

Consolidated Financial Results for the Fiscal Year 2024 (J-GAAP)

May 10, 2024

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 Supplementary materials prepared: Yes
 Results information meeting held: Yes (for financial analysts)

(Figures shown are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Year Ended March 31, 2024 (April 1, 2023–March 31, 2024)

(1) Consolidated Financial Results

(Percentage figures represent changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of the parent company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2024	59,981	7.7	8,662	2.4	10,712	15.5	7,353	15.2
FY2023	55,698	5.8	8,455	(20.8)	9,270	(18.2)	6,385	(17.2)

Note: Comprehensive income: FY2024: ¥11,809 million (39.1%)

FY2023: ¥8,489 million (-13.0%)

	Net income per share	Fully diluted net income per share	Return on shareholders' equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY2024	230.88	–	6.4	8.2	14.4
FY2023	200.48	–	5.9	7.5	15.2

Reference: Investment profit/loss on equity method: FY2024: ¥ – million

FY2023: ¥ – million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2024	136,597	120,279	87.2	3,741.92
FY2023	126,262	111,743	87.7	3,477.73

Reference: Equity capital: FY2024: ¥119,176 million

FY2023: ¥110,763 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2024	8,808	(14,498)	(3,281)	48,448
FY2023	5,597	(1,915)	(3,093)	56,296

2. Dividends

	Dividends per share					Total dividends (Annual)	Dividends payout ratio (Consolidated)	Dividends on shareholders' equity ratio (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2023	–	20.00	–	82.00	102.00	3,248	50.9	3.0
FY2024	–	20.00	–	90.00	110.00	3,503	47.6	3.0
FY2025 (forecast)	–	20.00	–	90.00	110.00		47.3	

3. Forecast of the Consolidated Financial Results for the Year Ending March 31, 2025 (April 1, 2024–March 31, 2025)

(Full year percentage figures represent changes from the previous fiscal year, and first half figures represent the rates of changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of the parent company		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half year	29,516	5.9	4,554	22.6	5,358	8.9	3,510	5.9	110.21
Full year	62,800	4.7	9,900	14.3	11,400	6.4	7,800	6.1	244.91

* Notes

(1) Significant Changes in Subsidiaries during the Year under Review (Changes in specified subsidiaries resulting in change of scope of consolidation): None

Newly included: None (Company name:) Removed: None (Company name:)

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement of Revisions

- 1) Changes in accounting policies associated with revisions of accounting standards, etc.: None
 2) Changes other than those included in 1): None
 3) Changes in accounting estimates: None
 4) Restatement of revisions: None

(3) Number of Issued Shares (Common Stock)

1) Number of issued shares as of the period-end (including treasury shares)	As of March 31, 2024:	32,808,683 shares	As of March 31, 2023:	32,808,683 shares
2) Number of treasury shares as of the period-end	As of March 31, 2024:	959,754 shares	As of March 31, 2023:	959,375 shares
3) Average number of shares for the period	FY 2024:	31,849,029 shares	FY 2023:	31,849,415 shares

(Reference) Summary of Non-consolidated Financial Results

1. Financial Results for the Year Ended March 31, 2024 (April 1, 2023–March 31, 2024)

(1) Non-consolidated Financial Results

(Percentage figures represent changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2024	44,700	4.7	5,923	3.7	7,915	21.9	5,556	17.9
FY2023	42,687	6.5	5,714	(24.3)	6,492	(22.3)	4,712	(19.3)

	Net income per share	Fully diluted net income per share
	Yen	Yen
FY2024	174.48	–
FY2023	147.96	–

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2024	115,926	103,795	89.5	3,259.00
FY2023	109,950	99,193	90.2	3,114.45

Reference: Equity capital: FY2024: ¥103,795 million

FY2023: ¥99,193 million

2. Forecast of the Non-consolidated Financial Results for the Year Ending March 31, 2025 (April 1, 2024–March 31, 2025)

(Full year percentage figures represent changes from the previous fiscal year, and first half figures represent the rates of changes from the same period of the previous year.)

	Net sales		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half year	21,620	2.8	3,864	2.6	2,709	0.2	85.07
Full year	46,000	2.9	8,400	6.1	5,890	6.0	184.93

* These financial results are outside the scope of the audit by certified public accountants or auditing firms.

