

**FY2021
Results Briefing
Fact Data**



House Foods Group Inc.

The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc., effective from beginning of the fiscal year. Results for FY2020 (the fiscal year ended March 31, 2021) based on both the old and the new standards are provided to increase comparability.

1. Consolidated Results	(Old accounting standard)				(New accounting standard)			
		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2020 Full year	FY2021 Full year	FY2022 Forecast
Net sales	Million yen	291,897	296,695	293,682	283,754	250,066	253,386	270,600
Cost of sales	Million yen	162,497	165,068	159,910	156,998	154,114	158,383	—
Selling, general and administrative expenses	Million yen	113,112	114,068	114,767	107,359	76,539	75,776	—
Operating profit	Million yen	16,288	17,559	19,005	19,397	19,413	19,227	18,400
EBITDA *1	Million yen	28,978	30,242	32,284	31,059	31,075	30,112	29,800
Ordinary profit	Million yen	17,207	19,100	20,797	19,820	19,837	21,125	19,500
Profit attributable to owners of parent	Million yen	9,353	13,767	11,458	8,733	8,752	13,956	11,200
Profit per share	Yen	91.02	134.32	113.73	86.68	86.87	139.75	113.60
ATO (Total Asset Turnover)	Times	0.80	0.79	0.80	0.77	0.68	0.67	0.71
ROS (Ratio of operating profit to net sales)	%	5.6	5.9	6.5	6.8	7.8	7.6	6.8
EBITDA margin	%	9.9	10.2	11.0	10.9	12.4	11.9	11.0
ROA (Ratio of operating profit to total assets)	%	4.4	4.7	5.1	5.3	5.3	5.1	4.8
ROE (Ratio of profit to equity)	%	3.8	5.5	4.6	3.4	3.5	5.3	4.2
Dividend per share	Yen	38	44	46	46	46	46	46
Payout ratio	%	41.7	32.8	40.4	53.1	53.0	32.9	40.5
Total assets	Million yen	378,864	371,025	367,194	369,150	369,335	382,021	384,110
Net assets	Million yen	283,719	279,144	280,930	287,291	286,883	298,567	299,602
Shareholders' equity	Million yen	251,814	247,275	248,770	258,145	257,825	268,966	269,556
Equity ratio	%	66.5	66.6	67.7	69.9	69.8	70.4	70.2
Net assets per share	Yen	2,450.71	2,454.34	2,469.20	2,562.29	2,559.12	2,700.99	2,764.40
Cash flows from operating activities	Million yen	23,608	20,913	24,218	23,181	23,181	16,140	—
Cash flows from investing activities	Million yen	-13,739	-1,008	-6,356	-8,558	-8,558	-10,398	—
Cash flows from financing activities	Million yen	-5,317	-17,317	-7,567	-6,172	-6,172	-10,068	—

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

(Reference) Net of amortization of goodwill related to restaurant business

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2020 Full year	FY2021 Full year	FY2022 Forecast
Operating profit	Million yen	21,306	22,577	24,023	22,568	22,585	20,597	19,770
ROS (Ratio of operating profit to net sales)	%	7.3	7.6	8.2	8.0	9.0	8.1	7.3

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

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2020 Full year	FY2021 Full year	FY2022 Forecast
Profit attributable to owners of parent	Million yen	12,859	17,187	14,680	15,617	15,637	14,439	11,244
ROE (Ratio of profit to equity)	%	5.3	6.9	5.9	6.2	6.2	5.5	4.2

(Reference) Payout ratio based on profit distribution policy

Payout ratio *2	%	30.4	26.2	31.6	29.7	29.6	31.8	40.3
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*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

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2020 Full year	FY2021 Full year	FY2022 Forecast
Spice / Seasoning / Processed Food Business	Million yen	139,937	141,225	144,996	146,340	120,380	117,422	122,500
Health Food Business	Million yen	31,599	30,899	27,890	20,105	15,281	14,432	15,800
International Food Business	Million yen	22,855	26,317	29,734	35,472	34,056	39,110	45,100
Restaurant Business	Million yen	51,974	52,083	52,498	44,567	44,698	45,422	52,000
Other Food Related Business	Million yen	61,024	61,882	46,296	45,542	43,922	45,571	44,200
Adjustment (elimination)	Million yen	-15,492	-15,710	-7,733	-8,271	-8,271	-8,571	-9,000

