Summary of Financial Results

For the First Quarter of Fiscal Year Ending December 31, 2021 (Consolidated)

These financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan. The following English translation is based on the original Japanese-language document.

April 28, 2021

POLA ORBIS HOLDINGS INC.

Listing: Tokyo Stock Exchange, First Section (Code No.: 4927)
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Filing Date of Quarterly Securities Report: May 14, 2021
Start of Cash Dividend Payment: ―
Supplemental Materials Prepared for Quarterly Financial Results: Yes
Conference Presentation for Quarterly Financial Results: Yes(for analysts)

(Amounts less than one million yen have been truncated)

1. Consolidated Performance for the First Three Months of Fiscal 2021

(January 1, 2021–March 31, 2021)

(1) Consolidated Operating Results

(Percentage figures indicate year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2021 Three Months	43,561	0.6	4,307	114.7	5,763	―	3,939	―
FY2020 Three Months	43,316	(17.4)	2,006	(70.4)	(154)	―	(1,246)	―

Note: Comprehensive income: ¥3,274 million (―%) for the three months ended March 31, 2021;
(¥1,245 million) (―%) for the three months ended March 31, 2020

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
FY2021 Three Months	17.81	17.79
FY2020 Three Months	(5.64)	―

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of yen	Millions of yen	%	Yen
FY2021 First Quarter	203,373	169,820	83.3	765.79
FY2020	203,742	169,854	83.2	766.05

Reference: Equity capital: FY2021 First Quarter: ¥169,412 million; FY2020: ¥169,466 million

2. Dividends

	Annual Cash Dividends Per Share				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2020	―	35.00	―	15.00	50.00
FY2021	―				
FY2021 (Forecast)		20.00	―	31.00	51.00

Note: Revisions to the cash dividends forecast announced most recently: none

3. Consolidated Performance Forecast for Fiscal Year Ending December 31, 2021
(January 1, 2021–December 31, 2021)

(Percentage figures indicate year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Net Income Per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	190,000	7.8	19,000	38.2	19,000	51.0	11,300	144.0	51.08

Note: Revisions to the consolidated performance forecast announced most recently: none

Notes to Summary Information

(1) Changes in significant subsidiaries during the current period
(Changes in specific subsidiaries resulting in changes in the scope of consolidation) : None

(2) Application of special accounting methods for the preparation of the quarterly consolidated financial statements : None

(3) Changes in accounting policies, accounting estimates, and restatement
1) Changes in accounting policies associated with revision of accounting standards : None
2) Changes other than (3)-1) : None
3) Changes in accounting estimates : None
4) Restatements : None

(4) Number of shares issued and outstanding (common stock)
1) Number of shares issued and outstanding at the end of each period (including treasury stock)
At March 31, 2021 229,136,156 shares
At December 31, 2020 229,136,156 shares
2) Number of shares of treasury stock at the end of each period
At March 31, 2021 7,911,061 shares
At December 31, 2020 7,915,453 shares
3) Average number of shares issued and outstanding in each period
Three months ended March 31, 2021 221,221,801 shares
Three months ended March 31, 2020 221,219,903 shares

Information Regarding Quarterly Review Procedures

The quarterly financial results report is exempt from quarterly review by certified public accountants or accounting firms.

Explanation of Appropriate Use of Performance Forecast and Other Special Items

This report contains projections of performance and other projections based on information currently available and certain assumptions judged to be reasonable. Actual performance may differ materially from these projections resulting from changes in the economic environment and other risks and uncertainties. For performance projections, please refer to “1. Qualitative Information on Consolidated Performance for the First Quarter of Fiscal 2021 (3) Explanation of Consolidated Performance Forecast and Other Predictive Information” on page 5.

