



FY2023 1H

Results Briefing

November 8, 2023

House Foods Group Inc.

Stock code: 2810

<https://housefoods-group.com/>

FY2023 First-Half Results

Full-Year Plan for FY2023

Supplementary Materials

*1 We applied the Accounting Standard for Revenue Recognition, etc. from FY2021

*2 Regarding the business combination with U.S.-based Keystone Natural Holdings, LLC on September 30, 2022, the price purchase allocation (PPA) was completed in the first quarter of the fiscal year ending March 31, 2024. Accordingly, figures for the previous fiscal year reflect the completion of the PPA.

FY2023 First-Half Results

Full-Year Plan for FY2023

Supplementary Materials

- Net sales: Increased, reflecting price revisions at Group companies in Japan and overseas and inclusion of US-based Keystone Natural in consolidated financial statements for the first time
- Operating profit: Increased, with other businesses making up for decreased profit in International Food Business through effect of prices revisions and cost efficiency

Billion yen	FY2022 2Q		FY2023 2Q		Year on year	
	Results	Comparison with net sales	Results	Comparison with net sales	Increase/Decrease	%
Net sales	133.8	—	142.8	—	+9.0	+6.7%
Operating profit	7.6	5.7%	8.1	5.6%	+0.4	+5.7%
EBITDA*1	13.1	9.8%	14.5	10.2%	+1.4	+0.3%
Ordinary profit	9.0	6.7%	8.8	6.1%	-0.2	-2.2%
Profit*2	5.5	4.1%	10.8	7.6%	+5.3	+97.1%

*1 EBITDA: Operating profit (before amortization of goodwill) + Depreciation

*2 Profit attributable to owners of parent

Results by Segment

FY2023 First-Half Results

Billion yen	Results for the previous fiscal year	Net sales		Results for the previous fiscal year	Operating profit		ROS		EBITDA margin	
		Results	Year on year		Results	Year on year	Results	Year on year	Results	Year on year
Consolidated	133.8	142.8	+6.7%	7.6	8.1	+5.7%	5.6%	-0.1pt	10.2%	+0.3pt
Spice / Seasoning / Processed Food Business	58.0	60.4	+4.2%	3.2	3.7	+14.4%	6.1%	+0.5pt	10.1%	+0.4pt
Health Food Business	8.5	8.6	+1.0%	1.1	1.2	+14.3%	14.3%	+1.7pt	16.6%	+0.9pt
International Food Business	22.6	26.5	+17.0%	3.1	1.1	-64.7%	4.1%	-9.6pt	10.6%	-6.9pt
Restaurant Business	22.9	26.8	+16.8%	0.6	1.8	+179.4%	6.7%	+3.9pt	12.3%	+3.4pt
Other Food Related Business	26.4	25.7	-2.4%	0.5	1.1	+108.8%	4.2%	+2.2pt	5.2%	+2.3pt
Adjustment (elimination)	-4.7	-5.2	—	-0.9	-0.8	—	—	—	—	—

Results by Segment (Spice / Seasoning / Processed Food Business)

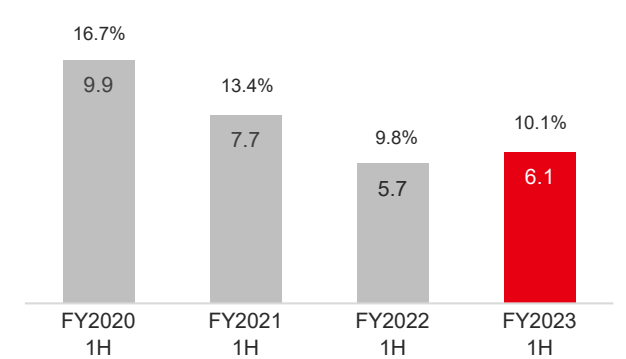
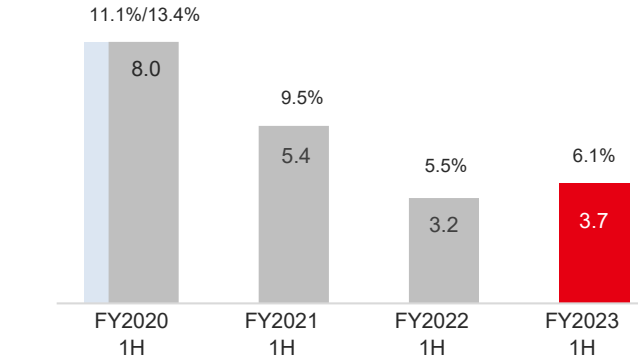
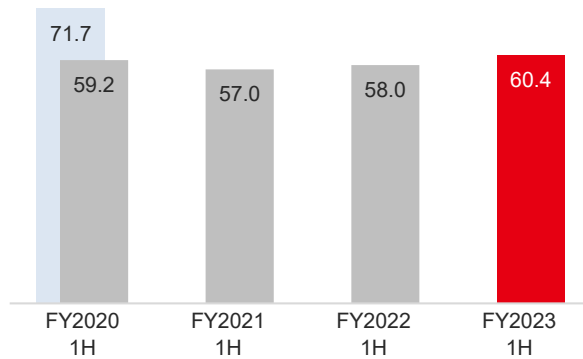
FY2023 First-Half Results

Old accounting standard ■ New accounting standard

■ Net sales (billion yen)

■ Operating profit (billion yen) / ROS

■ EBITDA (billion yen) / EBITDA margin



[Gains in sales and profit] Recovery of earning capacity is underway thanks to price revisions and the implementation of measures to create demand.

- Household use business: Implemented price revisions for a second consecutive fiscal year in June. Progress was mostly in line with expectations thanks to enhancement of sales backup measures before and after revisions and introduction of new products balancing added value and affordability.
- Food service business: Newly formed House Gaban commenced business activities. Sales recovered with the resumption of economic activity. Implemented price revisions from September.

<House Foods Corp. Net sales by major product category>*1

	Curry roux	Stew roux Hashed beef sauce roux	Spice	Total of retort pouched products ²
Net sales (billion yen)	19.1	7.0	11.1	10.4
Year-on-year change	+4.0%	+3.9%	+2.6%	+0.3%

<Creation of demand for curry roux products>



Launch of X-BLEND CURRY, a new brand of large box curry roux products for the first time in 10 years (From August 2023)

<Startup of House Gaban>

Net sales (billion yen)

FY2023 1H results	12.8
Full-year forecast (Revision)	26.6

Corporate philosophy

Creating food together that warms the heart

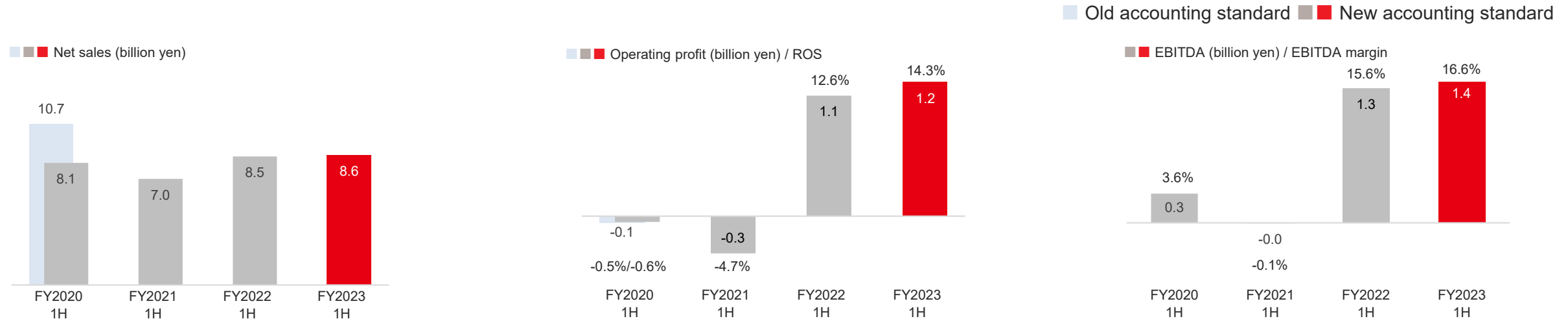
House Gaban manufactures food service products specializing in flavors and fragrances. We provide quality products and ideas to those in the food service business, often collaborating with professionals with excellent skills and intuition, to deliver food that will warm the hearts of customers.

