

## Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2021 [Japanese GAAP] (Consolidated)

November 12, 2020  
Stock Listing: TSE

Name of Listed Company: UCHIYAMA HOLDINGS INC.  
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Scheduled Date of Dividend Payment Start: December 4, 2020  
Scheduled Date of Financial Statements Filing: November 13, 2020  
Supplementary materials for Financial Results: Yes  
Investor conference for Financial Results: None

(Amounts are rounded down to the nearest one million yen)

### 1. Consolidated Financial Results for the First Half of the Fiscal Year Ending March 31, 2021 (April 1, 2020 – September 30, 2020)

#### (1) Consolidated Financial Results

(% of change from previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2021 1H	11,695	(29.4)	(553)	-	(363)	-	(316)	-
FY 2020 1H	16,573	23.5	1,017	104.8	1,134	84.4	735	62.5

(Note) Comprehensive income FY 2021 1H: ¥(306) million (-%) FY 2020 1H: ¥795 million (72.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
FY 2021 1H	(16.35)	-
FY 2020 1H	38.03	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
FY 2021 1H	30,775	15,674	50.9
FY 2020	29,622	16,078	54.3

(Reference) Equity capital: FY 2021 1H: ¥15,674 million FY 2020: ¥16,078 million

### 2. Dividends

	Dividends per share				
	End of the 1Q	End of the 2Q	End of the 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2020	-	5.00	-	5.00	10.00
FY 2021	-	5.00			
FY 2021 (forecast)			-	-	-

(Note) 1.Changes from the latest forecast announcement: None

2.Dividends for FY 2021 are still to be determined. We will announce them as soon as estimations become possible.

### 3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2021 (April 1, 2020 - March 31, 2021)

It is difficult to reasonably calculate the impact on our business performance from the COVID-19 pandemic at the present stage. Therefore, we have set our business forecast for the fiscal year ending March 31, 2021 to “pending.” We will promptly announce our business forecast when it becomes possible to do so in the future.

\*Notes

(1) Changes in significant subsidiaries (changes of specified subsidiaries resulting in changes in scope of consolidation) during the current term: None

(2) Application of the accounting procedures for producing quarterly consolidated financial statements: None

(3) Changes in accounting policies, accounting estimates and restatements:

- |   |      |
|---|------|
| 1) Changes in accounting policies due to revisions of accounting standards: | None |
| 2) Changes in accounting policies due to reasons other than above 1):       | None |
| 3) Changes in accounting estimates:   | None |
| 4) Restatements:  | None |

(4) Number of outstanding shares (common stock)

1) Number of outstanding shares (including treasury stock) at end of term	FY 2021 2Q	21,618,800 shares	FY 2020	21,618,800 shares
2) Number of treasury stock at end of term	FY 2021 2Q	2,287,777 shares	FY 2020	2,287,777 shares
3) Average number of shares	FY 2021 1H	19,331,023 shares	FY 2020 1H	19,331,023 shares

Note: The shares in the Company possessed by Custody Bank of Japan, Ltd. (Trust E) as a trust asset of the “stock benefit trust (J-ESOP)” (as of September 30, 2020: 72,150 shares / March 31, 2020: 72,150 shares) are included in the number of treasury stock at end of term. In addition, the shares in the Company possessed by Custody Bank of Japan, Ltd. (Trust E) are included in the treasury stocks to be deducted in the calculation of the average number of shares during the period (1H ended September 30, 2020: 72,150 shares / 1H ended September 30, 2019: 72,150 shares ).

\*Summary of financial results is out of scope of quarterly review by certified public accountant or audit corporation.

\*Statement regarding the proper use of financial forecasts and other remarks

- Descriptions regarding the future, including the financial projections contained in this report, are based on certain assumptions currently available to the Company, which are, at the discretion of the Company, deemed reasonable. Actual financial results may significantly vary due to various factors. For assumptions used in forecasting financial results and precautions in using the financial projections, please refer to “Analysis Concerning Future Forecasts Including Consolidated Financial Projections” on page 3 of the Appendix.

