



[Notes of caution]

This documents is an English translation of the Japanese original. In the event of any differences or inconsistencies between the Japanese and English versions, the Japanese language version shall take precedence.

Glico Group Financial Results For the Second Quarter of the Fiscal Year Ending December 31, 2019

Ezaki Glico Co., Ltd.

Securities Code: 2206

November 13, 2019

I. FYE December 2019 Second Quarter Earnings Report and Progress Report on FYE December 2019 Initiatives	P. 3 – P.18
II. Overseas Business Earnings Report	P. 19 – P. 24
III. FYE December 2019 Full-Year Earnings Forecast	P. 25 – P. 28
(Supplemental Materials)	P. 29 – P. 31

I. FYE December 2019 Second Quarter Earnings Report and Progress Report on FYE December 2019 Initiatives

Summary for the Second Quarter FYE December 2019



1. Domestic performance remained severe, as consolidated net sales fell slightly by 0.2% YoY.

- During the second quarter of FYE December 2019, the mainstay brands “Pocky” and “Pretz” improved, but consolidated net sales fell slightly by 0.2% as a result of struggling performance by “BifiX Yoghurt”, “Cafe Ole”, and other Milk and Dairy Products as well as Ice Cream, which contended with a cool summer.

2. The Overseas segment's net sales grew with a 5% increase YoY (based on local currencies).

- Continued aggressive marketing measures proved successful overseas, and the overseas segment's net sales grew continued to grow at 5% compared to the previous year based on local currencies. ASEAN and U.S.A. maintained double-digit growth. However, sales growth in China slowed due to increases in price.

3. The Other segment, including the health business category, continued to post increased revenue (+ 3.9% YoY).

- The health business category continued to post increased revenue primarily due to the contribution of “Almond Koka”, which was attributable to the creation of a new market (almond milk market). However, the ice cream product “SUNAO” struggled, in part due to the cool summer.

Status of Net Sales and Income



- Net sales: Although overseas business achieved increased revenue, domestic business continued to struggle. There was a 0.2% decrease in revenue compared to the previous year throughout the consolidated Group.
- Operating income: There was a 16.3% decrease compared to the previous year throughout the consolidated Group that was attributable to the aggressive SGA cost investment overseas and lower profit in the Ice Cream segment in Japan.

(Unit: 100 million yen)

	2Q FYE Mar. 2019 Cum Total	2Q FYE Dec. 2019 Cum Total			
	Results	Forecast	Results	Change from Previous Period (%)	Change from Forecast (%)
Net sales	1,860	1,900	1,855	-0.2	-2.4
Operating income	129	115	108	-16.3	-6.3
Ordinary income	147	125	117	-20.1	-6.0
Net income	99	78	88	-11.6	+12.6
Operating profit margin (%)	6.9	6.1	5.8	-	-

*2Q FYE December 2019 cumulative totals are cumulative totals for April to September in the case of domestic business and January to June in the case of overseas business (the same applies to all pages).

Status of Operating Income



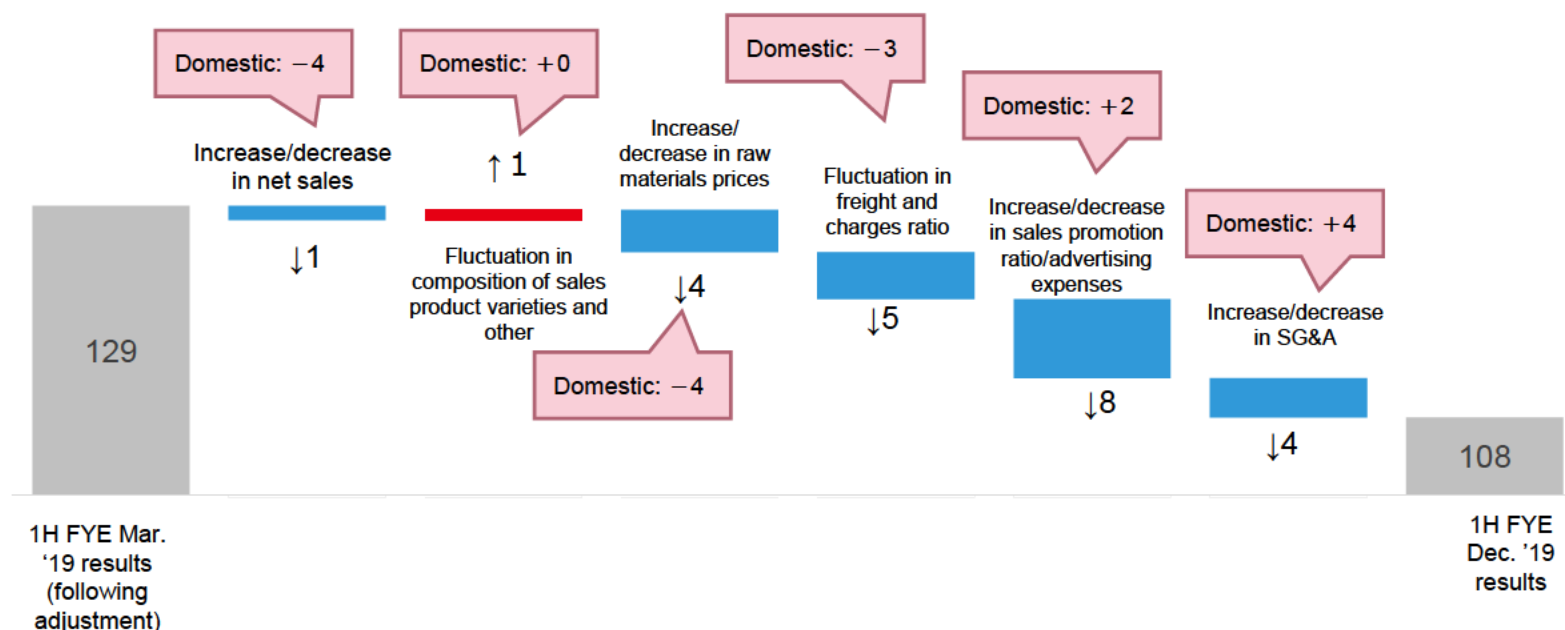
(Unit: 100 million yen)

	2Q FYE Mar. 2019 Cum Total		2Q FYE Dec. 2019 Cum Total		
	Results	Sales Ratio (%)	Results	Sales Ratio %	Change from Previous Period (%)
Net sales	1,860	100.0	1,855	100.0	-0.2
Cost of sales	975	52.4	976	52.6	+0.1
Gross profit	884	47.6	879	47.4	-0.6
Freight and charges	161	8.6	165	8.9	+2.7
Sales promotion	283	15.2	290	15.6	+2.6
Advertising expenses	74	4.0	74	4.0	-0.1
Salaries and benefits	142	7.6	143	7.7	+0.5
Expenses and depreciation	96	5.2	99	5.4	+3.4
SGA total	756	40.7	771	41.6	+2.0
Operating income	129	6.9	108	5.8	-16.3

Factors of Increases (Decreases) in Operating Income

Change from previous period

- Revenues decreased by 400 million yen due to the effects of raw material price fluctuations in Japan.
- Overseas business revenues decreased by 800 million yen in sales promotion ratio/advertising expenses due to continued aggressive investment.



