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Consolidated Financial Results for the 3rd Quarter Ended June 30, 2021 [IFRS]

August 10, 2021

Listed company name: FOOD & LIFE COMPANIES LTD. Listed stock exchange: TSE
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 Scheduled filing date to file: August 11, 2021 Scheduled date to commence dividend payment: —
 Quarterly Securities Report: dividend payment
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 Quarterly financial results presentation meeting held: No

(Amounts of less than one million yen are rounded off to the million)

1. Consolidated Financial Results for the 3rd Quarter Ended June 30, 2021 (October 1, 2020 to June 30, 2021)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Profit for the period		Profit for the period attributable to owners of the parent		Total comprehensive income for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3rd quarter ended June 30, 2021	178,751	18.6	18,245	111.7	17,293	141.1	10,702	152.3	10,770	152.9	11,504	162.7
3rd quarter ended June 30, 2020	150,661	3.3	8,619	△23.9	7,172	△35.9	4,242	△45.5	4,259	△45.3	4,379	△41.2

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
3rd quarter ended June 30, 2021	92.80	92.36
3rd quarter ended June 30, 2020	36.70	36.60

Reference: Adjusted profit for the period: 3rd quarter ended June 30, 2021: 10,702 million yen (+152.3% year on year)
 3rd quarter ended June 30, 2020: 4,242 million yen

Notes:

FOOD & LIFE COMPANIES LTD. ("the Company") uses adjusted profit for the period as an important management indicator. For more information about this indicator, refer to (2) and (3) under "Explanation of Proper Use of Financial Forecasts, and Other Special Matters."

(2) Consolidated financial position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
3rd quarter ended June 30, 2021	283,242	60,987	60,978	21.4
Fiscal year ended September 30, 2020	237,265	50,920	50,908	21.4

2. Dividends

	Annual dividends				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2020	—	0.00	—	15.00	15.00
Fiscal year ending September 30, 2021	—	0.00	—		
Fiscal year ending September 30, 2021 (forecast)				22.50	22.50

Notes:

Revisions to the most recently announced dividend forecasts: No

3. Consolidated Earnings Forecasts for the Fiscal Year Ending September 30, 2021 (October 1, 2020 to September 30, 2021)

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Profit for the year		Profit for the year attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	
Fiscal year ending September 30, 2021	243,000	18.6	21,000	74.1	19,700	87.0	12,600	96.3	12,600	95.1	Yen 108.56

Note: Revisions to the most recently announced earnings forecasts: Yes

* Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

SUSHIRO (CHINA) INVESTMENT CO.,LTD.

New: Guangzhou Sushiro Restaurants Co., Ltd.

KYOTARU CO., LTD and 2 more companies

Excluded: -

(2) Changes in accounting policies, changes in accounting estimates

1) Changes in accounting policies required by IFRS: None

2) Changes in accounting policy other than 1): None

3) Changes in accounting estimates: None

(3) Total number of issued shares (common shares)

a. Total number of issued shares at the end of the period (including treasury shares)	3rd quarter ended June 30, 2021	116,069,184 shares	Fiscal year ended September 30, 2020	116,049,984 shares
b. Number of treasury shares at the end of the period	3rd quarter ended June 30, 2021	248 shares	Fiscal year ended September 30, 2020	248 shares
c. Average number of shares during the period (cumulative from the start of the fiscal year)	3rd quarter ended June 30, 2021	116,055,714 shares	3rd quarter ended June 30, 2020	116,049,736 shares

* These financial results are outside the scope of quarterly review procedures by certified public accountants or accounting firms.

* Explanation of Proper Use of Financial Forecasts, and Other Special Matters

(1) Consolidated earnings forecasts

The forward-looking statements in this document, including earnings forecasts, are based on information available to the Company as of the date of publication. However, there are many uncertain factors, including the future impact of the spread of COVID-19. Consequently, actual results may differ from the current earnings forecasts.

In addition, for more details on earnings forecasts, please refer to “(3) Explanation of consolidated earnings forecasts and other forward-looking statements” under “1. Qualitative Information on Financial Results for the Period Under Review” on page 3 of the attached materials.

(2) The Company calculates adjusted profit for the period using the formula below.

