

TENPOS HOLDINGS Co.,Ltd.

Corporate Report

Year ending April 2020

Result summary and forecast for the next period

1st half: Sales 2.3%up with Operating profit 31.2% increase

**2nd half: Decrease of sales and operating profit due to
Coronavirus pandemic, hitting hard on F&B business**

- Tenpos Busters earned the biggest profit ever based on stronger sales efforts thru employee trainings and follow-up on promising clients.
- Profit Laboratory recorded the biggest sales amount and operating profit thru account promotion.
- 1st half: Dayspark showed decrease of sales of ¥367 million as the result of its dismantling of convenient-store business.
- 1st half: Kiyopachi(F&B) was sold out resulting in sales reduction of ¥158 million.
- F&B was incurred a large decrease of sales/profit due to Coronavirus Pandemic.

Forecast for the year ending April 2021

- Due to Coronavirus Pandemic, it is extremely difficult to forecast business situation for the next period at this point of time. It will be promptly disclosed when it becomes possible to adequately forecast business for the period.

Consolidated results for the period ending April 2020

Consolidated results for the period May 01 2019 thru April 30 2020

Up/down

Sales	¥29.195 billion	△3.1%
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Gross profit	¥12.094 billion	△2.6%
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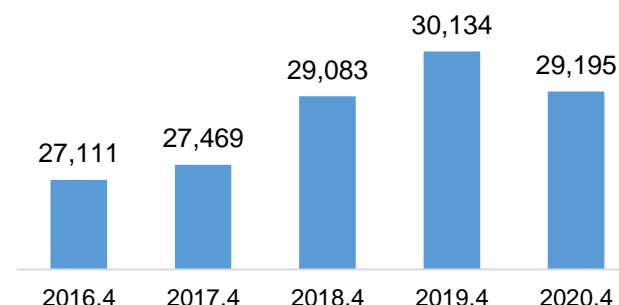
Operating Profit	¥1.722 billion	△11.8%
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Ordinary Profit	¥1.903 billion	△8.9%
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Net Profit	¥0.96 billion	△4.9%
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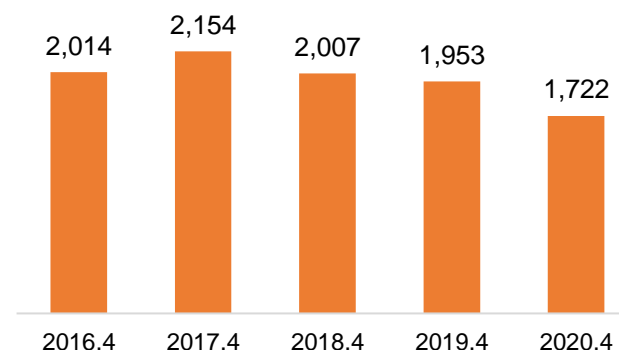
(unit: ¥million)

