





**COMPANY**

**ANALYSIS**

**REPORT**



**INTRODUCTION**

[Insert Company Name] merged with [Insert Company Name], which had management capabilities and led to the generation of synergies designed for growth acceleration. [Insert Company Name]’s focus is on providing solutions that are based on services like data utilization, package software development, and sales. The ultimate goal of the aforementioned merger was the fast overall improvement of the company’s organization.

From [Insert Date], the company began its second management plan. In replacing technologies to help concentrate the management of its resources on areas of growth, the company targets net sales of [Insert Amount] for an average annual growth of [Insert Percentage], an ordinary income of [Insert Amount] and an ROE around [Insert Percentage] for [Insert Date].

In [Insert Date] consolidated net sales managed to go up by [Insert Percentage], and the operating income rose to [Insert Percentage], falling below the initial forecasts in spite of the profit growth and strong sales. [Insert Company Name] allocated human resources for the purpose of deemphasizing the existing businesses and to be able to focus on both growth and new business fields. The company also endeavored to further strengthen their proposal capabilities for three specific reasons. First, is for the reinforcement of product development, along with the service capabilities as package software producers. Second, is to further strengthen the capabilities of resolving client issues through information technology. The third is the creation of a brand new corporate culture.

**BUSINESS OVERVIEW**

[Insert Company Name] is in the business of developing, selling, and servicing package software for the control of the operation of commercial computer systems used by a wide range of industries. Such industries include manufacturing and finances. The company also applies proprietary knowledge to offer certain peripheral services like human resource development and operational consulting. It is their focus to provide solutions that will leverage their data management capabilities. [Insert Company Name] operates three primary businesses: Data utilization, system operation, and mainframe. The latter is the one that contributes the majority of the operating income.

**Data Utilization Business**

This is a combination of the solutions division and the product division. The consolidation of [Insert Company Name] in [Insert Date] acquired this and it is poised to grow into a core business from here on out. The product division both develops and sells the software for the purpose of data utilization, which includes increasing the speed of data processing and the strengthening of operating functions. For the solutions division, its consolidated subsidiary [Insert Organization] offers consultation services along with other services that relates to the utilization of data.

**Systems Operation Business**

This combines not only the product division and the solutions division, but also the outsourcing division. The product division is responsible for handling the open architecture products that manage commercial computer systems’ operations. As far as the solution division is concerned, their job is the provision of solution services which include human resource development and consulting. The outsourcing division was originally launched back in [Insert Date] and it contributes to the creation of corporate value. It also proposes ways that can help improve IT systems operations as well as support system development, project management, and systems migration.

**Mainframe Business**

The mainframe business is part of a much broader business that involves the operations management of the commercial computer systems. It also handles the proprietary software used by mainframe computers for large corporations and financial institutions. The company receives maintenance service fees from users from the very year after a mainframe product’s sale. This is the company’s top business and a stable income source ever since its establishment.

**CORPORATE CHARACTERISTICS**

[Insert Company Name] is known for its three distinctive traits:

1. As an independent proprietary software developer, [Insert Company Name]’s products enable a smooth system operation. This is regardless of the computer’s scale, its manufacturer, and any other related factors. Hardware replacement isn’t brought upon by competing products, which makes them a hindrance to the flexible development of the company’s computer system. The company’s proposals are valuable to customers since they concentrate on the company’s contributions to the ongoing IT systems’ efficiency improvement or its automation. The extensive knowledge and experience of the company are reflected in the great details, the advanced performance of the goods and services, and its proposal precision. Other developers usually depend on agencies for the implementation of their systems; [Insert Company Name] sells products directly and chiefly to large corporations and financial institutions.
2. The stable income acquired from the company’s mainframe business is to be invested in the new growth areas. Said mainframe business yielded a high segment profit margin in [Insert Date], which managed to support the growth of the company. It is our belief that such profitability is not only made possible by the customers’ confidence in our products, but also due to high switching costs. As concerned as we are about gradually declining sales, we can also foresee a trend where our high profits will continue, which gives us the opportunity to invest in brand new growth areas, providing us with a significant advantage.
3. A structure capable of supporting both defensive and expansive aspects of businesses. Present business structure reforms not only contribute towards the enhanced IT systems operation efficiency, but it will also allow for expansions into the customer assistance business, particularly in the reallocation of management resources. These new business structures are the ones that allow for the supporting of the defensive and expansive aspects of the customers’ businesses. From there, the company will be capable of offering total proposals for the improvement of customers’ IT investment performance.

**BUSINESS TRENDS**

[The following table(or examples) are for sample purposes only]

[INSERT ALL TABLES AND CHARTS ESSENTIAL TO THE COMPANY ANALYSIS REPORT TEMPLATE]

**GROWTH STRATEGIES**

The company began its second management plan in [Insert Date]. Many companies are shifting demands on their respective IT departments, which requires direct contributions to the raising of their corporate values. [Insert Company Name] is planning the implementation of numerous changes in over three years as a response to such a shift. This will include aggressive investing in brand new growth fields as well as assigning more personnel to such businesses. Obsolete technology will be soon replaced with newer variations, and young businesses will be nurtured using in-house incubation. Through such measures, the company is looking to increase annual consolidated net sales by [Insert Percentage] and the ordinary income ratio looks to be raised by [Insert Percentage] annually. A ROE of [Insert Percentage] for [Insert Date] is also being targeted. With the mainframe business likely to shrink, there are plans to promote product sales for their utilization on open architectures, leading to greater growth.

The management plan’s basic policies and the 1H achievements would be:

1. The reinforcement of product development as well as service capabilities as the maker of package software.
2. The boosting of IT skills required to resolve any client management issues.
3. The creation of a brand new corporate culture.

**COMPANY FORECASTS**

Although the company is not of the habit of disclosing figures according to business segment, there is an anticipated growth in virtual all areas minus its mainframe business. In regards to the first year, growth is expected to be mild at best. This would be due to management plans on prioritizing the building of strong business foundations post-merger as well as making investments in growth field businesses. The company might have failed to get its desired targets, it did still enjoy a lot of growth in various works related to ‘My Number’ and system upgrades. We also saw more inquiries for growth field businesses, which included system developments that can help clients when it comes to globalizing and invigorating businesses.

[INSERT ALL TABLES AND CHARTS ESSENTIAL TO THE COMPANY ANALYSIS REPORT TEMPLATE]

**SHAREHOLDER RETURNS**

[Insert Company]’s shareholder return policy is aiming for a [Insert Percentage] ratio for the consolidated dividend payout. An interim dividend amounting to [Insert Amount], as well as a year-end dividend at around [Insert Amount] per share was also paid by the company as a commemoration of its merger. That means for all of [Insert Time Period], a dividend of [Insert Amount] per share was paid, which is more than the paid dividend for [Insert Time Period].

For [Insert Time Period], the company has plans of increasing the full-year dividend towards [Insert Amount], which is [Insert Amount] per share more compared to the previous year. Based on the EPS forecast for [Insert Time Period], this planned dividend will yield a payout ratio of [Insert Percentage]. Based solely on the growth capabilities and profitability of the company, it is likely that management may increase the dividends lined up with the earning growth over its medium term. A shareholder incentive scheme is to be deployed for the purpose of increasing individual shareholders and enhance liquidity.

[INSERT ALL TABLES AND CHARTS ESSENTIAL TO THE COMPANY ANALYSIS REPORT TEMPLATE]