

# FY25/3 First Quarter Presentation Material

August 7, 2024  
Nichirei Corporation

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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.

# **FY25/3 First Quarter Results**

## ■ Processed Foods business drove results overall, with steady growth in both sales and operating profit

(Billions of yen)

		Q1				Operating Profit/Net Sales
		Results	Y o Y		Progress Rate for Full-year Forecasts	
			Variance	% Change		
Processed Foods	77.8	6.3	9%	25%		
Marine Products	12.7	-1.1	-8%	25%		
Meat and Poultry	18.6	-2.4	-12%	27%		
Logistics	65.9	4.5	7%	24%		
Real Estate	1.2	0.1	5%	25%		
Other	1.2	0.2	20%	19%		
Adjustment	-6.2	-0.4	—	—		
Net Sales	171.2	7.2	4%	25%		
(Overseas Profit)	39.4	5.4	16%	24%		
Processed Foods	5.8	2.0	54%	31%	7.5%	
Marine Products	0.0	0.0	36%	2%	0.2%	
Meat and Poultry	0.3	0.1	50%	34%	1.9%	
Logistics	3.4	-0.6	-15%	20%	5.1%	
Real Estate	0.4	-0.0	-2%	22%	35.3%	
Other	0.1	0.2	—	12%	8.6%	
Adjustment	-0.6	-0.1	—	—	—	
Operating Profit	9.5	1.6	20%	24%	5.6%	
Ordinary Profit	10.3	2.0	24%	26%		
Profit attributable to owners of parent	6.4	1.5	30%	26%		

### Net Sales

Net sales rose 4% year on year on strong performance in mainstay Processed Foods and Logistics, mainly from overseas operations.

### Operating Profit

Operating profit increased 20% year on year from substantial growth in the Processed Foods business.

### Breakdown of Overseas Sales by Area

(Billions of yen)

Total	North America	Europe	Southeast Asia	East Asia	Others
39.4	10.1	16.8	7.2	2.8	2.6
(+ 5.4)	(+ 1.1)	(+ 2.4)	(+ 1.7)	(+ 0.2)	(+ 0.1)

Note: Figures in parenthesis are year-on-year comparisons. See Page 21 for reference information.

### Exchange Rates

(yen)

	FY25/3 First quarter	FY24/3 First quarter
USD/JPY	148.60	132.32
EUR/JPY	161.30	142.07
THB/JPY	4.17	3.91

Note: Exchange rate figures are the average for the January–March period.

I will now present an overview of our first quarter results, with reference to the presentation material released yesterday.

These are our consolidated financial results for the first quarter.

Net sales amounted to ¥171.2 billion, an increase of ¥7.2 billion yen, or 4%, year on year. The main factors for increase and decrease were the Processed Foods business with an increase of ¥6.3 billion, the Logistics business with a gain of ¥4.5 billion, and the Marine Products and Meat and Poultry businesses with a combined decrease of ¥3.5 billion. The two mainstay businesses rose steadily, mainly in overseas markets.

Overseas sales totaled ¥39.4 billion, an increase of ¥5.4 billion. For the breakdown by area, we are providing more detailed information with a new presentation divided into five categories: North America, Europe, Southeast Asia, East Asia, and Other. The figures for Southeast Asia, for example, in addition to GFPT Nichirei, now include the logistics companies in Thailand and Malaysia that became consolidated subsidiaries in the previous fiscal year.

These figures reflect sales outside the corporate group recorded by subsidiaries in each area, converted into yen at the rates shown in the chart at the bottom of the page. As I explained at the investor meeting in December last year, we plan to strengthen the allocation of resources to overseas business in the future, and are considering the best ways to present figures from the standpoint of both business segment and regional segment.

Operating profit was ¥9.5 billion, an increase of ¥1.6 billion, or 20% from a year earlier. The main factors for increase and decrease were a ¥2.0 billion gain in the Processed Foods business, against a decrease of ¥0.6 billion in the Logistics business.

Profit attributable to owners of parent was ¥6.4 billion, an increase of ¥1.5 billion, or 30% year on year.

Compared with the full-year plan, overall net sales and operating profit both rose steadily, due mainly to growth in the Processed Foods business.

## ■ Operating profit reached a record high of ¥5.8 billion for Q1 alone, due mainly to an increase in sales volume

(Billions of yen)						
		Q1				
		Results	Y o Y		Progress Rate for Full-year Forecasts	Operating Profit/Net Sales
			Variance	% Change		
Processed Food	Net Sales	77.8	6.3	9%	25%	
	Household-use Prepared Foods	22.6	1.8	9%	24%	
	Commercial-use Prepared Foods	27.1	1.7	7%	24%	
	Processed Agricultural Products	6.4	0.6	10%	27%	
	Overseas	18.0	2.3	15%	27%	
	Other	3.8	-0.1	-3%	26%	
	Operating Profit	5.8	2.0	54%	31%	7.5%

### Net Sales

#### Household-use Prepared Foods

Revenue up 9% y/y (unit price: +1%, volume: +8%)

- Significant rise in sales of rice products and snacks, due in part to a boost from TV commercials aired in March 2024
- New products for personal use (single servings) also contributed to increased sales

#### Commercial-use Prepared Foods

Revenue up 7% y/y (unit price: +1%, volume: +6%)

- Revenue rose on expanded sales of processed chicken products and rice products for major users
- Sales volume of processed chicken products for the prepared foods channel, which has been a focus for improving profitability since the previous fiscal year, recovered to a level exceeding that of the previous fiscal year

#### Overseas

- North America: Sales declined on a local currency basis due to the ongoing effects of inflation-related consumption decline, but revenue was up overall from currency translation
- GFPT Nichirei (Thailand): Revenue rose on expanded sales in Thailand and overseas, and the impact from the weakening of the baht

### Operating Profit

Earnings rose 54% from the corresponding period of the previous fiscal year as higher costs due to the depreciation of the yen was offset by improved performance of affiliated companies, increased sales, and the effects of price revisions.

Next, let's look at results by business segment.

This page shows first quarter results in Processed Foods.

