

2. Dividends

	Dividend per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2021	-	0.00	-	100.00	100.00
Fiscal year ending May 31, 2022	-	0.00	-		
Fiscal year ending May 31, 2022 (Forecast)				120.00	120.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending May 31, 2022 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2022(June 01, 2021 to May 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	235,000	7.8	12,000	9.1	12,000	8.2	7,600	6.0	258.96

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the nine months ended February 28, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

February 28, 2022: 29,455,800 shares

May 31, 2021: 29,455,800 shares

2) Total number of treasury shares at the end of the period:

February 28, 2022: 151,501 shares

May 31, 2021: 1 shares

3) Average number of shares during the period:

Nine months ended February 28, 2022: 29,363,400 shares

Nine months ended February 28, 2021: 29,455,799 shares

Quarterly Qualitative Information

<Earnings Results>

During the third quarter of the current consolidated cumulative period, the Japanese economy experienced a sharp increase in the number of people infected by the Delta strain of the COVID-19 in the summer, followed by the re-spread of infection by the Omicron strain, known as the sixth wave. Even after the pandemic was resolved, the outlook for the timing of economic normalization remained uncertain. In addition, the recovery in global demand, particularly in the United States and China, has had a widespread impact on the international supply network, causing instability in the supply of some materials. In February, the geopolitical risk, such as Russia's invasion of Ukraine, became apparent, causing resource prices to soar further. As a result, our company's business environment is becoming increasingly uncertain.

While the housing industry, to which the Tamahome Group belongs, is supported by firm demand, such as a review of the living environment due to the growing need for people to stay at home, it is also exposed to unprecedented upward pressure on costs, such as the rapid increase in lumber prices since last spring, the impact of the so-called wood shock, due to the recovery of the world economy from the coronavirus disaster, and the rise in international commodity markets because of the destabilization of Russia's invasion of Ukraine.

While the business environment remains uncertain, the Tamahome Group continues to purchase lumber stably to start construction and deliver houses quickly, backed by the high domestic timber usage rate. Our unique distribution system, "Tama Structure," directly links us with forest cooperatives and forestry companies. In sales, we formulated and implemented sales strategies tailored to regional characteristics and flexibly responded to changing customer values and behavioral patterns to strengthen further the revenue base of our core custom-built housing business and improve profitability in each business.

The outline of each business is as follows:

(Housing Business)

In the housing business, the custom-built housing business opened three new branches (of which one was relocated), bringing the total number of sales branches to 246. In addition, model houses and showrooms were renovated in 31 locations. In the COVID-19 pandemic, which has been ongoing since the previous year, the value of detached houses has been once again recognized, orders of our strategic products such as "regionally limited products" and "limited-time products" were favorable. In addition, the leveling of construction starts, which we have been working on since the past fiscal year, continued to make steady progress, and the profit level for the third quarter of the current consolidated cumulative period improved significantly.

In the renovation business, we continued to carry out activities to win orders for renovation. We are offering warranty extension work to customers who have lived in their homes for at least ten years and continuous warranty extension work to customers who have lived in their homes for a minimum of 15 years, capturing demand for replacement of housing equipment due to age deterioration. At the same time, we made efforts to offer solutions that respond to changes in lifestyles, including remote work, and as a result, sales and profits increased. In the future, we will continue to offer and sell the most suitable renovation plans according to the buildings' age and the customers' needs while deepening our relationships with customers based on our abundant supplied housing information on more than 140,000 buildings in total.

As a result of the above, in this segment, net sales were 136,100 million yen (up 16.7% year-on-year), and operating profit was 3,106 million yen (up 22.1% year-on-year).

(Real Estate Business)

In the real estate business, we focused on purchasing and selling small lots of less than ten in the detached house sales business, emphasizing capital turnover. As a result of continued efforts to increase the capability of specialized organizations that collect and carefully select land information and strengthen procurement, both the orders received and deliveries were favorable. The number of detached houses delivered increased 10.7% year-over-year to 715. In the future, we will continue to monitor demand trends for detached houses closely and further strengthen the supply of high-quality houses and land purchases in response to market needs to expand the detached house sales business steadily.

In the condominium business, during the third quarter of the current consolidated cumulative period, one of the three new condominium projects was sold out, and sales activities for the remaining two projects are progressing smoothly. In addition to these new condominium projects, we also actively promoted renovation sales of existing condominiums.

In the sublease business, although we continued to focus on acquiring properties under management located in the 23 wards of Tokyo and improving occupancy rates, sales fell due to a decrease in occupied floor space caused by the termination of some lease contracts and the absence of large-scale construction work associated with move-ins and move-outs.

In the office unit ownership sales business, while the demand trend for office buildings has been weak since last spring, we proceeded with the steady sale of our stock and made efforts to purchase properties in the five major wards of Tokyo* where steady office demand is expected.

As a result of the above, in this segment, net sales were 25,062 million yen (up 9.0% year-on-year), and operating profit was 2,795 million yen (up 21.5% year-on-year).

*The five major wards of Tokyo are Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, Shibuya-ku.

(Financial Services)

In the financial services segment, we continued our efforts to sell insurance to customers who purchase houses from us, promote Flat 35, and provide bridge loans. In addition to the steady growth in the number of our houses delivered, the insurance and Flat 35 sales remained strong, with the fire insurance coverage and Flat 35 utilization ratios remaining at high levels, respectively.

