

Mitsubishi Shokuhin Co., Ltd.  
Earnings Briefing Material  
for 1H FY03/23

November 1, 2022



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# 1. 1H FY03/23 Results Summary



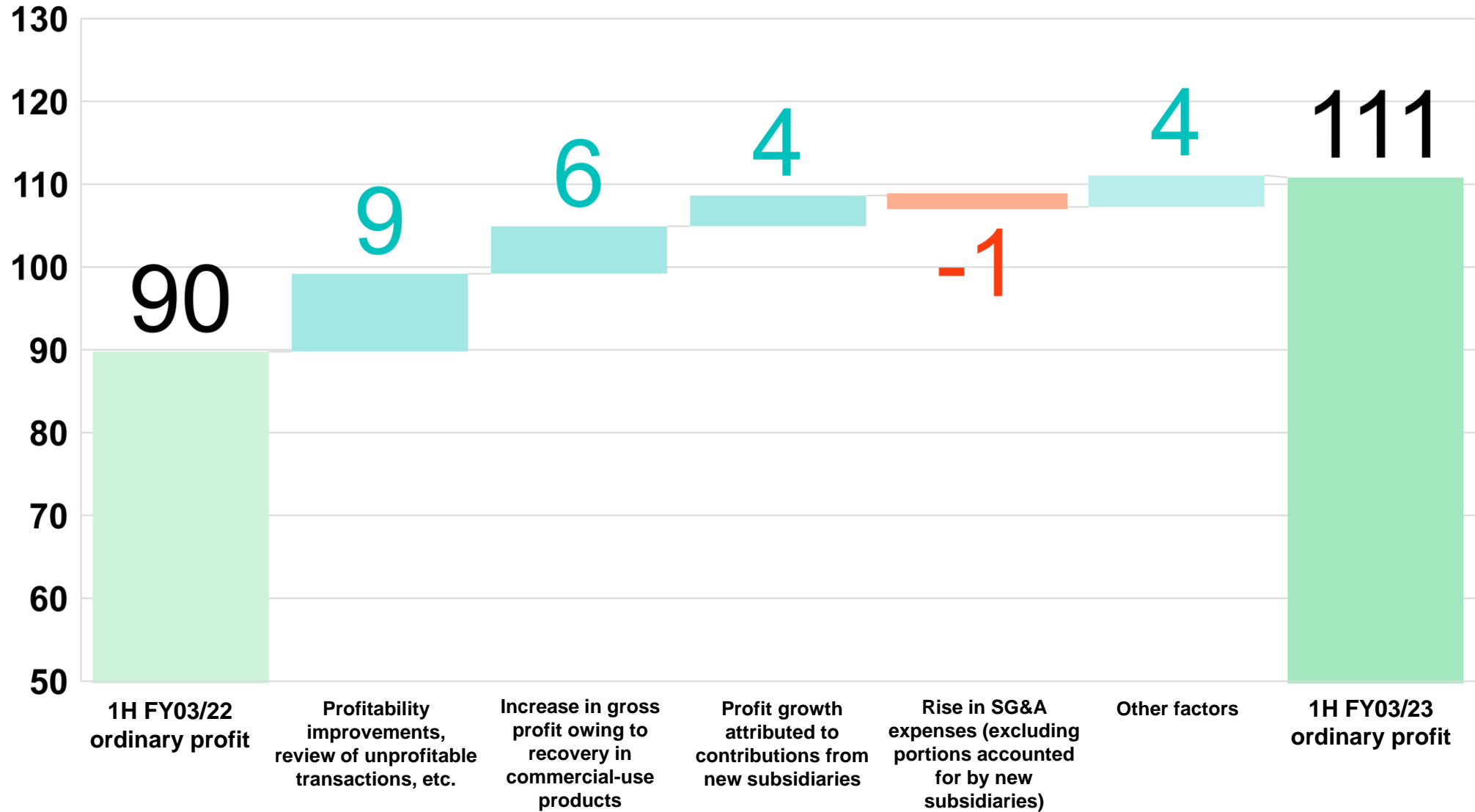
# Consolidated Results (YoY Comparison)

