



FY2022 Results Briefing

House Foods Group Inc.

Stock code 2810

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<https://housefoods-group.com/>

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* We applied the Accounting Standard for Revenue Recognition, etc. from FY2021.

Part: 1

Introduction:
Seventh Medium-term
Business Plan Progress

**In FY2023, as in FY2022, further cost increases are expected.
We will counter price increases over the three-year period
of the Seventh Medium-term Business Plan with price revisions.**

<Cost increases on a consolidated basis>

* Total increase in raw material and energy costs and logistics expenses and impact of exchange rates

Billion yen	FY2022 forecast	FY2022 actual	FY2023 forecast
	-10.5	-9.4	-7.0
Spice / Seasoning / Processed Food Business	-7.3	-6.5	-3.7
Health Food Business	-0.3	-0.2	-0.5
International Food Business	-1.4	-1.3	-0.7
Restaurant Business	-1.3	-1.1	-2.0
Other Food Related Business	-0.3	-0.3	-0.1

Cost increases on a consolidated
basis over the Seventh Medium-term
Business Plan (FY2021-FY2023)

-18.7 billion yen

We will counter with price revisions
at group companies.

Operating Profit (Medium-term Business Plan Target and FY2023 Forecast)

Operating profit is expected to fall some 6 billion yen short of the Seventh Medium-term Business Plan Target.

<Seventh Medium-term Business Plan operating profit target>

<FY2023 operating profit forecast>

26.0 billion yen  **20.0** billion yen

Business environment during Seventh Medium-term Business Plan

Impact on the Group

Impact on consolidated results

Rising geopolitical risk

Protracted impact of COVID-19 pandemic

Exchange rate volatility

Rising global inflation with the resumption of economic activity

Action to address rising raw material and energy costs

Requests to close temporarily or shorten operating hours and drying-up of inbound demand in Restaurant Business

Weaker consumer confidence due to inflation

<Gap between segment operating profit and targets under Medium-term Business Plan>

Billion yen	Increase/Decrease	Main factors
Consolidated	-6.0	
Spice / Seasoning / Processed Food Business	-4.4	- Household use business: Lower profit than planned in new domains; Increased marketing costs - Food service business: Lower profit than planned due to slow recovery from COVID pandemic
Health Food Business	+0.5	
International Food Business	-1.2	- Costs for strengthening business base in United States, increased goodwill amortization costs - Lower profit than planned due to slow recovery from COVID pandemic
Restaurant Business	-1.7	
Other Food Related Business	-0.1	
Adjustment (elimination)	+0.9	

Seventh Medium-term Business Plan: Growth Investment

Continuing aggressive growth investment to develop the four value chains

<Seventh Medium-term Business Plan: Investment Plan Vs. Latest Forecast*1>

Cash flows from operating activities

Domains for Investment

<Initial plan>

70.0 billion yen

- Growth domains*2 40.0 billion yen
- Existing domains 20.0 billion yen
- DX / Environment 10.0 billion yen

70.0
billion yen

Cash flows from operating activities

Domains for Investment

<Latest Forecast>

57.1 billion yen

- Growth domains*2 46.9 billion yen
- Existing domains 16.1 billion yen
- DX / Environment 5.8 billion yen

68.7
billion yen

Cash on hand will be applied to cover any shortfall.

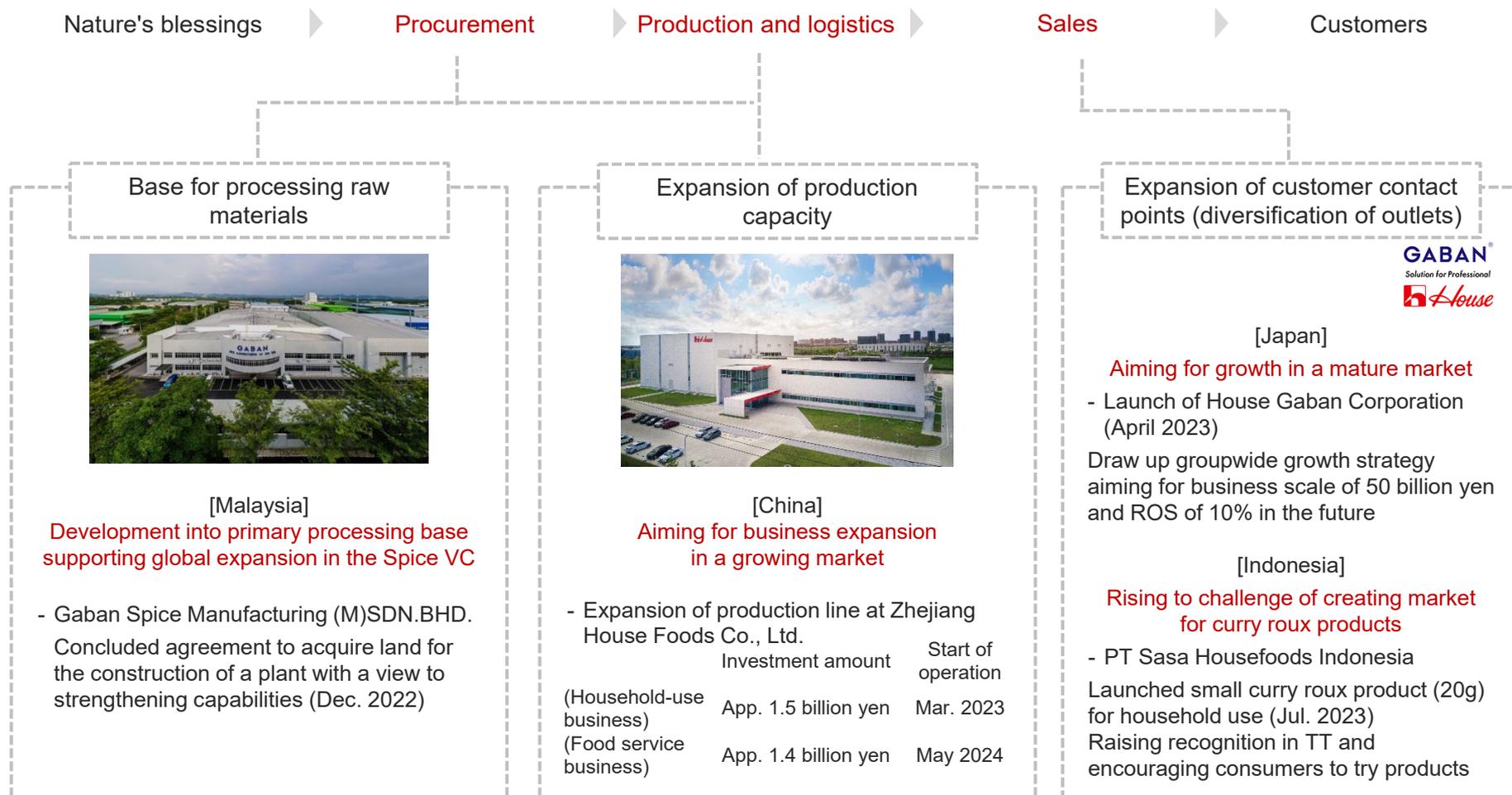
*1 Excludes Ichibanya Co., Ltd.

*2 Production optimization GOT, International Business, M&A and new business domains

Investment for Development of Four Value Chains (Spice VC)

Strengthening the Spice VC through expansion of customer contact points and production capacity and group-wide utilization of primary processing capabilities

<House Foods Group's Value Chain>



Investment for Development of Four Value Chains (Soybean VC)

Aiming to accelerate expansion into the mainstream market and to increase presence in PBF market, with focus on tofu

<Sales growth projection>

(1): Meeting strong demand in tofu market

(2): Establishing unique position in PBF market



<New production lines and refrigeration equipment at LA Plant>

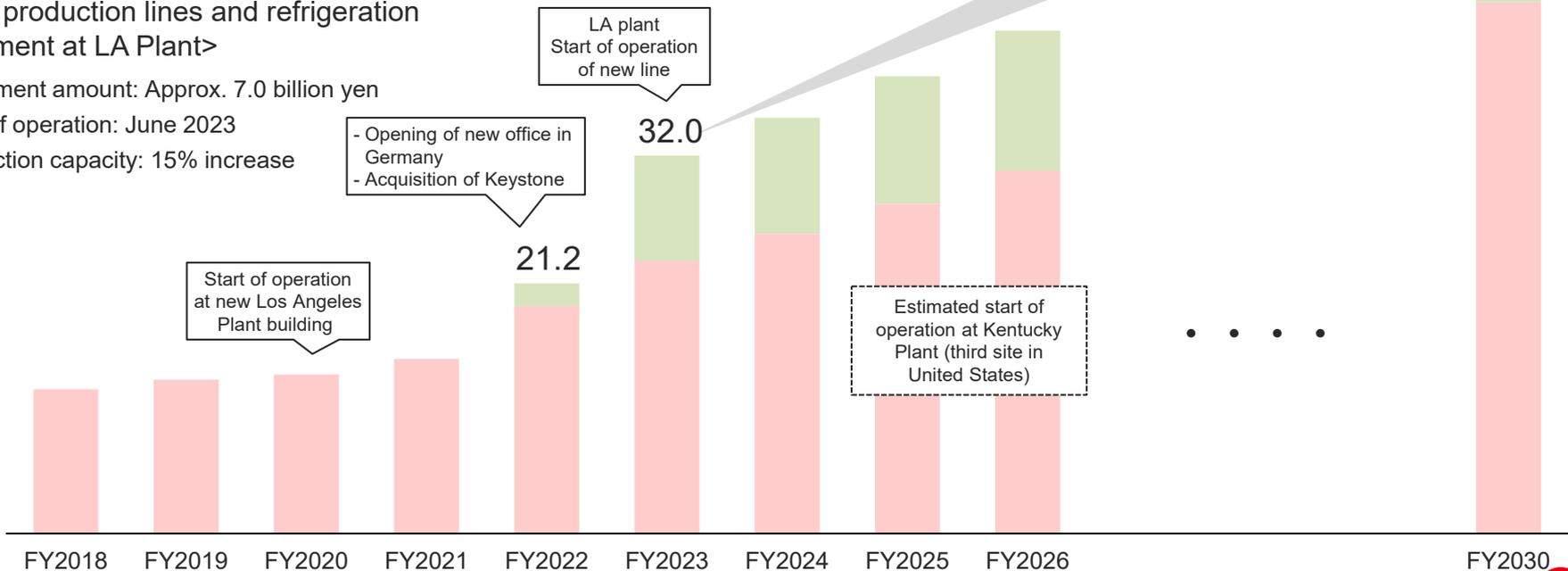
- Investment amount: Approx. 7.0 billion yen
- Start of operation: June 2023
- Production capacity: 15% increase



