

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the latter shall prevail.

Consolidated Financial Results for the Three Months Ended June 30, 2023 (Japanese GAAP)

August 7, 2023

Company name: SHiDAX CORPORATION
 Listing Stock Exchange: Tokyo
 Stock code: 4837
 URL: <https://www.shidax.co.jp/>
 Representative: Kinichi Shida, President and Chairman of the Board of Directors
 Contact: Hideto Matsuoka, General Manager of the Administration Department
 Telephone: +81-3-5784-8891
 Scheduled date to file quarterly securities report: August 9, 2023 (in Japanese)
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Quarterly financial results briefing to be held: None

(Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated operating results

(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, 2023	32,285	8.2	1,228	2.7	1,169	36.6	638	(30.3)
June 30, 2022	29,840	2.8	1,195	134.1	856	102.8	917	72.5

Note: Comprehensive income for the three months ended June 30, 2023: 726 million yen (28.0%)
 Comprehensive income for the three months ended June 30, 2022: 1,009 million yen 89.3%

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2023	11.67	-
June 30, 2022	23.00	16.79

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
As of				
June 30, 2023	35,205	12,404	35.2	226.61
March 31, 2023	33,195	12,225	36.8	223.33

Reference: Equity capital as June 30, 2023: 12,404 million yen
 Equity capital as of March 31, 2023: 12,225 million yen

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
Fiscal year ended March 31, 2023	-	0.00	-	10.00	10.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (forecast)		0.00	-	12.00	12.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(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
Full-year	124,000	2.3	4,400	2.3	4,400	5.1	2,700	(29.3)	49.32

Note: Revisions to the forecast of consolidated earnings most recently announced: None

Notes

- (1) Changes in significant subsidiaries during the period under review (Transfers of specified subsidiaries resulting in changes in the Company's scope of consolidation): None
- (2) Distinctive accounting treatment methods applied to prepare quarterly consolidated financial statements: None
- (3) Changes in accounting policies and accounting estimates and retrospective restatement
 - (i) Accounting policy changes due to accounting standard revisions, etc.: None
 - (ii) Other accounting policy change: None
 - (iii) Changes in accounting estimates: None
 - (iv) Retrospective restatement: None

(4) Number of shares outstanding (common shares)

(i) Shares outstanding (including treasury shares)

As of June 30, 2023	55,722,121 shares
As of March 31, 2023	55,722,121 shares

(ii) Treasury shares outstanding

As of June 30, 2023	982,581 shares
As of March 31, 2023	980,482 shares

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

Three months ended June 30, 2023	54,739,596 shares
Three months ended June 30, 2022	39,876,297 shares

*Summaries of quarterly financial statements are not subject to quarterly review by certified public accountants or auditing corporations.

*Appropriate use of earnings forecast and other special notes

(Notice on forward-looking statements, etc.)

The earnings forecasts and other forward-looking statements herein are based on information currently available to us and certain assumptions that we believe to be reasonable. Actual results may differ significantly from these forecasts due to various reasons.

(How to access supplementary materials for financial results)

The Company holds the second quarter and year-end financial results briefings for analysts and institutional investors. The presentation materials distributed during these briefings in the past are available on the Company's website at:

<https://www.shidax.co.jp/ir/en/>

Accompanying Materials: Contents

1. Qualitative Information on Quarterly Financial Performance.....	2
(1) Explanation of Operating Results.....	2
(2) Explanation of Financial Position.....	5
(3) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Statements.....	5
2. Quarterly Consolidated Financial Statements and Primary Notes.....	6
(1) Quarterly Consolidated Balance Sheets.....	6
(2) Quarterly Consolidated Statements of Income and Comprehensive Income.....	8
Consolidated Statements of Income for the Three Months of the Current Fiscal Year.....	8
Consolidated Statements of Comprehensive Income for the Three Months of the Current Fiscal Year	9
(3) Notes to Quarterly Consolidated Financial Statements.....	10
(Segment information, etc.)	10

1. Qualitative Information on Quarterly Financial Performance

(1) Explanation of Operating Results

The business environment surrounding our group is undergoing a period of major change that requires even greater adaptability to rapidly changing social conditions, including the accumulation of social issues such as labor shortages caused by a declining birthrate and aging society, as well as lifestyle changes resulting from the COVID-19 pandemic.

