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August 9, 2024

Consolidated Financial Results for the Three Months Ended June 30, 2024 (Q1 FY2024) (Under Japanese GAAP)

Company name: FUJI OIL HOLDINGS INC.
 Listing: Tokyo Stock Exchange
 Securities code: 2607
 URL: <https://www.fujioilholdings.com/en/>
 Representative: Mikio Sakai, President and CEO
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (For institutional investors and analysts)

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

1. Consolidated financial results for the three months ended June 30, 2024 (April 1, 2024 – June 30, 2024)

(1) Consolidated operating results (cumulative)

(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 | % |
| Three months ended June 30, 2024 | 152,375 | 16.3 | 7,440 | 107.6 | 6,514 | 99.0 | 4,668 | △48.5 |
| June 30, 2023 | 131,053 | 2.4 | 3,584 | 51.0 | 3,274 | △3.0 | 9,070 | 388.1 |

(Note) Comprehensive income For the three months ended June 30, 2024: ¥15,927 million [△39.9%]
 For the three months ended June 30, 2023: ¥26,481 million [48.1%]

| | Basic earnings per share | Diluted earnings per share |
|----------------------------------|--------------------------|----------------------------|
| | Yen | Yen |
| Three months ended June 30, 2024 | 54.31 | — |
| June 30, 2023 | 105.51 | — |

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|---------------------|-----------------|-----------------|-----------------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| As of June 30, 2024 | 546,282 | 252,968 | 43.9 | 2,789.32 |
| March 31, 2024 | 470,221 | 244,291 | 49.4 | 2,700.95 |

(Reference) Shareholder's equity As of June 30, 2024: ¥239,784 million
 As of March 31, 2024: ¥232,185 million

2. Cash 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 | — | 26.00 | — | 26.00 | 52.00 |
| Fiscal year ending March 31, 2025 | — | | | | |
| Fiscal year ending March 31, 2025 (Forecast) | | 26.00 | — | 26.00 | 52.00 |

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

3. Consolidated forecasts for the fiscal year ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(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 |
| Fiscal year ending September 30, 2024 | 315,000 | 16.2 | 9,000 | 2.3 | 6,500 | △21.7 | 4,000 | △67.7 | 46.53 |
| Fiscal year ending March 31, 2025 | 600,000 | 6.4 | 20,000 | 9.8 | 16,000 | △4.7 | 10,000 | 53.3 | 116.33 |

(Note) Revisions to the consolidated forecast most recently announced: Yes
Please refer to the "Notice of Revision to the First Half-Year Earnings Forecast" released today for further details.

* 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: None
 - (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 June 30, 2024 | 87,569,383 shares |
| As of March 31, 2024 | 87,569,383 shares |

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

| | |
|----------------------|------------------|
| As of June 30, 2024 | 1,603,912 shares |
| As of March 31, 2024 | 1,604,957 shares |

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

| | |
|----------------------------------|-------------------|
| Three months ended June 30, 2024 | 85,965,217 shares |
| Three months ended June 30, 2023 | 85,964,727 shares |

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

* Explanations and other special notes concerning the appropriate use of business results forecasts
The forward-looking statements included in this document are based on the information available at the time of this announcement. The actual results may differ from the forecasts in this report due to various factors.

Accompanying Materials – Contents

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1. Qualitative Information on Results for the Three Months Ended June 30, 2024

(1) Details of Operating Results

During the first three months of the current consolidated fiscal year, while inflation continued partially such as energy prices remaining high, the global outlook remained uncertain due to concerns regarding economic recession in Europe and America and economic trends and security issues in China.

In Japan, personal spending continued on a mild recovery trend mainly due to improvements in the employment and income situation and increased inbound demand. Corporate sentiment was high, especially among non-manufacturing sectors, but the future lacks transparency due to changes in social conditions, fluctuations in foreign currency, and the impact of fluctuations in long-term interest rates.

