

Consolidated Financial Results for the First Nine Months Ended December 31, 2024 (Japanese GAAP)

February 4, 2025

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Scheduled date for dividend payment: —
 Preparation of supplementary material on quarterly financial results: Yes
 Quarterly financial results briefing to be held : None

(Amounts less than one million yen are rounded down.)

1. Consolidated Financial Results for the First Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 2024)

(1) Consolidated operating results

(Percentages indicate YoY changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2024	1,620,384	1.6	24,552	1.9	25,800	0.6	17,836	-3.1
Nine months ended December 31, 2023	1,595,240	—	24,094	25.2	25,645	22.8	18,411	30.3

Note: Comprehensive income for the first nine months ended December 31, 2024 was 16,835 million yen (-17.1% YoY).
 Comprehensive income for the first nine months ended December 31, 2023 was 20,320 million yen (43.6% YoY).

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	410.88	—
Nine months ended December 31, 2023	423.87	—

Note: The Company has changed its presentation method from the first three months ended June 30, 2024, and the figures for the first nine months ended December 31, 2023 have been adjusted to reflect these changes. In addition, the sales YoY changes for the first nine months ended December 31, 2023 are not provided due to the changes in the presentation method.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Nine months ended December 31, 2024	888,315	213,911	24.0	4,913.28
Fiscal year ended March 31, 2024	794,250	203,869	25.7	4,692.64

Reference: Equity capital amounted to 213,113 million yen as of December 31, 2024 and 203,836 million yen as of March 31, 2024.

2. Dividends

	Annual dividend per share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
Fiscal year ending March 31, 2024	Yen —	Yen 80.00	Yen —	Yen 80.00	Yen 160.00
Fiscal year ending March 31, 2025	—	90.00	—		
Fiscal year ending March 31, 2025 (forecast)				95.00	185.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentages indicate YoY changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	2,130,000	2.1	31,500	6.7	33,000	5.1	22,800	1.0	525.32

Note: Revisions to the most recently announced earnings forecast: None

*Notes

(1) Significant changes in the scope of consolidation during the period under review: None

(2) Distinctive accounting treatment methods applied to prepare quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting estimates and retrospective restatements

1. Accounting policy changes due to accounting standard revisions, etc.: Yes
2. Other accounting policy changes: None
3. Changes in accounting estimates: None
4. Retrospective restatements: None

Note: For details, please refer to “2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to Quarterly Consolidated Financial Statements (Notes on Changes in Accounting Policies) on page 8 of the Accompanying Materials.

(4) Number of issued shares (common stock)

1. Number of issued shares at end of period (including treasury stock)	As of December 31, 2024	43,537,200	As of March 31, 2024	43,537,200
2. Number of treasury shares at end of period	As of December 31, 2024	162,203	As of March 31, 2024	99,775
3. Average number of shares outstanding during period	Nine months ended December 31, 2024	43,410,081	Nine months ended December 31, 2023	43,437,653

* Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm: None

*Appropriate use of earnings forecast and other special notes

(Notes on forward-looking statements, etc.)

The above forecast is based on information available as of the date of publication of this document, and actual results may differ from the forecast due to various factors that may arise in the future.

(How to access supplementary materials on financial results)

Supplementary materials on financial results will be posted on the Company's website on February 4, 2025.

Accompanying Materials — Contents

1. Qualitative Information on Quarterly Financial Performance	2
(1) Explanation of Operating Results.....	2
(2) Explanation of Financial Position	3
2. Quarterly Consolidated Financial Statements and Primary Notes.....	4
(1) Consolidated Balance Sheet.....	4
(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income	6
Consolidated Statement of Income (for the first nine months of the current fiscal year)	6
Consolidated Statement of Comprehensive Income (for the first nine months of the current fiscal year)	7
(3) Notes to Quarterly Consolidated Financial Statements.....	8
(Notes on changes in accounting policies).....	8
(Notes to going concern assumptions).....	8
(Notes in the event of significant changes in shareholders' equity).....	8
(Additional information)	8
(Notes on Quarterly Consolidated Statement of Cash Flows).....	9
(Segment information, etc.).....	9
3. Supplementary Information	11
(1) Sales by Product Category	11
(2) Sales by Business Format	11

1. Qualitative Information on Quarterly Financial Performance

(1) Explanation of Operating Results

During the first nine months of the current fiscal year (April 1 to December 31, 2024), the Japanese economy showed improvement in income conditions. However, the outlook remained uncertain as a persistent uptrend in food prices has led to increased frugality and polarization in consumption.

