	1	0	0	0	0
Advance payments ・ 前渡金	16	0	n/a	n/a	n/a
Prepaid expenses ・ 前払費用	85	61	n/a	n/a	n/a
Other ・ その他	26	15	87	87	76
Allowance for doubtful accounts ・ 貸倒引当金	△5	△7	△6	△5	△5
Total current assets ・ 流動資産合計	3,920	6,028	5,559	5,339	4,707
Non-current assets ・ 固定資産					
Tangible fixed assets ・ 有形固定資産					
Buildings (net) ・ 建物 (純額)	154	384	6	35	32
Tools, furniture and fixtures (net) ・ 工具、器具及び備品 (純額)	12	35	9	10	10
Communication equipment (net) ・ 通信設備 (純額)	4,841	5,549	6,544	7,153	6,956
Leased assets (net) ・ リース資産 (純額)	5	2	n/a	n/a	n/a
Structures (net) ・ 構築物 (純額)	10	22	n/a	n/a	n/a
Land ・ 土地	209	209	n/a	n/a	n/a
Construction in progress ・ 建設仮勘定	11	0	3	0	n/a
Total tangible fixed assets ・ 有形固定資産合計	5,246	6,204	6,565	7,200	6,998
Intangible assets ・ 無形固定資産					
Goodwill ・ のれん	n/a	102	n/a	n/a	n/a
Software ・ ソフトウェア	26	89	57	67	49
Software in progress ・ ソフトウェア仮勘定	47	20	21	20	33
Right of using a water supply facility ・ 水道施設利用権	1	2	n/a	n/a	n/a
Total intangible assets ・ 無形固定資産合計	75	214	79	88	82
Investments and other assets ・ 投資その他の資産					
Investment securities ・ 投資有価証券	13	51	51	11	11
Deposit ・ 敷金	32	34	35	46	45
Deferred tax assets ・ 繰延税金資産	105	550	472	372	281
Claims in bankruptcy, reorganization, etc. ・ 破産更生債権等	0	0	0	1	1
Other ・ その他	2	2	1	18	17
Allowance for doubtful accounts ・ 貸倒引当金	△1	△1	△1	△1	△1
Total investments and other assets ・ 投資その他の資産合計	152	637	559	447	355

Total non-current assets ・ 固定資産合計	5,475	7,057	7,203	7,736	7,436
Deferred assets ・ 繰延資産					
Inaugural expenses ・ 創立費	1	1	0	0	0
Bond issuance costs ・ 社債発行費	1	0	n/a	n/a	n/a
Total deferred assets ・ 繰延資産合計	2	1	0	0	0
Total assets ・ 資産合計	9,397	13,087	12,764	13,076	12,144

(JPY Millions ・ 百万円)

■Liabilities ・ 負債の部	FY 6/21	FY 6/22	FY 6/23	FY 6/24	FY 6/25
Current liabilities ・ 流動負債					
Accounts payable ・ 買掛金	522	478	633	623	681
Short-term borrowings ・ 短期借入金	53	718	300	140	240
Current portion of bonds ・ 1年内償還予定の社債	160	50	n/a	n/a	n/a
Current portion of long-term borrowings ・ 1年内返済予定の長期借入金	946	1,832	1,096	1,203	1,070
Lease obligations ・ リース債務	4	2	n/a	n/a	n/a
Accounts payable ・ 未払金	178	192	n/a	n/a	n/a
Accrued expenses ・ 未払費用	20	24	n/a	n/a	n/a
Income taxes payable ・ 未払法人税等	298	181	515	358	176
Contract liabilities ・ 契約負債	n/a	1,958	1,638	1,317	987
Provision for bonuses ・ 賞与引当金	63	80	86	88	85
Provision for shareholder benefits ・ 株主優待引当金	23	32	n/a	n/a	n/a
Provision for stock-based remuneration ・ 株式報酬引当金	n/a	n/a	5	n/a	n/a
Other ・ その他	106	93	409	356	403
Total current liabilities ・ 流動負債合計	2,378	5,645	4,685	4,086	3,645
Fixed liabilities ・ 固定負債					
Corporate bond ・ 社債	50	100	50	50	50
Long-term borrowings ・ 長期借入金	3,236	3,950	3,226	3,049	1,884
Lease obligations ・ リース債務	2	n/a	n/a	n/a	n/a
Deferred tax liabilities ・ 繰延税金負債	n/a	75	n/a	n/a	n/a
Retirement benefit liability ・ 退職給付に係る負債	27	36	44	53	61
Other ・ その他	25	0	n/a	n/a	n/a
Total fixed liabilities ・ 固定負債合計	3,341	4,162	3,320	3,153	1,996
Total liabilities ・ 負債合計	5,720	9,808	8,005	7,240	5,641

