

**FY2023(1Q-3Q)**  
**(Third quarter of the fiscal year ending March 31, 2023)**  
**Consolidated Business Results**

**February 2,2023**  
**Kotobuki Spirits Co.,Ltd.**





# Company Overview

<b>Firm name</b>	<b>Kotobuki Spirits Co.,Ltd.</b>
<b>Securities code</b>	<b>2222 (Tokyo Stock Exchange Prime Market)</b>
<b>Address</b>	<b>2028, Hatagasaki, Yonago-shi, Tottori, 683-0845, Japan</b>
<b>Establishment</b>	<b>April 25th,1952</b>
<b>Capital</b>	<b>1.2 Billion 17.8 Million yen</b>
<b>President</b>	<b>Seigo Kawagoe</b>
<b>Employees</b>	<b>Kotobuki Spirits 7 people/Group Total 1,552 people</b>
<b>Group companies</b>	<b>Consolidated subsidiary 17 companies (domestic 16•overseas 1)</b>
<b>Net sales</b>	<b>32.2 Billion Yen (FY2022 :Year ended March 31, 2022)</b>

December 31th,2022

# FY2023(1Q-3Q)Highlight

Net sales **35,370**million yen **154.3%**(YoY)

Ordinary profit **7,177**million yen **323.7%**(YoY)

With travel support and the year-end and New Year holidays without movement restrictions for the first time in three years, the flow of people is recovering, and business measures have been implemented, and sales have recovered to before corona, and profits have exceeded before corona.

●Sales<except for overseas subsidiaries>

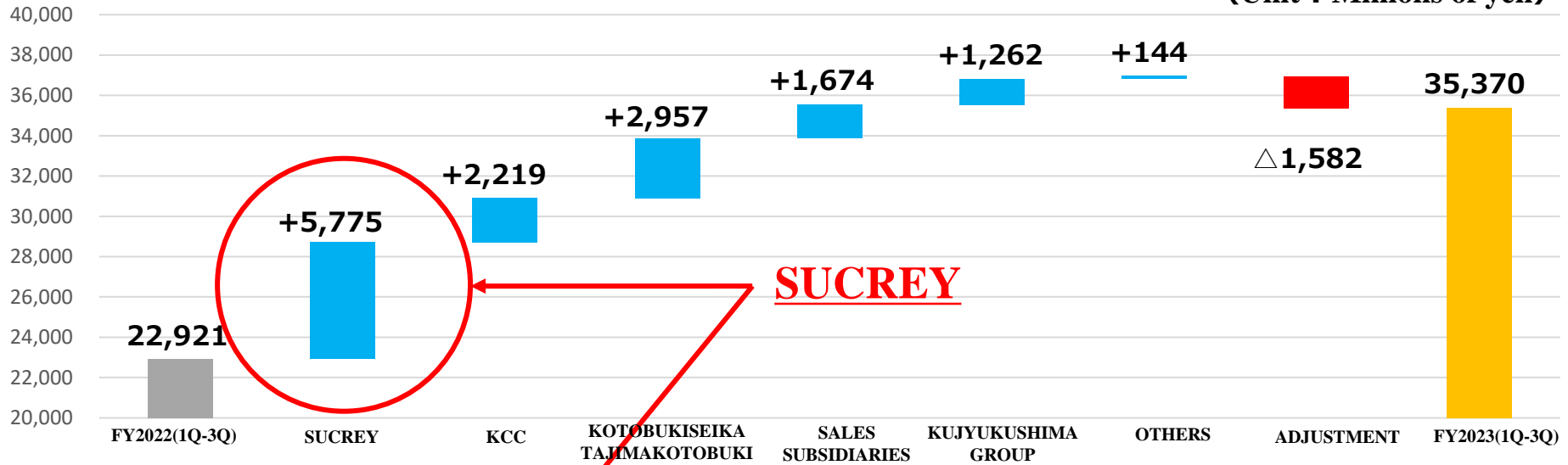
	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Compared to FY2022(1Q-3Q)	50.9	73.5	77.3	45.3	84.1	86.4	65.0	40.0	28.5
Compared to FY2020(1Q-3Q)	△ 14.4	△ 10.7	△ 1.9	△ 9.3	△ 15.3	△ 4.8	10.1	9.1	23.2

(Unit:Millions of yen)	FY2020	FY2021	FY2022	FY2023	YoY	Compared to FY2020(1Q-3Q)
	1Q-3Q	1Q-3Q	1Q-3Q	1Q-3Q		
Net sales	35,675	16,306	22,921	35,370	154.3%	99.1%
Operating profit(loss)	6,191	△ 2,307	860	6,856	796.8%	110.7%
Ordinary profit(loss)	6,242	△ 303	2,217	7,177	323.7%	115.0%
Net profit(loss)	3,970	△ 174	1,477	4,711	318.9%	118.7%

# FY2023(1Q-3Q) increase or decrease of amount

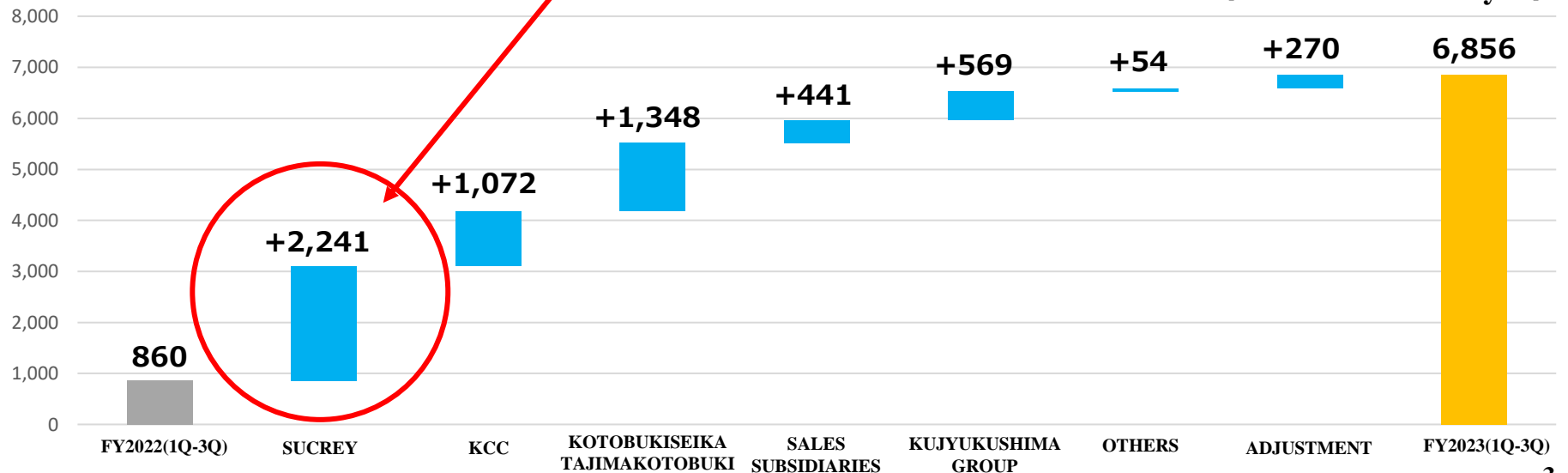
## 【Net sales】

(Unit : Millions of yen)



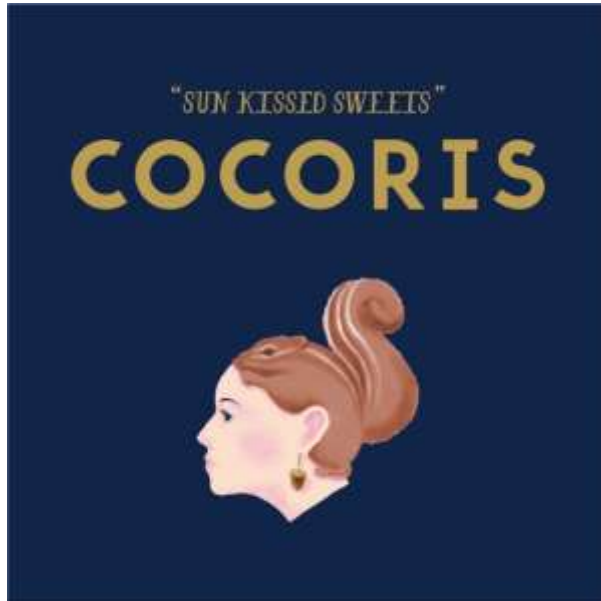
## 【Operating profit】

(Unit : Millions of yen)



# FY2023(1Q-3Q)Topics ① (Sales expansion in Tokyo Station)

Sales in the Tokyo Station area in the third quarter of the fiscal year ending March 31, 2023 doubled YoY due to the effects of new brand store openings



**COCORIS continues to be No. 1 in Tokyo station sales ranking for 10 consecutive months**

# FY2023(1Q-3Q)Topics ① (Sales expansion in Tokyo Station)

Shops in the Tokyo Station area will expand from 3 stores in the fiscal year ended March 31, 2020 to 12 stores (as of the end of December 2022)



**cote cour (New Opening in November 2022)**



**PISTA & TOKYO**

	Brand	SEGMENTS	Location	Opening Date
1	The Maple Mania	SUCREY	GRANSTA TOKYO	July,2016 ※reopen
2	Tokyo Milk Cheese Factory	SUCREY	GRANSTA TOKYO	April,2022 ※reopen
3	COCORIS	SUCREY	GRANSTA TOKYO	August,2020
4	Now on Cheese ♪	KCC	GRANSTA TOKYO	August,2020
5	Ivorish	KUJYUKUSHIMA GROUP	GRANSTA TOKYO	April,2022
6	Okada-kinsei Anbataya	KCC	TOKYO GIFT PALETTE	August,2020
7	PISTA & TOKYO	KCC	TOKYO GIFT PALETTE	August,2020
8	FRANÇAIS	SUCREY	TOKYO GIFT PALETTE	August,2020 ※reopen
9	nekochef	SUCREY	TOKYO GIFT PALETTE	August,2020
10	ichigoshop by FRANÇAIS	SUCREY	TOKYO GIFT PALETTE	April,2021
11	Butter Butler	SUCREY	TOKYO GIFT PALETTE	June,2021
12	cote cour	SUCREY	TOKYO GIFT PALETTE	November,2022

## FY2023(1Q-3Q)Topics ② (Opening of large-scale shop)

- Sucrey opened 2 brand shops that DROOLY in Hanshin Department Store and The MASTER by Butter Butler in Abeno Harukas Kintetsu Department Store.



