

## Consolidated Financial Results for the Fiscal year Ended March 31, 2019 [Japanese GAAP]

Company name:	Oisix ra daichi Inc.	Stock exchange listings:	TSE Mothers
Securities code:	3182	URL:	<a href="http://www.oisixradaichi.co.jp">http://www.oisixradaichi.co.jp</a>
Representative:	Kohey Takashima, Representative Director, CEO		
Contact:	Hajime Yamanaka, Corporate Officer, Administration		
Scheduled date of Ordinary General Meeting of Shareholders:		June 26, 2019	
Scheduled date of payment of dividend:		-	
Scheduled date of filing of Quarterly Report:		June 27, 2019	
Preparation of supplementary materials for financial results:		Yes	
Holding of quarterly financial results meeting:		Yes	

(All amounts are rounded down to the nearest million yen)

### 1. Financial Results for the Fiscal Year Ended March 31, 2019 (from April 1, 2018 to March 31, 2019)

#### (1) Operating Results

(% of change from previous year)

Fiscal Year Ended	Net Sales		Operating Income		EBITDA		Net Income Attributable to Owners of the Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2019	64,026	60.1	2,312	159.4	3,154	88.8	2,387	906.4
March 31, 2018	39,987	73.7	891	18.4	1,670	67.6	237	Δ54.0

(Note)

1. Comprehensive income: Fiscal Year Ended (As of March 31, 2019) 2,384 million yen(881.8%)  
Fiscal Year Ended (As of March 31, 2018) 242 million yen(Δ52.9%)
2. Net Income attributable to owners of parent increased substantially compared with the same period of the previous fiscal year, due to taking over the tax loss carryforwards from the absorption-type merger with Radish Boya co.,ltd on October 1, 2018, and the recording of additional deferred tax assets, which is a special factor for the current fiscal year.  
In Addition, prior to the absorption-type merger, consolidated subsidiary Radish Boya co.,ltd consolidated profits and losses for the seven-month period from March 1, 2018 to September 30, 2018.

Fiscal Year Ended	Net Income per Share	Diluted Net Income per Share	Return on Equity	Return on Assets	Operating Income Margin
	Yen	Yen	%	%	%
March 31, 2019	71.38	70.47	21.2	10.8	3.6
March 31, 2018	7.39	7.22	2.5	5.4	2.2

(Reference)

Equity in earnings (losses) of affiliates (million yen):

Fiscal Year Ended (As of March 31, 2019) Δ107      Fiscal Year Ended (As of March 31, 2018) Δ7

(Note)

1. EBITDA stands for earnings before depreciation and amortisation.
2. On April 1st, 2018, the Company implemented a 2 for 1 stock split of common shares, and on October 1st, 2018, the Company implemented a 2 for 1 stock split of common shares. For the previous consolidated accounting year, said stock split is assumed to have occurred at the beginning of that accounting year for the purposes of calculating comparable Net Income per Share and Diluted Net Income per Share figures.

#### (2) Financial Position

Fiscal Year Ended	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
March 31, 2019	22,749	12,505	54.8	371.30
March 31, 2018	19,846	10,048	50.6	303.50

(Reference)

Shareholders' equity (million yen):

As of March 31, 2019 : 12,472      As of March 31, 2018 : 10,045

(Note)

On April 1st, 2018, the Company implemented a 2 for 1 stock split of common shares, and on October 1st, 2018, the Company implemented a 2 for 1 stock split of common shares. For the previous consolidated accounting year, said stock split is assumed to have occurred at the beginning of that accounting year for the purposes of calculating comparable Net Assets per Share figures.

### (3) Cash Flow

Fiscal Year Ended	Operating Activities	Investing Activities	Financing Activities	Cash and Cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
March 31, 2019	3,115	Δ2,215	6	8,093
March 31, 2018	1,637	Δ281	629	7,194

### 2. Dividends

Fiscal Year ended or ending	Dividend per Share					Amounts of Dividend (total)	Dividend Ratio	Dividend on Equity
	1Q	2Q	3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million Yen	%	%
March 31, 2018	—	0.00	—	0.00	0.00	—	—	—
March 31, 2019	—	0.00	—	0.00	0.00	—	—	—
March 31, 2020 (Forecast)	—	0.00	—	0.00	0.00	—	—	—

### 3. Forecast for the Fiscal Year Ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

(Percentages represent year-on-year changes)

	Net Sales		Operating Income		EBITDA		Net Income		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	70,000	9.3	2,200	Δ4.9	3,200	1.4	1,000	Δ58.1	29.77

(Note)

EBITDA stands for earnings before depreciation and amortisation.

