



# **FY2021 Financial Results**

**April 1, 2020–March 31, 2021**

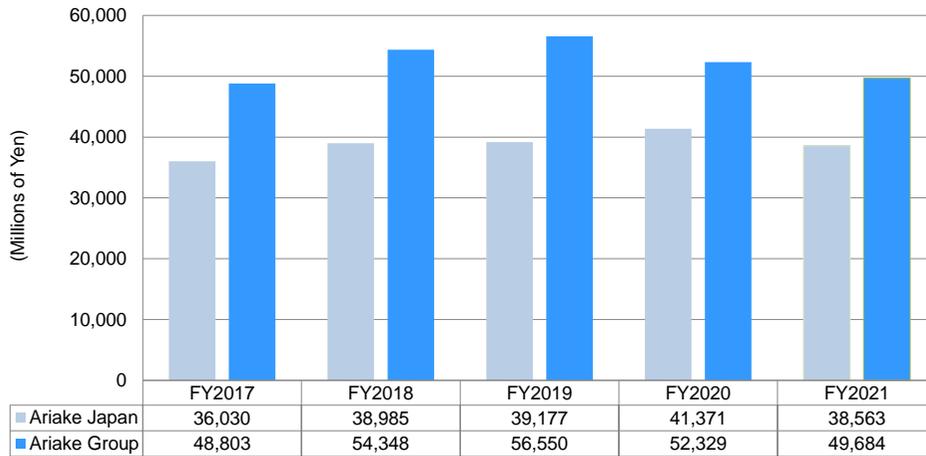
In Telephone Conference on May 13, 2021

ARIAKE JAPAN Co., Ltd. (Code number: 2815)

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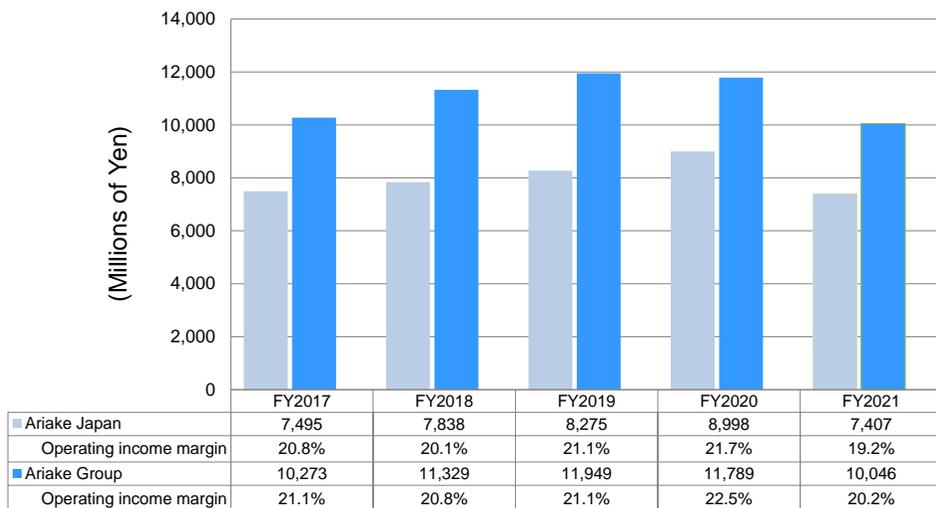
## Consolidated and Non-consolidated Net Sales



