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Non-consolidated Financial Results for the Nine Months Ended December 31, 2020 [Japanese GAAP]

January 28, 2021

Company name: CONEXIO Corporation

Stock exchange listing: Tokyo

Code number: 9422

URL: <https://www.conexio.co.jp>

Representative: Hiroo Inoue

President

Contact: Shinya Nakada

General Manager, Corporate Planning Department

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Scheduled date of filing quarterly securities report: February 10, 2021

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Non-consolidated Financial Results for the Nine Months Ended December 31, 2020 (April 01, 2020 to December 31, 2020)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2020	130,946	(16.4)	8,019	7.8	8,398	10.2	5,630	9.3
December 31, 2019	156,653	(18.7)	7,441	1.1	7,618	0.4	5,151	3.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2020	125.84	-
December 31, 2019	115.15	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of December 31, 2020	102,330	49,234	48.1
March 31, 2020	95,757	46,287	48.3

(Reference) Equity: As of December 31, 2020: ¥ 49,234 million
As of March 31, 2020: ¥ 46,287 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2020	-	30.00	-	30.00	60.00
Fiscal year ending March 31, 2021	-	30.00	-	-	-
Fiscal year ending March 31, 2021 (Forecast)	-	-	-	30.00	60.00

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

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 (April 01, 2020 to March 31, 2021)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	170,000	(18.7)	9,600	(7.1)	9,900	(5.9)	6,500	(7.2)	145.29

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

* Notes:

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

(2) 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

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

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

December 31, 2020: 44,737,938 shares

March 31, 2020: 44,737,938 shares

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

December 31, 2020: 153 shares

March 31, 2020: 122 shares

3) Average number of shares during the period:

Nine months ended December 31, 2020: 44,737,789 shares

Nine months ended December 31, 2019: 44,737,816 shares

*** This Financial Results is not subject to audit procedures.**

*** Explanation of appropriate use of financial forecasts and other special notes**

- Financial forecasts and other forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as at the time of preparing this report. The Company does not guarantee that any forecasts would be met. Actual results may vary significantly from the forecasts due to a wide range of factors.

1. Quarterly Non-consolidated Financial Statements

(1) Quarterly Non-consolidated Balance Sheets

(Million yen)

	As of March 31,2020	As of December 31,2020
Assets		
Current assets		
Cash and deposits	20,387	15,142
Notes and accounts receivable - trade	40,380	26,951
Merchandise and finished goods	4,922	7,467
Accounts receivable - other	8,812	32,281
Deposits paid	111	126
Other	914	1,067
Allowance for doubtful accounts	(5)	(5)
Total current assets	75,524	83,031
Non-current assets		
Property, plant and equipment	4,262	3,936
Intangible assets		
Goodwill	1,390	1,326
The right of career shop management	8,319	7,820
Other	436	451
Total intangible assets	10,146	9,598
Investments and other assets	5,824	5,764
Total non-current assets	20,233	19,299
Total assets	95,757	102,330
Liabilities		
Current liabilities		
Accounts payable - trade	13,394	15,538
Accrued agency commission	10,128	5,517
Accounts payable - other	6,874	17,659
Income taxes payable	2,547	1,082
Provision for bonuses	4,651	1,770
Provision for bonuses for directors (and other officers)	34	17
Other	5,467	5,060
Total current liabilities	43,099	46,646
Non-current liabilities		
Provision for retirement benefits	5,580	5,752
Asset retirement obligations	668	594
Other	122	102
Total non-current liabilities	6,371	6,449
Total liabilities	49,470	53,096

(Million yen)

	As of March 31,2020	As of December 31,2020
Net assets		
Shareholders' equity		
Share capital	2,778	2,778
Capital surplus	585	585
Retained earnings	42,922	45,868
Treasury shares	(0)	(0)
Total shareholders' equity	46,286	49,232
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	0	1
Total valuation and translation adjustments	0	1
Total net assets	46,287	49,234
Total liabilities and net assets	95,757	102,330

(2) Quarterly Non-consolidated Statements of Income

(Million yen)

	For the nine months ended December 31,2019	For the nine months ended December 31,2020
Net sales	156,653	130,946
Cost of sales	118,483	93,667
Gross profit	38,169	37,278
Selling, general and administrative expenses	30,728	29,259
Operating profit	7,441	8,019
Non-operating income		
Interest income	0	0
Dividend income	4	0
Support money of store move etc income	110	90
Reversal of allowance for doubtful accounts	3	0
Subsidies for employment adjustment	-	259
Other	68	41
Total non-operating income	187	392
Non-operating expenses		
Interest expenses	0	0
Loss on sales and retirement of non-current assets	4	-
Rental expenses on real estate	1	-
Loss on cancellation of contracts	3	5
Loss on investments in investment partnerships	-	3
Other	1	3
Total non-operating expenses	10	12
Ordinary profit	7,618	8,398
Extraordinary income		
Gain on sales of non-current assets	-	24
Gain on sales of investment securities	174	-
Other	-	0
Total extraordinary income	174	25
Extraordinary losses		
Loss on sales and retirement of non-current assets	14	27
Impairment loss	69	24
Loss on store closings	40	19
Other	0	1
Total extraordinary losses	124	73
Profit before income taxes	7,668	8,350
Income taxes - current	2,657	2,864
Income taxes - deferred	(140)	(143)
Total income taxes	2,517	2,720
Profit	5,151	5,630