



FY12/2021  
Supplementary Material on Financial Results

February 17, 2022

teno Holdings Co.,Ltd.

(Securities code:7037)

**teno.**  
HOLDINGS

# Agenda

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# Section 1

## Financial Results Overview FY12/2021 (Company-wide)

## Higher revenues / Lower earnings (Company-wide)

Net sales	11,454mil. yen	+/- % + 6.3%	+/- amount +675mil. yen (Prev. FY10,778mil. yen)
Operating profit	467mil. yen	+/- % -23.6%	+/- amount -144mil. yen (Prev. FY 612mil. yen)
Ordinary profit	455mil. yen	+/- % -23.3%	+/- amount -138mil. yen (Prev. FY 593mil. yen)
Net profit	237mil. yen	+/- % -30.1%	+/- amount -101mil. yen (Prev. FY 391mil. yen)

- Public Childcare Business: **64 centers (+2)** (45 certified childcare centers and 19 small certified childcare centers)  
New: +3 centers(Closed: -1)
  - Contracted Childcare Business: **218 centers (▲7)** (130 contracted childcare centers, 56 after-school childcare centers, and 32 Waiwai Parks)  
New: +10 centers(Closed: -17)
  - Other Business: **7 centers (±0)** (4 non-certified childcare centers; 1 small certified childcare center (In-establishment Childcare Business); 2 nursing homes (day-service))
- Total 289 centers (▲5)**

### Public Childcare Business Higher revenues / Lower earnings

Net sales	7,404mil. yen	+/- % +14.2%	+/- amount +918mil. yen (Prev. FY 6,485mil. yen)
Segment profit	771mil. yen	+/- % -4.5%	+/- amount -36mil. yen (Prev. FY 807mil. yen)

### Contracted Childcare Business Lower revenues / Lower earnings

Net sales	3,479mil. yen	+/- % -7.2%	+/- amount -269mil. yen (Prev. FY 3,748mil. yen)
Segment profit	138mil. yen	+/- % -36.6%	+/- amount -80mil. yen (Prev. FY 218mil. yen)

### Other Business Higher revenues / Lower earnings

Net sales	570mil. yen	+/- % +4.9%	+/- amount +26mil. yen (Prev. FY 544mil. yen)
Segment profit	▲20mil. yen	+/- % -	+/- amount -46mil. yen (Prev. FY 25mil. yen)

## Higher revenues / Lower earnings

	FY12/2020	FY12/2021	+/- amount	+/- %
Net sales	10,778	<b>11,454</b>	+675	+6.3%
Sales cost	8,893	<b>9,652</b>	+759	+8.5%
Gross profit	1,885	<b>1,801</b>	▲83	▲4.4%
SG&A expenses	1,273	<b>1,334</b>	+60	+4.8%
Operating profit	612	<b>467</b>	▲144	▲23.6%
Non-operating profit	6	<b>29</b>	+23	+357.5%
Non-operating expenses	24	<b>42</b>	+17	+69.9%
Ordinary profit	593	<b>455</b>	▲138	▲23.3%
Ordinary profit*	339	<b>237</b>	▲101	▲30.1%

# Consolidated Balance Sheets Overview

(mil. yen)	FY12/2020	FY12/2021	+/- amount
<b>Current assets</b>	<b>3,206</b>	<b>3,215</b>	+8
Cash and deposits	1,895	1,793	▲101
Notes and accounts receivable - trade	955	980	+24
<b>Non-current assets</b>	<b>4,212</b>	<b>4,079</b>	▲133
Property, plant and equipment	1,788	1,675	▲112
Intangible assets	821	819	▲1
Investments and other assets	1,603	1,584	▲18
<b>Total assets</b>	<b>7,419</b>	<b>7,294</b>	▲124
<b>Current liabilities</b>	<b>2,395</b>	<b>2,427</b>	+31
Short-term loans payable	300	550	+250
Current portion of long-term loans payable	441	444	+2
Accounts payable - other	795	718	▲77
<b>Non-current liabilities</b>	<b>2,895</b>	<b>2,535</b>	▲360
Long-term loans payable	2,767	2,390	▲377
<b>Net assets</b>	<b>2,127</b>	<b>2,331</b>	+203
<b>Total liabilities and net assets</b>	<b>7,419</b>	<b>7,294</b>	▲124

