

# **FY2022 1H Financial Meeting**

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July 7, 2022  
Kewpie Corporation

# Agenda

1. Overview of FY2022 1H Results and FY2022 Full-Year Plan
2. Efforts toward 2H and Next Fiscal Year
3. Reference Materials

## ■ Contents of these materials

- Figures for monetary amounts expressed in billions of yen in this report are rounded to the nearest 100 million yen.
- The financial period overseas is October through September and includes exports from Japan. Exports from Japan from December through November of the following year are included in the results. The year-on-year change in FY2022 1H results includes increases of 2.3 billion yen in net sales and 0.3 billion yen in operating income, and the year-on-year change in the FY2022 full-year plan includes increases of 7.1 billion yen in net sales and 0.8 billion yen in operating income, resulting from foreign currency fluctuations.
- During FY2021, the Company finalized the provisional accounting treatment for business combinations, and the figures for FY2021 1H reflect the finalization of the provisional accounting treatment.

# 1. Overview of FY2022 1H Results and FY2022 Full-Year Plan

# Overview of FY2022 1H Results

(¥bn)	FY2021 1H	FY2022 1H	YoY change	Percentage change	1Q YoY change	2Q YoY change
Net sales	198.9	207.5	+8.6	+4%	+6.4	+2.2
Japan	174.1	177.7	+3.6	+2%	+4.3	-0.7
Overseas	24.7	29.8	+5.1	+21%	+2.2	+2.9
Operating income	14.5	14.2	-0.3	-2%	+0.4	-0.7
Japan	13.5	13.0	-0.5	-4%	+0.5	-1.0
Overseas	3.7	4.1	+0.4	+11%	+0.0	+0.4
Company-wide expenses	-2.7	-2.9	-0.2	—	-0.1	-0.1
Ordinary income	15.2	15.0	-0.2	-1%	+0.5	-0.8
Profit attributable to owners of parent	9.6	8.9	-0.7	-8%	-0.1	-0.7
Operating income ratio	7.3%	6.9%	-0.4%		-0.0%	-0.8%

## [Results overview]

◆ Net sales	<b>Increase in sales (+¥8.6bn)</b>	<ul style="list-style-type: none"> <li>• Overseas growth (+¥5.1bn)</li> <li>• Recovery of Food Service (+¥3.5bn)</li> </ul>
◆ Operating income	<b>Decrease in income (-¥0.3bn)</b>	<ul style="list-style-type: none"> <li>• The effect of a spike in main raw material prices (-¥4.0bn)</li> <li>• Effect of price revisions (+¥3.5bn)</li> </ul>
◆ Profit attributable to owners of parent	<b>Decrease in profit (-¥0.7bn)</b>	<ul style="list-style-type: none"> <li>• Decrease in extraordinary income (-¥0.5bn)</li> <li>• Increase in extraordinary losses (-¥0.2bn)</li> </ul>

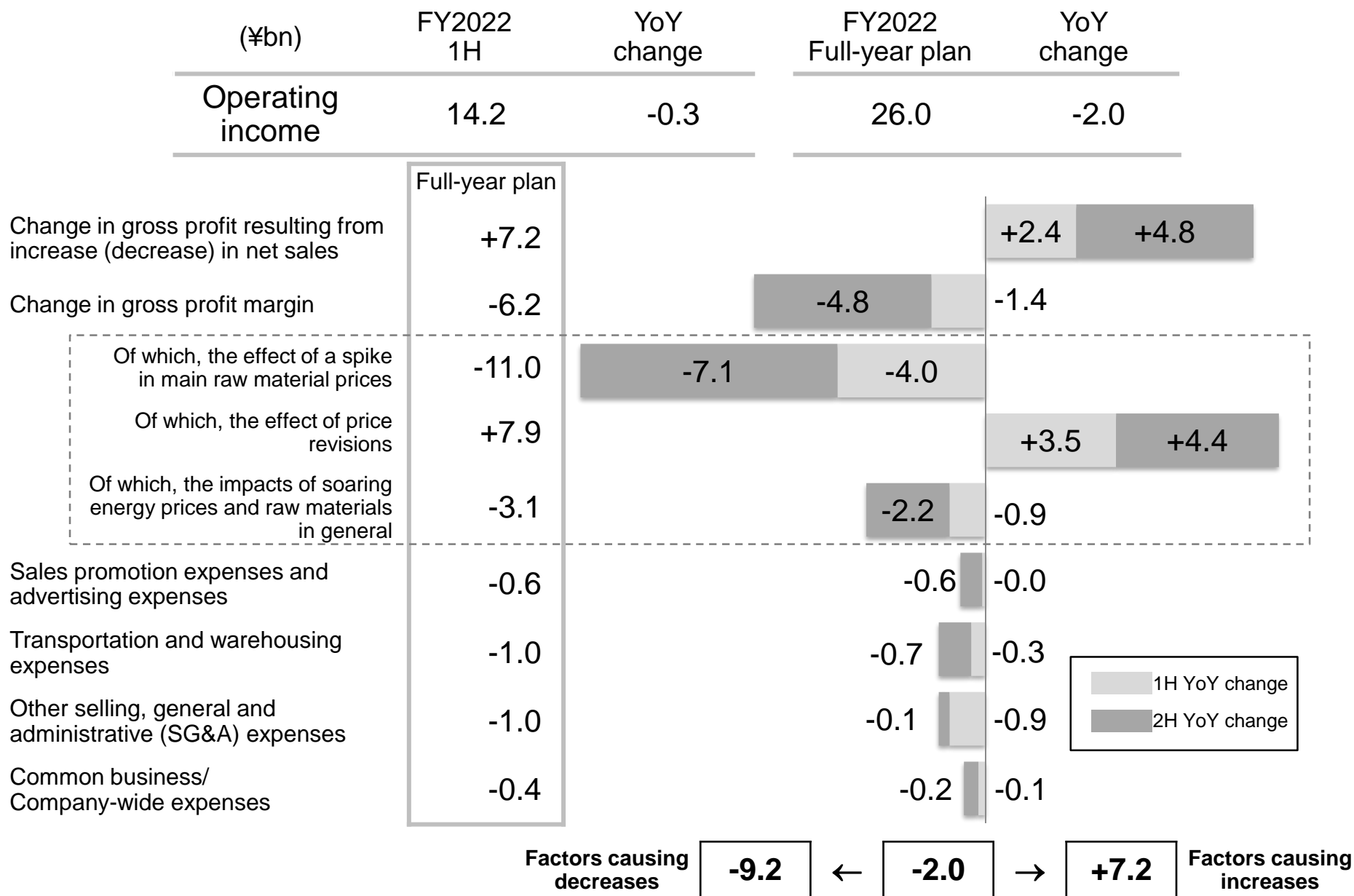
# Overview of FY2022 Full-Year Plan

(¥bn)	FY2021 Full year	FY2022 Full-year plan	YoY change	Percentage change	Difference from plan at the start of FY	Percentage change
Net sales	407.0	430.0	+23.0	+6%	+15.0	+4%
Japan	353.7	364.3	+10.6	+3%	+12.0	+3%
Overseas	53.4	65.7	+12.3	+23%	+3.0	+5%
Operating income	28.0	26.0	-2.0	-7%	±0.0	±0%
Japan	26.6	23.8	-2.8	-11%	-0.9	-4%
Overseas	7.2	8.4	+1.2	+16%	+0.7	+9%
Company-wide expenses	-5.9	-6.2	-0.3	—	+0.2	—
Ordinary income	29.7	27.7	-2.0	-7%	±0.0	±0.0%
Profit attributable to owners of parent	18.0	15.7	-2.3	-13%	±0.0	±0.0%
Operating income ratio	6.9%	6.0%	-0.9%	—	-0.2%	—

## [Full-year plan overview]

◆ Net sales	<b>Increase in sales (+¥23.0bn)</b>	<ul style="list-style-type: none"> <li>Overseas growth (¥12.3bn)</li> <li>Recovery of Food Service (¥5.9bn)</li> </ul>
◆ Operating income	<b>Decrease in income (-¥2.0bn)</b>	<ul style="list-style-type: none"> <li>The effect of a spike in main raw material prices (-¥11.0bn)</li> <li>Effect of price revisions (¥7.9bn)</li> </ul>
◆ Profit attributable to owners of parent	<b>Decrease in profit (-¥2.3bn)</b>	<ul style="list-style-type: none"> <li>Decrease in extraordinary income (-¥1.2bn)</li> <li>Decrease in extraordinary losses (¥0.5bn)</li> </ul>

