

**p-ban.com Corp. | 3559** TSE Standard

## Full Report

**New services to drive transition to second creation phase**

For some time now, the manufacturing industry has been calling for digital transformation, and the printed circuit board (PCB) ordering platform that p-ban.com Corp. started when it was founded in 2002 has been recognized as an innovative service. After its earnings temporarily declined due to a shortage of electronic components during the Covid-19 pandemic, the company established a new system and introduced new services to overcome that challenge. In line with its new medium-term management plan, the company aims to generate strong growth, which can be called its second creation phase.

**Focus Point**

Leading B2B e-commerce platform provider of printed circuit board (PCB) and EMS online services, with its own unique supply chain, targeting higher penetration with large enterprise customers.

FY	JPY mn, %	Net sales	YoY	Operating profit	YoY	Ordinary profit	YoY	NP	YoY	EPS (JPY)	DPS (JPY)
FY2020/3		2,133	1.2	247	-17.1	232	-22.7	112	-52.5	25	5
FY2021/3		1,989	-6.8	205	-17.0	210	-9.5	143	27.7	32	8
FY2022/3		1,933	-2.8	198	-3.4	199	-5.2	137	-4.2	29	8
FY2023/3		2,015	4.3	183	-7.5	182	-8.5	93	-32.4	20	8
FY2024/3		2,015	0	132	-27.4	132	-27.2	93	0.4	22	8
FY2025/3 CE		2,220	10.1	144	8.6	145	9.6	100	7.6	21	-

Source: Compiled by SIR from the company IR material. Note: Figures may differ from the Company materials due to differences in SIR's financial data processing and the Company TANSHIN reporting standards.

**Summary**

In the PCB industry, where customized design is the norm, the online service that the company started was revolutionary in that it enabled customers to provide detailed instructions online, from design to delivery. At the time, quotations varied depending on whether the industry was in its peak or off season, order volume, and specifications, and there was no transparency in pricing, necessitating in-person negotiations between the manufacturer and the customer. Because of this, the online service the company launched was groundbreaking and became popular in the prototyping and small-lot production areas, where speed and convenience are important. On the other hand, the company's businesses with large and medium-sized companies with high transaction volumes were limited, and it had yet to achieve a breakthrough despite gradually expanding its business with these companies in recent years.

To address this issue, the company launched its EMS service in 2019. In December 2024, the company launched a new automated electronic component procurement service in addition to the related foundation. The company has built a new system (platform) to not only increase user convenience but also capture electronic component cross-sales.

**1H FY2025/3 results reveal the impact of these measures**

The company posted net sales of JPY 1,008 million (up 6.3% YoY) and operating profit of JPY 59 million (up 15.1%), a remarkable recovery from the downward trend in profit over the past two fiscal years. Both net sales and profit increased as a result of human resource investments in sales and engineering fields. Various factors, including increased cross-sales, expanded development and mass production, and new clients with strong purchasing capabilities, contributed to this growth in net sales. There has been an improvement in all the KPIs the company focuses on—large and medium-sized company sales ratio, average order per customer index, and production+assembly use ratio. Management's efforts to address issues that arose during the period when it was difficult to procure parts due to the Covid-19 pandemic have borne fruit, and the results have become evident. However, this has not yet been reflected in the company's share price.

**Key Indicators**

Share price (12/17)	380
YH (24/2/2)	465
YL (24/8/6)	334
10YH (19/12/26)	1,839
10YL (24/2/2)	334
Shrs out. (mn shrs)	4.925
Mkt cap (JPY bn)	1.81
EV (JPY bn, 24/3/31)	0.71
Equity ratio (24/3/31)	80.6%
FY25/3 P/E (CE)	21.0x
24/3 EV/EBITDA	7.8x
FY24/3 P/B (act)	2.1x
FY24/3 ROE (act)	7.35%
FY24/3 DY (CE)	1.74%

**Stock Price Chart 52 Weeks**

Source: Trading view

**Team Coverage**

research@sessapartners.co.jp



### Company overview

p-ban.com provides a B2B one-stop solution platform for the design, manufacture, and assembly of printed circuit boards (PCBs), operating the PCB ordering e-commerce site p-ban.com while maintaining a fables operation by collaborating with factories in Japan and overseas. The B2B platform lowers overhead costs, reducing manpower by using its in-house ordering system. The company provides high-quality products and services at competitive prices and boosts customer satisfaction by offering unique value-add and free user-friendly services, thereby building a repeat customer base and a unique supply chain. As a pioneer, the company has become the de facto standard.

Touting a purpose of “transforming what is normal through ideas and the spirit of inquiry,” the company provides support services related to product development and mass production for manufacturers, and thus tries to contribute to greater productivity for them.



### Providing online one-stop services that extend from design to assembly and from trial production to mass production

Source: Compiled by SIR from the Company IR material

The company’s business model is based on providing a platform while not holding inventory, which is very convenient for clients, but led to problems related to part procurement. Electronic device manufacturers need not only PCBs but also semiconductors and electronic components. The global shortage of electronic components due to the Covid-19 pandemic impacted the company’s PCB business, leading to a fall in both net sales and profit. Therefore, the company is working to address the parts procurement issue and introduce new services peripheral to PCBs that support manufacturers. (See page 6, medium-term management plan, for details)

