

Financial Information

FY2018 Profit and Loss Statement

(April 1, 2018–March 31, 2019)

(Unit: million yen)

| Item | Amount | Previous year | Year-on-year |
|---|-----------|---------------|--------------|
| 1. Total operating income | 91,272 | 91,713 | 100% |
| (1) Operating earnings | 4,681,651 | 4,726,405 | 99% |
| (2) Operating expenses | 4,590,379 | 4,634,692 | 99% |
| 2. Business administrative expenses | 94,493 | 92,466 | 102% |
| (1) Personnel expenses | 58,431 | 58,309 | 100% |
| (2) Business expenses | 9,537 | 8,579 | 111% |
| (3) Office expenses | 7,439 | 7,125 | 104% |
| (4) Taxes and dues | 7,366 | 6,613 | 111% |
| (5) Equipment/facility expenses | 8,619 | 8,555 | 101% |
| (6) Depreciation expenses | 3,100 | 3,283 | 94% |
| Operating profit | -3,221 | -753 | - |
| 3. Non-operating profit or loss | 11,376 | 10,554 | 108% |
| Ordinary income | 8,154 | 9,800 | 83% |
| 4. Extraordinary profit or loss | -2,066 | -2,019 | - |
| Income before taxes | 6,087 | 7,780 | 78% |
| Provision for corporate, residential and business taxes | 324 | 317 | 102% |
| Adjustment to corporate tax, etc. | 1,575 | 2,706 | 58% |
| Net surplus | 4,187 | 4,756 | 88% |

Turnover by Different Business Operations

| Fiscal Year | Rice and grain production | Fruit and vegetables/farm products | Agribusiness/production materials | Livestock | Consumer | Total |
|-------------|---------------------------|------------------------------------|-----------------------------------|-----------|----------|--------|
| FY2013 | 8,170 | 10,541 | 9,405 | 11,421 | 11,314 | 50,852 |
| FY2014 | 7,674 | 11,119 | 8,268 | 11,361 | 10,161 | 48,584 |
| FY2015 | 7,140 | 11,754 | 8,611 | 11,116 | 8,325 | 46,946 |
| FY2016 | 7,123 | 11,937 | 8,009 | 10,729 | 8,182 | 45,981 |
| FY2017 | 7,181 | 11,643 | 8,118 | 10,485 | 8,956 | 46,382 |
| FY2018 | 6,932 | 11,288 | 8,054 | 10,462 | 9,190 | 45,925 |

(unit: 100 million yen)

FY2018 Turnover

(Unit: 100 million yen)

| Business Operation | Result | Previous year | Year-on-year |
|---|--------|---------------|--------------|
| Rice and grains business total | 6,932 | 7,181 | 97% |
| Pearl Rice | 480 | 466 | 103% |
| Rice | 5,336 | 5,610 | 95% |
| Wheat and barley | 212 | 209 | 101% |
| Soybean and colesseed | 250 | 259 | 97% |
| General farming products | 654 | 637 | 103% |
| Fruits and vegetables business total | 11,288 | 11,643 | 97% |
| Fruits and vegetables | 11,223 | 11,580 | 97% |
| Prefecture-level direct sales | 64 | 62 | 103% |
| Agribusiness and production materials business total | 8,054 | 8,118 | 99% |
| Sales projects | - | 1 | - |
| JA Green | 48 | 50 | 97% |
| Fertilizer | 1,918 | 1,886 | 102% |
| Agrichemicals | 1,203 | 1,196 | 101% |
| Production materials | 390 | 369 | 106% |
| Packing materials | 149 | 148 | 101% |
| Cardboard products | 983 | 985 | 100% |
| Agricultural machinery | 1,277 | 1,260 | 101% |
| Facility and housing | 2,085 | 2,224 | 94% |
| Livestock business total | 10,462 | 10,485 | 100% |
| Livestock production business | 1,000 | 1,177 | 85% |
| Single-ingredient feed and feed ingredients | 3,716 | 3,479 | 107% |
| Livestock product sales | 1,864 | 1,907 | 98% |
| Dairy farming business | 3,099 | 3,150 | 98% |
| Livestock sales | 783 | 772 | 101% |
| Consumer business total | 9,190 | 8,956 | 103% |
| Automobiles | 177 | 166 | 107% |
| Oil | 6,194 | 5,918 | 105% |
| Gas | 858 | 852 | 101% |
| Daily necessities | 1,962 | 2,020 | 97% |
| Grand total | 45,925 | 46,382 | 99% |

*Figures shown are rounded off to the nearest 100 million yen.

