



**Consolidated Financial Results**  
**for the Third Quarter of the Fiscal Year Ending March 31, 2023**  
**[Based on Japanese GAAP]**

February 9, 2023

Name of Listed Company: Meiji Holdings Co., Ltd.                      Listed exchange: Prime Market, Tokyo Stock Exchange  
Code Number: 2269    URL: [www.meiji.com](http://www.meiji.com)  
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Submission of quarterly report: February 10, 2023

Dividend payment commencement: –

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 Nine Months of the Fiscal Year Ending March 2023**  
**(April 1, 2022 to December 31, 2022)**

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 nine months ended								
December 31, 2022	798,083	3.7	64,739	-18.1	66,377	-19.1	47,283	-15.8
December 31, 2021	769,959	-14.5	79,010	-5.1	82,086	-2.7	56,183	13.7

(Note) Comprehensive income: First nine months ended December 31, 2022: JPY 70,767 million (-3.3%)  
First nine months ended December 31, 2021: JPY 73,163 million (25.5%)

	Profit per Share	Diluted Profit per Share
	Yen	Yen
First nine months ended		
December 31, 2022	336.24	–
December 31, 2021	387.81	–

2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	1,214,970	748,146	58.2	5,076.45
As of March 31, 2022	1,117,459	713,021	60.3	4,781.52

(Reference) Shareholders' equity: As of December 31, 2022: JPY 707,608 million  
As of March 31, 2022: JPY 673,336 million

**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, 2022	–	80.00	–	90.00	170.00
March 31, 2023	–	85.00	–		
March 31, 2023 (Projected)				85.00	170.00

(Note) Amendment to projected dividends recently announced: None

### 3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023

(April 1, 2022 to March 31, 2023)

(% 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	1,058,000	4.4	77,500	-16.6	76,000	-19.1	62,000	-29.1	440.89

(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, 2023” that we announced today (February 9, 2023).

#### Notes

- 1) Changes in significant subsidiaries during the current fiscal year under review (Changes in subsidiaries affecting the scope of consolidation): None
- 2) Application of specific accounting treatments in the preparation of quarterly consolidated financial statements: Yes  
For details, refer to page 17 of 2. *Quarterly Consolidated Financial Statements 4) Notes Concerning Quarterly Financial Statements (Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)*
- 3) Changes in accounting policy, changes in accounting estimates, restatements
  1. Changes in accounting policy due to revisions of accounting standards: Yes
  2. Other changes in accounting policy: None
  3. Changes in accounting estimates: None
  4. Restatements: None
 For details, refer to page 17 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 Dec. 31, 2022	148,369,500 shares	As of Mar. 31, 2022	148,369,500 shares
2. Number of treasury stock at end of period	As of Dec. 31, 2022	8,979,054 shares	As of Mar. 31, 2022	7,548,999 shares
3. Average number of shares during period	As of Dec. 31, 2022	140,625,446 shares	As of Dec. 31, 2021	144,874,538 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 11 of 1. *Qualitative Information 3) Forecasts for the Fiscal Year ending March 31, 2023*

(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 February 9, 2023. An audio recording (Japanese only) and presentation materials of the conference will be posted on our website.

## 1. Qualitative Information

### 1) Explanation Concerning Operating Results

The Meiji Group is aiming at realizing both profit growth and sustainability activities in line with the basic concept of our 2023 Medium-Term Business Plan “Promote the Meiji ROESG®\* Management Effectively”.

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

#### 1. Business strategy

##### Food segment

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

##### Pharmaceutical segment

- Strengthen vaccine business
- 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 FYE March 2023, there is a large impact of the COVID-19 pandemic on the global economy and domestic consumer trends as well as the continuous increase in raw material prices and energy costs due to the Russian-Ukrainian conflict and yen depreciation.

In the food segment, we implemented price hikes and changed product volumes in order to absorb higher raw materials costs and energy costs. We strengthen efforts to promote the value of various products, conduct aggressive marketing activities, and work to expand sales of new products. Overseas, we continue to expand production and sales capacity in China. We are expanding sales areas and our line of high value-added products.

In the pharmaceutical segment, we focus management resources in the infectious disease domain, one of the Meiji Group’s strengths, as we work to strengthen our competitive advantage as a top company for vaccines and infectious disease drugs. Additionally, we are steadily advancing cost reduction efforts and the expansion of the overseas CMO/CDMO business. We apply our Group’s advanced technology, vast facilities, and solid track record in infectious diseases to enhance the ability to create new drugs.

These factors resulted in net sales of JPY 798.083 billion (up 3.7%, year on year), operating profit of JPY 64.739 billion (down 18.1%, year on year), and ordinary profit of JPY 66.377 billion (down 19.1%, year on year) during the first nine months of FYE March 2023. Profit attributable to owners of parent was JPY 47.283 billion (down 15.8%, year on year).

(Billions of yen)

For the first nine months ended December 31	2021	2022	Change	Main factors for Change
Net sales	769.9	798.0	28.1	Details indicated on segment-specific overview
Operating profit	79.0	64.7	-14.2	Details indicated on segment-specific overview
Non-operating profit	5.7	4.1	-1.5	- Share of profit of entities accounted for using equity method (-1.8)
Non-operating expenses	2.6	2.5	-0.0	- Loss on events (-0.5) - Business commencement expenses (+0.6)
Ordinary profit	82.0	66.3	-15.7	—
Extraordinary income	11.9	8.8	-3.1	- Subsidy income (-5.6) - Gain on sale of investment securities (-1.6) - Gain on sale of non-current assets (+3.7)
Extraordinary losses	9.1	6.1	-2.9	- Loss on tax purpose reduction entry of non-current assets (-5.6) - Business restructuring expenses (+3.0)
Profit before income taxes	84.8	69.0	-15.8	—
Income taxes-total	23.3	19.4	-3.8	—
Profit attributable to non-controlling interests	5.3	2.2	-3.0	—
Profit attributable to owners of parent	56.1	47.2	-8.9	—

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

Currently, Group subsidiaries KM Biologics and Meiji Seika Pharma are developing an inactivated vaccine for COVID-19. We started Phase III clinical trials, the final stage prior to approval, in April 2022 (multi-regional clinical trials, adults under 40 years of age). We also started Phase III domestic pediatric clinical trials (children 6 months to less than 12 years of age) in January 2023. We continue working towards early provision.

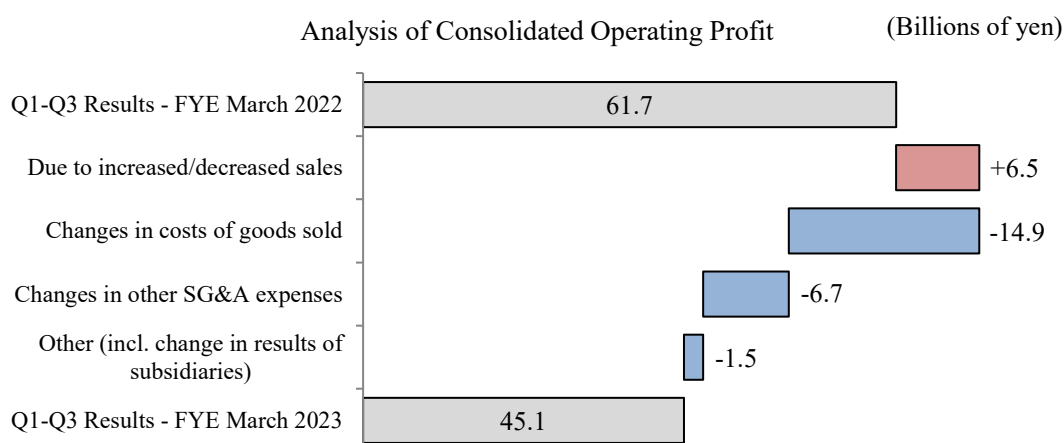
Regarding the COVID-19 vaccine of AstraZeneca PLC, allocated for Japan, Group subsidiary Meiji Seika Pharma is collecting safety management information of the COVID-19 vaccine.

The status of operations by segment and business are as follows.

(1) Food segment

- Net sales increased year on year. Net sales of overseas business and other and domestic subsidiaries increased significantly year on year. Net sales of nutrition business, chocolate and gummy business, B to B business increased year on year. Net sales from frozen dessert and ready meal business were largely unchanged. Net sales of yogurt and cheese business, and drinking milk business decreased year on year.
- Operating profit decreased significantly year on year, due to higher raw material costs and energy costs, as well as decreased sales volume in the yogurt and cheese business, even though we implemented price hikes for our mainstay products.

