

This is a translation of the original Japanese text of the “Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2021.” 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 First Quarter of Fiscal Year Ending March 31, 2021 <Japanese GAAP>

August 7, 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: August 12, 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 First Quarter of Fiscal Year Ending March 31, 2021 (from April 1, 2020 to June 30, 2020)

(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)	(%)
Three months ended June 30, 2020	38,077	(22.4)	(972)	—	(919)	—	(1,555)	—
Three months ended June 30, 2019	49,076	1.7	3,171	83.8	2,738	55.5	1,545	125.7

(Note) Comprehensive income

Three months ended June 30, 2020: ¥(1,796) million [— %]
Three months ended June 30, 2019: ¥(699) million [— %]

	Net income per share	Fully diluted net income per share
	(Yen)	(Yen)
Three months ended June 30, 2020	(25.73)	—
Three months ended June 30, 2019	25.59	—

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

Three months ended June 30, 2020: ¥2,303 million [(64.3)%]
Three months ended June 30, 2019: ¥6,450 million [36.8 %]

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

Three months ended June 30, 2020: ¥(612) million [— %]
Three months ended June 30, 2019: ¥2,508 million [59.2 %]

(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 June 30, 2020	308,104	177,797	57.2	2,914.10
As of March 31, 2020	308,763	187,143	60.0	3,064.61

(Reference) Ownership equity

As of June 30, 2020: ¥176,161 million

As of March 31, 2020: ¥185,196 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, 2020	—	32.00	—	34.00	66.00
Year ending March 31, 2021	—				
Year ending March 31, 2021 (forecast)		30.00	—	30.00	60.00

(Note) Revisions to the latest dividend forecast: Yes

For details on the revision to the dividend forecast, please refer to the news release titled “Announcement of Financial and Dividend Forecasts for FY2020” announced on the same day as this report (August 7, 2020).

3. Consolidated Financial Forecast for the Year Ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

(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)
Six months ending September 30, 2020	85,000	(21.7)	(2,000)	—	(2,000)	—	(3,000)	—	(49.64)
Full year	210,000	(6.3)	6,000	(66.5)	5,500	(64.9)	2,500	(72.1)	41.36

(Note) Revisions to the latest consolidated financial forecast: Yes

For details on the revision to the consolidated financial forecast, please refer to the news release titled “Announcement of Financial and Dividend Forecasts for FY2020” announced on the same day as this report (August 7, 2020).

(Reference) EBITDA

Six months ending September 30, 2020: ¥5,188 million

Year ending March 31, 2021 (full year): ¥20,613 million

Net income before amortization of goodwill

Six months ending September 30, 2020: ¥(878) million

Year ending March 31, 2021 (full year): ¥6,980 million

Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries involving a change in the scope of consolidation):

Yes

Newly included: 1 company (Company name: Acrelec Group S.A.S.) Excluded: —

(2) Application of accounting methods specific to preparation of the quarterly consolidated financial statements: Yes

(TRANSLATION FOR REFERENCE ONLY)

- (3) Changes in accounting policies and estimates, and restatements
- | | |
|---|------|
| (a) Changes in accounting policies associated with revisions of accounting standards, etc.: | None |
| (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 June 30, 2020: | 63,638,210 shares |
| As of March 31, 2020: | 63,638,210 shares |
- (b) Number of treasury shares at the end of the period
- | | |
|-----------------------|------------------|
| As of June 30, 2020: | 2,866,029 shares |
| As of March 31, 2020: | 2,866,029 shares |
- (c) Average number of shares (cumulative from the beginning of the period)
- | | |
|-----------------------------------|-------------------|
| Three months ended June 30, 2020: | 60,438,865 shares |
| Three months ended June 30, 2019: | 60,403,343 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 June 30, 2020: 320,701 shares, As of March 31, 2020: 341,500 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.