

**Advance Create Co., Ltd.**

# **FY09/24 Results Briefing Materials**

(October 2023 to September 2024)

**February 28, 2025**



Securities code: 8798

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## 01. Correction of past financial results

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## Correction of past financial results

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The Company has adopted, as its revenue recognition method for agency commissions in the Insurance Agency business, a method whereby the estimated amount of future agency commissions to be received is calculated and the total present value of those amounts is recorded as revenue (hereinafter referred to as “PV calculation,” and the revenue recorded through this method as “PV revenue”). However, the Company received a report from its accounting auditor, Sakurabashi & Co., indicating discrepancies between the results of PV calculations and actual conditions.

In response to the accounting auditor’s indication, the Company established an investigation committee composed of external independent third parties, including attorneys and outside corporate auditors, to examine the facts. As a result of the committee’s investigation, it was found that unexpected errors occurring in the commission calculation system had not been appropriately addressed, and that the process for calculating the amount of PV revenue lacked sufficient accuracy.

The discrepancies between the PV calculation results and actual conditions were not intentional. The investigation found no evidence that the management at the time gave instructions or exerted pressure on staff to record fictitious revenue or achieve revenue above a certain threshold. Additionally, there was no indication that the management at the time was aware that the recorded PV revenue amounts were inappropriate.

In response to this matter, the Company undertook calculations to determine the amount of discrepancy between the PV calculation and actual conditions. As the impact of this discrepancy extends not only to the current fiscal year but also to past fiscal years, we postponed the announcement of the financial results for the fiscal year ending September 2024 and made corrections to our past financial statements.

## Impact of corrections on past financial results

(Millions of yen)

Term	Item	Consolidated			
		Before correction (A)	After correction (B)	Amount of impact (B－A)	Percentage change (%)
FY09/20	Net Sales	10,510	9,092	(1,417)	(13.5)
	Operating Profit	1,184	(215)	(1,399)	—
	Ordinary Profit	1,095	(304)	(1,399)	—
	Net Profit	700	(1,608)	(2,309)	—
	Total assets	10,312	8,683	(1,629)	(15.8)
	Net assets	5,610	3,043	(2,566)	(45.7)
FY09/21	Net Sales	11,019	9,446	(1,573)	(14.3)
	Operating Profit	2,041	890	(1,150)	(56.4)
	Ordinary Profit	1,925	775	(1,150)	(59.8)
	Net Profit	1,295	113	(1,181)	(91.2)
	Total assets	11,808	10,318	(1,489)	(12.6)
	Net assets	6,723	2,974	(3,748)	(55.8)

## Impact of corrections on past financial results

(Millions of yen)

Term	Item	Consolidated			
		Before correction (A)	After correction (B)	Amount of impact (B－A)	Percentage change (%)
FY09/22	Net Sales	11,860	9,463	(2,396)	(20.2)
	Operating Profit	2,061	94	(1,966)	(95.4)
	Ordinary Profit	2,015	48	(1,966)	(97.6)
	Net Profit	1,312	(1,249)	(2,561)	—
	Total assets	12,491	10,450	(2,040)	(16.3)
	Net assets	7,145	835	(6,309)	(88.3)
FY09/23	Net Sales	10,163	10,374	210	2.1
	Operating Profit	(2,020)	(1,302)	717	—
	Ordinary Profit	(2,190)	(1,472)	717	—
	Net Profit	(1,769)	(2,433)	(663)	—
	Total assets	10,512	8,479	(2,032)	(19.3)
	Net assets	4,643	(2,329)	(6,973)	—

## Formulation of measures to prevent recurrence

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As announced in the “Notice Regarding the Investigation Committee’s Report and Recurrence Prevention Measures” dated October 8, 2024, the “Notice Regarding the Postponement of the Announcement of Financial Results for the Year Ended September 30, 2024 and Correction of Past Financial Statements” dated October 30, 2024, and the “Notice Regarding the Supplementary Investigation Report by the Investigation Committee” dated January 10, 2025, the Company has received the investigation report and supplementary investigation report (hereinafter collectively referred to as the “Investigation Reports”) from the Investigation Committee.

The Investigation Reports include not only an analysis of the causes behind the errors in PV calculation but also identify areas for improvement in internal controls and provide recommendations for recurrence prevention and operational enhancements.

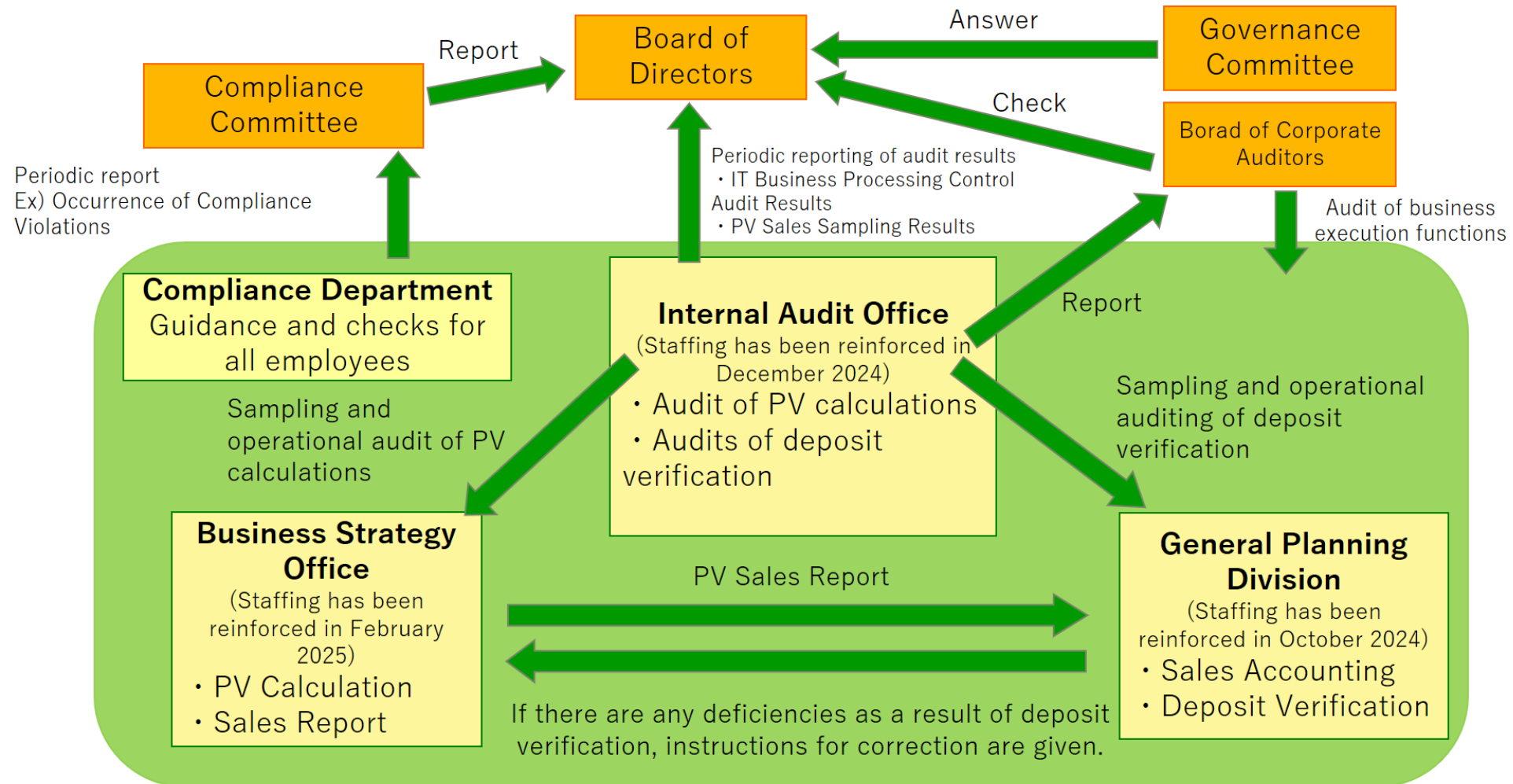
The Company has reaffirmed our recognition of the key areas requiring improvement in our internal control system and have positioned the strengthening of internal controls as our top priority. Based on this, we have formulated recurrence prevention measures and publicly announced them in the “Notice Regarding the Formulation and Implementation of Recurrence Prevention Measures” dated February 21, 2025.

The Company has positioned these recurrence prevention measures as top priorities for strengthening internal controls and compliance. With a company-wide commitment, we will work diligently to restore the trust of our shareholders, investors, and all stakeholders. Through the Company’s sustainable growth, we aim to contribute to the development of the insurance industry.

# Correction of past financial results

## Implementation system for recurrence prevention measures

< Implementation system for recurrence prevention measures >





## 02. FY09/24 Financial Results Overview

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## — Consolidated Results—

The number of appointments decreased in FY09/24, and particularly weak performance in collaborative efforts led to a decline in revenue.

On the other hand, losses were reduced due to a decrease in personnel expenses and indirect costs resulting from cost-cutting measures at the call center.

**Net Sales**

¥7,856 million, decreased by ¥2,517 million YOY

**Operating Profit**

¥(711) million, increased by ¥591 million YOY

**Ordinary Profit**

¥(808) million, increased by ¥664 million YOY

**Net Profit**

¥(2,250) million, increased by ¥182 million YOY

## Income Statements (consolidated)

(Millions of yen)	FY09/23	Compositions (%)	FY09/24	Composition (%)	YoY change (%)
Net Sales	10,374	100.0	7,856	100.0	(24.3)
Insurance Agency business (Life)	7,104	68.5	5,134	65.4	(27.7)
Insurance Agency business (Non-Life)	767	7.4	535	6.8	(30.2)
ASP business	258	2.5	299	3.8	15.5
Media business	2,202	21.2	1,231	15.7	(44.1)
Media Representative Services business	1,283	12.4	694	8.8	(45.9)
Reinsurance business	1,110	10.7	1,130	14.4	1.8
Consolidation adjustments	(2,352)	(22.7)	(1,169)	(14.9)	—
Cost of sale	3,964	38.2	2,074	26.4	(47.7)
Gross profit	6,409	61.8	5,782	73.6	(9.8)
Operating expenses	7,712	74.3	6,494	82.7	(15.8)
Operating profit/loss	(1,302)	(12.6)	(711)	(9.1)	—
Insurance Agency business	(1,822)	(17.6)	(1,194)	(15.2)	—
ASP business	94	0.9	115	1.5	21.4
Media business	466	4.5	251	3.2	(46.0)
Media Representative Services business	77	0.7	(30)	(0.4)	(139.3)
Reinsurance business	(121)	(1.2)	107	1.4	—
Consolidation adjustments	2	0.0	39	0.5	1,562.9
Ordinary profit/loss	(1,472)	(14.2)	(808)	(10.3)	—
Profit/Loss	(2,433)	(23.5)	(2,250)	(28.6)	—
Earnings per share (%)	(111.14)		(102.26)		

(Insurance Agency business)

During the current fiscal year, the Company was in a transitional phase of restructuring its call center division. As a result, the number of acquired appointments declined, leading to a decrease in the number of new insurance consultations. This, in particular, caused performance in collaborative initiatives to stagnate, and the present value (PV) calculated from new contracts also declined. These factors collectively contributed to a decrease in revenue.

(ASP business)

Sales and operating profit were up due to consistent new sales of Advance Create Cloud Platform (ACP) to independent agents.

(Media business)

Due to a sluggish trend in advertising placements on the insurance comparison website "Hoken Ichiba," both revenue and profit declined.

(Media Representative Services business)

Due to sluggish order intake compared to the previous year, both revenue and profit declined.

(Reinsurance business)

Revenue and profit increased as sales continued to perform steadily, and reinsurance payments subsided following the reclassification of COVID-19.

\*Figures for FY09/23 reflect the correction.

# FY09/24 Financial Results Overview

## Balance Sheet (consolidated)

(Millions of yen)	End 09/23	End 09/24	Change
Current assets	6,059	5,596	(462)
Cash and deposits	1,238	994	(243)
Accounts receivable - trade	1,224	2,158	933
Accounts receivable - other	588	279	(308)
Other	3,007	2,164	(843)
Non-current assets	2,414	1,248	(1,165)
Tangible assets	2	1	(0)
Intangible assets	172	115	(57)
Investments and other assets	2,238	1,131	(1,107)
Deferred assets	6	14	8
Total Assets	8,479	6,860	(1,619)

\*Figures for FY09/23 reflect the correction.

### 【Assets】

Total assets decreased by ¥1,619 million from end-FY09/23 to ¥6,860 million. Current assets decreased by ¥462 million from end-FY09/23, mainly due to a ¥409 million decrease in income taxes refund receivable. Non-current assets decreased by ¥1,165 million from end-FY09/23, owing primarily to a ¥567 million decrease in long-term prepaid expenses and a ¥318 million decrease in Insurance funds.

