



サンホールディングス株式会社
SAN HOLDINGS

SAN HOLDINGS, INC.

Results of Operations

(First Half of the Fiscal Year Ending March 31, 2022)

November 2021

Tokyo Stock Exchange, First Section
Stock code: 9628

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1H FY3/22 results

- | 1H revenue and earnings increased YoY
- | Recovery in large funerals and big increase in the number of ordinary funerals were the main reasons for revenue growth
- | The pandemic accelerated the shift to smaller funerals and this trend is continuing; unable to predict timing of a return to the pre-pandemic size of funerals
- | Earnings up due to higher revenue as the pandemic impact was reduced and to cost controls due to rigorous control of personnel expenses and higher operating efficiency
- | The operating margin was high, surpassing even the pre-pandemic level

Earnings forecasts

- | No change in the FY forecast because of concerns about the possibility of another wave of infections
- | The goal is second half earnings that are the same as in the first half

Dividend forecast

- | Plan to pay a fiscal year dividend of 34 yen per share, up 1 yen per share (6th consecutive years of dividend increase)
(Expected dividend payout ratio: 23.5%. An interim dividend of 17 yen per share has been declared.)

1H FY3/22 Revenue and Earnings

- Operating revenue increased 10.6% YoY and operating profit increased 107.0%. Operating margin was high at 16.9% because expenses increased at a lower rate than revenue.
- The declining size of funerals, a trend that accelerated due to the pandemic, is continuing. Revenue up due to a large funeral recovery and larger number of ordinary funerals.
- Personnel expense controls and higher operating efficiency, mainly at the KOEKISHA Group, held down the growth of expenses.

(Millions of yen)	1H FY3/21	1H FY3/22	YoY change		Forecast (Revised on Aug. 5, 2021)	
			%	Amount	1H	Results vs. Fct.
Operating revenue	8,604	9,512	10.6%	908	9,500	100.1%
Operating expenses	7,204	7,281	1.1%	76		
SG&A expenses	623	626	0.4%	2		
Operating profit	775	1,604	107.0%	829	1,370	117.1%
Operating margin	9.0%	16.9%	7.9pt		14.4%	
Ordinary profit	765	1,604	109.7%	839	1,360	117.9%
Profit attributable to owners of parent	478	1,038	117.1%	560	850	122.1%
Net income per share (Yen)	43.24	94.58	118.7%	51.34	77.50	122.0%

Quarterly Revenue and Earnings (1Q and 2Q)

- Big increase in the FY3/22 1Q operating margin. The pandemic impact was smaller than in FY3/21 1Q, large funerals are recovering and the number of ordinary funerals increased. Higher operating margin also benefited from improvements in operating efficiency and cost reduction measures.
- FY3/22 2Q earnings increased as the operating margin increased YoY. Only a small increase in revenue, but personnel expense controls and operating efficiency improvements continued.

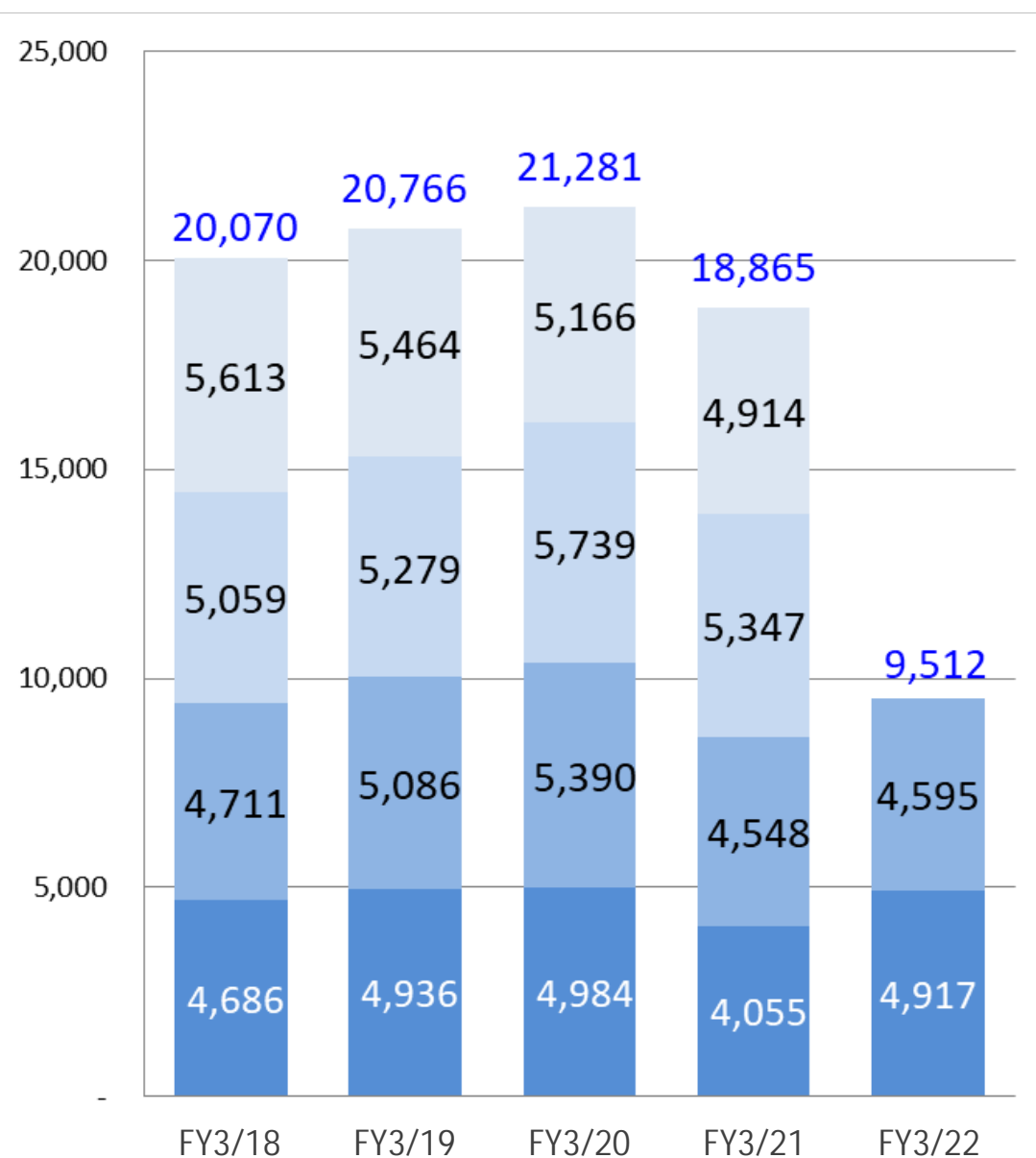
(Millions of yen)

	FY3/21 1Q	FY3/22 1Q	YoY change %	FY3/21 2Q	FY3/22 2Q	YoY change %
Operating revenue	4,055	4,917	21.2%	4,548	4,595	1.0%
Operating expenses	3,478	3,671	5.5%	3,726	3,610	-3.1%
SG&A expenses	315	311	-1.2%	308	314	2.0%
Operating profit	262	934	256.4%	513	670	30.6%
Operating margin	6.5%	19.0%	12.5pt	11.3%	14.6%	3.3pt
Ordinary profit	262	939	258.3%	502	664	32.2%
Profit	162	610	274.7%	315	427	35.7%

