

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



Summary of Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending November 30, 2023 [JAPAN GAAP]

April 6, 2023

Listed company name: Kewpie Corporation
 Listed exchange: Tokyo Stock Exchange
 Securities code: 2809
 URL: <https://www.kewpie.com/en/>
 Representative: Mitsuru Takamiya,
 Representative Director, President and Chief Executive Corporate Officer
 Contact: Takumi Tomita,
 Corporate Officer in charge of Accounting and Finance
 Scheduled date for filing quarterly securities report: April 14, 2023
 Scheduled date for dividend payment: –
 Quarterly supplementary data: Yes
 Quarterly results briefing: None

(Amounts are rounded down to the nearest million yen.)

1. Consolidated business results for the first quarter of the fiscal year ending November 30, 2023 (From December 1, 2022 to February 28, 2023)

(1) Consolidated operating results (Cumulative)

(Percentage figures show changes from the same period of the previous year.)

	Net sales		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 February 28, 2023	107,674	7.1	1,656	(75.4)	1,913	(73.2)	1,267	(71.6)
Three months ended February 28, 2022	100,536	6.9	6,732	6.5	7,151	8.3	4,455	(1.5)

(Note) Comprehensive income: Three months ended February 28, 2023 ¥(2,195) million (–)
 Three months ended February 28, 2022 ¥6,752 million (Increase of 10.6%)

	Earnings per share	Earnings per share (diluted)
	Yen	Yen
Three months ended February 28, 2023	9.12	–
Three months ended February 28, 2022	32.05	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of February 28, 2023	394,602	288,331	66.4
As of November 30, 2022	403,384	294,623	66.4

(Reference) Shareholders' equity: As of February 28, 2023 ¥262,135 million
 As of November 30, 2022 ¥267,657 million

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



2. Dividends

	Annual dividend per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Total
Fiscal year 2022	– ^{Yen}	20.00 ^{Yen}	– ^{Yen}	27.00 ^{Yen}	47.00 ^{Yen}
Fiscal year 2023	–				
Fiscal year 2023 (Forecast)		23.00	–	27.00	50.00

(Note) Revision to the most recently announced forecast of dividends: None

3. Forecasts of consolidated operating results for the fiscal year ending November 30, 2023 (From December 1, 2022 to November 30, 2023)

(Percentage figures show changes from the previous year.)

	Net sales		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
Year ending November 30, 2023	440,000	2.3	14,000	(45.0)	15,800	(42.0)	8,500	(47.0)	61.15

(Note) Revision to the most recently announced forecast of consolidated operating results: Yes

*Notes

- (1) Changes in significant subsidiaries during the three months (Changes in specified subsidiaries resulting in the change in the scope of consolidation): None
- (2) Application of special accounting treatments for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies and estimates, and restatements
 - a) Changes in accounting policies due to revision of accounting standards: Yes
 - b) Changes in accounting policies due to reasons other than "a)" (above): None
 - c) Changes in accounting estimates: None
 - d) Restatements: None
- (4) Number of issued shares (common stock)
 - a) Number of issued shares at the end of the period (including treasury stock):

February 28, 2023	141,500,000 shares
November 30, 2022	141,500,000 shares
 - b) Number of shares of treasury stock at the end of the period:

February 28, 2023	2,496,180 shares
November 30, 2022	2,495,894 shares
 - c) Average number of shares during the period (cumulative from the beginning of the fiscal year):

December 1, 2022 to February 28, 2023	139,003,985 shares
December 1, 2021 to February 28, 2022	139,004,737 shares

***The summary of quarterly consolidated financial statements is outside the scope of quarterly review procedures by certified public accountants or an audit corporation.**

*Statement for an appropriate usage of the forecasts of operating results and other special notes

The forecasts and other forward looking statements contained in this summary are based on the information currently available to the Company and certain assumptions considered reasonable by the Company. Therefore, they are not guaranteed to be achieved by the Company. As a result, the forecasts of operating results may differ significantly from the actual operating results due to various factors.

