

February 5, 2024

Consolidated Financial Results

Kikkoman Corporation Flash Report for Fiscal 2024 3Q (IFRS) (Consolidated)

Nine-month Period ended December 31, 2023

| | |
|---|--|
| Listed company name: | Kikkoman Corporation |
| Shares listed: | Tokyo (Prime) |
| Code No.: | 2801 |
| URL: | https://www.kikkoman.com |
| Representative: | Shozaburo Nakano, President and Chief Executive Officer |
| Contact: | Kazuki Usui, General Manager, Corporate Communication Department |
| E-mail: | ir@mail.kikkoman.co.jp |
| Scheduled submission date of quarterly accounting report: | February 14, 2024 |
| Scheduled date for cash dividend payments: | — |
| Supplementary Schedules for quarter: | Yes |
| Results briefing for quarter: | No |

(Amounts less than ¥1 million have been omitted in the following tables)

1. Business Performance for the Nine-month Period Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

1) Business Performance

(Millions of yen)

| | Revenue | | Business profit | | Operating profit | | Profit before income taxes | |
|------------------------------|---------|-----------|-----------------|-----------|------------------|-----------|----------------------------|-----------|
| | Amount | Y o Y (%) | Amount | Y o Y (%) | Amount | Y o Y (%) | Amount | Y o Y (%) |
| Apr. 1, 2023 - Dec. 31, 2023 | 494,875 | 6.1 | 59,362 | 23.1 | 53,345 | 15.2 | 60,654 | 19.8 |
| Apr. 1, 2022 - Dec. 31, 2022 | 466,363 | 21.2 | 48,221 | 8.9 | 46,322 | 7.3 | 50,640 | 8.9 |

| | Profit for the period attributable to owners of the parent | | Total comprehensive income for the period | |
|------------------------------|--|-----------|---|-----------|
| | Amount | Y o Y (%) | Amount | Y o Y (%) |
| Apr. 1, 2023 - Dec. 31, 2023 | 45,521 | 25.1 | 69,444 | 21.6 |
| Apr. 1, 2022 - Dec. 31, 2022 | 36,375 | 9.1 | 57,099 | 40.0 |

| | Basic earnings per share (yen) | Diluted earnings per share (yen) |
|------------------------------|--------------------------------|----------------------------------|
| Apr. 1, 2023 - Dec. 31, 2023 | 238.56 | — |
| Apr. 1, 2022 - Dec. 31, 2022 | 189.94 | — |

(Notes) Business profit is profit after deducting Cost of sales and Selling, general and administrative expenses from Revenue.

2) Financial Position

(Millions of yen)

| | Total assets | Total equity | Total equity attributable to owners of the parent | Ratio of equity attributable to owners of the parent to total assets |
|---------------|--------------|--------------|---|--|
| Dec. 31, 2023 | 616,545 | 460,743 | 453,760 | 73.6% |
| Mar. 31, 2023 | 566,385 | 416,969 | 410,513 | 72.5% |

2. Cash Dividends

| | Cash dividends per share (yen) | | | | |
|---|--------------------------------|------------------------|-------------------------|-----------------|-------|
| | Three-month period ended | Six-month period ended | Nine-month period ended | Full year ended | Total |
| Apr. 1, 2022 -Mar. 31, 2023 | — | 30.00 | — | 48.00 | 78.00 |
| Apr. 1, 2023 -Mar. 31, 2024 | — | 34.00 | — | | |
| Apr. 1, 2023 -Mar. 31, 2024 (Estimated) | | | | 59.00 | 93.00 |

- (Notes) 1. Revisions to recently announced forecasts of dividends: No
 2. Dividends per share at the end of the year ended March 31, 2023, are 38.00 yen for ordinary dividends and 10.00 yen for commemorative dividends, respectively.

3. Forecasts of Business Performance for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

| | Revenue | | Business profit | | Operating profit | | Profit before income taxes | |
|--------------------------------|---------|-----------|-----------------|-----------|------------------|-----------|----------------------------|-----------|
| | Amount | Y o Y (%) | Amount | Y o Y (%) | Amount | Y o Y (%) | Amount | Y o Y (%) |
| Apr. 1, 2023 -Mar. 31, 2024 | 667,700 | 7.9 | 69,600 | 18.4 | 61,400 | 10.9 | 68,600 | 12.8 |

| | Profit for the year attributable to owners of the parent | | Basic earnings per share (yen) |
|--------------------------------|--|-----------|--------------------------------|
| | Amount | Y o Y (%) | |
| Apr. 1, 2023 -Mar. 31, 2024 | 50,600 | 15.7 | 265.34 |

(Note) Revisions to recently announced forecasts of business performance: None

[Notes]

1) Changes in important subsidiaries during the period (Changes in certain specific subsidiaries resulting in a revised scope of consolidation): Yes

Newly included: - Excluded: one company (Company name) Country Life, LLC

(Note) For more information, please refer to "Changes in Significant Subsidiaries during the Period under Review" on page 16 of this document, under 4) Notes on Condensed Quarterly Consolidated Financial Statements of 2. Condensed Quarterly Consolidated Financial Statements and Main Notes.