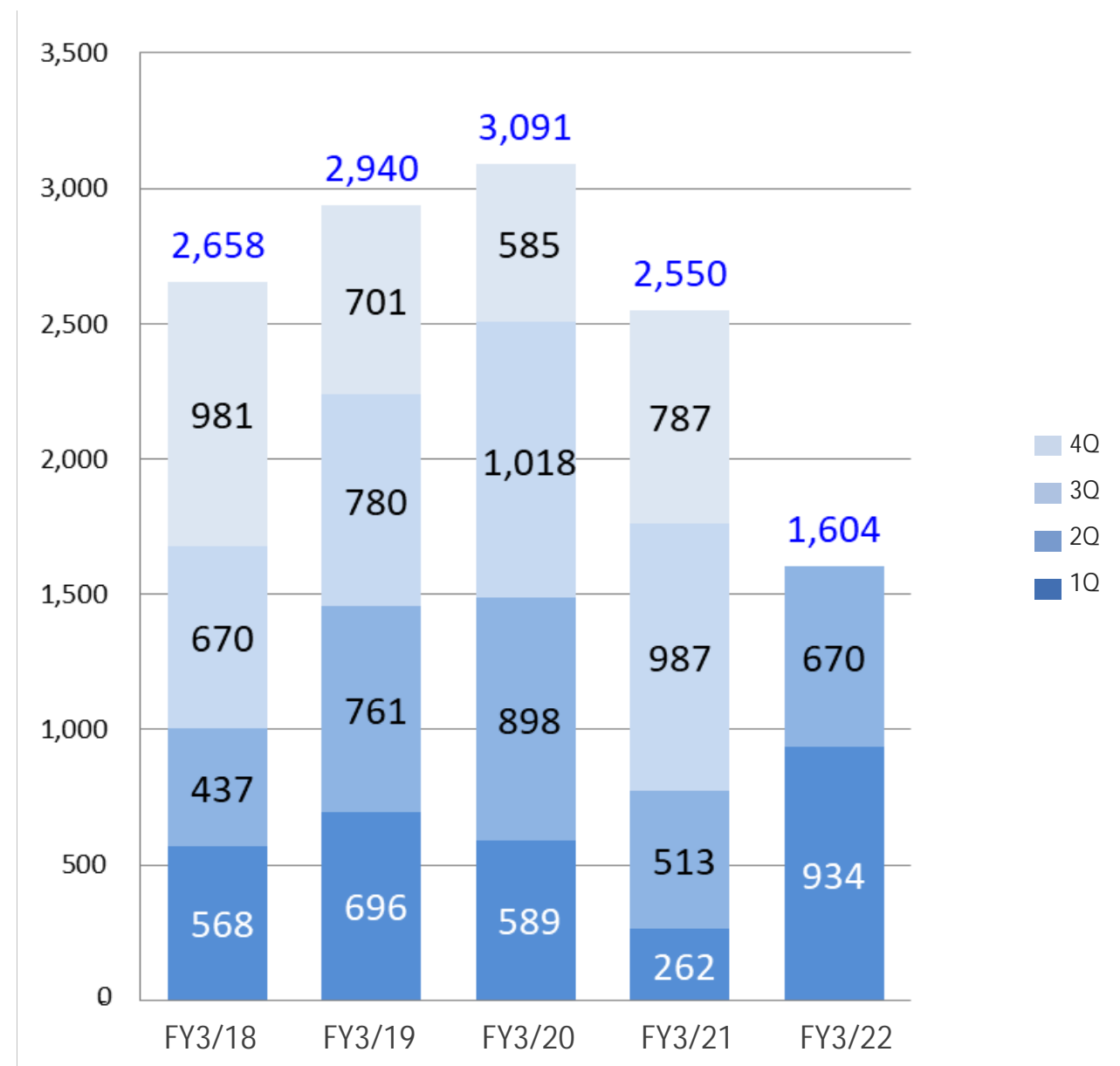
Quarterly Revenue and Earnings

- First half revenue was below 1H FY3/20 (before the pandemic), but the operating profit was higher than the pre-pandemic level.
- 1Q operating profit was more than ¥900 million, equivalent to one of the peak periods of prior years.

(Millions of yen) Quarterly operating revenue



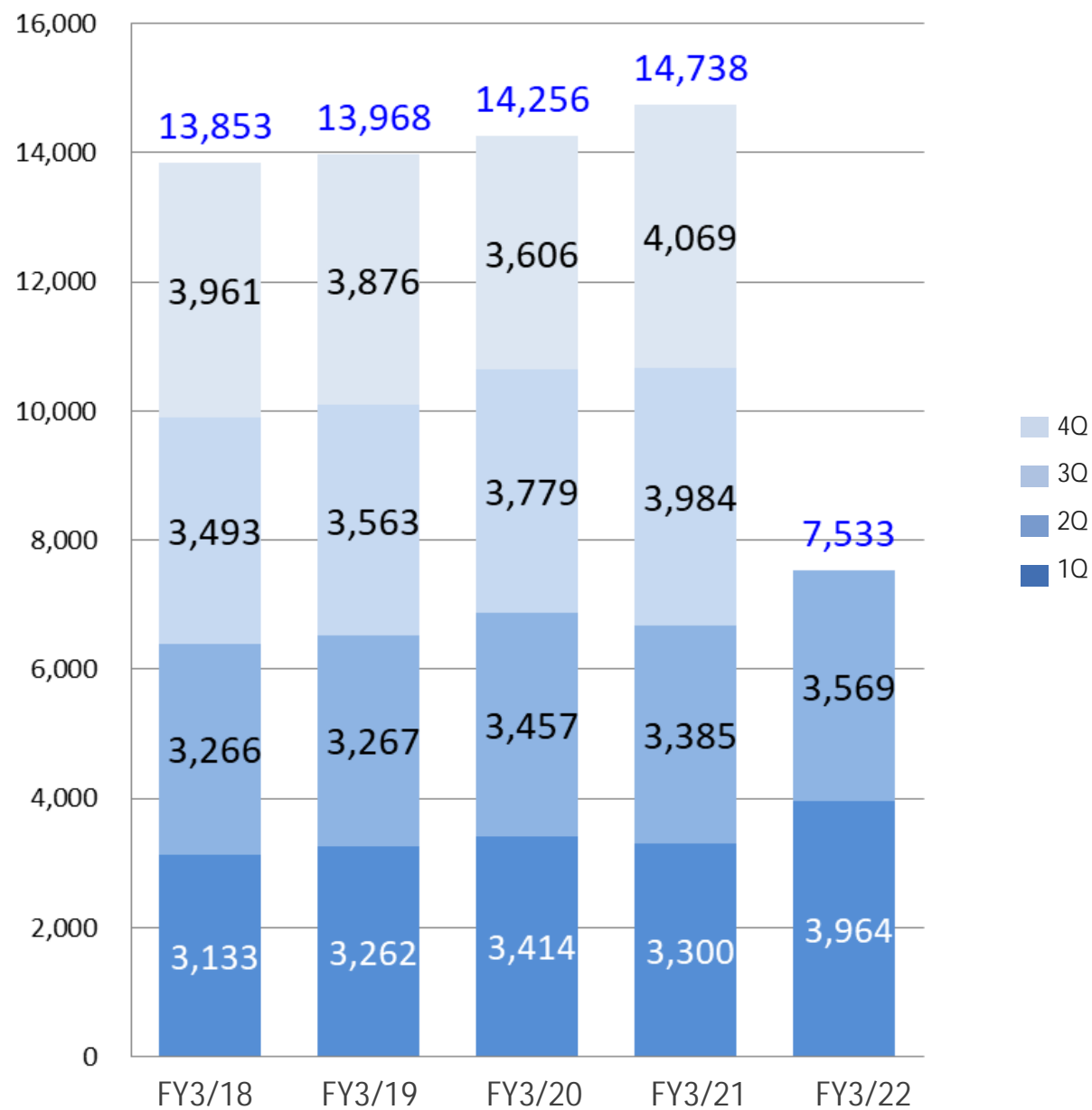
(Millions of yen) Quarterly operating profit



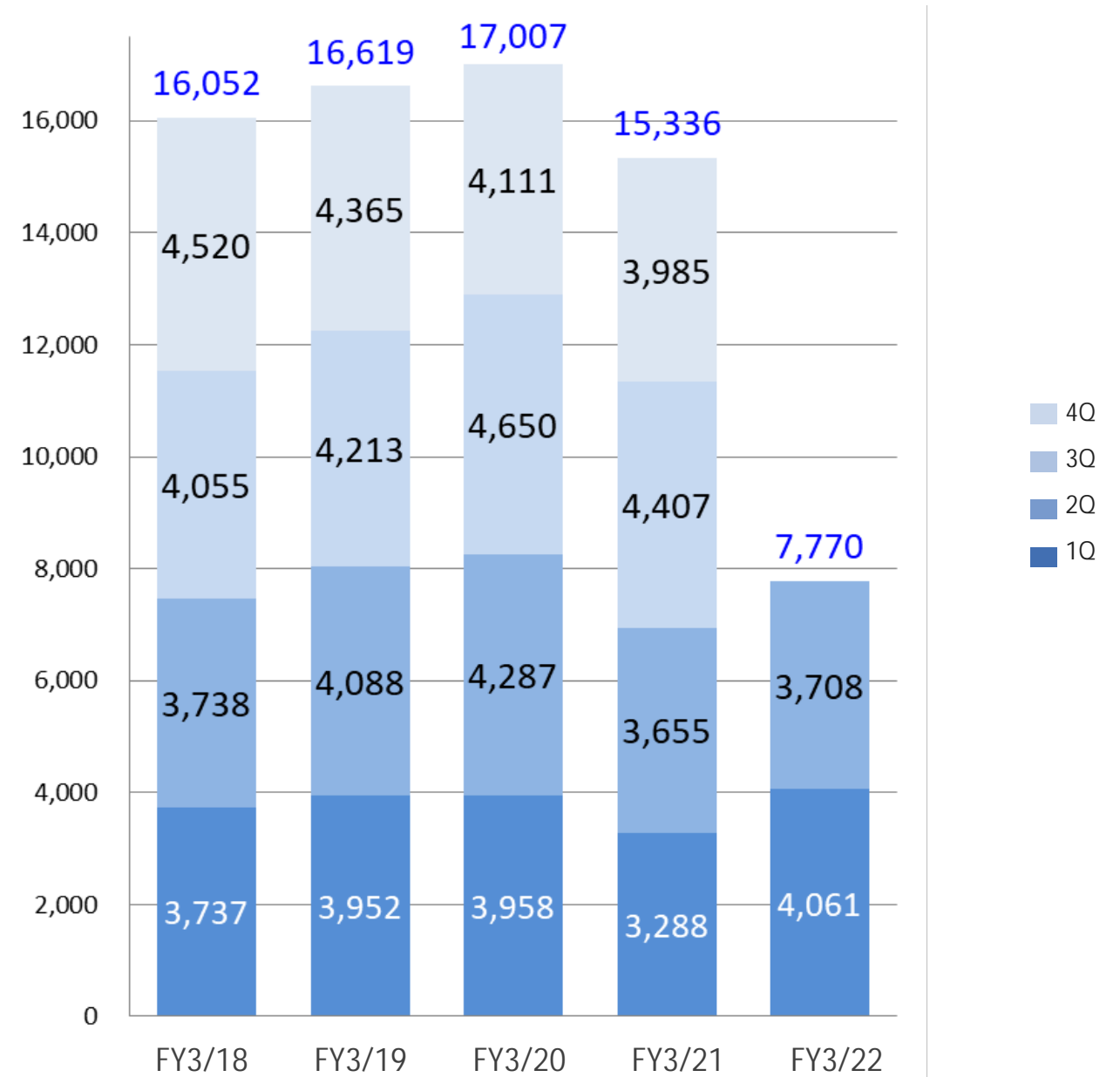
The Group's Number of Funerals and Funeral Revenue

The number of funerals was a 1H record high but revenue was 5.8% below 1H FY3/20 (pre-pandemic) due to more small and simple funerals. 2Q revenue was slightly low compared with the 1Q.

