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On **August 7, 2020**, SATO Holdings Corporation announced earnings results for Q1 FY03/21.

Cumulative (JPYmn)	FY03/19				FY03/20				FY03/21	FY03/21 FY Est.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Sales	28,118	56,489	86,761	116,179	28,463	57,875	87,803	116,372	23,651	-
YoY	4.9%	3.0%	2.1%	2.5%	1.2%	2.5%	1.2%	0.2%	-16.9%	-
Gross profit	12,332	24,894	37,730	50,676	12,298	25,129	37,970	50,179	9,877	-
YoY	8.6%	5.0%	3.7%	4.2%	-0.3%	0.9%	0.6%	-1.0%	-19.7%	-
Gross profit margin	43.9%	44.1%	43.5%	43.6%	43.2%	43.4%	43.2%	43.1%	41.8%	-
SG&A expenses	10,858	21,550	32,286	42,997	10,784	21,586	32,324	42,718	9,491	-
YoY	3.3%	1.9%	1.8%	1.4%	-0.7%	0.2%	0.1%	-0.6%	-12.0%	-
SG&A ratio	38.6%	38.1%	37.2%	37.0%	37.9%	37.3%	36.8%	36.7%	40.1%	-
Operating profit	1,473	3,343	5,444	7,679	1,514	3,542	5,645	7,461	385	-
YoY	73.1%	30.8%	16.4%	22.9%	2.8%	6.0%	3.7%	-2.8%	-74.6%	-
Operating profit margin	5.2%	5.9%	6.3%	6.6%	5.3%	6.1%	6.4%	6.4%	1.6%	-
Recurring profit	1,403	3,190	5,104	7,618	1,338	3,237	5,362	6,571	618	-
YoY	94.6%	34.7%	16.5%	29.4%	-4.6%	1.5%	5.1%	-13.7%	-53.8%	-
Recurring profit margin	5.0%	5.6%	5.9%	6.6%	4.7%	5.6%	6.1%	5.6%	2.6%	-
Net income	781	1,919	3,078	3,773	842	2,880	4,157	-1,882	213	-
YoY	131.8%	-20.5%	-13.7%	-7.4%	7.8%	50.1%	35.1%	-	-74.7%	-
Net margin	2.8%	3.4%	3.5%	3.2%	3.0%	5.0%	4.7%	-1.6%	0.9%	-

Quarterly (JPYmn)	FY03/19				FY03/20				FY03/21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Sales	28,118	28,371	30,272	29,418	28,463	29,412	29,928	28,569	23,651
YoY	4.9%	1.2%	0.3%	3.7%	1.2%	3.7%	-1.1%	-2.9%	-16.9%
Gross profit	12,332	12,562	12,836	12,946	12,298	12,831	12,841	12,209	9,877
YoY	8.6%	1.7%	1.3%	5.5%	-0.3%	2.1%	0.0%	-5.7%	-19.7%
Gross profit margin	43.9%	44.3%	42.4%	44.0%	43.2%	43.6%	42.9%	42.7%	41.8%
SG&A expenses	10,858	10,692	10,736	10,711	10,784	10,802	10,738	10,394	9,491
YoY	3.3%	0.4%	1.7%	0.2%	-0.7%	1.0%	0.0%	-3.0%	-12.0%
SG&A ratio	38.6%	37.7%	35.5%	36.4%	37.9%	36.7%	35.9%	36.4%	40.1%
Operating profit	1,473	1,870	2,101	2,235	1,514	2,028	2,103	1,816	385
YoY	73.1%	9.7%	-0.8%	42.0%	2.8%	8.4%	0.1%	-18.7%	-74.6%
Operating profit margin	5.2%	6.6%	6.9%	7.6%	5.3%	6.9%	7.0%	6.4%	1.6%
Recurring profit	1,403	1,787	1,914	2,514	1,338	1,899	2,125	1,209	618
YoY	94.6%	8.4%	-4.9%	66.8%	-4.6%	6.3%	11.0%	-51.9%	-53.8%
Recurring profit margin	5.0%	6.3%	6.3%	8.5%	4.7%	6.5%	7.1%	4.2%	2.6%
Net income	781	1,138	1,159	695	842	2,038	1,277	-6,039	213
YoY	131.8%	-45.2%	0.6%	36.5%	7.8%	79.1%	10.2%	-	-74.7%
Net margin	2.8%	4.0%	3.8%	2.4%	3.0%	6.9%	4.3%	-21.1%	0.9%