Adjusted profit for the period = Profit for the period + others

(3) Adjusted profit for the period is a financial metric that is not a measure of performance under International Financial Reporting Standards (IFRS), but the Company regards it as a useful indicator for investor valuation of the results of the Company and its subsidiaries (“the Sushiro Group”). This financial indicator excludes impact from non-recurring expense items (items deemed not to reflect ordinary operating activities, or items that do not appropriately reflect the earnings of the Sushiro Group relative to competitors).

Note that adjusted profit for the period excludes some items that affect profit for the period and therefore has substantial limitations as an analysis tool. Accordingly, it should not be regarded as a replacement for other indicators that are presented in accordance with IFRS. Adjusted profit for the period at the Sushiro Group is calculated differently from the same or similar metrics used at other sector companies. Consequently, it may not be suitable for comparison with other companies, and therefore have reduced utility.

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1. Qualitative Information on Financial Results for the Period Under Review

(1) Explanation of operating results

During the 3rd quarter of the consolidated fiscal year ending September 30, 2021, the Japanese economy started to see signs of recovery in consumer spending due to government-led measures to stimulate demand such as the Go To campaigns. Despite this, with a state of emergency declared primarily for urban areas such as Kanto and Kansai and the implementation of priority measures to prevent the spread of infections, there is no clear prospect for when the COVID-19 pandemic will be contained, and the outlook remains uncertain.

The restaurant sector has also been severely impacted by the spread of COVID-19 as described above. Despite a moderate recovery after the lifting of the state of emergency declaration, the situation remains unpredictable.

Under such circumstances, FOOD & LIFE COMPANIES LTD. worked to enhance product development, in-store food preparation, and health and safety initiatives and services with “Discovering new tastiness, Sharing moments of joy” as our Vision, and the desire to surprise and move our customers with delicious sushi.

In addition, store count by business format is as follows.

Group store count by business format

Name of brand	Fiscal year ended September 30 2020	Store openings	Store closures	Nine-month period ended June 30, 2021
Japan: Sushiro (TOGO)	559 (—)	37 (7)	—	596 (7)
Japan: Sugidama (FC)	25 (3)	12 (4)	3 (1)	34 (6)
Japan: Kyotaru	—	150	—	150 (—)
Japan: Kaisen Misakiko/ Misakimaru	—	107	1	106 (—)
Japan: Others	2(—)	32	2	32 (—)
Japan total	586 (3)	338 (11)	6 (1)	918 (13)
Overseas: Sushiro (TOGO)	38(—)	13 (1)	—	51 (1)
Overseas: Others	—	2	—	2(—)
Overseas total	38(—)	15(1)	—	53(1)
Total	624 (3)	353 (12)	6 (1)	971 (14)

Figures in parentheses show number of TOGO and FC.

Note: Store openings include the increase due to a business combination.

As a result, revenue for the 3rd quarter of the current consolidated fiscal year totaled 178,751 million yen (+18.6% year on year), operating profit 18,245 million yen (+111.7% year on year), profit before income taxes 17,293 million yen (+141.1% year on year), and profit for the period attributable to owners of the parent 10,770 million yen (+152.9% year on year).

In addition, adjusted profit for the period came to 10,702 million yen (+152.3% year on year).

Notes: Adjusted profit for the period = Profit for the period + others

(2) Explanation of financial position

1) Assets, liabilities and equity

(Assets)

The balance of total assets increased 45,977 million yen from the end of the previous consolidated fiscal year to 283,242 million yen.

The balance of current assets increased 22,414 million yen from the end of the previous consolidated fiscal year to 43,589 million yen. This mainly reflected a 15,741 million yen increase in cash and a 5,246 million yen increase in trade and other receivables.

The balance of non-current assets increased 23,563 million yen from the end of the previous consolidated fiscal year to 239,653 million yen. This mainly reflected an 20,086 million yen increase in property, plant and equipment resulting from the acquisition of KYOTARU CO., LTD. and 2 more subsidiaries.

(Liabilities)

Total liabilities increased 35,911 million yen from the end of the previous consolidated fiscal year to 222,256 million yen.

