

June 14, 2022

Consolidated Financial Results for the Fiscal Year Ended April 30, 2022 (Japan GAAP-Unaudited)

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 Scheduled date of the Ordinary General Meeting of Shareholders: July 27, 2022
 Scheduled date to commence dividend payments: July 28, 2022
 Scheduled date of securities report submission: July 28, 2022
 Preparation of supplementary materials for financial results: Yes
 Financial Results Briefing Session: Yes (for analysts and institutional investors)

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

1. Consolidated Financial Results for the Fiscal Year Ended April 30, 2022 (May 1, 2021 - April 30, 2022)

(1) Consolidated operating results

(Percentages indicate over the same period of the previous year changes.)

Year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 30, 2022	29,008	7.4	1,871	90.6	2,919	101.5	1,564	686.1
April 30, 2021	27,014	(7.4)	982	(42.9)	1,448	(23.9)	199	(79.2)

Note: Comprehensive profit Year ended April 30, 2022: ¥1,601 million[-%] Year ended April 30, 2021: (¥578 million) [-%]

Year ended	Basic earnings per share	Diluted earnings per share	Shareholders' equity Ratio of net income to shareholders's equity	Total assets Ordinary Income Ratio	Net Sales Operating income ratio
	Yen	Yen	%	%	%
April 30, 2022	131.59	130.12	14.9	16.3	6.5
April 30, 2021	16.74	16.57	1.9	8.7	3.6

Reference: Equity in earnings(losses) of affiliates Year Ended April 30, 2022:¥154 million Year Ended April 30, 2021:¥96 million

(2) Consolidated financial position

Year ended	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	
April 30, 2022	18,826	12,883	61.1	965.12
April 30, 2021	16,902	11,168	58.4	832.08

Reference: Equity Year Ended April 30, 2022:¥11,499 million Year Ended April 30, 2021:¥9,884 million

(3) Consolidated Cash flows

Year ended	Cash flows from operating activities	Investing Activities Cash flows from investing activities	Financing Activities Cash flows from financing activities	Cash and cash equivalents Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
April 30, 2022	2,310	(188)	(377)	10,432
April 30, 2021	1,470	(126)	372	8,701

2. Dividends

	Annual dividends per share					Total dividends (total)	Dividend payout ratio (consolidated)	Net Assets Dividend ratio (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended April 30, 2021	-	0.00	-	8.00	8.00	95	47.7	0.8
Fiscal year ending April 30, 2022	-	0.00	-	10.00	10.00	119	7.6	1.0
Fiscal year ending April 30, 2022 (Forecast)	-	0.00	-	11.00	11.00		-	

Note: Revisions to dividend forecasts published most recently: None

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending April 30, 2023 (May 1, 2022 - April 30, 2023)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Second half of the fourth period (Cumulative)	16,263	16.2	1,447	91.9	1,545	3.9	916	1.7	77.10
Fiscal Year	33,880	16.8	3,015	61.1	3,219	10.2	1,909	21.8	160.62

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

1.Changes in accounting policies due to revisions to accounting standards, etc. : Yes

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

3.Change of accounting estimate : Yes

4.Restatement of corrections : None

(3) Number of issued shares (common stock)

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

Year ended April 30, 2022	14,314,800 shares	April 2021	14,314,800 shares
Year ended April 30, 2022	2,400,132 shares	April 2021	2,435,949 shares
Year ended April 30, 2022	11,888,882 shares	April 2021	11,890,621 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 1. Business Results, 4) Outlook for the future on page 8 of the attached document for precautions regarding the use of earnings forecasts.

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1. Overview of Business Results, etc.

(1) Summary of Business Results for the Current Period

In the domestic economy, the performance of the restaurant industry has changed rapidly from favorable to unfavorable due to the infection situation of the new type of coronavirus, but after the lifting of the priority measures to prevent the spread of the virus in March 2022, the number of customers has gradually recovered.

The Group, which sells kitchen appliances to restaurants and provides restaurant management support and restaurant management, reported consolidated net sales of 29,008 million yen (up 7.4% year-on-year), operating income of 1,871 million yen (up 90.6% year-on-year), ordinary income of 2,919 million yen (up 101.5% year-on-year), and net income attributable to owners of the parent of the Company of Net income attributable to shareholders of the parent company was 1,564 million yen (up 686.1% y-o-y), marking a record high for ordinary income for the year. 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 consolidated fiscal year. As a result, net sales, cost of sales, and selling, general and administrative expenses decreased by 429 million yen, 237 million yen, and 191 million yen, respectively, during the current consolidated accounting 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	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Current Consolidated Fiscal Year May 1, 2021 From: April 30, 2010 To: April 30, 2011	Difference	Growth Rate
Product sales business	1,854	2,373	519	28.0%
Information and service business	(69)	132	201	Returning to profit
Food service business	(723)	(541)	181	Deficit Improvement
total	1,061	1,963	902	85.0%

(note) The above are non-consolidated segment results and do not correspond to the results in the segment information and consolidated statements of income.

Ordinary Income

(Unit: million yen)

Segment name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Current Consolidated Fiscal Year May 1, 2021 From: April 30, 2010 To: April 30, 2011	difference	Growth Rate
Product sales business	1,960	2,544	583	29.8%
Information and service business	(7)	165	172	Returning to profit
Food service business	(425)	301	727	Returning to profit
total	1,527	3,011	1,483	97.1%

(Note) The above figures are the results of the segment on a non-consolidated basis and do not correspond to the results of the segment information.

A summary by business segment is as follows.

Sales by business segment, which until the previous consolidated fiscal year had been stated in terms of sales to outside customers, are stated in terms of segment sales from the first quarter of the consolidated fiscal year under review.

1. Product sales

Due to an increase in orders from customers opening new restaurants and replacement demand for kitchen equipment using subsidies, segment sales for the full year were 21,003 million yen (up 16.1% y-o-y) and segment income was 2,373 million yen (up 28.0% y-o-y), reaching record high results.

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

Sales: 16,106 million yen (+19.4% YoY) Operating income: 2,127 million yen (+24.8% YoY)

Tempo Busters Co., Ltd. is Japan's largest seller of used kitchen equipment, and is working to attract new restaurant openings and increase customer spend by offering "Dr. Tempo," an information and service useful for restaurant management in addition to product sales. Tempo Busters is working to acquire customers opening new restaurants and increase the number of customers per customer by providing "Dr. Tempo," a service that not only sells products but also provides useful information and services for restaurant management. The number of new restaurant opening customers for the full year totaled 24,303, up 15.5% from the same period last year and up 36.4% from the same period last year before the Corona disaster. This is due to the thoroughness of our approach to customer calls to capture customers who visit our stores. As a result, sales focused on customers opening new stores increased 16.1% y-o-y to 6,104 million yen.