Consolidated sales



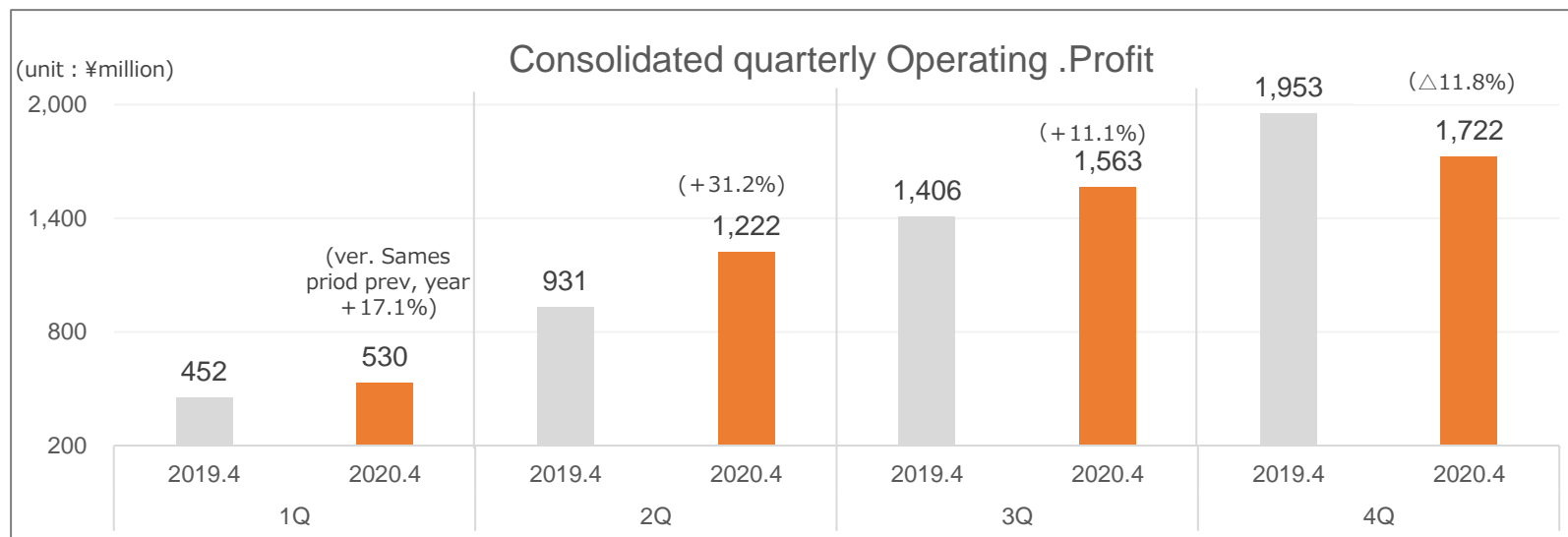
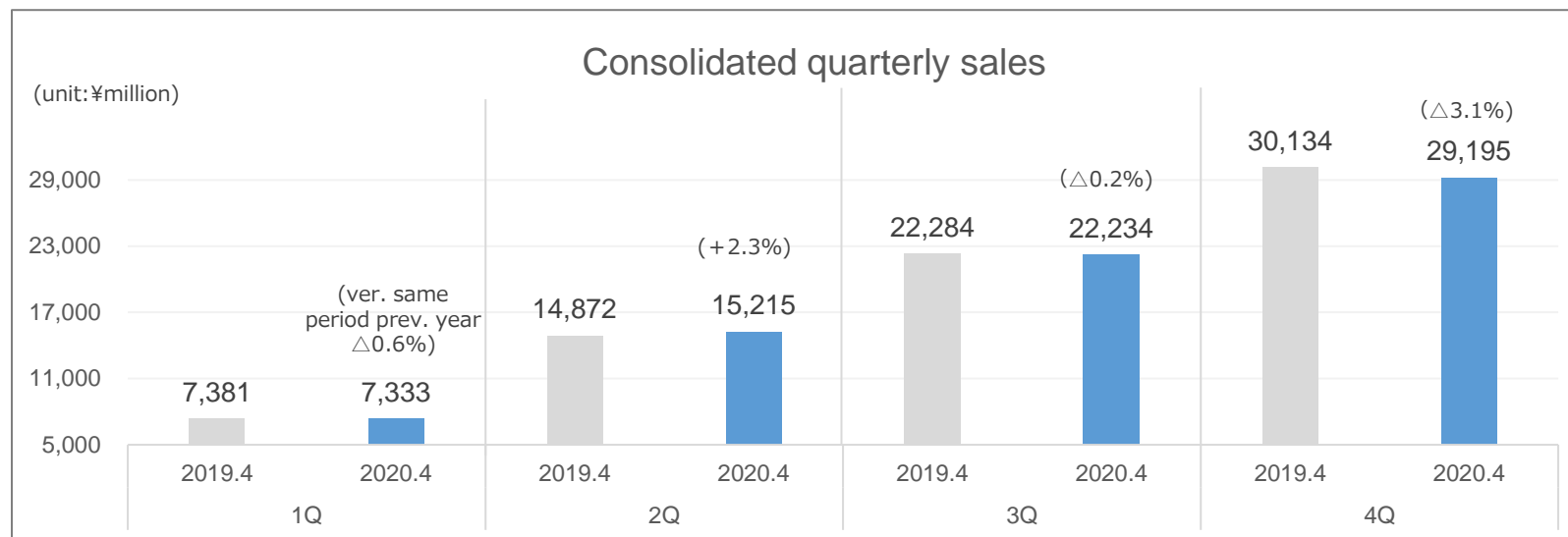
(Unit: ¥million)

Consolidated Op. Profit



Quarterly results for the period ending April 2020

1st half saw increase of sales(2.3%) and operating profit(31.2%) as against period year.
Due to coronavirus pandemic in 2nd half, yearly sales and operating profit decreased.



