

FINANCIAL SUMMARY

Consolidated Balance Sheets

(Millions of yen)

	FY2021 As of March 31, 2021	FY2022 As of March 31, 2022
Assets		
Current assets	79,407	86,008
Non-current assets	32,273	33,955
Property, plant and equipment	20,055	21,077
Intangible assets	392	307
Investments and other assets	11,825	12,570
Total assets	111,681	119,964
Liabilities		
Current liabilities	8,947	9,267
Non-current liabilities	3,866	4,357
Total liabilities	12,813	13,625
Net assets		
Shareholders' equity	93,183	98,624
Accumulated other comprehensive income	5,020	6,861
Non-controlling interests	663	852
Total net assets	98,867	106,338
Total liabilities and net assets	111,681	119,964

Note: Amounts presented are rounded down to the nearest million yen.

Consolidated Statements of Income

(Millions of yen)

	FY2021 From April 1, 2020 to March 31, 2021	FY2022 From April 1, 2021 to March 31, 2022
Net sales	49,684	52,658
Cost of sales	32,429	34,556
Gross profit	17,255	18,101
Selling, general and administrative expenses	7,208	7,419
Operating income	10,046	10,682
Non-operating income	670	748
Non-operating expenses	41	91
Ordinary income	10,675	11,340
Extraordinary income	—	17
Extraordinary losses	107	203
Income before income taxes and minority interests	10,567	11,153
Income taxes - current	3,203	3,018
Income taxes - deferred	(3)	308
Net income	7,368	7,826
Net income attributable to non-controlling interests	90	117
Net income attributable to shareholders of the parent company	7,277	7,708

Note: Amounts presented are rounded down to the nearest million yen.

Consolidated Statements of Cash Flows

(Millions of yen)

	FY2021 From April 1, 2020 to March 31, 2021	FY2022 From April 1, 2021 to March 31, 2022
Cash flows from operating activities	11,015	8,302
Cash flows from investing activities	4,276	7,058
Cash flows from financing activities	(2,483)	(2,478)
Effect of exchange rate change on cash and cash equivalents	163	1,144
Net increase in cash and cash equivalents	12,972	14,026
Cash and cash equivalents at beginning of period	27,904	40,877
Cash and cash equivalents at end of period	40,877	54,904

Note: Amounts presented are rounded down to the nearest million yen.

Consolidated Statements of Changes in Equity

(From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Shareholders' equity				Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	7,095	7,840	80,348	(2,100)	93,183	4,298	725	(4)	5,020	663	98,867
Cumulative effects of changes in accounting policies				(0)	(0)						(0)
Restated balance	7,095	7,840	80,348	(2,100)	93,182	4,298	725	(4)	5,020	663	98,866
Changes of items during period											
Dividends of surplus			(2,450)		(2,450)						(2,450)
Net income attributable to shareholders of the parent company			7,708		7,708						7,708
Purchase of treasury shares				(2)	(2)						(2)
Disposal of treasury shares		124		62	186						186
Net changes of items other than shareholders' equity						414	1,441	(14)	1,841	188	2,030
Total changes of items during period	—	124	5,257	59	5,441	414	1,441	(14)	1,841	188	7,472
Balance at end of current period	7,095	7,964	85,606	(2,040)	98,624	4,712	2,167	(18)	6,861	852	106,338

Note: Amounts presented are rounded down to the nearest million yen.

CORPORATE / INVESTOR INFORMATION

Company Profile

(As of March 31, 2022)

● Trade Name ARIAKE JAPAN Co., Ltd.
● Representatives Naoki Shirakawa, President (CEO), Katsutoshi Iwaki, Executive Vice President (COO)

● Established June 2, 1966
● Capital 7,095,096 thousand yen
● Employees 626 (As of March 31, 2022)
● Business Activities
1. Manufacture, processing and sale of natural seasonings
2. Production, processing, import / export and sale of livestock products
3. Processing, import / export and sale of marine products
4. Production, import / export and sale of non-pharmaceutical products
5. Restaurant management
6. Technical guidance concerning the above activities
7. Operations incidental to above activities

● Banks Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., The Juhachi-Shinwa Bank, Ltd.
● Affiliated Companies QINGDAO ARIAKE FOODSTUFF Co., Ltd., Rizhao Ariake Foodstuff Co., Ltd., Taiwan Ariake Foods Co., Ltd., F.P. Natural Ingredients S.A.S., Ariake Europe N.V., Henningsen Nederland B.V., PT. Ariake Europe Indonesia A.C.C. Co., Ltd., Ariake Farm. Co., Ltd.