Impact of Raw Material Price Fluctuations on Costs



■ 2Q FYE Dec. 2019 Cumulative Total (Result)

Although prices decreased for oils and fats and sugars, overall procurement costs for the Group rose by 400 million yen due to increased prices for paper containers, cardboard, and unprocessed milk.

(Unit: 100 million yen)

	2Q FYE Dec. 2019 Cumulative Total (Result)
	Change from previous period*1
Group total (including overseas subsidiaries)	+ 4

(Note) Including impact of fluctuations in foreign exchange rates

* $(1H\ FY\ 2019\ actual\ unit\ price - 1H\ FY\ 2018\ actual\ unit\ price) \times 1H\ FY\ 2019\ actual\ volume\ used$

Status of Net Sales by Segment



- The domestic segment had a year-on-year decrease of 0.9% despite improvement in the confectionery business due to continuing severe results in Milk and Dairy Products.
- The overseas segment continued to post an increase from the previous period (5% growth based on local currencies) despite a slowdown in growth in China due to higher prices for Glico products.

(Unit: 100 million yen)

	2Q FYE Mar. 2019 Cum Total	2Q FYE Dec. 2019 Cum Total			
	Results	Forecast	Results	Change from Previous Period (%)	Change from Forecast (%)
Total	1,860	1,900	1,855	-0.2	-2.4
Confectioneries and Food Products	431	438	436	+1.3	-0.3
Confectioneries	335	342	345	+2.9	+1.0
Food products	95	96	91	-4.5	-5.1
Ice Cream	556	568	554	-0.4	-2.6
Milk and Dairy Products	477	455	456	-4.4	+0.3
Food Ingredients	58	59	57	-2.0	-3.0
Overseas business	242	267	253	+4.3	-5.3
Other	95	113	99	+4.0	-12.5

Reference: The following exchange rates are used.

	2Q FYE Mar. 2019 Cum Total (Results)	2Q FYE Dec. 2019 Cum Total (Forecast)	2Q FYE Dec. 2019 Cum Total (Results)
China (CNY)	1 CNY = 16.66 JPY	1 CNY = 16.00 JPY	1 CNY = 16.22 JPY
Thailand (THB)	1 THB = 3.33 JPY	1 THB = 3.30 JPY	1 THB = 3.47 JPY
U.S.A (USD)	1 USD = 110.54 JPY	1 USD = 111.00 JPY	1 USD = 110.12 JPY

Status of Operating Income by Segment



- The domestic segment had a year-on-year decrease in operating income of 600 million yen, despite improvement in the confectionery business, due to a slowdown in Ice Cream.
- The overseas segment had a year-on-year decrease of 1.5 billion yen in operating income that was attributable to aggressive SGA expenses investment and a slowdown in sales growth due to price increases in China. .

(Unit:100 million yen)

	2Q FYE Mar. 2019 Cum Total	2Q FYE Dec. 2018 Cum Total			
	Results	Forecast	Results	Change from Previous Period	Change from Forecast
Total	129	115	108	-21	-7
Confectioneries and Food Products	22	18	22	+0	+4
Confectioneries	19	15	22	+4	+7
Food products	3	4	-0	-3	-4
Ice Cream	68	76	56	-12	-20
Milk and Dairy Products	19	19	18	-0	-1
Food Ingredients	5	5	5	-0	+0
Overseas business	14	4	-1	-15	-5
Other	0	1	1	+0	-0
Adjustment	1	-8	7	+6	+15

Reference: The following exchange rates are used.

	2Q FYE Mar. 2019 Cum Total (Results)	2Q FYE Dec. 2019 Cum Total (Forecast)	2Q FYE Dec. 2019 Cum Total (Results)
China (CNY)	1 CNY = 16.66 JPY	1 CNY = 16.00 JPY	1 CNY = 16.22 JPY
Thailand (THB)	1 THB = 3.33 JPY	1 THB = 3.30 JPY	1 THB = 3.47 JPY
U.S.A (USD)	1 USD = 110.54 JPY	1 USD = 111.00 JPY	1 USD = 110.12 JPY

Domestic Business: Situation by Category



Category	1H FYE Dec. 2019	
	Net sales (% of previous period)	
Chocolate	19.5 billion yen (+4.9%)	Year-on-year growth was maintained in the first half, in part due to strong performance by the mainstay product "Pocky" red box. Health-oriented products, such as "LIBERA" and "GABA", and "Kobe Roasted Chocolate", etc., also grew.
Cookies	13.4 billion yen (+2.0%)	The mainstay brand "Pretz" achieved year-on-year growth in the first half as a result of the first renewal of the basic flavor in ten years and strong sales of the "Cho-Karikari" series sub-brand.
Ice Cream	55.4 billion yen (−0.4%) *1	Although "Ice no mi", "Panapp", etc., were strong, "PAPICO", "Bokujo Shibori", "Giant Cone", and other products showed year-on-year decreases due to the effects of lower sales attributable to the cool summer.
Yoghurt	10.6 billion yen (−11.5%) *2	Revenue decreased compared to the previous year due to declines for "BifiX yoghurt", "Apple Yoghurt", and other mainstay brands.
Drinking Milk	14.1 billion yen (−12.4%) *2	The mainstay brand "Cafe Ole" struggled, and revenue showed a year-on-year decrease.
Infant Formula	2.5 billion yen (+18.0%)	Net sales for the "Infant Milk" category as a whole produced a year-on-year increase in revenue, in part due to the contribution of liquid milk.
Health	6.8 billion yen (+2.8%)	"Almond Koka" continued to show strong performance, leading to a year-on-year increase in revenue.

*1: Includes net sales of ice cream wholesale, etc.

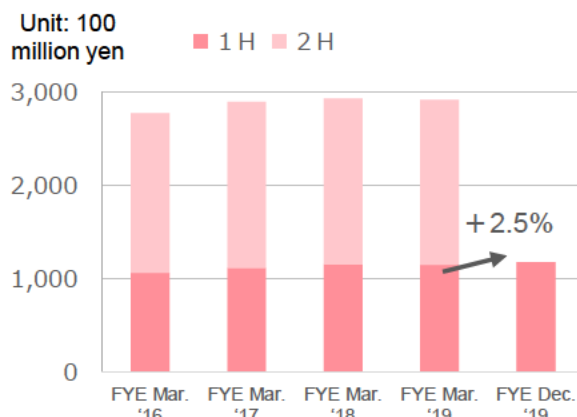
*2: "Infant drinks" included in Yoghurt and Drinking Milk were moved to Fruit Juices, Carbonated Drinks.

