

**FY2015 Results Briefing
Fact Data**

After making Ichibanya Co., Ltd. a consolidated subsidiary through the additional acquisition of shares in December 2015, the Company reviewed its segment categories and newly added the Restaurant Business segment.
 With this change, the Company also changed the name of the International Business to the International Food Business, and transferred control of the restaurant business which was previously in this business segment to the Restaurant Business.
 The Company also changed to the method of showing segment results before the elimination of inter-segment transactions.

1. Consolidated Performance

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year	FY2016 Target
Net sales	Million yen	214,317	209,784	232,610	231,448	241,893	289,000
Cost of sales	Million yen	115,974	114,468	135,080	133,293	138,371	-
Selling, general and administrative expenses	Million yen	84,289	83,874	87,942	89,468	92,746	-
Operating income	Million yen	14,053	11,441	9,589	8,686	10,775	10,200
EBITDA *1	Million yen	20,770	17,167	14,815	14,642	18,699	23,000
Ordinary income	Million yen	15,502	13,445	10,962	10,957	12,152	11,200
Profit attributable to owners of parent	Million yen	7,928	8,254	8,792	6,971	22,632	5,300
Net income per share	Yen	74.26	77.78	83.13	67.61	220.48	51.7
ATO	Times	0.91	0.85	0.89	0.83	0.76	-
ROS	%	6.6	5.5	4.1	3.8	4.5	3.5
ROA	%	6.6	5.5	4.2	3.9	3.8	-
ROE	%	4.3	4.3	4.3	3.3	10.1	-
Annual dividends per share *2	Yen	28	30	35	30	30	30
Payout ratio	%	37.7	38.6	42.1	44.4	13.6	58.0
Total assets	Million yen	240,092	250,780	273,368	286,149	349,427	-
Net assets	Million yen	189,242	199,328	210,097	221,456	260,329	-
Shareholders' equity	Million yen	188,785	198,731	208,801	219,927	228,812	-
Equity ratio	%	78.6	79.2	76.4	76.9	65.5	-
Net assets per share	Yen	1,768.27	1,879.06	1,974.31	2,140.27	2,231.86	-
Cash flows from operating activities	Million yen	17,098	12,884	8,818	8,428	12,518	-
Cash flows from investing activities	Million yen	-19,069	-1,841	-7,471	-4,679	-8,308	-
Cash flows from financing activities	Million yen	-2,836	-4,943	-68	-10,588	-3,743	-

*1 EBITDA = Operating income (before amortization of goodwill, etc.) + Depreciation

*2 FY2013 full-year dividend: Includes dividend of 5 yen to commemorate the Company's 100th anniversary.

(Reference) After deduction of amortization of goodwill, etc. for Ichibanya Co., Ltd.

Operating income	Million yen
ROS	%

FY2015 Full year	FY2016 Target
12,030	15,218
5.0	5.3

(Reference) After deduction of gain on step acquisitions arising as a result of additional acquisition of shares of Ichibanya Co., Ltd.

Profit attributable to owners of parent	Million yen
ROE	%

FY2015 Full year
8,781
3.9

(Reference) Payout ratio based on profit distribution policy

Payout ratio *3	%

32.0%	35.3%
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*3 Profit distribution policy: Dividend payout ratio of at least 30% on a consolidated basis excluding the effects of extraordinary income arising from business combination and the amortization of goodwill.

2. Net Sales and Operating Income by Business Segment

>> Net sales

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year
Spice / Seasoning / Processed Food Business	Million yen	129,247	123,875	125,518	122,121
Health Food Business	Million yen	45,992	42,766	39,532	36,641
International Business	Million yen	11,762	14,700	19,733	24,689
Other Food Related Business	Million yen	27,315	28,443	47,827	47,954
Adjustment	Million yen	-	-	-	42

(Based on segments applied from FY2015)

Spice / Seasoning / Processed Food Business	Million yen
Health Food Business	Million yen
International Food Business	Million yen
Restaurant Business	Million yen
Other Food Related Business	Million yen
Adjustment	Million yen

	FY2014 Full year	FY2015 Full year	FY2016 Target
Spice / Seasoning / Processed Food Business	122,680	120,018	128,700
Health Food Business	37,212	34,523	35,000
International Food Business	17,797	18,577	22,200
Restaurant Business	6,711	18,312	54,000
Other Food Related Business	58,613	62,718	64,000
Adjustment	-11,565	-12,256	-14,900

>> Operating income

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year
Spice / Seasoning / Processed Food Business	Million yen	9,933	8,157	6,936	6,618
Health Food Business	Million yen	2,532	1,903	1,585	600
International Business	Million yen	651	677	617	1,088
Other Food Related Business	Million yen	935	701	451	-780
Adjustment	Million yen	-	-	-	1,160

