

Fiscal 2022
Second Quarter Results
(For the Period from January 1, 2022, to June 30, 2022)

Yamazaki Baking Co., Ltd.

(August 2, 2022)

I. Consolidated Results for the Second Quarter of Fiscal 2022

Consolidated Results

1. Overview

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 | | Increase/ (decrease) | Percentage change | Increase/ (decrease) before application of revenue recognition standards | Percentage change before application of revenue recognition standards |
|--|-------------|-------|-------------|-------|-------------------------|----------------------|---|---|
| | 2nd Quarter | % | 2nd Quarter | % | | | | |
| Net sales | 512,210 | 100.0 | 528,252 | 100.0 | 16,041 | 3.1 | 36,191 | 7.1 |
| Operating income | 12,223 | 2.4 | 14,381 | 2.7 | 2,157 | 17.7 | — | — |
| Ordinary income | 13,753 | 2.7 | 17,111 | 3.2 | 3,358 | 24.4 | — | — |
| Profit attributable to owners of parent | 7,237 | 1.4 | 9,023 | 1.7 | 1,786 | 24.7 | — | — |

| | | | | | | |
|----------------------|--------|-----|--------|-----|-------|------|
| Comprehensive income | 10,441 | 2.0 | 12,897 | 2.4 | 2,456 | 23.5 |
|----------------------|--------|-----|--------|-----|-------|------|

| | 1st Quarter | 2nd Quarter |
|------------------|-------------|-------------|
| Net sales | 259,727 | 268,524 |
| Operating income | 6,945 | 7,435 |

| | Fiscal 2021 2nd Quarter | Fiscal 2022 2nd Quarter | Increase/ (decrease) |
|---|----------------------------|----------------------------|-------------------------|
| Number of consolidated subsidiaries | 30 | 35 | 5 |
| Number of equity-method subsidiaries | 3 | 2 | (1) |

2. Net Sales by Segment

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 | | Increase/ (decrease) | Percentage change | Increase/ (decrease) before application of revenue recognition standards | Percentage change before application of revenue recognition standards |
|--|-------------|---------------------|-------------|---------------------|-------------------------|----------------------|---|---|
| | 2nd Quarter | Percentage of total | 2nd Quarter | Percentage of total | | | | |
| Food business | 479,917 | 93.7 | 491,953 | 93.1 | 12,036 | 2.5 | 32,627 | 6.8 |
| Bread | 48,756 | 9.5 | 51,692 | 9.8 | 2,936 | 6.0 | 3,190 | 6.5 |
| Sweet buns | 174,929 | 34.2 | 187,083 | 35.4 | 12,153 | 6.9 | 13,481 | 7.7 |
| Japanese-style confectionery | 33,270 | 6.5 | 34,138 | 6.4 | 868 | 2.6 | 1,086 | 3.3 |
| Western-style confectionery | 71,567 | 14.0 | 71,751 | 13.6 | 183 | 0.3 | 716 | 1.0 |
| Processed bread, prepared rice and processed noodles | 69,911 | 13.6 | 69,753 | 13.2 | (157) | (0.2) | 4,341 | 6.2 |
| Biscuits, crackers, <i>sembei</i> and other merchandise | 81,481 | 15.9 | 77,533 | 14.7 | (3,948) | (4.8) | 9,810 | 12.0 |
| Retail business | 26,011 | 5.1 | 29,995 | 5.7 | 3,983 | 15.3 | 3,413 | 13.1 |
| Other businesses | 6,281 | 1.2 | 6,303 | 1.2 | 21 | 0.3 | 149 | 2.4 |
| Total | 512,210 | 100.0 | 528,252 | 100.0 | 16,041 | 3.1 | 36,191 | 7.1 |

3. Operating Income by Segment

(Millions of yen)

| | Fiscal 2021 2nd Quarter | Fiscal 2022 2nd Quarter | Increase/ (decrease) | Percentage change |
|------------------|----------------------------|----------------------------|-------------------------|----------------------|
| Food business | 13,083 | 14,712 | 1,629 | 12.5 |
| Retail business | (2,206) | (1,804) | 402 | — |
| Other businesses | 1,075 | 1,195 | 120 | 11.2 |
| Subtotal | 11,952 | 14,103 | 2,151 | 18.0 |
| Adjustment | 271 | 277 | 6 | — |
| Total | 12,223 | 14,381 | 2,157 | 17.7 |

