

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

January 26, 2021

Company name: KOMERI CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 8218 URL <https://www.komeri.bit.or.jp>  
 Representative: President, CEO and COO Yuichiro Sasage  
 Director and Executive Officer of the  
 Inquiries: Company, General Manager of Strategic Planning Office Hiroshi Hayakawa TEL 025-371-4111  
 Scheduled date to file Quarterly Securities Report: February 15, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 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, 2020 (from April 1, 2020 to December 31, 2020)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Operating revenue		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, 2020	302,777	10.9	27,657	65.1	27,818	64.9	18,778	58.4
Nine months ended December 31, 2019	273,081	(0.1)	16,753	(4.2)	16,872	(3.8)	11,855	1.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2020	377.59		–	
Nine months ended December 31, 2019	234.31		234.09	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	348,493	199,009	57.1
As of March 31, 2020	331,140	181,990	55.0

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, 2020	–	21.00	–	21.00	42.00
Year ending March 31, 2021	–	22.00	–		
Year ending March 31, 2021 (Forecast)				23.00	45.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Operating revenue		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	378,000	8.4	27,000	46.2	27,100	45.5	16,900	41.5	339.82

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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: No
- (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 December 31, 2020	54,409,168 shares	As of March 31, 2020	54,409,168 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	4,677,731 shares	As of March 31, 2020	4,677,174 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	49,731,882 shares	Nine months ended December 31, 2019	50,595,263 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	9,625	25,609
Notes and accounts receivable - trade	19,821	21,129
Merchandise and finished goods	109,119	104,500
Raw materials and supplies	512	275
Other	7,106	8,471
Allowance for doubtful accounts	(534)	(684)
Total current assets	145,651	159,302
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	112,353	115,729
Land	34,355	35,331
Leased assets, net	3,515	3,820
Other, net	8,282	7,574
Total property, plant and equipment	158,505	162,455
Intangible assets	8,043	8,496
Investments and other assets		
Investment securities	1,322	1,964
Deferred tax assets	7,820	7,318
Leasehold and guarantee deposits	8,218	7,258
Other	1,579	1,699
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	18,939	18,239
Total non-current assets	185,489	189,190
Total assets	331,140	348,493

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	28,012	28,152
Electronically recorded obligations - operating	26,454	32,554
Short-term borrowings	8,500	–
Current portion of long-term borrowings	4,169	8,569
Lease obligations	1,370	1,421
Income taxes payable	3,438	5,726
Provision for bonuses	1,818	911
Provision for bonuses for directors (and other officers)	19	15
Provision for loss on store closings	44	–
Provision for point card certificates	739	975
Provision for loss on disaster	4	5
Other	16,471	19,139
Total current liabilities	91,044	97,470
Non-current liabilities		
Long-term borrowings	38,640	32,607
Lease obligations	2,618	2,862
Provision for retirement benefits for directors (and other officers)	124	124
Provision for share-based remuneration for directors (and other officers)	152	171
Retirement benefit liability	5,414	5,651
Asset retirement obligations	7,071	7,565
Other	4,083	3,030
Total non-current liabilities	58,105	52,013
Total liabilities	149,149	149,483
<b>Net assets</b>		
Shareholders' equity		
Share capital	18,802	18,802
Capital surplus	25,260	25,260
Retained earnings	148,676	165,310
Treasury shares	(11,239)	(11,240)
Total shareholders' equity	181,499	198,132
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	72	497
Deferred gains or losses on hedges	27	–
Remeasurements of defined benefit plans	390	379
Total accumulated other comprehensive income	491	876
Total net assets	181,990	199,009
Total liabilities and net assets	331,140	348,493

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	264,600	293,384
Cost of sales	180,659	196,045
Gross profit	83,941	97,338
Operating revenue	8,480	9,393
Operating gross profit	92,422	106,732
Selling, general and administrative expenses	75,668	79,075
Operating profit	16,753	27,657
Non-operating income		
Interest income	11	11
Dividend income	74	69
Foreign exchange gains	52	106
Other	239	165
Total non-operating income	377	352
Non-operating expenses		
Interest expenses	130	103
Expenses of soil pollution measures	-	53
Burial cultural asset investigation expense	52	-
Other	76	34
Total non-operating expenses	258	191
Ordinary profit	16,872	27,818
Extraordinary income		
Insurance claim income	106	142
Gain on reversal of share acquisition rights	154	-
Gain on transition of retirement benefit plan	1,157	-
Total extraordinary income	1,418	142
Extraordinary losses		
Loss on disposal of non-current assets	79	146
Loss on disaster	348	146
Impairment loss	130	135
Provision for share-based remuneration for directors (and other officers)	133	-
Total extraordinary losses	692	429
Profit before income taxes	17,599	27,531
Income taxes - current	4,769	8,332
Income taxes - deferred	974	420
Total income taxes	5,743	8,753
Profit	11,855	18,778
Profit attributable to owners of parent	11,855	18,778

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

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	11,855	18,778
Other comprehensive income		
Valuation difference on available-for-sale securities	74	424
Deferred gains or losses on hedges	–	(27)
Remeasurements of defined benefit plans, net of tax	432	(11)
Total other comprehensive income	506	385
Comprehensive income	12,361	19,163
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,361	19,163
Comprehensive income attributable to non-controlling interests	–	–