Q3-FY2024
Financial Results

TOYOKUMO



Toyokumo-chan

Toyokumo, Inc.

November 2024

Note

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.
Information and materials provided in this announcement include so-called “forward-looking statements.”
These are based on current expectations, forecasts and assumptions that are subject to risks and include uncertainties that may actually result in different results from these standards.
Such risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions such as interest rate and currency exchange fluctuations.
This document is provided for informational purposes and not for soliciting the acquisition, sale, etc. of Toyokumo shares.

Q3-FY2024 Financial Results

Revised Forecasts of Consolidated Financial Results

Toyokumo, Inc. (the “Company”) hereby announces that, considering recent performance trends and other factors, the Company has revised its consolidated financial results for the year ending December 31, 2024.

(Unit: Million yen)

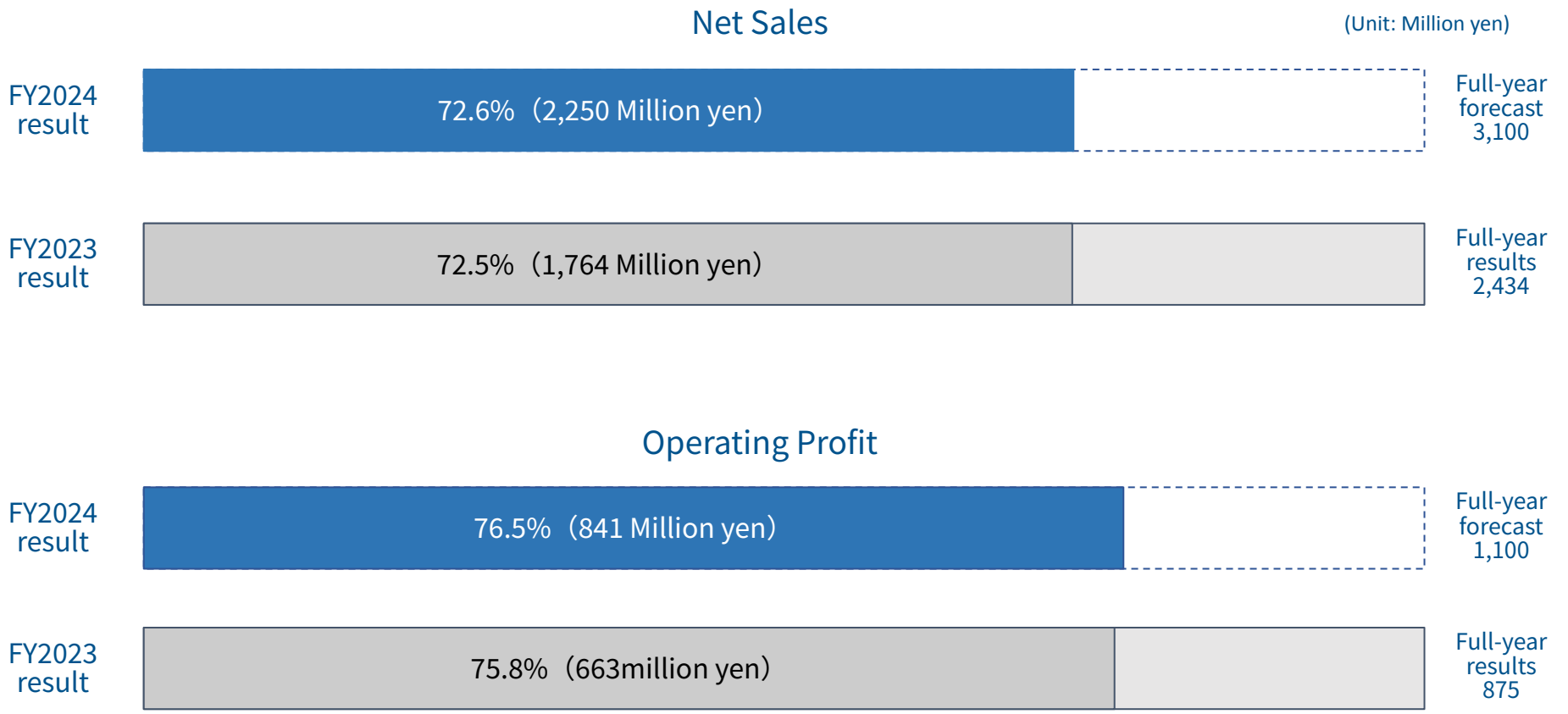
	Consolidated Net sales	Consolidated Operating profit	Consolidated Ordinary profit	Profit attribute to owners of parent	Earnings per share (Yen)
Previous forecast (A)	3,000	1,000	1,000	690	63.29
Revised forecast (B)	3,100	1,100	1,100	760	69.71
Amount of change (B-A)	+100	+100	+100	+70	-
Percentage of change	+3.3%	+10.0%	+10.0%	+10.1%	-

Summary of Consolidated Financial Results for the Nine Months Ended September 30,2024

(Unit: Million yen)

	Nine months ended September 30, 2023 (Non-consolidated)	Nine months ended September 30, 2024 (Consolidated)	YoY	Forecast for full year consolidated Financial Results	Progression against Forecast
Net Sales	1,758	2,250	+27.6%	3,100	72.6%
Gross Profit	1,714	2,186	+27.1%	-	-
SG&A	1,056	1,345	+27.3%	-	-
Personnel expenses	439	587	+33.9%	850	69.2%
Advertising expenses	439	516	+17.4%	760	67.9%
Operating Profit	657	841	+26.9%	1,100	76.5%
Ordinary Profit	663	842	+26.9%	1,100	76.6%
Profit attributable to owners of parent	459	582	+26.7%	690	76.6%

Progress against Forecast for Full-Year Consolidated Financial Results



Q3-FY2024 Executive Summary

Net Sales (Q3)

801 Million yen

YoY +29.1%　　QoQ +7.3%

Operating Profit (Q3)

282 Million yen

YoY +131.7%　　QoQ -5.3%

ARR

3,302 Million yen

YoY +27.1%　　QoQ +6.3%

Churn Rate

0.68%

≦1%

* Figures of ARR and Chune rate are on a non-consolidated basis (Toyokumo, Inc.).

Summary of Quarterly Consolidated Financial Results (YoY)

(Unit: Million yen)

	Q3-FY2023 (Jul. to Sep. 2023) (Non-Consolidated)	Q3-FY2024 (Jul. to Sep. 2024) (Consolidated)	YoY
Net Sales	621	801	+29.1%
Gross Profit	607	777	+27.1%
SG&A	485	495	+2.1%
Personnel expenses	156	215	+37.9%
Advertising expenses	263	204	-22.5%
Operating Profit	121	282	+131.7%
Ordinary Profit	121	282	+132.2%
Profit attributable to owners of parent*	84	195	+132.2%

* FY2023 is Profit as the figures are non-consolidated.

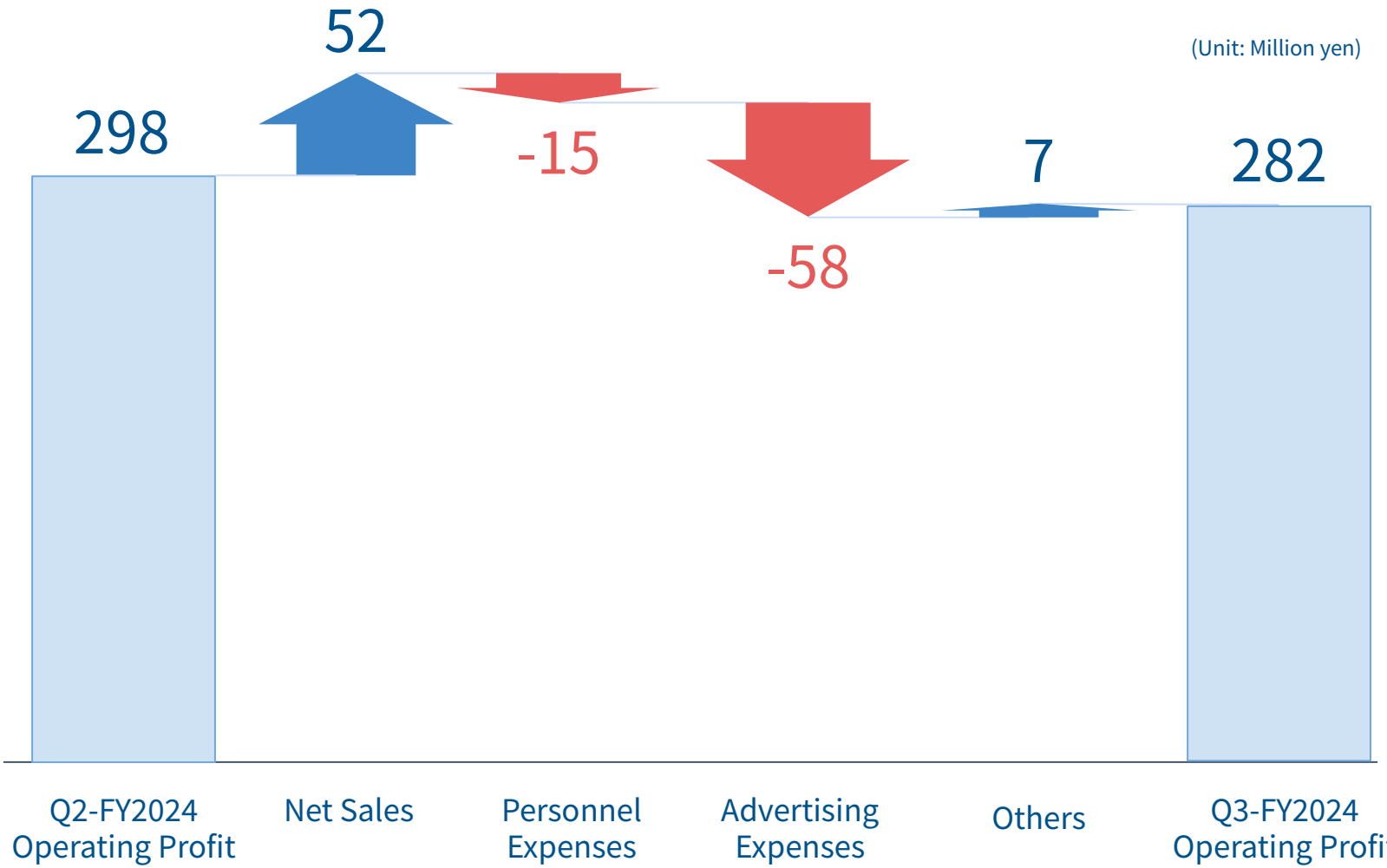
Summary of Quarterly Consolidated Financial Results (QoQ)