* Explanation regarding the appropriate use of forecast of consolidated financial results and other special instructions

Descriptions regarding the future, including the financial outlook 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 reasonable and actual financial results may significantly vary due to various factors.

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1. Overview of Financial Results, etc.

(1) Overview of Financial Results for the FY2024

(Consolidated Financial Results)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to shareholders of the parent company	Net income per share (yen)
FY2024	59,981	8,662	10,712	7,353	230.88
FY2023	55,698	8,455	9,270	6,385	200.48
Growth Rate	7.7%	2.4%	15.5%	15.2%	—

(Non-consolidated Financial Results)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2024	44,700	5,923	7,915	5,556	174.48
FY2023	42,687	5,714	6,492	4,712	147.96
Growth Rate	4.7%	3.7%	21.9%	17.9%	—

During the fiscal year ended March 31, 2024, the Japanese economy has been in a moderate recovery trend due to further easing of restrictions related to COVID-19. On the other hand, the economic outlook remains extremely uncertain as resource and raw material prices continue to soar, mainly due to the prolonged geopolitical risks associated with the situation in Russia and Ukraine and the impact of the strengthening trend of yen depreciation.

Under such circumstances, Ariake Japan Co., Ltd. (the "Company") and its Group companies (collectively, the "Ariake Group") have been striving to understand customer needs early on, expand their existing businesses throughout the world, and actively develop new businesses in order to achieve their medium- to long-term management plan. In this way, the Ariake Group endeavors, as a leading manufacturer in the field of natural seasonings and also as a global enterprise, to fulfill its commitments to food safety, good health, and better taste.

As a result of these efforts, the Group and the Company were able to record the following earnings for the fiscal year under review.

The Company's net sales increased by 4.7% (¥2,012 million) year on year, to ¥44,700 million, resulting from our steady sales and marketing efforts focusing on a "customer-first" approach.

Sales of subsidiaries increased by 17.4% year on year.

Therefore, consolidated net sales for the fiscal year under review increased by 7.7% (¥4,283 million) year on year to ¥59,981 million.

The Company's operating income increased by 3.7% (¥209 million) year on year to ¥5,923 million due to increased sales, cost reductions, etc., despite the impact of soaring raw material and packaging material prices.

Consolidated operating income increased by 2.4% (¥206 million) year on year to ¥8,662 million.

The Company's ordinary income increased by 21.9% (¥1,423 million) year on year to ¥7,915 million. This was mainly attributable to a ¥1,056 million increase in foreign exchange gains compared to the previous year.

Consolidated ordinary income increased by 15.5% (¥1,441 million) year on year to ¥10,712 million.

Net income for the Company increased by 17.9% (¥844 million) year on year to ¥5,556 million.

Net income attributable to shareholders of the parent company increased by 15.2% (¥968 million) year on year to ¥7,353 million.

The Ariake Group has only one reportable segment, so information on segment performance is not reported.

(2) Overview of Financial Position for the FY2024

(Assets)

As of March 31, 2024, total current assets were ¥76,161 million. This represents a decrease of ¥5,251 million compared to March 31, 2023, mainly due to decreases of ¥7,591 million in cash and deposits and ¥474 million in raw materials and supplies, and increases of ¥1,386 million in notes and accounts receivable - trade and ¥1,000 million in securities. Total non-current assets increased by ¥15,586 million compared to March 31, 2023 to ¥60,435 million, mainly due to an increase of ¥2,123 million in property, plant and equipment and an increase of ¥ 10,571 million in investment securities.

Therefore, total assets were ¥136,597 million, an increase of ¥10,335 million compared to March 31, 2023.

(Liabilities)

As of March 31, 2024, total current liabilities were ¥10,615 million, which represents an increase of ¥809 million compared to March 31, 2023. This was mainly attributable to an increase of ¥176 million in electronically recorded obligations - operating and an increase of ¥557 million in income taxes payable. Total non-current liabilities increased to ¥5,702 million, an increase of ¥989 million compared to March 31, 2023. This was mainly owing to an increase of ¥1,179 million in deferred tax liabilities.

Therefore, total liabilities were ¥16,318 million, an increase of ¥1,799 million compared to March 31, 2023.

