

Summary of Consolidated Financial Results for the Third Quarter of Fiscal Year Ending March 31, 2022 (Japanese Accounting Standards)

February 8, 2022

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Scheduled date for submission of quarterly securities report: February 8, 2022
Scheduled date for payment of dividends : —
Supplementary documents for quarterly results : No
Quarterly results briefing : No

(Figures rounded down to the nearest million yen)

1. Consolidated Financial Results for the Cumulative Third Quarter (April 1, 2021 to December 31, 2021)

(1) Consolidated Financial Results (Percentages (%) indicate changes from the previous year)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2021	493,171	10.0	10,850	35.0	17,963	125.8	13,528	-
December 31, 2020	448,340	(6.6)	8,035	(56.8)	7,955	(55.8)	(192)	-

Note: Comprehensive income Nine months ended December 31, 2021 16,759 million yen(- %)
Nine months ended December 31, 2020 -1,422 million yen(- %)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	88.93	-
December 31, 2020	(1.26)	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per share
	Million yen	Million yen	%	Yen
December 31, 2021	429,106	99,016	22.8	644.50
March 31, 2021	396,023	85,430	21.5	560.87

Note: Shareholders' Equity: December 31, 2021 98,042 million yen March 31, 2021 85,322 million yen

2. Dividends

	Dividend per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	10.00	-	10.00	20.00
Fiscal year ending March 31, 2022	-	11.00	-		
Fiscal year ending March 31, 2022 (forecast)				11.00	22.00

Note: Revisions to dividend forecasts published recently : None

3. Consolidated Forecasts for Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(Percentages (%) indicate changes from the previous year)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Profit attributable to owners of parent per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	664,400	11.7	12,800	5.9	21,700	77.6	14,100	524.0	92.69

Note: Revisions to consolidated financial forecasts published recently : Yes

We announce the consolidated forecasts for the fiscal year ending March 31, 2022 as above, based on the information currently available.

※ Notes

- (1) Changes of important subsidiaries during the period
(changes in specified subsidiaries resulting in change in scope of consolidation) : None
- (2) Application of particular accounts procedures to the preparation of quarterly consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies caused by revision of accounting standards : Yes
 - (ii) Changes in accounting policies other than (i) : None
 - (iii) Changes in accounting estimates : None
 - (iv) Restatement : None

(4) Shares issued and outstanding (common stock)

(i) Number of shares outstanding at the end of the period (including treasury stock)	As of December 31, 2021	154,862,825 shares	As of March 31, 2021	154,862,825 shares
(ii) Number of treasury stocks at the end of the period	As of December 31, 2021	2,739,346 shares	As of March 31, 2021	2,736,827 shares
(iii) Average number of shares outstanding during the term (quarter cumulative)	Nine months ended December 31, 2021	152,124,447 shares	Nine months ended December 31, 2020	152,641,564 shares

※ This quarterly consolidated financial results report is exempt from quarterly review of certified accountants and/or auditing firms.

※ Explanation and other special notes concerning the appropriate use of forecasted business performance

(Notes on forecasted business performance and others)

The forecast figures indicated above are projections based on the information available at the time of the announcement and certain assumptions include some degree of uncertainty. Actual business performance and other results may differ from the forecast depending on the changes in business conditions and others. Please refer to p.4 of the Appendix for information on the above forecast.

Appendix: Table of contents

1. Qualitative Information on Results for the Cumulative third Quarter Ended December 31, 2021	2
(1) Details of Consolidated Financial Results	2
(2) Details of Consolidated Financial Position.....	4
(3) Information on the Future Outlook, Including Consolidated Business Performance Forecast ...	4
2. Quarterly Consolidated Financial Statements and Major Notes.....	5
(1) Quarterly Consolidated Balance Sheets	5
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	7
(3) Notes on Quarterly Consolidated Financial Statements	9
(Notes on Going Concern Assumptions)	9
(Notes for Case Where Shareholders' Equity Underwent Significant Changes in Value)	9
(Changes in Accounting Policies)	9
(Additional Information)	9
(Segment Information)	10

1. Qualitative Information on Results for the Cumulative Third Quarter Ended December 31, 2021

(1) Details of Consolidated Financial Results

In the cumulative third quarter of the fiscal year (from April 1, 2021 to December 31, 2021), while economic activity continued to be stagnant due to the effects of COVID-19, there were some signs of recovery, as the vaccination progressed and the number of infected people decreased.

