



Consolidated Financial Results for the Three Months Ended June 30, 2021 [Japanese GAAP]

August 06, 2021

Company name: Qol Holdings Co., Ltd.
 Stock exchange listing: Tokyo
 Code number: 3034
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 Scheduled date of filing quarterly securities report: August 13, 2021
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (April 01, 2021 to June 30, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2021	40,350	3.0	1,827	214.5	1,895	216.6	1,033	361.4
June 30, 2020	39,171	(2.9)	581	(64.9)	598	(64.9)	223	(73.4)

(Note) Comprehensive income: Three months ended June 30, 2021: ¥ 1,027 million [589.2%]
 Three months ended June 30, 2020: ¥ 149 million [(83.0)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	28.21	-
June 30, 2020	5.94	-

(Reference)

EBITDA (Operating profit + Depreciation + Amortization of goodwill)	As of June 30, 2021:	¥ 2,961 million
	As of June 30, 2020:	¥ 1,714 million
Net income before Amortization of goodwill (Profit attributable to owners of parent + Amortization of goodwill)	As of June 30, 2021:	¥ 1,807 million
	As of June 30, 2020:	¥ 982 million
EPS before Amortization of goodwill (Profit before Amortization of goodwill / Average number of shares during the period)	As of June 30, 2021:	¥ 49.35
	As of June 30, 2020:	¥ 26.07

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
June 30, 2021	101,362	39,562	39.0
March 31, 2021	100,571	41,834	40.9

(Reference) Equity: As of June 30, 2021: ¥ 39,524 million
As of March 31, 2021: ¥ 41,162 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	14.00	-	14.00	28.00
Fiscal year ending March 31, 2022	-				
Fiscal year ending March 31, 2022 (Forecast)		14.00	-	14.00	28.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2021	83,100	5.1	3,300	58.6	3,300	56.5	1,800	185.4	49.15
Full year	175,000	8.1	9,000	22.2	9,000	21.6	4,200	24.8	114.67

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
(changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):
 - June 30, 2021: 38,902,785 shares
 - March 31, 2021: 38,902,785 shares
 - 2) Total number of treasury shares at the end of the period:
 - June 30, 2021: 2,241,609 shares
 - March 31, 2021: 2,291,509 shares
 - 3) Average number of shares during the period:
 - Three months ended June 30, 2021: 36,625,807 shares
 - Three months ended June 30, 2020: 37,695,037 shares

(Note) Treasury stock includes shares owned by the exclusive trust account of the Company's Employee Stock Ownership Association.

(Remarks) Supplementary Material is available on our website.

<https://www.qolhd.co.jp/eng/ir/library/supplementarymaterial.html>

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of June 30,2021
Assets		
Current assets		
Cash and deposits	19,648	19,031
Notes and accounts receivable - trade	18,231	16,826
Merchandise and finished goods	4,606	7,134
Work in process	127	165
Supplies	120	123
Other	2,766	3,924
Allowance for doubtful accounts	(2)	(2)
Total current assets	45,499	47,203
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,380	6,492
Tools, furniture and fixtures, net	1,280	1,305
Land	4,762	4,796
Other, net	307	218
Total property, plant and equipment	12,730	12,813
Intangible assets		
Goodwill	34,071	33,297
Software	508	494
Other	358	370
Total intangible assets	34,938	34,161
Investments and other assets		
Investment securities	183	177
Leasehold and guarantee deposits	3,783	3,776
Deferred tax assets	1,904	1,497
Other	1,535	1,735
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	7,393	7,174
Total non-current assets	55,062	54,150
Deferred assets		
Bond issuance costs	9	8
Total deferred assets	9	8
Total assets	100,571	101,362

(Million yen)

	As of March 31,2021	As of June 30,2021
Liabilities		
Current liabilities		
Accounts payable - trade	19,822	24,795
Short-term loans	200	1,800
Current portion of bonds payable	1,108	1,108
Current portion of long-term loans payable	10,261	9,655
Income taxes payable	1,693	449
Provision for bonuses	2,281	1,296
Other	3,343	4,626
Total current liabilities	38,709	43,731
Non-current liabilities		
Bonds payable	1,416	1,206
Long-term loans payable	16,736	14,740
Deferred tax liabilities	302	302
Provision for directors' retirement benefits	30	31
Retirement benefit liability	650	645
Asset retirement obligations	809	825
Other	81	316
Total non-current liabilities	20,026	18,068
Total liabilities	58,736	61,799
Net assets		
Shareholders' equity		
Capital stock	5,786	5,786
Capital surplus	13,490	11,276
Retained earnings	25,364	25,869
Treasury shares	(3,360)	(3,286)
Total shareholders' equity	41,280	39,646
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(118)	(122)
Total accumulated other comprehensive income	(118)	(122)
Non-controlling interests	672	38
Total net assets	41,834	39,562
Total liabilities and net assets	100,571	101,362

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2020	For the three months ended June 30,2021
Net sales	39,171	40,350
Cost of sales	35,016	35,305
Gross profit	4,154	5,044
Selling, general and administrative expenses	3,573	3,217
Operating profit	581	1,827
Non-operating income		
Rental income from buildings	7	8
Commission income	14	14
Subsidy income	1	3
Guarantee commission received	12	14
Other	21	65
Total non-operating income	56	106
Non-operating expenses		
Interest expenses	28	26
Other	10	11
Total non-operating expenses	39	38
Ordinary profit	598	1,895
Extraordinary income		
Gain on sale of non-current assets	-	0
Gain on sale of investment securities	204	-
Total extraordinary income	204	0
Extraordinary losses		
Loss on retirement of non-current assets	29	9
Loss on sale of non-current assets	0	-
Loss on valuation of shares of subsidiaries	-	49
Total extraordinary losses	29	58
Profit before income taxes	774	1,837
Total income taxes	515	806
Profit	258	1,031
Profit (loss) attributable to non-controlling interests	34	(1)
Profit attributable to owners of parent	223	1,033

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30,2020	For the three months ended June 30,2021
Profit	258	1,031
Other comprehensive income		
Valuation difference on available-for-sale securities	(109)	(3)
Total other comprehensive income	(109)	(3)
Comprehensive income	149	1,027
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	114	1,029
Comprehensive income attributable to non-controlling interests	34	(1)