(Funeral) Quarterly number of funerals



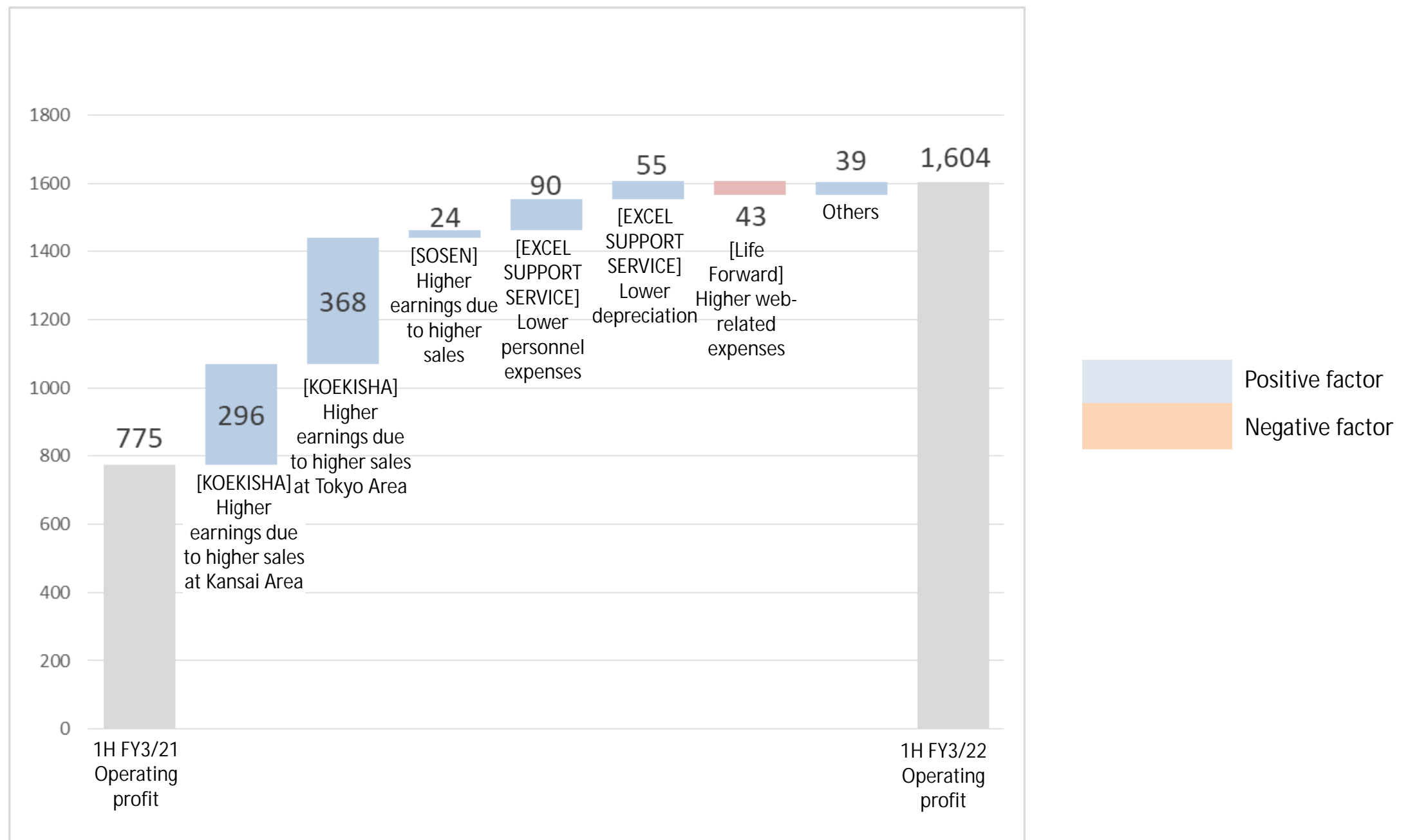
(Millions of yen) Quarterly funeral revenue



Analysis of Changes in Operating Profit

Higher KOEKISHA revenue due to a reduced pandemic impact was responsible for about 80% of operating earnings growth. Restructuring of EXCEL SUPPORT SERVICE helped reduce expenses.

(Millions of yen) Analysis of Changes in Operating profit



Changes in Assets in the Balance Sheet

Total assets increased ¥261 million from March 31, 2021.

Property, plant and equipment increased because of expenditures for new funeral halls and remodeling. Cash and deposits decreased to fund these expenditures and for shareholder distributions.

(Millions of yen)	March 31, 2021	September 30, 2021	Change
Current assets	7,895	7,745	-149
Cash and deposits	7,042	6,737	-305
Trade accounts receivable and contract assets	452	537	84
Non-current assets	24,492	24,903	411
Property, plant and equipment	22,153	22,525	371
Buildings and structures	9,289	9,547	257
Construction in progress	80	242	161
Intangible assets	155	197	42
Investments and other assets	2,183	2,180	-2
Total assets	32,387	32,648	261

Note: Only major accounts are shown.

Reference:

Capital expenditures on PP&E: ¥607 million (FY3/22 1H)

Depreciation expenses of PP&E: ¥379 million (FY3/22 1H)

Changes in Liabilities and Net Assets in the Balance Sheet

Current liabilities and non-current liabilities decreased. In shareholders' equity, there were increases in retained earnings and the treasury shares deduction. The equity ratio increased to almost 90%.

(Millions of yen)

	March 31, 2021	September 30, 2021	Change
Current liabilities	2,541	2,324	-217
Trade accounts payable	613	571	-41
Income taxes payable	413	243	-169
Non-current liabilities	1,297	1,210	-86
Lease obligations	322	266	-56
Long-term accounts payable-other	293	235	-57
Total liabilities	3,839	3,535	-304
Shareholders' equity	28,548	29,113	565
Retained earnings	21,749	22,587	838
Treasury shares	(1,261)	(1,536)	-274
Total net assets	28,548	29,113	565
Total liabilities and net assets	32,387	32,648	261
Equity ratio	88.1%	89.2%	1.1pt

Note: Only major accounts are shown.

Effects on funerals

- 1. Postponements and cancelations of corporate funerals and farewell events where a large number of people are expected to attend**
- 2. Smaller size of ordinary funerals due to the lower number of mourners**
 - (1) Lower prices of funerals
 - (2) Decrease in sales of flowers, memorial service items, food, courtesy gifts and other funeral items

à Lower rates for funerals

The following page is an estimate of the effects involving funeral revenue and funeral rates, which are part of the effects in the preceding two items.

Major effects of COVID-19 on FY3/22 performance

1. Impact of postponements and cancelations of large funerals such as corporate funerals and farewell events (SAN HOLDINGS estimates)

n Estimate of the difference between the pre-pandemic four-year average for large funeral revenue and 1H FY3/22 results → down ¥170 million at KOEKISHA

2. Impact of smaller ordinary funerals due to the lower number of mourners (SAN HOLDINGS estimates)

(Increase in simple, low-cost funerals, decrease in funeral rates)

n Estimated using certain assumptions*

→ Revenue down ¥790 million at the three group funeral companies (down ¥610 million at KOEKISHA)

Note: Excludes events involving COVID-19

*Estimate of the gap between actual funeral revenue and the benchmark, which is revenue assuming that the number of funerals in each month is based on the composition of the number of funerals and funeral rates using actual performance between April 2019 and January 2020, which was before the COVID-19 pandemic.

FY3/22

- Goal is same 2H operating profit as in the 1H, but no change in the FY3/22 initial forecast due to the risk of another wave of infections during the winter
- We will promptly announce a revised forecast if necessary as soon as we can determine an outlook for FY3/22 earnings.

(Millions of yen)

	FY3/22 Forecast (1)		YoY change		1H FY3/22 Results (2)		YoY change		(1) - (2)	YoY change	
			%	Amount			%	Amount		%	Amount
Operating revenue	19,760		4.7%	894	9,512		10.6%	908	10,247	-0.1%	-14
Operating profit	2,570		0.8%	19	1,604		107.0%	829	965	-45.6%	-809
Operating margin	13.0%		-0.5 pt		16.9%		7.9 pt		9.4%	-7.9 pt	
Ordinary profit	2,540		0.1%	3	1,604		109.7%	839	935	-47.2%	-836
Profit	1,590		1.7%	27	1,038		117.1%	560	551	-6.9%	-533

FY3/22

- Plan to pay a year-end dividend of 17 yen per share, a fiscal year dividend of 34 yen, up 1 yen per share (6th consecutive years of dividend increase)
- The expected dividend payout ratio is 23.5% as in FY3/21 based on the full-year earnings forecast

(Yen)

	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Annual dividend	45.00	50.00	57.00	-	33.00	34.00
Interim	22.50	24.00	27.00	30.00	16.00	17.00
Year-end	22.50	26.00	30.00	16.00	17.00	17.00 (Fct.)
Payout ratio (consolidated)	18.8%	17.9%	15.2%	18.8%	23.7%	23.5% (Fct.)

