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January 31, 2025

Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 2908
 URL: <https://www.fujicco.co.jp/english/>
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 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	43,845	2.5	917	(44.8)	1,302	(34.6)	976	(29.9)
December 31, 2023	42,780	3.5	1,661	30.6	1,989	27.8	1,394	22.0

Note: Comprehensive income For the nine months ended December 31, 2024: ¥947 million [(51.5)%]
 For the nine months ended December 31, 2023: ¥1,951 million [58.5%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	34.31	—
December 31, 2023	48.97	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2024	80,647	68,662	85.1
March 31, 2024	80,476	69,023	85.8

Reference: Equity
 As of December 31, 2024: ¥68,662 million
 As of March 31, 2024: ¥69,023 million

2. Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	23.00	—	23.00	46.00
Fiscal year ending March 31, 2025	—	23.00	—		
Fiscal year ending March 31, 2025 (Forecast)				23.00	46.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial result forecast for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	56,800	1.9	1,000	(34.7)	1,400	(25.6)	1,000	(9.9)	35.13

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2024	30,050,759 shares
As of March 31, 2024	30,050,759 shares

- (ii) Number of treasury shares at the end of the period

As of December 31, 2024	1,582,364 shares
As of March 31, 2024	1,584,274 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	28,467,381 shares
Nine months ended December 31, 2023	28,465,007 shares

Note: The number of treasury shares at the end of the period includes the number of the shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account E) established in conjunction with the introduction of a Japanese employee stock ownership plan (J-ESOP). In addition, the average number of shares outstanding of the Company during the period held by Custody Bank of Japan, Ltd. (Trust Account E) established in conjunction with the introduction of a Japanese employee stock ownership plan (J-ESOP) was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares outstanding during the period.

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

- * Proper use of earnings forecasts and other special matters

[Disclaimer regarding forward-looking statements and other information]

The forward-looking statements including earnings forecast contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable. These statements do not represent a promise or commitment by the Company to achieve those forecasts. Actual operating results may differ significantly due to various factors. For the conditions underlying financial results forecast and instructions regarding its use, please refer to the explanation of “Forward-looking Information including the Consolidated Financial Results Forecast” on page 3 of the Attachments of the Consolidated Financial Results for the Nine Months Ended December 31, 2024.

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1. Overview of Financial Performance

(1) Operating Results

For the nine months ended December 31, 2024, the Japanese economy was expected to recover slowly as employment and income conditions improved. However, price hikes, fluctuations in financial and capital markets, and tensions in the Middle East posed risks to the economy, leaving the future uncertain.

The food industry faced a challenging environment as rising costs drove up product prices, and consumers remained highly reluctant to spend.

In this environment, the Fujicco Group struggled to absorb the impact of rising costs through internal efforts alone. As a result, we raised prices on *kombu* (kelp), bean, delicatessen, and dessert products starting in September. Additionally, we focused on promoting *kuromame* (black soybean) for the year-end sales season in December.

Sales of bean, yogurt, *kombu*, and dessert products increased year on year, driving net sales to ¥43,845 million (up 2.5% year on year).

For profitability, we planned to offset the drop in sales volume from price hikes by boosting our advertising investments. However, increased sales incentives, along with failing to achieve sales to justify the advertising spend, resulted in lower profitability. As a result, operating profit came in at ¥917 million (down 44.8% year on year), ordinary profit at ¥1,302 million (down 34.6% year on year), and profit attributable to owners of parent at ¥976 million (down 29.9% year on year).

Sales by product category were as follows.

Sales of delicatessen products decreased year on year. While delicatessen products delivered daily increased year on year, thanks to the expansion of new customers, products like seasonings and Chinese prepared foods, particularly those sold in department stores, struggled and decreased year on year.

Among *kombu* products, *Fujicconi*, the mainstay product in this category increased year on year thanks to continuous promotions. In September, we aired the new TV commercials, “making everyone smile with *kombu*” in Eastern Japan, followed by Western Japan in October. From December, we launched the “Yorokombu Campaign” for *Fujicconi*. Amid a growing focus on saving, the super-value type of *Shio-kombu* (salted kombu) products saw growth.

