



## Fiscal Year Ending December 2019 Financial Results (Japanese accounting standards, consolidated)

February 13, 2020

Company name	FINDEX Inc.		Exchange: TSE
Securities code	3649	URL	<a href="http://findex.co.jp/en/index.html">http://findex.co.jp/en/index.html</a>
Representative	(Title) President & CEO	(Name)	Teruo Aibara
Contact	(Title) Director and Head of Administration	(Name)	Atsushi Fujita
Scheduled date for ordinary shareholders' meeting	March 27, 2020	Scheduled date for dividend payment	March 30, 2020
Scheduled date for filing of securities report	March 30, 2020		
Supplementary explanation of financial results?	No		
Financial results briefing?	Yes, for Analysts		

(Rounded to the nearest million)

### 1 . Consolidated Results for FY 2019 (January 1, 2019 – December 31, 2019)

#### ( 1 ) Consolidated results of operations

(Percentages represent year-on-year changes)

	Sales		Operating income		Ordinary income		Profit attributable to shareholders of parent	
	mil yen	%	mil yen	%	mil yen	%	mil yen	%
FY 2019	4,281	18.8	743	25.3	746	25.7	499	25.4
FY 2018	3,603	8.8	592	8.5	593	8.4	398	8.6

Note: Comprehensive income      FY 2019      499   mil yen      (25.4%)      FY 2018      398   mil yen      (9.9%)

	Earnings per share	Diluted earnings per share	Net income over shareholders' equity	Ordinary income over total assets	Operating income over sales
	yen	yen	%	%	%
FY 2019	19.50	-	18.5	22.7	17.4
FY 2018	15.43	15.30	14.8	18.4	16.5

Ref.: Equity in gains      FY 2019      -   mil yen      FY 2018      -   mil yen

Note: No statement is made of the amount of diluted net income per share after adjusting residual stocks for the FY2019 period because there were no residual securities.

#### ( 2 ) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	mil yen	mil yen	%	yen
FY 2019	3,464	2,842	82.0	111.03
FY 2018	3,114	2,545	81.7	99.44

Ref.: Owned capital      FY 2019      2,842   mil yen      FY 2018      2,545   mil yen

#### ( 3 ) Consolidated cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financial activities	Ending balance of cash and cash equivalents
	mil yen	mil yen	mil yen	mil yen
FY 2019	1,670	△367	△207	1,778
FY 2018	597	△539	△675	682

## 2 . Status of Dividends

	Dividends during the year					Total dividends	Payout ratio ( Consolidated )	Dividends over net assets ( Consolidated )
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	Term-end	Total			
	yen	yen	yen	yen	yen	mil yen	%	%
FY 2018	-	2.00	-	5.50	7.50	193	48.6	7.2
FY 2019	-	2.50	-	5.50	8.00	206	41.0	7.6
FY 2020 ( forecast )	-	2.50	-	5.50	8.00		56.3	

## 3 . Consolidated performance projection for FY 2020 (January 1, 2020 - December31, 2020)

( Percentages represent changes from the corresponding quarter of the previous year )

	Sales		Operating income		Ordinary income		Profit attributable to shareholders of parent		Earnings per share
	mil yen	%	mil yen	%	mil yen	%	mil yen	%	yen
2 <sup>nd</sup> quarter(cumulative)	2,316	20.5	701	155.9	703	153.9	469	153.4	17.63
Full year	4,210	△1.7	580	21.9	583	△21.9	378	△24.3	14.21

Note: For the full year forecasts for FY2020, both net sales and profits are expected to decrease year-on-year due to an increase in costs related to the head office relocation and an expected delay in the introduction of systems by medical institutions from the third quarter onward. The medical institutions originally planned the introduction to take place during a long holiday period; however, they may delay the schedule since the timing coincides with the Tokyo 2020 Olympic Games.

Notes

(1) Changes in significant subsidiaries during the current quarter

(Changes in specified subsidiaries that caused a change in the scope of consolidation): none

(2) Changes in accounting policies

(i) Changes by a newly issued account pronouncement: none

(ii) Changes other than (i)-a above: none

(iii) Changes in accounting estimates: none

(iv) Restatement: none

(3) Number of shares issued

(i) Number of shares issued and outstanding at end of period (including treasury stock)

FY2019	26,608,800 shares	FY2018	26,608,800 shares
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(ii) Number of treasury shares at end of period

FY2019	1,006,175 shares	FY2018	1,011,533 shares
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(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

FY2019	25,599,484 shares	FY2018	25,798,982 shares
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(Reference) Non-consolidated Financial Results

1. Non-consolidated Results for FY 2020 (January 1, 2020 – December 31, 2020)

(Rounded to the nearest million)

(1) Non-consolidated results of operations

(Percentages represent year-on-year changes)

	Sales		Operating income		Ordinary income		Profit attributable to shareholders of parent	
	mil yen	%	mil yen	%	mil yen	%	mil yen	%
FY 2019	4,241	19.2	793	25.0	660	4.0	454	3.3
FY 2018	3,557	8.3	635	6.7	635	6.5	439	6.9

	Earnings per share	Diluted earnings per share
	yen	yen
FY 2019	17.75	-
FY 2018	17.04	16.90

Notes

(1) In the fiscal year ended December 31, 2019, the Company recorded an allowance for doubtful accounts of 136 million yen relating to loans to a consolidated subsidiary, EMC Healthcare Co., Ltd., as a non-operating loss, and a loss on valuation of the company's shares of 5 million yen as an extraordinary loss. These were recorded because many of the company's operations are related to the joint research and development with the Company, and its debts exceeded its assets due to the increased costs for new basic research.

(2) No statement is made of the amount of diluted net income per share after adjusting residual stocks for the FY2019 period because there were no residual securities.

(2) Non-consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	mil yen	mil yen	%	yen
FY 2019	3,501	2,883	82.4	112.64
FY 2018	3,196	2,631	82.3	102.81

Ref.: Owned capital                      FY 2019                      2,883    mil yen                      FY 2018                      2,631    mil yen

2. Non-consolidated performance projection for FY 2019 (January 1, 2019 - December 31, 2019)

( Percentages represent changes from the corresponding quarter of the previous year )

	Sales		Ordinary income		Net income		Earnings per share
	mil yen	%	mil yen	%	mil yen	%	yen
2 <sup>nd</sup> quarter(cumulative)	2,286	20.2	533	78.4	367	77.3	13.79
Full year	4,100	△3.3	658	△0.4	454	△0.1	17.06

\* Quarterly financial results reports are not required to be subjected to quarterly reviews.

\* Explanation related to the appropriate use of the results forecasts and other items warranting special mention

Forward-looking statements in this document, including the results forecasts, etc., are based on the information available as of the date of the release of this document and the preconditions that FINDEX Inc. (the "Company") deemed to be reasonable; they are not meant to be a commitment by the Company, and variety of factors in the future may cause actual results to differ materially from these forecasts.