



Media Do

Medium-Term Management Plan

FYE 2/26 - FYE 2/30 (Five-Year)

MEDIA DO Co., Ltd.

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MEDIA DO Co., Ltd.

Medium-Term Management Plan FYE 2/26 - FYE 2/30 (Five-Year)

01 | Medium-term Management Policy

The 1st Mid-term Management Plan

(2018~)

The 2nd Mid-term Management Plan (2022~)

The 3rd Mid-term Management Plan (2025~)

4

Delivering a wide range of domestic content through the eBook Distribution business

MISSION

Unleashing a virtuous cycle of literary creation

VISION

More Content for More People!

Article 1, Chapter 1 General Provisions, Copyright Act of Japan

The purpose of this Act is to provide for authors' rights and neighboring rights with respect to works, as well as with respect to performances, phonograms, broadcasts, and cablecasts, and to ensure protection for the rights of authors and other such persons while according attention to the fair exploitation of these cultural products, and thereby to contribute to cultural development.

Striving to contribute to the development of Japanese culture and a prosperous society

Update on our business concept

As many content as possible

to

As many people as possible

MORE CONTENT

FOR

MORE PEOPLE!

Phase 1

Phase 1



Unleashing a virtuous cycle of literary creation

Focusing on Japan and the World

MEDIA DO's mission is to distribute Japanese content to the world

Phase1 : 1996 - 2024

As many content as possible

Phase2 : 2025 -

As many people as possible

MORE CONTENT **FOR** MORE PEOPLE

- ✓ **Number of distributed content: 2.6 mn**
- ✓ Number of Partner Publishers : 2,200
- ✓ Gross transaction volume: ¥182 bn

A dominant position in the domestic publishing industry **enables us to aggregate extensive content**



- ✓ From 100 million people in Japan to 8 billion people around the world
- ✓ Expanding beyond manga to include text-based books and audiobooks

Evolving distribution solutions through technology to distribute domestic content globally

Unleashing Japanese books to the World

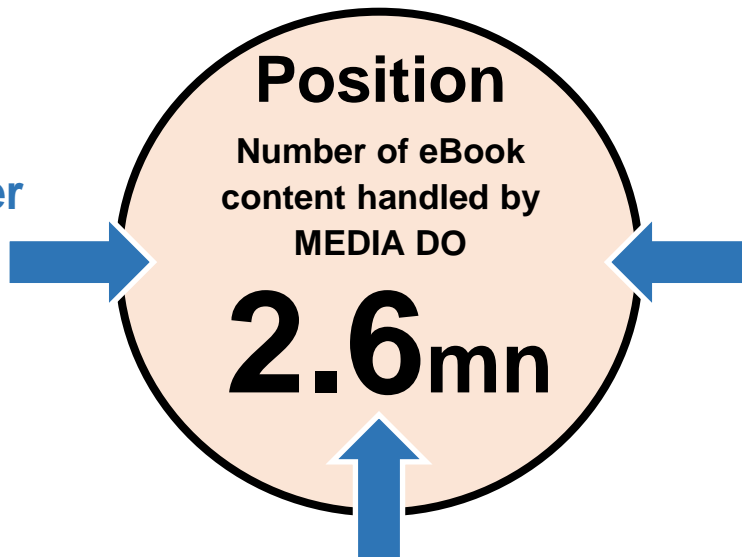
1. Medium-term Management Policy

Our position in the publishing industry enables us to aggregate content from across Japan

- ✓ 30 years since founding, MEDIA DO now **handles nearly all domestic eBook files**
- ✓ The number of distributed eBooks exceeds 2.6 million and continues to grow each year

No.1 eBook wholesaler

- ✓ Partnerships with 2,200+ publishers
- ✓ Gathering of eBooks from all over Japan



Approx. 20 years of history in eBook wholesaling

- ✓ Continuously increasing year by year

eBook Features

- ✓ No physical storage required
- ✓ Accessible anytime

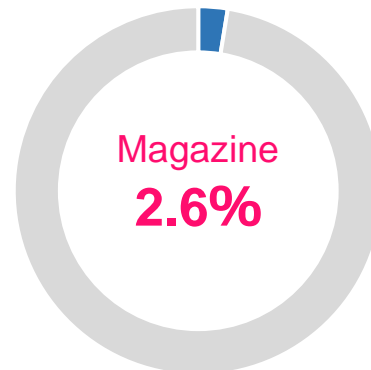
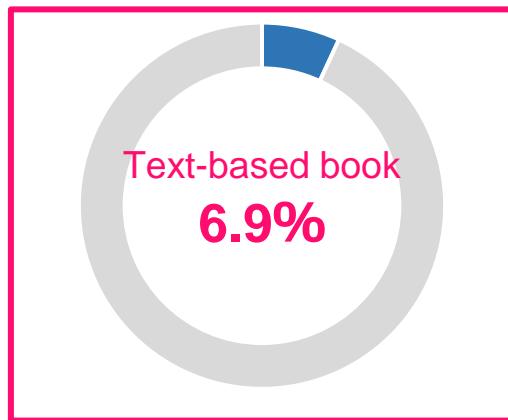
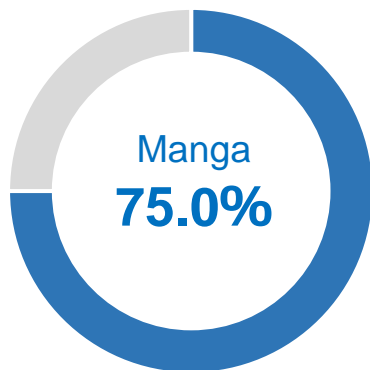
1. Medium-term Management Policy

Aiming to accelerate digitization of text-based books and magazines in order to further increase the number of content

- ✓ In Japan, the current eBook content is mainly manga
- ✓ By accelerating the digitization of not only manga, but also text-based content, MEDIA DO will increase the number of content handled in Japan and expand the base of Japanese culture that can be developed overseas

Promoting digitization of text-based books as well as manga

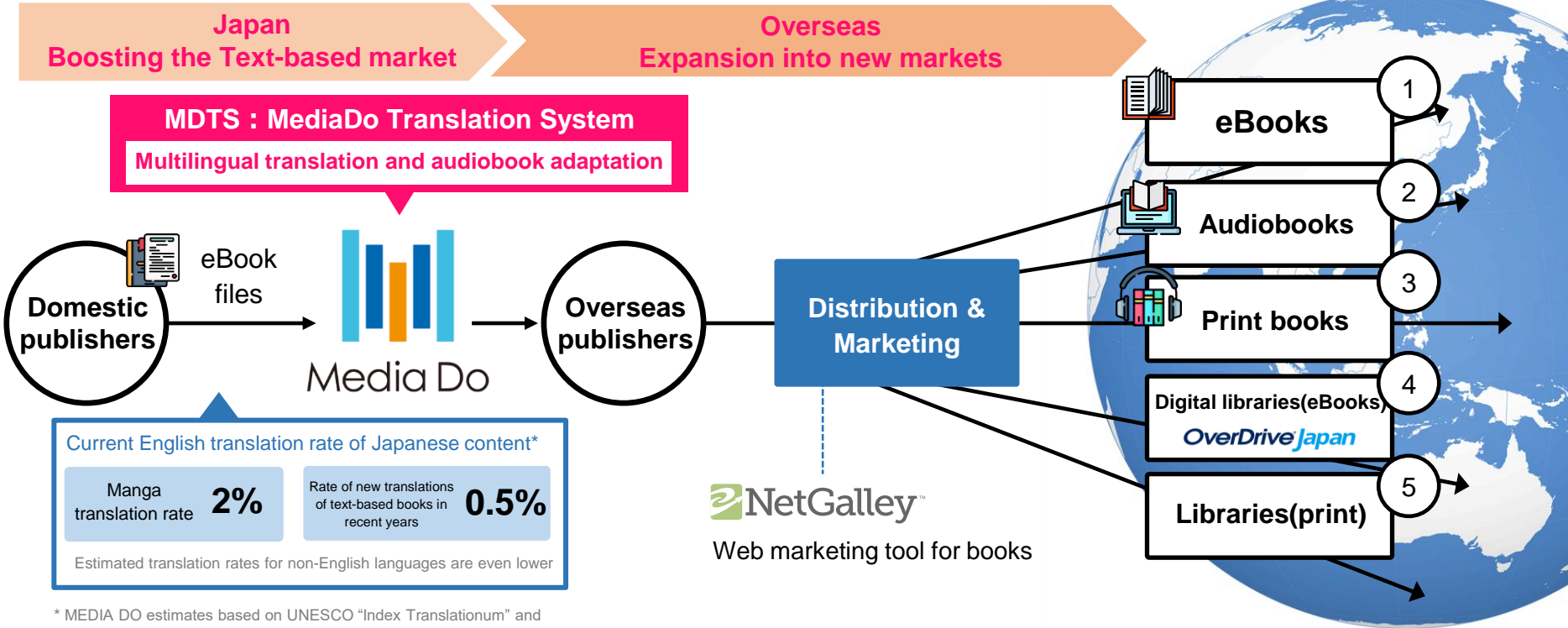
Composition of eBook sales in the domestic publishing market*



* AJPEA statistics classify 90% of comic books in the "magazine" category. In the graph above, comic books classified as magazines in this way are counted as "comics." Additionally, comic sales include only comic books (both print and digital), while comic magazines (both print and digital) are included in the "magazines" category. (Source: All-Japan Magazine and Book Publishers and Editors Association (Source: AJPEA))

Promote multi-use of domestic content and distribute it globally

- ✓ If various types of books—including text-based books and magazines—are digitized, it becomes possible to adapt formats (print, digital, audio) according to local market environments and needs during global expansion

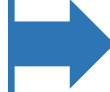


* MEDIA DO estimates based on UNESCO "Index Translationum" and other publicly available information

Translation is essential for enabling multi-use of content

- ✓ To enable the global distribution of content by leveraging multi-use of eBook files (epub), multilingual translation is essential
- ✓ MEDIA DO will establish a system that combines its strong position (relationships with publishers and a massive eBook database) with MDTs (MediaDo Translation System) to enable large-scale, multilingual translation

**Early establishment of a
system for large-scale
multilingual translation**



**Top 10 languages cover over 70% of the
world's population (5.8 billion people)**

Oeder	Language	Population
1	English	1.531 billion people
2	Chinese	1.477 billion people
3	Spanish	516 million people
4	Arabic	447 million people
5	French	431 million people
6	Hindi	420 million people
7	Indonesian / Malay	306 million people
8	Portuguese	291 million people
9	Bengail	202 million people
10	Russian	146 million people

Position

(publisher relationship)

