

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2021 (Based on Japanese GAAP)

May 12, 2021

Company name: MATCHING SERVICE JAPAN CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6539 URL <https://company.jmsc.com.jp/>  
 Representative: CEO Takahiro Arimoto  
 Director  
 Inquiries: Business Administration Headquarter Taku Yamamoto TEL 03-3239-7373  
 General Manager  
 Scheduled date of ordinary general meeting of shareholders: June 25, 2021  
 Scheduled date to file Securities Report: June 28, 2021  
 Scheduled date to commence dividend payments: June 28, 2021  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

#### (1) Consolidated operating results

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	%
Year ended March 31, 2021	3,369	—	1,239	—	1,612	—	1,082	—
Year ended March 31, 2020	—	—	—	—	—	—	—	—

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2021	43.37	43.35	11.6	15.9	36.8
Year ended March 31, 2020	—	—	—	—	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	10,158	9,380	92.1	374.65
As of March 31, 2020	—	—	—	—

#### (3) 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, 2021	531	(174)	(348)	6,380
Year ended March 31, 2020	—	—	—	—

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (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, 2020	—	0.00	—	15.00	15.00	374	—	—
Year ended March 31, 2021	—	0.00	—	15.00	15.00	374	34.6	4.0
Year ending March 31, 2022 (Forecast)	—	0.00	—	15.00	15.00		37.9	

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Six months ending September 30, 2021	1,877	–	717	–	687	–	457	–	18.31
Full year	3,928	16.6	1,549	25.0	1,486	(7.8)	988	(8.7)	39.56

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2021

(changes in specified subsidiaries resulting in the change in scope of consolidation):

Yes

(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 March 31, 2021	24,985,000 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 March 31, 2021	449 shares	As of March 31, 2020	377 shares
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Average number of shares during the period

Year ended March 31, 2021	24,949,435 shares	Year ended March 31, 2020	24,911,916 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

As of March 31, 2021

Assets	
Current assets	
Cash and deposits	6,380,887
Accounts receivable - trade	137,668
Securities	1,000,000
Prepaid expenses	29,643
Other	100,668
Total current assets	<u>7,648,867</u>
Non-current assets	
Property, plant and equipment	
Buildings, net	33,193
Vehicles, net	0
Tools, furniture and fixtures, net	5,367
Land	15,109
Total property, plant and equipment	<u>53,671</u>
Intangible assets	
Software	155,511
Other	50,737
Total intangible assets	<u>206,249</u>
Investments and other assets	
Investment securities	2,116,730
Guarantee deposits	119,689
Long-term prepaid expenses	4,795
Other	24,426
Allowance for doubtful accounts	(15,601)
Total investments and other assets	<u>2,250,039</u>
Total non-current assets	<u>2,509,959</u>
Total assets	<u>10,158,827</u>

(Thousands of yen)

As of March 31, 2021

Liabilities	
Current liabilities	
Accounts payable - other	134,630
Accrued expenses	43,721
Income taxes payable	255,319
Accrued consumption taxes	16,121
Provision for repayment	5,458
Provision for bonuses	82,668
Other	27,590
Total current liabilities	565,510
Non-current liabilities	
Deferred tax liabilities	213,241
Total non-current liabilities	213,241
Total liabilities	778,752
Net assets	
Shareholders' equity	
Share capital	586,333
Capital surplus	1,232,271
Retained earnings	6,825,474
Treasury shares	(579)
Total shareholders' equity	8,643,500
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	717,063
Total accumulated other comprehensive income	717,063
Non-controlling interests	19,511
Total net assets	9,380,075
Total liabilities and net assets	10,158,827