#### \* Notes

#### (1) Significant changes in scope of consolidation

(Changes of specific subsidiaries in accordance with changes in the scope of consolidation):

Yes

Exclusion: One company

Radishbo-ya Co., Ltd.

(Note)

Radish Boya Co., Ltd. was merged with the Company and dissolved as of October 1, 2018, and is therefore excluded from the scope of consolidation in the third quarter period of the fiscal year.

#### (2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards:

None

2) Changes in accounting policies other than 1) above:

None

3) Changes in accounting estimates:

None

4) Restatements:

None

#### (3) Number of shares issued (common shares)

1) Number of shares issued (including treasury stock):

As of March 31, 2019	33,595,156shares
As of March 31, 2018	33,102,356shares

2) Number of treasury stocks:

As of March 31, 2019	3,780shares
As of March 31, 2018	3,340shares

3) Number of average shares during the period:

Fiscal year ended March 31, 2019	33,448,590shares
Fiscal year ended March 31, 2018	32,119,690shares

(Note)

On April 1st, 2018, the Company implemented a 2 for 1 stock split of common shares, and on October 1st, 2018, the Company implemented a 2 for 1 stock split of common shares. For the previous consolidated accounting year, said stock split is assumed to have occurred at the beginning of that accounting year for the purposes of calculating comparable Number of shares issued, Number of treasury stocks and Number of average shares during the period.

(Reference)

## 1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2019 (from April 1, 2018 to March 31, 2019)

### (1) Operating Results

(% of change from previous year)

Fiscal Year Ended	Net Sales		Operating Income		EBITDA		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2019	53,065	58.5	1,802	109.8	1,896	109.0	2,236	524.1
March 31, 2018	33,469	45.7	859	3.1	907	5.7	358	Δ43.9

Fiscal Year Ended	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
March 31, 2019	66.85	66.00
March 31, 2018	11.15	10.90

(Note)

On April 1st, 2018, the Company implemented a 2 for 1 stock split of common shares, and on October 1st, 2018, the Company implemented a 2 for 1 stock split of common shares. For the previous consolidated accounting year, said stock split is assumed to have occurred at the beginning of that accounting year for the purposes of calculating comparable Net Income per Share and Diluted Net Income per Share figures.

### (2) Financial Position

Fiscal Year Ended	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
March 31, 2019	22,604	12,606	55.8	375.28
March 31, 2018	16,978	10,323	60.8	311.90

(Reference)

Shareholders' equity(million yen) As of March 31, 2019 : 12,608 As of March 31, 2018 : 10,323

(Note)

On April 1st, 2018, the Company implemented a 2 for 1 stock split of common shares, and on October 1st, 2018, the Company implemented a 2 for 1 stock split of common shares. For the previous consolidated accounting year, said stock split is assumed to have occurred at the beginning of that accounting year for the purposes of calculating comparable Net Assets per Share figures.

\* This financial report is outside the scope of the audit by certified public accountants or auditing firms.

\* Explanation of the proper use of forecast and other notes

The forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. They are not intended as the Company's commitment to achieve such forecasts, and actual results may differ significantly from these forecasts due to a wide range of factors.

## 2.Outlook going forward

Amidst continued improvement in the environment for employment and personal income as well as the beneficial effects of various government policy initiatives, the outlook for the Japanese economy is that it will continue to see gradual recovery. The direction of personal consumption, however, is seen to be less certain.

The uncertainties of overseas economies as well as the impact of potentially volatile financial and capitalmarkets should also be taken into consideration.

It is under such circumstances that the Company seeks to continue to realize high business growth and secure its position as the topbrand in high value-added food products and ingredients and/or food delivery via EC.

As regards to the meal-kit business, a market that still possesses tremendous growth opportunities. As announced on April 25, 2019, the Company has newly included Three Limes, Inc. (hereinafter referred to as "Purple Carrot") which operates in the meal kit business for plant based meals in the United States. Its inclusion makes it possible to expand further the customer including the U.S. market and aims to leverage its expertise and capabilities in food delivery/manufacturing as well as what we perceive to be the Company's superior product development powers and its network of best-in-class producer networks.

