

Medium-Term Management Plan Overview

Phase 1: 1996–2024

As much content as possible

Establishment of a position that will continue to attract domestic content in the future

Number of titles handled: 2.6 million

Number of partner publishers: 2,200

Gross transaction value: 182.0 billion yen

MORE CONTENT

FOR MORE PEOPLE!

Phase 2: From 2025

To as many people as possible

To distribute Japanese content worldwide by evolving and expanding distribution solutions

Beyond Japan (100 million) to the world (8 billion)

Manga, text-based works, and audiobooks

To Date (previous Medium-Term Management Plan)

During the term of the previous Medium-Term Management Plan, in the eBook Distribution business we completed the PMI of Digital Publishing Initiatives Japan, which we acquired in 2017, and became the largest eBook distributor in Japan. Within the publishing industry, we have secured a position that continues to attract domestic content. As the eBook market has expanded, net sales have surpassed 100.0 billion yen, and the business has scaled steadily. In our Strategic Investment businesses, aiming to build a second earnings pillar following

the eBook Distribution business, we have advanced diversification and forged alliances across various investment domains. Although the termination of an exclusive partnership with a major customer resulted in two consecutive fiscal years of reduced revenue and profit, by optimizing our business portfolio and establishing a lean earnings structure, we have steadily improved profitability across our businesses and returned to a trajectory of increasing revenue and profit.

(billions of yen)

	First Medium-Term Management Plan				Second Medium-Term Management Plan			
	FYE 2/18	FYE 2/19	FYE 2/20	FYE 2/21	FYE 2/22	FYE 2/23	FYE 2/24	FYE 2/25
Net sales	37.2	50.5	65.8	83.5	104.7	101.6	94.0	101.9
Operating profit	0.93	1.46	1.85	2.66	2.81	2.39	2.06	2.47
EBITDA	1.77	2.39	2.66	3.42	3.92	3.86	3.39	3.79
Profit attributable to owners of parent	0.35	-1.24	0.88	1.51	1.57	1.05	-0.31	1.36

	First Medium-Term Management Plan	Second Medium-Term Management Plan
Objectives	Advance the integration of management, organization, and systems following the 2017 acquisition of Digital Publishing Initiatives Japan, and establish our position as No. 1 eBook distributor.	Promote business diversification and build a second pillar of earnings alongside the eBook Distribution business.
Results	[Performance] Achieved performance targets ahead of schedule. Net sales doubled over four years and exceeded 100.0 billion yen. [eBook Distribution business] Completed PMI with Digital Publishing Initiatives Japan. Established our position as Japan's largest eBook distributor. [Strategic Investment businesses] Formed alliances across investment domains, including a capital and business alliance with Tohan.	[Performance] Due to changes in internal and external conditions (transfer of transactions by a major business partner, a slowdown in market growth, the dispersion of management resources, etc.), both sales and profits fell short of their respective targets. [eBook Distribution business] In the fiscal year ended February 2024, secured new distribution channels, including Piccoma. [Strategic Investment business] Advanced a review of the business portfolio and built a lean, resilient profit structure.

Going Forward (new Medium-Term Management Plan)

Anchored in our vision, "MORE CONTENT FOR MORE PEOPLE!", we will focus on distributing Japanese content not only domestically, but to the 8 billion people around the world. Building on the position established during the previous Medium-Term Management Plan period, we will promote support for the overseas expansion of Japanese content by leveraging our proprietary translation system, MDTs (Media Do Translation System), which combines AI and other

technologies along with human expertise. We will also advance the "SC (Sustainability Creation) business," which uncovers dormant value (assets) in local communities and develops it into "businesses." Through diverse initiatives in collaboration with local communities, including sports-related business and entrepreneurship support, we will create and drive businesses that both solve local challenges and generate profits.

(billions of yen)

	Third Medium-Term Management Plan		
	FYE 2/26	FYE 2/28	FYE 2/30
Net sales	106.0	115.0	125.0
Operating profit	2.72	3.22	4.00
EBITDA	3.93	4.50	5.20
Profit attributable to owners of parent	2.00	2.15	2.50

Record highs for consolidated net sales and all profit metrics

Note: Growth from new businesses and M&A has not been factored into the plan figures.

	Third Medium-Term Management Plan (from 2025)	
	Supporting the overseas expansion of Japanese content	SC (Sustainability Creation) business
Objective	[Becoming the gateway for the distribution of Japanese publications to readers worldwide] Expanding content into overseas markets faces two major challenges; namely the high cost of translation and complex, country-specific distribution. Our Group will provide high-quality, cost-effective multilingual translation services and facilitate multi-format development and distribution. Leveraging our network of overseas group companies, we will provide end-to-end support for marketing and promotional activities that are tailored to local business practices, thereby removing these barriers to entry.	[Turning community initiatives into profitable businesses] Since its founding, our Group has engaged with local communities, building multifaceted relationships of trust and achieving corporate growth. By unearthing the many sources of latent value and assets within these communities and commercializing them, we are expanding our initiatives, which are currently made up of the "Sports Business" and the "Entrepreneur Support Business," and will grow them into robust, profitable businesses that have national and global reach.
Numerical targets	In the fiscal year ending February 2030, the final year of the new Medium-Term Management Plan, we aim to achieve record highs: consolidated net sales of 125.0 billion yen and operating profit of 4.0 billion yen. These performance targets are based on organic growth in our existing businesses. We have not factored into the plan any growth from the strengthening of support for the overseas expansion of Japanese content or from M&A, and by actively pursuing these as additional growth drivers, we aim to realize step-change growth.	

Phase 1: eBook Distribution Business

Of MEDIA DO's consolidated net sales of 101.9 billion yen in the fiscal year under review, more than 90% was generated by our core eBook Distribution business. We have built deep trust with the publishing industry, as can be seen by the more than 2.6 million content items that have been accumulated on our platform over time. Phase 2, in which we declared an expanded mission to pursue the worldwide distribution of Japanese books beyond eBooks, is underpinned by the hard work and dedication of the employees who built our business foundation.

STEP 01 The Dawn of the eBook Business and Tireless Efforts July 2004

Launched the Chaku-Uta® ringtone distribution business



MEDIA DO's official website at the time

A tailwind for rich-content businesses

In 2002, the Chaku-Uta® ringtone service was launched for au-branded mobile phones, ushering in an era of data-heavy "rich content" business on the mobile Internet.

Transition to a copyright business that involves contracts with rights holders and royalty management.

MEDIA DO entered the ringtone market in 2004. While forging agreements with rights holders and artists, we developed a "Royalty Reporting System" that served as a catalyst for the expansion of our music business.

Meanwhile, in the ringtone market, there was a company which had been established jointly with partners in the music industry that commanded a dominant market share.

"Aiming to be No. 1." Drawing on our rights licensing expertise and the royalty reporting system we had cultivated in our music business, we resolved to enter the publishing industry just as the eBook era was dawning.

Developed md-dc Entered the eBook business



Tokyo office relocated to Jimbocho (2007)

October 2006

Staked the Company's future on the expansion of the eBook market.

Headcount surged, and every day was a Companywide, all-out effort.

eBooks for feature phones used a panel-by-panel cropping system and, in the early days, cost around 200,000 yen per manga volume to produce, making it a category with high barriers to entry.

Convinced that "the market for eBooks for leisure reading will inevitably expand and that we must stake the Company's future on it," we entered the eBook business.

In 2006, the Tokyo office relocated from Nishi-Shinjuku to Akebonobashi. Fujita declared, "We will leave this office in a year." As the number of employees in Tokyo grew rapidly from about 20 to over 40, the Tokyo office expanded and relocated to larger premises in Jimbocho in 2007.

Acting as one, the organization worked day and night, so relentlessly that Fujita was taken by ambulance on three occasions due to overwork, to establish an eBook distribution platform that handled everything in-house from launching eBook retailers' websites to panel segmentation. Unafraid to rely on manpower-intensive manual processes, the team steadily worked to expand its network of partner publishers and eBook retailers.

MEMBER'S VOICE

- ▶ At the time, everything was done manually, and as the content we handled increased, the number of colleagues working with us also grew in tandem. I remember the excitement of feeling, "We were building a new distribution model with our very own hands."
- ▶ It was often the case that people didn't even know about the existence of eBooks, and publishers and authors took a cautious stance. While we sometimes faced criticism, by steadily building trust along the way, I feel that both the Company and I were able to grow.

STEP 02 Arrival of the Business Expansion Period 2006–2007

Two-pronged system development



md-dc developed by MEDIA DO

Systems designed to be chosen

MEDIA DO developed "md-dc," a distribution system that delivers eBook data from a central server to multiple eBook retailers, and shortly after entering the eBook business, we developed "MD-CMS," a management system that enabled efficient site operations for eBook retailers (the two systems were later integrated under the name "CAS (Content Agency System)").

