

HOKUTO Corporation

Consolidated Financial Results for the second quarter Ended September 30, 2021

November, 2021



1. The financial report for the second quarter Ended September 30, 2021

2. Reference material

◆ **Consolidated**

(Millions of yen)

	2Q ended Sep. 30, 2021	2Q ended Sep. 30, 2020	YoY
Net sales	31,497	33,610	—
Operating profit	△913	997	—
Profit attributable to owners of parent	△612	528	—

◆ **Individual**

(Millions of yen)

	2Q ended Sep. 30, 2021	2Q ended Sep. 30, 2020	YoY
Net sales	21,043	23,498	—
Operating profit	△1,382	683	—
Profit attributable to owners of parent	△721	465	—

▶ **Domestic : Declined in revenues and profits due to mushroom prices have been fallen by the impact of fallen vegetable prices.**
Oversea: Sales improved, mainly in the United States.

◆ **By Segment**

(Millions of yen)

	Mushroom business in Japan		Mushroom business outside Japan		Processed products business		Chemical products business	
	2Q ended Sep. 30, 2021	2Q ended Sep. 30, 2020	2Q ended Sep. 30, 2021	2Q ended Sep. 30, 2020	2Q ended Sep. 30, 2021	2Q ended Sep. 30, 2020	2Q ended Sep. 30, 2021	2Q ended Sep. 30, 2020
Net sales	19,782	22,449	2,875	2,172	3,576	4,081	5,262	4,907
Operating profit	△535	1,659	322	119	152	335	60	△111

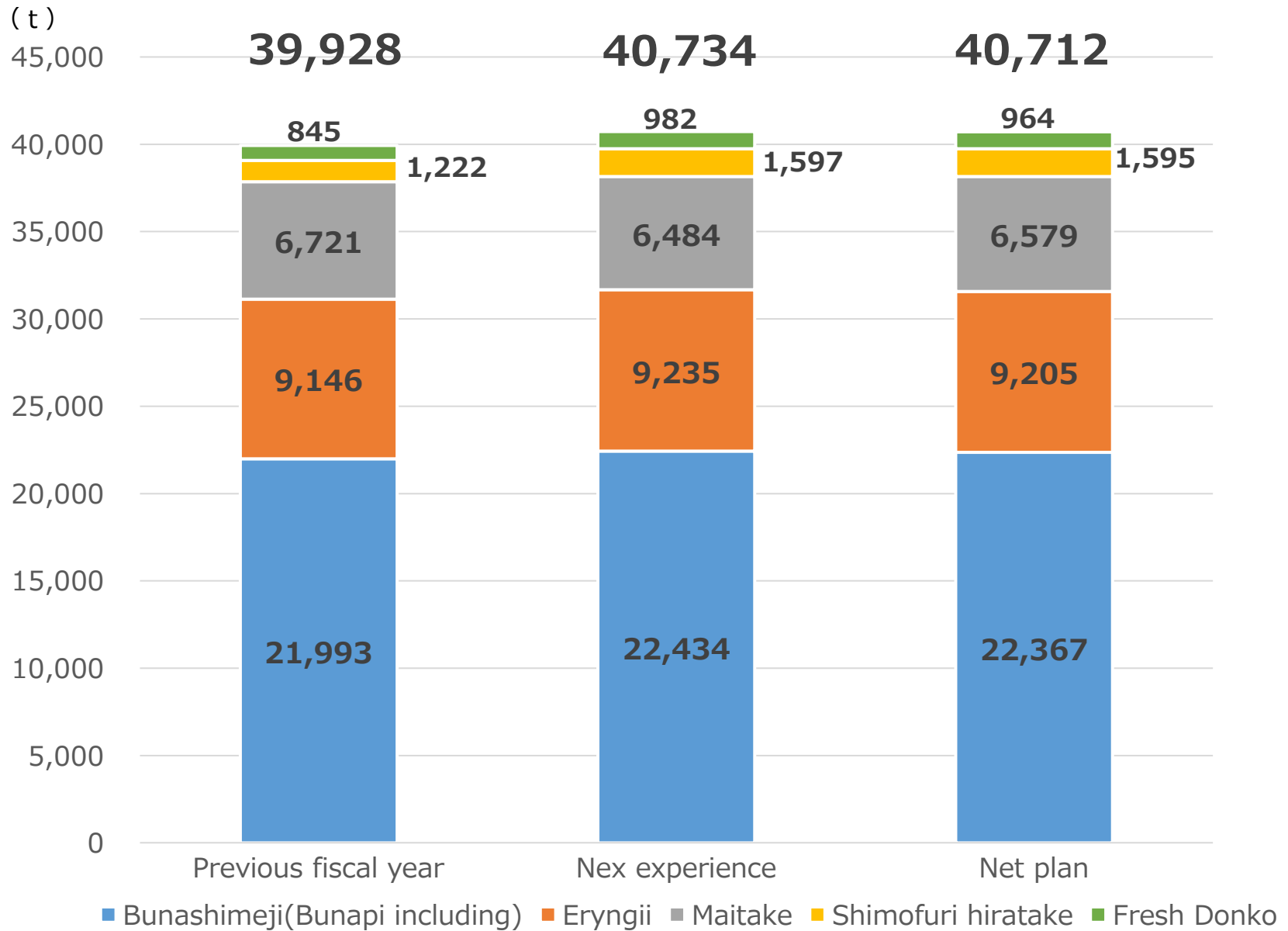
※"Accounting Standards for Revenue Recognition" have been applied since the beginning of the first quarter of the current consolidated accounting, and the figures for the second quarter of the fiscal year ending March 2022 are the figures after applying the accounting standards. Therefore, the difference in increase / decrease in the same quarter of the previous year and the rate of increase / decrease in the same quarter of the previous year are not stated.

