

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 13, 2024

Company name: KENKO Mayonnaise Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 2915 URL <https://www.kenkomayo.co.jp>
 Representative: President and Representative Director Kunikazu Shimamoto
 Inquiries: Director and Executive Vice President Yoichi Terajima TEL 03-5941-7682
 Scheduled date to file Quarterly Securities Report: February 14, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	67,103	7.2	2,326	432.8	2,426	421.5	1,651	480.5
Nine months ended December 31, 2022	62,597	8.7	436	(67.4)	465	(65.0)	284	(67.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	102.40		–	
Nine months ended December 31, 2022	17.48		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	68,259	38,564	56.5
As of March 31, 2023	62,229	36,794	59.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	8.00	–	9.00	17.00
Year ending March 31, 2024	–	10.00	–		
Year ending March 31, 2024 (Forecast)				20.00	30.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	87,490	6.2	2,800	–	2,900	–	2,390	392.2	148.44

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	16,476,000 shares	As of March 31, 2023	16,476,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	350,665 shares	As of March 31, 2023	350,578 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	16,125,388 shares	Nine months ended December 31, 2022	16,275,422 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	12,289	14,039
Notes receivable - trade	65	358
Accounts receivable - trade	13,218	17,532
Merchandise and finished goods	2,514	2,607
Work in process	15	13
Raw materials and supplies	1,092	1,752
Other	456	337
Allowance for doubtful accounts	(0)	(0)
Total current assets	29,651	36,641
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,688	10,175
Machinery, equipment and vehicles, net	7,711	6,428
Land	6,021	6,021
Construction in progress	0	1
Other, net	315	278
Total property, plant and equipment	24,738	22,904
Intangible assets	807	1,191
Investments and other assets		
Investment securities	5,582	6,203
Deferred tax assets	178	100
Other	1,300	1,243
Allowance for doubtful accounts	(30)	(25)
Total investments and other assets	7,031	7,521
Total non-current assets	32,577	31,618
Total assets	62,229	68,259

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	11,479	15,203
Electronically recorded obligations - operating	845	1,168
Current portion of long-term borrowings	1,144	546
Income taxes payable	228	478
Other provisions	456	227
Other	3,931	5,207
Total current liabilities	18,087	22,831
Non-current liabilities		
Long-term borrowings	4,321	3,925
Retirement benefit liability	347	325
Other	2,679	2,612
Total non-current liabilities	7,348	6,863
Total liabilities	25,435	29,694
Net assets		
Shareholders' equity		
Share capital	5,424	5,424
Capital surplus	5,691	5,691
Retained earnings	24,635	25,980
Treasury shares	(530)	(530)
Total shareholders' equity	35,221	36,566
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,573	1,979
Foreign currency translation adjustment	15	35
Remeasurements of defined benefit plans	(15)	(15)
Total accumulated other comprehensive income	1,572	1,998
Total net assets	36,794	38,564
Total liabilities and net assets	62,229	68,259

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	62,597	67,103
Cost of sales	51,177	53,739
Gross profit	11,419	13,364
Selling, general and administrative expenses	10,983	11,037
Operating profit	436	2,326
Non-operating income		
Share of profit of entities accounted for using equity method	–	29
Interest and dividend income	38	35
Subsidies for employment adjustment	0	–
Other	79	88
Total non-operating income	118	153
Non-operating expenses		
Interest expenses	46	38
Share of loss of entities accounted for using equity method	25	–
Other	17	15
Total non-operating expenses	89	53
Ordinary profit	465	2,426
Extraordinary income		
Gain on change in equity	45	–
Gain on sale of investment securities	29	–
Subsidy income	7	8
Total extraordinary income	82	8
Extraordinary losses		
Loss on retirement of non-current assets	2	2
Other	0	–
Total extraordinary losses	2	2
Profit before income taxes	545	2,432
Income taxes	261	781
Profit	284	1,651
Profit attributable to owners of parent	284	1,651

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	284	1,651
Other comprehensive income		
Valuation difference on available-for-sale securities	(12)	406
Remeasurements of defined benefit plans, net of tax	2	(0)
Share of other comprehensive income of entities accounted for using equity method	180	19
Total other comprehensive income	169	426
Comprehensive income	453	2,077
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	453	2,077