

March 10, 2022

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ended April 30, 2022(Q3 FY2022)

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 Listing: Tokyo Stock Exchange
 Securities code: 2751
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 Scheduled date to file quarterly securities report: March 11, 2022
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the Third Quarter of the Fiscal Year Ended April 30, 2022 (from May 1, 2021-January 31, 2022)

(1) Consolidated operating results (cumulative) (Percentages indicate over the same period of the previous year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
April 30, 2022	21,866	10.7	1,545	123.1	2,279	155.2	1,347	1,023.1
April 30, 2021	19,744	(11.2)	692	(55.6)	893	(48.9)	120	(87.5)

Note: Comprehensive profit For the nine months ended April 30, 2022: ¥1,449 million[-%]
 For the nine months ended April 30, 2021: (¥496 million) [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
April 30, 2022	113.42	112.24
April 30, 2021	10.05	9.95

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	
Nine months ended				
April 30, 2022	18,143	12,666	61.8	943.03
April 30, 2021	16,902	11,168	58.4	832.08

Reference: Equity
 Nine Months Ended April 30, 2022: ¥11,215 million
 Fiscal Year Ended April 30, 2021: ¥9,884 million

2. Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended April 30, 2021	-	0.00	-	8.00	8.00
Fiscal year ending April 30, 2022	-	0.00			
Fiscal year ending April 30, 2022 (Forecast)			-	10.00	10.00

Note: Revisions to divided forecasts published most recently: None

3. Consolidated Forecasts for the Fiscal Year Ending April 30, 2022 (May 1, 2021 – April 30, 2022)

	Net sales		Operating profit		Ordinary profit		Profit attributable to Owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending April 30, 2022	28,641	6.0	1,770	80.3	2,738	89.0	1,450	628.6	122.01

Note: Revisions to financial forecasts published most recently: Yes

* Notes

(1) Changes in important subsidiaries during the current quarterly consolidated cumulative period : None

(Changes in specified subsidiaries due to changes in the scope of consolidation)

New company (company name), excluded company (company name)

(2) Application of accounting policies specific to the preparation of quarterly consolidated financial statements : None

(3) Changes in accounting policies, changes in accounting estimates, and restatements of revisions

1.Changes in accounting policies due to revisions to accounting standards, etc. : None

2.Changes in accounting policies other than 1. : None

3.Change of accounting estimate : None

4.Restatement of corrections : None

(4) Number of issued shares (common stock)

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

3Q for the fiscal year ending April 2022	14,314,800 shares	April 2021	14,314,800 shares
3Q for the fiscal year ending April 2022	2,422,112 shares	April 2021	2,435,949 shares
3Q for the fiscal year ending April 2022	11,884,401 shares	April 2021 3Q	11,924,158 shares

2. Number of treasury stock at the end of the period

3. Average number of shares during the period (cumulative quarterly)

* Quarterly financial statements are not subject to quarterly reviews by certified accountants or audit corporations.

* Explanation on proper use of earnings forecasts and other special notes

The statements regarding the future, such as the business outlook, described in this material are based on the information currently available to the Company and certain assumptions that are judged to be reasonable. The actual business performance could differ due to various factors. In use of earnings forecasts, refer to the note [1. Summary of business results, etc. (3) Information on the Future Outlook, Including Consolidated Business Results Forecasts]

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1. Qualitative Information on Quarterly Financial Results

(1) Details of Operating Results

The Japanese economy, the declaration of a state of emergency and the issuance and lifting of priority measures to prevent the spread of new coronavirus infections have been repeatedly issued and lifted, and the restaurant industry's performance has continued to improve and worsen each time. Under such circumstances, even with its food and beverage business, the Group's consolidated operating results for the period under review were as follows: net sales of 21,866 million yen (up 10.7% year-on-year), operating income of 1,545 million yen (up 123.1% year-on-year), ordinary income of 2,279 million yen (up 155.2% year-on-year), quarterly income attributable to shareholders of the parent company Net income was 1,347 million yen (up 1,023.1% y-o-y), and if it continues at this level, ordinary income for the full year ending April 30, 2022 will likely exceed a record high of 2,700 million yen.

Since January 2018, the Group has been offering a restaurant management support service called "Dr. Tenpos," a restaurant management support service, the Group has been working to expand its product sales and information/services businesses with the aim of changing the way of doing business to one where goods are sold by selling information and services instead of "goods" to customers. Although the information/services business itself has yet to achieve success, we believe we are on the right track, as evidenced by the 21.8% year-on-year increase in segment sales and the 42.6% year-on-year increase in segment income in the merchandising business, which serves restaurants, during the third quarter of the current fiscal year.

