

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended February 28, 2021  
(Based on Japanese GAAP)**

April 6, 2021

Company name: SAN-A CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 2659 URL <https://www.san-a.co.jp>  
 Representative: President, Chief Executive Officer Tessei Uechi  
 Inquiries: Director Taku Toyoda TEL 098(898)2230  
 Scheduled date of ordinary general meeting of shareholders: May 25, 2021  
 Scheduled date to file Securities Report: May 26, 2021  
 Scheduled date to commence dividend payments: May 26, 2021  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended February 28, 2021 (from March 1, 2020 to February 28, 2021)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended February 28, 2021	202,767	1.7	9,149	(13.9)	9,554	(17.7)	6,074	(20.9)
Year ended February 29, 2020	199,292	5.0	10,622	(24.6)	11,609	(19.5)	7,683	(18.3)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended February 28, 2021	190.04	—	4.8	5.6	4.8
Year ended February 29, 2020	240.38	—	6.4	7.3	5.7

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 28, 2021	174,574	131,138	73.3	4,001.24
As of February 29, 2020	168,555	126,912	73.3	3,864.88

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended February 28, 2021	19,686	(6,428)	(2,133)	40,124
Year ended February 29, 2020	21,434	(17,075)	(2,042)	28,999

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended February 29, 2020	—	0.00	—	53.00	53.00	1,694	22.0	1.4
Year ended February 28, 2021	—	0.00	—	55.00	55.00	1,757	28.9	1.4
Year ending February 28, 2022 (Forecast)	—	0.00	—	55.00	55.00		24.3	

3. Forecast of consolidated financial results for the year ending February 28, 2022 (from March 1, 2021 to February 28, 2022)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		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, 2021	106,600	3.5	5,757	16.6	5,994	15.9	3,976	18.5	124.40
Full year	208,022	2.6	10,474	14.5	10,850	13.6	7,227	19.0	226.12

4. Notes

(1) Changes in significant subsidiaries during the year ended February 28, 2021

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of February 28, 2021	31,981,654 shares	As of February 29, 2020	31,981,654 shares
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Number of treasury shares at the end of the period

As of February 28, 2021	18,478 shares	As of February 29, 2020	18,464 shares
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Average number of shares during the period

Year ended February 28, 2021	31,963,183 shares	Year ended February 29, 2020	31,963,293 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of February 29, 2020	As of February 28, 2021
Assets		
Current assets		
Cash and deposits	28,999	40,124
Accounts receivable - trade	4,757	5,046
Merchandise and finished goods	13,289	12,892
Raw materials and supplies	329	307
Prepaid expenses	523	567
Other	4,851	1,688
Total current assets	52,751	60,626
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	61,653	63,117
Machinery, equipment and vehicles, net	847	727
Tools, furniture and fixtures, net	2,690	2,619
Land	34,962	35,015
Leased assets, net	–	327
Construction in progress	4,881	1,028
Total property, plant and equipment	105,035	102,836
Intangible assets		
Leasehold interests in land	423	410
Software	361	313
Other	47	47
Total intangible assets	833	771
Investments and other assets		
Investment securities	547	489
Shares of subsidiaries and associates	21	21
Long-term prepaid expenses	305	267
Deferred tax assets	3,736	4,445
Guarantee deposits	4,791	4,619
Construction assistance fund receivables	531	497
Other	0	0
Total investments and other assets	9,934	10,340
Total non-current assets	115,803	113,948
Total assets	168,555	174,574

(Millions of yen)