>> Operating profit

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2020 Full year	FY2021 Full year	FY2022 Forecast
Spice / Seasoning / Processed Food Business	Million yen	12,081	12,669	14,111	15,614	15,614	12,628	9,700
Health Food Business	Million yen	907	1,421	521	-413	-396	-138	300
International Food Business	Million yen	2,847	3,584	4,098	4,584	4,584	5,250	5,500
Restaurant Business	Million yen	-406	-561	202	-660	-660	1,502	3,400
Other Food Related Business	Million yen	1,865	2,045	1,791	1,770	1,770	1,480	1,600
Adjustment (elimination)	Million yen	-1,008	-1,599	-1,717	-1,498	-1,498	-1,494	-2,100

(Reference) Net of amortization of goodwill related to restaurant business

Restaurant Business	Million yen	4,612	4,457	5,220	2,512	2,512	2,872	4,770
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3. Net Sales by Geographical Area

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2020 Full year	FY2021 Full year
Japan	Million yen	257,218	258,565	252,776	238,817	206,544	202,982
East Asia	Million yen	14,202	14,841	14,921	15,721	15,147	17,802
Southeast Asia	Million yen	5,469	7,297	9,387	13,374	12,538	14,119
United States	Million yen	13,977	14,886	15,246	14,788	14,788	16,911
Other	Million yen	1,031	1,106	1,353	1,054	1,048	1,572

4. Content of Business Segments (As of March 31, 2022)

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 Foods Taiwan Corporation
Restaurant Business	Ichibanya Co., Ltd. Daikoku Shoji Co., Ltd. Ichibanya USA, Inc. / Ichibanya International USA, Inc. Ichibanya Restaurant Management (China) 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. / Tim Food Co., Ltd. / PT. Java Agritech Delica Chef Corporation House Logistics Service Corporation House Food Analytical Laboratory Inc.
Other	House Foods Group Inc. / House Business Partners Corporation

5. Trends in Net Sales by Business Segment

		(Old accounting standard)				(New accounting standard)			
		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2020 Full year	FY2021 Full year	FY2022 Forecast	
Spice / Seasoning / Processed Food Business									
House Foods Corporation (consolidated)	※1	Million yen	128,901	129,410	133,630	135,789	110,247	106,859	113,000
Curry roux	※2	Million yen	37,051	36,363	37,008	37,768	37,768	36,475	—
Stew roux	※2	Million yen	13,105	12,336	12,209	12,824	12,824	12,321	—
Hashed beef sauce roux	※2	Million yen	4,307	4,553	4,763	5,409	5,409	5,145	—
Spice	※2	Million yen	18,656	18,899	19,894	22,691	22,691	21,412	—
Retort pouched curry	※2	Million yen	15,259	15,871	16,796	16,740	16,740	16,496	—
Packaged noodles	※2	Million yen	6,430	6,677	7,076	7,342	7,342	7,672	—
Snack	※2	Million yen	6,782	6,749	7,267	6,822	6,822	6,539	—
Dessert	※2	Million yen	3,265	3,528	3,506	3,581	3,581	3,558	—
Food service products	※2	Million yen	17,373	17,444	17,490	14,883	14,883	15,630	—
Gaban Co., Ltd. (non-consolidated)		Million yen	8,612	8,620	8,639	7,892	7,892	8,212	8,900
Health Food Business									
Health Food Business (total)		Million yen	31,599	30,899	27,890	20,105	15,281	14,432	15,800
Ukon No Chikara	※2	Million yen	10,355	9,178	8,233	4,240	4,240	4,021	—
Mega Shaki	※2	Million yen	2,230	2,024	1,842	1,279	1,279	1,269	—
C1000	※2	Million yen	10,209	9,306	7,110	5,143	5,143	4,245	—
Ichinichibun No Vitamin	※2	Million yen	3,725	4,564	4,097	3,945	3,945	4,297	—
International Food Business									
Business in the United States		Million yen	11,315	12,222	13,036	13,471	13,471	14,793	18,000
Business in China		Million yen	5,035	5,801	6,060	7,428	6,981	8,545	10,700
Business in ASEAN		Million yen	2,640	4,265	6,617	10,297	9,496	10,847	11,500
Restaurant Business									
Ichibanya Co., Ltd. (consolidated)		Million yen	49,472	50,215	51,496	44,247	44,378	45,022	51,900
Other Food Related Business									
House Logistics Service Corporation	※3	Million yen	21,687	19,671	1,025	1,036	1,036	1,060	1,000
Delica Chef Corporation		Million yen	17,035	17,533	18,690	18,028	18,028	19,393	19,100
Vox Trading Co., Ltd. (consolidated)		Million yen	21,473	23,926	25,904	25,823	24,204	24,514	23,400