**DROOLY Hanshin Department Store(Umeda Main Store)  
(Apr.2022)**

**The MASTER by Butter Butler  
Abeno Harukas Kintetsu Department Store(Sep.2022)**

# (Mail-order sales)

(1Q-3Q group total sales 4,036 million yen  $\Delta$ 0.3% YoY)

Although stay home consumption decreased , SUCREY sales increased



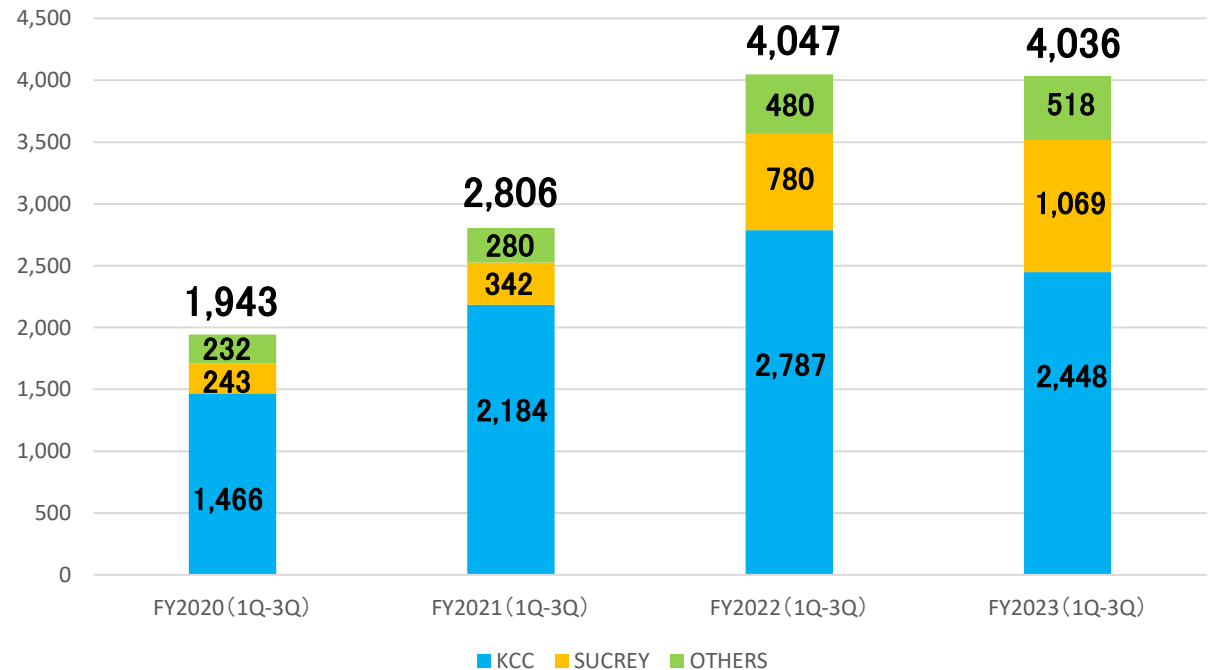
SUCREY online shop



LeTAO online shop

## Mail-order sales

(Unit: Million of yen)





# (Inbound sales)

## **【International airports sales(Inbound sales)】**

**FY2023(3Q) 640 million yen FY2022(3Q) 28 million yen FY2020(3Q) 1,645 million yen**  
**FY2023(1Q-3Q) 893 million yen FY2022(1Q-3Q)100 million yen FY2020(1Q-3Q) 4,528 million yen**

Due to the less strict of travel restrictions from October last year, shops at major international terminals have reopened.

Inbound sales in FY2023(3Q) recovered to 40% of the level before COVID-19 pandemic.



Narita airport Fa-So-La TAX FREE STORE AKIHABARA  
THE MAPLE MANIA



Narita airport Fa-So-La TAX FREE STORE AKIHABARA  
LeTAO

# (Overseas sales)

Overseas sales 1,374 million yen +1.4%(YoY)

Taiwan/Singapore sales increased

First store in Australia strong start

China decreased sales due to lockdown



## Overseas sales

(Unit: Million of yen)

	FY2022 (1Q-3Q)	FY2023 (1Q-3Q)	YoY (Change)	YoY(%)
Taiwan※1	325	459	134	41.1
Korea	147	138	△ 8	△ 5.7
Singapore	147	355	207	140.9
China	681	217	△ 465	△ 68.2
Australia	-	97	97	-
Others	54	108	54	99.3
<b>Total</b>	<b>1,355</b>	<b>1,374</b>	<b>19</b>	<b>1.4</b>

※1 Taiwan is consolidated subsidiaries. Other areas are FC.

# Results of FY2023 1Q-3Q (YoY)

Ordinary profit rate 20.3% (+10.6Point YoY)

(Millions of Yen,%)	FY2022(1Q-3Q)		FY2023(1Q-3Q)		YoY(Change)	YoY(%)	FY2022(1Q-4Q)	
	amount	To-sales rate	amount	To-sales rate			amount	To-sales rate
Net sales	22,921	—	35,370	—	12,449	54.3	32,192	—
Gross profit	12,426	54.2	21,142	59.8	8,716	70.1	17,623	54.7
SG&A expenses	11,566	50.5	14,285	40.4	2,720	23.5	16,220	50.4
Operating profit	860	3.8	6,856	19.4	5,996	696.8	1,403	4.4
Ordinary profit	2,217	9.7	7,177	20.3	4,960	223.7	2,921	9.1
Net profit	1,477	6.4	4,711	13.3	3,234	218.9	1,916	6.0
EPS (yen)	47.47	-	151.39	-	103.92	-	61.56	-

# Results of FY2023 1Q-3Q (Compared to FY2020 1Q-3Q)

Compared to FY2020(1Q-3Q), Net sales  $\Delta 0.9\%$ , ordinary profit  $+15.0\%$

(Millions of Yen,%)	FY2020(1Q-3Q)		FY2023(1Q-3Q)		Compared to FY2020		FY2020(1Q-4Q)	
	amount	To-sales rate	amount	To-sales rate	(Change)	(%)	amount	To-sales rate
<b>Net sales</b>	<b>35,675</b>	<b>—</b>	<b>35,370</b>	<b>—</b>	<b><math>\Delta 305</math></b>	<b><math>\Delta 0.9</math></b>	<b>45,181</b>	<b>—</b>
<b>Gross profit</b>	<b>21,206</b>	<b>59.4</b>	<b>21,142</b>	<b>59.8</b>	<b><math>\Delta 64</math></b>	<b><math>\Delta 0.3</math></b>	<b>26,702</b>	<b>59.1</b>
<b>SG&amp;A expenses</b>	<b>15,015</b>	<b>42.1</b>	<b>14,285</b>	<b>40.4</b>	<b><math>\Delta 730</math></b>	<b><math>\Delta 4.9</math></b>	<b>20,248</b>	<b>44.8</b>
<b>Operation profit</b>	<b>6,191</b>	<b>17.4</b>	<b>6,856</b>	<b>19.4</b>	<b>665</b>	<b>10.7</b>	<b>6,455</b>	<b>14.3</b>
<b>Ordinary profit</b>	<b>6,242</b>	<b>17.5</b>	<b>7,177</b>	<b>20.3</b>	<b>935</b>	<b>15.0</b>	<b>6,475</b>	<b>14.3</b>
<b>Net profit</b>	<b>3,970</b>	<b>11.1</b>	<b>4,711</b>	<b>13.3</b>	<b>741</b>	<b>18.7</b>	<b>4,100</b>	<b>9.1</b>
<b>EPS (yen)</b>	<b>127.59</b>	<b>-</b>	<b>151.39</b>	<b>-</b>	<b>23.80</b>	<b>-</b>	<b>131.76</b>	<b>-</b>

## Impact of the New Revenue Recognition Standard on Business Performance

**Gross profit rate $\Delta$ 1.6 point / SG&A expense rate $\Delta$ 1.0point**

(Millions of Yen,%)	FY2023(1Q-3Q)				amount of impact
	Before	To-sales rate	After	To-sales rate	
<b>Net sales</b>	<b>34,373</b>	<b>—</b>	<b>35,370</b>	<b>—</b>	<b>997</b>
<b>Cost of sales</b>	<b>13,269</b>	<b>38.6</b>	<b>14,228</b>	<b>40.2</b>	<b>959</b>
<b>Gross profit</b>	<b>21,105</b>	<b>61.4</b>	<b>21,142</b>	<b>59.8</b>	<b>37</b>
<b>SG&amp;A expenses</b>	<b>14,234</b>	<b>41.4</b>	<b>14,285</b>	<b>40.4</b>	<b>51</b>
<b>Promotion</b>	<b>2,104</b>	<b>6.1</b>	<b>2,089</b>	<b>5.9</b>	<b><math>\Delta</math> 14</b>
<b>Freight</b>	<b>1,455</b>	<b>4.2</b>	<b>1,104</b>	<b>3.1</b>	<b><math>\Delta</math> 352</b>
<b>Rent</b>	<b>2,639</b>	<b>7.7</b>	<b>970</b>	<b>2.7</b>	<b><math>\Delta</math> 1,668</b>
<b>Commission expenses</b>	<b>652</b>	<b>1.9</b>	<b>2,738</b>	<b>7.7</b>	<b>2,086</b>
<b>Others</b>	<b>7,385</b>	<b>21.5</b>	<b>7,384</b>	<b>20.9</b>	<b><math>\Delta</math> 0</b>
<b>Operating profit</b>	<b>6,870</b>	<b>20.0</b>	<b>6,856</b>	<b>19.4</b>	<b>2</b>

●The above impact amount is due to the application of “New Revenue Recognition Standard”.Due to changes in digestion type sales transaction,delivery service for mail order,points of our own EC site,etc.The impact on operating loss is minor.