(Unit: Million yen)

	Q2-FY2024 (Apr. to Jun. 2024)	Q3-FY2024 (Jul. to Sep. 2024)	QoQ
Net Sales	749	801	+7.0%
Gross Profit	727	777	+6.9%
SG&A	429	495	+15.4%
Personnel expenses	200	215	+7.6%
Advertising expenses	145	204	+40.3%
Operating Profit	298	282	-5.3%
Ordinary Profit	298	282	-5.2%
Profit attributable to owners of parent	206	195	-5.0%

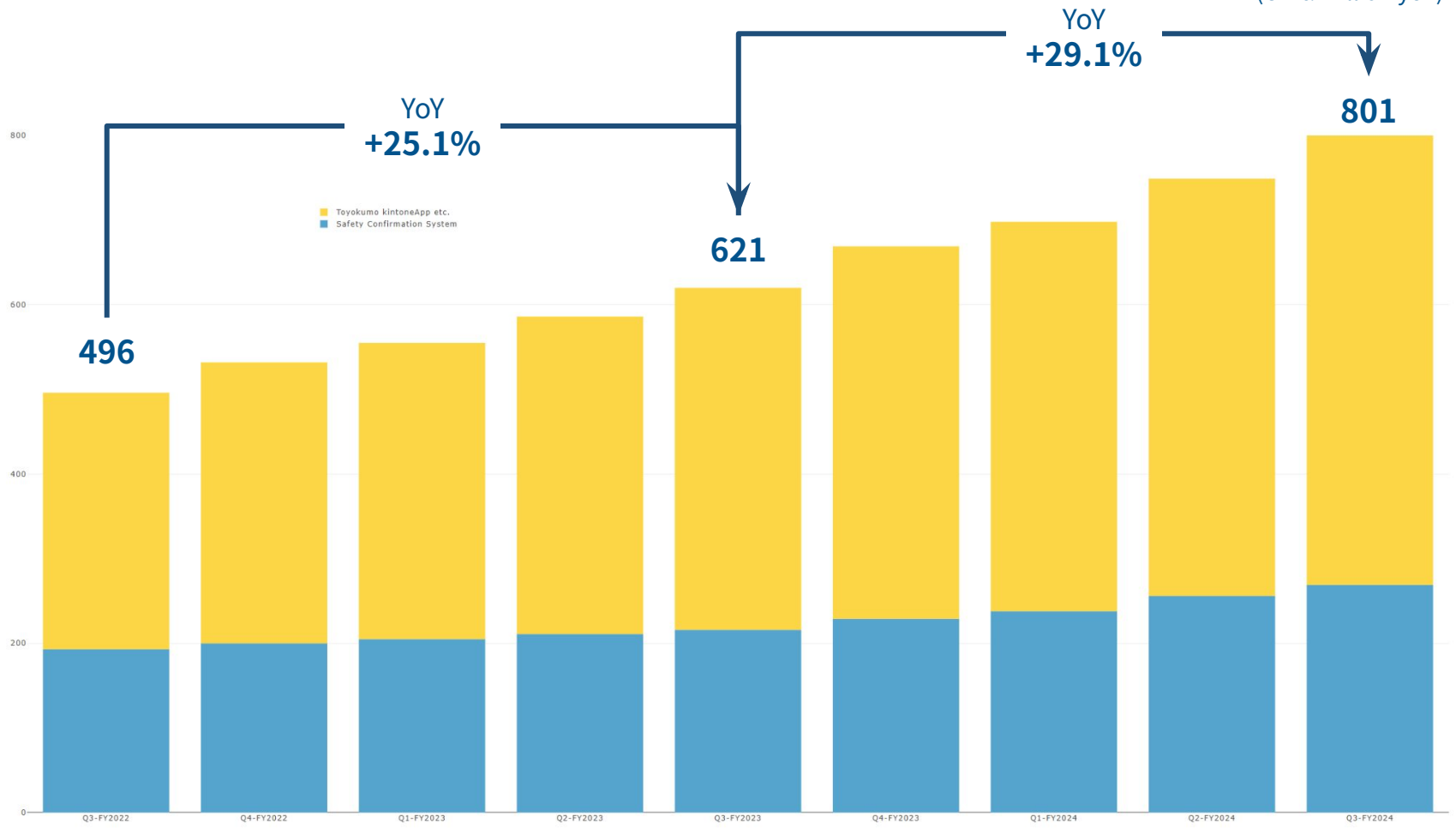
Factors for changes in Operating Profit (QoQ)

(Unit: Million yen)



Quarterly Sales*

(Unit: Million yen)



* Figures for FY2023 and before are on a non-consolidated basis and figures for FY2024 are on a consolidated basis.
In this material, sales of Toyokumo Scheduler and Toyokumo Cloud Connect, Inc. are included in Toyokumo kintoneApp, etc.

Sales of Cloud Services*

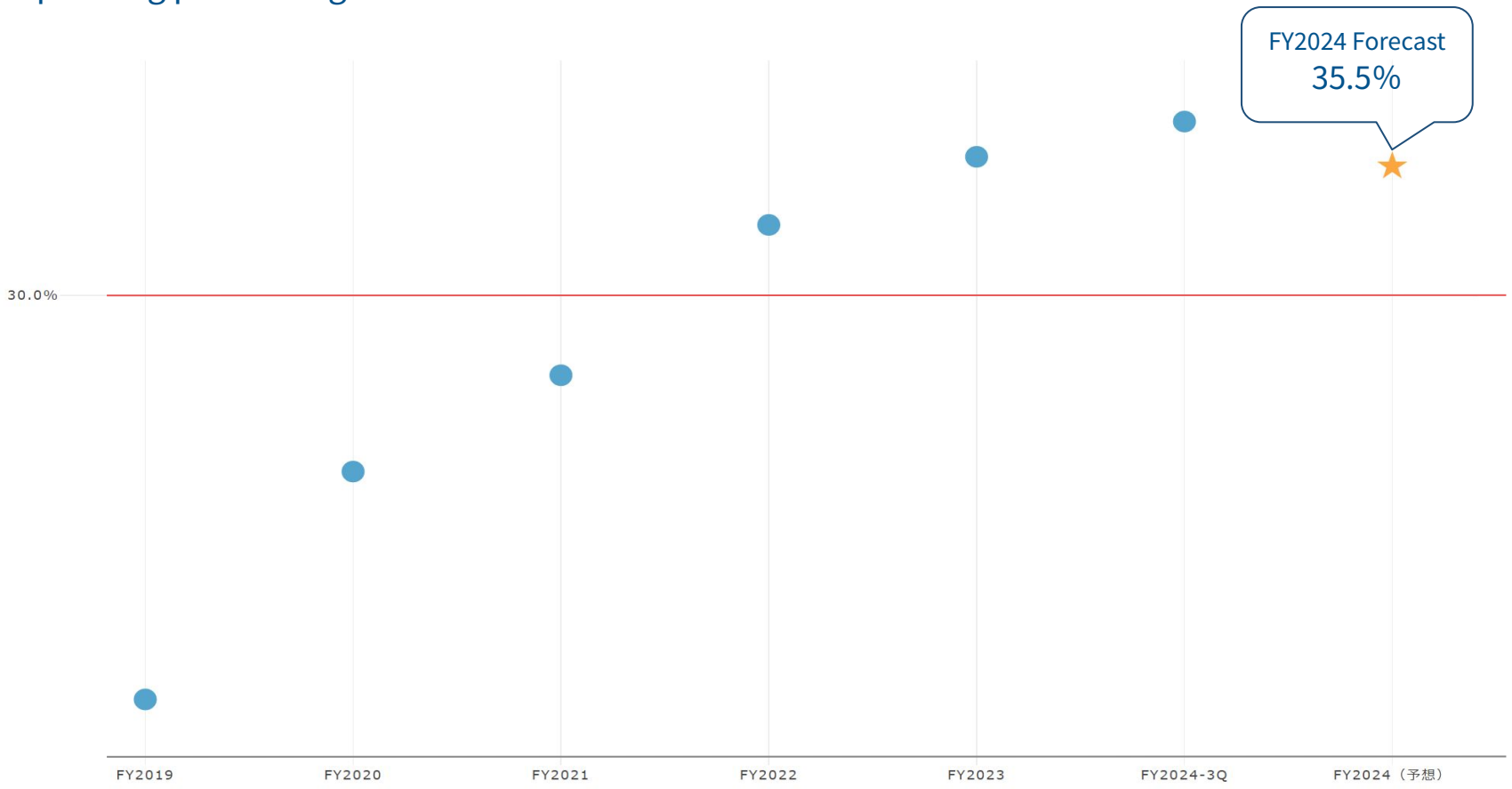
(Unit: Million yen)