The balance of current liabilities decreased 25,456 million yen from the end of the previous consolidated fiscal year to 53,346 million yen. This mainly reflected a 2,371 million yen increase in trade and other payables, a 2,187 million yen increase in lease liabilities, a 1,454 million yen increase in income taxes payable, a 1,065 million yen increase in provisions etc., alongside a 32,692 million yen decrease in bonds and borrowings.

The balance of non-current liabilities increased 61,366 million yen from the end of the previous consolidated fiscal year to 168,909 million yen. This was mainly attributable to a 49,899 million yen increase in bonds and borrowings and a 11,450 million yen increase in lease liabilities.

(Equity)

Total equity increased 10,066 million yen from the end of the previous consolidated fiscal year to 60,987 million yen. This mainly reflected a 1,741 million yen decrease in retained earnings resulting from cash dividends paid and the booking of 10,770 million yen in profit for the period.

2) Cash flows

During the 3rd quarter of the consolidated fiscal year ending September 30, 2021, cash and cash equivalents (hereinafter “Cash”) increased 15,741 million yen from the end of the previous consolidated fiscal year to 28,406 million yen.

The breakdown of cash flows by activities and underlying factors for the 3rd quarter of the current consolidated fiscal year is shown below.

(Cash flows from operating activities)

Cash provided by operating activities totaled 22,398 million yen (+68.2% year on year).

This mainly reflected the booking of 17,293 million yen in profit before income taxes, the booking of 13,418 million yen in depreciation and amortization, a 1,240 million yen in Impairment losses, alongside an increase of 3,716 million yen in trade and other receivables, and 5,278 million yen in income tax paid.

(Cash flows from investing activities)

Cash used in investing activities came to 13,423 million yen (+25.1% year on year).

This was mainly attributable to 9,874 million yen in purchase of property, plant and equipment accompanying store openings 2,289 million yen in payments for acquisition of subsidiaries and 1,116 million yen in payments for lease and guarantee deposits.

(Cash flows from financing activities)

Cash gained in financing activities amounted to 6,595 million yen (cash used amounted to 212 million yen in previous year). This mainly reflected 35,000 million yen in increase of long-term borrowings, 19,918 million yen in proceeds from issuance of bonds, alongside 37,743 million yen in repayments of long-term borrowings, 8,822 million yen in repayments of lease obligations and 1,739 million yen in cash dividends paid.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

The consolidated earnings forecasts for the fiscal year ending September 30, 2021 have been left unchanged due to the difficulty in reasonably calculating the impact of the spread of COVID-19 on the Group. Although the situation remains uncertain, the Company has made calculations based on information that is currently available, taking into consideration conditions in the third quarter of the fiscal year ending September 30, 2021, monthly financial results for July 2021, and the issuance of various measures to address the spread of COVID-19, among other factors. Please see “FOOD & LIFE COMPANIES Announces Earnings Forecasts” published on August 10, 2021 for the details.

2. Condensed Quarterly Consolidated Financial Statements and Important Notes

(1) Condensed consolidated statement of financial position

(in millions, JPY)

	September 30, 2020	June 30, 2021
Assets		
Current assets		
Cash and cash equivalents	12,665	28,406
Trade and other receivables	5,142	10,389
Inventories	1,687	2,347
Other financial assets	290	587
Other current assets	1,391	1,860
Total current assets	<u>21,175</u>	<u>43,589</u>
Non-current assets		
Property, plant and equipment	119,667	139,753
Goodwill	30,371	30,541
Intangible assets	54,621	54,690
Equity method investment	2,171	2,014
Lease and guarantee deposits	8,671	11,880
Other financial assets	6	273
Other non-current assets	582	501
Total non-current assets	<u>216,090</u>	<u>239,653</u>
Total assets	<u><u>237,265</u></u>	<u><u>283,242</u></u>
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	22,150	24,521
Borrowings	36,701	4,009
Income taxes payable	2,479	3,934
Lease liabilities	10,819	13,006
Other financial liabilities	726	1,021
Provisions	1,287	2,352
Other current liabilities	4,640	4,504
Total current liabilities	<u>78,802</u>	<u>53,346</u>
Non-current liabilities		
Trade and other payables	31	23
Bonds and Borrowings	9,987	59,885
Lease liabilities	78,857	90,307
Other financial liabilities	62	83
Provisions	2,257	3,131
Deferred tax liabilities	16,307	15,456
Other non-current liabilities	43	23
Total non-current liabilities	<u>107,543</u>	<u>168,909</u>
Total liabilities	<u>186,345</u>	<u>222,256</u>
Equity		
Capital stock	100	100
Capital surplus	15,747	15,755
Retained earnings	35,156	44,188
Treasury stock	(0)	(0)
Other components of equity	(95)	936
Total equity attributable to owners of the parent	<u>50,156</u>	<u>60,978</u>
Non-controlling interests	13	8
Total equity	<u>50,920</u>	<u>60,987</u>
Total liabilities and equity	<u><u>237,265</u></u>	<u><u>283,242</u></u>