4. Income and Expenses

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 | | Increase/ (decrease) | Percentage change | Reasons |
|--|-------------|------|-------------|--------|-------------------------|----------------------|---|
| | 2nd Quarter | % | 2nd Quarter | % | | | |
| Gross profit | 181,131 | 35.4 | 173,835 | 32.9 | (7,296) | (4.0) | Figures in brackets indicate the actual performance before application of revenue recognition |
| | | | <192,443> | <35.1> | <11,311> | <6.2> | |
| Selling, general and administrative expenses | 168,907 | 33.0 | 159,454 | 30.2 | (9,453) | (5.6) | |
| | | | <178,061> | <32.5> | <9,154> | <5.4> | |
| Sales promotion expenses | 17,677 | | 3,236 | | (14,441) | | |
| | | | <18,050> | | <372> | | |
| Advertising expenses | 5,541 | | 5,856 | | 315 | | |
| | | | <6,062> | | <520> | | |
| Haulage expenses | 31,789 | | 31,377 | | (412) | | |
| | | | <33,630> | | <1,840> | | |
| Personnel expenses | 69,617 | | 72,962 | | 3,344 | | |
| Depreciation and amortization | 5,759 | | 6,123 | | 363 | | |
| Rental fees | 10,769 | | 11,608 | | 838 | | |
| Others | 27,751 | | 28,288 | | 537 | | |
| | | | <29,624> | | <1,872> | | |
| Operating income | 12,223 | 2.4 | 14,381 | 2.7 | 2,157 | 17.7 | |
| Nonoperating income | 2,324 | 0.5 | 3,438 | 0.6 | 1,113 | 47.9 | |
| Interest income | 70 | | 62 | | (8) | | |
| Dividend income | 717 | | 747 | | 29 | | |
| Rent income on fixed assets | 451 | | 496 | | 44 | | |
| Foreign exchange gains | 342 | | 1,143 | | 801 | | |
| Equity in earnings of affiliates | 231 | | 339 | | 107 | | |
| Other nonoperating income | 510 | | 650 | | 139 | | |
| Nonoperating expenses | 795 | 0.2 | 708 | 0.1 | (86) | (10.9) | |
| Interest expense | 356 | | 367 | | 11 | | |
| Rent expenses on fixed assets | 149 | | 163 | | 13 | | |
| Other nonoperating expenses | 289 | | 177 | | (111) | | |
| Ordinary income | 13,753 | 2.7 | 17,111 | 3.2 | 3,358 | 24.4 | |
| Extraordinary gains | 972 | 0.1 | 441 | 0.1 | (531) | (54.6) | |
| Gain on sales of fixed assets | 47 | | 52 | | 4 | | |
| Subsidy income | 922 | | 375 | | (547) | | |
| Other extraordinary gains | 2 | | 13 | | 11 | | |
| Extraordinary losses | 1,222 | 0.2 | 1,756 | 0.3 | 534 | 43.7 | |
| Loss on sales and retirement of fixed assets | 475 | | 658 | | 183 | | |
| Impairment loss | 479 | | 610 | | 131 | | |
| Loss on valuation of investment securities | 20 | | 305 | | 284 | | |
| Other extraordinary losses | 247 | | 182 | | (65) | | |
| Income before income taxes | 13,503 | 2.6 | 15,796 | 3.0 | 2,292 | 17.0 | |
| Income and other taxes | 5,554 | 1.0 | 5,673 | 1.1 | 119 | 2.1 | |
| Profit | 7,949 | 1.6 | 10,122 | 1.9 | 2,173 | 27.3 | |
| Profit attributable to non-controlling interests | 712 | 0.2 | 1,099 | 0.2 | 387 | 54.4 | |
| Profit attributable to owners of parent | 7,237 | 1.4 | 9,023 | 1.7 | 1,786 | 24.7 | |
| Comprehensive income | 10,441 | 2.0 | 12,897 | 2.4 | 2,456 | 23.5 | |

