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Lacto Japan Co., Ltd.

Financial Summary for FY2023 First Quarter



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1. Financial Summary

(Millions of yen)

	FY11/2022 1Q	FY11/2023 1Q		
		Actual	Difference	YoY Change(%)
Net sales	31,755	38,745	6,989	22.0
Ordinary income	718	743	25	3.5
Ordinary income ratio (%)	2.3	1.9	-	-
(Foreign exchange impact on ordinary income (*))	(5)	(29)	-	-
Net income attributable to owners of the parent	523	509	-14	-2.8
Net income ratio (%)	1.6	1.3	-	-
Net income per share (JPY)	53.10	51.45	-1.66	
Exchange rate (JPY/USD)	114.65	132.73	18.08	
Exchange rate (JPY/EUR)	129.77	141.94	12.17	

Note: Amounts have been rounded down to the nearest million yen, and the ratios have been rounded to the first decimal place.

* Foreign exchange impact on ordinary income: As Lacto Japan applies "Separate accounting treatments," foreign exchange fluctuations may have an impact at each income level.

2. Net Sales by Division

(Millions of yen)

	FY11/2022				FY11/2023	
	1Q	2Q	3Q	4Q	1Q	Forecast
Dairy Ingredients and Cheese	22,024	25,178	25,153	26,465	27,594	106,400
YoY (%)	28.9	26.8	39.4	23.2	25.3	7.7
Meat Products	3,530	3,690	3,706	4,207	4,063	15,200
YoY (%)	13.3	1.0	2.6	8.0	15.1	0.4
Asian Business (Dairy Ingredients)	4,783	7,495	7,126	7,267	5,248	26,800
YoY (%)	69.1	88.3	65.6	56.5	9.7	0.5
Asian Business (Cheese)	935	892	1,064	1,092	1,087	4,600
YoY (%)	16.6	0.5	44.1	22.0	16.3	15.4
Others	481	775	645	905	751	7,000
YoY (%)	207.8	186.6	127.1	171.7	55.9	149.2
Total	31,755	38,032	37,697	39,937	38,745	160,000
YoY (%)	32.3	32.7	39.7	27.8	22.0	8.5

(Amounts of less than one million yen have been omitted)

3. Sales Volume by Division

(MT)

	FY11/2022				FY11/2023	
	1Q	2Q	3Q	4Q	1Q	Forecast
Dairy Ingredients and Cheese	46,731	49,722	44,625	41,877	40,578	172,000
YoY (%)	8.3	1.8	3.7	-15.1	-13.2	-6.0
Meat Products	6,004	6,092	6,127	6,551	6,005	28,000
YoY (%)	4.7	-10.8	-4.9	-2.0	0.0	13.0
Asian Business (Dairy Ingredients)	11,397	15,151	12,356	11,517	10,374	56,500
YoY (%)	14.9	18.6	4.2	-13.2	-9.0	12.1
Asian Business (Cheese)	1,253	1,083	1,243	1,206	1,154	5,900
YoY (%)	11.8	-10.7	21.7	-5.7	-7.9	23.3

4. Consolidated Balance Sheets

(Millions of yen)

	30-Nov-2022	28-Feb-2023	Difference
Current assets	70,067	73,729	3,662
Cash and cash equivalents	6,379	7,143	763
Trade notes and accounts receivable	21,065	20,412	-653
Inventories	41,382	45,057	3,674
Others	1,238	1,117	-121
Non-current assets	3,389	3,442	52
Property, plant and equipment	942	940	-1
Intangible assets	39	35	-4
Investment and other assets	2,408	2,467	58
Total assets	73,456	77,172	3,715
Accounts payable	17,349	17,246	-103
Interest-bearing liabilities	31,262	35,561	4,299
Other	2,364	1,635	-729
Total liabilities	50,975	54,442	3,467
Net assets	22,481	22,729	248
Total liabilities and net assets	73,456	77,172	3,715

Major factors of change


Increase in inventories

- Increase in merchandise due to higher sales volume
- Impact of rise in product unit prices and foreign exchange (weaker yen)

Increase in interest-bearing liabilities

- Increase in short-term loans and commercial paper due to increase in working capital

Note: Amounts have been rounded down to the nearest million yen.

A wide-angle photograph of a rural landscape at sunset. A herd of dark-colored cows is scattered across a lush green field. In the background, a large barn with a corrugated metal roof sits on a slight rise. The sky is filled with dramatic, wispy clouds, and the sun is low on the horizon, casting long, soft shadows across the grass. Power lines and poles are visible in the distance.

This report contains projections of performance and other projections based on information currently available and certain assumptions judged to be reasonable. Actual performance may differ materially from these projections as a result of changes in the economic environment and other risks and uncertainties.



Lacto Japan