- Notes:
1. SAN HOLDINGS conducted a 2-for-1 common stock split on October 1, 2019.
 2. For FY3/22, the interim dividend has been paid and the year-end dividend and payout ratio is a forecast.
 3. Forecast payout ratio for FY3/22 was calculated based on the number of treasury shares as of September 30, 2021.

Our Management Policy and Growth Strategies

Funerals During the Pandemic and the Outlook

Changes

- Extreme aging of Japan's population
- Declining interest in religion
- More nuclear families/single households
- Diversity of values

- **The need for COVID-19 preventive measures**



More funerals with only close relatives

More funerals with limited number of mourners

Smaller size of funerals

However

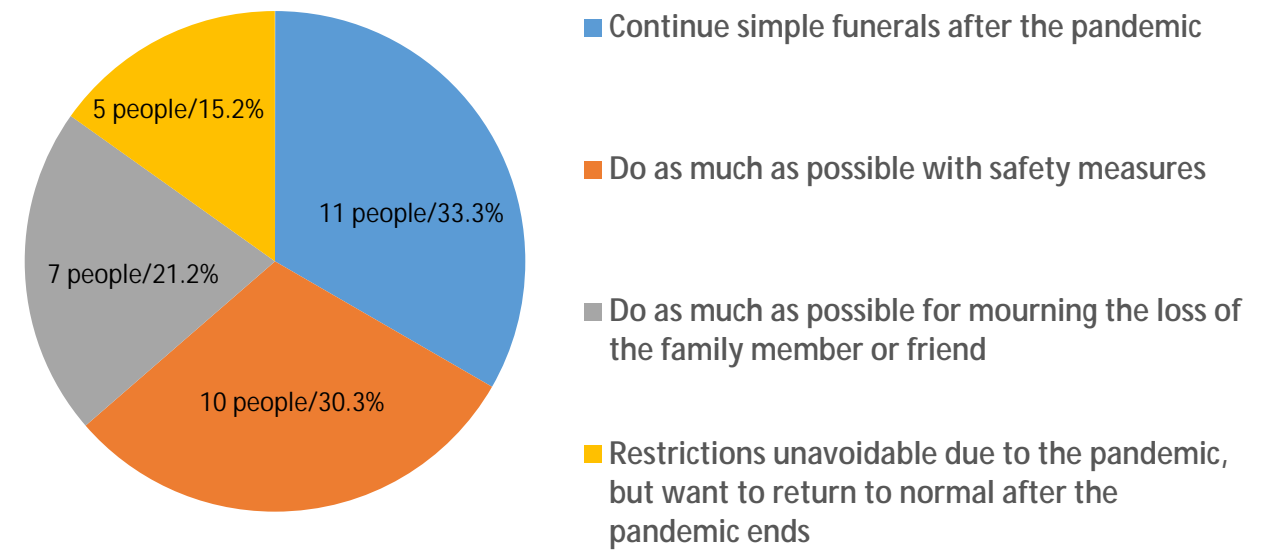
People in Japan are starting to understand that funerals can be held safely by using sufficient infection prevention measures and other revisions to how funerals are held. From now on, the ability to hold funerals in a safe environment and to provide quality services along with pandemic safety measures will be even more important factors when selecting a funeral services company.

At some point in the future, we believe that funerals will return to normal with many mourners gathering to say farewell to the deceased.

Results of Survey about Funerals During the COVID-19 Pandemic (November 2020)

Q. What are your thoughts about funerals becoming more simple and smaller (restrictions on participants, shorter ceremonies, no food, etc.)? (One response) n=33

Only 33% of people responding to this question want to have simple funerals after the pandemic ends. **51%** want funerals that are as close as possible to normal even during the pandemic. These people think funerals should do as much as possible while implementing safety measures and as much as possible should be done to mourn the loss of the family member or friend.



Q. What aspects of funerals are still important even during the pandemic? (Multiple responses) n=100

74% of all survey participants want to mourn the loss of the family member or friend. This shows that the pandemic has not altered the strong desire of people to express their condolences.



Key Objectives of the Medium-term Management Plan

(FY3/20-FY3/22)

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We will focus on key objectives 4, 5, and 7 during FY3/22, the third and final year of the plan.

1 Firmly establish the new corporate philosophy

2 Create a more powerful workforce

3 Improve the quality of services

4 Increase operating efficiency

5 Broaden the lineup of end-of-life support

6 Make new businesses more profitable

7 Extend the funeral business to more areas of Japan

8 Upgrade risk management

Key Objective 4. Increase Operating Efficiency

Higher productivity by reviewing business processes and roles and using IT and other measures to improve various activities

FY3/22 initiatives for improving productivity

- Proper number of people for providing funeral services and tight control of personnel expenses
- Higher operating efficiency (funeral hall electronic nighttime security systems, IT system for driver assignments, appropriate levels of inventories, strict management of use of overtime, and other measures)

These actions held the 1H FY3/22 increase in operating expenses to 1.1% compared with revenue growth of 10.6%.

Operating expense ratio fell 7.2 percentage points from 83.7% to 76.5% of revenue.

- I Major business process reforms in all aspects of operations with the goal of raising the operating margin



The goal is an operating margin of 13% in FY3/22

Growth of the end-of-life support business by providing a comprehensive lineup of services required by seniors

- I Growth of the businesses of Life Forward, a subsidiary established in April 2020
 - More services in the “end-of-life choices for everyone” series
 - Use alliances with partner companies to expand to more areas of Japan
 - Add new services by using alliances with companies providing end-of-life services to seniors

- I Enlarge the lineup of services required for the final stage of life, encompassing needs from before to after the funeral

- I Benefit from synergies created by links between Life Forward and the SAN HOLDINGS Group funeral companies

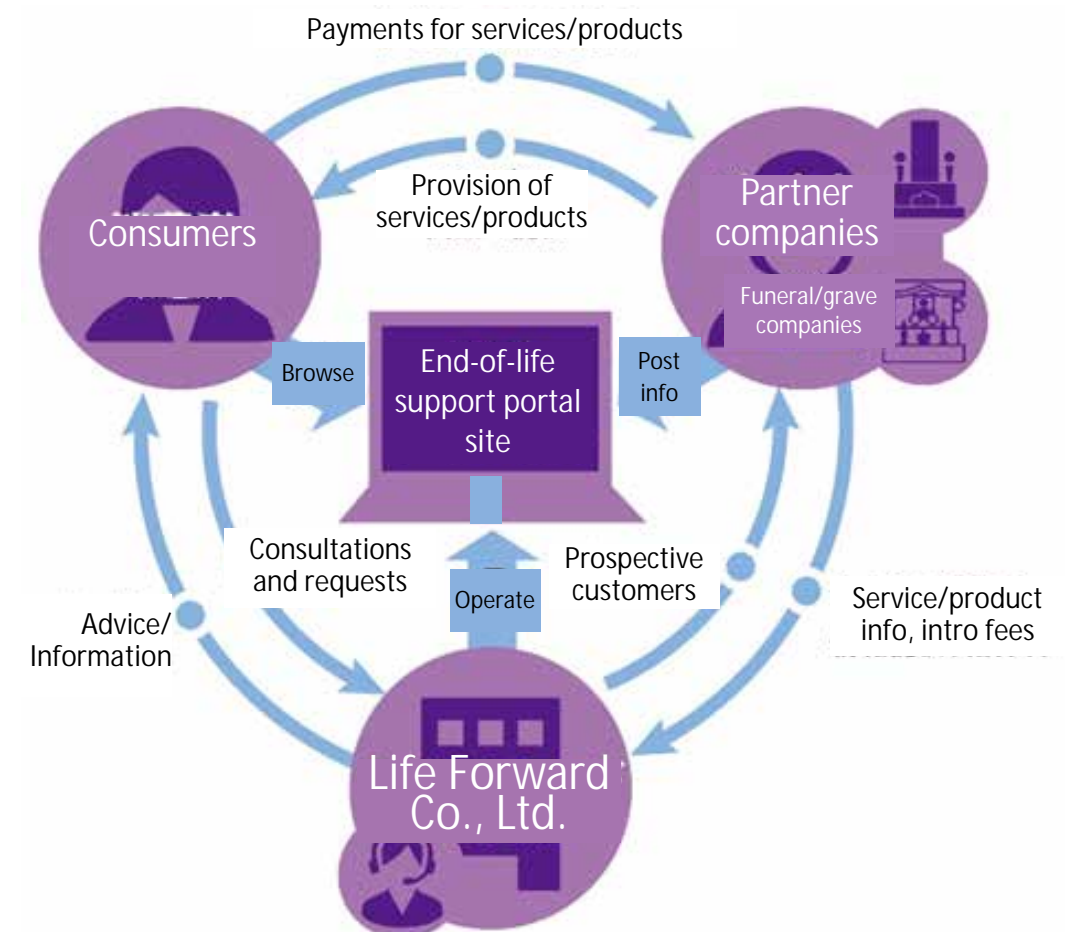


Aim to become an organization that provides total support for the final stage of life

Broaden the business activities and geographic coverage of Life Forward, which was established in April 2020

Life Forward has alliances with reliable partner companies and use a portal site to provide information about these partners. This gives people access to quality services and products that they can purchase with confidence.