Dedicated our full efforts to two fronts: securing distribution rights for content distributed via md-dc and signing clients for MD-CMS.

Featuring an unceasing, "always-on" system, we leveraged our strengths in system-driven data analytics and user acquisition to deliver a service that is chosen by customers, even with a limited catalog of titles.

Equity investments from major publishers



2008–2011

A turning point that led to rapid expansion in our business

Amid our drive to secure contracts, we entered into a content licensing agreement with Kodansha Ltd. in November 2007.

Approximately one year later, in October 2008, Kodansha became a shareholder of MEDIA DO through a third-party allotment of new shares, with the goal of maintaining a favorable business relationship.

Since 2008, MEDIA DO has rapidly expanded its volume of transactions.

In 2010, we began providing CAS to iMenu Book, a large eBook retailer on NTT DOCOMO's i-mode portal site.

In the same year, we entered into a content distribution agreement with Shogakukan Inc. In 2011, Shogakukan acquired shares in MEDIA DO, bringing the number of publisher shareholders to two; Kodansha and Shogakukan.

Commenced business with LINE Manga



2013

Laying the groundwork to become No. 1 in market share

In April 2013, after our proposal won in a competitive selection among industry peers, we began serving as the exclusive eBook distributor for the LINE Manga digital comics service and started the provision of our eBook distribution platform.

LINE Manga was a major client for MEDIA DO, accounting for approximately 20% of MEDIA DO's revenue, until the transfer of back-end operations resulting from the termination of the exclusive partnership in 2022.

STEP 03 Industry No. 1, Listing, and an N-Shaped Recovery 2013–2016

Listing on the TSE Mothers market, then moving to the TSE First Section



Ceremony to commemorate our listing on the First Section of the Tokyo Stock Exchange (2016)

Achieving the listing and taking on new challenges

Driven by the conviction that “the eBook market will inevitably become bigger,” and while significantly expanding our transactions, MEDIA DO listed on the Tokyo Stock Exchange Mothers market in November 2013 to stabilize its financial base and to enhance its credibility in both name and substance. This represented the achievement of one of the goals that Fujita had envisioned ever since MEDIA DO’s founding.

Having accomplished this milestone, which was also evidence that the growth potential of the eBook Distribution business had been recognized, Fujita decided to take on a further challenge: pursuing the acquisition of Digital Publishing Initiatives Japan, which at the time commanded the No. 1 share in eBook distribution.

With our management structure in place, our listing was transferred to the First Section of the Tokyo Stock Exchange (now the Prime Market) in February 2016, two years and three months later.

March 2017

Made Digital Publishing Initiatives Japan a subsidiary



The industry’s No. 2 player acquired the No. 1 to establish a dominant position

“As the overwhelming No. 1 eBook distributor, we aim to share the challenges facing the publishing industry and to tackle them together.” With this conviction, MEDIA DO embarked on the acquisition of Digital Publishing Initiatives Japan, an effort which staked the Company’s future.

After obtaining the consent of the Innovation Network Corporation of Japan, a major shareholder, and of leading publishers that were principal shareholders, in March 2017 MEDIA DO made Digital Publishing Initiatives Japan a subsidiary, and in June of the same year made it a wholly owned subsidiary. Subsequently, in 2020, we completed PMI. Benefiting from the tailwind of stay-at-home demand during the COVID-19 pandemic, the eBook Distribution business reached 99.3 billion yen in net sales in the fiscal year ended February 2022.

Fiscal year ended February 2025

Achieving an N-shaped recovery



A return to revenue and profit growth, renewed market share expansion, and an expanded mission

Following the end of our exclusive partnership with LINE Manga and the start of the transfer of back-end operations, MEDIA DO entered a phase of declining revenue and profit across the fiscal years ended February 2023 and February 2024. In the eBook Distribution business, by continuing to shoulder operational workloads for publishers and eBook retailers, rigorously reducing the operational load across the distribution chain, and improving distribution speed, we achieved renewed revenue and profit growth in the fiscal year ended February 2025 after having completed the transfer of operations from LINE Manga

MORE CONTENT FOR MORE PEOPLE!

MEDIA DO has provided system solutions and distribution operations as a bridge between many publishers and eBook retailers in order to advance eBooks. We are deeply proud to mark our 30th anniversary, and are renewing our commitment to make further contributions to the publishing industry. Our growth to this scale has been made possible by the tremendous support of our business partners, and by the dedication of employees who have been driving the business since our inception.

We take pride in our greatest strength: enabling publishers to deliver their works to a wide network of eBook retailers and readers, and providing retailers with a platform to carry a diverse range of content from many publishers. Even as operations become increasingly complex, we will address the challenges that are uniquely visible from our position between publishers and retailers and will resolve them steadily, one by one. By driving efficiency and automation across our operations, we will achieve faster, more flexible distribution, and contribute to the further growth of the industry as a whole.

Looking ahead, MEDIA DO will distribute Japanese content in Japan as well as across the world by leveraging solutions such as the MDTS (MediaDo Translation System). By creating value for publishers and the authors who create these works, we will relentlessly pursue our mission of “unleashing a virtuous cycle of literary creation.”



We will continue to move forward without letting up in taking on new challenges, enabling every employee to approach their work with integrity, further strengthening relationships of trust both inside and outside the Company in our eBook Distribution business, and continuing to deliver value that exceeds your expectations. We appreciate your continued support and understanding.

花村 佳代子

Kayoko Hanamura

Director and COO

Carrying Forward a 30-Year Legacy and Passion



I first encountered MEDIA DO in 2011, when it was just beginning a period of rapid expansion in its eBook Distribution business. At the time, I was working for a partner company. In addition to the employees’ sincerity, I was strongly drawn to the President and CEO’s passion and the vision he articulated. I keenly thought, “I want to work at this company and to contribute to it through my own abilities.” I still vividly remember the day that the President and CEO earnestly encouraged me to join the company, and I decided to do so.

Roughly 20 years after we entered the eBook business, we remain committed to contributing to the expansion of

the eBook market and to the prosperity of the publishing industry, staying closely attuned to market needs and continually striving to carry out our operations without errors.

We expect that the market will grow even further in the future, and, in conjunction with this, that the volume and scope of what we handle will expand at an accelerating pace. Without losing sight of our core principle of treating each title with care, we will continue to work in good faith with publishers and retailers, drive operational efficiency and automation, and deliver even faster, more flexible solutions.

As MEDIA DO celebrates its 30th anniversary, every employee is renewing their resolve to shape the next 30 years, as well as the future beyond that, by upholding their unwavering pride and strong sense of mission, never ceasing to learn, and continually taking on new challenges, so that we remain a trusted and indispensable partner to publishers, eBook retailers, and readers.

We look forward to your continued support.

大貫 雄一郎

Yuichiro Onuki

Executive Officer
Responsible for the eBook Distribution business

Partner Stories



Accelerating the Global Expansion of Titles Through Our Experience and Expertise in Content Distribution

Yusuke Kajimoto

AlphaPolis Co., Ltd.
President

Since our establishment in 2000, we have steadily grown by developing a new business model focused on editing and publishing works that are popular on the Internet, particularly light novels. Since our listing on the Tokyo Stock Exchange Mothers market (now the Growth Market) in 2014, we have also focused on the high-growth comics segment, building a broad-based business with two pillars: operating the “AlphaPolis” user-generated content platform and publishing popular titles. In the fiscal year ended March 2019, revenue from comics, which are highly suited to the eBook format, surpassed that of light novels, and comics have now become our core business, accounting for over 70% of sales.

We began doing business with MEDIA DO’s predecessor in 2010, and

our collaboration with MEDIA DO began in earnest in 2018, when we were working to distribute our titles on LINE Manga. At the time, we were growing mainly through print books and were exploring ways to expand our eBook business. In that context, we are grateful to MEDIA DO for assuming end-to-end responsibility for our eBook distribution and for supporting our growth trajectory.

The source of MEDIA DO’s competitive advantage lies in its ability to maintain close relationships with a wide range of publishers and eBook retailers, as well as to build distribution systems that are tailored to the characteristics of each partner. Each eBook retailer has its own requirements and policies, all differing in the types of works they feature and in their sales methods. Over many years, MEDIA DO has worked to optimize the distribution that connects authors and publishers with eBook retailers. Even in “episode-based distribution,” where works are delivered one episode at a time, MEDIA DO single-handedly manages rollout to nearly all eBook

retailers on our behalf, and we believe their support has been instrumental in enabling us to scale our business rapidly. From designing and executing complex campaigns to consolidating a host of labor-intensive tasks, MEDIA DO supports our business with a truly one-stop solution, and we regard the company as an irreplaceable partner.

