Consolidated Financial Results
for the Nine Months Ended March 31, 2020
[Japanese GAAP]

May 15, 2020

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Stock exchange listing: Tokyo Stock Exchange
Code number: 5698
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Scheduled date of filing quarterly securities report: May 15, 2020
Scheduled date of commencing dividend payments: ―
Availability of supplementary briefing material on quarterly financial results: Available
Schedule of quarterly financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended March 31, 2020 (July 1, 2019 to March 31, 2020)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2020	27,294	1.4	894	61.3	1,026	36.3	750	52.7
March 31, 2019	26,917	(4.4)	554	(38.0)	753	(32.7)	491	(38.4)

(Note) Comprehensive income: Nine months ended March 31, 2020: ¥765 million [54.1 %]
Nine months ended March 31, 2019: ¥496 million [(36.1) %]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
March 31, 2020	51.21	48.98
March 31, 2019	32.91	31.43

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of March 31, 2020	20,448	12,135	57.6
As of June 30, 2019	19,759	11,562	56.7

(Reference) Equity: As of March 31, 2020: ¥11,778 million
As of June 30, 2019: ¥11,195 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2019	-	0.00	-	16.00	16.00
Fiscal year ending June 30, 2020	-	0.00	-		
Fiscal year ending June 30, 2020 (Forecast)				17.00	17.00

(Note) Revision to the dividend forecast from recently announced figures: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2020 (July 1, 2019 to June 30, 2020)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	36,571	0.6	981	16.9	1,251	9.6	892	13.4	60.98

(Note) 1. Revision to the business forecast from recently announced figures: No

(Note) 2. Regarding the financial results forecast for the full year of the fiscal year ending June 30, 2020, uncertainties due to the impact of the spread of the novel coronavirus (COVID-19) are growing gradually. Although the forecasts announced on August 9, 2019 are unchanged as of this moment, the Company will continue to monitor the impact on business performance caused by COVID-19, and promptly announce revisions to the financial results forecast when any significant revisions are made.

*** Notes:**

(1) Changes in significant subsidiaries during the nine months ended March 31, 2020 (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Adoption of special accounting methods for preparing quarterly consolidated financial statement: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1) above: Yes
3) Changes in accounting estimates: Yes
4) Retrospective restatement: No

* For details, please see "2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to the Quarterly Consolidated Financial Statements (Changes in Accounting Policies that are Difficult to Distinguish from Changes in Accounting Estimates)" on page 10 of the attached document.

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):
March 31, 2020: 15,051,227 shares
June 30, 2019: 15,051,227 shares

2) Total number of treasury shares at the end of the period:
March 31, 2020: 333,286 shares
June 30, 2019: 413,159 shares

3) Average number of shares during the period:

Nine months ended March 31, 2020: 14,658,340 shares

Nine months ended March 31, 2019: 14,938,532 shares

* These quarterly financial results are outside the scope of quarterly review by certified public accountants or audit firms.

* Explanation of the proper use of financial results forecast and other notes

The financial results forecast and other forward-looking statements in this material are based on information currently available to the Company and certain assumptions deemed to be reasonable, and actual results may differ significantly due to various factors. Please see the “Explanation of Business Results” on page 2 of the attached document of this material for the conditions for financial results forecast, as well as important matters to be aware of when using the financial results forecast.

Table of Contents of Appendix

1. Qualitative Information on Quarterly Financial Results 2
(1) Explanation of Business Results 2
(2) Explanation of Financial Position 5
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information 5
2. Quarterly Consolidated Financial Statements and Primary Notes 6
(1) Quarterly Consolidated Balance Sheets 6
(2) Quarterly Consolidated Statements of Income and Comprehensive Income 8
(3) Notes to the Quarterly Consolidated Financial Statements 10
(Notes on Going Concern Assumption) 10
(Notes in the Case of Significant Changes in Shareholders' Equity) 10
(Changes in Accounting Policies that are Difficult to Distinguish from Changes in Accounting Estimates) 10
(Segment Information) 11
(Significant Subsequent Events) 13

