

Leading company in the photo wedding industry

This report is an English translation of part of the report issued on March 3, 2023.
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[7372 Decollte Holdings Corporation 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. 2021	4,592	25.1	871	109.2	735	131.3	574	233.7	102.2	675.0	0.0
Sep. 2022	5,322	15.9	1,377	58.0	1,264	72.0	1,018	77.1	190.2	835.1	0.0
Sep. 2023 CE	6,928	30.2	1,233	-10.4	1,092	-13.7	735	-27.7	144.4	-	0.0
Sep. 2023 E	6,938	30.4	1,271	-7.7	1,137	-10.1	765	-24.9	150.1	985.2	0.0
Sep. 2024 E	8,732	25.9	1,659	30.4	1,525	34.1	1,026	34.1	201.3	1,186.5	0.0
Sep. 2025 E	10,669	22.2	2,156	30.0	2,022	32.6	1,361	32.6	267.0	1,453.5	0.0

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

1. Corporate Overview

Decollte Holdings Corporation is the leading company in the photo wedding industry that has established the market in Japan.

2. Financial Analysis

Revenue continued to increase until fiscal year ended September 2019 due to an increase in number of stores, and profit increase have been recorded except for fiscal year ended September 2018 when there were many store openings and closings. Sales and profit declined in fiscal year ended September 2020 due to the impact of the pandemic, but returned to the level of before the pandemic in fiscal year ended September 2021.

The company's ROE is at a high level. The total asset turnover ratio is below those of other companies because operations are made in-house across the board, but the high profit margin compensates for the low asset turnover ratio and increases ROE.

3. Non-Financial Analysis

The two sources of intellectual capital of the company are the founder who established a photo wedding service and the in-house operations. A virtuous cycle was drawn where the founder's experience was utilized in in-housing of operations, customers increased due to improved service quality and increased number of stores. As a result, the accumulated know-how was utilized for further improvements in operations.

4. Corporate Strategy Analysis

As for issues that should be addressed, the company needs to secure and develop professional human resources, and centralize store operations to increase its number of stores.

The company aims to become a "life photo company" over the medium to long term. As the first step in pioneering the life event field other than the wedding field, the company plans to accelerate the opening of stores to provide anniversary photo services.

5. Analyst Evaluation

We evaluate the foresight of being the first to start a photo wedding service, and operations focusing on in-housing.

We will closely monitor whether the anniversary photo service will become the second pillar of earnings over the medium to long term, and whether the pace of opening stores will accelerate as planned toward that goal.

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