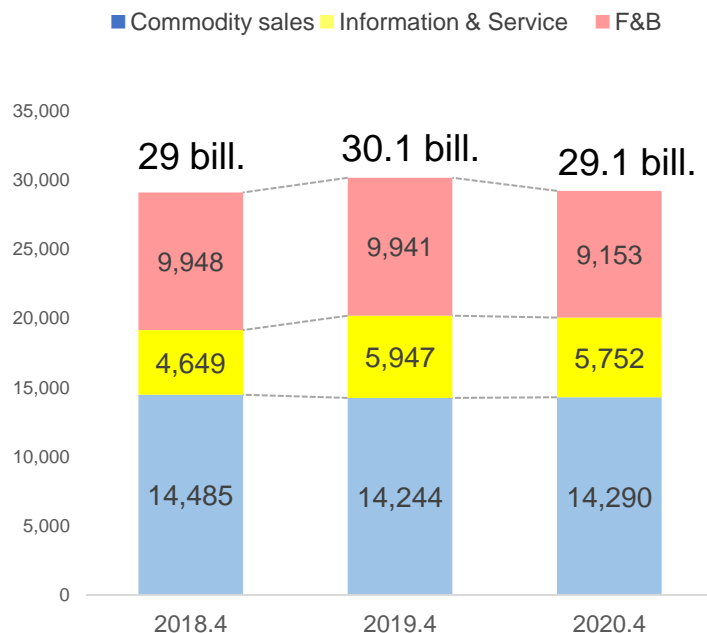
Segments results

Results for year ending April 2020 unit : ¥million

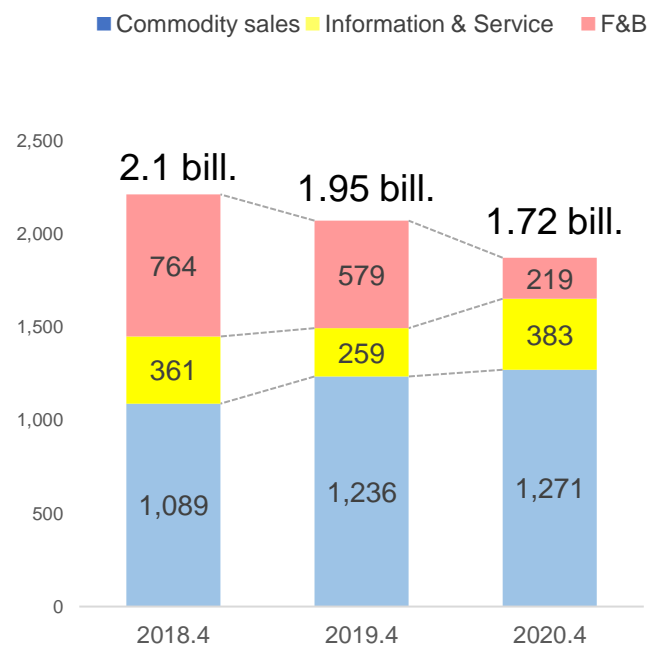
Segments	Companies	Business	Sales	Op.Profit
Commodity sales	Tenpos Busters	Used kitchenware/equipment sales, Outlet opening and operation assistance	12,401	1,183
	Kitchen Techno	Kitchenware sales to major F&B chains	2,675	128
	Tenpos.com	Internet sales of kitchenware/equipment	2,166	98
	West chuki	Kitchenware sales and maintenance	40	4
Information & Service	Tenpos Johokan	POS register sales and operation assistance	764	112
	<u>Profit Lavoratory</u>	FAXDM sales promotion	342	84
	Studio Tenpos	Interior designing/works	929	44
	Tenpos Financial Trust	Financial service & real estate agency	831	38
	Dayspark	Personal recruiting and positioning	1,032	29
	Tenpos Foodplace	Web site promotion and operation assistance	75	△27
	Tenpojin Personal Agent	M&A and personal recruiting/positioningy	8	0.212
F&B	Asakuma Asakuma Succession	Operation of 69 stake restaurants Operation of 18 tavern, buffet and Indonesian ethnic restaurants	8,849	224
	Dream Dining	Operation of sea-food bowl outlets	304	△8