In such an environment, the SHiDAX Group formulated a new management philosophy "Mission, Vision, Value (MVV)," starting from the fiscal year ending March 31, 2023. Under the mission of "to cooperatively establish an era of "safety," "security," and "smiles" as we strive to create a better society for future generations," we formulated a medium-term management plan "Re-Growth 2025" looking ahead to further growth in the three years until the fiscal year ending March 31, 2025, and we made a fresh start toward achieving our major goals.

Although the overall solid performance during the consolidated cumulative first quarter under review resulted in increased revenues and profits, some business divisions showed good and bad performance. Net sales remained steady and increased in all 3 core businesses due to an increase in the number of orders received and to an upturn in demand as economic activities normalized. In terms of operating profit, the social services business continued to drive the overall business, and the vehicle operation services business also secured an increase in profit, while the food services business, which was affected by soaring raw material prices, saw a decrease in profit.

<Consolidated results>

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Year on year Amount	Year on year %
Net sales	29,840	32,285	2,445	108.2%
Operating profit	1,195	1,228	32	102.7%
Ordinary profit	856	1,169	313	136.6%
Profit attributable to owners of parent	917	638	(278)	69.7%

<Consolidated results by segment>

(Millions of yen)

	Net sales			Operating profit		
	Three months ended June 30, 2023	Year on year Amount	Year on year %	Three months ended June 30, 2023	Year on year Amount	Year on year %
Food services business	13,779	670	105.1%	434	(120)	78.3%
Vehicle operation services business	6,072	270	104.7%	624	49	108.6%
Social services business	11,672	1,366	113.3%	802	84	111.7%
Other	900	144	119.1%	106	99	1,602.0%
Eliminations/ Corporate-wide expenses	(138)	(5)	-	(740)	(80)	-
Total	32,285	2,445	108.2%	1,228	32	102.7%

(Food services business)

The business environment remains challenging due to intensifying competition from major players in the same industry, chronic labor shortages, and the ongoing sharp rise in raw material prices.

The Contract Food Services Division, which focuses on in-company cafeterias, saw a return in the number of meals consumed, mainly in the offices and factories, while many clients were adopting new ways of working such as remote working, and expectations for new meal services at workplaces are increasing. Under these circumstances, we developed low-cost operation models and actively implemented proposal activities to address the decrease in the number of meals due to the introduction of new meal services and the increase in people working from home. In addition, we focused on developing new business categories to accommodate the post-pandemic world and acquiring orders for events and banquets, which have been on the rise.

In the Medical Food Services Division, which mainly serves hospitals, elderly facilities, and preschools, the reclassification of COVID-19 as a Category 5 infectious disease under the law resulted in a steady recovery in elderly facilities. However, the recovery at hospitals has been slowing, and we continued to strive to control costs, including measures to cope with rising raw material prices. Also, we worked with Oisix to establish a collaborative model for utilizing meal kits at preschools.

As a result, net sales increased due to a steady recovery in sales at existing stores, but operating profit decreased due to the impact of the delay in passing on price increases and the worsening of sales cost ratio caused by higher labor costs.

(Vehicle operation services business)

Private corporations continued to outsource their non-core functions, especially their vehicle operation management of executive transportation vehicles and employee shuttle buses. In local governments, for fiscal reconstruction and regional revitalization, needs are growing for the development of new transportation systems and school buses due to consolidations and closures of schools. On the other hand, the shortage of drivers is becoming increasingly serious. Securing and training drivers has become a major issue, such as the expansion of the nationwide reduction in the number of route buses.

