

**Translation**

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**Summary of Non-Consolidated Financial Results  
for the Year Ended March 31, 2019  
(Based on Japanese GAAP)**

May 15, 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 of ordinary general meeting of shareholders: June 27, 2019  
 Scheduled date to file Securities Report: June 28, 2019  
 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. Non-consolidated financial results for the year ended March 31, 2019 (from April 1, 2018 to March 31, 2019)

(1) Non-consolidated operating results

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	%
Year ended March 31, 2019	5,468	29.9	96	(76.0)	145	(64.1)	11	(97.5)
Year ended March 31, 2018	4,210	27.0	401	(41.4)	404	(40.6)	453	13.9

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2019	0.41	0.41	0.4	3.9	1.8
Year ended March 31, 2018	16.92	16.34	17.0	11.6	9.5

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2019	3,725	2,857	76.7	103.88
As of March 31, 2018	3,645	2,920	80.1	106.03

(3) Non-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, 2019	(250)	(202)	(74)	1,127
Year ended March 31, 2018	(47)	(395)	50	1,654

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Non-consolidated)	Ratio of dividends to net assets (Non-consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2018	–	0.00	–	0.00	0.00	–	–	–
Year ended March 31, 2019	–	0.00	–	0.00	0.00	–	–	–
Year ending March 31, 2020 (Forecast)	–	–	–	–	–		–	

3. Forecast of non-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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	6,563	20.0	1 ~1,313	(99.0) ~1,260.7	1 ~1,313	(99.3) ~802.2	0 ~814	(94.5) ~7,115.5	0.02 ~29.57

4. Notes

(1) 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

(2) Number of issued shares (common shares)

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

As of March 31, 2019	27,555,072 shares	As of March 31, 2018	27,548,240 shares
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Number of treasury shares at the end of the period

As of March 31, 2019	43,874 shares	As of March 31, 2018	376 shares
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Average number of shares during the period

Year ended March 31, 2019	27,524,923 shares	Year ended March 31, 2018	26,767,528 shares
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**Non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	1,654,957	1,127,679
Notes receivable - trade	45,313	64,169
Accounts receivable - trade	701,991	1,109,839
Merchandise and finished goods	–	32,820
Supplies	–	1,325
Advance payments - trade	30,750	16,061
Prepaid expenses	39,832	38,087
Other	42,550	71,951
Total current assets	2,515,395	2,461,935
Non-current assets		
Property, plant and equipment		
Buildings, net	104,562	95,611
Machinery and equipment, net	–	7,778
Vehicles, net	0	2,064
Tools, furniture and fixtures, net	39,380	61,187
Construction in progress	12,082	19,966
Total property, plant and equipment	156,025	186,609
Intangible assets		
Goodwill	75,199	35,964
Software	61,624	38,178
Other	161	161
Total intangible assets	136,985	74,304
Investments and other assets		
Investment securities	161,887	207,423
Shares of subsidiaries and associates	–	9,500
Long-term prepaid expenses	20,037	33,693
Leasehold and guarantee deposits	158,541	201,587
Deferred tax assets	494,949	548,824
Other	1,555	1,979
Total investments and other assets	836,970	1,003,008
Total non-current assets	1,129,982	1,263,922
Total assets	3,645,377	3,725,858

(Thousands of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	237,840	266,644
Accounts payable - other	98,292	73,021
Accrued expenses	44,236	54,405
Income taxes payable	8,961	114,341
Accrued consumption taxes	13,756	28,049
Advances received	76,312	24,516
Deposits received	8,949	8,481
Unearned revenue	121,956	160,271
Provision for bonuses	63,580	87,628
Provision for bonuses for directors (and other officers)	21,400	21,400
<b>Total current liabilities</b>	<b>695,285</b>	<b>838,760</b>
<b>Non-current liabilities</b>		
Asset retirement obligations	29,235	29,294
<b>Total non-current liabilities</b>	<b>29,235</b>	<b>29,294</b>
<b>Total liabilities</b>	<b>724,521</b>	<b>868,054</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	442,985	443,313
<b>Capital surplus</b>		
Legal capital surplus	407,485	407,813
Other capital surplus	319,631	319,631
<b>Total capital surpluses</b>	<b>727,117</b>	<b>727,445</b>
<b>Retained earnings</b>		
Other retained earnings		
Reserve for investment loss	57,934	68,202
Retained earnings brought forward	1,693,101	1,694,115
<b>Total retained earnings</b>	<b>1,751,036</b>	<b>1,762,317</b>
Treasury shares	(282)	(75,272)
<b>Total shareholders' equity</b>	<b>2,920,856</b>	<b>2,857,803</b>
<b>Total net assets</b>	<b>2,920,856</b>	<b>2,857,803</b>
<b>Total liabilities and net assets</b>	<b>3,645,377</b>	<b>3,725,858</b>