On the other hand, as a measure to increase the sales per customer for new restaurant openings, we are working on comprehensive order-taking activities for product sales triggered by DIY work for restaurants, but it takes time to acquire the quality of sales talk and knowledge, and customers do not believe that Tempo is supporting the opening of new restaurants because of the employees' appearance and rough clothes. We have yet to achieve any significant results. Employees who used to be just customer service staff are now struggling, but we will continue to do so because we see this market as a large one. In addition, starting in March 2022, when a restaurant closes and we receive a request to purchase the equipment, we will not immediately pull the equipment after purchasing it, but negotiate with the landlord to leave the equipment as is and sell the kitchen equipment to the next customer who opens a new restaurant. The new customers purchase only the kitchen equipment they want to use, and Tempo Busters will continue to salvage and recondition unneeded equipment and sell it at Tempo Busters' stores. This allows us to have contact with customers from the early stage of preparation for opening a new restaurant, when restaurants sign real estate contracts, and we intend to link this to interior work necessary for opening, support for hiring and attracting customers, and proposal and sale of missing equipment, furniture, and tableware and cooking utensils. Although you may be frustrated by our company's inability to harvest the various business seeds we have sown, we will continue to take various steps toward our long-term vision of "becoming an unshakable provider of hardware and software to the restaurant industry."

Finally, with regard to new store openings, we opened a store in Ibaragi Prefecture (Mito Store) in February 2022 and in Hyogo Prefecture (Himeji City) in March. The Mito store was profitable in the month it opened, and the Himeji store was profitable in the month following its opening. The reason for the low number of new store openings over the past 10 years was that it was difficult to turn a profit even after opening new stores. However, we are now experimenting with the "Dr. Tempo" method of serving customers in stores to increase the number of times customers are served and sell products, and we feel that this method will work for new stores as well, and it has become a foothold for our store opening offensive.

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

Sales: 2,973 million yen (+11.3% YoY) Operating income: 219 million yen (+20.7% YoY)

As a result of the attention paid to ventilation inside restaurants in the Corona Disaster, unit sales of our own product, "Smokeless Yakiniku Roaster Tetsujin 29 (Niku) Go," increased 108.0% year on year. Other factors such as a 37.0% year-on-year increase in unit sales of our own product "noodle-making machines" and a 23.7% year-on-year increase in unit sales of used and new ticket-vending machines resulted in a 20.7% year-on-year increase in full-year operating income, mainly due to higher unit sales of products with high gross margins. We feel that there is still a strong appetite for investment in labor-saving products in the food and beverage industry, which is experiencing a labor shortage, so we believe that there are still elements of growth potential.

As for new initiatives, in the fourth quarter of the fiscal year, we started sales activities for take-out counters for major restaurant chains and a project to support the opening of restaurants for foreign residents visiting Japan.

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

Sales: 2,545 million yen (-0.2% YoY) Operating income: 89 million yen (-6.8% YoY)

Tempo.com Co., Ltd. operates Japan's largest mail-order kitchen equipment website, and unlike Tempo Busters, which sells in stores, the majority of its sales come from the sale of new kitchen equipment. Therefore, a major blow to the company came when domestic kitchen equipment manufacturers suspended orders and extended delivery dates due to the global shortage of semiconductors and damage to material manufacturers beginning in the fall of 2021. However, "A pinch is an opportunity!" and focused on expanding sales and proposing alternatives to used kitchen equipment, sales in the used equipment segment increased 9.4% year-on-year in the first half of the year, while in the second half of the year sales grew a significant 40.8%. As a result, despite the problem of shortages of new equipment, full-year sales declined only 0.2% from the same period of the previous year, resulting in sales of 2,854 million yen, up 12.0% from the same period of the previous year when the accounting standards of the previous period were applied.

In terms of operating income, operating income decreased 6.8% y-o-y, due in part to an increase in expenses as a result of strengthening the management operating structure to achieve the 5-year plan of 10 billion yen in net sales.

As measures to attract customers to the mail-order website, we are implementing measures not only through "product search" but also through "information search." The number of visitors to "Tempos Food Media," a restaurant support media launched in the period under review, and the "specialized site," a support page for opening a business by industry, totaled 56,000 for the year. This allowed us to market to customers from the early stage of preparation for opening a restaurant, thereby expanding the range of equipment proposals and resulting in a 28.5% increase in the unit price per customer for the full year compared to the same period of the previous year.

The application of the revenue recognition accounting standard reduced net sales by 309 million yen, but did not affect operating income.

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

(Unit: million yen)

company name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Period from May 1, 2021 To April 30, 2022	difference	Growth Rate
Tenpos Busters Co., Ltd.	13,487	16,106	2,618	19.4%
Kitchen Techno Co., Ltd.	2,671	2,973	301	11.3%
Tenpos.com Co., Ltd. (In the case where the accounting standards of the previous period were applied)	2,549	2,545 (2,854)	(4) (307)	(0.2%) (12.0%)
total	18,708	21,624	2,916	15.6%

(Note) The above figures are the results of the Company's subsidiaries on a non-consolidated basis and do not correspond to the results in the segment information and the consolidated statements of income.

(Unit: million yen)

company name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Period from May 1, 2021 To April 30, 2022	difference	Growth Rate
Tenpos Busters Co., Ltd.	1,704	2,127	422	24.8%
Kitchen Techno Co., Ltd.	181	219	37	20.7%
Tenpos.com Co., Ltd.	95	89	(6)	(6.8%)
total	1,982	2,436	453	22.9%

(Note) The above figures are the results of the Company's subsidiaries on a non-consolidated basis and do not correspond to the results in the segment information and the consolidated statements of income.

Ordinary profit

(Unit: million yen)

company name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Period from May 1, 2021 To April 30, 2022	difference	Growth Rate
Tenpos Busters Co., Ltd.	1,709	2,140	430	25.2%
Kitchen Techno Co., Ltd.	187	223	36	19.7%
Tenpos.com Co., Ltd.	97	89	(8)	(9.0%)
total	1,994	2,453	458	23.0%

(Note) The above figures are the results of the Company's subsidiaries on a non-consolidated basis and do not correspond to the results in the segment information.

2.Information and service business

With the restaurant industry curbing investment in sales promotion due to the Corona disaster, each of the Group's operating companies is scrambling to establish new businesses. In this context, the temporary staffing business greatly improved its deficit by expanding the types of businesses it handles for temporary staffing and by launching an outsourced contracting business. In the POS system sales business, sales activities that took advantage of IT introduction subsidies were successful. As we entered the third year of the Corona disaster, the information and services business was clearly divided into two segments: those where new initiatives have started to take off and those where operating companies are struggling. For the full year, segment sales in the information and services business amounted to 3,558 million yen (up 22.4% year-on-year), with segment income of 132 million yen (segment loss of 69 million yen in the same period of the previous year).

