Earnings Results for FY23/3 Presentation Material

May 9, 2023
Nichirei Corporation

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Representative Director, President＆Chief Executive Officer

Index

Note: Figures shown in the graphs and charts in this document, if not otherwise indicated, have been rounded to the nearest unit. Certain figures have been rounded up or down to adjust for fractional amounts.

Creating Savory Moments

FY23/3 Results

Consolidated Group Results

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- Net sales rose 10% from the previous fiscal year on continued steady performance in mainstay businesses, mainly overseas operations
- Operating profit increased 5% on earnings improvement in mainstay businesses, and positive performance in the Bioscience Business
- Profit attributable to owners of parent was down 8%, due mainly to a decrease in gain on sales of investment securities

(Billion yen)

	FY23/3				
	Results	YoY		Compared to Previous Plan	
		Variance	% Change	Previous Plan	Variance
Net Sales	**662.2**	59.5	10%	660.0	2.2
Overseas Sales	**133.3**	35.7	37%		
Operating Profit	**32.9**	1.5	5%	31.5	1.4
Ordinary Profit	**33.4**	1.8	6%	31.9	1.5
Profit attributable to owners of parent	**21.6**	-1.8	-8%	21.2	0.4
EPS	**167.14 yen**	-9.58 yen	-5%	163.73 yen	3.41 yen
EBITDA	**55.1**	2.6	5%	53.9	1.2
ROIC	**6.9%**				
ROE	**9.9%**				

Exchange Rates

	FY 23/3
USD/JPY	131.45
EUR/JPY	138.05
THB/JPY	3.75

* Exchange rate figure is the average for the January-December period.

These are the consolidated results for the fiscal year ended March 31, 2023.

Net sales rose 10% from the previous fiscal year to ¥662.2 billion, on continued steady growth in mainstay businesses, mainly overseas operations.

Overseas sales amounted to ¥133.3 billion, an increase of ¥35.7 billion, or 37%, from the previous fiscal year. The target for overseas sales in the final year of the medium-term business plan is ¥130 billion, with an overseas sales ratio if 20%, so we've managed to exceed that level in the initial year of the plan.

Operating profit increased 5% to ¥32.9 billion on earnings improvement in mainstay businesses, along with positive performance in the Bioscience Business. This represents an increase of ¥1.4 billion over the previous plan, achieving the plan target.

Profit attributable to owners of parent was down 8% to ¥21.6 billion, due mainly to a decrease in gain on sales of investment securities.

Consolidated Group Results by Segment

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(Billion yen)

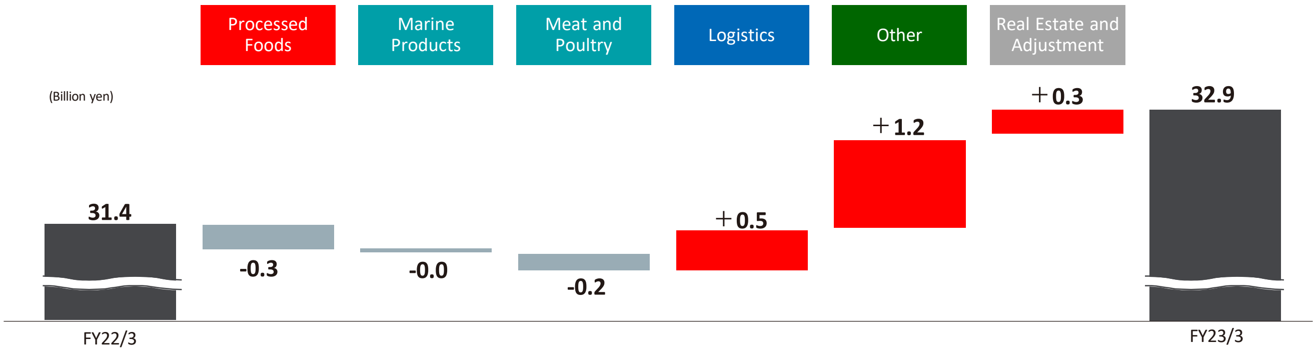
		FY23/3				
		Results	YoY		Compared to Plan	
			Variance	% Change	Plan	Variance
	Processed Foods	**275.7**	31.5	13%	275.0	0.7
	Marine Products	**69.0**	1.3	2%	66.0	3.0
	Meat and Poultry	**85.8**	5.5	7%	85.0	0.8
	Logistics	**244.2**	19.7	9%	246.0	-1.8
	Real Estate	**4.5**	0.2	5%	4.6	-0.1
	Other	**6.1**	1.9	46%	6.1	-0.0
	Adjustment	**-23.1**	-0.5	—	-22.7	-0.4
Net Sales		**662.2**	59.5	10%	660.0	2.2
	Processed Foods	**14.0**	-0.3	-2%	13.8	0.2
	Marine Products	**1.0**	-0.0	-1%	1.0	-0.0
	Meat and Poultry	**1.0**	-0.2	-18%	1.0	-0.0
	Logistics	**15.1**	0.5	4%	14.8	0.3
	Real Estate	**1.8**	0.1	9%	1.8	-0.0
	Other	**0.8**	1.2	—	0.8	0.0
	Adjustment	**-0.7**	0.2	—	-1.7	1.0
Operating Profit		**32.9**	1.5	5%	31.5	1.4

This is the breakdown of sales and operating profit by business segment.

I will discuss sales later in the sections for each business segment. The factors for increase and decrease in operating profit are shown on the following page.

Factors for Increase/Decrease in Operating Profit

Creating Savory Moments



Processed Foods	Decrease of ¥0.3 billion, as higher food material costs outstripped price revisions.
Logistics	Increase of ¥0.5 billion, as expanded cargo collections and improvements in operational efficiency offset higher electricity costs.
Other	Increase of ¥1.2 billion, as the Bioscience Business expanded sales of antigen test kits to simultaneously test for covid-19 and influenza.
Real Estate and Adjustment	Expenditures decreased with revision of content and timing for certain strategic expenditures for DX and sustainability measures.

These are the factors that contributed to changes in operating profit for each business segment during the previous fiscal year.

In Processed Foods, we revised selling prices for household-use items twice, in August last year and February this year, and three times for commercial-use items, in April and September last year, and February this year. Nevertheless, the continued rise in food material prices and other costs continued to affect results, with segment earnings down ¥0.3 billion.

In Logistics, expanded cargo collections and improvements in operational efficiency offset higher electricity fees and other costs, for an increase of ¥0.5 billion.

In the Other segment, the Bioscience Business expanded sales of antigen test kits to simultaneously test for covid-19 and influenza, for a gain of ¥1.2 billion.

The Real Estate and Adjustments segments provided an increase of ¥0.3 billion, mainly because of changes in the content and timing for certain strategic expenditures, including DX and sustainability measures.

As a result, operating profit amounted to ¥32.9 billion, an increase of ¥1.5 billion from the previous fiscal year.

Processed Foods Business

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■ **Operating profit was down 2% on cost increases, but exceeded the previous plan target**

(Billion yen)

		FY23/3				
		Results	YoY		Compared to Plan	
			Variance	% Change	Plan	Variance
Processed Food Business	Net Sales	275.7	31.5	13%	275.0	0.7
	Household-use Prepared Foods	81.4	4.6	6%	81.4	0.0
	Commercial-use Prepared Foods	100.1	7.4	8%	103.1	-3.0
	Processed Agricultural Products	20.4	0.5	2%	20.0	0.4
	Overseas	58.9	18.1	44%	55.9	3.0
	Other	14.9	0.9	7%	14.6	0.3
	Operating Profit	14.0	-0.3	-2%	13.8	0.2

Net Sales

Household-use Prepared Foods
Sales rose 6% on growth in sales volume for processed chicken, and expanded handling of hamburger and other processed meat products

Commercial-use Prepared Foods
Sales rose 8% as a result of focusing on expanding sales channels for processed chicken items in the restaurant and home meal replacement (HMR) market, along with positive sales in mainstay categories such as processed meat products, including hamburgers and cutlets

Overseas
Net sales rose 44% on strong sales of household-use items at U.S. subsidiary InnovAsian Cuisine, and expanded exports to Europe by Thailand subsidiary GFPT Nichirei

Operating Profit
Earnings declined 2% overall, as price revisions and earnings improvement at GFPT Nichirei were offset by the weak yen, along with higher costs for food material, and power and fuel.

Next, I'd like to explain the results by business segment.

First is Processed Foods.

In household-use prepared foods, net sales were ¥81.4 billion, an increase of ¥4.6 billion, or 6% from the previous fiscal year. The overall market for household-use prepared foods grew by around 2% during this period, so Nichirei exceeded the market average. Sales increased for Imagawayaki cakes and other snack items, along with growth in the sales volume for processed chicken items following the recovery at production centers in Thailand, and greater handling volume for hamburger steak and other processed meat products. Analyzing the 6% increase in revenue by volume and unit price, sales volume was on a par with the previous fiscal year, with unit price contributing nearly the entire 6% of the total.

In commercial-use prepared foods, sales amounted to ¥100.1 billion, an increase of ¥7.4 billion, or 8% from a year earlier. Revenue was boosted by core items such as processed chicken, along with steady sales in the mainstay category of processed meat items, including hamburger steak and pork cutlets. Analyzing the 8% increase in revenue by volume and unit price, sales volume accounted for around 1%, and unit price around 7% of the total. As with household-use items, unit prices were in line with plan, while volume was limited to around 1% as items scheduled for release in Q4 were delayed.

Overseas sales amounted to ¥58.9 billion, a gain of ¥18.1 billion, or 44% from the previous fiscal year. Nichirei's U.S. subsidiary InnovAsian Cuisine, which accounted for most of the gain, recorded positive sales of mainstay chicken, rice, and other household-use items. Thai subsidiary GFPT Nichirei, which has now resumed normal operations, expanded exports to Europe.

