

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Japanese GAAP)

May 9, 2024

Company name: Mitsubishi Shokuhin Co., Ltd. Listing Stock Exchange: Tokyo
 Stock code: 7451 URL: <https://www.mitsubishi-shokuhin.com/en/>
 Representative: Yutaka Kyoya, Representative Director
 Contact: Takeru Aiba, Group Manager, Investor Relations Office
 Tel: +81-3-4553-5229

Annual general meeting of shareholders: June 24, 2024
 Scheduled date for dividend payment: June 25, 2024
 Scheduled date to file securities report: June 25, 2024
 Preparation of supplemental explanatory materials: Yes
 Financial results briefing to be held: Yes (For securities analysts and institutional investors)

(Amounts less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate YoY changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2024	2,076,381	4.0	29,528	26.0	31,407	24.6	22,582	31.9
Fiscal year ended March 31, 2023	1,996,780	2.1	23,433	23.1	25,199	23.7	17,126	22.8

Note: Comprehensive income for the fiscal year ended March 31, 2024 was 27,585 million yen (65.0% YoY).
 Comprehensive income for the fiscal year ended March 31, 2023 was 16,719 million yen (45.4% YoY).

	Earnings per share	Diluted earnings per share	Ratio of profit to equity capital	Ratio of ordinary profit to total assets	Operating profit margin
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2024	519.89	—	11.7	4.2	1.4
Fiscal year ended March 31, 2023	393.93	—	9.7	3.7	1.2

Reference: Equity in earnings of affiliates Fiscal year ended March 31, 2024: 309 million yen Fiscal year ended March 31, 2023: 273 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Fiscal year ended March 31, 2024	794,250	203,869	25.7	4,692.64
Fiscal year ended March 31, 2023	707,503	182,617	25.8	4,203.59

Reference: Equity capital amounted to 203,836 million yen as of March 31, 2024 and 182,594 million yen as of March 31, 2023.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2024	55,956	(7,731)	(7,305)	112,445
Fiscal year ended March 31, 2023	24,505	(11,239)	(5,735)	71,525

2. Dividends

	Annual dividend per share					Total dividends	Payout ratio (consolidated)	Dividend-on-equity ratio (consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2023	—	45.00	—	65.00	110.00	4,789	27.9	2.7
Fiscal year ended March 31, 2024	—	80.00	—	80.00	160.00	6,965	30.8	3.6
Fiscal year ending March 31, 2025 (forecast)	—	90.00	—	95.00	185.00		35.2	

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentages indicate YoY changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	2,130,000	2.6	31,500	6.7	33,000	5.1	22,800	1.0	524.89

*Notes

- (1) Changes in significant subsidiaries during the period under review: None
 (Transfers of specified subsidiaries resulting in changes in the Company's scope of consolidation)
 Newly added subsidiaries: None
 Subsidiaries excluded: None

- (2) Changes in accounting policies and accounting estimates and retrospective restatements
- Accounting policy changes due to accounting standard revisions, etc.: None
 - Other accounting policy changes: None
 - Changes in accounting estimates: None
 - Retrospective restatements: None

(3) Number of issued shares (common stock)

1. Number of issued shares at end of period (including treasury stock)	As of March 31, 2024	43,537,200	As of March 31, 2023	43,537,200
2. Number of treasury shares at end of period	As of March 31, 2024	99,775	As of March 31, 2023	99,388
3. Average number of shares outstanding during period	Fiscal year ended March 31, 2024	43,437,610	Fiscal year ended March 31, 2023	43,475,913

*Summaries of financial statements are not subject to audit by certified public accountants or auditing corporations.

*Appropriate use of earnings forecast and other special notes (Notes on forward-looking statements, etc.)

The above forecast is based on information available as of the date of publication of this document, and actual results may differ from the forecast due to various factors that may arise in the future. For the preconditions of the earnings forecast and the precautions in using the forecast, please refer to "1. Overview of Operating Results, etc. (4) Outlook" on page 4 of the Accompanying Materials.

(How to access supplementary materials for financial results)

Supplementary materials for financial results will be posted on the Company's website on May 9, 2024.

Accompanying Materials — Contents

1. Overview of Operating Results, etc.	2
(1) Overview of operating results for the fiscal year under review	2
(2) Overview of financial position for the fiscal year under review	3
(3) Overview of cash flows for the fiscal year under review	3
(4) Outlook	4
2. Basic Views on Selection of Accounting Standards.	4
3. Consolidated Financial Statements and Primary Notes	5
(1) Consolidated Balance Sheet	5
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	7
Consolidated Statement of Income	7
Consolidated Statement of Comprehensive Income	8
(3) Consolidated Statement of Changes in Equity	9
(4) Consolidated Statement of Cash Flows	11
(5) Notes to Consolidated Financial Statements	13
(Notes to going concern assumptions)	13
(Significant matters that serve as the basis for preparation of the consolidated financial statements)	13
(Additional information)	16
(Consolidated balance sheet)	16
(Consolidated statement of income)	17
(Consolidated statement of changes in equity)	19
(Consolidated statement of cash flows)	21
(Segment information, etc.)	21
(Per share information)	25
4. Other.	26
(1) Sales by product category	26
(2) Sales by business format	26

1. Overview of Operating Results, etc.

(1) Overview of operating results for the fiscal year under review

During the consolidated fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024), foot traffic—including that of inbound visitors to Japan—has recovered in earnest, and there was also progress in the recovery of socio-economic activities in Japan following the reclassification of COVID-19 as a Class 5 infectious disease.

However, the outlook remains uncertain as food price hikes driven by cost increases continue across various product categories against the backdrop of persistently high crude oil and raw material prices and serious domestic labor shortages, among other factors.

Under such circumstances, the Mitsubishi Shokuhin Group has worked to provide higher value-added functions and services in line with its mission to support the food supply chain.

In the consolidated fiscal year under review, net sales rose 4.0% year-on-year to ¥2,076,381 million, driven by the full-scale recovery of foot traffic, which led to an overall increase in business transactions, particularly with convenience stores and for commercial-use products. Operating profit was up 26.0% year-on-year to ¥29,528 million, largely due to transaction growth and margin improvement owing to an effort to step up profitability management. Ordinary profit rose 24.6% year-on-year to ¥31,407 million, and profit attributable to owners of parent increased 31.9% year-on-year to ¥22,582 million.