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

Sales: 892 million yen (+13.7% YoY) Operating income: 45 million yen (-22.7% YoY)

The number of contracts for store construction during the year increased 10.4% year-on-year, as more restaurants took advantage of subsidies and cooperative funds in the Corona disaster, as well as for tax-saving measures. However, operating income decreased due to the following reasons: these construction projects were mostly small-scale; the number of customers for new store openings with high per-customer prices decreased 17.4% year-on-year; and among new store openings, more than half were restaurant chain store openings with an eye on after-corona, resulting in a lower gross profit margin. Operating income decreased 22.7% year-on-year.

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

Sales: 805 million yen (+33.5% YoY) Operating income: 95 million yen (+585.5% YoY)

Sales of self-checkout machines and mobile order systems, for which demand rapidly increased due to the Corona disaster, were strong. Furthermore, the number of restaurants promoting the digitalization of their store operations by taking advantage of "IT introduction subsidies" increased, resulting in a 47.0% year-on-year increase in unit sales of POS system-related products. In addition, used POS-related equipment sales volume increased 27.0% y-o-y, boosting profits, as the shortage of new equipment continued throughout the industry due to the shortage of semiconductors. Although the company's performance increased significantly in the fourth quarter due to capturing demand for IT installation subsidies for restaurants in the third quarter, future challenges will be the development of in-house products and bold efforts to expand sales bases and personnel.

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

Sales: 808 million yen (+7.7% YoY) Operating income: 37 million yen (-5.8% YoY)

Net sales totaled 808 million yen (up 7.7% year on year), reflecting sales of 30 million yen (up 6.3% year on year) from a recovery in the handling of leases and credit in the finance business and sales of 19 million yen (up 60.4% year on year) from the combined effect of sales of construction work transfer in the handling of vacant properties in the real estate business and demolition contracting work that began during the current period. Sales of 19 million yen (up 60.4% year on year) were the result of the combined sales of 19 million yen (up 60.4% year on year) from the sale of transfers of structures in the property handling business and demolition contract work begun in the period under review. In the real estate business, the Company increased the number of contract employees, actively gathered information, and focused on moves that are expected to increase the number of projects handled. We have worked on bank loan procedures on behalf of overseas nationals who are not proficient in Japanese, and on the preparation of documents for government subsidies.

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

Sales: 109 million yen (-11.9% YoY) Operating loss: 9 million yen (vs. operating loss of 25 million yen in the same period last year)

In FY2022, restaurants were able to operate for only about four months without refraining from business, and most of our sales promotion service, "Mansu FAX," was sold during this short period of time. The number of restaurants requesting "Manzoku FAX" for the full year was 5,032, less than half the number in the fiscal year ended March 31, 2020, before the Corona disaster. We launched a new business, "Delivery Consulting," to survey competing stores on delivery sites and provide support for countermeasures, but the decline in the number of "Full-FAX" orders was significant, resulting in an 11.9% decrease in full-year sales compared to the same period of the previous year. However, we believe that we were able to limit the decline in sales to only 11.9%, as we are the most affected by Corona among our group companies. The increase in operating income was due to a review of fixed costs and other factors.

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

Sales: 848 million yen (+49.6% increase y/y) Operating loss: 8 million yen (vs. an operating loss of 108 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 clients, recovered, and sales of dispatching "essential workers" in the medical, nursing care, welfare, and transportation industries, which started in the previous fiscal year, expanded, resulting in full-year sales of 848 million yen (up 49.6% y-o-y). As a result, full-year sales increased to 848 million yen (up 49.6% year-on-year). In addition, sales expansion in the delivery contracting business, which has a high operating profit margin, supported overall performance even at a time when the restaurant and apparel industries were scaling back their acceptance of temporary workers. In the midst of the Corona disaster, we have been executing many measures at high speed from planning to launching and measuring their effects, and the current fiscal year was a year in which the results of new initiatives began to emerge.

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

Sales 127 million yen (up 18.2% y/y) Operating loss 16 million yen (vs. operating loss of 27 million yen in the same period of the previous year)

Tempos Food Place, Inc., which was established to specialize in supporting the opening and management of restaurants, made changes to the structure of its "Dr. Service" guidance and acquisition methods, added 12 new services, and improved 92 services. As a result, the number of "Dr. Service" acquisitions during the period under review increased significantly to 129,631 (up 71.7% year-on-year). In the sales promotion and marketing support business, which was newly launched in the fourth quarter of the fiscal year, sales in the customer attraction and sales promotion category amounted to 6 million yen, a new source of income, as the company focused on proposing inexpensive website creation services and promotional material creation services for small and medium-sized individual restaurants. Tempos Food Place, Inc. will continue to view this as an investment in new business development and work to improve and develop management support for restaurants. However, although the business has tremendous potential, we believe that it will still take three years to enter a growth phase because the company is composed of young, inexperienced employees.

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

amount of sales

(Unit: million yen)

company name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Period from May 1, 2021 To April 30, 2022	difference	Growth Rate
Studio Tenpos Co., Ltd.	785	892	107	13.7%
Tenpos Information Center Co., Ltd.	603	805	202	33.5%
Tenpos Financial Trust Co., Ltd.	751	808	57	7.7%
Profit Laboratory Co., Ltd.	124	109	(14)	(11.9%)
D Spark Co., Ltd.	567	848	281	49.6%
Tenpos Food Place Co., Ltd.	107	127	19	18.2%
total	2,939	3,593	653	22.2%

(Note) The above figures are the results of the Company's subsidiaries on a non-consolidated basis and do not correspond to the results in the segment information.

Operating profit

(Unit: million yen)

company name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Period from May 1, 2021 To April 30, 2022	difference	Growth Rate
Studio Tenpos Co., Ltd.	59	45	(13)	(22.7%)
Tenpos Information Center Co., Ltd.	13	95	81	585.5%
Tenpos Financial Trust Co., Ltd.	39	37	(2)	(5.9%)
Profit Laboratory Co., Ltd.	(25)	(9)	16	Deficit Improve-ment
D Spark Co., Ltd.	(108)	(8)	100	Deficit Improve-ment
Tenpos Food Place Co., Ltd.	(27)	(16)	11	Deficit Improve-ment
total	(49)	145	194	Returning To profit

(Note) The above figures are the results of the Company's subsidiaries on a non-consolidated basis and do not correspond to the results in the segment information.

Ordinary Income

(Unit: million yen)

company name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Period from May 1, 2021 To April 30, 2022	difference	Growth Rate
Studio Tenpos Co., Ltd.	63	46	(16)	(26.3%)
Tenpos Information Center Co., Ltd.	21	95	74	351.8%
Tenpos Financial Trust Co., Ltd.	47	37	(9)	(19.3%)
Profit Laboratory Co., Ltd.	(14)	(3)	11	Deficit Improvement
D Spark Co., Ltd.	(81)	14	95	Returning To profit
Tenpos Food Place Co., Ltd.	(27)	(15)	12	Deficit Improvement
total	7	176	168	2,175.7%

(Note) The above figures are the results of the Company's subsidiaries on a non-consolidated basis and do not correspond to the results in the segment information.

