

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2025 (Based on Japanese GAAP)

May 15, 2025

Company name: Japan Animal Referral Medical Center (JARMeC)
 Stock exchange listing: Tokyo
 Stock code: 6039 URL <https://www.jarmec.co.jp/>
 Representative: Representative Director and President Hidehiro Hirao
 Executive Director, Finance and Administration
 Inquiries: Takayuki Ishikawa TEL 044-850-1320
 Scheduled date of ordinary general meeting of shareholders: June 25, 2025
 Scheduled date to file Securities Report: June 23, 2025
 Scheduled date to commence dividend payments: June 11, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

Percentages indicate 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	%
Year ended March 31, 2025	5,277	23.6	720	45.1	720	47.1	520	54.5
Year ended March 31, 2024	4,270	10.3	496	(14.4)	489	(8.3)	337	(11.4)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2025	201.12	200.87	13.1	8.2	13.7
Year ended March 31, 2024	123.01	121.26	9.0	5.6	11.6

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	8,753	4,148	47.4	1,604.99
As of March 31, 2024	8,770	3,811	43.5	1,446.52

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2025	1,372	(994)	(608)	1,107
Year ended March 31, 2024	899	(985)	(392)	1,337

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2024	—	0.00	—	20.00	20.00	53	16.0	1.4
Year ended March 31, 2025	—	0.00	—	37.00	37.00	100	19.4	2.4
Year ending March 31, 2026 (Forecast)	—	0.00	—	40.00	40.00		20.8	

3. Forecast of consolidated financial results for the year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	5,810	10.1	725	0.6	725	0.7	525	0.8	203.11

4. Notes

- (1) Significant changes in the scope of consolidation during the year ended March 31, 2025: No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	2,878,200 shares	As of March 31, 2024	2,858,700 shares
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Number of treasury shares at the end of the period

As of March 31, 2025	293,442 shares	As of March 31, 2024	223,816 shares
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Average number of shares during the period

Year ended March 31, 2025	2,590,350 shares	Year ended March 31, 2024	2,741,320 shares
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Consolidated financial statements
Consolidated balance sheets

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	1,337,639	1,107,603
Accounts receivable - trade, and contract assets	297,196	326,076
Merchandise and finished goods	74,873	75,960
Raw materials and supplies	22,481	18,748
Other	52,918	76,484
Allowance for doubtful accounts	(7,745)	(6,876)
Total current assets	1,777,363	1,597,996
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,334,589	3,613,074
Accumulated depreciation	(1,209,564)	(1,332,471)
Buildings and structures, net	2,125,025	2,280,603
Vehicles	16,800	16,831
Accumulated depreciation	(11,015)	(11,730)
Vehicles, net	5,784	5,101
Tools, furniture and fixtures	3,285,482	3,651,404
Accumulated depreciation	(1,657,118)	(1,960,655)
Tools, furniture and fixtures, net	1,628,363	1,690,749
Land	2,248,337	2,340,355
Construction in progress	144,312	—
Total property, plant and equipment	6,151,823	6,316,808
Intangible assets		
Goodwill	162,958	142,588
Trademark right	348,371	304,824
Other	36,752	32,007
Total intangible assets	548,082	479,420
Investments and other assets		
Deferred tax assets	53,462	106,585
Other	239,305	252,907
Total investments and other assets	292,767	359,492
Total non-current assets	6,992,673	7,155,722
Total assets	8,770,036	8,753,719

	(Thousands of yen)	
	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	58,702	65,768
Accounts payable - other	477,587	217,574
Current portion of long-term borrowings	626,493	627,165
Income taxes payable	81,149	205,029
Provision for bonuses	118,447	182,483
Other	176,230	256,151
Total current liabilities	1,538,611	1,554,172
Non-current liabilities		
Long-term borrowings	3,230,051	2,847,886
Provision for share awards	—	33,831
Retirement benefit liability	38,350	46,200
Deferred tax liabilities	99,837	76,565
Asset retirement obligations	41,394	41,851
Other	10,367	4,684
Total non-current liabilities	3,420,001	3,051,019
Total liabilities	4,958,612	4,605,192
Net assets		
Shareholders' equity		
Share capital	796,725	801,600
Capital surplus	712,128	720,405
Retained earnings	2,712,674	3,179,791
Treasury shares	(410,104)	(553,270)
Total shareholders' equity	3,811,423	4,148,527
Total net assets	3,811,423	4,148,527
Total liabilities and net assets	8,770,036	8,753,719

