

Results for the 1st Quarter of Fiscal Year Ending March 31, 2022

August 5, 2021
Heiwa Corporation

Securities Code : 6412

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【Pachinko and Pachislot Machine Business】

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【Consolidated Results】

- Financial Performance Trend
- Key Financial Indicators

Consolidated results

- Net sales: 32.0 billion yen, +98.2% year on year
- Operating income: 4.3 billion yen (operating loss of 4.4 billion yen in the same period of the previous fiscal year)
 - Compared to 1Q of FY 3/2021, when the first nationwide state of emergency was declared, income and profit rose thanks to factors such as an increase in the number of units sold in the pachinko and pachislot machine business and an increase in the number of golf course users in the golf business.

Pachinko and pachislot machine business

- Net sales: 9.1 billion yen, +678.0% year on year
- Operating income: 0.0 billion yen (operating loss of 3.3 billion yen in the same period of the previous fiscal year)
 - ✓ The number of Pachinko machines sold in 1Q: 16k units (+15k units YoY)
 - ✓ The number of Pachislot machines sold in 1Q: 6k units (+ 5k units YoY)

Golf business

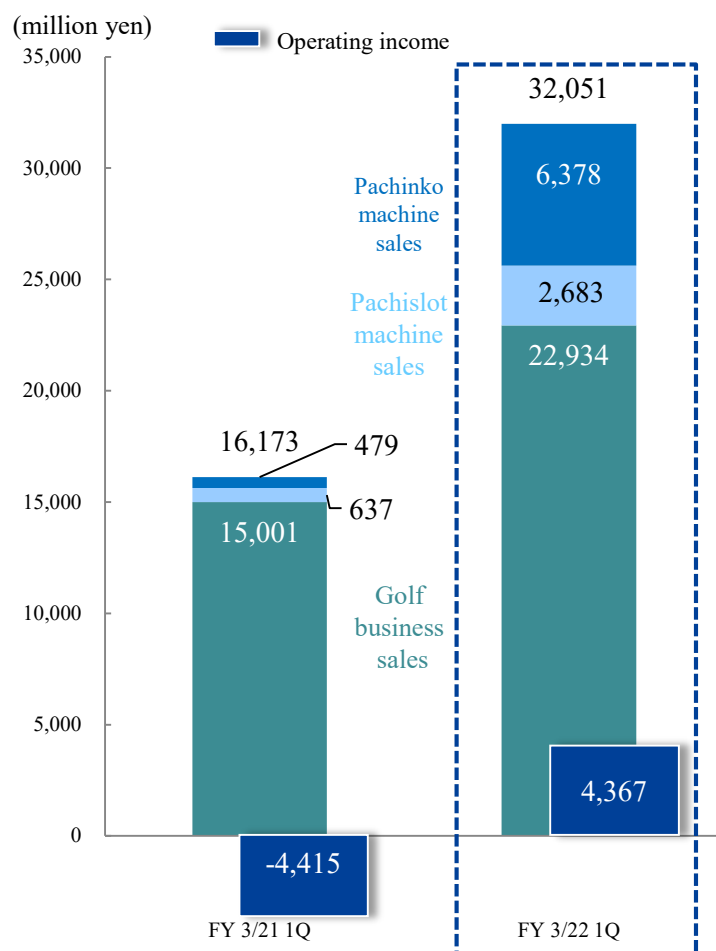
- Net sales: 22.9 billion yen, +52.9% year on year
- Operating income: 4.7 billion yen (operating loss of 0.5 billion yen in the same period of the previous fiscal year)
 - ✓ Number of golf course users in 1Q: 2,377 thousand people (+670 thousand people YoY)
 - ✓ Revenue per customer in 1Q: 8,733 yen (+1,146 yen YoY)

Results for the 1st Quarter of FY ending March 31, 2022

Consolidated Statements of Income (Results)

1st Quarter Results

- Income and profit were up year on year (net sales +98.2% YoY and operating income in comparison with operating loss in the same period of the previous fiscal year).
- Compared to 1Q of FY 3/2021, when the first nationwide state of emergency was declared, income and profit rose thanks to factors such as an increase in the number of units sold in the pachinko and pachislot machine business and an increase in the number of golf course users in the golf business.



	(million yen)	FY 3/2021 1Q Results	FY 3/2022 1Q Results	YoY
Net sales		16,173	32,051	98.2%
Pachinko and Pachislot machine business		1,171	9,116	678.0%
Pachinko machines		479	6,378	-
Pachislot machines		637	2,683	320.8%
Golf business		15,001	22,934	52.9%
Operating income		-4,415	4,367	-
Pachinko and Pachislot machine business		-3,301	77	-
Pachinko machines		-2,442	-229	-
Pachislot machines		-859	296	-
Golf business		-503	4,796	-
Eliminations & corporate expenses		-611	-507	-17.0%
Operating income ratio		-27.3%	13.6%	+40.9pt
Ordinary income		-4,491	4,331	-
Profit attributable to owners of parent		-5,813	2,633	-
EBITDA *1		-2,420	6,799	-

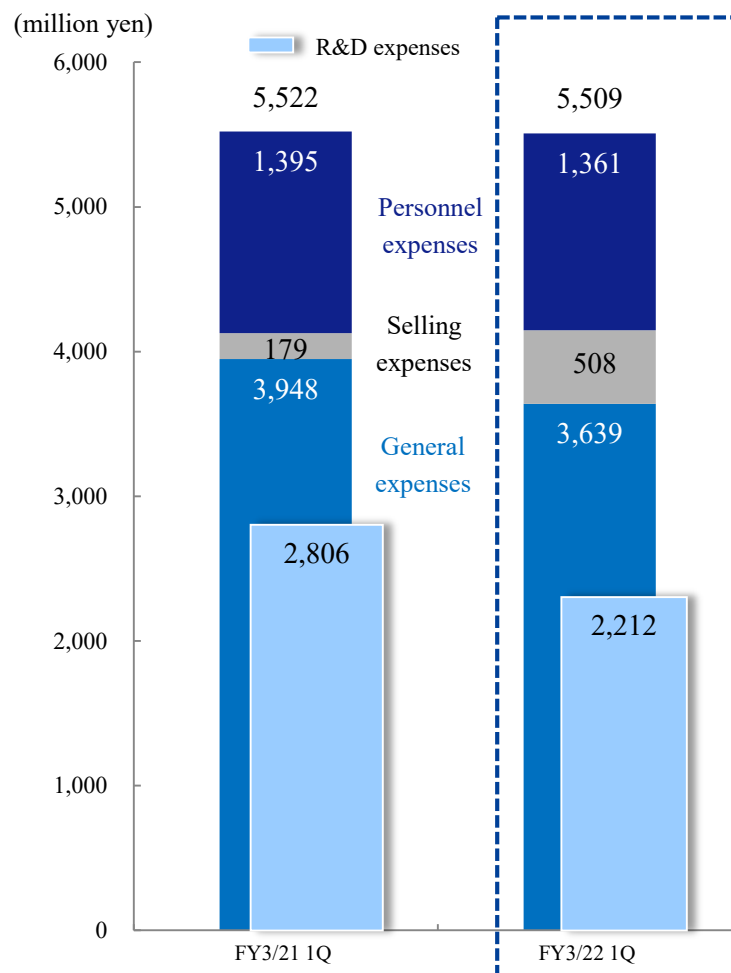
*1 EBITDA = Operating income + depreciation + amortization of goodwill

SGA Expenses / Depreciation & Amortization / Capital Investment (Results)

1st Quarter Results

■ SGA expenses were flat year on year (-0.2% YoY).

- In selling expenses, advertising expenses and sales commissions rose in line with an increase in the number of units sold.
- General expenses fell due to condensation of development costs and a delay in the timing of recording under R&D expenses.



	(million yen)	FY 3/2021 1Q Results	FY 3/2022 1Q Results	YoY
SGA expenses		5,522	5,509	-0.2%
Personnel expenses		1,395	1,361	-2.4%
Selling expenses		179	508	183.5%
Advertising expenses		107	174	62.3%
Sales commissions		38	230	501.5%
General expenses		3,948	3,639	-7.8%
R&D expenses		2,806	2,212	-21.2%

