

TAKE and GIVE NEEDS
Consolidated Financial Report
for the 1Q fiscal year ending March 31,2021

Tokyo, Aug 7, 2020

Stock Code : 4331 TSE 1st Section
Representative : Kenji Iwase, Representative Director ,President
Contact : Masahiro Tanida, Director
TEL : +81-(0)3-3471-6806
URL : <https://www.tgn.co.jp/company/english/company/>

1. Consolidated Financial Results

(Millions of yen: amounts are rounded down to nearest million yen)

(1) Results of Operations

	Total sales		Operating profit		Recurring profit		Net income attributable to owners of the parent		EPS
	JPY mn	%	JPY mn	%	JPY mn	%	JPY mn	%	JPY
June 30,2020	2,602	△83.7	△3,483	-	△3,563	-	△5,992	-	△462.50
June 30,2019	16,012	1.3	854	△0.4	821	14.2	468	△2.4	36.19

Note

“%” indicates the year-on-year percentage change

Comprehensive income 1Q/FY ending March 31,2021 : △6,182 million yen

1Q/FY ended March 31,2020 : 439 million yen

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio
	JPY mn	JPY mn	JPY mn
June 30,2020	56,672	17,488	30.8
June 30,2019	58,197	23,797	40.6

Reference

Shareholders' equity 1Q/FY ending March 31,2021 : 17,481 million yen

FY ended March 31,2020 : 23,611 million yen

(3) Forecast for the year ending March 31, 2021

	Total sales		Operating profit		Recurring profit		Net income attributable to owners of the parent		EPS
	JPY mn	%	JPY mn	%	JPY mn	%	JPY mn	%	JPY
Year ending Mar. 31,2021	22,000 ~25,000	△65.5 ~△60.7	△15,000 ~△12,000	-	△15,500 ~△12,500	-	△16,500 ~△13,000	-	△1,273.49 ~△1,003.36

2. Note

- (1) Significant changes in scope of consolidation(changes in scope of consolidation of specifies subsidiaries): No
- (2) Application of accounting treatment peculiar to quarterly consolidated financial statement preparation: Yes
- (3) Changes in accounting policies and accounting estimates
- [1] Changes in accounting policies by the revision of accounting standard: No
 - [2] Changes in accounting policies other than those in [1]: No
 - [3] Changes in accounting estimates: No
 - [4] Restatement: No

(4) Number of shares issued(common stock)

[1] Number of shares issued (including treasury stock)	As of June 30,2020	13,059,330 Shares	As of March 31,2020	13,059,330 Shares
[2] Number of shares of treasury stock	As of June 30,2020	100,072 Shares	As of March 31,2020	104,412 Shares
[3] Number of average shares outstanding during April 1,2020-Jun,30 2020	As of June 30,2020	12,956,476 Shares	As of June 30,2019	12,952,899 Shares

*This consolidated financial report is not subject to review procedures by certified public accountants or an audit firm.

*Note to forecasts on the consolidated results of operations and other items.

Descriptions regarding the future are estimated based on the information that the Company is able to obtain at the present point in time and assumptions which are deemed to be reasonable. However, actual results may be different due to various factors.

*Supplementary materials on financial results can be found on the website "TDnet".

Contents

1. Consolidated Financial Results	1
(1) Results of Operations	1
(2) Financial Position	1
(3) Forecast for the year ending March 31, 2021	1
2. Note	2
3. Consolidated Financial Statements	4
(1) Consolidated balance sheet	4
(2) Consolidated statement of income and comprehensive income	6
(3) Notes on consolidated financial statements	8