In this environment, the Executive Vehicle Management Division and the General Vehicle Management Division accelerated proposals for on-demand bus systems and school buses to strengthen sales activities targeting public corporations with stable earnings potential. We also continued to strengthen our sales systems to win new contracts, such as Web promotion, which has shown significant results, and promoting cross-selling sales.

The Passenger Transport Division has continued to make efforts to stabilize its sales structure by making proposals to local governments for regional transport systems including demand-responsive bus services and by developing new routes for expressway buses.

As a result, both net sales and operating profit increased. Although there was an impact from a decrease in the number of extra buses, the extended operating hours and operations on holidays proceeded smoothly, in addition to an increase in the number of new vehicles from the beginning of the fiscal year, and sales cost ratio was also improved, as the unit price of fuel remained within expectations.

(Social services business)

The government is making a concerted effort to implement its "regional revitalization" policy, and there is an increasing need among local governments to outsource their services to the private sector in order to restore their fiscal health and to revitalize regions. In addition to the integration of facilities aimed at efficient resident services, the increasing cost of administrative services and the labor shortage due to the declining birthrate and aging population are the solid driving forces behind the expansion of the outsourcing market for administrative services.

In this environment, in our services provided under contracts with after-school childcare centers, children's centers and parenting support centers as our key growth drivers, we focused on content development that utilizes our accumulated know-how to meet diversified child-rearing needs. As a result, substantial growth has been continuing as the number of contracted facilities from local governments nationwide increased by 256 year on year.

In contracted services for facilities management, library operations, and public school lunches, we also won contracts from many local governments, and steady operations have continued after the service launches, including the start of contracted operations of "Michi-no-Eki Iwate Kitasanriku," which opened anew in Kuji City, Iwate in April 2023. In addition, we have worked to improve the convenience and operational efficiency of facilities through services that leverage our experience in administrative support, such as the introduction of library apps.

As a result, the increase in the number of facilities operated under contract contributed significantly to the continued strong performance, with double-digit growth in both net sales and operating profit.

(Initiatives for ESG and SDGs)

The SHiDAX Group has been addressing social and governance issues and challenges, including responses to global environmental problems, work-style reforms with due consideration for working conditions and human rights, improving customer satisfaction, and contributing to local communities in order to meet the demands of various stakeholders for ESG (Environment, Social, and Governance) practices, and also to implement management and business reforms that utilize DX (Digital Transformation).

In October 2021, we established the SDGs Committee that directly reports to the Board of Directors, aiming to contribute to the achievement of the SDGs through our business activities, while working to realize our management philosophy, goals, and strategies. At the SDGs Committee meeting in May 2022, we established the SDGs management policy as follows: Under the mission of "to cooperatively establish an era of "safety," "security," and "smiles" as we strive to create a better society for future generations," we aim to achieve Creating Shared Value (CSV), a virtuous cycle of social and economic value, by taking the approach of increasing productivity through investing in employee engagement, returning the results of this, and promoting innovation through collaborative creation with customers and partner companies. Our efforts to promote SDGs management are also explained in our integrated report disclosed in September 2022.

The core of the SHiDAX Group's business is to nurture happiness by providing customers and business partners with the value of security, safety, and smiles created by employees. We develop the potential of each of our employees, while ensuring gender equality and diversity, and we are contributing to the creation of a sustainable society as a "company that solves social issues by nurturing people and maximizing happiness."

The SHiDAX Group is committed to establishing competitive advantages through its business activities, strengthening its business foundation, and returning profits widely to people, society, the environment, and shareholders.

(Examples of ESG and SDGs activities)

In 2004, Vehicle Operation Services Business received approval from the Ministry of Land, Infrastructure, Transport and Tourism for its general shared passenger car transportation business and began operating route buses at Kanazawa Bunko Station on the

Keikyu Main Line. This year marks the 20th anniversary of the start of this route bus service, and in order to further reduce the environmental burden on the local community and improve convenience for passengers, one of the eight buses in operation has been switched to an electric bus (hereinafter referred to as "EV bus"), which began in operation in April 2023. Note that it is our first introduction and operation of an EV bus.