As a result, net sales for the Processed Foods segment overall amounted to ¥275.7 billion, an increase of ¥31.5 billion, or 13%, from the previous fiscal year. Operating profit was ¥14.0 billion, a decline of ¥0.3 billion, or 2%. However, as a result of price revisions and earnings improvement at GFPT Nichirei, this was ¥0.2 billion over the business plan.

Logistics Business

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- **Operating profit rose 4% on measures to adapt to the changing business environment, mainly overseas, offsetting the impact from rising costs.**

(Billion yen)

		FY23/3				
		Results	YoY		Compared to Plan	
			Variance	% Change	Plan	Variance
Logistics Business	Net Sales	244.2	19.7	9%	246.0	-1.8
	Japan Subtotal	177.1	2.7	2%	177.6	-0.5
	Logistics Network	104.6	1.7	2%	105.1	-0.5
	Regional Storage	72.5	1.1	1%	72.5	-0.0
	Overseas	63.7	17.8	39%	63.4	0.3
	Other/Intersegment	3.4	-0.9	-21%	5.0	-1.6
	Operating Profit	15.1	0.5	4%	14.8	0.3
	Japan Subtotal	13.5	0.1	1%	13.4	0.1
	Logistics Network	5.4	-0.1	-2%	5.4	0.0
	Regional Storage	8.1	0.2	2%	8.0	0.1
	Overseas	2.4	0.3	16%	2.1	0.3
	Other/Intersegment	-0.8	0.1	—	- 0.7	-0.1

(Japan)

Net Sales

Logistics Network

Revenue rose 2% on increased handling of commercial-use products in the third-party logistics (3PL) business, and steady growth in joint delivery services for frozen foods

Regional Storage

Revenue rose 1% on steady efforts to capture storage demand, mainly in major metropolitan areas

Operating Profit

Earnings were up 1% YoY as application of electricity and fuel surcharges partially lessened the impact from rising energy costs, and further boosted by sales gains and greater operational efficiency

(Overseas)

Net Sales

Europe: Revenue was up 39% on the benefits from acquisitions completed in the previous fiscal year, and expansion in customs clearance and cross-border transport services

Operating Profit

Europe: Earnings rose 16% on expanded cargo collections, along with application of surcharges and price revisions that mitigated the impact from rising energy costs

Next is the Logistics business.

Looking first at the situation in Japan, the Logistics Network business had sales of ¥104.6 billion, an increase of ¥1.7 billion, or 2% from previous fiscal year, driven mainly by the third-party logistics (3PL) business, including handling volume for commercial-use products and joint delivery services for frozen foods. The Regional Storage business had sales of ¥72.5 billion, an increase of ¥1.1 billion, or 1%, on steady efforts to capture storage demand, mainly in major metropolitan areas. Overall operating profit in Japan amounted to ¥13.5 billion, an increase of ¥0.1 billion, or 1% from the previous fiscal year, due mainly to expanded cargo collections in the Tokyo metropolitan area and improved operational efficiency, offsetting the considerable impact from the winding down of extraordinary demand in the transfer center (TC) business, and a rise in electricity rates.

Overseas, revenue in Europe amounted to ¥63.7 billion, an increase of ¥17.8 billion, or 39%, from the previous fiscal year, on the boost from acquisitions completed in the previous fiscal year, and expansion in customs clearance and cross-border transport services. Operating profit totaled ¥2.4 billion, an increase of ¥0.3 billion, or 16%, on expanded cargo collections in Europe, along with application of surcharges and price revisions that mitigated the impact from higher energy costs.

As a result, revenue in the Logistics business overall amounted to ¥244.2 billion, an increase of ¥19.7 billion, or 9%, from previous fiscal year, with operating profit of ¥15.1 billion, up ¥0.5 billion, or 4%.

Marine Products, Meat and Poultry Business

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- **Marine Products results were on a par with the previous fiscal year, while in Meat and Poultry operating profit was down 18% on inability to fully absorb cost increases**

(Billion yen)

		FY23/3				
		Results	YoY		Compared to Plan	
			Variance	% Change	Plan	Variance
Marine Products	Net Sales	**69.0**	1.3	2%	66.0	3.0
	Operating Profit	**1.0**	-0.0	-1%	1.0	-0.0
Meat and Poultry	Net Sales	**85.8**	5.5	7%	85.0	0.8
	Operating Profit	**1.0**	-0.2	-18%	1.0	-0.0

Marine Products

- Sales rose 2% as a result of a focus on products for which Nichirei has an advantage, mainly shrimp, along with price revisions to reflect rising procurement costs
- Operating profit was on a par with the previous fiscal year, boosted by the overseas business

Meat and Poultry

- Sales rose 7% on growth in processed foods to the HMR and restaurant market, and imported frozen items
- Operating profit was down 18% on inability to absorb higher animal feed prices and other costs

Next, the Marine Products, and Meat and Poultry businesses.

In Marine Products, sales amounted to ¥69.0 billion, an increase of ¥1.3 billion, or 2% from previous fiscal year, mainly because of recovery in sales to restaurants focused on mainstay shrimp items, and growth in overseas sales. Breaking down the 2% gain in revenue, although sales volume declined as a result of business restructuring, Nichirei managed to achieve a revenue gain by focusing on products where it has an advantage, mainly shrimp, along with implementation of price revisions. Operating profit was on a par with the previous fiscal year at ¥1.0 billion, boosted by the overseas business.

In Meat and Poultry, sales amounted to ¥85.8 billion, an increase of ¥5.5 billion, or 7% from the previous fiscal year, due mainly to growth in sales of processed foods and imported frozen items for the home meal replacement (HMR) and restaurant markets. Operating profit, however, fell to ¥1.0 billion, a decline of ¥0.2 billion, or 18%, on delays implementing price revisions to reflect higher procurement costs, such as a rise in animal feed prices.

FY24/3 Plan

Consolidated Group Forecast

Creating Savory Moments

- **Net sales: Forecast increase of 2% YoY on continued steady performance in mainstay businesses**
- **Operating profit: Forecast increase of 5% YoY on earnings improvement for Processed Foods, and a 1% increase compared to the initial medium-term business plan**

(Billion yen)

	FY24/3				
	Plan	YoY		Compared to Initial Plan	
		Variance	% Change	Initial Plan	Variance
Net Sales	**675.0**	12.8	2%	640.5	34.5
Overseas Sales	**143.0**	9.7	7%		
Operating Profit	**34.5**	1.6	5%	34.0	0.5
Ordinary Profit	**34.8**	1.4	4%	34.7	0.1
Profit attributable to owners of parent	**22.4**	0.8	4%	22.4	—
EPS	**175.42 yen**	8.28 yen	5%		
EBITDA	**60.2**	5.0	9%		

Exchange Rates Forecast

	FY 24/3
USD/JPY	135.00
EUR/JPY	145.00
THB/JPY	3.90

This is our consolidated results forecasts for the fiscal year ending March 31, 2024.

We are forecasting net sales of ¥675.0 billion, an increase of ¥12.8 billion, or 2%, from the previous fiscal year, stemming mainly from continued steady performance in mainstay businesses. Overseas sales are expected to amount to ¥143.0 billion, increasing ¥9.7 billion, or 7%.

For operating profit, we are forecasting ¥34.5 billion, a rise of ¥1.6 billion, or 5%, exceeding the level of the medium-term business plan.

Profit attributable to owners of parent is forecast to be ¥22.4 billion, an increase of ¥0.8 billion, or 4% from the previous fiscal year.

The assumed foreign currency exchange rates for these forecasts are 135 yen to the U.S. dollar, 145 yen to the euro, and 3.90 yen to the Thai baht.

Overseas Sales

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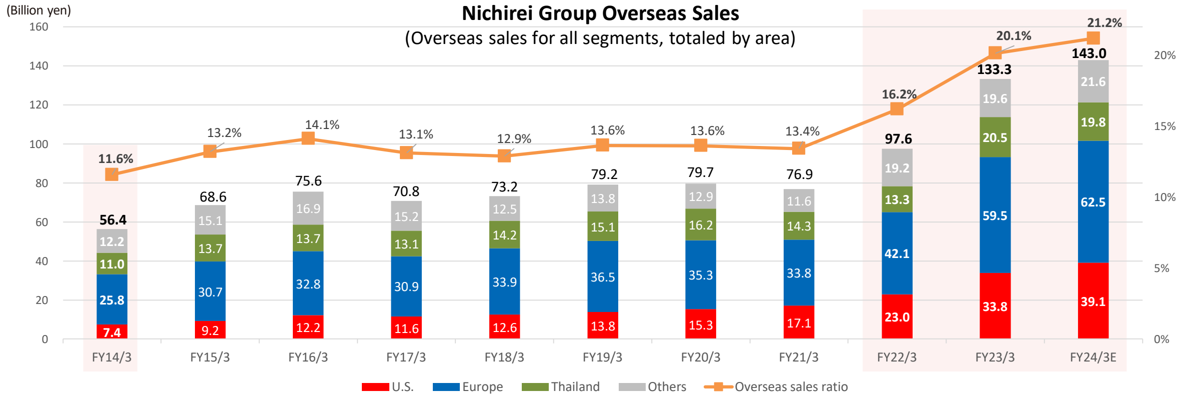
- **The compound annual growth rate (CAGR) for overseas sales over the last decade is 14%**
- **Growth in the overseas business for Nichirei Group overall has been driven by Processed Foods in the U.S., and Logistics in Europe**



Exchange rates	FY14/3	FY15/3	FY16/3	FY17/3	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3E
USD/JPY	97.65	105.86	121.05	108.87	112.19	110.44	109.06	106.83	109.80	131.45	135.00
EUR/JPY	129.69	140.43	134.32	120.36	126.66	130.42	122.08	121.82	129.88	138.05	145.00

* Actual exchange rate figures are the average for the January–December period of each year.

