This English translation of the financial report was prepared for reference purposes only and is qualified in its entirety by the original Japanese version. The financial information contained in this report is derived from our unaudited consolidated financial statements.

Consolidated Financial Report
For the Six Months Ended August 31, 2020 (IFRS)

October 14, 2020

Company Name： KOMEDA Holdings Co., Ltd. Stock Exchange Listing：Tokyo and Nagoya
Securities Code： 3543 URL：http://www.komeda-holdings.co.jp/index.html
Representative： Okitane Usui, President & CEO
Contact for enquiries Hiroki Shimizu, Director & CFO (TEL) +81-52-936-8880
Filing date of quarterly security report (as planned)： October 14, 2020
Dividend payable date (as planned) ： November 30, 2020
Supplemental material of quarterly financial results：Yes
Convening briefing of quarterly financial results ：Yes

(Millions of yen; amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the Six Months Ended August 31, 2020

(1) Consolidated Operating Results (Percentages represent year-on-year changes)

	Revenue		Operating profit		Income before income taxes		Net income		Net income attributable to owners of the parent		Total comprehensive income	
Six months ended	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
August 31, 2020	13,479	(12.1)	2,404	(38.9)	2,340	(39.6)	1,601	(39.7)	1,600	(39.8)	1,605	(39.5)
August 31, 2019	15,328	3.2	3,932	6.4	3,874	6.3	2,658	6.3	2,658	6.4	2,651	6.0

	Basic earnings per share	Diluted earnings per share
Six months ended	(Yen)	(Yen)
August 31, 2020	34.71	34.61
August 31, 2019	58.25	57.91

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
As of	(Millions of yen)	(Millions of yen)	(Millions of yen)	%
August 31, 2020	107,234	33,636	33,608	31.3
February 29, 2020	98,438	33,213	33,186	33.7

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended February 29, 2020	—	25.00	—	26.00	51.00
Fiscal year ending February 28, 2021	—	18.00			
Fiscal year ending February 28, 2021 (Forecasted)			—	—	—

(Note) Revision of dividend forecast: Yes

Year-end dividend for the fiscal year ending February 28, 2021 is not determined at present.

3. Forecasts on the Consolidated Financial Results for the Fiscal Year Ending February 28, 2021 (March 1, 2020 - February 28, 2021)

(Percentages represent year-on-year changes)

	Revenue		Operating profit		Income before income taxes		Net income		Net income attributable to owners of the parent		Basic earnings per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
Fiscal year ending February 28, 2021	27,600	(11.6)	5,330	(32.3)	5,200	(33.1)	3,570	(33.5)	3,565	(33.7)	77.35

(Notes) Revision of forecasts: Yes

(1) Changes in status of significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in scope of consolidation) : No

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required by IFRSs : No

(ii) Changes in accounting policies other than those in (i) : Yes*

* The amendment to IFRS 16 “COVID-19 Related Rent Concessions”, published in May 2020, has been early adopted effective June 1, 2020. As a result of this adoption, the impact is not material.

(iii) Changes in accounting estimates : No

(3) Number of issued shares (common stock)

(i) Number of issued shares (including treasury stock)	As of August 31, 2020	46,096,950	As of February 29, 2020	46,083,600
(ii) Number of treasury stock	As of August 31, 2020	6,673	As of February 29, 2020	3,977
(iii) Average number of issued shares during the period	Six months ended August 31, 2020	46,087,885	Six months ended August 31, 2019	45,639,067

*** This report is not subject to quarterly review procedures.**

*** Notes for using forecasted information and other matters**

-The forecasts above are based on information available at the date of this report and certain assumptions deemed to be reasonable. The Company does not provide any assurance as to achievement of these forecasts. In addition, the actual results may vary materially from the forecasts due to various uncertainties.

- Supplementary materials will be posted on our web site on October 16, 2020.

- Change in Monetary Unit:

In previous interim consolidated financial statements, the unit for accounting items was stated at thousands of yen. However, starting from the first quarter ended May 31, 2020, the unit has been changed to millions of yen. To ensure comparability, comparative information have been also restated to millions of yen.