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



Table of contents

I. Quarterly consolidated financial statements and major notes	2
1. Quarterly Consolidated Balance Sheets	2
2. Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	4
(Quarterly Consolidated Statements of Income) (Three months ended February 28, 2022 and February 28, 2023).....	4
(Quarterly Consolidated Statements of Comprehensive Income) (Three months ended February 28, 2022 and February 28, 2023).....	5
3. Notes Regarding Quarterly Consolidated Financial Statements	6
(Notes regarding assumption of a going concern)	6
(Notes regarding the significant changes in the amount of shareholders' equity)	6
(Changes in accounting policies)	6
(Segment information).....	7

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



I. Quarterly consolidated financial statements and major notes

1. Quarterly Consolidated Balance Sheets

	Previous fiscal year (As of November 30, 2022)	Current first quarter (As of February 28, 2023)
(Millions of yen)		
Assets		
Current assets		
Cash and deposits	57,825	49,426
Notes and accounts receivable - trade	59,414	57,279
Securities	10,000	10,000
Purchased goods and products	20,867	20,397
Work in process	2,659	2,540
Raw materials and supplies	13,551	14,232
Other	3,524	6,030
Allowances for doubtful accounts	(115)	(156)
Total current assets	167,726	159,751
Fixed assets		
Tangible fixed assets		
Buildings and structures	162,131	161,926
Accumulated depreciation	(97,130)	(97,969)
Net book value	65,001	63,957
Machinery, equipment and vehicles	153,551	153,274
Accumulated depreciation	(111,171)	(111,432)
Net book value	42,379	41,841
Land	30,529	30,464
Lease assets	5,544	5,420
Accumulated depreciation	(2,048)	(1,931)
Net book value	3,496	3,489
Construction in progress	3,446	3,679
Other	13,223	13,192
Accumulated depreciation	(11,027)	(11,088)
Net book value	2,196	2,104
Total tangible fixed assets	147,050	145,536
Intangible fixed assets		
Goodwill	364	319
Software	13,768	13,750
Other	1,506	2,066
Total intangible fixed assets	15,639	16,136
Investments and other assets		
Investment securities	45,633	44,944
Long-term loans receivable	850	827
Assets for retirement benefits	18,656	18,884
Deferred tax assets	2,749	3,289
Other	5,198	5,352
Allowances for doubtful accounts	(119)	(120)
Total investments and other assets	72,969	73,177
Total fixed assets	235,658	234,850
Total assets	403,384	394,602

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



(Millions of yen)

	Previous fiscal year (As of November 30, 2022)	Current first quarter (As of February 28, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	33,051	30,477
Short-term loans payable	3,058	17,964
Accounts payable - other	17,001	13,264
Accrued expenses	2,118	2,915
Accrued income taxes	2,157	1,354
Reserves for bonuses	1,487	2,757
Reserves for directors' bonuses	74	21
Other	6,303	7,411
Total current liabilities	65,252	76,168
Non-current liabilities		
Bonds	10,000	10,000
Long-term loans payable	16,070	999
Lease obligations	3,337	3,856
Deferred tax liabilities	9,558	9,025
Liabilities for retirement benefits	2,840	2,974
Asset retirement obligations	267	268
Other	1,434	2,979
Total non-current liabilities	43,508	30,103
Total liabilities	108,761	106,271
Net assets		
Shareholders' equity		
Paid-in capital	24,104	24,104
Capital surplus	28,634	28,638
Earned surplus	203,515	201,030
Treasury stock	(5,840)	(5,841)
Total shareholders' equity	250,413	247,931
Accumulated other comprehensive income		
Unrealized holding gains (losses) on securities	9,348	9,156
Unrealized gains (losses) on hedges	(1)	17
Foreign currency translation adjustments	5,911	3,064
Accumulated adjustments for retirement benefits	1,985	1,964
Total accumulated other comprehensive income	17,244	14,203
Non-controlling interests	26,965	26,196
Total net assets	294,623	288,331
Total liabilities and net assets	403,384	394,602

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



2. Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income

(Quarterly Consolidated Statements of Income)

(Three months ended February 28, 2022 and February 28, 2023)