# FY2022 Factors behind Changes in Operating Income

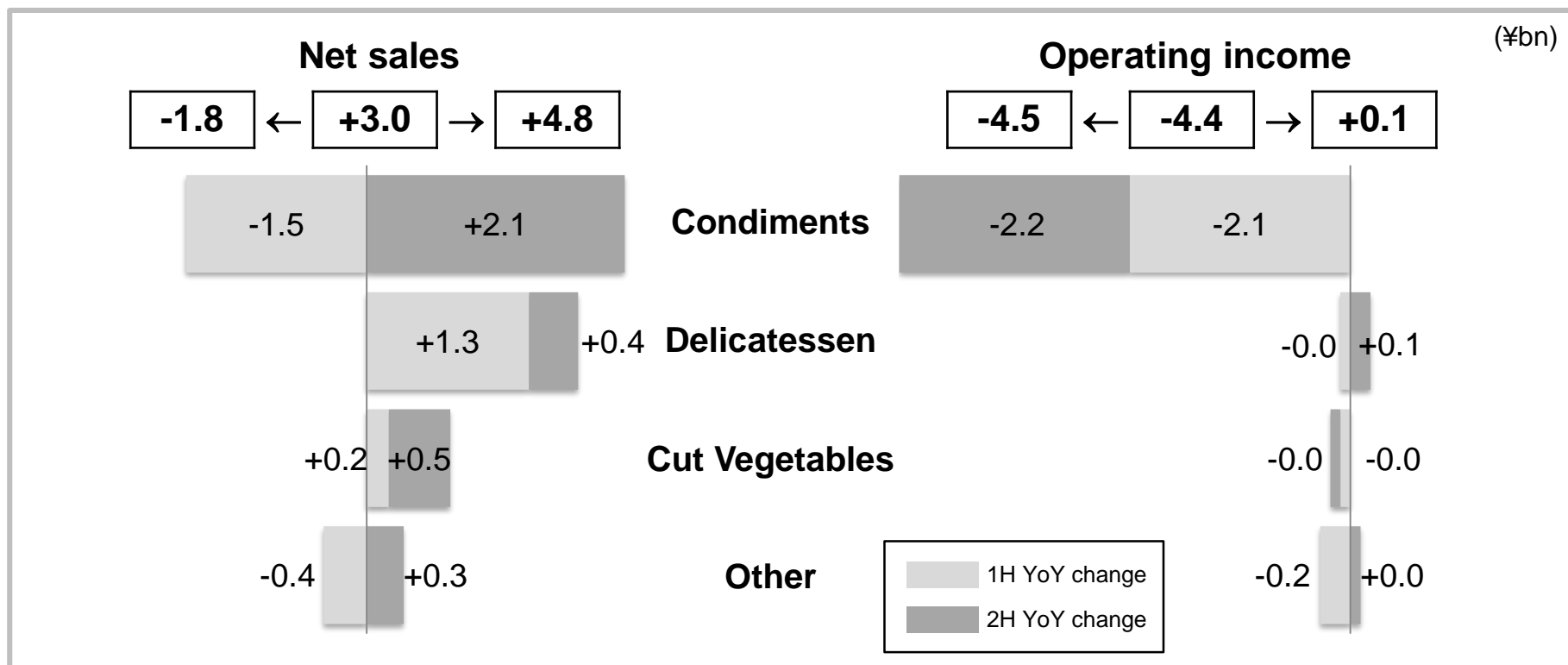


# FY2022 Net Sales and Operating Income by Segment

(¥bn)	Net sales					
	FY2022 1H	YoY change	Percentage change	FY2022 Full-year plan	YoY change	Percentage change
Retail Market	85.7	-0.3	-0%	175.7	+3.0	+2%
Food Service	75.9	+3.5	+5%	155.7	+5.9	+4%
Overseas	29.8	+5.1	+21%	65.7	+12.3	+23%
Fruits Solutions	8.4	-0.2	-3%	17.3	+0.4	+3%
Fine Chemicals	5.0	+0.7	+16%	10.0	+1.2	+14%
Common Business	2.7	-0.1	-2%	5.6	+0.1	+1%
<b>Total</b>	<b>207.5</b>	<b>+8.6</b>	<b>+4%</b>	<b>430.0</b>	<b>+23.0</b>	<b>+6%</b>

(¥bn)	Operating income					
	FY2022 1H	YoY change	Percentage change	FY2022 Full-year plan	YoY change	Percentage change
Retail Market	7.4	-2.3	-23%	12.8	-4.4	-26%
Food Service	4.1	+1.5	+55%	7.6	+1.3	+21%
Overseas	4.1	+0.4	+11%	8.4	+1.2	+16%
Fruits Solutions	0.3	-0.1	-30%	0.7	-0.0	-3%
Fine Chemicals	0.5	+0.4	+480%	1.4	+0.3	+30%
Common Business	0.7	+0.0	+4%	1.3	-0.0	-2%
Company-wide expenses	-2.9	-0.2	—	-6.2	-0.3	—
<b>Total</b>	<b>14.2</b>	<b>-0.3</b>	<b>-2%</b>	<b>26.0</b>	<b>-2.0</b>	<b>-7%</b>

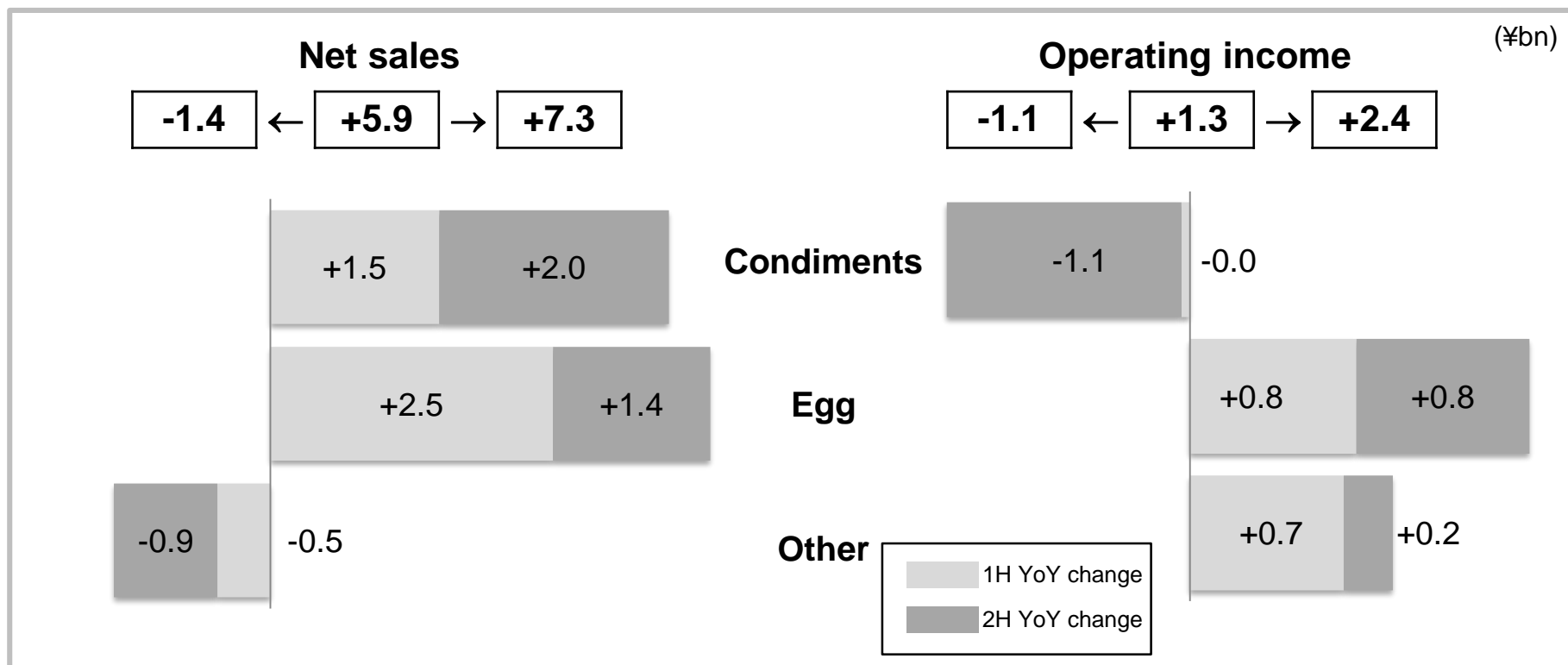
# FY2022 Changes in Retail Market Segment Financial Results (YoY)



(¥bn)	Net sales				Operating income			
	FY2022 1H	Percentage change	FY2022 Full-year plan	Percentage change	FY2022 1H	Percentage change	FY2022 Full-year plan	Percentage change
Retail Market	85.7	-0%	175.7	+2%	7.4	-23%	12.8	-26%
Condiments	33.9	-4%	69.4	+1%	4.9	-30%	7.9	-35%
Delicatessen	30.8	+5%	62.6	+3%	1.7	-1%	3.1	+2%
Cut Vegetables	13.4	+1%	28.4	+3%	0.8	-3%	1.7	-2%

