



[Notes of caution]

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<Full Version>

Glico Group Financial Results
For the Fiscal Year Ended December 31,
2020

Ezaki Glico Co., Ltd.

Securities Code: 2206

February 26, 2021

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I. FYE December 2020 Earnings Report

Summary of FYE December 2020 Performance *Glico*

1. Consolidated net sales fell by -2.7% YoY due to continuing struggles amid the COVID-19 pandemic in Japan and overseas. Decreases in revenues accelerated in the fourth quarter, falling by -5.8% YoY.

- In Japan, the Ice Cream business was strong but revenues in all other segments decreased for the whole year. Revenues also decreased overseas due to the severity of the COVID-19 pandemic.

2. Consolidated operating income rose by +13.9% YoY, primarily due to reductions in SG&A expenses.

- In Japan, revenues increased as a result of efforts to control expenses in such areas as advertising, sales promotion and operational expenses. Revenues also increased YoY overseas, in part as a result of a lower ratio of cost of sales.

3. The Health Business category continued achieving increases in revenues as a result of value creation in the health field. (+5.0% YoY).

- In the Health Business category, “Almond Koka” achieved significant growth due to the creation of the almond milk market, and the “SUNAO” brand achieved growth with “reduced sugar” value.

Effects of the COVID-19 Pandemic in Japan and Overseas *Glico*

Japan	Overseas
<ul style="list-style-type: none"> ■ In the first half, demand from tourists and inbound visitors decreased dramatically as a result of the state of emergency declaration. Increases in demand were limited in the second half in the face of the ever-expanding pandemic. ■ Although special demand existed in the Food business during the first half, such special demand evaporated in the second half. ■ Earnings from confectioneries sold as souvenirs and “Bâton d’or” fell and the vending machine business (“Seventeen Ice,” etc.) struggled. The growing number of people working from home also impacted on convenience store channels and the Office Glico business. ■ With rising health-consciousness, needs for yoghurt and other products aimed at improving immunity rose, and there was also growing demand for healthier products. 	<ul style="list-style-type: none"> ■ China Earnings decreased in the first half due to the effects of city lockdowns. In the second half, the numbers of visitors to shops stagnated in the offline segment; however, the online segment, where opportunities for contact are few, was strong. ■ ASEAN The market deteriorated throughout the year in part due to continuous city lockdowns that resulted from the pandemic’s spread. Earnings decreased in Thailand, Indonesia, and other countries. ■ U.S.A. Although city lockdowns had an effect in the first half, earnings decreases attributable to COVID-19 were limited in the second half.

Ezaki Glico's Initiatives to Cope with COVID-19



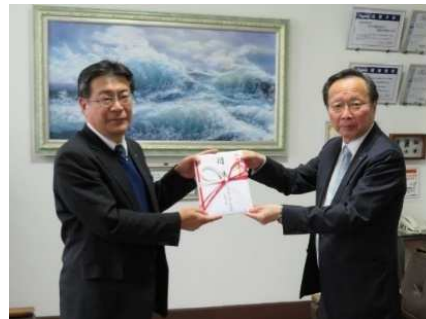
Providing confectioneries and beverages free of charge to children, medical personnel, and accommodations for minor cases



Providing hygienic support to cope with COVID-19 and employment support in the Republic of Ghana

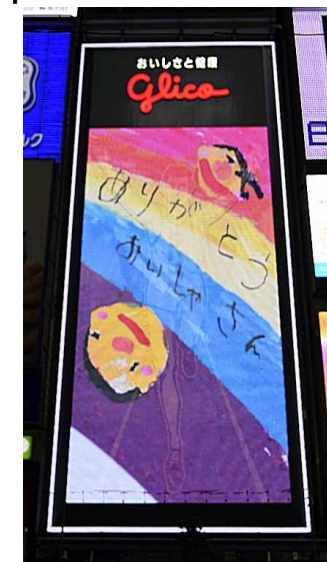


(Kobe Plant, Glico Manufacturing Japan Co., Ltd.)
Manufacturing tabletop partitions



We issued a call for all Glico Group employees to help solve social issues under the COVID-19 pandemic. This generated various ideas from employees and spurred us to manufacture and donate tabletop partitions. We made some 1,200 tabletop partitions and donated them to people and organizations associated with our plants throughout Japan.

Using the "Dotonbori Glico Sign" to generate blue lighting displays and send messages for medical personnel



Status of Consolidated Performance



- Net sales: Both domestic and overseas businesses had decreases, and a YoY decrease of -2.7% was posted for the entire consolidated Group.
- Operating income: Increases were posted for both domestic and overseas businesses. In Japan, an increase of +13.9% that resulted from efforts to control SG&A expenses was posted.

(Unit: 100 million yen)

	*(Following adjustment) FYE Dec. 2019	FYE Dec. 2020			
	Results (Jan - Dec)	Forecast (Jan - Dec)	Results (Jan - Dec)	Change from Previous Period (%)	Change from Forecast (%)
Net sales	3,537	3,580	3,440	-2.7%	-3.9%
Operating income	163	180	185	+13.9%	+2.9%
Ordinary income	175	185	196	+12.1%	+6.2%
Net income	121	125	118	-2.4%	-5.3%
Operating profit margin	4.6%	5.0%	5.4%	-	-

*FYE December 2019 full-year results (following adjustment) are cumulative totals for January to December 2019 for both domestic and overseas business (the same applies to all pages).

Status of Operating Income



(Unit: 100 million yen)

	(Following adjustment) FYE Dec. 2019		FYE Dec. 2020	
	Results (Jan - Dec)	Sales Ratio	Results (Jan - Dec)	Sales Ratio
Net sales	3,537	100.0%	3,440	100.0%
Cost of sales	1,860	52.6%	1,816	52.8%
Gross profit	1,677	47.4%	1,624	47.2%
Freight and charges	313	8.8%	315	9.2%
Sales promotion	559	15.8%	528	15.4%
Advertising expenses	139	3.9%	121	3.5%
Salaries and benefits	294	8.3%	289	8.4%
Expenses and depreciation	210	6.0%	186	5.4%
SGA total	1,514	42.8%	1,439	41.8%
Operating income	163	4.6%	185	5.4%