(Millions of yen)

	2Q ended Sep. 30, 2020	2Q ended Sep. 30, 2021	YoYchange	YoY
Net sales	33,610	31,497	—	—
Gross profit	8,423	6,190	—	—
Gross profit margin	25.1%	19.7%		
Selling, general and administrative expenses	7,425	7,103	—	—
Operating profit	997	△913	△1,911	—
Operating profit margin	3.0%	△2.9%		
Ordinary profit	980	△725	△1,706	—
Ordinary profit margin	2.9%	△2.3%		
Profit attributable to owners of parent	528	△612	△1,140	—
Net profit margin	1.6%	△1.9%		
Earnings per share	16.88	△19.45		

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▶▶ Changes in mushroom production



(Millions of yen)

		2Q ended Sep. 30, 2020	2Q ended Sep. 30, 2021	YoYchange	YoY
Mushroom business in Japan	Net sales	22,449	19,782 (△400)	—	—
	Operating profit	1,659	△535	△2,194	—
Mushroom business outside Japan	Net sales	2,172	2,875	703	132.4%
	Operating profit	119	322	203	269.2%
Processed products business	Net sales	4,081	3,576 (△1)	—	—
	Operating profit	335	152	△182	45.5%
Chemical products business	Net sales	4,907	5,262 (△95)	—	—
	Operating profit	△111	60	171	—

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	cf. Previous year	cf. Plan
Bunashimeji	87.1%	96.4%
Eryngii	89.4%	97.5%
Maitake	86.6%	98.4%
Shimofuri hiratake	83.9%	83.9%

The fine weather continued, vegetables were abundantly supplied, and the vegetable market remained at a low price, which affected the unit price of mushrooms and remained low.

	cf. Previous year	cf. Plan
Bunashimeji	102.3%	100.3%
Eryngii	100.2%	100.2%
Maitake	94.5%	98.0%
Shimofuri hiratake	130.7%	100.1%

Production is almost as planned

		2Q ended Sep. 30, 2020	2Q ended Sep. 30, 2021	YoYchange	YoY
U.S.A (US\$)	Net sales	7,140,000	11,460,000	4,310,000	160.4%
	Operating profit	△ 1,280,000	10,000	1,300,000	—
	ROE	105.80	111.92		
Taiwan (NT\$)	Net sales	307,000,000	321,000,000	13,000,000	104.5%
	Operating profit	55,000,000	67,000,000	11,000,000	121.3%
	ROE	3.64	4.02		
Malaysia (RM)	Net sales	10,910,000	10,740,000	△ 160,000	98.5%
	Operating profit	980,000	430,000	△ 540,000	44.3%
	ROE	25.45	26.72		

(Millions of yen)

	Initial plan	2Q ended Sep. 30, 2021	Plan difference	cf. Plan
Net sales	32,700	31,497	△1,202	96.3%
Gross profit	7,000	6,190	△809	88.4%
Gross profit margin	21.4%	19.7%		
Selling, general and administrative expenses	7,870	7,103	△766	90.3%
Operating profit	△870	△913	△43	—
Operating profit margin	△2.7%	△2.9%		
Ordinary profit	△790	△725	64	—
Ordinary profit margin	△2.4%	△2.3%		
Profit attributable to owners of parent	△620	△612	7	—
Net profit margin	△1.9%	△1.9%		
Earnings per share	△19.69	△19.45		

