

Summary of Business Results for the Fiscal Year Ended March 31, 2020

[Japan GAAP] (Consolidated)

May 15, 2020

Company Estore Corporation Listed on the TSE
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Expected date of annual shareholders' meeting: June 25, 2020
 Expected date of filing of annual securities report: June 26, 2020
 Preparation of supplementary financial document: Yes
 Results briefing: None

Expected starting date of dividend payment: June 26, 2020

(Rounded down to million yen)

1. Consolidated business results for the fiscal year ended March 2020

(April 1, 2019 through March 31, 2020)

(1) Consolidated results of operations (% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended Mar. 2020	4,852	-1.6	478	-7.3	526	-9.6	367	-10.3
Year ended Mar. 2019	4,932	-	515	-	582	-	409	-

(Note) Comprehensive income:
 Year ended September 2020: 367 million yen (-10.5%)
 Year ended September 2019: 410 million yen (-%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended Mar. 2020	77.04	64.03	23.3	9.0	9.9
Year ended Mar. 2019	79.72	74.95	29.2	13.0	10.5

(Reference) Investment earnings/loss on equity-method:
 Year ended March 2020: 41 million yen
 Year ended March 2019: 37 million yen

(Note) Because the Company started to prepare consolidated financial statements since the fiscal year ended March 2019, the Company does not announce percentage changes from previous period for the fiscal year ended March 2019. Also, because the fiscal year ended March 2019 is the first year of consolidation, return on equity and ratio of ordinary income to total assets are calculated based on the amount of total assets and the amount of equity at the end of the fiscal year, respectively.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 2020	7,237	1,746	24.1	365.88
As of Mar. 2019	4,495	1,404	31.2	294.15

(Reference) Shareholders' equity:
 As of March 2020: 1,746 million yen
 As of March 2019: 1,404 million yen

(3) Results of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Year ended Mar. 2020	621	-1,193	884	3,288
Year ended Mar. 2019	-26	-349	513	2,976

2. Dividends

	Annual dividend					Total dividend (Total)	Dividend payout ratio	Rate of total dividend to net assets
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended Mar. 2019	-	0.00	-	29.00	29.00	138	36.4	9.9
Year ended Mar. 2020	-	0.00	-	29.00	29.00	138	37.6	8.8
Year ending Mar. 2021 (Forecast)	-	0.00	-	29.00	29.00		60.1	

The Company plans their office relocation, and since they incorporated approximately 230 million yen of the budget as the expense of the relocation, the benefit will temporarily decrease.

The Company considers the stable return of profits to be one of the most important issues, so dividend for the year ending March 2021 is planned to be 29 yen, which have maintained the level of dividend for the past few years.

3. Forecast of consolidated business results for the year ending March 2021

(April 1, 2020 through March 31, 2021)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ending Mar. 2021	10,605	118.5	268	-43.9	328	-37.7	230	-37.5

With the consolidation of the results of the two companies that were made into a company for the year ended March 2020, the Group will be a company with 10 billion yen of net sales. On the other hand, in terms of profits, the Group will be able to generate operating income before amortization of goodwill of approximately 600 million yen, and approximately 500 million yen of operating income, which includes amortization of goodwill (approximately 130 million yen), is the current base income of the Group.

However, as they plan to relocate offices in order to improve the purpose of the Group and have factored in the one-time expenses related to office relocation (approximately 230 million yen) in the above forecast, below operating income will be lower than the base income.

* Notes

(1) Applications of accounting procedures specific to preparation of the quarterly financial statements: Yes

Newly included: 2 (Commerce21 Corporation, WebCrew Agency Inc.)

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

- ① Changes in accounting policies associated with revision of accounting standards: : None
- ② Changes in accounting policies other than ① : None
- ③ Changes in accounting estimates : None
- ④ Restatement : None

(3) Shares outstanding (common stock)

- ① Number of shares outstanding at the end of period (treasury stock included)
 - As of March 2020 5,161,298 shares
 - As of March 2019 5,161,298 shares
- ② Treasury stock at the end of period:
 - As of March 2020 387,579 shares
 - As of March 2019 387,275 shares
- ③ Average number of stock during period
 - Year ended March 2020 4,773,900 shares
 - Year ended March 2019 5,141,119 shares

(Reference) Summary of non-consolidated business results**1. Non-consolidated business results for the fiscal year ended March 2020****(April 1, 2019 through March 31, 2020)**

(1) Non-consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended Mar. 2020	4,830	-2.0	421	-14.7	430	-17.8	291	-18.8
Year ended Mar. 2019	4,926	-2.3	494	-10.8	524	-9.9	359	-12.7

	Net income per share		Diluted net income per share	
	Yen		Yen	
Year ended Mar. 2020	61.10		50.77	
Year ended Mar. 2019	69.86		65.68	

(2) Non-consolidated financial position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
As of Mar. 2020	5,881		1,504		25.6		315.22	
As of Mar. 2019	4,421		1,353		30.6		283.53	

(Reference) Shareholders' equity:

As of March 2020: 1,504 million yen

As of March 2019: 1,353 million yen

Financial summary is not subject to auditing procedures by certified public accountants or auditing firms.**Explanation regarding appropriate use of business forecasts and other special instructions**

Forecasts regarding future performance in this material are based on information currently available to the company and certain assumptions that the company deems to be reasonable at the time this report was prepared. The company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.