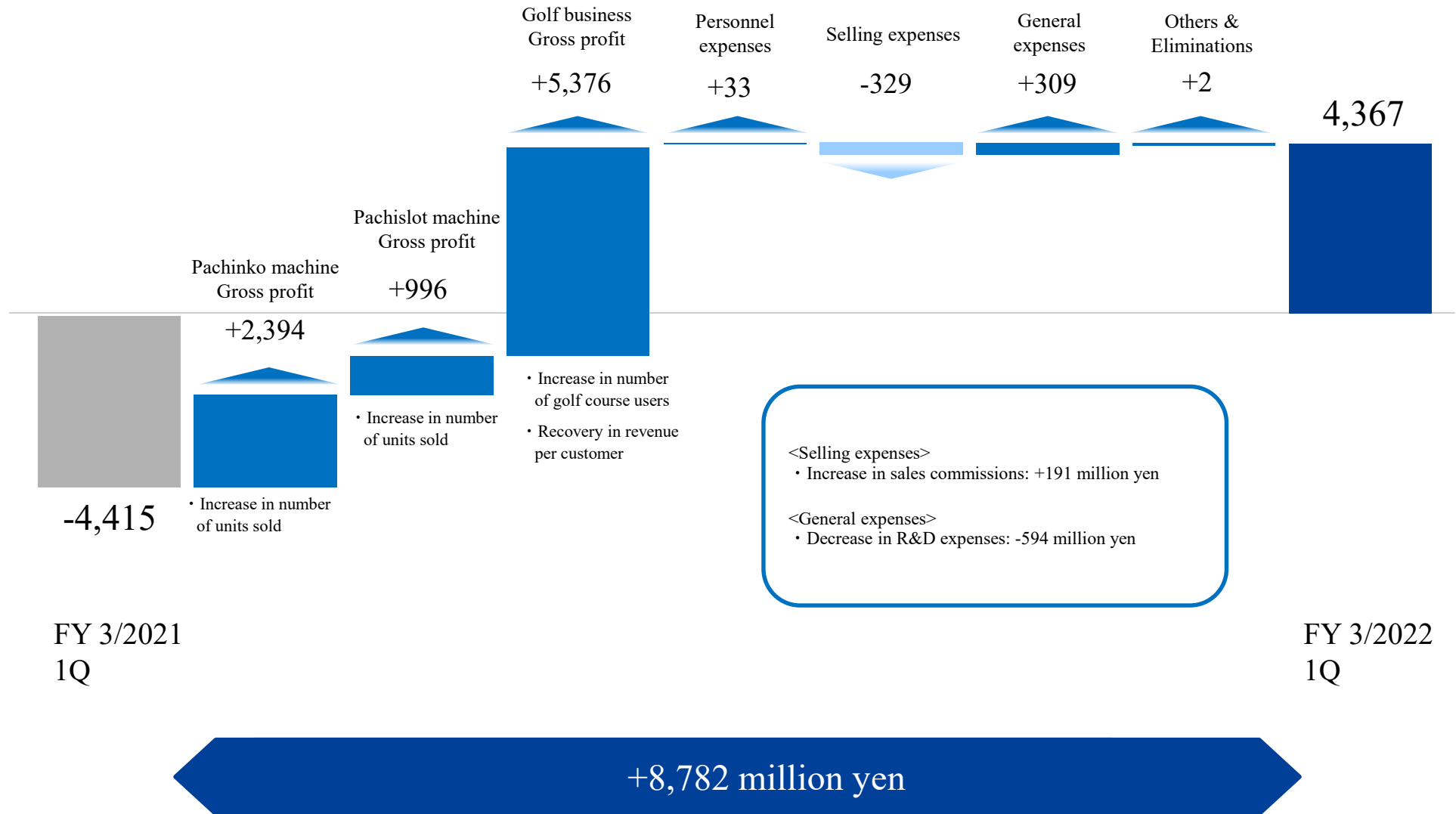
Depreciation & Amortization / Capital Investment

	(million yen)	FY 3/2021 1Q Results	FY 3/2022 1Q Results	YoY
Depreciation & amortization		1,958	2,373	21.2%
Capital investment		2,631	2,762	5.0%

Factors Contributing to Change in Operating Income (Consolidated Basis)

1st Quarter Results

(million yen)



Pachinko and Pachislot Machine Business (Machine Sales Results)

1st Quarter Results

	(Units)	FY 3/2021 1Q Results	FY 3/2022 1Q Results	YoY
Number of machines sold		2,644	23,211	+20k units
Pachinko machines		1,235	16,542	+15k units
Number of titles released		-	2	+2
Pachislot machines		1,409	6,669	+5k units
Number of titles released		-	1	+1

* Total includes units of titles released in FY 3/2021

Major pachinko titles

Titles	Sales (units)	Release
<i>GIRLS und PANZER der FILM</i>	6,981	May 2021
<i>NEW TOKIO</i>	3,026	Jun. 2021

Major pachislot titles

Titles	Sales (units)	Release
<i>Pachislot GIRLS und PANZER der FILM</i>	4,448	Jun. 2021



Pachinko Machine
GIRLS und PANZER der FILM



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Pachislot Machine
*Pachislot GIRLS und
PANZER der FILM*



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Pachinko and Pachislot Machine Business (Results)



1st Quarter Results

Total

- Income and profit were up year on year (net sales +678.0% YoY and operating income in comparison with operating loss in the same period of the previous fiscal year).
 - Compared to 1Q of FY 3/2021, when marketing activities were not conducted, income and profit grew thanks to an increase in the number of units sold as well as condensation of development costs and a delay in the timing of recording under R&D expenses.

Pachinko

- The numbers of units sold exceeded the previous fiscal year, resulting in increased income and profit.
 - Income grew thanks to an increase in the number of units sold.
 - The deficit was reduced by condensation of development costs and a delay in the timing of recording under R&D expenses.

Pachislot

- The numbers of units sold exceeded the previous fiscal year, resulting in increased income and profit.
 - One title was released as planned.
 - Income and profit grew thanks to an increase in the number of units sold.

(million yen)	FY 3/2021 1Q Results	FY 3/2022 1Q Results	YoY
Net sales	1,171	9,116	678.0%
Pachinko machines	479	6,378	-
Pachislot machines	637	2,683	320.8%
Gross profit	467	3,860	725.8%
Pachinko machines	86	2,481	-
Pachislot machines	368	1,365	270.1%
Gross profit ratio	39.9%	42.3%	+2.4Pt
Operating income	-3,301	77	-
Pachinko machines	-2,442	-229	-
Pachislot machines	-859	296	-
Operating income ratio	-281.7%	0.8%	+282.5pt

Breakdown of Machine Sales

(Units)	FY 3/2021 1Q Results	FY 3/2022 1Q Results	YoY
Total	2,644	23,211	+20,567
Pachinko machines	1,235	16,542	+15,307
Body	267	15,752	+15,485
Gauge board	968	790	-178
Pachislot machines	1,409	6,669	+5,260
Chassis	587	6,606	+6,019
Combined unit	822	63	-759

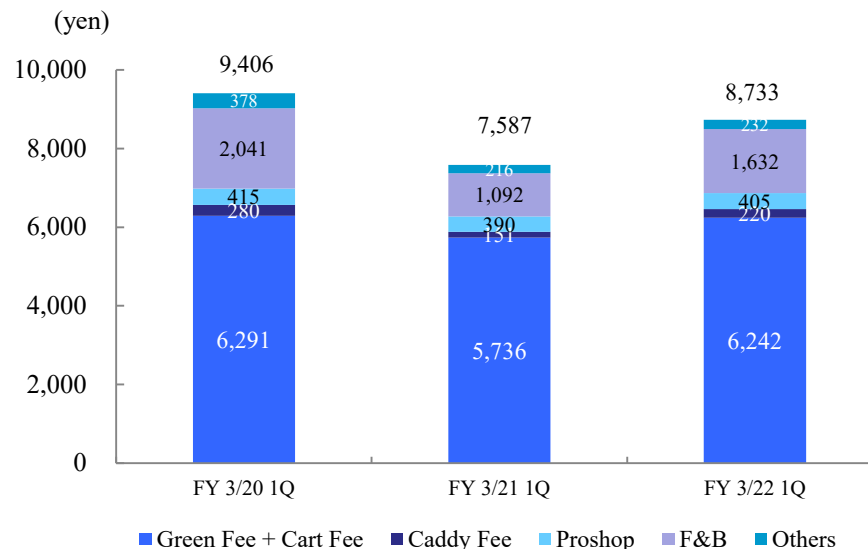
1st Quarter Results

- Acquisition of a new golf course.
 - 7/16/2021 Conclusion of stock transfer agreement
Old Orchard Golf Club (Higashi Ibaraki District, Ibaraki Prefecture – 18H)
- The number of golf course users increased, and revenue per customer is on a recovery trend.
 - The number of golf course users grew thanks to recognition of golf as a sport with a low risk of COVID-19 infection as well as the contribution of golf courses acquired in the previous fiscal year.
 - Although revenue per customer was lower than usual as competition demand failed to recover, it increased year on year.

Number of Golf Course Users / Revenue per Customer

【1Q (3months)】	FY 3/2020 Results	FY 3/2021 Results	FY 3/2022 Results	YoY
Number of golf course users (thousand people)	2,268	1,706	2,377	39.3%
Revenue per customer (yen)	9,406	7,587	8,733	15.1%

Breakdown of Revenue per Customer



*Includes internal net sales

Golf Business (Results)

1st Quarter Results

- Income and profit were up year on year (net sales +52.9% YoY and operating income in comparison with operating loss in the same period of the previous fiscal year).
 - Revenue from golf course operation grew thanks to an increase in the number of golf course users and recovery in revenue per customer.
 - Profit increased as well thanks to higher net sales.