<Strengthening business of Keystone>

- Topline growth through more new customer acquisitions
- Improvement in efficiency of purchasing and logistics costs and indirect costs

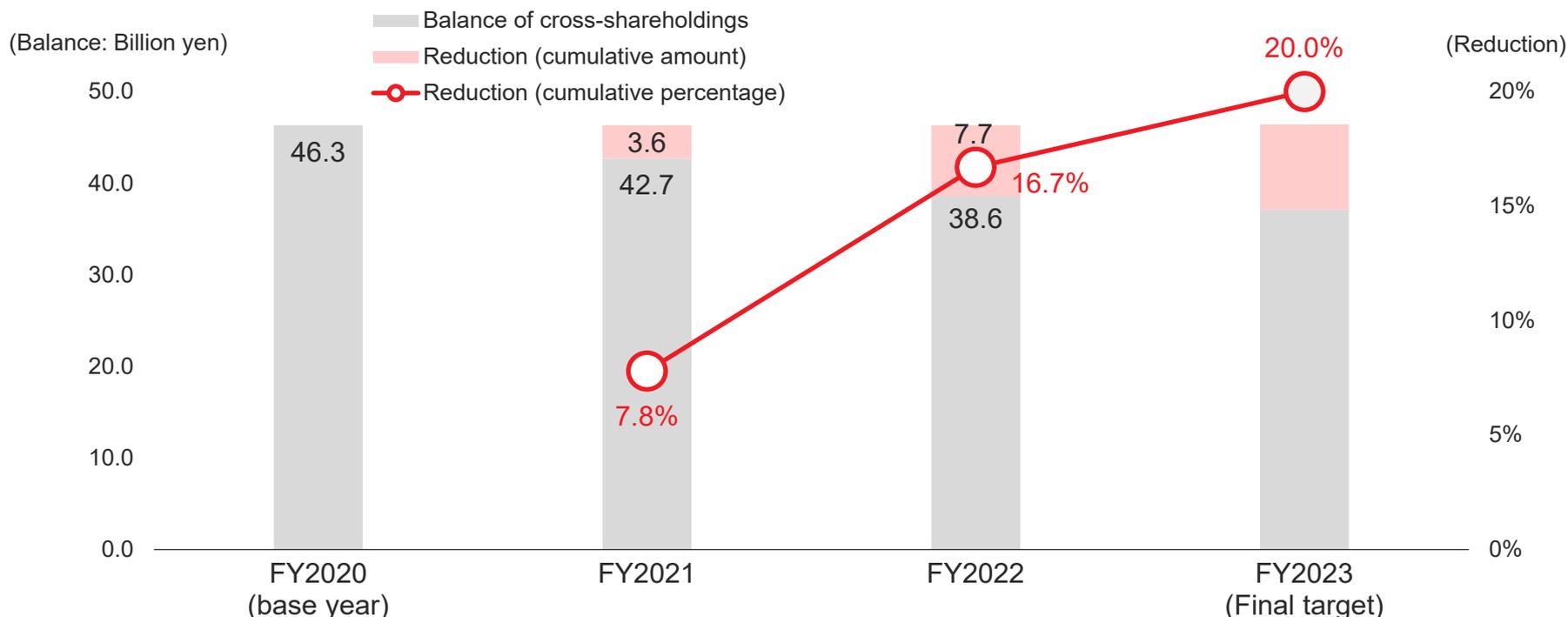
CAGR 10%



Financial Strategy (Reduction of Cross-Shareholdings)

Making reductions continuously based on an assessment of the purpose of cross-shareholdings
 Reduced by 7.8% in FY2021 (first year) and
 by **8.9%** in FY2022 (second year) (cumulative reduction of **16.7%**)
 Expect to achieve Seventh Medium-term Business Plan target reduction of 20%

<Status of reduction of cross-shareholdings> * Reduction amount is calculated based on market value as of end of FY2020.



Funds obtained through the reduction of cross-shareholdings are used to fund the acquisition of treasury shares and we plan to acquire treasury shares of 12 billion yen over the 3 years of the Seventh Medium-term Business Plan.

Treasury shares of 10 billion yen already acquired over the course of 2 years

* FY2021: 4 billion yen, FY2022: 6 billion yen

Part: 2

FY2022 Results

Consolidated Results for FY2022

FY2022 Results

- Net sales: Increased, partly due to the recovery of sales in each business associated with the resumption of economic activity, and price revisions
- Operating profit: Declined, significantly affected by the sharp rise in raw material prices in the Spice/Seasoning/Processed Food Business

Billion yen	FY2021		FY2022		FY2022		Year on year		Comparison with revised targets	
	Results	Comparis on with net sales	Revised targets	Comparis on with net sales	Results	Comparis on with net sales	Increase/ Decrease	%	Increase/ Decrease	%
Net sales	253.4	–	275.3	–	275.1	–	+21.7	+8.6%	-0.2	-0.1%
Operating profit	19.2	7.6%	16.0	5.8%	16.6	6.0%	-2.6	-13.5%	+0.6	+3.9%
EBITDA*1	30.1	11.9%	27.7	10.1%	28.5	10.4%	-1.6	-5.3%	+0.8	+2.9%
Ordinary profit	21.1	8.3%	17.9	6.5%	18.3	6.6%	-2.9	-13.6%	+0.4	+2.0%
Profit attributable to owners of parent	14.0	5.5%	11.1	4.0%	13.7	5.0%	-0.3	-1.8%	+2.6	+23.5%

*1 EBITDA: Operating profit (before amortization of goodwill) + Depreciation

Results for FY2022 by Segment

FY2022 Results

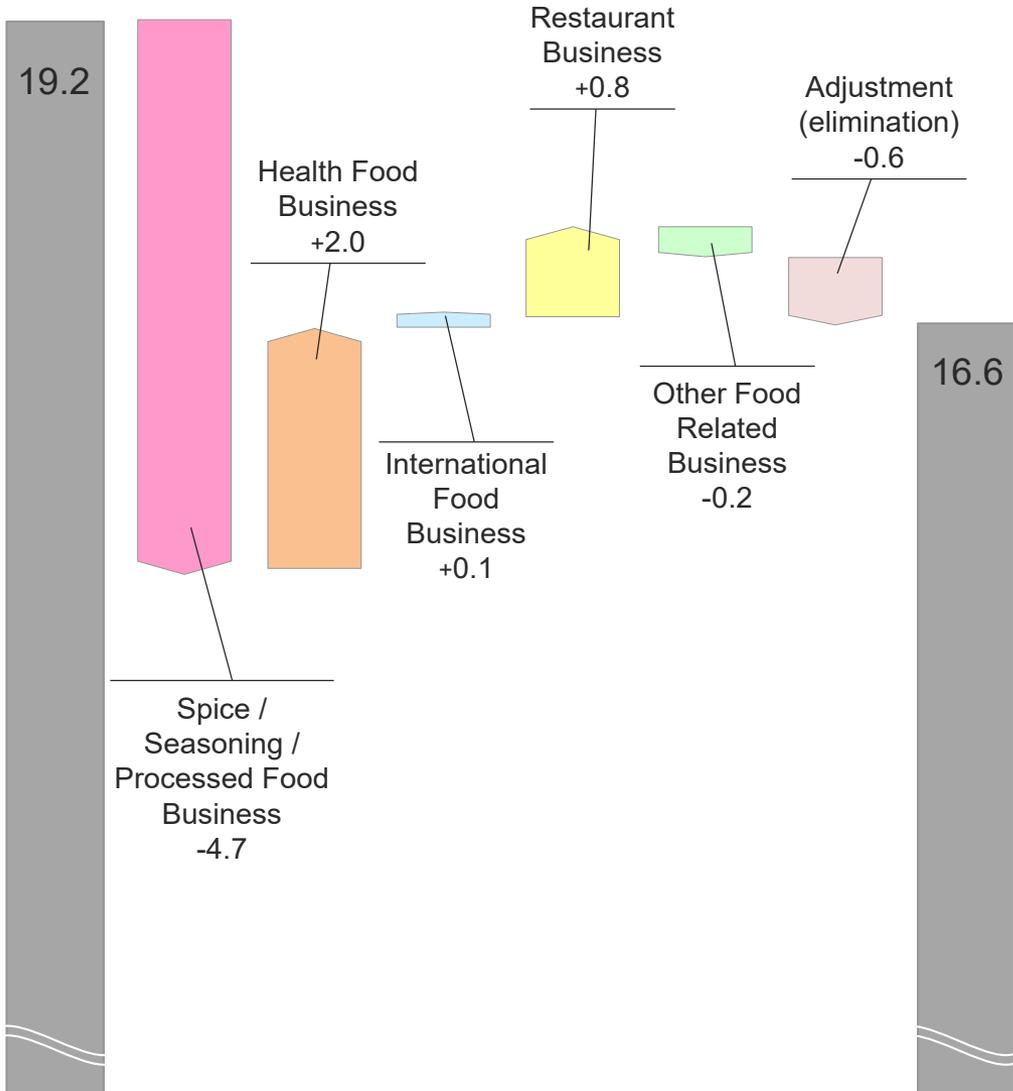
Billion yen	Net sales				Operating profit				ROS		EBITDA margin	
	Results	Year on year		Comparison with revised targets	Results	Year on year		Comparison with revised targets	Results	Year on year	Results	Year on year
Consolidated	275.1	+21.7	+8.6%	-0.2	16.6	-2.6	-13.5%	+0.6	6.0%	-1.5pt	10.4%	-1.5pt
Spice / Seasoning / Processed Food Business	119.8	+2.4	+2.0%	-3.1	7.9	-4.7	-37.3%	-0.9	6.6%	-4.1pt	10.9%	-4.0pt
Health Food Business	16.5	+2.1	+14.5%	+0.0	1.9	+2.0	—	+0.5	11.5%	+12.5pt	14.7%	+11.0pt
International Food Business	48.9	+9.8	+25.0%	+0.2	5.4	+0.1	+2.3%	-0.0	11.0%	-2.4pt	15.6%	-1.6pt
Restaurant Business	48.4	+2.9	+6.5%	+1.1	2.3	+0.8	+51.0%	+0.6	4.7%	+1.4pt	10.6%	+1.2pt
Other Food Related Business	50.7	+5.1	+11.3%	+1.8	1.2	-0.2	-16.6%	+0.0	2.4%	-0.8pt	3.4%	-0.9pt
Adjustment (elimination)	-9.2	-0.6	—	-0.2	-2.1	-0.6	—	+0.4	—	—	—	—