Sales of bean products increased year on year with *Omamesan Mamekobachi* leading the way. In September, we launched two new varieties, *Omamesan Mamekobachi Tamba Dainagon Azuki* and *Omamesan Mamekobachi Tambaguro Kuromame*, contributing to sales. From October to November, we aired the “Gohan-zukuri Otasuketai” (Help Team for Meal Preparation) TV commercial in collaboration with *Obanzai Kobachi* packaged delicatessen foods. During the year-end sales season in December, we aired a TV commercial for *Omamesan Tambaguro Kuromame* to cultivate the brand and pass on the tradition of *osechi* (new year’s dishes). With the introduction of the new *Omamesan Mamekobachi Tambaguro Kuromame*, overall sales of *kuromame* for December increased year on year.

Sales of yogurt products, including *Caspian Sea Yogurt Plain* and *Marugoto SOY Caspian Sea Yogurt*, performed well and increased year on year. In November, we aired a new TV commercial for *Caspian Sea Yogurt* to boost recognition and drive trials, highlighting its unique “creamy, chewy texture.”

Sales of dessert products increased year on year with a newly added dessert item, *Fruits Therapy Campbell Grape*, contributing to sales.

(2) Financial Position

Total assets as of December 31, 2024 increased ¥170 million from the end of the previous fiscal year to ¥80,647 million.

Current assets increased ¥759 million from the end of the previous fiscal year to ¥34,943 million. This is attributable mainly to an increase in inventory, reflecting seasonality of raw material purchases.

Non-current assets decreased ¥588 million from the end of the previous fiscal year to ¥45,704 million. This is attributable mainly to the progress of depreciation of property, plant and equipment.

Current liabilities increased ¥506 million from the end of the previous fiscal year to ¥9,936 million. This is attributable mainly to an increase in accounts payable – trade due to seasonality of raw material purchases.

Non-current liabilities increased ¥25 million from the end of the previous fiscal year to ¥2,048 million.

Net assets decreased ¥361 million from the end of the previous fiscal year to ¥68,662 million. This is attributable mainly to a decrease in retained earnings as a result of dividend payment from the profits accumulated.

As a result, the equity-to-asset ratio declined to 85.1% from 85.8% at the end of the previous fiscal year.

(3) Forward-looking Information Including the Consolidated Financial Results Forecast

We have revised the consolidated financial results forecast for the fiscal year ending March 31, 2025, which we originally announced on May 13, 2024. For details, please refer to the “Notice of Revisions to Earnings Forecasts” announced on January 24, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	11,340	8,853
Accounts receivable - trade	10,265	12,656
Merchandise and finished goods	1,306	1,583
Work in process	267	237
Raw materials and supplies	10,647	11,133
Other	357	481
Allowance for doubtful accounts	(2)	(2)
Total current assets	34,183	34,943
Non-current assets		
Property, plant and equipment		
Buildings and structures	42,068	42,284
Accumulated depreciation	(26,659)	(27,473)
Buildings and structures, net	15,408	14,810
Machinery, equipment and vehicles	33,007	33,784
Accumulated depreciation	(23,458)	(24,350)
Machinery, equipment and vehicles, net	9,549	9,433
Tools, furniture and fixtures	2,339	2,369
Accumulated depreciation	(1,705)	(1,772)
Tools, furniture and fixtures, net	634	596
Land	11,804	11,804
Construction in progress	111	146
Total property, plant and equipment	37,508	36,791
Intangible assets	773	729
Investments and other assets		
Investment securities	4,411	4,420
Deferred tax assets	379	507
Long-term time deposits	1,000	1,000
Other	2,225	2,261
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	8,011	8,183
Total non-current assets	46,292	45,704
Total assets	80,476	80,647

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	3,783	4,668
Accounts payable - other	3,891	3,914
Income taxes payable	315	231
Accrued consumption taxes	50	225
Provision for bonuses	555	108
Deposits received	168	316
Other	665	471
Total current liabilities	9,430	9,936
Non-current liabilities		
Retirement benefit liability	1,088	1,127
Provision for share awards for employees	155	150
Other	777	770
Total non-current liabilities	2,022	2,048
Total liabilities	11,452	11,985
Net assets		
Shareholders' equity		
Share capital	6,566	6,566
Capital surplus	1,006	1,006
Retained earnings	62,744	62,408
Treasury shares	(3,051)	(3,047)
Total shareholders' equity	67,265	66,933
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,731	1,724
Remeasurements of defined benefit plans	26	3
Total accumulated other comprehensive income	1,758	1,728
Total net assets	69,023	68,662
Total liabilities and net assets	80,476	80,647

