

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended June 30, 2022
(Based on Japanese GAAP)**

August 4, 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: August 10, 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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, 2022	934	29.9	137	55.2	135	48.2	87	39.4
Three months ended June 30, 2021	719	3.0	88	(13.4)	91	(9.6)	62	(9.6)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	37.51	36.70
Three months ended June 30, 2021	26.31	25.63

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	6,982	2,598	37.2
As of March 31, 2022	6,966	2,509	36.0

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, 2022	–	0.00	–	0.00	0.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	0.00	–	0.00	0.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	3,860	29.6	535	21.8	540	22.9	365	27.2	156.88

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
 (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: No
- 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, 2022	2,436,200 shares	As of March 31, 2022	2,436,200 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	109,616 shares	As of March 31, 2022	109,616 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	2,326,584 shares	Three months ended June 30, 2021	2,380,653 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	1,068,595	1,160,978
Accounts receivable - trade, and contract assets	228,993	241,010
Merchandise	119,070	97,113
Raw materials and supplies	9,760	9,636
Other	121,148	55,673
Allowance for doubtful accounts	(7,790)	(6,851)
Total current assets	1,539,777	1,557,559
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,531,803	1,507,801
Land	2,248,337	2,248,337
Other, net	927,435	972,428
Total property, plant and equipment	4,707,576	4,728,567
Intangible assets		
Goodwill	489,732	477,488
Other	26,362	24,555
Total intangible assets	516,094	502,044
Investments and other assets	203,462	194,763
Total non-current assets	5,427,132	5,425,374
Total assets	6,966,910	6,982,934
Liabilities		
Current liabilities		
Accounts payable - trade	65,642	62,294
Current portion of long-term borrowings	546,376	555,925
Income taxes payable	88,562	59,748
Provision for bonuses	79,335	36,421
Other	185,796	252,646
Total current liabilities	965,713	967,036
Non-current liabilities		
Long-term borrowings	3,375,581	3,319,272
Retirement benefit liability	27,100	27,600
Deferred tax liabilities	25,008	8,434
Asset retirement obligations	40,501	40,612
Other	23,081	21,520
Total non-current liabilities	3,491,273	3,417,439
Total liabilities	4,456,987	4,384,475
Net assets		
Shareholders' equity		
Share capital	385,500	385,500
Capital surplus	315,717	315,717
Retained earnings	1,994,792	2,083,328
Treasury shares	(186,086)	(186,086)
Total shareholders' equity	2,509,923	2,598,459
Total net assets	2,509,923	2,598,459
Total liabilities and net assets	6,966,910	6,982,934

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, 2021	Three months ended June 30, 2022
Net sales	719,787	934,812
Cost of sales	463,086	576,336
Gross profit	256,700	358,476
Selling, general and administrative expenses	167,894	220,610
Operating profit	88,805	137,865
Non-operating income		
Rental income from buildings	5,840	5,840
Other	764	948
Total non-operating income	6,604	6,788
Non-operating expenses		
Interest expenses	3,239	4,521
Financing expenses	987	880
Loss on retirement of non-current assets	0	4,188
Other	71	62
Total non-operating expenses	4,297	9,652
Ordinary profit	91,113	135,001
Profit before income taxes	91,113	135,001
Income taxes	28,476	47,716
Profit	62,636	87,285
Profit attributable to owners of parent	62,636	87,285

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	62,636	87,285
Comprehensive income	62,636	87,285
Comprehensive income attributable to Comprehensive income attributable to owners of parent	62,636	87,285