For this presentation we have created a graph with overseas sales by region of the last ten years, and our forecast for the current term, with the aim of conveying the status of overseas business growth for the corporate group overall.

As you can see, overseas sales in FY22/3, the final year of the previous medium-term business plan, amounted to ¥97.6 billion, slightly short of the ¥100 billion level. However, under the current business plan we have proactively allocated management resources toward expanding overseas sales, which reached ¥133.3 billion in the previous fiscal year. Overseas sales are expected to increase to ¥143.0 billion in the current term, for an overseas sales ratio of 21%.

The drivers for this growth have been the Processed Foods business in North America and the Logistics business in Europe, which over the last decade have had an average annual growth rate of 29% and 12%, respectively. I will explain our strategies for each business in a moment.

Sales in Thailand rose ¥7.2 billion year on year to ¥20.5 billion. This was due mainly to positive sales at GFPT Nichirei, which has benefitted from an upturn in business inquiries from Europe for Thai chicken due to the conflict between Ukraine and Russia. At the same time, since the market has now stabilized, for the current period we anticipate that sales will be on a par with the previous fiscal year.

Consolidated Group Forecast by Segment

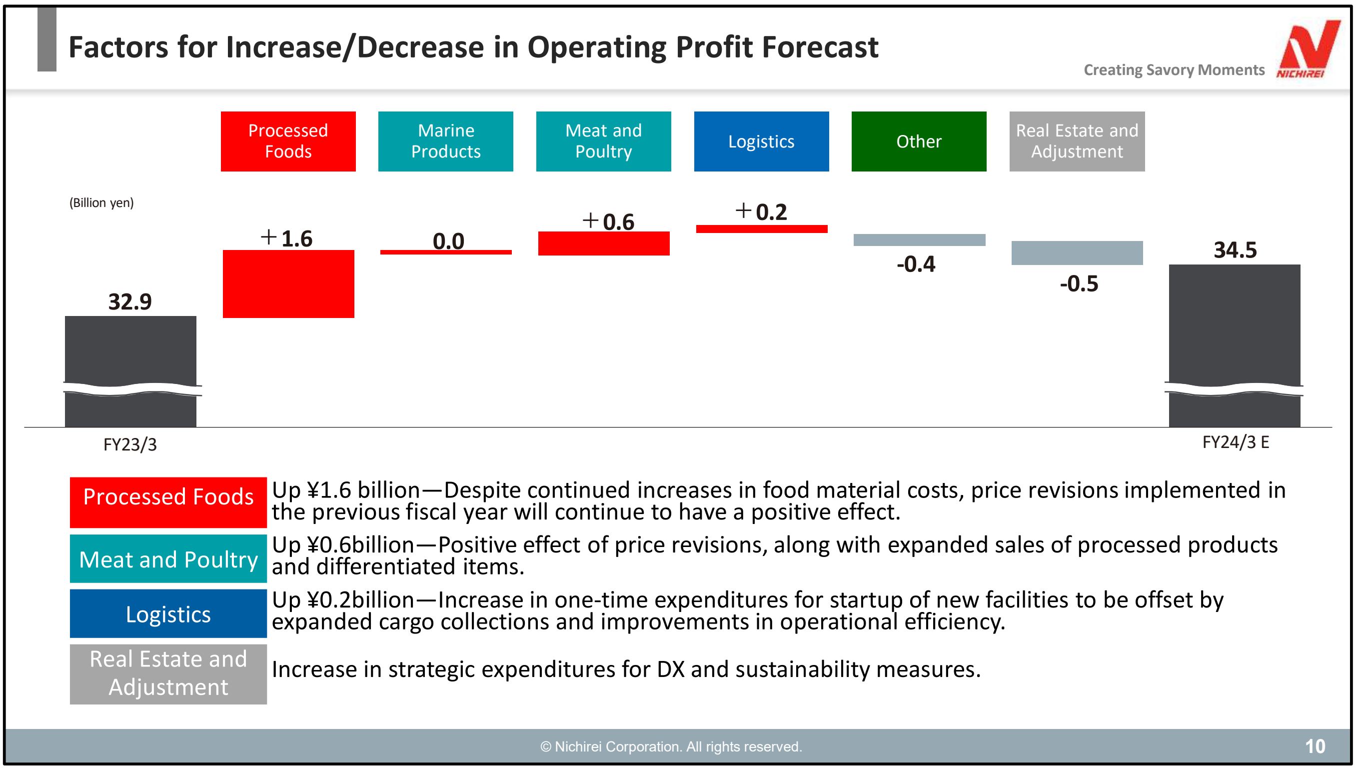
Creating Savory Moments

(Billion yen)

		FY24/3				
		Plan	YoY		Compared to Initial Plan	
			Variance	% Change	Initial Plan	Variance
	Processed Foods	**296.0**	20.3	7%	267.0	29.0
	Marine Products	**50.0**	-19.0	-28%	48.9	1.1
	Meat and Poultry	**85.0**	-0.8	-1%	93.5	-8.5
	Logistics	**255.0**	10.8	4%	243.0	12.0
	Real Estate	**4.5**	-0.0	-1%	4.7	-0.2
	Other	**6.4**	0.3	5%	5.6	0.8
	Adjustment	**-21.9**	1.2	—	-22.2	0.3
Net Sales		**675.0**	12.8	2%	640.5	34.5
	Processed Foods	**15.6**	1.6	12%	16.0	-0.4
	Marine Products	**1.0**	0.0	5%	1.0	0.0
	Meat and Poultry	**1.6**	0.6	67%	1.9	-0.3
	Logistics	**15.3**	0.2	1%	15.1	0.2
	Real Estate	**1.7**	-0.1	-5%	2.0	-0.3
	Other	**0.4**	-0.4	-52%	0.0	0.4
	Adjustment	**-1.1**	-0.4	—	-2.0	0.9
Operating Profit		**34.5**	1.6	5%	34.0	0.5

This chart shows our net sales and operating profit by business segment.

I will discuss sales later in the sections for each business segment. The factors for increase and decrease in operating profit are shown on the following page.



These are the factors that we expect will affect changes in operating profit for each business segment during the current fiscal year.

The Processed Foods business is expected to contribute ¥1.6 billion. Amid rising prices for food material, despite the additional increase from the higher procurement costs for eggs, we expect the price revisions implemented in the previous fiscal year to make a positive contribution.

In Meat and Poultry, we are forecasting a gain of ¥0.6 billion, stemming mainly from price revisions, along with expanded sales of processed foods and differentiated items.

In Logistics, we anticipate an increase of ¥0.2 billion, with one-time expenditures for startup of the new Kobe Rokko Distribution Center offset by expanded cargo collections and improvements in operational efficiency.

For the Real Estate and Adjustments segments, we are forecasting a decrease of ¥0.5 billion, mainly due to an increase in strategic expenditures for DX and sustainability measures.

As a result, for the fiscal year ending March 2024, we are forecasting operating profit of ¥34.5 billion, an increase of ¥1.6 billion from the previous fiscal year.

Processed Foods Business—Basic Strategy

Creating Savory Moments

Expansion in strategic categories

- Further growth in strategic categories where Nichirei has an advantage, such as rice products and chicken
- Expanded production capacity to handle robust demand, and establishment of an efficient supply structure

* Please refer to page 12 for details.

Market creation from new added value

- Expanded lineup of personal use (single serving) items and broadening of sales channels

* Please refer to page 12 for details.

- Utilization of proprietary technologies to develop and launch products that provide health benefits
- Provide “assembled meal ingredients”

Earnings growth for overseas business

- U.S.—Expand market share through growth in mainstay categories and entry into new categories

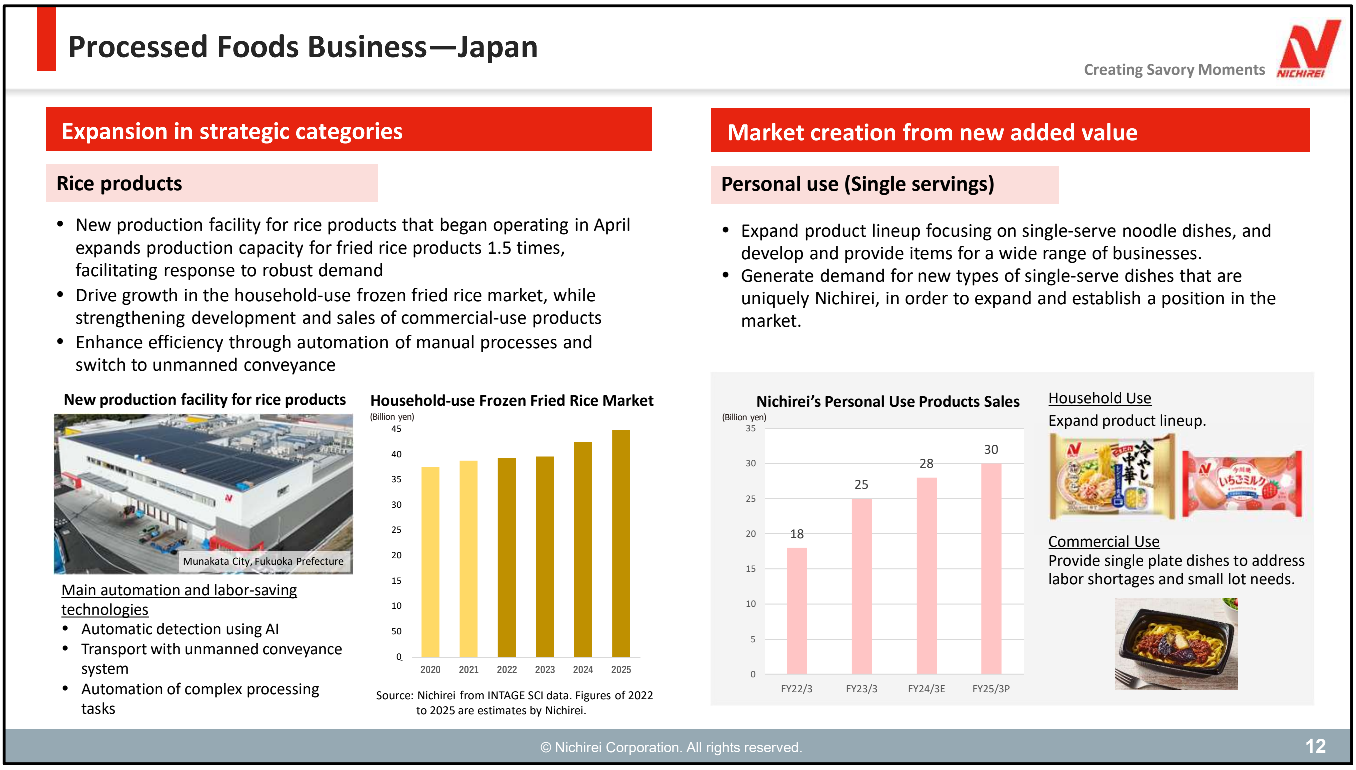
* Please refer to page 13 for details.