In addition, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020). The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others were applied from the beginning of the first quarter of the current fiscal year. As a result, net sales, cost of sales, and selling, general and administrative expenses decreased 252 million yen, 102 million yen, and 150 million yen, respectively, in the third quarter of the current consolidated cumulative period, but there was no impact on operating income, ordinary income, and income before income taxes and minority interests.

Operating profit

(Unit: million yen)

Segment name	Period form May 1, 2020 To January 31, 2021	Period form May 1, 2021 To January 31, 2022	difference	Growth Rate
Product sales business	1,357	1,936	578	42.6%
Information and service business	(82)	62	145	Returning to profit
Food service business	(524)	(386)	138	Deficit Improvement
total	750	1,613	862	114.9%

(note)The above amounts are before consolidation elimination.

Ordinary Income

(Unit: million yen)

Segment name	Period form May 1, 2020 To January 31, 2021	Period form May 1, 2021 To January 31, 2022	difference	Growth Rate
Product sales business	1,412	2,064	651	46.1%
Information and service business	(22)	93	115	Returning to profit
Food service business	(439)	189	628	Returning to profit
total	951	2,347	1,396	146.8%

A summary of each segment business is as follows.

1.Product sales

In the product sales business, an increase in orders from customers opening new restaurants due to expectations of a recovery in economic activity and replacement demand for kitchen equipment using subsidies resulted in segment sales of 15,854 million yen (up 21.8% year-on-year) and segment income of 1,936 million yen (up 42.6% year-on-year) in the first three quarters under review. All three companies in the merchandise sales business, Tenpos Busters, Kitchen Techno, and Tenpos.com, exceeded the results for the nine months ended April 30, 2020, before the Corona disaster.

[Store Sales of used kitchen equipment, etc. Tenpos Busters Co., Ltd.]

Net sales of 12,078 million yen (+25.3% YoY) Operating income 1,614 million yen (+40.1% YoY)

Tenpos Busters Co., Ltd. is Japan's largest seller of used kitchen equipment, and is not only a retailer of goods, but also a "Dr. Doctor", an information and service useful for restaurant management. Tenpos Busters is working to attract customers opening new restaurants and increase sales per customer by providing "Dr. Tenpos. In the third quarter of the current fiscal year, due in part to rush demand to take advantage of subsidies, sales for the same period were very strong at 4,138 million yen (up 27.5% year-on-year) and operating income at 638 million yen (up 65.6% year-on-year). However, due to the issuance of "priority measures to prevent the spread of the disease" in January 2022, the number of customers in the last week of January declined slightly by 3.1% from the same period of the previous year, which caused us to reassure our customers.

In the "comprehensive order-taking" sales activities that began in the second quarter, which are triggered by orders for interior work, we have contracted with 23 interior work companies nationwide and established a system to accept orders for interior work. In addition, we selected 25 of the top-performing in-store sales staff and began training them to become doctors (restaurant producers).

[Direct sales of kitchen appliance to major food service companies KITCHEN TECHNO CORPORATION]

Net sales of 2,306 million yen (up 12.1% y/y) Operating income 177 million yen (up 19.9% y/y)

Orders received from major supermarkets for large-scale remodeling projects and orders from listed companies aggressively entering the restaurant business led to a 12.1% increase in net sales for the period under review compared to the same period last year. In terms of operating income, the sales volume of our own product, "Smokeless BBQ Roaster Tetsujin 29 (Niku-go)," was strong, up 229.0% year-on-year, and other products with high gross profit margins, such as "noodle-making machines" and "used ticket vending machines" that we purchase, refurbish and sell in-house, also contributed to the increase in sales. Due to an increase in the number of units sold, operating income for the nine months ended December 31, 2012 increased 19.8% from the same period of the previous year. In response to an increase in orders for the "Smokeless Yakiniku Roaster Tetsujin 29 (Niku-go)," which is selling well, we have started to increase production in Japan.

[Sales of kitchen appliances and food products for consumers through web-based shopping TENPOS.COM Co., Ltd.]