### 【Liabilities and Net Assets】

Total liabilities increased by ¥1,024 million from end-FY09/23 to ¥11,833 million. Current liabilities decreased by ¥3,360 million from end-FY09/23. This is primarily due to a ¥4,490 million decrease in liability adjustment accounts related to securitization of receivables, partially offset by a ¥1,817 million increase in short-term borrowings. Non-current liabilities increased by ¥4,384 million from end-FY09/23, mainly due to the recording of ¥4,348 million of liability adjustment accounts related to securitization of receivables. Total liabilities decreased by ¥2,643 million from end-FY09/23 to ¥(4,973) million. This was primarily due to an increase of ¥357 million in capital stock and capital surplus resulting from the issuance of new shares through the exercise of stock acquisition rights, offset by a recording of loss attributable to owners of parent of ¥2,250 million and a decrease of ¥789 million due to dividend payments from surplus.

(Millions of yen)	End 09/23	End 09/24	Change
Current liabilities	8,816	5,456	(3,360)
Short-term borrowings	900	2,717	1,817
Liability adjustment accounts related to securitization of receivables	4,932	441	(4,490)
Other	2,984	2,296	(687)
Non-current liabilities	1,992	6,377	4,384
Long-term borrowings	205	164	(41)
Liability adjustment accounts related to securitization of receivables	—	4,348	4,348
Other	1,786	1,864	77
Total liabilities	10,809	11,833	1,024
Share Capital	3,158	3,337	178
Capital surplus	585	460	(124)
Retained earnings	(5,624)	(8,360)	(2,736)
Treasury shares	(505)	(423)	82
Other	55	12	(43)
Total net assets	(2,329)	(4,973)	(2,643)
Total liabilities and net assets	8,479	6,860	(1,619)

## Statement of Cash Flows(consolidated)

(Millions of Yen)		FY09/23	FY09/24	Change
Cash flows from operating activities		(206)	(1,674)	(1,467)
	Profit before income taxes	(2,252)	(2,238)	14
	Depreciation	68	81	13
	Increase (decrease) in trade receivables	523	(933)	(1,456)
	Other	2,217	1,115	(1,101)
	Subtotal	555	(1,974)	(2,530)
	Taxes paid, etc.	(762)	(130)	632
	Income taxes refund	—	429	429
Cash flows from investing activities		(668)	(117)	551
Cash flows from financing activities		(217)	1,512	1,729
	Increase (decrease) in borrowings	849	1,776	926
	Dividends paid	(789)	(791)	(1)
	Other	(277)	527	804
Effect of exchange rate change on cash and cash equivalents		14	29	14
Net increase (decrease) in cash and cash equivalents		(1,078)	(250)	828
Cash and cash equivalents at beginning of period		2,270	1,191	
Cash and cash equivalents at end of period		1,191	941	(250)

\*Figures for FY09/23 reflect the correction.

### 【Net cash used by operating activities】

As a result of operating activities, net cash used amounted to ¥1,674 million. This was primarily due to a loss before income taxes of ¥2,238 million, depreciation of ¥81 million, impairment losses of ¥1,373 million, a decrease in trade receivables of ¥933 million, an increase in accounts receivable – other of ¥308 million, and income taxes paid of ¥100 million, offset by tax refunds of ¥429 million, among other factors.

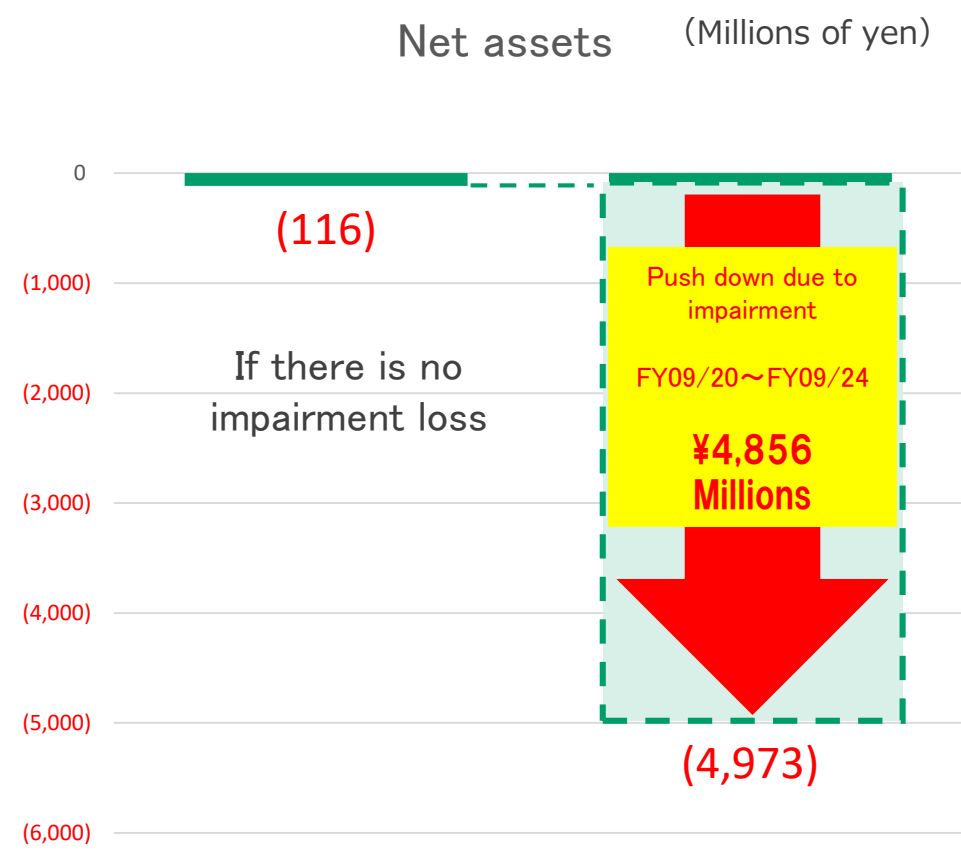
### 【Net cash used in investing activities】

As a result of investing activities, net cash used amounted to ¥117 million. This was mainly due to expenditures of ¥619 million for purchase of intangible assets, partially offset by income of ¥310 million of proceeds from cancellation of insurance funds.

### 【Net cash used in financing activities】

As a result of financing activities, net cash obtained amounted to ¥1,512 million. This was primarily due to income of ¥1,817 million from increase in short-term borrowings, offset by expenditures of ¥250 million for redemption of bonds and ¥791 million for dividend paid.

## Factors contributing to insolvency



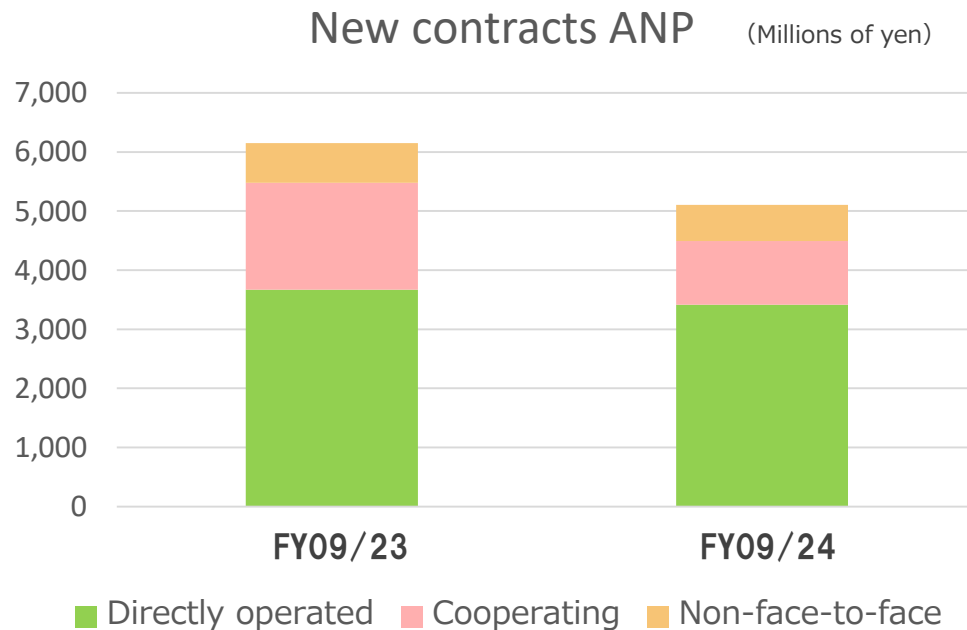
### Impairment of non-current assets

Since the fiscal year ended September 2019, the Company has adopted a new accounting standard under which the present value (PV) of future commission income over the remaining effective contract period for each insurance policy is calculated by discounting it using lapse rates and risk-free interest rates, and recognized as revenue. However, the Company received a report from its accounting auditor, Sakurabashi & Co., indicating discrepancies between the results of PV calculations and actual conditions. As a result, the Company has decided to correct this discrepancy through the revision of past financial statements. Accordingly, the previously recorded sales for the current fiscal year were retroactively adjusted to the beginning of the period, and impairment losses on fixed assets were also recognized. These factors were major contributors to the excess of liabilities over assets (insolvency). Additionally, the reversal of deferred tax assets associated with the above adjustments also contributed to the insolvency.

## Factors of Sales Declined in FY 09/24

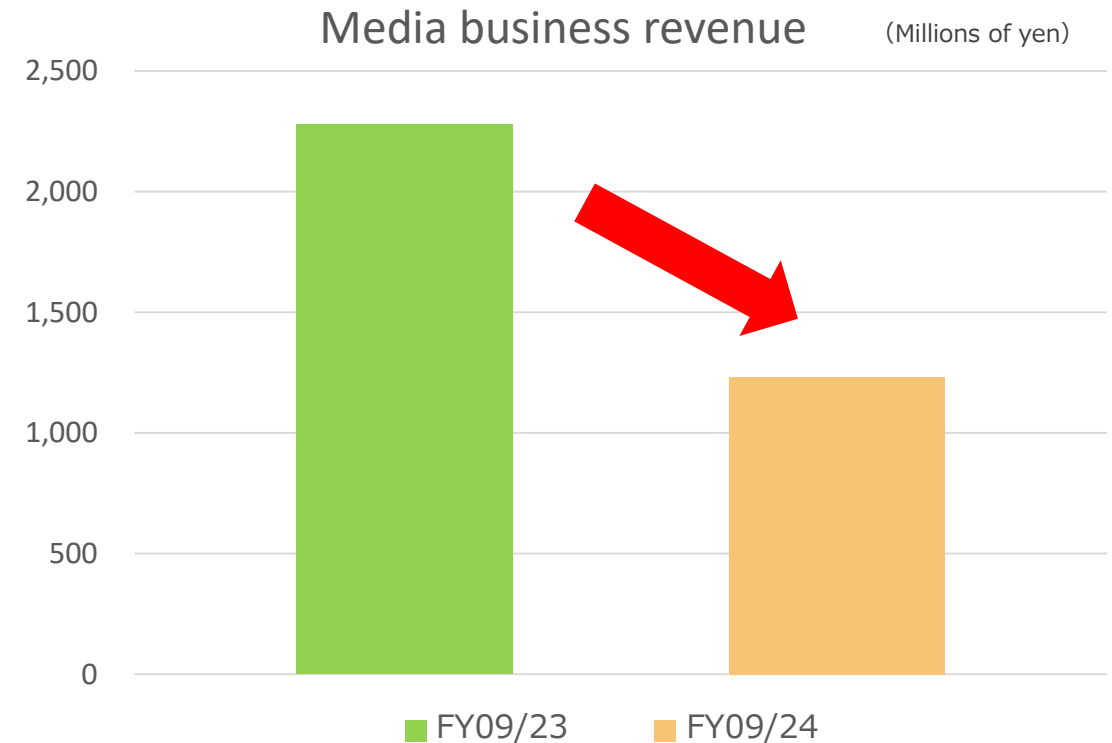
### ▪Decreasing new contracts ANP

During the transitional period of restructuring the call center division, the number of appointments acquired decreased, which affected (reduced) the number of new insurance consultations. As a result, performance in collaborative initiatives stagnated, and the Present Value (PV) amount calculated from new contracts declined, leading to a decrease in revenue.



### ▪Decreasing revenue in the media business

Due to a sluggish trend in advertising placements on the insurance comparison website "Hoken Ichiba," revenue declined.



