

**Consolidated Financial Results**  
**for the Nine Months Ended December 31, 2020**  
**<under J-GAAP>**

Company name: **Toyo Suisan Kaisha, Ltd.**  
 Listing: First Section of the Tokyo Stock Exchange  
 Securities code: 2875  
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Scheduled date of filing of quarterly securities report: February 12, 2021  
 Scheduled date of start of dividend payment: –  
 Preparation of quarterly results presentation materials: Yes  
 Holding of quarterly results briefing meeting: None

(Amounts less than one million yen have been omitted.)

**1. Consolidated Operating Results for the First Nine Months of FY2021**  
**(from April 1, 2020 to December 31, 2020)**

**(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	%
Nine months ended Dec. 31, 2020	314,890	0.3	29,059	32.8	30,701	26.3	22,699	31.6
Dec. 31, 2019	313,898	2.5	21,887	10.6	24,305	12.2	17,247	17.0

Note: Comprehensive income Nine months ended December 31, 2020: 18,785 million yen [22.9%]  
 Nine months ended December 31, 2019: 15,290 million yen [(17.4)%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended Dec. 31, 2020	222.26		–	
Dec. 31, 2019	168.88		–	

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Dec. 31, 2020	413,567	328,462	76.6
As of Mar. 31, 2020	402,608	317,994	76.2

Reference: Equity  
 As of December 31, 2020: 316,705 million yen  
 As of March 31, 2020: 306,648 million yen

**2. Dividends**

	Full Year Dividends				
	1 <sup>st</sup> quarter-end	2 <sup>nd</sup> quarter-end	3 <sup>rd</sup> quarter-end	Year-end	For the year
	Yen				
FY2020	–	40.00	–	40.00	80.00
FY2021	–	40.00	–	–	–
FY2021 (Forecast)	–	–	–	40.00	80.00

Note: Revisions to the dividends forecasts most recently announced: None

### 3. Consolidated Results Forecasts for FY2021 (from April 1, 2020 to March 31, 2021)

(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	426,000	2.4	34,500	21.7	37,000	18.0	28,500	21.9	279.06

Note: Revisions to the results forecasts 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) Application of specific accounting procedures for preparation of the quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
  - a. Changes in accounting policies due to amendments to accounting standards and other regulations: None
  - b. Changes in accounting policies due to other reasons: None
  - c. Changes in accounting estimates: None
  - d. Restatement: None

#### (4) Number of shares issued (common stock)

##### a. Number of shares issued at end of period (including treasury shares)

As of December 31, 2020	110,881,044 shares
As of March 31, 2020	110,881,044 shares

##### b. Number of treasury shares at end of period

As of December 31, 2020	8,753,109 shares
As of March 31, 2020	8,752,690 shares

##### c. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	102,128,124 shares
Nine months ended December 31, 2019	102,128,593 shares

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

#### \* Explanation related to the appropriate use of the results forecasts and other items warranting special mention

(Caution regarding forward-looking statements)

Forward-looking statements in this document, including the results forecasts, etc., are based on the information available as of the date of the release of this document and the preconditions that the Company deemed to be reasonable; they are not meant to be a commitment by the Company, and a variety of factors in the future may cause actual results to differ materially from these forecasts. Please refer to Section: “(3) Explanation of forward-looking information, including consolidated results forecasts” of “1. Qualitative Information on Quarterly Consolidated Financial Results for the Nine Months Ended December 31, 2020” on page 3 of the attachments for the preconditions for the results forecasts and items to exercise caution in the use of these results forecasts.

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## 1. Qualitative Information on Quarterly Consolidated Financial Results for the Nine Months Ended December 31, 2020

### (1) Explanation of the consolidated operating results

During the nine months ended December 31, 2020, the conditions in the Japanese economy remained challenging due to the impact of the novel coronavirus disease (COVID-19). Looking ahead, although a recovery is expected to continue, on the back of results from various economic measures and the improvement of overseas economies amid the implementation of measures to prevent the spread of infections, it is necessary to closely monitor the risk of a downturn in economies in Japan and overseas due to the impact of the spread of infections on socioeconomic activities and the impact of fluctuations in financial and capital markets, etc.

Under these circumstances, the Toyo Suisan Group (hereafter, the “Group”) has remained committed to its mission “to contribute to society through foods” and “to provide safe and secure foods and services to customers” under the corporate slogan of “Smiles for All.” The Group continued to implement further cost reductions and promoted aggressive sales activities in its efforts to face an increasingly competitive sales environment.

As a result, net sales were ¥314,890 million (up 0.3% year on year), operating profit was ¥29,059 million (up 32.8% year on year), ordinary profit was ¥30,701 million (up 26.3% year on year), and profit attributable to owners of parent was ¥22,699 million (up 31.6% year on year) for the period under review.