Domestic Business: Situation by Category (Chocolate/Cookies)

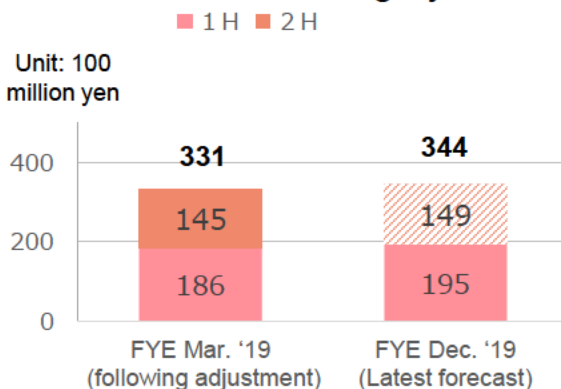


Chocolate category

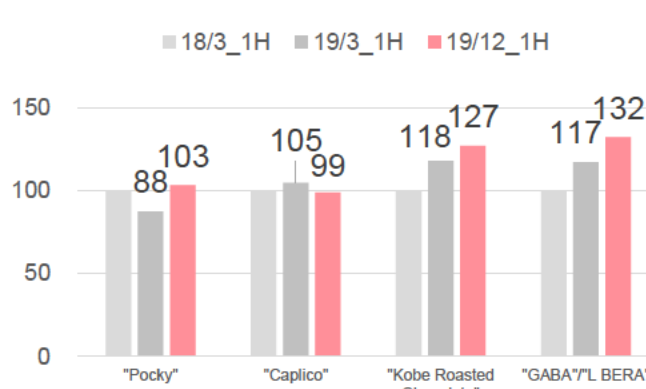
Chocolate Market
(Intage SRI)



Result and Forecasted Net Sales
- Chocolate category -

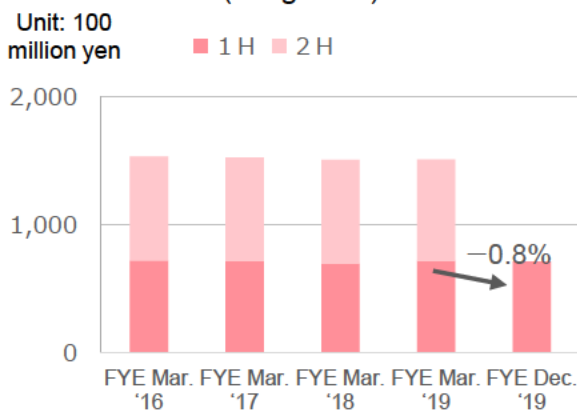


Net Sales by Brand
(When 1H FYE March 2018 net sales are set as 100)

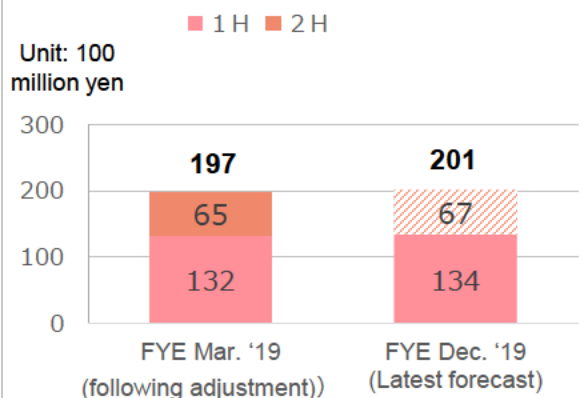


Cookies category

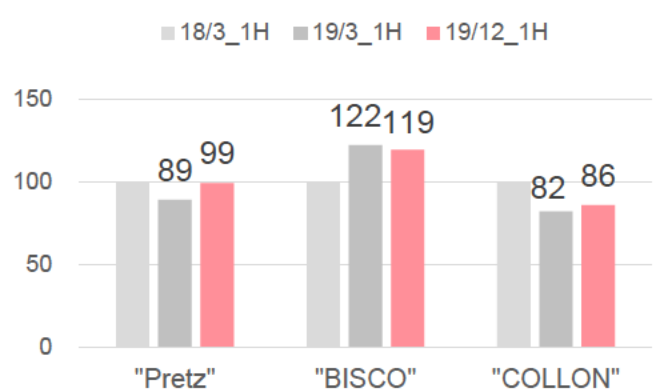
Cookie Market
(Intage SRI)



Result and Forecasted Net Sales
- Cookies category -



Net Sales by Brand
(When 1H FYE March 2018 net sales are set as 100)

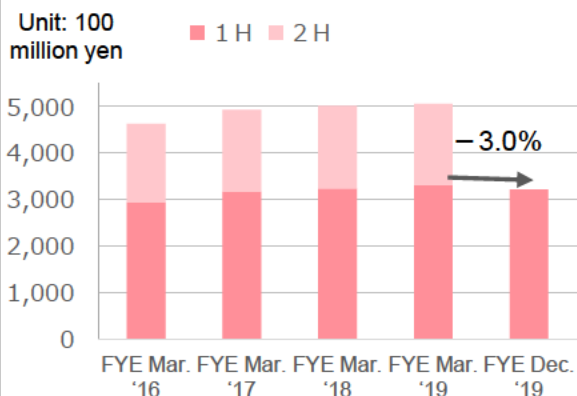


Domestic Business: Situation by Category (Ice Cream/Yoghurt)

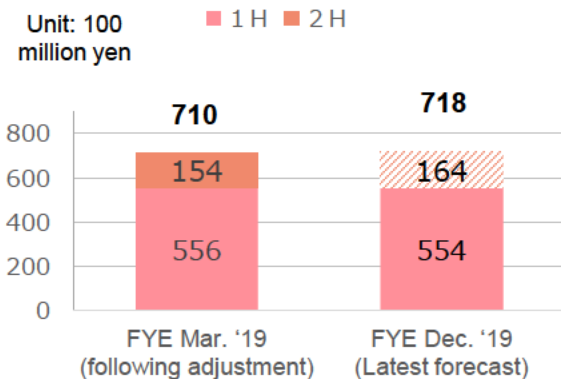


Ice Cream category

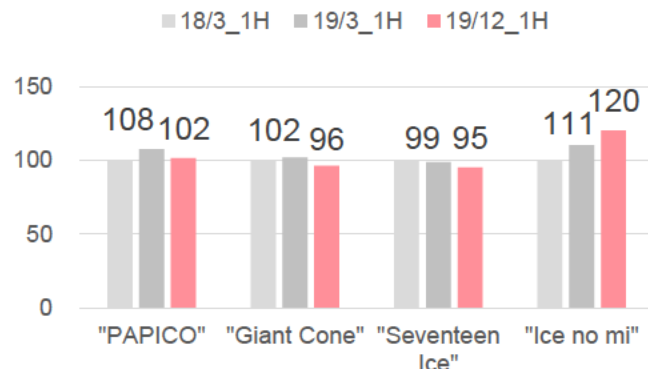
Ice Cream Market
(Ice Cream Marketing News)



