

Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 <under J-GAAP>

Company name: **Toyo Suisan Kaisha, Ltd.**
 Listing: Prime Market of the Tokyo Stock Exchange
 Securities code: 2875
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Scheduled date of ordinary general meeting of shareholders: June 23, 2022
 Scheduled date of start of dividend payment: June 24, 2022
 Scheduled date of filing of annual securities report: June 23, 2022
 Preparation of results presentation materials: Yes
 Holding of results briefing meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen have been omitted.)

1. Consolidated Operating Results (from April 1, 2021 to March 31, 2022)

(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	%
FY2022 ended Mar. 31, 2022	361,495	6.1	29,737	(18.4)	31,834	(17.7)	22,414	(22.9)
FY2021 ended Mar. 31, 2021	340,841	–	36,460	28.6	38,697	23.4	29,070	24.3

Note: Comprehensive income FY2022 ended March 31, 2022: 33,164 million yen [(1.4)%]
 FY2021 ended March 31, 2021: 33,642 million yen [81.1%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
FY2022 ended Mar. 31, 2022	219.48	–	6.5	7.2	8.2
FY2021 ended Mar. 31, 2021	284.64	–	9.1	9.3	10.7

Reference: Share of profit (loss) of entities accounted for using equity method

FY2022 ended March 31, 2022: 146 million yen

FY2021 ended March 31, 2021: 40 million yen

The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc., from the beginning of the fiscal year ended March 31, 2022. In addition, in accordance with principle-based treatment, the new accounting policy has been retrospectively applied to all prior periods. Accordingly, the year-on-year change for net sales for the fiscal year ended March 31, 2021 is not shown due to the retrospective adjustment in accordance with the change in the accounting policy.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2022	454,670	367,145	78.1	3,474.89
As of Mar. 31, 2021	428,651	343,319	77.3	3,245.53

Reference: Equity

As of March 31, 2022: 354,882 million yen

As of March 31, 2021: 331,459 million yen

The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc., from the beginning of the fiscal year ended March 31, 2022. In addition, in accordance with principle-based treatment, the new accounting policy has been retrospectively applied to all prior periods. Accordingly, the consolidated financial position for the fiscal year ended March 31, 2021 was retrospectively adjusted.

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2022 ended Mar. 31, 2022	33,293	(27,308)	(9,596)	29,351
FY2021 ended Mar. 31, 2021	47,783	(49,985)	(8,591)	32,832

2. Dividends

	Full Year Dividends					Total dividend payments (Full-year)	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1 st quarter-end	2 nd quarter-end	3 rd quarter-end	Year-end	For the year			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2021	–	40.00	–	50.00	90.00	9,195	31.6	2.9
FY2022	–	40.00	–	50.00	90.00	9,195	41.0	2.7
FY2023 (Forecast)	–	40.00	–	50.00	90.00		34.0	

3. Consolidated Results Forecasts for FY2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Half year	194,000	13.8	16,000	8.1	16,700	6.3	11,300	3.0	110.65
Full year	405,000	12.0	36,500	22.7	38,000	19.4	27,000	20.5	264.37

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- a. Changes in accounting policies due to amendments to accounting standards and other regulations: Yes
- b. Changes in accounting policies due to other reasons: None
- c. Changes in accounting estimates: None
- d. Restatement: None

(3) Number of shares issued (common stock)

- a. Number of shares issued at end of period (including treasury shares)

As of March 31, 2022	110,881,044 shares
As of March 31, 2021	110,881,044 shares

- b. Number of treasury shares at end of period

As of March 31, 2022	8,753,303 shares
As of March 31, 2021	8,753,164 shares

c. Average number of shares outstanding during the period

FY2022 ended March 31, 2022	102,127,825 shares
FY2021 ended March 31, 2021	102,128,064 shares

(Reference) Summary of Non-Consolidated Operating Results

1. Non-Consolidated Operating Results (from April 1, 2021 to March 31, 2022)

(1) Non-Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2022 ended Mar. 31, 2022	199,367	(0.3)	15,258	(10.4)	25,526	10.6	20,408	14.9
FY2021 ended Mar. 31, 2021	200,006	–	17,023	31.4	23,071	25.9	17,767	21.1

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2022 ended Mar. 31, 2022	199.74	–
FY2021 ended Mar. 31, 2021	173.89	–

The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc., from the beginning of the fiscal year ended March 31, 2022. In addition, in accordance with principle-based treatment, the new accounting policy has been retrospectively applied to all prior periods. Accordingly, the year-on-year change for net sales for the fiscal year ended March 31, 2021 is not shown due to the retrospective adjustment in accordance with the change in the accounting policy.

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2022	276,505	192,819	69.7	1,887.11
As of Mar. 31, 2021	262,910	182,234	69.3	1,783.52

Reference: Equity

As of March 31, 2022: 192,819 million yen

As of March 31, 2021: 182,234 million yen

* Financial results reports are not required to be audited by certified public accountants or an audit corporation.

* Explanation related to the appropriate use of the results forecasts and other items warranting special mention

(Caution regarding forward-looking statements)

Forward-looking statements in this document, including the results forecasts, etc., are based on the information available as of the date of the release of this document and the preconditions that the Company deemed to be reasonable; they are not meant to be a commitment by the Company, and a variety of factors in the future may cause actual results to differ materially from these forecasts. Please refer to Section: “1. Overview of Operating Results and Others, (4) Future outlook” on page 4 of the attachments for the preconditions for the results forecasts and items to exercise caution in the use of these results forecasts.

