



January 29, 2021

**Summary of the Consolidated Financial Results for the Third Quarter
of the Fiscal Year Ending March 31, 2021 (FY3/21)
(Nine Months Ended December 31, 2020)**

[Japanese GAAP]

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Scheduled date of filing of Quarterly Report: February 10, 2021

Scheduled date of payment of dividend: -

Preparation of supplementary materials for quarterly financial results: None

Holding of quarterly financial results meeting: None

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Third Quarter (April 1, 2020 to December 31, 2020) of FY3/21

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended Dec. 31, 2020	70,079	(1.4)	7,128	(13.7)	7,670	(10.0)	5,152	(5.1)
Nine months ended Dec. 31, 2019	71,104	5.3	8,262	4.8	8,522	5.4	5,431	3.6

Note: Comprehensive income (millions of yen):
 Nine months ended Dec. 31, 2020: 5,192 (down 5.9%)
 Nine months ended Dec. 31, 2019: 5,519 (up 8.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Dec. 31, 2020	250.96	-
Nine months ended Dec. 31, 2019	264.49	-

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of Dec. 31, 2020	88,236	69,520	78.8
As of Mar. 31, 2020	93,245	65,559	70.3

Reference: Shareholders' equity (millions of yen):
 As of Dec. 31, 2020: 69,520
 As of Mar. 31, 2020: 65,559

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2020	-	15.00	-	45.00	60.00
Fiscal year ending Mar. 31, 2021	-	15.00	-		
Fiscal year ending Mar. 31, 2021 (Forecast)				45.00	60.00

Note: Revisions to the most recently announced dividend forecast: None

Composition of the year-end dividend for the fiscal year ending March 31, 2021: Ordinary dividend of 35.00 yen, commemorative dividend of 10.00 yen

3. Consolidated Forecast for FY3/21 (April 1, 2020 to March 31, 2021)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		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	100,862	0.0	11,189	0.0	11,540	0.1	7,500	(16.2)	365.33

Note: Revisions to the most recently announced consolidated forecast: None

*** Notes**

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

Newly added: - Excluded: -

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

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of outstanding shares (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Dec. 31, 2020:	21,162,000 shares	As of Mar. 31, 2020:	21,162,000 shares
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2) Number of treasury shares at the end of the period

As of Dec. 31, 2020:	631,313 shares	As of Mar. 31, 2020:	629,837 shares
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3) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2020:	20,531,715 shares	Nine months ended Dec. 31, 2019	20,533,959 shares
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* The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

* Cautionary statement with respect to forward-looking statements and other special items

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the management of Sakai Moving Service at the time the materials were prepared. These materials are not promises by Sakai Moving Service regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. For a discussion of the assumptions for forecasts, precautions concerning usage and other information, please refer to "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements" on page 2.

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

In the first nine months of the current fiscal year, the Japanese economy was severely impacted by the COVID-19 pandemic. The economy continues to be stagnant and the outlook is still uncertain.

In Japan's moving industry, the business climate remained challenging because of the declining number of housing starts and of people who are relocating as well as a drop in corporate demand linked to employee transfers.

The Sakai Moving Service Group is using the Internet to capture new orders and taking other measures in response to these difficult market conditions. As a result, group companies were able to minimize the decline in sales caused by COVID-19. There was a 5.8% increase from one year earlier in the number of jobs performed to 606,615, but the average unit rate for moving services decreased 6.9%.

Net sales decreased 1.4% year-on-year to 70,079 million yen, operating profit decreased 13.7% to 7,128 million yen, ordinary profit decreased 10.0% to 7,670 million yen, and profit attributable to owners of parent decreased 5.1% to 5,152 million yen.

(2) Explanation of Financial Position

1) Current assets

Current assets decreased by 4,173 million yen, or 15.9%, from the end of the previous fiscal year to 22,073 million yen.

This was attributable mainly to a decrease of 5,331 million yen in notes and accounts receivable-trade.

2) Non-current assets

Non-current assets decreased by 836 million yen, or 1.2%, from the end of the previous fiscal year to 66,162 million yen.

This was mainly attributable to decreases of 936 million yen in vehicles included in other under property, plant and equipment and 828 million yen in deferred tax assets included in other under investments and other assets, while there were increases of 711 million yen in land and 492 million yen in leased assets.

3) Current liabilities

Current liabilities decreased by 7,809 million yen, or 37.4%, from the end of the previous fiscal year to 13,044 million yen.

This was attributable mainly to decreases of 2,341 million yen in accounts payable-trade, 1,838 million yen in accrued expenses included in other current liabilities, 1,804 million yen in income taxes payable, 1,250 million yen in accounts payable-other included in other current liabilities and 913 million yen in provision for bonuses, while there were increases of 540 million yen in short-term borrowings and 114 million yen in lease obligations.

