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On **November 7, 2019**, BEENOS Inc. announced earnings results for full-year FY09/19.

Cumulative (JPYmn)	FY09/17				FY09/18				FY09/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	4,970	10,019	15,147	20,711	5,366	10,611	16,796	22,768	5,309	11,690	17,561	25,277
YoY	6.8%	9.0%	4.7%	7.7%	8.0%	5.9%	10.9%	9.9%	-1.0%	10.2%	4.6%	11.0%
Gross profit	2,545	5,201	7,890	11,186	2,855	5,695	8,849	11,891	2,516	5,549	8,288	12,665
YoY	7.1%	9.0%	1.7%	11.4%	12.2%	9.5%	12.2%	6.3%	-11.9%	-2.6%	-6.3%	6.5%
GPM	51.2%	51.9%	52.1%	54.0%	53.2%	53.7%	52.7%	52.2%	47.4%	47.5%	47.2%	50.1%
SG&A expenses	2,457	4,802	7,389	9,679	2,761	5,077	7,929	10,358	2,830	5,568	8,364	10,958
YoY	12.2%	11.9%	11.6%	9.4%	12.4%	5.7%	7.3%	7.0%	2.5%	9.7%	5.5%	5.8%
SG&A ratio	49.4%	47.9%	48.8%	46.7%	51.5%	47.8%	47.2%	45.5%	53.3%	47.6%	47.6%	43.4%
Operating profit	88	399	501	1,507	95	618	920	1,534	-314	-19	-76	1,708
YoY	-52.5%	-16.8%	-55.9%	25.6%	7.3%	55.0%	83.7%	1.7%	-	-	-	11.4%
OPM	1.8%	4.0%	3.3%	7.3%	1.8%	5.8%	5.5%	6.7%	-	-	-	6.8%
Recurring profit	77	453	557	1,553	137	756	1,104	1,729	-289	1	-63	1,714
YoY	-59.6%	-10.9%	-52.1%	28.1%	78.7%	66.8%	98.1%	11.3%	-	-99.9%	-	-0.9%
RPM	1.5%	4.5%	3.7%	7.5%	2.6%	7.1%	6.6%	7.6%	-	0.0%	-	6.8%
Net income	-89	104	196	1,011	37	372	498	923	-201	-69	-129	1,077
YoY	-	-65.3%	-76.4%	7.5%	-	256.9%	154.2%	-8.7%	-	-	-	16.7%
Net margin	-	1.0%	1.3%	4.9%	0.7%	3.5%	3.0%	4.1%	-	-	-	4.3%

