

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 12, 2023

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 of ordinary general meeting of shareholders: June 27, 2023  
 Scheduled date to file Securities Report: June 28, 2023  
 Scheduled date to commence dividend payments: June 28, 2023  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

#### (1) Consolidated operating results

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	%
Year ended March 31, 2023	106,598	12.8	1,468	–	3,914	(38.8)	1,255	13.6
Year ended March 31, 2022	94,472	0.1	(4,200)	–	6,398	–	1,105	–

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2023	65.87	–	3.1	5.0	1.4
Year ended March 31, 2022	57.99	–	2.7	8.4	(4.4)

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	79,697	41,403	52.0	2,171.84
As of March 31, 2022	76,955	40,591	52.7	2,130.16

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2023	8,647	(6,570)	(595)	11,779
Year ended March 31, 2022	8,840	(5,699)	(3,460)	10,291

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2022	–	12.00	–	12.00	24.00	457	41.4	1.1
Year ended March 31, 2023	–	12.00	–	12.00	24.00	457	36.4	1.1
Year ending March 31, 2024 (Forecast)	–	12.00	–	12.00	24.00		114.3	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	54,900	7.4	100	(57.0)	300	(87.7)	0	–	0.00
Full year	113,600	6.6	1,000	(31.9)	1,400	(64.2)	400	(68.1)	20.99

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2023	19,063,968 shares	As of March 31, 2022	19,063,968 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	317 shares	As of March 31, 2022	8,140 shares
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Average number of shares during the period

Year ended March 31, 2023	19,056,031 shares	Year ended March 31, 2022	19,055,919 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	13,391,129	14,879,375
Notes and accounts receivable - trade, and contract assets	2,576,459	3,158,418
Merchandise and finished goods	828,415	1,123,274
Raw materials and supplies	7,494,558	6,605,085
Other	1,529,343	1,229,822
<b>Total current assets</b>	<b>25,819,906</b>	<b>26,995,977</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	49,763,409	51,865,574
Accumulated depreciation	(31,418,807)	(32,625,903)
Buildings and structures, net	18,344,601	19,239,670
Machinery, equipment and vehicles	8,220,271	8,428,119
Accumulated depreciation	(5,514,059)	(6,084,952)
Machinery, equipment and vehicles, net	2,706,211	2,343,167
Tools, furniture and fixtures	10,025,222	10,764,655
Accumulated depreciation	(7,828,705)	(8,311,365)
Tools, furniture and fixtures, net	2,196,517	2,453,290
Land	9,344,454	9,344,454
Leased assets	3,740,148	3,892,652
Accumulated depreciation	(2,529,954)	(2,256,534)
Leased assets, net	1,210,193	1,636,117
Construction in progress	264,460	364,641
<b>Total property, plant and equipment</b>	<b>34,066,440</b>	<b>35,381,342</b>
<b>Intangible assets</b>		
Software	413,553	399,043
Other	58,902	66,207
<b>Total intangible assets</b>	<b>472,455</b>	<b>465,250</b>
<b>Investments and other assets</b>		
Investment securities	89,746	89,831
Leasehold and guarantee deposits	11,509,898	11,533,793
Long-term prepaid expenses	293,264	296,277
Deposits for stores in preparation	190,272	404,635
Deferred tax assets	3,450,529	3,488,067
Investment property	549,757	547,901
Accumulated depreciation	(350,279)	(363,922)
Investment property, net	199,477	183,979
Other	872,399	867,336
Allowance for doubtful accounts	(9,329)	(9,344)
<b>Total investments and other assets</b>	<b>16,596,259</b>	<b>16,854,578</b>
<b>Total non-current assets</b>	<b>51,135,155</b>	<b>52,701,170</b>
<b>Total assets</b>	<b>76,955,062</b>	<b>79,697,148</b>

