

## Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2021 [Japanese GAAP] (Consolidated)

Name of Listed Company: UCHIYAMA HOLDINGS INC.  
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 Stock Listing: TSE

Scheduled Date of Dividend Payment Start: -  
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 Supplementary materials for Financial Results: No  
 Investor conference for Financial Results: No

(Amounts are rounded down to the nearest one million yen)

### 1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2021 (April 1, 2020 – June 30, 2020)

#### (1) Consolidated Financial Results

(% of change from previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2021 1Q	5,550	(41.6)	(339)	-	(269)	-	(381)	-
FY 2020 1Q	9,505	45.3	754	508.0	843	292.6	558	330.8

(Note) Comprehensive income FY 2021 1Q: ¥353 million (-%) FY 2020 1Q: ¥601 million (397.0%)

	Net income per share	Diluted net income per share
	Yen	Yen
FY 2021 1Q	(19.74)	-
FY 2020 1Q	28.91	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
FY 2021 1Q	30,804	15,627	50.7
FY 2020	29,622	16,078	54.3

(Reference) Equity capital: FY 2021 1Q: ¥15,627 million FY 2020: ¥16,078 million

### 2. Dividends

	Dividends per share				
	End of the 1Q	End of the 2Q	End of the 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2020	-	5.00	-	5.00	10.00
FY 2021	-	-	-	-	-
FY 2021 (forecast)	-	-	-	-	-

(Note) Dividends for FY 2021 are still to be determined. We will announce them as soon as estimations become possible.

### 3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2021 (April 1, 2020 - March 31, 2021)

It is difficult to reasonably calculate the impact on our business performance from the novel coronavirus at the present stage. Therefore, we have set our business forecast for the fiscal year ending March 31, 2021 to “pending.” We will promptly announce our business forecast when it becomes possible to do so in the future.

\*Notes

(1) Changes in significant subsidiaries (changes of specified subsidiaries resulting in changes in scope of consolidation) during the current term: None

(2) Application of the accounting procedures for producing quarterly consolidated financial statements: None

(3) Changes in accounting policies, accounting estimates and restatements:

- 1) Changes in accounting policies due to revisions of accounting standards: None
- 2) Changes in accounting policies due to reasons other than above 1): None
- 3) Changes in accounting estimates: None
- 4) Restatements: None

(4) Number of outstanding shares (common stock)

1) Number of outstanding shares (including treasury stock) at end of term	FY 2021 1Q	21,618,800 shares	FY 2020	21,618,800 shares
2) Number of treasury stock at end of term	FY 2021 1Q	2,287,777 shares	FY 2020	2,287,777 shares
3) Average number of shares	FY 2021 1Q	19,331,023 shares	FY 2020 1Q	19,331,023 shares

Note: The shares in the Company possessed by Trust & Custody Services Bank, Ltd. (Trust E) as a trust asset of the “stock benefit trust (J-ESOP)” (fiscal year ending March 31, 2021 1Q: 72,150 shares/fiscal year ended March 31, 2020: 72,150 shares) are included in the number of treasury stock at end of term. In addition, the shares in the Company possessed by Trust & Custody Services Bank, Ltd. (Trust E) are included in the treasury stocks to be deducted in the calculation of the average number of shares during the fiscal year (fiscal year ending March 31, 2021 1Q: 72,150 shares/fiscal year ended March 31, 2020 1Q: 72,150 shares).

\*Summary of financial results is out of scope of quarterly review by certified public accountant or audit corporation.

\*Statement regarding the proper use of financial forecasts and other remarks

- Descriptions regarding the future, including the financial projections contained in this report, are based on certain assumptions currently available to the Company, which are, at the discretion of the Company, deemed reasonable. Actual financial results may significantly vary due to various factors. For assumptions used in forecasting financial results and precautions in using the financial projections, please refer to “Analysis Concerning Future Forecasts Including Consolidated Financial Projections” on page 3 of the Appendix.
- A meeting for explaining the businesses and results to individual investors will be held when necessary. For the schedule of the meeting, etc., please see the website of the Company.

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## 1. Analysis Concerning Results of Operations and Financial Condition

### (1) Analysis Concerning Results of Operations

The economic outlook for our country in the first quarter of the current consolidated fiscal year remains uncertain, with the economy on a downward trend due to the rapid spread of COVID-19, in addition to the declined consumer confidence following the consumption tax hike in October 2019.

In this business environment, our corporate group has positioned the prevention of the spread of COVID-19 as a priority issue in each segment and discussed and promoted measures that take into account its impact on our management. For expenses, we worked on cost reduction by negotiating about rents for facilities and stores.

