FY2026 Interim Financial Results
April 1, 2025–June 30, 2025
(Summary in English)

August 8, 2025

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

Consolidated and Non-Consolidated Interim Financial Results
April 1, 2025–June 30, 2025

Category	Results	FY2025	Year on year change	Year on year (%)
Consolidated net sales	15.41	15.29	+0.12	+0.8%
Consolidated operating profit	2.61	2.22	+0.39	+17.5%
Consolidated ordinary profit	3.26	2.91	+0.34	+11.8%
Consolidated profit	2.35	1.81	+0.54	+29.6%
Non-Consolidated net sales	11.12	10.83	+0.29	+2.7%
Non-Consolidated operating profit	1.80	1.51	+0.29	+19.4%
Non-Consolidated ordinary profit	2.92	2.48	+0.44	+17.7%
Non-Consolidated profit	2.04	1.74	+0.31	+17.6%

Unit: Billion yen, rounded to the nearest 10 million yen

Key Points of Interim Financial Results April 1, 2025–June 30, 2025 (Consolidated)

- **Net sales/Operating profit**

  Increases in net sales and profits

  Consolidated net sales: ¥15.41 billion (+¥0.12 billion, or +0.8% year on year)

  Operating profit: ¥2.61 billion (+¥0.39 billion, or +17.5% year on year)

  Operating profit to net sales ratio: 16.9% (+2.4 points year on year)

  Even though profitability improved, sales growth was limited due to a decrease in net sales at overseas subsidiaries.

- **Ordinary profit/Profit**

  Ordinary profit: ¥3.26 billion (+¥0.34 billion, or +11.8% year on year)

  Profit: ¥2.35 billion (+¥0.54 billion, or +29.6% year on year)

  There was a double-digit percentage increase in ordinary profit and profit due to foreign exchange gains.

- **Plan for Fiscal Year Ending March 31, 2026 (FY2026)** (No change)

  Consolidated net sales: ¥67.1 billion Consolidated operating profit: ¥12.2 billion

  Consolidated operating profit to net sales ratio: 18.2%

Key Points of Interim Financial Results April 1, 2025–June 30, 2025 (Non-consolidated)

- **Net sales/Operating profit**

  Increases in net sales and profits.
  Net sales: ¥11.12 billion (+¥0.29 billion, or +2.7% year on year)
  Operating profit: ¥1.80 billion (+¥0.29 billion, or +19.4% year on year)
  Operating profit to net sales ratio: 16.2% (+2.3 points year on year)
  Sales to manufacturers were strong partially due to the effects of price revisions. Growth in the restaurant industry slowed down slightly, resulting in a slight decrease in sales. Sales to CVS were sluggish. Operating profit to net sales ratio improved further due to price revisions and cost reductions.

- **Ordinary profit/Profit**

  Ordinary profit: ¥2.92 billion (+¥0.44 billion, or +17.7% year on year)

  Profit: ¥2.04 billion (+¥0.31 billion, or +17.6% year on year)

  Increase in foreign exchange gains, dividends received, etc.

- **Plan for Fiscal Year Ending March 31, 2026 (FY2026)** (No change)

  Net sales: ¥49.0 billion Operating profit: ¥8.4 billion
  Operating profit to net sales ratio: 17.2%

Net Sales and Profit
April 1, 2025–June 30, 2025 (Non-consolidated)

Net sales

- Sales to the restaurant industry decreased (-1.6%) partly due to a slowdown in growth and the revision and discontinuation of time-limited menus.
- Sales to processed food manufacturers increased by 8.4% due to steady demand driven by frugality and demand for rice substitutes, as well as the effects of price hikes.
- Sales to CVS decreased (-1.0%) due to stagnant sales at major CVS.
- Sales increased by 3.7% in total for CVS and ready-made meal operators, including B2B2C for discount warehouses.

Operating Profit

- Factors that may worsen profitability, including the rising prices of raw materials, packaging materials, and freight, are on a slight moderating trend compared to the previous year.
- Cost reductions through VA and improvement of processes at plants and improvement of profitability in sales (price revisions and renewals) are progressing steadily.
- Partly due to the carryover of the effects of price revisions in FY2025, operating profit to net sales ratio improved to 16.2%, up 2.3 points year on year.
- Unit sales price in 1Q rose by 3.2% year on year, while sales volume decreased by 0.5%.