Compared to FY2020(1Q-3Q), pre-application of New Revenue Recognition Standard

Gross profit rate +2.0 point compared to FY2020(1Q-3Q)

(Millions of yen,%)	FY2020(1Q-3Q)		FY2023(1Q-3Q)		Compared to FY2020	
	amount	To-sales rate	amount	To-sales rate	(change)	(%)
<b>Net sales</b>	<b>35,675</b>	<b>-</b>	<b>34,373</b>	<b>-</b>	<b>△ 1,302</b>	<b>△ 3.6</b>
<b>Cost of sales</b>	<b>14,469</b>	<b>40.6</b>	<b>13,269</b>	<b>38.6</b>	<b>△ 1,200</b>	<b>△ 8.3</b>
<b>Gross profit</b>	<b>21,206</b>	<b>59.4</b>	<b>21,105</b>	<b>61.4</b>	<b>△ 102</b>	<b>△ 0.5</b>
<b>SG&amp;A expenses</b>	<b>15,015</b>	<b>42.1</b>	<b>14,234</b>	<b>41.4</b>	<b>△ 781</b>	<b>△ 5.2</b>
<b>Personnel expenses</b>	<b>5,826</b>	<b>16.3</b>	<b>5,408</b>	<b>15.7</b>	<b>△ 419</b>	<b>△ 7.2</b>
<b>Advertising</b>	<b>192</b>	<b>0.5</b>	<b>260</b>	<b>0.8</b>	<b>68</b>	<b>35.5</b>
<b>Freight</b>	<b>1,514</b>	<b>4.2</b>	<b>1,455</b>	<b>4.2</b>	<b>△ 58</b>	<b>△ 3.9</b>
<b>Traveling and transportation expenses</b>	<b>468</b>	<b>1.3</b>	<b>245</b>	<b>0.7</b>	<b>△ 222</b>	<b>△ 47.6</b>
<b>Promotion</b>	<b>2,530</b>	<b>7.1</b>	<b>2,075</b>	<b>6.0</b>	<b>△ 455</b>	<b>△ 18.0</b>
<b>Rent</b>	<b>2,415</b>	<b>6.8</b>	<b>2,639</b>	<b>7.7</b>	<b>223</b>	<b>9.2</b>
<b>Commission expenses</b>	<b>407</b>	<b>1.1</b>	<b>652</b>	<b>1.9</b>	<b>245</b>	<b>60.3</b>
<b>Depreciation</b>	<b>395</b>	<b>1.1</b>	<b>297</b>	<b>0.9</b>	<b>△ 98</b>	<b>△ 24.9</b>
<b>Others</b>	<b>1,268</b>	<b>3.6</b>	<b>1,204</b>	<b>3.5</b>	<b>△ 65</b>	<b>△ 5.1</b>
<b>Operating profit</b>	<b>6,191</b>	<b>17.4</b>	<b>6,870</b>	<b>20.0</b>	<b>679</b>	<b>11.0</b>

# Results of FY2023 (1Q-3Q) (SEGMENTS)

All segments on recovery trend(especially SUCREY)

(Millions of Yen,%)	Net sales				Operating profit(Δloss)		
	FY2022 (1Q-3Q)	FY2023 (1Q-3Q)	YoY(Change)	YoY(%)	FY2022 (1Q-3Q)	FY2023 (1Q-3Q)	YoY(Change)
<b>SUCREY</b>	<b>8,507</b>	<b>14,282</b>	<b>5,775</b>	<b>67.9</b>	<b>573</b>	<b>2,815</b>	<b>2,241</b>
<b>KCC</b>	<b>7,475</b>	<b>9,693</b>	<b>2,219</b>	<b>29.7</b>	<b>243</b>	<b>1,315</b>	<b>1,072</b>
<b>KOTOBUKISEIKA TAJIMAKOTOBUKI</b>	<b>4,713</b>	<b>7,669</b>	<b>2,957</b>	<b>62.7</b>	<b>61</b>	<b>1,409</b>	<b>1,348</b>
<b>SALES SUBSIDIARIES</b>	<b>2,223</b>	<b>3,897</b>	<b>1,674</b>	<b>75.3</b>	<b>Δ 117</b>	<b>323</b>	<b>441</b>
<b>KUJYUKUSHIMA GROUP</b>	<b>2,063</b>	<b>3,326</b>	<b>1,262</b>	<b>61.2</b>	<b>Δ 295</b>	<b>274</b>	<b>569</b>
<b>OTHERS</b>	<b>371</b>	<b>515</b>	<b>144</b>	<b>38.8</b>	<b>9</b>	<b>63</b>	<b>54</b>
<b>SEGMENTS TOTAL</b>	<b>25,351</b>	<b>39,382</b>	<b>14,031</b>	<b>55.3</b>	<b>473</b>	<b>6,199</b>	<b>5,725</b>
<b>ADJUSTMENT</b>	<b>Δ 2,430</b>	<b>Δ 4,012</b>	<b>Δ 1,582</b>	<b>65.1</b>	<b>387</b>	<b>657</b>	<b>270</b>
<b>TOTAL</b>	<b>22,921</b>	<b>35,370</b>	<b>12,449</b>	<b>54.3</b>	<b>860</b>	<b>6,856</b>	<b>5,996</b>

# Sales channel

(millions of yen,%)	FY2022(1Q-3Q)		FY2023(1Q-3Q)		YoY (Change)	YoY (%)
	amount	To-sales rate	amount	To-sales rate		
<b>Net sales</b>	<b>22,921</b>	<b>—</b>	<b>35,370</b>	<b>—</b>	<b>12,449</b>	<b>54.3</b>
<b>Domestic(Wholesale)</b>	<b>6,815</b>	<b>29.7</b>	<b>12,495</b>	<b>35.3</b>	<b>5,680</b>	<b>83.3</b>
<b>Domestic(Retail)<sub>※1</sub></b>	<b>10,700</b>	<b>46.7</b>	<b>17,461</b>	<b>49.4</b>	<b>6,761</b>	<b>63.2</b>
<b>Mail Order</b>	<b>4,047</b>	<b>17.7</b>	<b>4,036</b>	<b>11.4</b>	<b>△ 11</b>	<b>△ 0.3</b>
<b>Other <sub>※2</sub></b>	<b>5</b>	<b>0.0</b>	<b>5</b>	<b>0.0</b>	<b>-</b>	<b>-</b>
<b>Domestic Total</b>	<b>21,567</b>	<b>94.1</b>	<b>33,996</b>	<b>96.1</b>	<b>12,430</b>	<b>57.6</b>
<b>Overseas(Wholesale)<sub>※3</sub></b>	<b>1,030</b>	<b>4.5</b>	<b>915</b>	<b>2.6</b>	<b>△ 115</b>	<b>△ 11.2</b>
<b>Overseas(Retail)</b>	<b>325</b>	<b>1.4</b>	<b>459</b>	<b>1.3</b>	<b>134</b>	<b>41.1</b>
<b>Overseas Total</b>	<b>1,355</b>	<b>5.9</b>	<b>1,374</b>	<b>3.9</b>	<b>19</b>	<b>1.4</b>

※1 Retail are shops and Pop up stores.

※2 Other is insurance agency business.

※3 Overseas wholesale consists shipment sales to overseas and FC royalties



# Cost of sales - Gross profit

Gross profit margin improved significantly due to the normalization of factory operations following the recovery in sales.

(Millions of Yen,%)	FY2022(1Q-3Q)		FY2023(1Q-3Q)		YoY(Change)		FY2022(1Q-4Q)	
	amount	To-sales rate	amount	To-sales rate			amount	To-sales rate
<b>Net sales</b>	<b>22,921</b>	<b>—</b>	<b>35,370</b>	<b>—</b>	<b>12,449</b>	<b>54.3</b>	<b>32,192</b>	<b>—</b>
<b>Material cost</b>	<b>5,203</b>	<b>22.7</b>	<b>7,721</b>	<b>21.8</b>	<b>2,518</b>	<b>48.4</b>	<b>7,178</b>	<b>22.3</b>
<b>Labor cost</b>	<b>2,783</b>	<b>12.1</b>	<b>3,267</b>	<b>9.2</b>	<b>484</b>	<b>17.4</b>	<b>3,807</b>	<b>11.8</b>
<b>Expense</b>	<b>1,420</b>	<b>6.2</b>	<b>1,707</b>	<b>4.8</b>	<b>287</b>	<b>20.2</b>	<b>2,140</b>	<b>6.6</b>
<b>Manufacturing cost</b>	<b>9,406</b>	<b>41.0</b>	<b>12,694</b>	<b>35.9</b>	<b>3,288</b>	<b>35.0</b>	<b>13,126</b>	<b>40.8</b>
<b>Others</b>	<b>1,089</b>	<b>4.8</b>	<b>1,534</b>	<b>4.3</b>	<b>444</b>	<b>40.8</b>	<b>1,443</b>	<b>4.5</b>
<b>Cost of sales</b>	<b>10,495</b>	<b>45.8</b>	<b>14,228</b>	<b>40.2</b>	<b>3,733</b>	<b>35.6</b>	<b>14,569</b>	<b>45.3</b>
<b>Gross profit</b>	<b>12,426</b>	<b>54.2</b>	<b>21,142</b>	<b>59.8</b>	<b>8,716</b>	<b>70.1</b>	<b>17,623</b>	<b>54.7</b>