Factors of Increases (Decreases) in Operating Income

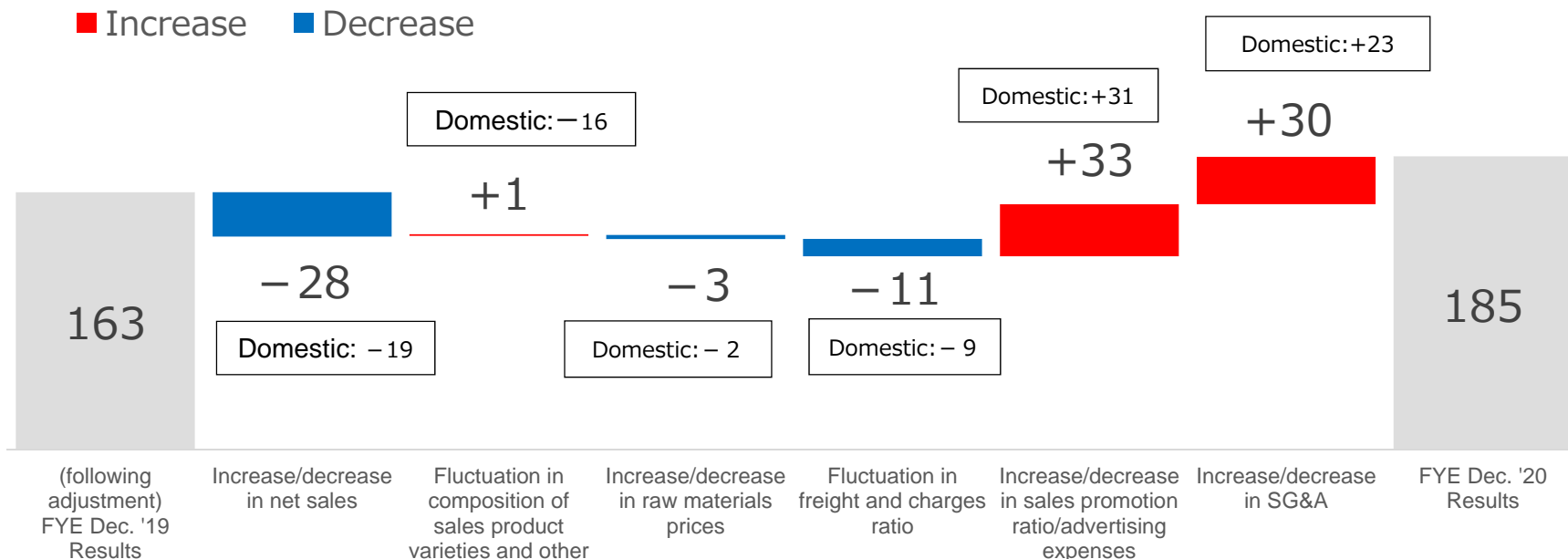


Change from previous period

- In Japan, although decreased net sales, “fluctuation in composition of sales product varieties and other,” and other items were factors that decreased operating income, lower sales promotion ratio/advertising expenses, and SG&A expenses led to an increase overall.

- Overseas, although decreased net sales and other items were factors that decreased operating income, “fluctuation in composition of sales product varieties and other,” lower SG&A expenses, etc., led to an overall increase.

(Unit: 100 million yen)



Status of Net Sales by Segment



- Although Ice Cream was performance driver, other segments struggled, and as a result the domestic segment posted a year-on-year decrease of -2.4%.
- The overseas segment posted a year-on-year decrease (-1.9% based on local currencies) as a result of worsening market conditions attributable to the COVID-19 pandemic and slowing personal consumption.

(Unit: 100 million yen)

	(Following adjustment) FYE Dec. 2019	FYE Dec. 2020			
	Results (Jan - Dec)	Forecast (Jan - Dec)	Results (Jan - Dec)	Change from previous period	Change from forecast
Total (Domestic)	3,537 (3,003)	3,580 (3,012)	3,440 (2,930)	(-2.7%) (-2.4%)	(-3.9%) (-2.7%)
Confectioneries and Food Products	962	948	893	(-7.2%)	(-5.8%)
(Confectioneries)	(770)	(746)	(702)	(-8.7%)	(-5.9%)
(Food products)	(192)	(201)	(191)	(-1.0%)	(-5.3%)
Ice Cream	874	927	923	(+5.7%)	(-0.4%)
Milk and Dairy Products	876	850	834	(-4.8%)	(-1.8%)
Food Ingredients	106	102	101	(-5.2%)	(-1.7%)
Overseas business	534	568	510	(-4.5%)	(-10.3%)
Other (Health)	185 (123)	185 (130)	180 (129)	(-2.9%) (+5.0%)	(-2.8%) (-0.7%)

Exchange rates	(following adjustment) FYE Dec. 2019 Results	FYE Dec. 2020 (forecast)	FYE Dec. 2020 (results)
China (CNY)	1 CNY= 15.85 JPY	1 CNY= 15.50 JPY	1 CNY= 15.44 JPY
Thailand (THB)	1 THB= 3.52 JPY	1 THB= 3.40 JPY	1 THB= 3.42 JPY
U.S.A (USD)	1 USD= 109.37 JPY	1 USD= 109.00 JPY	1 USD= 106.67 JPY

Status of Operating Income by Segment



- The domestic segment posted an increase of 800 million yen YoY that resulted from suppressed SG&A expenses due to the COVID-19 pandemic.
- The overseas segment posted an increase of 1.4 billion yen that was attributable to lower ratio of costs of sales, etc.

(Unit: 100 million yen)

	(Following adjustment) FYE Dec. 2019	FYE Dec. 2020			
	Results (Jan - Dec)	Forecast (Jan - Dec)	Results (Jan - Dec)	Change from Previous Period	Change from Forecast
Total (Domestic)	163 (151)	180 (163)	185 (159)	+23 (+8)	+5 (-4)
Confectioneries and Food Products (Confectioneries)	66 (62)	70 (60)	50 (41)	-17 (-21)	-20 (-19)
(Food products)	(4)	(10)	(9)	(+5)	(-1)
Ice Cream	60	70	61	+1	-9
Milk and Dairy Products	26	25	25	-1	+1
Food Ingredients	8	8	9	+1	+1
Overseas business	12	17	26	+14	+9
Other	4	1	3	-1	+2
Adjustment	-13	-10	12	+25	+21

Exchange rates	(following adjustment) FYE Dec. 2019 Results	FYE Dec. 2020 (forecast)	FYE Dec. 2020 (results)
China (CNY)	1 CNY= 15.85 JPY	1 CNY= 15.50 JPY	1 CNY= 15.44 JPY
Thailand (THB)	1 THB= 3.52 JPY	1 THB= 3.40 JPY	1 THB= 3.42 JPY
U.S.A (USD)	1 USD= 109.37 JPY	1 USD= 109.00 JPY	1 USD= 106.67 JPY

Domestic Business: Situation by Category



Category	*1 Net sales (% of previous period)	FYE Dec. 2020 Results
Chocolate	44.5 billion yen (−7.2%)	The mainstay product “Pocky” posted a decrease resulting from decreased sales, which included items sold as souvenirs, as a result of the COVID-19 pandemic. Other brands also generally struggled.
Cookies	24.0 billion yen (−7.4%)	During the second half, “Pretz” struggled due to weak performance of items sold as souvenirs and the end of its renewal last year. “BISCO” also struggled despite its renewal October 2020.
Ice Cream	92.3 billion yen (+5.7%) *2	“Ice no mi,” “PAPICO,” and “Giant Cone” performed well. However, “Seventeen Ice” struggled, in part due to the effects of the COVID-19 pandemic. Wholesale subsidiaries posted a increase.
Yoghurt	19.5 billion yen (−6.1%)	“BifiX yoghurt” achieved a year-on-year increase. However, the category posted a decrease compared to the previous year due to depressed sales of single pack “Apple Yoghurt” and other products.
Drinking Milk	25.6 billion yen (−4.5%)	The mainstay brand “Cafe Ole” posted a year-on-year increase following a basic product overhaul. However, milk and other products saw decreases.
Baby care	5.2 billion yen (−12.1%)	Infant Formula posted a decrease since the second quarter, in part due to the effect of COVID-19.
Health	12.9 billion yen (+5.0%)	“Almond Koka” continued to perform robustly, and “SUNAO” also posted a year-on-year increase.

