

**Summary of Consolidated Financial Results**  
**for the First Quarter of the Fiscal Year Ending April 30, 2021**  
**(Three Months Ended July 31, 2020)**

[Japanese GAAP]

Company name: YA-MAN LTD. Listing: TSE (1<sup>st</sup> section)  
 Stock code: 6630 URL: <https://corporate.ya-man.com/>  
 Representative: Kimiyo Yamazaki, President and Representative Director  
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 Scheduled date of filing of Quarterly Report: September 11, 2020  
 Scheduled date of payment of dividend: -  
 Preparation of supplementary materials for financial results: Yes  
 Holding of financial results meeting: None

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

**1. Consolidated Financial Results for the Three Months Ended July 31, 2020 (May 1, 2020 – July 31, 2020)**

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jul. 31, 2020	8,754	60.6	1,666	121.9	1,591	145.0	961	163.2
Three months ended Jul. 31, 2019	5,450	(28.4)	750	(66.5)	649	(71.2)	365	(74.3)

Note: Comprehensive income (million yen) Three months ended Jul. 31, 2020: 959 (up 168.0%)  
 Three months ended Jul. 31, 2019: 357 (down 74.9%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jul. 31, 2020	17.48	-
Three months ended Jul. 31, 2019	6.53	-

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jul. 31, 2020	22,955	14,221	62.0
As of Apr. 30, 2020	17,292	13,361	77.3

Reference: Shareholders' equity (million yen) As of Jul. 31, 2020: 14,221 As of Apr. 30, 2020: 13,361

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Apr. 30, 2020	-	1.80	-	1.80	3.60
Fiscal year ending Apr. 30, 2021	-				
Fiscal year ending Apr. 30, 2021 (forecasts)		1.80	-	1.80	3.60

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

**3. Consolidated Earnings Forecast for the Fiscal Year Ending April 30, 2021 (May 1, 2020 – April 30, 2021)**

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	13,678	18.8	1,732	0.7	1,636	0.1	1,038	9.0	18.87
Full year	26,000	13.2	2,600	3.9	2,407	4.2	1,526	15.4	27.74

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

**\* Notes**

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

Newly added: -

Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: Yes

(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 shares outstanding (common stock)

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

As of Jul. 31, 2020:	58,348,880 shares	As of Apr. 30, 2020:	58,348,880 shares
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2) Number of treasury shares at the end of the period

As of Jul. 31, 2020:	3,327,590 shares	As of Apr. 30, 2020:	3,327,590 shares
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3) Average number of shares outstanding during the period

Three months ended Jul. 31, 2020:	55,021,290 shares	Three months ended Jul. 31, 2019:	55,944,190 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**

Cautionary statement with respect to forecasts

Forecasts regarding future performance in these materials are based on certain assumptions judged to be valid and information currently available to YA-MAN. Actual performance may differ significantly from these forecasts for a number of reasons.

How to view supplementary materials for financial results

Supplementary materials for the financial results will be available on YA-MAN website on Friday, September 11, 2020.

## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

In the first quarter (May 1 to July 31, 2020) of the current fiscal year, the business climate remained extremely challenging as COVID-19 severely restricted a broad range of economic and social activities.

The outlook has become increasingly uncertain because there are no signs of an end to this crisis as the number of infections climbs worldwide.

In this difficult environment, the YA-MAN Group concentrated on increasing sales in every channel while making investments for advertising to reinforce brands, R&D for new products and other measures for future growth.

In Japan, the purchasing behavior of consumers has shifted because of the state of emergency and requests for people to stay home. Sales at physical stores are down and e-commerce and other sales are higher due to purchasing by people staying home for safety. At the YA-MAN Group, sales increased in the mail-order sales, direct sales and overseas sales segments. As a result, consolidated net sales increased 60.6% year-on-year to 8,754 million yen, ordinary profit increased 145.0% year-on-year to 1,591 million yen and profit attributable to owners of parent increased 163.2% year-on-year to 961 million yen.

Business segment performance was as follows.

#### 1) Mail-order sales

Sales in this segment represent mainly sales to TV shopping companies, sales to catalog sales companies, and sales to companies that sell products exclusively on the Internet.

Sales were higher in all channels, especially terrestrial TV shopping channels, because of purchases by people who are staying home for safety. Segment sales increased 15.3% year-on-year to 1,495 million yen and segment profit increased 22.6% year-on-year to 629 million yen, resulting in a year-on-year increase in both sales and earnings.

#### 2) Store sales

Sales in this segment represent mainly sales of products at home appliance stores, major department stores and variety shops.

The need to stay home and refrain from going out due to COVID-19 had a severe impact on sales in this segment. There was a big downturn in wholesale sales to duty-free shops and significant declines in wholesale sales to department stores and variety shops as stores temporarily closed or shortened operating hours. Wholesale sales to major home appliance stores were higher for hair removal devices, slimming devices and a few other categories, but not enough to outweigh the decrease in other store channels. As a result, both sales and earnings were lower as sales decreased 24.8% year-on-year to 1,451 million yen and segment profit decreased 37.6% year-on-year to 401 million yen.

#### 3) Direct sales

Sales in this segment are derived from sales of products to individuals by using infomercials <sup>(note)</sup>, magazines, newspapers, the Internet and other channels.

Sales using infomercials increased significantly as we started focusing on infomercials in the current fiscal year. There was also an increase in Web-based sales, mainly at our direct sales website. As a result, there was a substantial increase in both sales and earnings as sales increased 203.6% year-on-year to 3,291 million yen, and segment profit increased 193.4% year-on-year to 1,425 million yen.

Note: "Infomercial" is a combination of two words, "information" and "commercial." Infomercials first appeared as a TV shopping medium in Europe and North America. An infomercial typically uses about 20 to 30 minutes to sell a single item. Combining these long promotions with spot advertisements of one or two minutes for the same item is regarded as a highly effective way to sell merchandise.

#### 4) Overseas operations

Sales in this segment represent mainly sales to mail-order companies, wholesale companies and individuals.

There was a big downturn in sales in South Korea from one year earlier. However, strong e-commerce sales in China propelled overall sales. As a result, both sales and earnings were much higher than one year earlier as sales increased 159.5% year-on-year to 2,385 million yen and segment profit increased 228.0% year-on-year to 839 million yen.

*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.*