

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

July 27, 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
 Inquiries: Director and Managing Executive Officer Hiroshi Hayakawa TEL 025(371)4111
 Scheduled date to file Quarterly Securities Report: August 16, 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 three months ended June 30, 2021 (from April 1, 2021 to June 30, 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	%
Three months ended June 30, 2021	106,431	–	10,396	–	10,429	–	6,992	–
Three months ended June 30, 2020	111,805	15.8	12,411	74.3	12,414	73.1	8,512	76.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	140.61		–	
Three months ended June 30, 2020	171.18		–	

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 three months ended June 30, 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 June 30, 2021	355,370	206,330	58.1
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	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	23.00	–	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

	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 September 30, 2021	209,000	2.7	19,200	(6.8)	19,300	(7.0)	12,800	(9.3)	257.38
Full year	382,000	0.0	27,500	(8.6)	27,600	(8.4)	17,300	(14.6)	347.87

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 three months ended June 30, 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
- 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 June 30, 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 June 30, 2021	4,677,984 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)

Three months ended June 30, 2021	49,731,243 shares	Three months ended June 30, 2020	49,731,956 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	17,303	22,998
Notes and accounts receivable - trade	20,935	–
Notes and accounts receivable - trade, and contract assets	–	21,635
Merchandise and finished goods	114,131	111,158
Raw materials and supplies	259	241
Other	6,152	10,201
Allowance for doubtful accounts	(668)	(672)
Total current assets	158,114	165,562
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	116,981	116,850
Land	35,340	35,340
Leased assets, net	3,897	4,016
Other, net	6,409	6,351
Total property, plant and equipment	162,629	162,559
Intangible assets	8,618	8,613
Investments and other assets		
Investment securities	1,909	1,942
Deferred tax assets	7,742	7,601
Leasehold and guarantee deposits	7,268	7,265
Other	1,878	1,828
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	18,796	18,634
Total non-current assets	190,044	189,807
Total assets	348,159	355,370

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	29,687	23,000
Electronically recorded obligations - operating	29,800	40,682
Current portion of long-term borrowings	12,569	12,554
Lease obligations	1,436	1,473
Income taxes payable	6,923	3,333
Provision for bonuses	1,956	3,141
Provision for bonuses for directors (and other officers)	20	5
Provision for point card certificates	814	131
Provision for loss on disaster	38	13
Other	16,847	17,482
Total current liabilities	100,094	101,818
Non-current liabilities		
Long-term borrowings	27,870	27,337
Lease obligations	2,900	2,969
Provision for retirement benefits for directors (and other officers)	124	124
Provision for share awards for directors (and other officers)	183	184
Retirement benefit liability	5,768	5,831
Asset retirement obligations	7,718	7,785
Other	2,936	2,986
Total non-current liabilities	47,502	47,221
Total liabilities	147,597	149,039
Net assets		
Shareholders' equity		
Share capital	18,802	18,802
Capital surplus	25,260	25,260
Retained earnings	166,934	172,704
Treasury shares	(11,241)	(11,241)
Total shareholders' equity	199,756	205,525
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	461	482
Deferred gains or losses on hedges	5	9
Remeasurements of defined benefit plans	338	313
Total accumulated other comprehensive income	805	805
Total net assets	200,561	206,330
Total liabilities and net assets	348,159	355,370

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	108,502	102,769
Cost of sales	73,264	69,567
Gross profit	35,238	33,201
Operating revenue	3,302	3,662
Operating gross profit	38,540	36,863
Selling, general and administrative expenses	26,129	26,467
Operating profit	12,411	10,396
Non-operating income		
Interest income	3	4
Foreign exchange gains	6	–
Subsidy income	–	30
Other	51	79
Total non-operating income	60	113
Non-operating expenses		
Interest expenses	37	30
Foreign exchange losses	–	41
Loss on cancellation of rental contracts	12	0
Other	7	7
Total non-operating expenses	57	80
Ordinary profit	12,414	10,429
Extraordinary income		
Insurance claim income	11	–
Total extraordinary income	11	–
Extraordinary losses		
Loss on disposal of non-current assets	22	94
Loss on disaster	12	19
Impairment losses	4	–
Total extraordinary losses	40	113
Profit before income taxes	12,385	10,316
Income taxes - current	4,247	3,121
Income taxes - deferred	(374)	202
Total income taxes	3,872	3,323
Profit	8,512	6,992
Profit attributable to owners of parent	8,512	6,992

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	8,512	6,992
Other comprehensive income		
Valuation difference on available-for-sale securities	217	20
Deferred gains or losses on hedges	(14)	4
Remeasurements of defined benefit plans, net of tax	(3)	(24)
Total other comprehensive income	199	(0)
Comprehensive income	8,712	6,992
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,712	6,992
Comprehensive income attributable to non-controlling interests	–	–