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## 1. Analysis Concerning Results of Operations and Financial Condition

### (1) Analysis Concerning Results of Operations

In the first half of the fiscal year, the global COVID-19 pandemic severely impacted economic activity in Japan and the outlook for the economy is uncertain. In this difficult business climate, every business segment of the Uchiyama Group has placed priority on preventing the spread of COVID-19 and on responses to the effects of this crisis on business operations.

There were many measures to improve operating efficiency by cutting costs in order to stabilize sales and earnings.

In the fiscal year's first half, sales were down 29.4% from one year earlier to 11,695,405 thousand yen. There was an operating loss of 553,526 thousand yen compared with an operating income of 1,017,761 thousand yen one year earlier, an ordinary loss of 363,525 thousand yen compared with an ordinary income of 1,134,415 thousand yen one year earlier, and a loss attributable to owners of parent of 316,148 thousand yen compared with a profit attributable to owners of parent of 735,177 thousand yen one year earlier.

The results of each segment were as follows.

#### a. Nursing Care Business

During the first half, one new location was opened in April for daycare services, including after-school assistance for children with disabilities, and two fee-based nursing care facilities for seniors opened in May. As a result, there were 185 business sites at 107 locations as of the end of the first half.

This business has been using collaboration with academic institutions and governments for many years. Although we have refrained from vigorous activities because of COVID-19, we will continue to conduct effective activities as much as possible.

We are actively accepting new residents of nursing care facilities while using thorough communications with individuals and their families, hospitals and other parties in order to ensure the safety of everyone who relocates to one of our facilities. As a result, the occupancy ratio remained stable. Average occupancy ratio at existing facilities during the first half was 95.2% compared with 94.2% one year earlier.

To lower expenses, we hired more full-time employees, reduced the percentage of personnel from temporary staffing companies and took other actions. Segment sales increased 5.5% from one year earlier to 9,952,186 thousand yen and the segment income increased 8.8% to 740,152 thousand yen. Both sales and earnings are new records in this segment for the first half of a fiscal year.

#### b. Karaoke Business

The business climate for this business was extremely challenging because of the request to stay home and reduced operating hours due to COVID-19. Even after the end of government requests to shorten operating hours, the recovery in the number of customers was slow because people were afraid of a second wave of infections and for other reasons. Karaoke locations are using rigorous measures to prevent COVID-19 infections in order to provide customers with a safe environment. Due to these challenges, segment sales fell 58.1% from one year earlier to 1,461,142 thousand yen and there was a loss of 621,986 thousand yen compared with a 381,755 thousand yen income one year earlier.

During the first half of the fiscal year, the karaoke business opened two stores and closed one, resulting in 92 stores at the end of the first half.

#### c. Restaurant Business

One restaurant was closed during the first half, resulting in 15 restaurants in Japan and two outside Japan at the end of the first half. As in the karaoke business, the operating environment for restaurants continues to be very difficult because of COVID-19. As a result, sales were down 77.1% from one year earlier to 155,107 thousand yen and there was a loss of 127,400 thousand yen compared with a 15,450 thousand yen income one year earlier.

#### d. Real Estate Business

There was a large sale of real estate for sale in the first half of the previous fiscal year but no large transaction of properties during the first half of the current fiscal year. As a result, brokerage services for rental properties were the primary component of operations as usual in this business. Consequently, sales were down 97.3% from one year earlier to 78,816 thousand yen and the segment income dropped 97.8% to 11,841 thousand yen.

#### e. Other businesses

In the hotel business, there were many activities to target demand created by the Japanese government's Go To Travel campaign that began in July 2020. As in the karaoke and restaurant businesses, the number of hotel guests decreased mainly because of government requests for people to stay home to prevent the spread of COVID-19. However, the number of hotel guests has been recovering slowly due in part to the government campaign to encourage people to travel. As a result, segment sales decreased 53.9% to 48,151 thousand yen and the segment loss increased to 56,819 thousand yen from 37,749 thousand yen one year earlier.

