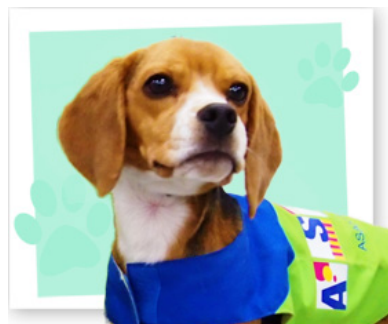


Financial Results for FY Ended March 2021

May 14, 2021



Detection Dog Team "Kunkuns"



Asante Incorporated [TSE First Section Securities Code 6073]

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* We adopted consolidated accounting from the second quarter of the fiscal year ending March 2021.
Comparisons with the same period of the previous year (non-consolidated) are provided as a reference.

I . Financial Results for FY3/21





Economic conditions deteriorated rapidly from the beginning of the fiscal year due to the impact of COVID-19.

Despite signs of recovery in consumer spending reflecting a gradual resumption of economic activities, the outlook remains uncertain due to the re-expansion of the infection.

The national policy of "emphasizing life extension and maintenance of existing houses" remains unchanged, and there is also an enormous latent demand.

Effects of New Coronavirus (COVID-19) Infections

■ **Operational status at major business sites**

- All sales offices have temporarily suspended door-to-door sales activities to new customers (from April 18 to May 15), but we will continue to accept orders from new customers and continue service to existing customers.
- We will continue advertising and sales promotion as usual to raise awareness of the need for measures against termites during swarming season.
- All sales offices resumed operations from June 2020.

■ **Customer trends**

- Even after the resumption of activities, our operations continued to be affected, as our sales activities have been restricted due to a decline in consumer confidence and concerns over the spread of infections.

■ **Employee support**

- We will implement measures to ensure the safety and stability of our employees' lives.

Business Plan & Specific Initiatives



1. Strengthening of compliance and increase of customer satisfaction

- Build a thorough compliance-oriented sales system

2. Securing of excellent human resources and strengthening of education system

- Reduce the number of retirees and increase the retention rate by improving the working environment
- Increase opportunities for contact with applicants through the introduction of web-based interviews and information sessions.

3. Promote efficiencies of business and enhancement of productivity

- Efficient demand stimulation and customer acquisition through advertising and sales promotion
- Continue to improve efficiency by systematizing operations

4. Sales area development to increase potential customers

- Entering the Hokkaido market by making Heartful Home Co., Ltd. a subsidiary

5. Measures to prevent the spread of the COVID-19

- Implement measures to ensure the safety of customers and employees to prevent the spread of infections



TV commercial Leaflets & web advertisements



株式会社 アサント
東証一部 上場
シロアリ対策 全国シェア No.1
即日対応
0120-557-419
無料相談はこちらから

アサントが選ばれる理由
羽アリ(シロアリ)の被害・対策
相談から施工までの流れ
お客様の声

シロアリ駆除ならあなたの街のアサントにお任せ。

その羽アリ、シロアリですよ!
一部のシロアリが黒褐色の羽アリになる時期です。

創業50周年 全国シェア No.1 東証一部上場

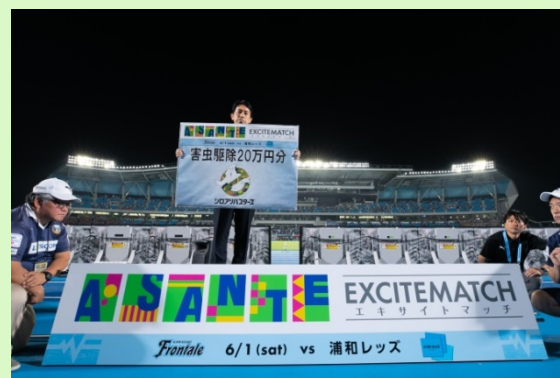
シロアリの発見・駆除をするなら今!!

雨上がりの晴れた日に羽アリを見たら、すぐ近くにシロアリが生息している可能性があります!

業者選びで悩んだらまずはアサントにご相談ください

Sponsorship

- Signed a sponsorship deal with Kawasaki Frontale
(2021 Meiji Yasuda Life Insurance J1 League)



© KAWASAKI FRONTALE CO.,LTD

Experience of M&A



■ Heartful Home Co., Ltd.

Head Office Location	6-2 Kitano 1-jo 2-chome, Kiyota-ku, Sapporo-shi, Hokkaido
Representative	Daisuke Watanabe, President
Business Content	Construction and remodeling business (Exterior wall remodeling with metal siding)
Establishment	June 1975
Capital	15 million yen
Net sales	923 million yen (FY3/20)
Date of execution of share transfer agreement	July 1, 2020 (Percentage of voting rights held: 100%)
Purpose of acquisition	<ul style="list-style-type: none">• Expansion of the Field of Service and Acquisition of new business area (Hokkaido)• Utilization of know-how for exterior wall remodeling work and human resources• Business expansion through synergy with comprehensive house maintenance services

Marketing Area Development



Subsidiary: 1

Branches: 14

Sales Offices: 66

Niigata Branch

Nagano Branch

Gifu Branch

Kyoto Branch

Hanshin Sales Office

Nanyo Sales Office
Opened in Apr. 2021

Nara Branch

Wakayama Branch

Aichi Branch

Shizuoka Branch

Kanagawa Branch

Chiba Branch

Tokyo Branch

Ibaraki Branch

North Kanto Branch

Tohoku Fukushima Branch

Heartful Home Co., Ltd.

Results for Profit and Loss (Full-year / YoY)



(Unit: Million yen)	(Non-Consolidated) FY3/20	(Consolidated) FY3/21	YoY	
	Results	Results	Change	Change in Ratio
Net Sales	14,432	13,872	-560	-3.9%
Gross Profit	10,322	9,709	-613	-5.9%
Gross profit ratio	71.5%	70.0%	-1.5pt	—
Operating Income	2,239	1,602	-636	-28.4%
Operating income ratio	15.5%	11.6%	-4.0pt	—
Ordinary Income	2,380	1,703	-677	-28.4%
Ordinary income ratio	16.5%	12.3%	-4.2pt	—
Net income attributable to owners of parent	1,580	1,063	-517	-32.7%
Net income ratio	11.0%	7.7%	-3.3pt	—
EPS (yen)	128.06	89.52	-38.54	-30.1%

Results for Profit and Loss (Full-year / Ratio of Forecasts)

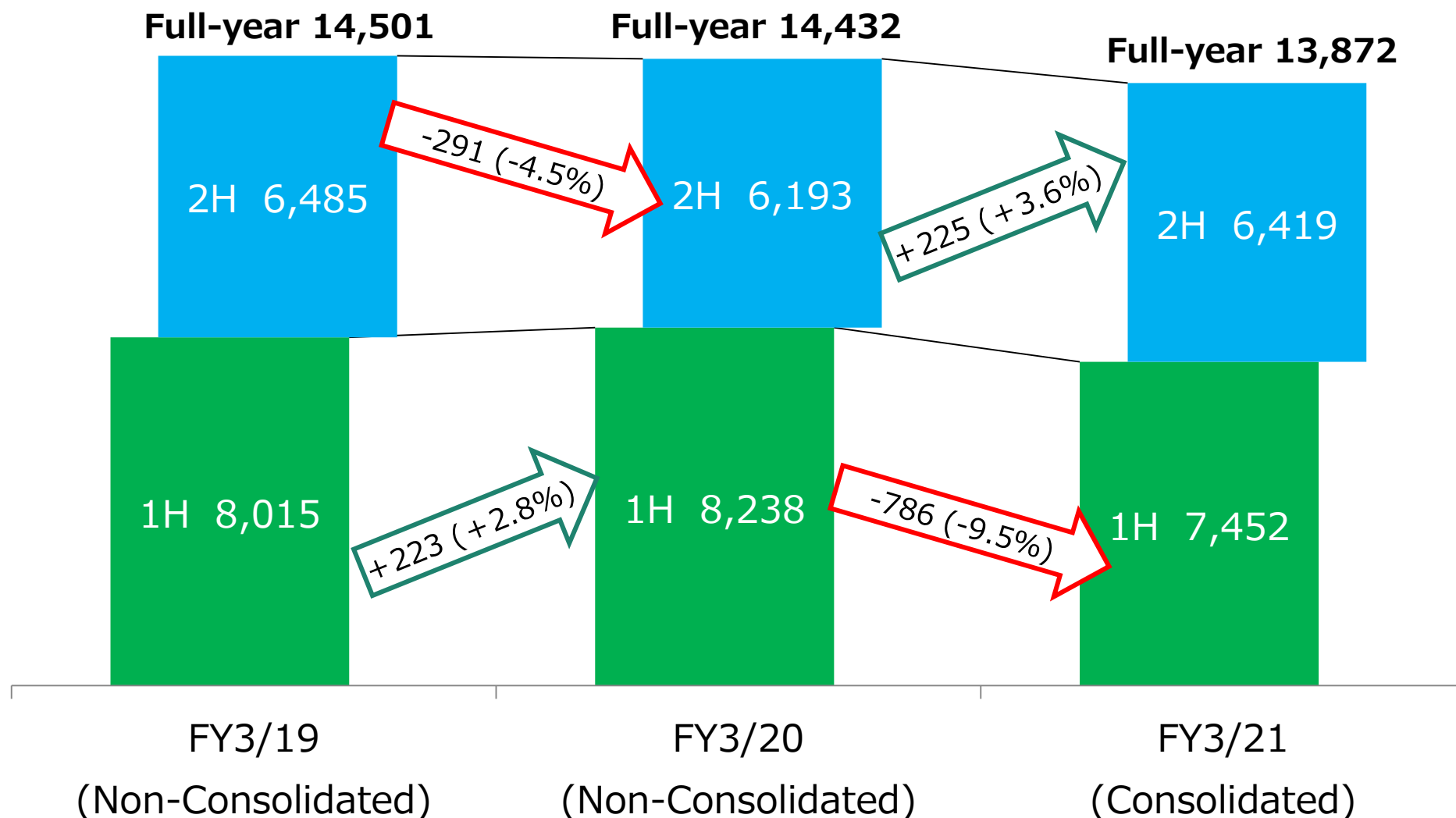
■ Net sales Achievement ratio on full-year forecasts: 100.8%
 Operating income Achievement ratio on full-year forecasts: 119.7%

