

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

[Japanese GAAP]

Company name: KI-STAR REAL ESTATE CO., LTD. Listing: Tokyo Stock Exchange, First Section
 Securities code: 3465 URL: <http://www.ki-group.co.jp/>
 Representative: Keiji Hanawa, President and CEO
 Contact: Osamu Matsuzawa, Executive Officer, General Manager of Accounting & Finance Division
 Tel: +81-(0) 495-27-2525

Scheduled date of filing of Quarterly Report: February 12, 2021
 Scheduled date of payment of dividend: -
 Preparation of supplementary materials for quarterly financial results: Yes
 Holding of quarterly financial results meeting: None

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

1. Consolidated Financial Results for the First Nine Months (April 1, 2020 – December 31, 2020) of the Fiscal Year Ending March 31, 2021

(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	%
Nine months ended Dec. 31, 2020	109,803	26.1	8,204	92.7	8,219	103.0	4,861	94.0
Nine months ended Dec. 31, 2019	87,056	22.4	4,258	3.4	4,049	2.2	2,506	6.6

Note: Comprehensive income (million yen) Nine months ended Dec. 31, 2020: 5,480 (up 95.0%)
 Nine months ended Dec. 31, 2019: 2,811 (up 7.0%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Dec. 31, 2020	342.59	342.57
Nine months ended Dec. 31, 2019	176.63	-

Notes: 1. Diluted net income per share for the nine months ended December 31, 2019 is not presented because there were no potential shares with dilutive effects.

2. KI-STAR REAL ESTATE CO., LTD. (“the Company”) has established a performance-linked stock compensation plan for directors. Shares for this plan held by the trust are recorded as treasury shares in the quarterly consolidated balance sheet and included in treasury shares for calculating the average number of shares during the period for determining net income per share.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Dec. 31, 2020	106,944	24,094	20.4
As of Mar. 31, 2020	89,936	19,848	20.0

Reference: Shareholders' equity (million yen) As of Dec. 31, 2020: 21,765 As of Mar. 31, 2020: 17,998

Note: The Company has established a performance-linked stock compensation plan for directors. Shares for this plan held by the trust are recorded as treasury shares in the quarterly consolidated balance sheet.

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	-	42.00	-	34.00	76.00
Fiscal year ending Mar. 31, 2021	-	44.00	-	-	-
Fiscal year ending Mar. 31, 2021 (forecasts)	-	-	-	95.00	139.00

Note: Revisions to the most recently announced dividend forecast: Yes

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 – 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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	148,000	22.6	11,800	83.6	11,600	83.6	7,000	95.3	493.27

Note: Revisions to the most recently announced consolidated forecast: Yes

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in the 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 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 estimates: None

4) Restatements: None

(4) Number of issued shares (common shares)

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

As of Dec. 31, 2020:	14,232,500 shares	As of Mar. 31, 2020:	14,232,500 shares
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2) Number of treasury shares at the end of the period

As of Dec. 31, 2020:	41,392 shares	As of Mar. 31, 2020:	41,344 shares
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3) Average number of shares during the period

Nine months ended Dec. 31, 2020:	14,191,131 shares	Nine months ended Dec. 31, 2019:	14,191,156 shares
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Note: The Company has established a performance-linked stock compensation plan for directors. Shares for this plan held by the trust are included in treasury shares for calculating the number of treasury shares at the end of the period and the average number of shares during the period.

* 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 of future performance in this report are based on assumptions judged to be valid and information currently available to the Company. Actual results may differ significantly from these forecasts for a number of factors.