	Safety Confirmation				Toyokumo kintoneApp**				Total			
	Quarterly	QoQ	Total	YoY	Quarterly	QoQ	Total	YoY	Quarterly	QoQ	Total	YoY
Q3-FY2022	193	+3.7%	556	***	303	+7.5%	847	***	496	+6.0%	1,404	***
Q4-FY2022	200	+3.7%	757		332	+9.6%	1,179		532	+7.3%	1,937	
Q1-FY2023	205	+2.4%	205		350	+5.7%	350		555	+4.2%	555	
Q2-FY2023	211	+2.9%	416		375	+7.4%	726		587	+5.8%	1,142	
Q3-FY2023	216	+2.5%	633	+13.8%	404	+7.7%	1,130	+33.4%	621	+5.8%	1,764	+25.7%
Q4-FY2023	229	+6.0%	863		440	+8.7%	1,570		669	+7.8%	2,434	
Q1-FY2024	238	+3.7%	238		460	+4.7%	460		698	+4.4%	698	
Q2-FY2024	256	+7.7%	494		493	+7.7%	954		749	+7.3%	1,448	
Q3-FY2024	269	+5.0%	763	+20.6%	532	+8.0%	1,486	+31.5%	801	+7.0%	2,250	+27.6%

* Figures for FY2022 and FY2023 are on a non-consolidated basis and figures for FY2024 are on a consolidated basis.
** Sales of Toyokumo Scheduler and Toyokumo Cloud Connect, Inc. are included in sales of Toyokumo kintoneApp.
*** There is no comparison because the revenue recognition standard has been changed.

Operating Profit Margin

The “Company” intend to aim for operating profit margin of 30% or higher on a consolidated basis. For FY2024, we have allocated a large budget for personnel expenses and expect operating profit margin of around 35%.



* Figures for FY2023 and before are on a non-consolidated basis and figures for FY2024 and after are on a consolidated basis.

Balance Sheets*

(Unit: Million yen)

Assets	As of Dec. 31, 2023	As of Sep. 30, 2024	Liabilities	As of Dec. 31, 2023	As of Sep. 30, 2024
Cash and deposits	2,938	3,806	Contract liabilities	721	951
Other (current assets)	140	219	Other (current liabilities)	383	485
Non-current assets	267	208	Total liabilities	1,105	1,436
			Net assets		
			Share capital	394	394
			Capital surplus	365	368
			Retained earnings	1,665	2,138
			Treasury shares	(185)	(117)
			Non-controlling interests	-	13
			Total net assets	2,240	2,797
Total assets	3,345	4,234	Total liabilities and net assets	3,345	4,234

* Figures as of December 31, 2023, are on a non-consolidated basis, while figures as of June 30, 2024, are on a consolidated basis.

Financial Summary*

	Q3-FY2023	Q4-FY2023	Q1-FY2024	Q2-FY2024	Q3-FY2024
Net Sales (Million yen)	621	669	698	749	801
Operating Profit (Million yen)	121	211	260	298	282
Operating Profit Margin (%)	19.6%	31.6%	37.3%	39.8%	35.2%
Profit attributable to owners of parent* (Million yen)	84	171	179	206	195
Basic earnings per share (Yen)	7.80	15.82	16.56	18.94	17.95
Diluted earnings per share (Yen)	7.75	15.80	16.54	18.92	17.93
Number of subscriptions**	13,297	13,981	14,725	15,733	16,700
MRR** (Million yen)	216	227	241	258	275
ARR** (Million yen)	2,598	2,727	2,894	3,105	3,302
Churn rate** (%)	0.68%	0.68%	0.71%	0.67%	0.68%
Cash and deposits (Million yen)	2,814	2,938	3,086	3,592	3,806

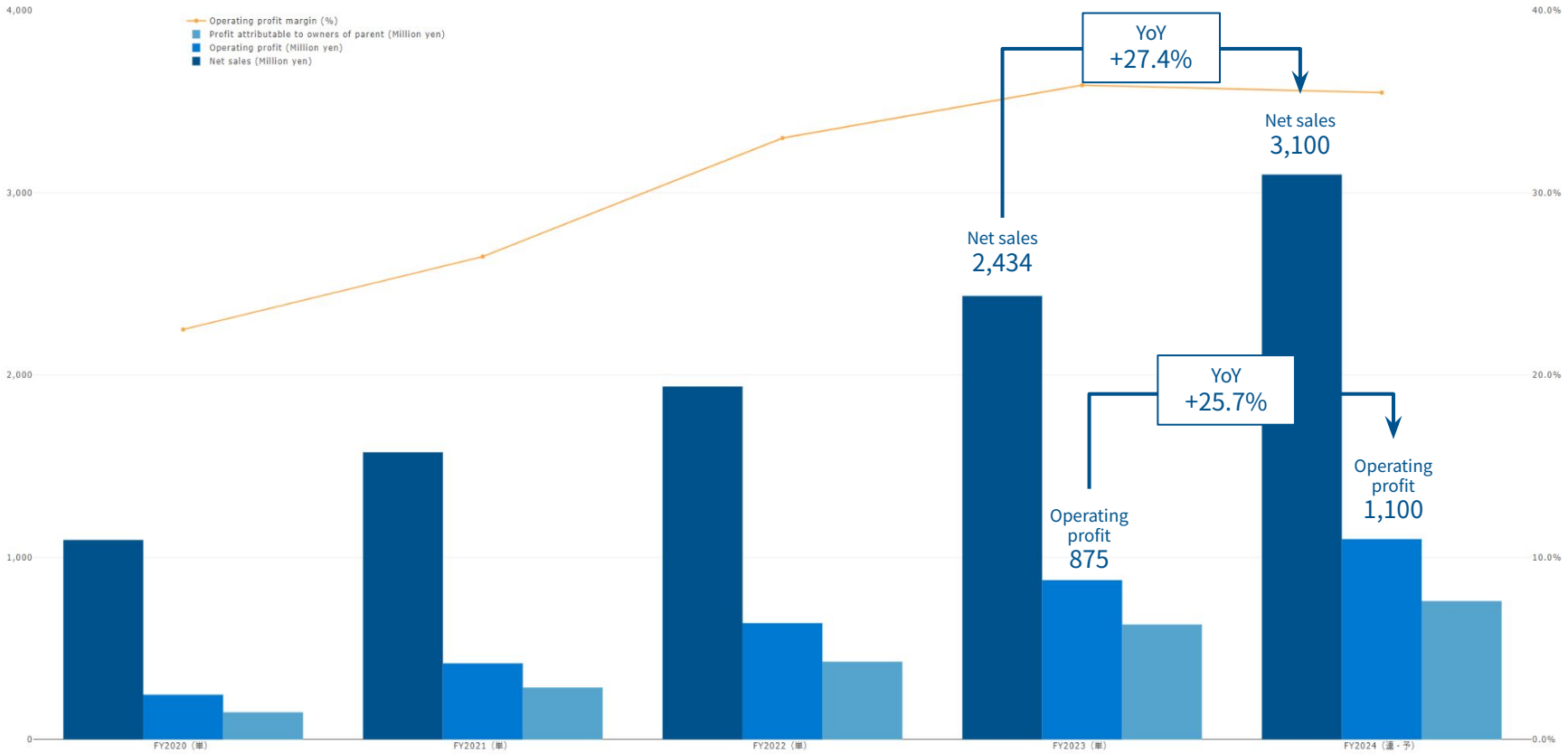
* Figures for FY2023 are on a non-consolidated basis and figures for FY2024 are on a consolidated basis.