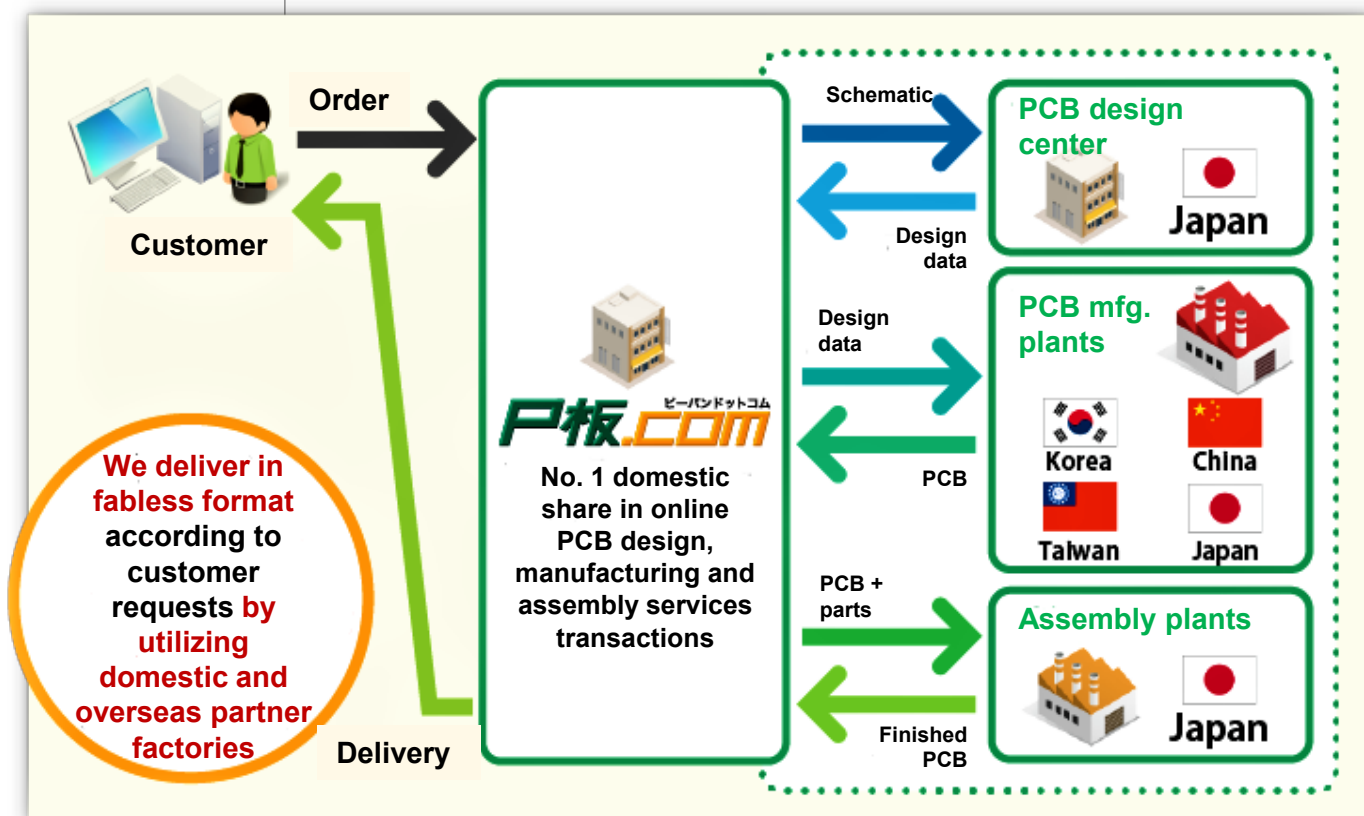
The company has only a single segment, the PCB e-commerce business, but provides the following services.

- **PCB e-commerce service:** online platform for submitting and accepting orders for PCBs
- **EMS business:** service that handles various types of commissioned work for electronic device manufacturers, from assembling electronic components on PCBs to creating housings
- **S-GOK:** service in which the company works with customers on all aspects, from design to production and software development during the new product creation process
- **Automated electronic component procurement service:** service for immediately providing estimates and accepting orders online for components to be assembled on PCBs

**Business Model**

**Leading share in Japan for online PCB design, manufacturing, and assembly services**

According to the company, the biggest bottleneck for emerging electronics development companies is the high initial cost of manufacturing printed circuit boards. p-ban.com has been able to offer zero initial cost deals to customers by panelizing different orders on a single array to efficiently use materials. In addition, another key feature is that it is the first in the industry to introduce the 1-Click Quote system, which instantaneously provides users with a quote and delivery date when they click on their preferred conditions. The partner PCB manufacturing plants ensure thorough quality control through UL certification, ISO9001, and ISO14001-compliant production systems, and periodic self-inspections. Furthermore, the company publishes its own standards in accordance with the industry organization, the Japan Electronics Packaging and Circuits Association (JPCA) and the international standard IPC, on its website. Before manufacturing, specialize staff from p-ban.com and each factory carefully double-check design data to prevent problems, which have garnered positive feedback from customers. In addition, the company has received inquiries from major corporations, government agencies, and renowned universities thanks to its mass production system and ability to handle advanced specifications.



Source: Compiled by SIR from the Company IR material

**p-ban.com Strengths**

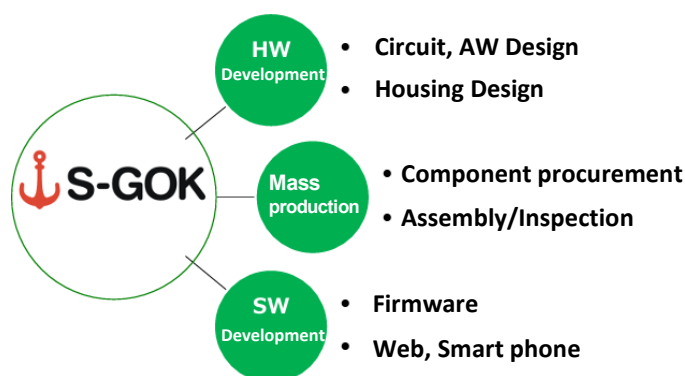
- **Niche Top:** Overwhelming share in venture business prototype printed circuit boards
- **Convenience:** Orders can be placed 24/h, 365 days a year
- **Reliability:** Maintains a 99% on-time delivery rate
- **High quality:** High-quality products and services backed by ISO9001 certification
- **Multiple offerings:** Handles rigid substrates, flexible substrates, metal heat dissipation substrates, harnesses, and housings that can support next-generation 5G/IoT/EV etc.
- **Fables:** Maintains high returns on capital through fables management
- **Customer base:** Transaction experience with 28,000 companies

### Development and mass production support service S-GOK and new service

Launched in December 2019, the EMS business is positioned as the second pillar of the company, and offers synergies by leveraging its own user database consisting of 58,000 engineers in Japan, which was built through the PCB service business. In August 2023, the company rebranded the EMS business as S-GOK, a development and mass production support service, to provide a one-stop system for mass production. This service provides comprehensive support for customer manufacturing, covering hardware development, including electrical circuit design and housing design; mass production manufacturing, including materials procurement, manufacturing, assembly, and inspection; and application development for the internet and smart phones. While the EMS business to date had focused on manufacturing, S-GOK is a service that covers both the hardware and software areas to help customers create products and services.

However, the semiconductor and electronic component shortages that began in 2020 have hampered component procurement, creating a challenging environment for the company, which does not carry inventory. Having previously faced the management issue of reinforcing its parts and materials procurement capabilities, the company introduced an **automated electronic component procurement service**, which is discussed below, to address this issue. In addition, unlike for PCBs, whose target are only customers developing prototypes, this service also targets large and medium-sized companies based on the assumption of mass production. Price is also an important element to being competitive, and the company can provide estimates based on market prices in collaboration with partner companies. In addition, unlike the online marketing capabilities the company developed with its PCB business, it will need to build in-person sales capabilities as well as a sales network. For this reason, the company is also hiring people who are well-versed in the industry and can quickly produce results.

#### Development and mass production support service S-GOK



Source: Compiled by SIR from the company IR briefing materials.

