

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

January 31, 2022

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: February 9, 2022
 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 nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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	%
Nine months ended December 31, 2021	70,345	(1.1)	(2,501)	–	5,154	–	2,593	–
Nine months ended December 31, 2020	71,130	(10.6)	(903)	–	(763)	–	(1,866)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	136.12		–	
Nine months ended December 31, 2020	(97.97)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2021	75,575	42,085	55.7	2,208.53
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
	Yen				
Year ended March 31, 2021	–	12.00	–	12.00	24.00
Year ending March 31, 2022	–	12.00	–		
Year ending March 31, 2022 (Forecast)				12.00	24.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	96,100	1.8	(3,700)	–	4,200	–	2,000	–	104.95

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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
- 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 December 31, 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 December 31, 2021	8,140 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)

Nine months ended December 31, 2021	19,055,949 shares	Nine months ended December 31, 2020	19,056,258 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	13,691,494	12,922,167
Notes and accounts receivable - trade	2,123,130	–
Notes and accounts receivable - trade, and contract assets	–	2,706,917
Merchandise and finished goods	754,520	988,598
Raw materials and supplies	3,908,718	7,195,338
Other	3,124,856	1,100,317
Total current assets	23,602,720	24,913,338
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,743,998	19,243,291
Machinery, equipment and vehicles, net	2,772,304	2,853,642
Tools, furniture and fixtures, net	2,208,390	2,216,119
Leased assets, net	627,289	952,395
Land	9,341,954	9,344,454
Construction in progress	337,809	188,526
Total property, plant and equipment	34,031,747	34,798,429
Intangible assets		
Software	391,783	364,741
Other	52,586	93,405
Total intangible assets	444,370	458,147
Investments and other assets		
Investment securities	72,137	89,699
Leasehold and guarantee deposits	11,875,177	11,437,512
Long-term prepaid expenses	369,573	342,659
Deposits for stores in preparation	112,021	194,979
Deferred tax assets	3,044,128	2,339,160
Investment property, net	188,327	184,627
Other	814,926	826,640
Allowance for doubtful accounts	(9,506)	(9,295)
Total investments and other assets	16,466,786	15,405,984
Total non-current assets	50,942,904	50,662,561
Total assets	74,545,624	75,575,900

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	2,441,520	2,514,238
Short-term borrowings	4,182,908	4,100,000
Current portion of long-term borrowings	3,364,364	3,213,791
Accounts payable - other	4,015,710	4,804,658
Lease obligations	238,607	249,349
Income taxes payable	431,632	1,283,639
Provision for bonuses	1,222,235	674,964
Other	1,091,162	1,234,068
Total current liabilities	16,988,140	18,074,709
Non-current liabilities		
Long-term borrowings	14,161,140	11,718,830
Provision for retirement benefits for directors (and other officers)	567,800	567,800
Lease obligations	442,961	789,072
Asset retirement obligations	2,109,238	2,186,465
Deferred tax liabilities	6,115	3,836
Other	148,713	149,829
Total non-current liabilities	17,435,970	15,415,834
Total liabilities	34,424,111	33,490,543
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	28,558,589
Treasury shares	(17,015)	(17,998)
Total shareholders' equity	40,187,100	42,159,752
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	931	1,032
Foreign currency translation adjustment	(66,518)	(75,429)
Total accumulated other comprehensive income	(65,586)	(74,396)
Total net assets	40,121,513	42,085,356
Total liabilities and net assets	74,545,624	75,575,900

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	71,130,855	70,345,801
Cost of sales	24,024,170	24,496,298
Gross profit	47,106,684	45,849,502
Selling, general and administrative expenses	48,010,632	48,350,744
Operating loss	(903,947)	(2,501,242)
Non-operating income		
Interest income	13,943	12,250
Dividend income	1,575	1,569
Rental income	145,658	146,135
Subsidy incomes	–	7,386,083
Other	246,376	336,719
Total non-operating income	407,552	7,882,758
Non-operating expenses		
Interest expenses	64,243	60,189
Rental expenses	147,639	144,191
Other	55,101	22,202
Total non-operating expenses	266,984	226,583
Ordinary profit (loss)	(763,380)	5,154,932
Extraordinary income		
Gain on sale of non-current assets	1,811	1,210
Compensation income	30,909	–
Compensation for expropriation	70,475	–
Gain on receipt of donated non-current assets	–	6,759
Gain on forgiveness of debts	–	63,115
Other	13,953	556
Total extraordinary income	117,149	71,642
Extraordinary losses		
Loss on retirement of non-current assets	9,447	32,225
Loss on store closings	41,712	37,359
Loss on sale of non-current assets	458	1,323
Impairment losses	1,653,907	314,785
Other	150	4,750
Total extraordinary losses	1,705,675	390,444
Profit (loss) before income taxes	(2,351,906)	4,836,130
Income taxes - current	613,497	1,453,515
Income taxes - deferred	(1,098,472)	788,795
Total income taxes	(484,974)	2,242,311
Profit (loss)	(1,866,932)	2,593,818
Profit (loss) attributable to owners of parent	(1,866,932)	2,593,818

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit (loss)	(1,866,932)	2,593,818
Other comprehensive income		
Valuation difference on available-for-sale securities	(144)	100
Foreign currency translation adjustment	467	(8,910)
Total other comprehensive income	322	(8,810)
Comprehensive income	(1,866,609)	2,585,008
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,866,609)	2,585,008
Comprehensive income attributable to non-controlling interests	—	—