

**[Notes of caution]**

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November 2, 2023

## Summary of Consolidated Financial Results (Japanese Accounting Standards) for the Third Quarter of the Fiscal Year Ending December 31, 2023

Listed company name: Ezaki Glico Co., Ltd.  
 Securities Code: 2206 URL: <https://www.glico.com/jp/>  
 Representative: Katsuhisa Ezaki, Chairman  
 Scheduled filing date of quarterly report: November 6, 2023  
 Scheduled commencement date of dividend payments: -  
 Preparation of explanatory materials for financial results: Yes  
 Holding of a briefing on financial results: None

Listed stock exchange: Tokyo Stock Exchange

(Amounts less than ¥ million are rounded down.)

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2023  
 (January 1, 2023 to September 30, 2023)

## (1) Consolidated results of operations

(The percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Nine months ended								
September 30, 2023	246,541	9.1	15,910	30.7	17,994	37.6	12,992	24.8
September 30, 2022	225,933	-	12,170	(24.8)	13,072	(26.3)	10,412	(16.9)

(Note) Comprehensive Income: Nine months ended September 30, 2023: ¥25,741 million [12.4%]  
 Nine months ended September 30, 2022: ¥22,908 million [14.3%]

	Earnings per share (basic)	Earnings per share (diluted)
Nine months ended	¥	¥
September 30, 2023	204.31	-
September 30, 2022	162.39	-

(Note ) From the beginning of the fiscal year ended December 31, 2022, the Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations. Therefore, the percentage indicating the year-on-year change in net sales compared to the fiscal year ended December 31, 2021, which was before the application of the said standard, is not presented.

## (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	¥ million	¥ million	%
As of September 30, 2023	401,785	265,407	65.9
As of December 31, 2022	369,056	244,760	66.2

(Reference) Shareholders' equity: As of September 30, 2023: ¥264,867 million  
 As of December 31, 2022: ¥244,291 million

## 2. Dividend Status

	Annual dividends				
	1Q end	2Q end	3Q end	Year end	Total
	¥	¥	¥	¥	¥
Fiscal year ended December 31, 2022	-	40.00	-	40.00	80.00
Fiscal year ending December 31, 2023	-	40.00	-		
Fiscal year ending December 31, 2023 (Forecast)				40.00	80.00

(Note) Revisions to dividend forecasts published most recently: None

Dividends for the second quarter of the fiscal year ended December 31, 2022: Ordinary dividends: ¥35

Commemorative dividends: ¥5

Dividends for the year end of the fiscal year ended December 31, 2022: Ordinary dividends: ¥35

Commemorative dividends: ¥5

## 3. Consolidated Performance Forecasts for the Fiscal Year Ending December 31, 2023 (January 1, 2023 - December 31, 2023)

(The percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full year	332,000	9.2	17,000	32.3	19,500	42.9	13,500	66.7	212.30

(Note) Revisions to financial forecasts published most recently: Yes

### \* Notes to the Consolidated Financial Statements

- (1) Transfers of important subsidiaries during fiscal period (transfers of designated subsidiaries incidental to changes in scope of consolidation): None  
New – Company (company name)  
Eliminated – Company (company name)
- (2) Application of special accounting treatments for the creation of the quarterly consolidated financial statements: None
- (3) Changes in accounting practices, changes in accounting estimates, retrospective restatements
  - (i) Changes in accounting practices due to a revision of accounting standards, etc.: Yes
  - (ii) Changes in accounting practices other than (i): None
  - (iii) Changes in accounting estimates: None
  - (iv) Retrospective restatements: None
- (4) Number of shares issued (common stock)
  - (i) Number of shares issued as of term-end (including treasury shares)
 

As of September 30, 2023	68,468,569 shares
As of December 31, 2022	68,468,569 shares
  - (ii) Number of treasury shares as of term-end
 

As of September 30, 2023	4,878,408 shares
As of December 31, 2022	4,877,747 shares
  - (iii) Average number of shares during fiscal year
 

Nine months ended September 30, 2023	63,590,496 shares
Nine months ended September 30, 2022	64,117,288 shares

\* Quarterly summaries of financial results are exempt from review conducted by certified public accountants or an audit corporation.

