

*Executive Summary of Consolidated Financial Results
for the 1st quarter ended June 30, 2021*

Yakult Honsha Co., Ltd.

July 30, 2021

General outline of Consolidated financial results



◆ Total 【Increase in sales and operating profit】

◆ Food and Beverages (Japan)

【Decrease in sales and increase in profit】

- Increase in profit due to increase in the number of bottles sold, (Expansion of Yakult 1000 around Japan).
- Decrease in sales due to application of “Accounting Standard for Revenue Recognition”, (Sales of machinery etc.).

◆ Food and Beverages (Overseas)

【Decrease in sales and profit】

- Decrease in sales volume.
- Increase in expenses in Asia / Oceania.

◆ Pharmaceuticals

【Decrease in sales and increase in profit】

- Decrease sales due to impact by NHI drug price revision.
- Decrease in research and development cost etc.

Consolidated financial results (1)

Billion yen

	FY2021	FY2020	Difference		Forecast	
	(2021.4-2021.6)	(2020.4-2020.6)		Year-on-Year	(2021.5.14)	Year-on-Year
Net sales	96.4	92.5	+ 3.8 Fx impact +0.5	104.2%	198.5	104.2%
Operating profit	11.6	11.0	+ 0.5 Fx impact +0.1	105.1%	22.5	93.1%
Ordinary profit	16.4	17.7	(1.2) Fx impact +0.2	93.0%	28.0	83.6%
Profit attributable to owners of parent	11.7	11.4	+ 0.3 Fx impact +0.2	102.8%	20.0	92.1%
Basic earnings per share	(yen) 73.20	(yen) 71.27	(yen) + 1.93	102.7%	(yen) 124.67	92.1%
Operating profit margin	12.0%	11.9%	+ 0.1	—	11.3%	—

※“Accounting Standard for Revenue Recognition” is applied from FY2021 and Net sales decrease 2.0 billion yen.
Net sales of Forecast is also applied “Accounting Standard for Revenue Recognition”. (Reference P.6)

Consolidated Statement of Income

Billion yen

	FY2021 (2021.4-2021.6)	FY2020 (2020.4-2020.6)	Difference		FY2021 (2021.4-2021.6)	FY2020 (2020.4-2020.6)	Difference
Net sales	96.4	92.5	3.8	Gain on sales of non-current assets	0.0	0.0	(0.0)
Cost of sales	38.0	37.3	0.7	Gain on sales of investment securities	1.1	—	1.1
Gross profit	58.3	55.2	3.1	Gain on step acquisitions	1.1	—	1.1
Selling, general and administrative expenses	46.7	44.1	2.5	Others	0.0	0.0	(0.0)
Operating profit	11.6	11.0	0.5	Extraordinary income	2.3	0.0	2.2
Interest income	0.7	1.2	(0.4)	Loss on sales of non-current assets	0.9	0.0	0.9
Dividend income	0.9	1.0	(0.0)	Loss on retirement of non-current assets	0.0	0.0	0.0
Share of profit of entities accounted for using equity method	2.2	0.9	1.3	Expense related to a novel coronavirus	—	0.6	(0.6)
Foreign exchange gains	0.7	3.0	(2.2)	Others	0.0	0.0	(0.0)
Others	0.4	0.7	(0.3)	Extraordinary losses	0.9	0.6	0.2
Non-operating income	5.1	7.0	(1.8)	Profit before income taxes	17.8	17.1	0.7
Interest expenses	0.1	0.1	(0.0)	Income taxes	4.9	3.9	1.0
Others	0.1	0.1	(0.0)	Profit	12.9	13.2	(0.2)
Non-operating expenses	0.3	0.3	(0.0)	Profit attributable to non-controlling interests	1.1	1.7	(0.6)
Ordinary profit	16.4	17.7	(1.2)	Profit attributable to owners of parent	11.7	11.4	0.3

Consolidated financial results (2)



