

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended March 31, 2020 (Based on Japanese GAAP)

May 7, 2020

Company name: GREENS CO.,LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 6547 URL <https://www.kk-greens.jp/>
 Representative: President & Representative Director Muraki Takeya
 Director and General Manager
 Inquiries: Hiroya Ito TEL 059(351)5593
 Administration Div.
 Scheduled date to file Quarterly Securities Report: May 13, 2020
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 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 March 31, 2020 (from July 1, 2019 to March 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 March 31, 2020	21,016	(8.9)	(392)	–	(349)	–	(469)	–
Nine months ended March 31, 2019	23,057	14.7	1,852	26.5	1,844	29.3	1,204	28.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 31, 2020	(36.47)	–
Nine months ended March 31, 2019	93.64	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2020	17,143	9,865	57.5
As of June 30, 2019	18,906	10,642	56.3

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 June 30, 2019	–	0.00	–	23.00	23.00
Year ending June 30, 2020	–	0.00	–		
Year ending June 30, 2020 (Forecast)				10.00	10.00

3. Notes

- (1) Changes in significant subsidiaries during the nine months ended March 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 March 31, 2020	12,886,200 shares	As of June 30, 2019	12,886,200 shares
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Number of treasury shares at the end of the period

As of March 31, 2020	9,742 shares	As of June 30, 2019	4,342 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2020	12,878,155 shares	Nine months ended March 31, 2019	12,866,730 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	5,665,286	3,766,246
Accounts receivable - trade	1,349,093	735,036
Raw materials and supplies	109,536	100,903
Income taxes receivable	—	286,007
Consumption taxes receivable	—	86,717
Other	959,108	904,031
Allowance for doubtful accounts	(3,446)	(670)
Total current assets	8,079,579	5,878,271
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,176,586	2,499,067
Tools, furniture and fixtures, net	401,417	390,476
Land	2,112,031	2,245,265
Leased assets, net	129,913	122,823
Construction in progress	977,760	412
Total property, plant and equipment	4,797,709	5,258,045
Intangible assets	331,062	244,409
Investments and other assets		
Investment securities	50,761	47,564
Long-term loans receivable	45,130	38,654
Guarantee deposits	5,321,286	5,393,870
Other	338,821	341,122
Allowance for doubtful accounts	(58,000)	(58,000)
Total investments and other assets	5,697,999	5,763,211
Total non-current assets	10,826,771	11,265,665
Total assets	18,906,351	17,143,937

(Thousands of yen)

	As of June 30, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Accounts payable - trade	1,044,166	779,318
Short-term borrowings	120,000	120,000
Current portion of long-term borrowings	681,618	731,628
Accounts payable - other	785,179	628,262
Accrued expenses	649,654	544,159
Income taxes payable	480,398	887
Accrued consumption taxes	176,402	10,454
Provision for bonuses	—	194,314
Other	326,355	299,540
Total current liabilities	4,263,774	3,308,564
Non-current liabilities		
Long-term borrowings	3,310,483	3,236,760
Asset retirement obligations	500,461	554,100
Other	188,679	178,693
Total non-current liabilities	3,999,624	3,969,553
Total liabilities	8,263,398	7,278,118
Net assets		
Shareholders' equity		
Share capital	1,948,025	1,948,025
Capital surplus	1,948,025	1,948,015
Retained earnings	6,750,934	5,984,977
Treasury shares	(67)	(7,120)
Total shareholders' equity	10,646,918	9,873,899
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(3,966)	(8,080)
Total accumulated other comprehensive income	(3,966)	(8,080)
Total net assets	10,642,952	9,865,818
Total liabilities and net assets	18,906,351	17,143,937

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

Consolidated statements of income (cumulative)

	(Thousands of yen)	
	Nine months ended March 31, 2019	Nine months ended March 31, 2020
Net sales	23,057,993	21,016,494
Cost of sales	17,149,756	17,195,034
Gross profit	5,908,237	3,821,460
Selling, general and administrative expenses	4,055,478	4,213,571
Operating profit (loss)	1,852,758	(392,110)
Non-operating income		
Interest income	831	679
Penalty income	3,165	22,688
Other	25,650	31,581
Total non-operating income	29,646	54,950
Non-operating expenses		
Interest expenses	28,472	9,781
Other	9,134	2,217
Total non-operating expenses	37,606	11,998
Ordinary profit (loss)	1,844,799	(349,159)
Extraordinary losses		
Loss on retirement of non-current assets	18,509	6,929
Impairment loss	9,793	63,093
Total extraordinary losses	28,303	70,023
Profit (loss) before income taxes	1,816,496	(419,182)
Income taxes	611,646	50,491
Profit (loss)	1,204,850	(469,674)
Profit (loss) attributable to owners of parent	1,204,850	(469,674)

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended March 31, 2019	Nine months ended March 31, 2020
Profit (loss)	1,204,850	(469,674)
Other comprehensive income		
Valuation difference on available-for-sale securities	(5,614)	(4,113)
Deferred gains or losses on hedges	3,978	—
Total other comprehensive income	(1,636)	(4,113)
Comprehensive income	1,203,213	(473,788)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,203,213	(473,788)