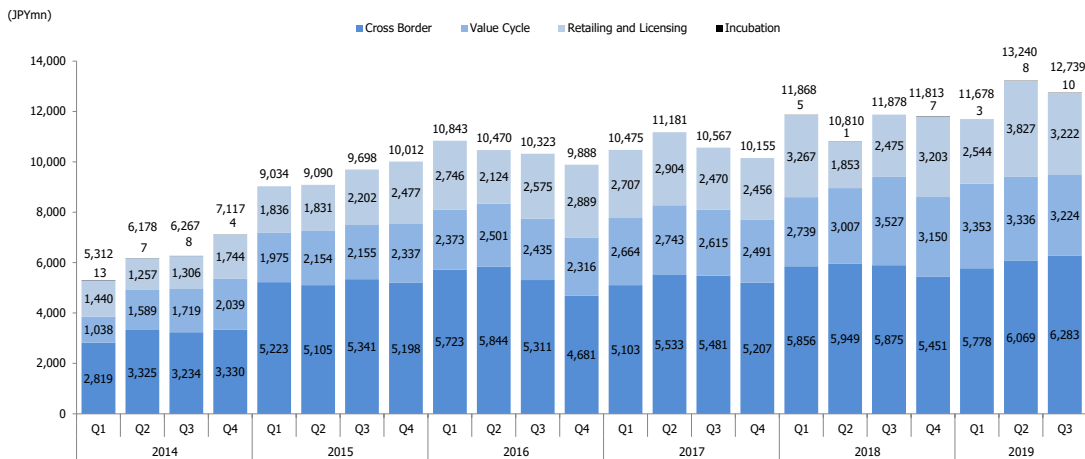
Quarterly (JPYmn)	FY09/17				FY09/18				FY09/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	4,970	5,049	5,127	5,565	5,366	5,246	6,185	5,972	5,309	6,381	5,871	7,716
YoY	6.8%	11.2%	-2.7%	16.8%	8.0%	3.9%	20.6%	7.3%	-1.0%	21.6%	-5.1%	29.2%
Gross profit	2,545	2,656	2,689	3,296	2,855	2,840	3,154	3,042	2,516	3,033	2,739	4,377
YoY	7.1%	10.9%	-9.9%	43.9%	12.2%	6.9%	17.3%	-7.7%	-11.9%	6.8%	-13.1%	43.9%
GPM	51.2%	52.6%	52.4%	59.2%	53.2%	54.1%	51.0%	50.9%	47.4%	47.5%	46.7%	56.7%
SG&A expenses	2,457	2,345	2,586	2,290	2,761	2,316	2,852	2,429	2,830	2,737	2,797	2,593
YoY	12.2%	11.6%	11.2%	2.9%	12.4%	-1.2%	10.2%	6.1%	2.5%	18.2%	-1.9%	6.8%
SG&A ratio	49.4%	46.4%	50.4%	41.2%	51.5%	44.2%	46.1%	40.7%	53.3%	42.9%	47.6%	33.6%
Operating profit	88	311	102	1,006	95	524	302	613	-314	295	-58	1,784
YoY	-52.5%	5.8%	-84.5%	1468.6%	7.3%	68.5%	195.9%	-39.1%	-	-43.6%	-	190.9%
OPM	1.8%	6.2%	2.0%	18.1%	1.8%	10.0%	4.9%	10.3%	-	4.6%	-	23.1%
Recurring profit	77	376	104	995	137	619	348	625	-289	290	-64	1,777
YoY	-59.6%	18.2%	-84.1%	1922.3%	78.7%	64.4%	234.1%	-37.2%	-	-53.2%	-	184.4%
RPM	1.5%	7.5%	2.0%	17.9%	2.6%	11.8%	5.6%	10.5%	-	4.5%	-	23.0%
Net income	-89	193	92	816	37	335	126	425	-201	132	-60	1,206
YoY	-	1.1%	-82.7%	626.8%	-	73.0%	37.3%	-47.9%	-	-60.7%	-	183.8%
Net margin	-	3.8%	1.8%	14.7%	0.7%	6.4%	2.0%	7.1%	-	2.1%	-	15.6%

Source: Shared Research based on company data

Note: Figures may differ from company materials owing to differences in rounding methods.

Note: Net income is net income attributable to owners of the parent.

Quarterly gross merchandise value by segment



Source: Shared Research based on company data
 Note: Figures may differ from company materials owing to differences in rounding methods.

