

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

July 30, 2021

Company name: MATSUYA FOODS HOLDINGS CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 9887 URL <https://www.matsuyafoods-holdings.co.jp>
 Representative: President and Representative Director Kazutoshi Kawarabuki
 Inquiries: Senior Managing Director Kiichiro Tanzawa TEL 0422-38-1121
 Scheduled date to file Quarterly Securities Report: August 10, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2021	22,536	6.6	(888)	–	1,993	–	1,067	–
Three months ended June 30, 2020	21,150	(17.2)	(2,604)	–	(2,549)	–	(1,829)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	56.04		–	
Three months ended June 30, 2020	(96.02)		–	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of June 30, 2021	73,701		40,788		55.3		2,140.45	
As of March 31, 2021	74,545		40,121		53.8		2,105.44	

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
Year ended March 31, 2021	–	12.00	–	12.00	24.00
Year ending March 31, 2022	–				
Year ending March 31, 2022 (Forecast)		12.00	–	12.00	24.00

3. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
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|--|-----|
| Changes in accounting policies due to revisions to accounting standards and other regulations: | Yes |
| Changes in accounting policies due to other reasons: | No |
| Changes in accounting estimates: | No |
| Restatement of prior period financial statements: | No |

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2021	19,063,968 shares	As of March 31, 2021	19,063,968 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	7,956 shares	As of March 31, 2021	7,864 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	19,056,087 shares	Three months ended June 30, 2020	19,056,279 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	13,691,494	13,816,782
Notes and accounts receivable - trade	2,123,130	–
Notes and accounts receivable - trade, and contract assets	–	1,835,390
Merchandise and finished goods	754,520	897,700
Raw materials and supplies	3,908,718	5,083,012
Other	3,124,856	1,419,554
Allowance for doubtful accounts	–	(10,922)
Total current assets	23,602,720	23,041,516
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,743,998	18,720,784
Machinery, equipment and vehicles, net	2,772,304	2,715,740
Tools, furniture and fixtures, net	2,208,390	2,179,433
Leased assets, net	627,289	860,973
Land	9,341,954	9,344,454
Construction in progress	337,809	491,496
Total property, plant and equipment	34,031,747	34,312,883
Intangible assets		
Software	391,783	382,476
Other	52,586	47,507
Total intangible assets	444,370	429,983
Investments and other assets		
Investment securities	72,137	72,044
Leasehold and guarantee deposits	11,875,177	11,643,109
Long-term prepaid expenses	369,573	370,018
Deposits for stores in preparation	112,021	156,412
Deferred tax assets	3,044,128	2,682,742
Investment property, net	188,327	186,815
Other	814,926	815,753
Allowance for doubtful accounts	(9,506)	(9,397)
Total investments and other assets	16,466,786	15,917,500
Total non-current assets	50,942,904	50,660,367
Total assets	74,545,624	73,701,883

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	2,441,520	1,959,107
Short-term borrowings	4,182,908	4,100,000
Current portion of long-term borrowings	3,364,364	3,314,173
Accounts payable - other	4,015,710	3,431,650
Lease obligations	238,607	241,502
Income taxes payable	431,632	456,116
Provision for bonuses	1,222,235	767,658
Other	1,091,162	1,713,859
Total current liabilities	16,988,140	15,984,068
Non-current liabilities		
Long-term borrowings	14,161,140	13,369,139
Provision for retirement benefits for directors (and other officers)	567,800	567,800
Lease obligations	442,961	697,510
Asset retirement obligations	2,109,238	2,127,050
Deferred tax liabilities	6,115	6,115
Other	148,713	161,791
Total non-current liabilities	17,435,970	16,929,407
Total liabilities	34,424,111	32,913,476
Net assets		
Shareholders' equity		
Share capital	6,655,932	6,655,932
Capital surplus	6,963,229	6,963,229
Retained earnings	26,584,954	27,261,275
Treasury shares	(17,015)	(17,341)
Total shareholders' equity	40,187,100	40,863,095
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	931	867
Foreign currency translation adjustment	(66,518)	(75,555)
Total accumulated other comprehensive income	(65,586)	(74,687)
Total net assets	40,121,513	40,788,407
Total liabilities and net assets	74,545,624	73,701,883

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	21,150,770	22,536,491
Cost of sales	7,421,541	7,681,783
Gross profit	13,729,228	14,854,707
Selling, general and administrative expenses	16,333,241	15,743,122
Operating profit (loss)	(2,604,013)	(888,414)
Non-operating income		
Interest income	4,697	4,217
Dividend income	1,575	1,563
Rental income	50,210	50,261
Subsidy incomes	–	2,822,810
Other	88,023	93,155
Total non-operating income	144,507	2,972,007
Non-operating expenses		
Interest expenses	16,985	21,175
Rental expenses	50,746	48,726
Other	22,230	20,398
Total non-operating expenses	89,963	90,301
Ordinary profit (loss)	(2,549,468)	1,993,292
Extraordinary income		
Gain on sale of non-current assets	17	1,009
Gain on receipt of donated non-current assets	–	1,511
Compensation income	10,000	–
Gain on forgiveness of debts	–	4,832
Other	–	106
Total extraordinary income	10,017	7,459
Extraordinary losses		
Loss on retirement of non-current assets	555	3,842
Loss on store closings	5,393	30,893
Loss on sale of non-current assets	331	349
Impairment losses	15,055	1,347
Other	–	550
Total extraordinary losses	21,335	36,983
Profit (loss) before income taxes	(2,560,786)	1,963,768
Income taxes - current	191,562	448,368
Income taxes - deferred	(922,570)	447,565
Total income taxes	(731,008)	895,934
Profit (loss)	(1,829,778)	1,067,834
Profit (loss) attributable to owners of parent	(1,829,778)	1,067,834

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit (loss)	(1,829,778)	1,067,834
Other comprehensive income		
Valuation difference on available-for-sale securities	119	(64)
Foreign currency translation adjustment	(509)	(9,036)
Total other comprehensive income	(389)	(9,100)
Comprehensive income	(1,830,168)	1,058,733
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,830,168)	1,058,733
Comprehensive income attributable to non-controlling interests	—	—