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1. Overview of Operating Results and Others

(1) Overview of the consolidated operating results for the current fiscal year

During the fiscal year ended March 31, 2022, the conditions in the Japanese economy remained challenging due to the impact of the novel coronavirus disease (COVID-19). Looking ahead, although recovery is expected on the back of results from various economic measures and the improvement of overseas economies amid the restoration of socioeconomic activities toward normalcy as all possible measures against infection are implemented, it is necessary to closely monitor the impact on Japanese and overseas economies caused by COVID-19 and the situation in Ukraine and the impact of fluctuations in financial and capital markets, etc.

Under these circumstances, the Toyo Suisan Group (hereafter, the “Group”) has remained committed to its mission “to contribute to society through foods” and “to provide safe and secure foods and services to customers” under the corporate slogan of “Smiles for All.” The Group continued to implement further cost reductions and promoted aggressive sales activities in its efforts to face an increasingly competitive sales environment.

As a result, net sales were ¥361,495 million (up 6.1% year on year), operating profit was ¥29,737 million (down 18.4% year on year), ordinary profit was ¥31,834 million (down 17.7% year on year), and profit attributable to owners of parent was ¥22,414 million (down 22.9% year on year) for the current fiscal year.

The foreign exchange rate for the fiscal year was ¥122.41 to the U.S. dollar (¥110.71 to the U.S. dollar for the previous fiscal year).

The operating results by segment are as follows.

[Seafood Segment]

In the Seafood Segment, due to the impact of requests for the public to stay at home and other measures to prevent the spread of COVID-19, although the volume of sales of products for convenience stores decreased, the business expanded mainly due to increase in sales for prepared food departments of some supermarkets and food delivery businesses. As a result, segment sales were ¥25,017 million (up 0.5% year on year) and segment profit was ¥161 million (up 917.0% year on year) mainly due to an improvement in the cost of sales ratio of fish eggs and an increase in shipments, despite the surge in the price of tuna as a raw material and rising procurement costs of salmon and trout.

[Overseas Instant Noodles Segment]

In the Overseas Instant Noodles Segment, sales increased amid the continuing high demand compared to before the COVID-19 pandemic, as sales in the U.S. increased for the Ramen series, one of our signature products in bag-type noodles, while sales were also favorable for cup-type noodles such as the Yakisoba series and Bowl series, in addition to Instant Lunch series which is one of our signature products. In Mexico, sales increased due to favorable sales of both cup-type noodles, our signature products, and bag-type noodles. As a result, segment sales were ¥114,235 million (up 21.5% year on year). Segment profit was ¥10,057 million (down 37.5% year on year) mainly due to an increase in raw material costs resulting from higher prices of the main raw materials and an increase in distribution costs resulting from a higher unit price of freight, despite the effect of sales increase.

[Domestic Instant Noodles Segment]

In the Domestic Instant Noodles Segment, sales increased for cup-type noodles amid the continuing high demand compared to before the COVID-19 pandemic as sales of the Japanese-style series including *Akai Kitsune Udon* and *Midori no Tanuki Ten Soba* were about the same as the previous year while sales of our signature products, the *MARUCHAN QTTA* series, *Menzukuri* series and *Gotsu mori* series, were favorable. Sales in bag-type noodles decreased despite efforts to expand sales mainly of the *Maruchan Seimen* series, which celebrated its 10th anniversary in November 2021 with the launch of a commemorative product. As a result, segment sales were ¥95,528 million (down 0.3% year on year) and segment profit was ¥10,849 million (down 18.5% year on year) due to increases mainly in motive utility costs and sales promotion costs, despite factors such as decreases in personnel expenses and transportation and storage costs.

[Frozen and Refrigerated Foods Segment]

In the Frozen and Refrigerated Foods Segment, due to the impact of requests for the public to stay at home and other measures to prevent the spread of COVID-19, sales of products for restaurants, workplace cafeterias, etc. continued on a downward trend. Sales in fresh noodles decreased despite efforts to expand sales mainly of the *Maruchan Yakisoba (Three-Meal Package)* series, which is one of our signature products, and the *Maruchan Fresh Ramen Noodle (Three-Meal Package)* series, amid continuing demand for home cooking. As a result, segment sales were ¥51,311 million (down 2.6% year on year) and segment profit was ¥6,372 million (down 6.6% year on year) mainly due to a decrease in sales and an increase in motive utility costs.

[Processed Foods Segment]

In the Processed Foods Segment, sales increased amid the continuing high demand compared to before the COVID-19 pandemic as sales of aseptically packaged cooked rice products were strong, in addition to favorable results due to the plan to increase the portions of our retort packaged cooked rice products and the launch of new products. Sales continued to be favorable and increased for freeze-dried products due to the expansion of customers, mainly for the *Sozai no Chikara* series, a freeze-dried soup product with five packs in one bag, and the increase of opportunities for eating at home. As a result, segment sales were ¥19,494 million (up 4.6% year on year), and the segment reported a segment profit of ¥230 million (compared with a segment loss of ¥666 million in the corresponding period of the previous fiscal year) mainly due to an increase in sales and a decrease in personnel expenses, despite an increase in motive utility costs.