\* Explanation of appropriate use of earnings projections, other explanatory notes

Earnings projections and other forward-looking statements indicated in these materials are based on information available at the time and on certain assumptions deemed reasonable at the time. These statements do not represent any guarantee of achievement by the Company. Furthermore, there is the possibility of significant changes in actual earnings due to various factors.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: ¥ million)

	As of December 31, 2022	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	91,705	97,611
Notes and accounts receivable - trade	45,372	51,816
Securities	226	—
Merchandise and finished goods	17,861	18,936
Work in process	891	1,135
Raw materials and supplies	14,093	15,243
Other	8,130	10,815
Allowance for doubtful accounts	(113)	(102)
<b>Total current assets</b>	<b>178,168</b>	<b>195,455</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	41,225	40,733
Machinery, equipment and vehicles, net	34,538	37,158
Tools, furniture and fixtures, net	4,702	5,102
Land	15,984	16,130
Leased assets, net	2,161	2,534
Construction in progress	11,426	11,381
<b>Total property, plant and equipment</b>	<b>110,038</b>	<b>113,041</b>
Intangible assets		
Software	4,401	3,822
Software in progress	16,746	19,921
Goodwill	352	337
Other	181	158
<b>Total intangible assets</b>	<b>21,682</b>	<b>24,240</b>
Investments and other assets		
Investment securities	39,265	48,053
Retirement benefit asset	4,432	4,636
Investment property, net	12,214	12,235
Other	3,295	4,179
Allowance for doubtful accounts	(39)	(56)
<b>Total investments and other assets</b>	<b>59,168</b>	<b>69,048</b>
<b>Total non-current assets</b>	<b>190,888</b>	<b>206,329</b>
<b>Total assets</b>	<b>369,056</b>	<b>401,785</b>

(Unit: ¥ million)

	As of December 31, 2022	As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	36,430	42,270
Accrued expenses	24,789	24,852
Income taxes payable	2,562	3,362
Refund liability	7,256	9,074
Current portion of convertible bond-type bonds with share acquisition rights	–	30,007
Provision for bonuses for directors (and other officers)	73	–
Other	8,762	9,978
Total current liabilities	79,875	119,545
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	30,023	–
Retirement benefit liability	1,350	1,497
Deferred tax liabilities	6,633	8,699
Other	6,414	6,635
Total non-current liabilities	44,421	16,832
Total liabilities	124,296	136,378
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,773	7,773
Capital surplus	9,894	9,894
Retained earnings	217,184	225,090
Treasury shares	(13,806)	(13,809)
Total shareholders' equity	221,046	228,949
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,945	15,258
Deferred gains or losses on hedges	(59)	891
Foreign currency translation adjustment	11,756	19,310
Remeasurements of defined benefit plans	602	458
Total accumulated other comprehensive income	23,245	35,918
Non-controlling interests	468	539
Total net assets	244,760	265,407
<b>Total liabilities and net assets</b>	<b>369,056</b>	<b>401,785</b>

## (2) Consolidated Statements of Income and Comprehensive Income

(Unit: ¥ million)

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Net sales	225,933	246,541
Cost of sales	142,577	154,794
Gross profit	83,356	91,746
Selling, general and administrative expenses		
Transportation and storage costs	20,475	19,681
Promotion expenses	6,297	7,429
Advertising expenses	6,893	8,592
Salaries and allowances	13,891	15,071
Retirement benefit expenses	205	315
Other	23,421	24,744
Total selling, general and administrative expenses	71,185	75,835
Operating profit	12,170	15,910
Non-operating income		
Interest income	324	432
Dividend income	405	327
Foreign exchange gains	—	275
Share of profit of entities accounted for using equity method	357	731
Subsidy income	423	343
Rental income from real estate	398	452
Other	564	828
Total non-operating income	2,473	3,391
Non-operating expenses		
Interest expenses	62	60
Donations	51	609
Foreign exchange losses	245	—
Loss on investments in investment partnerships	143	275
Loss on retirement of non-current assets	157	53
Loss on abandonment of non-current assets	266	10
Loss on guarantees	123	—
Other	520	298
Total non-operating expenses	1,571	1,307
Ordinary profit	13,072	17,994
Extraordinary income		
Gain on change in equity	—	400
Gain on sale of investment securities	3,519	16
Total extraordinary income	3,519	416
Extraordinary losses		
Impairment losses	—	248
Loss on valuation of investment securities	—	35
Loss on liquidation of subsidiaries	—	30
Loss on COVID-19	645	—
Total extraordinary losses	645	314
Profit before income taxes	15,946	18,096
Income taxes - current	6,339	5,249
Income taxes - deferred	(844)	(196)
Total income taxes	5,495	5,052
Profit	10,450	13,043
Profit attributable to		
Profit attributable to owners of parent	10,412	12,992
Profit attributable to non-controlling interests	38	51