3. Food service business

The restaurant industry has been forced to shorten operating hours and suspend the serving of alcoholic beverages for almost the entire year. Combined with a shortage of human resources, increased hiring costs, and soaring raw

material and energy prices due to geopolitical risks, the business environment remains extremely challenging. Segment sales for the full year were 5,199 million yen (down 20.3% year-on-year), and segment loss was 541 million yen (segment loss of 723 million yen in the same period of the previous year)

[Restaurant management Asakuma Co., Ltd.]

Sales: 5,248 million yen (-17.8% YoY) Operating loss: 340 million yen (vs. operating loss of 695 million yen in the same period last year)

Based on the unchanging concept of "an entertainment restaurant that proposes excitement to customers through food," the Akasuma Group has been striving daily to achieve its mid-term goal of "creating a business category with 15% ordinary income together with our customers. So far, one of our efforts has been to sell "Morimori Hamburger Steak (180 grams)" and "Butsuri Steak (250 grams)," which are hearty and value-priced, with salad, soup, and rice or bread. As a new initiative, we have changed the name of our signature corn soup to "Sweet Smile Soup. SmileSoup. The company opened a new ghost restaurant, which does not have a store but accepts orders by phone or online, under the name of "Sweet Smile Soup".

With regard to store development during the consolidated fiscal year under review, one directly managed store of Asakuma Co. As a result, the number of directly managed stores of ASAKUSHIMA Co., Ltd. totaled 61, with the addition of 5 franchise stores, bringing the total number of stores to 66. The number of directly managed stores of Asakuma Succession Inc. remained at 10, bringing the total number of stores in our group to 76 (including 5 franchise stores). In April 2022, a "battle for the president's chair" resulted in the informal appointment of a new president, and In April 2022, a new president will be selected through a "competition for the president's position," and a new general manager will be transferred from a competitor, resulting in an increase in executive talent.

[Restaurant Management Dream Dining Co., Ltd.]

Sales: 121 million yen (-15.5% YoY) Operating loss: 29 million yen (vs. operating loss of 28 million yen in the same period last year)

Dream Dining Corporation, which operates "Kaisen-Oh" and "Osaka-Dojima Toro-ya," a seafood bowl restaurant mainly at commercial facilities, was unable to break away from a business model that relies on attracting customers at commercial facilities as overall customer traffic continued to decline due to Corona, and was unable to increase sales from new businesses such as takeout and delivery services. The decline in sales was due to the inability to grow new businesses such as takeout and delivery. In this context, new initiatives included the adoption of the "Cantarese Management" policy of Asakuma Corporation, whereby each restaurant conducted a questionnaire survey and began selling three different menu items every other week, reflecting customer requests. Depending on the number of menu items sold, the sales period is extended and a competition is held to determine the winner of the most popular items. The winning items will be sold as standard items for takeout and delivery.

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

amount of sales

(Unit: million yen)

company name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Period from May 1, 2021 To April 30, 2022	difference	Groth Rate
Asakuma Co., Ltd.	6,384	5,248	(1,135)	(17.8%)
Dream Dining Co., Ltd.	143	121	(22)	(15.5%)
total	6,528	5,370	(1,157)	(17.7%)

(Note) The above figures are the results of the Company's subsidiaries on a non-consolidated basis and do not correspond to the results in the segment information.

Operating Income

(Unit: million yen)

company name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Period from May 1, 2021 To April 30, 2022	difference	Groth Rate
Asakuma Co., Ltd.	(695)	(340)	354	Deficit Improvement
Dream Dining Co., Ltd.	(28)	(29)	(1)	Increase in the deficit
total	(723)	(370)	352	Deficit Improvement

(Note) The above figures are the results of the Company's subsidiaries on a non-consolidated basis and do not correspond to the results in the segment information.

company name	Previous consolidated fiscal year From: May 1, 2020 To: April 30, 2021	Period from May 1, 2021 To April 30, 2022	difference	Growth Rate
Asakuma Co., Ltd.	(413)	450	864	Returning to profit
Dream Dining Co., Ltd.	(12)	21	33	Returning to profit
total	(425)	472	898	Returning to profit

(Note) The above figures are the results of the Company's subsidiaries on a non-consolidated basis and do not correspond to the results in the segment information.

(2) Details of Financial Position

(Current assets) Current assets at the end of the current consolidated fiscal year totaled 15,770 million yen, an increase of 1,904 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 1,654 million yen in cash and deposits. (Fixed assets) Fixed assets totaled 3,056 million yen at the end of the current consolidated fiscal year, an increase of 19 million yen from the end of the previous consolidated fiscal year. The main factors were an increase of 843 million yen in long-term accounts receivable-other and a decrease of 725 million yen in allowance for doubtful accounts. (Current liabilities) Current liabilities at the end of the current consolidated fiscal year totaled 5,546 million yen, up 403 million yen from the end of the previous consolidated fiscal year. This was mainly due to a 277 million yen increase in advances received included in others.

(Fixed liabilities) The balance of noncurrent liabilities at the end of the current consolidated fiscal year was 397 million yen, a decrease of 193 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease of 183 million yen in long-term loans payable. (Net Assets) Total net assets at the end of the current consolidated fiscal year increased 1,714 million yen from the end of the previous consolidated fiscal year to 12,883 million yen. This was due to a 1,534 million yen increase in retained earnings.

(3) Details of Cash Flows

Cash and cash equivalents at the end of the current fiscal year increased 1,731 million yen from the end of the previous fiscal year to 10,432 million yen. The status of cash flows by each activity and their factors are as follows

(Cash flows from operating activities) Net cash provided by operating activities amounted to 2,310 million yen in the current fiscal year, an increase of 840 million yen from the same period last year. This was mainly due to income before income taxes and minority interests of 2,658 million yen and grant income of 868 million yen.

(Cash Flows from Investing Activities) Net cash used in investing activities amounted to 188 million yen in the current fiscal year, an increase of 62 million yen from the same period last year. This was mainly due to 55 million yen used for the purchase of investment securities.

(Cash Flows from Financing Activities) Net cash used in financing activities amounted to 377 million yen in the current fiscal year, an increase of 750 million yen from the same period last year. This was mainly due to the repayment of long-term debt of 171 million yen.