	As of February 29, 2020	As of February 28, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	15,910	16,282
Lease obligations	–	12
Accounts payable - other	7,363	6,969
Accrued expenses	1,420	1,449
Income taxes payable	1,918	1,999
Deposits received	3,925	4,057
Provision for bonuses	1,267	1,330
allowance for loss on collecting gift tickets	79	93
Other	2,884	4,243
<b>Total current liabilities</b>	<b>34,769</b>	<b>36,439</b>
<b>Non-current liabilities</b>		
Long-term guarantee deposits	3,944	3,739
Retirement benefit liability	2,024	2,103
Asset retirement obligations	542	559
Lease obligations	–	315
Other	361	279
<b>Total non-current liabilities</b>	<b>6,872</b>	<b>6,997</b>
<b>Total liabilities</b>	<b>41,642</b>	<b>43,436</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	3,723	3,723
Capital surplus	3,686	3,686
Retained earnings	116,039	120,419
Treasury shares	(27)	(27)
<b>Total shareholders' equity</b>	<b>123,420</b>	<b>127,801</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	157	113
Remeasurements of defined benefit plans	(44)	(22)
<b>Total accumulated other comprehensive income</b>	<b>113</b>	<b>91</b>
<b>Non-controlling interests</b>	<b>3,378</b>	<b>3,245</b>
<b>Total net assets</b>	<b>126,912</b>	<b>131,138</b>
<b>Total liabilities and net assets</b>	<b>168,555</b>	<b>174,574</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended February 29, 2020	Fiscal year ended February 28, 2021
Net sales	184,832	189,116
Cost of sales	126,426	130,402
Gross profit	58,406	58,714
Operating revenue		
Real estate lease revenue	6,126	6,238
Income from franchised stores	7,340	6,383
Other	991	1,028
Total operating revenue	14,459	13,650
Operating gross profit	72,865	72,365
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	233	223
Salaries and allowances	5,512	5,733
Provision for bonuses	1,267	1,330
Retirement benefit expenses	387	402
Other salaries	14,009	14,134
Rent expenses on land and buildings	4,881	4,878
Depreciation	7,017	7,909
Amortization of goodwill	122	–
Utilities expenses	4,529	3,940
Other	24,280	24,662
Total selling, general and administrative expenses	62,243	63,215
Operating profit	10,622	9,149
Non-operating income		
Interest income	19	13
Dividend income	36	26
Rental income from buildings	24	25
Gain on adjustment of account payable	139	155
Sponsorship money income	198	28
Gain on sales of goods	45	13
Subsidy income	361	–
Penalty income	10	82
Other	221	161
Total non-operating income	1,056	506
Non-operating expenses		
Interest expenses	0	25
allowance for loss on collecting gift tickets putting in	43	50
consumption tax loss	5	7
Other	19	18
Total non-operating expenses	69	101
Ordinary profit	11,609	9,554
Extraordinary losses		
Loss on retirement of non-current assets	8	172
Impairment loss	67	231
Total extraordinary losses	75	403
Profit before income taxes	11,533	9,150

(Millions of yen)

	Fiscal year ended February 29, 2020	Fiscal year ended February 28, 2021
Income taxes - current	3,932	3,510
Income taxes - deferred	(711)	(703)
Total income taxes	3,220	2,806
Profit	8,312	6,343
Profit attributable to non-controlling interests	629	269
Profit attributable to owners of parent	7,683	6,074

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended February 29, 2020	Fiscal year ended February 28, 2021
Profit	8,312	6,343
Other comprehensive income		
Valuation difference on available-for-sale securities	(39)	(43)
Remeasurements of defined benefit plans, net of tax	(15)	21
Total other comprehensive income	(55)	(21)
Comprehensive income	8,257	6,321
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,628	6,052
Comprehensive income attributable to non-controlling interests	629	269

## Consolidated statements of changes in equity

Fiscal year ended February 29, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,723	3,686	110,017	(26)	117,400
Changes during period					
Dividends of surplus	–	–	(1,662)	–	(1,662)
Profit attributable to owners of parent	–	–	7,683	–	7,683
Purchase of treasury shares	–	–	–	(0)	(0)
Net changes in items other than shareholders' equity	–	–	–	–	–
Total changes during period	–	–	6,021	(0)	6,020
Balance at end of period	3,723	3,686	116,039	(27)	123,420