*1: *Comparison with FYE December 2019 results (following adjustment)

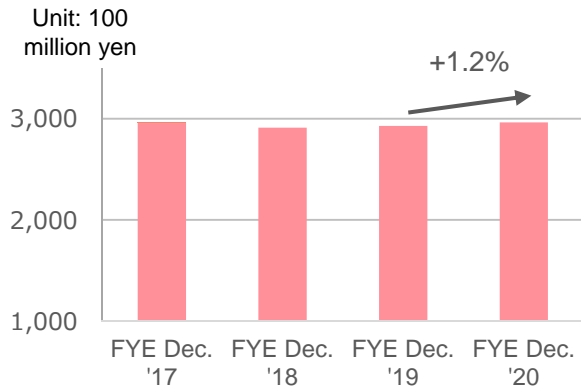
*2: Includes net sales of ice cream wholesale, etc.

Domestic Business: Situation by Category (Chocolate/Cookies)

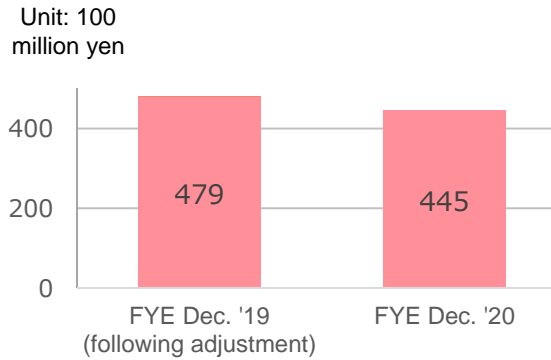


Chocolate category

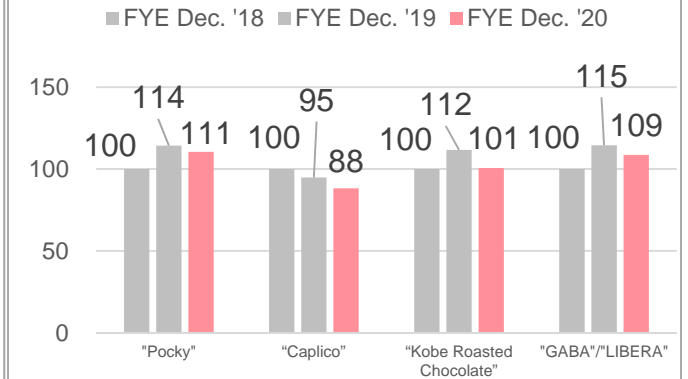
Chocolate Market (Intage SRI)



Result and Forecasted Net Sales - Chocolate category -

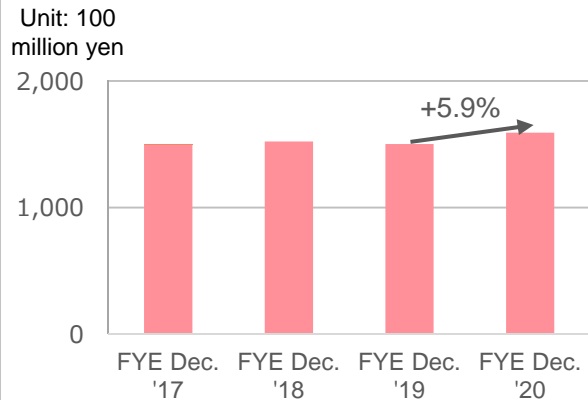


Net Sales by Brand (When FYE Dec. 2018 net sales are set as 100)

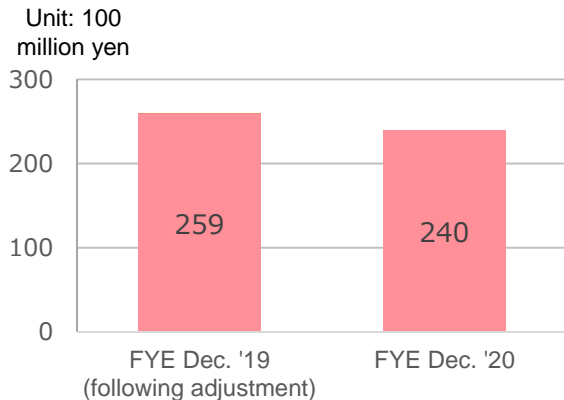


Cookies category

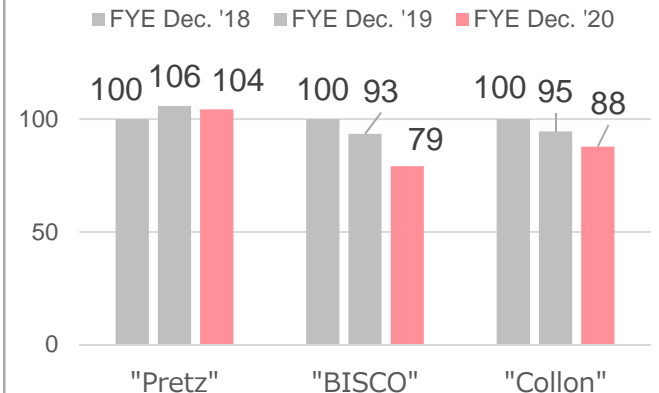
Cookies Market (Intage SRI)



Result and Forecasted Net sales - Cookies category -



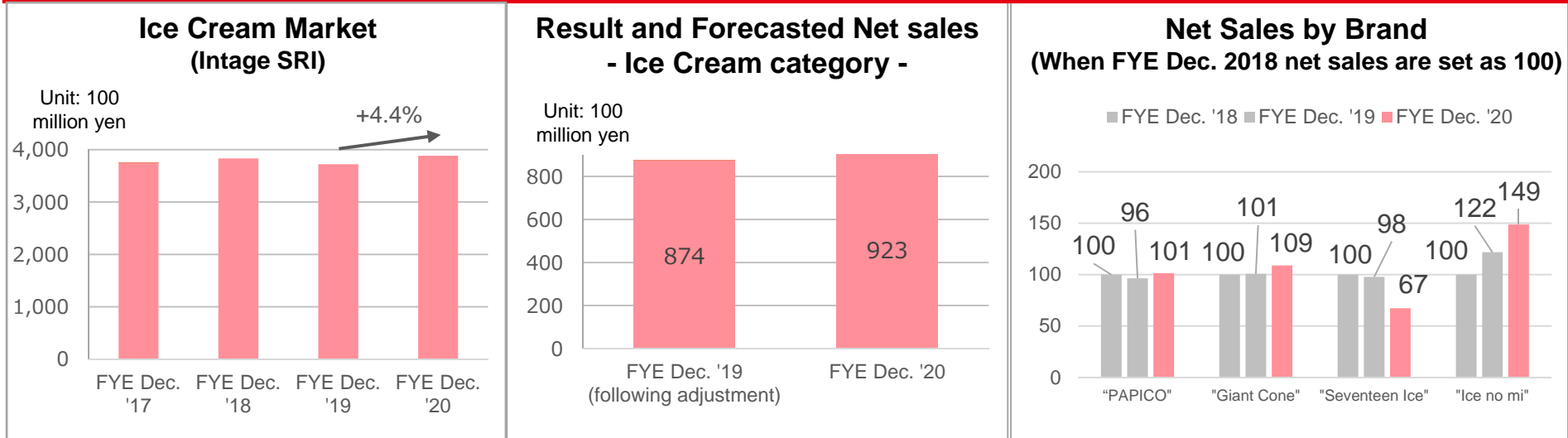
Net Sales by Brand (When FYE Dec. 2018 net sales are set as 100)