(Unit: ¥ million)

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(368)	4,313
Deferred gains or losses on hedges	809	951
Foreign currency translation adjustment	11,420	6,834
Remeasurements of defined benefit plans, net of tax	(182)	(144)
Share of other comprehensive income of entities accounted for using equity method	779	743
<b>Total other comprehensive income</b>	<b>12,458</b>	<b>12,698</b>
<b>Comprehensive income</b>	<b>22,908</b>	<b>25,741</b>
<b>Comprehensive income attributable to</b>		
Comprehensive income attributable to owners of parent	22,855	25,665
Comprehensive income attributable to non-controlling interests	53	75

(Segment Information, etc.)

[Segment Information]

I. Nine months ended September 30, 2022 (January 1, 2022- September 30, 2022)

1. Information on net sales and profit or losses by reportable segment

(Unit: ¥ million)

	Reportable Segment							Adjusted amount (Note)1	Amounts indicated on quarterly consolidated financial statements (Note)2
	Health and Food Business	Dairy Business	Nutritional Confectionery Business	Food Ingredients Business	Other Domestic Business	Overseas Business	Total		
Net sales									
Revenue from contracts with customers	37,319	50,933	40,219	8,322	46,677	42,462	225,933	—	225,933
Other revenues	—	—	—	—	—	—	—	—	—
Sales to third parties	37,319	50,933	40,219	8,322	46,677	42,462	225,933	—	225,933
Inter-segment sales and transfers	—	—	—	173	8,685	—	8,858	(8,858)	—
Total	37,319	50,933	40,219	8,495	55,362	42,462	234,792	(8,858)	225,933
Segment profit	2,576	1,293	3,171	971	871	798	9,683	2,486	12,170

(Notes)

1. The adjusted amount of ¥2,486 million in segment profit or losses includes ¥1,221 million for the elimination of intersegment transactions and other adjustment amounts of ¥1,265 million in companywide expenses not allocated to any reporting segment.
  2. The total amount for segment profit is adjusted based on the operating profit recorded for quarterly consolidated financial statements.
2. Impairment losses on fixed assets and information concerning goodwill, etc., for each reporting segment.  
Not applicable.

II. Nine months ended September 30, 2023 (January 1, 2023- September 30, 2023)

1. Information on net sales and profit or losses by reportable segment

(Unit: ¥ million)

	Reportable Segment							Adjusted amount (Note)1	Amounts indicated on quarterly consolidated financial statements (Note)2
	Health and Food Business	Dairy Business	Nutritional Confectionery Business	Food Ingredients Business	Other Domestic Business	Overseas Business	Total		
Net sales									
Revenue from contracts with customers	39,165	53,431	42,185	9,928	50,069	51,761	246,541	—	246,541
Other revenues	—	—	—	—	—	—	—	—	—
Sales to third parties	39,165	53,431	42,185	9,928	50,069	51,761	246,541	—	246,541
Inter-segment sales and transfers	—	—	—	231	8,141	—	8,372	(8,372)	—
Total	39,165	53,431	42,185	10,159	58,211	51,761	254,914	(8,372)	246,541
Segment profit	2,281	1,230	3,996	1,878	1,837	3,506	14,729	1,180	15,910

(Notes)