(¥100 million)

	1H FY03/22	1H FY03/23	YoY		Full-year FY03/23	
			Change	% Change	Forecasts	Progress rate
Net sales	10,088	9,986	-102	-1.0	19,900	50.2
Gross profit	659	713	54	8.1		
SG&A expenses	576	612	36	6.3		
Logistics costs	287	299	12	4.3		
Personnel expenses	185	194	9	5.0		
Other	104	118	15	14.4		
Operating profit	83	101	17	20.6	199	50.6
Ordinary profit	90	111	21	23.4	215	51.5
Profit attributable to owners of parent	63	75	12	18.9	140	53.2

# Factors Affecting Ordinary Profit (YoY)

(¥100 million)



# Results by Segment (YoY Comparison)

(¥100 million)

	Sales			Operating profit			Full-year FY03/23	
	1H FY03/22	1H FY03/23	% Change	1H FY03/22	1H FY03/23	% Change	Forecasts	
							Sales	Operating profit
Processed foods	3,426	3,284	-4.1	18	25	38.2	6,719	46
Frozen and chilled foods	2,914	2,933	0.6	50	64	28.3	5,628	98
Alcoholic beverages	2,406	2,498	3.8	13	11	-19.5	4,800	37
Confectionery	1,330	1,263	-5.0	10	9	-8.0	2,727	31
Other, adjustments	13	8	-34.7	(7)	(7)	-	26	(13)
<b>Total</b>	<b>10,088</b>	<b>9,986</b>	<b>-1.0</b>	<b>83</b>	<b>101</b>	<b>20.6</b>	<b>19,900</b>	<b>199</b>

# Sales by Product Category (YoY Comparison)

(¥100 million)

	1H FY03/22		1H FY03/23		YoY Change	
	Sales	% of total sales	Sales	% of total sales	Change	% Change
Canned foods and seasonings	1,208	12.0	1,177	11.8	-32	-2.6
Noodles and dried foods	686	6.8	684	6.8	-2	-0.3
Luxury foods and beverages	1,244	12.3	1,159	11.6	-85	-6.8
Confectionery	1,327	13.2	1,259	12.6	-68	-5.1
Frozen and chilled foods	2,471	24.5	2,424	24.3	-47	-1.9
Beer	1,298	12.9	1,367	13.7	69	5.3
Other alcoholic beverages	991	9.8	1,014	10.2	23	2.3
Others	863	8.5	902	9.0	40	4.6
Total	10,088	100.0	9,986	100.0	-102	-1.0

# Sales by Business Format (YoY Comparison)

(¥100 million)

	1H FY03/22		1H FY03/23		YoY Change	
	Sales	% of total sales	Sales	% of total sales	Change	% Change
Wholesalers	826	8.2	969	9.7	143	17.3
Supermarkets	4,953	49.1	4,735	47.4	-218	-4.4
Convenience stores	2,034	20.2	1,872	18.7	-162	-8.0
Drugstores	773	7.6	845	8.5	72	9.3
Users* <sup>1</sup>	163	1.6	200	2.0	37	22.4
Other direct sales* <sup>2</sup>	1,141	11.3	1,108	11.1	-33	-2.9
Manufacturers and others	198	2.0	256	2.6	58	29.5
<b>Total</b>	<b>10,088</b>	<b>100.0</b>	<b>9,986</b>	<b>100.0</b>	<b>-102</b>	<b>-1.0</b>

\*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.