In the raw material market, prices for palm oil and soybeans remain stable. On the other hand, the prices for cocoa beans, which had risen steadily throughout the previous year, have further skyrocketed since the beginning of 2024, hit a new high in April and are trending unstably since then.

We view the soaring cocoa bean prices as an opportunity to expand sales of vegetable fats for chocolate and compound chocolate, for which we have expertise and technical strengths, and are strengthening our proposals and sales activities targeting customers. In addition to these measures, we are steadily implementing the structural reforms for Blommer Chocolate Company (USA, hereinafter "Blommer") announced on March 22, 2024 further to improve group profitability and strengthen our business foundation.

As a result of the above, earnings for the first three months of the current consolidated fiscal year were as follows.

| | Net sales | Operating profit | Ordinary profit | Profit attributable to owners of parent |
|--------------------|---------------------|---------------------|--------------------|---|
| Three months ended | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| June 30, 2024 | 152,375 | 7,440 | 6,514 | 4,668 |
| June 30, 2023 | 131,053 | 3,584 | 3,274 | 9,070 |
| Change | +21,321 (+16.3%) | +3,856 (+107.6%) | +3,240 (+99.0%) | △4,401 (△48.5%) |

Net sales increased due to higher sales prices to reflect rising raw material prices in the Industrial Chocolate segment, an increase in sales volume in Southeast Asia in Vegetable Oils and Fats segment and the effect of yen depreciation. Operating profit increased due to the effect of yen depreciation and improved profitability responding to comparatively stable raw material prices for palm oil and other. It was also due to recognition of gain on valuation of futures contracts related to cocoa beans in Blommer, higher sales prices to reflect rising raw material prices, an increase in sales volume in Japan and Southeast Asia in Industrial Chocolate segment and an increase in sales volume of vegetable fats for chocolate in Vegetable Oils and Fats segment.

Profit attributable to owners of parent decreased because of the rebound of the gain on the transfer of non-current assets of Fuji Oil New Orleans, LLC (USA) for the first three months of previous consolidated fiscal year.

The operating results by reported segment are shown below.

| | Net sales | | | Operating profit | | |
|--------------------------------------|-----------------|---------------------|--------|------------------|---------------------|---------|
| | Millions of yen | Year-on-year change | % | Millions of yen | Year-on-year change | % |
| Vegetable Oils and Fats | 47,670 | +1,951 | +4.3% | 4,406 | +1,277 | +40.8% |
| Industrial Chocolate | 73,584 | +18,619 | +33.9% | 2,891 | +2,485 | +612.0% |
| Emulsified and Fermented Ingredients | 22,142 | +686 | +3.2% | 877 | +289 | +49.3% |
| Soy-based Ingredients | 8,977 | +63 | +0.7% | 327 | △69 | △17.6% |
| Adjustment | — | — | — | △1,063 | △126 | — |
| Total | 152,375 | +21,321 | +16.3% | 7,440 | +3,856 | +107.6% |

(Vegetable Oils and Fats)

Net sales increased mainly due to an increase in sales volume in Southeast Asia and the effect of yen depreciation despite a decrease in sales volume in Americas. Operating profit increased due to stable raw material prices and the increase in sales volume of vegetable fats for chocolate in Southeast Asia and others.

(Industrial Chocolate)

Net sales increased due to higher sales prices to reflect rising raw material prices and the effect of yen depreciation. Operating profit increased mainly due to recognition of gain on valuation of futures contracts aimed at hedging the risk for changes of prices for cocoa beans, a decreased fixed cost associated with the closure of Chicago plant in Blommer and an increase in sales volume in Japan and Southeast Asia.

(Emulsified and Fermented Ingredients)

Net sales increased mainly due to steady sales for food services market in Japan and the effect of yen depreciation. Operating profit increased due to steady sales in Japan and stable raw material prices in China and Southeast Asia.