(million yen)	FY 3/2020 1Q Results	FY 3/2021 1Q Results	FY 3/2022 1Q Results	YoY
Net sales	23,788	15,001	22,934	52.9%
Net sales before eliminations	23,792	15,001	22,935	52.9%
Eliminations	-4	-0	-0	-
Gross profit	7,016	639	6,016	840.5%
Gross profit ratio	29.5%	4.3%	26.2%	+21.9pt
Operating income	5,661	-503	4,796	-
Operating income ratio	23.8%	-3.4%	20.9%	+24.3pt

Breakdown of Sales				
(million yen)	FY 3/2020 1Q Results	FY 3/2021 1Q Results	FY 3/2022 1Q Results	YoY
Revenue from golf course operation	21,337	12,949	20,762	60.3%
Membership- related sales	2,163	1,940	2,005	3.4%

Breakdown of Costs				
(million yen)	FY 3/2020 1Q Results	FY 3/2021 1Q Results	FY 3/2022 1Q Results	YoY
Cost of Sales	16,775	14,361	16,918	17.8%
SGA expenses	1,355	1,143	1,219	6.7%

Consolidated Balance Sheets (Summary)

(million yen)	As of March 31, 2021	As of June 30, 2021	Change	Remarks
Current assets	101,184	93,985	-7,198	
Non-current assets	328,886	329,347	461	■ Decrease in securities
Total assets	430,070	423,333	-6,736	
Current liabilities	66,864	66,928	64	
Non-current liabilities	136,963	134,352	-2,610	■ Repayment of loans payable
Total liabilities	203,827	201,281	-2,546	
Total net assets	226,242	222,052	-4,190	
Total liabilities and net assets	430,070	423,333	-6,736	

(million yen)	As of March 31, 2021	As of June 30, 2021
Cash and deposits, and securities	70,083	63,530
Interest-bearing debt	121,454	117,271
Shareholders' equity	226,242	222,052
Shareholders' equity ratio	52.6%	52.5%

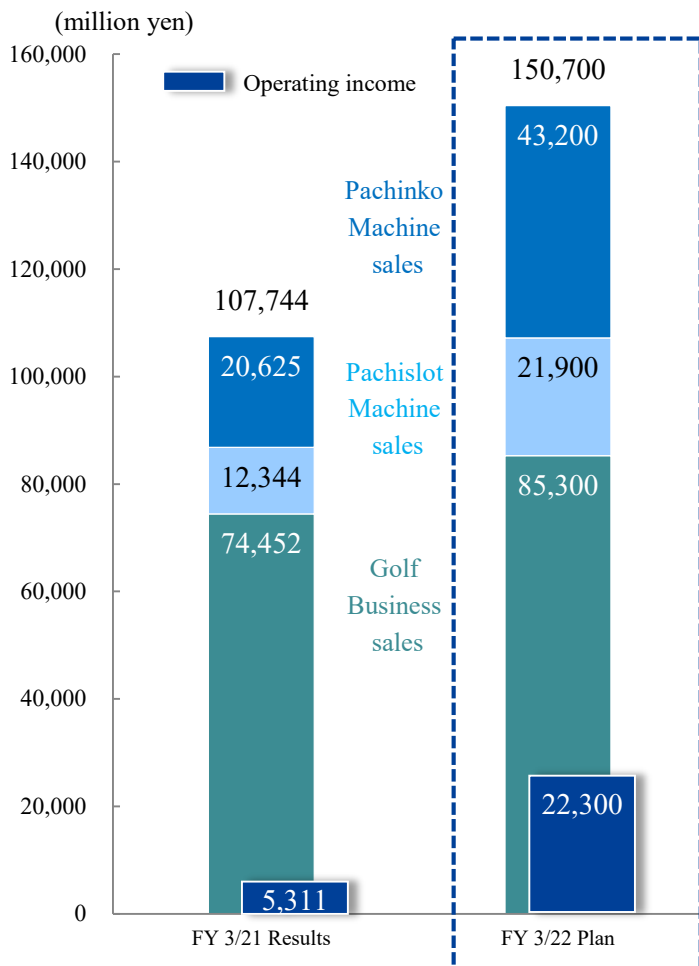
- D/E ratio (interest-bearing debt/shareholders' equity)
53.7%→52.8%
- Net D/E ratio (net interest-bearing debt/shareholders' equity)
22.7%→24.2%

Full-year Plan for FY ending March 31, 2022

Consolidated Statements of Income (Plan)

FY 3/22 Plan

- Income and profit are expected to increase from the previous fiscal year (net sales +39.9% YoY and operating income +319.8% YoY).
- Income and profit are expected to increase in the number of machines sold in the pachinko and pachislot machine business, and a full-year contribution from golf courses acquired in FY 3/2021 in the golf business.



(million yen)	FY 3/2021 Results	FY 3/2022		YoY
		1Q Results	Plan	
Net sales	107,744	32,051	150,700	39.9%
Pachinko and Pachislot machine business	33,292	9,116	65,400	96.4%
Pachinko machines	20,625	6,378	43,200	109.4%
Pachislot machines	12,344	2,683	21,900	77.4%
Golf business	74,452	22,934	85,300	14.6%
Operating income	5,311	4,367	22,300	319.8%
Pachinko and Pachislot machine business	287	77	13,000	-
Pachinko machines	-2,332	-229	6,900	-
Pachislot machines	2,570	296	6,100	137.3%
Golf business	7,624	4,796	12,300	61.3%
Eliminations & corporate expenses	-2,600	-507	-3,000	15.4%
Operating income ratio	4.9%	13.6%	14.8%	9.9pt
Ordinary income	5,799	4,331	21,400	269.0%
Profit attributable to owners of parent	865	2,633	13,900	-
EBITDA*	14,496	6,799	33,000	127.6%

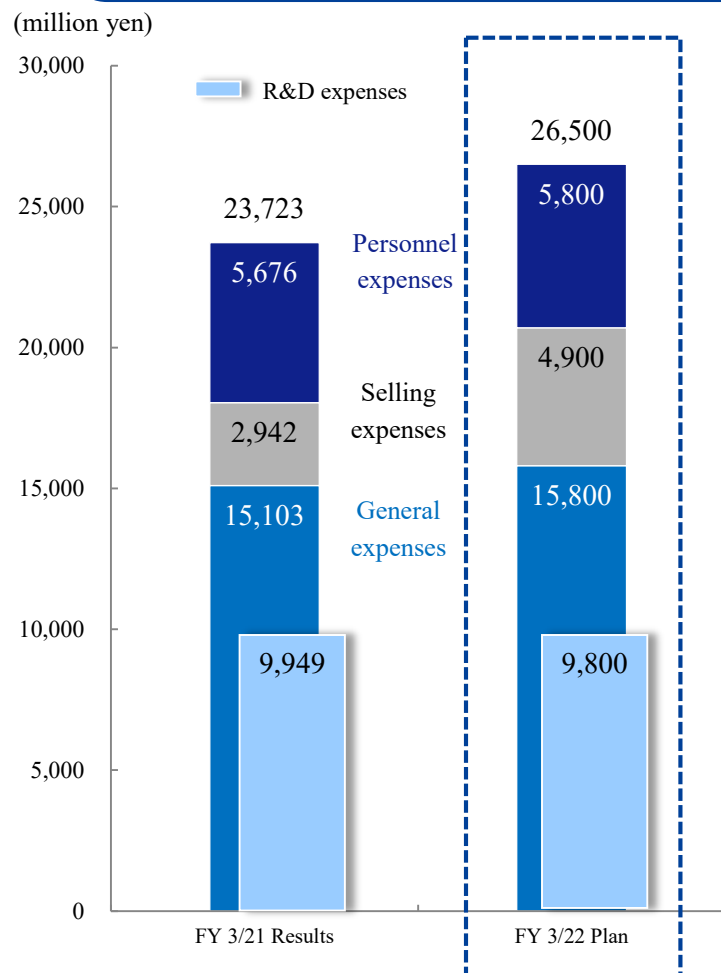
* EBITDA = Operating income + depreciation + amortization

SGA Expenses / Depreciation & Amortization / Capital Investment (Plan)

FY 3/22 Plan

■ Increase in SGA expenses over the previous fiscal year (+11.7% YoY).

- In selling expenses, advertising expenses are expected to rise with an increase in the number of titles released and sales commissions are expected to rise with an increase in the number of units sold.
- General expenses are planned to be brought in line with the previous fiscal year's level by modulating investment of R&D expenses.