*1 Reference value based on shipments

*2 Total of retort pouched curry, retort pouched stew, retort pouched hashed beef sauce and retort pouched pasta sauce

Results by Segment (Health Food Business)

FY2023 First-Half Results



[Gains in sales and profit] Stepped up initiatives, with emphasis on core brands for the sustainable generation of earnings

- Functional spice business: Sales of *Ukon No Chikara* exceeded the level a year earlier, partly due to increased opportunities to drink alcohol with the resumption of economic activity (around 75% of pre-COVID level).
- Vitamin products business: Sales of *C1000* benefited from a timely campaign after the June price revisions. Sales of *Ichinichibun No Vitamin Jelly* grew year on year despite the absence of special demand for people recovering from COVID-19.
- Lactobacillus business: Stepped up sales for use in feed and ingredients in the United States. Signs that efforts are reaping rewards, with adoption by a leading company in supplements.

<Net sales by business>*



Functional spice business

Net sales (billion yen) 4.2
Year-on-year change +8.4%



Vitamin products business

5.2
-0.3%

L-137

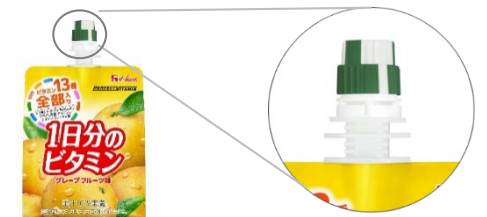
Lactobacillus business

0.2
+12.8%

<Vitamin products business: Initiatives to strengthen brand power>



Promotional campaign for C1000 after price revision

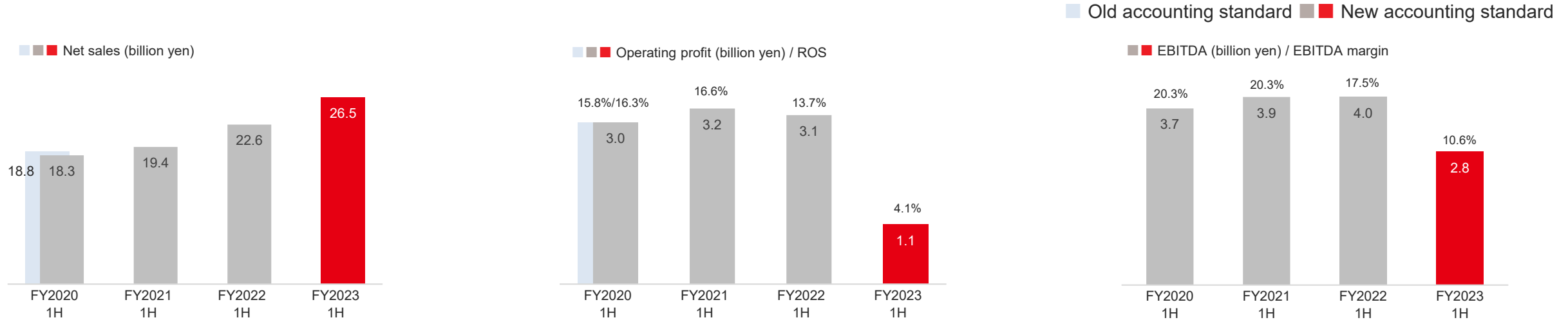


Ichinichibun No Vitamin Jelly
Adoption of new easy-open cap

* Reference value based on shipments

Results by Segment (International Food Business)

FY2023 First-Half Results



[Gain in sales and decline in profit] Impacted by changes in market environment in each area of operation.

- United States:** <Gain in sales and decline in profit> Profit fell, partly due to the amortization of goodwill, etc. associated with acquisition of Keystone, despite gains in sales and profit in existing business.
- China:** <Gain in sales and decline in profit> Achieved increased sales but incurred high upfront costs associated with the resumption of business activities.
- Household use business: Generated higher sales through expenditure on promotional activities but profit fell due to the impact of deteriorating consumer confidence and the absence of the previous year's high demand for home-cooked meals.
 - Food service business: Sales increased, partly thanks to the effect of newly introduced products, but profit decreased, reflecting higher operating costs than under the zero-COVID policy last fiscal year.
- Thailand:** <Declines in sales and profit> Sales faced an uphill struggle, impacted by dramatic changes in the market environment.

Net sales by business	Business in the United States		Business in China		Businesses in Southeast Asia	
	Overall	Tofu business of House Foods America Corporation	Overall	Functional drinks business in Thailand	Overall	Functional drinks business in Thailand
Net sales (billion yen)	15.3	10.3	5.6	3.1	3.5	3.1
Year-on-year change	+70.5%	+22.1%	+13.6%	-49.7%	-46.6%	-49.7%
Local currency basis	+55.5%	+11.4%	+11.2%	-53.5%	-	-53.5%



Results by Segment (International Food Business: Tofu business in the United States)

FY2023 First-Half Results

1H: [Gain in sales and decline in profit] Profit fell, partly due to amortization of goodwill, etc. associated with the acquisition of Keystone, despite gains in sales and profit in existing business.

2H: Using expansion of production capacity resulting from the operation of a new production line as an opportunity to further accelerate business expansion.

1H conditions and results

Tofu business of House Foods America Corporation
Year on year change in net sales on local currency basis

+11.4%

<Domestic market conditions>

- ✓ Mild recession, partly due to persistent inflation
Consumer spending remains firm but the outlook is uncertain

<Market trends>

- ✓ Tofu market is expected to grow in the long term
- ✓ On channels that sell our products alongside rival products, the difference in selling prices is widening

Market and competition

- ✓ Sales volume has not grown as expected, partly due to competition
- ✓ New production line at Los Angeles plant went into operation without any problems in June
- ✓ PMI of Keystone is progressing steadily
Also demonstrated synergies in terms of purchasing and logistics and achieved operating profit
- ✓ Business as a whole posted lower profit, partly due to the amortization of goodwill, etc. associated with the acquisition of Keystone

House Foods

2H initiatives

Tofu business of House Foods America Corporation
Forecast year on year change in net sales on local currency basis

+25.6%

House Foods America

Using expansion of production capacity as opportunity to further accelerate business expansion

- Gaining new customers in the mainstream market and introducing products in more areas
- Rebuilding relationships with Asian distributors
- Developing new food service customers through participation in exhibitions

Keystone Natural

Strengthening earning capacity through the generation of synergies with House Foods America Corporation

- Sales: Improving topline through the cross-selling of both companies' products
- Logistics: Pursuing cost reductions through joint delivery

Results by Segment (International Food Business: Curry business in China)

FY2023 First-Half Results

1H: [Gain in sales and decline in profit] Achieved increased sales but incurred high upfront costs associated with the resumption of business activities.

2H: Shifting to a strategy of attaching importance to cost effectiveness in view of changes in consumption.

1H conditions and results

Year on year change in net sales on local currency basis **+11.2%**

Market

<Domestic market conditions>

- ✓ Resurgence of COVID-19 after lifting of zero-COVID policy (January 2023)

Subsequent resumption of economic activity brought China's economic slowdown into sharper focus

<Market trends>

- ✓ Consumer confidence is weak despite increased movement of people
- Both in brick and mortar retail and e-commerce, thrifty behavior of consumers is evident

House Foods

<Household use business>

- ✓ Failed to achieve initially expected expansion in sales to emerging cities due to absence of the previous year's high demand for home cooked meals and weak consumer confidence despite implementing measures to create demand

<Food service business>

- ✓ Progress was made developing new customers among leading food service companies, CVS, etc. but sales of raw materials to existing food service customers and retailers were lackluster

2H initiatives

Forecast year on year change in net sales on local currency basis **+12.6%**

Household use business

- Prioritizing cost effectiveness and refocusing on customer contact points with high sales potential
- Generating profit through more cost-effective marketing

Food service business

- Concentrating business resources on food service customers and CVS



Collaborative curry fair



Curry bento

Examples of products introduced at CVS:

Results by Segment (International Food Business: Functional drinks business in Thailand)

FY2023 First-Half Results

1H: [Declines in sales and profit] Sales faced an uphill struggle, impacted by dramatic changes in the market environment.

2H: Implementing marketing strategies in line with market changes to achieve recovery in sales and accelerating expansion into new areas.

