

FY24/3 First Half Presentation Material

October 31, 2023
Nichirei Corporation

- **FY24/3 First Half Results (Page 2–7)**
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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.

FY24/3 First Half Results

■ Solid performance on steady implementation of business measures, focusing on the two mainstay businesses

(Billion yen)

		First half			
		Results	Y o Y		Progress rate for full-year forecasts
			Variance	% Change	
	Processed Foods	143.0	7.7	6%	48%
	Marine Products	29.1	-3.4	-10%	58%
	Meat and Poultry	41.4	-0.6	-1%	49%
	Logistics	126.0	6.8	6%	49%
	Real Estate	2.2	-0.0	-1%	49%
	Other	2.2	-0.3	-12%	34%
	Adjustment	-11.7	0.2	—	—
Net Sales		332.2	10.4	3%	49%
(Overseas sales)		69.7	8.5	14%	49%
	Processed Foods	7.8	1.6	26%	50%
	Marine Products	0.2	0.0	4%	15%
	Meat and Poultry	0.5	-0.1	-13%	28%
	Logistics	8.6	1.4	19%	56%
	Real Estate	0.8	-0.1	-11%	48%
	Other	-0.1	-0.3	—	—
	Adjustment	-0.4	0.1	—	—
Operating Profit		17.4	2.7	18%	50%
Ordinary Profit		18.2	3.2	21%	52%
Profit attributable to owners of parent		11.7	1.9	19%	52%

Net Sales

Net sales rose 3% year on year on strong performance in mainstay Processed Foods and Logistics businesses.

Operating Profit

Operating profit increased 18% year on year on continued success from the previous term of measures in mainstay businesses to counter rising costs.

Exchange Rates

	FY 24/3 First Half	FY 23/3 First Half
USD/JPY	134.84	122.89
EUR/JPY	145.76	134.25
THB/JPY	3.95	3.65

* Exchange rate figures are the average for the January–June period.

Factors for Increase/Decrease in Operating Profit



Processed Foods

Increase of ¥1.6 billion, as rising food material prices and other costs were offset by price revisions and other measures.

Logistics

Increase of ¥1.4 billion on business growth in Europe, and continuation of electricity and fuel surcharges.

Other

Decrease of ¥0.3 billion on rebound decline in the Bioscience business following expanded sales of COVID-19 test kits in the previous fiscal year.

- In an increasingly challenging business environment, profit increased 26% on swift and steady implementation of measures

(Billion yen)

		Q2			First Half			
		Results	Y o Y		Results	Y o Y		Progress rate for previous plan
			Variance	% Change		Variance	% Change	
Processed Food	Net Sales	71.5	2.0	3%	143.0	7.7	6%	48%
	Household-use Prepared Foods	20.9	0.9	5%	41.7	2.4	6%	48%
	Commercial-use Prepared Foods	24.7	-0.8	-3%	50.1	-0.4	-1%	46%
	Processed Agricultural Products	6.1	1.0	19%	11.9	2.1	22%	55%
	Overseas	14.8	0.6	5%	30.5	3.2	12%	47%
	Other	5.0	0.2	5%	8.9	0.4	5%	59%
	Operating Profit	4.0	0.8	24%	7.8	1.6	26%	50%

Net Sales

Household-use Prepared Foods

- Revenue up 6% year on year (Unit price +9%, volume -3%)
- Greater sales of hamburger steaks and other processed meat products contributed to gains
- Rice products and snack items were impacted by egg shortages, but the resumption of sales campaigns led to recovery in sales volume from Q2

Commercial-use Prepared Foods

- Revenue down 1% year on year (Unit price +10%, volume -11%)
- Sales volume decreased because of thorough implementation of measures to improve profitability, including reorganization of items, but sales to restaurants were positive

Overseas

- InnovAsian Cuisine (U.S.): Sales increased on price revisions implemented in the previous fiscal year
- GFPT Nichirei (Thailand): Revenue increased, as special sales demand to Europe peaked, but sales to China increased

Operating Profit

Despite higher costs for food material and the depreciation of the yen, earnings increased 26% year on year due to the boost from price revisions and cost reductions.

- Operating profit increased 19% year on year on growth in the European business, and strong performance in Japan

(Billion yen)

		Q2			First Half			
		Results	Y o Y		Results	Y o Y		Progress rate for previous plan
			Variance	% Change		Variance	% Change	
Logistics	Net Sales	64.7	2.8	5%	126.0	6.8	6%	49%
	Japan Subtotal	46.7	1.4	3%	91.9	2.9	3%	50%
	Logistics Network	30.0	1.0	4%	59.3	2.0	3%	50%
	Regional Storage	16.6	0.4	2%	32.5	0.9	3%	50%
	Overseas	17.5	1.5	10%	33.1	4.3	15%	49%
	Other/Intersegment	0.5	-0.2	-26%	1.0	0.4	-28%	20%
	Operating Profit	4.7	0.8	22%	8.6	1.4	19%	56%
	Japan Subtotal	4.0	0.5	14%	7.8	0.9	13%	57%
	Logistics Network	1.9	0.3	16%	3.7	0.5	17%	57%
	Regional Storage	2.2	0.2	11%	4.2	0.4	11%	57%
	Overseas	0.9	0.3	62%	1.5	0.6	62%	56%
	Other/Intersegment	-0.3	0.0	—	-0.7	-0.1	—	—

* 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). Please see page 30.

(Japan)

Net Sales

Logistics Network

Sales increased 3% year on year on growth in the TC business, including the startup of new facilities.

Regional Storage

Although cargo movement remained sluggish, sales increased 3% year on year on high inventory levels, and increased handling of seasonal items due to the lingering summer heat.

Operating Profit

Earnings rose 13% year on year as the impact of rising energy costs was partially offset by electricity and fuel surcharges, along with growth in the TC business and improved operational efficiency.

(Overseas)

Net Sales

Sales increased 15% on growth in imported cargo in European port areas, along with expansion of customs clearance and cross-border transport services.

Operating Profit

Earnings increased 62% year on year, due mainly to expanded cargo collections for storage and transportation operations in Europe, along with the continued boost from fee revisions and energy cost surcharges.

- **Marine Products:** Business restructuring is proceeding in line with plan
- **Meat and Poultry:** Revenue and earnings were down on decline in sales volume

(Billion yen)

		Q2			First Half			
		Results	Y o Y		Results	Y o Y		Progress rate for previous plan
			Variance	% Change		Variance	% Change	
Marine Products	Net Sales	15.3	-1.2	-7%	29.1	-3.4	-10%	58%
	Operating Profit	0.1	0.1	210%	0.2	0.0	4%	15%
Meat and Poultry	Net Sales	20.4	-0.9	-4%	41.4	-0.6	-1%	49%
	Operating Profit	0.2	-0.1	-22%	0.5	-0.1	-13%	28%

Marine Products

Net Sales

Sales decreased 10% year on year due to cutbacks in low-margin products.

Operating Profit

Nichirei secured earnings on a par with the previous fiscal year by focusing on sales of high-margin and MSC/ASC certified products, and revising selling prices to reflect the increase in procurement costs.

Meat and Poultry

Nichirei revised prices in response to higher procurement costs, but sales volume declined mainly to volume retailers, for a decline of 1% in revenue and 13% in operating profit.

