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MEMBERSHIP

February 8, 2024

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)

Company name: FEED ONE CO., LTD.
 Listing: Tokyo
 Securities code: 2060
 URL: <https://www.feed-one.co.jp/> (in Japanese)
 Representative: REPRESENTATIVE DIRECTOR, HIDEHIRO SHOJI
 PRESIDENT
 Inquiries: GENERAL MANAGER, KOJI MOCHIZUKI
 FINANCE & ACCOUNTING DIVISION,
 ADMINISTRATIVE UNIT
 Telephone: +81-45-311-2300
 Scheduled date to file quarterly securities report: February 9, 2024
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(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, 2023	238,369	4.2	5,063	569.7	5,148	395.1	3,257	411.6
December 31, 2022	228,746	25.2	756	(81.5)	1,039	(78.2)	636	(80.8)

Note: Comprehensive income For the nine months ended December 31, 2023: ¥3,787 million [541.9%]
 For the nine months ended December 31, 2022: ¥589 million [(82.2)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	85.22	-
December 31, 2022	16.69	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	138,760	48,212	34.3
March 31, 2023	127,913	45,314	35.0

Reference: Equity

As of December 31, 2023: ¥47,633 million

As of March 31, 2023: ¥44,768 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	12.50	–	12.50	25.00
Fiscal year ending March 31, 2024	–	12.50	–		
Fiscal year ending March 31, 2024 (Forecast)				14.50	27.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	313,000	1.7	7,500	427.2	7,500	338.3	4,800	365.6	125.44

Note: Revisions to the forecast of financial results most recently announced: None

* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of December 31, 2023	38,477,128 shares
As of March 31, 2023	38,477,128 shares

- (ii) Number of treasury shares at the end of the period

As of December 31, 2023	212,283 shares
As of March 31, 2023	297,519 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	38,226,962 shares
Nine months ended December 31, 2022	38,162,285 shares

Note: The number of treasury shares excluded from the calculation of the number of treasury shares at the end of the period and the average number of shares outstanding during the period includes shares of the Company (166,960 shares for the nine months ended December 31, 2023, and 253,960 shares for the fiscal year ended March 31, 2023) held by Custody Bank of Japan, Ltd. (Trust Account) as the trust assets for the “trust for share-based remuneration for directors (and other officers).”

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Caution regarding forward-looking statements, etc.

The forward-looking statements contained in this report, including earnings forecasts, are based on information currently available to the Company and certain assumptions that management believes to be reasonable. Actual financial and other results may differ substantially due to various factors.

How to acquire the Supplementary Materials for Quarterly Financial Results

The Supplementary Materials for Quarterly Financial Results are disclosed via TDnet on the same day, and are posted to the Company’s website as well.

Quarterly consolidated financial statements**(1) Quarterly consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	7,379	14,772
Notes and accounts receivable - trade	51,375	56,754
Electronically recorded monetary claims - operating	3,885	4,808
Merchandise and finished goods	3,070	3,361
Raw materials and supplies	17,156	14,126
Animals	357	389
Other	2,791	2,325
Allowance for doubtful accounts	(180)	(173)
Total current assets	85,836	96,364
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,002	12,618
Machinery, equipment and vehicles, net	11,217	10,449
Land	6,114	6,090
Leased assets, net	727	653
Construction in progress	68	43
Other, net	538	529
Total property, plant and equipment	31,668	30,385
Intangible assets		
Other	916	1,413
Total intangible assets	916	1,413
Investments and other assets		
Investment securities	8,531	9,794
Long-term loans receivable	12	2
Distressed receivables	327	280
Deferred tax assets	274	174
Other	702	662
Allowance for doubtful accounts	(356)	(316)
Total investments and other assets	9,491	10,596
Total non-current assets	42,076	42,396
Total assets	127,913	138,760

FEED ONE CO., LTD. (2060) Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,482	47,709
Short-term borrowings	16,803	7,790
Lease liabilities	126	121
Income taxes payable	467	1,295
Provision for bonuses	558	309
Asset retirement obligations	—	77
Other	5,636	8,182
Total current liabilities	60,074	65,487
Non-current liabilities		
Long-term borrowings	19,208	21,572
Lease liabilities	658	578
Deferred tax liabilities	203	500
Provision for share awards for directors (and other officers)	173	124
Retirement benefit liability	2,234	2,236
Asset retirement obligations	3	3
Other	42	45
Total non-current liabilities	22,523	25,060
Total liabilities	82,598	90,547
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	9,737	9,737
Retained earnings	23,952	26,249
Treasury shares	(244)	(172)
Total shareholders' equity	43,445	45,814
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,229	1,924
Deferred gains or losses on hedges	32	(233)
Foreign currency translation adjustment	61	127
Remeasurements of defined benefit plans	(0)	1
Total accumulated other comprehensive income	1,323	1,819
Non-controlling interests	546	579
Total net assets	45,314	48,212
Total liabilities and net assets	127,913	138,760

(2) Quarterly consolidated statements of income and comprehensive income**Quarterly consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	228,746	238,369
Cost of sales	211,993	216,367
Gross profit	16,752	22,001
Selling, general and administrative expenses	15,996	16,938
Operating profit	756	5,063
Non-operating income		
Interest income	8	7
Dividend income	145	156
Share of profit of entities accounted for using equity method	25	—
Stockpile storage revenue	105	102
Other	283	178
Total non-operating income	568	445
Non-operating expenses		
Interest expenses	107	140
Share of loss of entities accounted for using equity method	—	187
Other	177	32
Total non-operating expenses	284	360
Ordinary profit	1,039	5,148
Extraordinary income		
Gain on sale of non-current assets	35	12
Gain on sale of investment securities	204	74
Subsidy income	1	—
Total extraordinary income	241	87
Extraordinary losses		
Loss on sale of non-current assets	7	9
Loss on retirement of non-current assets	30	27
Impairment losses	208	94
Loss on cancellation of leases	—	0
Loss on liquidation of subsidiaries	0	—
Loss on valuation of investment securities	—	2
Loss on closing of factory	—	145
Total extraordinary losses	246	280
Profit before income taxes	1,035	4,955
Income taxes - current	214	1,465
Income taxes - deferred	164	199
Total income taxes	379	1,664
Profit	656	3,290
Profit attributable to non-controlling interests	19	32
Profit attributable to owners of parent	636	3,257

Quarterly consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	656	3,290
Other comprehensive income		
Valuation difference on available-for-sale securities	276	695
Deferred gains or losses on hedges	(405)	(266)
Remeasurements of defined benefit plans, net of tax	8	2
Share of other comprehensive income of entities accounted for using equity method	53	65
Total other comprehensive income	(66)	496
Comprehensive income	589	3,787
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	570	3,754
Comprehensive income attributable to non-controlling interests	19	32