#### Features of S-GOK

- Hardware and software development capabilities
- One-stop outsourcing from prototyping to commercialization and mass production
- Extensive procurement network
- Utilization of global supply chain
- Support for major projects



#### Customer benefits

- Accelerate product commercialization
- Achieve mass production and promote business
- Minimize internal resources
- Single point of contact for purchasing
- Avoid capital investment risk

**Market Environment**

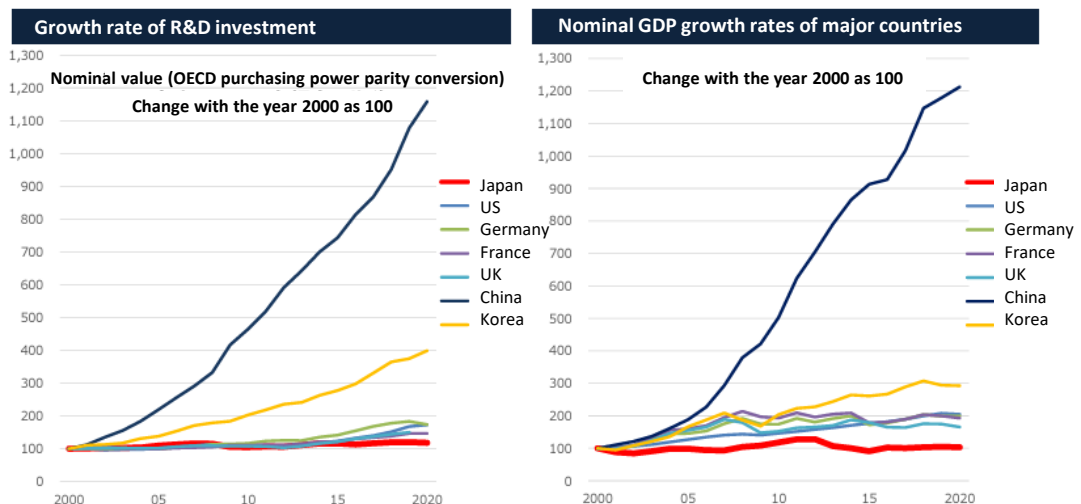
According to Fortune Business Insight, the global PCB market was USD 69,690.00 mn in 2023. The market is forecast to grow from USD 71,570.00 mn in 2024 to USD 113,490.00 by 2032, which translates into a CAGR of 5.9%. The Covid-19 pandemic resulted in a shortage of semiconductors and electronic components between 2020 and 2023, which upset the global supply chains of manufacturers. After that, however, demand for PCBs rose, and the market for PCBs is projected to grow even more over the next several years.

The electronic component market is categorized by application—automotive, household electrics, communication, healthcare, energy and power, and other (military and public good business)—and various applications compatible with innovative technologies, including the spread of 5G networks and generative AI, are being developed throughout the world. Therefore, the market for PCBs and other electronic components is forecast to grow at a stable pace.



Japanese manufactures lost their commanding global presence in the field of electronic components some time ago, which concerns the government. Based on a cabinet decision in March 2021, the Japanese government compiled the 6th Science, Technology, and Innovation Basic Plan, a plan for private-public sector investment in R&D of about JPY 120 tn between 2021 and 2025, as well as introduced a tax incentive system.

Considering the business environment both in Japan and overseas, it is probably inevitable that there will be greater demand for the company’s services that target the whole manufacturing industry, from upstream to downstream companies.



Source: Ministry of Economy, Trade and Industry



## Medium-Term Management Plan

The company's FY2024/3 earnings fell short of forecasts appearing in the medium-term management plan announced in May 2023 and also deviated from earnings forecasts for FY2025/3. Furthermore, the company formulated a new medium-term management plan for the period from FY2026/3 through FY2028/3 as a result of dramatic changes in the environment that it operates in.

The basic plan embodied in the new medium-term management plan is to capture a greater market share for the PCB EC business. To do that, the company has set the following three strategies.

**(1) Leverage EC business strengths and DX**

**(2) Automate electronic component procurement**

**(3) Provide support for the development and mass production of electronic devices**

Each one of these is explained in detail below.

### **Efforts to increase market share—Leveraging EC business strengths and DX**

With a PCB ordering platform, its core business, the company will enlarge its market share by reinforcing DX and increasing customer convenience. The company's services have won high praise from customers in the prototype market, and a distinguishing aspect of this service is its ability to increase convenience and reduce manpower by bringing orders online even for small lot production. Paradoxically, it can be argued that it targets customers who are willing to pay a little bit more for production because they are prototypes. Despite having already aimed to capture large and medium-sized companies assuming mass production in order to increase market share, the company has failed to see use of its service spread among these manufacturers.

The company is trying to use the measures in its new medium-term management plan to capture a greater share of business from large and medium-sized companies by promoting DX.

There are various specifications for mass production orders, which makes it difficult to standardize order operations. It is also necessary to be able to handle the unique business practices of Japanese companies, such as the use of FAXs and paper forms, and the complex business flows that go through trading companies and agents. For trading companies, this is just how it is done. Therefore, the company is working to increase customer convenience by further refining the B2B know-how that it has acquired and standardized operations as much as possible.

### **Automating electronic component procurement service**

Semiconductors and other electronic components are placed on PCBs. The company's electronic component procurement service makes it possible to purchase those electronic components along with the PCBs through its website. The company previously had a similar service, but its support staff handled orders individually as the work was not automated. It was also necessary to check inventory and coordinate prices with part manufacturers, which resulted in it taking time to provide an estimate.

On December 2, 2024, the company announced a business tie-up with CoreStaff Co., Ltd., which operates the largest electronic component mail order site in Japan. This tie-up makes it possible to automate electronic component procurement and purchase components at the market price. While it previously took around 1-3 days to provide an estimate, estimates can now be provided instantaneously through a browser. CoreStaff has an inventory of 110 thousand units, and lists an inventory of about 8 million units that can be ordered online.

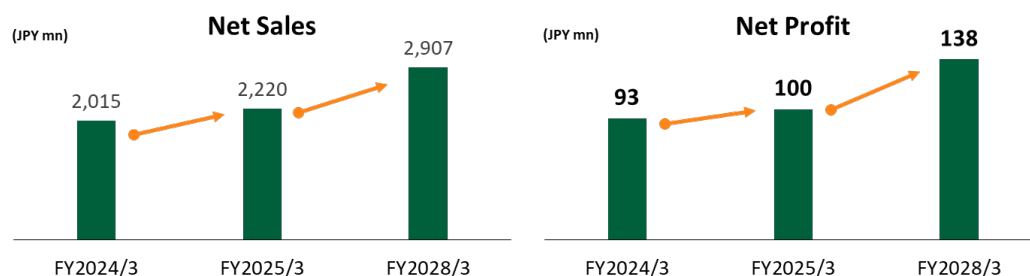
A mere 3% of the company's customers have ordered electronic components from the company, which means the company has failed to capture 97% of demand for electronic components. According to the company, if it can increase the service use ratio to 15%, that would lead to JPY 400 mn in new net sales. This is equivalent to about 20% of the company's current net sales.

