

(Unofficial Translation)
Consolidated Financial Summary under Japanese GAAP
for the First Three Months of the Fiscal Year Ending September 30, 2021

February 10, 2021

Company Name: Amvis Holdings, Inc. Stock Exchange Listings: Tokyo
Code Number: 7071 URL: <https://www.amvis.co.jp/>
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Quarterly Securities Report Issue Date: February 10, 2021 Dividend Payment Date: —
Supplementary Information for Financial Statements: Available
Explanatory Meeting to be held: No

(Amounts of less than one million yen are truncated)

1. Consolidated Financial Results for the First Three Months of the Fiscal Year Ending September 30, 2021

(1) Consolidated Operating Results (% represents the change from the same period in the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three Months Ended December 31, 2020	3,168	61.1	721	46.8	790	68.9	558	69.3
December 31, 2019	1,966	—	491	—	467	—	329	—

Notes Comprehensive Income

Three Months ended December 31, 2020: 558 million yen / 69.3%

Three Months ended December 31, 2019: 329 million yen / - %

	Earnings per Share	Diluted Earnings per Share
Three Months Ended December 31, 2020	yen 24.78	yen 24.23
December 31, 2019	14.95	14.36

Notes

- Since the Company has not prepared Quarterly Consolidated Financial Statements for the first three months ended December 31, 2018, changes of the first three months ended December 31, 2019 from the same period in the previous fiscal year are not shown.
- As of April 1, 2020, the Company has implemented a 2-for-1 stock split. Therefore, Earnings per Share and Diluted Earnings per Share are calculated as if the stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated Financial Condition

	Total Assets	Total Net Assets	Shareholders' Equity Ratio
As of	million yen	million yen	%
December 31, 2020	18,211	5,678	31.2
September 30, 2020	16,519	5,255	31.8

Reference Shareholders' equity:

As of December 31, 2020: 5,678 million yen

As of September 30, 2020: 5,255 million yen

2. Dividends on Common Stock

	Dividends per Share				
	First quarter end	Second quarter end	Third quarter end	Fiscal year end	Annual
	yen	yen	yen	yen	yen
Fiscal Year Ended September 30, 2020	—	0.00	—	6.00	6.00
Fiscal Year Ending September 30, 2021	—				
Fiscal Year Ending September 30, 2021 (Forecast)		0.00	—	9.00	9.00

Notes Revision of the forecast from most recently announced figures: No

3. Consolidated Earnings Forecasts for the Fiscal Year Ending September 30,2021

(% represents the change from the same period in the previous fiscal year)

	Net Sales		Operating Profit		Profit Attributable to Owners of Parent		Earnings per Share
	million yen	%	million yen	%	million yen	%	yen
Six Months Ending March 31, 2021	6,415	57.1	1,233	21.9	902	33.1	40.07
Fiscal Year Ending September 30, 2021	14,417	57.1	2,619	39.5	1,857	49.9	82.46

Notes

1. Revision of the forecast from most recently announced figures : No
2. The change in policy has been applied retrospectively to the Consolidated Financial Statements, thus the percentage changes are calculated based on the adjusted figures.

Notes

1. Changes in significant subsidiaries during the period: No
2. Application of special accounting methods for the preparation of the quarterly consolidated financial statements: Yes
3. Changes in accounting policies, accounting estimates and restatement of correction
 - (A) Changes in accounting policies due to revision of accounting standards: No
 - (B) Other changes in accounting policies: Yes
 - (C) Changes in accounting estimates: No
 - (D) Restatement of corrections: No

4. Number of shares outstanding (common shares)

(A) Total shares outstanding including treasury shares

As of December 31, 2020	22,522,000 shares
As of September 30, 2020	22,522,000 shares

(B) Shares of treasury shares held

As of December 31, 2020	146 shares
As of September 30, 2020	120 shares

(C) Average outstanding shares

Three Months Ended December 31, 2020	22,521,876 shares
Three Months Ended December 31, 2019	22,056,374 shares

Notes

As of April 1, 2020, the Company has implemented a 2-for-1 stock split. Therefore, Total shares outstanding including treasury shares, Shares of treasury shares held and Average outstanding shares are calculated as if the stock split had taken place at the beginning of the previous fiscal year.

This report is exempt from the quarterly review procedures by CPAs or Audit firms

Notes for using earnings forecasts in this report and others

1. Disclaimer regarding forward-looking information including appropriate use of forecast financial results

This report contains forward-looking statements, such as earnings forecasts, regarding the intent, beliefs and current expectations of the Company and its management with respect to the expected financial condition and results of operations of the Company. Actual performance and results may differ from those forecasts due to various factors. Please see "1. Qualitative Information about Consolidated Results for the First Three Months (1) Explanation of Forecasts of Consolidated Financial Results and Other Forward-Looking Information" on page 4 for matters related to the above forecasts.

2. Notes on change in presentation unit of the amount of money

Figures in the Company's Quarterly Consolidated Financial Statements and other items, which were previously indicated in units of thousand yen, are indicated in units of million yen from the fiscal year ending September 30, 2021. In order to ensure comparability, the figures of the previous fiscal year are also indicated in units of million yen.

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1. Qualitative Information about Consolidated Results for the First Three Months

(1) Explanation of Forecasts of Consolidated Financial Results and Other Forward-Looking Information

The Company has revised the forecast of consolidated financial results for the six months ending March 31, 2021 and the fiscal year ending September 30, 2021 on February 1, 2021, in light of the performance in the first three months of the consolidated fiscal year, as well as its future outlook.

