



**Supplementary Materials for Financial
Statements For the first quarter Ended
June 30, 2020
(April 1, 2020 to June 30, 2020)**

July 31, 2020

Yakult Honsha Co., Ltd.
Public Relations Department
Investor Relations Department
URL <https://www.yakult.co.jp/company/ir/>

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About a numeric display of this material

1. Unit of money : Less than one million yen is rounded down.

2. Quantity results: Less than 1000 is rounded off.

3. Year on year percentage: The second place is rounded off after the decimal point.

Consolidated

1. Major Increases (Decreases) in Consolidated Balance Sheet

(Millions of yen)

	As of Mar.31 2020	As of Jun. 30 2020	Increase (Decrease)
Total Assets	627,871	609,163	(18,707)
Current assets			
Cash and deposits	175,638	154,923	(20,715)
Notes and accounts receivable - trade	51,832	53,746	1,914
Inventories	28,772	29,038	266
Others	9,564	11,069	1,505
Non-current Assets			
Property, plant and equipment			
Buildings and structures (net)	86,081	83,898	(2,182)
Others (net)	117,914	114,901	(3,013)
Intangible assets	4,450	4,270	(180)
Investments and other assets			
Investment securities	139,780	144,138	4,357
Others	13,837	13,177	(659)
Total Liabilities	215,788	210,339	(5,448)
Current liabilities			
Notes and accounts payable - trade	26,210	25,358	(851)
Short-term loans payable	32,739	32,739	(0)
Others	50,112	47,086	(3,026)
Non-current liabilities			
Long-term loans payable	70,683	69,316	(1,367)
Net defined benefit liability	6,408	5,937	(471)
Others	29,633	29,900	266
Total Net Assets	412,082	398,823	(13,259)
Shareholders' equity	397,607	405,459	7,851
Accumulated other comprehensive income	(24,228)	(40,109)	(15,881)
Non-controlling interests	38,702	33,474	(5,228)

2. Major Increases (Decreases) in Consolidated Statement of Income

(Millions of yen)

	1Q of FY 2019 (2019.4 ~ 6)	1Q of FY 2020 (2020.4 ~ 6)	Increase (Decrease)	
			Amount	Ratio (%)
Net sales	95,856	92,528	(3,328)	(3.5)
(Net sales by business segments)				
Food and beverages (Japan)	51,835	51,461	(374)	(0.7)
Food and beverages (Overseas)	40,411	39,583	(827)	(2.0)
Pharmaceuticals	5,460	4,442	(1,017)	(18.6)
Others	4,379	4,139	(239)	(5.5)
Adjustments	(6,229)	(7,098)	(868)	14.0
Cost of sales	39,334	37,300	(2,034)	(5.2)
Gross profit	56,522	55,228	(1,294)	(2.3)
Gross profit margin (%)	59.0	59.7	0.7	
Selling, general and administrative expenses	46,545	44,181	(2,364)	(5.1)
Selling expenses	21,366	19,688	(1,677)	
General and administrative expenses	25,178	24,492	(686)	
Operating profit	9,976	11,046	1,070	10.7
Operating profit margin (%)	10.4	11.9	1.5	
(Operating profit by business segments)				
Food and beverages (Japan)	4,545	6,004	1,459	32.1
Food and beverages (Overseas)	9,541	9,428	(112)	(1.2)
Pharmaceuticals	602	223	(379)	(62.9)
Others	63	82	19	30.4
Adjustments	(4,776)	(4,693)	83	(1.7)
{ include corporate expenses }	{ (3,571) }	{ (3,462) }	{ 108 }	
Non-operating incomes	4,184	7,019	2,834	67.8
Interest income	1,310	1,243	(67)	
Dividend income	965	1,044	79	
Share of profit of entities accounted for using equity method	1,119	911	(207)	
Foreign exchange gains	—	3,083	3,083	
Others	789	736	(52)	
Non-operating expenses	437	355	(81)	(18.7)
Interest expenses	207	195	(11)	
Others	230	160	(70)	
Ordinary profit	13,723	17,710	3,986	29.0
Ratio of ordinary profit to net sales (%)	14.3	19.1	4.8	
Extraordinary income	1,027	95	(931)	(90.7)
Extraordinary losses	955	697	(257)	(27.0)
Profit before income taxes	13,795	17,108	3,313	24.0
Income taxes	3,964	3,905	(58)	
Profit	9,831	13,203	3,371	34.3
Profit attributable to non-controlling interests	1,202	1,784	581	48.4
Profit attributable to owners of parent	8,628	11,419	2,790	32.3
Ratio of profit attributable to owners of parent to net sales (%)	9.0	12.3	3.3	

3. Performance Overview

(1) Breakdown of Statement of Income

(Millions of yen)