Result and Forecasted Net Sales
- Ice Cream category -

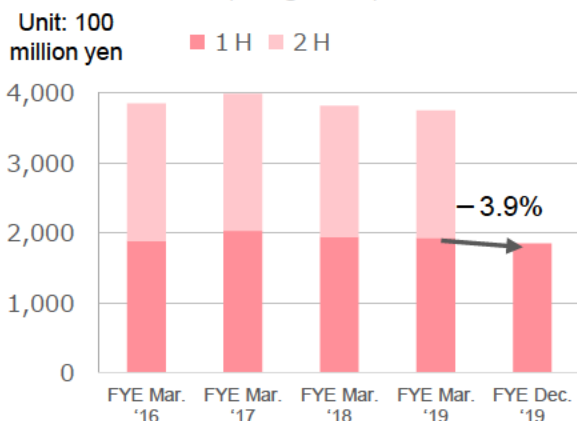


Net Sales by Brand
(When 1H FYE March 2018 net sales are set as 100)

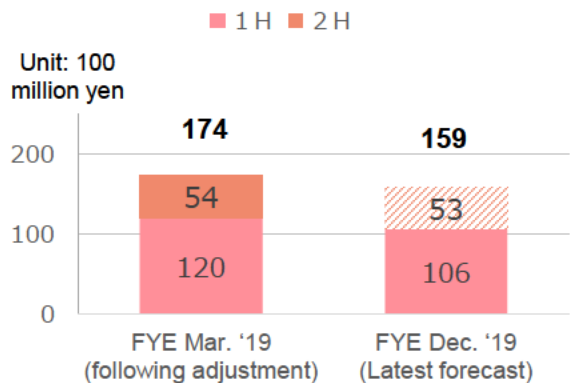


Yogurt category

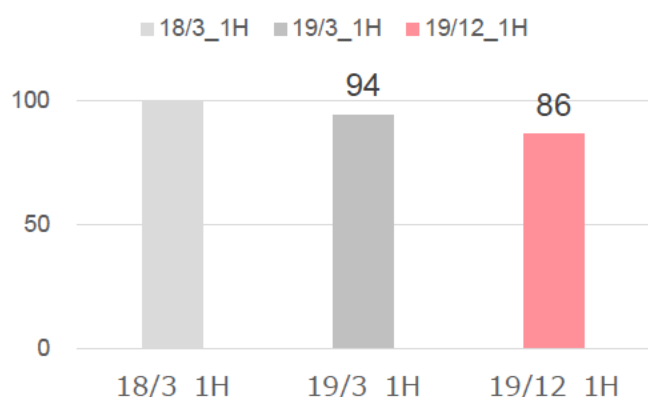
Yoghurt Market
(Intage SRI)



Result and Forecasted Net Sales
- Yogurt category -



BifiX Yoghurt Net Sales
(When 1H FYE March 2018 net sales are set as 100)

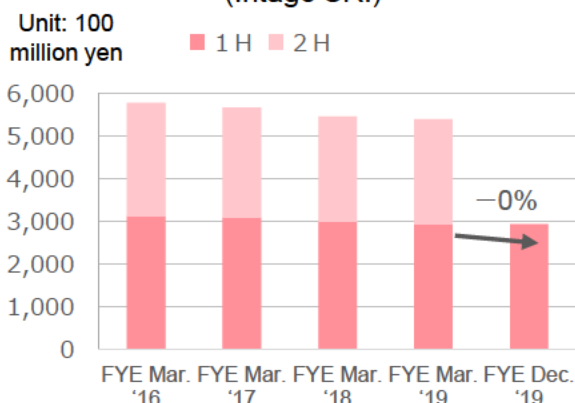


Domestic Business: Situation by Category (Drinking Milk/Infant Formula)

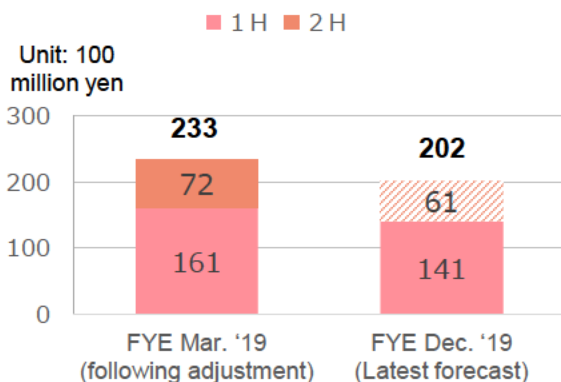


Drinking milk category

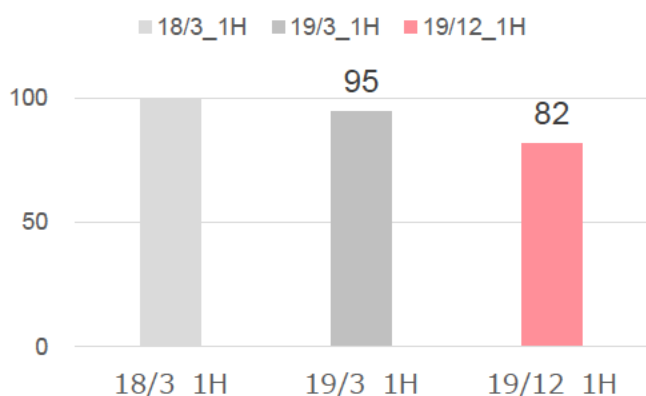
Drinking Milk Market (Intage SRI)



Result and Forecasted Net Sales - Drinking milk category -

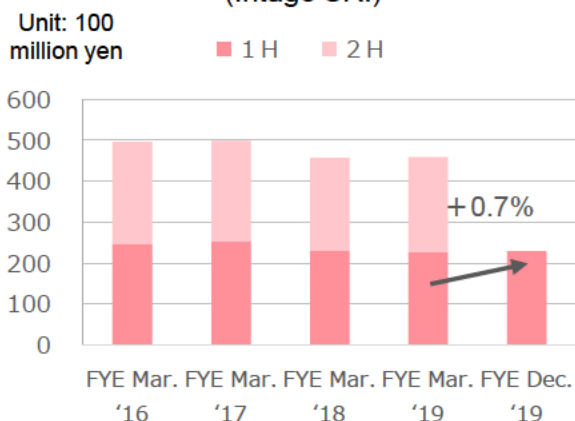


Cafe Ole Net Sales (When 1H FYE March 2018 net sales are set as 100)