## (2) Analysis Concerning Financial Condition

### 1) Status of assets, liabilities and net assets

Total assets were 30,775,447 thousand yen at the end of the first half of the current fiscal year, 1,153,157 thousand yen more than at the end of the previous fiscal year. Current assets increased 431,888 thousand yen to 15,507,115 thousand yen mainly because of increases in cash and deposits and accounts receivable-trade. Noncurrent assets increased 721,269 thousand yen to 15,268,332 thousand yen. There were increases in buildings and structures and other investments and other assets and a decrease in other property, plant and equipment.

Liabilities increased 1,556,769 thousand yen to 15,100,855 thousand yen. Current liabilities decreased 149,093 thousand yen to 6,149,141 thousand yen. Accounts payable-trade and short-term borrowings decreased and the current portion of long-term borrowings and income taxes payable increased. Noncurrent liabilities increased 1,705,862 thousand yen to 8,951,714 thousand yen, which included an increase in long-term borrowings and decreases in bonds payable and other noncurrent liabilities.

Net assets decreased 403,612 thousand yen to 15,674,592 thousand yen mainly because of a decrease in retained earnings caused by dividend payments and loss attributable to owners of parent.

### 2) Situation of cash flow

Cash and cash equivalents were 10,661,351 thousand yen at the end of the first half, 289,690 thousand yen more than at the end of the previous fiscal year. The following is a summary of cash flows.

#### (Operating activities)

Net cash used in operating activities was 493,429 thousand yen compared with a positive cash flow of 2,796,724 thousand yen one year earlier. Major uses of cash were the loss before income taxes of 470,411 thousand yen, expenditures due to temporary suspensions of business activities of 265,889 thousand yen and income taxes paid of 194,749 thousand yen. Major sources of cash were recognition of depreciation of 295,607 thousand yen and recognition of losses due to temporary suspensions of business activities of 289,166 thousand yen.

#### (Investing activities)

Net cash used in investing activities was 675,959 thousand yen compared with 347,831 thousand yen one year earlier. Major uses of cash were 715,846 thousand yen for the purchase of property, plant and equipment and payments into time deposits of 175,716 thousand yen. Proceeds of 220,617 thousand yen from sales of property, plant and equipment were the major source of cash.

#### (Financing activities)

Net cash provided by financing activities was 1,460,990 thousand yen compared with a negative cash flow of 527,844 thousand yen one year earlier. The major source of cash was proceeds from long-term borrowings of 3,496,100 thousand yen. The major uses of cash were a net decrease of 369,600 thousand yen in short-term borrowings and payments of 1,436,542 thousand yen for the repayment of long-term borrowings and 101,992 thousand yen for repayments of installment payables.

## (3) Analysis Concerning Future Forecasts Including Consolidated Financial Projections

There is no forecast for consolidated results of operations for the fiscal year ending in March 2021 because it is impossible at this time to determine the effects of the COVID-19 crisis. An announcement will be made promptly when it becomes possible to determine a forecast.

## 2. Quarterly Consolidated Financial Statements and Important Notes

### (1) Quarterly consolidated balance sheet

(Thousands of yen)

	FY ended March 31, 2020 (As of March 31, 2020)	2Q of FY ending March 31, 2021 (As of September 30, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	10,678,737	11,017,406
Accounts receivable - trade	2,205,597	2,283,117
Merchandise	48,657	43,427
Real estate for sale	1,040,569	1,041,185
Supplies	317	305
Other	1,111,685	1,121,714
Allowance for doubtful accounts	(10,337)	(40)
Total current assets	15,075,227	15,507,115
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	4,638,414	5,368,889
Land	2,505,871	2,599,907
Other, net	1,340,803	770,175
Total property, plant and equipment	8,485,089	8,738,973
Intangible assets	56,258	50,884
Investments and other assets		
Other	6,027,151	6,507,525
Allowance for doubtful accounts	(21,435)	(29,050)
Total investments and other assets	6,005,715	6,478,474
Total noncurrent assets	14,547,062	15,268,332
<b>Total assets</b>	<b>29,622,290</b>	<b>30,775,447</b>

(Thousands of yen)

