



Supplementary Information Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

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Earnings forecasts contained in this supplementary material are forward-looking statements and include uncertain factors.

Please note that actual results may differ from forecasts due to various unknown or unpredictable factors.

This material has not been prepared to solicit investment.

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MEGMILK SNOW BRAND Co., Ltd.

1. Consolidated Statements of Income (Result/Forecast)

(Unit: 100 million yen) (Amounts rounded down to the nearest 100 million yen)

| | Result for the year ended March 31, 2023 (FY2022) | | | | | | | | | | | | | | | | 【Forecast】 Year ending March 31, 2024 (FY2023) | | | | | | |
|---|---|---------|------------|---------|------------------------------|---------|------------|---------|------------------------------|---------|------------|---------|------------------------------|---------|------------|---------|--|---------|------------|-----------|--------|------------|---------|
| | 1st quarter-end | | | | 2nd quarter-end (cumulative) | | | | 3rd quarter-end (cumulative) | | | | 4th quarter-end (cumulative) | | | | 2nd quarter-end (cumulative) | | | Full year | | | |
| | FY 2020 | FY 2021 | Net change | | FY 2020 | FY 2021 | Net change | | FY 2020 | FY 2021 | Net change | | FY 2020 | FY 2021 | Net change | | FY 2020 | FY 2021 | Net change | | Amount | Net change | |
| | | | Amount | YOY (%) | | | Amount | YOY (%) | | | Amount | YOY (%) | | | Amount | YOY (%) | | | Amount | YOY (%) | | Amount | YOY (%) |
| Net sales | 1,428 | 1,413 | (14) | (1.0) | 2,869 | 2,890 | 21 | 0.8 | 4,276 | 4,403 | 126 | 3.0 | 5,584 | 5,843 | 259 | 4.6 | 3,060 | 169 | 5.9 | 6,160 | 316 | 5.4 | |
| Cost of sales | 1,180 | 1,183 | 3 | 0.3 | 2,391 | 2,443 | 51 | 2.2 | 3,576 | 3,732 | 155 | 4.4 | 4,689 | 4,971 | 281 | 6.0 | | | | | | | |
| Vs. Sales (%) | 82.7 | 83.8 | | | 83.4 | 84.5 | | | 83.6 | 84.8 | | | 84.0 | 85.1 | | | | | | | | | |
| Selling, general and administrative expenses | 182 | 189 | 7 | 4.2 | 355 | 373 | 18 | 5.3 | 535 | 559 | 23 | 4.5 | 713 | 741 | 27 | 3.9 | | | | | | | |
| Vs. Sales (%) | 12.8 | 13.4 | | | 12.4 | 12.9 | | | 12.5 | 12.7 | | | 12.8 | 12.7 | | | | | | | | | |
| Operating profit | 65 | 39 | (25) | (39.0) | 122 | 73 | (48) | (39.8) | 164 | 110 | (53) | (32.5) | 180 | 130 | (50) | (27.7) | 70 | (3) | (4.7) | 140 | 9 | 7.2 | |
| Vs. Sales (%) | 4.6 | 2.8 | | | 4.3 | 2.5 | | | 3.8 | 2.5 | | | 3.2 | 2.2 | | | 2.3 | | | 2.3 | | | |
| Non-operating income | 9 | 9 | (0) | (0.1) | 15 | 10 | (4) | (28.7) | 23 | 15 | (7) | (32.7) | 29 | 24 | (5) | (17.4) | | | | | | | |
| Non-operating expenses | 2 | 2 | 0 | 14.5 | 4 | 15 | 10 | 231.3 | 6 | 16 | 9 | 141.0 | 10 | 10 | (0) | (1.7) | | | | | | | |
| Ordinary profit | 72 | 46 | (25) | (35.5) | 132 | 68 | (63) | (48.2) | 181 | 110 | (71) | (39.2) | 199 | 144 | (55) | (27.6) | 77 | 8 | 11.9 | 150 | 5 | 3.6 | |
| Vs. Sales (%) | 5.1 | 3.3 | | | 4.6 | 2.4 | | | 4.2 | 2.5 | | | 3.6 | 2.5 | | | 2.5 | | | 2.4 | | | |
| Extraordinary income | 0 | 0 | 0 | — | 0 | 0 | 0 | — | 0 | 9 | 9 | — | 0 | 33 | 33 | — | | | | | | | |
| Extraordinary loss | 3 | 26 | 22 | 621.7 | 9 | 29 | 19 | 211.1 | 16 | 31 | 14 | 84.4 | 27 | 48 | 20 | 73.7 | | | | | | | |
| Profit before income taxes | 68 | 20 | (48) | (69.8) | 123 | 40 | (83) | (67.5) | 164 | 88 | (75) | (45.9) | 172 | 129 | (42) | (24.6) | | | | | | | |
| Vs. Sales (%) | 4.8 | 1.5 | | | 4.3 | 1.4 | | | 3.8 | 2.0 | | | 3.1 | 2.2 | | | | | | | | | |
| Income taxes | 20 | 6 | (13) | (66.4) | 36 | 16 | (20) | (55.1) | 47 | 28 | (19) | (40.1) | 49 | 38 | (11) | (23.7) | | | | | | | |
| Profit (loss) attributable to non-controlling interests | 0 | 0 | 0 | 6.8 | 0 | 0 | (0) | (37.6) | 1 | 1 | (0) | (20.2) | 1 | 0 | (1) | (68.0) | | | | | | | |
| Profit attributable to owners of parent | 48 | 13 | (34) | (72.0) | 85 | 23 | (62) | (73.2) | 115 | 59 | (55) | (48.6) | 120 | 91 | (29) | (24.3) | 50 | 26 | 117.2 | 95 | 3 | 4.1 | |
| Vs. Sales (%) | 3.4 | 1.0 | | | 3.0 | 0.8 | | | 2.7 | 1.3 | | | 2.2 | 1.6 | | | 1.6 | | | 1.5 | | | |