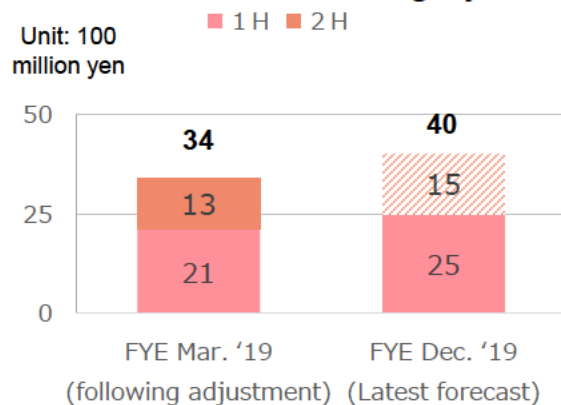


Infant Formula category

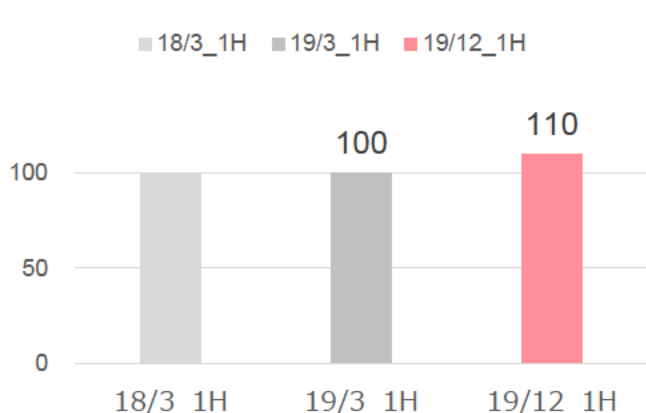
Infant Formula Market (Intage SRI)



Result and Forecasted Net Sales - Infant Formula category -



Icreo (Infant Formula) Net Sales (When 1H FYE March 2018 net sales are set as 100)



Three Mainstays of Glico's Growth Strategy

1. Rebuild by concentrating on core brands and aiming for continuous growth of long-selling brands.
2. Achieve continuous growth of sales of added-value health brands.
3. “Change common sense” and create and expand new markets to resolve social issues.

Activities up to the Second Quarter of FYE December 2019 (Part 1)



Concentration on core brands: Rebuilding to achieve continuous growth of long-selling brands

1. Fundamental product renewal of base SKU

V-shaped recovery with
“Pretz” flagship 3KSU



2. Marketing innovation of base SKU

“Pretz”: Rakutabe Pocket
“Pocky”: Share Happy Stand
Continued double-digit growth
for “Pocky”



3. Acceleration of base + added health value innovation

“BISCO Kobashi Almond”
“Cafe Ole Yuru-Reset and Yuru-Release”
“PAPICO Mainichi Oishiku Plus”



Activities up to the Second Quarter of FYE December 2019 (Part 2)



Achieve continuous growth of sales of added-value health brands.

- 1) “GABA for Sleep”
- 2) Continued growth of “Almond Koka”
- 3) Sales of new sub-brand “Nameraka Pudding” under “SUNAO” name



<Almond & Walnut>



<Caffe Almond Latte>



Activities up to the Second Quarter of FYE December 2019 (Part 3)



“Change common sense” and create and expand new markets to resolve social issues.

Winner in the 13th Kids Design Award's “Designs for Comfortably Raising Children” category (organizer: Kids Design Association; support: Ministry of Economy, Trade and Industry; Cabinet Office; Consumer Affairs Agency)



- Factors leading to selection
- It is the first liquid milk for infants sold in Japan designed to help women participate in society and reduce the burden of childcare.
 - The package design for “Icreo Akachan Milk” incorporates a paper carton for everyday use.
 - Consumers who use “Icreo Akachan Milk” love the fact that it reduces stress!

Lower
childcare
burden



Winner of the gold prize in the “New Product/Set Division” of the “Emergency Foods Awards® 2019” sponsored by the General Disaster Prevention Association



- Reasons for selection
- The development of liquid milk for infants from the application of revolutionary processing technology alleviates worry in emergencies.
 - The paper carton is not only easy to dispose of but also easy to use with a small size for drinking without waste.
 - It has superior taste and quality (whiteness) that eliminate stress for both babies and mothers.

Disaster
preparedness



Winner of the Grand Prix award in the Childcare Goods category of the 1st Mamatas Award

Recognized points

The liquid milk that all Japanese mothers have been waiting for. It dramatically reduces the amount of things to carry when going out. The fact that it can be consumed at room temperature makes it very convenient. And it brings peace of mind should there be a supply shortage in a disaster!

Lower
childcare
burden

Disaster
preparedness

Start of sales at 60 service areas and parking areas of West Nippon Expressway Company



Lower
childcare
burden

A collaborative program with Kinki Nippon Tourist Kansai Co., Ltd. Sales of a travel pack of liquid milk called “Akachan to Issho no Tabi” (traveling with baby)



Launch of the “Akachan Bosai Michi-no-Eki Project” as an initiative for disaster preparedness at Michi-no-Eki

Lower
childcare
burden

Disaster
preparedness

The “Akachan Bosai Michi-no-Eki Project” was launched as a disaster-preparedness initiative to “protect babies’ lives” through Michi-no-Eki roadside rest areas in all parts of Japan.

It was planned by Aso City, Kumamoto Prefecture, a community that was heavily damaged in the Kumamoto Earthquakes. One of the project’s activities is the placement of moveable private baby care rooms called “mamaro” at Michi-no-Eki. The rooms were developed and are operated by Trim Inc. (president: Yusuke Hasegawa).



Workshop for considering new possibilities for liquid milk to support disaster preparedness and child-rearing

In September, one year after the Hokkaido Eastern Iburi Earthquake, Glico held a media workshop in Sapporo, Hokkaido, on the current state and future prospects of liquid milk.



II. Overseas Business Earnings Report

Overseas Business: Region-Specific Net Sales and Operating Income



◆ China

(Unit: 1 million CNY)

	FYE Dec. 2018		FYE Dec. 2019			FYE Dec. 2019		
	2Q Cum Total	FY	2Q Cum Total			FY		
	Results	Results	Forecast	Results	Change from previous period	Forecast	Latest Forecast	Change from previous period
Net sales	768	1,598	863	785	+2.2%	1,790	1,642	+2.7%
Operating income	36	78	44	-2	-	99	71	-9.3%

◆ ASEAN*

(Unit: 1 million USD)

	FYE Dec. 2018		FYE Dec. 2019			FYE Dec. 2019		
	2Q Cum Total	FY	2Q Cum Total			FY		
	Results	Results	Forecast	Results	Change from previous period	Forecast	Latest Forecast	Change from previous period
Net sales	50	112	64	62	+22.7%	140	140	+24.9%
Operating income	-1	-13	-5	-3	-	-11	-9	-

◆ U.S.A.* Results of Ezaki Glico USA

(Unit: 1 million USD)

	FYE Dec. 2018		FYE Dec. 2019			FYE Dec. 2019		
	2Q Cum Total	FY	2Q Cum Total			FY		
	Results	Results	Forecast	Results	Change from previous period	Forecast	Latest Forecast	Change from previous period
Net sales	26	57	28	30	+16.8%	63	64	+12.8%
Operating income	8	17	8	10	+18.1%	16	18	+6.8%

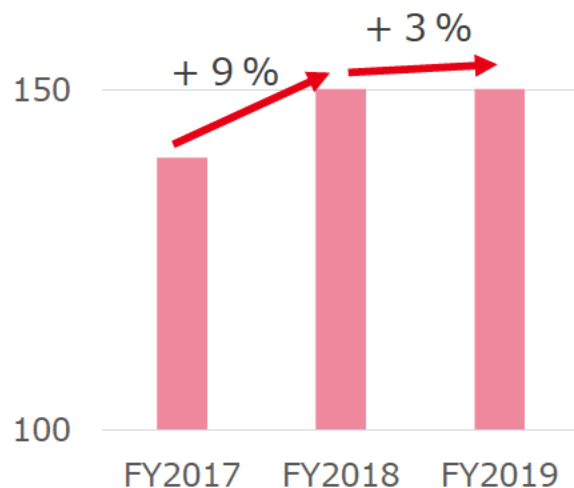
*Concerning FYE December 2018 data for ASEAN (net sales and operating income), figures were converted with the FYE December 2019 initial plan rate for each country.