Our EV bus is equipped with a large-capacity battery and low-power consumption system, and can travel a long distance of 280 km on a single charge*. In addition, it does not use any diesel fuel, which is the main fuel for buses, so they do not generate CO₂, nitrogen oxides, and particulate matter while in operation. It will also reduce the environmental burden, reducing CO₂ emissions by approximately 32 tons per year, compared to the diesel-powered buses currently in use. In addition, we have sought to create a sustainable operating environment that meets the lifecycle needs of local residents by reducing vehicle noise and incorporating a lightweight ramp at the entrance/exit so that the elderly and small children can board the bus without worry.

Going forward, the SHiDAX Group will continue to strengthen partnerships with customers and business partners by utilizing the SDGs through its business activities, aiming for sustainable growth in the areas of health, sustainable urban development, carbon neutrality, and work-style reforms.

*Test conditions are based on a constant speed of 60 km/h, a load of 500 kg, and air conditioning off. Travel distance varies depending on driving style and conditions such as weather, road, driving and remodeling.

(Initiatives for health management)

The SHiDAX Group has a cross-sectional "health management promotion project" that supports employees in maintaining and enhancing health with the aim of promoting health management within the company. In March 2023, SHiDAX Corporation was also certified as an Excellent Health and Productivity Management Corporation (Large-Scale Corporate Division) for the third consecutive year.

In addition, DAISHINTO Inc, which is engaged in the vehicle operation services business in our group, has recently received a one-star certification under the " Worker-Friendly Workplace Certification System (Certification System for Goodness of Workplace Environment for Drivers)" implemented by the Ministry of Land, Infrastructure, Transport and Tourism. This system was established in Fiscal Year 2020 as part of a comprehensive initiative to address the shortage of drivers in the automobile transportation business (truck, bus and taxi business). It aims to "visualize" the working conditions and working environment of operators so that job seekers can easily check them and to realize a more comfortable working environment and securing stable human resources. Currently, amid rising demand in the automobile transportation business nationwide, we will strive to ensure that our employees can work with even greater peace of mind as we acquire this certification.

The SHiDAX Group regards human resources as our valuable assets and promotes diversity management that allows people with different personalities and abilities to play an active role, regardless of their gender, nationality, or disabilities. We will strive to continue its human-centric management, as well as our efforts to create a rewarding and secure work environment for all employees.

(2) Explanation of Financial Position

(Assets)

Total assets at the end of the first quarter of the current consolidated fiscal year were ¥35,205 million, up ¥2,010 million, or 6.1%, from the end of the previous consolidated fiscal year. Total current assets increased ¥2,298 million, to ¥26,581 million, mainly due to an increase in cash and deposits of ¥1,786 million. Total non-current assets declined ¥288 million to ¥8,623 million, mainly due to a decrease in deferred tax assets of ¥363 million.

(Liabilities)

Total liabilities at the end of the first quarter of the current consolidated fiscal year were ¥22,801 million, up ¥1,831 million, or 8.7%, from the end of the previous consolidated fiscal year. Total current liabilities increased ¥2,206 million to ¥20,845 million, mainly due to a ¥1,058 million increase in accounts payable-other and a ¥703 million increase in accrued expenses. Total non-current liabilities declined ¥375 million to ¥1,955 million, mainly due to a decrease in long-term borrowings of ¥375 million resulting from the repayment of loans payable.

(Net assets)

Net assets at the end of the first quarter of the current consolidated fiscal year were ¥12,404 million, up ¥179 million, or 1.5%, from the end of the previous consolidated fiscal year. This was mainly due to the recording of quarterly profit attributable to owners of the parent company of ¥638 million, despite a decrease of 547 billion yen in capital surplus resulting from dividends.

