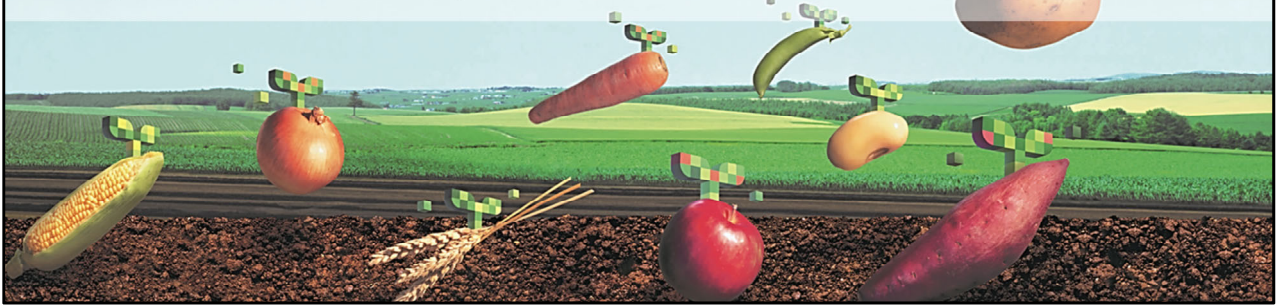


Calbee Group Financial Results

**First quarter of fiscal year ending
March 31, 2026**

April 1, 2025 – June 30, 2025



I am Tanabe, the CFO. I would like to provide an overview of the financial results for Q1 ending March 2026.

Executive summary of results



■ Q1 results saw both net sales and operating profit achieve plan due to firm domestic business performance

- Profit fell YoY on higher expenses such as depreciation costs for a new factory and on absence of last year's high operating profit overseas

Net sales	¥82.2bn (+¥4.6bn YoY, +¥0.7bn vs. plan)
Operating profit	¥5.3bn (-¥2.4bn YoY, +¥0.1bn vs. plan)
EBITDA	¥9.4bn (-¥1.6bn YoY, -¥0.0bn vs. plan)

■ In domestic core business, grew sales volume while implementing price/content revisions

- Successfully advanced marketing reform and enhanced organizational collaboration
- Launch of the new Setouchi Hiroshima Factory and the creation of C-BOSS as a DX measure proceeded according to plan

■ In overseas business, realized double-digit net sales growth on a local currency basis Lower profit in Indonesia and the UK impacted operating profit Will implement recovery measures across the overseas business towards achieving the full year plan

Please look at slide one. Here is the summary of today's presentation.

In the consolidated financial results for Q1, the domestic business was firm, with both net sales and operating profit achieving the plan. They were JPY700 million and JPY100 million above the plan, respectively. The YoY profit decrease was due to higher depreciation and other expenses at the new Setouchi Hiroshima Factory, which began operations in January 2025, and an absence of last year's high operating profit overseas.

In the domestic core business, sales volume grew, while prices and content were revised. The promotion of marketing reforms and enhancement of organizational collaboration were successful. In addition, the launch of the Setouchi Hiroshima Factory and the construction of C-BOSS, a DX measure, are progressing as planned.

In the overseas business, net sales have achieved double-digit growth on a local currency basis. In terms of operating profit, the decrease in profit in Indonesia and the UK was a negative factor. We will work to implement recovery measures to achieve the full-year plan for the entire overseas business.

FY2026/3 Q1 results: Summary



(Billion yen)	FY2025/3 Q1	FY2026/3 Q1	Change	FY2026/3 Q1 Plan	vs. plan Ratio
Net sales	77.7	82.2	+5.9%	81.5	100.9%
Domestic	58.1	61.8	+6.4%	59.9	103.2%
Overseas	19.6	20.5	+4.4%	21.6	94.6%
Operating profit	7.7	5.3	-31.0%	5.2	101.8%
Operating margin	9.9%	6.4%	-3.4pts	6.4%	+0.1pts
Domestic	6.1	4.5	-26.8%	4.1	108.7%
Overseas	1.5	0.8	-47.7%	1.1	75.4%
Ordinary profit	9.3	5.3	-43.4%	5.3	98.8%
Foreign exchange profit / loss	1.4	-0.3	-117.5%	0.0	-
Net profit*	7.1	3.5	-49.9%	3.6	98.5%
EBITDA	11.0	9.4	-14.2%	9.4	99.8%
EBITDA margin	14.1%	11.5%	-2.7pts	11.6%	-0.1pts
Domestic	8.5	7.7	-10.2%	7.4	103.6%
Overseas	2.4	1.8	-27.8%	2.1	85.9%