FY24/3 Full-year Forecast

- Full-year operating profit forecast has been revised upward ¥0.5 billion from the initial plan for an expected 6% gain year on year, reflecting earnings improvement in the two mainstay businesses
- EPS forecast has increased 13 yen to 180 yen because of the upward revision to profit attributable to owners of parent

(Billion yen)

	Second Half			Full Year				
	Plan	YoY		Plan	YoY		Compared to Previous Plan	
		Variance	% Change		Variance	% Change	Previous Plan	Variance
Net Sales	335.8	-4.6	-1%	668.0	5.8	1%	675.0	-7.0
(Overseas)	73.3	1.1	2%	143.0	9.7	7%	—	—
Operating Profit	17.6	-0.6	-3%	35.0	2.1	6%	34.5	0.5
Ordinary Profit	17.5	-0.9	-5%	35.7	2.3	7%	34.8	0.9
Profit attributable to owners of parent	11.3	-0.5	-4%	23.0	1.4	7%	22.4	0.6
EPS				180.10 yen	12.96 yen	8%	175.42 yen	4.68 yen
EBITDA				59.8	4.7	9%	60.2	-0.3
ROIC				6.7%	-0.2 pp			
ROE				10% or higher				

Exchange Rates

	FY 24/3 Forecast	FY 23/3 Actual
USD/JPY	140.00	131.45
EUR/JPY	150.00	138.05
THB/JPY	3.90	3.75

* Exchange rate figures are the average for the January–December period.

Consolidated Group Forecast by Segment

(Billion yen)

	Second Half			Full Year				
	Plan	YoY		Plan	YoY		Compared to Previous Plan	
		Variance	% Change		Variance	% Change	Previous Plan	Variance
Processed Foods	146.0	5.6	4%	289.0	13.3	5%	296.0	-7.0
Marine Products	26.9	-9.6	-26%	56.0	-13.0	-19%	50.0	6.0
Meat and Poultry	37.6	-6.2	-14%	79.0	-6.8	-8%	85.0	-6.0
Logistics	129.0	4.0	3%	255.0	10.8	4%	255.0	—
Real Estate	2.3	-0.0	-0%	4.5	-0.0	-1%	4.5	—
Other	4.2	0.6	17%	6.4	0.3	5%	6.4	—
Adjustment	-10.2	1.0	—	-21.9	1.2	—	-21.9	—
Net Sales	335.8	-4.6	-1%	668.0	5.8	1%	675.0	-7.0
Processed Foods	8.2	0.5	6%	16.0	2.0	15%	15.6	0.4
Marine Products	0.8	0.0	5%	1.0	0.0	5%	1.0	—
Meat and Poultry	0.5	0.1	25%	1.0	0.0	4%	1.6	-0.6
Logistics	7.4	-0.5	-7%	16.0	0.9	6%	15.3	0.7
Real Estate	0.9	-0.0	-0%	1.7	-0.1	-5%	1.7	—
Other	0.5	-0.2	-27%	0.4	-0.4	-52%	0.4	—
Adjustment	-0.7	-0.5	—	-1.1	-0.4	—	-1.1	—
Operating Profit	17.6	-0.6	-3%	35.0	2.1	6%	34.5	0.5

Factors for Increase/Decrease in Operating Profit Forecast



Processed Foods	Increase of ¥2.0 billion, due mainly to the effect of price revisions implemented in the previous fiscal year, and the continuation of sales emphasizing profitability.
Logistics	Increase of ¥0.9 billion, due mainly to strong performance for both the Japanese and overseas businesses, and the effect of measures focusing on energy cost surcharges in Japan and overseas.
Other	Decrease of ¥0.4 billion on rebound decline in the Bioscience business from expanded sales of combined COVID-19 and influenza antigen test kits in the previous fiscal year.
Real Estate and Adjustment	Increase in strategic expenditures for digital transformation (DX) and sustainability.

- Operating profit forecast has been revised upward ¥0.4 billion from the initial plan for an expected 15% gain year on year, reflecting the effect of price revisions implemented in the previous fiscal year and recovery in sales volume from the second half.

(Billion yen)

		Second Half			Full Year				
		Plan	YoY		Plan	YoY		Compared to Previous Plan	
			Variance	% Change		Variance	% Change	Previous Plan	Variance
Processed Food	Net Sales	146.0	5.6	4%	289.0	13.3	5%	296.0	-7.0
	Household-use Prepared Foods	44.4	2.3	5%	86.1	4.7	6%	86.1	—
	Commercial-use Prepared Foods	52.3	2.8	6%	102.4	2.3	2%	108.4	-6.0
	Processed Agricultural Products	11.6	0.9	9%	23.5	3.1	15%	21.5	2.0
	Overseas	31.5	-0.1	-0%	62.0	3.1	5%	65.0	-3.0
	Other	6.1	-0.3	-5%	15.0	0.1	1%	15.0	—
	Operating Profit	8.2	0.5	6%	16.0	2.0	15%	15.6	0.4

Expansion in strategic categories

Rice products

- During the second half, continue to focus on recovery in sales volume by strengthening sales promotions and launching new products
- Maintain stable operations at the new rice products facility in Fukuoka through production of *Authentic Fried Rice*, commercial-use cooked rice, and new products

Market creation from new added value

Personal use (single serving)

- During the first half, sales of *Chilled Chinese Noodles* and other noodle items were in line with plan
- Fully utilize the Yamagata facility, and expand sales of household-use *Fragrant Noodle Gomoku Ankake Yakisoba*, and commercial-use new products
- Strengthen sales promotions for snack items impacted by the egg shortage, ahead of the peak winter demand period
- Full-year sales forecast unchanged from initial plan at ¥28.0 billion



Second
Half

Successive launch of large-scale promotions, including TV commercials and newspaper advertisements

Promotional campaigns for *Fragrant Noodle Gomoku Ankake Yakisoba*, *Authentic Fried Rice*, and *Imagawayaki* cakes, aiming to further enhance the Nichirei brand image, increase awareness, and encourage purchases.



Earnings growth for overseas business

InnovAsian Cuisine (U.S.)

- Steady operations at U.S. production facility Nichirei Sacramento Foods, strengthening the rice products category through combined production and sales
- Aim to boost the in-store turnover rate and expand market share* through the launch of new products and effective sales promotions
- Further product development for household-use appetizers

InnovAsian Cuisine Net Sales and Operating Profit

		First Half			FY24/3		
		Results	YoY		Plan	YoY	
			Variance	% Change		Variance	% Change
Net Sales	Reporting currency (JPY bn)	16.6	1.6	10%	35.0	2.4	7%
	Local currency (USD mn)	123	1	1%	250	2	1%
Operating Profit	Reporting currency (JPY bn)	1.0	0.4	55%	1.9	0.1	8%
	Local currency (USD mn)	7	2	41%	14	1	4%

* Nichirei's cumulative market share for Jan.–Jul. 2023: 21.4% (-0.2% difference from market leader)
Source: Nielsen data calculated using only household-use Asian food national brands.

Factors for increase/decrease in operating profit

	Q1 Results	Q2 Results	First Half Results	Second Half Plan	Full-year Plan	(Billion yen) Compared to Previous Full-year Plan
FY23/3 Operating Profit	3.0	3.2	6.2	7.8	14.0	—
Factors for increase	4.2	3.4	7.7	5.2	12.9	-0.2
Impact of selling price adjustments	5.0	3.9	8.9	4.0	12.9	—
Increased revenue*	-0.8	-0.5	-1.3	1.0	-0.3	-0.3
Improved productivity	0.0	0.0	0.0	0.3	0.3	0.1
Other	0.1	0.0	0.1	-0.1	0.0	—
Factors for decrease	-3.4	-2.6	-6.1	-4.8	-10.9	0.6
Increase/decrease in food material and procurement cost	-1.7	-1.2	-2.9	-2.1	-5.0	—
Increase in raw material and purchasing costs due to yen depreciation	-0.8	-1.0	-1.8	-1.9	-3.7	-0.5
Increase/decrease in logistics costs	-0.1	0.0	-0.1	0.0	-0.1	—
Increase/decrease in power and fuel costs	-0.2	-0.1	-0.3	0.0	-0.3	0.4
Increase in depreciation expense	-0.4	-0.3	-0.7	-0.9	-1.6	0.7
Impact of results at overseas affiliated companies	-0.3	0.0	-0.3	0.1	-0.2	—
FY24/3 Operating Profit	3.8	4.0	7.8	8.2	16.0	0.4

* Includes impact on earnings from the implementation of measures emphasizing profitability.