● Office Location
● Headquarters 3-2-17, Ebisu-Minami, Shibuya-ku, Tokyo 150-0022 TEL: 03-3791-3301

● Kyushu Plant
● No. 1 Kyushu Plant
● No. 2 Kyushu Plant
● Central Research Laboratory R&D Center
● Packing Center
● Nagoya Branch
● Osaka Branch
● Fukuoka Branch
● Sendai Branch
● Sapporo Sales Office



Headquarters building

Stock Data

(As of March 31, 2022)

● Total number of shares authorized to be issued.....130,000,000 shares
● Total issues and outstanding shares.....32,808,683 shares
● Number of shareholders.....7,886
● Stock exchange listing.....Tokyo Stock Exchange, Prime Market
● Securities code number.....2815

Major Shareholders (Top 10)

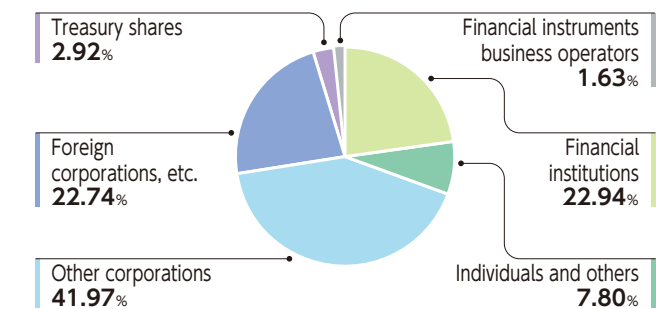
Name of Shareholders	Thousand Shares	Percentage
Japan Food Business Co., Ltd.	10,618	33.34
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,948	12.40
Kineo Okada Scholarship Foundation	2,196	6.90
SSBTC CLIENT OMNIBUS ACCOUNT	1,905	5.98
Custody Bank of Japan, Ltd. (Trust Account)	1,674	5.26
Ohsho Food Service Corp.	784	2.46
STATE STREET BANK AND TRUST COMPANY 505001	455	1.43
NAOKI OKADA	412	1.29
The Juhachi-Shinwa Bank, Ltd.	388	1.22
HSBC-FUND SERVICES, HBAP CLTS UCITS A/C - IRELAND	315	0.99

Note 1: Treasury shares (959 thousand shares) are excluded from the list above.
Note 2: The percentage of total shares excludes treasury shares.
Note 3: Number of shares less than one thousand is rounded down to the nearest thousand.

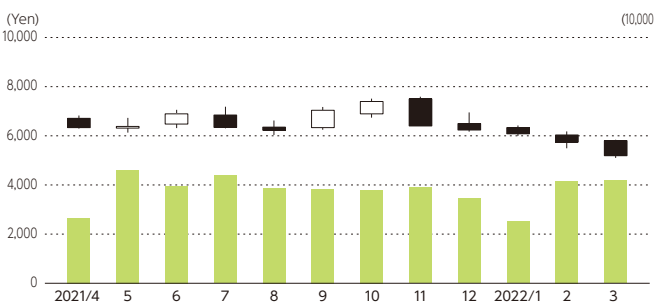
Stock Information

Fiscal year April 1 to March 31 next year
Record date for receipt of year-end dividends March 31
Record date for receipt of 2nd quarter dividends September 30
General shareholders' meeting Held in June each year
Stock transfer agent Mitsubishi UFJ Trust and Banking Corporation
Account manager for special accounts Mitsubishi UFJ Trust and Banking Corporation Securities Agency Division 1-1 Nikko-cho, Fuchu-shi, Tokyo TEL: 0120-232-711 (Toll free only in Japan)
Mailing address: Shin-Tokyo Post Office, Post Office Box No.29, 137-8081, Japan
Mitsubishi UFJ Trust and Banking Corporation Securities Agency Division
Inquiries
Stock exchange listing Tokyo Stock Exchange, Prime Market
Announcement The Company posts information about settlement announcement on its website. <https://www.ariakejapan.com/>