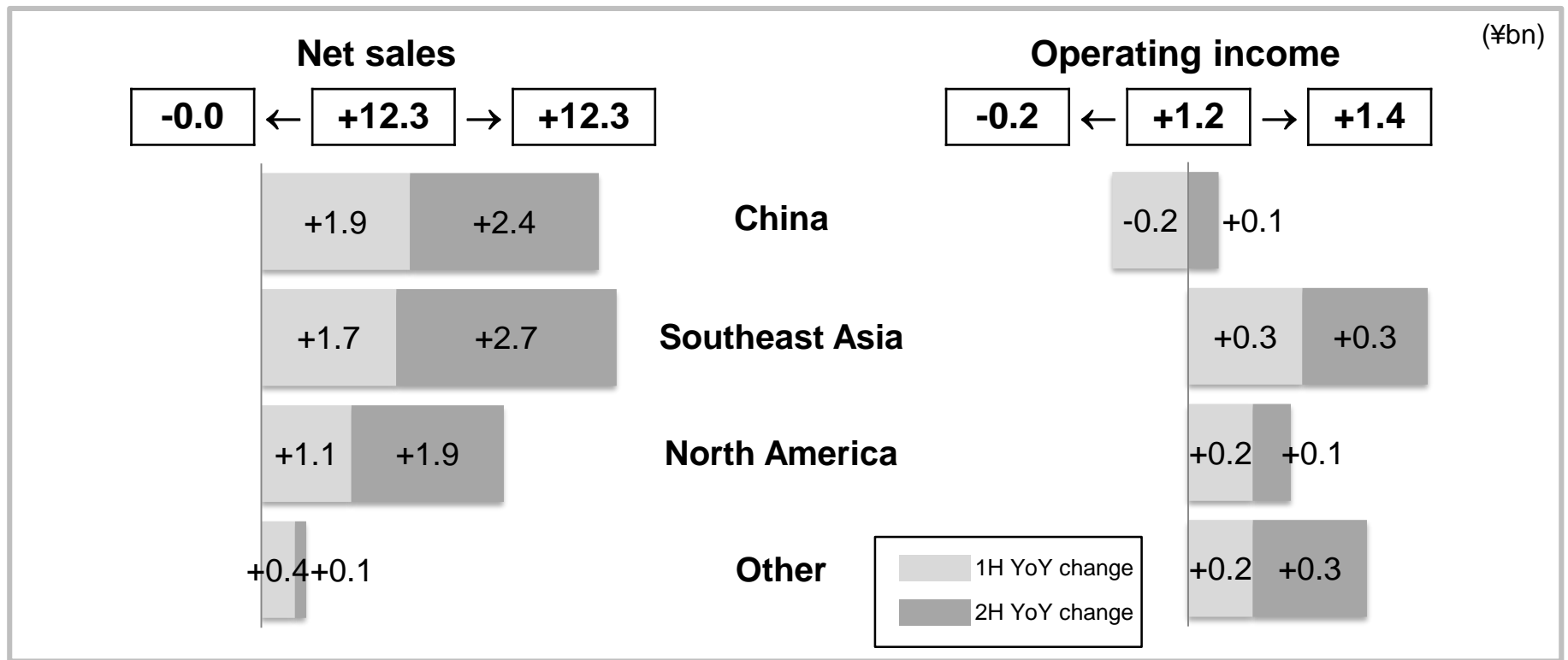


# FY2022 Changes in Food Service Segment Financial Results (YoY)



(¥bn)	Net sales				Operating income			
	FY2022 1H	Percentage change	FY2022 Full-year plan	Percentage change	FY2022 1H	Percentage change	FY2022 Full-year plan	Percentage change
Food Service	75.9	+5%	155.7	+4%	4.1	+55%	7.6	+21%
Condiments	21.8	+7%	45.3	+8%	1.4	-3%	2.3	-33%
Egg	45.8	+6%	93.6	+4%	2.3	+52%	4.8	+48%

# FY2022 Changes in Overseas Segment Financial Results (YoY)



(¥bn)	Net sales				Operating income			
	FY2022 1H	Percentage change	FY2022 Full-year plan	Percentage change	FY2022 1H	Percentage change	FY2022 Full-year plan	Percentage change
Overseas	29.8	+21%	65.7	+23%	4.1	+11%	8.4	+16%
China	12.6	+17%	29.0	+17%	1.6	-14%	3.5	-5%
Southeast Asia	8.2	+26%	17.7	+33%	1.2	+34%	2.2	+39%
North America	6.0	+23%	13.4	+30%	0.6	+39%	1.4	+28%

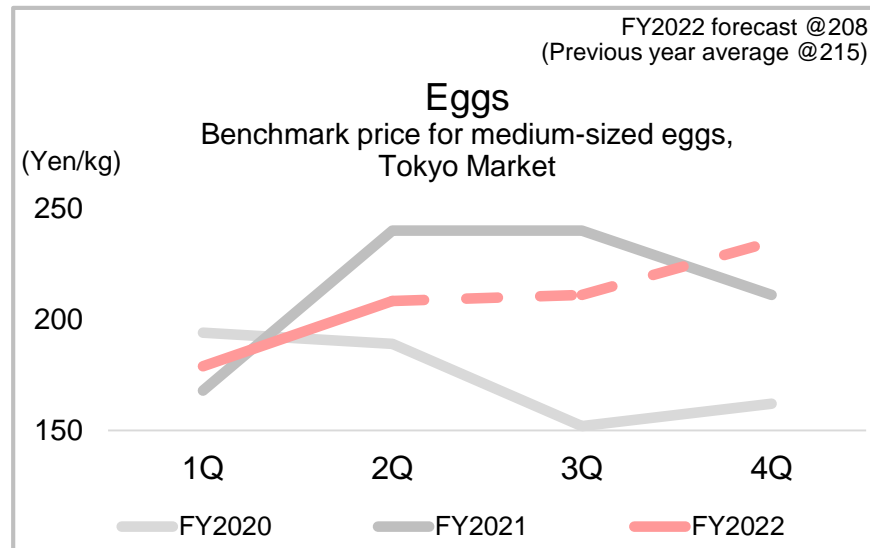
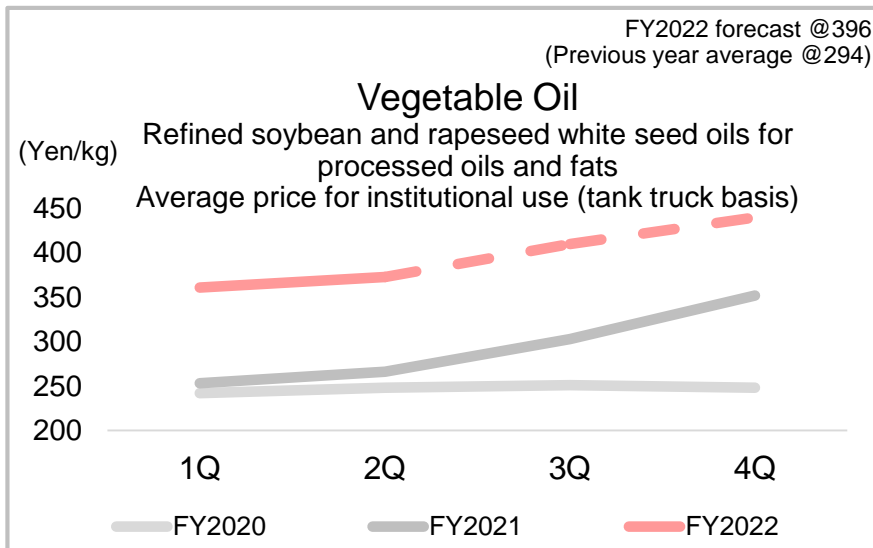
## 2. Efforts toward 2H and Next Fiscal Year

# Status of Main Raw Material Market Conditions

## Assumption of raw material market conditions

**Vegetable Oil:** The price reached a record high due to supply concerns in Ukraine, which is a major producer of oilseeds (sunflower and rapeseed).

**Eggs:** The price will return to a high level after the summer due to a surge in feed prices.



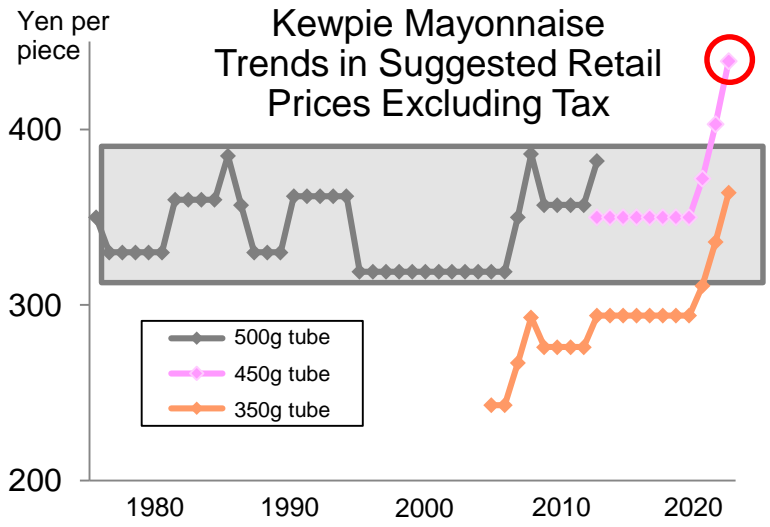
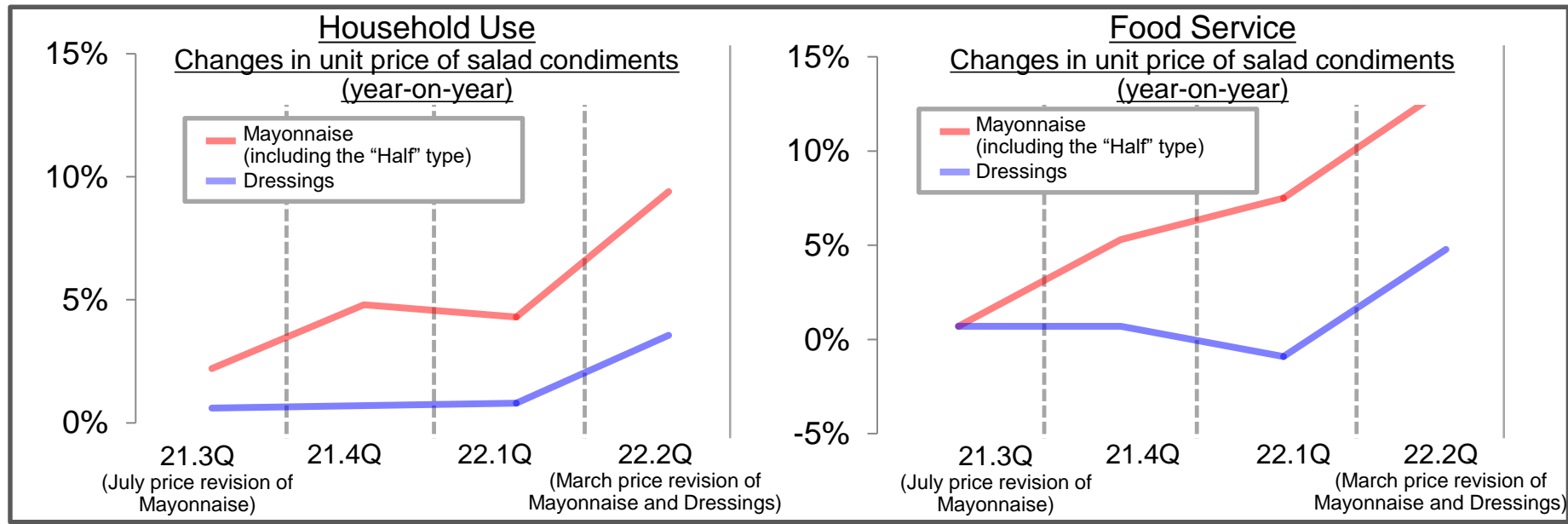
	Major raw materials (Condiments)		Eggs
	-¥11.3bn (-9.0)		+¥0.3bn (+0.6)
Impact on market	<b>FY2022 -¥11.0bn (-8.4)</b>		
	Retail Market	Food Service	Overseas
	-¥5.9bn (-4.3)	-¥2.6bn (-2.1)	-¥2.5bn (-2.0)