### Manufacturing consulting service, electronic device development and mass production support service

In June 2024, the company launched its manufacturing consulting service S-GOK. As already noted on page 4, this service provides extensive support for customers at various stages of the device development process, from upstream to downstream ones. When developing new products, customers themselves must create all elements, from the original idea to specification sheet, and it takes time until an order is received because of necessary preparations due to the large number of inquiries. With S-GOK, the company works with customers and provides support from the idea stage, which increases profitability and likelihood of an order.

The company is aiming for net sales of JPY 2,907 mn and net profit of JPY 138 mn in FY2028/3 through these three measures.

	FY2024/3 Act	FY2025/3 CE	FY2028/3 CE
<b>Net Sales</b>	<b>JPY 2,015 mn</b>	<b>JPY 2,220 mn</b>	<b>JPY 2,907 mn</b>
<b>CAGR</b>	—	<b>10.1%</b>	<b>9.6%</b>
<b>Net Profit</b>	<b>JPY 93 mn</b>	<b>JPY 100 mn</b>	<b>JPY 138 mn</b>
<b>CAGR</b>	—	<b>7.6%</b>	<b>10.3%</b>



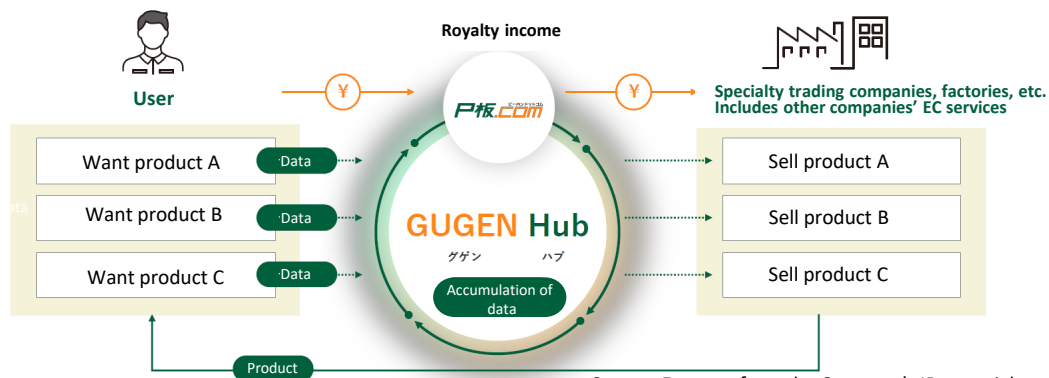
Source: Compiled by SIR from the Company IR material

### Long-term perspective and strategy

As mentioned previously, Japan will strength R&D through public-private sector collaboration, but manufactures, who have experienced geopolitical risk, natural disasters, the pandemic, and other challenges, have become more risk sensitive. Therefore, even for the new product development process, there is a need to build a business system that takes into consideration risk tolerance. In addition, the baby-boom generation is beginning to retire in Japan, and securing human resources is a serious issue in all fields.

Considering this environment that manufacturers face, the company has developed the GUGEN Hub concept to find solutions that contribute to the optimal supply chain and manpower reductions. The idea is to link specialized trading companies, Japan's small manufacturing companies, manufacturers that handle special processing, such as those overseas, and other companies' EC services using the know-how the company has acquired over the years. With data, it is possible to attract users, and if one can attract users, this will create a community, which will promote the development of new products. One can also envision charging a fee for business between third parties based on this. If the company can do so, the platform may become an important way to attract customers to the company's services.

### GUGEN Hub conceptual model



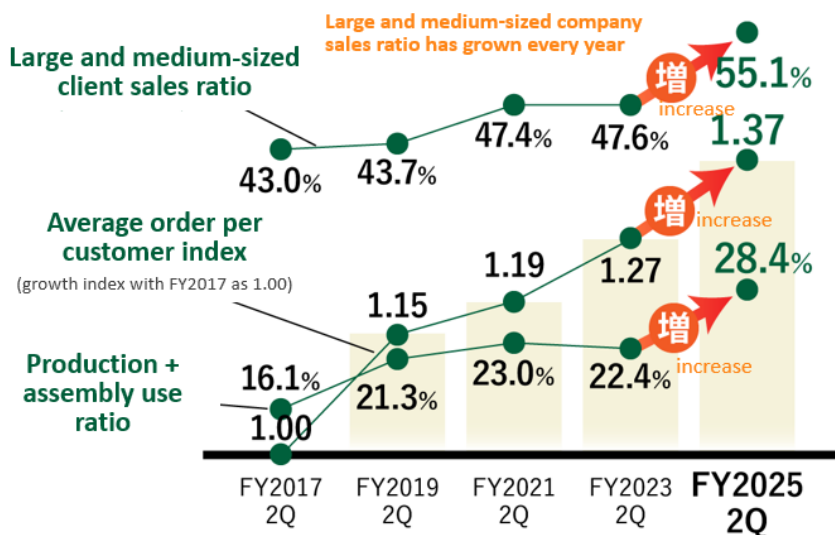
Source: Excerpts from the Company's IR materials

### Q2 FY2024/3 results

Net sales rose 6.3% YoY to JPY 1,008 mn, and operating profit increased 15.1% YoY to JPY 59 mn. This reverses the two-consecutive-year downward trend in profit. The company has completed this round of human resource investments in sales and engineering, which was launched two years ago, and it can be argued that the impact of these investments are visible in the company's net sales and profit. The growth in net sales was driven by cross-sales and the increase in development and mass production; furthermore, gross profit rose 12.3% YoY as the company captured customers with strong sales capabilities.

The company releases information on management KPI—large and medium-sized company sales ratio, average order per customer index, and production+assembly use ratio. Q2 results briefing material reveals that compared to Q2 FY2020/3, when there was a semiconductor shortage, the large and medium-sized company sales ratio rose 11.4 ppt to 55.1%, average order per customer index increased 19.1%, and production+assembly use ratio improved 7.1 ppt to 28.4%.

In addition to reinforcing its human capital in preparation for normalization of the market following the period when it was difficult to procure parts during the Covid-19 pandemic, the company has improved its services, and it can be argued that these efforts are bearing fruit.



Source: Compiled by SIR from the Company IR material

### Company's forecasts for FY2025/3

As of the announcement of Q2 results, the company had not changed its initial forecasts for full-fiscal year earnings. The company has already reached 45% of its net sales forecast, which is normal considering seasonality—both sales and profit are slightly skewed toward 2H.

