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January 31, 2024

Company name: ITmedia Inc.  
URL: <https://corp.itmedia.co.jp/> (in Japanese)  
Toshiki Otsuki, President and CEO  
(Securities code: 2148; Prime Market of the Tokyo Stock Exchange)  
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## Measures to Promote Management With an Awareness of Cost of Capital and Share Price

ITmedia Inc. (the “Company”) hereby announces that, at the Board of Directors meeting held today, the Company resolved to take measures to promote management with an awareness of cost of capital and share price in order to achieve sustainable growth and an increase in corporate value over the medium and long term. The details are as follows.

### 1. Assessment of the current situation

The return on equity (ROE) for the Company has increased together with business growth and the average for the three-year period from the fiscal year ended March 31, 2021 was 20.4%, exceeding the Company’s cost of capital (estimated to be approximately 10%). In addition, the average price book-value ratio (PBR) during the same period was 4.21 times.

However, revenue and income are expected to decrease in the fiscal year ending March 31, 2024, and PBR has been around 2 times recently.

In addition, although the equity-to-asset ratio has been around 80% and the Company has sufficient financial soundness, the Company recognizes that it needs to optimize cost of capital by utilizing funds for business growth and by improving capital efficiency.

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Revenue (Millions of yen)	4,703	5,278	6,891	8,092	8,752
Operating income (Millions of yen)	881	1,172	2,022	2,687	2,930
Net income attributable to owners of the parent (Millions of yen)	376	780	1,255	1,800	1,974
Total asset turnover ratio (Times)	0.74	0.73	0.76	0.81	0.78
Equity-to-asset ratio (%)	85.1	81.4	78.4	78.9	84.5
ROE (%)	7.0	13.3	17.6	22.7	20.9
Year-end share price (Yen)	444	750	1,863	1,808	1,399

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net assets per share (Yen)	277.11	297.05	359.11	401.34	476.37
PBR (Times)	1.60	2.52	5.19	4.50	2.94

## 2. Policies and targets

Based on the analysis of the current situation, the Company has established the following policies and will promote related initiatives.

### (1) Growth strategy

- Conduct M&A that will increase the likelihood of achieving medium-term targets
- Expand our business fields
- Appropriately allocate management resources through business portfolio management

### (2) Financial strategy

- Review the capital structure and improve capital efficiency by consolidating surplus funds
- Increase shareholder returns
- Actively utilize interest-bearing debt

### (3) Enhancement of investor relations (IR) activities

- Promote dialogue with shareholders and investors
- Broaden English disclosure
- Enhance IR information by renewing the IR website