

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2019	-	0.00	-	18.00	18.00
Fiscal year ending December 31, 2020	-	0.00	-		
Fiscal year ending December 31, 2020 (Forecast)				21.00	21.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending December 31, 2020 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2020(January 01, 2020 to December 31, 2020)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	2,900	21.8	1,000	14.4	1,000	13.0	705	15.2	53.29

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the nine months ended September 30, 2020

(changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New 1 (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2020: 13,187,200 shares

December 31, 2019: 13,169,600 shares

2) Total number of treasury shares at the end of the period:

September 30, 2020: 272 shares

December 31, 2019: 229 shares

3) Average number of shares during the period:

Nine months ended September 30, 2020: 13,184,284 shares

Nine months ended September 30, 2019: 13,150,165 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of December 31,2019	As of September 30,2020
Assets		
Current assets		
Cash and deposits	2,883,357	3,033,900
Notes receivable - trade	-	2,337
Accounts receivable - trade	87,536	142,589
Merchandise	364	5,142
Prepaid expenses	16,638	25,423
Other	18,826	19,011
Allowance for doubtful accounts	(731)	(1,528)
Total current assets	3,005,992	3,226,876
Non-current assets		
Property, plant and equipment		
Buildings and structures	43,197	54,900
Accumulated depreciation	(17,891)	(11,493)
Buildings and structures, net	25,305	43,407
Land	5,634	5,634
Other	29,639	38,010
Accumulated depreciation	(22,816)	(25,809)
Other, net	6,823	12,200
Total property, plant and equipment	37,763	61,242
Intangible assets		
Software	95,711	72,028
Total intangible assets	95,711	72,028
Investments and other assets		
Investment securities	226,914	167,345
Long-term time deposits	-	46,560
Leasehold deposits	82,068	99,803
Deferred tax assets	34,344	60,709
Other	2,954	4,796
Allowance for doubtful accounts	(1,250)	(881)
Total investments and other assets	345,032	378,333
Total non-current assets	478,507	511,604
Total assets	3,484,500	3,738,480

(Thousand yen)

	As of December 31,2019	As of September 30,2020
Liabilities		
Current liabilities		
Accounts payable - trade	9,162	5,166
Accounts payable - other	22,864	31,901
Accrued expenses	36,694	24,613
Income taxes payable	161,503	110,946
Accrued consumption taxes	33,852	28,411
Advances received	681,444	759,943
Deposits received	17,108	5,616
Provision for bonuses	11,635	44,593
Other	750	4,351
Total current liabilities	975,015	1,015,545
Non-current liabilities		
Retirement benefit liability	-	4,435
Total non-current liabilities	-	4,435
Total liabilities	975,015	1,019,980
Net assets		
Shareholders' equity		
Share capital	366,791	368,551
Capital surplus	284,598	286,358
Retained earnings	1,913,724	2,103,580
Treasury shares	(182)	(275)
Total shareholders' equity	2,564,932	2,758,214
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(54,476)	(35,397)
Foreign currency translation adjustment	(970)	(4,315)
Total accumulated other comprehensive income	(55,447)	(39,713)
Total net assets	2,509,485	2,718,500
Total liabilities and net assets	3,484,500	3,738,480

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Thousand yen)

	For the nine months ended September 30,2019	For the nine months ended September 30,2020
Net sales	1,793,794	1,964,997
Cost of sales	581,563	664,786
Gross profit	1,212,231	1,300,211
Selling, general and administrative expenses		
Promotion expenses	11,217	5,982
Sales commission	1,965	1,260
Advertising expenses	8,848	7,467
Remuneration for directors (and other officers)	42,268	43,292
Salaries and allowances	246,487	263,036
Provision for bonuses	26,405	25,979
Retirement benefit expenses	3,885	5,858
Legal welfare expenses	41,433	43,069
Depreciation	9,134	11,830
Provision of allowance for doubtful accounts	676	2,525
Rent expenses	28,928	42,420
Other	136,648	149,206
Total selling, general and administrative expenses	557,901	601,930
Operating profit	654,330	698,281
Non-operating income		
Interest income	1,439	1,370
Dividend income	8,171	3,199
Other	1,738	3,051
Total non-operating income	11,349	7,621
Non-operating expenses		
Foreign exchange losses	9,258	9,853
Other	450	12
Total non-operating expenses	9,709	9,865
Ordinary profit	655,970	696,036
Extraordinary losses		
Loss on valuation of investment securities	-	87,068
Total extraordinary losses	-	87,068
Profit before income taxes	655,970	608,968
Income taxes - current	211,246	216,848
Income taxes - deferred	(9,891)	(34,784)
Total income taxes	201,354	182,063
Profit	454,615	426,904
Profit attributable to owners of parent	454,615	426,904

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousand yen)

	For the nine months ended September 30,2019	For the nine months ended September 30,2020
Profit	454,615	426,904
Other comprehensive income		
Valuation difference on available-for-sale securities	(467)	19,078
Foreign currency translation adjustment	(4,723)	(3,345)
Total other comprehensive income	(5,191)	15,733
Comprehensive income	449,423	442,637
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	449,423	442,637
Comprehensive income attributable to non-controlling interests	-	-