# Financial Results for FY Ended March 2020
## - Supplementary material

**May 8, 2020**

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**Asante Incorporated**

【TSE First Section Securities Code 6073】

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# Results for Profit and Loss (YoY)

- Net sales decreased by 68 million yen
  Operating income decreased by 46 million yen
  Net income increased by 64 million yen

| (Unit: Million yen) | FY3/19 Results | FY3/20 Results | YoY Change | YoY Change in Ratio |
|---|---|---|---|---|
| Net Sales | 14,501 | 14,432 | -68 | -0.5% |
| Gross Profit | 10,432 | 10,322 | -109 | -1.1% |
| Gross profit ratio | 71.9% | 71.5% | -0.4pt | — |
| Operating Income | 2,285 | 2,239 | -46 | -2.0% |
| Operating income ratio | 15.8% | 15.5% | -0.2pt | — |
| Ordinary Income | 2,314 | 2,380 | 66 | 2.9% |
| Ordinary income ratio | 16.0% | 16.5% | 0.5pt | — |
| Net Income | 1,515 | 1,580 | 64 | 4.3% |
| Net income ratio | 10.5% | 11.0% | 0.5pt | — |
| EPS (yen) | 122.81 | 128.06 | 5.25 | 4.3% |

# Results for Profit and Loss (Ratio of Forecasts)

- Net sales　Ratio on full-year forecasts: 93.5%
  Operating income　Ratio on full-year forecasts: 85.6%

| (Unit: Million yen) | FY3/20 Full-year | | |
|---|---|---|---|
| | **Results** | Forecasts | Ratio of Forecasts |
| Net Sales | **14,432** | 15,430 | **93.5%** |
| Gross Profit | **10,322** | 11,107 | **92.9%** |
| Gross profit ratio | 71.5% | 72.0% | — |
| Operating Income | **2,239** | 2,615 | **85.6%** |
| Operating income ratio | 15.5% | 17.0% | — |
| Ordinary Income | **2,380** | 2,628 | **90.6%** |
| Ordinary income ratio | 16.5% | 17.0% | — |
| Net Income | **1,580** | 1,752 | **90.2%** |
| Net income ratio | 11.0% | 11.4% | — |
| EPS (yen) | **128.06** | 141.96 | **90.2%** |

# Net Sales by Service (YoY)

- Net sales: -0.5%
- Termite control: +1.1%
  (New termite control: -1.5%, Renewal termite control : +4.1%)
- Anti-humidity measures: +2.4%
- Anti-earthquake measures: -4.9%

| (Unit: Million yen) | FY3/19 | | FY3/20 | | YoY | |
|---|---|---|---|---|---|---|
| | Results | Composition ratio | **Results** | **Composition ratio** | Change | Change in ratio |
| Net sales | 14,501 | — | **14,432** | — | -68 | -0.5% |
| Termite control | 5,875 | 40.5% | **5,941** | **41.2%** | 66 | 1.1% |
| New | 3,096 | 21.4% | **3,049** | **21.1%** | -46 | -1.5% |
| Renewal | 2,779 | 19.2% | **2,892** | **20.0%** | 113 | 4.1% |
| Anti-humidity measures | 3,157 | 21.8% | **3,233** | **22.4%** | 75 | 2.4% |
| Anti-earthquake measures | 4,851 | 33.5% | **4,615** | **32.0%** | -236 | -4.9% |
| Others | 616 | 4.3% | **642** | **4.5%** | 26 | 4.3% |

# Factors for Changes in Operating Income (YoY)

| (Unit: Million yen) | FY3/19 | FY3/20 | YoY | Change in Ratio | Main factors for changes |
|---|---|---|---|---|---|
| Net Sales | 14,501 | 14,432 | -68 | -0.5% | |
| Cost of Sales | 4,068 | 4,110 | 41 | +1.0% | |
| Material Costs | 1,775 | 1,749 | -25 | -1.5% | Decrease in net sales |
| Labor Costs | 1,409 | 1,432 | 22 | +1.6% | |
| Other Cost of Sales | 883 | 928 | 44 | +5.0% | |
| Gross Profit | 10,432 | 10,322 | -109 | -1.1% | |
| SG&A Expenses | 8,146 | 8,083 | -63 | -0.8% | |
| Personnel Expenses | 5,410 | 5,296 | -114 | -2.1% | Decrease in sales staffs |
| Recruiting Expenses | 209 | 189 | -20 | -9.8% | |
| Sales Promotional Expenses | 364 | 425 | 60 | +16.7% | |
| Other SG&A Expenses | 2,162 | 2,173 | 10 | +0.5% | |
| Operating Income | 2,285 | 2,239 | -46 | -2.0% | |

- Sales Promotional Expenses：Advertising expenses related to promotional activities

# Net Sales, Number of Staffs, Sales per Staff

- Average number of staffs decreased by 2.8%
- Sales per staff increased by 2.4%
- Number of staffs at end of period decreased by 60 (5.9%)
  (Of the total, 47 staffs decreased due to a change in the joining month for new employees from March to April in order to prevent the spread of COVID-19)

| | FY3/19 | FY3/20 | YoY | |
|---|---|---|---|---|
| | Results | **Results** | Change | Change in ratio |
| Net Sales (Million yen) | 14,501 | **14,432** | -68 | -0.5% |
| Average number of staffs during the period | 1,014 | **985** | -29 | -2.8% |
| Sales per staff (Thousand yen/month) | 1,191 | **1,220** | 29 | 2.4% |
| Number of staffs at end of period | 1,022 | **962** | -60 | -5.9% |

- ”Number of staffs”: total number of staffs actually working including part-time employees and contract employees (excluding dispatched and seconded staffs)