(Net Assets)

As of March 31, 2024, total net assets were ¥120,279 million, representing an increase of ¥8,535 million compared to March 31, 2023. This was mainly due to ¥7,353 million in net income attributable to shareholders of the parent company and ¥3,248 million in dividends of surplus.

Therefore, equity ratio was 87.2% (87.7% as of March 31, 2023).

(3) Overview of Cash Flows in the FY2024

Cash and cash equivalents (hereinafter "cash") as of March 31, 2024 totaled ¥48,448 million, a decrease of ¥7,848 million (down 13.9%) compared to March 31, 2023, as a result of matters such as purchase of investment securities and outflows due to payments into time deposits, besides an increase in income before income taxes and minority interests to ¥10,815 million (up 16.2% compared to the FY2023).

Overview of the respective cash flows and factors that influenced them in the FY2024 are stated as below.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥8,808 million (a year on year increase in inflow of ¥ 3,211 million). Income before income taxes and minority interests increased to ¥10,815 million (a year on year increase of ¥1,506 million) and depreciation of ¥1,950 million was posted, a decrease in inventories was ¥207 million and an increase in trade receivables was ¥1,117 million.

(Cash flows from investing activities)

Net cash used in investing activities was outflow of ¥14,498 million (a year on year increase in outflow of ¥12,582 million), mainly attributable to capital expenditure of ¥3,028 million (a year on year increase in outflow of ¥10 million), outflow due to purchase of investment securities of ¥8,309 million, proceeds of ¥117 million from sale of investment securities, and outflow due to payments into time deposits of ¥ 3,757 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥3,281 million (a year on year increase of outflow of ¥188 million). This was mainly attributable to payment of cash dividends of ¥3,248 million.

(Reference) Cash Flow Indicators

	FY2020	FY2021	FY2022	FY2023	FY2024
Equity ratio (%)	88.9	87.9	87.9	87.7	87.2
Equity ratio based on fair value (%)	207.7	191.2	137.8	123.1	122.6
Cash flows interest-bearing debts ratio (years)	0.0	0.0	0.0	0.0	0.0
Interest coverage ratio (times)	28,694.2	3,665.0	1,334.9	1,111.6	2,102,748.6

Equity ratio: equity capital / total assets

Equity ratio based on fair value: total fair value / total assets

Cash flows interest-bearing liabilities ratio: interest-bearing debts / cash flows

Interest coverage ratio: cash flows / interest payments

(Note 1) All indicators are calculated using financial figures on a consolidated basis.

(Note 2) Total fair value is calculated based on number of issued shares after deducting treasury shares.

(Note 3) The "Cash flows from operating activities" was used as cash flows.

(Note 4) All interest-bearing debts on the Consolidated Balance Sheets were used as interest-bearing debts.

(4) Future Outlook

(Forecast for consolidated financial results)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to shareholders of the parent company	Net income per share (yen)
FY2025	62,800	9,900	11,400	7,800	244.91
FY2024	59,981	8,662	10,712	7,353	230.88
Growth Rate	4.7%	14.3%	6.4%	6.1%	—

(Forecast for non-consolidated financial results)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2025	46,000	6,900	8,400	5,890	184.93
FY2024	44,700	5,923	7,915	5,556	174.48
Growth Rate	2.9%	16.5%	6.1%	6.0%	—

As for economic activities in general, we expect that the trend of rising prices arising from higher recourse prices triggered by the unstable international situation and yen depreciation will continue.

For more than a decade, the Ariake Group has made large-scale capital expenditures of more than ¥20 billion across the globe to expand worldwide demand for natural seasonings and to have our products penetrate global markets. The results of these domestic and overseas capital expenditures are steadily being realized. Net sales of the Company in the FY2024 was ¥44,700 million, an increase of approximately 50% compared to the FY2014 (¥29,645 million) and consolidated net sales increased to ¥59,981 million, an improvement of around 61% from the FY2014 (¥37,201 million).

Our income also has steadily been growing, offsetting the increase in depreciation due to capital expenditures. The Company's net income was ¥5,556 million and net income attributable to shareholders of our parent company was ¥7,353 million in the FY2024. In the coming fiscal year, as well, we will make the most of our proprietary technologies and cutting-edge facilities, and will spare no effort in fully leveraging the unique qualities discussed above to maintain steady increase of its earnings.