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Interim Consolidated Financial Statements

(1) Interim Consolidated Statements of Financial Position (Unaudited)

(Millions of yen)

	As of	
	February 29, 2020	August 31, 2020
Assets		
Current assets		
Cash and cash equivalents	6,609	4,686
Trade and other receivables	6,341	5,316
Other financial assets	4,133	15,745
Inventories	201	193
Other current assets	936	406
Total current assets	18,220	26,346
Non-current assets		
Property, plant and equipment	12,162	12,187
Goodwill	38,354	38,354
Other intangible assets	163	178
Trade and other receivables	25,932	26,574
Other financial assets	3,004	3,082
Deferred tax assets	298	295
Other non-current assets	305	218
Total non-current assets	80,218	80,888
Total assets	98,438	107,234
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and payables	1,550	1,541
Short-term borrowings	3,095	12,927
Lease liabilities	2,292	3,035
Income tax payable	1,222	1,748
Other financial liabilities	1,740	1,100
Other current liabilities	1,374	1,264
Total current liabilities	11,273	21,615
Non-current liabilities		
Long-term debt	17,452	16,198
Lease liabilities	29,753	29,015
Other financial liabilities	6,129	6,130
Provisions	225	263
Other non-current liabilities	393	377
Total non-current liabilities	53,952	51,983
Total liabilities	65,225	73,598
Equity		
Common stock	613	618
Capital surplus	13,096	13,113
Retained earnings	19,495	19,897
Treasury stock	(10)	(16)
Other components of equity	(8)	(4)
Equity attributable to owners of the parent	33,186	33,608
Non-controlling interests	27	28
Total equity	33,213	33,636
Total liabilities and equity	98,438	107,234

(2) Interim Consolidated Statements of Income (Unaudited)

(Millions of yen)

	Six months ended August 31,	
	2019	2020
Revenue	15,328	13,479
Cost of sales	(9,379)	(8,640)
Gross profit	5,949	4,839
Other operating income	115	135
Selling, general and administrative expenses	(2,108)	(2,226)
Other operating expenses	(24)	(344)
Operating profit	3,932	2,404
Financial income	16	10
Financial expense	(74)	(74)
Income before income taxes	3,874	2,340
Income taxes	(1,216)	(739)
Net income	2,658	1,601
Net income attributable to:		
Owners of the parent	2,658	1,600
Non-controlling interests	0	1
Net income	2,658	1,601
Interim earnings per share		
Basic (Yen)	58.25	34.71
Diluted (Yen)	57.91	34.61

(3) Interim Consolidated Statements of Cash Flows (Unaudited)

(Millions of yen)

	Six months ended August 31,	
	2019	2020
Cash flows from operating activities		
Income before income taxes	3,874	2,340
Depreciation and amortization	534	698
Financial income	(16)	(10)
Financial expense	74	74
Decrease (increase) in trade and other receivables	(24)	511
Decrease (increase) in guarantee deposits and construction assistance fund receivables	(60)	(79)
Decrease (increase) in other financial assets	(11)	(14)
Increase (decrease) in trade payables	302	(8)
Increase (decrease) in guarantee deposits received and construction assistance fund received	(36)	2
Increase (decrease) in other financial liabilities	(68)	399
Others	(23)	415
Subtotal	4,555	4,328
Interest received	3	6
Interest paid	(32)	(43)
Income taxes paid	(1,288)	(186)
Income taxes refunded	489	533
Net cash provided by operating activities	3,727	4,638
Cash flows from investing activities		
Decrease (increase) in time deposits	—	(11,590)
Purchase of property, plant and equipment	(654)	(757)
Purchase of intangible assets	(2)	(45)
Others	(2)	(26)
Net cash used in investing activities	(658)	(12,418)
Cash flows from financing activities		
Proceeds from short-term borrowings	—	10,130
Repayment of long-term debt	(1,562)	(1,565)
Repayments of lease obligations	(1,330)	(1,507)
Proceeds from issuance of common stock	62	7
Purchase of treasury stock	898	—
Cash dividends paid to owners of the parent	(1,130)	(1,201)
Net cash provided by (used in) financing activities	(3,062)	5,864
Effect of exchange rate changes on cash and cash equivalents	(12)	(7)
Net increase (decrease) in cash and cash equivalents	(5)	(1,923)
Cash and cash equivalents at beginning of period	5,841	6,609
Cash and cash equivalents at end of period	5,836	4,686