** Non-consolidated basis (Toyokumo, Inc.).

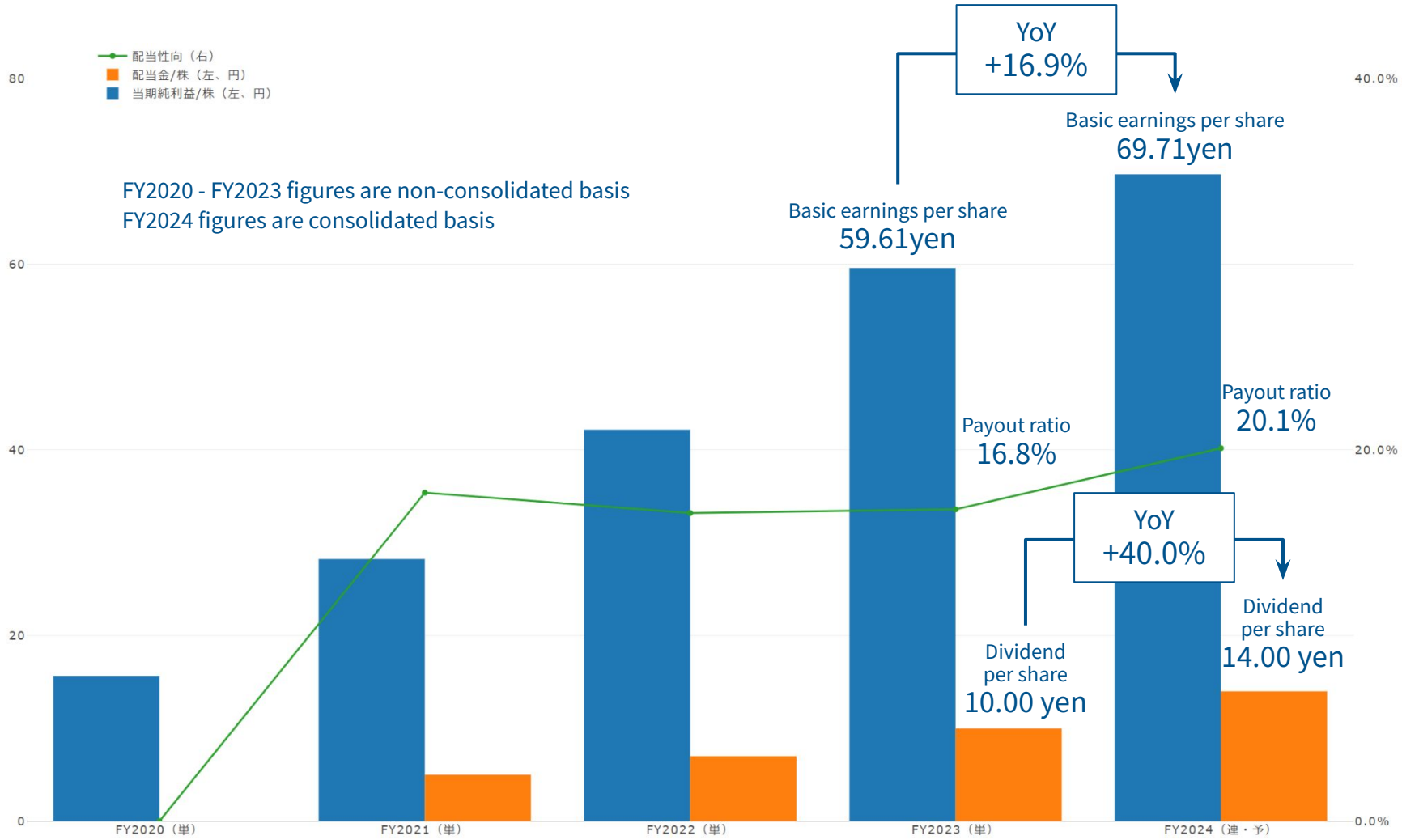
Forecast for FY2024 Consolidated Financial Results

FY2020 - FY2023 figures are non-consolidated basis
FY2024 figures are consolidated basis

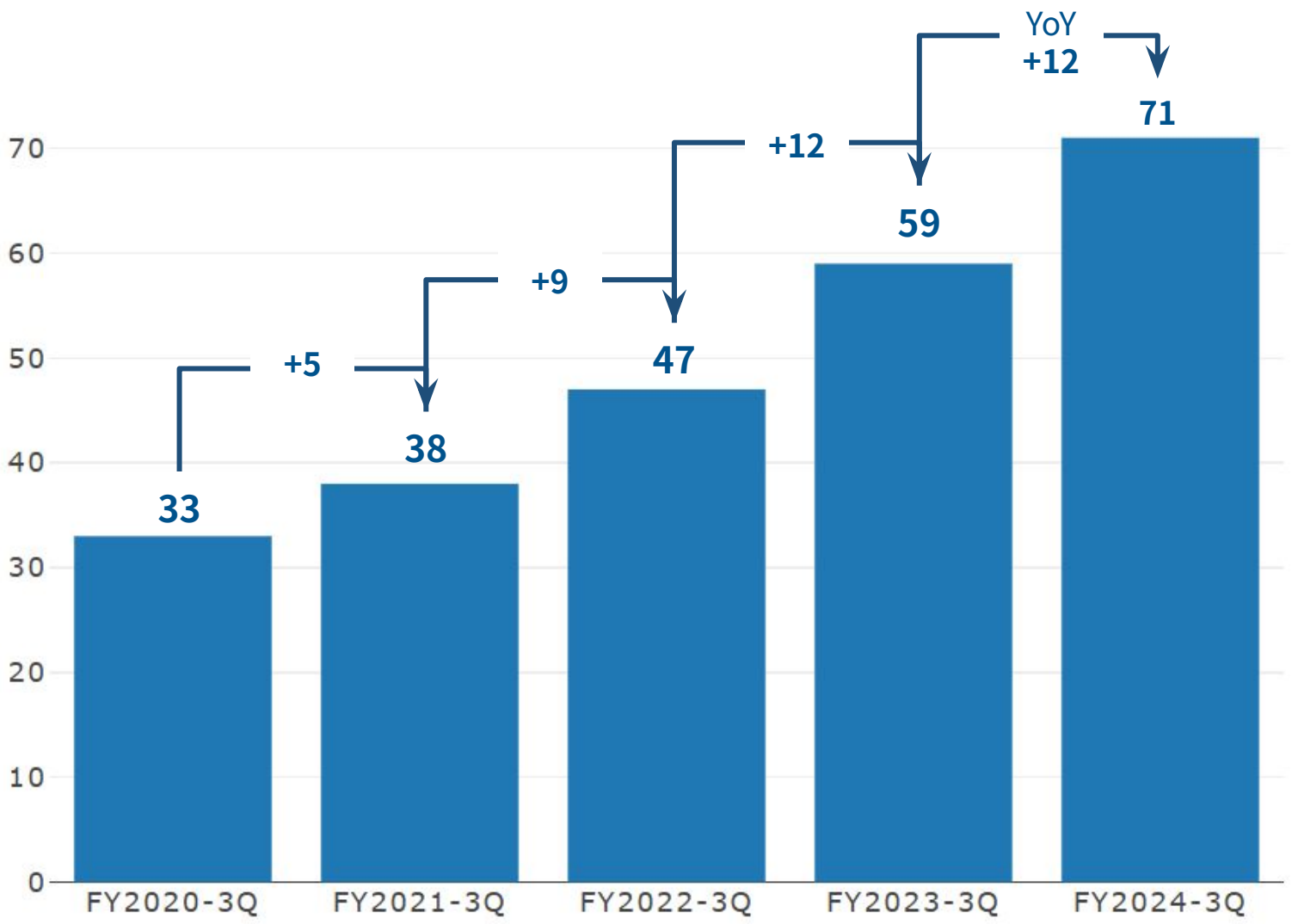
(Unit: Million yen)



Forecast for FY2024 Consolidated Financial Results



Number of Employees (Consolidated)



KPI

Monthly Sales Report*

FY2024

(Unit: Million yen)