Main Measures

Factors for increase

- Increased revenue
Reflecting the impact on sales volume from measures focused on profitability.
- Improved productivity
Effects of promoting labor savings by revising mechanization and manufacturing processes.

Factors for decrease

- Increase in food material and procurement cost due to yen depreciation
Reflecting the impact of further yen depreciation.
- Increase/decrease in power and fuel costs
Impact of electricity costs in the second half of the year to be less than anticipated.
- Increase in depreciation expense
Revisions due to changes in capital expenditure plans.

- Second-half earnings will decrease due to one-time costs associated with the start-up of new facilities, but the full-year forecast has been revised upward by ¥0.7 billion owing to growth in overseas business and greater operational efficiency.

(Billion yen)

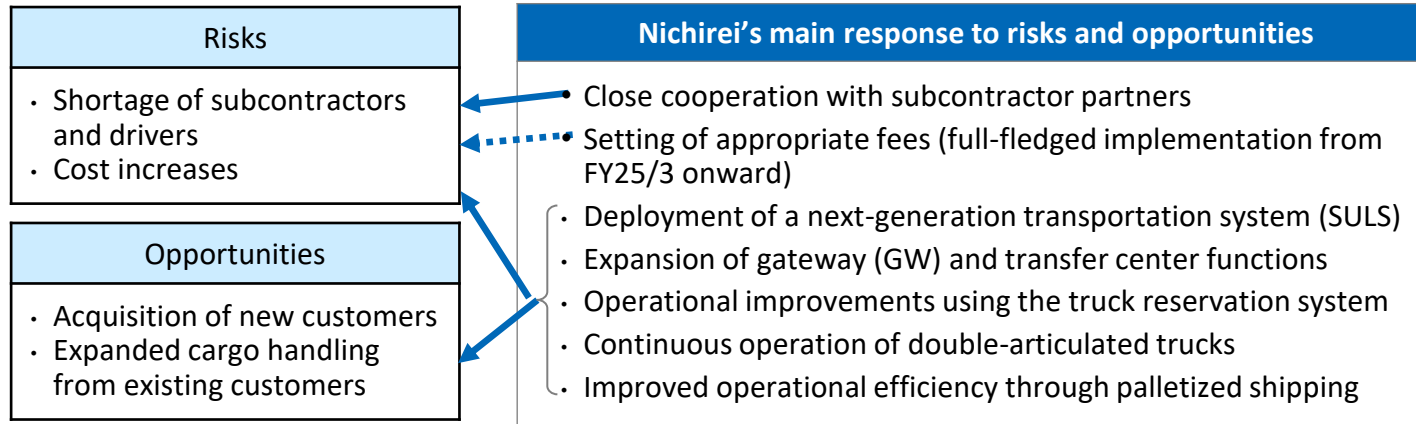
		Second Half			Full Year				
		Plan	YoY		Plan	YoY		Compared to Previous Plan	
			Variance	% Change		Variance	% Change	Previous Plan	Variance
Logistics Business	Net sales	129.0	4.0	3%	255.0	10.8	4%	255.0	—
	Japan Subtotal	91.1	3.0	3%	183.0	5.9	3%	183.0	—
	Logistics Network	58.7	1.5	3%	118.0	3.5	3%	118.0	—
	Regional Storage	32.5	1.5	5%	65.0	2.4	4%	65.0	—
	Overseas	35.9	1.0	3%	69.0	5.3	8%	67.0	2.0
	Other/Intersegment	2.0	0.0	1%	3.0	-0.4	-11%	5.0	-2.0
	Operating Profit	7.4	-0.5	-7%	16.0	0.9	6%	15.3	0.7
	Japan Subtotal	6.2	-0.4	-7%	14.0	0.5	4%	13.7	0.3
	Logistics Network	2.7	-0.2	-7%	6.4	0.3	5%	6.4	—
	Regional Storage	3.4	-0.2	-6%	7.6	0.2	2%	7.3	0.3
	Overseas	1.5	0.0	2%	3.0	0.6	25%	2.6	0.4
	Other/Intersegment	-0.3	-0.1	—	-1.0	-0.2	—	-1.0	—

* 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). Please see page 30.

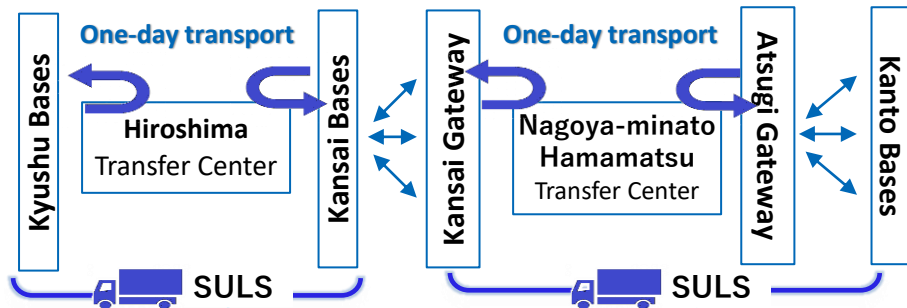
Establish a business foundation for the next era in logistics

Response to the sweeping regulatory changes in 2024 regarding truck drivers

- While mitigating risks, implement various measures to not miss opportunities to acquire customers.



SULS/GW and Transfer Center Function Concept



- Planned introduction of 15 detachable trailers in FY24/3 (Total of around 50 vehicles by FY25/3)
- Utilize assets of other companies according to status of GWs and transfer centers

- One-way cargo volume increased by 1.5 times
- Loading and unloading by pallet improves cargo handling efficiency and reduces driver waiting time

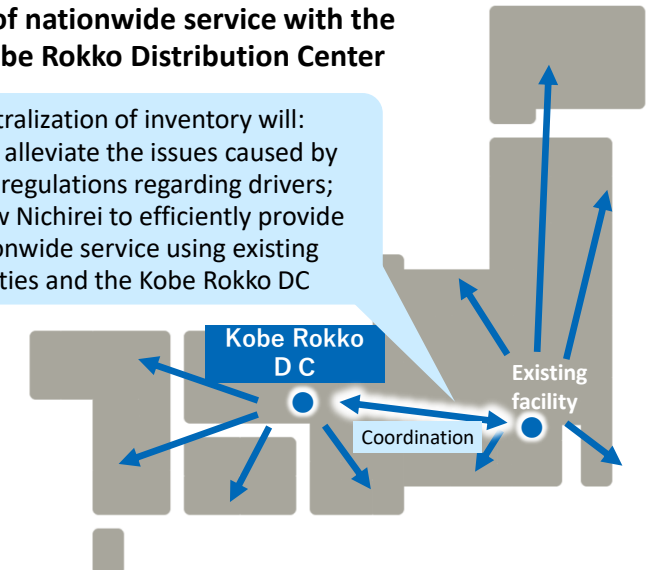
New Kobe Rokko Distribution Center (DC)

(Scheduled to begin operating in January 2024)

- Responds to the storage and transportation and delivery needs for fruit juice and dairy products in the Kansai region and westward, allowing Nichirei to provide nationwide service
- Provides value-added services such as thawing of fruit juice and extending the shelf-life of dairy products
- Customer contact points are centralized at an existing facility (Kanagawa Prefecture) and systems are linked to improve customer convenience and enhance operational efficiency