In these circumstances, for the next consolidated fiscal year, the FY2025, we will develop new products and markets while understanding changes in consumer tastes and business conditions in the domestic market, aiming at gaining greater market share.

We will also work to enhance sales to processing manufacturers in the Chinese and Taiwanese markets, where sales are expected to expand further, and strengthen channels for the export of ingredients from Indonesia to Japan while raising sales in Indonesia.

In Europe, we will strive to enhance sales by launching newly developed products and strengthening channels for

the export of ingredients to Japan.

The challenging business environment is expected to continue due to the heightened geopolitical risks. However, we will execute these initiatives to pursue further growth in FY2025.

In these circumstances, for the next consolidated fiscal year, the FY2025, consolidated net sales are projected to be ¥62,800 million (up 4.7% compared to the FY2024), operating income ¥9,900 million (up 14.3%), ordinary income ¥11,400 million (up 6.4%), and net income attributable to shareholders of parent company ¥7,800 million (up 6.1%).

We used exchange rates of 1 euro = ¥157.12, 1 Chinese yuan = ¥19.93, 1 Taiwan dollar = ¥4.62, and 1 Indonesian rupiah = ¥0.0092 as the base for forecast for financial results.

The forecast for financial results above was prepared based on information available as of the date of announcement of this material, and actual results may be different from the forecast figures due to various factors, including the effects of the Ukraine crisis.

2. Basic Approach to the Selection of Accounting Standards

In consideration of comparability of the consolidated financial statements over different accounting periods, the Group will prepare consolidated financial statements based on Japanese GAAP for the time being. For the application of International Financial Reporting Standards (IFRS), the Group will take adequate actions while paying attention to various situations inside and outside Japan.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(Thousands of yen)

	FY2023 (As of March 31, 2023)	FY2024 (As of March 31, 2024)
Assets		
Current assets		
Cash and deposits	56,796,833	49,205,275
Notes and accounts receivable - trade	12,122,013	13,508,312
Securities	-	1,000,000
Merchandise and finished goods	4,825,744	5,460,840
Work in process	1,608,712	1,537,028
Raw materials and supplies	5,191,069	4,717,000
Accounts receivable - other	5,099	10,767
Others	865,008	723,403
Allowance for doubtful accounts	(1,172)	(1,178)
Total current assets	81,413,309	76,161,451
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,250,771	25,610,288
Accumulated depreciation	(15,188,696)	(16,136,490)
Buildings and structures, net	9,062,074	9,473,797
Machinery, equipment and vehicles	28,546,266	32,898,526
Accumulated depreciation	(23,207,492)	(24,653,995)
Machinery, equipment and vehicles, net	5,338,773	8,244,530
Land	4,682,722	4,745,190
Leased assets	109,603	111,069
Accumulated depreciation	(75,597)	(83,303)
Leased assets, net	34,006	27,766
Construction in progress	3,692,498	2,457,128
Others	1,486,460	1,584,422
Accumulated depreciation	(1,215,363)	(1,328,360)
Others, net	271,097	256,061
Total property, plant and equipment	23,081,173	25,204,476
Intangible assets		
Goodwill	79,366	-
Others	125,691	123,324
Total intangible assets	205,057	123,324
Investments and other assets		
Investment securities	20,940,788	31,512,194
Long-term loans receivable	147,126	225,103
Real estate for investment, net	148,030	147,739
Deferred tax assets	15,364	18,396
Others	347,531	3,316,712
Allowance for doubtful accounts	(36,129)	(112,129)
Total investments and other assets	21,562,712	35,108,017
Total non-current assets	44,848,943	60,435,817
Total assets	126,262,252	136,597,269

(Thousands of yen)