Billion yen

	As of Jun. 30 (FY2021)	As of Mar. 31 (FY2020)	Difference	
				Year-on-Year
Total assets	642.6	635.1	+ 7.5	101.2%
Net assets	457.6	439.7	+ 17.9	104.1%
Net assets per share	(yen) 2,623.79	(yen) 2,523.81	(yen) + 99.98	104.0%
Equity-to-asset ratio	65.5%	63.8%	+ 1.7	—

Consolidated Balance Sheet

Billion yen

	As of Jun. 30 (FY2021)	As of Mar. 31 (FY2020)	Difference		As of Jun. 30 (FY2021)	As of Mar. 31 (FY2020)	Difference
Assets				Liabilities			
Cash and deposits	174.1	176.2	(2.1)	Notes and accounts payable - trade	24.6	22.7	1.9
Notes and accounts receivable - trade	56.8	50.3	6.5	Short-term borrowings	12.8	20.8	(7.9)
Inventories	30.1	27.7	2.3	Others	47.1	49.9	(2.8)
Others	14.6	12.5	2.1	Current liabilities	84.6	93.5	(8.9)
Current assets	275.7	266.8	8.9	Long-term borrowings	64.3	65.7	(1.3)
				Net defined benefit liability	4.4	4.3	0.0
Property, plant and equipment	204.3	203.0	1.2	Others	31.6	31.7	(0.1)
				Non-Current liabilities	100.3	101.7	(1.4)
Intangible assets	5.4	5.3	0.0	Total Liabilities	184.9	195.3	(10.3)
Investment securities	73.5	80.2	(6.7)	Net Assets			
Shares of affiliates	68.5	65.3	3.2	Shareholder's equity	438.0	430.6	7.3
Others	15.0	14.3	0.7	Accumulated other comprehensive income	(17.1)	(25.7)	8.5
Investments and other assets	157.1	159.8	(2.7)	Non-controlling interests	36.7	34.8	1.9
				Total Net Assets	457.6	439.7	17.9
Total Assets	642.6	635.1	7.5	Total Liabilities and Net Assets	642.6	635.1	7.5

Increase / Decrease in Net sales (1)