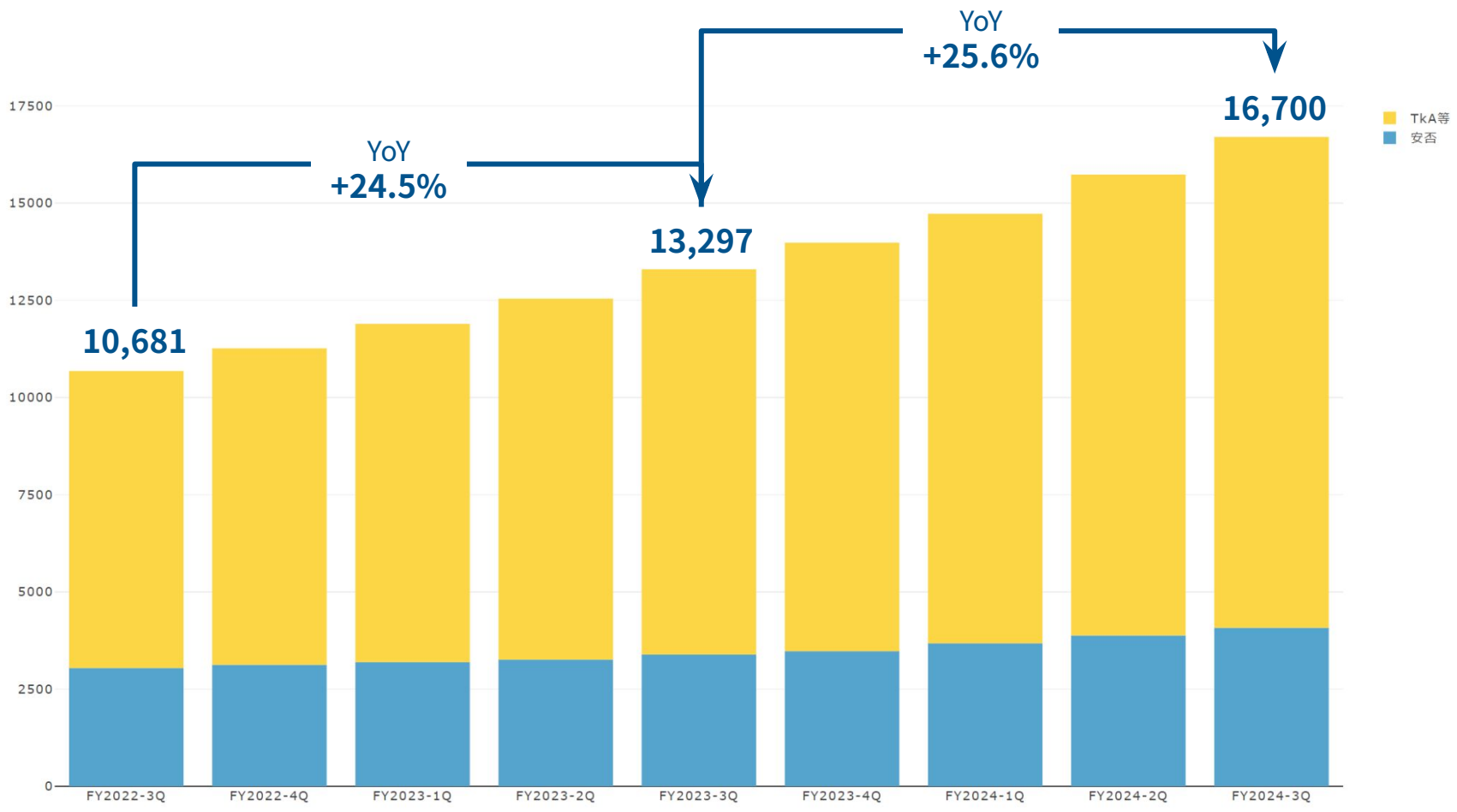
	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Monthly	227	231	235	242	247	253	260	265	270	275		
YoY	125.2%	125.1%	125.1%	125.7%	126.2%	127.4%	128.4%	127.9%	127.9%	126.7%		
Total	227	459	695	937	1,184	1,437	1,697	1,697	2,233	2,508		
YoY	125.2%	125.2%	125.1%	125.3%	125.4%	125.8%	126.2%	126.4%	126.6%	126.6%		

FY2023

	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Monthly	181	184	188	192	195	198	202	207	211	217	220	224
YoY	127%	126%	126%	126%	125%	125%	126%	126%	124%	126%	126%	126%
Total	181	366	555	748	943	1,142	1,345	1,553	1,764	1,981	2,202	2,426
YoY	127%	127%	127%	126%	126%	126%	126%	126%	126%	126%	126%	126%

* Non-consolidated basis (Toyokumo, Inc.).

Number of Subscriptions*



* Non-consolidated basis (Toyokumo, Inc.).

Details of Number of Subscriptions*

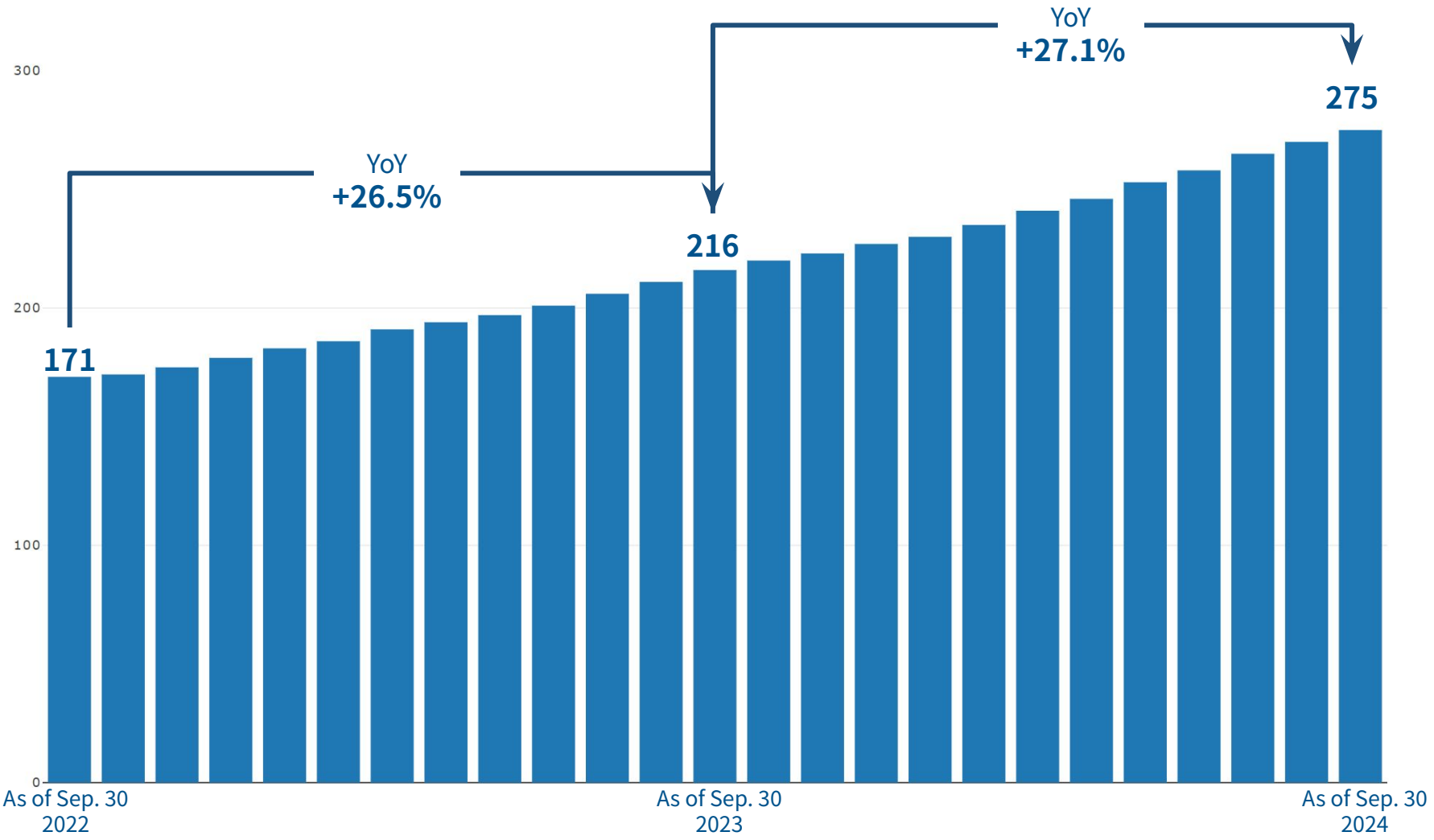
	Safety Confirmation				Toyokumo kintoneApp**				Total			
	Number of Subscriptions	QoQ change	QoQ	YoY	Number of Subscriptions	QoQ change	QoQ	YoY	Number of Subscriptions	QoQ change	QoQ	YoY
Q3-FY2022	3,042	+114	+3.9%	+21.6%	7,639	+512	+7.2%	+31.4%	10,681	+626	+6.2%	+28.5%
Q4-FY2022	3,125	+83	+2.7%		8,139	+500	+6.5%		11,264	+583	+5.5%	
Q1-FY2023	3,195	+70	+2.2%		8,699	+560	+6.9%		11,894	+630	+5.6%	
Q2-FY2023	3,258	+63	+2.0%		9,284	+585	+6.7%		12,542	+648	+5.4%	
Q3-FY2023	3,390	+132	+4.0%	+11.4%	9,907	+623	+6.7%	+29.7%	13,297	+755	+6.0%	+24.5%
Q4-FY2023	3,474	+84	+2.5%		10,507	+600	+6.1%		13,981	+684	+5.1%	
Q1-FY2024	3,679	+205	+5.9%		11,046	+539	+5.1%		14,725	+744	+5.3%	
Q2-FY2024	3,879	+200	+5.4%		11,854	+808	+7.3%		15,733	+1,008	+6.8%	
Q3-FY2024	4,077	+198	+5.1%	+20.3%	12,623	+769	+6.5%	+27.4%	16,700	+967	+6.1%	+25.6%

* Figures are on a non-consolidated basis (Toyokumo, Inc.).