- Brazil—Strengthen sales of clean label Acerola Powder

This is our basic strategy for the Processed Foods business.

The business environment has been harsh recently, but according to research by the Japan Frozen Food Association, price increases for frozen foods are projected to have little impact on purchasing behavior, owing to the convenience and storability of these products. Nichirei also expect demand to remain firm.

Considering such circumstances, in Japan Nichirei plans to expand business in strategic categories, and utilize new added value to develop markets, while overseas we will implement measures for further earnings growth, focusing on the United States.



I would now like to explain our priority measures for the basic strategies in Japan.

For the first measure, expansion in strategic categories, we will focus on strengthening sales of rice products. As occasions for cooking rice at home decrease over the longer term with greater need for time savings and menu diversification, we anticipate growing demand for processed rice products, mainly fried rice. To meet this robust demand, Nichirei has built at new production facility in Fukuoka Prefecture specifically for frozen rice products and strengthened its production capacity for fried rice products 1.5 times, together with that of Funabashi plant. While driving growth in the household-use frozen rice market, we will also strengthen development and sales of commercial-use products, further expanding the market.

The new rice product facility incorporates cutting-edge automation and labor-saving technologies to improve productivity through greater efficiency. We are also pursuing measures to reduce CO2 emissions with improvements in the manufacturing process, effective utilization of exhaust heat, and installation of solar panels, while also promoting the utilization of renewable energy. This new eco-friendly plant will contribute to our goal of eliminating CO2 emissions from electricity.

For the second measure, market creation from new added value, we will focus on personal use (single serving) items. We have set a target in the current medium-term business plan to increase sales of personal use items to ¥30.0 billion, which we plan to achieve by expanding our existing product lineup to meet the growing personal use demand, and particularly for commercial-use products, developing new products to address labor shortages and small lot needs.

We will generate personal use demand that is uniquely Nichirei, and develop it as a pillar for earnings growth.

Processed Foods Business—Overseas

Earnings growth for overseas business

U.S.

<u>InnovAsian Cuisine</u>

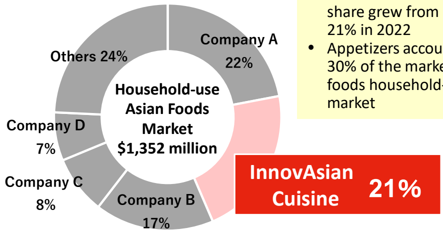
- Strengthen sales in the rice products category, where Nichirei has secured in-house production capacity, and in the mainstay chicken category
- Focus on expansion for household-use appetizers
- Launch new products and conduct effective promotions

<u>Nichirei Sacramento Foods</u>

- Made a subsidiary in July 2022 as an in-house production facility, utilizing technology and know-how from Japan to establish a stable supply structure for rice products
- Strengthen collaboration with InnovAsian Cuisine to accelerate growth through combined production and sales

InnovAsian Cuisine Net Sales and Operating Profit

		FY20/3	FY21/3	FY22/3	FY23/3	FY24/3		
							YoY	
		Results	Results	Results	Results	Plan	Variance	% Change
Net Sales	Reporting currency (JPY bn)	14.6	16.6	21.9	32.6	37.0	4.4	13%
	Local currency (USD mn)	133	155	199	248	274	26	10%
Operating Profit	Reporting currency (JPY bn)	0.6	1.4	1.4	1.8	1.9	0.1	6%
	Local currency (USD mn)	5.2	13.3	12.8	13.4	13.9	1	4%
Exchange Rate (USD/JPY)		109.06	106.83	109.80	131.45	135.00		



- InnovAsian Cuisine's market share grew from 19% in 2020 to 21% in 2022
- Appetizers accounts for around 30% of the market for the Asian foods household-use frozen market

Source: Calculated from Nielsen data on household-use Asian food brands (national brands only).
Period: January–December 2022.

I would now like to expand on earnings growth for the overseas business.

Nichirei's U.S. subsidiary InnovAsian Cuisine has been the driver for growth in the overseas Processed Foods business, posting an average annual growth rate of 20% on a local currency basis over the last four years by drawing on its capability to develop products tailored to local tastes, and sales capabilities to major retailers. Although we anticipate a stern business environment, including a slowdown in personal consumption due to continuing inflation, we will steadily implement measures to stimulate demand, such as launching new products and conducting effective promotional campaigns. Accordingly, we are forecasting revenue and earnings growth, with net sales in FY24/3 of ¥37.0 billion, an increase of ¥4.4 billion, or 13%, over the previous fiscal year, and operating profit of ¥1.9 billion.

In terms of our strategies, along with the mainstay chicken category, we will strengthen sales in the rice category through cooperation with Nichirei Sacramento Foods, our subsidiary for production of rice products. We will also make a full-fledged entry into the market for appetizers, which accounts for around 30% of the market for household-use frozen Asian foods, aiming to gain the top share in the household-use Asian foods market.

Processed Foods Business

Creating Savory Moments

- **While costs continue to rise, Nichirei aims to offset this with selling price adjustments and increased revenue, for an operating profit gain of 12% year on year.**

(Billion yen)

		FY24/3		
		Plan	YoY	
			Variance	% Change
Processed Foods	**Net Sales**	**296.0**	20.3	7%
	Household-use Prepared Foods	**86.1**	4.7	6%
	Commercial-use Prepared Foods	**108.4**	8.3	8%
	Processed Agricultural Products	**21.5**	1.1	5%
	Overseas	**65.0**	6.1	10%
	Other	**15.0**	0.1	1%
	Operating Profit	**15.6**	1.6	12%

These are our financial targets. As a result of the priority measures in FY24/3, we are aiming for a 7% increase in net sales to ¥296.0 billion, with a 12% increase in operating profit to ¥15.6 billion.

Processed Foods Business

Creating Savory Moments

Factors for Increase/Decrease in Operating Profit

(Billion yen)

	FY23/3 Results	FY24/3 Plan
FY22/3 Operating Profit	**14.2**	**14.0**
Factors for increase	**14.3**	**12.5**
Impact of selling price adjustments	11.4	11.5
Increased revenue	0.3	0.5
Impact of results at affiliated companies	2.3	0.2
Improved productivity	0.3	0.3
Factors for decrease	**-14.5**	**-10.9**
Increase/decrease in food material and procurement cost	-6.8	-4.2
Increase in raw material and purchasing costs due to yen depreciation	-4.1	-2.7
Increase/decrease in logistics costs	-1.3	-0.5
Increase/decrease in power and fuel costs	-1.6	-0.9
Increase in depreciation expense	-0.6	-2.3
Other	-0.1	-0.3
FY23/3 Operating Profit	**14.0**	**15.6**

Main Measures

- Impact of selling price adjustments
  Steady implementation of price revisions from February.
- Impact of results at affiliated companies
  Earnings decline anticipated in Thailand, but U.S. results expected to grow steadily.
- Increase/decrease in food material and procurement cost
  Rise in procurement price for eggs and chicken, and increase in packaging material costs.
- Increase in depreciation expense
  Increase resulting from start of operations at new rice products facility in Fukuoka Prefecture.

These are the factors that we expect will contribute to changes in operating profit.

During FY24/3, we expect the weak yen, along with higher food material and logistics costs, to have a negative impact of ¥8.3 billion, while price revisions implemented in the previous fiscal year will have a positive impact of ¥11.5 billion, with revenue gains the productivity improvements providing a further ¥0.8 billion, for an overall earnings gain of ¥1.6 billion.

Price revisions implemented from February this year have mostly been accepted by customers and are proceeding as planned. For food material costs, we expect a negative impact of ¥4.2 billion compared to the previous fiscal year, including the effect of higher market prices for eggs due to supply shortages. We will take steps to mitigate the impact on products that use eggs by prioritizing production for mainstay items, and expanding the range of products that do not use eggs.

Logistics Business—Basic Strategy

Creating Savory Moments

Japan—Establish a business foundation for the next era in logistics

- Solutions for the sweeping regulatory changes in 2024
  - ➢ Build a logistics platform for frozen foods
  - ➢ Expand the S&U Logistics System (SULS)
- Expand business through stable operations at the Kobe Rokko Distribution Center as quickly as possible

* Please refer to page 17 for details.

Measures for sustainable growth

- Establish a technical foundation (operational innovation, enhanced engineering)
- Transition to natural refrigerants and other environmental measures

* Please refer to page 17 for details.

