

July 18, 2017 Vol.89

The three IPOs of this week's focus are all local vigorous companies

I wish you a warm hospitality. How are you going these days when you are tired of the hot summer before the rainy season? Following the seven issues in June that started stronger initial than expected, following July 12's SoldOut, Inc. (6553), three issues will be IPO this week. It is the general market where the stalemate continues with the Nikkei average of 20,000 yen, but as usual the color trend toward small and medium type stocks continues with the backdrop of good demand and supply, so will your interests continue to be high.

On this week 19th, UNIFORM NEXT CO., LTD. (3566), which conducts mail order for business uniforms, is IPO in the MOTHERS market. As a company headquartered in Fukui, it is the 14th listing following MAEDA KOSEN CO., LTD. (7821). The industry has excellent companies with annual sales of 17 billion yen, including JICHODO Co.,Ltd. (3597) and NAGAILEBEN Co.,Ltd. (7447), and the company's sales scale is still less than 3.4 billion yen in December. However, since its founding in 1994, we have steady results every fiscal year and we anticipate ordinary income of 325 million yen in this term. With a public price of 2,800 yen, the number of issued shares at the time of listing is 1,208,581 shares, and market capitalization is 3,380 million yen. It is estimated that the supply and demand is good as it is 640 million yen with 230 thousand public shares. The average price rise rate of the first price against the public price of IPO 7 issues in June was 2.55 times (1.5 times to 4.6 times), so the company's initial price is expected to be over 5000 yen.

On Jun 20th, J.S.B.Co.,Ltd., headquartered in Kyoto City, mainly developing student apartments (3480) IPO in the TSE2. The public price 3,200 yen, the number of shares issued upon listing 4,370,000 shares and the market capitalization is about 14 billion yen. The number of public shares is 518,000 shares (1.66 billion yen). The pioneer of a student apartment founded in Kyoto in 1976, the company's business performance steadily increased steadily from 2013 to the elderly, and the current performance plan for October is sales of 35,900 million yen for ordinary income, 2.18 billion yen for ordinary income, and 325 yen for EPS. The company has already gone through the second quarter and ordinary income is more than 2,550 million yen, which is higher than the full year plan, so initial prices are expected to be quite popular.

Crossfor Co.,Ltd. (7810) which develops, manufactures and sells jewelry that has its head office in Kofu City, Yamanashi Prefecture, which is planning to list JASDAQ on the same 20th. Although there are many listed companies related to jewelry and accessories, the company develops jewelry SPA (manufacturing retail) from Yamanashi. It is also unique that the company plans and sells jewelry and accessories products for domestic use and parts for overseas, using patented technology "Dancing Stone (Dancing Stone)". Dancing stone is a technology that can shake diamonds without opening holes in diamonds. With a slight movement of the person worn, you can shine the jewel. The company has obtained patents in Japan,

the USA, China, Canada, Australia, Europe, Korea, Taiwan, Russia, and are applying in 10 other countries. The number of shares outstanding at the time of listing was 8,170 thousand shares and the public price was 730 yen. While the market capitalization is 5.96 billion yen, while sales are growing steadily, profits are continuing from the preceding July quarter, and the current profit forecast for the current July seems to be reflected in stock prices. However, the progress rate of ordinary income up to the third quarter is 93.8%, so it will not be less than the current plan. After listing I think that the interest in the coming July period will be appropriate, but the company's ordinary profit in the fiscal year ended July 2015 was more than 1 billion yen, and the stock price after listing is the result of this It is considered to be evaluated as a guide. Although two companies are IPOs on the same day, the number of shares to be disclosed is likely to be relatively popular at 1725 thousand shares (about 1.26 billion yen).

Although there are differences in the business contents of the three companies, each one is a healthy growing company that is based in the rural areas and develops nationwide and globally. We would be pleased if you could pay attention not only to the listing but also to stock price fluctuations after listing.

(Tokyo IPO columnist Norihisa Matsuo)

*In order to provide information to a wide range of users, the articles are translated by Google Translate. It should be noted that we do not guarantee the accuracy of the translated texts.