The vision that succinctly articulates MEDIA DO’s purpose and strategic direction resonates with our medium- to long-term strategy, which sets as top priorities strengthening overseas sales of our titles, with digital at the forefront, and expanding our anime adaptation business. Of course, there are differences in the details of our respective medium- to long-term plans, but we are aligned in terms of the overall direction. In recent years, Japanese content such as comics and anime has seen remarkable growth and popularity in global markets, and the isekai (otherworld) fantasy genre, one of our strengths, has also been drawing significant attention.

The publishing market is different in each country and region, and business practices and responses to piracy also vary. With limited management resources, establishing a strong foothold in global markets and scaling the business is no easy task. It is precisely because MEDIA DO is at the core of Japan’s eBook market that we look to it in order to spearhead broad-based initiatives that expand the worldwide distribution, promotion, and marketing of Japanese content, thereby driving market expansion.

For the fiscal year ended March 31, 2025, we posted record highs for net sales and profits at all levels. Looking ahead, we will leverage the favorable market conditions to pursue medium- to long-term growth and to maximize corporate value. We ask for your continued support as we work to expand the eBook market and to advance our initiatives.



A Partner Paving the Way for All-in-One Entertainment

Tenshin Tsutsumi

U-NEXT Co., Ltd.
CEO

Since launching our service in 2007, U-NEXT has helped shape a new market as a pioneer in Japan’s Subscription Video On Demand (SVOD) services. By forging strong partnerships with content rights holders in Japan and overseas, we offer one of the largest content libraries in the country and hold the No. 2 revenue share in the domestic market. In May 2025, our membership surpassed 4.73 million.

We aim to deliver “all-in-one entertainment.” As a service that enables users to enjoy video, books, music, and live entertainment seamlessly within a single app, we are shaping a distinctive brand universe and, together with our “ONLY ON strategy” to expand content available exclusively on U-NEXT, we are pursuing our own unique added value.

Our collaboration with MEDIA DO began in earnest in 2019. Leveraging the technology and expertise it has cultivated in the eBook market, MEDIA DO organizes and formats complex metadata and has made significant contributions to the two-way linkage

between eBooks and video content (cross-media). In addition, MEDIA DO provides day-to-day support in planning and executing various campaigns that are aimed at revitalizing the market.

As we scale our business under the banner of “all-in-one entertainment,” we need to ensure that people who actively read eBooks perceive the value and convenience of our service, are even more satisfied, and continue their subscriptions. However, compared with video content, eBooks and eComics encompass far more individual volumes, and each title may come in multiple, complex formats, such as limited-time availability, split releases, and omnibus editions, so integrating them with video involves many challenges. We have been able to overcome these challenges thanks especially to our collaboration with MEDIA DO.

What resonates with me about MEDIA DO, and this is something that I fully agree with, is its management stance of delivering as much content as possible to as many people as possible and striving to realize a healthy creative cycle for copyrighted works. U-NEXT likewise meets each customer’s desire to watch and to read through our easy-to-use platform and our offering of a wide range of content. We aim to enrich people’s hearts and lives and to further expand the possibilities of entertainment. Moreover, bringing Japanese IP to markets around the world is also a very important business priority for us. In these respects, it can be said that we and MEDIA DO share common values. As MEDIA DO is positioned to view the eBook market from a macro perspective, we would welcome opportunities, in some form, to work together on new initiatives toward growing the eBook market in Japan and overseas.

With an eye toward sustainable growth, we are driving a range of initiatives. Launched in 2020, U-NEXT Publishing, our publishing division, produces original eBooks and eComics. We also plan to expand the global reach of Japanese IP. In order to advance initiatives that extend our reach overseas, collaboration with creators and publishers, who are the drivers of IP creation, as well as with MEDIA DO, which plays a central role in eBook distribution, will be essential. While maintaining strong partnerships, we are aiming to enhance our services, to further expand the SVOD market, and to create and deliver new forms of entertainment.

Phase 2: Overseas Expansion: Distributing Japanese Content to Audiences Worldwide MORE CONTENT FOR MORE PEOPLE!

Updated Business Concept: Broadening Our Mission in Pursuit of “Unleashing a Virtuous Cycle of Literary Creation”

MEDIA DO is advancing its business guided by a business concept that features the mission of “unleashing a virtuous cycle of literary creation.” Outstanding works by creators are delivered to readers with fair compensation for the creators in return, and the resulting revenue fuels the next round of creative activity. Our purpose is to continue fulfilling the indispensable mission of supporting this virtuous cycle.

To date, guided by our vision of distributing “as much content as possible, to as many people as possible,” we have focused primarily on the realization of our business concept in the domestic market and in doing so, have established ourselves as Japan’s largest eBook distributor. As the domestic market matures and the need for global expansion becomes more evident, we have determined that providing global distribution solutions will be essential in order for us to continue fulfilling our enduring mission.

Accordingly, we converted our vision, which had previously been expressed in Japanese, into the English phrase “MORE CONTENT FOR MORE PEOPLE!” and

updated our business concept. This clearly signals a new phase in our business strategy: distributing content from across Japan that keeps coming to us (MORE CONTENT) not only to readers in Japan, but also to the world’s 8 billion people (MORE PEOPLE).

At the same time, we are keeping our mission statement in Japanese. The essence of MEDIA DO’s future overseas expansion of content lies in maximizing the value of “Japanese works” created by Japanese authors and publishers, reinvesting the resulting earnings in the Japanese publishing market, and thereby contributing to the development of Japanese culture. The direction of our mission of expansion has not changed to date, and it will not change going forward.

While demonstrating this unwavering commitment to Japan’s publishing market, MEDIA DO, in strong partnership with the publishing industry, will stride boldly into a new stage of growth in which Japanese content opens up global markets.

MEDIA DO’s Business Philosophy

Mission | Unleashing a virtuous cycle of literary creation

Vision | MORE CONTENT FOR MORE PEOPLE!

We created a new vision logo.

**MORE CONTENT
for MORE PEOPLE!**

Updating our business concept is an important milestone that demonstrates MEDIA DO’s resolve to “realize a virtuous cycle of literary creation for Japanese works globally.” We created a new logo that represents such vision and will communicate MEDIA DO’s aspirations both internally and externally.

MORE CONTENT for MORE PEOPLE!

The Potential of Japanese Content in Overseas Expansion: Starting with the Text-Based Works Market

At present, the phrase “overseas expansion of Japanese content” most often brings to mind growth in the comics market. Indeed, Japanese comics, buoyed by the popularity of anime, have secured a solid global position, and further growth is also expected. However, looking at the overall structure of the global publishing market, text-based works account for an overwhelming share, about 94% of 21.8 trillion yen, while comics account for about 6%.

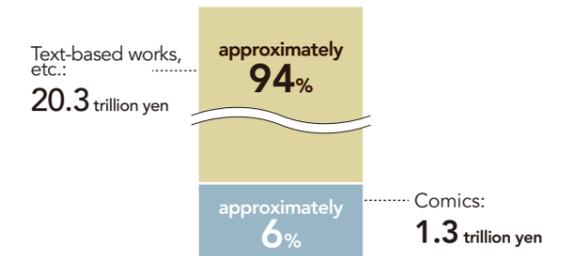
In recent years, beyond the international commercial success of manga and anime, text-based works such as novels have also achieved success overseas, demonstrating the high value and potential of Japanese publishing content in the global market.

“Before the Coffee Gets Cold,” a novel by Toshikazu

Kawaguchi originally published by Sunmark Publishing, has sold over 4 million copies in just three overseas countries, well above the book’s sales in Japan, and the series has now surpassed 7.5 million copies in print worldwide. Furthermore, “BUTTER” by Asako Yuzuki (Shinchosha) saw its English edition released in 2024 and sold more than 280,000 copies in the UK within just one year of publication, making it a hit that outstripped its sales figures in Japan. Despite retail prices overseas being set at 1.5 to 2 times those in Japan, these works have significantly outsold compared to Japan, demonstrating that Japanese text-based works can succeed in global markets. MEDIA DO will begin by taking on this vast, high-potential market for text-based works.

Size of Japan’s publishing market: **1,571.6 billion yen**

Size of the global publishing market, including Japan: **21.8 trillion yen**



Japan has a large comics market

Magazine serializations have given rise to diverse genres and a broad readership, fostering a comics culture

Globally, the market for text-based works is by far the largest

Resolving the “Translation” and “Distribution” Risks That Hinder the Overseas Expansion of Japanese Content

Despite this proven potential, the majority of Japanese text-based works have yet to reach overseas readers. Behind this are two business risks that are faced by publishers and authors.