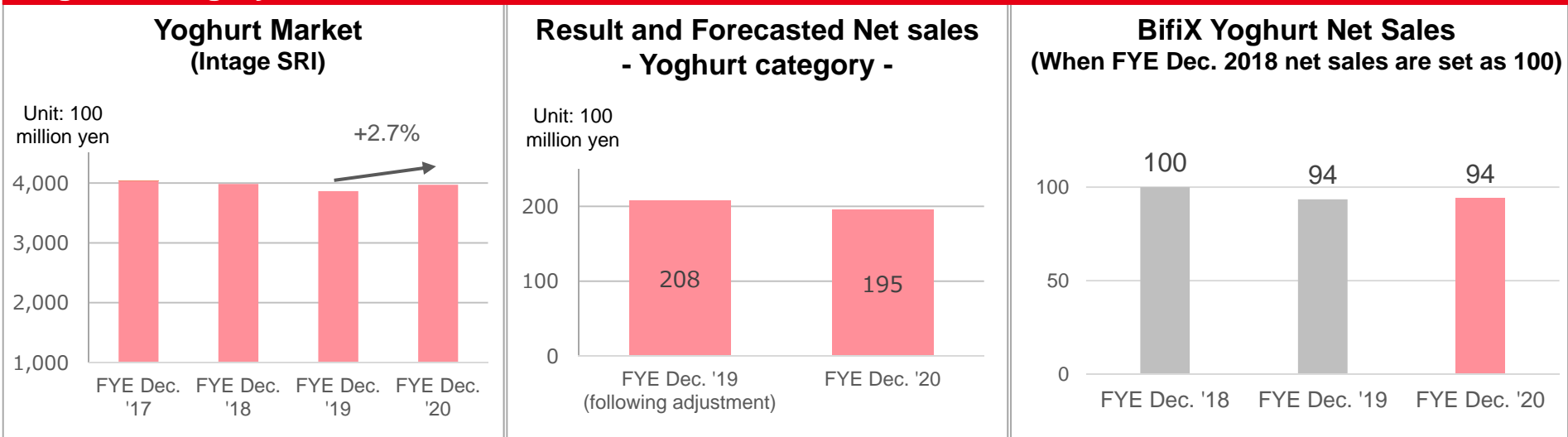
Domestic Business: Situation by Category (Ice Cream/Yoghurt)



Ice Cream category



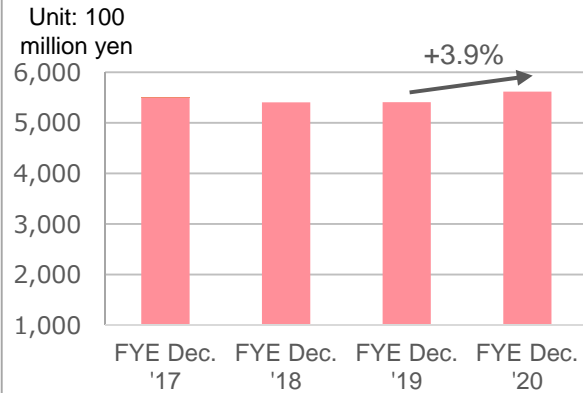
Yoghurt category



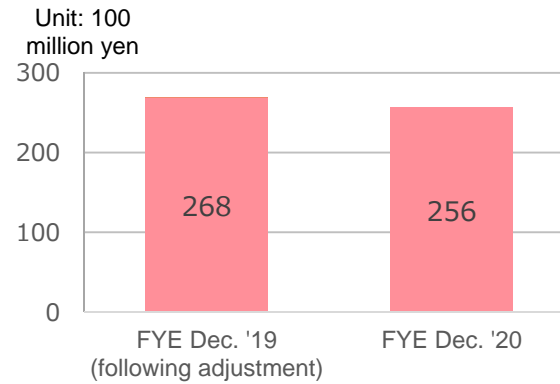
Domestic Business: Situation by Category (Drinking Milk/Infant Formula) *Glico*

Drinking Milk category

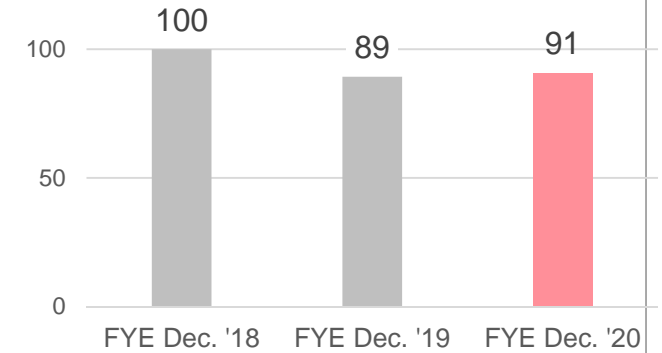
Drinking Milk Market
(Intage SRI)



Result and Forecasted Net sales - Drinking Milk category -

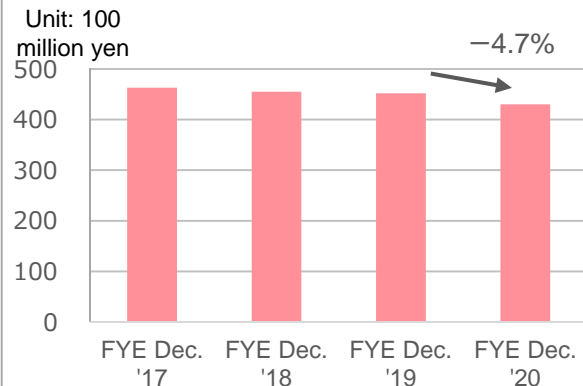


Cafe Ole Net Sales
(When FYE Dec. 2018 net sales are set as 100)