In the restaurant industry, there were signs of recovery toward the end of the year after the lift of state of emergency declaration on September 30. However, business sentiment turned unpredictable, due to the factors such as consistently rising prices seen on global basis and uncertainty over whether new and effective infection control measures can be taken without damaging economic activities to deal with the rapidly spreading Omicron variant, which has different characteristics, such as severity rate, from the case in the 5th wave.

Under these circumstances, the same-store sales in the Gyudon category including Sukiya, the Family Dining category including Coco's and Jolly-Pasta, and the Fast Food Service category including Hamazushi were 106.1%, 100.9%, and 105.4% year-on-year, respectively.

At the end of December 2021, the number of stores was 10,051 (including 4,491 franchised stores), resulting from 330 store openings and 228 closures.

Consequently, the business performance in the cumulative third quarter of the fiscal year showed sales of 493,171 million yen (up 10.0% year-on-year), operating profit of 10,850 million yen (up 35.0% year-on-year), ordinary profit of 17,963 million yen (up 125.8% year-on-year), and profit attributable to owners of parent of 13,528 million yen (loss of 192 million yen in the same period of previous year, up 13,720 million yen year-on-year).

The "Accounting Standards for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the first quarter of the fiscal year. For more information, please refer to "2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes on Quarterly Consolidated Financial Statements, Changes in Accounting Policies".

As described in "2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes on Quarterly Consolidated Financial Statements, Additional Information, Changes in Presentation", presentation of business performance has been changed from the beginning of the first quarter of the fiscal year, and the year-on-year comparison is done using the restated figures of the third quarter of previous year.

An overview of conditions by business segment is provided below.

1) Restaurant business

Sales of the restaurant business in the cumulative third quarter of the fiscal year were 432,448 million yen (up 13.4% year-on-year), and the operating profit was 10,731 million yen (up 64.3% year-on-year) against a backdrop of the protracted effect of the spread of COVID-19.

As to the effect of COVID-19, consumption activities became more active with the lift of the state of emergency on September 30, sales recovered in each business category toward the end of the year.

The performance of the restaurant business for each major category is as follows.

(Gyudon category)

Sales in the Gyudon category in the cumulative third quarter of the fiscal year totaled 174,926 million yen (up 7.5% year-on-year).

Sukiya, a Gyudon chain operated by Sukiya Co., Ltd., launched new products such as "Gyudon w/ Shredded Leek" (regular size: 500 yen) and "Beef Stock & Pork Curry Rice w/ Chicken Leg" (regular size: 680 yen), and revised the price of Gyudon, its main products (regular size: 400 yen, etc.), on December 23, 2021 in consideration of the global inflation trend.

Nakau, rice bowl dishes and Kyoto-style udon noodle chain, operated by Nakau Co., Ltd., sought to improve its business performance by undertaking effective sales promotions while enhancing product competitiveness through introduction of new and seasonal products, improvement of existing products, and expansion of take out product line up.

The number of restaurants in the Gyudon category at the end of December 2021 was 3,080 (including 9 franchised restaurants), as a result of 65 restaurant openings and 49 closures.

(Family Dining category)

Sales in the Family Dining category in the cumulative third quarter of the fiscal year were 67,114 million yen (down 7.1% year-on-year).

Coco's, the standard restaurant chain operated by Coco's Japan Co., Ltd., has made efforts to improve its business performance by enriching the menu, introducing dainty campaign dishes, improving the standard of service across the chain, and further expansion of take out product line up.

Big Boy, the chain of hamburger steak and steak restaurants and other chain operated by Big Boy Japan, Inc., sought to improve its business performance by various ways, such as brushing up the main products, enriching salad bar and soup bar, which are highly supported by customers, and enhancing the take out products.

