FY2026/3 Q3 Results Presentation Q&A
February 2, 2026

Q1 What is the "suboptimal product mix" that arose in Q3? Is it temporary? Do you expect it to continue?

The sales volume of the profitable *JagaRico* product fell due to constraints on raw ingredients. To offset this, we expanded sales of Cereals and Other snacks, which resulted in a less favorable product mix and lower profitability. We expect this to continue in Q4.

Q2 Will the domestic business be able to achieve a profit increase in Q4?

The 26 billion yen operating profit target set in our revised plan has not changed. While it will continue to be important to monitor potato quality going forward, we believe the target is well-balanced. Although we do not expect the product mix to improve, from February we will lift our restrictions on sales promotions and aim to hit our 26 billion yen operating profit target by exceeding the sales targets outlined in our revised plan.

Q3 Do you expect any change in the potato situation by the time the sales promotion restrictions are lifted?

Potato yields will be largely as expected, but quality factors such as relative density are projected to exceed expectations. That is why we decided to lift restrictions on sales promotions.

Q4 What is the context for the forecast that profit will increase in Q4?

In the domestic business, we are expecting profit to increase in as depreciation expenses at the Setouchi Hiroshima Factory run their course and operations gradually ramp up. In addition, we anticipate that continued cost reductions in areas like marketing expenses, the reversal of bonus provisions following the revision of earnings forecasts, and the impact of changes from the quarterly recognition of sales promotion expenses will contribute to increased profit.

In the overseas business, the momentum from Q3 will continue. There is also a reversal effect from FY2025/3 Q4. Overall, overseas performance is expected to meet the level outlined in our revised plan.

Q5 Will profit increase next fiscal year?

Our plan for the next fiscal year is currently being developed; we cannot share specific figures. For the domestic business, we anticipate increased production at the Setouchi Hiroshima Factory, which began operations in phases this fiscal year, will gradually improve productivity. Overseas, we aim to increase profit in line with sales growth and improve profitability in the UK and Indonesia, which were challenging areas this fiscal year. We will also factor in contributions to sales and profit from the agreement to serve as exclusive distributor for Perfetti Van Melle, which was announced on January 29.

Q6 What are your thoughts on price/content revisions in the next fiscal year?

We will offset expected increases in variable costs (such as raw ingredients) in the next fiscal year through price/content revisions as appropriate. Products with poor profit margins will be reviewed individually as needed to ensure proper adjustments are made.

Q7 What are your thoughts on Calbee's declining market share amid its gradual price increases?

Our understanding is that our sales are not at a structural disadvantage.