## 03. Key KPI

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Application ANP by Channel

(Millions of yen)

2,000

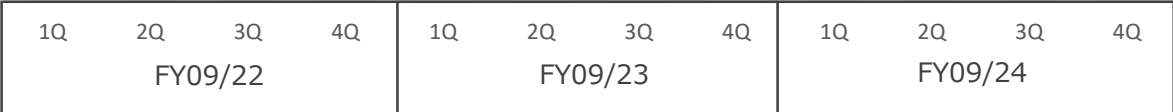
Quarterly Results

1,500

1,000

500

0



Cumulative results for the period

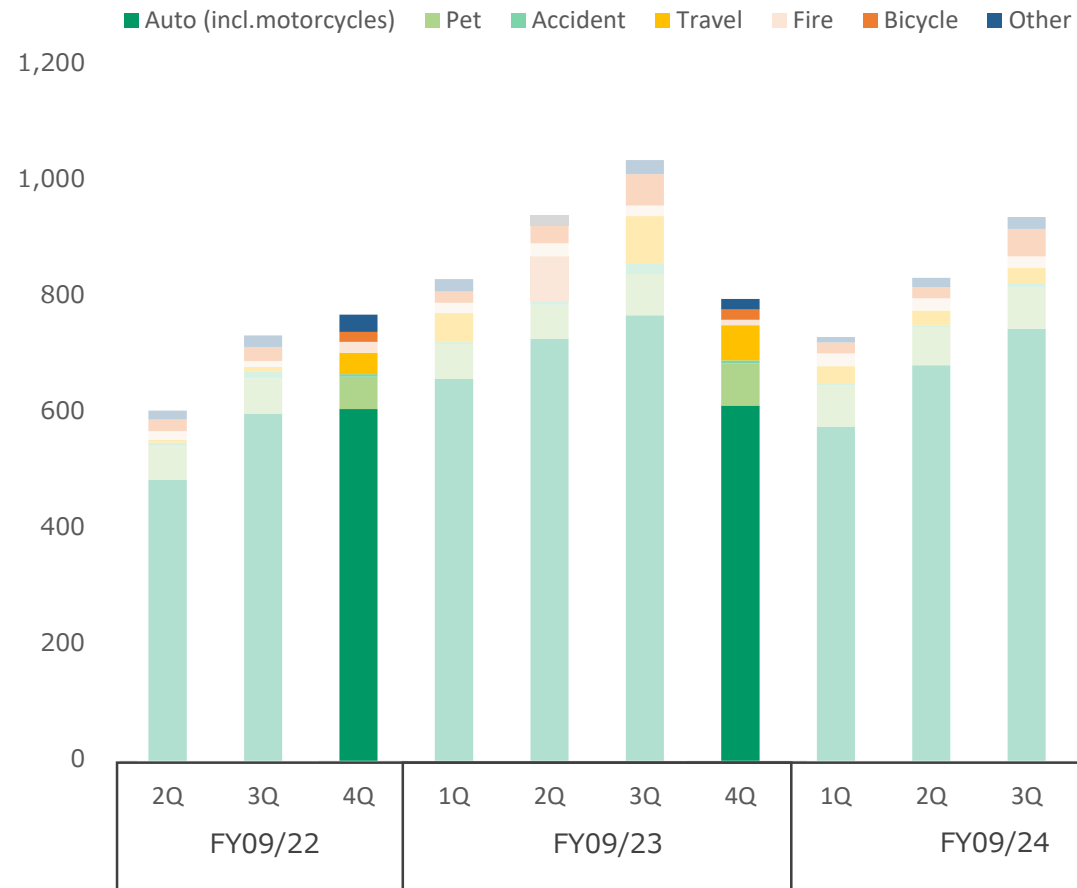
	FY09/23	FY09/24	YoY
Collaborative	1,807	1,077	(40.4%)
Non-face-to-face	672	613	(8.8%)
Face-to-face	3,671	3,414	(7.0%)
Total	6,151	5,105	(17.0%)

\* ANP: annualized new premiums (ANP for a monthly premium of ¥5,000 is ¥60,000)  
\* Figures for the most recent quarter reflect preliminary data.  
\* From the third quarter of FY09/24, The ANP(Non-face-to-face) is for life insurance only, and has been rewriting historical figures.

## Damage Insurance

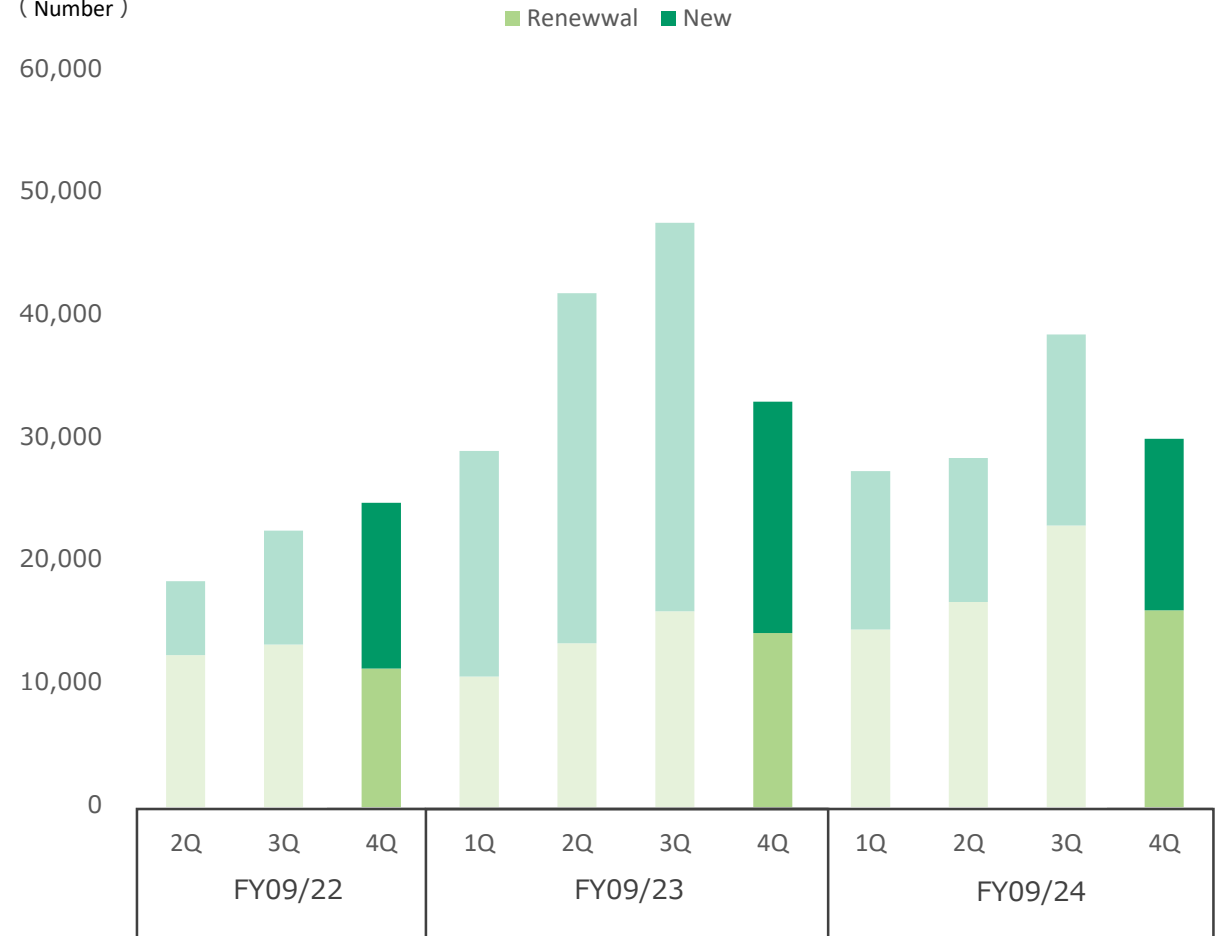
**Premiums from non-life insurance  
(including new and renewal)**

(Millions of yen)



**Number of contracts**

( Number )



## Reinsurance Business

### Advance Create Reinsurance Inc.

#### Reinsurance Business

- ▶ Assumes part of the risk of the insurance sold by the insurer and earns reinsurance premiums
- ▶ Strengthens relationships with clients by underwriting risk and shouldering insurance payment obligations
- ▶ Deepens relationships with insurers via risk sharing and sound insurance solicitation
- ▶ Stabilizes revenue by increasing the number of reinsurance agreements with insurers



#### [Insurers under reinsurance agreements]

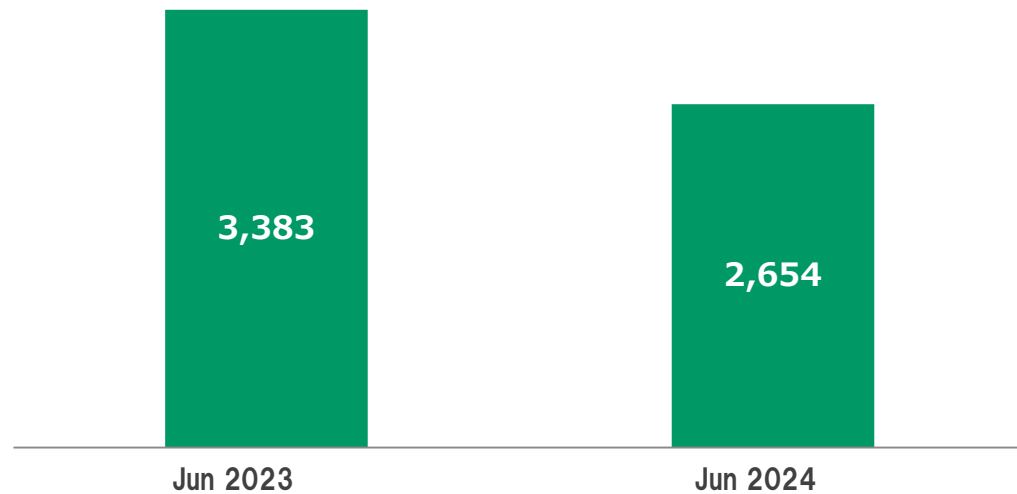
As of end-September 2024: Total 9

Life insurers: 6

Non-life insurers: 2

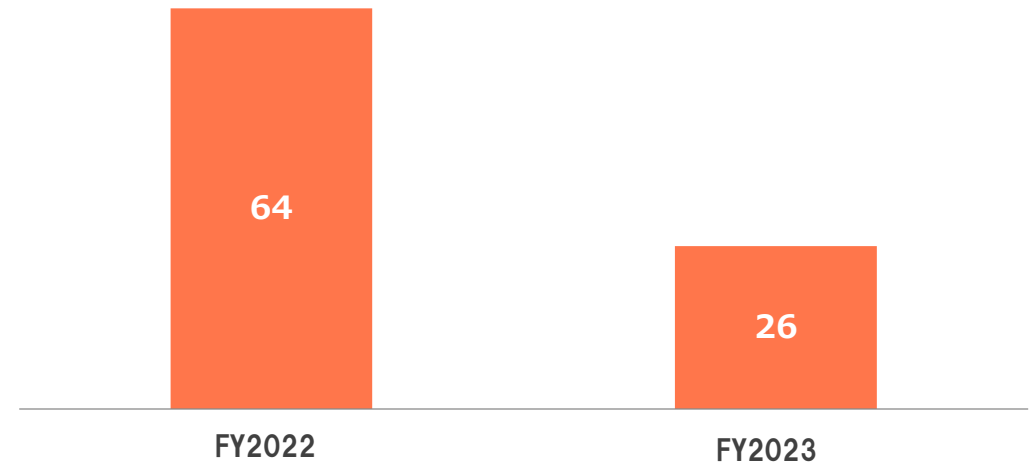
Small-amount and short-term  
insurers: 1