(Based on segments applied from FY2015)

Spice / Seasoning / Processed Food Business	Million yen
Health Food Business	Million yen
International Food Business	Million yen
Restaurant Business	Million yen
Other Food Related Business	Million yen
Adjustment	Million yen

	FY2014 Full year	FY2015 Full year	FY2016 Target
Spice / Seasoning / Processed Food Business	6,660	7,924	7,950
Health Food Business	717	1,398	1,750
International Food Business	1,000	1,381	1,550
Restaurant Business	-72	44	-50
Other Food Related Business	-780	101	650
Adjustment	1,160	-73	-1,650

(Reference: Operating income before amortization of goodwill, etc. for Ichibanya Co., Ltd.)

Restaurant Business	Million yen
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1,299	4,968
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3. Content of Business Segments (As of March 31, 2016)

Business segments	Group company name
Spice / Seasoning / Processed Food Business	House Foods Corporation Sun House Foods Corporation / Sun Supply Corporation House Ai-Factory Corporation Asaoka Spice K.K.
Health Food Business	House Wellness Foods Corporation
International Food Business	House Foods Holding USA, Inc. / House Foods America Corporation / El Burrito Mexican Food Products Corporation House Foods China Inc. / Shanghai House Foods Co., Ltd. / Dalian Horie Yamatoya Food Co., Ltd. House Foods Vietnam Co., Ltd. House Osotspa Foods Co., Ltd. PT. Vox Trading Indonesia Taiwan House Foods Co., Ltd.
Restaurant Business	Ichibanya Co., Ltd. Ichibanya USA, Inc. House Restaurant Management (Shanghai) Co., Ltd. / House Restaurant Management (Beijing) Co., Ltd. / House Restaurant Management (Guangzhou) Co., Ltd. Taiwan Curry House Restaurant, Inc. Curry House Korea Corporation Ichibanya International Hong Kong Limited Ichibanya Hong Kong Limited
Other Food Related Business	Vox Trading Co., Ltd. Delica Chef Corporation House Logistics Service Corporation / High Net Corporation House Food Analytical Laboratory Inc. Horie Yamatoya Co., Ltd. / Tim Food Co., Ltd. / PT. Java Agritech
Other	House Foods Group Inc. / House Business Partners Corporation

4. Number of Group Companies

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year
Consolidated subsidiaries	Companies	19	22	28	28	34
	Japan	10	11	13	13	14
	Overseas	9	11	15	15	20
Equity-method affiliate	Companies	6	6	5	5	3
	Japan	3	3	2	2	1
	Overseas	3	3	3	3	2

5. Change in Number of Consolidated Subsidiaries (FY2014 -> FY2015)

Consolidated subsidiaries	Increase (6 companies)	Increase: Ichibanya Co., Ltd., Ichibanya USA, Inc., PT. Vox Trading Indonesia, Taiwan House Foods Co., Ltd., Ichibanya International Hong Kong Limited, Ichibanya Hong Kong Limited
	Decrease (0 companies)	Decrease:
Equity-method affiliate	Increase (1 company)	Increase: Ichibanya Midwest Asia Co., Ltd.
	Decrease (3 companies)	Decrease: Ichibanya Co., Ltd., Ichibanya USA, Inc., Ichibanya Hong Kong Limited

6. Business Results of Major Subsidiaries

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year	
House Foods Corporation		* Full-year results for FY2013 are results for 6 months from October 2013 to March 2014.					
	Net sales	Million yen	-	-	66,411	124,630	122,172
	Operating income	Million yen	-	-	3,885	6,774	8,398
	Ordinary income	Million yen	-	-	3,830	6,811	8,586
	Net income	Million yen	-	-	2,155	4,376	5,695
House Wellness Foods Corporation							
	Net sales	Million yen	31,490	29,822	34,168	37,238	34,558
	Operating income	Million yen	1,788	616	750	736	1,403
	Ordinary income	Million yen	1,804	654	752	765	1,409
	Net income	Million yen	1,672	275	1,044	265	1,282
House Foods America Corporation (Consolidated)							
	Net sales	Million yen	6,128	7,495	9,718	12,038	12,437
	Operating income	Million yen	280	232	95	805	875
	Ordinary income	Million yen	246	216	57	759	842
	Net income	Million yen	144	118	19	487	541
Ichibanya Co., Ltd.		* Full-year results for FY2015 are results for 3 months from December 2015 to February 2016.					
	Net sales	Million yen	-	-	-	-	11,009
	Operating income	Million yen	-	-	-	-	1,303
	Ordinary income	Million yen	-	-	-	-	1,361
	Net income	Million yen	-	-	-	-	993