Jolly-Pasta, the pasta specialty restaurant chain, operated by Jolly-Pasta Co., Ltd., seeks to provide further deliciousness and fun to customers by expanding the line up of the menu, introducing new dishes using safe seasonal ingredients as a "pasta specialty restaurant that pursues deliciousness and fun."

Barbeque restaurants including Jukusei Yakiniku Ichiban, Takarajima, and Gyu-An, operated by TAG-1 Co., Ltd., have been working to brush up the business concept, while making efforts to provide high quality products with carefully selected beef and seasonal ingredients, and to improve the quality of service levels at restaurants.

Hanaya Yohei, the Japanese cuisine restaurant chain operated by Hanaya Yohei Co., Ltd., has been working to improve customer satisfaction by various ways, including development of attractive Japanese style products using seasonal ingredients, improvement of service levels at restaurants, and improvement of labor productivity.

The number of restaurants in the Family Dining category at the end of December 2021 was 1,222 (including 79 franchised restaurants), as a result of 26 restaurant openings and 69 closures.

(Fast Food Service category)

Sales in the Fast Food Service category in the cumulative third quarter of the fiscal year were 111,258 million yen (up 7.9% year-on-year).

Hamazushi, 100-yen sushi chain stores (kaiten-sushi restaurants) operated by Hamazushi Co., Ltd., sought to expand its businesses by increasing the number of restaurants, while working on various issues such as introducing special menu using seasonal ingredients, improving quality of products, enhancing service level, conducting promotions at stores, and expanding take out products line up.

The Chicken Rice Shop, chicken rice specialty chain stores operated by TCRS Restaurants Sdn. Bhd., obtained a halal certificate and developed shops throughout Malaysia, which are supported by families regardless of age and gender.

The number of restaurants in the Fast Food Service category at the end of December 2021 was 978 (including 1 franchised restaurant), as a result of 28 restaurant openings and 7 closures.

(Other category)

Sales in the Other category in the cumulative third quarter of the fiscal year were 79,148 million yen (up 82.4% year-on-year).

Main businesses in this category include Advanced Fresh Concepts Corp., which operates take out sushi stores in the U.S., Canada, and Australia; Tolona Japan Co., Ltd., which sells frozen foods for home use, etc.; Global Fresh Supply Co., Ltd., a company which handles logistics functions for the Zensho Group; and Global Table Supply Co., Ltd., which procures uniforms, equipment etc.

The number of stores in the Other category at the end of December 2021 was 4,640 (including 4,402 franchised stores), as a result of 209 store openings and 102 closures.

2) Retail Business

Sales in the Retail business in the cumulative third quarter of the fiscal year were 60,722 million yen (down 9.2% year-on-year), and the operating profit was 115 million yen (down 92.3% year-on-year).

The retail business includes the supermarket business operated by JOY MART CO., LTD. and fruit and vegetables stores operated by United Veggies Co., Ltd.

The number of stores in the Retail business category at the end of December 2021 stood at 131 as a result of 2 store openings and 1 closure.

(2) Details of Consolidated Financial Position

(Total Assets)

Total assets stood at 429,106 million yen as of December 31, 2021, an increase of 33,083 million yen compared with the previous fiscal year-end. This increase was mainly due to increases in cash and deposits and property, plant and equipment.

(Liabilities)

Liabilities amounted to 330,090 million yen as of December 31, 2021, an increase of 19,497 million yen compared with the previous fiscal year-end. This increase was mainly due to an increase in interest-bearing liabilities.

(Net Assets)

Net Assets came at 99,016 million yen as of December 31, 2021, an increase of 13,585 million yen compared with the previous fiscal year-end. This increase was mainly due to an increase in retained earnings.