+

MDTS

MediaDo Translation System

+

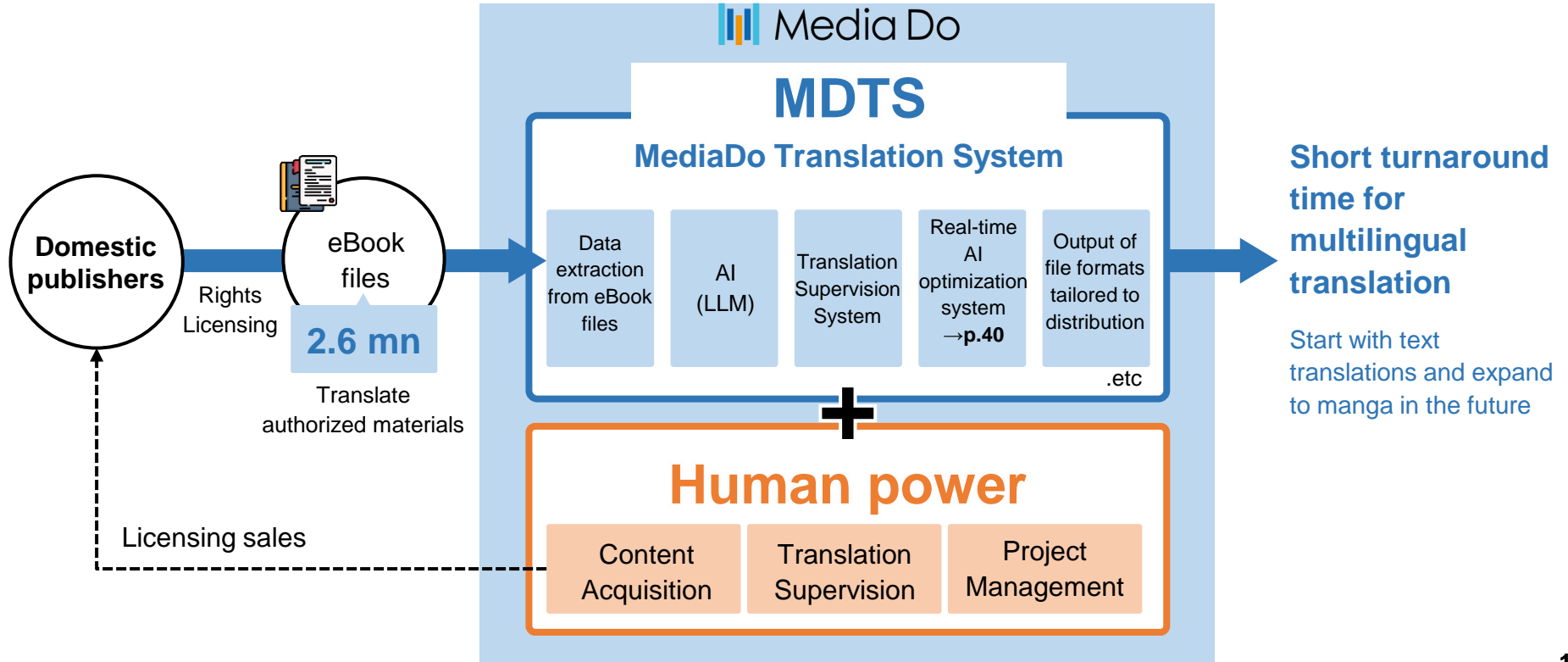
Translators

**MEDIA DO's
Strength**

1. Medium-term Management Policy

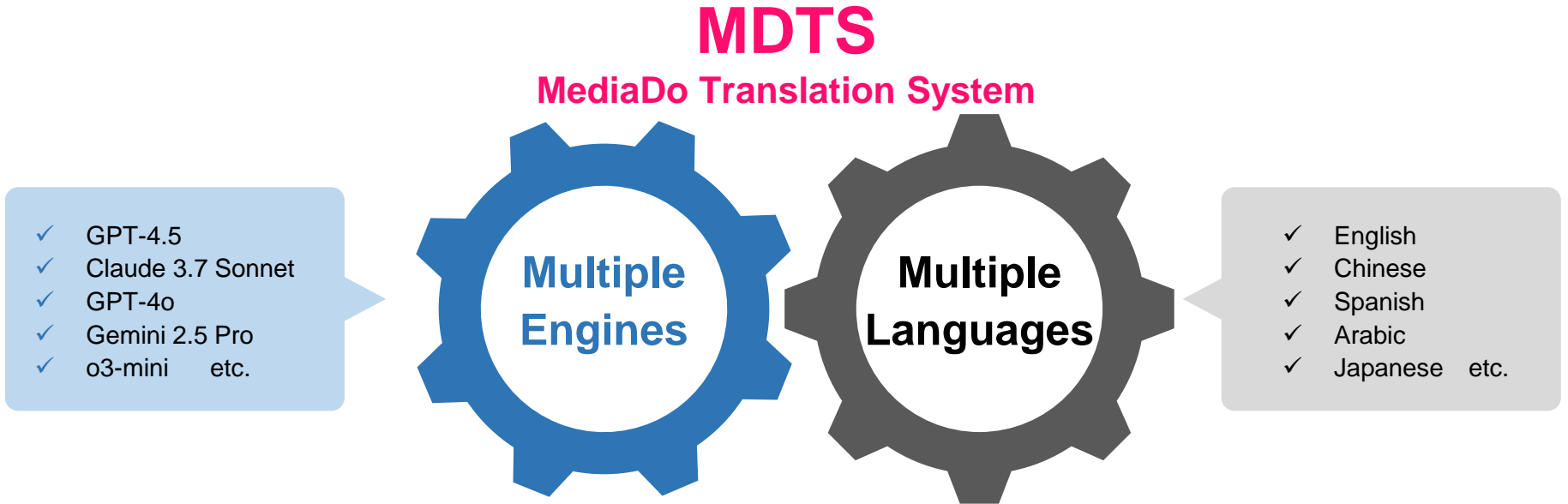
In translation, we have built a system that makes full use of technology and human power

- ✓ In translation, we not only optimize LLM in real time for each language, but also build a system that maximizes the use of human resources such as translators. As long as the rights are licensed, eBook files can be translated into multiple languages in a short period of time



Utilizing the power of technology to improve translation accuracy

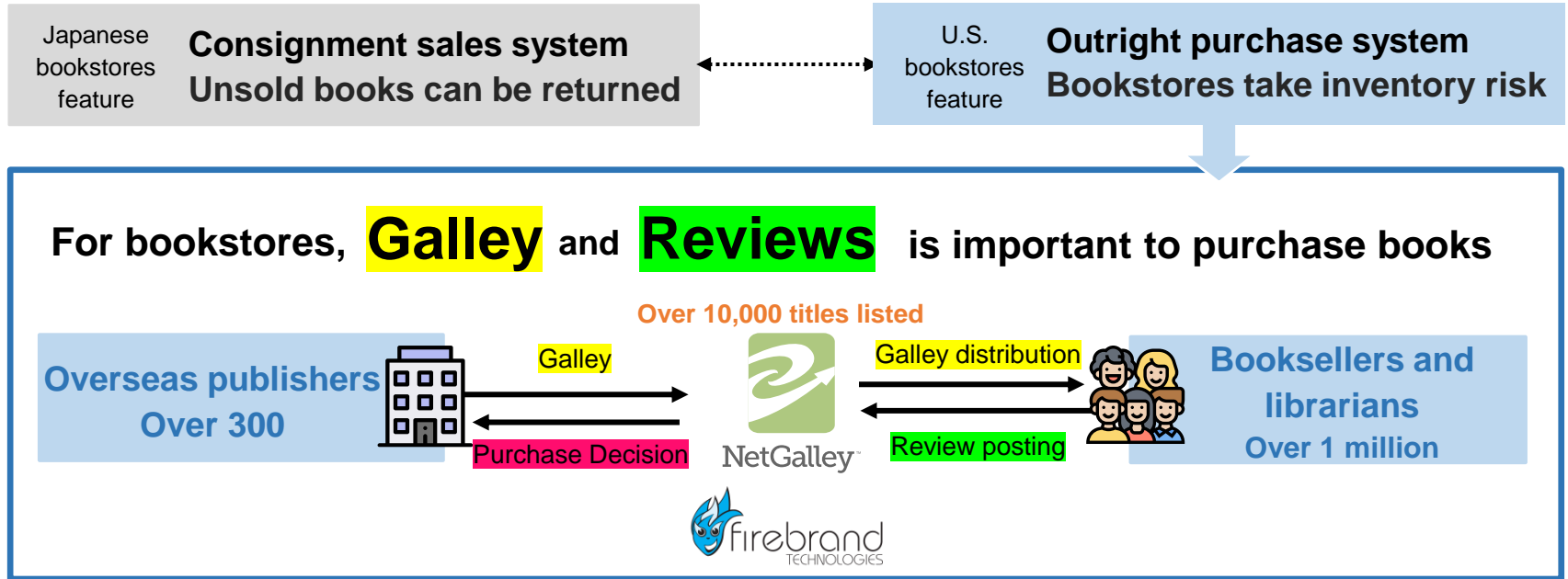
- ✓ Each AI engine has its own characteristics in terms of translation accuracy, language fluency, consistency, and cultural appropriateness
- ✓ Languages such as English, Chinese, and Spanish also have unique features, and a single engine may not be optimal for all languages



Optimization of multiple engines and languages is paramount

Promoting Japanese content to overseas bookstores through NetGalley

- ✓ In the U.S., the Outright purchase system is dominant in bookstores, making pre-release promotions crucial
- ✓ NetGalley is a web-based platform that distributes galleys (advance review copies) to book professionals in digital format, collects reviews, and provides marketing insights. In the future, the platform will expand its reach to general readers to broaden marketing scope



➡ Enables booksellers to make purchasing (buying) decisions based on posted reviews and ratings

1. Medium-term Management Policy

MEDIA DO has long engaged not only with the publishing industry, but also with society at large

MEDIA DO's corporate philosophy
embedded in its name

Connecting values and continuing to contribute to the evolution of society

Building trust through respect and contributions to local communities has led to MEDIA DO's greatest asset—its position in the industry

CONTENT

- ✓ Reducing energy use
- ✓ Increasing distribution speed

INDUSTRY

- ✓ Expanding the potential of content
- ✓ supporting the global expansion of Japanese content

SOCIETY

- ✓ Contribution to the development of Japanese culture
- ✓ Resolution of social issues through co-creation with local communities

Pursuing What Makes MEDIA DO Unique

- ✓ MEDIA DO has created diverse content rooted in regional culture and established a proven track record, effectively communicating our multifaceted values
- ✓ By showcasing our values through this content, we attract talent that resonates with our company culture and identity. This in turn allows us to continuously deliver value to stakeholders and strengthen our organization

As many content as possible **MORE CONTENT** to **FOR** As many people as possible **MORE PEOPLE**

**Diverse content connected
to MEDIA DO**

Value of
regional
communities

Corporate
identity

Employees



People from all over Japan
and the world
Business Partners
**Current and future
employees**

**Creating content to reflect MEDIA
DO's multifaceted values**

- ✓ Kito Yuzu
- ✓ Entrepreneurial Support
- ✓ TOKUSHIMA
GAMBAROUS

1. Medium-term Management Policy

TOKUSHIMA GAMBAROUS, which was launched from scratch, involves the community and creates enthusiasm

- ✓ In April 2022, Tokushima Prefecture's first men's professional basketball team, the TOKUSHIMA GAMBAROUS, was established. Six months later, in October, they made their first entry into the 2023-24 season
- ✓ Despite starting from scratch, the company has gained fans from a wide range of people, regardless of age or gender, by increasing its media exposure, including publication in local newspapers



GAMBAROU TOKUSHIMA Co., Ltd., the management company of TOKUSHIMA GAMBAROUS

Established by MEDIA DO and 22 leading companies in Tokushima Prefecture

Operating companies : Otsuka Pharmaceutical, Nichia Chemical, etc.

Finance : Awa Bank, Tokushima Taisho Bank

Media : Tokushima Shimbun, Shikoku Broadcasting

Share Ratio
1/3

+



Media Do

Share Ratio
2/3

Tokushima Shimbun 2024-24 Season Number of Publications

Days 122 /213 **57%**

Number of articles 165 /213 **77%**

TV & Radio Track Record

TV 96times Radio 44times

2023-24 season

Ranked **4**/17 teams

2024-25 season

Ranked **10**/17 teams



TOKUSHIMA GAMBAROUS achieved early profitability in the second year of entry

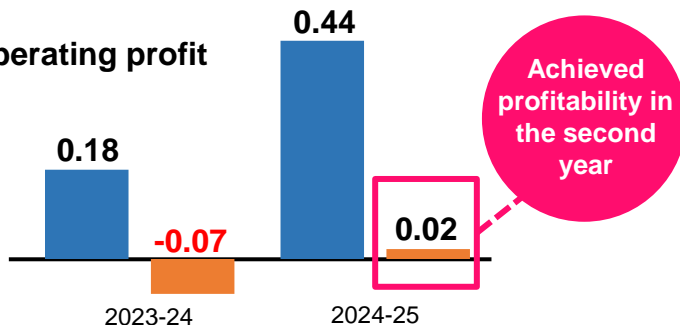


- ✓ TOKUSHIMA GAMBAROUS has gained fans from a wide range of people, regardless of age or gender, by involving the local community
- ✓ It generated a great deal of enthusiasm in Tokushima Prefecture, and as a result, **it achieved profitability in its second year of entry into the B3 League**

Net sales / Operating profit

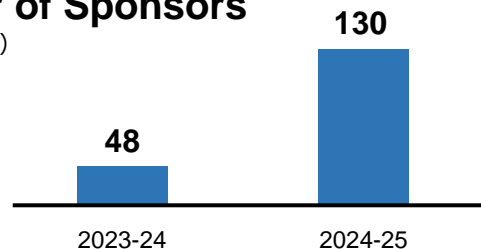
(Billions of yen)

■ Net sales
■ Operating profit



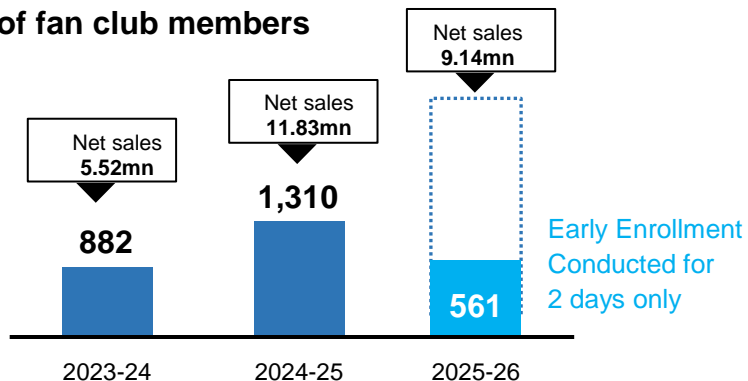
Number of Sponsors

(Companies)



