

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2018 (Based on Japanese GAAP)

February 5, 2019

Company name: Riskmonster.com
 Stock exchange listing: Tokyo
 Stock code: 3768 URL <http://www.riskmonster.co.jp>
 Representative: President, CEO Taichi Fujimoto
 General Manager, Finance and Accounting
 Inquiries: Division Maki Yoshida TEL 03-6214-0331
 Scheduled date to file Quarterly Securities Report: February 8, 2019
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2018 (from April 1, 2018 to December 31, 2018)

(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	%
Nine months ended December 31, 2018	2,224	4.4	377	16.4	383	16.5	241	16.0
Nine months ended December 31, 2017	2,130	6.0	324	7.6	329	7.5	208	8.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2018	62.48	62.37
Nine months ended December 31, 2017	53.47	52.45

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2018	5,399	4,490	81.8	1,140.56
As of March 31, 2018	5,279	4,357	81.3	1,103.29

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2018	–	0.00	–	15.00	15.00
Year ending March 31, 2019	–	–	–	–	–
Year ending March 31, 2019 (Forecast)	–	–	–	17.00	17.00

3. Forecast of consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

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	2,950	4.9	430	6.2	430	5.3	270	3.0	69.82

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2018
(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: No
- 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 December 31, 2018	3,923,500 shares	As of March 31, 2018	3,923,500 shares
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Number of treasury shares at the end of the period

As of December 31, 2018	50,200 shares	As of March 31, 2018	33,200 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, 2018	3,864,784 shares	Nine months ended December 31, 2017	3,894,159 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Current assets		
Cash and deposits	1,813,891	2,022,817
Notes and accounts receivable - trade	376,995	405,637
Securities	99,999	99,999
Raw materials and supplies	12,468	10,412
Other	114,337	57,124
Allowance for doubtful accounts	(849)	(747)
Total current assets	2,416,843	2,595,244
Non-current assets		
Property, plant and equipment		
Buildings and structures	540,301	553,236
Accumulated depreciation	(75,225)	(91,468)
Buildings and structures, net	465,076	461,768
Tools, furniture and fixtures	450,915	440,531
Accumulated depreciation	(361,890)	(349,059)
Tools, furniture and fixtures, net	89,025	91,472
Land	568,352	568,352
Leased assets	4,860	4,860
Accumulated depreciation	(3,240)	(3,847)
Leased assets, net	1,620	1,012
Construction in progress	200	—
Total property, plant and equipment	1,124,274	1,122,605
Intangible assets		
Software	557,782	560,751
Other	45,043	45,826
Total intangible assets	602,826	606,577
Investments and other assets		
Investment securities	1,088,506	1,031,536
Allowance for doubtful accounts	—	(133)
Other	47,549	44,138
Total investments and other assets	1,136,055	1,075,541
Total non-current assets	2,863,155	2,804,725
Total assets	5,279,998	5,399,969

(Thousands of yen)

	As of March 31, 2018	As of December 31, 2018
Liabilities		
Current liabilities		
Accounts payable - other	204,920	210,308
Current portion of long-term loans payable	60,160	60,160
Income taxes payable	70,088	66,416
Provision for bonuses	740	275
Other	109,826	137,017
Total current liabilities	445,736	474,178
Non-current liabilities		
Long-term loans payable	335,960	298,340
Net defined benefit liability	7,626	6,514
Other provision	7,027	8,812
Other	126,204	122,009
Total non-current liabilities	476,819	435,676
Total liabilities	922,555	909,855
Net assets		
Shareholders' equity		
Capital stock	1,155,993	1,155,993
Capital surplus	1,007,130	989,085
Retained earnings	1,836,467	2,019,587
Treasury shares	(48,070)	(70,922)
Total shareholders' equity	3,951,520	4,093,743
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	327,909	312,283
Foreign currency translation adjustment	12,689	11,715
Total accumulated other comprehensive income	340,598	323,999
Share acquisition rights	157	—
Non-controlling interests	65,166	72,371
Total net assets	4,357,443	4,490,114
Total liabilities and net assets	5,279,998	5,399,969

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net sales	2,130,319	2,224,184
Cost of sales	947,513	983,428
Gross profit	1,182,805	1,240,756
Selling, general and administrative expenses	858,136	862,789
Operating profit	324,669	377,966
Non-operating income		
Interest income	858	102
Dividend income	5,249	7,281
Other	4,306	1,355
Total non-operating income	10,414	8,739
Non-operating expenses		
Interest expenses	3,387	2,915
Other	2,579	456
Total non-operating expenses	5,966	3,371
Ordinary profit	329,117	383,335
Extraordinary losses		
Loss on retirement of non-current assets	30	654
Office transfer expenses	344	6,944
Loss on sales of investment securities	–	262
Total extraordinary losses	375	7,862
Profit before income taxes	328,742	375,472
Income taxes - current	101,453	125,366
Income taxes - deferred	12,726	1,217
Total income taxes	114,179	126,584
Profit	214,562	248,888
Profit attributable to non-controlling interests	6,326	7,414
Profit attributable to owners of parent	208,236	241,473

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	214,562	248,888
Other comprehensive income		
Valuation difference on available-for-sale securities	130,603	(15,527)
Foreign currency translation adjustment	2,006	(1,280)
Total other comprehensive income	132,609	(16,808)
Comprehensive income	347,172	232,079
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	340,272	224,874
Comprehensive income attributable to non-controlling interests	6,899	7,204