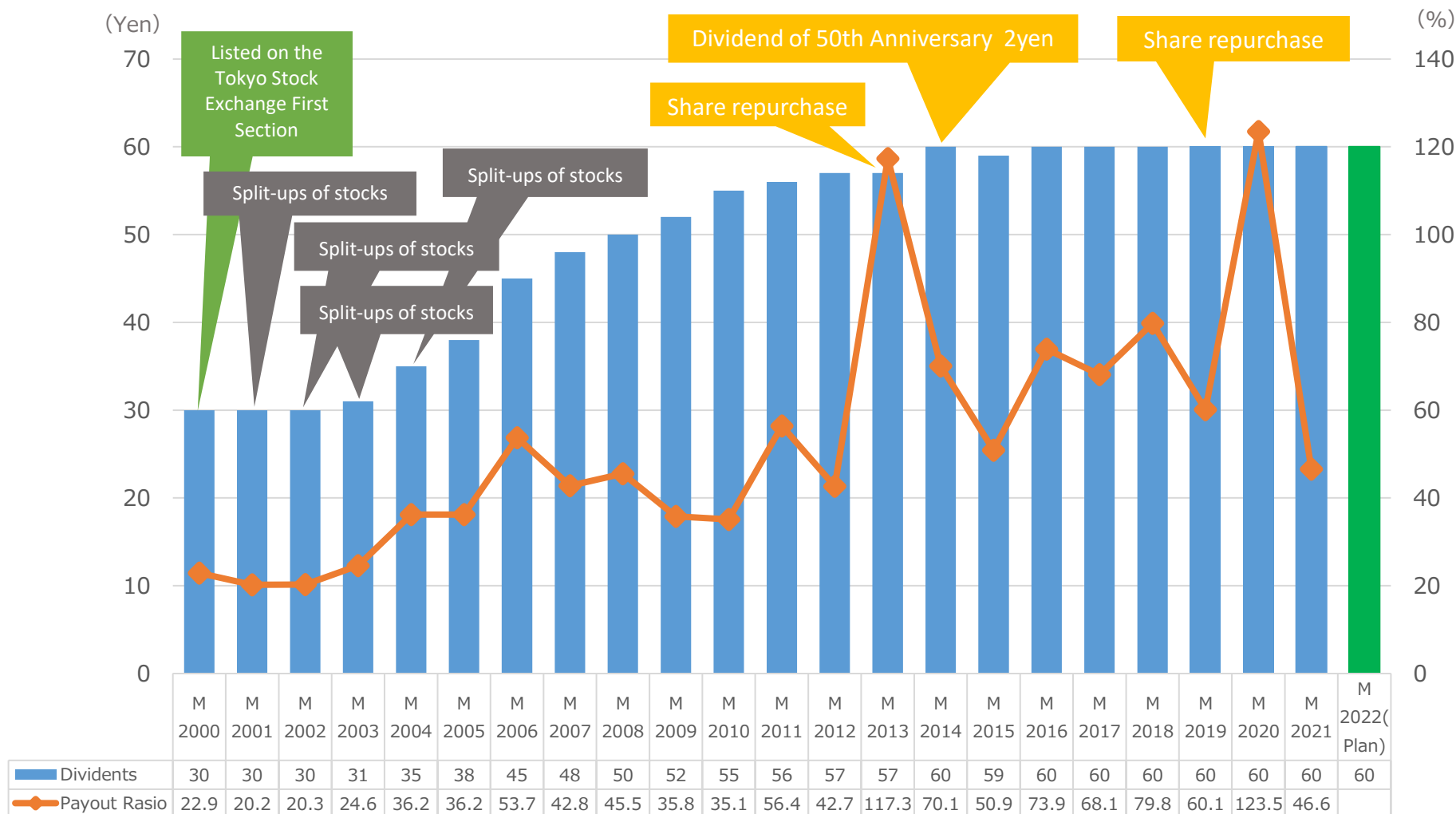
(Millions of yen)