[Cold-Storage Segment]

Although conditions in the Cold-Storage Segment were challenging due to stored inventory falling year on year mainly because of the impact of the spread of COVID-19 and global logistics disruption, handling of household frozen foods increased and handling of home deliveries was steady due to stay-at-home demand as the public stays at home. As a result, segment sales were ¥22,142 million (up 4.9% year on year) and segment profit was ¥2,342 million (up 89.1% year on year) due to factors such as a decrease in personnel expenses in addition to not having temporary expenses from the operation of new cold storage facilities in the previous year, despite an increase in power costs caused by higher costs for electricity.

[Other Business Segment]

The Other Business Segment consists of mainly the packed lunch/deli food business. Segment sales were ¥33,765 million (up 0.3% year on year) while segment profit was ¥766 million (up 47.5% year on year).

(2) Overview of the financial position for the current fiscal year

The total assets of the Group increased by ¥26,019 million (6.1%) compared with the end of the previous fiscal year, to ¥454,670 million. The positions of assets, liabilities, net assets at the end of the current fiscal year are as follows.

[Current assets]

Current assets increased by ¥25,427 million (10.7%) compared with the end of the previous fiscal year, to ¥263,406 million. The main contributing factor was an increase in securities.

[Non-current assets]

Non-current assets increased by ¥592 million (0.3%) compared with the end of the previous fiscal year, to ¥191,264 million. The main contributing factor was an increase in machinery, equipment and vehicles.

[Current liabilities]

Current liabilities increased by ¥1,188 million (2.1%) compared with the end of the previous fiscal year, to ¥59,038 million. The main contributing factor was an increase in notes and accounts payable - trade.

[Non-current liabilities]

Non-current liabilities increased by ¥1,005 million (3.7%) compared with the end of the previous fiscal year, to ¥28,487 million. The main contributing factor was an increase in retirement benefit liability.

[Net assets]

Net assets increased by ¥23,825 million (6.9%) compared with the end of the previous fiscal year, to ¥367,145 million. The main contributing factors were increases in retained earnings and foreign currency translation adjustment.

(3) Overview of cash flows for the current fiscal year

Cash and cash equivalents (hereafter, referred to as “cash”) as of the end of the current fiscal year decreased by ¥3,481 million from the end of the previous fiscal year to ¥29,351 million. The respective cash flow positions are as follows.

[Cash flows from operating activities]

Net cash provided by operating activities decreased by ¥14,490 million compared with the previous fiscal year to ¥33,293 million. The main contributing factors were a decrease in cash due to an increase in trade receivables and a decrease in profit before income taxes.

[Cash flows from investing activities]

Net cash used in investing activities decreased by ¥22,676 million compared with the previous fiscal year to ¥27,308 million. The main contributing factor was an increase in proceeds from withdrawal of time deposits.

[Cash flows from financing activities]

Net cash used in financing activities increased by ¥1,005 million compared with the previous fiscal year to ¥9,596 million. The main contributing factor was an increase in dividends paid.

(Reference) Trends in cash flow indicators

	Fiscal year ended March, 2021	Fiscal year ended March, 2022
Equity ratio (%)	77.3	78.1
Equity ratio based on market value (%)	110.8	98.2
Interest-bearing debt to cash flow ratio (annual)	0.0	0.0
Interest coverage ratio (times)	199.2	143.8

(Notes) 1. The calculating formula of each indicator is as follows.

Equity ratio : Equity capital/Total assets

Equity ratio based on market value : Total market capitalization (Closing stock price at end of period × Number of shares issued and outstanding at end of period)/Total assets

Interest-bearing debt to cash flow ratio : Interest-bearing debt (corporate bonds, short- and long-term borrowings)/Cash flow

Interest coverage ratio : Cash flow/Interest payment (interest expenses)

2. Each indicator is calculated by the financial numerical values on a consolidated basis.

3. Total market capitalization is calculated by multiplying the closing stock price at the end of the period by the number of shares issued and outstanding at the end of the period.

4. Cash flow uses the “Net cash provided by operating activities” of the consolidated statement of cash flows.

5. Interest-bearing debt includes all liabilities as recorded on the consolidated balance sheet on which interest is paid. Moreover, the interest payment uses the “Interest paid” on the consolidated statement of cash flows.

(4) Future outlook

Regarding the prospects for the next fiscal year (fiscal year ending March 31, 2023), although recovery is expected on the back of results from various economic measures and the improvement of overseas economies amid the restoration of socioeconomic activities toward normalcy as all possible measures against COVID-19 infection are implemented, it is necessary to closely monitor the impact on Japanese and overseas economies caused by COVID-19 and the situation in Ukraine and the impact of fluctuations in financial and capital markets, etc.

In the food industry, while consumer consciousness in terms of protecting livelihood and preferences for low-priced products continues, market situations are still tough. Moreover, the demand for social responsibility on the part of companies, such as food safety and assurance, is ever increasing. The Group is further implementing vigorous sales activities that strengthen sales promotions by region and product. In addition, even on the cost side, in order to address more severe competition in sales, the Group will concentrate on thorough cost reductions by restructuring the distribution system and in the manufacturing division.

From the above, therefore, it is expected that the net sales for the full fiscal year will be ¥405,000 million, the operating profit will be ¥36,500 million, the ordinary profit will be ¥38,000 million, and the profit attributable to owners of parent will be ¥27,000 million. The Japanese yen to U.S. dollar currency exchange rate is forecasted to be ¥122.00.

