

Translation

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

October 5, 2021

Company name: SAN-A CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 2659 URL <https://www.san-a.co.jp>
 Representative: President, Chief Executive Officer Tessei Uechi
 Inquiries: Director Taku Toyoda TEL 098(898)2230
 Scheduled date to file Quarterly Securities Report: October 14, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended August 31, 2021 (from March 1, 2021 to August 31, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended August 31, 2021	102,901	(0.1)	4,345	(12.0)	4,779	(7.6)	3,188	(5.0)
Six months ended August 31, 2020	103,024	2.8	4,937	(14.5)	5,170	(21.3)	3,355	(19.8)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended August 31, 2021	99.74	–
Six months ended August 31, 2020	104.99	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2021	168,630	132,559	76.7	4,046.16
As of February 28, 2021	174,574	131,138	73.3	4,001.24

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended February 28, 2021	–	0.00	–	55.00	55.00
Year ending February 28, 2022	–	0.00			
Year ending February 28, 2022 (Forecast)			–	55.00	55.00

3. Forecast of consolidated financial results for the year ending February 28, 2022 (from March 1, 2021 to February 28, 2022)

Percentages indicate year-on-year changes

	Operating revenue		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
Full year	208,022	2.6	10,474	14.5	10,850	13.6	7,227	19.0	226.12

4. Notes

- (1) Changes in significant subsidiaries during the six months ended August 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: No
- 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 August 31, 2021	31,981,654 shares	As of February 28, 2021	31,981,654 shares
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Number of treasury shares at the end of the period

As of August 31, 2021	9,678 shares	As of February 28, 2021	18,478 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended August 31, 2021	31,965,691 shares	Six months ended August 31, 2020	31,963,188 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 28, 2021	As of August 31, 2021
Assets		
Current assets		
Cash and deposits	40,124	31,930
Accounts receivable - trade	5,046	7,042
Merchandise and finished goods	12,892	13,088
Raw materials and supplies	307	345
Other	2,255	2,327
Total current assets	60,626	54,733
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	63,117	61,424
Land	35,015	35,015
Construction in progress	1,028	2,359
Other, net	3,674	3,469
Total property, plant and equipment	102,836	102,268
Intangible assets	771	786
Investments and other assets	10,340	10,842
Total non-current assets	113,948	113,897
Total assets	174,574	168,630
Liabilities		
Current liabilities		
Accounts payable - trade	16,282	11,610
Short-term borrowings	–	130
Income taxes payable	1,999	2,142
Provision for bonuses	1,330	1,961
allowance for loss on collecting gift tickets	93	99
Other	16,732	13,071
Total current liabilities	36,439	29,016
Non-current liabilities		
Retirement benefit liability	2,103	2,157
Asset retirement obligations	559	571
Other	4,333	4,325
Total non-current liabilities	6,997	7,055
Total liabilities	43,436	36,071

(Millions of yen)

	As of February 28, 2021	As of August 31, 2021
Net assets		
Shareholders' equity		
Share capital	3,723	3,723
Capital surplus	3,686	3,710
Retained earnings	120,419	121,849
Treasury shares	(27)	(14)
Total shareholders' equity	127,801	129,269
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	113	114
Remeasurements of defined benefit plans	(22)	(19)
Total accumulated other comprehensive income	91	94
Non-controlling interests	3,245	3,195
Total net assets	131,138	132,559
Total liabilities and net assets	174,574	168,630

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended August 31, 2020	Six months ended August 31, 2021
Net sales	96,356	95,991
Cost of sales	66,784	66,446
Gross profit	29,571	29,545
Operating revenue	6,668	6,909
Operating gross profit	36,240	36,455
Selling, general and administrative expenses		
Salaries	9,862	10,089
Provision for bonuses	1,861	1,961
Retirement benefit expenses	201	203
Depreciation	3,727	3,683
Other	15,649	16,172
Total selling, general and administrative expenses	31,302	32,109
Operating profit	4,937	4,345
Non-operating income		
Interest income	7	5
Dividend income	20	10
Gain on adjustment of account payable	90	127
Subsidy income	–	260
Other	141	110
Total non-operating income	259	515
Non-operating expenses		
Interest expenses	–	13
allowance for loss on collecting gift tickets putting in	23	28
Other	3	40
Total non-operating expenses	27	81
Ordinary profit	5,170	4,779
Extraordinary losses		
Loss on retirement of non-current assets	119	21
Impairment loss	109	–
Total extraordinary losses	228	21
Profit before income taxes	4,941	4,757
Income taxes - current	2,000	2,057
Income taxes - deferred	(545)	(614)
Total income taxes	1,454	1,443
Profit	3,486	3,314
Profit attributable to non-controlling interests	130	126
Profit attributable to owners of parent	3,355	3,188

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended August 31, 2020	Six months ended August 31, 2021
Profit	3,486	3,314
Other comprehensive income		
Valuation difference on available-for-sale securities	(19)	0
Remeasurements of defined benefit plans, net of tax	5	2
Total other comprehensive income	(14)	3
Comprehensive income	3,472	3,317
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,341	3,191
Comprehensive income attributable to non-controlling interests	130	126

Consolidated statements of cash flows

(Millions of yen)

	Six months ended August 31, 2020	Six months ended August 31, 2021
Cash flows from operating activities		
Profit before income taxes	4,941	4,757
Depreciation	3,727	3,683
Loss on retirement of non-current assets	119	21
Impairment loss	109	–
Increase (decrease) in provision for bonuses	593	631
Increase (decrease) in retirement benefit liability	53	58
Interest and dividend income	(27)	(16)
Interest expenses	–	13
Decrease (increase) in trade receivables	(2,163)	(1,995)
Decrease (increase) in inventories	57	(233)
Increase (decrease) in trade payables	(3,405)	(4,671)
Increase (decrease) in accounts payable - other	(1,781)	(2,110)
Increase (decrease) in deposits received	575	(5)
Other, net	3,896	(1,133)
Subtotal	6,696	(1,001)
Income taxes paid	(1,752)	(1,916)
Net cash provided by (used in) operating activities	4,943	(2,918)
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,084)	(3,308)
Interest and dividends received	23	16
Other, net	(146)	(163)
Net cash provided by (used in) investing activities	(5,207)	(3,455)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	130
Interest paid	–	(13)
Repayments of lease obligations	–	(6)
Purchase of treasury shares	(0)	–
Dividends paid	(1,691)	(1,755)
Dividends paid to non-controlling interests	(401)	(176)
Net cash provided by (used in) financing activities	(2,093)	(1,820)
Net increase (decrease) in cash and cash equivalents	(2,357)	(8,194)
Cash and cash equivalents at beginning of period	28,999	40,124
Cash and cash equivalents at end of period	26,641	31,930