

# Business Portfolio

## The Nichirei Group's Business Portfolio

We have achieved solid results across our business portfolio in terms of growth, profitability and stability by concentrating resources on processed foods and temperature-controlled logistics. The current portfolio is broadly divided into the two businesses of foods and logistics. Our complete range of frozen food categories, encompassing marine, meat and poultry products as well as prepared foods and vegetables, gives us the advantage of being able to respond to numerous customers and business categories over the long term. These food products are the main cargo for our temperature-controlled logistics business, and have been indispensable to its growth.

Although the processed foods business has the advantages of high sales growth and capital efficiency, the recent decline in profitability has made its high volatility an issue. In addition, although temperature-controlled logistics can be expected to generate stable earnings, the business is characterized by substantial initial investment, so it takes time to realize a positive return on this investment. Therefore, making immediate post-investment improvements in capital efficiency is difficult.

### Processed Foods Business

#### A frozen foods pioneer with Japan's top market share

- Development and processing/production technology capabilities for reproducing the deliciousness of homemade meals or meals prepared by chefs
- Ability to make proposals tailored to diverse business types and consumer needs
- Quality assurance and traceability that support safety and reliability

### Temperature-controlled Logistics Business

#### Japan's leading advanced temperature-controlled logistics

- Full utilization of storage capacity and transportation and delivery network, enabling optimal solutions that help resolve social and customer issues
- Operational capabilities at logistics sites that provide ongoing support for food based on increasing value through better user experience

### Marine, Meat and Poultry Products Business

#### Procurement of premium ingredients from around the world

- Premium ingredient development capabilities that consider health and sustainability
- Capabilities that combine our trading company and manufacturer functions, enabling us to deliver on getting products to customers through optimal processing
- Quality assurance and a comprehensive production management system that support safety and security
- Procurement network based on long-term relationships of trust with suppliers

### Bioscience Business

#### Providing unique value in the life science and healthcare fields


- Accumulated technologies for development, production and quality evaluation of diagnostic agents that use antibodies
- A molecular diagnostics business model that combines the development and production of both diagnostic agents and immunostaining devices

Advantages



Business Scale

Priority Material Matters

Financial Performance

Total assets	¥172.0 billion
Group companies	6 in Japan, 13 overseas
Employees (consolidated)	9,496
Food factories	21 (15 in Japan, 6 overseas)
Main production facilities	Mori Plant, Shiroishi Plant, Yamagata Plant, Funabashi Plant, Kansai Plant, Nagasaki Plant, Kyurei Inc., CHUREI Co., Ltd., GFPT Nichirei (Thailand) Company Limited, Surapon Nichirei Foods Co., Ltd.
Main products	

Total assets	¥202.2 billion
Group companies	19 in Japan, 20 overseas (affiliates: 6 in Japan, 5 overseas)
Employees (consolidated)	4,659
Facilities	214 (151 in Japan, 63 overseas: 46 in Europe, 8 in China, 1 in Thailand, 7 in Malaysia, 1 in Vietnam)
Main facilities	Distribution centers: Funabashi DC, Higashi-ogishima DC, Heiwajima DC, Daikoku DC, Nagoya Minato DC, Osaka Futo DC, Osaka Shinnanko DC Cross-docking centers: Kawasaki FAZ XD, Kansai XD
Main businesses	Storage, transportation, cross-docking (XD), overseas business, third-party logistics, and engineering services

Total assets	Marine products: ¥27.8 billion	Meat and poultry products: ¥19.6 billion
Group companies	Marine products: 2 in Japan, 6 overseas	Meat and poultry products: 5 in Japan
Employees (consolidated)	Marine products: 764	Meat and poultry products: 400
Food factories	7 (6 in Japan, 1 overseas)	
Main production facilities	Marine products: Fresh Maruichi Corporation, Trans Pacific Seafood Co., Ltd.	Meat and poultry products: Nichirei Fresh Process Inc., Nichirei Fresh Farm Inc., Fresh Chicken Karumai Inc., FRESH MEAT SAKUDAIRA Inc.
Main products		

Total assets	¥8.1 billion
Employees (consolidated)	92
Main facilities	Nichirei Biosciences Global Innovation Center (production and R&D facilities) Pathcom Systems Corporation (California, United States)
Main products	Molecular diagnostics, biomedical materials, and immunochromatographic diagnostic reagents 

1. Creating new value in food and health
2. Strengthening food processing and production technology capabilities; enhancing logistics services
3. Realizing sustainable food procurement and a circular economy
4. Climate change initiatives
5. Securing and developing a diverse array of human resources

2. Strengthening food processing and production technology capabilities; enhancing logistics services
3. Realizing sustainable food procurement and a circular economy
4. Climate change initiatives
5. Securing and developing a diverse array of human resources

1. Creating new value in food and health
2. Strengthening food processing and production technology capabilities; enhancing logistics services
3. Realizing sustainable food procurement and a circular economy
5. Securing and developing a diverse array of human resources

1. Creating new value in food and health
3. Realizing sustainable food procurement and a circular economy
5. Securing and developing a diverse array of human resources

	FY2023	FY2024 (Est.)	FY2025 (Plan)*
Net sales (Billions of yen)	275.7	296.0	275.0
Operating profit (Billions of yen)	14.0	15.6	18.4
Operating profit/Net sales	5.1%	5.3%	6.7%
Simple ROIC	8.5%	9.3%	12% or higher

	FY2023	FY2024 (Est.)	FY2025 (Plan)*
Net sales (Billions of yen)	244.2	255.0	260.0
Operating profit (Billions of yen)	15.1	15.3	16.2
Operating profit/Net sales	6.2%	6.0%	6.2%
Simple ROIC	7.7%	7.3%	7% or higher

	Marine products			Meat and poultry products		
	FY2023	FY2024 (Est.)	FY2025 (Plan)*	FY2023	FY2024 (Est.)	FY2025 (Plan)*
Net sales (Billions of yen)	69.0	50.0	44.0	85.8	85.0	95.0
Operating profit (Billions of yen)	1.0	1.0	1.0	1.0	1.6	2.0
Operating profit/Net sales	1.4%	2.0%	2.3%	1.1%	1.9%	2.1%
Simple ROIC	3.5%	5.7%	6% or higher	13.8%	23.0%	25% or higher

\* Plan figures constitute information disclosed at the time of the announcement of the medium-term business plan in May 2022.

Management Strategy & Value Creation Story

Business Plan & Strategy

Sustainability & Human Resources

Stakeholders

Governance & Risk Management

Data