

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

August 14, 2019

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: August 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. Consolidated financial results for the three months ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

(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 | % |
| Three months ended June 30, 2019 | 1,171 | – | (189) | – | (190) | – | (150) | – |
| Three months ended June 30, 2018 | – | – | – | – | – | – | – | – |

| | Earnings per share | Diluted earnings per share |
|----------------------------------|--------------------|----------------------------|
| | Yen | Yen |
| Three months ended June 30, 2019 | (5.46) | – |
| Three months ended June 30, 2018 | – | – |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|----------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of June 30, 2019 | 3,754 | 2,771 | 71.9 |
| As of March 31, 2019 | – | – | – |

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, 2019 | – | 0.00 | – | 0.00 | 0.00 |
| Year ending March 31, 2020 | – | – | – | – | – |
| Year ending March 31, 2020 (Forecast) | – | – | – | – | – |

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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 | 6,563 | – | ~1,313 | – | ~1,313 | – | ~814 | – | 0.02 ~29.59 |

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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 June 30, 2019 | 27,555,072 shares | As of March 31, 2019 | 27,555,072 shares |
|---------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|---------------------|---------------|----------------------|---------------|
| As of June 30, 2019 | 43,874 shares | As of March 31, 2019 | 43,874 shares |
|---------------------|---------------|----------------------|---------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

| | | | |
|----------------------------------|-------------------|----------------------------------|-------------------|
| Three months ended June 30, 2019 | 27,511,198 shares | Three months ended June 30, 2018 | 27,548,379 shares |
|----------------------------------|-------------------|----------------------------------|-------------------|

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

As of June 30, 2019

| | |
|---------------------------------------|-----------|
| Assets | |
| Current assets | |
| Cash and deposits | 1,422,163 |
| Notes and accounts receivable - trade | 584,728 |
| Inventories | 51,305 |
| Other | 90,382 |
| Total current assets | 2,148,578 |
| Non-current assets | |
| Property, plant and equipment | 277,875 |
| Intangible assets | 62,885 |
| Investments and other assets | |
| Leasehold and guarantee deposits | 422,960 |
| Deferred tax assets | 601,001 |
| Other | 241,167 |
| Total investments and other assets | 1,265,129 |
| Total non-current assets | 1,605,889 |
| Total assets | 3,754,468 |
| Liabilities | |
| Current liabilities | |
| Notes and accounts payable - trade | 274,249 |
| Income taxes payable | 17,608 |
| Provision for bonuses | 118,595 |
| Asset retirement obligations | 5,700 |
| Other | 514,855 |
| Total current liabilities | 931,008 |
| Non-current liabilities | |
| Asset retirement obligations | 52,137 |
| Total non-current liabilities | 52,137 |
| Total liabilities | 983,146 |
| Net assets | |
| Shareholders' equity | |
| Share capital | 443,313 |
| Capital surplus | 727,445 |
| Retained earnings | 1,605,535 |
| Treasury shares | (75,272) |
| Total shareholders' equity | 2,701,021 |
| Non-controlling interests | 70,300 |
| Total net assets | 2,771,321 |
| Total liabilities and net assets | 3,754,468 |

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

Consolidated statements of income (cumulative)

| | (Thousands of yen) |
|--|--------------------|
| | Three months ended |
| | June 30, 2019 |
| Net sales | 1,171,952 |
| Cost of sales | 487,587 |
| Gross profit | 684,364 |
| Selling, general and administrative expenses | 874,253 |
| Operating loss | (189,888) |
| Non-operating income | |
| Commission income | 1,448 |
| Miscellaneous income | 968 |
| Total non-operating income | 2,417 |
| Non-operating expenses | |
| Foreign exchange losses | 1,754 |
| Loss on investments in investment partnerships | 1,538 |
| Total non-operating expenses | 3,293 |
| Ordinary loss | (190,764) |
| Loss before income taxes | (190,764) |
| Income taxes - current | 11,746 |
| Income taxes - deferred | (52,176) |
| Total income taxes | (40,429) |
| Loss | (150,334) |
| Loss attributable to non-controlling interests | (199) |
| Loss attributable to owners of parent | (150,135) |

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

| | Three months ended June 30, 2019 |
|--|-------------------------------------|
| Loss | (150,334) |
| Comprehensive income | (150,334) |
| Comprehensive income attributable to | |
| Comprehensive income attributable to owners of parent | (150,135) |
| Comprehensive income attributable to non-controlling interests | (199) |