(Billions of yen)			
For the first nine months ended December 31	2021	2022	% Change
Net sales	626.3	649.9	3.8%
Operating profit	61.7	45.1	-26.9%



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

(Billions of yen)

Net sales				Operating profit			
For the first nine months ended December 31	2021	2022	% Change	For the first nine months ended December 31	2021	2022	% Change
Yogurt & cheese	159.4	151.5	-4.9%	Yogurt & cheese	26.6	16.9	-36.4%
Nutrition	86.0	90.6	5.4%	Nutrition	16.7	12.8	-23.5%
Chocolate & gummy	71.7	75.2	4.8%	Chocolate & gummy	9.5	8.8	-7.9%
Drinking milk	58.4	54.6	-6.6%	Drinking milk	-0.2	-1.7	—
B to B	49.6	53.2	7.2%	B to B	2.2	2.2	-3.4%
Frozen dessert& ready meal	45.9	45.6	-0.7%	Frozen dessert& ready meal	2.7	3.1	13.8%
Overseas	38.3	49.9	30.3%	Overseas	-0.3	-0.2	—
Other/ domestic subsidiaries	116.6	129.0	10.6%	Other/ domestic subsidiaries	4.2	3.0	-28.5%

■ Yogurt & cheese business (Probiotic yogurt, yogurt, cheese)

- Net sales decreased year on year. For functional yogurt and yogurt, we expanded our product line and strengthened marketing activities but sales decreased due to the impact of various competitor products appealing health value. Additionally, sales of cheese decreased since we reduced the number of items.
- Operating profit decreased significantly year on year due to the impact of the sales decrease and the increase in raw material costs, energy costs and marketing expenses.

■ Nutrition business (Infant formula, sports nutrition, enteral formula, beauty supplement)

- Net sales increased year on year. Sales of liquid diet *Meiji Mei Balance* and infant formula in which we caught inbound demand, were favorable. Sales of sports protein *SAVAS* were also favorable particularly for ready-to-drink products. As a result, overall net sales of *SAVAS* increased year on year.
- Operating profit decreased significantly year on year. The raw material costs and energy costs increased, and also depreciation costs increased due to production lines expansion.

■ Chocolate & gummy business

- Net sales increased year on year. Sales were favorable for our mainstay product *Chocolate Kouka*, and *Kinoko no Yama* and *Takenoko no Sato* series. Sales of gummy, which the market continues to expand, increased significantly year on year through introduction of new products and stronger marketing.
- Operating profit decreased year on year due to the higher raw material costs and energy costs.

■ Drinking milk business

- Net sales decreased year on year. Sales were impacted by the reduction in the number of products offered and decreased sales volume for large-volume sizes due to a decline in household demand.
- Operating profit decreased year on year. In addition to a decline in net sales, depreciation costs increased due to the operation of a new plant.

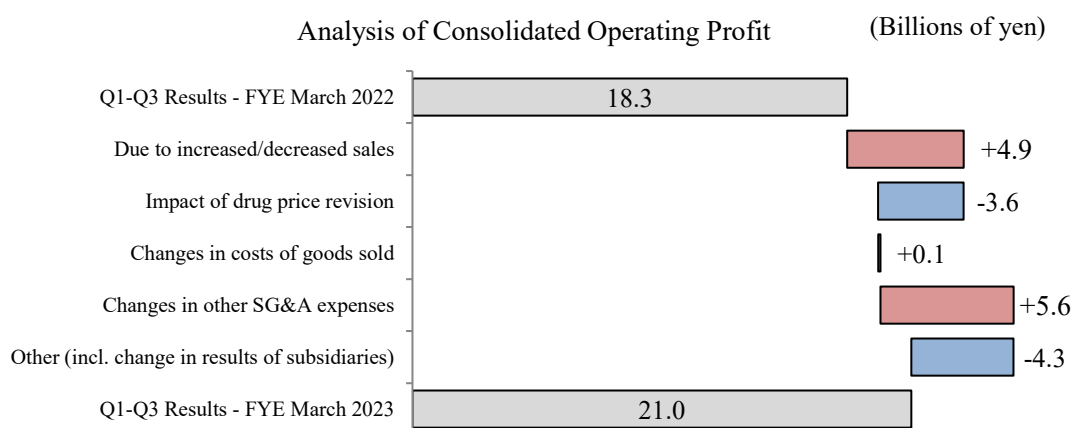
- B to B business
  - Net sales increased year on year. Restaurant and gift confectionery demand recovered from the same period of the previous fiscal year, which was impacted by restrictions on movement due to the state of emergency declaration. In such circumstances, net sales increased significantly mainly on butter, ice cream and chocolate for professional use.
  - Operating profit decreased year on year the increase in raw material costs.
  
- Frozen dessert & ready meal business (Ice cream, prepared foods, butter and margarine)
  - Net sales were largely unchanged from the previous fiscal year. Sales of ice cream increased since the sales of our mainstay product *Essel Super Cup* and the new product *Bulgaria Frozen Yogurt Dessert* were favorable. However, sales of prepared foods decreased.
  - Operating profit increased significantly year on year. The impact of the increase in raw material costs were offset by price hikes. The decrease in manufacturing overhead also contributed.
  
- Overseas business (Overseas subsidiaries, exports)
  - Net sales increased significantly year on year, partly due to the impact of foreign exchange. Net sales of confectionery business and ice cream business in China and subsidiaries in Southeast Asia and the US were favorable.
  - Operating losses were less than the same period of the previous fiscal year thanks to increased volume of mainstay products and effect of price hikes.
  
- Other / domestic subsidiaries (Domestic subsidiaries, chewing gum, candy, OTC drugs)
  - Net sales increased significantly year on year. There was an impact of the removal of a logistics subsidiary from the scope of consolidation following the transfer of stock for said subsidiary. However, net sales of domestic subsidiaries increased year on year due to increased sales from our sugar trading company and our feed business.
  - Operating profit decreased significantly year on year. In addition to the impact of the removal of the logistics subsidiary, profits decreased at the feed business due to the higher raw material costs.

(2) Pharmaceutical segment

- Net sales increased year on year. Net sales of domestic ethical pharmaceuticals business and overseas ethical pharmaceuticals business increased significantly year on year. Net sales of human vaccines business and veterinary drugs business decreased significantly year on year. Decrease in net sales for veterinary drugs business is due to the impact of transferring agricultural chemicals business that was in the same business category as the veterinary drugs business up to the previous fiscal year.
- Operating profit increased significantly year on year due to the significant increase in sales of domestic ethical pharmaceuticals business and overseas ethical pharmaceuticals business.

(Billions of yen)

For the first nine months ended December 31	2021	2022	% Change
Net sales	144.4	148.7	3.0%
Operating profit	18.3	21.0	14.4%





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

(Billions of yen)

Net sales				Operating profit			
For the first nine months ended December 31	2021	2022	% Change	For the first nine months ended December 31	2021	2022	% Change
Domestic ethical pharmaceuticals	66.5	73.5	10.4%	Domestic ethical pharmaceuticals	3.1	9.3	201.6%
Overseas ethical pharmaceuticals	29.1	38.9	33.5%	Overseas ethical pharmaceuticals	2.9	6.2	116.2%
Human vaccines	37.2	28.1	-24.5%	Human vaccines	13.0	4.8	-62.9%
Agricultural chemicals& veterinary drugs	11.3	8.0	-29.0%	Agricultural chemicals& veterinary drugs	-0.6	0.5	—

\*Up to FYE March 2022, we recorded the agricultural chemicals business, which we transferred in January 2022, in the same business category as the veterinary drugs business. As such, the figures for the veterinary drugs business for FYE March 2022 indicated above include results for the agricultural chemicals business.

- Domestic ethical pharmaceuticals business (Domestic ethical pharmaceuticals excluding human vaccines)
  - Net sales increased significantly year on year. Sales of the antibacterial drug *SULBACILLIN* and the COVID-19 (SARS-CoV-2) antigen rapid test kit increased.
  - Operating profit increased significantly year on year due to sales increase, even though there was an impact of NHI price revisions in Japan. Decrease in R&D expenses also contributed to the increase in profit.
- Overseas ethical pharmaceuticals business
  - Net sales increased significantly year on year, partly due to the impact of foreign exchange. Net sales of a subsidiary in India, conducting contract manufacturing for pharmaceuticals, increased. Net sales of a subsidiary in Spain recovered from the results in the previous fiscal year, which was impacted by the COVID-19 pandemic. Royalty revenues also contributed.
  - Operating profit increased significantly year on year due to the sales increase and the impact of foreign exchange.
- Human vaccines business
  - Net sales decreased significantly year on year. Despite the largest-ever market supply volume, influenza vaccinations were significantly below assumptions. As a result, we increased the estimated amount of sales returns to be deducted from sales. Also, compare to the previous year, there was no contracted manufacturing income related to AstraZeneca's COVID-19 vaccine formulation.
  - Operating profit decreased significantly year on year due to the increase in the estimated amount of sales returns, the decline in contracted manufacturing income related to the COVID-19 vaccine formulation, and the impact of valuation losses on inventories.
- Veterinary drugs business (Veterinary drugs, veterinary vaccines)
  - Net sales decreased significantly year on year. There was an impact of transferring agricultural chemicals business that was in the same business category as the veterinary drugs business up to the previous fiscal year.
  - Operating profit increased year on year. In April 2022, we established Meiji Animal Health Co., Ltd. to integrate the veterinary drug business and the veterinary vaccine business. Benefits of the cost reduction resulting from the business integration contributed.

