

(TRANSLATION FOR REFERENCE ONLY)

This is a translation of the original Japanese text of the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2020.” Should there be any discrepancy between any part of this translation and the original Japanese text, the latter shall prevail.

Consolidated Financial Results

for the Fiscal Year Ended March 31, 2020 <Japanese GAAP>

May 29, 2020

Company Name: GLORY LTD. Stock exchange listing: Tokyo (1st Section)
Code number: 6 4 5 7 URL: <https://corporate.glory-global.com/>
Representative: Motozumi Miwa President & Representative Director
Contact person: Yukihiro Fujikawa Executive Officer; Executive General Manager, Finance Headquarters
TEL +81-79-297-3131

Scheduled date of Ordinary General Meeting of Shareholders: June 26, 2020
Scheduled date of dividend payments: June 29, 2020
Scheduled filing date of Annual Securities Report: June 29, 2020
Preparation of earnings supplementary explanatory material: Yes
Holding of earnings presentation: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded downward.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Consolidated Operating Results

(The percentages show the changes from the corresponding period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Year ended March 31, 2020	224,170	(4.9)	17,927	(12.9)	15,657	(23.9)	8,961	(26.9)
Year ended March 31, 2019	235,762	3.7	20,576	4.9	20,575	17.2	12,256	23.9

(Note) Comprehensive income

Year ended March 31, 2020: ¥5,438 million [(60.6) %]
Year ended March 31, 2019: ¥13,820 million [31.5 %]

	Net income per share	Fully diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	(Yen)	(Yen)	(%)	(%)	(%)
Year ended March 31, 2020	148.31	—	4.8	5.0	8.0
Year ended March 31, 2019	198.71	—	6.5	6.6	8.7

(Reference) Income or loss from investments accounted for by the equity method

Year ended March 31, 2020: ¥(1,217) million [— %]
Year ended March 31, 2019: ¥(56) million [— %]

EBITDA (Operating income + Depreciation + Amortization of goodwill)

Year ended March 31, 2020: ¥31,865 million [(3.9)%]
Year ended March 31, 2019: ¥33,143 million [0.5 %]

Net income before amortization of goodwill (Net income attributable to owners of parent + Amortization of goodwill)

Year ended March 31, 2020: ¥12,767 million [(19.6)%]
Year ended March 31, 2019: ¥15,878 million [14.9 %]

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(2) Consolidated Financial Position

	Total assets	Net assets	Ownership equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of March 31, 2020	308,763	187,143	60.0	3,064.61
As of March 31, 2019	318,228	193,257	59.5	3,133.54

(Reference) Ownership equity

As of March 31, 2020: ¥185,196 million As of March 31, 2019: ¥189,238 million

(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, 2020	25,062	(13,032)	(15,339)	70,922
Year ended March 31, 2019	24,300	(11,388)	(361)	75,149

2. Dividends

(Record date)	Dividends per share					Total dividends (annual)	Dividend payout ratio (consolidated)	Dividends to net assets ratio (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of yen)	(%)	(%)
Year ended March 31, 2019	—	31.00	—	33.00	64.00	3,949	32.2	2.1
Year ended March 31, 2020	—	32.00	—	34.00	66.00	4,010	44.5	2.1
Year ending March 31, 2021 (forecast)	—	—	—	—	—		—	

(Note) Dividends for the year ending March 31, 2021 have not yet been determined at this point in time.

3. Consolidated Financial Forecast for the Year Ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

(The percentages show the changes from the corresponding period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Six months ending September 30, 2020	—	—	—	—	—	—	—	—	—
Full year	—	—	—	—	—	—	—	—	—

(Note) The consolidated financial forecast for the year ending March 31, 2021, has not yet been determined as it is difficult to appropriately and rationally make an estimation due to the impact of the spread of novel coronavirus disease (COVID-19). The forecast will be disclosed promptly once it is possible to appropriately and rationally estimate it.

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Notes:

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries involving a change in the scope of consolidation):
None
- (2) Changes in accounting policies and estimates, and restatements
- | | |
|---|------|
| (a) Changes in accounting policies associated with revisions of accounting standards, etc.: | Yes |
| (b) Changes in accounting policies other than (a): | None |
| (c) Changes in accounting estimates: | None |
| (d) Restatements: | None |
- (3) Total number of shares issued (common shares)
- (a) Total number of shares issued at the end of the period (including treasury shares)
- | | |
|-----------------------|-------------------|
| As of March 31, 2020: | 63,638,210 shares |
| As of March 31, 2019: | 68,638,210 shares |
- (b) Number of treasury shares at the end of the period
- | | |
|-----------------------|------------------|
| As of March 31, 2020: | 2,866,029 shares |
| As of March 31, 2019: | 7,865,917 shares |
- (c) Average number of shares
- | | |
|----------------------------|-------------------|
| Year ended March 31, 2020: | 60,423,031 shares |
| Year ended March 31, 2019: | 61,679,523 shares |

(Note) In addition to the number of treasury shares at the end of the period, there also existed Company shares owned by the “Board Incentive Plan (BIP) Trust Account” and “Employee Stock Ownership Plan (ESOP) Trust Account.” (As of March 31, 2020: 341,500 shares, As of March 31, 2019: 380,898 shares)

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Non-consolidated Operating Results

(The percentages show the changes from the corresponding period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Year ended March 31, 2020	136,939	(10.7)	7,496	(36.5)	10,180	(29.7)	6,159	(45.1)
Year ended March 31, 2019	153,382	7.2	11,811	14.4	14,490	20.2	11,216	12.7

	Net income per share	Fully diluted net income per share
	(Yen)	(Yen)
Year ended March 31, 2020	101.95	—
Year ended March 31, 2019	181.86	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Ownership equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of March 31, 2020	249,759	176,514	70.7	2,920.95
As of March 31, 2019	253,649	174,833	68.9	2,895.00

(Reference) Ownership equity

As of March 31, 2020:	¥176,514 million	As of March 31, 2019:	¥174,833 million
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(Note) Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

(Note) Explanation regarding the appropriate use of financial forecasts and other special items

(Caution concerning forward-looking statements)

The forward-looking statements such as operational forecasts contained in this report are based on the information currently available to the Company and certain assumptions which the Company regards as legitimate, and are not promises regarding the achievement of forecasts. Actual performance may differ greatly from these forecasts due to various present and future factors.