7. Foreign Exchange Rates

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year	FY2016 Plan
United States	USD	77.74	86.58	105.39	120.55	120.61	120.00
China	CNY	12.33	13.91	17.36	19.35	18.36	19.00
Taiwan	TWD	2.57	2.98	3.51	3.80	3.66	3.70
South Korea	KRW	0.0675	0.0810	0.1000	0.1098	0.1033	0.1100
Thailand	THB	2.67	3.20	3.17	3.70	3.34	3.50
Vietnam	VND	0.00390	0.00449	0.00488	0.00559	0.00545	0.00500

8. Number of Employees

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year
Number of employees * Excluding those on leave of absence and temporary and part-time	People	4,450	4,968	5,276	5,416	6,376

9. Capital Investment

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year	FY2016 Plan
Total	Million yen	5,485	6,117	11,510	9,874	7,260	10,500
	Capital investment	Million yen	4,889	5,684	11,115	9,588	10,100
	Leases	Million yen	597	433	395	286	400

10. Depreciation

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year	FY2016 Plan
Total	Million yen	5,814	5,402	5,389	6,083	7,277	9,900
Depreciation	Million yen	5,356	5,020	5,056	5,789	6,908	9,300
Lease payments	Million yen	458	382	333	294	369	600

11. Selling, General and Administrative Expenses

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year
Selling, general and administrative expenses	Million yen	84,289	83,874	87,942	89,468	92,746
Advertising expenses	Million yen	11,055	11,242	11,411	10,326	9,822
Transportation and warehousing expenses	Million yen	6,172	5,975	6,744	6,836	7,248
Sales commission	Million yen	4,280	4,064	3,314	2,441	2,342
Promotion expenses	Million yen	29,523	29,838	31,868	30,871	29,741
Personnel expenses	Million yen	17,645	17,641	18,570	20,301	21,987
Experiment and research expenses	Million yen	3,805	3,810	3,482	3,582	3,510
Amortization of goodwill	Million yen	1,361	706	170	167	1,016

12. Non-Operating Income (Expenses)

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year
Non-operating income	Million yen	1,596	2,096	2,287	2,937	2,177
Interest income	Million yen	441	486	549	530	478
Dividend income	Million yen	518	559	599	603	609
Share of profit of entities accounted for using equity method	Million yen	399	415	458	628	584
Foreign exchange gains	Million yen	–	360	305	820	–
House rent income	Million yen	–	–	–	0	176
Other	Million yen	238	277	376	356	330
Non-operating expenses	Million yen	147	92	913	667	801
Interest expenses	Million yen	40	44	221	129	93
Commission fee	Million yen	–	–	141	–	–
Compensation expenses	Million yen	–	–	287	–	–
Foreign exchange losses	Million yen	42	–	–	–	174
Rent expenses	Million yen	–	–	–	–	148
Other	Million yen	65	48	265	538	385

13. Extraordinary Income (Losses)

		FY2011 Full year	FY2012 Full year	FY2013 Full year	FY2014 Full year	FY2015 Full year
Extraordinary income	Million yen	304	49	3,240	1,543	17,013
Gain on sales of non-current assets	Million yen	295	25	3,110	195	7
Reversal of allowance for doubtful accounts	Million yen	1	0	20	1	0
Gain on sales of investment securities	Million yen	1	10	108	1,311	3,135
Gain on sales of investments in capital	Million yen	–	–	–	18	–
Gain on change in equity	Million yen	–	–	–	3	–
Compensation income	Million yen	–	–	–	13	–
Gain on sales of restaurants	Million yen	–	–	–	–	19
Gain on step acquisitions	Million yen	–	–	–	–	13,851
Other	Million yen	7	13	2	2	1
Extraordinary losses	Million yen	2,920	256	778	607	1,062
Loss on sales of non-current assets	Million yen	21	11	124	121	0
Loss on retirement of non-current assets	Million yen	327	189	240	141	273
Loss on sales of membership	Million yen	–	–	–	–	2
Loss on valuation of investment securities	Million yen	26	–	1	4	16
Loss on valuation of membership	Million yen	31	29	24	1	3
Impairment loss	Million yen	445	–	129	323	718
Provision for loss on guarantees	Million yen	–	–	152	–	–
Loss on step acquisitions	Million yen	–	–	69	–	–
Loss on disaster	Million yen	186	–	33	–	–
Cost of early retirement support	Million yen	1,534	–	–	–	–
Other	Million yen	350	27	7	18	51