

Third revision to FY12/20 full-term guidance

Adds outlook for ordinary profit, net profit and EPS

SUMMARY

- GDO announced the third revision to FY12/20 full-term consolidated guidance at 3pm on 1/28. As can be seen in the lower table, full-term OP was revised up by +27.7%, and guidance was added for ordinary profit, net profit and EPS.
- The reason cited for the revision was better than expected performance from golf as an outdoors leisure activity which avoids the 'three Cs': confined spaces, crowded places and close-contact settings under the pandemic. Strong demand for golf play after restrictions were lifted along with favorable weather boosted performance for mainstay online gear sales, tee time bookings and golf lessons.
- Revised full-term guidance implies double-digit sales growth in the 4Q (upper table), and strong 3Q profits continuing in the 4Q.

FY12/20 Quarterly Consolidated Earnings Trend YoY

[J-GAAP]	FY12/19				FY12/20			
JPY mn, %	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Qe
Sales	7,553	9,175	8,874	8,672	8,071	6,955	8,973	9,671
OP	(147)	410	230	487	43	(488)	643	633
NP	(204)	284	124	155	(45)	(565)	468	393
	YoY							
Sales					6.8	(24.2)	1.1	11.5
OP					TB	TR	179.7	29.9
NP					RS	TR	278.7	153.4

Trend of FY12/20 Consolidated Full-Term Guidance Revisions

[J-GAAP]	Net	YoY	Oper.	YoY	Ord.	YoY	Profit	YoY	EPS	DPS
JPY mn, %	Sales		Profit		Profit		ATOP		(¥)	(¥)
FY12/16 act	19,309	7.0	1,073	29.6	1,089	33.4	611	42.0	34.16	7.00
FY12/17 act	21,574	11.7	1,214	13.1	1,226	12.5	707	15.7	38.73	9.00
FY12/18 act	26,739	23.9	805	(33.7)	823	(32.9)	381	(46.1)	20.84	9.50
FY12/19 act	34,274	28.2	979	21.7	972	18.1	359	(5.8)	19.63	9.50
FY12/20 CE:										
as of 2020.02.12	38,600	12.6	1,100	12.4	1,050	8.0	500	39.4	27.36	9.50
as of 2020.05.13	TBD		TBD		TBD		TBD		TBD	TBD
as of 2020.11.11 [A]	33,500	(2.3)	650	(33.6)	TBD		TBD		TBD	5.50
as of 2021.01.28 [B]	33,670	(1.8)	830	(15.2)	900	(7.4)	250	(30.3)	13.68	5.50
AMT change [B - A]	170		180		—		—		—	—
PCT change (%)	0.5		27.7		—		—		—	—

Note: rounded to the nearest million yen. Profit ATOP = profit attributable to owners of parent.

Earnings Revision



Focus Points:

'Only one' golf specialist online gear retail, course reservations and media platform operator entering a new growth phase on acquiring the world's largest golf lessons operator in the US.

Key Indicators

Share price (1/29)	888
YH (20/11/17)	1,199
YL (20/4/6)	414
10YH (18/6/4)	1,500
10YL (12/10/16)	70.4
Shrs out. (mn shrs)	18.274
Mkt cap (¥ bn)	16.23
EV (¥ bn)	16.70
Shr equity ratio	33.4%
20.12 P/E (CE)	64.9x
20.12 H1 P/B (act)	2.71x
19.12 ROE (act)	5.7%
20.12 DY (CE)	0.62%

1Y stock price chart (weekly)



Source: SPEEDA price data

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