Segments results for year ending April 2020

Yearly segment sales



Yearly segment operating profit

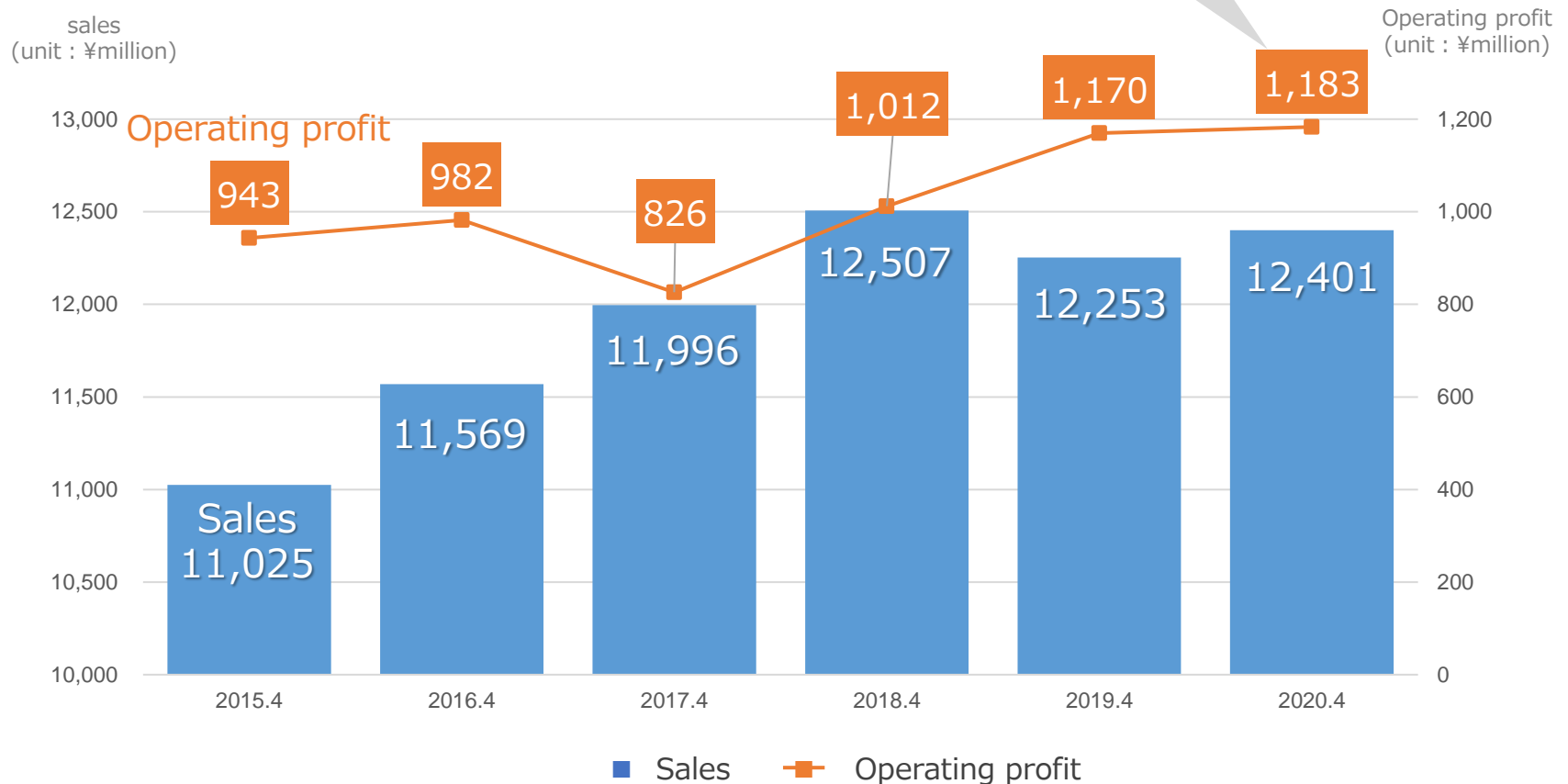


Segments	Sales inc./dec.	Operating profit inc./dec.	Causing factors
Commodity sales	+ 0.3% (¥45 million inc.)	+ 2.8% (¥34 million inc.)	
Information & Service	△3.2% (¥195 million dec.)	+ 47.6% (¥123 million inc.)	Dayspark's closing of Family-mart FC business in prev.period decreased sales of ¥367 million.