## 2) Financial status

### (1) Assets, Liabilities, and Net Assets

(Billions of yen)

	As of Mar. 31, 2022	As of Dec. 31, 2022	Change	Main Factors for Change
Current assets	455.6	540.4	84.8	- Notes and accounts receivable-trade (+43.8) - Cash and deposits (+20.3) - Raw materials and supplies (+10.5) - Other (+7.9)
Non-current assets	661.8	674.4	12.6	- Buildings and structures, net (+7.3) - Investment securities (+3.9)
Total assets	1,117.4	1,214.9	97.5	—
Current liabilities	286.8	356.6	69.8	- Short-term borrowings (+35.6) - Commercial papers (+25.0)
Non-current liabilities	117.6	110.1	-7.4	- Bonds payable (-10.0) - Retirement benefit liability (+3.5)
Total liabilities	404.4	466.8	62.3	—
Shareholders' equity	632.8	645.9	13.1	- Retained earnings (+22.6) - Treasury shares (-9.6)
Accumulated other comprehensive income	40.4	61.6	21.1	- Foreign currency translation adjustments (+21.9)
Minority interests	39.6	40.5	0.8	—
Total net assets	713.0	748.1	35.1	—
Total liabilities and net assets	1,117.4	1,214.9	97.5	—
Interest bearing debt	81.2	138.9	57.7	- Short-term borrowings (+35.6) - Commercial papers (+25.0)
Equity Ratio (%)	60.3	58.2	-2.0pt	—

### (2) Status of cash flows

(Billions of yen)

For the first nine months ended December 31	2021	2022	Change	Main factors for Change
Net cash flow from operating activities	75.0	36.6	-38.4	- Profit before income taxes (-15.8) - Decrease in contract liability (-14.3) - Increase in trade receivables (-12.8) - Increase in trade payables (+7.0)
Net cash flow from investing activities	-45.3	-41.7	3.5	- Purchase of property, plant and equipment (+10.8) - Subsidies received (-7.7)
Net cash flow from financing activities	-9.8	21.3	31.1	- Increase in commercial papers (+25.0) - Repayments of long-term borrowings (+8.1)
Cash and cash equivalents at end of period	60.8	85.9	25.0	—
Free cash flow	29.7	-5.1	-34.8	—

### 3) Forecasts for the Fiscal Year ending March 31, 2023

In light of performance trends through the third quarter, as indicated below, we revised the consolidated earnings forecast for the FYE March 2023 announced on November 8, 2022 (Notice Concerning Revisions to Financial Forecasts for the Fiscal Year Ending March 31, 2023).

Net sales will be largely unchanged from our previous forecast but we forecast operating profit to decrease by JPY 6 billion compared to our previous forecast. While the pharmaceutical segment as a whole is progressing according to plans, the food segment is experiencing higher-than-expected increases in energy costs. While we strengthened marketing activities to minimize the impact of price hikes on sales volume, it is taking time for the effect to show for yogurt and certain other products.

We forecast ordinary profit to decrease by JPY 9.5 billion compared to our previous forecast. In addition to projections that food segment operating profit will fall below our previous forecast, we forecast lump-sum amortization of goodwill related to an equity method affiliate.

We are forecasting profit attributable to owners of parent to increase by JPY 2 billion compared to our previous forecast. While we will record business restructuring expenses in the pharmaceutical segment as extraordinary losses in addition to the impact of decreased profit in the food segment, we expect to record approximately JPY 10.9 billion in gain on sale of non-current assets related to the former Pharmaceutical Research Center (Yokohama) as extraordinary income.

#### ■ Revised Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

	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)	1,052,500	83,500	85,500	60,000	426.00
Revised forecasts (B)	1,058,000	77,500	76,000	62,000	440.89
Change (B-A)	5,500	-6,000	-9,500	2,000	
Percentage of change	0.5	-7.2	-11.1	3.3	
(Reference) Results for the fiscal year ended March 31, 2022	1,013,092	92,922	93,985	87,497	607.24

## 2. Quarterly Consolidated Financial Statements

### 1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>ASSETS</b>		
Current assets		
Cash and deposits	67,409	87,727
Notes and accounts receivable-trade	173,949	217,757
Merchandise and finished goods	119,316	120,449
Work in process	3,993	5,119
Raw materials and supplies	61,720	72,267
Others	29,307	37,237
Allowance for doubtful accounts	-85	-79
Total current assets	455,611	540,479
Non-current assets		
Property, plants and equipment		
Buildings and structures	354,611	364,765
Accumulated depreciation	-177,532	-180,305
Buildings and structures, net	177,078	184,459
Machinery and equipment	568,092	581,331
Accumulated depreciation	-400,557	-413,987
Machinery and equipment, net	167,534	167,344
Tools, furniture and fixtures	59,013	59,982
Accumulated depreciation	-45,426	-47,203
Tools, furniture and fixtures, net	13,587	12,779
Land	72,594	70,447
Lease assets	2,553	2,803
Accumulated depreciation	-1,844	-2,109
Lease assets, net	709	694
Construction in progress	51,986	52,404
Total property, plants and equipment	483,491	488,129
Intangible assets		
Goodwill	26	15
Other	18,123	18,577
Total intangible assets	18,150	18,592
Investments and other assets		
Investment securities	124,127	128,097
Retirement benefit asset	22,356	24,099
Deferred tax assets	7,166	8,993
Other	6,613	6,641
Allowance for doubtful accounts	-58	-63
Total investments and other assets	160,206	167,768
Total non-current assets	661,848	674,491
Total assets	1,117,459	1,214,970

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable-trade	107,634	121,152
Short-term borrowings	18,227	53,854
Current portion of bonds payable	10,000	20,000
Commercial papers	—	25,000
Accrued expenses	31,474	33,001
Income taxes payable	20,141	5,319
Contract liability	5,907	1,884
Refund liability	15,929	24,194
Provision for bonuses	11,737	5,834
Other	65,759	66,439
<b>Total current liabilities</b>	<b>286,811</b>	<b>356,680</b>
Non-current liabilities		
Bonds payable	20,000	10,000
Long-term borrowings	33,039	30,128
Deferred tax liabilities	5,381	6,574
Retirement benefit liability	54,662	58,216
Provision for retirement benefits for directors (and other officers)	72	72
Other	4,469	5,152
<b>Total non-current liabilities</b>	<b>117,626</b>	<b>110,143</b>
<b>Total liabilities</b>	<b>404,438</b>	<b>466,823</b>
<b>NET ASSETS</b>		
Shareholders' equity		
Share capital	30,000	30,000
Capital surplus	80,503	80,609
Retained earnings	560,238	582,872
Treasury shares	-37,868	-47,498
<b>Total shareholders' equity</b>	<b>632,873</b>	<b>645,982</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	36,347	33,862
Deferred gains or losses on hedges	73	-61
Foreign currency translation adjustments	7,673	29,671
Remeasurements of defined benefit plans	-3,631	-1,847
<b>Total accumulated other comprehensive income</b>	<b>40,462</b>	<b>61,625</b>
Non-controlling interests	39,684	40,538
<b>Total net assets</b>	<b>713,021</b>	<b>748,146</b>
<b>Total liabilities and net assets</b>	<b>1,117,459</b>	<b>1,214,970</b>

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

(Quarterly Consolidated Statements of Income)  
(For the First Nine Months Ended December 31, 2022)

(Millions of yen)

	First nine months of FYE March 2022 (from Apr. 1, 2021 to Dec. 31, 2021)	First nine months of FYE March 2023 (from Apr. 1, 2022 to Dec. 31, 2022)
Net sales	769,959	798,083
Cost of sales	516,660	563,277
Gross profit	253,298	234,806
Selling, general and administrative expenses	174,287	170,066
Operating profit	79,010	64,739
Non-operating income		
Interest income	180	267
Dividend income	1,317	1,414
Share of profit of entities accounted for using equity method	2,574	763
Foreign exchange gains	290	447
Other	1,349	1,284
Total non-operating income	5,712	4,176
Non-operating expenses		
Interest expenses	385	360
Business commencement expenses	208	884
Other	2,043	1,293
Total non-operating expenses	2,636	2,538
Ordinary profit	82,086	66,377
Extraordinary income		
Gain on sales of non-current assets	1,903	5,681
Gain on sales of shares of subsidiaries and associates	2,404	1,068
Gain on sale of investments in capital of subsidiaries and associates	—	1,751
Other	7,670	310
Total extraordinary income	11,978	8,811
Extraordinary losses		
Loss on abandonment of non-current assets	1,961	2,486
Business restructuring expenses	—	3,008
Other	7,220	693
Total extraordinary losses	9,182	6,188
Profit before income taxes	84,882	69,001
Income taxes	23,322	19,440
Profit	61,560	49,560
Profit attributable to non-controlling interests	5,376	2,277
Profit attributable to owners of parent	56,183	47,283

(Quarterly Consolidated Statements of Comprehensive Income)  
(For the First Nine Months Ended December 31, 2022)

(Millions of yen)

	First nine months of FYE March 2022 (from Apr. 1, 2021 to Dec. 31, 2021)	First nine months of FYE March 2023 (from Apr. 1, 2022 to Dec. 31, 2022)
Profit	61,560	49,560
Other comprehensive income		
Valuation difference on available-for-sale securities	2,181	-2,437
Deferred gains or losses on hedges	-0	-139
Foreign currency translation adjustments	6,027	14,132
Remeasurements of defined benefit plans, net of tax	2,091	1,731
Share of other comprehensive income of entities accounted for using equity method	1,302	7,919
Total other comprehensive income	11,603	21,206
Comprehensive income	73,163	70,767
Profit attributable to		
Comprehensive income attributable to owners of parent	67,778	68,446
Comprehensive income attributable to non-controlling interests	5,385	2,321

