

**Consolidated Financial Results
for the Six Months Ended June 30, 2020
[Japanese GAAP]**



July 29, 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
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 Scheduled date of filing quarterly securities report: August 6, 2020
 Scheduled date of commencing dividend payments: —
 Availability of supplementary briefing material on quarterly financial results: Available
 Schedule of quarterly 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 Six Months Ended June 30, 2020 (from January 1, 2020 to June 30, 2020)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended								
June 30, 2020	5,352	21.1	623	23.2	665	27.6	394	(1.6)
June 30, 2019	4,419	-	506	-	521	-	401	-

(Note) Comprehensive income: Six months ended June 30, 2020: ¥ 391 million [5.5%]

Six months ended June 30, 2019: ¥ 371 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
June 30, 2020	75.65	75.53
June 30, 2019	76.70	75.98

(Notes) 1. The Company started to disclose financial results on a consolidated basis from the three months ended March 31, 2019. Accordingly, percentage changes from the previous corresponding period are not presented.

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
	Million yen	Million yen	%
As of June 30, 2020	7,283	1,816	24.3
As of December 31, 2019	6,371	1,769	27.0

(Reference) Equity: As of June 30, 2020: ¥ 1,772 million

As of December 31, 2019: ¥ 1,719 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2019	0.00	0.00	0.00	65.00	65.00
Fiscal year ending December 31, 2020	0.00	0.00			
Fiscal year ending December 31, 2020 (Forecast)			0.00	52.50	52.50

(Notes) Revision to the dividends forecast most recently announced: No

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
Full year	9,600	7.3	829	5.8	837	0.2	542	0.0	104.13

(Notes) Revision to the financial results forecast most recently announced: No

*** Notes:**

- (1) Changes in significant subsidiaries during the six months ended June 30, 2020: No
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
New: None
Excluded: None
- (2) Adoption of special accounting methods in preparation of quarterly consolidated financial statements: No
- (3) 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
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury stock):
June 30, 2020: 5,434,600 shares
December 31, 2019: 5,434,600 shares
 - 2) Total number of treasury stock at the end of the period:
June 30, 2020: 221,206 shares
December 31, 2019: 221,206 shares
 - 3) Average number of shares during the period:
Six months ended June 30, 2020: 5,213,394 shares
Six months ended June 30, 2019: 5,228,066 shares

* These quarterly financial results are outside the scope of quarterly review 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 and does not constitute a guarantee of the Company to achieve. Actual results may be substantially different from these forecasts presented herein due to various factors.