Image of nationwide service with the new Kobe Rokko Distribution Center

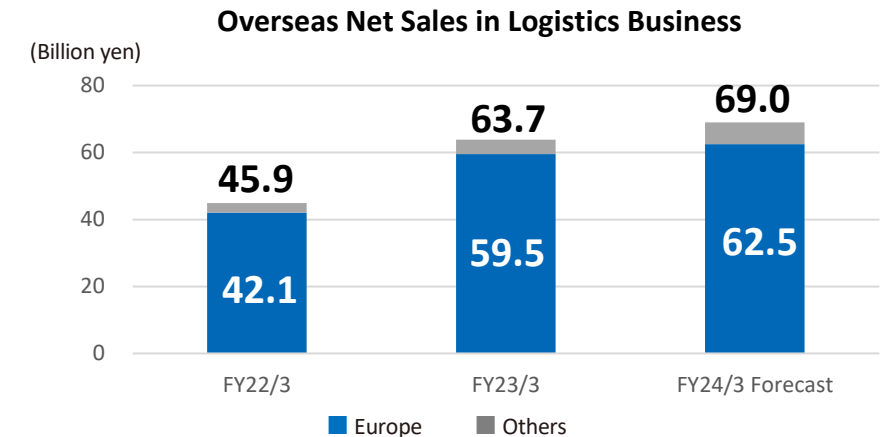
- Decentralization of inventory will:
- Help alleviate the issues caused by new regulations regarding drivers;
 - Allow Nichirei to efficiently provide nationwide service using existing facilities and the Kobe Rokko DC



Achieve growth in both revenue and earnings

Europe

- Leverage the benefits of acquisitions, and continue to focus on expanding one-stop services
 - Acquisition benefits and expansion of one-stop services
 - Incorporate imported cargo in the U.K., and strengthen integrated storage and transportation services
 - Expand favorable cross-border transportation operations, such as from Germany to the U.K.
 - Effect of new facilities
 - Expand cargo collections by utilizing newly expanded bases in the Netherlands and France



ASEAN

- Utilize know-how regarding one-stop service cultivated in Japan to expand the scale of sales.

Area	Timing of Consolidation	Timing of Reflection of Consolidated Financial Results	FY23/3 Sales	Function	Examples of Products Handled
Malaysia*	February 2023	From June 2023	Approx. ¥1.1 billion (RM 36 million)	Storage, Transport	Meat products, processed marine products, cheese ingredients, fruit juices, etc.
Thailand	June 2023	From October 2023	Approx. ¥1.1 billion (THB 304 million)		
Vietnam	July 2023	From FY25/3	—		

* Refers to NL COLD CHAIN NETWORK (M) SDN. BHD., one of the two companies in Malaysia in which Nichirei holds shares. Excludes NL LITT TATT GROUP SDN., an affiliate in which Nichirei holds approximately 49% of issued shares.

Factors for increase/decrease in operating profit

	Q1 Results	Q2 Results	First Half Results	Second Half Plan	Full-year Plan	(Billion yen) Compared to Previous Plan
FY23/3 Operating Profit	3.4	3.8	7.2	7.9	15.1	—
Factors for increase	0.9	1.1	2.0	0.8	2.8	-0.1
Effect on results from increase in cargo collection costs (including TC)	0.1	0.1	0.2	0.3	0.5	—
Operational improvements (storage)	0.0	0.1	0.1	0.2	0.3	0.1
Operational improvements (transport)	0.0	0.1	0.1	0.3	0.4	0.1
Work fee pricing revisions	0.6	0.4	1.0	0.0	1.0	-0.7
Effect on overseas business	0.2	0.4	0.6	0.0	0.6	0.4
Factors for decrease	-0.3	-0.3	-0.6	-1.3	-1.9	0.8
Increase/decrease in energy costs	-0.2	-0.1	-0.3	0.2	-0.1	0.7
Increase in work outsourcing costs (including vehicle hiring and operation in warehouses)	0.0	-0.1	-0.1	-0.8	-0.9	0.1
Startup costs for new locations	0.0	0.0	0.0	-0.7	-0.7	—
Other	-0.1	-0.1	-0.2	0.0	-0.2	—
FY24/3 Operating Profit	4.0	4.6	8.6	7.4	16.0	0.7

Main Measures

Factors for increase

- Operational improvements (Storage)
Improvement of operational efficiency and accuracy from adoption of RPA and use of tablet terminals.
- Operational improvements (Transport)
Implementation of various measures in response to imminent regulatory changes in 2024.
- Work fee pricing revisions
As electricity costs in Japan subside, electricity surcharges will also decrease.
- Overseas
Increased cargo collections for storage and transportation operations, and stabilization of energy costs.

Factors for decrease

- Increase/decrease in energy costs
Electricity charges in Japan have eased more than initially expected, and costs are decreasing.

- **Marine Products:** Implement business restructuring and expand overseas sales
- **Meat and Poultry:** Based on the outlook for the second half, the forecast for sales and operating profit has been revised downward

(Billion yen)

		Second Half			Full Year				
		Plan	YoY		Plan	YoY		Compared to Previous Plan	
			Variance	% Change		Variance	% Change	Previous Plan	Variance
Marine Products	Net Sales	26.9	-9.6	-26%	56.0	-13.0	-19%	50.0	6.0
	Operating Profit	0.8	0.0	5%	1.0	0.0	5%	1.0	—
Meat and Poultry	Net Sales	37.6	-6.2	-14%	79.0	-6.8	-8%	85.0	-6.0
	Operating Profit	0.5	0.1	25%	1.0	0.0	4%	1.6	-0.6

Marine Products

Net Sales: Reduce handling of low-margin products, while also expanding overseas sales in North America.

Operating Profit: Secure earnings on a par with the previous fiscal year by increasing handling of high-margin items and MSC/ASC certified products.

Meat and Poultry

Net Sales

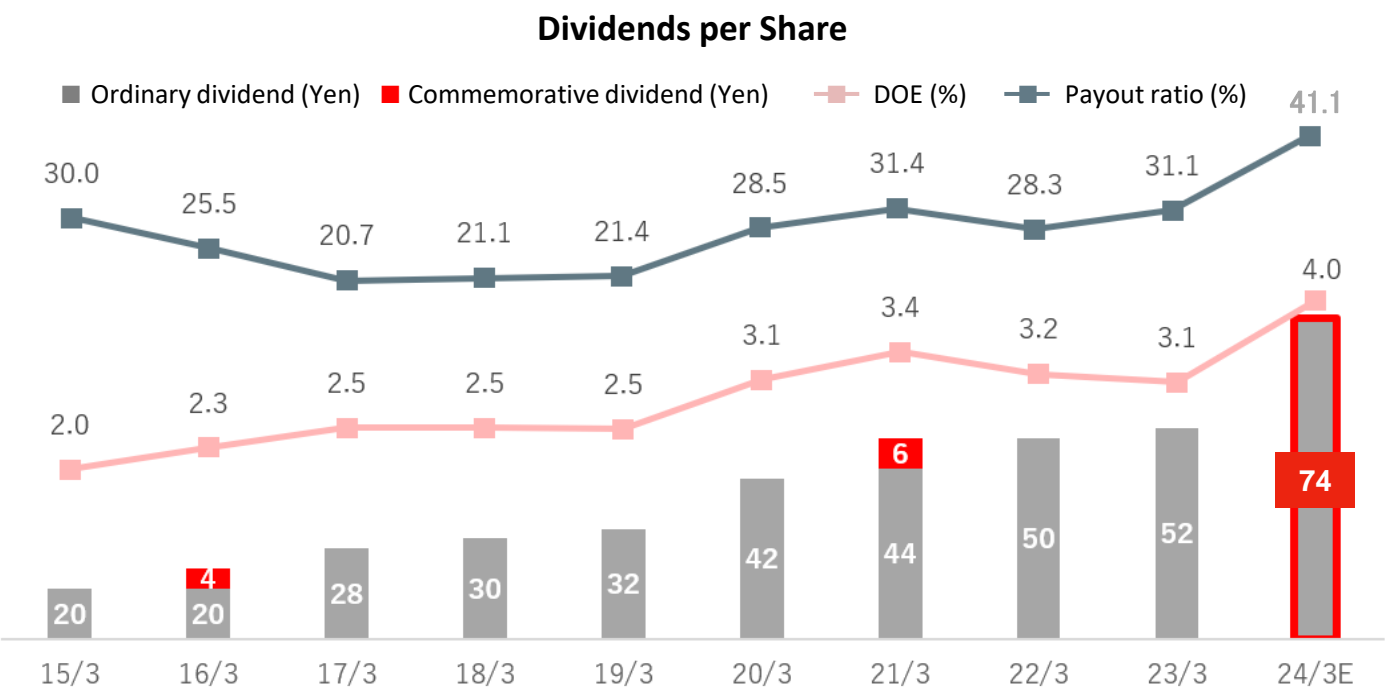
- Full-year forecast revised downward by ¥6.0 billion owing to scaled-back handling of imported frozen items and domestic fresh products
- Focus on expanding sales of differentiated products such as processed foods and meat with health benefits

