

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 10, 2023

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: August 10, 2023
 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, 2023 (from April 1, 2023 to June 30, 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	%
Three months ended June 30, 2023	21,402	6.6	199	(42.0)	244	(29.5)	142	(41.6)
Three months ended June 30, 2022	20,085	9.9	344	(14.7)	347	(16.4)	244	(11.0)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	8.83		–	
Three months ended June 30, 2022	15.00		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	62,374	37,177	59.6
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	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	10.00	–	15.00	25.00

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	87,400	6.1	1,220	–	1,300	667.8	570	17.4	35.05

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 June 30, 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 June 30, 2023	350,578 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)

Three months ended June 30, 2023	16,125,422 shares	Three months ended June 30, 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 June 30, 2023
Assets		
Current assets		
Cash and deposits	12,289	11,818
Notes receivable - trade	65	67
Accounts receivable - trade	13,218	13,606
Merchandise and finished goods	2,514	2,792
Work in process	15	17
Raw materials and supplies	1,092	1,326
Other	456	259
Allowance for doubtful accounts	(0)	(0)
Total current assets	29,651	29,887
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,688	10,518
Machinery, equipment and vehicles, net	7,711	7,260
Land	6,021	6,021
Construction in progress	0	0
Other, net	315	292
Total property, plant and equipment	24,738	24,094
Intangible assets	807	921
Investments and other assets		
Investment securities	5,582	6,132
Deferred tax assets	178	100
Other	1,300	1,269
Allowance for doubtful accounts	(30)	(30)
Total investments and other assets	7,031	7,471
Total non-current assets	32,577	32,487
Total assets	62,229	62,374

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	11,479	11,853
Electronically recorded obligations - operating	845	1,013
Current portion of long-term borrowings	1,144	931
Income taxes payable	228	114
Other provisions	456	207
Other	3,931	3,954
Total current liabilities	18,087	18,075
Non-current liabilities		
Long-term borrowings	4,321	4,171
Retirement benefit liability	347	309
Other	2,679	2,640
Total non-current liabilities	7,348	7,122
Total liabilities	25,435	25,197
Net assets		
Shareholders' equity		
Share capital	5,424	5,424
Capital surplus	5,691	5,691
Retained earnings	24,635	24,633
Treasury shares	(530)	(530)
Total shareholders' equity	35,221	35,218
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,573	1,945
Foreign currency translation adjustment	15	32
Remeasurements of defined benefit plans	(15)	(19)
Total accumulated other comprehensive income	1,572	1,958
Total net assets	36,794	37,177
Total liabilities and net assets	62,229	62,374

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, 2022	Three months ended June 30, 2023
Net sales	20,085	21,402
Cost of sales	16,034	17,550
Gross profit	4,050	3,852
Selling, general and administrative expenses	3,706	3,652
Operating profit	344	199
Non-operating income		
Share of profit of entities accounted for using equity method	–	9
Interest and dividend income	19	17
Other	25	38
Total non-operating income	45	65
Non-operating expenses		
Interest expenses	16	13
Share of loss of entities accounted for using equity method	16	–
Other	9	6
Total non-operating expenses	42	20
Ordinary profit	347	244
Extraordinary income		
Gain on change in equity	24	–
Subsidy income	1	1
Total extraordinary income	26	1
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	373	245
Income taxes	129	103
Profit	244	142
Profit (loss) attributable to owners of parent	244	142

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	244	142
Other comprehensive income		
Valuation difference on available-for-sale securities	(123)	372
Remeasurements of defined benefit plans, net of tax	0	(4)
Share of other comprehensive income of entities accounted for using equity method	259	17
Total other comprehensive income	136	385
Comprehensive income	380	528
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	380	528