Net sales of 1,944 million yen (+7.7% YoY) Operating income: 68 million yen (+14.7% YoY)

Tenpos.com Inc., which operates Japan's largest commercial kitchen appliance shopping site, has focused on measures to attract customers who are opening new restaurants from an early stage by using "information search" in addition to "product search" to attract customers. Currently, the company operates "Tenpos Food Media," a restaurant-supporting media, "Business Category Opening Specials," a useful website for new restaurant openers, and a mail-order website specialized for each business category. By acquiring customers at an early stage of preparation for opening a new restaurant, we are able to offer a wider range of proposals for kitchen equipment, and during the third quarter of the current fiscal year, the average sales per customer increased 19.4% from the same period of the previous year. In addition, due to the global shortage of semiconductor parts and damage to material manufacturers caused by natural disasters, kitchen appliance manufacturers that manufacture and sell commercial refrigerators and ice machines have experienced production delays and order stoppages, resulting in only a 7.7% increase in net sales for the period under review compared to the same period of the previous year, but new equipment As of the end of January 2022, we had 85 million yen in confirmed payments for deliveries made in February or later due to delivery delays. Despite the delay in receiving new kitchen equipment, net sales for the period under review totaled 1,944 million yen. Note that sales of used kitchen equipment during the period under review were strong, up 54.7% from the same period of the previous year.

The application of the revenue recognition accounting standard reduced net sales by 230 million yen, but did not affect operating income.

The results of each company in the product sales business are as follows.

amount of sales (Unit: million yen)

company name	Period from May 1, 2020 To January 31, 2021	Period from May 1, 2021 To January 31, 2022	difference	Growth Rate
Tenpos Busters Co., Ltd.	9,638	12,078	2,440	25.3%
Kitchen Techno Co., Ltd.	2,056	2,306	249	12.1%
Tenpos.com Co., Ltd.	1,805	1,944	139	7.7%
total	13,499	16,329	2,829	21.0%

(note)The above amounts are before consolidation elimination.

Operating profit (Unit: million yen)

company name	Period from May 1, 2020 To January 31, 2021	Period from May 1, 2021 To January 31, 2022	difference	Growth Rate
Tenpos Busters Co., Ltd.	1,152	1,614	462	40.1%
Kitchen Techno Co., Ltd.	147	177	29	19.9%
Tenpos.com Co., Ltd.	59	68	8	14.7%
total	1,359	1,860	500	36.8%

(note) The above amounts are before consolidation elimination.

Ordinary profit (Unit: million yen)

company name	Period from May 1, 2020 To January 31, 2021	Period from May 1, 2021 To January 31, 2022	difference	Growth Rate
Tenpos Busters Co., Ltd.	1,155	1,630	474	41.1%
Kitchen Techno Co., Ltd.	151	180	29	19.5%
Tenpos.com Co., Ltd.	62	68	6	10.9%
total	1,368	1,879	511	37.3%

2.Information and service business

With the lifting of the emergency declaration in September 2021, the temporary staffing, placement, and contracting business is on a slight recovery trend. In the interior construction business, construction orders for store construction and new store openings that took advantage of subsidies increased. However, although segment sales in the Information and Service segment increased 31.5% to 2,528 million yen and segment income increased significantly to 62 million yen (segment loss of 82 million yen in the same period of the previous year), the Information and Service segment fell short of plan against the forecast for the current fiscal year. The results are not as we would have liked.

[Interior Works and Designing, STUDIO TENPOS Co., Ltd.]

Net sales of 704 million yen (+46.8% YoY) Operating income: 43 million yen (+45.7% YoY)

The lifting of the emergency declaration in September 2021 led to an increase of 36.4% year-on-year in the number of store construction contracts, including the use of subsidies and the number of major and medium-sized restaurant chains. As a result, net sales and operating income for the period under review increased 46.7% and 45.7%, respectively, from the same period last year.

[POS system and ASP sales TENPOS INFORMATION CENTER Co., Ltd.]

Net sales of 541 million yen (+22.9% YoY) Operating income: 51 million yen (+515.2% YoY)

Although a shortage of semiconductors caused shortages in the purchase of printers and automatic change machines, resulting in a delivery ratio of 90% to the number of orders for these products, orders for table order systems and mobile order systems that took advantage of the "IT introduction subsidy" were strong. In conjunction with this, sales of monthly usage fees also increased, resulting in a 22.9% increase in net sales for the period under review to 541 million yen, but this was 16.2% below the planned level due to a failure to meet the plan. Operating income appears to have increased significantly to 51 million yen (up 515.1% y-o-y), but this too is not good, being only about half of the planned amount.

[Financial Services and Real Estate Brokerage TENPO FINANCIAL TRUST Co., Ltd.]