Overseas—Achieve growth in both revenue and earnings

- Europe: Expand range of one-stop services combining customs clearance, storage, and transport

* Please refer to page 18 for details.

- China: Recover from the impact of the COVID-19 lockdown, and develop business in the southern and southwestern areas of the country.
- ASEAN: Establish a business foundation and expand sales.

This is our basic strategy for the Logistics business.

Amid rising energy prices in Japan and overseas, and the need to respond to the sweeping regulatory changes for truck drivers that will come into effect in 2024, in Japan we will establish a business foundation for the next era in logistics, and pursue measures for sustainable growth. Overseas, Nichirei will aim to achieve growth in both revenue and earnings by expanding its range of one-stop services, mainly in Europe, and establishing a business foundation for each area.

Logistics Business—Japan

Creating Savory Moments

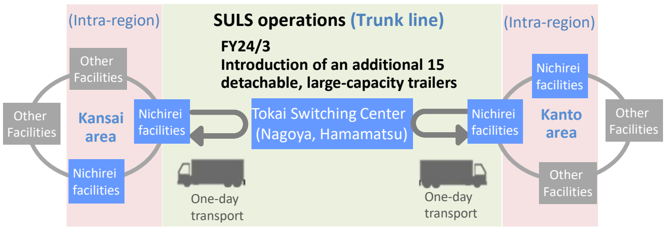
Establish a business foundation for the next era in logistics

- Utilize internal and external company assets to build a logistics platform for frozen foods, and expand share of product handling
- Expand the S&U Logistics System (SULS) for trunk line transport along the Tokyo, Nagoya, and Osaka area
- Establish stable operations at the Kobe Rokko Distribution Center as quickly as possible, and respond to needs for storage of fruit juice and dairy products in the Kansai region

Measures for sustainable growth

- Technology development and verification, including robots and automated conveyance systems currently in joint development.
- Transition to natural refrigerants according to plan.

SULS Operation Concept



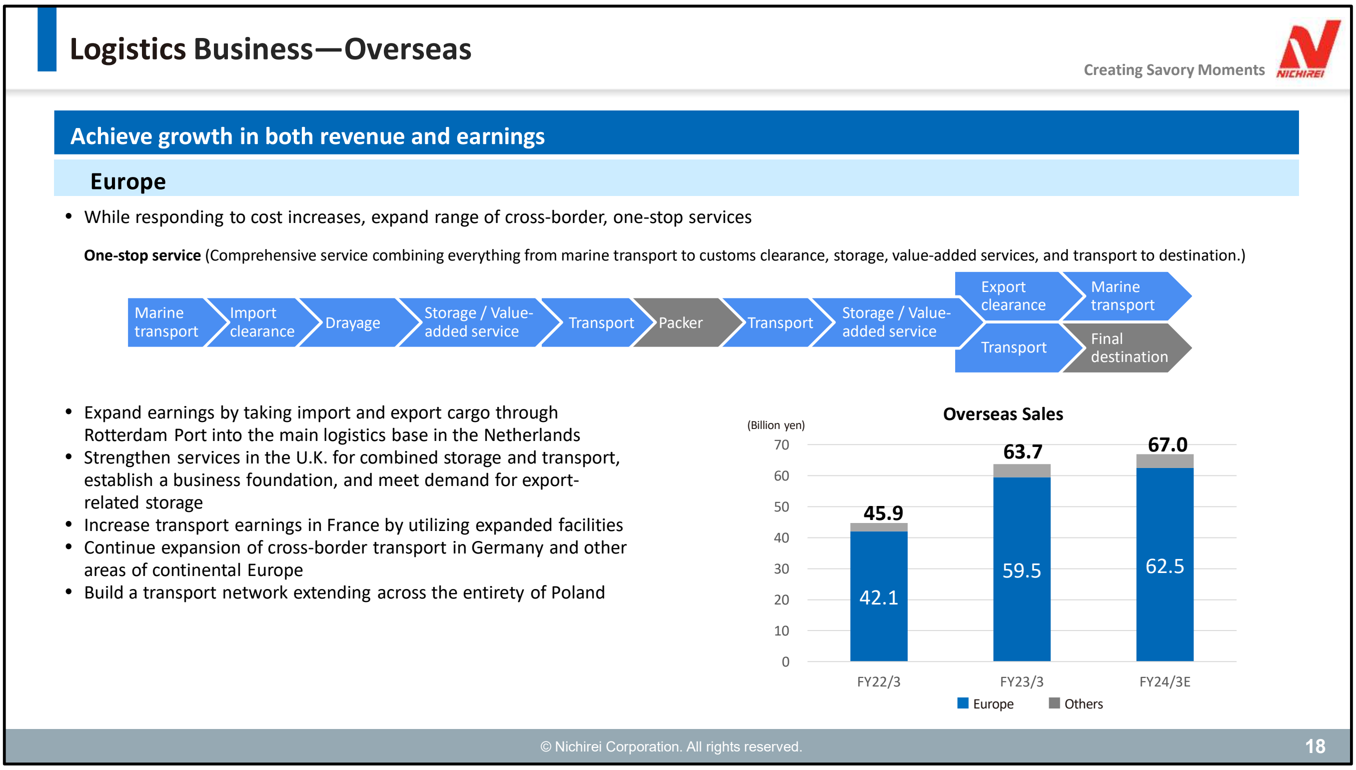
Strengthen business foundation in Western Japan

Kobe Rokko Distribution Center Overview	
Location	Higashinada-ku, Kobe City
Scheduled start of operations	January 2024
Total investment	¥9.3 billion
Capacity	24,100tonnes
Truck berths	12

Here I'd like to explain our main strategies for Japan and overseas.

For Japan, Nichirei will utilize its internal and external company assets to build a logistics platform for frozen foods and expand its share of products handled. We will also expand the S&U Logistics System (SULS) for trunk line transport along the Tokyo, Nagoya, and Osaka area. Further, as a measure to maximize the effectiveness of our nationwide network, we will establish stable operations at the Kobe Rokko Distribution Center as quickly as possible, and respond to needs for storage of fruit juice and dairy products in the Kansai region.

In terms of measures for sustainable growth, Nichirei will conduct technology development and verification, including robots and automated conveyance systems currently in joint development, along with other measures for future automation and labor savings. The transition to natural refrigerants is also moving forward according to plan.



These are our overseas strategies.

In Europe, Nichirei will expand its range of one-stop services for cross-border logistics, with integrated services combining everything from marine transport to customs clearance, storage, value-added services, and transport to destination.

In the Netherlands, U.K., and France, we will maximize the investment benefits from new facilities and acquisitions completed in the previous fiscal year. We also plan to further strengthen our business foundations in the U.K.

In Germany, Nichirei will expand its cross-border transport, while in Poland we will develop a transport network covering the entire country, developing infrastructure with the aim of acquiring new customers.

As a result, Nichirei aims to achieve revenue in Europe of ¥62.5 billion, an increase of 5% from the previous fiscal year.

Logistics Business

Creating Savory Moments

- **Nichirei will absorb cost increases while continuing to build a business foundation in anticipation of growth from FY25/3 and beyond, with a forecast operating profit gain of ¥0.2 billion year on year**

(Billion yen)

		FY24/3		
		Plan	YoY Variance	YoY % Change
Logistics Business	Net Sales	**255.0**	10.8	4%
	Japan Subtotal	**183.0**	5.9	3%
	Logistics Network	**118.0**	13.4	13%
	Regional Storage	**65.0**	-7.5	-10%
	Overseas	**67.0**	3.3	5%
	Other/Intersegment	**5.0**	1.6	49%
	Operating Profit	**15.3**	0.2	1%
	Japan Subtotal	**13.7**	0.2	1%
	Logistics Network	**6.4**	1.0	18%
	Regional Storage	**7.3**	-0.8	-10%
	Overseas	**2.6**	0.2	8%
	Other/Intersegment	**-1.0**	-0.2	—

* A portion of the Regional Storage business was transferred to the Logistics Network business as part of organizational restructuring in the Tokyo metropolitan area (April 2023).

These are our financial targets. As a result of the priority measures in FY24/3, we are aiming for a 4% increase in net sales to ¥255.0 billion, with a 1% increase in operating profit to ¥15.3 billion.

Please note that the large year-on-year variance between the Regional Storage business and the Logistics Network business in Japan is due to a business transfer conducted as part of organizational restructuring in the Tokyo metropolitan area in April 2023.

Logistics Business

Creating Savory Moments

Factors for Increase/Decrease in Operating Profit

(Billion yen)

	FY23/3 Results	FY24/3 Plan
FY22/3 Operating Profit	**14.6**	**15.1**
Factors for increase	**2.5**	**1.1**
Effect on results from increase in cargo collection costs	1.3	0.5
Operational improvements	0.5	0.2
Streamlining of transport business	0.4	0.2
Effect on overseas business	0.3	0.2
Factors for decrease	**-2.0**	**-0.9**
Increase in electricity charges (net)	-1.6	0.9
Increase in transport and delivery costs (net)	-0.4	-0.5
Increase in work outsourcing costs (net)	-0.1	-0.4
Startup costs for new locations	—	-0.7
Other	0.1	-0.2
FY23/3 Operating Profit	**15.1**	**15.3**

Main Measures

- Effect on results from increase in cargo collection costs
  While cargo collections are expected to increase, mainly in port areas, the effect will be smaller compared to the previous fiscal year due to an increase in restorage expenditures resulting from sluggish cargo movements, and cargo reorganization expenditures stemming from organizational restructuring in the Tokyo metropolitan area.
- Effect on overseas business
  Despite rising labor expenses and an increase in costs for infrastructure development, an increase in earnings is expected as a result of expanded cargo collections.
- Increase in electricity charges (net)
  Power costs continue to increase, but the application of electricity surcharges will have a mitigating effect throughout the year.
- Increase in transport and delivery costs (net); Increase in work outsourcing costs (net)
  Cost increase precedes application of fuel surcharges and work fee pricing revisions.
- Startup costs for new locations
  Temporary expenditures for startup of the Kobe Rokko DC and other new facilities.