(JPY Millions ・ 百万円)

■Net assets ・ 純資産の部	FY 6/21	FY 6/22	FY 6/23	FY 6/24	FY 6/25
Shareholders' equity ・ 株主資本					
Capital ・ 資本金	488	494	494	494	494
Capital surplus ・ 資本剰余金	406	411	426	423	423
Retained earnings ・ 利益剰余金	2,882	2,572	3,963	5,225	6,017
Treasury shares ・ 自己株式	△100	△200	△188	△356	△493
Total shareholders' equity ・ 株主資本合計	3,677	3,277	4,694	5,786	6,442
Accumulated other comprehensive income ・ その他の包括利益累計額					
Valuation difference of other securities ・ その他有価証券評価差額金	0	△0	△0	0	△0
Foreign currency translation adjustment ・ 為替換算調整勘定	0	1	1	3	3
Total accumulated other comprehensive income ・ その他の包括利益累計額合計	0	1	1	3	3
Share award rights ・ 株式引受権	n/a	n/a	19	n/a	10

Non-controlling interests ・ 非支配株主持分	n/a	n/a	42	46	46
Total net assets ・ 純資産合計	3,677	3,279	4,758	5,836	6,502
Total liabilities and net assets ・ 負債純資産合計	9,397	13,087	12,764	13,076	12,144

(JPY Millions ・ 百万円)

Cash flow statement ・ 連結キャッシュ・フロー計算書

■Operating CF	FY 6/21	FY 6/22	FY 6/23	FY 6/24	FY 6/25
Cash flows from operating activities ・ 営業活動によるキャッシュ・フロー					
Profit before income taxes ・ 税金等調整前当期純利益	1,477	1,584	2,171	2,304	1,890
Depreciation ・ 減価償却費	995	1,215	1,442	1,650	1,726
Impairment loss ・ 減損損失	39	1	110	n/a	n/a
Gain from sale of fixed assets ・ 固定資産売却益	n/a	n/a	△24	n/a	n/a
Amortization of goodwill ・ のれん償却額	n/a	5	21	n/a	n/a
Stock-based remuneration expenses ・ 株式報酬費用	n/a	n/a	48	△7	10
Amortization of bond issuance expenses ・ 社債発行費償却	1	0	0	n/a	n/a
Loss on disposal of fixed assets ・ 固定資産除却損	27	19	33	51	52
Gain or loss from sale of investment securities (△gain) ・ 投資有価証券売却損益 (△は益)	n/a	△0	△0	n/a	n/a
Gain or loss from devaluation of investment securities (△gain) ・ 投資有価証券評価損益 (△は益)	n/a	n/a	n/a	39	n/a
Increase (△decrease) in allowance for doubtful accounts ・ 貸倒引当金の増減額 (△は減少)	△0	1	△0	△0	0
Increase (△decrease) in provision for bonuses ・ 賞与引当金の増減額 (△は減少)	30	16	6	1	△2
Increase (△decrease) in retirement benefit liability 退職給付に係る負債の増減額 (△は減少)	4	8	8	9	7
Increase (△decrease) in Shareholder Benefit Allowances 株主優待引当金の増減額 (△は減少)	n/a	n/a	△32	n/a	n/a
Interest income and Dividend income ・ 受取利息及び受取配当金	△0	△0	△0	△0	△1
Interest expenses ・ 支払利息	18	24	29	23	23
Listing-related expenses ・ 上場関連費用	n/a	n/a	n/a	n/a	n/a
Decrease (△increase) in accounts receivable ・ 売上債権の増減額 (△は増加)	△161	△140	△211	△186	△37
Decrease (△increase) in contract assets ・ 契約資産の増減額 (△は増加)	n/a	△24	△19	9	25
Decrease (△increase) in inventory ・ 棚卸資産の増減額 (△は増加)	△94	220	1,149	125	360
Increase (△decrease) in purchase payables ・ 仕入債務の増減額 (△は減少)	24	△21	145	19	64
Increase (△decrease) in contract liabilities ・ 契約負債の増減額 (△は減少)	n/a	△119	△320	△321	△329
Loss (△gain) on foreign exchange ・ 為替差損益 (△は益)	0	△0	1	△3	0
Other, net ・ その他	△104	58	132	△73	55
Subtotal ・ 小計	2,258	2,849	4,690	3,640	3,848
Interest and dividends received ・ 利息及び配当金の受取額	0	0	0	0	1
Interest paid ・ 利息の支払額	△18	△24	△29	△23	△23
Income taxes paid ・ 法人税等の支払額	△528	△529	△364	△784	△669
Net cash provided by (used in) operating activities ・ 営業活動によるキャッシュ・フロー	1,710	2,295	4,296	2,833	3,156

