

Consolidated Financial Results for the Year Ended March 31, 2021
(Prepared pursuant to Japanese GAAP)

May 13, 2021

Company name: MEGMILK SNOW BRAND Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange (First Section), Sapporo Securities Exchange
 Stock code: 2270
 URL: <https://www.meg-snow.com/english>
 Representative: Keiji Nishio, Representative Director and President
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Scheduled dates

Annual general meeting of shareholders: June 23, 2021
 Dividend payout: June 3, 2021
 Filing of fiscal year-end financial report: June 23, 2021
 Supplementary materials to fiscal year-end financial results available: Yes
 Fiscal year-end earnings presentation held: Yes (targeted at institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated Results for the Fiscal Year Ended March 31, 2021
(April 1, 2020 – March 31, 2021)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Year ended March 31, 2021	615,186	0.3	19,780	9.9	21,662	10.1	14,913	22.6
Year ended March 31, 2020	613,405	1.7	17,998	4.5	19,680	3.5	12,165	13.1

Note: Comprehensive income: Year Ended March 31, 2021 : 23,265 million yen (89.6%)
 Year Ended March 31, 2020 : 12,271 million yen (-14.5%)

	Profit per share – basic	Profit per share – diluted	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	yen	yen	%	%	%
Year ended March 31, 2021	220.64	—	8.1	5.6	3.2
Year ended March 31, 2020	179.71	—	7.1	5.4	2.9

For reference: Equity in earnings of affiliates: Year Ended March 31, 2021: 1,233 million yen
 Year Ended March 31, 2020: 1,085 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	millions of yen	millions of yen	%	yen
March 31, 2021	398,650	198,255	49.0	2,890.65
March 31, 2020	370,434	178,094	47.3	2,586.86

For reference:

Equity: March 31, 2021 : 195,213 million yen

March 31, 2020 : 175,112 million yen

(3) Consolidated Cash Flow Position

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalent at end of period
	millions of yen	millions of yen	millions of yen	millions of yen
Year ended March 31, 2021	26,567	(27,076)	6,771	21,829
Year ended March 31, 2020	24,322	(16,629)	(6,651)	15,524

2. Dividends

Record date or period	Cash dividends per share					Total dividends paid	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	End-Q1	End-Q2	End-Q3	End-Q4	Total			
	yen	yen	yen	yen	yen	millions of yen	%	%
Year ended March 31, 2020	—	—	—	40.00	40.00	2,707	22.3	1.6
Year ending March 31, 2021	—	—	—	40.00	40.00	2,707	18.1	1.5
Year ending March 31, 2022 (forecast)	—	—	—	50.00	50.00		27.0	

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Second quarter-end (Cumulative)	288,000	—	10,800	(2.6)	11,400	(4.8)	6,800	(5.5)	100.69
Full Year	570,000	—	20,500	3.6	21,500	(0.8)	12,500	(16.2)	185.10

The forecast figures for net sales for the fiscal year ending March 31, 2022 have been calculated after application of the "Accounting Standard for Revenue Recognition". For this reason, the percentages indicating year-on-year change from the net sales results for the fiscal year ended March 31, 2021 (recorded prior to application of the above accounting standard) are not presented.

The forecast figures for net sales for the fiscal year ending March 31, 2022, when calculated based on the same accounting standard as that used for the fiscal year ended March 31, 2021, are presented below together with the percentages indicating year-on-year change.

Six months ending September 30, 2021: 318,000 million yen (+1.3%)

Year ending March 31, 2022: 629,500 million yen (+2.3%)

Notes

(1) Material reclassifications of subsidiaries during the period: None

(2) Changes in accounting policy, changes in accounting estimates, and retrospective restatement

1) Changes in accordance with amendments to accounting standards, etc.: None

2) Changes other than noted in 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Common stock issued

1) Issued shares as of period-end (including treasury stock)

March 31, 2021	70,751,855 shares
March 31, 2020	70,751,855 shares

2) Treasury stock as of period-end

March 31, 2021	3,219,054 shares
March 31, 2020	3,058,747 shares

3) Average number of shares (during the respective period)

Year ended March 31, 2021	67,594,981 shares
Year ended March 31, 2020	67,697,550 shares

***This summary of financial statements is not subject to audit by certified public accountant and auditing firm.**

***Appropriate Use of Earnings Forecasts and Other Important Information**

(Earnings Forecasts)

Business forecasts contained in this report are based on the assumptions of management in the light of information available as of the release of this report. MEGMILK SNOW BRAND makes no assurances as to the actual results, which may differ from forecasts due to various factors such as changes in the business environment.

The Company has scheduled an earnings presentation aimed at analysts and institutional investor on Thursday, May 13, 2021, and intends to publish the presentation handout materials on its website on the same date of the event.