

November 20, 2019

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(Numerical and Other Corrections) Announcement of Corrections to Consolidated Financial Results and Briefings on Financial Results for the Fiscal Year Ended September 30, 2019

Apaman Co., Ltd. has made the following numerical and other corrections to the consolidated financial results and briefings on financial results for the fiscal year that ended on September 30, 2019, which were announced on November 7, 2019. The corrected figures are shown below.

1. Reason for corrections

Following the announcement on November 7, 2019 of financial results and briefings on financial results for the fiscal year that ended on September 30, 2019, Apaman discovered errors concerning the consolidated balance sheet, changes in items in the consolidated statement of income, and the consolidated statement of changes in equity.

2. Explanation of corrections

Corrections 1. [Summary Information]

1. Consolidated Performance for the Fiscal Year Ended September 30, 2019 (October 1, 2018 to September 30, 2019)
 (2) Consolidated financial position

Before corrections

(2) Consolidated financial position (Millions of yen except for % figures)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (Yen)
As of September 30, 2019	<u>34,004</u>	4,861	<u>13.5%</u>	258.88
As of September 30, 2018	35,545	4,546	12.5%	249.65

(Reference) Shareholders' equity: As of September 30, 2019: ¥4,607 million As of September 30, 2018: ¥4,443 million

After corrections

(2) Consolidated financial position (Millions of yen except for % figures)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (Yen)
As of September 30, 2019	<u>33,929</u>	4,861	<u>13.6%</u>	258.88
As of September 30, 2018	35,545	4,546	12.5%	249.65

(Reference) Shareholders' equity: As of September 30, 2019: ¥4,607 million As of September 30, 2018: ¥4,443 million

Corrections 2. Page 3 of the Consolidated Financial Results for the Fiscal Year Ended September 30, 2019

1. Overview of Results of Operations

(2) Financial Position

Before corrections

Current assets

The balance of current assets at the end of the current fiscal year increased 556 million yen from the end of the previous fiscal year to 15,197 million yen mainly due to an increase in short-term loans receivable.

<Omitted>

Current liabilities

The balance of current liabilities at the end of the current fiscal year decreased 224 million yen from the end of the previous fiscal year to 10,299 million yen mainly due to a decrease in income taxes payable.

<Omitted>

After corrections

Current assets

The balance of current assets at the end of the current fiscal year increased 481 million yen from the end of the previous fiscal year to 15,122 million yen mainly due to an increase in short-term loans receivable.

<Omitted>

Current liabilities

The balance of current liabilities at the end of the current fiscal year decreased 300 million yen from the end of the previous fiscal year to 10,223 million yen mainly due to a decrease in income taxes payable.

<Omitted>

Corrections 3. Pages 5 to 12 of the Consolidated Financial Results for the Fiscal Year Ended September 30, 2019

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

Before corrections

	(Millions of yen)	
	FY2018 (As of Sep. 30, 2018)	FY2019 (As of Sep. 30, 2019)
Assets		
Current assets		
<Omitted>		
Short-term loans receivable	478	<u>1,224</u>
<Omitted>		
Other	1,421	<u>1,529</u>
<Omitted>		
Total current assets	<u>14,641</u>	<u>15,197</u>
<Omitted>		
Total assets	<u>35,545</u>	<u>34,004</u>

	(Millions of yen)	
	FY2018 (As of Sep. 30, 2018)	FY2019 (As of Sep. 30, 2019)
Liabilities		
Current liabilities		
<Omitted>		
Short-term loans payable	-	<u>30</u>
Current portion of long-term loans payable	1,979	<u>2,023</u>
<Omitted>		
Other	3,871	<u>3,417</u>
Total current liabilities	<u>10,523</u>	<u>10,299</u>
<Omitted>		
Total liabilities	<u>30,998</u>	<u>29,143</u>
<Omitted>		
Total liabilities and net assets	<u>35,545</u>	<u>34,004</u>

After corrections

	(Millions of yen)	
	FY2018 (As of Sep. 30, 2018)	FY2019 (As of Sep. 30, 2019)
Assets		
Current assets		
<Omitted>		
Short-term loans receivable	478	<u>1,219</u>
<Omitted>		
Other	1,421	<u>1,459</u>
<Omitted>		
Total current assets	<u>14,641</u>	<u>15,122</u>
<Omitted>		
Total assets	<u>35,545</u>	<u>33,929</u>
Liabilities		
Current liabilities		
<Omitted>		
Short-term loans payable	-	<u>53</u>
Current portion of long-term loans payable	1,979	<u>2,000</u>
<Omitted>		
Other	3,871	<u>3,342</u>
Total current liabilities	<u>10,523</u>	<u>10,223</u>
<Omitted>		
Total liabilities	<u>30,998</u>	<u>29,068</u>
<Omitted>		
Total liabilities and net assets	<u>35,545</u>	<u>33,929</u>

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statement of Income

Before corrections

(Millions of yen)

