

**Translation**

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**Summary of Non-Consolidated Financial Results  
for the Year Ended March 31, 2021  
(Based on Japanese GAAP)**

April 22, 2021

Company name: OBIC BUSINESS CONSULTANTS CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 4733 URL <https://www.obc.co.jp>  
 Representative: President and Representative Director Shigefumi Wada  
 Vice President and Representative Director ,  
 Inquiries: General Manager Hiroko Wada TEL 03-3342-1881  
 of Administrative Headquarters  
 Scheduled date of ordinary general meeting of shareholders: June 21, 2021  
 Scheduled date to file Securities Report: June 22, 2021  
 Scheduled date to commence dividend payments: June 22, 2021  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2021	29,252	(2.7)	12,942	(0.3)	13,934	(0.7)	9,670	(2.9)
Year ended March 31, 2020	30,068	1.8	12,979	(1.0)	14,030	(0.1)	9,957	(1.1)

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2021	128.65	–	7.8	9.2	44.2
Year ended March 31, 2020	132.48	–	8.5	9.9	43.2

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	158,362	128,562	81.2	1,710.34
As of March 31, 2020	143,129	118,525	82.8	1,576.85

(3) Non-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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2021	11,918	(753)	(3,760)	114,095
Year ended March 31, 2020	12,488	129	(3,756)	106,690

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Non-consolidated)	Ratio of dividends to net assets (Non-consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2020	–	25.00	–	25.00	50.00	3,758	37.7	3.2
Year ended March 31, 2021	–	25.00	–	30.00	55.00	4,134	42.8	3.3
Year ending March 31, 2022 (Forecast)	–	30.00	–	30.00	60.00		40.3	

3. Forecast of non-consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2021	15,770	–	6,700	–	7,100	–	4,890	–	65.05
Full year	34,000	–	15,390	–	16,190	–	11,200	–	149.00

4. Notes

(1) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(2) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2021	80,704,000 shares	As of March 31, 2020	80,704,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	5,536,074 shares	As of March 31, 2020	5,537,986 shares
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Average number of shares during the period

Year ended March 31, 2021	75,167,281 shares	Year ended March 31, 2020	75,165,342 shares
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**Non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	106,700,778	114,105,127
Notes receivable - trade	1,724,108	1,911,111
Accounts receivable - trade	7,356,458	8,444,348
Merchandise and finished goods	135,663	130,094
Work in process	1,168	1,004
Raw materials and supplies	71,661	58,614
Prepaid expenses	147,926	195,567
Accounts receivable - other	8,044	6,768
Other	10,643	5,189
Allowance for doubtful accounts	(3,664)	(8,606)
Total current assets	116,152,789	124,849,217
Non-current assets		
Property, plant and equipment		
Buildings	660,476	1,232,412
Accumulated depreciation	(353,419)	(373,444)
Buildings, net	307,056	858,968
Vehicles	12,837	12,837
Accumulated depreciation	(9,804)	(10,817)
Vehicles, net	3,033	2,020
Tools, furniture and fixtures	840,349	958,049
Accumulated depreciation	(644,813)	(721,459)
Tools, furniture and fixtures, net	195,535	236,590
Total property, plant and equipment	505,625	1,097,578
Intangible assets		
Telephone subscription right	13,003	13,003
Software	400,273	421,827
Software in progress	4,125	-
Total intangible assets	417,402	434,831
Investments and other assets		
Investment securities	25,265,079	31,026,053
Shares of subsidiaries and associates	9,196	9,196
Long-term accounts receivable - other	61,240	67,360
Leasehold and guarantee deposits	751,125	917,296
Membership	32,380	32,380
Distressed receivables	4,335	1,493
Allowance for doubtful accounts	(69,725)	(73,003)
Total investments and other assets	26,053,630	31,980,775
Total non-current assets	26,976,658	33,513,185
Total assets	143,129,448	158,362,403

(Thousands of yen)

