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On November 26, 2020, First Brothers Co., Ltd. announced the revised earnings forecast for FY11/20.

(JPYmn)	FY11/18			FY11/19			FY11/20		
	1H Act.	2H Act.	FY Act.	1H Act.	2H Act.	FY Act.	Latest Est. (Nov. 26, 2020)	Rev. FY Est. (Oct. 7, 2020)	Init. FY Est. (Jan. 10, 2020)
<b>Revenue</b>	<b>14,131</b>	<b>7,733</b>	<b>21,864</b>	<b>4,082</b>	<b>15,757</b>	<b>19,838</b>	<b>15,620</b>	<b>14,100</b>	<b>22,820</b>
YoY	40.4%	-11.1%	16.5%	-71.1%	103.8%	-9.3%	-21.3%	-28.9%	15.0%
Cost of revenue	10,447	4,929	15,376	2,813	11,700	14,512		10,060	16,370
<b>Gross profit</b>	<b>3,684</b>	<b>2,804</b>	<b>6,488</b>	<b>1,269</b>	<b>4,057</b>	<b>5,326</b>		<b>4,040</b>	<b>6,450</b>
Gross profit margin	26.1%	36.3%	29.7%	31.1%	25.7%	26.8%		28.7%	28.3%
SG&A expenses	637	721	1,358	852	1,011	1,864		1,890	1,870
SG&A ratio	4.5%	9.3%	6.2%	20.9%	6.4%	9.4%		13.4%	8.2%
<b>Operating profit</b>	<b>3,048</b>	<b>2,083</b>	<b>5,130</b>	<b>417</b>	<b>3,046</b>	<b>3,463</b>	<b>2,400</b>	<b>2,150</b>	<b>4,580</b>
YoY	68.0%	33.6%	52.1%	-86.3%	46.2%	-32.5%	-30.7%	-37.9%	32.3%
Operating profit margin	21.6%	26.9%	23.5%	10.2%	19.3%	17.5%	15.4%	15.2%	20.1%
<b>Recurring profit</b>	<b>2,852</b>	<b>1,849</b>	<b>4,700</b>	<b>95</b>	<b>2,715</b>	<b>2,810</b>	<b>1,650</b>	<b>1,430</b>	<b>3,930</b>
YoY	71.0%	32.7%	53.6%	-96.7%	46.9%	-40.2%	-41.3%	-49.1%	39.8%
Recurring profit margin	20.2%	23.9%	21.5%	2.3%	17.2%	14.2%	10.6%	10.1%	17.2%
<b>Net income</b>	<b>1,799</b>	<b>1,087</b>	<b>2,886</b>	<b>13</b>	<b>2,171</b>	<b>2,183</b>	<b>2,150</b>	<b>2,040</b>	<b>2,500</b>
YoY	64.0%	14.2%	40.9%	-99.3%	99.7%	-24.3%	-1.5%	-6.6%	14.5%
Net margin	12.7%	14.1%	13.2%	0.3%	13.8%	11.0%	13.8%	14.5%	11.0%

Source: Shared Research based on company data

#### Reasons for revision

The sale of a property (real estate for sale) that the company had expected to be postponed until FY11/21 or beyond at the time of the previous forecast revision is expected to be completed (delivery completed) in FY11/20. Accordingly, the company revised up its forecast for sales and all profit categories.

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

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