(2) Condensed consolidated statement of profit and loss

(in millions, JPY)

	3rd quarter ended June 30, 2020 (From October 1, 2019 to June 30, 2020)	3rd quarter ended June 30, 2021 (From October 1, 2020 to June 30, 2021)
Revenue	150,661	178,751
Cost of sales	(72,245)	(81,401)
Gross profit	78,416	97,350
Selling, general and administrative expenses	(69,062)	(82,479)
Other income	373	4,710
Other expenses	(1,108)	(1,336)
Operating profit	8,619	18,245
Finance income	90	120
Finance expenses	(590)	(657)
Share of profit (loss) of investments accounted for using equity method	(947)	(415)
Profit before income taxes	7,172	17,293
Income taxes	(2,930)	(6,591)
Profit for the period	<u>4,242</u>	<u>10,702</u>
Profit attributable to:		
Owners of the parent	4,259	10,770
Non-controlling interests	(17)	(68)
Profit for the period	<u>4,242</u>	<u>10,702</u>
Earnings per share		
Basic earnings per share (yen)	36.70	92.80
Diluted earnings per share (yen)	36.60	92.36

(3) Condensed consolidated statement of comprehensive income

(in millions, JPY)

	3rd quarter ended June 30, 2020 (From October 1, 2019 to June 30, 2020)	3rd quarter ended June 30, 2021 (From October 1, 2020 to June 30, 2021)
Profit for the period	4,242	10,702
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	134	805
Effective portion of changes in fair value of cash flow hedges	2	(3)
Total of items that may be reclassified subsequently to profit or loss	136	802
Other comprehensive income after taxes	136	802
Total comprehensive income for the period	4,379	11,504
Attributable to:		
Owners of the parent	4,395	11,572
Non-controlling interests	(16)	(68)
Total comprehensive income for the period	4,379	11,504

(4) Condensed consolidated statement of changes in equity
3rd quarter ended June 30, 2020 (From October 1, 2019 to June 30, 2020)

(in millions, JPY)

	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as of October 1, 2019	100	15,747	31,859	(0)	(339)	47,367	—	47,367
Cumulative impact resulting from the change in accounting policy			(554)			(554)		(554)
Balance as of October 1, 2019, reflecting the change in accounting policy	100	15,747	31,304	(0)	(339)	46,812		46,812
Profit for the period			4,259			4,259	(17)	4,242
Other comprehensive income					136	136	0	136
Total comprehensive income	—	—	4,259	—	136	4,395	(16)	4,379
Lapse of subscription rights to shares			6		(6)	—		—
Share-based payment transactions					129	129		129
Dividends			(2,611)			(2,611)		(2,611)
Capital increase of consolidated subsidiaries						—	10	10
Change in scope of consolidation						—	33	33
Total transactions with the owners	—	—	(2,605)	—	123	(2,482)	44	(2,439)
Balance as of June 30, 2020	100	15,747	32,958	(0)	(80)	48,725	27	48,752

3rd quarter ended June 30, 2021 (From October 1, 2020 to June 30, 2021)

(in millions, JPY)