	As of March 31, 2020	As of March 31, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	289,651	280,893
Accounts payable - other	763,723	766,888
Accrued expenses	934,508	950,077
Income taxes payable	2,212,835	3,004,688
Accrued consumption taxes	434,595	508,435
Deposits received	89,909	103,402
Unearned revenue	14,909,934	17,444,033
Provision for bonuses for directors (and other officers)	72,000	60,000
Other	6,173	5,262
<b>Total current liabilities</b>	<b>19,713,331</b>	<b>23,123,682</b>
<b>Non-current liabilities</b>		
Long-term accounts payable - other	952,172	952,172
Deferred tax liabilities	1,296,917	2,627,537
Provision for retirement benefits	2,493,694	2,788,934
Asset retirement obligations	147,563	307,216
<b>Total non-current liabilities</b>	<b>4,890,347</b>	<b>6,675,860</b>
<b>Total liabilities</b>	<b>24,603,679</b>	<b>29,799,543</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	10,519,000	10,519,000
<b>Capital surplus</b>		
Legal capital surplus	18,415,000	18,415,000
Other capital surplus	542,416	551,705
<b>Total capital surplus</b>	<b>18,957,416</b>	<b>18,966,705</b>
<b>Retained earnings</b>		
Legal retained earnings	140,610	140,610
Other retained earnings		
General reserve	69,100,000	76,100,000
Retained earnings brought forward	15,580,404	14,492,670
<b>Total retained earnings</b>	<b>84,821,015</b>	<b>90,733,281</b>
Treasury shares	(5,347,640)	(5,346,191)
<b>Total shareholders' equity</b>	<b>108,949,791</b>	<b>114,872,795</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	9,575,977	13,690,064
<b>Total valuation and translation adjustments</b>	<b>9,575,977</b>	<b>13,690,064</b>
<b>Total net assets</b>	<b>118,525,769</b>	<b>128,562,860</b>
<b>Total liabilities and net assets</b>	<b>143,129,448</b>	<b>158,362,403</b>

## Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales		
Total net sales	30,068,682	29,252,330
Cost of sales		
Total cost of sales	5,267,361	4,730,820
Gross profit	24,801,320	24,521,509
Selling, general and administrative expenses	11,822,045	11,579,227
Operating profit	12,979,274	12,942,282
Non-operating income		
Interest income	386	484
Dividend income	886,088	911,046
Gain on sale of investment securities	151,071	558
Other	42,411	129,351
Total non-operating income	1,079,957	1,041,441
Non-operating expenses		
Loss on investments in investment partnerships	23,886	41,847
Provision of allowance for doubtful accounts	–	6,120
Other	5,083	1,049
Total non-operating expenses	28,969	49,017
Ordinary profit	14,030,263	13,934,707
Extraordinary income		
Gain on sale of investment securities	378,722	67,089
Gain on sale of shares of subsidiaries and associates	12,279	–
Total extraordinary income	391,002	67,089
Extraordinary losses		
Loss on retirement of non-current assets	131,421	5,073
Loss on valuation of investment securities	98	–
Office relocation expenses	–	21,390
Total extraordinary losses	131,520	26,463
Profit before income taxes	14,289,746	13,975,332
Income taxes - current	4,386,283	4,787,748
Income taxes - deferred	(54,207)	(483,029)
Total income taxes	4,332,075	4,304,718
Profit	9,957,670	9,670,614

## Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Thousands of yen)

	Shareholders' equity									
	Share capital	Capital surplus			Legal retained earnings	Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at beginning of period	10,519,000	18,415,000	534,268	18,949,268	140,610	62,100,000	16,380,985	78,621,595	(5,349,571)	102,740,292
Changes during period										
Provision of general reserve						7,000,000	(7,000,000)	-		-
Dividends of surplus							(3,758,250)	(3,758,250)		(3,758,250)
Profit							9,957,670	9,957,670		9,957,670
Purchase of treasury shares										-
Disposal of treasury shares			8,148	8,148					1,931	10,080
Net changes in items other than shareholders' equity										-
Total changes during period	-	-	8,148	8,148	-	7,000,000	(800,580)	6,199,419	1,931	6,209,499
Balance at end of period	10,519,000	18,415,000	542,416	18,957,416	140,610	69,100,000	15,580,404	84,821,015	(5,347,640)	108,949,791