4) Non-current liabilities

Non-current liabilities decreased by 1,161 million yen, or 17.0%, from the end of the previous fiscal year to 5,670 million yen.

This was attributable mainly to decreases of 772 million yen in long-term accounts payable-other included in other non-current liabilities and 767 million yen in long-term borrowings, while there was an increase of 380 million yen in lease obligations.

5) Net assets

Net assets increased by 3,961 million yen, or 6.0%, from the end of the previous fiscal year to 69,520 million yen.

This was attributable mainly to an increase of 3,922 million yen in retained earnings.

(3) Explanation of Consolidated Forecast and Other Forward-looking Statements

There are no revisions to the consolidated forecast for the fiscal year ending March 31, 2021, which was announced on October 29, 2020.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

	(Millions of yen)	
	FY3/20 (as of Mar. 31, 2020)	Third quarter of FY3/21 (as of Dec. 31, 2020)
Assets		
Current assets		
Cash and deposits	16,758	17,505
Notes and accounts receivable-trade	7,754	2,422
Merchandise	460	489
Other	1,282	1,664
Allowance for doubtful accounts	(9)	(8)
Total current assets	26,247	22,073
Non-current assets		
Property, plant and equipment		
Buildings, net	9,016	9,024
Land	49,985	50,696
Leased assets	-	492
Other, net	2,106	1,314
Total property, plant and equipment	61,108	61,528
Intangible assets		
Goodwill	112	44
Contract-based intangible assets	255	170
Other	438	418
Total intangible assets	805	633
Investments and other assets		
Other	5,183	4,092
Allowance for doubtful accounts	(99)	(92)
Total investments and other assets	5,084	4,000
Total non-current assets	66,998	66,162
Total assets	93,245	88,236
Liabilities		
Current liabilities		
Accounts payable-trade	4,553	2,212
Short-term borrowings	1,834	2,375
Lease obligations	-	114
Income taxes payable	2,168	364
Provision for bonuses	1,114	201
Provision for point card certificates	6	7
Other	11,176	7,770
Total current liabilities	20,854	13,044
Non-current liabilities		
Long-term borrowings	3,354	2,586
Lease obligations	-	380
Retirement benefit liability	9	10
Other	3,468	2,693
Total non-current liabilities	6,832	5,670
Total liabilities	27,686	18,715
Net assets		
Shareholders' equity		
Share capital	4,731	4,731
Capital surplus	4,949	4,949
Retained earnings	59,247	63,169
Treasury shares	(2,934)	(2,935)
Total shareholders' equity	65,993	69,915
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(2)	37
Revaluation reserve for land	(431)	(431)
Total accumulated other comprehensive income	(434)	(394)
Total net assets	65,559	69,520
Total liabilities and net assets	93,245	88,236

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**(Quarterly Consolidated Statement of Income)****(For the Nine-month Period)**

(Millions of yen)

	First nine months of FY3/20 (Apr. 1, 2019 to Dec. 31, 2019)	First nine months of FY3/21 (Apr. 1, 2020 to Dec. 31, 2020)
Net sales	71,104	70,079
Cost of sales	41,483	43,057
Gross profit	29,621	27,022
Selling, general and administrative expenses	21,358	19,893
Operating profit	8,262	7,128
Non-operating income		
Interest income	10	7
Dividend income	14	313
Insurance claim income	51	37
Other	190	197
Total non-operating income	266	555
Non-operating expenses		
Interest expenses	7	12
Other	0	0
Total non-operating expenses	7	13
Ordinary profit	8,522	7,670
Extraordinary income		
Gain on sales of non-current assets	4	7
Gain on sales of investment securities	45	-
Insurance claim income	20	-
Total extraordinary income	71	7
Extraordinary losses		
Loss on disposal of non-current assets	4	0
Loss on sales of investment securities	27	-
Loss on valuation of investment securities	170	-
Total extraordinary losses	202	0
Profit before income taxes	8,390	7,676
Income taxes-current	1,866	1,728
Income taxes-deferred	1,093	795
Total income taxes	2,959	2,524
Profit	5,431	5,152
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	5,431	5,152

(Quarterly Consolidated Statement of Comprehensive Income)**(For the Nine-month Period)**

(Millions of yen)

	First nine months of FY3/20 (Apr. 1, 2019 to Dec. 31, 2019)	First nine months of FY3/21 (Apr. 1, 2020 to Dec. 31, 2020)
Profit	5,431	5,152
Other comprehensive income		
Valuation difference on available-for-sale securities	88	39
Total other comprehensive income	88	39
Comprehensive income	5,519	5,192
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	5,519	5,192
Comprehensive income attributable to non-controlling interests	-	-

(3) Notes to Quarterly Consolidated Financial Statements

Going-concern Assumption

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

This summary report is solely a translation of "Kessan Tanshin" (in Japanese, including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.