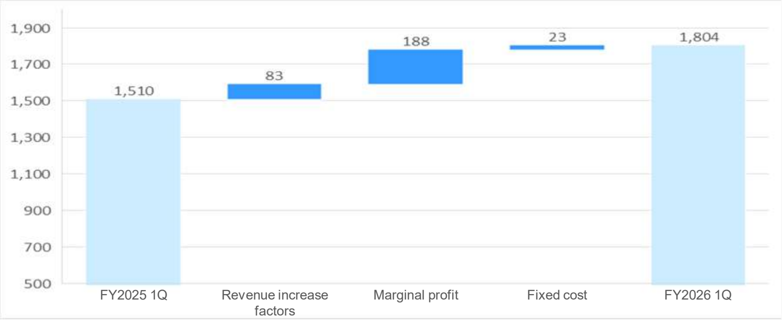
[Non-consolidated] Sales Ratio by Category and Changes in Sales by Category
April 1, 2025–June 30, 2025

Category	Sales ratio	YoY change
Food manufacturers	21.0%	+8.4%
Restaurants	41.4%	-1.6%
CVS, ready-made meal operators	37.0%	+3.7%
Export (Taiwan)	0.6%	+8.9%
Total	100%	+2.7%

[Non-consolidated] Factors in Profit Fluctuation
April 1, 2025–June 30, 2025 (Year on Year Comparison)

■ **Operating profit: ¥1,803 million** Year-on-year increase of ¥294 million (+19.4%)

(Millions of yen)



■ **Ordinary profit: ¥2,918 million** Year-on-year increase of ¥440 million (+17.7%)

(Millions of yen)

Increase factors	Increase in operating profit	294
	Dividend income, etc.	232
Decrease factors	Increase in loss on valuation of derivatives	-86
	Total	440

Outlook for 2Q and beyond (Non-consolidated)

- Net sales
  - Although growth in the industry itself is slowing down, we will focus on the restaurant industry as it has a large market, potential for growth in inbound tourism, and demand resulting from labor shortages. In particular, we will focus on major restaurant chains that have strong fundamentals. Furthermore, we will support overseas expansion and expand exports of our own products.
  - As for sales of extract seasonings (to processed food manufacturers), which is our original business, we will separate the sales department at our head office and refocus our efforts. We are also proposing products that are differentiated from those of our competitors for manufacturers to expand sales.
  - For CVS, we will propose material-based products that leverage our strengths and solutions to address the issues faced by CVS.
  - In response to a decrease in opportunities to cook at home and an increase in single-person households, we will expand sales to supermarkets and sales of seasonings for prepared foods.
  - We will expand sales of plant-based products such as soy-based mayonnaise and ramen that does not use any animal-derived ingredients.
- Improving profit
  - We will implement a profitability improvement plan and aim to achieve an operating profit to net sales ratio that exceeds the annual plan.
  - We will continue to conduct cost reductions through VA and improvement of processes at plants and improvement of profitability in sales (price revisions and renewals). We will re-raise prices for low-margin products.
  - We plan to reduce costs at factories by approximately ¥2 billion per year and improve operating profit by ¥1.5 billion per year (including ¥1.2 billion through price revisions).

Medium-Term Growth Strategy (Non-consolidated)

- The food industry as a whole is expected to see a gradual slowdown in growth due to a declining population. We will leverage our company's strengths to further expand our share in existing businesses, including downstream products centered on extract seasonings, and expand into adjacent and enclave domains.
- Competition in the mature restaurant industry is expected to intensify, and major restaurant chains with superior resources such as personnel, goods, money, and data are expected to expand their market share. We will select customers to focus on and conduct efficient sales activities to increase sales. We recognize growing companies in the ramen sector, where consumption is stable even amidst a trend toward frugality, as particularly important customers.
- We will promote proposal-based sales and propose products with value exceeding their price that lead to increased customer value.
- As the population ages, health consciousness will further increase, and the value proposition of our products, which utilize healthy and safe natural ingredients, will also rise. We will proceed with developing products that are conscious of health and functionality.
- Demand for HMR (Home Meal Replacement) foods and products for professional use will increase due to a decrease in home cooking, an increase in single-person households, and labor shortages. As the quality of processed foods, frozen foods, and supermarket side dishes improves, we believe opportunities for food manufacturers and supermarkets (backyards, central kitchens, and processing centers) to use our products will increase, so we will strengthen our sales efforts.
- In the domestic extract seasonings industry, business continuity risks are expected to increase due to the depletion of livestock raw materials, aging equipment, and shortages of labor and successors. We will utilize our overseas network to expand our share with a stable and overwhelming supply capacity, quality, and pricing.
- Without being limited to livestock raw materials, we will develop new business areas by utilizing soybeans and other plant-based raw materials, as well as marine resources (e.g., soybean-based products, pet food).

[Subsidiaries] Key Points of Interim Financial Results April 1, 2025–June 30, 2025

- **Net sales/Operating profit**

Net sales decreased but profits increased. The economic slowdown in China and Taiwan had an impact.

Net sales: ¥4.29 billion (-¥0.17 billion or -3.9% year on year)

Operating profit: ¥0.80 billion (+¥0.096 billion or +13.5% year on year)

Operating profit to net sales ratio: 18.7% (+2.9 points year on year)

As for China and Taiwan, net sales and profits decreased due to sluggish consumption. The operating profit to net sales ratio remained unchanged.

As for France, sales within Europe decreased, while the sales ratio in Japan rose, resulting in a decrease in net sales and profits.

As for Belgium, net sales and profits increased due to improved profitability, but a slight operating loss was recorded.

As for Netherlands, sales and profits increased steadily.