*Profit attributable to owners of parent

YoY

- Net sales: Sales volume grew both domestically and overseas
- Operating profit: Fell due to higher depreciation expenses on launch of the Setouchi Hiroshima Factory and a change in the quarterly recording of promotion expenses, as well as higher costs in Indonesia, UK, etc.
- Net profit: Fell on absence of last year's forex gains and tax breaks

Vs. plan

- Maintained firm momentum domestically, achieving results exceeding the plan and covering the shortfall overseas

Reference: Month-end forex rates (¥/\$)

	Mar. 31	Jun. 30	Planned rate
FY2025/3	151.41	161.07	-
FY2026/3	149.52	144.81	152.0

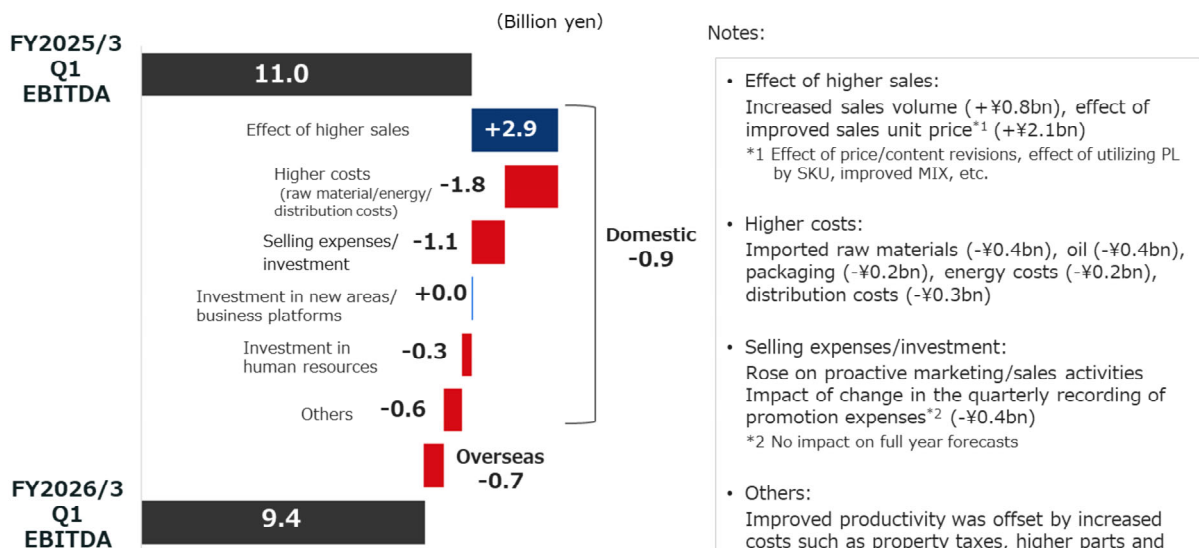
Please see slide two. I would like to explain our consolidated financial results for Q1.

Net sales were JPY82.2 billion, up 5.9% YoY and 0.9% above the plan. Operating profit was JPY5.3 billion, down 31% YoY and 1.8% above the plan. Net profit was JPY3.5 billion, down 49.9% YoY and 1.5% below the plan. EBITDA was JPY9.4 billion, in line with the plan.

Sales volume grew both domestically and internationally. Operating profit declined both in Japan and overseas. Domestic expenses were mainly those planned in the plan, including an increase in depreciation costs due to the start of operations at the Setouchi Hiroshima Factory and a change in the quarterly recording of promotion expenses. Overseas, deteriorating costs in Indonesia, the UK, and other countries contributed to the decline in profit. Net profit decreased due to the absence of foreign exchange gains and tax breaks compared to the previous year.

Against the plan, we maintained solid momentum in Japan, achieving better-than-planned results and covering the shortfall overseas.

