

A members-only online used car dealing service platform for businesses

This report is an English translation of part of the report issued on September 29, 2023.
For inquiries concerning the report, please contact info@stock-r.org

[5589 AUTOSERVER Sector : Information & Communication]

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)
Dec.2021	5,672	2.2	2,227	-	2,224	3.6	1,370	3.5	214.2	1,239.6	62.5
Dec.2022	5,364	-5.4	1,979	-11.1	1,969	-11.5	1,207	-11.9	188.7	1,365.9	55.0
Dec.2023 f	5,200	-3.1	1,807	-8.7	1,804	-8.4	1,116	-7.5	171.6	-	55.0

Note: Non-consolidated basis. Figures for the fiscal year ending December 2023 is the company's forecasts.
It conducted 1:20 stock split on March 3, 2023. Per share indices are adjusted retroactively.

Operating ASNET, an Online Used Car Dealing Platform

AUTOSERVER operates ASNET, a members-only service platform that allows used car dealers to buy and sell used cars on the Internet.

ASNET's main services are its auction agency service and the AS Onepla service, which is an intermediary service for dealers to buy and sell used cars among themselves. Its incidental services include land transportation arrangement service, used car sales support service, customer communication support service, used parts mail order service and car supplies mail order service. AUTOSERVER's seven services are available to ASNET members comprising more than 76,000 business locations of corporations and individual business owners.

The company's net sales are categorized into the auction agency service, the AS Onepla service and others. The auction agency service accounted for 46.5% of net sales in fiscal year ended December 2022, while the AS Onepla services accounted for 46.9% and others accounted for 6.6%.

ASNET

ASNET is the members-only service platform that forms the basis of the company's business and its membership size is steadily increasing. There are no initial fees or deposits, and monthly membership fees are also basically free. Any person satisfying certain membership conditions, such as holding a secondhand goods dealer license, can become an ASNET member. Members include business locations of used car dealerships, new car dealers, maintenance and sheet metal factories, gas stations, exporters and car leasing companies.

ASNET boasts a large number of connected auction venues, an overwhelming membership size of over 76,000, over 10 million used car information posted per year and more than 200,000 vehicles changing hands annually, all of which contribute to a strong platform.

Financial Statements

Statement of income	Fiscal Year	Dec.2021		Dec.2022		Six months to Jun.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		5,672	100.0	5,364	100.0	2,899	100.0
Cost of sales		1,509	26.6	1,448	27.0	858	29.6
Gross profit		4,163	73.4	3,915	73.0	2,040	70.4
Selling, general and administrative expenses		1,935	34.1	1,936	36.1	968	33.4
Operating profit		2,227	39.3	1,979	36.9	1,071	36.9
Non-operating income		14	-	6	-	3	-
Non-operating expenses		17	-	16	-	8	-
Ordinary profit		2,224	39.2	1,969	36.7	1,066	36.8
Profit before income taxes		2,219	39.1	1,971	36.7	1,067	36.8
Net profit		1,370	24.2	1,207	22.5	657	22.7

Balance sheet	Fiscal Year	Dec.2021		Dec.2022		Jun.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		9,257	69.3	10,403	72.7	13,635	78.2
Cash and deposits		8,487	63.6	9,584	67.0	10,992	63.0
Accounts receivable-trade		50	0.4	48	0.3	100	0.6
Inventories		1	0.0	0	0.0	2	0.0
Non-current assets		4,096	30.7	3,908	27.3	3,805	21.8
Property, plant and equipment		288	2.2	341	2.4	347	2.0
Intangible assets		3,704	27.7	3,445	24.1	3,314	19.0
Goodwill		3,426	25.7	3,190	22.3	3,072	17.6
Investments and other assets		103	0.8	121	0.8	142	0.8
Total assets		13,354	100.0	14,312	100.0	17,441	100.0
Current liabilities		5,269	39.5	5,387	37.6	8,193	47.0
Accounts payable - trade		7	0.1	9	0.1	34	0.2
Short-term borrowings		3,200	24.0	3,200	22.4	3,200	18.3
Non-current liabilities		152	1.1	183	1.3	200	1.1
Net assets		7,933	59.4	8,741	61.1	9,046	51.9
Owners' equity		7,933	59.4	8,741	61.1	9,046	51.9

Statement of cash flows	Fiscal Year	Dec.2021	Dec.2022	Six months to Jun.2023
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		1,596	1,692	1,841
Depreciation		95	106	57
Amortization of goodwill		236	236	118
Cash flows from investing activities		-124	-195	-81
Cash flows from financing activities		-384	-400	-352
Dividends paid		-384	-400	-352
Net increase in cash and cash equivalents		1,088	1,097	1,407
Cash and cash equivalents		8,487	9,584	10,992

Note: Non-consolidated

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