# Consolidated Cash Flow Statement Overview

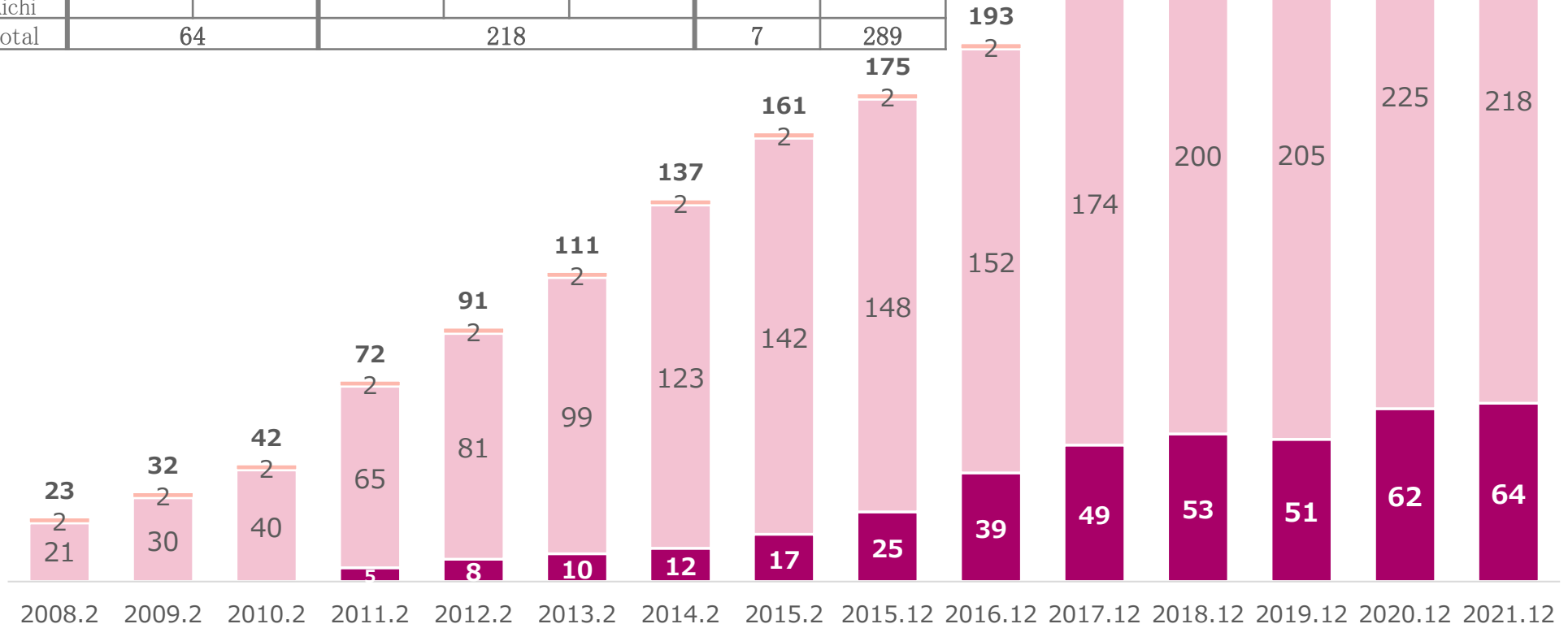
(mil. yen)	FY12/2020	FY12/2021	+/- amount
Cash flows from operating activities	508	292	▲215
Cash flows from investing activities	▲1,103	▲251	+862
(free cash flow)	▲594	41	+636
Cash flows from financing activities	677	▲161	▲839
Increase or decrease in cash and cash equivalents	+82	▲119	▲202
Cash and cash equivalents at beginning of period	1,783	1,865	+82
Cash and cash equivalents at end of period	1,865	1,745	▲119

# Trend in number of centers in operation (by segment)

■ Running childcare centers and nursing homes mainly in Tokyo area & Kyushu

< By type and region, as of Dec. 31, 2021 >

	Public Childcare Business		Contracted Childcare Business			Others	Total
	Certified	Small certified	Contracted childcare center	After-school childcare center	Waiwai		
Tokyo area	33	4	3				40
Kyushu	3	10	120	56	32	6	227
Kansai/Aichi	9	5	7			1	22
Total	64		218			7	289

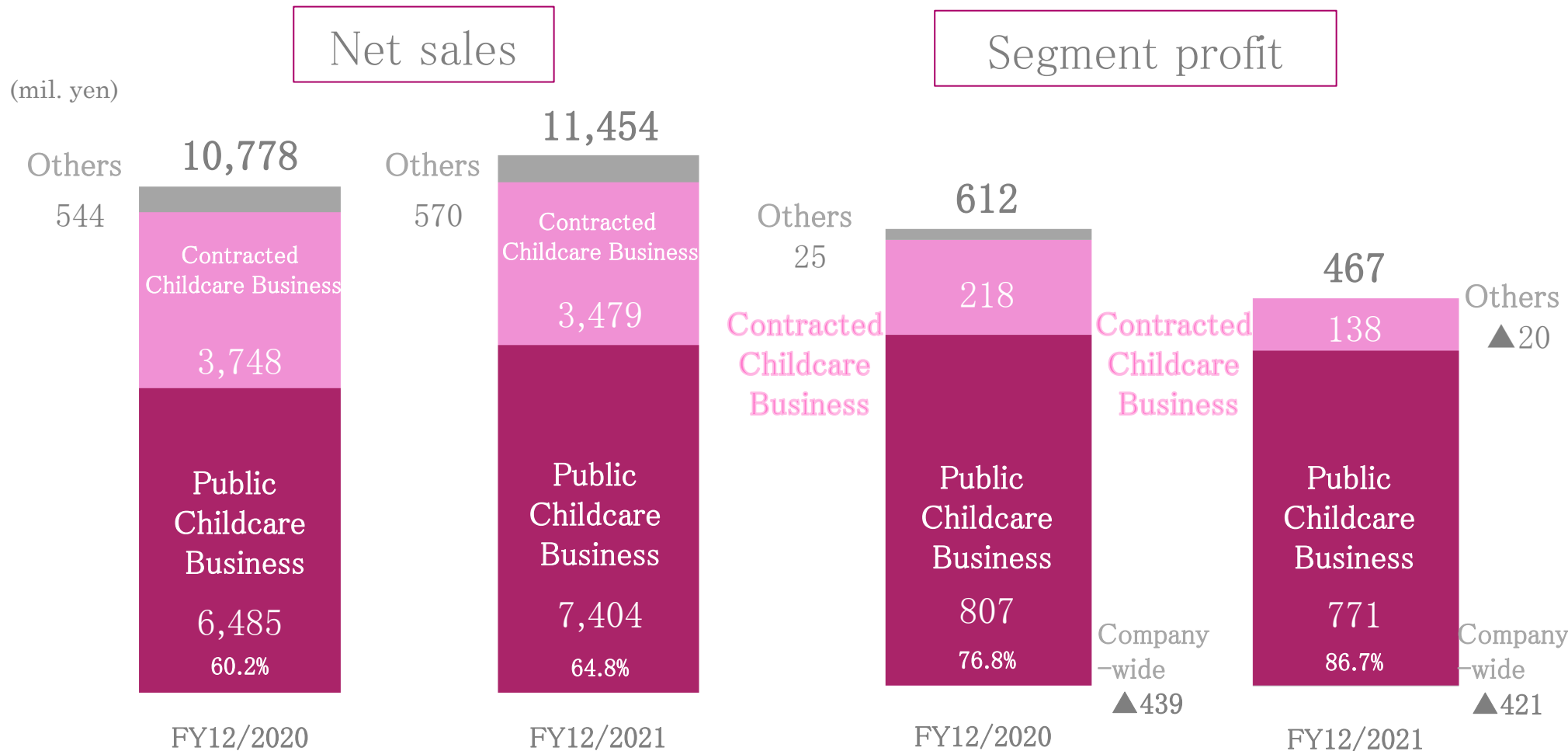




# Section 2

## Financial Results Overview FY12/2021 (By segment)

**Public Childcare Business** accounts for about **65%** of Net sales and about **87%※** of Profit



※ Relative to simple sum of individual segment profits excluding corporate expenses. FY12/2020: 1,051 mil. yen; FY12/2021: 889 mil. yen