(Soy-based Ingredients)

Net sales increased mainly due to higher sales prices to reflect rising raw material prices caused by the effect of yen depreciation. Operating profit decreased mainly due to a decrease in sales volume in Japan.

(2) Details of Financial Position

(i) Details of Consolidated Financial Position

Total assets at the end of the three months of the consolidated fiscal year increased by 76,061 million yen from the end of the previous consolidated fiscal year to 546,282 million yen. Under our Mid-term Management Plan, Reborn 2024, we are working to improve our financial structure by strengthening and rebuilding our business foundation. We will improve capital efficiency and strengthen our financial monitoring.

The consolidated financial position at the end of the three months of the fiscal year is as follows.

| | | (Millions of yen) | | |
|-------------|-------------------------------|-------------------------|------------------------|---------|
| | | As of March 31, 2024 | As of June 30, 2024 | Change |
| Assets | Current assets | 236,858 | 305,358 | +68,500 |
| | Property, plant and equipment | 150,750 | 155,565 | +4,814 |
| | Intangible assets | 55,221 | 56,769 | +1,547 |
| | Other | 27,390 | 28,589 | +1,198 |
| | | 470,221 | 546,282 | +76,061 |
| Liabilities | Interest-bearing debt | 130,286 | 203,055 | +72,768 |
| | Other | 95,643 | 90,258 | △5,384 |
| | | 225,929 | 293,313 | +67,384 |
| | Net assets | 244,291 | 252,968 | +8,677 |

(Assets)

At the end of the three months of the consolidated fiscal year, current assets increased mainly due to an increase in inventories attributable to rising raw material price for cocoa beans. As a result, assets increased by 76,061 million yen from the end of the previous consolidated fiscal year to 546,282 million yen.

(Liabilities)

Liabilities increased by 67,384 million yen from the end of the previous consolidated fiscal year to 293,313 million yen due to increases in interest-bearing debt such as short-term borrowings along with an increase in working capital.

(Net assets)

Net assets increased by 8,677 million yen from the end of the previous year to 252,968 million yen due to an increase in foreign currency translation adjustments associated with the yen depreciation against the US dollar and euro, despite a decrease in retained earnings as a result of changes in fiscal years of Blommer Chocolate Company and four other companies.

Net assets per share increased by 88.36 yen from the end of the previous consolidated fiscal year to 2,789.32 yen. Equity ratio decreased by 5.5 points from the end of the previous fiscal year to 43.9%.

(ii) Details of Consolidated Cash Flows

To maintain and improve our financial discipline, our fundamental policy is to generate free cash flow steadily through steady profit growth and a shortened cash conversion cycle.

The cash flows for the first three months of the consolidated fiscal year are as follows.

| | (Millions of yen) | | |
|--|-------------------------------------|-------------------------------------|---------|
| | Three months ended June 30, 2023 | Three months ended June 30, 2024 | Change |
| Cash flows from operating activities | △2,099 | △38,642 | △36,542 |
| Cash flows from investing activities | 19,802 | △4,372 | △24,174 |
| Free Cash flows | 17,702 | △43,015 | △60,717 |
| Cash flows from financing activities | 1,004 | 47,572 | +46,568 |
| Cash and cash equivalents at end of period | 39,612 | 32,432 | △7,180 |

(Cash flows from operating activities)

Cash flows from operating activities for the first three months of the consolidated fiscal year resulted in expenditures of 38,642 million yen. Expenditures increased by 36,542 million yen compared to the first three months of the previous consolidated fiscal year mainly due to an increase in working capital associated with increases in trade receivables and inventories.

(Cash flows from investing activities)

Cash flows from investing activities for the first three months of the consolidated fiscal year resulted in expenditures of 4,372 million yen mainly due to purchase of property, plant and equipment, decreasing by 24,174 million yen compared to the first three months of the previous consolidated fiscal year in which proceeds from sale of property, plant and equipment had been recognized in Fuji Oil New Orleans, LLC.

