

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended October 31, 2022 (Based on Japanese GAAP)

December 15, 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: December 15, 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 nine months ended October 31, 2022 (from February 1, 2022 to October 31, 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	%
Nine months ended October 31, 2022	13,325	(0.0)	(186)	–	118	(86.2)	(608)	–
Nine months ended November 30, 2021	13,326	26.3	729	450.3	859	729.0	620	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended October 31, 2022	(13.26)		–	
Nine months ended November 30, 2021	14.04		13.06	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of October 31, 2022	11,546	5,203	45.0
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				
Year ended January 31, 2022	–	0.00	–	0.00	0.00
Year ending January 31, 2023	–	0.00	–		
Year ending January 31, 2023 (Forecast)				0.00	0.00

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	18,900	–	(100)	–	180	–	(700)	–	(15.26)

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended October 31, 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 October 31, 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 October 31, 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)

Nine months ended October 31, 2022	45,871,382 shares	Nine months ended November 30, 2021	44,160,536 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of January 31, 2022	As of October 31, 2022
Assets		
Current assets		
Cash and deposits	3,145,275	1,663,968
Accounts receivable - trade	1,047,401	1,238,622
Merchandise	2,103,404	3,437,302
Income taxes receivable	4,369	–
Other	187,826	204,935
Total current assets	6,488,276	6,544,829
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,974,081	2,105,683
Tools, furniture and fixtures, net	134,205	113,608
Construction in progress	11,735	13,283
right-of-use assets	1,241,734	1,142,368
Total property, plant and equipment	3,361,757	3,374,945
Intangible assets		
Software	76,720	69,945
Software in progress	550	–
Total intangible assets	77,270	69,945
Investments and other assets		
Deferred tax assets	113,521	112,911
Guarantee deposits	1,485,178	1,425,523
Other	21,918	18,661
Total investments and other assets	1,620,618	1,557,096
Total non-current assets	5,059,645	5,001,986
Total assets	11,547,922	11,546,815
Liabilities		
Current liabilities		
Accounts payable - trade	1,017,114	2,173,349
Short-term borrowings	–	800,000
Current portion of long-term borrowings	1,205,386	676,775
Accrued expenses	604,460	569,215
Income taxes payable	315,039	52,765
Lease obligations	649,573	689,225
Provision for bonuses	48,369	10,780
Provision for point card certificates	95,249	–
Other	288,126	476,954
Total current liabilities	4,223,319	5,449,067
Non-current liabilities		
Long-term borrowings	747,638	319,435
Lease obligations	613,012	497,570
Asset retirement obligations	59,359	77,495
Total non-current liabilities	1,420,010	894,500
Total liabilities	5,643,330	6,343,568

(Thousands of yen)

	As of January 31, 2022	As of October 31, 2022
Net assets		
Shareholders' equity		
Share capital	564,537	564,537
Capital surplus	863,306	863,306
Retained earnings	5,815,241	5,205,186
Treasury shares	(1,359,240)	(1,359,240)
Total shareholders' equity	5,883,845	5,273,789
Accumulated other comprehensive income		
Foreign currency translation adjustment	14,746	(78,543)
Total accumulated other comprehensive income	14,746	(78,543)
Share acquisition rights	6,000	8,000
Total net assets	5,904,592	5,203,246
Total liabilities and net assets	11,547,922	11,546,815

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended November 30, 2021	Nine months ended October 31, 2022
Net sales	13,326,532	13,325,202
Cost of sales	6,229,694	6,600,789
Gross profit	7,096,837	6,724,413
Selling, general and administrative expenses	6,367,616	6,911,290
Operating profit (loss)	729,220	(186,877)
Non-operating income		
Interest income	759	645
Subsidy income	2,565	20,947
Foreign exchange gains	131,350	318,948
Other	2,806	10,082
Total non-operating income	137,481	350,624
Non-operating expenses		
Interest expenses	1,864	43,393
Commission expenses	4,704	1,500
Other	571	505
Total non-operating expenses	7,140	45,399
Ordinary profit	859,561	118,347
Extraordinary income		
Gain on receipt of donated non-current assets	68,935	–
Subsidies for employment adjustment	42,381	–
Subsidy income	17,022	–
Gain on reversal of share acquisition rights	240	–
Total extraordinary income	128,579	–
Extraordinary losses		
Impairment losses	85,666	305,293
Loss on temporary close	37,979	–
loss on store cancellation	–	209,351
Other	–	204
Total extraordinary losses	123,646	514,849
Profit (loss) before income taxes	864,495	(396,501)
Income taxes	244,309	211,565
Profit (loss)	620,186	(608,067)
Profit (loss) attributable to owners of parent	620,186	(608,067)

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended November 30, 2021	Nine months ended October 31, 2022
Profit (loss)	620,186	(608,067)
Other comprehensive income		
Foreign currency translation adjustment	(17,197)	(93,289)
Total other comprehensive income	(17,197)	(93,289)
Comprehensive income	602,988	(701,357)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	602,988	(701,357)
Comprehensive income attributable to non-controlling interests	—	—