

# Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

August 6, 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 to file Quarterly Securities Report: August 9, 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 three months ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

#### (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	%
Three months ended June 30, 2019	2,759	(6.7)	68	(76.2)	51	(83.8)	0	(99.8)
Three months ended June 30, 2018	2,959	0.6	287	(52.9)	320	(47.8)	164	(56.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2019	0.01		0.01	
Three months ended June 30, 2018	8.67		8.65	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2019	12,619	11,140	87.4	581.25
As of March 31, 2019	13,200	11,601	87.0	604.71

### 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, 2019	–	23.00	–	23.00	46.00
Year ending March 31, 2020	–				
Year ending March 31, 2020 (Forecast)		23.00	–	23.00	46.00

### 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
Full year	15,400	14.9	3,000	29.9	3,000	27.4	2,000	25.0	105.28

#### 4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019  
(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 June 30, 2019	19,896,000 shares	As of March 31, 2019	19,896,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2019	899,333 shares	As of March 31, 2019	899,333 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2019	18,996,667 shares	Three months ended June 30, 2018	18,993,110 shares
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## Quarterly consolidated financial statements

### Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	8,182,058	8,002,527
Notes and accounts receivable - trade	1,323,016	920,167
Operational investment securities	376,152	376,152
Merchandise and finished goods	42,570	48,428
Raw materials and supplies	116	116
Other	356,415	350,106
Total current assets	10,280,330	9,697,500
Non-current assets		
Property, plant and equipment	480,246	466,564
Intangible assets		
Goodwill	288,596	263,326
Other	129,442	130,495
Total intangible assets	418,039	393,821
Investments and other assets		
Investment securities	760,634	754,303
Leasehold and guarantee deposits	554,360	554,187
Deferred tax assets	76,814	121,110
Other	629,840	632,346
Total investments and other assets	2,021,650	2,061,948
Total non-current assets	2,919,936	2,922,335
Total assets	13,200,266	12,619,835
Liabilities		
Current liabilities		
Notes and accounts payable - trade	273,470	183,908
Income taxes payable	262,933	99,619
Provision for bonuses	139,015	272,997
Other	872,938	877,535
Total current liabilities	1,548,359	1,434,061
Non-current liabilities		
Deferred tax liabilities	476	—
Other	49,636	44,922
Total non-current liabilities	50,112	44,922
Total liabilities	1,598,471	1,478,983

	(Thousands of yen)	
	As of March 31, 2019	As of June 30, 2019
Net assets		
Shareholders' equity		
Share capital	1,599,538	1,599,538
Capital surplus	1,523,982	1,523,982
Retained earnings	8,911,536	8,474,869
Treasury shares	(526,094)	(526,094)
Total shareholders' equity	11,508,962	11,072,295
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(7,148)	(402)
Foreign currency translation adjustment	(14,333)	(29,922)
Total accumulated other comprehensive income	(21,482)	(30,325)
Share acquisition rights	17,519	20,143
Non-controlling interests	96,795	78,737
Total net assets	11,601,794	11,140,851
Total liabilities and net assets	13,200,266	12,619,835

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net sales	2,959,379	2,759,433
Cost of sales	487,304	395,480
Gross profit	2,472,075	2,363,952
Selling, general and administrative expenses	2,184,930	2,295,650
Operating profit	287,144	68,302
Non-operating income		
Interest income	3,505	3,928
Foreign exchange gains	30,974	—
Other	29	1,337
Total non-operating income	34,508	5,266
Non-operating expenses		
Foreign exchange losses	—	20,411
Other	806	1,255
Total non-operating expenses	806	21,666
Ordinary profit	320,847	51,901
Extraordinary losses		
Loss on retirement of non-current assets	—	32,869
Total extraordinary losses	—	32,869
Profit before income taxes	320,847	19,032
Income taxes - current	80,533	75,832
Income taxes - deferred	68,546	(50,868)
Total income taxes	149,079	24,963
Profit (loss)	171,767	(5,930)
Profit (loss) attributable to non-controlling interests	6,984	(6,186)
Profit attributable to owners of parent	164,782	256

# Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit (loss)	171,767	(5,930)
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,448)	6,745
Foreign currency translation adjustment	(8,778)	(17,992)
Total other comprehensive income	(12,226)	(11,247)
Comprehensive income	159,540	(17,177)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	154,574	(8,587)
Comprehensive income attributable to non-controlling interests	4,966	(8,590)

## Consolidated statements of cash flows

(Thousands of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Cash flows from operating activities		
Profit before income taxes	320,847	19,032
Depreciation	19,181	23,610
Amortization of goodwill	18,011	17,742
Increase (decrease) in provision for bonuses	135,482	133,981
Interest and dividend income	(3,505)	(3,928)
Foreign exchange losses (gains)	(30,974)	20,411
Decrease (increase) in investment securities for sale	207,115	–
Loss on retirement of non-current assets	–	32,869
Decrease (increase) in trade receivables	147,377	402,848
Decrease (increase) in inventories	(2,357)	(5,858)
Increase (decrease) in trade payables	(268,696)	(89,562)
Decrease (increase) in other assets	181,901	(17,205)
Increase (decrease) in other liabilities	(360,072)	(12,382)
Subtotal	364,311	521,558
Interest and dividends received	636	1,222
Income taxes paid	(469,315)	(175,150)
Net cash provided by (used in) operating activities	(104,366)	347,630
Cash flows from investing activities		
Payments into time deposits	(54,350)	–
Proceeds from withdrawal of time deposits	42,711	54,680
Purchase of property, plant and equipment	(9,764)	(26,414)
Purchase of intangible assets	–	(32,751)
Purchase of investment securities	(3,731)	(1,385)
Cash dividends income to Investment securities	1,206	504
Payments of leasehold and guarantee deposits	(1,363)	(5,255)
Proceeds from refund of leasehold and guarantee deposits	208	1,093
Other, net	(2,040)	(332)
Net cash provided by (used in) investing activities	(27,124)	(9,862)
Cash flows from financing activities		
Payment of dividends to non-controlling interests	(18,037)	(9,466)
Dividends paid	(436,841)	(436,923)
Net cash provided by (used in) financing activities	(454,879)	(446,390)
Effect of exchange rate change on cash and cash equivalents	(8,426)	(14,070)
Net increase (decrease) in cash and cash equivalents	(594,797)	(122,692)
Cash and cash equivalents at beginning of period	7,539,662	7,929,587
Cash and cash equivalents at end of period	6,944,865	7,806,895