Net sales of 585 million yen (+20.8% YoY) Operating income: 27 million yen (+4.7% YoY)

In the midst of the Corona disaster, a decrease in capital investment was expected to cause a decline in the finance division's handling of transactions, and we newly started acting as an agent for Japan Finance Corporation's loan procedures and subsidy applications for restaurant operators in Japan, preventing a decline in handling fees. The Real Estate Department also launched a new store demolition contracting business for shopping centers as a measure to eliminate operating deficits, resulting in a 20.0% year-on-year increase in sales in the real estate brokerage business. A particular recovery trend was seen in the card terminal installation business, where increased use by restaurants led to a 4% year-on-year increase in transaction volume and a 183.0% increase in operating income in the card terminal installation business. Operating income increased 4.7% for the third quarter year-to-date period.

[Customer Attraction Support Profit Laboratory Co., Ltd.]

Net sales of 85 million yen (-13.1% YoY) Operating loss: 8 million yen (vs. operating loss of 17 million yen in the same period last year)

Profit Laboratory, Inc. is the company most affected by the new coronavirus infection among our group companies, and although we focused on sales activities to customers who started sales promotion activities following the lifting of the state of emergency declaration in September 2021, sales of "Full Fax" in the third quarter of the current fiscal year were It was up only 4.2% year-on-year, a significant decrease of 75.4% from the same period two years ago before the Corona disaster. Sales from a new business, agency services for opening stores on delivery sites, rose 535.9% y-o-y, but the small sales did not cover the overall sales.

[Temporary staffing, placement and contracting services D Spark Co., Ltd.]

Net sales of 551 million yen (+51.8% YoY) Operating loss: 21 million yen (vs. operating loss of 92 million yen in the same period of the previous year)

With the lifting of the state of emergency declaration in September 2021, demand for dispatching workers from commercial facilities and companies engaged in food and beverage sales, which are our major customers, recovered, and demand for dispatching cleaners from customers engaged in the lodging industry recovered due to the easing of restrictions on activities. The Company's sales volume was up by 1.7% from the same period last year. In addition, the delivery contracting business, a new business with a high operating margin, performed well, contributing to improved operating income. In general, most subcontract delivery companies specializing in kitchen appliances are sole proprietorships, and there are not many companies that provide services in an organized manner. Therefore, we will accelerate business development to gain first-mover advantage in this field.

[WEB service / Dr. TENPOS, new business development TENPOS FOOD PLACE Co., Ltd.]

Net sales of 91 million yen (+21.8% YoY) Operating loss: 16 million yen (vs. operating loss of 22 million yen in the same period last year)

The number of "Dr. Tenpos" acquisitions during the third quarter increased to 31,617 (up 94.6% year-on-year). The closing rate improved due to better talk skills by customer success representatives, and gross profit increased 22.6% year-on-year in the third quarter of the fiscal year under review. Tenpos Food Place, Inc. will continue to view this as an investment in new business development, and will work to improve and develop services that will support the management of restaurants.

The results of each company in the information and service business are as follows.

amount of sales

(Unit: million yen)

company name	Period from May 1, 2020 To January 31, 2021	Period from May 1, 2021 To January 31, 2022	difference	Growth Rate
Studio Tenpos Co., Ltd.	479	704	224	46.8%
Tenpos Information Center Co., Ltd.	440	541	100	22.9%
Tenpos Financial Trust Co., Ltd.	484	585	100	20.8%
Profit Laboratory Co., Ltd.	98	85	(12)	(13.1%)
D Spark Co., Ltd.	363	551	188	51.8%
Tenpos Food Place Co., Ltd.	74	91	16	21.8%
total	1,941	2,558	617	31.8%

(note) The above amounts are before consolidation elimination.

Operating profit

(Unit: million yen)

company name	Period from May 1, 2020 To January 31, 2021	Period from May 1, 2021 To January 31, 2022	difference	Growth Rate
Studio Tenpos Co., Ltd.	29	43	9	45.7%
Tenpos Information Center Co., Ltd.	8	51	36	515.2%
Tenpos Financial Trust Co., Ltd.	25	27	(1)	4.7%
Profit Laboratory Co., Ltd.	(17)	(8)	2	Deficit Improve- ment
D Spark Co., Ltd.	(92)	(21)	65	Deficit Improve- ment
Tenpos Food Place Co., Ltd.	(22)	(16)	6	Deficit Improve- ment
total	(69)	74	144	Returning To profit

(note) The above amounts are before consolidation elimination.