Percentage Composition of Shareholders



Stock Price (Monthly) and Trading Volume



Precautions

1. In principle, changes of address, requests for purchases of shares and other shareholder procedures will be performed by the account manager (securities company, etc.) for each shareholder's account. These procedures are not performed by the Company's stock transfer agent (Mitsubishi UFJ Trust and Banking).
2. For all procedures concerning stock registered in the special account, please contact Mitsubishi UFJ Trust and Banking, which is the manager of this account. These procedures are handled at the head office and all branches of Mitsubishi UFJ Trust and Banking.
3. Accrued dividends can be received at the head office or any branch of Mitsubishi UFJ Trust and Banking.

April 1, 2021 >>> March 31, 2022

Business Report

THE FINE FLAVORS OF NATURE

<https://www.ariakejapan.com/>

ARIAKE JAPAN Co., Ltd.
Securities code number: 2815

TO OUR SHAREHOLDERS

Profitability is consistently high as our performance recovers to the pre-pandemic level. Our priorities are the overseas strategy for more growth and the sustainability of our businesses and society.

A recovery in a challenging business climate; the ratio of operating income to net sales continued to exceed 20%

In April 2022, our stock listing was moved to the new Prime Market due to the reorganization of the markets of the Tokyo Stock Exchange. We are very grateful to our shareholders for the support that has played a key role in our progress over the years.

During the fiscal year that ended in March 2022, there were many accomplishments at the Ariake Group even as the negative effects of the pandemic continued. We used our strengths as a global enterprise and a leader in the natural seasonings market to anticipate our customers' needs for the growth of existing businesses worldwide and success of new businesses. All our activities are guided by our commitment to food safety, health and outstanding flavors. These activities supported a recovery in sales and earnings in Asia, Europe and Japan that returned our performance to almost the level before the pandemic started. Furthermore, our profitability remained high as the operating income to net sales ratio exceeded 20%.

Profitability backed by strengths created by a distinctive business model

High profitability is the result of three strengths of our distinctive business model that we established as a pioneer in the business of natural seasonings using ingredients derived from livestock.

Advanced manufacturing capabilities and technologies: We have a fully integrated manufacturing system extending from raw materials to finished products. In addition, we started using computer control for production processes many years ago. Our large factories are capable of producing high volumes of products with outstanding reliability and consistency.

Advanced quality and hygiene management: Automation and computer control ensure the safety of all Ariake Group products. Group companies have received ISO9001 certification for quality management, ISO14001 certification for environmental management, Global GAP (Good Agricultural Practices) certification, and certification for the FSSC 22000 food safety management system.

A Global production infrastructure: Our production network covering seven areas allows manufacturing products in the best possible locations. Global coverage also makes it possible to procure raw materials efficiently to support manufacturing and sales activities in Japan and overseas.

Furthermore, synergies created by leveraging these strengths have enabled the Ariake Group to establish a powerful and diverse base of customers in Japan and other countries encompassing restaurants, prepared meals, processed food and other market sectors.

Our overseas strategy for more growth

The primary strategy for growth is increasing output capacity in Europe and China. In Belgium, a production facility for the straight-type bouillon (non-condensed) used for the homemade soup market is under construction and expected to start operating in November 2022. In France, construction is proceeding as planned on a spray dryer for the production of powdered seasonings.

Opportunities are increasing in the powdered seasonings market even as growth continues in the liquid seasonings sector where we are well established. In China, we plan to build a third factory that will start production in 2024.

