



Consolidated Financial Results
for the Second Quarter of the Fiscal Year Ending March 31, 2022
[Based on Japanese GAAP]

November 9, 2021

Name of Listed Company: Meiji Holdings Co., Ltd. Listed exchange: 1st Section, Tokyo Stock Exchange
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Submission of quarterly report: November 10, 2021

Dividend payment commencement: December 7, 2021

Preparation of explanatory materials for quarterly financial results: Yes

Holding of a briefing on quarterly financial results: Yes (a briefing for analysts and institutional investors)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 2022
(April 1, 2021 to September 30, 2021)

1) Consolidated operating results (% of change from the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First six months ended								
September 30, 2021	500,712	-14.4	50,330	-0.1	51,798	2.3	36,646	27.5
September 30, 2020	584,976	-5.4	50,401	5.9	50,655	3.9	28,733	-9.8

(Note) Comprehensive income: First six months ended September 30, 2021: JPY 49,636 million (44.0%)

First six months ended September 30, 2020: JPY 34,458 million (12.8%)

	Profit per Share	Diluted Profit per Share
	Yen	Yen
First six months ended		
September 30, 2021	252.54	—
September 30, 2020	198.05	—

(Note) The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) is applied from the beginning of the first quarter of FYE March 2022.

2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2021	1,144,979	695,703	57.4	4,528.61
As of March 31, 2021	1,067,000	659,358	58.2	4,282.80

(Reference) Shareholders' equity: As of September 30, 2021: JPY 657,264 million

As of March 31, 2021: JPY 621,428 million

(Note) The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) is applied from the beginning of the first quarter of FYE March 2022.

2. Dividends

	Cash Dividends Per Share				
	1Q	2Q	3Q	Financial year end	Annual
For the fiscal year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2021	–	75.00	–	85.00	160.00
March 31, 2022	–	80.00			
March 31, 2022 (Projected)			–	80.00	160.00

(Note) Amendment to projected dividends recently announced: None

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2022

(April 1, 2021 to March 31, 2022)

(% of change from the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Profit per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,014,000	-14.9	100,000	-5.7	102,500	-7.0	90,000	37.1	620.22

(Note) Amendment to forecasts of consolidated financial results recently announced: Yes

(Note) Regarding amendment to financial forecasts, please refer to “Notice concerning Revisions to Financial Forecasts for the Fiscal Year Ending March 31, 2022” that we announced today (November 9, 2021).

(Note) The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) is applied to the consolidated financial forecasts above.

Notes

- Changes in significant subsidiaries during the current fiscal year under review (Changes in subsidiaries affecting the scope of consolidation): None
- Application of specific accounting treatments in the preparation of quarterly consolidated financial statements: Yes
For details, refer to page 18 of 2. *Quarterly Consolidated Financial Statements 4) Notes Concerning Quarterly Financial Statements (Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)*
- Changes in accounting policy, changes in accounting estimates, restatements
 - Changes in accounting policy due to revisions of accounting standards: Yes
 - Other changes in accounting policy: None
 - Changes in accounting estimates: None
 - Restatements: None
 For details, refer to page 18 of 2. *Quarterly Consolidated Financial Statements 4) Notes Concerning Quarterly Financial Statements (Changes in Accounting Practices)*

4) Number of shares outstanding (common stock)

1. Number of shares outstanding at end of period (including treasury stock)	As of Sep. 30, 2021	152,683,400 shares	As of Mar. 31, 2021	152,683,400 shares
2. Number of treasury stock at end of period	As of Sep. 30, 2021	7,547,219 shares	As of Mar. 31, 2021	7,584,887 shares
3. Average number of shares during period	As of Sep. 30, 2021	145,110,725 shares	As of Sep. 30, 2020	145,078,939 shares

* The earnings summary is not subject to audit.

* Forward-looking statements and other special notes

(Notice concerning forward-looking statements)

The forward-looking statements described in this document, such as business forecasts, are based on information available at the time of the release of these materials and reasonable assumptions made by the Company, and do not represent a commitment from the Company that they will be achieved. For earnings forecasts assumptions and other related items, refer to page 12 of 1. *Qualitative Information 3) Forecasts for the Fiscal Year ending March 31, 2022*

(Explanatory material for financial results)

Explanatory materials for financial results are disclosed through TDnet together with these financial statements. This information also is posted on our website on the same day.

(Presentation material for conference call)

The conference call for analysts and institutional investors is scheduled on November 11, 2021. An audio recording and presentation materials of the conference will be posted on our website.

1. Qualitative Information

1) Explanation Concerning Operating Results

The Meiji Group kicked off the first fiscal year of our 2023 Medium-Term Business Plan. We launched initiatives aimed at realizing both profit growth and sustainability activities in line with the basic concept of “Promote the Meiji ROESG®* Management Effectively”.

Below is the key issues of 2023 Medium-Term Business Plan.

1. Business strategy

Food segment

- 1) Recover from the slump in our core business
- 2) Accelerate growth in our business overseas

Pharmaceutical segment

- 1) Strengthen vaccine business
- 2) Expand CMO/CDMO business

Overall group

- Venture into new domains
2. Improve business management using ROIC effectively
 3. Investing to grow business while constructing strong financial base
 4. Promote the Meiji Group Sustainability 2026 Vision

*ROESG is a registered trademark for a management indicator developed by Kunio Ito, a professor at Hitotsubashi University.

In the FYE March 2022, we assume COVID-19 pandemic continue to impact the global economy and domestic consumption trends.

In the Food segment, we will steadily capture new demand driven by the change of consumer consciousness concerning health and nutrition in Japan. Overseas, we will continue to expand production and sales capacity in China and grow the sales into new growth pillars in the region.

In the Pharmaceutical segment, we are enhancing initiatives of human vaccine and driving growth in the overseas business. To cover the impact of NHI price revisions in Japan, we will apply the Meiji Group’s advanced technology and vast experience related to viruses to develop an inactivated vaccine for COVID-19 and organize production system in collaboration with external research organizations. As a leading company in the infectious disease domain, we are engaged in structural reforms that will enable us to concentrate management resources towards strengthening our business platform and support the creation of new drugs. In September 2021, we transferred all shares of stock held in DM Bio Limited, an affiliated accounted for by equity method, to the Dong-A Socio Group. In January 2022, we are planning to sell the agricultural chemical manufacturing and sales business to Mitsui Chemicals Agro, Inc. Furthermore, in April 2022, we are planning to establish Meiji Animal Health Co., Ltd. and consolidate the veterinary drugs business with the veterinary vaccines business.

These factors resulted in net sales of JPY 500.712 billion (down 14.4%, year on year), operating profit of JPY 50.330 billion (down 0.1%, year on year), and ordinary profit of JPY 51.798 billion (up 2.3%, year on year) during the first six months of FYE March 2022. Profit attributable to owners of parent was JPY 36.646 billion (up 27.5%, year on year).

The Accounting Standard for Revenue Recognition is applied from the beginning of FYE March 2022. As such, the following plan figures are calculated based on the assumption of accounting treatment changes related to revenue recognition. For reference, if we applied this accounting standard to net sales from same period of the previous fiscal year, this would result in a year-on-year increase of 1.5% this fiscal year.

(Billions of yen)

For the first six months ended September 30	2020	2021	Change	Main factors for Change
Net sales	584.9	500.7	-84.2	Details indicated on segment-specific overview
Operating profit	50.4	50.3	-0.0	Details indicated on segment-specific overview
Non-operating profit	2.1	3.5	1.3	- Share of profit of entities accounted for using equity method (+1.6) - Foreign exchange losses (-0.1)
Non-operating expenses	1.9	2.0	0.1	- Loss on events (+0.4) - Compensation expenses (+0.4) - Share of losses of entities accounted for using equity method (-0.5)
Ordinary profit	50.6	51.7	1.1	—
Extraordinary income	1.0	5.4	4.4	- Gain on sales of shares of subsidiaries and associates (+1.4) - Gain on sales of non-current assets (+1.4) - Gain on sales of investment securities (+1.3)
Extraordinary losses	4.5	1.9	-2.5	- Provision of allowance for doubtful accounts (-1.0) - Impairment loss (-0.5)
Profit before income taxes	47.1	55.2	8.0	—
Income taxes-total	16.3	15.2	-1.1	—
Profit (loss) attributable to non-controlling interests	2.0	3.3	1.3	—
Profit attributable to owners of parent	28.7	36.6	7.9	—

The Meiji Group is engaged in the following initiatives for development and supply of potential COVID-19 vaccines.

Currently, Group subsidiary KM Biologics is developing an inactivated vaccine for COVID-19. We began conducting non-clinical trials in September 2020, and domestic Phase I/II clinical trials in March 2021. We also started Phase II/III clinical trial in October 2021. We are organizing a production structure that will enable rapid provision in Japan for the inactivated vaccine.

In June 2020, Group subsidiaries Meiji Seika Pharma and KM Biologics agreed with AstraZeneca PLC to hold discussions regarding the stable provision of the COVID-19 vaccine, allocated for Japan. KM Biologics received active ingredient from AstraZeneca and started formulation from March 2021. From August 2021, Meiji Seika Pharma has started handling product storage, transporting and collecting safety management information of the COVID-19 vaccine.

The status of operations by segment is as follows.

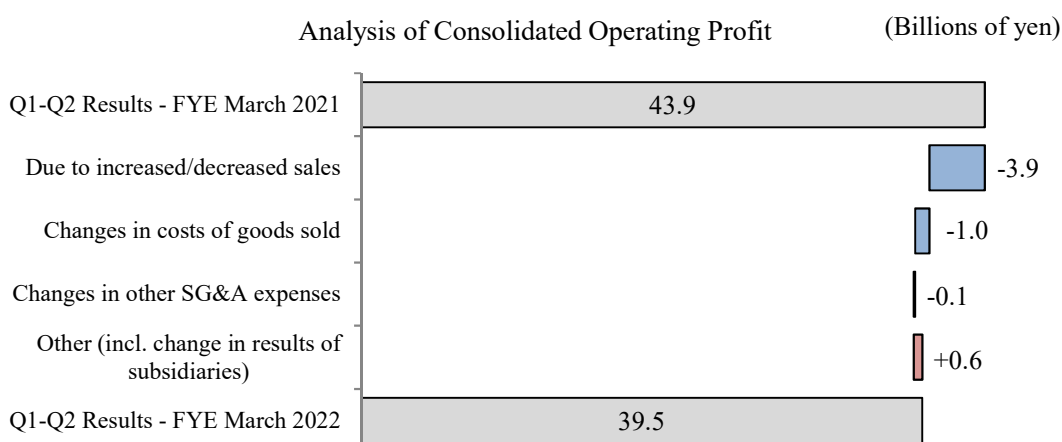
Below is an overview by segment.