# Progress of Growth Strategies

(¥100 million)

	Ordinary profit		
	1H FY03/22	1H FY03/23	Full-year FY03/23 Forecasts
Manufacturer support	14	14	23
Product development	4	4	15
Retailer support	81	101	193
Subtotal	99	120	231
Other, adjustments	(9)	(9)	(16)
Total	90	111	215

# Status of Investments, etc.

(¥100 million)

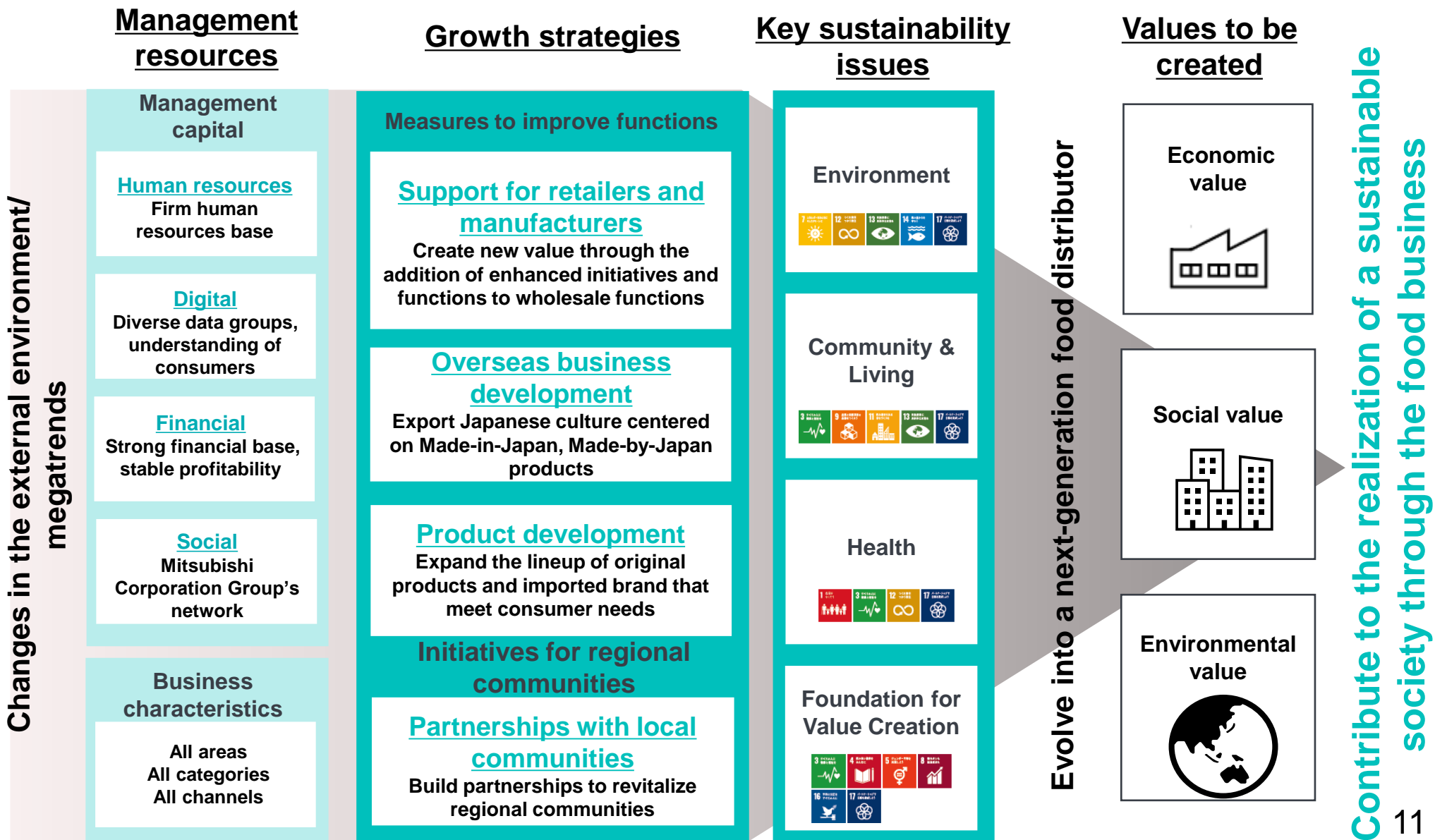
	Investment amount		Depreciation and amortization & lease payments	
	1H FY03/23	FY03/23 Forecasts	1H FY03/23	FY03/23 Forecasts
Capital expenditures (including leases)	22	50	34	70
System development, etc.	13	40	25	50
Business investment	55	50		
<b>Total</b>	<b>90</b>	<b>140</b>	<b>59</b>	<b>120</b>