### 3) Quarterly Consolidated Statements of Cash Flow

(Millions of yen)

	First nine months of FYE March 2022 (from Apr. 1, 2021 to Dec. 31, 2021)	First nine months of FYE March 2023 (from Apr. 1, 2022 to Dec. 31, 2022)
<b>Cash flows from operating activities</b>		
Profit before income taxes	84,882	69,001
Depreciation	37,186	39,828
Impairment loss	638	239
Amortization of goodwill	11	11
Loss on retirement of property, plants and equipment	1,955	2,485
Increase (decrease) in allowance for doubtful accounts	72	-15
Increase (decrease) in provision for bonuses	-5,822	-5,862
Increase (decrease) in retirement benefit liability	3,415	4,391
Interest and dividend income	-1,497	-1,681
Interest expenses	385	360
Share of loss (profit) of entities accounted for using equity method	-2,574	-763
Loss (gain) on sales of property, plant and equipment	-1,588	-5,561
Loss (gain) on sales of shares of subsidiaries and associates	-2,386	-1,068
Loss (gain) on sale of investments in capital of subsidiaries and associates	—	-1,751
Decrease (increase) in trade receivables	-36,254	-49,074
Decrease (increase) in inventories	-390	-11,084
Increase (decrease) in contract liabilities	9,923	-4,059
Increase (decrease) in trade payables	10,678	17,754
Other, net	15,933	16,974
Subtotal	114,569	70,125
Interest and dividends received	2,150	2,731
Interest paid	-362	-338
Income taxes paid	-41,257	-35,824
Net cash provided by operating activities	75,099	36,694
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-60,224	-49,333
Purchases of intangible assets	-3,166	-2,196
Proceeds from sales of property, plant and equipment and intangible assets	2,221	9,343
Subsidies received	7,770	—
Purchases of investment securities	-82	-62
Proceeds from sales of investment securities	6,593	488
Purchase of shares of subsidiaries resulting in change in scope of consolidation	2,300	1,944
Other, net	-791	-1,981
Net cash used in investing activities	-45,379	-41,796



(Millions of yen)

	First nine months of FYE March 2022 (from Apr. 1, 2021 to Dec. 31, 2021)	First nine months of FYE March 2023 (from Apr. 1, 2022 to Dec. 31, 2022)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	28,036	35,393
Increase (decrease) in commercial papers	—	25,000
Repayments of long-term borrowings	-11,218	-3,093
Proceeds from issuance of bonds	9,952	—
Decrease (increase) in treasury shares	-10,719	-9,496
Dividends paid	-23,827	-24,541
Dividends paid to non-controlling interests	-949	-1,430
Other, net	-1,085	-532
Net cash provided used in financing activities	-9,811	21,300
Effect of exchange rate change on cash and cash equivalents	1,895	4,837
Net increase (decrease) in cash and cash equivalents	21,804	21,035
Cash and cash equivalents at beginning of period	39,011	64,872
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	16	—
Cash and cash equivalents at end of period	60,832	85,908

#### 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 Implementation Guidance on Accounting Standard for Fair Market Value Measurement)

As of the beginning of the current consolidated fiscal year, we apply the Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Statement No. 31, June 17, 2021, hereinafter, "Implementation Guidance on Fair Value Measurement Accounting Standard"). In accordance with transitional treatment as prescribed in Section 27-2 of the Implementation Guidance on Fair Value Measurement Accounting Standard, we have decided to apply the new accounting practices stipulated by the Implementation Guidance on Fair Value Measurement Accounting Standard prospectively. As such, there is no impact on financial statements for the current quarter under review.

(Additional information)

(Stock split and subsequent partial revision to the articles of incorporation)

Meiji Holdings Co., Ltd. (the “Company”) resolved the following resolutions at the Board of Directors Meeting held on November 8, 2022, concerning a stock split and a subsequent partial revision to the Articles of Incorporation.

#### 1. Purpose of stock split

The purpose of the stock split is to improve its stock liquidity and expand its investor base by lowering the per-share investment price of the Company’s stock.

#### 2. Overview of stock split

##### 1) Stock split method

The Company will conduct a two-for-one stock split of common stock owned by shareholders listed or recorded in the final shareholder register as of March 31, 2023.

##### 2) Increase in shares due to stock split

Total shares issued prior to stock split	:	148,369,500 shares
Increase in shares due to stock split	:	148,369,500 shares
Total shares issued following stock split	:	296,739,000 shares
Total number of authorized shares following stock split	:	1,120,000,000 shares

##### 3) Schedule for stock split

Publication of record date	:	March 15, 2023
Record date	:	March 31, 2023
Effective date	:	April 1, 2023

#### 4) Impact on per share information

Per share information assuming this split were conducted at the beginning of the previous consolidated accounting period is as follows.

(yen)

	First nine months of FYE March 2022 (from Apr. 1, 2021 to Dec. 31, 2021)	First nine months of FYE March 2023 (from Apr. 1, 2022 to Dec. 31, 2022)
Net income per share	193.91	168.12

(Note) The net income per share amount after adjustment for latent shares is not indicated because there are no latent shares.

#### 3. Subsequent partial revision to the Articles of Incorporation

##### 1) Reason for the revision to the Articles of Incorporation

Due to this stock split, the total number of authorized shares defined under Article 6 of the Company’s Articles of Incorporation will be revised on April 1, 2023, in accordance with Article 184, Paragraph 2 of the Companies Act.

2) Detail of the revision to the Articles of Incorporation

The detail of the revision is as follow.

(Underlined portion indicates change)

Current Articles of Incorporation	Revised Articles of the Incorporation
(Total number of shares authorized to be issued) Article 6 The total number of shares authorized to be issued by the Company shall be <u>560</u> million shares.	(Total number of shares authorized to be issued) Article 6 The total number of shares authorized to be issued by the Company shall be <u>1,120</u> million shares.

3) Schedule of the revision to the Articles of Incorporation

Effective date: April 1, 2023

(Segment Information, etc.)

1. The First Nine Months of the Previous Consolidated Fiscal Year (April 1, 2021 to December 31, 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	625,827	144,131	769,959	—	769,959
(2) Inter-segment Sales and Transfers	503	272	775	-775	—
Total	626,330	144,404	770,735	-775	769,959
Income by Segment	61,713	18,388	80,102	-1,091	79,010

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of a negative JPY 1,091 million includes inter-segment eliminations of JPY 9 million and a negative JPY 1,101 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 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 Nine Months of the Consolidated Fiscal Year (April 1, 2022 to December 31, 2022)

(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	649,397	148,686	798,083	—	798,083
(2) Inter-segment Sales and Transfers	542	14	557	-557	—
Total	649,939	148,701	798,640	-557	798,083
Income by Segment	45,125	21,037	66,163	-1,424	64,739

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of a negative JPY 1,424 million includes inter-segment eliminations of JPY 20 million and a negative JPY 1,444 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 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.

(Significant subsequent events)

(Transfer of fixed assets)

Meiji Seika Pharma Co., Ltd. (“Meiji Seika Pharma”), our consolidated subsidiary in the pharmaceutical segment, voted to sell off the following fixed assets at the Board of Directors’ meeting convened on January 5, 2023. Subsequently, the company transferred the property on January 20, 2023 as detailed below.

1. Reason for transfer

Meiji Seika Pharma reorganized its research functions to strengthen external collaborations, optimize research, and promote optimal personnel placements. Pharmaceutical Research Center (Yokohama) was integrated into Pharmaceutical Research Center (Ashigara). Accordingly, Meiji Seika Pharma ended research activities at Pharmaceutical Research Center (Yokohama) and transferred ownership of the following fixed assets.

2. Name of transferee

SMFL MIRAI Partners Company, Limited

There are no noteworthy capital, personal, or transactional relationships between the purchaser and our company or any of our affiliates. Furthermore, the party does not constitute a related party.

3. Transferred asset type and use prior to transfer

Asset name	Pharmaceutical Research Center (Yokohama)
Asset type	Land, building, etc.
Address	731-12 Morookacho, Kohoku-ku, Yokohama, Kanagawa
Land surface area	17,150.80 m <sup>2</sup>
Building floor area	24,772.49 m <sup>2</sup>
Use prior to transfer	Research facility

4. Transfer schedule

Date of Board of Directors resolution	January 5, 2023
Contract date	January 20, 2023
Property transfer date	January 20, 2023

5. Transfer amount and impact on profit or losses

While we will not be disclosing the transfer amount as per the wishes of the purchaser, the transaction was based on a competitive bid and reflects market price, and we judge this transaction to be based on an appropriate price.

As a result of the transfer of this fixed asset, we plan to record extraordinary income of approximately JPY 10.9 billion for the consolidated fourth quarter of the FYE March 2023 (April 1, 2022 to March 31, 2023).