(1) Food segment

- Net sales decreased significantly year on year due to the impact of applying Accounting Standard for Revenue Recognition. Following is the year on year change in net sales before applying the Standard. Sales of B to B business and overseas business increased significantly. Sales of nutrition business, chocolate and gummy business and other and domestic subsidiaries increased year on year. Sales from yogurt and cheese business, drinking milk business, and frozen dessert and ready meal business decreased year on year due to the leveling off of extraordinary demand during the previous fiscal year caused by the COVID-19 pandemic.
- Operating profit decreased year on year. While we worked to control promotion expenses and other costs, profit decreased year on year due to increased raw materials costs as well as not being able to fully cover the impact of reduced net sales from the yogurt and cheese business.

For the first six months ended September 30	2020	2021	% Change
Net sales	496.5	409.0	-17.6%
Operating profit	43.9	39.5	-9.9%

*For reference, if the Standard applied to net sales from same period of the previous fiscal year, this would result in a year-on-year decrease of 0.2% this fiscal year.



Below is an overview of each of food segment's main businesses.

(Billions of yen)

Net sales				Operating profit			
For the first six months ended September 30	2020	2021	% Change	For the first six months ended September 30	2020	2021	% Change
Yogurt & cheese	134.2	123.2	-8.2%	Yogurt & cheese	26.1	18.7	-28.6%
Nutrition	59.5	62.9	5.7%	Nutrition	9.3	10.6	13.6%
Chocolate & gummy	47.3	50.1	5.8%	Chocolate & gummy	2.3	3.7	62.5%
Drinking milk	49.0	44.3	-9.5%	Drinking milk	-0.6	-0.0	—
B to B	29.9	34.7	16.0%	B to B	0.1	0.8	540.0%
Frozen dessert& ready meal	42.5	40.1	-5.6%	Frozen dessert& ready meal	3.3	2.3	-28.0%
Overseas	23.1	26.8	16.2%	Overseas	0.5	0.2	-51.0%
Other/ domestic subsidiaries	110.6	112.5	1.6%	Other/ domestic subsidiaries	2.6	2.9	10.6%

*Business-specific earnings from the current fiscal year and the previous fiscal year both reflect figures prior to the application of the Standard.

- Yogurt & cheese business (Probiotic yogurt, yogurt, cheese)
 - Net sales decreased year on year. Sales of functional yogurt decreased significantly after the leveling off of favorable sales during the previous fiscal year on demand driven by increased health management awareness and stay-at-home demand. Also, sales of yogurt and cheese decreased.
 - Operating profit decreased significantly year on year due to the impact of decreased sales despite efforts to control promotion expenses and other costs.
- Nutrition business (Infant formula, sports nutrition, enteral formula, beauty supplement)
 - Net sales increased year on year. Sales of infant formula decreased. Sales of sports protein *SAVAS* increased significantly year on year on increasing need to address a lack of exercise and an expanding customer base. Sales of liquid diet *Meiji Mei Balance* were favorable.
 - Operating profit increased significantly year on year due to increased sales, even though promotion expenses and depreciation costs increased.
- Chocolate & gummy business
 - Net sales increased year on year. Sales of health-conscious chocolate were favorable, particularly for large-volume packages. Gummy products increased significantly year on year after struggling the previous fiscal year on the decreased demand during rush hour and among office workers.
 - Operating profit increased significantly year on year due to the sales increase, even though depreciation costs increased.

- Drinking milk business
 - Net sales decreased year on year. In addition to the leveling off of demand from the previous year that was favorable on increased stay-at-home consumption, the impact of reduction of the number of items resulted decrease in net sales.
 - Operating profit increased year on year. We covered the decrease in net sales by cutting operating expenses, including reducing promotion expenses and reevaluating our production structure.

- B to B business
 - Net sales increased significantly year on year. While demand dropped during the previous year due to the impact of stay-at-home orders, demand normalized and net sales of cream and dairy products for professional use increased significantly.
 - Operating profit increased significantly year on year due to the sales increase.

- Frozen dessert & ready meal business (Ice cream, prepared foods, butter and margarine)
 - Net sales decreased year on year. The leveling off of stay-at-home demand from the previous year resulted in a decline in net sales for butter and margarine. In addition to this leveling off of demand, net sales for ice cream also decreased significantly due to impact of unusually cool weather.
 - Operating profit decreased significantly year on year due to the impact of decreased sales despite efforts to control promotion expenses and other costs.

- Overseas business (Overseas subsidiaries, exports)
 - Net sales increased significantly year on year. Net sales of subsidiaries in China increased significantly and net sales of US subsidiary also increased. Two subsidiaries newly added to the scope of consolidation also contributed.
 - Operating profit decreased significantly year on year due to increased personnel and marketing costs incidental to structural enhancements in China.

- Other / domestic subsidiaries (Domestic subsidiaries, chewing gum, candy, OTC drugs)
 - Net sales were impacted by the removal of a logistics subsidiary from the scope of consolidation following the transfer of stock for said subsidiary. However, overall net sales increased year on year due to increased sales from our sugar trading company and our feed business.
 - Operating profit increased significantly year on year on increased profits from our logistics subsidiary and feed business.

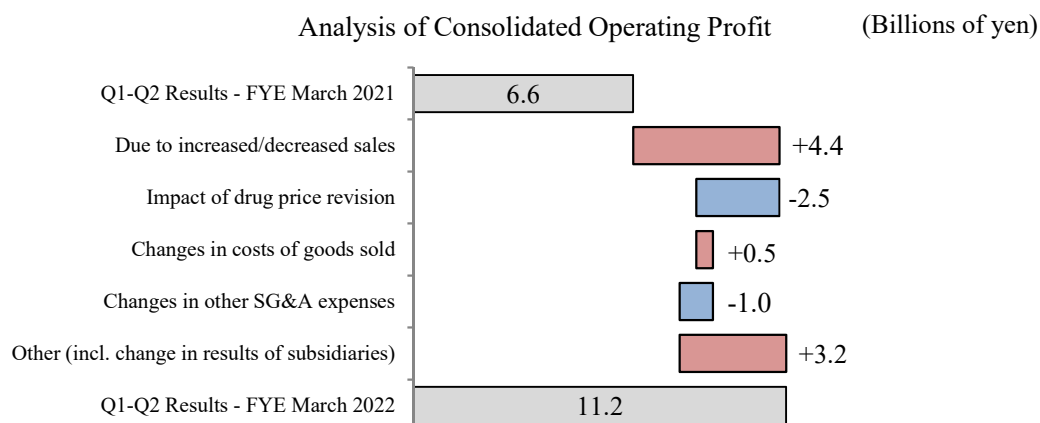
(2) Pharmaceutical segment

- Net sales increased year on year. Following is the year on year change in net sales before applying the Standard. Sales of human vaccines business and agricultural chemicals & veterinary drugs business increased significantly year on year and sales of domestic ethical pharmaceuticals business increased year on year. Sales of overseas ethical pharmaceuticals business decreased year on year.
- Operating profit increased significantly year on year due to the significant increase in profits from the domestic ethical pharmaceuticals business and human vaccines business.

(Billions of yen)

For the first six months ended September 30	2020	2021	% Change
Net sales	89.1	92.1	3.3%
Operating profit (loss)	6.6	11.2	70.6%

*For reference, if the Standard applied to net sales from same period of the previous fiscal year, this would result in a year-on-year increase of 9.2% this fiscal year.



Below is an overview of each of pharmaceutical segment's main businesses.

(Billions of yen)

Net sales				Operating profit			
For the first six months ended September 30	2020	2021	% Change	For the first six months ended September 30	2020	2021	% Change
Domestic ethical pharmaceuticals	41.3	45.2	9.6%	Domestic ethical pharmaceuticals	-0.4	1.7	—
Overseas ethical pharmaceuticals	19.9	19.4	-2.2%	Overseas ethical pharmaceuticals	2.2	1.2	-43.7%
Human vaccines	20.8	24.0	15.6%	Human vaccines	5.1	8.6	70.2%
Agricultural chemicals& veterinary drugs	7.1	7.9	11.3%	Agricultural chemicals& veterinary drugs	-0.3	-0.4	—

*Business-specific earnings from the current fiscal year and the previous fiscal year both reflect figures prior to the application of the Standard.

- Domestic ethical pharmaceuticals business (Domestic ethical pharmaceuticals excluding human vaccines)
 - Net sales increased year on year due to increased sales of the antibacterial drug *MEIACT*, which during the previous fiscal year was impacted by the decline in number of outpatient visits to medical institutions due to the COVID-19 pandemic. Also, contract revenues from AstraZeneca related to the storage and delivery of COVID-19 vaccines and the gathering of safety information also contributed.
 - Operating profit increased significantly year on year due to sales increase, even though there was an impact of NHI price revisions in Japan.
- Overseas ethical pharmaceuticals business
 - Net sales decreased year on year. Sales of our subsidiary in India increased, thanks to favorable contracted manufacturing business. However, sales of subsidiaries in Spain, Indonesia and China decreased due to the impact of the COVID-19 pandemic.
 - Operating profit decreased significantly year on year due to the decreased sales of few subsidiaries.
- Human vaccines business
 - Net sales increased significantly year on year. In addition to a contribution from a contracted manufacturing income from AstraZeneca related to COVID-19 vaccine formulation, sales increase of influenza vaccine also contributed.
 - Operating profit increased year on year due to sales increase.
- Agricultural chemicals & veterinary drugs business (Agricultural chemicals, veterinary drugs , veterinary vaccines)
 - Net sales increased significantly year on year. Sales of the rice blast preventative, *ORYZEMATE* increased thanks to the resumption of provision.
 - Operating profit decreased year on year due to the increase in cost of sales.