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

Please refer to “Notice regarding revision to the consolidated business performance forecasts for the period ending March 31, 2022 and recording of extraordinary profit” announced on February 8, 2022 for the business performance forecast for the period ending March 31, 2022.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheet

	(Million yen)	
	End of Previous fiscal year (As of March 31, 2021)	End of 3Q, Current fiscal year (As of December 31, 2021)
Assets		
Current Assets		
Cash and deposits	37,643	52,190
Notes and accounts receivable - trade	22,401	26,615
Merchandise and finished goods	16,841	21,900
Work in process	813	808
Raw materials and supplies	7,810	11,009
Other	23,629	24,904
Allowance for doubtful accounts	(112)	(116)
Total current assets	109,026	137,312
Non-current assets		
Property, plant and equipment, net		
Buildings and structures	204,127	210,816
Accumulated Depreciation	(120,920)	(123,864)
Buildings and structures, net	83,207	86,951
Machinery, equipment and vehicles	15,512	15,916
Accumulated Depreciation	(9,161)	(9,418)
Machinery, equipment and vehicles, net	6,351	6,497
Other	140,551	150,212
Accumulated Depreciation	(67,112)	(74,864)
Other, net	73,438	75,347
Total property, plant and equipment	162,997	168,797
Intangible assets		
Trade mark right	38,812	42,917
Goodwill	15,186	13,372
Other	4,244	4,392
Total intangible assets	58,242	60,682
Investments and other assets		
Investment securities	2,668	1,602
Guarantee deposits	33,259	32,814
Other	29,788	27,838
Allowance for doubtful accounts	(14)	(14)
Total investments and other assets	65,701	62,241
Total non-current assets	286,941	291,721
Deferred assets	55	72
Total assets	396,023	429,106

	(Million yen)	
	End of Previous fiscal year (As of March 31, 2021)	End of 3Q, Current fiscal year (As of December 31, 2021)
Liabilities		
Current Liabilities		
Notes and accounts payable, trade	24,678	30,434
Short-term loans payable	1,149	544
Current portions of bonds	20,600	4,800
Current portion of long-term loans payable	35,735	33,420
Income taxes payable	1,111	5,535
Provision	2,224	1,466
Other	44,046	46,210
Total current liabilities	129,545	122,412
Non-current liabilities		
Bonds payable	5,000	20,000
Long-term loans payable	132,641	142,667
Net defined benefit liability	707	718
Asset retirement obligations	3,456	3,625
Other	39,241	40,666
Total non-current liabilities	181,046	207,677
Total liabilities	310,592	330,090
Net assets		
Shareholders' equity		
Capital stock	26,996	26,996
Capital surplus	24,818	24,823
Retained earnings	41,230	50,735
Treasury shares	(5,827)	(5,835)
Total shareholders' equity	87,216	96,720
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(69)	(73)
Deferred gains or losses on hedges	431	395
Remeasurements of defined benefit plans	(11)	(3)
Foreign currency translation adjustment	(2,244)	1,003
Total accumulated other comprehensive income	(1,893)	1,322
Non-controlling interests	107	973
Total net assets	85,430	99,016
Total liabilities and net assets	396,023	429,106

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statements of Income)
(Cumulative Third Quarter)

	(Million yen)	
	Cumulative 3Q, Previous fiscal year (From April 1, 2020 to December 31, 2020)	Cumulative 3Q, Current fiscal year (From April 1, 2021 to December 31, 2021)
Net Sales	448,340	493,171
Cost of Sales	191,962	233,074
Gross Profit	256,377	260,096
Selling, General and Administrative Expenses	248,342	249,246
Operating Profit	8,035	10,850
Other Income		
Interest income	274	383
Dividend income	5	5
Foreign exchange gains	63	506
Share of profit of entities accounted for using equity method	4	6
Subsidy income	1,164	8,148
Other	688	839
Total non-operating income	2,201	9,889
Non-operating expenses		
Interest expenses	1,518	2,003
Other	761	772
Total non-operating expenses	2,280	2,776
Ordinary profit	7,955	17,963
Extraordinary income		
Compensation income	—	280
Subsidy for cooperation income	—	21,506
Other	242	118
Total extraordinary income	242	21,905
Extraordinary losses		
Loss on retirement of non-current assets	1,944	2,059
Loss on COVID-19 infection control measures	3,288	11,141
Other	882	3,609
Total extraordinary losses	6,115	16,810
Profit (loss) before income taxes	2,082	23,059
Income taxes - current	2,011	8,687
Income taxes - deferred	299	830
Total income taxes	2,310	9,518
Profit (loss)	(228)	13,540
Profit (loss) attributable to non-controlling interests	(36)	11
Profit (loss) attributable to owners of parent	(192)	13,528

