

Translation

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## Summary of Non-Consolidated Financial Results for the Three Months Ended October 31, 2021 (Based on Japanese GAAP)

December 8, 2021

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 9, 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. Non-consolidated financial results for the three months ended October 31, 2021 (from August 1, 2021 to October 31, 2021)

(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, 2021	2,683	9.3	100	(69.4)	132	(62.5)	94	(58.1)
Three months ended October 31, 2020	2,454	17.5	327	66.4	354	50.8	224	52.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended October 31, 2021	8.74		8.60	
Three months ended October 31, 2020	21.00		20.50	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of October 31, 2021	8,525	4,982	58.4
As of July 31, 2021	8,262	4,926	59.6

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 July 31, 2021	–	0.00	–	0.00	0.00
Year ending July 31, 2022	–				
Year ending July 31, 2022 (Forecast)		0.00	–	0.00	0.00

3. Forecast of non-consolidated financial results for the year ending July 31, 2022 (from August 1, 2021 to July 31, 2022)

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, 2022	5,390	10.3	160	(73.8)	220	(67.3)	140	(66.5)	12.99
Full year	11,720	16.6	550	(34.5)	680	(30.1)	430	(21.3)	39.91

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:	Yes
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, 2021	10,774,800 shares	As of July 31, 2021	10,770,000 shares
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Number of treasury shares at the end of the period

As of October 31, 2021	399 shares	As of July 31, 2021	399 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, 2021	10,772,044 shares	Three months ended October 31, 2020	10,692,819 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of July 31, 2021	As of October 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	1,472,438	1,432,815
Accounts receivable - trade	967,715	970,632
Merchandise and finished goods	186,720	187,874
Raw materials and supplies	16,032	19,561
Other	732,319	454,065
Allowance for doubtful accounts	(39,487)	(41,659)
Total current assets	3,335,739	3,023,290
Non-current assets		
Property, plant and equipment		
Buildings, net	2,634,430	2,812,935
Machinery and equipment, net	1,137,280	1,299,184
Construction in progress	156,651	111,680
Other, net	533,722	816,556
Total property, plant and equipment	4,462,084	5,040,356
Intangible assets	281,239	278,514
Investments and other assets		
Other	196,396	197,300
Allowance for doubtful accounts	(13,135)	(13,936)
Total investments and other assets	183,260	183,363
Total non-current assets	4,926,584	5,502,235
Total assets	8,262,323	8,525,525
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	541,269	585,426
Current portion of long-term borrowings	167,400	239,400
Income taxes payable	190,254	30,069
Provision for shareholder benefit program	31,720	30,320
Other	471,166	335,281
Total current liabilities	1,401,809	1,220,498
Non-current liabilities		
Long-term borrowings	1,762,850	2,131,000
Other	171,328	191,553
Total non-current liabilities	1,934,178	2,322,553
Total liabilities	3,335,987	3,543,052
<b>Net assets</b>		
Shareholders' equity		
Share capital	724,137	724,514
Capital surplus	714,137	714,514
Retained earnings	3,488,980	3,544,363
Treasury shares	(919)	(919)
Total shareholders' equity	4,926,335	4,982,473
Total net assets	4,926,335	4,982,473
Total liabilities and net assets	8,262,323	8,525,525

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

(Thousands of yen)

	Three months ended October 31, 2020	Three months ended October 31, 2021
Net sales	2,454,596	2,683,155
Cost of sales	1,703,587	2,061,016
Gross profit	751,009	622,139
Selling, general and administrative expenses	423,144	521,741
Operating profit	327,865	100,397
Non-operating income		
Interest income	2,612	2,860
Compensation income	19,904	25,841
Other	9,899	12,496
Total non-operating income	32,416	41,198
Non-operating expenses		
Interest expenses	–	1,320
Rental expenses	4,056	4,292
Depreciation of inactive non-current assets	–	2,113
Bad debt expenses	–	86
Provision of allowance for doubtful accounts	1,696	869
Total non-operating expenses	5,753	8,684
Ordinary profit	354,528	132,911
Extraordinary losses		
Loss on retirement of non-current assets	–	7,090
Total extraordinary losses	–	7,090
Profit before income taxes	354,528	125,821
Income taxes - current	117,063	25,196
Income taxes - deferred	12,913	6,520
Total income taxes	129,976	31,717
Profit	224,551	94,104