Life Forward launched a portal site in July 2020 with brand name “end-of-life choices for everyone” for funeral and grave companies.



Key Objective 5. Broaden the Lineup of End-of-life Support

Launch an end-of-life portal site -Information about funerals and graves-

Started in July 2020

<https://www.eranda.jp>

Planning on growth of the end-of-life support business while slowly expanding into more business domains in order to meet a broad spectrum of consumers' needs



Information about end-of-life support



Information about funerals and funeral companies and halls



Information about graves, gravestone companies, cemeteries, crypts, etc.

Key Objective 5. Broaden the Lineup of End-of-life Support

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A larger selection of services

New services started in April 2021

<https://www.eranda.jp>



Information about providers of religious services involving death



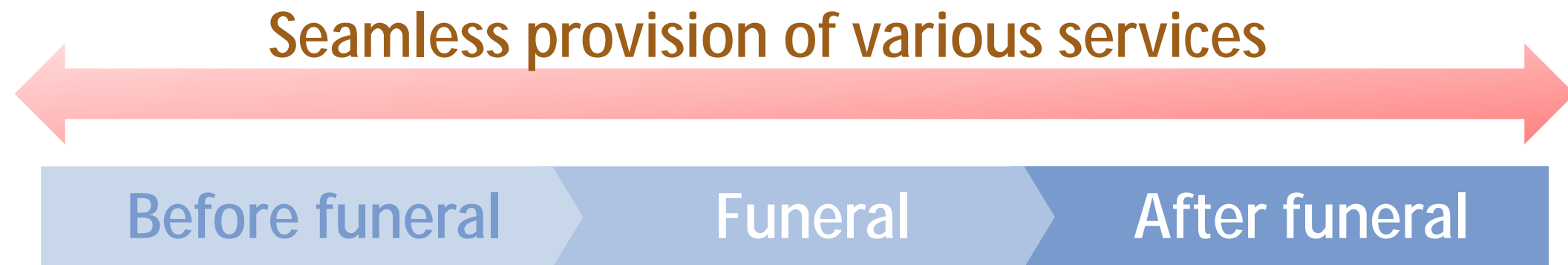
Information about providers of end-of-life counseling



Information about companies that handle property and other matters prior to death

Key Objective 5. Broaden the Lineup of End-of-life Support

Total support services for the final stage of life in every area of Japan



- | Preliminary consultations



- | Consultations about inheritance procedures
- | Family altar, graves
- | Procedures

Currently expanding coverage to regions other than the Tokyo and Osaka areas with the goal of achieving nationwide coverage in FY3/23

Key Objective 5. Broaden the Lineup of End-of-life Support

Life Forward developed funeral insurance jointly with Sumitomo Life and Advance Create

- Sales started in May 2021 of Funeral Insurance for Everyone with End-of-Life Consultations
- Sales started in October 2021 of Funeral Insurance for Everyone with End-of-Life Consultations (Limited Information Version)

This new insurance coverage was designed by the three partner companies to reflect customers' needs in the end-of-life support market and current trends in this market. Furthermore, the strengths of each company will be used for marketing activities, the provision of peripheral services and other activities.

*Limited information insurance

This type of insurance requires a smaller amount of health and other personal information about an individual applying for a policy than conventional policies do.



Key Objective 5. Broaden the Lineup of End-of-life Support

Features of Funeral Insurance for Everyone with End-of-Life Consultations

- n A policyholder can talk by telephone with a Life Forward end-of-life counselor, which is a service that allows precisely meeting the requirements of every customer.
- n The funeral insurance benefit payment can be made directly to a SAN HOLDINGS Group funeral company (KOEKISHA, SOU-SEN, TARUI) to be prepared for fortune costs.

Starting in November, SAN HOLDINGS Group funeral companies (KOEKISHA, SOU-SEN, TARUI) will also sell this insurance.



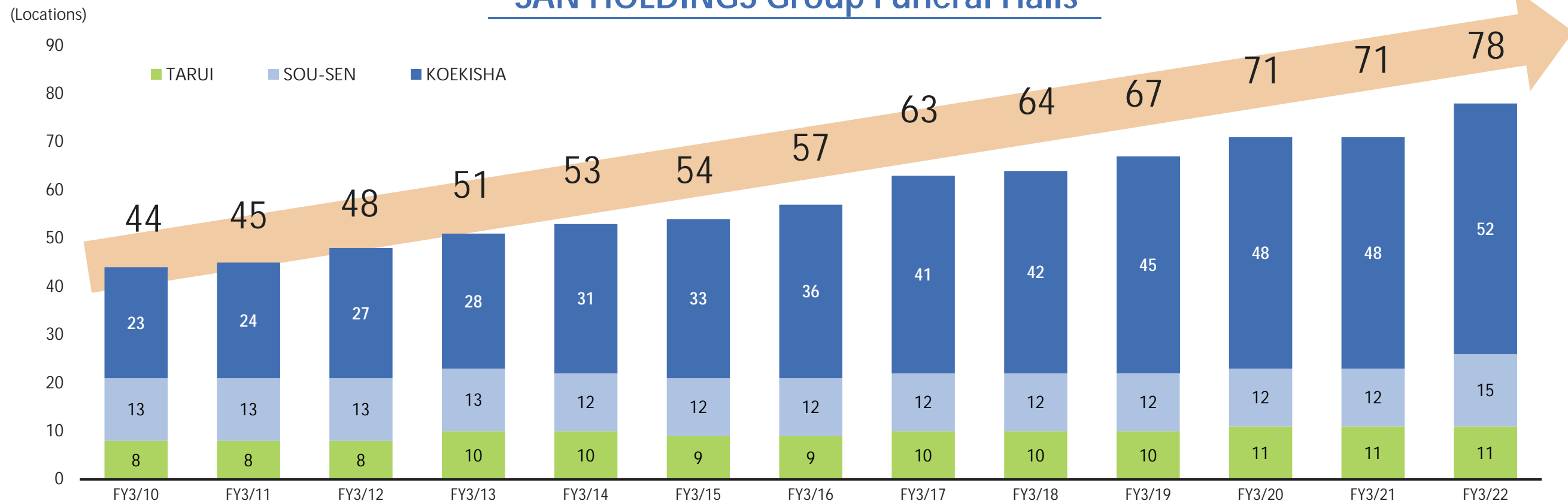
Key Objective 7. Extend the Funeral Business to More Areas of Japan

Expansion mainly to major cities while aiming for prime locations and efficient investments

Originally planned to open nine funeral halls during FY3/22 but now expect to add six locations. The number of funeral halls is expected to be 78 as of March 2022, including a location that opened in May 2021 and is operated jointly with SOU-SEN.

Goal is 78 locations in March 2022

SAN HOLDINGS Group Funeral Halls



Key Objective 7. Extend the Funeral Business to More Areas of Japan

One funeral hall opened in Kansai area and two opened in Tokyo area

KOEKISHA Hall in Nagai opened on September 19, 2021
Nerima Hall of KOEKISHA opened on October 11, 2021
Kokubunji Hall of KOEKISHA opened on November 15, 2021



Sanin area: 2 funeral halls
February and March 2022



Kansai area: 2 funeral halls

September 2021/February 2022

Opened in September 2021
KOEKISHA Hall in Nagai
1-4-9, Minamisumiyoshi, Sumiyoshi-ku, Osaka

To be open in February 2022
KOEKISHA Ikoma Hall
849-1, Tanidacho, Ikoma-shi, Nara

Tokyo area: 2 funeral halls
October and November 2021



Opened in October 2021
KOEKISHA Nerima Hall
4-16-3, Toyotamakita, Nerima-ku, Tokyo

Opened in November 2021
KOEKISHA Kokubunji Hall
2-16-15, Minamicho, Kokubunji-shi, Tokyo

In our core funeral business

Growth of total support services for the final stage of life

- Ø Total support services, centered on the funeral business, will be expanded while extending these services to more areas of Japan by opening new funeral halls