2) Financial status

(1) Assets, Liabilities, and Net Assets

(Billions of yen)

	As of Mar. 31, 2021	As of Sep. 30, 2021	Change	Main Factors for Change
Current assets	426.0	480.6	54.6	- Cash and deposits (+43.7) - Notes and accounts receivable-trade (+7.9)
Non-current assets	640.9	664.2	23.3	- Construction in progress (+22.3)
Total assets	1,067.0	1,144.9	77.9	—
Current liabilities	253.0	293.9	40.9	- Short-term borrowings (+28.5) - Refund liability (+17.6) - Contract liability (+12.1) - Accrued expenses (-17.8)
Non-current liabilities	154.6	155.2	0.6	- Bonds payable (+10.0) - Deferred tax liability (+0.6) - Long-term borrowings (-10.1)
Total liabilities	407.6	449.2	41.6	—
Shareholders' equity	597.2	623.5	26.2	- Retained earnings (+24.2)
Accumulated other comprehensive income	24.1	33.7	9.6	- Foreign currency translation adjustments (+6.0) - Valuation difference on available-for-sale securities (+2.1)
Minority interests	37.9	38.4	0.5	—
Total net assets	659.3	695.7	36.3	—
Total liabilities and net assets	1,067.0	1,144.9	77.9	—
Interest bearing debt	101.7	130.2	28.4	- Short-term borrowings (+28.5) - Bonds payable (+10.0) - Long-term borrowings (-10.1)
Equity Ratio (%)	58.2	57.4	-0.8pt	—

(2) Status of cash flows

(Billions of yen)

For the first six months ended September 30	2020	2021	Change	Main factors for Change
Net cash flow from operating activities	40.8	61.1	20.3	- Increase in contract liability (+12.1) - Decrease in inventories (+8.0) - Profit before income taxes (+8.0) - Increase in trade payables (+5.4) - Income taxes paid (-10.9)
Net cash flow from investing activities	-60.3	-35.5	24.7	- Purchases of investment securities (+32.0) - Proceeds from sale of investment securities (+5.7) - Purchase of property, plant and equipment (-14.5)
Net cash flow from financing activities	44.8	14.6	-30.2	- Decrease in commercial papers (-50.0) - Increase in short-term borrowings (+18.5)
Cash and cash equivalents at end of period	61.8	80.8	19.0	—
Free cash flow	-19.5	25.5	45.1	—

3) Forecasts for the Fiscal Year ending March 31, 2022

In the Food segment, the market correction that followed extraordinary demand during the previous year due to the impact of COVID-19 pandemic was larger than expected, becoming a factor that is stunting sales growth. Additionally, there is increasing risk that rising raw material prices and currency market fluctuations will constrain profits.

In light of these conditions, we revised the full-year consolidated earnings forecast for FYE March 2022 announced in the Notice Concerning Recording Extraordinary Profit and Revisions to Financial Forecasts for the Fiscal Year Ending on March 31, 2022, which was released on September 10, 2021.

■ Revised Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
	millions of yen	millions of yen	millions of yen	millions of yen	yen
Previous forecasts (A)	1,019,000	106,000	107,500	95,000	654.73
Revised forecasts (B)	1,014,000	100,000	102,500	90,000	620.22
Change (B-A)	-5,000	-6,000	-5,000	-5,000	
Percentage of change	-0.5	-5.7	-4.7	-5.3	
(Reference) Results for the fiscal year ended March 31, 2021	1,191,765	106,061	110,176	65,655	452.52

2. Quarterly Consolidated Financial Statements

1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
ASSETS		
Current assets		
Cash and deposits	40,328	84,041
Notes and accounts receivable-trade	177,730	185,680
Merchandise and finished goods	117,445	119,639
Work in process	4,054	3,850
Raw materials and supplies	60,488	63,053
Others	28,353	26,770
Allowance for doubtful accounts	-2,347	-2,343
Total current assets	426,053	480,694
Non-current assets		
Property, plants and equipment		
Buildings and structures	355,394	357,359
Accumulated depreciation	-177,630	-181,232
Buildings and structures, net	177,764	176,126
Machinery and equipment	550,069	561,925
Accumulated depreciation	-390,691	-401,009
Machinery and equipment, net	159,378	160,915
Tools, furniture and fixtures	60,909	59,478
Accumulated depreciation	-46,435	-45,577
Tools, furniture and fixtures, net	14,473	13,900
Land	67,639	67,492
Lease assets	2,781	2,420
Accumulated depreciation	-2,067	-1,758
Lease assets, net	714	662
Construction in progress	35,025	57,327
Total property, plants and equipment	454,994	476,424
Intangible assets		
Goodwill	42	34
Other	15,950	16,794
Total intangible assets	15,992	16,829
Investments and other assets		
Investment securities	125,494	126,684
Retirement benefit asset	23,258	23,875
Deferred tax assets	13,135	13,639
Other	8,133	6,894
Allowance for doubtful accounts	-63	-62
Total investments and other assets	169,959	171,031
Total non-current assets	640,946	664,285
Total assets	1,067,000	1,144,979

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	104,974	99,670
Short-term borrowings	17,250	45,814
Accrued expenses	46,840	29,013
Income taxes payable	22,421	16,654
Contract liability	—	12,168
Refund liability	—	17,639
Provision for bonuses	11,948	10,831
Provision for sales returns	424	—
Provision for sales rebates	1,886	—
Other	47,266	62,190
Total current liabilities	253,011	293,983
Non-current liabilities		
Bonds payable	30,000	40,000
Long-term borrowings	54,525	44,389
Deferred tax liabilities	10,343	10,996
Retirement benefit liability	55,198	55,503
Provision for retirement benefits for directors (and other officers)	96	64
Other	4,466	4,338
Total non-current liabilities	154,630	155,292
Total liabilities	407,642	449,276
NET ASSETS		
Shareholders' equity		
Share capital	30,000	30,000
Capital surplus	100,693	102,537
Retained earnings	496,766	520,998
Treasury shares	-30,177	-30,026
Total shareholders' equity	597,282	623,509
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	33,962	36,104
Deferred gains or losses on hedges	37	28
Foreign currency translation adjustments	-4,026	2,008
Remeasurements of defined benefit plans	-5,828	-4,385
Total accumulated other comprehensive income	24,145	33,755
Non-controlling interests	37,930	38,438
Total net assets	659,358	695,703
Total liabilities and net assets	1,067,000	1,144,979

2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Quarterly Consolidated Statements of Income)
(For the First Six Months Ended September 30, 2021)

(Millions of yen)

	First six months of FYE March 2021 (from Apr. 1, 2020 to Sep. 30, 2020)	First six months of FYE March 2022 (from Apr. 1, 2021 to Sep. 30, 2021)
Net sales	584,976	500,712
Cost of sales	368,381	336,378
Gross profit	216,594	164,334
Selling, general and administrative expenses	166,192	114,004
Operating profit	50,401	50,330
Non-operating income		
Interest income	145	122
Dividend income	702	720
Share of profit of entities accounted for using equity method	—	1,699
Foreign exchange gains	260	152
Other	1,062	832
Total non-operating income	2,170	3,527
Non-operating expenses		
Interest expenses	339	254
Share of loss of entities accounted for using equity method	598	—
Loss on events	83	510
Compensation expenses	—	423
Other	895	870
Total non-operating expenses	1,916	2,059
Ordinary profit	50,655	51,798
Extraordinary income		
Gain on sales of non-current assets	35	1,490
Gain on sales of investment securities	62	1,407
Gain on sales of shares of subsidiaries and associates	928	2,412
Other	—	129
Total extraordinary income	1,026	5,440
Extraordinary losses		
Loss on abandonment of non-current assets	1,447	1,268
Impairment loss	1,055	517
Provision of allowance for doubtful accounts	1,078	—
Other	942	211
Total extraordinary losses	4,523	1,997
Profit before income taxes	47,158	55,241
Income taxes	16,372	15,234
Profit	30,785	40,007
Profit (loss) attributable to non-controlling interests	2,052	3,361
Profit attributable to owners of parent	28,733	36,646

(Quarterly Consolidated Statements of Comprehensive Income)
(For the First Six Months Ended September 30, 2021)

(Millions of yen)

	First six months of FYE March 2021 (from Apr. 1, 2020 to Sep. 30, 2020)	First six months of FYE March 2022 (from Apr. 1, 2021 to Sep. 30, 2021)
Profit	30,785	40,007
Other comprehensive income		
Valuation difference on available-for-sale securities	4,020	2,149
Deferred gains or losses on hedges	-57	-9
Foreign currency translation adjustments	-1,459	4,752
Remeasurements of defined benefit plans, net of tax	1,615	1,405
Share of other comprehensive income of entities accounted for using equity method	-446	1,331
Total other comprehensive income	3,672	9,628
Comprehensive income	34,458	49,636
Profit attributable to		
Comprehensive income attributable to owners of parent	32,473	46,256
Comprehensive income attributable to non-controlling interests	1,984	3,380

3) Quarterly Consolidated Statements of Cash Flow

(Millions of yen)