	FY ended March 31, 2019 (As of March 31, 2019)	2Q of FY ending March 31, 2020 (As of September 30, 2019)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	587,223	499,581
Short-term borrowings	1,079,600	710,000
Current portion of bonds payable	60,000	60,000
Current portion of long-term borrowings	2,274,206	2,528,857
Income taxes payable	199,758	255,223
Provision for bonuses	300,658	310,678
Provision for point card certificates	106,564	112,352
Provision for shareholder benefit program	15,810	-
Asset retirement obligations	-	14,151
Other	1,674,413	1,658,297
<b>Total current liabilities</b>	<b>6,298,234</b>	<b>6,149,141</b>
<b>Noncurrent liabilities</b>		
Bonds payable	180,000	150,000
Long-term borrowings	5,927,609	7,732,516
Asset retirement obligations	222,031	211,277
Provision for share-based remuneration	2,503	3,511
Other	913,707	854,409
<b>Total noncurrent liabilities</b>	<b>7,245,851</b>	<b>8,951,714</b>
<b>Total liabilities</b>	<b>13,544,085</b>	<b>15,100,855</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,222,935	2,222,935
Capital surplus	2,664,695	2,664,695
Retained earnings	12,409,369	11,996,204
Treasury shares	(1,164,420)	(1,164,420)
<b>Total shareholders' equity</b>	<b>16,132,579</b>	<b>15,719,414</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	(53,206)	(44,111)
Foreign currency translation adjustment	(1,168)	(711)
<b>Total accumulated other comprehensive income</b>	<b>(54,374)</b>	<b>(44,822)</b>
<b>Total net assets</b>	<b>16,078,205</b>	<b>15,674,592</b>
<b>Liabilities and net assets</b>	<b>29,622,290</b>	<b>30,775,447</b>

## (2) Quarterly consolidated statements of income and comprehensive income

## Quarterly consolidated statement of income

For the first half

(Thousands of yen)

	1H of FY ended Mar. 31, 2020 (Apr. 1, 2019 - Sep. 30, 2019)	1H of FY ending Mar. 31, 2021 (Apr. 1, 2020 - Sep. 30, 2020)
Net sales	16,573,677	11,695,405
Cost of sales	14,689,000	11,428,822
Gross profit	1,884,676	266,582
Selling, general and administrative expenses		
Provision for bonuses	8,565	8,824
Taxes and dues	257,301	271,372
Other	601,048	539,912
Total selling, general and administrative expenses	866,915	820,109
Operating income (loss)	1,017,761	(553,526)
Non-operating income		
Interest income	3,786	4,524
Dividend income	15,683	23,998
Subsidy income	44,685	90,202
Other	101,386	115,173
Total non-operating income	165,542	233,898
Non-operating expenses		
Interest expenses	31,138	29,291
Other	17,749	14,606
Total non-operating expenses	48,887	43,897
Ordinary income (loss)	1,134,415	(363,525)
Extraordinary income		
Gain on sales of non-current assets	-	86,627
Gain on insurance claims	-	39,350
Subsidy income* <sup>1</sup>	-	60,671
Total extraordinary income	-	186,649
Extraordinary losses		
Loss on retirement of non-current assets	11,000	-
Impairment loss	-	4,368
Loss resulting from temporary closure, etc.* <sup>2</sup>	-	289,166
Total extraordinary losses	11,000	293,535
Income (loss) before income taxes	1,123,415	(470,411)
Income taxes-current	298,614	195,993
Income taxes-deferred	89,622	(350,256)
Total income taxes	388,237	(154,263)
Net income (loss)	735,177	(316,148)
Net profit (loss) attributable to owners of parent	735,177	(316,148)



Quarterly consolidated statement of comprehensive income

For the first half

(Thousands of yen)

	1H of FY ended Mar. 31, 2020 (Apr. 1, 2019 - Sep. 30, 2019)	1H of FY ending Mar. 31, 2021 (Apr. 1, 2020 - Sep. 30, 2020)
Net income (loss)	735,177	(316,148)
Other comprehensive income		
Valuation difference on available-for-sale securities	61,518	9,094
Foreign currency translation adjustment	(760)	457
Total other comprehensive income	60,757	9,552
Comprehensive income	795,935	(306,596)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	795,935	(306,596)
Comprehensive income attributable to non-controlling interests	-	-