Sustainability of our businesses and society

We are committed to growth with sustainability for our businesses and society.

Sustainability activities have been part of our group's activities for many years. We recycle residue and reuse waste heat, waste oils and other materials as an energy source. In April 2021, our factories in Japan began using entirely energy from renewable sources, which eliminated CO2 emissions involving electricity used at our factories in Japan. In the fiscal year that ended in March 2022, CO2 emissions of factories in Japan were down by about 50% from the previous fiscal year. In addition, we installed solar panels at carports in May 2022, expanding the use of these panels beyond rooftops.

Group companies will continue to build a sound base for sustainable business operations and the constant pursuit of innovations as part of measures for achieving the medium to long-term goal of raising consolidated sales to ¥100 billion.

To express our appreciation for the support of shareholders, we have decided to pay a year-end dividend of ¥76 per share, which is ¥19 higher than the initially planned dividend of ¥57 per share. With the interim dividend of ¥20 per share, this will result in a fiscal year dividend of ¥96 per share.

We ask for the continued support and guidance of our shareholders as the Ariake Group aims for even higher goals in the future.

June 2022



Senior Advisor
Kineo Okada

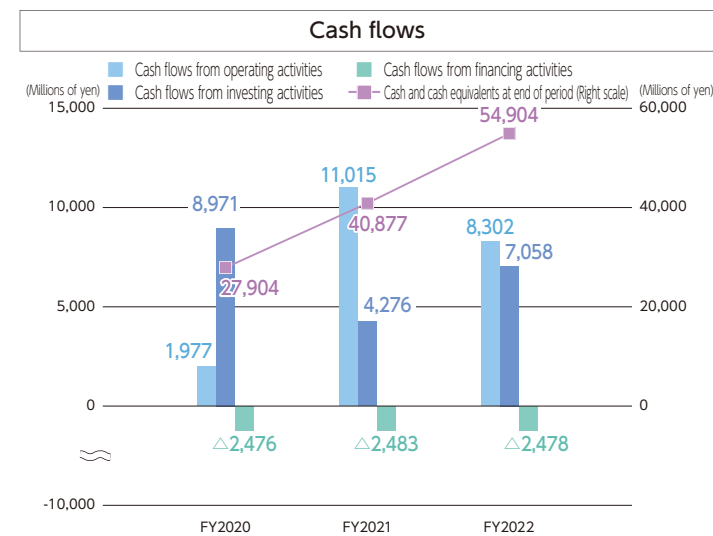
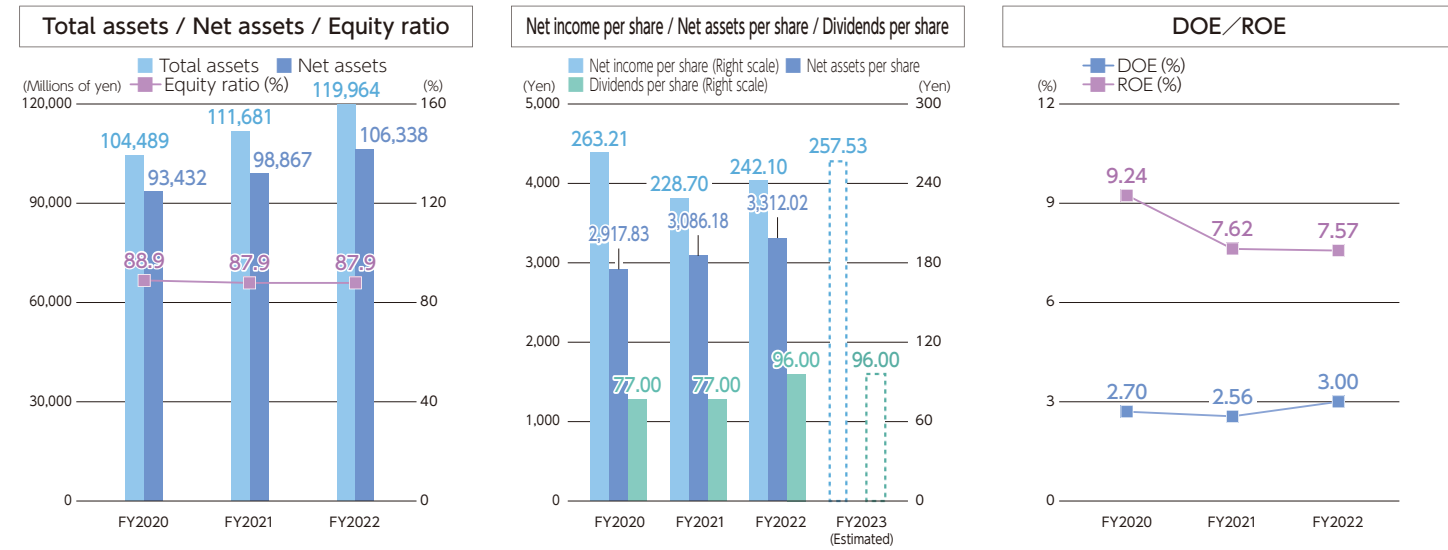
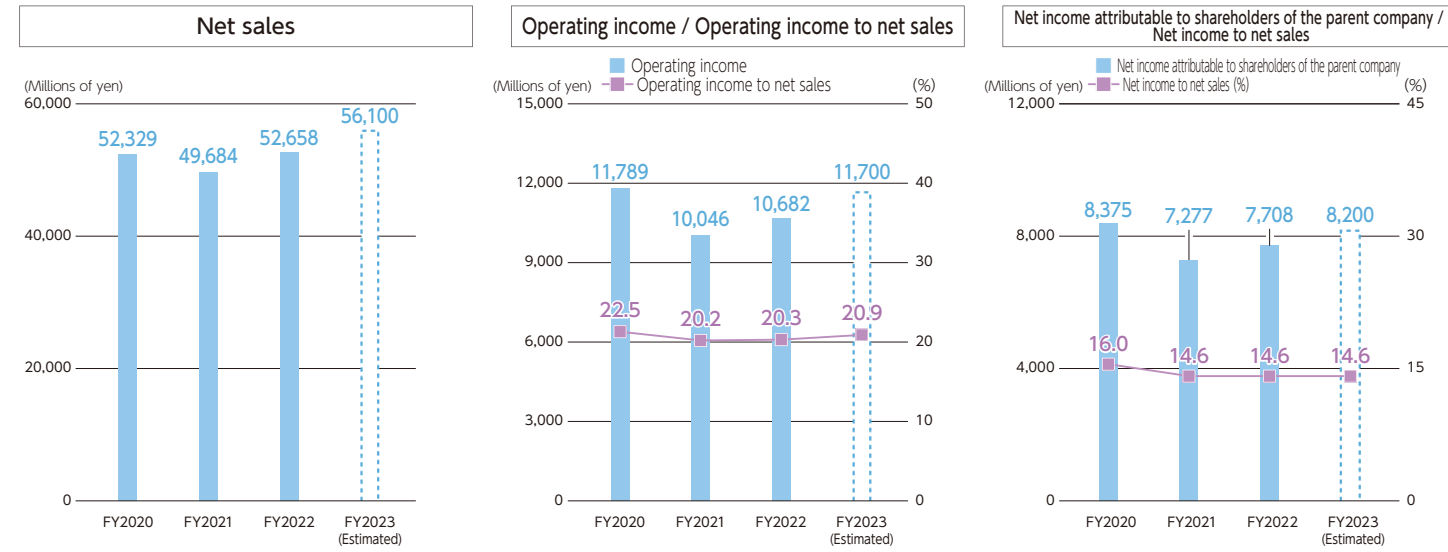