## 2. Progress of Medium-term Management Plan 2023 Initiatives

The background features a series of overlapping, semi-transparent teal and white circular and curved shapes. A prominent teal circle is on the right side, with other lighter teal and white shapes overlapping it and extending towards the left and bottom. The overall aesthetic is clean and modern.

# Overview of Medium-term Management Plan 2023

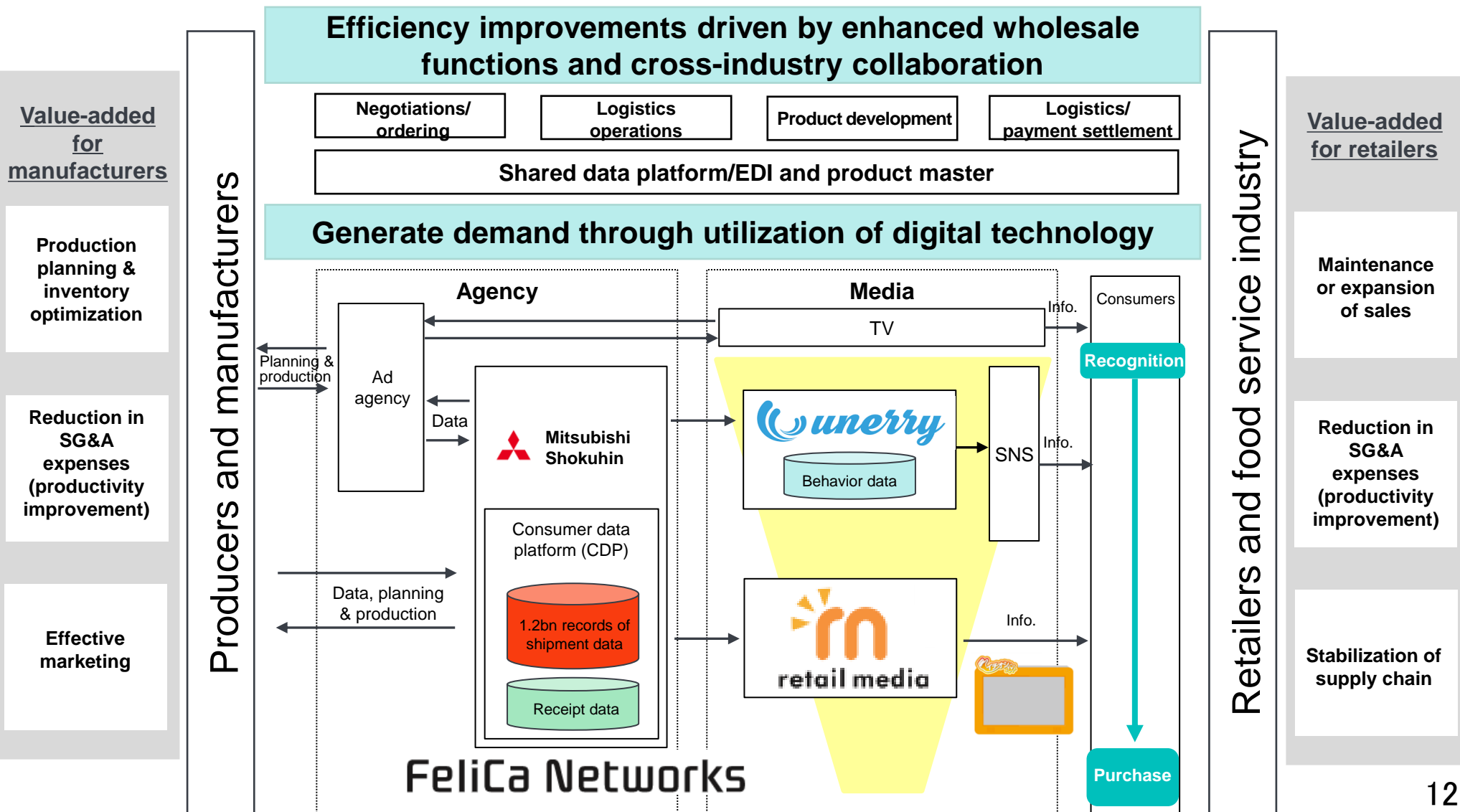
Create new economic value through the promotion of growth strategies and initiatives targeting key sustainability issues  
 • Create social and environmental values (strive to achieve the Company's purpose, "contributing to realizing a sustainable society through the food business")