2) Changes in accounting policy and changes in accounting estimates

- ① Changes in accounting policies required by IFRS: None
- ② Changes in accounting policy other than those in ① above: None
- ③ Changes in accounting estimates: None

3) Issued and outstanding shares (common stock)

- ① Shares issued and outstanding at end of period (including treasury stock)

| | | | | | |
|-------------------|---|--------------------|----------------|---|--------------------|
| December 31, 2023 | — | 193,883,202 shares | March 31, 2023 | — | 193,883,202 shares |
|-------------------|---|--------------------|----------------|---|--------------------|
- ② Treasury stock at end of period

| | | | | | |
|-------------------|---|------------------|----------------|---|------------------|
| December 31, 2023 | — | 3,589,460 shares | March 31, 2023 | — | 2,405,842 shares |
|-------------------|---|------------------|----------------|---|------------------|
- ③ Average shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | | | | | |
|-------------------|---|--------------------|-------------------|---|--------------------|
| December 31, 2023 | — | 190,819,497 shares | December 31, 2022 | — | 191,507,781 shares |
|-------------------|---|--------------------|-------------------|---|--------------------|

(Note) The number of treasury stock at end of period includes the Company's shares held by the BIP (Board Incentive Plan) Trust established for the remuneration plan for the Company's directors, etc. (56,805 shares as of December 31, 2023, 58,100 shares as of March 31, 2023). The Company's shares held by the BIP Trust are included in the number of shares of treasury stock which are deducted from the number of shares when calculating the average number of shares outstanding during the period.

* This Flash Report is not included in the scope of an audit by certified public accountants or the audit corporations.

* Explanation concerning the appropriate use of financial result forecasts and other special notes

(Caution Regarding Forward-looking Statements)

Forecasts of business performance and future developments noted in this report are based on assumptions from information available to management at the time of disclosure and deemed reasonable at the present time. The Company makes no promises or commitments regarding achievements of such forecasts and future developments. Actual results may differ significantly from forecasts. For details of business performance forecasts and guidelines for assumptions, please refer to the attachments to this report, Page 9, 1. Qualitative Information and Consolidated Financial Statements, 3) Explanation of forward-looking statements, including forecasts of consolidated business performance.

(How to obtain business performance presentation materials)

Kikkoman will publish supplementary schedules to the nine-month results on TD-net for viewing in Japan, and on its website.

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1. Qualitative Information and Consolidated Financial Statements

1) Explanation of business performance

During the first nine months under review, the global economic situation saw a recovery overall, although the economy remained weak in certain areas.

In these circumstances, overall domestic sales of the Group rose year on year, attributable to an increase year on year in sales of the Foods—Manufacturing and Sales business as a whole, partly offset by a year-on-year decline in domestic sales of the Others Division. Overseas, sales increased year on year in both the Foods—Manufacturing and Sales and the Foods—Wholesale businesses.

As a result, consolidated operating results for the first nine months of fiscal 2024 were as follows.

<Consolidated Financial Statements>

(Millions of yen, %)

(Millions of yen, %)

| | FY2023 3Q | | FY2024 3Q | | Increase /Decrease | | | Translation difference | Increase /Decrease except translation difference | |
|--|-----------------------|-------|-----------------------|-------|--------------------|-------|-----|------------------------|--|-------|
| | 4.1.2022 – 12.31.2022 | | 4.1.2023 – 12.31.2023 | | | | | | Amount /YoY | |
| | Amount | % | Amount | % | Amount | YoY | % | | Amount | YoY |
| Revenue | 466,363 | 100.0 | 494,875 | 100.0 | 28,512 | 106.1 | — | 18,616 | 9,895 | 102.1 |
| Business Profit | 48,221 | 10.3 | 59,362 | 12.0 | 11,140 | 123.1 | 1.7 | 2,783 | 8,357 | 117.3 |
| Operating Profit | 46,322 | 9.9 | 53,345 | 10.8 | 7,022 | 115.2 | 0.9 | 2,213 | 4,808 | 110.4 |
| Profit before income taxes | 50,640 | 10.9 | 60,654 | 12.3 | 10,014 | 119.8 | 1.4 | 2,487 | 7,526 | 114.9 |
| Profit for the period attributable to owners of the parent | 36,375 | 7.8 | 45,521 | 9.2 | 9,145 | 125.1 | 1.4 | 1,773 | 7,372 | 120.3 |
| Exchange Rate (¥/US\$) | 135.40 | | 142.76 | | 7.36 | | | | | |
| (¥/EUR) | 140.42 | | 155.19 | | 14.77 | | | | | |