	First six months of FYE March 2021 (from Apr. 1, 2020 to Sep. 30, 2020)	First six months of FYE March 2022 (from Apr. 1, 2021 to Sep. 30, 2021)
Cash flows from operating activities		
Profit before income taxes	47,158	55,241
Depreciation	23,607	24,577
Impairment loss	1,055	517
Amortization of goodwill	7	7
Loss on retirement of property, plants and equipment	1,448	1,262
Increase (decrease) in allowance for doubtful accounts	1,161	-8
Increase (decrease) in provision for bonuses	-1,002	-1,040
Increase (decrease) in retirement benefit liability	2,525	1,850
Interest and dividend income	-848	-842
Interest expenses	339	254
Share of loss (profit) of entities accounted for using equity method	598	-1,709
Loss (gain) on sales of property, plant and equipment	-2	-1,488
Loss (gain) on sales of shares of subsidiaries and associates	-928	-2,394
Decrease (increase) in trade receivables	-2,934	-8,112
Decrease (increase) in inventories	-11,954	-3,882
Decrease (increase) in contract liabilities	—	12,156
Increase (decrease) in trade payables	-10,628	-5,130
Other, net	-671	8,800
Subtotal	48,931	80,058
Interest and dividends received	1,377	1,556
Interest paid	-325	-270
Income taxes paid	-9,160	-20,158
Net cash provided by operating activities	40,823	61,186
Cash flows from investing activities		
Purchase of property, plant and equipment	-31,218	-45,775
Purchases of intangible assets	-2,045	-2,302
Proceeds from sales of property, plant and equipment and intangible assets	1,606	1,709
Subsidies received	2,030	4,200
Purchases of investment securities	-32,072	-53
Proceeds from sales of investment securities	115	5,896
Purchase of shares of subsidiaries resulting in change in scope of consolidation	2,154	2,300
Other, net	-902	-1,564
Net cash used in investing activities	-60,331	-35,590

(Millions of yen)

	First six months of FYE March 2021 (from Apr. 1, 2020 to Sep. 30, 2020)	First six months of FYE March 2022 (from Apr. 1, 2021 to Sep. 30, 2021)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	10,155	28,706
Increase (decrease) in commercial papers	50,000	—
Proceeds from long-term borrowings	2,267	—
Repayments of long-term borrowings	-5,105	-10,270
Proceeds from issuance of bonds	—	9,952
Decrease (increase) in treasury shares	258	153
Dividends paid	-11,587	-12,309
Dividends paid to non-controlling interests	-607	-949
Other, net	-526	-658
Net cash provided used in financing activities	44,852	14,625
Effect of exchange rate change on cash and cash equivalents	-616	1,626
Net increase (decrease) in cash and cash equivalents	24,728	41,847
Cash and cash equivalents at beginning of period	37,110	39,011
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	16
Cash and cash equivalents at end of period	61,839	80,876

4) Notes Concerning Quarterly Financial Statements

(Notes Concerning the Premise of a Going Concern)

Not applicable.

(Notes Concerning Significant Changes in Shareholders' Equity (if any))

Not applicable.

(Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)

Tax expenses are calculated by rationally estimating the effective tax rate after application of tax effect accounting to profit before income taxes for the consolidated fiscal year, which includes the current quarter under review, then multiplying profit before income taxes by the estimated effective tax rate.

Income taxes-deferred are shown included in income taxes.

(Changes in Accounting Practices)

(Application of Accounting Standard for Revenue Recognition)

The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020, hereinafter, "Revenue Recognition Accounting Standard") has been applied from the beginning of the first quarter of the current consolidated fiscal year. As a result of this change, at the point the control of promised goods or services are transferred to the customer, revenue is recognized based on the amount projected to be received in exchange for said goods or services.

Below is a major change due to the application of the Revenue Recognition Accounting Standard.

1. Variable consideration and consideration payable to a customer

In the previous consolidated fiscal year, variable consideration including rebates and consideration payable to a customer were reported in cost of sales and selling, general and administrative expenses. From the current consolidated fiscal year, it is reported as the eliminating item from net sales.

2. Agent transaction

In the previous consolidated fiscal year, we reported revenue from agent transactions based on the gross amount received from customers. From the current consolidated fiscal year, we report its revenue based on the net amounts retained, reducing amounts paid to the third party.

The application of the Revenue Recognition Accounting Standard is based on transitional handling as prescribed in the Proviso to Section 84 of the Revenue Recognition Accounting Standard. We reflected the cumulative impact amount in year-beginning retained earnings based on the assumption of the retroactive application of this new Standard prior to the beginning of the first quarter of the current consolidated fiscal year to apply this new accounting practice as of year-beginning balance for the current consolidated fiscal year.

As a result, for the first six months of the FYE March 2022, JPY 90,447 million decreased in net sales, JPY 41,484 million decreased in cost of sales, JPY 48,962 million decreased in gross profit and JPY 49,191 million decreased in selling, general and administrative expenses. Furthermore, the impact on operating profit, ordinary profit, quarterly profit before income taxes, and the year-beginning balance for retained earnings was minimal.

Due to the application of the Revenue Recognition Accounting Standard, “refund liabilities” is indicated as a separate accounting item as of the consolidated first quarter and “contract liabilities” is indicated as a separate accounting item as of the consolidated second quarter. In accordance with transitional treatment as prescribed in Section 89-2 of the Revenue Recognition Accounting Standard, we have not modified the previous consolidated fiscal year based on new indication methods. Furthermore, in accordance with transitional treatment as prescribed in Section 28-15 of the Revenue Recognition Accounting Standard (ASBJ Statement No. 12, March 31, 2020), we do not report information regarding divided revenue from customers related transactions in the first quarter of the previous consolidated fiscal year.

(Application of Accounting Standard for Fair Market Value Calculation)

As of the beginning of the first quarter of the current consolidated fiscal year, we apply the Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, July 4, 2019, hereinafter, “Fair Value Measurement Accounting Standard”). In accordance with transitional treatment as prescribed in Section 19 of the Fair Value Measurement Accounting Standard and Section 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019), we have decided to apply the new accounting practices stipulated by the Fair Value Measurement Accounting Standard prospectively. As such, there is no impact on financial statements for the quarterly consolidated financial statements.

(Segment Information, etc.)

1. The First Six Months of the Previous Consolidated Fiscal Year (April 1, 2020 to September 30, 2020)

(1) Information on amounts of sales and income/losses for each reporting segment

(Millions of yen)

	Reporting Segments		Total	Adjustments (Note 1)	Amount Presented in Consolidated Statements of Income (Note 2)
	Food	Pharmaceutical			
Net Sales					
(1) Sales to Outside Customers	496,281	88,694	584,976	—	584,976
(2) Inter-segment Sales and Transfers	313	432	746	-746	—
Total	496,594	89,127	585,722	-746	584,976
Income (Loss) by Segment	43,935	6,610	50,545	-143	50,401

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of a negative JPY 143 million includes inter-segment eliminations of JPY 3 million and a negative JPY 147 million in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

2. Segment income (loss) is adjusted to the operating profit recorded in the quarterly consolidated statements of income.

(2) Information on impairment loss on non-current assets or good will, etc., for each reporting segment
(Significant impairment loss on non-current assets)

There was no significant impairment loss on non-current assets.

(Significant changes in the amount of goodwill)

There were no significant changes in the amount of goodwill.

(Significant gain on negative goodwill)

No significant negative goodwill was generated.

2. The First Six Months of the Consolidated Fiscal Year (April 1, 2021 to September 30, 2021)

(1) Information on amounts of sales and income/losses for each reporting segment

(Millions of yen)

	Reporting Segments		Total	Adjustments (Note 1)	Amount Presented in Consolidated Statements of Income (Note 2)
	Food	Pharmaceutical			
Net Sales					
(1) Sales to Outside Customers	408,817	91,894	500,712	—	500,712
(2) Inter-segment Sales and Transfers	254	214	468	-468	—
Total	409,071	92,109	501,181	-468	500,712
Income (Loss) by Segment	39,585	11,279	50,864	-534	50,330

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of a negative JPY 534 million includes inter-segment eliminations of JPY 19 million and a negative JPY 554 million in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

2. Segment income (loss) is adjusted to the operating profit recorded in the quarterly consolidated statements of income.

(2) Information on impairment loss on non-current assets or good will, etc., for each reporting segment (Significant impairment loss on non-current assets)

There was no significant impairment loss on non-current assets.

(Significant changes in the amount of goodwill)

There were no significant changes in the amount of goodwill.

(Significant gain on negative goodwill)

No significant negative goodwill was generated.

(3) Changes related to segment information

As shown in Changes in Accounting Practices, the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) is applied from the beginning of the first quarter of the current consolidated fiscal year. As such, accounting method for revenue recognition and calculation method for income by segment are changed.

As a result, compared to the figures based on the previous methods, net sales for food segment decreased by JPY 85,824 million, and net sales for pharmaceutical segment decreased by JPY 4,622 million. The impact on income by segment resulted from the changes was minimal.

(Significant subsequent events)

Meiji Holdings Co., Ltd. announced that its Board of Directors resolved at a meeting on November 9, 2021, to repurchase its own shares under Article 156 of the Corporation Law of Japan as applied pursuant to Article 165, paragraph 3 of the same law, as described below.

1. Reason for Repurchase

We decided stock repurchase to increase the level of shareholder returns and improve capital efficiency.

2. Details of Repurchase

(1) Class of shares	Common stock
(2) Total number of shares to be repurchased	5 million (maximum) (3.3 % of total shares outstanding, excluding treasury stock)
(3) Total amount to be paid for repurchase	JPY 30 billion (maximum)
(4) Period of repurchase	From November 10, 2021 to March 31, 2022
(5) Method of repurchase	Purchased on the Tokyo Stock Exchange
(6) Other	We plan to retire all shares repurchased under this program by resolution of the Board of Directors, pursuant to the provisions of Article 178 of the Companies Act.

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Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2022 - Supplementary Explanatory Data -

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Meiji Holdings Co., Ltd.

*This document has been translated from the original Japanese as a guide for non-Japanese investors.

*Unaudited figures are included in these materials for reference.

*The forward-looking statements described in this document, such as business forecasts, are based on information available at the time of the release of this presentation and reasonable assumptions made by the Company, and do not represent a commitment from the Company that they will be achieved.