# Support for Retailers and Manufacturers

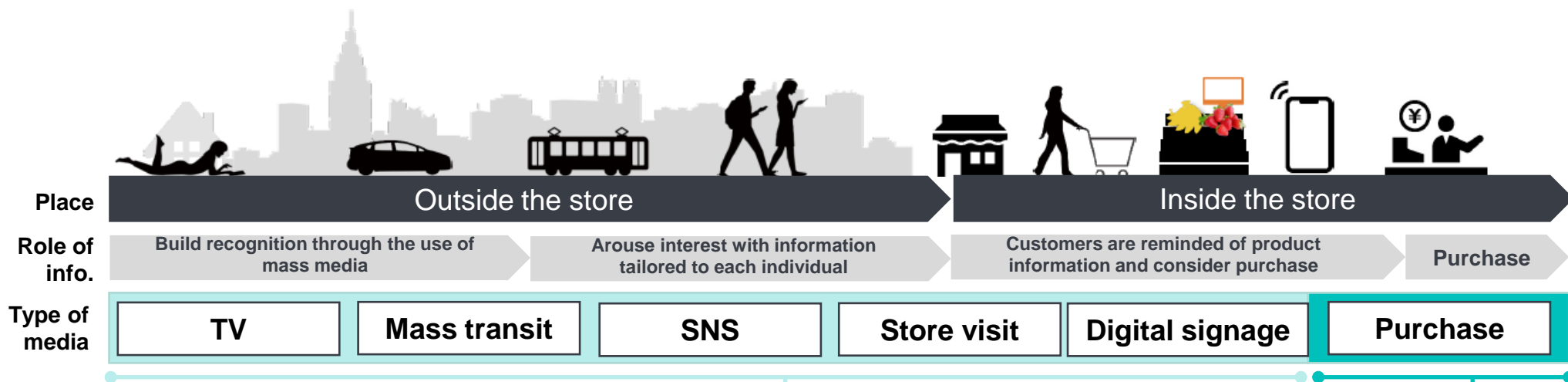
Create new customer experience by strengthening support functions through the establishment of a digital x marketing platform. Resolve issues and provide value-added for manufacturers and retailers.

## New customer experience created by digital x marketing platform



# Support for Retailers and Manufacturers : Case study

Proposed new marketing strategies through visualization and optimization of “shoppers’ journey” (achieved increased customer count, higher sales, and cost reduction)



## Verification by connecting location information

- Able to confirm the path from recognition to store visit using location information
- Lift value can also be calculated for each store if POS systems are installed

## Verification using ID-POS

- Able to confirm the path from recognition to store visit using location information
- Able to confirm the path from recognition to purchase by linking location information with ID-POS

### Case study of ad distribution utilizing location information

Increase in customer count

3%

Sales growth

240%

Cost reduction

85%

### Case study of sales promotion using storefront digital signage

334%

(92% for stores without digital signage devices)

- Observation period: one week
- Number of stores with ad distribution devices installed: 1,068
- Total ad (30 sec.) play count: Approx. 2.4mn
- Total promotional video (15 sec.) play count: approx. 99,000
- Promotional effects for specific products