#####

# Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2023

## - Supplementary Explanatory Data -

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# meiji

## 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 2023	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	247.1	+4.8	48.7	517.5	+3.4	+2.1	798.0	+3.7	75.4		
Cost of sales	174.1	+7.7	—	362.0	+7.6	—	563.2	+9.0	—		
Gross profit	72.9	-1.6	—	155.4	-5.4	—	234.8	-7.3	—		
Selling, general and administrative expenses	54.9	-1.1	—	112.2	-1.5	—	170.0	-2.4	—		
Carriage and storage charges	5.3	+9.7	—	10.0	-2.2	—	14.7	-10.2	—		
Sales promotion expenses	7.2	-7.9	—	15.7	-5.5	—	25.3	+0.5	—		
Labor cost	19.3	-2.1	—	38.6	-1.7	—	58.0	-1.6	—		
Operating profit	18.0	-3.1	44.0	43.1	-14.2	+5.3	64.7	-18.1	83.5		
Ordinary profit	18.4	-3.5	44.4	43.9	-15.2	+5.8	66.3	-19.1	87.3		
Profit attributable to owners of parent	16.0	+28.2	51.7	33.3	-8.9	+7.7	47.2	-15.8	76.2		

Plan -- FYE March 2023					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
517.5	+3.4	540.5	+5.5	1,058.0	+4.4
362.0	+7.6	—	—	—	—
155.4	-5.4	—	—	—	—
112.2	-1.5	—	—	—	—
10.0	-2.2	—	—	—	—
15.7	-5.5	—	—	—	—
38.6	-1.7	—	—	—	—
43.1	-14.2	34.3	-19.5	77.5	-16.6
43.9	-15.2	32.0	-23.9	76.0	-19.1
33.3	-8.9	28.6	-43.7	62.0	-29.1

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	769.9	-14.5	76.3	1,013.0	-15.0	+0.4
Cost of sales	161.7	-9.0	—	336.3	-8.7	—	516.6	-8.3	—	689.8	-7.0	—
Gross profit	74.1	-28.3	—	164.3	-24.1	—	253.2	-24.9	—	323.2	-28.1	—
Selling, general and administrative expenses	55.5	-30.9	—	114.0	-31.4	—	174.2	-31.4	—	230.3	-33.0	—
Carriage and storage charges	4.8	-57.2	—	10.2	-55.0	—	16.3	-51.9	—	21.8	-52.0	—
Sales promotion expenses	7.8	-70.1	—	16.6	-70.4	—	25.2	-71.6	—	32.1	-72.8	—
Labor cost	19.7	-1.6	—	39.2	-1.8	—	59.0	-1.7	—	78.4	-1.6	—
Operating profit	18.6	-19.6	36.5	50.3	-0.1	-1.3	79.0	-5.1	87.8	92.9	-12.4	+3.2
Ordinary profit	19.0	-18.8	36.7	51.7	+2.3	-0.4	82.0	-2.7	87.3	93.9	-14.7	-0.0
Profit attributable to owners of parent	12.4	-6.6	40.3	36.6	+27.5	+7.8	56.1	+13.7	66.9	87.4	+33.3	+4.2

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
500.7	-14.4	512.3	-15.6	1,013.0	-15.0
336.3	-8.7	353.4	-5.4	689.8	-7.0
164.3	-24.1	158.9	-31.8	323.2	-28.1
114.0	-31.4	116.3	-34.4	230.3	-33.0
10.2	-55.0	11.6	-49.0	21.8	-52.0
16.6	-70.4	15.4	-74.9	32.1	-72.8
39.2	-1.8	39.1	-1.3	78.4	-1.6
50.3	-0.1	42.5	-23.5	92.9	-12.4
51.7	+2.3	42.1	-29.1	93.9	-14.7
36.6	+27.5	50.8	+37.7	87.4	+33.3



**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 2023	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	204.3	% +2.3	% 49.4	420.6	% +2.8	% +1.6	649.9	% +3.8	% 75.5		%	%
Cost of sales	151.1	+6.9	—	313.0	+7.8	—	485.6	+9.2	—			
Gross profit	53.2	-8.9	—	107.6	-9.4	—	164.3	-9.5	—			
Selling, general and administrative expenses	38.7	-0.8	—	78.2	-1.2	—	119.2	-0.5	—			
Carriage and storage charges	4.6	+9.1	—	8.6	-3.6	—	12.6	-11.9	—			
Sales promotion expenses	6.6	-8.7	—	14.2	-6.8	—	23.0	+0.3	—			
Labor cost	12.9	-2.7	—	25.7	-1.8	—	38.9	-1.3	—			
Operating profit	14.5	-25.3	42.5	29.3	-25.9	-14.1	45.1	-26.9	75.2			
Ordinary profit	14.4	-27.1	41.8	29.7	-28.0	-13.7	45.8	-29.1	78.7			
Profit attributable to owners of parent	13.0	-4.3	47.7	24.4	-16.7	-10.3	35.7	-22.8	79.0			

Plan -- FYE March 2023					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
420.6	+2.8	440.5	+5.6	861.2	+4.3
313.0	+7.8	—	—	—	—
107.6	-9.4	—	—	—	—
78.2	-1.2	—	—	—	—
8.6	-3.6	—	—	—	—
14.2	-6.8	—	—	—	—
25.7	-1.8	—	—	—	—
29.3	-25.9	30.6	-15.7	60.0	-21.0
29.7	-28.0	28.5	-21.6	58.3	-25.0
24.4	-16.7	20.7	-15.7	45.2	-16.2

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	626.3	% -17.4	% 76.0	826.0	% -17.4	% +0.3
Cost of sales	141.4	-10.6	—	290.2	-10.5	—	444.7	-10.2	—	591.9	-9.2	—
Gross profit	58.4	-32.1	—	118.7	-31.0	—	181.5	-31.1	—	234.1	-32.7	—
Selling, general and administrative expenses	39.0	-37.6	—	79.2	-38.2	—	119.8	-38.7	—	158.1	-39.2	—
Carriage and storage charges	4.3	-60.3	—	8.9	-58.6	—	14.3	-55.6	—	19.1	-55.6	—
Sales promotion expenses	7.3	-69.3	—	15.3	-69.4	—	23.0	-70.6	—	28.9	-72.1	—
Labor cost	13.3	-2.5	—	26.1	-3.2	—	39.4	-3.3	—	52.4	-3.4	—
Operating profit	19.4	-17.5	45.3	39.5	-9.9	-7.7	61.7	-8.9	82.3	75.9	-13.1	+1.3
Ordinary profit	19.7	-14.9	45.0	41.3	-6.0	-6.0	64.7	-5.4	82.4	77.7	-14.9	-1.0
Profit attributable to owners of parent	13.5	-10.0	48.6	29.3	+5.0	+4.8	46.2	+6.1	84.7	53.9	-8.2	-1.2

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
409.0	-17.6	417.0	-17.1	826.0	-17.4
290.2	-10.5	301.6	-7.9	591.9	-9.2
118.7	-31.0	115.3	-34.3	234.1	-32.7
79.2	-38.2	78.9	-40.2	158.1	-39.2
8.9	-58.6	10.2	-52.6	19.1	-55.6
15.3	-69.4	13.6	-74.6	28.9	-72.1
26.1	-3.2	26.2	-3.6	52.4	-3.4
39.5	-9.9	36.3	-16.4	75.9	-13.1
41.3	-6.0	36.3	-23.2	77.7	-14.9
29.3	+5.0	24.6	-20.2	53.9	-8.2

**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 2023	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	42.8	% +18.3	% 46.1	97.1	% +5.5	% +4.5	148.7	% +3.0	% 75.3			%	%
Cost of sales	23.0	+12.6	—	49.2	+5.8	—	78.0	+7.6	—				
Gross profit	19.8	+25.7	—	47.9	+5.2	—	70.6	-1.7	—				
Selling, general and administrative expenses	15.9	-2.4	—	33.2	-3.0	—	49.6	-7.3	—				
Carriage and storage charges	0.6	+14.9	—	1.3	+7.4	—	2.0	+1.6	—				
Sales promotion expenses	0.5	+2.7	—	1.4	+9.4	—	2.2	+2.3	—				
Labor cost	6.0	-1.9	—	12.1	-2.2	—	18.0	-3.1	—				
Operating profit	3.8	—	49.2	14.6	+29.9	+88.9	21.0	+14.4	105.2				
Ordinary profit	3.8	—	49.7	14.5	+36.8	+87.9	21.1	+19.0	107.9				
Profit attributable to owners of parent	2.8	—	68.5	9.3	+24.3	+122.4	12.2	+18.2	81.6				

Plan -- FYE March 2023					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
97.1	+5.5	100.3	+4.6	197.5	+5.1
49.2	+5.8	—	—	—	—
47.9	+5.2	—	—	—	—
33.2	-3.0	—	—	—	—
1.3	+7.4	—	—	—	—
1.4	+9.4	—	—	—	—
12.1	-2.2	—	—	—	—
14.6	+29.9	5.3	-27.5	20.0	+7.2
14.5	+36.8	5.0	-24.6	19.6	+13.0
9.3	+24.3	5.6	-78.6	15.0	-55.9

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	144.4	% +0.7	% 77.3	187.9	% -2.9	% +0.6
Cost of sales	20.4	+4.0	—	46.5	+4.3	—	72.4	+4.5	—	98.6	+7.9	—
Gross profit	15.7	-9.5	—	45.5	+2.4	—	71.9	-2.9	—	89.3	-12.6	—
Selling, general and administrative expenses	16.3	-7.7	—	34.3	-9.5	—	53.5	-8.2	—	70.6	-14.9	—
Carriage and storage charges	0.5	+2.4	—	1.2	+15.0	—	2.0	+16.3	—	2.7	+14.6	—
Sales promotion expenses	0.5	-77.8	—	1.3	-78.5	—	2.2	-79.0	—	3.1	-77.8	—
Labor cost	6.1	-0.9	—	12.4	-0.3	—	18.6	+0.3	—	24.6	+0.7	—
Operating profit	-0.6	—	—	11.2	+70.6	+32.7	18.3	+16.8	111.4	18.6	-2.3	+13.1
Ordinary profit	-0.9	—	—	10.6	+65.7	+32.6	17.7	+14.2	109.0	17.3	-7.2	+6.4
Profit attributable to owners of parent	-1.2	—	—	7.5	+962.1	+25.0	10.3	+82.0	33.8	33.9	+382.8	+11.1

