

# Consolidated Financial Results for the Fiscal Year Ended December 31, 2018 [Japanese GAAP]



February 14, 2019

Company name: Cross Marketing Group Inc.  
Stock exchange listing: Tokyo Stock Exchange  
Code number: 3675

URL: <https://www.cm-group.co.jp>

Representative: Miki Igarashi, President & CEO

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Scheduled date of holding regular meeting of shareholders: March 26, 2019

Scheduled date of commencing dividend payments: March 27, 2019

Scheduled date of filing marketable securities reports: March 26, 2019

Availability of supplementary briefing material on financial results: Available

Schedule of financial results briefing session: Available (For Institutional investors, Analysts)

(Amounts less than one million yen are rounded to the nearest million yen)

## 1. Consolidated Financial Results for the year ended December 31, 2018 (January 1, 2018 to December 31, 2018)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended December 31, 2018	17,492	4.4	955	31.4	840	40.6	507	—
December 31, 2017	16,758	4.9	727	(45.9)	597	(52.9)	(703)	—

(Note) Comprehensive income: Year Ended December 31, 2018: ¥396 million [—%]

Year Ended December 31, 2017: (¥(747) million) [—%]

	Basic earnings per share	Diluted earnings per share	Ratio of profit to new worth	Ratio of ordinary income to total assets	Ratio of operating profit to net sales
Year Ended	Yen	Yen	%	%	%
December 31, 2018	25.92	25.72	14.0	8.4	5.5
December 31, 2017	(36.00)	—	(18.0)	6.1	4.3

(Reference) Equity in earnings of affiliates Year Ended December 31, 2018 (¥(109) million)

Year Ended December 31, 2017 (¥(93) million)

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per Share
	Million yen	Million yen	%	yen
As of December 31, 2018	10,429	3,900	36.3	193.79
As of December 31, 2017	9,564	3,598	36.3	177.75

(Reference) Equity: Year Ended December 31, 2018: ¥3,791 million

Year Ended December 31, 2017: ¥3,472 million

### (3) Consolidated Cash Flow Position

	Cash flow by sales activity	Cash flow by investment activity	Cash flow by financing activity	Cash and cash equivalents end balance
	Million yen	Million yen	Million yen	Million yen
As of December 31, 2018	1,035	(351)	(99)	2,605
As of December 31, 2017	931	(1,353)	302	2,046

### 2. Dividends

	Annual dividends					Dividends total amount	Payout ratio (Consolidated)	Net dividends ratio (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ending December 31, 2017	—	3.25	—	2.25	5.50	107	—	2.8
Fiscal year ending December 31, 2018	—	2.50	—	3.00	5.50	108	21.2	3.0
Fiscal year ending December 31, 2019 (Forecast)	—	3.00	—	3.00	6.00		20.6	

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2019 (January 1, 2019 to December 31, 2019)

(% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
The 2nd quarter (Cumulative)	9,434	9.6	466	1.6	377	(7.8)	147	(21.4)	7.49
Full year	20,000	14.3	1,250	30.9	1,109	32.0	570	12.5	29.14

#### \* Notes:

- (1) Changes in significant subsidiaries during the year ended December 31, 2018 (changes in specified subsidiaries resulting in changes in scope of consolidation): No  
 Newly included: - (Company name: )  
 Excluded: - (Company name: )
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares):  
 December 31, 2018: 19,562,264 shares  
 December 31, 2017: 19,531,164 shares
  - 2) Total number of treasury shares at the end of the period:  
 December 31, 2018: 346 shares  
 December 31, 2017: 261 shares
  - 3) Average number of shares during the period:  
 December 31, 2018: 19,550,226 shares  
 December 31, 2017: 19,530,928 shares

(Reference) Summary of Individual Financial Results

**Individual Financial Results for the year ended December 31, 2018 (January 1, 2018 to December 31, 2018)**

(1) Individual Operating Results (% indicates changes from the previous corresponding period.)

Year ended	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2018	2,478	4.1	896	6.1	878	4.5	663	349.9
December 31, 2017	2,380	12.0	845	11.8	840	12.8	147	(75.5)

Year Ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
December 31, 2018	33.93	33.67
December 31, 2017	7.55	7.49

(2) Individual Financial Position

	Total assets	Net assets	Equity ratio	Net assets per Share
	Million yen	Million yen	%	yen
As of December 31, 2018	7,024	3,831	54.4	195.33
As of December 31, 2017	6,575	3,255	49.3	165.92

(Reference) Equity: Year Ended December 31, 2018: ¥3,821 million

Year Ended December 31, 2017: ¥3,241 million

\* Presentation regarding the auditing status of the fiscal year review procedures

These fiscal year financial results are outside the scope of fiscal year review procedures under the Financial Instruments and Exchange Act. At the time of disclosure of the fiscal year financial results, review procedures for the fiscal year financial statements under the Financial Instruments and Exchange Act have been completed.

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

The earnings forecasts and other forward-looking statements herein are based on data currently available to Cross Marketing Group Inc. (CMG) and its reasonable assumption. Actual results may differ significantly from these forecasts due to various factors.