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1. Qualitative Information on Consolidated Performance for the Three Months of Fiscal 2021

(1) Explanation of Consolidated Operating Results

During the three months of fiscal 2021 (January 1–March 31, 2021), the future outlook of the Japanese economy remained uncertain due to restraints on economic activity caused by the re-expansion of COVID-19 (the novel coronavirus), which led to the re-declaration and extension of states of emergency in some regions and the suspension of economic measures which had been contributing to a resumption in consumer activity, such as the Go to Travel campaign, as well as the recent spread of COVID-19 variants. In the domestic cosmetics market, while it appears unlikely that there will be improvements in inbound demand and demand for face-to-face services, which have been declined due to COVID-19, the importance of e-commerce channels is increasing further, driven by the rise in "nesting" consumption. However, all companies are reinforcing their e-commerce channels through new initiatives such as live commerce and increasingly using digital technology to communicate with and provide services to customer online. This is intensifying competition, and the outcomes of e-commerce channel business strategies are expected to have a significant impact on domestic business results. For the overseas cosmetics market, as well, there are concerns of the impact of the global COVID-19 pandemic, but in the Chinese market, which the Group considers a key market, economic activity continues to normalize, and consumption has recovered to pre-COVID-19 levels. In particular, demand for live commerce and other e-commerce channels has risen even further, and this trend is expected to continue with the advancement of digital technologies.

Within this market environment, the POLA ORBIS Group (the "Group") has worked to achieve the key objectives—"evolving domestic direct sales," "growing overseas businesses profitably," "profit contribution from brands under development," "strengthening operations," and "expanding new brands and domains of 'beauty'." These objectives are in line with the new medium-term management plan (from 2021 to 2023) that started in fiscal 2021. As a result, the Group achieved the following consolidated operating results for the three months of fiscal 2021.

Consolidated net sales for the three months of fiscal 2021 increased 0.6% year on year to ¥43,561 million, driven by the overseas business of the flagship brand, POLA as a whole. Operating income increased 114.7% year on year to ¥4,307 million due to reduction in cost of sales and sales-related expenses, and ordinary income was ¥5,763 million (ordinary loss of ¥154 million for the corresponding period of the previous year) due to foreign exchange gains resulting from the weaker yen. As a result of the above, profit attributable to owners of parent was ¥3,939 million (loss of ¥1,246 million for the corresponding period of the previous year).

Operating Results Overview (Millions of yen)

	Three Months Ended March 31			
	2020	**2021**	Year-on-Year	
			Amount Change	Percent Change (%)
Net Sales	¥43,316	**¥43,561**	¥245	0.6
Operating Income	2,006	**4,307**	2,301	114.7
Ordinary Income (Loss)	(154)	**5,763**	5,917	—
Profit (Loss) Attributable to Owners of Parent	¥(1,246)	**¥3,939**	¥5,186	—

Operating Results by Segment

Net Sales (Segment Sales to External Customers) (Millions of yen)

	Three Months Ended March 31			
	2020	**2021**	Year-on-Year	
			Amount Change	Percent Change (%)
Beauty Care	¥42,082	**¥42,445**	¥363	0.9
Real Estate	636	**530**	(106)	(16.7)
Others	597	**585**	(11)	(2.0)
Total	¥43,316	**¥43,561**	¥245	0.6

Segment Profit (Loss) (Operating Income (Loss)) (Millions of yen)

	Three Months Ended March 31			
	2020	**2021**	Year-on-Year	
			Amount Change	Percent Change (%)
Beauty Care	¥1,700	**¥4,190**	¥2,490	146.5
Real Estate	289	**206**	(83)	(28.8)
Others	4	**13**	8	161.3
Reconciliations of Segment Profit (Note)	11	**(102)**	(113)	―
Total	¥2,006	**¥4,307**	¥2,301	114.7

Note: Reconciliations of segment profit refer to elimination of profits arising from inter-company transactions and expenses not allocated to reportable segments. Please see note 2 in "1. Information about Net Sales and Profit (Loss) by Reportable Segment" on page 10 and 11 for the details of reconciliations of segment income during the period.

Beauty Care

The Beauty Care segment consists of the flagship brands POLA and ORBIS, the overseas brands Jurlique and H2O PLUS, and the brands under development THREE, DECENCIA, Amplitude, ITRIM, and FIVEISM × THREE.