2. Consolidated Sales and Operating Profit by Product of Each Segment (Result/Forecast)

(Unit: 100 million yen) (Amounts rounded down to the nearest 100 million yen)

| | Result for the year ended March 31, 2023 (FY2022) | | | | | | | | | | | | | | | | 【Forecast】Year ending March 31, 2024 (FY2023) | | | | | | | |
|-------------------------------|---|--------------|-------------|---------------|------------------------------|--------------|-------------|---------------|------------------------------|--------------|-------------|---------------|------------------------------|--------------|-------------|---------------|---|------------|--------------|--------------|------------|------------|---------|--|
| | 1st quarter-end | | | | 2nd quarter-end (cumulative) | | | | 3rd quarter-end (cumulative) | | | | 4th quarter-end (cumulative) | | | | 2nd quarter-end (cumulative) | | | Full year | | | | |
| | FY 2021 | FY 2022 | Net change | | FY 2021 | FY 2022 | Net change | | FY 2021 | FY 2022 | Net change | | FY 2021 | FY 2022 | Net change | | FY 2021 | FY 2022 | Net change | | Amount | Net change | | |
| | | | Amount | YOY (%) | | | Amount | YOY (%) | | | Amount | YOY (%) | | | Amount | YOY (%) | | | Amount | YOY (%) | | Amount | YOY (%) | |
| [Net sales] | | | | | | | | | | | | | | | | | | | | | | | | |
| Butter | 53 | 57 | 3 | 7.0 | 103 | 116 | 12 | 12.5 | 171 | 195 | 24 | 14.5 | 224 | 272 | 48 | 21.7 | 133 | 17 | 15.1 | 295 | 22 | 8.3 | | |
| Margarine | 21 | 20 | (0) | (4.2) | 41 | 39 | (1) | (4.1) | 62 | 62 | (0) | (0.5) | 82 | 83 | 0 | 0.6 | 39 | (0) | (0.8) | 80 | (3) | (3.8) | | |
| Cheese | 139 | 133 | (6) | (4.5) | 276 | 274 | (2) | (0.8) | 428 | 439 | 11 | 2.6 | 553 | 575 | 22 | 4.0 | 306 | 31 | 11.7 | 650 | 75 | 13.0 | | |
| Other | 61 | 70 | 9 | 15.8 | 126 | 140 | 14 | 11.2 | 199 | 212 | 13 | 6.7 | 257 | 284 | 26 | 10.2 | 131 | (9) | (6.9) | 268 | (16) | (5.7) | | |
| Subsidiaries and other | 306 | 300 | (6) | (2.0) | 630 | 630 | 0 | 0 | 937 | 963 | 26 | 2.8 | 1,251 | 1,305 | 53 | 4.3 | 649 | 18 | 3.0 | 1,351 | 45 | 3.5 | | |
| Dairy Products | 582 | 582 | 0 | 0.0 | 1,178 | 1,201 | 23 | 2.0 | 1,798 | 1,874 | 75 | 4.2 | 2,369 | 2,520 | 151 | 6.4 | 1,260 | 58 | 4.9 | 2,645 | 124 | 4.9 | | |
| Milk and milk-based beverages | 192 | 180 | (11) | (6.2) | 375 | 356 | (19) | (5.1) | 556 | 540 | (16) | (2.9) | 726 | 716 | (9) | (1.3) | 385 | 28 | 8.0 | 765 | 48 | 6.7 | | |
| Other beverages | 77 | 74 | (2) | (3.5) | 161 | 154 | (6) | (3.9) | 230 | 225 | (4) | (2.1) | 294 | 291 | (3) | (1.2) | 161 | 6 | 4.5 | 300 | 8 | 3.1 | | |
| Yogurt | 132 | 123 | (9) | (6.8) | 255 | 245 | (9) | (3.7) | 368 | 361 | (7) | (2.0) | 483 | 478 | (5) | (1.1) | 282 | 36 | 14.9 | 547 | 69 | 14.5 | | |
| Desserts and fresh cream | 53 | 56 | 2 | 4.0 | 108 | 112 | 4 | 3.8 | 164 | 173 | 9 | 5.9 | 217 | 233 | 16 | 7.4 | 125 | 13 | 11.8 | 258 | 24 | 10.7 | | |
| Other | 7 | 7 | 0 | 6.7 | 16 | 16 | (0) | (2.8) | 25 | 26 | 0 | 2.7 | 34 | 36 | 1 | 5.5 | 18 | 1 | 10.8 | 36 | (0) | (1.2) | | |
| Subsidiaries and other | 170 | 161 | (9) | (5.7) | 346 | 337 | (8) | (2.4) | 504 | 507 | 3 | 0.6 | 640 | 655 | 14 | 2.2 | 346 | 8 | 2.6 | 652 | (2) | (0.3) | | |
| Beverage and Dessert | 634 | 603 | (30) | (4.8) | 1,263 | 1,224 | (39) | (3.1) | 1,850 | 1,835 | (14) | (0.8) | 2,397 | 2,411 | 13 | 0.6 | 1,320 | 95 | 7.8 | 2,560 | 148 | 6.2 | | |
| Feedstuffs | 92 | 102 | 10 | 11.1 | 188 | 213 | 25 | 13.3 | 286 | 331 | 45 | 15.7 | 379 | 441 | 61 | 16.3 | 223 | 9 | 4.5 | 461 | 19 | 4.4 | | |
| Seed products | 32 | 35 | 3 | 9.5 | 58 | 61 | 2 | 4.8 | 75 | 79 | 3 | 5.2 | 89 | 93 | 4 | 4.6 | 62 | 0 | 0.3 | 94 | 0 | 0.8 | | |
| Feedstuffs and Seed | 125 | 138 | 13 | 10.7 | 247 | 275 | 27 | 11.3 | 361 | 410 | 48 | 13.5 | 468 | 534 | 66 | 14.1 | 285 | 9 | 3.5 | 555 | 20 | 3.8 | | |
| Other | 86 | 89 | 2 | 2.9 | 180 | 189 | 9 | 5.4 | 265 | 282 | 17 | 6.4 | 348 | 376 | 27 | 8.0 | 195 | 5 | 2.8 | 400 | 23 | 6.2 | | |
| Total | 1,428 | 1,413 | (14) | (1.0) | 2,869 | 2,890 | 21 | 0.8 | 4,276 | 4,403 | 126 | 3.0 | 5,584 | 5,843 | 259 | 4.6 | 3,060 | 169 | 5.9 | 6,160 | 316 | 5.4 | | |
| [Operating profit] | | | | | | | | | | | | | | | | | | | | | | | | |
| Dairy Products | 35 | 28 | (7) | (20.3) | 63 | 49 | (13) | (21.8) | 102 | 81 | (21) | (21.0) | 125 | 97 | (28) | (22.4) | 34 | (15) | (31.1) | 88 | (8) | (9.2) | | |
| Beverage and Dessert | 17 | 4 | (12) | (72.2) | 34 | 7 | (27) | (79.1) | 39 | 12 | (27) | (69.3) | 36 | 16 | (19) | (54.9) | 22 | 14 | 204.7 | 37 | 21 | 129.4 | | |
| Feedstuffs and Seed | 8 | 4 | (4) | (49.9) | 14 | 8 | (6) | (43.3) | 11 | 3 | (7) | (67.2) | 6 | 2 | (4) | (68.4) | 8 | 0 | 2.8 | 2 | 0 | 20.5 | | |
| Other | 3 | 2 | (1) | (37.1) | 8 | 8 | (0) | (6.7) | 10 | 14 | 3 | 30.9 | 11 | 14 | 3 | 28.5 | 6 | (2) | (27.7) | 11 | (3) | (22.1) | | |
| Total | 65 | 39 | (25) | (39.0) | 122 | 73 | -48 | (39.8) | 164 | 110 | (53) | (32.5) | 180 | 130 | (50) | (27.7) | 70 | (3) | (4.7) | 140 | 9 | 7.2 | | |