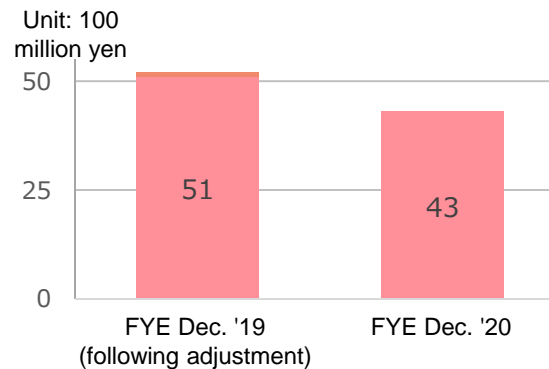


Infant Formula category

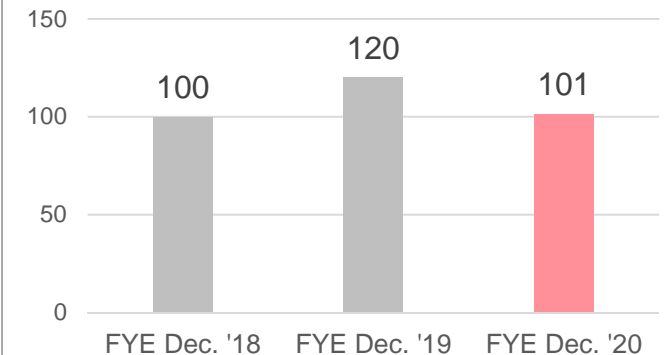
Infant Formula Market
(Intage SDI/SCI estimates)



Result and Forecasted Net sales - Infant Formula category -



Icreo (Infant Formula) Net Sales
(When FYE Dec. 2018 net sales are set as 100)



Overseas Business: Region-Specific Net Sales and Operating Income



◆China

(Unit: 1 million CNY)

	FYE Dec. 2019	FYE Dec. 2020			
	Results (Jan - Dec)	Forecast (Jan - Dec)	Results (Jan - Dec)	Change from Previous Period	Change from Forecast
Net sales	1,652	1,943	1,706	+3.3%	-12.2%
Operating income	99	135	151	+52.3%	+11.5%

◆ASEAN *

(Unit: 1 million USD)

	FYE Dec. 2019	FYE Dec. 2020			
	Results (Jan - Dec)	Forecast (Jan - Dec)	Results (Jan - Dec)	Change from Previous Period	Change from Forecast
Net sales	147	147	128	-12.7%	-12.9%
Operating income	-10	-12	-11	-	-

◆U.S.A *

(Unit: 1 million USD)

	FYE Dec. 2019	FYE Dec. 2020			
	Results (Jan - Dec)	Forecast (Jan - Dec)	Results (Jan - Dec)	Change from Previous Period	Change from Forecast
Net sales	64	69	71	+11.8%	+3.5%
Operating income	17	16	20	+17.7%	+24.8%

*Concerning each term's figures for ASEAN countries, figures were converted with the real full-year exchange rate for FYE December 2020 for each country.

*Figures for the U.S.A. are based on consolidated results of Ezaki Glico USA.

China

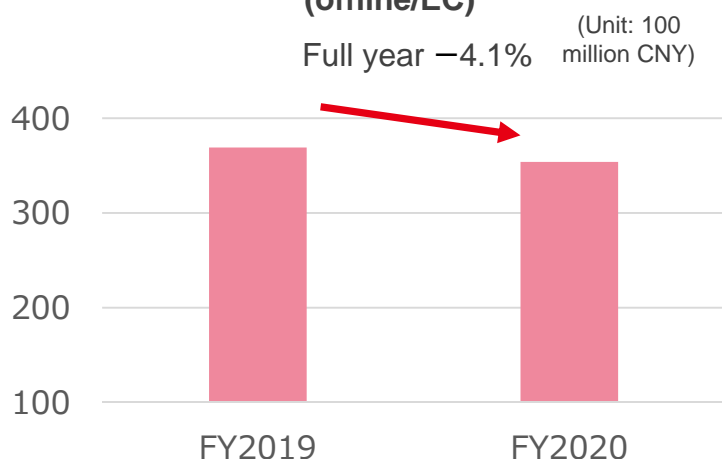


- In 2020, China’s cookie market shrank by -4.1% compared to the previous year. The market performed worse in the second half than the first half and did not recover to the pre-COVID-19 pandemic level.
- Glico’s net sales posted 1,706 million CNY or +3.3% compared to the previous year based on local currencies.
- For the full year, our offline net sales posted a -0.2% compared to the previous year. Although we did comparatively well considering the depressed market (-4.1%), we were unable to capture local supermarket demand.

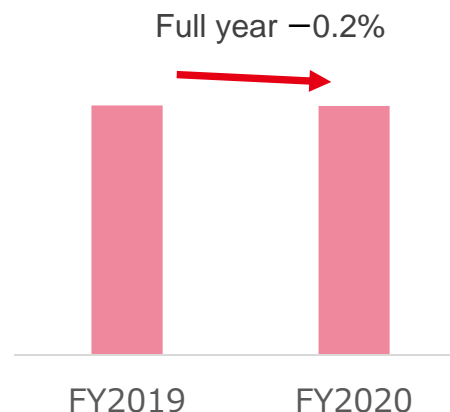
New “Pocky” products introduced in the second half (Hazelnut Crush Pocky)



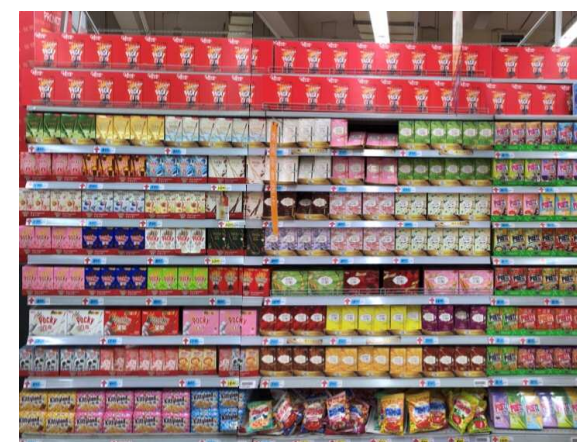
China’s cookie market size (offline/EC)



Change in Glico’s offline net sales



Glico products on KA shelves



China: Online

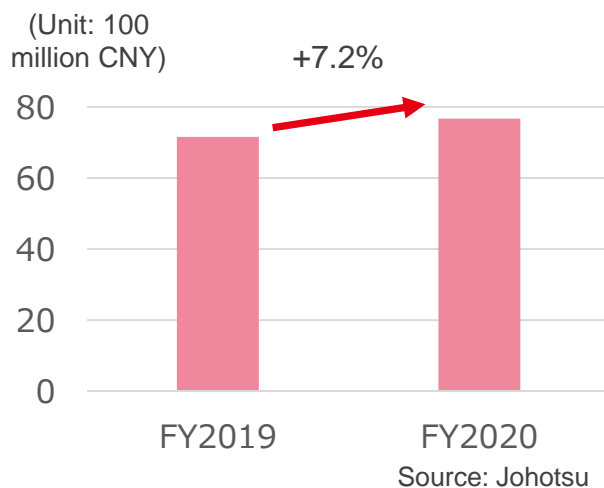


- In 2020, the online market in China’s cookie market grew +7.2% compared to the previous year.
- Glico’s online business expanded by +39.7% compared to the previous year. Glico’s online net sales ratio rose to 11.8%.
- Traffic increased by building awareness through short videos (such as live streaming by influencers) amid a consumer shift toward online shopping.