1H conditions and results

Year on year change in net sales on local currency basis

-53.5%

2H initiatives

Forecast year on year change in net sales on local currency basis

-16.8%

Market

<Domestic market conditions and market trends>

- ✓ Demand that was concentrated on vitamin beverages due to the need for immunity during the COVID pandemic has dispersed to other categories, leading to slump in the vitamin beverage market
- ✓ Purchasing capacity of traditional trade channels is also weaker, with the flow of people back into urban areas and the withdrawal of government COVID support

House Foods

- ✓ C-vitt maintained its market position as top brand despite being significantly impacted by the sluggish market
- ✓ While capacity for sales to traditional trade channels fell, distribution inventories built up to encourage sales during 4Q of previous fiscal year returned to reasonable levels in 2Q.

Functional drinks business in Thailand

Implementing marketing strategies in line with market changes to achieve recovery in sales

- Running new brand communication campaign to stress once again the value of taking vitamins in the post-COVID era
- Stepping up sales promotions for both MT and TT channels
- Marketing new products under the C-vitt brand



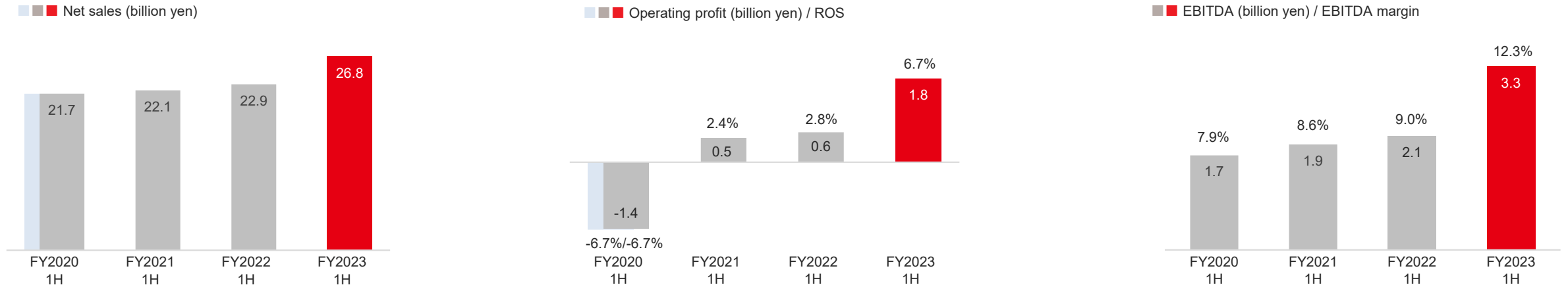
[New area] Start of business in the Philippines (from Nov. 2023)

- Products being sold: C-vitt products
- Local partner: Asia Brewery Incorporated
- Target: Health and beauty conscious women in their 20s and 30s
- Channels: CVS, mini stores and drug stores in Metro Manila

Results by Segment (Restaurant Business)

FY2023 First-Half Results

Old accounting standard ■ New accounting standard



[Gains in sales and profit] Made progress strengthening the earning capacity of existing business and developing new business formats

Japan: Net sales of existing stores exceeded the level a year earlier both before and after price revisions, partly due to the effects of menu measures and new promotional activities, in addition to increased movement of people

Overseas: Stores performed strongly due mainly to recovery of the economy in most regions after COVID

<Changes in net sales and number of stores of Ichibanya Co., Ltd.>

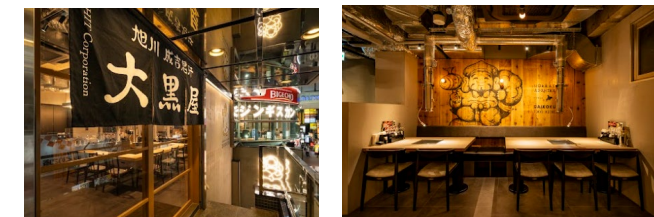
Year-on-year change	All restaurants		Existing restaurants		Number of stores	
	Net sales	Net sales	Number of customers	Average sales per customer	All business categories	Increase/decrease from end of FY2022
Japan	+12.9%	+13.7%	+2.5%	+10.9%	1,250	+3
Overseas*	+22.0%	+17.0%	-	-	211	+3

<Strengthening of menu measures>



New menu item "Nanashi Curry"

<Development of new business formats>



First Daikokuya store (Lamb BBQ) open in Tokyo (Kichijoji)

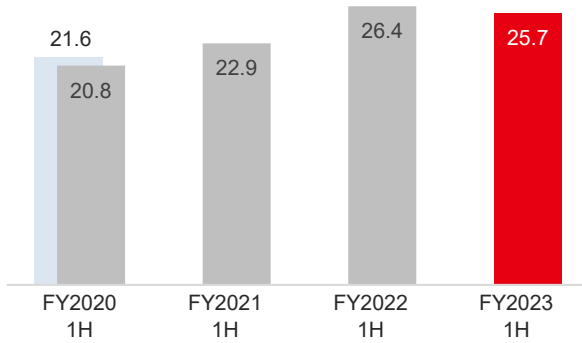
* Excluding impact of exchange rates

Results by Segment (Other Food Related Business/ Adjustment (Elimination))

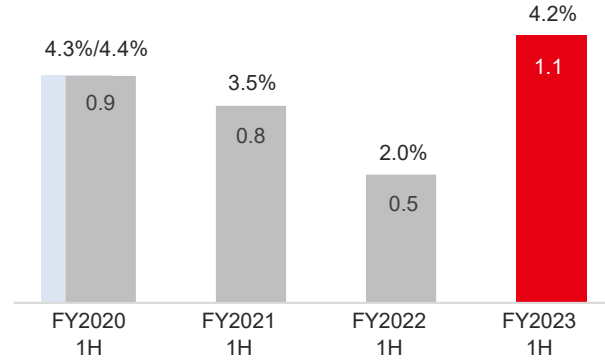
FY2023 First-Half Results

Other Food Related Business

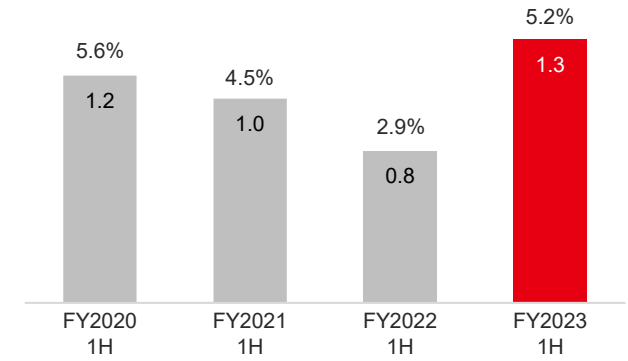
Net sales (billion yen)



Operating profit (billion yen) / ROS



EBITDA (billion yen) / EBITDA margin



[Decline in sales and gain in profit]

Delica Chef Corporation: Net sales were on a par with a year earlier but profit increased thanks to initiatives to improve productivity

Vox Trading Co., Ltd.: Sales decreased, reflecting a reactionary drop after an increase in successful tenders for minimum access rice the previous fiscal year; however, profit increased, largely due to cost pass-through and a focus on sales of products with high profit margins

<Net sales by operating company>



Delica Chef Corporation



Vox Trading Co., Ltd. (consolidated)

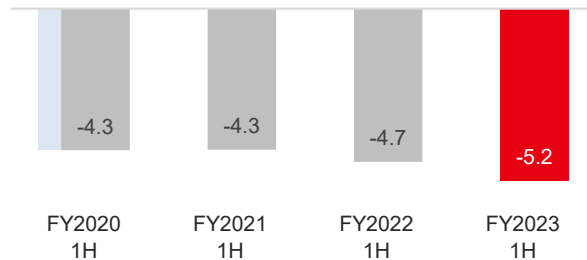
Net sales (billion yen)
Year-on-year change

9.7
-0.3%

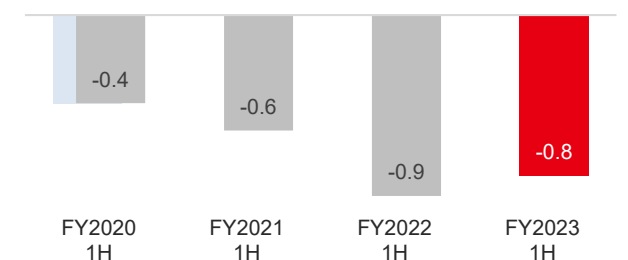
15.1
-4.2%

<Adjustment (elimination)>

Net sales (billion yen)