- Spice / Seasoning / Processed Food Business
- Price revisions were phased in from June. Although the price revisions failed to offset the cost increases on a single fiscal year basis, sales of products subject to revisions recovered largely as anticipated.
 - In the Food Service Business, efforts were focused on integration preparations for the startup of House Gaban.
- Health Food Business
- Sales of jelly products, especially *Ichinichibun No Vitamin*, grew. In addition to expansion of customer contact points, there was also special demand for people recovering from COVID-19.
 - The segment achieved operating profit for the first time in three years, with structural reform, the growth of the vitamin business, and increased sales of *Ukon No Chikara* contributing to improvement in earnings.
- International Food Business
- [United States] Increased profit in the tofu business, reflecting improvement in profitability as a result of price revisions, was offset by the impact of the cost of acquisition of Keystone and goodwill amortization costs.
 - [China] Household use business drove overall growth in the China business, reflecting the completion of price revisions on the back of improvement in the appeal of curry menu options.
 - [Thailand] Efforts were made to leverage the 10th anniversary of *C-vitt* to increase brand loyalty. Business in Thailand faced an uphill struggle in 2H amid changing people flows post COVID.
- Restaurant Business
- Net sales of existing domestic stores exceeded the level a year earlier both before and after price revisions amid gradual recovery in footfall. Business overseas was seriously affected by China's zero COVID policy.
- Adjustment (elimination)
- Costs increased reflecting the expansion of personnel for the development of the four value chains, among other factors.

Operating Profit Change Analysis

FY2022 Results

◆ Factors of changes by business segment (Billion yen)



	1H	2H	Full year
Spice / Seasoning / Processed Food Business	-2.2	-2.5	-4.7
- Change in sales	+0.5	+1.2	+1.7
- Change in cost of sales ratio	-2.2	-1.8	-4.0
- Marketing costs	-0.2	-0.8	-1.0
- Other expenses	-0.1	-0.7	-0.8
- Gaban and other affiliated companies, adjustment	-0.2	-0.4	-0.7
Health Food Business	+1.4	+0.6	+2.0
- Change in sales	+0.9	+0.3	+1.2
- Change in cost of sales ratio	+0.1	+0.0	+0.1
- Marketing costs	+0.2	+0.3	+0.5
- Other expenses	+0.3	-0.1	+0.2
International Food Business	-0.1	+0.2	+0.1
- Business in the United States	-0.2	-0.1	-0.2
(Keystone goodwill/one-time expenses)	-	(-0.7)	(-0.7)
- Business in China	-0.1	+0.3	+0.3
- Businesses in Southeast Asia	+0.3	+0.0	+0.3
- Exports and others	-0.1	-0.1	-0.3
Restaurant Business	+0.1	+0.6	+0.8
- Ichibanya Co., Ltd. (consolidated)	+0.1	+0.6	+0.8
Other Food Related Business	-0.3	+0.0	-0.2
- Delica Chef Corporation	-0.3	+0.0	-0.3
- Vox Trading Co., Ltd. (consolidated)	+0.0	+0.0	+0.0
Adjustment (elimination)	-0.3	-0.2	-0.6
Changes in operating profit	-1.4	-1.2	-2.6

FY2021

FY2022

Overview of Non-operating Income and Expenses and Extraordinary Income and Losses

FY2022 Results

Billion yen	FY2021	FY2022	Year-on-year change	Main factors
Operating profit	19.2	16.6	-2.6	
Non-operating Income and Expenses	1.9	1.6	-0.3	- Decrease in payments for cooperation with temporary closures and shorter opening hours at Ichibanya
Ordinary profit	21.1	18.3	-2.9	
Extraordinary income and losses	2.2	3.0	+0.8	- Increase in gain on sales of non-current assets, etc.
Profit before income taxes	23.4	21.3	-2.1	
Income taxes	7.5	5.8	-1.7	
Profit attributable to non-controlling interests	1.9	1.8	-0.1	
Profit attributable to owners of parent	14.0	13.7	-0.3	

Part: 3

Full-Year Plan for
FY2023

Consolidated Results Forecast for FY2023

Full-Year Plan for FY2023

Billion yen	FY2022		FY2023		Year on year		Final year of Seventh Medium-term Business Plan (FY2023)	
	Results	Comparison with net sales	Forecast	Comparison with net sales	Increase/Decrease	%	Target	Increase/Decrease
Net sales	275.1	–	304.8	–	+29.7	+10.8%	305.0	-0.2
Operating profit	16.6	6.0%	20.0	6.6%	+3.4	+20.3%	26.0	-6.0
EBITDA*1	28.5	10.4%	33.6	11.0%	+5.1	+17.9%	40.4	-6.8
Ordinary profit	18.3	6.6%	20.9	6.9%	+2.6	+14.5%		
Profit attributable to owners of parent	13.7	5.0%	17.5	5.7%	+3.8	+27.7%		

- Net sales: Expected to increase due to timely pricing policy, stimulation of demand, expansion in production capacity overseas and other factors.
- Operating profit: Profitability is expected to recover through measures to counter rising costs due to inflation.
- Profit: Expected to increase, partly due to the recording of extraordinary income accompanied by the revision of the retirement benefit plan in addition to recovery of profitability.

*1 EBITDA: Operating profit (before amortization of goodwill) + Depreciation

House Foods Corporation revised its retirement benefit plan.
As a result of this revision, a gain on revision of retirement benefit plan of approx. 7.0 billion yen is expected to be recorded under extraordinary income.

◆ Impact on consolidated results

Billion yen	FY2023	Details
Operating profit	-0.6	- Increase in retirement benefit expenses
Ordinary profit	-0.6	
Extraordinary income	+7.0	- Recording on gain on revision of retirement benefit plan
Profit before income taxes	+6.4	
Income taxes	-2.0	
Profit attributable to owners of parent	+4.4	

◆ Treatment of the extraordinary income

Given that the extraordinary income is one-time income arising from accounting procedures and is not accompanied by an actual increase in funds, in light of the Company's dividend policy, the Company will not include the extraordinary income in the calculation of dividends for FY2023.

Forecast by Segment for FY2023

Full-Year Plan for FY2023

Billion yen	Net sales			Operating profit			ROS		EBITDA margin	
	Forecast	Year on year		Forecast	Year on year		Forecast	Year on year	Forecast	Year on year
Consolidated	304.8	+29.7	+10.8%	20.0	+3.4	+20.3%	6.6%	+0.5pt	11.0%	+0.7pt
Spice / Seasoning / Processed Food Business	130.7	+10.9	+9.1%	10.7	+2.8	+35.2%	8.2%	+1.6pt	12.1%	+1.2pt
Health Food Business	17.7	+1.2	+7.1%	2.0	+0.1	+4.8%	11.3%	-0.2pt	13.7%	-1.0pt
International Food Business	61.4	+12.5	+25.6%	5.4	+0.0	+0.6%	8.8%	-2.2pt	15.3% *	-0.3pt
Restaurant Business	53.0	+4.6	+9.6%	3.0	+0.7	+32.3%	5.7%	+1.0pt	11.4%	+0.7pt
Other Food Related Business	52.2	+1.5	+3.0%	1.5	+0.3	+21.5%	2.9%	+0.4pt	3.9%	+0.4pt
Adjustment (elimination)	-10.2	-1.0	—	-2.6	-0.5	—	—	—	—	—

Spice / Seasoning / Processed Food Business	<ul style="list-style-type: none"> - House Foods: Make price revisions for a second consecutive year. Seek to speed up the recovery of demand through the deployment of effective marketing measures. - House Gaban: Seek growth in the food service business as a company with an extensive product lineup and the ability to propose solutions to meet specific needs.
Health Food Business	<ul style="list-style-type: none"> - Implement initiatives to sustainably generate profit in the domestic business and develop the Functional Ingredients VC globally. - Strengthen brand power in the vitamin business and establish business in the B to B (feed and raw materials) domain overseas in the lactobacillus business.
International Food Business	<p>[United States] Strengthen production structure and business base to support expansion in demand, and return Keystone to profitability.</p> <p>[China] Household use business: Strengthen sales to areas and cities where there is wide scope for sales and strengthen production structure to drive growth. Food service business: Focus on developing new business through sales of raw materials for CVS and retailers.</p> <p>[Thailand] Implement marketing strategies in line with market changes.</p>
Restaurant Business	<ul style="list-style-type: none"> - Expected to post gains in sales and profit through expansion of sales (106% of previous year level at existing stores) as a result of firm establishment of new prices at domestic stores and recovery of business overseas. - Strengthen marketing measures and take on challenge of new business formats.
Adjustment (elimination)	<ul style="list-style-type: none"> - Expand personnel in strategic areas for development of four value chains.