FY2026/3 Q1 results: EBITDA analysis



Please refer to slide three. I will explain our analysis of EBITDA fluctuations.

Overall consolidated net sales decreased by JPY1.6 billion YoY. The breakdown is minus JPY0.9 billion in the domestic business and minus JPY0.7 billion in the overseas business. In Japan, cost increases due to the weak yen and inflation were offset by price and content revisions and the effect of S&OP initiative. Sales volume increased due to continued aggressive marketing and sales activities to strengthen the brand. However, profit decreased due to higher costs associated with the start of operations at the new plant and a change in the accounting standard for quarterly sales promotion expenses. The change in the basis for recording promotion expenses will have no impact on the full-year results.

FY2026/3 Q1 results: Domestic business



(Billion yen)	FY2026/3 Q1		
		Change(YoY)	
Domestic sales	61.8	+3.7	+6.4%
Snacks	57.4	+4.2	+7.9%
<i>Potato Chips</i>	25.4	+1.7	+7.2%
<i>JagaRico</i>	12.6	+1.3	+11.9%
Other snacks	19.5	+1.2	+6.4%
Cereals	8.2	+0.4	+5.4%
Others (Agri, Food and health, Services)	3.6	+0.2	+5.1%
Rebates deducted from sales	-7.4	-1.1	—
Domestic operating profit	4.5	-1.6	-26.8%
Operating margin	7.3%	-3.3pts	—
EBITDA	7.7	-0.9	-10.2%
EBITDA margin	12.4%	-2.3pts	—
Gift snack items	4.3	+0.4	+9.7%

*Amounts for sales of Snacks, Cereals and Others (Agri, Food and health, Services) are prior to deduction of rebates, etc.

Made a strong start in the year of *Potato Chips*' 50th and *JagaRico*'s 30th anniversaries



■ Snacks

- Sales rose in all categories on firm demand
- Achieved volume growth via effects of marketing and organizational capabilities
- Gift snack items continued to grow on strong travel demand

■ Cereals

- Succeeded in expanding customer touchpoints via continuous marketing of collaborative and other products and in-store marketing activities
- Efforts to attract new customers in the breakfast food market drove the cereal market

■ Other snacks

- Personalized food program *Body Granola* grew

Please refer to slide four. Next, I will explain sales by product in Japan.

Sales increased in all categories, including snacks, cereals, and other snacks. 2025 marks the 50th anniversary of *Potato Chips* and the 30th anniversary of *JagaRico*, and we are off to a good start.

Overall snack sales increased by JPY4.2 billion YoY. *Potato Chips* grew by JPY1.7 billion, *JagaRico* by JPY1.3 billion, and other snacks by JPY1.2 billion, with growth in all categories. Demand for snacks is strong, and volume growth has been achieved through the benefits of renewed marketing and improved organizational coordination. Souvenir products continued to grow on the back of strong travel demand.

Cereal sales increased by JPY0.4 billion. Sales grew 12% for the full year last year and continued to increase in the quarter under review. We have been successful in expanding our contacts with customers through ongoing marketing, including collaborative products, and in-store activities of our sales force. We are working to attract new customers in the breakfast market and are leading the cereal market.

Other snacks increased by JPY200 million, with the new business *Body Granola* growing.

FY2026/3 Q1 results: Domestic business



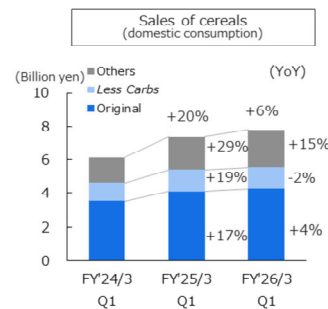
Snacks (sales +8%)

- **Potato Chips:** (volume grew 6%)
 - Sales of regular products such as *Kataage Potato* and *Consomme Punch* were firm
 - Region-based items grew, as well as sub-brand *Potato Chips Nokoking*, in response to customer demand for rich flavor
- **JagaRico:** (volume grew 3%)
 - Sales grew, particularly of regular products, on having adjusted operations in response to continued high demand and from strengthened sales activities
- **Other snacks:**
 - Sales of flour-based, corn-based and bean-based snacks all rose
 - Strong sales with double-digit growth of fabricated potato chip *Crisp* and *miino*, whose marketing was revamped



Cereals (sales +5%)

- Grew cereal market share (38%, +1.7pts YoY)
- Strong sales of regular products *Original* and *Mygra*, which caters to individual preferences, as well as flavor variants
- Launch of a limited time project item in April contributed to earning new customers



The following slide will explain the different categories. Please refer to slide five.