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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, a recovery of the Japanese economy started because of the Go To Travel campaign and other government measures to stimulate a rebound in consumer spending in Japan after the downturn due to COVID-19. However, concerns about the negative impact of the COVID-19 crisis are continuing as the Japanese government declared a second state of emergency due to the spread of infections again, the slump in consumer spending continues and unemployment increases. Other countries are also experiencing another wave of infections. In Europe, even tighter restrictions on activities in many countries are pushing back the recovery of the economy. As a result, it is still impossible to predict when the global economy will return to normal. Despite these problems, stock prices are strong. The Nikkei Average climbed to an all-time high for the first time in 30 years and the Dow Jones Industrial Average has also set a new record.

In the Japanese housing sector, where the KI-STAR Group operates, people have become increasingly cautious about purchasing a home because several natural disasters and COVID-19 have weakened the labor market and had other negative effects. On the other hand, people are spending more time at home because of remote working and the need to stay home as much as possible due to COVID-19. Demand for purchasing a home is increasing because people want to spend their time at home with more comfort. Furthermore, purchasing a home in Japan is still relatively easy due to reduced housing acquisition preferential taxation, low mortgage interest rates and other reasons.

By supplying design houses with outstanding quality at low prices, the KI-STAR Group continued to concentrate on the growth strategy for its core homebuilding and sales business. Activities are guided by the management philosophy of “creating lives that are fulfilling, enjoyable and pleasant.” For more progress with combining real estate and IT, we conducted research involving the use of IT and created systems for many of our operations. The objective is to build houses incorporating concepts that look into the future in order to provide outstanding comfort and convenience to residents.

In April 2020, KI-STAR acquired Tokyo Big House, Inc., making this company and its subsidiaries consolidated subsidiaries. These subsidiaries are Tokyo Big House Community KK, Tokyo Big House Marketing KK, and Sumai-no-Madoguchi KK.

We are providing new services that enable people to purchase a home with greater confidence even as worries about economic stability increase because of the COVID-19 crisis. One is the House Res-9 (Kyu) mortgage payment assistance service, which ended on July 31, 2020. Customers were eligible to receive payments from us if an unexpected event made it difficult to make mortgage payments. Another new service is Neighborhood Work, which provides KI-STAR part-time work at a nearby location to students and housewives who were laid off or furloughed from a part-time or other job. Working time can be as little as once every week and two hours in one day. We are increasing our workforce and expanding areas covered by this service for the benefit of our customers as well as the communities where we do business.

In August 2020, in response to changes in life styles and needs involving houses due to COVID-19, we opened an IKI model house with a fully automated internal viewing system in the city of Takasaki in Gunma prefecture in order to start selling the IKI line of customized one-story houses, which are based on standardized designs and options. We started using a fully automated interior viewing system and chatbot sales meetings for contact-free sales activities. In October 2020, we started a remote customer interaction service that facilitates audio contact with customers as they are viewing a model home. This system further upgrades the capabilities of model houses that customers tour on their own. We plan to continue upgrading model house automated viewing systems and contactless sales activities by using many technologies. These measures protect people from COVID-19 infections and better enable us to upgrade services that match customers' increasingly diverse needs.

Sales in the first nine months of the current fiscal year increased 22,747 million yen (26.1%) from one year earlier to 109,803 million yen, which is a record high for the first nine months of a fiscal year. Sales increased due to higher housing demand associated with changes in life styles caused by the COVID-19 pandemic. Operating profit increased 3,945 million yen (92.7%) to 8,204 million yen, also an all-time high. The gross profit

margin decreased in April and May as emphasis was placed on sales for the turnover of inventory in response to the sudden decline in the business climate in March and April. However, the gross profit margin has been increasing since June because of the growing demand for purchasing a home. As a result, the gross profit for the first nine months was 6,152 million yen (49.1%) higher than one year earlier. Operating profit was also affected by a 2,206 million yen increase in selling, general and administrative expenses resulting primarily from higher personnel expenses because of the larger number of consolidated subsidiaries and the growth of business operations and from higher variable cost including brokerage commissions as sales increased. Ordinary profit increased 4,170 million yen (103.0%) to 8,219 million yen. There was an increase of 246 million yen in refund of real estate acquisition tax despite a 155 million yen increase in non-operating expenses caused mainly by higher interest expenses because of funds procured from financial institutions to purchase land. Profit attributable to owners of parent was up 2,355 million yen (94.0%) to 4,861 million yen, a record-high in the first nine months. In the third quarter, there were increases from one year earlier of 49.5% in net sales, 366.2% in operating profit, 386.7% in ordinary profit and 332.5% in profit attributable to owners of parent. In the first nine months of the current fiscal year, sales and earnings at all levels were much higher than one year earlier and climbed to new all-time highs.

