

**FY2018  
Results Briefing  
Fact Data**

FY2018 Results Briefing Fact Data

After making Ichibanya Co., Ltd. a consolidated subsidiary through the additional acquisition of shares in December 2015, the Company reviewed its segment categories and newly added the Restaurant Business segment.  
 With this change, the Company also changed the name of the International Business to the International Food Business, and transferred control of the restaurant business which was previously in this business segment to the Restaurant Business.  
 The Company also changed to the method of showing segment results before the elimination of inter-segment transactions.

1. Consolidated Performance

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year	FY2019 Target
Net sales	Million yen	231,448	241,893	283,812	291,897	296,695	299,000
Cost of sales	Million yen	133,293	138,371	159,624	162,497	165,068	—
Selling, general and administrative expenses	Million yen	89,468	92,746	111,875	113,112	114,068	—
Operating profit	Million yen	8,686	10,775	12,312	16,288	17,559	18,500
EBITDA *1	Million yen	14,642	18,699	25,235	28,978	30,242	32,300
Ordinary profit	Million yen	10,957	12,152	13,951	17,207	19,100	19,600
Profit attributable to owners of parent	Million yen	6,971	22,632	8,683	9,353	13,767	10,900
Profit per share	Yen	67.61	220.48	84.53	91.02	134.32	108.19
ATO	Times	0.83	0.76	0.81	0.80	0.79	—
ROS	%	3.8	4.5	4.3	5.6	5.9	6.2
ROA	%	3.9	3.8	4.0	4.7	5.1	—
ROE	%	3.3	10.1	3.7	3.8	5.5	—
Annual dividends per share	Yen	30	30	32	38	44	46
Payout ratio	%	44.4	13.6	37.9	41.7	32.8	42.5
Total assets	Million yen	286,149	349,427	353,888	378,864	371,025	—
Net assets	Million yen	221,456	260,329	266,615	283,719	279,144	—
Shareholders' equity	Million yen	219,927	228,812	235,246	251,814	247,275	—
Equity ratio	%	76.9	65.5	66.5	66.5	66.6	—
Net assets per share	Yen	2,140.27	2,231.86	2,289.43	2,450.71	2,454.34	—
Cash flows from operating activities	Million yen	8,428	12,518	21,298	23,608	20,913	—
Cash flows from investing activities	Million yen	-4,679	-8,308	-2,169	-13,739	-1,008	—
Cash flows from financing activities	Million yen	-10,588	-3,743	-7,388	-5,317	-17,317	—

\*1 EBITDA = Operating profit (before amortization of goodwill) + Depreciation

(Reference) Operating profit before amortization of goodwill, etc. for Ichibanya Co., Ltd.

		FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year	FY2019 Target
Operating profit	Million yen	12,030	17,330	21,306	22,577	23,518
ROS	%	5.0	6.1	7.3	7.6	7.9

(Reference) After deduction of the effects of extraordinary income (loss) arising from business combination and the amortization of goodwill

		FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year	FY2019 Target
Profit attributable to owners of parent	Million yen	9,635	10,795	12,859	17,187	14,317
ROE	%	4.3	4.7	5.3	6.9	—

(Reference) Payout ratio based on profit distribution policy

Payout ratio *2	%	32.0	30.4	30.4	26.2	32.4
-----------------	---	------	------	------	------	------

\*2 Profit distribution policy: Dividend payout ratio of at least 30% on a consolidated basis excluding the effects of extraordinary income/losses arising from business combination and the amortization of goodwill.

## 2. Net Sales and Operating Profit by Business Segment

### >> Net sales

		FY2014 Full year
Spice / Seasoning / Processed Food Business	Million yen	122,121
Health Food Business	Million yen	36,641
International Business	Million yen	24,689
Other Food Related Business	Million yen	47,954
Adjustment	Million yen	42

(Based on segments applied from FY2015)

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year	FY2019 Target
Spice / Seasoning / Processed Food Business	Million yen	122,680	120,018	132,059	139,937	141,225	146,200
Health Food Business	Million yen	37,212	34,523	33,281	31,599	30,899	31,000
International Food Business	Million yen	17,797	18,577	20,111	22,855	26,317	29,600
Restaurant Business	Million yen	6,711	18,312	51,375	51,974	52,083	53,100
Other Food Related Business	Million yen	58,613	62,718	62,123	61,024	61,882	46,400
Adjustment	Million yen	-11,565	-12,256	-15,138	-15,492	-15,710	-7,300

