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MEMBERSHIP

August 9, 2023

Summary of Consolidated Financial Results for the Three Months Ended June 30, 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: August 10, 2023
 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 three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2023	79,782	18.8	1,186	–	1,456	–	921	–
June 30, 2022	67,131	18.2	(1,700)	–	(1,474)	–	(984)	–

Note: Comprehensive income For the three months ended June 30, 2023: ¥1,895 million [–%]
 For the three months ended June 30, 2022: ¥(453) million [–%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	24.12	–
June 30, 2022	(25.80)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2023	128,309	46,736	36.0
March 31, 2023	127,913	45,314	35.0

Reference: Equity

As of June 30, 2023: ¥46,181 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	—				
Fiscal year ending March 31, 2024 (Forecast)		12.50	—	12.50	25.00

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	%	
Full year	323,000	4.9	3,500	146.0	3,500	104.5	2,300	123.1	Yen 60.23

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 June 30, 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 June 30, 2023	289,402 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)

Three months ended June 30, 2023	38,184,438 shares
Three months ended June 30, 2022	38,148,704 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 (253,960 shares for the fiscal year ended March 31, 2023, and 244,460 shares for the three months ended June 30, 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

Explanation of forward-looking statements, etc.

The forward-looking statements contained in this report, including forecasts of financial results, 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 June 30, 2023
Assets		
Current assets		
Cash and deposits	7,379	8,616
Notes and accounts receivable - trade	51,375	50,538
Electronically recorded monetary claims - operating	3,885	3,896
Merchandise and finished goods	3,070	2,993
Raw materials and supplies	17,156	15,731
Animals	357	383
Other	2,791	3,718
Allowance for doubtful accounts	(180)	(148)
Total current assets	85,836	85,729
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,002	12,856
Machinery, equipment and vehicles, net	11,217	10,990
Land	6,114	6,114
Leased assets, net	727	699
Construction in progress	68	47
Other, net	538	528
Total property, plant and equipment	31,668	31,237
Intangible assets		
Other	916	957
Total intangible assets	916	957
Investments and other assets		
Investment securities	8,531	9,451
Long-term loans receivable	12	11
Distressed receivables	327	325
Deferred tax assets	274	262
Other	702	692
Allowance for doubtful accounts	(356)	(359)
Total investments and other assets	9,491	10,384
Total non-current assets	42,076	42,580
Total assets	127,913	128,309

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,482	35,883
Short-term borrowings	16,803	12,661
Lease liabilities	126	124
Income taxes payable	467	448
Provision for bonuses	558	839
Other	5,636	6,160
Total current liabilities	60,074	56,117
Non-current liabilities		
Long-term borrowings	19,208	21,866
Lease liabilities	658	627
Deferred tax liabilities	203	531
Provision for share awards for directors (and other officers)	173	176
Retirement benefit liability	2,234	2,209
Asset retirement obligations	3	3
Other	42	41
Total non-current liabilities	22,523	25,455
Total liabilities	82,598	81,572
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	9,737	9,737
Retained earnings	23,952	24,392
Treasury shares	(244)	(237)
Total shareholders' equity	43,445	43,892
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,229	1,709
Deferred gains or losses on hedges	32	413
Foreign currency translation adjustment	61	165
Remeasurements of defined benefit plans	(0)	(0)
Total accumulated other comprehensive income	1,323	2,289
Non-controlling interests	546	555
Total net assets	45,314	46,736
Total liabilities and net assets	127,913	128,309

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	67,131	79,782
Cost of sales	63,589	73,102
Gross profit	3,542	6,679
Selling, general and administrative expenses	5,243	5,493
Operating profit (loss)	(1,700)	1,186
Non-operating income		
Interest income	3	2
Dividend income	102	111
Share of profit of entities accounted for using equity method	63	118
Other	110	97
Total non-operating income	280	328
Non-operating expenses		
Interest expenses	26	48
Other	27	10
Total non-operating expenses	54	58
Ordinary profit (loss)	(1,474)	1,456
Extraordinary income		
Gain on sale of non-current assets	29	3
Total extraordinary income	29	3
Extraordinary losses		
Loss on sale of non-current assets	2	3
Loss on retirement of non-current assets	4	5
Impairment losses	22	—
Loss on liquidation of subsidiaries	0	—
Loss on valuation of investment securities	—	2
Loss on closing of factory	—	143
Total extraordinary losses	29	155
Profit (loss) before income taxes	(1,474)	1,304
Income taxes - current	60	414
Income taxes - deferred	(556)	(39)
Total income taxes	(495)	374
Profit (loss)	(978)	929
Profit attributable to non-controlling interests	6	8
Profit (loss) attributable to owners of parent	(984)	921

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit (loss)	(978)	929
Other comprehensive income		
Valuation difference on available-for-sale securities	12	480
Deferred gains or losses on hedges	385	380
Remeasurements of defined benefit plans, net of tax	2	0
Share of other comprehensive income of entities accounted for using equity method	123	103
Total other comprehensive income	524	966
Comprehensive income	(453)	1,895
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(459)	1,887
Comprehensive income attributable to non-controlling interests	6	8