Operating profit (billion yen) / ROS

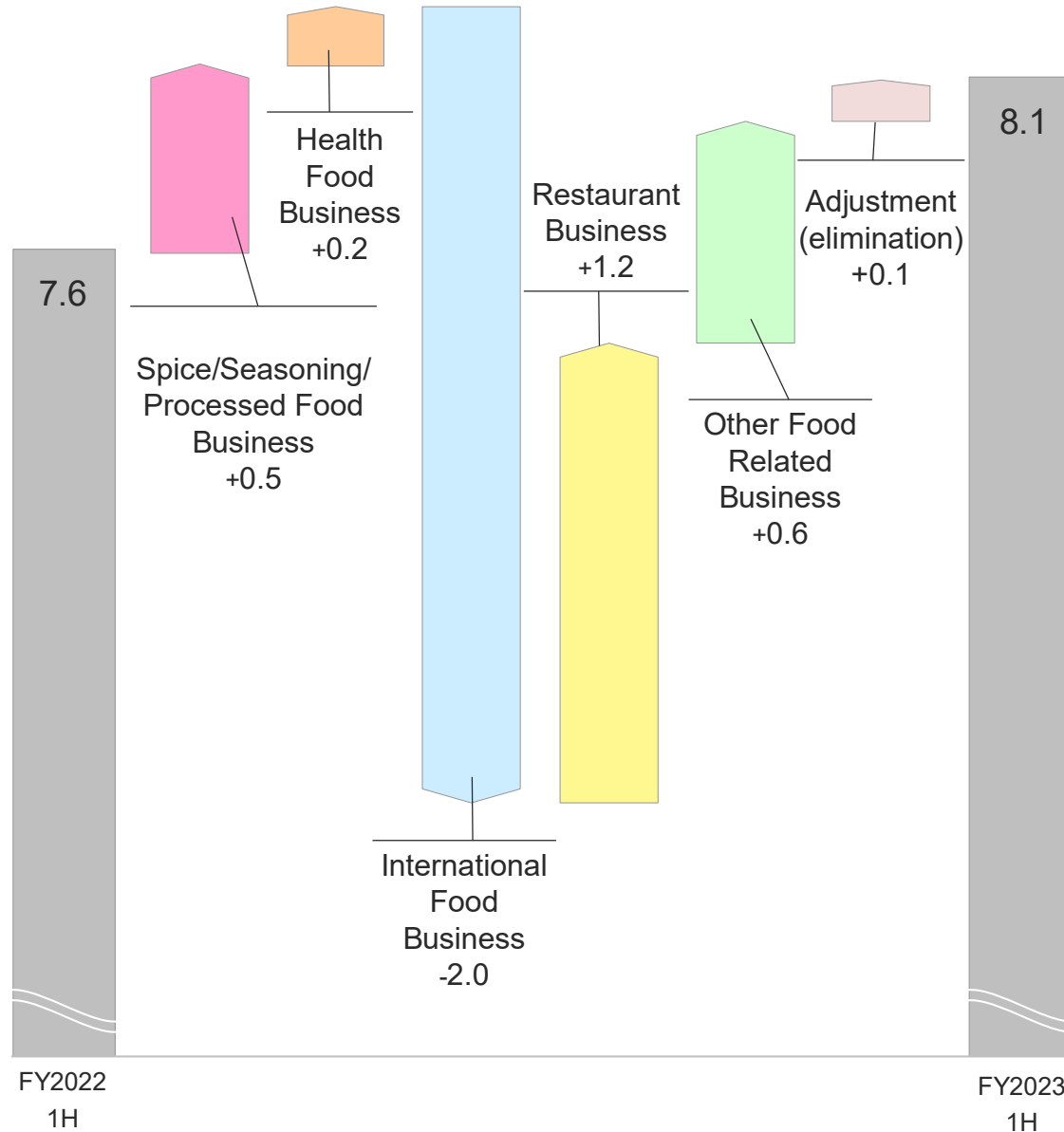


Head office costs: Striving for greater cost efficiency despite higher personnel expenses due to increased mid-career hires

Operating Profit Change Analysis

FY2023 First-Half Results

◆ Factors of changes by business segment (billion yen)



	Billion yen	Increase/Decrease
Spice / Seasoning / Processed Food Business		+0.5
Change in sales*		+1.0
Change in cost of sales ratio*		-0.6
Marketing costs*		+0.1
Other expenses*		-0.2
Affiliated companies, adjustment		+0.1
Health Food Business		+0.2
Change in sales		+0.0
Change in cost of sales ratio		-0.0
Marketing costs		+0.0
Other expenses		+0.1
International Food Business		-2.0
Business in the United States		-0.5
(Amortization of goodwill, etc.)		(-0.6)
Business in China		-0.2
Businesses in Southeast Asia		-1.2
Restaurant Business		+1.2
Ichibanya Co., Ltd. (consolidated)		+1.1
Other Food Related Business		+0.6
Delica Chef Corporation		+0.3
Vox Trading Co., Ltd. (consolidated)		+0.3
Adjustment (elimination)		+0.1
Changes in operating profit		+0.4

* Analysis covering House Foods and House Gaban

Overview of Non-operating Income and Expenses and Extraordinary Income and Losses

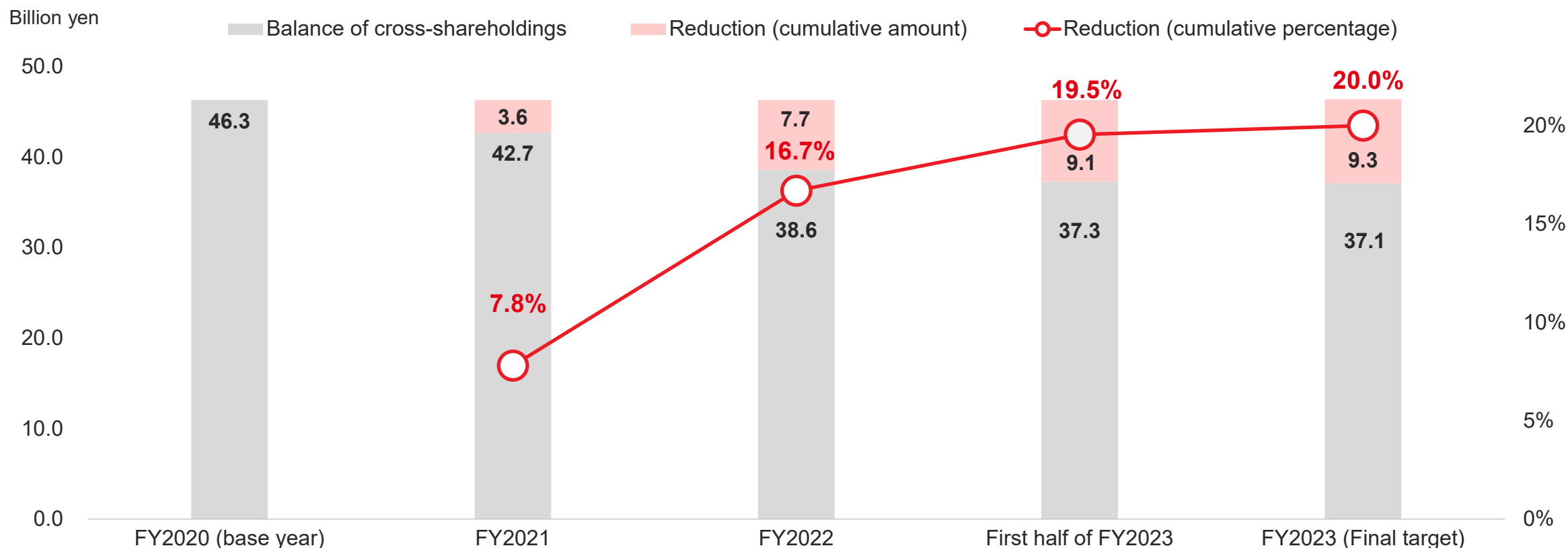
FY2023 First-Half Results

Billion yen	FY2022 1H	FY2023 1H	Year on year Increase/ Decrease	Main factors
Operating profit	7.6	8.1	+0.4	
Non-operating income and expenses	1.3	0.7	-0.6	
Ordinary profit	9.0	8.8	-0.2	
Extraordinary income and losses	0.5	8.3	+7.8	+7.0: Gain on revision of retirement benefit plan (House Foods)
Profit before income taxes	9.4	17.1	+7.6	
Income taxes	3.1	5.5	+2.4	
Profit attributable to non-controlling interests	0.8	0.7	-0.1	
Profit attributable to owners of parent	5.5	10.8	+5.3	

Making reductions continuously based on an assessment of the purpose of cross-shareholdings
 Reduced cross-shareholding by 16.7% in FY2022 and by 2.9% in the first half of current fiscal
 (cumulative reduction of 19.5%)
 Expect to achieve Seventh Medium-term Business Plan target reduction of 20%

<Status of reduction of cross-shareholdings>

* Reduction amount is calculated based on market value as of end of FY2020.