These are the factors that we expect will contribute to changes in operating profit.

In Japan, while cargo collections are expected to increase, mainly in port areas, the effect will be smaller compared to the previous fiscal year, with a positive impact of ¥0.5 billion, due to an increase in restorage expenditures resulting from sluggish cargo movements, and cargo reorganization expenditures stemming from organizational restructuring in the Tokyo metropolitan area.

Overseas, despite rising labor expenses and an increase in costs for infrastructure development, we expect expanded cargo collections to provide a positive impact of ¥0.2 billion.

The amount for the effect of power costs is a net figure of increases and decreases from the previous fiscal year, incorporating power costs along with application of electricity surcharges. Although we expect power costs to continue to rise, the effect of surcharges will be expressed throughout the year, with the resulting impact amount as shown in the chart. Going forward, since we anticipate further rises in power costs, Nichirei will continue to negotiate the application of surcharges, while also implementing measures to enhance operational efficiency and cut costs.

Transport and delivery costs, and work outsourcing costs, will have a combined negative impact of ¥0.9 billion, while one-time expenditures for startup of new facilities such as the Kobe Rokko DC will have an impact of ¥0.7 billion, but ultimately we expect segment operating profit to increase ¥0.2 billion from the previous fiscal year.

Marine Products, Meat and Poultry Business

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- Marine Products: Revenue decline of 28% from widespread reduction in low-margin items, but with operating profit on a par with the previous fiscal year from expanded handling of high-margin and certified items
- Meat and Poultry: Forecast ¥0.6 billion gain year on year from continued revisions to selling prices, and expanded sales of processed and differentiated products

(Billion yen)

		FY24/3		
		Plan	YoY Variance	YoY % Change
Marine Products	Net Sales	**50.0**	-19.0	-28%
	Operating Profit	**1.0**	0.0	5%
Meat and Poultry	Net Sales	**85.0**	-0.8	-1%
	Operating Profit	**1.6**	0.6	67%

Next, I'd like to explain our measures for the Marine Products and Meat and Poultry businesses.

Starting with Marine Products, Nichirei is implementing business restructuring aimed at shifting to a continued stable earning structure. During FY24/3, while we anticipate diminished sales due to revision of the product mix, such as elimination of low-margin items, we aim to secure operating profit on a par with the previous fiscal year through expand handling of MSC and ASC certified marine products, along with expanded sales channels for items where Nichirei has an advantage.

In Meat and Poultry, Nichirei will implement price revisions corresponding to the cost increases results from appreciation in feed costs and market prices. In terms of earnings, we are forecasting an ¥0.6 billion gain in operating profit from expanded sales channels for high-margin, differentiated products such as processed foods and meat with health benefits, maximizing the production and sales earnings from company-owned domestic facilities.

Measures to Achieve the Medium-term Business Plan

Business Portfolio Management Using Return on Invested Capital (ROIC)

Creating Savory Moments NICHIREI

- **ROIC will decline in FY24/3 with the volume of capital expenditures, but measures are steadily being implemented to reach the target of 7% or higher in the final fiscal year of the business plan**

Group total	FY23/3 Results	FY24/3 Plan	FY25/3 Targets
ROE	9.9%	**10% or higher**	
ROIC	6.9%	6.7%	**7% or higher** Consistently above 4.0% of WACC
NOPAT*	¥23.4 billion	¥24.1 billion	
Capital employed	¥339.1 billion	¥358.1 billion	
NOPAT ratio	3.5%	3.6%	
Capital employed turnover	2.0 times	1.9 times	

* Net Operating Profit After Tax (NOPAT) = Profit before income taxes excluding interest expense and share of profit/loss of entities accounted for using equity method x [1 - Effective tax rate] + Share of profit/loss of entities accounted for using equity method

	Simple ROIC* FY23/3 Results	Simple ROIC* FY24/3 Plan	Simple ROIC* FY25/3 Targets	Future Measures to Enhance ROIC
Processed Foods	8.5%	9.3%	12% or higher	• Improve profitability (Price revisions, strengthen sales in strategic categories and for new value-added products)
Logistics	7.7%	7.3%	7% or higher	• Systematic capital investment and realization of tangible investment result • Expansion of light-asset business, including 3PL, transportation and delivery
Marine Products	3.5%	5.7%	6% or higher	• Reduction in handling volume for low-profitability categories • Strengthen overseas sales
Meat and Poultry	13.8%	23.0%	25% or higher	• Improved profitability from strengthened processing and product development function • Expand sales of differentiated products
Bioscience	8.9%	5.1%	5% or higher	• Concentrate resources in growing field of molecular diagnostic agents • Stable growth for immunochromatographic diagnostic agents

* Simple ROIC= Operating profit after tax ÷ Main capital employed (Operating fund + Non-current assets)

One of the measures in the current business plan is business portfolio management based on ROIC. The strategy is to 1) Set a target ROIC for each business; 2) Set KPIs broken down by ROIC, and increase ROIC through PDCA; and 3) Ultimately evaluate businesses with ROIC as a quantitative evaluation, and determine the allocation of management resources.

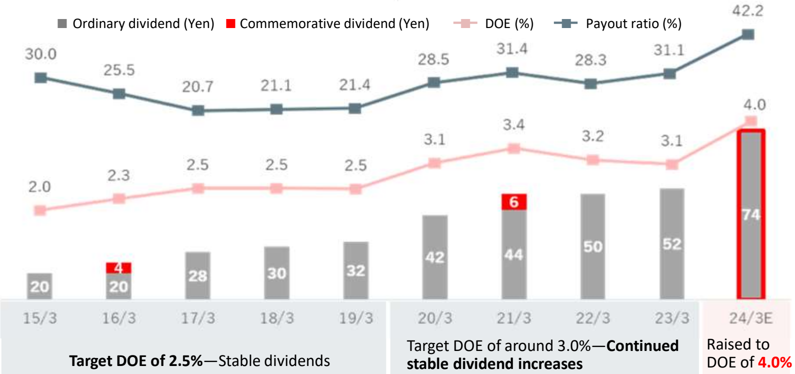
The ROIC for the corporate group overall, owing to large-scale, up-front capital investments, was 6.9% in the previous fiscal year with a planned 6.7% in the current term, but we are aiming for 7% or higher in FY25/3, the final fiscal year of the business plan. We have also set a target ROE of 10% or higher.

The righthand side chart shows the target ROIC in FY25/3, the final fiscal year of the business plan, with a simplified calculation for each business segment. We will steadily implement measures to enhance ROIC, aiming to achieve the targets for each segment.

Shareholder Returns

- **As a result of changes to dividend policy, the dividend on equity (DOE) ratio has been raised from 3.0% to 4.0%**
- **Dividend forecast for FY24/3 is 74 yen per share, an increase of 22 yen from the previous fiscal year (forecast increase in dividends on ordinary shares for an eighth consecutive year).**
- **Acquisition of own shares determined through comprehensive assessment of such factors as financial condition and outlook for free cash flow**

Dividends per Share



Status of Own Share Acquisition and Retirement

(1,000 shares)

	Acquisition	Retirement
FY11/3	2,350	—
FY12/3	5,150	—
FY13/3	4,420	7,500
FY16/3	570	—
FY17/3	4,720	—
FY18/3	4,330	8,000
FY22/3	3,810	6,030
FY23/3	1,820	—

Note: Figures adjusted to reflect consolidation of shares on October 1, 2016.

This page covers shareholder returns.

Up to now, Nichirei has steadily increased dividends with a target consolidated dividend on equity (DOE) ratio of 3.0%. That dividend policy has now been revised to enhance shareholder returns, and from the current fiscal year we have raised the target DOE ratio to 4.0%. As a result, the forecast dividend for FY24/3 is 74 yen per share, an increase of 22 yen from the previous fiscal year.

Nichirei is planning an increase in dividends on ordinary shares for an eighth consecutive year, and going forward will continue to steadily increase dividends with a target DOE ratio of 4.0%.

In terms of acquisition of own shares, Nichirei bought back ¥5.0 billion in shares in the previous fiscal year, and will continue to flexibly acquire shares as part of a comprehensive assessment of such factors as financial condition and outlook for free cash flow.

Capital Investment Plan

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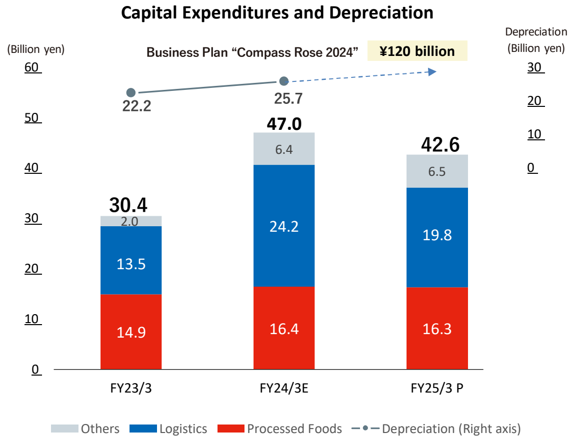
- Continue growth investments in mainstay businesses and for environmental measures
- Certain investments for Logistics were delayed in the previous fiscal year, but total planned spending of ¥120 billion over the three-year plan period is unchanged.