Performance by segment

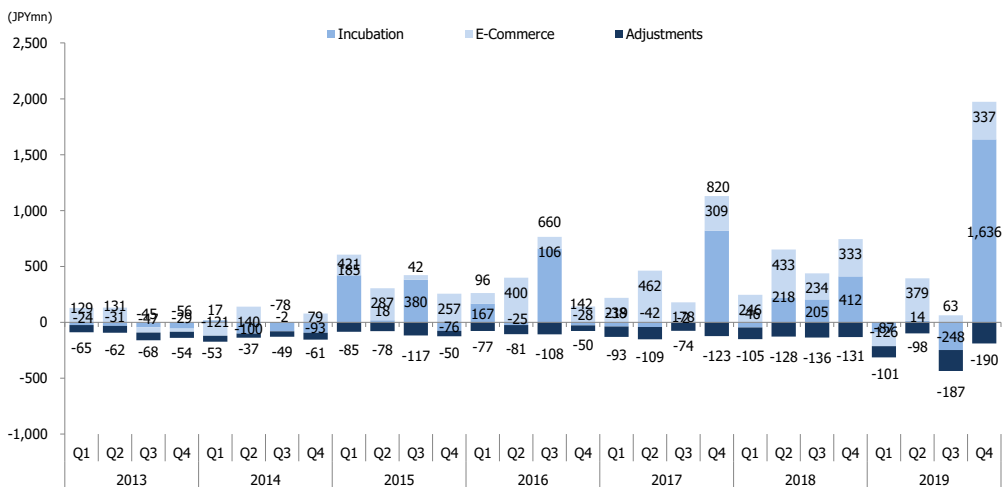
By segment (cumulative)	FY09/17				FY09/18				FY09/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	4,970	10,019	15,147	20,711	5,366	10,611	16,796	22,768	5,309	11,690	17,561	25,277
YoY	6.8%	9.0%	4.7%	7.7%	8.0%	5.9%	10.9%	9.9%	-1.0%	10.2%	4.6%	11.0%
E-Commerce	4,968	10,017	15,129	19,735	5,341	10,222	16,114	21,564	5,298	11,573	17,404	23,031
YoY	11.1%	11.1%	11.6%	9.5%	7.5%	2.0%	6.5%	9.3%	-0.8%	13.2%	8.0%	6.8%
% of total revenue	100.0%	100.0%	99.9%	95.3%	99.5%	96.3%	95.9%	94.7%	99.7%	98.9%	99.0%	91.1%
Cross Border	1,007	2,063	3,120	4,153	1,119	2,264	3,431	4,504	1,163	2,404	3,699	4,929
YoY	6.6%	7.6%	8.6%	8.2%	11.2%	9.7%	9.9%	8.5%	4.0%	6.2%	7.8%	9.4%
% of total revenue	20.3%	20.6%	20.6%	20.1%	20.9%	21.3%	20.4%	19.8%	21.9%	20.5%	21.0%	19.5%
Value Cycle	2,664	5,408	8,023	10,514	2,739	5,746	9,274	12,424	3,353	6,689	9,914	13,165
YoY	12.3%	10.9%	9.7%	9.2%	2.8%	6.3%	15.6%	18.2%	22.4%	16.4%	6.9%	6.0%
% of total revenue	53.6%	54.0%	53.0%	50.8%	51.0%	54.2%	55.2%	54.6%	63.1%	57.2%	56.4%	52.1%
Retailing and Licensing	1,297	2,546	3,986	5,067	1,483	2,211	3,410	4,636	781	2,480	3,791	4,937
YoY	12.4%	14.5%	18.2%	11.2%	14.4%	-13.1%	-14.5%	-8.5%	-47.3%	12.1%	11.2%	6.5%
% of total revenue	26.1%	25.4%	26.3%	24.5%	27.6%	20.8%	20.3%	20.4%	14.7%	21.2%	21.6%	19.5%
Incubation	2	3	18	978	25	390	682	1,206	15	125	168	2,259
YoY	-98.7%	-98.2%	-98.0%	-18.7%	933.1%	11629.1%	3623.6%	23.4%	-39.4%	-67.9%	-75.3%	87.3%
% of total revenue	0.0%	0.0%	0.1%	4.7%	0.5%	3.7%	4.1%	5.3%	0.3%	1.1%	1.0%	8.9%
Adjustments	-	-1	-1	-1	-1	-0	-0	-2	-3	-7	-11	-14
Operating profit	88	399	501	1,507	95	618	920	1,534	-314	-19	-76	1,708