Source: Shared Research based on company data

By segment Quarterly (JPYmn)	FY03/19				FY03/20				FY03/21	FY03/21 FY Est.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Sales	28,118	28,371	30,272	29,418	28,463	29,412	29,928	28,569	23,651	-
YoY	4.9%	1.2%	0.3%	3.7%	1.2%	3.7%	-1.1%	-2.9%	-16.9%	-
Auto-ID Solutions	27,991	28,267	30,156	29,337	28,362	29,318	29,827	28,501	23,574	-
YoY	4.8%	1.2%	0.1%	3.8%	1.3%	3.7%	-1.1%	-2.8%	-16.9%	-
% of total sales	99.5%	99.6%	99.6%	99.7%	99.6%	99.7%	99.7%	99.8%	99.7%	-
Overseas	10,910	10,687	11,420	10,299	10,867	10,740	11,118	9,923	7,844	-
YoY	8.2%	1.6%	1.7%	-4.2%	-0.4%	0.5%	-2.6%	-3.7%	-27.8%	-
% of total sales	38.8%	37.7%	37.7%	35.0%	38.2%	36.5%	37.1%	34.7%	33.2%	-
Japan	17,081	17,580	18,736	19,038	17,495	18,578	18,709	18,578	15,730	-
YoY	2.7%	0.9%	-0.9%	8.7%	2.4%	5.7%	-0.1%	-2.4%	-10.1%	-
% of total sales	60.7%	62.0%	61.9%	64.7%	61.5%	63.2%	62.5%	65.0%	66.5%	-
IDP	125	105	116	81	100	94	100	69	75	-
YoY	52.4%	34.6%	110.9%	-19.0%	-20.0%	-10.5%	-13.8%	-14.8%	-25.0%	-
% of total sales	0.4%	0.4%	0.4%	0.3%	0.4%	0.3%	0.3%	0.2%	0.3%	-
Operating profit	1,473	1,870	2,101	2,235	1,514	2,028	2,103	1,816	385	-
YoY	73.1%	9.7%	-0.8%	42.0%	2.8%	8.4%	0.1%	-18.7%	-74.6%	-
OPM	5.2%	6.6%	6.9%	7.6%	5.3%	6.9%	7.0%	6.4%	1.6%	-
Auto-ID Solutions	1,777	2,274	2,534	2,636	1,878	2,360	2,472	2,046	476	-
YoY	44.4%	9.5%	0.8%	40.7%	5.7%	3.8%	-2.4%	-22.4%	-74.7%	-
OPM	6.3%	8.0%	8.4%	9.0%	6.6%	8.0%	8.3%	7.2%	2.0%	-
Overseas	553	667	674	345	560	595	773	349	77	-
YoY	49.9%	-8.6%	1.5%	238.2%	1.3%	-10.8%	14.7%	1.2%	-86.3%	-
OPM	5.1%	6.2%	5.9%	3.3%	5.2%	5.5%	7.0%	3.5%	1.0%	-
Japan	1,224	1,607	1,860	2,291	1,318	1,765	1,699	1,697	399	-
YoY	42.0%	19.4%	0.5%	29.3%	7.7%	9.8%	-8.7%	-25.9%	-69.7%	-
OPM	7.2%	9.1%	9.9%	12.0%	7.5%	9.5%	9.1%	9.1%	2.5%	-
IDP	-303	-373	-337	-408	-394	-343	-318	-262	-70	-
YoY	-	-	-	-	-	-	-	-	-	-
OPM	-242.4%	-355.2%	-290.5%	-503.7%	-394.0%	-364.9%	-318.0%	-379.7%	-93.3%	-
Adjustments	-1	-31	-96	7	30	11	-51	32	-21	-

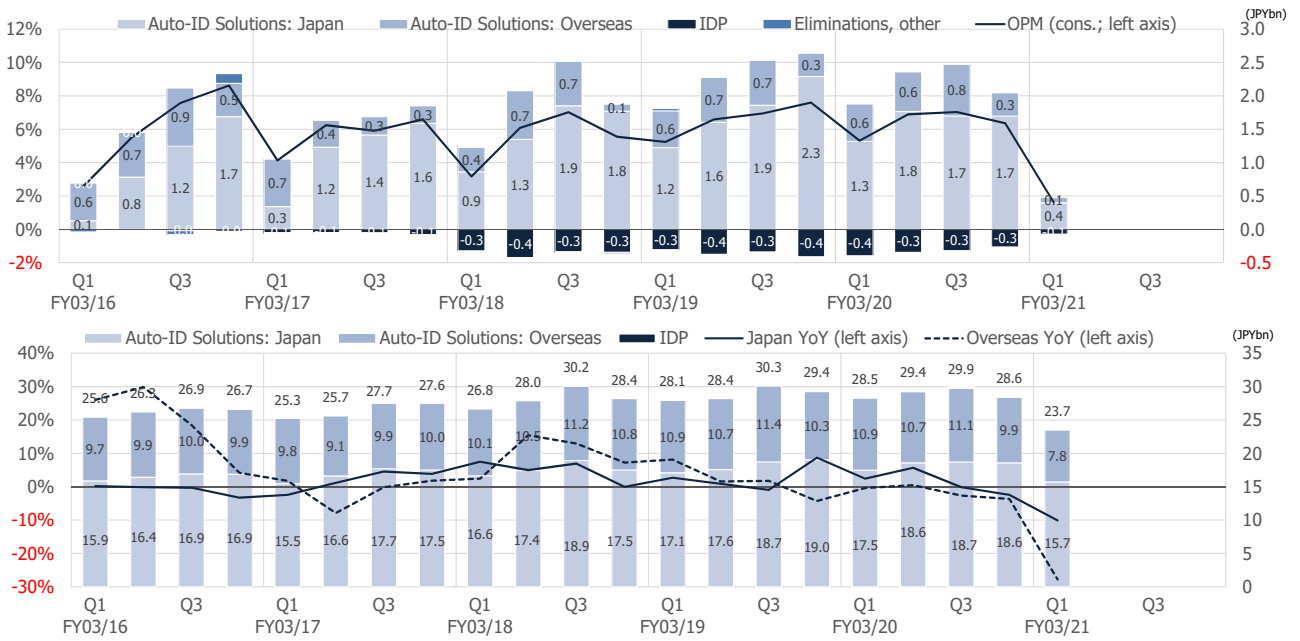
Source: Shared Research based on company data