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
92.1	+3.3	95.8	-8.3	187.9	-2.9
46.5	+4.3	52.1	+11.2	98.6	+7.9
45.5	+2.4	43.7	-24.1	89.3	-12.6
34.3	-9.5	36.3	-19.5	70.6	-14.9
1.2	+15.0	1.4	+14.3	2.7	+14.6
1.3	-78.5	1.8	-77.3	3.1	-77.8
12.4	-0.3	12.2	+1.8	24.6	+0.7
11.2	+70.6	7.3	-40.9	18.6	-2.3
10.6	+65.7	6.7	-45.2	17.3	-7.2
7.5	+962.1	26.4	+318.2	33.9	+382.8

## 2. Segment Information

### 1. Food Segment

#### A. Net Sales

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

(Billions of yen)

FYE March 2023	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	50.2	-7.5	46.1	100.3	-6.8	-7.9	151.5	-4.9	73.9
Nutrition	28.9	+5.8	48.0	59.5	+5.9	-1.3	90.6	+5.4	77.2
Chocolate&gummy	22.0	+5.5	49.9	43.5	+3.6	-1.3	75.2	+4.8	72.6
Drinking milk	17.8	-8.6	47.2	36.8	-7.4	-2.5	54.6	-6.6	74.6
B to B	16.0	+10.6	50.3	32.8	+7.8	+2.9	53.2	+7.2	76.1
Frozen dessert&ready meal	14.4	+0.1	45.8	32.2	-0.2	+1.9	45.6	-0.7	78.1
Overseas	13.9	+21.1	49.7	31.7	+26.5	+12.7	49.9	+30.3	72.7
Other / domestic subsidiaries	40.7	+9.5	57.4	83.4	+10.6	+17.5	129.0	+10.6	78.2

Plan -- FYE March 2023					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
100.3	-6.8	104.6	+2.4	204.9	-2.3
59.5	+5.9	57.9	+8.6	117.4	+7.2
43.5	+3.6	59.9	+7.2	103.5	+5.6
36.8	-7.4	36.3	-0.2	73.1	-4.0
32.8	+7.8	37.0	+5.0	69.9	+6.3
32.2	-0.2	26.1	+0.7	58.4	+0.2
31.7	+26.5	36.9	+34.2	68.6	+30.5
83.4	+10.6	81.5	+1.5	164.9	+5.9

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	54.3	—	—	107.6	—	—	159.4	—	209.7
Nutrition	27.4	—	—	56.2	—	—	86.0	—	109.6
Chocolate&gummy	20.8	—	—	42.0	—	—	71.7	—	98.0
Drinking milk	19.4	—	—	39.7	—	—	58.4	—	76.1
B to B	14.5	—	—	30.5	—	—	49.6	—	65.8
Frozen dessert&ready meal	14.4	—	—	32.3	—	—	45.9	—	58.2
Overseas	11.5	—	—	25.0	—	—	38.3	—	52.6
Other / domestic subsidiaries	37.2	—	—	75.4	—	—	116.6	—	155.7

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
107.6	—	102.1	—	209.7	—
56.2	—	53.3	—	109.6	—
42.0	—	55.9	—	98.0	—
39.7	—	36.4	—	76.1	—
30.5	—	35.2	—	65.8	—
32.3	—	25.9	—	58.2	—
25.0	—	27.5	—	52.6	—
75.4	—	80.3	—	155.7	—

#### B. Operating Profit

(Billions of yen)

FYE March 2023	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	6.1	-39.0	36.1	12.0	-35.7	-29.1	16.9	-36.4	64.6
Nutrition	4.1	-14.4	42.6	8.6	-18.8	-11.3	12.8	-23.5	82.4
Chocolate&gummy	2.6	+23.0	68.5	3.2	-14.0	-15.1	8.8	-7.9	74.5
Drinking milk	-0.3	—	—	-0.8	—	—	-1.7	—	—
B to B	0.4	+36.0	37.6	1.0	+18.1	-18.1	2.2	-3.4	76.1
Frozen dessert&ready meal	0.7	+38.7	30.4	2.7	+15.9	+14.3	3.1	+13.8	93.2
Overseas	-0.4	—	—	0.0	-71.0	—	-0.2	—	—
Other / domestic subsidiaries	1.1	-22.5	84.7	2.3	-22.0	+70.3	3.0	-28.5	102.3

Plan -- FYE March 2023					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
12.0	-35.7	14.2	-12.5	26.2	-24.9
8.6	-18.8	6.9	-20.6	15.5	-19.6
3.2	-14.0	8.5	-3.7	11.8	-6.8
-0.8	—	-1.3	—	-2.1	—
1.0	+18.1	1.8	+0.4	2.8	+5.9
2.7	+15.9	0.6	+9.9	3.4	+14.7
0.0	-71.0	-0.8	—	-0.7	—
2.3	-22.0	0.6	-67.0	3.0	-40.5

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	26.6	-26.7	77.6
Nutrition	4.8	+18.1	48.7	10.6	+13.6	+7.1	16.7	+20.2	87.4
Chocolate&gummy	2.1	+33.2	70.7	3.7	+62.5	+25.4	9.5	+18.8	75.6
Drinking milk	-0.0	—	—	-0.0	—	—	-0.2	—	-0.7
B to B	0.3	—	119.9	0.8	+540.0	+200.6	2.2	+59.4	74.3
Frozen dessert&ready meal	0.5	-65.3	22.1	2.3	-28.0	-0.4	2.7	-21.0	90.8
Overseas	0.1	-58.9	—	0.2	-51.0	—	-0.3	—	-1.0
Other / domestic subsidiaries	1.4	+13.9	63.8	2.9	+10.6	+27.5	4.2	+5.3	86.8

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
18.7	-28.6	16.2	-24.4	34.9	-26.7
10.6	+13.6	8.6	+3.8	19.3	+9.0
3.7	+62.5	8.9	-5.4	12.6	+8.0
-0.0	—	-0.6	—	-0.7	—
0.8	+540.0	1.8	+13.2	2.7	+52.1
2.3	-28.0	0.5	+64.1	2.9	-19.0
0.2	-51.0	-1.3	—	-1.0	—
2.9	+10.6	2.0	-2.2	5.0	+5.0

**2. Segment Information**  
**2. Pharmaceutical Segment**  
**A. Net Sales**

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

(Billions of yen)

FYE March 2023	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			
Domestic ethical pharmaceuticals	23.1	+32.6	51.3	47.5	+11.3	+5.2	73.5	+10.4	74.0		
Overseas ethical pharmaceuticals	12.7	+20.9	59.8	25.0	+29.7	+17.6	38.9	+33.5	75.0		
Human vaccines	4.3	-4.8	21.8	19.2	-15.3	-2.8	28.1	-24.5	79.4		
Veterinary drugs	2.6	-28.7	39.1	5.3	-27.4	-20.4	8.0	-29.0	74.9		

Plan -- FYE March 2023					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
47.5	+11.3	51.7	+7.9	99.3	+9.5
25.0	+29.7	26.8	+27.6	51.9	+28.6
19.2	-15.3	16.1	-19.1	35.4	-17.1
5.3	-27.4	5.4	-19.5	10.7	-23.6

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			
Domestic ethical pharmaceuticals	17.4	—	—	42.7	—	—	66.5	—	—	90.7	—
Overseas ethical pharmaceuticals	10.5	—	—	19.3	—	—	29.1	—	—	40.3	—
Human vaccines	4.5	—	—	22.7	—	—	37.2	—	—	42.7	—
Agricultural chemicals&veterinary drugs	3.6	—	—	7.3	—	—	11.3	—	—	14.1	—

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
42.7	—	48.0	—	90.7	—
19.3	—	21.0	—	40.3	—
22.7	—	20.0	—	42.7	—
7.3	—	6.7	—	14.1	—

**B. Operating Profit**

(Billions of yen)

FYE March 2023	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			
Domestic ethical pharmaceuticals	2.0	—	99.8	5.4	+205.7	+157.3	9.3	+201.6	123.2		
Overseas ethical pharmaceuticals	1.9	+1,266.5	109.3	3.6	+195.5	+103.3	6.2	+116.2	85.1		
Human vaccines	-0.6	—	—	4.8	-44.5	+45.9	4.8	-62.9	130.9		
Veterinary drugs	0.4	—	80.6	0.7	—	+54.6	0.5	—	40.9		

Plan -- FYE March 2023					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
5.4	+205.7	2.1	+14.9	7.6	+106.6
3.6	+195.5	3.7	+35.3	7.4	+84.8
4.8	-44.5	-1.1	—	3.7	-67.7
0.7	—	0.5	—	1.3	—

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			
Domestic ethical pharmaceuticals	-0.7	—	—	1.7	—	-1.8	3.1	+33.3	155.3	3.6	-34.3
Overseas ethical pharmaceuticals	0.1	-88.0	6.9	1.2	-43.7	-41.0	2.9	+4.8	62.0	4.0	+5.4
Human vaccines	0.3	—	8.5	8.6	+70.2	+111.7	13.0	+17.6	121.9	11.4	+18.0
Agricultural chemicals&veterinary drugs	-0.3	—	—	-0.4	—	—	-0.6	—	—	-0.4	—

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
1.7	—	1.9	-68.1	3.6	-34.3
1.2	-43.7	2.7	+72.9	4.0	+5.4
8.6	+70.2	2.7	-39.9	11.4	+18.0
-0.4	—	-0.0	—	-0.4	—

Note: As we transferred the agricultural chemical business in January 2022, we changed "Agricultural chemicals&veterinary drugs" to "Veterinary drugs" from FYE March 2023.