** Subscriptions of Toyokumo Scheduler are included in those of Toyokumo kintoneApp.

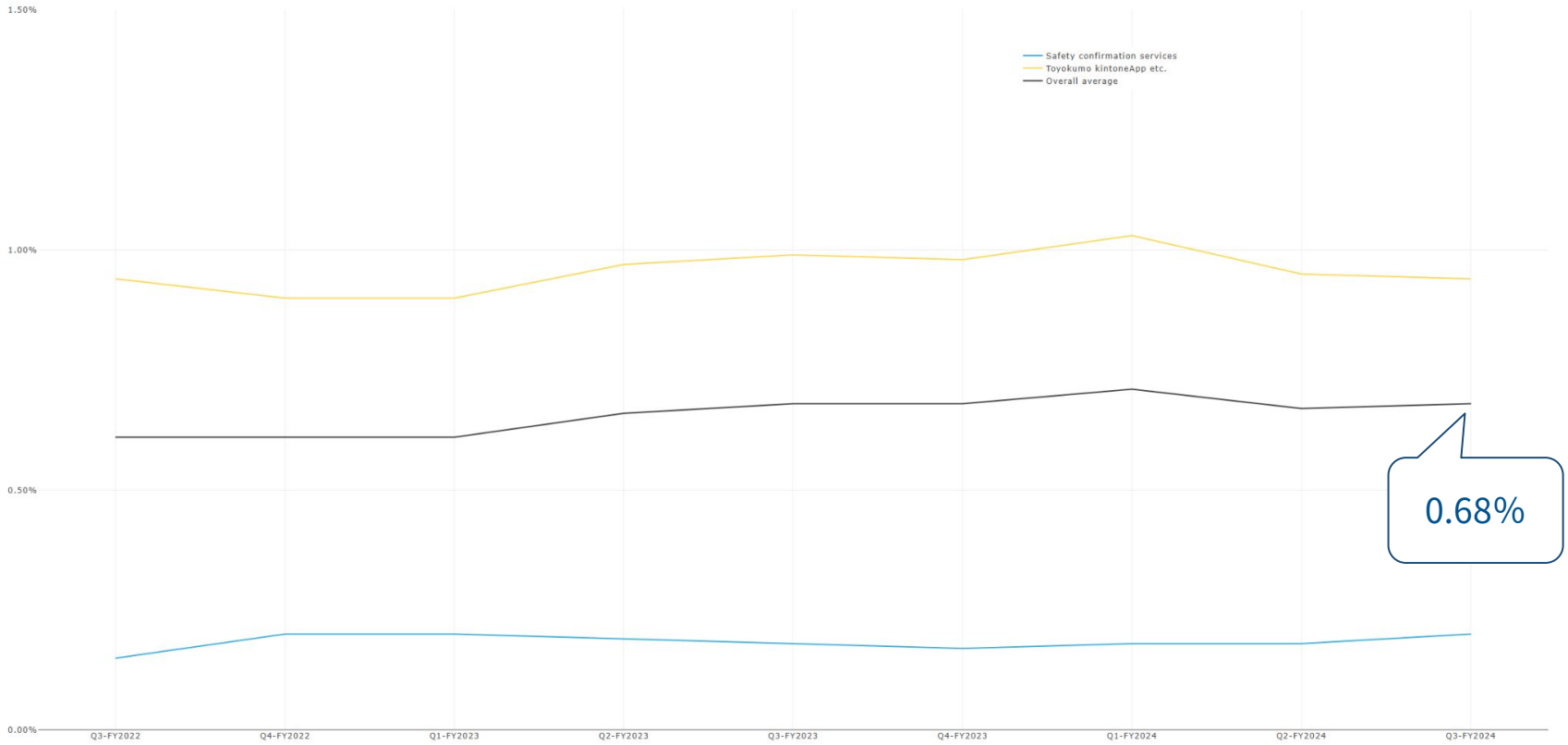
MRR*

(Unit: Million yen)



* Non-consolidated basis (Toyokumo, Inc.).

Churn Rate*



* Figures are on a non-consolidated basis (Toyokumo, Inc.).

Plans of Earning Power

Our approach to **“Earning Power” (= operating profit + advertising expenses)** will remain unchanged even after the consolidated settlement of accounts.
We will invest about the same amount in advertising as in the previous fiscal year. The ratio of **Earning Power** to sales is planned to be 60% for the current fiscal year.

(Unit: Million yen)

	FY2023	Q3-FY2024	Forecast of FY2024
Net sales	2,434	2,250	3,100
Advertising expenses	629	516	760
(as a percent of sales)	25.8%	22.9%	27.4%
Operating profit	875	841	1,100
(as a percent of sales)	35.9%	37.4%	35.5%
Operating profit + Advertising expenses	**1,504**	**1,357**	**1,860**
(as a percent of sales)	**61.8%**	**60.3%**	**60.0%**

* Figures for FY2023 are on a non-consolidated basis and those for FY2024 (including Q3) are on a consolidated basis.

Corporate Information

Company Overview

Company Name	Toyokumo, Inc.	
Established	August 2010	
Address	3-1-1-14F, Kamiosaki, Shinagawa-ku, Tokyo, Japan	
Business Activities	Development and provision of cloud services and new software services	
Stock Listings	Tokyo Stock Exchange Growth Market (Stock code: 4058)	
Number of Employees (As of Sep. 30)	Consolidated: 71, Non-consolidated: 70	
Board Member (As of Jun. 30)	President and CEO	Yuji Yamamoto
	Director, General Manager and CFO	Kazuhiko Ishii
	Director, General Manager and CTO	Masanori Kinoshita
	Director, General Manager	Jun Ogawa
	Outside director	Kazuo Hirano
		Katsuhiro Yano
	Director	Tomohiko Tasato
	Audit & Supervisory Board Member	Katsuhiko Watanabe
		Yoshitatsu Ogawa
		Hideki Nakajima
Group Company	Toyokumo Cloud Connect, Inc.	

Mission

Freeing all people from inefficient work

Unable to fully adapt to the changing times, some jobs have become inefficient. We will get rid of those inefficient jobs. That is our mission.

We identify and examine inefficiencies that hinder operations common to many different jobs. We provide simple services that enable anyone to streamline their operations with ease, without having to be an IT expert. By linking these services together, operations can be made more flexible, and more efficient. By getting rid of inefficient work, productivity can be increased, and time can be used more effectively.

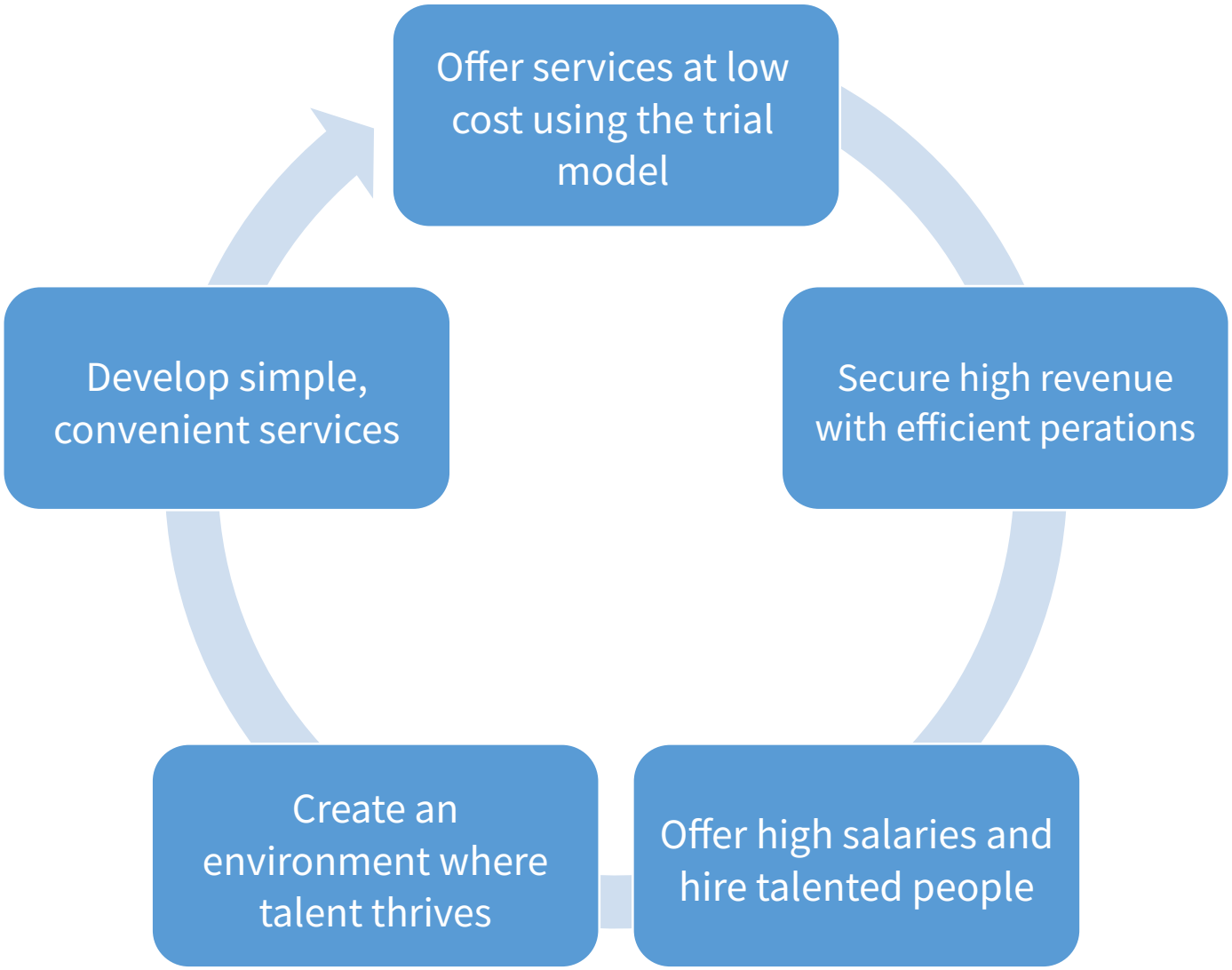
We will continue to apply cloud-based technologies and ideas to develop the kind of products that free all people from inefficient work.