Net sales in Q1 amounted to ¥77.8 billion, an increase of ¥6.3 billion, or 9% from the same period of the previous fiscal year.

Sales of household-use prepared foods totaled ¥22.6 billion, up ¥1.8 billion, or 9% from a year earlier.

Sales of rice products and snacks such as *Imagawayaki* cakes rose significantly on a rebound from the previous fiscal year, when sales were constrained by the egg shortage, along with a boost from TV commercials aired in March this year. Revenue was further supported by strong sales of new products such as Fragrant Noodle *Gomoku Ankake Yakisoba*, one of our personal-use (single serving) items.

Analyzing the 9% increase by volume and unit price, the unit price accounted for a gain of 1%, with sales volume accounting for 8%.

Looking next at commercial-use prepared foods, net sales amounted to ¥27.1 billion, up ¥1.7 billion, or 7% year on year. This was due mainly to expanded sales of processed chicken products and rice products for major users.

Sales volume of processed chicken products for the prepared foods channel, which has been a focus for improving profitability since the previous fiscal year, recovered to a level exceeding that of the previous fiscal year.

Analyzing the 7% increase by volume and unit price, the unit price accounted for a gain of 1%, with sales volume accounting for 6%. Like household-use prepared foods, growth in sales volume contributed significantly to the increase in revenue.

Overseas, net sales amounted to ¥18.0 billion, up ¥2.3 billion, or 15%, from a year earlier.

The main breakdown of the ¥2.3 billion increase in revenue was ¥0.9 billion from the North American business, and ¥1.2 billion from GFPT Nichirei in Thailand. I will present a more detailed analysis in a moment.

Operating profit in the Processed Foods business was ¥5.8 billion, up ¥2.0 billion, or 54%, year on year, as higher costs due to the depreciation of the yen were offset by improved performance at both domestic and overseas affiliates, increased sales, and price revisions. This was a record high level for a first quarter period.

The factors underlying the increase and decrease in operating profit in the Processed Foods

business are presented on Page 10, along with the full-year outlook.

- In Japan, despite expansion in the third-party logistics (3PL) and transport and delivery business, earnings declined on a rebound from high inventories in the previous fiscal year

(Billions of yen)

		Q1				
		Results	Y o Y		Progress Rate for Full-year Forecasts	Operating Profit/Net Sales
			Variance	% Change		
Logistics	Net Sales	65.9	4.5	7%	24%	
	Japan Subtotal	46.6	1.4	3%	25%	
	Logistics Network	30.2	0.9	3%	25%	
	Regional Storage	16.4	0.5	3%	25%	
	Overseas	18.6	3.1	20%	23%	
	Other/Intersegment	0.6	0.1	18%	14%	
	Operating Profit	3.4	-0.6	-15%	20%	5.1%
	Japan Subtotal	3.3	-0.5	-12%	23%	7.2%
	Logistics Network	1.6	-0.2	-13%	23%	5.2%
	Regional Storage	1.8	-0.2	-11%	23%	10.9%
	Overseas	0.7	0.1	18%	16%	3.6%
	Other/Intersegment	-0.6	-0.2	—	42%	—

(Japan)

**Net Sales****Logistics Network**

Revenue rose 3% on growth in the 3PL and transport and delivery business.

**Regional Storage**

Revenue rose 3% on recovery in cargo movements, and the boost from the new Kobe Rokko DC that began operating in the previous fiscal year.

**Operating Profit**

Earnings declined 12% year on year, due mainly to a rebound sales decline from high inventories in the previous fiscal year, principally imported cargo, along with an increase in depreciation costs for the Kobe Rokko DC.

(Overseas)

**Net Sales**

Sales increased 20% on steady growth in business to retailers in Europe, along with a positive impact from currency translation of the weakening of yen.

**Operating Profit**

Earnings increased 18% year on year, due mainly to the contribution from subsidiaries in Thailand and Malaysia incorporated into the scope of consolidation in the previous fiscal year.

Next, this page shows first quarter results for the Logistics business.

Net sales for the first quarter period amounted to ¥65.9 billion, an increase of ¥4.5 billion, or 7%, from the same period of the previous fiscal year, with operating profit of ¥3.4 billion, a decline of ¥0.6 billion, or 15%.

Starting with Japan, revenue in the Logistics Network business amounted to ¥30.2 billion, an increase of ¥0.9 billion, or 3%, due mainly to growth in the transport and delivery business, including the third party logistics (3PL) business and trunk lines.

In regional storage, sales were ¥16.4 billion, an increase of ¥0.5 billion yen, or 3% year on year, stemming from the recovery in cargo movement mainly for household-use frozen foods, and the boost from the new Kobe Rokko DC that began operations in January 2024. Operating profit in Japan declined 12%, mainly as a result of a falloff in the volume of imported cargo such as meat and fruit juice due to the rapid depreciation of the yen, a rebound decrease from high inventory levels resulting from sluggish frozen food shipments following price revisions in FY2022, and an increase in depreciation costs at Kobe Rokko DC, which started operations in January this year.

Overseas, net sales amounted to ¥18.6 billion, an increase of ¥3.1 billion, or 20%, owing to a steady rise in business to retailers in Poland, and the effects of currency translation due to the depreciation of the yen.

Operating profit overseas was ¥0.7 billion, an increase of ¥0.1 billion, or 18%, on the contribution from subsidiaries in Thailand and Malaysia included in the scope of consolidation in the previous fiscal year.

The factors underlying the increase and decrease in operating profit in the Logistics business are presented on Page 13, along with the full-year outlook.

- **Marine Products: Cutbacks in low-margin products proceeding as planned, with earnings on a par with the previous fiscal year**
- **Meat and Poultry: Revenue decline with earnings gain from implementation of price revisions, and selection and concentration of handling categories**

(Billions of yen)

		Q1				
		Results	Y o Y		Progress Rate for Full-year Forecasts	Operating Profit/Net Sales
			Variance	% Change		
Marine Products	Net Sales	12.7	-1.1	-8%	25%	
	Operating Profit	0.0	0.0	36%	2%	0.2%
Meat and Poultry	Net Sales	18.6	-2.4	-12%	27%	
	Operating Profit	0.3	0.1	50%	34%	1.9%

## Marine Products

### Net Sales

Sales decreased 8% year on year due to systematic cutbacks in low-margin products.

