

Provides marketing support services from the standpoint of consumers

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【4196 NEO MARKETING 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. 2020		1,427	26.1	173	8.5x	173	8.8x	116	14.5x	50.2	95.5	0.0
Sep. 2021		1,829	28.1	303	74.8	286	65.0	206	76.6	88.8	325.6	0.0
Sep. 2022	CE	2,200	20.3	350	15.3	350	22.2	237	15.0	94.9	-	0.0
Sep. 2022	E	2,245	22.7	360	18.8	360	25.9	241	17.0	95.9	413.1	0.0
Sep. 2023	E	2,670	18.9	438	21.7	438	21.7	293	21.6	116.6	529.7	0.0
Sep. 2024	E	3,156	18.2	530	21.0	530	21.0	355	21.2	141.3	671.0	0.0

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

1. Corporate Overview

NEO MARKETING Group is engaged in the marketing support business, with its key clients being manufacturers of food products, consumer goods and others.

The services offered are categorized as insight-driven, which are based on qualitative research of customers, and customer-driven, which are based on quantitative research, as well as digital marketing, customer success, PR and more. Customer-driven and insight-driven services account for about 70% of total net sales.

2. Financial Analysis

The establishment of a system to provide a total range of services resulted in a significant increase in revenue and profit in fiscal year ended September 2020. In fiscal year ended September 2021, an increase in the number of client companies and a rise in the unit price per company drove increases in revenue and operating profit of 28.1% and 74.8%, respectively.

For fiscal year ending September 2022, NEO MARKETING plans a 20.3% year-on-year increase in revenue and a 15.3% increase in operating profit.

3. Non-Financial Analysis

The source of the company's intellectual capital is the know-how that it has accumulated in the marketing domain since the launch of its business, as well as organizational capital such as experienced marketing consultants.

4. Corporate Strategy Analysis

Issues the company needs to address include providing services that respond to technological innovations in a timely manner and enhancing its name recognition.

The company has indicated that it intends to increase the number of client companies by hiring more marketing consultants and opening new regional offices, thereby bolstering its performance.

5. Analyst Evaluation

We believe that it is possible for NEO MARKETING to promote acquisition of client companies by increasing the number of marketing consultants to aggressively approach prospective clients and by fortifying regional development through the opening of bases.

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