

Future growth driven by eyewear products utilizing retinal projection technology

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For inquiries concerning the report, please contact info@stock-r.org

[6613 QD Laser Sector : Electric Appliances]

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Mar. 2019	960	44.7	-976	-	-996	-	-1,040	-	-850.8	-4,914.5	0.0
Mar. 2020	756	-21.3	-1,207	-	-1,225	-	-1,240	-	-72.2	68.8	0.0
Mar. 2021 f	974	28.7	-688	-	-740	-	-904	-	-33.9	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending March 2021 are the company's forecasts.
It conducted 1-to-20 stock split on August 20, 2019. Per share indices are adjusted retroactively.

Tech Venture with High Laser Diode Technology

QD Laser, launched in 2006 as a spin-off venture of Fujitsu Laboratories, develops, manufactures and sells products utilizing laser technologies. Laser is a principle to emit an artificial light with electromagnetic waves amplified in resonators or a light that is emitted using this principle. Lasers are classified into several types in accordance with the medium that emits the laser beam, and QD Laser handles laser diodes as its business field.

QD Laser conducts the laser device business, which manufactures and sells laser diode products, and the laser eyewear business, which develops eyewear products utilizing the world's first retinal projection technology.

The company has been disclosing its business results since the fiscal year ended March 2016, but with the increasing trend of the investment burden of the laser eyewear business, its ordinary loss is on an increasing trend.

Laser Device Business

For the laser device business, the company conducts manufacturing and sales of laser diode products as well as accepting entrustment of research and development of basic technologies from research institutes and light source development for new applications from manufacturers. The laser device business accounts for 95.7% of the net sales for the first half of the fiscal year ending March 2021, and most of the net sales are from manufacturing and sales of laser diode products.

Laser Eyewear Business

The laser eyewear business, which accounts for 4.3% of the net sales for the first half of the fiscal year ending March 2021, conducts product development and manufacturing of eyewear type displays utilizing retinal projection technology using a laser (retinal scanning type laser eyewear).

Retinal scanning type laser eyewear is a product that directly projects images from ultrasmall laser projectors built into the eyewear frame to the retina and enables the wearer to view images and digital information. As it enables the wearer to view these without requiring the wearer's eyesight or ability to adjust focus, it is used as visual aid equipment for people with bad eyesight or some people with social blindness.

Financial Statements

Statement of income	Fiscal Year	Mar. 2019		Mar. 2020		Six months to Sep. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		960	100.0	756	100.0	339	100.0
Cost of sales		373	38.9	551	72.9	246	72.7
Gross profit		587	61.1	204	27.1	92	27.3
Selling, general and administrative expenses		1,563	162.7	1,412	186.6	485	142.8
Operating profit		-976	-101.6	-1,207	-159.6	-392	-115.4
Non-operating income		3	-	10	-	0	-
Non-operating expenses		23	-	29	-	28	-
Ordinary profit		-996	-103.7	-1,225	-162.0	-419	-123.5
Profit before income taxes		-1,045	-108.8	-1,236	-163.5	-581	-171.0
Net profit		-1,040	-108.3	-1,240	-163.9	-581	-171.1

Balance sheet	Fiscal Year	Mar. 2019		Mar. 2020		Six months to Sep. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		2,563	85.5	2,404	82.4	1,816	85.1
Cash and deposits		1,722	57.4	1,464	50.2	834	39.1
Accounts receivable-trade		307	10.3	197	6.8	148	7.0
Inventories		429	14.3	601	20.6	765	35.9
Non-current assets		435	14.5	515	17.6	316	14.9
Property, plant and equipment		387	12.9	467	16.0	278	13.0
Intangible assets		23	0.8	21	0.8	12	0.6
Investments and other assets		24	0.8	25	0.9	25	1.2
Total assets		2,999	100.0	2,919	100.0	2,133	100.0
Current liabilities		790	26.4	750	25.7	678	31.8
Accounts payable-trade		163	5.5	195	6.7	176	8.3
Non-current liabilities		77	2.6	438	15.0	306	14.4
Net assets		2,130	71.0	1,729	59.2	1,147	53.8
Owners' equity		2,130	71.0	1,729	59.2	1,147	53.8

Statement of cash flows	Fiscal Year	Mar. 2019	Mar. 2020	Six months to Sep. 2020
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		-1,184	-1,208	-529
Depreciation		110	119	47
Cash flows from investing activities		-112	-204	-33
Cash flows from financing activities		2,897	1,161	-50
Dividends paid		-	-	-
Net increase in cash and cash equivalents		1,600	-258	-629
Cash and cash equivalents		1,722	1,464	834

Note: Non-consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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