Results by segment are as follows.

In line with the partial changes made to the Group's performance management classification, we revised our reportable segment classification from the start of the current fiscal year. The year-on-year comparisons presented hereinbelow are versus previous year figures that have been retroactively adjusted to reflect the new reportable segment classification. For details on changes in the calculation method of reportable segments, please refer to "3. Quarterly Consolidated Financial Statements and Primary Notes (5) Notes to Quarterly Consolidated Financial Statements (Segment information, etc.) 1. Overview of reportable segments"

① Processed foods business

Sales in the processed foods business grew due largely to strong performance in transactions with convenience stores and discount stores, as well as robust beverage sales owing to an exceptionally hot summer and lingering heat in autumn. Operating profit rose year-on-year, mainly as a result of profitability improvement accompanying a review of transactions.

As a result, the processed foods business generated sales of ¥674,365 million (+2.1% year-on-year) and operating profit of ¥7,236 million (+25.5% year-on-year).

② Frozen and chilled foods business

Sales in the frozen and chilled foods business increased chiefly on the back of growth in transactions with supermarkets and convenience stores. The recovery in sales of commercial-use products and strong sales of ice cream due to an exceptionally hot summer also contributed to the results. Operating profit was higher year-on-year thanks to sales growth and profitability improvement, among other factors.

As a result, the frozen and chilled foods business posted sales of ¥613,753 million (+5.9% year-on-year) and operating profit of ¥15,272 million (+24.2% year-on-year).

③ Alcoholic beverages business

Sales in the alcoholic beverages business rose, fueled by the recovery in commercial-use products and the growth in transactions, mainly with drugstores. Additionally, the positive effects of an exceptionally hot summer and the liquor tax revision in October that lowered the tax rate for beer contributed to sales. Operating profit increased year-on-year mainly due to an increase in gross profit accompanying sales growth.

As a result, the alcoholic beverages business reported sales of ¥495,039 million (+2.4% year-on-year) and operating profit of ¥3,649 million (+0.6% year-on-year).

④ Confectionery business

Sales in the confectionery business increased due to overall growth in transactions, especially with convenience stores and discount stores, among other customers. Operating profit rose year-on-year mainly due to sales growth and profitability improvement.

As a result, the confectionery business generated sales of ¥293,223 million (+7.3% year-on-year) and operating profit

of ¥4,841 million (+45.4% year-on-year).

(2) Overview of financial position for the fiscal year under review

① Assets

Total assets at the end of the fiscal year under review amounted to ¥794,250 million, up ¥86,747 million from the end of the previous fiscal year. Current assets increased by ¥88,471 million to ¥642,310 million (80.9% of total assets), and non-current assets decreased by ¥1,724 million to ¥151,939 million (19.1% of total assets).

The increase in current assets was due mainly to an expansion in accounts receivable-trade.

② Liabilities

Liabilities at the end of the fiscal year under review stood at ¥590,381 million (74.3% of total), up ¥65,494 million from the end of the previous fiscal year. Current liabilities increased by ¥66,437 million to ¥559,867 million (70.5% of total), and non-current liabilities decreased by ¥942 million to ¥30,513 million (3.8% of total).

The increase in current liabilities was mainly due to an increase in accounts payable-trade.

③ Net assets

Net assets at the end of the fiscal year under review totaled ¥203,869 million (25.7% of total), up ¥21,252 million from the end of the previous fiscal year.

The increase was due mainly to growth in retained earnings.

As a result, net assets per share came to ¥4,692.64, up ¥489.05 from the end of the previous fiscal year. The equity ratio was 25.7%, down from 25.8% at the end of the previous fiscal year.

(3) Overview of cash flows for the fiscal year under review

① Overview of the consolidated fiscal year under review

Consolidated cash flows for the consolidated fiscal year under review are as follows.

(Rounded down to the nearest million yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change
Cash flows from operating activities	24,505	55,956	31,450
Cash flows from investing activities	(11,239)	(7,731)	3,507
Cash flows from financing activities	(5,735)	(7,305)	(1,570)
Effect of exchange rate change on cash and cash equivalents	31	0	(30)
Net increase (decrease) in cash and cash equivalents	7,562	40,919	33,357
Cash and cash equivalents at end of period	71,525	112,445	40,919

(Cash flows from operating activities)

Net cash provided by operating activities was ¥55,956 million. This was mainly attributed to ¥32,339 million in profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities was ¥7,731 million. This was primarily the result of ¥5,237 million used for the purchase of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities was ¥7,305 million. This mainly reflected ¥6,312 million in dividends paid.

As a result, cash and cash equivalents at end of period totaled ¥112,445 million.

② Cash flow-related indicators

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Equity ratio (%)	25.6	25.8	25.7
Equity ratio based on market capitalization (%)	19.7	20.0	30.7
Interest-bearing debt to cash flow ratio (%)	46.7	33.6	13.6
Interest coverage ratio	116.2	166.9	387.4

Note: Equity ratio: Equity capital / Total assets

Equity ratio based on market capitalization: Total market capitalization / Total assets

Interest-bearing debt to cash flow ratio: interest-bearing debt / cash flow

Interest coverage ratio: cash flow / interest payments

*All indicators are calculated based on consolidated financial figures.

*Market capitalization is calculated by multiplying the closing share price at the end of the fiscal year by the number of shares outstanding (that does not include treasury stock) at end of period.

*For cash flow, operating cash flow as reported in the consolidated statement of cash flows is used. Interest-bearing debt consists of all liabilities on the consolidated balance sheet for which interest is paid. Interest payments are based on interest paid as reported in the consolidated statement of cash flows.

(4) Outlook

The economy is gradually recovering as a result of increased foot traffic, including inbound visitors to Japan, and income conditions are improving thanks to wage growth. However, conditions that prevent optimism are expected to persist mainly because food price hikes driven by cost increases will continue in the foreseeable future, leading to the further polarization of consumption.

Under these circumstances, the Group will continue its efforts to gain the trust of its customers and strive to remain their preferred choice by offering more value-added functions and services.

For the next fiscal year, we forecast net sales of ¥2,130,000 million, operating profit of ¥31,500 million, ordinary profit of ¥33,000 million, and profit attributable to owners of parent of ¥22,800 million.