FY2023 First-Half Results

Full-Year Plan for FY2023

Supplementary Materials

- Net sales: Initial forecast has been revised down by 2.0 billion yen on account of progress made by each business in first half
- Operating profit: The downward revision for the International Food Business will be offset by other segments. Aiming to achieve the initial forecast of 20.0 billion yen

Billion yen	Results for the previous fiscal year	Initial plan	Full year				2H			
			Revised plan	Comparison with net sales	Year on year	Vs. initial plan	Revised plan	Comparison with net sales	Year on year	
Net sales	275.1	304.8	302.8	-	+27.7	-2.0	141.2	160.0	-	+18.7
Operating profit	16.7	20.0	20.0	6.6%	+3.3	-	9.1	11.9	7.5%	+2.9
EBITDA*1	28.5	33.6	33.5	11.1%	+5.0	-0.1	15.4	19.0	11.9%	+3.7
Ordinary profit	18.3	20.9	21.2	7.0%	+2.9	+0.3	9.3	12.4	7.8%	+3.1
Profit*2	13.7	17.5	18.0	5.9%	+4.3	+0.5	8.2	7.2	4.5%	-1.0

*1 EBITDA: Operating profit (before amortization of goodwill) + Depreciation

*2 Profit attributable to owners of parent

Revised Plan by Segment

Full-Year Plan for FY2023

Billion yen		Year ending March 31, 2024					2H		
		Results for the previous fiscal year	Initial plan	Revised plan	Year on year	Vs. initial plan	Results for the previous fiscal year	Revised plan	Year on year
Consolidated	Net sales	275.1	304.8	302.8	+27.7	-2.0	141.2	160.0	+18.7
	Operating profit	16.7	20.0	20.0	+3.3	—	9.1	11.9	+2.9
	EBITDA	28.5	33.6	33.5	+5.0	-0.1	15.4	19.0	+3.7
Spice/Seasoning/ Processed Food Business	Net sales	119.8	130.7	128.0	+8.2	-2.7	61.8	67.6	+5.8
	Operating profit	7.9	10.7	10.7	+2.8	—	4.7	7.0	+2.3
	EBITDA	13.0	15.8	15.8	+2.7	+0.0	7.4	9.7	+2.3
Health Food Business	Net sales	16.5	17.7	17.2	+0.7	-0.5	8.0	8.6	+0.6
	Operating profit	1.9	2.0	2.1	+0.2	+0.1	0.8	0.9	+0.0
	EBITDA	2.4	2.4	2.5	+0.1	+0.1	1.1	1.1	-0.0
International Food Business	Net sales	48.9	61.4	57.3	+8.4	-4.1	26.3	30.8	+4.6
	Operating profit	5.4	5.4	4.0	-1.4	-1.4	2.3	2.9	+0.6
	EBITDA	7.6	9.4	7.8	+0.2	-1.6	3.7	5.0	+1.3
Restaurant Business	Net sales	48.4	53.0	55.1	+6.7	+2.1	25.4	28.3	+2.9
	Operating profit	2.3	3.0	3.6	+1.3	+0.6	1.6	1.8	+0.2
	EBITDA	5.2	6.0	6.6	+1.5	+0.6	3.1	3.3	+0.2
Other Food Related Business	Net sales	50.7	52.2	55.6	+4.9	+3.4	24.3	29.9	+5.5
	Operating profit	1.2	1.5	1.9	+0.7	+0.4	0.7	0.8	+0.1
	EBITDA	1.7	2.0	2.4	+0.7	+0.4	1.0	1.1	+0.1
Adjustment (elimination)	Net sales	-9.2	-10.2	-10.4	-1.2	-0.2	-4.5	-5.2	-0.6
	Operating profit	-2.1	-2.6	-2.3	-0.2	+0.3	-1.1	-1.5	-0.3

Revised Plan by Segment

Full-Year Plan for FY2023

Billion yen	Results for the previous fiscal year	Net sales		Results for the previous fiscal year	Operating profit		ROS		EBITDA margin	
		Revised plan	Year on year		Revised plan	Year on year	Revised plan	Year on year	Revised plan	Year on year
Consolidated	275.1	302.8	+27.7	16.7	20.0	+3.3	6.6%	+0.5pt	11.1%	+0.7pt
Spice/Seasoning/ Processed Food Business	119.8	128.0	+8.2	7.9	10.7	+2.8	8.4%	+1.8pt	12.3%	+1.4pt
Health Food Business	16.5	17.2	+0.7	1.9	2.1	+0.2	12.2%	+0.7pt	14.6%	-0.1pt
International Food Business	48.9	57.3	+8.4	5.4	4.0	-1.4	7.0%	-4.1pt	13.6%	-2.0pt
Restaurant Business	48.4	55.1	+6.7	2.3	3.6	+1.3	6.5%	+1.8pt	12.1%	+1.4pt
Other Food Related Business	50.7	55.6	+4.9	1.2	1.9	+0.7	3.4%	+1.0pt	4.3%	+0.9pt
Adjustment (elimination)	-9.2	-10.4	-1.2	-2.1	-2.3	-0.2	—	—	—	—

Spice / Seasoning / Processed Food Business

Continue to aim for recovery of earning capacity based on initially assumed scenario

- Household use business: Create demand through continuous backup promotions and expand customer base by introducing and nurturing new products
- Food service business: Complete price revisions and realize the effects of integration by promoting cross-selling to customer bases of House Foods and former Gaban

Health Food Business

Establish the foundations for sustainable earnings by executing effective sales promotions for each brand and channel

International Food Business

Ensure year-on-year gains in sales and profit in 2H by responding to changes in the environment in each area of operation