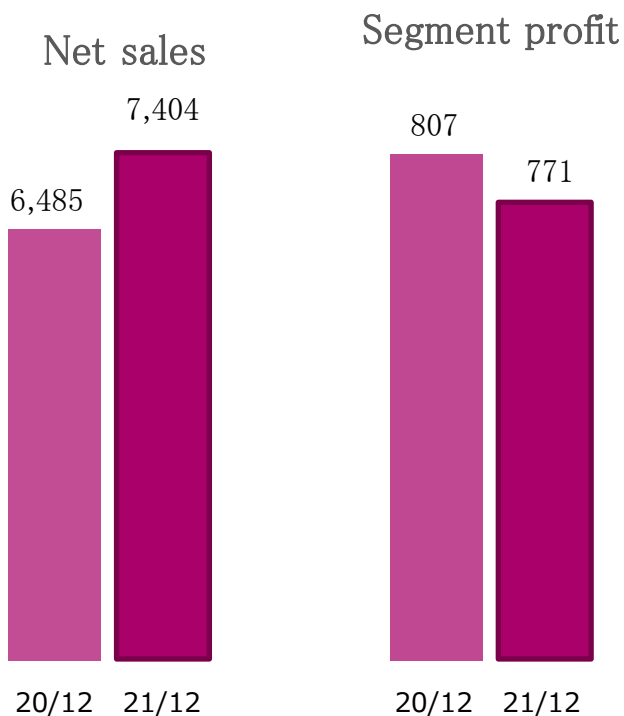
## Public Childcare Business

# Higher revenues / Lower earnings

Net sales 7,404mil. yen +/- % +14.2%、 +/- amount +918 mil. yen ( Prev. FY 6,485 mil. yen )  
 Segment profit 771mil. yen +/- % ▲ 4.5%、 +/- amount ▲ 36 mil. yen ( Prev. FY 807 mil. yen )

(mil. yen)

**Number of centers: 64 (+2)**



【 Higher revenues 】 Office Palette contributed  
 【 Higher revenues 】 **3 new certified childcare centers** opened  
 【 Expenses increased 】  
 (FY12/2020) Substantial decrease in **variable expenses** due to temporal closure and voluntary staying home  
 (FY12/2021) Usual operation → **lower profit due to increased variable expenses**

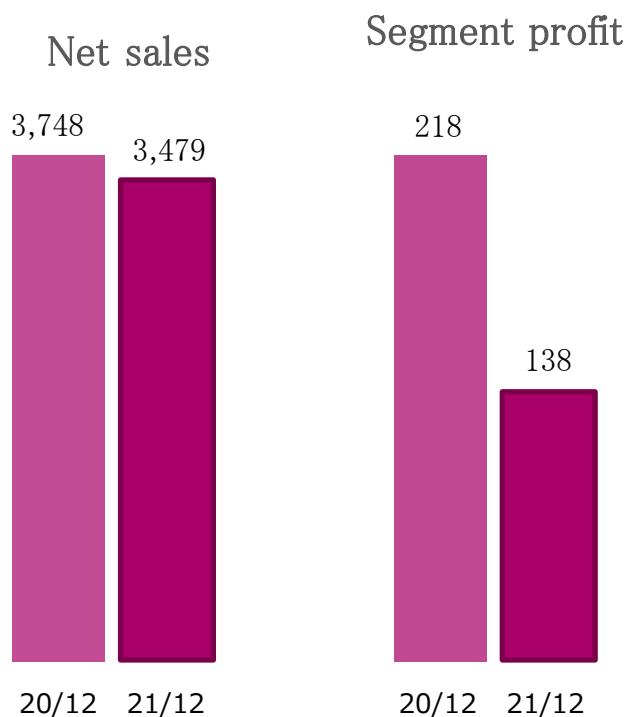
## Contracted Childcare Business

### Lower revenues / Lower earnings

Net sales	3,479mil. yen	+/- % ▲ 7.2%、 +/- amount ▲269 mil. yen ( Prev. FY 3,748mil. yen )
Segment profit	138mil. yen	+/- % ▲36.6%、 +/- amount ▲ 80 mil. yen ( Prev. FY 218 mil. yen )

( mil. yen )

**Number of centers: 218 (-7)**



【 Fewer centers in operation 】

Despite profitability projected in April 2021 and onward, more contracts have ended in March than as expected due to impact of COVID-19

【 Closed 】 -17 centers 【 New 】 +10 centers

(5 contracted childcare centers and 5 after-school childcare centers, 4 of which are located in Kawara Town, Fukuoka Pref. (new contracts))

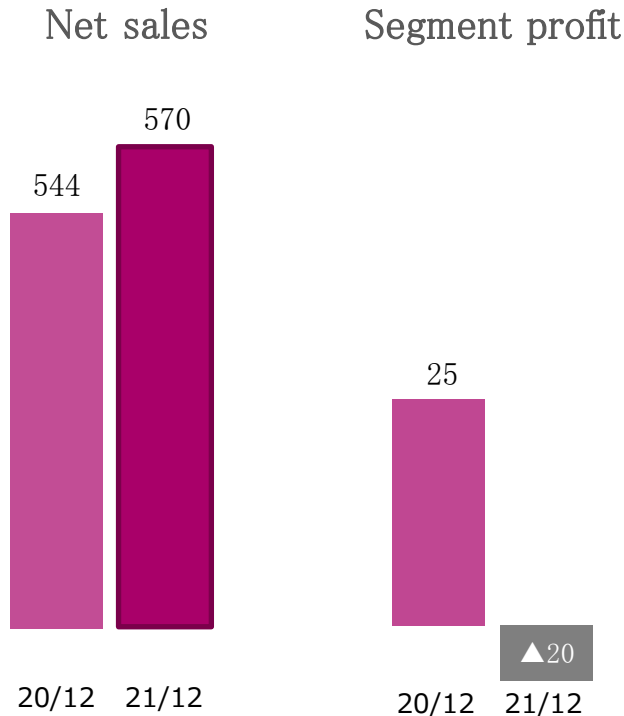
Since the second half, more people worked from home and had longer child care leave, and “refrained from day-care” in fear of infection risk