1. Consolidated Financial Results

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

1. Consolidated Operating Results

(Billions of yen)

FYE March 2022	Q1		Q1-Q2		Q1-Q3		Full-year			
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan		
	%	%	%	%	%	%	%	%		
Net sales	235.9	-16.1	46.7	500.7	-14.4	-0.8				
Cost of sales	161.7	-9.0	—	336.3	-8.7	—				
Gross profit	74.1	-28.3	—	164.3	-24.1	—				
Selling, general and administrative expenses	55.5	-30.9	—	114.0	-31.4	—				
Carriage and storage charges	4.8	-57.2	—	10.2	-55.0	—				
Sales promotion expenses	7.8	-70.1	—	16.6	-70.4	—				
Labor cost	19.7	-1.6	—	39.2	-1.8	—				
Operating profit	18.6	-19.6	36.5	50.3	-0.1	-1.3				
Ordinary profit	19.0	-18.8	36.7	51.7	+2.3	-0.4				
Profit attributable to owners of parent	12.4	-6.6	40.3	36.6	+27.5	+7.8				

Plan -- FYE March 2022					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
%	%	%	%	%	%
500.7	-14.4	513.2	-15.4	1,014.0	-14.9
336.3	-8.7	—	—	—	—
164.3	-24.1	—	—	—	—
114.0	-31.4	—	—	—	—
10.2	-55.0	—	—	—	—
16.6	-70.4	—	—	—	—
39.2	-1.8	—	—	—	—
50.3	-0.1	49.6	-10.8	100.0	-5.7
51.7	+2.3	50.7	-14.8	102.5	-7.0
36.6	+27.5	53.3	+44.5	90.0	+37.1

FYE March 2021	Q1		Q1-Q2		Q1-Q3		Full-year					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
	%	%	%	%	%	%	%	%				
Net sales	281.1	-5.9	—	584.9	-5.4	—	900.7	-5.3	75.1	1,191.7	-4.9	-0.7
Cost of sales	177.6	-6.5	—	368.3	-6.6	—	563.4	-6.4	—	742.1	-6.1	—
Gross profit	103.4	-5.0	—	216.5	-3.2	—	337.2	-3.3	—	449.6	-2.8	—
Selling, general and administrative expenses	80.3	-9.1	—	166.1	-5.7	—	254.0	-5.4	—	343.5	-4.5	—
Carriage and storage charges	11.4	-3.5	—	22.7	-5.4	—	34.0	-5.2	—	45.5	-4.5	—
Sales promotion expenses	26.1	-13.7	—	56.3	-6.4	—	88.8	-4.8	—	118.0	-5.5	—
Labor cost	20.1	-3.0	—	39.9	-3.1	—	60.0	-2.9	—	79.6	-3.6	—
Operating profit	23.1	+12.2	—	50.4	+5.9	—	83.2	+3.6	78.5	106.0	+3.3	+0.1
Ordinary profit	23.5	+5.1	—	50.6	+3.9	—	84.3	+3.2	78.1	110.1	+6.6	+2.0
Profit attributable to owners of parent	13.3	-7.8	—	28.7	-9.8	—	49.4	-5.8	74.9	65.6	-2.5	-0.5

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
%	%	%	%	%	%
584.9	-5.4	606.7	-4.4	1,191.7	-4.9
368.3	-6.6	373.7	-5.6	742.1	-6.1
216.5	-3.2	233.0	-2.4	449.6	-2.8
166.1	-5.7	177.3	-3.4	343.5	-4.5
22.7	-5.4	22.7	-3.6	45.5	-4.5
56.3	-6.4	61.7	-4.6	118.0	-5.5
39.9	-3.1	39.7	-4.2	79.6	-3.6
50.4	+5.9	55.6	+0.9	106.0	+3.3
50.6	+3.9	59.5	+9.0	110.1	+6.6
28.7	-9.8	36.9	+4.1	65.6	-2.5

(Reference)

[After applying revenue recognition standards]

FYE March 2021	Q1		Q1-Q2		Q1-Q3		Full-year					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
	%	%	%	%	%	%	%	%				
Net sales	237.6	—	—	493.3	—	—	759.3	—	—	1,007.1	—	—

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
%	%	%	%	%	%
493.3	—	513.7	—	1,007.1	—

1. Consolidated Financial Results
2. Operating Results of Food Segment

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

(Billions of yen)

FYE March 2022	Q1		Q1-Q2			Q1-Q3			Full-year	
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan		
Net sales	199.8	-18.2%	48.8%	409.0	-17.6%	-0.2%				
Cost of sales	141.4	-10.6%	—	290.2	-10.5%	—				
Gross profit	58.4	-32.1%	—	118.7	-31.0%	—				
Selling, general and administrative expenses	39.0	-37.6%	—	79.2	-38.2%	—				
Carriage and storage charges	4.3	-60.3%	—	8.9	-58.6%	—				
Sales promotion expenses	7.3	-69.3%	—	15.3	-69.4%	—				
Labor cost	13.3	-2.5%	—	26.1	-3.2%	—				
Operating profit	19.4	-17.5%	45.3%	39.5	-9.9%	-7.7%				
Ordinary profit	19.7	-14.9%	45.0%	41.3	-6.0%	-6.0%				
Profit attributable to owners of parent	13.5	-10.0%	48.6%	29.3	+5.0%	+4.8%				

Plan -- FYE March 2022					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
409.0	-17.6%	417.9	-16.9%	827.0	-17.3%
290.2	-10.5%	—	—	—	—
118.7	-31.0%	—	—	—	—
79.2	-38.2%	—	—	—	—
8.9	-58.6%	—	—	—	—
15.3	-69.4%	—	—	—	—
26.1	-3.2%	—	—	—	—
39.5	-9.9%	43.5	-0.1%	83.0	-5.0%
41.3	-6.0%	44.0	-6.9%	85.4	-6.5%
29.3	+5.0%	29.6	-3.8%	59.0	+0.4%

FYE March 2021	Q1		Q1-Q2			Q1-Q3			Full-year			
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
Net sales	244.4	-5.7%	—	496.5	-5.1%	—	758.4	-4.8%	75.1%	999.6	-4.8%	-1.0%
Cost of sales	158.3	-7.2%	—	324.4	-6.5%	—	495.0	-5.6%	—	652.0	-5.2%	—
Gross profit	86.1	-2.7%	—	172.1	-2.3%	—	263.3	-3.3%	—	347.6	-4.0%	—
Selling, general and administrative expenses	62.5	-9.1%	—	128.1	-6.2%	—	195.5	-5.6%	—	260.1	-5.3%	—
Carriage and storage charges	10.8	-3.7%	—	21.6	-5.4%	—	32.3	-5.5%	—	43.2	-4.7%	—
Sales promotion expenses	23.8	-13.3%	—	50.0	-5.8%	—	78.2	-4.7%	—	103.7	-4.8%	—
Labor cost	13.6	-4.5%	—	27.0	-4.3%	—	40.7	-4.2%	—	54.2	-4.2%	—
Operating profit	23.5	+19.6%	—	43.9	+11.1%	—	67.7	+4.0%	74.5%	87.4	+0.1%	-3.9%
Ordinary profit	23.2	+14.3%	—	44.0	+8.5%	—	68.4	+3.0%	73.6%	91.3	+2.7%	-1.8%
Profit attributable to owners of parent	15.1	+13.4%	—	27.9	+2.9%	—	43.5	-2.7%	72.7%	58.7	-3.9%	-2.1%

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
496.5	-5.1%	503.0	-4.4%	999.6	-4.8%
324.4	-6.5%	327.5	-3.8%	652.0	-5.2%
172.1	-2.3%	175.5	-5.6%	347.6	-4.0%
128.1	-6.2%	132.0	-4.4%	260.1	-5.3%
21.6	-5.4%	21.5	-3.9%	43.2	-4.7%
50.0	-5.8%	53.6	-3.9%	103.7	-4.8%
27.0	-4.3%	27.2	-4.0%	54.2	-4.2%
43.9	+11.1%	43.5	-8.9%	87.4	+0.1%
44.0	+8.5%	47.3	-2.1%	91.3	+2.7%
27.9	+2.9%	30.8	-9.4%	58.7	-3.9%

(Reference)

[After applying revenue recognition standards]

FYE March 2021	Q1		Q1-Q2			Q1-Q3			Full-year			
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
Net sales	202.4	—	—	409.7	—	—	626.4	—	—	826.5	—	—

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
409.7	—	416.7	—	826.5	—

1. Consolidated Financial Results
3. Operating Results of Pharmaceutical Segment

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

(Billions of yen)

FYE March 2022	Q1		Q1-Q2		Q1-Q3		Full-year				
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan			
Net sales	36.2	-2.3	38.0	92.1	+3.3	-3.6					
Cost of sales	20.4	+4.0	—	46.5	+4.3	—					
Gross profit	15.7	-9.5	—	45.5	+2.4	—					
Selling, general and administrative expenses	16.3	-7.7	—	34.3	-9.5	—					
Carriage and storage charges	0.5	+2.4	—	1.2	+15.0	—					
Sales promotion expenses	0.5	-77.8	—	1.3	-78.5	—					
Labor cost	6.1	-0.9	—	12.4	-0.3	—					
Operating profit	-0.6	—	—	11.2	+70.6	+32.7					
Ordinary profit	-0.9	—	—	10.6	+65.7	+32.6					
Profit attributable to owners of parent	-1.2	—	—	7.5	+962.1	+25.0					

Plan -- FYE March 2022					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
92.1	+3.3	96.5	-7.6	188.6	-2.6
46.5	+4.3	—	—	—	—
45.5	+2.4	—	—	—	—
34.3	-9.5	—	—	—	—
1.2	+15.0	—	—	—	—
1.3	-78.5	—	—	—	—
12.4	-0.3	—	—	—	—
11.2	+70.6	7.2	-42.2	18.5	-3.2
10.6	+65.7	7.4	-39.1	18.0	-3.2
7.5	+962.1	24.6	+288.5	32.1	+356.1

FYE March 2021	Q1		Q1-Q2		Q1-Q3		Full-year					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
Net sales	37.1	-7.3	—	89.1	-6.6	—	143.4	-7.7	74.9	193.6	-5.2	+1.1
Cost of sales	19.7	-1.7	—	44.5	-6.4	—	69.3	-11.8	—	91.4	-11.9	—
Gross profit	17.4	-12.9	—	44.5	-6.7	—	74.0	-3.5	—	102.2	+1.6	—
Selling, general and administrative expenses	17.7	-6.6	—	37.9	-4.1	—	58.3	-4.6	—	83.1	-1.8	—
Operating profit	-0.3	—	—	6.6	-19.7	—	15.7	+1.0	98.4	19.1	+19.5	+19.4
Ordinary profit	-0.1	—	—	6.4	-19.7	—	15.5	+3.2	103.8	18.6	+30.1	+24.6
Profit attributable to owners of parent	-2.0	—	—	0.7	-84.6	—	5.6	-24.2	94.8	7.0	+15.8	+17.3