<Reporting Segments>

(Millions of yen, %)

| | | FY2023 3Q | | FY2024 3Q | | Increase /Decrease | | | Translation difference | Increase /Decrease except translation difference | |
|--|-----------------|-----------------------|-------|-----------------------|-------|--------------------|-------|-------|------------------------|--|-------|
| | | 4.1.2022 – 12.31.2022 | | 4.1.2023 – 12.31.2023 | | | | | | | |
| | | Amount | % | Amount | % | Amount | YoY | % | | Amount | YoY |
| Domestic Foods— Manufacturing and Sales | Revenue | 112,248 | 100.0 | 114,365 | 100.0 | 2,116 | 101.9 | — | — | 2,116 | 101.9 |
| | Business Profit | 8,101 | 7.2 | 9,546 | 8.3 | 1,445 | 117.8 | 1.1 | — | 1,445 | 117.8 |
| Domestic Others | Revenue | 16,572 | 100.0 | 16,125 | 100.0 | (447) | 97.3 | — | — | (447) | 97.3 |
| | Business Profit | 1,531 | 9.2 | 814 | 5.0 | (716) | 53.2 | (4.2) | — | (716) | 53.2 |
| Overseas Foods— Manufacturing and Sales | Revenue | 107,222 | 100.0 | 114,950 | 100.0 | 7,727 | 107.2 | — | 6,254 | 1,473 | 101.4 |
| | Business Profit | 21,596 | 20.1 | 28,166 | 24.5 | 6,570 | 130.4 | 4.4 | 1,633 | 4,936 | 122.9 |
| Overseas Foods— Wholesale | Revenue | 257,107 | 100.0 | 277,670 | 100.0 | 20,562 | 108.0 | — | 13,272 | 7,289 | 102.8 |
| | Business Profit | 17,846 | 6.9 | 22,000 | 7.9 | 4,154 | 123.3 | 1.0 | 945 | 3,208 | 118.0 |
| Adjustments | Revenue | (26,788) | 100.0 | (28,236) | 100.0 | (1,448) | — | — | (911) | (536) | — |
| | Business Profit | (853) | — | (1,165) | — | (312) | — | — | 204 | (516) | — |
| Consolidated Total | Revenue | 466,363 | 100.0 | 494,875 | 100.0 | 28,512 | 106.1 | — | 18,616 | 9,895 | 102.1 |
| | Business Profit | 48,221 | 10.3 | 59,362 | 12.0 | 11,140 | 123.1 | 1.7 | 2,783 | 8,357 | 117.3 |
| Exchange Rate (¥/US\$) | | 135.40 | | 142.76 | | 7.36 | | | | | |
| (¥/EUR) | | 140.42 | | 155.19 | | 14.77 | | | | | |

Performance in each reporting segment is outlined as follows.

【Domestic】

Revenue in Japan were as follows.

Foods—Manufacturing and Sales

This business segment comprises manufacturing and sales in Japan of products from the Soy Sauce Division and the Food Products Division, which includes *tsuyu* (soy sauce soup base), *tare* (dipping and marinade sauces), and Del Monte seasonings, as well as the Beverages Division, which includes soy milk beverages and Del Monte beverages, and the Liquor and Wine Division, which includes *mirin* and wines. Revenue for each division were as follows.

■Soy Sauce Division

Sales of the *Itsudemo Shinsen* (always fresh) series increased year on year, mainly due to the continued implementation of TV advertisement-focused marketing measures aimed at communicating products' added value. However, this was more than offset by a decline from the year-ago level in sales of products in conventional plastic bottles such as *Tokusen Marudaizu Shoyu*. Consequently, overall sales in the home-use sector decreased year on year. Sales increased year on year in the industrial- and foodservice-use sectors due to a recovery in demand mainly in the restaurant industry. The prices of home-use soy sauce products and industrial- and foodservice-use soy sauce products were revised in April 2023 and August 2023, respectively, mainly due to a surge in the prices of raw materials. As a result, overall sales increased year on year for the Soy Sauce Division.