POLA is seeking to further improve the value of its brand and strengthen its business foundation through efforts to launch highly functional products focused on the field of anti-aging and skin-brightening and to strengthen development of professional human resources who embody the value of the brand. In January, a renewed and improved serum was released in the Wrinkle Shot series of products, the first wrinkle improving quasi-drugs approved in Japan, and in March a renewed and improved skin-brightening serum was released in the White Shot product series. In Japan, e-commerce channel sales grew significantly, and POLA will continue to strengthen the e-commerce channel. In aesthetic salons and other locations providing face-to-face services, POLA has worked to recover store traffic among existing customers by implementing thorough in-store hygiene management and infection prevention measures, as well as by actively implementing live commerce, online consulting and other initiatives. Overseas, Chinese e-commerce and South Korean duty-free stores continue to grow at a high rate. In the key market of China, department stores, live commerce and other initiatives have proven successfully. While the re-expansion of COVID-19 continues to have an impact, POLA brand net sales and operating income rose year on year.

ORBIS is making efforts to enhance its presence through the creation of brand differentiation in order to re-grow into a highly profitable business. ORBIS is further strengthening its communications centered on products that embody the world view of the brand message, "Simply you. Simply beautiful." along with consistent marketing communication. Led by the ORBIS U anti-aging skincare series, ORBIS has sought to expand its skincare customer base, and has achieved a year-on-year increase in its number of customers who purchased its products by enhancing customer-specific communications. In March, ORBIS announced its "cocktail graphy" personalized skincare service which uses the "skin mirror" IoT device in advance of the April service launch. Overseas, while ORBIS worked to improve its brand recognition rate by expanding customer contact points in Asia, factors such as reduced store operation hours and a decline in makeup product demand due to the spread of COVID-19 caused spending per customer to fall, resulting in ORBIS brand net sales and operating income dropping below those of the corresponding period of the previous year.

For overseas brands, the Group took initiatives aimed at business growth in Australia and Asia for Jurlique and in the United States, where H2O PLUS originated. For Jurlique, while sales activities were significantly restricted in

Asia and Australia, as well as in travel retail affected by the spread of COVID-19, the shift to direct store operation and the e-commerce channel for business in China, which began during the previous year, produced steady results, and net sales rose year on year. On the cost front, the operating loss was reduced through aggressive structural reforms such as improvements to production efficiency in conjunction with increased sales, reductions to selling, general and administrative expenses, and reductions to fixed costs. H2O PLUS is seeking to establish itself as a brand in the growing clean beauty market, and has worked to expand its customer base through e-commerce channels. As a result of these efforts, net sales in these channels rose year on year, but COVID-19 has dealt a major blow to the tourism industry, significantly reducing shipments of amenities to lodging facilities, causing overall net sales to fall year on year. On the cost front, aggressive efforts on reducing selling, general and administrative expenses were unable to offset the decline in sales, resulting in a rise in operating loss.

For brands under development, while there were strong performances at DECENCIA, and a growth in sales of Amplitude, ITRIM, and FIVEISM × THREE, which were launched in 2018, net sales and operating income fell below those of the corresponding period of the previous year due to the great impact of a reduction in sales of THREE as a result of the spread of COVID-19.

As a result of the factors noted above, net sales—sales to external customers—were ¥42,445 million, up 0.9% year on year, and operating income was ¥4,190 million, up 146.5% year on year.

Real Estate

The Real Estate segment concentrates on the leasing of office buildings in urban areas. Efforts are currently directed at sustaining and improving rental income and reducing vacancy rates by creating attractive office environments. Another area of emphasis is the residential properties rental business. This business highlights condominiums perfect for families with young children. During the three months of fiscal 2021, net sales and operating income fell below those of the corresponding period of the previous year as a result of some tenants moving out.

As a result of the above, net sales—sales to external customers—generated by the Real Estate segment totaled ¥530 million, down 16.7% year on year, and operating income was ¥206 million, down 28.8% year on year.

Others

The Others segment is the building maintenance business.

The building maintenance business is mainly engaged in the operation and management of buildings. During the three months of fiscal 2021, net sales and operating income were on par with those of the corresponding period of the previous year due to construction order results generally being in accordance with plans.

As a result of the above, net sales—sales to external customers—generated by the Others segment totaled ¥585 million, down 2.0% year on year, and operating income was ¥13 million, up 161.3% year on year.