Potato Chips achieved a 6% volume growth over the same period last year. Sales of regular products such as *Kataage Potato* and *Consomme Punch* remained steady. Sub-brands such as *Potato Chips Nokoking*, that responds to customers' needs for a richer flavor, and the expansion of locally oriented products have also contributed to the success. Sales of *JagaRico* increased YoY. Volume grew by 3%. In response to continuing high demand, we have adjusted our operations and strengthened our sales activities, resulting in increased sales, especially of regular products. Sales of other snacks increased for flour-based, corn-based, and bean-based products. Crips, fabricated potato chips, and miino performed well with revamped marketing, posting double-digit growth.

Cereal sales increased YoY. Calbee's share of the cereal market grew by a positive 1.7 percentage points YoY. In addition to standard products such as *Original* and *Mygra*, which responds to individual tastes, flavor variants also performed well. In addition, the limited-time items launched in April are helping to attract new customers.

Domestic business: Elevated brand value



■ Review communication policy:

To support sales growth, implement a cross-brand, multi-dimensional media strategy^{*1} and create synergies among buzz-worthy topics through marketing that captures customers' hearts beyond the sales floor and advertisements

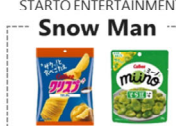
- Maximizing impact through cross-brand collaboration

1. Cross-brand campaign focusing on retail



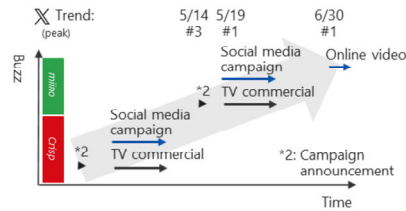
Used Cho Tokimeki♡Sendenbu, an idol group popular with young people, to introduce multiple brands on social media

2. Cross-brand marketing to maximize buzz



Used popular idol group Snow Man to promote multiple brands via commercials/videos

- Effectively make use of TV commercials and social media to strategically and continuously create buzz



- Repeatedly stimulating purchasing desire through emotionally appealing and memorable content (Enhancement of recall rate)



Calbee website commercial/video page:
<https://www.calbee.co.jp/campaign/#cm>

^{*1}: Multi-dimensional media strategy: A marketing approach that aims to generate synergy across multiple media platforms by effectively combining and delivering content through various channels. This strategy encourages consumers to initiate and spread conversations, thereby amplifying buzz and expanding its reach across different touchpoints.

Please refer to slide six. We would like to introduce our efforts in brand value enhancement.

The marketing direction center, newly established in April, took the lead in reviewing the marketing policy together with the domestic marketing department. To support sales growth, we are working to create synergies between topics through marketing that captures the hearts and minds of customers beyond the sales floor and advertisements by implementing cross-brand and multidimensional media strategies. Note that a multidimensional media strategy is a marketing strategy that aims to create synergies among media and spread the buzz in multiple directions by effectively combining and distributing through multiple types of media and encouraging the transmission and diffusion of the buzz by consumers.

The three specific initiatives are as follows. The first one is the creation of maximum impact across brands. By using a characters who fit the retail buyer's demographic and can expand the buzz and by introducing multiple brands, we effectively increase brand awareness and buzz.

The second initiative is the effective use of social media and TV commercials to create a strategic and ongoing buzz. In the case of *Crisp* and *miino*, both social media platforms and TV commercials continue to deliver content that captures the consumer's attention through effective marketing. In this way, we are working to disseminate and encourage the spread of topics relevant to consumers and broaden the popularity of the topic in a multifaceted way. We have actually achieved first and third place in X's trending rankings.

Third, we aim to repeatedly stimulate the desire to eat and buy our products by appealing to the senses and creating memorable content through the use of eye-catching images and unintentionally enticing sounds, such as the sound of chewing hard-fried rice and music, that appeal to the senses.

By combining these measures, we will improve brand value and increase sales.

