

Mitsubishi Shokuhin Co., Ltd. Earnings Briefing Material for cumulative Q3 FY03/23

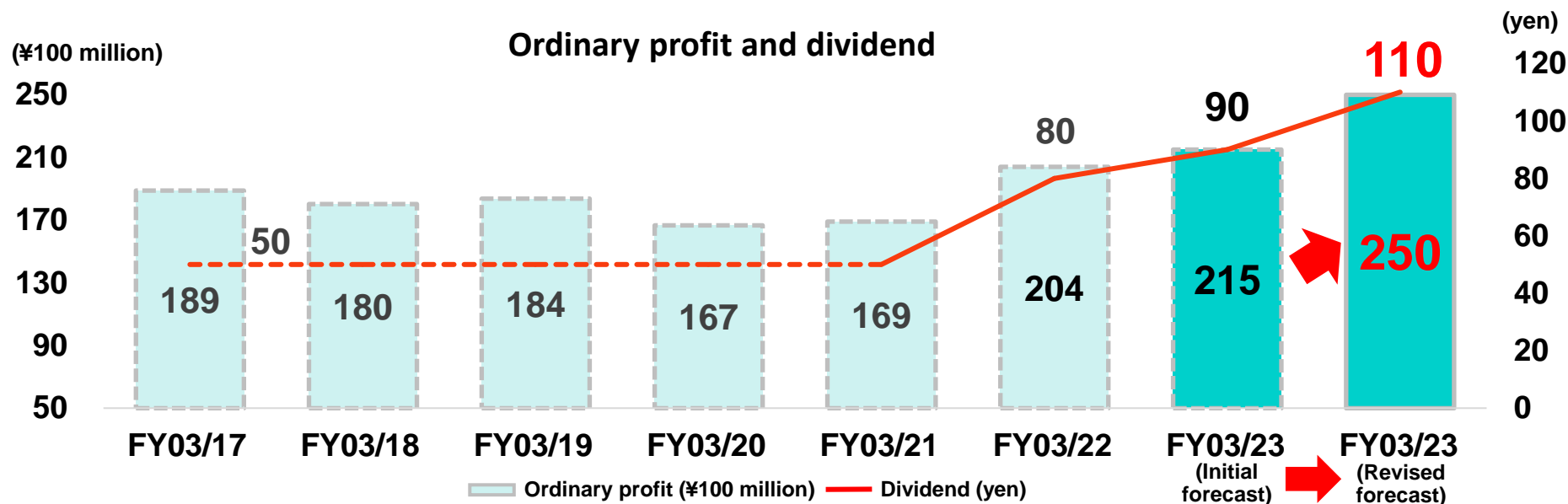
February 6, 2023



<Announcement>
On September 28, 2022, we
published Mitsubishi Shokuhin
Integrated Report 2022.

Topics: Revisions to Forecasts for Full-year Earnings and Dividend

- Revised ordinary profit forecast from ¥21.5 billion to **¥25.0** billion
- Revised dividend per share forecast from ¥90 to **¥110** (dividend increase)



Dividend per share	End-1H	Year-end	Annual
Initial forecast (May 9, 2022)	yen 45.00	yen 45.00	yen 90.00
Revised forecast (FY03/23 full-year forecast)	45.00	65.00	110.00

- ◆ Based on current business conditions, we revised our full-year earnings forecasts as we expect profits to exceed our projections announced at the beginning of the fiscal year.
- ◆ In line with the earnings forecast revision, the year-end dividend forecast was revised based on the shareholder return policy set forth in the Medium-term Management Plan 2023.

* For details, please see the “Notice on Revisions to the Earnings Forecast and Dividend Forecast (Dividend Increase)” released on February 6, 2023.