-= loss. Figures in brackets are the assumed amount at the beginning of the fiscal year.

# Status of Price Revisions

## ◇ Flexible price optimization and early penetration of new prices

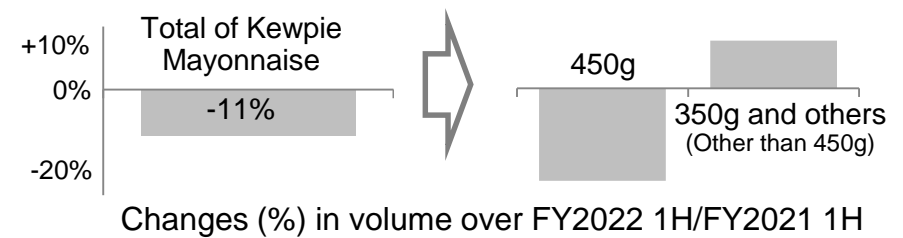
\* Shipping price of Kewpie



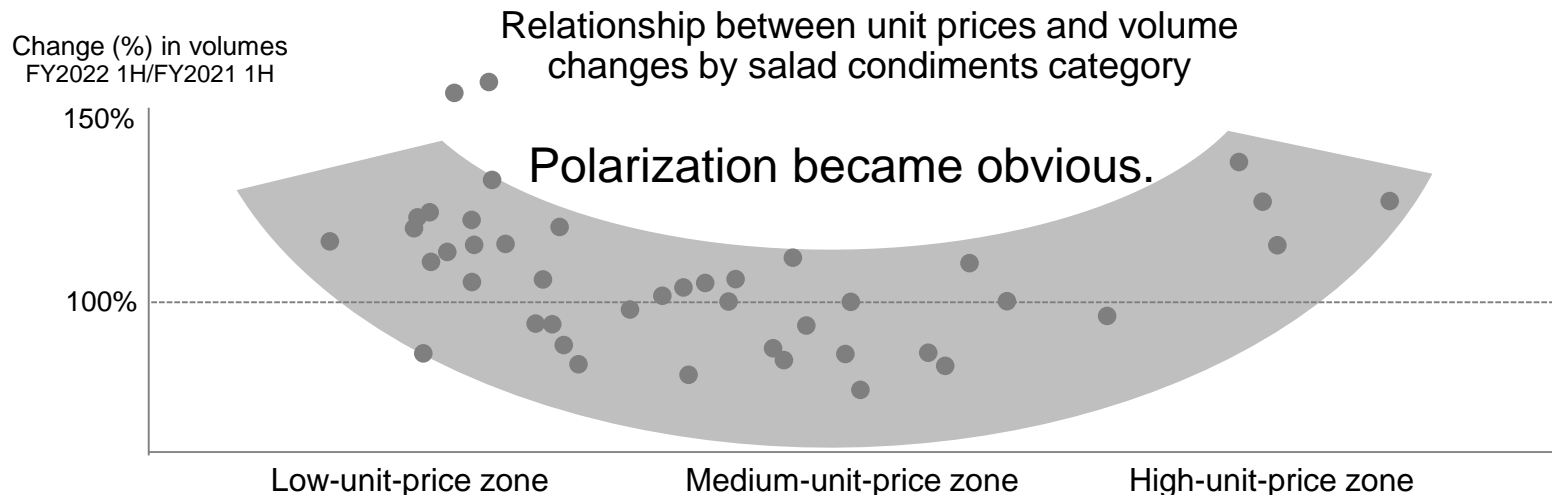
### \* From October 1, price revision

A total of 250 items for household use and food service including Mayonnaise (Kewpie Mayonnaise, Kewpie Half, etc.), Mustard, Tartar sauce, Bread spread, Pasta sauce (Aeru Pasta Sauce, etc.), Ingredients (Salad Club Pouched Ingredient, etc.)

In addition to functional products, the ratio of sizes suitable for the need has been increased.

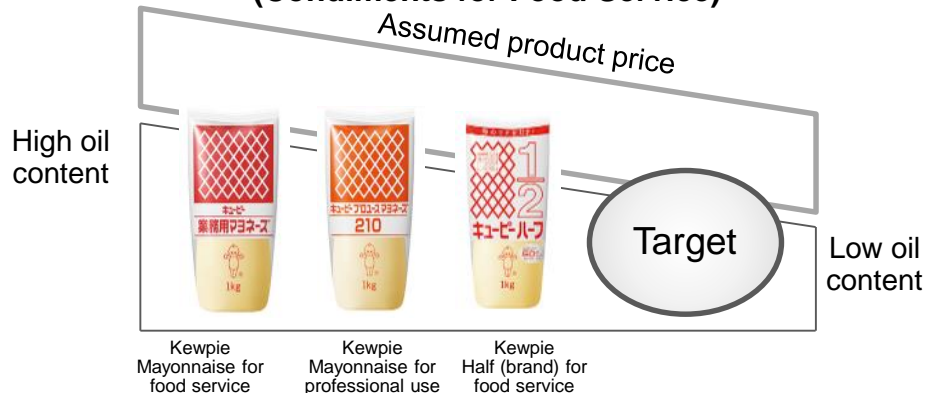


## ◇ Response to customers' acceptable prices

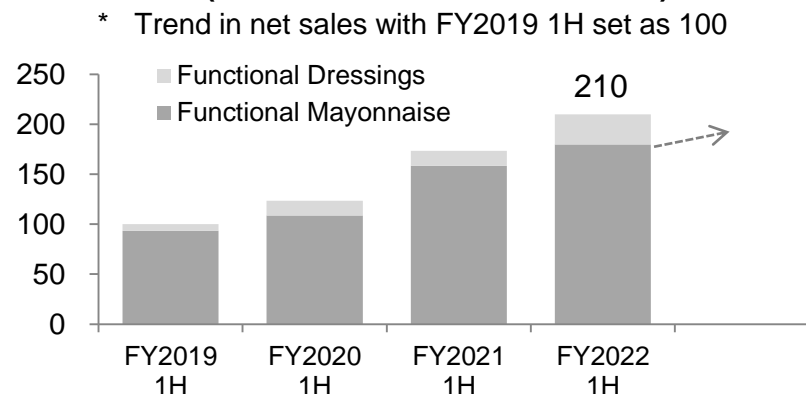


Target area	Item	Response
Low unit price and high earnings	Adaption to customers' acceptable prices	Development and nurturing of low-oil products.
High unit price and high earnings	Expansion of value-added products	Expansion of functional Mayonnaise and Dressings

### Efforts for low unit price and high earnings (Condiments for Food Service)



### Efforts for high unit price and high earnings (Condiments for Retail Market)

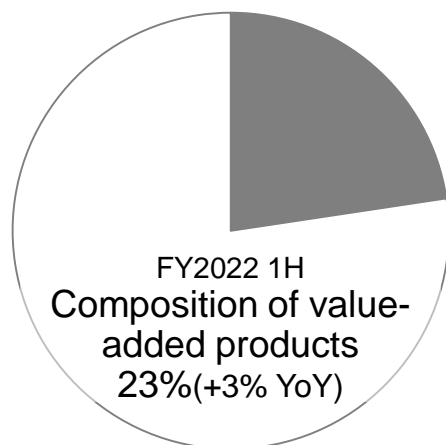


## ◆ Efforts to enhance the value of eggs

Theme	Effort	Response
Injection of management resources	Strengthen value-added products	Address the needs of customers of Milk carton products and film packaging products and Torotto Egg
Thorough earnings improvement	Maximize earnings by changing sales channels.	Step up industry-by-industry management of processed products (thick omelet and boiled eggs)
Establishment of a structure that is not affected by product volumes	Optimize prices swiftly.	Improve costs excluding the linkage with the market prices of ingredients (liquid egg)

