

Fabrica Communications (4193-TSE Mothers) ----- April 13, 2021**Aims for further growth through increasing system sales bases and expansion of SMS transmission use**

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

[4193 Fabrica Communications Sector : Information & Communication]

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	3,017	-	180	-	155	-	109	-	56.3	103.2	0.0
Mar. 2020	3,903	29.4	346	1.9x	340	2.2x	113	3.7	56.8	169.6	0.0
Mar. 2021 f	4,670	19.7	578	67.1	553	62.6	345	3.1x	166.4	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending March 2021 are the company's forecasts.
It conducted 1-to-200 stock split on December 7, 2020. Per share indices are adjusted retroactively.

Used Car Sales Operation Support Systems and SMS Transmissions are Main Lines of Business

Fabrica Communications Group is comprised of Fabrica Communications, which develops business in the automotive aftermarket centering on cloud services supporting used car sales operations, and media4u, its subsidiary that operates an SMS transmission platform.

The business segment of the group is classified into the U-Car solution group, SMS solution group, internet service group, and auto service group (Figure 1).

Figure 1: Sales Breakdown

	Fiscal year ended Mar. 2020		Nine months to Dec. 2020	
	Net sales (million yen)	Composition (%)	Net sales (million yen)	Composition (%)
U-Car solution group	855	21.9	728	20.9
SMS solution group	1,668	42.7	1,785	51.2
Internet service group	250	6.4	170	4.9
Auto service group	1,128	28.9	804	23.1
Total	3,903	100.0	3,488	100.0

Note: Figures may not add up to the totals due to rounding.

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

U-Car Solution Group

In the U-Car solution group, the company operates "symphony," a cloud service supporting used car sales operations. The "symphony" system is a combination of a used car sales management system and advertisement posting platform, and is a one-stop SaaS providing services related to used car sales for used car dealers, including procurement of used cars, issuance of invoices and quotations, management of customers and posting advertisements on multiple used car search sites.

SMS Solution Group

The main business of the SMS solution group is media SMS of the SMS transmission services that has corporations as customers and is operated by its subsidiary media4u.

Auto Service Group

The auto service group, provides repair services of vehicles damaged in accidents, rental of substitute vehicles during repairs, wrecker services, etc. based on requests from non-life insurance companies. These are provided in the three Tokai prefectures of Aichi, Gifu and Mie. In addition, it provides motor vehicle inspections and maintenance, new and used car sales services, etc.

Fabrica Communications (4193-TSE Mothers) ----- April 13,2021**Figure 2: Financial Statements**

Statement of income	Fiscal Year	Mar. 2019		Mar. 2020		Nine months to Dec. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		3,017	100.0	3,903	100.0	3,488	100.0
Cost of sales		1,315	43.6	1,784	45.7	1,589	45.6
Gross profit		1,702	56.4	2,118	54.3	1,899	54.4
Selling, general and administrative expenses		1,521	50.4	1,771	45.4	1,449	41.5
Operating profit		180	6.0	346	8.9	450	12.9
Non-operating income		14	-	27	-	10	-
Non-operating expenses		39	-	33	-	7	-
Ordinary profit		155	5.1	340	8.7	452	13.0
Profit before income taxes		155	5.1	266	6.8	452	13.0
Net profit		109	3.6	113	2.9	293	8.4

Balance sheet	Fiscal Year	Mar. 2019		Mar. 2020		Nine months to Dec. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		713	53.6	1,134	65.3	1,427	69.9
Cash and deposits		347	26.1	690	39.7	936	45.8
Accounts receivable-trade		295	22.2	345	19.9	404	19.8
Inventories		49	3.7	56	3.2	26	1.3
Non-current assets		613	46.1	598	34.4	612	30.0
Property, plant and equipment		250	18.8	291	16.8	303	14.8
Intangible assets		195	14.7	150	8.6	149	7.3
Investments and other assets		167	12.6	157	9.0	159	7.8
Total assets		1,329	100.0	1,737	100.0	2,042	100.0
Current liabilities		576	43.3	788	45.4	907	44.4
Accounts payable-trade		125	9.4	165	9.5	198	9.7
Short-term borrowings		-	-	-	-	50	2.4
Current portion of bonds payable		30	2.3	70	4.0	70	3.4
Current portion of long-term borrowings		147	11.1	163	9.4	133	6.5
Non-current liabilities		534	40.2	596	34.3	489	23.9
Bonds payable		95	7.1	215	12.4	170	8.3
Long-term borrowings		401	30.2	331	19.1	273	13.4
Net assets		218	16.4	351	20.2	645	31.6
Owners' equity		199	15.0	351	20.2	645	31.6

Statement of cash flows	Fiscal Year	Mar. 2019	Mar. 2020
		(mn yen)	(mn yen)
Cash flows from operating activities		193	392
Depreciation		81	83
Cash flows from investing activities		-80	-142
Cash flows from financing activities		-92	93
Dividends paid		-	-
Net increase in cash and cash equivalents		20	343
Cash and cash equivalents		319	663

Note: Consolidated basis.

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

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