### >> Operating profit

		FY2014 Full year
Spice / Seasoning / Processed Food Business	Million yen	6,618
Health Food Business	Million yen	600
International Business	Million yen	1,088
Other Food Related Business	Million yen	-780
Adjustment	Million yen	1,160

(Based on segments applied from FY2015)

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year	FY2019 Target
Spice / Seasoning / Processed Food Business	Million yen	6,660	7,924	9,885	12,081	12,669	13,300
Health Food Business	Million yen	717	1,398	1,334	907	1,421	1,600
International Food Business	Million yen	1,000	1,381	1,681	2,847	3,584	3,600
Restaurant Business	Million yen	-72	44	-424	-406	-561	-400
Other Food Related Business	Million yen	-780	101	719	1,865	2,045	1,800
Adjustment	Million yen	1,160	-73	-883	-1,008	-1,599	-1,400

(Reference) Operating profit before amortization of goodwill, etc. for Ichibanya Co., Ltd.

Restaurant Business	Million yen	1,299	4,594	4,612	4,457	4,618
---------------------	-------------	-------	-------	-------	-------	-------

## 3. Net Sales by Geographical Area

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year
Japan	Million yen	206,759	215,688	254,188	257,218	258,565
East Asia	Million yen	10,046	11,253	12,114	14,202	14,841
Southeast Asia	Million yen	2,177	1,896	3,782	5,469	7,297
United States	Million yen	12,061	12,599	13,192	13,977	14,886
Other	Million yen	405	457	536	1,031	1,106

#### 4. Content of Business Segments (As of March 31, 2019)

Business segments	Group company name
Spice / Seasoning / Processed Food Business	House Foods Corporation Gaban Co., Ltd. / Gaban Spice Manufacturing (M) SDN. BHD. Malony Co., Ltd. Sun House Foods Corporation / Sun Supply Corporation House Ai-Factory Corporation Asaoka Spice K.K.
Health Food Business	House Wellness Foods Corporation
International Food Business	House Foods Holding USA, Inc. / House Foods America Corporation / El Burrito Mexican Food Products Corporation House Foods China Inc. / Shanghai House Foods Co., Ltd. / Dalian House Foods Co., Ltd. / Zhejiang House Foods Co., Ltd. House Foods Vietnam Co., Ltd. House Osotspa Foods Co., Ltd. PT House And Vox Indonesia House Foodes Taiwan Corporation
Restaurant Business	Ichibanya Co., Ltd. Ichibanya USA, Inc. Ichibanya Restaurant Management (China) Co., Ltd. / House Restaurant Management (Beijing) Co., Ltd. / Taiwan Ichibanya Inc. / Curry House Korea Corporation Ichibanya International Hong Kong Limited / Ichibanya Hong Kong Limited Ichibanya UK Limited
Other Food Related Business	Vox Trading Co., Ltd. Delica Chef Corporation House Logistics Service Corporation House Food Analytical Laboratory Inc. Tim Food Co., Ltd. / PT. Java Agritech
Other	House Foods Group Inc. / House Business Partners Corporation