(Millions of Yen) **European Embedded Value (EEV\* )**

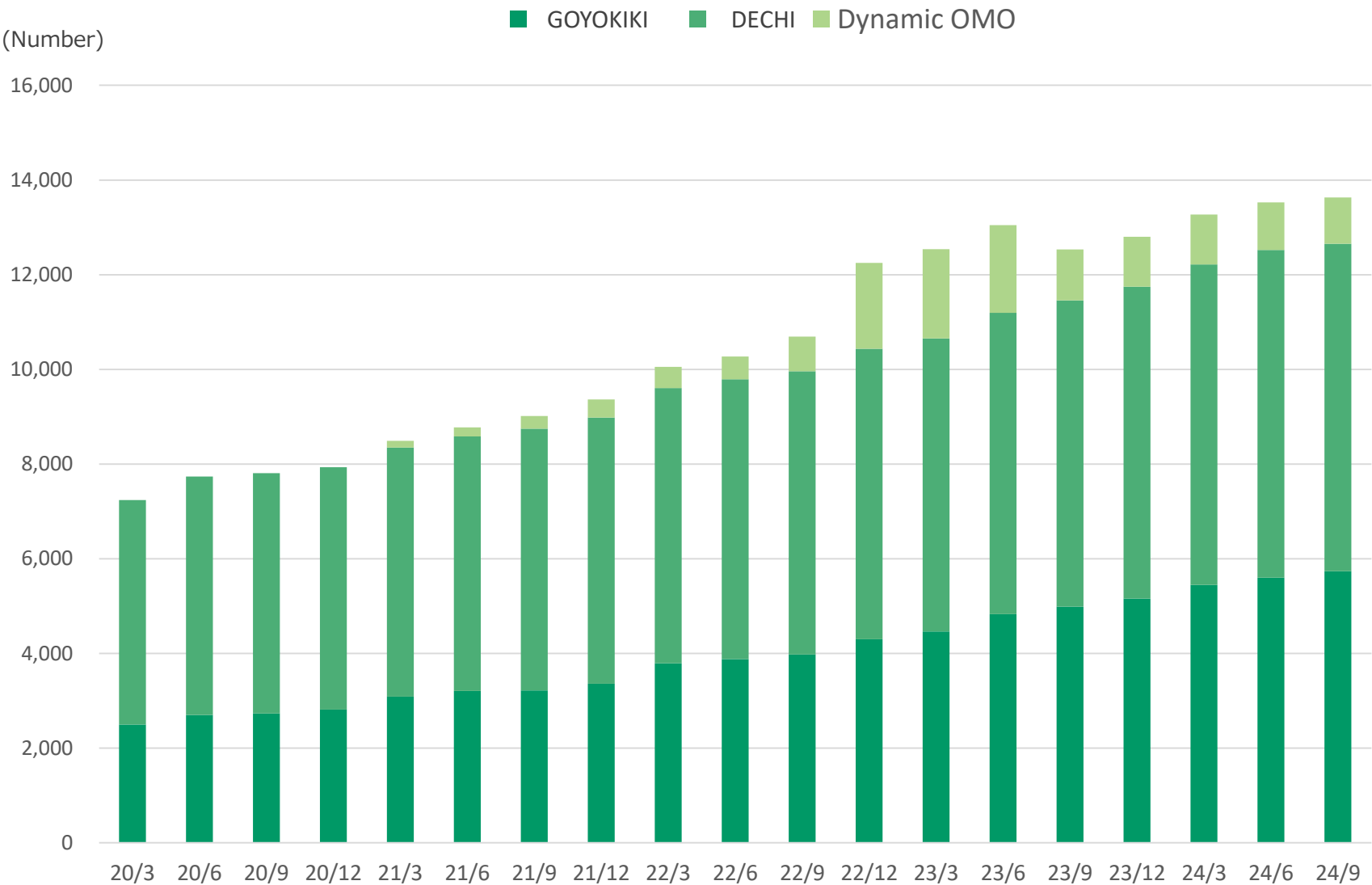


\* Present Value of Reinsurance Revenue

**Value of New Business (VNB)**



# Advance Create Cloud Platform: No. of IDs



## Avatar Implementation Record

Total: **8** companies

Life Insurance Companies: 4

Non-life Insurance Companies: 2

Others: 2

## Dynamic OMO Implementation Record

Total: **65** companies

Life Insurance Companies: 6

Non-life Insurance Companies: 2

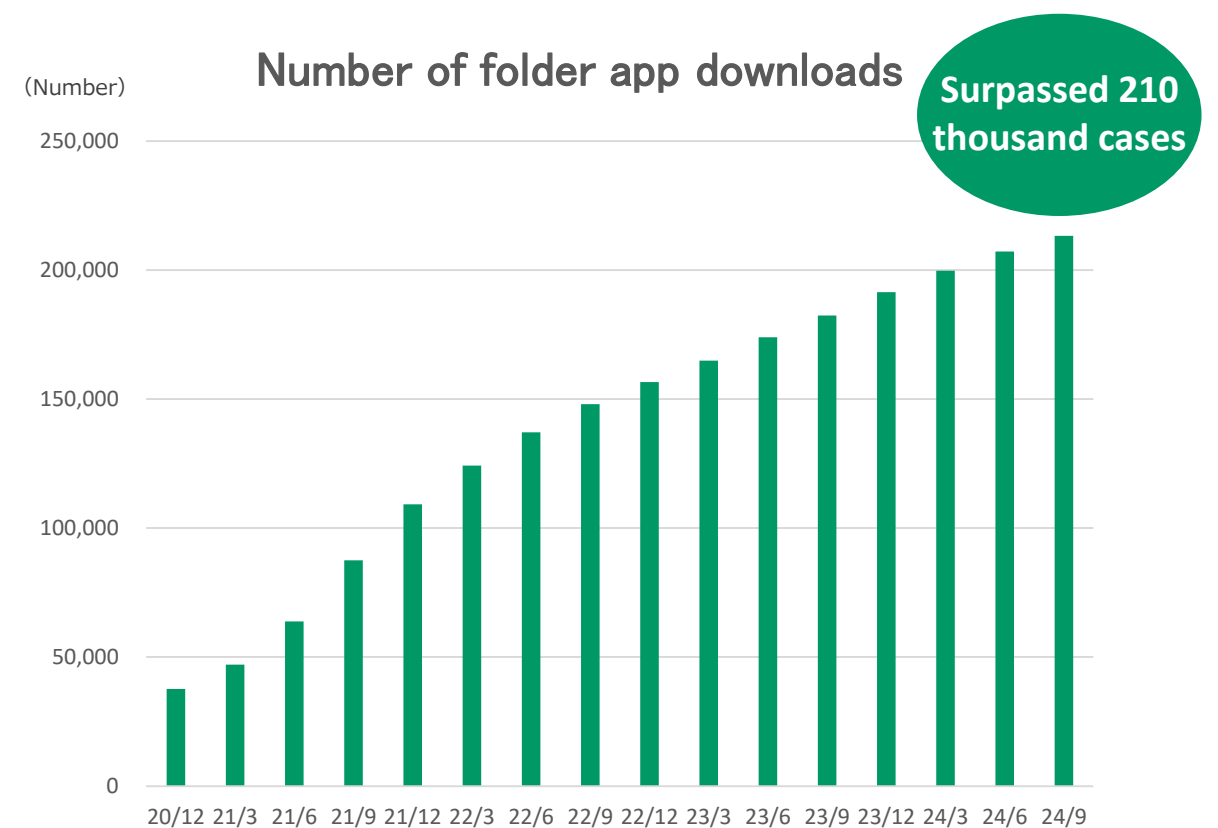
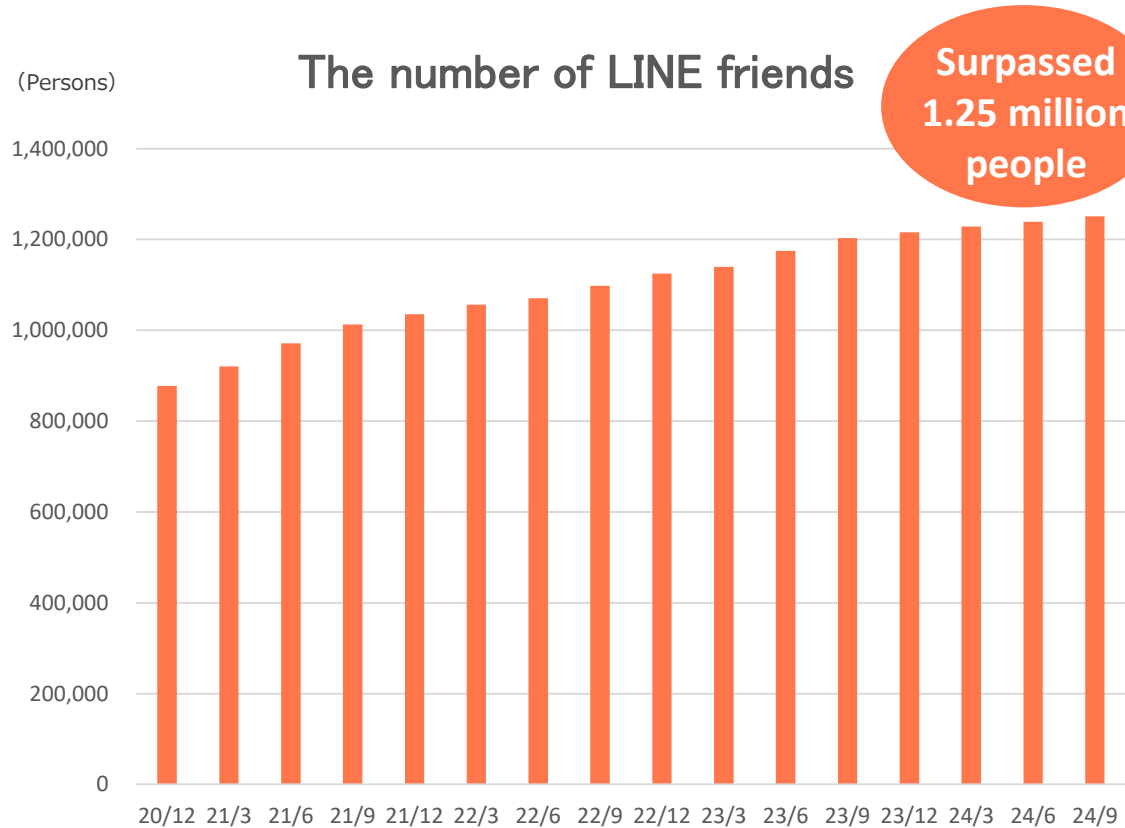
Small-amount and short-term  
insurers : 2

Others: 55

※as of Sep 30, 2024

## Promotions utilizing text-based communication

- Easily make consultation appointments or chat for advice directly via LINE.
- Our proprietary app “folder” is designed to enable users to compare, assess, consult on, and manage insurance policies, aiming to become a core infrastructure within the insurance industry.



## 04. Full Year Forecast for the Fiscal Year Ending September 2025

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# Full Year Forecast for the Fiscal Year Ending September 2025

(Millions of Yen)

Consolidated	FY09/21	FY09/22	FY09/23	FY09/24	FY09/25 forecast	YoY Change
Net Sales	9,446	9,463	10,374	7,856	—	—
Operating profit/loss	890	94	(1,302)	(711)	—	—
Ordinary profit/loss	775	48	(1,472)	(808)	—	—
Profit/loss	113	(1,249)	(2,433)	(2,250)	—	—
ROE	3.8%	—	—	—	—	—
Ordinary profit to sales ratio	8.2 %	0.50 %	(14.1%)	(10.3 %)	—	—
Payout ratio	573.9%	—	—	—	—	—
Equity ratio	28.8 %	8.0 %	(27.5 %)	(72.7 %)	—	—
PBR(times)	7.8	25.3	—	—	—	—

\*Actual figures for past fiscal years have been adjusted to reflect corrections made in past fiscal years.

\*Forecasts for FY09/25 are omitted because they are currently under scrutiny.

## ● Shareholder Returns~Results for FY09/24~ ●

■ It has been decided that no year-end dividend will be paid for the fiscal year ending September 2024.

※For details, please refer to the "Notice Regarding Revision of Dividend Forecast (No Dividend)" disclosed on September 18, 2024..

■ The shareholder benefits for the fiscal year ending September 2024 have been provided as outlined below. ※Applicable to shareholders holding 100 shares or more.

- Daimaru・Matsuzakaya Free Choice Gift "Robin" (Web Catalog) – ¥4,180 (tax included)
- "Advance Create Club Off" Service Access Rights (Allows use of affiliated facilities within Japan at preferential rates)

※The details of the shareholder benefits for the fiscal year ending September 2025 are currently under consideration.

Key Performance Indicators

	Target	FY09/24	Forecast for FY09/25
ROE	20% or more	—	—
Ordinary Profit Margin	20% or more	(10.3)%	—
Payout Ratio	50% or more	—	—
Equity Ratio	80% or more	(72.7)%	—

The forecast for FY09/25 has been omitted due to the current scrutiny.



## 05. Advance Create Overview

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Advance Create is an insurtech company that is constantly innovating to change the way people think about the insurance business.