### Operating Profit

Despite the continued impact of sluggish profitability in fish roe, earnings increased 36% due to expanded sales of high-margin and MSC/ASC certified products.

## Meat and Poultry

### Net Sales

Sales decreased 12% on cutbacks in imported frozen meats and other low-margin products.

### Operating Profit

Earnings increased 50% year on year from revision of selling prices and cutbacks in low-margin products.

Next is the Marine Products and Meat and Poultry businesses.

Starting with Marine Products, net sales decreased ¥1.1 billion, or 8%, year on year to ¥12.7 billion, with operating profit up ¥8 million to ¥30 million, on a par with the previous fiscal year. Net sales decreased due to the systematic reduction of low-margin products that has been implemented throughout the medium-term business plan period. In terms of earnings, despite the continued effects from the previous fiscal year of sluggish profitability in fish roe, we managed to secure earnings on a par with the previous fiscal year through expanded sales of high-margin and MSC/ASC certified items.

In Meat and Poultry, net sales amounted to ¥18.6 billion, down ¥2.4 billion, or 12%, from a year earlier, with operating profit of ¥0.3 billion, up ¥0.1 billion, or 50%. Sales decreased on cutbacks in imported frozen meats, primarily pork, and other low-margin products. Earnings increased on steady implementation of price revisions, and cutbacks in low-margin products.



# **FY25/3 Full-year Forecast**

## ■ Aiming to achieve record high sales of ¥700 billion with operating profit of ¥40.5 billion

(Billions of yen)							
		Full Year					
		Plan	YoY		Compared with Previous Plan		Operating Profit/Net Sales
			Variance	% Change	Previous Plan	Variance	
	Processed Foods	318.0	27.1	9%	310.0	8.0	
	Marine Products	50.0	-11.6	-19%	50.0	—	
	Meat and Poultry	68.0	-13.8	-17%	68.0	—	
	Logistics	276.0	18.6	7%	274.0	2.0	
	Real Estate	4.6	0.1	3%	4.6	—	
	Other	6.4	-0.4	-6%	6.4	—	
	Adjustment	-23.0	-0.2	—	-23.0	—	
	Net Sales	700.0	19.9	3%	690.0	10.0	
(Overseas Sales)		168.3	23.3	16%	162.0	6.3	6.6%
Processed Foods	21.0	3.6	21%	19.0	2.0		
Marine Products	1.3	0.7	120%	1.3	—	2.6%	
Meat and Poultry	1.0	-0.0	-4%	1.0	—	1.5%	
Logistics	16.5	0.7	4%	17.0	-0.5	6.0%	
Real Estate	1.9	0.2	15%	1.9	—	41.3%	
Other	0.9	-0.4	-30%	0.9	—	14.1%	
Adjustment	-2.1	-1.2	—	-2.1	—	—	
Operating Profit		40.5	3.6	10%	39.0	1.5	5.8%
Ordinary Profit		41.2	2.9	8%	39.7	1.5	
Profit Attributable to Owners of Parent		26.0	1.5	6%	24.8	1.2	
EPS (yen)		204	12	6%	194	9	

### Net Sales

Revenue forecast revised upward by ¥10 billion from the previous plan, based on steady progress in the Processed Foods business.

### Operating Profit

Despite a downward revision in the Logistics business due to the recording of sustainability-related upfront investments, the overall earnings forecast has been revised upward by ¥1.5 billion, driven by the Processed Foods business.

### EPS

EPS forecast raised 9 yen from the previous plan to 204 yen on the upward revision to operating profit.

### Breakdown of Overseas Sales by Area

(Billions of yen)					
Total	North America	Europe	Southeast Asia	East Asia	Others
168.3	41.6	75.6	27.7	12.7	10.7
(+ 23.3)	(+ 7.2)	(+ 11.3)	(+ 3.0)	(+ 1.5)	(+ 0.3)

Note: Figures in parenthesis are year-on-year comparisons. See Page 21 for reference information.

### Exchange Rates

	FY25/3		FY24/3 (actual)
	Forecast	Compared with Previous Forecast	
USD/JPY	154.00	6.00	140.55
EUR/JPY	165.00	5.00	151.98
THB/JPY	4.20	0.20	4.04

Note: Exchange rate figures for FY24/3 (actual) are the average for the January–December period.

We now move on to our full year consolidated results forecasts.

Nichirei has revised upward its forecast for both net sales and operating profit, based on the steady progress in the Processed Foods business, aiming to achieve record high results. The net sales forecast has been revised upward by ¥10.0 billion from the initial plan to ¥700.0 billion, for an increase of ¥19.9 billion year on year, and operating profit by ¥1.5 billion to ¥40.5 billion, for an increase of ¥3.6 billion.

The overseas sales forecast has also been revised upward by ¥6.3 billion to ¥168.3 billion, for an increase of ¥23.3 billion year on year.

Like the first quarter results page, the sales plan by area is presented on the righthand side. The assumed exchange rates for earnings forecasts have been revised from the previous plan to 154 yen to the U.S. dollar, 165 yen to the euro, and 4.2 yen to the Thai baht. Of the ¥23.3 billion increase in overseas sales, approximately ¥9.5 billion is from the combined currency translation effect in North America and Europe.

The EPS forecast has been revised upward by 9 yen from the previous plan to 204 yen, for an increase of 12 yen year on year.