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Business Results

In the Group's business areas during the nine months ended March 31, 2020, the outlook remained uncertain, due to factors including the planned implementation of suspension of operations by blast furnace companies owing to a sharp decline in demand for steel products because of the spread of COVID-19 infections, in addition to prolonged trade friction between the U.S. and China. As a result of these impacts, steel product prices showed signs of weakness, and the ferrous scrap price (Tokyo Steel (Tahara) Tokkyu Seaborne Price) fell below that of the previous fiscal year with an average price of ¥22,182 during the nine months (¥34,031 during the same period of the previous year), reaching a low of ¥20,000 at the end of the nine months. Regarding prices of non-ferrous metals, the prices of copper and aluminum, our main non-ferrous items, fell below those seen in the previous year.

Amid this environment, during the nine months ended March 31, 2020, the Group progressed with "further cultivation of existing businesses," "establishment of a new pillar" and "reinforcement of foundation," under our mission statement "Contribute to create a sustainable society."

As a result, for the nine months ended March 31, 2020, net sales were ¥27,294 million (up 1.4% year on year), operating profit was ¥894 million (up 61.3% year on year), ordinary profit was ¥1,026 million (up 36.3% year on year), and profit attributable to owners of parent was ¥750 million (up 52.7% year on year).

Results by segment are as follows, with net sales shown as inter-segment sales or sales including transfers.

Summary of Business Results by Segment

<Net sales> (Million yen)

	Nine months ended March 31, 2019	Nine months ended March 31, 2020	Increase/decrease ratio
Resource Circulation Business	9,591	8,609	(10.2)%
Global Resource Circulation Business	16,090	16,067	(0.1)%
Used-cars-related Business	4,575	4,824	5.4%
Others	331	222	(32.8)%
Adjustment	(3,672)	(2,429)	―
Total	26,917	27,294	1.4%

<Segment profit (loss)> (Million yen)

	Nine months ended March 31, 2019	Nine months ended March 31, 2020	Increase/decrease ratio
Resource Circulation Business	643	458	(28.7)%
Global Resource Circulation Business	171	571	232.8%
Used-cars-related Business	(0)	83	―
Others	50	22	(56.0)%
Adjustment	(111)	(109)	―
Total	753	1,026	36.3%

(Note) Segment profit (loss) is adjusted to ordinary profit shown on the Quarterly Consolidated Statements of Income.

1) Resource Circulation Business

Ferrous and nonferrous metals scrap prices showed signs of further weakness, and the environment deteriorated, with increases in waste processing fees at final disposal sites and limitations placed on acceptance. Amid this environment, the Group secured a gross profit due to revisions to prices for accepting raw materials in response to processing fee hike at final disposal sites after intermediate processing. On the other hand, the increase in fixed costs related to recycling equipment for our new lithium ion rechargeable batteries business, in addition to an increase in personnel expenses due to factors including securing of personnel for the future and increases in bonuses, as well as a decrease in the share of profit of entities accounted for using equity method due to the effect of declining market prices, placed pressure on revenue. The Group will continue to strive to increase its handling volume of resources, and establish new businesses.

As a result, net sales in the Resource Circulation Business segment were ¥8,609 million (down 10.2% year on year), while segment profit was ¥458 million (down 28.7% year on year).

2) Global Resource Circulation Business

Regarding ferrous scrap and non-ferrous metals scrap business, handling volume and profit increased due to efforts to devise transportation methods, in addition to the expansion of stockyards and efforts to capitalize on domestic and overseas demand. In addition, the sale of the remained one of the two retired dedicated aircrafts of the Japanese government, which was inventory at the end of the previous fiscal year, also contributed to revenue. In the wood biomass fuel business as one of our new business, the first shipment to the Japanese market was successfully achieved. Most recently, the demand and supply of wood biomass materials in Japan has tightened due to the effects of the lockdown in Malaysia in response to the spread of COVID-19, resulting in a

trend of increasing inquiries with our collection yards in Indonesia. We will continue to strive to increase our handling volume.