3 .Consolidated Financial Statements

(1) Consolidated balance sheet

	<i>Million yen, rounded down</i>	
	As of Mar.31, 2020	As of June 30, 2020
ASSETS		
Current assets		
Cash and deposits	6,455	6,005
Trade accounts receivable	642	369
Trade loans receivable	2,774	2,419
Merchandise	174	163
Supplies	90	95
Prepaid expenses	1,049	690
Other current assets	309	501
Allowance for doubtful accounts	△68	△72
Total current assets	11,428	10,172
Fixed assets		
Tangible fixed assets		
Buildings and structures	35,260	35,330
Accumulated depreciation and accumulated impairment loss	△17,973	△19,440
Buildings and structures (net)	17,286	15,890
Machinery and vehicles	123	123
Accumulated depreciation and accumulated impairment loss	△111	△119
Machinery and vehicles (net)	11	3
Furniture, tools and fixtures	7,333	7,460
Accumulated depreciation and accumulated impairment loss	△6,025	△6,348
Furniture, tools and fixtures (net)	1,307	1,112
Land	15,284	15,271
Lease assets	4,460	4,436
Accumulated depreciation and accumulated impairment loss	△1,550	△1,583
Lease assets (net)	2,910	2,852
Construction in progress	324	552
Total tangible fixed assets	37,124	35,682
Intangible fixed assets		
Goodwill	101	83
Other	361	268
Total intangible fixed assets	462	352
Investment and other assets		
Investment securities	21	20
Long-term loans	134	130
Long-term prepaid expenses	166	133
Deferred tax assets	3,118	4,495
Security deposits	5,808	5,750
Other	127	127
Allowance for doubtful accounts	△193	△193
Total investment and other assets	9,182	10,465
Total fixed assets	46,769	46,499
Total Assets	58,197	56,672

	<i>Million yen, rounded down</i>	
	As of Mar.31, 2020	As of June 30,2020
LIABILITIES		
Current liabilities		
Trade accounts payable	1,313	266
Short-term borrowings	2,330	7,890
Current portion of long-term borrowings	5,554	5,018
Accounts payable - other	2,101	1,494
Accrued income taxes	814	119
Accrued bonuses	695	696
Provision for Share Based Remuneration	3	-
Provision for loss on business liquidation	-	81
Other current liabilities	3,361	3,403
Total current liabilities	16,175	18,971
Long-term liabilities		
Long-term borrowings	12,741	14,723
Long-term lease obligations	3,462	3,401
Asset retirement obligations	1,284	1,286
Other	736	800
Total long-term liabilities	18,225	20,212
Total liabilities	34,400	39,184
NET ASSETS		
Shareholders' equity		
Capital	5,264	5,264
Capital surplus	5,208	5,208
Retained earnings	13,246	7,117
Treasury shares	△211	△202
Total shareholders' equity	23,507	17,387
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	△0	△0
Deferred gains or losses on hedges	22	20
Foreign exchange adjustment account	81	73
Total accumulated other comprehensive income	104	94
Subscription rights to shares	6	6
Non-controlling interests	180	-
Total Net Assets	23,797	17,488
Total Liabilities and Net Assets	58,197	56,672

(2) Consolidated statement of income and comprehensive income

	<i>Million yen, rounded down</i>	
	As of June.30, 2019	As of June.30, 2020
Net sales	16,012	2,602
Cost of sales	5,963	935
Gross profit	10,049	1,666
Selling, general and administrative expenses	9,195	5,149
Operating income	854	△3,483
Non-operating income		
Interest income	1	0
Insurance income	25	4
Foreign exchange gains	12	-
Other	11	7
Total non-operating income	51	12
Non-operating expenses		
Interest expense for borrowings	80	85
Foreign exchange losses	-	7
Other	2	0
Total non-operating expenses	83	93
Ordinary income	821	△3,563
Extraordinary loss		
Loss on temporary closure due to the effect of COVID-19	-	2,311
Impairment loss	65	1,459
Loss on liquidation of business	-	81
Other	40	-
Total extraordinary loss	105	3,851
Profit before income taxes	716	△7,415
Total income taxes	269	△1,244
Profit	446	△6,171
Profit attributable to non-controlling interests	△21	△178
Profit attributable to owners of parent	468	△5,992

Consolidated statement of comprehensive income

Million yen, rounded down

	As of June.30, 2019	As of June.30, 2020
Profit	446	△6,171
Other comprehensive income		
Valuation difference on available-for-sale securities	△0	△0
Deferred gains or losses on hedges	13	△2
Foreign exchange adjustment account	△20	△8
Total other comprehensive income	△7	△11
Comprehensive income	439	△6,182
Comprehensive income attributable to		
Owners of the parent	462	△6,002
Non-controlling interests	△22	△180

(3) Notes on consolidated financial statements

(Note on going concern's premise)

Not applicable

(Significant changes in shareholder's equity)

Not applicable

(Application of accounting treatment peculiar to quarterly consolidated financial statement preparation)

(Calculation of taxes)

Taxes are calculated by multiplying profit before income taxes for the first-quarter period under review by the reasonably estimated effective tax rate subsequent to the application of tax effect accounting to the profit income before income taxes for the current consolidated fiscal year ending March 31, 2021 including the first quarter under review.