*Exports from Japan to Hong Kong and exports to Vietnam will be included in China and ASEAN, respectively, beginning in FYE December 2019.

- In the first half of 2019, China's cookie market grew 3% compared to the previous year. Glico's net sales grew roughly at the same pace as the market at +2.2% compared to the previous year based on local currencies.
- Pejoy met with a negative reaction from retail due to the overlapping timing of a price increase implemented in April of this year and the government's lowering of Value Added Tax. Additionally, the reaction to the price increase from some retailers and small/medium wholesalers was larger than anticipated, and thus sales fell from the initial forecast immediately after the price increase.
- However, proactive negotiations with retailers and wholesalers that reacted to the price increase resulted in a recovery of product share to the pre-increase level.

China's first-half cookie market size
(offline/EC)

(Unit: 100 million CNY)



Development of channels for new product
“Huaguo Pejoy” at KA and convenience stores



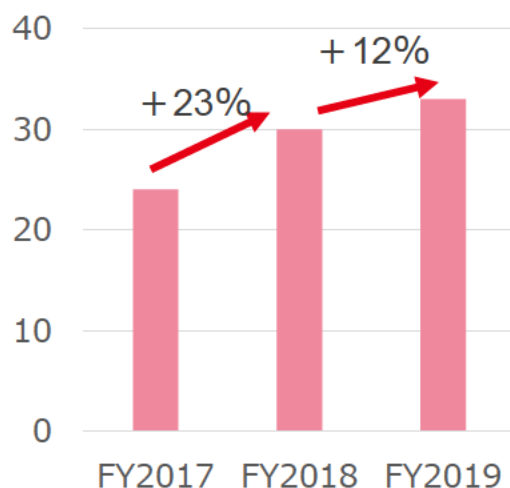
Collaboration between “Pejoy” and
a major stationery manufacturer



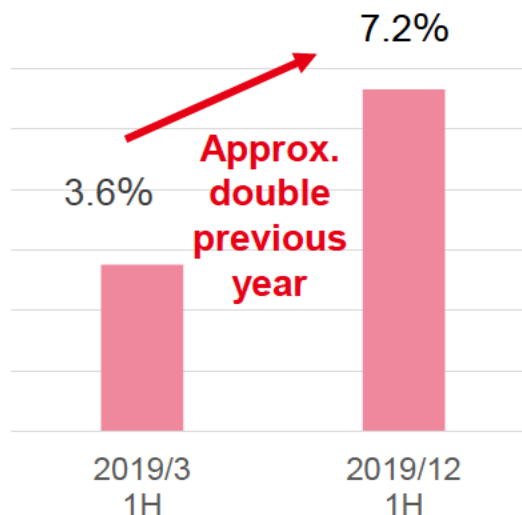
- In the first half of 2019, the EC market in China's cookie market grew 12% compared to the previous year.
- Glico engaged in active advertising aimed at Alibaba's Super Brand Day and sales events organized by JD.com. This led to more touchpoints with customers and stronger brand equity.
- Glico's EC business roughly doubled compared to the previous year. Glico's EC net sales ratio rose to 7.2%.

China's first-half cookie market size (EC)

(Unit: 100 million CNY)



Glico's EC net sales and EC ratio



Super Brand Day, an event organized by the major Chinese EC company Alibaba

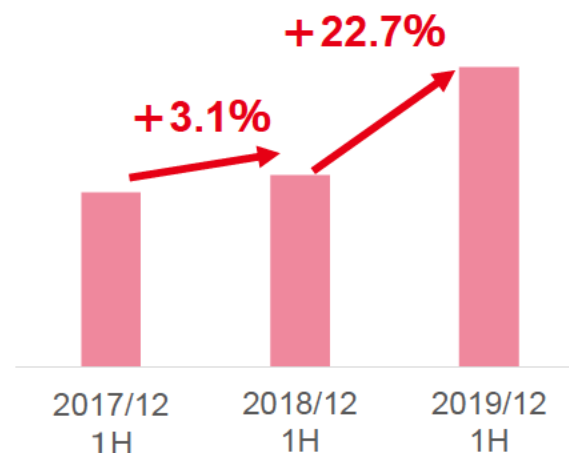
("Huaguo Pejoy" webpage)



- As it had done the previous year, the company continued aggressive marketing investment to solidify its business foundation during FYE December 2019. Although net sales for the first half of FYE December 2018 rose 3.1% year on year, net sales for the first half of FYE Dec. 2019 grew more substantially at 22.7%.
- In the case of Indonesia, in particular, net sales increased by 78% compared to the previous year, in part due to the effects of continuing active marketing investment that included television commercials combined with having new distributors handle distribution.

Net sales in ASEAN

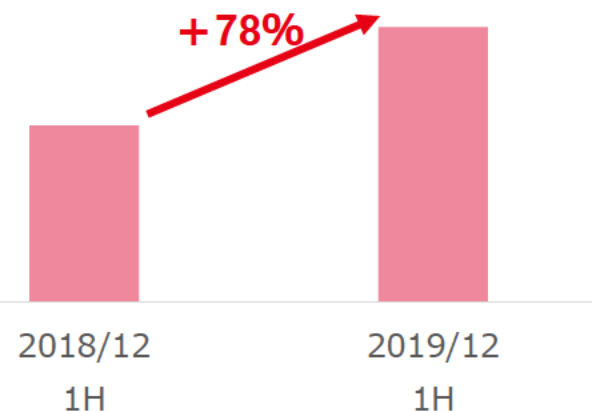
(Includes powdered milk in Vietnam)



