

# Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2019 (Based on Japanese GAAP)

February 6, 2020

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: February 13, 2020  
 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 nine months ended December 31, 2019 (from April 1, 2019 to December 31, 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	%
Nine months ended December 31, 2019	9,275	4.9	1,164	51.8	1,155	42.3	745	55.4
Nine months ended December 31, 2018	8,840	(2.0)	766	(56.4)	812	(54.2)	479	(56.8)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2019	39.21	39.17
Nine months ended December 31, 2018	25.22	25.18

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2019	12,793	11,489	88.8
As of March 31, 2019	13,200	11,601	87.0

### 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	–	23.00	–		
Year ending March 31, 2020 (Forecast)				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	14,300	6.7	2,500	8.3	2,500	6.2	1,670	4.4	87.90

#### 4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 2019	897,808 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)

Nine months ended December 31, 2019	18,997,309 shares	Nine months ended December 31, 2018	18,993,869 shares
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# Quarterly consolidated financial statements

## Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2019	As of December 31, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	8,182,058	5,692,002
Notes and accounts receivable - trade	1,323,016	978,840
Operational investment securities	376,152	2,521,330
Merchandise and finished goods	42,570	44,952
Raw materials and supplies	116	116
Other	356,415	679,039
Total current assets	10,280,330	9,916,282
Non-current assets		
Property, plant and equipment	480,246	478,399
Intangible assets		
Goodwill	288,596	232,224
Other	129,442	169,429
Total intangible assets	418,039	401,653
Investments and other assets		
Investment securities	760,634	762,955
Leasehold and guarantee deposits	554,360	558,589
Deferred tax assets	76,814	36,001
Other	629,840	639,889
Total investments and other assets	2,021,650	1,997,435
Total non-current assets	2,919,936	2,877,489
Total assets	13,200,266	12,793,771
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	273,470	199,890
Income taxes payable	262,933	177,577
Provision for bonuses	139,015	—
Other	872,938	881,617
Total current liabilities	1,548,359	1,259,085
Non-current liabilities		
Deferred tax liabilities	476	—
Other	49,636	45,248
Total non-current liabilities	50,112	45,248
Total liabilities	1,598,471	1,304,333
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,599,538	1,599,538
Capital surplus	1,523,982	1,523,982
Retained earnings	8,911,536	8,784,175
Treasury shares	(526,094)	(525,293)
Total shareholders' equity	11,508,962	11,382,402
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(7,148)	736
Foreign currency translation adjustment	(14,333)	(15,749)
Total accumulated other comprehensive income	(21,482)	(15,012)
Share acquisition rights	17,519	24,792
Non-controlling interests	96,795	97,255
Total net assets	11,601,794	11,489,437
Total liabilities and net assets	13,200,266	12,793,771

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Net sales	8,840,272	9,275,153
Cost of sales	1,426,267	1,176,491
Gross profit	7,414,005	8,098,662
Selling, general and administrative expenses	6,647,232	6,934,353
Operating profit	766,772	1,164,308
Non-operating income		
Interest income	10,063	13,281
Foreign exchange gains	33,372	—
Other	10,952	3,833
Total non-operating income	54,388	17,115
Non-operating expenses		
Loss on investments in investment partnerships	5,244	5,513
Foreign exchange losses	—	15,949
Other	3,808	3,972
Total non-operating expenses	9,053	25,435
Ordinary profit	812,108	1,155,988
Extraordinary losses		
Loss on retirement of non-current assets	—	36,377
Total extraordinary losses	—	36,377
Profit before income taxes	812,108	1,119,611
Income taxes - current	92,403	357,235
Income taxes - deferred	221,425	34,429
Total income taxes	313,828	391,664
Profit	498,279	727,946
Profit (loss) attributable to non-controlling interests	19,104	(17,111)
Profit attributable to owners of parent	479,175	745,058

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

(Thousands of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Profit	498,279	727,946
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,523)	7,885
Foreign currency translation adjustment	(7,929)	(927)
Total other comprehensive income	(11,453)	6,957
Comprehensive income	486,826	734,904
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	468,962	751,527
Comprehensive income attributable to non-controlling interests	17,863	(16,623)

## Consolidated statements of cash flows

(Thousands of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Cash flows from operating activities		
Profit before income taxes	812,108	1,119,611
Depreciation	61,065	82,370
Amortization of goodwill	54,034	52,469
Increase (decrease) in provision for bonuses	(60,979)	(139,015)
Interest and dividend income	(10,063)	(13,281)
Foreign exchange losses (gains)	(33,372)	15,949
Loss (gain) on investments in investment partnerships	5,244	5,513
Decrease (increase) in investment securities for sale	207,115	(2,145,177)
Loss on retirement of non-current assets	—	36,377
Decrease (increase) in trade receivables	351,010	344,175
Decrease (increase) in inventories	(2,506)	(2,382)
Increase (decrease) in trade payables	(293,571)	(73,579)
Decrease (increase) in other assets	65,042	(384,827)
Increase (decrease) in other liabilities	(409,707)	(5,507)
Subtotal	745,419	(1,107,305)
Interest and dividends received	7,079	10,410
Income taxes paid	(652,128)	(352,226)
Net cash provided by (used in) operating activities	100,370	(1,449,120)
Cash flows from investing activities		
Payments into time deposits	(97,338)	—
Proceeds from withdrawal of time deposits	86,953	54,680
Purchase of property, plant and equipment	(52,325)	(75,953)
Purchase of intangible assets	(33,186)	(84,783)
Purchase of investment securities	(6,700)	(5,900)
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Long-term loan advances	(221,800)	—
Payments of leasehold and guarantee deposits	(10,311)	(19,747)
Proceeds from refund of leasehold and guarantee deposits	13,842	3,659
Other, net	2,219	1,944
Net cash provided by (used in) investing activities	(317,305)	(125,597)
Cash flows from financing activities		
Proceeds from received an investment to non-controlling shareholders	63	26,597
Proceeds from disposal of treasury shares	1,234	2,024
Purchase of treasury shares	—	(135)
Dividends paid	(873,710)	(873,883)
the amount of payment of the dividend to non-controlling shareholders	(18,287)	(9,513)
Other, net	(10)	—
Net cash provided by (used in) financing activities	(890,709)	(854,910)
Effect of exchange rate change on cash and cash equivalents	(12,708)	(4,341)
Net increase (decrease) in cash and cash equivalents	(1,120,353)	(2,433,969)
Cash and cash equivalents at beginning of period	7,539,662	7,929,587
Cash and cash equivalents at end of period	6,419,309	5,495,617