Consolidated Results (YoY Comparison)

(¥100 million)

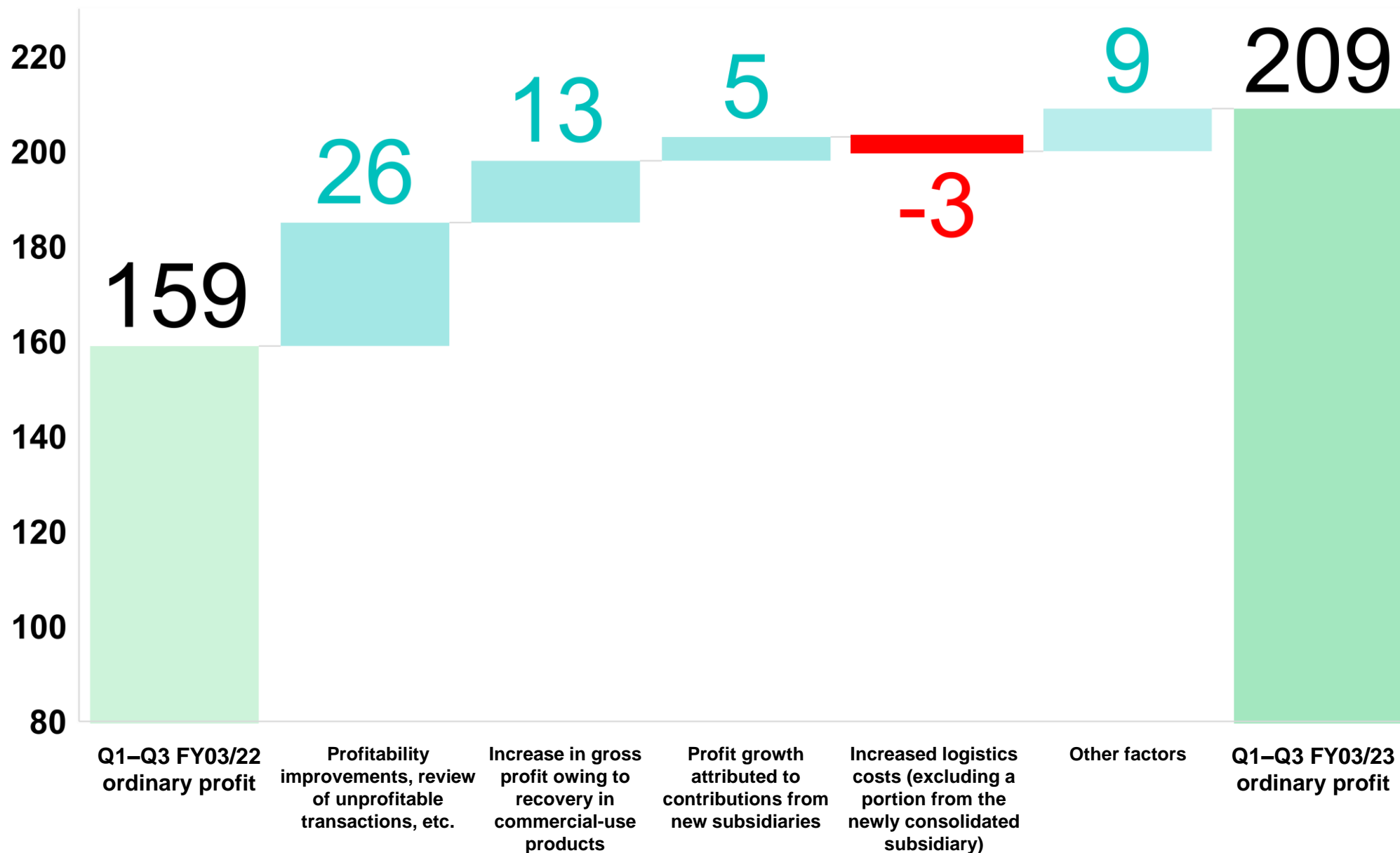
	Q1–Q3 FY03/22	Q1–Q3 FY03/23	YoY		Full-year FY03/23	
			Change	% Change	Revised forecasts	Progress rate (%)
Net sales	15,297	15,256	-40	-0.3	19,900	76.7
Gross profit	1,017	1,115	98	9.6		
SG&A expenses	870	922	53	6.0		
Logistics costs	431	452	21	4.9		
Personnel expenses	275	289	13	4.8		
Other	163	181	18	11.2		
Operating profit	148	193	45	30.4	230	83.7
Ordinary profit	159	209	50	31.2	250	83.5
Profit attributable to owners of parent	112	141	29	26.2	170	83.1

* The progress rates shown above indicate progress versus the revised earnings forecasts announced on February 6, 2023.