#### 5. Trends in Net Sales by Business Segment

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year	FY2019 Target
<b>Spice / Seasoning / Processed Food Business</b>							
House Foods Corporation	Million yen	124,630	122,172	125,902	129,615	130,222	135,100
Curry roux	Million yen	37,275	37,271	38,008	37,051	36,363	36,100
Stew roux	Million yen	12,755	13,001	12,583	13,105	12,336	12,600
Hashed beef sauce roux	Million yen	4,196	4,220	4,425	4,307	4,553	4,600
Spice	Million yen	16,467	16,876	17,827	18,656	18,899	21,400
Retort pouched curry	Million yen	12,903	11,561	13,823	15,259	15,871	16,600
Packaged noodles	Million yen	6,320	6,411	6,318	6,430	6,677	6,400
Snack	Million yen	6,659	5,363	5,523	6,782	6,749	6,300
Dessert	Million yen	3,375	3,210	3,138	3,265	3,528	3,500
Food service products	Million yen	16,312	16,397	16,838	17,373	17,444	18,200
<b>Health Food Business</b>							
<i>Ukon No Chikara</i>	Million yen	12,775	12,141	11,482	10,355	9,178	9,000
<i>Mega Shaki</i>	Million yen	2,302	2,259	2,465	2,230	2,024	1,800
<i>C1000</i>	*1 Million yen	13,546	11,845	10,762	10,209	9,306	7,500
<i>Ichinichibun No Vitamin</i>	*1 Million yen	—	1,981	2,952	3,725	4,564	4,900
<b>International Food Business</b>							
Business in the United States	Million yen	10,354	10,705	10,926	11,315	12,222	12,600
Business in China	Million yen	3,444	4,049	3,918	5,035	5,801	7,000
Business in ASEAN	Million yen	1,442	1,081	1,838	2,640	4,265	5,800
<b>Restaurant Business</b>							
Ichibanya Co., Ltd. (consolidated)	Million yen	—	11,411	44,893	49,472	50,215	51,300
<b>Other Food Related Business</b>							
House Logistics Service Corporation	Million yen	23,272	23,000	23,193	21,687	19,671	1,000
Delica Chef Corporation	Million yen	14,782	16,921	16,755	17,035	17,533	17,500
Vox Trading Co., Ltd.	*2 Million yen	17,978	21,830	21,195	21,473	23,926	27,200

\*1 *Ichinichibun No Vitamin*, which was included in the *C1000* brand, is a separate item, from FY2016.

The figures for FY2015 have been replaced in accordance with the new segments from FY2016.

\*2 Vox Trading Co., Ltd. merged with Horie Yamatoya Co., Ltd. on April 1, 2016.

The results in FY2015 include the results of Horie Yamatoya Co., Ltd.

#### 6. Number of Group Companies

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year
Consolidated subsidiaries	Companies	28	34	36	37	36
	Japan	13	14	14	14	14
	Overseas	15	20	22	23	22
Equity-method affiliate	Companies	5	3	4	4	4
	Japan	2	1	2	2	2
	Overseas	3	2	2	2	2

#### 7. Change in Number of Consolidated Subsidiaries (FY2017 -> FY2018)

Consolidated subsidiaries	Increase (0 companies)	Increase:
	Decrease (1 companies)	Decrease: House Restaurant Management (Guangzhou) Co., Ltd.
Equity-method affiliate	Increase (0 companies)	Increase:
	Decrease (0 companies)	Decrease:

#### 8. Business Results of Major Subsidiaries

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year
House Foods Corporation						
	Net sales	Million yen	124,630	122,172	125,902	129,615
	Operating profit	Million yen	6,774	8,398	9,399	11,059
House Wellness Foods Corporation						
	Net sales	Million yen	37,238	34,558	33,281	31,599
	Operating profit	Million yen	736	1,403	1,329	909
House Foods America Corporation (Consolidated)						
	Net sales	Million yen	12,038	12,437	12,572	12,776
	Operating profit	Million yen	805	875	1,153	1,303
Ichibanya Co., Ltd. (Consolidated) * Full-year results for FY2015 are results for 3 months from December 2015 to February 2016.						
	Net sales	Million yen	—	11,411	44,893	49,472
	Operating profit	Million yen	—	1,300	4,806	4,713

#### 9. Number of Employees

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year
Number of employees * Excluding those on leave of absence and part-time workers	People	5,416	6,376	6,248	6,089	6,066

#### 10. Capital Investment

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year	FY2019 Plan
Total	Million yen	9,874	7,260	8,178	10,699	11,864	21,000
Capital investment	Million yen	9,588	6,757	7,708	10,215	11,320	20,200
Leases	Million yen	286	503	470	484	544	800

#### 11. Depreciation

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year	FY2019 Plan
Total	Million yen	6,083	7,277	9,691	9,456	9,661	10,800
Depreciation	Million yen	5,789	6,908	9,345	9,126	9,262	10,400
Lease payments	Million yen	294	369	346	330	398	400

#### 12. Selling, General and Administrative Expenses

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year
Selling, general and administrative expenses	Million yen	89,468	92,746	111,875	113,112	114,068
Advertising expenses	Million yen	10,326	9,822	9,869	9,879	9,739
Transportation and warehousing expenses	Million yen	6,836	7,248	9,519	9,919	10,278
Sales commission	Million yen	2,441	2,342	2,455	2,480	1,669
Promotion expenses	Million yen	30,871	29,741	30,607	31,234	32,571
Personnel expenses	Million yen	20,301	21,987	29,278	29,694	29,614
Research and development expenses	Million yen	3,582	3,510	3,787	3,955	4,212
Amortization of goodwill	Million yen	167	1,016	3,578	3,564	3,420

