

Mitsubishi Shokuhin Co., Ltd.
Earnings Briefing Material
for Q1 FY03/24

August 4, 2023



Q1 FY03/24: Consolidated Results (YoY Comparison)

- ◆ Net sales increased on the full-scale recovery of foot traffic, which boosted business transactions, especially for commercial-use products and with convenience stores.
- ◆ Ordinary profit rose due to transaction growth and profit margin improvement owing to an effort to strengthen profitability management.

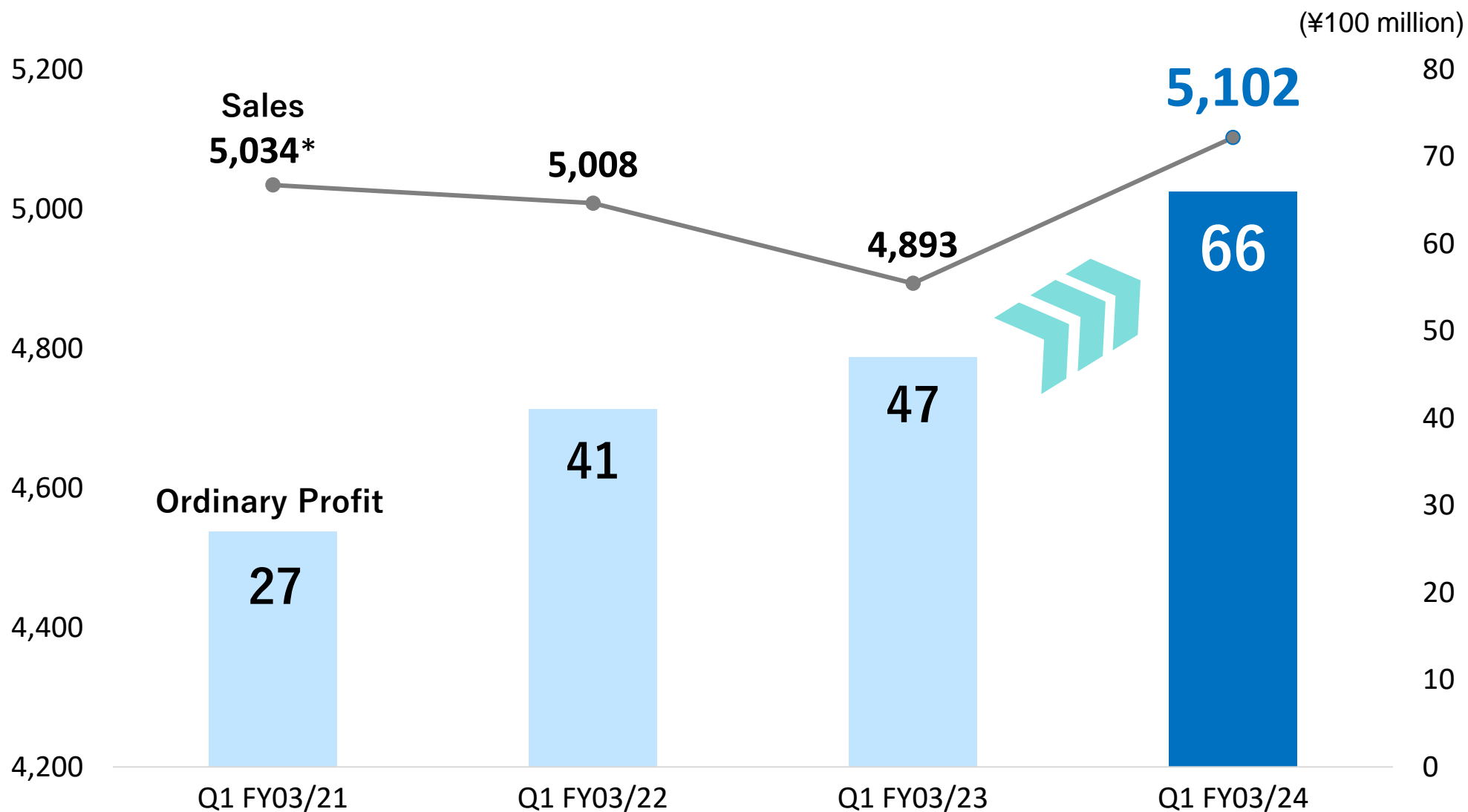
(¥100 million)

	Q1	Q1	YoY		Full-year FY03/24	
	FY03/23	FY03/24	Change	% Change	Forecasts	Progress rate
Net sales	4,893	5,102	209	4.3	20,200	25.3
Gross profit *	344	355	11	3.3		
SG&A expenses *	(303)	(297)	7	2.2		
Logistics costs	(147)	(141)	6	4.2		
Personnel expenses	(99)	(96)	3	3.1		
Other	(58)	(60)	-3	-4.5		
Operating profit	40	58	18	44.7	243	24.0
Ordinary profit	47	66	18	38.4	260	25.3
Profit attributable to owners of parent	33	46	13	39.3	175	26.0

* A change in the format of some transactions at our subsidiaries starting April 2023 had an impact of roughly ¥1.5 billion on the account items shown below.

