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Consolidated Financial Results for the Year Ended March 31, 2021 [Japanese GAAP]

May 14, 2021

Company name: OPTiM CORPORATION

Stock exchange listing: Tokyo

Code number: 3694

URL: <https://www.optim.co.jp/>

Representative: Shunji Sugaya

President

Contact: Akihiro Hayashi

Board Director

Phone: 03-6435-8570

Scheduled date of Annual General Meeting of Shareholders: June 29, 2021

Scheduled date of commencing dividend payments: -

Scheduled date of filing annual securities report: June 30, 2021

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 01, 2020 to March 31, 2021)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2021	7,517	11.7	1,808	603.8	2,000	671.0	1,237	955.8
March 31, 2020	6,728	-	256	-	259	-	117	-

(Note) Comprehensive income: Fiscal year ended March 31, 2021: ¥ 1,295 million [-%]
Fiscal year ended March 31, 2020: ¥ 117 million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended March 31, 2021	Yen 22.49	Yen 22.32	% 34.2	% 36.9	% 24.1
March 31, 2020	2.13	2.11	4.0	6.2	3.8

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2021: ¥ (9) million
Fiscal year ended March 31, 2020: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of March 31, 2021	Million yen 6,248	Million yen 4,355	% 68.2	Yen 77.39
March 31, 2020	4,604	3,039	64.5	53.95

(Reference) Equity: As of March 31, 2021: ¥ 4,259 million
As of March 31, 2020: ¥ 2,968 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended March 31, 2021	Million yen 1,323	Million yen (1,151)	Million yen 0	Million yen 1,453
March 31, 2020	430	(365)	0	1,263

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2020	-	0.00	-	0.00	0.00	-	-	-
March 31, 2021	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending March 31, 2022 (Forecast)	-	-	-	-	-		-	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2021 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	8,269 ~9,020	10.0 ~20.0	1,121 ~2,000	(38.0) ~10.6	1,121 ~2,000	(43.9) ~0.0	695 ~1,240	(43.8) ~0.2	12.63 ~22.53

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: Yes

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

March 31, 2021: 55,128,288 shares

March 31, 2020: 55,115,360 shares

2) Total number of treasury shares at the end of the period:

March 31, 2021: 88,948 shares

March 31, 2020: 87,748 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2021: 55,038,583 shares

Fiscal Year ended March 31, 2020: 55,024,825 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 01, 2020 to March 31, 2021)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	7,389	10.5	1,793	603.9	1,993	672.2	1,234	962.8
March 31, 2020	6,687	22.3	254	164.0	258	77.4	116	929.8

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2021	22.43	22.27
March 31, 2020	2.11	2.10

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2021	6,086	4,262	70.0	77.44
March 31, 2020	4,545	2,974	65.4	54.05

(Reference) Equity: As of March 31, 2021: ¥ 4,262 million
As of March 31, 2020: ¥ 2,974 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2020	As of March 31,2021
Assets		
Current assets		
Cash and deposits	1,263,910	1,453,676
Notes and accounts receivable - trade	1,552,215	1,807,181
Merchandise and finished goods	16,172	92,123
Work in process	17,168	6,749
Raw materials and supplies	2,931	2,503
Other	94,826	153,079
Total current assets	2,947,224	3,515,313
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	182,959	163,383
Machinery, equipment and vehicles, net	20,873	18,671
Other, net	101,496	71,507
Total property, plant and equipment	305,329	253,562
Intangible assets		
Software	29,407	671,005
Software in progress	-	131,510
Other	161	17,157
Total intangible assets	29,569	819,673
Investments and other assets		
Investment securities	202,061	230,398
Shares of subsidiaries and associates	-	406,100
Leasehold and guarantee deposits	336,130	336,116
Deferred tax assets	742,106	636,647
Other	41,818	51,093
Total investments and other assets	1,322,116	1,660,356
Total non-current assets	1,657,014	2,733,593
Total assets	4,604,239	6,248,906

(Thousand yen)

	As of March 31,2020	As of March 31,2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	482,958	612,195
Short-term borrowings	-	17,150
Income taxes payable	265,306	531,856
Provision for bonuses	112,426	135,322
Provision for bonuses for directors (and other officers)	21,413	23,054
Other	621,081	511,495
Total current liabilities	1,503,187	1,831,074
Non-current liabilities		
Asset retirement obligations	61,866	61,943
Total non-current liabilities	61,866	61,943
Total liabilities	1,565,053	1,893,017
Net assets		
Shareholders' equity		
Share capital	443,439	443,749
Capital surplus	727,570	727,880
Retained earnings	1,872,893	3,110,494
Treasury shares	(75,272)	(75,272)
Total shareholders' equity	2,968,629	4,206,852
Valuation difference on available-for-sale securities	-	52,861
Total accumulated other comprehensive income	-	52,861
Non-controlling interests	70,555	96,175
Total net assets	3,039,185	4,355,888
Total liabilities and net assets	4,604,239	6,248,906