2. Basic Rationale for Selection of Accounting Standard

The Group currently prepares the consolidated financial statements according to the generally accepted accounting standards in Japan (Japanese GAAP), as it makes it possible to compare the consolidated financial statements against previous fiscal year and against other companies.

The Group is considering applying IFRS in the future in light of the trends of other companies in Japan applying IFRS.

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated balance sheets

(Millions of yen)

	As of end FY2021 (March 31, 2021)	As of end FY2022 (March 31, 2022)
Assets		
Current assets		
Cash and deposits	117,544	112,922
Notes and accounts receivable - trade	51,567	–
Notes receivable - trade	–	889
Accounts receivable - trade	–	55,799
Securities	42,000	65,000
Merchandise and finished goods	14,467	16,467
Work in process	433	387
Raw materials and supplies	9,440	9,459
Other	3,124	3,091
Allowance for doubtful accounts	(599)	(611)
Total current assets	237,978	263,406
Non-current assets		
Property, plant and equipment		
Buildings and structures	167,279	173,632
Accumulated depreciation and impairment	(92,568)	(98,991)
Buildings and structures, net	74,710	74,641
Machinery, equipment and vehicles	142,030	154,059
Accumulated depreciation and impairment	(105,250)	(113,683)
Machinery, equipment and vehicles, net	36,779	40,376
Land	34,661	34,994
Leased assets	5,628	5,559
Accumulated depreciation and impairment	(3,456)	(3,690)
Leased assets, net	2,172	1,869
Construction in progress	8,310	6,153
Other	6,734	6,904
Accumulated depreciation and impairment	(5,431)	(5,744)
Other, net	1,303	1,160
Total property, plant and equipment	157,938	159,195
Intangible assets		
Software	974	956
Other	293	354
Total intangible assets	1,267	1,311
Investments and other assets		
Investment securities	29,169	28,256
Deferred tax assets	1,358	1,517
Retirement benefit asset	37	38
Other	900	945
Total investments and other assets	31,465	30,758
Total non-current assets	190,672	191,264
Total assets	428,651	454,670

(Millions of yen)

	As of end FY 2021 (March 31, 2021)	As of end FY 2022 (March 31, 2022)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,825	28,452
Short-term borrowings	350	378
Lease liabilities	296	285
Accrued expenses	22,988	24,072
Income taxes payable	4,306	2,336
Provision for bonuses for directors (and other officers)	231	139
Provision for removal cost of property, plant and equipment	24	61
Asset retirement obligations	10	5
Other	4,817	3,306
Total current liabilities	57,850	59,038
Non-current liabilities		
Lease liabilities	3,519	3,286
Deferred tax liabilities	1,983	1,975
Provision for retirement benefits for directors (and other officers)	320	322
Retirement benefit liability	20,221	21,510
Provision for loss on business of subsidiaries and associates	35	—
Asset retirement obligations	213	211
Other	1,188	1,181
Total non-current liabilities	27,481	28,487
Total liabilities	85,331	87,525
Net assets		
Shareholders' equity		
Share capital	18,969	18,969
Capital surplus	22,942	22,942
Retained earnings	289,000	302,223
Treasury shares	(8,233)	(8,234)
Total shareholders' equity	322,678	335,901
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,006	8,330
Deferred gains or losses on hedges	16	46
Foreign currency translation adjustment	1,743	13,329
Remeasurements of defined benefit plans	(1,985)	(2,724)
Total accumulated other comprehensive income	8,780	18,981
Non-controlling interests	11,860	12,262
Total net assets	343,319	367,145
Total liabilities and net assets	428,651	454,670

(2) Consolidated statements of income and comprehensive income
(Consolidated statements of income)

(Millions of yen)

	FY2021 (from April 1, 2020 to March 31, 2021)	FY2022 (from April 1, 2021 to March 31, 2022)
Net sales	340,841	361,495
Cost of sales	248,010	270,977
Gross profit	92,830	90,518
Selling, general and administrative expenses		
Transportation and storage costs	26,823	30,195
Advertising expenses	4,285	4,281
Promotion expenses	3,019	3,550
Salaries	6,274	6,487
Bonuses	2,543	2,161
Retirement benefit expenses	1,210	1,162
Provision for bonuses for directors (and other officers)	217	130
Provision for retirement benefits for directors (and other officers)	25	20
Depreciation	1,047	938
Research and development expenses	1,569	1,570
Other	9,353	10,280
Total selling, general and administrative expenses	56,370	60,780
Operating profit	36,460	29,737
Non-operating income		
Interest income	996	385
Dividend income	504	532
Share of profit of entities accounted for using equity method	40	146
Rent income	359	378
Foreign exchange gains	121	337
Miscellaneous income	617	688
Total non-operating income	2,641	2,469
Non-operating expenses		
Interest expenses	239	231
Rental costs	46	41
Miscellaneous losses	118	98
Total non-operating expenses	404	372
Ordinary profit	38,697	31,834
Extraordinary income		
Gain on sale of non-current assets	64	7
Subsidy income	1,961	405
Other	18	17
Total extraordinary income	2,044	430

(Millions of yen)