5. Consolidated Balance Sheets (Including Reasons for Major Changes)

(Millions of yen)

| | Fiscal 2021 | Fiscal 2022 2nd Quarter | Increase/ (decrease) | Reasons |
|--|-------------|----------------------------|-------------------------|---|
| Current assets | 289,984 | 275,113 | (14,871) | |
| Cash and deposits | 138,143 | 145,689 | 7,545 | Decrease in loans payable: ¥7.9 billion Collection of accounts receivable, etc.: ¥15.4 billion |
| Notes and accounts receivable | 114,588 | 90,911 | (23,676) | Decrease due to seasonal fluctuation |
| Merchandise and finished goods | 12,034 | 12,764 | 730 | |
| Work in process | 718 | 1,125 | 406 | |
| Raw materials and supplies | 11,793 | 10,948 | (845) | |
| Other current assets | 13,093 | 14,017 | 924 | |
| Allowance for doubtful accounts | (387) | (344) | 43 | |
| Fixed assets | 467,367 | 463,199 | (4,168) | Capital investment: ¥15.0 billion Depreciation and amortization: ¥18.9 billion |
| Tangible fixed assets | 328,527 | 327,119 | (1,407) | |
| Buildings and structures | 108,925 | 109,473 | 547 | |
| Machinery, equipment and vehicles | 86,902 | 83,691 | (3,210) | |
| Tools, furniture and fixtures | 7,631 | 7,903 | 272 | |
| Land | 113,331 | 114,149 | 817 | |
| Lease assets | 6,779 | 6,679 | (100) | |
| Construction in progress | 4,957 | 5,222 | 265 | |
| Intangible fixed assets | 22,258 | 22,254 | (4) | |
| Investments and other assets | 116,581 | 113,824 | (2,756) | |
| Investment securities | 65,219 | 62,986 | (2,233) | Decrease due to mark-to-market valuation difference: ¥0.9 billion |
| Long-term loans receivable | 877 | 879 | 2 | |
| Net defined benefit asset | 457 | 541 | 84 | |
| Deferred tax assets | 22,309 | 22,331 | 22 | |
| Other investments and other assets | 30,243 | 29,486 | (756) | |
| Allowance for doubtful accounts | (2,525) | (2,400) | 124 | |
| Total assets | 757,352 | 738,312 | (19,040) | |
| Current liabilities | 235,286 | 219,986 | (15,300) | |
| Notes and accounts payable | 76,414 | 74,787 | (1,627) | Decrease due to seasonal fluctuation |
| Short-term loans payable | 60,913 | 57,946 | (2,966) | Transfer from long-term loans payable: ¥6.2 billion Decrease due to repayment, etc.: ¥9.5 billion |
| Lease obligations | 2,942 | 2,927 | (15) | |
| Accrued income tax | 5,793 | 7,207 | 1,413 | |
| Accrued expenses | 41,634 | 34,779 | (6,854) | Decrease due to application of revenue recognition: ¥5.3 billion Decrease due to seasonal fluctuation: ¥1.5 billion |
| Allowance for employees' bonuses | 4,952 | 4,772 | (180) | |
| Reserve for sales promotion expenses | 1,238 | – | (1,238) | Decrease due to application of revenue recognition: ¥1.2 billion |
| Provision for loss on store closures | 37 | 42 | 5 | |
| Asset retirement obligations | 16 | 12 | (3) | |
| Other current liabilities | 41,342 | 37,509 | (3,832) | |
| Long-term liabilities | 139,848 | 134,139 | (5,709) | |
| Long-term loans payable | 29,172 | 24,445 | (4,727) | Increase in new loans payable: ¥1.4 billion Transfer to short-term loans payable: ¥6.2 billion |
| Lease obligations | 4,831 | 4,426 | (404) | |
| Reserve for retirement benefits for directors and corporate auditors | 4,212 | 4,650 | 437 | |
| Provision for environmental measures | – | 0 | 0 | |
| Reserve for loss on guarantees | 33 | 33 | – | |
| Net defined benefit liability | 89,943 | 88,553 | (1,389) | Increase due to provision for liabilities: ¥6.2 billion Decrease due to pension contributions/benefits: ¥7.6 billion |
| Asset retirement obligations | 5,043 | 5,023 | (19) | |
| Other long-term liabilities | 6,611 | 7,004 | 392 | |
| Total liabilities | 375,135 | 354,125 | (21,009) | |
| Total net assets | 382,217 | 384,186 | 1,969 | Non-controlling interests: ¥42.6 billion (up ¥2.9 billion) |
| Total liabilities and net assets | 757,352 | 738,312 | (19,040) | |

6. Major Subsidiaries

(1) Net sales

(Millions of yen)

| | Fiscal 2021 2nd Quarter | Fiscal 2022 2nd Quarter | Increase/ (decrease) | Increase/ (decrease) before application of revenue recognition standards | Percentage change before application of revenue recognition standards |
|---------------------------------|----------------------------|----------------------------|-------------------------|---|---|
| Fujiya Co., Ltd. (Consolidated) | 50,208 | 48,599 | (1,608) | 6,877 | 13.7 |
| Sun-Delica Co., Ltd. | 51,017 | 47,332 | (3,685) | 611 | 1.2 |
| Yamazaki Biscuits Co., Ltd. | 16,781 | 14,482 | (2,299) | (216) | (1.3) |
| Vie de France Co., Ltd. | 11,807 | 12,939 | 1,132 | 1,141 | 9.7 |
| Tohato Inc. | 14,335 | 12,378 | (1,957) | 1,279 | 8.9 |

