

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2020
(Based on Japanese GAAP)**

May 15, 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 of ordinary general meeting of shareholders: June 26, 2020
 Scheduled date to file Securities Report: June 29, 2020
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Consolidated operating results

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	%
Year ended March 31, 2020	6,728	–	256	–	259	–	117	–
Year ended March 31, 2019	–	–	–	–	–	–	–	–

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2020	2.13	2.11	4.0	6.2	3.8
Year ended March 31, 2019	–	–	–	–	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	4,604	3,039	64.5	55.23
As of March 31, 2019	–	–	–	–

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2020	430	(365)	0	1,263
Year ended March 31, 2019	–	–	–	–

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Year ended March 31, 2019	Yen –	Yen 0.00	Yen –	Yen 0.00	Yen 0.00	Millions of yen –	%	%
Year ended March 31, 2020	–	0.00	–	0.00	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 year ended March 31, 2020

(changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2020	∴	55,115,360 shares	As of March 31, 2019	∴	55,110,144 shares
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Number of treasury shares at the end of the period

As of March 31, 2020	∴	87,748 shares	As of March 31, 2019	∴	87,748 shares
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Average number of shares during the period

Year ended March 31, 2020	∴	55,024,825 shares	Year ended March 31, 2019	∴	55,049,847 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

As of March 31, 2020

Assets	
Current assets	
Cash and deposits	1,263,910
Notes and accounts receivable - trade	1,552,215
Merchandise and finished goods	16,172
Work in process	17,168
Raw materials and supplies	2,931
Other	94,826
Total current assets	2,947,224
Non-current assets	
Property, plant and equipment	
Buildings and structures, net	182,959
Machinery, equipment and vehicles, net	20,873
Other, net	101,496
Total property, plant and equipment	305,329
Intangible assets	29,569
Investments and other assets	
Investment securities	202,061
Leasehold and guarantee deposits	336,130
Deferred tax assets	742,106
Other	41,818
Total investments and other assets	1,322,116
Total non-current assets	1,657,014
Total assets	4,604,239
Liabilities	
Current liabilities	
Notes and accounts payable - trade	482,958
Income taxes payable	265,306
Provision for bonuses	112,426
Provision for bonuses for directors (and other officers)	21,413
Other	621,081
Total current liabilities	1,503,187
Non-current liabilities	
Asset retirement obligations	61,866
Total non-current liabilities	61,866
Total liabilities	1,565,053
Net assets	
Shareholders' equity	
Share capital	443,439
Capital surplus	727,570
Retained earnings	1,872,893
Treasury shares	(75,272)
Total shareholders' equity	2,968,629
Non-controlling interests	70,555
Total net assets	3,039,185
Total liabilities and net assets	4,604,239

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2020
Net sales	6,728,792
Cost of sales	2,623,569
Gross profit	4,105,222
Selling, general and administrative expenses	3,848,240
Operating profit	256,981
Non-operating income	
Interest income	6
Commission income	3,448
Insurance claim income	2,155
Other	3,790
Total non-operating income	9,401
Non-operating expenses	
Foreign exchange losses	1,508
Loss on investments in investment partnerships	5,361
Other	64
Total non-operating expenses	6,934
Ordinary profit	259,448
Profit before income taxes	259,448
Income taxes - current	335,451
Income taxes - deferred	(193,281)
Total income taxes	142,169
Profit	117,278
Profit attributable to non-controlling interests	55
Profit attributable to owners of parent	117,222

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2020
Profit	117,278
Comprehensive income	117,278
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	117,222
Comprehensive income attributable to non-controlling interests	55

Consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	443,313	727,445	1,762,317	(75,272)	2,857,803
Changes during period					
Issuance of new shares - exercise of share acquisition rights	125	125			250
Change in scope of consolidation			(6,647)		(6,647)
Profit attributable to owners of parent			117,222		117,222
Net changes in items other than shareholders' equity					
Total changes during period	125	125	110,575	-	110,826
Balance at end of period	443,439	727,570	1,872,893	(75,272)	2,968,629

	Non-controlling interests	Total net assets
Balance at beginning of period	-	2,857,803
Changes during period		
Issuance of new shares - exercise of share acquisition rights		250
Change in scope of consolidation		(6,647)
Profit attributable to owners of parent		117,222
Net changes in items other than shareholders' equity	70,555	70,555
Total changes during period	70,555	181,381
Balance at end of period	70,555	3,039,185

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2020
Cash flows from operating activities	
Profit before income taxes	259,448
Depreciation	121,953
Amortization of goodwill	35,964
Increase (decrease) in provision for bonuses for directors (and other officers)	13
Increase (decrease) in provision for bonuses	24,798
Interest and dividend income	(6)
Foreign exchange losses (gains)	1,407
Loss (gain) on investments in investment partnerships	5,361
Decrease (increase) in trade receivables	(378,212)
Decrease (increase) in inventories	(2,126)
Decrease (increase) in accounts receivable - other	51,840
Increase (decrease) in trade payables	216,314
Increase (decrease) in accounts payable - other	106,579
Increase (decrease) in accrued expenses	3,256
Increase (decrease) in accrued consumption taxes	80,048
Increase (decrease) in advances received	(24,516)
Increase (decrease) in unearned revenue	8,774
Increase (decrease) in deposits received	75,896
Other, net	32,693
Subtotal	619,491
Interest and dividends received	6
Income taxes paid	(188,860)
Net cash provided by (used in) operating activities	430,637
Cash flows from investing activities	
Purchase of property, plant and equipment	(194,876)
Purchase of intangible assets	(20,393)
Payments for asset retirement obligations	(6,000)
Purchase of insurance funds	(9,981)
Payments of leasehold and guarantee deposits	(249,993)
Proceeds from refund of leasehold and guarantee deposits	115,136
Other, net	396
Net cash provided by (used in) investing activities	(365,711)
Cash flows from financing activities	
Proceeds from issuance of shares resulting from exercise of share acquisition rights	250
Net cash provided by (used in) financing activities	250
Effect of exchange rate change on cash and cash equivalents	(1,407)
Net increase (decrease) in cash and cash equivalents	63,768
Cash and cash equivalents at beginning of period	1,127,679
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	72,461
Cash and cash equivalents at end of period	1,263,910