As a result of the above, in this segment, net sales were 1,092 million yen (down 1.1% year-on-year), and operating profit was 451 million yen (down 3.0% year-on-year).

(Energy Business)

In the energy business, electricity sales from the mega solar power generation facility operated commercially in Moutai City, Fukuoka Prefecture, remained weak due to inclement weather such as torrential rains in August and the curtailment of output in October and January following instructions from the power company.

As a result, in this segment, net sales were 624 million yen (down 1.7% year-on-year), and operating profit was 204 million yen (down 6.1% year-on-year).

(Other Businesses)

In other businesses, sales and profits increased, mainly in the housing-related business due to the steady growth in the number of houses delivered in our company.

As a result of the above, in this segment, net sales were 4,599 million yen (up 11.3% year-on-year), and operating profit was 734 million yen (up 52.3% year-on-year).

As a result, our consolidated operating results showed net sales of 167,480 million yen (up 15.1% year-on-year), operating profit 7,348 million yen (up 21.2% year-on-year), ordinary profit 7,614 million yen (up 25.5% year-on-year), and profit attributable to the owners of the parent 4,928 million yen (up 13.4% year-on-year).

Quarterly Consolidated Financial Statements
 Quarterly Consolidated Balance Sheets

(Million yen)

	As of May 31,2021	As of February 28,2022
Assets		
Current assets		
Cash and deposits	32,681	30,076
Notes receivable, accounts receivable from completed construction contracts and other	1,294	1,488
Operating loans	7,200	4,600
Real estate for sale	9,234	9,362
Costs on construction contracts in progress	12,054	17,841
Real estate for sale in process	10,225	15,759
Other inventories	599	631
Other	1,321	1,428
Allowance for doubtful accounts	(8)	(8)
Total current assets	74,603	81,180
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,926	8,988
Machinery, equipment and vehicles, net	3,029	3,066
Land	6,587	6,655
Other, net	188	264
Total property, plant and equipment	18,732	18,975
Intangible assets	953	1,095
Investments and other assets		
Investments and other assets	6,439	5,693
Allowance for doubtful accounts	(513)	(510)
Total investments and other assets	5,926	5,182
Total non-current assets	25,612	25,253
Total assets	100,216	106,433

(Million yen)

	As of May 31,2021	As of February 28,2022
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	15,301	16,571
Short-term borrowings	12,588	13,109
Current portion of long-term borrowings	356	482
Income taxes payable	2,858	223
Advances received on construction contracts in progress	25,880	33,964
Provision for warranties for completed construction	1,341	1,460
Provision for bonuses	244	946
Other	9,792	4,549
Total current liabilities	68,363	71,308
Non-current liabilities		
Long-term borrowings	2,140	3,870
Asset retirement obligations	1,816	1,809
Other	1,681	1,753
Total non-current liabilities	5,638	7,434
Total liabilities	74,001	78,743
Net assets		
Shareholders' equity		
Share capital	4,310	4,310
Capital surplus	4,280	4,280
Retained earnings	17,334	19,318
Treasury shares	(0)	(450)
Total shareholders' equity	25,924	27,457
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19	16
Deferred gains or losses on hedges	3	0
Foreign currency translation adjustment	193	175
Total accumulated other comprehensive income	216	192
Non-controlling interests	73	40
Total net assets	26,214	27,690
Total liabilities and net assets	100,216	106,433

Quarterly Consolidated Statements of Income and Comprehensive Income
 Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended February 28,2021	For the nine months ended February 28,2022
Net sales	145,495	167,480
Cost of sales	110,360	128,869
Gross profit	35,135	38,611
Selling, general and administrative expenses	29,070	31,262
Operating profit	6,064	7,348
Non-operating income		
Interest income	1	1
Dividend income	0	0
Purchase discounts	50	53
Foreign exchange gains	38	47
Penalty income	71	81
Settlement received	-	150
Share of profit of entities accounted for using equity method	8	-
Other	120	126
Total non-operating income	291	459
Non-operating expenses		
Interest expenses	171	106
Commission for syndicated loans	4	-
Share of loss of entities accounted for using equity method	-	19
Other	113	68
Total non-operating expenses	289	194
Ordinary profit	6,067	7,614
Extraordinary income		
Gain on sale of non-current assets	46	-
Gain on sale of investment securities	0	-
Foreign currency translation adjustments reversal gains	31	-
Total extraordinary income	79	-
Extraordinary losses		
Loss on retirement of non-current assets	57	58
Loss on cancellation of leases	11	5
Impairment losses	-	63
Total extraordinary losses	69	126
Profit before income taxes	6,077	7,488
Income taxes - current	979	1,808
Income taxes - deferred	730	727
Total income taxes	1,709	2,536
Profit	4,367	4,952
Profit attributable to non-controlling interests	20	23
Profit attributable to owners of parent	4,347	4,928

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

	For the nine months ended February 28,2021	For the nine months ended February 28,2022
Profit	4,367	4,952
Other comprehensive income		
Valuation difference on available-for-sale securities	(7)	(3)
Deferred gains or losses on hedges	1	(3)
Foreign currency translation adjustment	(112)	(17)
Share of other comprehensive income of entities accounted for using equity method	(3)	1
Total other comprehensive income	(122)	(22)
Comprehensive income	4,245	4,929
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,226	4,904
Comprehensive income attributable to non-controlling interests	18	24