In addition, the Mitsubishi Shokuhin Group has formulated a new management plan, “MS Vision 2030” which will end in FY2030, starting in FY2024. In response to the growing importance of sustainability, we have added “Simultaneous resolution of key sustainability issues” to the existing “Contribute to the realization of a sustainable society through the food business” as the Group's corporate purpose. We also have set where we want to be in fiscal 2030, and have constructed a backcast-type growth strategy in line with these goals.

“MS Vision 2030” this reflects the determination and desire of our Group to work together as one to pioneer the next era so that the food supply chain will continue to function sustainably while sharing values for the future, and so that new food values can be created continuously.

2. Basic Views on Selection of Accounting Standards

As most of the Group's stakeholders are domestic shareholders, creditors, business partners, etc., and there is little need to raise funds from overseas, we use Japanese GAAP as our accounting standard.

With regard to the adoption of IFRS (International Financial Reporting Standards), we intend to take appropriate measures while taking into consideration various developments in Japan and overseas.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	Fiscal year ended March 31, 2023 (as of March 31, 2023)	Fiscal year ended March 31, 2024 (as of March 31, 2024)
Assets		
Current assets		
Cash and deposits	443	832
Notes receivable - trade	721	708
Accounts receivable - trade	337,301	388,554
Merchandise and finished goods	75,812	71,217
Raw materials and supplies	1,083	1,043
Accounts receivable - other	*1 53,128	*1 54,411
Short-term loans receivable	71,082	111,612
Other	14,542	14,186
Allowance for doubtful accounts	(275)	(256)
Total current assets	553,839	642,310
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,895	31,053
Machinery, equipment and vehicles, net	10,468	10,640
Tools, furniture and fixtures, net	2,028	1,858
Land	32,244	32,065
Leased assets, net	4,670	4,525
Construction in progress	761	165
Total property, plant and equipment	*2 83,069	*2 80,309
Intangible assets		
Goodwill	2,150	1,773
Software	15,711	14,816
Other	44	44
Total intangible assets	17,906	16,633
Investments and other assets		
Investment securities	*3 28,515	*3 33,951
Deferred tax assets	2,366	619
Retirement benefit asset	2,619	3,909
Other	19,278	16,611
Allowance for doubtful accounts	(92)	(95)
Total investments and other assets	52,687	54,996
Total non-current assets	153,663	151,939
Total assets	707,503	794,250

(Millions of yen)

	Fiscal year ended March 31, 2023 (as of March 31, 2023)	Fiscal year ended March 31, 2024 (as of March 31, 2024)
Liabilities		
Current liabilities		
Accounts payable - trade	421,898	483,161
Lease liabilities	871	849
Accounts payable - other	35,837	38,839
Income taxes payable	5,176	6,249
Provision for bonuses	3,518	3,489
Provision for bonuses for directors (and other officers)	47	47
Provision for share awards for directors (and other officers)	—	241
Asset retirement obligations	14	11
Other	26,066	26,977
Total current liabilities	493,430	559,867
Non-current liabilities		
Lease liabilities	4,553	4,419
Deferred tax liabilities	118	64
Provision for share awards for directors (and other officers)	75	—
Provision for retirement benefits for directors (and other officers)	4	4
Retirement benefit liability	11,381	11,403
Asset retirement obligations	11,014	11,219
Other	4,308	3,401
Total non-current liabilities	31,456	30,513
Total liabilities	524,886	590,381
Net assets		
Shareholders' equity		
Share capital	10,630	10,630
Capital surplus	10,117	10,117
Retained earnings	153,792	170,062
Treasury shares	(339)	(340)
Total shareholders' equity	174,201	190,469
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,923	12,031
Deferred gains or losses on hedges	(6)	129
Foreign currency translation adjustment	100	176
Remeasurements of defined benefit plans	376	1,029
Total accumulated other comprehensive income	8,393	13,366
Non-controlling interests	22	33
Total net assets	182,617	203,869
Total liabilities and net assets	707,503	794,250

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Net sales	*1 1,996,780	*1 2,076,381
Cost of sales	1,849,334	1,926,070
Gross profit	147,445	150,311
Selling, general and administrative expenses	*2 124,011	*2 120,783
Operating profit	23,433	29,528
Non-operating income		
Interest income	65	57
Dividend income	693	723
Rental income from real estate	1,386	1,628
Other	1,494	1,446
Total non-operating income	3,640	3,856
Non-operating expenses		
Interest expenses	151	139
Loss on retirement of non-current assets	207	109
Rental expenses on real estate	1,239	1,451
Other	276	276
Total non-operating expenses	1,874	1,977
Ordinary profit	25,199	31,407
Extraordinary income		
Gain on sale of investment securities	6	1,176
Gain on sale of non-current assets	*3 —	*3 0
Gain on liquidation of investment securities	2	—
Gain on sale of golf club membership	1	—
Total extraordinary income	10	1,176
Extraordinary losses		
Impairment losses	*4 176	*4 202
Loss on disaster	—	41
Loss on valuation of investment securities	37	—
Other	22	0
Total extraordinary losses	236	244
Profit before income taxes	24,973	32,339
Income taxes - current	8,202	10,248
Income taxes - deferred	(380)	(522)
Total income taxes	7,822	9,725
Profit	17,150	22,613
Profit attributable to non-controlling interests	24	30
Profit attributable to owners of parent	17,126	22,582

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Profit	17,150	22,613
Other comprehensive income		
Valuation difference on available-for-sale securities	(229)	4,108
Deferred gains or losses on hedges	(129)	135
Foreign currency translation adjustment	31	5
Remeasurements of defined benefit plans, net of tax	(101)	675
Share of other comprehensive income of entities accounted for using equity method	(2)	48
Total other comprehensive income	(431)	4,972
Comprehensive income	16,719	27,585
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,695	27,555
Comprehensive income attributable to non-controlling interests	24	30

(3) Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,630	10,117	140,584	(0)	161,331
Changes during period					
Dividends of surplus			(3,918)		(3,918)
Profit attributable to owners of parent			17,126		17,126
Purchase of treasury shares				(338)	(338)
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	13,208	(338)	12,869
Balance at end of period	10,630	10,117	153,792	(339)	174,201