	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as of October 1, 2020	100	15,747	35,156	(0)	(95)	50,908	13	50,920
Profit for the period			10,770			10,770	(68)	10,702
Other comprehensive income					802	802	(0)	802
Total comprehensive income	—	—	10,770	—	802	11,572	(68)	11,504
Capital reduction	(7)	(7)				—		—
Exercise of share acquisition rights	7	7			(13)	0		0
Lapse of subscription rights to shares			3		(3)	—		—
Share-based payment transactions					245	245		245
Dividends			(1,741)			(1,741)		(1,741)
Capital increase of consolidated subsidiaries						—	56	56
Purchase of shares of consolidated subsidiaries		(6)				(6)	6	(0)
Change in scope of consolidation						—	2	2
Total transactions with the owners	—	8	(1,738)	—	229	(1,502)	64	(1,438)
Balance as of June 30, 2021	100	15,755	44,188	(0)	936	60,978	8	60,987

(5) Condensed consolidated statement of cash flows

(in millions, JPY)

	3rd quarter ended June 30, 2020 (From October 1, 2019 to June 30, 2020)	3rd quarter Ended June 30, 2021 (From October 1, 2020 to June 30, 2021)
Cash flows from operating activities		
Profit before income taxes	7,172	17,293
Depreciation and amortization	11,257	13,418
Impairment losses	1,089	1,240
Finance income	(72)	(78)
Finance expenses	588	647
Amount of rent offset by lease and guarantee deposits	215	207
Share of loss (profit) of entities accounted for using equity method	947	415
Increase/decrease in trade and other receivables, (increase)	(1,951)	(3,716)
Increase/decrease in inventories, (increase)	(237)	(132)
Increase/decrease in trade and other payables, (decrease)	(1,496)	(139)
Others	(788)	(932)
Subtotal	16,725	28,222
Interest and dividend income received	2	4
Interest paid	(467)	(549)
Income taxes paid	(2,944)	(5,278)
Net cash from operating activities	13,316	22,398
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,531)	(9,874)
Proceeds from sales of property, plant and equipment	—	252
Purchase of intangible assets	(233)	(238)
Payments into time deposits	—	(462)
Proceeds from withdrawal of time deposits	—	295
Payments for lease and guarantee deposits	(1,013)	(1,116)
Purchase of investment securities	—	(52)
Equity method investment	—	(2,289)
Others	49	61
Cash flows from investing activities	(10,728)	(13,423)
Cash flows from financing activities		
Proceeds from issuance of bonds	9,946	19,918
Net increase (decrease) in short-term borrowings	3,000	12
Proceeds from long-term borrowings	—	35,000
Repayments of long-term borrowings	(3,126)	(37,743)
Repayments of lease liabilities	(7,485)	(8,822)
Payments for commission fees	(5)	(15)
Capital contribution from non-controlling interests	44	14
Cash dividends paid	(2,610)	(1,739)
Others	24	(30)
Cash flows from financing activities	(212)	6,595
Net increase/decrease in cash and cash equivalents, (decrease)	2,376	15,571
Cash and cash equivalents at beginning of year	10,341	12,665
Effect of exchange rate changes on cash and cash equivalents	18	170
Cash and cash equivalents at end of year	12,735	28,406

(6) Notes on condensed consolidated financial statements

(Notes regarding assumption of a going concern)

Not applicable.

(Segment information)

Segment-specific revenue, income/loss and other items are omitted as the Sushiro Group operates in a single segment.

(Business combination)

(Acquisition of shares of KYOTARU CO., LTD.)

(1) Outline of Business Combination

(a) Name and business description of the acquired company

Name of the acquired company: KYOTARU CO., LTD. and its two subsidiaries

Business description: Food service business

(b) Date of acquisition

April 1, 2021

(c) Percentage of equity interest with voting rights acquired

100%

(d) Method of gaining control of the company acquired

Acquisition of shares for cash consideration

(e) Main reasons for the acquisition

Kyotaru, which is operated by KYOTARU CO., LTD., is a very attractive business with high name recognition in the takeout sushi market and stores in prime locations. KYOTARU CO., LTD. also operates kaiten (conveyor belt) sushi restaurant Kaisen Misakiko and specialty sushi restaurant Sushi Misakimaru with stores mainly in the Tokyo metropolitan area and the Kanto region in which the Group has significant margin to expand its market share. As is the case with Kyotaru, the Group considers that Kaisen Misakiko and Sushi Misakimaru are very attractive businesses for expanding its operations in that region.