(Cash flows from financing activities)

Cash flows from financing activities for the first three months of the consolidated fiscal year resulted in income of 47,572 million yen, increasing by 46,568 million yen compared to the first three months of the previous consolidated fiscal year. This was mainly due to an increase in short-term borrowings associated with an increase in working capital.

(3) Information on the Future Outlook, Including Consolidated Business Results Forecasts

The consolidated business results forecast for the first half-year has been revised from the previous forecast announced on May 9, 2024. Please refer to the "Notice of Revision to the First Half-Year Earnings Forecast" released today for further details. The forecast for the full year remains unchanged from the previous forecast announced on May 9, 2024.

2. Quarterly Consolidated Financial Statements and Key Notes
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2024 | As of June 30, 2024 |
|--|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 27,490 | 33,261 |
| Notes and accounts receivable - trade | 90,024 | 106,055 |
| Merchandise and finished goods | 51,724 | 61,929 |
| Raw materials and supplies | 57,277 | 76,983 |
| Other | 10,579 | 27,372 |
| Allowance for doubtful accounts | △238 | △244 |
| Total current assets | 236,858 | 305,358 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 47,780 | 48,499 |
| Machinery, equipment and vehicles, net | 62,851 | 64,594 |
| Land | 20,057 | 20,590 |
| Right-of-use assets, net | 7,655 | 7,897 |
| Construction in progress | 9,273 | 10,754 |
| Other, net | 3,131 | 3,229 |
| Total property, plant and equipment | 150,750 | 155,565 |
| Intangible assets | | |
| Goodwill | 21,840 | 22,029 |
| Customer related assets | 19,035 | 19,827 |
| Other | 14,345 | 14,913 |
| Total intangible assets | 55,221 | 56,769 |
| Investments and other assets | | |
| Investment securities | 16,002 | 16,758 |
| Retirement benefit asset | 7,064 | 7,209 |
| Deferred tax assets | 669 | 705 |
| Other | 3,683 | 3,755 |
| Allowance for doubtful accounts | △60 | △60 |
| Total investments and other assets | 27,359 | 28,369 |
| Total non-current assets | 233,332 | 240,703 |
| Deferred assets | | |
| Bond issuance costs | 30 | 220 |
| Total deferred assets | 30 | 220 |
| Total assets | 470,221 | 546,282 |

(Millions of yen)

| | As of March 31, 2024 | As of June 30, 2024 |
|--|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 42,321 | 40,550 |
| Short-term borrowings | 33,151 | 98,298 |
| Current portion of bonds payable | 35,000 | — |
| Commercial papers | 10,000 | 20,000 |
| Income taxes payable | 4,310 | 3,391 |
| Provision for bonuses | 3,354 | 3,930 |
| Provision for bonuses for directors (and other officers) | 40 | — |
| Other | 18,758 | 16,350 |
| Total current liabilities | 146,936 | 182,521 |
| Non-current liabilities | | |
| Bonds payable | 6,000 | 31,000 |
| Long-term borrowings | 46,135 | 53,756 |
| Deferred tax liabilities | 17,223 | 16,215 |
| Retirement benefit liability | 2,022 | 2,095 |
| Lease liabilities | 5,110 | 5,049 |
| Other | 2,500 | 2,674 |
| Total non-current liabilities | 78,993 | 110,792 |
| Total liabilities | 225,929 | 293,313 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 13,208 | 13,208 |
| Capital surplus | 14,757 | 14,757 |
| Retained earnings | 163,810 | 159,881 |
| Treasury shares | △1,947 | △1,944 |
| Total shareholders' equity | 189,828 | 185,902 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,868 | 1,889 |
| Deferred gains or losses on hedges | 726 | 1,858 |
| Foreign currency translation adjustment | 39,122 | 49,517 |
| Remeasurements of defined benefit plans | 639 | 617 |
| Total accumulated other comprehensive income | 42,357 | 53,882 |
| Non-controlling interests | 12,105 | 13,183 |
| Total net assets | 244,291 | 252,968 |
| Total liabilities and net assets | 470,221 | 546,282 |