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

In the merchandise sales business, sales increased by thoroughly talking to customers and providing information on "Dr. Service," a management support service for restaurants, despite the fact that the number of customers visiting Tempos Busters stores has not increased due to the curtailment of new store openings by small and medium-sized individual restaurants, which are our main customers. We have achieved record performance despite the difficult market environment in the restaurant industry, and we expect our performance to increase significantly in the future, regardless of whether or not Corona is in the market. In addition, we will work to acquire comprehensive orders triggered by interior work toward our long-term vision of "becoming an unshakable company that provides hardware and software to the restaurant industry. In addition, we will assign 20 employees in the next fiscal year to establish a nationwide maintenance network of 150 employees to perform on-site repairs for all kitchen appliance manufacturers, which is possible because we are a company that recondition and sell products made by all kitchen appliance manufacturers. We will also engage in "Dr. Service" activities to provide management support through our maintenance team. Furthermore, as a growth strategy, we will open more than 10 new stores in the next fiscal year in order to increase the number of Tempos Busters stores from 62 to 120 in 5 years. In addition, on May 25, 2022, we will enter into a business alliance with Gurunavi, Inc. and accept approximately 50 new employees by

July 1, 2022. By incorporating Gurunavi's know-how and knowledge in solving advanced management issues, particularly in the area of sales promotion, we will accelerate the "Dr. Tempos" concept.

In the information services business, the segment posted a loss of 69 million yen for the fiscal year ending April 2021, but the core company, Tempos Johokan Co., Ltd. has been receiving steady orders for cashless ticket vending machines, mobile ordering systems, and other advanced equipment. As a result, the company will establish five sales offices and three distributors. Four employees from Gurunavi will be assigned to this business expansion as well. Tempos Food Place Co., Ltd. which provides support for attracting customers on the web and develops new businesses for "Dr. Tempos" will further strengthen the production and access enhancement skills of its design division. Tempos Food Place Co., Ltd. will further strengthen the design division's production and accessibility skills and launch a matching website for event openings and property information in the current fiscal year.

In the food and beverage business, the fact that Asakuma Co. suffered more than expected under the impact of Corona is largely due to the poor quality of its employees, as well as the salad bar business type. Maintaining a clean salad bar and not cutting corners in replenishment were two things that had damaged the company's reputation with customers. In addition, in order to lower labor costs, we have been working to increase the number of customers per employee, or the number of customers per hour. This meant that we were always short-staffed, but we worked on training to increase productivity and to improve the quality of our salad bar. However, although we aim to become an "entertainment restaurant that offers customers excitement through food," we have not yet reached that level. Therefore, in the next fiscal year, we will thoroughly implement and measure the effectiveness of employee training to ensure uniformity in the taste of food at all our restaurants. In the next fiscal year, we will hold back our ambitions and focus on training to build basic strength.

By implementing the above measures, for the fiscal year ending April 30, 2022, we forecast net sales of 33,880 million yen (up 16.2% year-on-year), operating income of 3,015 million yen (up 61.1%), ordinary income of 3,220 million yen (up 10.2%), and net income attributable to parent company shareholders of 1,910 million yen (up 21.8%) The above forecasts are based on the current business performance of the Group.

The above forecasts are based on certain conditions that the Group considers reasonable in light of the information available to it to date. Actual results may differ from these forecasts due to various factors.

2. Basic approach to the selection of accounting standards

In order to ensure comparability with other domestic companies in the same industry, the Group applies Japanese GAAP for accounting standards.

2. Consolidated Financial Statements and Key Notes

(1) Consolidated Balance Sheets

(Unit: million yen)

	Previous consolidated fiscal year (April 30, 2021)	Current Consolidated Fiscal Year (April 30, 2022)
Assets		
current assets		
Cash and deposits	8,701	10,356
Notes and accounts receivable-trade	1,407	1,498
Securities	100	-
Inventory	3,057	3,175
other	633	743
Allowance for doubtful accounts	(34)	(2)
Total current assets	13,865	15,770
Non-current asset		
Property, plant and equipment		
Buildings and structures (net)	713	448
Mechanical equipment and vehicles (net amount)	89	57
land	87	87
Other (net amount)	114	152
Total property, plant and equipment	1,005	746
Intangible assets		
others	117	111
Total intangible assets	117	111
Investment and other assets		
Investment securities	24	86
Affiliated company stock	782	936
Long-term loans receivable	518	394
Security deposit and security deposit	925	906
Deferred tax asset	126	196
Bankruptcy reorganization claims, etc.	-	812
others	64	118
Allowance for doubtful accounts	(528)	(1,254)
Total investment and other assets	1,913	2,198
Total non-current assets	3,036	3,056
Total assets	16,902	18,826

(Unit: million yen)

	Previous consolidated fiscal year (April 30, 2021)	Current Consolidated Fiscal Year (April 30, 2022)
Liabilities		
Current Liabilities		
Notes and accounts payable -trade	1,839	1,842
Short-term borrowings	400	250
Long-term borrowing scheduled to be repaid within one year	71	83
Accrued corporate tax, etc.	603	719
Provision for shareholder benefit program	176	195
Provision for bonus	227	267
Product warranty reserve	28	331
Asset retirement obligations	64	-
other	1,730	2,156
Total current liabilities	5,142	5,546
Non-current liabilities		
Long-term borrowings	357	173
Retirement Benefit Revenue	5	5
Asset retirement obligations	69	90
other	158	126
Total non-current liabilities	591	397
Total liabilities	5,733	5,943
Net assets		
Shareholders' equity		
ShareCapital	509	509
Capital surplus	785	843
Retained earnings	9,616	11,150
Treasury shares	(1,027)	(1,009)
Total shareholders' equity	9,883	11,494
Accumulated other comprehensive profit		
Valuation difference on other securities	0	5
Total other comprehensive profit	0	5
Stock acquisition right	192	199
Non-controlling interests	1,092	1,185
Total net assets	11,168	12,883
Total liabilities and net assets	16,902	18,826

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(Unit: million yen)

	Previous consolidated fiscal year (April 30, 2021)	Current Consolidated Fiscal Year (April 30, 2022)
Net sales	27,014	29,008
Cost of sales	16,375	18,164
Gross profit	10,639	10,844
Selling, general and administrative expenses	9,657	8,972
Operating profit	982	1,871
Non-operating income		
Interest income	4	4
Dividend income	1	0
Investment gain on equity method	96	154
Subsidy income	330	858
other	61	39
Total non-operating income	493	1,056
Non-operating expenses		
Interest expense	4	4
Provision of allowance for doubtful accounts	10	-
other	12	4
Total non-operating expenses	27	9
Ordinary profit	1,448	2,919
Extraordinary income		
Gain on sales of subsidiaries and affiliates' stocks	5	-
Settlement receipt	12	-
Subsidy profit	17	16
Insurance margin	-	83
Gain on sales of fixed assets	0	8
Gain on reversal of asset retirement obligations	24	12
Other	16	6
Total extraordinary income	77	128
Extraordinary losses		
Loss on sale of non-current assets	16	-
Loss on retirement of non-current assets	4	10
Store closure loss	117	12
Settlement money	-	38
Provision for special account for unsettled advanced depreciation	-	83
Impairment loss	1,060	233
Loss due to temporary closure, etc.	57	9
other	0	3
Total extraordinary losses	1,256	391
Profit (loss) before income taxes	268	2,656
Income taxes	835	1,135
Corporate tax adjustment amount	15	(72)
Total corporate tax, etc.	850	1,062
Net profit or quarterly net loss (Δ)	(581)	1,593
Net profit attributable to non-controlling interests or net loss attributable to non-controlling interests (Δ)	(780)	29
Net income attributable to owners of the parent company	199	1,564