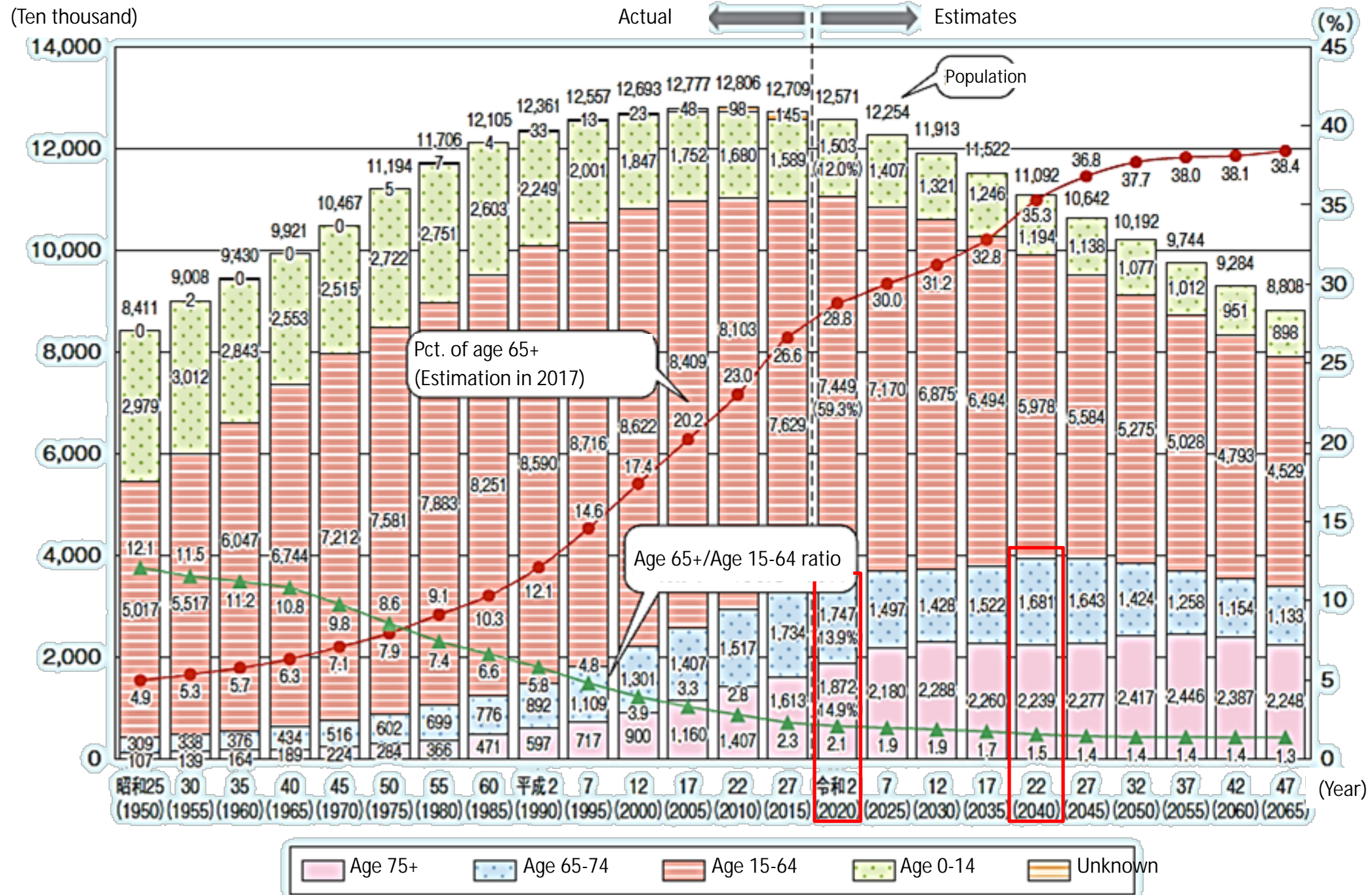
In the portal site business that started in July 2020

Growth of services of subsidiary Life Forward

- Ø The portal site business of Life Forward will be used for the expansion of total support services to cover all areas of Japan

Population of Seniors in Japan

Cabinet Office Aging Society White Paper FY2021, Average Life Expectancy and Future Estimates



Age 65+ population: 36.19 million in 2020
39.35 million in 2042

The need for new services and products is increasing as the senior market in Japan expands



The SAN HOLDINGS Group will use knowledge and expertise acquired over many years from using people to provide quality services in order to use both real and online channels to supply reliable services and products to an even larger number of customers. We will play an important role in Japan as the population continues to age.

Reason for the Need for Total Support Services

Many items must be taken care of during the final stage of life. The diversity of options for this final stage and funerals is increasing. However, many people are uncertain about how to make the right decisions and choices as the number of options increases.

Before funeral

Funeral

After funeral

Attend seminars
 Preliminary consultations
 End-of-life notebook
 Will
 Financial preparations
 Nursing care
 ...

Where to hold the funeral?
 Who should attend?
 How much will it cost?
 ...

Grief work
 Buddhist anniversary
 Memorial services
 Inheritance procedures
 Graves
 Disposition of personal belongings
 ...

Expansion of End-of-Life Support Services

Japan will require companies with a large number of end-of-life products and services and a knowledgeable staff where customers can receive from a single source services and proposals about a variety of needs.

Preliminary consultations



Information about nursing care facilities



Help with household chores



Information about nursing care facilities



Consultations about inheritance procedures



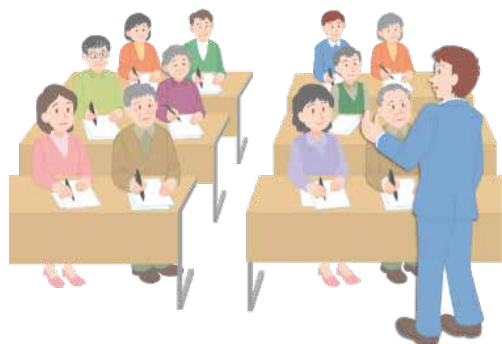
Pre-Funeral Trust Funds

Before funeral

Funeral

After funeral

Funeral service seminars



End-of-life notebook



Ash scattering



Graves



Medium-term Management Plan Results (FY3/20-FY3/22)

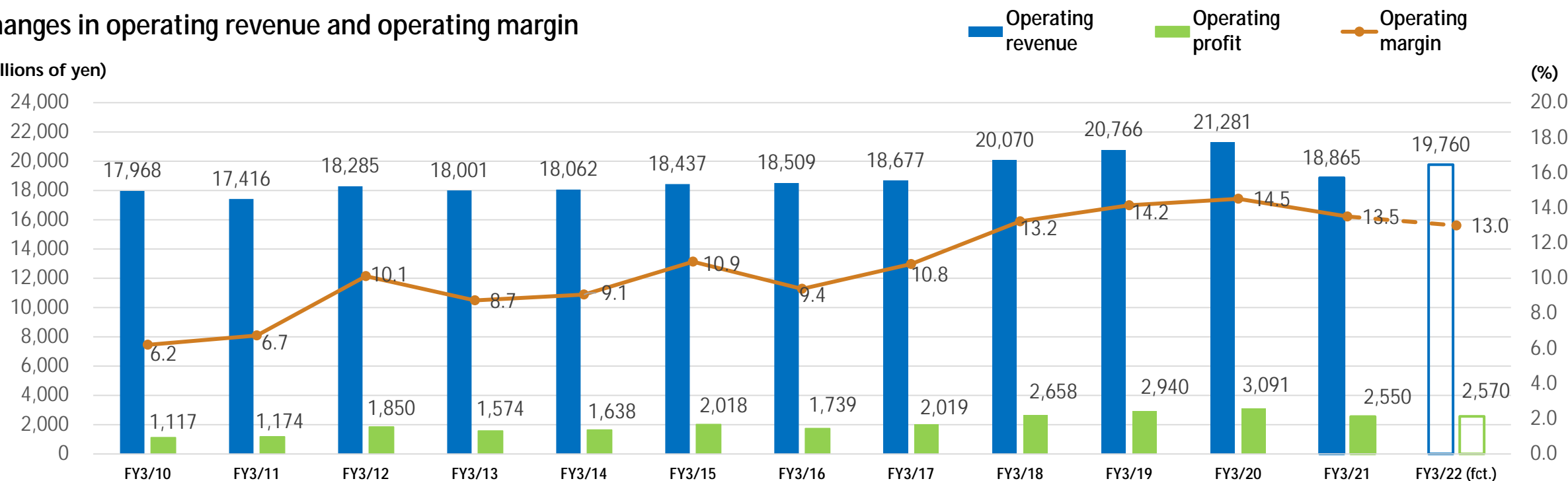
Targets (full-year)

(Billions of yen; % in parentheses represent YoY change)

	1st year of the medium-term plan FY3/20		2nd year of the medium-term plan FY3/21		3rd year of the medium-term plan FY3/22	
	Results	Medium-term Plan	Results	Medium-term Plan	Full-year forecast	Medium-term Plan
Operating revenue	21.28 (+2.5%)	21.30 (+2.6%)	18.86 (-11.3%)	22.10 (+3.9%)	19.76 (+4.7%)	22.90 (+21.4%)
Operating profit	3.09 (+5.2%)	2.81 (-4.4%)	2.55 (-17.5%)	2.90 (-6.1%)	2.57 (+0.8%)	3.03 (+18.8%)
Operating margin	14.5%	13.2%	13.5%	13.1%	13.0%	13.2%

Changes in operating revenue and operating margin

(Millions of yen)