(2) Explanation of Consolidated Financial Position

As of March 31, 2021, total assets stood at ¥203,373 million, down 0.2%, or ¥369 million, from December 31, 2020. Factors related to this change included increases of ¥715 million in short-term investments in securities for the management of surplus funds, and ¥231 million in investment in securities, as well as decreases of ¥1,172 million in cash and deposits, and ¥1,240 million in notes and accounts receivable – trade.

Total liabilities amounted to ¥33,552 million, down 1.0%, or ¥334 million, from December 31, 2020. Factors related to this change included increases of ¥155 million in notes and accounts payable – trade, as well as a decrease of ¥126 million in other under current liabilities, and ¥105 million in income taxes payable.

Net assets amounted to ¥ 169,820 million, down 0.0%, or ¥34 million, from December 31, 2020. Factors related to this change included the recording of ¥3,939 million in profit attributable to owners of parent and a decrease of ¥3,320 million in dividends from retained earnings.

(3) Explanation of Consolidated Performance Forecast and Other Predictive Information

The Group has made no revisions to the full-year consolidated performance forecast announced on February 12, 2021.

(Information for reference)
Cumulative Results for Fiscal 2020

	(Millions of yen)			
	Three Months	Six Months	Nine Months	Full Year
Net Sales	¥43,316	¥83,802	¥125,814	¥176,311
Operating Income	2,006	5,881	9,222	13,752
Ordinary Income(Loss)	(154)	4,543	7,775	12,579
Profit(Loss) Attributable to Owners of Parent	¥ (1,246)	¥ 916	¥ 1,565	¥ 4,632

Quarterly Results for Fiscal 2020

	(Millions of yen)			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Net Sales	¥43,316	¥40,485	¥42,012	¥50,496
Operating Income	2,006	3,875	3,340	4,530
Ordinary Income(Loss)	(154)	4,698	3,231	4,804
Profit(Loss) Attributable to Owners of Parent	¥ (1,246)	¥ 2,163	¥ 649	¥ 3,066

2. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	FY2020 December 31, 2020	**FY2021 First Quarter March 31, 2021**
Assets		
Current assets		
Cash and deposits	¥ 59,518	**¥ 58,345**
Notes and accounts receivable – trade	17,955	**16,714**
Short-term investments in securities	25,581	**26,296**
Merchandise and finished goods	11,922	**12,254**
Work in process	872	**794**
Raw materials and supplies	4,361	**4,410**
Other	5,186	**5,821**
Allowance for doubtful accounts	(39)	**(43)**
Total current assets	125,358	**124,593**
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,072	**16,845**
Land	13,973	**13,989**
Other, net	10,078	**10,176**
Total property, plant and equipment	41,124	**41,011**
Intangible assets		
Right of trademark	28	**27**
Software	9,235	**9,821**
Other	96	**96**
Total intangible assets	9,360	**9,945**
Investments and other assets		
Investments in securities	15,973	**16,204**
Other	12,177	**11,871**
Allowance for doubtful accounts	(251)	**(251)**
Total investments and other assets	27,900	**27,824**
Total non-current assets	78,384	**78,780**
Total assets	¥203,742	**¥203,373**

(Millions of yen)

	FY2020 December 31, 2020	**FY2021 First Quarter March 31, 2021**
Liabilities		
Current liabilities		
Notes and accounts payable – trade	¥ 2,657	**¥ 2,812**
Income taxes payable	593	**488**
Provision for bonuses	1,615	**1,540**
Provision for point program	2,482	**2,290**
Other provisions	101	**71**
Other	17,132	**17,005**
Total current liabilities	24,582	**24,208**
Non-current liabilities		
Other provisions	101	**117**
Net defined benefit liability	3,937	**3,954**
Asset retirement obligations	2,154	**2,157**
Other	3,111	**3,114**
Total non-current liabilities	9,305	**9,343**
Total liabilities	33,887	**33,552**
Net assets		
Shareholders' equity		
Common stock	10,000	**10,000**
Capital surplus	80,785	**80,781**
Retained earnings	79,868	**80,488**
Treasury stock	(2,652)	**(2,637)**
Total shareholders' equity	168,001	**168,631**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(59)	**(12)**
Foreign currency translation adjustments	1,794	**1,050**
Remeasurements of defined benefit plans	(269)	**(256)**
Total accumulated other comprehensive income	1,465	**780**
Subscription rights to shares	243	**243**
Non-controlling interests	144	**163**
Total net assets	169,854	**169,820**
Total liabilities and net assets	¥203,742	**¥203,373**