Excluding this impact, the YoY changes were **+¥2.7 billion for gross profit** and **-¥0.8 billion for SG&A expenses**.

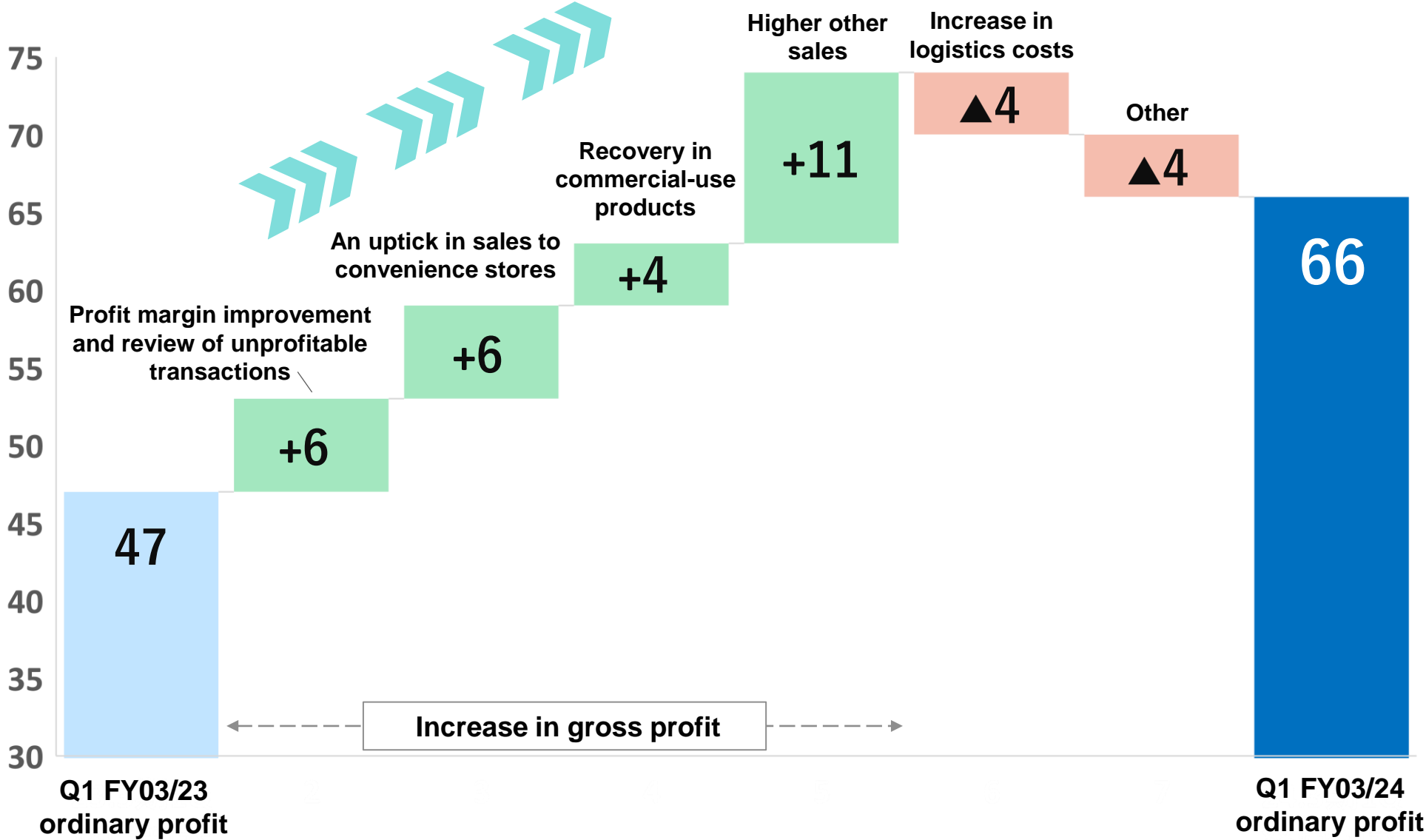
Q1 FY03/24: Sales and Ordinary Profit



Note: Figures reflect the Accounting Standard for Revenue Recognition adopted from FY03/23.