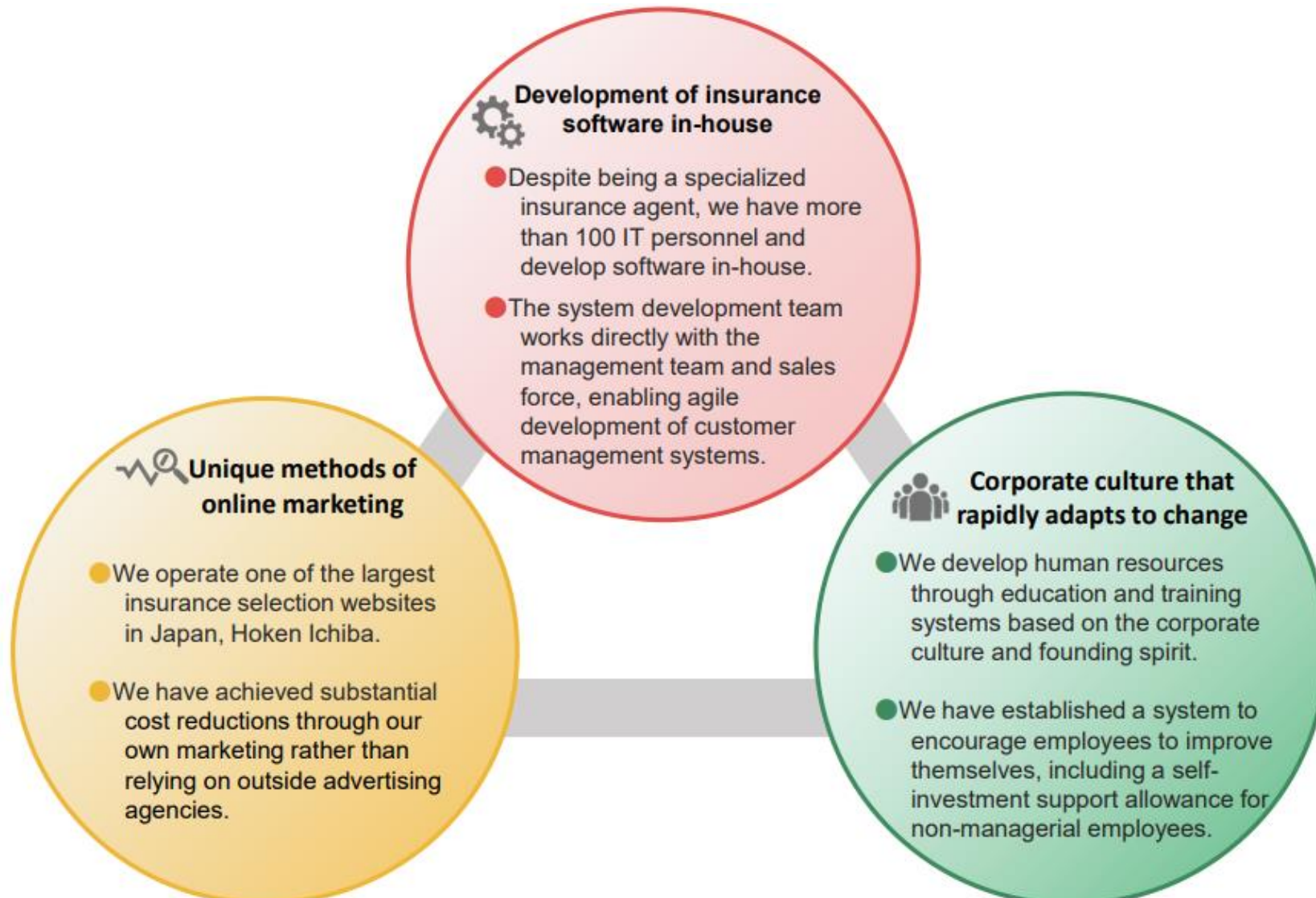
## Corporate Philosophy

**Life is finite. Life's possibilities are infinite.**

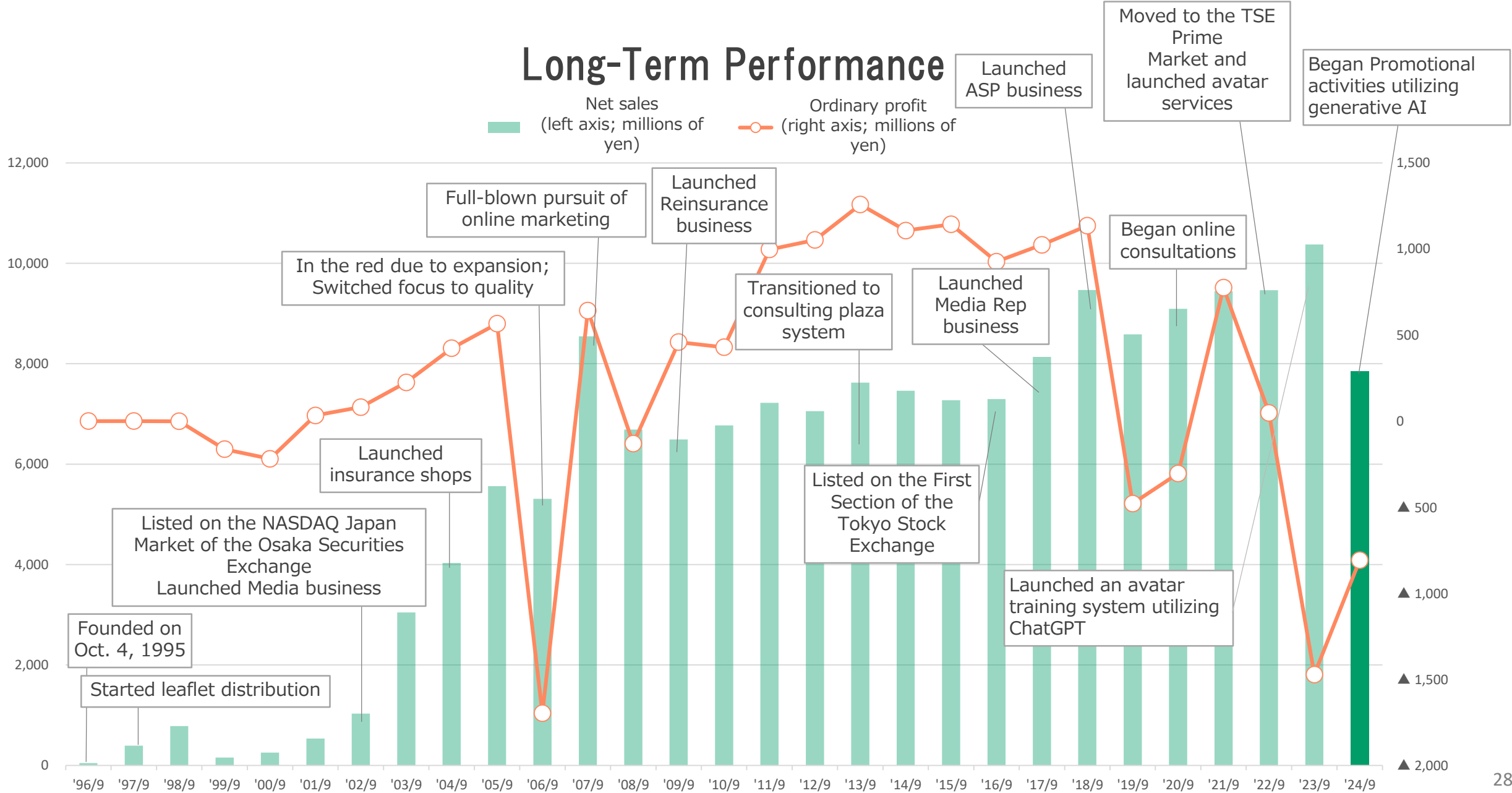
Life is time, and a life of value is born by living it to the fullest in the present moment.

We provide the best service in insurance, an economic means of expressing love, to those who live in the present. At the same time, we are committed to making a lasting contribution to society by fostering human resources who can create infinite possibilities.

## Our Strengths



## Long-Term Performance



## Our History of Progress through Technology

**1998  
1999**

Began accepting requests for information via website  
Launched Hoken Ichiba website  
Developed CRM system GOYOKIKI  
Cf. Amazon founded: 1994  
Google founded: 1998



**2009  
2012**

Launched smartphone-optimized website  
Complete revamping of smartphone site  
Cf. iPhone 3G launched: 2008



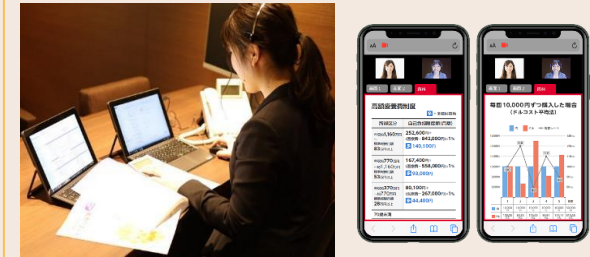
**2013  
2018**

Developed Hoken Ichiba smartphone app  
Developed "folder," an insurance policy management app  
Cf. MoneyForward ME: 2012



**2020**

Began offering online insurance consultations  
Developed Dynamic OMO  
Cf. 5G services launched in Japan : 2020  
COVID-19 pandemic: 2020



**2022**

Started consultation services by avatars



**2023**

Started ChatGPT & avatars  
Training system  
Selling LINE promotion system to customers



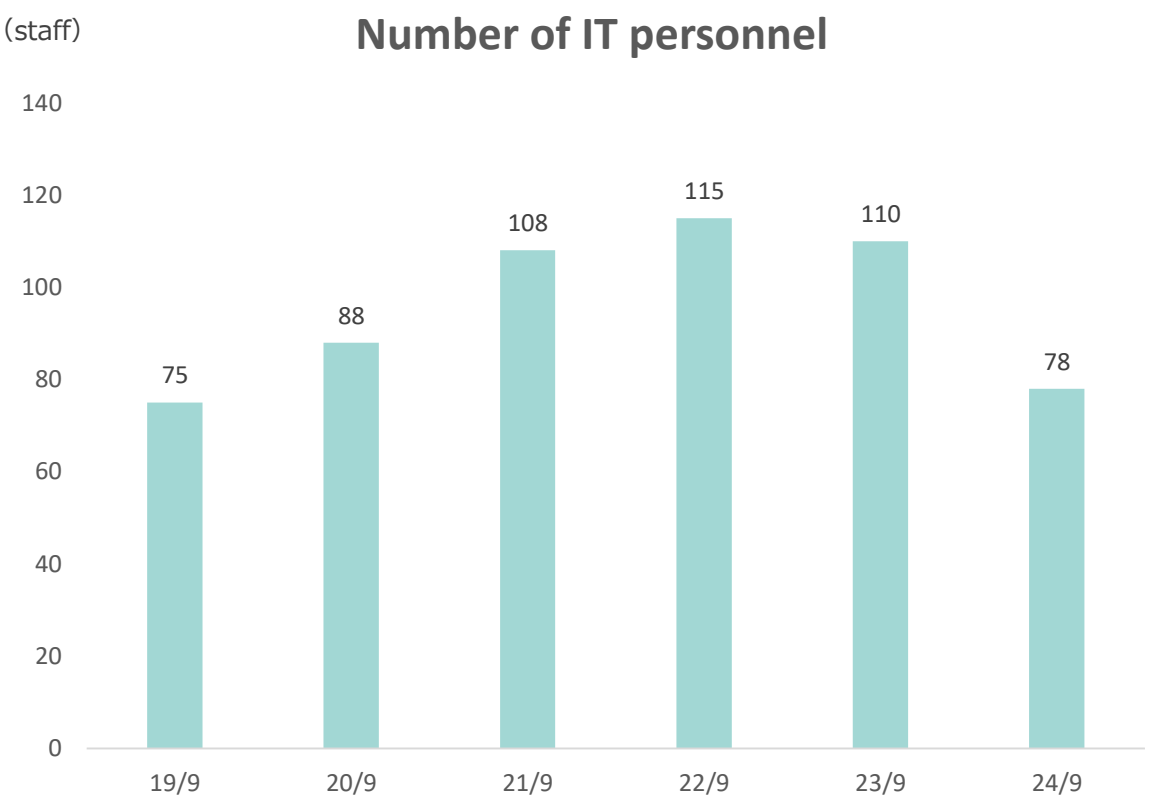
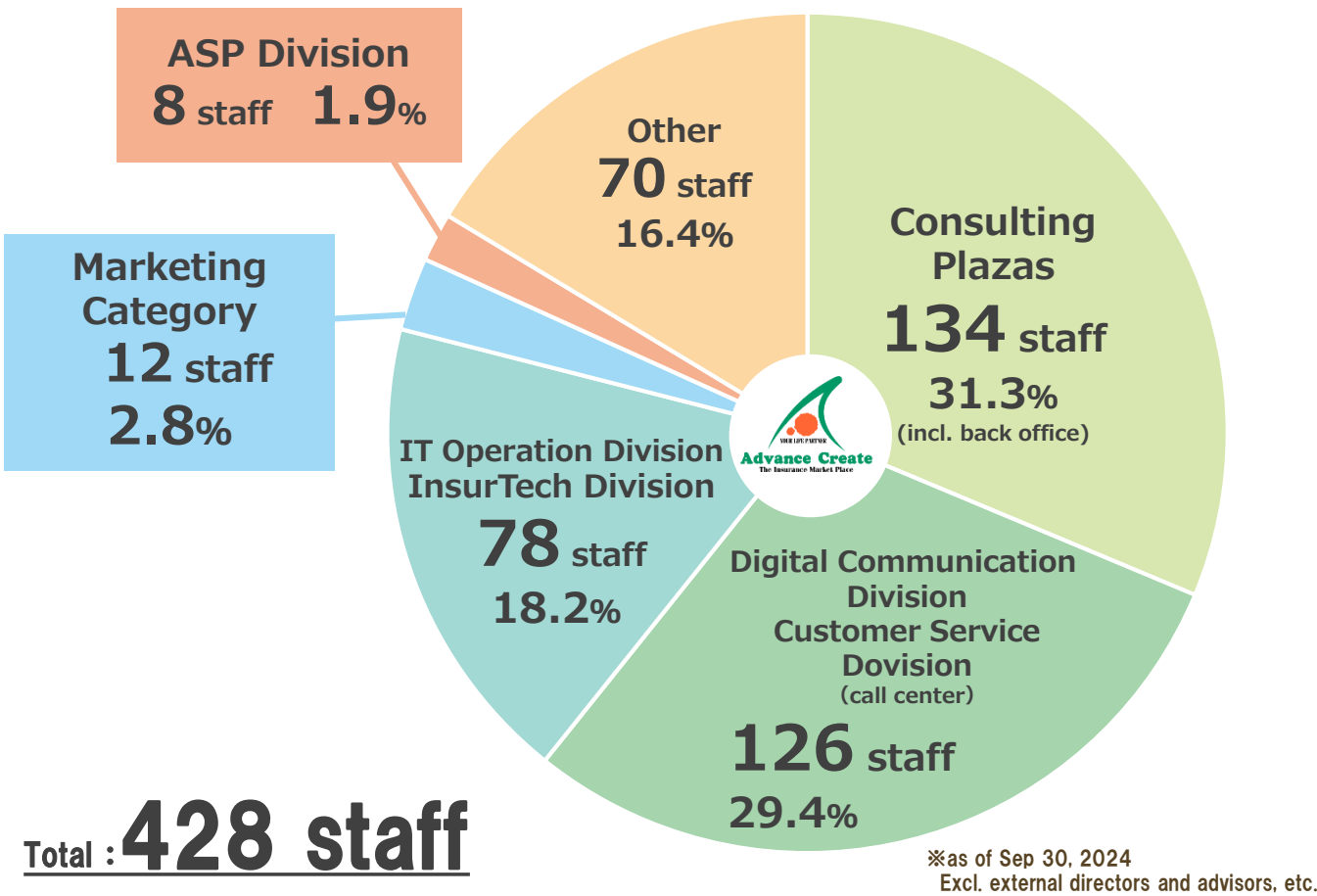
**2024**

Promotional activities utilizing generative AI



## In-House Software Development and Agile Development

- We develop software in-house with more than 100 IT personnel including engineers and designers.
- We employ agile development through direct connections between management, sales staff, and engineers.



