

# Summary of Consolidated Financial Results for the third quarter of fiscal year 2019 under Japanese GAAP



Nov 8, 2019

Company Name: ZOOM CORPORATION  
 Listing: Tokyo Stock Exchange-JASDAQ  
 Code No: 6694  
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 Representative: Masahiro Iijima, CEO  
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 Scheduled date for filing the quarterly report: November 14, 2019  
 Scheduled date for commencement of dividend payment: -  
 Supplementary briefing material in English: None  
 Briefing session of quarterly results : None

(Amounts of less than one million yen are omitted)

## 1. Consolidated financial results for the third quarter of fiscal year 2019(January 1, 2019 – September 30, 2019)

### (1) Consolidated operating results

(% represents year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended								
September 30, 2019	6,248	16.2	124	(2.8)	101	(46.1)	85	(50.3)
September 30, 2018	5,378	12.5	128	(42.7)	187	(10.7)	172	0.8

(Note)Comprehensive income

Nine months ended September 30, 2019: 47 million yen ((70.7%))

Nine months ended September 30, 2018: 160 million yen (7.6%)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended				
September 30, 2019	37.69		37.07	
September 30, 2018	76.11		74.39	

### (2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2019	7,571	4,687	61.9
As of December 31, 2018	7,934	4,732	59.6

(Reference)Equity capital:

As of September 30, 2019: 4,686 million yen

As of December 31, 2018: 4,732 million yen

## 2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Annual
	Yen	Yen	Yen	Yen	Yen
FY ending 2018	-	0.00	-	43.00	43.00
FY ending 2019	-	0.00	-		
FY ending 2019 (Forecast)				34.00	34.00

Revisions to recent dividend forecast : None

## 3. Forecast of consolidated financial results for fiscal year 2019(January 1, 2019 – December 31, 2019)

(% represents year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parents		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Full year	8,411	9.2	281	8.1	329	(4.9)	252	(20.8)	110.74

Revisions to recent business forecast : None

※Notes

(1)Changes in significant subsidiaries during the period(Changes in specific subsidiaries involving changes in the scope of consolidation) : None

(2)Adoption of specific accounting treatments to the preparation of consolidated quarterly financial statements: Yes

(3)Changes in accounting policies, changes in accounting estimates, and restatement

a. Changes due to revision to accounting standards, etc.:	Yes
b. Changes other than a.:	Yes
c. Changes in accounting estimates:	Yes
d. Restatement:	None

(4)Number of issued shares(common shares)

a. Number of issued shares as of the end of the period(including treasury shares)

As of September 30, 2019	2,297,412
As of December 31, 2018	2,297,412

b. Total number of treasury shares at the end of the period

As of September 30, 2019	16,631
As of December 31, 2018	17,506

c. Average number of shares during the period(cumulative)

Nine months ended September 30, 2019	2,280,120
Nine months ended September 30, 2018	2,270,058

\*These consolidated quarterly financial results are outside the scope of the quarterly review.

\*Appropriate use of performance forecasts and other noteworthy matters.

The forecasted financial information described above are based on information currently available to the company and certain assumption considered to be reasonable.

Actual financial results may differ significantly due to potential risks and uncertainties.

# Contents of the Attached Materials

## 1. Consolidated quarterly financial statements

(1) Consolidated quarterly balance sheets

(2) Consolidated quarterly income statements

(3) Consolidated quarterly comprehensive income statements

# 1. Consolidated quarterly financial statements

## (1) Consolidated quarterly balance sheets

(Million yen)

	As of December 31, 2018	As of September 30, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	2,942	1,849
Accounts receivable-trade	1,161	1,578
Merchandise and finished goods	2,146	2,089
Raw materials and supplies	72	138
Other	607	762
Allowance for doubtful accounts	(32)	(26)
Current assets total	6,899	6,392
Non-currents assets		
Property, plant and equipment	206	420
Intangible assets		
Goodwill	180	154
Other	78	100
Investments and other assets	569	503
Non-current assets total	1,035	1,179
Total assets	7,934	7,571
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	1,336	1,019
Short-term loans payable	1,174	1,245
Income taxes payable	41	19
Provision for bonuses	22	52
Provision for product warranties	42	43
Other	434	325
Current liabilities total	3,052	2,705
Non-current liabilities		
Long-term loans payable	4	-
Net defined benefit liability	144	115
Other	-	62
Non-Current liabilities total	149	178
Total liabilities	3,201	2,883
<b>Net assets</b>		
Shareholder's equity		
Capital stock	212	212
Capital surplus	261	261
Retained earnings	4,275	4,261
Treasury shares	(38)	(36)
Total shareholder's equity	4,710	4,698
Accumulated other comprehensive income		
Foreign currency translation adjustment	25	(9)
Remeasurements of defined benefit plans	(3)	(2)
Total accumulated other comprehensive income	22	(12)
Non-controlling interests	-	-
Total net assets	4,732	4,687
Total liabilities and net assets	7,934	7,571

## (2) Consolidated quarterly income statements – third quarter

(Million yen)

	Nine months ended September 30, 2018	Nine months ended September 30, 2019
Net sales	5,378	6,248
Cost of sales	3,580	4,080
Gross profit	1,797	2,167
Selling, general and administrative expenses	1,669	2,042
Operating profit	128	124
Non-operating income		
Interest income	2	2
Share of profit of entities accounted for using equity method	95	72
Insurance premiums refunded cancellation	29	27
Others	0	4
Total of non-operating income	127	106
Non-operating expense		
Interest expense	24	40
Foreign exchange losses	4	38
Tax dues	25	22
Settlement package	-	20
Others	13	7
Total of non-operating expense	68	129
Ordinary profit	187	101
Profit before income taxes	187	101
Income taxes-current	43	41
Income taxes-deferred	(11)	(19)
Total income taxes	31	21
Profit	156	79
Profit attributable to non-controlling interests	(16)	(6)
Profit attributable to owners of parent	172	85

### (3) Consolidated quarterly comprehensive income statements – third quarter

(Million yen)

	Nine months ended September 30, 2018	Nine months ended September 30, 2019
Profit	156	79
Other comprehensive income		
Foreign currency translation adjustment	1	(22)
Remeasurements of defined benefit plans	–	0
Accounted for using equity method	2	(10)
Total other comprehensive income	4	(32)
Comprehensive income	160	47
Comprehensive income attributed to owners of parent	175	51
Comprehensive income attributable to non-controlling interests	(15)	(4)