## Other Business Higher revenues / Lower earnings

Net sales	570 mil. yen	+/- % + 4.9%	+/- amount +26 mil. yen ( Prev. FY 544 mil. yen )
Segment profit	▲20 mil. yen	+/- % -	+/- amount ▲46 mil. yen ( Prev. FY 25 mil. yen )

**Number of centers: 7 (± 0)**

( mil. yen )



Although operational status of active centers improved, it was still below normal level due to on-and-off announcement of State of Emergency Declaration and Stricter Countermeasures

- 1) **Directly run non-certified / small certified childcare centers (in-establishment)**: Operating rates during the second half stayed at low level
- 2) **Nursing homes**: Improved operating rates led to better profitability
- 3) **Childminder dispatch business**: Price-raising led to higher earnings
- 4) **tenoSCHOOL**: Greatly contributed to earnings
- 5) **【NEW】Recruiting website “Enpuku!”** contributed to earnings

(released in Jan. 2021)



# Section 3

Topics  
FY03/2021

Topic 1

Investment in a venture company (Nov. 2021)

Topic 2

Marriage counseling service “Tenomari” website

Released (Oct. 2021) Started business (Nov. 2021)

Topic 3

Selection of Prime Market (Nov. 2021)

Topic 4

Kindergarten recruitment information website “Enpuku!”

Released (Nov. 2021)

Topic 5

Recruiting website “Hoiku-no-Tobira” was renewed (Feb. 2021)



First time

## Investment in a venture company

(Nov. 2021)



invested in 【PECOFREE Inc.】

This start-up company is based in Fukuoka, with its slogan as “Free (open) meal for hungry (PECOPECO) students!”, develops and operates its unique service called “PECOFREE” which enables students in high-schools and specialty schools without school lunch service to make pre-orders for lunchboxes as they want via their smartphones at least one day before.

### 【 Business activities 】

- Development and operation of its service named “PECOFREE” for pre-order for school lunch which can be chosen via smartphones
- Development and operation of its service named “PECOFREE” for pre-order for school lunch which can be chosen via smartphones

Purpose of investment

- Creating new business
- For the Company’s first investment in a start-up company, as part of realizing interfaces with many start-up companies

### Synergy with our business

- PECOFREE service will be introduced in sequence to 56 after-school childcare centers run by the Company, aiming at operational efficiency in ordering lunchboxes and improved convenience for users of these centers.

Reference 【About PECOFREE】

- A service through which meals to be eaten at schools can be pre-ordered via smartphones (mobile order).
- PECOFREE is available at the time of decision to adopt it at each school.
- When a student pre-orders his/her lunch (which can be chosen among daily three different lunchboxes supervised by a nutritionist) at least one day before via the dedicated LINE mini-app installed on his/her LINE app, his/her lunchbox will be delivered as scheduled to the receiving/returning BOX located in the school.
- on the points pre-charged by his/her parent.

Marriage counseling  
business

## “Tenomari” website

(released in Oct. 2021)

(teno.Support Co., Ltd.)

Why don't you realize your yearning life  
no matter how old you are with us?

福岡市の結婚相談所  
テノマリ  
〒812-0036 福岡市博多区上呉服町10-10 呉服町ビジネスセンター5階

電話受付時間 9:00~18:00  
※土曜・日曜・祝日を除く

アクセス 福岡市営地下鉄 呉服町駅 直結  
駐車場：近くにパーキングあり

無料相談予約・お問合せ  
0120-10-4139  
→ 男性向けお問い合わせフォーム  
→ 女性向けお問い合わせフォーム

TOP テノマリの想い プラン・料金 アドバイザー紹介 ご結婚までの流れ 会員データ よくあるご質問

Tenomari

Two photographs: a man in a white shirt sitting at a desk with a laptop, and a woman in a blue top sitting at a table looking at her smartphone.

## ■ Selection of Prime Market (Nov. 2021)

Results of primary determination regarding compliance with criteria for staying listed on the new market category

Criteria for staying listed on the Prime Market	Compliant
Number of tradable shares (20,000 or more)	Yes
Market value of tradable shares (10 billion yen or more)	No
Percentage of tradable shares (35% or more)	Yes
Price for sales/purchase (daily average of 2,000 million yen or more)	Yes

## ■ Plan document for compliance with the criteria for staying listed on the Prime Market

The Company plans to meet the criteria for staying listed by FY12/2030 during which it plans also to achieve its long-term vision named “teno VISION 2030”.

(Dec. 20, 2021)

### Plans for FY12/2030

Net sales: 50,000 million yen

Operating profit: 1,899 – 2,385 million yen (Operating profit ratio; 3.8 – 4.8%)

Net profit: 1,026 – 1,342 million yen (Net profit ratio: 2.1 – 2.7%)

PER: 11.99 – 14.52 (average PER in the industry: 14.59)

Percentage of tradable shares: 60%

Market value of tradable shares: 7,315 – 11,696 million yen

## ■ Decision to move to the Prime Market

(Jan. 11, 2022)

## Linkage between kindergartens and job-seekers

# Recruiting website “Enpuku!”

(released on Jan. 28, 2021)

- This website responds to issues of “shortage of human resources” and “recruitment cost” raised in a hearing at a kindergarten of Hakata Gakuen (private education institution).
- It connects kindergartens directly with job-seekers, and enables users to do their activities “smoothly” and “at their own pace”.



