

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 8, 2024

Company name: Tenpo Innovation 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 commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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, 2024	3,788	11.1	271	10.9	274	(1.0)	184	(2.7)
Three months ended June 30, 2023	3,410	13.5	244	(14.6)	277	(9.4)	189	(9.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	10.96		–	
Three months ended June 30, 2023	11.17		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	13,625	3,171	23.2
As of March 31, 2024	13,697	3,324	24.2

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, 2024	–	0.00	–	20.00	20.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	0.00	–	21.00	21.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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, 2024	8,066	13.6	434	(17.3)	452	(19.1)	311	(18.3)	18.57
Full year	16,840	18.1	907	(6.9)	942	(6.9)	630	(5.3)	37.58

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: 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: 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, 2024	17,674,400 shares	As of March 31, 2024	17,674,400 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	900,608 shares	As of March 31, 2024	900,608 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	16,773,792 shares	Three months ended June 30, 2023	16,916,669 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	3,331,233	3,256,407
Real estate for sale	823,765	711,479
Prepaid expenses	1,195,477	1,196,899
Other	129,281	171,331
Total current assets	5,479,757	5,336,117
Non-current assets		
Property, plant and equipment	676,760	665,959
Intangible assets	31,165	29,228
Investments and other assets		
Guarantee deposits	6,841,860	6,931,646
Other	667,767	662,854
Total investments and other assets	7,509,628	7,594,500
Total non-current assets	8,217,554	8,289,689
Total assets	13,697,311	13,625,807
Liabilities		
Current liabilities		
Income taxes payable	162,074	94,890
Provision for bonuses	39,453	36,047
Unearned revenue	1,515,682	1,558,802
Other	674,587	741,341
Total current liabilities	2,391,797	2,431,082
Non-current liabilities		
Retirement benefit liability	37,000	40,500
Guarantee deposits received	7,506,961	7,523,209
Other	437,509	459,257
Total non-current liabilities	7,981,471	8,022,967
Total liabilities	10,373,269	10,454,049
Net assets		
Shareholders' equity		
Share capital	308,394	308,394
Capital surplus	539,930	539,930
Retained earnings	3,547,222	3,395,750
Treasury shares	(1,078,830)	(1,078,830)
Total shareholders' equity	3,316,717	3,165,244
Share acquisition rights	2,358	2,358
Non-controlling interests	4,967	4,155
Total net assets	3,324,042	3,171,758
Total liabilities and net assets	13,697,311	13,625,807

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, 2023	Three months ended June 30, 2024
Net sales	3,410,994	3,788,778
Cost of sales	2,805,101	3,099,193
Gross profit	605,892	689,584
Selling, general and administrative expenses	361,351	418,404
Operating profit	244,541	271,179
Non-operating income		
Penalty income	12,758	4,423
Compensation income	26,915	3,731
Litigation related revenue	–	2,642
Other	202	58
Total non-operating income	39,875	10,855
Non-operating expenses		
Compensation expenses	4,117	6,439
Non-deductible consumption tax	2,873	1,204
Other	357	–
Total non-operating expenses	7,347	7,644
Ordinary profit	277,069	274,391
Profit before income taxes	277,069	274,391
Income taxes	88,040	91,200
Profit	189,029	183,191
Loss attributable to non-controlling interests	–	(811)
Profit attributable to owners of parent	189,029	184,003

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	189,029	183,191
Comprehensive income	189,029	183,191
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	189,029	184,003
Comprehensive income attributable to non-controlling interests	—	(811)