Operating Profit

- Full-year forecast revised downward by ¥0.6 billion owing to the continued impact from rising procurement costs and decline in sales volume
- Improve earnings through further price adjustments, and revision of procurement methods for imported frozen products

- Capital expenditure plan for the current fiscal year has been revised downward to ¥37.0 billion yen due to revisions in the plan for mainstay businesses
- Dividend plan is for 74 yen per share, an increase of 22 yen from the previous fiscal year, in line with the initial plan (increase in ordinary dividends for an eighth consecutive year)

Changes to Capital Expenditures in FY24/3			
(Billion yen)			
	Major Breakdown Items	Previous	Revised
Processed Foods	Reduction due to delays in certain efficiency and environment-related investments.	16.4	11.4
Logistics	Reduction due to delays in progress on new facilities planned for the Kanto and Kansai regions.	24.2	19.2
Other	—	6.4	6.4
Group Total		47.0	37.0



Appendix

Factors for Increase/Decrease in Consolidated Balance Sheet

(Billion yen)

	FY24/3 First Half (as of Sep. 30, 2023)	FY23/3 (as of Mar. 31, 2023)	Variance	
Assets				
Current assets	217.8	196.7	21.1	(1)
Non-current assets	273.2	260.6	12.6	(2)
Total	491.0	457.3	33.6	
liabilities and net assets				
Current liabilities	139.3	130.1	9.2	(3)
Non-current liabilities	95.5	93.7	1.8	
Total	234.8	223.8	11.0	
Total net assets	256.1	233.5	22.6	(4)
(Shareholders' equity)	243.6	224.4	19.2	
Interest-bearing Debt	120.9	114.6	6.4	
(Excluding leased debt)	106.4	100.1	6.3	
	FY24/3 First Half (Apr. 1, 2023– Sep 30, 2023)	FY23/3 First Half (Apr. 1, 2022– Sep. 30, 2023)	Variance	
Capital Expenditures	11.8	10.4	1.4	(5)
(Excluding leased assets)	9.9	8.1	1.8	
Depreciation	11.8	10.9	0.9	
(Excluding leased assets)	10.0	9.1	0.9	

Factors for increase/decrease (Billion yen)

- (1) Cash and deposits: +8.9
Notes and accounts receivable—trade: +5.9
Merchandise and finished goods: +3.3
- (2) Property, plant and equipment: +6.6
Investment securities: +3.5
- (3) Short-term loans payable: +7.8
Commercial papers: +1.0
- (4) Profit attributable to owners of parent: +11.7
Dividends paid: -3.3
Valuation difference on available-for-sale securities: +3.3
Foreign currency translation adjustment: +5.4
- (5) Expansion of the rice product line at Kyurei factory: +1.7

Non-operating Income and Expenses / Extraordinary Income and Loss

Creating Savory Moments



(Billion yen)

		First Half Results			Full-year Forecast		
		FY23/3	FY24/3	Variance	FY23/3	FY24/3	Variance
Non-operating Income and Expenses		0.3	0.8	0.5	0.5	0.7	0.2
Main items	Financial account balance	0.2	0.2	0.0	0.3	0.2	-0.1
	Share of profit of entities accounted for using equity method	0.0	0.4	0.4	0.3	0.6	0.3
Extraordinary Income and Loss		-0.1	-0.2	-0.1	-0.5	-0.9	-0.5
Main items	Gain on sales of non-current assets	0.0	0.0	0.0	0.1	0.1	-0.0
	Gain on sales of investment securities	0.1	0.1	0.0	0.7	0.1	-0.5
	Gain on step acquisitions	—	0.5	0.5	—	0.5	0.5
	Gain on bargain purchase	0.5	—	-0.5	0.5	—	-0.5
	Compensation for expropriation	—	—	—	0.2	—	-0.2
	Loss on sales and retirement of non-current assets	-0.4	-0.4	-0.1	-1.1	-0.9	0.2
	Impairment loss	-0.2	-0.2	0.0	-0.5	-0.2	0.3

Results during Business Plan Periods

(Billion yen)

		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	289.0	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	56.0	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	79.0	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	668.0	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	16.0	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	1.0	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	16.0	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	35.0	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	35.7	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	23.0	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	37.0	33.6
ROIC (%)														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	5.2	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	180.10	
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.

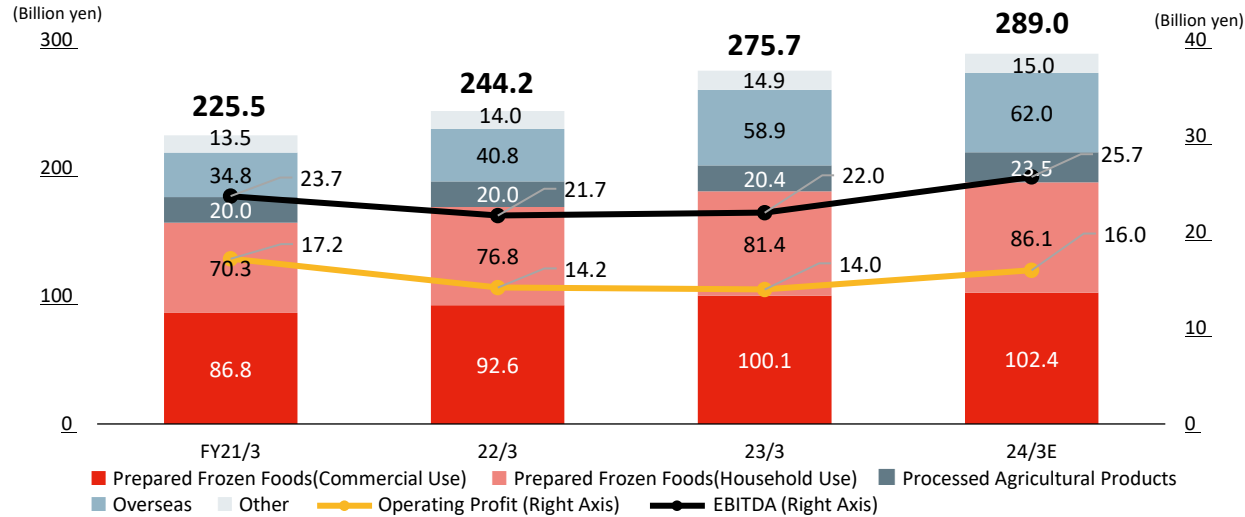
4. FY25/3 plan figures are information disclosed at the time of the announcement of the new business plan (May 2022).