(million yen)	FY 3/2021 Results	FY 3/2022		YoY
		1Q Results	Plan	
SGA expenses	23,723	5,509	26,500	11.7%
Personnel expenses	5,676	1,361	5,800	2.2%
Selling expenses	2,942	508	4,900	66.5%
Advertising expenses	795	174	1,600	101.2%
Sales commissions	921	230	1,600	73.5%
General expenses	15,103	3,639	15,800	4.6%
R&D expenses	9,949	2,212	9,800	-1.5%

Depreciation & Amortization / Capital Investment

(million yen)	FY 3/2021 Results	FY 3/2022		YoY
		1Q Results	Plan	
Depreciation & amortization	9,016	2,373	10,500	16.5%
Capital investment	6,921	2,762	9,900	43.0%

Pachinko and Pachislot Machine Business (Machine Sales Plan)

FY 3/22 Plan

(Units)	FY 3/2021 Results	FY 3/2022		Change from the previous year
		1Q Results	Plan	
Number of machines sold	85,283	23,211	160,000	+74k units
Pachinko machines	49,890	16,542	108,000	+58k units
Number of titles released	4	2	8	+4
Pachislot machines	35,393	6,669	52,000	+16k units
Number of titles released	6	1	5	-1

Titles to Release / Pachinko Machine

Title	Release Date
<i>Maison Ikkoku: Wedding Story</i>	Jul. 2021
<i>Shin Onimusha</i>	Aug. 2021
<i>Umaibo</i>	Oct. 2021

Titles to Release / Pachislot Machine

Title	Release Date
<i>Pachislot Mahjong Monogatari4</i>	Sep. 2021



Pachinko Machine
Maison Ikkoku: Wedding Story

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Pachislot Machine
Pachislot Mahjong Monogatari4



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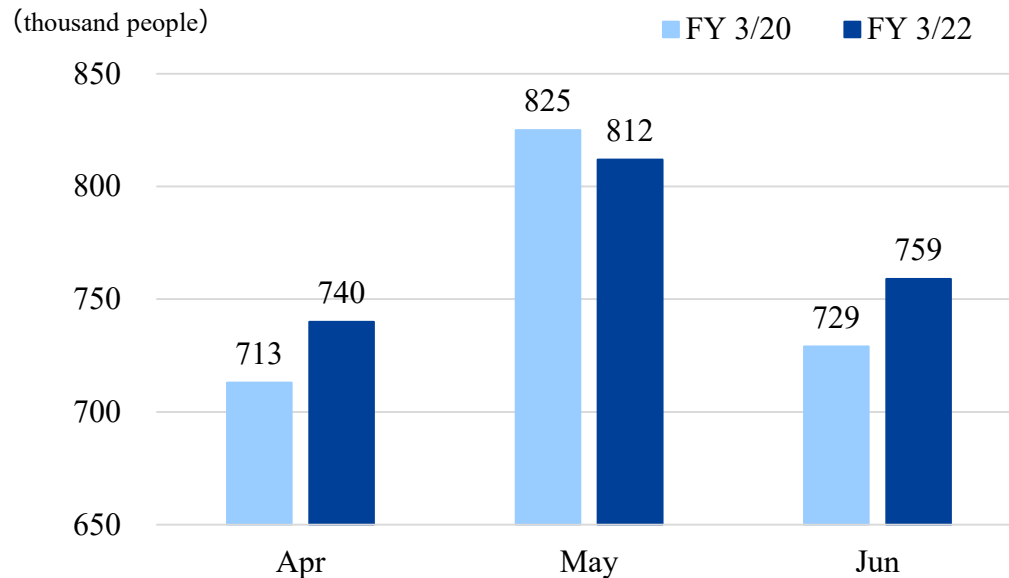
Golf Business (Market Trend & New Acquisition)

FY 3/2020 vs. FY 3/2022 Comparison of Number of Golf Course Users & Revenue per Customer

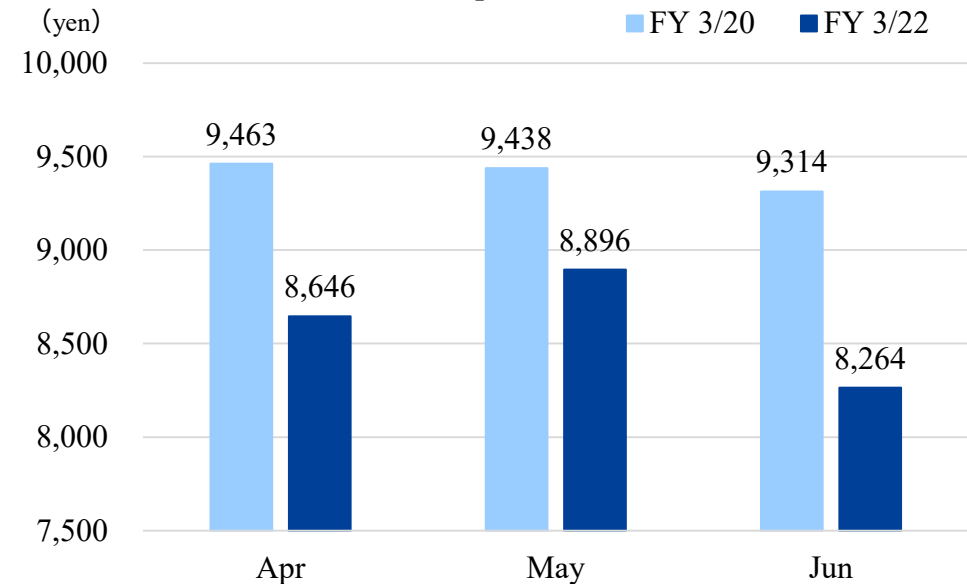
2020/3 vs 2022/3

* Based on operating golf courses since FY 3/20.

Number of Golf Course Users



Revenue per customer



Market Trend

- The number of golf course users is on an upward trend compared to FY 3/2020 and has room to recover further in the future.
- It is expected to remain difficult to raise revenue per customer above FY 3/2020 levels in the immediate future due to a decline in competition demand, etc.

Acquisition of a new golf course

- A stock transfer agreement for the acquisition of one new golf course was concluded on July 16.
 - Old Orchard Golf Club to commence operation on October 1, 2021 (Higashiibaraki District, Ibaraki Prefecture – 18H)

Supplementary Information

【Market Environment】

- Pachinko and Pachislot Machine Business
- Golf Business

【Pachinko and Pachislot Machine Business】

- Regulations on Pachinko and Pachislot Machines
- Number of Machines Sold

【Golf Business】

- Trends of Golf Course Users and Revenue per Customer 1
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- Golf Course Portfolio

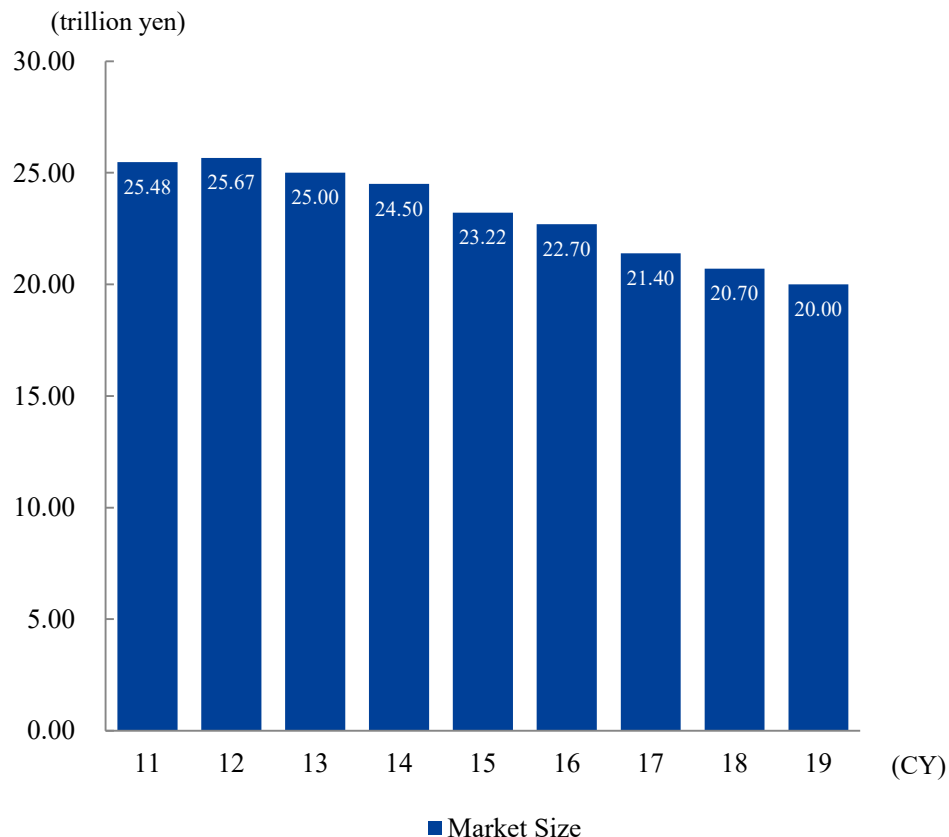
【Consolidated Results】

- Financial Performance Trend
- Key Financial Indicators

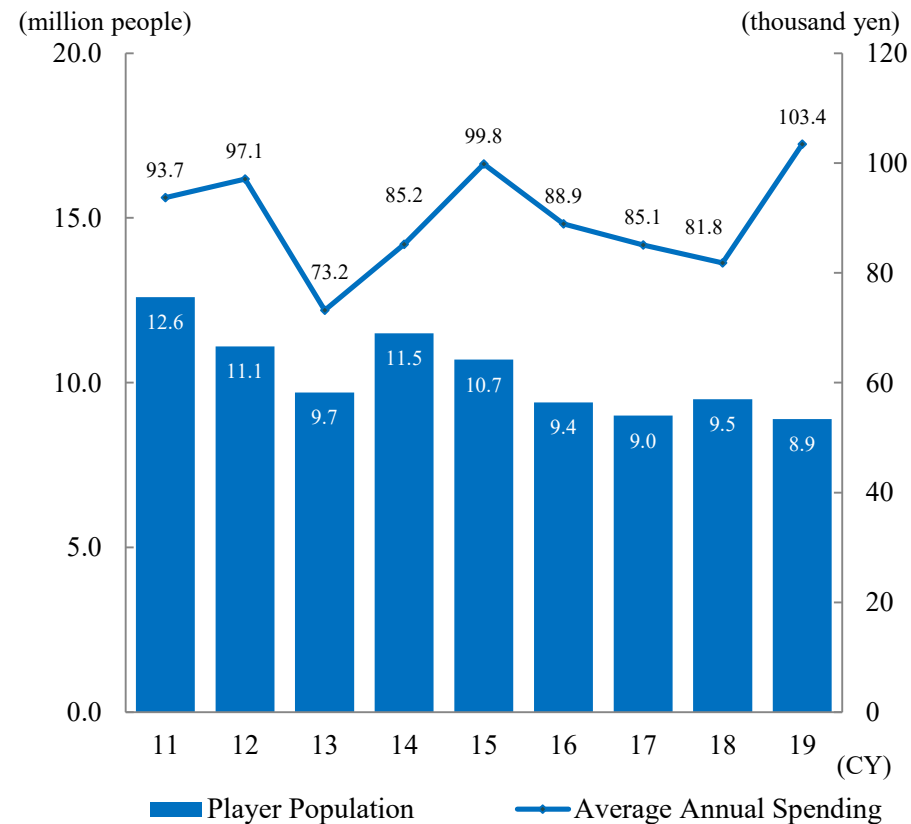
Market Environment (Pachinko and Pachislot Machine Business) 1