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Three Months Ended March 31	
	FY2020 (January 1, 2020– March 31, 2020)	**FY2021 (January 1, 2021– March 31, 2021)**
Net sales	¥43,316	**¥43,561**
Cost of sales	7,106	**6,399**
Gross profit	36,210	**37,162**
Selling, general and administrative expenses		
Sales commission	9,627	**8,595**
Promotion expenses	3,662	**3,287**
Advertising expenses	2,698	**3,082**
Salaries, allowances and bonuses	4,760	**4,818**
Provision for bonuses	976	**894**
Provision for point program	1,828	**1,551**
Other	10,650	**10,625**
Total selling, general and administrative expenses	34,204	**32,854**
Operating income	2,006	**4,307**
Non-operating income		
Interest income	44	**43**
Foreign exchange gains	—	**1,396**
Other	43	**77**
Total non-operating income	88	**1,518**
Non-operating expenses		
Interest expense	20	**24**
Loss on valuation of investment securities	500	**—**
Foreign exchange losses	1,034	**—**
Compensation expenses	635	**—**
Commissions	51	**31**
Other	6	**5**
Total non-operating expenses	2,248	**62**
Ordinary income(loss)	(154)	**5,763**
Extraordinary income		
Other	0	**0**
Total extraordinary income	0	**0**
Extraordinary losses		
Loss on disposal of non-current assets	84	**23**
Impairment loss	607	**185**
Loss on valuation of investment securities	48	**1**
Other	3	**0**
Total extraordinary losses	744	**210**
Income(Loss) before income taxes	(898)	**5,552**
Income taxes – current	771	**1,199**
Income taxes – deferred	(418)	**400**
Total income taxes	352	**1,600**
Net Income(Loss)	(1,251)	**3,951**
Profit (Loss) attributable to non-controlling interests	(4)	**11**
Profit (Loss) attributable to owners of parent	¥ (1,246)	**¥ 3,939**

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three Months Ended March 31	
	FY2020 (January 1, 2020– March 31, 2020)	**FY2021 (January 1, 2021– March 31, 2021)**
Net Income(Loss)	¥(1,251)	**¥3,951**
Other comprehensive income		
Valuation difference on available-for-sale securities	(408)	**46**
Foreign currency translation adjustments	495	**(736)**
Remeasurements of defined benefit plans	(81)	**12**
Total other comprehensive income	5	**(676)**
Comprehensive income	(1,245)	**3,274**
Comprehensive income attributable to owners of parent	(1,238)	**3,255**
Comprehensive income attributable to non-controlling interests	¥(7)	**¥19**

(3) Notes to Consolidated Financial Statements

(Going Concern Assumptions)
None

(Significant Changes in Shareholders' Equity)
None

(Additional Information)
(Changes in presentation method)
Consolidated statements of income
"Commissions" has been presented independently as of March 31, 2021 due to its materiality. This item had been included in "Other" under "Non-operating expenses" for the previous fiscal year ended December 31, 2020. The consolidated statements of income for the previous fiscal year has been restated in order to reflect this change.
As a result, ¥51 million of "Commissions" and ¥6 million of "Other" previously included as a part of ¥58 million of "Other" under "Non-operating expenses" on the consolidated statements of income for the previous fiscal year have been reclassified.

(Accounting estimates for the spread of COVID-19)
Although the situation regarding the spread of COVID-19 continues to be unstable, as evidenced by the reissuance of the emergency declaration in January 2021, there is no significant impact on the assumptions used as the basis for the accounting estimates in the consolidated financial statements as described in the (Additional Information) section of the Annual Securities Report for the previous fiscal year.
However, the impact of the spread of COVID-19 is highly uncertain, and changes in the timing of the convergence of COVID-19 and its impact on the economic environment may affect the business results and financial position of the Group.