The first risk is “translation.” Conventional human translation costs several million yen per title and requires long lead times, making multilingual expansion unrealistic for many publishers. As a result, the English translation rate

for recent releases of text-based works is about 0.1%, and even for manga it is only 8%, an extremely low level, meaning that most works do not even have the opportunity to be translated.

The second risk is “distribution.” Even if translations are completed, without a global distribution network and know-how to navigate country-specific business practices and sales channels, it will be difficult to place titles on bookstore shelves and deliver them to readers.

These two risks of “translation” and “distribution” are the root cause behind more than 99% of content never leaving Japan. MEDIA DO is currently building an end-to-end solution to address these challenges in overseas expansion. Our strengths include strong, long-standing relationships with domestic publishers; first-mover overseas distribution and marketing networks and know-how; and proprietary technology exemplified by our MDTs (MEDIA DO Translation System). By leveraging these strengths, we aim to become one of the few players worldwide that can provide strong support for the overseas expansion of Japanese content.

English translation rate for new Japanese manga and text-based works (MEDIA DO survey)

	Manga	Text-based works
Annual number of new titles	approx. 15,000	approx. 65,000
Translation cost (per title)	approx. 500,000 yen	approx. 3,000,000 yen
Share of new titles translated into English	approx. 8%	approx. 0.1%

If languages other than English are included, it can be said that hardly any Japanese content is translated.

As a Gateway, the Media Do Group Will Distribute Japanese Publications to the World

By overcoming the two barriers of “translation” and “distribution,” MEDIA DO’s proprietary end-to-end solution powerfully supports the overseas expansion of Japanese content. This framework consists of the following four functions.

(1) Position: As Japan’s largest eBook distributor, we are entrusted with one of the country’s largest content libraries

The source of MEDIA DO’s competitive advantage is our robust business foundation with more than 2,200 domestic publishers. We conclude contracts with publishers directly, then open an account for them and engage in ongoing transactions. On the strength of these trusted relationships, we have been entrusted with more than 2.6 million eBook titles as digital files, representing one of the largest collections in Japan.

(2) Translation: Rapid, cost-efficient multilingual localization through a technology-enabled translation workflow

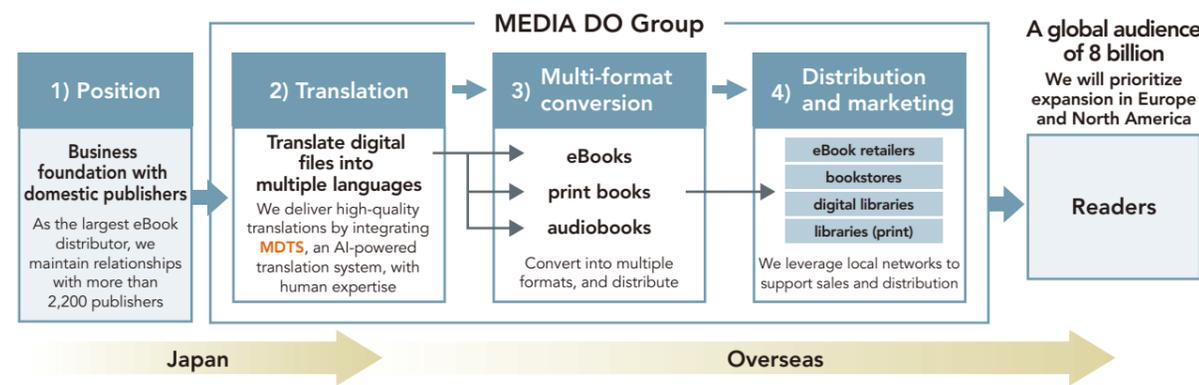
From our extensive eBook catalog, we will translate rights-cleared works into a broad range of languages worldwide. By combining our AI-powered translation system, MDTs (Media Do Translation System), with human expertise, we deliver high-quality, fast-turnaround, and cost-efficient multilingual translation, overcoming the language barrier.

(3) Multi-format conversion: Maximizing content value

In order to maximize the value of each translated digital asset, we convert it for multi-use across multiple formats, including eBooks, audiobooks, and print editions. We distribute content in the optimal format as tailored to each country’s market environment and reader needs, maximizing the value that is delivered.

(4) Distribution and marketing: Distributing to readers worldwide

We distribute content that has been converted into multiple formats to all relevant local channels, including eBook retailers, physical bookstores, and libraries. Fully leveraging the MEDIA DO Group’s network of overseas offices, we provide end-to-end support which extends from sales activities aligned with each country’s business practices to marketing and public relations.



Technological Innovation That Overcomes the “Translation Barrier”: MDTs (Media Do Translation System)

MDTs overview: The fusion of “technology” and “people”
 MDTs is more than just an AI translation tool. It is an end-to-end solution that combines technology and human expertise to secure content rights, translate into multiple languages, and distribute finalized files that are ready for distribution.

Technology: Systematizing the translation process

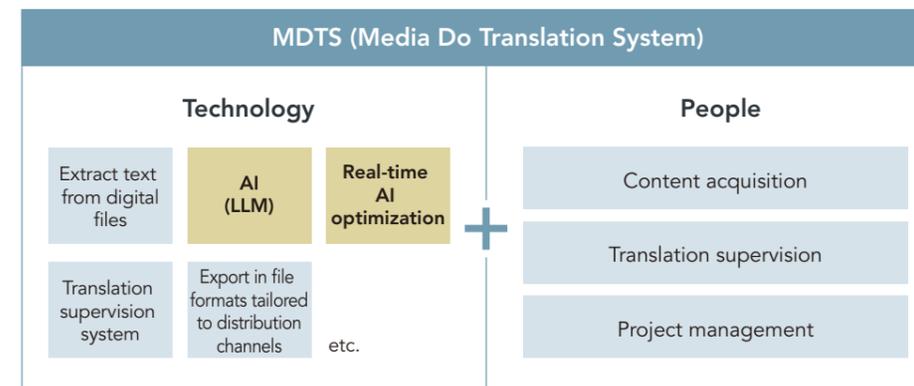
MDTs’s technical workflow begins with extracting text from eBook files entrusted to us, once we have obtained the publisher’s authorization. Next, an AI (LLM) translates the extracted text, and human translators review and refine the output using a dedicated “Translation Supervision System”

to further elevate quality. Finally, the completed translation is exported in multiple formats tailored to the needs of each respective distribution channel, such as EPUB for eBooks and InDesign for print.

People: Specialized frameworks and expertise that power our systems

This powerful technology realizes its full potential only when it is supported by people. After securing the content on which our overseas expansion is premised, we ensure the quality of AI translations through “translation supervision.” By collaborating with translators, we deliver high-quality localization that preserves the nuances of each

work. In addition, the “project management” that keeps all of this moving smoothly is made possible by the expertise and organizational frameworks we have built over many years in the eBook Distribution business. Our ability to leverage not only technology but also “human” capabilities, expertise, and organizational frameworks is the source of MEDIA DO’s distinctiveness.



We achieve rapid multilingual translation by combining technology and people



Having reached our 30th anniversary through a journey in which we cherished Japanese content and, by taking charge of domestic distribution, earned the trust of many content holders, I, as a director, am entrusted, under the philosophy “MORE CONTENT FOR MORE PEOPLE!”, with leading the next phase in which MEDIA DO will further expand the global readership of Japanese content.

Media Do International (MD-i), our overseas hub, will be indispensable in fulfilling this responsibility. Within MD-i, the Firebrand Group (Quality Solutions/NetGalley) provides a publishing ERP platform used by over 300 publishers in Europe and North America, including the Big Five publishers, which together account for about 80% of the U.S. publishing market, and a marketing tool with a global customer network of approximately 600,000

influencers, librarians, and booksellers, etc. Through these offerings, it has built a long track record of supporting the publishing supply chain across Europe and North America, and it maintains strong, trust-based relationships and well-established distribution channels across the U.S. publishing industry. Our Group’s overseas strategy is grounded in leveraging the MD-i group platform to develop international markets in partnership with Japanese content holders.

By taking on the worldwide distribution of print books as well, MEDIA DO, which has up until now been responsible for eBook distribution, will now contribute to the publishing industry with a seamlessly integrated print-and-digital approach. Through this strategy, MEDIA DO aims to be recognized worldwide as Japan’s leading content distributor and to further extend the deep trust it enjoys within the publishing industry. I will devote the entirety of the experience and expertise I have gained since my days working at a publishing house, where I was engaged, however modestly, in the safeguarding of print books and bookstores, to decisively drive MEDIA DO’s next step forward.

