

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 5, 2021

Company name: Japan Animal Referral Medical Center (JARMeC)
 Stock exchange listing: Tokyo
 Stock code: 6039 URL <http://www.jarmec.co.jp>
 Representative: Representative Director and President Hidehiro Hirao
 Executive Director, Finance and Administration Takayuki Ishikawa TEL 044-850-1320
 Inquiries: Administration
 Scheduled date to file Quarterly Securities Report: August 12, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2021	719	3.0	88	(13.4)	91	(9.6)	62	(9.6)
Three months ended June 30, 2020	699	4.4	102	(8.6)	100	(11.4)	69	(14.2)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	26.31	25.63
Three months ended June 30, 2020	29.45	28.49

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	5,717	2,399	42.0
As of March 31, 2021	5,844	2,336	40.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2021	–	0.00	–	0.00	0.00
Year ending March 31, 2022	–				
Year ending March 31, 2022 (Forecast)		0.00	–	0.00	0.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	2,930	2.9	410	1.1	420	2.2	290	1.7	121.80

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2021	2,436,200 shares	As of March 31, 2021	2,436,200 shares
---------------------	------------------	----------------------	------------------

Number of treasury shares at the end of the period

As of June 30, 2021	55,116 shares	As of March 31, 2021	55,577 shares
---------------------	---------------	----------------------	---------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	2,380,653 shares	Three months ended June 30, 2020	2,352,671 shares
----------------------------------	------------------	----------------------------------	------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	1,214,671	1,140,181
Accounts receivable - trade	148,872	–
Notes and accounts receivable - trade, and contract assets	–	144,740
Merchandise	59,709	60,564
Supplies	3,495	3,495
Other	40,631	40,576
Allowance for doubtful accounts	(9,492)	(7,827)
Total current assets	1,457,888	1,381,730
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,493,714	1,468,697
Land	2,228,267	2,228,267
Other, net	476,921	455,837
Total property, plant and equipment	4,198,904	4,152,803
Intangible assets	13,965	12,567
Investments and other assets	173,358	170,124
Total non-current assets	4,386,228	4,335,494
Total assets	5,844,116	5,717,224
Liabilities		
Current liabilities		
Accounts payable - trade	48,183	44,688
Current portion of long-term borrowings	548,811	541,083
Income taxes payable	60,462	33,259
Provision for bonuses	67,423	35,275
Other	189,879	198,003
Total current liabilities	914,760	852,311
Non-current liabilities		
Long-term borrowings	2,525,529	2,398,774
Retirement benefit liability	23,650	23,250
Asset retirement obligations	41,279	41,386
Other	2,709	2,502
Total non-current liabilities	2,593,168	2,465,912
Total liabilities	3,507,928	3,318,224
Net assets		
Shareholders' equity		
Share capital	385,500	385,500
Capital surplus	332,633	332,075
Retained earnings	1,707,852	1,770,489
Treasury shares	(89,798)	(89,064)
Total shareholders' equity	2,336,188	2,399,000
Total net assets	2,336,188	2,399,000
Total liabilities and net assets	5,844,116	5,717,224

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	699,020	719,787
Cost of sales	448,954	463,086
Gross profit	250,065	256,700
Selling, general and administrative expenses	147,572	167,894
Operating profit	102,492	88,805
Non-operating income		
Rental income from buildings	6,093	5,840
Other	1,126	764
Total non-operating income	7,220	6,604
Non-operating expenses		
Interest expenses	3,487	3,239
Financing expenses	984	987
Loss on retirement of non-current assets	3,805	0
Other	640	71
Total non-operating expenses	8,917	4,297
Ordinary profit	100,796	91,113
Profit before income taxes	100,796	91,113
Income taxes	31,498	28,476
Profit	69,297	62,636
Profit attributable to owners of parent	69,297	62,636

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	69,297	62,636
Comprehensive income	69,297	62,636
Comprehensive income attributable to Comprehensive income attributable to owners of parent	69,297	62,636