[By Group] Net Sales April 1, 2025–June 30, 2025 (Year on Year Comparison)

* Subsidiaries' figures are after consolidation adjustments

(Billions of yen)

		FY2026 1Q (A)	FY2025 1Q (B)	Change (A-B)	%	Currency neutral
Ariake Japan		11.12	10.83	0.29	2.7%	-
Subsidiaries total*		4.29	4.46	-0.17	-3.9%	-2.3%
	Asia	2.28	2.42	-0.14	-6.1%	-3.7%
	Europe	1.93	1.96	-0.03	-1.4%	-0.7%
	Japan	0.08	0.08	0.00	1.2%	-
Ariake Group		15.41	15.29	0.12	0.8%	1.2%

EUR	162.08	163.24	-1.16
RMB	20.59	20.83	-0.24
TWD	4.51	4.74	-0.23
IDR	0.0091	0.0096	-0.0005

[By Group] Operating Profit April 1, 2025–June 30, 2025 (Year on Year Comparison)

* Subsidiaries' figures are after consolidation adjustments

(Billions of yen)

		FY2026 1Q (A)	FY2025 1Q (B)	Change (A-B)	%	Currency neutral
Ariake Japan		1.80	1.51	0.29	19.4%	-
Subsidiaries total*		0.80	0.70	0.10	13.5%	15.9%
	Asia	0.54	0.58	-0.04	-7.6%	-5.0%
	Europe	0.25	0.11	0.14	122.0%	123.6%
	Japan	0.01	0.01	0.00	0.0%	-
Ariake Group		2.60	2.21	0.39	17.5%	18.3%

Overseas Group Companies (Asia)

China

- Due to the economic downturn since the second half of the previous fiscal year, the food industry as a whole was sluggish in the first quarter, falling below the previous year's results and the plan. Although net sales decreased, the operating profit to net sales ratio was maintained due to measures such as cost reductions.
- Looking ahead, we expect net sales to increase year on year in the second half of this fiscal year due to new products being adopted by processed food manufacturers and restaurants, as well as the launch of B2C products that have already been decided.

Taiwan

- Since the beginning of this fiscal year, especially April onward, it has become clear that the economy is slowing down and consumption is declining, leading to results that are lower than the previous year's results and the plan. In the ramen industry, competition has intensified due to a fierce battle among our customers for market share, and a sense of saturation has emerged. Although net sales decreased, the operating profit to net sales ratio was maintained due to measures such as cost reductions.
- The situation is expected to remain largely unchanged in the second quarter and beyond. We will focus on sales to restaurants other than ramen restaurants, such as hot-pot restaurants, noodle restaurants, and family restaurants, as well as processed food manufacturers.

Indonesia

- Exports to Japan increased, while exports to ASEAN countries decreased. Domestic sales in Indonesia were strong in both the restaurant and manufacturing industries, but overall net sales decreased year on year. Results exceeded the plan.
- Profitability improved due to the absorption of fixed costs resulting from increased sales to Japan, cost reductions, and price revisions. Both operating profit and operating profit to net sales ratio exceeded the plan, despite falling below the previous year's results.

Overseas Group Companies (Europe)

France

- Exports to Japan (AJ) increased, but net sales decreased due to decreased orders from customers within the EU. Operating profit on a local currency basis improved significantly due to the absorption of fixed costs and improvements in utility costs, but profits decreased due to consolidation adjustments. (Increase in unrealized income)
- Our French company will strive to maintain stable exports to AJ, and aim to recover by developing new customers in the EU. They have started operations of spray powder products (within the EU, for AJ) and aim to gain new adoption within the EU in the future.

Belgium

- Sales after consolidation adjustments increased slightly as exports to Japan (AJ) increased and sales to EU customers remained at the same level. Profitability improved significantly year-on-year due to the absorption of fixed costs and improvements in utility costs.
- Exports to AJ remain stable. Sales to EU customers are expected to increase in the second half of this fiscal year. There is strong demand for Japanese food, especially ramen, indicating significant potential for future growth. Our Belgian company is expanding sales of UHT products mainly in Paris, but will take a long-term approach.
- They are strengthening their development and sales structure, have increased R&D managers and B2C sales managers, and also plan to increase food service sales managers.

The Netherlands (Henningsen)

- Net sales and profits increased due to strong sales mainly to the industrial sector within the EU. The positive trend has continued in the current term.

Overseas Group Companies (Other)

- Re-entry into the US market
- We established Ariake U.S.A., Inc. on July 1, 2024, with capital of $10 million.
  We have selected a 53,000 m^2 candidate site in Chesapeake City, Virginia, on the East Coast.
  We are currently conducting due diligence and feasibility studies on the land and real estate.
- We plan to purchase land and begin design in FY2026, start construction in FY2027, and begin operations in FY2029.

- Dissolution of Rizhao Ariake in China
- We dissolved Rizhao Ariake on July 2, 2025.
  At this stage, we have withdrawn the request for Qingdao Ariake to vacate the site.
  We are currently considering a new factory construction site within Shandong Province.
- Until FY2028 (ending March 31, 2028), the last fiscal year covered by the medium-term three-year plan, we can respond by enhancing existing facilities in Qingdao Ariake.

- This presentation material is a tool for understanding our business and is not intended to solicit investment.
- 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.