(Unit: Million yen)	(Consolidated) FY3/21			
	Forecasts	Results	Ratio of Forecasts	Achievement Ratio
Net Sales	13,762	13,872	109	100.8%
Gross Profit	9,521	9,709	187	102.0%
Gross profit ratio	69.2%	70.0%	+0.8pt	—
Operating Income	1,338	1,602	263	119.7%
Operating income ratio	9.7%	11.6%	+1.8pt	—
Ordinary Income	1,385	1,703	317	122.9%
Ordinary income ratio	10.1%	12.3%	+2.2pt	—
Net income attributable to owners of parent	841	1,063	221	126.3%
Net income ratio	6.1%	7.7%	+1.5pt	—
EPS (yen)	68.18	89.52	21.34	131.3%

Net Sales by 1H and 2H



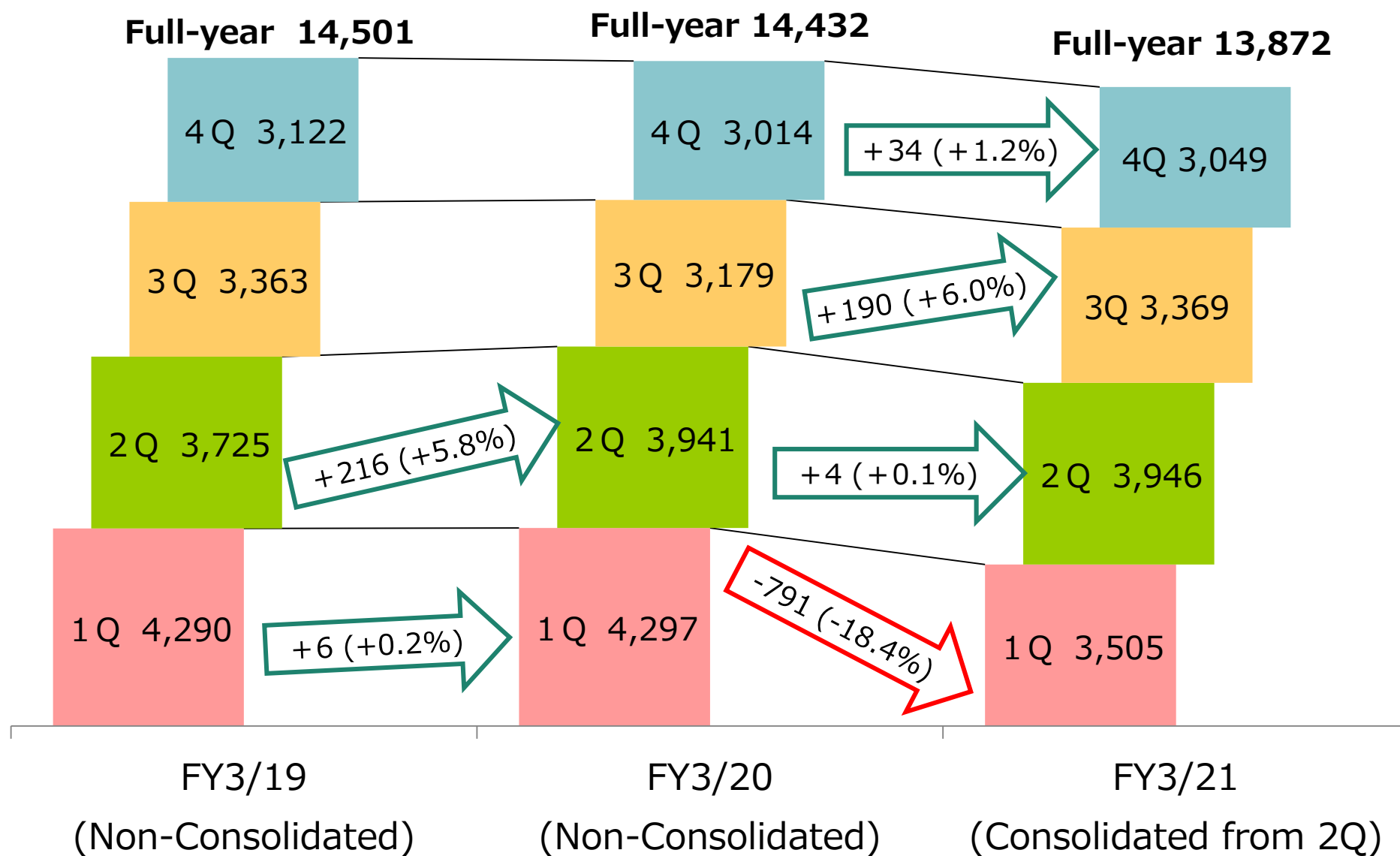
(Unit : Million Yen)