Pachinko and Pachislot Machine Business

Market Size



Player Population and Average Annual Spending

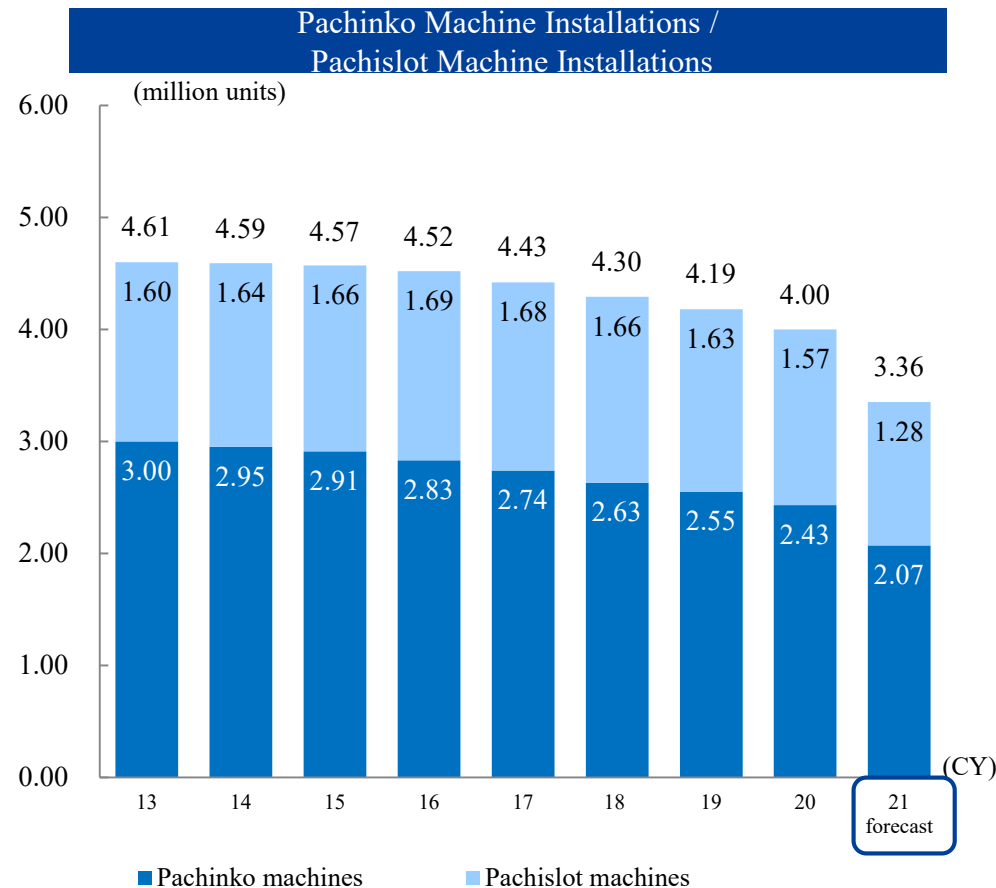
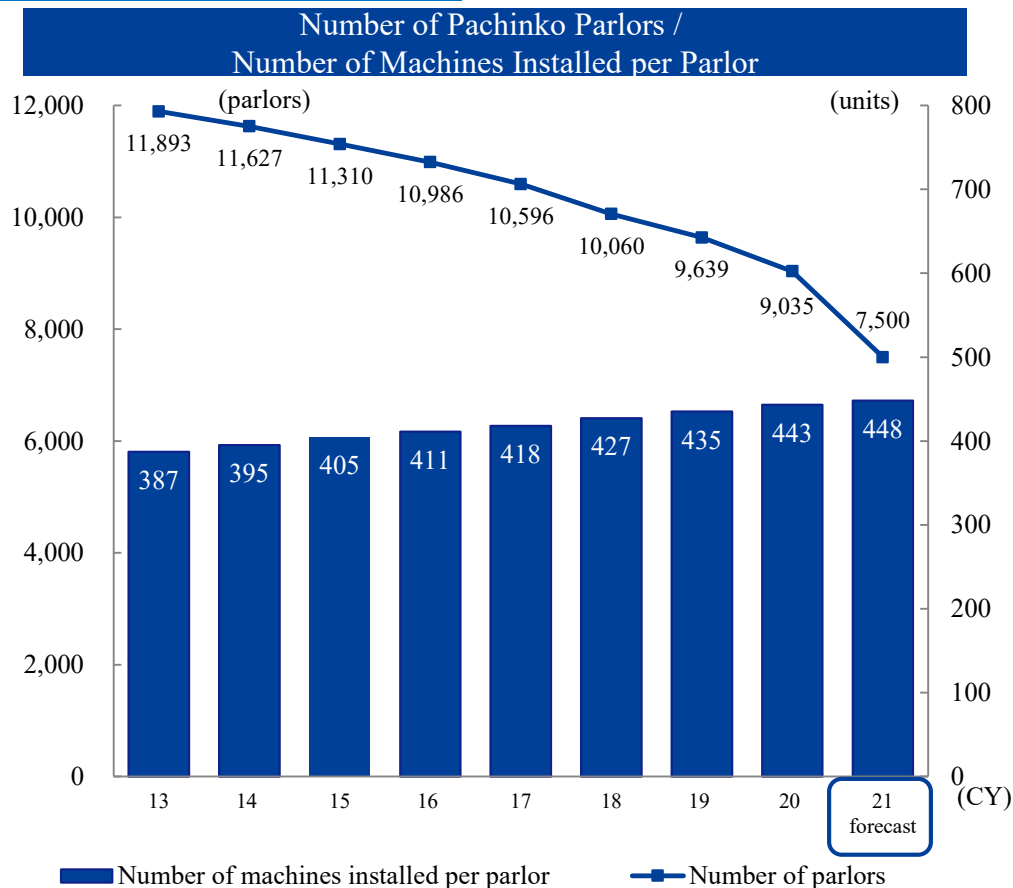


	2011	2012	2013	2014	2015	2016	2017	2018	2019
Market size (trillion yen)	25.48	25.67	25.00	24.50	23.22	22.70	21.40	20.70	20.00
Player population (million)	12.6	11.1	9.7	11.5	10.7	9.4	9.0	9.5	8.9
Average annual spending (thousand yen)	93.7	97.1	73.2	85.2	99.8	88.9	85.1	81.8	103.4

Note: Data source: Japan Productivity Center. Data on a calendar year basis (from January to December).

Market Environment (Pachinko and Pachislot Machine Business) 2

Pachinko and Pachislot Machine Business



	2013	2014	2015	2016	2017	2018	2019	2020	2021 forecast
Number of parlors	11,893	11,627	11,310	10,986	10,596	10,060	9,639	9,035	7,500
Number of machines installed per parlor (units)	387	395	405	411	418	427	435	443	448
Pachinko machine installations (million units)	3.00	2.95	2.91	2.83	2.74	2.63	2.55	2.43	2.07
Pachislot machine installations (million units)	1.60	1.64	1.66	1.69	1.68	1.66	1.63	1.57	1.28