	1Q of FY 2019 (April 1, 2019 ~ June 30, 2019)		1Q of FY 2020 (April 1, 2020 ~ June 30, 2020)	
	Results	Year on year(%)	Results	Year on year(%)
Net sales	95,856	99.1	92,528	96.5
Operating profit	9,976	99.6	11,046	110.7
Ordinary profit	13,723	108.5	17,710	129.0
Profit attributable to owners of parent	8,628	86.1	11,419	132.3

(2) Breakdown of Share of profit of entities accounted for using equity method

(Millions of yen)

	1Q of FY 2019 (April 1, 2019 ~ June 30, 2019)		1Q of FY 2020 (April 1, 2020 ~ June 30, 2020)	
	Results	Year on year(%)	Results	Year on year(%)
Share of profit of entities accounted for using equity method	1,119	115.5	911	81.5

4. Segment Information

Actual Results

(1) Result of the first quarter ended June 30, 2019 (April 1, 2019 ~ June 30, 2019)

(Millions of yen)

	Food and beverages				
	Japan	Overseas Total	The Americas	Asia and Oceania	Europe
Net sales	51,835	40,411	12,596	25,658	2,155
Percentage of net sales (%)	54.1	42.1	13.1	26.8	2.2
Year on year (%)	92.2	101.4	101.5	102.6	88.2
Operating expenses	47,289	30,870	8,950	19,869	2,049
Year on year (%)	92.1	105.2	99.3	109.3	96.0
Operating profit (loss)	4,545	9,541	3,646	5,788	106
Year on year (%)	92.7	90.6	107.2	84.9	34.6
Operating profit margin (%)	8.8	23.6	28.9	22.6	4.9

	Pharmaceuticals	Others	Total	Adjustments	Consolidated
Net sales	5,460	4,379	102,085	(6,229)	95,856
Percentage of net sales (%)	5.7	4.6	106.5	(6.5)	100.0
Year on year (%)	96.6	102.2	96.3	66.7	99.1
Operating expenses	4,857	4,315	87,332	(1,452)	85,879
Year on year (%)	76.1	100.2	95.6	31.1	99.1
Operating profit (loss)	602	63	14,753	(4,776)*	9,976
Year on year (%)	---	---	100.5	102.3	99.6
Operating profit margin (%)	11.0	1.5	---	---	10.4

* The details of "Adjustments" are as follows.

- Administrative expenses in parent company : 3,571 million yen
- Elimination of royalty income : 1,205 million yen

(2) Result of the first quarter ended June 30, 2020 (April 1, 2020 ~ June 30, 2020)

(Millions of yen)

	Food and beverages				
	Japan	Overseas Total	The Americas	Asia and Oceania	Europe
Net sales	51,461	39,583	11,544	25,807	2,230
Percentage of net sales (%)	55.6	42.8	12.5	27.9	2.4
Year on year (%)	99.3	98.0	91.6	100.6	103.5
Operating expenses	45,456	30,154	8,643	19,557	1,953
Year on year (%)	96.1	97.7	96.6	98.4	95.3
Operating profit (loss)	6,004	9,428	2,901	6,250	276
Year on year (%)	132.1	98.8	79.6	108.0	260.0
Operating profit margin (%)	11.7	23.8	25.1	24.2	12.4

	Pharmaceuticals	Others	Total	Adjustments	Consolidated
Net sales	4,442	4,139	99,626	(7,098)	92,528
Percentage of net sales (%)	4.8	4.5	107.7	(7.7)	100.0
Year on year (%)	81.4	94.5	97.6	114.0	96.5
Operating expenses	4,218	4,056	83,886	(2,404)	81,481
Year on year (%)	86.9	94.0	96.1	165.6	94.9
Operating profit (loss)	223	82	15,740	(4,693)*	11,046
Year on year (%)	37.1	130.4	106.7	98.3	110.7
Operating profit margin (%)	5.0	2.0	---	---	11.9

* The details of "Adjustments" are as follows.

- Administrative expenses in parent company : 3,462 million yen
- Elimination of royalty income : 1,230 million yen

<Reference>

Result of the first quarter ended June 30, 2020.

(on the basis of average exchange rate between Jan. 2019 and Mar. 2019)

(3) Result of the first quarter ended June 30, 2020 (April 1, 2020 ~ June 30, 2020)

(Millions of yen)

	Food and beverages				
	Japan	Overseas Total	The Americas	Asia and Oceania	Europe
Net sales	51,461	42,249	12,767	27,155	2,327
Percentage of net sales (%)	54.1	44.4	13.4	28.5	2.5
Year on year (%)	99.3	104.5	101.4	105.8	107.9
Operating expenses	45,456	32,240	9,637	20,564	2,038
Year on year (%)	96.1	104.4	107.7	103.5	99.5
Operating profit (loss)	6,004	10,009	3,129	6,590	288
Year on year (%)	132.1	104.9	85.8	113.9	271.3
Operating profit margin (%)	11.7	23.7	24.5	24.3	12.4