FY24/3 Results and Plan

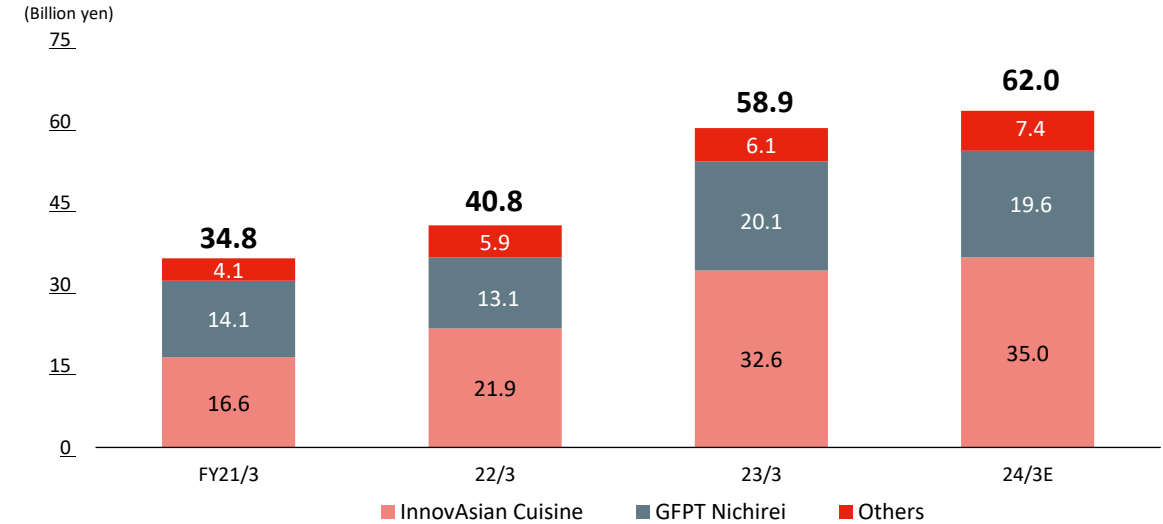
(Billion yen)

		Q1			Q2			First Half			Second Half			Full Year		
		Results	Y o Y		Results	Y o Y		Results	Y o Y		Plan	Y o Y		Plan	Y o Y	
			Variance	% Change		Variance	% Change		Variance	% Change		Variance	% Change		Variance	% Change
	Processed Foods	71.5	5.7	9%	71.5	2.0	3%	143.0	7.7	6%	146.0	5.6	4%	289.0	13.3	5%
	Household-use Prepared Foods	20.8	1.5	8%	20.9	0.9	5%	41.7	2.4	6%	44.4	2.3	5%	86.1	4.7	6%
	Commercial-use Prepared Foods	25.4	0.3	1%	24.7	-0.8	-3%	50.1	-0.4	-1%	52.3	2.8	6%	102.4	2.3	2%
	Processed Agricultural Products	5.8	1.2	25%	6.1	1.0	19%	11.9	2.1	22%	11.6	0.9	9%	23.5	3.1	15%
	Overseas	15.7	2.6	20%	14.8	0.6	5%	30.5	3.2	12%	31.5	-0.1	-0%	62.0	3.1	5%
	Other	3.9	0.2	4%	5.0	0.2	5%	8.9	0.4	5%	6.1	-0.3	-5%	15.0	0.1	1%
	Marine Products	13.8	-2.2	-13%	15.3	-1.2	-7%	29.1	-3.4	-10%	26.9	-9.6	-26%	56.0	-13.0	-19%
	Meat and Poultry	21.0	0.3	1%	20.4	-0.9	-4%	41.4	-0.6	-1%	37.6	-6.2	-14%	79.0	-6.8	-8%
	Logistics Business	61.3	4.0	7%	64.7	2.8	5%	126.0	6.8	6%	129.0	4.0	3%	255.0	10.8	4%
	Japan Subtotal	45.2	1.5	3%	46.7	1.4	3%	91.9	2.9	3%	91.1	3.0	3%	183.0	59	3%
	Logistics Network	29.3	1.0	3%	30.0	1.0	4%	59.3	2.0	3%	58.7	1.5	3%	118.0	3.5	3%
	Regional Storage	15.9	0.5	3%	16.6	0.4	2%	32.5	0.9	3%	32.5	1.5	5%	65.0	2.4	4%
	Overseas	15.6	2.7	21%	17.5	1.5	10%	33.1	4.3	15%	35.9	1.0	3%	69.0	5.3	8%
	Other/Intersegment	0.5	-0.2	-30%	0.5	-0.2	-26%	1.0	-0.4	-28%	2.0	0.0	1%	3.0	-0.4	-11%
	Real Estate	1.1	0.0	1%	1.1	-0.0	-3%	2.2	-0.0	-1%	2.3	-0.0	-0%	4.5	-0.0	-1%
	Other	1.0	0.0	1%	1.1	-0.3	-22%	2.2	-0.3	-12%	4.2	0.6	17%	6.4	0.3	5%
	Adjustment	-5.8	0.0	—	-5.9	0.1	—	-11.7	0.2	—	-10.2	1.0	—	-21.9	1.2	—
	Net Sales	164.0	7.9	5%	168.2	2.5	1%	332.2	10.4	3%	335.8	-4.6	-1%	668.0	5.8	1%
	(Overseas sales)	34.0	5.6	20%	35.7	3.0	9%	69.7	8.5	14%	73.3	1.1	2%	143.0	9.7	7%
		Processed Foods	3.8	0.8	27%	4.0	0.8	24%	7.8	1.6	26%	8.2	0.5	6%	16.0	2.0
Marine Products		0.0	-0.1	-78%	0.1	0.1	210%	0.2	0.0	4%	0.8	0.0	5%	1.0	0.0	5%
Meat and Poultry		0.2	-0.0	-3%	0.2	-0.1	-22%	0.5	-0.1	-13%	0.5	0.1	25%	1.0	0.0	4%
Logistics Business		4.0	0.6	17%	4.7	0.8	22%	8.6	1.4	19%	7.4	-0.5	-7%	16.0	0.9	6%
Japan Subtotal		3.8	0.4	13%	4.0	0.5	14%	7.8	0.9	13%	6.2	-0.4	-7%	14.0	0.5	4%
Logistics Network		1.8	0.3	17%	1.9	0.3	16%	3.7	0.5	17%	2.7	-0.2	-7%	6.4	0.3	5%
Regional Storage		2.0	0.2	10%	2.2	0.2	11%	4.2	0.4	11%	3.4	-0.2	-6%	7.6	0.2	2%
Overseas		0.6	0.2	61%	0.9	0.3	62%	1.5	0.6	62%	1.5	0.0	2%	3.0	0.6	25%
Other/Intersegment		-0.4	-0.1	—	-0.3	0.0	—	-0.7	-0.1	—	-0.3	-0.1	—	-1.0	-0.2	—
Real Estate		0.4	-0.0	-6%	0.4	-0.1	-15%	0.8	-0.1	-11%	0.9	-0.0	-0%	1.7	-0.1	-5%
Other		-0.1	-0.1	—	0.0	-0.2	-89%	-0.1	-0.3	—	0.5	-0.2	-27%	0.4	-0.4	-52%
Adjustment		-0.4	0.0	—	0.1	0.1	—	-0.4	0.1	—	-0.7	-0.5	—	-1.1	-0.4	—
Operating Profit		7.9	1.2	19%	9.5	1.4	18%	17.4	2.7	18%	17.6	-0.6	-3%	35.0	2.1	6%
Ordinary Profit		8.3	1.3	19%	9.8	1.8	22%	18.2	3.2	21%	17.5	-0.9	-5%	35.7	2.3	7%
Profit attributable to owners of parent		5.0	0.7	17%	6.7	1.2	21%	11.7	1.9	19%	11.3	-0.5	-4%	23.0	1.4	7%

Net Sales, Operating Profit and EBITDA for Processed Foods



Overseas Sales for Processed Foods












Consumer Panel for Household-use Prepared Frozen Foods YoY Change in Spending per 100 People

