

**Translation**

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**Summary of Non-Consolidated Financial Results  
for the Year Ended March 31, 2019  
(Based on Japanese GAAP)**

April 26, 2019

Company name: Fundely Co.,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 3137 URL <http://www.fundely.co.jp/>  
 Representative: President, Founder Kosuke Abe  
 Executive Officer, Department Manager of  
 Inquiries: Accounting Masaharu Sugita TEL 03-6741-5880  
 Scheduled date of ordinary general meeting of shareholders: June 25, 2019  
 Scheduled date to file Securities Report: June 26, 2019  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the year ended March 31, 2019 (from April 1, 2018 to March 31, 2019)

(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, 2019	3,394	2.7	713	9.9	699	7.2	441	5.0
Year ended March 31, 2018	3,306	2.5	649	6.8	651	5.7	420	6.6

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2019	69.20	68.33	17.6	20.1	21.0
Year ended March 31, 2018	66.04	65.06	20.3	26.5	19.6

(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, 2019	4,279	2,734	63.7	426.85
As of March 31, 2018	2,677	2,282	85.2	358.03

(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, 2019	299	(1,614)	1,136	1,950
Year ended March 31, 2018	423	(10)	0	2,128

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, 2018	–	0.00	–	0.00	0.00	–	–	–
Year ended March 31, 2019	–	–	–	–	–	–	–	–
Year ending March 31, 2020 (Forecast)	–	0.00	–	3.00	3.00		3.8	

3. Forecast of non-consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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, 2019	1,874	12.0	360	4.4	358	3.9	229	4.4	35.97
Full year	4,802	41.5	934	31.0	783	12.0	501	13.5	78.52

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: Yes

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, 2019	6,384,000 shares	As of March 31, 2018	6,373,500 shares
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Number of treasury shares at the end of the period

As of March 31, 2019	– shares	As of March 31, 2018	– shares
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Average number of shares during the period

Year ended March 31, 2019	6,382,631 shares	Year ended March 31, 2018	6,370,862 shares
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**Non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	2,128,168	1,950,093
Accounts receivable - trade	197,762	248,512
Merchandise	225,227	282,497
Work in process	373	3,342
Supplies	81	299
Prepaid expenses	25,777	28,450
Other	166	69,978
Allowance for doubtful accounts	(93)	(74)
Total current assets	2,577,463	2,583,100
Non-current assets		
Property, plant and equipment		
Buildings	16,248	16,248
Accumulated depreciation	(10,623)	(11,300)
Buildings, net	5,624	4,947
Tools, furniture and fixtures	12,931	17,487
Accumulated depreciation	(9,620)	(11,853)
Tools, furniture and fixtures, net	3,311	5,633
Land	–	516,725
Construction in progress	17,100	1,100,216
Total property, plant and equipment	26,035	1,627,523
Intangible assets		
Trademark right	2,337	2,013
Software	4,481	2,782
Total intangible assets	6,818	4,796
Investments and other assets		
Leasehold deposits	30,814	31,078
Guarantee deposits	14,661	6,604
Deferred tax assets	21,361	26,365
Total investments and other assets	66,836	64,048
Total non-current assets	99,690	1,696,368
Total assets	2,677,153	4,279,469

(Thousands of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	104,942	105,199
Short-term loans payable	–	1,150,000
Accounts payable - other	81,304	73,183
Accrued expenses	20,711	22,574
Income taxes payable	130,441	154,195
Advances received	2,325	–
Deposits received	9,812	10,648
Provision for bonuses	23,212	23,833
Other	16,924	–
<b>Total current liabilities</b>	<b>389,673</b>	<b>1,539,634</b>
<b>Non-current liabilities</b>		
Asset retirement obligations	5,450	5,458
<b>Total non-current liabilities</b>	<b>5,450</b>	<b>5,458</b>
<b>Total liabilities</b>	<b>395,124</b>	<b>1,545,092</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	274,236	274,939
<b>Capital surplus</b>		
Legal capital surplus	224,236	224,939
<b>Total capital surpluses</b>	<b>224,236</b>	<b>224,939</b>
<b>Retained earnings</b>		
Other retained earnings		
Retained earnings brought forward	1,783,460	2,225,154
<b>Total retained earnings</b>	<b>1,783,460</b>	<b>2,225,154</b>
<b>Total shareholders' equity</b>	<b>2,281,932</b>	<b>2,725,033</b>
Share acquisition rights	97	9,343
<b>Total net assets</b>	<b>2,282,029</b>	<b>2,734,376</b>
<b>Total liabilities and net assets</b>	<b>2,677,153</b>	<b>4,279,469</b>

## Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Net sales	3,306,281	3,394,826
Cost of sales		
Beginning goods	222,820	225,227
Cost of purchased goods	1,371,578	1,414,128
Total	1,594,398	1,639,355
Transfer to other account	9,515	13,142
Ending goods	225,227	282,497
Cost of goods sold	1,359,655	1,343,716
Gross profit	1,946,626	2,051,110
Selling, general and administrative expenses		
Freightage expenses	327,107	353,289
Advertising expenses	144,810	132,826
Storage expenses	170,537	162,444
Provision of allowance for doubtful accounts	16	29
Remuneration for directors (and other officers)	96,584	95,958
Salaries and allowances	225,413	231,552
Provision for bonuses	23,277	23,833
Rents	42,899	44,247
Depreciation	6,281	4,931
Commission expenses	90,252	91,881
Other	170,020	196,631
Total selling, general and administrative expenses	1,297,201	1,337,625
Operating profit	649,425	713,485
Non-operating income		
Interest income	58	37
Commission income	2,214	720
Miscellaneous income	292	366
Total non-operating income	2,565	1,123
Non-operating expenses		
Interest expenses	–	171
Commission expenses	–	15,000
Miscellaneous loss	0	400
Total non-operating expenses	0	15,571
Ordinary profit	651,990	699,038
Profit before income taxes	651,990	699,038
Income taxes - current	232,789	262,348
Income taxes - deferred	(1,502)	(5,004)
Total income taxes	231,287	257,343
Profit	420,703	441,694

## Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2018

(Thousands of yen)

	Shareholders' equity						Share acquisition rights	Total net assets
	Capital stock	Capital surplus		Retained earnings		Total shareholders' equity		
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
Balance at beginning of current period	274,035	224,035	224,035	1,362,756	1,362,756	1,860,826	–	1,860,826
Changes of items during period								
Issuance of new shares - exercise of share acquisition rights	201	201	201			402		402
Profit				420,703	420,703	420,703		420,703
Net changes of items other than shareholders' equity							97	97
Total changes of items during period	201	201	201	420,703	420,703	421,105	97	421,203
Balance at end of current period	274,236	224,236	224,236	1,783,460	1,783,460	2,281,932	97	2,282,029

Fiscal year ended March 31, 2019

(Thousands of yen)

	Shareholders' equity						Share acquisition rights	Total net assets
	Capital stock	Capital surplus		Retained earnings		Total shareholders' equity		
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings			
Balance at beginning of current period	274,236	224,236	224,236	1,783,460	1,783,460	2,281,932	97	2,282,029
Changes of items during period								
Issuance of new shares - exercise of share acquisition rights	703	703	703			1,407		1,407
Profit				441,694	441,694	441,694		441,694
Net changes of items other than shareholders' equity							9,245	9,245
Total changes of items during period	703	703	703	441,694	441,694	443,101	9,245	452,347
Balance at end of current period	274,939	224,939	224,939	2,225,154	2,225,154	2,725,033	9,343	2,734,376

## Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from operating activities		
Profit before income taxes	651,990	699,038
Depreciation	6,281	4,931
Increase (decrease) in allowance for doubtful accounts	(43)	(18)
Increase (decrease) in provision for bonuses	5,209	621
Interest and dividend income	(58)	(37)
Interest expenses	–	171
Commission expenses	–	15,000
Share-based compensation expenses	61	9,245
Decrease (increase) in notes and accounts receivable - trade	(6,191)	(50,750)
Decrease (increase) in inventories	(2,216)	(60,456)
Increase (decrease) in notes and accounts payable - trade	1,180	256
Decrease/increase in consumption taxes receivable/payable	(23,006)	(85,074)
Decrease (increase) in guarantee deposits	–	8,072
Other, net	24,889	(1,472)
Subtotal	658,096	539,527
Interest and dividend income received	19	21
Interest expenses paid	–	(310)
Income taxes paid	(234,481)	(239,249)
Net cash provided by (used in) operating activities	423,633	299,988
Cash flows from investing activities		
Purchase of property, plant and equipment	(10,147)	(1,614,206)
Purchase of intangible assets	(256)	–
Payments for leasehold and guarantee deposits	–	(264)
Net cash provided by (used in) investing activities	(10,404)	(1,614,470)
Cash flows from financing activities		
Increase in short-term loans payable	–	1,135,000
Proceeds from exercise of share options	402	1,407
Proceeds from issuance of share acquisition rights	36	–
Net cash provided by (used in) financing activities	438	1,136,407
Net increase (decrease) in cash and cash equivalents	413,667	(178,074)
Cash and cash equivalents at beginning of period	1,714,500	2,128,168
Cash and cash equivalents at end of period	2,128,168	1,950,093