	Previous first quarter (Cumulative) (From December 1, 2021 to February 28, 2022)	Current first quarter (Cumulative) (From December 1, 2022 to February 28, 2023)
	(Millions of yen)	
Net sales	100,536	107,674
Cost of sales	69,845	80,969
Gross profit	30,691	26,705
Selling, general and administrative expenses	23,958	25,049
Operating income	6,732	1,656
Non-operating income		
Interest income	52	107
Dividends income	174	185
Equity in earnings of affiliates	187	129
Other	158	116
Total non-operating income	572	538
Non-operating expenses		
Interest expenses	55	105
Other	98	175
Total non-operating expenses	153	281
Ordinary income	7,151	1,913
Extraordinary gains		
Compensation income	-	249
Gains on sales of fixed assets	1	1
Other	248	46
Total extraordinary gains	250	297
Extraordinary losses		
Losses on disposal of fixed assets	170	155
Losses on termination of retirement benefit plans	-	103
Losses on valuation of shares of subsidiaries and associates	-	99
Other	106	0
Total extraordinary losses	277	359
Profit before income taxes	7,124	1,851
Income taxes	2,200	413
Profit	4,923	1,438
Profit attributable to non-controlling interests	468	171
Profit attributable to owners of parent	4,455	1,267

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



(Quarterly Consolidated Statements of Comprehensive Income)
(Three months ended February 28, 2022 and February 28, 2023)

	Previous first quarter (Cumulative) (From December 1, 2021 to February 28, 2022)	Current first quarter (Cumulative) (From December 1, 2022 to February 28, 2023)
	(Millions of yen)	
Profit	4,923	1,438
Other comprehensive income		
Unrealized holding gains (losses) on securities	(8)	(175)
Unrealized gains (losses) on hedges	(4)	24
Foreign currency translation adjustments	1,398	(3,031)
Adjustments for retirement benefits	376	(22)
Share of other comprehensive income of entities accounted for using equity method	67	(428)
Total other comprehensive income	1,828	(3,634)
Comprehensive income	6,752	(2,195)
(Breakdown)		
Comprehensive income attributable to owners of parent	5,904	(1,773)
Comprehensive income attributable to non-controlling interests	848	(422)

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



3. Notes Regarding Quarterly Consolidated Financial Statements

(Notes regarding assumption of a going concern)

Not applicable.

(Notes regarding the significant changes in the amount of shareholders' equity)

Not applicable.

(Changes in accounting policies)

Application of U.S. GAAP ASU 2016-02 "Leases"

Overseas consolidated subsidiaries adopting U.S. GAAP have applied U.S. GAAP ASU 2016-02 "Leases" effective from the first quarter of the current fiscal year. This requires lessees to recognize assets and liabilities on the balance sheet for, in principle, all leases. In applying this accounting standard, the Company has adopted the method where the cumulative effect of applying this accounting standard is recognized at the date of initial application, which is allowed as a transitional measure.

The effect of applying this accounting standard on the quarterly consolidated financial statements was immaterial.

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



(Segment information)

[Segment information]

I. Previous first quarter (Cumulative from December 1, 2021 to February 28, 2022)

1. Information on amounts of net sales and profit or loss by reporting segment and information on disaggregation of revenue

(Millions of yen)

	Retail Market	Food Service	Overseas	Fruit Solutions	Fine Chemicals	Common Business	Total	Adjustments (Note 1)	Amount reported on the quarterly consolidated statements of income (Note 2)
Net sales									
Revenue from contracts with customers	42,642	35,981	14,314	3,726	2,471	1,400	100,536	–	100,536
Other revenue	–	–	–	–	–	–	–	–	–
Net sales to outside customers	42,642	35,981	14,314	3,726	2,471	1,400	100,536	–	100,536
Intersegment net sales or transfers	188	1,228	467	53	84	2,957	4,979	(4,979)	–
Total	42,830	37,210	14,781	3,780	2,555	4,357	105,516	(4,979)	100,536
Segment profit	4,006	1,771	1,895	37	42	382	8,135	(1,402)	6,732

(Notes) 1. "Adjustments" of ¥(1,402) million in "Segment profit" includes Company-wide expenses unallocated to the respective reporting segments. The Company-wide expenses mainly consist of expenditures pertaining to general and administrative expenses not attributable to particular reporting segments.

2. "Segment profit" is adjusted to report "Operating income" in the quarterly consolidated statements of income.

2. Information on impairment losses of fixed assets or goodwill, etc. by reporting segment

(Significant impairment losses of fixed assets)

Not applicable.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gains on negative goodwill)

Not applicable.

Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



II. Current first quarter (Cumulative from December 1, 2022 to February 28, 2023)

1. Information on amounts of net sales and profit or loss by reporting segment and information on disaggregation of revenue

(Millions of yen)

	Retail Market	Food Service	Overseas	Fruit Solutions	Fine Chemicals	Common Business	Total	Adjustments (Note 1)	Amount reported on the quarterly consolidated statements of income (Note 2)
Net sales									
Revenue from contracts with customers	41,922	41,713	16,047	3,809	2,834	1,346	107,674	–	107,674
Other revenue	–	–	–	–	–	–	–	–	–
Net sales to outside customers	41,922	41,713	16,047	3,809	2,834	1,346	107,674	–	107,674
Intersegment net sales or transfers	221	1,222	81	82	93	3,114	4,815	(4,815)	–
Total	42,143	42,935	16,129	3,892	2,928	4,461	112,490	(4,815)	107,674
Segment profit or loss	1,640	463	1,119	11	(429)	399	3,203	(1,547)	1,656

(Notes) 1. "Adjustments" of ¥(1,547) million in "Segment profit or loss" includes Company-wide expenses unallocated to the respective reporting segments. The Company-wide expenses mainly consist of expenditures pertaining to general and administrative expenses not attributable to particular reporting segments.

2. "Segment profit or loss" is adjusted to report "Operating income" in the quarterly consolidated statements of income.

2. Information on impairment losses of fixed assets or goodwill, etc. by reporting segment

(Significant impairment losses of fixed assets)

Not applicable.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gains on negative goodwill)

Not applicable.

**Supplementary Data
for the First Quarter
of the Fiscal Year Ending
November 30, 2023**

April 6, 2023

Kewpie Corporation

Securities code: 2809

Table of contents

1.	Breakdown of net sales and operating income by segment	1
2.	Factors behind changes in operating income	2
3.	Domestic sales volume and amount of salad condiments by business category (Kewpie Corporation)	2
4.	Exchange rates (average exchange rates during the period)	2
5.	Changes in market prices for major raw materials	2
6.	Capital investments and main components of selling, general and administrative expenses	3
7.	Summary of non-operating income (expenses) and extraordinary gains (losses)	3
8.	Summary of balance sheets	3
9.	Year plan for FY2023	4

■Notes regarding the information in this document

- The amounts stated in this document are rounded to the nearest 100 million yen when figures are presented in billions of yen.
- Figures of year plan for FY 2023 indicate estimated forecasts announced on April 6, 2023.
- Figures for the overseas operations in the first quarter are results for the period from October to December.
Changes overseas of the first quarter of FY2023 include a ¥2.0 billion increase in net sales and a ¥0.1 billion increase in operating income caused by fluctuations of exchange rates.
Changes overseas of year plan for FY2023 include a ¥2.8 billion increase in net sales and a ¥0.3 billion increase in operating income caused by fluctuations of exchange rates.

1. Breakdown of net sales and operating income by segment

Net sales (Billions of yen)	FY2022					FY2023					Change				
	1Q (Dec.-Feb.)	2Q (Mar.-May)	3Q (Jun.-Aug.)	4Q (Sep.-Nov.)	Year	1Q (Dec.-Feb.)	2Q (Mar.-May)	3Q (Jun.-Aug.)	4Q (Sep.-Nov.)	Year (Plan)	1Q (Dec.-Feb.)	2Q (Mar.-May)	3Q (Jun.-Aug.)	4Q (Sep.-Nov.)	Year
Retail Market	42.6	43.0	44.8	42.9	173.4	41.9				176.9	(0.7)				3.5
Condiments	17.6	16.4	18.7	16.7	69.3	17.3				77.6	(0.3)				8.3
Delicatessen	14.9	15.9	15.6	15.5	61.9	14.8				57.1	(0.1)				(4.8)
Cut vegetables	6.5	6.9	6.8	6.8	27.0	6.2				28.0	(0.3)				1.0
Other	3.6	3.9	3.7	3.9	15.1	3.6				14.2	(0.1)				(0.9)
Food Service	36.0	39.9	40.2	42.7	158.8	41.7				153.0	5.7				(5.8)
Condiments	10.3	11.5	11.5	12.0	45.2	11.2				48.0	0.9				2.8
Egg	21.5	24.3	24.7	26.8	97.3	26.6				90.0	5.1				(7.3)
Other	4.1	4.1	4.1	4.0	16.3	3.9				15.0	(0.3)				(1.3)
Overseas	14.3	15.5	17.6	18.8	66.3	16.0				75.5	1.7				9.2
China	6.1	6.5	7.5	8.3	28.4	5.8				30.7	(0.3)				2.3
Southeast Asia	4.0	4.2	4.8	5.1	18.0	5.1				22.0	1.1				4.0
North America	2.7	3.3	4.1	4.3	14.4	3.5				16.4	0.8				2.0
Other	1.5	1.6	1.2	1.2	5.5	1.7				6.4	0.2				0.9
Fruit Solutions	3.7	4.7	4.1	3.9	16.5	3.8				17.7	0.1				1.2
Fine Chemicals	2.5	2.6	2.6	2.4	10.0	2.8				11.4	0.4				1.4
Common Business	1.4	1.3	1.4	1.3	5.3	1.3				5.5	(0.1)				0.2
Total	100.5	107.0	110.7	112.1	430.3	107.7				440.0	7.1				9.7