TV commercials shown in Indonesia



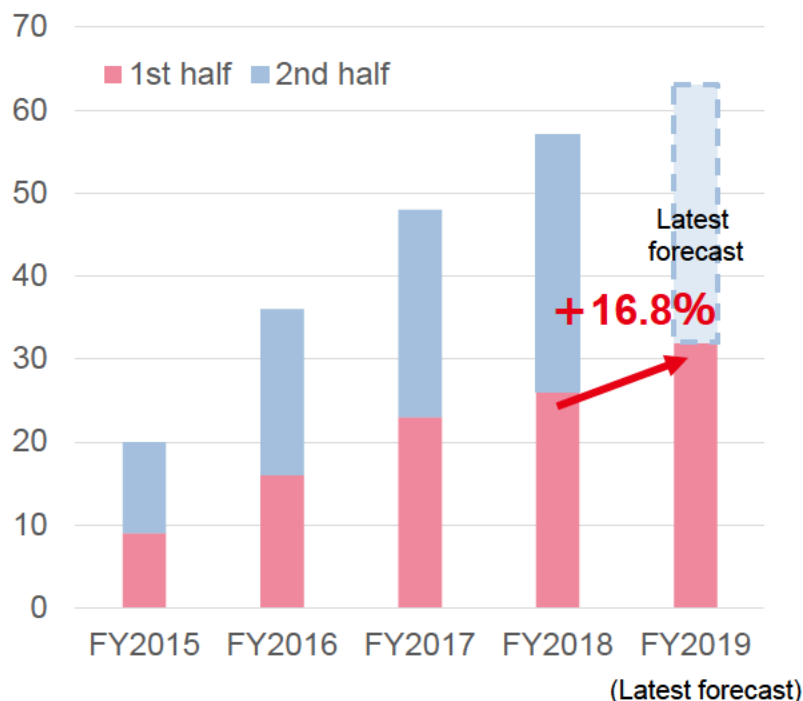
First-half confectionery net sales in Indonesia



- During the first half of FYE December 2019, net sales increased by 16.8% year on year to 30 million USD based on local currencies, as Ezaki Glico USA, Glico's local subsidiary in the U.S. confectionery business, continued to expand distribution to American retailers.
- The company has been promoting digitalization and other aggressive marketing activities since last fiscal year. Recognition of "Pocky" is growing in the United States as a result.
- Looking at membership store-based channels, high distribution rates and a certain level of turnover are being maintained, particularly at Costco.

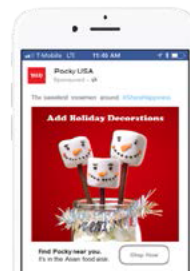
(1) Changes in Ezaki Glico USA's net sales

(Unit: 1 million USD)



(2) Marketing activities

Facebook ad



Website directing visitors to stores and shelves that stock "Pocky"



(3) Channel development

Display at a Costco



Number of stores receiving shipments in April 2019: 425



Number of stores receiving shipments in June 2019: 457
(addition of 32 stores)

III. FYE December 2019 Full-Year Earnings Forecast

Full-Year Plan and Forecast



- Net sales: We forecast a 0.4% increase in revenue year on year throughout the consolidated Group. However, we forecast that revenue will fall below the plan.
- Operating income: We forecast that operating income will be in accordance with the initial plan, as increased profits from Confectioneries and Adjustment will make up for decreased revenues in Other segment.

(Unit: 100 million yen)

	FYE Mar. 2019 (full year)	FYE Dec. 2019 (full year)			
	Results (following adjustment)	Forecast	Latest Forecast	Change from Previous Period (%)	Change from Forecast (%)
Net sales	2,848	2,920	2,860	+0.4	-2.1
Operating income	159	162	162	+1.6	0
Ordinary income	184	176	176	-4.5	0
Net income	119	120	120	+1.0	0
Operating profit margin (%)	5.6	5.5	5.7	-	-

Net Sales Forecast by Segment



- Net sales are forecasted to surpass the previous year in the Confectionery, Ice Cream, Overseas, and Other segments.
 - Net sales are adjusted downward vis-à-vis the plan in consideration for the effects of slower sales growth caused by price increases in China.
- (Unit: 100 million yen)

	FYE March 2019 (full year; following adjustment)	FYE Dec. 2019 (full year) *			
	Results	Forecast	Latest Forecast	Change from Previous Period (%)	Change from Forecast (%)
Total	2,848	2,920	2,860	+0.4	-2.1
Confectioneries and Food Products	705	721	711	+0.9	-1.4
Confectioneries	555	568	568	+2.3	0
Food products	150	153	143	-4.5	-6.6
Ice Cream	710	728	718	+1.0	-1.4
Milk and Dairy Products	697	657	666	-4.4	+1.4
Food Ingredients	85	85	84	-0.7	-1.0
Overseas business	514	567	535	+4.1	-5.6
Other	138	162	146	+5.9	-10.1

*Comparison with FYE March 2019 results (following adjustment)

Reference: The following exchange rates are used.

	FYE Mar. '19 (results)	FYE Dec. '19 (forecast)	FYE Dec. '19 (latest forecast)
China (CNY)	1 CNY = 16.16 JPY	1 CNY = 16.00 JPY	1 CNY = 15.75 JPY
Thailand (THB)	1 THB = 3.41 JPY	1 THB = 3.30 JPY	1 THB = 3.50 JPY
U.S.A (USD)	1 USD = 111.00 JPY	1 USD = 111.00 JPY	1 USD = 109.05 JPY

Operating Income Forecast by Segment



- Operating income is forecasted to fall below the plan in all segments except Confectioneries and Milk and Dairy Products.
- Major factors in the decreased revenues are difficulty in Ice Cream attributable to the cool summer and overseas slowing sales growth due to price increases in China. (Unit: 100 million yen)

	FYE March 2019 (full year; following adjustment)	FYE Dec. 2019 (full year) *			
	Results	Forecast	Latest Forecast	Change from Previous Period	Change from Forecast
Total	159	162	162	+3	0
Confectioneries and Food Products	49	54	52	+3	-2
Confectioneries	45	48	48	+3	0
Food products	4	6	4	+0	-2
Ice Cream	71	80	64	-7	-16
Milk and Dairy Products	26	24	26	-0	+2
Food Ingredients	8	8	7	-1	-1
Overseas business	13	14	12	-2	-2
Other	0	2	1	+1	-1
Adjustment	-8	-21	-0	+8	+20

*Comparison with FYE March 2019 results (following adjustment)

Reference: The following exchange rates are used.