As a result, the equity ratio at the end of the first quarter of the current consolidated fiscal year fell 1.6 percentage points from the end of the previous consolidated fiscal year to 35.2%.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Statements

Regarding the consolidated earnings forecast for the fiscal year ending March 31, 2024, no changes have been made to the forecast in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (Japan GAAP)" announced on May 16, 2023.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	7,552	9,338
Notes and accounts receivable - trade	13,785	14,590
Merchandise and finished goods	793	722
Raw materials and supplies	689	746
Other	1,486	1,208
Allowance for doubtful accounts	(24)	(25)
Total current assets	24,283	26,581
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	290	298
Other, net	503	562
Total property, plant and equipment	793	860
Intangible assets		
Goodwill	671	629
Other	406	423
Total intangible assets	1,078	1,053
Investments and other assets		
Shares of subsidiaries and associates	105	105
Deferred tax assets	5,118	4,754
Leasehold and guarantee deposits	832	846
Other	1,056	1,080
Allowance for doubtful accounts	(73)	(77)
Total investments and other assets	7,039	6,709
Total non-current assets	8,911	8,623
Total assets	33,195	35,205

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	4,978	5,333
Current portion of long-term borrowings	1,500	1,500
Accounts payable - other	1,560	2,619
Accrued expenses	6,385	7,088
Income taxes payable	418	180
Accrued consumption taxes	1,444	1,956
Provision for bonuses for directors (and other officers)	126	30
Provision for bonuses	1,471	771
Provision for withdrawal costs	19	19
Other	734	1,345
Total current liabilities	18,639	20,845
Non-current liabilities		
Long-term borrowings	1,875	1,500
Asset retirement obligations	275	276
Other	179	178
Total non-current liabilities	2,330	1,955
Total liabilities	20,969	22,801
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	10,521	9,973
Retained earnings	1,669	2,308
Treasury shares	(408)	(408)
Total shareholders' equity	11,882	11,973
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	28	41
Foreign currency translation adjustment	314	389
Total accumulated other comprehensive income	342	430
Total net assets	12,225	12,404
Total liabilities and net assets	33,195	35,205

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	29,840	32,285
Cost of sales	25,578	27,679
Gross profit	4,261	4,606
Selling, general and administrative expenses	3,065	3,378
Operating profit	1,195	1,228
Non-operating income		
Interest income	0	0
Dividend income	3	2
Dividends income of group term insurance	-	7
Membership fee income	6	5
Subsidy income	-	3
Other	11	5
Total non-operating income	21	25
Non-operating expenses		
Interest expenses	25	10
Commission for syndicated loans	240	4
Foreign exchange losses	83	65
Other	11	3
Total non-operating expenses	360	84
Ordinary profit	856	1,169
Extraordinary income		
Gain on sale of non-current assets	-	1
Subsidy income	38	3
Gain on forgiveness of debts	102	-
Gain on sale of shares of subsidiaries and associates	14	-
Other	0	-
Total extraordinary income	157	4
Extraordinary losses		
Loss on sale of non-current assets	5	-
Expenses related to research financial statements	-	14
Other	0	0
Total extraordinary losses	5	15
Profit before income taxes	1,007	1,158
Income taxes - current	183	162
Income taxes - deferred	(93)	356
Total income taxes	90	519
Profit	917	638
Profit attributable to owners of parent	917	638

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	917	638
Other comprehensive income		
Valuation difference on available-for-sale securities	(2)	12
Foreign currency translation adjustment	94	74
Total other comprehensive income	92	87
Comprehensive income	1,009	726
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,009	726

(3) Notes to Quarterly Consolidated Financial Statements

(Segment information, etc.)