(JPY mn)	FY24/3 Q2	FY25/3 Q2	YoY %	FY25/3 CE	Progress %
Net sales	949	1,008	6.3	2,220	45.4
Gross profit	317	356	12.3	-	-
SG&A expenses	265	297	12.1	-	-
Operating profit	52	59	13.5	144	41.0
Q2 Net profit	34	41	20.6	100	41.0

Source: Compiled by SIR from the Company's medium-term management plan

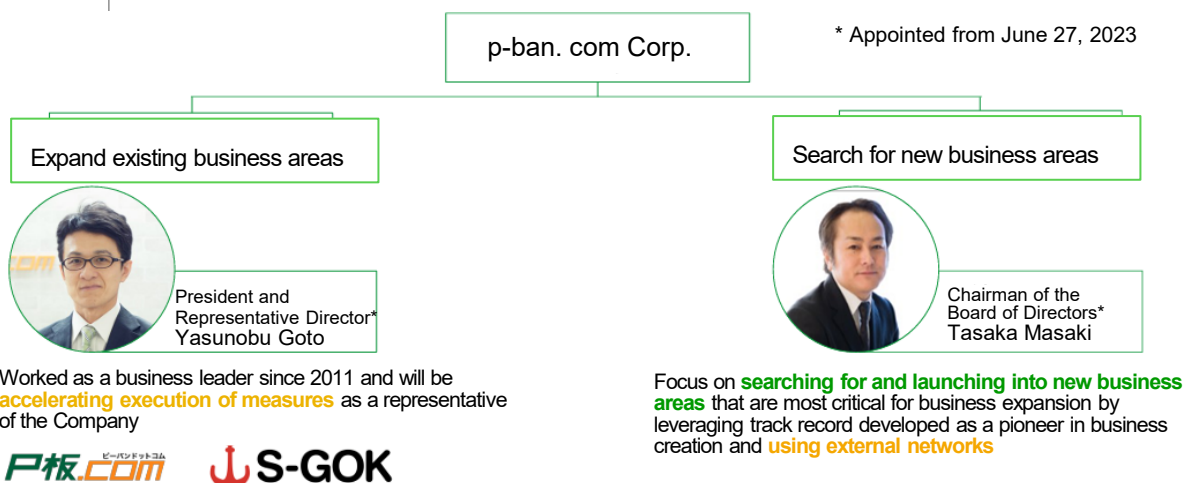
Note: Figures may differ from the Company materials due to differences in SIR's financial data processing and the Company TANSIN reporting standards.



### New management team

At the annual general meeting of shareholders held in late June, the company appointed Mr. Goto, who has been a core member of the company since its pioneering days as COO and General Manager of the Sales Division, as the new President and Representative Director. Mr. Tasaka, the founder of the company, will serve as Chairman of the Board to promote a new stage of growth by leveraging his outside network, including for launching new businesses and forming business partnerships.

<b>New Representative Director</b>	<b>Yasunobu Goto</b>
Date of Birth	Born on February 11, 1977
Description	2004.11 Joined the company
	2011.04 COO (Chief Operating Officer)
	2015.06 Director and COO, Director of Marketing and Sales
	2018.04 Director and COO, General Manager of Sales Division
	2021.06 Director and COO, General Manager of Sales Division and In charge of business divisions
	2023.06 Representative Director of the Company (current position)
Number of shares owned	50,176 shares



### Corporate governance system

The company has a transparent governance structure for a company with 40 officers and employees. Three of the six directors are internal, and half (three) are outside directors who also serve as members of the Audit and Supervisory Committee. The Nomination and Compensation Committee is chaired by an outside director and consists of three outside directors and one internal director. This system enables management decisions to be made without relying solely on the leadership of the founder.

In 2022, the company established its Sustainability Committee, and in 2023, it announced its endorsement of the TCFD recommendations, and disclosed the risks and opportunities based on the framework. Opportunities include contributing to the development of equipment as hardware to address climate change from a manufacturing perspective, and the company has a strong sense of commitment to solving social issues.

### Balance sheet and financial performance

Having a fabless operation, the company does not need to make large capital investments and is therefore debt free. Its equity ratio has always been around 80%, and it expects its ROE to come in at 7.4% in FY24/3, which is about average for the Prime Market. While the company's capital efficiency is better compared to the average equity ratio of about 50% in the manufacturing industry, its ROE currently lags behind that of other e-commerce companies. As a niche leader, it is difficult to make direct comparisons with other companies, not to mention the fact that the company is making upfront investments, but its management has set an ROE target of 12.5% - 15.0% in its medium-term management plan. The company's ROE was 12% in FY21/3, prior to the component supply shortage, and it will not be difficult to achieve this target once the personnel investments run their course and the company reaps the benefits of these investments.

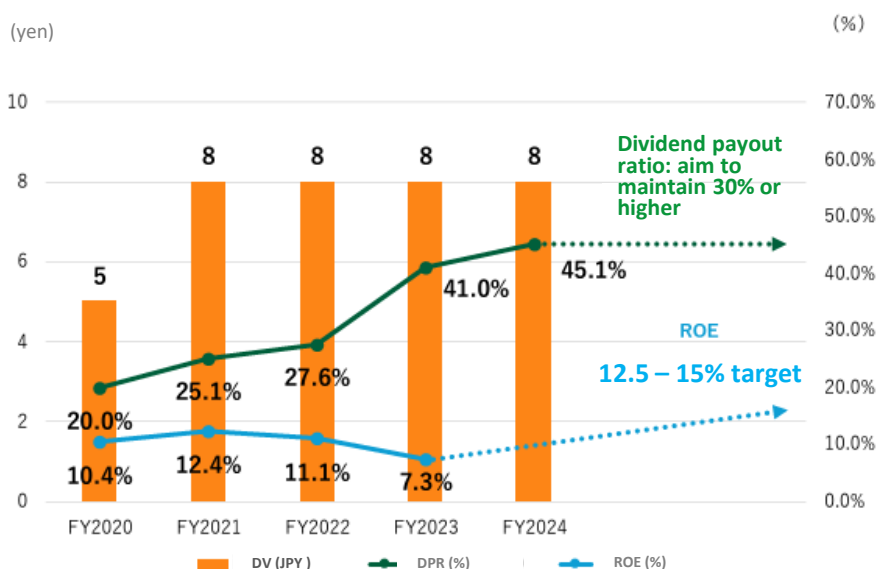
JPY mn,%	FY2019/3	FY2020/3	FY2021/3	FY2022/3	FY2023/3	FY2024/3
Total net sales	2,107	2,133	1,989	1,933	2,015	2,016
Operating profit	298	247	205	198	183	133
OPM	14.1	11.6	10.3	10.2	9.1	6.6
DOE	74.60	77.92	77.42	80.91	80.62	80.07
ROE	25.86	10.40	12.39	11.03	7.35	7.40
Payout ratio	9.3	20.5	26.6	28.5	39.8	39.8
Dividend per share (JPY)	10.00	5.00	8.00	8.00	8.00	8.00

Source: Compiled by SIR from the Company's financial statements

### Shareholder returns

The company's shareholder return policy is to maintain a stable dividend payout ratio of around 30%. In FY23/3, net income fell 32% YoY owing to the reversal of deferred tax assets, but the company maintained its dividend of JPY 8 per share from the previous year, which brought the dividend payout ratio to approximately 41%. The company plans to maintain the same level of DPS in FY25/3 with a payout ratio of 45%.

