

English Translation

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Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 [Japanese GAAP]

May 27, 2020

Company name: PORT INC. Stock exchange listing: Tokyo Stock Exchange Mothers,
Fukuoka Stock Exchange Q-Board
Securities code: 7047 URL: <https://www.theport.jp/>
Representative: Hirofumi Kasuga, President
Inquiries: Yusuke Maruyama, Executive Vice President TEL: +81-3-5937-6466
Date of general shareholders' meeting (as planned): 2020-06-26
Dividend payable date (as planned): —
Annual securities report filing date (as planned): 2020-06-29
Supplemental material of annual results: Yes
Convening briefing of annual results: No

(Amounts of less than one million yen are rounded down.)

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(1) Non-Consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|-------------------|-------------|------|------------------|------|-----------------|------|-------------|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Fiscal year ended | | | | | | | | |
| March 31, 2020 | 4,103 | 35.0 | 699 | 29.0 | 708 | 36.9 | 382 | (30.3) |
| March 31, 2019 | 3,039 | 57.4 | 542 | — | 517 | — | 549 | — |

| | Net income per share | Diluted net income per share | Rate of return on equity | Ratio of ordinary income to total assets | Ratio of operating income to net sales |
|-------------------|----------------------|------------------------------|--------------------------|--|--|
| | Yen | Yen | % | % | % |
| Fiscal year ended | | | | | |
| March 31, 2020 | 33.92 | 32.43 | 18.1 | 17.9 | 17.1 |
| March 31, 2019 | 50.22 | 47.37 | 26.3 | 14.9 | 17.8 |

(Notes) 1. On September 4th, 2018, PORT INC. (the "Company") conducted a 10:1 stock split of its common stock. Basic earnings per share is calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

2. Regarding the diluted net income per share for the fiscal year under review, since the Company's shares were listed on the Tokyo Stock Exchange Mothers and the Fukuoka Stock Exchange Q-Board on December 21, 2018, we calculate the average stock price from the initial listing date to March 31, 2019 as the average stock price during the period.

(2) Non-Consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|----------------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of March 31, 2020 | 3,962 | 2,116 | 53.3 | 188.82 |
| As of March 31, 2019 | 3,482 | 2,091 | 60.0 | 182.21 |

(Reference) Equity: As of March 31, 2020 2,111 Million yen
As of March 31, 2019 2,091 Million yen

(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 |
|----------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Million yen | Million yen | Million yen | Million yen |
| March 31, 2020 | 688 | 2 | (52) | 2,264 |
| March 31, 2019 | 484 | (941) | 1,471 | 1,645 |

2. Dividends

| | Annual dividends | | | | | Total dividends | Payout ratio | Dividends to net assets |
|--|------------------|-----------------|-----------------|----------|-------|-----------------|--------------|-------------------------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total | | | |
| Fiscal year ended | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| March 31, 2019 | — | 0.00 | — | 0.00 | 0.00 | — | — | — |
| March 31, 2020 | — | 0.00 | — | 0.00 | 0.00 | — | — | — |
| Fiscal year ending March 31, 2021 (Forecast) | — | — | — | — | — | | — | |

3. Non-Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

Due to the impact of the Covid-19, the schedule of the announcement for a reasonable forecast of the financial results has not yet been determined. The company will promptly disclose the earnings forecast when it becomes possible to do so.

*Notes:

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- | | |
|--|------|
| 1) Changes in accounting policies due to the revision of accounting standards: | None |
| 2) Changes in accounting policies other than 1) above: | None |
| 3) Changes in accounting estimates: | None |
| 4) Retrospective restatement: | None |

(2) Total number of issued shares (common shares)

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

March 31, 2020: 11,642,220 shares

March 31, 2019: 11,477,150 shares

2) Total number of treasury shares at the end of the period:

March 31, 2020: 457,100 shares

March 31, 2019: — shares

3) Average number of shares during the period:

March 31, 2020: 11,285,497 shares

March 31, 2019: 10,934,684 shares

(Notes) As of September 4, 2018, we split 10 shares of common stock per share. The number of outstanding shares at the end of the fiscal year, the number of treasury shares at the end of the fiscal year and the average number of shares outstanding during the period are calculated assuming that the stock split was made at the beginning of the previous fiscal year.

* These non-consolidated financial results are outside the scope of audit of a certified public accountant or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

Due to the impact of the Covid-19, it is difficult to make a reasonable forecast of the financial results and has not yet been determined. The company will promptly disclose the earnings forecast when it becomes possible to do so.