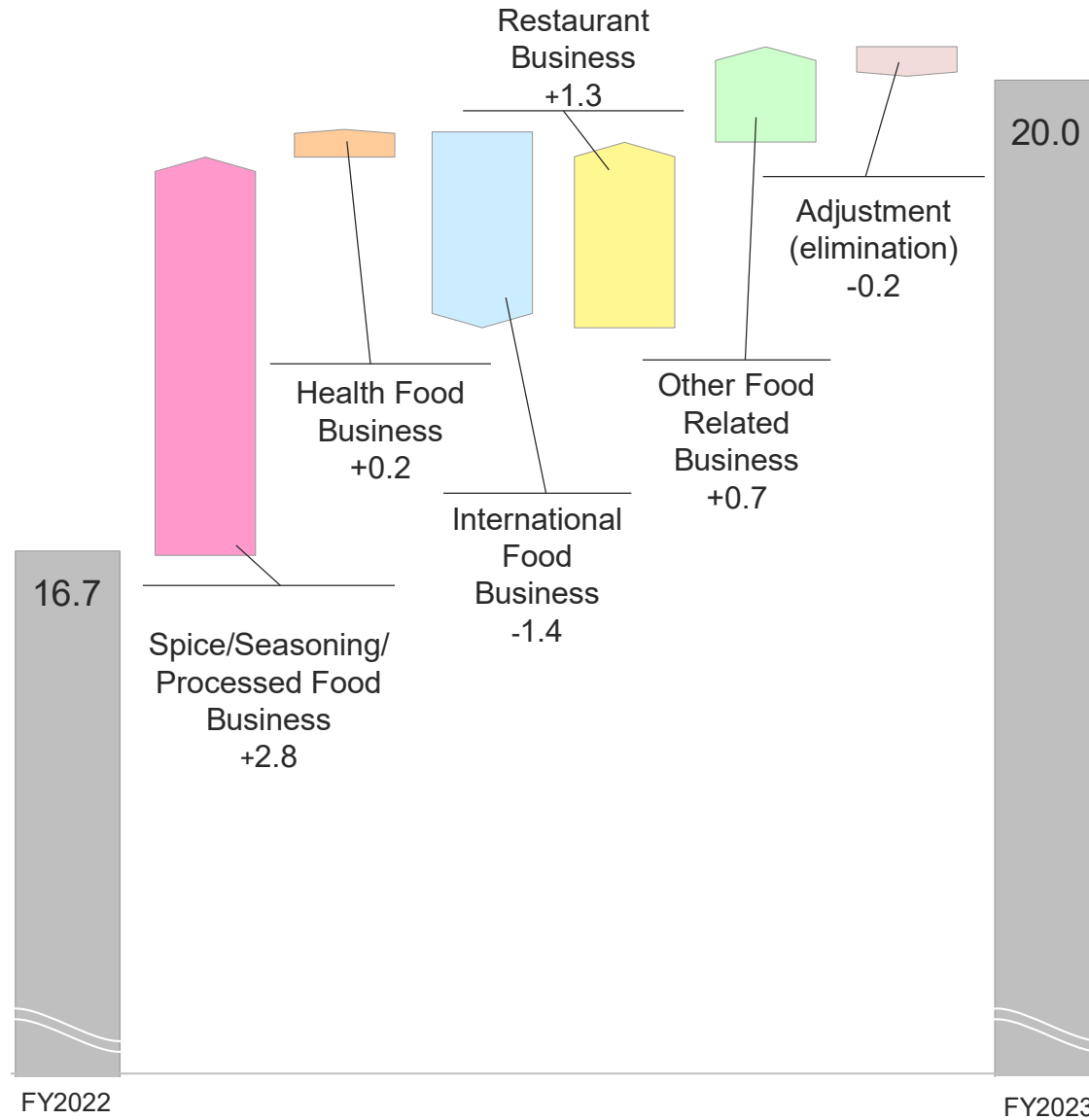
Restaurant Business

Assumptions for second-half sales at existing stores were revised (domestic: 105% → 108.9%)
Seek to strengthen the profitability of existing business through a continued focus on menu measures and sales promotion activities initiated in the 1H

Operating Profit Change Analysis

Full-Year Plan for FY2023

◆ Factors of changes by business segment (Billion yen)



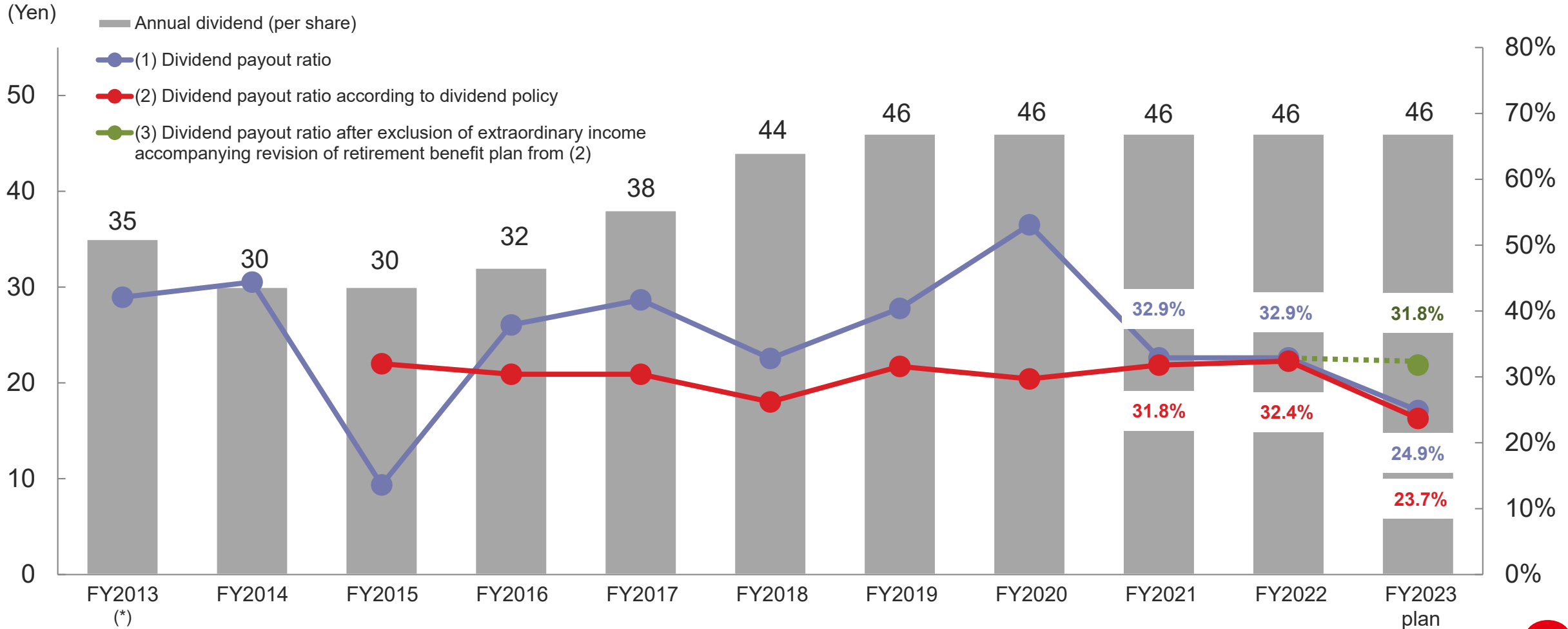
Billion yen	FY2023 1H results	2H Revised forecast	FY2023 Revised forecast
Spice / Seasoning / Processed Food Business	+0.5	+2.3	+2.8
Change in sales*	+1.0	+2.3	+3.3
Change in cost of sales ratio*	-0.6	+0.2	-0.3
Marketing costs*	+0.1	+0.9	+1.1
Other expenses*	-0.2	-1.2	-1.4
Affiliated companies, adjustment	+0.1	-0.0	+0.1
Health Food Business	+0.2	+0.0	+0.2
Change in sales	+0.0	+0.3	+0.3
Change in cost of sales ratio	-0.0	-0.1	-0.2
Marketing costs	+0.0	+0.0	+0.1
Other expenses	+0.1	-0.2	+0.0
International Food Business	-2.0	+0.6	-1.4
Business in the United States	-0.5	+0.6	+0.1
(Amortization of goodwill, etc.)	(-0.6)	(-0.3)	(-0.8)
Business in China	-0.2	+0.2	-0.0
Businesses in Southeast Asia	-1.2	-0.2	-1.4
Restaurant Business	+1.2	+0.2	+1.3
Ichibanya Co., Ltd. (consolidated)	+1.1	+0.2	+1.4
Other Food Related Business	+0.6	+0.1	+0.7
Delica Chef Corporation	+0.3	+0.0	+0.3
Vox Trading Co., Ltd. (consolidated)	+0.3	+0.2	+0.5
Adjustment (elimination)	+0.1	-0.3	-0.2
Changes in operating profit	+0.4	+2.9	+3.3

* Analysis covering House Foods and House Gaban

In FY2023, the Company will continue to pay a stable dividend with a payout ratio of at least 30%, excluding the extraordinary income accompanying the revision of the retirement benefit plan.

◆ Dividend Policy

To maintain stable dividends, with a dividend payout ratio of at least 30% on a consolidated basis excluding the effects of extraordinary income/losses arising from business combination and the amortization of goodwill as a standard.



* FY2013: Includes an additional 5 yen dividend to commemorate the Company's 100th anniversary.