(Notes) 1. Main types of goods traded by business segment

Dairy Products: Dairy products (cheese, butter, milk powder, etc.); margarine; Nutrition business (functional food products, Powdered milk, etc.), etc.

Beverage and Dessert: Beverages (milk drinks, fruit juice beverages, etc.); yogurts; desserts; fresh cream, etc.

Feedstuffs and Seed: Cattle feed; pasture forage and crop seed; vegetable seeds; landscaping, etc.

Other: Joint distribution center services; real estate leasing, etc.

2. The net sales for each segment list the figures for external customers. Note that figures for external customers are also used in the year-on-year comparisons.

3. Subsidiaries and other includes the sales by subsidiaries and the total effects from accounting for consolidation (intercompany elimination, etc.).

Feedstuffs and Seed are on a consolidated basis (after intercompany elimination, etc.).

Nutrition Business of Dairy Products

(Unit: 100 million yen) (Amounts rounded down to the nearest 100 million yen)

| | Result for the year ended March 31, 2023 (FY2022) | | | | | | | | | | | | | | 【Forecast】 Year ending March 31, 2024 (FY2023) | | | | | | | |
|-------------------------------|---|---------|------------|---------|------------------------------|---------|------------|---------|------------------------------|---------|------------|---------|------------------------------|---------|--|---------|------------------------------|------------|---------|-----------|------------|---------|
| | 1st quarter-end | | | | 2nd quarter-end (cumulative) | | | | 3rd quarter-end (cumulative) | | | | 4th quarter-end (cumulative) | | | | 2nd quarter-end (cumulative) | | | Full year | | |
| | FY 2021 | FY 2022 | Net change | | FY 2021 | FY 2022 | Net change | | FY 2021 | FY 2022 | Net change | | FY 2021 | FY 2022 | Net change | | Amount | Net change | | Amount | Net change | |
| | | | Amount | YOY (%) | | | Amount | YOY (%) | | | Amount | YOY (%) | | | Amount | YOY (%) | | Amount | YOY (%) | | Amount | YOY (%) |
| [Net sales] | | | | | | | | | | | | | | | | | | | | | | |
| Functional food products | 16 | 22 | 5 | 35.2 | 32 | 43 | 11 | 33.5 | 50 | 67 | 17 | 33.7 | 67 | 89 | 21 | 32.2 | 47 | 3 | 7.0 | 97 | 7 | 8.4 |
| Powdered milk and other | 26 | 26 | (0) | (2.2) | 54 | 54 | 0 | 0.1 | 83 | 82 | (1) | (2.0) | 109 | 108 | (1) | (1.2) | 58 | 3 | 7.1 | 119 | 11 | 10.9 |
| Total on a consolidated basis | 43 | 48 | 5 | 12.0 | 87 | 98 | 11 | 12.7 | 134 | 149 | 15 | 11.4 | 177 | 197 | 20 | 11.6 | 105 | 6 | 7.1 | 217 | 19 | 9.8 |