Ordinary Income

(Unit: million yen)

company name	Period from May 1, 2020 To January 31, 2021	Period from May 1, 2021 To January 31, 2022	difference	Growth Rate
Studio Tenpos Co., Ltd.	33	43	9	29.5%
Tenpos Information Center Co., Ltd.	15	51	36	240.1%
Tenpos Financial Trust Co., Ltd.	29	27	(1)	(6.4%)
Profit Laboratory Co., Ltd.	(7)	(4)	2	Returning To profit
D Spark Co., Ltd.	(68)	(2)	65	Returning To profit
Tenpos Food Place Co., Ltd.	(22)	(15)	6	Returning To profit
total	(20)	98	118	Returning To profit

(note) The above amounts are before consolidation elimination.

3. Food service business

Sales in the food and beverage business for the period under review totaled 4,029 million yen (down 21.5% year-on-year), with a segment loss of 386 million yen (compared with a segment loss of 524 million yen in the same period last year). However, the company has been able to prolong its life with a gratifying drip of subsidies, such as ordinary income of 189 million yen due to subsidies income.

[Restaurant management Asakuma Co., Ltd.]

Net sales of 4,082 million yen (-18.8% YoY) Operating loss 221 million yen (vs. operating loss of 502 million yen in the same period last year)

Based on the unchanging idea of "an entertainment restaurant that proposes excitement to customers through food," the Akasuma Group is struggling daily toward its mid-term goal of "creating a business category with 15% recurring profit together. One of the products we are selling is the "Morimori Hamburger Steak (180 grams)" and "Butsuri Steak (250 grams)," which are hearty and value-priced, with salad, soup, and rice or bread. The salad bar has been trying to find a way to serve the salad bar at the Corona Disaster, and for a while it was suspended, but we have been working on serving it in smaller portions, using "My Tongs" for each customer, and using disposable gloves. The sweets corner in the salad bar will be further enhanced to please not only children but also adult customers.

During the period under review, Steak-no-Asakuma operated 62 directly managed stores and 5 franchised stores, and Asakuma Succession Co., Ltd. operated 10 directly managed stores, bringing the total number of stores in the Asakuma Group to 77 (including 5 franchised stores).

[Restaurant Management Dream Dining Co., Ltd.]

Net sales of 91 million yen (-13.7% YoY) Operating loss: 20 million yen (vs. operating loss of 21 million yen in the same period last year)

Dream Dining Corporation, which operates "Kaisen-Oh" and "Osaka-Dojima Toro-ya" seafood bowl restaurants mainly in commercial facilities, reported net sales of 91 million yen (down 13.7% year-on-year) due to a decrease in the number of visits by female customers, who account for 50% of its customers, and by families, despite strong takeout and delivery sales. In response to the decline in sales, the Company has been working to improve quality by reducing food loss due to overstocking, adjusting the use and ordering of all food ingredients to stabilize quality, and reviewing preparation and operations.

The results of each company in the food and beverage business are as follows.

amount of sales

(Unit: million yen)

company name	Period from May 1, 2020 To January 31, 2021	Period from May 1, 2021 To January 31, 2022	difference	Groth Rate
Asakuma Co., Ltd.	5,028	4,082	(946)	(18.8%)
Dream Dining Co., Ltd.	106	91	(14)	(13.7%)
total	5,135	4,174	(960)	(18.7%)

(note) The above amounts are before consolidation elimination.

Operating Income

(Unit: million yen)

company name	Period from May 1, 2020 To January 31, 2021	Period from May 1, 2021 To January 31, 2022	difference	Groth Rate
Asakuma Co., Ltd.	(502)	(221)	281	Deficit Improvement
Dream Dining Co., Ltd.	(21)	(20)	0	Deficit Improvement
total	(524)	(241)	282	Deficit Improvement

(note) The above amounts are before consolidation elimination.

Ordinary Income

(Unit: million yen)

company name	Period from May 1, 2020 To January 31, 2021	Period from May 1, 2021 To January 31, 2022	difference	Groth Rate
Asakuma Co., Ltd.	(431)	316	747	Returning to profit
Dream Dining Co., Ltd.	(7)	17	25	Returning to profit
total	(439)	334	773	Returning to profit

(note) The above amounts are before consolidation elimination.

(2) Details of Financial Position**(1) Analysis of financial position**

Total assets as of the end of the third quarter of the current consolidated fiscal year were 18,143 million yen, an increase of 1,240 million yen compared to the end of the previous consolidated fiscal year. The details are as follows.

(Current assets)

The balance of current assets at the end of the third quarter of the current fiscal year was 15,098 million yen, an increase of 1,232 million yen compared to the end of the previous fiscal year. This was mainly due to an increase of 949 million yen in cash and deposits and a 286 million yen increase in notes and accounts receivable-trade.

