

**Summary of Consolidated Financial Results**  
**For the Year Ended March 31, 2023**  
**(Based on Japanese GAAP)**

May 12, 2023

Company name: KYOKUYO CO., LTD.  
 Stock exchange listing: Tokyo Stock Exchange  
 Stock code: 1301 URL <https://www.kyokuyo.co.jp/en/>

(Yen in millions, rounded down)

**1. Consolidated Financial Results for the Year Ended March 31, 2023 (April 1, 2022- March 31, 2023)**

**(1) Consolidated Result of Operations (cumulative)**

(% figures denote year-on-year change)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year Ended March 31, 2023	272,167	7.3	8,105	26.8	8,182	18.5	5,782	24.8
Year Ended March 31, 2022	253,575	1.8	6,392	37.2	6,904	41.5	4,634	20.7

(Note) Comprehensive Income : The year ended March 31, 2023 ¥5,916million (92.4%)  
 The year ended March 31, 2022 ¥3,075 million (-63.4%)

	Profit per Share	Diluted Profit Per Share	Profit to Shareholder's Equity ratio	Ordinary Profit to Total Assets ratio	Operating Profit to Net Sales ratio
	Yen	Yen	%	%	%
Year Ended March 31, 2023	539.10	—	12.8	5.9	3.0
Year Ended March 31, 2022	430.83	—	11.2	5.6	2.5

(Reference) Share of profit of entities accounted for using equity method: The year ended March 31, 2023 ¥21million  
 The year ended March 31, 2022 ¥17million

**(2) Consolidated Financial Position**

	Total Assets	Net Assets	Equity Ratio	Net Assets per share
	Million yen	Million yen	%	Yen
As at March 31, 2023	146,301	46,966	32.5	4,436.27
As at March 31, 2022	130,460	42,174	32.7	3,969.73

(Reference) Shareholders' Equity : As at March 31, 2023 ¥47,541million  
 As at March 31, 2022 ¥42,705 million

**(3) Consolidated Cash Flow**

	From Operating Activities	From Investing Activities	From Financing Activities	Cash and Equivalents, end of period
	Million yen	Million yen	Million Yen	Million Yen
Year Ended March 31, 2023	-6,243	-2,338	9,011	7,042
Year Ended March 31, 2022	-1,128	-5,225	5,743	6,539

## 2. Dividends

	Dividend per share					Total Dividend	Payout Ratio (consolidated)	Ratio of Total Amount of dividends to Net Assets (consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year End	Total			
Year Ended March 31, 2022	Yen —	Yen —	Yen —	Yen 90.00	Yen 90.00	Million Yen 972	% 20.9	% 2.3
Year Ended March 31, 2023	—	—	—	100.00	100.00	1,076	18.5	2.4
Year Ending March 31,2024 (Forecast)	—	—	—	90.00	90.00		16.1	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2023

Ordinary dividend: ¥90.00

Commemorative dividend: ¥10.00 (85<sup>th</sup> anniversary of foundation)

## 3. Forecast for the Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% figures denote change from the previous fiscal year)

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Profit Per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year Ending March 31, 2024	300,000	10.2	8,500	4.9	8,500	3.9	6,000	3.8	559.88

### \* Notes

(1) Major changes among subsidiaries (changes in specified subsidiaries affecting the scope of consolidation) during the period under review: Yes

New: 1 (Company name) Kyokuyo Vina Foods Co.,Ltd. Excluded: — (Company name)

(2) Changes in accounting principles and accounting estimates, retrospective restatements:

(i) Changes due to revisions in accounting standards, etc.: None

(ii) Changes other than (i) : None

(iii) Changes in accounting estimates : None

(iv) Retrospective restatements : None

(3) Number of shares issued (common shares)

(i) Number of shares issued at the end of the period (including treasury shares)

As at March 31,2023	10,928,283	As at March 31,2022	10,928,283
As at March 31,2023	211,655	As at March 31,2022	170,523
As at March 31,2023	10,726,305	As at March 31,2022	10,757,738