Operating Income (Billions of yen)	FY2022					FY2023					Change				
	1Q (Dec.-Feb.)	2Q (Mar.-May)	3Q (Jun.-Aug.)	4Q (Sep.-Nov.)	Year	1Q (Dec.-Feb.)	2Q (Mar.-May)	3Q (Jun.-Aug.)	4Q (Sep.-Nov.)	Year (Plan)	1Q (Dec.-Feb.)	2Q (Mar.-May)	3Q (Jun.-Aug.)	4Q (Sep.-Nov.)	Year
Retail Market	4.0	3.4	3.6	2.4	13.4	1.6				8.7	(2.4)				(4.7)
Condiments	2.9	2.0	3.0	1.5	9.4	1.0				6.1	(1.9)				(3.3)
Delicatessen	0.7	0.9	0.5	0.5	2.8	0.3				1.2	(0.4)				(1.6)
Cut vegetables	0.3	0.5	0.3	0.2	1.3	0.1				1.3	(0.2)				0.0
Other	0.1	0.0	(0.2)	0.1	0.0	0.2				0.1	0.2				0.1
Food Service	1.8	2.4	1.5	1.3	6.9	0.5				0.0	(1.3)				(6.9)
Condiments	0.6	0.9	0.4	0.4	2.3	0.2				1.3	(0.4)				(1.0)
Egg	0.9	1.4	1.0	0.8	4.1	0.3				(0.6)	(0.6)				(4.7)
Other	0.3	0.1	0.1	0.0	0.5	(0.1)				(0.7)	(0.4)				(1.2)
Overseas	1.9	2.2	2.7	1.7	8.5	1.1				9.4	(0.8)				0.9
China	0.7	0.8	1.0	0.9	3.4	0.0				3.8	(0.7)				0.4
Southeast Asia	0.6	0.6	0.6	0.5	2.3	0.6				2.8	(0.0)				0.5
North America	0.3	0.3	0.5	0.4	1.4	0.3				1.8	0.0				0.4
Other	0.3	0.4	0.6	(0.1)	1.3	0.2				1.0	(0.1)				(0.3)
Fruit Solutions	0.0	0.2	0.0	(0.0)	0.3	0.0				0.2	(0.0)				(0.1)
Fine Chemicals	0.0	0.5	0.6	0.1	1.3	(0.4)				1.3	(0.5)				0.0
Common Business	0.4	0.3	0.3	0.2	1.2	0.4				1.1	0.0				(0.1)
Company-wide expenses	(1.4)	(1.5)	(1.5)	(1.7)	(6.2)	(1.5)				(6.7)	(0.1)				(0.5)
Total	6.7	7.5	7.2	4.0	25.4	1.7				14.0	(5.1)				(11.4)