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Net sales	6,728,792	7,517,790
Cost of sales	2,623,569	2,943,132
Gross profit	4,105,222	4,574,658
Selling, general and administrative expenses	3,848,240	2,766,019
Operating profit	256,981	1,808,638
Non-operating income		
Interest income	6	57
Commission income	3,448	92,630
Insurance claim income	2,155	1,336
Gain on investments in investment partnerships	-	100,796
Other	3,790	9,226
Total non-operating income	9,401	204,048
Non-operating expenses		
Share of loss of entities accounted for using equity method	-	9,099
Foreign exchange losses	1,508	3,041
Loss on investments in investment partnerships	5,361	-
Other	64	91
Total non-operating expenses	6,934	12,233
Ordinary profit	259,448	2,000,453
Extraordinary losses		
Loss on valuation of investment securities	-	16,294
Total extraordinary losses	-	16,294
Profit before income taxes	259,448	1,984,159
Income taxes - current	335,451	649,330
Income taxes - deferred	(193,281)	92,107
Total income taxes	142,169	741,438
Profit	117,278	1,242,721
Profit attributable to non-controlling interests	55	5,119
Profit attributable to owners of parent	117,222	1,237,601

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Profit	117,278	1,242,721
Other comprehensive income		
Valuation difference on available-for-sale securities	-	52,861
Total other comprehensive income	-	52,861
Comprehensive income	117,278	1,295,583
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	117,222	1,290,463
Comprehensive income attributable to non-controlling interests	55	5,119

Consolidated Statements of Changes in Net Assets
For the fiscal year ended March 31,2020

(Thousand 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

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
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

For the fiscal year ended March 31,2021

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	443,439	727,570	1,872,893	(75,272)	2,968,629
Changes during period					
Issuance of new shares - exercise of share acquisition rights	310	310			620
Change in scope of consolidation					-
Profit attributable to owners of parent			1,237,601		1,237,601
Net changes in items other than shareholders' equity					
Total changes during period	310	310	1,237,601	-	1,238,222
Balance at end of period	443,749	727,880	3,110,494	(75,272)	4,206,852

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	-	-	70,555	3,039,185
Changes during period				
Issuance of new shares - exercise of share acquisition rights				620
Change in scope of consolidation				-
Profit attributable to owners of parent				1,237,601
Net changes in items other than shareholders' equity	52,861	52,861	25,619	78,481
Total changes during period	52,861	52,861	25,619	1,316,703
Balance at end of period	52,861	52,861	96,175	4,355,888

Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Cash flows from operating activities		
Profit before income taxes	259,448	1,984,159
Depreciation	121,953	160,580
Amortization of goodwill	35,964	2,741
Increase (decrease) in provision for bonuses for directors (and other officers)	13	1,641
Increase (decrease) in provision for bonuses	24,798	22,895
Interest and dividend income	(6)	(57)
Foreign exchange losses (gains)	1,407	3,058
Loss (gain) on investments in investment partnerships	5,361	(100,796)
Share of loss (profit) of entities accounted for using equity method	-	9,099
Loss (gain) on valuation of investment securities	-	16,294
Decrease (increase) in trade receivables	(378,212)	(249,810)
Decrease (increase) in inventories	(2,126)	(65,104)
Decrease (increase) in accounts receivable - other	51,840	6,857
Increase (decrease) in trade payables	216,314	71,973
Increase (decrease) in accounts payable - other	106,579	(89,659)
Increase (decrease) in accrued expenses	3,256	(15,428)
Increase (decrease) in accrued consumption taxes	80,048	45,576
Increase (decrease) in advances received	(24,516)	-
Increase (decrease) in unearned revenue	8,774	37,747
Increase (decrease) in deposits received	75,896	(70,971)
Other, net	32,693	(56,134)
Subtotal	619,491	1,714,663
Interest and dividends received	6	57
Income taxes paid	(188,860)	(391,259)
Net cash provided by (used in) operating activities	430,637	1,323,462
Cash flows from investing activities		
Purchase of property, plant and equipment	(194,876)	(63,750)
Proceeds from sale of property, plant and equipment	-	1,015
Purchase of intangible assets	(20,393)	(759,084)
Payments for asset retirement obligations	(6,000)	-
Loan advances	-	(21,000)
Proceeds from collection of loans receivable	396	21,396
Purchase of investment securities	-	(30,000)
Proceeds from sale of investment securities	-	33,000
Purchase of shares of subsidiaries and associates	-	(415,200)
Payments for acquisition of businesses	-	(39,064)
Proceeds from distributions from investment partnerships	-	129,447
Purchase of insurance funds	(9,981)	(9,981)
Payments of leasehold and guarantee deposits	(249,993)	(199)
Proceeds from refund of leasehold and guarantee deposits	115,136	1,664
Net cash provided by (used in) investing activities	(365,711)	(1,151,757)
Cash flows from financing activities		
Proceeds from issuance of shares resulting from exercise of share acquisition rights	250	620
Net cash provided by (used in) financing activities	250	620
Effect of exchange rate change on cash and cash equivalents	(1,407)	(3,058)

(Thousand yen)

	For the fiscal year ended March 31,2020	For the fiscal year ended March 31,2021
Net increase (decrease) in cash and cash equivalents	63,768	169,266
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	1,263,910	1,453,676