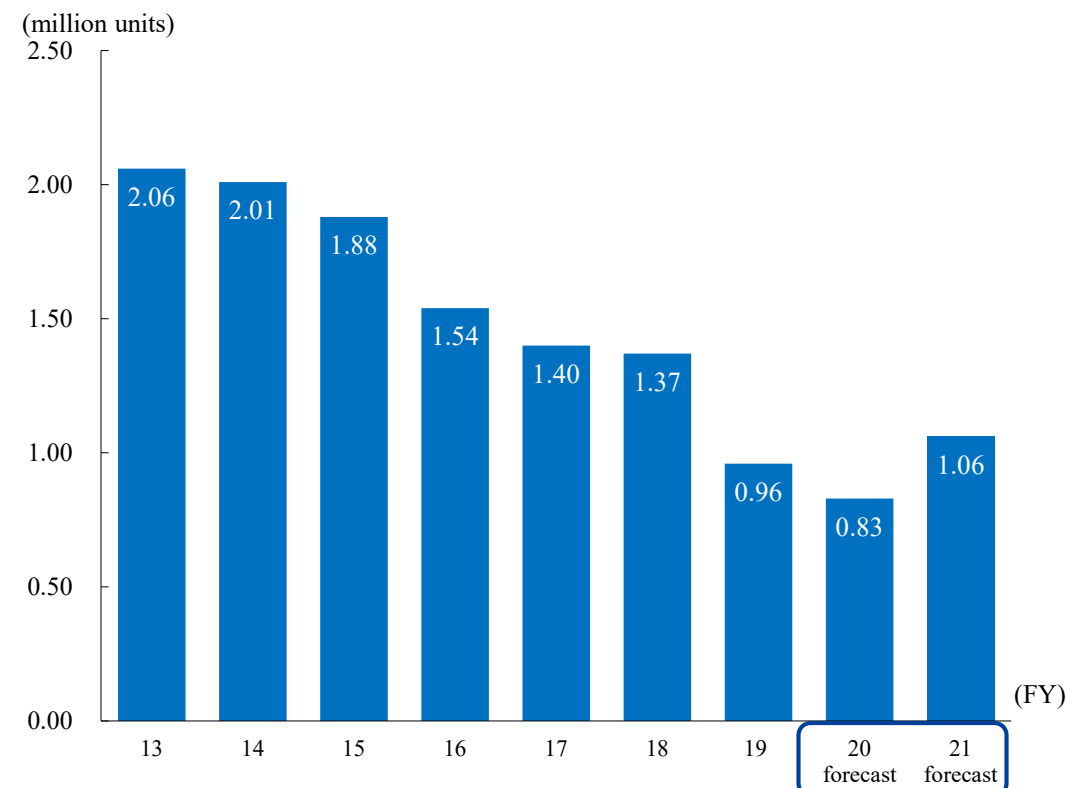
Note: Data source: National Police Agency. Data on a calendar year basis (from Jan to Dec). Figures for 2021 is the Company's estimates.

Market Environment

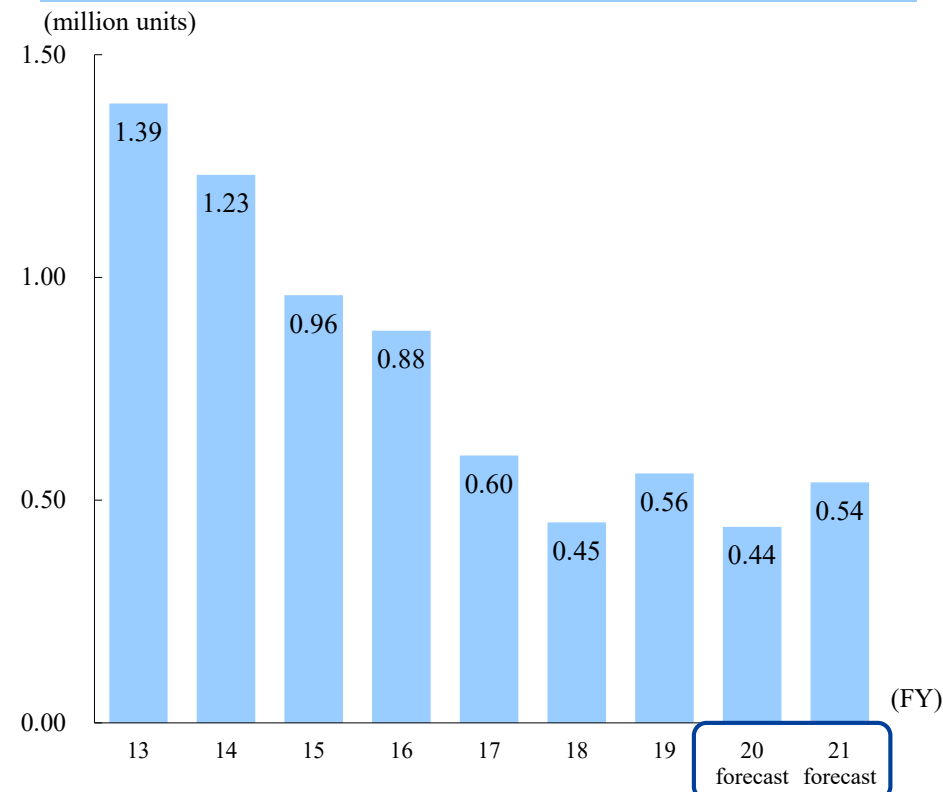
(Pachinko and Pachislot Machine Business) 3

Pachinko and Pachislot Machine Business

Pachinko machine sales



Pachislot machine sales



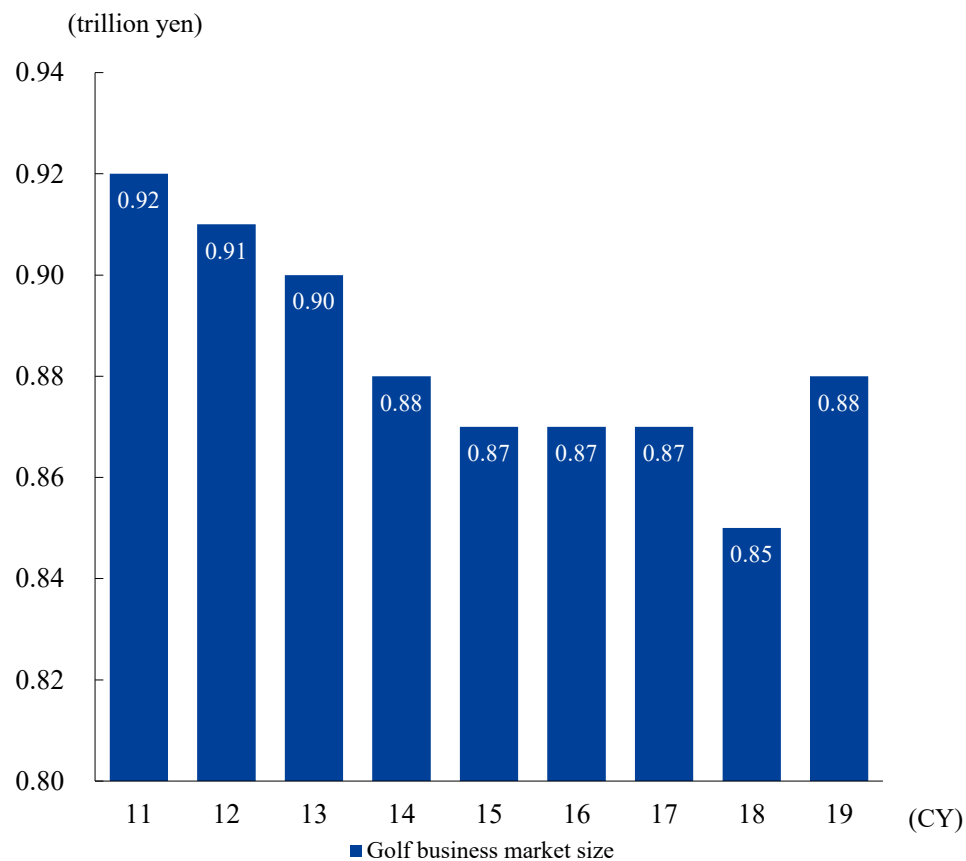
Number of machines sold (million units)	2013	2014	2015	2016	2017	2018	2019	2020 Forecast	2021 Forecast
Pachinko machines	2.06	2.01	1.88	1.54	1.40	1.37	0.96	0.83	1.06
Pachislot machines	1.39	1.23	0.96	0.88	0.60	0.45	0.56	0.44	0.54

Note: Data source: Yano Research Institute. Data on a fiscal year basis (from April to March of the next year). Data for 2020 and 2021 are the Company's forecast.

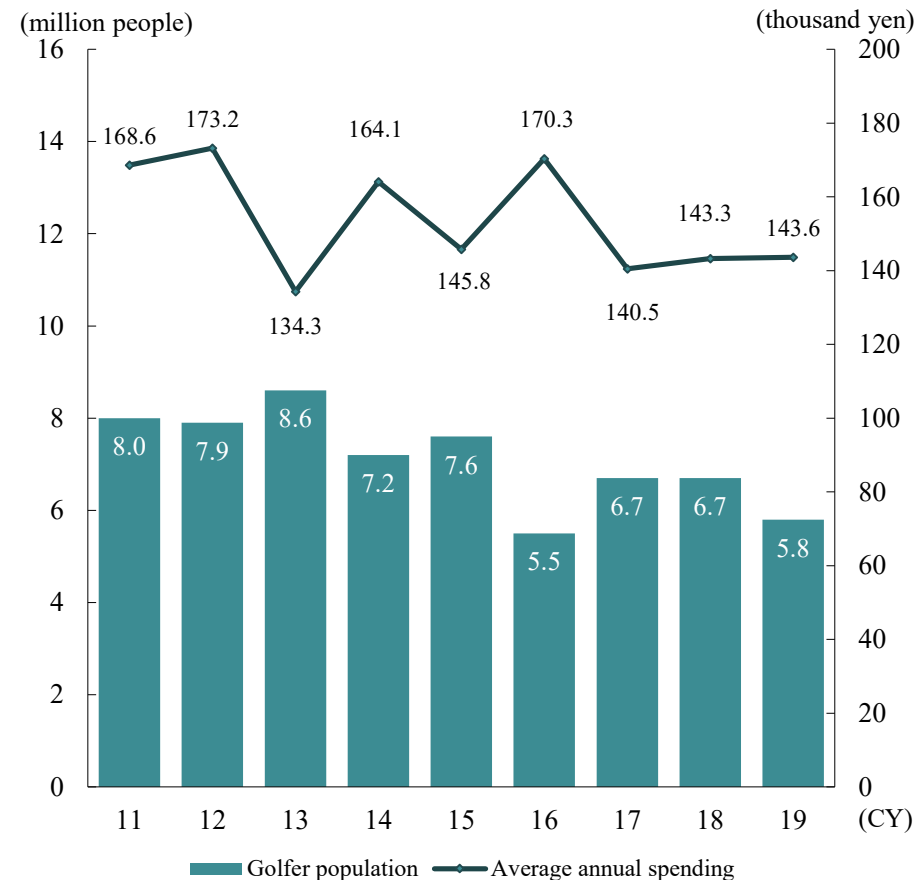
Market Environment (Golf Business)