## (3) Quarterly consolidated statement of cash flows

(Thousands of yen)

	1H of FY ended Mar. 31, 2020 (Apr. 1, 2019 - Sep. 30, 2019)	1H of FY ending Mar. 31, 2021 (Apr. 1, 2020 - Sep. 30, 2020)
<b>Cash flows from operating activities</b>		
Income (loss) before income taxes	1,123,415	(470,411)
Depreciation	366,552	295,607
Impairment loss	-	4,368
Increase (decrease) in allowance for doubtful accounts	1,940	(2,681)
Increase (decrease) in provision for bonuses	4,065	10,020
Increase (decrease) in provision for point card certificates	6,450	5,787
Increase (decrease) in provision for shareholder benefit program	(13,095)	(15,810)
Increase (decrease) in provision for share-based remuneration	2,503	1,008
Loss (gain) on sales of non-current assets	-	(86,627)
Loss on retirement of non-current assets	11,000	-
Gain on insurance claims	-	(39,350)
Subsidy income	-	(60,671)
Loss resulting from temporary closure, etc.	-	289,166
Interest and dividend income	(19,470)	(28,523)
Interest expenses	31,138	29,291
Decrease (increase) in trade receivables	(156,704)	(77,524)
Decrease (increase) in inventories	2,272,634	4,430
Increase (decrease) in accrued consumption taxes	(163,940)	(75,593)
Increase (decrease) in trade payables	(64,589)	(87,270)
Increase (decrease) in other current liabilities	(295,265)	122,755
Other	31,438	(6,285)
Subtotal	3,138,074	(188,313)
Interest and dividends received	16,498	25,326
Interest paid	(31,454)	(28,561)
Proceeds from subsidy income	-	60,671
Temporarily closure expenses	-	(265,889)
Income taxes paid	(435,727)	(194,749)
Income taxes refund	109,333	98,087
Net cash provided by (used in) operating activities	2,796,724	(493,429)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(568,065)	(715,846)
Proceeds from sales of property, plant and equipment	-	220,617
Purchase of intangible assets	-	(9,363)
Purchase of investment securities	-	(120,450)
Proceeds from sales of investment securities	354,176	-
Payments for asset retirement obligations	(16,900)	(6,000)
Payments into time deposits	(130,226)	(175,716)
Proceeds from withdrawal of time deposits	130,221	130,232
Payments of leasehold and guarantee deposits	(48,344)	(21,121)
Proceeds from refund of leasehold and guarantee deposits	94,297	5,729
Loan advances	(83,203)	(22,100)
Collection of loans receivable	24,376	26,962
Purchase of insurance funds	(104,163)	(75,534)
Proceeds from cancellation of insurance funds	-	86,630
Net cash provided by (used in) investing activities	(347,831)	(675,959)

(Thousands of yen)

	1H of FY ended Mar. 31, 2020 (Apr. 1, 2019 - Sep. 30, 2019)	1H of FY ending Mar. 31, 2021 (Apr. 1, 2020 - Sep. 30, 2020)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	331,600	(369,600)
Proceeds from long-term borrowings	880,000	3,496,100
Repayments of long-term borrowings	(1,471,332)	(1,436,542)
Redemption of bonds	(30,000)	(30,000)
Repayments of installment payables	(141,034)	(101,992)
Dividends paid	(97,077)	(96,975)
Net cash provided by (used in) financing activities	(527,844)	1,460,990
Effect of exchange rate change on cash and cash equivalents	1,260	(1,911)
Net increase (decrease) in cash and cash equivalents	1,922,310	289,690
Cash and cash equivalents at beginning of period	8,856,086	10,371,661
Cash and cash equivalents at end of period	10,778,396	10,661,351

#### (4) Notes to the quarterly consolidated financial statements

(Notes to going concern assumptions)

Nothing is applicable.

(Notes on significant changes in the amount of shareholders' equity)

Nothing is applicable.