- Features
- ①Dedicated to Fukuoka area
  - ②No referral company in between
  - ③Offering via e-mail
  - ④Content-rich kindergartens’ web pages support job-seeking amid COVID-19

Users may apply for visiting a kindergarten and for practical work on this website.



utilizing AI

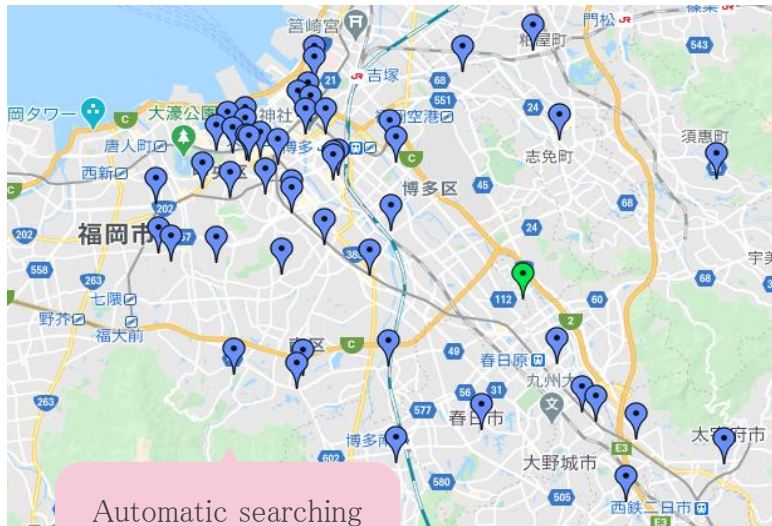
## Recruiting website “Hoiku-no-Tobira”

Matching between  
childminders and  
childcare centers

- AI system is utilized to match job-seekers (childminders) with centers more efficiently.
  - Job openings which meet conditions of the job-seeker are automatically found within the specified range.
  - For the future, matching rate would be calculated based on such as the seeker’s childcare skill and character, in order for higher efficiency in recruitment operations.

Staffing and  
referral

- Recruiting website “Hoiku-no-Tobira” was renewed (enhanced internal recruitment)
  - Diversified way of working can be realized in line with one’s life stage.
  - Aiming at efficiency in securing talents and reduced cost per individual recruitment.
  - At the same time, it can be used as a recruitment tool for referral/staffing business.



Automatic searching  
by conditions and  
distance

**正社員 保育園テトテやくいん**

日祝休みの企業主導型保育園◎  
2021年4月から働ける方を募集中  
テトテやくいん 正社員保育士

4月の誕生日 進級・入園おめでとう会	5月の誕生日 こどもの日	6月の誕生日 保育者会・保護者会 虫歯予防デー（歯科検診）	7月の誕生日 お盆
8月の誕生日 園内お楽しみ会	9月の誕生日 敬老の日 運動会	10月の誕生日 親子ふれあいデー FESTIVAL	11月の誕生日 動物園参観の日
12月の誕生日 クリスマス会	1月の誕生日 新年お楽しみ会	2月の誕生日 園会	3月の誕生日 14歳記念 卒園式・修了式

✔ こんな園です①
 ✔ こんな園です②

- ・ 保育の仕事に喜びと誇りを持った職員が集まっています。
- ・ 仕事への向き合い方や、ひとりひとりの子どもへの向き合い方が共通しており、チームワークが良い職場です。

- ・ お天気のいい日はみんなでお散歩♪キャナルシティや警固公園まで足をのびします◎
- ・ 温かい手づくりの給食をお子さまに準備しています。
- ・ お子さま一人ひとりの成長を一番に考えて、職員同士協力し合って勤務を行っています。

Easy to understand  
annual event  
schedule

\* It can be confirmed only on administrator’s page.

# Section4

Performance forecasts FY12/2022  
Mid-term management plan (2022-2024) and  
Long-term vision

# Expecting **higher** revenues and earnings (Company-wide)

(mil. yen)	FY03/2021actual	FY12/2022 forecast	+/- %	+/- amount
Net sales	11,454	12,500	+9.1%	+1,046
Operating profit	467	477	+2.0%	+10
Ordinary profit	455	459	+0.8%	+4
Net profit*	237	257	+8.4%	+20

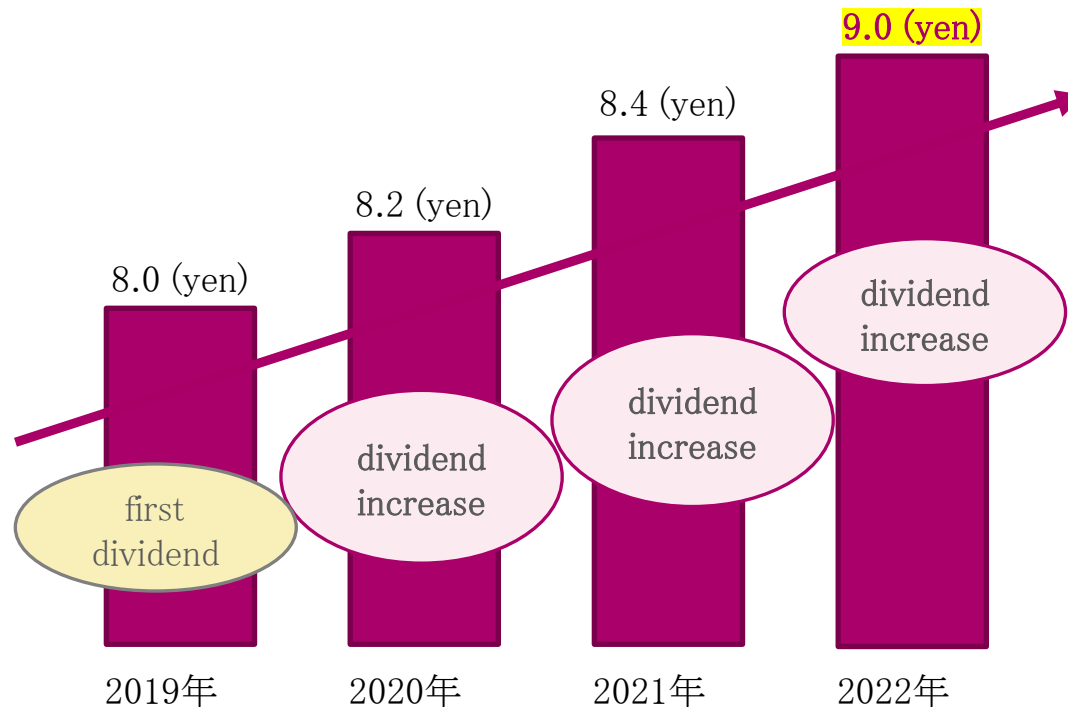
\* Net profit attributable to owners of parent

## Basic principle of profit allocation

The Company has its basic principle as to continuously provide stable dividends while ensuring internal reserve necessary for future business plan and improved balance sheet.

