

Consolidated Results for the Third Quarter of the Fiscal Year to September 2021

(Japanese Accounting Standards)



August 13, 2021

Company Name: **Nexyz Group Corporation**

Securities Code: 4346

(English Translation of "Kessan Tanshin")

Exchanges Listed: TSE1

Location of Company Headquarters: Tokyo

(URL <https://www.nexyzgroup.jp/>)

Position of Representative: President and Representative Director

Name: Takami Kondo

Contact : Executive Managing Director, Administrative Division Manager

Name: Yasuhiro Matsui Tel.+81-3-5459-7444

(Amounts truncated to the nearest million yen.)

1. Consolidated results for the Third Quarter of the Fiscal Year to September 2021

(from Oct. 1, 2020 to Jun. 30, 2021)

(1) Consolidated Results of Operations

(Amounts in percentages show a comparison with the previous same period results.)

	Net Sales		Operating Income		Ordinary Income	
	Yen Mln	%	Yen Mln	%	Yen Mln	%
June 2021	13,882	21.8	△ 562	—	△ 564	—
June 2020	11,350	△ 10.0	△ 950	—	△ 1,079	—
(Note) Comprehensive income	June 2021	△ 993 million yen	(—%)	June 2020	△ 918 million yen	(—%)

	Net income attributable to owners of the parent		Earnings per Share		Fully Diluted Earnings per Share	
	Yen Mln	%	Yen		Yen	
June 2021	△ 1,097	—	△ 84.72		—	
June 2020	△ 1,208	—	△ 93.57		—	

(2) Consolidated Financial Position

(Amounts truncated to the nearest million yen.)

	Total Assets	Net Assets Value	Capital Ratio	
	Yen Mln	Yen Mln		%
June 2021	15,325	4,015		12.1
September 2020	16,064	5,524		21.5
(Note) Shareholders' equity:	June 2021	1,848 million yen	September 2020	3,453 million yen

2. Consolidated annual dividend

Annual Dividend Per Share

	End of first quarter (Yen)	End of second quarter (Yen)	End of third quarter (Yen)	End of Year (Yen)	Total (Yen)
September 2020	—	25.00	—	20.00	45.00
September 2021	—	20.00			
September 2021 (Forecast)			—	20.00	40.00

3. Consolidated Forecast for the fiscal year ending September 2021 (October 1, 2020~September 30, 2021)

(Percentages indicate changes from the previous term)

	Net Sales		Operating Income		Ordinary Income	
	Yen Mln	%	Yen Mln	%	Yen Mln	%
Full Fiscal Year	18,500	17.6	△ 500	—	△ 500	—

	Net income attributable to owners of the parent		Earnings per Share	
	Yen Mln	%	Yen	
Full Fiscal Year	△ 1,000	—	△ 77.21	

Note: Revisions to the most recently disclosed dividend forecasts: Yes

(Millions of yen)

	As of September 30, 2020	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	3,841	4,003
Notes and accounts receivable - trade	3,567	3,144
Lease receivables	3,152	3,381
Merchandise	468	604
Accounts receivable - other	135	147
Other	1,244	632
Allowance for doubtful accounts	△414	△424
Total current assets	11,996	11,488
Non-current assets		
Property, plant and equipment		
Buildings, net	1,061	1,048
Tools, furniture and fixtures, net	131	117
Other, net	20	13
Total property, plant and equipment	1,213	1,179
Intangible assets		
Goodwill	9	3
Software	70	75
Total intangible assets	79	78
Investments and other assets		
Investment securities	869	865
Leasehold and guarantee deposits	514	616
Deferred tax assets	873	576
Other	1,340	1,442
Allowance for doubtful accounts	△824	△923
Total investments and other assets	2,774	2,577
Total non-current assets	4,067	3,836
Total assets	16,064	15,325

(Millions of yen)

	As of September 30, 2020	As of June 30, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	1,042	1,691
Short-term borrowings	450	1,250
Current portion of long-term borrowings	1,936	1,994
Accounts payable - other	370	425
Income taxes payable	66	85
Contract Cancellation Adjustment Reserve	1,028	1,490
Provision for bonuses	301	263
Other	390	703
Total current liabilities	5,587	7,904
Non-current liabilities		
Long-term borrowings	4,707	3,135
Other	244	269
Total non-current liabilities	4,951	3,405
Total liabilities	10,539	11,310
Net assets		
Shareholders' equity		
Share capital	1,189	1,189
Capital surplus	—	—
Retained earnings	2,977	1,365
Treasury shares	△904	△898
Total shareholders' equity	3,262	1,656
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	190	191
Foreign currency translation adjustment	△0	0
Total accumulated other comprehensive income	190	192
Share acquisition rights	6	6
Non-controlling interests	2,065	2,160
Total net assets	5,524	4,015
Total liabilities and net assets	16,064	15,325

(Millions of yen)

	Nine months ended June 30, 2020	Nine months ended June 30, 2021
Net sales	11,350	13,822
Cost of sales	5,788	7,439
Gross profit	5,562	6,382
Selling, general and administrative expenses	6,513	6,945
Operating loss	△950	△562
Non-operating income		
Interest income	9	0
Gain on sales of investment securities	3	—
Interest on tax refund	4	3
Receipt benefit	4	6
Subsidies for employment adjustment	—	3
Other	5	16
Total non-operating income	26	30
Non-operating expenses		
Interest expenses	14	27
Loss on valuation of investment securities	12	—
Share of loss of entities accounted for using equity method	115	—
Commission expenses	3	2
Provision of allowance for doubtful accounts	9	—
Other	0	2
Total non-operating expenses	155	32
Ordinary loss	△1,079	△564
Extraordinary income		
Gain on sales of investment securities	100	—
Total extraordinary income	100	—
Extraordinary losses		
Impairment loss	170	—
Loss on valuation of investment securities	41	18
Loss on valuation of shares of subsidiaries and associates	15	15
loss on COVID-19	11	—
Total extraordinary losses	239	33
Loss before income taxes	△1,219	△598
Income taxes - current	97	100
Income taxes - deferred	△205	297
Total income taxes	△108	397
Loss	△1,111	△996
Profit attributable to non-controlling interests	97	101
Loss attributable to owners of parent	△1,208	△1,097

(Millions of yen)

	Nine months ended June 30, 2020	Nine months ended June 30, 2021
Loss	△1,111	△996
Other comprehensive income		
Valuation difference on available-for-sale securities	191	0
Foreign currency translation adjustment	1	1
Total other comprehensive income	192	2
Comprehensive income	△918	△993
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△1,016	△1,095
Comprehensive income attributable to non-controlling interests	98	102