## Strengthen value-added products

### Value added area of eggs

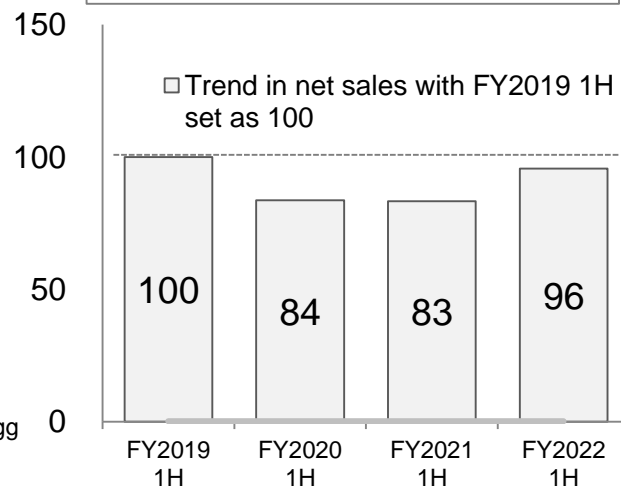


#### Examples of adoption of new products

- Cold food processing : Omelet rice with Torotto Egg
- CVS : Rich egg dessert

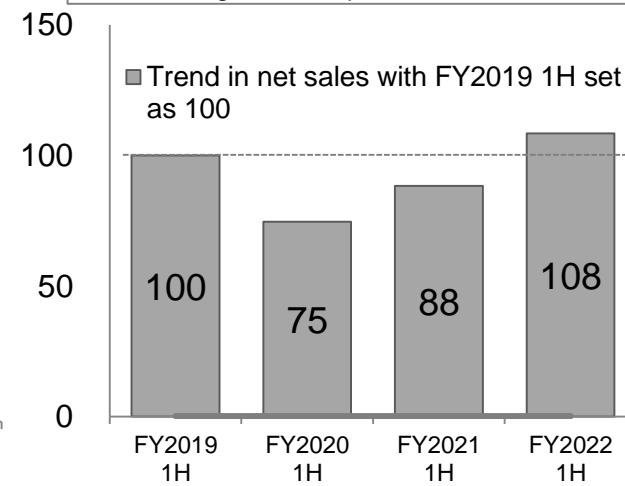
### Milk carton products and film packaging products

Kewpie proposes the convenience of a suitable package volume for a restaurant to use up in response to a shortage of staff thereof.



### Torotto Egg

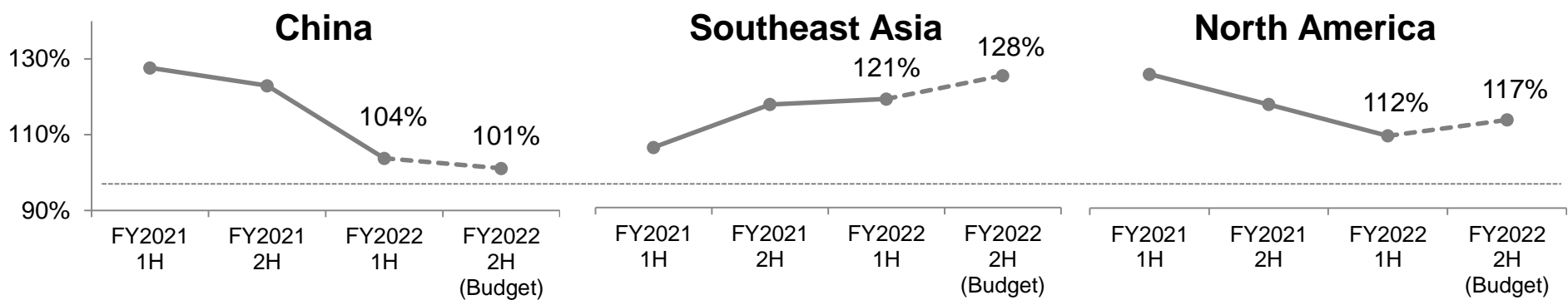
As products for processing expand in addition to those for restaurants, Kewpie accommodates the needs by establishing large-volume production lines.



# Efforts toward 2H and Next Fiscal Year

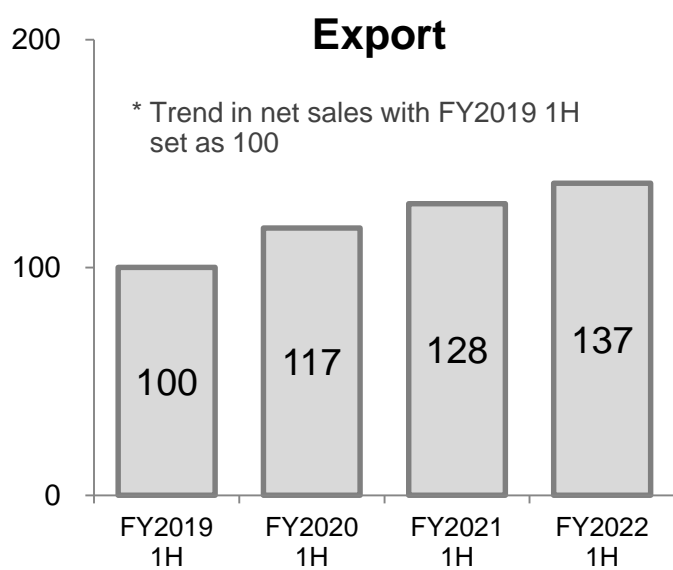
## ◇ Realization of sustainable growth overseas

Net sales growth rate in key areas (local currency basis, year-on-year)



\* Excluding the business results of the North American Egg business, whose stake was transferred in 2020.

Sales were affected by China's zero coronavirus policy but maintained the level of the previous year, achieving double-digit growth (110% in local currency basis) as the whole of overseas.



## Expanding sales of Mayonnaise and Dressings to 61 countries and regions





# Response to Environmental Changes

Decrease in domestic demand due to the declining birthrate and aging population

Diversification of lifestyles due to the COVID-19 pandemic

Continuing, starting or giving up businesses anew in response to high inflation.

## \* What we communicated in the Medium-Term Business Plan

[The Group will respond to customers' needs with overseas business as a growth driver and by introducing market-based focus domestically.]

System that enables the Group to respond to changes in the market environment

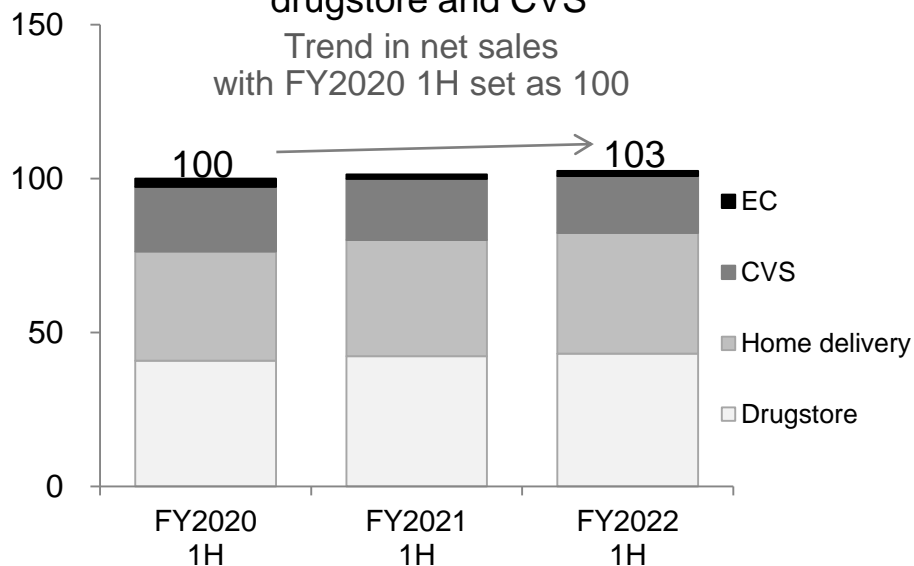


Monitor the market with the multiple eyes of the Group and respond speedily to changes in customers and markets.