Segment information

I. Three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

1. Information on sales and profit or loss by reportable segment and breakdown of earnings

(Millions of yen)

	Reportable segments				Other*	Grand Total
	Food services	Vehicle operation services	Social services	Total		
Sales						
Contract food services	5,244	-	-	5,244	-	5,244
Medical food services	7,710	-	-	7,710	-	7,710
Executive vehicle management	-	2,513	-	2,513	-	2,513
General vehicle management	-	2,395	-	2,395	-	2,395
Passenger transport	-	877	-	877	-	877
Social services	-	-	2,973	2,973	-	2,973
After-school childcare services	-	-	3,881	3,881	-	3,881
Public school lunch services	-	-	3,438	3,438	-	3,438
Other	152	-	-	152	622	775
Sales generated through contracts with customers	13,107	5,786	10,293	29,188	622	29,810
Other sales*	-	-	-	-	29	29
Sales generated through external customers	13,107	5,786	10,293	29,188	651	29,840
Intersegment sales and transfer	1	15	12	29	103	133
Total	13,108	5,802	10,306	29,217	755	29,973
Segment profit	555	574	718	1,848	6	1,855

Notes:

1. "Other" is a business segment that is not included in the reportable segments and contains the management of specialty restaurant businesses in Japan and so on.

2. "Other sales" contains profit from leases based on the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

2. Differences between the total amount of profits or losses of the reportable segments and the amount recorded in the quarterly consolidated statements of income, and key details of differences (matters related to adjustment of differences)

(Millions of yen)

Profit	Amount
Reportable segment total	1,848
Profit (loss) in the "Other" segment	6
Intersegment eliminations	0
Corporate-wide expenses*	(660)
Operating profit in the quarterly consolidated statements of income	1,195

Note: Corporate-wide expenses mainly consist of expenses incurred by the Company's administrative departments such as for general affairs, human resources, finance, accounting, and information systems, as well as those related to corporate image advertising that are not attributable to a reportable segment.

3. Information on impairment loss on fixed assets, goodwill, etc. by reportable segment

(Significant impairment losses on fixed assets)

Not applicable.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gains on negative goodwill)

Not applicable.

II. Three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

1. Information on sales and profit or loss by reportable segment and breakdown of earnings

(Millions of yen)

	Reportable segment				Other*	Grand Total
	Food services	Vehicle operation services	Social services	Total		
Sales						
Contract food services	5,654	-	-	5,654	-	5,654
Medical food services	7,915	-	-	7,915	-	7,915
Executive vehicle management	-	2,673	-	2,673	-	2,673
General vehicle management	-	2,489	-	2,489	-	2,489
Passenger transport	-	894	-	894	-	894
Social services	-	-	3,419	3,419	-	3,419
After-school childcare services	-	-	4,627	4,627	-	4,627
Public school lunch services	-	-	3,613	3,613	-	3,613
Other	205	-	-	205	738	943
Sales generated through contracts with customers	13,775	6,056	11,661	31,493	738	32,231
Other sales*	-	-	-	-	53	53
Sales generated through external customers	13,775	6,056	11,661	31,493	792	32,285
Intersegment sales and transfer	3	15	11	30	107	138
Total	13,779	6,072	11,672	31,524	900	32,424
Segment profit	434	624	802	1,861	106	1,968

Notes:

- "Other" is a business segment that is not included in the reportable segments and contains sales of consumables as well as various fixtures such as tableware and cooking utensils.
- "Other sales" contains profit from leases based on the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

2. Differences between the total amount of profit and loss of the reportable segments and the amount recorded in the quarterly consolidated statement of income, and key details of differences (matters related to adjustment of differences)

(Millions of yen)

Profit	Amount
Reportable segment total	1,861
Profit (loss) in the "Other" segment	106
Intersegment eliminations	0
Corporate-wide expenses*	(740)
Operating profit in the quarterly consolidated statements of income	1,228

Note: Corporate-wide expenses mainly consist of expenses incurred by the Company's administrative departments such as for general affairs, human resources, finance, accounting, and information systems, as well as those related to corporate image advertising that are not attributable to a reportable segment.

3. Information on impairment loss on fixed assets, goodwill, etc. by reportable segment

(Significant impairment losses on fixed assets)

Not applicable.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gains on negative goodwill)

Not applicable.