



## Summary of Business Results for the Fiscal Year Ended March 31, 2020 [Japan GAAP] (Consolidated)

May 19, 2020

Company name: DIGITAL HEARTS HOLDINGS Co., Ltd.

Listed on the TSE

Stock code: 3676

URL: <https://www.digitalhearts-hd.com/>

Representative: Genichi Tamatsuka, President and CEO

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Scheduled date of the ordinary general shareholder meeting : June 23, 2020

Scheduled commencement of dividend payment : June 24, 2020

Scheduled date of submission of financial reports : June 23, 2020

Preparation of supplementary material for fiscal year financial results : Yes

Holding of financial results meeting : Yes (for institutional investors and analysts)

(Figures are rounded down to the nearest million yen.)

### 1. Fiscal year ended March 2020 consolidated results (April 1, 2019 – March 31, 2020)

#### (1) Consolidated business results

(Percentages are changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal year ended March 31, 2020	21,138	9.8	1,394	-13.2	1,372	-16.9	792	-49.7
March 31, 2019	19,254	11.0	1,605	-7.5	1,651	-7.4	1,575	31.3

(Reference) Comprehensive income: Fiscal year ended March 31, 2020: 798 million yen (-49.7%)  
Fiscal year ended March 31, 2019: 1,586 million yen (42.6%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating margin
	(yen)	(yen)	(%)	(%)	(%)
Fiscal year ended March 31, 2020	36.31	36.31	16.4	13.4	6.6
March 31, 2019	72.13	70.79	38.6	17.9	8.3

(Reference) Equity in earnings of affiliates: Fiscal year ended March 31, 2020: -5 million yen  
Fiscal year ended March 31, 2019: -3 million yen

#### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of March 31, 2020	10,637	5,438	46.3	228.62
As of March 31, 2019	9,832	5,012	48.7	219.06

(Reference) Shareholders' equity: 4,922 million yen (As of March 31, 2020) 4,791 million yen (As of March 31, 2019)

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year end
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Fiscal year ended March 31, 2020	1,086	-1,018	-515	3,704
March 31, 2019	889	62	-693	4,162

### 2. Dividends

	Annual dividends					Total dividends paid (annual)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	Q1	Q2	Q3	Q4	Full fiscal year			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of yen)	(%)	(%)
Fiscal year ended March 31, 2019	—	6.50	—	6.50	13.00	284	18.0	7.0
March 31, 2020	—	7.00	—	7.00	14.00	304	38.6	5.5
Fiscal year ending March 31, 2021 (Forecasts)	—	7.00	—	7.00	14.00		—	

### 3. Consolidated earnings forecasts for the fiscal year ending March 2021 (April 1, 2020 - March 31, 2021)

The consolidated earnings forecasts for the fiscal year ending March 31, 2021 are not disclosed at this juncture given the difficulty of making reasonable estimate on our financial result due to the COVID-19 outbreak. We will provide the prospects promptly once it becomes possible to perform a reasonable estimate.

#### \* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): Yes

Newly included: 3 (Company name) LOGIGEAR CORPORATION  
LOGIGEAR VIETNAM CO., LTD.  
Red Team Technologies Co., Ltd.

Excluded: -

- (2) Changes in accounting policies and accounting estimates and restatement

- (a) Changes in accounting policies associated with revision of accounting standards :None  
(b) Changes in accounting policies other than (a) above :None  
(c) Changes in accounting estimates :None  
(d) Restatement :None

- (3) Shares outstanding (common stock)

(a) Number of issued shares (including treasury stock)	As of March 31, 2020	23,890,800 shares	As of March 31, 2019	23,890,800 shares
(b) Number of treasury stock	As of March 31, 2020	2,360,727 shares	As of March 31, 2019	2,016,206 shares
(c) Average number of shares during the period	Fiscal year ended March 31, 2020	21,815,369 shares	Fiscal year ended March 31, 2019	21,843,888 shares

\* The certified public accountant or the audit procedures are not applicable to this financial results report.

#### \* Explanation of the proper use of earnings forecasts and other special notes

- This document contains forward-looking statements with respect to future results, performance and achievements that are subject to risk and uncertainties and reflect management's views and assumptions formed using information available at the time. Accordingly, forecasts may differ from actual results due to a variety of factors.
- A financial results meeting for institutional investors and analysts is scheduled to be held on May 20, 2020. Materials to be distributed at this meeting will be posted on TD net and the Company's website.