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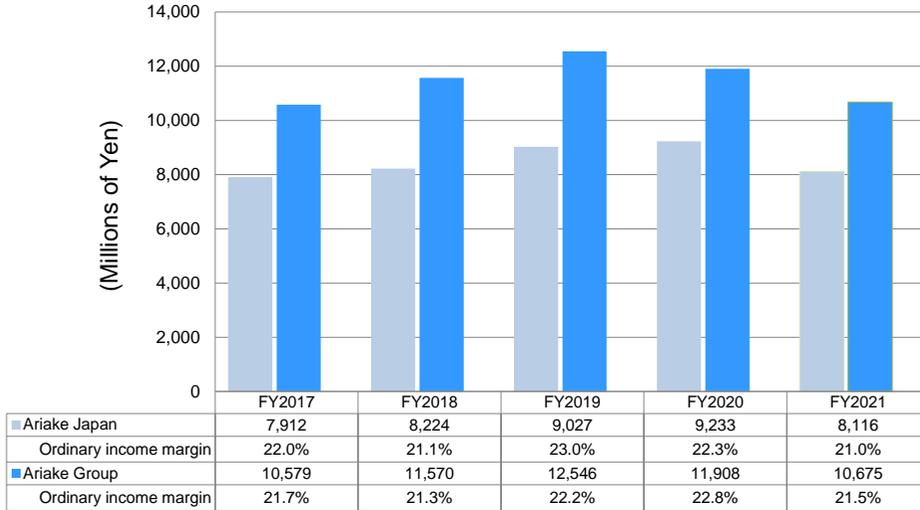
## Consolidated and Non-consolidated Operating Income



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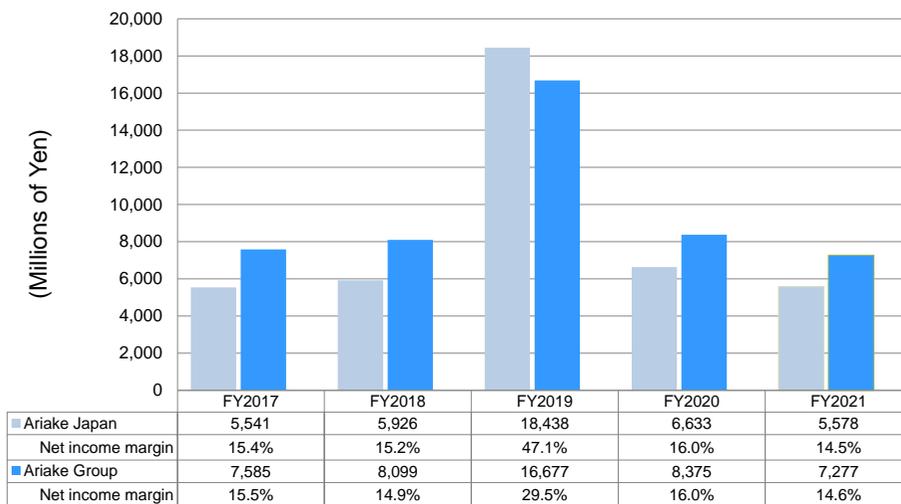
## Consolidated and Non-consolidated Ordinary Income



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## Consolidated and Non-consolidated Net Income Attributable to Shareholders of Parent Company



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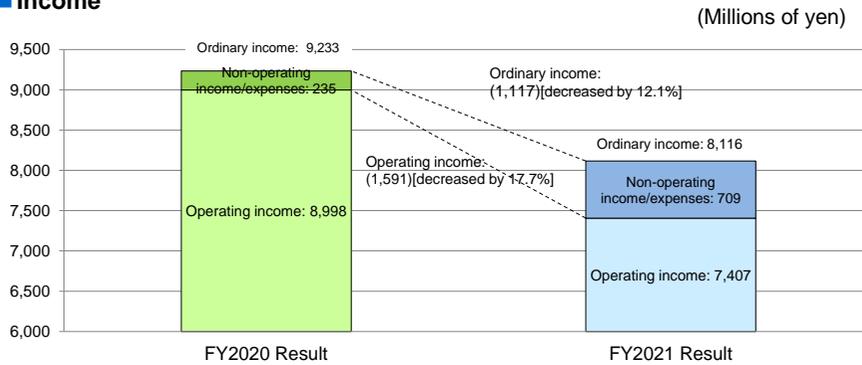
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**[Comparison with FY2020 Results]**  
**Non-consolidated Business Summary**