■Food Products Division

Overall sales of *tsuyu* products decreased year on year because sales of certain products, *Koidashi Hon Tsuyu* in particular, were lower than the year-ago level. Sales of *tare* products were higher than the year-ago level, thanks to favorable growth of *Choyakiniku no Tare*. Sales of the *Uchi no Gohan* series (handy Japanese-style seasoning mixes) decreased year on year. Sales of Del Monte seasonings increased year on year. Prices were revised for ponzu products in April 2023, for *tsuyu* products in April and August 2023, and for *tare* products and *Uchi no Gohan* in August 2023, mainly due to a surge in raw material prices. As a result, overall sales increased year on year for the Food Products Division.

■Beverages Division

Sales of soy milk beverages fell from the year-ago level due to a year-on-year decline in sales of the products in one-liter containers. Prices of soy milk beverages were revised in April 2023, mainly due to a surge in prices of raw materials. Overall sales of Del Monte beverages increased year on year, attributable to buoyant sales of tomato juice. As a result, overall sales decreased year on year for the Beverages Division.

■Liquor and Wine Division

Sales of *Hon Mirin* increased year on year, reflecting higher sales of *Nokojukusei Hon Mirin* and high value-added products such as *Komekoji Kodawari-jikomi Hon Mirin* in the home-use sector. In addition, sales of products in the industrial- and foodservice-use sectors rose year on year, primarily reflecting a recovery in demand at restaurants. Sales of wine decreased year on year. The price of *Hon Mirin* was revised in August 2023 chiefly due to a surge in raw materials prices, and the prices of wines were also revised in October 2023 against the backdrop of the revision of the liquor tax and the surge in raw materials prices. As a result, overall sales increased year on year for the Liquor and Wine Division.

As a result of the above, the Foods—Manufacturing and Sales segment recorded higher revenue and higher profit, with revenue increasing 1.9% year on year, to ¥114,365 million, and business profit increasing 17.8% year on year, to ¥9,546 million.

Others

This segment includes production and sales of clinical diagnostic reagents, hygiene inspection agents, and chemical products such as hyaluronic acid, as well as real estate rental, logistics, back-office functions for the Kikkoman Group, and other businesses.

Sales of clinical diagnostic enzymes and hyaluronic acid declined year on year. As a result, overall sales decreased year on year for the Others Division.

As a result of the above, the Others segment recorded lower revenue and lower profit, with revenue decreasing 2.7% year on year, to ¥16,125 million, and business profit decreasing 46.8% year on year, to ¥814 million.

【Overseas】

Revenue overseas were as follows.

Foods—Manufacturing and Sales

This business comprises overseas manufacturing and sales of products from the Soy Sauce Division, Del Monte Division, and the Other Foods Division, including health foods. Revenue for each division were as follows.

■Soy Sauce Division

In the North American market, the division continues to enhance its lineup of soy sauce-based seasonings and other products, in addition to its mainstay soy sauce products, in the home-use sector. At the same time, the division has been leveraging the Kikkoman brand to expand its business. In the industrial- and foodservice-use sectors, we have expanded our business by responding carefully to the needs of our customers. As a result, sales increased year on year.

In the European market, sales increased in key markets such as Germany and the Netherlands year on year, and overall sales also rose from the previous year.

In the Asia and Oceania market, sales increased year on year, reflecting higher sales in Indonesia and the Philippines, among other countries.

As a result, overall sales for the Soy Sauce Division rose year on year.

■Del Monte Division

This division manufactures and sells canned fruits, canned corn, tomato ketchup and other products in the Asia and Oceania region.

Overall sales increased year on year for the division.

■Other Foods Division

This division manufactured and sold health foods, mainly in the North American region. However, the Company transferred all investment equity at Allergy Research Group, LLC on June 30, 2023 and at Country Life, LLC on July 31, 2023.

Overall sales decreased year on year for the Other Foods Division, partly reflecting the impact of these transfers of investment equity.

As a result of the above, the Foods—Manufacturing and Sales segment recorded higher revenue and higher profit, with revenue increasing 7.2% year on year, to ¥114,950 million, and business profit increasing 30.4% year on year, to ¥28,166 million.

Foods—Wholesale

This segment procures and sells oriental foods in Japan and overseas.

Sales increased year on year in North America, Europe, Asia and Oceania.

As a result, overall sales increased year on year for the Foods—Wholesale segment.