As a result, net sales in the Global Resource Circulation Business segment were ¥16,067 million (down 0.1% year on year), while segment profit was ¥571 million (up 232.8 % year on year).

3) Used-cars-related Business

An increase in sales of used trucks for South East Asia, and a recovery mainly in Dubai in the handling volume of logistics agency services, which had been sluggish during the same period of the previous fiscal year, as well as the effects of a reduction in fixed costs due partly to the reduction of yard size for the loading of used cars, all contributed to revenue, despite weakness in demand for used cars in Chile, one of our major export destination countries, and sluggish sales of used cars and used engines in Chile and Uganda due to the impact of COVID-19 in March.

As a result, net sales in the Used-cars-related Business segment were ¥4,824 million (up 5.4% year on year), while segment profit was ¥83 million (compared with segment loss of ¥0 million in the same period of the previous fiscal year).

4) Others

The Environment Management Consulting Business remained strong, due mainly to continued orders for CDP responses, evaluation improvement support and other services, as well as other factors including the commencement of new services, such as Task Force on Climate-related Financial Disclosures (TCFD) response support. On the other hand, profit decreased due to increased personnel expenses owing to reinforcement of organization.

Revenue for the Welfare Service Business for Persons with Disabilities increased compared to the same period in the previous fiscal year, due to the increased recognition of existing offices, although factors such as prior investment in personnel costs for the Type-B Continuous Employment Support Office newly-established in Fujinomiya City, Shizuoka Prefecture, during the three months ended September 30, 2019, led to the failure to turn a profit.

In addition, the solar power plant developer E3 Co., Ltd., all the shares of which the Company transferred on December 28, 2018, was included in the scope of consolidation for the nine months ended March 31, 2019.

As a result, net sales in Others segment were ¥222 million (down 32.8% year on year), while segment profit was ¥22 million (down 56.0% year on year).

(2) Explanation of Financial Position

1) Status of assets, liabilities, and net assets

Total assets as of March 31, 2020, amounted to ¥20,448 million (up ¥688 million, or 3.5% from the end of the previous fiscal year). Current assets amounted to ¥11,221 million (up ¥69 million, or 0.6% from the end of the previous fiscal year). This was primarily due to increases of ¥1,243 million in cash and deposits, and ¥449 million in notes and accounts receivable – trade, despite decreases of ¥1,447 million in merchandise and finished goods, and ¥215 million in other current assets. Non-current assets amounted to ¥9,226 million (up ¥619 million, or 7.2% from the end of the previous fiscal year). This was mainly due to increases of ¥549 million in machinery, equipment and vehicles and ¥199 million in buildings and structures, despite a decrease of ¥323 million in construction in progress.

Total liabilities as of March 31, 2020, amounted to ¥8,313 million (up ¥115 million, or 1.4% from the end of the previous fiscal year). Current liabilities amounted to ¥5,871 million (up ¥699 million, or 13.5% from the end of the previous fiscal year). This was mainly due to an increase of ¥860 million in short-term borrowings. Non-current liabilities amounted to ¥2,441 million (down ¥584 million, or 19.3% from the end of the previous fiscal year). This was mainly due to a decrease of ¥596 million in long-term borrowings.

Total net assets as of March 31, 2020, amounted to ¥12,135 million (up ¥573 million, or 5.0% from the end of the previous fiscal year). This was mainly due to an increase in retained earnings of ¥516 million.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The consolidated financial results forecast for the fiscal year ending June 30, 2020, announced in the Consolidated Financial Results dated August 9, 2019, remains unchanged. However, the following impacts are being seen on each business segment due to such factors as restricted movement and lockdowns in various countries because of the spread of COVID-19.

Regarding the Used-cars-related Business, COVID-19 has been causing impacts on all business activities, including the suspension of sales activities in the location of the sales base of our local subsidiary in Chile in response to requests issued in late March for voluntary restraints, a substantive curfew banning all movement other than walking in Uganda from the end of March, and a decrease in orders for logistics services. As a result, a decrease in sales and a deterioration of income are unavoidable.

