Note: This English translation is solely for reference purposes and not a legally definitive translation of the original Japanese text.
In the event a difference arises regarding the meaning herein, the original Japanese version will prevail as the official authoritative version.

April 25, 2019

Consolidated Financial Results for the First Quarter of Fiscal Year Ending December 31, 2019 (Japanese GAAP)

Name of Listed Company:	Information Services International-Dentsu, Ltd.
Listed Exchange:	Tokyo
Code Number:	4812
URL:	https://www.isid.co.jp/english/index.html
Representative:	Ryoichi Nawa, President, CEO and COO
Contact for Inquiries:	Nobuo Uehara, Executive Vice President
	Tel: (03) 6713-6160

Date of scheduled filing of securities report:	May 10, 2019
Date of scheduled payment of dividends:	–
Quarterly earnings supplementary explanatory documents:	Yes
Quarterly earnings presentation:	No

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

1. Consolidated Business Performance for the First Quarter of FY2019 (from January 1, 2019 to March 31, 2019)

(1) Consolidated Operating Results (Cumulative)

Percentages indicate year-on-year increase/(decrease)

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)*	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
First Quarter of FY2019	23,035	8.6	2,558	15.4	2,567	14.5	1,743	13.3
First Quarter of FY2018	21,217	6.6	2,217	31.6	2,242	28.3	1,538	11.2

* Net income attributable to parent company's shareholders

(Note) Comprehensive income: First Quarter of FY2019: 1,779 million yen; First Quarter of FY2018: 1,433 million yen

	Net income (loss) per share	Net income per share after dilution
	(yen)	(yen)
First Quarter of FY2019	53.52	–
First Quarter of FY2018	47.21	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	(million yen)	(million yen)	(%)
As of March 31, 2019	80,021	51,592	64.4
As of December 31, 2018	80,273	50,966	63.5

(Reference) Total shareholders' equity: As of March 31, 2019: 51,569 million yen; As of December 31, 2018: 50,935 million yen

2. Dividends

Record date	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Fiscal year-end	Full year
	(yen)	(yen)	(yen)	(yen)	(yen)
FY2018	–	28.00	–	35.00	63.00
FY2019	–				
FY2019 (forecast)		35.00	–	35.00	70.00

(Note) Revision to the dividend forecasts from the latest announcement: No

3. Consolidated Forecasts for FY2019 (from January 1, 2019 to December 31, 2019)

Percentages indicate year-on-year increase/(decrease)

	Net sales		Operating income		Ordinary income		Net income *		EPS
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(yen)
First half	46,264	7.4	3,960	4.2	3,930	1.8	2,678	1.4	82.20
FY2019	93,000	2.2	8,500	3.2	8,408	2.6	5,683	9.6	174.44

*Net income attributable to parent company's shareholders

(Note) Revision to the consolidated forecasts from the latest announcement: No

4. Other Items

(1) Changes in the scope of consolidation for significant subsidiaries during three months (Changes in specified subsidiaries resulting in change in the scope of consolidation): None

(2) Application of special accounting practices in the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and restatements:

i. Changes in accounting policies in accordance with revision of accounting standards: None

ii. Changes in accounting policies other than 1) above: None

iii. Changes in accounting estimate: None

iv. Restatements: None

(4) Issued and outstanding common stock

i. Number of shares issued and outstanding at the end of the period, including treasury stock	March 31, 2019:	32,591,240 shares	December 31, 2018:	32,591,240 shares
ii. Number of treasury stock at the end of the period	March 31, 2019:	8,663 shares	December 31, 2018:	8,663 shares
iii. Average number of shares outstanding for each period	Three months ended March 31, 2019:	32,582,577 shares	Three months ended March 31, 2018:	32,582,702 shares

This quarterly financial report is outside the scope of quarterly review procedures under the Financial Instruments and Exchange Act.

Explanation regarding the appropriate use of forecasts of business results

Forecast figures are projections based on information available at the time of release, and are not intended as a guarantee that the Company will achieve these targets. Actual results may differ significantly from the above forecasts as a result of changes in the business environment and other factors.

Consolidated Financial Statement

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	2,878	3,156
Notes and accounts receivable - trade	19,958	17,709
Merchandise and finished goods	96	102
Work in process	1,529	1,885
Raw materials and supplies	25	27
Advance payments - trade	8,080	9,513
Deposits paid	31,054	29,658
Other	1,047	965
Allowance for doubtful accounts	△1	△2
Total current assets	64,668	63,017
Non-current assets		
Property, plant and equipment	4,173	4,213
Intangible assets	2,956	3,032
Investments and other assets		
Investments and other assets	8,476	9,759
Allowance for doubtful accounts	△1	△1
Total investments and other assets	8,475	9,758
Total non-current assets	15,604	17,003
Total assets	80,273	80,021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,839	7,871
Income taxes payable	2,314	1,068
Advances received	8,735	7,878
Provision for loss on order received	523	529
Other	8,138	8,234
Total current liabilities	26,551	25,582
Non-current liabilities		
Net defined benefit liability	22	24
Asset retirement obligations	872	944
Other	1,860	1,877
Total non-current liabilities	2,755	2,846
Total liabilities	29,307	28,428

(Millions of yen)

	As of December 31, 2018	As of March 31, 2019
Net assets		
Shareholders' equity		
Capital stock	8,180	8,180
Capital surplus	15,285	15,285
Retained earnings	27,292	27,896
Treasury shares	△29	△29
Total shareholders' equity	50,729	51,333
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	29	36
Foreign currency translation adjustment	176	200
Total accumulated other comprehensive income	205	236
Non-controlling interests	30	23
Total net assets	50,966	51,592
Total liabilities and net assets	80,273	80,021

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

[Consolidated Statements of Income]

(Millions of yen)

	Three months ended March 31, 2018	Three months ended March 31, 2019
Net sales	21,217	23,035
Cost of sales	14,077	15,394
Gross profit	7,140	7,641
Selling, general and administrative expenses	4,922	5,082
Operating profit	2,217	2,558
Non-operating income		
Interest and dividend income	10	8
Share of profit of entities accounted for using equity method	1	-
Dividend income of insurance	48	62
Miscellaneous income	9	4
Total non-operating income	70	75
Non-operating expenses		
Interest expenses	5	7
Share of loss of entities accounted for using equity method	-	27
Loss on investments in partnership	19	13
Foreign exchange losses	18	17
Miscellaneous loss	0	0
Total non-operating expenses	44	66
Ordinary profit	2,242	2,567
Profit before income taxes	2,242	2,567
Income taxes - current	1,107	1,131
Income taxes - deferred	△406	△312
Total income taxes	701	819
Profit	1,541	1,748
Profit attributable to non-controlling interests	3	4
Profit attributable to owners of parent	1,538	1,743

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	Three months ended March 31, 2018	Three months ended March 31, 2019
Profit	1,541	1,748
Other comprehensive income		
Valuation difference on available-for-sale securities	△16	6
Foreign currency translation adjustment	△91	24
Total other comprehensive income	△107	30
Comprehensive income	1,433	1,779
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,430	1,774
Comprehensive income attributable to non-controlling interests	3	4