		Initial plan	2Q ended Sep. 30, 2021	Plan difference	cf. Plan
Mushroom business in Japan	Net sales	21,143	19,782	△1,360	93.6%
	Operating profit	△162	△535	△373	—
Mushroom business outside Japan	Net sales	2,462	2,875	413	116.8%
	Operating profit	145	322	177	221.3%
Processed products business	Net sales	4,117	3,576	△541	86.8%
	Operating profit	205	152	△53	74.2%
Chemical products business	Net sales	4,991	5,262	271	105.4%
	Operating profit	△52	60	112	—

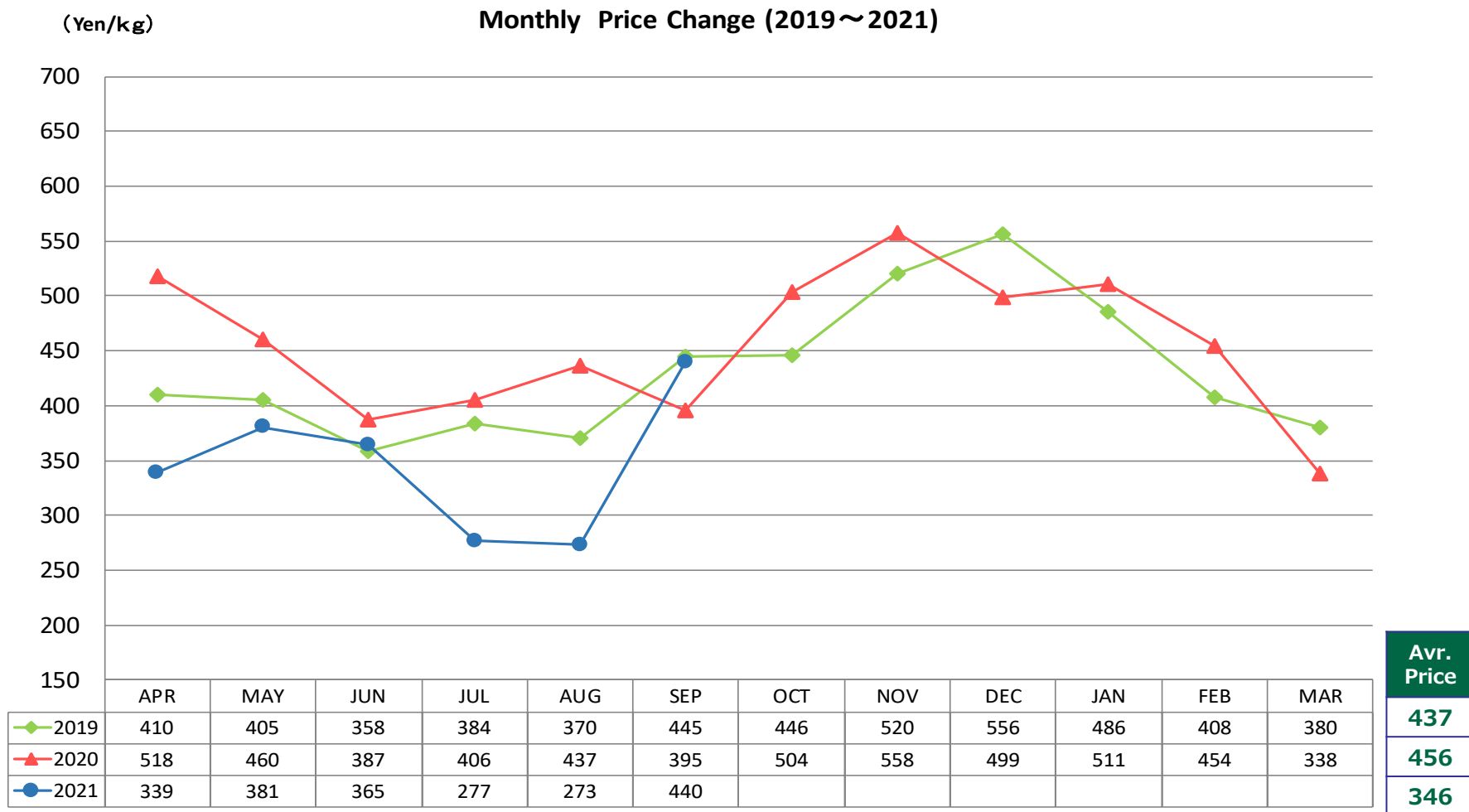
		Initial plan	2Q ended Sep. 30, 2021	Plan difference	cf. Plan
U.S.A (US\$)	Net sales	9,600,000	11,460,000	1,850,000	119.3%
	Operating profit	△ 500,000	10,000	520,000	—
	ROE	105.00	111.92		
Taiwan (NT\$)	Net sales	315,000,000	321,000,000	6,000,000	102.0%
	Operating profit	45,000,000	67,000,000	21,000,000	148.2%
	ROE	3.55	4.02		
Malaysia (RM)	Net sales	12,160,000	10,740,000	△ 1,410,000	88.4%
	Operating profit	280,000	430,000	150,000	155.5%
	ROE	25.00	26.72		

