



**lacto**

Lacto Japan Co., Ltd.

# Financial Summary for FY2022



**1 Financial Summary P.3**

**2 Net Sales by Business P.4**

**3 Sales Volume by Business P.5**

**4 Consolidated Balance Sheets P.6**

**5 Consolidated financial forecast for FY11/2023 P.7**

# 1. Financial Summary

(Million Yen)

	FY11/2021	FY11/2022		
		Actual	Difference	YoY Change
<b>Net sales</b>	110,883	147,423	36,539	33.0%
<b>Ordinary income</b>	2,681	3,134	452	16.9%
<b>Ordinary income ratio</b>	2.4%	2.1%	-	-
<b>(Foreign exchange impact on ordinary income (*))</b>	<b>(-77)</b>	<b>(117)</b>	-	-
<b>Net income attributable to owners of the parent</b>	1,959	2,286	327	16.7%
<b>Net income ratio</b>	1.8%	1.6%	-	-
<b>Net income per share (Yen)</b>	198.73	231.64	32.91	
<b>Exchange rate (Yen/USD)</b>	108.97	129.67	20.70	
<b>Exchange rate (Yen/EUR)</b>	129.68	136.86	7.18	

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. (Please refer to P. 8-10)

## 2. Net Sales by Business

(Million yen)

	FY11/2021			FY11/2022			FY11/ 2023
	1st Half	2nd Half	Full-year	1st Half	2nd Half	Full-year	Budget
<b>Dairy Ingredients and Cheese Business</b>	36,952	39,528	76,481	47,202	51,618	98,821	106,400
YoY (%)	-7.5	2.9	-2.4	27.7	30.6	29.2	7.7
<b>Meat Products Business</b>	6,769	7,509	14,278	7,221	7,914	15,135	15,200
YoY (%)	10.8	29.7	20.0	6.7	5.4	6.0	0.4
<b>Asian Business (Dairy Ingredients)</b>	6,809	8,944	15,754	12,279	14,393	26,672	26,800
YoY (%)	-32.8	29.9	-7.5	80.3	60.9	69.3	0.5
<b>Asian Business (Cheese)</b>	1,689	1,634	3,324	1,827	2,157	3,984	4,600
YoY (%)	24.9	6.0	14.8	8.1	32.0	19.9	15.4
<b>Others</b>	427	617	1,044	1,257	1,551	2,808	7,000
YoY (%)	10.8	102.3	51.2	194.4	151.2	168.9	149.2
<b>Total</b>	52,648	58,235	110,883	69,788	77,635	147,423	160,000
YoY (%)	-9.1	10.0	0.0	32.6	33.3	33.0	8.5

### 3. Sales Volume by Business

(Unit : MT)

	FY11/2021			FY11/2022			FY11/ 2023
	1st Half	2nd Half	Full-year	1st Half	2nd Half	Full-year	Budget
<b>Dairy Ingredients and Cheese Business</b>	91,993	92,364	184,358	96,454	86,502	182,957	172,000
YoY (%)	-6.4	-1.0	-3.8	4.8	-6.3	-0.8	-6.0
<b>Meat Products Business</b>	12,567	13,132	25,699	12,096	12,679	24,775	28,000
YoY (%)	9.7	25.4	17.2	-3.7	-3.4	-3.6	13.0
<b>Asian Business (Dairy Ingredients)</b>	22,690	25,126	47,817	26,549	23,874	50,423	56,500
YoY (%)	-35.0	-0.4	-20.5	17.0	-5.0	5.5	12.1
<b>Asian Business (Cheese)</b>	2,334	2,301	4,635	2,336	2,449	4,786	5,900
YoY (%)	17.6	4.0	10.4	0.1	6.4	3.3	23.3

# 4. Consolidated Balance Sheets

(Million Yen)

	30-Nov-2021	30-Nov-2022	Difference
<b>Current assets</b>	<b>50,018</b>	<b>70,067</b>	<b>20,049</b>
Cash and cash equivalents	5,510	6,379	868
Trade notes and accounts receivable	19,277	21,065	1,788
Inventories	24,839	41,382	16,543
Others	390	1,238	848
<b>Non-current assets</b>	<b>2,881</b>	<b>3,389</b>	<b>507</b>
Property, plant and equipment	709	942	233
Intangible assets	44	39	-5
Investment and other assets	2,128	2,408	280
<b>Total assets</b>	<b>52,899</b>	<b>73,456</b>	<b>20,556</b>
Accounts payable	12,202	17,349	5,147
Interest-bearing liabilities	19,531	31,262	11,730
Other	1,587	2,364	777
<b>Total liabilities</b>	<b>33,320</b>	<b>50,975</b>	<b>17,654</b>
<b>Net assets</b>	<b>19,578</b>	<b>22,481</b>	<b>2,902</b>
<b>Total liabilities and net assets</b>	<b>52,899</b>	<b>73,456</b>	<b>20,556</b>

## Major factors of change

### Increase in inventories

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

### Increase in accounts payable

- Same reasons for increase in inventories.