- The adjusted amount of ¥1,180 million in segment profit or losses includes ¥1,481 million for the elimination of intersegment transactions and other adjustment amounts of negative ¥301 million in companywide expenses not allocated to any reporting segment.
- The total amount for segment profit is adjusted based on the operating profit recorded for quarterly consolidated financial statements.
- Impairment losses on fixed assets and information concerning goodwill, etc., for each reporting segment.  
Omitted due to lack of significance.
- Matters related to change in reporting segments  
From the beginning of the fiscal year ending December 31, 2023, the Company has changed its reportable segments from "Confectioneries and Food Products" "Ice Cream" "Dairy" "Food Ingredients" "Overseas" to "Health and Food Business" "Dairy Business" "Nutritional Confectionery Business" "Food Ingredients Business" "Other Domestic Business""Overseas Business" due to reorganization. The segment information for the third quarter of the fiscal year ended December 31, 2022 has been presented based on the segment classifications after the change.

# **Supplementary Information**

For the Third Quarter of the Fiscal Year Ending December 31, 2023

Ezaki Glico Co., Ltd.

## Consolidated results of operations (Cumulative)

\*Amounts less than one million yen, one million yuan and one million USD are each rounded down.

### (1) Status of Net Sales and Profit Unit: 1 million yen

	FYE Dec. '22 (Jan. to Sept.)	FYE Dec. '23 (Jan. to Sept.)	Change from previous period	
			Amount	%
Net sales	225,933	246,541	20,607	9.1
Operating profit	12,170	15,910	3,739	30.7
Ordinary profit	13,072	17,994	4,921	37.6
Profit	10,412	12,992	2,580	24.8

### (2) Status of Operating Profit Unit: 1 million yen

	FYE Dec. '22		FYE Dec. '23	
	(Jan. to Sept.)	%	(Jan. to Sept.)	%
Net sales	225,933	100.0	246,541	100.0
Cost of sales	142,577	63.1	154,794	62.8
Gross profit	83,356	36.9	91,746	37.2
Freight and charges	20,475	9.1	19,681	8.0
Promotion expenses	6,297	2.8	7,429	3.0
Advertising expenses	6,893	3.1	8,592	3.5
Salaries and benefits	22,648	10.0	23,634	9.6
Expenses and depreciation	14,869	6.6	16,497	6.7
Total	71,185	31.5	75,835	30.8
Operating profit	12,170	5.4	15,910	6.5

Factors behind change in operating profit	vs FYE Dec. '22 (Jan. to Sept.)	
		Of which, is domestic
(1) Change due increase/decrease in net sales	8,619	4,489
(2) Change due to increase/decrease in raw materials prices	(5,643)	(5,769)
(3) Change due to increase/decrease from other changes in cost of sales *	3,548	4,700
(4) Change due to fluctuation in freight and charges ratio	2,661	940
(5) Change due to increase/decrease in sales promotion expenses / advertising expenses	(2,831)	(1,650)
(6) Change due to increase/decrease in SG&A expenses	(2,615)	(1,678)
<b>Total</b>	<b>3,739</b>	<b>1,032</b>

\* Including fluctuation in composition of sales product varieties and other

### (3) Status of Net Sales by Segment Unit: 1 million yen

	FYE Dec. '22 (Jan. to Sept.)	FYE Dec. '23 (Jan. to Sept.)	Change from previous period		
			Results	%	
Health and Food Business	Health	9,663	9,616	(46)	(0.5)
	Ice cream	14,999	17,614	2,615	17.4
	Other	12,657	11,934	(723)	(5.7)
	Total	37,319	39,165	1,845	4.9
Dairy Business	Yoghurt	9,371	9,100	(271)	(2.9)
	Ice cream	20,786	22,755	1,969	9.5
	Other	20,776	21,575	799	3.8
	Total	50,933	53,431	2,497	4.9
Nutritional Confectionery Business	Chocolate	21,851	23,035	1,184	5.4
	Cookies	14,448	14,734	286	2.0
	Other	3,919	4,415	495	12.6
	Total	40,219	42,185	1,965	4.9
Food Ingredients Business	8,322	9,928	1,606	19.3	
Other Domestic Business	46,677	50,069	3,392	7.3	
Overseas Business	42,462	51,761	9,299	21.9	
<b>Total</b>	<b>225,933</b>	<b>246,541</b>	<b>20,607</b>	<b>9.1</b>	