As a result of the above, the Foods—Wholesale segment recorded higher revenue and higher profit, with revenue increasing 8.0% year on year, to ¥277,670 million, and business profit increasing 23.3% year on year, to ¥22,000 million.

As a result of the aforementioned segment results, the Company reported consolidated revenue for the nine-month period ended in fiscal 2024 of ¥494,875 million increasing 6.1% year on year, business profit of ¥59,362 million increasing 23.1%, operating profit of ¥53,345 million increasing 15.2%, and profit for the period attributable to owners of the parent of ¥45,521 million increasing 25.1%.

2) Explanation of financial position

(Assets)

Current assets as of December 31, 2023, were ¥305,795 million, up ¥24,584 million from March 31, 2023. This was mainly due to increases in other financial assets(current) and trade and other receivables. Non-current assets were ¥310,749 million, up ¥25,575 million from March 31, 2023. This was largely attributable to increases in property, plant and equipment, other financial assets (non-current) and right-of-use assets.

As a result, total assets increased ¥50,159 million from March 31, 2023, to ¥616,545 million.

(Liabilities)

Current liabilities as of December 31, 2023, were ¥87,702 million, down ¥11,053 million from March 31, 2023. This was mainly due to a decrease in short-term borrowings and current portion of long-term borrowings. Non-current liabilities were ¥68,099 million, up ¥17,439 million from March 31, 2023. This was largely due to an increase in long-term borrowings and long-term lease liabilities.

As a result, total liabilities increased ¥6,385 million from March 31, 2023, to ¥155,801 million.

(Equity)

Equity as of December 31, 2023 was ¥460,743 million, up ¥43,774 million from March 31, 2023. This was largely attributable to an increase in retained earnings as well as an increase in exchange differences on translation of foreign operations, which resulted from the weaker yen.

As a result, the ratio of equity attributable to owners of the parent to total assets was 73.6% (72.5% on March 31, 2023).

3) Explanation of forward-looking statements, including forecasts of consolidated business performance

There are no changes to the full year forecasts of business performance that were announced in the Flash Report published on November 2, 2023. There are no significant changes to business risks that might affect business performance from the disclosures in the latest securities report (submitted on June 29, 2023).

2. Condensed Quarterly Consolidated Financial Statements and Main Notes

1) Condensed Quarterly Consolidated Statements of Financial Position

| | (Millions of yen) | |
|---|-------------------------|-------------------------------|
| | As of March 31, 2023 | As of December 31, 2023 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | 99,347 | 99,072 |
| Trade and other receivables | 75,070 | 86,067 |
| Inventories | 92,222 | 89,188 |
| Other financial assets | 4,515 | 21,350 |
| Other current assets | 10,054 | 10,116 |
| Total current assets | 281,211 | 305,795 |
| Non-current assets: | | |
| Property, plant and equipment | 150,675 | 161,292 |
| Investment properties | 9,213 | 9,195 |
| Right-of-use assets | 30,497 | 35,153 |
| Goodwill | 4,657 | 3,402 |
| Intangible assets | 4,795 | 5,021 |
| Investments in associates accounted for using the equity method | 4,248 | 4,906 |
| Other financial assets | 69,680 | 77,741 |
| Employee defined benefit assets | 8,178 | 11,002 |
| Deferred tax assets | 3,058 | 2,865 |
| Other non-current assets | 167 | 168 |
| Total non-current assets | 285,174 | 310,749 |
| Total assets | 566,385 | 616,545 |

(Millions of yen)

| | As of March 31, 2023 | As of December 31, 2023 |
|---|-------------------------|-------------------------------|
| Liabilities | | |
| Current liabilities: | | |
| Trade and other payables | 61,333 | 56,358 |
| Short-term borrowings and current portion of long-term borrowings | 17,054 | 5,831 |
| Short-term lease liabilities | 5,158 | 6,133 |
| Income tax payable | 2,639 | 3,914 |
| Other financial liabilities | 526 | 4,403 |
| Other current liabilities | 12,042 | 11,060 |
| Total current liabilities | 98,755 | 87,702 |
| Non-current liabilities: | | |
| Long-term borrowings | 400 | 12,400 |
| Long-term lease liabilities | 28,371 | 31,779 |
| Deferred tax liabilities | 10,051 | 10,918 |
| Employee defined benefit liabilities | 4,658 | 4,458 |
| Other financial liabilities | 3,968 | 4,006 |
| Other non-current liabilities | 3,210 | 4,536 |
| Total non-current liabilities | 50,660 | 68,099 |
| Total liabilities | 149,416 | 155,801 |
| Equity | | |
| Equity: | | |
| Share capital | 11,599 | 11,599 |
| Capital surplus | 13,745 | 13,830 |
| Retained earnings | 329,482 | 360,932 |
| Treasury stock | (7,326) | (16,969) |
| Other components of equity | 63,012 | 84,368 |
| Total equity attributable to owners of the parent | 410,513 | 453,760 |
| Non-controlling interests | 6,456 | 6,982 |
| Total equity | 416,969 | 460,743 |
| Total liabilities and equity | 566,385 | 616,545 |