■ **Net sales**

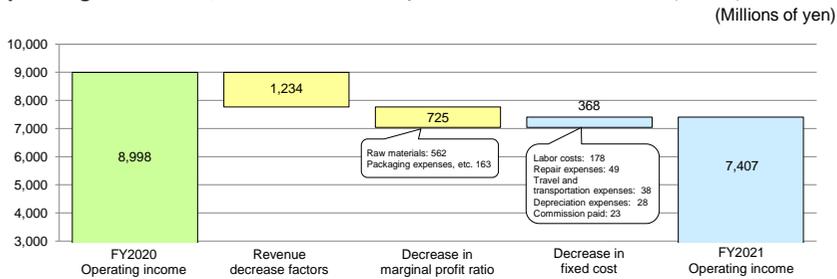
Non-consolidated net sales decreased by ¥2,808 million (-6.8%) year-on-year, to ¥38,563 million.

■ **Income**



**[Comparison with FY2020 Results]**  
**Non-consolidated Business Summary (Income Change Factors)**

■ **Operating income: ¥7,407 million** Year-on-year decrease of ¥1,591 million (-17.7%)



■ **Ordinary income: ¥8,116 million** Year on year decrease of ¥1,117 million (-12.1%)

(Millions of yen)

Increase factors	Foreign exchange gains	390
	Interest income, etc.	84
Decrease factors	Decrease in operating income	(1,591)
Total		(1,117)

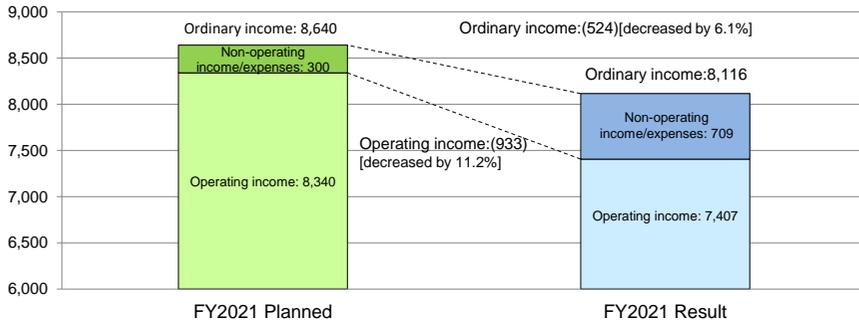
**[Comparison with FY2021 Plan]**  
**Non-consolidated Business Summary**

■ **Net sales**

Non-consolidated net sales totaled ¥38,563 million, falling short of the plan by ¥3,136 million (-7.5%).

■ **Income**

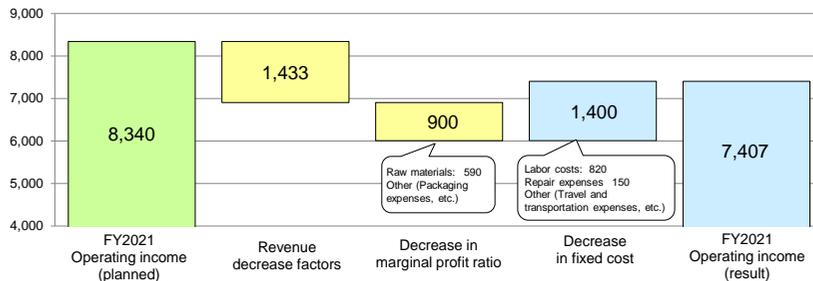
(Millions of yen)



**[Comparison with FY2021 Plan]**  
**Non-consolidated Business Summary (Income Change Factors)**

■ **Operating income: ¥7,407 million, falling short of the plan by ¥933 million (-11.2%)**

(Millions of yen)



■ **Ordinary income: ¥8,116 million Year-on-year decrease of ¥524 million (-6.1%)**