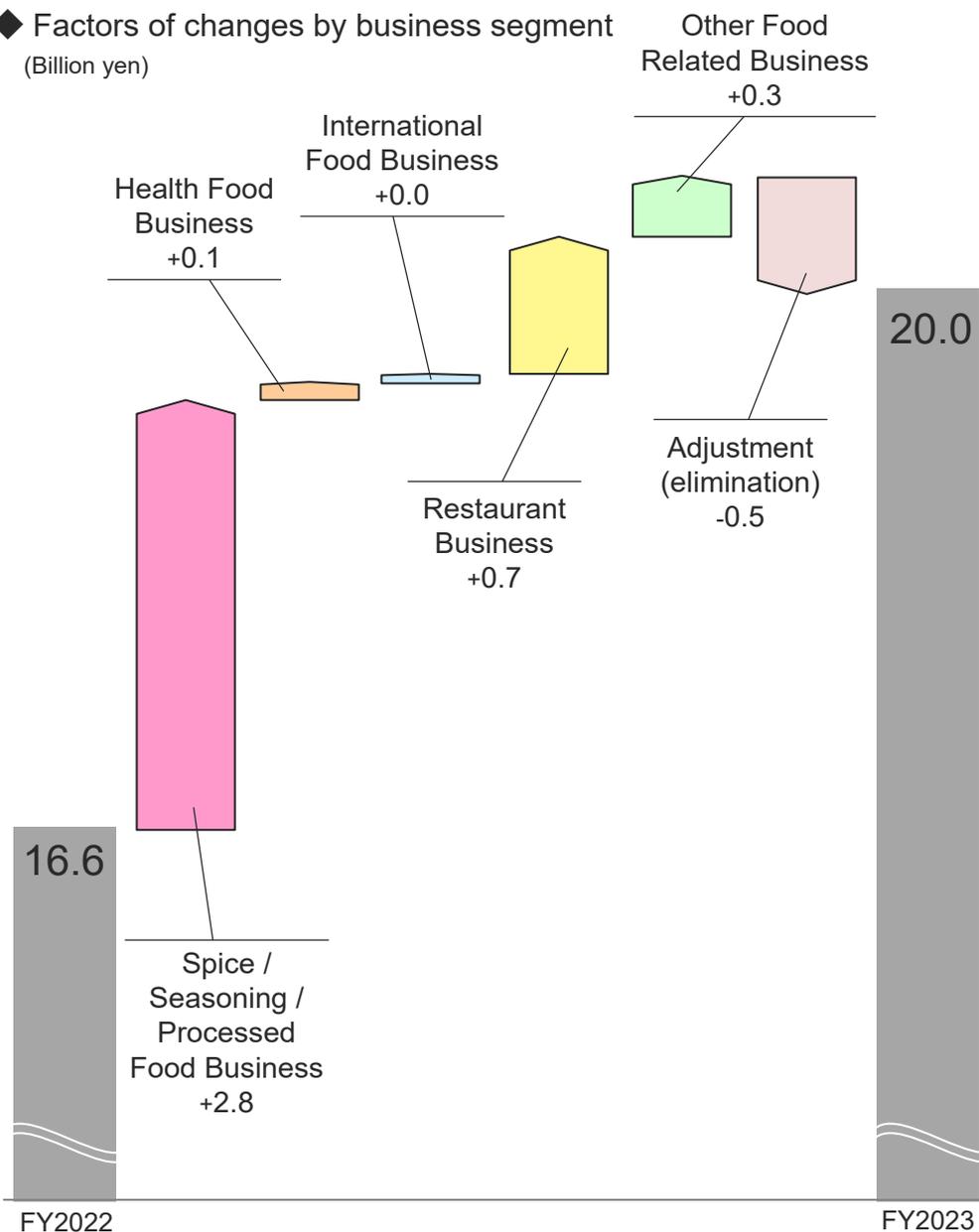
* Goodwill related to Keystone in the United States: 95 million US dollars; to be amortized over a period of 10 years.

This is provisional amount as fair price evaluation and examination of PPA is still underway (goodwill amortization in FY2023: approx. 1.4 billion yen).

Operating Profit Change Analysis for FY2023

Full-Year Plan for FY2023

◆ Factors of changes by business segment (Billion yen)

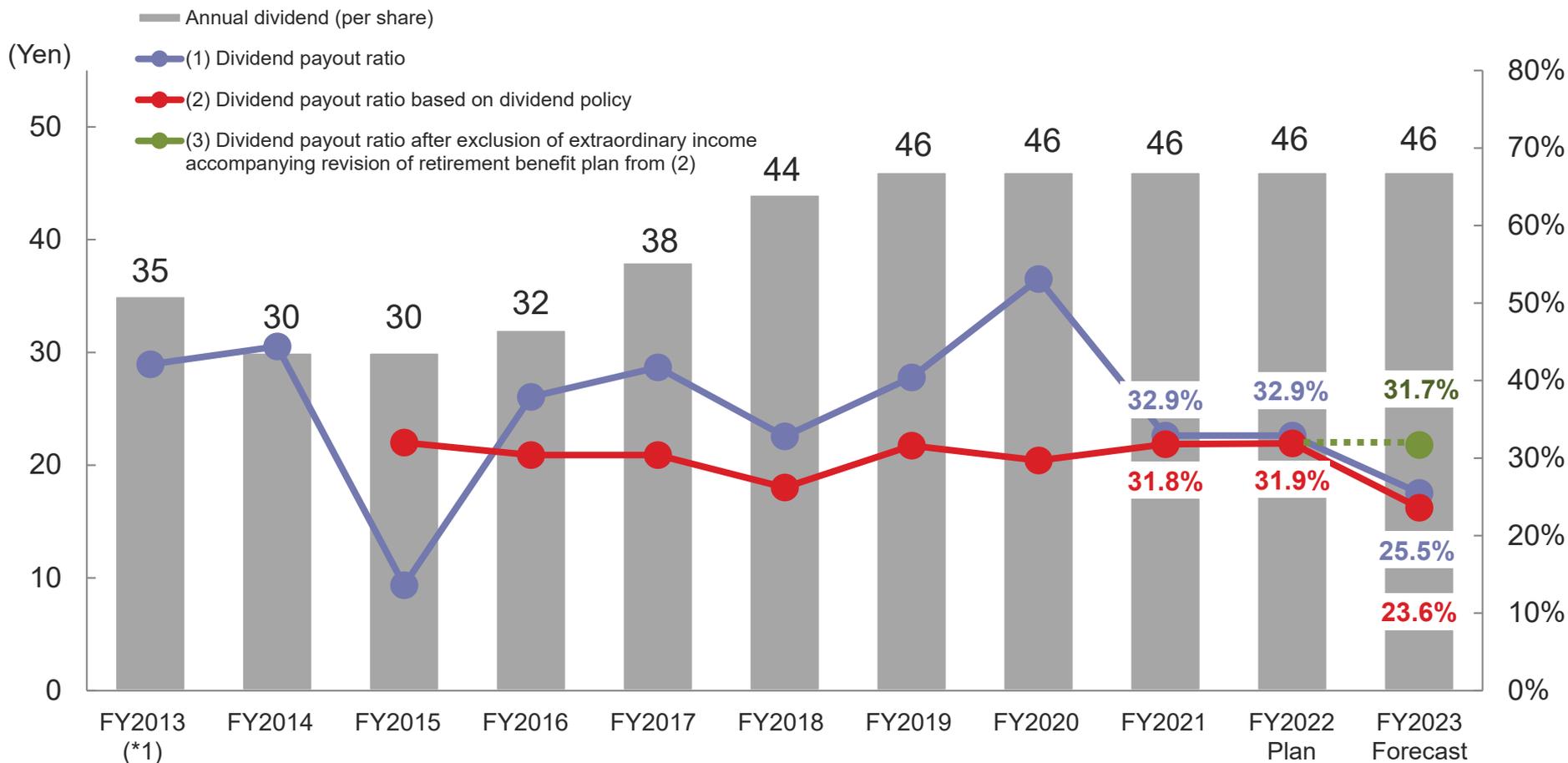


	Billion yen	Increase/ Decrease
Spice / Seasoning / Processed Food Business		+2.8
- Change in sales		+2.3
- Change in cost of sales ratio		-0.5
- Marketing costs		-0.0
- Other expenses		+0.5
- House Gaban and other affiliated companies, adjustment		+0.5
Health Food Business		+0.1
- Change in sales		+0.6
- Change in cost of sales ratio		-0.3
- Marketing costs		-0.2
- Other expenses		-0.0
International Food Business		+0.0
- Business in the United States		+0.1
(Keystone goodwill)		(-1.0)
- Business in China		+0.4
- Businesses in Southeast Asia		-0.5
Restaurant Business		+0.7
- Ichibanya Co., Ltd. (consolidated)		+0.7
Other Food Related Business		+0.3
- Delica Chef Corporation		+0.2
- Vox Trading Co., Ltd. (consolidated)		+0.1
Adjustment (elimination)		-0.5
Changes in operating profit		+3.4

In FY2023, the Company will continue to pay a stable dividend with a payout ratio of at least 30%, excluding the extraordinary income accompanying the revision of the retirement benefit plan.

◆ Dividend Policy

To maintain stable dividends, with a dividend payout ratio of at least 30% on a consolidated basis excluding the effects of extraordinary income/losses arising from business combination and the amortization of goodwill as a standard.