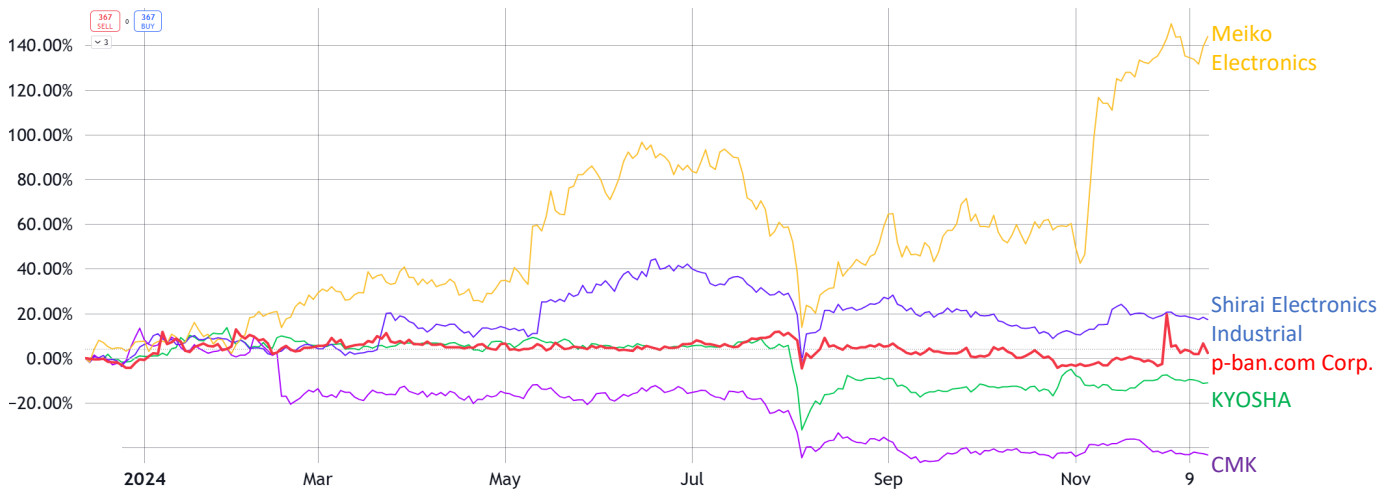
Furthermore, the company does not have manufacturing facilities and its business model tends to accumulate internal reserves, so it has been repurchasing shares in accordance with its circumstances. In FY2023/3, the company repurchased JPY 130 mn shares, exceeding its net income for the year.



Source: Compiled by SIR from the company IR briefing materials.

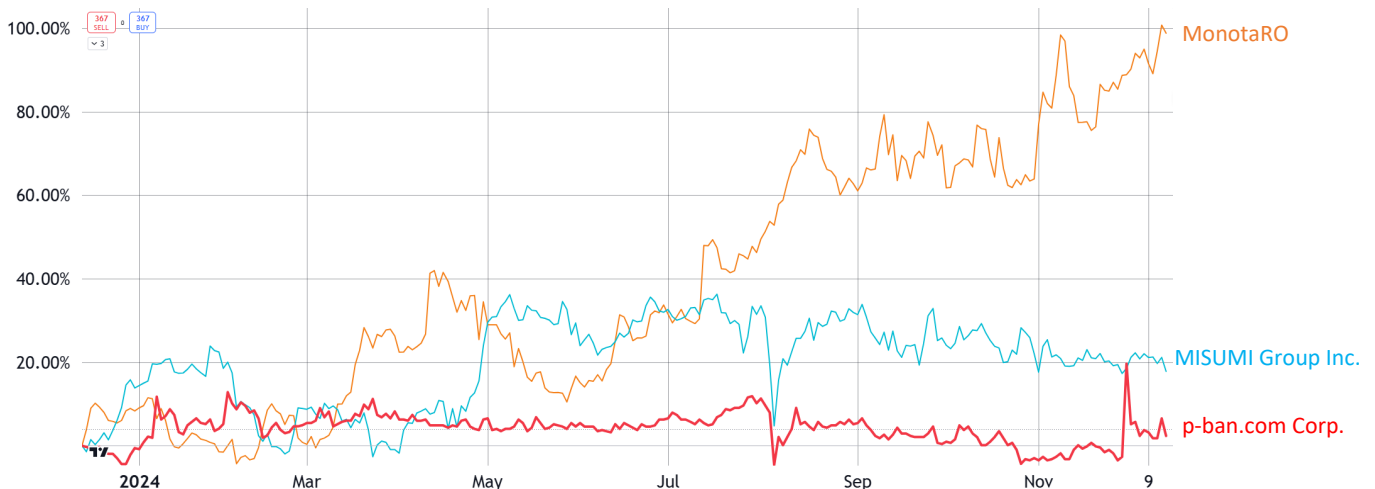
Share Price Insight

It is difficult to identify comparable companies to p-ban.com. Although the company deals in PCBs as its main product line, its business model differs from that of a manufacturer, and thus its earnings trends are different. In addition, its earnings performance does not match the global supply and demand for electronic components, as its main focus is on the small-lot and prototype markets. The chart below shows the comparative share price charts of Meiko, CMK, Shirai Electronics, and Kyosha, which are the four listed PCB manufacturers. While there are major differences between the company and both Meiko, which announced strong earnings this year, and CMK, which conducted a public stock offering, the company has underperformed since last year and saw little change in its earnings, which were flat.



Source: Trading View

Next is a comparison with B2B e-commerce platforms Misumi Group Inc. and MonotaRO. MonotaRO, which posted strong earnings like the PCB manufacturers discussed above, outperformed the market, and MISUMI Group Inc. reported lackluster earnings as its profit trended downward. A similar comparison of performance was included in last year's report. At that time, overseas investors were pouring money into the overall market, primarily based on capitalization, not earnings. This year, the market is simply valuing strong earnings. There is probably substantial room for investors to take another look at p-ban.com if there are early signs that its new services are having a positive impact, such as its 1H results, and there is a greater probability that the company will achieve the targets in its new medium-term management plan.



Source: Trading View

Normally, comparisons based on profitability and financial performance would be preferred, but profit-based comparisons are unlikely to produce meaningful results in evaluating valuations at a time when the company is making upfront growth investments.

Going forward, the company's catalysts will likely include the steady execution of measures related to the EMS business (S-GOK) in line with the medium-term management plan and the results of these measures.

