

Operator of a platform for distributing content centering on mail magazines

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【 4059 Magmag Sector : Information & Communication 】

Fiscal Year		Net sales	YoY	Operating profit	YoY	Ordinary profit	YoY	Profit	YoY	EPS	BPS	DPS
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(yen)	(yen)	(yen)
Sep.2019		713	14.2	205	13.1	206	13.5	146	-24.2	66.4	349.9	0.0
Sep.2020		683	-4.3	145	-29.0	126	-38.4	92	-36.7	41.8	460.5	0.0
Sep.2021	CE	700	2.6	130	-10.1	130	3.2	90	-2.6	32.7	-	7.0
Sep.2021	E	700	2.6	146	0.7	146	15.1	97	4.9	35.0	481.0	7.0
Sep.2022	E	770	10.0	184	26.0	184	26.0	123	26.8	44.4	518.5	7.0
Sep.2023	E	835	8.4	214	16.3	214	16.3	143	16.3	51.6	562.9	7.0

Note: CE(company expectations),E(Stock Research Center expectations)

It conducted 1-to-20 stock split on June 17, 2020. Per share indices are adjusted retroactively.

Source: The Stock Research Center

1. Corporate Overview

Magmag is engaged in the platform business in which it operates a mail magazine distribution platform, the media advertisement business in which it operates web media, and the other business in which it conducts event planning, etc.

During the six months to March 2021, the platform business accounted for 52.5% of net sales, the media advertisement business accounted for 47.2% and the other business accounted for 0.3%.

2. Financial Analysis

In the fiscal year ending September 2021, the company expects a 2.6% year-on-year increase in net sales to 700 million yen and a 10.1% year-on-year decrease in operating profit to 130 million yen. While it expects a slight increase in revenue due to the steady increase in number of paying members, the company expects a decrease in operating profit due to an increase in labor costs.

3. Non-Financial Analysis

The source of the company's intellectual capital is considered to be in expertise in operation of the mail magazine distribution platform that it accumulated since its business launch and its large number of creators as well as mail magazine memberships.

4. Corporate Strategy Analysis

As for issues that should be addressed, the company needs to adapt to the evolution in digital technologies, secure personnel with high expertise, enhance its training system, etc.

The company intends to aim for sustainable expansion of its business size by enhancing functions of its livestreaming service platform in the platform business and expand the content of existing media in the media advertisement business.

5. Analyst Evaluation

The Stock Research Center considers that, by enhancing acquisition of creators through further enriching its support structure and increasing its number of sales and marketing personnel, the number of registered memberships and fee-based mail magazine subscribers will increase, which will lead to expansion of the business size of the company.

The Stock Research Center expects that profit in the fiscal year ending September 2021 will surpass the company's forecast and that increases in revenue and profit will continue thereafter.

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