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	196	(28)	168	3,131	120,700
Changes during period					
Dividends of surplus	–	–	–	–	(1,662)
Profit attributable to owners of parent	–	–	–	–	7,683
Purchase of treasury shares	–	–	–	–	(0)
Net changes in items other than shareholders' equity	(39)	(15)	(55)	247	191
Total changes during period	(39)	(15)	(55)	247	6,212
Balance at end of period	157	(44)	113	3,378	126,912



Fiscal year ended February 28, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,723	3,686	116,039	(27)	123,420
Changes during period					
Dividends of surplus	–	–	(1,694)	–	(1,694)
Profit attributable to owners of parent	–	–	6,074	–	6,074
Purchase of treasury shares	–	–	–	(0)	(0)
Net changes in items other than shareholders' equity	–	–	–	–	–
Total changes during period	–	–	4,380	(0)	4,380
Balance at end of period	3,723	3,686	120,419	(27)	127,801

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	157	(44)	113	3,378	126,912
Changes during period					
Dividends of surplus	–	–	–	–	(1,694)
Profit attributable to owners of parent	–	–	–	–	6,074
Purchase of treasury shares	–	–	–	–	(0)
Net changes in items other than shareholders' equity	(43)	21	(21)	(132)	(154)
Total changes during period	(43)	21	(21)	(132)	4,225
Balance at end of period	113	(22)	91	3,245	131,138

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended February 29, 2020	Fiscal year ended February 28, 2021
Cash flows from operating activities		
Profit before income taxes	11,533	9,150
Depreciation	7,017	7,909
Loss on retirement of non-current assets	6	172
Impairment loss	67	231
Amortization of goodwill	122	–
Increase (decrease) in provision for bonuses	79	62
Increase (decrease) in allowance for loss on collecting gift tickets	9	14
Increase (decrease) in retirement benefit liability	171	105
Interest and dividend income	(56)	(40)
Interest expenses	0	25
co sponsor fee	(94)	(28)
Decrease (increase) in trade receivables	(1,409)	(288)
Decrease (increase) in inventories	(1,278)	419
Increase (decrease) in trade payables	7,252	372
Increase (decrease) in accounts payable - other	1,863	223
Increase (decrease) in accrued consumption taxes	(393)	1,491
Increase (decrease) in deposits received	1,578	132
Increase (decrease) in provision for Gift certificates	146	(152)
Increase (decrease) in Long-term guarantee deposited	1,591	(205)
Other, net	(2,389)	3,502
Subtotal	25,819	23,097
Income taxes paid	(4,384)	(3,411)
Net cash provided by (used in) operating activities	21,434	19,686
Cash flows from investing activities		
Proceeds from sales of property, plant and equipment	40	–
Purchase of property, plant and equipment	(16,687)	(6,193)
Purchase of intangible assets	(166)	(103)
Purchase of long-term prepaid expenses	(66)	(31)
Proceeds from refund of guarantee deposits	4	1
Payments of guarantee deposits	(238)	(137)
Collection of construction assistance fund receivables	–	4
Payments of construction assistance fund receivables	(8)	–
Interest and dividends received	46	30
Net cash provided by (used in) investing activities	(17,075)	(6,428)

(Millions of yen)

	Fiscal year ended February 29, 2020	Fiscal year ended February 28, 2021
Cash flows from financing activities		
Proceeds from short-term borrowings	300	100
Repayments of short-term borrowings	(300)	(100)
Repayments of lease obligations	(0)	(12)
Interest paid	(0)	(25)
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,659)	(1,692)
Dividends paid to non-controlling interests	(382)	(401)
Net cash provided by (used in) financing activities	(2,042)	(2,133)
Net increase (decrease) in cash and cash equivalents	2,316	11,125
Cash and cash equivalents at beginning of period	26,682	28,999
Cash and cash equivalents at end of period	28,999	40,124