### Increase in interest-bearing liabilities

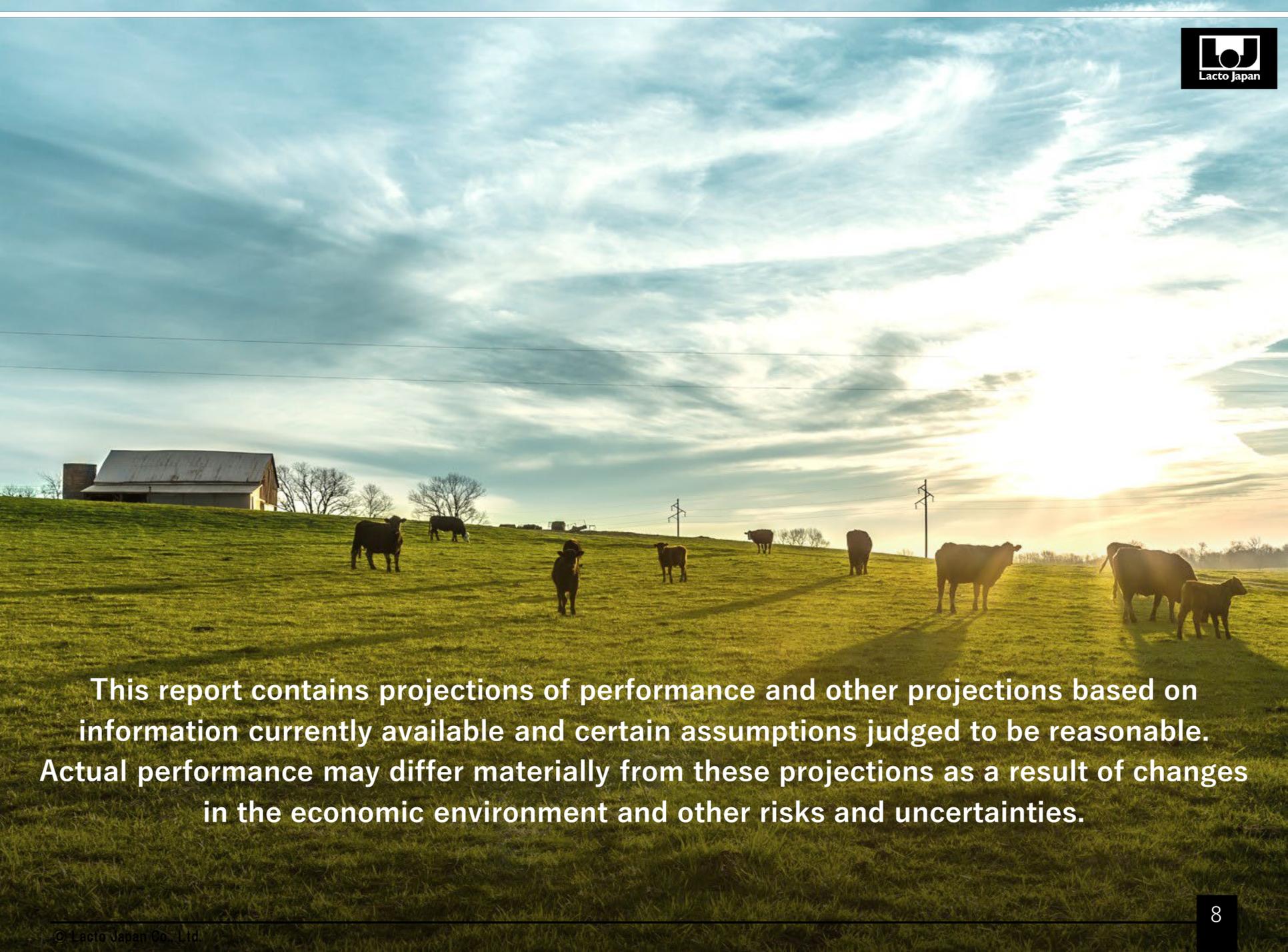
- Increase in long and short-term borrowings and commercial paper due to increase in working capital.

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

# 5. Consolidated financial forecast for FY11/2023

(Million Yen)

	Actual result for FY11/2022	Forecast for FY11/2023		
		Forecast	Difference	Ratio
<b>Net Sales</b>	147,423	160,000	12,576	8.5%
<b>Ordinary income</b>	3,134	3,200	65	2.1%
<b>Ordinary income ratio</b>	2.1%	2.0%	-	-
<b>Net income attributable to owners of the parent</b>	2,286	2,330	43	1.9%
<b>Net income ratio</b>	1.6%	1.5%	-	-
<hr/>				
<b>Net income per share (Yen)</b>	231.64	235.52	3.88	
<b>Dividends per share (Yen)</b>	<b>Interim</b>	0.00	24.00	24.00
	<b>Year-end</b>	40.00	24.00	-16.00

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.**