The forecasted statements are based on information currently available and certain assumptions that the Company regards as reasonable. Actual performance and other results may differ from these forecasted figures due to various factors.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Unit: million yen)

	As of September 30, 2020	As of December 31, 2020
Assets		
Current Assets		
Cash and Deposits	3,335	3,198
Accounts Receivable	1,978	2,321
Inventories	4	6
Other	455	348
Allowance for Doubtful Accounts	(19)	(19)
Total Current Assets	5,754	5,855
Non-Current Assets		
Property, Plant and Equipment		
Buildings and Structures, Net	3,548	5,164
Machinery, Equipment and Vehicles, Net	5	5
Tools, Furniture and Fixtures ,Net	70	74
Leased Assets, Net	3,213	3,185
Land	853	853
Construction in Progress	2,065	2,038
Total Property, Plant and Equipment	9,757	11,321
Intangible Assets		
Goodwill	23	19
Software	1	1
Other	7	11
Total Intangible Assets	33	32
Investments and Other Assets		
Leasehold and Guarantee Deposits	718	744
Deferred Tax Assets	160	160
Other	109	111
Allowance for Doubtful Accounts	(24)	(24)
Total Investments and Other Assets	963	993
Total Non-Current Assets	10,754	12,346
Deferred Assets		
Share Issuance Cost	11	9
Total Deferred Assets	11	9
Total Assets	16,519	18,211

(Unit: million yen)

	As of September 30, 2020	As of December 31, 2020
Liabilities		
Current Liabilities		
Accounts Payable	27	52
Short-term Borrowings	1,345	1,412
Current Portion of Long-Term Borrowings	597	759
Lease Obligations	76	75
Accounts Payable - Other, and Accrued Expenses	686	823
Income Taxes Payable	472	237
Provision for Bonuses	235	57
Other	144	151
Total Current Liabilities	3,585	3,568
Non-Current Liabilities		
Long-Term Borrowings	4,307	5,579
Lease Obligations	3,223	3,204
Deferred Tax Liabilities	23	23
Asset Retirement Obligations	109	136
Net Defined Benefit Liability	2	3
Other	11	15
Total Non-Current Liabilities	7,679	8,964
Total Liabilities	11,264	12,533
Net Assets		
Shareholders' Equity		
Share Capital	1,540	1,540
Capital Surplus	1,510	1,510
Retained Earnings	2,204	2,627
Treasury Shares	(0)	(0)
Total Shareholders' Equity	5,255	5,678
Total Net Assets	5,255	5,678
Total Liabilities and Net Assets	16,519	18,211

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
 [Quarterly Consolidated Statements of Income]

(Unit: million yen)

	Three Months Ended December 31, 2019	Three Months Ended December 31, 2020
Net Sales	1,966	3,168
Cost of Sales	1,106	1,994
Gross Profit	859	1,173
Selling, General and Administrative Expenses	368	452
Operating Profit	491	721
Non-Operating Income		
Interest Income	0	0
Subsidy Income	1	90
Gain on bad debts recovered	1	2
Penalty income	-	10
Other	0	2
Total Non-Operating Income	2	104
Non-Operating Expenses		
Interest Expenses	25	33
Other	0	1
Total Non-Operating Expenses	25	35
Ordinary Profit	467	790
Profit before Income Taxes	467	790
Income Taxes	138	232
Profit	329	558
Profit Attributable to Non-Controlling Interests	-	-
Profit Attributable to Owners of Parent	329	558

[Quarterly Consolidated Statements of Comprehensive Income]

(Unit: million yen)

	Three Months Ended December 31, 2019	Three Months Ended December 31, 2020
Profit	329	558
Comprehensive Income	329	558
(Details)		
Attributable to Owners of Parent	329	558
Attributable to Non-Controlling Interests	-	-

(3) Notes to Quarterly Consolidated Financial Statements

(Going Concern Assumption)

Not applicable.

(Significant Changes in the Amount of Shareholder's Equity)

Not applicable.

(Adoption of Specific Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements)

Tax Expense Calculations

Tax expenses are calculated by multiplying Profit before Income Taxes by an effective tax rate, which are reasonably estimated by applying tax effect accounting to estimated Profit before Income Taxes for the consolidated fiscal year including this three months.

(Changes in Accounting Policies)

Previously, the Company treated non-deductible consumption taxes on Property, Plant and Equipment (PP&E) as expenses at the time of acquisition of the PP&E. However, such items are now included as part of the PP&E value, in order to record such items as expenses over the useful life of the PP&E in the interests of matching of cost and revenue.

The change in policy has been applied retrospectively to the Consolidated Financial Statements. Compared with the accounting policy prior to retrospective application, PP&E and Non-Current Liabilities stated in the Consolidated Balance Sheets in the previous fiscal year increased 57 million yen and 16 million yen, respectively, while Investments and Other Assets decreased 1 million yen.

Also, Cost of Sales stated in the Quarterly Consolidated Statements of Income in the same period in the previous fiscal year increased 0 million yen, while Selling, General and Administrative Expenses decreased 3 million yen. Therefore, Operating Profit, Ordinary Profit and Profit before Income Taxes increased 3 million yen and Profit Attributable to Owners of Parent increased 2 million yen.

Reflecting the cumulative impact on Net Assets at the beginning of the previous fiscal year, Retained Earnings for that year increased 4 million yen as a result of the change in accounting policy.