

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

February 6, 2020

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
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Scheduled filing date of Quarterly Securities Report: February 13, 2020
Scheduled date of dividend payments: —
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 Third Quarter of Fiscal Year Ending March 31, 2020 (from April 1, 2019 to December 31, 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)	(%)
Nine months ended December 31, 2019	160,785	(3.6)	12,697	10.2	11,950	5.8	7,237	11.5
Nine months ended December 31, 2018	166,804	3.0	11,522	(1.5)	11,294	13.7	6,489	15.0

(Note) Comprehensive income

Nine months ended December 31, 2019: ¥6,344 million [(25.9) %]
Nine months ended December 31, 2018: ¥8,567 million [(8.5) %]

	Net income per share	Fully diluted net income per share
	(Yen)	(Yen)
Nine months ended December 31, 2019	119.78	—
Nine months ended December 31, 2018	104.50	—

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

Nine months ended December 31, 2019: ¥23,013 million [9.9 %]
Nine months ended December 31, 2018: ¥20,947 million [(4.9) %]

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

Nine months ended December 31, 2019: ¥10,097 million [9.6 %]
Nine months ended December 31, 2018: ¥9,212 million [6.2 %]

(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 December 31, 2019	311,960	188,046	59.8	3,085.22
As of March 31, 2019	318,228	193,257	59.5	3,133.54

(Reference) Ownership equity

As of December 31, 2019: ¥186,439 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: None

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	(18.4)	165.51

(Reference) EBITDA

Year ending March 31, 2020: ¥30,517 million

Net income before amortization of goodwill

Year ending March 31, 2020: ¥13,815 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 December 31, 2019: | 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 December 31, 2019: | 2,865,997 shares |
| As of March 31, 2019: | 7,865,917 shares |
- (c) Average number of shares (cumulative from the beginning of the period)
- | | |
|--------------------------------------|-------------------|
| Nine months ended December 31, 2019: | 60,420,684 shares |
| Nine months ended December 31, 2018: | 62,101,417 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 December 31, 2019: 342,364 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.