(Unit: million yen)

	Previous consolidated fiscal year (April 30, 2021)	Current Consolidated Fiscal Year (April 30, 2022)
Net profit or net loss (Δ)	(581)	1,593
Other comprehensive profit		
Valuation difference on other securities	2	4
Total other comprehensive profit	2	4
Comprehensive profit (breakdown)	(578)	1,598
Quarterly comprehensive profit for parent company shareholders	202	1,568
Quarterly comprehensive profit for non-controlling interests	(780)	29

3. Consolidated Statement of Changes in Net Assets

Previous fiscal year (May 1, 2020 - April 30, 2021)

(Millions of yen)

	Capital stock					Accumulated other comprehensive income		Subscription warrant	Noncontrolling interest	Total net assets
	capital stock	capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains(losses) on available for sale securities, net of taxes	Accumulated other comprehensive income			
Balance at the beginning of current period	509	812	9,542	(816)	10,048	(2)	(2)	184	1,942	12,173
Changes of items during the period										
Dividends from surplus			(120)		(120)					(120)
Net income attributable to owners of the parent			199		199					199
Acquisition of treasury stock				(213)	(213)					(213)
Disposal of treasury stock		7		2	10					10
Changes in parent company's interest in transactions with noncontrolling shareholders		(35)			(35)					(35)
Increase in retained earnings due to exclusion of subsidiaries from consolidation			(5)		(5)					(5)
Net changes of items other than shareholders' equity						2	2	7	(850)	(839)
Total changes of items during the period		(27)	73	(211)	(165)	2	2	7	(850)	(1,005)
Balance at the end of current period	509	785	9,616	(1,027)	9,883	0	0	192	1,092	11,168

Current fiscal year (May 1, 2021 - April 30, 2022)

(Millions of yen)

	Capital stock					Accumulated other comprehensive income		Subscription warrant	Noncontrolling interest	Total net assets
	capital stock	capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains(losses) on available for sale securities, net of taxes	Accumulated other comprehensive income			
Balance at the beginning of current period	509	785	9,616	(1,027)	9,883	0	0	192	1,092	11,168
Changes of items during the period										
Dividends from surplus			(95)		(95)					(95)
Net income attributable to owners of the parent			1,564		1,564					1,564
Acquisition of treasury stock										
Disposal of treasury stock		57		18	76					76
Changes in parent company's interest in transactions with noncontrolling shareholders										
Increase in retained earnings due to exclusion of subsidiaries from consolidation			65		65					65
Net changes of items other than shareholders' equity						4	4	7	92	104
Total changes of items during the period	-	57	1,534	18	1,610	4	4	7	92	1,714
Balance at the end of current period	509	843	11,150	(1,009)	11,494	5	5	199	1,185	12,883

4. Consolidated Statement of Cash Flows

(Unit: million yen)

	Previous consolidated fiscal year (April 30, 2021)	Current Consolidated Fiscal Year (April 30, 2022)
Cash flows from operating activities		
Income before income taxes and minority interests	268	2,656
Depreciation and amortization	260	221
Amortization of goodwill	62	-
Equity in (earnings) losses of affiliated companies	(96)	(154)
Increase (decrease) in allowance for doubtful accounts	2	31
Increase (decrease) in accrued bonuses	2	39
Increase (decrease) in provision for product warranties	12	3
Increase (decrease) in provision for shareholders' benefits	11	18
insurance margin	-	(83)
Increase (Decrease) in Special Account for Unsettled Compression	-	83
Interest and dividend income	(5)	(4)
Loss (gain) on sales and disposal of fixed assets	20	2
Impairment loss	1,060	233
Subsidy income	(330)	(858)
Subsidy income	(17)	(16)
Loss (gain) on sales of stocks of subsidiaries and affiliates	(5)	-
Loss on store closures	88	12
interest expense	4	4
Gain on reversal of asset retirement obligations	(24)	(12)
Increase (decrease) in liabilities for retirement benefits	(5)	-
Decrease (increase) in trade receivables	259	186
(Increase) decrease in other current assets	(188)	(99)
(Increase) decrease in inventories	223	(117)
Increase (decrease) in notes and accounts payable-trade	143	(0)
Increase (decrease) in accrued consumption taxes	(0)	13
Increase (decrease) in other current liabilities	10	238
Other	6	19
subtotal	1,762	2,417
Interest and dividends received	5	4
Interest payments	(4)	(4)
Income taxes paid	(628)	(1,080)
Amount of insurance proceeds received	-	106
Amount of grants received	335	868
Cash flows from operating activities	1,470	2,310

(Unit: million yen)

	Previous consolidated fiscal year (April 30, 2021)	Current Consolidated Fiscal Year (April 30, 2022)
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	56	-
Payments for short-term loans receivable	(5)	-
Proceeds from collection of short-term loans receivable	3	0
Proceeds from collection of long-term loans receivable	49	3
Payments for purchase of property, plant and equipment	(106)	(176)
Proceeds from sales of property, plant and equipment	2	4
Payments for acquisition of intangible fixed assets	(106)	(18)
Payments for purchase of investment securities	(1)	(55)
Proceeds from sales of investment securities	16	100
Proceeds from sales of investments in subsidiaries	9	-
Payment for lease and guarantee deposits	(36)	(38)
Proceeds from collection of lease and guarantee deposits	23	29
Payments for fulfillment of asset retirement obligations	(31)	(39)
Other	(0)	0
Cash flows from financing activities	(126)	(188)
Cash flows from financing activities		
Proceeds from short-term borrowings	580	200
Repayment of short-term loans payable	(180)	(350)
Proceeds from long-term debt	460	-
Repayment of long-term debt	(30)	(171)
Proceeds from sale of treasury stock	-	26
Payments for purchase of treasury stock	(213)	-
Purchase of treasury stock of consolidated subsidiaries	(75)	-
Proceeds from exercise of stock options	7	12
Dividends paid	(120)	(95)
Dividends paid to noncontrolling interests	(13)	-
Repayment of lease obligations	(24)	-
Proceeds from issuance of common stock of consolidated subsidiaries	8	0
Payments for acquisition of subsidiaries' stock without change in scope of consolidation	(23)	-
Cash flows from financing activities	372	(377)
Net increase (decrease) in cash and cash equivalents	1,717	1,744
Cash and cash equivalents at beginning of year	6,990	8,701
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	2	-
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(8)	(13)
Cash and cash equivalents at end of year	8,701	10,432

5. Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes in the event of significant changes in shareholders' equity)

The Company disposed of treasury stock as restricted stock compensation in accordance with resolutions passed at the Board of Directors meetings held on July 15, 2021 and January 12, 2022. As a result of this disposal, treasury stock decreased by 18 million yen and amounted to 1009 million yen at the end of the period.