(Notes) 1. These figures are on a consolidated basis (after intercompany elimination).

3. Comparisons with Consolidated Earnings Forecast for the Fiscal Year Ended March 31, 2023

(Forecast figures are those announced in "Notice of Revisions to FY2022 Consolidated Earnings Forecasts" released on April 25, 2023.)

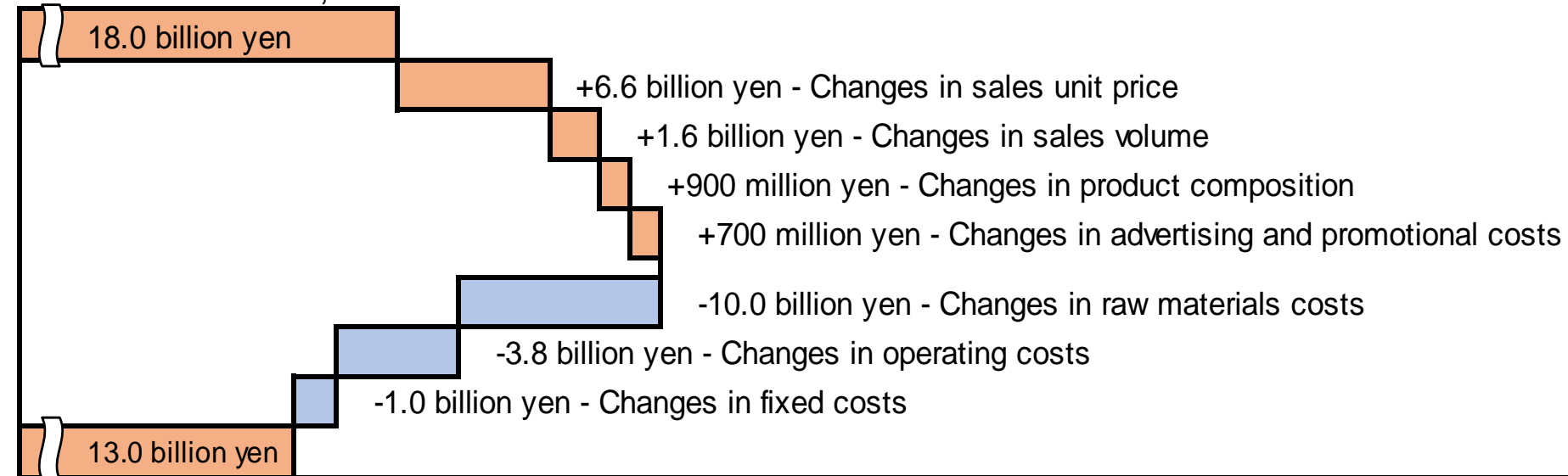
(Unit: 100 million yen) (Amounts rounded down to the nearest 100 million yen)

| | Result for the year ended March 31, 2023 (FY2022) | | | | Net change | |
|---|---|---------------|--------|---------------|------------|-------------------------|
| | Forecast | Vs. Sales (%) | Result | Vs. Sales (%) | Amount | Actual vs. Forecast (%) |
| Net sales | 5,840 | 100.0 | 5,843 | 100.0 | 3 | 0.1 |
| Operating profit | 130 | 2.2 | 130 | 2.2 | 0 | 0.4 |
| Ordinary profit | 144 | 2.5 | 144 | 2.5 | 0 | 0.6 |
| Profit attributable to owners of parent | 91 | 1.6 | 91 | 1.6 | 0 | 0.3 |