(Fixed assets)

The balance of fixed assets at the end of the third quarter of the current fiscal year was 3,044 million yen, an increase of 8 million yen compared to the end of the previous fiscal year. This was mainly due to an increase of 813 million yen in investment securities and an 813 million yen increase in allowance for doubtful accounts.

(Current liabilities)

The balance of current liabilities at the end of the third quarter of the current fiscal year was 5,098 million yen, a decrease of 44 million yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 265 million yen in income taxes payable.

(Long-term liabilities)

The balance of long-term liabilities at the end of the third quarter of the current fiscal year was 378 million yen, a decrease of 212 million yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 162 million yen in long-term loans payable.

(Net assets (Millions of yen))

Total net assets as of the end of the third quarter of the current consolidated fiscal year were 12,666 million yen, an increase of 1,497 million yen compared to the end of the previous consolidated fiscal year. The main factor was an increase of 1,317 million yen in retained earnings.

(3) Information on the Future Outlook, Including Consolidated Business Results Forecasts

We have revised the consolidated earnings forecast for the full year announced on June 24, 2021. For details, please refer to the 'Notice of Revision of Full-Year Earnings Forecasts for the Fiscal Year Ending April 30, 2022' released on March 10, 2022.

2. Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly Consolidated Balance Sheets

(Unit: million yen)

	End of previous fiscal year (April 30, 2021)	Current Consolidated Third Quarter (January 31, 2022)
Assets		
current assets		
Cash and deposits	8,701	9,650
Notes and accounts receivable-trade	1,407	1,694
Securities	100	100
Inventory	3,057	3,002
other	633	687
Allowance for doubtful accounts	(34)	(36)
Total current assets	13,865	15,098
Non-current asset		
Property, plant and equipment		
Buildings and structures (net)	713	671
Mechanical equipment and vehicles (net amount)	89	74
land	87	87
Other (net amount)	114	135
Total property, plant and equipment	1,005	969
Intangible assets		
others	117	108
Total intangible assets	117	108
Investment and other assets		
Long-term accounts receivable	14	827
Investment securities	24	82
Affiliated company stock	782	877
Long-term loans receivable	518	513
Security deposit and security deposit	925	887
Deferred tax asset	126	74
others	50	45
Allowance for doubtful accounts	(528)	(1,341)
Total investment and other assets	1,913	1,966
Total non-current assets	3,036	3,044
Total assets	16,902	18,143

(Unit: million yen)

	End of previous fiscal year (April 30, 2021)	Current Consolidated Third Quarter (January 31, 2022)
Liabilities		
Current Liabilities		
Notes and accounts payable -trade	1,839	1,874
Short-term borrowings	400	250
Long-term borrowing scheduled to be repaid within one year	71	83
Accrued corporate tax, etc.	603	338
Provision for shareholder benefit program	176	79
Provision for bonus	227	119
Product warranty reserve	28	30
Asset retirement obligations	64	6
Provision for litigation losses	-	38
Special account for advanced unsettled accounts	-	83
other	1,730	2,192
Total current liabilities	5,142	5,098
Non-current liabilities		
Long-term borrowings	357	195
Retirement Benefit Revenue	5	5
Asset retirement obligations	69	65
other	158	112
Total non-current liabilities	591	378
Total liabilities	5,733	5,476
Net assets		
Shareholders' equity		
ShareCapital	509	509
Capital surplus	785	787
Retained earnings	9,616	10,934
Treasury shares	(1,027)	(1,018)
Total shareholders' equity	9,883	11,212
Accumulated other comprehensive profit		
Valuation difference on other securities	0	2
Total other comprehensive profit	0	2
Stock acquisition right	192	195
Non-controlling interests	1,092	1,255
Total net assets	11,168	12,666
Total liabilities and net assets	16,902	18,143

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Third quarter consolidated cumulative period

(Unit: million yen)

