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## Consolidated Financial Results for the Three Months Ended May 31, 2021 [Japanese GAAP]

July 14, 2021

Company name: S Foods Inc.

Stock exchange listing: Tokyo

Code number: 2292

URL: <https://www.sfoods.co.jp>

Representative: Shinnosuke Murakami

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Scheduled date of filing quarterly securities report: July 15, 2021

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

President and Representative Director  
Director Supervising Administration Group

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

### 1. Consolidated Financial Results for the Three Months Ended May 31, 2021 (March 01, 2021 to May 31, 2021)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended May 31, 2021	81,876	5.6	3,690	94.9	3,791	132.5	2,558	117.4
May 31, 2020	77,531	(10.1)	1,894	(23.3)	1,630	(35.5)	1,177	(20.6)

(Note) Comprehensive income: Three months ended May 31, 2021: ¥ 3,431 million [ 93.2%]  
Three months ended May 31, 2020: ¥ 1,775 million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2021	80.95	-
May 31, 2020	37.17	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of May 31, 2021	173,658	96,850	52.0
February 28, 2021	172,394	94,507	51.0

(Reference) Equity: As of May 31, 2021: ¥ 90,300 million  
As of February 28, 2021: ¥ 87,970 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, 2021	-	32.00	-	32.00	64.00
Fiscal year ending February 28, 2022	-	-	-	-	-
Fiscal year ending February 28, 2022 (Forecast)	-	35.00	-	35.00	70.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2022(March 01, 2021 to February 28, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	340,000	3.8	12,700	0.7	13,000	0.1	8,000	(19.7)	253.09

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

\* Notes:

(1) Changes in significant subsidiaries during the three months ended May 31, 2021

(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, 2021: 32,267,721 shares

February 28, 2021: 32,267,721 shares

2) Total number of treasury shares at the end of the period:

May 31, 2021: 658,817 shares

February 28, 2021: 658,707 shares

3) Average number of shares during the period:

Three months ended May 31, 2021: 31,608,919 shares

Three months ended May 31, 2020: 31,669,469 shares

Quarterly Consolidated Financial Statements  
 Quarterly Consolidated Balance Sheets

(Million yen)

	As of February 28,2021	As of May 31,2021
<b>Assets</b>		
Current assets		
Cash and deposits	40,284	37,419
Notes and accounts receivable - trade	32,754	31,316
Merchandise and finished goods	20,286	24,224
Work in process	1,630	1,664
Raw materials and supplies	3,965	3,984
Other	3,550	4,212
Allowance for doubtful accounts	(61)	(60)
Total current assets	102,409	102,761
Non-current assets		
Property, plant and equipment		
Buildings and structures	55,371	56,091
Accumulated depreciation	(25,795)	(26,607)
Buildings and structures, net	29,575	29,484
Land	15,152	15,241
Other	34,501	35,364
Accumulated depreciation	(23,676)	(24,418)
Other, net	10,825	10,945
Accumulated impairment loss	(3,162)	(3,238)
Total property, plant and equipment	52,391	52,432
Intangible assets		
Goodwill	100	389
Other	537	566
Total intangible assets	637	956
Investments and other assets		
Investment securities	13,220	13,482
Retirement benefit asset	118	124
Other	3,823	4,102
Allowance for doubtful accounts	(206)	(200)
Total investments and other assets	16,955	17,509
Total non-current assets	69,984	70,897
Total assets	172,394	173,658

(Million yen)

	As of February 28,2021	As of May 31,2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	24,032	26,929
Short-term borrowings	7,825	8,688
Income taxes payable	3,578	1,202
Provision for bonuses	1,023	1,480
Other	12,107	10,460
Total current liabilities	48,568	48,760
Non-current liabilities		
Bonds payable	550	500
Long-term borrowings	24,052	22,932
Provision for retirement benefits for directors (and other officers)	220	159
Retirement benefit liability	1,928	1,927
Other	2,568	2,528
Total non-current liabilities	29,319	28,047
Total liabilities	77,887	76,808
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,298	4,298
Capital surplus	18,723	18,723
Retained earnings	62,805	64,352
Treasury shares	(414)	(414)
Total shareholders' equity	85,412	86,959
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,826	3,001
Deferred gains or losses on hedges	(3)	34
Foreign currency translation adjustment	(281)	289
Remeasurements of defined benefit plans	15	14
Total accumulated other comprehensive income	2,557	3,340
Non-controlling interests	6,536	6,550
Total net assets	94,507	96,850
Total liabilities and net assets	172,394	173,658

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

(Million yen)

	For the three months ended May 31,2020	For the three months ended May 31,2021
Net sales	77,531	81,876
Cost of sales	66,002	68,843
Gross profit	11,529	13,032
Selling, general and administrative expenses	9,634	9,341
Operating profit	1,894	3,690
Non-operating income		
Interest income	18	4
Dividend income	4	7
Rental income from buildings	36	33
Share of profit of entities accounted for using equity method	7	0
Other	115	156
Total non-operating income	183	201
Non-operating expenses		
Interest expenses	68	66
Arrangement fee	106	-
Foreign exchange losses	208	-
Rent cost	26	11
Other	37	22
Total non-operating expenses	446	101
Ordinary profit	1,630	3,791
Extraordinary income		
Gain on sales of non-current assets	695	0
Gain on sales of investment securities	-	0
Subsidy income	184	150
Compensation income	3	1
Total extraordinary income	883	152
Extraordinary losses		
Loss on disposal of non-current assets	13	6
Impairment loss	8	0
Loss on store closings	10	0
Loss on temporary store closings	5	98
Loss on tax purpose reduction entry of non-current assets	181	-
Total extraordinary losses	219	106
Profit before income taxes	2,294	3,837
Income taxes	931	1,189
Profit	1,362	2,648
Profit attributable to non-controlling interests	185	89
Profit attributable to owners of parent	1,177	2,558

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

(Million yen)

	For the three months ended May 31,2020	For the three months ended May 31,2021
Profit	1,362	2,648
Other comprehensive income		
Valuation difference on available-for-sale securities	469	174
Deferred gains or losses on hedges	3	37
Foreign currency translation adjustment	(56)	568
Remeasurements of defined benefit plans, net of tax	2	(0)
Share of other comprehensive income of entities accounted for using equity method	(6)	3
Total other comprehensive income	413	782
Comprehensive income	1,775	3,431
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,582	3,341
Comprehensive income attributable to non-controlling interests	193	89