FY2026/3 Q1 results: Overseas business



(Billion yen)	FY2026/3 Q1		
		Change(YoY)	Change ex-forex in %
Overseas sales *1	20.5	+0.9	+4.4%
Europe/Americas	11.1	+0.1	+1.4%
North America	6.9	-0.3	-4.0%
Asia/Oceania *2	11.6	+0.7	+6.4%
Greater China *2	3.8	+0.2	+6.1%
Rebates deducted from sales	-2.2	+0.0	—
Overseas operating profit	0.81	-0.74	-47.7%
Operating margin	4.0%	-3.9pts	—
Europe/Americas	0.32	-0.21	-40.3%
North America	0.38	+0.07	+21.8%
Asia/Oceania	0.49	-0.53	-51.6%
Greater China	0.27	-0.03	-10.9%
EBITDA	1.77	-0.68	-27.8%
EBITDA margin	8.6%	-3.9pts	—
Europe/Americas	1.02	-0.15	-12.9%
North America	0.79	+0.09	+12.8%
Asia/Oceania	0.74	-0.53	-41.6%
Greater China	0.34	-0.03	-8.4%

Sales rose in all regions on a local currency basis

■ Europe/Americas

- Sales rose on a local currency basis in both North America and the UK
- Existing brands and brands of Japanese origin remained firm
- Profit fell in the UK due to a productivity decrease and the difficult cost environment

■ Asia/Oceania

- Greater China and Australia/New Zealand drove higher sales
- Profit fell due to investment in selling expenses to raise awareness and higher costs

*1 Sales by region are amounts prior to deduction of rebates, etc.

*2 From FY2026/3, changed the method of recording sales before rebates, etc., in Greater China. Sales for the prior fiscal year have also been adjusted accordingly

Please refer to slide seven. I would like to explain the performance of our overseas business by region.

Overseas, sales increased in all regions on a local currency basis.

Net sales increased by JPY0.1 billion and profit decreased by JPY0.2 billion in Europe/Americas. Net sales increased in both North America and the UK on a local currency basis. Existing brands and brands of Japanese origin continue to be strong. On the other hand, the UK reported a decrease in profits due to lower productivity and a difficult cost environment.

In Asia/Oceania, net sales increased by JPY0.7 billion and profit decreased by JPY0.5 billion. Greater China, Australia, and New Zealand drove revenue growth. Operating profit, on the other hand, declined due to increased investment in sales to expand recognition and worsening cost of sales.

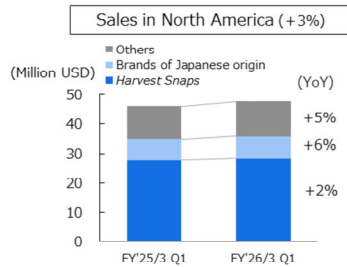
FY2026/3 Q1 results: Overseas business



Europe/Americas

■ North America:

- *Harvest Snaps* sales grew, especially at key retail chains
- Strong sales of the *Harvest Snaps Kids* derivative brand also contributed
- Brands of Japanese origin saw higher sales of Potato Chips, the local production of which started in H2 last year
- Will continue to expand the in-house production of brands of Japanese origin
- Profit rose on higher sales and improved productivity



Locally produced new product ASIAN CHIPS



Harvest Snaps Kids derivative brand

■ UK:

- Sales of *Seabrook* brand, whose potato chip line was expanded, and brands of Japanese origin saw double-digit growth at national retailers
- *Seabrook* snack sub-brand sales grew too
- For operating profit, impact of higher sales was offset by increased labor costs due to a decline in production efficiency as well as rising costs of potatoes and other materials
- We will work to improve the sales mix and raise productivity towards H2



Seabrook WAFFLE BITES snack sub-brand

Please move on to slide eight. I will provide details on Europe/Americas.

North America increased revenues and profits. *Harvest Snaps* grew mainly at key retail chains, and its derivative brand, *Harvest Snaps Kids*, performed well. In brands of Japanese origin, Potato Chips, for which local production started in H2, showed growth. We will continue to expand in-house production of brands of Japanese origin. Operating profit increased due to higher sales and improved productivity.