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (First three months period)

(Millions of yen)

| | Three months ended June 30, 2023 | Three months ended June 30, 2024 |
|---|-------------------------------------|-------------------------------------|
| Net sales | 131,053 | 152,375 |
| Cost of sales | 112,000 | 127,653 |
| Gross profit | 19,053 | 24,721 |
| Selling, general and administrative expenses | 15,469 | 17,281 |
| Operating profit | 3,584 | 7,440 |
| Non-operating income | | |
| Interest income | 326 | 223 |
| Dividend income | 34 | 33 |
| Foreign exchange gains | 42 | 157 |
| Share of profit of entities accounted for using equity method | 187 | 292 |
| Other | 138 | 219 |
| Total non-operating income | 729 | 925 |
| Non-operating expenses | | |
| Interest expenses | 834 | 1,516 |
| Other | 204 | 335 |
| Total non-operating expenses | 1,038 | 1,851 |
| Ordinary profit | 3,274 | 6,514 |
| Extraordinary income | | |
| Gain on sale of non-current assets | ※ ¹ 12,598 | 5 |
| Gain on sale of investment securities | 10 | — |
| Total extraordinary income | 12,609 | 5 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | 0 | 0 |
| Loss on retirement of non-current assets | 124 | 38 |
| Restructuring expenses of subsidiaries and affiliates | — | ※ ² 18 |
| Loss on sale of investment securities | — | 8 |
| Loss on disposal of inventories | ※ ³ 297 | — |
| Total extraordinary losses | 421 | 65 |
| Profit before income taxes | 15,461 | 6,454 |
| Income taxes - current | 4,336 | 2,247 |
| Income taxes - deferred | 25 | △902 |
| Total income taxes | 4,361 | 1,345 |
| Profit | 11,100 | 5,109 |
| Profit attributable to non-controlling interests | 2,029 | 440 |
| Profit attributable to owners of parent | 9,070 | 4,668 |

Quarterly Consolidated Statements of Comprehensive Income (First three months period)

(Millions of yen)

| | Three months ended June 30, 2023 | Three months ended June 30, 2024 |
|--|-------------------------------------|-------------------------------------|
| Profit | 11,100 | 5,109 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 108 | 21 |
| Deferred gains or losses on hedges | 1,396 | 1,130 |
| Foreign currency translation adjustment | 13,244 | 9,092 |
| Remeasurements of defined benefit plans, net of tax | 21 | △22 |
| Share of other comprehensive income of entities accounted for using equity method | 610 | 597 |
| Total other comprehensive income | 15,381 | 10,818 |
| Comprehensive income | 26,481 | 15,927 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 23,717 | 14,836 |
| Comprehensive income attributable to non-controlling interests | 2,764 | 1,091 |

(3) Quarterly Consolidated Statements of Cash flows (First three months period)

(Millions of yen)