1. The financial report for the second quarter Ended September 30, 2021

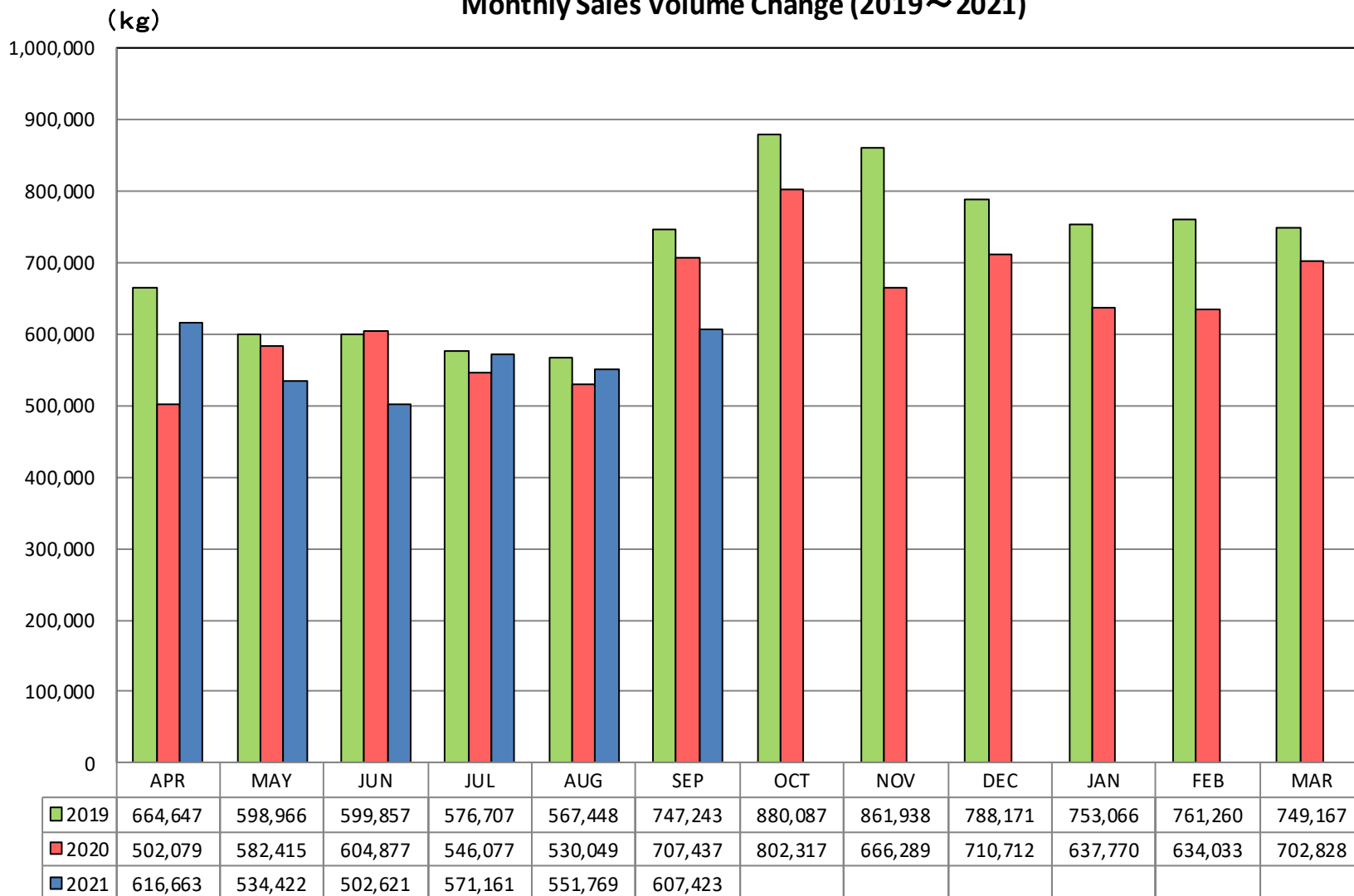
2. Reference material



Maintain stable dividends In regards to the future
(Plan to defer for the current fiscal year)