“Huaguo Pejoy” set sold for Double 11



China’s cookie market size (online)



Glico’s online net sales and online ratio



Livestreamed video for Double 11



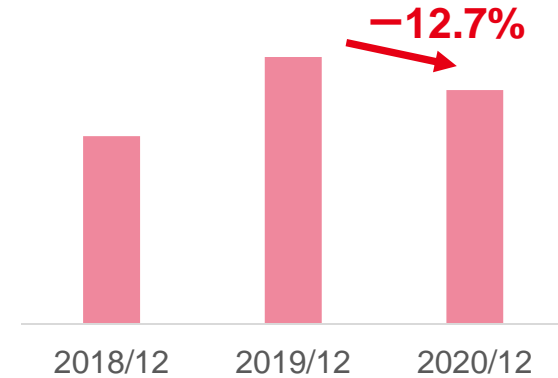
ASEAN



- Net sales fell in the second half of FY2020 as customer numbers decreased in both modern trade and traditional trade. This was due in part to the cancellation of events that resulted from the closure of shopping malls amid a renewed increase in COVID-19 cases.
- In Thailand, performance struggled due to worsening market health (-13.3% in the second half) as well as underachievement in promoting the “Pocky” brand concept of “Share happiness” as people stayed at home. Nevertheless, sales of “Pocky Wholesome,” a premium health-oriented product, were well.
- In Indonesia, our sales remained largely unchanged and our market share grew despite a market that deteriorated (-11.5% in the second half) due to effects of the COVID-19 pandemic.
- In Singapore, “Pocky X Ya Kun” received the Designed in Singapore Award and helped raise Glico’s market presence.

Net sales in ASEAN

(Includes powdered milk in Vietnam)



Source: Nielsen

Thailand: “Pocky Day” event held in combination with Google Street View on Facebook



“Pocky X Ya Kun”
(Recipient of the Designed in Singapore Award)

“Pocky Kaya Toast”



“Pocky KopiO”

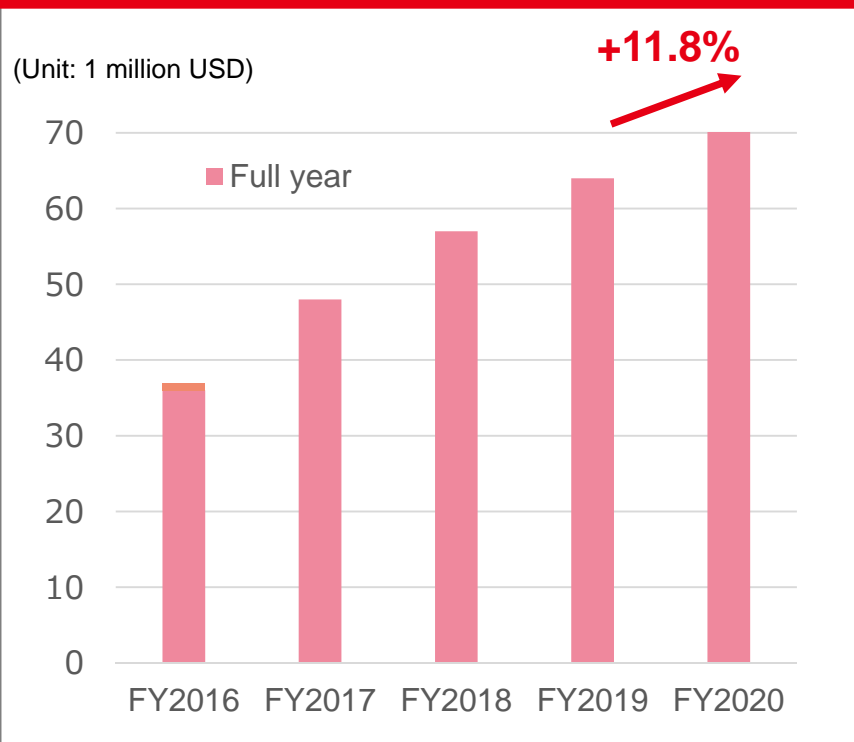


U.S.A.



- The FY2020 net sales of Ezaki Glico USA, Glico’s local subsidiary in the U.S. confectionery business, increased by +11.8% year on year to 71 million USD based on local currencies.
- In the U.S. supermarket segment, placement on ordinary confectionery product shelves began at Walmart. Distribution expanded as purchasers of Glico products became repeat customers under the COVID-19 pandemic.
- Looking at membership store-based channels, new products sold in assortment packs for Costco did well. High distribution rates and turnover were secured.

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



(2) Marketing activities

Advertisement: Facebook & Instagram



Advertisement: Web banner



(3) New products

Assortment pack (limited availability)



Glico products on a shelf at Costco



II. FYE December 2021 Earnings Forecast

Consolidated Earnings Forecast



- Net sales: Although we forecast a double-digit year-on-year increase by overseas business, we forecast a +1.7% year-on-year increase for the consolidated Group, as a continuing severe situation is anticipated for domestic business.
- Operating income: We forecast increases for both domestic and overseas businesses. We forecast a +2.6% year-on-year increase in earnings throughout the consolidated Group.

(Unit: 100 million yen)

	FYE Dec. 2020	FYE Dec. 2021	
	Results (Jan - Dec)	Forecast (Jan - Dec)	Change from Previous Period
Net sales	3,440	3,500	+1.7%
Operating income	185	190	+2.6%
Ordinary income	196	195	-0.7%
Net income	118	120	+1.4%
Operating profit margin	5.4%	5.4%	-

Basic Policy for FY2021



- Continue the Basic Policy for FY2018 to FY2020 in FY2021. *

Improve competitiveness through selection and concentration for management resources

(1) Accelerate growth with the global involvement of the Health business.

- Dig deeper into health demand and accelerate habitual consumption of “Almond Koka” and “SUNAO” in daily life in Japan.
- Launch products with added health value to the global market.

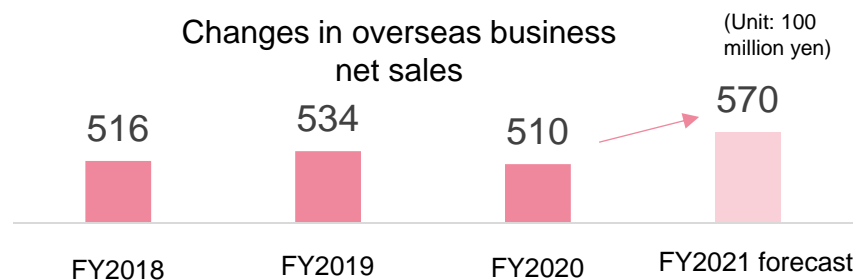


(2) Strengthen value creation and accelerate innovation for core brands.



(3) Promote the expansion of overseas business.

- Accelerate growth by enhancing brand value in the mainstay markets of China, ASEAN, and U.S.A.



*The medium-term/long-term management policy is scheduled to be announced during FY2021.

