

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 5, 2020

Company name: MATCHING SERVICE JAPAN CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 6539 URL <https://company.jmsc.co.jp/>
 Representative: CEO Takahiro Arimoto
 Director
 Inquiries: Business Administration Headquarter Taku Yamamoto TEL 03-3239-7373
 General Manager
 Scheduled date to file Quarterly Securities Report: August 7, 2020
 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 three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(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	%
Three months ended June 30, 2020	840	(12.4)	340	(13.5)	345	(19.9)	237	(20.2)
Three months ended June 30, 2019	959	10.8	393	9.7	431	17.2	297	17.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	9.51		9.49	
Three months ended June 30, 2019	11.93		11.89	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	8,337	7,844	94.1
As of March 31, 2020	8,806	7,961	90.4

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, 2020	–	0.00	–	15.00	15.00
Year ending March 31, 2021	–	–	–	–	–
Year ending March 31, 2021 (Forecast)	–	–	–	–	–

3. 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 June 30, 2020	24,946,400 shares	As of March 31, 2020	24,945,600 shares
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Number of treasury shares at the end of the period

As of June 30, 2020	377 shares	As of March 31, 2020	377 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2020	24,945,823 shares	Three months ended June 30, 2019	24,908,068 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	6,371,678	6,405,401
Accounts receivable - trade	164,429	141,212
Securities	518,298	–
Other	33,756	35,354
Total current assets	7,088,162	6,581,969
Non-current assets		
Property, plant and equipment	67,653	74,635
Intangible assets	220,459	213,996
Investments and other assets		
Investment securities	1,202,125	1,283,156
Other	242,587	198,420
Allowance for doubtful accounts	(14,596)	(14,596)
Total investments and other assets	1,430,117	1,466,980
Total non-current assets	1,718,230	1,755,612
Total assets	8,806,393	8,337,581
Liabilities		
Current liabilities		
Income taxes payable	387,469	75,500
Provision for repayment	4,266	5,269
Provision for bonuses	115,430	37,399
Other	337,535	374,991
Total current liabilities	844,702	493,160
Total liabilities	844,702	493,160
Net assets		
Shareholders' equity		
Share capital	583,378	583,438
Capital surplus	1,229,316	1,229,376
Retained earnings	6,117,495	5,980,540
Treasury shares	(503)	(503)
Total shareholders' equity	7,929,686	7,792,852
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	32,004	51,568
Total valuation and translation adjustments	32,004	51,568
Total net assets	7,961,691	7,844,421
Total liabilities and net assets	8,806,393	8,337,581

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net sales	959,782	840,499
Cost of sales	196	60
Gross profit	959,585	840,439
Selling, general and administrative expenses	566,003	500,078
Operating profit	393,581	340,360
Non-operating income		
Interest and dividend income	29,854	11,733
Gain on sales of securities	20,335	–
Other	345	345
Total non-operating income	50,534	12,078
Non-operating expenses		
Commission expenses	2,970	523
Loss on investments in investment partnerships	–	6,493
Loss on redemption of securities	9,919	–
Other	211	207
Total non-operating expenses	13,101	7,224
Ordinary profit	431,014	345,214
Extraordinary losses		
Loss on retirement of non-current assets	–	852
Total extraordinary losses	–	852
Profit before income taxes	431,014	344,362
Income taxes - current	103,120	68,582
Income taxes - deferred	30,680	38,555
Total income taxes	133,800	107,138
Profit	297,214	237,223