	FY2018 (Oct. 1, 2017 – Sep. 30, 2018)	FY2019 (Oct. 1, 2018 – Sep. 30, 2019)
<Omitted>		
Extraordinary income		
<Omitted>		
Gain on sales of investment securities	64	<u>2,102</u>
<Omitted>		

After corrections

(Millions of yen)

	FY2018 (Oct. 1, 2017 – Sep. 30, 2018)	FY2019 (Oct. 1, 2018 – Sep. 30, 2019)
<Omitted>		
Extraordinary income		
<Omitted>		
<u>Gain on sales of shares of subsidiaries and associates</u>	=	<u>2,052</u>
Gain on sales of investment securities	64	<u>50</u>
<Omitted>		

(3) Consolidated Statement of Changes in Equity

Before corrections

FY2019 (Oct. 1, 2018 – Sep. 30, 2019)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
<Omitted>					
Disposal of treasury shares				0	0
<Omitted>					

After corrections

FY2019 (Oct. 1, 2018 – Sep. 30, 2019)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
<Omitted>					
Disposal of treasury shares		=	(0)	0	0
<Omitted>					

(4) Consolidated Statement of Cash Flows

Before corrections

(Millions of yen)

	FY2018 (Oct. 1, 2017 – Sep. 30, 2018)	FY2019 (Oct. 1, 2018 – Sep. 30, 2019)
Cash flows from operating activities		
<Omitted>		
Loss (gain) on sales of investment securities	(64)	<u>(2,102)</u>
<Omitted>		

After corrections

(Millions of yen)

	FY2018 (Oct. 1, 2017 – Sep. 30, 2018)	FY2019 (Oct. 1, 2018 – Sep. 30, 2019)
Cash flows from operating activities		
<Omitted>		
<u>Loss (gain) on sales of shares of subsidiaries and associates</u>	=	<u>(2,052)</u>
Loss (gain) on sales of investment securities	(64)	<u>(50)</u>
<Omitted>		

Corrections 4. Page 15 of the Consolidated Financial Results for the Fiscal Year Ended September 30, 2019

3. Information related to net sales, profit or loss, assets, liabilities and other items for each reportable segment

Before corrections

FY2019 (Oct. 1, 2018 – Sep. 30, 2019)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amounts shown on consolidated financial statements (Note 3)
	Sharing Economy	Platform	Cloud Technology	Subtotal				
<Omitted>								
Segment assets	5,303	<u>15,448</u>	4,737	<u>25,488</u>	2,310	<u>27,798</u>	6,206	<u>34,004</u>
<Omitted>								

After corrections

FY2019 (Oct. 1, 2018 – Sep. 30, 2019)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amounts shown on consolidated financial statements (Note 3)
	Sharing Economy	Platform	Cloud Technology	Total				
<Omitted>								
Segment assets	5,303	<u>15,372</u>	4,737	<u>25,413</u>	2,310	<u>27,723</u>	6,206	<u>33,929</u>
<Omitted>								

Corrections 5. Page 18 of Briefings on Financial Results for the Fiscal Year Ended September 30, 2019 (FY2019)
2. Overview of Consolidated Balance Sheet

Before corrections

(Millions of yen)

Assets	End-FY2018	End-FY2019	YoY change	Remarks
Current assets	14,641	<u>15,197</u>	<u>+556</u>	
<Omitted>				
Other	4,268	<u>4,463</u>	<u>+195</u>	Short-term loans receivable: <u>+745</u>
<Omitted>				
Total assets	35,545	<u>34,004</u>	<u>-1,540</u>	

Liabilities and net assets	End-FY2018	End-FY2019	YoY change	Remarks
Non-current liabilities	10,523	<u>10,299</u>	<u>-224</u>	
<Omitted>				
Other	7,538	<u>7,336</u>	<u>-202</u>	Accrued taxes: -1,008
<Omitted>				
Total liabilities	30,998	<u>29,143</u>	<u>-1,854</u>	
<Omitted>				
Total liabilities and net assets	35,545	<u>34,004</u>	<u>-1,540</u>	

After corrections

(Millions of yen)

Assets	End-FY2018	End-FY2019	YoY change	Remarks
Current assets	14,641	<u>15,122</u>	<u>+481</u>	
<Omitted>				
Other	4,268	<u>4,388</u>	<u>+119</u>	Short-term loans receivable: <u>+740</u>
<Omitted>				
Total assets	35,545	<u>33,929</u>	<u>-1,616</u>	

Liabilities and net assets	End-FY2018	End-FY2019	YoY change	Remarks
Non-current liabilities	10,523	<u>10,223</u>	<u>-300</u>	
<Omitted>				
Other	7,538	<u>7,260</u>	<u>-277</u>	Accrued taxes: -1,008
<Omitted>				
Total liabilities	30,998	<u>29,068</u>	<u>-1,930</u>	
<Omitted>				
Total liabilities and net assets	35,545	<u>33,929</u>	<u>-1,616</u>	