### Productivity and Profitability Indicator of each company

(JPY mn, %)		FY2019	FY2020	FY2021	FY2022	FY2023
<b>PCB makers</b>						
Meiko Electronics 6787	Total net sales	115,479	119,257	151,275	167,276	179,458
	Net sales growth rate	(2.9)	3.3	26.8	10.6	7.3
	Operating profit	5,189	6,657	13,255	9,575	11,660
	OPM	4.5	5.6	8.8	5.7	6.50
	ROE	7.85	12.76	23.16	13.03	12.89
	Sales per capita	9.441	8.692	11.093	14.070	15.065
	Operating profit per capita	0.424	0.485	0.972	0.805	0.979
CMK CORPORATION 6958	Total net sales	82,619	69,967	81,486	83,840	90,568
	Net sales growth rate	(8.4)	(15.3)	16.5	2.9	8.0
	Operating profit	1,601	(1,676)	3,021	2,605	3,529
	OPM	1.9	(2.4)	3.7	3.1	3.9
	ROE	(2.17)	(3.76)	5.53	2.90	6.04
	Sales per capita	17.031	14.106	16.787	18.685	19.775
	Operating profit per capita	0.330	-0.338	0.622	0.581	0.771
Shirai Electronics Industrial 6658	Total net sales	26,135	22,355	29,397	32,864	28,833
	Net sales growth rate	(8.7)	(14.5)	31.5	11.8	(12.3)
	Operating profit	(98)	119	1,558	2,833	2,307
	OPM	(0.4)	0.5	5.3	8.6	8.0
	ROE	(18.67)	(8.91)	42.42	41.94	21.64
	Sales per capita	17.925	17.249	23.294	25.261	23.365
	Operating profit per capita	(0.067)	0.092	1.235	2.178	1.870
KYOSHA 6837	Total net sales	19,022	17,334	21,337	24,462	24,580
	Net sales growth rate	(9.6)	(8.9)	23.1	14.6	0.5
	Operating profit	79	98	478	671	1,080
	OPM	0.4	0.6	2.2	2.7	4.39
	ROE	0.02	(2.12)	4.31	(6.73)	7.81
	Sales per capita	14.943	13.172	15.782	19.081	19.759
	Operating profit per capita	0.062	0.074	0.354	0.523	0.868
<b>p-ban.com Corp. 3559</b>	Total net sales	2,133	1,989	1,933	2,015	2,016
	Net sales growth rate	1.2	-6.8	-2.8	4.2	0.0
	Operating profit	247	205	198	183	133
	OPM	11.6	10.3	10.2	9.1	6.6
	ROE	10.40	12.39	11.03	7.35	7.35
	Sales per capita	88.875	71.036	69.036	69.483	57.600
	Operating profit per capita	10.292	7.321	7.071	6.310	3.800
<b>Industrial B2B platformers</b>						
MISUMI Group 9962	Total net sales	313,337	310,719	366,160	373,151	367,649
	Net sales growth rate	(5.6)	(0.8)	17.8	1.9	(1.5)
	Operating profit	23,640	27,199	52,210	46,615	38,365
	OPM	7.5	8.8	14.3	12.5	10.44
	ROE	7.94	7.72	14.67	11.57	8.53
	Sales per capita	25.815	26.598	30.920	31.612	33.305
	Operating profit per capita	1.948	2.328	4.409	3.949	3.475
MonotaRO 3064	Total net sales	131,463	157,337	189,731	225,970	254,286
	Net sales growth rate	20.0	19.7	20.6	19.1	12.5
	Operating profit	15,839	19,607	24,129	26,213	31,309
	OPM	12.0	12.5	12.7	11.6	12.31
	ROE	32.94	32.82	33.05	28.37	27.51
	Sales per capita	229.830	205.669	190.876	177.231	184.935
	Operating profit per capita	27.691	25.630	24.275	20.559	22.770

Source: Compiled by SIR from SPEEDA data

## Income Statement

FY	2016/03	2017/03	2018/03	2019/03	2020/03	2021/03	2022/03	2023/03	2024/03	2025/03
JPY mn, %	act	act	act	act	act	act	act	act	act	CE
<b>Total Revenue</b>	<b>1,717</b>	<b>1,831</b>	<b>1,995</b>	<b>2,107</b>	<b>2,133</b>	<b>1,989</b>	<b>1,933</b>	<b>2,015</b>	<b>2,016</b>	<b>2,220</b>
Gross Sales	1,717	1,831	1,995	2,107	2,133	1,989	1,933	2,015	2,016	
Total Cost of Sales	1,243	1,231	1,313	1,371	1,409	1,337	1,272	1,347	1,337	
Cost of Sales	1,243	1,231	1,313	1,371	1,409	1,337	1,272	1,347	1,337	
Gross Profit	474	600	682	736	725	652	660	668	679	
Gross Margin	27.6	32.8	34.2	34.9	34.0	32.8	34.1	33.2	33.7	
Selling, General and Administrative Expenses	414	370	396	438	478	447	463	485	546	
<b>Operating Profit</b>	<b>60</b>	<b>230</b>	<b>286</b>	<b>298</b>	<b>247</b>	<b>205</b>	<b>198</b>	<b>183</b>	<b>133</b>	<b>144</b>
Operating Profit Margin	3.5	12.6	14.3	14.1	11.6	10.3	10.2	9.1	6.6	6.5
Non-Operating Income	9	4	5	4	5	5	2	2	3	
Interest and Dividends Income	0	0	0	0	0	0	0	0	0	
Non-Operating Expenses	0	13	0	1	20	0	1	3	4	
Interest Expenses	0	0								
<b>Ordinary Profit</b>	<b>68</b>	<b>221</b>	<b>291</b>	<b>300</b>	<b>232</b>	<b>210</b>	<b>199</b>	<b>182</b>	<b>132</b>	<b>145</b>
Ordinary Profit Margin	4.0	12.1	14.6	14.2	10.9	10.6	10.3	9.0	6.5	6.5
Extraordinary Gains/Losses	27	9	24	37	(63)	(4)		(3)	(3)	
Extraordinary Gain	28	9	24	37	33					
Extraordinary Loss	1		0	0	96	4		3	3	
Pretax Profit	95	229	315	338	169	206	199	179	130	
Pretax Profit Margin	5.5	12.5	15.8	16.0	7.9	10.4	10.3	8.9	6.4	
Income Taxes	34	70	94	101	57	63	62	86	37	
Income Taxes - Current	48	73	97	107	87	64	61	54	35	
Income Taxes - Deferred	(14)	(2)	(3)	(6)	(29)	0	1	33	1	
<b>Net Profit Attribute to parent company shareholders</b>	<b>62</b>	<b>159</b>	<b>221</b>	<b>236</b>	<b>112</b>	<b>143</b>	<b>137</b>	<b>93</b>	<b>93</b>	<b>100</b>
Net Profit Margin (Attribute to parent company shareholders)	3.6	8.7	11.1	11.2	5.3	7.2	7.1	4.6	4.6	4.5
<b>(Others)</b>										
EBIT	95	229	315	338	169	206	199	179	130	
EBITDA	68	239	296	309	261	221	216	203	155	166
EBITDA Margin	4.0	13.1	14.8	14.7	12.2	11.1	11.2	10.1	7.7	7.5
<b>(Detail of Expenses)</b>										
Total Payroll	138	155	169	191	195	213	216	230	261	
Payroll	138	155	169	191	195	213	216	230	261	
Advertising Expenses	35	20	22	23	30	24	29	28	33	
Packing, Transportation and Warehousing	14	15	17	16	16	18	21	24	21	
Depreciation	8	9	10	11	14	16	18	20	22	

Source: Compiled by SIR from SPEEDA data.