Under such circumstances, the Mitsubishi Shokuhin Group has worked to provide higher value-added functions and services to achieve the growth strategy outlined in the management plan, "MS Vision 2030."

Specifically, to strengthen our supply chain management functions, we established Best Logistics Partners Inc., a wholly owned logistics subsidiary, which will commence operations in April 2025. The Group will combine the operational expertise and on-site management skills it has cultivated over many years with the digital technologies it has been actively adopting in recent years. Additionally, by expanding its business into sectors beyond food, the Group will take on the challenge of creating a sustainable "consumer goods demand chain that goes beyond food wholesale," which will contribute to solving societal issues.

In addition, as part of our efforts to "capture new demand," we agreed to acquire a 20% stake in Japan Food Express Ltd. (JFE) through a third-party allotment of shares. JFE operates wholesale, retail, and restaurant businesses in the UK and Germany. By leveraging JFE's sales network for restaurants, as well as its directly operated retail outlets and restaurants, we will work to create new demand for Japanese food and expand the export of Japanese food culture.

The consolidated financial results for the first nine months of the current fiscal year were as follows.

We changed our presentation method from the first three months of the current fiscal year. Comparisons against the first nine months of the previous fiscal year below are based on reclassified figures reflecting the change in the presentation method.

In the first nine months of the current fiscal year, net sales rose 1.6% year-on-year to ¥1,620,384 million, driven by growth in overall transactions centered on the wholesale business, where transactions with convenience stores and discount stores were robust. Operating profit was up 1.9% year-on-year to ¥24,552 million, thanks mainly to growth in transactions centered on the wholesale business and improved profit margins resulting from stronger profitability management. Ordinary profit rose 0.6% year-on-year to ¥25,800 million, but profit attributable to owners of parent was down 3.1% year-on-year to ¥17,836 million, due in large part to the absence of the extraordinary income recorded in the first nine months of the previous fiscal year.

Results by segment are as follows.

We have changed our reportable segment classification from the first three months of the current fiscal year. Comparisons against the first nine months of the previous fiscal year below are based on reclassified figures reflecting the change in the segment classification. For details on the changes to our reportable segment classification, please refer to "2. Interim Consolidated Financial Statements and Primary Notes (4) Notes to Interim Consolidated Financial Statements (Notes on segment information, etc.) 3. Changes in reportable segments, etc."

① Wholesale business

Sales in the wholesale business rose mainly due to strong transactions with convenience stores and discount stores. Profit increased year-on-year level as an increase in gross profit from higher sales and improved profitability absorbed higher SG&A expenses, including logistics costs.

As a result, the wholesale business generated sales of ¥1,455,282 million (+1.3% year-on-year) and operating profit of ¥21,714 million (+5.1% year-on-year).

② Brand development business

Sales in the brand development business rose mainly thanks to contributions from newly offered brands. Profit fell year-on-year as the clearance sale of some of the imported goods in stock squeezed the profit margins.

As a result, the brand development business posted sales of ¥24,478 million (+1.6% year-on-year) and operating profit of ¥8 million (-99.2% year-on-year).

③ Logistics business

Sales in the logistics business expanded chiefly on the back of growth in transactions with specific retailers. Profit increased year-on-year thanks to sales growth and the resulting increase in gross profit, which more than offset the uptick in SG&A expenses.

As a result, the logistics business reported sales of ¥108,523 million (+3.6% year-on-year) and operating profit of ¥3,519 million (+14.6% year-on-year).

④ Functional development business

Sales in the functional development business expanded primarily due to solid raw materials transactions in the manufacturer support business. Profit fell below the year-earlier level mainly as a result of a one-time loss at an overseas affiliate.

As a result, the functional development business generated sales of ¥32,099 million (+9.9% year-on-year) and operating profit of ¥1,656 million (-20.3% year-on-year).