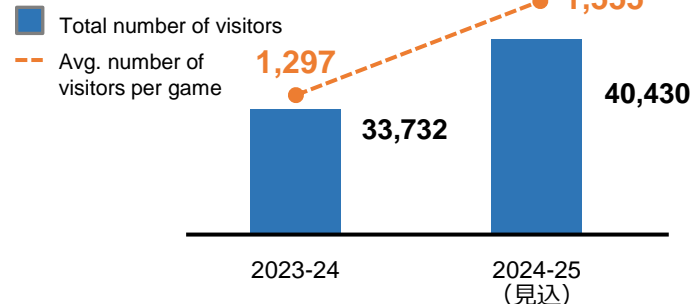
Number of fan club members

(Person)



Number of visitors

(Person)



Tokushima Innovation Base (TIB) enters its second phase after five full years since its establishment

- ✓ TIB is a general incorporated association that fosters and supports entrepreneurs, working people, students, and people with entrepreneurship in Tokushima
- ✓ In collaboration with the EO (Entrepreneurs Organization), one of the world's leading entrepreneurial organizations with more than 19,000 entrepreneurial members in 61 countries boasting annual sales of more than 100 million yen, we will utilize a system for managers to learn and grow themselves, and to revitalize and deepen cooperation with the local community

In 2020, TIB was established from scratch to foster and support entrepreneurs



Established in collaboration with major institutions that gather local issues

Five companies established
Tokushima Shimbun, Shikoku Broadcasting (media)
Awa Bank, Tokushima Taisho Bank (financial institution)
MEDIA DO

Collaboration Agreement
Tokushima Prefecture,
Tokushima City

University Collaboration
The University of Tokushima

Five full years have passed, and we are entering the 2nd phase
Embodying the idea of "Let's change Japan from Tokushima"

Number of members

Number of active members **114**

Total number of members **358**

Free members included

Number of companies/companies born out of TIB

21

Cumulative number of monthly meetings

60

By May 2025

May 23, 2025 Expanded monthly meeting of **500 people** will be held

Under the theme of "The Future of Local Education from a Global Perspective," three distinguished panelists and moderator Fujita, the representative director of TIB, will discuss local education from a global perspective and a parent's perspective

(Theme)

The Future of Local Education from a Global Perspective



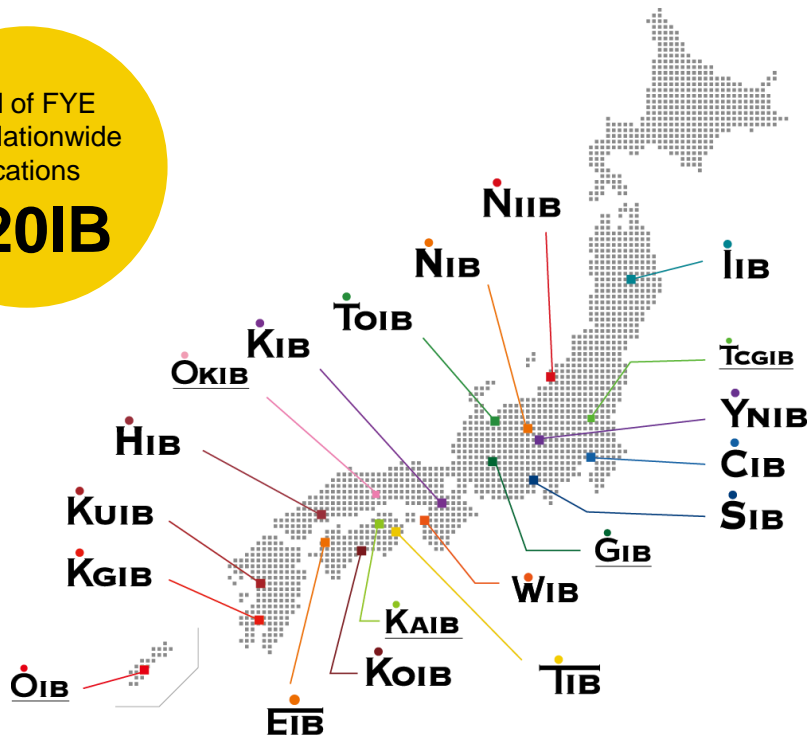
Supported by: Awa Bank, Tokushima Taisho Bank, MEDIA DO
Supported by: Tokushima Prefecture, The University of Tokushima

TIB evolves into a nationwide scale as xIB JAPAN

- ✓ IB (Innovation Base) is a way to support entrepreneurs for the future of the region, and TIB's efforts are expanding nationwide
- ✓ By 2025, another 5 IBs are expected to be established, with 20 IBs nationwide

End of FYE
2/25 Nationwide
locations

to **20IB**



In 2023, xIB JAPAN was established
Launched nationwide innovation-based support

Currently nationwide

15IB established



2025 and beyond

5IB to be established

	Prefecture	Launched
1	TIB (Tokushima)	2020/5
2	IIB (Iwate)	2020/7
3	NIB (Nagano)	2021/5
4	SIB (Shizuoka)	2021/10
5	YNIB (Yamanashi)	2021/10
6	CIB (Chiba)	2021/10
7	KIB (Kyoto)	2021/10
8	NIIB (Niigata)	2021/11
9	EIB (Ehime)	2022/4
10	KOIB (Kochi)	2022/4
11	WIB (Wakayama)	2022/5
12	KUIB (Kumamoto)	2022/9
13	HIB (Hiroshima)	2023/4
14	TOIB (Toyama)	2024/7
15	KGIB (Kagoshima)	2024/7

16	OIB (Okinawa)	2025/6
17	OKIB (Okayama)	2025/8
18	GIB (Gifu)	2025/7
19	TCGIB (Tochigi)	2025/11
20	KAIB (Kagawa)	in2025

Initiated and Hosted the "Uzushio Summit," Tokushima's Version of the Davos Conference

- 

Tokushima Prefecture's Version of the Davos Conference Uzushio Summit was held

150

25

[illegible]

Rediscover and redefine the value of regional potential and content – drive a change in values

- ✓ Through global dialogue under the theme "The Spirit of Japan from a Global Perspective," we aim to rediscover and redefine the potential and content of Japan's regions and empower local communities
- ✓ By creating opportunities for these value shifts to flow from local to central and international audiences, MEDIA DO will build trust

The Spirit of Japan from a Global Perspective

Discuss the future of regions on a global scale across four themes:

Business from Regions

Environment

Education

Culture and Arts

Rediscovering and redefining local potential and content

Generate confidence and strength in local communities

Not "From Central to Regional," but "From Regional to Central & International"

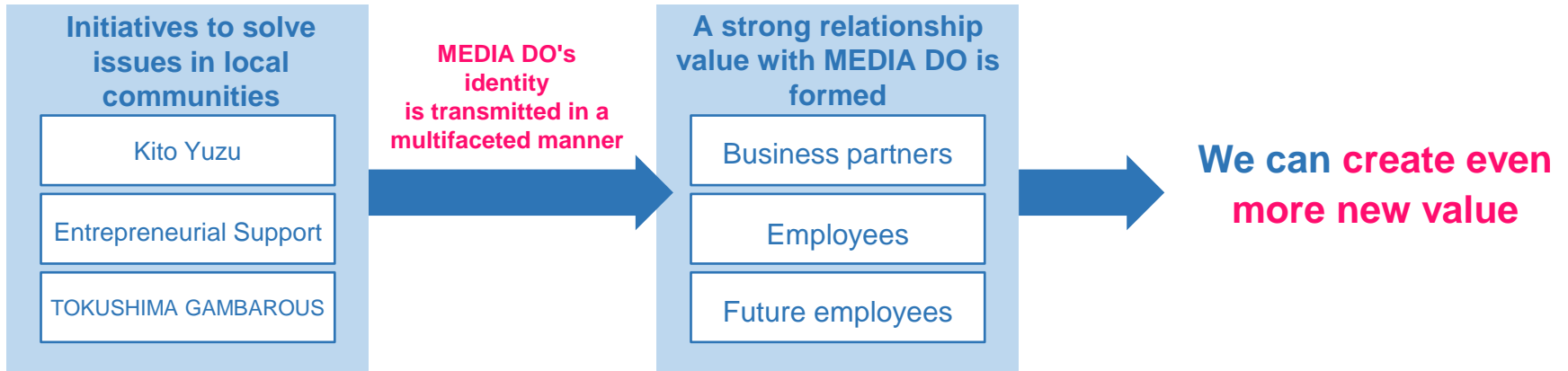


Creating opportunities to discover and deliver local potential and accumulate trust in MEDIA DO

Ensuring MEDIA DO's Continuity for the Next 100 Years

- ✓ Throughout its 30-year history, it has always confronted current trends and society, and has made efforts to solve problems centered on local communities
- ✓ The SC business (Sustainability Creation) embodies the underlying values that have been consistent since the company's founding and the “Uniqueness of MEDIADO,” and through these activities, we continue to build relationships of trust with stakeholders, including our own employees, which is essential to our continued existence as an organization and to continue to provide value
- ✓ An indispensable initiative for MEDIA DO to continue to exist as an organization and to continue to provide value

Incorporating social sustainability into management



Expanding the potential of content and bringing Japanese culture rooted in the region to the world

Phase1 : 1996 - 2024

As many content as possible

Phase2 : 2025 -

As many people as possible

MORE CONTENT FOR MORE PEOPLE



Domestic

**Diverse content connected
to MEDIA DO**

Published Content

Value of
regional
communities

Corporate
identity

Employees

People from all over Japan and the world
Business Partners
Current and future employees



Bringing Japanese Culture to the World

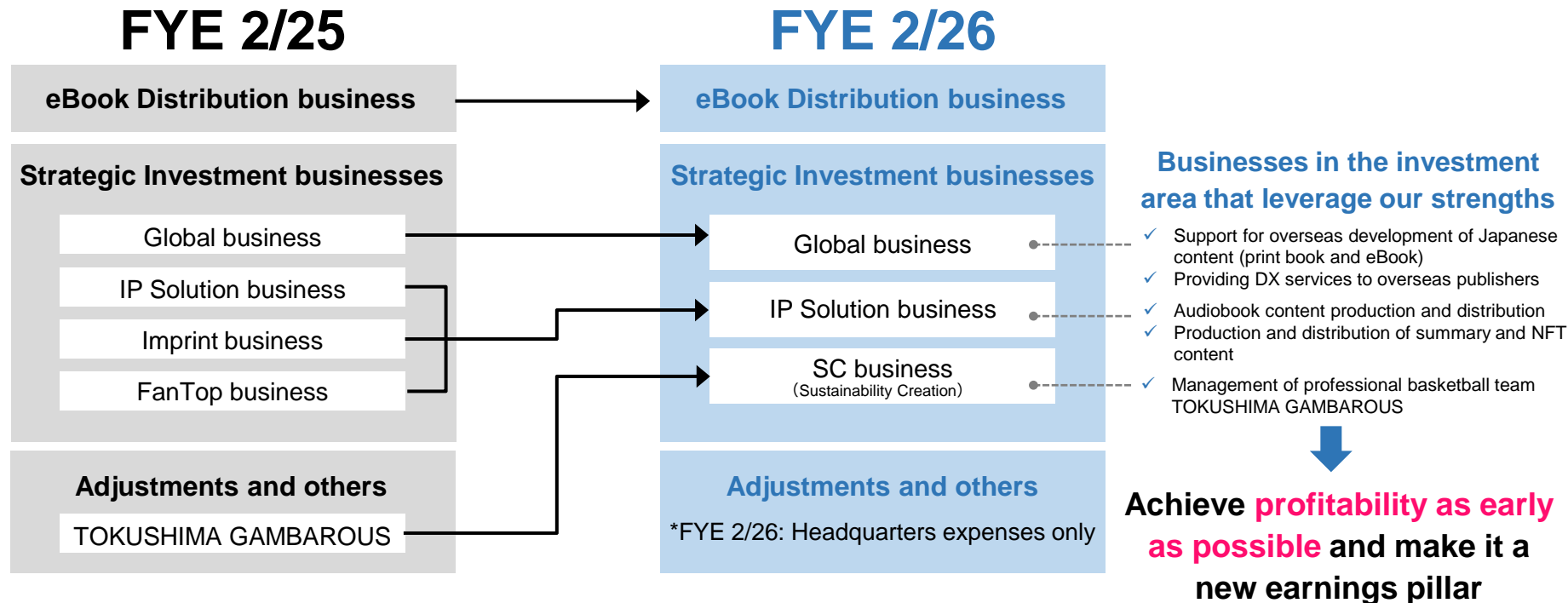
MEDIA DO Co., Ltd.

