

**Summary of Consolidated Financial Results for
the First Quarter of the Fiscal Year Ending March 31, 2020
[under Japanese GAAP]**

July 31, 2019

Company: Keyware Solutions Inc.

Stock Exchange Listings: TSE 2nd section

Stock code: 3799

URL: <https://www.keyware.co.jp>

Representative director: Masahiro Mita, President & CEO

Contact: Keiji Ushirone General Manager of Corporate Planning division and PR & IR Office

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Scheduled date of filing Quarterly Securities Report: August 9, 2019

Scheduled commencement date of dividend payout: —

Supplemental information for quarterly financial results: None

Schedule for quarterly shareholders meeting: None

(Amounts are rounded down to units of million yen)

**1. Summary of financial results for the first quarter of the fiscal year ending March 31, 2020
(April 1, 2019 – June 30, 2019)**

(1) Consolidated operating results

(Percentage figures indicate changes from the same quarter of the prior fiscal year)

| | Sales | | Operating income | | Ordinary income | | Profit attributable to owners of parent | |
|--------------|----------|------|------------------|---|-----------------|---|---|---|
| | ¥million | % | ¥million | % | ¥million | % | ¥million | % |
| 1Q of FY2020 | 3,864 | 5.0 | -70 | — | -49 | — | -58 | — |
| 1Q of FY2019 | 3,680 | 15.0 | -95 | — | -68 | — | -88 | — |

(Note) Comprehensive income:

1Q of FY2020: ¥ -57 million (— %)

1Q of FY2019: ¥ -88 million (— %)

| | Net income per share | Diluted net income per share |
|--------------|----------------------|------------------------------|
| | ¥ | ¥ |
| 1Q of FY2020 | -6.93 | — |
| 1Q of FY2019 | -10.47 | — |

(2) Consolidated financial position

| | Total assets | Net assets | Ownership equity ratio |
|----------------------|--------------|------------|------------------------|
| | ¥million | ¥million | % |
| As of June 30, 2019 | 8,891 | 6,137 | 69.0 |
| As of March 31, 2019 | 9,774 | 6,296 | 64.4 |

(Reference) Shareholders' Equity As of June 30, 2019: ¥ 6,137 million

As of March 31, 2019: ¥ 6,296 million

2. Dividends

| | Annual dividends per share | | | | |
|-------------------|----------------------------|-------------|-------------|-------------|-----------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Full Year |
| | ¥ | ¥ | ¥ | ¥ | ¥ |
| FY2019 | — | 0.00 | — | 12.00 | 12.00 |
| FY2020 | — | | | | |
| FY2020 (forecast) | | 0.00 | — | 12.00 | 12.00 |

(Note) Revision of the latest released dividend forecast: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2020

(April 1, 2019 – March 31, 2020)

(Percentage figures indicate changes from the prior fiscal year)

| | Sales | | Operating income | | Ordinary income | | Profit attributable to owners of parent | | Net income per share |
|-----------|----------|-----|------------------|------|-----------------|-----|---|------|----------------------|
| | ¥million | % | ¥million | % | ¥million | % | ¥million | % | ¥ |
| Full Year | 18,000 | 2.5 | 400 | 24.9 | 420 | 5.2 | 330 | -4.1 | 38.81 |

(Note) Revision of the latest released financial results forecast: None

* Notes

- (1) Changes in the number of important subsidiaries during the period under review: None
(changes in the scope of consolidation due to change in the number of specified subsidiaries)
- (2) Application of special accounting treatment when preparing quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, or revised presentation
 - i. Changes in accounting policies due to revisions to accounting standards, etc.: None
 - ii. Changes in accounting policies other than those in i.: None
 - iii. Changes in accounting estimates: None
 - iv. Revised presentation: None

(4) Ordinary shares issued (common stock)

- i. Ordinary shares issued at end of period
(including treasury stock)
- ii. Treasury stock issued at end of period
- iii. Average number of shares
(consolidated quarter results)

| | | | |
|------------------------|-----------|------------------------|-----------|
| As of June 30, 2019 | 9,110,000 | As of March 31, 2019 | 9,110,000 |
| As of June 30, 2019 | 607,643 | As of March 31, 2019 | 607,643 |
| 1Q ended June 30, 2019 | 8,502,357 | 1Q ended June 30, 2018 | 8,502,357 |

* This financial report is outside the scope of audit procedures.

* Disclaimer

The above forecasts are based on judgments made in accordance with information available at the time these materials were prepared, and contain numerous uncertainties. Changing conditions and other factors may cause actual results to differ from the results in these forecasts.