## ■ Forecasting operating profit of ¥21 billion with an operating profit margin of 6.6% though steady implementation of measures

		(Billions of yen)					
		Full Year					
		Plan	YoY		Compared with Previous Plan		Operating Profit/Net Sales
			Variance	% Change	Previous Plan	Variance	
Processed Food	Net Sales	318.0	27.1	9%	310.0	8.0	
	Household-use Prepared Foods	93.5	6.1	7%	92.4	1.1	
	Commercial-use Prepared Foods	112.0	9.3	9%	112.0	—	
	Processed Agricultural Products	26.0	2.3	10%	23.9	2.1	
	Overseas	71.3	9.4	15%	67.0	4.3	
	Other	15.2	0.1	1%	14.7	0.5	
	Operating Profit	21.0	3.6	21%	19.0	2.0	6.6%

### Net Sales

#### Household-use Prepared Foods

**7% increase (unit price: +1%, volume: +6%)**

- Continue proactive promotional campaigns, focusing on core categories
- Expand sales volume of personal use (single serving) products, such as the new "Truly Delicious Tantanmen" launching in autumn

#### Commercial-use Prepared Foods

**9% increase (unit price: +1%, volume: +8%)**

Increase sales of core products for major users, and expand range of products to help alleviate labor shortages.

#### Overseas

- North America: Focus on increasing the sales volume of existing and new brands to principal customers
- GFPT Nichirei (Thailand): Expand sales of products with a higher degree of processing, and increase the sales composition ratio to the EU and China

### Operating Profit

Operating profit forecast revised upward by ¥2.0 billion, as continued cost increases will be absorbed by improved performance at affiliates and the effects of increased sales.

Next, forecasts by business segment.  
We'll start with the Processed Foods business.

Nichirei has revised upward its forecast for net sales by ¥8.0 billion from the initial plan to ¥318.0 billion, for an increase of ¥27.1 billion, or 9% year on year.

In household-use prepared foods, based on the progress made through Q1, we have revised upward our forecast for net sales by ¥1.1 billion to ¥93.5 billion, for an increase of ¥6.1 billion, or 7% year on year.

We will continue to strengthen sales promotions and focus on increasing sales volumes for steadily expanding rice products, processed chicken items such as *Munekara*, and snacks such as *Imagawayaki* cakes.

For personal use (single serving) products, we will expand our lineup of single-serving noodles dishes, which are in strong demand, such as Fragrant Noodle *Gomoku Ankake Yakisoba*, and the new *Truly Delicious Tantanmen* launching in autumn.

In commercial-use prepared foods, we are maintaining our sales forecast of ¥112.0 billion, for an increase of ¥9.3 billion, or 9% year on year. We plan to increase sales of mainstay products such as processed chicken and rice items for major users, and expand our range of products to help alleviate labor shortages.

In overseas business, Nichirei has revised upward its forecast for net sales by ¥4.3 billion from the initial plan to ¥71.3 billion, for an increase of ¥9.4 billion, or 15% year on year. The main breakdown of the ¥9.4 billion increase in sales is ¥6.5 billion from the North American business and ¥2.3 billion from GFPT Nichirei in Thailand. These two companies will be discussed on Page 11 below.

In terms of operating profit, Nichirei has revised upward its forecast by ¥2.0 billion from the initial plan to ¥21.0 billion, for an increase of ¥3.6 billion, or 21% year on year. Although costs continue to increase, this will be absorbed by improved performance at affiliates in Japan and overseas, and through increased sales. The operating profit margin is expected to be 6.6%.

Since fiscal 2021, in response to cost increases stemming from higher food material prices and the rapid depreciation of the yen, Nichirei has steadily implemented various measures and price revisions to improve profitability. In addition, over the past three years, we have been proactively making investments for our three basic strategies of 1) Expansion of sales in

the strategic categories of rice products and processed chicken, 2) Expanded sales of new value-added products such as personal use (single serving) items, and 3) Earnings growth for overseas business. Specifically, we have been working to increase production capacity and establish efficient supply systems at the Kyurei rice products plant, GFPT Nichirei for processed chicken products, the Yamagata plant for single-serving meals, and Nichirei Sacramento Foods for Asian foods in North America. Along with the growth in sales volume for these core products, the operating rate at production plants has also increased, providing a steady gain in return on investment.

## Factors for Increase/Decrease in Operating Profit

(Billions of yen)

	FY25/3		
	Q1 Results	Full-year Plan	Compared with Previous Plan
<b>FY24/3 Operating Profit</b>	<b>3.8</b>	<b>17.4</b>	<b>—</b>
<b>Factors for increase</b>	<b>2.8</b>	<b>9.9</b>	<b>2.3</b>
Increased revenue*	1.0	3.7	0.6
Impact of selling price adjustments	0.5	2.5	0.5
Impact of results at overseas affiliated companies	1.0	2.2	1.0
Improved productivity	0.2	0.9	0.2
Increase/decrease in depreciation expense	0.2	0.2	—
Other	-0.1	0.4	—
<b>Factors for decrease</b>	<b>-0.8</b>	<b>-6.3</b>	<b>-0.3</b>
Increase/decrease in raw material and purchasing costs due to yen depreciation	-0.8	-4.6	-0.8
Increase/decrease in food material and procurement cost	-0.1	-0.6	0.4
Increase/decrease in logistics costs	0.0	-0.9	—
Increase/decrease in power and fuel costs	0.1	-0.2	0.1
<b>FY25/3 Operating Profit</b>	<b>5.8</b>	<b>21.0</b>	<b>2.0</b>

\* Includes effects from implementation of measures emphasizing profitability.

### Main Measures

- Increased revenue  
Effect of sales measures focused on sales volume growth and profitability
- Impact of selling price adjustments  
Reflecting the effects of revisions implemented in September and October 2024.
- Impact of results at overseas affiliated companies  
Earnings increase from GFPT Nichirei (Thailand)'s expanded sale volume of value-added products for Japan.
- Improved productivity  
Impact from improvements including the Fukuoka rice products facility.
- Increase/decrease in raw material and purchasing costs due to yen depreciation  
Reflecting the impact of yen depreciation.
- Increase/decrease in food material and procurement cost  
Softening market mainly for eggs and chicken.

These are the factors for increase or decrease in operating profit for Processed Foods.

First, the main factors for increase in profit.

For the factor of “Increased revenue,” for Q1 we recorded a positive impact of ¥1.0 billion, and for the full fiscal year, are forecasting a positive impact of ¥3.7 billion, an increase of ¥0.6 billion from the previous plan. This mainly reflects growth in sales volume for both household-use and commercial-use items.