	FY2023 (As of March 31, 2023)	FY2024 (As of March 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,010,152	4,871,118
Electronically recorded obligations - operating	858,986	1,035,939
Lease obligations	8,181	8,232
Income taxes payable	1,295,132	1,852,621
Provision for bonuses	336,713	353,601
Provision for directors' bonuses	81,700	61,200
Others	2,214,848	2,432,808
Total current liabilities	9,805,712	10,615,521
Non-current liabilities		
Lease obligations	26,248	18,040
Deferred tax liabilities	3,006,667	4,186,387
Provision for directors' retirement benefits	100,372	111,960
Retirement benefit liability	1,377,088	1,182,629
Others	202,846	203,490
Total non-current liabilities	4,713,223	5,702,508
Total liabilities	14,518,936	16,318,030
Net assets		
Shareholders' equity		
Capital stock	7,095,096	7,095,096
Capital surplus	7,964,413	7,964,413
Retained earnings	88,933,594	93,038,141
Treasury shares	(2,041,864)	(2,043,824)
Total shareholders' equity	101,951,238	106,053,826
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,107,096	7,403,229
Foreign currency translation adjustment	3,689,619	5,548,467
Remeasurements of defined benefit plans	15,307	170,516
Total accumulated other comprehensive income	8,812,024	13,122,213
Non-controlling interests	980,053	1,103,198
Total net assets	111,743,316	120,279,238
Total liabilities and net assets	126,262,252	136,597,269

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Income)

(Thousands of yen)

	FY2023 (from April 1, 2022 to March 31, 2023)	FY2024 (from April 1, 2023 to March 31, 2024)
Net sales	55,698,315	59,981,459
Cost of sales	39,401,034	43,209,650
Gross profit	16,297,281	16,771,809
Selling, general and administrative expenses	7,841,342	8,109,079
Operating income	8,455,938	8,662,730
Non-operating income		
Interest and dividend income	401,836	578,112
House rent income	21,802	21,175
Foreign exchange gains	277,566	1,430,720
Reversal of allowance for doubtful accounts	27,000	–
Others	106,547	226,732
Total non-operating income	834,752	2,256,740
Non-operating expenses		
Interest expenses	5,035	4
Loss on retirement of non-current assets	7,534	2,148
Provision of allowance for doubtful accounts	–	76,000
Compensation expenses	–	72,319
Others	7,320	56,945
Total non-operating expenses	19,890	207,418
Ordinary income	9,270,800	10,712,052
Extraordinary income		
Gain on sales of non-current assets	–	63
Gain on sale of investment securities	38,164	102,950
Total extraordinary income	38,164	103,013
Income before income taxes and minority interests	9,308,965	10,815,066
Income taxes - current	2,613,708	3,218,587
Income taxes - deferred	205,952	138,682
Total income taxes	2,819,660	3,357,269
Net income	6,489,304	7,457,796
Net income attributable to non-controlling interests	104,281	104,626
Net income attributable to shareholders of the parent company	6,385,023	7,353,170

(Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	FY2023 (from April 1, 2022 to March 31, 2023)	FY2024 (from April 1, 2023 to March 31, 2024)
Net income	6,489,304	7,457,796
Other comprehensive income		
Valuation difference on available-for-sale securities	394,297	2,296,132
Foreign currency translation adjustment	1,572,204	1,900,404
Remeasurements of defined benefit plans	34,002	155,208
Total other comprehensive income	2,000,504	4,351,745
Comprehensive income	8,489,808	11,809,542
Comprehensive income attributable to:		
Comprehensive income attributable to shareholders of the parent company	8,335,486	11,663,359
Comprehensive income attributable to non-controlling interests	154,322	146,182

(3) Consolidated Statements of Changes in Equity

FY2023 (from April 1, 2022 to March 31, 2023)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	7,095,096	7,964,413	85,606,123	(2,040,815)	98,624,817
Changes of items during period					
Dividends of surplus			(3,057,552)		(3,057,552)
Net income attributable to shareholders of the parent company			6,385,023		6,385,023
Purchase of treasury shares				(1,049)	(1,049)
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	3,327,470	(1,049)	3,326,420
Balance at end of current period	7,095,096	7,964,413	88,933,594	(2,041,864)	101,951,238

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	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	4,712,799	2,167,456	(18,695)	6,861,560	852,593	106,338,971
Changes of items during period						
Dividends of surplus						(3,057,552)
Net income attributable to shareholders of the parent company						6,385,023
Purchase of treasury shares						(1,049)
Net changes of items other than shareholders' equity	394,297	1,522,163	34,002	1,950,463	127,459	2,077,923
Total changes of items during period	394,297	1,522,163	34,002	1,950,463	127,459	5,404,344
Balance at end of current period	5,107,096	3,689,619	15,307	8,812,024	980,053	111,743,316