	Nine months period of Previous fiscal year (May 1, 2020 – January 31,2021)	Nine months Current year (May 1, 2021– January 31,2022)
Net sales	19,744	21,866
Cost of sales	11,874	13,778
Gross profit	7,870	8,088
Selling, general and administrative expenses	7,177	6,542
Operating profit	692	1,545
Non-operating income		
Interest income	2	3
Dividend income	1	0
Investment gain on equity method	54	94
Subsidy income	100	590
other	56	53
Total non-operating income	215	742
Non-operating expenses		
Interest expense	2	4
Provision of allowance for doubtful accounts	5	-
other	7	4
Total non-operating expenses	15	8
Ordinary profit	893	2,279
Extraordinary income		
Loss on sale of non-current assets	-	8
Settlement receipt	12	-
Subsidy profit	10	15
Insurance margin	-	83
Difference on fulfillment of asset retirement obligations	-	12
Other	7	6
Total extraordinary income	30	125
Extraordinary losses		
Loss on sale of non-current assets	16	-
Loss on retirement of non-current assets	4	5
Store closure loss	22	12
Provision for loss on litigation	-	38
Provision for special account for unsettled advanced depreciation	-	83
Impairment loss	662	-
Loss due to temporary closure, etc.	57	8
other	25	3
Total extraordinary losses	788	151
Profit (loss) before income taxes	135	2,254
Income taxes	578	755
Corporate tax adjustment amount	53	50
Total corporate tax, etc.	632	806
Quarterly net profit or quarterly net loss (△)	(496)	1,447
Net profit attributable to non-controlling interests or net loss attributable to non-controlling interests (△)	(616)	99
Quarterly net profit attributable to owners of the parent company	120	1,347

(Unit: million yen)

	Nine months period of Previous fiscal year (May 1, 2020 – January 31,2021)	Nine months Current year (May 1, 2021– January 31,2022)
Quarterly net profit or quarterly net loss (Δ)	(446)	1,447
Other comprehensive profit		
Valuation difference on other securities	0	2
Total other comprehensive profit	0	2
Quarterly comprehensive profit (breakdown)	(496)	1,449
Quarterly comprehensive profit for parent company shareholders	120	1,349
Quarterly comprehensive profit for non-controlling interests	(616)	99

(3) Notes on Quarterly Consolidated Financial Statements

(Note on Going Concern Assumption)

Not applicable.

(Notes when there is a significant change in the amount of shareholders' equity)

Previous nine months ended January 31, 2021 (from May 1, 2020 to January 31, 2021)

1. Dividend payment amount

resolution	Stock type	Total dividend (One million yen)	Per share Dividend amount (yen)	Reference date	Effective date	Source of dividends
June 10, 2020 board of directors	Common stock	120	10	April 30, 2020	July 28, 2020	retained earnings

2. Of the dividends whose record date belongs to the current third quarter consolidated cumulative period, the effective date of the dividend is after the last day of the current third quarter consolidated accounting period.
Not applicable.

3. Significant fluctuations in shareholders' equity

Based on the board meeting held on March 11, 2020, the Company has acquired 150,000 treasury stock. As a result, treasury stock increased by 212 million yen during the second quarter of the current consolidated cumulative period, and treasury stock increased by 1,028 million yen at the end of the second quarter of the consolidated fiscal year.

Consolidated cumulative period for the third quarter (from May 1, 2021 to October 31, 2022)

1. Dividend payment amount

resolution	Stock type	Total dividend (One million yen)	Per share Dividend amount (yen)	Reference date	Effective date	Source of dividends
June 10, 2021 board of directors	Common stock	95	8	April 30, 2021	July 29, 2021	retained earnings

2. Of the dividends whose record date belongs to the current third quarter consolidated cumulative period, the effective date of the dividend is after the last day of the current third quarter consolidated accounting period.
Not applicable.

3. Significant fluctuations in shareholders' equity

Based on the resolution of the Board of Directors held on July 15, 2021, the Company disposes of treasury stock as transfer-restricted share compensation. As a result of this disposal, treasury stock decreased by 18 million yen, and treasury stock was 1,018 million yen at the end of the third quarter of the current consolidated fiscal year.

(Change in accounting policy)

(Application of accounting standards for revenue recognition)

Promised goods or services by applying "Accounting Standards for Revenue Recognition" (Corporate Accounting Standard No. 29, March 31, 2020; hereinafter referred to as "Revenue Recognition Accounting Standards") from the beginning of the first quarter consolidated accounting period. When the control of is transferred to the customer, the revenue will be recognized by the amount expected to be received in exchange for the goods or services. As a result, the amount equivalent to payment fees, etc. recorded in selling, general and administrative expenses is deducted from sales as a sales discount.

Regarding the application of Revenue Recognition Accounting Standards, etc., the transitional treatment stipulated in the proviso of Section 84 of Revenue Recognition Accounting Standards is followed, and cumulative when the new accounting policy is retroactively applied before the beginning of the first quarter consolidated cumulative period. The amount of impact is adjusted to the retained earnings at the beginning of the first quarter consolidated accounting period, and the new accounting policy is applied from the balance at the beginning of the period.

As a result, net sales for the first quarter of the current consolidated cumulative period decreased by 252million yen, cost of sales decreased by 102 million yen, and selling, general and administrative expenses decreased by 150 million yen. There is no effect on the beginning balance of retained earnings.

