



RIKEN VITAMIN CO.,LTD.

Stock code: 4526

FY2023 Supplementary Material

(Fiscal Year Ending March 31, 2024)

May 10, 2024

- **Net sales, operating profit, and ordinary profit reached record highs.**
- **Domestic Food business:**
Several positive factors, including hit household products, recovery in demand from the restaurant industry, and the effect of price revisions, led to an increase in both sales and profit.
- **Domestic Chemical business:**
The effects of price revisions exceeded the decline in sales volume.
- **Overseas business:**
Sales and sales volume declined in reaction to the previous year, but profit margin remained high.

FY2023 Consolidated Financial Results

(Millions of yen)	FY2022		FY2023		YoY change	
	Actual	margin	Actual	margin	Amount	%
Net sales	88,750		91,484		+2,733	+3.1%
Operating profit	7,158	8.1%	9,371	10.2%	+2,212	+30.9%
Ordinary profit	7,723	8.7%	10,296	11.3%	+2,573	+33.3%
Profit attributable to owners of parent	6,414	7.2%	8,755	9.6%	+2,341	+36.5%

- **Raw material prices rose in Japan and fell overseas.**
 Impact in Japan : +2.3 billion yen
 in Overseas : -2.8 billion yen
- **Higher personnel expenses were offset by higher gross profit due to higher sales, and a decrease in advertising expenses contributed to higher profit.**
 Advertising expenses : -310 million yen
- **Gain on sales of investment securities of 2.8 billion yen was recorded.**

Results by Segment

(Millions of yen)		FY2022		FY2023		YoY change	
		Actual	margin	Actual	margin	Amount	%
Domestic Food business	Sales	58,186		63,154		+4,967	+8.5%
	OP	4,593	7.9%	6,961	11.0%	+2,368	+51.6%
Household Food	Sales	12,727		13,138		+411	+3.2%
Commercial Food	Sales	19,588		21,887		+2,298	+11.7%
Processed Food Ingredients	Sales	25,870		28,128		+2,257	+8.7%
Domestic Chemical business	Sales	7,031		7,753		+722	+10.3%
	OP	247	3.5%	792	10.2%	+545	+220.5%
Overseas business	Sales	25,155		21,910		-3,244	-12.9%
	OP	2,688	10.7%	2,233	10.2%	-454	-16.9%
Segment Total	Sales	90,373		92,818		+2,445	+2.7%
	OP	7,529	8.3%	9,987	10.8%	+2,458	+32.7%
Adjustment (Intersegment eliminations)	Sales	-1,622		-1,334		+288	
	OP	-370		-616		-246	
Consolidated total	Sales	88,750		91,484		+2,733	+3.1%
	OP	7,158	8.1%	9,371	10.2%	+2,212	+30.9%

Domestic Food business

In Household Food, sales of new products were strong. Advertising expenses decreased due to canceling TV commercial.

In Commercial Food, sales of seasonings to the restaurant industry and seaweed products to CVS grew.

In Processed Food Ingredients, sales volume was almost on a par with the previous year, and the effect of price revisions contributed to improved performance. In the healthcare field, sales of each product group grew.

Domestic Chemical business

Sales volume declined due to sluggish demand in the overall chemical industry, but price revisions contributed to higher sales and profits.

Overseas business

Sales increased in China and Taiwan, but both sales and sales volume decreased significantly in Europe and the U.S. due to customers' inventory adjustments and economic slowdown. However, profit margin remained high due to profit-oriented price negotiations.

FY2024 Consolidated Earnings Forecast

(Millions of yen)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
First half	45,500	4,000	4,300	3,300
YoY Change (%)	+2.0%	-13.0%	-17.6%	-10.0%
Full year	92,500	8,500	9,000	8,100
YoY Change (%)	+1.1%	-9.3%	-12.6%	-7.5%

Domestic Food business:

Sales are expected to increase due to the effect of price revisions in response to soaring raw material prices in the food sector, but profits are expected to decrease due to the inability to cover higher labor and other costs.

Domestic Chemical business:

Both sales and profit are expected to increase through sales volume growth due to appropriate pricing policies that respond to raw material trends, and other factors.

Overseas business:

While working to recover sales volume, the disruption of logistics at the two major canals and soaring shipping costs are expected to have a significant impact mainly in the first half, resulting in higher sales and lower profits.