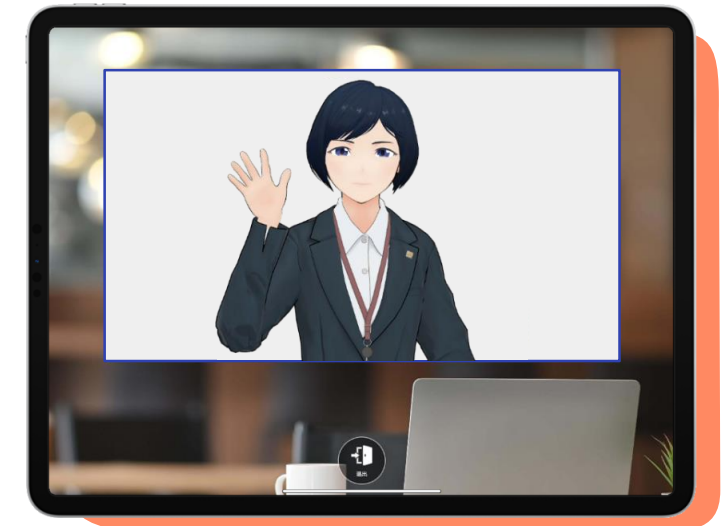
## 06. Business Strategy

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## Unique Avatar Strategy

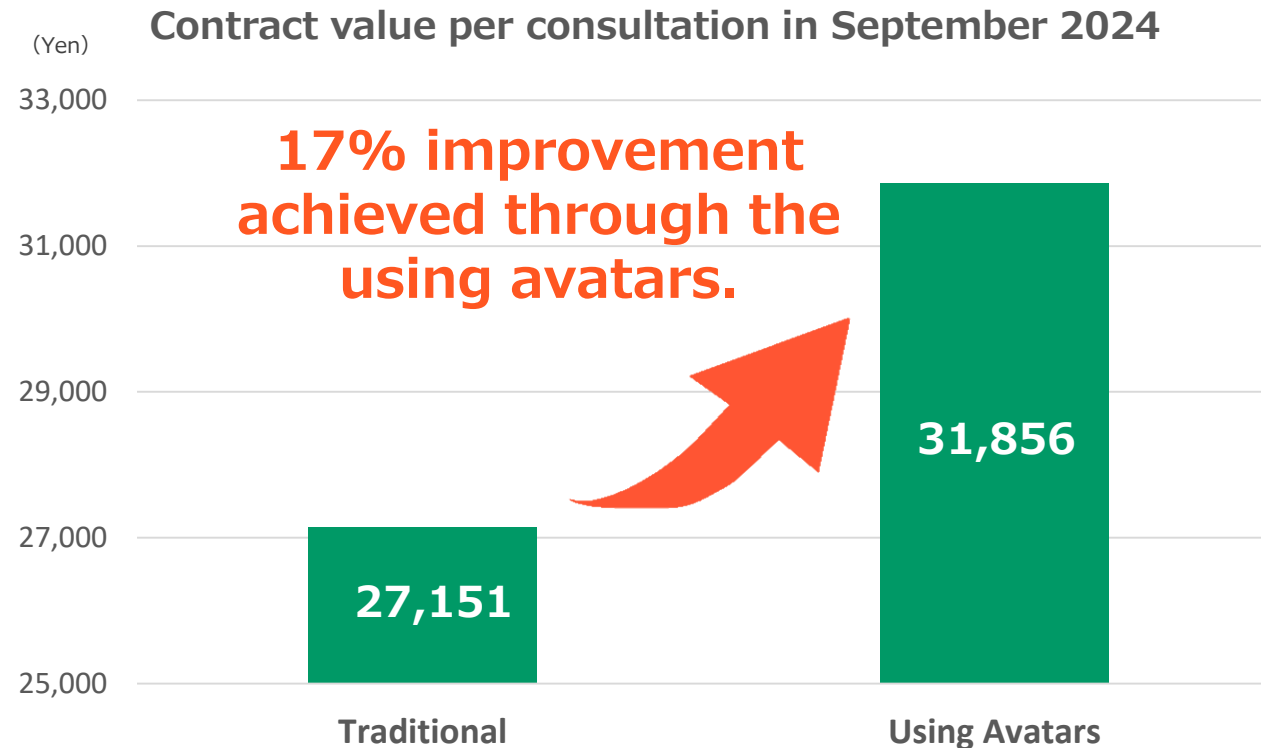
- Based on the characteristics of our sales employees and the performance of avatar consultations, we are advancing joint industry-academia analysis in collaboration with Professor Hiroshi Ishiguro of Osaka University, who is the representative of our partner company, AVITA, Inc.
- We have entered into a sales agency agreement with “AVITA” to sell avatar systems in the insurance industry. Already, several life and non-life insurance companies have adopted this system, contributing to the overall digital transformation (DX) of the insurance industry.
- An article about our company’s use of avatars was published on Asahi Shimbun Digital. The article also featured a comment from Mr. Nishiguchi, Executive Vice President and COO of our partner company, AVITA, Inc., stating, “Two and a half years ago, when Insurance Market wasn’t yet using avatars, no one believed that people would ever consult about insurance through avatars.”





## Improvement in productivity through avatar consultant

On insurance solicitation, where it is necessary to discuss sensitive topics such as health conditions and financial status, the contract value per consultation when using avatars has improved compared to traditional online consultations.



- ※ "Traditional online consultations" refer to the format in which sales staffs conduct insurance solicitations by appearing on camera with their real faces shown.
- ※ For the 60 sales staff who conducted consultations using avatars in September 2024, we calculated their performance in traditional online consultations during the same month and compared the average values.

## Unique strategy utilizing generative AI(1)

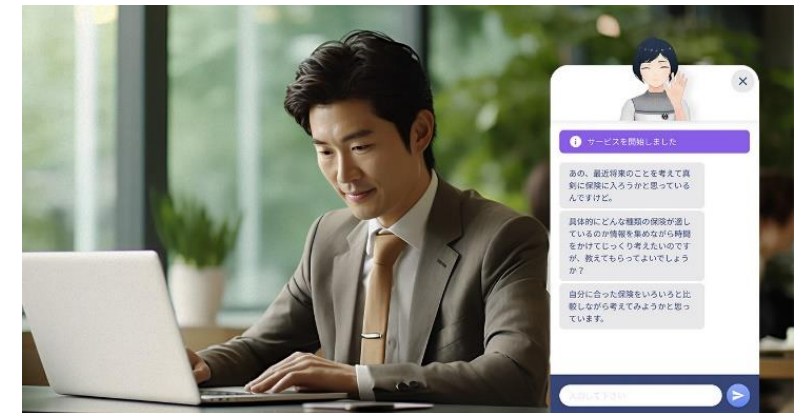
- By utilizing generative AI to respond to customer inquiries, we automate responses during nighttime and early morning hours (within the scope of information provided on our website). This enables customers to make inquiries without restrictions even outside of business hours, thereby enhancing overall customer convenience.
- Both text chat and voice chat are supported, allowing customers to choose their preferred communication method based on their needs and circumstances.
- Going forward, we plan to further enhance functionality by not only responding to customer inquiries, but also conducting interviews to understand customers' desired insurance products, and based on those interviews, providing relevant materials and guiding them to schedule insurance consultations.



## Unique strategy utilizing generative AI(2)

○We have implemented sales support utilizing generative AI through employee training with the avatar-based AI role-playing support service "AvaTraining." This system allows employees to conduct customer service role-playing with various customer types anytime and as many times as needed, enabling them to gain extensive customer interaction experience in a short period. As a result, we are creating an environment where sales staff can succeed regardless of their tenure with the company.

○As a sales agent of AVITA, Inc., we are promoting the provision of "AvaTraining" to the insurance industry. By expanding its offering not only to insurance companies but also to insurance agencies, we aim to contribute to the overall improvement of customer service quality across the insurance industry.



## Continuous Experimentation of Marketing Methods

- We repeated hypothesis testing and trial and error, and establishing our unique marketing methods.
- The tools for “connecting” with customers have shifted from phone calls to text, and we have refocused on LINE, establishing an appointment acquisition scheme through a combination of web marketing and text.

Promotional activities  
utilizing generative AI



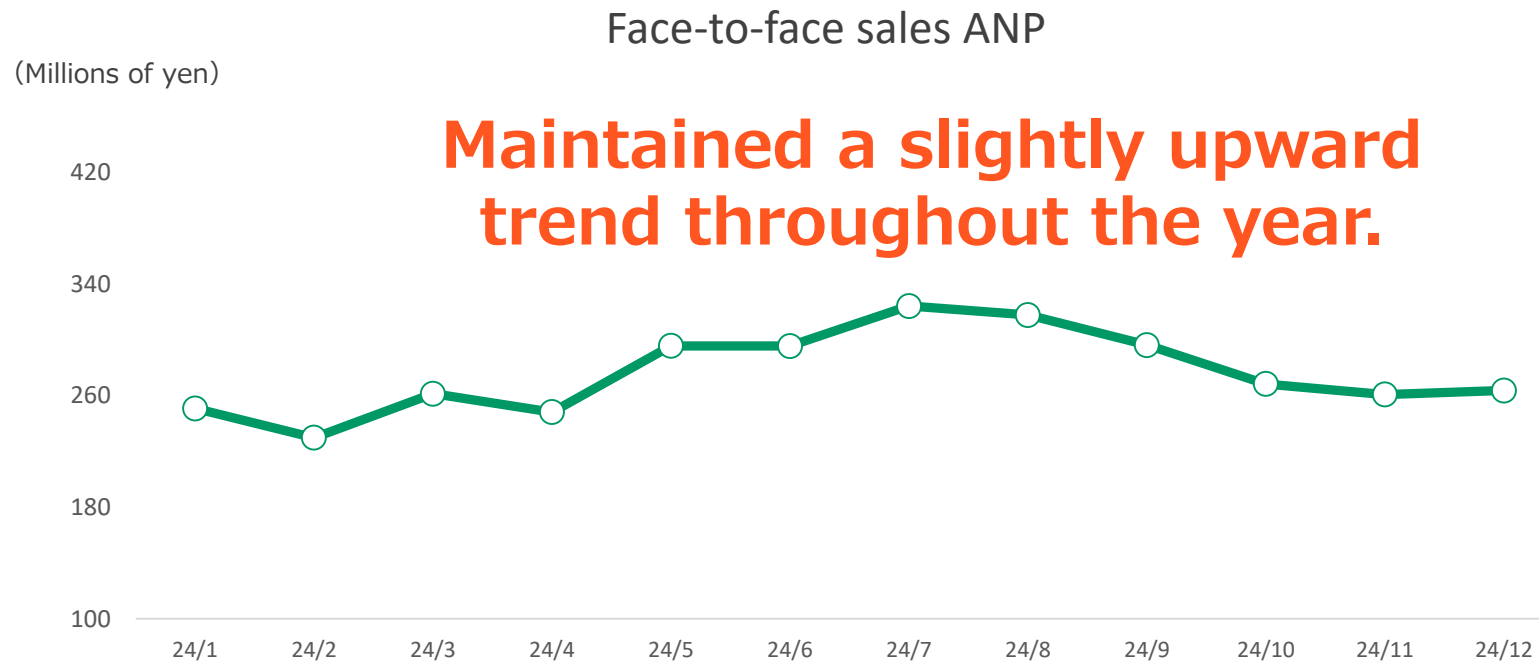
Establishment of web  
marketing utilizing LINE



Source : <https://www.linebiz.com/jp/service/line-ads/>  
(The information is accurate as of November 2024.)

