

FY2025/3 Results Presentation Q&A

May 12, 2025

Q1 What is the positioning of the next medium- to long-term strategy after “Change 2025”?

We are contemplating the vision for Calbee while considering what the business environment will be like 10 years from now. As a step toward achieving that vision, we are currently discussing the next three-year medium-term business plan. Domestically, we will continue to strengthen profitability, enhance value through the reinforcement of our corporate brand, and promote efficiency improvements beginning with S&OP. Overseas, we will reinvest cash generated locally into growth initiatives.

Q2 What kind of organization is the Marketing Direction Center (MDC)?

Until now, our marketing strategy has prioritized the domestic Japanese market. As we expand overseas business, we are establishing an organization to formulate strategies that optimize the overall business. The newly appointed Chief Marketing Officer (CMO) will serve as the head of MDC.

Q3 How likely is it that Calbee will achieve the 2.4 billion yen increase in overseas profit as outlined in the plan for the fiscal year ending March 2026?

We believe it is achievable. We expect approximately one-third of the amount will come from sales growth, and two-thirds from productivity improvements and the reversal of one-time factors in the previous fiscal year.

Q4 What changed between the previous and current fiscal year to realize overseas sales growth?

Calbee achieved sales growth in the fiscal year ended March 2025. We have been expanding our production facilities since the second half of the previous fiscal year and are now in a position to expect further sales growth from the supply side. Specifically, we have been expanding in North America, the United Kingdom, and Indonesia, which are our focus areas. We are also expanding our contract manufacturing volume in China.

Q5 Have there been any quality or cost issues in expanding local production at factories in North America?

Local production in North America meets our quality standards. In terms of cost, we will conduct simulations based on projected sales growth and take action to swiftly localize production.

Q6 What will the impact from US tariff policy be?

We believe it is necessary to review our global supply chain and accelerate local production for local consumption. North America will shift to domestic production for products currently imported from Japan and Asia. China has been producing products locally through contract manufacturers, enabling us to respond to consumers with a light asset structure; we plan to strengthen this approach. We believe that raw materials like packaging materials and imported products will be impacted, but that this impact will not be significant. We are simulating various scenarios and working to minimize risk.

Q7 What is the competitive environment in Indonesia?

While the Indonesian market as a whole is growing, Calbee's business in the country is growing even faster. We currently rank second or third there. With major competitors entering the market, we are working with our joint venture partners to expand our market presence over the medium- to long-term.

Q8 Are your domestic forecasts based on conservative assumptions?

Further weakening of the yen and rising prices of various raw materials are expected to lead to significant cost increases in the fiscal year ending March 2026. As in the past, we will counter cost



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increases through strategic price revisions. Even in circumstances where we implement price revisions, we expect to maintain growth in volume. We will continue to steadily increase sales volume as the Setouchi Hiroshima Factory ramps up operations. Profit improvements through profit/loss by SKU in S&OP will contribute to continued profitability in the fiscal year ending March 2026 continuing the trend from the previous fiscal year.

Q9 What is the outlook for domestic production once the Setouchi Hiroshima Factory becomes fully operational?

In the the fiscal year ending March 2026, we will gradually ramp up production at the Setouchi Hiroshima Factory, with the goal of reaching full capacity. Other factories will continue to invest in maintenance to maximize production capacity to meet high consumer demand. In line with this, efforts to secure potato supplies are also progressing, as seen through our collaboration with the Shiretoko Shari Agricultural Cooperative.