Regarding the Resource Circulation Business in Japan and the Global Resource Circulation Business in overseas countries, uncertainty is gradually increasing as some effects are being seen from makers' suspension of business activities, including a decrease in raw materials and in the amount of wastes generated.

We will continue to monitor the impact on business performance caused by COVID-19, and promptly announce revisions to the financial results forecast when any significant revisions are made.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of June 30, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	2,855,593	4,098,599
Notes and accounts receivable - trade	2,793,397	3,242,689
Merchandise and finished goods	3,955,709	2,508,242
Work in process	14,598	20,437
Raw materials and supplies	383,977	421,279
Other	1,190,013	974,684
Allowance for doubtful accounts	(40,843)	(44,209)
Total current assets	11,152,446	11,221,722
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,202,152	4,492,370
Accumulated depreciation	(2,512,248)	(2,602,647)
Buildings and structures, net	1,689,904	1,889,722
Machinery, equipment and vehicles	9,383,078	10,156,261
Accumulated depreciation	(7,982,329)	(8,206,024)
Machinery, equipment and vehicles, net	1,400,749	1,950,237
Land	2,507,555	2,507,061
Construction in progress	467,400	143,437
Other	432,968	445,250
Accumulated depreciation	(367,603)	(376,921)
Other, net	65,365	68,329
Total property, plant and equipment	6,130,974	6,558,787
Intangible assets		
Goodwill	22,601	12,915
Other	67,282	62,730
Total intangible assets	89,884	75,645
Investments and other assets		
Investment securities	2,122,992	2,290,957
Investments in capital	9,280	9,280
Deferred tax assets	159,164	206,728
Other	335,820	324,163
Allowance for doubtful accounts	(240,661)	(238,660)
Total investments and other assets	2,386,595	2,592,469
Total non-current assets	8,607,454	9,226,903
Total assets	19,759,900	20,448,626

(Thousand yen)

	As of June 30, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	950,053	906,739
Short-term borrowings	1,880,000	2,740,000
Current portion of long-term borrowings	439,561	891,382
Lease obligations	51,346	50,854
Income taxes payable	225,458	282,923
Provision for bonuses	60,356	187,226
Other	1,565,323	812,712
Total current liabilities	5,172,098	5,871,837
Non-current liabilities		
Long-term borrowings	2,122,796	1,526,202
Lease obligations	137,711	142,472
Deferred tax liabilities	24,443	—
Deferred tax liabilities for land revaluation	64,282	64,282
Retirement benefit liability	309,763	342,281
Asset retirement obligations	167,073	167,818
Other	199,664	198,376
Total non-current liabilities	3,025,733	2,441,433
Total liabilities	8,197,832	8,313,271
Net assets		
Shareholders' equity		
Share capital	1,524,830	1,524,830
Capital surplus	1,973,372	1,965,308
Retained earnings	7,941,272	8,457,649
Treasury shares	(273,350)	(220,474)
Total shareholders' equity	11,166,124	11,727,313
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	37,235	56,397
Revaluation reserve for land	8,633	8,633
Foreign currency translation adjustment	(16,547)	(13,864)
Total accumulated other comprehensive income	29,322	51,166
Share acquisition rights	328,125	325,804
Non-controlling interests	38,496	31,069
Total net assets	11,562,068	12,135,354
Total liabilities and net assets	19,759,900	20,448,626

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Thousand yen)

