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Consolidated Financial Results for the Three Months Ended May 31, 2023 [Japanese GAAP]

July 11, 2023

Company name: EAT&HOLDINGS Co.,Ltd

Stock exchange listing: Tokyo

Code number: 2882

URL: <https://www.eat-and.jp/>

Representative: Hiroyasu Nakata

Representative director, COO

Contact: Takashi Siiki

Director, CFO

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Scheduled date of filing quarterly securities report: July 12, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended May 31, 2023 (March 1, 2023 to May 31, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	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 May 31, 2023	8,970	7.7	377	12.6	390	(1.2)	233	6.5
May 31, 2022	8,329	12.2	334	21.4	395	(14.1)	218	(15.1)

(Note) Comprehensive income: Three months ended May 31, 2023: ¥ 231 million [2.7%]
Three months ended May 31, 2022: ¥ 225 million [(13.3)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2023	22.82	22.56
May 31, 2022	21.55	21.54

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of May 31, 2023	24,961	8,662	34.3
February 28, 2023	23,133	8,139	34.9

(Reference) Equity: As of May 31, 2023: ¥ 8,556 million
As of February 28, 2023: ¥ 8,081 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2023	-	5.00	-	5.00	10.00
Fiscal year ending February 29, 2024	-				
Fiscal year ending February 29, 2024 (Forecast)		5.00	-	5.00	10.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending February 29, 2024 :

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 29, 2024(March 1, 2023 to February 29, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2023	17,000	5.6	570	1.0	570	(18.3)	250	(26.1)	24.59
Full year	36,000	9.0	1,100	20.2	1,100	4.5	450	16.8	44.25

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended May 31, 2023

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

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

May 31, 2023: 10,311,006 shares

February 28, 2023: 10,169,506 shares

2) Number of treasury shares at the end of the period:

May 31, 2023: 959 shares

February 28, 2023: 959 shares

3) Average number of shares outstanding during the period:

Three months ended May 31, 2023: 10,215,714 shares

Three months ended May 31, 2022: 10,157,231 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2023	As of May 31, 2023
Assets		
Current assets		
Cash and deposits	1,558	1,819
Accounts receivable - trade	6,086	6,533
Merchandise and finished goods	1,161	1,289
Raw materials and supplies	321	384
Other	624	1,131
Total current assets	9,751	11,158
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,393	6,372
Land	1,080	1,080
Machinery, equipment and vehicles, net	3,166	3,156
Other, net	851	1,298
Total property, plant and equipment	11,492	11,907
Intangible assets		
Other	160	170
Total intangible assets	160	170
Investments and other assets		
Deferred tax assets	618	616
Other	1,118	1,115
Allowance for doubtful accounts	(7)	(7)
Total investments and other assets	1,729	1,725
Total non-current assets	13,381	13,803
Total assets	23,133	24,961

(Millions of yen)

	As of February 28, 2023	As of May 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	2,254	2,663
Short-term borrowings	1,794	2,194
Current portion of long-term borrowings	902	867
Accounts payable - other	3,118	3,663
Income taxes payable	137	188
Provision for bonuses	197	136
Provision for bonuses for directors (and other officers)	45	12
Refund liabilities	1,015	1,025
Other	882	1,128
Total current liabilities	10,348	11,879
Non-current liabilities		
Long-term borrowings	3,272	3,077
Retirement benefit liability	185	191
Other	1,188	1,150
Total non-current liabilities	4,645	4,419
Total liabilities	14,994	16,299
Net assets		
Shareholders' equity		
Share capital	2,029	2,174
Capital surplus	1,960	2,104
Retained earnings	4,078	4,260
Treasury shares	(0)	(0)
Total shareholders' equity	8,067	8,539
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4	5
Foreign currency translation adjustment	9	11
Remeasurements of defined benefit plans	0	0
Total accumulated other comprehensive income	14	17
Share acquisition rights	22	18
Non-controlling interests	34	87
Total net assets	8,139	8,662
Total liabilities and net assets	23,133	24,961

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the three months)

(Millions of yen)

	For the three months ended May 31, 2022	For the three months ended May 31, 2023
Net sales	8,329	8,970
Cost of sales	4,941	5,400
Gross profit	3,388	3,570
Selling, general and administrative expenses	3,053	3,193
Operating profit	334	377
Non-operating income		
Interest income	0	0
Dividend income	0	0
Subsidy income	63	-
Cancellation income	-	20
Other	0	9
Total non-operating income	64	30
Non-operating expenses		
Share acquisition rights issuance costs	-	7
Interest expenses	2	5
Other	0	3
Total non-operating expenses	3	16
Ordinary profit	395	390
Extraordinary income		
Gain on sale of non-current assets	0	-
Gain on state subsidy	20	-
Gain on reversal of share acquisition rights	-	16
Total extraordinary income	20	16
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	20	-
Loss on store closings	0	7
Impairment losses	0	0
Total extraordinary losses	21	8
Profit before income taxes	394	398
Income taxes	181	170
Profit	213	227
Loss attributable to non-controlling interests	(5)	(5)
Profit attributable to owners of parent	218	233

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Millions of yen)

	For the three months ended May 31, 2022	For the three months ended May 31, 2023
Profit	213	227
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	1
Foreign currency translation adjustment	12	1
Remeasurements of defined benefit plans, net of tax	0	0
Total other comprehensive income	12	3
Comprehensive income	225	231
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	227	236
Comprehensive income attributable to non-controlling interests	(1)	(4)