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Summary of Consolidated Financial Statements for the Three Months Ended December 31, 2020 (Based on Japanese GAAP)

February 5, 2021

Company name: Japan Best Rescue System Co., Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 2453
 Representative: Representative Director
 Inquiries: Director, Executive Officer
 Scheduled date to file Quarterly Securities Report: February 5, 2021
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

URL: <https://www.jbr.co.jp/en/>
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(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended December 31, 2020 (from October 1, 2020 to December 31, 2020)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners or parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended December 31, 2020	3,156	9.9	375	22.2	432	33.8	302	110.9
Three months ended December 31, 2019	2,871	(2.5)	307	(12.7)	323	(18.5)	143	(44.3)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended December 31, 2020	9.80		9.76	
Three months ended December 31, 2019	4.49		4.46	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	21,494	7,942	35.5
As of September 30, 2020	21,204	7,907	35.8

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 September 30, 2020	—	8.00	—	8.00	16.00
Year ending September 30, 2021	—				
Year ending September 30, 2021 (Forecast)		8.00	—	8.00	16.00

3. Forecast of consolidated financial results for the year ending September 30, 2021 (from October 1, 2020 to September 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 March 31, 2021	6,900	15.1	760	16.8	780	17.1	500	92.0	16.17
Full year	14,500	20.3	1,650	20.6	1,700	(5.5)	1,100	10.3	35.58

4. Notes

- (1) Changes in significant subsidiaries during the three 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	34,688,000 shares	As of September 30, 2020	34,688,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	3,768,341 shares	As of September 30, 2020	3,768,341 shares
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Average number of shares during the period

Three months ended December 31, 2020	30,919,659 shares	Three months ended December 31, 2019	31,979,659 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of September 30, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	8,770,637	8,625,595
Accounts receivable	724,391	787,599
Merchandise	65,402	61,806
Supplies	15,668	15,710
Other	1,338,774	1,341,866
Allowance for doubtful accounts	(17,501)	(20,520)
Total current assets	10,897,372	10,812,058
Non-current assets		
Property, plant and equipment	157,158	149,498
Intangible assets		
Goodwill	55,000	47,500
Other	423,605	540,114
Total intangible assets	478,605	587,614
Investments and other assets		
Investment securities	7,560,720	7,781,043
Other	1,842,153	1,887,445
Allowance for doubtful accounts	(51,336)	(48,576)
Total investments and other assets	9,351,537	9,619,912
Total non-current assets	9,987,301	10,357,025
Deferred assets	319,520	324,967
Total assets	21,204,194	21,494,051

(Thousands of yen)

	As of September 30, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Accounts payable	358,300	398,463
Short-term borrowings	—	600,000
Income taxes payable	406,852	90,238
Provision for bonuses	67,822	32,351
Provision for the future service obligation to members	102,909	92,573
Outstanding claims	61,247	57,894
Policy reserve	722,540	710,847
Unearned revenue	1,982,660	1,982,698
Other	1,381,171	1,286,559
Total current liabilities	5,083,504	5,251,627
Non-current liabilities		
Bonds payable	975,000	975,000
Long-term borrowings	1,382,824	1,302,517
Asset retirement obligations	60,310	60,362
Long-term unearned revenue	5,657,569	5,823,930
Other	137,279	138,540
Total non-current liabilities	8,212,983	8,300,350
Total liabilities	13,296,488	13,551,977
Net assets		
Shareholders' equity		
Capital stock	780,363	780,363
Capital surplus	4,367,861	4,367,861
Retained earnings	3,848,012	3,903,581
Treasury shares	(1,695,449)	(1,695,449)
Total shareholders' equity	7,300,787	7,356,357
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	291,234	263,337
Total accumulated other comprehensive income	291,234	263,337
Share acquisition rights	2,930	2,930
Non-controlling interests	312,753	319,448
Total net assets	7,907,706	7,942,073
Total liabilities and net assets	21,204,194	21,494,051

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

	(Thousands of yen)	
	Three months ended December 31, 2019	Three months ended December 31, 2020
Net sales	2,871,839	3,156,080
Cost of sales	1,457,297	1,714,805
Gross profit	1,414,542	1,441,274
Selling, general and administrative expenses	1,106,887	1,065,453
Operating profit	307,654	375,821
Non-operating income		
Interest income	133	2,107
Dividend income	13,557	20,577
Gain on sales of investment securities	3,431	115,732
Other	4,565	8,408
Total non-operating income	21,688	146,826
Non-operating expenses		
Interest expenses	655	4,158
Loss on sales of investment securities	2	13
Equity in losses of affiliates	—	4,708
Loss on valuation of derivatives	—	61,961
Loss on cancellation of leases	550	—
Provision of allowance for doubtful accounts	1,279	—
Commission expenses	1,115	4,343
Other	2,510	14,843
Total non-operating expenses	6,113	90,029
Ordinary profit	323,230	432,618
Extraordinary losses		
Loss on retirement of non-current assets	862	82
Total extraordinary losses	862	82
Profit before income taxes	322,367	432,535
Income taxes - current	76,682	102,091
Income taxes - deferred	95,841	20,823
Total income taxes	172,524	122,914
Profit	149,843	309,621
Loss attributable to non-controlling interests	6,220	6,694
Profit attributable to owners of parent	143,623	302,926

Consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended December 31, 2019	Three months ended December 31, 2020
Profit	149,843	309,621
Other comprehensive income		
Valuation difference on available-for-sale securities	266,743	(33,031)
Share of other comprehensive income of associates accounted for using equity method	—	5,135
Total other comprehensive income	266,743	(27,896)
Comprehensive income	416,587	281,724
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	410,366	275,030
Comprehensive income attributable to non-controlling interests	6,220	6,694