	For the nine months ended March 31, 2019	For the nine months ended March 31, 2020
Net sales	26,917,185	27,294,817
Cost of sales	22,153,224	21,778,966
Gross profit	4,763,960	5,515,850
Selling, general and administrative expenses	4,209,578	4,621,692
Operating profit	554,381	894,157
Non-operating income		
Interest income	2,706	3,867
Dividend income	6,181	3,839
Share of profit of entities accounted for using equity method	179,731	121,506
Rental income	24,070	24,259
Outsourcing service income	6,877	6,491
Other	22,536	20,960
Total non-operating income	242,104	180,924
Non-operating expenses		
Interest expenses	25,248	12,298
Commission expenses	4,226	4,680
Foreign exchange losses	2,927	21,432
Other	10,592	9,907
Total non-operating expenses	42,994	48,318
Ordinary profit	753,491	1,026,763
Extraordinary income		
Gain on sales of non-current assets	20,087	8,496
Insurance claim income	34,944	88,306
National subsidies	—	237,039
Compensation income	21,208	10,296
Other	5,034	—
Total extraordinary income	81,275	344,138
Extraordinary losses		
Loss on retirement of non-current assets	242	1,529
Loss on sales of non-current assets	—	118
Loss on tax purpose reduction entry of non-current assets	—	237,039
Provision of allowance for doubtful accounts	58,879	—
Loss on disaster	16,765	25,988
Total extraordinary losses	75,887	264,674
Profit before income taxes	758,879	1,106,227
Income taxes - current	332,821	462,270
Income taxes - deferred	(65,508)	(99,202)
Total income taxes	267,312	363,068
Profit	491,567	743,159
Loss attributable to non-controlling interests	(100)	(7,427)
Profit attributable to owners of parent	491,667	750,586

Quarterly Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the nine months ended March 31, 2019	For the nine months ended March 31, 2020
Profit	491,567	743,159
Other comprehensive income		
Valuation difference on available-for-sale securities	(13,068)	19,162
Foreign currency translation adjustment	18,015	2,682
Total other comprehensive income	4,947	21,844
Comprehensive income	496,515	765,003
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	496,615	772,431
Comprehensive income attributable to non-controlling interests	(100)	(7,427)

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no relevant information.

(Notes in the Case of Significant Changes in Shareholders' Equity)

There is no relevant information.

(Changes in Accounting Policies that are Difficult to Distinguish from Changes in Accounting Estimates)

(Change in the depreciation method for property, plant and equipment)

Previously, the Group generally adopted the declining-balance method for depreciating property, plant and equipment (excluding lease assets). (The straight-line method was used for depreciating buildings, excluding facilities attached to buildings, acquired on or after April 1, 1998, and facilities attached to buildings and structures acquired on or after April 1, 2016.) However, starting from the three months ended September 30, 2019, the Group has changed its depreciation method to the straight-line method.

Upon review of the utilization of property, plant and equipment, motivated by new capital investment, it has been decided that using the straight-line method to distribute costs evenly across the useful life of assets more appropriately reflects actual status of property, plant and equipment utilization.

As a result of this change, compared with the figures under the previous depreciation method, depreciation for the nine months ended March 31, 2020, decreased by ¥126,041 thousand, while operating profit, ordinary profit, and profit before income taxes each increased by ¥126,041 thousand.

(Segment Information)

(Segment Information)

I Nine months ended March 31, 2019 (July 1, 2018 to March 31, 2019)

1. Information on net sales and profit (loss) by reportable segment

(Thousand yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Resource Circulation	Global Resource Circulation	Used-cars-related	Total				
Net sales								
Net sales to outside customers	6,154,550	15,894,427	4,572,636	26,621,613	295,571	26,917,185	—	26,917,185
Inter-segment sales or transfers	3,436,885	196,537	2,961	3,636,384	35,789	3,672,174	(3,672,174)	—
Total	9,591,435	16,090,965	4,575,597	30,257,998	331,360	30,589,359	(3,672,174)	26,917,185
Segment profit (loss)	643,208	171,783	(953)	814,038	50,890	864,928	(111,437)	753,491

(Notes) 1. The "Others" business segment, which is not included in the reportable segments, includes the Environment Management Consulting Business, the Welfare Service Business for Persons with Disabilities, and E3 Co., Ltd., which was excluded from consolidation in December 2018.

2. Figures are adjusted as follows:
The adjustment for segment profit (loss) of negative ¥111,437 thousand is corporate expenses not allocated to each reportable segment. Corporate expenses primarily consist of general and administrative expenses that are not attributed to each reportable segment.

3. Segment profit (loss) is adjusted with ordinary profit in the quarterly consolidated statements of income.

2. Information about impairment loss on non-current assets, goodwill, etc. by reportable segment

(Significant impairment loss on non-current assets)
There is no relevant information.