Results of operations by business segment are as follows:

i) Homebuilding and sales business

In this business, there were many activities during the first nine months involving the market share growth strategy, primarily in the Tokyo area. Backed by marketing activities that link the KEIAI brand with outstanding designs, we continued to supply design houses with outstanding quality at low prices. Prices of houses are set at a level that makes the monthly mortgage payments less expensive than renting a residence. We placed priority on the turnover ratio by shortening the time between the purchase of land and sale of houses. Building houses faster and improving construction processes also contributed to lowering expenses in this business. In addition, we continued to upgrade our sales capabilities by building stronger ties with real estate brokers throughout Japan, increasing purchases of land and increasing the use of outsourced sales activities.

During the first nine months, 2,227 houses (including land sale) were sold, up by 305 from one year earlier. Sales increased 15,167 million yen to 71,991 million yen. Although earnings were negatively affected by higher brokerage commissions (increase of the variable cost) as sales increased, segment profit was up 3,375 million yen to 8,012 million yen.

ii) Custom-built housing business

This custom-built housing business is concentrating on increasing the number of orders from real estate companies for its Fit-Pro custom-built houses.

The number of houses sold during the first nine months decreased by 13 from one year earlier to 61. Sales were down 117 million yen to 737 million yen and segment profit decreased 32 million yen to 152 million yen.

iii) Pre-owned home business

This business has stopped all purchasing activities because we are focusing our resources on the homebuilding and sales business.

The number of houses sold during the first nine months decreased by 67 from one year earlier to 52. Sales decreased 1,944 million yen to 1,383 million yen and segment profit increased 13 million yen to 55 million yen.

iv) Yokatown business

Subsidiary Yokatown Co., Ltd. sells built-for-sale houses, land and custom-built houses mainly in Fukuoka prefecture. Yokatown has been working on strengthening its built-for-sale house sales business.

The number of built-for-sale houses sold during the first nine months increased by 154 to 544 (including land sale), the number of custom-built houses sold decreased by 34 to 65 because built-for-sale houses are the main

activity of this business. Sales increased 3,677 million yen to 14,776 million yen and segment profit increased 419 million yen to 1,197 million yen.

v) Asahi Housing business

Subsidiary Asahi Housing Co., Ltd. sells built-for-sale houses mainly in Kanagawa prefecture. There are many activities at this company involving housing development projects.

The number of built-for-sale houses sold during the first nine months increased by 38 to 175 (including land sale). Sales increased 1,791 million yen to 6,913 million yen and segment profit increased 406 million yen to 584 million yen.

vi) Fresco business

Subsidiary Fresco Inc. sells built-for-sale houses mainly in Chiba prefecture. This company also sells land and custom-built houses. Custom-built house sales mainly consist of houses where buyers can determine designs on their own and the “Hanamaru house” line of homes where buyers choose from pre-determined elements.

The number of built-for-sale houses sold during the first nine months increased by 27 to 126 (including land sale) and the number of custom-built houses sold decreased by 65 to 34. Sales increased 566 million yen to 4,391 million yen and segment profit increased 133 million yen to 261 million yen.

vii) Kensin business

Subsidiary Kensin Construction inc. primarily sells built-for-sale houses, land and custom-built houses and performs building site preparation work mainly in Kanagawa prefecture. The company has been involved with many real estate development projects that required the preparation of building sites at locations with big differences between high and low areas. Kensin plans to increase sales of built-for-sale houses.

