

Providing digital marketing solutions to local businesses

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[9258 CS-C Sector : Services]

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)
Sep. 2020	1,947	-13.1	19	-84.3	63	-49.6	18	-75.2	3.7	93.9	0.0
Sep. 2021	1,907	-2.0	165	8.5x	168	2.7x	118	6.5x	23.6	117.5	0.0
Sep. 2022 f	2,376	24.5	310	87.6	310	84.2	166	41.3	28.0	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending September 2022 are the company's forecasts.
It conducted 1-to-500 stock split on September 1, 2021. Per share indices are adjusted retroactively.

Deliver Solutions in the Digital Marketing Domain

CS-C provides solutions in the digital marketing domain for customers who operate local businesses. Local business refers to store-type businesses that serve communities, with typical examples being restaurants, barber shops, and beauty salons. These local businesses face challenges such as lack of human resources and knowledge required to promote digital transformation in addition to being an industry with fierce competition and low productivity. CS-C offers two types of solutions for such businesses: industry-specific consulting, and SaaS-type integrated marketing tools.

The company divides its net sales into three categories: hands-on-type consulting service C+; SaaS-type integrated marketing tool C-mo, and advertising operation agency service Digital Advertising. The proportion of CS-C's sales accounted for by C-mo has grown year by year (37.5% in the fiscal year ended September 2021), while the proportion accounted for by Digital Advertising has been on the decline (15.3%).

C+

C+ is a hands-on-type consulting service that conducts digital marketing activities on behalf of its customers. The company's consultants directly oversee the PDCA cycle, from the formulation and actual implementation of online promotion measures, the evaluation of measures to the identification of improvement measures.

C-mo

C-mo is a SaaS-type integrated marketing tool that enables the digital transformation of retail marketing. CS-C developed the tool independently by leveraging the marketing knowledge, expertise, and big data it has accumulated through its C+ consulting service. The company serves all functions required to assess needs, optimize sales promotion tools, acquire new customers, and strengthen customer loyalty in a one-stop manner.

Digital Advertising

Digital Advertising is a service that conducts advertising operation agency functions for platforms such as Google Ads, Yahoo! Ads, Facebook Ads, and LINE Ads.

Financial Statements

Statement of income	Fiscal Year	Sep.2019		Sep.2020		Sep. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		2,240	100.0	1,947	100.0	1,907	100.0
Cost of sales		1,507	67.3	1,268	65.1	972	51.0
Gross profit		732	32.7	679	34.9	935	49.0
Selling, general and administrative expenses		608	27.2	659	33.9	769	40.3
Operating profit		123	5.5	19	1.0	165	8.7
Non-operating income		1	-	44	-	3	-
Non-operating expenses		0	-	0	-	0	-
Ordinary profit		125	5.6	63	3.2	168	8.8
Profit before income taxes		102	4.6	34	1.7	168	8.8
Net profit		73	3.3	18	0.9	118	6.2

Balance sheet	Fiscal Year	Sep.2019		Sep.2020		Sep. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		524	65.9	542	62.8	685	65.8
Cash and deposits		320	40.2	350	40.6	483	46.4
Accounts receivable-trade		141	17.8	122	14.2	161	15.5
Inventories		0	0.0	0	0.0	0	0.0
Non-current assets		271	34.1	321	37.2	356	34.2
Property, plant and equipment		33	4.2	32	3.7	29	2.8
Intangible assets		75	9.5	132	15.4	169	16.3
Investments and other assets		163	20.5	156	18.1	157	15.1
Total assets		795	100.0	863	100.0	1,041	100.0
Current liabilities		343	43.1	358	41.5	427	41.1
Accounts payable - trade		96	12.1	30	3.6	25	2.5
Current portion of long-term borrowings		-	-	9	1.2	9	1.0
Non-current liabilities		-	-	35	4.1	25	2.4
Long-term borrowings		-	-	35	4.1	25	2.4
Net assets		452	56.9	470	54.5	588	56.5
Owners' equity		451	56.7	469	54.3	287	56.4

Statement of cash flows	Fiscal Year	Sep.2019	Sep.2020	Sep. 2021
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		53	79	221
Depreciation		7	24	40
Cash flows from investing activities		-121	-93	-78
Cash flows from financing activities		1	45	-9
Dividends paid		-	-	-
Net increase in cash and cash equivalents		-67	30	132
Cash and cash equivalents		320	350	483

Note:Non-consolidated basis.

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

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