

July 14, 2021

Notice of Revision to Business Forecasts

create restaurants holdings inc. announces that we have revised its business forecasts which were announced on April 14, 2021, in view of recent trends in operating results. Details are as follows.

1. Revision to business forecasts

Revision to business forecasts for the fiscal year ending February 2022 (March 1, 2021 to February 28, 2022)

(Million yen, rounded down to the nearest million)

	Revenue	Operating profit	Profit before taxes	Profit for the year	Profit attributable to owners of parent	Basic earnings per share (Yen, Note 1)	(Reference) Adjusted EBITDA (Note 2)
Previous forecasts (A) (announced on April 14, 2021)	115,000	4,600	4,000	2,700	2,500	13.38	22,000
Revised forecasts (B)	93,000	5,500	5,000	3,400	3,000	16.06	22,400
Increase/decrease (B-A)	-22,000	+900	+1,000	+700	+500		+400
Percentage change (%)	-19.1	+19.6	+25.0	+25.9	+20.0		+1.8
(Reference) Previous results (FY2/21)	74,425	-14,181	-15,021	-15,571	-13,874	-74.28	5,130

(Note 1) As of March 1, 2020, the Company conducted a 2-for-1 stock split. Therefore, "Basic profit per share" is calculated on the assumption that the stock split was implemented at the beginning of the fiscal year ended February 2020.

(Note 2) The adjusted EBITDA is presented as a useful indicator of business performance.

The formula for adjusted EBITDA is as follows:

Adjusted EBITDA= Operating profit + Other operating expenses - Other operating revenues (excluding sponsorship income, subsidies for employment adjustment, subsidy for cooperation from local governments for shortening operating hours, and rent reduction and exemption, etc.) + Depreciation and amortization + non-recurring expense items (advisory expenses related to share acquisition, etc.)

2. Reason for the revision

Revenue is expected to be lower than the previous forecast due to the significant impact of the shortening of operating hours and the suspension of operations following the third State of Emergency declared in April 2021, the transition to the stricter COVID-19 measures (excluding Okinawa Prefecture), and the fourth State of Emergency by the Tokyo Metropolitan Government in July.

Each profit is expected to exceed the previous forecasts owing to factors such as the success of the efforts to create a lean management structure that we have been working on since the previous fiscal year, and an increase in the expected amount of subsidy for cooperation from local governments for shortening operating hours, etc., despite the expected decrease in profit reflecting a revenue decline.

(Note) The dividend forecast for the fiscal year ending February 2022 remains undetermined. We will promptly announce the forecast as soon as it becomes available. The above forecasts are based on information available at the time of this announcement, and actual results may differ from these forecasts due to various factors in the future.