Q1 FY03/21 results (out August 7, 2020)

Summary

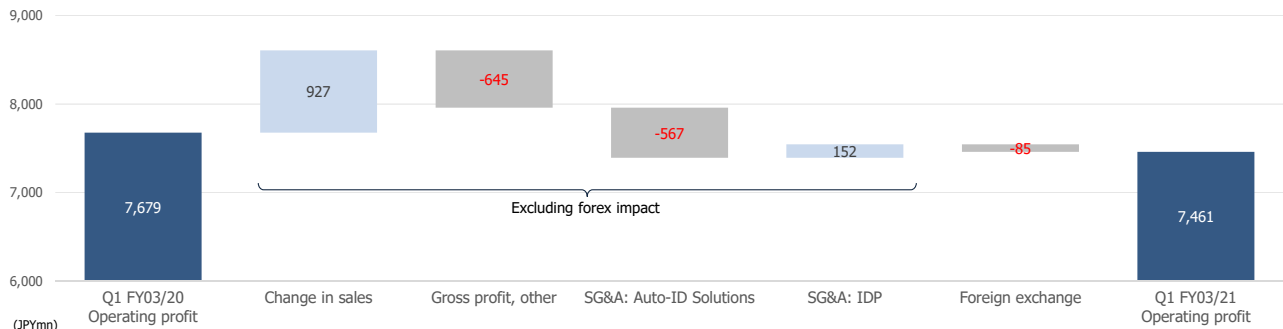
- ▷ In Q1 FY03/21, SATO generated sales of JPY23.7bn (-16.9% YoY), operating profit of JPY385mn (-74.6% YoY), and a net income of JPY213mn (-74.7% YoY). Despite expanding new application proposals in each market and industry while making steady progress in business negotiations, the company noted that deal-building efforts were pushed back by effects of the COVID-19 pandemic. Alongside a decline in mechatronics sales, demand deteriorated in consumables such as labels due to the slowdown in production and sales activities at the company's customers.
- ▷ The FY03/21 earnings forecast remains pending, with the company citing the difficulty of making reasonable estimates due to uncertain economic outlook both in Japan and overseas amid the ongoing global spread of COVID-19. SATO plans to release a forecast as soon as it can reasonably formulate one. Sales on a monthly basis appear to be on a gradual recovery track after bottoming out in May both in Japan and overseas. The company is increasing business discussions with its users as the COVID-19 pandemic contributes to a shift in the investment priorities of the latter. However, there are a large number of projects for which the company aims to conclude business negotiations sometime around the end of FY03/21 to the beginning of FY03/22, which appears to heighten the difficulty of formulating accurate earnings forecasts for FY03/21.
- ▷ Auto-ID Solutions (Japan): The Auto-ID Solutions business in Japan recorded Q1 FY03/21 sales of JPY15.7bn (-10.1% YoY) and operating profit of JPY399mn (-69.7% YoY). The company saw an increase in the number of times business negotiations were pushed back due to restrictions of sales activities in response to the spread of COVID-19, which contributed to mechatronics sales dropping by 11.2% YoY. Moreover, amid a decline in production among domestic manufacturers and a downturn in retail sales, sales of consumables, with the exception of some products shipped to supermarkets, declined. The downturn in sales and the deterioration in the product mix resulted in the gross profit margin for the business deteriorating from 50.0% in Q1 FY03/20 to 46.7% in Q1 FY03/21. Operating profit also dropped sharply, despite lower SG&A expenses, including lower travel costs. Amid such an environment, the company aims to spur a recovery in sales by rapidly wrapping up business negotiations in areas seeing new demand, including contactless operations, automation, and safety and security.
- ▷ Auto-ID Solutions (Overseas): Reflecting tough conditions due to the slump in economic activity as a result of COVID-19, the Auto-ID Solutions business overseas recorded Q1 FY03/21 sales of JPY7.8bn (-27.8% YoY) and operating profit of JPY77mn (-86.3% YoY). Performance in the base business was impacted by store closures in the Americas and Europe, where the retail-industry sales weightings are particularly large, and the slump in production activity in Southeast Asia, where the manufacturing-industry sales weighting is particularly strong. On the other hand, the primary labels business saw improved sales and profit on a local currency basis (but lower sales but higher profit on a yen-denominated basis) thanks to firm demand from companies operating in daily necessities such as food, beverages, pharmaceuticals, and sanitary products.
- ▷ IDP: The Inline Digital Printing (IDP) business recorded Q1 FY03/21 sales of JPY75mn (-25.0% YoY) and an operating loss of JPY70mn (versus an operating loss of JPY394mn in Q1 FY03/20). Losses in the business narrowed thanks to reduced expenses and a reduced depreciation burden stemming from the booking of impairment losses on fixed assets, including goodwill, in FY03/20. The business is now working to resolve the new technological issues brought forward during the transition from the technological development stage to the customer assessment stage. While the company has to date targeted commercialization of the business in FY03/21, it has pushed back that target given restrictions such as the lockdowns imposed as a result of the COVID-19 pandemic.