Billion yen

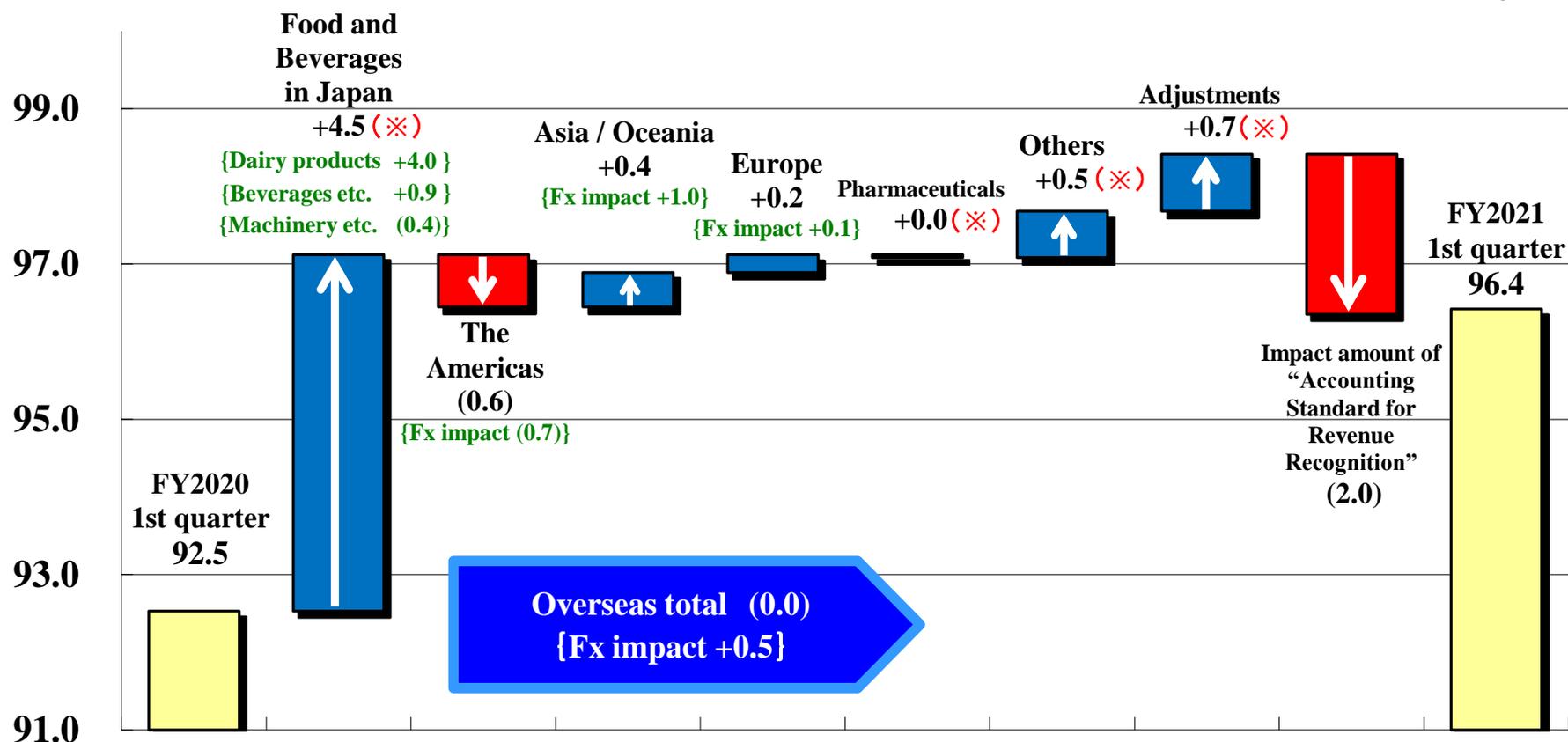
Segment	Net Sales		Year-on-Year		Year-on-Year breakdown	
	FY2021 (2021.4-2021.6)	FY2020 (2020.4-2020.6)	Amount ①	Rate	Impact amount of “Accounting Standard for Revenue Recognition” ②	Real Increase / Decrease ①-②
Food and Beverages in Japan	50.6	51.4	(0.8)	(1.6)%	(5.4)	+ 4.5
The Americas	10.8	11.5	(0.6)	(5.8)%	—	(0.6)
Asia / Oceania	26.2	25.8	+ 0.4	+ 1.7 %	—	+ 0.4
Europe	2.4	2.2	+ 0.2	+ 10.3 %	—	+ 0.2
Food and Beverages (Overseas)	39.5	39.5	(0.0) Fx impact + 0.5	(0.0)%	—	(0.0)
Pharmaceuticals	4.3	4.4	(0.1)	(2.4)%	(0.1)	+ 0.0
Others	4.5	4.1	+ 0.3	+ 9.0 %	(0.2)	+ 0.5
Adjustments	(2.6)	(7.0)	+ 4.4	(62.6)%	+ 3.7	+ 0.7
Total	96.4	92.5	+ 3.8	+ 4.2 %	(2.0)	+ 5.9

Increase / Decrease in Net sales (2)



Change amount +3.8

Billion yen



※ The amount in Food and Beverages in Japan, Pharmaceuticals, Others, Adjustments is real increase / decrease.

Increase / Decrease in Operating profit (1)



Billion yen

Segment	Operating Profit		Year-on-Year	
	FY2021 (2021.4-2021.6)	FY2020 (2020.4-2020.6)	Amount	Rate
Food and Beverages in Japan	6.9	6.0	+ 0.9	+ 15.1 %
The Americas	2.9	2.9	+ 0.0	+ 1.5 %
Asia / Oceania	4.5	6.2	(1.6)	(26.5)%
Europe	0.3	0.2	+ 0.0	+ 24.0 %
Food and Beverages (Overseas)	7.8	9.4	(1.5) Fx impact + 0.1	(16.4)%
Pharmaceuticals	0.6	0.2	+ 0.3	+ 169.9 %
Others	0.1	0.0	+ 0.0	+ 89.2 %
Adjustments	(3.9)	(4.6)	+ 0.7	(16.1)%
Total	11.6	11.0	+ 0.5	+ 5.1 %

