

July 14, 2020

Notice of Recording of Other Operating Revenue

create restaurants holdings inc. announces that we have recorded following other operating revenue during the first quarter of the fiscal year ending February 2021 (March 1, 2020 to May 31, 2020).

1. Other operating revenue

With the spread of the new coronavirus (COVID-19) infections, many of our outlets were forced to suspend operations temporarily or to shorten operating hours. Amid this situation, we paid leave allowances to those employees who took furloughs to maintain the employment of our employees. The amount of these allowances is included in "Selling, general and administrative expenses" as personnel expenses. On the other hand, our company applied for an employment adjustment subsidy for a portion of such leave allowance, and the amount of 2,213 million yen was recorded as "Other operating revenue."

We also recorded 843 million yen of reduced or exempted rent for outlets as "Other operating revenue".

2. Impact on business results

The other operating revenue is already incorporated in the financial results announced in the "Summary of Financial Results for the First Quarter Ended May 31, 2020 [IFRS] (Consolidated)" dated July 14.