(2) Operating income

(Millions of yen)

| | Fiscal 2021 2nd Quarter | Fiscal 2022 2nd Quarter | Increase/ (decrease) |
|---------------------------------|----------------------------|----------------------------|-------------------------|
| Fujiya Co., Ltd. (Consolidated) | 1,621 | 2,160 | 539 |
| Sun-Delica Co., Ltd. | (169) | (64) | 105 |
| Yamazaki Biscuits Co., Ltd. | 503 | 255 | (248) |
| Vie de France Co., Ltd. | (1,487) | (662) | 825 |
| Tohato Inc. | 844 | 610 | (234) |

7. Capital Investment and Depreciation and Amortization (Millions of yen)

| | Fiscal 2021 2nd Quarter | Fiscal 2022 2nd Quarter | Increase/ (decrease) |
|-------------------------------|----------------------------|----------------------------|-------------------------|
| Capital investment | 15,618 | 15,074 | (543) |
| Depreciation and amortization | 17,753 | 18,919 | 1,166 |

* The amounts of capital investment and depreciation and amortization of tangible fixed assets and of intangible fixed assets including lease assets have been disclosed.

8. Cash Flows

(Millions of yen)

| | Fiscal 2021 2nd Quarter | Fiscal 2022 2nd Quarter | Increase/ (decrease) | Reasons |
|---|----------------------------|----------------------------|-------------------------|---|
| Net cash provided by operating activities | 48,486 | 48,619 | 132 | |
| Net cash used in investing activities | (18,549) | (21,306) | (2,757) | Increase in payments for purchase of tangible and intangible fixed assets |
| Net cash provided by (used in) financing activities | 5,975 | (21,780) | (27,756) | (Previous period) Revenue due to new loans payable |
| Cash and cash equivalents at beginning of period | 102,842 | 133,495 | 30,652 | |
| Cash and cash equivalents at end of quarter | 138,981 | 140,111 | 1,130 | |

II . Projections for Fiscal 2022

Consolidated Projection

1. Overview

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 projection | | Increase/ (decrease) | Percentage change | Increase/ (decrease) before application of revenue recognition standards | Percentage change before application of revenue recognition standards |
|---|-------------|-------|------------------------|-------|-------------------------|----------------------|---|--|
| | | % | | % | | | | |
| Net sales | 1,052,972 | 100.0 | 1,056,000 | 100.0 | 3,027 | 0.3 | 40,446 | 3.8 |
| Operating income | 18,359 | 1.7 | 24,000 | 2.3 | 5,640 | 30.7 | – | – |
| Ordinary income | 21,382 | 2.0 | 26,000 | 2.5 | 4,617 | 21.6 | – | – |
| Profit attributable to owners of parent | 10,378 | 1.0 | 12,000 | 1.1 | 1,621 | 15.6 | – | – |

2. Net Sales by Segment

(Millions of yen)

| | Fiscal 2021 | Fiscal 2022 projection | Increase/ (decrease) | Percentage change | Increase/ (decrease) before application of revenue recognition standards | Percentage change before application of revenue recognition standards |
|---|-------------|------------------------|-------------------------|----------------------|--|--|
| | | | | | | |
| Food business | 980,599 | 982,710 | 2,110 | 0.2 | 38,650 | 3.9 |
| Bread | 95,160 | 96,950 | 1,789 | 1.9 | 2,507 | 2.6 |
| Sweet buns | 359,934 | 370,250 | 10,315 | 2.9 | 12,850 | 3.6 |
| Japanese-style confectionery | 68,379 | 70,190 | 1,810 | 2.6 | 2,314 | 3.4 |
| Western-style confectionery | 144,861 | 146,880 | 2,018 | 1.4 | 3,060 | 2.1 |
| Processed bread, prepared rice and processed noodles | 143,086 | 141,530 | (1,556) | (1.1) | 5,897 | 4.1 |
| Biscuits, crackers, <i>sembei</i> and other merchandise | 169,177 | 156,910 | (12,267) | (7.3) | 12,020 | 7.1 |
| Retail business | 59,494 | 60,170 | 675 | 1.1 | 1,307 | 2.2 |
| Other businesses | 12,878 | 13,120 | 241 | 1.9 | 488 | 3.8 |
| Total | 1,052,972 | 1,056,000 | 3,027 | 0.3 | 40,446 | 3.8 |