Consolidated Financial Results

(Millions of yen)	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024 Forecast
Net sales	85,419	85,603	88,072	87,181	89,515	89,024	82,974	77,722	79,231	88,750	91,484	92,500
YoY change(%)	10.1%	0.2%	2.9%	-1.0%	2.7%	-0.5%	-6.8%	-6.3%	1.9%	12.0%	3.1%	1.1%
Operating profit	5,027	4,610	6,007	6,820	5,424	4,580	5,307	1,367	5,840	7,158	9,371	8,500
YoY change(%)	39.6%	-8.3%	30.3%	13.5%	-20.5%	-15.6%	15.9%	-74.2%	327.2%	22.6%	30.9%	-9.3%
Operating profit margin	5.9%	5.4%	6.8%	7.8%	6.1%	5.1%	6.4%	1.8%	7.4%	8.1%	10.2%	9.2%
Ordinary profit	5,294	4,645	5,321	6,248	4,587	4,388	5,045	1,652	6,182	7,723	10,296	9,000
Ordinary profit margin	6.2%	5.4%	6.0%	7.2%	5.1%	4.9%	6.1%	2.1%	7.8%	8.7%	11.3%	9.7%
Profit attributable to owners of parent	3,590	3,755	4,107	4,089	4,800	2,623	-8,933	-1,618	21,582	6,414	8,755	8,100
Net profit margin	4.2%	4.4%	4.7%	4.7%	5.4%	2.9%	-	-	27.2%	7.2%	9.6%	8.8%
Total assets	102,345	114,049	109,030	109,342	110,994	109,706	101,853	106,535	102,660	105,223	118,776	
Net assets	67,253	76,036	74,341	53,611	58,919	59,229	46,789	46,674	66,539	71,371	76,643	
Shareholder equity ratio	65%	66%	68%	49%	53%	54%	46%	43%	65%	68%	65%	
Cashflow from operating activities	6,908	5,941	8,377	8,126	5,753	6,689	5,850	7,660	6,823	7,835	10,451	
Cashflow from investing activities	-3,578	-5,690	-6,389	-3,080	-1,617	-3,388	-4,282	-2,322	-3,661	-2,034	-554	
Cashflow from financing activities	-861	-1,222	-3,140	-1,881	-5,869	-2,490	-3,051	-180	-7,565	-4,578	-7,084	
ROE	5.7%	5.3%	5.5%	6.4%	8.6%	4.5%	-17.0%	-3.5%	38.3%	9.3%	11.8%	10.4%

Quarterly Results by Segment

	(Millions of yen)	FY2022(cumulative)				FY2023(cumulative)				FY2024 Forecast	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	H1	Full-year
Net sales	Domestic Food business	14,303	28,230	43,972	58,186	15,626	31,082	48,129	63,154	31,600	63,300
	Household Food	3,264	6,368	9,682	12,727	3,403	6,606	10,058	13,138	6,700	13,400
	Commercial Food	4,858	9,416	14,661	19,588	5,397	10,639	16,532	21,887	11,000	21,900
	Processed Food Ingredients	6,180	12,445	19,628	25,870	6,825	13,837	21,538	28,128	13,900	28,000
	Domestic Chemical business	1,690	3,492	5,314	7,031	1,879	3,771	5,857	7,753	4,000	8,100
	Overseas business	5,987	12,775	19,379	25,155	5,052	1,042	16,081	21,910	10,500	22,300
	Adjustments(intersegment eliminations)	-411	-867	-1,363	-1,622	-368	-664	-1,010	-1,334	-600	-1,200
	Consolidated total	21,569	43,631	67,303	88,750	22,189	44,613	69,058	91,484	45,500	92,500
Operating profit	Domestic Food business	1,312	2,140	3,788	4,593	1,968	3,575	5,823	6,961	3,400	6,650
	Domestic Chemical business	97	77	144	247	188	342	557	792	400	900
	Overseas business	711	1,599	2,311	2,688	479	984	1,723	2,233	500	1,500
	Adjustments(intersegment eliminations)	-98	-260	-278	-370	-160	-305	-443	-616	-300	-550
	Consolidated total	2,023	3,557	5,966	7,158	2,476	4,596	7,660	9,371	4,000	8,500
Ordinary Profit		2,436	4,149	6,507	7,723	2,998	5,220	8,396	10,296	4,300	9,000
Profit attributable to owners of parent		1,833	3,146	4,891	6,414	2,068	3,667	6,080	8,755	3,300	8,100

	(Millions of yen)	FY2022				FY2023			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	Domestic Food business	14,303	13,927	15,741	14,214	15,626	15,456	17,046	15,024
	Household Food	3,264	3,104	3,313	3,044	3,403	3,202	3,452	3,079
	Commercial Food	4,858	4,558	5,245	4,927	5,397	5,242	5,892	5,355
	Processed Food Ingredients	6,180	6,264	7,183	6,242	6,825	7,012	7,701	6,589
	Domestic Chemical business	1,690	1,802	1,822	1,716	1,879	1,892	2,086	1,895
	Overseas business	5,987	6,788	6,603	5,776	5,052	5,370	5,657	5,829
	Adjustments(intersegment eliminations)	-411	-455	-495	-259	-368	-295	-345	-324
	Consolidated total	21,569	22,061	23,672	21,446	22,189	22,424	24,445	22,425
Operating profit	Domestic Food business	1,312	827	1,648	804	1,968	1,607	2,248	1,138
	Domestic Chemical business	97	-20	67	102	188	153	215	235
	Overseas business	711	888	711	377	479	504	739	509
	Adjustments(intersegment eliminations)	-98	-161	-18	-91	-160	-145	-137	-173
	Consolidated total	2,023	1,533	2,409	1,192	2,476	2,119	3,064	1,710
Ordinary Profit		2,436	1,713	2,357	1,215	2,998	2,222	3,175	1,900
Profit attributable to owners of parent		1,833	1,312	1,745	1,522	2,068	1,598	2,413	2,675