## Dividend for Fy12/2022

Also, dividend per share for FY12/2022 is expected to be set as 9.0 yen.





## Efforts towards social issues

4 質の高い教育を  
みんなに



### Quality education for all

Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

5 ジェンダー平等を  
実現しよう



### Achieving gender equality

Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.

8 働きがいも  
経済成長も



### Decent work and economic growth

Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.



# SDGs: Achieving gender equality



Achieve gender equality and empower all women and girls.

(Management philosophy)

We support women's life stages.

We think from other person's viewpoint.

We promote compliance.

We contribute to society through our business.

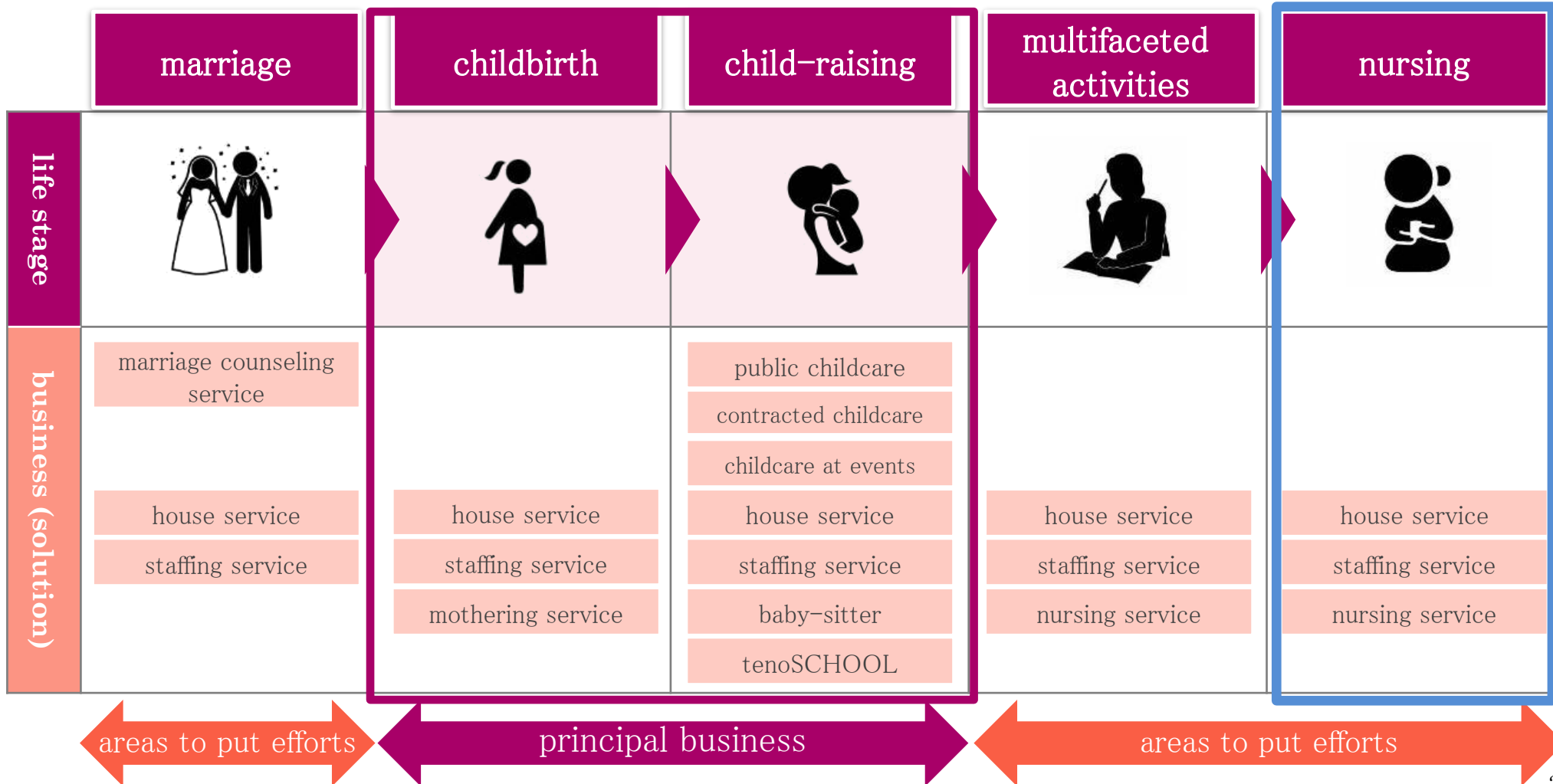
(Vision) **To create society where women actively participate**

(Strategy) **To develop business where women actively participate**

Strategy) To develop business where women actively participate  
(women's life stages and business)

