

Translation

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Summary of Non-Consolidated Financial Results for the Nine Months Ended December 31, 2018 (Based on Japanese GAAP)

February 14, 2019

Company name: OPTiM Corporation
 Stock exchange listing: Tokyo
 Stock code: 3694 URL <http://www.optim.co.jp/>
 Representative: President Shunji Sugaya
 Inquiries: Director Akihiro Hayashi TEL 03-6435-8570
 Scheduled date to file Quarterly Securities Report: February 14, 2019
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the nine months ended December 31, 2018 (from April 1, 2018 to December 31, 2018)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2018	3,611	28.5	(532)	–	(524)	–	(403)	–
Nine months ended December 31, 2017	2,811	21.6	240	(47.5)	238	(47.5)	119	(49.3)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2018	(29.28)		–	
Nine months ended December 31, 2017	8.98		8.64	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2018	3,180	2,443	76.8
As of March 31, 2018	3,645	2,920	80.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2018	–	0.00	–	0.00	0.00
Year ending March 31, 2019	–	0.00	–	–	–
Year ending March 31, 2019 (Forecast)	–	–	–	–	–

3. Forecast of non-consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	5,060	20.2	1 ~1,000	(99.8) ~149.2	1 ~1,000	(99.8) ~147.0	0 ~620	(99.9) ~36.9	0.05 ~45.05

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: 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 December 31, 2018	13,777,536 shares	As of March 31, 2018	13,774,120 shares
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Number of treasury shares at the end of the period

As of December 31, 2018	21,937 shares	As of March 31, 2018	188 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2018	13,764,709 shares	Nine months ended December 31, 2017	13,332,833 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Current assets		
Cash and deposits	1,654,957	1,019,958
Notes and accounts receivable - trade	747,304	589,937
Inventories	–	77,137
Other	113,133	118,832
Total current assets	<u>2,515,395</u>	<u>1,805,866</u>
Non-current assets		
Property, plant and equipment	156,025	193,145
Intangible assets	136,985	90,386
Investments and other assets		
Deferred tax assets	494,949	660,727
Other	342,021	430,772
Total investments and other assets	<u>836,970</u>	<u>1,091,499</u>
Total non-current assets	<u>1,129,982</u>	<u>1,375,031</u>
Total assets	<u>3,645,377</u>	<u>3,180,898</u>
Liabilities		
Current liabilities		
Notes and accounts payable - trade	237,840	297,507
Income taxes payable	8,961	2,908
Provision for bonuses	63,580	84,273
Provision for directors' bonuses	21,400	16,049
Other	363,503	307,401
Total current liabilities	<u>695,285</u>	<u>708,140</u>
Non-current liabilities		
Asset retirement obligations	29,235	29,279
Total non-current liabilities	<u>29,235</u>	<u>29,279</u>
Total liabilities	<u>724,521</u>	<u>737,420</u>
Net assets		
Shareholders' equity		
Capital stock	442,985	443,313
Capital surplus	727,117	727,445
Retained earnings	1,751,036	1,347,991
Treasury shares	(282)	(75,272)
Total shareholders' equity	<u>2,920,856</u>	<u>2,443,478</u>
Total net assets	<u>2,920,856</u>	<u>2,443,478</u>
Total liabilities and net assets	<u>3,645,377</u>	<u>3,180,898</u>

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net sales	2,811,284	3,611,560
Cost of sales	738,562	1,372,763
Gross profit	2,072,721	2,238,797
Selling, general and administrative expenses	1,832,049	2,771,534
Operating profit (loss)	240,672	(532,736)
Non-operating income		
Interest income	3	3
Subsidy income	300	150
Gain on investments in partnership	–	6,315
Miscellaneous income	2,374	2,207
Total non-operating income	2,678	8,677
Non-operating expenses		
Foreign exchange losses	162	784
Loss on investments in partnership	4,577	–
Miscellaneous loss	–	36
Total non-operating expenses	4,739	820
Ordinary profit (loss)	238,611	(524,879)
Extraordinary losses		
Loss on valuation of golf club membership	–	850
Total extraordinary losses	–	850
Profit (loss) before income taxes	238,611	(525,729)
Income taxes - current	226,487	43,091
Income taxes - deferred	(107,657)	(165,777)
Total income taxes	118,829	(122,685)
Profit (loss)	119,781	(403,044)