Revenues increased and profits decreased in the UK. The *Seabrook* brand, which added a line of potato chips, and the brands of Japanese origin achieved double-digit sales growth as sales expanded at national retail chains. Sub-brands under the *Seabrook* brand are also growing. Operating profit, on the other hand, was affected by higher labor costs due to lower production efficiency and soaring costs of potatoes and other materials, which offset the effect of higher sales. We will work on reviewing our product portfolio to improve productivity for H2.

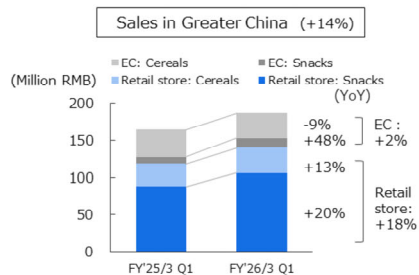
FY2026/3 Q1 results: Overseas business



Asia/Oceania

■ Greater China:

- Expanded supply of *Jagabee* from China and nearby countries, and sales grew, particularly at major retailers
- Locally leveraging popular Japanese IP contributed to capture of new customers
- Continue to expand supply of local OEM products and develop products that suit local tastes, and work to increase sales personnel in key regions



Collaboration with popular Chiikawa characters

■ Indonesia:

- Sales of Potato Chips, whose new production line started in June, and *GuriBee*, grew
- Strengthened sales channel initiatives leveraging joint venture partners' distribution ability and enhanced marketing investment
- Operating profit was impacted by higher selling expenses and lower efficiency due to product portfolio changes, as well as higher raw material costs
- Expand sales and promote actions for cost reduction towards H2



Promotion of Jagabee

© Calbee

9

Please refer to slide nine. Details about the Asia/Oceania region are explained below.

Sales increased and profits decreased in Greater China. *Jagabee's* supply from within China and nearby countries has been expanded to include major retail outlets. The use of Chiikawa, which is popular local Japanese IP, has helped attract new customers. We will continue to expand the supply of local OEM products, develop products tailored to local tastes, and increase the number of sales personnel in priority regions.

Finally, let me explain the situation in Indonesia. Indonesia saw an increase in sales and a decrease in profit. Sales grew for Potato Chips, for which a new line went into operation in June, and for *GuriBee*. Strengthening channel initiatives by leveraging the joint venture partner's distribution capabilities and enhancing marketing investments have proven successful. Operating profit was impacted by the deterioration of raw material costs, in addition to higher sales and marketing expenses and lower production efficiency due to changes in the product portfolio. We will continue to expand sales and take actions for cost reduction in H2.

This is the end of my presentation. Thank you very much for your attention.

Appendix

Consolidated profit and loss statement



(Million yen)	FY2026/3 Q1 Results				FY2026/3 Forecast		
		Percent of total(%)	Change (YoY) (%)	vs. Revised forecast (%)		Percent of total(%)	Change (YoY) (%)
Net sales	82,234	100.0	+5.9	100.9	345,000	100.0	+7.0
Gross profit	25,912	31.5	-4.2	99.8	114,500	33.2	+4.2
SG&A	20,616	25.1	+6.4	99.3	84,700	24.6	+4.8
Selling	3,536	4.3	+11.3	89.1	15,200	4.4	+5.4
Distribution	6,267	7.6	+7.1	104.8	25,000	7.2	+5.1
Labor	6,487	7.9	+4.4	98.7	26,800	7.8	+3.6
Others	4,324	5.3	+4.7	101.7	17,700	5.1	+5.8
Operating profit	5,295	6.4	-31.0	101.8	29,800	8.6	+2.5
Ordinary profit	5,283	6.4	-43.4	98.8	30,400	8.8	+1.9
Net profit*	3,545	4.3	-49.9	98.5	20,500	5.9	-1.8

* Profit attributable to owners of parent

Financial condition and Cash flows

(Million yen)	As of March 31, 2025	As of June 30, 2025	Change
Total assets	319,169	306,134	-13,034
Current assets	133,837	121,659	-12,178 *1
Non-current assets	185,331	184,475	-856
Total liabilities	104,101	95,215	-8,885
Current liabilities	55,705	46,744	-8,960 *2
Non-current liabilities	48,396	48,471	+74
Net assets	215,067	210,918	-4,148
Net Cash	20,194	13,635	-6,559
Equity ratio	64.3%	65.7%	+1.4pts

