



June 17, 2021

Press Release

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Representative: Eijiro Ota, Representative Director, President
(Code: 2201; First Section of Tokyo Stock Exchange)
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Notice Regarding Correction to Figures Presented in
Consolidated Financial Summary for the Fiscal Year Ended March 31, 2021

MORINAGA & CO., LTD. (the “Company”) today announced that it has corrected three figures presented in the Consolidated Statements of Cash Flows in the Company’s Consolidated Financial Summary for the Fiscal Year Ended March 31, 2021, as outlined below. The three corrected figures have been underlined.

1. Reason for correction

The Company ascertained, while preparing its annual securities report following the release of the Consolidated Financial Summary for the Fiscal Year Ended March 31, 2021, that three figures presented in the Consolidated Statements of Cash Flows were incorrect.

2. Correction details

The figures for “Other” and “Income taxes paid”, under “Operating activities” in the Consolidated Statements of Cash Flows, have been corrected. Note that the incorrect figures were the result of incorrect apportioning of amounts between items within the “Operating activities” section of the Consolidated Statements of Cash Flows only. The correction therefore has no impact on total consolidated cash flow figures, and there is no change to figures for “Net cash provided by (used in) operating activities”, “Net increase (decrease) in cash and cash equivalents”, or “Cash and cash equivalents at end of period”.

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3. Consolidated Financial Statements and Major Notes

(4) Consolidated Statements of Cash Flows

Operating activities

Prior to correction

“other” : $\Delta 4,949$
“Subtotal” : 23,286
“Income taxes paid” : $\Delta 6,803$

Following correction

“other” : $\Delta 4,154$
“Subtotal” : 24,082
“Income taxes paid” : $\Delta 7,599$

Prior to correction

(Million yen)

	FY2020/3 (Apr. 1, 2019 – Mar. 31, 2020)	FY2021/3 (Apr. 1, 2020 – Mar. 31, 2021)
Operating activities		
Income before income taxes	15,437	18,944
Depreciation	6,230	7,909
Impairment loss	2,560	32
Amortization of goodwill	98	98
Increase (decrease) in provision for directors' stock benefits	11	24
Increase (decrease) in net defined benefit liability	38	379
(Increase) decrease in net defined benefit asset	38	50
Increase (decrease) in allowance for bonuses	68	(13)
Increase (decrease) in allowance for doubtful accounts	(14)	13
Increase (decrease) in provision for environmental measures	(25)	(23)
Interest and dividends income	(467)	(498)
Interest expenses	66	32
Equity in losses (earnings) of affiliates	(53)	16
Loss (gain) on valuation of investment securities	3	—
(Gain) loss on sales of noncurrent assets	(1,656)	84
Loss on retirement of noncurrent assets	747	710
Contract cancellation fee	4,855	—
(Increase) decrease in notes and accounts receivable—trade	3,586	1,013
(Increase) decrease in inventories	(368)	(1,290)
Increase (decrease) in notes and accounts payable—trade	(3,666)	751
Other	(303)	(4,949)
Subtotal	<u>27,187</u>	<u>23,286</u>
Interest and dividends income received	467	532
Interest expenses paid	(66)	(31)
Income taxes paid	(6,595)	(6,803)
Contract cancellation fee	—	(4,855)
Net cash provided by (used in) operating activities	<u>20,994</u>	<u>12,127</u>

Following correction

(Million yen)

	FY2020/3 (Apr. 1, 2019 – Mar. 31, 2020)	FY2021/3 (Apr. 1, 2020 – Mar. 31, 2021)
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Other	(303)	(4,154)
Subtotal	<u>27,187</u>	<u>24,082</u>
Interest and dividends income received	467	532
Interest expenses paid	(66)	(31)
Income taxes paid	(6,595)	(7,599)
Contract cancellation fee	—	(4,855)
Net cash provided by (used in) operating activities	<u>20,994</u>	<u>12,127</u>

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1. Overview of Operating Results, Etc.

(2) Overview of Financial Position for the Fiscal Year ended March 31, 2021

Prior to correction

(Cash flows from operating activities)

Net cash provided by operating activities was ¥12,127 million, down ¥8,867 million from the end of the previous fiscal year. The main components were ¥18,944 million in income before income taxes, ¥7,909 million in depreciation and amortization, and ¥6,803 million in income taxes paid.

Following correction

(Cash flows from operating activities)

Net cash provided by operating activities was ¥12,127 million, down ¥8,867 million from the end of the previous fiscal year. The main components were ¥18,944 million in income before income taxes, ¥7,909 million in depreciation and amortization, and ¥7,599 million in income taxes paid.