

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended November 30, 2016 (Based on Japanese GAAP)

January 5, 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
 Inquiries: Executive Director Yasuhiro Imanaka TEL 098(898)2230
 Scheduled date to file Quarterly Securities Report: January 13, 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 nine months ended November 30, 2016 (from March 1, 2016 to November 30, 2016)

(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	%
Nine months ended November 30, 2016	134,781	4.7	11,248	10.2	11,558	10.6	7,171	15.4
Nine months ended November 30, 2015	128,716	5.2	10,206	8.0	10,451	8.1	6,212	12.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended November 30, 2016	224.35	–
Nine months ended November 30, 2015	194.37	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2016	128,464	100,905	76.5	3,073.12
As of February 29, 2016	121,882	94,873	75.7	2,886.86

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 29, 2016	–	0.00	–	42.00	42.00
Year ending February 28, 2017	–	0.00	–	–	–
Year ending February 28, 2017 (Forecast)	–	–	–	42.00	42.00

3. Forecast of consolidated financial results for the year ending February 28, 2017 (from March 1, 2016 to February 28, 2017)

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
Full year	177,683	2.2	14,168	0.3	14,473	0.1	9,111	3.8	285.05

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended November 30, 2016
(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: Yes
- 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 November 30, 2016	31,981,654 shares	As of February 29, 2016	31,981,654 shares
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Number of treasury shares at the end of the period

As of November 30, 2016	18,257 shares	As of February 29, 2016	18,242 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended November 30, 2016	31,963,405 shares	Nine months ended November 30, 2015	31,963,487 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of February 29, 2016	As of November 30, 2016
Assets		
Current assets		
Cash and deposits	41,731	46,690
Accounts receivable - trade	2,288	3,096
Securities	300	20
Merchandise and finished goods	11,065	12,081
Raw materials and supplies	282	308
Other	2,346	2,956
Total current assets	58,015	65,153
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,155	22,304
Land	27,987	27,991
Other, net	2,532	3,119
Total property, plant and equipment	53,674	53,416
Intangible assets		
Goodwill	614	491
Other	678	678
Total intangible assets	1,292	1,169
Investments and other assets	8,899	8,724
Total non-current assets	63,866	63,310
Total assets	121,882	128,464
Liabilities		
Current liabilities		
Accounts payable - trade	8,814	9,411
Current portion of long-term loans payable	260	100
Income taxes payable	2,971	1,827
Provision for bonuses	1,003	2,547
allowance for loss on collecting gift tickets	33	37
Other	9,112	8,834
Total current liabilities	22,197	22,758
Non-current liabilities		
Long-term loans payable	125	50
Net defined benefit liability	1,460	1,572
Asset retirement obligations	424	440
Other	2,801	2,736
Total non-current liabilities	4,811	4,800
Total liabilities	27,008	27,558

	(Millions of yen)	
	As of February 29, 2016	As of November 30, 2016
Net assets		
Shareholders' equity		
Capital stock	3,723	3,723
Capital surplus	3,686	3,686
Retained earnings	84,886	90,714
Treasury shares	(26)	(26)
Total shareholders' equity	92,268	98,097
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	123	222
Remeasurements of defined benefit plans	(118)	(92)
Total accumulated other comprehensive income	4	129
Non-controlling interests	2,599	2,677
Total net assets	94,873	100,905
Total liabilities and net assets	121,882	128,464

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended November 30, 2015	Nine months ended November 30, 2016
Net sales	121,314	126,718
Cost of sales	83,683	87,399
Gross profit	37,631	39,318
Operating revenue	7,401	8,063
Operating gross profit	45,033	47,381
Selling, general and administrative expenses	34,826	36,133
Operating income	10,206	11,248
Non-operating income		
Interest income	58	62
Dividend income	27	23
Gain on adjustment of account payable	62	108
Other	127	145
Total non-operating income	275	339
Non-operating expenses		
Interest expenses	5	2
allowance for loss on collecting gift tickets putting in	16	19
Other	8	6
Total non-operating expenses	30	28
Ordinary income	10,451	11,558
Extraordinary income		
Gain on sales of non-current assets	6	—
Total extraordinary income	6	—
Extraordinary losses		
Loss on sales of non-current assets	0	—
Loss on retirement of non-current assets	47	34
Total extraordinary losses	47	34
Income before income taxes and minority interests	10,409	11,524
Income taxes - current	4,228	4,347
Income taxes - deferred	(366)	(405)
Total income taxes	3,861	3,941
Profit	6,547	7,582
Profit attributable to non-controlling interests	334	411
Profit attributable to owners of parent	6,212	7,171

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended November 30, 2015	Nine months ended November 30, 2016
Profit	6,547	7,582
Other comprehensive income		
Valuation difference on available-for-sale securities	9	98
Remeasurements of defined benefit plans, net of tax	20	26
Total other comprehensive income	30	124
Comprehensive income	6,578	7,707
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,243	7,296
Comprehensive income attributable to non-controlling interests	334	411