Net Sales by Quarter



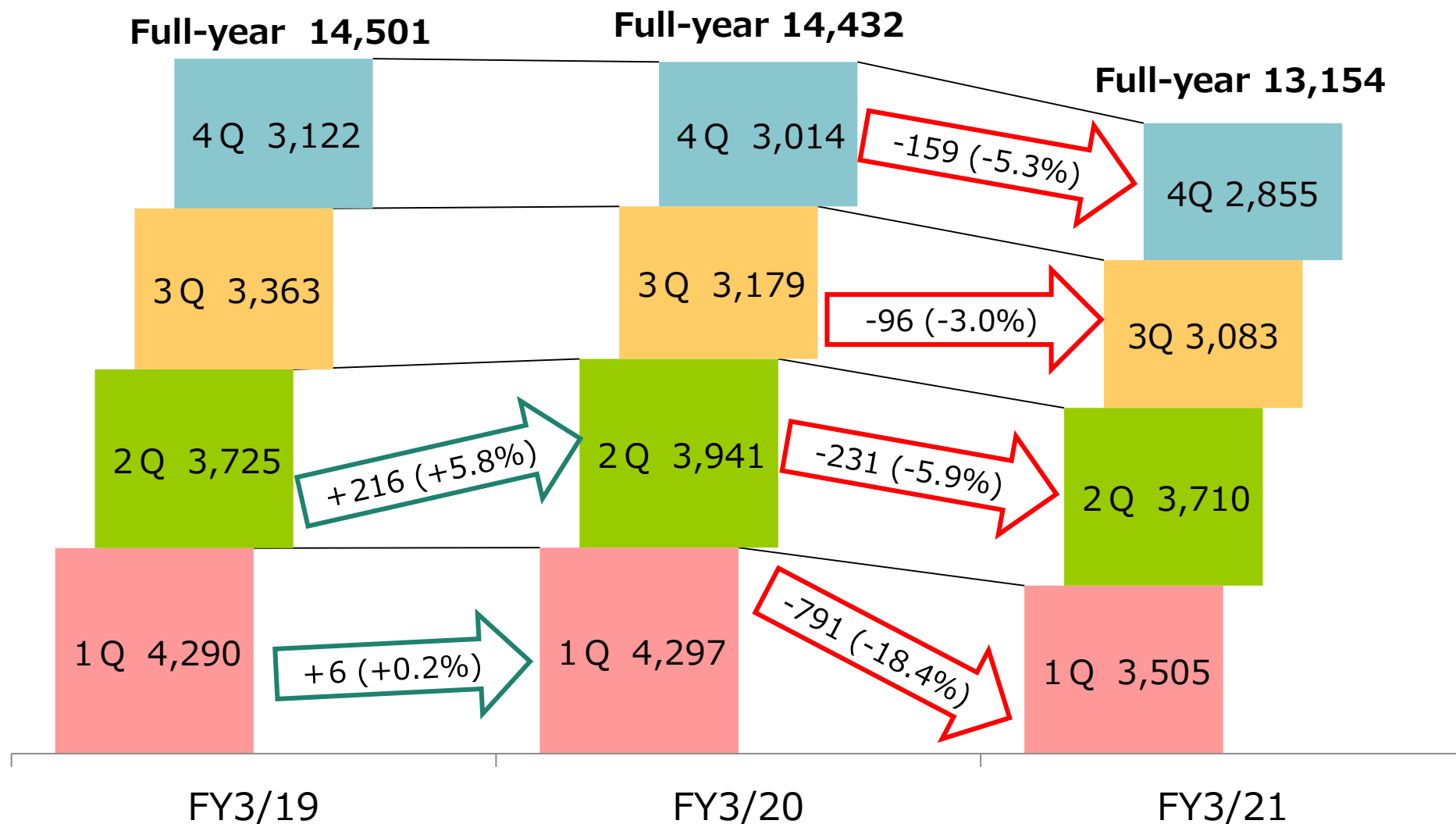
(Unit : Million Yen)



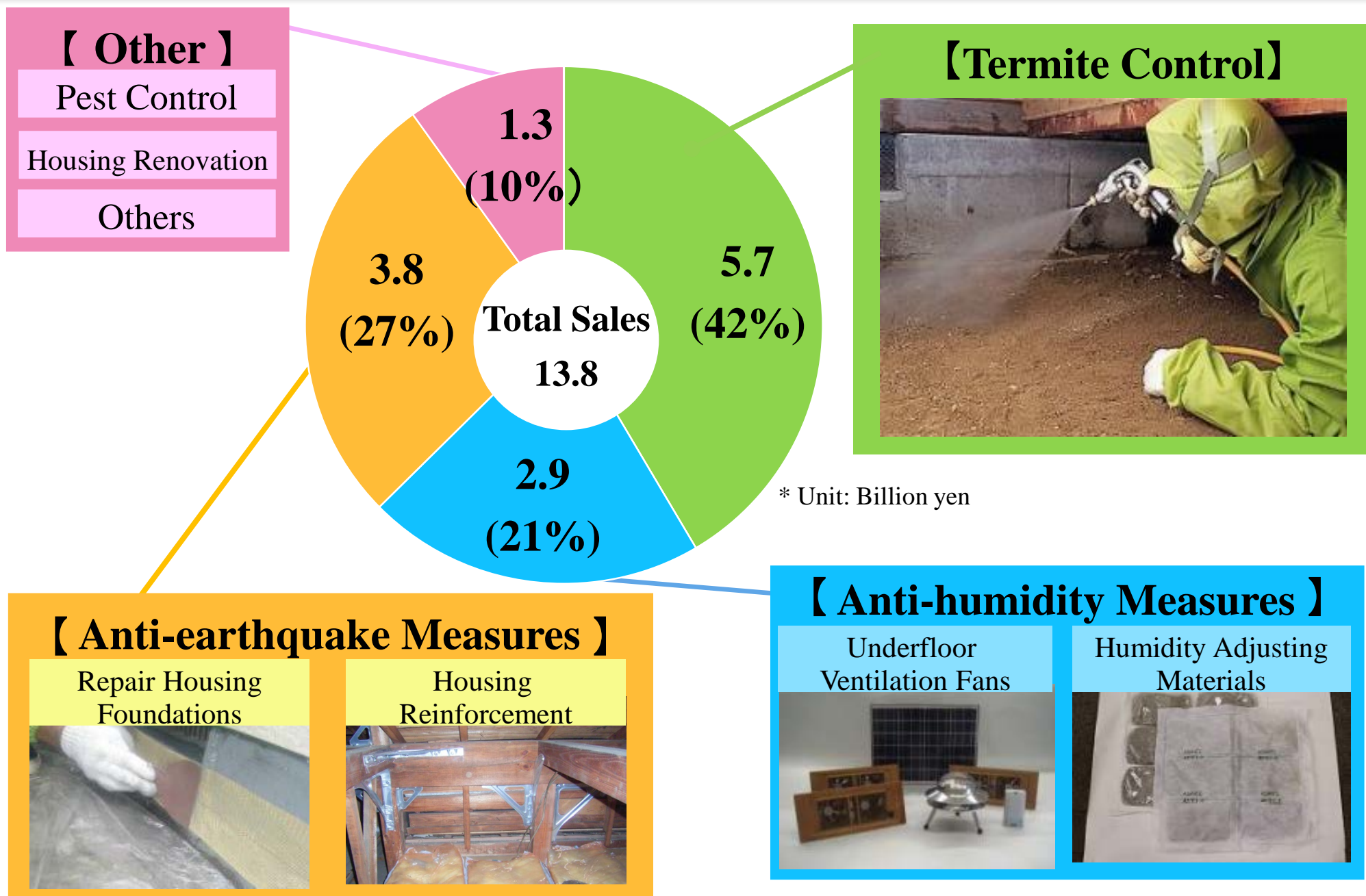
Net Sales by Quarter (Non-Consolidated)



(Unit : Million Yen)



Sales Composition by Service



Net Sales by Service (Full-year)



- Net sales: -3.9%
- Termite Control: -3.1%
(Termite control for new customers: -4.4%, Renewal termite control : -1.7%)
- Anti-humidity measures: -9.6%
- Anti-earthquake measures: -17.2%

(Unit: Million yen)	(Non-Consolidated) FY3/20		(Consolidated) FY3/21		YoY	
	Results	Composition ratio	Results	Composition ratio	Change	Change in ratio
Net sales	14,432	—	13,872	—	-560	-3.9%
Termite control	5,941	41.2%	5,759	41.5%	-181	-3.1%
New	3,049	21.1%	2,916	21.0%	-132	-4.4%
Renewal	2,892	20.0%	2,843	20.5%	-48	-1.7%
Anti-humidity measures	3,233	22.4%	2,922	21.1%	-311	-9.6%
Anti-earthquake measures	4,615	32.0%	3,819	27.5%	-795	-17.2%
Others	642	4.5%	1,370	9.9%	727	113.2%

Net Sales by 3 Service (Full-year)