## (4) Status of Operating Profit by Segment

Unit: 1 million yen

	FYE Dec. '22 (Jan. to Sept.)	FYE Dec. '23 (Jan. to Sept.)	Change from previous period	
			Amount	%
Health and Food Business	2,576	2,281	(294)	(11.4)
Dairy Business	1,293	1,230	(62)	(4.9)
Nutritional Confectionery Business	3,171	3,996	824	26.0
Food Ingredients Business	971	1,878	906	93.2
Other Domestic Business	871	1,837	965	110.7
Overseas Business	798	3,506	2,707	339.1
Adjustment	2,486	1,180	(1,306)	(52.5)
<b>Total</b>	<b>12,170</b>	<b>15,910</b>	<b>3,739</b>	<b>30.7</b>

## (5) Status of overseas Business: Region-Specific Net Sales and Operating Income

\*The following figures are based on management accounting and differ from the figures in the consolidated financial statements. Geographic segment also differ from those in the figures in the consolidated financial statements.

## ◆ China

Unit: 1 million CNY

	FYE Dec. '22 (Jan. to Sept.)	FYE Dec. '23 (Jan. to Sept.)	Change from previous period	
			Amount	%
Net sales	829	1,073	244	29.5
Operating profit	(1)	101	103	-

## ◆ ASEAN

Unit: 1 million USD

	FYE Dec. '22 (Jan. to Sept.)	FYE Dec. '23 (Jan. to Sept.)	Change from previous period	
			Amount	%
Net sales	85	97	12	14.2
Operating profit	(4)	(5)	(0)	-

\*Actual results for the 3Q of the fiscal year ended December 31, 2022 have been replaced by the average rate for the 3Q of the fiscal year ending December 31, 2023.

## ◆ U.S.A.

Unit: 1 million USD

	FYE Dec. '22 (Jan. to Sept.)	FYE Dec. '23 (Jan. to Sept.)	Change from previous period	
			Amount	%
Net sales	84	89	5	6.0
Operating profit	18	18	0	0.5

\*The figures for the U.S.A. are on a consolidated basis.

## Forecast of Consolidated Financial Results

\*Amounts less than one million yen, one million yuan and one million USD are each rounded down.

### (1) Net Sales Forecast by Segment

Unit: 1 million yen

	FYE Dec. '22 (Jan. to Dec.)	FYE Dec. '23 (Jan. to Dec.)	FYE Dec. '23 (Jan. to Dec.)	Change from previous period	
	Results	Previous forecast	Latest forecast	Amount	%
Health and Food Business	47,808	49,100	50,800	2,991	6.3
Dairy Business	66,016	68,000	70,100	4,083	6.2
Nutritional Confectionery Business	57,847	59,200	60,800	2,952	5.1
Food Ingredients Business	11,158	12,400	13,100	1,941	17.4
Other Domestic Business	61,189	63,600	65,000	3,810	6.2
Overseas Business	59,902	74,700	72,200	12,297	20.5
Total	303,921	327,000	332,000	28,078	9.2

### (2) Operating Profit Forecast by Segment

Unit: 1 million yen

	FYE Dec. '22 (Jan. to Dec.)	FYE Dec. '23 (Jan. to Dec.)	FYE Dec. '23 (Jan. to Dec.)	Change from previous period	
	Results	Previous forecast	Latest forecast	Amount	%
Health and Food Business	2,044	1,900	1,900	(144)	(7.1)
Dairy Business	267	(100)	400	132	49.8
Nutritional Confectionery Business	4,751	5,200	5,800	1,048	22.1
Food Ingredients Business	1,238	1,700	2,100	861	69.6
Other Domestic Business	906	1,800	2,000	1,093	120.6
Overseas Business	1,192	4,700	4,600	3,407	285.9
Adjustment	2,445	800	200	(2,245)	(91.8)
Total	12,845	16,000	17,000	4,154	32.3