	FY2021 (from April 1, 2020 to March 31, 2021)	FY2022 (from April 1, 2021 to March 31, 2022)
Extraordinary losses		
Loss on sale and retirement of non-current assets	340	259
Impairment losses	40	64
Loss on valuation of shares of subsidiaries and associates	1,129	–
Provision for removal cost of property, plant and equipment	24	61
Loss on disaster	297	250
Other	0	42
Total extraordinary losses	1,832	678
Profit before income taxes	38,909	31,586
Income taxes - current	10,552	8,271
Income taxes - deferred	(1,253)	299
Total income taxes	9,298	8,571
Profit	29,610	23,015
Profit attributable to non-controlling interests	540	600
Profit attributable to owners of parent	29,070	22,414

(Consolidated statements of comprehensive income)

(Millions of yen)

	FY2021 (from April 1, 2020 to March 31, 2021)	FY2022 (from April 1, 2021 to March 31, 2022)
Profit	29,610	23,015
Other comprehensive income		
Valuation difference on available-for-sale securities	1,736	(680)
Deferred gains or losses on hedges	4	30
Foreign currency translation adjustment	1,706	11,585
Remeasurements of defined benefit plans, net of tax	595	(768)
Share of other comprehensive income of entities accounted for using equity method	(12)	(18)
Total other comprehensive income	4,031	10,149
Comprehensive income	33,642	33,164
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	32,983	32,615
Comprehensive income attributable to non-controlling interests	658	549

(3) Consolidated statements of changes in equity
Previous fiscal year (from April 1, 2020 to March 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,969	22,942	268,100	(8,230)	301,781
Changes during period					
Dividends of surplus			(8,170)		(8,170)
Profit attributable to owners of parent			29,070		29,070
Purchase of treasury shares				(2)	(2)
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Net changes in items other than shareholders' equity					
Total changes during period	–	(0)	20,899	(2)	20,897
Balance at end of period	18,969	22,942	289,000	(8,233)	322,678

	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	7,372	11	37	(2,555)	4,866	11,345	317,994
Changes during period							
Dividends of surplus							(8,170)
Profit attributable to owners of parent							29,070
Purchase of treasury shares							(2)
Change in ownership interest of parent due to transactions with non-controlling interests							(0)
Net changes in items other than shareholders' equity	1,633	4	1,706	569	3,913	514	4,428
Total changes during period	1,633	4	1,706	569	3,913	514	25,325
Balance at end of period	9,006	16	1,743	(1,985)	8,780	11,860	343,319

Current fiscal year (from April 1, 2021 to March 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,969	22,942	289,000	(8,233)	322,678
Changes during period					
Dividends of surplus			(9,191)		(9,191)
Profit attributable to owners of parent			22,414		22,414
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	(0)	13,223	(0)	13,222
Balance at end of period	18,969	22,942	302,223	(8,234)	335,901

	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	9,006	16	1,743	(1,985)	8,780	11,860	343,319
Changes during period							
Dividends of surplus							(9,191)
Profit attributable to owners of parent							22,414
Purchase of treasury shares							(0)
Change in ownership interest of parent due to transactions with non-controlling interests							(0)
Net changes in items other than shareholders' equity	(676)	30	11,585	(738)	10,200	402	10,603
Total changes during period	(676)	30	11,585	(738)	10,200	402	23,825
Balance at end of period	8,330	46	13,329	(2,724)	18,981	12,262	367,145

(4) Consolidated statements of cash flows

(Millions of yen)

	FY2021 (from April 1, 2020 to March 31, 2021)	FY2022 (from April 1, 2021 to March 31, 2022)
Cash flows from operating activities		
Profit before income taxes	38,909	31,586
Depreciation	15,009	15,274
Impairment losses	40	64
Loss on valuation of shares of subsidiaries and associates	1,129	–
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(5)	1
Increase (decrease) in provision for bonuses for directors (and other officers)	87	(91)
Increase (decrease) in allowance for doubtful accounts	(50)	12
Increase (decrease) in retirement benefit liability	771	219
Interest and dividend income	(1,501)	(918)
Interest expenses	239	231
Share of loss (profit) of entities accounted for using equity method	(40)	(146)
Loss (gain) on sale and retirement of property, plant and equipment	299	252
Decrease (increase) in trade receivables	5,607	(4,821)
Decrease (increase) in inventories	(1,441)	(1,424)
Increase (decrease) in trade payables	(747)	3,393
Increase (decrease) in accrued expenses	(278)	850
Other, net	(892)	(1,629)
Subtotal	57,137	42,853
Interest and dividends received	1,774	1,128
Interest paid	(239)	(231)
Income taxes paid	(10,888)	(10,457)
Net cash provided by (used in) operating activities	47,783	33,293
Cash flows from investing activities		
Payments into time deposits	(87,198)	(84,359)
Proceeds from withdrawal of time deposits	76,789	93,153
Purchase of securities	(83,000)	(107,000)
Proceeds from sale and redemption of securities	60,000	84,000
Purchase of property, plant and equipment	(15,965)	(12,637)
Proceeds from sale of property, plant and equipment	337	8
Purchase of intangible assets	(335)	(328)
Purchase of investment securities	(772)	(236)
Proceeds from sale of investment securities	34	2
Loan advances	(1,459)	(1,910)
Proceeds from collection of loans receivable	1,559	1,871
Other, net	24	128
Net cash provided by (used in) investing activities	(49,985)	(27,308)

