Translation

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

August 4, 2022

Company name: Tenpo Innnovation CO.,LTD.
Stock exchange listing: Tokyo
Stock code: 3484 URL https://www.tenpo-r.co.jp
Representative: President Yasuo Hara
Inquiries: Senior Managing Director Yohei Shimura TEL 03-6274-8733
Scheduled date to file Quarterly Securities Report: August 10, 2022
Scheduled date to commence dividend payments: –
Preparation of supplementary material on quarterly financial results: Yes
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 June 30, 2022 (from April 1, 2022 to June 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 June 30, 2022	3,004	–	286	–	305	–	209	–
Three months ended June 30, 2021	–	–	–	–	–	–	–	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	11.85	–
Three months ended June 30, 2021	–	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	12,055	3,325	27.6
As of March 31, 2022	–	–	–

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 March 31, 2022	–	0.00	–	12.00	12.00
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		–	–	–	–

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 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
Six months ending September 30, 2022	6,091	–	492	–	504	–	344	–	19.41
Full year	12,655	–	1,059	–	1,074	–	733	–	41.37

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2022 (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

(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:	No
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 June 30, 2022	17,674,400 shares	As of March 31, 2022	17,674,400 shares

Number of treasury shares at the end of the period

As of June 30, 2022	514 shares	As of March 31, 2022	514 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	17,673,886 shares	Three months ended June 30, 2021	17,823,886 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of June 30, 2022
Assets	
Current assets	
Cash and deposits	3,318,112
Real estate for sale	446,455
Prepaid expenses	977,714
Other	141,449
Total current assets	4,883,732
Non-current assets	
Property, plant and equipment	689,230
Intangible assets	31,157
Investments and other assets	
Guarantee deposits	5,915,517
Other	535,461
Total investments and other assets	6,450,979
Total non-current assets	7,171,367
Total assets	12,055,100
Liabilities	
Current liabilities	
Unearned revenue	1,247,965
Provision for bonuses	47,667
Other	651,782
Total current liabilities	1,947,414
Non-current liabilities	
Guarantee deposits received	6,429,555
Retirement benefit liability	1,953
Other	350,794
Total non-current liabilities	6,782,304
Total liabilities	8,729,718
Net assets	
Shareholders' equity	
Share capital	308,394
Capital surplus	539,930
Retained earnings	2,477,520
Treasury shares	(463)
Total shareholders' equity	3,325,381
Total net assets	3,325,381
Total liabilities and net assets	12,055,100

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022
Net sales	3,004,247
Cost of sales	2,415,839
Gross profit	588,407
Selling, general and administrative expenses	302,114
Operating profit	286,293
Non-operating income	
Compensation income	10,000
Subsidy income	5,942
Other	5,844
Total non-operating income	21,786
Non-operating expenses	
Compensation expenses	1,103
Amortization of organization expenses	1,163
Total non-operating expenses	2,267
Ordinary profit	305,812
Profit before income taxes	305,812
Income taxes	96,310
Profit	209,502
Profit attributable to owners of parent	209,502

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022
Profit	209,502
Comprehensive income	209,502
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	209,502