Medium-Term Management Plan FYE 2/26 - FYE 2/30 (Five-Year)

02 | Business Strategy

Change in Strategic Investment Businesses Sub-Segment

- ✓ From FYE 2/26, the sub-segments within the Strategic Investment businesses were changed. Composed of businesses in areas of focus over the medium to long term
- ✓ Aim to increase synergy with the core eBook Distribution business and contribute to the Group's growth as a new earnings pillar at an early stage



Overview of Services by Business Segment

eBook Distribution business



The largest domestic distributor that has transactions with more than 2,200 publishers and over 150 eBook retailers



In-group outsourcing responsible for various operations related to the eBook distribution business



One of the largest eComic services in Japan with constant point return rate

Strategic Investment businesses

Overseas Expansion Global business



U.S.-based subsidiary in San Diego handling overseas wholesaling



Developing bibliographic information management, information distribution, eBook distribution, etc. in the U.S.



Web marketing tool distributing sample books used by many U.S. publishers



SaaS service supporting publisher websites and eCommerce platforms that widely used by European and American publishers



North American comic distribution with NTT DOCOMO

IP creation and development/Planning and publishing IP Solution business



A publisher with a history of more than 70 years, working on a wide range of genres such as practical books, comics, novels, and magazines

Audiobook business

Distributing the works provided on Amazon Audible



Operates "flier," a service that provides book summary content



MEDIA DO's own NFT marketplace



Handles coloring and drawing support for manga works of major publishers

Sustainability Creation SC business



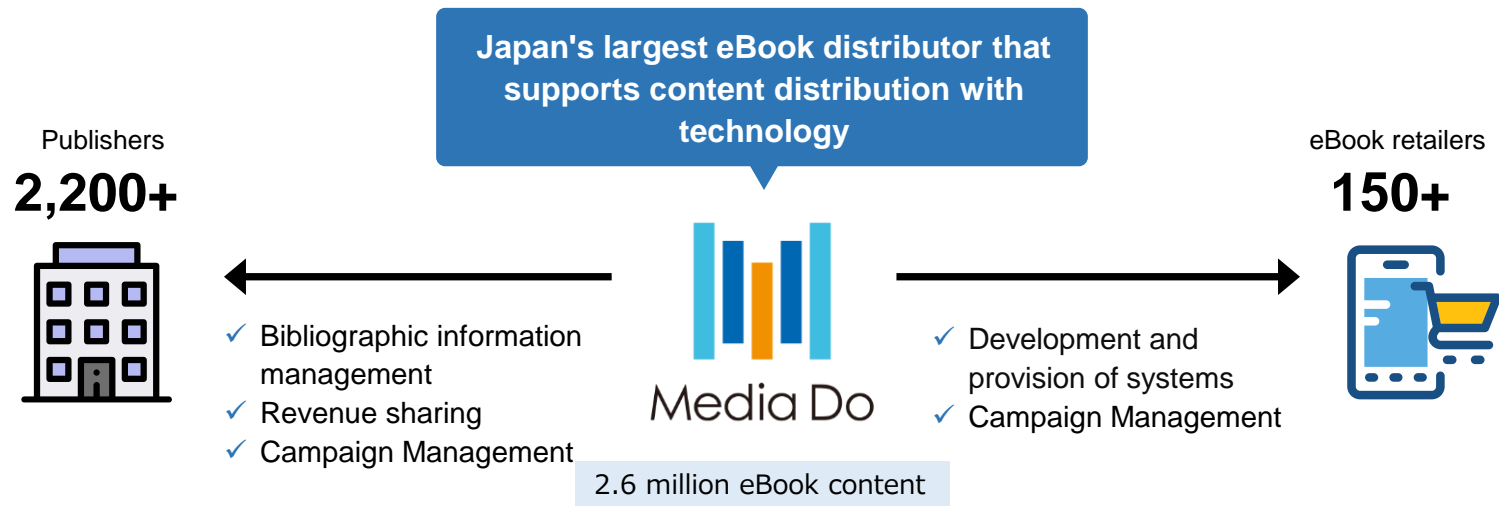
Management of the men's professional basketball club "TOKUSHIMA GAMBAROUS"

2. Business Strategy

eBook Distribution Business

MEDIA DO's main business that creates trust and a position with the publishing industry

- ✓ MEDIA DO's core business: Creating trust that enables the distribution of official content
- ✓ The strong relationship of trust we have built with the publishing industry is our one and only position and strength.



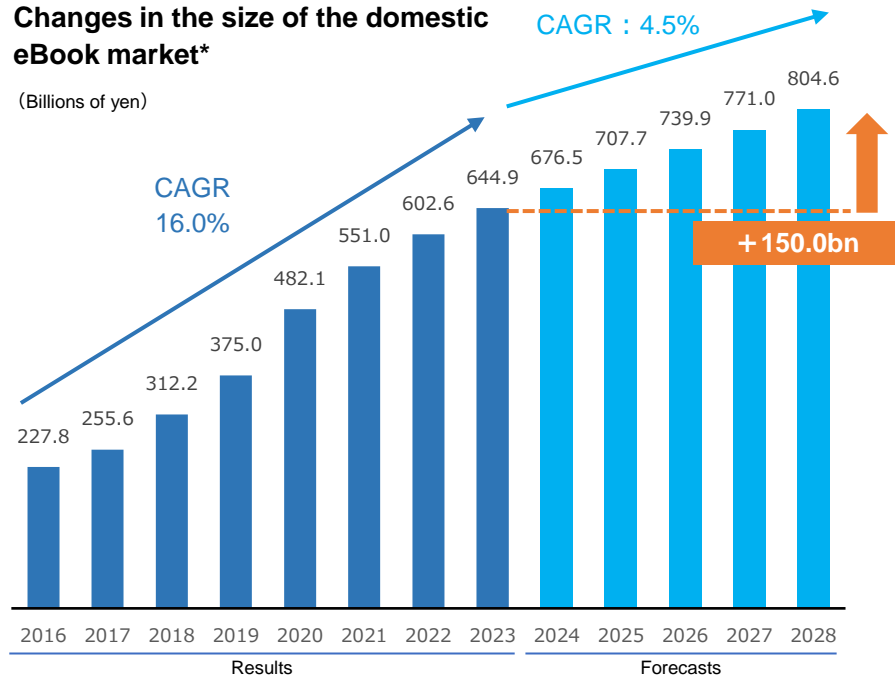
Building strong relationships with the publishing industry
The one and only position is MEDIA DO's greatest strength

Changes in the eBook market landscape

- ✓ The eBook market has expanded rapidly due to the closure of large-scale pirate sites and stay-at-home consumption during the Corona disaster, but the growth rate will slow down in the future
- ✓ Future growth requires stronger sales strategies, original content acquisition, media mix initiatives, and securing non-manga content such as text and audio

Changes in the size of the domestic eBook market*

(Billions of yen)



While the eBook market will continue to expand in FY2024 and beyond, the growth pace will change and players will be pushed to revise strategies to stay competitive

Strategies for Sustainable Growth

A system that focuses on sales growth
Strengthen sales campaigns

More than just manga is in demand
Text-based and audiobook

Acquire differentiated, exclusive content
Exclusives and pre-distribution

Offer MEDIA DO-led solutions

Leverage content provided by
NIHONBUNGEISHA

* Source: eBook Marketing Report 2024, Impress Research Institute

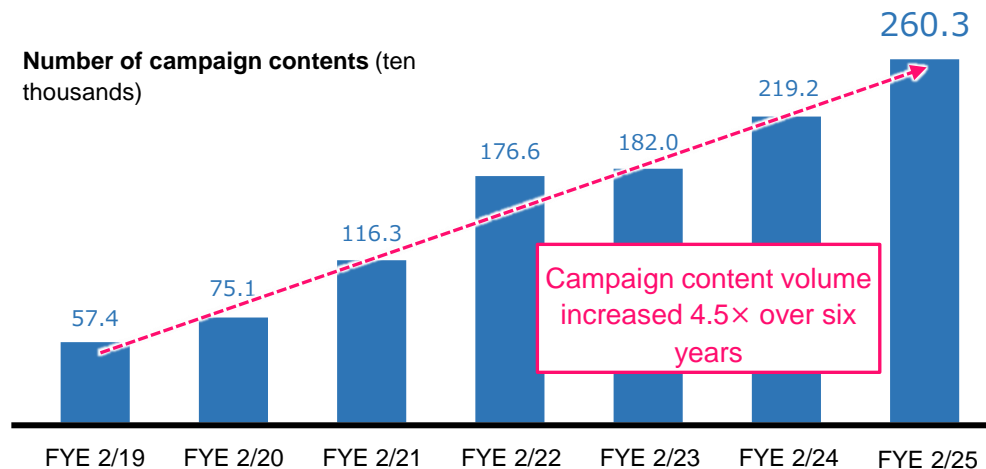
As the market expands, major distribution channels are facing resource bottlenecks

- ✓ Strengthening sales measures (campaigns) for continuous growth is becoming more complex and diverse, and the burden on publishers and eBook retailers is increasing more than the market growth
- ✓ The burden of campaigns is also increasing at major bookstores and publishers, and the need for distributors is increasing further from the perspective of efficiency and sales growth

Acquisition of sales distribution channels of major eBook retailers

- ✓ In February 2024, we acquired part of **PICCOMA**'s distribution line, and system integration was completed in September
- ✓ Plans to acquire part of **Mecha Comic**'s distribution line in July 2025

Number of campaign contents (ten thousands)



Background of the acquisition of the distribution channels of major eBook retailers

Even major eBook retailers face resource crunch due to increased operational burden

Promote purchasing by strengthening sales measures (campaigns, episode distribution, etc.) for continuous sales growth

The need for intermediary distribution (wholesaling) is becoming more crucial

- ✓ Professional distributors reduce operational burdens and accelerate execution
- ✓ Proposal and implementation of sales measures based on market trends and knowledge

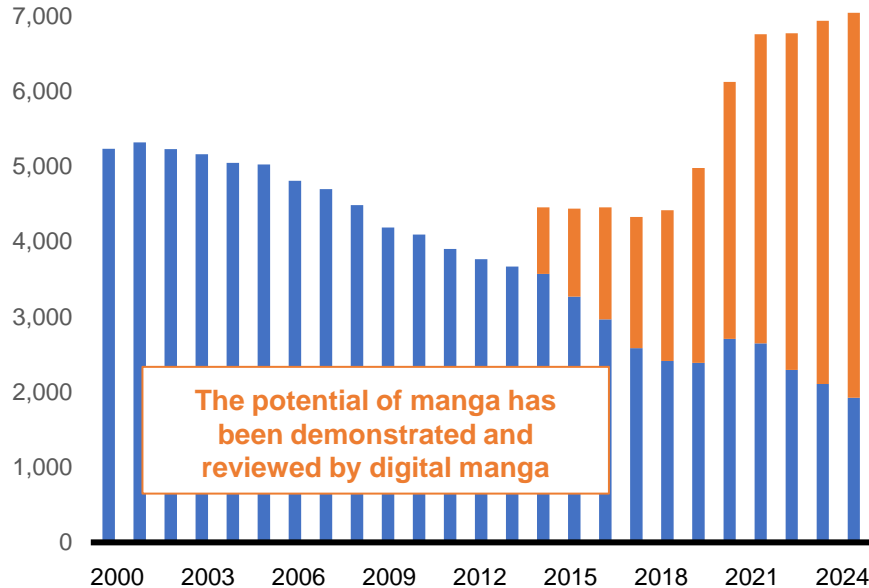
Accelerating digitalization of text-based content with low eBook adoption

- ✓ The domestic manga market, which had been shrinking since 2001, grew again due to eBooks, reaching a record size in 2024
- ✓ In contrast, while text-based content still has low digital share, digitalization of text can lead to greater market diversity, including audiobooks and translated works

Trends in the Manga Market*

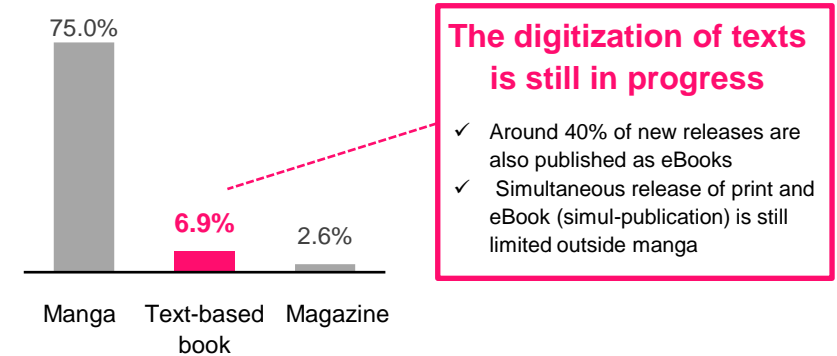
(Billions of yen)

