

Translation

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Summary of Non-Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

February 10, 2021

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: February 12, 2021
 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 nine months ended December 31, 2020 (from April 1, 2020 to December 31, 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	%
Nine months ended December 31, 2020	2,429	(20.8)	868	(31.5)	906	(40.8)	617	(42.8)
Nine months ended December 31, 2019	3,067	7.8	1,268	(1.9)	1,531	14.0	1,078	14.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2020	24.76		24.72	
Nine months ended December 31, 2019	43.31		43.16	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of December 31, 2020	9,758		9,143		93.7		366.51	
As of March 31, 2020	8,806		7,961		90.4		319.17	

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2020	–	0.00	–	15.00	15.00
Year ending March 31, 2021	–	0.00	–	–	–
Year ending March 31, 2021 (Forecast)	–	–	–	15.00	15.00

3. Forecast of non-consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	3,357	(18.1)	1,217	(28.6)	1,530	(24.3)	1,025	(25.4)	41.08

4. 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 December 31, 2020	24,948,000 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 December 31, 2020	425 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)

Nine months ended December 31, 2020	24,946,298 shares	Nine months ended December 31, 2019	24,908,844 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	6,371,678	6,009,361
Accounts receivable - trade	164,429	114,049
Securities	518,298	500,000
Income taxes receivable	–	45,782
Other	33,756	56,803
Total current assets	7,088,162	6,725,996
Non-current assets		
Property, plant and equipment	67,653	70,806
Intangible assets	220,459	201,477
Investments and other assets		
Investment securities	1,202,125	2,621,330
Other	242,587	153,907
Allowance for doubtful accounts	(14,596)	(14,596)
Total investments and other assets	1,430,117	2,760,641
Total non-current assets	1,718,230	3,032,925
Total assets	8,806,393	9,758,921
Liabilities		
Current liabilities		
Income taxes payable	387,469	–
Provision for repayment	4,266	4,753
Provision for bonuses	115,430	34,877
Other	337,535	199,135
Total current liabilities	844,702	238,766
Non-current liabilities		
Deferred tax liabilities	–	376,427
Total non-current liabilities	–	376,427
Total liabilities	844,702	615,193
Net assets		
Shareholders' equity		
Share capital	583,378	583,558
Capital surplus	1,229,316	1,229,496
Retained earnings	6,117,495	6,360,934
Treasury shares	(503)	(550)
Total shareholders' equity	7,929,686	8,173,440
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	32,004	970,287
Total valuation and translation adjustments	32,004	970,287
Total net assets	7,961,691	9,143,727
Total liabilities and net assets	8,806,393	9,758,921

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	3,067,219	2,429,198
Cost of sales	1,368	365
Gross profit	3,065,851	2,428,833
Selling, general and administrative expenses	1,796,957	1,559,884
Operating profit	1,268,893	868,948
Non-operating income		
Interest and dividend income	148,411	37,236
Gain on sales of securities	132,373	10,090
Other	1,792	1,289
Total non-operating income	282,577	48,616
Non-operating expenses		
Commission expenses	6,748	1,601
Loss on redemption of securities	9,919	–
Loss on investments in investment partnerships	2,468	8,806
Other	633	955
Total non-operating expenses	19,769	11,363
Ordinary profit	1,531,701	906,201
Extraordinary income		
Surrender value of insurance policies	37,796	–
Total extraordinary income	37,796	–
Extraordinary losses		
Loss on retirement of non-current assets	–	852
Total extraordinary losses	–	852
Profit before income taxes	1,569,498	905,348
Income taxes - current	464,796	242,310
Income taxes - deferred	25,811	45,419
Total income taxes	490,607	287,730
Profit	1,078,890	617,617