

# 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 September 30, 2020 (Based on Japanese GAAP)

October 30, 2020

Company name: GREENS CO.,LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 6547 URL <https://www.kk-greens.jp/>  
 Representative: President & Representative Director Muraki Takeya  
 Director and General Manager  
 Inquiries: Hiroya Ito TEL 059(351)5593  
 Administration Div.  
 Scheduled date to file Quarterly Securities Report: November 13, 2020  
 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 September 30, 2020 (from July 1, 2020 to September 30, 2020)

#### (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 September 30, 2020	3,545	(56.1)	(2,173)	–	(2,056)	–	(2,074)	–
Three months ended September 30, 2019	8,077	1.1	820	(15.5)	822	(15.1)	549	(16.3)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended September 30, 2020	(161.10)	–
Three months ended September 30, 2019	42.66	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2020	18,099	3,800	21.0
As of June 30, 2020	17,422	6,003	34.5

### 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 June 30, 2020	–	0.00	–	10.00	10.00
Year ending June 30, 2021	–				
Year ending June 30, 2021 (Forecast)		0.00	–	–	–

### 3. Forecast of consolidated financial results for the year ending June 30, 2021 (from July 1, 2020 to June 30, 2021)

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
Six months ending December 31, 2020	–	–	–	–	–	–	–	–	–
Full year	–	–	–	–	–	–	–	–	–

#### 4. Notes

- (1) Changes in significant subsidiaries during the three months ended September 30, 2020  
(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 September 30, 2020	12,886,200 shares	As of June 30, 2020	12,886,200 shares
--------------------------	-------------------	---------------------	-------------------

Number of treasury shares at the end of the period

As of September 30, 2020	9,742 shares	As of June 30, 2020	9,742 shares
--------------------------	--------------	---------------------	--------------

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

Three months ended September 30, 2020	12,876,458 shares	Three months ended September 30, 2019	12,881,858 shares
---------------------------------------	-------------------	---------------------------------------	-------------------

## Quarterly consolidated financial statements

### Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2020	As of September 30, 2020
Assets		
Current assets		
Cash and deposits	4,295,298	4,931,782
Accounts receivable - trade	444,945	917,206
Raw materials and supplies	93,861	89,953
Income taxes receivable	336,042	310,580
Consumption taxes receivable	459,533	57,917
Other	859,354	939,378
Allowance for doubtful accounts	(410)	(890)
Total current assets	6,488,625	7,245,929
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,417,498	2,393,212
Tools, furniture and fixtures, net	332,834	339,216
Land	1,965,426	1,965,426
Leased assets, net	110,200	101,810
Construction in progress	412	—
Total property, plant and equipment	4,826,373	4,799,666
Intangible assets	265,011	237,000
Investments and other assets		
Investment securities	51,665	52,826
Long-term loans receivable	36,478	34,284
Guarantee deposits	5,581,170	5,558,250
Other	230,321	225,686
Allowance for doubtful accounts	(57,000)	(54,000)
Total investments and other assets	5,842,635	5,817,047
Total non-current assets	10,934,021	10,853,713
Total assets	17,422,646	18,099,643

(Thousands of yen)

	As of June 30, 2020	As of September 30, 2020
Liabilities		
Current liabilities		
Accounts payable - trade	532,599	730,813
Short-term borrowings	5,000,000	7,900,000
Current portion of long-term borrowings	731,628	731,628
Accounts payable - other	539,318	442,283
Accrued expenses	534,229	516,895
Income taxes payable	57,969	48,551
Accrued consumption taxes	4,419	4,968
Provision for bonuses	—	168,068
Other	259,770	196,811
Total current liabilities	7,659,936	10,740,019
Non-current liabilities		
Long-term borrowings	3,054,853	2,871,602
Asset retirement obligations	526,374	520,162
Other	178,352	167,703
Total non-current liabilities	3,759,579	3,559,469
Total liabilities	11,419,515	14,299,488
Net assets		
Shareholders' equity		
Share capital	1,948,025	1,948,025
Capital surplus	1,949,813	1,949,813
Retained earnings	2,119,758	(83,400)
Treasury shares	(8,917)	(8,917)
Total shareholders' equity	6,008,679	3,805,520
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(5,548)	(5,366)
Total accumulated other comprehensive income	(5,548)	(5,366)
Total net assets	6,003,130	3,800,154
Total liabilities and net assets	17,422,646	18,099,643

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended September 30, 2019	Three months ended September 30, 2020
Net sales	8,077,934	3,545,715
Cost of sales	5,791,220	4,812,231
Gross profit (loss)	2,286,713	(1,266,515)
Selling, general and administrative expenses	1,466,548	906,819
Operating profit (loss)	820,165	(2,173,334)
Non-operating income		
Interest income	243	193
Subsidy income	—	113,302
Other	5,470	11,315
Total non-operating income	5,714	124,812
Non-operating expenses		
Interest expenses	3,078	7,550
Other	200	0
Total non-operating expenses	3,278	7,550
Ordinary profit (loss)	822,601	(2,056,072)
Extraordinary income		
Gain on sales of non-current assets	—	37
Total extraordinary income	—	37
Extraordinary losses		
Loss on retirement of non-current assets	3,511	2,487
Total extraordinary losses	3,511	2,487
Profit (loss) before income taxes	819,090	(2,058,523)
Income taxes	269,503	15,871
Profit (loss)	549,586	(2,074,394)
Profit (loss) attributable to owners of parent	549,586	(2,074,394)

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Three months ended September 30, 2019	Three months ended September 30, 2020
Profit (loss)	549,586	(2,074,394)
Other comprehensive income		
Valuation difference on available-for-sale securities	742	182
Total other comprehensive income	742	182
Comprehensive income	550,329	(2,074,211)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	550,329	(2,074,211)