2) Condensed Quarterly Consolidated Statements of Profit or Loss and
Condensed Quarterly Consolidated Statements of Comprehensive Income
(Condensed Quarterly Consolidated Statements of Profit or Loss)

(Millions of yen)

| | Nine months ended December 31, 2022 | Nine months ended December 31, 2023 |
|--|--|--|
| Revenue | 466,363 | 494,875 |
| Cost of sales | 310,314 | 322,071 |
| Gross profit | 156,049 | 172,803 |
| Selling, general and administrative expenses | 107,827 | 113,441 |
| Business profit | 48,221 | 59,362 |
| Other income | 1,588 | 5,791 |
| Other expenses | 3,487 | 11,808 |
| Operating profit | 46,322 | 53,345 |
| Finance income | 9,800 | 10,056 |
| Finance costs | 5,731 | 3,027 |
| Share of profit (loss) of associates accounted for using the equity method | 248 | 281 |
| Profit before income taxes | 50,640 | 60,654 |
| Income taxes | 13,853 | 14,749 |
| Profit for the period | 36,786 | 45,904 |
| Profit for the period attributable to: | | |
| Owners of the parent | 36,375 | 45,521 |
| Non-controlling interests | 411 | 383 |
| Profit for the period | 36,786 | 45,904 |
| Earnings per share (yen) | 189.94 | 238.56 |

(Condensed Quarterly Consolidated Statements of Comprehensive Income)

| | (Millions of yen) | |
|--|--|--|
| | Nine months ended December 31, 2022 | Nine months ended December 31, 2023 |
| Profit for the period | 36,786 | 45,904 |
| Other comprehensive income (loss): | | |
| Items that will not be reclassified to profit or loss | | |
| Net change in fair value of financial assets measured at FVOCI, net of taxes | 1,712 | 4,565 |
| Remeasurements of defined benefit plans | (26) | 1,258 |
| Share of other comprehensive income (loss) of associates accounted for using the equity method | 149 | 421 |
| Items that are or may be reclassified subsequently to profit or loss | | |
| Foreign currency translation adjustments | 18,320 | 17,140 |
| Cash flow hedges | 156 | 153 |
| Other comprehensive income for the period, net of tax | 20,312 | 23,539 |
| Total comprehensive income for the period | 57,099 | 69,444 |
| Total comprehensive income for the period attributable to: | | |
| Owners of the parent | 56,129 | 68,673 |
| Non-controlling interests | 969 | 770 |

3) Condensed Quarterly Consolidated Statements of Changes in Equity

Nine months ended December 31, 2022

(Millions of yen)

| | Equity attributable to owners of the parent | | | | | |
|---|---|-----------------|-------------------|----------------|---|------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury stock | Other components of equity | |
| | | | | | Exchange differences on translation of foreign operations | Cash flow hedges |
| Balance at beginning of the period | 11,599 | 13,696 | 297,116 | (6,808) | 24,600 | 104 |
| Profit for the period | | | 36,375 | | | |
| Other comprehensive income (loss) | | | | | 17,767 | 156 |
| Total comprehensive income (loss) for the period | — | — | 36,375 | — | 17,767 | 156 |
| Purchase of treasury stock | | | | (514) | | |
| Disposal of treasury stock | | 0 | | 0 | | |
| Share-based payment transactions | | 59 | | | | |
| Dividends | | | (13,220) | | | |
| Changes in ownership interests in subsidiaries | | (28) | | | 3 | |
| Transfer from other components of equity to retained earnings | | | 484 | | | |
| Transfer to non-financial assets | | | | | | (296) |
| Total transactions with owners of the parent | — | 30 | (12,735) | (514) | 3 | (296) |
| Balance at end of the period | 11,599 | 13,727 | 320,756 | (7,322) | 42,371 | (34) |