(Quarterly Consolidated Statements of Comprehensive Income)
(Cumulative Third Quarter)

	(Million yen)	
	Cumulative 3Q, Previous fiscal year (From April 1, 2020 to December 31, 2020)	Cumulative 3Q, Current fiscal year (From April 1, 2021 to December 31, 2021)
Profit (Loss)	(228)	13,540
Other comprehensive income		
Valuation difference on available-for-sale securities	1	(4)
Deferred gains or losses on hedges	(95)	(35)
Remeasurements of defined benefit plans, net of tax	8	8
Foreign currency translation adjustment	(1,096)	3,239
Share of other comprehensive income of entities accounted for using equity method	(12)	10
Total other comprehensive income	(1,194)	3,218
Comprehensive income	(1,422)	16,759
(Breakdown)		
Comprehensive income attributable to owners of parent	(1,398)	16,745
Comprehensive income attributable to non- controlling interests	(24)	14

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes for Case Where Shareholders' Equity underwent Significant Changes in Value)

Not applicable.

(Changes in Accounting Policies)

Application of the Accounting Standard for Revenue Recognition, etc.

The "Accounting Standards for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020. Hereinafter, "Accounting Standard for Revenue Recognition"), etc. has been applied since the beginning of the first quarter of the fiscal year. In accordance with this accounting standard, Zensho (Hereinafter, "the Company") recognizes revenue as the amount expected to be received in exchange for the promised goods or services when the control of the goods or services is transferred to the customer.

Regarding meal tickets, etc. which customers use to pay for the goods or services, the amount paid with such tickets, etc. was previously recorded as "Selling, General and Administrative Expenses". However, the Company has shifted to the method by which it recognizes revenue at the net amount after deducting such amount from the transaction amount. Regarding real estate rental revenue, the Company has shifted to the method by which it recognizes revenue at the gross or net amount of consideration, considering the Company's role (principal or agent) in providing the goods or services.

The Accounting Standard for Revenue Recognition has been applied since the beginning of the first quarter of the fiscal year pursuant to the transitional treatment stipulated in the provision of Paragraph 84 of the Accounting Standard for Revenue Recognition. However, the new accounting policy was not retrospectively applied to contracts where recognitions of nearly all the revenue amounts for periods prior to the beginning of the first quarter were recognized according to the previous treatment, by applying the method provided for in Paragraph 86 of the Accounting Standard for Revenue Recognition. Furthermore, for the contracts modified prior to the beginning of the first quarter of the fiscal year, the accounting processing was carried out based on the contractual terms after all contract modifications were reflected, by applying the method set forth in item (1) of the supplementary provisions of Paragraph 86 of the Accounting Standard for Revenue Recognition.

As a result of the above, sales and cost of sales increased by 11,477 million yen and 21,243 million yen, respectively, and selling, general and administrative expenses decreased by 9,765 million yen for the third quarter of fiscal year. These changes had no impacts on operating profit, ordinary profit, and profit before income taxes for the period. There is no cumulative effect when applying the new accounting policy retrospectively from before the beginning of the first quarter of the fiscal year.

Application of Accounting Standard for Fair Value Measurement, etc.

The "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019. Hereinafter, the "Accounting Standard for Fair Value Measurement"), etc. have been applied since the beginning of the first quarter of the fiscal year. In accordance with the transitional treatment prescribed in Paragraph 19 of the "Accounting Standard for Fair Value Measurement" and Paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019), the Company has decided to apply the new accounting policies set forth by the Accounting Standard for Fair Value Measurement, etc. in the future. These changes had no impact on the Company's quarterly consolidated financial statements.

(Additional Information)

Changes in Presentation

Quarterly statement of income

In the previous fiscal year, expenses such as personnel expenses, depreciation, and rents (excluding corporate expenses) arose during the period where stores shortened their operating hours or closed temporarily at the request of government and/or municipalities were recorded as "Loss on COVID-19 infection control measures" under "Extraordinary losses".