YoY changes of FYE March 2023 are calculated compared to the results of FYE March 2022 including the agricultural chemical business.

### 3. Analysis of Operating Profit

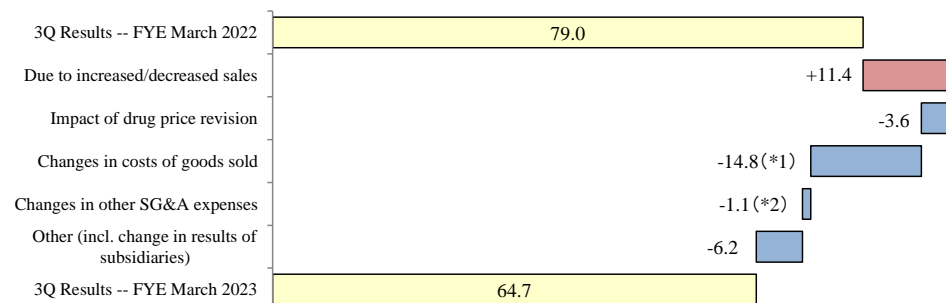
(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

#### 1. Results -- FYE March 2023

(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 2022	18.6	19.4	-0.6	-0.1	50.3	39.5	11.2	-0.5	79.0	61.7	18.3	-1.0	92.9	75.9	18.6	-1.7
Due to increased/decreased sales	+4.8	+0.4	+4.4	—	+7.3	+1.8	+5.5	—	+11.4	+6.5	+4.9	—				
Impact of drug price revision	-1.2	—	-1.2	—	-2.3	—	-2.3	—	-3.6	—	-3.6	—				
Changes in costs of goods sold	-2.8	-2.9	+0.1	—	-7.6	-7.7	+0.1	—	-14.8	-14.9	+0.1	—				
Changes in other SG&A expenses	-0.6	-1.0	+0.4	—	-0.6	-2.7	+2.1	—	-1.1	-6.7	+5.6	—				
Other (incl. change in results of subsidiaries)	-0.8	-1.4	+0.7	-0.1	-4.0	-1.7	-2.0	-0.2	-6.2	-1.5	-4.3	-0.3				
Total change	-0.5	-4.9	+4.4	-0.1	-7.1	-10.2	+3.3	-0.2	-14.2	-16.5	+2.6	-0.3				
Results -- FYE March 2023	18.0	14.5	3.8	-0.2	43.1	29.3	14.6	-0.7	64.7	45.1	21.0	-1.4				

#### YoY Change in Operating Profit



(Breakdown)

- \*1: [Food] Increase in raw materials costs: -15.5, Other: +0.6  
[Pharma] Cost reductions: +0.1
- \*2: [Food] Increase in indirect manufacturing costs (incl. energy costs): -3.6,  
Increase in marketing expenses: -2.1, Other: -1.0  
[Pharma] Decrease in R&D expenses: +3.9  
Decrease in marketing expenses (incl. impacts of structural reforms): +2.0,  
Other: -0.3

#### 2. Plan -- FYE March 2023

(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 2022	50.3	39.5	11.2	-0.5	42.5	36.3	7.3	-1.1	92.9	75.9	18.6	-1.7
Due to increased/decreased sales	+7.3	+1.8	+5.5	—	+16.2	+14.9	+1.3	—	+23.5	+16.7	+6.8	—
Impact of drug price revision	-2.3	—	-2.3	—	-2.7	—	-2.7	—	-5.0	—	-5.0	—
Changes in costs of goods sold	-7.6	-7.7	+0.1	—	-14.8	-15.3	+0.5	—	-22.4	-23.0	+0.6	—
Changes in other SG&A expenses	-0.6	-2.7	+2.1	—	-5.5	-6.1	+0.6	—	-6.1	-8.8	+2.7	—
Other (incl. change in results of subsidiaries)	-4.0	-1.7	-2.0	-0.2	-1.4	+0.8	-1.7	-0.5	-5.4	-0.9	-3.7	-0.7
Total change	-7.1	-10.2	+3.3	-0.2	-8.2	-5.7	-2.0	-0.5	-15.4	-15.9	+1.3	-0.7
Plan -- FYE March 2023	43.1	29.3	14.6	-0.7	34.3	30.6	5.3	-1.7	77.5	60.0	20.0	-2.5

#### 4. Consolidated Financial Positions

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

(Billions of yen)

FYE March 2023		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	1,144.3	+2.4	1,183.8	+5.9	1,214.9	+8.7			
Current assets	481.1	+5.6	508.1	+11.5	540.4	+18.6			
Non-current assets	663.2	+0.2	675.7	+2.1	674.4	+1.9			
Total liabilities	418.9	+3.6	426.8	+5.5	466.8	+15.4			
Current liabilities	302.1	+5.4	306.9	+7.0	356.6	+24.4			
Non-current liabilities	116.8	-0.7	119.9	+1.9	110.1	-6.4			
Total net assets	725.3	+1.7	757.0	+6.2	748.1	+4.9			
Shareholders' equity	636.1	+0.5	654.0	+3.3	645.9	+2.1			
Reference	Consolidated interest bearing debt	117.9	+45.1	116.2	+43.0	138.9	+71.0		
	Food segment assets	795.7	-0.1	823.6	+3.4	843.9	+5.9		
	Pharmaceutical segment assets	318.0	-3.0	330.8	+0.9	330.2	+0.7		

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	1,161.5	+8.9	1,117.4	+4.7	
Current assets	453.9	+6.6	480.6	+12.8	494.1	+16.0	455.6	+6.9	
Non-current assets	643.5	+0.4	664.2	+3.6	667.3	+4.1	661.8	+3.3	
Total liabilities	433.7	+6.4	449.2	+10.2	465.0	+14.1	404.4	-0.8	
Current liabilities	278.6	+10.1	293.9	+16.2	309.7	+22.4	286.8	+13.4	
Non-current liabilities	155.0	+0.3	155.2	+0.4	155.2	+0.4	117.6	-23.9	
Total net assets	663.7	+0.7	695.7	+5.5	696.4	+5.6	713.0	+8.1	
Shareholders' equity	599.0	+0.3	623.5	+4.4	620.6	+3.9	632.8	+6.0	
Reference	Consolidated interest bearing debt	151.7	+49.1	130.2	+27.9	128.6	+26.4	81.2	-20.2
	Food segment assets	743.4	-1.6	771.1	+2.1	798.5	+5.7	796.7	+5.5
	Pharmaceutical segment assets	268.1	-6.4	292.8	+2.3	295.4	+3.1	327.8	+14.5

## 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 2020		FYE March 2021		FYE March 2022		FYE March 2023	
	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	38.7	71.1	33.2	67.9	48.0	93.1	33.5	82.9
Food segment	31.2	60.2	28.3	56.4	38.3	75.9	29.6	71.2
Pharmaceutical segment	7.5	10.7	4.8	11.3	9.5	17.0	3.7	11.4
Holdings	0.0	0.0	0.1	0.1	0.1	0.2	0.1	0.2
Depreciation and amortization	22.4	46.1	23.6	48.4	24.5	50.1	26.1	52.1
Food segment	18.1	37.4	19.0	39.2	19.8	40.5	21.2	43.0
Pharmaceutical segment	4.1	8.5	4.4	8.9	4.5	9.3	4.8	8.8
Holdings	0.1	0.2	0.1	0.2	0.1	0.2	0.1	0.2
R&D expenses	14.5	31.4	14.4	31.4	15.5	33.4	14.6	33.1
Food segment	6.6	13.4	6.5	13.1	6.4	13.3	6.7	13.7
Pharmaceutical segment	7.6	17.5	7.6	17.6	8.6	19.2	7.4	18.3
Holdings	0.1	0.4	0.2	0.5	0.3	0.8	0.5	0.9

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

Note: We changed the previous classification "Corporate or elimination" to "Holdings" when we announced the financial results for fiscal year ended March 2022 on May 12, 2022.

Accordingly, we retroactively revised the figures of depreciation in "Pharmaceutical segment" and "Holdings".