Content of Capital Expenditures

(Billion yen)

	Major Breakdown Items	FY24/3 Plan
Processed Foods	• Construction of new Kyurei frozen rice products production facility (Located in Munakata City, Fukuoka Prefecture)	2.2 (9.3 already recorded)
Logistics	• Construction of new Kobe Rokko Distribution Center	5.2 (4.1 already recorded)
Group Total		47.0

This is our plan for capital expenditures.

Capital investments in the previous fiscal year were considerably lower than the initial plan due to delays in acquisition of commercial sites for large-scale warehouses in the Logistics business. In FY24/3, Nichirei will continue to make investments for growth in mainstay businesses and environmental measures, with planned capital investment of ¥47.0 billion for the corporate group overall, of which around a third will be allocated for overseas projects.

Of note, the ¥47.0 billion in spending includes approximately ¥15.0 billion for environmental measures, along with DX and IT-related investments.

The main content of growth investments in mainstay businesses includes, in the Processed Foods segment, the scheduled startup in April of the Kyurei frozen rice products production facility (in Fukuoka Prefecture), and in the Logistics segment, the startup in January 2024 of the Kobe Rokko Distribution Center, which will handle storage of fruit juice and dairy products in the Kansai region.

Financial Strategy

Creating Savory Moments

- Operating cash flow will continue to be allocated for investment in mainstay businesses to support future growth, along with shareholder returns
- Target D/E ratio of 0.5 times from the standpoint of financial soundness and capital efficiency

Three-year cumulative

Operating cash flow (three-year cumulative): ¥142.0 billion

Increase/decrease in borrowings, etc.

Capital expenditures: ¥120.0 billion

- Continued growth investments in mainstay businesses.
- Expanded investment for environmental measures.

Shareholder returns: ¥24.0 billion

- Continued stable dividend increase with target DOE of 4.0%
- Flexible share buybacks

Flexible investment in growth strategies

This is our financial strategy. Nichirei is forecasting three-year cumulative operating cash flow of around ¥140.0 billion, which we will continue to allocate to investments in mainstay businesses to support future growth, as well as for shareholder returns.

We have set a target D/E ratio of 0.5 times from the standpoint of financial soundness and capital efficiency.

Nichirei Group Materiality

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Material Matters[1]	Group KPIs	FY23/3 (Expected)[2]	FY24/3 Plan	Target for FY25/3	Target for FY31/3
Creating value in food and health	• Sales related to this material matter	—	—	—	¥100 billion
	• Number of consumers and other external parties who receive information (total per year)	—	—	—	200 million people
Strengthening food processing and production technology capabilities; enhancing logistics services	• EBITDA margin	8%	9%	10%	12%
	• EBITDA CAGR	5%	7%	7%	7% or higher
	• Overseas sales ratio	20%	21%	20%	30%
Realizing sustainable food procurement and resources recycling	• Rate of procurement from suppliers and OEMs that comply with the Nichirei Group Supplier Code of Conduct and Supplier Guidelines	Support Rate 89% (Most important suppliers in Japan)	Support Rate 100% (Most important suppliers in Japan)	Support Rate 100% (Most important suppliers in Japan and overseas)	Procurement rate 100%
	• Rate of implementation of ESG due diligence for main raw materials and major suppliers	Domestic livestock rate 25% (Most important suppliers)	Domestic livestock rate 50% (Most important suppliers)	Domestic livestock and marine products rate 100% (Most important suppliers)	100%
	• Rate of attendance for the SDGs educational program aimed at realizing a circular economy	—	Implement educational programs	100% (All management)	100% (All employees)
	• Rate of waste recycling at all sites	99%	99%	99%	99%
	• Conduct water-related risk assessments at all sites	—	Conduct surveys with simple questionnaires	Conduct survey during FY24/3	Conduct regular assessments at all sites, as well as in conservation activities and BCP
	• In the Marine Products business, procurement ratio of marine products compliant with sustainable procurement guidelines • Of which, proportion of products with global certification for marine products, such as MSC/ASC certification	— —	— —	100% 32%	100% 50%
	• Procurement ratio of sustainable palm oil (RSPO certified palm oil)	100% (Book & Claim)	100% (Book & Claim)	100% (Book & Claim)	100% (Certified oil)
Climate change initiatives	• Reduction in CO_2 emissions (Compared with FY2016; Scope 1 and 2 in Japan)	-22%	-27%	-30%	-50%
	• Rate of conversion to natural refrigerants Production equipment in Japan Logistics (Global)	 56% 58%	 69% 60%	 80% 62%	 100% 75%
Securing and developing a diverse array of human resources	• Ratio of female directors and female Audit & Supervisory Board members (HD[3]): 30% • Ratio of female line managers (HD[3])	13%	13%	20% or higher	30% or higher
	• Ratio of female line managers (HD[3]): 30%	15%	18%	20%	30%
	• Investment in human resources (Compared with the average annual investment in human resources in FY2019-FY2021)	1.2 times	1.5 times	1.7 times	2.0 times

Notes 1. Nichirei Group Materiality: Nichirei Group materiality | Nichirei Group management philosophy | Nichirei Corporation
2. Detailed disclosure to be made in the Nichirei Integrated Report 2023.
3. Nichirei Corporation (Holding Company)

There are the Nichirei Group materiality targets.

As you can see, Nichirei has set targets for FY25/3, the final year of the medium-term business plan, as milestones for achieving the FY31/3 targets for the material matters. You can review the previous year's forecast and FY24/3 plan for achieving these targets.

For the third Material Matter, "Realizing sustainable food procurement and resources recycling," in April this year, Nichirei set procurement guidelines for marine product and palm oil, important food resources that support the group's business activities, and added KPIs for the group targets.

Going forward, by gaining understanding of these guidelines from suppliers and business partners, and sharing our values, Nichirei aims work together to ensure the sustainable procurement of food and build a sustainable supply chain.

Finally, FY24/3 is an important period that will segue into FY25/3, the final year of the medium-term business plan. While steadily implementing priority measures, and responding flexibly to the sudden changes in the business environment, Nichirei will cope with the current difficulties.

That concludes the presentation. Thank you for your attention.

Creating Savory Moments

Appendix

Results during Business Plan Periods

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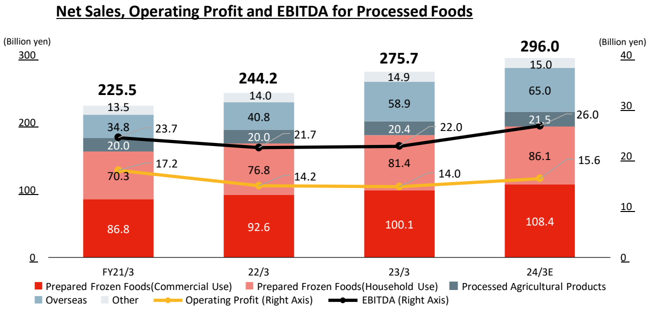
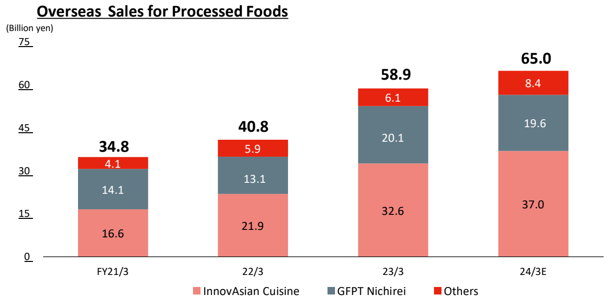
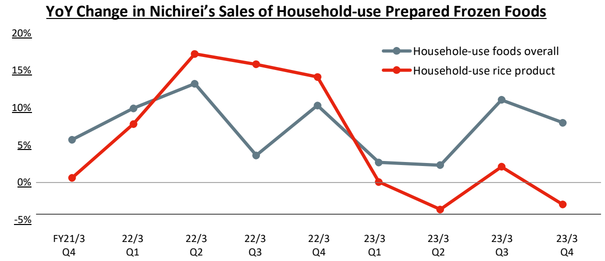
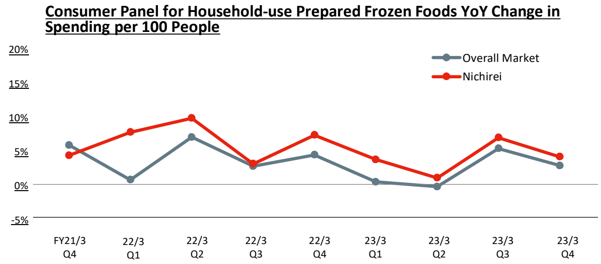
		Business Plan (FY11/3–FY13/3)			Business Plan (FY14/3–FY16/3)			Business Plan (FY17/3–FY19/3)			Business Plan (FY20/3–FY22/3)			New Business Plan (FY23/3–FY25/3)		
		FY11/3	12/3	13/3	14/3	15/3	16/3	17/3	18/3	19/3	20/3	21/3	22/3	23/3	24/3 E	25/3 P
	Processed Foods	161.9	174.2	161.6	180.7	193.9	199.2	205.0	220.7	226.6	234.8	225.5	244.2	275.7	296.0	275.0
	Marine Products	66.8	65.7	63.7	68.6	68.7	68.8	69.4	71.5	71.2	65.8	63.1	67.7	69.0	50.0	44.0
	Meat and Poultry	78.3	75.6	75.5	80.1	89.5	92.0	88.1	90.4	91.1	88.3	84.1	80.3	85.8	85.0	95.0
	Logistics	139.4	149.5	156.4	168.4	178.3	184.9	186.9	195.1	201.0	206.5	212.3	224.5	244.2	255.0	260.0
	Real Estate	6.6	4.9	4.7	5.0	4.7	4.6	4.6	4.9	4.8	5.0	4.6	4.3	4.5	4.5	4.8
	Other	6.2	6.0	5.8	3.7	4.4	5.2	4.5	5.3	5.8	5.7	4.9	4.2	6.1	6.4	6.7
	Adjustment	-21.5	-21.0	-20.0	-19.1	-19.6	-19.4	-18.9	-19.9	-20.4	-21.2	-21.8	-22.6	-23.1	-21.9	-25.5
Net Sales		437.8	454.9	447.7	487.4	520.0	535.4	539.7	568.0	580.1	584.9	572.8	602.7	662.2	675.0	660.0
	Processed Foods	4.6	5.2	6.0	3.4	5.4	8.0	13.9	14.6	14.6	16.7	17.2	14.2	14.0	15.6	18.4
	Marine Products	0.6	0.2	0.1	0.4	0.2	0.7	0.8	0.3	0.2	0.4	0.5	1.0	1.0	1.0	1.0
	Meat and Poultry	0.4	0.5	0.5	0.1	0.4	0.4	1.6	1.3	1.5	0.9	1.3	1.2	1.0	1.6	2.0
	Logistics	7.3	7.4	8.6	8.9	8.7	10.0	10.6	11.3	11.4	11.8	13.1	14.6	15.1	15.3	16.2
	Real Estate	3.6	2.4	2.3	2.4	2.1	2.2	2.1	2.2	2.1	2.0	2.0	1.7	1.8	1.7	2.2
	Other	0.4	0.5	0.4	0.4	0.6	0.9	0.6	0.8	0.3	-0.3	-0.3	-0.3	0.8	0.4	0.5
	Adjustment	-0.2	0.0	0.0	0.1	0.0	-0.5	-0.3	-0.5	-0.6	-0.6	-0.8	-0.9	-0.7	-1.1	-3.3
Operating Profit		16.7	16.2	17.9	15.8	17.4	21.6	29.3	29.9	29.5	31.0	32.9	31.4	32.9	34.5	37.0
Ordinary Profit		16.1	15.3	17.2	14.4	16.9	21.4	29.1	30.7	29.9	31.8	33.5	31.7	33.4	34.8	37.8
Profit Attributable to Owners of Parent		4.0	7.9	9.8	8.9	9.5	13.5	18.8	19.1	19.9	19.6	21.2	23.4	21.6	22.4	24.5
Net Assets		284.6	290.5	297.9	318.5	342.0	338.5	346.2	367.3	377.3	390.0	405.7	427.6	457.3		
Capital Expenditures (including leased assets)		22.1	12.2	13.2	24.0	24.2	16.2	13.9	25.0	24.1	27.3	37.8	27.9	30.4	47.0	42.6
ROIC (%)													7.8	6.9	6.7	7% or higher
Equity Ratio (%)		40.4	40.2	41.3	41.9	43.0	44.4	46.0	44.3	46.9	47.3	50.1	49.4	49.1		
Operating Profit / Net Sales (%)		3.8	3.6	3.8	3.1	3.3	4.0	5.4	5.3	5.1	5.3	5.8	5.2	5.0	5.1	5.6
Return on Equity (%)		3.4	6.8	8.2	6.9	6.8	9.1	12.1	11.9	11.7	10.9	10.9	11.3	9.9	10% or higher	10% or higher
Earnings per Share (yen)		13.08	26.35	33.40	31.12	33.29	94.30	135.11	142.23	149.65	147.16	159.19	176.72	167.14	175.42	
Dividends per Share (yen)		9	9	10	10	10	12	28	30	32	42	50	50	52	74	
Stock Price (yen, at fiscal year end)		355	388	561	436	674	916	2,754	2,940	2,728	3,055	2,849	2,369	2,684		

