

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

January 25, 2022

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
 Inquiries: Director and Managing Executive Officer Hiroshi Hayakawa TEL 025(371)4111
 Scheduled date to file Quarterly Securities Report: February 14, 2022
 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, 2021 (from April 1, 2021 to December 31, 2021)

(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, 2021	293,983	–	25,122	–	25,537	–	17,137	–
Nine months ended December 31, 2020	302,777	10.9	27,657	65.1	27,818	64.9	18,778	58.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	344.57		–	
Nine months ended December 31, 2020	377.59		–	

Note: KOMERI CO.,LTD.(hereinafter "the Company") has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020), etc. effective from the beginning of the first quarter ended June 30, 2021. The percentages indicating year-on-year changes are not presented as the figures for net sales for the nine months ended December 31, 2021, are the figures after the application of this accounting standard.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	354,916	215,231	60.6
As of March 31, 2021	348,159	200,561	57.6

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, 2021	–	22.00	–	23.00	45.00
Year ending March 31, 2022	–	23.00	–		
Year ending March 31, 2022 (Forecast)				23.00	46.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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	382,000	0.0	27,500	(8.6)	27,600	(8.4)	17,300	(14.6)	347.83

Note: The "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020), etc. was applied from the beginning of the first quarter ended June 30, 2021 and the above consolidated earnings forecasts represent the figures after the application of the said accounting standard, etc. The percentages indicating year-on-year changes were calculated under the assumption that the said accounting standard, etc. had been applied for the fiscal year ended March 31, 2021.

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021
(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
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| Changes in accounting policies due to revisions to accounting standards and other regulations: | Yes |
| 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, 2021	54,409,168 shares	As of March 31, 2021	54,409,168 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	4,670,811 shares	As of March 31, 2021	4,677,861 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, 2021	49,735,529 shares	Nine months ended December 31, 2020	49,731,882 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	17,303	31,801
Notes and accounts receivable - trade	20,935	–
Notes and accounts receivable - trade, and contract assets	–	22,906
Merchandise and finished goods	114,131	105,241
Raw materials and supplies	259	234
Other	6,152	6,550
Allowance for doubtful accounts	(668)	(739)
Total current assets	158,114	165,995
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	116,981	116,635
Land	35,340	34,903
Leased assets, net	3,897	4,098
Other, net	6,409	6,982
Total property, plant and equipment	162,629	162,619
Intangible assets	8,618	8,668
Investments and other assets		
Investment securities	1,909	1,761
Deferred tax assets	7,742	6,464
Leasehold and guarantee deposits	7,268	7,294
Other	1,878	2,113
Allowance for doubtful accounts	(2)	(0)
Total investments and other assets	18,796	17,633
Total non-current assets	190,044	188,921
Total assets	348,159	354,916

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	29,687	25,220
Electronically recorded obligations - operating	29,800	33,936
Current portion of long-term borrowings	12,569	18,257
Lease obligations	1,436	1,500
Income taxes payable	6,923	2,169
Provision for bonuses	1,956	858
Provision for bonuses for directors (and other officers)	20	16
Provision for point card certificates	814	162
Provision for loss on disaster	38	0
Other	16,847	20,151
Total current liabilities	100,094	102,272
Non-current liabilities		
Long-term borrowings	27,870	18,350
Lease obligations	2,900	3,004
Provision for retirement benefits for directors (and other officers)	124	120
Provision for share awards for directors (and other officers)	183	178
Retirement benefit liability	5,768	5,965
Asset retirement obligations	7,718	7,881
Other	2,936	1,911
Total non-current liabilities	47,502	37,412
Total liabilities	147,597	139,685
Net assets		
Shareholders' equity		
Share capital	18,802	18,802
Capital surplus	25,260	25,260
Retained earnings	166,934	181,702
Treasury shares	(11,241)	(11,226)
Total shareholders' equity	199,756	214,539
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	461	428
Deferred gains or losses on hedges	5	–
Remeasurements of defined benefit plans	338	263
Total accumulated other comprehensive income	805	692
Total net assets	200,561	215,231
Total liabilities and net assets	348,159	354,916

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, 2020	Nine months ended December 31, 2021
Net sales	293,384	283,790
Cost of sales	196,045	190,987
Gross profit	97,338	92,802
Operating revenue	9,393	10,193
Operating gross profit	106,732	102,995
Selling, general and administrative expenses	79,075	77,873
Operating profit	27,657	25,122
Non-operating income		
Interest income	11	14
Dividend income	69	87
Foreign exchange gains	106	–
Subsidy income	43	409
Other	122	127
Total non-operating income	352	639
Non-operating expenses		
Interest expenses	103	87
Foreign exchange losses	–	98
Expenses of soil pollution measures	53	–
Other	34	37
Total non-operating expenses	191	223
Ordinary profit	27,818	25,537
Extraordinary income		
Insurance claim income	142	81
Total extraordinary income	142	81
Extraordinary losses		
Loss on disposal of non-current assets	146	446
Loss on disaster	146	56
Impairment losses	135	53
Total extraordinary losses	429	556
Profit before income taxes	27,531	25,063
Income taxes - current	8,332	6,537
Income taxes - deferred	420	1,388
Total income taxes	8,753	7,925
Profit	18,778	17,137
Profit attributable to owners of parent	18,778	17,137

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	18,778	17,137
Other comprehensive income		
Valuation difference on available-for-sale securities	424	(32)
Deferred gains or losses on hedges	(27)	(5)
Remeasurements of defined benefit plans, net of tax	(11)	(74)
Total other comprehensive income	385	(112)
Comprehensive income	19,163	17,024
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,163	17,024
Comprehensive income attributable to non-controlling interests	—	—