Overall market

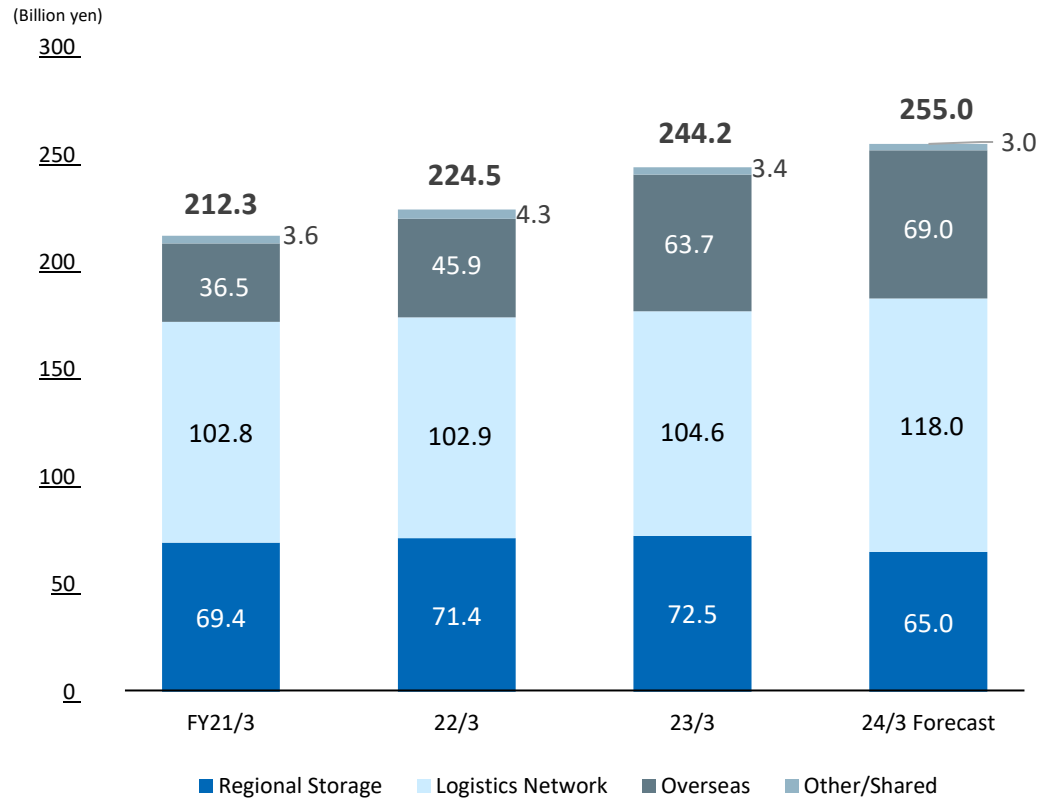
Item	FY23/3	FY24/3 Q1	FY24/3 Q2
Overall	103%	109%	106%
Deep-fried meat	107%	128%	123%
Pilaf rice	104%	103%	104%
Rice balls	98%	112%	107%
Japanese-style snacks	101%	106%	107%
Hamburger steak	102%	112%	110%

Source: INTAGE SCI (Frozen prepared foods – Quarter-on-quarter change in purchase amount per 100 people (up to 70s). Purchase channel = Includes co-op stores.

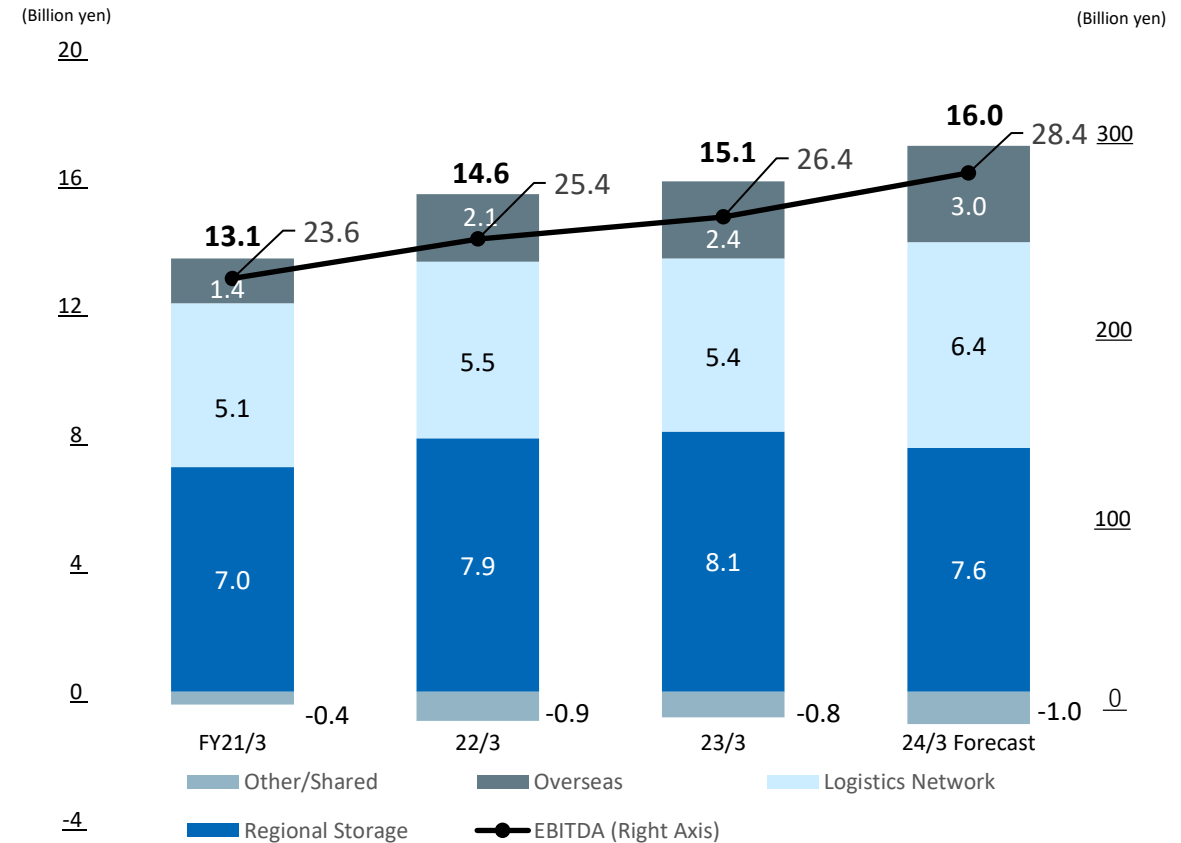
Price revision implementation period and timing of effect from revision

Implementation Period	Items Subject to Price Revision	Revision Rate (Initial Plan)	FY23/3				FY24/3				FY25/3			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
November 2021	Household use	Approx. 4–8%												
	Commercial use	Approx. 3–10%												
March 2022	Agricultural processed	Approx. 8–15%												
April 2022	Commercial use	Approx. 4–10%												
August 2022	Household use	Approx. 8–20%												
September 2022	Commercial use	Approx. 4–22%												
February 2023	Household use	Approx. 6–20%												
	Commercial use	Approx. 5–25%												
July 2023	Commercial use	Approx. 8–27%												
Effect from revision (billions of yen)			1.0	2.5	3.2	4.7	5.0	3.9	4.0					
			¥11.4 billion				¥12.9 billion							

Sales for Logistics Business



Operating Profit and EBITDA for Logistics Business



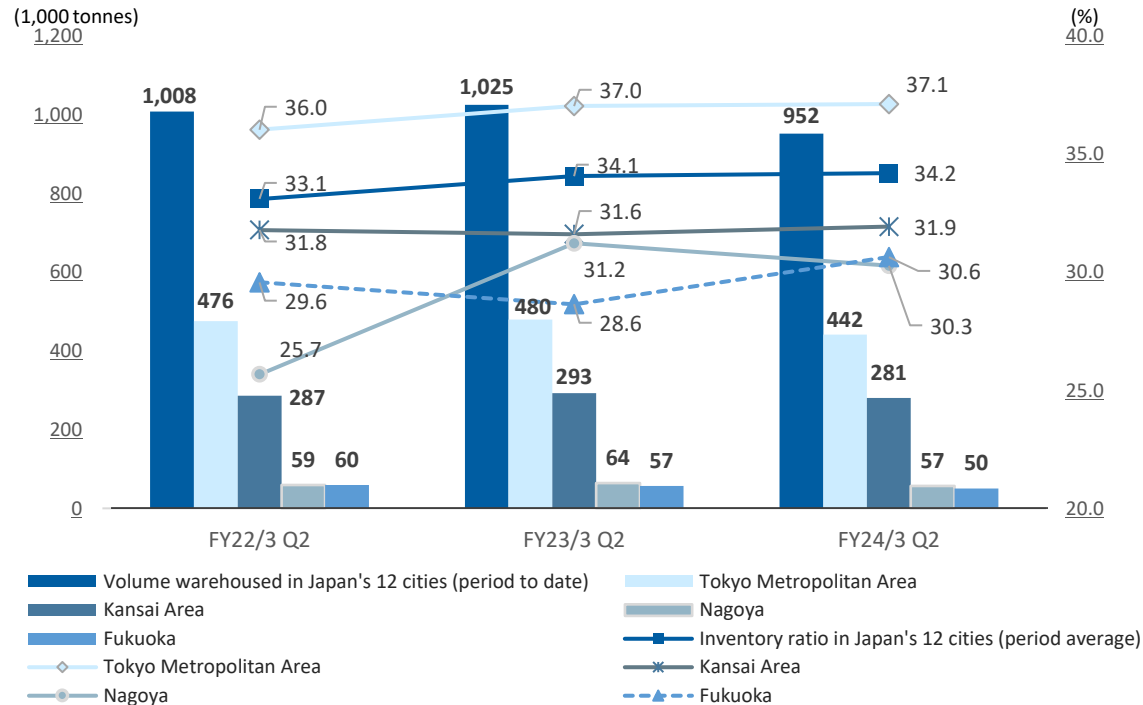
Note: Regarding FY24/3 estimates, a portion of the Regional Storage business was transferred to the Logistics Network business as part of organizational restructuring in the Tokyo metropolitan area (April 2023).