Golf Business

Market Size



Golfer Population / Average Annual Spending



	2011	2012	2013	2014	2015	2016	2017	2018	2019
Market size (trillion yen)	0.92	0.91	0.90	0.88	0.87	0.87	0.87	0.85	0.88
Golfer population (million)	8.0	7.9	8.6	7.2	7.6	5.5	6.7	6.7	5.8
Average annual spending (thousand yen)	168.6	173.2	134.3	164.1	145.8	170.3	140.5	143.3	143.6

Note: Data source: Japan Productivity Center. Data on a calendar year basis (from January to December).

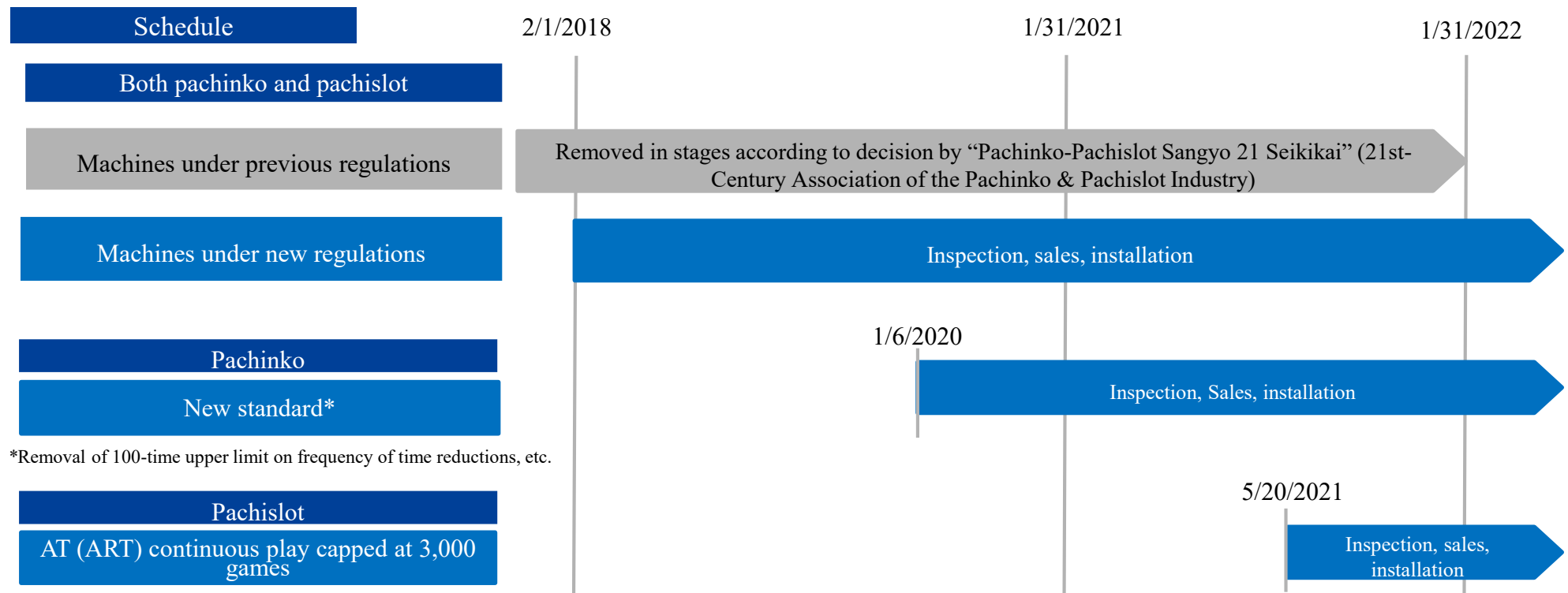
Regulations on Pachinko and Pachislot Machines

Overview of revised regulations

Enforcement date: February 1, 2018

Overview of revised regulations

- (1) Payout regulations (tightening payout regulations, reinforcement of regulations on payout per jackpot)
- (2) Addition of specifications for machines enabling payout information to be easily verified
- (3) Introduction of settings for pachinko machines
- (4) Additional operations for managers



Number of Machines Sold

Titles Released in FY ending March 31, 2022



Pachinko and Pachislot Machine Business

Number of machines sold

(units)	FY 3/2017	FY 3/2018	FY 3/2019		FY 3/2020			FY 3/2021				FY 3/2022		
	Full year	2Q cumulative	Full year	2Q cumulative	Full year	1Q	2Q cumulative	3Q cumulative	Full year	1Q	2Q cumulative	Full year	Full year	1Q
Total	273,714	47,867	138,626	97,832	166,124	34,929	77,851	124,148	164,400	2,644	8,379	42,613	85,283	23,211
Pachinko machines	192,761	36,557	117,774	58,482	118,880	26,724	45,182	63,381	95,483	1,235	4,410	37,867	49,890	16,542
Body	167,951	26,858	72,185	39,541	60,946	12,024	23,060	31,996	41,887	267	585	33,121	39,455	15,752
Gauge board	24,810	9,699	45,589	18,941	57,934	14,700	22,122	31,385	53,596	968	3,825	4,746	10,435	790
Pachislot machines	80,953	11,310	20,852	39,350	47,244	8,205	32,669	60,767	68,917	1,409	3,969	4,746	35,393	6,669
Chassis	36,001	1,032	1,344	11,213	14,093	588	4,337	25,255	29,288	587	914	1,042	27,423	6,606
Combined unit	44,952	10,278	19,508	28,137	33,151	7,617	28,332	35,512	39,629	822	3,055	3,704	7,970	63

Titles released in FY ending March 31, 2022

Pachinko

Release	Title	Units sold
1Q	<i>GIRLS und PANZER der FILM</i>	6,981
	<i>NEW TOKIO</i>	3,026
	Total*	16,542

Pachislot

Release	Title	Units sold
1Q	<i>Pachislot GIRLS und PANZER der FILM</i>	4,448
	Total	6,669

*Total includes units of titles released in FY 3/2021 (Pachinko: 6,535 units, Pachislot: 2,221 units)

Trends of Golf Course Users and Revenue per Customer 1



Golf Business

Number of Golf Course Users

(persons)	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
FY 3/2016	619,519	765,614	672,004	655,011	657,753	641,672	732,172	668,507	624,894	447,276	441,305	603,777	7,529,504
FY 3/2017	639,909	751,256	658,871	726,699	649,334	631,137	726,674	662,099	626,216	471,345	413,167	595,830	7,552,537
FY 3/2018	675,659	792,244	711,469	750,806	704,955	715,606	647,910	730,972	644,083	447,133	403,933	614,892	7,839,662
FY 3/2019	720,160	792,127	718,087	654,188	663,134	642,742	757,904	735,408	647,213	519,678	453,613	659,749	7,964,003
FY 3/2020	713,508	825,693	729,264	692,419	683,759	715,039	694,209	737,238	674,769	529,682	538,524	620,360	8,154,464
FY 3/2021	470,829	582,920	652,979	673,184	796,668	707,324	759,748	785,017	714,772	515,600	568,067	675,789	7,902,897
FY 3/2022	761,654	834,763	780,948										2,377,365

Revenue per Customer

(yen)	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average
FY 3/2016	9,278	9,485	9,071	8,668	8,279	9,073	9,609	10,038	9,343	8,556	8,002	8,780	9,070
FY 3/2017	9,397	9,572	9,213	8,792	8,176	9,050	9,781	10,014	9,429	8,545	8,011	8,868	9,129
FY 3/2018	9,363	9,408	9,162	8,871	8,241	9,045	9,721	9,993	9,590	8,953	8,372	9,143	9,188
FY 3/2019	9,458	9,548	9,446	8,804	8,313	9,319	9,623	9,915	9,639	8,631	8,046	9,149	9,218
FY 3/2020	9,463	9,438	9,314	8,588	8,515	9,051	9,448	9,981	9,344	8,544	8,123	8,310	9,057
FY 3/2021	7,768	7,245	7,761	8,037	7,913	8,362	8,741	9,362	9,193	8,340	8,028	8,290	8,301
FY 3/2022	8,768	9,021	8,390										8,733