The number of built-for-sale houses sold during the first nine months increased by 47 to 141 (including land sale) and custom-built houses sold increased by 53 to 90. Sales increased 1,998 million yen to 6,916 million yen and segment profit increased 233 million yen to 152 million yen.

viii) Tokyo Big House business

The main activities of Tokyo Big House, Inc., which are mainly in Tokyo, are the sale of built-for-sale houses, the sale of renovated condominium units and residential remodeling. This company plans to rapidly expand its development business for built-for-sale houses.

Tokyo Big House sold 32 built-for-sale houses and condominium units (including land sale) and 25 custom-built houses, resulting in sales of 1,503 million yen. Segment profit was 4 million yen despite the inclusion of stock acquisition expenses of 3 million yen in selling, general and administrative expenses and a 37 million yen increase in the cost of sales due to the inclusion of a valuation gain resulting from the revaluation of inventories based on market prices as of the time Tokyo Big House was consolidated. There is no prior-year comparison because this reportable segment was added in the first nine months of the current fiscal year due to the acquisition of Tokyo Big House.

(2) Explanation of Financial Position

Assets

Total assets increased by 17,008 million yen from the end of the previous fiscal year to 106,944 million yen at the end of the third quarter of the current fiscal year. This was mainly due to an increase of 4,215 million yen in inventories, which includes real estate for sale, real estate for sale in process and costs on uncompleted construction contracts, and an increase of 11,849 million yen in cash and deposits.

Liabilities

Total liabilities increased by 12,762 million yen to 82,850 million yen. The main reasons include an increase of 8,642 million yen in borrowings, which include short-term borrowings, current portion of long-term borrowings and long-term borrowings because of procurement of funds to purchase land.

Net assets

Total net assets increased by 4,246 million yen to 24,094 million yen. The main reasons were an increase of 4,861 million yen in retained earnings due to profit attributable to owners of parent, which was partly offset by a 1,110 million yen decrease in retained earnings as a result of payments of cash dividends, and a 479 million yen increase in non-controlling interests.

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

We have revised the consolidated forecast for the fiscal year ending March 31, 2021. We forecast net sales of 148,000 million yen (up 22.6% year on year), ordinary profit of 11,600 million yen (up 83.6% year on year), and profit attributable to owners of parent of 7,000 million yen (up 95.3% year on year) for the fiscal year ending March 31, 2021. For more details, please refer to the press release “Notice of Revisions to Consolidated Forecast and Dividend Forecast (Dividend Increase)” dated today.

2. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheet**

	(Thousands 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	14,126,543	25,975,724
Accounts receivable from completed construction contracts	500,175	288,420
Real estate for sale	28,565,839	32,649,260
Real estate for sale in process	34,688,814	33,698,590
Costs on uncompleted construction contracts	2,412,355	3,534,489
Other	2,461,360	2,946,275
Allowance for doubtful accounts	(11,349)	(81,384)
Total current assets	82,743,738	99,011,377
Non-current assets		
Property, plant and equipment	4,398,021	4,491,531
Intangible assets		
Goodwill	845,683	1,244,964
Other	573,530	583,917
Total intangible assets	1,419,214	1,828,881
Investments and other assets	1,375,073	1,612,919
Total non-current assets	7,192,309	7,933,332
Total assets	89,936,048	106,944,709
Liabilities		
Current liabilities		
Electronically recorded obligations-operating	434,261	756,163
Accounts payable for construction contracts	9,766,640	9,084,697
Short-term borrowings	42,145,532	48,987,913
Current portion of bonds payable	147,400	185,800
Current portion of long-term borrowings	6,978,669	6,918,174
Lease obligations	55,450	53,047
Income taxes payable	1,047,770	1,945,903
Provision for bonuses	250,539	186,367
Other	2,683,733	3,423,923
Total current liabilities	63,509,998	71,541,991
Non-current liabilities		
Bonds payable	512,300	3,372,400
Long-term borrowings	5,740,755	7,601,256
Lease obligations	151,832	112,046
Asset retirement obligations	66,582	65,364
Other	106,156	156,967
Total non-current liabilities	6,577,626	11,308,034
Total liabilities	70,087,624	82,850,026