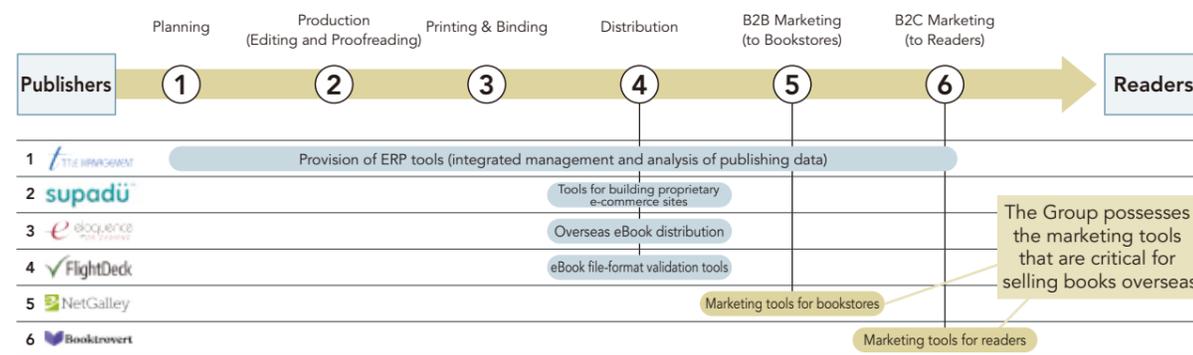
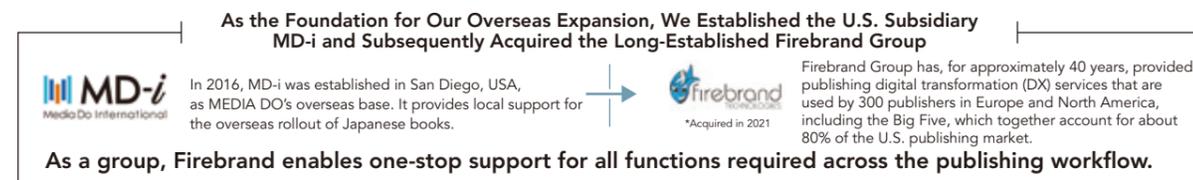
Koichi Sekiya

Director
 Media Do International Director

Media Do's Overseas Group Company Network to Overcome the "Distribution Barrier"

The distribution of the high-quality translated content produced by MDTS to readers around the world requires the clearing of one final hurdle, the "distribution barrier." As a foothold for overseas expansion, in 2016 we established Media Do International, Inc. in San Diego, USA. Then in 2021, in order to integrate deeply into the supply chain of the overseas publishing industry, we made Firebrand Group, a long-established provider of enterprise resource planning (ERP) systems for the publishing industry, a subsidiary. Firebrand

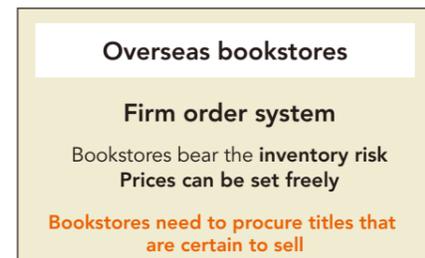
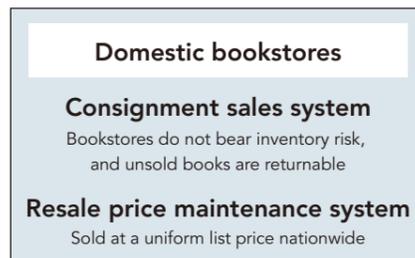
offers a broad suite of solutions covering the entire publishing value chain, including "Title Management," a tool for the integrated management of book publishing operations, as well as "Eloquence on Demand" and "FlightDeck," which handle eBook distribution and file management. Within this comprehensive business platform, the two marketing-focused tools that are particularly key to overcoming the "distribution barrier" are "NetGalley" and "Booktrovert."



Business practices overseas differ from those in Japan: Inventory risk and pricing

There are decisive differences between book distribution in Japan and overseas in two areas; these are "inventory risk" and "pricing." In Japan, under the "consignment sales system," bookstores do not bear inventory risk, and products are sold at a uniform list price nationwide under the "resale price maintenance system." By contrast, overseas the "firm order system" is mainstream, and in some countries retailers

are free to set prices. For overseas bookstores, which must shoulder risk while also competing on price, procurement becomes an extremely important management decision. Therefore, in order to gain conviction that "this book will certainly sell," it is essential to have an understanding of the work's content and its objective reputation before release. For Japanese content, the absence of an efficient means to provide this "content" and "reputation" has been a major factor impeding overseas expansion.



Having an understanding of a book's **content** and **reputation** is crucial

NetGalley, the No. 1 Marketing Solution for Publishers and Bookstores That Provides Pre-Release Content and Early Reviews

The No. 1 solution by U.S. market share that addresses this challenge is NetGalley. It digitally distributes advance reader copies (digital galleys) to a community of approximately 600,000 professional readers, including booksellers, librarians, and book reviewers. The pre-publication reviews they post

serve as an objective indicator of reputation and have a major impact on bookstores' purchasing decisions. NetGalley mitigates the risks inherent in the firm-order model and is an essential solution for putting Japanese books on the shelves of overseas bookstores.



Booktrovert: Influencer Marketing That Captures New Trends in an Era When Social Media Creates Bestsellers

In recent years, influencer marketing originating on social media, exemplified by "BookTok" on TikTok, which boosts sales through word of mouth, has had a tremendous impact on book sales. To capture this trend, Firebrand developed "Booktrovert," an influencer marketing tool. Through this platform, publishers can deliver titles to influencers and run promotional campaigns. There have been cases where a book that had not sold for more than ten years after publication became a bestseller triggered by a single video, making this an extremely powerful way to drive "discovery" among the

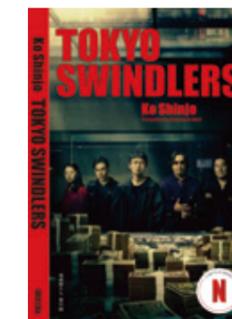
readers of the modern day. While NetGalley supports purchasing decisions by industry professionals on the B2B side, Booktrovert reaches consumers directly on the B2C side through social media. Sales opportunities for translated titles are maximized through these two solutions working in tandem. From "translation and production" by MDTS to "sales promotion" by Firebrand, this integrated, end-to-end ecosystem is MEDIA DO's solution for supporting the overseas rollout of Japanese content.

Examples of Overseas Rollout Support

Leveraging our networks across the publishing industry in Japan and overseas, MEDIA DO has long provided comprehensive support for overseas expansion and has carried out numerous such initiatives to date. Recognized for our network and expertise, MEDIA DO has become a trusted partner to leading companies across the industry.

Translation and publication support: Shueisha's "Tokyo Swindlers"

We provided end-to-end support, from translation to cross-media adaptations, for Shueisha's "Tokyo Swindlers," whose drama adaptation ranked No. 1 for six consecutive weeks on Netflix's weekly Top 10 in Japan and made the Top 10 in 30 countries worldwide.



Operational support for overseas eBook retailers: NTT DOCOMO's "MANGA MIRAI"

We provided distribution and translation support for 780 titles and more than 11,000 volumes (at launch) of manga for NTT DOCOMO's North America-focused eBook retailer "MANGA MIRAI," which was launched in March 2025.



Partner Stories



An Irreplaceable Relationship of Trust as We Collaborate to Expand Content Distribution and Advance Cultural Development in Japan and Overseas

We have been among the pioneers in the pursuit of the digital distribution of comics and books since the feature phone era. Today, we distribute eBooks, including comics, text-based works, photo books, and magazines, to nearly 70 eBook retailers and services, and we also operate our own digital manga distribution services such as Shonen Jump Plus, Manga Mee, and Yang Jump Plus. Our business with MEDIA DO dates back to 2012, when we began distribution to SoftBank Mobile. Our collaboration has gradually expanded, and roughly half of our eBook distribution now passes through MEDIA DO. Many aspects of our business expansion have been made possible thanks to MEDIA DO, and it has become an indispensable partner for us.

It is not easy for publishers to build their own eBook distribution systems. Each eBook retailer operates with its own systems and specifications, spanning from content delivery procedures through to sales data management. In recent years, distribution formats have diversified, with "early releases," "episode-based distribution," and "vertical scrolling

Takuro Ando

Shueisha Inc.
Executive Director

comics," as well as store-specific promotional campaigns, becoming more common. MEDIA DO centrally manages these complex distribution processes and enables publishers to deploy content to each eBook retailer on a store-by-store basis, thereby streamlining and accelerating operations.