	FYE Mar. '19 (results)	FYE Dec. '19 (forecast)	FYE Dec. '19 (latest forecast)
China (CNY)	1 CNY = 16.16 JPY	1 CNY = 16.00 JPY	1 CNY = 15.75 JPY
Thailand (THB)	1 THB = 3.41 JPY	1 THB = 3.30 JPY	1 THB = 3.50 JPY
U.S.A (USD)	1 USD = 111.00 JPY	1 USD = 111.00 JPY	1 USD = 109.05 JPY

TTM Currency Rate

		USD	EUR	THB	CNY	100KRW	100IDR
<u>2016</u>	3/31	112.68	127.70	3.19	17.39	9.86	0.85
	6/30	102.91	114.39	2.93	15.46	8.96	0.79
	9/30	101.12	113.36	2.91	15.14	9.17	0.78
	12/31	116.49	122.70	3.24	16.76	9.68	0.87
<u>2017</u>	3/31	112.19	119.79	3.26	16.29	10.04	0.84
	6/30	112.00	127.97	3.29	16.49	9.81	0.84
	9/30	112.73	132.85	3.38	16.96	9.89	0.84
	12/31	113.00	134.94	3.45	17.29	10.62	0.84
<u>2018</u>	3/31	106.24	130.52	3.40	16.92	9.99	0.78
	6/30	110.54	127.91	3.33	16.66	9.88	0.77
	9/30	113.57	132.14	3.50	16.50	10.23	0.76
	12/31	111.00	127.00	3.41	16.16	9.94	0.77
<u>2019</u>	3/31	110.99	124.56	3.49	16.47	9.80	0.78
	6/30	107.79	122.49	3.50	15.69	9.33	0.77
	9/30	107.92	118.02	3.53	15.13	8.99	0.76
	12/31						

Net Sales by Category

(Unit:100 million yen)

Segment	Category	FYE March 2019 results (following adjustment)	FYE Dec. 2019				*
		Results	Forecast	Latest Forecast	Change from previous period %	Change from Forecast (%)	
Confectioneries and Food Products	Chocolate (including "Pocky")	331	354	344	+ 3.9	- 3.0	
	Cookies (including "Pretz")	197	187	201	+ 1.6	+ 7.2	
	Food products	150	153	143	- 4.5	- 6.6	
	Other	27	27	24	- 11.8	- 11.3	
	Total	705	721	711	+ 0.9	- 1.4	
Ice Cream	Ice cream, wholesale subsidiaries	710	728	718	+ 1.0	- 1.4	
	Total	710	728	718	+ 1.0	- 1.4	
Milk and Dairy Products	Yoghurt	174	158	159	- 8.7	+ 0.2	
	Drinking milk	233	192	202	- 13.3	+ 5.4	
	Fruit juices, carbonated drinks	175	185	178	+ 1.6	- 3.9	
	Western confections	76	74	81	+ 7.6	+ 9.8	
	Infant formula	34	43	40	+ 17.3	- 6.2	
	Other	5	5	6	+ 27.3	+ 24.0	
	Total	697	657	666	- 4.4	+ 1.4	
Food Ingredients	Food Ingredients	85	85	84	- 0.7	- 1.0	
	Total	85	85	84	- 0.7	- 1.0	
Overseas	Overseas subsidiaries, export	514	567	535	+ 4.1	- 5.6	
	Total	514	567	535	+ 4.1	- 5.6	
Other	Office glico, Health Business, etc.	138	162	146	+ 5.9	- 10.1	
	Total	138	162	146	+ 5.9	- 10.1	
Total		2,848	2,920	2,860	+ 0.4	- 2.1	

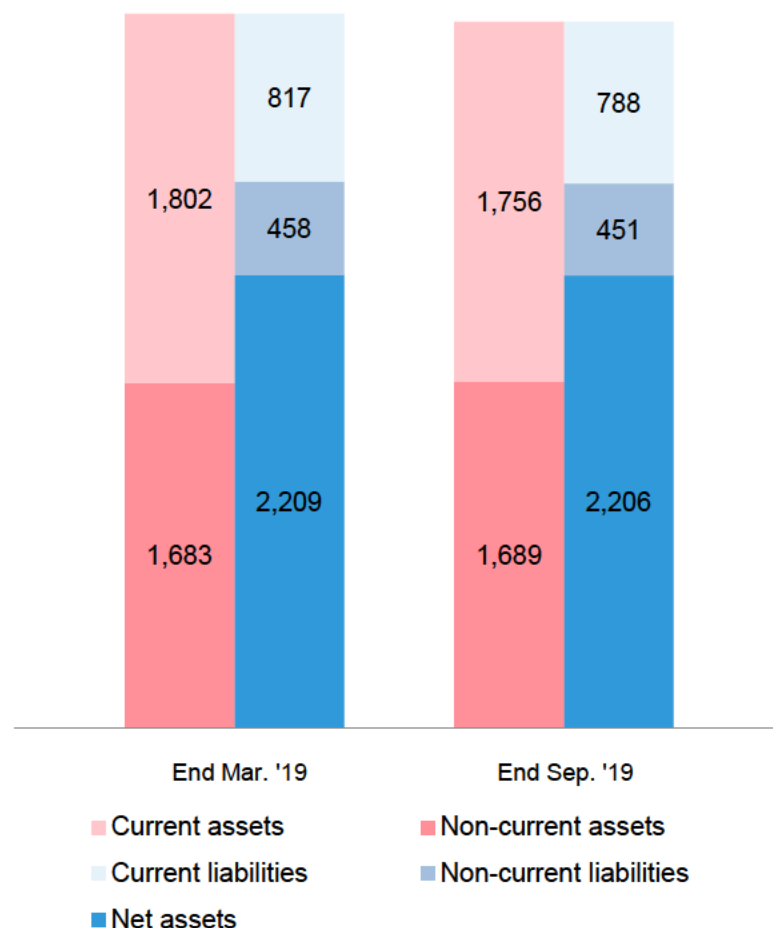
**"Infant drinks" included in Yoghurt and Drinking Milk were moved to Fruit Juices, Carbonated Drinks beginning with the FYE December 2019 plan.

*Comparison with FYE March 2019 results (following adjustment)

Status of Balance Sheet

◆ Net worth ratio: 61.4% (end of March 2019) → 61.9% (end of September 2019)

(Unit: 100 million yen)



Assets		End Mar. '19	End Sep. '19	Vs. end Mar '19
Major account items				
Current assets	Cash and deposits	1,036	964	-72
	Notes and accounts receivable	401	420	+18
	Securities	16	36	+20
	Inventories	311	301	-10
Non-current assets	Property, plants and equipment	995	998	+3
	Intangible assets	95	94	-1
	Investment securities	418	425	+7
Liabilities and net assets		End Mar. '19	End Sep. '19	Vs. end Mar '19
Major account items				
Current liabilities	Notes and accounts payable, trade	338	328	-11
	Short-term loans payable			
	Current portion of long-term loans payable	4	2	-2
Non-current liabilities	Convertible bonds	301	301	-0
	Long-term loans payable	2	1	-1
Net assets	Shareholders' equity	2,011	2,028	+17

[Notes of caution]

*Current Glico and Glico Group plans, forecasts, and initiatives indicated in these materials reflect determinations made based on information available at the present time. As such, this information may include major risks and uncertainties. Please note that actual performance may differ significantly from these predictions due to a number of factors.

*Examples of such factors include economic decline, currency rate fluctuations, changes in legal code or administrative systems, pressure from competitor pricing or product strategies, decline in the marketability of new or existing Glico products, production stoppages, infringement of Glico intellectual property rights, sudden technological innovation, and unfavorable decisions in major lawsuits and other factors. However, factors that influence earnings are not limited to these factors.

Address inquiries to:
Hisashi Yamakawa
General Manager, IR Division
Ezaki Glico Co., Ltd.

Tel.: 06-6477-8167
E-mail: ir-division@glico.com