FY2018 Consolidated Profit and Loss Statement

(April 1, 2018–March 31, 2019)

(Unit: million yen)

| Item | Amount | Previous year | Year-on-year |
|---|-----------|---------------|--------------|
| 1. Total operating income | 216,259 | 222,169 | 97% |
| (1) Operating earnings | 6,198,586 | 6,182,405 | 100% |
| (2) Operating expenses | 5,982,326 | 5,960,235 | 100% |
| 2. Business administrative expenses | 204,372 | 199,695 | 102% |
| (1) Personnel expenses | 128,524 | 126,276 | 102% |
| (2) Business expenses | 18,645 | 17,998 | 104% |
| (3) Office expenses | 11,135 | 10,624 | 105% |
| (4) Taxes and dues | 10,683 | 10,011 | 107% |
| (5) Equipment/facility expenses | 25,528 | 24,866 | 103% |
| (6) Depreciation expenses | 9,543 | 9,509 | 100% |
| (7) Other expenses | 310 | 409 | 76% |
| Operating profit | 11,887 | 22,474 | 53% |
| 3. Non-operating profit or loss | 17,464 | 12,595 | 139% |
| Ordinary income | 29,351 | 35,069 | 84% |
| 4. Extraordinary profit or loss | -1,923 | -59 | - |
| Income before taxes | 27,428 | 35,009 | 78% |
| Provision for corporate, residential and business taxes | 7,652 | 7,329 | 104% |
| Adjustment to corporate tax, etc. | 4,708 | 5,319 | 89% |
| Total corporate tax, etc. | 12,361 | 12,648 | 98% |
| Income | 15,066 | 22,360 | 67% |
| Income attributable to non-controlling interests | 2,150 | 3,882 | 55% |
| Net income | 12,916 | 18,478 | 70% |

Breakdown of Operating Earnings by Business Segment

(April 1, 2018–March 31, 2019)

(Unit: million yen)

| Business Operation | Amount | Previous year | Year-on-year |
|--|-----------|---------------|--------------|
| Rice and grains | 784,867 | 804,124 | 98% |
| Fruits and vegetables | 1,212,800 | 1,243,150 | 98% |
| Agribusiness and production materials | 870,642 | 876,367 | 99% |
| Livestock | 2,204,552 | 2,161,586 | 102% |
| Consumer | 1,093,736 | 1,065,237 | 103% |
| Other (transportation, etc.) | 191,966 | 191,740 | 100% |
| Total | 6,358,566 | 6,342,205 | 100% |
| Elimination* | -159,979 | -159,800 | - |
| Total | 6,198,586 | 6,182,405 | 100% |

* This indicates inter-segment sales/transfers.

FY2018 Balance Sheet (as of March 31, 2019)

(Unit: million yen)

| Assets | Amount | Previous year | Change over previous year | Liabilities and Member's Equity | Amount | Previous year | Change over previous year |
|---|-----------|---------------|---------------------------|---|-----------|---------------|---------------------------|
| 1. Current assets | 843,661 | 875,568 | -31,906 | 3. Current liabilities | 807,689 | 836,687 | -28,997 |
| Cash | 359 | 352 | 6 | Notes payable | 13,178 | 14,445 | -1,267 |
| Deposits | 19,825 | 41,741 | -21,916 | Short-term borrowing | 200,442 | 186,663 | 13,778 |
| Notes receivable | 654 | 662 | -7 | Accrued liabilities | 529,182 | 548,765 | -19,582 |
| Marketable securities | 19,702 | 20,798 | -1,095 | Unliquidated liabilities | 11,267 | 12,897 | -1,629 |
| Accounts receivable | 453,467 | 460,357 | -6,890 | Other current liabilities | 47,595 | 67,877 | -20,281 |
| Unliquidated claims | 180,629 | 200,001 | -19,371 | Reserve for bonus | 4,433 | 4,501 | -67 |
| Inventories | 161,070 | 142,557 | 18,513 | Reserve for losses from gift voucher redemption | 1,557 | 1,508 | 48 |
| Other current assets | 8,712 | 8,796 | -83 | Reserve for point card certificates | 32 | 27 | 4 |
| Deferred tax assets | 3,267 | 4,156 | -888 | 4. Fixed liabilities | 68,977 | 76,864 | -7,887 |
| Allowance for doubtful accounts | -4,027 | -3,854 | -172 | Long-term borrowing | 7,265 | 8,383 | -1,118 |
| 2. Fixed assets | 366,626 | 369,186 | -2,559 | Long-term accrued liabilities | 5,383 | 6,280 | -896 |
| Tangible fixed assets | 335,937 | 335,622 | 315 | Long-term deposits received | 1,386 | 1,401 | -14 |
| Less accumulated depreciation | -194,106 | -194,216 | 109 | Long-term business deposits | 1,159 | 1,200 | -40 |
| Intangible fixed assets | 5,652 | 5,856 | -203 | Assets retirement obligations | 2,286 | 2,487 | -201 |
| Outside investments | 170,122 | 170,348 | -225 | Reserve for retirement benefits | 51,153 | 56,754 | -5,601 |
| Long-term securities | 27,475 | 28,659 | -1,184 | Allowances and reserves | 342 | 357 | -15 |
| Long-term accounts receivable | 581 | 850 | -268 | Total liabilities | 876,667 | 913,552 | -36,885 |
| Long-term prepaid expenses | 1,279 | 1,422 | -143 | 5. Net assets | 333,621 | 331,202 | 2,419 |
| Other fixed assets | 18,378 | 18,700 | -321 | Capitalization | 115,257 | 115,261 | -3 |
| Long-term deferred tax assets | 2,186 | 3,067 | -881 | Capital reserve | 9,622 | 9,622 | - |
| Allowance for doubtful accounts | -208 | -413 | 205 | Revaluation reserve | 36 | 36 | - |
| Allowance for doubtful accounts—outside investments | -673 | -712 | 38 | Earned surplus reserve | 97,477 | 96,517 | 960 |
| Total | 1,210,288 | 1,244,754 | -34,465 | Voluntary reserve | 85,494 | 81,004 | 4,490 |
| | | | | Unappropriated earnings | 8,406 | 11,934 | -3,528 |
| | | | | Evaluation adjustment | 17,326 | 16,825 | 500 |
| | | | | Total | 1,210,288 | 1,244,754 | -34,465 |