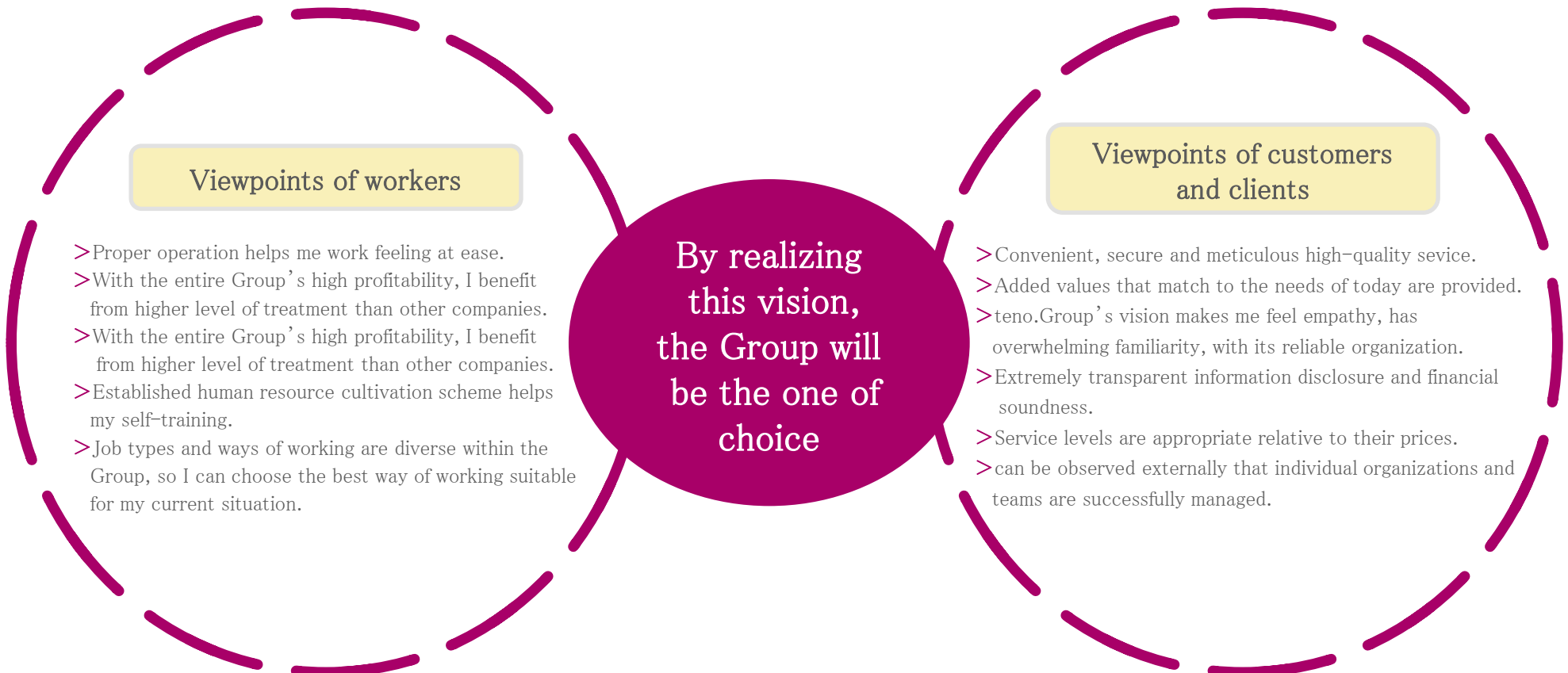
To develop business where women actively participate  
means business where women are able to continue working  
while doing child-raising, housework and nursing

strengthen



# 「 teno VISION 2030 」

To become a professional group which provides services desired today and aspire to be a comprehensive household service group where maximum self-realization of workers can be achieved.



## Basic policies

Feb. 14, 2022

1. Expand both Public Childcare Business and Contracted Childcare Business (including those through M&A)
2. Pursue “service quality”, and make centers of choice
3. Initiate integrated reform of personnel system and human resource cultivation system
4. Launch new business (another principal business other than child care) (lay a lot of seeds as investment for the future)
5. ※ Put efforts to expansion of nursing business and make it grow up to one of pillar businesses next to Public Childcare Business and Contracted Childcare Business

※ Newly added considering future expansion of nursing business

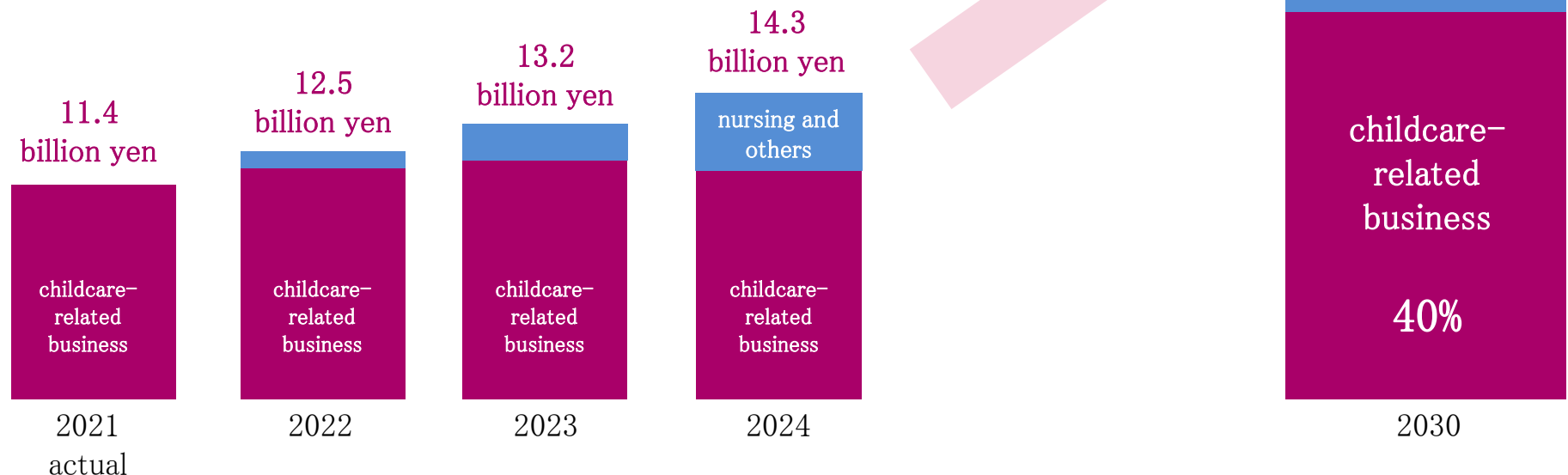
# Mid-term management plan and Long-term vision

