



## Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2020 [Japanese GAAP]

August 6, 2020

Company Name: Kanamic Network Co., Ltd. Stock Exchange Listing: Tokyo  
 Stock Code: 3939 URL: <http://www.kanamic.net/>  
 Representative: Representative Director and President: Takuma Yamamoto  
 Contact: Director, General Manager: Kenya Wakabayashi (TEL) 03-5798-3955  
 Scheduled date to submit quarterly securities report: August 7, 2020 Scheduled date to commence dividend payments: —  
 Availability of supplementary briefing material on quarterly financial results: Not available  
 Quarterly financial results briefing: No

(Figures are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Third Quarter of Fiscal Year ending September 30, 2020 (From October 1, 2019 to June 30, 2020)

#### (1) Consolidated Operating Results (Cumulative)

(Percentages indicate year-on-year changes from the previous corresponding period)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Third Quarter ended June 30, 2020	1,365	—	465	—	485	—	324	—
June 30, 2019	—	—	—	—	—	—	—	—

(Reference) Comprehensive income: Third Quarter ended June 30, 2020: 324 million yen, Third Quarter ended June 30, 2019: —

	Basic profit per share	Basic diluted profit per share
	Yen	Yen
Third Quarter ended June 30, 2020	6.75	—
June 30, 2019	—	—

(Note) The Company changed to consolidated quarterly financial results from the first quarter ended December 31, 2019, and therefore, the following are not presented: year-on-year changes between the third quarter ended June 30, 2020 and the previous corresponding period, figures for the third quarter ended June 30, 2019, and year-on-year changes between the third quarter ended June 30, 2019 and the previous corresponding period.

#### (2) Consolidated financial position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of Yen	Millions of Yen	%
Third quarter ended June 30, 2020	2,068	1,757	85.0
Fiscal year ended September 30, 2019	—	—	—

(Reference) Shareholder's equity: Third Quarter ended June 30, 2020: Fiscal year ended September 30, 2019: 1,757 Million Yen —

(Note) Figures as of September 30, 2019 are not presented because the Company changed to consolidated quarterly financial results from the first quarter ended December 31, 2019.

### 2. Dividends

	Annual cash dividends per share				
	First Quarter End	Second Quarter End	Third Quarter End	Fiscal Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended September 30, 2019	—	0.00	—	1.00	1.00
Fiscal Year ending September 30, 2020	—	0.00	—		
Fiscal Year ending September 30, 2020 (forecast)				2.00	2.00

(Note) Revisions in dividend forecast subsequent to most recent announcement: None

3. Forecast for the consolidated financial results for the fiscal year ending September 30, 2020 (from October 1, 2019 to September 30, 2020)

(% indicates YoY change from the previous corresponding fiscal year or period)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Profit Per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	1,860	—	610	—	630	—	410	—	8.52

(Note) Changes in consolidated financial results forecasts subsequent to most recent announcement: None

Year-on-year changes from the previous fiscal year are not presented because the Company changed to consolidated quarterly financial results from the first quarter ended December 31, 2019.

\* Notes

( 1 ) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

New — (Company name: ) , Exclusion — (Company name: )

(Note) Although not applicable to changes in specified subsidiaries, Kanamic (Dalian) Technology Co., Ltd., which was established on December 23, 2018, has increased in significance and is therefore included in the scope of consolidation from the first quarter ended December 31, 2019.

( 2 ) Special accounting methods adopted for the preparation of quarterly consolidated financial statements: None

( 3 ) Changes in accounting policies, changes in accounting estimates and restatements

- |  |      |
|--|------|
| ① Changes in accounting policies due to the revision of accounting standards : | None |
| ② Changes in accounting policies other than ① :                                | None |
| ③ Changes in accounting estimates :  | None |
| ④ Restatements :   | None |

( 4 ) Total number of issued shares (common shares)

① Total number of issued shares at the end of the period (including treasury shares):	Third quarter ended June 30, 2020	48,132,000 Shares	Fiscal Year ended September 30, 2019	48,132,000 Shares
② Total number of treasury shares at the end of the period:	Third quarter ended June 30, 2020	1,206 Shares	Fiscal Year ended September 30, 2019	1,206 Shares
③ Average number of shares during the nine month period (quarter-to-date)	Third quarter ended June 30, 2020	48,130,794 Shares	Third quarter ended June 30, 2019	48,130,932 Shares

(Note) The Company implemented a 3 for 1 stock split on the Company's common shares on September 1, 2019. Total number of issued shares at the end of the fiscal year (including treasury shares), total number of treasury shares at the end of the fiscal year, and average number of shares during the period were calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

\* This quarterly financial results report is not subject to quarterly review by a certified public accountant or auditing corporation.

\* Explanation of appropriate use of performance forecasts and other special notes.

The statements regarding forecast of financial results in this report are based on information that is available to the Company, as well as certain assumptions that are deemed to be reasonable, and we make no promise that such statements will prove to be correct. Actual results may differ materially due to a variety of factors.

# 1. Quarterly Consolidated Financial Statements and Primary Notes

## (1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

As of June 30, 2020

<b>Assets</b>	
Current assets	
Cash and deposits	1,506,673
Accounts receivable - trade	69,037
Work in process	3,011
Other	51,428
Allowance for doubtful accounts	-13,560
Total current assets	1,616,590
Non-current assets	
Property, plant and equipment	50,876
Intangible assets	
Software	305,768
Other	76
Total intangible assets	305,845
Investments and other assets	
Other	95,890
Allowance for doubtful accounts	-798
Total investments and other assets	95,092
Total non-current assets	451,813
Total assets	2,068,403
<b>Liabilities</b>	
Current liabilities	
Accounts payable - trade	6,503
Income taxes payable	82,894
Provision for bonuses	40,336
Asset retirement obligations	16,000
Other	152,966
Total current liabilities	298,701
Non-current liabilities	
Asset retirement obligations	11,182
Other	825
Total non-current liabilities	12,008
Total liabilities	310,709
<b>Net assets</b>	
Shareholders' equity	
Share capital	192,060
Capital surplus	132,060
Retained earnings	1,434,648
Treasury shares	-478
Total shareholders' equity	1,758,290
Accumulated other comprehensive income	
Foreign currency translation adjustment	-596
Total accumulated other comprehensive income	-596
Total net assets	1,757,693
Total liabilities and net assets	2,068,403

(2) Quarterly Consolidated Statement of Income and Comprehensive Income  
(Quarterly Consolidated Statement of Income)  
(Nine months ended  
June 30, 2020)

(Thousands of yen)

	Nine months ended June 30, 2020
Net sales	1,365,599
Cost of sales	171,214
Gross profit	1,194,385
Selling, general and administrative expenses	728,557
Operating profit	465,828
Non-operating income	
Interest income	15
Foreign exchange gains	475
Subsidy income	19,347
Miscellaneous income	128
Total non-operating income	19,966
Non-operating expenses	
Miscellaneous loss	436
Total non-operating expenses	436
Ordinary profit	485,357
Profit before income taxes	485,357
Income taxes - current	165,991
Income taxes - deferred	-5,496
Total income taxes	160,495
Profit	324,862
Profit attributable to owners of parent	324,862

(Quarterly Consolidated Statement of Comprehensive Income)  
(Nine months ended  
June 30, 2020)

(Thousands of yen)

	Nine months ended June 30, 2020
Profit	324,862
Other comprehensive income	
Foreign currency translation adjustment	-169
Total other comprehensive income	-169
Comprehensive income	324,693
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	324,693
Comprehensive income attributable to non- controlling interests	—