FY2018 Consolidated Balance Sheet (as of March 31, 2019)

(Unit: million yen)

| Assets | Amount | Previous year | Change over previous year | Liabilities and Member's Equity | Amount | Previous year | Change over previous year |
|--|-----------|---------------|---------------------------|---|-----------|---------------|---------------------------|
| 1. Current assets | 1,186,318 | 1,246,794 | -60,475 | 3. Current liabilities | 1,018,256 | 1,075,925 | -57,669 |
| (1) Cash and deposits | 125,176 | 150,891 | -25,715 | (1) Notes payable | 15,089 | 16,209 | -1,119 |
| (2) Notes receivable | 2,201 | 2,257 | -56 | (2) Short-term borrowing | 344,527 | 351,631 | -7,104 |
| (3) Marketable securities | 20,182 | 21,283 | -1,101 | (3) Accounts payable | 522,001 | 546,002 | -24,001 |
| (4) Accounts receivable | 484,058 | 492,226 | -8,168 | (4) Unliquidated liabilities | 11,416 | 12,951 | -1,535 |
| (5) Unliquidated claims | 159,862 | 182,083 | -22,220 | (5) Other current liabilities | 115,541 | 139,300 | -23,758 |
| (6) Inventories | 256,167 | 246,044 | 10,123 | (6) Reserve for bonus | 9,438 | 9,594 | -155 |
| (7) Other current assets | 136,937 | 148,985 | -12,047 | (7) Deferred tax liabilities | 240 | 235 | 4 |
| (8) Deferred tax assets | 5,170 | 6,478 | -1,307 | 4. Fixed liabilities | 224,834 | 229,779 | -4,944 |
| (9) Allowance for doubtful accounts | -3,437 | -3,455 | 18 | (1) Long-term borrowing | 105,839 | 101,619 | 4,220 |
| 2. Fixed assets | 681,930 | 669,436 | 12,494 | (2) Liabilities for retirement benefits | 73,450 | 79,420 | -5,969 |
| (1) Tangible fixed assets | 1,083,348 | 1,072,807 | 10,541 | (3) Other long-term provisions | 7,770 | 9,569 | -1,799 |
| Less accumulated depreciation | -667,563 | -665,769 | -1,794 | (4) Long-term monetary liabilities | 19,974 | 20,703 | -729 |
| (2) Intangible fixed assets | 12,357 | 12,450 | -92 | (5) Assets retirement obligations | 6,183 | 7,266 | -1,083 |
| (3) Outside investments | 171,539 | 164,006 | 7,533 | (6) Long-term deferred tax liabilities | 10,557 | 10,215 | 341 |
| (4) Long-term securities | 28,186 | 29,703 | -1,516 | (7) Other fixed liabilities | 1,059 | 984 | 74 |
| (5) Long-term loans receivable | 23,063 | 23,130 | -66 | Total liabilities | 1,243,090 | 1,305,705 | -62,614 |
| (6) Long-term prepaid expenses | 1,567 | 1,738 | -170 | 5. Net assets | 625,158 | 610,525 | 14,632 |
| (7) Fixed assets for retirement benefits | 2,225 | 1,663 | 561 | (1) Capitalization | 115,257 | 115,261 | -3 |
| (8) Other fixed assets | 20,110 | 19,581 | 529 | (2) Capital reserve | 9,754 | 9,711 | 43 |
| (9) Long-term deferred tax assets | 8,162 | 11,388 | -3,225 | (3) Retained earnings | 428,329 | 417,545 | 10,784 |
| (10) Allowance for doubtful accounts | -869 | -1,036 | 166 | (4) Evaluation adjustment | 21,143 | 19,077 | 2,066 |
| (11) Allowance for doubtful accounts—outside investments | -200 | -228 | 28 | (5) Minority equity | 50,748 | 49,006 | 1,742 |
| | | | | (6) Other | -76 | -76 | 0 |
| Total | 1,868,249 | 1,916,230 | -47,981 | Total | 1,868,249 | 1,916,230 | -47,981 |