(ii) Number of treasury shares at the end of the period

(iii) Average number of shares during the period

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for the Year Ended March 31,2023(April 1,2022 - March 31,2023)

(1) Non-consolidated

(% figures denote year-on-year change)

	Net Sales		Operating Profit		Ordinary Profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year Ended March 31,2023	249,142	7.0	6,024	14.1	6,007	5.7	4,084	19.4
Year Ended March 31,2022	232,745	-5.5	5,279	46.4	5,683	46.8	3,420	-6.3

	Profit per Share	Diluted Profit Per Share
	Yen	Yen
Year Ended March 31,2023	380.81	—
Year Ended March 31,2022	317.97	—

(2)Non-consolidated Financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per share
	Million yen	Million yen	%	Yen
As at March 31, 2023	123,161	35,403	28.7	3,303.64
As at March 31, 2022	109,051	32,378	29.7	3,009.78

(Reference) Shareholders' Equity : As at March 31,2023 ¥35,403million

As at March 31,2022 ¥32,378million

\* The summary of financial results is not subject to audits.

\*Explanation about the appropriate use of the forecasts of financial results, and other noteworthy matters.

The projections and other statements with respect to the future included in this material are based on currently available information and certain assumptions that are judged reasonable by the Company. Please be advised that the Company does not guarantee in any way the achievement of the projections and other goals in this material and that cases may occur where the actual results and other situations differ materially from the projections due to various factors.

**Consolidated Financial Statements**  
Consolidated Balance Sheets

(Million yen)

	As at March 31,2022	As at March 31,2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	6,544	7,050
Notes and accounts receivable - trade	28,683	33,079
Merchandise and finished goods	44,997	52,620
Work in process	3,440	3,840
Raw materials and supplies	6,191	7,425
Other	9,678	10,196
Allowance for doubtful accounts	(9)	(9)
<b>Total current assets</b>	<b>99,527</b>	<b>114,202</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	6,228	7,057
Machinery, equipment and vehicles, net	3,844	3,853
Vessels, net	347	3,069
Land	3,784	3,910
Leased assets, net	307	304
Construction in progress	3,944	335
Other, net	440	382
<b>Total property, plant and equipment</b>	<b>18,897</b>	<b>18,912</b>
<b>Intangible assets</b>		
Leased assets	1	0
Other	348	347
<b>Total intangible assets</b>	<b>350</b>	<b>348</b>
<b>Investments and other assets</b>		
Investment securities	9,272	10,134
Deferred tax assets	1,136	1,454
Other	2,873	2,845
Allowance for doubtful accounts	(1,597)	(1,597)
<b>Total investments and other assets</b>	<b>11,685</b>	<b>12,837</b>
<b>Total non-current assets</b>	<b>30,932</b>	<b>32,098</b>
<b>Total assets</b>	<b>130,460</b>	<b>146,301</b>

(Million yen)

	As at March 31,2022	As at March 31,2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	9,950	8,563
Short-term borrowings	15,714	23,783
Commercial papers	15,000	15,000
Lease liabilities	145	148
Income taxes payable	1,081	2,091
Provision for bonuses	1,044	1,009
Provision for bonuses for directors (and other officers)	8	12
Accounts payable - other	7,791	8,261
Other	6,199	6,079
Total current liabilities	56,936	64,950
Non-current liabilities		
Long-term borrowings	27,021	29,816
Lease liabilities	240	223
Provision for special repairs	118	73
Provision for loss on litigation	184	214
Provision for share awards for directors (and other officers)	101	126
Retirement benefit liability	3,648	3,909
Asset retirement obligations	29	16
Long-term accounts payable - other	3	1
Other	0	0
Total non-current liabilities	31,348	34,383
Total liabilities	88,285	99,334
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,664	5,664
Capital surplus	1,330	1,330
Retained earnings	32,507	37,317
Treasury shares	(429)	(575)
Total shareholders' equity	39,072	43,736
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,234	3,704
Deferred gains or losses on hedges	343	(72)
Foreign currency translation adjustment	292	470
Remeasurements of defined benefit plans	(237)	(296)
Total accumulated other comprehensive income	3,632	3,805
Non-controlling interests	(530)	(575)
Total net assets	42,174	46,966
Total liabilities and net assets	130,460	146,301

Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income

(Million yen)

	Year ended March 31, 2022	Year ended March 31, 2023
Net sales	253,575	272,167
Cost of sales	225,558	241,139
Gross profit	28,016	31,027
Selling, general and administrative expenses		
Selling expenses	14,636	15,551
General and administrative expenses	6,987	7,370
Total selling, general and administrative expenses	21,624	22,921
Operating profit	6,392	8,105
Non-operating income		
Interest income	2	2
Dividend income	155	167
Share of profit of entities accounted for using equity method	17	21
Insurance claim income	116	217
Subsidy income	198	132
Foreign exchange gains	349	40
Other	198	219
Total non-operating income	1,038	801
Non-operating expenses		
Interest expenses	391	504
Loss on abandonment of inventories	24	86
Provision for loss on litigation	9	10
Provision of allowance for doubtful accounts	(2)	—
Other	104	123
Total non-operating expenses	526	724
Ordinary profit	6,904	8,182
Extraordinary income		
Gain on disposal of non-current assets	10	308
Insurance claim income	—	45
National subsidies and other subsidies income	39	—
Gain on sale of investment securities	0	—
Total extraordinary income	50	353
Extraordinary losses		
Loss on disposal of non-current assets	8	11
Impairment losses	19	29
Loss on disaster	—	41
Loss on valuation of investment securities	7	40
Settlement money	—	10
Retirement benefit expenses	156	—
Loss on tax purpose reduction entry of non-current assets	37	—
Total extraordinary losses	229	132
Profit before income taxes	6,725	8,403
Income taxes - current	2,034	2,973
Income taxes - deferred	89	(309)
Total income taxes	2,124	2,664
Profit	4,601	5,738
Profit (loss) attributable to :		
Owners of parent	4,634	5,782
Non-controlling interests	(33)	(43)

## Consolidated Statements of Comprehensive Income

(Million yen)

	Year ended March 31, 2022	Year ended March 31, 2023
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(1,904)	469
Deferred gains or losses on hedges	194	(415)
Foreign currency translation adjustment	119	182
Remeasurements of defined benefit plans, net of tax	64	(59)
Total other comprehensive income	(1,526)	177
<b>Comprehensive income</b>	<b>3,075</b>	<b>5,916</b>
<b>Comprehensive income attributable to :</b>		
Owners of parent	3,185	5,955
Non-controlling interests	(110)	(39)

Consolidated Statements of Changes in Net Assets  
For the fiscal year ended March 31,2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at March 31,2021	5,664	1,329	28,737	(430)	35,300
Changes during period					
Dividends of surplus			(864)		(864)
Profit attributable to owners of parent			4,634		4,634
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				1	1
Purchase of shares of consolidated subsidiaries		1			1
Net changes in items other than shareholders' equity					
Total changes during period	—	1	3,770	0	3,771
Balance at March 31,2022	5,664	1,330	32,507	(429)	39,072

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at March 31,2021	5,139	148	95	(301)	5,081	(407)	39,975
Changes during period							
Dividends of surplus							(864)
Profit attributable to owners of parent							4,634
Purchase of treasury shares							(0)
Disposal of treasury shares							1
Purchase of shares of consolidated subsidiaries							1
Net changes in items other than shareholders' equity	(1,904)	194	196	64	(1,448)	(123)	(1,572)
Total changes during period	(1,904)	194	196	64	(1,448)	(123)	2,199
Balance at March 31,2022	3,234	343	292	(237)	3,632	(530)	42,174



Consolidated Statements of Changes in Net Assets  
For the fiscal year ended March 31, 2023