FY2024 (from April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	7,095,096	7,964,413	88,933,594	(2,041,864)	101,951,238
Changes of items during period					
Dividends of surplus			(3,248,622)		(3,248,622)
Net income attributable to shareholders of the parent company			7,353,170		7,353,170
Purchase of treasury shares				(1,959)	(1,959)
Net changes of items other than shareholders' equity					
Total changes of items during period			4,104,547	(1,959)	4,102,588
Balance at end of current period	7,095,096	7,964,413	93,038,141	(2,043,824)	106,053,826

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	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	5,107,096	3,689,619	15,307	8,812,024	980,053	111,743,316
Changes of items during period						
Dividends of surplus						(3,248,622)
Net income attributable to shareholders of the parent company						7,353,170
Purchase of treasury shares						(1,959)
Net changes of items other than shareholders' equity	2,296,132	1,858,847	155,208	4,310,189	123,145	4,433,334
Total changes of items during period	2,296,132	1,858,847	155,208	4,310,189	123,145	8,535,922
Balance at end of current period	7,403,229	5,548,467	170,516	13,122,213	1,103,198	120,279,238

(4) Consolidated Statements of Cash Flows

	(Thousands of yen)	
	FY2023 (from April 1, 2022 to March 31, 2023)	FY2024 (from April 1, 2023 to March 31, 2024)
Cash flows from operating activities		
Income before income taxes and minority interests	9,308,965	10,815,066
Depreciation	1,784,207	1,950,871
Amortization of goodwill	105,822	88,147
Increase (decrease) in allowance for doubtful accounts	(27,000)	76,000
Increase (decrease) in net defined benefit liability	8,670	(39,313)
Increase (decrease) in provision for directors' retirement benefits	9,890	11,587
Increase (decrease) in provision for directors' bonuses	21,600	(20,500)
Increase (decrease) in provision for bonuses	26,099	13,212
Interest and dividend income	(401,836)	(578,112)
Interest expenses	5,035	4
Foreign exchange losses (gains)	(201,326)	(739,525)
Loss on retirement of non-current assets	7,534	2,148
Loss (gain) on sales of non-current assets	-	(63)
Loss (gain) on sale of investment securities	(38,164)	(102,950)
Decrease (increase) in notes and accounts receivable - trade	(696,033)	(1,117,743)
Decrease (increase) in inventories	(2,069,146)	207,940
Increase (decrease) in notes and accounts payable - trade	533,210	189,019
Increase (decrease) in accrued consumption taxes	(144,197)	258,713
Decrease (increase) in other assets	(193,280)	(54,341)
Increase (decrease) in other liabilities	(32,479)	47,745
Subtotal	8,007,571	11,007,904
Interest and dividend income received	386,123	523,699
Interest expenses paid	(5,035)	(4)
Income taxes paid	(2,791,517)	(2,723,186)
Net cash provided by operating activities	5,597,142	8,808,413
Cash flows from investing activities		
Proceeds from sale of securities	1,500,000	-
Proceeds from withdrawal of time deposits	8,000,000	500,000
Payments into time deposits	-	(3,757,050)
Purchase of property, plant and equipment	(3,017,833)	(3,028,346)
Proceeds from sale of property, plant and equipment	-	79
Purchase of intangible assets	(8,530)	(17,908)
Purchase of investment securities	(8,486,098)	(8,309,718)
Proceeds from sale of investment securities	97,680	117,708
Payments of loans receivable	(2,000)	(4,000)
Collection of loans receivable	911	763
Net cash used in investing activities	(1,915,870)	(14,498,470)
Cash flows from financing activities		
Purchase of treasury shares	(1,049)	(1,959)
Cash dividends paid	(3,057,067)	(3,248,220)
Dividends paid to non-controlling interests	(26,862)	(23,037)
Others	(8,718)	(8,507)
Net cash used in financing activities	(3,093,698)	(3,281,724)
Effect of exchange rate change on cash and cash equivalents	804,768	1,123,174
Net increase (decrease) in cash and cash equivalents	1,392,341	(7,848,607)
Cash and cash equivalents at beginning of period	54,904,491	56,296,833
Cash and cash equivalents at end of period	56,296,833	48,448,225

(5) Notes on the Consolidated Financial Statements

(Notes on the Going Concern Assumption)

There is nothing to report.

