

**Translation**

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## Summary of Non-consolidated Financial Results for the First Three Quarters Ended March 31, 2021 (Based on Japanese Accounting Standards)

May 13, 2021

Company Name: Net Marketing Co. Ltd.  
 Stock Exchange Listing: Tokyo Stock Exchange  
 Code Number: 6175  
 URL: <https://www.net-marketing.co.jp/>  
 Representative: Kunihisa Miyamoto, Representative Director and CEO  
 Contact: Koji Mimura, Director and CFO  
 (TEL) +81-3-6894-0139  
 Scheduled date to submit the quarterly report: May 14, 2021  
 Scheduled date of the start of dividend payments: –  
 Supplementary documents for quarterly results: Yes  
 Quarterly results briefing: No

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

### 1. Financial Results for the First Three Quarters Ended March 31, 2021 (from July 1, 2020 to March 31, 2021)

#### (1) Financial Results (Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three quarters ended March 31, 2021	10,238	(9.5)	341	(43.4)	349	(43.0)	235	(43.8)
Three quarters ended March 31, 2020	11,313	15.3	602	318.9	613	338.9	419	359.4

	Net income per share	Diluted net income per share
	Yen	Yen
Three quarters ended March 31, 2021	15.94	15.70
Three quarters ended March 31, 2020	28.43	27.91

#### (2) Financial Position

	Total assets	Net assets	Ratio of shareholders' equity to total assets
	Million yen	Million yen	%
As of March 31, 2021	5,007	2,900	57.9
As of June 30, 2020	4,977	2,753	55.3

(Reference) Shareholders' equity: As of March 31, 2021 2,900 million yen  
 As of June 30, 2020 2,752 million yen

### 2. Dividends

	Dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended June 30, 2020	–	0.00	–	6.00	6.00
Year ending June 30, 2021	–	0.00	–		
Year ending June 30, 2021 (forecast)				6.00	6.00

(Note) Revisions to dividend forecasts published most recently: No

### 3. Financial Results Forecasts for the Fiscal Year Ending June 30, 2021 (from July 1, 2020 to June 30, 2021)

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending June 30, 2021	14,400	0.3	400	(45.6)	400	(46.5)	270	(47.0)	18.25

(Note) Revisions to results forecasts published most recently: No

\* NOTE

(1) Application of Particular Accounting Treatment Concerning Preparation of Quarterly Financial Statements: None

(2) Changes in Accounting Principles, Changes in Accounting Estimates, and Retrospective Restatements

- (i) Changes in accounting principles accompanying the amendment of accounting standards: None
- (ii) Changes other than those in (i) above: None
- (iii) Changes in accounting estimates: None
- (iv) Retrospective restatements: None

(3) Number of Shares Issued (Common shares)

- (i) Number of shares issued at the end of the period (including treasury stock)
  - As of March 31, 2021: 14,799,800 shares
  - As of June 30, 2020: 14,796,800 shares
- (ii) Number of treasury stock at the end of the period
  - As of March 31, 2021: 188 shares
  - As of June 30, 2020: 188 shares
- (iii) Average number of shares issued during the period
  - First three quarters ended March 31, 2021: 14,797,612 shares
  - First three quarters ended March 31, 2020: 14,756,089 shares

\* The summaries of financial results are positioned outside the scope of a quarterly review by certified public accountants and audit firm.

\* Explanations Regarding the Appropriate Use of Financial Results Forecasts and Other Items Worthy of Special Mention

<Precautions for Forward-Looking Statements>

Forward-looking statements in this summary, such as financial results forecasts, are based on information available to the Company at present and certain assumptions the Company judges to be rational. Those descriptions do not mean that the Company promises their achievement. Actual financial results and the like may also differ significantly from those descriptions depending on various factors.

<Method for Obtaining Quarterly Supplementary Materials for Explaining Financial Results>

The Company will publish quarterly supplementary materials for explaining the financial results through the Company Announcements Disclosure Service of the Tokyo Stock Exchange and on its official website on Thursday, May 13, 2021.

## Quarterly Financial Statements

### (1) Quarterly Balance Sheets

(Unit: Thousand yen)

	Previous fiscal year (As of June 30, 2020)	End of third quarter of the fiscal year under review (As of March 31, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	3,214,015	3,180,207
Accounts receivable - trade	1,198,906	1,192,822
Other	102,019	143,271
Allowance for doubtful accounts	(9)	(9)
<b>Total current assets</b>	<b>4,514,932</b>	<b>4,516,291</b>
Non-current assets		
Property, plant and equipment	106,608	101,644
Intangible assets	45,308	97,168
Investments and other assets	310,683	292,193
<b>Total non-current assets</b>	<b>462,599</b>	<b>491,005</b>
<b>Total assets</b>	<b>4,977,532</b>	<b>5,007,297</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	1,262,867	1,305,787
Current portion of long-term loans payable	80,032	20,038
Income taxes payable	215,817	—
Other	665,789	781,105
<b>Total current liabilities</b>	<b>2,224,505</b>	<b>2,106,931</b>
<b>Total liabilities</b>	<b>2,224,505</b>	<b>2,106,931</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	408,329	408,464
Capital surplus	398,329	398,464
Retained earnings	1,946,203	2,093,273
Treasury shares	(135)	(135)
<b>Total shareholders' equity</b>	<b>2,752,726</b>	<b>2,900,066</b>
Share acquisition rights	300	300
<b>Total net assets</b>	<b>2,753,026</b>	<b>2,900,366</b>
<b>Total liabilities and net assets</b>	<b>4,977,532</b>	<b>5,007,297</b>

(2) Quarterly Statement of Income  
(First nine-month period)

(Unit: Thousand yen)

	First nine months of the previous fiscal year (From July 1, 2019 to March 31, 2020)	First nine months of the fiscal year under review (From July 1, 2020 to March 31, 2021)
Net sales	11,313,724	10,238,682
Cost of sales	7,723,731	6,876,569
Gross profit	3,589,992	3,362,112
Selling, general and administrative expenses	2,987,342	3,020,928
Operating income	602,650	341,184
Non-operating income		
Interest income	29	32
Commission fee	8,407	–
Rewards income	1,862	1,731
Subsidy income	–	6,630
Other	572	334
Total non-operating income	10,872	8,728
Non-operating expenses		
Interest expenses	483	194
Foreign exchange losses	–	114
Other	30	3
Total non-operating expenses	513	312
Ordinary income	613,009	349,599
Net income before income taxes	613,009	349,599
Income taxes - current	195,424	87,158
Income taxes - deferred	(1,927)	26,591
Total income taxes	193,496	113,749
Net income	419,512	235,849