(Million yen)	As of June 30, 2024	As of June 30, 2025	Change
Cash flows from operating activities	1,541	9,655	+8,114 *3
Cash flows from investing activities	-7,605	-11,677	-4,071
Cash flows from financing activities	2,559	-7,267	-9,827

Notes:

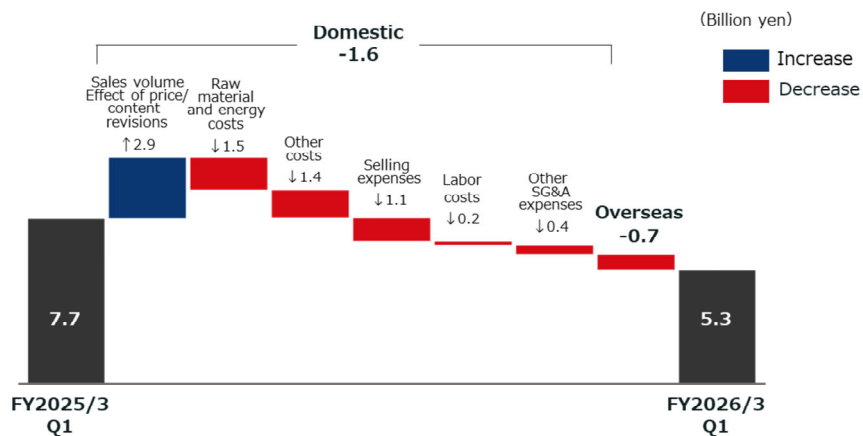
(Million yen)

*1 Current assets: Cash and deposits -16,601

*2 Current liabilities: Provision for bonuses -3,773

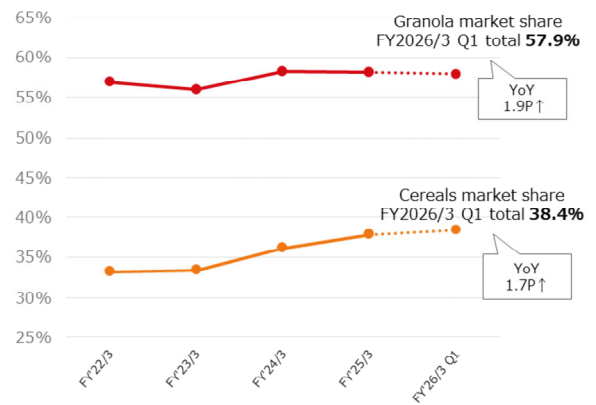
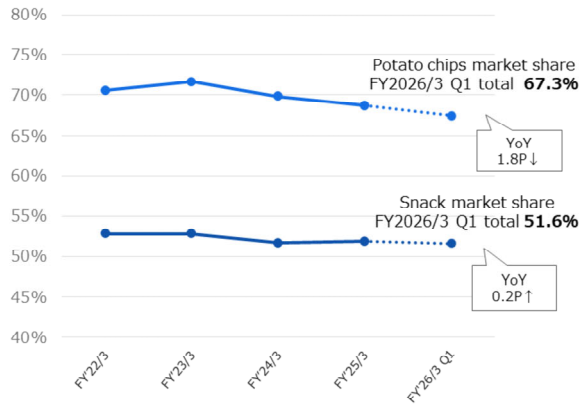
*3 Cash flows from operating activities:
a decrease in accounts receivable included in "Other" +3,230
a decrease in payment of accounts payable - other +2,437

FY2026/3 Q1 : operating profit analysis



Notes: Raw material/energy costs: Imported raw materials (-¥0.4bn), Oil (-¥0.4bn), packaging (-¥0.2bn), energy costs (-¥0.2bn)
 Other costs: Cost increases, including depreciation expenses, due to the launch of Setouchi Hiroshima Factory (-¥0.9bn), Labor cost increase
 Selling expenses: Impact of change in the quarterly recording of promotion expenses (-¥0.4bn) (No impact on full year forecasts)
 Other expenses: Distribution costs (-¥0.3bn)

Domestic market share







































Source: Intage SRI+ based on sales amount (nationwide, all retail formats)