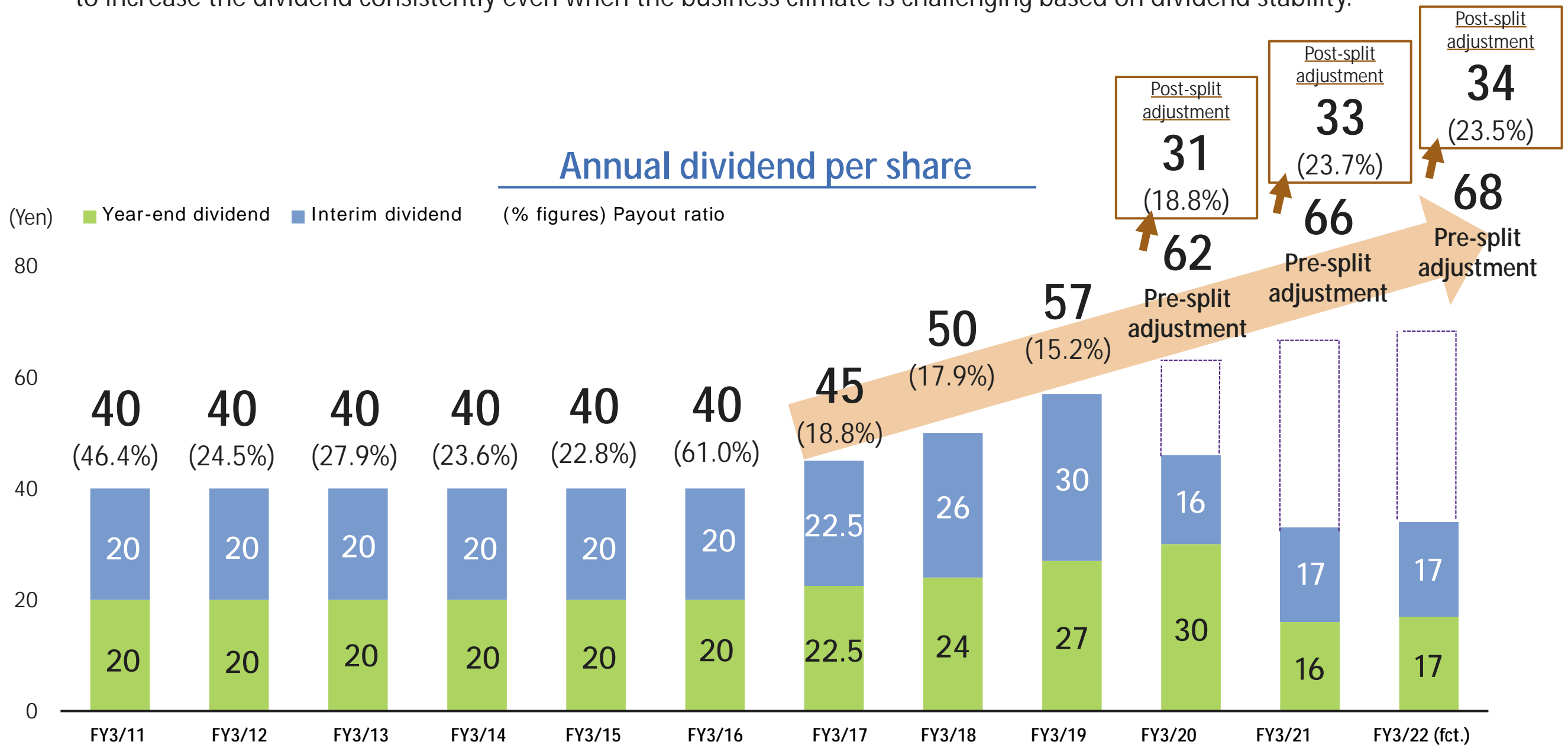


Medium-term Management Plan

Shareholder Distribution Policy (FY3/20-FY3/22)

Increase distributions to shareholders based on dividend stability

Our goal is to increase the distribution of earnings to shareholders from a medium to long-term perspective. Dividends reflect consolidated sales and earnings, cash flows, the need to retain earnings for investments for medium to long-term growth, the need to maintain financial soundness and other factors. Furthermore, our policy is to increase the dividend consistently even when the business climate is challenging based on dividend stability.



*The blank portions above actual payments in FY3/20, FY3/21 and FY3/22 show the level of dividends equivalent to before the 2-for-1 stock split in October 2019.

Our policy on stock repurchase

We position stock repurchase as one way for distributing earnings to shareholders. We will consider repurchasing stock while taking into account the capital capacity, stock price and other applicable factors.

Repurchase of treasury shares announced on May 13, 2021

Type of shares to be repurchased: Common shares

Method of repurchase: Purchase on the Tokyo Stock Exchange

Period for repurchase: May 14, 2021 to September 15, 2021

Total number of shares to be repurchased: 230,400 shares

Total value of shares to be repurchased: ¥299,884,600

Repurchase of treasury shares announced on November 11, 2021

Type of shares to be repurchased: Common shares

Method of repurchase: Purchase on the Tokyo Stock Exchange

Repurchase schedule: November 12, 2021 to March 24, 2022

Total number of shares to be repurchased: Up to 200,000 shares

(1.84% of total number of shares outstanding, excluding treasury shares)

Total value of shares to be repurchased: Up to ¥300 million

The Next Medium-term Management Plan

Dramatic changes are expected to continue in the business climate for the funeral business in Japan. The size of funerals is declining, funeral needs are diversifying, and the opening of more funeral halls and smaller funerals is causing competition to increase.

At the same time, the market for serving seniors is expected to grow as the number of seniors in Japan climbs and their needs cover an even larger range of services.

These changes create opportunities for the SAN HOLDINGS Group. We will continue to use our funeral business as a base for many actions to expand operations in the end-of-life business domain.

We are currently working on our next medium-term management plan, which we plan to announce in May 2022, which will be centered on measures for medium to long-term growth.

Growth of the funeral business

Expand operations to more areas of Japan
Meet the diversifying needs and the new needs of customers

Growth in the end-of-life business domain

Become a source of many forms of value involving the final stage of life

Reference Materials

Company Overview

Name: SAN HOLDINGS, INC.
 Established: October 2, 1944 (Founded in August 1932)
 Capital: ¥2,568.15 million
 Listing: Tokyo Stock Exchange, First Section
 Stock code 9628
 Operating revenue: ¥18,865 million (FY3/21)

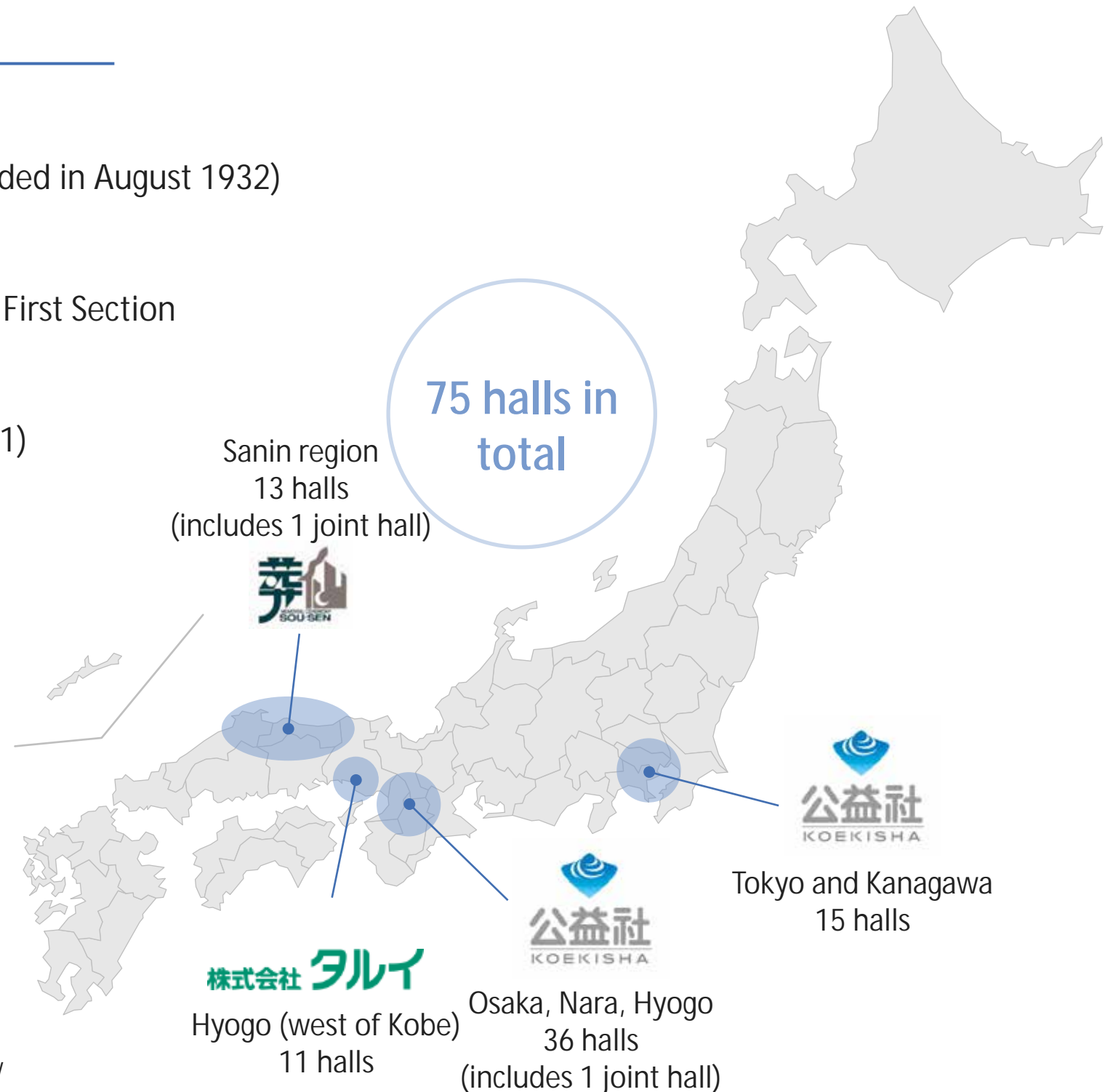
Business Area

Tokyo area (Tokyo, Kanagawa)
 Kansai area (Osaka, Hyogo, Nara)
 Sanin region (Tottori, Shimane)

The Funeral Industry

Japan has no regulatory agency and no regulations for funeral companies

Reference: There were about 1.37 million deaths in Japan in 2020 and this is expected to increase to about 1.7 million by 2040. In 2020, funeral revenue was estimated to be about ¥1,607 billion (1.37 million deaths x ¥1,173,000)



Corporate Philosophy

A partner for making people's lives even more fulfilling and enjoyable

Become a source of total support for the final stage of life

Our philosophy expresses our mission in society of creating new forms of value and supplying services with substantial added value for the purposes of enriching people's lives and communities through the provision of products and services and of making people's lives even more fulfilling and enjoyable.