The foreign exchange rate for the period was ¥103.50 to the U.S. dollar (¥109.54 to the U.S. dollar for the corresponding period of the previous fiscal year).

The operating results by segment are as follows.

In the Seafood Segment, due to the impact of requests for the public to stay at home and other measures to prevent the spread of COVID-19, although the sales for some supermarkets and food delivery businesses increased due to their increasing demand, there was a drop off in demand for convenience stores, restaurants and hotels, and sales volumes decreased overall. Sales also decreased due to the effects of a decline in market prices for the core products of salmon and trout and poor fish catches in foreshore operations. As a result, segment sales were ¥20,011 million (down 12.9% year on year) and segment profit was ¥205 million (compared with a segment loss of ¥209 million in the corresponding period of the previous fiscal year) owing to the effect of inventory valuation review conducted in the previous fiscal year, the selling products at reasonable prices, and other factors, despite increases in personnel expenses and depreciation due to investments in processing facilities at consolidated subsidiaries.

In the Overseas Instant Noodles Segment, there was strong growth in sales volumes in the U.S. for the cup-type noodle product *Instant Lunch* series, owing to higher demand for instant noodles due to the impact of the spread of COVID-19. In addition, sales increased due to steady growth for the bag-type noodle product *Ramen* series, which is one of our signature products. In Mexico, sales increased because of favorable sales of bag-type noodles and the effect of a price revision implemented in January 2020, despite lower sales volumes of the signature product of cup-type noodles year on year due to the impact of a weak peso and other factors. As a result, segment sales were ¥65,865 million (up 0.5% year on year) and segment profit was ¥11,690 million (up 34.7% year on year) mainly due to the curbing of sales promotion costs and decreases in advertising expenses and raw material costs, despite increases in distribution costs and personnel expenses.

In the Domestic Instant Noodles Segment, due to the impact of requests for the public to stay at home and other measures to prevent the spread of COVID-19, the opportunities for dining at home increased, leading to higher demand. Cup-type noodles saw decreased sales overall despite steady sales of the Japanese-style series including *Akai Kitsune Udon* and *Midori no Tanuki Ten Soba* in addition to the *Gotsu Mori* series and the *MARUCHAN QTTA* series, for which we actively introduced new products. Sales in bag-type noodles increased thanks to favorable sales mainly of the *Maruchan Seimen* series. As a result, segment sales were ¥102,273 million (up 1.7% year on year) and segment profit was ¥11,049 million (up 27.8% year on year) due to decreases mainly in raw material costs, sales promotion costs, and advertising expenses, despite factors such as an increase in personnel expenses.

In the Frozen and Refrigerated Foods Segment, due to the impact of requests for the public to stay at home and other measures to prevent the spread of COVID-19, the opportunities for dining at home increased, leading to higher demand for household products despite a decrease in sales of products for restaurants, etc. For fresh noodles, sales were favorable mainly for the *Maruchan Yakisoba (Three-Meal Package)* series as well as for the signature products of udon noodles, ramen noodles, etc. In addition, sales were favorable for the *Pari-Pari Mugen* series, which is in its fourth year on the market since being launched. Although sales of chilled foods were favorable mainly for household products, sales of frozen foods fell year on year due to a decrease in the

demand for products for restaurant business. As a result, segment sales were ¥58,477 million (up 7.8% year on year) and segment profit was ¥5,301 million (up 28.5% year on year) mainly due to an increase in sales and a decrease in raw material costs.

In the Processed Foods Segment, due to the impact of requests for the public to stay at home and other measures to prevent the spread of COVID-19, the opportunities for dining at home and the needs for emergency foods increased, leading to higher demand. Sales were favorable for packaged cooked rice, mainly for the cooked white rice series including *Attaka Gohan*, the flavored cooked rice series including *Fukkura Osekihan* and the healthy series including *Genmai Gohan*, and for freeze-dried products including the *Sozai no Chikara* series, a freeze-dried soup product with five packs in one bag. As a result, segment sales were ¥19,344 million (up 9.3% year on year), and the segment reported a segment loss of ¥445 million (compared with a segment loss of ¥983 million in the corresponding period of the previous fiscal year), an improvement of ¥537 million, mainly due to an increase in sales and a decrease in raw material costs.

In the Cold-Storage Segment, sales from trade such as transportation were robust in addition to the beneficial effect of the start of operations at the Ishikari New Port Distribution Center, which was completed in May 2020, despite weakness in cargo movement of products stored in cold warehouses mainly due to the impact of the spread of COVID-19. As a result, segment sales were ¥16,299 million (up 3.7% year on year) while segment profit was ¥1,107 million (down 0.1% year on year) due to increases in depreciation and personnel expenses associated with the operation of new cold storage facilities, etc.

