

Provider of comprehensive financial services for households with annual incomes between 3 million yen and 20 million yen

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[7343 Broad-Minded Sector : Insurance]

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)
Mar. 2021		3,281	1.2	384	27.8	423	45.8	282	58.9	61.8	523.0	5.0
Mar. 2022		3,622	10.4	491	27.7	513	21.2	327	15.8	61.9	590.7	16.0
Mar. 2023	CE	4,053	11.9	527	7.3	524	2.1	344	5.1	65.3	-	18.0
Mar. 2023	E	4,123	13.8	552	12.5	548	6.7	358	9.5	67.4	638.1	18.0
Mar. 2024	E	4,428	7.4	607	10.0	606	10.6	397	10.9	74.8	695.1	21.0
Mar. 2025	E	4,768	7.7	694	14.3	693	14.3	454	14.3	85.5	759.7	25.0

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

1. Corporate Overview

Broad-Minded provides financial services, primarily life insurance, to households in their 20s to 40s with annual household incomes of between 3 million yen and 20 million yen.

2. Financial Analysis

The company's business performance was on a gradual upward trend through fiscal year ended March 2018. In fiscal year ended March 2019, revenue and profits increased significantly, driven by the surge in last-minute demand for life insurance prior to tax reform and changes in insurance companies' fee structures. From fiscal year ended March 2020 onward, the mainstay life insurance agency business grew moderately in spite of the pandemic, but performance fluctuated widely depending on the volume of real estate sales. Compared with companies whose services and businesses most closely resemble those of Broad-Minded, the company's operating profit margin was higher but its return on assets, an indicator of how efficiently assets are utilized, fell below those of similar companies.

3. Non-Financial Analysis

The source of Broad-Minded's intellectual capital is its team of consultants who are the foundation of a system that is profitable even when targeting clients with household incomes ranging primarily from 3 million yen to 20 million yen. The company's accumulation of know-how has enabled it to grow the number of successful experiences by consultants, creating a virtuous cycle that leads to improved quality and a further increase in consultants.

4. Corporate Strategy Analysis

Issues that need to be addressed include heightening awareness of the company's services, securing and training human resources and digitizing the service to enhance productivity and expand into new areas.

In its three-year management plan through fiscal year ending March 2025, Broad-Minded has set forth a growth strategy based on the sustainable expansion of the financial partner business and expansion into new areas through the digitization of its services.

5. Analyst Evaluation

We highly regard the structure that has been built with consultants as the base for the development of the customer segment with household incomes of between 3 million yen and 20 million yen. Meanwhile, the company's goal of providing comprehensive financial services remains heavily reliant on the life insurance agency business. As the company continues the sustainable growth of the life insurance agency business, we are paying attention to whether other financial products will account for an increased proportion of net sales.

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