In addition, MEDIA DO's employees are highly skilled and, working as a team, provide meticulous support. As a result, even when the points of contact on both sides change, the quality of the work remains consistent, and we can entrust our business to them with confidence.

Our close communication with MEDIA DO has been a powerful driving force behind our business expansion. Another reason we trust them is that they handle each engagement with a keen understanding of our specific circumstances, drawing on the experience that we have built together over our

many years as partners. Most recently, we have engaged them to develop systems to address various challenges in our distribution operations, and we have been consistently impressed by their swift, meticulous execution.

As the domestic digital publishing market approaches maturity, we are also focusing on overseas expansion. We expect our collaboration with the MEDIA DO Group, which has extensive expertise in overseas publishing, to become increasingly important. In particular, for our first project to publish English translations in-house rather than licensing out the rights, namely for the English-language editions of "Love Like the Falling Petals" and "Tokyo Swindlers," both of which have been adapted into Netflix productions, MEDIA DO provided comprehensive, end-to-end support, all the way from arranging translators.

Going forward, we will continue to work together on a wide range of initiatives, including anti-piracy measures, enhancing security on the provider side, and promoting broader public literacy in terms of digital content rights. Looking ahead, we aim to jointly build the framework that will be required in order to run real-time campaigns tied to current events and news, collaborating across a broad spectrum that extends from market data analysis through to system development.

Lastly, "Fujita-ism," which is rooted in President and CEO Fujita's character and decisive action, has permeated the organization and has also fostered unwavering respect for and trust in MEDIA DO. I am struck by the sheer energy with which he mobilizes many people, combining creativity with execution, as seen in initiatives such as the professional basketball club TOKUSHIMA GAMBAROUS in Tokushima Prefecture. President and CEO Fujita often says, "If local communities do not thrive, Japan cannot thrive," and I genuinely believe that he is right. Through MEDIA DO's initiatives, I sincerely look forward to a future in which regions come together, become more vibrant, and Japan's economy and culture are energized.



A Desire to Connect People and Entertainment to Create an "Exciting World" Together

Guided by our corporate philosophy of "creating a new world of communications culture," we operate businesses that "connect" value across a broad range of fields, starting with telecommunications and, in recent years, expanding into finance, payments, and entertainment. In the entertainment field, we build partnerships with rights holders and deliver high-quality content to customers through a variety of services. In March of this year, in a four-company collaboration that included MEDIA DO, we launched MANGA MIRAI, an eComic distribution service for the U.S. market that offers over 780 Japanese manga titles, and we are pursuing a shared ambition to bring Japanese content to audiences around the world.

We aim to contribute to the formation of a more prosperous society by "connecting" people with one another and with the world of entertainment. From the i-mode era of feature phones to today's smartphone age, MEDIA DO has supported us for many years, and since the dawn of eBooks we have been moving forward together as MEDIA DO has proposed new value-

Saori Miyahara

NTT DOCOMO, INC.
Executive Officer
Consumer Services Company
General Manager, Content Service Department

creation mechanisms, including system solutions.

As a central player in digital content distribution, MEDIA DO's greatest strength is the depth of the trust that it enjoys with publishers. It does far more than act as broker between rights holders and eBook retailers. Its drive to optimize the distribution process, together with a proven track record of tackling issues sincerely and with respect for works and their authors, has, I believe, fostered that trust. Furthermore, in launching "MANGA MIRAI," there were many occasions that demanded tough negotiations, such as in the coordination of global publishing rights and the navigation of differences in business practices between the two countries, but MEDIA DO has approached each challenge

head-on, overcoming obstacles one by one and turning our vision into reality.

An open, communicative culture and a robust team structure are also among MEDIA DO's strengths. No matter how deep an individual's expertise may be, without mechanisms to integrate those strengths organically, they cannot support the complex processes of digital content distribution. Projects span multiple layers, shaping the overall framework, operational task management, and coordination among stakeholders, and in our engagements with MEDIA DO, we have seen information at each layer shared thoroughly across the organization. It is clear that the team works in concert, which gives us great confidence. Because they can engage openly as professionals and address matters through close, ongoing dialogue, I take this as evidence that such a culture is being consistently upheld across the company.

Without a strong partner like MEDIA DO, we would face higher barriers in the advancement of our initiatives in the content field, and we would not be able to move forward at the necessary speed. We believe the opportunities to deliver content and stories created in Japan to audiences worldwide will further expand as the times change. Accordingly, we look forward to deepening our collaboration with MEDIA DO in even more multifaceted ways.

As a platform that continually responds to diversifying customer needs, NTT DOCOMO will continue to deliver a diverse array of content and the best possible experiences to as many customers as possible. Going forward, together with MEDIA DO, we will remain committed to realizing an "exciting world" by delivering to our customers the joy and surprise that lie beyond value creation.

Sustainability Creation



The "I" symbolizes the diverse sustainability creations that our SC business delivers to society. Using the concept colors of our corporate logo, the design embodies individuals thinking, creating, and taking action, and a world, which is our source of wisdom and the place of new beginnings, connected as one across the sky and sea.

Objective of "Commercializing" the SC Business

Since its founding, the Group has consistently created businesses a step or two ahead of the times, built strong, trust-based relationships with stakeholders through sincere engagement with local communities, and achieved corporate growth. Local communities are home to numerous values and assets rooted in Japan's unique culture and history, which are

world-class resources that remain largely untapped.

The "SC business," newly carved out under the Group's new Medium-Term Management Plan announced in April 2025, aims to surface and develop these opportunities into a robust, revenue-generating "business" that can scale across Japan and the entire world.

Material Issues: "Empowerment of Communities" and the SC Business

The Group works with local communities to continually strengthen its ability to create new value and address social issues, so that it remains trusted by all stakeholders, develops businesses that are suited to the times, and is still needed 100 years from now. The Group positions this as **one of its material issues under the title of the "Empowerment of communities."**

We regard engagement with local communities as being essential to medium- to long-term growth across both financial and non-financial dimensions. We position the financial dimension that contributes to enhancing corporate value as the "SC business" and the non-financial dimension as the "Empowerment of communities."

From 1996: The Start of Co-Creation with the Local Community

Since our founding, the Company has grown by leveraging Kito Yuzu, which is an emblem of President and CEO Fujita's hometown of the former Kito Village in Tokushima Prefecture (Kito District, Naka Town), his family, and his personal character, to quickly establish trust with stakeholders. Kito Yuzu is a vital

asset of the village. About 70 years ago, Fujita's father and uncle protected the village and, through varietal improvements, made stable nationwide distribution possible. Thanks to its rich aroma and acidity, it has been hailed as "the world's best yuzu."

1996

Fujita founded the company that later became MEDIA DO. He began sending Kito Yuzu to clients along with letters sharing updates about his hometown and family, conveying his own humanity and helping to build the trust that is needed for long-term business relationships.

2007

Opened the MEDIA DO Kito Operations Office in the Kito district of Naka Town, Tokushima Prefecture.

2013

Established MEDIA DO TECH TOKUSHIMA Co., Ltd. in Tokushima City as the operations hub for eBook distribution, creating approximately 100 jobs in the region.

Global Expansion of Kito Yuzu

At the Coupe du Monde de la Pâtisserie, the world's premier pastry competition held in France every two years, the Japanese national team, which used Kito Yuzu produced by "OGON no mura Co., Ltd.," a company operated by Fujita in Tokushima Prefecture, won the championship twice, in 2023 and 2025. Kito Yuzu has gained worldwide recognition, and OGON no mura is expanding its trade globally.



From 2020: Deepening Our Collaborations with Local Communities

Since 2020, the MEDIA DO Group's collaborations with local communities have steadily broadened into new areas, including support for entrepreneurs, professional sports, and education. As cases emerge of companies engaged in regional revitalization raising funds of 6.0 billion yen and 1.0

billion yen, global attention to attractive regional assets is mounting. Against this backdrop, both the value of our non-financial contributions to the "sustainability" of local communities and the financial potential to develop these initiatives into "businesses" continue to grow.

2020: TOKUSHIMA INNOVATION BASE ASSOCIATION (TIB)



Building a framework for collaboration among key institutions where regional challenges converge



In a five-party collaboration with Tokushima's leading media (Tokushima Shimbun and Shikoku Broadcasting), financial institutions (Awa Bank and Tokushima Taisho Bank), and our Company, we established the TOKUSHIMA INNOVATION BASE ASSOCIATION (TIB), a General Incorporated Association, as a hub for local entrepreneurs to elevate their ambitions and to grow. As of the end of July 2025, total membership stood at 375. We have deepened collaboration with government and educational institutions, building a framework for cooperation among the principal organizations where regional challenges converge. As "Innovation Base (IB)" organizations modeled on TIB have spread to a total of 24 prefectures across Japan, several companies, including ourselves, came together to establish "xIB JAPAN," a General Incorporated Association, to support IBs across Japan. The total membership of IBs nationwide has surpassed 1,300.

