

### 3. Summary of consolidated financial statements

#### (1) Consolidated balance sheets

(Unit: Millions of yen)

	Previous fiscal year (as of March 31, 2018)	Current fiscal year (as of March 31, 2019)
<b>Assets</b>		
Current assets		
Cash on hand and in banks	46,539	53,004
Notes and accounts receivable - trade	12,930	13,970
Merchandise and finished goods	1,102	1,182
Work in progress	1,349	734
Raw materials and supplies	1,616	538
Work in progress for game software	25,635	16,926
Other	3,371	4,518
Allowance for doubtful accounts	(34)	(58)
Total current assets	92,511	90,817
Fixed Assets		
Tangible fixed assets, net of accumulated depreciation		
Buildings and structures, net	11,106	10,845
Machinery and vehicles, net	10	24
Tools, fixtures and furniture, net	1,840	1,377
Equipment for amusement facilities, net	1,565	1,821
Land	5,234	5,235
Leased assets, net	668	718
Construction in progress	371	336
Total tangible fixed assets	20,797	20,359
Intangible assets	725	432
Investments and other assets		
Investments in securities	625	576
Claim in bankruptcy and reorganization	19	19
Lease deposits	4,034	3,979
Deferred tax assets	5,239	6,420
Other	900	834
Allowance for doubtful accounts	(24)	(32)
Total investments and other assets	10,795	11,798
Total fixed assets	32,318	32,590
Total assets	124,829	123,407

(Unit: Millions of yen)

	Previous fiscal year (as of March 31, 2018)	Current fiscal year (as of March 31, 2019)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	2,625	3,988
Electronically recorded monetary obligations	839	1,153
Short-term borrowings	1,473	1,579
Lease obligations	392	406
Accrued income taxes	4,453	4,251
Accrued bonuses	2,866	3,089
Other	13,618	8,743
<b>Total current liabilities</b>	<b>26,271</b>	<b>23,212</b>
<b>Long-term liabilities</b>		
Long-term borrowings	8,315	6,735
Lease obligations	329	369
Deferred tax liabilities	45	6
Liabilities for retirement benefits for employees	2,819	3,004
Asset retirement obligations	501	571
Other	1,127	758
<b>Total long-term liabilities</b>	<b>13,137</b>	<b>11,445</b>
<b>Total liabilities</b>	<b>39,408</b>	<b>34,658</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	33,239	33,239
Capital surplus	21,328	21,328
Retained earnings	53,602	62,595
Treasury stock	(21,454)	(27,456)
<b>Total shareholders' equity</b>	<b>86,716</b>	<b>89,708</b>
<b>Accumulated other comprehensive income</b>		
Net unrealized gain or loss on securities, net of tax	139	26
Cumulative translation adjustments	(1,142)	(713)
Accumulated adjustments for retirement benefits	(292)	(271)
<b>Total accumulated other comprehensive income</b>	<b>(1,295)</b>	<b>(958)</b>
<b>Total net assets</b>	<b>85,421</b>	<b>88,749</b>
<b>Total liabilities and net assets</b>	<b>124,829</b>	<b>123,407</b>

(2) Consolidated statements of income and comprehensive income  
Consolidated statements of income

(Unit: Millions of yen)

	Previous fiscal year from April 1, 2017 to March 31, 2018	Current fiscal year from April 1, 2018 to March 31, 2019
Net sales	94,515	100,031
Cost of sales	59,895	62,809
Gross profit	34,619	37,222
Selling, general and administrative expenses	18,582	19,078
Operating income	16,037	18,144
Non-operating income		
Interest income	58	171
Dividend income	14	16
Exchange gain, net	—	362
Other	145	422
Total	219	974
Non-operating expenses		
Interest expense	103	80
Commission fees	64	69
Additionally paid retirement benefits	112	601
Office transfer expenses	254	—
Exchange loss, net	407	—
Other	59	173
Total	1,002	924
Ordinary income	15,254	18,194
Special losses		
Loss on sales and/or disposal of fixed assets	104	30
Impairment losses	—	393
Total	104	423
Net income before income taxes	15,149	17,770
Income taxes - current	4,617	6,603
Income taxes - deferred	(405)	(1,385)
Total	4,212	5,218
Net income	10,937	12,551
Net income attributable to owners of the parent	10,937	12,551