## Balance Sheet

JPY mn, %	2016/03	2017/03	2018/03	2019/03	2020/03	2021/03	2022/03	2023/03	2024/03
<b>Total Assets</b>	<b>472</b>	<b>914</b>	<b>1,142</b>	<b>1,378</b>	<b>1,445</b>	<b>1,528</b>	<b>1,608</b>	<b>1,527</b>	<b>1,610</b>
Current Assets	418	852	1,078	1,195	1,299	1,377	1,420	1,360	1,378
Cash Equivalents And Short-term Investments	182	593	791	817	988	1,008	1,153	1,052	1,077
Cash & Cash Equivalents	182	593	791	817	988	1,008	1,153	1,052	1,077
Accounts Receivables	209	235	259	338	276	327	244	272	280
Notes Receivable					0				
Other Short-Term Financial Assets			1	1	3	1		5	1
Inventories	11	15	17	34	21	30	15	20	9
Finished Goods and Merchandise	11	15	17	34	21	30	15	20	9
Prepaid Expenses	11	3	2	5	10	11	10	11	10
Deferred Tax Assets - Current	8	10	12						
Allowance for Doubtful Accounts - Assets	(7)	(5)	(5)	(1)	(1)	(2)	(2)	(1)	(1)
Non-Current Assets	54	62	64	183	146	150	188	167	232
Property, Plant & Equipment (PPE)	4	4	4	3	11	12	12	11	12
Intangible Assets	20	28	30	27	42	45	56	53	60
Investments and Other Assets	30	30	30	153	93	93	120	103	160
Investment Securities (inc. Subsidiaries and Affiliates)							28	40	96
Investment Securities							28	40	96
Long-Term Trade Receivables	0	0	0	0	0	1	1	2	1
Long-term Prepaid Expenses				104	5	4	4	3	3
Deferred Tax Assets - Non-Current	1	1	2	20	49	49	48	16	15
Allowance for Doubtful Accounts - Fixed	0	0	0	0	0	(1)	(1)	(2)	(1)
<b>Total Liabilities</b>	<b>284</b>	<b>338</b>	<b>345</b>	<b>351</b>	<b>318</b>	<b>345</b>	<b>307</b>	<b>296</b>	<b>310</b>
Current Liabilities	275	331	336	340	306	330	293	280	295
Trade Payables	197	199	207	198	183	237	201	190	214
Accounts Payable - Other and Accrued Expenses	38	51	43	59	66	44	41	47	48
Short-Term Debt	6								
Current Portion of Long-term Debt	6								
Current Portion of Long-Term Borrowings	6								
Advances Received			1	0	2	2			
Non-Current Liabilities	9	7	9	11	13	14	14	16	16
Long-Term Debt	3								
Long-Term Borrowings	3								
Provision for Retirement Benefits	6	7	9	11	13	14	14	16	16
<b>Total Net Assets</b>	<b>188</b>	<b>576</b>	<b>797</b>	<b>1,028</b>	<b>1,126</b>	<b>1,183</b>	<b>1,301</b>	<b>1,231</b>	<b>1,299</b>
Total Shareholders' Equity	188	576	797	1,028	1,126	1,183	1,301	1,231	1,299
Shareholders' Equity	188	575	797	1,027	1,126	1,183	1,301	1,231	1,299
Capital Stock	34	148	148	156	161	173	179	179	181
Capital Surplus		114	114	122	127	139	145	145	147
Retained Earnings	154	314	535	749	839	959	1,057	1,106	1,161
Legal Retained Earnings	9	9	9	9	9	9	9	9	9
Treasury Stock					0	(88)	(80)	(199)	(191)
Share Warrants		0	0	0	0	0	0	0	1

Source: Compiled by SIR from SPEEDA data.



## Statements of Cash Flows

JPY mn	2016/03	2017/03	2018/03	2019/03	2020/03	2021/03	2022/03	2023/03	2024/03
<b>Cash Flows from Operating Activities</b>	<b>48</b>	<b>203</b>	<b>196</b>	<b>14</b>	<b>227</b>	<b>137</b>	<b>229</b>	<b>105</b>	<b>149</b>
Depreciation and Amortization - CF	8	9	10	11	14	16	18	20	22
Depreciation - CF	8	9	10	11	14	16	18	20	22
Gain/Loss on Sale of PPE	1		0	0		2		3	3
Interest and Dividends Received - Operating CF	0	0	0	0	0	0	0	0	0
Interest Paid - Operating CF	0	0							
<b>Cash Flows from Investing Activities</b>	<b>17</b>	<b>(8)</b>	<b>12</b>	<b>27</b>	<b>(15)</b>	<b>(23)</b>	<b>(57)</b>	<b>(38)</b>	<b>(93)</b>
Payments for Purchases of Securities and Investment Securities							(28)	(15)	(57)
Payments for Purchases of Investment Securities							(28)	(15)	(57)
Purchases/Sales of PPE	(1)	(1)	(2)	(1)	(11)	(4)	(2)	(2)	(3)
Payments for Purchases of PPE	(1)	(1)	(2)	(1)	(11)	(4)	(2)	(2)	(3)
Purchases/Sales of Intangible Assets	(13)	(16)	(11)	(8)	(28)	(19)	(26)	(18)	(29)
Payments for Purchases of Intangible Assets	(13)	(16)	(11)	(8)	(28)	(19)	(26)	(18)	(29)
<b>Cash Flows from Financial Activities</b>	<b>17</b>	<b>(8)</b>	<b>12</b>	<b>27</b>	<b>(15)</b>	<b>(23)</b>	<b>(57)</b>	<b>(38)</b>	<b>(93)</b>
Proceeds from short-term borrowings	(30)	215	(10)	(15)	(41)	(94)	(26)	(169)	(32)
Repayments of Short-Term Borrowings	(20)								
Repayments of Long-Term Debt	(10)	(9)							
Repayments of Long-Term Borrowings	(10)	(9)							
Proceeds from Issuance of Stock		227	(1)	7	1	24	12		5
Redemption/Retirement of Stock					0	(96)		(130)	
Cash Dividends Paid				(22)	(22)	(22)	(38)	(39)	(37)
Foreign exchange adjustment	0	0	0	0	0	0	0	0	0
Changes in Cash Flow	36	411	198	26	171	20	145	(101)	25
Cash & Cash Equivalent - Beginning	146	182	593	791	817	988	1,008	1,153	1,052
Cash & Cash Equivalent - Ending	182	593	791	817	988	1,008	1,153	1,052	1,077
<b>Free Cash Flow (FCF)</b>	<b>65</b>	<b>195</b>	<b>208</b>	<b>41</b>	<b>212</b>	<b>114</b>	<b>172</b>	<b>67</b>	<b>56</b>

Source: Compiled by SIR from SPEEDA data.

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