

# Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.



## Summary of Consolidated Financial Results for the Year Ended March 31, 2019 (Based on Japanese GAAP)

May 8, 2019

Company name: Riskmonster.com  
 Stock exchange listing: Tokyo  
 Stock code: 3768 URL <https://www.riskmonster.co.jp>  
 Representative: President,CEO Taichi Fujimoto  
 General Manager, Finance and Accounting  
 Inquiries: Division Maki Yoshida TEL 03-6214-0331  
 Scheduled date of ordinary general meeting of shareholders: June 25, 2019  
 Scheduled date to file Securities Report: June 25, 2019  
 Scheduled date to commence dividend payments: June 10, 2019  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2019 (from April 1, 2018 to March 31, 2019)

#### (1) Consolidated operating results

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	%
Year ended March 31, 2019	2,962	5.4	459	13.6	467	14.4	280	7.2
Year ended March 31, 2018	2,811	4.6	404	6.1	408	5.6	262	5.7

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2019	72.62	72.53	6.4	8.7	15.5
Year ended March 31, 2018	67.24	66.17	6.2	7.7	14.4

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2019	5,513	4,541	81.0	1,161.50
As of March 31, 2018	5,279	4,357	81.3	1,103.29

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2019	738	(255)	(195)	2,099
Year ended March 31, 2018	454	(365)	(306)	1,812

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2018	—	0.00	—	15.00	15.00	58	22.3	1.4
Year ended March 31, 2019	—	0.00	—	17.00	17.00	65	23.4	1.5
Year ending March 31, 2020 (Forecast)	—	0.00	—	18.50	18.50		23.5	

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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
Six months ending September 30, 2019	1,555	5.6	265	5.9	265	3.8	160	2.1	41.96
Full year	3,100	4.6	500	8.7	500	7.0	300	6.8	78.73

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2019

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2019	3,923,500 shares	As of March 31, 2018	3,923,500 shares
----------------------	------------------	----------------------	------------------

Number of treasury shares at the end of the period

As of March 31, 2019	78,000 shares	As of March 31, 2018	33,200 shares
----------------------	---------------	----------------------	---------------

Average number of shares during the period

Year ended March 31, 2019	3,866,807 shares	Year ended March 31, 2018	3,897,076 shares
---------------------------	------------------	---------------------------	------------------

# Consolidated financial statements

## Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	1,813,891	2,101,131
Notes and accounts receivable - trade	376,995	395,785
Securities	99,999	99,999
Raw materials and supplies	12,468	11,904
Other	114,337	41,403
Allowance for doubtful accounts	(849)	(762)
Total current assets	2,416,843	2,649,461
Non-current assets		
Property, plant and equipment		
Buildings and structures	540,301	553,218
Accumulated depreciation	(75,225)	(96,933)
Buildings and structures, net	465,076	456,284
Tools, furniture and fixtures	450,915	444,088
Accumulated depreciation	(361,890)	(362,043)
Tools, furniture and fixtures, net	89,025	82,044
Land	568,352	568,352
Leased assets	4,860	4,860
Accumulated depreciation	(3,240)	(4,050)
Leased assets, net	1,620	810
Construction in progress	200	—
Total property, plant and equipment	1,124,274	1,107,492
Intangible assets		
Software	557,782	587,905
Other	45,043	44,747
Total intangible assets	602,826	632,652
Investments and other assets		
Investment securities	1,088,506	1,064,262
Deferred tax assets	3,997	15,044
Other	43,552	45,113
Allowance for doubtful accounts	—	(133)
Total investments and other assets	1,136,055	1,124,286
Total non-current assets	2,863,155	2,864,431
Total assets	5,279,998	5,513,893

(Thousands of yen)

	As of March 31, 2018	As of March 31, 2019
Liabilities		
Current liabilities		
Accounts payable - other	204,920	266,146
Current portion of long-term loans payable	60,160	60,160
Lease obligations	917	943
Income taxes payable	70,088	108,586
Provision for bonuses	740	515
Other	108,909	119,418
Total current liabilities	445,736	555,769
Non-current liabilities		
Long-term loans payable	335,960	275,800
Lease obligations	943	—
Deferred tax liabilities	125,261	124,767
Retirement benefit liability	7,626	6,974
Other	7,027	9,400
Total non-current liabilities	476,819	416,943
Total liabilities	922,555	972,712
Net assets		
Shareholders' equity		
Capital stock	1,155,993	1,155,993
Capital surplus	1,007,130	989,085
Retained earnings	1,836,467	2,058,932
Treasury shares	(48,070)	(104,830)
Total shareholders' equity	3,951,520	4,099,180
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	327,909	355,170
Foreign currency translation adjustment	12,689	12,186
Total accumulated other comprehensive income	340,598	367,357
Share acquisition rights	157	—
Non-controlling interests	65,166	74,642
Total net assets	4,357,443	4,541,180
Total liabilities and net assets	5,279,998	5,513,893

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Net sales	2,811,396	2,962,616
Cost of sales	1,260,772	1,319,212
Gross profit	1,550,624	1,643,403
Selling, general and administrative expenses	1,145,765	1,183,457
Operating profit	404,858	459,946
Non-operating income		
Interest income	932	139
Dividend income	5,469	8,845
Gain on investments in partnership	3,928	3,050
Other	270	262
Total non-operating income	10,601	12,298
Non-operating expenses		
Interest expenses	4,451	3,823
Commission for purchase of treasury shares	1,548	716
Foreign exchange losses	1,123	508
Other	118	—
Total non-operating expenses	7,242	5,047
Ordinary profit	408,217	467,197
Extraordinary losses		
Loss on retirement of non-current assets	37	654
Impairment loss	2,259	379
Office transfer expenses	344	8,102
Loss on redemption of investment securities	664	—
Loss on valuation of investment securities	—	28,984
Loss on sales of investment securities	—	262
Total extraordinary losses	3,306	38,383
Profit before income taxes	404,911	428,813
Income taxes - current	131,776	162,995
Income taxes - deferred	2,984	(24,345)
Total income taxes	134,760	138,649
Profit	270,150	290,163
Profit attributable to non-controlling interests	8,098	9,345
Profit attributable to owners of parent	262,052	280,818

## Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Profit	270,150	290,163
Other comprehensive income		
Valuation difference on available-for-sale securities	77,842	27,551
Foreign currency translation adjustment	1,236	(661)
Total other comprehensive income	79,079	26,890
Comprehensive income	349,229	317,053
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	340,969	307,578
Comprehensive income attributable to non-controlling interests	8,260	9,475

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2018

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,155,993	1,214,558	1,625,535	(90,038)	3,906,048
Changes of items during period					
Dividends of surplus			(51,119)		(51,119)
Profit attributable to owners of parent			262,052		262,052
Purchase of treasury shares				(328,316)	(328,316)
Retirement of treasury shares		(101,463)		101,463	—
Disposal of treasury shares		(105,965)		268,822	162,856
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(207,428)	210,932	41,968	45,472
Balance at end of current period	1,155,993	1,007,130	1,836,467	(48,070)	3,951,520

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	249,931	11,749	261,680	1,597	56,906	4,226,233
Changes of items during period						
Dividends of surplus						(51,119)
Profit attributable to owners of parent						262,052
Purchase of treasury shares						(328,316)
Retirement of treasury shares						—
Disposal of treasury shares						162,856
Net changes of items other than shareholders' equity	77,977	939	78,917	(1,439)	8,260	85,737
Total changes of items during period	77,977	939	78,917	(1,439)	8,260	131,210
Balance at end of current period	327,909	12,689	340,598	157	65,166	4,357,443

Fiscal year ended March 31, 2019

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,155,993	1,007,130	1,836,467	(48,070)	3,951,520
Changes of items during period					
Dividends of surplus			(58,354)		(58,354)
Profit attributable to owners of parent			280,818		280,818
Purchase of treasury shares				(88,552)	(88,552)
Disposal of treasury shares		(18,045)		31,792	13,747
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(18,045)	222,464	(56,760)	147,659
Balance at end of current period	1,155,993	989,085	2,058,932	(104,830)	4,099,180

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	327,909	12,689	340,598	157	65,166	4,357,443
Changes of items during period						
Dividends of surplus						(58,354)
Profit attributable to owners of parent						280,818
Purchase of treasury shares						(88,552)
Disposal of treasury shares						13,747
Net changes of items other than shareholders' equity	27,261	(502)	26,759	(157)	9,475	36,077
Total changes of items during period	27,261	(502)	26,759	(157)	9,475	183,736
Balance at end of current period	355,170	12,186	367,357	—	74,642	4,541,180



## Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from operating activities		
Profit before income taxes	404,911	428,813
Depreciation	299,686	307,758
Amortization of guarantee deposits	776	4,913
Increase (decrease) in allowance for doubtful accounts	53	46
Increase (decrease) in retirement benefit liability	(3,841)	(652)
Interest and dividend income	(6,402)	(8,985)
Loss (gain) on investments in partnership	(3,928)	(3,050)
Loss on retirement of non-current assets	37	654
Impairment loss	2,259	379
Relocation expenses	344	8,102
Interest expenses	4,451	3,823
Foreign exchange losses (gains)	1,123	508
Commission for purchase of treasury shares	1,548	716
Loss (gain) on redemption of investment securities	664	—
Loss (gain) on sales of investment securities	—	262
Loss (gain) on valuation of investment securities	—	28,984
Decrease (increase) in notes and accounts receivable - trade	(8,982)	(18,969)
Decrease (increase) in inventories	2,881	564
Increase (decrease) in accounts payable - other	12,357	32,832
Other, net	(79,756)	80,076
Subtotal	628,185	866,778
Interest and dividend income received	5,423	7,614
Interest expenses paid	(4,231)	(3,620)
Income taxes paid	(172,907)	(125,123)
Payments for removal expenses	(1,549)	(6,944)
Net cash provided by (used in) operating activities	454,918	738,703
Cash flows from investing activities		
Purchase of property, plant and equipment	(58,946)	(50,458)
Purchase of intangible assets	(260,195)	(243,450)
Purchase of investment securities	(81,378)	—
Proceeds from redemption of investment securities	18,702	—
Proceeds from sales of investment securities	—	9,737
Payments into time deposits	(202,268)	(202,354)
Proceeds from withdrawal of time deposits	202,225	202,311
Other, net	15,892	29,042
Net cash provided by (used in) investing activities	(365,968)	(255,171)

	(Thousands of yen)	
	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from financing activities		
Repayments of long-term loans payable	(60,160)	(60,160)
Repayments of lease obligations	(821)	(846)
Proceeds from disposal of treasury shares	133,752	13,590
Purchase of treasury shares	(328,316)	(88,552)
Cash dividends paid	(51,057)	(59,181)
Net cash provided by (used in) financing activities	(306,602)	(195,150)
Effect of exchange rate change on cash and cash equivalents	30	(1,184)
Net increase (decrease) in cash and cash equivalents	(217,621)	287,197
Cash and cash equivalents at beginning of period	2,030,367	1,812,746
Cash and cash equivalents at end of period	1,812,746	2,099,943