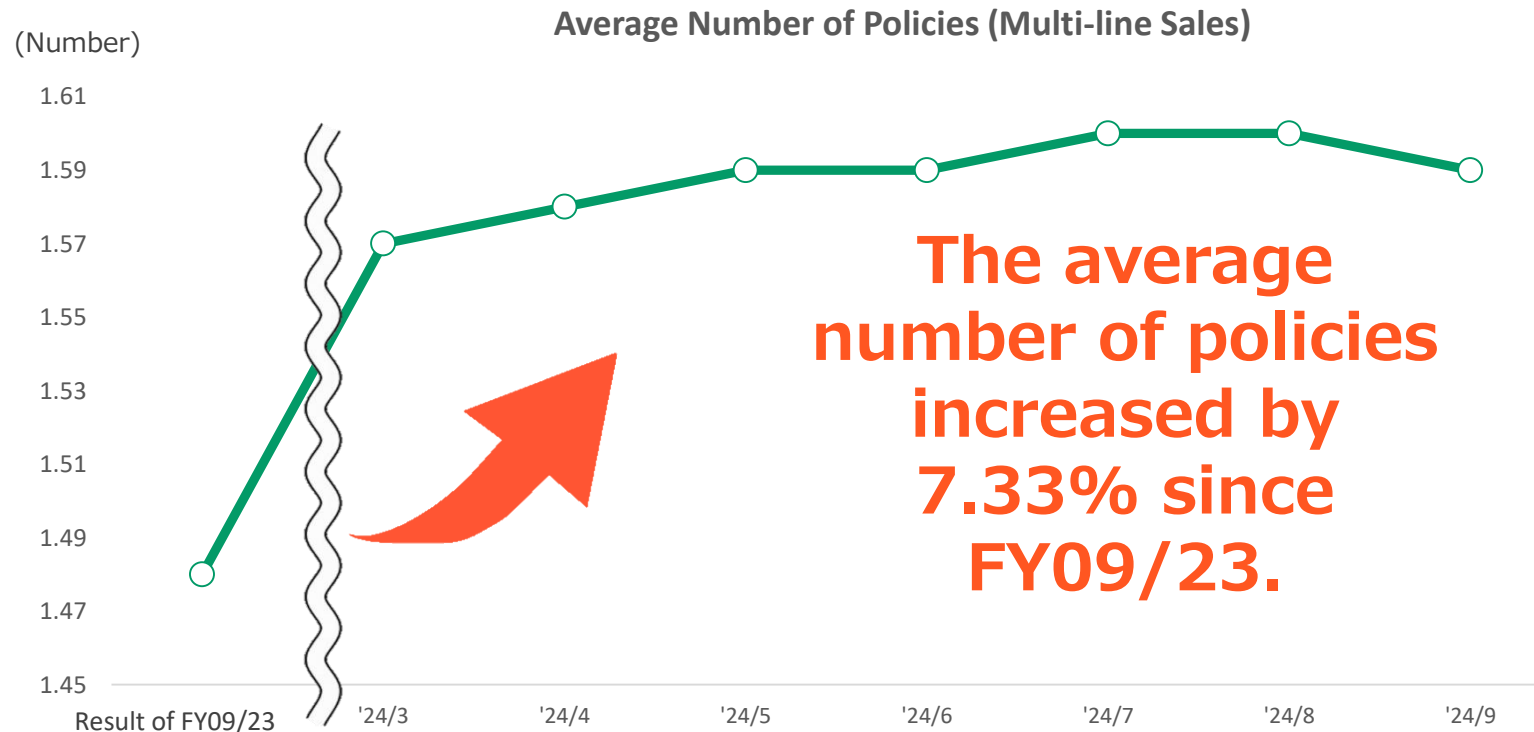
## Fusion of legacy sales methods and cutting-edge technology

- We aim to pursue legacy-style sales focused on maximizing LTV through asset management-based sales. As a result, future sales performance is expected to enter a renewed growth trajectory.
- We are leveraging cutting-edge technologies ahead of the industry, such as avatar consultations and the use of generative AI. By combining these advanced technologies with the aforementioned legacy-style sales approach, we aim to achieve even greater synergistic effects.



## Practicing Human Capital Management – Active Talent Development

- As part of asset management-based sales, we are strengthening and reinforcing sales training aimed at transitioning away from so-called "replacement sales" and "single-product sales," and instead promoting "multi-line sales."
- With the further penetration of sales training and the growth of young employees, the average number of policies through multi-line sales is expected to increase further going forward.





## Active appointment of young branch managers

- In terms of performance, young employees are taking the lead, and we are actively appointing them as branch managers.
- As of September 30, 2024, 6 out of 12 branch managers are in their fourth year with the company. By having young employees lead on the front lines, we aim to build a dynamic and energetic organization.

Average age of  
branch managers

**30.5** years old

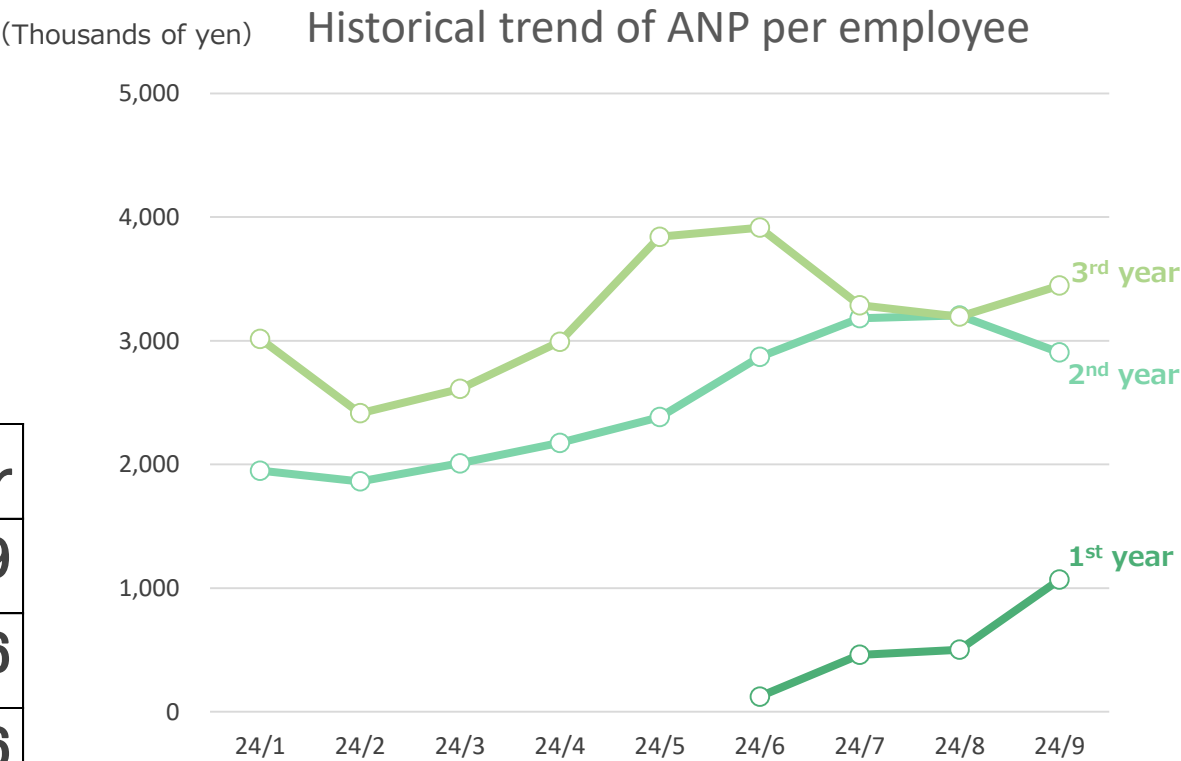
Average age of  
sales staff

**28.2** years old

※ as of Sep 30, 2024

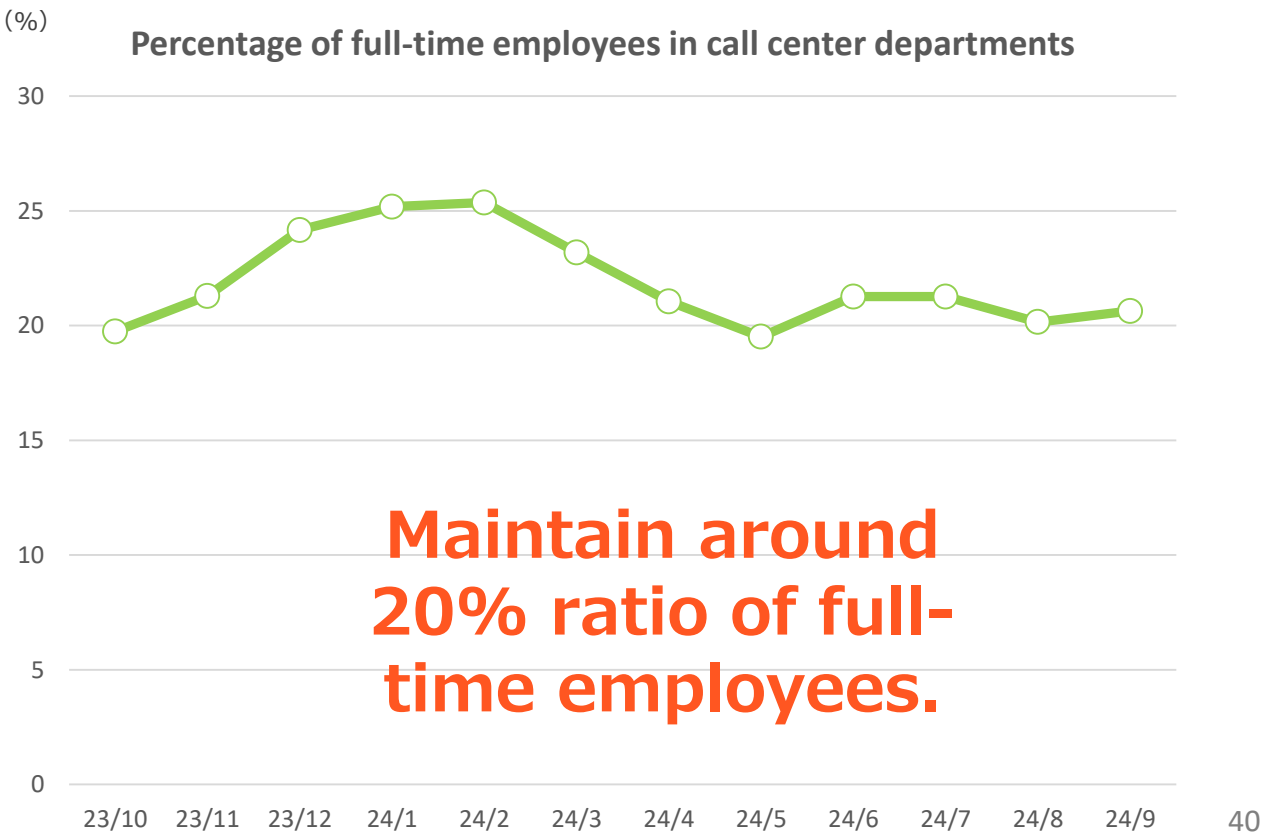
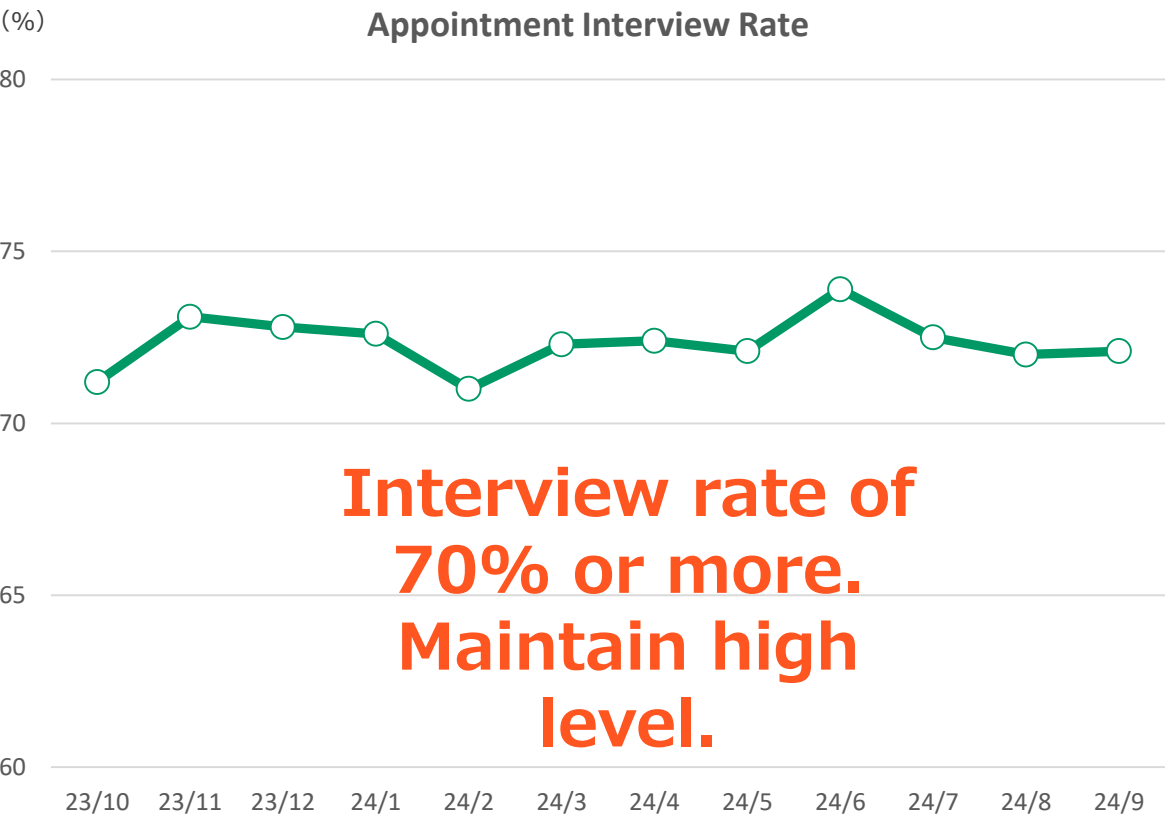
(Thousands of yen)