(Segment Information, etc.)

[Segment information]

1. Overview of reportable segments

In accordance with aggregation criteria for reportable segments, the Company's businesses are aggregated into the segment "manufacturing and sales of natural seasoning." Therefore, the Ariake Group has only one reportable segment of the natural seasonings business.

2. Method of calculations of sales, income (loss), assets, liabilities, and other items by reportable segment

The Ariake Group has only one reportable segment of the natural seasonings business, so information is omitted.

3. Information on sales, income (loss), assets, liabilities, and other items by reportable segment

The Ariake Group has only one reportable segment of the natural seasonings business, so information is omitted.

4. Difference between total amount of reportable segment and amount recorded on consolidated financial statements and its details about the difference (matters relating to difference adjustment)

The Ariake Group has only one reportable segment of the natural seasonings business, so information is omitted.

[Related information]

FY2023 (from April 1, 2022 to March 31, 2023)

1. Information by product and service

Information by product and service is omitted because external sales by products and services account for more than 90% of total net sales stated at the Consolidated Statements of Income.

2. Information by geographic segment

(1) Sales

(Thousands of yen)

Japan	Europe	Asia	Total
42,923,939	4,556,280	8,218,095	55,698,315

(2) Property, plant and equipment

(Thousands of yen)

Japan	Europe (Excluding Belgium)	Belgium	Asia	Total
11,040,105	2,463,574	5,265,042	4,312,451	23,081,173

3. Information by major client

(Thousands of yen)

Name	Sales	Segment name
Vendor Services Co., Ltd.	6,593,155	Natural seasonings business

FY2024 (from April 1, 2023 to March 31, 2024)

1. Information by product and service

Information by product and service is omitted because external sales by products and services account for more than 90% of total net sales stated at the Consolidated Statements of Income.

2. Information by geographic segment

(1) Sales

(Thousands of yen)

Japan	Europe	China	Asia (Excluding China)	Total
44,951,159	5,436,026	6,195,699	3,398,574	59,981,459

(2) Property, plant and equipment

(Thousands of yen)

Japan	Europe (Excluding Belgium)	Belgium	Asia	Total
11,463,065	2,740,111	6,400,825	4,600,473	25,204,476

3. Information by major client

(Thousands of yen)

Name	Sales	Segment name
Vendor Services Co., Ltd.	6,673,351	Natural seasonings business

[Information on impairment loss of non-current assets by reportable segment]

FY2023 (from April 1, 2022 to March 31, 2023)

There is nothing to report.

FY2024 (from April 1, 2023 to March 31, 2024)

There is nothing to report.

[Information on amortization and unamortization of goodwill by reportable segment]

FY2023 (from April 1, 2022 to March 31, 2023)

The Ariake Group has only one reportable segment of the natural seasonings business, so information is omitted.

FY2024 (from April 1, 2023 to March 31, 2024)

The Ariake Group has only one reportable segment of the natural seasonings business, so information is omitted.

[Information on accrual profit of negative goodwill by reportable segment]

FY2023 (from April 1, 2022 to March 31, 2023)

There is nothing to report.

FY2024 (from April 1, 2023 to March 31, 2024)

There is nothing to report.

(Per Share Information)

	FY2023 (from April 1, 2022 to March 31, 2023)	FY2024 (from April 1, 2023 to March 31, 2024)
Net assets per share	3,477.73	3,741.92
Net income per share	200.48	230.88

(Yen)

Notes: 1. Diluted net income per share is not reported because these are not residual securities.

2. Basis for calculation of net income per share is as follows:

(Thousands of yen)

	FY2023 (from April 1, 2022 to March 31, 2023)	FY2024 (from April 1, 2023 to March 31, 2024)
Net income attributable to shareholders of the parent company	6,385,023	7,353,170
Amount not attributed to common shareholders	—	—
Net income attributable to shareholders of the parent company with regard to common shares	6,385,023	7,353,170
Average number of issued shares during the fiscal years (thousand shares)	31,849	31,849

(Important Subsequent Events)

There is nothing to report.

4. Other

(1) Change of Representative Director

There is nothing to report.

(2) Changes in Other Board Members

There is nothing to report.