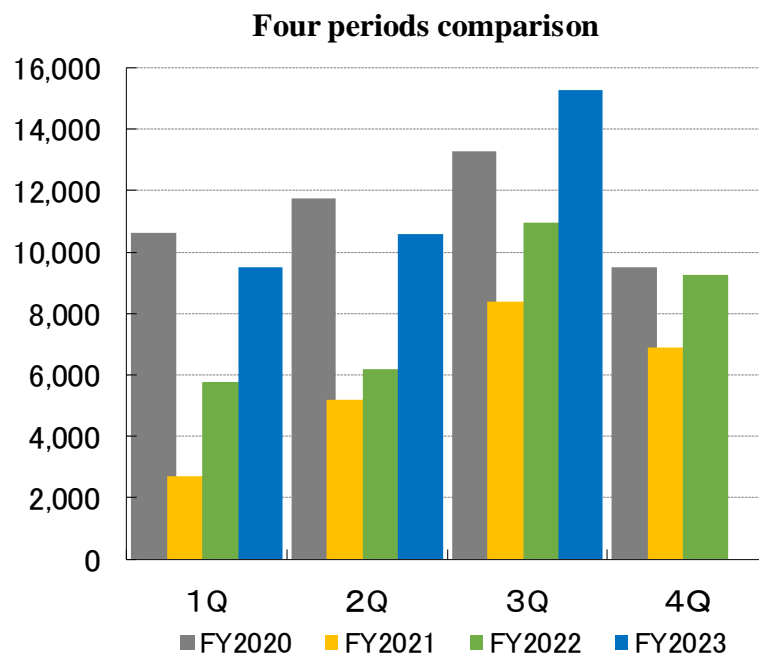
# SG&A expenses /Operating profit

**SG&A expenses rate decreased by 10.1 points due to sales recovery and cost control**

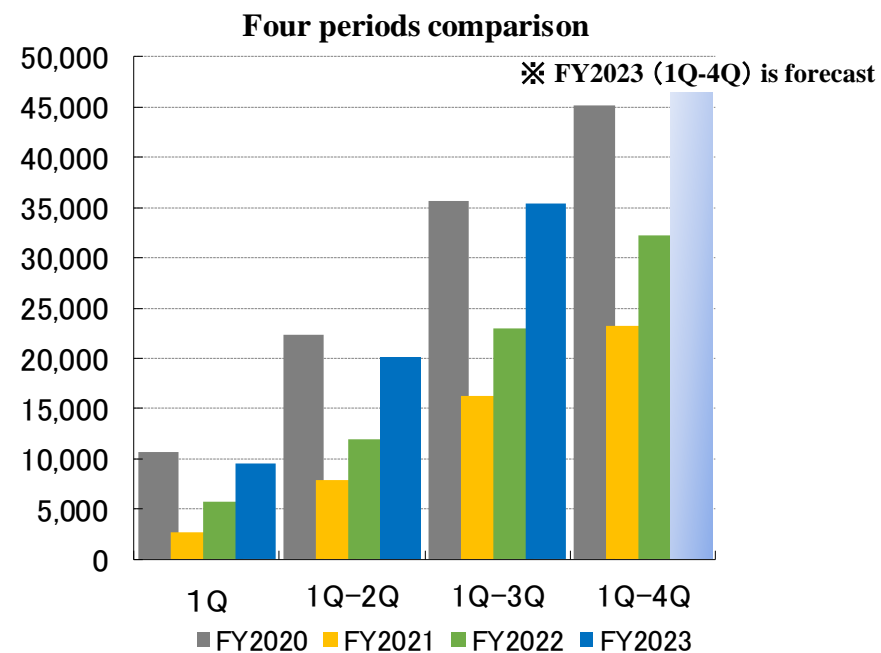
(Millions of Yen,%)	FY2022(1Q-3Q)		FY2023(1Q-3Q)		YoY(Change)	YoY(%)	FY2022(1Q-4Q)	
	amount	To-sales rate	amount	To-sales rate			amount	To-sales rate
<b>Gross profit</b>	<b>12,426</b>	<b>54.2</b>	<b>21,142</b>	<b>59.8</b>	<b>8,716</b>	<b>70.1</b>	<b>17,623</b>	<b>54.7</b>
<b>Personnel expenses</b>	<b>4,962</b>	<b>21.6</b>	<b>5,408</b>	<b>15.3</b>	<b>445</b>	<b>9.0</b>	<b>6,793</b>	<b>21.1</b>
<b>Promotion</b>	<b>1,616</b>	<b>7.0</b>	<b>2,089</b>	<b>5.9</b>	<b>473</b>	<b>29.3</b>	<b>2,293</b>	<b>7.1</b>
<b>Freight</b>	<b>762</b>	<b>3.3</b>	<b>1,104</b>	<b>3.1</b>	<b>342</b>	<b>44.8</b>	<b>1,047</b>	<b>3.3</b>
<b>Advertising</b>	<b>209</b>	<b>0.9</b>	<b>260</b>	<b>0.7</b>	<b>52</b>	<b>24.8</b>	<b>349</b>	<b>1.1</b>
<b>Rent</b>	<b>814</b>	<b>3.6</b>	<b>970</b>	<b>2.7</b>	<b>156</b>	<b>19.1</b>	<b>1,110</b>	<b>3.4</b>
<b>Depreciation</b>	<b>319</b>	<b>1.4</b>	<b>297</b>	<b>0.8</b>	<b>△ 22</b>	<b>△ 7.0</b>	<b>433</b>	<b>1.3</b>
<b>Traveling and transportation expenses</b>	<b>163</b>	<b>0.7</b>	<b>245</b>	<b>0.7</b>	<b>82</b>	<b>50.4</b>	<b>245</b>	<b>0.8</b>
<b>Commission</b>	<b>1,762</b>	<b>7.7</b>	<b>2,738</b>	<b>7.7</b>	<b>977</b>	<b>55.4</b>	<b>2,584</b>	<b>8.0</b>
<b>Others</b>	<b>959</b>	<b>4.2</b>	<b>1,175</b>	<b>3.3</b>	<b>216</b>	<b>22.5</b>	<b>1,368</b>	<b>4.2</b>
<b>SG&amp;A expenses</b>	<b>11,566</b>	<b>50.5</b>	<b>14,285</b>	<b>40.4</b>	<b>2,720</b>	<b>23.5</b>	<b>16,220</b>	<b>50.4</b>
<b>Operating profit</b>	<b>860</b>	<b>3.8</b>	<b>6,856</b>	<b>19.4</b>	<b>5,996</b>	<b>696.8</b>	<b>1,403</b>	<b>—</b>

# Net sales

## Net sales (Quarter) (Four periods comparison)



## Net sales (Cumulative) (Four periods comparison)

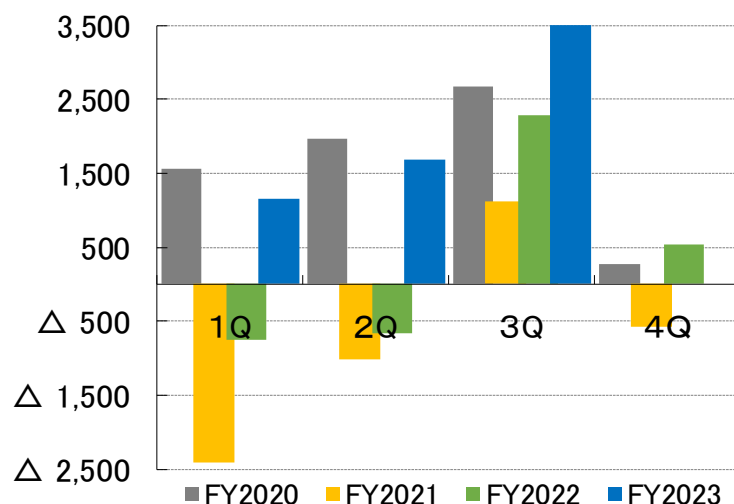


Millions of yen	Quarter				Cumulative Quarter			
	1Q	2Q	3Q	4Q	1Q	1Q-2Q	1Q-3Q	1Q-4Q
FY2020	10,627	11,761	13,287	9,506	10,627	22,388	35,675	45,181
FY2021	2,716	5,189	8,402	6,898	2,716	7,905	16,306	23,205
FY2022	5,758	6,200	10,963	9,270	5,758	11,959	22,921	32,192
<b>FY2023</b>	<b>9,515</b>	<b>10,585</b>	<b>15,270</b>	-	<b>9,515</b>	<b>20,100</b>	<b>35,370</b>	<b>46,400</b>
Compared to FY2020	△10.5%	△10.0%	14.9%	-	△10.5%	△10.2%	△0.9%	※ FY2023 (1Q-4Q) is forecast
YoY	65.2%	70.7%	39.3%	-	65.2%	68.1%	54.3%	-18-

# Operating profit

## Operating profit (Quarter)

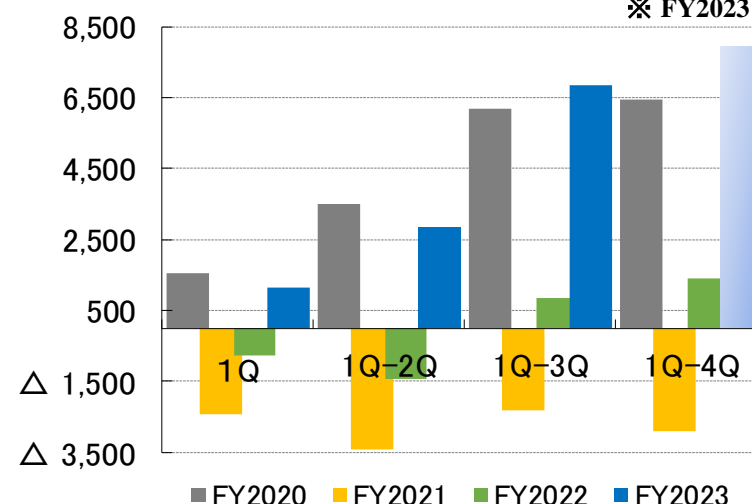
(Four periods comparison)



## Operating profit (Cumulative)

(Four periods comparison)

※ FY2023 (1Q-4Q) is forecast



(millions of yen)	Quarter				Cumulative Quarter			
	1Q	2Q	3Q	4Q	1Q	1Q-2Q	1Q-3Q	1Q-4Q
FY2020	1,555	1,964	2,672	264	1,555	3,519	6,191	6,455
FY2021	△ 2,409	△ 1,012	1,114	△ 583	△ 2,409	△ 3,421	△ 2,307	△ 2,890
FY2022	△ 759	△ 659	2,279	542	△ 759	△ 1,418	860	1,403
FY2023	1,150	1,680	4,026		1,150	2,830	6,856	7,950
compared to FY2020	△ 26.0%	△ 14.5%	50.6%		△ 26.0%	△ 19.4%	10.7%	※ FY2023 (1Q-4Q) is forecast
YoY	-	-	76.7%		-	-	696.8%	

# Balance Sheet

The increase in current assets was due to an increase in cash and deposits and Inventory

	FY2021		FY2022		FY2023(3Q)		Compared to FY2022 (Change)	Compared to FY2022 (%)
	amount	rate	amount	rate	amount	rate		
(millions of yen, %)								
<b>Current assets</b>	<b>12,615</b>	<b>50.4</b>	<b>15,804</b>	<b>57.5</b>	<b>22,529</b>	<b>66.7</b>	<b>6,725</b>	<b>42.6</b>
Non-current assets	12,437	49.6	11,666	42.5	11,250	33.3	△ 415	△ 3.6
<b>Assets</b>	<b>25,052</b>	<b>100.0</b>	<b>27,470</b>	<b>100.0</b>	<b>33,780</b>	<b>100.0</b>	<b>6,309</b>	<b>23.0</b>
Current liabilities	3,077	12.3	4,620	16.8	7,227	21.4	2,607	56.4
Non-current liabilities	2,634	10.5	2,493	9.1	2,401	7.1	△ 93	△ 3.7
<b>Liabilities</b>	<b>5,711</b>	<b>22.8</b>	<b>7,114</b>	<b>25.9</b>	<b>9,628</b>	<b>28.5</b>	<b>2,514</b>	<b>35.3</b>
<b>Net assets</b>	<b>19,342</b>	<b>77.2</b>	<b>20,357</b>	<b>74.1</b>	<b>24,152</b>	<b>71.5</b>	<b>3,795</b>	<b>18.6</b>
<b>Liabilities and net assets</b>	<b>25,052</b>	<b>100.0</b>	<b>27,470</b>	<b>100.0</b>	<b>33,780</b>	<b>100.0</b>	<b>6,309</b>	<b>23.0</b>
<b>BPS (yen)</b>	<b>621.53</b>		<b>654.15</b>		<b>776.12</b>		<b>121.97</b>	<b>18.6</b>
<b>CAPEX</b>	<b>540</b>		<b>403</b>		<b>365</b>		<b>△ 38</b>	<b>△ 9.4</b>
<b>Depreciation</b>	<b>1,420</b>		<b>1,220</b>		<b>838</b>		<b>△ 382</b>	<b>△ 31.3</b>