(Millions of yen)

Increase factors	Foreign exchange gains	170
	Dividend income, etc.	239
Decrease factors	Decrease in operating income	(933)
	<b>Total</b>	<b>(524)</b>

## Net Sales [Comparison with FY2020 Results]

\* Subsidiaries' figures are after consolidation adjustments (Billions of yen)

	FY2021 (A)	FY2020 (B)	Change (A-B)	%	
				%	Currency neutral
Ariake Japan	38.56	41.37	(2.81)	-6.8%	-
Subsidiaries total*	11.12	10.96	0.16	1.5%	-0.6%
U.S.	0.00	0.00	0.00	-	-
Asia	6.76	6.96	(0.20)	-2.8%	-4.0%
Europe	4.09	3.67	0.42	11.3%	7.5%
Japan	0.27	0.33	(0.06)	-17.3%	-
Ariake Group	49.68	52.33	(2.65)	-5.1%	-5.5%
USD	103.50	109.56	(6.06)		
EUR	126.95	122.54	4.41		
RMB	15.88	15.67	0.21		
TWD	3.68	3.64	0.04		
IDR	0.0074	0.0079	(0.0005)		

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## Operating Income [Comparison with FY2020 Results]

\* Subsidiaries' figures are after consolidation adjustments (Billions of yen)

	FY2021 (A)	FY2020 (B)	Change (A-B)	%	
				%	Currency neutral
Ariake Japan	7.41	9.00	(1.59)	-17.7%	-
Subsidiaries total*	2.64	2.79	(0.15)	-5.5%	-7.5%
U.S.	0.00	0.10	(0.10)	-	-
Asia	1.67	1.78	(0.11)	-6.1%	-7.4%
Europe	0.96	0.89	0.07	7.5%	3.8%
Japan	0.01	0.02	(0.01)	-37.3%	-
Ariake Group	10.05	11.79	(1.74)	-14.8%	-15.3%

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## Business Summary by Geographical Area

Asia	Europe
<ul style="list-style-type: none"> <li>❑ Although net sales and profits decreased in China mainly due to a dip in orders from restaurants, business has improved year on year since September.</li> <li>❑ Taiwan was not heavily affected by COVID-19 and remains on the same level as the previous fiscal year.</li> <li>❑ Exports to Japan and domestic sales were strong in Indonesia.</li> </ul>	<ul style="list-style-type: none"> <li>❑ Sales to industrial customers were robust despite the impact of COVID-19.</li> </ul> <p style="margin-top: 10px;">Both net sales and profits increased due to cooperation between three locations in Belgium, France and the Netherlands.</p>

## FY2022 Plan by Geographical Area

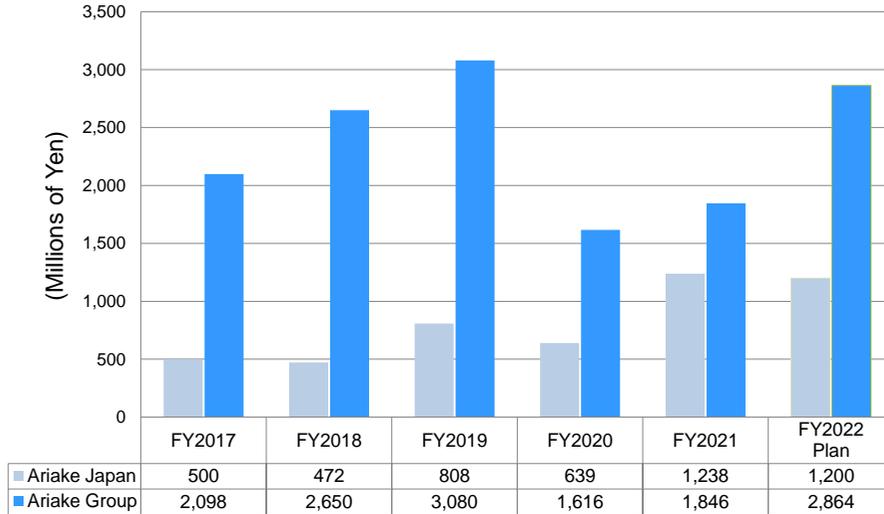
\* Subsidiaries' figures are after consolidation adjustments