## 6. Financial Indicators, consolidated

	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022	
	Full-year	Full-year	Full-year	Full-year	
Net sales	1,254.3 billion yen	1,252.7 billion yen	1,191.7 billion yen	1,013.0 billion yen	(Note) Net sales of FYE March 2022 are calculated after applying revenue recognition accounting standards
Operating profit	98.3 billion yen	102.7 billion yen	106.0 billion yen	92.9 billion yen	
Operating profit ratio	7.8 %	8.2 %	8.9 %	9.2 %	
EBITDA	143.0 billion yen	148.9 billion yen	154.4 billion yen	143.0 billion yen	(Note) Op. profit + Depreciation and amortization
EBITDA margin	11.4 %	11.9 %	13.0 %	14.1 %	
Profit attributable to owners of parent	61.8 billion yen	67.3 billion yen	65.6 billion yen	87.4 billion yen	
Profit ratio	4.9 %	5.4 %	5.5 %	8.6 %	
Total assets	1,004.1 billion yen	998.9 billion yen	1,067.0 billion yen	1,117.4 billion yen	
Interest bearing debt	116.3 billion yen	106.7 billion yen	101.7 billion yen	81.2 billion yen	
Shareholders' equity	527.3 billion yen	562.7 billion yen	621.4 billion yen	673.3 billion yen	
Shareholders' equity ratio	52.5 %	56.3 %	58.2 %	60.3 %	
Debt/Equity ratio	0.22 times	0.19 times	0.16 times	0.12 times	
ROA	10.3 %	10.3 %	10.7 %	8.6 %	(Note) Ordinary profit/Average net assets
ROE	12.2 %	12.4 %	11.1 %	13.5 %	(Note) Profit attributable to owners of parent/Average shareholders' equity
ROIC	—	9.9 %	10.0 %	8.4 %	(Note) Diluted NOPLAT/(Non-current assets + Working Capital)
Net cash flow from operating activities	112.1 billion yen	114.1 billion yen	123.6 billion yen	127.5 billion yen	
Net cash flow from investing activities	-100.2 billion yen	-70.8 billion yen	-93.1 billion yen	-27.6 billion yen	
Free cash flow	11.8 billion yen	43.2 billion yen	30.5 billion yen	99.9 billion yen	(Note) Net cash flow from operating activities + Net cash flow from investing activities
Profit per share	426.61 yen	464.08 yen	452.52 yen	607.24 yen	(Note) Profit attributable to owners of parent / Average number of shares during period
Net assets per share	3,635.79 yen	3,879.18 yen	4,282.80 yen	4,781.52 yen	(Note) (Total net assets - Noncontrolling interests) / (Number of shares outstanding - Number of treasury stock)
Cash flow per share	723.29 yen	782.49 yen	786.13 yen	977.14 yen	(Note) (Profit attributable to owners of parent + Depreciation and Amortization) / (Number of shares outstanding - Number of treasury stock)
Cash dividends per share	140.00 yen	150.00 yen	160.00 yen	170.00 yen	
Dividend payout ratio	32.8 %	32.3 %	35.4 %	28.0 %	
Price/Earnings ratio--PER	21.2 times	16.5 times	15.7 times	10.9 times	(Note) Year-end stock price/Profit per share
Price/Book value ratio--PBR	2.4 times	2.0 times	1.7 times	1.4 times	(Note) Year-end stock price/Net assets per share
Price/Cash flow ratio--PCFR	12.4 times	9.8 times	9.1 times	6.8 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 2023	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	19.9	% 46.5	39.9	% -6.0	% -6.9	58.0	% -6.9	% 75.7		%	%
Probiotic yogurts	22.8	% 45.3	45.2	% -8.8	% -10.3	70.2	% -4.9	% 72.1			
Cheese for consumers	6.8	% 49.9	13.5	% -8.8	% -0.8	21.3	% -5.7	% 76.2			
Chocolate	20.5	% 49.8	39.9	% +1.0	% -3.0	71.3	% +2.4	% 71.1			
Infant formula and enteral formula	16.3	% 51.9	33.4	% +8.2	% +6.3	51.7	% +5.3	% 76.9			
Sports nutrition (incl. SAVAS Milk Protein)	11.8	% 44.5	23.8	% +2.2	% -10.2	35.6	% +3.8	% 78.3			
Drinking milk for consumers (incl. home delivery)	17.9	% 47.2	37.2	% -8.0	% -1.8	55.1	% -7.1	% 75.9			
Ice cream for consumers	11.0	% 44.6	25.6	% +3.5	% +3.5	33.7	% +2.4	% 81.8			

Plan -- FYE March 2023					
H1 (Q1-Q2) Results	YoY change	H2 (Q3-Q4) Revised Plan	YoY change	Full-year Revised Plan	YoY change
	%		%		%
39.9	-6.0	36.8	-6.5	76.7	-6.2
45.2	-8.8	52.2	+7.7	97.4	-0.6
13.5	-8.8	14.5	+1.1	27.9	-3.9
39.9	+1.0	60.3	+6.3	100.2	+4.1
33.4	+8.2	33.8	+3.5	67.2	+5.8
23.8	+2.2	21.7	+11.5	45.5	+6.4
37.2	-8.0	35.3	-3.6	72.6	-5.9
25.6	+3.5	15.7	+0.9	41.2	+2.5

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	21.2	% 49.6	42.4	% -4.4	% -0.7	62.4	% -3.0	% 76.0	81.8	% -3.1	% -0.3
Probiotic yogurts	25.3	% 45.8	49.5	% -12.4	% -10.2	73.8	% -12.3	% 75.4	98.0	% -12.5	% +0.2
Cheese for consumers	7.5	% 49.2	14.8	% -3.8	% -3.0	22.5	% -5.5	% 76.6	29.1	% -6.4	% -1.3
Chocolate	19.8	% 48.6	39.5	% +3.5	% -3.0	69.6	% +0.6	% 72.1	96.3	% +0.3	% -0.3
Infant formula and enteral formula	14.6	% 48.7	30.8	% +2.8	% +2.9	49.0	% +8.3	% 78.1	63.5	% +8.1	% +1.1
Sports nutrition (incl. SAVAS Milk Protein)	11.7	% 47.4	23.3	% +12.1	% -5.9	34.3	% +10.6	% 77.4	42.8	% +5.6	% -3.6
Drinking milk for consumers (incl. home delivery)	19.8	% 48.4	40.4	% -10.7	% -0.9	59.3	% -10.4	% 77.4	77.1	% -10.3	% +0.6
Ice cream for consumers	10.4	% 41.1	24.7	% -7.0	% -2.1	33.0	% -4.4	% 81.6	40.2	% -3.9	% -0.4

H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
	%		%		%
42.4	-4.4	39.3	-1.7	81.8	-3.1
49.5	-12.4	48.4	-12.6	98.0	-12.5
14.8	-3.8	14.3	-9.0	29.1	-6.4
39.5	+3.5	56.8	-1.8	96.3	+0.3
30.8	+2.8	32.7	+13.5	63.5	+8.1
23.3	+12.1	19.5	-1.2	42.8	+5.6
40.4	-10.7	36.7	-9.8	77.1	-10.3
24.7	-7.0	15.5	+1.6	40.2	-3.9



## 7. Other

### 2. List of New Products Under Development

#### Infectious disease

Stage	Name	Type	Efficacy Classification	Notes
Phase I	OP0595 (Nacubactam)	Injection	$\beta$ -lactamase inhibitor	Discovered in-house

#### New fields

Stage	Name	Type	Efficacy Classification	Notes
Phase III	ME3208 (Belumosudil)	Oral	Steroid-dependent/refractory Chronic Graft Versus Host Disease	Development: Romeck Pharma, LLC
Phase III (Overseas) Phase I	DMB-3115	Injection	Plaque psoriasis/Psoriatic arthritis/Crohn's disease/Ulcerative colitis (Biosimilar)	Co-development: Dong-A Socio Holdings Co., Ltd. (South Korea) Out-license: Intas Pharmaceuticals Ltd. (India)
Phase II (Overseas)	ME3183	Oral	Psoriasis/Selective PDE4 inhibitor	Discovered in-house
Phase Ib / II	HBI-8000 (Tucidinostat)	Oral	Relapsed or refractory B-cell non-Hodgkin's lymphoma	In-license: HUYABIO International, LLC (USA)
Phase I	DMB-3111	Injection	Breast cancer/Gastric cancer (Biosimilar)	Co-development: Dong-A Socio Holdings Co., Ltd. (South Korea)

#### Human vaccines

Stage	Name	Target Disease	Notes
Filed (Under review)	KD-370	Pentavalent vaccine against diphtheria, tetanus, pertussis, poliovirus, and haemophilus influenza type b	
Phase I / II Phase II / III Phase II / III (Pediatric Clinical Trials) Phase III (Adults under 40)* Phase III (Pediatric Clinical Trials)	KD-414	Inactivated vaccine against COVID-19	* Multi-Regional Clinical Trials
Phase I / II	KD-404	Egg-derived inactivated whole virus influenza vaccine	Cooperation: Hokkaido University
Phase I (Overseas)	KD-382	Quadrivalent vaccine against dengue fever	
Phase I	KD2-396	Hexavalent vaccine against diphtheria, tetanus, pertussis, poliovirus, haemophilus influenza type b, and Hepatitis B virus	

#### Blood Plasma Products

Stage	Name	Target Disease	Notes
Approved	KD2-305	Suppression of bleeding tendency in patients with blood coagulation factor VIII or factor IX deficiency who have coagulation factor inhibitors	Discovered in-house

Note: The above list shows development status as of February 9, 2023.