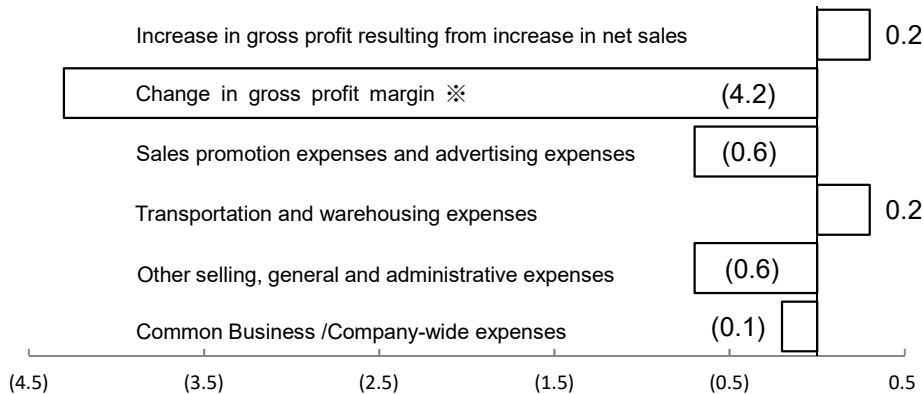
Operating income ratio	6.7%	7.0%	6.5%	3.6%	5.9%	1.5%				3.2%
-------------------------------	-------------	-------------	-------------	-------------	-------------	-------------	--	--	--	-------------

※Growth rate in overseas net sales (Local currency basis) FY2023 1Q (2)%

2. Factors behind changes in operating income

(Billions of yen)	FY2022 1Q	FY2023 1Q	Change
Operating income	6.7	1.7	(5.1)

(Billions of yen)



Impact of Spike in Main Raw Material Prices ¥(5.6) billion		
By raw material	Major raw materials (Condiments)	(4.4)
	Eggs	(1.2)
	Total	(5.6)

By Segment	Amount (Billions of yen)
Retail Market	(2.3)
Food Service	(2.5)
Overseas	(0.8)

※Impact of spike in main raw material prices is included in the change in gross profit margin.

3. Domestic sales volume and amount of salad condiments by business category (Kewpie Corporation)

		FY2021 1Q	FY2022 1Q	FY2023 1Q	Change	YoY Change (%)
For household use	Volume (Thousands of tons)	32	34	30	(4)	(12)%
	Amount (Billions of yen)	16.2	17.3	17.0	(0.3)	(2)%
For commercial use	Volume (Thousands of tons)	21	22	22	(1)	(3)%
	Amount (Billions of yen)	8.2	8.8	9.8	1.0	12%
Exports	Volume (Thousands of tons)	2	2	2	(1)	(30)%
	Amount (Billions of yen)	0.8	1.1	0.9	(0.2)	(21)%

※Exports includes figures for household use and for commercial use.

4. Exchange rates (average exchange rates during the period)

(Yen)	FY2021 1Q	FY2022 1Q	FY2023 1Q	FY2023 Year (Plan)
USD (per \$1)	103	114	141	133
RMB (per RMB1)	16	18	20	19

5. Changes in market prices for major raw materials

(Yen/kg)	FY2021				FY2022				FY2023				
	1Q (Dec.-Feb.)	2Q (Mar.-May)	3Q (Jun.-Aug.)	4Q (Sep.-Nov.)	1Q (Dec.-Feb.)	2Q (Mar.-May)	3Q (Jun.-Aug.)	4Q (Sep.-Nov.)	1Q (Dec.-Feb.)	2Q (Mar.-May)	3Q (Jun.-Aug.)	4Q (Sep.-Nov.)	Year (Plan)
Average price of institutional use (tank truck base) for refined soybean and rapeseed oils for processed oil and fats	253	266	303	352	361	373	392	437	424				396
Benchmark price for medium-sized eggs, Tokyo market	168	240	240	211	179	208	207	241	297				320

6. Capital investments and main components of selling, general and administrative expenses

(Billions of yen)	FY2022 1Q	FY2023 1Q	Change	FY2023 Year (Plan)
Capital investments	4.5	5.7	1.2	19.5
Depreciation and amortization	3.9	4.1	0.2	17.0
Sales promotion expenses	0.8	0.9	0.1	4.1
Advertising expenses	2.6	3.1	0.5	10.0
Transportation and warehousing expenses	6.8	6.7	(0.2)	28.6
Payroll expenses	7.5	7.7	0.2	31.1
Research and development expenses	0.8	0.8	(0.0)	3.9