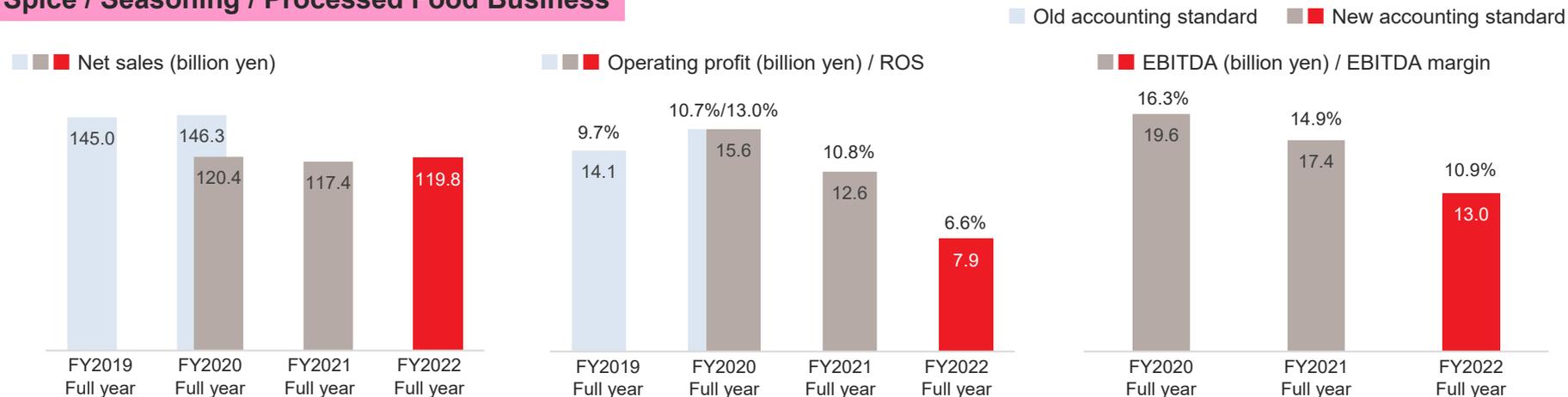


*1 FY2013: Includes an additional 5 yen dividend to commemorate the Company's 100th anniversary.

Appendix

Supplementary Materials

Spice / Seasoning / Processed Food Business



- Price revisions were phased in from June. Although the price revisions failed to offset the cost increases on a single fiscal year basis, sales of products subject to revisions recovered largely as anticipated.
- The food service business showed tendency towards recovery due to the resumption of economic activity. Preparations were made to achieve post-integration business growth at newly formed House Gaban.

- House Foods Corporation:
- Concentrated on establishing new prices for curry roux products after price revisions. Despite a drop in sales following temporary decline in shipments after the revisions, measures to stimulate growth from 4Q proved successful and sales recovered.
 - Sales of retort pouched products grew, driven by lower priced products. Spice products handled increased despite the absence of COVID-related demand.
 - Sales staged recovery, driven by sales to general restaurants alongside the resumption of economic activity.
- Gaban Co., Ltd.:
- Profit fell due to initial investment associated with the startup of House Gaban, rising raw material costs, and higher procurement costs due to a weaker yen.

<Net sales by operating company>

<House Foods Corp. Net sales by major product category>*2

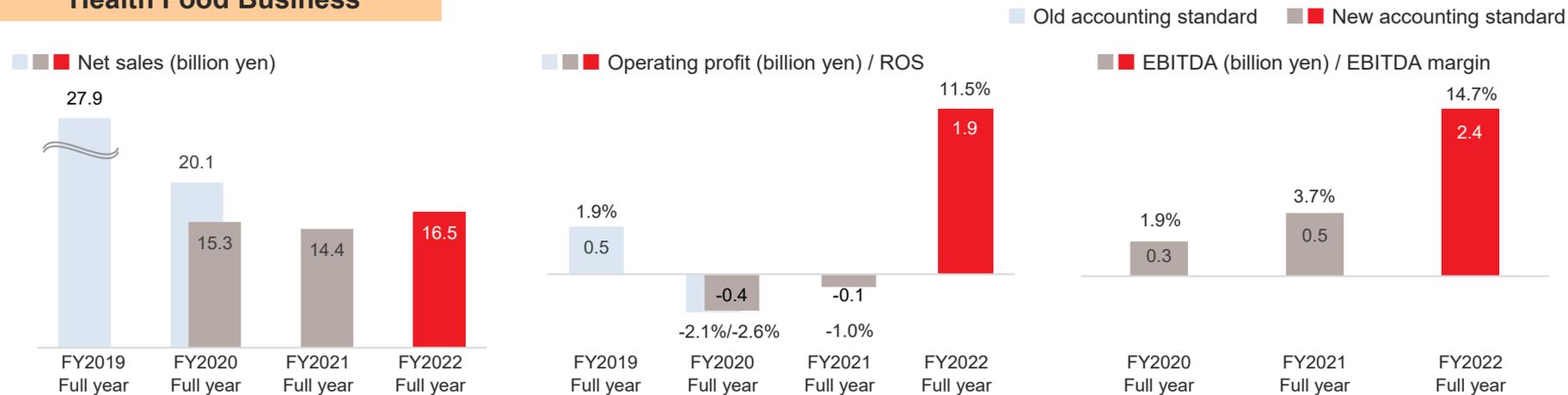
	House Foods Corp. (consolidated)*1	Gaban Co., Ltd. (non-consolidated)	Curry roux	Stew roux	Spice	Total of retort pouched products*3	Food service products
Net sales	110.6 billion yen	8.8 billion yen	35.8 billion yen	12.3 billion yen	21.4 billion yen	20.5 billion yen	16.9 billion yen
Year-on-year change	+1.3%	+7.0%	-1.8%	-0.2%	-0.2%	+8.4%	+8.3%

*1 Excludes House Wellness Foods products (Health Food Business) and exported products (International Food Business)

*2 Reference value based on shipments

*3 Total of retort pouched curry, retort pouched hashed beef sauce retort pouched stew, and pasta sauce

Health Food Business



- The segment achieved operating profit for the first time in three years, with structural reform, the growth of the vitamin business, and increased sales of *Ukon No Chikara* contributing to improvement in earnings.

- Functional spice business:** - Tapped into recovery in demand for going out for drinks, with sales of *Ukon No Chikara* exceeding the level a year earlier (reaching 66% of pre-pandemic levels).
- Vitamin products business:** - Sales of jelly products expanded due to expansion in customer contact points through the integration of sales functions and product features (combining functionality with delicious flavor). There was also special demand for jelly products from local governments as food products for people recovering from COVID-19.
- Lactobacillus business:** - Shifted to structure prioritizing operations overseas to focus on overseas B to B (feed and raw materials) domain.

<Net sales by business>*

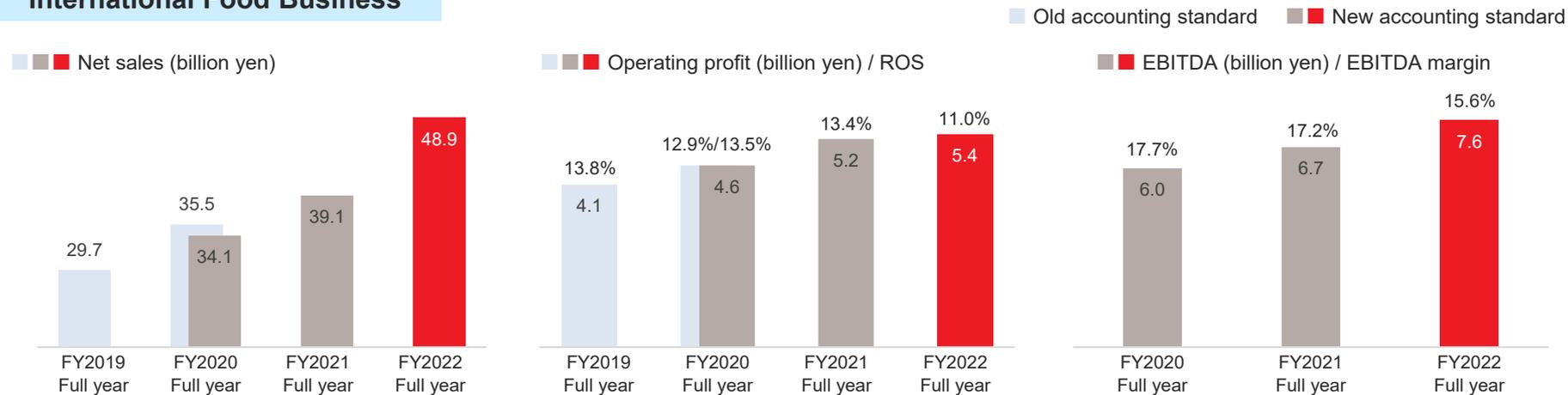
	Functional spice business	Vitamin products business	Lactobacillus business
Net sales	8.0 billion yen	9.5 billion yen	0.4 billion yen
Year-on-year change	+25.8%	+4.5%	-25.2%

<Net sales by major product category>*

Product Category	Net Sales	Year-on-year change
 Ukon No Chikara	5.5 billion yen	+35.9%
 C1000	4.2 billion yen	-1.5%
 Ichinichibun No Vitamin	4.8 billion yen	+11.0%

* Reference value based on shipments

International Food Business



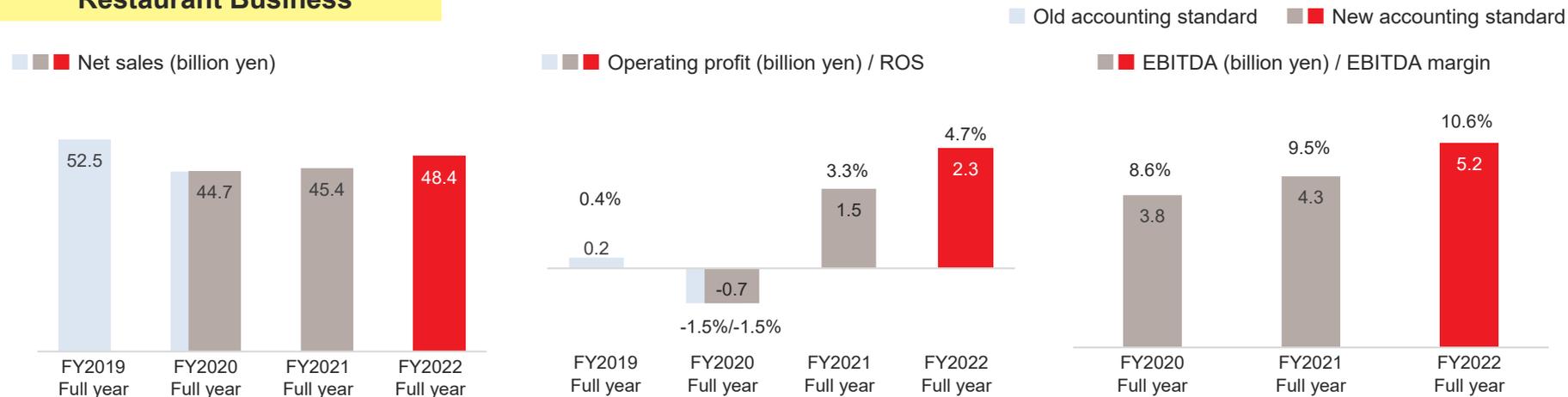
- The segment as a whole maintained growth momentum and posted gains in sales and profit despite changes in consumer trends in each area due to rapidly rising inflation.

