

# Translation

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

May 8, 2019

Company name: YAMADA Consulting Group Co.,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4792 URL <https://www.yamada-cg.co.jp>  
 Representative: President Keisaku Masuda  
 Inquiries: Head of Finance and Accounting Kazunori Tanida TEL 03-6212-2500  
 Scheduled date of ordinary general meeting of shareholders: June 20, 2019  
 Scheduled date to file Securities Report: June 21, 2019  
 Scheduled date to commence dividend payments: June 6, 2019  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(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	13,400	2.2	2,308	(20.8)	2,354	(18.2)	1,599	(13.6)
Year ended March 31, 2018	13,110	21.4	2,917	29.3	2,880	24.9	1,852	22.2

	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	84.19	84.05	14.3	17.8	17.2
Year ended March 31, 2018	97.54	97.41	18.2	23.0	22.2

#### (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	13,200	11,601	87.0	604.71
As of March 31, 2018	13,225	10,836	81.3	566.14

#### (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	1,738	(454)	(888)	7,929
Year ended March 31, 2018	1,388	(311)	(679)	7,539

### 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	—	75.00	—	23.00	—	792	42.8	7.7
Year ended March 31, 2019	—	23.00	—	23.00	46.00	873	54.6	7.8
Year ending March 31, 2020 (Forecast)	—	23.00	—	23.00	46.00		43.6	

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
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	15,400	14.9	3,000	29.7	3,000	27.4	2,000	25.0	105.28

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):

Yes

(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	19,896,000 shares	As of March 31, 2018	19,896,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2019	899,333 shares	As of March 31, 2018	902,890 shares
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Average number of shares during the period

Year ended March 31, 2019	18,994,013 shares	Year ended March 31, 2018	18,987,311 shares
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# 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	7,777,337	8,182,058
Notes and accounts receivable - trade	1,233,198	1,323,016
Operational investment securities	789,746	376,152
Merchandise and finished goods	40,267	42,570
Raw materials and supplies	174	116
Other	586,231	356,415
Total current assets	10,426,955	10,280,330
Non-current assets		
Property, plant and equipment		
Buildings and structures	354,114	386,432
Accumulated depreciation	(115,711)	(140,453)
Buildings and structures, net	238,403	245,979
Land	74,653	74,653
Other	393,619	478,437
Accumulated depreciation	(252,415)	(318,823)
Other, net	141,203	159,613
Total property, plant and equipment	454,260	480,246
Intangible assets		
Goodwill	356,943	288,596
Other	49,398	129,442
Total intangible assets	406,342	418,039
Investments and other assets		
Investment securities	725,762	760,634
Leasehold and guarantee deposits	547,727	554,360
Deferred tax assets	319,550	76,814
Other	345,270	629,840
Total investments and other assets	1,938,310	2,021,650
Total non-current assets	2,798,913	2,919,936
Total assets	13,225,868	13,200,266

	(Thousands of yen)	
	As of March 31, 2018	As of March 31, 2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	436,313	273,470
Income taxes payable	493,179	262,933
Provision for bonuses	118,330	139,015
Other	1,279,286	872,938
Total current liabilities	2,327,111	1,548,359
Non-current liabilities		
Deferred tax liabilities	10,009	476
Other	52,249	49,636
Total non-current liabilities	62,258	50,112
Total liabilities	2,389,370	1,598,471
Net assets		
Shareholders' equity		
Capital stock	1,599,538	1,599,538
Capital surplus	1,523,982	1,523,982
Retained earnings	8,184,870	8,911,536
Treasury shares	(528,093)	(526,094)
Total shareholders' equity	10,780,297	11,508,962
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(9,884)	(7,148)
Foreign currency translation adjustment	(17,471)	(14,333)
Total accumulated other comprehensive income	(27,356)	(21,482)
Share acquisition rights	6,761	17,519
Non-controlling interests	76,795	96,795
Total net assets	10,836,498	11,601,794
Total liabilities and net assets	13,225,868	13,200,266

**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	13,110,276	13,400,413
Cost of sales	1,903,472	2,209,628
Gross profit	11,206,803	11,190,785
Selling, general and administrative expenses	8,289,712	8,882,424
Operating profit	2,917,091	2,308,360
Non-operating income		
Interest income	12,623	16,208
Dividend income	115	—
Foreign exchange gains	—	28,174
Other	4,370	13,552
Total non-operating income	17,108	57,934
Non-operating expenses		
Loss on investments in partnership	4,969	7,636
Foreign exchange losses	46,105	—
Other	2,721	4,191
Total non-operating expenses	53,797	11,827
Ordinary profit	2,880,401	2,354,468
Extraordinary losses		
Impairment loss	23,446	—
Total extraordinary losses	23,446	—
Profit before income taxes	2,856,955	2,354,468
Income taxes - current	1,039,012	503,743
Income taxes - deferred	(44,554)	215,412
Total income taxes	994,458	719,156
Profit	1,862,497	1,635,312
Profit attributable to non-controlling interests	10,409	36,122
Profit attributable to owners of parent	1,852,088	1,599,189

## Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Profit	1,862,497	1,635,312
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,476)	2,736
Foreign currency translation adjustment	3,548	4,169
Total other comprehensive income	(927)	6,905
Comprehensive income	1,861,569	1,642,217
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,851,337	1,605,063
Comprehensive income attributable to non-controlling interests	10,231	37,154

## 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	1,599,538	1,523,982	7,020,997	(532,457)	9,612,059
Changes of items during period					
Dividends of surplus			(688,263)		(688,263)
Profit attributable to owners of parent			1,852,088		1,852,088
Purchase of treasury shares				(80)	(80)
Disposal of treasury shares			48	4,444	4,493
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	1,163,873	4,364	1,168,237
Balance at end of current period	1,599,538	1,523,982	8,184,870	(528,093)	10,780,297

	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	(5,408)	(21,197)	(26,606)	1,870	46,049	9,633,373
Changes of items during period						
Dividends of surplus						(688,263)
Profit attributable to owners of parent						1,852,088
Purchase of treasury shares						(80)
Disposal of treasury shares						4,493
Net changes of items other than shareholders' equity	(4,476)	3,726	(750)	4,890	30,746	34,886
Total changes of items during period	(4,476)	3,726	(750)	4,890	30,746	1,203,124
Balance at end of current period	(9,884)	(17,471)	(27,356)	6,761	76,795	10,836,498

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	1,599,538	1,523,982	8,184,870	(528,093)	10,780,297
Changes of items during period					
Dividends of surplus			(873,710)		(873,710)
Profit attributable to owners of parent			1,599,189		1,599,189
Purchase of treasury shares				(106)	(106)
Disposal of treasury shares			1,186	2,105	3,292
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	726,665	1,999	728,665
Balance at end of current period	1,599,538	1,523,982	8,911,536	(526,094)	11,508,962

	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	(9,884)	(17,471)	(27,356)	6,761	76,795	10,836,498
Changes of items during period						
Dividends of surplus						(873,710)
Profit attributable to owners of parent						1,599,189
Purchase of treasury shares						(106)
Disposal of treasury shares						3,292
Net changes of items other than shareholders' equity	2,736	3,137	5,874	10,757	19,999	36,631
Total changes of items during period	2,736	3,137	5,874	10,757	19,999	765,296
Balance at end of current period	(7,148)	(14,333)	(21,482)	17,519	96,795	11,601,794



## 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	2,856,955	2,354,468
Depreciation	93,144	103,250
Amortization of goodwill	71,984	71,958
Increase (decrease) in allowance for doubtful accounts	(740)	–
Increase (decrease) in provision for bonuses	15,627	20,685
Interest and dividend income	(12,738)	(16,208)
Foreign exchange losses (gains)	46,105	(28,174)
Loss (gain) on investments in partnership	4,969	7,636
Impairment loss	23,446	–
Decrease (increase) in investment securities for sale	(534,913)	413,593
Decrease (increase) in notes and accounts receivable - trade	(368,921)	(89,818)
Decrease (increase) in inventories	(18,242)	(2,244)
Increase (decrease) in notes and accounts payable - trade	126,267	(162,843)
Decrease (increase) in other assets	(40,761)	66,487
Increase (decrease) in other liabilities	159,455	(388,450)
Subtotal	2,421,639	2,350,340
Interest and dividend income received	12,331	16,137
Income taxes paid	(1,044,992)	(627,559)
Net cash provided by (used in) operating activities	1,388,978	1,738,918
Cash flows from investing activities		
Payments into time deposits	–	(97,338)
Proceeds from withdrawal of time deposits	–	86,953
Purchase of property, plant and equipment	(28,502)	(111,108)
Purchase of intangible assets	(40,209)	(85,081)
Purchase of investment securities	(163,948)	(15,159)
Cash dividends income to Investment securities	771	2,216
Payments of long-term loans receivable	–	(221,800)
Payments for leasehold and guarantee deposits	(30,263)	(19,883)
Proceeds from collection of leasehold and guarantee deposits	1,987	15,437
Other, net	(51,365)	(8,826)
Net cash provided by (used in) investing activities	(311,531)	(454,590)
Cash flows from financing activities		
Proceeds from received an investment to non-controlling shareholders	27,960	1,132
Proceeds from disposal of treasury shares	3,611	2,610
Purchase of treasury shares	(80)	(106)
Cash dividends paid	(688,366)	(873,710)
the amount of payment of the dividend to non-controlling shareholders	(823)	(18,287)
Payments from changes in ownership interests in subsidiaries or investment securities that do not result in change in scope of consolidation	(6,593)	–
Other, net	(14,848)	–
Net cash provided by (used in) financing activities	(679,140)	(888,361)
Effect of exchange rate change on cash and cash equivalents	(6,919)	(6,041)
Net increase (decrease) in cash and cash equivalents	391,387	389,924
Cash and cash equivalents at beginning of period	7,148,275	7,539,662
Cash and cash equivalents at end of period	7,539,662	7,929,587