Print manga Digital manga



2023 eBook sales breakdown by genre

(Percentage of eBooks in the total of print + digital)



→ Invest in digital versions, audio editions, and translations of text content to further market growth

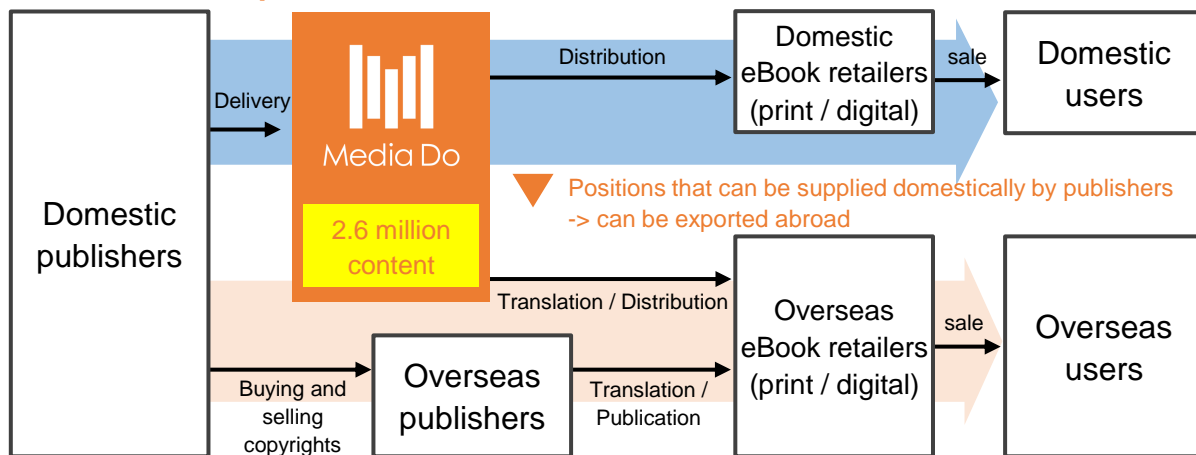
2. Business Strategy

Global Business

Increasing the speed of development through comprehensive support to further accelerate the increase in overseas demand

- ✓ In addition to translation, we will support the development of overseas works by domestic publishers, which is expected to increase in the future, by providing integrated functions based on local publishing know-how

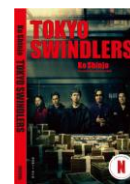
By providing a full range of functions, we support the overseas exports of small/mid-sized publishers who do not have the resources or know-how



- (1) Overseas distribution ----- 18,664 items have already been exported
- (2) Translation ----- Support using advanced technology
- (3) Distribution ----- Firebrand Network

- (4) Copyright Management ----- Special Sponsorship of the TOKYO RIGHTS MEETING
- (5) Store support ----- Content Procurement and Knowledge Provision
- (6) Promotion ----- Leveraging NetGalley

(2) Examples of Translation



集英社

Comprehensive support from translation to media mix of "Tokyo Swindlers" by Shueisha that Ranked first in Japan for Netflix series, and in the top 10 in 14 countries around the world, mainly in Asia

(5) Examples of store support



Operation of "MANGA MIRAI", NTT DOCOMO's eComic store for North America, launched in March, distribution of the initial 780 titles/over 11,000 volumes of manga works, and translation support

Providing comprehensive overseas distribution solutions

- ✓ The MEDIA DO Group provides solutions to support the distribution and sale of content overseas
- ✓ Offering DX solutions to 300+ publishers including the Big Five in the U.S., through a SaaS-type business model
- ✓ Aiming for further expand the number of publishers who have introduced the system, including small and medium-sized publishers in the future



Firebrand Group's sales support tools



Web marketing tool that provides galleys (manuscripts) of works as digital data to bookstore staff, etc.



Overseas eBook distribution service



AI book marketing tool that predicts trends and automatically selects and promotes works to focus on sales



Publishers' in-house EC sites building tools

MEDIA DO offers DX solutions to 300+ publishers including the Big Five in the U.S.

Promoting Japan's publishing presence globally

- ✓ Even after the conclusion of the Tokyo International Book Fair in 2016, MEDIA DO has continued to cooperate by providing a venue for the TOKYO RIGHTS MEETING
- ✓ In 2025, we will participate in the TOKYO RIGHTS MEETING as a special sponsor to increase the presence of Japan content overseas

Tokyo International Book Fair ended in 2016

Japan is the only major Asian nation without an international book fair

Our efforts to connect publishers in Japan and overseas

Participates as a **key sponsor** of the TOKYO RIGHTS MEETING

The largest Frankfurt Book Fair in the world

- Visitors: 230,000
- Number of participating countries: 153
- Number of exhibitors: 4,300



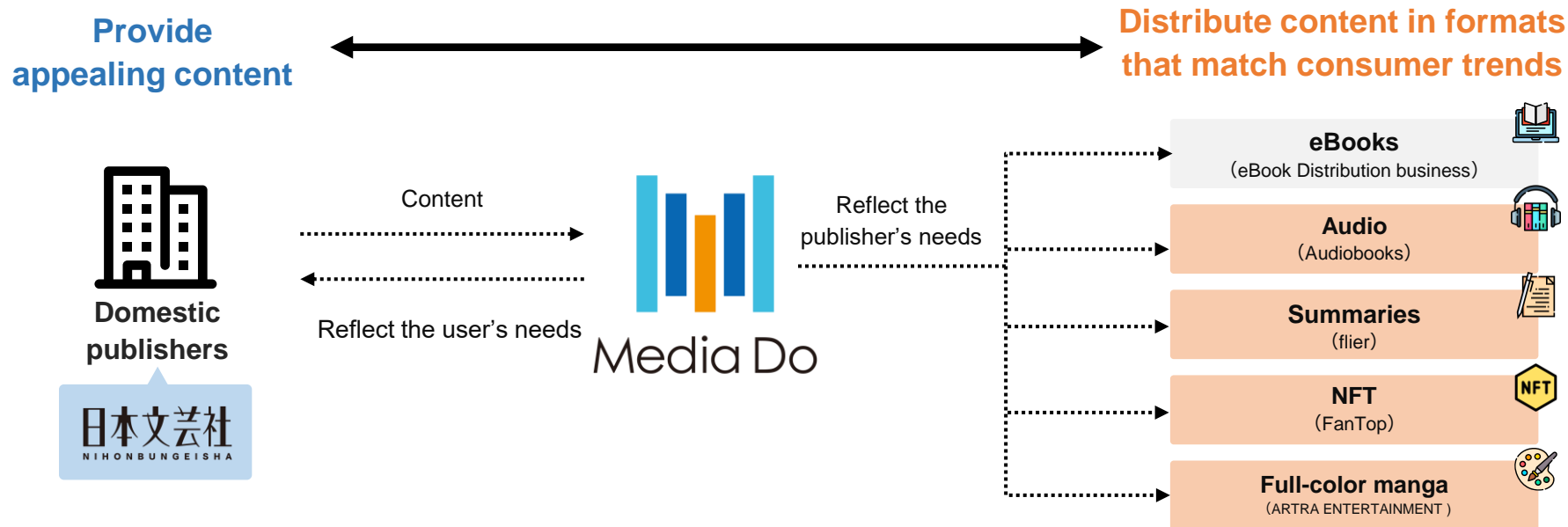
Held annually by the Japan Foundation for the Promotion of Publishing and Culture Industries (JPIC), this is a place for domestic publishers and overseas publishers to negotiate the purchase and sale of copyrights

2. Business Strategy

IP Solution Business

Maximize publisher profits with a one-stop solution

- ✓ In addition to **creating appealing content**, we **maximize the value of content** by distributing it in a form that matches the current trends, and **play a role in expanding the possibilities of content**



Deliver value with a one-stop solution especially to small/mid-sized publishers with limited resources

NIHONBUNGEISHA has completed the development of its foundation and is entering recovery phase

- ✓ The change of representative directors establishes a foundation for future breakthroughs. Aiming to expand business performance by producing a large number of attractive content by taking advantage of its content creation capabilities, which have produced a large number of content suitable for visualization

Up to FYE 2/25 Infrastructure maintenance

FYE 2/26 onwards Foundation in place, entering growth phase

- ✓ Soaring printing and transportation costs and a trough in hit content caused poor performance
- ✓ Former TAKESHOBO Co., Ltd. director Mr. Takemura, who has extensive experience in the publishing industry, was appointed as representative director

Reforms in digital and print are underway, laying the groundwork for future growth



Digital

Growth in content sales due to strengthened relationships with each store



Print

Adjusted print volume to rebuild a lean profit structure

Produce a large number of appealing content and link it to **IP multi-use centered on visualization**



March 2025
New Web Serialization
SiteGoraku-uebu! Launch

- ✓ Renewal of contracts with authors for the implementation of agile campaigns
- ✓ Original new series based on electronics
- ✓ Rediscovery of past works

Visualization Results



Gannibal 1,2

Exclusively available on Disney Plus "Star" from March 19, 2025 (starring Yuya Yagira)



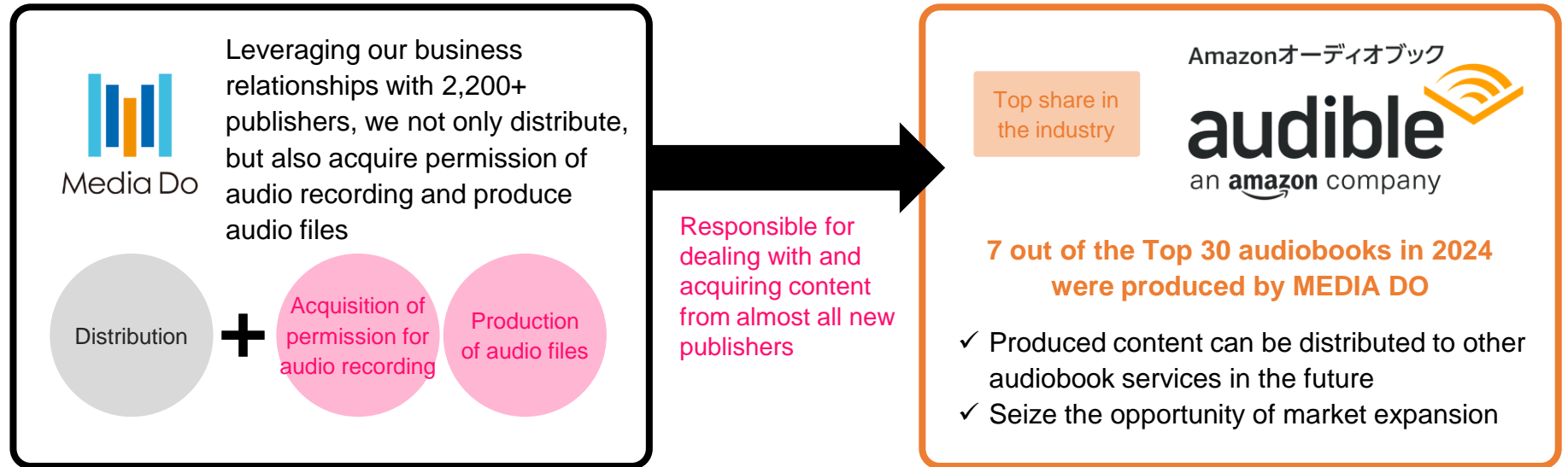
Demon City

Exclusively on Netflix from February 27, 2025 (starring Toma Ikuta)

Capturing opportunities for rapid expansion of the audiobook market by leveraging our business base with publishers

- ✓ The U.S. audiobook market is expanding every year, and by 2024 **the audiobook market has reversed the eBook market**. **Japan's audiobook market is also growing rapidly**
- ✓ Serves as the main contact for Audible, which has the largest market share in the industry, and **not only distributes the content, but also acquires permission for audio recording and produces the audio files**

The U.S. audiobook market has surpassed the eBook market in size and is expected to grow significantly in the future

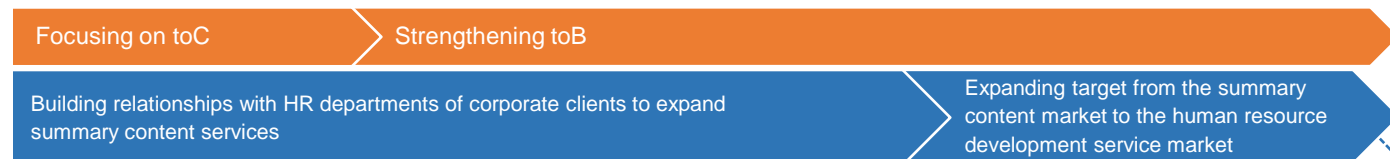


Aiming to accelerate growth by expanding customer base and service areas after listing