For “Impact of selling price adjustments,” for Q1 we recorded a positive impact of ¥0.5 billion, as the effects of the price revisions implemented in March and April this year have materialized. For the full fiscal year, we are forecasting a positive impact of ¥2.5 billion, an increase of ¥0.5 billion from the previous plan, reflecting price revisions to be implemented in September and October 2024, mainly targeting such products as cooked vegetables.

For “Impact of results at overseas affiliated companies,” for Q1 we recorded a positive impact of ¥1.0 billion, and for the full fiscal year, are forecasting a positive impact of ¥2.2 billion, an increase of ¥1.0 billion from the previous plan. This mainly reflects an increase in production profit at GFPT Nichirei from expanded sales volume to Japan, along with a stronger U.S. dollar and weaker Thai baht in export transactions. This comprises positive impacts of ¥0.1 billion in North America, ¥1.9 billion in Thailand, and ¥0.2 billion from Niagro, a producer of acerola juice and powder in Brazil.

For “Improved productivity,” for Q1 we recorded a positive impact of ¥0.2 billion, and for the full fiscal year, are forecasting a positive impact of ¥0.9 billion, an increase of ¥0.2 billion from the previous plan. This mainly reflects an increase in sales volume for rice products stemming from greater productivity at the Kyurei rice products plant in Fukuoka.

Next the main factors for decrease in profit.

For “Increase/decrease in food material and procurement cost due to yen depreciation,” with the continued weakening of the yen, for Q1 we recorded a negative impact of ¥0.8 billion. For the full fiscal year, we are forecasting a negative impact of ¥4.6 billion, a decrease of ¥0.8 billion from the previous plan, reflecting a change in the assumed exchange rate to the U.S. dollar from 148 yen to 154 yen.

For “Increase/decrease in food material and procurement cost,” with the softening of market prices of eggs and domestic chicken, for Q1 we recorded a negative impact of ¥0.1 billion. For the full fiscal year, we are forecasting a negative impact of ¥0.6 billion, an increase ¥0.4 billion from the previous plan.

For “Increase/decrease in logistics costs,” for the full fiscal year we are forecasting a negative impact of ¥0.9 billion to reflect the increase in logistics costs stemming from regulatory

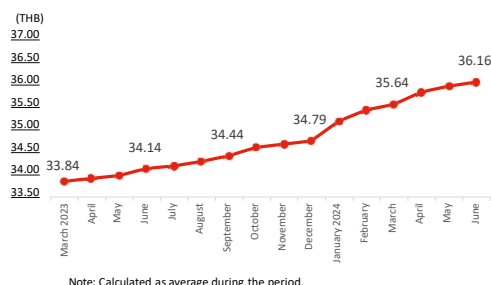
changes in 2024 affecting truck drivers. The amount is unchanged from the previous plan.

## Overseas Net Sales Results and Plan

(Billions of yen)

		FY25/3					
		Q1			Full Year		
		Results	Variance	% Change	Plan	Variance	% Change
Net Sales	North America	9.7	0.9	10%	40.0	6.5	20%
	GFPT Nichirei	6.4	1.2	23%	24.5	2.3	10%
	Others	1.9	0.2	14%	6.8	0.5	9%
	Total	18.0	2.3	15%	71.3	9.4	15%

## Thailand: Reference Information—Exchange Rate (USD/THB)—



## North America: Net Sales and Operating Profit

		FY25/3					
		Q1			Full Year		
		Results	Variance	% Change	Plan	Variance	% Change
Net Sales	Reporting currency (JPY bn)	9.7	0.9	10%	40.0	6.5	20%
	Local currency (USD mn)	65	-1	-2%	259	21	9%
Operating Profit	Reporting currency (JPY bn)	0.5	-0.1	-12%	2.5	0.1	3%
	Local currency (USD mn)	3.7	-1.0	-21%	16.0	-1.3	-8%
Operating Profit/Net Sales (Reporting currency)		5.6%			6.3%		
Exchange Rate (USD/JPY, yen)		148.60			154.00		

Note: From this financial year, the business results in North America (including year-on-year comparisons) are the combined figures of InnovaAsian Cuisine and Nichirei Sacramento Foods.

## North America: Introduction of New Latin American Food Brand “DEL CORAZÓN”



- While appetizers have been the main items in the Latin American frozen foods category, Nichirei is expanding the market by utilizing techniques for chicken and rice products cultivated through the establishment of Asian food brands
- Five items (chicken, rice, and appetizers) launched in March 2024
- Shipments to major mass retailers exceeding plan

<https://www.eatdelcorazon.com/home>

Next, we have supplemental information regarding our overseas business operations.

First, look at the table on the left.

Net sales at GFPT Nichirei in Thailand amounted to ¥6.4 billion, an increase of ¥1.2 billion, or 23%, from the corresponding period of the previous fiscal year. This mainly reflects an increase in sales volume to Europe and China, and depreciation of the baht against the U.S. dollar used in export transactions.

For the full fiscal year, GFPT Nichirei is forecasting revenue of ¥24.5 billion, an increase of ¥2.3 billion, mainly reflecting expanded sales of products with a higher degree of processing, and an increase in the sales composition ratio to the EU and China, where the unit sales price is relatively higher than in Thailand.

For North America, see the table on the right.

Net sales in Q1 amounted to ¥9.7 billion, an increase of ¥0.9 billion, or 10%. On a local currency basis, revenue decreased 2% to \$65 million, but sales volume, despite continued inflation, exceeded that of the previous fiscal year as a result of promotional campaigns aimed at recovery in sales volume, and the effects of partial adjustments to selling prices in the previous fiscal year. For the full fiscal year, we are forecasting net sales of ¥40.0 billion. From the second quarter onward, we expect an increase in shipments for both Asian and Latin food brands that will drive momentum in volume growth, resulting in a 9% increase in revenue on a local currency basis to \$259 million.

In terms of earnings, however, we expect a decline of 8% on a local currency basis due to the continuation of promotional measures to develop the Latin foods brand and increase sales volume.