(Millions of yen)

	FY2021 (from April 1, 2020 to March 31, 2021)	FY2022 (from April 1, 2021 to March 31, 2022)
Cash flows from financing activities		
Proceeds from short-term borrowings	750	749
Repayments of short-term borrowings	(724)	(721)
Purchase of treasury shares of subsidiaries	(2)	(0)
Dividends paid	(8,164)	(9,185)
Dividends paid to non-controlling interests	(140)	(141)
Other, net	(309)	(296)
Net cash provided by (used in) financing activities	(8,591)	(9,596)
Effect of exchange rate change on cash and cash equivalents	228	130
Net increase (decrease) in cash and cash equivalents	(10,564)	(3,481)
Cash and cash equivalents at beginning of period	43,396	32,832
Cash and cash equivalents at end of period	32,832	29,351

(5) Notes to consolidated financial statements

(Notes on going concern assumptions)

Not applicable

(Changes in accounting policies)

(Application of Accounting Standard for Revenue Recognition, etc.)

The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc., from the beginning of the fiscal year ended March 31, 2022, and it has recognized revenue at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services. The changes due to this application are as follows.

1. A portion of the sales promotion expenses, etc. that had previously been recorded as selling, general and administrative expenses is deducted from net sales.
2. For buy-sell transactions, raw materials, etc. supplied for value were previously derecognized. However, because the Company has an obligation to repurchase the supplied raw materials, etc. in the transactions, the supplied raw materials, etc. will not be derecognized. In addition, revenue related to the transfer of the supplied materials in the transactions is not recognized.
3. For some transactions, the total amount of consideration received from customers was recognized as revenue previously. However, for transactions in which the role of the Group is to serve as an agent or trustee in providing good or services to customers, revenue is recognized as the net amount calculated by deducting the amount paid to suppliers from the amount of consideration received from customers.

The change in the accounting policy has been applied retrospectively, in principle. Therefore, the new accounting policy was reflected in the consolidated financial statements for the previous fiscal year; provided, however, that in the retrospective application, the methods set forth in paragraph 85 of the Accounting Standard for Revenue Recognition were applied.

- (1) Comparative information is not retrospectively restated for contracts where nearly all the revenue amounts have been recognized prior to the beginning of the previous fiscal year subject to the previous treatment
- (2) Comparative information is retrospectively restated for the amount of variable consideration included in contracts where nearly all the revenue amounts have been recognized prior to the beginning of the current fiscal year subject to the previous treatment, using the amount when the uncertainty associated with the variable consideration is subsequently resolved

For the previous fiscal year, as a result of this change, and compared with the figures before the retrospective application, merchandise and finished goods increased by ¥99 million, raw materials and supplies increased by ¥2,480 million and other under current liabilities increased by ¥2,579 million. In addition, for the previous fiscal year, net sales decreased by ¥76,670 million, cost of sales decreased by ¥4,250 million and selling, general and administrative expenses decreased by ¥72,419 million, but operating profit, ordinary profit and profit before income taxes did not change.

Due to the application of the Accounting Standard for Revenue Recognition, etc., “Notes and accounts receivable - trade” under current assets of the consolidated balance sheet as of the end of the previous fiscal year has been divided into “Notes receivable - trade” and “Accounts receivable - trade” under current assets from the quarterly consolidated balance sheet as of the end of the fiscal year ended March 31, 2022. In accordance with the transitional treatment provided for in paragraph 89-2 of the Accounting Standard for Revenue Recognition, figures for the previous fiscal year have not been restated in accordance with the new approach to presentation. Furthermore, the information on disaggregation of revenue from contracts with customers over the previous fiscal year has not been disclosed as allowed by the transitional treatment provided for in paragraph 89-3 of the Accounting Standard for Revenue Recognition.

(Application of Accounting Standard for Fair Value Measurement, etc.)

Application of the new accounting policy set forth in Accounting Standard for Fair Value Measurement, etc. was in line with the transitional measures provided for in paragraph 19 of the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019), etc. and paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). The Company has applied the said standards proactively as of the beginning of the fiscal year ended March 31, 2022.

There are no impacts on the consolidated financial statements.

(Additional Information)

(Accounting estimates associated with the spread of COVID-19)

With regard to the impact of COVID-19, there is no consensus on the future nature of infection spread or the timing of when it will be brought under control, and it is extremely difficult to predict what effect the spread of COVID-19 will have on the Group's operating results and others going forward. Nevertheless, as the effect on the Group's operating results and others was immaterial in the fiscal year ended March 31, 2022, the accounting estimates reflected in the accounting were based on the assumption that the future effect will be limited as well.

(Segment information, etc.)

Segment information

1. Summary of reportable segments

Reportable segments are classified as those that are part of the Company for which separate financial data can be obtained and which are subject to regular examination so that the Board of Directors can determine how to allocate business resources and evaluate earnings.

The Group has established business departments based on the type of products and services, with each business department creating a comprehensive strategy and engaging in business activities relating to the products and services it handles. The Overseas Instant Noodles Segment is a management unit established independently by overseas subsidiaries. The business unit creates a comprehensive strategy and engages in business activities relating to the products it handles.