# Business Forecast for FY2023

**Net sales +44.1%/Operating profit+466.7% (YoY)**

(millions of yen,%)	FY2022		FY2023(Forecast)		YoY(Change)	YoY(%)
	amount	To-sales rate	amount	To-sales rate		
<b>Net sales</b>	<b>32,192</b>	<b>-</b>	<b>46,400</b>	<b>-</b>	<b>14,208</b>	<b>44.1</b>
<b>Gross profit</b>	<b>17,623</b>	<b>54.7</b>	<b>27,700</b>	<b>59.7</b>	<b>10,077</b>	<b>57.2</b>
<b>SG&amp;A expenses</b>	<b>16,220</b>	<b>50.4</b>	<b>19,750</b>	<b>42.6</b>	<b>3,530</b>	<b>21.8</b>
<b>Operating profit</b>	<b>1,403</b>	<b>4.4</b>	<b>7,950</b>	<b>17.1</b>	<b>6,547</b>	<b>466.7</b>
<b>Ordinary profit</b>	<b>2,921</b>	<b>9.1</b>	<b>8,280</b>	<b>17.8</b>	<b>5,359</b>	<b>183.4</b>
<b>Net profit</b>	<b>1,916</b>	<b>6.0</b>	<b>5,413</b>	<b>11.7</b>	<b>3,497</b>	<b>182.6</b>
<b>EPS (yen)</b>	<b>61.56</b>		<b>173.94</b>		<b>112.38</b>	<b>182.6</b>
<b>Dividend/stock (yen)</b>	<b>30.00</b>		<b>30.00</b>		<b>-</b>	<b>-</b>
<b>CAPEX</b>	<b>403</b>		<b>1,000</b>		<b>597</b>	<b>148.4</b>
<b>Depreciation</b>	<b>1,220</b>		<b>1,200</b>		<b>△ 20</b>	<b>△ 1.7</b>

# Business Forecast for FY2023

**Net sales +2.7%/Operating profit+23.2% (Compared toFY2020)**

(millions of yen,%)	FY2020		FY2023(Forecast)		YoY(Change)	YoY(%)
	amount	To-sales rate	amount	To-sales rate		
<b>Net sales</b>	<b>45,181</b>	<b>-</b>	<b>46,400</b>	<b>-</b>	<b>1,219</b>	<b>2.7</b>
<b>Gross profit</b>	<b>26,702</b>	<b>59.1</b>	<b>27,700</b>	<b>59.7</b>	<b>998</b>	<b>3.7</b>
<b>SG&amp;A expenses</b>	<b>20,248</b>	<b>44.8</b>	<b>19,750</b>	<b>42.6</b>	<b>△ 498</b>	<b>△ 2.5</b>
<b>Operating profit</b>	<b>6,455</b>	<b>14.3</b>	<b>7,950</b>	<b>17.1</b>	<b>1,495</b>	<b>23.2</b>
<b>Ordinary profit</b>	<b>6,475</b>	<b>14.3</b>	<b>8,280</b>	<b>17.8</b>	<b>1,805</b>	<b>27.9</b>
<b>Net profit</b>	<b>4,100</b>	<b>9.1</b>	<b>5,413</b>	<b>11.7</b>	<b>1,313</b>	<b>32.0</b>
<b>EPS (yen)</b>	<b>131.76</b>		<b>173.94</b>		<b>42.18</b>	<b>32.0</b>
<b>Dividend/stock(yen)</b>	<b>40.00</b>		<b>30.00</b>		<b>△ 10.0</b>	<b>△ 25.0</b>
<b>CAPEX</b>	<b>2,041</b>		<b>1,000</b>		<b>△ 1,041</b>	<b>△ 51.0</b>
<b>Depreciation</b>	<b>1,459</b>		<b>1,200</b>		<b>△ 259</b>	<b>△ 17.8</b>

# Business Forecast for FY2023 (SEGMENTS)

**Aiming for higher sales and profits in all segments**

(Million of Yen,%)	Net sales				Operating profit		
	FY2022	FY2023 (Forecast)	YoY(Change)	YoY(%)	FY2022	FY2023 (Forecast)	YoY(Change)
<b>SUCREY</b>	<b>11,958</b>	<b>18,705</b>	<b>6,747</b>	<b>56.4</b>	<b>868</b>	<b>3,262</b>	<b>2,394</b>
<b>KCC</b>	<b>10,959</b>	<b>13,278</b>	<b>2,319</b>	<b>21.2</b>	<b>583</b>	<b>1,634</b>	<b>1,051</b>
<b>KOTOBUKISEIKA TAJIMAKOTOBU</b>	<b>6,053</b>	<b>9,486</b>	<b>3,433</b>	<b>56.7</b>	<b>△ 100</b>	<b>1,313</b>	<b>1,413</b>
<b>SALES SUBSIDIARIES</b>	<b>3,007</b>	<b>5,087</b>	<b>2,080</b>	<b>69.2</b>	<b>△ 186</b>	<b>387</b>	<b>573</b>
<b>KUJYUKUSHIMA GROUP</b>	<b>2,872</b>	<b>4,315</b>	<b>1,443</b>	<b>50.2</b>	<b>△ 407</b>	<b>273</b>	<b>680</b>
<b>OTHERS</b>	<b>567</b>	<b>712</b>	<b>145</b>	<b>25.6</b>	<b>49</b>	<b>99</b>	<b>50</b>
<b>SEGMENTS TOTAL</b>	<b>35,415</b>	<b>51,583</b>	<b>16,168</b>	<b>45.7</b>	<b>807</b>	<b>6,968</b>	<b>6,161</b>
<b>ADJUSTMENT</b>	<b>△ 3,223</b>	<b>△ 5,183</b>	<b>△ 1,960</b>	<b>60.8</b>	<b>596</b>	<b>982</b>	<b>386</b>
<b>TOTAL</b>	<b>32,192</b>	<b>46,400</b>	<b>14,208</b>	<b>44.1</b>	<b>1,403</b>	<b>7,950</b>	<b>6,547</b>

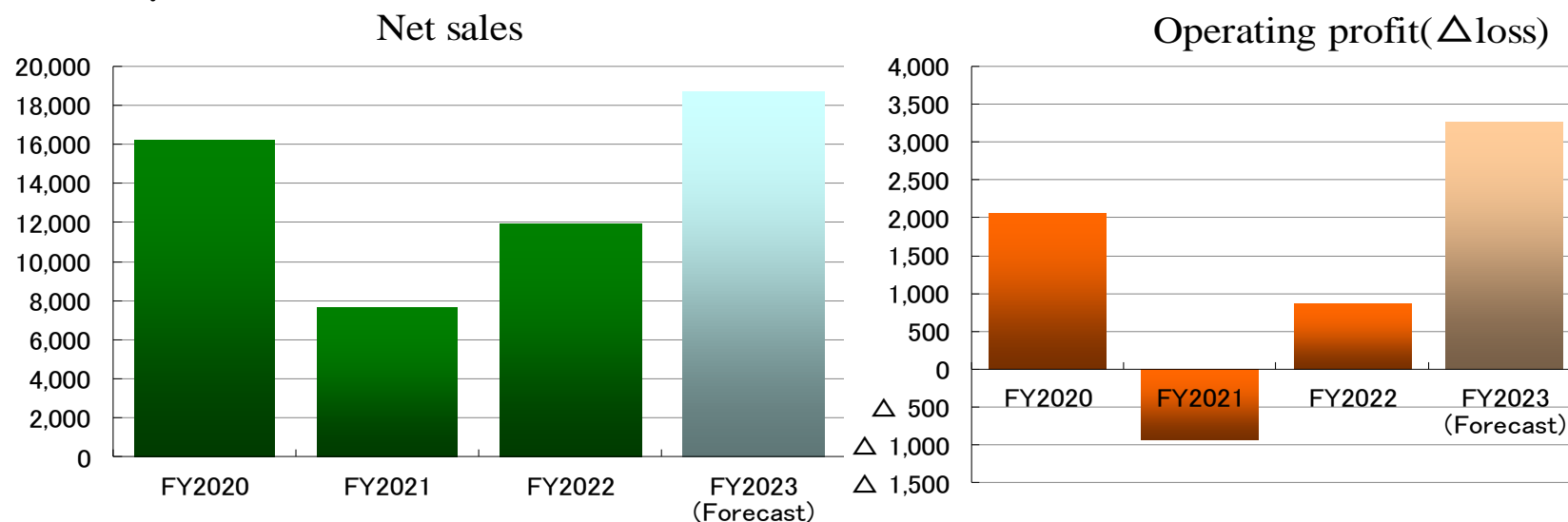


# 《SUCREY》

## FY2023 (Forecast)

**FY2023** : Net sales **18,705** million yen ( **+56.4%YoY**) OP **3,262** million yen ( **+275.6%YoY**)

(Unit: Millions of yen)



(Millions of yen, %)	FY2020	FY2021	FY2022	YoY		FY2023 (Forecast)	YoY	
				(Change)	(%)		(Change)	(%)
Net sales	16,199	7,627	11,958	4,331	56.8	18,705	6,747	56.4
Gross profit	9,893	4,198	7,271	3,072	73.2	11,936	4,665	64.2
Gross profit rate	61.1	55.0	60.8	5.8		63.8	3.0	
SG&A expenses	7,834	5,128	6,402	1,274	24.8	8,674	2,272	35.5
Operating profit(Δloss)	2,059	△ 930	868	1,798	-	3,262	2,394	275.6