	Pharmaceuticals	Others	Total	Adjustments	Consolidated
Net sales	4,442	4,139	102,292	(7,098)	95,194
Percentage of net sales (%)	4.7	4.3	107.5	(7.5)	100.0
Year on year (%)	81.4	94.5	100.2	114.0	99.3
Operating expenses	4,218	4,056	85,971	(2,404)	83,566
Year on year (%)	86.9	94.0	98.4	165.6	97.3
Operating profit (loss)	223	82	16,321	(4,693)*	11,627
Year on year (%)	37.1	130.4	110.6	98.3	116.5
Operating profit margin (%)	5.0	2.0	---	---	12.2

* The details of "Adjustments" are as follows.

- Administrative expenses in parent company : 3,462 million yen
- Elimination of royalty income : 1,230 million yen

5. Overseas Dairy Products sales (Bottles sold per day)

(Thousands of bottles/day)

	Consolidation Classification	1Q of FY 2020 (From January to March 2020)		Preliminary figure (From January to June 2020)	
		Results	Year on year (%)	Results	Year on year (%)
Taiwan	Equity method	568	92.9	644	96.5
Hong Kong	Consolidated	419	92.3	440	86.9
Thailand ^(*1)	Equity method	2,100	94.3	2,062	93.3
Korea	Equity method	2,573	89.0	2,752	87.7
Philippines	Equity method	3,079	94.9	2,641	82.3
Singapore	Consolidated	244	108.0	281	124.7
Indonesia	Consolidated	6,355	113.2	6,442	106.2
Australia	Consolidated	275	110.1	266	107.4
Malaysia	Consolidated	365	107.4	354	101.1
Vietnam	Consolidated	602	138.5	640	130.6
India ^(*2)	Consolidated	210	97.8	182	78.6
Middle East	Consolidated	12	68.9	15	85.3
Myanmar ^(*3)	Consolidated	16	—	17	-
Guangzhou	Consolidated	2,222	99.4	2,617	97.6
Shanghai	Consolidated	464	109.1	514	97.8
Beijing	Consolidated	400	105.8	409	96.6
China ^(*4)	Consolidated	2,953	100.6	3,388	96.5
China total		6,038	101.1	6,929	97.0
Asia and Oceania total		22,856	101.6	23,664	96.6
(Consolidated subsidiaries company Total)		14,536	107.5	15,565	101.9
Brazil	Consolidated	1,542	92.8	1,461	91.4
Mexico	Consolidated	3,771	94.9	3,644	92.7
USA	Consolidated	418	113.3	429	115.4
The Americas total		5,731	95.4	5,535	93.8
Netherlands	Consolidated	174	101.1	170	102.8
Belgium	Consolidated	90	106.8	85	105.9
United Kingdom	Consolidated	226	109.9	225	113.1
Germany	Consolidated	83	94.5	75	96.4
Austria	Consolidated	15	138.6	12	123.2
Italy	Consolidated	102	103.2	100	104.8
Europe total		690	104.6	667	106.3
Total		29,278	100.4	29,866	96.3
(Consolidated subsidiaries company Total)		20,958	103.8	21,767	99.8

<Accounting period: From January to December>

(*1) Thailand : Accounting date : 31st May.

(*2) India : Accounting date : 31st March.

(*3) Myanmar : Accounting date : 30th September.

(*4) Sales Area of Yakult (China) : Nanjing city, Tianjin city, Suzhou city, Hangzhou city, Qingdao city, Ningbo city, Jinan city, Yantai city, Wuhan city, Wenzhou city, Shenyang city, Dalian city, Fuzhou city, Xiamen city, Hefei city, Changsha city, Xi'an city, Nanchang city, Changchun city, Shijiazhuang city, Chengdu city, Chongqing city, Zhengzhou city, Taiyuan city, Harbin city, Hohhot city, Jinhua city, Huaian city, Kunming city, Nanning city, Jiaying city, Wuxi city, Guiyang city, Lanzhou city, Nantong city, Shaoxing city. (excluding Guangdong, Hainan, Shanghai and Beijing city)

(Reference) Non-Consolidated

Non-consolidated financial results are presented in accordance with "Regulation for quarterly financial statements". But, it is not subject to be reviewed by auditors under the law.