With all things considered, the Company makes the following consolidated earnings forecast for the new fiscal year-ending in FY3/2020. Driven by not only further growth in the delivery business, contributions from the inclusion of Purple Carrot is expected to result in Sales of JPY 70,000 million (+9.3% YoY), OP of JPY 2,200 million ( $\Delta$ 4.9%), and EBITDA of JPY 3,200 million (+1.4%). As regards to Purple Carrot itself, the Company will work to improve profitability by improving fulfillment costs and LTV.

As a footnote, the Company, in consideration of the impact to earnings of depreciation and amortization costs such as goodwill (non-cash expense items), has opted to disclose EBITDA (OP + depreciation expenses +goodwill amortization expense) as it accurately shows the cash flow generation of the business.

As a result of the consolidation of Purple Carrot, the Company expects to incur a goodwill in the consolidated financial statements. However, the amount of goodwill has not been determined at this time. The Company will announce as soon as possible we know for sure.

Earnings for the Fiscal Year Ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

(Unit: millionyen)

	FY3/2019 (Result)	FY3/2020 (Forecast)	+/- YoY (%)
Net sales	64,026	70,000	9.3
Operating income	2,312	2,200	$\Delta$ 4.9
EBITDA (Note)	3,154	3,200	1.4
Net income attributable to owners of the parent	2,387	1,000	$\Delta$ 58.1
EBITDA per share	94.32	95.25	—
Net income attributable to owners of the parent per share	71.38	29.77	—

(Note)

1.EBITDA stands for earnings before depreciation and amortisation.

2.The forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. They are not intended as the Company's commitment to achieve such forecasts, and actual results may differ significantly from these forecasts due to a wide range of factors.

# Consolidated Financial Statements

## (1) Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	7,236,330	8,136,173
Accounts receivable-trade	5,415,701	5,555,456
Merchandise and finished goods	918,137	1,173,552
Work in process	4,435	45,077
Raw materials and supplies	207,590	184,228
Accounts receivable-other	1,335,994	1,308,693
Others	300,077	394,685
Allowance for doubtful accounts	△156,696	△196,069
<b>Total current assets</b>	<b>15,261,572</b>	<b>16,601,798</b>
Noncurrent assets		
Property, plant and equipment		
Buildings	614,234	928,879
Accumulated depreciation	△240,024	△565,048
Buildings, net	374,209	363,831
Machinery and equipment	661,207	925,003
Accumulated depreciation	△281,701	△436,176
Machinery and equipment, net	379,506	488,826
Lease assets	489,869	539,833
Accumulated depreciation	△452,725	△499,815
Lease assets, net	37,143	40,018
Others	331,602	357,140
Accumulated depreciation	△244,035	△242,065
Others, net	87,566	115,075
<b>Total Property, plant and equipment</b>	<b>878,426</b>	<b>1,007,751</b>
Intangible assets		
Goodwill	1,506,089	1,137,486
Others	877,657	1,009,106
<b>Total intangible assets</b>	<b>2,383,747</b>	<b>2,146,592</b>
Investments and other assets		
Investment securities	383,260	1,354,129
Lease and guarantee deposits	752,484	855,735
Deferred tax assets	110,121	710,305
Others	77,268	73,171
<b>Total investments and other assets</b>	<b>1,323,134</b>	<b>2,993,343</b>
<b>Total noncurrent assets</b>	<b>4,585,307</b>	<b>6,147,686</b>
<b>Total assets</b>	<b>19,846,880</b>	<b>22,749,485</b>

(Thousands of yen)

