TAKE and GIVE NEEDS
Consolidated Financial Report
for the 1Q fiscal year ending March 31,2020

Tokyo, Aug 7, 2019

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 30,2019	16,012	1.3	854	△0.4	821	14.2	468	△2.4	36.19
June 30,2018	15,801	10.1	857	—	719	—	480	—	37.06

Note
"%" indicates the year-on-year percentage change
Comprehensive income 1Q/FY ending March 31,2020 : 439 million yen
1Q/FY ended March 31,2019 : 275million yen

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio
	JPY mn	JPY mn	JPY mn
June 30,2019	59,722	23,431	38.9
June 30,2018	57,130	23,181	40.2

Reference
Shareholders' equity 1Q/FY ending March 31,2020 : 23,221 million yen
FY ended March 31,2019 : 22,948 million yen

(3) Forecast for the year ending March 31, 2020

	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 March 31,2020	67,500	0.9	4,000	△6.6	3,600	△7.7	1,700	△25.6	131.25

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 30,2019	13,059,330 Shares	As of March 31,2019	13,059,330 Shares
[2] Number of shares of treasury stock	As of June 30,2019	104,062 Shares	As of March 31,2019	107,650 Shares
[3] Number of average shares outstanding during April 1,2019-Jun,30 2019	As of June 31,2019	12,952,899 Shares	As of June 31,2018	12,952,937 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, 2020 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

Million yen, rounded down

	As of Mar.31, 2019	As of June.30, 2019
ASSETS		
Current assets		
Cash and deposits	6,782	5,401
Trade accounts receivable	842	900
Trade loans receivable	3,287	3,120
Merchandise	203	206
Supplies	42	30
Prepaid expenses	925	908
Other current assets	659	607
Allowance for doubtful accounts	△96	△96
Total current assets	12,647	11,079
Fixed assets		
Tangible fixed assets		
Buildings and structures	35,084	35,243
Accumulated depreciation and accumulated impairment loss	△16,878	△17,280
Buildings and structures (net)	18,205	17,962
Machinery and vehicles	183	179
Accumulated depreciation and accumulated impairment loss	△171	△167
Machinery and vehicles (net)	12	11
Furniture, tools and fixtures	6,648	6,868
Accumulated depreciation and accumulated impairment loss	△5,241	△5,425
Furniture, tools and fixtures (net)	1,407	1,442
Land	11,207	15,595
Lease assets	4,571	4,571
Accumulated depreciation and accumulated impairment loss	△1,164	△1,244
Lease assets (net)	3,406	3,327
Construction in progress	92	105
Total tangible fixed assets	34,331	38,445
Intangible fixed assets		
Goodwill	121	125
Other	677	635
Total intangible fixed assets	798	761
Investment and other assets		
Investment securities	21	21
Long-term loans	168	149
Long-term prepaid expenses	184	191
Deferred tax assets	2,920	3,041
Security deposits	6,113	6,085
Other	128	132
Allowance for doubtful accounts	△183	△183
Total investment and other assets	9,352	9,436
Total fixed assets	44,483	48,643
Total Assets	57,130	59,722

Million yen, rounded down

	As of Mar.31, 2019	As of June 30,2019
LIABILITIES		
Current liabilities		
Trade accounts payable	2,594	2,063
Short-term borrowings	990	2,900
Current portion of long-term borrowings	5,741	5,863
Accounts payable - other	2,992	1,752
Accrued income taxes	736	446
Accrued bonuses	702	716
Other current liabilities	3,327	3,270
Total current liabilities	17,084	17,013
Long-term liabilities		
Long-term borrowings	10,994	13,506
Long-term leased asset impairment account	22	12
Long-term lease obligations	3,730	3,662
Asset retirement obligations	1,202	1,205
Other	914	891
Total long-term liabilities	16,864	19,277
Total Liabilities	33,949	36,290
NET ASSETS		
Shareholders' equity		
Capital	5,264	5,264
Capital surplus	5,208	5,208
Retained earnings	12,568	12,840
Treasury shares	△218	△211
Total shareholders' equity	22,822	23,102
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	△0
Deferred gains or losses on hedges	0	12
Foreign exchange adjustment account	125	107
Total accumulated other comprehensive income	125	119
Subscription rights to shares	6	6
Non-controlling interests	226	203
Total Net Assets	23,181	23,431
Total Liabilities and Net Assets	57,130	59,722

(2) Consolidated statement of income and comprehensive income

Million yen, rounded down

	As of June.30, 2018	As of June.30, 2019
Net sales	15,801	16,012
Cost of sales	5,878	5,963
Gross profit	9,923	10,049
Selling, general and administrative expenses	9,066	9,195
Operating income	857	854
Non-operating income		
Interest income	1	1
Received Commission		
Insurance income	0	25
Foreign exchange gains	-	12
Reversal of allowance for doubtful accounts	-	
Refunded consumption taxes	-	
Other	12	11
Total non-operating income	14	51
Non-operating expenses		
Interest expense for borrowings	89	80
Foreign exchange losses	56	-
Provision of allowance for doubtful accounts	-	
Other	6	2
Total non-operating expenses	151	83
Ordinary income	719	821
Extraordinary gains		
Gain on sales of fixed assets		
Gain on liquidation of subsidiaries and associates		
Subsidy income		
Gain on reversal of asset retirement obligations		
Total extraordinary gains		
Extraordinary loss		
Loss on retirement of fixed assets	-	
Impairment loss	-	65
Provision of allowance for loss on store closing		
Loss on reduction of fixed assets		
Provision of allowance for doubtful accounts		
Loss on cancellation of leasehold contracts		
Other		40
Total extraordinary loss	-	105
Profit before income taxes	719	716
Total income taxes	245	269
Profit	474	446
Profit attributable to non-controlling interests	△5	△21
Profit attributable to owners of parent	480	468

Consolidated statement of comprehensive income

Million yen, rounded down

	As of June.30, 2018	As of June.30, 2019
Profit	474	446
Other comprehensive income		
Valuation difference on available-for-sale securities	△0	△0
Deferred gains or losses on hedges	△85	13
Foreign exchange adjustment account	△113	△20
Other	-	-
Total other comprehensive income	△199	△7
Comprehensive income	275	439
Comprehensive income attributable to		
Owners of the parent	296	462
Non-controlling interests	△21	△22

(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 bultiplying 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 31,2020 including the first quarter under review.