

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended August 31, 2023 (Based on Japanese GAAP)

October 6, 2023

Company name: SAKATA SEED CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 1377 URL <https://corporate.sakataseed.co.jp/>  
 Representative: President and Representative Director Hiroshi Sakata  
 Senior Executive Officer  
 Inquiries: Senior General Manager of General Administration Div. Takenori Hoshi TEL 045-945-8800  
 General Manager of Finance Dept.  
 Scheduled date to file Quarterly Securities Report: October 10, 2023  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 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 August 31, 2023 (from June 1, 2023 to August 31, 2023)

(1) Consolidated operating results (cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended August 31, 2023	19,163	8.0	2,335	(5.3)	3,054	(5.1)	1,959	(6.6)
Three months ended August 31, 2022	17,736	8.3	2,467	(25.6)	3,217	(5.8)	2,098	(4.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended August 31, 2023	44.19		–	
Three months ended August 31, 2022	47.32		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2023	169,740	145,572	85.5
As of May 31, 2023	160,715	138,080	85.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended May 31, 2023	–	20.00	–	35.00	55.00
Year ending May 31, 2024	–	–	–	–	–
Year ending May 31, 2024 (Forecast)	–	25.00	–	30.00	55.00

(Note) Revision of the latest forecast of cash dividends: No

3. Forecast of consolidated financial results for the year ending May 31, 2024 (from June 1, 2023 to May 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		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 November 30, 2023	41,000	7.9	5,400	(2.7)	5,600	(14.0)	3,800	(11.2)	85.68
Full year	84,000	8.7	11,000	0.7	11,000	(10.6)	8,000	(15.7)	180.38

(Note) Revision of the latest forecast of consolidated financial results: No

4. Notes

- (1) Changes in significant subsidiaries during the three months ended August 31, 2023  
(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: Yes
- (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 August 31, 2023	47,410,750 shares	As of May 31, 2023	47,410,750 shares
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Number of treasury shares at the end of the period

As of August 31, 2023	3,061,237 shares	As of May 31, 2023	3,061,185 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended August 31, 2023	44,349,532 shares	Three months ended August 31, 2022	44,347,677 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of May 31, 2023	As of August 31, 2023
Assets		
Current assets		
Cash and deposits	28,942	29,040
Notes and accounts receivable - trade, and contract assets	18,352	18,592
Merchandise and finished goods	36,345	39,957
Work in process	4,604	4,312
Raw materials and supplies	977	1,063
Costs on construction contracts in progress	166	56
Other	7,136	7,889
Allowance for doubtful accounts	(388)	(424)
Total current assets	96,137	100,488
Non-current assets		
Property, plant and equipment		
Buildings and structures	37,083	39,488
Accumulated depreciation	(22,679)	(23,558)
Buildings and structures, net	14,403	15,929
Machinery, equipment and vehicles	18,762	19,995
Accumulated depreciation	(12,775)	(13,651)
Machinery, equipment and vehicles, net	5,986	6,344
Land	13,949	14,194
Construction in progress	2,647	2,099
Other	8,759	9,578
Accumulated depreciation	(5,377)	(5,855)
Other, net	3,382	3,723
Total property, plant and equipment	40,369	42,291
Intangible assets	4,028	4,241
Investments and other assets		
Investment securities	16,261	18,299
Long-term loans receivable	22	21
Deferred tax assets	2,615	2,678
Other	1,292	1,732
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	20,179	22,719
Total non-current assets	64,577	69,252
Total assets	160,715	169,740

(Millions of yen)

As of May 31, 2023

As of August 31, 2023

	As of May 31, 2023	As of August 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,336	4,953
Short-term borrowings	929	1,052
Income taxes payable	1,155	1,517
Other	8,012	8,216
Total current liabilities	15,434	15,738
Non-current liabilities		
Long-term borrowings	536	611
Deferred tax liabilities	2,092	2,629
Retirement benefit liability	1,607	2,003
Provision for retirement benefits for directors (and other officers)	47	40
Provision for share awards for directors (and other officers)	151	159
Other	2,765	2,984
Total non-current liabilities	7,200	8,429
Total liabilities	22,634	24,168
Net assets		
Shareholders' equity		
Share capital	13,500	13,500
Capital surplus	10,793	10,793
Retained earnings	108,467	108,872
Treasury shares	(5,386)	(5,386)
Total shareholders' equity	127,373	127,779
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,240	8,578
Foreign currency translation adjustment	3,387	9,132
Remeasurements of defined benefit plans	(322)	(308)
Total accumulated other comprehensive income	10,305	17,402
Non-controlling interests	401	390
Total net assets	138,080	145,572
Total liabilities and net assets	160,715	169,740

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended August 31, 2022	Three months ended August 31, 2023
Net sales	17,736	19,163
Cost of sales	6,711	7,343
Gross profit	11,025	11,819
Selling, general and administrative expenses	8,557	9,483
Operating profit	2,467	2,335
Non-operating income		
Interest income	112	169
Dividend income	195	237
Rental income	35	35
Foreign exchange gains	503	215
Gains on net monetary position	–	9
Other	80	119
Total non-operating income	927	787
Non-operating expenses		
Interest expenses	14	17
Share of loss of entities accounted for using equity method	16	23
Losses on net monetary position	88	–
Other	57	27
Total non-operating expenses	177	68
Ordinary profit	3,217	3,054
Extraordinary losses		
Impairment losses	5	1
Total extraordinary losses	5	1
Profit before income taxes	3,211	3,053
Income taxes	1,090	1,078
Profit	2,121	1,975
Profit attributable to non-controlling interests	22	15
Profit attributable to owners of parent	2,098	1,959

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended August 31, 2022	Three months ended August 31, 2023
Profit	2,121	1,975
Other comprehensive income		
Valuation difference on available-for-sale securities	1,166	1,337
Foreign currency translation adjustment	4,284	5,748
Remeasurements of defined benefit plans, net of tax	9	14
Share of other comprehensive income of entities accounted for using equity method	11	1
Total other comprehensive income	5,471	7,102
Comprehensive income	7,592	9,077
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,559	9,057
Comprehensive income attributable to non-controlling interests	32	20