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Non-consolidated Financial Results for the Three Months Ended October 31, 2019 [Japanese GAAP]

December 13, 2019

Company name: tsukuruba inc.

Stock exchange listing: Tokyo

Code number: 2978

URL: <https://tsukuruba.com/>

Representative: Hiroki Murakami

Contact: Ryohei Koike

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Scheduled date of filing quarterly securities report: December 13, 2019

Scheduled date of commencing dividend payments: —

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

Representative Director, CEO

Director, CFO

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

1. Non-consolidated Financial Results for the Three Months Ended October 31, 2019 (August 01, 2019 to October 31, 2019)

(1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended October 31, 2019	453	-	24	-	24	-	18	-
October 31, 2018	-	-	-	-	-	-	-	-

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended October 31, 2019	2.01	1.78
October 31, 2018	-	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of October 31, 2019	1,820	1,493	82.0
July 31, 2019	1,869	1,475	78.9

(Reference) Equity: As of October 31, 2019: ¥ 1,492 million

As of July 31, 2019: ¥ 1,473 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 July 31, 2019	-	-	-	0.00	0.00
Fiscal year ending July 31, 2020	-				
Fiscal year ending July 31, 2020 (Forecast)		0.00	-	0.00	0.00

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

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending July 31, 2020(August 01, 2019 to July 31, 2020)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	2,122	40.0	-	-	-	-	-	-	-

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

(Note) For the fiscal year ending July 31, 2020, in order to enhance intrinsic value of the company, tsukuruba inc. (the “Company”) considers it most important to continuously reinvest to enhance its platform value. In line with this policy, the Company aims to achieve year-on-year growth of +40% at least for net sales and gross profit, which is a source of corporate value enhancement. The Company is also expected to generate operating profit, ordinary profit, and net profit, and is not disclosing forecasts of detailed profits amounts in order to make decisions for investments flexible.

* 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):

October 31, 2019: 9,331,700 shares

July 31, 2019: 9,331,700 shares

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

October 31, 2019: 335,600 shares

July 31, 2019: 335,600 shares

3) Average number of shares during the period:

Three months ended October 31, 2019: 8,996,100 shares

Three months ended October 31, 2018: - shares

*This quarterly report of financial results is out of scope from quarterly review procedures conducted by independent auditors.

*Explanation about appropriate usage of business forecasts and other special notes

The forecasts above are based on the judgments made in accordance with information currently available. Forecasts therefore include risks and uncertainties. Actual figures may differ from these forecasts due to subsequent changes in the circumstances.

Quarterly Non-consolidated Financial Statements
Quarterly Non-consolidated Balance Sheets

(Thousand yen)

	As of July 31,2019	As of October 31,2019
Assets		
Current assets		
Cash and deposits	1,420,974	1,338,836
Accounts receivable - trade	54,487	21,058
Work in process	2,261	4,777
Other	30,569	46,732
Allowance for doubtful accounts	(2,800)	(1,200)
Total current assets	1,505,492	1,410,204
Non-current assets		
Property, plant and equipment	80,254	101,796
Intangible assets		
Software	127,827	141,321
Total intangible assets	127,827	141,321
Investments and other assets		
Leasehold and guarantee deposits	88,702	94,855
Other	66,785	72,335
Total investments and other assets	155,488	167,191
Total non-current assets	363,570	410,309
Total assets	1,869,062	1,820,514

(Thousand yen)

	As of July 31,2019	As of October 31,2019
Liabilities		
Current liabilities		
Current portion of long-term borrowings	64,540	56,797
Accounts payable - other	74,020	54,793
Income taxes payable	17,886	2,688
Other	113,385	91,037
Total current liabilities	269,832	205,317
Non-current liabilities		
Long-term borrowings	116,340	107,118
Other	7,697	14,802
Total non-current liabilities	124,037	121,920
Total liabilities	393,870	327,238
Net assets		
Shareholders' equity		
Share capital	594,505	594,505
Capital surplus	1,307,099	1,307,099
Retained earnings	(365,266)	(347,182)
Treasury shares	(62,421)	(62,421)
Total shareholders' equity	1,473,916	1,492,000
Share acquisition rights	1,276	1,276
Total net assets	1,475,192	1,493,276
Total liabilities and net assets	1,869,062	1,820,514

Quarterly Non-consolidated Statements of Income

Quarterly Non-consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended October 31,2019
Net sales	453,237
Cost of sales	86,318
Gross profit	366,919
Selling, general and administrative expenses	341,952
Operating profit	24,966
Non-operating income	
Interest income	1
Foreign exchange gains	37
Other	122
Total non-operating income	162
Non-operating expenses	
Interest expenses	476
Other	47
Total non-operating expenses	523
Ordinary profit	24,605
Profit before income taxes	24,605
Income taxes - current	2,690
Income taxes - deferred	3,831
Total income taxes	6,522
Profit	18,083