I would like to provide additional information regarding the Latin foods brand that was newly launched this fiscal year.

We began by selling five items in March 2024, and as of the end of July, the number of items has been increased to ten. In addition, shipments to major mass retailers have been positive, progressing well beyond plan.

In this fiscal year, we will focus on promotional campaigns, implement measures to broaden distribution and raise brand awareness in North America, expand our business operations.

■ Forecasting ¥0.7 billion increase in operating profit from improved profitability in Japan concentrated in the second half

(Billions of yen)

		Full Year					Operating Profit/Net Sales
		Plan	YoY		Compared with Previous Plan		
			Variance	% Change	Previous Plan	Variance	
Logistics Business	Net Sales	276.0	18.6	7%	274.0	2.0	
	Japan Subtotal	187.8	5.4	3%	187.8	—	
	Logistics Network	122.2	3.6	3%	122.2	—	
	Regional Storage	65.6	1.8	3%	65.6	—	
	Overseas	84.0	12.9	18%	82.0	2.0	
	Other/Intersegment	4.2	0.4	10%	4.2	—	
	Operating Profit	16.5	0.7	4%	17.0	-0.5	6.0%
	Japan Subtotal	14.3	0.4	3%	14.3	—	7.6%
	Logistics Network	6.7	0.2	3%	6.7	—	5.5%
	Regional Storage	7.6	0.2	2%	7.6	—	11.6%
	Overseas	3.7	0.1	4%	4.2	-0.5	4.4%
	Other/Intersegment	-1.5	0.1	—	-1.5	—	—

(Japan)

**Net Sales**

**Logistics Network**

Utilize the frozen food logistics platform expanded in the previous fiscal year to attract new customers and strengthen cargo pickups among existing customers.

**Regional Storage**

Focus on expanding cargo pickups to achieve a recovery in inventory levels.

**Operating Profit**

Forecasting gain on ¥0.4 billion from revenue boost on expanded cargo pickups, and improved profitability from operational efficiency.

(Overseas)

**Net Sales**

Upward revision of ¥2.0 billion based on the impact of foreign exchange translation due to yen depreciation.

**Operating Profit**

Downward revision of ¥0.5 billion due to upfront investments for CSRD in Europe.

This is our full-year forecast for the Logistics business.

Nichirei is anticipating net sales of ¥276.0 billion, an increase of ¥18.6 billion, or 7%, year on year.

In Japan, for the logistics network business, we are forecasting revenue of ¥122.2 billion, an increase of ¥3.6 billion, or 3%, year on year, by utilizing our frozen food logistics platform in the Kanto and Kansai regions, which was expanded in the previous fiscal year, to attract new customers and strengthen cargo collections among existing customers.

For the regional storage business, we are anticipating revenue of ¥65.6 billion, an increase of ¥1.8 billion, or 3%, year on year. As a measure to counter the decline in inventory rates, we will work to expand cargo collections by strengthening sales, and achieve a recovery in inventory levels, particularly in the second half of the year.

In terms of operating profit in Japan, earnings are expected to reach ¥14.3 billion, an increase of ¥0.4 billion, or 3% year on year, on the revenue boost from expanded cargo collections, and improved profitability through operational efficiency.

Next, the overseas business.

We have revised upward our forecast for overseas net sales from the previous plan by ¥2.0 billion to ¥84.0 billion, for an increase of ¥12.9 billion, or 18%, year on year, based on the impact from the depreciation of the yen on foreign exchange translation.

In terms of earnings, we will expand cargo pickups, but have revised downward our forecast for overseas operating profit by ¥0.5 billion to ¥3.7 billion, for an increase of ¥0.1 billion, or 4%, year on year, mainly because of upfront investment costs related to Corporate Sustainability Reporting Directive (CSRD) in Europe, such as consulting expenses and system implementation.



## Factors for Increase/Decrease in Operating Profit

(Billions of yen)			
	FY25/3		
	Q1 Results	Full-year Plan	Compared with Previous Plan
<b>FY24/3 Operating Profit</b>	4.0	15.8	—
<b>Factors for increase</b>	-0.3	1.6	-0.5
Effect on results from increase in cargo collection costs	-0.1	0.3	—
Operational improvements	-0.2	0.2	—
Work fee pricing revisions	0.2	0.9	—
Effect on overseas business	0.1	0.1	-0.5
Other	-0.3	0.1	—
<b>Factors for decrease</b>	-0.3	-0.9	—
Increase/decrease in power and fuel costs	0.1	-0.3	—
Increase in work outsourcing costs (including vehicle hiring and operation in warehouses)	-0.2	-0.6	—
Startup costs for new locations in Japan	-0.2	—	—
<b>FY25/3 Operating Profit</b>	3.4	16.5	-0.5

## Main Measures

## • Overseas

Reflecting upfront investment costs related to CSRD\* in Europe.

\* Corporate Sustainability Reporting Directive (CSRD)

- Legislation enacted to strengthen corporate sustainability disclosure in the EU.
- Mandatory disclosure of environmental (E), social (S), and governance (G) information
- Applicable from FY2025 (report in 2026).

These are the factors for increase or decrease in operating profit for Logistics

First, the main factors for increase in profit.

For the factor of “Effect on results from increase in cargo collections,” for Q1 we recorded a negative impact of ¥0.1 billion due to the decline in inventory rates, but for the full fiscal year, are forecasting a positive impact of ¥0.3 billion, in line with the previous plan, by focusing on expanding cargo collections, including in the logistics network business.

For “Operational improvements,” from this period we are combining the impacts from storage and transport. For Q1 we recorded a negative impact of ¥0.2 billion due to a decline in inventory levels, but for the full fiscal year, are forecasting a positive impact of ¥0.2 billion, in line with the previous plan.

For “Work fee pricing revisions,” for Q1 we recorded a positive impact of ¥0.2 billion, and for the full fiscal year, are forecasting a positive impact of ¥0.9 billion, in line with the previous plan, from energy surcharges and the effect of transport fee revisions against the backdrop of regulatory changes for truck drivers implemented in 2024.