President (CEO)
Naoki Shirakawa



CONSOLIDATED FINANCIAL HIGHLIGHTS

Sales and earnings increased with Asia the primary source of growth



Sales and earnings increased in the fiscal year that ended in March 2022. The Ariake Group's performance was particularly strong in Asia. In China, performance recovered throughout the fiscal year, sales and earnings rose to the pre-pandemic levels. In Taiwan, sales and earnings were about the same as in the previous fiscal year, the result of the impact of the pandemic starting in June 2021 and a recovery in the fiscal year's second half. In Indonesia, sales were strong for both exports to Japan and products sold in Indonesia. In Europe, sales were down as a recovery in the restaurant category did not offset a downturn in products for industrial use. However, earnings in Europe increased because higher exports to Japan raised factory utilization rates.

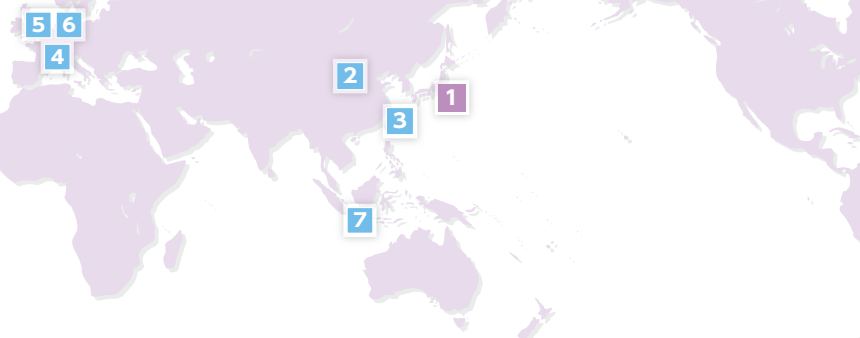
Consolidated net sales increased 6.0% to ¥52,658 million and **consolidated operating income** increased 6.3% to ¥10,682 million.

Net income attributable to shareholders of the parent company was up 5.9% to ¥7,708 million.

SPECIAL ISSUE Global Network and Business Strategies of the Ariake Group

The optimal regional production system serves a broad array of customer needs worldwide.

Contributing to the advancement of the culture of food worldwide has always been a goal of the Ariake Group. Since our inception, we have been dedicated to operating on a global scale as both a Japanese company and a global enterprise. Since our founding, we have made enormous capital expenditures that total more than 20 billion yen throughout the world. Having completed this round of overseas investments, we are now in the stage where we generate returns from these expenditures. Under the optimal regional production system with production bases in seven locations as Japan, China, Taiwan, France, Belgium, the Netherlands and Indonesia, we serve the diverse range of needs among our customers worldwide.



- 1 Japan**
Company Name: ARIAKE JAPAN Co., Ltd.
Headquarters: Shibuya-ku, Tokyo
Location: Kita-Matsuyama-gun, Nagasaki
Plant Location: June 1966
Established: ¥7,095 million
Capital
- 2 China**
Company Name: QINGDAO ARIAKE FOODSTUFF Co., Ltd.
Office Location: Qingdao Huangdao Shandong Province, China
Established: December 1994
Capital: \$8.12 million
- 3 Taiwan**
Company Name: Taiwan Ariake Foods Co., Ltd.
Office Location: Pingtung City, Taiwan
Established: May 1985
Capital: NTS\$250 million
- 4 France**
Company Name: F.P. Natural Ingredients S.A.S.
Office Location: Alençon, France
Established: March 2003
Capital: €22 million
- 5 Belgium**
Company Name: Ariake Europe N.V.
Office Location: Maasmechelen, Belgium
Established: January 2004
Capital: €43.0 million
- 6 Netherlands**
Company Name: Henningsen Nederland B.V.
Office Location: Waalwijk, Netherlands
Established: December 1984
Capital: €359 thousand
- 7 Indonesia**
Company Name: PT. Ariake Europe Indonesia
Office Location: West Java, Indonesia
Established: March 2016
Capital: \$3,725 thousand



Business Plan of the Ariake Group

The optimal regional production system of the Ariake Group can provide a consistent supply of high quality, low cost products. Having completed work on this system, the Ariake Group has established a business plan that has clear numerical targets.