The Other Business Segment consists of mainly the packed lunch/deli food business. Segment sales were ¥32,617 million (down 12.2% year on year) while segment profit was ¥756 million (down 30.7% year on year).

## (2) Explanation of the consolidated financial position

At the end of the third quarter of the fiscal year ending March 31, 2021, total assets increased by ¥10,958 million from the previous fiscal year-end to ¥413,567 million, and net assets increased by ¥10,468 million to ¥328,462 million. The main factors contributing to these results are as follows:

The main contributing factors for assets were increases in notes and accounts receivable - trade and securities, despite a decrease in cash and deposits. The main contributing factors for liabilities were increases in notes and accounts payable - trade and accrued expenses, despite a decrease in income taxes payable. The main contributing factor for net assets was an increase in retained earnings, despite a decrease in foreign currency translation adjustment.

As a result of these factors, the equity ratio was 76.6%.

## (3) Explanation of forward-looking information, including consolidated results forecasts

The Company has not changed its consolidated results forecasts for the full year of the fiscal year ending March 31, 2021, included in the “Notice Concerning Revisions to Consolidated Results Forecasts for the Fiscal Year Ending March 31, 2021,” released on October 28, 2020. Should any changes occur in the future, the relevant information will be duly disclosed.

## 2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

### (1) Quarterly consolidated balance sheets

(Millions of yen)

	As of end FY2020 (March 31, 2020)	As of end 3Q FY2021 (December 31, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	112,754	99,470
Notes and accounts receivable - trade	57,106	65,023
Securities	23,000	39,000
Merchandise and finished goods	13,598	14,160
Work in process	347	367
Raw materials and supplies	6,062	6,430
Other	3,412	2,932
Allowance for doubtful accounts	(649)	(605)
Total current assets	215,632	226,779
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	72,706	74,849
Machinery, equipment and vehicles, net	37,521	35,996
Land	34,976	34,846
Leased assets, net	2,538	2,248
Construction in progress	7,233	6,417
Other, net	1,204	1,362
Total property, plant and equipment	156,181	155,722
Intangible assets		
Other	1,443	1,292
Total intangible assets	1,443	1,292
Investments and other assets		
Investment securities	27,018	27,374
Deferred tax assets	1,377	1,446
Retirement benefit asset	63	55
Other	891	897
Total investments and other assets	29,351	29,773
Total non-current assets	186,976	186,787
<b>Total assets</b>	<b>402,608</b>	<b>413,567</b>

(Millions of yen)

	As of end FY2020 (March 31, 2020)	As of end 3Q FY2021 (December 31, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	25,531	26,550
Short-term borrowings	324	352
Lease obligations	310	300
Accrued expenses	23,246	24,226
Income taxes payable	4,555	2,977
Provision for bonuses for directors (and other officers)	143	151
Provision for removal cost of property, plant and equipment	–	26
Other	2,544	2,139
Total current liabilities	56,656	56,724
Non-current liabilities		
Lease obligations	3,734	3,557
Deferred tax liabilities	2,185	2,627
Provision for retirement benefits for directors (and other officers)	326	313
Retirement benefit liability	20,303	20,494
Provision for loss on business of subsidiaries and associates	–	23
Asset retirement obligations	212	214
Other	1,196	1,148
Total non-current liabilities	27,958	28,380
Total liabilities	84,614	85,104
<b>Net assets</b>		
Shareholders' equity		
Share capital	18,969	18,969
Capital surplus	22,942	22,942
Retained earnings	268,100	282,629
Treasury shares	(8,230)	(8,233)
Total shareholders' equity	301,781	316,308
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,372	7,646
Deferred gains or losses on hedges	11	(10)
Foreign currency translation adjustment	37	(4,995)
Remeasurements of defined benefit plans	(2,555)	(2,242)
Total accumulated other comprehensive income	4,866	397
Non-controlling interests	11,345	11,756
Total net assets	317,994	328,462
<b>Total liabilities and net assets</b>	<b>402,608</b>	<b>413,567</b>

(2) Quarterly consolidated statements of income and comprehensive income  
 Quarterly consolidated statements of income (Cumulative)

(Millions of yen)

	3Q FY2020 (from April 1, 2019 to December 31, 2019)	3Q FY2021 (from April 1, 2020 to December 31, 2020)
Net sales	313,898	314,890
Cost of sales	197,511	189,048
Gross profit	116,387	125,841
Selling, general and administrative expenses	94,499	96,782
Operating profit	21,887	29,059
Non-operating income		
Interest income	1,526	794
Dividend income	461	470
Share of profit of entities accounted for using equity method	118	–
Miscellaneous income	712	749
Total non-operating income	2,819	2,014
Non-operating expenses		
Interest expenses	185	180
Share of loss of entities accounted for using equity method	–	2
Miscellaneous loss	216	189
Total non-operating expenses	401	372
Ordinary profit	24,305	30,701
Extraordinary income		
Gain on sales of non-current assets	2	1
Subsidy income	93	1,837
Other	68	18
Total extraordinary income	164	1,857
Extraordinary losses		
Loss on sales and retirement of non-current assets	283	115
Impairment loss	10	14
Loss on valuation of shares of subsidiaries and associates	–	886
Provision for removal cost of property, plant and equipment	–	26
Loss on disaster	29	–
Other	18	2
Total extraordinary losses	342	1,046
Profit before income taxes	24,127	31,511
Income taxes - current	6,391	8,211
Income taxes - deferred	146	143
Total income taxes	6,537	8,355
Profit	17,589	23,155
Profit attributable to non-controlling interests	342	456
Profit attributable to owners of parent	17,247	22,699