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at March 31, 2022	5,664	1,330	32,507	(429)	39,072
Changes during period					
Dividends of surplus			(972)		(972)
Profit attributable to owners of parent			5,782		5,782
Purchase of treasury shares				(150)	(150)
Disposal of treasury shares				4	4
Purchase of shares of consolidated subsidiaries					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	4,809	(145)	4,663
Balance at March 31, 2023	5,664	1,330	37,317	(575)	43,736

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at March 31, 2022	3,234	343	292	(237)	3,632	(530)	42,174
Changes during period							
Dividends of surplus							(972)
Profit attributable to owners of parent							5,782
Purchase of treasury shares							(150)
Disposal of treasury shares							4
Purchase of shares of consolidated subsidiaries							—
Net changes in items other than shareholders' equity	469	(415)	178	(59)	172	(44)	128
Total changes during period	469	(415)	178	(59)	172	(44)	4,791
Balance at March 31, 2023	3,704	(72)	470	(296)	3,805	(575)	46,966

## Consolidated Statements of Cash Flows

(Million yen)

	Year ended March 31, 2022	Year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	6,725	8,403
Depreciation	1,835	2,264
Impairment losses	19	29
Increase (decrease) in allowance for doubtful accounts	(13)	(0)
Increase (decrease) in provision for bonuses	60	(35)
Increase (decrease) in provision for bonuses for directors (and other officers)	2	3
Increase (decrease) in retirement benefit liability	(21)	174
Increase (decrease) in provision for share awards for directors (and other officers)	32	28
Increase (decrease) in provision for special repairs	36	(45)
Increase (decrease) in provision for loss on litigation	9	10
Interest and dividend income	(158)	(169)
Interest expenses	391	504
Loss (gain) on valuation of investment securities	7	40
Loss (gain) on sale of investment securities	(0)	—
Loss (gain) on disposal of non-current assets	(1)	(296)
Loss on tax purpose reduction entry of non-current assets	37	—
National subsidies and other subsidies income	(39)	—
Loss on disaster	—	41
Settlement money	—	10
Decrease (increase) in trade receivables	4,482	(3,987)
Decrease (increase) in other receivables	(4,454)	(759)
Decrease (increase) in inventories	(12,822)	(8,938)
Decrease (increase) in other investments	76	169
Increase (decrease) in trade payables	952	(1,672)
Increase (decrease) in other payables	4,627	338
Other, net	(39)	(34)
Sub total	1,745	(3,921)
Interest and dividends received	161	171
Interest paid	(389)	(508)
Payments associated with disaster loss	—	(26)
Settlement money paid	—	(10)
National subsidies and other subsidies received	39	—
Income taxes paid	(2,686)	(1,948)
Net cash provided by (used in) operating activities	(1,128)	(6,243)
<b>Cash flows from investing activities</b>		
Net decrease (increase) in time deposits	(2)	(2)
Purchase of non-current assets	(4,859)	(2,299)
Proceeds from sale of non-current assets	10	337
Purchase of investment securities	(325)	(208)
Proceeds from sale of investment securities	1	—
Loan advances	(66)	(123)
Proceeds from collection of loans receivable	41	4
Other, net	(25)	(46)
Net cash used in investing activities	(5,225)	(2,338)

(Million yen)

	Year ended March 31, 2022	Year ended March 31, 2023
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	1,192	12,246
Net increase (decrease) in commercial papers	5,000	—
Proceeds from long-term borrowings	2,717	6,416
Repayments of long-term borrowings	(2,146)	(8,388)
Decrease (increase) in treasury shares	(0)	(149)
Dividends paid	(864)	(972)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(4)	—
Repayments of lease liabilities	(142)	(135)
Other, net	(7)	(5)
Net cash provided by (used in) financing activities	5,743	9,011
Effect of exchange rate change on cash and cash equivalents	53	73
Net increase (decrease) in cash and cash equivalents	(557)	502
Cash and cash equivalents at beginning of the year	7,097	6,539
Cash and cash equivalents at end of the year	6,539	7,042