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Nine Months Ended December 31

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	42,780	43,845
Cost of sales	29,802	30,914
Gross profit	12,977	12,931
Selling, general and administrative expenses	11,316	12,014
Operating profit	1,661	917
Non-operating income		
Interest income	0	3
Dividend income	229	276
Rental income	42	46
Electricity sale income	50	45
Other	52	51
Total non-operating income	375	423
Non-operating expenses		
Interest expenses	0	0
Rental expenses	21	11
Electricity sale expenses	23	27
Other	1	0
Total non-operating expenses	47	38
Ordinary profit	1,989	1,302
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	25	–
National subsidy income	22	107
Total extraordinary income	48	107
Extraordinary losses		
Loss on disposal of non-current assets	31	40
Total extraordinary losses	31	40
Profit before income taxes	2,007	1,369
Income taxes - current	664	507
Income taxes - deferred	(51)	(114)
Total income taxes	613	392
Profit	1,394	976
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,394	976

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	1,394	976
Other comprehensive income		
Valuation difference on available-for-sale securities	551	(6)
Remeasurements of defined benefit plans, net of tax	5	(23)
Total other comprehensive income	557	(29)
Comprehensive income	1,951	947
Comprehensive income attributable to:		
Owners of parent	1,951	947
Non-controlling interests	—	—

(3) Notes to Quarterly Consolidated Financial Statements

Going concern assumption

Not applicable

Significant changes in shareholders' equity

Not applicable.

Changes in accounting policies

The Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter the "Revised Accounting Standard 2022"), etc. from the beginning of the nine months ended December 31, 2024.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "Revised Guidance 2022"). This change in accounting policies has no impact on the quarterly consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries, etc. resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Guidance 2022 has been applied from the beginning of the nine months ended December 31, 2024. This change in accounting policies is applied retrospectively, and the quarterly consolidated financial statements for the nine months ended December 31, 2023 and the consolidated financial statements for the fiscal year ended March 31, 2024 are those after such retrospective application. This change in accounting policies has no impact on the quarterly consolidated financial statements for the nine months ended December 31, 2023 and the consolidated financial statements for the fiscal year ended March 31, 2024.

Quarterly Consolidated Statement of Cash Flows

The quarterly consolidated statement of cash flows for the nine months ended December 31, 2024 has not been prepared. The amounts of depreciation for the nine months ended December 31, 2023 and December 31, 2024 (including amortization of intangible assets) are as follows:

(Millions of yen)

	Nine months ended December 31, 2023 (From April 1, 2023 to December 31, 2023)	Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)
Depreciation	2,549	2,601

Segment information

As the Group operates in a single segment that exclusively manufactures and sells similar or related processed foods, as judged by the similarity of product type, characteristics, manufacturing methods, and sales markets, the segment information is immaterial and therefore omitted.

3. Supplementary Information

(1) Status of Sales

(Millions of yen)

Product category	Nine months ended December 31, 2023 (From April 1, 2023 to December 31, 2023)		Nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)		YoY change	(Reference) Previous fiscal year (From April 1, 2023 to March 31, 2024)	
	Amount	Component ratio	Amount	Component ratio		Amount	Component ratio
Delicatessen products	14,541	34.0%	14,454	33.0%	(86)	19,060	34.2%
Kombu products	12,053	28.2%	12,246	27.9%	193	15,712	28.2%
Bean products	7,792	18.2%	8,285	18.9%	492	9,949	17.9%
Yogurt products	4,906	11.5%	5,127	11.7%	220	6,471	11.6%
Dessert products	2,057	4.8%	2,181	5.0%	124	2,654	4.8%
Other products	1,429	3.3%	1,551	3.5%	121	1,867	3.3%
Total	42,780	100.0%	43,845	100.0%	1,065	55,715	100.0%

Note: “YoY change” represents the difference between the amounts for nine months ended December 31, 2023 and 2024.

(2) Research and Development

The total amount of research and development expenses for the nine months ended December 31, 2024 was ¥790 million.