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	8,152	123	172	376	8,824	135	170,291
Changes during period							
Dividends of surplus							(3,918)
Profit attributable to owners of parent							17,126
Purchase of treasury shares							(338)
Net changes in items other than shareholders' equity	(229)	(129)	(72)	(0)	(431)	(112)	(543)
Total changes during period	(229)	(129)	(72)	(0)	(431)	(112)	12,325
Balance at end of period	7,923	(6)	100	376	8,393	22	182,617

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,630	10,117	153,792	(339)	174,201
Changes during period					
Dividends of surplus			(6,312)		(6,312)
Profit attributable to owners of parent			22,582		22,582
Purchase of treasury shares				(1)	(1)
Net changes in items other than shareholders' equity					
Total changes during period			16,270	(1)	16,268
Balance at end of period	10,630	10,117	170,062	(340)	190,469

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,923	(6)	100	376	8,393	22	182,617
Changes during period							
Dividends of surplus							(6,312)
Profit attributable to owners of parent							22,582
Purchase of treasury shares							(1)
Net changes in items other than shareholders' equity	4,108	135	75	652	4,972	11	4,983
Total changes during period	4,108	135	75	652	4,972	11	21,252
Balance at end of period	12,031	129	176	1,029	13,366	33	203,869

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Cash flows from operating activities		
Profit before income taxes	24,973	32,339
Depreciation	11,720	12,303
Impairment losses	176	202
Amortization of goodwill	397	377
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(3)	0
Increase (decrease) in retirement benefit liability	118	(48)
Increase (decrease) in provision for share awards for directors (and other officers)	75	166
Increase (decrease) in allowance for doubtful accounts	23	(15)
Interest and dividend income	(758)	(781)
Interest expenses	151	139
Share of loss (profit) of entities accounted for using equity method	(273)	(309)
Loss (gain) on sale of property, plant and equipment	(5)	(51)
Loss (gain) on sale of intangible assets	—	(25)
Loss (gain) on sale of investment securities	(6)	(1,176)
Loss (gain) on sale of shares of subsidiaries	22	—
Decrease (increase) in trade receivables	(12,271)	(51,240)
Decrease (increase) in inventories	(7,336)	4,634
Decrease (increase) in accounts receivable - other	(535)	(1,282)
Increase (decrease) in trade payables	12,339	61,263
Decrease (increase) in consumption taxes refund receivable	50	126
Increase (decrease) in accrued consumption taxes	872	1,271
Guarantee Deposited for transactions	(62)	1,297
Decrease (increase) in investments in leases	66	235
Other, net	1,210	4,781
Subtotal	30,942	64,208
Interest and dividends received	1,090	1,182
Interest paid	(146)	(144)
Income taxes paid	(7,380)	(9,290)
Net cash provided by (used in) operating activities	24,505	55,956

(Millions of yen)

	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,338)	(5,237)
Proceeds from sale of property, plant and equipment	7	164
Purchase of intangible assets	(2,524)	(3,627)
Proceeds from sale of intangible assets	—	112
Purchase of investment securities	(96)	(1,484)
Proceeds from sale of investment securities	62	3,191
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,016)	—
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(9)	—
Payments of guarantee deposits	(216)	(54)
Proceeds from refund of guarantee deposits	456	264
Long-term loan advances	(80)	—
Other, net	(486)	(1,061)
Net cash provided by (used in) investing activities	(11,239)	(7,731)
Cash flows from financing activities		
Proceeds from short-term borrowings	21	—
Repayments of short-term borrowings	(48)	—
Repayments of lease liabilities	(1,313)	(972)
Dividends paid	(3,918)	(6,312)
Dividends paid to non-controlling interests	(18)	(19)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(118)	(0)
Purchase of treasury shares	(338)	(1)
Net cash provided by (used in) financing activities	(5,735)	(7,305)
Effect of exchange rate change on cash and cash equivalents	31	0
Net increase (decrease) in cash and cash equivalents	7,562	40,919
Cash and cash equivalents at beginning of period	63,963	71,525
Cash and cash equivalents at end of period	* 71,525	* 112,445

(5) Notes to Consolidated Financial Statements

(Notes to going concern assumptions)

None to be reported.

(Significant matters that serve as the basis for preparation of the consolidated financial statements)

1. Scope of consolidation

Consolidated subsidiaries: 13 companies

Major companies

KCS Co., Ltd.

Fine Life Co., Ltd.

RYOSHOKU PETCARE LIMITED

MC FOODS LIMITED

Croco Co., Ltd.

8 other companies

L Platform Corporation is included in the scope of consolidation, as it was newly established during the consolidated fiscal year under review.

2. Application of equity method

(1) Equity-method affiliates: 2 companies

Company names

Retail Support International

Retail Support (Thailand) Co., Ltd.

(2) Non-equity-method affiliates

Non-equity-method affiliates: 2 companies

Japan Inforex, Inc.

ASC Co., Ltd.

Non-equity-method affiliates are excluded from the scope of equity-method affiliates because their profits or losses (amount corresponding to equity interest) and retained earnings (amount corresponding to equity interest) have a minimal impact on the consolidated financial statements and lack overall materiality.

3. Fiscal years, etc. of consolidated subsidiaries

Of the consolidated subsidiaries, the fiscal year end of MS FOODS USA INC. is December 31.

In preparing the consolidated financial statements, the financial statements of these subsidiaries as of their fiscal year-end are used. However, we have made adjustments necessary for consolidation with respect to significant transactions that occurred between January 1 and the consolidated fiscal year-end of March 31.

4. Accounting policies

(1) Valuation standards and methods for significant assets

① Securities

Available-for-sale securities

Other than available-for-sale securities, etc. without market value

Stated at market value based on the market price as of the end of the fiscal year (with any unrealized gains or losses reported directly as a component of net assets and the cost of securities sold calculated by the moving average method)

Available-for-sale securities, etc. without market value

Stated at cost using the moving average method

② Derivatives

Stated at market value

Hedge accounting method is used for forward exchange contracts that meet the requirements for hedge accounting as described in "(6) Accounting method for significant hedging transactions."

③ Inventories

Mainly stated at cost using the first-in, first-out method (the amounts of inventories on the balance sheet are determined by the write-down method reflecting decreased profitability).