### Retail Market

Digging deeper in EC, home delivery, drugstore and CVS

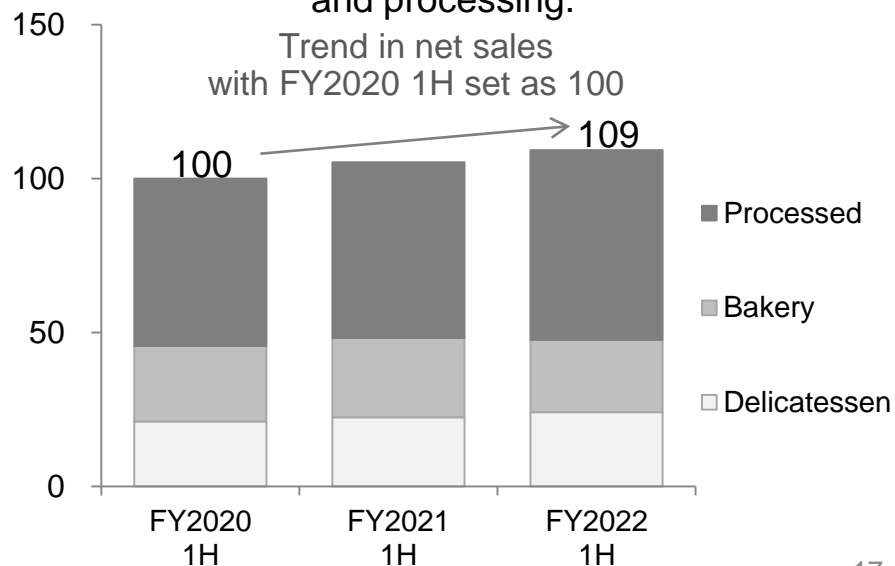
Trend in net sales with FY2020 1H set as 100



### Food Service

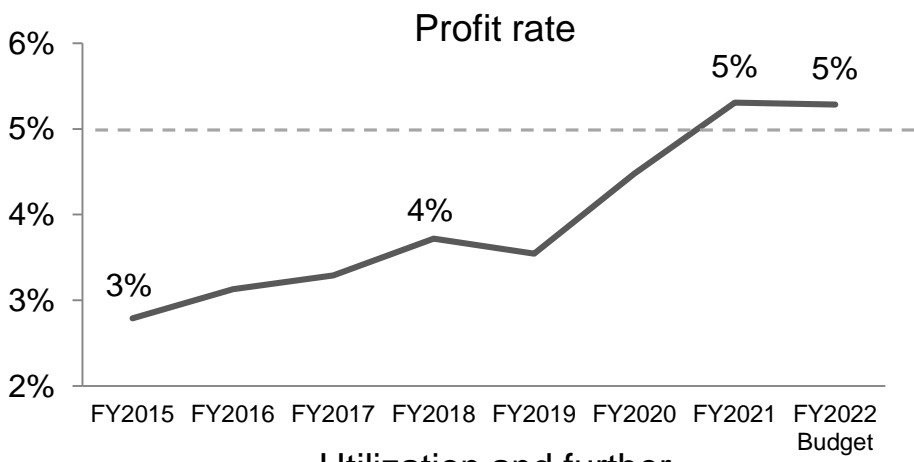
Reinforce delicatessen, bakery and processing.

Trend in net sales with FY2020 1H set as 100



# Results of Efforts to Improve Earnings

## (1) Delicatessen and Cut Vegetables



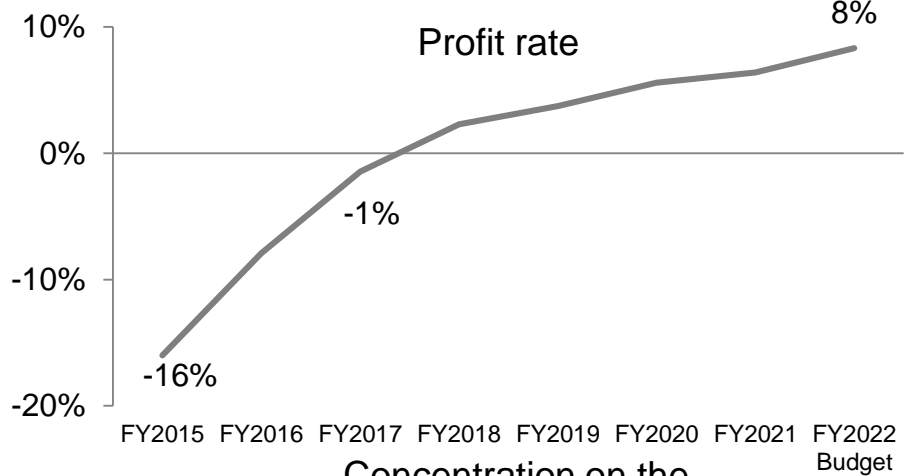
Utilization and further refinement of technology



Realized a stable profit rate of 5% by making better use of the technology that extends efficacy and enhancing productivity.  
 Examined the possibility of adopting robots to increase efficiency in a sustainable manner.  
 Optimized the product portfolio by visualizing products with low earnings since items' cycle of revision and abolition is fast.

Combination of core products and cycle products

## (2) In-house mail order (Fine Chemicals)



Concentration on the Group's strong areas



Hyaluronic acid solution

Sorted out a huge number of items and expanded and reinforced hyaluronic-acid-related products and items based on eggs, and as a result the number of members exceeded 100,000 people, which led the business to a growth stage.  
 Growth strategy obsessively based on internally developed raw materials and technologies

Implementation of scrap & creation

# Enhancement of Profitability from Medium- to Long-term Perspective

### Strengthening our profit structure and creating new dietary lifestyles

#### Overseas

Accelerate penetration into the food culture in key areas and expand overseas business as a growth driver.

#### Retail Market

Monitor the market with the multiple eyes of the Group and respond speedily to changes in customers and markets.

#### Food Service

Improve the ability to respond to business conditions in key areas through selection and concentration

### Changes in the external environment

Rampancy of COVID-19 variants  
Surge in grain market prices  
Rising tensions in the international community due to the situation of Ukraine

### Initiatives for new growth

**Strengthen global SCM**

**Expand the health field**

**Utilize IT and digital tools**

## Expansion of the health field

The percentage of the health category in domestic net sales

<FY2021 results> 7%



\* Kewpie's health categories: Emphasis on low-calorie products, condiments with functional claims, healthy delicatessen, health-care (low salt, etc.) products and FC products



## Changes in customers

Rising awareness of leading a healthy life every day  
Curbing the burden of medical expenses  
Personally suitable IoT health management

Shift to health behaviors that are easy to take up as health needs diversify

Fields that Kewpie puts energy into

Existing fields  
New fields

Extension of health-adjusted life expectancy by improving lifestyles

One-on-one health management business

Expansion of business in the fields of food for specified health uses and foods with functional claims, FC medical products, improvement of intestinal conditions and keeping an appropriate intake of salt

\* Potential market size: Assumed to be about 100 billion yen

## 3. Reference Materials

(¥bn)	Net sales				Operating income			
	FY2021 1H	FY2022 1H	YoY change	Percentage change	FY2021 1H	FY2022 1H	YoY change	Percentage change
<b>Retail Market</b>	86.0	85.7	-0.3	-0%	9.7	7.4	-2.3	-23%
Condiments	35.4	33.9	-1.5	-4%	6.9	4.9	-2.1	-30%
Delicatessen	29.5	30.8	+1.3	+5%	1.7	1.7	-0.0	-1%
Cut Vegetables	13.2	13.4	+0.2	+1%	0.8	0.8	-0.0	-3%
Other	7.9	7.6	-0.4	-4%	0.3	0.1	-0.2	-68%
<b>Food Service</b>	72.4	75.9	+3.5	+5%	2.7	4.1	+1.5	+55%
Condiments	20.3	21.8	+1.5	+7%	1.5	1.4	-0.0	-3%
Egg	43.3	45.8	+2.5	+6%	1.5	2.3	+0.8	+52%
Other	8.8	8.3	-0.5	-5%	-0.3	0.4	+0.7	—
<b>Overseas</b>	24.7	29.8	+5.1	+21%	3.7	4.1	+0.4	+11%
China	10.7	12.6	+1.9	+17%	1.8	1.6	-0.2	-14%
Southeast Asia	6.5	8.2	+1.7	+26%	0.9	1.2	+0.3	+34%
North America	4.9	6.0	+1.1	+23%	0.4	0.6	+0.2	+39%
Other	2.7	3.1	+0.4	+16%	0.6	0.7	+0.2	+29%
<b>Fruits Solutions</b>	8.6	8.4	-0.2	-3%	0.4	0.3	-0.1	-30%
<b>Fine Chemicals</b>	4.4	5.0	+0.7	+16%	0.1	0.5	+0.4	+480%
<b>Common Business</b>	2.7	2.7	-0.1	-2%	0.6	0.7	+0.0	+4%
Company-wide expenses	—	—	—	—	-2.7	-2.9	-0.2	—
<b>Total</b>	<b>198.9</b>	<b>207.5</b>	<b>+8.6</b>	<b>+4%</b>	<b>14.5</b>	<b>14.2</b>	<b>-0.3</b>	<b>-2%</b>