4. Causes of Net Changes in Consolidated Operating Profit (Result/Forecast)

Result

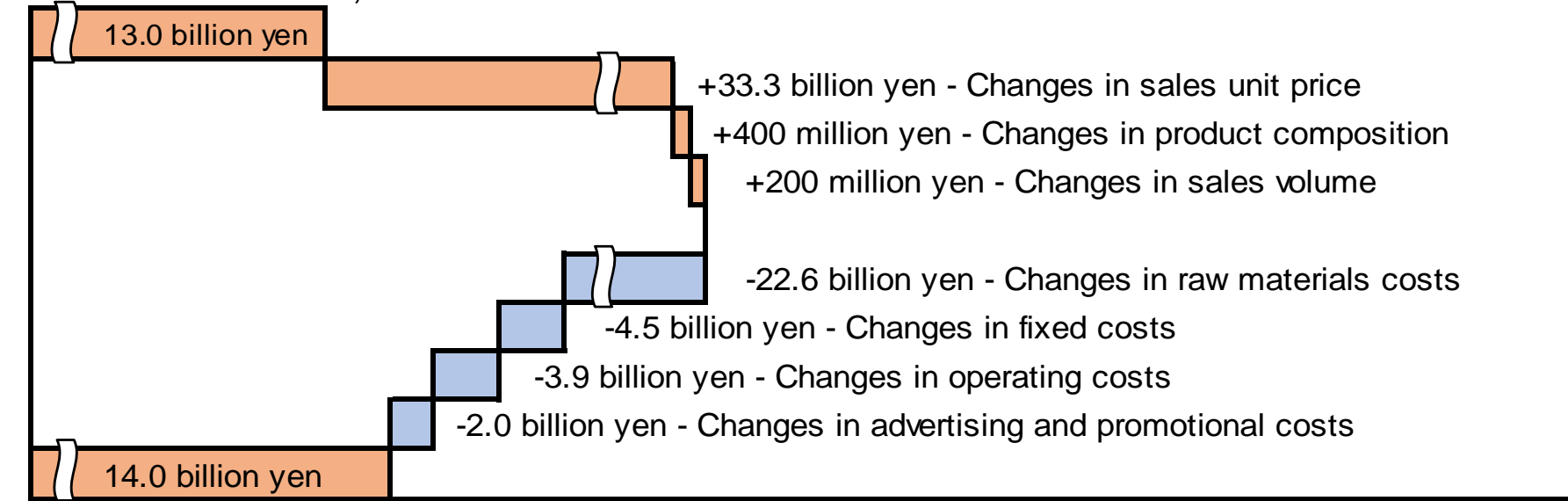
Year ended March 31, 2022



Year ended March 31, 2023

Forecast

Year ended March 31, 2023



Year ending March 31, 2024 (forecast)

Details of Consolidated Operating Profit by Segment

| Factors behind changes | FY2021 full year | Factors behind changes for the year ended March 31, 2023(FY2022), full year | | | | |
|--|------------------|---|----------------|----------------------|----------------------|-------|
| | | Total | Dairy Products | Beverage and Dessert | Feed-stuffs and Seed | Other |
| 【Marginal profit】 | | | | | | |
| Changes in sales unit price | 0 | 66 | 23 | 39 | 0 | 4 |
| Changes in sales volume | 1 | 16 | 13 | (1) | (1) | 5 |
| Changes in product composition | 15 | 9 | 8 | 1 | 0 | 0 |
| Changes in raw materials costs | (17) | (100) | (45) | (47) | (5) | (2) |
| Changes in operating costs | (13) | (38) | (13) | (23) | (1) | (1) |
| Other | 4 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | (10) | (47) | (14) | (31) | (7) | 6 |
| 【Fixed costs and others】 | | | | | | |
| Changes in advertising and promotional costs | (7) | 7 | (1) | 8 | 0 | 0 |
| Changes in fixed costs | 0 | (10) | (13) | 4 | 3 | (3) |
| Subtotal | (7) | (3) | (14) | 12 | 3 | (3) |
| Total | (17) | (50) | (28) | (19) | (4) | 3 |

| Quarterly change (cumulative) | | | | |
|-------------------------------|------|------|-------|--|
| 1Q | 2Q | 3Q | 4Q | |
| 6 | 13 | 33 | 66 | |
| (5) | 0 | 10 | 16 | |
| 1 | 2 | 5 | 9 | |
| (17) | (35) | (64) | (100) | |
| (10) | (21) | (33) | (38) | |
| 0 | 2 | 0 | 0 | |
| (25) | (39) | (49) | (47) | |
| 0 | 0 | 2 | 7 | |
| 0 | (9) | (6) | (10) | |
| 0 | (9) | (4) | (3) | |
| (25) | (48) | (53) | (50) | |

(Unit: 100 million yen) (Amounts rounded down to the nearest 100 million yen)

| Factors behind changes | 【Forecast】 Factors behind changes for the year ending March 31, 2024 (FY2023), full year | | | | |
|--|--|----------------|----------------------|----------------------|-------|
| | Total | Dairy Products | Beverage and Dessert | Feed-stuffs and Seed | Other |
| 【Marginal profit】 | | | | | |
| Changes in sales unit price | 333 | 131 | 179 | 22 | 1 |
| Changes in sales volume | 2 | 0 | 0 | 0 | 2 |
| Changes in product composition | 4 | 1 | 3 | 0 | 0 |
| Changes in raw materials costs | (226) | (92) | (114) | (20) | 0 |
| Changes in operating costs | (39) | (19) | (19) | (1) | 0 |
| Subtotal | 74 | 21 | 49 | 1 | 3 |
| 【Fixed costs and others】 | | | | | |
| Changes in advertising and promotional costs | (20) | (7) | (13) | 0 | 0 |
| Changes in fixed costs | (45) | (22) | (15) | (1) | (6) |
| Subtotal | (65) | (29) | (28) | (1) | (6) |
| Total | 9 | (8) | 21 | 0 | (3) |

5. Consolidated Balance Sheets (Result)

| | March 31, 2022 | March 31, 2023 | Amount of net change |
|---------------------------------|----------------|----------------|----------------------|
| (Current assets) | 1,601 | 1,641 | 40 |
| Cash and deposits | 199 | 203 | 3 |
| Receivables and contract assets | 722 | 802 | 79 |
| Inventory assets | 621 | 578 | (43) |
| Other | 56 | 57 | 0 |
| (Non-current assets) | 2,417 | 2,459 | 42 |
| Property, plant and equipment | 1,788 | 1,801 | 12 |
| Intangible assets | 32 | 31 | (1) |
| Investment securities | 481 | 504 | 23 |
| Deferred tax assets | 29 | 31 | 1 |
| Other | 85 | 91 | 5 |
| Total assets | 4,018 | 4,101 | 82 |