FY2026/3 Q1 total: April 2025 - June 2025
Comparison period: April 2024 - June 2024
FY22/3-FY25/3: April 2021 - March 2025

Snack market share: Total of Calbee and Japan Frito-Lay
Potato chips: Total of potato chips (thick- and thin-sliced), shoestring and kettle types; includes private brand products
Granola: Granola category of Cereals market

Price/content revisions

Effective date	FY'22/3	FY'23/3				FY'24/3		FY'25/3		FY'26/3			
	Jan.-Feb. 2022	Jun.-Jul. 2022	Sep.-Oct. 2022	Nov. 2022	Jun. 2023	Aug.-Oct. 2023	Jun. 2024	Feb. 2025	Apr. 2025	Jun. 2025	Jul. 2025	Sep. 2025	
Target products			 		 	Gift snack Items (partial)	 						
		  	   	 	   		   						   
Revisions	Content: -5% Price: +7-10%	Content: -10% Price: +10-20%	Price: +10-20%	Price: +10-20%	Price: +3-15%	Price: +5-20%	Price: +3-10%	Content: -7-10%	Price: +5-19%	Price: +4-10%	Content: -8%	Price: +5-10%	

Contact details for IR inquiries:
Calbee, Inc. Investor Relations
E-mail: 2229ir@calbee.co.jp
<https://www.calbee.co.jp/en/ir/>

- The Company's fiscal year ends on March 31. The fiscal year ending March 31, 2026 is referred to throughout this report as "FY2026/3 (FY'26/3)," and other fiscal years are referred to in a corresponding manner. References to years not specified as being fiscal years are to calendar years.
- This document contains Calbee's current plans, outlook and strategies. Items which are not historical facts are forecasts pertaining to future performance, and are discretionary and based on information currently available to Calbee. This document does not purport to provide any guarantee of actual results. Actual results may differ significantly from forecasts due to various factors.
- This document also contains unaudited figures for reference purposes only.

FY2026/3 Q1 Results Presentation Q&A

August 1, 2025

Q1 What pace of profit growth will be required from Q2 onward in order to achieve the full-year plan?

The profit level in Q1 may represent a YoY decrease, but we are still progressing according to plan. The domestic market is expected to remain strong from Q2 onwards. While Europe/Americas need to achieve their ambitious targets, any small shortfalls can be offset by strong domestic performance.

Q2 What is the background behind the decline in production efficiency in the U.K. and Indonesia?

Our expanded product portfolio in the U.K. led to a temporary decline in production efficiency but is expected to improve in H2. In Indonesia, profits were squeezed by rising promotion expenses for competitive measures, and the deterioration of costs due to potato and other cost increases. We will continue to respond to the re-entry of major competitors by strengthening our promotion and distribution channels.

Q3 What is the outlook for hitting the targets in the overseas business plan?

While there is some uncertainty in Europe/Americas around the future of U.S. tariffs, recovery measures are being implemented to realize our overall overseas business plan.

Q4 Is the overseas revenue base becoming stronger?

Our most important market is the U.S., with productivity improvements to the Madera factory and insourcing leading to improved profitability. There are still tariff risks, so we will continue to proceed with our insourcing efforts.

The decline in productivity in the U.K. and Indonesia arose during our efforts to grow sales, the top priority of the overseas business. We will continue to respond flexibly to the market and competitive environment as we work to make improvements in H2.

Q5 Domestic sales are strong, but how do you view the market for snacks and potato chips?

Domestic sales remained strong, driving market growth. Potato chips also saw volume growth, continuing their good momentum.

Q6 Domestic business expenses seem to be higher than what was outlined in the full-year plan; are expenses such as production and selling expenses still on track for the full-year?

Although there were some temporary factors that affected expenses in Q1, they were generally in line with the plan. While we may flexibly use sales expenses as necessary to increase sales volume, we are aiming for profits that exceed our full-year plan in the domestic business.

Q7 What is the change in the quarterly recording for promotion expenses?

Approximately 400 million yen of domestic selling expenses are being shifted between financial quarters, mainly between Q1 and Q4. There will be no impact on the full year.

Q8 Are there any weather-related risks to potato procurement?

There are no apparent risks at this stage. Recent precipitation and temperatures in Hokkaido are improving. We will continue to monitor the weather closely.

END