In accordance with the transitional treatment stipulated in Section 89-2 of the Accounting Standard for Revenue Recognition, we have not reclassified the previous consolidated fiscal year using the new presentation method. In addition, in accordance with the transitional treatment stipulated in "Accounting Standards for Quarterly Financial Statements" (Accounting Standard No. 12, March 31, 2020, Paragraph 28-15,) arises from contracts with customers for the previous second quarter consolidated cumulative period. Information that decomposes revenue is not listed.

(Application of accounting standards for calculation of market value)

"Accounting Standard for Calculation of Market Value" (Corporate Accounting Standard No. 30, July 4, 2019; hereinafter referred to as "Accounting Standard for Market Value Calculation"), etc. will be applied from the beginning of the first quarter consolidated accounting period, and the Accounting Standard for Market Value Calculation will be applied. 19th and "Accounting Standards for Financial Instruments" (Corporate Accounting Standards No. 10, July 4, 2019) In accordance with the transitional treatment stipulated in Paragraph 44-2, the new accounting policies stipulated by the Market Value Accounting Standards, etc. We have decided to apply it in the future. There is no impact on the quarterly consolidated financial statements.

(Segment information, etc.)

[Segment information]

I Previous Q3 consolidated cumulative period (from May 1, 2020 to January 31, 2021)

1. Information on the amount of sales and profits or losses by reporting segment

(Unit: million yen)

	Reporting segment			Total	Adjustment amount	Quarterly consolidated profit statement (Note)
	Product business	Information and service business	Food service business			
amount of sales						
To external customers	12,778	1,831	5,134	19,744		19,744
amount of sales						
Internal sales or transfers between segments	237	91	0	330	(330)	
Total	13,016	1,923	5,135	20,075	(330)	19,744
Segment profit Or loss ()	1,357	(82)	(524)	750	(57)	692

(Note) Segment profit or loss () is adjusted with operating profit in the quarterly consolidated profit statement. The adjustment amount of segment profit or loss () of (57million) yen includes company-wide expenses of (57 million) yen that are not allocated to each reportable segment. Company-wide expenses are mainly expenses related to the management department of the head office that do not belong to the reporting segment.

2. Matters concerning changes in reporting segments, etc.

Not applicable.

3. Information on impairment loss or goodwill of fixed assets for each reporting segment

(Significant impairment loss on fixed assets)

As a result of reviewing the business environment and future prospects, an impairment loss on goodwill of 471 million yen was recorded for goodwill arising from the acquisition of Takewaka Corporation by our consolidated subsidiary, Asakuma Co,LTD.

The amount of impairment loss recorded was 662 million yen in the "Food and Beverage" segment for the nine months ended January 31, 2022.

II Consolidated cumulative period for the third quarter (from May 1, 2021 to January 31, 2022)

1. Information on the amount of sales and profits or losses by reporting segment

(Unit: million yen)

	Reporting segment				Adjustment amount	Quarterly consolidated profit statement (Note)
	Product sales business	Information and service business	Food service business	Total		
amount of sales						
Revenue from contracts with customers	15,586	2,275	4,004	21,866	-	21,866
Other earnings	-	-	-	-	-	-
To external customers amount of sales	15,586	2,275	4,004	21,866	-	21,866
Internal sales or transfers between segments	268	253	24	546	(546)	-
Total	15,854	2,528	4,029	22,413	(546)	21,866
Segment profit Or loss ()	1,936	62	(386)	1,613	(67)	1,545

(Note) Segment profit or loss () is adjusted with operating profit in the quarterly consolidated profit statement. The adjustment amount of segment profit or loss () of (67 million) yen includes company-wide expenses of (60 million) yen that are not allocated to each reportable segment. Company-wide expenses are mainly expenses related to the management department of the head office that do not belong to the reporting segment.

2. Matters concerning changes in reporting segments, etc.

(Application of accounting standards for revenue recognition)

"Accounting Standard for Revenue Recognition" (Corporate Accounting Standard No. 29, March 31, 2020, etc.) has been applied from the beginning of the second quarter consolidated accounting period, and compared to before the application, the second quarter consolidated cumulative total. Segment sales for the period decreased by 30 million yen in the product sales business and 222 million yen in the food and beverage business, but this has no impact on segment profit.

(Revenue recognition)

Information on the decomposition of revenue generated from contracts with customers is as described in "Notes (segment information, etc.)".

3. Others

Important events related to the premise of a going concern, etc.

Not applicable.