January 14, 2022

Notice of Recording of Other Operating Revenue

create restaurants holdings inc. announces that we have recorded other operating revenue during the third quarter of the fiscal year ending February 2022 (September 1, 2021 to November 30, 2021). Details are as follows.

1. Other operating revenue

The target area and the period for the fourth State of Emergency declared in July 2021 and the stricter COVID-19 measures were expanded and extended, and it was lifted at the end of September. Even after October, there have been various requests from the government and local governments such as Infection Rebound Prevention Measures (most of them until October 25) in Tokyo, Osaka, etc. We responded sincerely to these requests to cooperate in preventing the spread of infections, and as a result we were forced to suspend operations and shorten operating hours at many of our outlets. In order to keep our employees, we paid leave allowances to employees who took a furlough, and the amount is recorded as a personnel expense under "Selling, general and administrative expenses". On the other hand, we applied for an employment adjustment subsidy portion of such leave allowance, and also applied for a subsidy for cooperation in response to requests from local governments to shorten operating hours, etc. As a result, a total of 7,339 million yen of subsidies, etc. was recorded as "Other operating revenue".

2. Impact on business results

Above other operating revenue has been incorporated in the financial results announced in the "Summary of Financial Results for the Third Quarter Ended November 30, 2021 [IFRS] (Consolidated)" dated today.