(2) Depreciation method for significant assets

① Property, plant and equipment (excluding leased assets)

The straight-line method is applied to buildings (excluding facilities attached to buildings) and facilities attached to buildings and structures acquired on or after April 1, 2016, and the declining-balance method is applied to other tangible fixed assets.

The useful lives of property, plant and equipment are as follows.

Buildings and structures: 8 to 50 years

Machinery, equipment and vehicles: 4 to 15 years

② Intangible assets (excluding leased assets)

The straight-line method is applied.

Software for internal use is amortized over the estimated useful life (5 to 10 years) based on the straight-line method.

③ Leased assets

The straight-line method is used, assuming the lease period to be the useful life and the residual value to be zero.

Of finance lease transactions not involving transfer of ownership, lease transactions which started before the beginning of the initial fiscal year of application of the lease accounting standards are accounted for in accordance with the method applicable to ordinary lease transactions.

(3) Accounting standards for significant provisions

① Allowance for doubtful accounts

To prepare for losses from uncollectible receivables, estimates of uncollectible amounts are recorded based on historical loan-loss ratios for general receivables and on consideration of individual assessments of collectability for suspected bad debt or other specific receivables.

② Provision for bonuses

The estimated amount of bonus payment is recorded to prepare for the payment of employee bonuses.

③ Provision for bonuses for directors (and other officers)

The estimated amount of bonuses to be paid to directors and other officers is recorded to prepare for the payment of directors' bonuses.

④ Provision for share awards for directors (and other officers)

To deliver shares of the Company through the Board Incentive Plan (BIP) Trust, estimated future payments for shares are recorded in accordance with the points allotted to directors and executive officers (excluding external directors, non-permanent directors, secondees from other companies, and non-residents of Japan) based on the Share Delivery Regulations.

① Provision for retirement benefits for directors (and other officers)

At certain consolidated subsidiaries, to prepare for the payment of retirement benefits for directors (and other officers), a provision for retirement benefits for directors (and other officers) is recorded in the amount payable at each year-end in accordance with the internal rules.

(4) Accounting treatment method for retirement benefits

① Method for period attribution of retirement benefit estimates

In calculating retirement benefit obligations, the benefit formula standard is used as the basis for attributing the estimated amount of retirement benefits to the period up to the end of the fiscal year under review.

② Method for amortization of actuarial differences and past service costs

Past service costs are amortized using the straight-line method over a certain number of years (10 years) within the average remaining service period of the eligible employees at the time of accrual.

Actuarial differences are amortized using the straight-line method from the following fiscal year over a period within the average remaining service period of employees (10 years).

③ Adoption of the simplified method for small companies

In calculating retirement benefit liability and retirement benefit expenses, some consolidated subsidiaries apply the simplified method to calculate amounts of provision for retirement benefits and retirement benefit expenses. That is, the amount of retirement benefit obligations are the payments required for voluntary retirement as of each fiscal year end.

(5) Accounting standards for significant revenues and expenses

The Group primarily sells processed foods, frozen and chilled foods, alcoholic beverages, and confectionery. For the sale of these products, the Group considers that the performance obligation is satisfied when the customer is deemed to have acquired control over the products. Specifically, the Group recognizes revenue when the products are delivered to the customer. In addition, revenue is recognized at the amount of consideration promised in the contract with the customer, less discounts, rebates, returns, and a portion of office expenses. The consideration for performance obligations is received primarily within one year of satisfaction of the performance obligation and does not include a significant financial component.

In identifying performance obligations, the Company considers whether the Group is transacting as a party or as an agent, whether it has primary responsibility for providing goods or services to customers, whether it bears inventory risk, and whether it has discretionary power in setting sales prices. When the Group acts as an agent in a transaction, revenue is recognized at the net amount of the total consideration from the customer less the amount paid to the supplier. Transactions as an agent are included in all segments.

(6) Accounting method for significant hedging transactions

① Hedging method

The deferred hedge accounting method is used. However, the designated hedge accounting treatment is applied to forward exchange contracts that qualify for designated hedge accounting.

② Hedging instruments and hedged items

Hedging instruments

Forward exchange contracts

Hedged items

Foreign currency-denominated trade payables and planned foreign currency-denominated purchases

③ Hedging policy

The Company enters into forward exchange contract transactions to hedge the risk of future fluctuations in foreign exchange rates within the scope of normal purchase transactions in accordance with the regulations concerning forward exchange contracts.

④ Evaluation of hedge effectiveness

The assessment of effectiveness is omitted as the material terms of the hedging instruments and hedged items match and the correlation of foreign exchange fluctuations is expected to be maintained on an ongoing basis.

(7) Goodwill amortization and amortization periods

Goodwill is amortized using the straight-line method over the period in which it is expected to be effective (within 20 years from the date of recognition).

However, goodwill that is deemed immaterial is fully amortized at the time it is recognized.

Merger of the Company and RY FOODS SERVICE LIMITED	20 years
Acquisition of shares in KCS Co., Ltd.	15 years
Other	5 years

(8) Scope of cash and cash equivalents in the consolidated statement of cash flows

Cash and cash equivalents in the consolidated statement of cash flows consist of cash on hand, deposits drawable at any time, and short-term investments with maturities or redemption dates within 3 months of acquisition that are readily convertible into cash and are only exposed to negligible risk of changes in value.

(Additional information)

(Performance-linked stock compensation plan for directors, etc.)

The Company introduced a new performance-linked stock compensation plan (hereafter, the “Plan”) for its directors and executive officers (excluding external directors, non-permanent directors, secondees from other companies, and non-residents of Japan; hereafter, collectively referred to as “Directors, etc.”) based on the resolution at the FY2021 General Meeting of Shareholders held on June 27, 2022. The purpose of the Plan is to motivate Directors, etc. to contribute to increasing corporate value over the medium to long term, and promote their sharing of profits and risks, as well as visions with shareholders and all other stakeholders.

Accounting procedures regarding the Plan are in accordance with the “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees, etc. through Trusts” (Practical Issues Task Force No. 30, March 26, 2015).

1. Overview of transactions

The Company will adopt the Board Incentive Plan (BIP) Trust scheme for the Plan. During the fiscal years covered by the Company’s medium-term management plan, the Company will deliver or grant its shares and cash equivalent to the converted value of such shares to Directors, etc., based on their position and degree of achievement of performance targets.