	As of March 31, 2018	As of December 31, 2018
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	4,097,110	4,240,280
Short-term loans payable	6,012	9,552
Lease obligations	37,454	34,083
Accounts payable-other	3,076,648	3,649,938
Income taxes payable	266,572	255,659
Provision for bonuses	90,477	—
Provision for points certificates	147,754	145,468
Asset retirement obligations	66,000	—
Others	941,654	1,115,018
Total current liabilities	8,729,685	9,450,000
Noncurrent liabilities		
Long-term loans	41,296	53,404
Lease obligations	64,952	42,289
Provision for directors' retirement benefits	3,300	4,500
Retirement benefit liabilities	458,874	—
Asset retirement obligations	282,649	296,218
Others	217,835	397,852
Total noncurrent liabilities	1,068,907	794,264
Total liabilities	9,798,592	10,244,264
Net assets		
Shareholders' equity		
Capital stock	1,259,797	1,284,022
Capital surplus	5,274,175	5,298,392
Retained earnings	3,510,139	5,897,781
Treasury stocks	Δ2,065	Δ2,800
Total shareholders' equity	10,042,046	12,477,395
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,693	3,284
Foreign currency translation adjustments	Δ1,030	Δ8,274
Total accumulated other comprehensive income	3,662	Δ4,989
Non-controlling interests	2,578	32,815
Total net assets	10,048,288	12,505,220
Total liabilities and net assets	19,846,880	22,749,485

## (2) Consolidated Statement of Income

(Thousands of yen)

	Period ended March 31, 2018	Period ended March 31, 2019
Net sales	39,987,224	64,026,120
Cost of sales	21,260,326	33,504,178
Gross profit	18,726,897	30,521,942
Selling, general and administrative expenses	17,835,455	28,209,498
Operating income	891,442	2,312,443
Non-operating income		
Interest income	479	251
Dividend received	4,470	5,648
Compensation income	9,153	12,216
Income from material recycling	9,559	16,249
Revocation gains of gift cards	4,440	3,243
Gain on bad debts recovered	8,116	6,661
Others	26,492	66,805
Total non-operating income	62,712	111,076
Non-operating expenses		
Interest expenses	644	1,940
Foreign exchange losses	2,021	563
Stock issuance cost	1,445	5,641
Liabilities from application of equity method	7,738	107,168
Others	5,289	6,503
Total non-operating expenses	17,137	121,816
Ordinary income	937,016	2,301,702
Extraordinary Income		
Gain on sales of investments in affiliated companies	—	3,123
Total extraordinary Income	—	3,123
Extraordinary loss		
Loss on revision of retirement benefit plan	87,381	—
Cancellation charges of facility leasing arrangements	—	40,159
Loss on sales of noncurrent assets	—	11,740
Impairment loss	169,040	96,487
Loss on valuation of investment securities	70,312	5,881
Total extraordinary loss	326,734	154,270
Income before income taxes	610,282	2,150,556
Income taxes-current	322,279	356,689
Income taxes-deferred	49,620	△599,337
Total income taxes	371,899	△242,647
Net income	238,382	2,393,204
Net income attributable to non-controlling interests	1,125	5,561
Net income attributable to owners of the parent	237,256	2,387,642

(3) Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Period ended March 31, 2018	Period ended March 31, 2019
Net income	238,382	2,393,204
Other comprehensive income		
Valuation difference on available-for-sale securities	4,693	Δ1,408
Foreign currency translation adjustments	Δ195	Δ7,243
Total other comprehensive income	4,497	Δ8,652
Comprehensive income	242,880	2,384,551
Total comprehensive income attributable to		
Owners of the parent	241,754	2,378,989
Non-controlling interests	1,125	5,561



(4) Consolidated Statement of Changes in Shareholders' Equity  
Period ended March 31, 2018

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of April 1, 2017	929,948	4,944,329	3,272,882	—	9,147,160
Changes in current period					
Stock issuance	329,849	329,845			659,695
Net income attributable to owners of the parent			237,256		237,256
Changes from stock swap					—
Purchase of treasury stock				Δ2,065	Δ2,065
Disposal of treasury stock					—
Net changes of items other than shareholders' equity					
Total changes in current period	329,849	329,845	237,256	Δ2,065	894,886
As of March 31, 2018	1,259,797	5,274,175	3,510,139	Δ2,065	10,042,046

	Accumulated other comprehensive income			Noncontrolling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Total accumulated other comprehensive income		
As of April 1, 2017	—	Δ835	Δ835	1,453	9,147,778
Changes in current period					
Stock issuance					659,695
Net income attributable to owners of the parent					237,256
Changes from stock swap					—
Purchase of treasury stock					Δ2,065
Disposal of treasury stock					—
Net changes of items other than shareholders' equity	4,693	Δ195	4,497	1,125	5,623
Total changes in current period	4,693	Δ195	4,497	1,125	900,509
As of March 31, 2018	4,693	Δ1,030	3,662	2,578	10,048,288