Overseas Sales

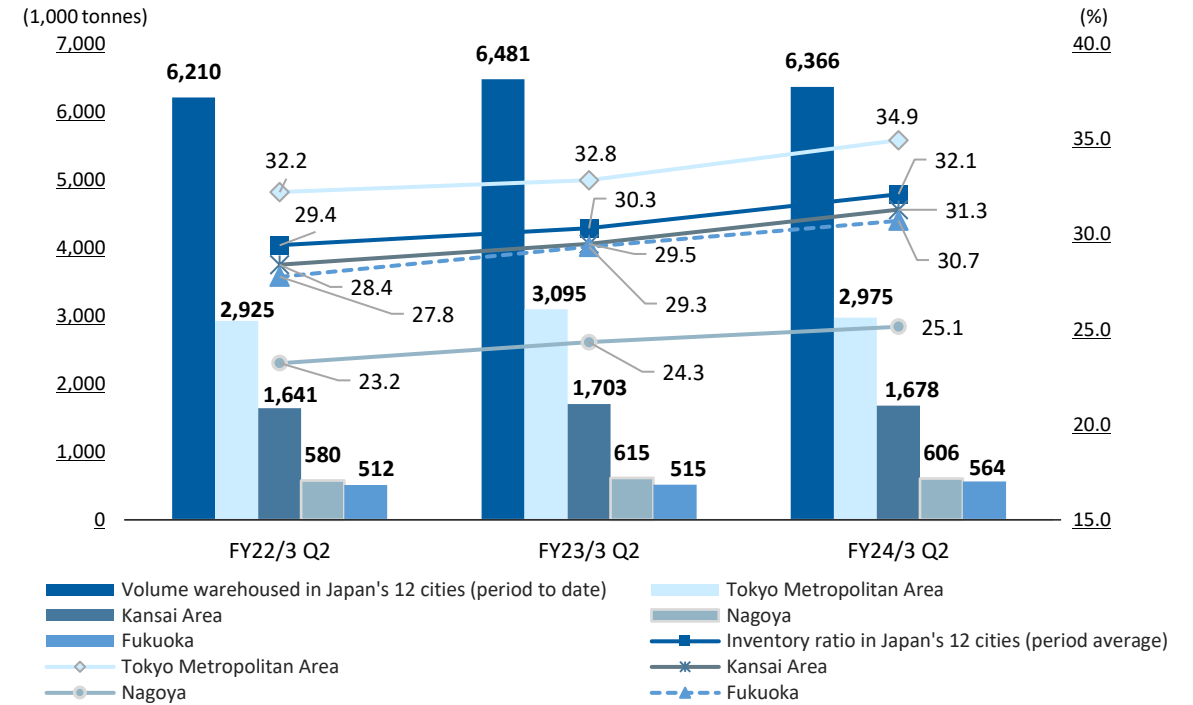
(Billion yen)

		Q1			Q2			First Half			Second Half			Full Year		
		Results	YoY		Results	YoY		Results	YoY		Plan	YoY		Plan	YoY	
			Variance	% Change		Variance	% Change		Variance	% Change		Variance	% Change		Variance	% Change
Net sales	Europe	14.4	2.6	22%	15.9	0.7	5%	30.3	3.3	12%	32.2	-0.2	-1%	62.5	3.0	5%
	Others	1.2	0.2	18%	1.6	0.8	104%	2.8	1.0	57%	3.7	1.2	49%	6.5	2.2	53%
	Total	15.6	2.7	21%	17.5	1.5	10%	33.1	4.3	15%	35.9	1.0	3%	69.0	5.3	8%

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.

Recombination of FY23/3 results due to business transfer

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). Accordingly, for materials from the first quarter of FY24/3, figures for FY23/3 results have been recombined to reflect the transfer.

(Billion yen)

	FY23/3 Results														
	Q1			Q2			Q3			Q4			Full Year		
	After transfer	Before transfer	Difference	After transfer	Before transfer	Difference	After transfer	Before transfer	Difference	After transfer	Before transfer	Difference	After transfer	Before transfer	Difference
Net Sales	57.3	57.3	—	61.9	61.9	—	64.8	64.8	—	60.3	60.3	—	244.2	244.2	—
Japan Subtotal	43.7	43.7	—	45.2	45.2	—	46.3	46.3	—	41.8	41.8	—	177.1	177.1	—
Logistics Network	28.3	25.8	2.5	29.0	26.4	2.6	29.8	27.3	2.5	27.4	25.1	2.3	114.5	104.6	9.9
Regional Storage	15.4	17.9	-2.5	16.2	18.8	-2.6	16.5	19.0	-2.5	14.5	16.7	-2.3	62.6	72.5	-9.9
Overseas	12.8	12.8	—	16.0	16.0	—	18.0	18.0	—	16.9	16.9	—	63.7	63.7	—
Other/Intersegment	0.7	0.7	—	0.6	0.6	—	0.4	0.4	—	1.6	1.6	—	3.4	3.4	—
Operating Profit	3.4	3.4	—	3.8	3.8	—	4.3	4.3	—	3.6	3.6	—	15.1	15.1	—
Japan Subtotal	3.4	3.4	—	3.5	3.5	—	4.3	4.3	—	2.3	2.3	—	13.5	13.5	—
Logistics Network	1.5	1.3	0.2	1.6	1.4	0.2	1.9	1.7	0.2	1.0	0.9	0.1	6.1	5.4	0.7
Regional Storage	1.8	2.0	-0.2	1.9	2.1	-0.2	2.4	2.6	-0.2	1.3	1.4	-0.1	7.4	8.1	-0.7
Overseas	0.4	0.4	—	0.5	0.5	—	0.3	0.3	—	1.2	1.2	—	2.4	2.4	—
Other/Intersegment	-0.3	-0.3	—	-0.3	-0.3	—	-0.3	-0.3	—	0.1	0.1	—	-0.8	-0.8	—

- Fully environmental-friendly packaging adopted for the online-only *Kikubari Gozen*TM frozen meals series, reducing plastic use by 40%. Starting with 7 of the 49 products in the series.
https://www.nichireifoods.co.jp/news/2023/info_id37825/ (Japanese only)
- Nichirei again included in all six ESG indices adopted by the GPIF and as a constituent of the FTSE4Good Index Series, and received AA rating in the MSCI ESG Rating.
<https://www.nichirei.co.jp/news/2023/445.html> (Japanese only)
- Nichirei Integrated Report 2023
<https://www.nichirei.co.jp/english/ir/library/integrated.html>
- New Nichirei Group DX website
<https://www.nichirei.co.jp/english/dx>

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.