# Partnerships with local communities

Build a regional revitalization platform centered around the concepts of “from producers to consumers” and “OMO (Online Merges with Offline)” (positioned FY2022 as a year for making progress and testing hypotheses to clarify underlying concepts)

## Upstream Strategies

\*6th industrialization across Japan

\*6th :1st [Agriculture] × 2nd [Processing] × 3rd [Sales & Service]

Enhance value-chain functions

### Regional trading companies

4

- Tackle core regional issues through collaboration with regional trading companies and banks (sixth industrialization consulting)

### Branding

3

- Launch United Mitsubishi Brand to support regional communities and ethical consumption
- Support specific brands through collaboration with regional communities

Create value-added, propose ethical consumption



## Downstream Strategies

OMO

Secure customer touchpoints (market-in strategy)

1

### Crowdfunding and e-commerce

- Capture online consumption demand
- Collaborate with other business operators

2

### Antenna shops

- Capture offline consumption demand (pilot stores)
- Support export to overseas markets

Linked

Deepen relationships with retail partners

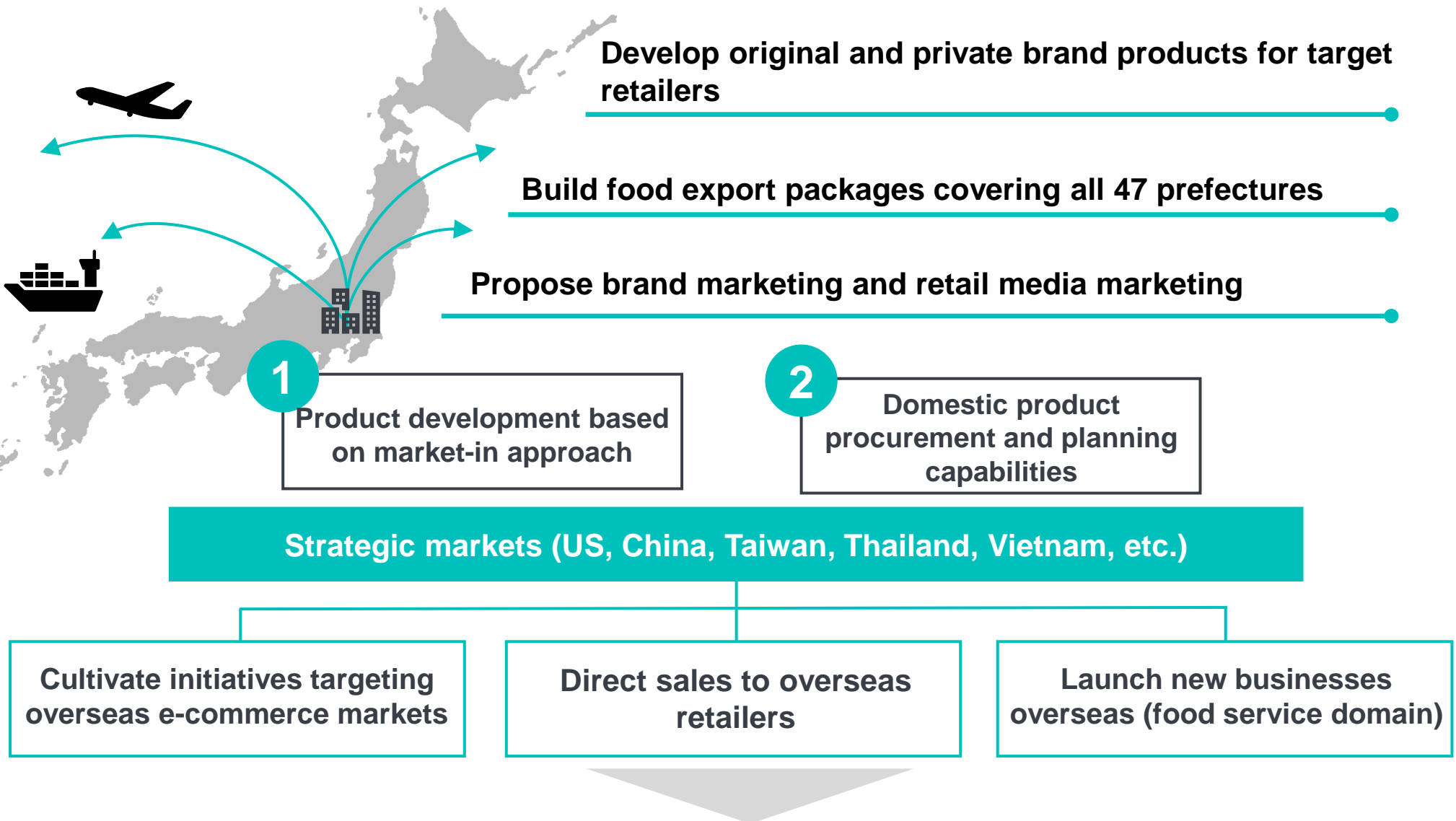
Product development  
CRM



Consumer voice  
Data linkage

# Overseas Business Development

Build a business that can directly reach overseas retailers, and export Japanese food culture based on the market-in concept to contribute to further growth in demand