As a result, sales of the first quarter of the current consolidated fiscal year were 5,550,170 thousand yen (down 41.6% Year-on-Year (YoY)), operating loss was 339,992 thousand yen (operating income of 754,314 thousand yen at the same period of the previous year), ordinary loss was 269,482 thousand yen (ordinary income of 843,219 thousand yen at the same period of the previous year), and loss attributable to owners of parent was 381,621 thousand yen (profit attributable to owners of parent of 558,875 thousand yen at the same period of the previous year).

The results of each segment were as follows.

#### a. Nursing Care Business

In the Nursing Care Business, we opened “Sawayaka Ai no Ie Saijokan (Saijo City, Ehime Prefecture),” a day-services such as afterschool assistance for children with disabilities, in April, as well as “Sawayaka Sakura no Mori (Akita City, Akita Prefecture)” and “Sawayaka Kobe Nishikan (Kobe City, Hyogo Prefecture),” which are fee-charging retirement homes with nursing care, in May.

As for the industry-academia-government collaboration that we have been promoting for some time, we have refrained from vigorous activities considering the impact of COVID-19, but we are making efforts to take effective measures to the extent possible.

We are actively accepting new tenants upon a proper safety confirmation of the concerned person and his/her family in cooperation with hospitals.

The average occupancy ratio of existing facilities was 94.9% for this first quarter (which was 94.3% in the same period of a year earlier). We have 185 sales bases in 107 locations as of the end of the first quarter. As a result, sales were 4,921,817 thousand yen (up 5.8% YoY) and segment income was 297,943 thousand yen (down 12.4% YoY).

#### b. Karaoke Business

In the Karaoke Business, we implemented a temporary closure of stores until the lifting of the request for closure from each prefecture in response to the declaration of a state of emergency by the government on April 7, 2020 due to the spread of COVID-19 to prevent further spread of the infection. As a result, sales were 502,449 thousand yen (down 70.5% YoY) and segment loss was 296,400 thousand yen (segment income of 167,627 thousand yen at the same period of the previous year).

The number of stores is 93 at the end of the first quarter of this consolidated fiscal year because we newly opened 2 stores during the first quarter of this consolidated fiscal year.

#### c. Restaurant Business

For the Restaurant Business, we did not open new stores and closed one store. Accordingly, the number of stores as of the end of the first quarter of this consolidated fiscal year is 15 inside Japan, and 2 outside Japan. As with the Karaoke Business, our restaurants are temporarily closed or we have shortened our business hours until the request for voluntary restraint from each prefecture is lifted. As a result, sales were 67,276 thousand yen (down 81.0% YoY) and segment loss was 57,313 thousand yen (segment income of 15,182 thousand yen at the same period of the previous year).

#### d. Real Estate Business

In the Real Estate Business, while we sold a large-scale piece of real estate for sale in the previous consolidated first quarter, there were no real estate transactions during the first quarter of this consolidated fiscal year, and we continued to operate a brokerage service for rental properties as always. As a result, sales were 40,219 thousand yen (down 98.5% YoY) and segment income was 5,542 thousand yen (down 98.9% YoY).

e. Other businesses

As for the other businesses segment, the number of hotel guests, banquet guests, and day-trip guests for hot spring dropped significantly in the hotel business as a result of domestic and international travel restrictions and requests to refrain from going out due to the spread of COVID-19. As a result, sales were 18,407 thousand yen (down 66.6% YoY) and segment loss was 32,107 thousand yen (segment loss was 16,539 thousand yen during the same term last year).

## (2) Analysis Concerning Financial Situation

Total assets as of the end of the first quarter of this consolidated fiscal year came to 30,804,374 thousand yen, up 1,182,083 thousand yen from the end of the previous consolidated fiscal year.

Current assets came to 15,880,264 thousand yen, up 805,037 thousand yen from the end of the previous consolidated fiscal year. This is mainly because cash and deposit increased.

Noncurrent assets came to 14,924,109 thousand yen, up 377,046 thousand yen from the end of the previous consolidated fiscal year. This is mainly because buildings and structures and investments and other assets (other) increased and property, plant and equipment (other) decreased.

Liabilities as of the end of the first quarter of this consolidated fiscal year came to 15,177,121 thousand yen, up 1,633,036 thousand yen from the end of the previous consolidated fiscal year.

Current liabilities came to 5,723,291 thousand yen, down 574,942 thousand yen from the end of the previous consolidated fiscal year. This is mainly because short-term loans payable decreased and current portion of long-term loans payable increased.

Noncurrent liabilities came to 9,453,830 thousand yen, up 2,207,978 thousand yen from the end of the previous consolidated fiscal year. This is mainly because long-term loans payable increased and noncurrent liabilities (other) decreased.

Net assets as of the end of the first quarter of this consolidated fiscal year came to 15,627,252 thousand yen, down 450,952 thousand yen from the end of the previous consolidated fiscal year. This is mainly because of a decrease in retained earnings arising from dividends paid and loss attributable to owners of parent.