	(Thousands of yen)	
	FY3/20 (As of Mar. 31, 2020)	Third quarter of FY3/21 (As of Dec. 31, 2020)
Net assets		
Shareholders' equity		
Share capital	821,050	821,050
Capital surplus	1,726,245	1,726,245
Retained earnings	15,555,237	19,306,908
Treasury shares	(77,428)	(77,519)
Total shareholders' equity	18,025,105	21,776,684
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(26,303)	(9,847)
Foreign currency translation adjustment	(177)	(1,263)
Total accumulated other comprehensive income	(26,481)	(11,110)
Share acquisition rights	3,161	2,902
Non-controlling interests	1,846,639	2,326,206
Total net assets	19,848,424	24,094,682
Total liabilities and net assets	89,936,048	106,944,709

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

(Thousands of yen)

	First nine months of FY3/20 (Apr. 1, 2019 – Dec. 31, 2019)	First nine months of FY3/21 (Apr. 1, 2020 – Dec. 31, 2020)
Net sales	87,056,738	109,803,934
Cost of sales	74,513,221	91,107,834
Gross profit	12,543,517	18,696,100
Selling, general and administrative expenses	8,285,381	10,492,047
Operating profit	4,258,135	8,204,052
Non-operating income		
Interest income	1,055	3,100
Dividend income	6,798	3,110
Refund of real estate acquisition tax	63,169	309,561
Other	154,564	289,444
Total non-operating income	225,588	605,215
Non-operating expenses		
Interest expenses	399,803	481,719
Other	34,694	107,852
Total non-operating expenses	434,497	589,572
Ordinary profit	4,049,226	8,219,696
Extraordinary income		
Gain on sales of non-current assets	2,389	1,018
Gain on sales of investment securities	-	2,068
Total extraordinary income	2,389	3,087
Extraordinary losses		
Loss on retirement of non-current assets	1,798	25,229
Loss on valuation of investment securities	-	150,000
Other	-	3,439
Total extraordinary losses	1,798	178,668
Profit before income taxes	4,049,817	8,044,114
Income taxes-current	1,330,820	2,796,523
Income taxes-deferred	(78,567)	(202,913)
Total income taxes	1,252,252	2,593,610
Profit	2,797,565	5,450,504
Profit attributable to non-controlling interests	290,908	588,703
Profit attributable to owners of parent	2,506,656	4,861,800

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

(Thousands of yen)

	First nine months of FY3/20 (Apr. 1, 2019 – Dec. 31, 2019)	First nine months of FY3/21 (Apr. 1, 2020 – Dec. 31, 2020)
Profit	2,797,565	5,450,504
Other comprehensive income		
Valuation difference on available-for-sale securities	13,875	31,052
Foreign currency translation adjustment	(242)	(1,085)
Total other comprehensive income	13,632	29,967
Comprehensive income	2,811,197	5,480,471
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	2,513,860	4,878,114
Comprehensive income attributable to non-controlling interests	297,337	602,356

(3) Notes to Quarterly Consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information

Segment information

First nine months of FY3/20 (Apr. 1, 2019 – Dec. 31, 2019)

1. Information related to net sales and profit for each reportable segment

(Thousands of yen)

	Reportable segment					
	Homebuilding and sales	Custom-built housing	Pre-owned home sales	Yokatown	Asahi Housing	Fresco
Net sales						
Sales to external customers	56,823,707	855,144	3,328,314	11,098,869	5,121,674	3,825,141
Inter-segment sales and transfers	-	-	-	-	-	-
Total	56,823,707	855,144	3,328,314	11,098,869	5,121,674	3,825,141
Segment profit (loss)	4,637,062	184,302	42,132	777,947	177,584	127,395

