

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2020 (Based on Japanese GAAP)

November 13, 2020

Company name: OPTiM Corporation  
 Stock exchange listing: Tokyo  
 Stock code: 3694 URL <https://www.optim.co.jp/>  
 Representative: President Shunji Sugaya  
 Inquiries: Director Akihiro Hayashi TEL 03-6435-8570  
 Scheduled date to file Quarterly Securities Report: November 13, 2020  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2020 (from April 1, 2020 to September 30, 2020)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2020	3,051	3.9	325	–	514	–	321	–
Six months ended September 30, 2019	2,935	–	18	–	11	–	(32)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2020	5.84		5.80	
Six months ended September 30, 2019	(0.59)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2020	4,574	3,382	71.9
As of March 31, 2020	4,604	3,039	64.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2020	–	0.00	–	0.00	0.00
Year ending March 31, 2021	–	0.00			
Year ending March 31, 2021 (Forecast)			–	–	–

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	7,407	10.1	712	177.4	802	209.4	501	327.6	9.11
	~8,080	~20.1	~1,526	~493.9	~1,616	~522.9	~1,028	~777.3	~18.69

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2020  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
  - Changes in accounting policies due to other reasons: No
  - Changes in accounting estimates: No
  - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2020	55,127,008 shares	As of March 31, 2020	55,115,360 shares
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Number of treasury shares at the end of the period

As of September 30, 2020	87,948 shares	As of March 31, 2020	87,748 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2020	55,037,508 shares	Six months ended September 30, 2019	55,022,991 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2020	As of September 30, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	1,263,910	1,467,677
Notes and accounts receivable - trade	1,552,215	963,604
Inventories	36,272	46,780
Other	94,826	125,392
Total current assets	2,947,224	2,603,454
Non-current assets		
Property, plant and equipment	305,329	276,493
Intangible assets	29,569	327,032
Investments and other assets		
Leasehold and guarantee deposits	336,130	335,182
Deferred tax assets	742,106	713,967
Other	243,880	318,589
Total investments and other assets	1,322,116	1,367,739
Total non-current assets	1,657,014	1,971,265
Total assets	4,604,239	4,574,719
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	482,958	345,269
Income taxes payable	265,306	185,287
Provision for bonuses	112,426	78,863
Other provisions	21,413	11,318
Other	621,081	509,912
Total current liabilities	1,503,187	1,130,651
Non-current liabilities		
Asset retirement obligations	61,866	61,904
Total non-current liabilities	61,866	61,904
Total liabilities	1,565,053	1,192,556
<b>Net assets</b>		
Shareholders' equity		
Share capital	443,439	443,718
Capital surplus	727,570	727,849
Retained earnings	1,872,893	2,194,381
Treasury shares	(75,272)	(75,272)
Total shareholders' equity	2,968,629	3,290,677
Non-controlling interests	70,555	91,486
Total net assets	3,039,185	3,382,163
Total liabilities and net assets	4,604,239	4,574,719

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net sales	2,935,678	3,051,093
Cost of sales	1,167,308	1,145,478
Gross profit	1,768,370	1,905,615
Selling, general and administrative expenses	1,749,996	1,579,993
Operating profit	18,373	325,621
Non-operating income		
Interest income	3	3
Commission income	3,448	92,630
Insurance claim income	–	1,301
Gain on investments in investment partnerships	–	99,182
Miscellaneous income	2,004	4,190
Total non-operating income	5,456	197,308
Non-operating expenses		
Foreign exchange losses	1,767	1,664
Share of loss of entities accounted for using equity method	–	6,517
Loss on investments in investment partnerships	10,344	–
Miscellaneous loss	7	–
Total non-operating expenses	12,118	8,181
Ordinary profit	11,711	514,748
Profit before income taxes	11,711	514,748
Income taxes - current	112,027	164,691
Income taxes - deferred	(67,489)	28,138
Total income taxes	44,537	192,829
Profit (loss)	(32,826)	321,919
Profit (loss) attributable to non-controlling interests	(234)	430
Profit (loss) attributable to owners of parent	(32,591)	321,488

## Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Profit (loss)	(32,826)	321,919
Comprehensive income	(32,826)	321,919
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(32,591)	321,488
Comprehensive income attributable to non-controlling interests	(234)	430

## Consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Cash flows from operating activities		
Profit before income taxes	11,711	514,748
Depreciation	55,753	58,381
Amortization of goodwill	19,617	–
Increase (decrease) in provision for bonuses for directors (and other officers)	(10,450)	(10,094)
Increase (decrease) in provision for bonuses	(23,693)	(33,563)
Increase (decrease) in provision for loss on order received	1,800	–
Interest and dividend income	(3)	(3)
Foreign exchange losses (gains)	1,821	1,713
Loss (gain) on investments in investment partnerships	10,344	(98,358)
Share of loss (profit) of entities accounted for using equity method	–	5,694
Decrease (increase) in trade receivables	79,262	588,611
Decrease (increase) in inventories	13,441	(10,508)
Increase (decrease) in trade payables	157,329	(137,689)
Increase (decrease) in accounts payable - other	10,230	(126,597)
Increase (decrease) in accrued expenses	(21,053)	(14,236)
Increase (decrease) in accrued consumption taxes	(2,675)	(73,392)
Increase (decrease) in advances received	(24,505)	–
Increase (decrease) in unearned revenue	106,388	161,413
Increase (decrease) in deposits received	1,206	(61,387)
Other, net	34,592	(11,981)
Subtotal	421,116	752,748
Interest and dividends received	3	3
Income taxes paid	(95,358)	(242,388)
Net cash provided by (used in) operating activities	325,761	510,363
Cash flows from investing activities		
Purchase of property, plant and equipment	(99,674)	(11,195)
Purchase of intangible assets	(16,865)	(313,672)
Short-term loan advances	–	(21,000)
Purchase of investment securities	–	(30,000)
Purchase of shares of subsidiaries and associates	–	(82,000)
Proceeds from distributions from investment partnerships	–	129,447
Payments of leasehold and guarantee deposits	(235,042)	(199)
Proceeds from refund of leasehold and guarantee deposits	44,603	1,465
Other, net	198	1,213
Net cash provided by (used in) investing activities	(306,780)	(325,941)
Cash flows from financing activities		
Proceeds from issuance of shares resulting from exercise of share acquisition rights	70	559
Net cash provided by (used in) financing activities	70	559
Effect of exchange rate change on cash and cash equivalents	(1,821)	(1,713)
Net increase (decrease) in cash and cash equivalents	17,230	183,267
Cash and cash equivalents at beginning of period	1,127,679	1,263,910
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	72,461	20,500
Cash and cash equivalents at end of period	1,217,371	1,467,677