(Additional information)

No important changes have been made to the assumptions about the future spread of COVID-19 and the timing of its containment and other matters described in "Additional Information" and "Accounting Estimates" in the securities report for the previous consolidated fiscal year.

(Consolidated Statements of Income)

##### \*1 Subsidy income

We have temporarily closed or shortened business hours of stores in response to requests from the government and local governments to contain the spread of the COVID-19 pandemic.

The government has provided subsidies under its Employment Adjustment program for leave allowances to cover wages for shortened business hours and temporary closures of our stores. The company received 60,671 thousand yen in subsidy. It is accounted as extraordinary income.

##### \*2 Loss resulting from temporary closure, etc.

We have temporarily closed or shortened business hours of stores in response to requests from the government and local governments to contain the spread of the COVID-19 pandemic.

The fixed costs incurred during the temporary closure (personnel costs, rents, depreciation, etc.) of 289,166 thousand yen are posted as loss resulting from temporary closure, etc. in extraordinary loss.

(Segment information, etc.)

[Segment information]

I. First half of the previous fiscal year (April 1 - September 30, 2019)

1. Information on sales and income or loss for each reporting segment

(Thousands of yen)

	Reporting segments					Other businesses (Note) *1	Total	Adjustment amount*2	Consolidated statements of income amount*3
	Nursing Care Business	Karaoke Business	Restaurant Business	Real Estate Business	Total				
Sales									
Sales to external customers	9,434,782	3,484,623	677,635	2,872,262	16,469,303	104,373	16,573,677	-	16,573,677
Internal sales or transferred amount among the segments	-	5,655	22,468	600	28,724	3	28,727	(28,727)	-
Total	9,434,782	3,490,278	700,104	2,872,862	16,498,028	104,376	16,602,404	(28,727)	16,573,677
Segment income (loss)	680,506	381,755	15,450	537,756	1,615,467	(37,749)	1,577,718	(559,957)	1,017,761

(Note) 1. The classification “other businesses” refers to business segments that are not included in reporting segments, and includes hotel business.

2. The segment income (loss) adjustments amount, -559,957 thousand yen, includes 273,769 thousand yen in elimination of intersegment transactions and -833,726 thousand yen in company-wide expenses that are not allocated to reporting segments. The company-wide expenses are mainly selling, general and administrative expenses that are not allocated to reporting segments.

3. Segment income (loss) is adjusted with operating income calculated in the consolidated statements of income.

2. Information on impairment loss of noncurrent assets, goodwill, etc. for each reporting segment

Nothing is applicable.

II. First half of the current fiscal year (April 1 - September 30, 2020)

1. Information on sales and income or loss for each reporting segment

(Thousands of yen)

	Reporting segments					Other businesses (Note) *1	Total	Adjustment amount*2	Consolidated statements of income amount*3
	Nursing Care Business	Karaoke Business	Restaurant Business	Real Estate Business	Total				
Sales									
Sales to external customers	9,952,186	1,461,142	155,107	78,816	11,647,253	48,151	11,695,405	-	11,695,405
Internal sales or transferred amount among the segments	-	337	23,575	600	24,512	-	24,512	(24,512)	-
Total	9,952,186	1,461,479	178,682	79,416	11,671,766	48,151	11,719,918	(24,512)	11,695,405
Segment income (loss)	740,152	(621,986)	(127,400)	11,841	2,607	(56,819)	(54,211)	(499,315)	(553,526)

(Note) 1. The classification “other businesses” refers to business segments that are not included in reporting segments, and includes hotel business.

2. The segment income (loss) adjustments amount, -499,315 thousand yen, includes 251,170 thousand yen in elimination of intersegment transactions and -750,485 thousand yen in company-wide expenses that are not allocated to reporting segments. The company-wide expenses are mainly selling, general and administrative expenses that are not allocated to reporting segments.

3. Segment income (loss) is adjusted with operating income calculated in the consolidated statements of income.

2. Information on impairment loss of noncurrent assets, goodwill, etc. for each reporting segment

(Significant impairment loss in noncurrent assets)

We booked a 4,368 thousand yen of impairment loss in the restaurant business in the first half of the current fiscal year.