2. Remaining shares in the BIP Trust

The Company’s remaining shares held in the BIP Trust are recorded at their trust book value (excluding ancillary expenses) as treasury shares under net assets. The book value and number of such shares at the end of the previous fiscal year were ¥337 million and 98,900, respectively. As of the end of the fiscal year under review (March 31, 2024), the book value and number of such shares were ¥337 million and 98,900, respectively.

(Consolidated balance sheet)

Note 1: Amounts of rebates receivable, a major item under accounts receivable-other, are as follows.

	(Millions of yen)	
	Fiscal year ended March 31, 2023 (as of March 31, 2023)	Fiscal year ended March 31, 2024 (as of March 31, 2024)
Rebates receivable	51,234	51,878

Note 2: Accumulated depreciation

	(Millions of yen)	
	Fiscal year ended March 31, 2023 (as of March 31, 2023)	Fiscal year ended March 31, 2024 (as of March 31, 2024)
Property, plant and equipment	83,002	87,952

Note 3: Items related to affiliated companies are as follows.

	(Millions of yen)	
	Fiscal year ended March 31, 2023 (as of March 31, 2023)	Fiscal year ended March 31, 2024 (as of March 31, 2024)
Investment securities (stocks)	1,102	1,102

4 Guarantee obligations

The Company guarantees the following affiliated companies' loans from financial institutions.

	(Millions of yen)	
	Fiscal year ended March 31, 2023 (as of March 31, 2023)	Fiscal year ended March 31, 2024 (as of March 31, 2024)
RETAIL SUPPORT(THAILAND) CO., LTD.	340	449

Note: Foreign currency-denominated guarantee obligations are converted into Japanese yen at the exchange rate at the time of account settlement.

(Consolidated statement of income)

Note 1: Revenue from contracts with customers

Net sales are not broken down into revenue from contracts with customers and other revenue. The amount of revenue from contracts with customers is presented in “Notes to Consolidated Financial Statements (Segment information, etc.) 3. Sales, profit or loss, assets, liabilities, and other items for each reportable segment, and breakdown of earnings.”

Note 2: Major items and amounts under selling, general and administrative expenses are as follows.

	(Millions of yen)	
	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Transportation and storage costs	59,432	57,682
Employees' salaries and allowances	28,231	27,400
Provision for bonuses	3,565	3,480
Provision for bonuses for directors (and other officers)	56	50
Provision for share awards for directors (and other officers)	75	166
Provision for retirement benefits for directors (and other officers)	0	0
Retirement benefit expenses	1,466	1,658

Note 3: Details of gain on sale of non-current assets are as follows.

	(Millions of yen)	
	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Land	—	0

Note 4: Impairment losses

The Group recorded impairment losses on the following asset categories.

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

Application	Type	Location
Business assets	Software, buildings, etc.	Nishinomiya City (Hyogo Prefecture) and 3 other locations
Idle assets	Buildings, etc.	Komaki City (Aichi Prefecture) and another location
Other	Goodwill	—

The Group categorizes its assets based on the units for which it is able to continuously monitor profits and losses. Specifically, for business assets, logistics centers serving specific customers are categorized individually, and other assets are categorized by geographic region based on managerial accounting classifications. In addition, lease assets, idle assets, and goodwill are categorized individually.

The book values of asset categories with declining profitability and assets and asset categories with significantly declining market value or no expected future use were reduced to their recoverable amounts, and the reduced amounts were recorded as an impairment loss (¥176 million) under extraordinary losses.

Impairment losses consisted of ¥118 million in business assets (including ¥55 million in software, ¥19 million in buildings and structures, and ¥43 million in other), ¥16 million in idle assets (including ¥7 million in buildings and structures and ¥8 million in other), and ¥41 million in goodwill.

The recoverable amounts for software were determined by valuing software deemed unlikely to be used in the future in systems of certain subsidiaries at zero. The recoverable amounts for other assets and asset categories were determined based on their net realizable value, which is mainly assessed and calculated based on Real Estate Appraisal Standards, etc.

Furthermore, the Company recorded an impairment loss equivalent to the full amount of goodwill as an extraordinary loss because the business environment changed from its initial expectations.

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Application	Type	Location
Business assets	Buildings, etc.	Bunkyo Ward (Tokyo) and another location
Idle assets	Lands, etc.	Akita City (Akita Prefecture) and 5 other locations

The Group categorizes its assets based on the units for which it is able to continuously monitor profits and losses. Specifically, for business assets, logistics centers serving specific customers are categorized individually, and other assets are categorized by geographic region based on managerial accounting classifications. In addition, lease assets, idle assets, and goodwill are categorized individually.

The book values of asset categories with declining profitability and assets and asset categories with significantly declining market value or no expected future use were reduced to their recoverable amounts, and the reduced amounts were recorded as an impairment loss (¥202 million) under extraordinary losses.

Impairment losses consisted of ¥95 million in business assets (including ¥67 million in buildings and structures, and ¥28 million in other), ¥106 million in idle assets (including ¥92 million in land and ¥14 million in other).

The recoverable amounts for assets were determined based on their net realizable value, which is mainly assessed and calculated based on Real Estate Appraisal Standards, etc.

(Consolidated statement of changes in equity)

Consolidated fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

1. Type and number of issued shares and treasury shares

(1) Issued shares

Type of shares	Number of shares at the beginning of the consolidated fiscal year	Increase	Decrease	Number of shares at the end of the consolidated fiscal year
Common shares	43,537,200	—	—	43,537,200

(2) Treasury shares

Type of shares	Number of shares at the beginning of the consolidated fiscal year	Increase	Decrease	Number of shares at the end of the consolidated fiscal year
Common shares	347	99,041	—	99,388

Note: The number of treasury shares (common shares) includes the shares of the Company held in the Board Incentive Plan (BIP) Trust account (0 shares at the beginning of the consolidated fiscal year under review, 98,900 shares at the end of the consolidated fiscal year under review).

(Overview of reasons for change)

The increase was due to the acquisition of shares by the BIP Trust account (98,900 shares) and the acquisition of shares less than one unit upon request (141 shares).