Contributing to the development of affluent social life around the world through information services

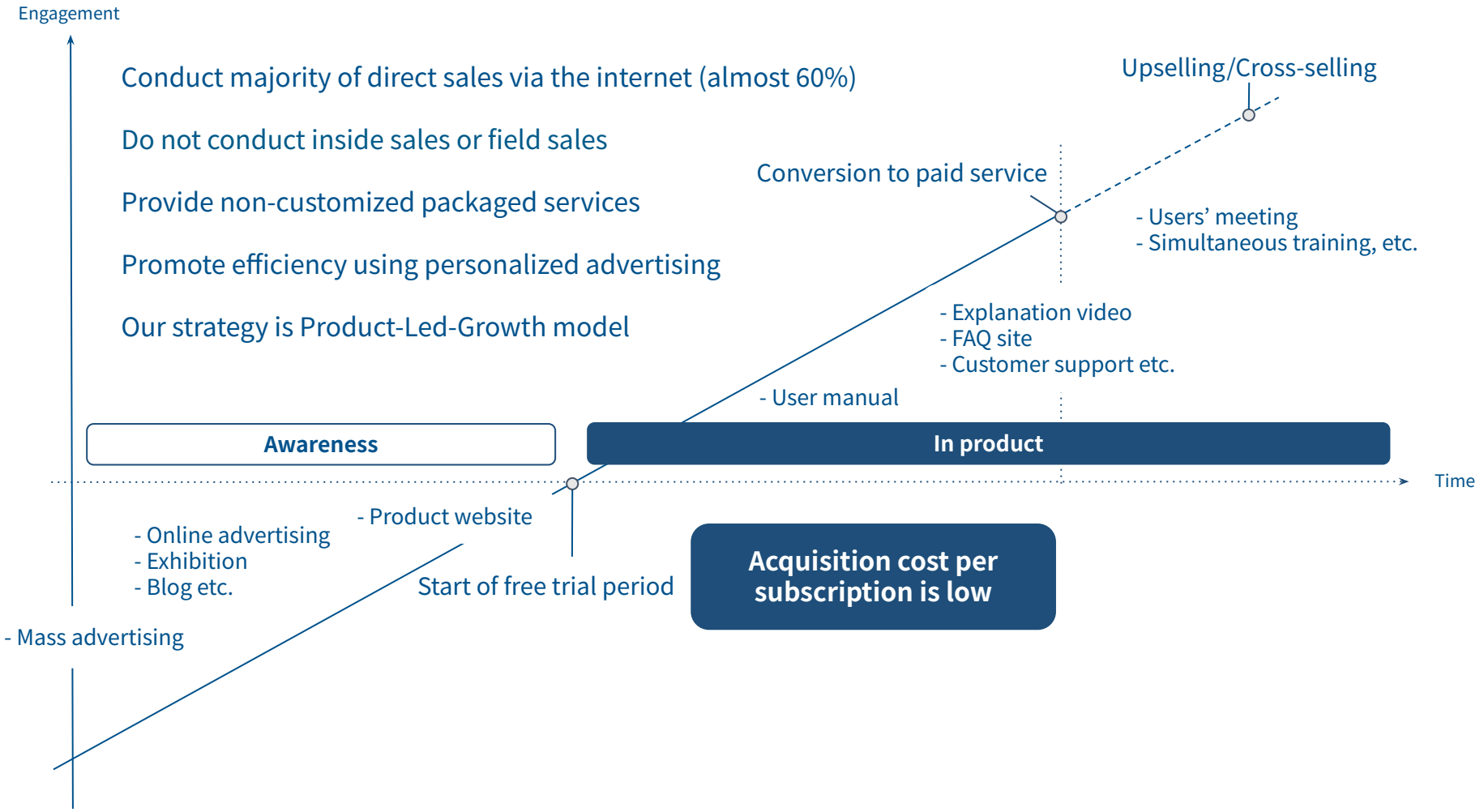
Toyokumo is a cloud solutions for enterprises service company offering services such as “Safety Confirmation Service,” Cybozu kintone-linked service “Toyokumo kintoneApp,” and “Toyokumo Scheduler.”

We aim to consistently deliver solutions that become integral to corporate culture, rather than offering trend-driven services. We will achieve this by staying ahead of the ever-changing environment and anticipating customer needs before they arise. With a new perspective on services, user-friendly operability, simple functionality, and intuitive interfaces, we intend to provide safe and reliable solutions, accessible even to IT beginners who do not regularly use computers or smartphones. Our goal is to support companies in taking the first step towards IT adoption.