	Reportable segment		Others (Note 1)	Adjustments (Note 2)	Amounts shown on the quarterly consolidated statement of income (Note 3)
	Kensin	Total			
Net sales					
Sales to external customers	4,917,674	85,970,525	1,086,213	-	87,056,738
Inter-segment sales and transfers	-	-	703,761	(703,761)	-
Total	4,917,674	85,970,525	1,789,974	(703,761)	87,056,738
Segment profit (loss)	(81,714)	5,864,710	239,443	(1,846,018)	4,258,135

Notes: 1. Others represent the businesses which are not included in any of the reportable segments and mainly consist of real estate leasing and brokerage businesses.

2. The -1,846 million yen adjustment to segment profit (loss) includes elimination for inter-segment transactions of 25 million yen and -1,871 million yen in corporate expenses that cannot be allocated to any of the reportable segments.

3. Segment profit (loss) is adjusted with operating profit shown on the consolidated statement of income.

First nine months of FY3/21 (Apr. 1, 2020 – Dec. 31, 2020)

1. Information related to net sales and profit for each reportable segment

(Thousands of yen)

	Reportable segment					
	Homebuilding and sales	Custom-built housing	Pre-owned home sales	Yokatown	Asahi Housing	Fresco
Net sales						
Sales to external customers	71,991,452	737,870	1,383,420	14,776,749	6,913,296	4,391,351
Inter-segment sales and transfers	-	-	-	-	-	-
Total	71,991,452	737,870	1,383,420	14,776,749	6,913,296	4,391,351
Segment profit	8,012,744	152,017	55,690	1,197,613	584,089	261,057

	Reportable segment			Others (Note 1)	Adjustments (Note 2)	Amounts shown on the quarterly consolidated statement of income (Note 3)
	Kensin	Tokyo Big House	Total			
Net sales						
Sales to external customers	6,916,252	1,503,133	108,613,525	1,190,409	-	109,803,934
Inter-segment sales and transfers	-	-	-	902,815	(902,815)	-
Total	6,916,252	1,503,133	108,613,525	2,093,224	(902,815)	109,803,934
Segment profit	152,205	4,714	10,420,132	(178,171)	(2,037,907)	8,204,052

Notes: 1. Others represent the businesses which are not included in any of the reportable segments and mainly consist of real estate leasing and brokerage businesses.

2. The -2,037 million yen adjustment to segment profit includes elimination for inter-segment transactions of 27 million yen and -2,065 million yen in corporate expenses that cannot be allocated to any of the reportable segments.

3. Segment profit is adjusted with operating profit shown on the consolidated statement of income.

2. Information related to revisions for reportable segments

In association with acquiring shares of Tokyo Big House, Inc. and making this company a consolidated subsidiary in the first nine months of FY3/21, the Company has revised a reportable segment structure in the first nine months of FY3/21 to include the Tokyo Big House Business.

Additional Information

- The Company has established a performance-linked stock compensation plan for directors. Shares for this plan held by the trust are recorded as treasury shares in the consolidated balance sheet. The number of shares of the Company's stock held by the trust was 41,300 shares with a book value of 77 million yen as of March 31, 2020 and December 31, 2020.
- The worldwide COVID-19 pandemic is creating concerns about the possibility of a further downturn of the global economy. It is uncertain when this crisis will end and it is currently impossible to predict the effects of this crisis on the performance of the KI-STAR Group. As of the date of this earnings announcement, the COVID-19 crisis has not created any problems serious enough to affect accounting estimates. Consequently, accounting estimates as of the end of the third quarter of the current fiscal year do not incorporate any effects of the COVID-19 crisis.

This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including 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.