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	1,980,808	2,314,082
Short-term borrowings	–	24,713
Current portion of long-term borrowings	3,888,872	4,401,756
Accounts payable - other	4,516,526	5,141,215
Lease liabilities	307,036	433,510
Income taxes payable	2,162,087	749,906
Provision for bonuses	1,229,130	1,307,282
Other	1,383,872	2,836,966
<b>Total current liabilities</b>	<b>15,468,333</b>	<b>17,209,433</b>
<b>Non-current liabilities</b>		
Long-term borrowings	15,157,742	14,905,769
Provision for retirement benefits for directors (and other officers)	567,800	567,800
Lease liabilities	1,014,659	1,355,802
Asset retirement obligations	3,999,159	4,088,121
Deferred tax liabilities	4,222	2,927
Other	151,248	164,161
<b>Total non-current liabilities</b>	<b>20,894,831</b>	<b>21,084,583</b>
<b>Total liabilities</b>	<b>36,363,165</b>	<b>38,294,016</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	6,655,932	6,655,932
Capital surplus	6,963,229	6,976,341
Retained earnings	27,069,804	27,867,606
Treasury shares	(17,998)	(726)
<b>Total shareholders' equity</b>	<b>40,670,967</b>	<b>41,499,153</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,064	1,123
Foreign currency translation adjustment	(80,136)	(97,145)
<b>Total accumulated other comprehensive income</b>	<b>(79,071)</b>	<b>(96,021)</b>
<b>Total net assets</b>	<b>40,591,896</b>	<b>41,403,131</b>
<b>Total liabilities and net assets</b>	<b>76,955,062</b>	<b>79,697,148</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	94,472,163	106,598,594
Cost of sales	32,959,544	35,862,789
Gross profit	61,512,619	70,735,804
Selling, general and administrative expenses	65,713,052	69,267,404
Operating profit (loss)	(4,200,433)	1,468,400
Non-operating income		
Interest income	16,182	14,998
Dividend income	1,569	1,875
Rental income	194,720	209,377
Sponsorship money income	82,120	57,985
Subsidy incomes	10,097,638	1,991,194
Other	547,623	538,708
Total non-operating income	10,939,854	2,814,139
Non-operating expenses		
Interest expenses	78,704	86,438
Rental expenses	192,719	198,015
Other	69,816	83,823
Total non-operating expenses	341,239	368,277
Ordinary profit	6,398,181	3,914,262
Extraordinary income		
Gain on sale of non-current assets	1,614	1,579
Gain on receipt of donated non-current assets	6,759	17,099
Compensation for expropriation	–	93,607
Gain on forgiveness of debts	63,882	–
Other	1,195	5,818
Total extraordinary income	73,452	118,105
Extraordinary losses		
Loss on sale of non-current assets	2,208	1,694
Loss on retirement of non-current assets	36,105	6,564
Loss on store closings	39,998	18,564
Impairment losses	3,282,817	1,256,013
Other	5,345	100,775
Total extraordinary losses	3,366,474	1,383,612
Profit before income taxes	3,105,159	2,648,755
Income taxes - current	2,322,326	1,432,475
Income taxes - deferred	(322,201)	(38,859)
Total income taxes	2,000,125	1,393,615
Profit	1,105,033	1,255,139
Profit attributable to owners of parent	1,105,033	1,255,139

## Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	1,105,033	1,255,139
Other comprehensive income		
Valuation difference on available-for-sale securities	133	59
Foreign currency translation adjustment	(13,618)	(17,009)
Total other comprehensive income	(13,484)	(16,950)
Comprehensive income	1,091,549	1,238,189
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,091,549	1,238,189
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,655,932	6,963,229	26,584,954	(17,015)	40,187,100
Cumulative effects of changes in accounting policies			(162,840)		(162,840)
Restated balance	6,655,932	6,963,229	26,422,114	(17,015)	40,024,259
Changes during period					
Dividends of surplus			(457,343)		(457,343)
Profit (loss) attributable to owners of parent			1,105,033		1,105,033
Purchase of treasury shares				(982)	(982)
Net changes in items other than shareholders' equity					
Total changes during period			647,690	(982)	646,708
Balance at end of period	6,655,932	6,963,229	27,069,804	(17,998)	40,670,967