Quarterly operating profit (top) and sales (bottom) (JPYbn)



Source: Shared Research based on company data
 Note: Sales in the new Materials segment are still low, and thus hidden in other graphs. Additionally, YoY detail not displayed due to high degree of fluctuation

Factors affecting operating profit (JPYmn)



Source: Shared Research based on company data

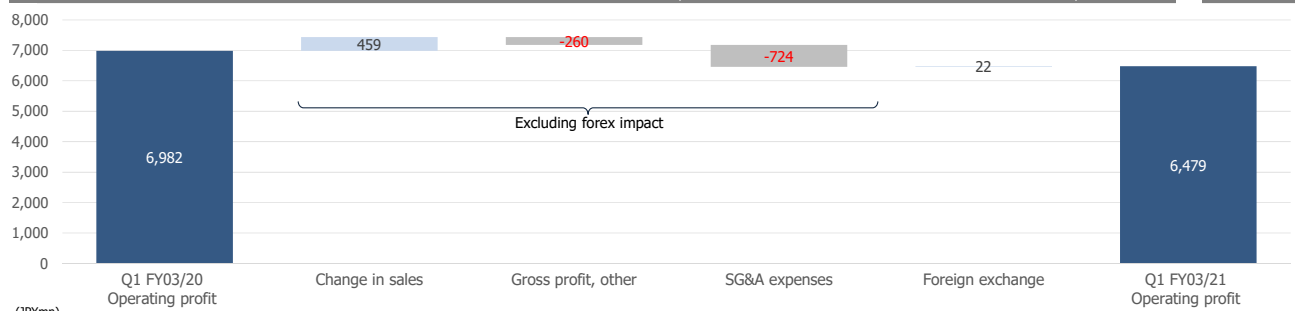
Factors affecting change in the operating profit

Factors affecting OP change Quarterly (JPYmm)	FY03/19				FY03/20				FY03/21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Operating profit	1,473	1,870	2,101	2,235	1,514	2,028	2,103	1,816	385
YoY change	622	165	-18	661	41	158	2	-419	-1,129
Sales change	854	145	316	699	364	709	86	-232	-1,803
GP-related factors	164	309	117	213	-231	-205	148	-357	-441
SG&A: Auto-ID Solutions	-326	-209	-309	-144	-51	-340	-229	53	770
SG&A: IDP	-52	28	-75	-75	-37	9	49	131	326
Forex impact	-18	-108	-67	-32	-4	-15	-52	-14	19
Auto-ID Solutions: Overseas	553	667	674	345	560	595	773	349	77
YoY change	184	-63	10	243	7	-72	99	4	-483
Sales change	298	167	340	64	177	178	22	-29	-887
GP-related factors	-42	51	-17	-203	-209	-230	29	-17	74
SG&A-related factors	-78	-254	-268	412	77	47	97	71	346
Forex impact	6	-27	-45	-30	-38	-67	-49	-21	-16
Auto-ID Solutions: Japan	1,224	1,607	1,860	2,291	1,318	1,765	1,699	1,697	399
YoY change	362	261	9	519	94	158	-161	-594	-919
Sales change	455	42	31	685	205	498	-20	-224	-881
GP-related factors	163	246	145	448	19	31	87	-397	-552
SG&A-related factors	-243	52	-136	-596	-145	-390	-215	26	481
Forex impact	-13	-79	-31	-18	15	19	-13	1	33
IDP	-303	-373	-337	-408	-394	-343	-318	-262	-70
YoY change	16	53	1	-65	-91	30	19	146	324
Sales change	38	19	25	2	-52	-18	-27	-27	-9
GP-related factors	42	8	41	-7	-20	6	-13	36	4
SG&A-related factors	-52	28	-75	-75	-37	9	49	131	326
Forex impact	-12	-2	10	15	18	33	10	6	3