YoY	-52.5%	-16.8%	-55.9%	25.6%	7.3%	55.0%	83.7%	1.7%	-	-	-	11.4%
OPM	1.8%	4.0%	3.3%	7.3%	1.8%	5.8%	5.5%	6.7%	-	-	-	6.8%
E-Commerce	219	681	860	1,169	246	679	913	1,246	-126	253	443	842
YoY	129.4%	37.5%	43.0%	57.4%	12.1%	-0.4%	6.1%	6.5%	-	-62.8%	-51.5%	-32.4%
% of total operating profit	120.7%	113.3%	110.6%	61.3%	122.9%	79.8%	70.8%	61.2%	-	140.4%	211.7%	37.5%
OPM	4.4%	6.8%	5.7%	5.9%	4.6%	6.6%	5.7%	5.8%	-	2.2%	2.5%	3.7%
Cross Border	159	315	502	673	174	358	523	685	94	290	540	726
YoY	487.8%	199.2%	180.3%	158.6%	9.9%	13.7%	4.2%	1.7%	-46.1%	-19.1%	3.2%	6.1%
% of total operating profit	87.5%	52.3%	64.6%	35.3%	87.3%	42.0%	40.6%	33.7%	-	160.7%	258.1%	32.3%
OPM	15.8%	15.3%	16.1%	16.2%	15.6%	15.8%	15.2%	15.2%	8.1%	12.0%	14.6%	14.7%
Value Cycle	13	301	282	439	23	287	321	440	-230	-105	-204	-7
YoY	-17.5%	7.6%	-1.4%	36.0%	75.4%	-4.8%	13.8%	0.2%	-	-	-163.7%	-101.6%
% of total operating profit	7.1%	50.0%	36.2%	23.0%	11.4%	33.7%	24.9%	21.6%	-	-	-97.8%	-0.3%
OPM	0.5%	5.6%	3.5%	4.2%	0.8%	5.0%	3.5%	3.5%	-	-	-2.1%	-0.1%
Retailing and Licensing	47	66	76	57	48	34	69	121	10	69	107	123
YoY	-10.3%	-40.7%	-44.2%	-64.3%	2.4%	-47.5%	-9.4%	112.5%	-80.2%	99.2%	56.2%	1.3%
% of total operating profit	26.1%	10.9%	9.8%	3.0%	24.2%	4.0%	5.3%	6.0%	-	38.1%	51.4%	5.5%
OPM	3.7%	2.6%	1.9%	1.1%	3.3%	1.6%	2.0%	2.6%	1.2%	2.8%	2.8%	2.5%
Incubation	-38	-80	-82	738	-46	172	377	788	-87	-73	-234	1,403
YoY	-	-	-	-4.6%	-	-	-	6.8%	-	-	-	77.9%
% of total operating profit	-	-	-	38.7%	-	20.2%	29.2%	38.8%	-	-	-	62.5%
OPM	-	-	-	75.5%	-	44.2%	55.2%	65.3%	-	-	-	62.1%
Adjustments	-93	-203	-277	-400	-105	-233	-369	-501	-101	-199	-285	-537