F&B	△7.9% (¥700.88 million dec.)	△62.2% (¥360 million dec.)	Transfer of Kiyopachi decreased sales of ¥158 million in 1 st half. Asakuma suffered sales/profit decrease due to outlets closing caused by Typhoon in Oct.2019 , outlet renovations and Coronavirus Pandemic.

Commodity sales — Tenpos busters

Biggest operating profit ever for Tenpos busters

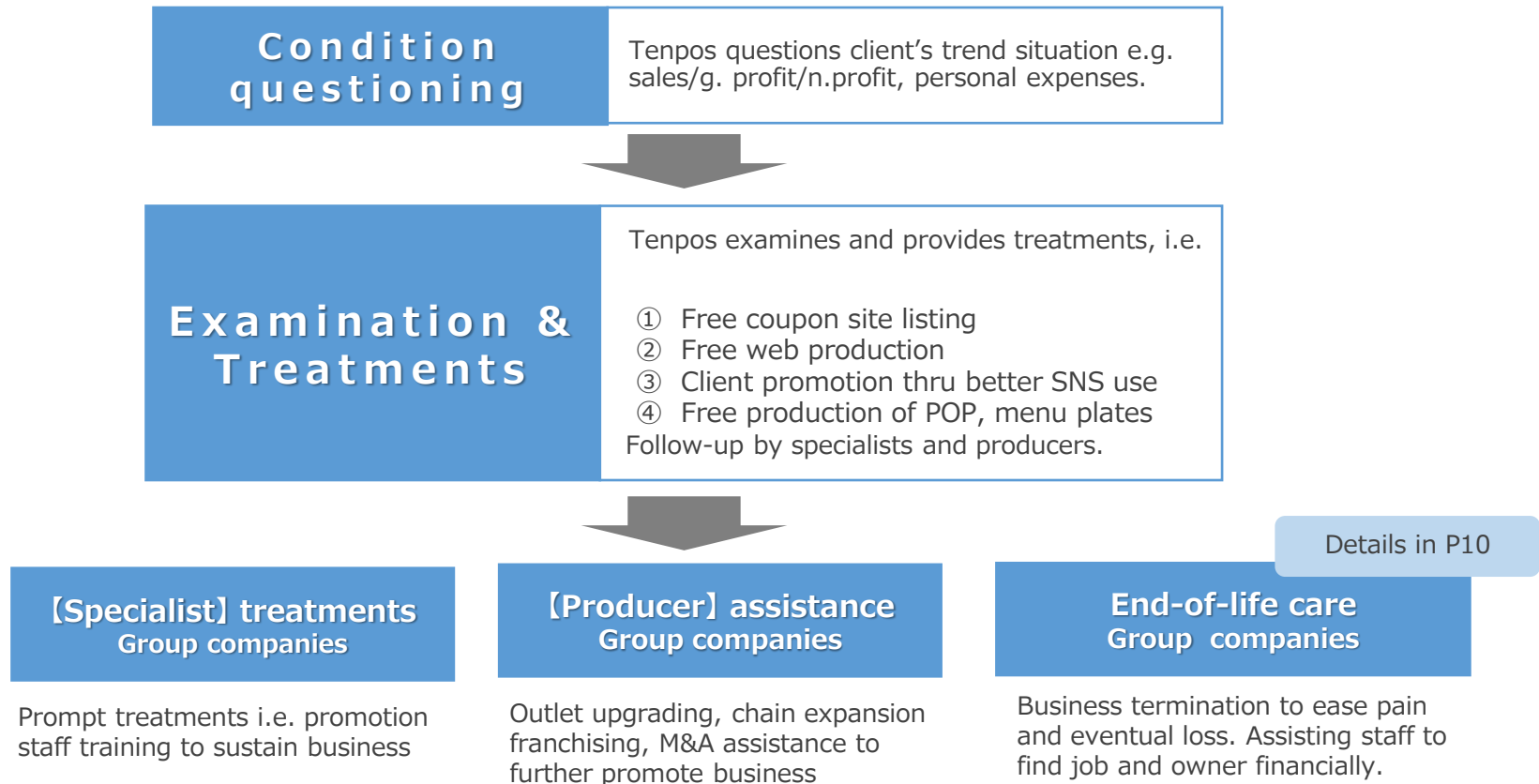
※If not coronavirus, operating profit would have been ¥1.4 billion, 19.6% up over prev. year