Notes 1. Capital expenditures include intangible fixed assets.
2. Figures from FY13/3 reflect a change in the basis for recording sales in the Processed Foods business. (The portion that had previously been recorded as promotional expenses has been excluded from net sales.)
3. Figures from FY16/3 and earlier are prior to the share consolidation.
4. FY25/3 plan figures are information disclosed at the time of the announcement of the new business plan (May 2022).

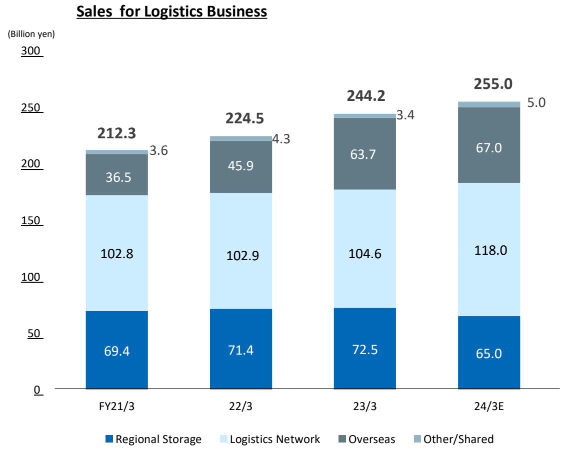


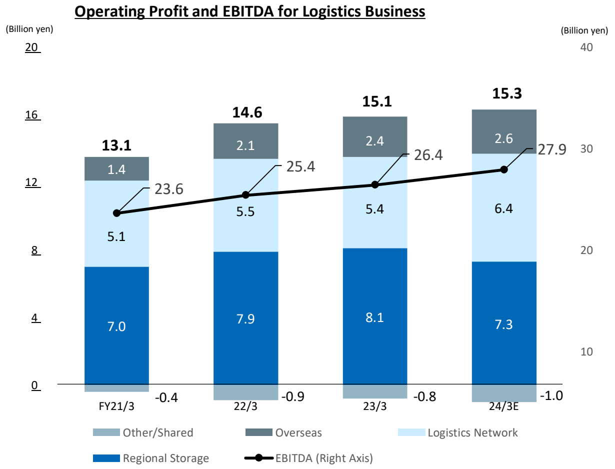






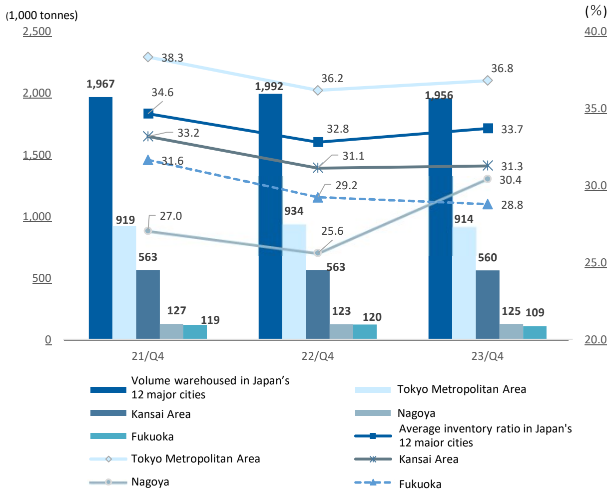
Source: INTAGE Inc. SCI consumer panel (Spending per 100 people on prepared frozen foods. Includes purchases through consumer cooperatives.)



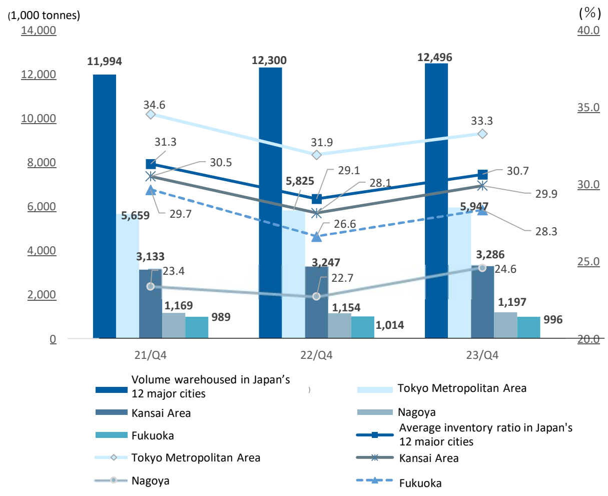


Note: Regarding FY24/3 estimates, a portion of the Regional Storage business was transferred to the Logistics Network business as part of organizational restructuring in the Tokyo metropolitan area (April 2023).

Nichirei Group's Cold Storage Capacity Utilization



Industry-Wide Cold Storage Capacity Utilization



Source: Compiled by Nichirei based on Japan Association of Refrigerated Warehouses documents.

Forward-looking Statements

Creating Savory Moments

Aside from historical facts, Nichirei's present plans, forecasts and strategies as outlined in this publication consist of forward-looking statements about future business performance. These forecasts of future business performance and explanations of future business activities may or may not include words such as "believe," "expect," "plan," "strategy," "estimate," "anticipate" or other similar expressions. These statements are based on the information available to Nichirei management at the time of publication. Actual results may differ significantly from these forecasts for a variety of reasons, and readers are therefore advised to refrain from making investment decisions based solely on these forward-looking statements. Nichirei will not necessarily revise its forward-looking statements in accordance with new information, future events, and other results. Risks and uncertainties that could affect Nichirei's actual business results include, but are not limited to:

(1) Changes in the economic conditions and business environment that may affect the Nichirei Group's business activities.

(2) Foreign exchange rate risks, especially as regards the US dollar and the euro.

(3) Risks associated with the practicability of maintaining quality controls throughout the process from product development, procurement of raw materials, production, and sale.

(4) Risks associated with the practicability of development of new products and services.

(5) Risks associated with the practicability of growth strategies and implementation of low-cost systems.

(6) Risks associated with the practicability of achieving benefits through alliances with outside companies.

(7) Contingency risks.

However, factors that may affect the performance of the Nichirei Group are not limited to those listed above. Further, risks and uncertainties include the possibility of future events that may have a serious and unpredictable impact on the Group.

This publication is provided for the sole purpose of enhancing the reader's understanding of the Nichirei Group, and should not be taken as a recommendation regarding investment decisions.