(Billions of yen)

	Net Sales			Operating Income		
	FY2022 Plan (A)	FY2021 Result (B)	Difference A-B	FY2022 Plan (A)	FY2021 Result (B)	Difference A-B
Ariake Japan	41.5	38.5	3.0	8.3	7.4	0.8
Subsidiaries total*	12.8	11.1	1.7	3.5	2.7	0.8
Asia	8.0	6.7	1.3	2.2	1.7	0.5
Europe	4.5	4.1	0.4	1.2	0.9	0.3
Japan	0.3	0.3	0.0	0.1	0.1	0.0
Total	54.3	49.6	4.7	11.8	10.1	1.6

EUR	129.0	126.95	2.05
RMB	16.70	15.88	0.82
TWD	3.84	3.68	0.16
IDR	0.0076	0.0074	0.0002

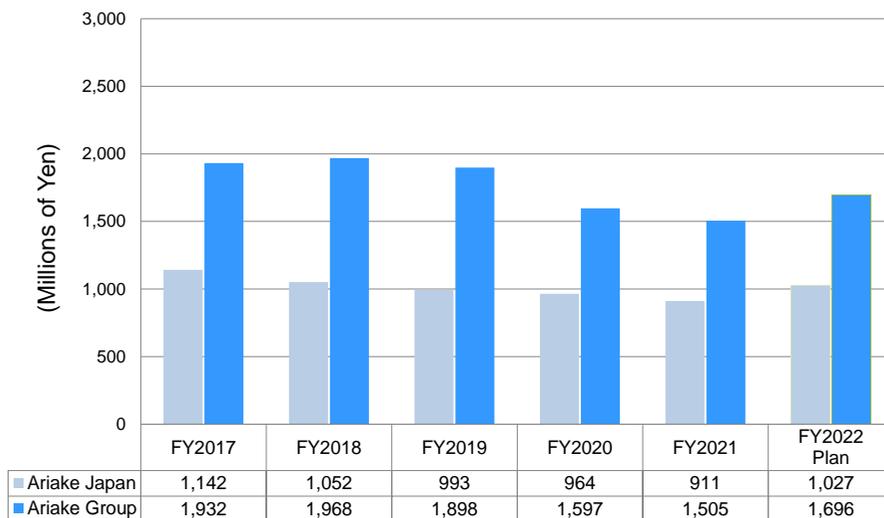
## Consolidated and Non-consolidated Capital Expenditures



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## Consolidated and Non-consolidated Depreciation Expenses



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## Future Business Plan

**For FY2024, we are targeting consolidated net sales of ¥60.3 billion or more, and operating income to net sales of 21% or more.**

**We will further deploy operational resources to markets with potential for sustainable growth.**

❑ **Ariake Japan**

We plan to develop new products and markets while identifying changes in consumer tastes and business formats in the domestic market, aiming at gaining greater market share.

❑ **Asia**

We will work to boost sales in the Chinese and Taiwanese markets, where sales are expected to grow further, and bolster the raw material supply from Indonesia to Japan as well as sales in Indonesia.