Operating Income Forecast



(Unit: 100 million yen)

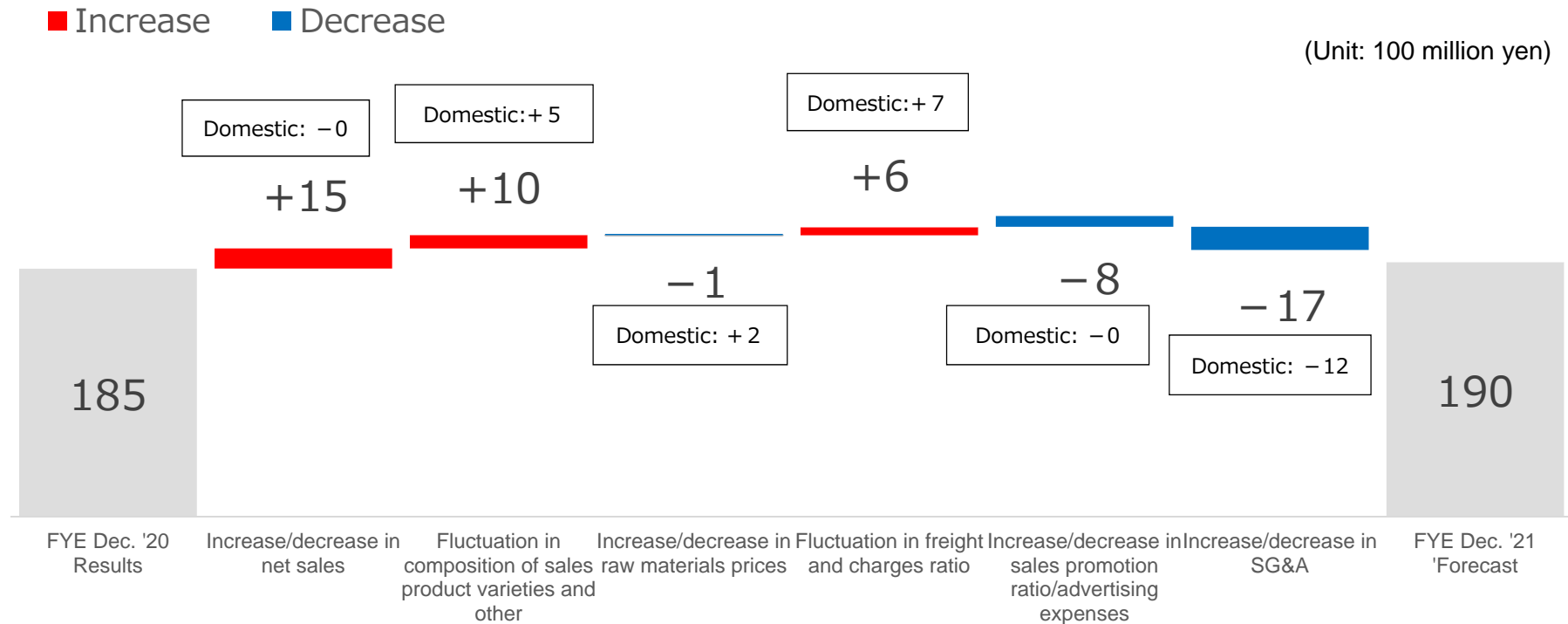
	FYE Dec. 2020		FYE Dec. 2021	
	Results (Jan - Dec)	Sales Ratio	Forecast (Jan - Dec)	Sales Ratio
Net sales	3,440	100.0%	3,500	100.0%
Cost of sales	1,816	52.8%	1,835	52.4%
Gross profit	1,624	47.2%	1,665	47.6%
Freight and charges	315	9.2%	314	9.0%
Sales promotion	528	15.4%	540	15.4%
Advertising expenses	121	3.5%	127	3.6%
Salaries and benefits	289	8.4%	291	8.3%
Expenses and depreciation	186	5.4%	203	5.8%
SGA total	1,439	41.8%	1,475	42.1%
Operating income	185	5.4%	190	5.4%

Factors of Increases (Decreases) in Operating Income



Change from previous period

- Domestically, although SG&A expenses are expected to increase, higher income is forecasted overall owing to cost reductions from “fluctuation in composition of sales product varieties and other,” increased income from a lower freight and charges ratio, etc.
- Overseas, although SG&A expenses are expected to increase, higher income is forecasted overall due to increased earnings attributable to higher net sales, etc.



Net Sales Forecast by Segment



- In domestic business, we forecast an increase primarily in Health of the Other segment but little change overall.
- We forecast a double-digit increase in the Overseas segment.

(Unit: 100 million yen)

	FYE Dec. 2020	FYE Dec. 2021	
	Results (Jan - Dec)	Forecast (Jan - Dec)	Change from previous
Total	3,440	3,500	+1.7%
(Domestic)	(2,930)	(2,930)	(-0.0%)
Confectioneries and Food Products	893	895	+0.2%
(Confectioneries)	(702)	(715)	(+1.8%)
(Food products)	(191)	(180)	(-5.5%)
Ice Cream	923	936	+1.4%
Milk and Dairy Products	834	799	-4.2%
Food Ingredients	101	102	+1.4%
Overseas business	510	570	+11.8%
Other	180	198	+10.2%
(Health)	(129)	(147)	(+13.8%)

Exchange rates	FYE Dec. 2020 (results)	FYE Dec. 2021 (forecast)
China (CNY)	1 CNY= 15.44 JPY	1 CNY= 15.00 JPY
Thailand (THB)	1 THB= 3.42 JPY	1 THB= 3.30 JPY
U.S.A (USD)	1 USD= 106.67 JPY	1 USD= 105.00 JPY

Operating Income Forecast by Segment



- We forecast increases for both domestic and overseas businesses. We forecast a +500 million yen year-on-year increase for the entire consolidated Group.

(Unit: 100 million yen)

	FYE Dec. 2020	FYE Dec. 2021	
	Results (Jan - Dec)	Forecast (Jan - Dec)	Change from previous
Total	185	190	+5
(Domestic)	(159)	(161)	(+2)
Confectioneries and Food Products	50	55	+5
(Confectioneries)	(41)	(48)	(+7)
(Food products)	(9)	(7)	(-2)
Ice Cream	61	69	+8
Milk and Dairy Products	25	25	-0
Food Ingredients	9	9	+0
Overseas business	26	29	+3
Other	3	4	+1
Adjustment	12	-1	-13

Exchange rates	FYE Dec. 2020 (results)	FYE Dec. 2021 (forecast)
China (CNY)	1 CNY= 15.44 JPY	1 CNY= 15.00 JPY
Thailand (THB)	1 THB= 3.42 JPY	1 THB= 3.30 JPY
U.S.A (USD)	1 USD= 106.67 JPY	1 USD= 105.00 JPY

Overseas Business: Region-Specific Net Sales and Operating Income Forecast



◆ China

(Unit: 1 million CNY)

	FYE Dec. 2020	FYE Dec. 2021	
	Results (Jan - Dec)	Forecast (Jan - Dec)	Change from Previous Period
Net sales	1,706	1,949	+14.3%
Operating income	151	182	+20.9%

◆ ASEAN *

(Unit: 1 million USD)

	FYE Dec. 2020	FYE Dec. 2021	
	Results (Jan - Dec)	Forecast (Jan - Dec)	Change from Previous Period
Net sales	126	135	+7.9%
Operating income	-11	-10	-

◆ U.S.A *

(Unit: 1 million USD)

	FYE Dec. 2020	FYE Dec. 2021	
	Results (Jan - Dec)	Forecast (Jan - Dec)	Change from Previous Period
Net sales	71	79	+10.3%
Operating income	20	22	+10.6%

*Concerning each term's figures for ASEAN countries, figures were converted with the FYE December 2021 initial plan rate for each country.

