

Translation

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Summary of Consolidated Financial Results for the Three Months Ended May 31, 2017 (Based on Japanese GAAP)

July 4, 2017

Company name: SAN-A CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 2659 URL <http://www.san-a.co.jp>
 Representative: President Tessei Uechi
 General Manager of Management Planning
 Inquiries: Taku Toyoda TEL 098(898)2230
 Dept & Finance Dept
 Scheduled date to file Quarterly Securities Report: July 14, 2017
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended May 31, 2017 (from March 1, 2017 to May 31, 2017)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended May 31, 2017	45,477	1.1	3,913	0.3	4,046	0.2	2,660	8.0
Three months ended May 31, 2016	45,002	6.4	3,902	9.0	4,037	8.9	2,462	12.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2017	83.24	–
Three months ended May 31, 2016	77.05	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2017	133,489	104,578	76.4	3,191.59
As of February 28, 2017	130,427	103,688	77.4	3,156.36

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended February 28, 2017	–	0.00	–	47.00	47.00
Year ending February 28, 2018	–				
Year ending February 28, 2018 (Forecast)		0.00	–	47.00	47.00

3. Forecast of consolidated financial results for the year ending February 28, 2018 (from March 1, 2017 to February 28, 2018)

Percentages indicate year-on-year changes

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending August 31, 2017	93,272	1.0	7,744	(4.1)	7,937	(4.1)	5,070	(1.3)	158.62
Full year	185,432	2.9	15,083	0.5	15,435	0.2	9,994	2.1	312.69

4. Notes

- (1) Changes in significant subsidiaries during the three months ended May 31, 2017
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of May 31, 2017	31,981,654 shares	As of February 28, 2017	31,981,654 shares
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Number of treasury shares at the end of the period

As of May 31, 2017	18,257 shares	As of February 28, 2017	18,257 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2017	31,963,397 shares	Three months ended May 31, 2016	31,963,412 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of February 28, 2017	As of May 31, 2017
Assets		
Current assets		
Cash and deposits	46,122	45,486
Accounts receivable - trade	2,594	3,514
Merchandise and finished goods	11,150	11,710
Raw materials and supplies	302	284
Other	2,591	2,832
Total current assets	62,761	63,829
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	22,198	21,886
Land	32,291	33,183
Other, net	3,276	4,757
Total property, plant and equipment	57,767	59,827
Intangible assets		
Goodwill	450	409
Other	672	660
Total intangible assets	1,123	1,070
Investments and other assets	8,775	8,762
Total non-current assets	67,666	69,660
Total assets	130,427	133,489
Liabilities		
Current liabilities		
Accounts payable - trade	8,271	10,000
Current portion of long-term loans payable	100	100
Income taxes payable	2,562	1,436
Provision for bonuses	1,063	1,902
allowance for loss on collecting gift tickets	42	45
Other	9,945	10,672
Total current liabilities	21,985	24,157
Non-current liabilities		
Long-term loans payable	25	—
Net defined benefit liability	1,575	1,651
Asset retirement obligations	442	445
Other	2,709	2,657
Total non-current liabilities	4,753	4,753
Total liabilities	26,739	28,911

	(Millions of yen)	
	As of February 28, 2017	As of May 31, 2017
Net assets		
Shareholders' equity		
Capital stock	3,723	3,723
Capital surplus	3,686	3,686
Retained earnings	93,329	94,487
Treasury shares	(26)	(26)
Total shareholders' equity	100,711	101,870
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	237	232
Remeasurements of defined benefit plans	(60)	(88)
Total accumulated other comprehensive income	176	143
Non-controlling interests	2,800	2,564
Total net assets	103,688	104,578
Total liabilities and net assets	130,427	133,489

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended May 31, 2016	Three months ended May 31, 2017
Net sales	42,410	42,732
Cost of sales	29,188	29,280
Gross profit	13,221	13,452
Operating revenue	2,592	2,744
Operating gross profit	15,814	16,197
Selling, general and administrative expenses	11,911	12,283
Operating income	3,902	3,913
Non-operating income		
Interest income	21	14
Dividend income	18	24
Gain on adjustment of account payable	49	56
Other	56	47
Total non-operating income	144	143
Non-operating expenses		
Interest expenses	1	0
allowance for loss on collecting gift tickets putting in	7	9
Other	1	1
Total non-operating expenses	9	10
Ordinary income	4,037	4,046
Extraordinary losses		
Loss on retirement of non-current assets	26	0
Total extraordinary losses	26	0
Profit before income taxes	4,011	4,046
Income taxes - current	1,510	1,416
Income taxes - deferred	(88)	(167)
Total income taxes	1,421	1,249
Profit	2,589	2,797
Profit attributable to non-controlling interests	126	136
Profit attributable to owners of parent	2,462	2,660

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended May 31, 2016	Three months ended May 31, 2017
Profit	2,589	2,797
Other comprehensive income		
Valuation difference on available-for-sale securities	39	(4)
Remeasurements of defined benefit plans, net of tax	6	(28)
Total other comprehensive income	46	(32)
Comprehensive income	2,635	2,764
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,508	2,628
Comprehensive income attributable to non-controlling interests	126	136