

This is a translation of the original Japanese text of the “Consolidated Financial Results for the Second Quarter of Fiscal Year Ending 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 Second Quarter of Fiscal Year Ending March 31, 2020 <Japanese GAAP>

November 7, 2019

Company Name: GLORY LTD. Stock exchange listing: Tokyo (1st Section)
Code number: 6457 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 filing date of Quarterly Securities Report: November 13, 2019
Scheduled date of dividend payments: December 5, 2019
Preparation of quarterly earnings supplementary explanatory material: Yes
Holding of quarterly earnings presentation: Yes (for analysts and institutional investors)

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

1. Consolidated Financial Results for the Second Quarter of Fiscal Year Ending March 31, 2020 (from April 1, 2019 to September 30, 2019)

(1) Consolidated Operating Results (cumulative)

(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)	(%)
Six months ended September 30, 2019	108,505	(1.0)	9,018	28.6	8,316	20.3	4,859	27.1
Six months ended September 30, 2018	109,587	5.0	7,011	13.5	6,913	45.3	3,822	87.2

(Note) Comprehensive income

Six months ended September 30, 2019: ¥2,419 million [(69.5) %]
Six months ended September 30, 2018: ¥7,925 million [76.4 %]

	Net income per share	Fully diluted net income per share
	(Yen)	(Yen)
Six months ended September 30, 2019	80.43	—
Six months ended September 30, 2018	61.12	—

(Reference) EBITDA (Operating income + Depreciation + Amortization of goodwill)

Six months ended September 30, 2019: ¥15,772 million [19.6 %]
Six months ended September 30, 2018: ¥13,189 million [2.8 %]

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

Six months ended September 30, 2019: ¥6,762 million [20.3 %]
Six months ended September 30, 2018: ¥5,623 million [38.9 %]

(TRANSLATION FOR REFERENCE ONLY)

(2) Consolidated Financial Position

	Total assets	Net assets	Ownership equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of September 30, 2019	308,157	186,063	59.9	3,054.03
As of March 31, 2019	318,228	193,257	59.5	3,133.54

(Reference) Ownership equity

As of September 30, 2019: ¥184,551 million

As of March 31, 2019: ¥189,238 million

2. Dividends

(Record date)	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Year ended March 31, 2019	—	31.00	—	33.00	64.00
Year ending March 31, 2020	—	32.00			
Year ending March 31, 2020 (forecast)			—	34.00	66.00

(Note) Revisions to the latest dividend forecast: Yes

For details on the revision to the dividend forecast, please refer to the news release titled “Notice of Revision of Year-End Dividend Forecast for Fiscal Year Ending March 31, 2020 and Cancellation of Treasury Shares” announced on the same day as this report (November 7, 2019).

3. Consolidated Financial Forecast for the Year Ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

(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)
Full year	230,000	(2.4)	17,000	(17.4)	16,500	(19.8)	10,000	165.52

(Reference) EBITDA

Year ending March 31, 2020: ¥30,515 million

Net income before amortization of goodwill

Year ending March 31, 2020: ¥13,813 million

(Note) Revisions to the latest consolidated financial forecast: None

(TRANSLATION FOR REFERENCE ONLY)

Notes:

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries involving a change in the scope of consolidation):
None
- (2) Application of accounting methods specific to preparation of the quarterly consolidated financial statements: Yes
- (3) 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 |
- (4) Total number of shares issued (common shares)
- (a) Total number of shares issued at the end of the period (including treasury shares)
- | | |
|---------------------------|-------------------|
| As of September 30, 2019: | 68,638,210 shares |
| As of March 31, 2019: | 68,638,210 shares |
- (b) Number of treasury shares at the end of the period
- | | |
|---------------------------|------------------|
| As of September 30, 2019: | 7,865,997 shares |
| As of March 31, 2019: | 7,865,917 shares |
- (c) Average number of shares (cumulative from the beginning of the period)
- | | |
|--------------------------------------|-------------------|
| Six months ended September 30, 2019: | 60,416,077 shares |
| Six months ended September 30, 2018: | 62,533,954 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 September 30, 2019: 343,304 shares, As of March 31, 2019: 380,898 shares)

(Note) Quarterly financial results reports are exempt from quarterly review 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.