(JPY Millions ・ 百万円)

■Investing CF	FY 6/21	FY 6/22	FY 6/23	FY 6/24	FY 6/25
Cash flows from investing activities ・ 投資活動によるキャッシュ・フロー					
Expenditures from the acquisition of investment securities ・ 投資有価証券の取得による支出	△10	△40	△0	△0	△0
Gain from sale of investment securities ・ 投資有価証券の売却による収入	n/a	1	1	n/a	n/a
Expenditures from acquisition of tangible fixed assets ・ 有形固定資産の取得による支出	△2,207	△2,200	△2,413	△2,331	△1,557
Gain from sale of tangible fixed assets ・ 有形固定資産の売却による収入	n/a	n/a	254	n/a	n/a
Expenditures from acquisition of intangible assets ・ 無形固定資産の取得による支出	△37	△53	△29	△30	△15
Expenditure from acquisition of shares of subsidiaries resulting in change in scope of consolidation ・ 連結の範囲の変更を伴う子会社株式の取得による支出	n/a	△331	n/a	n/a	9
Expenditure from deposits ・ 敷金の差入による支出	△0	△2	△2	△14	△0
Other, net ・ その他	△0	△0	0	△0	0
Net cash provided by (used in) investing activities ・ 投資活動によるキャッシュ・フロー	△2,256	△2,626	△2,189	△2,377	△1,564

(JPY Millions ・ 百万円)

■Financing CF	FY 6/21	FY 6/22	FY 6/23	FY 6/24	FY 6/25
Cash flows from financing activities ・ 財務活動によるキャッシュ・フロー					
Increase (△decrease) in short-term borrowings ・ 短期借入金の増減額 (△は減少)	△146	644	△418	△160	100
Proceeds from long-term borrowings ・ 長期借入れによる収入	2,459	1,791	728	1,050	300
Expenditures due to repayment of long-term borrowings ・ 長期借入金の返済による支出	△701	△1,764	△2,188	△1,119	△1,596
Proceeds from the issuance of bonds ・ 社債の発行による収入	n/a	100	n/a	n/a	n/a
Redemption of bonds ・ 社債の償還による支出	△220	△160	△50	n/a	n/a
Repayments of lease obligations ・ リース債務の返済による支出	△11	△4	△2	n/a	n/a
Expenditures from acquisition of treasury shares ・ 自己株式の取得による支出	△0	△100	△4	△188	△136
Expenditure on listing-related expenses ・ 上場関連費用の支出	n/a	n/a	n/a	n/a	n/a
Amount of dividends paid ・ 配当金の支払額	△70	△81	△91	△305	△526
Proceeds from exercise of stock option ・ ストック・オプションの行使による収入	18	10	n/a	0	n/a
Net cash provided by (used in) financing activities ・ 財務活動によるキャッシュ・フロー	1,326	436	△2,027	△723	△1,860
Effect of exchange rate change on cash and cash equivalents ・ 現金及び現金同等物に係る換算差額	0	2	△0	5	0
Net increase (△decrease) in cash and cash equivalents ・ 現金及び現金同等物の増減額 (△は減少)	781	107	78	△262	△267
Cash and cash equivalents at beginning of period ・ 現金及び現金同等物の期首残高	1,415	2,196	2,303	2,382	2,120
Cash and cash equivalents at end of period ・ 現金及び現金同等物の期末残高	2,196	2,303	2,382	2,120	1,853

(JPY Millions ・ 百万円)

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