3. Operating Income by Segment

(Millions of yen)

| | Fiscal 2021 | Fiscal 2022 projection | Increase/ (decrease) | Percentage change |
|------------------|-------------|------------------------|-------------------------|----------------------|
| | | | | |
| Food business | 20,027 | 24,480 | 4,452 | 22.2 |
| Retail business | (4,193) | (3,070) | 1,123 | – |
| Other businesses | 2,154 | 2,220 | 65 | 3.1 |
| Subtotal | 17,988 | 23,630 | 5,641 | 31.4 |
| Adjustment | 371 | 370 | (1) | – |
| Total | 18,359 | 24,000 | 5,640 | 30.7 |

III. Nonconsolidated Results for Second Quarter of Fiscal 2022

Nonconsolidated Results

1. Overview

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 | | Increase/ (decrease) | Percentage change | Increase/ (decrease) before application of revenue recognition standards | Percentage change before application of revenue recognition standards |
|------------------|-------------|-------|-------------|-------|-------------------------|----------------------|---|---|
| | 2nd Quarter | % | 2nd Quarter | % | | | | |
| Net sales | 372,531 | 100.0 | 382,194 | 100.0 | 9,662 | 2.6 | 11,412 | 3.1 |
| Operating income | 10,513 | 2.8 | 10,779 | 2.8 | 265 | 2.5 | – | – |
| Ordinary income | 12,582 | 3.4 | 14,329 | 3.7 | 1,746 | 13.9 | – | – |
| Profit | 8,278 | 2.2 | 9,259 | 2.4 | 980 | 11.8 | – | – |

| | 1st Quarter | 2nd Quarter |
|------------------|-------------|-------------|
| Net sales | 188,496 | 193,697 |
| Operating income | 5,034 | 5,745 |

2. Net Sales by Product Category

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 | | Increase/ (decrease) | Percentage change | Increase/ (decrease) before application of revenue recognition standards | Percentage change before application of revenue recognition standards |
|--|-------------|---------------------|-------------|---------------------|-------------------------|----------------------|---|---|
| | 2nd Quarter | Percentage of total | 2nd Quarter | Percentage of total | | | | |
| Bread | 49,380 | 13.3 | 50,431 | 13.2 | 1,050 | 2.1 | 1,353 | 2.7 |
| Sweet buns | 167,438 | 44.9 | 172,175 | 45.0 | 4,736 | 2.8 | 6,321 | 3.8 |
| Japanese-style confectionery | 33,333 | 8.9 | 33,905 | 8.9 | 571 | 1.7 | 839 | 2.5 |
| Western-style confectionery | 56,076 | 15.1 | 54,296 | 14.2 | (1,779) | (3.2) | (1,270) | (2.3) |
| Processed bread, prepared rice and processed noodles | 23,665 | 6.4 | 25,119 | 6.6 | 1,453 | 6.1 | 1,643 | 7.0 |
| Biscuits, crackers, <i>sembei</i> and other merchandise | 20,539 | 5.5 | 22,208 | 5.8 | 1,669 | 8.1 | 1,695 | 8.3 |
| Subtotal | 350,434 | 94.1 | 358,137 | 93.7 | 7,702 | 2.2 | 10,582 | 3.0 |
| Daily Yamazaki business | 29,243 | 7.8 | 31,451 | 8.2 | 2,207 | 7.6 | 1,638 | 5.6 |
| Internal elimination | (7,146) | (1.9) | (7,395) | (1.9) | (248) | – | (807) | – |
| Total | 372,531 | 100.0 | 382,194 | 100.0 | 9,662 | 2.6 | 11,412 | 3.1 |

* “Internal elimination” represents the elimination amount of intercompany transactions between the Food business and the Daily Yamazaki business of Yamazaki Baking Co., Ltd.