- United States:**
 - Prices were revised twice during the fiscal year in the tofu business in response to rapid inflation. Net sales increased despite a slight decline in sales volume.
 - The Japanese imports business posted full-year results mostly unchanged year on year with the easing of supply chains disruptions in 2H.
 - The business in the United States as a whole reported decreased profit due to the recording of expenses and goodwill amortization associated with the acquisition of Keystone.
- China:**
 - Household use: Focused on meeting special demand under lockdowns in 1H and firmly establishing new selling prices on the back of the increased appeal of curry menu options in 2H.
 - Food service use: Sales showed a tendency toward recovery, with the impact of the zero COVID policy offset by greater focus on sales of raw materials to CVS and retailers.
- Thailand:**
 - Initiatives to increase brand loyalty through promotions celebrating the 10th anniversary of *C-vitt* proved a success.
 - In 2H, the business faced an uphill struggle especially in traditional trade channels, reflecting an influx of people to urban areas after COVID.

Net sales by business	Business in the United States		Business in China	Businesses in Southeast Asia	
	Overall	Tofu business		Overall	Functional drinks business in Thailand
Net sales	21.2 billion yen	17.8 billion yen	10.7 billion yen	12.1 billion yen	11.4 billion yen
Year-on-year change	+43.3%	+30.9%	+24.8%	+11.4%	+9.1%
Local currency basis	+19.7%	+9.4%	+9.5%	-	±0.0%



Restaurant Business



- Both net sales and operating profit exceeded levels a year earlier despite persistently difficult conditions, including rising raw material costs.
- Enhanced initiatives to meet need for greater convenience including increasing menu variations and introducing mobile ordering.

- Japan:
- Expanded menu variations, held collaborative campaigns and promoted limited-time-only menus.
 - Net sales at existing stores exceeded the year-ago level both before and after price revisions, reflecting a gradual recovery in footfall after the lifting of restrictions (shorter operating hours).
- Overseas:
- Net sales at existing stores held firm, although business conditions varied in each area.
 - Profit fell, severely impacted by China's zero COVID strategy.

<Attempt at new business format>

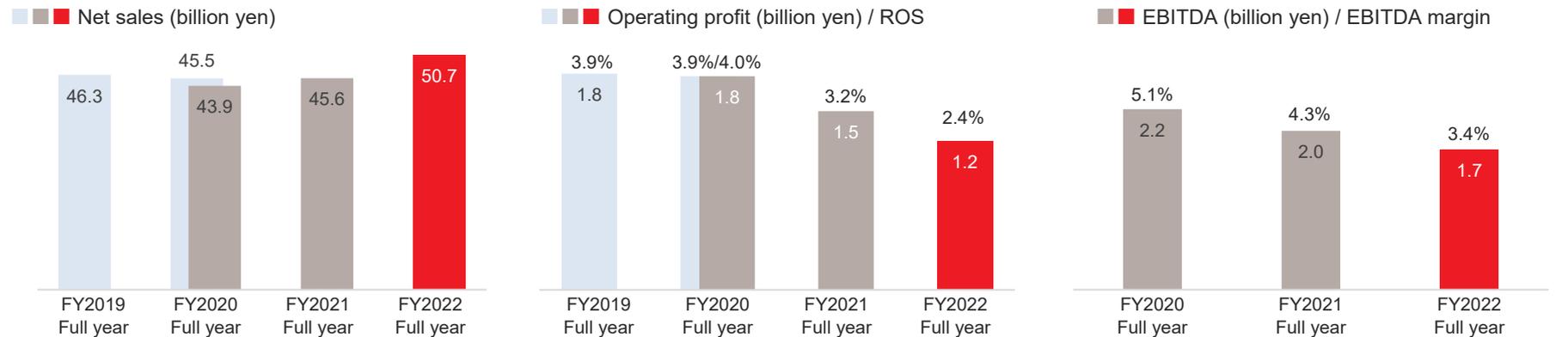
<Changes in net sales and number of stores of Ichibanya Co., Ltd.>

Year-on-year change	All restaurants	Existing restaurants			Number of stores	
	Net sales	Net sales	Number of customers	Average sales per customer	All business categories	Increase/decrease from end of FY2021
Japan	+5.6%	+6.6%	+2.8%	+3.7%	1,247	-12
Overseas	+13.4%	+9.0%	-	-	208	+6



SPICE UP! COCOICHI BAKERY

Other Food Related Business



Delica Chef Corporation: Net sales were mostly unchanged year on year due to solid performances in desserts and baked bread; however, profit declined due to rising raw material prices and increased manufacturing costs.

Vox Trading Co., Ltd.: Both sales and profit increased, reflecting the firm establishment of price revisions and strong sales of exported products.

<Net sales by operating company>



Delica Chef Corporation

Net sales 19.3 billion yen

Year-on-year change -0.6%

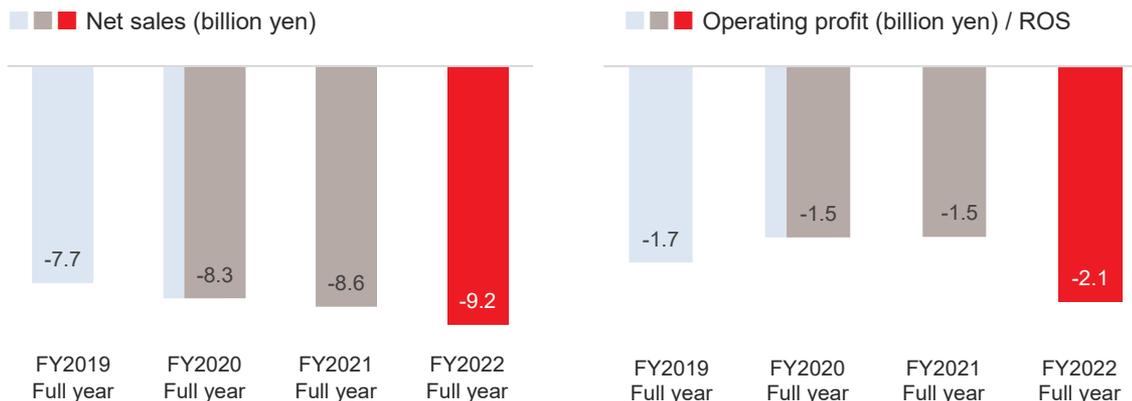


Vox Trading Co., Ltd. (consolidated)

Net sales 29.6 billion yen

Year-on-year change +20.9%

Adjustment (elimination)



Head office costs: Costs increased, mainly reflecting expansion of personnel for development of the four value chains.

Results by Segment (1H, 2H, Full-year)

Supplementary Materials

Billion yen		1H		2H		Full year	
		Results	Year on year	Results	Year on year	Results	Year on year
Consolidated	Net sales	133.8	+9.7	141.2	+12.0	275.1	+21.7
	Operating profit	7.6	-1.4	9.0	-1.2	16.6	-2.6
	EBITDA	13.1	-1.1	15.4	-0.5	28.5	-1.6
Spice / Seasoning / Processed Food Business	Net sales	58.0	+1.0	61.8	+1.3	119.8	+2.4
	Operating profit	3.2	-2.2	4.7	-2.5	7.9	-4.7
	EBITDA	5.7	-2.0	7.4	-2.4	13.0	-4.4
Health Food Business	Net sales	8.5	+0.5	8.0	+0.6	16.5	+2.1
	Operating profit	1.1	+1.4	0.8	+0.6	1.9	+2.0
	EBITDA	1.3	+1.3	1.1	+0.6	2.4	+1.9
International Food Business	Net sales	22.6	+3.2	26.3	+6.6	48.9	+9.8
	Operating profit	3.1	-0.1	2.3	+0.2	5.4	+0.1
	EBITDA	4.0	+0.0	3.7	+0.9	7.6	+0.9
Restaurant Business	Net sales	22.9	+0.8	25.4	+2.1	48.4	+2.9
	Operating profit	0.6	+0.1	1.6	+0.6	2.3	+0.8
	EBITDA	2.1	+0.1	3.1	+0.7	5.2	+0.8
Other Food Related Business	Net sales	26.4	+3.5	24.3	+1.6	50.7	+5.1
	Operating profit	0.5	-0.3	0.7	+0.0	1.2	-0.2
	EBITDA	0.8	-0.3	1.0	+0.0	1.7	-0.2
Adjustment (elimination)	Net sales	-4.7	-0.4	-4.5	-0.3	-9.2	-0.6
	Operating profit	-0.9	-0.3	-1.1	-0.2	-2.1	-0.6