**Create demand focused on Made-in-Japan, Made-by-Japan products**



# Initiatives for Key Sustainability Issues

Aim to become a leader among food-related companies in terms of sustainability initiatives, and create social and environmental values



Disclosure of information in accordance with TCFD recommendations

Measures to reduce CO2 emissions

Initiatives for regional communities

Acquisition of resilience certification

Product development: Eco-friendly packing materials

Product development: Karada-shift

Product development: Red Cup Campaign

Promotion of diversity (revision of HR system)

Promotion of health management (health & productivity management organization, Kurumin certification)

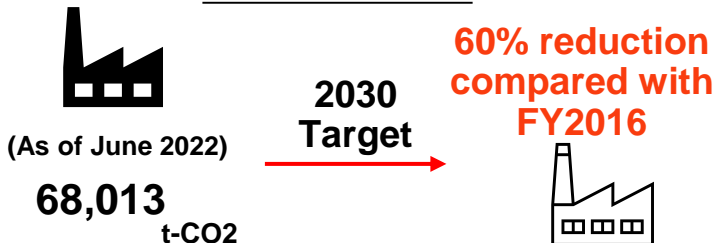
Adoption of a new executive remuneration system

Certification under the DX Certification System: 800 tech personnel in FY2022 (+400 YoY)

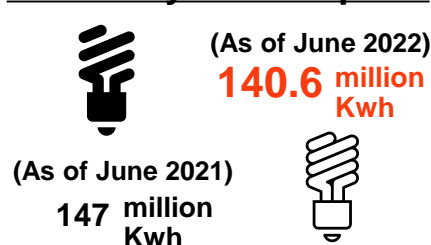


## Non-financial highlights

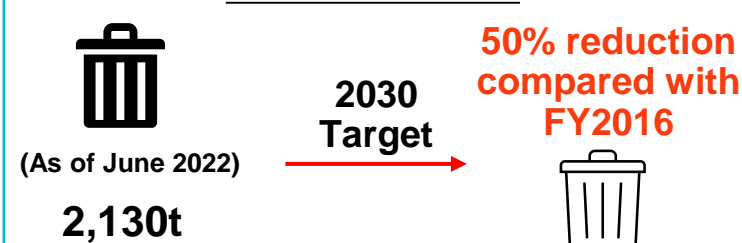
### CO2 emissions



### Electricity consumption



### Total food waste



# Aim to Evolve into a Next-Generation Food Distributor

Provide functions that add value to be selected as “a business partner”

## Diamond Fair 2022

さあ、次の一手。



# ダイヤモンドフェア2022

食で創造する、持続可能な社会。

## Mitsubishi Shokuhin Presentation 2022



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**Mitsubishi Shokuhin aims to enhance corporate value through partnerships with all stakeholders “to realize a sustainable society through the food business.”**



**Mitsubishi Shokuhin**