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

	(Thousands of yen)
	Fiscal year ended March 31, 2021
Net sales	3,369,685
Cost of sales	1,160
Gross profit	3,368,525
Selling, general and administrative expenses	2,128,573
Operating profit	1,239,951
Non-operating income	
Interest and dividend income	40
Interest on securities	42,789
Gain on sale of securities	455,759
Rental income	1,372
Other	345
Total non-operating income	500,307
Non-operating expenses	
Commission expenses	51,489
Loss on redemption of securities	143
Provision of allowance for doubtful accounts	1,005
Loss on valuation of investment securities	10,499
Loss on investments in investment partnerships	63,405
Rental expenses	1,133
Other	4
Total non-operating expenses	127,680
Ordinary profit	1,612,578
Extraordinary losses	
Loss on sale of non-current assets	4,277
Loss on retirement of non-current assets	852
Total extraordinary losses	5,130
Profit before income taxes	1,607,448
Income taxes - current	531,787
Income taxes - deferred	(6,008)
Total income taxes	525,778
Profit	1,081,669
Loss attributable to non-controlling interests	(488)
Profit attributable to owners of parent	1,082,157

## Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2021
Profit	1,081,669
Other comprehensive income	
Valuation difference on available-for-sale securities	685,059
Total other comprehensive income	685,059
Comprehensive income	1,766,728
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	1,767,216
Comprehensive income attributable to non-controlling interests	(488)

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	583,378	1,229,316	6,117,495	(503)	7,929,686
Changes during period					
Issuance of new shares	2,955	2,955			5,910
Dividends of surplus			(374,178)		(374,178)
Profit attributable to owners of parent			1,082,157		1,082,157
Purchase of treasury shares				(75)	(75)
Net changes in items other than shareholders' equity					
Total changes during period	2,955	2,955	707,979	(75)	713,813
Balance at end of period	586,333	1,232,271	6,825,474	(579)	8,643,500

	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	32,004	32,004	–	7,961,691
Changes during period				
Issuance of new shares				5,910
Dividends of surplus				(374,178)
Profit attributable to owners of parent				1,082,157
Purchase of treasury shares				(75)
Net changes in items other than shareholders' equity	685,059	685,059	19,511	704,570
Total changes during period	685,059	685,059	19,511	1,418,384
Balance at end of period	717,063	717,063	19,511	9,380,075

## Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2021
Cash flows from operating activities	
Profit before income taxes	1,607,448
Depreciation	78,717
Increase (decrease) in allowance for doubtful accounts	1,005
Increase (decrease) in provision for repayment	1,191
Increase (decrease) in provision for bonuses	(32,761)
Interest and dividend income	(42,830)
Loss (gain) on sale of securities	(455,759)
Loss (gain) on redemption of securities	143
Loss (gain) on valuation of securities	10,499
Loss (gain) on investments in investment partnerships	63,405
Loss on sale of non-current assets	4,277
Loss on retirement of non-current assets	852
Decrease (increase) in trade receivables	26,761
Decrease (increase) in prepaid expenses	924
Increase (decrease) in accounts payable - other	(15,764)
Increase (decrease) in accrued expenses	(1,450)
Increase (decrease) in accrued consumption taxes	(59,710)
Other, net	(44,442)
Subtotal	<u>1,142,507</u>
Interest and dividends received	46,006
Income taxes paid	<u>(656,556)</u>
Net cash provided by (used in) operating activities	<u>531,957</u>
Cash flows from investing activities	
Purchase of securities	(1,587,079)
Proceeds from sale of securities	1,436,574
Purchase of property, plant and equipment	(20,417)
Proceeds from sale of property, plant and equipment	10,256
Purchase of intangible assets	(48,429)
Proceeds from distributions from investment partnerships	23,700
Proceeds from collection of long-term loans receivable	3,802
Proceeds from refund of guarantee deposits	7,263
Purchase of insurance funds	(75)
Net cash provided by (used in) investing activities	<u>(174,405)</u>
Cash flows from financing activities	
Proceeds from issuance of shares	5,910
Dividends paid	(374,178)
Purchase of treasury shares	(75)
Proceeds from share issuance to non-controlling shareholders	20,000
Net cash provided by (used in) financing activities	<u>(348,344)</u>
Net increase (decrease) in cash and cash equivalents	<u>9,208</u>
Cash and cash equivalents at beginning of period	<u>6,371,678</u>
Cash and cash equivalents at end of period	<u>6,380,887</u>