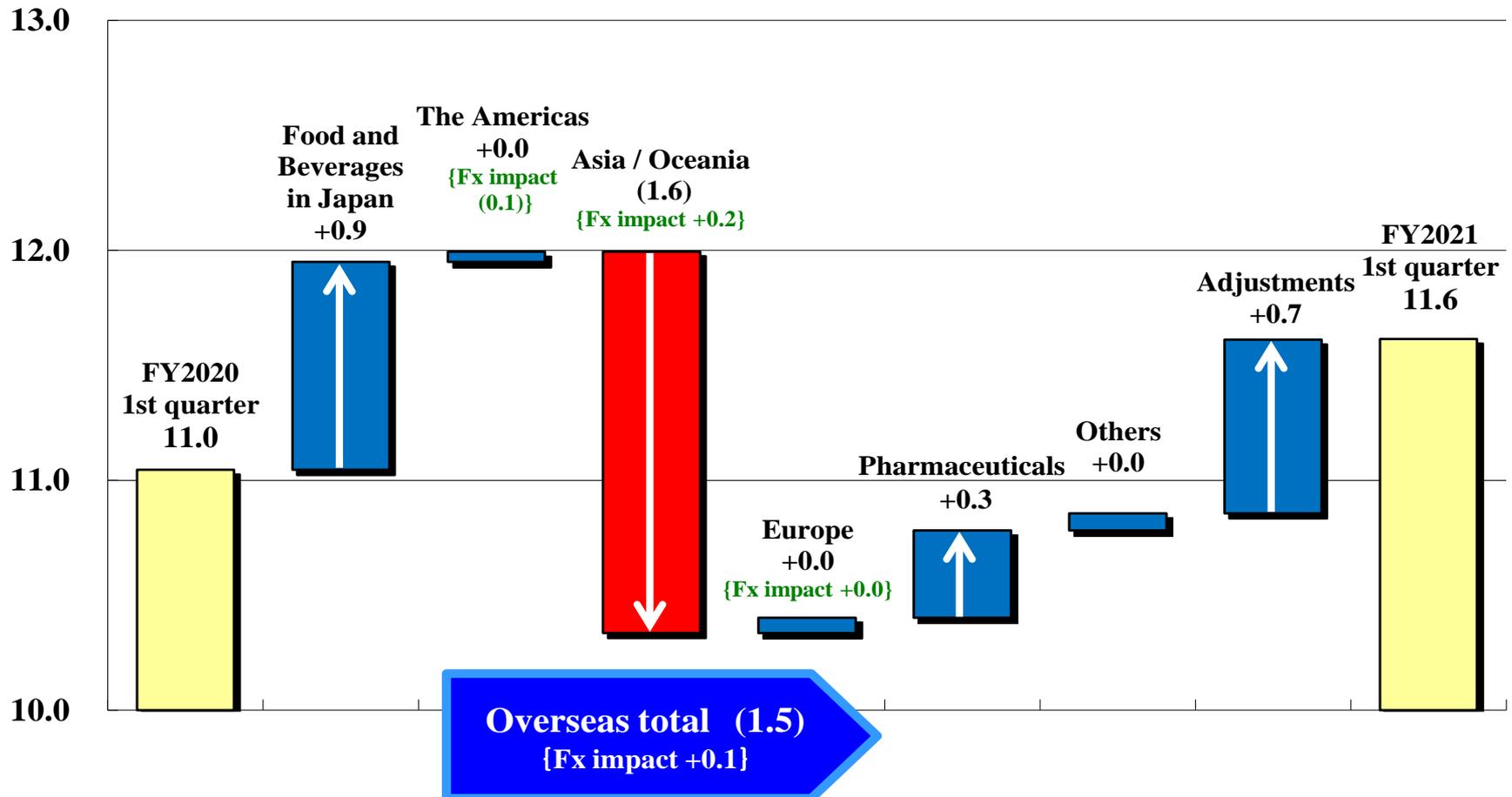
※ Application of “Accounting Standard for Revenue Recognition” have no effect on operating profit.

