

**Translation**

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**Summary of Non-Consolidated Financial Results  
for the Three Months Ended October 31, 2020  
(Based on Japanese GAAP)**

December 9, 2020

Company name: SILVER LIFE CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 9262 URL <https://www.silver-life.co.jp/>  
 Representative: President, CEO Takahisa Shimizu  
 Inquiries: Corporate Planning Division Manager Reiko Saito TEL (03)6300-5629  
 Scheduled date to file Quarterly Securities Report: December 10, 2020  
 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. Non-consolidated financial results for the three months ended October 31, 2020 (from August 1, 2020 to October 31, 2020)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended October 31, 2020	2,454	17.5	327	66.4	354	50.8	224	52.0
Three months ended October 31, 2019	2,088	9.6	197	(2.5)	235	2.2	147	4.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended October 31, 2020	21.00		20.50	
Three months ended October 31, 2019	13.91		13.48	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of October 31, 2020	5,729	4,591	80.1
As of July 31, 2020	5,613	4,364	77.7

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 July 31, 2020	–	0.00	–	0.00	0.00
Year ending July 31, 2021	–	–	–	–	–
Year ending July 31, 2021 (Forecast)	–	0.00	–	0.00	0.00

3. Forecast of non-consolidated financial results for the year ending July 31, 2021 (from August 1, 2020 to July 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending January 31, 2021	4,710	11.8	450	9.3	510	4.9	320	5.9	29.90
Full year	9,530	7.9	650	(30.4)	770	(29.1)	460	(32.2)	42.98

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) 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

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of October 31, 2020	10,702,400 shares	As of July 31, 2020	10,688,800 shares
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Number of treasury shares at the end of the period

As of October 31, 2020	294 shares	As of July 31, 2020	294 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended October 31, 2020	10,692,819 shares	Three months ended October 31, 2019	10,616,106 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of July 31, 2020	As of October 31, 2020
Assets		
Current assets		
Cash and deposits	1,847,192	1,081,108
Accounts receivable - trade	870,406	881,173
Merchandise and finished goods	63,166	103,873
Raw materials and supplies	15,563	20,473
Other	312,940	342,088
Allowance for doubtful accounts	(29,913)	(29,846)
Total current assets	3,079,355	2,398,870
Non-current assets		
Property, plant and equipment		
Buildings, net	644,716	634,606
Machinery and equipment, net	303,509	287,630
Construction in progress	839,688	1,539,149
Other, net	359,233	448,696
Total property, plant and equipment	2,147,148	2,910,082
Intangible assets	262,420	297,247
Investments and other assets		
Other	137,136	134,584
Allowance for doubtful accounts	(12,115)	(11,292)
Total investments and other assets	125,021	123,291
Total non-current assets	2,534,590	3,330,622
Total assets	5,613,946	5,729,493
Liabilities		
Current liabilities		
Accounts payable - trade	539,806	540,575
Income taxes payable	228,017	124,493
Provision for bonuses	–	9,010
Other	321,964	296,718
Total current liabilities	1,089,788	970,797
Non-current liabilities		
Other	159,761	167,044
Total non-current liabilities	159,761	167,044
Total liabilities	1,249,550	1,137,841
Net assets		
Shareholders' equity		
Share capital	716,103	717,455
Capital surplus	706,103	707,455
Retained earnings	2,942,871	3,167,422
Treasury shares	(682)	(682)
Total shareholders' equity	4,364,396	4,591,651
Total net assets	4,364,396	4,591,651
Total liabilities and net assets	5,613,946	5,729,493

**Non-consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended October 31, 2019	Three months ended October 31, 2020
Net sales	2,088,759	2,454,596
Cost of sales	1,485,597	1,703,587
Gross profit	603,162	751,009
Selling, general and administrative expenses	406,075	423,144
Operating profit	197,086	327,865
Non-operating income		
Interest income	2,471	2,612
Compensation income	34,289	19,904
Other	9,040	9,899
Total non-operating income	45,801	32,416
Non-operating expenses		
Rental expenses	4,833	4,056
Provision of allowance for doubtful accounts	2,953	1,696
Other	0	–
Total non-operating expenses	7,786	5,753
Ordinary profit	235,102	354,528
Extraordinary losses		
Loss on retirement of non-current assets	1,755	–
Total extraordinary losses	1,755	–
Profit before income taxes	233,346	354,528
Income taxes - current	76,257	117,063
Income taxes - deferred	9,388	12,913
Total income taxes	85,646	129,976
Profit	147,700	224,551