Business Strategies of the Ariake Group

The Ariake Group has established a specific business strategy for individual regions and countries of the world in line with the Ariake Group's business plan. Targets for sales three years from now, which is the fiscal year ending in March 2025, were also set.

	Result		Plan			
	FY2021	FY2022	FY2023	FY2024	FY2025	
Net sales	Ariake Japan	38.6	40.1	42.0	43.0	44.0
	Consolidated subsidiaries	13.9	15.8	17.4	19.9	22.7
	Adjustment	(2.8)	(3.2)	(3.3)	(3.4)	(3.5)
Consolidated net sales		49.7	52.7	56.1	59.5	63.2
Operating income	Ariake Japan	7.5	7.6	8.4	8.6	8.8
	Consolidated subsidiaries	2.6	3.1	3.3	3.6	4.1
	Consolidated operating income	10.1	10.7	11.7	12.2	12.9

Details			Sales Target for FY2025
Japan	ARIAKE JAPAN Co., Ltd.	New products and new markets for more market share gains	44.0
Asia	QINGDAO ARIAKE FOODSTUFF Co., Ltd. (China)	China/Taiwan: More activities to sell products to processed food producers	22.7
	Taiwan Ariake Foods Co., Ltd. (Taiwan)		
	PT. Ariake Europe Indonesia (Indonesia)	Indonesia: Export raw materials to Japan and increase sales in Indonesia	
Europe	F. P. Natural Ingredients S.A.S. (France)	Increase sales by adding new products developed in Europe and increase exports of raw materials to Japan	22.7
	Ariake Europe N.V. (Belgium)		
	Henningsen Nederland B.V. (Netherlands)		
Other			

Note: Sales targets for FY2025 are before consolidation adjustments.

TOPIC

A growth strategy backed by the Ariake Group's integrated production system

We are steadily progressing with our growth strategy that utilizes our integrated overseas production framework, a key strength of our group. At our factory in Belgium, a straight-type bouillon facility is under construction. It will make this company virtually the only one in the EU capable of making straight-type bouillon from the extraction stage. Only the Ariake Group has the expertise for this process, which allows fully integrated production from extrusion to ultra-high temperature (UHT) sterilization and the final product. Demand for this UHT straight-type bouillon (non-condensed) is expected to be very strong in France. At our factory in France, a spray dryer for the production of powdered seasonings is under construction. Powder is more widely used than liquids for stock seasonings in Europe. We plan to raise the output of our integrated production system, which gives us a competitive advantage, for the integrated production of these powders from extrusion through drying. Our plan is to use the drying of soup



Construction of a spray dryer in France

stock powders, meat powders and other seasoning powders to increase sales in the industrial-use market category. In China, we are making plans for a highly automated factory that will incorporate the most advanced technologies available. Construction is scheduled to begin in 2023 and production to start the following year.

Using renewable energy reduces the Ariake Group's environmental impact and helps create a society where resources are recycled

The Ariake Group has many activities for lowering its environmental impact and playing a part in creating a society where resources are recycled. One step was the April 2021 start of using solely renewable energy for electricity used at factories in Japan. Since then, there have been no CO₂ emissions derived from electricity use at these factories. Furthermore, in the March 2022 fiscal year, CO₂ emissions of factories in Japan were down by about 50% from the previous fiscal year. In 2014, we installed one of the largest factory rooftop solar power systems in Japan (output of 2,600kW). To further utilize space at this factory, we placed solar panels on the carparks of this factory in May 2022. Panels are on all carparks in the parking area and have an aggregate output of 2.6MW. This carport solar power system is included on the website of the Ministry of the Environment as an outstanding example of the use of space for solar power



Solar panels at the entire parking area to produce electricity for internal use

The carport solar power system is featured on the Ministry of the Environment website as an outstanding project that received the ministry's support. Website of the Ministry of the Environment: <https://www.env.go.jp/earth/jirei--pdf>