| | Equity attributable to owners of the parent | | | | Non-controlling interests | Total equity |
|---|--|---|--------|----------|---------------------------|--------------|
| | Other components of equity | | | Total | | |
| | Net change in fair value of financial assets measured at FVOCI | Remeasurements of defined benefit plans | Total | | | |
| Balance at beginning of the period | 17,506 | — | 42,212 | 357,816 | 6,091 | 363,907 |
| Profit for the period | | | — | 36,375 | 411 | 36,786 |
| Other comprehensive income (loss) | 1,866 | (36) | 19,754 | 19,754 | 558 | 20,312 |
| Total comprehensive income (loss) for the period | 1,866 | (36) | 19,754 | 56,129 | 969 | 57,099 |
| Purchase of treasury stock | | | — | (514) | | (514) |
| Disposal of treasury stock | | | — | 0 | | 0 |
| Share-based payment transactions | | | — | 59 | | 59 |
| Dividends | | | — | (13,220) | (246) | (13,466) |
| Changes in ownership interests in subsidiaries | | | 3 | (25) | (43) | (68) |
| Transfer from other components of equity to retained earnings | (521) | 36 | (484) | — | | — |
| Transfer to non-financial assets | | | (296) | (296) | | (296) |
| Total transactions with owners of the parent | (521) | 36 | (777) | (13,996) | (289) | (14,285) |
| Balance at end of the period | 18,851 | — | 61,188 | 399,949 | 6,772 | 406,721 |

Nine months ended December 31, 2023

(Millions of yen)

| | Equity attributable to owners of the parent | | | | | |
|---|---|-----------------|-------------------|----------------|---|------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury stock | Other components of equity | |
| | | | | | Exchange differences on translation of foreign operations | Cash flow hedges |
| Balance at beginning of the period | 11,599 | 13,745 | 329,482 | (7,326) | 44,844 | (64) |
| Profit for the period | | | 45,521 | | | |
| Other comprehensive income (loss) | | | | | 16,762 | 153 |
| Total comprehensive income (loss) for the period | — | — | 45,521 | — | 16,762 | 153 |
| Purchase of treasury stock | | | | (9,654) | | |
| Disposal of treasury stock | | 0 | | 0 | | |
| Share-based payment transactions | | 84 | | 11 | | |
| Dividends | | | (15,676) | | | |
| Changes in ownership interests in subsidiaries | | | | | | |
| Transfer from other components of equity to retained earnings | | | 1,605 | | | |
| Transfer to non-financial assets | | | | | | (191) |
| Total transactions with owners of the parent | — | 84 | (14,071) | (9,643) | — | (191) |
| Balance at end of the period | 11,599 | 13,830 | 360,932 | (16,969) | 61,606 | (102) |

| | Equity attributable to owners of the parent | | | | Non-controlling interests | Total equity |
|---|--|---|---------|----------|---------------------------|--------------|
| | Other components of equity | | | Total | | |
| | Net change in fair value of financial assets measured at FVOCI | Remeasurements of defined benefit plans | Total | | | |
| Balance at beginning of the period | 18,232 | — | 63,012 | 410,513 | 6,456 | 416,969 |
| Profit for the period | | | — | 45,521 | 383 | 45,904 |
| Other comprehensive income (loss) | 4,985 | 1,251 | 23,152 | 23,152 | 387 | 23,539 |
| Total comprehensive income (loss) for the period | 4,985 | 1,251 | 23,152 | 68,673 | 770 | 69,444 |
| Purchase of treasury stock | | | — | (9,654) | | (9,654) |
| Disposal of treasury stock | | | — | 0 | | 0 |
| Share-based payment transactions | | | — | 95 | | 95 |
| Dividends | | | — | (15,676) | (244) | (15,920) |
| Changes in ownership interests in subsidiaries | | | — | — | | — |
| Transfer from other components of equity to retained earnings | (353) | (1,251) | (1,605) | — | | — |
| Transfer to non-financial assets | | | (191) | (191) | | (191) |
| Total transactions with owners of the parent | (353) | (1,251) | (1,796) | (25,425) | (244) | (25,670) |
| Balance at end of the period | 22,864 | — | 84,368 | 453,760 | 6,982 | 460,743 |

4) Notes on Condensed Quarterly Consolidated Financial Statements (Notes Regarding Going Concern)

No applicable items.

(Changes in Significant Subsidiaries during the Period under Review)

KI NutriCare, Inc., a specified subsidiary of the Company, transferred its entire equity interest in Country Life, LLC (a specified subsidiary), a subsidiary of KI NutriCare, Inc. and a second-tier subsidiary of the Company. Country Life, LLC was excluded from consolidation in the first six months under review.

(Segment Information)

(a) Overview of reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available. The Group's Board of Directors uses these operating segments periodically to make decisions on the allocation of management resources and to evaluate business performance. The Group does not aggregate the operation segments in determining the reportable segments.