Trends by Business

Supplementary Materials

Net sales YoY change (billion yen/%)			1H			2H			Full year		
			Results	Year on year		Results	Year on year		Results	Year on year	
Spice / Seasoning / Processed Food Business	Curry roux	*	18.4	-0.0	-0.1%	17.4	-0.6	-3.6%	35.8	-0.7	-1.8%
	Retort pouched curry	*	9.2	+0.8	+9.2%	8.7	+0.6	+6.9%	17.8	+1.3	+8.0%
House Foods Corporation	Spice	*	10.8	-0.4	-3.5%	10.6	+0.3	+3.4%	21.4	-0.0	-0.2%
	Food service products	*	8.1	+0.7	+9.7%	8.8	+0.6	+7.0%	16.9	+1.3	+8.3%
Health Food Business	<i>Ukon No Chikara</i>	*	2.5	+1.0	+62.0%	3.0	+0.5	+19.7%	5.5	+1.4	+35.9%
House Wellness Foods Corporation	<i>C1000</i>	*	2.3	+0.0	+0.7%	1.9	-0.1	-4.1%	4.2	-0.1	-1.5%
	<i>Ichinichibun No Vitamin</i>	*	2.6	+0.4	+17.1%	2.1	+0.1	+4.2%	4.8	+0.5	+11.0%
International Food Business	Business in the United States		8.9	+1.5	+20.9% (+5.3%)	12.2	+4.9	+65.7% (+34.7%)	21.2	+6.4	+43.3% (+19.7%)
Top line: Japanese yen basis Bottom line: Local currency basis	Year-on-year change										
	Business in China		4.9	+0.6	+14.5% (+0.3%)	5.8	+1.5	+35.1% (+19.3%)	10.7	+2.1	+24.8% (+9.5%)
	Business in Thailand		6.2	+0.9	+17.0% (+11.3%)	5.3	+0.1	+1.0% (-11.0%)	11.4	+1.0	+9.1% (±0.0%)
Restaurant Business	Ichibanya Co., Ltd. (consolidated)		22.9	+0.9	+4.2%	25.4	+2.3	+10.2%	48.3	+3.3	+7.3%
	Ichibanya Co., Ltd. (non-consolidated)		19.8	+0.7	+3.5%	21.0	+1.3	+6.8%	40.8	+2.0	+5.2%
Other Food Related Business	Delica Chef Corporation		9.7	+0.1	+0.9%	9.5	-0.2	-2.1%	19.3	-0.1	-0.6%
	Vox Trading Co., Ltd. (consolidated)		15.8	+3.4	+27.3%	13.9	+1.7	+14.4%	29.6	+5.1	+20.9%

* Results by product are based on shipments and are for reference only.

Net Sales by Region

Supplementary Materials

		Based on current accounting standards						Based on new accounting standards				
		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2020	FY2021	FY2022		
									Full year	1H	Full year	
Consolidated	Billion yen	241.9	283.8	291.9	296.7	293.7	283.8	250.1	253.4	133.8	275.1	
Japan	Billion yen	215.7	254.2	257.2	258.6	252.8	238.8	206.5	203.0	105.1	213.4	
Overseas	United States	Billion yen	12.6	13.2	14.0	14.9	15.2	14.8	14.8	16.9	10.2	23.8
	East Asia	Billion yen	11.3	12.1	14.2	14.8	14.9	15.7	15.1	17.8	9.3	20.4
	Southeast Asia	Billion yen	1.9	3.8	5.5	7.3	9.4	13.4	12.5	14.1	8.4	15.8
	Other	Billion yen	0.5	0.5	1.0	1.1	1.4	1.1	1.0	1.6	0.8	1.7
Composition ratio of overseas sales	%	10.8	10.4	11.9	12.9	13.9	15.8	17.4	19.9	21.5	22.4	

FY2023 Forecasts by Segment (Versus Medium-Term Business Plan Targets)

Supplementary Materials

Billion yen	Net sales			Operating profit			ROS		EBITDA margin	
	FY2023 Forecast	Comparison with Seventh Medium-term Business Plan Target		FY2023 Forecast	Comparison with Seventh Medium-term Business Plan Target		FY2023 Forecast	Comparison with Seventh Medium-term Business Plan Target	FY2023 Forecast	Comparison with Seventh Medium-term Business Plan Target
Consolidated	304.8	-0.2	-0.1%	20.0	-6.0	-23.1%	6.6%	-2.0pt	11.0%	-2.2pt
Spice / Seasoning / Processed Food Business	130.7	-2.3	-1.7%	10.7	-4.4	-29.1%	8.2%	-3.2pt	12.1%	-3.6pt
Health Food Business	17.7	-5.1	-22.4%	2.0	+0.5	+33.3%	11.3%	+4.7pt	13.7%	+3.2pt
International Food Business	61.4	+3.9	+6.8%	5.4	-1.2	-18.2%	8.8%	-2.7pt	15.3%	-1.6pt
Restaurant Business	53.0	-4.0	-7.0%	3.0	-1.7	-36.2%	5.7%	-2.6pt	11.4%	-1.6pt
Other Food Related Business	52.2	+7.8	+17.6%	1.5	-0.1	-6.2%	2.9%	-0.7pt	3.9%	-0.9pt
Adjustment (elimination)	-10.2	-0.5	—	-2.6	+0.9	—	—	—	—	—

Key Financial Data

Supplementary Materials

Based on current
accounting standards

Based on new
accounting standards

FY2015 FY2016 FY2017 FY2018 FY2019 FY2020

FY2020 FY2021 FY2022 FY2023

Seventh Medium-
term Business
Plan

Full year Full year Forecast

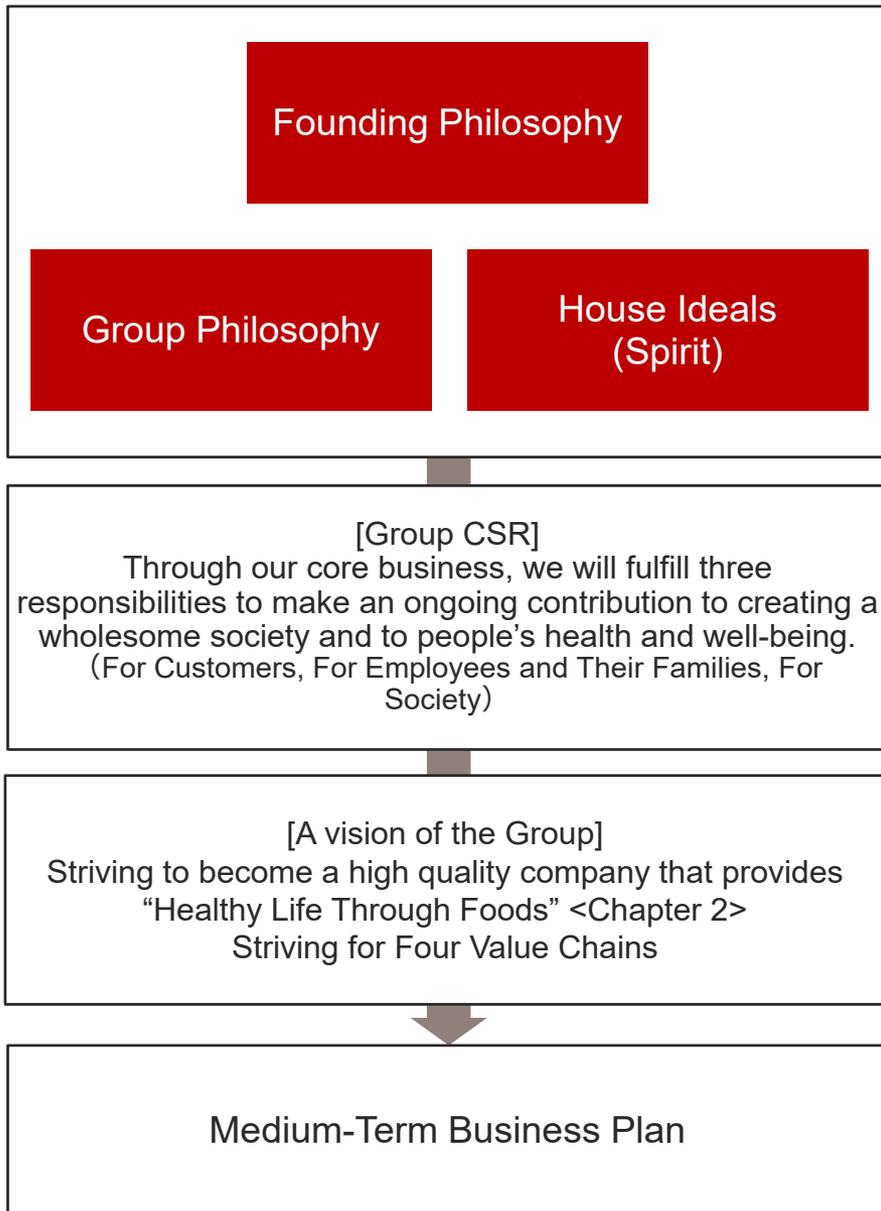
Target

		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2020	FY2021	FY2022	FY2023	Target
Net sales	Billion yen	241.9	283.8	291.9	296.7	293.7	283.8	250.1	253.4	275.1	304.8	305.0
Operating profit	Billion yen	10.8	12.3	16.3	17.6	19.0	19.4	19.4	19.2	16.6	20.0	26.0
Ordinary profit	Billion yen	12.2	14.0	17.2	19.1	20.8	19.8	19.8	21.1	18.3	20.9	—
Profit attributable to owners of parent	Billion yen	22.6	8.7	9.4	13.8	11.5	8.7	8.8	11.4	13.7	17.5	—
EBITDA	Billion yen	18.7	25.2	29.0	30.2	32.3	31.1	31.1	30.1	28.5	33.6	40.4
Capital investment	Billion yen	6.8	7.7	10.2	11.3	16.3	11.3	11.3	12.4	15.2	29.4	—
Depreciation	Billion yen	6.9	9.3	9.1	9.3	9.9	10.0	10.0	10.9	11.5	12.2	—
Cash flows from operating activities	Billion yen	12.5	21.3	23.6	20.9	24.2	23.2	23.2	16.1	19.5	—	—
Cash flows from investing activities	Billion yen	-8.3	-2.2	-13.7	-1.0	-6.4	-8.6	-8.6	-10.4	-21.5	—	—
Cash flows from financing activities	Billion yen	-3.7	-7.4	-5.3	-17.3	-7.6	-6.2	-6.2	-10.1	-12.7	—	—
Total assets	Billion yen	349.4	353.9	378.9	371.0	367.2	369.2	396.3	382.0	396.7	405.5	—
Net assets	Billion yen	260.3	266.6	283.7	279.1	280.9	287.3	286.9	298.6	301.3	309.8	—
Shareholders' equity	Billion yen	228.8	235.2	251.8	247.3	248.8	258.1	257.8	269.0	272.3	280.4	—
Profit per share (basic)	Yen	220.48	84.53	91.02	134.32	113.73	86.68	86.87	139.75	139.95	180.07	—
Dividend per share	Yen	30	32	38	44	46	46	46	46	46	46	—