### 13. Non-Operating Income (Expenses)

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year
Non-operating income	Million yen	2,937	2,177	2,607	2,296	2,566
Interest income	Million yen	530	478	395	328	329
Dividend income	Million yen	603	609	762	656	679
Share of profit of entities accounted for using equity method	Million yen	628	584	70	99	51
Foreign exchange gains	Million yen	820	—	238	—	154
House rent income	Million yen	0	176	758	762	757
Other	Million yen	356	330	384	451	597
Non-operating expenses	Million yen	667	801	969	1,376	1,026
Interest expenses	Million yen	129	93	87	90	80
Foreign exchange losses	Million yen	—	174	—	380	—
Rent expenses	Million yen	—	148	631	616	618
Other	Million yen	538	385	251	291	327

### 14. Extraordinary Income (Losses)

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year
Extraordinary income	Million yen	1,543	17,013	2,008	993	4,470
Gain on sales of non-current assets	Million yen	195	7	178	13	6
Reversal of allowance for doubtful accounts	Million yen	1	0	—	0	6
Gain on sales of investment securities	Million yen	1,311	3,135	147	765	4,284
Gain on sales of investments in capital	Million yen	18	—	—	—	—
Gain on bargain purchase	Million yen	—	—	1,018	57	—
Gain on change in equity	Million yen	3	—	—	—	—
Compensation income	Million yen	13	—	—	—	37
Gain on sales of restaurants	Million yen	—	19	147	144	129
Gain on step acquisitions	Million yen	—	13,851	448	—	—
Other	Million yen	2	1	70	13	9
Extraordinary losses	Million yen	607	1,062	1,488	1,186	1,273
Loss on sales of non-current assets	Million yen	121	0	10	19	23
Loss on retirement of non-current assets	Million yen	141	273	279	222	630
Loss on sales of membership	Million yen	—	2	—	—	—
Loss on sales of investment securities	Million yen	—	—	—	0	—
Loss on valuation of investment securities	Million yen	4	16	0	5	2
Loss on valuation of membership	Million yen	1	3	11	0	7
Impairment loss	Million yen	323	718	1,138	774	579
Loss on disaster	Million yen	—	—	—	—	—
Other	Million yen	18	51	50	166	32

### 15. Foreign Exchange Rates

		FY2014 Full year	FY2015 Full year	FY2016 Full year	FY2017 Full year	FY2018 Full year	FY2019 Plan
United States	USD	120.55	120.61	116.49	113.00	110.36	110.00
China	CNY	19.35	18.36	16.76	17.29	16.64	16.00
Taiwan	TWD	3.80	3.66	3.61	3.79	3.66	3.50
South Korea	KRW	0.1098	0.1033	0.0968	0.1062	0.1004	0.0990
Thailand	THB	3.70	3.34	3.24	3.45	3.41	3.40
Vietnam	VND	0.00559	0.00545	0.00512	0.00498	0.00479	0.00450

## Reference 1: Domestic Market Size (survey by House Foods Corporation)

		2014	2015	2016	2017	2018
Curry roux	Billion yen	48.5	51.9	50.3	47.4	45.0
Stew roux	Billion yen	18.1	18.7	18.0	18.1	17.0
Hashed beef sauce roux	Billion yen	6.1	6.5	6.3	6.1	6.0
Retort pouched curry	Billion yen	50.8	51.6	53.9	55.9	58.1
Spice	Billion yen	67.4	69.1	70.3	71.5	73.8

## Reference 2: Schedule of Amortization of Goodwill, etc. for Ichibanya Co., Ltd.

	Amortization period	Amount (million yen)	FY2016 (million yen)	FY2017 (million yen)	FY2018 (million yen)	FY2019 (million yen)	FY2020 (million yen)	FY2021 (million yen)
Total amortization of goodwill, etc.	—	72,744	5,018	5,018	5,018	5,018	4,164	1,601
Goodwill	5 years	17,083	3,417	3,417	3,417	3,417	2,562	—
Trademark right	42 years	26,666	635	635	635	635	635	635
Contract-related intangible assets	30 years	28,995	967	967	967	967	967	967

\* Amortization began in the fourth quarter of FY2015.