Increase / Decrease in Operating profit (2)



Change amount +0.5

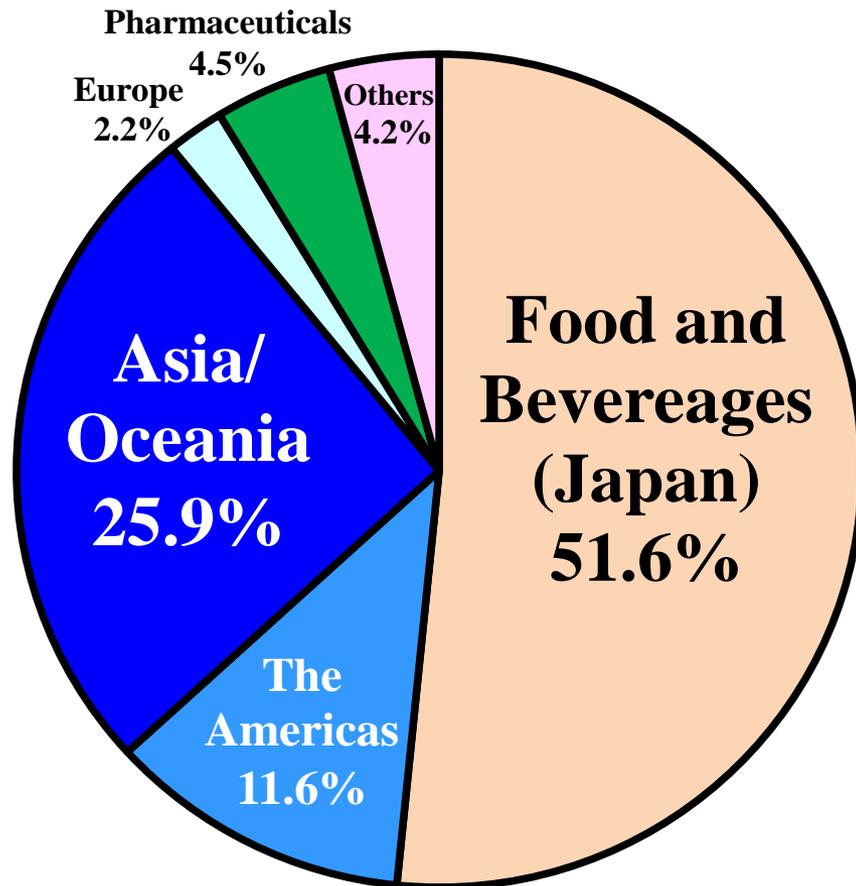
Billion yen



Segment share of consolidated sales

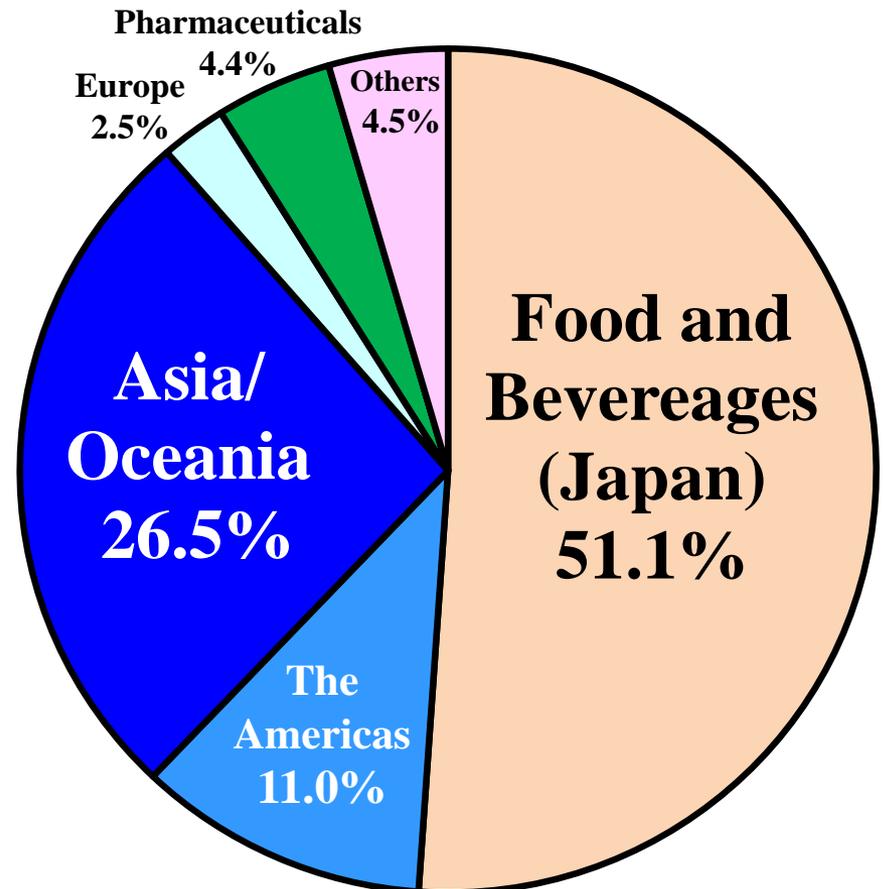


FY2020
1st quarter



Overseas total: 39.7%

FY2021
1st quarter



Overseas total: 40.0%

Number of bottles sold of dairy products (Daily average basis)



(Thousands of bottles / day)

Region	Current	Previous	Year-on Year
Japan	9,966	9,687	102.9%
Brazil	1,533	1,542	99.4%
Mexico	3,403	3,771	90.2%
America	523	418	125.9%
The Americas total	5,459	5,731	95.3%
Hong Kong	383	419	91.3%
Shingapore	246	244	100.7%
Indonesia	6,620	6,355	104.2%
Australia	277	275	100.6%
Malaysia	331	365	90.7%
Vietnam	630	602	104.7%
India	212	210	100.8%
Middle East	19	12	153.0%
Myanmar	10	16	61.2%
Guangzhou	2,211	2,222	99.5%
Shanghai	371	464	80.1%
Beijing	339	400	84.8%
China	2,797	2,953	94.7%
(China total)	5,718	6,038	94.7%
Asia / Oceania total	14,446	14,536	99.4%

Region	Current	Previous	Year-on Year
Netherlands	196	174	112.7%
Belgium	91	90	103.2%
United Kingdom	255	226	112.7%
Germany	92	83	110.6%
Austria	14	15	96.7%
Italia	87	102	85.2%
Europe total	736	690	106.8%
Overseas total	20,640	20,958	98.5%
Consolidated total	30,606	30,645	99.9%

【Ref】 Affiliates

Region	Current	Previous	Year-on Year
Taiwan	506	568	89.2%
Thailand	2,143	2,100	101.9%
Korea	2,528	2,573	98.2%
Philippines	3,637	3,079	118.0%
Affiliates total	8,814	8,320	105.9%

Grand Total	39,420	38,965	101.2%
--------------------	---------------	---------------	---------------