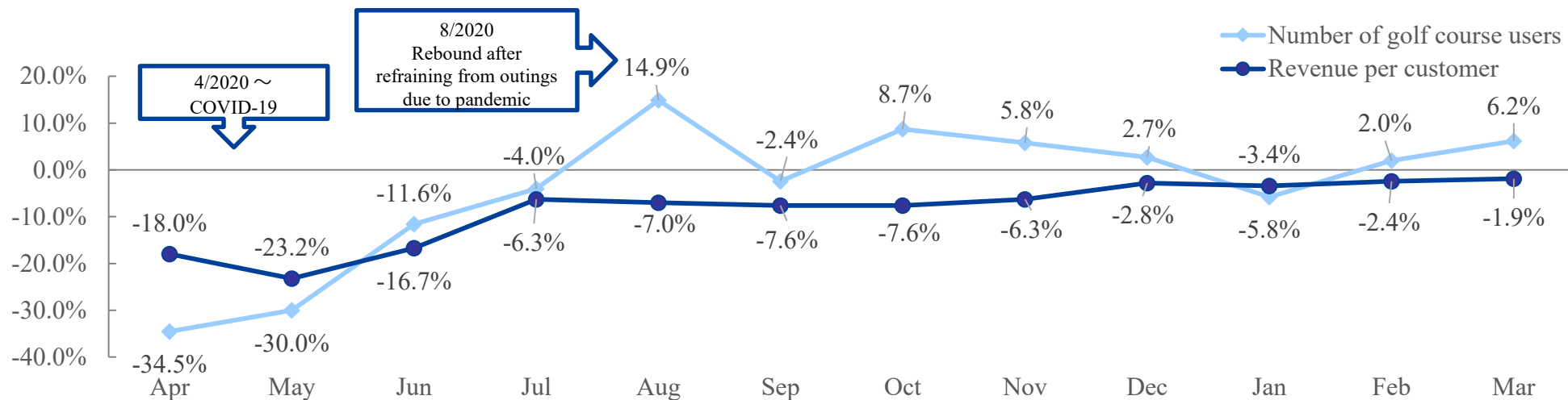
Trends of Golf Course Users and Revenue per Customer 2

Golf Business

Monthly result comparison – FY 3/2022 vs FY 3/2021



Monthly result comparison – FY 3/2021 vs FY 3/2020



* Based on operating golf courses since previous year.

Golf Course Portfolio

Golf Business

	As of March 31, 2021		As of June 30, 2021	
	Courses	18H equivalent	Courses	18H equivalent
Owned Golf Courses	144	175.0	144	175.0
Leased Golf Courses	1	2.0	1	2.0
Contracted Golf Courses	0	0	0	0
Total	145	177.0	145	177.0
Hokkaido	6	9.5	6	9.5
Tohoku	8	10.0	8	10.0
Kanto, Koushinetsu	65	76.5	65	76.5
Tokai, Hokuriku	12	13.0	12	13.0
Kansai	21	27.5	21	27.5
Chugoku	10	11.5	10	11.5
Shikoku	6	6.5	6	6.5
Kyusyu, Okinawa	17	22.5	17	22.5
Total	145	177.0	145	177.0

State of affairs in the fiscal year ending March 31, 2022

【Acquisition】

None

【Stock transfer agreement】

7/16/2021 Old Orchard Golf Club to commence operation on 10/1/2021 (Higashiibaraki District, Ibaraki Prefecture – 18H)

【Sponsorship agreements】

None

【Sale】

None

Financial Performance Trend

Consolidated

(million yen)	FY 3/2017	FY 3/2018	FY 3/2019		FY 3/2020				FY 3/2021				FY 3/2022	
	Full year	2Q cumulative	Full year	2Q cumulative	Full year	1Q	2Q cumulative	3Q cumulative	Full year	1Q	2Q cumulative	3Q cumulative	Full year	1Q
Net sales	186,218	62,177	132,765	80,211	144,980	36,809	73,911	114,334	144,573	16,173	37,781	76,109	107,744	32,051
Pachinko and Pachislot machine Business	108,139	18,310	51,552	37,027	62,407	13,021	29,568	47,542	61,658	1,171	2,893	18,263	33,292	9,116
Pachinko machines	75,823	13,698	44,428	22,199	45,569	9,861	17,243	24,227	35,357	479	1,280	16,303	20,625	6,378
Pachislot machines	31,607	4,379	6,702	14,639	16,509	3,098	12,189	23,129	26,059	637	1,513	1,740	12,344	2,683
Golf Business	78,078	43,866	81,213	43,183	82,573	23,788	44,342	66,791	82,914	15,001	34,888	57,845	74,452	22,934
Operating income	36,599	5,199	13,931	20,743	28,014	8,102	13,550	22,805	23,551	-4,415	-4,680	1,853	5,311	4,367
Pachinko and Pachislot machine Business	29,602	-749	7,149	15,666	20,791	3,294	7,946	14,075	17,450	-3,301	-5,795	-3,999	287	77
Pachinko machines	17,609	-1,278	7,025	8,585	15,260	2,127	1,874	2,212	5,120	-2,442	-4,837	-2,434	-2,332	-229
Pachislot machines	11,869	486	26	7,057	5,474	1,150	6,037	11,844	12,293	-859	-968	-1,601	2,570	296
Golf Business	10,935	7,530	9,930	6,761	10,599	5,661	7,194	11,153	9,286	-503	2,460	7,864	7,624	4,796
Eliminations & corporate expenses	-3,937	-1,580	-3,147	-1,684	-3,376	-853	-1,590	-2,423	-3,185	-611	-1,346	-2,010	-2,600	-507
Operating income ratio	19.7%	8.4%	10.5%	25.9%	19.3%	22.0%	18.3%	19.9%	16.3%	-27.3%	-12.4%	2.4%	4.9%	13.6%
Ordinary income	35,655	5,009	13,105	20,350	27,451	8,172	13,532	22,590	23,278	-4,491	-4,694	2,388	5,799	4,331
Profit attributable to owners of parent	27,058	2,122	6,799	13,489	16,341	5,857	9,407	15,296	15,872	-5,813	-6,179	-2,528	865	2,633
SGA expenses	37,447	15,001	30,652	12,939	27,822	6,716	16,698	24,686	32,760	5,552	11,176	17,401	23,723	5,509
Personnel expenses	7,207	3,049	6,211	3,052	6,356	1,423	2,864	4,288	5,985	1,395	2,804	4,199	5,676	1,361
Selling expenses	9,898	2,926	6,928	3,680	7,294	928	3,544	5,570	7,803	179	815	1,659	2,942	508
Advertising expenses	2,842	849	2,368	742	2,179	288	698	1,699	1,950	107	338	569	795	174
Sales commissions	2,858	436	1,135	1,131	1,660	316	886	1,529	1,885	38	104	352	921	230
General expenses	20,341	5,576	17,512	6,207	14,171	4,363	10,290	14,827	18,972	3,948	7,556	11,592	15,103	3,639
R&D expenses	12,841	5,017	10,832	2,972	7,881	2,815	7,303	10,268	12,680	2,806	5,176	7,627	9,949	2,212
Depreciation & amortization	11,098	5,017	10,740	4,773	9,868	2,016	4,171	6,428	8,745	1,958	4,052	6,424	9,016	2,373
Capital investment	14,050	10,044	14,166	4,038	7,091	2,943	5,360	7,257	9,667	2,631	4,167	5,495	6,921	2,762

Key Financial Indicators

Consolidated

(million yen)	FY 3/2016	FY 3/2017	FY 3/2018	FY 3/2019	FY 3/2020	FY 3/2021	Formula
Net Sales	214,954	186,218	132,765	144,980	144,573	107,744	
Operating Income	38,967	36,599	13,931	28,014	23,551	5,311	
Ordinary Income	37,444	35,655	13,105	27,451	23,278	5,799	
Profit attributable to owners of parent	28,143	27,058	6,799	16,341	15,872	895	
Total Assets	450,715	449,152	430,287	442,845	436,762	430,070	
Cash, Deposits and Securities	106,503	106,576	86,245	93,180	83,296	70,083	
Interest Bearing Debt	141,935	132,917	123,116	120,756	115,834	121,454	
Net Assets	198,873	217,405	216,701	225,052	232,575	226,242	
Shareholders' Equity	198,841	217,381	216,690	225,052	232,575	226,242	
ROE	15.6%	13.0%	3.1%	7.4%	6.9%	0.4%	
Operating Income Ratio	18.1%	19.7%	10.5%	19.3%	16.3%	4.9%	Operating income/Net sales
Net Income Ratio	13.1%	14.5%	5.1%	11.3%	11.0%	0.8%	Net income/Net sales
Asset Turnover	0.48	0.41	0.30	0.33	0.33	0.25	Net sales/Total assets *1
Financial Leverage	2.48	2.16	2.03	1.98	1.92	1.89	Total assets/Shareholders' equity *1,2
Net Debt Equity Ratio	17.8%	12.1%	17.0%	12.3%	14.0%	22.7%	Net interest-bearing debt/Shareholders' equity
Shareholders' Equity Ratio	44.1%	48.4%	50.4%	50.8%	53.2%	52.6%	Shareholders' equity/Total assets

*1 Total Assets = (Total Assets at beginning of period+ Total Assets at end of period) /2

*2 Shareholders' Equity = (Shareholders' Equity at beginning of period+ Shareholders' Equity at end of period) /2

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