Source: Shared Research based on company data

Auto-ID Solutions (Japan)

Auto-ID Solutions: Japan Quarterly (JPYmm)	FY03/19				FY03/20				FY03/21	FY03/21 FY Est.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Sales	17,081	17,580	18,736	19,038	17,495	18,578	18,709	18,578	15,730	-
YoY	2.7%	0.9%	-0.9%	8.7%	2.4%	5.7%	-0.1%	-2.4%	-10.1%	-
Mechanics	6,220	6,997	6,951	9,029	6,954	7,676	7,456	8,711	6,176	-
YoY	3.2%	1.5%	-3.5%	21.3%	11.8%	9.7%	7.3%	-3.5%	-11.2%	-
Consumables	10,861	10,582	11,786	10,009	10,540	10,903	11,253	9,867	9,554	-
YoY	2.4%	0.5%	0.6%	-0.6%	-3.0%	3.0%	-4.5%	-1.4%	-9.4%	-
Gross profit	8,500	8,769	9,084	9,617	8,740	9,318	9,136	8,998	7,339	-
YoY	7.7%	2.4%	1.6%	13.1%	2.8%	6.3%	0.6%	-6.4%	-16.0%	-
GPM	49.8%	49.9%	48.5%	50.5%	50.0%	50.2%	48.8%	48.4%	46.7%	-
Operating profit	1,224	1,607	1,860	2,291	1,318	1,765	1,699	1,697	399	-
YoY	42.0%	19.4%	0.5%	29.3%	7.7%	9.8%	-8.7%	-25.9%	-69.7%	-
OPM	7.2%	9.1%	9.9%	12.0%	7.5%	9.5%	9.1%	9.1%	2.5%	-



Source: Shared Research based on company data

Sales by market (JPYmn)	FY03/19				FY03/20				FY03/21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Sales	17,081	17,580	18,736	19,038	17,495	18,578	18,709	18,578	15,730
YoY	2.7%	0.9%	-0.9%	8.7%	2.4%	5.7%	-0.1%	-2.4%	-10.1%
Manufacturing	5,217	5,623	5,923	6,203	5,513	5,768	5,697	5,786	4,287
YoY	6.2%	6.8%	5.5%	7.8%	5.7%	2.6%	-3.8%	-6.7%	-22.2%
% of total sales	30.5%	32.0%	31.6%	32.6%	31.5%	31.0%	30.5%	31.1%	27.3%
Logistics	4,099	4,138	4,471	4,349	4,376	4,399	4,498	4,530	3,889
YoY	4.0%	-3.5%	-4.1%	10.2%	6.8%	6.3%	0.6%	4.2%	-11.1%
% of total sales	24.0%	23.5%	23.9%	22.8%	25.0%	23.7%	24.0%	24.4%	24.7%
Retail	2,016	1,967	2,165	2,112	2,068	2,123	2,087	1,787	2,096
YoY	5.6%	5.5%	-5.6%	16.5%	2.6%	7.9%	-3.6%	-15.4%	1.4%
% of total sales	11.8%	11.2%	11.6%	11.1%	11.8%	11.4%	11.2%	9.6%	13.3%
Healthcare	1,806	1,825	2,118	2,230	1,840	2,292	2,289	2,130	1,606
YoY	4.9%	-5.6%	3.5%	6.3%	1.9%	25.6%	8.1%	-4.5%	-12.7%
% of total sales	10.6%	10.4%	11.3%	11.7%	10.5%	12.3%	12.2%	11.5%	10.2%
Food & beverage	1,584	1,641	1,742	1,536	1,562	1,692	1,749	1,638	1,408
YoY	1.5%	3.5%	-1.6%	5.7%	-1.4%	3.1%	0.4%	6.6%	-9.9%
% of total sales	9.3%	9.3%	9.3%	8.1%	8.9%	9.1%	9.3%	8.8%	9.0%
Public	583	595	610	749	394	507	562	853	609
YoY	-27.6%	-14.1%	-15.6%	8.1%	-32.4%	-14.8%	-7.9%	13.9%	54.6%
% of total sales	3.4%	3.4%	3.3%	3.9%	2.3%	2.7%	3.0%	4.6%	3.9%