Our Business Model

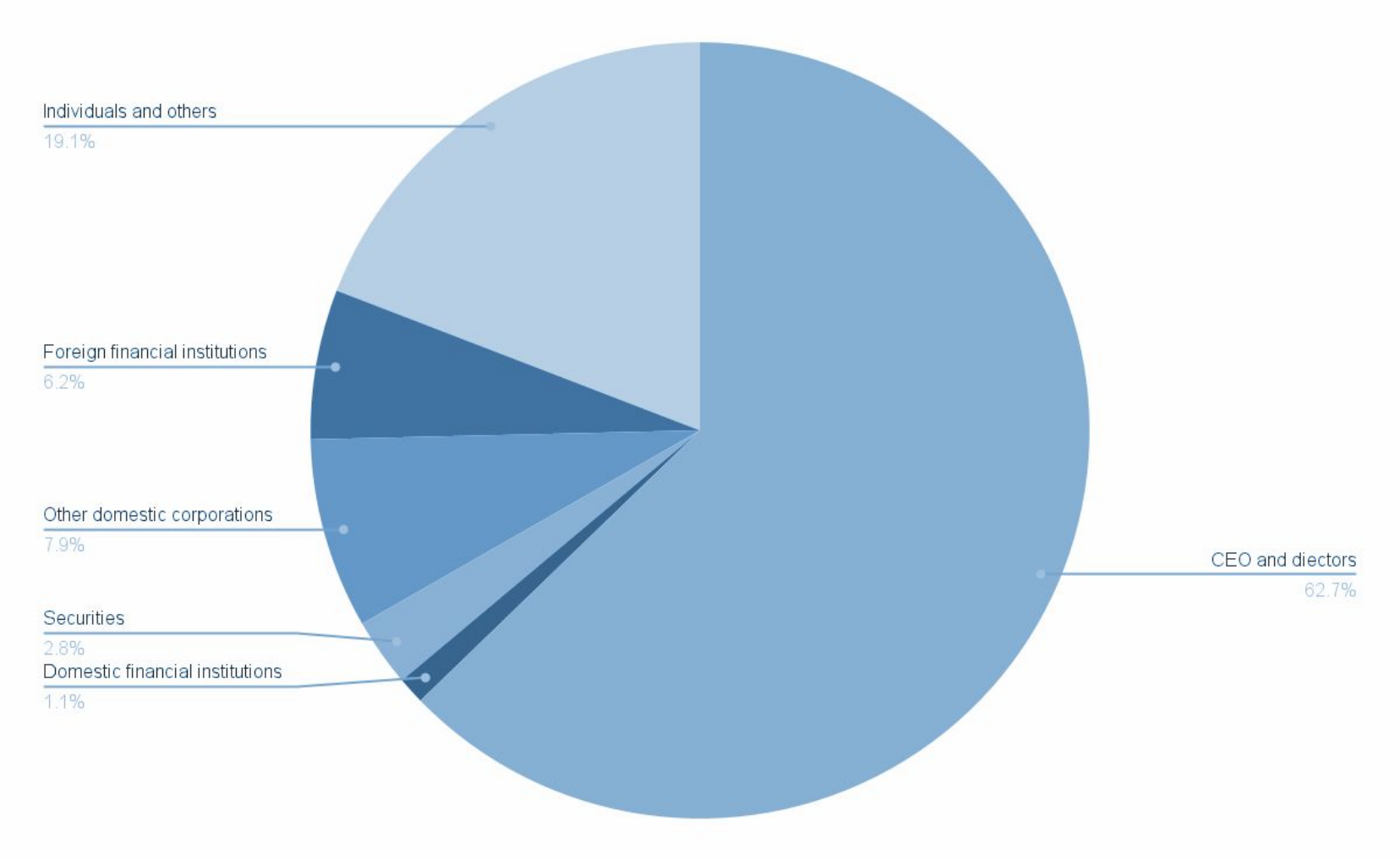


Service Provision Method



* Product-Led Growth

Distribution of Shares by Shareholder Type



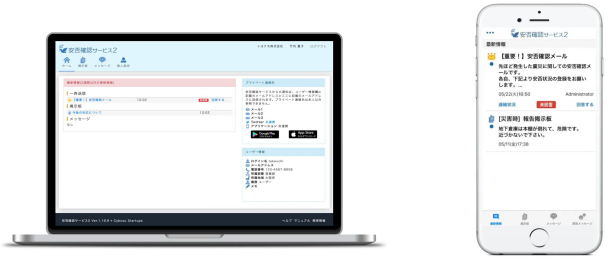
As of June 30, 2024
Total number of issued shares are 10,996,000. Number of treasury are shares 80,958.
This graph excludes the number of treasury shares.

Product Information

Our Services

Safety confirmation service

A cloud service that automatically sends a safety confirmation notice in the event of a disaster.



Toyokumo kintoneApp

A cloud service provided by Cybozu, designed to support the use of kintone.

FormBridge
kintoneと連携するWebフォームを簡単につくれるサービス

kViewer
kintoneと連携するWebページを簡単につくれるサービス

kMailer
kintoneと連携するメールを簡単に自動送信できるサービス

PrintCreator
kintoneと連携する帳票を簡単につくれるサービス

DataCollect
kintone上のデータを簡単に集計できるサービス

kBackup
kintone上のデータを簡単にバックアップできるサービス

TOYOKUMO Scheduler

Toyokumo Scheduler has a new concept of enabling schedule arrangement with people outside the company in addition to the internal schedule arrangement function.



All services are provided with no initial costs, following a free trial period, and are available with a low fixed-rate subscription fee.

Significance of Safety Confirmation System

Japan is one of the most earthquake-prone countries in the world.



Examples of Earthquakes in Japan (2023 - 2024)

Japanese seismic intensity scale	Date	Epicenter
5 upper	Jun. 2024	Noto Penisula in Ishikawa prefecture
6 lower	Apr. 2024	Bungosuido Strait
7 (maximum scale)	Jan. 2024	Noto Penisula in Ishikawa prefecture
5 upper	May. 2023	Southern area of Chiba prefecture
6 upper	May. 2023	Noto Penisula in Ishikawa prefecture
5 upper	Feb. 2023	Northern area of Souya in Hokkaido

Our system can be used not only for basic safety confirmation but also for various purposes, such as conducting employee health checks during the COVID-19 pandemic and optimizing supply chain management.

What is Kintone?

トヨクモ TOYOKUMO

Kintone is no-code/low-code SaaS solution provided by Cybozu, Inc.,
and is trusted by over 36,000 companies worldwide.

It empowers businesses to create customized applications tailored to their operations without requiring IT expertise.
The applications can easily and quickly be improved in line with operations changing on daily basis.

Key functionalities of Kintone include database integration, workflow management, and enhanced communication capabilities, enabling versatile applications such as customer management, travel requests, and daily reporting.

These features facilitate continuous business improvement driven by frontline teams.



kintone

Features of Toyokumo kintoneApp

Toyokumo kintoneApp is a web system that realizes the use of external parties.
Toyokumo kintoneApp is no. 1 in Kintone linked services with over 11,000 subscriptions.
Use with non-customize, no-code or low-code.

＜Six services to different purpose＞

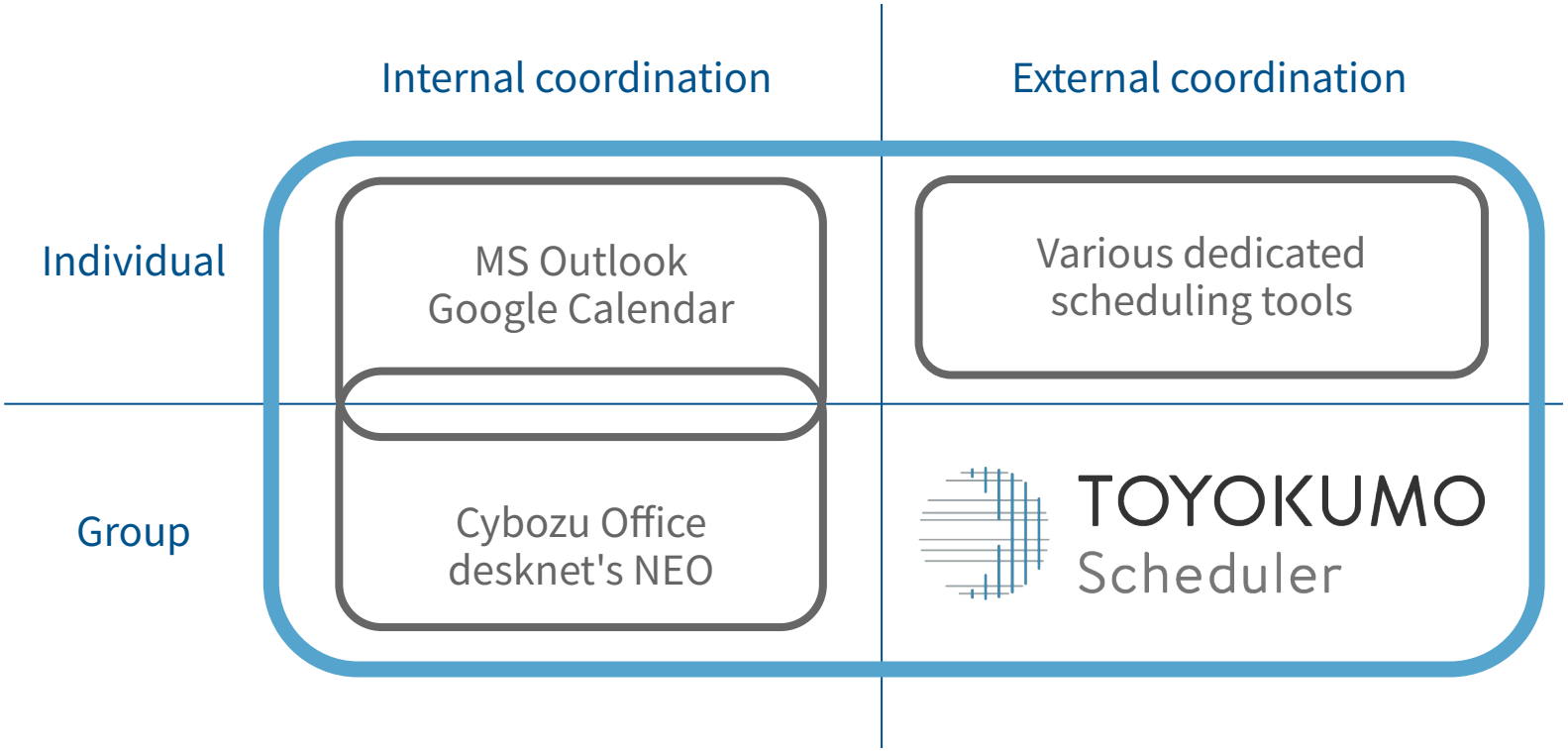
Create web form	Create ledger sheet and export by PDF	Share data in Kintone with safety	Mail delivery	Backup system	Calculator
FormBridge	PrintCreator	kViewer	kMailer	kBackup	DataCollect
kintoneに直接入力可能なフォームを作成	kintoneからカンタンに帳票出力	kintoneのデータをカンタンに外部公開	kintoneのデータを活用したメール送信	kintoneのデータを自動バックアップ	kintoneのデータをアプリを跨いで自在に集計

Users find it convenient to use one service, but even more convenient to use multiple services together.
For instance, they can create invoices and deliver them to customers via email using Kintone, PrintCreator, and kMailer.

Toyokumo Scheduler

A group scheduler that enables external schedule coordination, a service that was previously unavailable.
It adopts a freemium model allowing for free use for up to 10 users.

Position of Toyokumo Scheduler



Origin of Toyokumo

The origin of our company name, Toyokumo, comes from Toyokumononokami (豊雲野神), which is the name of a god.

Toyokumononokami is the "cloud" symbol from the Kojiki, an early Japanese chronicle of myths.

We provide "cloud" services to contribute to abundant social activity around the world, much like Toyokumononokami, who created clouds and brought rain for living.



This is our image character, Toyokumo-chan, whose face looks like a cloud.



https://www.toyokumo.co.jp/en/ir