(Unit: 100 million yen) (Amounts rounded down to the nearest 100 million yen)

| | March 31, 2022 | March 31, 2023 | Amount of net change |
|---------------------------------|----------------|----------------|----------------------|
| (Current liabilities) | 1,131 | 1,169 | 37 |
| Payables | 587 | 642 | 55 |
| Short-term loans payable | 179 | 178 | (1) |
| Other | 364 | 347 | (16) |
| (Non-current liabilities) | 792 | 773 | (19) |
| Bonds payable | 100 | 150 | 50 |
| Long-term loans payable | 393 | 321 | (71) |
| Net defined benefit liabilities | 88 | 87 | (1) |
| Other | 210 | 214 | 4 |
| Total liabilities | 1,923 | 1,942 | 18 |
| Shareholders' equity | 2,067 | 2,128 | 61 |
| Non-controlling interests | 27 | 30 | 2 |
| Total net assets | 2,095 | 2,158 | 63 |
| Total liabilities/net assets | 4,018 | 4,101 | 82 |

6. Consolidated Statements of Cash Flows (Result)

(Unit: 100 million yen) (Amounts rounded down to the nearest 100 million yen)

| | Result for the year ended March 31, 2023 (FY2022) | | | | | | | | | | | |
|--|---|--------|----------------------|------------------------------|--------|----------------------|------------------------------|--------|----------------------|------------------------------|--------|----------------------|
| | 1st quarter-end | | | 2nd quarter-end (cumulative) | | | 3rd quarter-end (cumulative) | | | 4th quarter-end (cumulative) | | |
| | FY2021 | FY2022 | Amount of net change | FY2021 | FY2022 | Amount of net change | FY2021 | FY2022 | Amount of net change | FY2021 | FY2022 | Amount of net change |
| I Cash flows from operating activities | 84 | 21 | (63) | 186 | 91 | (94) | 215 | 101 | (114) | 294 | 268 | (26) |
| II Cash flows from investing activities | (51) | (51) | (0) | (109) | (110) | (0) | (158) | (131) | 26 | (202) | (196) | 5 |
| III Cash flows from financing activities | (37) | (40) | (2) | (41) | (45) | (4) | (190) | (23) | 166 | (112) | (72) | 39 |
| IV Effect of exchange rate on cash and cash equivalents | 1 | 1 | 0 | 1 | 2 | 1 | 1 | 2 | 1 | 1 | 1 | (0) |
| V Amount of net change in cash and cash equivalents | (2) | (68) | (66) | 36 | (61) | (97) | (132) | (50) | 81 | (18) | 0 | 18 |
| VI Cash and cash equivalents at beginning of period | 218 | 199 | (18) | 218 | 199 | (18) | 218 | 199 | (18) | 218 | 199 | (18) |
| VII Increase in cash and cash equivalents from newly consolidated subsidiaries | — | 3 | 3 | — | 3 | 3 | — | 3 | 3 | — | 3 | 3 |
| VIII Cash and cash equivalents at end of period | 215 | 134 | (81) | 254 | 141 | (113) | 86 | 152 | 66 | 199 | 203 | 3 |
| (Ref.) Free cash flow (I + II) | 33 | (29) | (63) | 76 | (18) | (94) | 56 | (30) | (87) | 92 | 71 | (20) |

7. Other Management Indicators (Result/Forecast)

(Unit: 100 million yen) (Amounts rounded down to the nearest 100 million yen)

| | Result for the year ended March 31, 2023 (FY2022) | | | | | | | | 【Forecast】 Year ending March 31, 2024 (FY2023), full year |
|---|---|--------|------------------------------|--------|------------------------------|--------|------------------------------|--------|---|
| | 1st quarter-end (cumulative) | | 2nd quarter-end (cumulative) | | 3rd quarter-end (cumulative) | | 4th quarter-end (cumulative) | | |
| | FY2021 | FY2022 | FY2021 | FY2022 | FY2021 | FY2022 | FY2021 | FY2022 | |
| Amount of capital investment | 45 | 26 | 94 | 99 | 143 | 156 | 187 | 195 | 200 |
| Depreciation and amortization costs * | 42 | 42 | 84 | 85 | 128 | 128 | 169 | 171 | 175 |
| Consolidated research & development costs | 12 | 12 | 21 | 22 | 33 | 34 | 43 | 45 | |
| | 1st quarter-end | | 2nd quarter-end | | 3rd quarter-end | | 4th quarter-end | | |
| | FY2021 | FY2022 | FY2021 | FY2022 | FY2021 | FY2022 | FY2021 | FY2022 | |
| Number of consolidated employees | 5,777 | 5,781 | 5,742 | 5,799 | 5,710 | 5,789 | 5,665 | 5,715 | |

*Depreciation and amortization costs are the sum of the depreciation of property, plant and equipment and the amortization of intangible assets (excluding goodwill) and long-term prepaid expenses.

| | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 |
|--|--------------|--------------|--------------|--------------|--------------|
| | Full year | Full year | Full year | Full year | Full year |
| Ratio of operating profit to net sales | 2.9% | 2.9% | 3.2% | 3.2 | 2.2 |
| EBITDA | 33.1 billion | 34.1 billion | 35.6 billion | 35.0 billion | 30.2 billion |
| ROE | 6.7% | 7.1% | 8.1% | 6.0% | 4.4% |
| Equity ratio | 46.3% | 47.3% | 49.0% | 51.5% | 51.9% |
| Payout ratio | 25.2% | 22.3% | 18.1% | 33.6% | 44.4% |
| Interest-bearing debt* | 71.7 billion | 69.3 billion | 79.3 billion | 72.2 billion | 69.8 billion |

* The balance for interest-bearing debt is the sum of outstanding borrowings plus bonds payable and outstanding lease obligations.

* The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the fiscal year ended March 31, 2022, but the figures through the fiscal year ended March 31, 2021 are before the application of the said accounting standard.

8. Financial Performance Data from FY2018 to FY2022

Consolidated Balance Sheets

| | March 31, 2019 | | March 31, 2020 | | March 31, 2021 | | March 31, 2022 | | March 31, 2023 | |
|---------------------------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|
| | Result | Net change | Result | Net change | Result | Net change | Result | Net change | Result | Net change |
| (Current assets) | 1,488 | 67 | 1,511 | 23 | 1,617 | 105 | 1,601 | (15) | 1,641 | 40 |
| Cash and deposits | 143 | (2) | 155 | 11 | 218 | 63 | 199 | (18) | 203 | 3 |
| Receivables and contract assets | 747 | 54 | 718 | (28) | 717 | (1) | 722 | 5 | 802 | 79 |
| Inventory assets | 556 | 17 | 589 | 33 | 599 | 9 | 621 | 22 | 578 | (43) |
| Other | 40 | (2) | 47 | 6 | 82 | 34 | 56 | (25) | 57 | 0 |
| | | | | | | | | | | |
| (Non-current assets) | 2,105 | 14 | 2,192 | 86 | 2,369 | 176 | 2,417 | 48 | 2,459 | 42 |
| Property, plant and equipment | 1,623 | (24) | 1,710 | 87 | 1,772 | 62 | 1,788 | 16 | 1,801 | 12 |
| Intangible assets | 32 | (7) | 37 | 5 | 35 | (2) | 32 | (2) | 31 | (1) |
| Investment securities | 354 | 61 | 348 | (6) | 445 | 97 | 481 | 35 | 504 | 23 |
| Deferred tax assets | 29 | (19) | 30 | 0 | 30 | 0 | 29 | (1) | 31 | 1 |
| Other | 66 | 4 | 66 | 0 | 85 | 18 | 85 | 0 | 91 | 5 |
| Total assets | 3,594 | 82 | 3,704 | 109 | 3,986 | 282 | 4,018 | 32 | 4,101 | 82 |

(Unit: 100 million yen) (Amounts rounded down to the nearest 100 million yen)

| | March 31, 2019 | | March 31, 2020 | | March 31, 2021 | | March 31, 2022 | | March 31, 2023 | |
|---------------------------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|
| | Result | Net change | Result | Net change | Result | Net change | Result | Net change | Result | Net change |
| (Current liabilities) | 1,179 | (227) | 1,203 | 23 | 1,285 | 82 | 1,131 | (154) | 1,169 | 37 |
| Payables | 640 | (4) | 607 | (32) | 597 | (10) | 587 | (10) | 642 | 55 |
| Short-term loans payable | 199 | (218) | 181 | (18) | 320 | 138 | 179 | (140) | 178 | (1) |
| Other | 339 | (4) | 413 | 74 | 367 | (46) | 364 | (2) | 347 | (16) |
| (Non-current liabilities) | 727 | 195 | 720 | (7) | 718 | (1) | 792 | 73 | 773 | (19) |
| Bonds payable | 100 | 100 | 100 | — | 100 | — | 100 | — | 150 | 50 |
| Long-term loans payable | 358 | 87 | 351 | (7) | 320 | (30) | 393 | 73 | 321 | (71) |
| Net defined benefit liabilities | 93 | 7 | 100 | 6 | 95 | (4) | 88 | (7) | 87 | (1) |
| Other | 175 | 0 | 168 | (6) | 202 | 33 | 210 | 8 | 214 | 4 |
| Total liabilities | 1,906 | (32) | 1,923 | 16 | 2,003 | 80 | 1,923 | (80) | 1,942 | 18 |
| Shareholders' equity | 1,662 | 112 | 1,751 | 88 | 1,952 | 201 | 2,067 | 115 | 2,128 | 61 |
| Non-controlling interests | 24 | 1 | 29 | 4 | 30 | 0 | 27 | (2) | 30 | 2 |
| Total net assets | 1,687 | 114 | 1,780 | 93 | 1,982 | 201 | 2,095 | 112 | 2,158 | 63 |
| Total liabilities/net assets | 3,594 | 82 | 3,704 | 109 | 3,986 | 282 | 4,018 | 32 | 4,101 | 82 |