Monthly Sales Volume Change (2019~2021)



Yearly
Sales
Volume

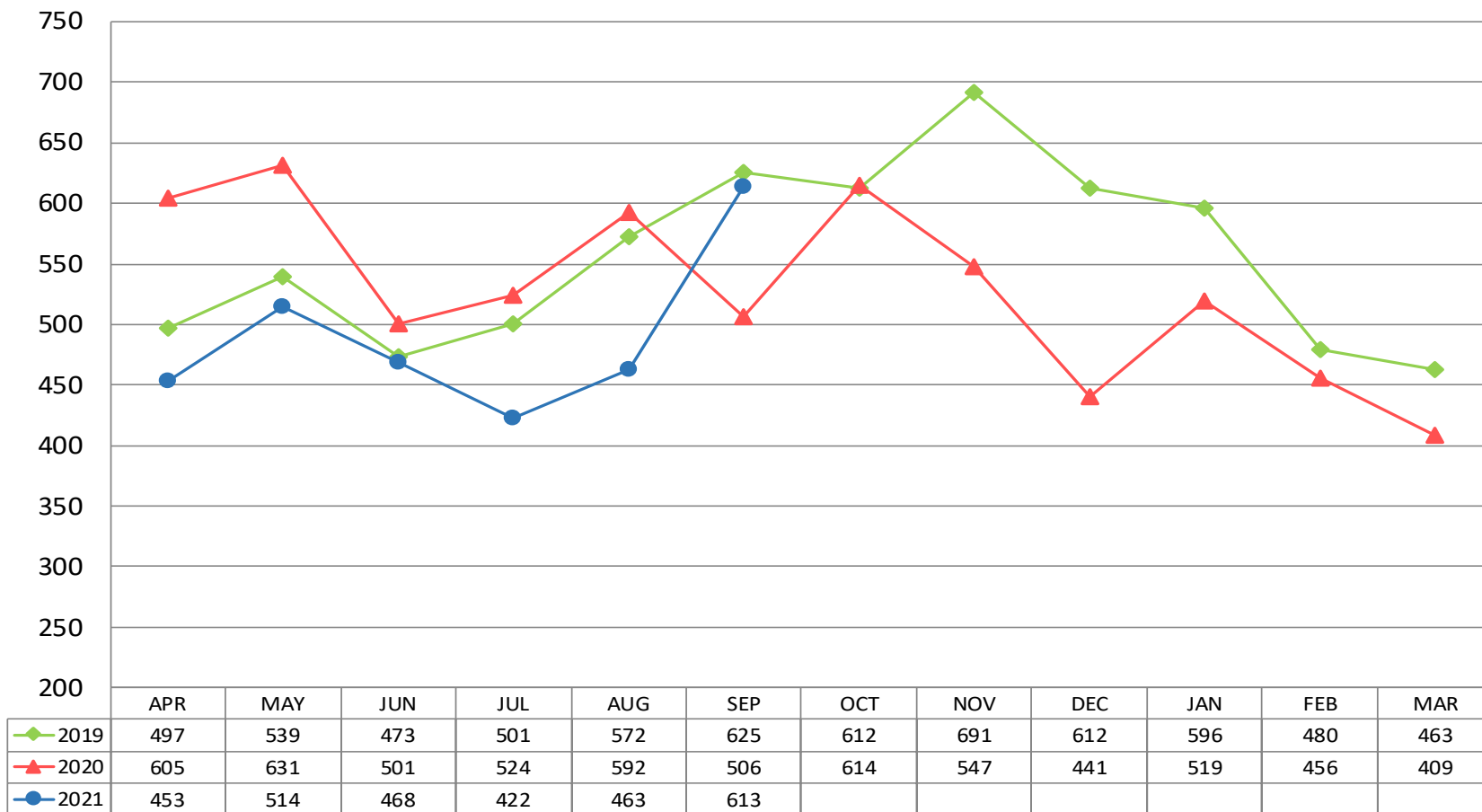
8,548,557

7,626,883