Business Activities

Group companies are a source of comprehensive end-of-life support extending from consultations before a funeral to procedures after the funeral, assistance involving the grave and other matters, and services for the remaining family members.

Before funeral

Funeral

After funeral

- | Preliminary consultations
- | Pre-Funeral Trust Funds
- | Information about nursing care facilities



- | Consultations about inheritance procedures
- | Family alter, graves
- | Procedures

Reference Data The SAN HOLDINGS Website

Japanese language website

The SAN HOLDINGS website was redesigned and upgraded in late June 2021 and an English-language website was added.

The website's home page has a profile of the SAN HOLDINGS Group including our philosophy. Information about the medium-term plan and our financial information can be accessed easily from the home page.

English language website

Results of Survey about Funerals During the COVID-19 Pandemic

KOEKISHA used the internet to conduct surveys in late April and the middle of November 2020 concerning the public's perception of funerals during the COVID-19 pandemic.

In April, the general perception was that funerals would have to be smaller temporarily because of the pandemic but people wanted an opportunity after the pandemic to say farewell to the deceased.

In November, people accepted changes caused by the pandemic in how funerals are held but still wanted to hold funerals as close to normal as possible. This sentiment demonstrated the desire of people for a mourning ceremony for the deceased.

These surveys reaffirmed the need for people to retain relationships even during the pandemic. There has been no change in the desire of people to hold funerals as an opportunity for mourning and for saying farewell to the deceased.

April 2020 survey

86% of survey participants believe that simple and small funerals are unavoidable because of the pandemic.

However, even though funerals are smaller, **67% of participants want an opportunity** after the pandemic ends **to say farewell to the deceased.**

November 2020 survey

The perception of funerals of 53% survey participants has changed because of the pandemic. People feel that funerals have become shorter, attending funerals is more difficult and opportunities to say farewell have been lost.

74% of participants still want to mourn the loss of a family member or friend.

33% of participants think that funerals can continue to be simple even after the pandemic ends. However, **51% want to hold funerals that are as close to normal as possible during the pandemic.**

Regarding the difficulty of mourning the loss of a family member or friend, **73% of participants want an opportunity to mourn even if they are unable to attend a funeral because of the pandemic.**

April 2020

November 2020

View of the pandemic

The pandemic will end soon

Still no end in sight for the pandemic

Using preventive measures for safety

Using preventive measures for safety

View of funerals

Simple funerals are unavoidable now; want an opportunity to say farewell after the pandemic ends

Want funerals as close as possible to normal

Want mourning opportunity even without attending a funeral

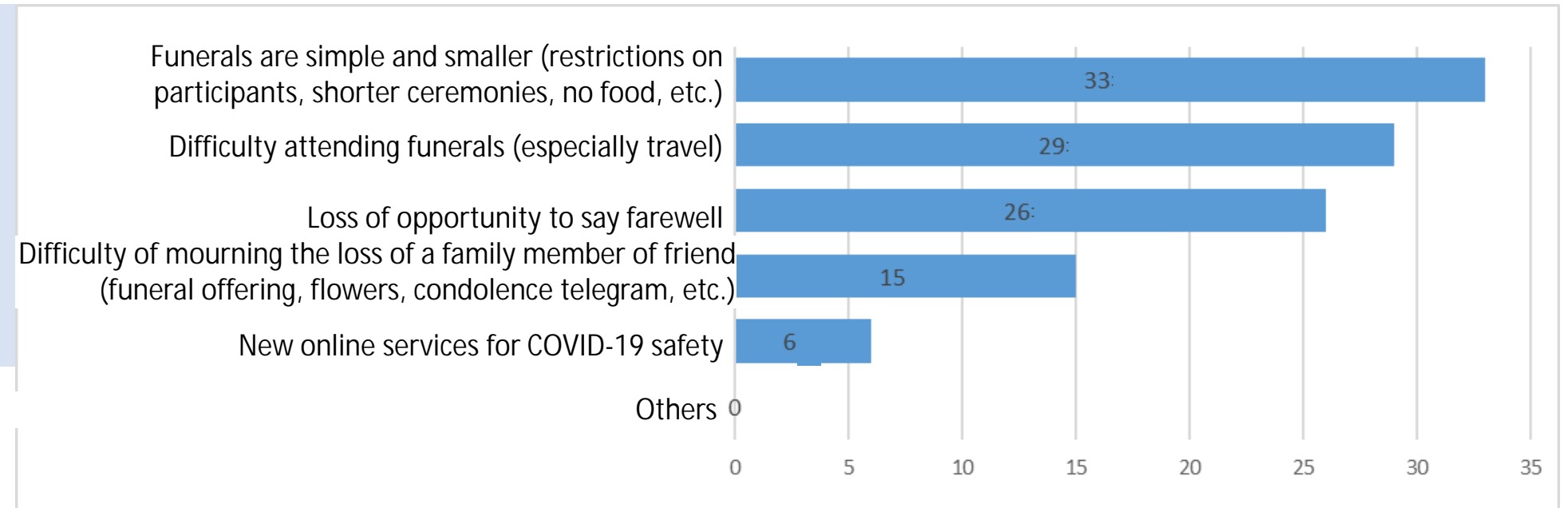
People want to mourn the loss of a family member or friend

Reaffirmed the importance of opportunities to gather with family and friends

Reference Data Results of Survey about Funerals During the COVID-19 Pandemic (Nov. 2020)

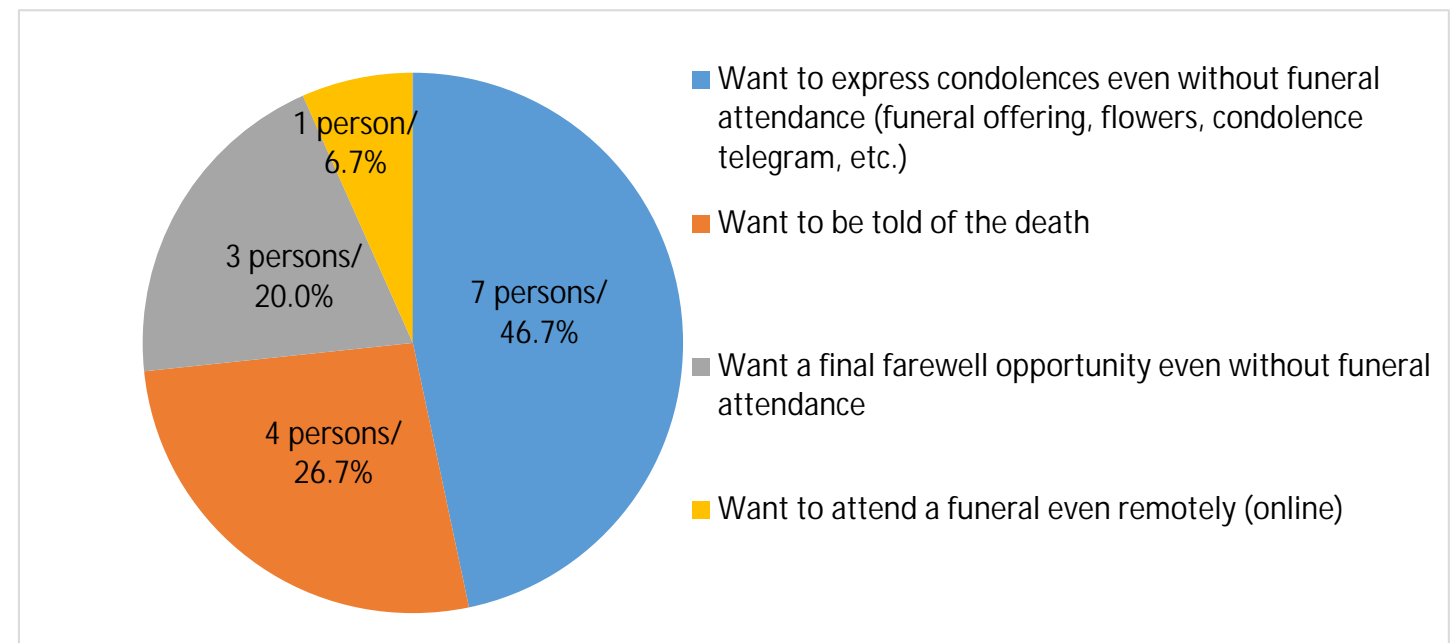
Q. How do you think the COVID-19 pandemic has altered funerals? (Multiple responses) n=53

The top responses of the 53 people who have a different perception of funerals are that funerals have become shorter, attending is difficult and opportunities to say farewell have been lost.



Q. What are your thoughts about the difficulty of mourning the loss of a family member of friend? (One response) n=15

73% of people responding to this question want to express their condolences even if they cannot attend a funeral or want an opportunity for a final farewell to the deceased even if they cannot attend a funeral. This demonstrates that many people want to mourn the loss of a family member of friend even without attending a funeral.



Cautions

Forecasts of future performance in these materials are based on assumption judged to be valid and information available to the management of SAN HOLDINGS at the time the materials were prepared. Actual results may differ materially from the forecasts.

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