



RIKEN VITAMIN CO.,LTD.

Stock code: 4526

1H FY2024 Supplementary Material

(Fiscal Year Ending March 31, 2025)

November 13, 2024

- **Both sales and operating profit increased YoY due in part to the weak yen.**
- **Domestic Food business:**
In Household Food, sales of “Sozairyoku Dashi” and new product groups contributed to growth. In Commercial Food, sales of seasonings grew. In Processed Food Ingredients, demand for food-improving agents remained strong.
- **Domestic Chemical business:**
Sales and profits increased as sales volumes began to increase from Q2.
- **Overseas business:**
Sales volume increased in areas other than Taiwan.

1H FY2024 Consolidated Financial Results

(Millions of yen)	1H FY2023		1H FY2024		YoY change	
	Actual	margin	Actual	margin	Amount	%
Net sales	44,613		47,149		+2,536	+5.7%
Operating profit	4,596	10.3%	4,626	9.8%	+30	+0.7%
Ordinary profit	5,220	11.7%	4,786	10.2%	-433	-8.3%
Profit attributable to owners of parent	3,667	8.2%	3,255	6.9%	-411	-11.2%

- **The weak yen affected performance.**

Forex impact: Net sales +776 million yen
 Operating profit +96 million yen

- **Various costs have increased.**

Total personnel expenses included in cost of sales and SG&A expenses: +622 million yen
 Logistics costs: +278 million yen

- **Sold shares in 14 companies to reduce cross-shareholdings.**

Gain on the sale of investment securities: 552 million yen

Results by Segment

(Millions of yen)		1H FY2023		1H FY2024		YoY change	
		Actual	margin	Actual	margin	Amount	%
Domestic Food business	Sales	31,082		32,267		+ 1,184	+ 3.8%
	OP	3,575	11.5%	3,506	10.9%	-68	-1.9%
Household Food	Sales	6,606		6,754		+ 148	+ 2.2%
Commercial Food	Sales	10,639		11,415		+ 775	+ 7.3%
Processed Food Ingredients	Sales	13,837		14,098		+ 260	+ 1.9%
Domestic Chemical business	Sales	3,771		3,874		+ 102	+ 2.7%
	OP	342	9.1%	427	11.0%	+ 85	+ 25.0%
Overseas business	Sales	10,423		11,582		+ 1,158	+ 11.1%
	OP	984	9.4%	918	7.9%	-65	-6.6%
Segment Total	Sales	45,278		47,724		+ 2,445	+ 5.4%
	OP	4,901	10.8%	4,853	10.2%	-48	-1.0%
Adjustment (Intersegment eliminations)	Sales	-664		-574		+ 90	
	OP	-305		-226		+ 78	
Consolidated total	Sales	44,613		47,149		+ 2,536	+ 5.7%
	OP	4,596	10.3%	4,626	9.8%	+ 30	+ 0.7%

Domestic Food business

In Household Food, “Sozairyoku Dashi” grew both in volume and sales. The new products “Warudake Soup” and “Yoshokuyasan no Tada Tada Oishii Dressing” covered for the weak performance of existing products.

In Commercial Food, sales of seasonings grew due to a continued recovery in demand from the restaurant industry and the launch of new products.

In Processed Food Ingredients, demand for food-improving agents remained strong. Sales of functional food product ingredients increased in healthcare field.

Domestic Chemical business

Although demand from the automobile and the construction materials industries remained weak, sales volumes increased due to growth in sales of products for food packaging wrap. The pricing strategy resulted in higher profits.

Overseas business

Sales increased due to higher sales volumes and the impact of exchange rates. However, profits decreased due to the implementation of sales strategies that prioritized sales volume growth and increased personnel expenses and logistics costs.

FY2024 Consolidated Earnings Forecast

(Millions of yen)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
First half (A)	47,149	4,626	4,786	3,255
Full-year forecast (B)	92,500	8,500	9,000	8,100
Remaining amount (B - A)	45,350	3,873	4,213	4,844
Progress rate (%)	51.0%	54.4%	53.2%	40.2%

Although the first half results were better than expected, the business environment in the second half is expected to become more challenging. As a result, the full-year results are expected to remain broadly in line with the initial forecast.

Domestic Food business:

The decline in consumer's purchasing motivation and price revisions due to rising raw material prices may affect sales volumes.

Domestic Chemical business:

Aiming for further sales volume growth.

Overseas business:

There are concerns about the destabilization of shipments and the increase in logistics costs due to logistics disruptions, and the intensification of price competition in some markets.

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)	FY2023(cumulative)				FY2024(cumulative)				FY2024 Forecast
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Net sales	Domestic Food business	15,626	31,082	48,129	63,154	16,441	32,267			63,300
	Household Food	3,403	6,606	10,058	13,138	3,397	6,754			13,400
	Commercial Food	5,397	10,639	16,532	21,887	5,946	11,415			21,900
	Processed Food Ingredients	6,825	13,837	21,538	28,128	7,097	14,098			28,000
	Domestic Chemical business	1,879	3,771	5,857	7,753	1,913	3,874			8,100
	Overseas business	5,052	10,423	16,081	21,910	5,548	11,582			22,300
	Adjustments(intersegment eliminations)	-368	-664	-1,010	-1,334	-277	-574			-1,200
	Consolidated total	22,189	44,613	69,058	91,484	23,626	47,149			92,500
Operating profit	Domestic Food business	1,968	3,575	5,823	6,961	1,910	3,506			6,650
	Domestic Chemical business	188	342	557	792	222	427			900
	Overseas business	479	984	1,723	2,233	388	918			1,500
	Adjustments(intersegment eliminations)	-160	-305	-443	-616	0	-226			-550
	Consolidated total	2,476	4,596	7,660	9,371	2,522	4,626			8,500
Ordinary Profit		2,998	5,220	8,396	10,296	2,927	4,786			9,000
Profit attributable to owners of parent		2,068	3,667	6,080	8,755	2,370	3,255			8,100

	(Millions of yen)	FY2023				FY2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	Domestic Food business	15,626	15,456	17,046	15,024	16,441	15,825		
	Household Food	3,403	3,202	3,452	3,079	3,397	3,356		
	Commercial Food	5,397	5,242	5,892	5,355	5,946	5,468		
	Processed Food Ingredients	6,825	7,012	7,701	6,589	7,097	7,001		
	Domestic Chemical business	1,879	1,892	2,086	1,895	1,913	1,960		
	Overseas business	5,052	5,370	5,657	5,829	5,548	6,033		
	Adjustments(intersegment eliminations)	-368	-295	-345	-324	-277	-296		
	Consolidated total	22,189	22,424	24,445	22,425	23,626	23,523		
Operating profit	Domestic Food business	1,968	1,607	2,248	1,138	1,910	1,596		
	Domestic Chemical business	188	153	215	235	222	205		
	Overseas business	479	504	739	509	388	530		
	Adjustments(intersegment eliminations)	-160	-145	-137	-173	0	-227		
	Consolidated total	2,476	2,119	3,064	1,710	2,522	2,104		
Ordinary Profit		2,998	2,222	3,175	1,900	2,927	1,859		
Profit attributable to owners of parent		2,068	1,598	2,413	2,675	2,370	884		