7. Summary of non-operating income (expenses) and extraordinary gains (losses)

(Billions of yen)	FY2022 1Q	FY2023 1Q	Change	Items of changes
Non-operating income (expenses), net	0.4	0.3	(0.2)	Decrease in equity in earnings of affiliates (0.1) Increase in interest expenses (0.1)
Extraordinary gains (losses), net	(0.0)	(0.1)	(0.0)	Increase in compensation income 0.2 Increase in losses on termination of retirement benefit plans (0.1) Increase in losses on valuation of shares of subsidiaries and associates (0.1)

8. Summary of balance sheets

(Billions of yen)	FY2022	FY2023 1Q	Change	Items of changes
Assets				
Current assets	167.7	159.8	(8.0)	Decrease in cash and deposits (8.4)
Fixed assets				
Tangible and intangible fixed assets	162.7	161.7	(1.0)	Decrease in buildings and structures (1.0)
Investments and other assets	73.0	73.2	0.2	Increase in deferred tax assets 0.5
Liabilities	108.8	106.3	(2.5)	Decrease in accounts payable-other (3.7)
Net assets	294.6	288.3	(6.3)	Decrease in earned surplus (2.5) Decrease in foreign currency translation adjustments (2.8)

9. Year plan for FY2023

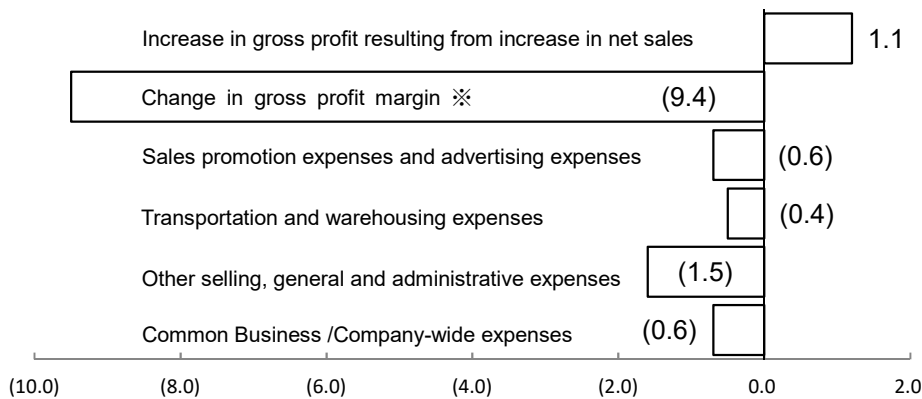
Forecasts of operating results

(Billions of yen)		FY2022	FY2023 (Plan)	Change	Change (%)
Net sales		430.3	440.0	9.7	2%
Operating income		25.4	14.0	(11.4)	(45)%
Ordinary income		27.2	15.8	(11.4)	(42)%
Profit attributable to owners of parent		16.0	8.5	(7.5)	(47)%
ROA		6.9%	4.0%	(2.9)%	–
ROE		6.2%	3.2%	(3.0)%	–
Operating income ratio		5.9%	3.2%	(2.7)%	–
Growth rate in overseas net sales (Local currency basis)		10%	10%	–	–
Exchange rates	USD (per \$1)	125 yen	133 yen	8 yen	–
	RMB (per RMB1)	19 yen	19 yen	–	–
Market prices for major raw materials	Average price of institutional use (tank truck base) for refined soybean and rapeseed oils for processed oil and fats	391 yen	396 yen	5 yen	–
	Benchmark price for medium-sized eggs, Tokyo market	209 yen	320 yen	111 yen	–

Factors behind changes in operating income

(Billions of yen)	FY2022	FY2023 (Plan)	Change
Operating income	25.4	14.0	(11.4)

(Billions of yen)



Impact of Spike in Main Raw Material Prices ¥(17.1) billion		
By raw material	Major raw materials (Condiments)	(12.7)
	Eggs	(4.4)
	Total	(17.1)

By Segment	Impact (Billions of yen)
Retail Market	(7.5)
Food Service	(8.2)
Overseas	(1.4)

※Impact of spike in main raw material prices is included in the change in gross profit margin.

Analysis of Changes in Operating Income

(Billions of yen)