<Managed Indicators regarded as important by the Company>

ATO	Times	0.76	0.81	0.80	0.79	0.80	0.77	0.68	0.67	0.71	0.76	0.80
ROS	%	4.5	4.3	5.6	5.9	6.5	6.8	7.8	7.6	6.0	6.6	8.5
EBITDA margin	%	7.7	8.9	9.9	10.2	11.0	10.9	12.4	11.9	10.4	11.0	13.2
ROA	%	3.4	3.5	4.4	4.7	5.1	5.3	5.3	5.1	4.3	5.0	6.8
Equity ratio	%	65.5	66.5	66.5	66.6	67.7	69.9	69.8	70.4	68.6	69.2	70.6
ROE	%	10.1	3.7	3.8	5.5	4.6	3.4	3.5	5.3	5.1	6.3	6.1

House Foods Group's Philosophies and Medium-Term Business Plans



◇ Founding Philosophy
In every happy home throughout Japan you will find the warm flavor of home cooking, House.

◇ Group Philosophy
Through food, we aim to be a good corporate citizen, connecting and collaborating with people to create smiles in their lives.

◇ House Ideals (Spirit)
The Company's motto
Sincerity, Originality and Enthusiasm

The 10 House Values

- Know yourself
- Be humble in your self-confidence and pride
- Creative work brings dignity
- The advancement of House depends on the personal development of each individual
- House's strength is the strength of all of us combined
- A salary is compensation for doing useful things for society
- Being useful to society as employees and as a company
- A useful employee is a strong partner for achieving business goals
- Profits are necessary for a company to be useful to society
- The dedicated passion each one of us feels for the company is the secret to success for House

House Foods Group's Goal

Striving to be a high quality company that provides "Healthy Life Through Foods" <Chapter 2>

Striving for Four Value Chains

- Aiming for growth alongside qualitative transformation -

Priority Themes under the Seventh and Eighth Medium-term Business Plans

For customers

Global Provision of "Healthy Life Through Foods"

Achievement of growth driven by four value chains

Realization of three GOT

Creation of new value through collaborative creation

For our employees and their families

Achievement of diversity

Implementation of job satisfaction transformation

Support for demonstrating individuality and achieving integration

For society

Healthy people and a healthy planet

Establishment of a recycling-oriented model

Achievement of a society of healthy longevity

Strengthening of corporate governance



Seventh Medium-term Business Plan

Seventh Medium-term Business Plan

Policy of Four Value Chains

Focus the allocation of resources on the Four Value Chains with the aim of becoming a high quality company
 Build on the Group's unique strengths to provide "Healthy Life Through Foods" all around the world

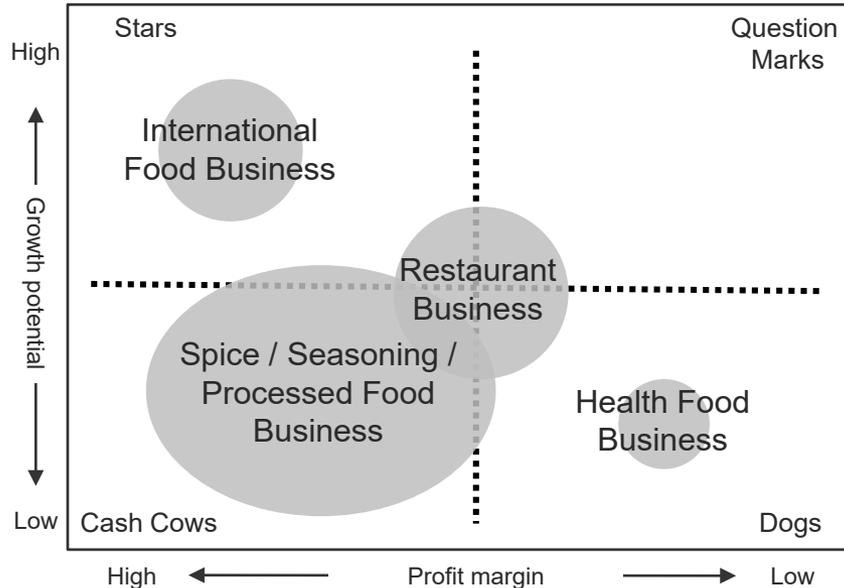
Value we provide
"Healthy Life Through Foods"

Spice VC	Aim to create synergies through collaborative creation among group companies that handle spices and curry
Functional Ingredients VC	Utilize lactobacillus, vitamins and spices more widely as a Group ingredient
Soybean VC	Consider utilizing soybeans not only in the tofu business in the United States but also in other business outside the United States
Value-added Vegetables VC	Take on challenge of creating a new value chain in the agriculture domain

~Previous Medium-term Business Plans

Portfolio is unbalanced

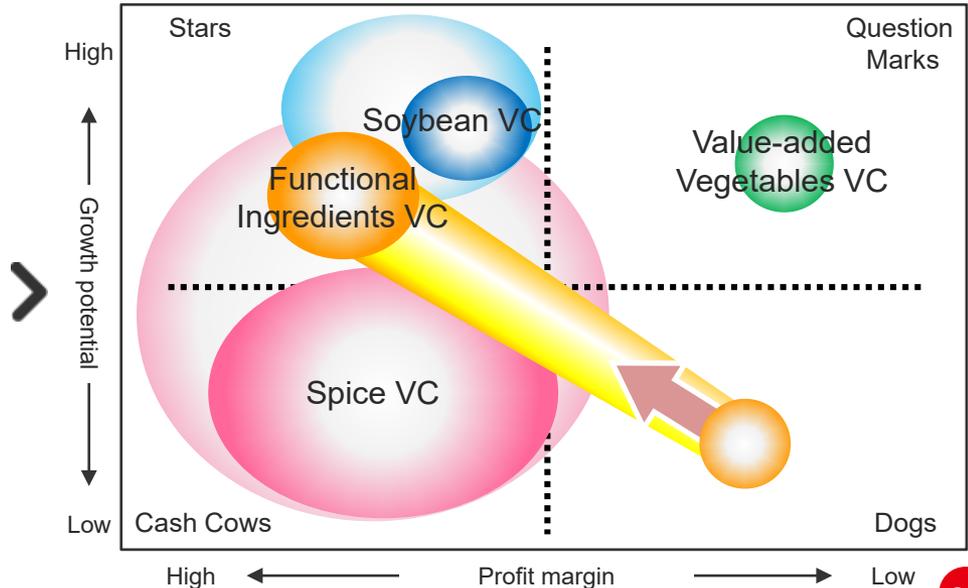
- Spice/Seasoning/Processed Food Business: Cash Cow (growth potential issue)
- International Food Business: Each business in the three priority areas has grown into a star
- Health Food Business: The segment is in the doghouse after the emergence of management issues
- Restaurant Business: Profitability has declined due to the effects of COVID-19



Future

Realization of growth story for each value chain

- Facilitate utilization of resources by reconnecting related businesses from a VC perspective
- Also pursue possibility of creating value through synergy to increase the Group's overall robustness



Major Products and Services by Segment

Supplementary Materials

Spice / Seasoning / Processed Food Business

House Foods Corp.

Gaban Co., Ltd. Malony Co., Ltd.

Curry roux

Stew roux

Retort pouched curry

Spice

Other products



Health Food Business

House Wellness Foods Corporation

Functional spice

Vitamin

Lactobacillus



International Food Business

United States

China

Southeast Asia

Restaurant Business

Ichibanya Co., Ltd.



Major New Products and Varieties for Spring and Summer 2023

*The products shown below are not the only new products and varieties.

◆ House Foods Corporation, House Wellness Foods Corporation

Category	Product	Suggested retail price (reference price)	On-shelf date
◆ New Products * Price is price at launch.			
Retort pouched products	Retort Vermont Curry (Mild, Medium)	(283 yen)	Feb. 13
Pasta Sauce	Pro Quality Pasta Sauce Three-pack Rich Bolognese Shrimp Flavor Rich Tomato Sauce	(450 yen)	Feb. 13
Curry, etc.	Kaoru Gochiso Curry Udon Base (Spicy, Creamy)	(240 yen)	Feb. 13
Cooking Sauce	Maze-nobi Cheese Sauce Base	(258 yen)	Feb. 13
Paste seasoning	Karashi Mentaiko Paste	(170 yen)	Feb. 13
Spice	GABAN for Curry Spicy Garam Masala Spicy Curry Topping	(330 yen)	Feb. 13
◆ Variety			
Roux Hayashi	Ripe Tomato Hayashi Rice Sauce Bolognese Hayashi	(305 yen)	Feb. 13
Dessert	Fruiche (Peach Muscat, Rich Mango Guava)	209 yen	Jan. 16
Wellness drinks	Maru de Smoothie Banana & Fruits Mix Flavor	210 yen	Mar. 13
◆ Renewal			
Roux Curry	Vermont Curry 230 g (Mild, Medium, Hot)	349 yen	Feb. 13
Spice	Canned Curry Powder	(255 yen)	Feb. 13
Wellness drinks	PERFECT VITAMIN Ichinichibun No Vitamin Jelly Grapefruit Flavor	210 yen	Mar. 13
Wellness drinks	Maru de Smoothie Berry Mix & Peach Flavor	210 yen	Mar. 13

(New Products)



(Variety)



(Renewal)





The forward-looking statements such as plans, strategies and result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors.

Amounts of less than one million yen are rounded to the nearest million yen.