The losses incurred from the state of emergency declaration (issued on April 7, 2020) was included in the "Selling, General and Administrative Expenses" in the third quarter of previous fiscal year. In January 2021, however, as the declaration turned out to be issued multiple times, the Company changed the presentation method to record such cost as "Loss on COVID-19 infection control measures" under "Extraordinary losses", taken into consideration of the fact that the materiality of the cost in the fiscal year increased significantly. In order to reflect the presentation method, financial statements for the third quarter of the previous year were restated accordingly.

As a result of the above, the selling, general and administrative expenses in the third quarter of previous fiscal year is restated to 248,342 million yen from 251,631 million yen, and the loss on COVID-19 infection control measures under extraordinary losses is restated to 3,288 million yen.

(Segment Information)

【Segment Information】

I Third quarter of Previous Fiscal Year (From April 1, 2020 to December 31, 2020)

1. Information on net sales, profits or losses by reporting segment

(Unit : Millions of yen)

	Reporting segments		Total	Adjustment (Note1)	Amount on consolidated balance sheet (Note2)
	Restaurant business	Retail business			
Net Sales					
Sales to External Customers	381,463	66,877	448,340	—	448,340
Intersegment Sales or Transfers	2,232	19	2,252	(2,252)	—
Total	383,696	66,897	450,593	(2,252)	448,340
Segment Profit	6,531	1,503	8,034	0	8,035

(Note) 1. Adjustment amount of segment profit of 0 million yen is mainly elimination of intersegment transactions.

2. The total amount of segment profit is adjusted with the operating profit in the quarterly consolidated statements of income

3. Intersegment sales or transfers amounts are calculated based on prevailing market prices.

2. Information on impairment loss, goodwill, etc. on non-current assets by reportable segment

(Important impairment loss on non-current assets)

Not applicable.

(Major change in goodwill)

Not applicable.

(Major negative goodwill profit)

Not applicable.

3. Information on changes, etc. in reportable segments

As stated in “Changes in Presentation”, considering the impact on the profit and loss of the fiscal year, the losses incurred from the state of emergency declaration (issued on April 7, 2020) was included in the “Selling, General and Administrative Expenses” in the third quarter of previous fiscal year. The segment information of the third quarter of previous year is restated in the same manner as for the quarterly consolidated statement of income to reflect the presentation method of the previous fiscal year.

The segment information of the third quarter of previous fiscal year is restated, and the segment profit in the restaurant business increased by 3,288 million yen.

II Third quarter of Fiscal Year (From April 1, 2021 to December 31, 2021)

1. Information on net sales, profits or losses by reporting segment

(Unit : Millions of yen)

	Reporting segments		Total	Adjustment (Note1)	Amount on consolidated balance sheet (Note2)
	Restaurant business	Retail business			
Net Sales					
Sales to External Customers	432,448	60,722	493,171	—	493,171
Intersegment Sales or Transfers	2,029	104	2,134	(2,134)	—
Total	434,478	60,826	495,305	(2,134)	493,171
Segment Profit	10,731	115	10,846	3	10,850

(Note) 1. Adjustment amount of segment profit of 3 million yen is mainly elimination of intersegment transactions.

2. The total amount of segment profit is adjusted with the operating profit in the quarterly consolidated statements of income

3. Intersegment sales or transfers amounts are calculated based on prevailing market prices.

2. Information on impairment loss, goodwill, etc. on non-current assets by reportable segment

(Important impairment loss on non-current assets)

Not applicable.

(Major change in goodwill)

Not applicable.

(Major negative goodwill profit)

Not applicable.

3. Information on changes, etc. in reportable segments

As stated in “Changes in Accounting Policies”, the Company has applied the Accounting Standard for Revenue Recognition, etc. from the beginning of the first quarter of the fiscal year and changed the accounting method for revenue recognition. Accordingly, the Company has also changed the method of calculating profit or loss for reportable segments.

As a result of these changes, for the nine months ended December 31, 2021, sales in the restaurant business increased by 13,692 million yen, and sales in the retail business decreased by 2,215 million yen. There’s no changes in the segment profits.