	Net sales				Operating income				
	(¥bn)	FY2021 Full year	FY2022 Full-year plan	YoY change	Percentage change	FY2021 Full year	2022 Full-year plan	YoY change	Percentage change
<b>Retail Market</b>		172.7	175.7	+3.0	+2%	17.2	12.8	-4.4	-26%
Condiments		68.7	69.4	+0.7	+1%	12.2	7.9	-4.3	-35%
Delicatessen		60.9	62.6	+1.7	+3%	3.0	3.1	+0.1	+2%
Cut Vegetables		27.7	28.4	+0.7	+3%	1.7	1.7	-0.0	-2%
Other		15.3	15.3	-0.0	-0%	0.3	0.1	-0.2	-61%
<b>Food Service</b>		149.8	155.7	+5.9	+4%	6.3	7.6	+1.3	+21%
Condiments		41.8	45.3	+3.5	+8%	3.4	2.3	-1.1	-33%
Egg		89.8	93.6	+3.8	+4%	3.3	4.8	+1.5	+48%
Other		18.2	16.8	-1.4	-8%	-0.4	0.5	+0.9	—
<b>Overseas</b>		53.4	65.7	+12.3	+23%	7.2	8.4	+1.2	+16%
China		24.7	29.0	+4.3	+17%	3.7	3.5	-0.2	-5%
Southeast Asia		13.3	17.7	+4.4	+33%	1.6	2.2	+0.6	+39%
North America		10.3	13.4	+3.1	+30%	1.1	1.4	+0.3	+28%
Other		5.0	5.6	+0.6	+11%	0.9	1.3	+0.4	+49%
<b>Fruits Solutions</b>		16.9	17.3	+0.4	+3%	0.7	0.7	-0.0	-3%
<b>Fine Chemicals</b>		8.8	10.0	+1.2	+14%	1.1	1.4	+0.3	+30%
<b>Common Business</b>		5.5	5.6	+0.1	+1%	1.3	1.3	-0.0	-2%
Company-wide expenses		—	—	—	—	-5.9	-6.2	-0.3	—
<b>Total</b>		<b>407.0</b>	<b>430.0</b>	<b>+23.0</b>	<b>+6%</b>	<b>28.0</b>	<b>26.0</b>	<b>-2.0</b>	<b>-7%</b>

1H (¥bn)	Retail Market	Food Service	Overseas	Fruits Solutions	Fine Chemicals	Total
Increase in gross profit resulting from increase (decrease) in net sales	-0.1	+0.4	+1.9	-0.1	+0.4	<b>+2.4</b>
Change in gross profit margin	-2.1	+1.1	-0.6	-0.1	+0.3	<b>-1.4</b>
Sales promotion expenses and advertising expenses	+0.0	+0.0	-0.1	+0.0	+0.0	<b>-0.0</b>
Transportation and warehousing expenses	+0.2	-0.2	-0.3	+0.0	-0.0	<b>-0.3</b>
Other selling, general and administrative (SG&A) expenses	-0.3	+0.2	-0.5	-0.0	-0.3	<b>-0.9</b>
<b>YoY change</b>	<b>-2.3</b>	<b>+1.5</b>	<b>+0.4</b>	<b>-0.1</b>	<b>+0.4</b>	<b>-0.1</b>

Full-year Plan (¥bn)	Retail Market	Food Service	Overseas	Fruits Solutions	Fine Chemicals	Total
Increase in gross profit resulting from increase (decrease) in net sales	+1.2	+0.9	+4.3	+0.1	+0.8	<b>+7.2</b>
Change in gross profit margin	-5.6	+0.8	-1.4	-0.1	+0.1	<b>-6.2</b>
Sales promotion expenses and advertising expenses	-0.2	-0.1	-0.1	-0.0	-0.1	<b>-0.6</b>
Transportation and warehousing expenses	-0.0	-0.4	-0.6	-0.1	-0.1	<b>-1.0</b>
Other selling, general and administrative (SG&A) expenses	+0.3	+0.1	-1.1	+0.1	-0.4	<b>-1.0</b>
<b>YoY change</b>	<b>-4.4</b>	<b>+1.3</b>	<b>+1.2</b>	<b>-0.0</b>	<b>+0.3</b>	<b>-1.6</b>

(¥bn)		1H		Full-year plan	
<b>Increase in gross profit resulting from increase (decrease) in net sales</b>			<b>+2.4</b>		<b>+7.2</b>
Impact from net sales	Sales growth Overseas	+1.9	+2.4	Sales growth Overseas	+4.3
	.....	.....		Increase in sales of Retail Market	+1.2
	Recovery in sales of Food Service	+0.4		Recovery in sales of Food Service	+0.9
				Sales increase of Fine Chemicals	+0.8
<b>Change in gross profit margin</b>			<b>-1.4</b>		<b>-6.2</b>
Improvements to added value	Growth in Overseas and added value products	+0.4	+0.4	Growth in Overseas and added value products	+1.2
Impact of manufacturing costs	Recovery in egg utilization rate	+0.3	+0.3	Recovery in egg utilization rate	+0.8
Improvement of unprofitable categories	Discontinuation of sales of low-profit products for food service	+0.4	+0.2	Discontinuation of sales of low-profit products for food service	+0.8
Impact of raw material costs	Main raw materials in condiments	-4.2	-4.0	Main raw materials in condiments	-11.3
	Impact of Japanese egg market	+0.2		Impact of Japanese egg market	+0.3
Other	Energy costs and raw materials in general	-2.2	+1.7	Energy costs and raw materials in general	-6.7
	Effect of price revisions	+3.5		Effect of price revisions	+7.9
				Improvement of profitability of delicatessen	+0.4
<b>Sales promotion expenses and advertising expenses</b>			<b>-0.0</b>		<b>-0.6</b>
Sales promotion expenses and advertising expenses	Resumption of sales promotion activities overseas	-0.1	-0.0	Resumption of sales promotion activities for retail market	-0.2
				Resumption of sales promotion activities overseas	-0.1
<b>Transportation and warehousing expenses</b>			<b>-0.3</b>		<b>-1.0</b>
Transportation and warehousing expenses	Increase in distribution costs due to higher sales	-0.3	-0.3	Increase in distribution costs due to higher sales	-1.0
<b>Other selling, general and administrative (SG&amp;A) expenses</b>			<b>-0.9</b>		<b>-1.0</b>
Other selling, general and administrative expenses	Mainly, increase in expenses accompanying the adoption of a backbone core system	-0.9	-0.9	Mainly, increase in expenses accompanying the adoption of a backbone core system	-1.0

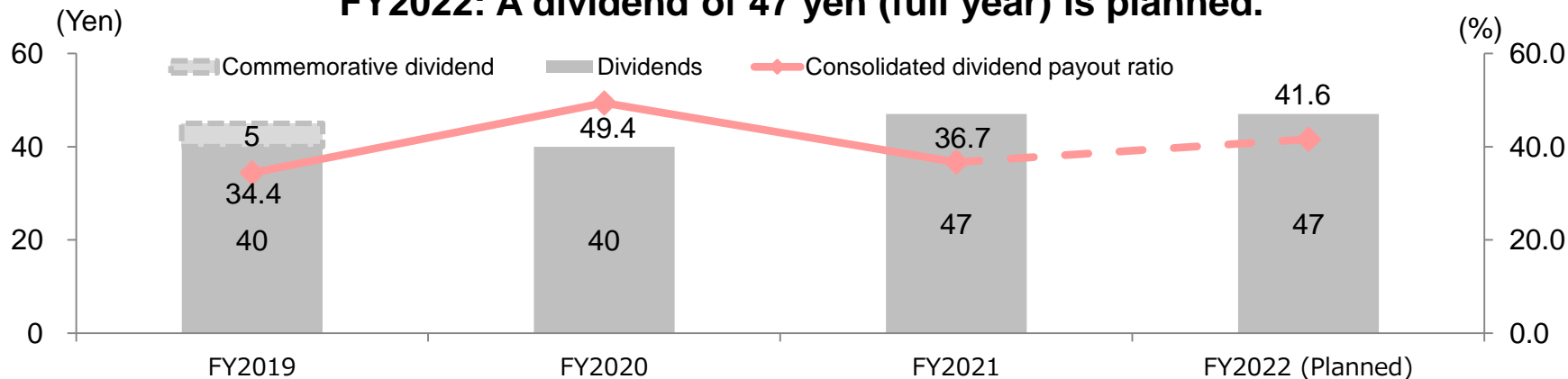


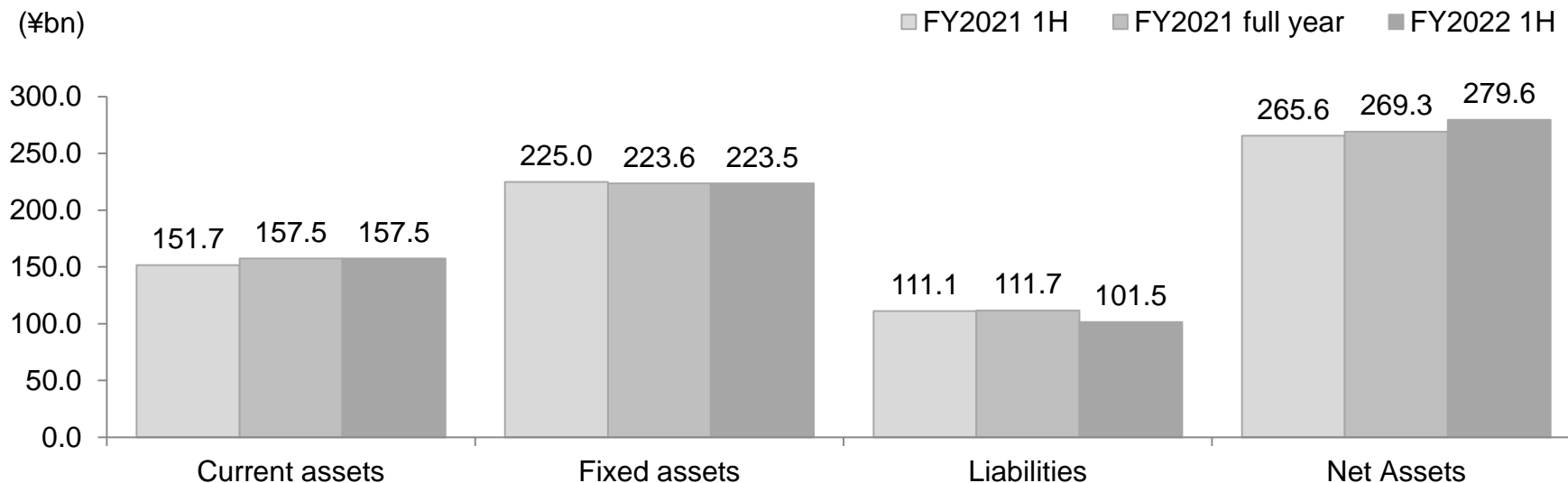
(¥bn)	FY2021 1H	FY2022 1H	YoY change	Main factors
Operating income	14.5	14.2	-0.3	
Non-operating income (expenses), net	0.7	0.7	+0.0	• Increase in interest income +0.1
Ordinary income	15.2	15.0	-0.2	
Extraordinary gains (losses), net	0.4	-0.3	-0.7	• Decrease in gain on sales of fixed assets -0.4 • Decrease in gain on sales of shares of subsidiaries and associates -0.3
Profit before income taxes	15.5	14.6	-0.9	
Income taxes, and profit attributable to non- controlling interests	5.9	5.7	-0.2	• Decrease in income taxes, etc. -0.2
Profit attributable to owners of parent	9.6	8.9	-0.7	