- ◆ Net sales fell year-on-year, chiefly due to a drop in demand for food for at-home consumption and a review of transactions, although there were signs of recovery in some business formats.
- ◆ Ordinary profit grew by a wide margin, owing largely to recovery in transactions of commercial-use products, tighter profitability management, and the new inclusion of a subsidiary in the scope of consolidation.

Factors Affecting Ordinary Profit (YoY)

(¥100 million)



Results by Segment (YoY Comparison)

(¥100 million)

	Sales			Operating profit		
	Q1–Q3 FY03/22	Q1–Q3 FY03/23	% Change	Q1–Q3 FY03/22	Q1–Q3 FY03/23	% Change
Processed foods	5,230	5,043	-3.6	36	50	38.7
Frozen and chilled foods	4,321	4,445	2.9	79	107	36.7
Alcoholic beverages	3,683	3,750	1.8	26	27	5.9
Confectionery	2,045	2,002	-2.1	18	19	4.8
Other, adjustments	19	16	-17.6	(11)	(11)	-
Total	15,297	15,256	-0.3	148	193	30.4

- ◆ **Processed foods:** Operation profit grew year-on-year, as profitability improvements from the review of transactions more than absorbed the sales decline caused by a drop in demand for food for at-home consumption and the review of transactions.
- ◆ **Frozen and chilled foods:** Operating profit increased year-on-year, thanks mainly to sales growth from recovery in sales of commercial-use products and the new inclusion of a subsidiary in the scope of consolidation.

Sales by Product Category (YoY Comparison)

(¥100 million)

	Q1–Q3 FY03/22		Q1–Q3 FY03/23		YoY Change	
	Sales	% of total sales	Sales	% of total sales	Change	% Change
Canned foods and seasonings	1,861	12.1	1,823	12.0	-38	-2.0
Noodles and dried foods	1,064	7.0	1,076	7.0	11	1.1
Luxury foods and beverages	1,842	12.0	1,717	11.3	-124	-6.8
Confectionery	2,040	13.3	1,999	13.1	-42	-2.0
Frozen and chilled foods	3,637	23.8	3,662	24.0	25	0.7
Beer	1,953	12.8	1,986	13.0	33	1.7
Other alcoholic beverages	1,557	10.2	1,592	10.4	35	2.2
Others	1,343	8.8	1,402	9.2	59	4.4
Total	15,297	100.0	15,256	100.0	-40	-0.3

- ◆ Sales declined year-on-year in the “canned foods and seasonings” and the “luxury foods and beverages” categories because of a drop in demand for food for at-home consumption.
- ◆ In the “beer” and “other alcoholic beverages” categories, sales grew year-on-year, driven by a recovery in sales of commercial-use products and a last-minute surge in demand ahead of price hikes.

Sales by Business Format (YoY Comparison)

(¥100 million)

	Q1–Q3 FY03/22		Q1–Q3 FY03/23		YoY Change	
	Sales	% of total sales	Sales	% of total sales	Change	% Change
Wholesalers	1,296	8.5	1,513	9.9	217	16.8
Supermarkets	7,498	49.0	7,237	47.4	-261	-3.5
Convenience stores	3,028	19.8	2,822	18.5	-206	-6.8
Drugstores	1,182	7.7	1,272	8.4	90	7.6
Users* ¹	252	1.6	318	2.1	66	26.3
Other direct sales* ²	1,740	11.4	1,708	11.2	-33	-1.9
Manufacturers and others	302	2.0	387	2.5	86	28.4
Total	15,297	100.0	15,256	100.0	-40	-0.3

*1. Users mean 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.

- ◆ Sales to “wholesalers” rose year-on-year because of a recovery in commercial-use transactions thanks to a turnaround in foot traffic due to the easing of activity restrictions.
- ◆ Sales to “supermarkets” fell year-on-year mainly due to the falloff of increased demand for food for at-home consumption seen in FY03/22 and the review of transactions.

Progress of Growth Strategies

(¥100 million)

	Ordinary profit	
	Q1–Q3 FY03/22	Q1–Q3 FY03/23
Manufacturer support	22	22
Product development	8	8
Retailer support	143	193
Subtotal	174	222
Other, adjustments	(15)	(13)
Total	159	209

- ◆ Ordinary profit in “retailer support” increased year-on-year on the back of efforts to further cultivate highly value-added initiatives with business partners in the wholesale business, and the new inclusion of a subsidiary in the scope of consolidation.