## (3) Analysis Concerning Future Forecasts Including Consolidated Financial Projections

We have set our consolidated business performance forecast for FY 2021 to “pending.” This is because it is difficult to calculate the impact from the novel coronavirus at the present stage.

We will announce the forecast when it becomes possible to disclose it.

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Thousands of yen)		
	FY ended March 31, 2020 (As of March 31, 2020)	1Q of FY ending March 31, 2021 (As of June 30, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	10,678,737	11,457,040
Notes and accounts receivable-trade	2,205,597	2,263,566
Merchandise	48,657	43,666
Real estate for sale	1,040,569	1,040,569
Supplies	317	305
Other	1,111,685	1,075,143
Allowance for doubtful accounts	(10,337)	(26)
Total current assets	15,075,227	15,880,264
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	4,638,414	5,487,696
Land	2,505,871	2,654,496
Other, net	1,340,803	460,150
Total property, plant and equipment	8,485,089	8,602,343
Intangible assets	56,258	54,623
Investments and other assets		
Other	6,027,151	6,295,783
Allowance for doubtful accounts	(21,435)	(28,640)
Total investments and other assets	6,005,715	6,267,142
Total noncurrent assets	14,547,062	14,924,109
Total assets	29,622,290	30,804,374

(Thousands of yen)

	FY ended March 31, 2020 (As of March 31, 2020)	1Q of FY ending March 31, 2021 (As of June 30, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	587,223	532,676
Short-term loans payable	1,079,600	266,000
Current portion of bonds	60,000	60,000
Current portion of long-term loans payable	2,274,206	2,489,519
Income taxes payable	199,758	146,364
Provision for bonuses	300,658	457,086
Provision for point card certificates	106,564	109,984
Provision for shareholder benefit program	15,810	-
Asset retirement obligation	-	6,000
Other	1,674,413	1,655,661
<b>Total current liabilities</b>	<b>6,298,234</b>	<b>5,723,291</b>
Noncurrent liabilities		
Bonds payable	180,000	180,000
Long-term loans payable	5,927,609	8,190,493
Asset retirement obligation	222,031	225,248
Provision for stock benefit	2,503	2,503
Other	913,707	855,585
<b>Total noncurrent liabilities</b>	<b>7,245,851</b>	<b>9,453,830</b>
<b>Total liabilities</b>	<b>13,544,085</b>	<b>15,177,121</b>
Net assets		
Shareholders' equity		
Capital stock	2,222,935	2,222,935
Capital surplus	2,664,695	2,664,695
Retained earnings	12,409,369	11,930,731
Treasury stock	(1,164,420)	(1,164,420)
<b>Total shareholders' equity</b>	<b>16,132,579</b>	<b>15,653,941</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(53,206)	(27,794)
Foreign currency translation adjustment	(1,168)	1,105
<b>Total accumulated other comprehensive income</b>	<b>(54,374)</b>	<b>(26,689)</b>
<b>Total net assets</b>	<b>16,078,205</b>	<b>15,627,252</b>
<b>Liabilities and net assets</b>	<b>29,622,290</b>	<b>30,804,374</b>

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

The first quarter of this consolidated fiscal year

(Thousands of yen)

	1Q of FY ended March 31, 2020 (April 1, 2019 - June 30, 2019)	1Q of FY ending March 31, 2021 (April 1, 2020 - June 30, 2020)
Net sales	9,505,034	5,550,170
Cost of sales	8,320,026	5,461,404
Gross profit	1,185,007	88,765
Selling, general and administrative expenses	430,693	428,758
Operating income (loss)	754,314	(339,992)
Non-operating income		
Interest income	1,688	2,191
Dividends income	15,683	7,628
Commission fee	27,764	19,349
Insurance income	3,491	21,426
Other	64,453	38,944
Total non-operating income	113,081	89,540
Non-operating expenses		
Interest expenses	15,162	14,277
Foreign exchange losses	4,984	-
Other	4,029	4,752
Total non-operating expenses	24,176	19,030
Ordinary income (loss)	843,219	(269,482)
Extraordinary income		
Gain on sales of noncurrent assets	-	12,427
Total extraordinary income	-	12,427
Extraordinary loss		
Impairment loss	-	4,368
Loss resulting from temporary closure, etc.	-	289,166
Total extraordinary loss	-	293,535
Income (loss) before income taxes	843,219	(550,590)
Income taxes-current	231,262	115,742
Income taxes-deferred	53,080	(284,711)
Total income taxes	284,343	(168,968)
Net income (loss)	558,875	(381,621)
Net profit (loss) attributable to owners of parent	558,875	(381,621)