(2) Explanation of Financial Position

At the end of the first nine months of the current fiscal year, total assets increased by ¥94,064 million, liabilities increased by ¥84,022 million, and net assets increased by ¥10,042 million, compared to the end of the previous fiscal year.

The increases in total assets and liabilities were largely due to seasonal factors. In total assets, notes and accounts receivable - trade under current assets rose by ¥56,322 million, while for liabilities, accounts payable - trade under current liabilities expanded by ¥88,637 million.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	Fiscal year ended March 31, 2024 (as of March 31, 2024)	Nine months ended December 31, 2024 (as of December 31, 2024)
Assets		
Current assets		
Cash and deposits	832	424
Notes and accounts receivable - trade	389,262	445,585
Merchandise and finished goods	71,217	100,236
Raw materials and supplies	1,043	1,156
Short-term loans receivable	111,612	116,844
Other	68,598	74,830
Allowance for doubtful accounts	(256)	(136)
Total current assets	642,310	738,941
Non-current assets		
Property, plant and equipment	80,309	80,605
Intangible assets		
Goodwill	1,773	1,490
Other	14,860	13,910
Total intangible assets	16,633	15,400
Investments and other assets		
Investment securities	33,951	33,147
Other	21,141	20,327
Allowance for doubtful accounts	(95)	(107)
Total investments and other assets	54,996	53,367
Total non-current assets	151,939	149,373
Total assets	794,250	888,315

(Millions of yen)

	Fiscal year ended March 31, 2024 (as of March 31, 2024)	Nine months ended December 31, 2024 (as of December 31, 2024)
Liabilities		
Current liabilities		
Accounts payable - trade	483,161	571,799
Provisions	3,777	216
Other	72,927	71,026
Total current liabilities	559,867	643,042
Non-current liabilities		
Retirement benefit liability	11,403	11,487
Provisions	4	63
Asset retirement obligations	11,219	11,263
Other	7,885	8,546
Total non-current liabilities	30,513	31,361
Total liabilities	590,381	674,403
Net assets		
Shareholders' equity		
Share capital	10,630	10,630
Capital surplus	10,117	10,419
Retained earnings	170,062	180,498
Treasury shares	(340)	(774)
Total shareholders' equity	190,469	200,773
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,031	11,032
Deferred gains or losses on hedges	129	236
Foreign currency translation adjustment	176	124
Remeasurements of defined benefit plans	1,029	946
Total accumulated other comprehensive income	13,366	12,340
Non-controlling interests	33	798
Total net assets	203,869	213,911
Total liabilities and net assets	794,250	888,315

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

Consolidated Statement of Income (for the first nine months of the current fiscal year)

(Millions of yen)

	Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)
Net sales	1,595,240	1,620,384
Cost of sales	1,481,989	1,502,882
Gross profit	113,250	117,501
Selling, general and administrative expenses	89,156	92,949
Operating profit	24,094	24,552
Non-operating income		
Interest income	37	189
Dividend income	704	773
Rental income from real estate	1,183	1,389
Other	1,062	1,069
Total non-operating income	2,987	3,422
Non-operating expenses		
Interest expenses	105	106
Rental expenses on real estate	1,048	1,314
Share of loss of entities accounted for using equity method	—	354
Other	283	399
Total non-operating expenses	1,436	2,174
Ordinary profit	25,645	25,800
Extraordinary income		
Gain on sale of shares of subsidiaries	—	376
Gain on sale of investment securities	1,142	444
Gain on sale of non-current assets	0	—
Total extraordinary income	1,142	820
Extraordinary losses		
Impairment losses	86	171
Loss on valuation of investment securities	239	242
Loss on sale of investment securities	0	—
Total extraordinary losses	325	414
Profit before income taxes	26,461	26,206
Income taxes - current	6,863	6,813
Income taxes - deferred	1,167	1,531
Total income taxes	8,031	8,345
Profit	18,430	17,861
Profit attributable to non-controlling interests	18	25
Profit attributable to owners of parent	18,411	17,836

Consolidated Statement of Comprehensive Income (for the first nine months of the current fiscal year)

(Millions of yen)

	Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)
Profit	18,430	17,861
Other comprehensive income		
Valuation difference on available-for-sale securities	1,922	(999)
Deferred gains or losses on hedges	(25)	107
Foreign currency translation adjustment	8	1
Remeasurements of defined benefit plans, net of tax	(91)	(82)
Share of other comprehensive income of entities accounted for using equity method	75	(53)
Total other comprehensive income	1,889	(1,026)
Comprehensive income	20,320	16,835
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	20,301	16,810
Comprehensive income attributable to non-controlling interests	18	25

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on changes in accounting policies)

(Application of the Accounting Standard for Current Income Taxes, etc.)

The Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereafter the "Revised Accounting Standard 2022"), etc., from the beginning of the first three months of the current fiscal year.

The amendment to categories in which income taxes (taxation on other comprehensive income) should be recorded follows the transitional treatment prescribed in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022, and the transitional treatment prescribed in proviso (2) of Paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereafter the "Revised Implementation Guidance 2022"). This change in accounting policy has no impact on the quarterly consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on the sale of shares, etc., in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been applied from the beginning of the first three months of the current fiscal year. This change in accounting policy has been applied retrospectively, and the quarterly consolidated financial statements for the first three months of the previous fiscal year and the consolidated financial statements for the previous fiscal year have been adjusted accordingly. This change has no impact on the quarterly consolidated financial statements for the first three months of the previous fiscal year and on the consolidated financial statements for the previous fiscal year.

(Notes to going concern assumptions)

None to be reported.

(Notes in the event of significant changes in shareholders' equity)

None to be reported.

(Additional information)

(Changes in Presentation Method)

(Consolidated Statement of Income)

Income and expenses related to some services contracted from customers were previously presented under "Cost of sales" and "Selling, general and administrative expenses." From the first three months of the current fiscal year, the Company has changed the presentation method to show income from contracted services under "Net sales" and related costs under "Cost of sales."

These changes were made to more appropriately reflect the actual nature of our business operations, based on the recognition that contracted services are positioned as part of our main business and recognized as one of the stable sources of revenue.

As a result of the changes, in the quarterly consolidated statement of income for the first nine months of the previous fiscal year, ¥1,325 million that was deducted from "Cost of sales," and ¥6,498 million that was deducted from "Selling, general and administrative expenses" have been reclassified under "Net sales." Also, ¥6,866 million that was included in "Selling, general and administrative expenses" has been reclassified under "Cost of sales." Due to this reclassification, gross profit decreased by ¥367 million, but there is no impact on operating profit, ordinary profit, or profit before income taxes.

(Notes on Quarterly Consolidated Statement of Cash Flows)

The Company has not prepared a quarterly consolidated statement of cash flows for the first nine months of the current fiscal year. However, depreciation (including amortization related to intangible assets other than goodwill) in the first nine months of the current fiscal year and amortization of goodwill were as follows.

	(Millions of yen)	
	Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)
Depreciation	9,115	9,247
Amortization of goodwill	282	282

(Segment information, etc.)

Segment information

I First nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

1. Information on sales and profit or loss by reportable segment and breakdown of earnings

	Reportable segments					Adjustments	Amount recorded on consolidated statement of income
	Wholesale business	Brand development business	Logistics business	Functional development business	Total		
Sales							
Sales generated through contracts with customers	1,437,173	24,097	104,754	29,215	1,595,240	—	1,595,240
Other sales	—	—	—	—	—	—	—
Sales generated through external customers	1,437,173	24,097	104,754	29,215	1,595,240	—	1,595,240
Intersegment sales and transfers	52	53	5,239	247	5,592	(5,592)	—
Total	1,437,225	24,150	109,993	29,463	1,600,833	(5,592)	1,595,240
Segment profit	20,660	1,056	3,069	2,078	26,865	(1,220)	25,645

2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in the quarterly consolidated statement of income, and key details of the difference (matters related to adjustment of the difference)

	(Millions of yen)
Profit	Amount
Total of reportable segments	26,865
Amortization of goodwill	(223)
Corporate-wide expenses	(996)
Operating profit on quarterly consolidated statement of income	25,645

II First nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on sales and profit or loss by reportable segment and breakdown of earnings

(Millions of yen)

