

# Consolidated Financial Results for the Fiscal Year Ended December 31, 2019 [Japanese GAAP]



February 5, 2020

Company name: GMO Pepabo, Inc.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 3633  
 URL: <https://pepabo.com/>  
 Representative: Kentaro Sato, CEO and President  
 Contact: Yoshito Igashima, CFO and Board Director  
 Phone: +81-3-5456-3021  
 Scheduled date of Annual General Meeting of Shareholders: March 30, 2020  
 Scheduled date of commencing dividend payments: March 31, 2020  
 Scheduled date of filing annual securities report: March 31, 2020  
 Availability of supplementary briefing material on annual financial results: Available  
 Schedule of annual financial results briefing session: Scheduled (for institutional investors and analysts)

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

## 1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2019 (from January 1, 2019 to December 31, 2019)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2019	8,943	-	783	-	835	-	542	-
December 31, 2018	-	-	-	-	-	-	-	-

(Note) Comprehensive income: Fiscal year ended December 31, 2019: ¥495 million [- %]

Fiscal year ended December 31, 2018: ¥ - million [- %]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
December 31, 2019	104.11	103.24	31.6	13.1	8.8
December 31, 2018	-	-	-	-	-

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended December 31, 2019: ¥11 million

Fiscal year ended December 31, 2018: ¥ - million

- (Notes) 1. The Company disclosed non-consolidated financial results for the fiscal year ended December 31, 2018, but starting from the fiscal year ended December 31, 2019, financial results are disclosed on a consolidated basis. Accordingly, financial results for the fiscal year ended December 31, 2018 and percentage changes from the previous corresponding period are not presented. Rate of return on equity and ordinary profit to total assets for the fiscal year ended December 31, 2019 are presented based on equity and total assets at the end of the period respectively for the first consolidated fiscal year.
2. The Company executed a two-for-one stock split on April 1, 2019. Accordingly, the figures for basic earnings per share and diluted earnings per share have been calculated assuming that the stock split was executed at the beginning of the fiscal year ended December 31, 2019.

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of December 31, 2019	Million yen 6,371	Million yen 1,769	% 27.0	Yen 329.88
As of December 31, 2018	-	-	-	-

(Reference) Equity: As of December 31, 2019: ¥1,719 million

As of December 31, 2018: ¥ - million

(Note) As the Company started preparing consolidated financial statements from the fiscal year ended December 31, 2019, figures for the fiscal year ended December 31, 2018 are not provided.

## (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
December 31, 2019	698	△452	△494	2,453
December 31, 2018	-	-	-	-

(Note) As the Company started preparing consolidated financial statements from the fiscal year ended December 31, 2019, figures for the fiscal year ended December 31, 2018 are not provided.

## 2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
December 31, 2018	0.00	0.00	0.00	105.00	105.00	276	-	-
December 31, 2019	0.00	0.00	0.00	65.00	65.00	338	62.4	19.7
Fiscal year ending December 31, 2020 (Forecast)	0.00	0.00	0.00	52.50	52.50		50.4	

(Notes) 1. As the Company started preparing consolidated financial statements from the fiscal year ended December 31, 2019, payout ratio (consolidated) and dividends to net assets (consolidated) for the fiscal year ended December 31, 2018 are not provided. Dividends to net assets (consolidated) for the fiscal year ended December 31, 2019 are presented based on net assets per share for the fiscal year ended December 31, 2019 for the first consolidated fiscal year.

2. The Company executed a two-for-one stock split on April 1, 2019. Accordingly, the figures for dividends for the fiscal year ended December 31, 2018 have been calculated as actual dividends before the stock split. The dividends for the fiscal year ended December 31, 2019 and for the fiscal year ending December 31, 2020 (forecast) have been calculated as actual dividends after the stock split.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2020 (from January 1, 2020 to December 31, 2020)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half (cumulative)	-	-	-	-	-	-	-	-	-
Full year	9,600	7.3	829	5.8	837	0.2	542	0.0	104.13

(Notes) Figures of the forecast for the first half (cumulative) of the fiscal year ending December 31, 2020 are not prepared.

**\* Notes:**

- (1) Changes in significant subsidiaries during the fiscal year ended December 31, 2019: Yes  
(Changes in specified subsidiaries resulting in changes in scope of consolidation)  
New: One (GMO Creators Network, Inc.)  
Excluded: None
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: No
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury stock):  
December 31, 2019: 5,434,600 shares  
December 31, 2018: 5,434,600 shares
  - 2) Total number of treasury stock at the end of the period:  
December 31, 2019: 221,206 shares  
December 31, 2018: 158,746 shares
  - 3) Average number of shares during the period:  
Fiscal year ended December 31, 2019: 5,213,160 shares  
Fiscal year ended December 31, 2018: 5,268,684 shares

(Note) The Company executed a two-for-one stock split on April 1, 2019. Accordingly, the figures for total number of issued shares at the end of the period (including treasury stock), total number of treasury stock at the end of the period, and average number of shares during the period have been calculated assuming that the stock split was executed at the beginning of the fiscal year ended December 31, 2018.

\* These financial results are outside the scope of audit by certified public accountants or audit firms

\* Explanation of the proper use of financial results forecast and other notes

The statements concerning future performance presented in this document are based on currently available information and certain preconditions which the Company believes to be reasonable at this time. Actual results may be substantially different from these forecasts presented herein due to various factors.