As a result, we expect to absorb the impact from factors for decrease in profit, including “Increase/decrease in energy costs” and “Increase in work outsourcing costs.”

For the factor of “Overseas,” we have revised our forecast by ¥0.5 billion to reflect the upfront expenditures related to CSRD, mentioned earlier. An approximate amount for this cost was included in the “Adjustments” of the initial plan announced in May this year, but since the overall amount of the cost and the policy for cost burden have now been determined, the updated content is reflected in the earnings forecast for the European Logistics Business.

## Overseas Sales

(Billions of yen)

		FY25/3					
		Q1			Full Year		
		Results	YoY		Plan	YoY	
			Variance	% Change		Variance	% Change
Net Sales	Europe	16.8	2.4	16%	75.6	11.4	18%
	East Asia	1.2	0.2	17%	5.7	0.5	10%
	Southeast Asia	0.6	0.5	426%	2.7	1.0	59%
	<b>Total</b>	<b>18.6</b>	<b>3.1</b>	<b>20%</b>	<b>84.0</b>	<b>12.9</b>	<b>18%</b>

## Net sales for Europe

		FY25/3					
		Q1			Full Year		
		Results	YoY		Plan	YoY	
			Variance	% Change		Variance	% Change
Reporting currency (JPY bn)	Storage	6.8	1.4	26%	29.4	5.0	20%
	Clearance and Transport	10.0	0.9	10%	46.3	6.4	16%
	<b>Total</b>	<b>16.8</b>	<b>2.4</b>	<b>16%</b>	<b>75.6</b>	<b>11.4</b>	<b>18%</b>
Local currency (Euro mn)	Storage	42	4	12%	178	18	11%
	Clearance and Transport	62	-2	-3%	280	18	7%
	<b>Total</b>	<b>104</b>	<b>3</b>	<b>2%</b>	<b>458</b>	<b>36</b>	<b>8%</b>

## Acquisition of UK Forwarding Company (Admark)

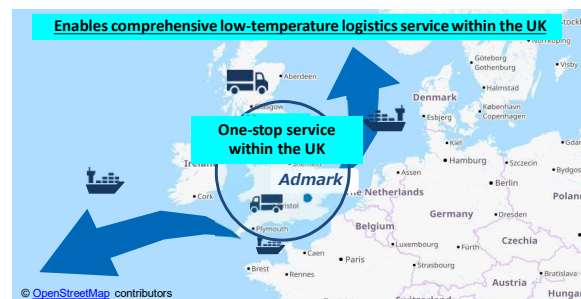
- In May 2024, Nichirei acquired Admark Shipping Solutions Ltd., a UK export forwarding company with a particular strength in maritime transport of frozen products
- By strengthening its marine transportation capabilities, Nichirei aims to further expand its business in the UK.

### Existing capabilities

- One-stop service within the UK
- Customs clearance
- Transport and delivery
- Storage
- Value-added service

### Enhanced capabilities

- Sea transport capability from the UK
- Export forwarding
- Marine transport



Next is supplemental information regarding our overseas results for Logistics.

For the full fiscal year, overseas sales by region are expected to total ¥75.6 billion in Europe, ¥5.7 billion in East Asia, and ¥2.7 billion in Southeast Asia.

In addition, sales by function in Europe are forecast to be ¥29.4 billion in storage, and ¥46.3 billion in customs clearance and transport.

Next, look at the diagram on the right. With the acquisition in May 2024 of the U.K. Admark, an export forwarding company with a particular focus on maritime transport, Nichirei will further accelerate the expansion of its comprehensive cold logistics services in the United Kingdom.

■ Continue business restructuring measures for both Marine Products and Meat and Poultry, aiming to achieve the full-year plan

(Billions of yen)

		Full Year				
		Plan	YoY		Compared with Previous Plan	
			Variance	% Change	Previous Plan	Variance
Marine Products	Net Sales	50.0	-11.6	-19%	50.0	—
	Operating Profit	1.3	0.7	120%	1.3	—
Meat and Poultry	Net Sales	68.0	-13.8	-17%	68.0	—
	Operating Profit	1.0	-0.0	-4%	1.0	—

## Marine Products

### Net Sales

Significantly reduce low-margin items as planned, while strengthening overseas sales, mainly in North America..

### Operating Profit

Forecasting 120% increase in operating profit from price revisions and expansion in the handling of high-margin and MSC/ASC-certified products.

## Meat and Poultry

### Net Sales

While continuing to cut back on low-margin items, expand sales of differentiated products such as processed items and healthy meat.

### Operating Profit

Forecasting earnings in line with plan from cutbacks in low-margin products such as imported frozen items.

Next is the Marine Products and Meat and Poultry businesses.

Starting with Marine Products, net sales are forecast to be ¥50.0 billion, a decline of ¥11.6 billion, or 19%, from the previous fiscal year. While continuing to systematically reduce the number of low-margin products, we will strengthen overseas sales, mainly in North America.

Operating income is expected to be ¥1.3 billion, an increase of ¥0.7 billion, or 120% year on year, stemming from price revisions, and expanded handling of high-margin items and MSC/ASC certified products.

For Meat and Poultry, net sales are forecast to be ¥68.0 billion, a decline of ¥13.8 billion, or 17%, from the previous fiscal year. While expanding sales of differentiated products such as processed items and healthy meat, we will continue to scale back the number of low-margin products.

Operating income is expected to be on a par with the previous fiscal year at ¥1.0 billion, due mainly to cutbacks in low-margin products such as imported frozen items.

Lastly, in the Processed Foods business, we are seeing the effects of our investment to expand sales of mainstay products, and we believe that we have made a good start with the first quarter. The main points to keep a close eye on from the second quarter onwards include inventory levels in the Tokyo metropolitan area for the logistics network business, and market conditions for GFPT Nichirei in Thailand.

We will closely monitor the situation, aiming to achieve overall net sales of ¥700 billion with operating profit of ¥40.5 billion.

That concludes this presentation.