*Figures for the U.S.A. are based on consolidated results of Ezaki Glico USA.

TTM Currency Rate



		USD	EUR	THB	CNY	100KRW	100IDR
<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	109.56	122.54	3.63	15.67	9.46	0.79
<u>2020</u>	3/31	108.83	119.55	3.34	15.31	8.92	0.67
	6/30	107.74	121.08	3.49	15.23	9.00	0.76
	9/30	105.80	124.17	3.34	15.54	9.08	0.72
	12/31	103.50	126.95	3.44	15.88	9.52	0.74

Net Sales by Category



(Unit: 100 million yen)

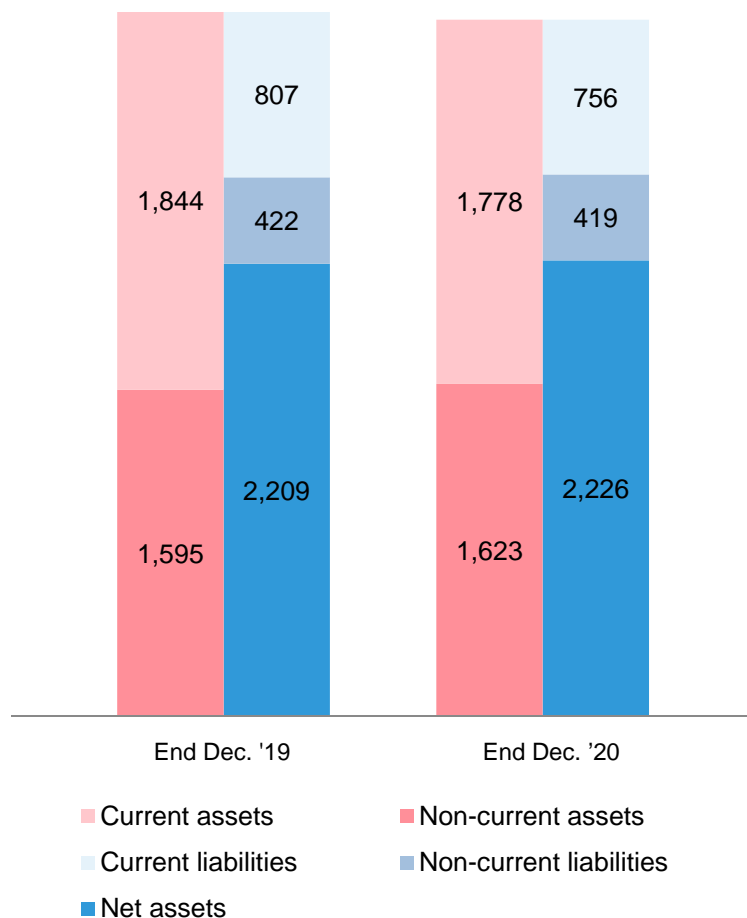
Segment	Category	FYE Dec. 2020	FYE Dec. 2021	
		Results (Jan - Dec)	Forecast (Jan - Dec)	Change from Previous Period
Confectioneries and Food Products	Chocolate (including "Pocky")	445	449	+0.9%
	Cookies (including "Pretz")	240	246	+2.5%
	Food products	191	180	-5.5%
	Other	17	20	+15.8%
	Total	893	895	+0.3%
Ice Cream	Ice cream, wholesale subsidiaries	923	936	+1.4%
	Total	923	936	+1.4%
Milk and Dairy Products	Yoghurt	195	194	-0.8%
	Drinking milk	256	239	-6.4%
	Fruit juices, carbonated drinks	218	203	-7.0%
	Western confections	113	107	-5.5%
	Baby care	52	56	+7.4%
	Total	835	799	-4.3%
Food Ingredients	Food ingredients	101	102	+1.4%
	Total	101	102	+1.4%
Overseas	Overseas subsidiaries export	510	570	+11.8%
	Total	510	570	+11.8%
Other	Health	129	147	+13.8%
	Total	180	198	+10.2%
Total		3,440	3,500	+1.7%

Status of Balance Sheet



- Net worth ratio: 62.0% (end of December 2019) → 65.2% (end of December 2020)

(Unit: 100 million yen)



Assets		End Dec. '19	End Dec. '20	Vs. end Dec. '19
Major account items				
Current assets	Cash and deposits	996	979	-17
	Notes and accounts receivable	438	435	-3
	Securities	60	7	-52
	Inventories	299	289	-10
	Total current assets	1,844	1,778	-65
Non-current assets	Property, plants and equipment	998	976	-22
	Intangible assets	70	107	+37
	Investment securities	353	354	+1
	Total non-current assets	1,595	1,623	+28

Liabilities and net assets		End Dec. '19	End Dec. '20	Vs. end Dec. '19
Major account items				
Current liabilities	Notes and accounts payable, trade	360	326	-35
	Short-term loans payable			
	Current portion of long-term loans payable	2	2	-0
	Total current liabilities	807	756	-51
Non-current liabilities	Convertible bonds	301	301	-0
	Long-term loans payable	0	3	+3
	Total non-current liabilities	422	419	-3
Net assets	Shareholders' equity	2,042	2,137	+95
	Total net assets	2,209	2,226	+16

Status of Cash Flows



(Unit: 100 million yen)

	FYE Mar. 2017 Results	FYE Mar. 2018 Results	FYE Mar. 2019 Results	FYE Dec. 2019 Results	FYE Dec. 2020 Results
Cash flows from operating activities	296	315	203	173	172
Cash flows from investing activities	-141	-250	-87	-90	-124
FCF (free cash flows)	155	64	116	83	48
Cash flows from financing activities	242	-45	-46	-96	-97
Cash and cash equivalents at end of year	902	930	992	980	924

Capital Investments, Depreciation, and R&D Expenditures



(Unit: 100 million yen)

	FYE Dec. 2019 Results	FYE Dec. 2020 Forecast	FYE Dec. 2020 Results	FYE Dec. 2021 Forecast
Capital investment total	163	133	109	113
Confectioneries and Food Products	36	46	28	28
Ice Cream	34	32	20	27
Milk and Dairy Products	24	24	15	13
Food Ingredients	3	3	3	3
Overseas business	10	21	40	23
Other	57	6	4	19
System investments	22	43	56	130
Total of capital investments, investment and lending to unconsolidated subsidiaries, and system investment	185	176	165	243
Depreciation	108	158	146	156
R&D expenditures	41	56	55	60

[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.

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