- ✓ Entering FYE 2/25 phase after reinvestment from FYE 2/19, operating profit is expected to improve significantly in this fiscal year due to the expansion of toB services
- ✓ Capturing the needs of corporate human resource development, the cumulative number of corporate contracts exceeds 1,200
- ✓ Sales to corporate customers have almost doubled in the last two years, and the business will now enter a phase of generating profits

▼Joined the MEDIA DO Group ▼Moved to reinvestment phase

▼Listed on TSE Growth on February 20, 2025

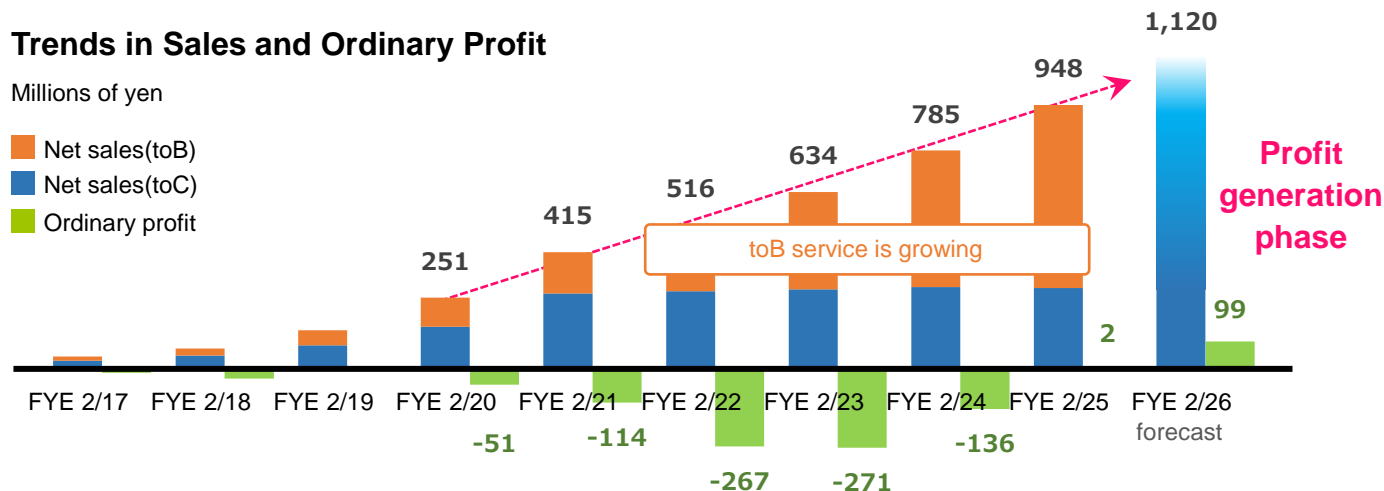


Book summary service

Expansion of customer base, especially large corporations

Trends in Sales and Ordinary Profit

Millions of yen



Organizational growth support services

Development of new services approaching the human resource development service market

Accelerate further growth by expanding customer base and service areas

2. Business Strategy

SC Business

Sustainability Creation Business

Expand trust and recognition from society while making a profitable contribution by entering a higher league

- ✓ In its second year of entry, sales and visitor numbers have grown significantly. Aiming for promotion to the highest category, B PREMIER, with a new arena in the future as a tailwind

**B-League management policy encourages an environment
where clubs and communities can grow together**

B. Innovation (Starting in 2026)

- ✓ No longer based on competition results; emphasis on **sales, attendance, and arena**
- ✓ Aiming for **the Regional Revitalization League**

**Key to club and
community development**

「Arena」



- ✓ Increased attendance and **stable club management**
- ✓ Capable of providing high-level entertainment beyond basketball, such as concerts, contributing to **regional economic development**

First year of entry

2023-24

B3

2024-25

B3

Turning a profit

2028-29

B PREMIER

*Top level league

Revenue: ¥1.2 bn

Avg. number of attendance: 4,000

Arena Capacity: 5,000 seats



Revenue: ¥180 mn

Avg. number of attendance: 1,297

Final ranking for the year: 4th

Revenue: ¥440 mn

Avg. number of attendance: **1,555**

**Contribute to the growth of MEDIA DO while expanding trust and recognition from society
with the aim of entering a higher league**

MEDIA DO Co., Ltd.

Medium-Term Management Plan FYE 2/26 - FYE 2/30 (Five-Year)

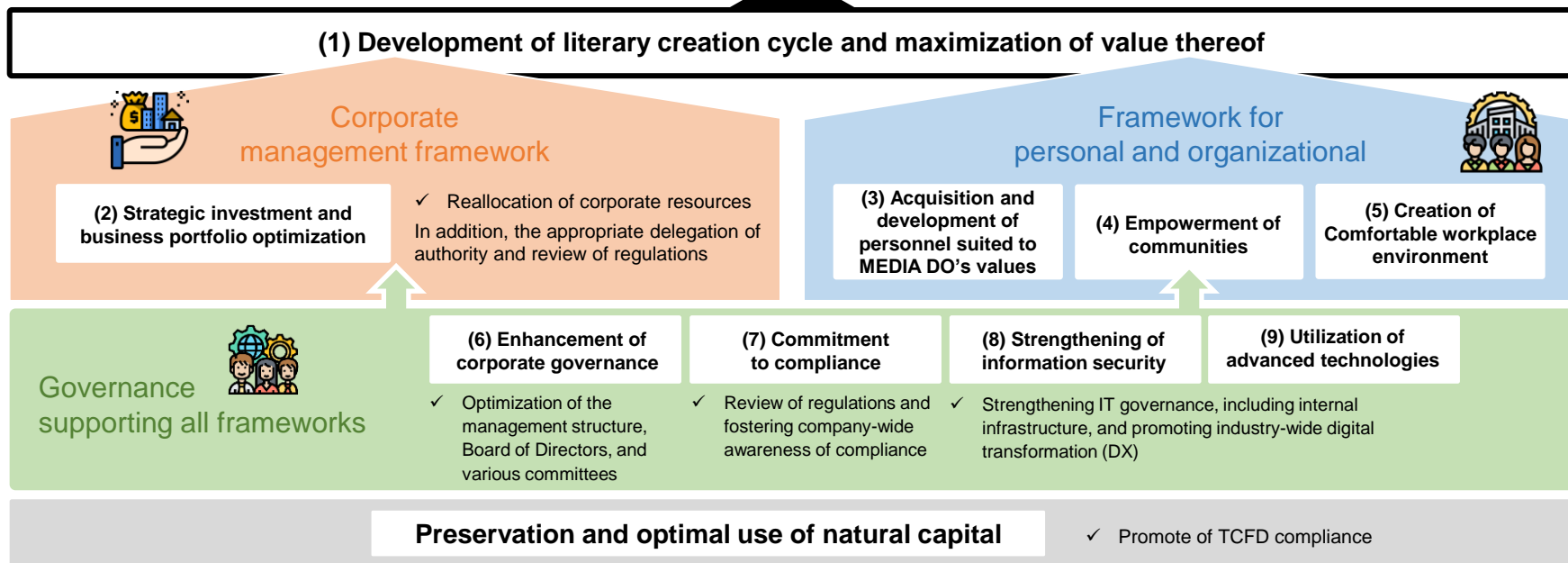
03 | Sustainability

3.Sustainability

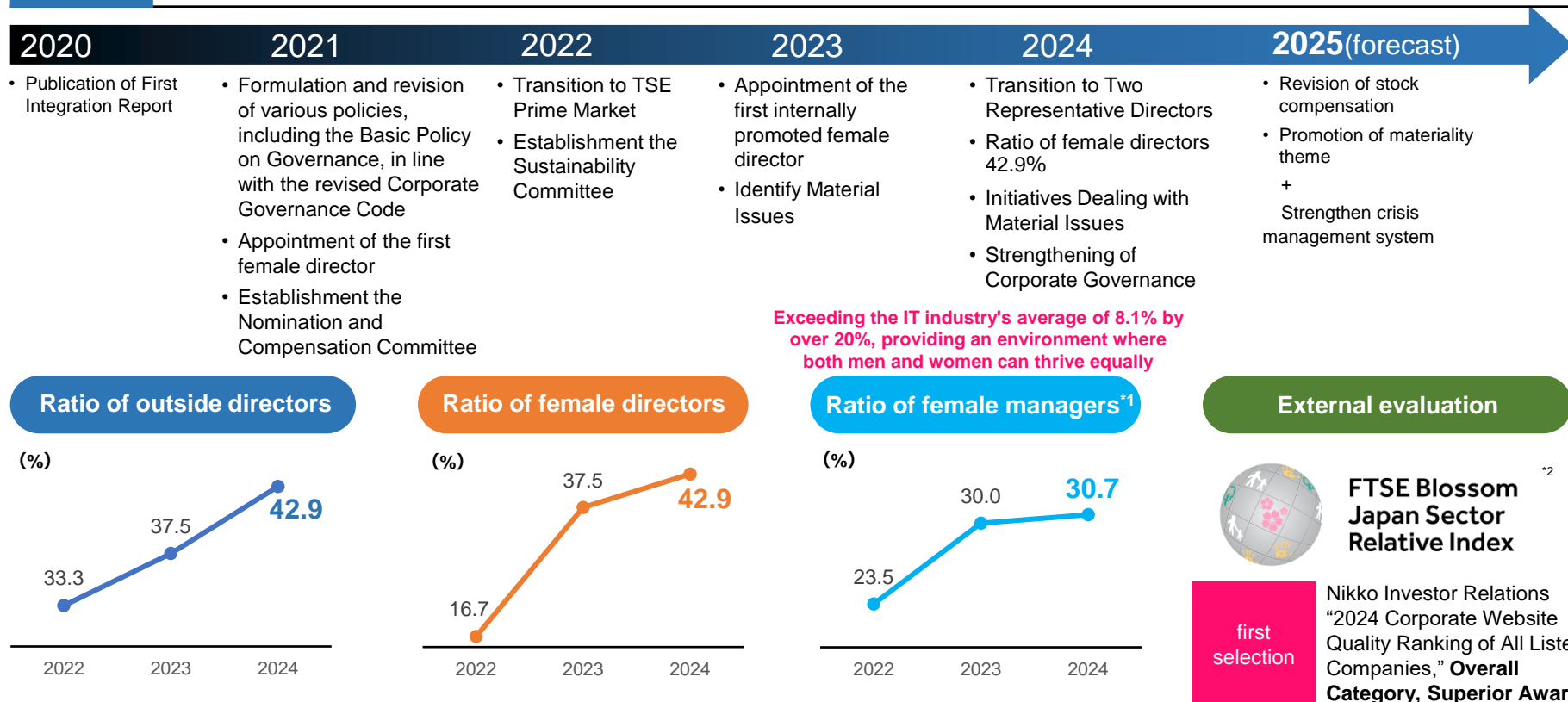
Aiming for Long-Term and Sustainable Enhancement of Corporate Value through Materiality

- ✓ Identified materialities (10 items) as the foundation for maximizing the growth of each business and for management to continue to exist as a company, as well as issues that must be addressed
- ✓ Materiality is categorized from the perspectives of “Corporate management framework,” “Framework for personal and organizational growth,” and “Governance supporting all frameworks.” Each promotion department is responsible for promoting materiality in collaboration with the Sustainability Management Committee

Contribution to the cultural advances stimulated by written works



The Past and Future of Sustainability



^{*1} The figures represent Media Do on a standalone basis. The latest figures are as of March 2024. For the ratio of female managers in the IT industry, refer to the "Information Service Industry Basic Statistics Survey 2023," published by the Japan Information Technology Services Industry Association.

^{*2} FTSE Russell confirms that MEDIA DO Co., Ltd. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

MEDIA DO Co., Ltd.