| | Three months ended June 30, 2023 | Three months ended June 30, 2024 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 15,461 | 6,454 |
| Depreciation | 4,305 | 4,597 |
| Amortization of goodwill | 656 | 578 |
| Decrease (increase) in retirement benefit asset | △123 | △184 |
| Increase (decrease) in retirement benefit liability | 39 | 30 |
| Interest and dividend income | △361 | △257 |
| Interest expenses | 834 | 1,516 |
| Share of loss (profit) of entities accounted for using equity method | △187 | △292 |
| Loss (gain) on sale of investment securities | △10 | 8 |
| Loss (gain) on disposal of non-current assets | △12,473 | 33 |
| Decrease (increase) in trade receivables | 8,458 | △10,693 |
| Decrease (increase) in inventories | △12,056 | △24,252 |
| Increase (decrease) in trade payables | △7,100 | △1,390 |
| Decrease (increase) in advance payments to suppliers | △137 | △6,626 |
| Other, net | 2,541 | △3,938 |
| Subtotal | △152 | △34,415 |
| Interest and dividends received | 544 | 458 |
| Interest paid | △863 | △1,494 |
| Income taxes refund (paid) | △1,628 | △3,191 |
| Net cash provided by (used in) operating activities | △2,099 | △38,642 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | △4,392 | △3,516 |
| Proceeds from sale of property, plant and equipment | 24,465 | 8 |
| Purchase of intangible assets | △573 | △823 |
| Purchase of investment securities | △1 | △0 |
| Proceeds from sale of investment securities | 33 | 0 |
| Payments for investments in capital | △21 | △13 |
| Other, net | 293 | △26 |
| Net cash provided by (used in) investing activities | 19,802 | △4,372 |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | 3,752 | 41,642 |
| Net increase (decrease) in commercial papers | — | 10,000 |
| Proceeds from long-term borrowings | 8,000 | 10,000 |
| Repayments of long-term borrowings | △8,227 | △1,003 |
| Proceeds from issuance of bonds | — | 24,788 |
| Redemption of bonds | — | △35,000 |
| Dividends paid | △2,237 | △2,237 |
| Dividends paid to non-controlling interests | △29 | △13 |
| Other, net | △253 | △603 |
| Net cash provided by (used in) financing activities | 1,004 | 47,572 |
| Effect of exchange rate change on cash and cash equivalents | 1,914 | 340 |
| Net increase (decrease) in cash and cash equivalents | 20,621 | 4,897 |
| Cash and cash equivalents at beginning of period | 18,991 | 27,480 |
| Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries | — | 54 |
| Cash and cash equivalents at end of period | 39,612 | 32,432 |

**(4) Notes to Quarterly Consolidated Financial Statements
(Notes Relating to Assumptions for the Going Concern)**

Not applicable.

(Notes for Case Where Shareholders' Equity underwent Significant Changes in Value)

Not applicable.

(Notes for Quarterly Consolidated Balance Sheets)

Guarantee obligation

The Company provides debt guarantees for borrowings from financial institutions for companies other than our consolidated subsidiaries.

| | As of March 31, 2024 | As of June 30, 2024 |
|--------------------------------|----------------------|---------------------|
| | Millions of yen | Millions of yen |
| UNIFUJI SDN. BHD. | 1,948 ^{*1} | 1,975 ^{*2} |
| FREYABADI (THAILAND) CO., LTD. | 499 ^{*3} | 523 ^{*4} |
| Total | 2,447 | 2,498 |

*1 Of the above amount, 833 million yen is re-guaranteed by other companies in response to the Company's guarantee, and 281 million yen is re-guaranteed by the Company in response to other companies' guarantees.

*2 Of the above amount, 852 million yen is re-guaranteed by other companies in response to the Company's guarantee, and 269 million yen is re-guaranteed by the Company in response to other companies' guarantees.

*3 Of the above amount, 249 million yen is re-guaranteed by other companies in response to the Company's guarantee.

*4 Of the above amount, 261 million yen is re-guaranteed by other companies in response to the Company's guarantee.

(Notes for Quarterly Consolidated Statements of Income)

※1 Gain on sale of non-current assets

Gain on sale of non-current assets for the the first three months of the previous consolidated fiscal year was mainly due to the transfer of the non-current assets at Fuji Oil New Orleans, LLC. (USA), our consolidated subsidiary.

※2 Restructuring expenses of subsidiaries and affiliates

Restructuring expenses of subsidiaries and affiliates for the the first three months of the current consolidated fiscal year was due to restructuring of the Soy-based Ingredients segment at our subsidiary in Japan.

※3 Loss on disposal of inventories

Loss on disposal of inventories for the the first three months of the previous consolidated fiscal year was due to a disposal of inventories at Fuji Oil New Orleans, LLC. (USA), our consolidated subsidiary.