# 《SUCREY》



Continue to focus on brands development and new brands development



Hanshin Department Store COCORIS Pop up shop

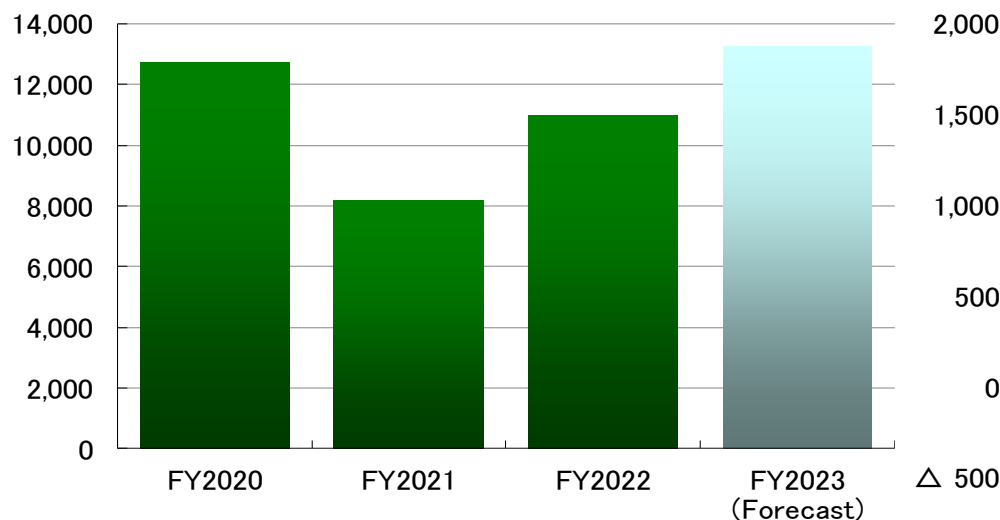


## FY2023 (Forecast)

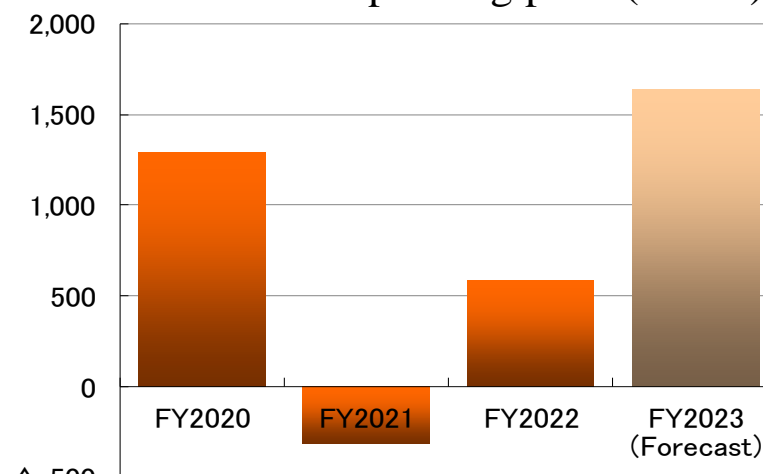
**FY2023: Net sales 13,278 million yen (+21.2%YoY) OP 1,634 million yen (+180.4%YoY)**

(Unit: Millions of yen)

Net sales



Operating profit(Δloss)



(Millions of yen, %)	FY2020	FY2021	FY2022	YoY		FY2023 (Forecast)	YoY	
				(Change)	(%)		(Change)	(%)
Net sales	12,700	8,177	10,959	2,782	34.0	13,278	2,319	21.2
Gross profit	7,758	4,806	5,908	1,102	22.9	7,612	1,704	28.8
Gross profit rate	61.1	58.8	53.9	△ 4.9		57.3	3.4	
SG & A expenses	6,466	5,123	5,325	202	3.9	5,978	653	12.3
Operating profit(Δloss)	1,292	△ 317	583	900	-	1,634	1,051	180.4

# 《KCC》



LeTAO :Strengthen brand value by improving premium gift sweets, shop force and sales force

Focus on developing Tokyo area brands (PISTA & TOKYO/Now on Cheese ♪/Anbataya)



Okadakinsei Anbataya TOKYO GIFT PALETTE



Okadakinsei Anbataya Tokyo Station pop up shop

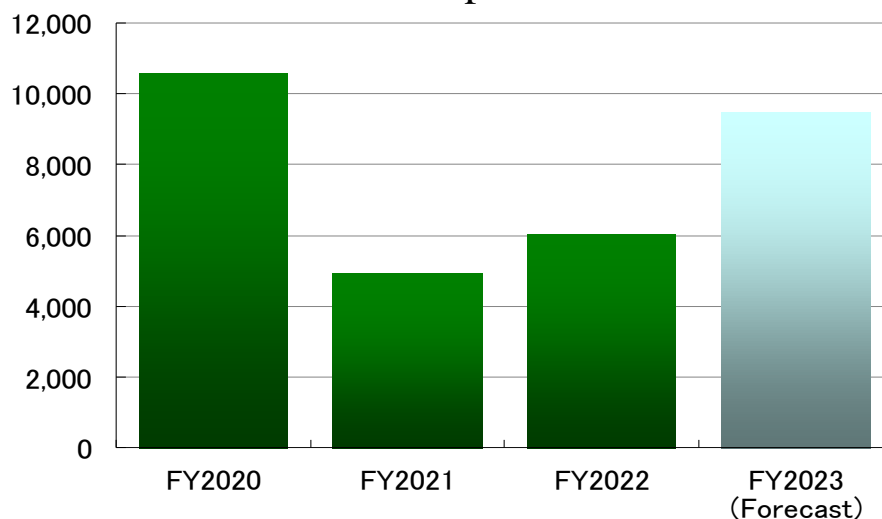
# 《KOTOBUKISEIKA・TAJIMAKOTOBUKI》

## FY2023 (Forecast)

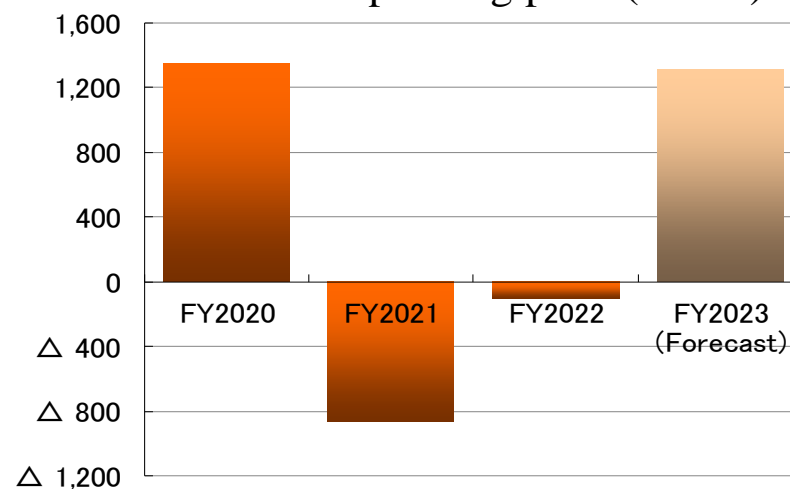
**FY2023: Net sales 9,486 million yen (+56.7% YoY) OP 1,313 million yen (+1,413 million yen YoY)**

(Unit: Millions of yen)

Net profit



Operating profit(Δloss)



(Millions of yen,%)	FY2020	FY2021	FY2022	YoY		FY2023 (Forecast)	YoY	
				(Change)	(%)		(Change)	(%)
Net sales	10,572	4,935	6,053	1,118	22.6	9,486	3,433	56.7
Gross profit	4,199	969	1,774	804	83.0	3,609	1,835	103.5
Gross profit rate	39.7	19.6	29.3	9.7		38.0	8.7	
SG & A expenses	2,847	1,829	1,874	44	2.4	2,296	422	22.5
Operating profit(Δloss)	1,352	△ 860	△ 100	760	-	1,313	1,413	-

# 《KOTOBUKISEIKA・TAJIMAKOTOBUKI》

Sales expansion of mainstay products and new product development and  
Strengthening relationships with distributors

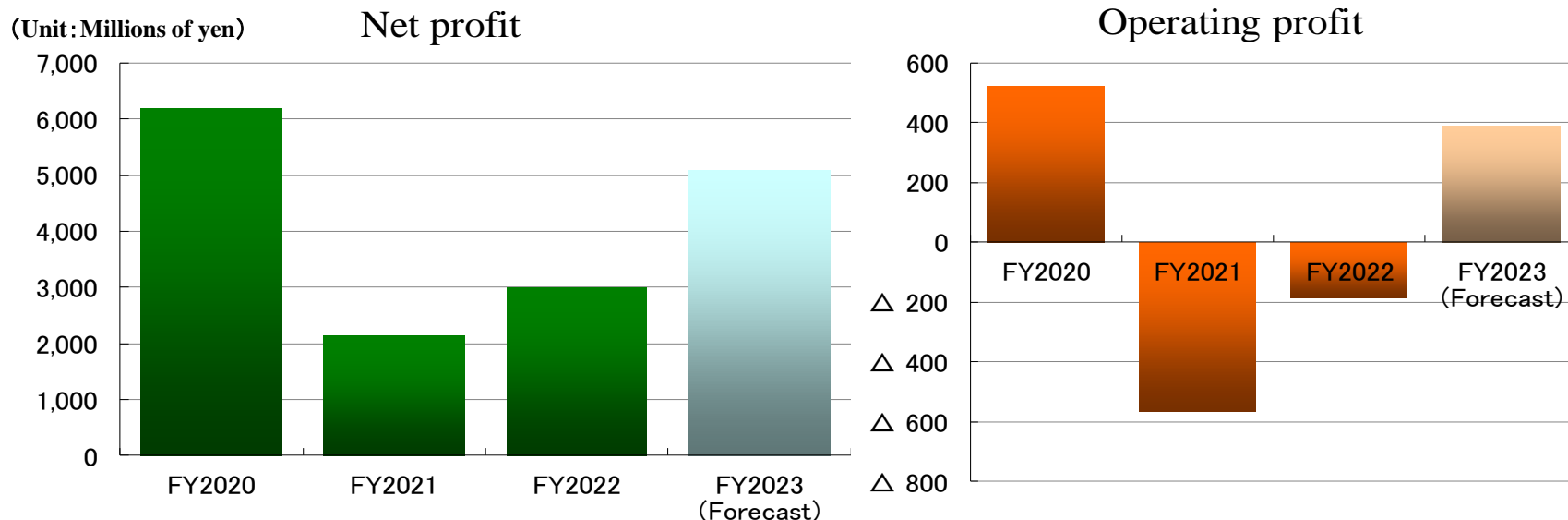


Inabano Shirousagi



# 《SALES SUBSIDIARIES》 FY2023 (Forecast)

**FY2023**: Net sales **5,087** million yen ( **+69.2%YoY** ) OP **387** million yen ( +573million yen YoY )



(Millions of yen,%)	FY2020	FY2021	FY2022	YoY		FY2023 (Forecast)	YoY	
				(Change)	(%)		(Change)	(%)
Net sales	6,176	2,139	3,007	868	40.6	5,087	2,080	69.2
Gross profit	2,224	625	1,098	473	75.7	1,876	778	70.9
Gross profit rate	36.0	29.2	36.5	7.3		36.9	0.4	
SG&A expenses	1,700	1,191	1,284	93	7.8	1,489	205	15.9
Operating profit(Δloss)	523	Δ 566	Δ 186	380	-	387	573	-

# 《SALES SUBSIDIARIES》

Acquisition of new sales floors with new products and focus on expanding sales floor space for main sweets for the revival of the souvenir market of major transportation channels