2022: TOKUSHIMA GAMBAROUS



In 2022, we established an operating company with joint investment from 23 companies with ties to Tokushima Prefecture. We hold 68% of the voting rights. The men's professional basketball club "TOKUSHIMA GAMBAROUS" entered the B3 League in the 2023-24 season.

In the 2024-25 season, the club's second year in the league, it achieved profitability and recorded an average home attendance of 1,558.

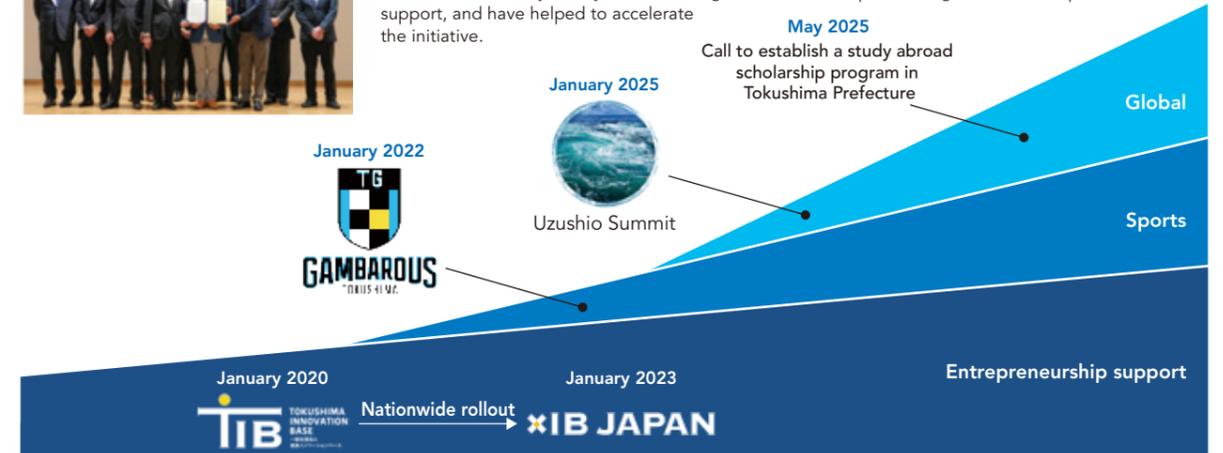
Under "B.LEAGUE REVOLUTION," provisional approval has been granted for entry into "B.LEAGUE ONE," the league that will become equivalent to the current B2, beginning with the 2026-27 season. In Tokushima Prefecture, initiatives to build a 5,000 to 10,000-seat arena are also progressing.

2025: Tokushima Prefecture's Davos-style "Uzushio Summit" held; Tokushima's Version of Tobitate! (Leap for Tomorrow) Study Abroad Initiative established.



Co-hosted by our Company, Tokushima Prefecture, Awa Bank, and Tokushima Taisho Bank, the "Uzushio Summit in Tokushima," a Davos-style conference, was held for the first time in January 2025 to discuss "the spirit of Japan from a global perspective." A total of 147 participants from Japan and overseas, with expertise across diverse fields, participated and reaffirmed the value of the "assets" held by local and regional communities.

Spurred by this summit, momentum is building to establish the Tokushima Version of Tobitate! (Leap for Tomorrow) Study Abroad Initiative, a non-repayable study-abroad scholarship program that provides young people who will lead Tokushima's future with opportunities to study abroad and gain global exposure. At our Company's initiative, and together with nine core regional companies with ties to Tokushima, we submitted a formal request to Tokushima Prefecture (Governor Masazumi Gotoda) to establish the program in May 2025. The related budget proposal was approved by the Tokushima Prefectural Assembly in July, and as of August 2025, 13 companies (target: 15) have expressed their support, and have helped to accelerate the initiative.



Rediscovering the Essence of Human Relationships by Saying “Thank You” to One Another

—How companies engaging with their local communities makes a difference—

Yasushi Fujita

President and CEO

Nobuhiko Horie

Coamix Inc.
President and CEO

In April 2025, we at MEDIA DO unveiled our new SC business. We have done business with Coamix Inc. since 2007, and they are a publisher that undertakes initiatives in Kumamoto Prefecture, such as nurturing manga artist talent in the area. In this conversation between the President and CEO of Coamix Inc., Nobuhiko Horie, and our own President and CEO, Yasushi Fujita, the two discussed the essence of “the impact of companies engaging with local communities” that they have discovered through getting involved in these corporate engagement initiatives.

Nobuhiko Horie, President and CEO of Coamix Inc., was born in Kumamoto City in 1955. He joined Shueisha Inc. in 1979. As an editor at *Weekly Shonen Jump*, he worked with Tetsuo Hara, Tsukasa Hojo, and other popular artists to produce many hit titles, including *Fist of the North Star* and *City Hunter*. In 1993, he became the magazine's fifth editor-in-chief and achieved an all-time record circulation of 6.53 million copies. After leaving Shueisha in 2000, he co-founded Coamix with Tetsuo Hara, Tsukasa Hojo, Ryuji Tsugihara, among others, and launched *Weekly Comic Bunch*, followed by *Monthly Comic Zenon* in 2010. He served as editor-in-chief of the former until 2004 and of the latter until 2013. In 2020, he founded the all-female 096k Kumamoto Opera Company. That same year, he established Artist Village Aso 096k in the town of Takamori in Kumamoto Prefecture, where aspiring young manga artists from Japan and abroad gather to hone their skills. In 2023, he established Japan's first public high school ‘Manga Department’ at Kumamoto Prefectural Takamori High School. In partnership with the school, he is also committed to cultivating manga talent at the high school level. He is also active as an original story writer for manga.

How the Manga Department Has Inspired Changes in the Community and Among the Youth

Fujita: Kumamoto Prefectural Takamori High School—where Coamix has been involved with its Manga Department since 2023—was once under-enrolled and even at risk of closure. For the 2025 admissions cycle, however, I've come to hear that the Manga Department recorded an applicant-per-seat ratio of 4.18. Why did you choose to establish the Manga Department at Takamori High School?

Horie: The hit titles that underpin the publishing industry do not simply happen by chance. Many of the manga artists behind such hits honed their talents in high school and went on to grow rapidly. I personally felt a strong sense of urgency that the industry must nurture the next generation, which led me to want to broaden the possibilities out there for high school students. Kumamoto Prefecture is my home prefecture, and, owing to our ties there—we have been pursuing various initiatives in Kumamoto Prefecture since 2017, the year after the Kumamoto Earthquake—the Manga Department initiative was launched with support from the town of Takamori, where we established a facility to nurture manga artists, as well as the then-Governor of Kumamoto Prefecture and the Kumamoto Prefectural Board of Education.

We are grateful that young people aspiring to become manga artists, both within and outside Kumamoto Prefecture, are taking notice. At Takamori High School, not only do they enroll in the Manga Department; some choose the general course and join the Manga Club to hone their skills. Seeing this impact, Kumamoto Prefecture has also provided support, including funding for the construction of a new school building.



Fujita: The fact that enrollment has surged, turning a school once on the brink of closure into one so vibrant that it is building a new school building, is astonishing. This is exactly the kind of value that companies can create by

expanding into regional areas and partnering with local governments. What impact are you seeing on the high school students who have enrolled?

Horie: Because the high school is located away from urban centers, many students live in dormitories with like-minded peers who share the same aspirations as them. This creates an environment where, they spur each other on each day, and they progress at an astonishing pace. It is reminiscent of the days when assistants gathered at manga artists' studios to learn. In addition, through part-time jobs in the community and exchanges such as cooking meals with elderly residents at the community center and drawing their portraits, the area—which until then had very few young people—has rapidly become brighter and more vibrant.

At Takamori High School, we are seeing positive impacts on students' lives that extend far beyond technical manga skills—for example, students who once were shy gradually become outgoing as they spend their days among friends. One parent expressed that “even if my child never becomes a manga artist, the three years they spent at Takamori High School will be a lifelong treasure.” This has only strengthened my resolve to continue doing what truly benefits these students.

Human Relationships Where People Say “Thank You” to One Another

Horie: One thing I became even more aware of through this initiative is that in the countryside people say “thank you” far more often. Mutual help and gratitude are part of everyday, fundamental human relationships. In cities—where nearly everything is at your fingertips and you can buy “convenience” with money—it is easy to assume you can live on your own. But that overlooks the fact that our lives are made possible by the efforts of others.