Company Year	July	August	September
1st year	461	502	1,069
2nd year	3,182	3,204	2,906
3rd year	3,287	3,195	3,446



# Improved appointment quality and productivity

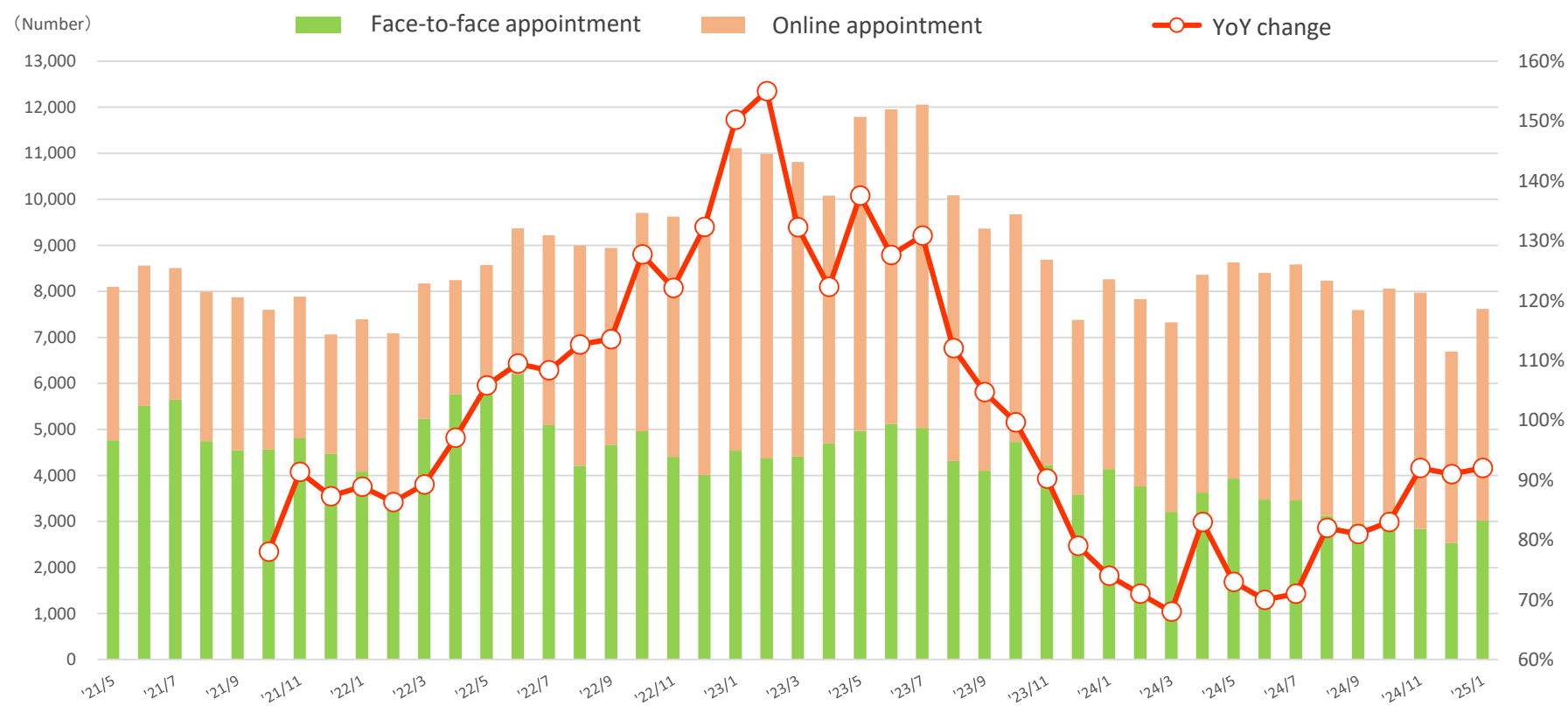
○Assign employees with experience and knowledge of insurance as operators, and provide training and education using an avatar training system that utilizes generative AI. The company aims to obtain more productive appointments (appointments with a high interview rate).





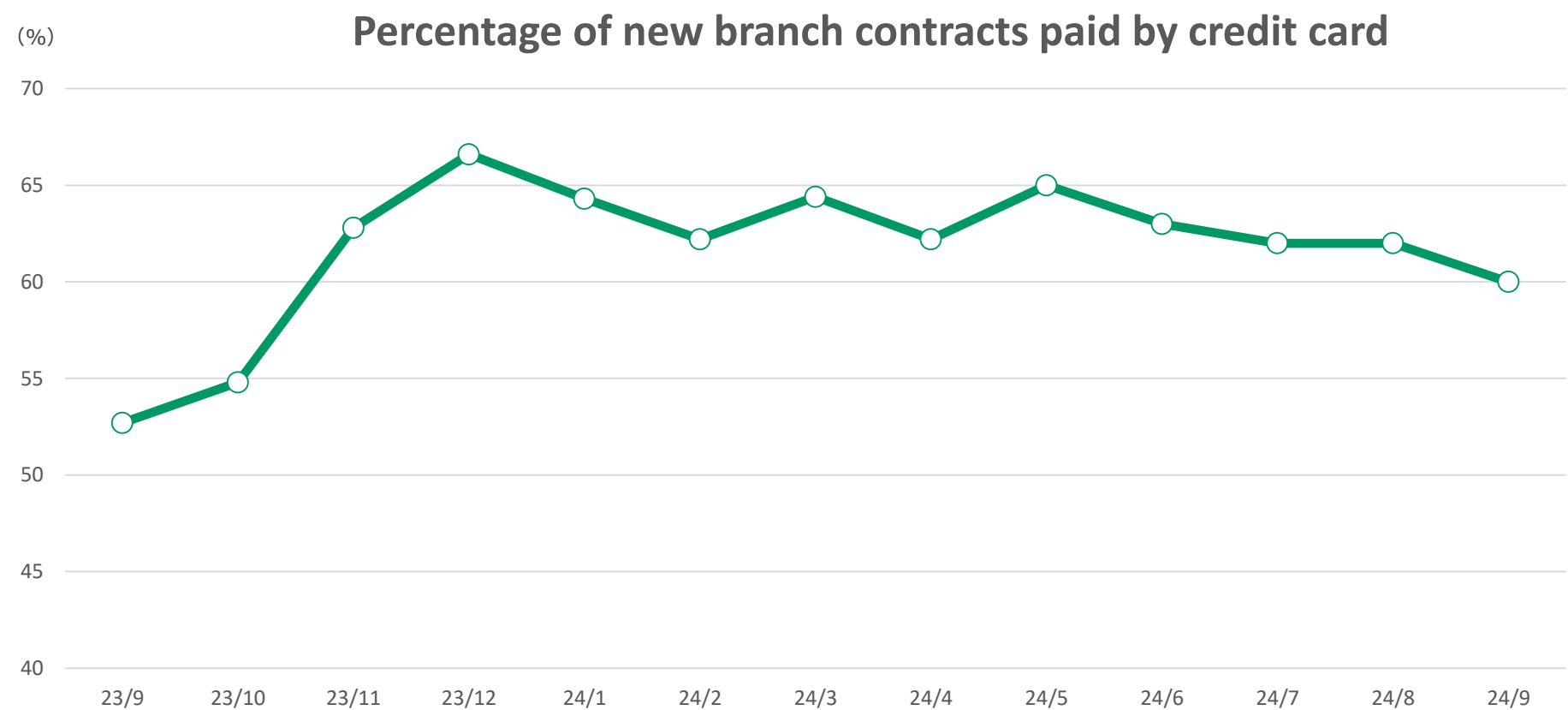
# Improved appointment acquisition efficiency

○ In FY9/2024, the number of appointments made declined due to a transitional period in the restructuring of the call center division, but the marketing and call center divisions have become more closely linked, and the number of appointments made is on track to reach or exceed the same level as last year, while keeping the number of employees lower.



## Promotion of credit card payment

○ In the case of account transfers, there have been cases of policy lapses due to inability to transfer premiums due to insufficient balances or other reasons. By promoting payment by credit card, the company prevents lapses due to non-transferability, contributing to higher policy persistency rates in the future.



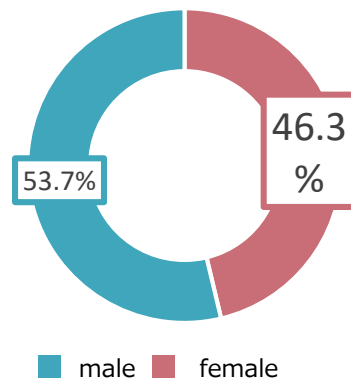
## 07. Sustainability Management



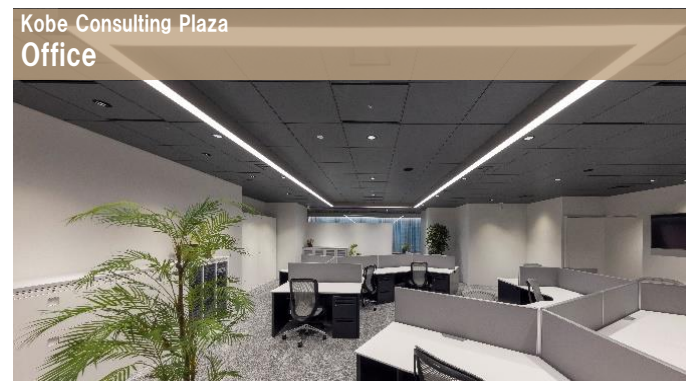
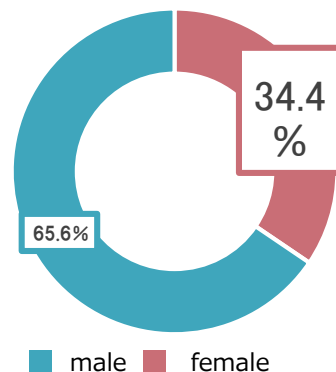
## Human capital management

- Various systems are in place to enhance human capital, including a “self-investment support allowance” for non-managerial employees, a “self-development assistance system” to subsidize the cost of educational materials and schools for certification acquisition, etc., and a “correspondence education system” to encourage employees to improve their skills.
- We have created an environment in which employees can maximize their abilities regardless of gender, nationality, etc., by establishing comfortable offices and refreshment rooms at the head office and branch offices.

### Ratio of male to female employees



### Ratio of female management staff



## CSR Activities

As part of our efforts to engage in CSR activities that have been attracting attention in recent years, we have implemented the following sponsorships and donated courses. Raising awareness of participation in society and strengthening efforts to solve social issues.

### New Japan Philharmonic Special sponsorship of the Symphony Orchestra's "Ninth Special Concert



(c) K,MIURA

### Endowment courses At Kansai University





## Publication of INTEGRATED REPORT

From the viewpoint of enhancing information disclosure, we will begin publishing this report in 2022. This report includes information on how human capital management, including education and investment in human capital based on the belief that “people are everything” has led to high labor productivity and the creation of social value since the company's founding in 1995.



To read full report,  
Please click [here](#).

## “Eruboshi” Certification

Based on the Law for the Promotion of Women's Activities, the “Eruboshi Certification Mark” is issued to companies that meet certain standards set by the Ministry of Health, Labor and Welfare.



## 08. Appendix

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## Analyst Reports

- Please refer to the research reports by these external organizations for details on the Company's history, earnings structure, and other information since its establishment.
- These research reports will be updated as necessary based on the announcement of financial results and press releases.
- In addition to the reports below, Ichiyoshi Research Institute also distributes reports to institutional investors in Japan and overseas. Furthermore, our company has been featured on Nikkei CNBC and Kabutan (Kabutan.com) as well.

**FISCO**

企業調査レポート

[Click here for our research report by FISCO Ltd.](#)

[Click here for our introduction video by Nikkei CNBC](#)



[Click here for our research report by Shared Research Inc.](#)

[Click here for our introduction article by Kabutan](#)



# Company Overview

Trade name

Advance Create Co., Ltd.

Representative

Yoshiharu Hamada, President

Location

Nomura Fudosan Midosuji Building, 3-5-7 Kawaramachi, Chuo-ku, Osaka, Osaka Prefecture

Established

October 1995

Capital

¥3,337 million (as of September 30, 2024)

Businesses

Insurance Agency, Media, Media Representative Services, Reinsurance, ASP, BPO

Number of employees

281 (as of September 30, 2024; excluding contract employees, rehired employees, and temporary employees)

Fiscal Year end

September

Listing

Prime Market of the Tokyo Stock Exchange, Fukuoka Stock Exchange, Sapporo Stock Exchange (Code: 8798)

## Disclaimer

The forward-looking statements included in this document and any related materials are based on currently available information, and may change due to macroeconomic conditions and trends in the industry in which the Company operates.

Accordingly, please note that actual results may differ from the forward-looking statements presented in these materials which are subject to risks or uncertainties.



## Inquiries

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