# FY2022 Full-Year Plan: Overview of Non-operating Income (Expenses) and Extraordinary Gains (Losses)

(¥bn)	FY2021 Full year	FY2022 Full-year plan	YoY change	Main factors
Operating income	28.0	26.0	-2.0	
Non-operating income (expenses), net	1.7	1.7	+0.0	
Ordinary income	29.7	27.7	-2.0	
Extraordinary gains (losses), net	-0.8	-1.5	-0.7	<ul style="list-style-type: none"> <li>• Decrease in impairment losses +1.1</li> <li>• Increase in losses on disposal of fixed assets due to restructuring -0.6</li> <li>• Decrease in gain on sales of fixed assets -0.5</li> <li>• Decrease in gain on extinguishment of tie-in shares -0.4</li> </ul>
Profit before income taxes	28.9	26.2	-2.7	
Income taxes, and profit attributable to non-controlling interests	10.8	10.5	-0.4	<ul style="list-style-type: none"> <li>• Decrease in income taxes, etc. -0.5</li> </ul>
Profit attributable to owners of parent	18.0	15.7	-2.3	

## FY2022: A dividend of 47 yen (full year) is planned.





**<Comparison with FY2021>**

**Current assets +¥0.1bn**

- Decrease in cash and deposits -6.2
- Increase in notes and accounts receivable - trade +2.9
- Increase in inventories +2.9

**Fixed assets -¥0.0bn**

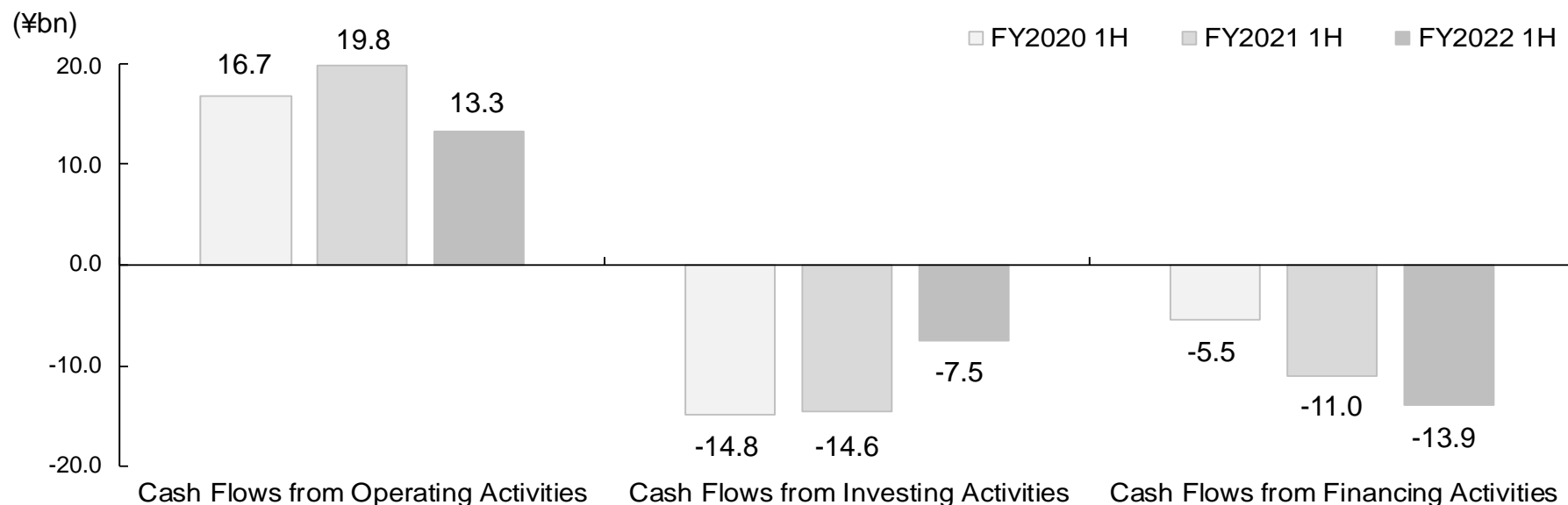
- Decrease in tangible and intangible fixed assets -0.3

**Liabilities -¥10.2bn**

- Increase in notes and accounts payable – trade +2.9
- Decrease in short-term loans payable -9.5
- Decrease in accounts payable – other -4.4

**Net assets +¥10.3bn**

- Increase in earned surplus +5.1
- Increase in foreign currency translation adjustments +3.3
- Increase in non-controlling interests +2.1



## <Comparison with FY2021 1H>

Cash Flows from Operating Activities	
• Increase (decrease) in accrued consumption taxes	-3.8
• Increase in income taxes paid	-1.5

Cash Flows from Investing Activities	
• Increase in payments for purchases of tangible fixed assets	-1.7
• Decrease in payments for sales of shares of subsidiaries resulting in change in scope of consolidation	+8.8

Cash Flows from Financing Activities	
• Increase in payments for repaying long-term loans payable	-9.0
• Decrease in payments for acquisition of treasury shares	+7.0

Status of capital investments (¥bn)		
FY2021 1H	FY2022 1H	FY2022 Full-year plan
6.3	7.9	19.1

(¥bn)		FY2020 1H	FY2021 1H	FY2022 1H
Mayonnaise	Japan	22.4	23.4	24.3
	Overseas	10.6	12.7	15.6
Dressings	Japan	18.8	19.6	18.2
	Overseas	4.8	6.6	8.0
<b>Total</b>	Japan	41.2	43.0	42.5
	Overseas	15.4	19.3	23.6
	<b>Total</b>	<b>56.7</b>	<b>62.3</b>	<b>66.1</b>

# Ref. Status of Sustainability Targets

Material Issues	Initiative Theme	Indicators	FY2022 1H	FY2024 Target	FY2030 Target
Contributing to Food Culture and Health	Contribution to extending healthy life expectancy	As a food partner for every person <ul style="list-style-type: none"> <li>Contribute to achieving a vegetable intake target of 350 grams per day</li> <li>Promote a boost in egg consumption in order to contribute to increasing protein intake</li> </ul>			
	Mental and physical health support for children	Number of children's smiles via our activities (cumulative total since FY2019)	238 thousand	At least 400 thousand	At least 1 million
Effective Use and Recycling of Resources	Elimination and effective utilization of food loss	Food waste reduction rate (compared to FY2015)	41.3%	At least 50%	At least 65%
		Effective utilization rate of unused portions of vegetables Main vegetables: Cabbage, etc.	74.4%	At least 70%	At least 90%
		Reduction rate in volume of product waste (compared to FY2015)	76.7%	At least 60%	At least 70%
	Reduction and reuse of plastic emissions	Reduction rate in volume of plastic waste (compared to FY2018)	Calculated once a year	At least 8%	At least 30%
	Sustainable use of water resources	Water usage (basic unit) reduction rate (compared to FY2020)	0.7%	At least 3%	At least 10%
Deal with Climate Change	Reduction of CO <sub>2</sub> emissions	Reduction rate of CO <sub>2</sub> emissions (compared to FY2013)	25.2%	At least 30%	At least 50%
Sustainable Procurement	Promotion of sustainable procurement	Promote Fundamental Policy for Sustainable Procurement in cooperation with business partners			
Respect for Human Rights	Respect for Human Rights	Promote the Kewpie Group Human Rights Policy to respect the human rights of all people involved in our business			

\* The "Food waste reduction rate" indicator also includes the "effective utilization rate of unused portions of vegetables."

\* Sustainability targets are domestic figures.

## Note:

With the exception of historical events, information in Kewpie Corporation's present plan, forecast, strategy, and beliefs reported in this handout refers to forecasts of future performance.

It is reported based on judgments made by the management of Kewpie Corporation, referring to available information as of the date hereof. Readers are asked not to rely completely on performance forecasts contained herein.

Although this handout is made with extreme care, we assume no responsibility whatsoever for any damages resulting from possible errors in the contents.

Also, this handout is not intended to solicit investment. Please make any investment decisions according to your own judgment