※1: Excludes House Wellness Foods products (Health Food Business) which House Foods Corporation is consigned to sell and exported products (International Food Business).

※2: Results by product are based on shipments and are for reference only.

※3: On April 1, 2019, House Logistics Service Corporation conducted a company split and transferred its logistics business (excluding orders received and yard handling business operations) to F-LINE Corporation.

6. Foreign Exchange Rates

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2021 Full year	FY2022 Forecast
United States	USD	113.00	110.36	109.24	106.43	110.37	115.00
China	CNY	17.29	16.64	15.82	15.42	17.12	18.00
Taiwan	TWD	3.79	3.66	3.54	3.62	3.95	4.10
Thailand	THB	3.45	3.41	3.53	3.40	3.43	3.40

7. Number of Group Companies

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year
Consolidated subsidiaries	Companies	37	36	35	37
Japan	Companies	14	14	14	15
Overseas	Companies	23	22	21	22
Equity-method affiliates	Companies	4	4	5	5
Japan	Companies	2	2	2	2
Overseas	Companies	2	2	3	3

FY2021 Full year
37
15
22
5
2
3

8. Change in Number of Consolidated Subsidiaries (FY2020 -> FY2021)

Consolidated subsidiaries	Increase (0 companies)	Increase:
	Decrease (0 companies)	Decrease:
Equity-method affiliates	Increase (0 companies)	Increase:
	Decrease (0 companies)	Decrease:

9. Number of Employees

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year
Number of employees * Excluding those on leave of absence and part-time workers	People	6,089	6,066	6,122	6,153

FY2021 Full year
6,169

10. Capital Investment

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year
Total	Million yen	10,699	11,864	17,971	11,708
Capital investment	Million yen	10,215	11,320	16,253	11,324
Spice / Seasoning / Processed Food Business	Million yen	3,468	5,583	7,419	7,208
Health Food Business	Million yen	322	573	2,630	347
International Food Business	Million yen	4,472	2,324	4,255	1,217
Restaurant Business	Million yen	1,319	2,025	1,386	1,716
Other Food Related Business	Million yen	294	397	279	421
Adjustment	Million yen	339	418	284	415
Leases	Million yen	484	544	1,719	383

FY2021 Full year	FY2022 Forecast
12,976	17,200
12,425	17,000
5,647	—
237	—
3,895	—
1,411	—
609	—
628	—
551	200

11. Depreciation

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year
Total	Million yen	9,456	9,661	10,217	10,373
Depreciation	Million yen	9,126	9,262	9,862	10,035
Spice / Seasoning / Processed Food Business	Million yen	3,365	3,544	4,013	3,989
Health Food Business	Million yen	458	471	644	686
International Food Business	Million yen	871	960	1,114	1,428
Restaurant Business	Million yen	2,855	2,779	3,016	2,870
Other Food Related Business	Million yen	962	916	487	475
Adjustment	Million yen	616	593	587	589
Lease payments	Million yen	330	398	355	337

FY2021 Full year	FY2022 Forecast
11,239	11,700
10,941	11,400
4,832	—
668	—
1,476	—
2,844	—
495	—
625	—
298	300

12. Selling, General and Administrative Expenses

(Old accounting standard)

(New accounting standard)