**KYOTO Vegetable Tempura Senbei**  
Supervision by Yasaka Endo



**NAGOYA Ogura Toast Cheesecake**



**OSAKA Honey Quattro Formaggi**



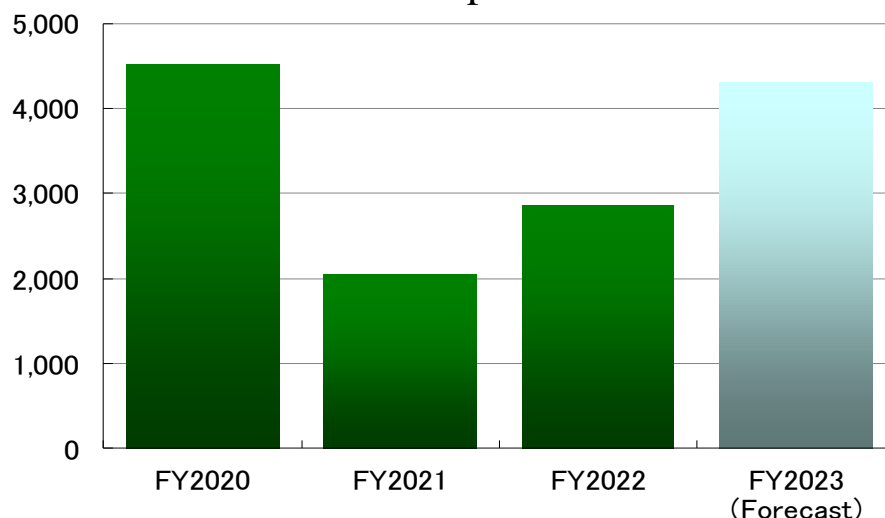
# 《 KUJYUKUSHIMA GROUP 》

## FY2023 (Forecast)

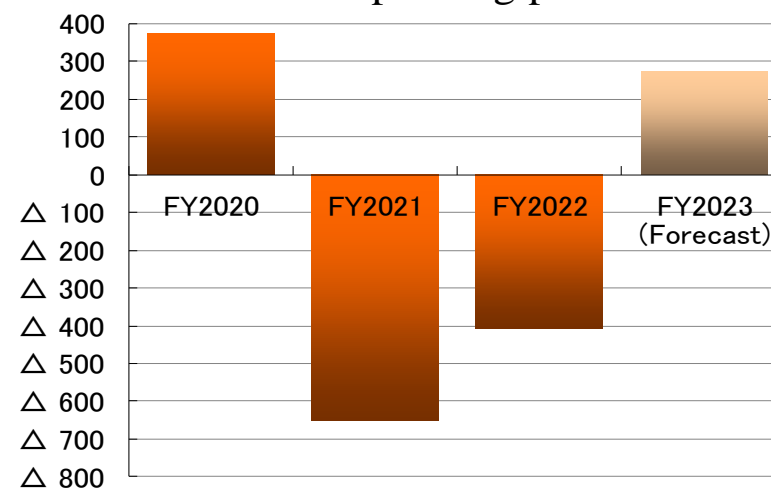
**FY2023: Net sales 4,315 million yen (+50.2% YoY) OP 273 million yen (+680 million yen YoY)**

(Unit: Millions of yen)

Net profit



Operating profit



(Millions of yen, %)	FY2020	FY2021	FY2022	YoY		FY2023 (Forecast)	YoY	
				(Change)	(%)		(Change)	(%)
Net sales	4,522	2,047	2,872	825	40.3	4,315	1,443	50.2
Gross profit	2,127	650	1,241	591	90.9	2,259	1,018	82.0
Gross profit rate	47.0	31.8	43.2	11.4		52.4	9.1	
SG&A expenses	1,753	1,300	1,648	348	26.8	1,986	338	20.5
Operating profit(Δloss)	374	△ 649	△ 407	242	-	273	680	-

# 《 KUJYUKUSHIMA GROUP 》



Focus on growth of main products and main brand popup shops



Ivorish Tokyo Station Pop up shop



Ivorish Gransta Tokyo

# 《OTHERS》

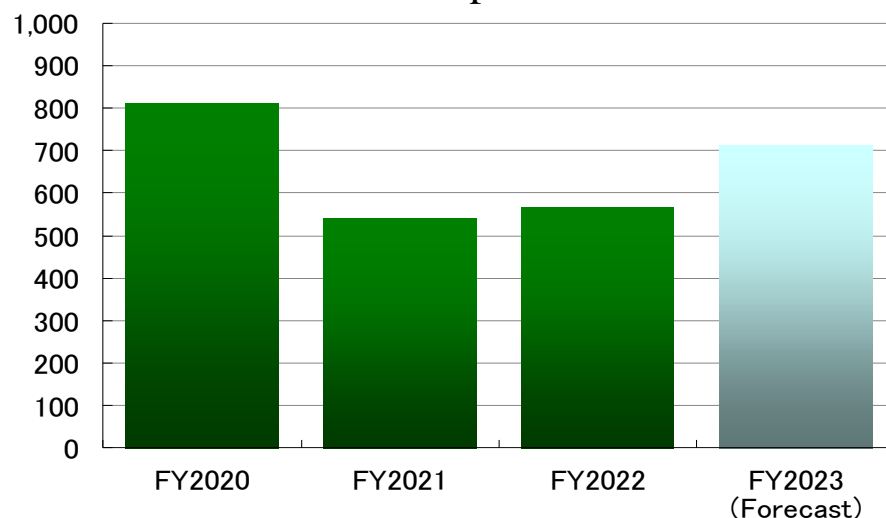
< Health food business, Taiwan confectionary business,  
Insurance agency >

## FY2023 (Forecast)

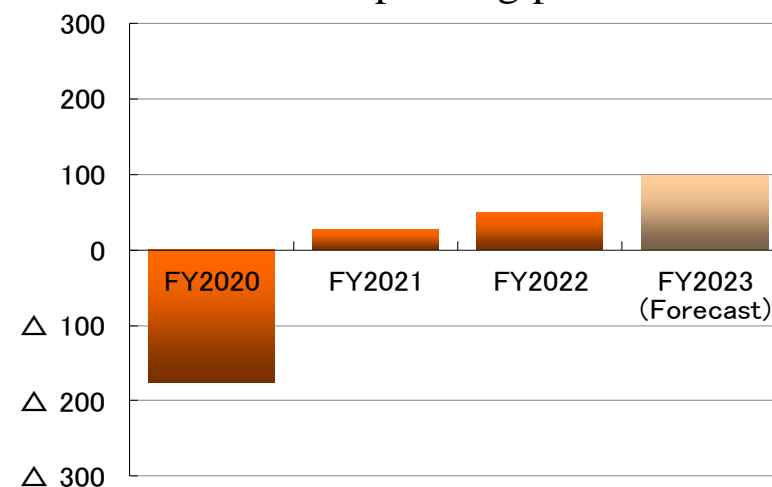
**FY2023: Net sales 712 million yen (+25.6%YoY) OP 99 million yen (+102.6% YoY)**

(Unit: Millions of yen)

Net profit



Operating profit



(Millions of yen, %)	FY2020	FY2021	FY2022	YoY		FY2023 (Forecast)	YoY	
				(Change)	(%)		(Change)	(%)
Net sales	812	539	567	28	5.1	712	145	25.6
Gross profit	529	383	411	28	7.3	514	103	25.0
Gross profit rate	65.1	71.1	72.5	1.5		72.2	△ 0.3	
SG & A expenses	706	356	362	6	1.8	415	53	14.6
Operating profit(△loss)	△ 177	27	49	22	79.1	99	50	102.6

# 《OTHERS》

< Health food business, Taiwan confectionery business, Insurance agency >

## 純藍

### Taiwan confectionery business



THE MAPLE MANIA Chinese new year Gift

### health food business(Junai)



Junai tea

## Kotobuki Spirits Management Slogan in 2023

# The first year of Hyper Growth

We will carry out business measures particular delicious premium gift sweets. As consumption activities return to normal, our performance will put it on hyper growth trajectory.

### Target

**Target ordinary profit rate 20%**

# Strategy

## 1. Hyper Growth measures

### Hyper Growth measures

- ①Improvement of products and sales staff and shops for Hyper Growth
- ②Employee recruitment and employee training for Hyper Growth
- ③New brand development and sales floor acquisition for Hyper Growth
- ④Inbound countermeasures and overseas expansion for Hyper Growth
- ⑤Strengthening production system and logistics for Hyper Growth

## 2. Improvement of organizational strength by Cho-Genbashugi

**We will strive to develop human resources based on corporate philosophy and improve employee satisfaction, and strive to create an organization that is highly adaptable to change and highly competitive.**

※1 Cho-Genbashugi is our management style that profit groups are central.



# Corporate Philosophy

**To create happiness, provide happiness**

# Policy

**Today, I make an enthusiastic fan**

# Vision

**General Producer of the Sweets**



# Philosophy Management of KOZUCHI

We have introduced a business management method of Amoeba Management since FY1996.

We made a Management philosophy notebook “KOZUCHI” in 2003.

Every person who works for Kotobuki Spirits Group put KOZUCHI philosophy into practice in everyday work.

## 《KOZUCHI national convention》

KOZUCHI national convention is held once a year for the purpose of sharing achievements with fellows.