(Change in accounting policy)

(Application of Accounting Standard for Revenue Recognition, etc.)

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020; hereinafter referred to as the "Accounting Standard for Revenue Recognition") has been adopted. The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020; hereinafter referred to as "Accounting Standard for Revenue Recognition") The Company adopted the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others from the beginning of the current fiscal year, and recognized revenue at the amount expected to be received in exchange for the promised goods or services when control of the promised goods or services has been transferred to the customer. As a result, an amount equivalent to commissions paid, etc., which had been recorded in selling, general and administrative expenses, was deducted from net sales as a sales rebate. In addition, purchases of raw materials sold to franchise stores are offset against net sales.

The cumulative effect of retrospective application of the new accounting policy prior to the beginning of the current fiscal year is added to or deducted from retained earnings at the beginning of the current fiscal year, and the new accounting policy is applied from the balance at the beginning of the current fiscal year. The new accounting policy is applied from the balance at the beginning of the current fiscal year.

As a result, net sales, cost of sales, and selling, general and administrative expenses decreased by 429 million yen, 237 million yen, and 191 million yen, respectively. There is no effect on the beginning balance of retained earnings.

In accordance with the transitional treatment prescribed in Paragraph 89-2 of the Accounting Standard for Revenue Recognition, no reclassification has been made to conform to the new presentation for the previous fiscal year.

(Application of Accounting Standard for Measurement of Fair Value, etc.)

The "Accounting Standard for Calculation of Fair Value" (ASBJ Statement No. 30, July 4, 2019. ("Accounting Standard for Calculation of Fair Value"). and others are applied from the beginning of the first quarter of the fiscal year, and the new accounting policy stipulated in Paragraph 19 of the Accounting Standard for Fair Value Calculation and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019) are applied from the beginning of the first quarter of the fiscal year. In accordance with the transitional treatment, the new accounting policies prescribed by the Accounting Standard for Fair Value Calculation will be applied prospectively. There is no impact on the quarterly consolidated financial statements.

(Notes on Changes in Presentation Methods)

(Consolidated Statements of Cash Flows)

Subsidy income," "Subsidy income," and "Subsidy received," which were included in "Increase (decrease) in other current assets" in "Cash flows from operating activities" in the previous consolidated fiscal year, are now separately presented in the current consolidated fiscal year due to their increased importance in terms of amount. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

Accordingly, "Subsidies received" is now separately presented under the "Subtotal" column of "Net cash provided by (used in) operating activities. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, the 2,097 million yen presented as "subtotal" of "net cash provided by (used in) operating activities" in the consolidated statements of cash flows for the previous fiscal year has been reclassified as "subsidy income" of -330 million yen, "subsidy income" of -17 million yen, "subsidy received" of 335 million yen, and "subtotal" of 1,762 million yen The amounts are reclassified as "Subsidy income" -330 million yen, "Subsidy income" -17 million yen, "Subsidy income" 335 million yen and "Subtotal" 1,762 million yen.

Purchase of investment securities," which was included in "Other" under "Cash flows from investing activities" in the previous consolidated fiscal year, has been presented as a separate line item in the current consolidated fiscal year due to its increased importance in terms of amount. To reflect this change in presentation, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, the -2 million yen presented as "Other" in "Cash flows from investing activities" in the consolidated statements of cash flows for the previous fiscal year has been reclassified as "Purchase of investment securities" of -1 million yen.

(Changes in Accounting Estimates)

In the current consolidated fiscal year, the Company changed its estimate of the cost of restoring stores to their original condition at the time of vacating them due to the acquisition of new information. As a result of this change in estimate, asset retirement obligations increased by 25 million yen.

The change in estimate resulted in a decrease of 18 million yen in operating income and ordinary income, and a decrease of 22 million yen in income before income taxes and minority interests in the consolidated fiscal year under review.

(Segment Information, etc.)

Segment information

1 Overview of reportable segments

(1) Method of determining reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available and are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

(2) Products and services in each reportable segment

The merchandise sales business currently consists of stores and sales offices located throughout Japan that sell merchandise to customers who visit our stores and at our sales offices, as well as via the Internet. The "Information and Services" segment is mainly engaged in real estate brokerage, interior decoration contracting, lease credit services, support for opening new businesses, and management support for restaurant companies. The restaurant business is mainly engaged in restaurant management.

2 Calculation method of net sales, profit or loss, assets, liabilities and other items by reportable segment

Profits of reportable segments are based on operating income. Inter-segment revenues and transfers are based on prevailing market prices.

3 Information on sales, profit or loss, assets, liabilities and other items by reportable segment

Previous fiscal year (May 1, 2020 - April 30, 2021)

(mikkions of yen)

	Segment				Adjustment	Total amount
	Merchandising business	Information and services business	Food and Beverage	Total		
Net sales						
To outside customers	17,759	2,736	6,517	27,014	-	27,014
Intersegment sales And transfers	329	170	10	509	(509)	-
Total	18,089	2,906	6,528	27,524	(509)	27,014
Segment profit	1,854	(69)	(723)	1,061	(79)	982
Segment assets	12,395	1,977	3,494	17,867	(965)	16,902
Segment liabilities	3,479	585	1,945	6,010	(277)	5,733
Other Items						
Depreciation and amortization	40	12	205	258	(0)	258
Amortization of goodwill	-	21	41	62	-	62
Increase in property, Plant and equipment and intangible assets	126	14	53	194	(2)	192

Current fiscal year (May 1, 2020 - April 30, 2021)

(Millions of yen)

	Segment	Adjustment	Total amount
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	Merchandising business	Information and services business	Food and Beverage	Total		
Net sales						
To outside customers	20,627	3,209	5,172	29,008	-	29,008
Intersegment sales And transfers	375	349	26	752	(752)	-
Total	21,003	3,558	5,199	29,761	(752)	29,008
Segment profit	2,373	132	(541)	1,963	(92)	1,871
Segment assets	12,606	2,498	3,914	19,018	(191)	18,826
Segment liabilities	3,851	768	1,597	6,217	(274)	5,943
Other Items						
Depreciation and amortization	51	13	155	221	(0)	220
Amortization of goodwill	-	-	-	-	-	-
Increase in property, Plant and equipment and intangible assets	31	20	139	191	(4)	187

4 Difference between the total amount of reported segments and the amount recorded in the consolidated financial statements and the main details of such difference (matters related to difference adjustment)

(Millions of yen)

Net sales	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total of reportable segments	27,524	29,761
Elimination of intersegment transactions	(509)	(752)
Net sales in consolidated financial statements	27,014	29,008

(Millions of yen)

profit	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total of reportable segments	1,061	1,963
Corporate expenses (Note)	(79)	(92)
Operating profit in consolidated financial statements	982	1,871

(Note) Corporate expenses are mainly general and administrative expenses that do not belong to any reportable segment.