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
89.1	-6.6	104.5	-4.1	193.6	-5.2
44.5	-6.4	46.8	-16.5	91.4	-11.9
44.5	-6.7	57.6	+9.1	102.2	+1.6
37.9	-4.1	45.2	+0.2	83.1	-1.8
6.6	-19.7	12.4	+61.1	19.1	+19.5
6.4	-19.7	12.2	+92.1	18.6	+30.1
0.7	-84.6	6.3	+321.1	7.0	+15.8

(Reference)

[After applying revenue recognition standards]

FYE March 2021	Q1		Q1-Q2		Q1-Q3		Full-year					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
Net sales	35.5	—	—	84.3	—	—	134.0	—	—	182.1	—	—

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
84.3	—	97.7	—	182.1	—

2. Segment Information

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

1. Food Segment [Before applying revenue recognition standards]

A. Net Sales

(Billions of yen)

FYE March 2022	Q1		Q1-Q2		Q1-Q3		Full-year			
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan		
	%	%	%	%	%	%	%	%		
Yogurt&cheese	62.1	-11.0	47.9	123.2	-8.2	-5.1				
Nutrition	30.5	+10.1	48.0	62.9	+5.7	-1.0				
Chocolate&gummy	25.0	+4.2	48.7	50.1	+5.8	-2.4				
Drinking milk	21.7	-8.7	48.7	44.3	-9.5	-0.7				
B to B	16.5	+20.7	49.2	34.7	+16.0	+3.0				
Frozen dessert&ready meal	17.9	-9.2	44.2	40.1	-5.6	-1.2				
Overseas	12.3	+11.3	48.4	26.8	+16.2	+5.0				
Other / domestic subsidiaries	55.0	+1.7	50.2	112.5	+1.6	+2.6				

Plan -- FYE March 2022					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
%	%	%	%	%	%
123.2	-8.2	126.2	-0.2	249.4	-4.3
62.9	+5.7	59.4	+5.3	122.4	+5.5
50.1	+5.8	70.7	+4.5	120.8	+5.1
44.3	-9.5	39.2	-11.5	83.6	-10.4
34.7	+16.0	38.4	+5.0	73.1	+10.0
40.1	-5.6	31.2	-2.6	71.4	-4.3
26.8	+16.2	28.7	+11.4	55.5	+13.7
112.5	+1.6	107.8	-5.0	220.3	-1.7

FYE March 2021	Q1		Q1-Q2		Q1-Q3		Full-year			
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan		
	%	%	%	%	%	%	%	%		
Yogurt&cheese	69.9	—	—	134.2	—	—	198.2	—	260.7	—
Nutrition	27.7	—	—	59.5	—	—	89.4	—	116.0	—
Chocolate&gummy	24.0	—	—	47.3	—	—	83.2	—	115.0	—
Drinking milk	23.8	—	—	49.0	—	—	71.8	—	93.4	—
B to B	13.7	—	—	29.9	—	—	50.2	—	66.5	—
Frozen dessert&ready meal	19.8	—	—	42.5	—	—	59.4	—	74.6	—
Overseas	11.1	—	—	23.1	—	—	36.5	—	48.8	—
Other / domestic subsidiaries	54.1	—	—	110.6	—	—	169.4	—	224.2	—

H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
%	%	%	%	%	%
134.2	—	126.5	—	260.7	—
59.5	—	56.5	—	116.0	—
47.3	—	67.6	—	115.0	—
49.0	—	44.3	—	93.4	—
29.9	—	36.6	—	66.5	—
42.5	—	32.1	—	74.6	—
23.1	—	25.7	—	48.8	—
110.6	—	113.5	—	224.2	—

B. Operating Profit

(Billions of yen)

FYE March 2022	Q1		Q1-Q2		Q1-Q3		Full-year			
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan		
	%	%	%	%	%	%	%	%		
Yogurt&cheese	10.0	-35.2	39.8	18.7	-28.6	-25.9				
Nutrition	4.8	+18.1	48.7	10.6	+13.6	+7.1				
Chocolate&gummy	2.1	+33.2	70.7	3.7	+62.5	+25.4				
Drinking milk	-0.0	—	—	-0.0	—	—				
B to B	0.3	—	119.9	0.8	+540.0	+200.6				
Frozen dessert&ready meal	0.5	-65.3	22.1	2.3	-28.0	-0.4				
Overseas	0.1	-58.9	—	0.2	-51.0	—				
Other / domestic subsidiaries	1.4	+13.9	63.8	2.9	+10.6	+27.5				

Plan -- FYE March 2022					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
%	%	%	%	%	%
18.7	-28.6	20.2	-5.6	38.9	-18.2
10.6	+13.6	7.7	-8.0	18.3	+3.4
3.7	+62.5	10.4	+11.1	14.2	+21.2
-0.0	—	-0.4	—	-0.4	—
0.8	+540.0	2.2	+34.0	3.0	+71.4
2.3	-28.0	0.6	+90.8	3.0	-16.4
0.2	-51.0	0.5	-13.4	0.8	-30.9
2.9	+10.6	1.9	-6.2	4.9	+3.2

FYE March 2021	Q1		Q1-Q2		Q1-Q3		Full-year			
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan		
	%	%	%	%	%	%	%	%		
Yogurt&cheese	15.5	—	—	26.1	—	—	36.3	—	47.6	—
Nutrition	4.1	—	—	9.3	—	—	13.9	—	17.7	—
Chocolate&gummy	1.5	—	—	2.3	—	—	8.0	—	11.7	—
Drinking milk	-0.7	—	—	-0.6	—	—	-0.8	—	-1.2	—
B to B	-0.0	—	—	0.1	—	—	1.4	—	1.7	—
Frozen dessert&ready meal	1.5	—	—	3.3	—	—	3.5	—	3.6	—
Overseas	0.2	—	—	0.5	—	—	1.2	—	1.2	—
Other / domestic subsidiaries	1.3	—	—	2.6	—	—	4.0	—	4.8	—

H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
%	%	%	%	%	%
26.1	—	21.4	—	47.6	—
9.3	—	8.3	—	17.7	—
2.3	—	9.4	—	11.7	—
-0.6	—	-0.5	—	-1.2	—
0.1	—	1.6	—	1.7	—
3.3	—	0.3	—	3.6	—
0.5	—	0.6	—	1.2	—
2.6	—	2.1	—	4.8	—

2. Segment Information

2. Pharmaceutical Segment [Before applying revenue recognition standards]

A. Net Sales

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

FYE March 2022	Q1		Q1-Q2			Q1-Q3		Full-year		Plan -- FYE March 2022					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change	
															%
Domestic ethical pharmaceuticals	18.2	-0.8	37.0	45.2	+9.6	-8.4									
Overseas ethical pharmaceuticals	10.5	+1.9	48.2	19.4	-2.2	-11.5									
Human vaccines	4.7	-2.1	22.1	24.0	+15.6	+10.8									
Agricultural chemicals&veterinary drugs	3.9	+16.0	43.3	7.9	+11.3	-13.1									

FYE March 2021	Q1		Q1-Q2			Q1-Q3		Full-year		Plan -- FYE March 2022					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change	
															%
Domestic ethical pharmaceuticals	18.4	—	—	41.3	—	—	66.6	—	—	91.4	—	—	—	—	—
Overseas ethical pharmaceuticals	10.4	—	—	19.9	—	—	28.9	—	—	39.4	—	—	—	—	—
Human vaccines	4.9	—	—	20.8	—	—	36.5	—	—	45.9	—	—	—	—	—
Agricultural chemicals&veterinary drugs	3.4	—	—	7.1	—	—	11.4	—	—	16.9	—	—	—	—	—

B. Operating Profit

FYE March 2022	Q1		Q1-Q2			Q1-Q3		Full-year		Plan -- FYE March 2022					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change	
															%
Domestic ethical pharmaceuticals	-0.7	—	—	1.7	—	-1.8									
Overseas ethical pharmaceuticals	0.1	-88.0	6.9	1.2	-43.7	-41.0									
Human vaccines	0.3	—	8.5	8.6	+70.2	+111.7									
Agricultural chemicals&veterinary drugs	-0.3	—	—	-0.4	—	—									

FYE March 2021	Q1		Q1-Q2			Q1-Q3		Full-year		Plan -- FYE March 2022					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change	
															%
Domestic ethical pharmaceuticals	-1.2	—	—	-0.4	—	—	2.9	—	—	5.6	—	—	—	—	—
Overseas ethical pharmaceuticals	1.2	—	—	2.2	—	—	2.7	—	—	3.8	—	—	—	—	—
Human vaccines	-0.1	—	—	5.1	—	—	10.4	—	—	9.7	—	—	—	—	—
Agricultural chemicals&veterinary drugs	-0.2	—	—	-0.3	—	—	-0.3	—	—	0.0	—	—	—	—	—

3. Analysis of Operating Profit

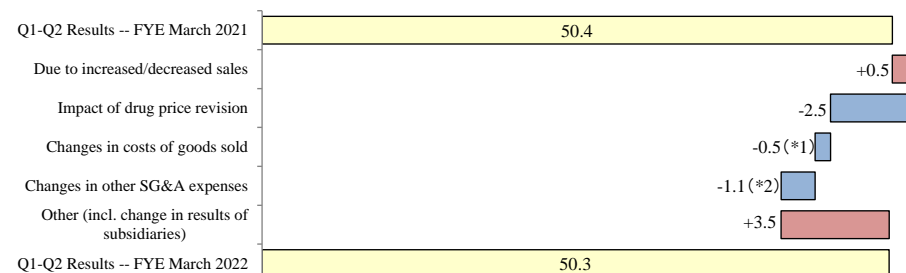
(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

