

# 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, 2020 (Based on Japanese GAAP)

February 4, 2021

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  
 Inquiries: TEL 044(850)1320  
 Scheduled date to file Quarterly Securities Report: February 12, 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

	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, 2020	2,131	4.0	295	(11.6)	297	(13.0)	204	(16.1)
Nine months ended December 31, 2019	2,048	6.5	334	6.5	341	6.3	243	(6.5)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2020	86.62	83.58
Nine months ended December 31, 2019	100.24	96.62

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	5,822	2,251	38.7
As of March 31, 2020	5,928	2,133	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, 2020	–	0.00	–	0.00	0.00
Year ending March 31, 2021	–	0.00	–		
Year ending March 31, 2021 (Forecast)				0.00	0.00

### 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

	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	2,800	2.4	435	1.0	445	(1.3)	315	0.7	132.29

#### 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: 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 December 31, 2020	2,436,200 shares	As of March 31, 2020	2,433,700 shares
-------------------------	------------------	----------------------	------------------

Number of treasury shares at the end of the period

As of December 31, 2020	63,577 shares	As of March 31, 2020	8,648 shares
-------------------------	---------------	----------------------	--------------

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

Nine months ended December 31, 2020	2,357,415 shares	Nine months ended December 31, 2019	2,427,662 shares
-------------------------------------	------------------	-------------------------------------	------------------

# Quarterly consolidated financial statements

## Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	1,249,278	1,176,271
Accounts receivable - trade	144,052	154,910
Merchandise	47,685	69,623
Supplies	5,605	5,618
Other	29,087	41,078
Allowance for doubtful accounts	(11,201)	(10,194)
Total current assets	1,464,508	1,437,308
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,566,296	1,515,416
Land	2,228,267	2,228,267
Other, net	488,233	433,678
Total property, plant and equipment	4,282,798	4,177,362
Intangible assets	20,936	16,237
Investments and other assets	160,500	191,212
Total non-current assets	4,464,235	4,384,812
Total assets	5,928,743	5,822,120
Liabilities		
Current liabilities		
Accounts payable - trade	49,994	63,255
Current portion of long-term borrowings	511,499	544,641
Income taxes payable	101,073	37,485
Provision for bonuses	55,310	35,022
Other	122,979	160,678
Total current liabilities	840,856	841,082
Non-current liabilities		
Long-term borrowings	2,892,678	2,664,182
Retirement benefit liability	20,450	21,550
Asset retirement obligations	40,860	41,174
Other	—	2,914
Total non-current liabilities	2,953,989	2,729,821
Total liabilities	3,794,846	3,570,904
Net assets		
Shareholders' equity		
Share capital	384,875	385,500
Capital surplus	340,193	341,559
Retained earnings	1,422,661	1,626,880
Treasury shares	(13,833)	(102,724)
Total shareholders' equity	2,133,897	2,251,216
Total net assets	2,133,897	2,251,216
Total liabilities and net assets	5,928,743	5,822,120

**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, 2019	Nine months ended December 31, 2020
Net sales	2,048,730	2,131,626
Cost of sales	1,288,324	1,392,259
Gross profit	760,406	739,367
Selling, general and administrative expenses	425,602	443,451
Operating profit	334,804	295,916
Non-operating income		
Rental income from buildings	18,406	17,895
Other	3,606	3,202
Total non-operating income	22,012	21,098
Non-operating expenses		
Interest expenses	11,566	10,382
Financing expenses	3,386	3,113
Loss on retirement of non-current assets	214	5,109
Other	36	1,340
Total non-operating expenses	15,203	19,946
Ordinary profit	341,613	297,067
Extraordinary income		
Gain on sales of non-current assets	678	517
Total extraordinary income	678	517
Profit before income taxes	342,292	297,585
Income taxes	98,934	93,366
Profit	243,357	204,218
Profit attributable to owners of parent	243,357	204,218

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

(Thousands of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	243,357	204,218
Comprehensive income	243,357	204,218
Comprehensive income attributable to Comprehensive income attributable to owners of parent	243,357	204,218