

Translation

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Summary of Consolidated Financial Results for the Three Months Ended April 30, 2022 (Based on Japanese GAAP)

June 14, 2022

Company name: TOKYO BASE Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 3415 URL <https://www.tokyobase.co.jp/>
 Representative: Representative Director and CEO Masato Tani
 Inquiries: Director and CFO Hideki Nakamizu TEL 03-6712-6842
 Scheduled date to file Quarterly Securities Report: June 14, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended April 30, 2022 (from February 1, 2022 to April 30, 2022)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended April 30, 2022	4,348	9.8	(5)	–	176	(32.6)	79	(50.6)
Three months ended May 31, 2021	3,960	64.9	199	–	261	–	161	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended April 30, 2022	1.74		1.71	
Three months ended May 31, 2021	3.79		3.64	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of April 30, 2022	12,511	5,965	47.6
As of January 31, 2022	11,547	5,904	51.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended January 31, 2022	–	0.00	–	0.00	0.00
Year ending January 31, 2023	–				
Year ending January 31, 2023 (Forecast)		0.00	–	2.00	2.00

3. Forecast of consolidated financial results for the year ending January 31, 2023 (from February 1, 2022 to January 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	21,000	–	1,200	–	1,200	–	840	–	18.89

4. Notes

- (1) Changes in significant subsidiaries during the three months ended April 30, 2022
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of April 30, 2022	48,493,800 shares	As of January 31, 2022	48,493,800 shares
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Number of treasury shares at the end of the period

As of April 30, 2022	2,622,418 shares	As of January 31, 2022	2,622,418 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended April 30, 2022	45,871,382 shares	Three months ended May 31, 2021	42,678,382 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of January 31, 2022	As of April 30, 2022
Assets		
Current assets		
Cash and deposits	3,145,275	2,881,719
Accounts receivable - trade	1,047,401	1,130,657
Merchandise	2,103,404	2,877,645
Income taxes receivable	4,369	–
Other	187,826	257,606
Total current assets	6,488,276	7,147,628
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,974,081	2,168,106
Tools, furniture and fixtures, net	134,205	139,331
Construction in progress	11,735	8,965
Right-of-use assets, net	1,241,734	1,326,150
Total property, plant and equipment	3,361,757	3,642,554
Intangible assets		
Software	76,720	75,272
Software in progress	550	–
Total intangible assets	77,270	75,272
Investments and other assets		
Deferred tax assets	113,521	115,417
Guarantee deposits	1,485,178	1,510,121
Other	21,918	20,411
Total investments and other assets	1,620,618	1,645,951
Total non-current assets	5,059,645	5,363,779
Total assets	11,547,922	12,511,407
Liabilities		
Current liabilities		
Accounts payable - trade	1,017,114	2,107,690
Current portion of long-term borrowings	1,205,386	1,058,776
Accrued expenses	604,460	659,566
Income taxes payable	315,039	111,335
Lease obligations	649,573	733,198
Provision for bonuses	48,369	13,874
Provision for point card certificates	95,249	–
Other	288,126	543,333
Total current liabilities	4,223,319	5,227,774
Non-current liabilities		
Long-term borrowings	747,638	613,893
Lease obligations	613,012	638,334
Asset retirement obligations	59,359	65,816
Total non-current liabilities	1,420,010	1,318,043
Total liabilities	5,643,330	6,545,818

(Thousands of yen)

	As of January 31, 2022	As of April 30, 2022
Net assets		
Shareholders' equity		
Share capital	564,537	564,537
Capital surplus	863,306	863,306
Retained earnings	5,815,241	5,893,086
Treasury shares	(1,359,240)	(1,359,240)
Total shareholders' equity	5,883,845	5,961,690
Accumulated other comprehensive income		
Foreign currency translation adjustment	14,746	(4,101)
Total accumulated other comprehensive income	14,746	(4,101)
Share acquisition rights	6,000	8,000
Total net assets	5,904,592	5,965,589
Total liabilities and net assets	11,547,922	12,511,407

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended May 31, 2021	Three months ended April 30, 2022
Net sales	3,960,800	4,348,549
Cost of sales	1,862,287	2,091,433
Gross profit	2,098,512	2,257,116
Selling, general and administrative expenses	1,899,468	2,262,369
Operating profit (loss)	199,043	(5,252)
Non-operating income		
Interest income	77	19
Subsidy income	1,739	10,423
Foreign exchange gains	65,122	185,090
Other	787	1,752
Total non-operating income	67,726	197,285
Non-operating expenses		
Interest expenses	733	13,534
Commission expenses	4,704	2,176
Other	–	115
Total non-operating expenses	5,437	15,826
Ordinary profit	261,332	176,205
Extraordinary income		
Subsidies for employment adjustment	6,461	–
Total extraordinary income	6,461	–
Extraordinary losses		
Loss on temporary close	37,979	–
Loss on retirement of non-current assets	–	204
Total extraordinary losses	37,979	204
Profit before income taxes	229,814	176,001
Income taxes	68,093	96,167
Profit	161,720	79,833
Profit attributable to owners of parent	161,720	79,833

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended May 31, 2021	Three months ended April 30, 2022
Profit	161,720	79,833
Other comprehensive income		
Foreign currency translation adjustment	2,590	(18,848)
Total other comprehensive income	2,590	(18,848)
Comprehensive income	164,311	60,985
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	164,311	60,985
Comprehensive income attributable to non-controlling interests	—	—