

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on Japanese GAAP)

November 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: November 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. Consolidated financial results for the six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

(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	%
Six months ended September 30, 2021	1,854	–	776	–	816	–	553	–
Six months ended September 30, 2020	–	–	–	–	–	–	–	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2021	22.16		22.15	
Six months ended September 30, 2020	–		–	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2021	9,893		9,130		92.1	
As of March 31, 2021	10,158		9,380		92.1	

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, 2021	–	0.00	–	15.00	15.00
Year ending March 31, 2022	–	0.00	–	–	–
Year ending March 31, 2022 (Forecast)	–	–	–	15.00	15.00

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
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 six months ended September 30, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (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: Yes
- 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 September 30, 2021	24,985,600 shares	As of March 31, 2021	24,985,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	449 shares	As of March 31, 2021	449 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	24,984,722 shares	Six months ended September 30, 2020	24,945,909 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	6,380,887	7,412,219
Accounts receivable - trade	137,668	173,018
Securities	1,000,000	7,410
Other	130,312	53,914
Total current assets	<u>7,648,867</u>	<u>7,646,563</u>
Non-current assets		
Property, plant and equipment	53,671	56,845
Intangible assets	206,249	203,376
Investments and other assets		
Investment securities	2,116,730	1,854,699
Other	148,910	147,467
Allowance for doubtful accounts	(15,601)	(15,601)
Total investments and other assets	<u>2,250,039</u>	<u>1,986,565</u>
Total non-current assets	<u>2,509,959</u>	<u>2,246,787</u>
Total assets	<u>10,158,827</u>	<u>9,893,351</u>
Liabilities		
Current liabilities		
Income taxes payable	255,319	283,983
Provision for bonuses	82,668	99,583
Other	227,522	361,072
Total current liabilities	<u>565,510</u>	<u>744,639</u>
Non-current liabilities		
Deferred tax liabilities	213,241	18,637
Total non-current liabilities	<u>213,241</u>	<u>18,637</u>
Total liabilities	<u>778,752</u>	<u>763,277</u>
Net assets		
Shareholders' equity		
Share capital	586,333	586,378
Capital surplus	1,232,271	1,232,316
Retained earnings	6,825,474	7,004,292
Treasury shares	(579)	(579)
Total shareholders' equity	<u>8,643,500</u>	<u>8,822,408</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	717,063	288,374
Total accumulated other comprehensive income	<u>717,063</u>	<u>288,374</u>
Non-controlling interests	19,511	19,290
Total net assets	<u>9,380,075</u>	<u>9,130,073</u>
Total liabilities and net assets	<u>10,158,827</u>	<u>9,893,351</u>

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2021
Net sales	1,854,069
Cost of sales	305
Gross profit	1,853,764
Selling, general and administrative expenses	1,077,005
Operating profit	776,759
Non-operating income	
Interest and dividend income	60,208
Gain on investments in investment partnerships	6,984
Other	438
Total non-operating income	67,630
Non-operating expenses	
Commission expenses	27,647
Other	135
Total non-operating expenses	27,783
Ordinary profit	816,606
Extraordinary income	
Gain on sale of non-current assets	3,189
Total extraordinary income	3,189
Extraordinary losses	
Loss on retirement of non-current assets	859
Total extraordinary losses	859
Profit before income taxes	818,937
Income taxes - current	270,979
Income taxes - deferred	(5,407)
Total income taxes	265,571
Profit	553,365
Loss attributable to non-controlling interests	(221)
Profit attributable to owners of parent	553,586

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2021
Profit	553,365
Other comprehensive income	
Valuation difference on available-for-sale securities	(428,688)
Total other comprehensive income	(428,688)
Comprehensive income	124,676
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	124,897
Comprehensive income attributable to non-controlling interests	(221)

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2021
Cash flows from operating activities	
Profit before income taxes	818,937
Depreciation	38,445
Increase (decrease) in provision for bonuses	16,914
Interest and dividend income	(60,208)
Loss (gain) on investments in investment partnerships	(6,984)
Gain on sale of non-current assets	(3,189)
Loss on retirement of non-current assets	859
Decrease (increase) in trade receivables	(35,350)
Decrease (increase) in prepaid expenses	(22,743)
Increase (decrease) in accounts payable - other	(32,880)
Increase (decrease) in accrued expenses	1,331
Increase (decrease) in accrued consumption taxes	38,827
Other, net	2,840
Subtotal	<u>756,799</u>
Interest and dividends received	60,853
Income taxes paid	(246,098)
Net cash provided by (used in) operating activities	<u>571,554</u>
Cash flows from investing activities	
Purchase of investment securities	(372,960)
Proceeds from sale and redemption of investment securities	1,099,610
Purchase of property, plant and equipment	(5,121)
Purchase of intangible assets	(46,191)
Proceeds from distributions from investment partnerships	159,025
Proceeds from refund of guarantee deposits	94
Net cash provided by (used in) investing activities	<u>834,456</u>
Cash flows from financing activities	
Dividends paid	(374,768)
Proceeds from issuance of shares	90
Net cash provided by (used in) financing activities	<u>(374,678)</u>
Net increase (decrease) in cash and cash equivalents	<u>1,031,332</u>
Cash and cash equivalents at beginning of period	<u>6,380,887</u>
Cash and cash equivalents at end of period	<u>7,412,219</u>