**Non-consolidated statements of income**

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Net sales	4,210,606	5,468,745
Cost of sales	1,106,251	1,965,375
Gross profit	3,104,354	3,503,370
Selling, general and administrative expenses	2,703,121	3,406,876
Operating profit	401,233	96,493
Non-operating income		
Interest income	6	6
Gain on investments in partnership	–	9,335
Subsidy income	460	150
Commission income	5,000	5,767
Miscellaneous income	–	30,433
Other	3,782	4,202
Total non-operating income	9,249	49,896
Non-operating expenses		
Foreign exchange losses	6	759
Loss on investments in partnership	5,498	–
Miscellaneous loss	65	102
Total non-operating expenses	5,571	862
Ordinary profit	404,911	145,527
Extraordinary losses		
Loss on valuation of golf club membership	–	850
Total extraordinary losses	–	850
Profit before income taxes	404,911	144,677
Income taxes - current	182,255	187,270
Income taxes - deferred	(230,365)	(53,874)
Total income taxes	(48,109)	133,396
Profit	453,021	11,281

## Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2018

(Thousands of yen)

	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of current period	417,664	382,164	319,631	701,795
Changes of items during period				
Issuance of new shares - exercise of share acquisition rights	25,321	25,321		25,321
Provision of reserve for investment loss				
Profit				
Purchase of treasury shares				
Total changes of items during period	25,321	25,321	–	25,321
Balance at end of current period	442,985	407,485	319,631	727,117

	Shareholders' equity					Total net assets
	Retained earnings			Treasury shares	Total shareholders' equity	
	Other retained earnings		Total retained earnings			
	Reserve for investment loss	Retained earnings brought forward				
Balance at beginning of current period	12,552	1,285,462	1,298,015	(213)	2,417,260	2,417,260
Changes of items during period						
Issuance of new shares - exercise of share acquisition rights					50,643	50,643
Provision of reserve for investment loss	45,381	(45,381)	–		–	–
Profit		453,021	453,021		453,021	453,021
Purchase of treasury shares				(68)	(68)	(68)
Total changes of items during period	45,381	407,639	453,021	(68)	503,595	503,595
Balance at end of current period	57,934	1,693,101	1,751,036	(282)	2,920,856	2,920,856

Fiscal year ended March 31, 2019

(Thousands of yen)

	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of current period	442,985	407,485	319,631	727,117
Changes of items during period				
Issuance of new shares - exercise of share acquisition rights	327	327		327
Provision of reserve for investment loss				
Profit				
Purchase of treasury shares				
Total changes of items during period	327	327	–	327
Balance at end of current period	443,313	407,813	319,631	727,445

	Shareholders' equity					Total net assets
	Retained earnings			Treasury shares	Total shareholders' equity	
	Other retained earnings		Total retained earnings			
	Reserve for investment loss	Retained earnings brought forward				
Balance at beginning of current period	57,934	1,693,101	1,751,036	(282)	2,920,856	2,920,856
Changes of items during period						
Issuance of new shares - exercise of share acquisition rights					655	655
Provision of reserve for investment loss	10,267	(10,267)	–		–	–
Profit		11,281	11,281		11,281	11,281
Purchase of treasury shares				(74,989)	(74,989)	(74,989)
Total changes of items during period	10,267	1,013	11,281	(74,989)	(63,052)	(63,052)
Balance at end of current period	68,202	1,694,115	1,762,317	(75,272)	2,857,803	2,857,803

## Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from operating activities		
Profit before income taxes	404,911	144,677
Depreciation	74,984	87,748
Amortization of goodwill	3,269	39,234
Increase (decrease) in provision for bonuses for directors (and other officers)	(18,500)	–
Increase (decrease) in provision for bonuses	(8,420)	24,048
Interest and dividend income	(6)	(6)
Foreign exchange losses (gains)	–	327
Loss on valuation of golf club memberships	–	850
Loss (gain) on investments in partnership	5,498	(9,335)
Decrease (increase) in notes and accounts receivable - trade	(165,159)	(426,705)
Decrease (increase) in inventories	814	(34,145)
Increase (decrease) in notes and accounts payable - trade	54,589	28,804
Increase (decrease) in accounts payable - other	1,828	(10,341)
Increase (decrease) in accrued expenses	23,736	10,169
Increase (decrease) in accrued consumption taxes	(30,827)	14,292
Increase (decrease) in advances received	45,878	(51,796)
Increase (decrease) in unearned revenue	2,288	38,315
Other, net	18,927	(18,042)
Subtotal	413,814	(161,905)
Interest and dividend income received	6	6
Income taxes paid	(461,373)	(88,626)
Net cash provided by (used in) operating activities	(47,552)	(250,525)
Cash flows from investing activities		
Purchase of property, plant and equipment	(178,228)	(103,143)
Purchase of intangible assets	(26,304)	(8,530)
Purchase of investment securities	(93,000)	(60,000)
Purchase of shares of subsidiaries	(80,000)	(10,000)
Proceeds from sales of shares of subsidiaries	–	500
Proceeds from distribution of investment in partnerships	–	23,800
Payments for leasehold and guarantee deposits	(19,157)	(43,046)
Proceeds from collection of leasehold and guarantee deposits	1,260	–
Other, net	–	(1,670)
Net cash provided by (used in) investing activities	(395,430)	(202,090)
Cash flows from financing activities		
Proceeds from issuance of shares resulting from exercise of share acquisition rights	50,643	655
Purchase of treasury shares	–	(74,989)
Net cash provided by (used in) financing activities	50,643	(74,333)
Effect of exchange rate change on cash and cash equivalents	–	(327)
Net increase (decrease) in cash and cash equivalents	(392,339)	(527,278)
Cash and cash equivalents at beginning of period	2,038,659	1,654,957
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	8,637	–
Cash and cash equivalents at end of period	1,654,957	1,127,679