

Dental laboratory specializing in providing dental laboratory products for orthodontic treatment

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[9340 ASO INTERNATIONAL 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)
Jun.2021	3,062	-	625	-	628	-	411	-	102.8	325.7	25.7
Jun.2022	3,115	1.7	512	-18.1	518	-17.5	351	-14.6	88.0	388.2	26.3
Jun.2023 f	3,262	4.7	528	3.1	486	-6.2	335	-4.6	75.6	-	21.0

Note: Consolidated basis. Figures for the fiscal year ending June 2023 are the company's forecasts.

It conducted 1-to-100 stock split on July 25, 2022. Per share indices are adjusted retroactively.

Provides Dental Medical Institutions with Dental Laboratory Products for Orthodontic Treatment

ASO INTERNATIONAL is a dental laboratory that provides dental medical institutions with dental laboratory products, such as orthodontic appliances for orthodontic treatments. Since its founding, the company has specialized in the manufacture and sale of orthodontic laboratory products, and has provided more than 100 types of orthodontic laboratory products to over 6,000 dental offices and hospitals for each stage and various methods of orthodontic treatments.

About 90% of net sales in fiscal year ended June 2022 was for orthodontic laboratory products, and the remaining about 10% was for merchandize sales, which are sales of materials for orthodontic laboratory products. Approximately 80% of orthodontic laboratory products is analog products that are handmade by dental technicians based on dental molds, and about 20% is digital products that are produced based on digital data of the oral cavity acquired using an oral cavity scanner and other means.

The overseas sales ratio in fiscal year ended June 2022 was 3.2%, and most of it was sales of orthodontic laboratory products to local dental medical institutions by the subsidiary in Hawaii.

Established Flexible Production System that Responds to High-Mix Production, Demand Fluctuations, Etc.

With regard to the production of orthodontic laboratory products, in addition to its own dental technicians, the company is building a flexible production system that responds to high-mix production and demand fluctuations by utilizing its cooperative partner dental laboratories and a subsidiary in the Philippines.

Promotes Improved Productivity and Profitability through Digitalization of Production

While the number of patients receiving caries treatment is decreasing due to the effect of caries prevention, the number of patients receiving orthodontic treatment is increasing due to the demand for aesthetics and oral cavity health management. On the other hand, the number of dental technicians has not increased and aging is progressing.

The company has been working to improve productivity and profitability by shifting from the conventional handmade production of dental laboratory products by dental technicians to the digitalization of the production process, such as designing with 3D CAD based on the acquisition of oral cavity digital data, production using 3D printers or specialized machines.

ASO INTERNATIONAL (9340 TSE Standard) - - - - - January 6, 2023**Financial Statements**

Statement of income	Fiscal Year	Nov.2020		Nov.2021		Nine months to Aug. 2022	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		949	100.0	1,362	100.0	1,257	100.0
Cost of sales		377	39.7	545	40.0	456	36.3
Gross profit		572	60.3	816	59.9	801	63.7
Selling, general and administrative expenses		1,498	157.9	1,522	111.7	1,247	99.2
Operating profit		-926	-	-706	-	-446	-
Non-operating income		15	-	16	-	13	-
Non-operating expenses		24	-	5	-	25	-
Ordinary profit		-935	-	-695	-	-458	-
Profit before income taxes		-941	-	-715	-	-529	-
Profit attributable to owners of parent		-800	-	-568	-	-436	-

Balance sheet	Fiscal Year	Nov.2021		Nov.2021		Aug. 2022	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		2,780	97.1	2,557	97.8	2,394	98.0
Cash and deposits		2,595	90.7	2,304	88.1	2,241	91.7
Accounts receivable-trade		122	4.3	201	7.7	105	4.3
Prepaid expenses		5	0.0	11	0.4	0	0.0
Non-current assets		82	2.9	57	2.2	50	2.0
Property, plant and equipment		25	0.9	15	0.6	16	0.7
Intangible assets		18	0.6	3	0.1	2	0.1
Investments and other assets		37	1.3	38	1.5	31	1.3
Total assets		2,862	100.0	2,614	100.0	2,444	100.0
Current liabilities		428	15.0	844	32.3	824	33.7
Accounts payable - trade		30	1.0	38	1.5	30	1.2
Short-term borrowings		162	5.7	353	13.5	609	24.9
Current portion of long-term borrowings		11	0.4	246	9.4	2	0.1
Non-current liabilities		446	15.6	500	19.1	792	32.4
Long-term borrowings		446	15.6	500	19.1	792	32.4
Net assets		1,987	69.4	1,269	48.5	827	33.8
Owners' equity		1,565	54.7	996	38.1	549	22.5

Statement of cash flows	Fiscal Year	Nov.2020	Nov.2021	Six months to May 2022
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		-859	-757	-202
Depreciation		15	16	3
Cash flows from investing activities		257	-13	-5
Cash flows from financing activities		290	479	178
Dividends paid		-	-	-
Net increase in cash and cash equivalents		-311	-290	-30
Cash and cash equivalents		2,595	2,304	2,273

Note: Consolidated

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

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