Consolidated Statements of Comprehensive Income

The first quarter of this consolidated fiscal year

(Thousands of yen)

	1Q of FY ended March 31, 2020 (April 1, 2019 - June 30, 2019)	1Q of FY ending March 31, 2021 (April 1, 2020 - June 30, 2020)
Net income (loss)	558,875	(381,621)
Other comprehensive income		
Valuation difference on available-for-sale securities	42,811	25,411
Foreign currency translation adjustment	(641)	2,273
Total other comprehensive income	42,169	27,685
Comprehensive income	601,045	(353,936)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	601,045	(353,936)
Comprehensive income attributable to non-controlling interests	-	-

### (3) Notes Regarding Consolidated Financial Statements

(Notes regarding premise of a going concern)

Nothing is applicable.

(Notes on significant changes in the amount of shareholders' equity)

Nothing is applicable.

(Additional information)

No important changes have been made to the assumptions about the future spread of COVID-19 and the timing of its containment and other matters described in "Additional Information" and "Accounting Estimates" in the securities report for the previous consolidated fiscal year.

(Consolidated Statements of Income)

\*Loss resulting from temporary closure, etc.

During the first quarter of the current consolidated fiscal year, our shops are temporarily closed or we have shortened our business hours following the requests from the government and each prefecture to prevent the spread of COVID-19. The fixed costs incurred during the temporal closure (personnel costs, rents, depreciation, etc.) of 289,166 thousand yen were posted as loss resulting from temporary closure, etc. in extraordinary loss.

(Segment information, etc.)

[Segment information]

I. Cumulative period through the consolidated first quarter of the previous fiscal year (April 1 - June 30, 2019)

1. Information on sales, profits or losses, assets, liabilities, and other items for each segment

(Thousands of yen)

	Reporting segments					Other businesses (Note)*1	Total	Adjustment amount*2	Consolidated statements of income amount*3
	Nursing Care Business	Karaoke Business	Restaurant Business	Real Estate Business	Total				
Sales									
Sales to external customers	4,651,226	1,702,389	353,175	2,743,053	9,449,845	55,188	9,505,034	-	9,505,034
Internal sales or transferred amount among the segments	-	3,148	8,938	300	12,387	3	12,390	(12,390)	-
Total	4,651,226	1,705,538	362,114	2,743,353	9,462,232	55,192	9,517,424	(12,390)	9,505,034
Segment income (loss)	340,087	167,627	15,182	519,591	1,042,487	(16,539)	1,025,948	(271,633)	754,314

(Note) 1. The classification “other businesses” refers to business segments that are not included in reporting segments, and includes hotel business.

2. The segment income (loss) adjustments amount, -271,633 thousand yen, includes 141,632 thousand yen in elimination of intersegment transactions and -413,266 thousand yen in company-wide expenses that are not allocated to reporting segments. The company-wide expenses are mainly selling, general and administrative expenses that are not allocated to reporting segments.

3. Segment income (loss) is adjusted with operating income calculated in the consolidated statements of income.

2. Information on impairment of noncurrent assets, goodwill, etc. for each reporting segment

Nothing is applicable.

II. Cumulative period through the consolidated first quarter of current fiscal year (April 1 - June 30, 2020)

1. Information on sales, profits or losses, assets, liabilities, and other items for each segment

(Thousands of yen)

	Reporting segments					Other businesses (Note)*1	Total	Adjustment amount*2	Consolidated statements of income amount*3
	Nursing Care Business	Karaoke Business	Restaurant Business	Real Estate Business	Total				
Sales									
Sales to external customers	4,921,817	502,449	67,276	40,219	5,531,763	18,407	5,550,170	-	5,550,170
Internal sales or transferred amount among the segments	-	44	10,663	300	11,008	-	11,008	(11,008)	-
Total	4,921,817	502,494	77,939	40,519	5,542,771	18,407	5,561,178	(11,008)	5,550,170
Segment income (loss)	297,943	(296,400)	(57,313)	5,542	(50,228)	(32,107)	(82,336)	(257,656)	(339,992)

(Note) 1. The classification “other businesses” refers to business segments that are not included in reporting segments, and includes hotel business.

2. The segment income (loss) adjustments amount, -257,656 thousand yen, includes 124,471 thousand yen in elimination of intersegment transactions and -382,128 thousand yen in company-wide expenses that are not allocated to reporting segments. The company-wide expenses are mainly selling, general and administrative expenses that are not allocated to reporting segments.

3. Segment income (loss) is adjusted with operating loss calculated in the consolidated statements of income.

2. Information on impairment of noncurrent assets, goodwill, etc. for each reporting segment

(Significant impairment of noncurrent assets)

In the current consolidated cumulative first quarter, the Company recorded impairment loss of 4,368 thousand yen in the “Restaurant Business” segment.