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	12,698,105	12,698,105	115,438,397
Changes during period			
Provision of general reserve			–
Dividends of surplus			(3,758,250)
Profit			9,957,670
Purchase of treasury shares			–
Disposal of treasury shares			10,080
Net changes in items other than shareholders' equity	(3,122,128)	(3,122,128)	(3,122,128)
Total changes during period	(3,122,128)	(3,122,128)	3,087,371
Balance at end of period	9,575,977	9,575,977	118,525,769

Fiscal year ended March 31, 2021

(Thousands of yen)

	Shareholders' equity									
	Share capital	Capital surplus			Legal retained earnings	Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at beginning of period	10,519,000	18,415,000	542,416	18,957,416	140,610	69,100,000	15,580,404	84,821,015	(5,347,640)	108,949,791
Changes during period										
Provision of general reserve						7,000,000	(7,000,000)	-		-
Dividends of surplus							(3,758,348)	(3,758,348)		(3,758,348)
Profit							9,670,614	9,670,614		9,670,614
Purchase of treasury shares									1,449	1,449
Disposal of treasury shares			9,288	9,288						9,288
Net changes in items other than shareholders' equity										-
Total changes during period	-	-	9,288	9,288	-	7,000,000	(1,087,734)	5,912,265	1,449	5,923,004
Balance at end of period	10,519,000	18,415,000	551,705	18,966,705	140,610	76,100,000	14,492,670	90,733,281	(5,346,191)	114,872,795



	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	9,575,977	9,575,977	118,525,769
Changes during period			
Provision of general reserve			-
Dividends of surplus			(3,758,348)
Profit			9,670,614
Purchase of treasury shares			1,449
Disposal of treasury shares			9,288
Net changes in items other than shareholders' equity	4,114,087	4,114,087	4,114,087
Total changes during period	4,114,087	4,114,087	10,037,091
Balance at end of period	13,690,064	13,690,064	128,562,860

## Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	14,289,746	13,975,332
Depreciation	327,491	309,411
Increase (decrease) in provision for retirement benefits	339,988	295,240
Increase (decrease) in provision for bonuses for directors (and other officers)	(8,000)	(12,000)
Increase (decrease) in allowance for doubtful accounts	(14,640)	8,220
Interest and dividends income received	(886,474)	(911,531)
Loss (gain) on sale of investment securities	(529,794)	(67,647)
Loss (gain) on valuation of investment securities	98	–
Loss (gain) on sale of shares of subsidiaries and associates	(12,279)	–
Loss on retirement of non-current assets	131,421	5,073
Loss (gain) on investments in investment partnerships	23,886	41,847
Decrease (increase) in trade receivables	1,007,607	(1,274,893)
Decrease (increase) in inventories	(17,255)	18,781
Decrease (increase) in prepaid expenses	30,311	(47,640)
Increase (decrease) in trade payables	(26,787)	(8,757)
Increase (decrease) in accrued consumption taxes	(172,517)	73,840
Increase (decrease) in accrued expenses	(60,231)	15,569
Increase (decrease) in unearned revenue	2,363,683	2,534,099
Other, net	(19,376)	59,530
Subtotal	16,766,878	15,014,475
Interest and dividends received	886,474	911,531
Income taxes paid	(5,164,577)	(4,007,997)
Net cash provided by (used in) operating activities	12,488,774	11,918,009
Cash flows from investing activities		
Proceeds from sale of investment securities	642,238	192,563
Proceeds from sale of shares of subsidiaries and associates	19,176	–
Purchase of property, plant and equipment	(221,974)	(589,871)
Purchase of intangible assets	(273,063)	(190,027)
Payments of leasehold and guarantee deposits	(66,561)	(167,452)
Proceeds from refund of leasehold and guarantee deposits	29,193	1,281
Net cash provided by (used in) investing activities	129,009	(753,506)
Cash flows from financing activities		
Dividends paid	(3,756,797)	(3,759,672)
Purchase of treasury shares	–	(482)
Net cash provided by (used in) financing activities	(3,756,797)	(3,760,154)
Net increase (decrease) in cash and cash equivalents	8,860,986	7,404,348
Cash and cash equivalents at beginning of period	97,829,792	106,690,778
Cash and cash equivalents at end of period	106,690,778	114,095,127