The Group thus consists of segments characterized by product and region based on business departments and overseas subsidiaries. The Group has six reportable segments, namely, the Seafood Segment, Overseas Instant Noodles Segment, Domestic Instant Noodles Segment, Frozen and Refrigerated Foods Segment, Processed Foods Segment and Cold-Storage Segment.

The Seafood Segment procures, processes and sells seafood. The Overseas Instant Noodles Segment manufactures and sells instant noodles overseas. The Domestic Instant Noodles Segment manufactures and sells instant noodles in Japan. The Frozen and Refrigerated Foods Segment manufactures and sells frozen and chilled foods. The Processed Foods Segment manufactures and sells processed foods (excluding instant noodles, frozen and chilled foods). The Cold-Storage Segment freezes and stores food in cold warehouses.

2. Information relating to calculation of net sales, profit, assets and other items by each reportable segment

The accounting method used for reported business segments complies with accounting policy that has been adopted in preparing the consolidated financial statements.

Profit of reportable segments is calculated based on operating profit.

Intersegment sales or transfers are calculated based on current market price.

As described in “(Changes in accounting policies),” the Company has applied the Accounting Standard for Revenue Recognition, etc. from the beginning of the fiscal year ended March 31, 2022, and changed the accounting treatment for revenue recognition. Accordingly, the Company has changed the method of measuring profit or loss and assets of reportable segments.

Please note that the segment information for the previous fiscal year were prepared based on the new method of measuring segment profit or loss and assets.

3. Information relating to net sales, profit, assets and other items by each reportable segment, and information on disaggregation of revenue
Previous fiscal year (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Reportable segment							Other (Note 1)	Total	Adjust- ments (Note 2)	Amount reported on consoli- dated financial statements (Note 3)
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold- Storage Segment	Total				
Net sales											
Net sales to outside customers	24,899	94,002	95,823	52,694	18,641	21,112	307,174	33,667	340,841	–	340,841
Intersegment sales or transfers	887	–	75	10	–	1,049	2,023	24	2,047	(2,047)	–
Total	25,786	94,002	95,898	52,705	18,641	22,162	309,197	33,691	342,888	(2,047)	340,841
Segment profit (loss)	15	16,103	13,310	6,824	(666)	1,239	36,827	519	37,346	(886)	36,460
Segment assets	14,108	123,676	60,130	23,976	21,178	50,695	293,766	17,581	311,347	117,304	428,651
Other items											
Depreciation	357	3,156	3,216	883	2,018	3,579	13,211	1,025	14,236	772	15,009
Increases in property, plant and equipment and intangible assets	245	8,409	754	845	941	4,267	15,464	1,110	16,575	552	17,127

Notes 1. The Other Business Segment is one which is not among the reportable segments and refers to a business which is mainly involved in the packed lunch/deli food business.

2. The breakdown of Adjustments is given below:

- (1) The negative ¥886 million in segment profit or loss adjustments include companywide expenses of negative ¥1,255 million which have not been allocated to each reportable segment, a negative ¥25 million adjustment to inventories, and other adjustments of ¥394 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly for the offset elimination of knowhow fees from overseas subsidiaries.
- (2) The ¥117,304 million in segment assets adjustments include companywide assets of ¥116,835 million which have not been allocated to each reportable segment and other adjustments of ¥468 million. Companywide assets refer mainly to securities (negotiable certificates of deposit) at the parent company and assets in the administrative department. Other adjustments are calculated mainly by the equity method.
- (3) The ¥772 million in depreciation adjustments include companywide expenses of ¥741 million which have not been allocated to each reportable segment, and other adjustments of ¥31 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly depreciation of idle properties which are accounted for as non-operating expenses.
- (4) The ¥552 million in adjustments of increases in property, plant and equipment and intangible assets refer to companywide assets which have not been allocated to each reportable segment.

3. Segment profit or loss is adjusted at the operating profit level on the consolidated financial statements.

Current fiscal year (From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segment							Other (Note 1)	Total	Adjust- ments (Note 2)	Amount reported on consoli- dated financial statements (Note 3)
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold- Storage Segment	Total				
Net sales											
Japan	24,515	–	95,528	51,311	19,494	22,142	212,992	33,506	246,498	–	246,498
The Americas	36	114,235	–	–	–	–	114,271	–	114,271	–	114,271
Other regions	466	–	–	–	–	–	466	259	725	–	725
Net sales (Note 4)	25,017	114,235	95,528	51,311	19,494	22,142	327,730	33,765	361,495	–	361,495
Net sales to outside customers	25,017	114,235	95,528	51,311	19,494	22,142	327,730	33,765	361,495	–	361,495
Intersegment sales or transfers	800	–	57	11	–	940	1,810	20	1,830	(1,830)	–
Total	25,817	114,235	95,586	51,323	19,494	23,083	329,541	33,785	363,326	(1,830)	361,495
Segment profit	161	10,057	10,849	6,372	230	2,342	30,015	766	30,781	(1,043)	29,737
Segment assets	16,421	137,093	59,418	22,964	20,258	48,842	304,999	17,222	322,222	132,448	454,670
Other items											
Depreciation	320	4,192	2,982	944	1,814	3,407	13,662	1,041	14,704	570	15,274
Increases in property, plant and equipment and intangible assets	209	6,607	1,756	1,444	656	1,355	12,029	797	12,827	290	13,117

Notes 1. The Other Business Segment is one which is not among the reportable segments and refers to a business which is mainly involved in the packed lunch/deli food business.

