

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 Nine Months Ended December 31, 2021
(Based on Japanese GAAP)**

February 3, 2022

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: February 14, 2022
 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 nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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	%
Nine months ended December 31, 2021	2,230	4.6	330	11.8	330	11.4	223	9.6
Nine months ended December 31, 2020	2,131	4.0	295	(11.6)	297	(13.0)	204	(16.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	93.96		91.64	
Nine months ended December 31, 2020	86.62		83.58	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of December 31, 2021	5,619		2,553		45.4	
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				
Year ended March 31, 2021	–	0.00	–	0.00	0.00
Year ending March 31, 2022	–	0.00	–		
Year ending March 31, 2022 (Forecast)				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	121.70

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 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)

Nine months ended December 31, 2021	2,382,922 shares	Nine months ended December 31, 2020	2,357,415 shares
-------------------------------------	------------------	-------------------------------------	------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	1,214,671	1,053,100
Accounts receivable - trade	148,872	–
Notes and accounts receivable - trade, and contract assets	–	178,763
Merchandise	59,709	53,327
Supplies	3,495	3,399
Other	40,631	44,230
Allowance for doubtful accounts	(9,492)	(7,807)
Total current assets	1,457,888	1,325,013
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,493,714	1,417,995
Land	2,228,267	2,228,267
Other, net	476,921	454,585
Total property, plant and equipment	4,198,904	4,100,848
Intangible assets	13,965	10,504
Investments and other assets	173,358	182,894
Total non-current assets	4,386,228	4,294,247
Total assets	5,844,116	5,619,261
Liabilities		
Current liabilities		
Accounts payable - trade	48,183	52,543
Current portion of long-term borrowings	548,811	450,567
Income taxes payable	60,462	50,816
Provision for bonuses	67,423	35,558
Other	189,879	194,950
Total current liabilities	914,760	784,435
Non-current liabilities		
Long-term borrowings	2,525,529	2,225,283
Retirement benefit liability	23,650	25,300
Asset retirement obligations	41,279	28,215
Other	2,709	2,082
Total non-current liabilities	2,593,168	2,280,880
Total liabilities	3,507,928	3,065,316
Net assets		
Shareholders' equity		
Share capital	385,500	385,500
Capital surplus	332,633	326,495
Retained earnings	1,707,852	1,931,758
Treasury shares	(89,798)	(89,809)
Total shareholders' equity	2,336,188	2,553,944
Total net assets	2,336,188	2,553,944
Total liabilities and net assets	5,844,116	5,619,261

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	2,131,626	2,230,636
Cost of sales	1,392,259	1,403,608
Gross profit	739,367	827,027
Selling, general and administrative expenses	443,451	496,127
Operating profit	295,916	330,900
Non-operating income		
Rental income from buildings	17,895	17,520
Other	3,202	3,148
Total non-operating income	21,098	20,669
Non-operating expenses		
Interest expenses	10,382	9,197
Financing expenses	3,113	10,266
Loss on retirement of non-current assets	5,109	1,013
Other	1,340	246
Total non-operating expenses	19,946	20,723
Ordinary profit	297,067	330,845
Extraordinary income		
Gain on sale of non-current assets	517	–
Total extraordinary income	517	–
Extraordinary losses		
Office Transfer related Expenses	–	6,282
Total extraordinary losses	–	6,282
Profit before income taxes	297,585	324,563
Income taxes	93,366	100,658
Profit	204,218	223,905
Profit attributable to owners of parent	204,218	223,905

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	204,218	223,905
Comprehensive income	204,218	223,905
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	204,218	223,905