Source: Shared Research based on company data
 Note: Figures may differ from company materials owing to differences in rounding methods.
 Note: Figures for percentage of total have been calculated after inter-segment adjustments.

By segment (quarterly) (JPYmm)	FY09/17				FY09/18				FY09/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	4,970	5,049	5,127	5,565	5,366	5,246	6,185	5,972	5,309	6,381	5,871	7,716
YoY	6.8%	11.2%	-2.7%	16.8%	8.0%	3.9%	20.6%	7.3%	-1.0%	21.6%	-5.1%	29.2%
E-Commerce	4,968	5,049	5,112	4,605	5,341	4,880	5,893	5,450	5,298	6,275	11,129	5,628
YoY	11.1%	11.1%	12.6%	3.1%	7.5%	-3.4%	15.3%	18.3%	-0.8%	28.6%	88.9%	3.3%
% of total revenue	100.0%	100.0%	99.7%	82.8%	99.5%	93.0%	95.3%	91.2%	99.7%	98.3%	189.3%	72.9%
Cross Border	1,007	1,057	1,057	1,033	1,119	1,145	1,167	1,073	1,163	1,240	2,458	1,231
YoY	6.6%	8.6%	10.5%	6.9%	11.2%	8.3%	10.4%	3.9%	4.0%	8.4%	110.6%	14.7%
% of total revenue	20.3%	20.9%	20.6%	18.6%	20.9%	21.8%	18.9%	18.0%	21.9%	19.4%	41.8%	15.9%
Value Cycle	2,664	2,743	2,615	2,491	2,739	3,007	3,527	3,151	3,353	3,336	6,578	3,251
YoY	12.3%	9.7%	7.4%	7.5%	2.8%	9.6%	34.9%	26.5%	22.4%	10.9%	86.5%	3.2%
% of total revenue	53.6%	54.3%	51.0%	44.8%	51.0%	57.3%	57.0%	52.7%	63.1%	52.2%	111.9%	42.1%
Retailing and Licensing	1,297	1,249	1,440	1,081	1,483	728	1,198	1,226	781	1,698	2,093	1,146
YoY	12.4%	16.7%	25.4%	-8.7%	14.4%	-41.7%	-16.8%	13.4%	-47.3%	133.2%	74.6%	-6.5%
% of total revenue	26.1%	24.7%	28.1%	19.4%	27.6%	13.9%	19.4%	20.5%	14.7%	26.6%	35.6%	14.8%
Incubation	2	1	15	959	25	365	292	524	15	110	58	2,091
YoY	-98.7%	-120.2%	-97.9%	224.2%	933.1%	39098.7%	1850.2%	-45.4%	-39.4%	-69.8%	-80.2%	298.9%
% of total revenue	0.0%	0.0%	0.3%	17.2%	0.5%	7.0%	4.7%	8.8%	0.3%	1.7%	1.0%	27.1%
Adjustments	-	-1	0	-0	-1	0	0	-2	-3	-4	-7	-3
Operating profit	88	311	102	1,006	95	524	302	613	-314	295	-58	1,784
YoY	-52.5%	5.8%	-84.5%	1468.6%	7.3%	68.5%	195.9%	-39.1%	-	-43.6%	-119.1%	190.9%
OPM	1.8%	6.2%	2.0%	18.1%	1.8%	10.0%	4.9%	10.3%	-	4.6%	-	23.1%
E-Commerce	219	462	178	309	246	433	234	333	-126	379	63	399
YoY	129.4%	15.6%	69.0%	118.3%	12.1%	-6.3%	30.9%	7.6%	-	-12.5%	-72.8%	19.8%
% of total operating profit	120.7%	110.1%	101.4%	27.4%	122.9%	66.5%	53.3%	44.7%	-	96.3%	49.0%	19.6%
OPM	4.4%	9.2%	3.5%	6.7%	4.6%	8.9%	4.0%	6.1%	-	6.0%	0.6%	7.1%
Cross Border	159	156	187	171	174	183	165	161	94	196	344	186
YoY	487.8%	99.5%	153.3%	110.8%	9.9%	17.6%	-11.8%	-5.7%	-46.1%	6.7%	108.3%	15.3%
% of total operating profit	87.5%	37.1%	106.4%	15.2%	87.3%	28.2%	37.7%	21.7%	-	49.7%	265.5%	9.2%
OPM	15.8%	14.8%	17.7%	16.6%	15.6%	16.0%	14.2%	15.0%	8.1%	15.8%	14.0%	15.1%
Value Cycle	13	288	-19	157	23	264	34	119	-230	125	-329	197
YoY	-17.5%	9.1%	-	325.1%	75.4%	-8.4%	-	-24.1%	-	-52.8%	-	65.5%
% of total operating profit	7.1%	68.6%	-10.9%	13.9%	11.4%	40.5%	7.8%	16.0%	-	31.7%	-253.9%	9.7%
OPM	0.5%	10.5%	-0.7%	6.3%	0.8%	8.8%	1.0%	3.8%	-	3.7%	-5.0%	6.1%
Retailing and Licensing	47	18	10	-19	48	-14	34	52	10	59	48	15
YoY	-10.3%	-68.4%	-59.5%	-	2.4%	-176.9%	231.5%	-	-80.2%	-	40.9%	-71.0%
% of total operating profit	26.1%	4.3%	5.9%	-1.7%	24.2%	-2.2%	7.9%	7.0%	-	15.0%	37.4%	0.7%
OPM	3.7%	1.5%	0.7%	-1.8%	3.3%	-1.9%	2.9%	4.3%	1.2%	3.5%	2.3%	1.3%
Incubation	-38	-42	-2	820	-46	218	205	412	-87	14	-248	1,636
YoY	-	-	-	-	-	-	-	-	-	-	-	-
% of total operating profit	-	-	-	72.6%	-	33.5%	46.7%	55.3%	-	3.7%	-	80.4%
OPM	-	-	-	85.5%	-	59.7%	69.9%	78.5%	-	13.1%	-	78.2%
Adjustments	-93	-109	-74	-123	-105	-128	-136	-131	-101	-98	-187	-251

Source: Shared Research based on company data
 Note: Figures may differ from company materials owing to differences in rounding methods.
 Note: Figures for percentage of total have been calculated after inter-segment adjustments.

Consolidated operating profit (quarterly)



Source: Shared Research based on company data
 Note: Figures may differ from company materials owing to differences in rounding methods.