Consolidated Statements of Income

| | FY2018 | | FY2019 | | FY2020 | | FY2021 | | FY2022 | |
|---|--------|----------------|--------|----------------|--------|----------------|--------|----------------|--------|----------------|
| | Result | YOY change (%) | Result | YOY change (%) | Result | YOY change (%) | Result | YOY change (%) | Result | YOY change (%) |
| Net sales | 6,033 | 1.2 | 6,134 | 1.7 | 6,151 | 0.3 | 5,584 | 0.7 | 5,843 | 4.6 |
| Dairy Products | 2,410 | 0.5 | 2,490 | 3.4 | 2,623 | 5.3 | 2,369 | 2.7 | 2,520 | 6.4 |
| Beverage and Dessert | 2,797 | 1.5 | 2,839 | 1.5 | 2,744 | (3.3) | 2,397 | (3.6) | 2,411 | 0.6 |
| Feedstuffs and Seed | 460 | 3.0 | 437 | (5.1) | 433 | (0.8) | 468 | 14.3 | 534 | 14.1 |
| Other | 366 | 1.2 | 366 | 0.2 | 350 | (4.5) | 348 | 2.1 | 376 | 8.0 |
| Cost of sales | 4,608 | 1.9 | 4,702 | 2.0 | 4,725 | 0.5 | 4,689 | 0.8 | 4,971 | 6.0 |
| Selling, general and administrative expenses | 1,252 | 0.6 | 1,251 | (0.1) | 1,228 | (1.9) | 713 | 2.6 | 741 | 3.9 |
| Operating profit | 172 | (11.0) | 179 | 4.5 | 197 | 9.9 | 180 | (8.7) | 130 | (27.7) |
| Dairy Products | 117 | (3.1) | 115 | (1.7) | 136 | 18.3 | 125 | (8.4) | 97 | (22.4) |
| Beverage and Dessert | 31 | (33.4) | 52 | 65.0 | 41 | (20.8) | 36 | (12.9) | 16 | (54.9) |
| Feedstuffs and Seed | 11 | (13.8) | 10 | (10.9) | 11 | 8.4 | 6 | (38.1) | 2 | (68.4) |
| Other | 10 | (7.1) | 1 | (83.9) | 10 | 519.6 | 11 | 8.8 | 14 | 28.5 |
| Non-operating income | 28 | 6.0 | 28 | (2.3) | 30 | 7.2 | 29 | (1.2) | 24 | (17.4) |
| Non-operating expenses | 11 | 1.3 | 11 | 3.1 | 11 | 0.3 | 10 | (7.3) | 10 | (1.7) |
| Ordinary profit | 190 | (9.4) | 196 | 3.5 | 216 | 10.1 | 199 | (7.7) | 144 | (27.6) |
| Extraordinary income | 5 | 172.1 | 1 | (79.8) | 31 | 2,822.9 | 0 | (99.8) | 33 | — |
| Extraordinary loss | 42 | 101.1 | 29 | (32.1) | 36 | 26.0 | 27 | (24.3) | 48 | 73.7 |
| Profit before income taxes | 152 | (19.9) | 168 | 10.5 | 211 | 25.3 | 172 | (18.6) | 129 | (24.6) |
| Income taxes | 43 | (23.4) | 45 | 5.7 | 61 | 34.5 | 49 | (19.1) | 38 | (23.7) |
| Profit (loss) attributable to non-controlling interests | 1 | 1,563.9 | 1 | (28.3) | 0 | (48.5) | 1 | 145.1 | 0 | (68.0) |
| Profit attributable to owners of parent | 107 | (19.7) | 121 | 13.1 | 149 | 22.6 | 120 | (19.1) | 91 | (24.3) |

* The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the fiscal year ended March 31, 2022, but the figures through the fiscal year ended March 31, 2021 are before the application of the said accounting standard.

YoY changes for the fiscal year ended March 31, 2022 were prepared assuming that the accounting standard, etc. had been applied effective from the fiscal year ended March 31, 2021.

Consolidated Statements of Cash Flows

| | FY2018 | | FY2019 | | FY2020 | | FY2021 | | FY2022 | |
|--|--------|------------|--------|------------|--------|------------|--------|------------|--------|------------|
| | Result | YOY change | Result | YOY change | Result | YOY change | Result | YOY change | Result | YOY change |
| I Cash flows from operating activities | 219 | (8) | 243 | 23 | 265 | 22 | 294 | 28 | 268 | (26) |
| II Cash flows from investing activities | (142) | (24) | (166) | (23) | (270) | (104) | (202) | 68 | (196) | 5 |
| III Cash flows from financing activities | (73) | 55 | (66) | 7 | 67 | 134 | (112) | (180) | (72) | 39 |
| IV Effect of exchange rate on cash and cash equivalents | (0) | (0) | 0 | 0 | 0 | 0 | 1 | 1 | 1 | (0) |
| V Amount of net change in cash and cash equivalents | 2 | 20 | 10 | 8 | 63 | 52 | -18 | -81 | 0 | 18 |
| VI Cash and cash equivalents at beginning of period | 140 | (18) | 143 | 2 | 155 | 12 | 218 | 63 | 199 | (18) |
| VII Increase in cash and cash equivalents from newly consolidated subsidiaries | — | — | 1 | 1 | — | -1 | — | — | 3 | 3 |
| VIII Cash and cash equivalents at end of period | 143 | 2 | 155 | 12 | 218 | 63 | 199 | (18) | 203 | 3 |
| (Ref.) Free cash flow (I + II) | 76 | (33) | 76 | 0 | -5 | -82 | 92 | 97 | 71 | (20) |