2. Dividends

(1) Dividends paid

(Resolution)	Type of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date
General Meeting of Shareholders held on June 27, 2022	Common shares	1,959	45.00	March 31, 2022	June 28, 2022
Board of Directors Meeting held on November 1, 2022	Common shares	1,959	45.00	September 30, 2022	December 2, 2022

Note: The total amount of dividends resolved at the Board of Directors Meeting held on November 1, 2022, includes ¥4 million in dividends for the shares of the Company held in the Board Incentive Plan (BIP) Trust account.

(2) Dividends with a record date falling in the consolidated fiscal year under review and an effective date falling in the following consolidated fiscal year

(Resolution)	Type of shares	Total amount of dividends (millions of yen)	Source of dividends	Dividend per share (yen)	Record date	Effective date
General Meeting of Shareholders to be held on June 26, 2023	Common shares	2,829	Retained earnings	65.00	March 31, 2023	June 27, 2023

Note: The total amount of dividends resolved at the General Meeting of Shareholders to be held on June 26, 2023 includes ¥6 million in dividends for the shares of the Company held in the BIP Trust account.

Consolidated fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

1. Type and number of issued shares and treasury shares

(1) Issued shares

Type of shares	Number of shares at the beginning of the consolidated fiscal year	Increase	Decrease	Number of shares at the end of the consolidated fiscal year
Common shares	43,537,200	—	—	43,537,200

(2) Treasury shares

Type of shares	Number of shares at the beginning of the consolidated fiscal year	Increase	Decrease	Number of shares at the end of the consolidated fiscal year
Common shares	99,388	387	—	99,775

Note: The number of treasury shares (common shares) includes the shares of the Company held in the Board Incentive Plan (BIP) Trust account (98,000 shares at the beginning of the consolidated fiscal year under review, 98,900 shares at the end of the consolidated fiscal year under review).

(Overview of reasons for change)

The increase was due to the acquisition of shares less than one unit upon request (387 shares).

2. Dividends

(1) Dividends paid

(Resolution)	Type of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date
General Meeting of Shareholders held on June 26, 2023	Common shares	2,829	65.00	March 31, 2023	June 27, 2023
Board of Directors Meeting held on November 1, 2023	Common shares	3,482	80.00	September 30, 2023	December 4, 2023

Note:1. The total amount of dividends resolved at the General Meeting of Shareholders held on June 26, 2023, includes ¥6 million in dividends for the shares of the Company held in the Board Incentive Plan (BIP) Trust account.

Note: 2. The total amount of dividends resolved at the Board of Directors Meeting held on November 1, 2023, includes ¥7 million in dividends for the shares of the Company held in the Board Incentive Plan (BIP) Trust account.

(2) Dividends with a record date falling in the consolidated fiscal year under review and an effective date falling in the following consolidated fiscal year

(Resolution)	Type of shares	Total amount of dividends (millions of yen)	Source of dividends	Dividend per share (yen)	Record date	Effective date
General Meeting of Shareholders to be held on June 24, 2023	Common shares	3,482	Retained earnings	80.00	March 31, 2024	June 25, 2024

Note: The total amount of dividends resolved at the General Meeting of Shareholders to be held on June 24, 2024 includes ¥7 million in dividends for the shares of the Company held in the BIP Trust account.

(Consolidated statement of cash flows)

Note: Reconciliation of year-end balance of cash and cash equivalents and items in the consolidated balance sheet.

	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Cash and deposits account	443	832
Short-term loans receivable	71,082	111,612
Cash and cash equivalents	71,525	112,445

(Segment information, etc.)

a. Segment information

1. Overview of reportable segments

The Group's reportable segments are constituent units of the Group for which separate financial information is available and which are evaluated regularly by the Board of Directors for the purpose of determining the allocation of management resources and assessing performance.

The Group is composed of several businesses such as the Processed foods business, the Frozen and chilled foods business, the Alcoholic beverages business, and the Confectionery business categorized by the products handled, which is aggregated into the above four business segments and presented as reportable segments.

The Processed foods business is engaged in the wholesale distribution of processed foods including seasonings, noodles and dried foods, and luxury foods and beverages, the Frozen and chilled foods business is engaged in the wholesale distribution of frozen and chilled products, the Alcoholic beverages business is engaged in the wholesale distribution of alcoholic beverages, and the Confectionery business is engaged in the wholesale distribution of confectionery.

In line with the partial changes made to the Group's performance management classification, "logistics business and other businesses," previously classified under the "Other" segment, are presented inclusively in the reportable segments of processed foods business, frozen and chilled foods business, alcoholic beverages business, and confectionery business from the beginning of the consolidated fiscal year under review. Segment information for the previous fiscal year is presented in accordance with the revised reportable segment classification.

2. Calculation methods for sales, profit or loss, assets, liabilities, and other items for each reportable segment

The accounting method for each business segment in the reportable segments is generally the same as that described in "Significant matters that serve as the basis for preparation of the consolidated financial statements."

Profit figures for reportable segments are based on operating profit.

Intersegment sales and transfers are based on reasonable internal transfer prices calculated based on prevailing market prices.

In addition, assets and liabilities are not allocated to each reportable segment as they cannot be allocated directly to each segment. Depreciation and impairment losses associated with each asset are allocated to each corresponding reportable segment in accordance with reasonable standards.

3. Sales, profit or loss, assets, liabilities, and other items for each reportable segment, and breakdown of earnings

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

	Reportable segments					Adjustments	Amount recorded on consolidated statement of income
	Processed foods	Frozen and chilled foods	Alcoholic beverages	Confectionery	Total		
Sales							
Revenue from contracts with customers	660,268	579,762	483,485	273,264	1,996,780	—	1,996,780
Other revenue	—	—	—	—	—	—	—
Sales generated through external customers	660,268	579,762	483,485	273,264	1,996,780	—	1,996,780
Intersegment sales and transfers	2,878	11	119	2	3,011	(3,011)	—
Total	663,146	579,774	483,604	273,266	1,999,791	(3,011)	1,996,780
Segment profit	5,766	12,300	3,626	3,329	25,024	(1,590)	23,433
Depreciation	3,276	5,565	1,268	1,609	11,720	(0)	11,720

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

	Reportable segments					Adjustments	Amount recorded on consolidated statement of income
	Processed foods	Frozen and chilled foods	Alcoholic beverages	Confectionery	Total		
Sales							
Revenue from contracts with customers	674,365	613,753	495,039	293,223	2,076,381	—	2,076,381
Other revenue	—	—	—	—	—	—	—
Sales generated through external customers	674,365	613,753	495,039	293,223	2,076,381	—	2,076,381
Intersegment sales and transfers	1,731	533	132	2	2,400	(2,400)	—
Total	676,097	614,287	495,172	293,226	2,078,782	(2,400)	2,076,381
Segment profit	7,236	15,272	3,649	4,841	30,999	(1,471)	29,528
Depreciation	3,673	5,528	1,353	1,750	12,306	(3)	12,303

4. Difference between the total amount of reportable segments and the amount recorded in the consolidated financial statements and key details of differences (matters related to adjustment of differences)

Profit	(Millions of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Total of reportable segments	25,024	30,999
Amortization of goodwill	(298)	(298)
Corporate-wide expenses	(1,292)	(1,173)
Operating profit on consolidated statement of income	23,433	29,528

b. Related information

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

1. Information by product and service

This information is omitted because the same information is disclosed in the segment information.