1. Breakdown of Statements of Income

(Millions of yen)

	1Q of FY 2019 (April 1, 2019 ~ June 30, 2019)		1Q of FY 2020 (April 1, 2020 ~ June 30, 2020)	
	Results	Year on year(%)	Results	Year on year(%)
Net sales	43,275	90.5	42,541	98.3
Operating profit	1,267	402.9	2,212	174.6
Ordinary profit	4,873	127.5	5,605	115.0
Profit	4,441	94.8	4,642	104.5

2. Sales breakdown

(1) Sales by Product Category

(Millions of yen)

	1Q of FY 2019 (April 1, 2019 ~ June 30, 2019)		1Q of FY 2020 (April 1, 2020 ~ June 30, 2020)	
	Results	Year on year(%)	Results	Year on year(%)
Dairy products	22,061	97.4	22,831	103.5
Beverages etc.	7,360	96.9	5,878	79.9
Subtotal	29,421	97.3	28,709	97.6
Cosmetics	1,740	95.4	1,807	103.8
Pharmaceuticals	5,460	96.6	4,442	81.4
Others	6,653	66.0	7,581	114.0
Total	43,275	90.5	42,541	98.3

(2) Dairy Products sales (Bottles sold per day)

(Thousands of bottles/day)

	1Q of FY 2019 (April 1, 2019 ~ June 30, 2019)		1Q of FY 2020 (April 1, 2020 ~ June 30, 2020)	
	Results	Year on year(%)	Results	Year on year(%)
<i>New Yakult</i> products	4,017	96.4	4,286	106.7
<i>Yakult 400</i> products ^(*1)	3,443	96.3	3,339	97.0
Other <i>Yakult</i> products ^(*2)	119	69.4	339	285.4
Total for <i>Yakult</i> products	7,578	95.8	7,964	105.1
<i>Joie</i> products	684	95.3	598	87.4
<i>Mil-Mil</i> products	479	117.9	455	95.0
<i>Sofuhl</i> products	467	95.3	430	92.2
Other fermented milk products ^(*3)	95	90.6	105	109.7
Total for fermented milk	1,726	100.4	1,588	92.0
Others ^(*4)	162	99.9	135	83.4
Total	9,466	96.6	9,687	102.3

(*1) Total of *Yakult 400*, *Yakult 400LT* and *Yakult 400W*.

Yakult 400W (Launched in January 2020).

(*2) Total of *Yakult Five*, *Mainichi Nomu Yakult*, *Mainichi Nomu Yakult 365*, *Synbiotics Yakult W* and *Yakult 1000*.

Yakult Five (Launched in March 2019).

Mainichi Nomu Yakult (Sales were stopped in September 2019). *Mainichi Nomu Yakult 365* (Launched in September 2019)

Yakult 1000 (Launched in October 2019).

(*3) Total of *Joie* [Yogurt Cup], *Aloe Yogurt*, *Ichinichibun no Tetsu&Yousan Yogurt* and *Synbiotics Yogurt W*.

Joie [Yogurt Cup] (Sales were stopped in October 2019). *Aloe Yogurt* (Launched in October 2019).

Ichinichibun no Tetsu&Yousan Yogurt (Launched in October 2019).

Synbiotics Yogurt W (Launched in October 2019, Sales were stopped in March 2020).

(*4) Total of *BF-I*, *Pretio*, *Yakult no Hakko Tonyu* and *Cup de Yakult*.

(3) Beverages sales (Total Bottles sold)

(Thousands of bottles)

		1Q of FY 2019 (April 1, 2019 ~ June 30, 2019)		1Q of FY 2020 (April 1, 2020 ~ June 30, 2020)	
		Results	Year on year(%)	Results	Year on year(%)
Health drinks	<i>Bansoreicha</i>	4,026	91.4	3,640	90.4
	<i>Toughman</i>	11,808	93.9	9,254	78.4
	<i>Kurozu Drink</i>	8,591	111.8	6,471	75.3
	<i>Soy milk drinks</i>	9,290	91.6	7,961	85.7
	<i>Milouge</i>	7,763	111.1	4,973	64.1
Soft drinks	<i>Juices</i>	9,177	91.6	6,696	73.0
	<i>Kininaruyasai</i>	9,233	92.0	7,866	85.2
	<i>Coffee Time</i>	3,664	87.6	2,662	72.7
	<i>FIRE</i>	13,862	91.4	10,252	74.0

(4) Pharmaceuticals sales

(Millions of yen)

		1Q of FY 2019 (April 1, 2019 ~ June 30, 2019)		1Q of FY 2020 (April 1, 2020 ~ June 30, 2020)	
		Results	Year on year(%)	Results	Year on year(%)
	<i>Campto (Japan)</i>	195	91.6	158	81.0
	<i>Campto (Overseas)</i>	65	223.4	90	136.6
	<i>Campto total</i>	261	107.6	248	95.0
	<i>Elplat</i>	3,280	93.8	2,621	79.9
	<i>Gemcitabine</i>	666	103.9	552	82.9
	Other pharmaceuticals	1,251	98.6	1,020	81.5
	Total	5,460	96.6	4,442	81.4

CAUTIONARY STATEMENT

Statements contained in these materials with respect to Yakult's plans, forecasts and other statements that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ substantially from expectations.

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