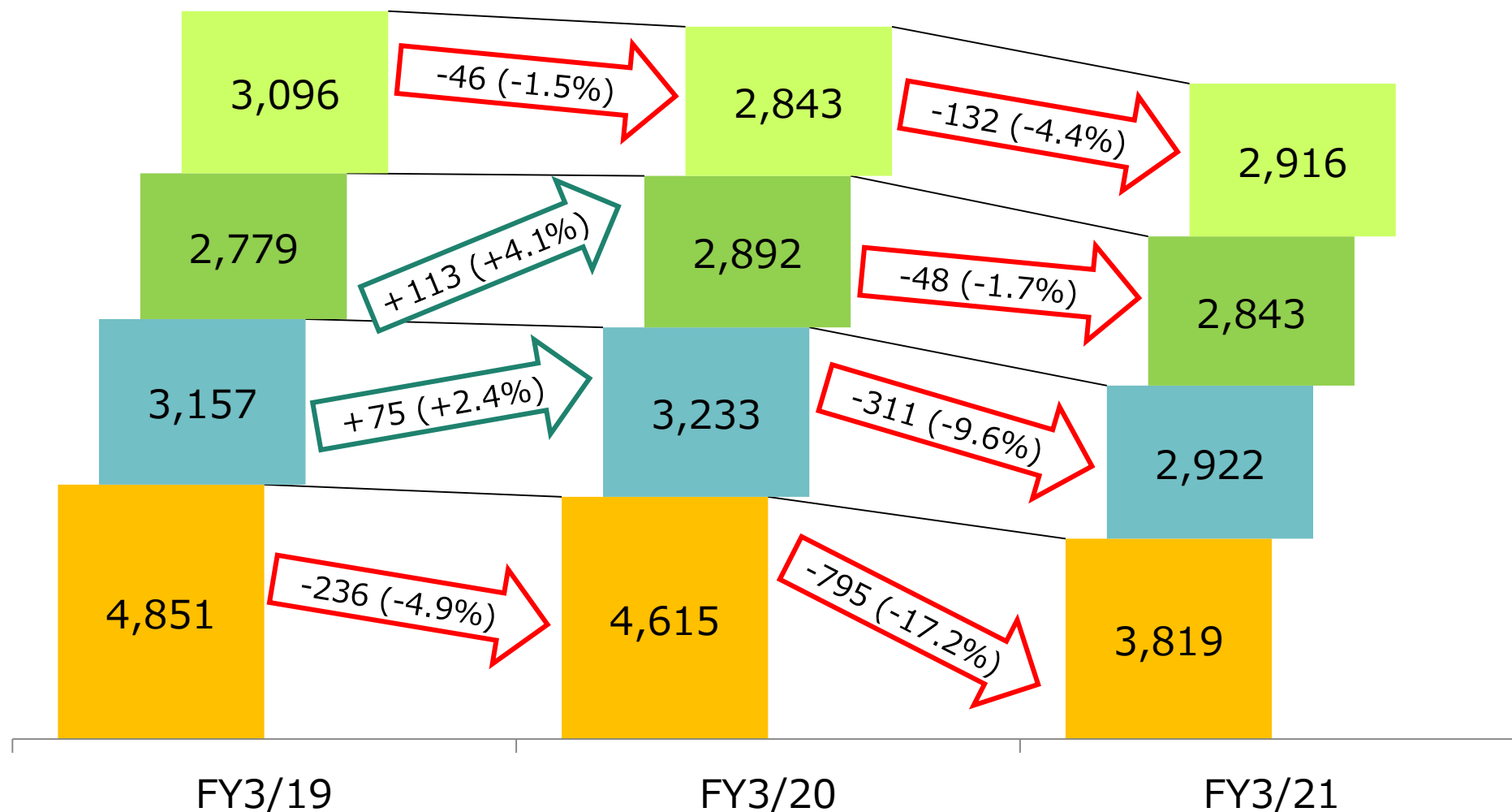
(Unit : Million Yen)

New TC

Renewal TC

Anti-humidity Measures

Anti-earthquake Measures



Number of Staffs, Sales per Staff (Full-year)



■ Number of staffs at end of period increased by 87 (9.0%)

(Of the total, 47 staffs increased due to the effect of changing the joining month for new employees from March to April in the previous fiscal year to prevent the spread of COVID-19)

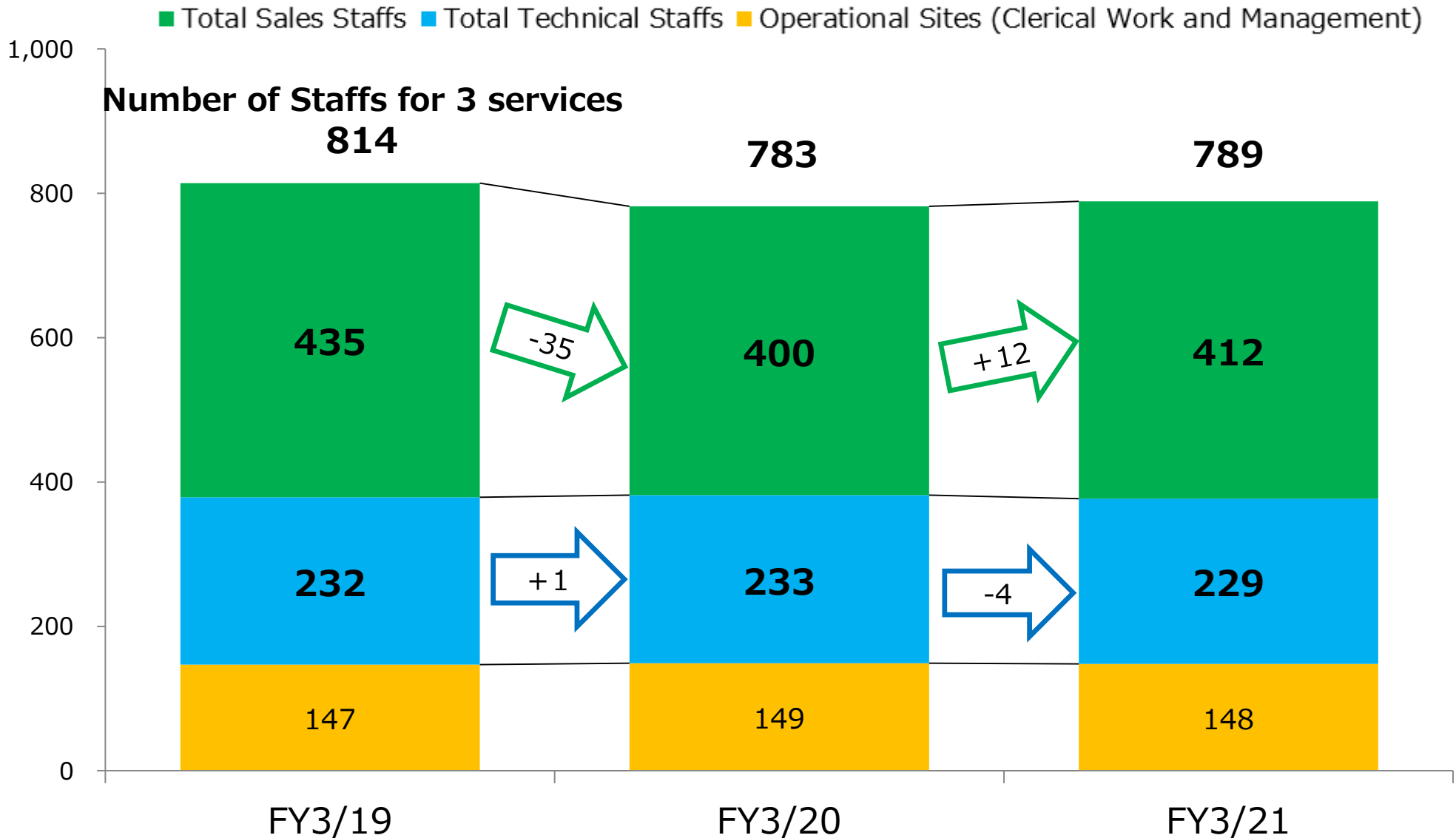
	(Non-Consolidated) FY3/20	(Consolidated) FY3/21	YoY	
	Results	Results	Change	Change in ratio
Net Sales (Million yen)	14,432	13,872	-560	-3.9%
Within the three services	13,790	12,501	-1,288	-9.3%
Average number of staffs during the period	985	1,020	35	3.5%
Within the three services	783	789	6	0.7%
Within sales staffs	400	412	12	2.9%
Sales per staff (Thousand yen/month)	1,220	1,133	-87	-7.2%
Within the three services	1,467	1,321	-146	-10.0%
Number of staffs at end of period	962	1,049	87	9.0%
Within the three services	758	808	50	6.6%

- "Number of staffs": total number of staffs actually working including part-time employees and contract employees (excluding dispatched and seconded staffs)

- "Sales of three services": total sales of termite control, anti-humidity measures and anti-earthquake measures

- "Number of staffs for three services": total of staffs engaging in sales, technical, and clerical work and management of operational sites

Number of Staffs for 3 Services (Full-year)



- "Number of staffs for three services": total of staffs engaging in sales, technical, and clerical work and management of operational sites working including part-time employees and contract employees (excluding dispatched and seconded staffs)

Number of Staffs, Sales per Staff (1H)



	(Non-Consolidated) FY3/20 1H	(Consolidated) FY3/21 1H	YoY	
	Results	Results	Change	Change in ratio
Net Sales (Million yen)	8,238	7,452	-786	-9.5%
Within the three services	7,905	6,908	-996	-12.6%
Average number of staffs during the period	996	1,018	21	2.1%
Within the three services	795	795	0	0.0%
Within sales staffs	392	401	9	2.3%
Sales per staff (Thousand yen/month)	1,378	1,220	-157	-11.4%
Within the three services	1,656	1,447	-208	-12.6%
Number of staffs at end of period	992	1,037	45	4.5%
Within the three services	791	797	6	0.8%