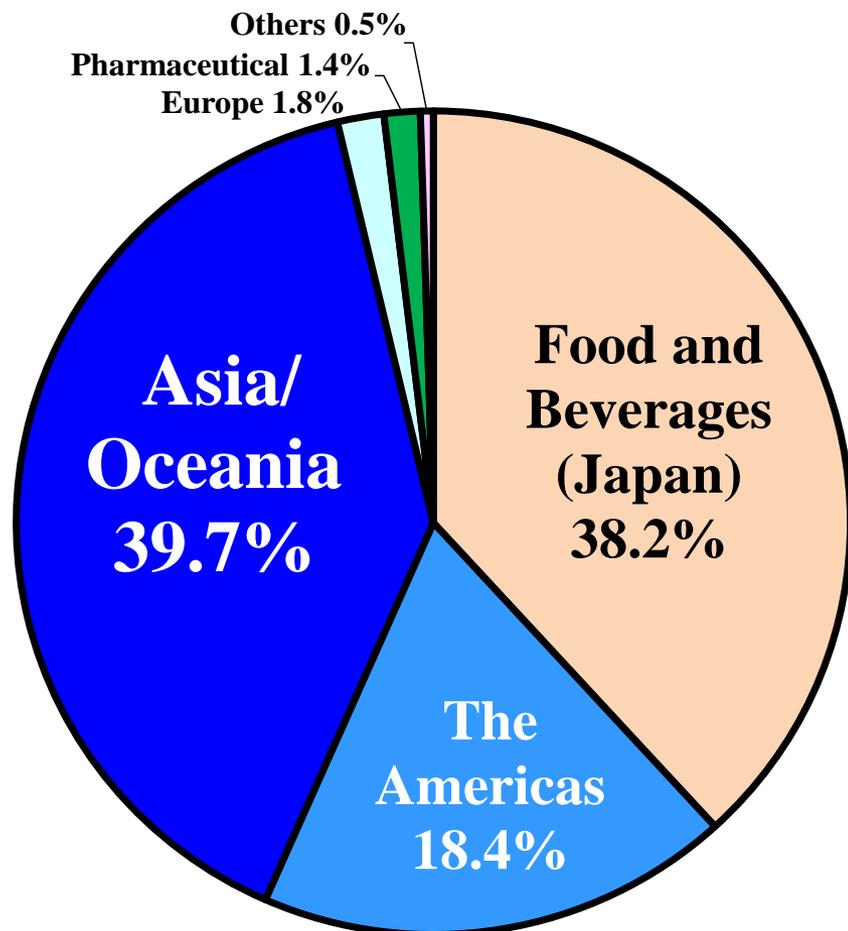
Japan : Sales in April to June, 2021

Overseas : Sales in January to March, 2021

Segment share of consolidated Operating profit

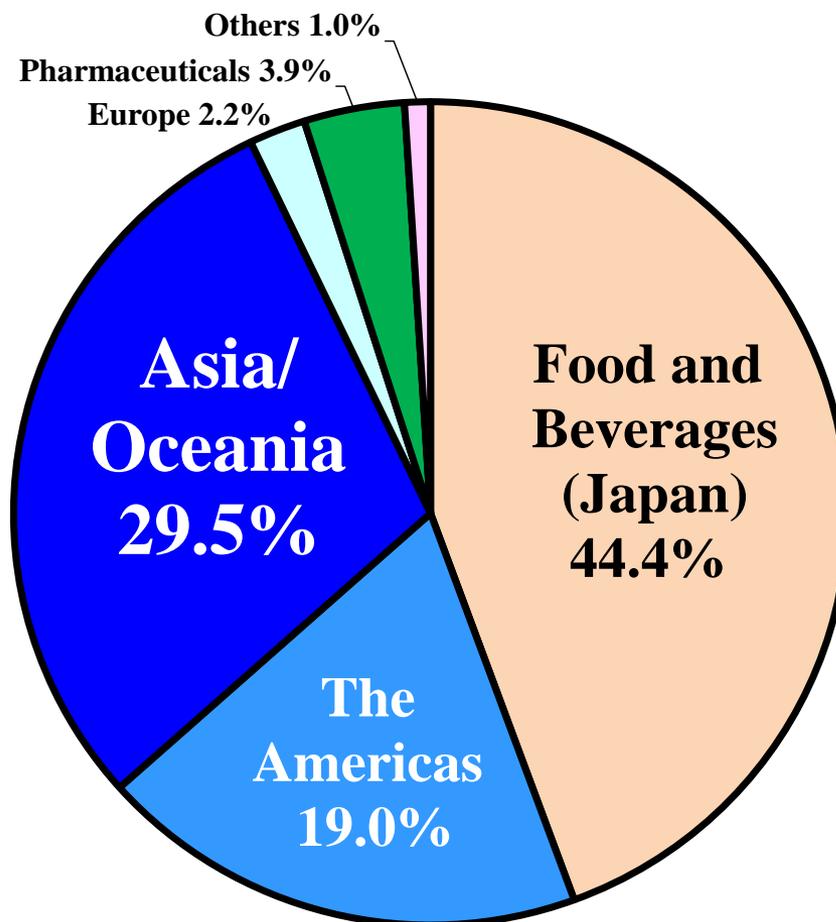


FY2020 1st quarter



Overseas total: 59.9%

FY2021 1st quarter



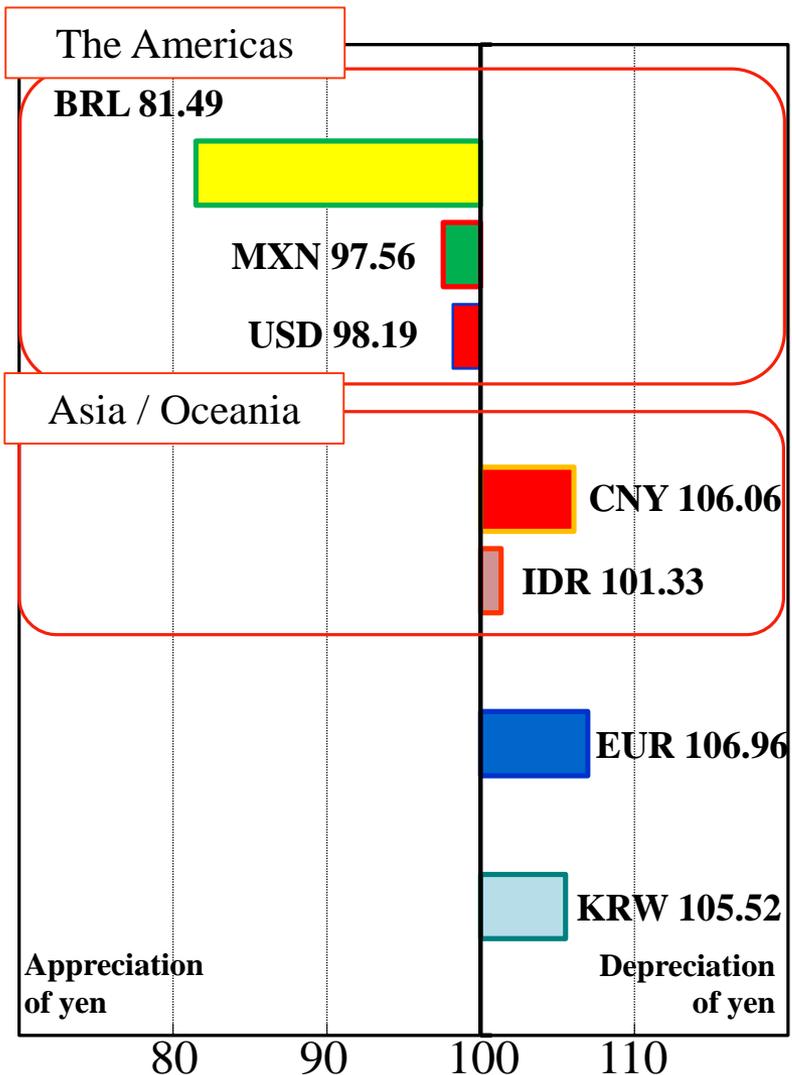
Overseas total: 50.7%

Impact by Foreign Exchange Rate (compared to the previous period)



<Average rate from Jan to Mar, 2020=100>

Average rate from Jan to Mar, 2021



< Impact >

Billion yen

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
The Americas	(0.7)	(0.1)	(0.1)	(0.0)
Asia/Oceania	+ 1.0	+ 0.2	+ 0.2	+ 0.1
Europe	+ 0.1	+ 0.0	+ 0.0	+ 0.0
Equity method	—	—	+ 0.0	+ 0.0
Total	+ 0.5	+ 0.1	+ 0.2	+ 0.2

Thank you.

人も地球も健康に

Yakult

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.

The information contained in these materials is not intended as a solicitation for investment. Furthermore, Yakult does not guarantee the accuracy of the contents of these materials. Yakult and the provider of these materials disclaim any responsibility for any loss or damage that should arise from the use of this information.