Factors Affecting Ordinary Profit (YoY)

(¥100 million)



Q1 FY03/24: Results by Segment (YoY Comparison)

- ◆ In processed foods, sales and operating profit grew year-on-year due to an increase in sales to convenience stores and discount stores, and profitability improvement accompanying a review of transactions.
- ◆ In frozen and chilled foods, sales and operating profit grew, mainly owing to higher sales from a boost in transactions with supermarkets and convenience stores and the recovery of commercial-use products, along with improved profitability.

(¥100 million)

	Sales			Operating profit		
	Q1 FY03/23	Q1 FY03/24	% Change	Q1 FY03/23	Q1 FY03/24	% Change
Processed foods	1,614	1,631	1.0	9	14	52.0
Frozen and chilled foods	1,415	1,506	6.4	26	36	37.1
Alcoholic beverages	1,209	1,246	3.1	5	6	28.5
Confectionery	654	719	9.9	4	6	54.9
Other, adjustments	-	-	-	(4)	(4)	-0.1
Total	4,893	5,102	4.3	40	58	44.7

* Figures for FY03/23 are adjusted to reflect the revision to our profitability management method in FY03/24.

Q1 FY03/24: Sales by Product Category (YoY Comparison)

- ◆ In the confectionery category, sales grew year-on-year mainly due to an increase in transactions centering on convenience stores, and a recovery in rice cracker sales.
- ◆ In the frozen and chilled foods category, sales were up as a result of growth in transactions with supermarkets and convenience stores, among other customers, as well as recovery in commercial-use products.

(¥100 million)

	Q1 FY03/23		Q1 FY03/24		YoY Change	
	Sales	% of total sales	Sales	% of total sales	Sales	% Change
Canned foods and seasonings	588	12.0	596	11.7	8	1.4
Noodles and dried foods	336	6.9	349	6.8	13	3.8
Luxury foods and beverages	563	11.5	556	10.9	-7	-1.2
Confectionery	651	13.3	714	14.0	63	9.7
Frozen and chilled foods	1,166	23.8	1,227	24.1	61	5.2
Beer	639	13.1	658	12.9	19	2.9
Other alcoholic beverages	514	10.5	532	10.4	19	3.6
Others	436	8.9	469	9.2	34	7.7
Total	4,893	100.0	5,102	100.0	209	4.3

Q1 FY03/24: Sales by Business Format (YoY Comparison)

◆ Efforts toward value-added transactions with business partners and recovery in foot traffic, including that of inbound visitors, led to an increase in transactions, and **sales grew in all business formats.** (¥100 million)

	Q1 FY03/23		Q1 FY03/24		YoY Change	
	Sales	% of total sales	Sales	% of total sales	Change	% Change
Wholesalers	482	9.8	515	10.1	33	6.8
Supermarkets	2,302	47.1	2,327	45.6	23	1.0
Convenience stores	916	18.7	968	19.0	53	5.7
Drugstores	410	8.4	428	8.4	18	4.5
Users*1	96	2.0	122	2.4	26	26.6
Other direct sales*2	562	11.5	607	11.9	45	8.0
Manufacturers and others	123	2.5	135	2.6	12	10.1
Total	4,893	100.0	5,102	100.0	209	4.3

*1. Users are businesses in the food service industry that provide food and beverage services directly to consumers, such as restaurants and other food-service operators that provide home meal replacements and school lunches.

*2. Other direct sales include discount stores, e-commerce operators, home improvement stores, department stores, etc.

Note: FY03/23 results were retroactively adjusted to reflect a partial revision to the business format classification.

Q1 FY03/24: Progress of Growth Strategies

- ◆ Profit declined in “manufacturer support” and “product development” mainly due to upfront investments in the digital field, and the impact of foreign exchange fluctuations.
- ◆ We have made efforts to generate data- and digital-driven new demand unique to Mitsubishi Shokuhin, and also have strengthened distributor function for imports as well as product development function centered on informative value creation.

(¥100 million)

	Ordinary profit		
	Q1 FY03/23	Q1 FY03/24	Full-year FY03/24 Forecasts
Manufacturer support	7	5	23
Product development	2	0	19
Retailer support	42	65	234
Subtotal	52	70	276
Other, adjustments	(4)	(4)	(16)
Total	47	66	260