	Reportable segments					Adjustments	Amount recorded on consolidated statement of income
	Wholesale business	Brand development business	Logistics business	Functional development business	Total		
Sales							
Sales generated through contracts with customers	1,455,282	24,478	108,523	32,099	1,620,384	—	1,620,384
Other sales	—	—	—	—	—	—	—
Sales generated through external customers	1,455,282	24,478	108,523	32,099	1,620,384	—	1,620,384
Intersegment sales and transfers	58	53	7,187	175	7,475	(7,475)	—
Total	1,455,341	24,531	115,710	32,275	1,627,859	(7,475)	1,620,384
Segment profit	21,714	8	3,519	1,656	26,899	(1,098)	25,800

2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in the quarterly consolidated statement of income, and key details of the difference (matters related to adjustment of the difference)

(Millions of yen)

Profit	Amount
Total of reportable segments	26,899
Amortization of goodwill	(223)
Corporate-wide expenses	(875)
Operating profit on quarterly consolidated statement of income	25,800

3. Changes in reportable segments, etc.

Based on the growth strategy outlined in the newly formulated “MS Vision 2030” management plan starting from fiscal 2024, the Company has changed its reportable segments from the previous classification of “processed foods business,” “frozen and chilled foods business,” “alcoholic beverages business,” and “confectionery business” to “wholesale business,” “brand development business,” “logistics business,” and “functional development business,” with the new classification taking effect from the first three months of the current fiscal year. The Company has also changed the profit metric for reportable segments from operating profit to ordinary profit.

The figures in the segment information for the first nine months of the previous fiscal year have been adjusted to reflect the new reportable segment classification.

3. Supplementary Information

(1) Sales by Product Category

(Rounded down to the nearest million yen)

Product category	Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)		Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)		Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	
	Amount (Millions of yen)	% of total sales	Amount (Millions of yen)	% of total sales	Amount (Millions of yen)	% of total sales
Canned foods and seasonings	183,537	11.5	183,822	11.3	241,598	11.6
Noodles and dried foods	111,704	7.1	111,706	6.9	148,553	7.1
Luxury foods and beverages	174,266	10.9	177,025	10.9	224,648	10.8
Confectionery	213,711	13.4	221,699	13.7	290,066	13.9
Frozen and chilled foods	387,768	24.3	405,318	25.0	503,543	24.1
Beer	202,787	12.7	195,430	12.1	257,863	12.4
Other alcoholic beverages	164,715	10.3	163,315	10.1	215,195	10.3
Others	156,749	9.8	162,065	10.0	205,325	9.8
Total	1,595,240	100.0	1,620,384	100.0	2,086,794	100.0

* The Company has changed its presentation method from the first three months of the current fiscal year. The sales figures by product category for the first nine months of the previous fiscal year and for the previous fiscal year have been restated to reflect the changes.

(2) Sales by Business Format

(Rounded down to the nearest million yen)

Business format	Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)		Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)		Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	
	Amount (Millions of yen)	% of total sales	Amount (Millions of yen)	% of total sales	Amount (Millions of yen)	% of total sales
Wholesalers	148,804	9.3	151,332	9.3	192,179	9.2
Supermarkets	725,282	45.5	718,541	44.3	948,935	45.5
Convenience stores	297,045	18.6	310,083	19.2	389,083	18.6
Drugstores	131,070	8.2	132,253	8.2	172,211	8.3
Users	49,551	3.1	51,518	3.2	65,294	3.1
Other direct sales	194,309	12.2	202,580	12.5	254,382	12.2
(Total of direct sales)	1,397,259	87.6	1,414,977	87.4	1,829,907	87.7
Manufacturers and others	49,176	3.1	54,074	3.3	64,707	3.1
Total	1,595,240	100.0	1,620,384	100.0	2,086,794	100.0

Notes: 1. Users are businesses that provide food and beverage services directly to consumers, such as restaurants and food service operators that provide home-meal replacements and school lunches.

2. Other direct sales include discount stores, e-commerce operators, home improvement stores, department stores, etc.

* The Company has changed its presentation method and a partial revision to the business format classification from the first three months of the current fiscal year. The sales figures by business format for the first nine months of the previous fiscal year and for the previous fiscal year have been restated to reflect these changes.

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