(Millions of yen)

Assets	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total of reportable segments	17,867	19,018
Corporate assets (Note)	124	86
Other adjustment	(1,089)	(278)
Total assets in consolidated financial statements	16,902	18,825

(Note) Corporate assets mainly consist of investment securities that do not belong to any reportable segment.

(Millions of yen)

Other Items	Total of reportable segments	Adjustment	Amount recorded in consolidated financial statements

	Previous Consolidated fiscal year	Fiscal year	Current Consolidated Fiscal Year	Previous Consolidated fiscal year	Current Consolidated Fiscal Year	Previous Consolidated Fiscal year	Current Consolidated Fiscal Year
Depreciation and amortization	258		221	0	0	258	220
Increase in property, plant and equipment and intangible assets tangible and intangible fixed assets	194		191	(2)	(4)	192	187
Amortization of goodwill	62		-	-	-	62	-

Related information

Previous fiscal year (May 1, 2020 - April 30, 2021)

1 Information by product and service

This information is omitted because the same information is disclosed in the segment information.

2 Information by region

(1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of the net sales in the consolidated statements of income.

(2) Tangible fixed assets

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet, so this information is omitted.

3 Information by major customer

No sales to external customers account for 10% or more of the net sales in the consolidated statements of income.

Current fiscal year (May 1, 2021 - April 30, 2022)

1 Information by product and service

This information is omitted because the same information is disclosed in the segment information.

2 Information by region

(1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of the net sales in the consolidated statements of income.

(2) Tangible fixed assets

The amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet, so this information is omitted.

3 Information by major customer

No sales to external customers account for 10% or more of the net sales in the consolidated statements of income.

Information on impairment loss on fixed assets by reportable segment] [Information on impairment loss on fixed assets by reportable segment

Previous fiscal year (May 1, 2020 - April 30, 2021)

(Millions of yen)

	Reportable Segment				Corporate and elimination	Total amount
	merchandising business	Information and services business	Food and Beverage	Total		
Impairment loss	-	38	1,022	1,060	-	1,060

Current fiscal year (May 1, 2021 - April 30, 2022)

(Millions of yen)

	Reportable Segment				Corporate and elimination	Total amount
	merchandising business	Information and services business	Food and Beverage	Total		
Impairment loss	-	-	233	233	-	233

Information on amortization of goodwill and unamortized balance by reportable segment] [Information on amortization of goodwill and unamortized balance by reportable segment.

Previous fiscal year (May 1, 2020 - April 30, 2021)

(Millions of yen)

	Reportable Segment				Corporate and elimination	Total amount
	merchandising business	Information and services business	Food and Beverage	Total		
Impairment loss	-	21	41	62	-	62
Balance	-	-	-	-	-	-

Current fiscal year (May 1, 2021 - April 30, 2022)

(Millions of yen)

	Reportable Segment				Corporate and elimination	Total amount
	merchandising business	Information and services business	Food and Beverage	Total		
Impairment loss	-	-	-	-	-	-
Balance	-	-	-	-	-	-

Significant changes in the amount of goodwill] [Significant changes in the amount of goodwill

Previous consolidated fiscal year (May 1, 2020 - April 30, 2021)

During the period, the Company recognized 38 million yen of unamortized balance of D-Spark Corporation, a consolidated subsidiary, as an impairment loss in the "Information and service business" segment, because the profitability of the subsidiary was no longer expected to be as expected at the time of acquisition of the shares.

The unamortized balance of 471 million yen for Takewaka Corporation, a consolidated subsidiary, was recorded as an impairment loss in the "Food & Beverage" segment because the profitability of the subsidiary is no longer expected to be as expected at the time of stock acquisition.

Current fiscal year (May 1, 2021 - April 30, 2022)

Not applicable.

Information on gain on negative goodwill by reportable segment] [Information on gain on negative goodwill by reportable segment

Previous fiscal year (May 1, 2020 - April 30, 2021)

Not applicable.

Current fiscal year (May 1, 2021 - April 30, 2022)

Not applicable.

(Per share information)

Previous consolidated fiscal year (From: May 1, 2020 To: April 30, 2021)	Current fiscal year (From: May 1, 2021 To: April 30, 2021)
Net assets per share 832.08 yen	Net assets per share 965.12 yen
Net income per share 16.74 yen	Net income per share 131.59 yen
Diluted net income per share Net income per share 16.57 yen	Diluted net income per share Net income per share 130.12 yen

(Notes) 1. Basis for calculation of net assets per share is as follows.

Item	Previous fiscal year (April 30, 2021)	Current fiscal year (April 30, 2022)
Total net assets (Millions of yen)	11,168	12,883
Net assets related to common stock at the end of the period (Millions of yen)	9,884	11,499
Amount deducted from total net assets (millions of yen)	1,284	1,384
Of which stock acquisition rights (millions of yen)	(192)	(199)
Of which, noncontrolling interests (millions of yen)	(1,092)	(1,185)
Number of shares of common stock used in the calculation of net assets per share (shares)	11,878,851	11,914,668

(Notes) 2. Basis for calculation of net income per share and diluted net income per share is as follows

Item	Previous fiscal year (April 30, 2021)	Current fiscal year (April 30, 2022)
Net income per share		
Net income attributable to owners of the parent (Millions of yen)	199	1,564
Amount not attributable to common shareholders (Millions of yen)	-	-
Net income attributable to owners of the parent for common stock (Millions of yen) Net income (Millions of yen)	199	1,564
Average number of shares of common stock during the period (shares)	11,890,621	11,888,882
Diluted net income per share		
Adjustment of net income attributable to owners of the parent (Millions of yen)	-	(0)
Of which, adjustment due to latent shares subsidiaries		(0)
Increase in common stock	117,190	134,134
Of which stock acquisition rights (shares)	117,190	134,134
Summary of potential stock not included in the calculation of diluted net income per share due to the absence of dilutive effects	-	-

(Significant subsequent events)

Not applicable.

The information above was originally prepared and published by the Company in Japanese as it contains timely disclosure materials to be submitted to the Tokyo Stock Exchange. This English summary translation is for your convenience only. To the extent there is any discrepancy between this English translation and the original Japanese version, please refer to the Japanese version.