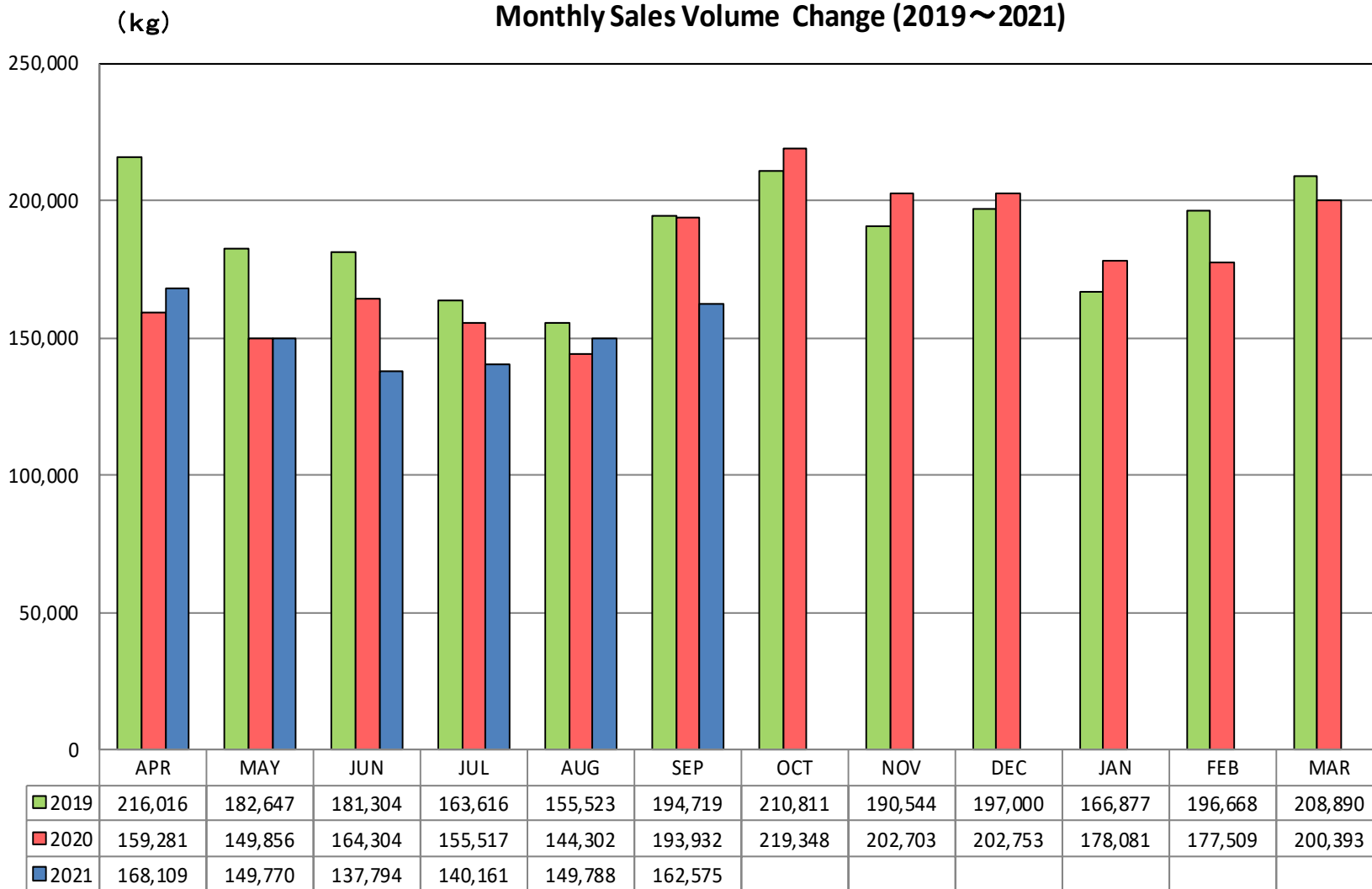
3,384,059

Monthly Price Change (2019 ~ 2021)

(Yen/kg)



Monthly Sales Volume Change (2019~2021)