Source: Shared Research based on company data

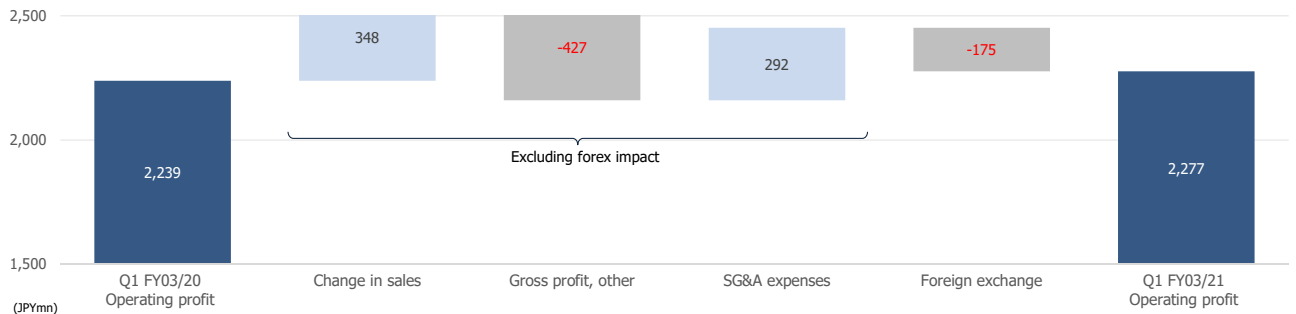
Sales trends by market

(JPYmn)		FY03/19	FY03/20	FY03/21	Change	Description
Manufacturing	Q1 Sales	5,217	5,513	4,287	-1,226	Industry: Production was sluggish in many industries including automotive.
	YoY	+6.2%	+5.7%	-22.2%		SATO: Growth in mechatronics sales abated as sales were delayed or stagnant. Needs were robust in automated labeling and RFID. Consumables sales decreased due to sluggish production activities.
Logistics	Q1 Sales	4,099	4,376	3,889	-487	Industry: Logistics volume increased due to briskness in e-commerce from stay-home consumption. Labor shortages became even more conspicuous.
	YoY	+4.0%	+6.8%	-11.1%		SATO: Although needs for automation grew due to labor shortages in 3PL, mechatronics sales decreased due to a slump in wholesale for restaurant and apparel. Despite increased logistics volume from strong e-commerce performance, consumables sales fell due to sluggish performance in wholesale.
Retail	Q1 Sales	2,016	2,068	2,096	+28	Industry: Sales were brisk mainly in supermarkets and drugstores. Specialty store bided their time as nonessential consumption and inbound demand slumped.
	YoY	+5.6%	+2.6%	+1.4%		SATO: Mechatronics sales grew on the back of orders to develop customized software and HACCP compliance solutions.
Healthcare	Q1 Sales	1,806	1,840	1,606	-234	Industry: Outpatients at medical institutions decreased due to fears of COVID-19 outbreak, and logistics volume decreased in the market as a whole.
	YoY	+4.9%	+1.9%	-12.7%		SATO: As a result of the above, business has slowed for both mechatronics and consumables.
Food & beverage	Q1 Sales	1,584	1,562	1,408	-154	Industry: Sales were brisk in food and beverage production due to demand for compliance with regulatory changes. On the other hand, sales slumped for restaurants.
	YoY	+1.5%	-1.4%	-9.9%		SATO: Business slowed in both mechatronics and consumables as food and beverage production for restaurants and business with restaurants slumped.
Public	Q1 Sales	583	394	609	+215	Industry: The overall business environment remained stable. Business dealings in areas such as operational efficiency and asset management increased.
	YoY	-27.6%	-32.4%	+54.6%		SATO: Mechatronics sales grew due to large-volume orders. Consumables remained flat.

Source: Shared Research based on company data

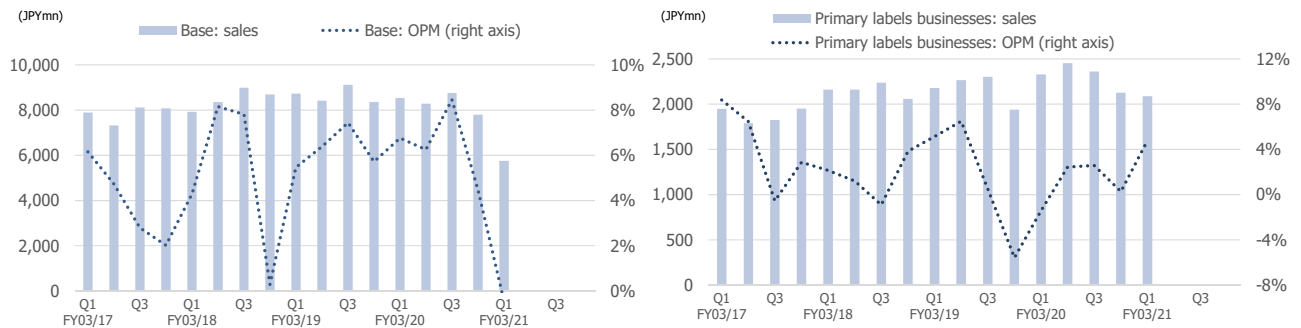
Auto-ID Solutions (Overseas)