FY2023 First-Half Results

Full-Year Plan for FY2023

Supplementary Materials

Billion yen

Impact of cost increases on profit on a consolidated basis
(including the impact of exchange rates)

* Total increase in raw material and energy costs and logistics expenses

FY2023 1H results

Full-year forecast
(change vs. initial forecast)

-3.8

-7.3 (-0.4)

Spice/Seasoning/ Processed Food Business

-2.0

-4.4 (-0.6)

Health Food Business

-0.2

-0.4 (+0.1)

International Food Business

-0.5

-0.7 (-0.0)

Restaurant Business

-1.2

-1.9 (+0.1)

Other Food Related Business

+0.0

-0.0 (+0.1)

Segment Results (Quarterly)

Supplementary Materials

Billion yen		1Q		2Q		1H	
		Results	Year on year	Results	Year on year	Results	Year on year
Consolidated	Net sales	70.5	+4.1	72.4	+4.9	142.8	+9.0
	Operating profit	4.9	-0.1	3.2	+0.5	8.1	+0.4
	EBITDA	8.0	+0.4	6.5	+0.9	14.5	+1.4
Spice/Seasoning/ Processed Food Business	Net sales	29.6	+1.3	30.8	+1.1	60.4	+2.4
	Operating profit	1.8	-0.5	1.9	+0.9	3.7	+0.5
	EBITDA	3.0	-0.5	3.1	+0.9	6.1	+0.4
Health Food Business	Net sales	4.1	+0.0	4.5	+0.1	8.6	+0.1
	Operating profit	0.6	+0.1	0.6	+0.0	1.2	+0.2
	EBITDA	0.7	+0.1	0.7	-0.0	1.4	+0.1
International Food Business	Net sales	13.4	+2.6	13.0	+1.2	26.5	+3.8
	Operating profit	1.2	-0.6	-0.1	-1.4	1.1	-2.0
	EBITDA	2.0	-0.2	0.8	-1.0	2.8	-1.2
Restaurant Business	Net sales	12.9	+1.6	13.9	+2.3	26.8	+3.9
	Operating profit	0.9	+0.7	0.9	+0.4	1.8	+1.2
	EBITDA	1.7	+0.8	1.7	+0.4	3.3	+1.3
Other Food Related Business	Net sales	12.9	-1.1	12.9	+0.4	25.7	-0.6
	Operating profit	0.5	+0.2	0.6	+0.4	1.1	+0.6
	EBITDA	0.7	+0.2	0.7	+0.4	1.3	+0.6
Adjustment (elimination)	Net sales	-2.5	-0.3	-2.7	-0.3	-5.2	-0.6
	Operating profit	-0.1	-0.1	-0.7	+0.2	-0.8	+0.1

Trends by Business

Net sales YoY change (billion yen/%)			1H			2H			Year ending March 31, 2024		
			Results	Year on year		Revised plan	Year on year		Revised plan	Year on year	
Spice/Seasoning/ Processed Food Business	Curry roux	*	19.1	+0.7	+4.0%	18.8	+1.4	+8.1%	38.0	+2.1	+6.0%
	Retort pouched curry	*	9.0	-0.1	-1.3%	9.5	+0.8	+9.6%	18.5	+0.7	+4.0%
	House Foods Corporation	Spice	*	11.1	+0.3	+2.6%	11.7	+1.1	+10.4%	22.7	+1.4
Health Food Business	<i>Ukon No Chikara</i>	*	3.0	+0.5	+18.4%	3.1	+0.1	+4.6%	6.1	+0.6	+10.9%
	<i>C1000</i>	*	2.3	+0.0	+1.5%	2.0	+0.1	+6.2%	4.3	+0.2	+3.6%
House Wellness Foods Corporation	<i>Ichinichibun No Vitamin</i>	*	2.6	-0.0	-1.7%	2.3	+0.2	+7.6%	4.9	+0.1	+2.4%
International Food Business	Business in the United States		15.3	+6.3	+70.5% (+55.5%)	16.7	+4.5	+36.4% (+38.1%)	32.0	+10.8	+50.8% (+45.9%)
Year-on-year change Top line: Japanese yen basis	Business in China		5.6	+0.7	+13.6% (+11.2%)	6.4	+0.6	+11.0% (+12.6%)	12.0	+1.3	+12.2% (+11.9%)
Bottom line: Local currency basis	Business in Thailand		3.1	-3.1	-49.7% (-53.5%)	4.6	-0.7	-13.6% (-16.8%)	7.7	-3.8	-33.1% (-36.9%)
Restaurant Business	Ichibanya Co., Ltd. (consolidated)		26.8	+3.9	+17.3%	28.3	+2.9	+11.2%	55.1	+6.8	+14.1%
Ichibanya Co., Ltd.	Ichibanya Co., Ltd. (non-consolidated)		22.0	+2.3	+11.5%	22.6	+1.6	+7.4%	44.6	+3.8	+9.4%
Other Food Related Business	Delica Chef Corporation		9.7	-0.0	-0.3%	10.1	+0.6	+5.8%	19.8	+0.5	+2.7%
	Vox Trading Co., Ltd. (Consolidated)		15.1	-0.7	-4.2%	18.8	+4.9	+35.6%	33.9	+4.3	+14.4%

* Results by product are based on shipments and are for reference only.

Net Sales by Region

Supplementary Materials

Based on previous
accounting standards

Based on new
accounting standards

		FY2016	FY2017	FY2018	FY2019	FY2020	FY2020	FY2021	FY2022	FY2023 1H
Consolidated	Billion yen	283.8	291.9	296.7	293.7	283.8	250.1	253.4	275.1	142.8
Japan	Billion yen	254.2	257.2	258.6	252.8	238.8	206.5	203.0	213.4	109.6
Overseas	North America	Billion yen	13.2	14.0	14.9	15.2	14.8	16.9	23.8	16.9
	East Asia	Billion yen	12.1	14.2	14.8	14.9	15.1	17.8	20.4	10.6
	Southeast Asia	Billion yen	3.8	5.5	7.3	9.4	12.5	14.1	15.8	5.1
	Other	Billion yen	0.5	1.0	1.1	1.4	1.1	1.0	1.6	1.7
Composition ratio of overseas sales	%	10.4	11.9	12.9	13.9	15.8	17.4	19.9	22.4	23.3

Key Financial Data

Supplementary Materials

		Based on previous accounting standards					Based on new accounting standards					
		FY2016	FY2017	FY2018	FY2019	FY2020	FY2020	FY2021	FY2022		FY2023	
									1H	Full year	1H	Full-year revised forecast
Net sales	Billion yen	283.8	291.9	296.7	293.7	283.8	250.1	253.4	133.8	275.6	142.8	302.8
Operating profit	Billion yen	12.3	16.3	17.6	19.0	19.4	19.4	19.2	7.6	16.7	8.1	20.0
Ordinary profit	Billion yen	14.0	17.2	19.1	20.8	19.8	19.8	21.1	9.0	18.3	8.8	21.2
Profit attributable to owners of parent	Billion yen	8.7	9.4	13.8	11.5	8.7	8.8	14.0	5.5	13.7	10.8	18.0
EBITDA	Billion yen	25.2	29.0	30.2	32.3	31.1	31.1	30.1	13.1	28.5	14.5	33.5
Capital investment	Billion yen	7.7	10.2	11.3	16.3	11.3	11.3	12.4	5.9	15.2	7.2	19.2
Depreciation	Billion yen	9.3	9.1	9.3	9.9	10.0	10.0	10.9	5.5	11.6	6.0	12.9
Cash flows from operating activities	Billion yen	21.3	23.6	20.9	24.2	23.2	23.2	16.1	8.4	19.5	9.1	—
Cash flows from investing activities	Billion yen	-2.2	-13.7	-1.0	-6.4	-8.6	-8.6	-10.4	-5.8	-21.5	-4.3	—
Cash flows from financing activities	Billion yen	-7.4	-5.3	-17.3	-7.6	-6.2	-6.2	-10.1	-8.5	-12.7	-4.5	—
Total assets	Billion yen	353.9	378.9	371.0	367.2	369.2	396.3	382.0	387.1	396.9	415.5	405.1
Net assets	Billion yen	266.6	283.7	279.1	280.9	287.3	286.9	298.6	299.9	301.3	315.4	310.0
Shareholders' equity	Billion yen	235.2	251.8	247.3	248.8	258.1	257.8	269.0	269.5	272.3	286.4	281.0
Profit per share	Yen	84.53	91.02	134.32	113.73	86.68	86.87	139.75	55.88	139.63	110.98	185.04
Dividend per share	Yen	32	38	44	46	46	46	46	23	46	23	46
<Managed Indicators regarded as important by the Company>												
ATO	Times	0.81	0.80	0.79	0.80	0.77	0.68	0.67	—	0.71	—	0.76
ROS	%	4.3	5.6	5.9	6.5	6.8	7.8	7.6	5.7	6.1	5.6	6.6
EBITDA margin	%	8.9	9.9	10.2	11.0	10.9	12.4	11.9	9.8	10.4	10.2	11.1
ROA	%	3.5	4.4	4.7	5.1	5.3	5.3	5.1	—	4.3	—	5.0
Equity ratio	%	66.5	66.5	66.6	67.7	69.9	69.8	70.4	69.6	68.6	68.9	69.4
ROE	%	3.7	3.8	5.5	4.6	3.4	3.5	5.3	—	5.1	—	6.5

House Foods Group's Goal
Striving to be a high quality company that provides "Healthy Life Through Foods" <Chapter 2>