❑ **Europe**

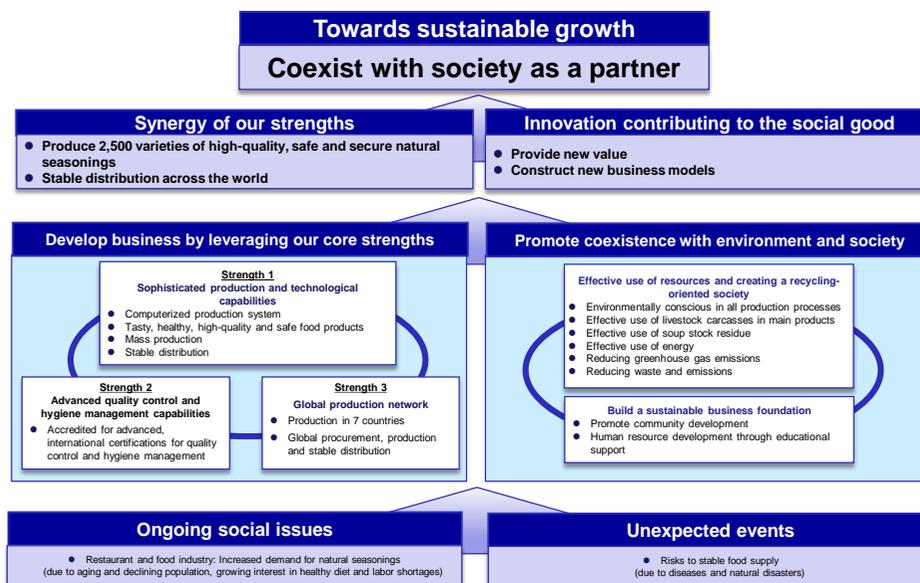
In Europe, we will strive to boost sales by launching newly developed products and increase supplies of raw materials to Japan.

## Future Business Plan

(Billions of yen)

		Result		Plan		
		FY2020	FY2021	FY2022	FY2023	FY2024
Net Sales	Ariake Japan	41.4	38.6	41.5	42.5	43.5
	Consolidated Subsidiaries	13.3	13.9	15.6	17.8	20.0
	Consolidation Adjustments	(2.4)	(2.8)	(2.7)	(3.0)	(3.2)
	Consolidated Net Sales	52.3	49.7	54.3	57.3	60.3
Operating Income	Ariake Japan	9.0	7.5	8.3	8.5	8.7
	Consolidated Subsidiaries	2.8	2.6	3.5	3.9	4.4
	Consolidated Operating Income	11.8	10.1	11.8	12.4	13.1

## Business Model Pursuing Sustainability for Business and Society



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### We are committed to boosting environmental value by switching to 100% renewable electricity at our plants.

We are actively engaged in decarbonization to address global warming. In April 2021, we switched to renewable energy for the electricity used at our domestic production plants to boost environmental value.

Our Kyushu Plants (at two locations) emitted approximately 37,000 tons of CO<sub>2</sub> in FY2020, about 40% of which were from electricity consumption. We are replacing the electricity with renewable energy sources.

This enables us to achieve zero CO<sub>2</sub> emissions from electricity and reduce about 15,000 tons of CO<sub>2</sub> annually from April 2021 onward. This renewable electricity is compliant with the criteria set by RE100, a consortium of companies that aims to source 100% renewable electricity for their business activities.

In 2014, we installed one of the largest rooftop solar photovoltaic systems in Japan at our plant, with an output of 2,600 kw. We are considering installing more solar panels to supply electricity needed for increased production as well as waste-to-energy and waste reduction solutions. With these initiatives, we aim to create clean plants as part of our commitment to SDGs and ESG-focused management.



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## Ariake Group's Global Seven-Pillar System



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- Descriptions regarding the future, including financial forecasts contained in this material, are based on certain information currently available to the Company and particular assumptions, which are, at the discretion of the Company, deemed to be reasonable. They contain various uncertain factors, such as foreign exchange and interest rates, the international situation, market trends and economic conditions, competition, production capacity, future sales, profitability and capital expenditure, the situation for other financial indicators, the legal, political and regulatory situation, and the impact of diseases and health issues, which may cause the actual results to differ from the contents in this presentation. The Company does not give any assurances to the accuracy and completeness of such information.