Medium-Term Management Plan FYE 2/26 - FYE 2/30 (Five-Year)

04 | Financial planning

4. Financial planning

Consolidated Earnings Forecast for FYE 2/26

Consolidated Earnings Forecast for FYE 2/26 (1)

- ✓ FYE 2/25: First increase in revenue and profit in three fiscal years
- ✓ In FYE 2/26, we expect continued growth in both revenue and profit due to an increase in market share in the eBook Distribution business, improved profit/loss from progress in each of the Strategic Investment businesses, and a review of the business portfolio

	FYE 2/25 Results	FYE 2/26 Forecast	YoY
Net sales	¥101.9bn	¥106.0bn	+ 4.0% (+4.10bn)
Operating profit	¥2.47bn	¥2.72bn	+9.9% (+0.25bn)
Ordinary profit	¥2.36bn	¥2.70bn	+ 14.4% (+0.34bn)
Profit attributable to owners of parent	¥1.36bn	¥2.00bn	+46.7% (+0.64bn)
EBITDA	¥3.79bn	¥3.93bn	+ 3.7% (+0.14bn)
ROE	8.1%	10.9%	+2.8%

* Gain on sales of shares of affiliated company (¥531 mn) due to the transfer of shares of MyAnimeList, an equity-method affiliate

Consolidated Earnings Forecast for FYE 2/26 (2) Forecast by segment

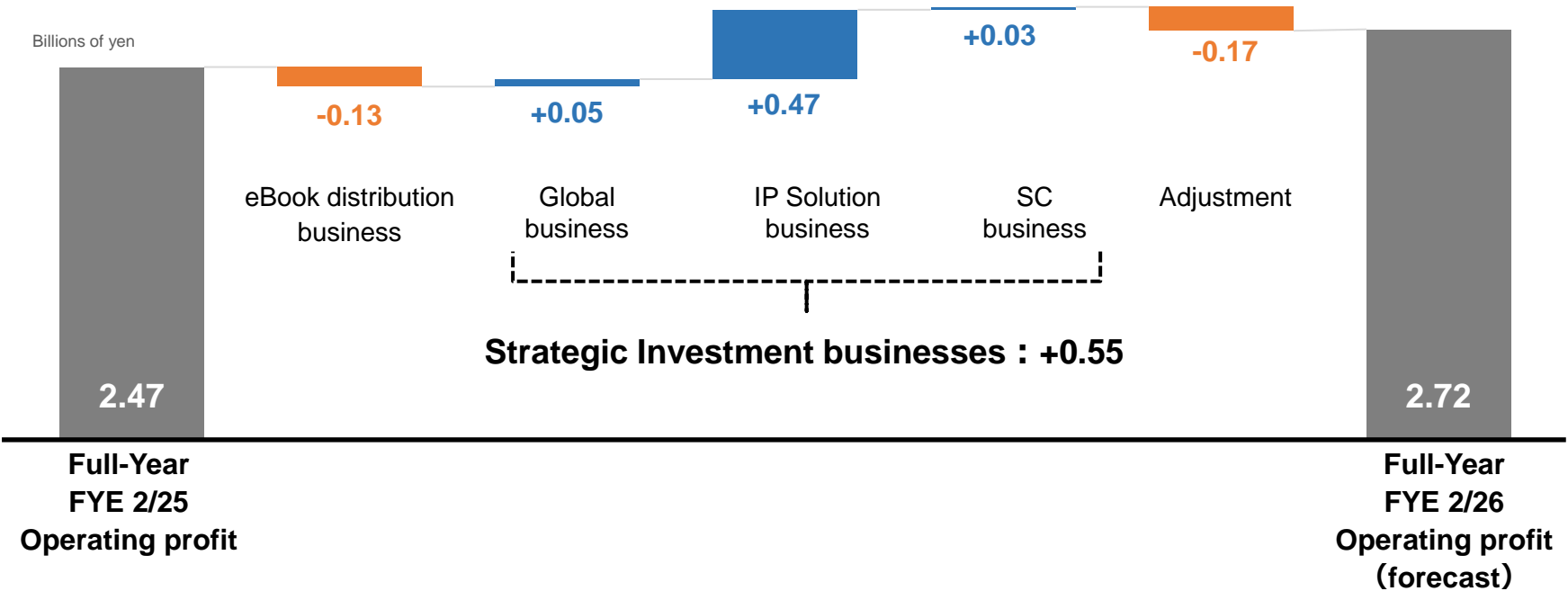
Net sales	FYE 2/25 Results*	FYE 2/26 Forecast	YoY	Rate of change
eBook Distribution business	¥93.8bn	¥97.6bn	+¥3.8bn	+4.1%
Strategic Investment businesses	¥9.5bn	¥9.8bn	+¥0.3bn	+3.2%
Adjustment	-¥1.4bn	-¥1.5bn	-¥0.1bn	-
Total	¥101.9bn	¥106.0bn	+¥4.1bn	+4.0%

Operating profit	FYE 2/25 Results*	FYE 2/26 Forecast	YoY	Rate of change
eBook Distribution business	¥4.97bn	¥4.84bn	-¥0.13bn	-2.6%
Strategic Investment businesses	-¥0.96bn	-¥0.41bn	+¥0.55bn	-
Adjustment	-¥1.53bn	-¥1.70bn	-¥0.17bn	-
Total	¥2.47bn	¥2.72bn	+¥0.25bn	+9.9%

* Actual results based on the sub-segment of the Strategic Investment businesses, which was changed from FYE 2/26

Consolidated Earnings Forecast for FYE 2/26 (3) Key Performance Indicators

- ✓ Revenue and profit back on track to increase from FYE 2/25
- ✓ eBook Distribution business expected to decrease profit due to lower profit margin resulting from expansion of distribution market share with major publishers and eBook retailers
- ✓ Strategic investment businesses is expected to increase profit mainly in IP Solution business



4. Financial planning

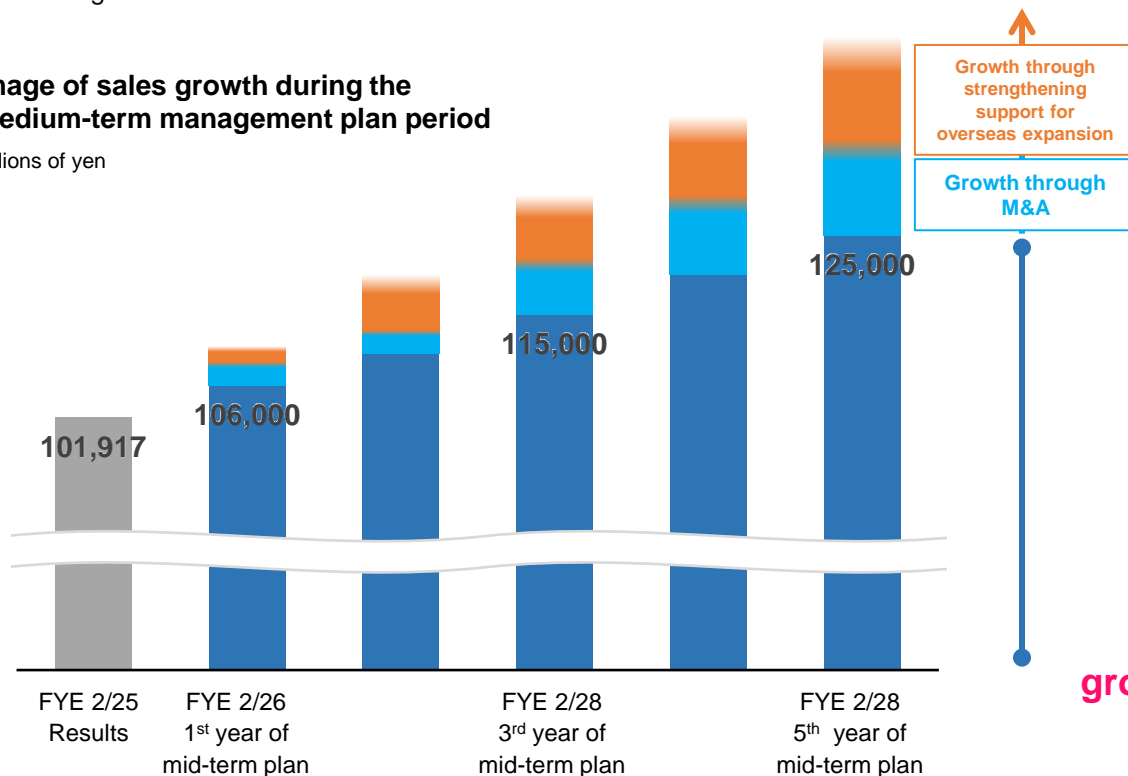
Five-Year Plan

Aiming for inorganic growth by promoting overseas expansion

- ✓ Medium-term five-year performance targets are based on organic growth
- ✓ Strengthening support for overseas expansion in the Global business and growth through M&A are not included in the plan, but are being promoted as further growth factors

Image of sales growth during the medium-term management plan period

Millions of yen



Further growth through new businesses and M&A
(Not factored into the planned value)

Growth associated with overseas business development of Japan content translated by MDTs

Growth through M&A

Performance Targets of the Medium-Term Management Plan
(organic growth)

Aiming to achieve discontinuous growth by actively promoting overseas expansion and M&A

In FYE 2/30, aiming for record highs in consolidated revenue and all profit categories

- ✓ Through sustainable growth of existing businesses and expansion of new businesses, we aim to achieve consolidated net sales of ¥125.0 bn and operating profit of ¥4.0 bn in FYE 2/30

(5th year of mid-term plan)

	FYE 2/25		FYE 2/30	Increase amount
Net sales	¥101.9bn	➡	¥125.0bn	+23.1bn
Operating profit	¥2.47bn	➡	¥4.00bn	+1.53bn

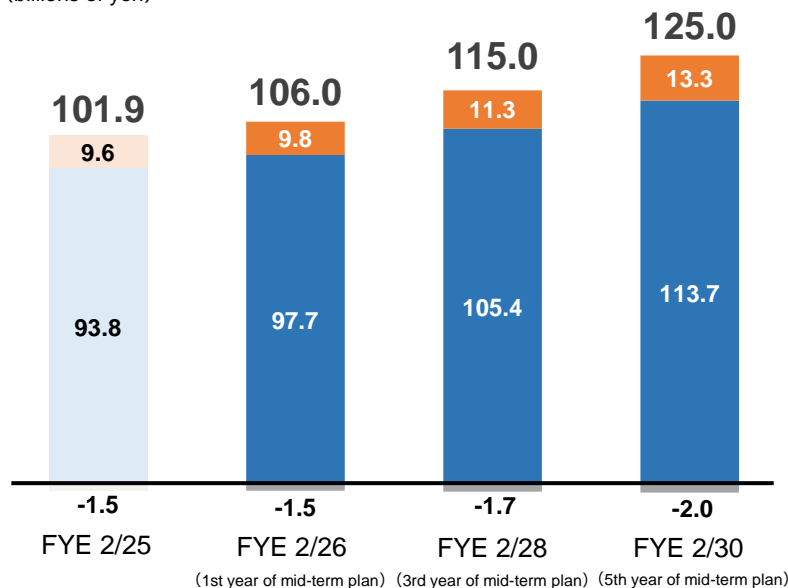
	FYE 2/25	FYE 2/26 1st year of mid-term plan	FYE 2/28 3rd year of mid-term plan	FYE 2/30 5th year of mid-term plan
Net sales	¥101.9bn	¥106.0 bn	¥115.0 bn	¥125.0 bn
Operating profit	¥2.47bn	¥2.72 bn	¥3.22 bn	¥4.00 bn
EBITDA	¥3.78bn	¥3.93 bn	¥4.50 bn	¥5.20 bn
Profit attributable to owners of parent	¥1.36bn	¥2.00 bn	¥2.15 bn	¥2.50 bn

Achieve profitability in the Strategic Investment businesses as soon as possible, based on stable growth in the eBook Distribution business

Sales Image by Business Segment

- eBook Distribution business
- Strategic Investment businesses
- Other adjustment

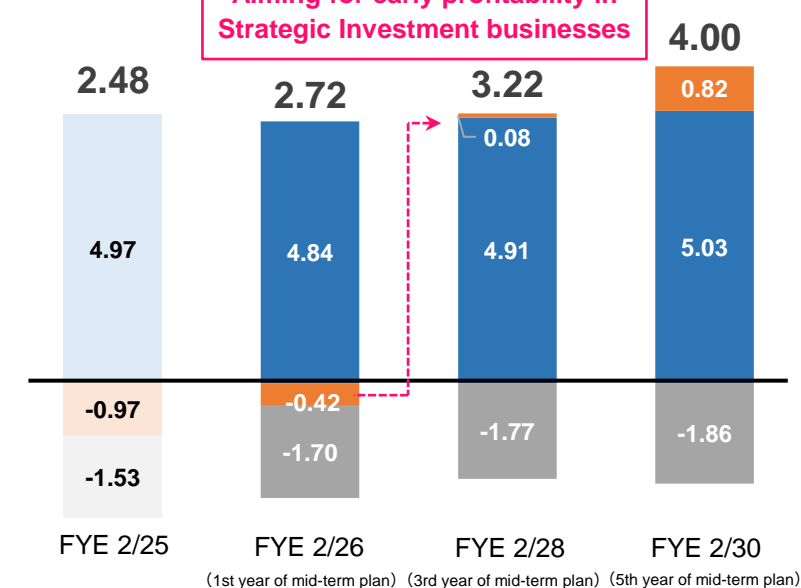
(billions of yen)