2. Information by region

(1) Sales

Sales by region are omitted because sales generated through external customers in Japan account for more than 90% of net sales stated on the Company's consolidated statement of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment stated on the consolidated balance sheet.

3. Information by major customer

(Millions of yen)		
Customer name	Sales	Name of related segment
Lawson, Inc.	320,509	Processed foods, frozen and chilled foods

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

1. Information by product and service

This information is omitted because the same information is disclosed in the segment information.

2. Information by region

(1) Sales

Sales by region are omitted because sales generated through external customers in Japan account for more than 90% of net sales stated on the Company's consolidated statement of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment stated on the consolidated balance sheet.

3. Information by major customer

(Millions of yen)		
Customer name	Sales	Name of related segment
Lawson, Inc.	337,700	Processed foods, frozen and chilled foods

c. Information regarding impairment losses on non-current assets by reportable segment

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Processed foods	Frozen and chilled foods	Alcoholic beverages	Confectionery	Corporate-wide and eliminations*	Total
Impairment losses	42	125	7	1	—	176

Note: The amount shown in "Corporate-wide and eliminations" is related to corporate-wide assets that do not belong to any reportable segment.

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Processed foods	Frozen and chilled foods	Alcoholic beverages	Confectionery	Corporate-wide and eliminations*	Total
Impairment losses	68	57	31	44	—	202

Note: The amount shown in "Corporate-wide and eliminations" is related to corporate-wide assets that do not belong to any reportable segment.

d. Information regarding amortization of goodwill and unamortized balance by reportable segment

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Processed foods	Frozen and chilled foods	Alcoholic beverages	Confectionery	Corporate-wide and eliminations*	Total
Amortization for the year	—	99	—	—	298	397
Balance at end of period	—	1,107	—	—	1,043	2,150

Note: The amount shown in "Corporate-wide and eliminations" is the result of the merger between the Company and RY FOODS SERVICE LIMITED and cannot be allocated to any reportable segment.

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Processed foods	Frozen and chilled foods	Alcoholic beverages	Confectionery	Corporate-wide and eliminations*	Total
Amortization for the year	—	79	—	—	298	377
Balance at end of period	—	1,028	—	—	745	1,773

Note: The amount shown in "Corporate-wide and eliminations" is the result of the merger between the Company and RY FOODS SERVICE LIMITED and cannot be allocated to any reportable segment.

e. Information regarding gain on bargain purchase by reportable segment

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

There are no applicable matters to report.

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

There are no applicable matters to report.

(Per share information)

	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Net assets per share	4,203.59 yen	4,692.64 yen
Earnings per share	393.93 yen	519.89 yen

Notes: 1. Diluted earnings per share is not shown as there are no dilutive shares.

2. In the calculation of net assets per share, the shares of the Company held in the Board Incentive Plan (BIP) Trust account are included in the treasury shares deducted from the total number of issued shares at the end of the period (previous fiscal year: 98,900 shares; consolidated fiscal year under review: 98,900 shares). In addition, in the calculation of earnings per share, the shares held in the BIP Trust account are included in the treasury shares deducted in the calculation of the average number of shares outstanding during the period (previous fiscal year: 98,900 shares; consolidated fiscal year under review: 98,900 shares).

3. The basis of calculation for earnings per share is as follows:

		Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Profit attributable to owners of parent	(millions of yen)	17,126	22,582
Amount not attributable to common shareholders	(millions of yen)	—	—
Profit attributable to owners of parent with respect to common stock	(millions of yen)	17,126	22,582
Average number of shares outstanding during period	(number of shares)	43,475,913	43,437,610

4. Other

(1) Sales by product category

(Rounded down to the nearest million yen)

Product category	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)		Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	
	Amount	% of total sales	Amount	% of total sales
Canned foods and seasonings	239,176	12.0	241,598	11.5
Noodles and dried foods	142,552	7.1	148,553	7.2
Luxury foods and beverages	221,183	11.1	224,648	10.8
Confectionery	271,944	13.6	290,066	14.0
Frozen and chilled foods	477,327	23.9	503,543	24.3
Beer	253,176	12.7	257,863	12.4
Other alcoholic beverages	208,127	10.4	215,195	10.4
Others	183,290	9.2	194,912	9.4
Total	1,996,780	100.0	2,076,381	100.0

(2) Sales by business format

(Rounded down to the nearest million yen)

Business format	Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)		Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	
	Amount	% of total sales	Amount	% of total sales
Wholesalers	197,661	9.9	210,048	10.1
Supermarkets	936,097	47.3	948,935	45.7
Convenience stores	370,242	18.6	389,083	18.7
Drugstores	166,691	8.3	172,211	8.3
Users	42,686	2.1	49,412	2.4
Other direct sales	231,665	11.2	252,395	12.2
(Total of direct sales)	1,747,383	87.5	1,812,039	87.3
Manufacturers and others	51,735	2.6	54,294	2.6
Total	1,996,780	100.0	2,076,381	100.0

Notes: 1. Users are businesses that provide food and beverage services directly to consumers, such as restaurants and food service operators that provide home-meal replacements and school lunches.

2. Other direct sales include discount stores, e-commerce operators, home improvement stores, department stores, etc.

* In line with the partial changes made to the business format classification from the beginning of the current fiscal year, "sales by business format" for the fiscal year ended March 31, 2023 are presented in accordance with the revised classification.

Disclaimer: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.