- "Number of staffs": total number of staffs actually working including part-time employees and contract employees (excluding dispatched and seconded staffs)
- "Sales of three services": total sales of termite control, anti-humidity measures and anti-earthquake measures
- "Number of staffs for three services": total of staffs engaging in sales, technical, and clerical work and management of operational sites

Number of Staffs, Sales per Staff (2H)



	(Non-Consolidated) FY3/20 2H	(Consolidated) FY3/21 2H	YoY	
	Results	Results	Change	Change in ratio
Net Sales (Million yen)	6,193	6,419	225	3.6%
Within the three services	5,884	5,592	-291	-5.0%
Average number of staffs during the period	974	1,023	49	5.0%
Within the three services	770	782	12	1.5%
Within sales staffs	408	422	14	3.4%
Sales per staff (Thousand yen/month)	1,059	1,046	-13	-1.3%
Within the three services	1,273	1,192	-80	-6.4%
Number of staffs at end of period	962	1,049	87	9.0%
Within the three services	758	808	50	6.6%

- "Number of staffs": total number of staffs actually working including part-time employees and contract employees (excluding dispatched and seconded staffs)
- "Sales of three services": total sales of termite control, anti-humidity measures and anti-earthquake measures
- "Number of staffs for three services": total of staffs engaging in sales, technical, and clerical work and management of operational sites

Factors for Changes in Operating Income (Full-year / YoY)

(Unit: Million yen)	(Non-Consolidated) FY3/20	(Consolidated) FY3/21	YoY	
	Results	Results	Change	Change in Ratio
Net Sales	14,432	13,872	-560	-3.9%
Cost of Sales	4,110	4,162	+52	+1.3%
Material Costs	1,749	1,756	+6	+0.4%
Labor Costs	1,432	1,391	-40	-2.8%
Other Cost of Sales	928	1,014	+86	+9.3%
Gross Profit	10,322	9,709	-613	-5.9%
SG&A Expenses	8,083	8,107	+23	+0.3%
Personnel Expenses	5,296	5,306	+10	+0.2%
Recruiting Expenses	189	150	-38	-20.5%
Sales Promotional Expenses	425	324	-100	-23.6%
Other SG&A Expenses	2,173	2,324	+151	+7.0%
Operating Income	2,239	1,602	-636	-28.4%

- Sales Promotional Expenses : Advertising expenses related to promotional activities

Results for Profit and Loss (1H)



(Unit: Million yen)	(Non-Consolidated) FY3/20 1H	(Consolidated) FY3/21 1H	YoY	
	Results	Results	Change	Change in Ratio
Net Sales	8,238	7,452	-786	-9.5%
Gross Profit	6,012	5,334	-677	-11.3%
Gross profit ratio	73.0%	71.6%	-1.4pt	—
Operating Income	1,772	1,166	-606	-34.2%
Operating income ratio	21.5%	15.7%	-5.9pt	—
Ordinary Income	1,783	1,265	-517	-29.0%
Ordinary income ratio	21.6%	17.0%	-4.7pt	—
Net income attributable to owners of parent	1,201	825	-375	-31.3%
Net income ratio	14.6%	11.1%	-3.5pt	—
EPS (yen)	97.32	66.84	-30.47	-31.3%

Results for Profit and Loss (2H)



(Unit: Million yen)	(Non-Consolidated) FY3/20 2H	(Consolidated) FY3/21 2H	YoY	
	Results	Results	Change	Change in Ratio
Net Sales	6,193	6,419	225	3.6%
Gross Profit	4,310	4,374	64	1.5%
Gross profit ratio	69.6%	68.1%	-1.4pt	—
Operating Income	466	435	-30	-6.6%
Operating income ratio	7.5%	6.8%	-0.7pt	—
Ordinary Income	597	437	-159	-26.7%
Ordinary income ratio	9.6%	6.8%	-2.8pt	—
Net income attributable to owners of parent	379	238	-141	-37.2%
Net income ratio	6.1%	3.7%	-2.4pt	—
EPS (yen)	30.74	20.88	-9.86	-32.1%

Balance Sheet



(Unit: Million yen)		(Non-Consolidated) End of FY3/20	(Consolidated) End of FY3/21	Change	Main factors for changes	
	Current assets	11,130	8,765	-2,365	Cash and deposits	-2,372
	Non-current assets	5,439	5,663	224	Goodwill	+450
Total Assets		16,569	14,429	-2,140		
	Current liabilities	2,194	2,178	-15		
	Non-current liabilities	957	584	-373		
Total Liabilities		3,151	2,762	-388		
Total Net Assets		13,417	11,666	-1,751	Retained earnings	+302
					Treasury shares	-2,053
Equity-to-asset Ratio		81.0%	80.9%	-0.1pt		
BPS (yen)		1,087.20	1,064.09	-23.11		

Cash Flow Statement



(Unit: Million yen)	(Non-Consolidated) FY3/20	(Consolidated) FY3/21	Factors for changes	
Cash flows from operating activities	1,524	929	Income before income taxes	1,689
			Income taxes paid	-667
Cash flows from investing activities	10	-309	Acquisition of subsidiaries	-419
Free cash flows	1,534	619		
Cash flows from financing activities	-752	-2,991	Net decrease in borrowings	-187
			Cash dividends paid	-740
			Acquisition of treasury stock	-2,053
Net increase/decrease in cash and cash equivalents	781	-2,372		

Management indicator



■ Financial safety is solid

	(Non-Consolidated) FY3/19	(Non-Consolidated) FY3/20	(Consolidated) FY3/21	YoY Change
Equity-to-asset ratio	78.0%	81.0%	80.9%	-0.1pt
Interest-bearing debt dependency	4.5%	4.1%	4.5%	+0.4pt
Operating income ratio	15.8%	15.5%	11.6%	-4.0pt
ROA	14.8%	14.6%	11.8%	-2.8pt
ROE	12.5%	12.2%	9.1%	-3.1pt
EPS (yen)	122.81	128.06	89.52	-38.54
BPS (yen)	1,016.16	1,087.20	1,064.09	-23.11
Payout ratio	44.0%	46.9%	67.0%	+20.2pt
Net assets to dividend ratio	5.5%	5.7%	5.6%	-0.1pt

- The calculations of ROA, ROE, and net assets to dividend ratio for the FY3/21 are based on year-end total assets, year-end shareholders' equity, and year-end consolidated net assets per share, respectively, since it is the first year of consolidation.

II . Forecasts for FY3/22





1. Strengthening of compliance and increase of customer satisfaction

2. Securing of excellent human resources and improving employee satisfaction

3. Enhancement of productivity

4. Promotion of area expansion

5. Measures to prevent the spread of the COVID-19



Opening of new sales office



■ Nanyo sales office (Opened on April 1, 2021)

We opened a new sales office in Ehime Prefecture in order to expand our sales area in western Japan for our main services such as termite control.



- Community-based sales activities
- Promote area expansion to western Japan

Forecasts of Profit and Loss (Full-year)



■ Net sales 14,992 million yen
 Operating income 1,996 million yen

(Unit: Million yen)	(Consolidated) FY3/21	(Consolidated) FY3/22	YoY	
	Results	Forecasts	Change	Change in Ratio
Net Sales	13,872	14,992	1,120	8.1%
Gross Profit	9,709	10,459	750	7.7%
Gross profit ratio	70.0%	69.8%	-0.2pt	—
Operating Income	1,602	1,996	394	24.6%
Operating income ratio	11.6%	13.3%	+1.8pt	—
Ordinary Income	1,703	2,016	313	18.4%
Ordinary income ratio	12.3%	13.5%	+1.2pt	—
Net income attributable to owners of parent	1,063	1,300	236	22.3%
Net income ratio	7.7%	8.7%	+1.0pt	—
EPS (yen)	89.52	118.58	29.06	32.5%

Forecasts of Number of Staffs, Sales per Staff (Full-year)

	(Consolidated) FY3/21	(Consolidated) FY3/22	YoY	
	Results	Forecasts	Change	Change in Ratio
Net Sales (Million yen)	13,872	14,992	1,120	8.1%
Within the three services	12,501	13,312	811	6.5%
Average number of staffs during the period	1,020	1,047	26	2.6%
Within the three services	789	799	10	1.3%
Within sales staffs	412	415	3	0.8%
Sales per staff (Thousand yen/month)	1,133	1,193	60	5.4%
Within the three services	1,321	1,389	68	5.2%
Number of staffs at end of period	1,049	1,073	24	2.3%
Within the three services	808	823	15	1.9%