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	931	(66,518)	(65,586)	40,121,513
Cumulative effects of changes in accounting policies				(162,840)
Restated balance	931	(66,518)	(65,586)	39,958,673
Changes during period				
Dividends of surplus				(457,343)
Profit (loss) attributable to owners of parent				1,105,033
Purchase of treasury shares				(982)
Net changes in items other than shareholders' equity	133	(13,618)	(13,484)	(13,484)
Total changes during period	133	(13,618)	(13,484)	633,223
Balance at end of period	1,064	(80,136)	(79,071)	40,591,896

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,655,932	6,963,229	27,069,804	(17,998)	40,670,967
Changes during period					
Dividends of surplus			(457,338)		(457,338)
Profit (loss) attributable to owners of parent			1,255,139		1,255,139
Purchase of treasury shares				(1,513)	(1,513)
Disposal of treasury shares		13,112		18,785	31,898
Net changes in items other than shareholders' equity					
Total changes during period	–	13,112	797,801	17,271	828,185
Balance at end of period	6,655,932	6,976,341	27,867,606	(726)	41,499,153

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	1,064	(80,136)	(79,071)	40,591,896
Changes during period				
Dividends of surplus				(457,338)
Profit (loss) attributable to owners of parent				1,255,139
Purchase of treasury shares				(1,513)
Disposal of treasury shares				31,898
Net changes in items other than shareholders' equity	59	(17,009)	(16,950)	(16,950)
Total changes during period	59	(17,009)	(16,950)	811,235
Balance at end of period	1,123	(97,145)	(96,021)	41,403,131



## Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	3,105,159	2,648,755
Depreciation and amortization	4,043,696	3,841,363
Impairment losses	3,282,817	1,256,013
Increase (decrease) in provision for bonuses	6,192	77,825
Interest and dividend income	(17,751)	(16,873)
Interest expenses	78,704	86,438
Subsidy incomes	(10,097,638)	(1,991,194)
Loss (gain) on sale and retirement of property, plant and equipment	36,699	(86,928)
Loss on store closings	39,998	18,564
Transfer adjust expenses from construction in progress and deposits for stores in preparation	1,130,904	1,651,481
Decrease (increase) in trade receivables	(452,033)	(581,552)
Decrease (increase) in inventories	(3,679,396)	507,059
Increase (decrease) in trade payables	(463,705)	331,701
Increase (decrease) in accrued consumption taxes	(60,614)	1,423,826
Decrease (increase) in consumption taxes refund receivable	682,074	–
Other, net	493,649	337,960
Subtotal	(1,871,242)	9,504,442
Subsidies received	11,293,638	1,991,194
Income taxes paid	(582,120)	(2,848,021)
Net cash provided by (used in) operating activities	8,840,274	8,647,614
Cash flows from investing activities		
Purchase of property, plant, equipment and the increase of construction in progress	(5,289,995)	(5,894,331)
Proceeds from sales of property, plant and equipment and expropriation	2,103	93,540
Expenses from the increase of lease, guarantee deposits, and deposits for stores in preparation	(607,213)	(778,175)
Proceeds from collection of lease, guarantee deposits, and deposits for stores in preparation	455,927	166,917
Interest and dividends received	2,392	2,775
Other, net	(262,683)	(160,854)
Net cash provided by (used in) investing activities	(5,699,469)	(6,570,128)
Cash flows from financing activities		
Proceeds from short-term borrowings	–	4,025,350
Repayments of short-term borrowings	(4,188,035)	(4,000,000)
Proceeds from long-term borrowings	5,000,000	4,200,000
Repayments of long-term borrowings	(3,424,046)	(3,939,089)
Repayments of lease liabilities	(311,313)	(369,121)
Proceeds from sale of treasury shares	–	31,898
Purchase of treasury shares	(982)	(1,513)
Interest paid	(78,939)	(85,840)
Dividends paid	(457,343)	(457,338)
Net cash provided by (used in) financing activities	(3,460,660)	(595,655)
Effect of exchange rate change on cash and cash equivalents	19,490	6,414
Net increase (decrease) in cash and cash equivalents	(300,364)	1,488,246
Cash and cash equivalents at beginning of period	10,591,494	10,291,129
Cash and cash equivalents at end of period	10,291,129	11,779,375