FY09/19 results (out November 7, 2019)

- ▷ Full-year FY09/19 results
 - ▷ Revenue: JPY25.3bn (+11.0% YoY)
 - ▷ Operating profit: JPY1.7bn (+11.4% YoY)
 - ▷ Recurring profit: JPY1.7bn (-0.9% YoY)
 - ▷ Net income*: JPY1.1bn (+16.7% YoY)
- *Net income attributable to owners of the parent
- ▷ Gross merchandise value (domestic and overseas combined): JPY50.3bn (+8.7% YoY; forecast for full-year FY09/20: JPY51.0bn)

Results by segment and sub-segment are as follows.

E-Commerce

Full-year FY09/19 results:

- ▷ E-Commerce total segment revenue: JPY23.0bn (+6.8% YoY)
- ▷ E-Commerce segment operating profit: JPY842mn (-32.4% YoY)

E-Commerce (Cross Border)

Full-year FY09/19 results:

- ▷ Sub-segment revenue: JPY4.9bn (+9.4% YoY)
- ▷ Sub-segment operating profit: JPY726mn (+6.1% YoY)
- ▷ Overseas forwarding and proxy purchasing business (from Japan): Gross merchandise value, revenue, and operating profit all at record highs on improved convenience of Buyee proxy purchasing business and promotional campaigns
- ▷ Global shopping business (to Japan): Started data connection with Yahoo! Auctions, operated by Yahoo! (TSE1: 4689). Also started handling food products.
- ▷ Improving usability: Service improved with complete replacement of core system, and addition of function for pre-confirmation of customs duties
- ▷ Algorithm changes: SEO strategy to deal with changes to search engine algorithms improved sales

E-Commerce (Value Cycle)

Full-year FY09/19 results:

- ▷ Sub-segment revenue: JPY13.2bn (+6.0% YoY)
- ▷ Sub-segment operating loss: JPY7mn (operating profit of JPY440mn in FY09/18)
- ▷ Internet shopping business: Sales down 2.3% YoY
- ▷ On the purchasing side, the value of purchases increased by 13.0% YoY, mainly thanks to advertising promoting batch selling & fast cash. On the selling side, the business struggled due to several factors. Heavy clothing sales suffered from the warm winter, and TV commercials for the company's own auction site Brandear Auction did not boost selling power. Sales declined 0.9% YoY as a result.
- ▷ Alcoholic beverage business: Official website renewal complete. Purchasing increased from Q3 FY09/19 and on as the company made a basic policy setting its purchase price at the highest level in the industry starting in May 2019.

E-Commerce (Retailing and Licensing)

Full-year FY09/19 results:

- ▷ Sub-segment revenue: JPY4.9bn (+6.5% YoY)
- ▷ Sub-segment operating profit: JPY1.23mn (+1.3% YoY)

- ▷ Entertainment business: Robust revenue and steady operating profit growth
- ▷ Newly added artists, seasonal products by the old artists around the year end, and events lead to steady sales. The company also started operating an e-commerce site for a major anime producer.
- ▷ Global Product business: Strong sales of the Pokemon cosmetics series. Focused on new product launch and brand image renewal for fragrance and body care brand SWATi

Incubation

Full-year FY09/19 results:

- ▷ Incubation segment total revenue: JPY2.3bn (+87.3% YoY)
- ▷ Incubation segment operating profit: JPY1.4bn (+77.9% YoY)

- ▷ Incubation Business: The company mainly invested in online marketplace and online payment businesses in emerging markets and startup companies dealing with consumer goods and services for the inbound tourist market in Japan. Meanwhile, the company actively made additional investments in existing portfolio companies posting remarkable growth. More specifically, it made additional investments in Southeast Asia-focused fashion and beauty marketplace Zilingo and Vietnamese C2C online marketplace Sendo.
- ▷ New business: The company continues to make investments aiming at the realization of vertical planning and product arbitrage (marketing support for overseas rollout of domestic products and contents), making use of know-how accumulated in the E-Commerce business and the network of investee companies built in the Incubation Business. In March, 2019, the company jointly established FASBEE Inc. which operates a fashion e-commerce site. It launched services for 120 countries and territories overseas in July 2019.

This note is the most recent addition to the [full report](#).

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