1. Results -- FYE March 2022

(Billions of yen)

	Q1				Q1-Q2				Q1-Q3				Full-year			
	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other
Results -- FYE March 2021	23.1	23.5	-0.3	-0.0	50.4	43.9	6.6	-0.1								
Due to increased/decreased sales	-1.9	-3.2	+1.3	—	+0.5	-3.9	+4.4	—								
Impact of drug price revision	-1.1	—	-1.1	—	-2.5	—	-2.5	—								
Changes in costs of goods sold	+0.4	+0.2	+0.2	—	-0.5	-1.0	+0.5	—								
Changes in other SG&A expenses	-1.7	-1.5	-0.2	—	-1.1	-0.1	-1.0	—								
Other (incl. change in results of subsidiaries)	-0.2	+0.4	-0.5	-0.1	+3.5	+0.6	+3.2	-0.3								
Total change	-4.5	-4.1	-0.2	-0.1	-0.0	-4.3	+4.6	-0.3								
Results -- FYE March 2022	18.6	19.4	-0.6	-0.1	50.3	39.5	11.2	-0.5								

YoY Change in Operating Profit



(Breakdown)

*1: [Food] Increase in raw materials cost: -0.8, Other: -0.2
[Pharma] Cost reductions: +0.5

*2: [Food] Decrease in marketing expenses: +0.9,
Increase in indirect manufacturing cost including depreciation and outsourcing expenses: -0.7,
Other: -0.3
[Pharma] Decrease in marketing expenses: +0.1, Increase in R&D expenses: -0.9, Other: -0.2

2. Plan -- FYE March 2022

(Billions of yen)

	H1 (Q1-Q2) Results				H2 (Q3-Q4) Revised Plan				Full-year Revised Plan			
	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other
Results -- FYE March 2021	50.4	43.9	6.6	-0.1	55.6	43.5	12.4	-0.3	106.0	87.4	19.1	-0.5
Due to increased/decreased sales	+0.5	-3.9	+4.4	—	+4.8	+1.8	+3.0	—	+5.3	-2.1	+7.4	—
Impact of drug price revision	-2.5	—	-2.5	—	-2.5	—	-2.5	—	-5.0	—	-5.0	—
Changes in costs of goods sold	-0.5	-1.0	+0.5	—	-1.9	-2.3	+0.4	—	-2.4	-3.3	+0.9	—
Changes in other SG&A expenses	-1.1	-0.1	-1.0	—	-1.5	+1.2	-2.7	—	-2.6	+1.1	-3.7	—
Other (incl. change in results of subsidiaries)	+3.5	+0.6	+3.2	-0.3	-4.8	-0.7	-3.4	-0.7	-1.3	-0.1	-0.2	-1.0
Total change	-0.0	-4.3	+4.6	-0.3	-5.9	-0.0	-5.2	-0.7	-6.0	-4.4	-0.6	-1.0
Plan -- FYE March 2022	50.3	39.5	11.2	-0.5	49.6	43.5	7.2	-1.0	100.0	83.0	18.5	-1.5

4. Consolidated Financial Positions

(Billions of yen)

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

FYE March 2022	As of Jun. 30		As of Sep. 30		As of Dec. 31		As of Mar. 31	
		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end
		%		%		%		%
Total assets	1,097.5	+2.9	1,144.9	+7.3				
Current assets	453.9	+6.6	480.6	+12.8				
Non-current assets	643.5	+0.4	664.2	+3.6				
Total liabilities	433.7	+6.4	449.2	+10.2				
Current liabilities	278.6	+10.1	293.9	+16.2				
Non-current liabilities	155.0	+0.3	155.2	+0.4				
Total net assets	663.7	+0.7	695.7	+5.5				
Shareholders' equity	599.0	+0.3	623.5	+4.4				
Reference	Consolidated interest bearing debt	151.7	+49.1	130.2	+27.9			
	Food segment assets	743.4	-1.6	771.1	+2.1			
	Pharmaceutical segment assets	268.1	-6.4	292.8	+2.3			

FYE March 2021	As of Jun. 30		As of Sep. 30		As of Dec. 31		As of Mar. 31		
		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end	
		%		%		%		%	
Total assets	1,037.7	+3.9	1,069.9	+7.1	1,096.6	+9.8	1,067.0	+6.8	
Current assets	451.6	+8.3	450.6	+8.1	473.9	+13.7	426.0	+2.2	
Non-current assets	586.1	+0.7	619.2	+6.4	622.7	+7.0	640.9	+10.1	
Total liabilities	438.8	+9.4	450.3	+12.2	464.2	+15.7	407.6	+1.6	
Current liabilities	292.7	+14.1	305.0	+18.9	309.0	+20.5	253.0	-1.4	
Non-current liabilities	146.0	+0.9	145.3	+0.3	155.2	+7.2	154.6	+6.8	
Total net assets	598.9	+0.2	619.5	+3.7	632.4	+5.8	659.3	+10.3	
Shareholders' equity	555.5	+0.3	571.2	+3.2	581.0	+4.9	597.2	+7.9	
Reference	Consolidated interest bearing debt	165.0	+54.6	164.1	+53.8	159.5	+49.4	101.7	-4.7
	Food segment assets	694.1	-1.6	726.6	+3.0	743.0	+5.3	755.2	+7.1
	Pharmaceutical segment assets	263.2	-3.2	272.6	+0.2	284.9	+4.7	286.3	+5.3

5. Capital Expenditures, Depreciation, R&D Expenses

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

(Billions of yen)

	FYE March 2019		FYE March 2020		FYE March 2021		FYE March 2022	
	H1 (Q1-Q2)	Full-year	H1 (Q1-Q2)	Full-year	H1 (Q1-Q2)	Full-year	H1 (Q1-Q2) Results	Full-year Revised Plan
Capital expenditures	34.3	71.2	38.7	71.1	33.2	67.9	48.0	109.3
Food segment	30.5	61.3	31.2	60.2	28.3	56.4	38.3	86.6
Pharmaceutical segment	3.7	9.7	7.5	10.7	4.8	11.3	9.5	22.4
Corporate or elimination	0.0	0.1	0.0	0.0	0.1	0.1	0.1	0.2
Depreciation and amortization	20.6	43.0	22.4	46.1	23.6	48.4	24.5	50.0
Food segment	16.7	34.5	18.1	37.4	19.0	39.2	19.8	40.9
Pharmaceutical segment	3.6	9.0	4.7	9.6	4.9	9.9	5.0	9.7
Corporate or elimination	0.2	-0.5	-0.4	-0.8	-0.4	-0.7	-0.3	-0.6
R&D expenses	13.2	29.1	14.5	31.4	14.4	31.4	15.5	34.4
Food segment	6.1	12.7	6.6	13.4	6.5	13.1	6.4	13.9
Pharmaceutical segment	7.0	16.4	7.6	17.5	7.6	17.6	8.6	19.6
Corporate or elimination	0.0	0.0	0.1	0.4	0.2	0.5	0.3	0.9

Note: The figures of "Capital expenditures" and "Depreciation and amortization" include "Intangible assets."

6. Financial Indicators, consolidated

	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	
	Full-year	Full-year	Full-year	Full-year	
Net sales	1,240.8 billion yen	1,254.3 billion yen	1,252.7 billion yen	1,191.7 billion yen	
Operating profit	94.6 billion yen	98.3 billion yen	102.7 billion yen	106.0 billion yen	
Operating profit ratio	7.6 %	7.8 %	8.2 %	8.9 %	
EBITDA	142.8 billion yen	143.0 billion yen	148.9 billion yen	154.4 billion yen	(Note) Op. profit + Depreciation and amortization
EBITDA margin	11.5 %	11.4 %	11.9 %	13.0 %	
Profit attributable to owners of parent	61.2 billion yen	61.8 billion yen	67.3 billion yen	65.6 billion yen	
Profit ratio	4.9 %	4.9 %	5.4 %	5.5 %	
Total assets	927.5 billion yen	1,004.1 billion yen	998.9 billion yen	1,067.0 billion yen	
Interest bearing debt	119.1 billion yen	116.3 billion yen	106.7 billion yen	101.7 billion yen	
Shareholders' equity	487.3 billion yen	527.3 billion yen	562.7 billion yen	621.4 billion yen	
Shareholders' equity ratio	52.7 %	52.5 %	56.3 %	58.2 %	
Debt/Equity ratio	0.24 times	0.22 times	0.19 times	0.16 times	
ROA	10.6 %	10.3 %	10.3 %	10.7 %	(Note) Ordinary profit/Average net assets
ROE	13.1 %	12.2 %	12.4 %	11.1 %	(Note) Profit attributable to owners of parent/Average shareholders' equity
ROIC	— %	— %	9.9 %	10.0 %	(Note) Diluted NOPLAT/(Non-current assets + Working Capital)
Net cash flow from operating activities	108.7 billion yen	112.1 billion yen	114.1 billion yen	123.6 billion yen	
Net cash flow from investing activities	-64.3 billion yen	-100.2 billion yen	-70.8 billion yen	-93.1 billion yen	
Free cash flow	44.3 billion yen	11.8 billion yen	43.2 billion yen	30.5 billion yen	(Note) Net cash flow from operating activities + Net cash flow from investing activities
Profit per share	422.15 yen	426.61 yen	464.08 yen	452.52 yen	(Note) Profit attributable to owners of parent / Average number of shares during period
Net assets per share	3,360.70 yen	3,635.79 yen	3,879.18 yen	4,282.80 yen	(Note) (Total net assets - Noncontrolling interests) / (Number of shares outstanding - Number of treasury stock)
Cash flow per share	743.35 yen	723.29 yen	782.49 yen	786.13 yen	(Note) (Profit attributable to owners of parent + Depreciation and Amortization) / (Number of shares outstanding - Number of treasury stock)
Cash dividends per share	130.00 yen	140.00 yen	150.00 yen	160.00 yen	
Dividend payout ratio	30.8 %	32.8 %	32.3 %	35.4 %	
Price/Earnings ratio--PER	19.1 times	21.2 times	16.5 times	15.7 times	(Note) Year-end stock price/Profit per share
Price/Book value ratio--PBR	2.4 times	2.4 times	2.0 times	1.7 times	(Note) Year-end stock price/Net assets per share
Price/Cash flow ratio--PCFR	10.8 times	12.4 times	9.8 times	9.1 times	(Note) Year-end stock price/Cash flow per share