2. The breakdown of Adjustments is given below:

- (1) The negative ¥1,043 million in segment profit adjustments includes companywide expenses of negative ¥1,264 million which have not been allocated to each reportable segment, a negative ¥35 million adjustment to inventories, and other adjustments of ¥256 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly for the offset elimination of knowhow fees from overseas subsidiaries.
- (2) The ¥132,448 million in segment assets adjustments include companywide assets of ¥131,143 million which have not been allocated to each reportable segment and other adjustments of ¥1,304 million. Companywide assets refer mainly to securities (negotiable certificates of deposit) at the parent company and assets in the administrative department. Other adjustments are calculated mainly by the equity method.
- (3) The ¥570 million in depreciation adjustments include companywide expenses of ¥543 million which have not been allocated to each reportable segment, and other adjustments of ¥27 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly depreciation of idle properties which are accounted for as non-operating expenses.

- (4) The ¥290 million in adjustments of increases in property, plant and equipment and intangible assets refer to companywide assets which have not been allocated to each reportable segment.
3. Segment profit is adjusted at the operating profit level on the consolidated financial statements.
 4. Net sales are revenue mainly recognized from contracts with customers, and the amount of revenue recognized from other sources is not significant.

Related information

Previous fiscal year (From April 1, 2020 to March 31, 2021)

1. Information by products and services

Information by products or services is omitted because the details are disclosed on “Segment information.”

2. Information by region

(1) Net sales

(Millions of yen)

Japan	The Americas [Of which, USA]	Other regions	Total
246,142	94,024 [62,667]	674	340,841

(Notes) 1. Net sales are calculated by countries or regions where customers have operations.

2. Main country or region that belongs to each category

The Americas – USA, United Mexican States

Other regions – Kingdom of Thailand, People’s Republic of China, Taiwan, Republic of Korea

(2) Property, plant and equipment

(Millions of yen)

Japan	The Americas [Of which, USA]	Total
122,225	35,712 [35,709]	157,938

3. Information by major customers

(Millions of yen)

Customer’s name	Net sales	Related segments
MITSUI & CO., LTD.	114,605	Domestic Instant Noodles Segment, etc.

Current fiscal year (From April 1, 2021 to March 31, 2022)

1. Information by products and services

Information by products or services is omitted because the details are disclosed on “Segment information.”

2. Information by region

(1) Net sales

(Millions of yen)

Japan	The Americas [Of which, USA]	Other regions	Total
246,498	114,271 [74,936]	725	361,495

(Notes) 1. Net sales are calculated by countries or regions where customers have operations.

2. Main country or region that belongs to each category

The Americas – USA, United Mexican States

Other regions – Taiwan, Vietnam, Kingdom of Thailand

(2) Property, plant and equipment

(Millions of yen)

Japan	The Americas [Of which, USA]	Total
117,518	41,677 [41,674]	159,195

3. Information by major customers

(Millions of yen)

Customer’s name	Net sales	Related segments
MITSUI & CO., LTD.	114,748	Domestic Instant Noodles Segment, etc.

Information relating to impairment loss on non-current assets by each reportable segment

Previous fiscal year (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Reportable segment						Other regions	Elimination or corporate	Total
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold-Storage Segment			
Impairment loss	–	–	–	–	5	–	34	–	40

Current fiscal year (From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segment						Other regions	Elimination or corporate	Total
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold-Storage Segment			
Impairment loss	–	–	–	–	56	–	7	–	64

Information relating to amortized/unamortized balance of goodwill/negative goodwill by each reportable segment

Previous fiscal year (From April 1, 2020 to March 31, 2021)

Not applicable

Current fiscal year (From April 1, 2021 to March 31, 2022)

Not applicable

Information relating to gain on negative goodwill by each reportable segment

Previous fiscal year (From April 1, 2020 to March 31, 2021)

Not applicable

Current fiscal year (From April 1, 2021 to March 31, 2022)

Not applicable

Per share information

(Yen)

	FY2021 (from April 1,2020 to March 31, 2021)	FY2022 (from April 1,2021 to March 31, 2022)	
Net assets per share	3,245.53	3,474.89	
Basic earnings per share	284.64	219.48	

(Notes) 1. The amount of diluted earnings per share is not provided because there are no potential shares.

2. Basis for calculation of net assets per share

Items	As of end FY2021 (March 31, 2021)	As of end FY2022 (March 31, 2022)
Total net assets on consolidated balance sheet (Millions of yen)	343,319	367,145
Net assets related to common stock (Millions of yen)	331,459	354,882
The main breakdown of the difference (Millions of yen) Non-controlling interests	11,860	12,262
Number of common stock issued (Thousand shares)	110,881	110,881
Number of treasury shares of common stock (Thousand shares)	8,753	8,753
Number of shares of common stock used for calculating net assets per share (Thousand shares)	102,127	102,127

3. Basis for calculation of basic earnings per share

Items	FY2021 (from April 1,2020 to March 31, 2021)	FY2022 (from April 1,2021 to March 31, 2022)
Profit attributable to owners of parent (Millions of yen)	29,070	22,414
Profit not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent pertaining to common stock (Millions of yen)	29,070	22,414
Average number of common stock outstanding during the period (Thousand shares)	102,128	102,127

(Subsequent events)

Not applicable