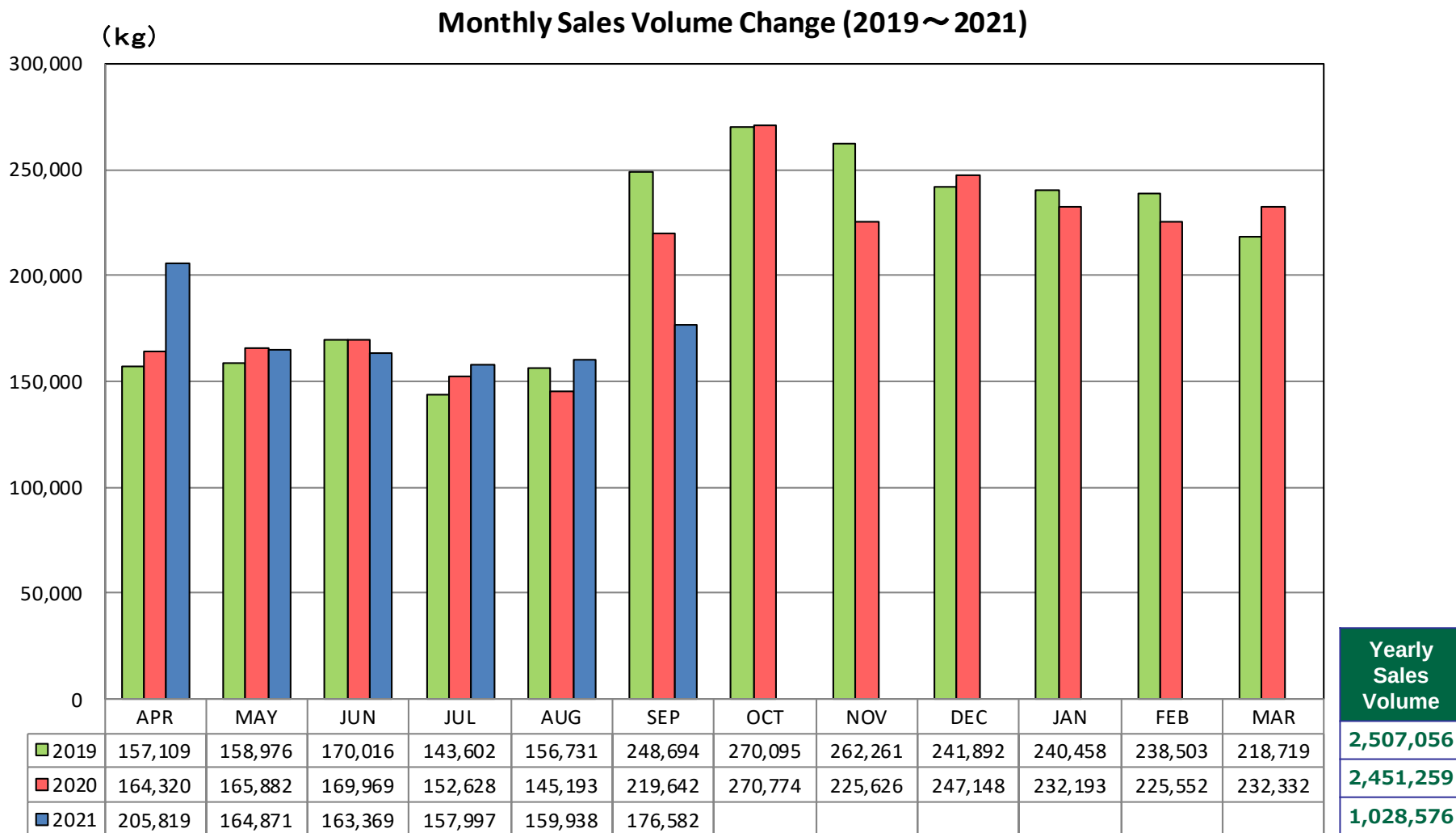


Yearly Sales Volume
2,264,615
2,147,979
908,197

Monthly Price Change (2019~2021)



Avr. Price
898
823
660





HOKUTO HOKUTO Corporation

Location : Nagano, Nagano Pref.

President : Masayoshi Mizuno

Securities code : 1379

Listed market : Tokyo Stock Exchange First Section

Number of outstanding shares : 33,359,040 stock

Market capitalization : 65,617 mil. yen

Shareholders' equity : 50,881 mil.yen

Number of employees : 4,178

Main business : Mushroom

Production/Distribution/ R&D

(As of the end of September 2021)



Hokuto Industry Corporation

•Industrial Supply
Production/Distribution



HOKTO KINOKO COMPANY

•Mushroom Production/Distribution in
North America



TAIWAN HOKUTO CORPORATION

•Mushroom Production/Distribution in
Taiwan



Arden Incorporated

•Retort pouch food production

Sun Medica Co., Ltd.

Mushroom Wisdom, Inc,



HOKTO MALAYSIA SDN.BHD.

•Mushroom Production/Distribution
in Malaysia

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HOKUTO Corporation