(Segment Information)
I. First Quarter of Fiscal 2020 (January 1, 2020-March 31, 2020)
1. Information about Net Sales and Profit (Loss) by Reportable Segment

(Millions of yen)

	Reportable Segments			Others (Note 1)	Subtotal	Reconciliations (Note 2)	Amount Shown on the Consolidated Financial Statements (Note 3)
	Beauty Care	Real Estate	Subtotal				
Net Sales							
Sales to External Customers	¥42,082	¥636	¥42,719	¥597	¥43,316	—	¥43,316
Intersegment Sales or Transfers	16	130	147	361	508	¥(508)	—
Total	42,098	767	42,866	958	43,825	(508)	43,316
Segment Profit	¥1,700	¥289	¥1,989	¥4	¥1,994	¥(11)	¥2,006

Notes: 1. "Others" comprises business operations that are not categorized as reportable segments and includes the building maintenance business.
2. The segment profit reconciliation of ¥11 million includes intersegment transaction eliminations of ¥992 million, and corporate expenses of ¥(981) million not allocated to each segment. Corporate expenses are primarily the Company's administrative expenses not allocated to reportable segments.
3. Segment profit is adjusted for operating income reported in the quarterly consolidated statements of income.

2. Information about Impairment Loss of Non-current Assets and Goodwill by Reportable Segment
(Significant Impairment Loss of Non-current Assets)
None

(Significant Changes in Goodwill)
None

II. First Quarter of Fiscal 2021 (January 1, 2021–March 31, 2021)

1. Information about Net Sales and Profit (Loss) by Reportable Segment

(Millions of yen)

	Reportable Segments			Others (Note 1)	Subtotal	Reconciliations (Note 2)	Amount Shown on the Consolidated Financial Statements (Note 3)
	Beauty Care	Real Estate	Subtotal				
Net Sales							
Sales to External Customers	**¥42,445**	**¥530**	**¥42,976**	**¥585**	**¥43,561**	**—**	**¥43,561**
Intersegment Sales or Transfers	**33**	**115**	**148**	**362**	**511**	**¥(511)**	**—**
Total	**42,479**	**645**	**43,124**	**948**	**44,073**	**(511)**	**43,561**
Segment Profit	**¥4,190**	**¥206**	**¥4,397**	**¥13**	**¥4,410**	**¥(102)**	**¥4,307**

Notes: 1. “Others” comprises business operations that are not categorized as reportable segments and includes the building maintenance business.
2. The segment profit reconciliation of ¥ (102) million includes intersegment transaction eliminations of ¥955 million, and corporate expenses of ¥ (1,058) million not allocated to each segment. Corporate expenses are primarily the Company's administrative expenses not allocated to reportable segments.
3. Segment profit is adjusted for operating income reported in the quarterly consolidated statements of income.

2. Information about Impairment Loss of Non-current Assets and Goodwill by Reportable Segment

(Significant Impairment Loss of Non-current Assets)

None

(Significant Changes in Goodwill)

None

(Subsequent Events)

Regarding Additional Acquisition of Shares in tricot, Inc. (Subsidiary Acquisition)

As discribed in "Subsequent Events" in the securities report for the previous consolidated fisical year, the company acquired a 29.61% stake in tricot, Inc. (hereinafter “Tricot”), on March 1, 2021 and a 59.83% stake on April 1, Tricot was made a subsidiary.

1. Overview of the subsidiary to be transferred

Company name:	tricot, Inc.
Description of business:	Mail-order sales of personalized supplement “FUJIMI” and other
Scale of business	Capital: ¥96 million

2. Date of business combination

April 1, 2021

3. Number of shares to be acquired, acquisition price and ratio of voting rights held after the acquisition

Number of shares held immediately before the business combination (percentage of voting rights):	7,230 shares (Ratio of voting rights held: 40.17%) (of which 5,330 shares (29.61%) will be acquired on March 1, 2021)
Number of shares additionally acquired on the date of business combination (percentage of voting rights):	10,770 shares(Ratio of voting rights held: 59.83%)
Ratio of voting rights held after the acquisition:	100%
Acquisition price:	3,322 million yen

4. Funds required for the Acquisition

By internally available funds

5. Amount of goodwill to be generated, reason for generation, amortization method and amortization period

Not confirmed at this time.

6. Other

The impact of the acquisition of shares on the Company's consolidated performance is currently under close examination. If any necessity for revising the earnings forecast or matters to be disclosed arise, such matters will be promptly disclosed.