The Company, as a holding company, mainly formulates Group strategies and manages operating companies. Under this structure, Japanese companies are categorized into companies that primarily engage in the manufacturing and sale of foods and others. Overseas business is operated by the holding company's overseas business divisions, and the operating companies are categorized into companies that engage in foods manufacturing and sales and companies that engage in wholesale of oriental food products.

Accordingly, the Group consists of four reportable segments that are a matrix of domestic and overseas regions and types of business: "Domestic Foods—Manufacturing and Sales," "Domestic Others," "Overseas Foods—Manufacturing and Sales" and "Overseas Foods—Wholesale".

The Domestic Foods—Manufacturing and Sales segment engages in the manufacturing and sale of soy sauce, food products, beverages, liquor and wine in Japan. The Domestic Others segment engages in the manufacturing and sale of pharmaceuticals and chemical products and in real estate rentals, logistics, back-office functions and other businesses in Japan. The Overseas Foods—Manufacturing and Sales segment engages in the manufacturing, sale and exporting of soy sauce, Del Monte products and health foods and in the export and sales of products for overseas market. The Overseas Foods—Wholesale segment purchases and sells oriental foods in domestic and overseas markets.

(b) Information about reportable segments

Segment profit (loss) represents business profit, the amount obtained by deducting cost of sales, selling, general and administrative expenses from revenue. Inter-segment revenue and transfers are determined based on prevailing market prices.

(c) Information about revenue and profit or loss by reportable segment is set out below:

| Nine months ended December 31, 2022 | | | | | | | |
|--|--|--------------------|--|---------------------------------|---------|-------------|-----------------------------------|
| | Domestic Foods— Manufacturing and Sales | Domestic Others | Overseas Foods— Manufacturing and Sales | Overseas Foods— Wholesale | Total | Adjustments | Consolidated (Millions of yen) |
| Revenue | | | | | | | |
| External revenue | 109,843 | 6,052 | 93,446 | 257,020 | 466,363 | — | 466,363 |
| Inter-segment revenue | 2,404 | 10,520 | 13,776 | 87 | 26,788 | (26,788) | — |
| Total | 112,248 | 16,572 | 107,222 | 257,107 | 493,151 | (26,788) | 466,363 |
| Segment profit (loss) | 8,101 | 1,531 | 21,596 | 17,846 | 49,075 | (853) | 48,221 |
| Other income | — | — | — | — | — | — | 1,588 |
| Other expenses | — | — | — | — | — | — | 3,487 |
| Finance income | — | — | — | — | — | — | 9,800 |
| Finance costs | — | — | — | — | — | — | 5,731 |
| Share of profit (loss) of associates accounted for using the equity method | — | — | — | — | — | — | 248 |
| Profit before income taxes | — | — | — | — | — | — | 50,640 |

(Note) Adjustment of segment profit is mainly due to the difference in allocation of corporate expenses.

| Nine months ended December 31, 2023 | | | | | | | |
|--|--|--------------------|--|---------------------------------|---------|-------------|-----------------------------------|
| | Domestic Foods— Manufacturing and Sales | Domestic Others | Overseas Foods— Manufacturing and Sales | Overseas Foods— Wholesale | Total | Adjustments | Consolidated (Millions of yen) |
| Revenue | | | | | | | |
| External revenue | 111,830 | 5,823 | 99,638 | 277,583 | 494,875 | — | 494,875 |
| Inter-segment revenue | 2,535 | 10,302 | 15,311 | 87 | 28,236 | (28,236) | — |
| Total | 114,365 | 16,125 | 114,950 | 277,670 | 523,112 | (28,236) | 494,875 |
| Segment profit (loss) | 9,546 | 814 | 28,166 | 22,000 | 60,528 | (1,165) | 59,362 |
| Other income | — | — | — | — | — | — | 5,791 |
| Other expenses | — | — | — | — | — | — | 11,808 |
| Finance income | — | — | — | — | — | — | 10,056 |
| Finance costs | — | — | — | — | — | — | 3,027 |
| Share of profit (loss) of associates accounted for using the equity method | — | — | — | — | — | — | 281 |
| Profit before income taxes | — | — | — | — | — | — | 60,654 |

(Notes) 1. Adjustment of segment profit is mainly due to the difference in allocation of corporate expenses.

2. With respect to the manufacturing and sale of health foods of the Overseas Foods—Manufacturing and Sales business, the Company transferred all investment equity at Allergy Research Group, LLC on June 30, 2023 and Country Life, LLC on July 31, 2023, respectively.