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2020 Full year	FY2021 Full year
Selling, general and administrative expenses	Million yen	113,112	114,068	114,767	107,359	76,539	75,776
Advertising expenses	Million yen	9,879	9,739	9,436	7,837	7,961	8,122
Transportation and storage costs	Million yen	9,919	10,278	11,635	10,983	10,962	10,992
Sales commission	Million yen	2,480	1,669	1,691	1,769	119	122
Promotion expenses	Million yen	31,234	32,571	32,589	32,061	2,752	2,968
Personnel expenses	Million yen	29,694	29,614	28,992	28,391	28,397	27,708
Research and development expenses	Million yen	3,955	4,212	4,465	4,279	4,279	4,417
Amortization of goodwill	Million yen	3,564	3,420	3,417	1,708	1,708	45
Other	Million yen	22,387	22,564	22,541	20,332	20,362	21,404

13. Non-Operating Income (Expenses)

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2021 Full year
Non-operating income	Million yen	2,296	2,566	2,918	2,549	3,719
Interest income	Million yen	328	329	353	253	240
Dividend income	Million yen	656	679	658	673	693
Share of profit of entities accounted for using equity method	Million yen	99	51	645	—	—
Rental income from buildings	Million yen	762	757	806	804	854
Foreign exchange gains	Million yen	—	154	—	111	353
Subsidy income	Million yen	—	—	—	120	1,026
Other	Million yen	451	597	457	588	553
Non-operating expenses	Million yen	1,376	1,026	1,127	2,126	1,821
Interest expenses	Million yen	90	80	62	52	61
Foreign exchange losses	Million yen	380	—	143	—	—
Rental expenses	Million yen	616	618	671	638	691
Share of loss of entities accounted for using equity method	Million yen	—	—	—	1,230	322
Litigation expenses	Million yen	—	—	—	—	281
Other	Million yen	291	327	251	206	465

14. Extraordinary Income (Losses)

		FY2017 Full year	FY2018 Full year	FY2019 Full year	FY2020 Full year	FY2021 Full year
Extraordinary income	Million yen	993	4,470	2,359	2,590	3,375
Gain on sale of non-current assets	Million yen	13	6	198	2	194
Gain on sale of investment securities	Million yen	765	4,284	2,100	2,453	3,099
Gain on bargain purchase	Million yen	57	—	—	—	—
Compensation income	Million yen	—	37	—	—	—
Gain on sale of restaurants	Million yen	144	129	61	134	74
Other	Million yen	13	15	0	0	7
Extraordinary losses	Million yen	1,186	1,273	2,474	10,361	1,130
Loss on sale of non-current assets	Million yen	19	23	9	11	6
Loss on retirement of non-current assets	Million yen	222	630	552	224	385
Loss on sale of investment securities	Million yen	0	—	11	15	—
Loss on valuation of investment securities	Million yen	5	2	145	3	99
Impairment losses	Million yen	774	579	387	10,075	636
Loss on change in equity	Million yen	—	—	212	—	—
Loss on sale of businesses	Million yen	—	—	42	—	—
Provision of allowance for doubtful accounts	Million yen	—	—	1,088	—	—
Other	Million yen	166	39	28	32	5

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

		2017	2018	2019	2020	2021
Curry roux	Billion yen	55.3	52.9	51.3	50.5	46.9
Stew roux	Billion yen	21.0	19.6	18.9	18.9	18.1
Hashed beef sauce roux	Billion yen	7.1	7.1	7.1	7.3	6.6
Retort pouched curry	Billion yen	67.1	70.7	75.3	78.9	78.7
Spice	Billion yen	82.3	85.9	88.4	100.6	97.0

Reference 2: Schedule for amortization of goodwill and intangible assets generated at the time of Ichibanya Co., Ltd. became a subsidiary (December 2015)

	Amortization period	Amortization completed	FY2017 (million yen)	FY2018 (million yen)	FY2019 (million yen)	FY2020 (million yen)	FY2021 (million yen)	FY2022 (million yen)
Total amortization of goodwill, etc.	—	—	5,018	5,018	5,018	3,172	1,326	1,326
Goodwill	5 years	FY2020	3,417	3,417	3,417	1,708	—	—
Trademark right	42 years	FY2057	635	635	635	580	526	526
Contract-related	30 years	FY2045	967	967	967	883	800	800

* Amortization began in the fourth quarter of FY2015.