Fujita: I feel the same way. That is why I decided that my daughter, born last year, should be raised in an environment where people express gratitude to one another, and she now attends a preschool in my hometown—what was formerly known as Kito Village in Tokushima Prefecture (now the Kito district of the town of Naka), which has a population of 900 people—where I was born and raised. By having her live in a rural area that many would consider

inconvenient, I hope she will develop a richer, more deeply human sensibility.

One source of my strength is the presence of the elders in my hometown community. While most people would naturally be fully occupied with their own lives and families, they always look out for me and even send me vegetables they've grown in the village. When I eat those vegetables and think of them, I genuinely feel I am drawing strength from their presence.



Horie: No one goes through life without being supported by others. The same holds true when creating manga: valuing interpersonal relationships brings depth to the characterization and backstory of each supporting character, and to the story as a whole. Consideration for others—standing in other peoples' shoes and valuing harmony—is a vital cultural asset that we as Japanese must never forget. I hope young people will build close ties with their peers and with people in their communities, and cultivate rich sensibilities.

If, as a result—however far in the future—they are moved to give back to the publishing industry and to society, and even to pursue a career at our company, that would be all the more gratifying. Even as we hope for such positive ripple effects, we must continue these efforts for the generations who will shape the future.

Fujita: Whether in creating manga or in business, if you aim to produce something truly good, it is difficult to do without ‘humanity’—the human quality of valuing relationships.

While both Coamix and MEDIA DO are headquartered in Tokyo, it is precisely because we have thrived in such an urban environment that, by going into regional areas and engaging in business there, we can experience first-hand the essential, rich human relationships rooted in those communities, create value together with local residents, and help revitalize their regions. That is what Coamix's initiatives are a shining example.



Yasushi Fujita
President and CEO

Takehisa Fukunaga
The Awa Bank, Ltd.
President and Representative Director

Toyohiko Bando
Tokushima Taisho Bank, Ltd.
President and Representative Director

How Two Leading Regional Banks in Tokushima Prefecture View “The Changes Media Do Has Brought to the Region” and “The SC Business”

Awa Bank and Tokushima Taisho Bank have collaborated with us on the initiatives that make up our “SC business,” including TOKUSHIMA INNOVATION BASE (TIB), which supports entrepreneurs, and the professional sports team TOKUSHIMA GAMBAROUS. We invited the presidents and representative directors of these two leading regional financial institutions in Tokushima, Mr. Takehisa Fukunaga of Awa Bank and Mr. Toyohiko Bando of Tokushima Taisho Bank, for a three-way roundtable discussion with our CEO Fujita, to discuss the impact that MEDIA DO has had on the region and to hear their candid views on the “SC business.”

The Role of “Bringing Others Together” That MEDIA DO Has Brought to Tokushima Prefecture

Fukunaga: I have long been familiar with MEDIA DO, and I have felt the passion and foresight that President and CEO Fujita has brought both to the yuzu-focused business in his hometown of Kito and to MEDIA DO’s own business expansion. Since we launched TIB together in 2020, these initiatives have spread throughout Tokushima and across Japan. The launch of TOKUSHIMA GAMBAROUS also gained major momentum when MEDIA DO assumed the management role, and I have sensed a breakthrough capability and an entrepreneurial spirit across many areas. At the outset, we never imagined that we would become so deeply involved in these initiatives.

Bando: President and CEO Fujita has a profound love for his hometown and a strong commitment to giving back to the local community, and MEDIA DO has the power to mobilize the entire region. We and The Awa Bank share the aspiration of contributing to the development of Tokushima’s regional economy, yet we



are also competitors. When MEDIA DO steps in as an intermediary, we find ourselves positively engaged in tackling regional challenges with a “Let’s work on this together” mindset. By serving as a harmonizing force for cooperation that brings people together across traditional boundaries, something which is unprecedented, MEDIA DO is driving significant change across the region.

Fujita: Revitalizing Tokushima and making it better is not something I can accomplish on my own, so I am convinced we must work hand in hand with the people of Tokushima and tackle this together. At the same time, once we devise and present various initiatives and ask for, and receive, your support, if we lack unwavering resolve, we will neither be able to make those efforts succeed nor deepen the trust between us. With that in mind, I have put forward proposals with an unwavering resolve to see them through.

Why the “SC Business” Has Been Positioned as a “Business”

Fukunaga: While MEDIA DO’s core business is eBook distribution, the Company has devoted considerable effort to contributing to local communities through initiatives such as TIB and the TOKUSHIMA GAMBAROUS. I had viewed these as being akin to CSR activities, so I was surprised that these region-focused initiatives were carved out as a distinct business, named the SC business. Now that these initiatives have been positioned as a business, shareholders will naturally focus on whether or not the SC business can steadily expand earnings and achieve growth.

Bando: Exactly. From a profitability standpoint, I have also tended to view MEDIA DO’s initiatives in professional sports and entrepreneurship support as not structurally conducive to generating profits, and have regarded them more from a CSR perspective. It is necessary for MEDIA DO, as a listed company, to communicate to shareholders and investors both the significance of launching these as a “business” and its commitment to making them profitable. I also sense it may still be a little early to position such initiatives as a business.

Fujita: We launched the SC business because, through initiatives such as TIB and the “Uzushio Summit” that we had set up together with both banks, we became convinced of the immense latent potential in regional and local communities. While global business expansion tends to



be driven from urban centers like Tokyo, I believe the regions still possess many powerful assets that have yet to be leveraged on a global scale. For example, OGON no Mura Co., Ltd., which I personally oversee, engages in the production, processing, and sale of Kito Yuzu. In recent years, Kito Yuzu has attracted worldwide attention, and the business has experienced explosive growth.

Across Japan’s regions, many companies operate businesses that are unique to their locales, and many are steeped in tradition. Yet because adapting to a rapidly changing business environment is difficult, many such businesses have been unable to make a significant leap forward. Now is the time for entrepreneurs from these regions, who have proven themselves in big cities like Tokyo, to recognize the value in their home regions and to elevate that value into new business models, thereby expanding the potential of these businesses.

MEDIA DO has been pursuing business initiatives in local communities since 2020, and I personally have been engaged in such efforts since 2013. With that preparation period behind us, I have concluded that now is precisely the time to launch them as our SC business and to pursue them in earnest. We firmly believe in the potential of regional assets. While we have not yet disclosed the specific scale of the business, we are confident that by leveraging MEDIA DO’s 30 years of management experience and steadily executing a range of concrete measures, we will be able to deliver profit growth.

A Message About Profitability; Without Losing Sight of Our Love for the Community

Bando: Thank you. President Fujita’s resolve is most welcome and heartening for us as a financial institution in Tokushima. Taking an approach different from the initiatives pursued in the region over the past few years, we hope that you will continue to put forward, with conviction, the message that “contributing to the community can be a viable, profit-generating business,” and to deliver on such message steadily. We hope that, while anchored in the relationship of trust

between us and MEDIA DO and in Tokushima Prefecture, the SC business will steadily create value nationwide and remain sustainable over the long term. As a financial institution, we would also welcome the opportunity to pursue “co-creation” by taking the lead in supporting it and engaging proactively.

Fukunaga: As President and CEO Fujita has said, if we can leverage our management capabilities to steadily build a track record of generating earnings through a business rooted in a region like Tokushima, which is struggling with population decline, those efforts will garner greater attention. Stakeholders’ views of MEDIA DO will also change. Our bank is eager to work with MEDIA DO proactively, and it will undoubtedly be a positive for Tokushima as well.

Business practices that disregard people, and profits earned by ignoring the environment, are not valued. Now that MEDIA DO has reached the 30th anniversary of its founding, it goes without saying that we hope it will continue to achieve sustainable corporate growth. At the same time, we hope it will never lose its love and passion for Tokushima. As a regional financial institution working to help realize a sustainable local community for Tokushima’s future, we regard MEDIA DO as a highly dependable partner in that endeavor.



Fujita: Financial institutions do not just review a wide range of data and financial statements, they have the discernment to assess the humanity of management and the corporate history that a company has built over time. I consider it a major asset that, together with such community-based financial institutions, and with the media, government, and others, we have developed, and will continue to develop, many shared success stories and a common language through our past and future initiatives.

We sincerely appreciate your taking the time to learn about our SC business, which acts as a catalyst to unlock the region’s latent assets, and we are grateful for your understanding. With the goal of exceeding expectations, we look forward to collaborating with both banks on a range of initiatives as an SC business that is committed to sustainable growth.