Period ended March 31, 2019

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of April 1, 2018	1,259,797	5,274,175	3,510,139	Δ2,065	10,042,046
Changes in current period					
Stock issuance	24,224	24,217			48,441
Net income attributable to owners of the parent			2,387,642		2,387,642
Changes from stock swap					
Purchase of treasury stock				Δ735	Δ735
Disposal of treasury stock					
Net changes of items other than shareholders' equity					
Total changes in current period	24,224	24,217	2,387,642	Δ735	2,435,348
As of March 31, 2019	1,284,022	5,298,392	5,897,781	Δ2,800	12,477,395

	Accumulated other comprehensive income			Noncontrolling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Total accumulated other comprehensive income		
As of April 1, 2018	4,693	Δ1,030	3,662	2,578	10,048,288
Changes in current period					
Stock issuance					48,441
Net income attributable to owners of the parent					2,387,642
Changes from stock swap					—
Purchase of treasury stock					Δ735
Disposal of treasury stock					—
Net changes of items other than shareholders' equity	Δ1,408	Δ7,243	Δ8,652	30,236	21,583
Total changes in current period	Δ1,408	Δ7,243	Δ8,652	30,236	2,456,932
As of March 31, 2019	3,284	Δ8,274	Δ4,989	32,815	12,505,220

## (4) Consolidated Statement of Cash Flow

(Thousands of yen)

	Period ended March 31, 2018	Period ended March 31, 2019
Cash flows from operating activities		
Income before income taxes	610,282	2,150,556
Depreciation	394,911	457,460
Amortization on goodwill	384,411	384,939
(Increase) decrease on sales of affiliated companies stock	—	△3,123
Loss on revision of retirement benefit plan	87,381	—
Impairment loss	169,040	96,487
Gain(loss) on valuation of investment securities	70,312	5,881
Increase (decrease) in allowance for doubtful accounts	19,021	39,336
Increase (decrease) in allowance for bonuses	△69,876	△90,477
Increase (decrease) in liability for retirement benefits	3,387	△104,002
Interest income and dividend received	△4,950	△5,899
Interest expense	644	1,940
Foreign currency exchange (gain) or loss	220	△141
(Increase) decrease on income on equity method investments	7,738	107,168
(Increase) decrease in accounts receivable	△570,797	△115,729
(Increase) decrease in other accounts receivable	31,046	27,315
(Increase) decrease in inventories	△82,270	△264,134
Increase (decrease) in accounts payable	362,326	141,166
Increase (decrease) in Accounts payable-other	187,863	550,127
Increase (decrease) in accrued expenses	422,263	49,444
Other	△100,462	51,028
Subtotal	1,922,494	3,479,349
Interest and dividend received	4,031	4,601
Interest paid	△644	△1,940
Income taxes paid	△288,043	△366,702
Net cash provided by operating activities	1,637,838	3,115,308
Cash flows from investing activities		
Purchase of property, plant and equipment	△164,842	△243,522
Purchase of intangible assets	△314,973	△717,760
Payments for acquisition of investments	△5,704	△31,053
Proceeds from lease and guarantee deposits received	△155,970	△1,100,000
Payments for execution of assets retirement obligations	—	21,640
Proceeds from cancellation of insurance funds	△12,367	△35,332
Payments for acquisition of affiliates	601,531	19,766
Income for sale of affiliates	△349,653	△109,567
Payments from acquisition of control over subsidiaries	188,355	10,261
Income from acquisition of control over subsidiaries	△81,640	△64,297
Payments for lease deposits and guarantee deposits	17,192	6,443
Other	△3,059	27,828
Net cash used in investing activities	△281,133	△2,215,594
Cash flows from financing activities		
Repayment of long-term loans payable	△21,012	△8,667
Proceeds from stock issuance	658,249	47,958
Income from payment from controlled shareholder	—	10,000
Purchase of treasury stock	△2,065	△735
Repayment of lease liabilities	△6,128	△42,524

Net cash provided by financing activities	629,043	6,031
Effect of exchange rate changes on cash and cash equivalents	Δ415	Δ7,102
Increase (decrease) in cash and cash equivalents	1,985,333	898,643
Cash and cash equivalents at the beginning of the year	5,209,396	7,194,730
Cash and cash equivalents at the end of the year	7,194,730	8,093,373