(2) Fair value of assets and liabilities as of the date of the business combination

(Unit: Millions of yen)

Item	Amount
Current assets	4,254
Cash and cash equivalents	2,012
Trade and other receivables	1,634
Other	609
Non-current assets	10,460
Property, plant and equipment	7,181
Other	3,279
Total assets	14,715
Current liabilities	6,363
Trade and other payables	2,292
Lease obligations	1,938
Other	2,133
Non-current liabilities	4,221
Lease obligations	3,603
Other	618
Total liabilities	10,584
Fair value of assets acquired and liabilities assumed, net	4,131

Notes 1. In the 3rd quarter of the consolidated fiscal year, the allocation of acquisition costs was completed with the completion of fair value evaluation.

2. The fair value of trade and other receivables included in the acquired current assets is 1,634 million yen. Of this, the total of contractual amounts receivable is 1,634 million yen, and there are no contractual cash flows not expected to be collected.

(3) Transfer consideration and goodwill

(Unit: Millions of yen)

Item	Amount
Transfer consideration (cash)	4,300
Fair value of assets acquired and liabilities assumed, net	4,131
Non-controlling interests	2
Goodwill	170

Notes 1. The transfer consideration includes 4,241 million yen for the acquisition of receivables from the acquired company, in addition to the consideration for the shares of the acquired company.

2. Non-controlling interests relate to the subsidiaries of KYOTARU CO.,LTD and are measured by multiplying the net assets at the acquisition date by the percentage of non-controlling interest.
3. Goodwill mainly reflects future excess earning capacity and synergies with existing businesses. The amount of goodwill is not expected to be included in deductible expenses for tax purposes.

(4) Acquisition-related expenses

Account title: Selling, general and administrative expenses

Amount: 235 million yen

(5) Impact on business results

The revenue and quarterly profit generated by KYOTARU CO., LTD. and the two other companies since the acquisition date are 4,542 million yen and 260 million yen, respectively. Assuming the business combination was implemented at the beginning of the current consolidated fiscal year, revenue and quarterly profit (pro forma information) for the nine months ended June 30, 2021 are 189,315 million yen and 9,958 million yen, respectively.

The pro forma information (unaudited information) has not been the subject of quarterly review.

(6) Impact of business combination on cash flows

(Unit: Millions of yen)

Item	Amount
Payment of acquisition cost	△4,300
Cash and cash equivalents	2,012
Payment for acquisition of subsidiaries	△2,289

(Selling, general and administrative expenses)

The breakdown of selling, general and administrative expenses is as shown below.

	3rd quarter ended June 30, 2020 (From October 1, 2019 to June 30, 2020)	3rd quarter ended June 30, 2021 (From October 1, 2020 to June 30, 2021)
Employee benefits	42,166	49,401
Depreciation and amortization	11,209	13,379
Utilities expenses	3,229	3,512
Other	12,459	16,188
Total	69,062	82,479

(Earnings per share)

	3rd quarter ended June 30, 2020 (From October 1, 2019 to June 30, 2020)	3rd quarter ended June 30, 2021 (From October 1, 2020 to June 30, 2021)
Profit for the period attributable to common shareholders of the parent (million yen)	4,259	10,770
Profit for the period attributable to common shareholders used in calculations for basic earnings per share (million yen)	4,259	10,770
Profit for the period attributable to common shareholders used in calculations for diluted earnings per share (million yen)	4,259	10,770
Average number of shares during the period	116,049,736	116,055,714
Increase in number of common shares used in calculation for diluted earnings per share	317,278	555,612
Average number of common shares during the period after dilution	116,367,014	116,611,326
Basic earnings per share (yen)	36.70	92.80
Diluted earnings per share (yen)	36.60	92.36
Outline of potentially dilutive shares excluded from the calculation of diluted earnings per share due to the absence of dilutive effects	A kind of subscription rights to shares (Common shares 55 thousand shares)	A kind of subscription rights to shares (Common shares 15 thousand shares)

(Important subsequent events)

Not applicable.