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

	(Thousands of yen)	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	4,270,195	5,277,736
Cost of sales	2,805,844	3,445,200
Gross profit	1,464,350	1,832,535
Selling, general and administrative expenses	967,431	1,111,561
Operating profit	496,919	720,974
Non-operating income		
Rental income from buildings	23,679	24,126
Other	13,034	7,147
Total non-operating income	36,714	31,273
Non-operating expenses		
Interest expenses	18,825	25,992
Financing expenses	3,268	3,979
Loss on retirement of non-current assets	19,406	1,857
Other	2,352	172
Total non-operating expenses	43,852	32,002
Ordinary profit	489,781	720,245
Extraordinary income		
Gain on sale of non-current assets	1,524	18
Total extraordinary income	1,524	18
Profit before income taxes	491,305	720,263
Income taxes - current	175,845	275,676
Income taxes - deferred	(21,757)	(76,395)
Total income taxes	154,088	199,281
Profit	337,217	520,982
Profit attributable to owners of parent	337,217	520,982

Consolidated statements of comprehensive income

	(Thousands of yen)	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	337,217	520,982
Comprehensive income	337,217	520,982
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	337,217	520,982

Consolidated statements of changes in equity

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity					Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	791,100	711,137	2,375,457	(171,656)	3,706,038	3,706,038
Changes during period						
Issuance of new shares	5,625	5,625			11,250	11,250
Profit attributable to owners of parent			337,217		337,217	337,217
Purchase of treasury shares				(335,439)	(335,439)	(335,439)
Disposal of treasury shares		(4,633)		96,991	92,358	92,358
Total changes during period	5,625	991	337,217	(238,448)	105,385	105,385
Balance at end of period	796,725	712,128	2,712,674	(410,104)	3,811,423	3,811,423

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity					Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	796,725	712,128	2,712,674	(410,104)	3,811,423	3,811,423
Changes during period						
Issuance of new shares	4,875	4,875			9,750	9,750
Dividends of surplus			(53,865)		(53,865)	(53,865)
Profit attributable to owners of parent			520,982		520,982	520,982
Purchase of treasury shares				(164,951)	(164,951)	(164,951)
Disposal of treasury shares		3,401		21,786	25,188	25,188
Total changes during period	4,875	8,276	467,117	(143,165)	337,103	337,103
Balance at end of period	801,600	720,405	3,179,791	(553,270)	4,148,527	4,148,527

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	491,305	720,263
Depreciation	444,101	550,315
Amortization of goodwill	20,369	20,369
Increase (decrease) in allowance for doubtful accounts	(1,871)	(868)
Increase (decrease) in provision for bonuses	31,061	64,035
Increase (decrease) in provision for share awards	—	33,831
Increase (decrease) in retirement benefit liability	4,250	7,850
Interest expenses	18,825	25,992
Financing expenses	3,268	3,979
Gain on sale of non-current assets	(1,524)	(18)
Loss on retirement of non-current assets	19,406	1,857
Decrease (increase) in trade receivables	(33,826)	(28,880)
Decrease (increase) in inventories	15,494	(7,379)
Increase (decrease) in trade payables	(2,457)	7,066
Decrease (increase) in consumption taxes refund receivable	61,294	(4,461)
Increase (decrease) in accrued consumption taxes	35,723	92,308
Other, net	54,679	68,814
Subtotal	1,160,102	1,555,077
Interest and dividends received	56	636
Interest paid	(18,885)	(26,248)
Income taxes refund	—	542
Income taxes paid	(241,490)	(157,630)
Net cash provided by (used in) operating activities	899,782	1,372,376
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	100,000	—
Purchase of property, plant and equipment	(1,041,040)	(953,678)
Proceeds from sale of property, plant and equipment	1,625	18
Purchase of intangible assets	(14,153)	(9,996)
Purchase of insurance funds	(32,064)	(32,738)
Other, net	(226)	2,012
Net cash provided by (used in) investing activities	(985,860)	(994,383)
Cash flows from financing activities		
Proceeds from long-term borrowings	489,900	300,000
Repayments of long-term borrowings	(609,037)	(681,493)
Proceeds from issuance of shares	11,250	8,750
Repayments of lease liabilities	(5,832)	(6,874)
Purchase of treasury shares	(328,616)	(172,447)
Proceeds from disposal of treasury shares	50,774	—
Dividends paid	—	(53,634)
Other, net	(759)	(2,330)
Net cash provided by (used in) financing activities	(392,322)	(608,029)
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	(478,400)	(230,035)
Cash and cash equivalents at beginning of period	1,816,039	1,337,639
Cash and cash equivalents at end of period	1,337,639	1,107,603