Striving for Four Value Chains

- Aiming for growth alongside qualitative transformation -

Priority Themes under the Seventh and Eighth Medium-term Business Plans

For customers

Global Provision of "Healthy Life Through Foods"

Achievement of growth driven by four value chains

Realization of three GOT

Creation of new value through collaborative creation

For our employees and their families

Achievement of diversity

Implementation of job satisfaction transformation

Support for demonstrating individuality and achieving integration

For society

Healthy people and a healthy planet

Establishment of a recycling-oriented model

Achievement of a society of healthy longevity

Strengthening of corporate governance

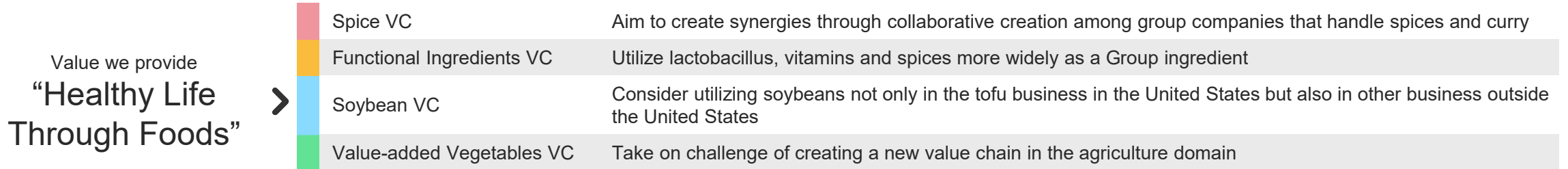


Seventh Medium-term Business Plan

Seventh Medium-term Business Plan

Policy of Four Value Chains

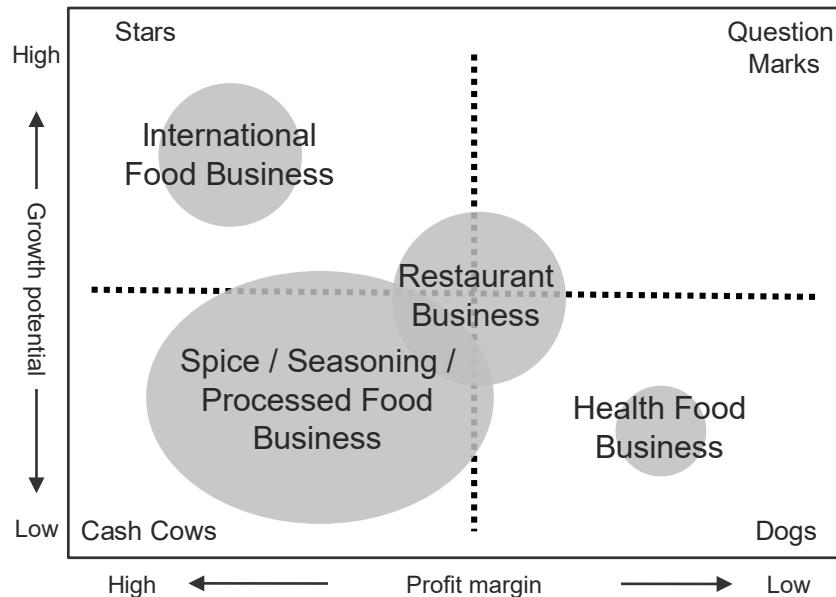
Focus the allocation of resources on the Four Value Chains with the aim of becoming a high quality company
 Build on the Group's unique strengths to provide "Healthy Life Through Foods" all around the world



~Previous Medium-term Business Plans

Portfolio is unbalanced

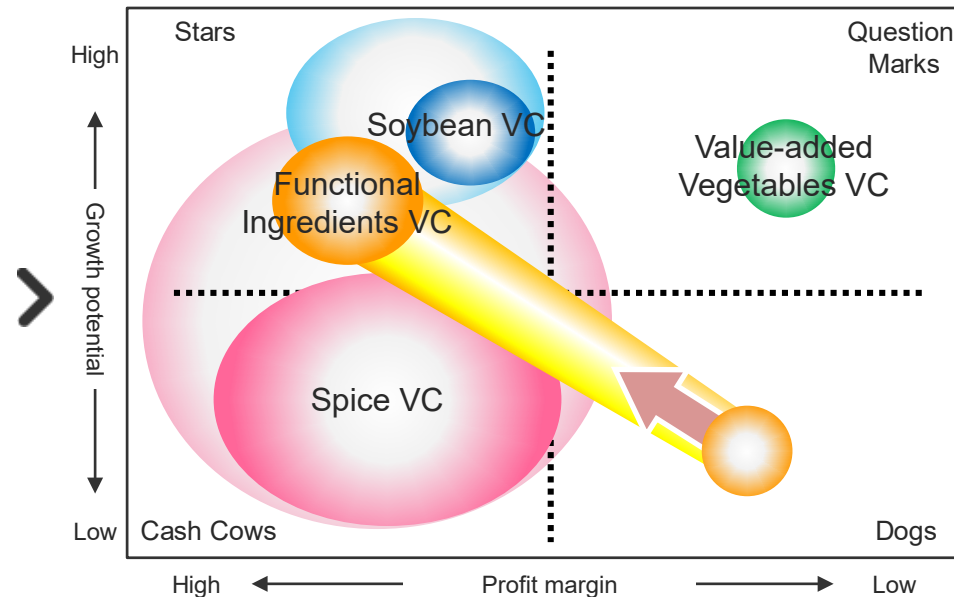
- Spice/Seasoning/Processed Food Business: Cash Cow (growth potential issue)
- International Food Business: Each business in the three priority areas has grown into a star
- Health Food Business: The segment is in the doghouse after the emergence of management issues
- Restaurant Business: Profitability has declined due to the effects of COVID-19



Future

Realization of growth story for each value chain

- Facilitate utilization of resources by reconnecting related businesses from a VC perspective
- Also pursue possibility of creating value through synergy to increase the Group's overall robustness



Spice / Seasoning / Processed Food Business

House Foods Corp.

House Gaban Corp. Malony Co., Ltd.

Curry roux

Stew roux

Retort pouched curry

Spice

Other products



Health Food Business

House Wellness Foods Corporation

Functional spice

Vitamin

Lactobacillus



International Food Business

United States

China

Southeast Asia

Restaurant Business

Ichibanya Co., Ltd.



Major New Products and Varieties for Autumn and Winter 2023

House Foods Corporation, House Wellness Foods Corporation

Category	Product	Suggested retail price (reference price)	On-shelf date
◆ New Products			
Curry roux	<i>X Blend Curry (Mild, Medium)</i>	(258 yen)	Aug. 14
Curry-related products	<i>Curry Partner Onion Pickle Base</i> <i>Carrot Pickle Base</i>	(148 yen)	Aug. 14
Stew roux	<i>Carbo Stew</i>	(248 yen)	Aug. 14
Pasta Sauce	<i>Erabareshi Ninkiten Bolognese Meat Sauce</i> <i>Golden Carbonara</i>	(438 yen)	Aug. 14
Paste seasoning	<i>Tarako Paste</i>	(170 yen)	Aug. 14
Cooking Sauce	<i>Soy-Ne Tofu Dry Keema Curry Base</i> <i>Tofu Gapao Base</i>	(230 yen)	Aug. 14
◆ Variety			
Spice	<i>Togarashi Zoku [Oni-Hot]</i>	400 yen	Aug. 14
Retort pouched curry	<i>Professional Quality Beef Curry Four-pack Black</i>	(594 yen)	Aug. 14
Dessert	<i>Fruiche Sweets Caramel Banana Flavor</i>	209 yen	Jul. 31
Dessert	<i>Fruiche Kiyomi Orange & Satsuma Mandarin</i>	209 yen	Sep. 4
◆ Renewal			
Stew roux	<i>Stew Mix Cream, Beef, Sweetcorn and Thick Sauce 170 G</i>	322 yen	Aug. 14
Gratin	<i>Macaroni Gratin Quick Up White sauce 160 G</i>	210 yen	Aug. 14
Wellness drinks	<i>Nerunoda Bottle Can</i>	238 yen	Aug. 21
Wellness drinks	<i>Nerunoda Tablet type <10 bags></i>	1,480 yen	Aug. 21

(New Products)



(Variety)



(Renewal)





The forward-looking statements such as plans, strategies and result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors.

Amounts of less than one million yen are rounded to the nearest million yen.