Auto-ID Solutions: Overseas Quarterly (JPYmn)	FY03/19				FY03/20				FY03/21	FY03/21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	FY Est.
Sales	10,910	10,687	11,420	10,299	10,867	10,740	11,118	9,923	7,844	-
YoY	8.2%	1.6%	1.7%	-4.2%	-0.4%	0.5%	-2.6%	-3.7%	-27.8%	-
Base	8,730	8,422	9,118	8,360	8,539	8,286	8,758	7,795	5,755	-
YoY	10.2%	0.8%	1.5%	-3.9%	-2.2%	-1.6%	-3.9%	-6.8%	-32.6%	-
Primary labels	2,180	2,264	2,302	1,939	2,328	2,454	2,360	2,128	2,089	-
YoY	0.9%	4.7%	2.9%	-5.8%	6.8%	8.4%	2.5%	9.7%	-10.3%	-
Gross profit	4,012	4,045	4,188	3,567	3,784	3,722	4,004	3,362	2,751	-
YoY	5.8%	1.0%	1.7%	-9.4%	-5.7%	-8.0%	-4.4%	-5.7%	-27.3%	-
GPM	36.8%	37.8%	36.7%	34.6%	34.8%	34.7%	36.0%	33.9%	35.1%	-
Operating profit	553	667	674	345	560	595	773	349	77	-
YoY	49.9%	-8.6%	1.5%	238.2%	1.3%	-10.8%	14.7%	1.2%	-86.3%	-
OPM	5.1%	6.2%	5.9%	3.3%	5.2%	5.5%	7.0%	3.5%	1.0%	-
Base	477	538	679	478	577	518	741	348	-26	-
YoY	40.3%	-21.1%	-3.3%	1812.0%	21.0%	-3.7%	9.1%	-27.2%	-	-
OPM	5.5%	6.4%	7.4%	5.7%	6.8%	6.3%	8.5%	4.5%	-0.5%	-
Primary labels	112	147	12	-108	-33	60	61	6	100	-
YoY	143.5%	465.4%	-	-	-	-59.2%	408.3%	-	-	-
OPM	5.1%	6.5%	0.5%	-5.6%	-1.4%	2.4%	2.6%	0.3%	4.8%	-
Overseas eliminations	-36	-18	-16	-26	16	16	-29	-5	3	-



Source: Shared Research based on company data

Base business sales and OPM (left), primary labels businesses sales and OPM (right)



Source: Shared Research based on company data

Auto-ID Solutions (Overseas): Earnings by region

The Americas		FY03/19				FY03/20				FY03/21
Quarterly (JPYmn)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Sales		3,400	3,225	3,631	3,304	3,374	3,301	3,309	3,202	2,159
YoY		-1.0%	-9.6%	-2.3%	-11.3%	-0.8%	2.4%	-8.9%	-3.1%	-36.0%
Base		2,854	2,641	3,043	2,754	2,797	2,715	2,811	2,665	1,781
YoY		2.7%	-9.0%	-0.7%	-9.4%	-2.0%	2.8%	-7.6%	-3.2%	-36.3%
Primary labels		546	584	588	550	577	586	498	537	378
YoY		-16.9%	-12.4%	-9.8%	-19.7%	5.7%	0.3%	-15.3%	-2.4%	-34.5%
Operating profit		51	41	-33	39	191	178	188	71	-42
YoY		-74.9%	-72.5%	-	-	274.5%	334.1%	-	82.1%	-
OPM		1.5%	1.3%	-0.9%	1.2%	5.7%	5.4%	5.7%	2.2%	-1.9%
Base		42	7	-45	11	174	117	150	43	-44
YoY		-50.0%	-94.8%	-	-	314.3%	1571.4%	-	290.9%	-
OPM		1.5%	0.3%	-1.5%	0.4%	6.2%	4.3%	5.3%	1.6%	-2.5%
Primary labels		9	34	12	28	17	61	38	28	2
YoY		-92.4%	142.9%	-	-67.8%	88.9%	79.4%	216.7%	0.0%	-88.2%
OPM		1.6%	5.8%	2.0%	5.1%	2.9%	10.4%	7.6%	5.2%	0.5%