3. Operating Income

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 | | Increase/ (decrease) | Percentage change |
|---|-------------|-------|-------------|-------|-------------------------|----------------------|
| | 2nd Quarter | % | 2nd Quarter | % | | |
| Operating income | | | | | | |
| Yamazaki Baking Company's primary business (excluding its Daily Yamazaki business) | 12,719 | 3.6 | 12,509 | 3.5 | (209) | (1.6) |
| Daily Yamazaki business | (2,206) | (7.5) | (1,730) | (5.5) | 475 | — |

<Increase or Decrease in the Results of Yamazaki Baking Company's Primary Business (excluding the Daily Yamazaki Business)>

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 | | Increase/ (decrease) | Percentage change | Factors affecting operating income increase/(decrease) |
|--|-------------|------|-------------|------|-------------------------|----------------------|--|
| | 2nd Quarter | % | 2nd Quarter | % | | | |
| Gross profit | 112,106 | 32.0 | 110,883 | 31.0 | (1,222) | (1.1) | Increase in net sales 4,859 Decrease in raw material expenses 94 Decrease in manufacturing labor cost 132 Increase in manufacturing expenses (2,222) Increase in manufacturing amortization (226) Others (980) Impact of revenue recognition (decrease in sales) (2,879) |
| Selling, general and administrative expenses | 99,386 | 28.4 | 98,373 | 27.5 | (1,013) | (1.0) | Increase in personnel expenses (364) Increase in expenses (1,502) Impact of revenue recognition (cost reduction) 2,879 |

* Negative impacts on operating income are shown in parentheses in the column of "Factors affecting operating income increase/(decrease)."

* The value of the "%" field represents the ratio of each account title to net sales of Yamazaki Baking Company's primary business (excluding those of the Daily Yamazaki business).

IV. Plans for Fiscal 2022

Nonconsolidated Plan

1. Overview

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 plan | | Increase/ (decrease) | Percentage change | Increase/ (decrease) before application of revenue recognition standards | Percentage change before application of revenue recognition standards |
|------------------|-------------|-------|------------------|-------|-------------------------|-------------------|---|---|
| | | % | | % | | | | |
| Net sales | 741,371 | 100.0 | 754,000 | 100.0 | 12,628 | 1.7 | 19,075 | 2.6 |
| Operating income | 14,750 | 2.0 | 16,500 | 2.2 | 1,749 | 11.9 | – | – |
| Ordinary income | 18,622 | 2.5 | 20,000 | 2.7 | 1,377 | 7.4 | – | – |
| Profit | 9,821 | 1.3 | 11,000 | 1.5 | 1,178 | 12.0 | – | – |

2. Net Sales by Product Category

(Millions of yen)

| | Fiscal 2021 | | Fiscal 2022 plan | | Increase/ (decrease) | Percentage change | Increase/ (decrease) before application of revenue recognition standards | Percentage change before application of revenue recognition standards |
|---|-------------|---------------------|------------------|---------------------|-------------------------|-------------------|---|---|
| | | Percentage of total | | Percentage of total | | | | |
| Bread | 94,700 | 12.8 | 96,000 | 12.7 | 1,299 | 1.4 | 2,083 | 2.2 |
| Sweet buns | 331,150 | 44.7 | 336,650 | 44.7 | 5,499 | 1.7 | 8,224 | 2.5 |
| Japanese-style confectionery | 67,540 | 9.1 | 69,360 | 9.2 | 1,819 | 2.7 | 2,385 | 3.5 |
| Western-style confectionery | 110,603 | 14.9 | 111,360 | 14.8 | 756 | 0.7 | 1,663 | 1.5 |
| Processed bread, prepared rice and processed noodles | 48,921 | 6.6 | 50,040 | 6.6 | 1,118 | 2.3 | 1,523 | 3.1 |
| Biscuits, crackers, <i>sembei</i> and other merchandise | 42,668 | 5.7 | 43,880 | 5.8 | 1,211 | 2.8 | 1,565 | 3.7 |
| Subtotal | 695,585 | 93.8 | 707,290 | 93.8 | 11,704 | 1.7 | 17,445 | 2.5 |
| Daily Yamazaki business | 60,570 | 8.2 | 62,510 | 8.3 | 1,939 | 3.2 | 2,645 | 4.4 |
| Internal elimination | (14,784) | (2.0) | (15,800) | (2.1) | (1,015) | – | (1,015) | – |
| Total | 741,371 | 100.0 | 754,000 | 100.0 | 12,628 | 1.7 | 19,075 | 2.6 |

* "Internal elimination" represents the elimination amount of intercompany transactions between the Food business and the Daily Yamazaki business of Yamazaki Baking Co., Ltd.

Cautionary Statements

This document contains discussions that include management plans, projections, strategies and estimates that are not historical facts. Projections of future performance are based on management extrapolations from current data, but actual future performance may differ materially from projections.