- "Number of staffs": total number of staffs actually working including part-time employees and contract employees (excluding dispatched and seconded staffs)
- "Sales of three services": total sales of termite control, anti-humidity measures and anti-earthquake measures
- "Number of staffs for three services": total of staffs engaging in sales, technical, and clerical work and management of operational sites

Factors for Changes in Operating Income (Full-year / YoY)

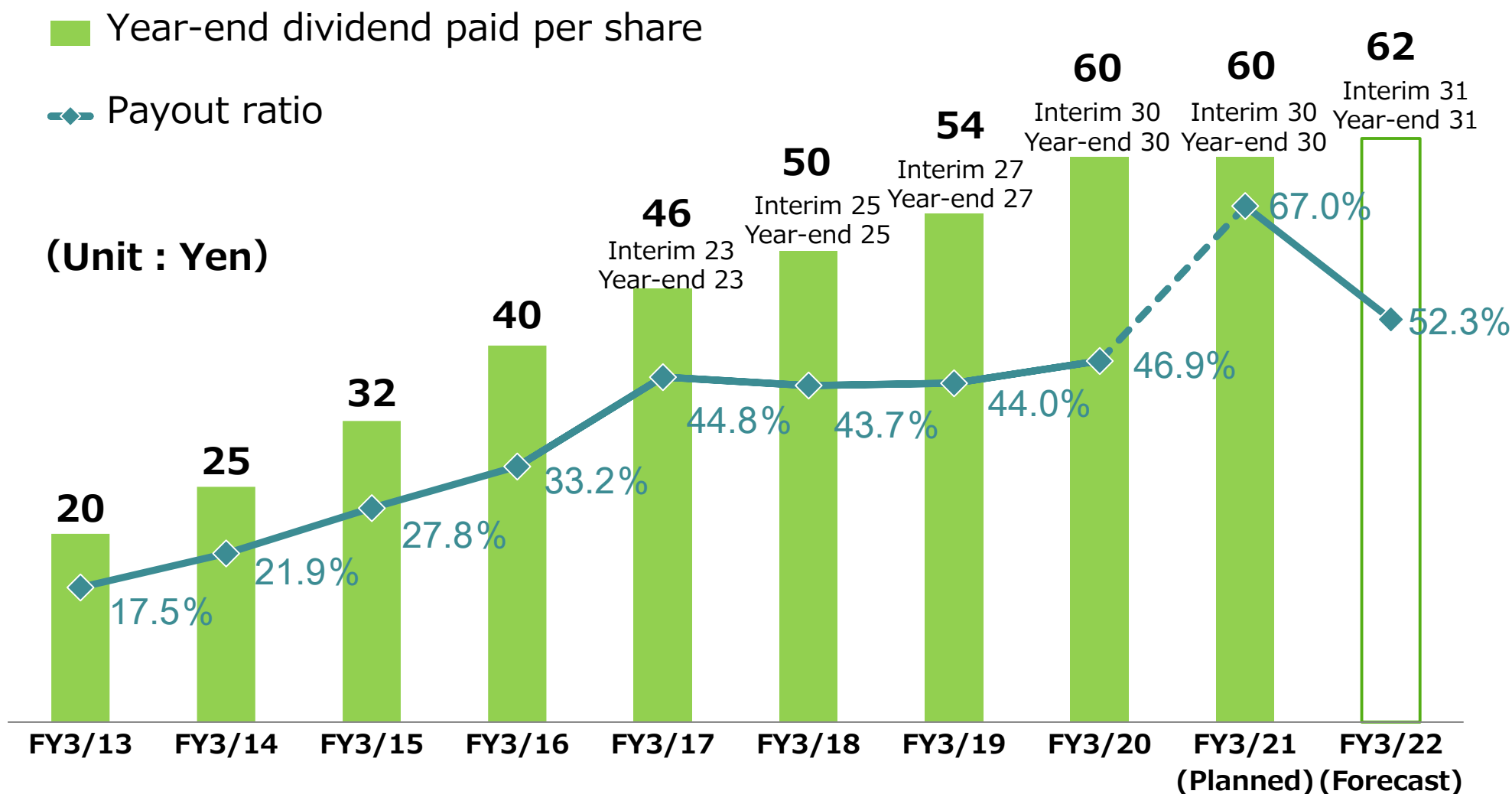
(Unit: Million yen)	(Consolidated) FY3/21	(Consolidated) FY3/22	YoY	
	Results	Forecasts	Change	Change in Ratio
Net Sales	13,872	14,992	+1,120	+8.1%
Cost of Sales	4,162	4,532	+370	+8.9%
Material Costs	1,756	1,905	+149	+8.5%
Labor Costs	1,391	1,471	+79	+5.7%
Other Cost of Sales	1,014	1,155	+140	+13.9%
Gross Profit	9,709	10,459	+750	+7.7%
SG&A Expenses	8,107	8,463	+356	+4.4%
Personnel Expenses	5,306	5,476	+169	+3.2%
Recruiting Expenses	150	187	+36	+24.6%
Sales Promotional Expenses	324	369	+44	+13.8%
Other SG&A Expenses	2,324	2,429	+105	+4.5%
Operating Income	1,602	1,996	+394	+24.6%

- Sales Promotional Expenses : Advertising expenses related to promotional activities

Dividend (Results and Forecasts)



Since listing, we have focused on shareholder returns



*We adopted consolidated accounting from the second quarter of the fiscal year ending March 2021.

III. Mid-term Business Plan



Forecast of Business Environment



- **The impact of COVID-19 is expected to be moderated in the medium term with increased supply of vaccine**
 - Economic activities will not be affected by the infection, and consumer spending will be stimulated.
 - Digitization, a rapidly growing trend, will remain strong.
- **Housing-related policies will continue to promote the expansion of the existing housing distribution and renovation markets**
 - Reflecting the increase in stay-at-home hours, awareness of housing maintenance and preference for detached houses will increase.
- **The scale of potential demand will not be changed significantly and will remain enormous**
- **Corporate recruiting activities will gradually become active**
 - Although the recruitment market is shifting to a buyer's market due to the impact of COVID-19, recruitment activities are expected to become more active in the medium term as COVID-19 will be contained.

Mid-term Profit and Loss Plan (Rolling System)



Mid-term Profit and Loss Plan

- 1 . Strengthen human resources**
- 2 . Improve operating efficiency and profitability**
- 3 . Promotion of area expansion**

Initiatives for Environmental Issues



We are working to protect the environment through our business

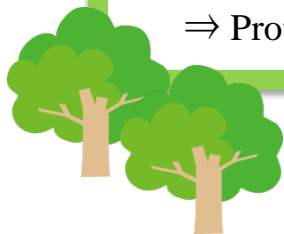
Aiming to create a sustainable society as an extension of our business

Relevant
SDGs



Our business

Reduction of industrial waste and CO2 emissions from rebuilding houses
⇒ Protecting and cultivating forests



Extend the lifetime of housing to maintain the value of existing wooden houses



Housing Life Master Plan
(National Plan) (By MLIT, March 2021)

Affinity with national policy
• Shift to a market model that utilizes housing stocks with promoting the distribution of existing housing through renovation and other means

Mid-term Profit and Loss Plan (Rolling System)



(Unit: Million yen)	(Consolidated) FY3/21	(Consolidated) FY3/22	(Consolidated) FY3/23	(Consolidated) FY3/24		
	Results	Forecasts	Forecasts	Forecasts	Compared to FY3/21	
					Change	Change in ratio
Net sales	13,872	14,992	15,778	16,465	2,593	18.7%
Operating income	1,602	1,996	2,234	2,602	1,000	62.4%
Operating income ratio	11.6%	13.3%	14.2%	15.8%	+4.3pt	—
Net income attributable to owners of parent	1,063	1,300	1,465	1,721	658	61.9%
Net income ratio	7.7%	8.7%	9.3%	10.5%	+2.8pt	—

Mid-term Number of Staffs, Sales per Staff (Rolling System)

(Unit: Million yen)	(Consolidated) FY3/21	(Consolidated) FY3/22	(Consolidated) FY3/23	(Consolidated) FY3/24		
	Results	Forecasts	Forecasts	Forecasts	Compared to FY3/21	
					Change	Change in ratio
Net sales	13,872	14,992	15,778	16,465	2,593	18.7%
Average number of staffs during the period	1,020	1,047	1,071	1,095	75	7.3%
YoY Change in ratio	3.5%	2.6%	2.4%	2.2%	—	—
Sales per staff (Thousand yen/month)	1,133	1,193	1,227	1,253	120	10.6%
YoY Change in ratio	-7.2%	5.4%	2.8%	2.1%	—	—