(Additional Information)

(Changes in Fiscal Years of Subsidiaries)

The accounting period of Blommer Chocolate Company and 4 other companies was 52 weeks and their closing date was the Sunday closest to May 31. The subsidiaries had used to prepare financial statements as of their own closing date in January with making necessary adjustments for consolidation for significant transactions occurring between the date and the consolidated closing date. From the current consolidated fiscal year, their closing date has been changed to March 31 to promote unified group management through a unified management cycle and to further increase transparency through timely and appropriate disclosure of results and other business information.

Related to this change, the accounting period of the consolidated subsidiaries was 3 months from April 1, 2024 to June 30, 2024 for the first three months of the current consolidated fiscal year. The profit and loss from January 22, 2024 to March 31, 2024 was adjusted as a decrease in retained earnings of 6,359 million yen. It was mainly due to loss on valuation of futures contracts aimed to hedge the risk for changes of prices for cocoa beans associated with the rising cocoa bean prices from February 2024 to March 2024.

(Segment Information)

I. First three months period of the previous fiscal year (April 1, 2023 - June 30, 2023)

1. Information on net sales and profits or losses by reported segment

(Millions of yen)

| | Reported segments | | | | | Adjustment (Note 1) | Amounts on Quarterly consolidated statements of income (Note 2) |
|----------------------------------|-------------------------------|-------------------------|---|--------------------------|---------|------------------------|--|
| | Vegetable Oils and Fats | Industrial Chocolate | Emulsified and Fermented Ingredients | Soy-based Ingredients | Total | | |
| Net Sales | | | | | | | |
| Sales to external customers | 45,718 | 54,965 | 21,455 | 8,914 | 131,053 | — | 131,053 |
| Transactions with other segments | 5,976 | 680 | 1,822 | 52 | 8,531 | △8,531 | — |
| Total | 51,695 | 55,645 | 23,278 | 8,966 | 139,585 | △8,531 | 131,053 |
| Segment profit | 3,129 | 406 | 587 | 397 | 4,520 | △936 | 3,584 |

(Note) 1. Adjustment of segment profit △936 million yen includes corporate expense and other, which are not allocated to each reported segment. Corporate expenses are expenses related to group management at the submitting company and management companies.

2. Segment profit is adjusted with operating profit in the quarterly consolidated statement of income.

2. Information on impairment losses on non-current assets and goodwill by reported segment

Not applicable.

II. First three months period of the current fiscal year (April 1, 2024 - June 30, 2024)

1. Information on net sales and profits or losses by reported segment

(Millions of yen)

| | Reported segments | | | | | Adjustment (Note 1) | Amounts on Quarterly consolidated statements of income (Note 2) |
|----------------------------------|-------------------------------|-------------------------|---|--------------------------|---------|------------------------|--|
| | Vegetable Oils and Fats | Industrial Chocolate | Emulsified and Fermented Ingredients | Soy-based Ingredients | Total | | |
| Net Sales | | | | | | | |
| Sales to external customers | 47,670 | 73,584 | 22,142 | 8,977 | 152,375 | — | 152,375 |
| Transactions with other segments | 5,864 | 961 | 1,066 | 42 | 7,934 | △7,934 | — |
| Total | 53,534 | 74,546 | 23,208 | 9,019 | 160,309 | △7,934 | 152,375 |
| Segment profit | 4,406 | 2,891 | 877 | 327 | 8,503 | △1,063 | 7,440 |

(Note) 1. Adjustment of segment profit △1,063 million yen includes corporate expense and other, which are not allocated to each reported segment. Corporate expenses are expenses related to group management at the submitting company and management companies.

2. Segment profit is adjusted with operating profit in the quarterly consolidated statement of income.

2. Information on impairment losses on non-current assets and goodwill by reported segment

Not applicable.