Quarterly consolidated statements of comprehensive income (Cumulative)

(Millions of yen)

	3Q FY2020 (from April 1, 2019 to December 31, 2019)	3Q FY2021 (from April 1, 2020 to December 31, 2020)
Profit	17,589	23,155
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,153)	359
Deferred gains or losses on hedges	9	(22)
Foreign currency translation adjustment	(1,356)	(5,032)
Remeasurements of defined benefit plans, net of tax	173	330
Share of other comprehensive income of entities accounted for using equity method	28	(5)
Total other comprehensive income	(2,299)	(4,370)
Comprehensive income	15,290	18,785
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,941	18,229
Comprehensive income attributable to non-controlling interests	348	555

- (3) Notes to quarterly consolidated financial statements  
 (Notes on going concern assumptions)  
 Not applicable

(Notes in the event of substantial changes in shareholders' equity)  
 Not applicable

(Segment information)

I. Nine months ended December 31, 2019 (from April 1, 2019 to December 31, 2019)

1. Information relating to net sales, profit and loss by each reportable segment

(Millions of yen)

	Reportable segment							Other (Note 1)	Total	Adjust- ments (Note 2)	Amount reported on quarterly consoli- dated financial statements (Note 3)
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold- Storage Segment	Total				
Net sales											
Net sales to outside customers	22,966	65,544	100,581	54,243	17,693	15,712	276,741	37,156	313,898	–	313,898
Intersegment sales or transfers	707	–	–	–	–	907	1,614	23	1,637	(1,637)	–
Total	23,673	65,544	100,581	54,243	17,693	16,619	278,355	37,180	315,536	(1,637)	313,898
Segment profit (loss)	(209)	8,682	8,646	4,126	(983)	1,108	21,370	1,090	22,460	(573)	21,887

Notes: 1. The Other Business Segment is one which is not among the reportable segments and refers to a business which is mainly involved in the packed lunch/deli food business.

2. The negative ¥573 million in segment profit or loss adjustments includes companywide expenses of negative ¥930 million which have not been allocated to each reportable segment, a negative ¥4 million adjustment to inventories, and other adjustments of ¥361 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly for the offset elimination of knowhow fees from overseas subsidiaries at account closing.

3. Segment profit or loss is adjusted at the operating profit level on the quarterly consolidated financial statements.

2. Information relating to impairment loss on non-current assets or goodwill for each reportable segment  
 Statement is omitted due to the immateriality of the amount.

II. Nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

1. Information relating to net sales, profit and loss by each reportable segment

(Millions of yen)

	Reportable segment							Other (Note 1)	Total	Adjust- ments (Note 2)	Amount reported on quarterly consoli- dated financial statements (Note 3)
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold- Storage Segment	Total				
Net sales											
Net sales to outside customers	20,011	65,865	102,273	58,477	19,344	16,299	282,272	32,617	314,890	–	314,890
Intersegment sales or transfers	705	–	42	7	–	800	1,555	18	1,574	(1,574)	–
<b>Total</b>	<b>20,716</b>	<b>65,865</b>	<b>102,316</b>	<b>58,485</b>	<b>19,344</b>	<b>17,099</b>	<b>283,828</b>	<b>32,636</b>	<b>316,465</b>	<b>(1,574)</b>	<b>314,890</b>
Segment profit (loss)	205	11,690	11,049	5,301	(445)	1,107	28,909	756	29,665	(606)	29,059

Notes: 1. The Other Business Segment is one which is not among the reportable segments and refers to a business which is mainly involved in the packed lunch/deli food business.

2. The negative ¥606 million in segment profit or loss adjustments includes companywide expenses of negative ¥995 million which have not been allocated to each reportable segment, a negative ¥51 million adjustment to inventories, and other adjustments of ¥440 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly for the offset elimination of knowhow fees from overseas subsidiaries at account closing.

3. Segment profit or loss is adjusted at the operating profit level on the quarterly consolidated financial statements.

2. Information relating to impairment loss on non-current assets or goodwill for each reportable segment Statement is omitted due to the immateriality of the amount.