Doctor Service

Doctor Service

Tenpos Busters, chief physician, totally assists F&B outlets with specialist support of group companies.



Specialists of Doctor Tenpos

Tenpos Busters

50 RCs 8 FCs 12 purchasing centers 2 distribution depots

- Signboard, façade upgrading
- Pre-opening, post-opening promotion
- Staff training
- Supplier, recipe development, cost & personal management

Tenpos Foodplace

- WEB client promotion
- service equipment for operation
- Development of doctor service

Tenpos Financial Trust

- Leasing/credit
- Furnished/equipped outlet supply

Studio Tenpos

- Interior design • planning • works
- Signboard works

Pofit Laboratory

- FAX banquet promotion of corporate clients
- Posting service

Tenpos Johokan

- POS Register sales and service

Dayspark

- Staffing (30% of listed 5800 students are sent to staff the outlets
¥500million earning in staffing 1000 with fee of ¥500,000 per head.)

Doctor Service Closing assistance

Doctor Tenpos End-of-life care Assists closing of F/B outlet as 「Hospice」

Early closing sometimes lessens eventual losses. Assists staff finding jobs and owner financially.

Activities	Revenue Targets
① Sales promotion – Promotion furthered within time framework for business revival	
② Renovated outlets to be sold out – Outlets are sold out after operation improvement	Selling prices are targeted at ¥20 million to ¥30 million
③ New lines of business – New business based on location → Revival as new business – Possible FC membership → Revival as a franchisee	FC introduction fees and operation support fees
④ Ownership transfer – Transfer of whole business with full staff intact – Transfer without outlets and staff	Sales fee Small size・・・¥3mill×30cases = ¥90mill. Large size・・・¥10mill×5cases = ¥50milli
⑤ Closing – Debt negotiation, Owner deal, outlet & staff placement, staffing	Yearly placement 10~15 25% of manager with annual income of ¥4mill. Placement fee...¥1mill.X15=¥15mill.
⑥ New ownership program – Assists Tenpos staff employed 3~5years desiring to start business [own fund ¥3mill. + Tenpos provides fund ¥20mill.]	

Company information

Name : Tenpos Holdings Co.,Ltd
Tokyo Stock Exchange JASDAQ (standard)
Headoffice : 2 - 3 0 - 1 7 Higashi Kamata, Ota-ku, Tokyo
CEO : Atsushi Morishita
Established : March 31, 1997
Capital : ¥509.12million (As of end of April 2020)
Sales : ¥29billion195million (Year ending April 2020 : Consolidated)
Operating profit : ¥1.722billion (Year ending April 2020: Consolidated)
Business : Kitchenware and equipment sales, Operation assistance for
F&B outlets, Operation of F&B outlets, Leasing and credit,
and other business
Business period : May to April

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