

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 10, 2022

Company name: KENKO Mayonnaise Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 2915 URL <https://www.kenkomayo.co.jp>
 Representative: President and Representative Director Takashi Sumii
 Inquiries: Director Kenji Tachibana TEL 03-5941-7682
 Scheduled date to file Quarterly Securities Report: August 10, 2022
 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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	%
Three months ended June 30, 2022	20,085	9.9	344	(14.7)	347	(16.4)	244	(11.0)
Three months ended June 30, 2021	18,282	16.3	403	–	415	–	274	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	15.00	–
Three months ended June 30, 2021	16.74	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	62,401	36,757	58.9
As of March 31, 2022	61,760	36,539	59.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2022	–	7.00	–	10.00	17.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	–	–	–	–

3. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
(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: Yes
- 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 June 30, 2022	16,476,000 shares	As of March 31, 2022	16,476,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	200,578 shares	As of March 31, 2022	200,578 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	16,275,422 shares	Three months ended June 30, 2021	16,375,422 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	12,441	12,855
Notes receivable - trade	119	72
Accounts receivable - trade	11,837	12,428
Merchandise and finished goods	2,082	2,343
Work in process	9	17
Raw materials and supplies	917	943
Other	462	329
Allowance for doubtful accounts	(2)	(2)
Total current assets	27,868	28,987
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,339	11,162
Machinery, equipment and vehicles, net	9,174	8,729
Land	6,021	6,021
Construction in progress	0	0
Other, net	353	326
Total property, plant and equipment	26,889	26,240
Intangible assets	290	381
Investments and other assets		
Investment securities	5,360	5,450
Deferred tax assets	161	122
Other	1,220	1,248
Allowance for doubtful accounts	(30)	(30)
Total investments and other assets	6,711	6,790
Total non-current assets	33,892	33,413
Total assets	61,760	62,401

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	9,160	10,132
Electronically recorded obligations - operating	711	842
Current portion of long-term borrowings	1,449	1,449
Income taxes payable	295	90
Other provisions	463	214
Other	3,988	4,384
Total current liabilities	16,068	17,113
Non-current liabilities		
Long-term borrowings	5,466	5,103
Provision for retirement benefits for directors (and other officers)	6	5
Retirement benefit liability	356	364
Other	3,323	3,057
Total non-current liabilities	9,153	8,530
Total liabilities	25,221	25,643
Net assets		
Shareholders' equity		
Share capital	5,424	5,424
Capital surplus	5,691	5,691
Retained earnings	24,153	24,235
Treasury shares	(332)	(332)
Total shareholders' equity	34,936	35,018
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,389	1,265
Foreign currency translation adjustment	220	480
Remeasurements of defined benefit plans	(7)	(7)
Total accumulated other comprehensive income	1,602	1,739
Total net assets	36,539	36,757
Total liabilities and net assets	61,760	62,401

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	18,282	20,085
Cost of sales	14,273	16,034
Gross profit	4,009	4,050
Selling, general and administrative expenses	3,606	3,706
Operating profit	403	344
Non-operating income		
Share of profit of entities accounted for using equity method	2	–
Interest and dividend income	16	19
Other	22	25
Total non-operating income	41	45
Non-operating expenses		
Interest expenses	20	16
Share of loss of entities accounted for using equity method	–	16
Other	9	9
Total non-operating expenses	29	42
Ordinary profit	415	347
Extraordinary income		
Gain on change in equity	–	24
Gain on sale of investment securities	1	–
Subsidy income	3	1
Total extraordinary income	4	26
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	419	373
Income taxes	145	129
Profit	274	244
Profit (loss) attributable to owners of parent	274	244

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	274	244
Other comprehensive income		
Valuation difference on available-for-sale securities	81	(123)
Remeasurements of defined benefit plans, net of tax	18	0
Share of other comprehensive income of entities accounted for using equity method	3	259
Total other comprehensive income	103	136
Comprehensive income	377	380
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	377	380