(Significant changes in the amount of goodwill)
There is no relevant information.

(Significant gain on bargain purchase)
There is no relevant information.

II Nine months ended March 31, 2020 (July 1, 2019 to March 31, 2020)

1. Information on net sales and profit (loss) by reportable segment

(Thousand yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Resource Circulation	Global Resource Circulation	Used-cars-related	Total				
Net sales								
Net sales to outside customers	6,331,319	15,951,439	4,820,445	27,103,204	191,612	27,294,817	—	27,294,817
Inter-segment sales or transfers	2,278,607	115,646	4,404	2,398,658	31,100	2,429,758	(2,429,758)	—
Total	8,609,926	16,067,086	4,824,850	29,501,863	222,712	29,724,575	(2,429,758)	27,294,817
Segment profit	458,645	571,771	83,730	1,114,147	22,373	1,136,520	(109,757)	1,026,763

(Notes) 1. The "Others" business segment, which is not included in the reportable segments, includes the Environment Management Consulting Business and the Welfare Service Business for Persons with Disabilities.

2. Figures are adjusted as follows:
The adjustment for segment profit of negative ¥109,757 thousand is corporate expenses not allocated to each reportable segment. Corporate expenses primarily consist of general and administrative expenses that are not attributed to each reportable segment.

3. Segment profit is adjusted with ordinary profit in the quarterly consolidated statements of income.

2. Items related to changes in the reportable segments

(1) From the end of the previous fiscal year, based on a review of segment classification in line with the business development and strategy making for products and services handled by each business company within the Group, reportable segment has been classified from a single segment, the Resource Recycling Business, into three reportable segments: Resource Circulation Business, Global Resource Circulation Business and Used-cars-related Business.

The segment information for the nine months ended March 31, 2019, is based on the reportable segment classification after the change.

(2) As described in Changes in Accounting Policies that are Difficult to Distinguish from Changes in Accounting Estimates, previously, the Company and its consolidated subsidiaries generally used the declining balance method for depreciating certain property, plant and equipment. However, upon review of the utilization of property, plant and equipment, motivated by new capital investment, it has been decided that using the straight-line method to distribute costs across the useful life of assets more appropriately reflects actual status of property, plant and equipment utilization. Accordingly, the Company and its subsidiaries has changed the depreciation method to the straight-line method, starting from the three months ended September 30, 2019.

As a result of this change, segment profit for the Resource Circulation Business, Global Resource Circulation Business, Used-cars-related Business, and Others for the nine months ended March 31, 2020, increased by ¥113,468 thousand, ¥4,187 thousand, ¥6,079 thousand, and ¥2,305 thousand, respectively, compared with the figures under the previous depreciation method.

3. Information about impairment loss on non-current assets and goodwill, etc. by reportable segment

(Significant impairment loss on non-current assets)

There is no relevant information.

(Significant changes in the amount of goodwill)
There is no relevant information.

(Significant gain on bargain purchase)
There is no relevant information.

(Significant Subsequent Events)

(Borrowing of funds and conclusion of a commitment line agreement)

At the Board of Directors' meeting held on May 15, 2020, the Company resolved to borrow funds and conclude a commitment line agreement, for the purpose of ensuring liquidity on hand and securing a flexible and stable means of fund procurement. The details are as follows.

1. Outline of the borrowing

(1) Lender	MUFG Bank, Ltd. and The Shizuoka Bank, Ltd.
(2) Total amount	¥3,000 million
(3) Planned borrowing date	Late May 2020
(4) Interest payments	Base interest rate + spread
(5) Borrowing period	5 to 6 years
(6) Floating or fixed rate	Floating rate
(7) Repayment method	Equal principal payment
(8) Existence of security/guarantee	No

2. Outline of the commitment line agreement

(1) Lender	Sumitomo Mitsui Banking Corporation
(2) Maximum amount	¥2,000 million
(3) Planned conclusion date	Late May 2020
(4) Agreement period	1 year
(5) Existence of security/guarantee	No