7. Other

1. [Reference] Food Segment (Non-consolidated) Sales by Main Products [Before applying revenue recognition standards]

(Amounts appearing in the tables below have been rounded off to nearest 100 million yen)

(Billions of yen)

FYE March 2022	Q1		Q1-Q2			Q1-Q3		Full-year				Plan -- FYE March 2022					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan		YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan			H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
	%	%	%	%	%	%	%	%	%	%	%		%	%	%	%	%
Yogurt	21.2	-5.9	49.6	42.4	-4.4	-0.7						42.4	-4.4	41.4	+3.4	83.8	-0.7
Probiotic yogurts	25.3	-16.8	45.8	49.5	-12.4	-10.2						49.5	-12.4	52.8	-4.6	102.4	-8.6
Cheese for consumers	7.5	-4.9	49.2	14.8	-3.8	-3.0						14.8	-3.8	15.1	-3.7	29.9	-3.8
Chocolate	19.8	+2.8	48.6	39.5	+3.5	-3.0						39.5	+3.5	59.6	+3.1	99.2	+3.3
Infant formula and enteral formula	14.6	-1.1	48.7	30.8	+2.8	+2.9						30.8	+2.8	30.7	+6.8	61.6	+4.8
Sports nutrition (incl. SAVAS Milk Protein)	11.7	+30.9	47.4	23.3	+12.1	-5.9						23.3	+12.1	20.9	+6.3	44.3	+9.3
Drinking milk for consumers (incl. home delivery)	19.8	-10.2	48.4	40.4	-10.7	-0.9						40.4	-10.7	36.4	-10.5	76.8	-10.6
Ice cream for consumers	10.4	-9.8	41.1	24.7	-7.0	-2.1						24.7	-7.0	14.7	-4.1	39.3	-6.0

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

(Billions of yen)

FYE March 2021	Q1		Q1-Q2			Q1-Q3		Full-year				Plan -- FYE March 2022						
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan		YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan			H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change	
	%	%	%	%	%	%	%	%	%	%	%		%	%	%	%	%	
Yogurt	22.5	+3.7	—	44.3	+2.3	—	64.3	+1.0	75.8	84.3	-0.1	-0.5	44.3	+2.3	40.0	-2.5	84.3	-0.1
Meiji Bulgaria Yogurt	20.6	+4.4	—	40.6	+4.1	—	58.7	+1.9	76.1	76.8	+0.9	-0.5	40.6	+4.1	36.2	-2.4	76.8	+0.9
Probiotic yogurts	30.3	+17.6	—	56.5	+14.1	—	84.0	+8.6	73.2	111.9	+0.9	-2.5	56.5	+14.1	55.4	-9.7	111.9	+0.9
Drinking milk	27.0	-4.1	—	56.8	-2.9	—	84.2	-3.4	76.1	110.0	-3.1	-0.5	56.8	-2.9	53.1	-3.2	110.0	-3.1
Meiji Oishii Gyunyu	15.8	+10.2	—	32.7	+9.3	—	47.6	+7.4	76.4	61.8	+6.7	-0.8	32.7	+9.3	29.1	+3.9	61.8	+6.7
Cheese	9.2	+0.4	—	18.3	+0.8	—	28.6	-0.4	75.6	37.3	-0.5	-1.8	18.3	+0.8	18.9	-1.8	37.3	-0.5
Meiji Hokkaido Tokachi series	3.7	+5.8	—	7.4	+8.1	—	12.0	+6.7	75.8	15.6	+5.9	-1.8	7.4	+8.1	8.1	+4.0	15.6	+5.9
Ice cream	12.0	-1.0	—	27.9	+1.4	—	36.4	-0.4	81.3	44.3	-0.2	-1.2	27.9	+1.4	16.4	-2.7	44.3	-0.2
Chocolate	19.2	-3.4	—	38.1	-3.0	—	69.1	-1.3	71.0	95.9	-1.2	-1.6	38.1	-3.0	57.8	+0.0	95.9	-1.2
Nutritional products	14.7	+2.9	—	29.9	+1.4	—	45.2	-1.4	77.6	58.7	-0.0	+0.8	29.9	+1.4	28.7	-1.4	58.7	-0.0
Sports nutrition	5.7	+3.3	—	13.0	+13.0	—	19.3	+17.6	77.1	24.9	+21.5	-0.6	13.0	+13.0	11.8	+32.3	24.9	+21.5

Note: Nutritional products include infant formula and enteral formula.

7. Other

2. List of New Products Under Development

Infectious disease

Stage	Name	Type	Efficacy Classification	Notes
Phase I (Overseas)	ME1100 (Arbekacin)	Inhalation	Hospital Acquired Bacterial Pneumonia/ Ventilator Associated Bacterial Pneumonia treatment (HABP/VABP)	Discovered in-house
Phase I	OP0595 (Nacubactam)	Injection	β -lactamase inhibitor	Discovered in-house

CNS disorders

Stage	Name	Type	Efficacy Classification	Notes
Phase III	ME2112 (Ziprasidone)	Oral	Antipsychotic	In-license: RaQualia Pharma Inc.

New fields

Stage	Name	Type	Efficacy Classification	Notes
Approved	HBI-8000 (Tucidinostat)	Oral	Relapsed or refractory adult T-cell leukemia /lymphoma (ATLL)	In-license: HUYA Bioscience International, LLC (USA)
Filed (Under review)	HBI-8000 (Tucidinostat)	Oral	Relapsed or refractory peripheral T-cell lymphoma (PTCL)	In-license: HUYA Bioscience International, LLC (USA)
Phase III	ME3208 (Belumosudil)	Oral	Steroid-refractory/dependent Chronic Graft Versus Host Disease	Development: Romeck Pharma, LLC
Phase III (Overseas)	DMB-3115	Injection	Plaque psoriasis/Psoriatic arthritis/Crohn's disease/Ulcerative colitis (Biosimilar)	Co-development: Dong-A Socio Holdings Co., Ltd.(South Korea)
Phase I	DMB-3111	Injection	Breast cancer/Gastric cancer (Biosimilar)	Co-development: Dong-A Socio Holdings Co., Ltd. (South Korea)
Phase I (Overseas)	ME3183	Oral	Psoriasis/Selective PDE4 inhibitor	Discovered in-house

Human vaccines

Stage	Name	Target Disease	Notes
Phase III	KD-370	Pentavalent vaccine against diphtheria, tetanus, pertussis, polio, and haemophilus influenza type b	Development: KM Biologics Co., Ltd.
Phase II / III	KD-414	Inactivated vaccine against COVID-19	Development: KM Biologics Co., Ltd.
Phase I / II	KD-404	Egg-derived inactivated whole virus influenza vaccine	Co-development: Hokkaido University
Phase I (Overseas)	KD-382	Quadrivalent vaccine against dengue fever	Development: KM Biologics Co., Ltd.

Blood Plasma Products

Stage	Name	Target Disease	Notes
Filed (Under review) Extension study	KD2-305	Suppression of bleeding tendency in patients with blood coagulation factor VIII or factor IX deficiency who have coagulation factor inhibitors	Development: KM Biologics Co., Ltd.

Note: The above list shows development status as of November 9, 2021.

8. Disclosure Changes from FYE March 2022

1. Applying the Accounting Standard for Revenue Recognition

The Accounting Standard for Revenue Recognition is applied from the beginning of FYE March 2022.

As such, the consolidated figures and the figures by segment for FYE March 2022 are calculated based on the assumption of accounting treatment changes related to revenue recognition. Furthermore, FYE March 2021 earnings provided as reference information are calculated based on the same assumption.

2. Category Changes within Segments

From FYE March 2022, we have implemented the following changes to business categories within segments.

Results and targets are disclosed as a new classification.

Former Classification (~FYE March 2021)

[Food Segment]

Category	Main Products
Fresh and Fermented Dairy	Probiotic yogurt, yogurt, drinking milk, <i>SAVAS Milk Protein</i>
Processed Food	Cheese, ice cream, prepared foods, butter and margarine, professional food products
Confectionery	Chocolate, gummy, chewing gum, candy
Nutritions	Infant formula, sports nutrition, beauty supplement, enteral formula, OTC drugs
Overseas	Overseas subsidiaries, exports
Other Domestic Subsidiaries	Domestic subsidiaries

[Pharmaceutical Segment]

Category	Main Products
Japan	Domestic ethical pharmaceuticals (incl. human vaccines), domestic agricultural chemicals, domestic veterinary drugs
Overseas	Overseas ethical pharmaceuticals, overseas agricultural chemicals, overseas veterinary drugs
KM Biologics	Human vaccines, blood plasma products, veterinary vaccines

Current Classification (FYE March 2022~)

[Food Segment]

Category	Main Products
Yogurt&cheese	Probiotic yogurt, yogurt, cheese
Nutrition	Infant formula, sports nutrition (incl. <i>SAVAS Milk Protein</i>), enteral formula, beauty supplement
Chocolate&gummy	Chocolate, gummy
Drinking milk	Drinking milk
B to B	Professional food products
Frozen dessert&ready meal	Ice cream, prepared foods, butter and margarine
Overseas	Overseas subsidiaries, exports
Other / domestic subsidiaries	Domestic subsidiaries, chewing gum, candy, OTC drugs

[Pharmaceutical Segment]

Category	Main Products
Domestic ethical pharmaceuticals	Domestic ethical pharmaceuticals, blood plasma products
Overseas ethical pharmaceuticals	Overseas ethical pharmaceuticals
Human vaccines	Human vaccines
Agricultural chemicals&veterinary drugs	Agricultural chemicals (Japan/overseas), veterinary drugs (Japan/overseas), veterinary vaccines