Image of business expansion with the long-term vision “teno VISION 2030”

– Business expansion strategies –

- Strategy 1: Expansion of childcare-related business
- Strategy 2: Creation of new business
- Strategy 3: Business expansion through M&A

**Net sales**



## Measures(Next: FY12/2022)

Measures		Description
Strengthening principal business	Public Childcare Business	<p><b>【New center】</b> • <b>teno.Corporation Co., Ltd.</b> 1 certified childcare center (Chuo Ward) in Apr. 2022</p> <p><b>【Existing centers】</b> • Efforts put to improved “Quality of childcare” and enhanced efficient operation of centers • Higher efficiency in operating expenses and close investigation into room for reduction</p>
	Contracted Childcare Business	<p><b>【Contracted childcare centers】</b> • 10 new contracts were obtained • Ongoing negotiation on unit price of entrustment in order for improved profitability</p> <p><b>【After-school childcare center】</b> • New contract was granted from Chikugo City (Fukuoka Pref.), which will start operation in April 2022.</p>
Strengthening earnings foundation	Strengthening other segments	<p><b>【Nursing business】</b> <b>teno.Support Co., Ltd.</b> 1 day-service center (Fukuoka City) in Apt. 2022 <b>Forte Co., Ltd.</b> Forte has joined the Group since Feb. 2022 and operates 4 residence-type nursing homes.</p> <p><b>【Marriage counseling business】</b> Website “<b>Tenomari</b>”: Efforts are put to organizing several events gathering guests, which would lead to interview and registration.</p> <p><b>【Education business】</b> <b>tenoSCHOOL</b>: Efforts put to increased contracts for training organized by local governments <b>【Hokatsu business*】</b> New Hokatsu business activities started. Hokatsu website named “<b>Hokatsu Assist</b>” will be released in May. * “Hokatsu” means activities searching for childcare centers</p>
Human resource cultivation and increasing productivity (in-house human resource)	Further improvement in childcare quality (prevention of staff turnover)	<ul style="list-style-type: none"> <li>• Strengthening human resource cultivation and enhancing in-house training</li> <li>• Improved engagement (measures taken for raising employee satisfaction and reducing turnover)</li> <li>• Promoting paperless operations through digitization (A series of manuals for operating childcare centers should be organized, for uniform operation across individual centers)</li> </ul>
Reduction in recruitment cost	Enhancement of staffing/referral business	<ul style="list-style-type: none"> <li>• Efforts put to expansion of <b>the Company’s own recruiting websites: “Hoiku-no-Tobira” and “ENPUKU!”</b> Registered members for “Hoiku-no-Tobira” and participants in “Enpuku!” would be increased..</li> <li>• Charge-free online courses continue to be provided, thereby reinforcing support from passing examinations through to employment at centers run by the Company.</li> </ul>

# Section5

Most recent topics



nursing  
homes

## Acquired shares of Forte Co., Ltd. (to be a subsidiary)

(stockholding ratio: 100%)

(Jan. 31, 2022)

Purpose

Enhancement of service lineup in nursing business

【 Management philosophy 】 Contribute to “Richness” of life, for everyone involved

【 Business activities 】 Nursing business; Operation of houses of elderly people

• In Apr. 2018, Living Environment Division of Kaigojigyo-Kenkyukai Co., Ltd. (nursing business institute) became independent and renamed as Forte.

• **t operates 4 nursing homes in Osaka Pref.**



住宅型有料老人ホーム

Care Bridge ケア・ブリッジ 永和

サービス付き高齢者向け住宅

Care Bridge ケア・ブリッジ 下松

住宅型有料老人ホーム

Care Bridge ケア・ブリッジ 河内花園

住宅型有料老人ホーム

カレツタルウス豊中・浜

## 『喜・楽・安・信』

喜び、楽しみ、安心、信頼

ご入居者様一人一人が望まれる『喜・楽・安・信』を受け止め、その実現を積み重ね、私たち自身がすぐにでも入居したいと思えるようなホームづくりに努めます。



## 4th round

Application process for charge-free online courses for **childminders** started

(Jan. 7, 2022)

The 4th round of charge-free online courses for **childminders**, as part of supportive measures **against COVID-19**, will be held as follows.

Period	From application date until Apr. 22, 2022 (Fri.) * Courses are available anytime during this period.
Subjects	Psychology in childcare•Childcare principles•Family welfare for children•Social welfare•Education principles•Social nursing•Children’s health•Children’s diet and nutrition•Childcare practice theories
Fee	free
Eligibility	Those who were forced to be dismissed or who had their job offer revoked due to impact of COVID-19 Those who are in trouble with job-hunting held up because of cancellation of recruitment screening Those who intend to have quality tests for childminders (national qualification) and others who, regardless of abovementioned reasons, are in principle already eligible for quality tests for childminders

## Genki no Furusato Day Service Naka

Newly opened

Visit session for **observing day service**

(Jan. 6, 2022)

Visit session for observing day service will be held at the newly opened Genki no Furusato Day Service Naka

Newly-opening date: Apr.1, 2022 (by teno.Support Co., Ltd.)

Prior to opening, visit session will be held for users, their families and care managers.

Dates and times Feb. 16, 2022 (Wed.) 9:00～13:00

Mar. 12, 2022 ( Sat.) 9:00～13:00



Linkage between childcare centers and parents

Hokatsu platform website

Hokatsu Assist will be launched

(scheduled in Apr. 2022)

“Hokatsu” means

activities carried by of parents who want to have their children kept at certified childcare centers

**Issue** They require much time and effort to collect information (largely analog)

Mothers on childcare leave usually do Hokatsu

(example)

- ① Confirm information on websites
- ② Get booklet at government office and collect information
- ③ Confirm and organize information
- ④ Decide candidate
- ⑤ Book for visit
- ⑥ Book for visit
- ⑦ File documents with government office

Hokatsu Assist supports women’s life stage by alleviating “negative” elements for parents.



# teno.

## HOLDINGS

### 【Contact】

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