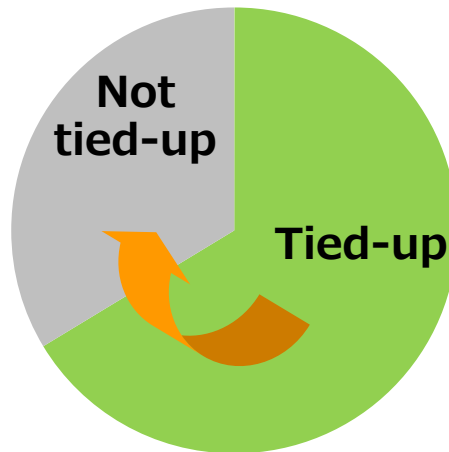
Growth Strategy 1 (Direction of the Area Development)



Cultivation of existing areas

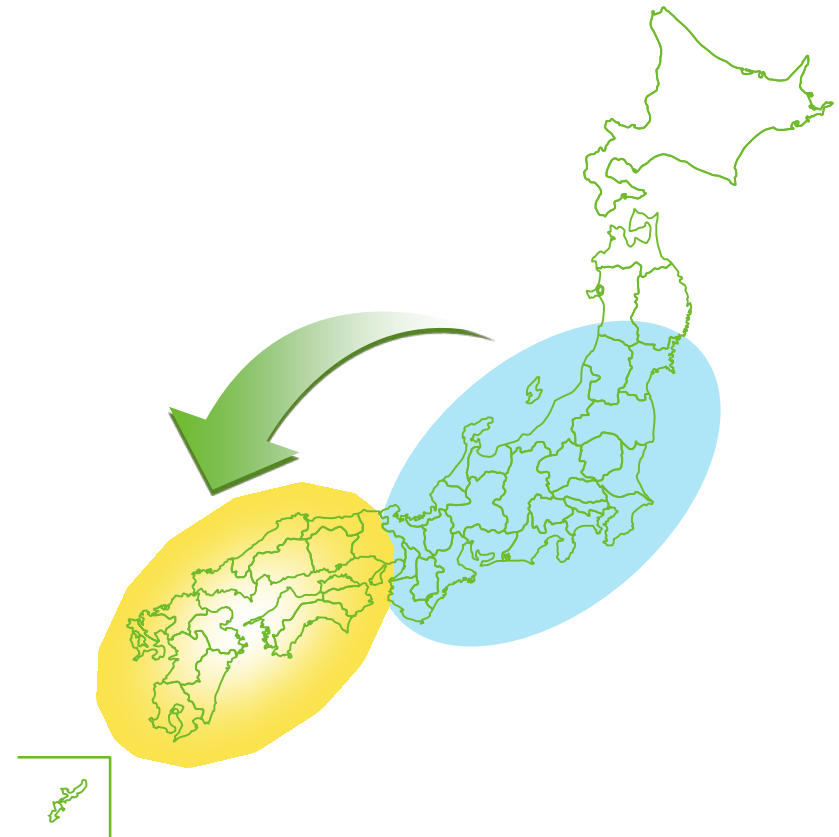
- There is still room for development
- Rise in profit margin due to improvement in operating efficiency