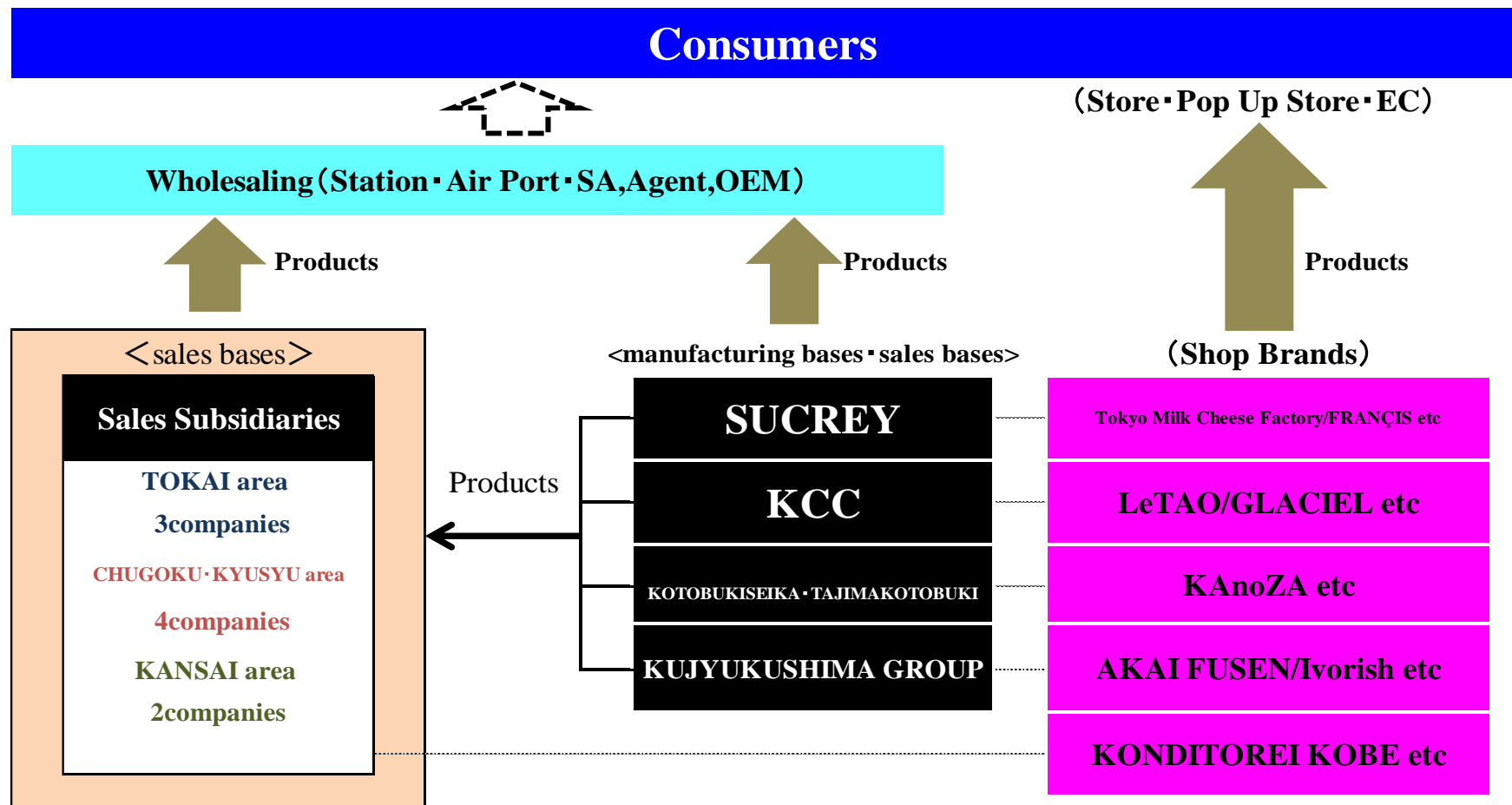


KOZUCHI national convention 2023



# Business Outline

Chart

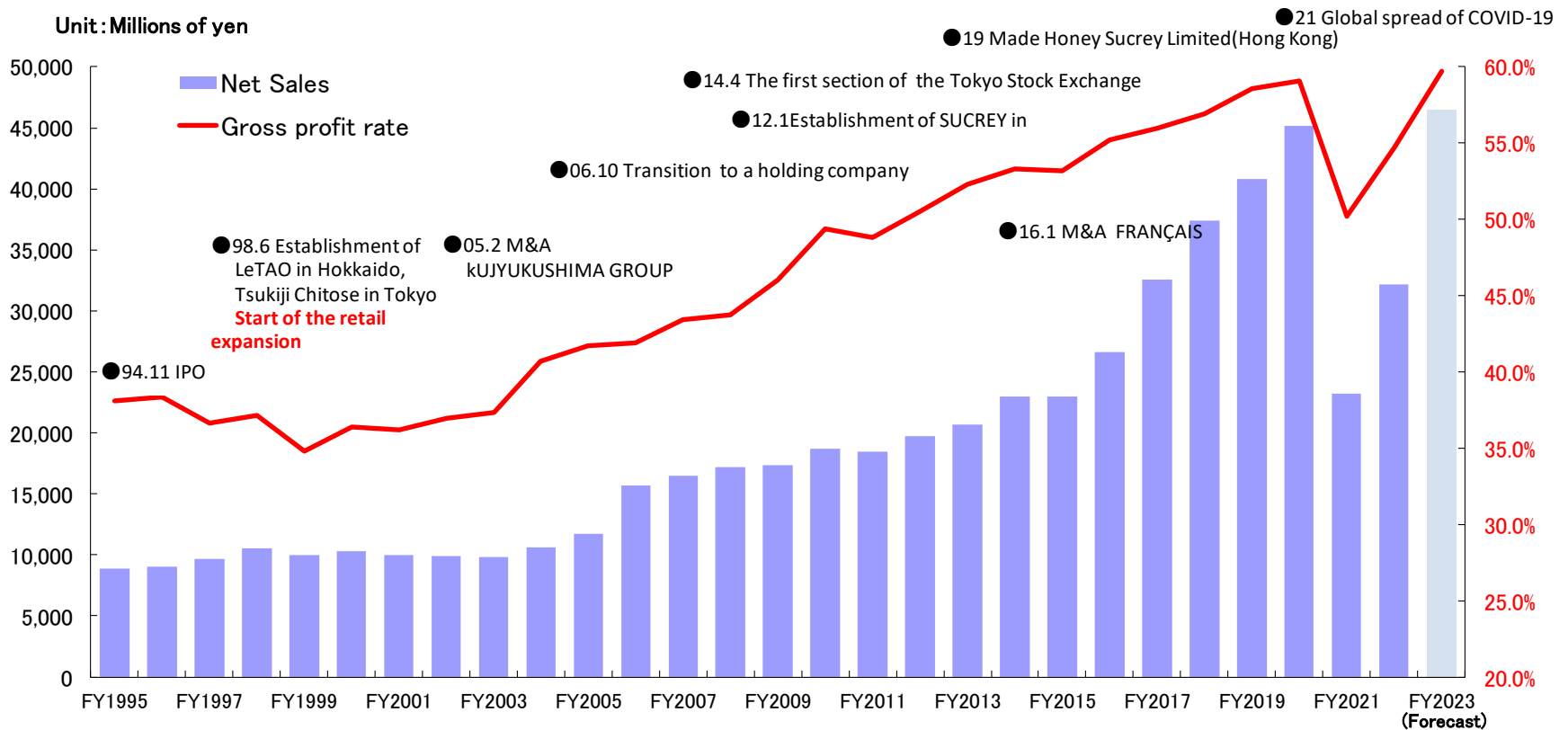


※ Except for KOTOBUKI SPIRITS (holding company) and OTHER segments.

# Transition of Kotobuki Spirits ①

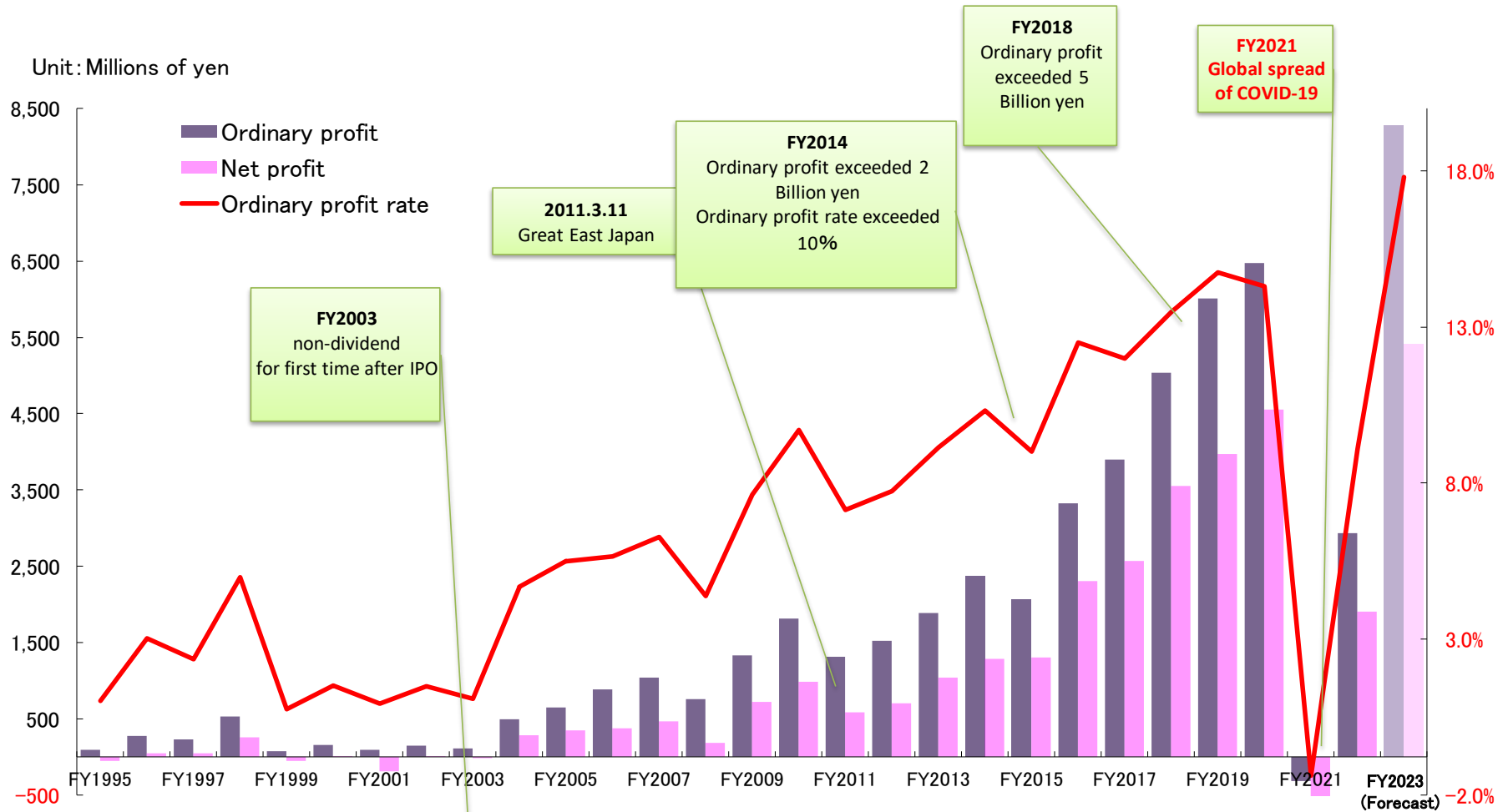
## High profit management

Business model has changed from the manufacturing wholesale to the manufacturing retail



# Transition of Kotobuki Spirits ②

## Recorded net loss in FY2021 due to the spread of COVID-19



# Shop Brands



Izumo

お菓子の壽城



Yonago



Hokkaido

Ivorish

Premium French Toast

Fukuoka・Tokyo



Sasebo・Fukuoka



東京ミルクチーズ工場

Tokyo



Kobe



# Main Sweets



Nostalgic Modern  
**LeTAO**  
\*Nichest Sweets Artist\*

**Double Fromage**



 寿製菓株式会社

**Inabano Shirousagi**



**Salt and Camembert Cookie**



**Mille Feuille**



**Butter Financier**



**Kujyukushima Senpei**