

Consolidated Financial Results for the Year Ended March 31, 2023
(Prepared pursuant to Japanese GAAP)

May 15, 2023

Company name: MEGMILK SNOW BRAND Co., Ltd.
 Stock exchange listing: Tokyo Stock Exchange (Prime), Sapporo Securities Exchange
 Stock code: 2270
 URL: <https://www.meg-snow.com/english>
 Representative: Masatoshi Sato, President and Chief Executive Officer
 Contact: Masanori Sagara, General Manager, Public Relations & Investor Relations Department
 Phone: +81 3-3226-2124

Scheduled dates

Annual general meeting of shareholders: June 28, 2023
 Dividend payout: June 8, 2023
 Filing of fiscal year-end financial report: June 28, 2023
 Supplementary materials to fiscal year-end financial results available: Yes
 Fiscal year-end earnings presentation held: Yes(targeted at institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated Results for the Fiscal Year Ended March 31, 2023
(April 1, 2022 – March 31, 2023)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Year ended March 31, 2023	584,308	4.6	13,054	(27.7)	14,480	(27.6)	9,129	(24.3)
Year ended March 31, 2022	558,403	—	18,059	(8.7)	19,987	(7.7)	12,068	(19.1)

Note: Comprehensive income: Year ended March 31, 2023 : 10,761 million yen (-28.8%)
 Year ended March 31, 2022 : 15,120 million yen (35.0%)

	Profit per share – basic	Profit per share – diluted	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	yen	yen	%	%	%
Year ended March 31, 2023	135.18	—	4.4	3.6	2.2
Year ended March 31, 2022	178.70	—	6.0	5.0	3.2

For reference: Equity in earnings of affiliates: Year ended March 31, 2023: 559 million yen
 Year ended March 31, 2022: 1,015 million yen

Note: The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the fiscal year ended March 31, 2022. As a result, the Company has omitted year-on-year change in net sales for the fiscal year ended March 31, 2022. Assuming, however, that the above accounting standard, etc. had been applied effective from the fiscal year ended March 31, 2021, the year-on year change would be 0.7%.

(2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net asset per share	
	millions of yen		millions of yen		%		yen	
March 31, 2023	410,130		215,899		51.9		3,151.74	
March 31, 2022	401,890		209,528		51.5		3,061.75	

For reference: Equity: March 31, 2023 : 212,879 million yen
March 31, 2022 : 206,777 million yen

(3) Consolidated Cash Flow Position

	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	
Year ended March 31, 2023	26,807		(19,624)		(7,286)		20,338	
Year ended March 31, 2022	29,421		(20,206)		(11,262)		19,979	

2. Dividends

Record date or period	Cash dividends per share					Total dividends paid (full year)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	End-Q1	End-Q2	End-Q3	End-Q4	Total			
Year ended March 31, 2022	yen	yen	yen	yen	yen	millions of yen	%	%
Year ended March 31, 2022	—	—	—	60.00	60.00	4,061	33.6	2.0
Year ended March 31, 2023	—	—	—	60.00	60.00	4,061	44.4	1.9
Year ending March 31, 2024 (forecast)	—	—	—	60.00	60.00		42.7	

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2024 (April 1, 2023 – March 31, 2024)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Second quarter-end (Cumulative)	306,000	5.9	7,000	-4.7	7,700	11.9	5,000	117.2	74.03
Full year	616,000	5.4	14,000	7.2	15,000	3.6	9,500	4.1	140.65

Notes

(1) Material reclassifications of subsidiaries during the period: None

(2) Changes in accounting policy, changes in accounting estimates, and retrospective restatement

1) Changes in accordance with amendments to accounting standards, etc.: None

2) Changes other than noted in 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Common stock issued

1) Issued shares as of period-end (including treasury stock)

March 31, 2023	70,751,855 shares
March 31, 2022	70,751,855 shares

2) Treasury stock as of period-end

March 31, 2023	3,208,420 shares
March 31, 2022	3,216,075 shares

3) Average number of shares (during the respective period)

Year ended March 31, 2023	67,541,060 shares
Year ended March 31, 2022	67,534,284 shares

**(Reference) Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023
(April 1, 2022 – March 31, 2023)**

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Year ended March 31, 2023	299,147	3.3	8,739	(30.6)	10,707	(27.6)	8,407	(7.0)
Year ended March 31, 2022	289,457	(16.6)	12,593	(11.6)	14,781	(5.1)	9,043	(20.8)

	Profit per share – basic	Profit per share – diluted
	yen	yen
Year ended March 31, 2023	124.48	—
Year ended March 31, 2022	133.90	—

Note: The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the fiscal year ended March 31, 2022. The said accounting standard, etc. have been applied to the figures for the fiscal year ended March 31, 2022

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	millions of yen	millions of yen	%	yen
March 31, 2023	334,885	164,952	49.3	2,442.17
March 31, 2022	328,568	159,505	48.5	2,361.79

For reference: Equity: March 31, 2023 : 164,952 million yen
March 31, 2022 : 159,505 million yen

***This summary of financial statements is not subject to audit by certified public accountant and auditing firm.**

***Appropriate Use of Earnings Forecasts and Other Important Information**

(Earnings Forecasts)

Business forecasts contained in this report are based on the assumptions of management in the light of information available as of the release of this report. MEGMILK SNOW BRAND makes no assurances as to the actual results, which may differ from forecasts due to various factors such as changes in the business environment.