Operating Profit Image by Business Segment

- eBook Distribution business
- Strategic Investment businesses
- Other adjustment

(billions of yen)

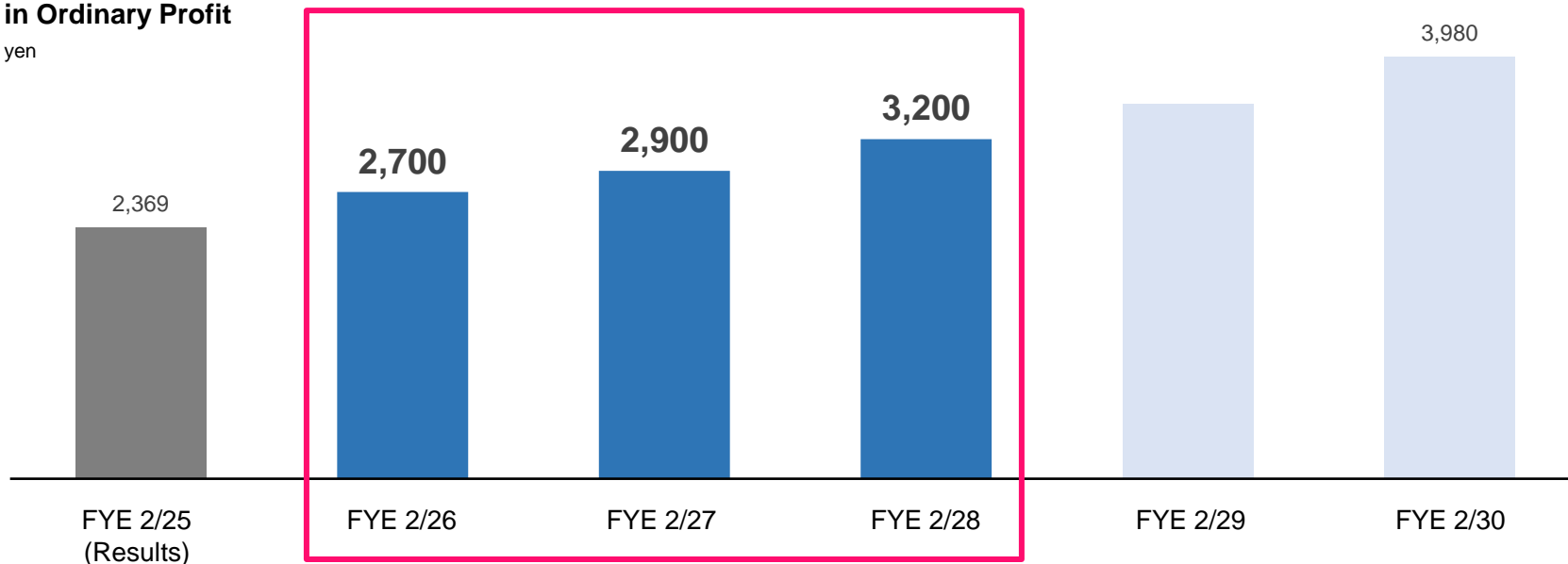


Determining executive compensation based on performance targets of the medium-term management plan

- ✓ Established **performance-linked paid stock options for standing directors and executive officers** as a commitment to achieving dramatic growth
- ✓ Aiming to surpass the ordinary profit of ¥2.78 bn achieved in FYE 2/22 and set a new record for the highest profit

Trends in Ordinary Profit

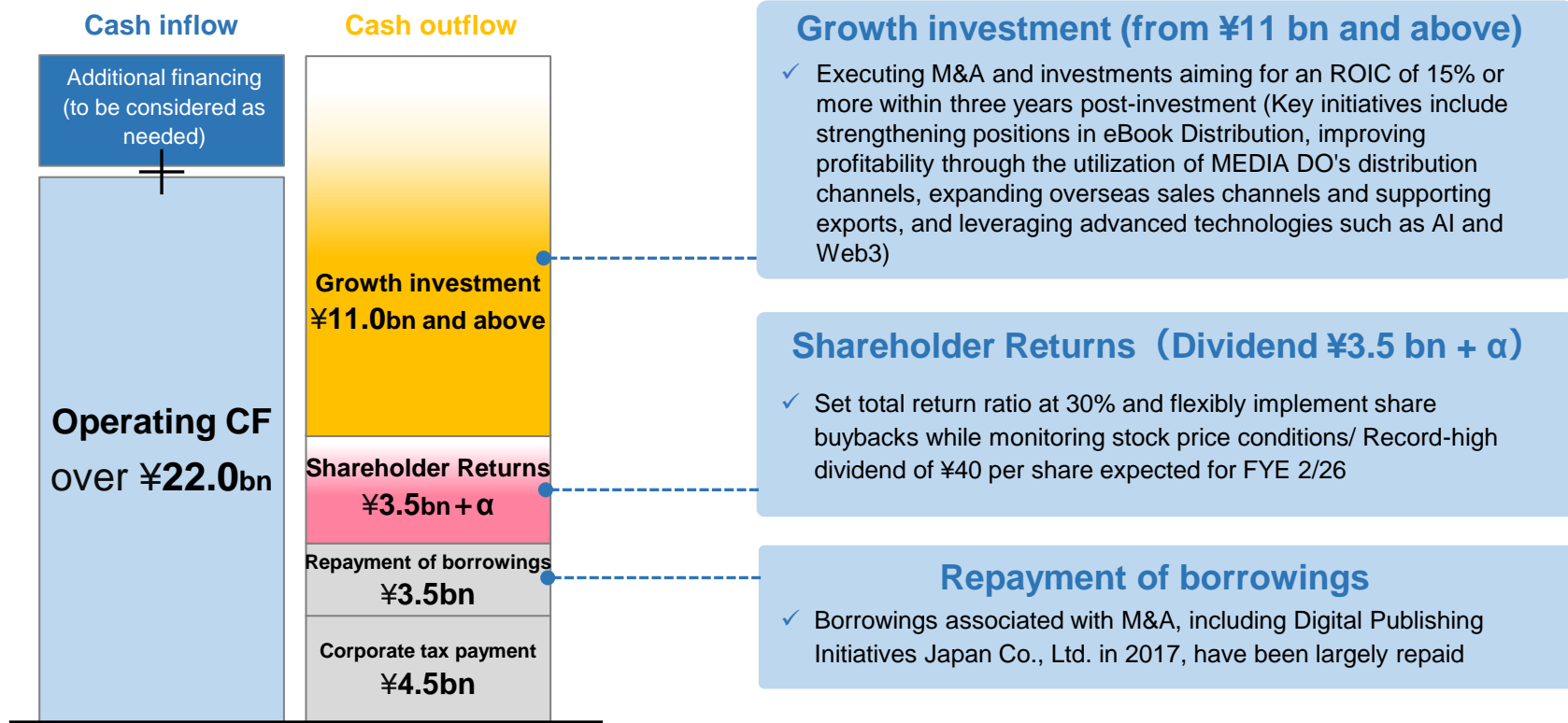
Millions of yen



Conditions for exercising paid stock options: cumulative ordinary profit of ¥8.8 bn or more over three years

Five-Year Capital Allocation Image (FYE 2/26 - FYE 2/30 Cumulative)

- ✓ Operating cash flow generated during the medium-term management plan period will exceed ¥22.0 bn over the five-year period
- ✓ Growth investment will be made through aggressive business investment and M&A, and shareholder returns will also be strengthened



Proactively conduct M&A that contribute to business domain expansion based on past M&A experience

- ✓ While large-scale M&A and capital alliances are increasing in the content market, we will carefully evaluate and execute projects that contribute to the realization of our vision
- ✓ PMI know-how is accumulating, as evidenced by the fact that it took 3 years from the acquisition of Digital Publishing Initiatives Japan Co., Ltd. And 5 years from the planned IPO of Flier Inc. to achieve value enhancement. Going forward, we will continue to optimize the allocation of management resources and concentrate investment by reviewing our business portfolio

Our PMI Case Studies

1 The Case of Digital Publishing Initiatives Japan

- ✓ Acquired the Digital Publishing Initiatives Japan, which was the industry's No.1 at the time, in March 2017
- ✓ Completed PMI by integrating management, organization, and business in 3 years
- ✓ **Sales grew 2.7 times in 8 years** from ¥34.2 bn in total sales of both companies in FYE 2/16 to ¥93.8 bn in eBook distribution business sales in FYE 2/25

2 The Case of Flier

- ✓ Returned to full-year profitability in FYE 2/19, but moved back to investment phase
- ✓ Achieved full-year profitability again in FYE 2/25 due to growth in corporate sales
- ✓ Listed on the TSE Growth Market on February 20, 2025; market capitalization (at time of IPO) **has grown 3.4x** from ¥400 mn at acquisition in November

Clear medium-term vision

Set a time frame and develop a structure to return to profitability and create business synergies

Disciplined Business management

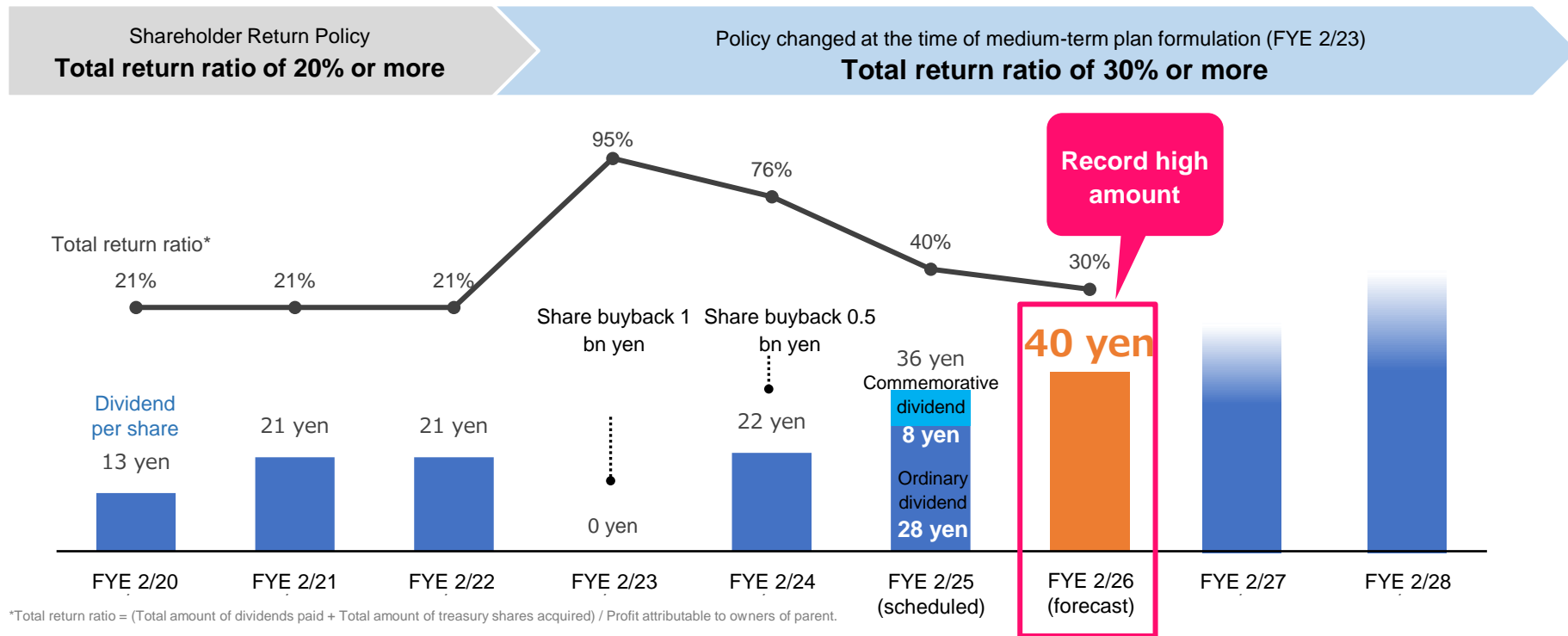
Periodic business portfolio review based on ROIC criteria

Although there were some cases of failure in projects where the above were not sufficiently established, PMI know-how was accumulated

The Company's vision is
“More Content for More People!”
We have shortlisted domestic and international companies to realize our vision

Shareholder Return Policy

- ✓ Dividend per share for FYE 2/26 will be 40 yen, a record high
- ✓ Established a shareholder return policy of a total shareholder return ratio of 30% or more from FY 2/23, and implemented share buybacks
We will continue to implement flexible share buybacks while monitoring stock price trends, and will consider raising the rate of return in stages



Forward-looking statement and unaudited information disclaimers

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