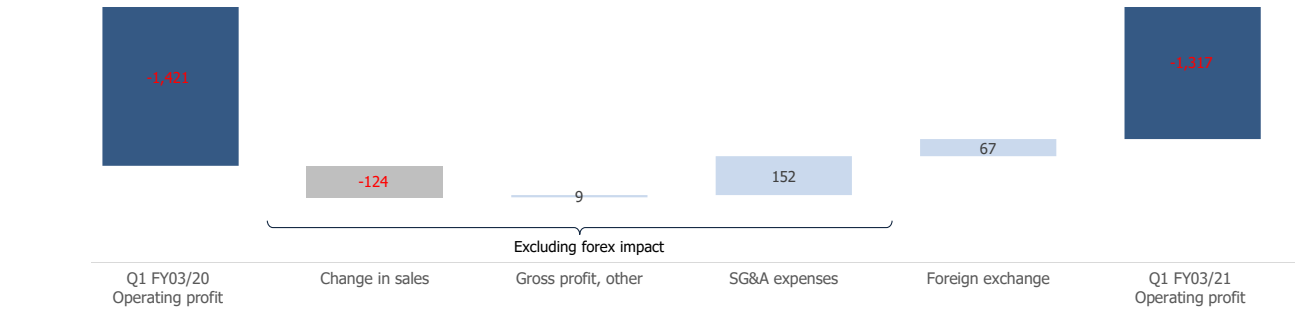
Europe		FY03/19				FY03/20				FY03/21
Quarterly (JPYmn)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Sales		3,948	3,841	4,045	3,668	4,137	3,934	4,067	3,856	3,164
YoY		15.4%	8.9%	7.8%	1.1%	4.8%	2.4%	0.5%	5.1%	-23.5%
Base		2,315	2,160	2,331	2,280	2,386	2,067	2,205	2,265	1,453
YoY		20.8%	6.3%	7.6%	1.2%	3.1%	-4.3%	-5.4%	-0.7%	-39.1%
Primary labels		1,633	1,681	1,714	1,388	1,751	1,867	1,862	1,591	1,711
YoY		8.6%	12.4%	8.1%	0.9%	7.2%	11.1%	8.6%	14.6%	-2.3%
Operating profit		213	141	53	-19	58	26	109	108	12
YoY		-	200.0%	10.4%	-	-72.8%	-81.6%	105.7%	-	-79.3%
OPM		5.4%	3.7%	1.3%	-0.5%	1.4%	0.7%	2.7%	2.8%	0.4%
Base		110	29	53	117	109	26	86	129	-86
YoY		155.8%	-17.1%	10.4%	4.5%	-0.9%	-10.3%	62.3%	10.3%	-
OPM		4.8%	1.3%	2.3%	5.1%	4.6%	1.3%	3.9%	5.7%	-5.9%
Primary labels		103	112	0	-136	-51	0	23	-21	98
YoY		-	833.3%	-	-	-	-	-	-	-
OPM		6.3%	6.7%	0.0%	-9.8%	-2.9%	0.0%	1.2%	-1.3%	5.7%

Asia and Oceania		FY03/19				FY03/20				FY03/21
Quarterly (JPYmn)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Base										
Sales		3,560	3,621	3,744	3,326	3,355	3,505	3,741	2,865	2,520
YoY		10.3%	5.8%	-0.3%	-2.3%	-5.8%	-3.2%	-0.1%	-13.9%	-24.9%
Operating profit		324	503	670	350	294	374	505	176	104
YoY		52.1%	-1.6%	37.9%	18.6%	-9.3%	-25.6%	-24.6%	-49.7%	-64.6%
OPM		9.1%	13.9%	17.9%	10.5%	8.8%	10.7%	13.5%	6.1%	4.1%

Source: Shared Research based on company data

IDP segment

IDP Quarterly (JPYmn)	FY03/19				FY03/20				FY03/21	FY03/21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	FY Est.
Sales	125	105	116	81	100	94	100	69	75	-
YoY	52.4%	34.6%	110.9%	-19.0%	-20.0%	-10.5%	-13.8%	-14.8%	-25.0%	-
Gross profit	143	88	93	75	67	70	51	80	58	-
YoY	146.6%	41.9%	220.7%	-11.8%	-53.1%	-20.5%	-45.2%	6.7%	-13.4%	-
GPM	114.4%	83.8%	80.2%	92.6%	67.0%	74.5%	51.0%	115.9%	77.3%	-
Operating profit	-303	-373	-337	-408	-394	-343	-318	-262	-70	-
YoY	-	-	-	-	-	-	-	-	-	-
OPM	-242.4%	-355.2%	-290.5%	-503.7%	-394.0%	-364.9%	-318.0%	-379.7%	-93.3%	-



Source: Shared Research based on company data

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

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