Pct. of tie-ups with JA within
the existing areas



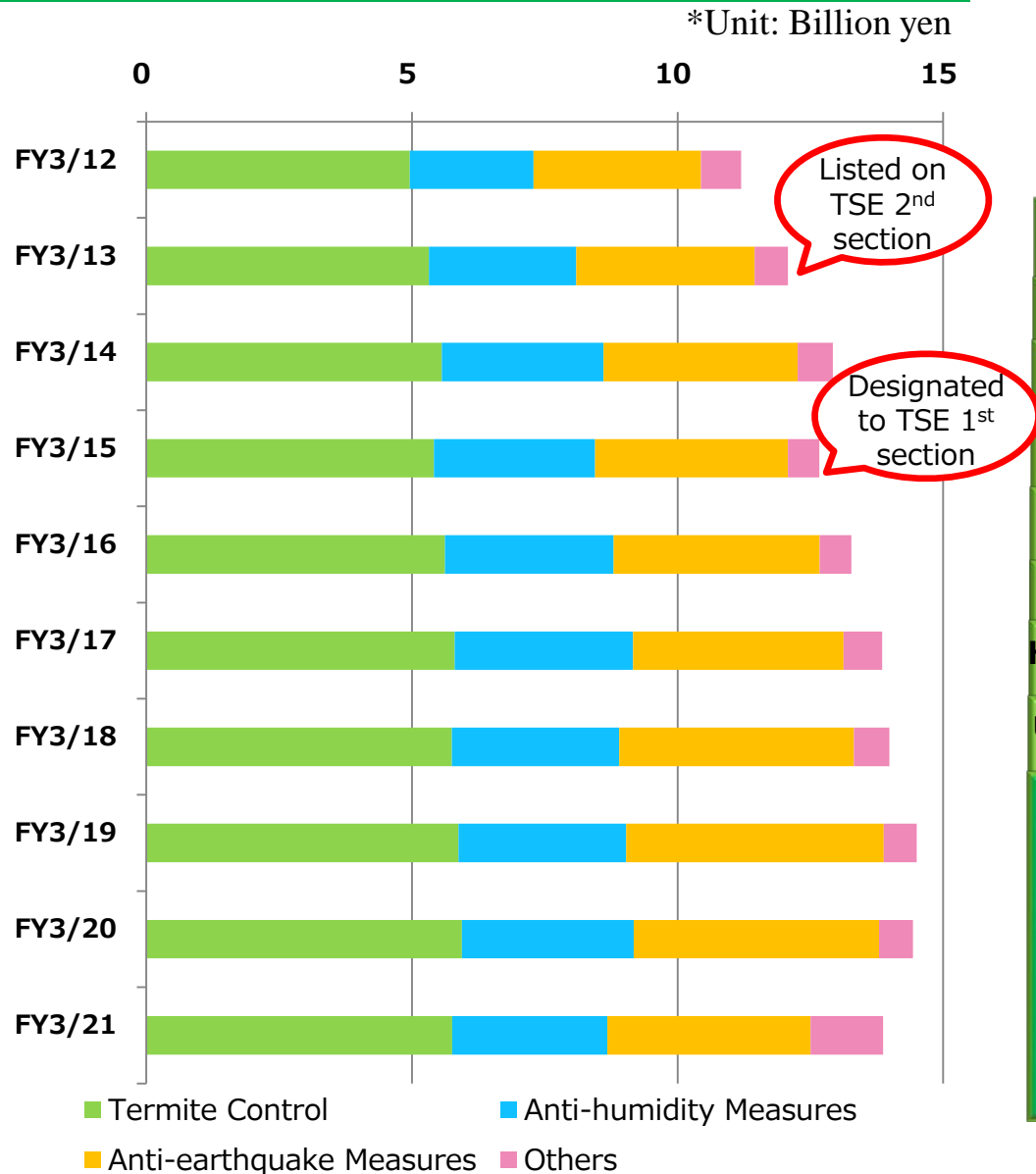
Expansion of new areas

- Expand in to the west of Kansai
- Develop areas in tie-ups with JA



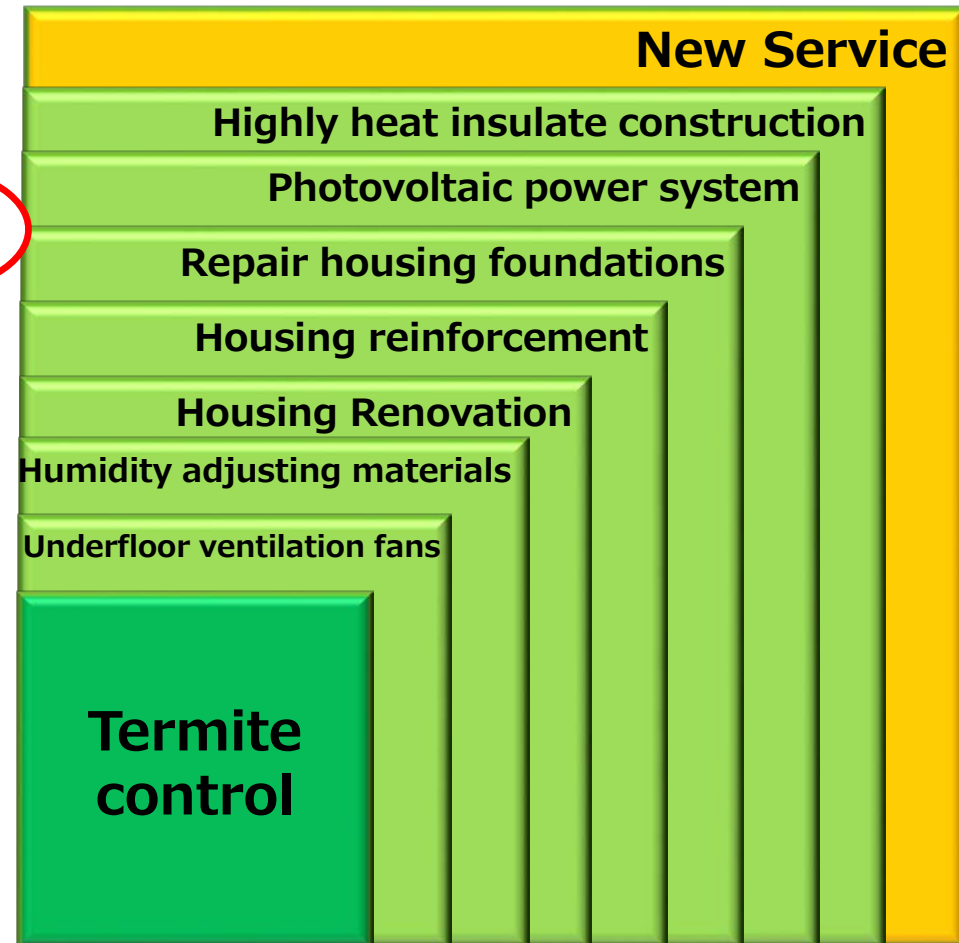
Growth Strategy 2 (Direction of the Service Field Expansion)

Change of Net Sales by Service



Expansion of the Field of Service

■ Lineup of house maintenance services



Growth Strategy 3 (Acquisition of external resources through M&A)

- The policy is to focus on house maintenance projects for existing wooden houses

M&A

- Expansion of the Field of Service

⇒ **Sharing of know-how**
Cross development

Comprehensive House Maintenance

Termite
Control

Anti-
humidity
Measures

Anti-
earthquake
Measures

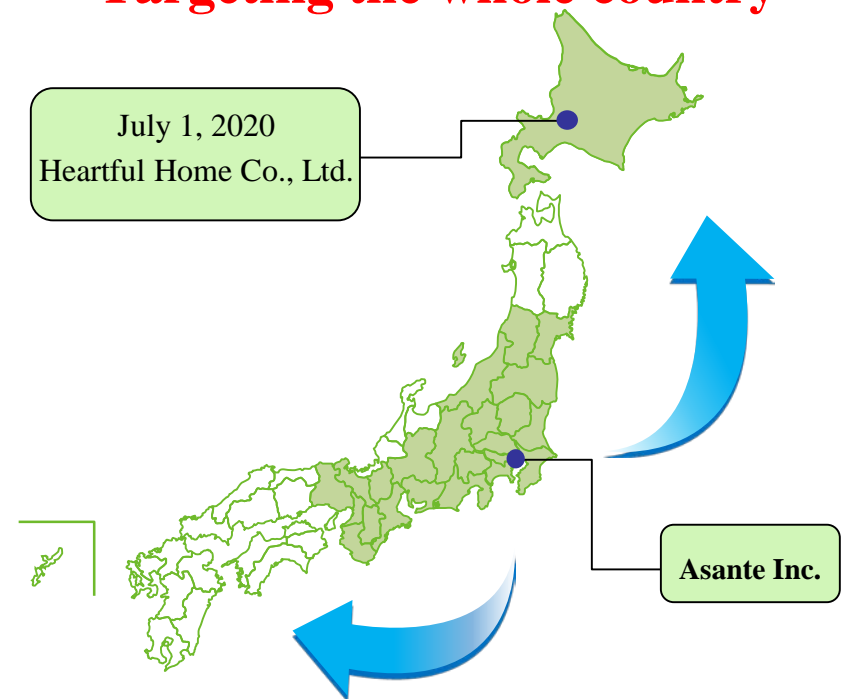
Other
Service



New Service Areas

- Expansion of marketing areas

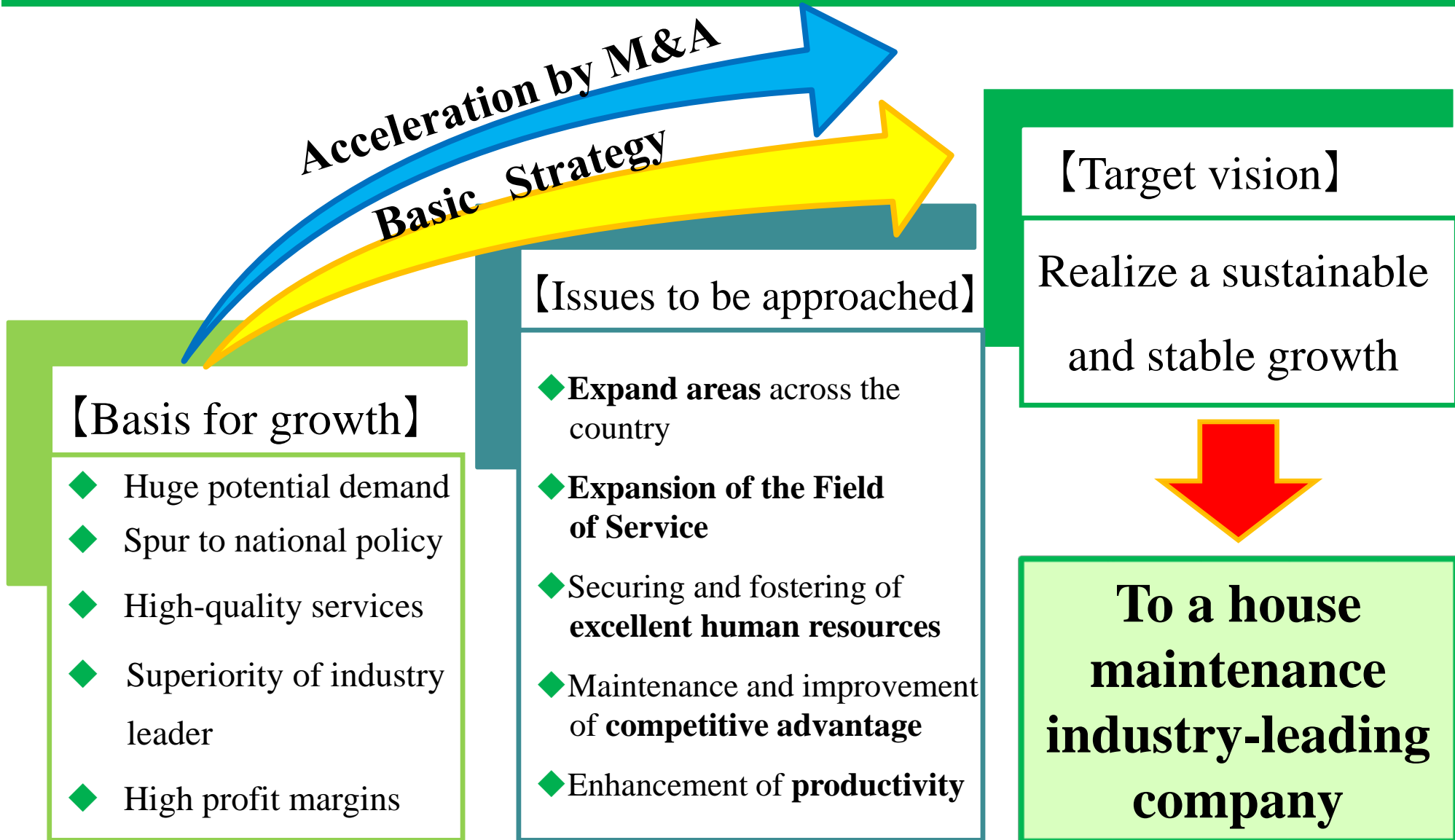
⇒ **Targeting the whole country**



Growth Strategy 4 (Future Image)



Sustainable growth with termite control-related services at the core



Notes on Future Forecasts

This document is only to provide information to investors, and is not for the purpose of soliciting purchases or sales.

References to future forecasts in this document are based on goals and predictions, and are not certain or guaranteed.

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