# Appendix

## Factors for Increase/Decrease in Consolidated Balance Sheet

Creating Savory Moments



(Billions of yen)

	FY24/3 (as of March 31, 2024)	FY25/3 Q1 (as of June 30, 2024)	Variance	
<b>Asset1</b>				
Current assets	201.4	212.7	11.3	(1)
Non-current assets	283.7	286.9	3.1	(2)
Total	485.2	499.6	14.4	
<b>liabilities and net assets</b>				
Current liabilities	123.5	126.0	2.5	
Non-current liabilities	95.7	100.9	5.2	(3)
Total	219.2	227.0	7.8	
Total net assets	265.9	272.6	6.7	(4)
Shareholders' equity	253.4	259.4	6.0	
Interest-bearing Debt	98.0	109.5	11.5	
Interest-bearing Debt(excluding leased debt)	83.9	95.8	11.9	
	FY24/3 Q1 (April 1, 2023– June 30, 2023)	FY25/3 Q1 (April 1, 2024– June 30, 2024)	Variance	
Capital Expenditures	6.9	6.6	-0.3	(5)
Capital Expenditures (excluding leased assets)	6.3	6.0	-0.3	
Depreciation	5.8	5.8	-0.0	
Depreciation (excluding leased assets)	4.9	5.0	0.1	

### Factors for increase/decrease (Billions of yen)

- (1) Cash and deposits: +3.8  
Merchandise and finished goods: +1.6
- (2) Construction in progress: +3.0
- (3) Long-term loans payable: +4.8
- (4) Deferred gains or losses on hedges: +1.1  
Foreign currency translation adjustment : +3.2

### Main Achievements

- (5) Expansion of Zunin refrigerated warehouse (Poland): ¥1.6 bn  
(Total planned capital expenditure: ¥2.3 bn)

(Billions of yen)

	Q1			Full Year		
	Results	YoY		Plan	YoY	
		Variance	% Change		Variance	% Change
Processed Foods	77.8	6.3	9%	318.0	27.1	9%
Household-use Prepared Foods	22.6	1.8	9%	93.5	6.1	7%
Commercial-use Prepared Foods	27.1	1.7	7%	112.0	9.3	9%
Processed Agricultural Products	6.4	0.6	10%	26.0	2.3	10%
Overseas	18.0	2.3	15%	71.3	9.4	15%
Other	3.8	-0.1	-3%	15.2	0.1	1%
Marine Products	12.7	-1.1	-8%	50.0	-11.6	-19%
Meat and Poultry	18.6	-2.4	-12%	68.0	-13.8	-17%
Logistics	65.9	4.5	7%	276.0	18.6	7%
Japan Subtotal	46.6	1.4	3%	187.8	5.4	3%
Logistics Network	30.2	0.9	3%	122.2	3.6	3%
Regional Storage	16.4	0.5	3%	65.6	1.8	3%
Overseas	18.6	3.1	20%	84.0	12.9	18%
Other/Intersegment	0.6	0.1	18%	4.2	0.4	10%
Real Estate	1.2	0.1	5%	4.6	0.1	3%
Other	1.2	0.2	20%	6.4	-0.4	-6%
Adjustment	-6.2	-0.4	—	-23.0	-0.2	—
Net Sales	171.2	7.2	4%	700.0	19.9	3%
(Overseas Sales)	39.4	5.4	16%	168.3	23.3	16%
Processed Foods	5.8	2.0	54%	21.0	3.6	21%
Marine Products	0.0	0.0	36%	1.3	0.7	120%
Meat and Poultry	0.3	0.1	50%	1.0	-0.0	-4%
Logistics	3.4	-0.6	-15%	16.5	0.7	4%
Japan Subtotal	3.3	-0.5	-12%	14.3	0.4	3%
Logistics Network	1.6	-0.2	-13%	6.7	0.2	3%
Regional Storage	1.8	-0.2	-11%	7.6	0.2	2%
Overseas	0.7	0.1	18%	3.7	0.1	4%
Other/Intersegment	-0.6	-0.2	—	-1.5	0.1	—
Real Estate	0.4	-0.0	-2%	1.9	0.2	15%
Other	0.1	0.2	—	0.9	-0.4	-30%
Adjustment	-0.6	-0.1	—	-2.1	-1.2	—
Operating Profit	9.5	1.6	20%	40.5	3.6	10%
Ordinary Profit	10.3	2.0	24%	41.2	2.9	8%
Profit Attributable to Owners of Parent or Profit	6.4	1.5	30%	26.0	1.5	6%

# 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	FY12/3	FY13/3	FY14/3	FY15/3	FY16/3	FY17/3	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3E
	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	290.9	318.0
	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	61.6	50.0
	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	81.8	68.0
	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	257.4	276.0
	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	4.6
	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	6.8	6.4
	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	-22.8	-23.0
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	680.1	700.0
	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	17.4	21.0
	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	0.6	1.3
	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	1.0
	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	15.8	16.5
	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	1.9
	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	1.3	0.9
	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	-0.9	-2.1
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	36.9	40.5
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	38.3	41.2
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	24.5	26.0
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	485.2	
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	31.3	36.8
ROIC (%)					4.2	4.3	5.9	8.0	8.1	7.8	7.6	7.5	7.8	6.9	7.5	7.8
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	52.2	
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	5.4	5.8
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	10.3	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	191.80	203.57
Dividends per Share (yen)		9	9	10	10	10	12	28	30	32	42	50	50	52	74	82
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	4,143	

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.

# Return on Invested Capital (ROIC)

Creating Savory Moments



	FY14/3	FY15/3	FY16/3	FY17/3	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3E
<b>Group overall ROIC (%)</b>	<b>4.2</b>	<b>4.3</b>	<b>5.9</b>	<b>8.0</b>	<b>8.1</b>	<b>7.8</b>	<b>7.6</b>	<b>7.5</b>	<b>7.8</b>	<b>6.9</b>	<b>7.5</b>	<b>7.8</b>
Net operating profit after tax (NOPAT) (%)	2.0	2.1	2.7	3.7	3.7	3.7	3.7	3.9	4.1	3.5	3.9	4.0
Capital employed turnover ratio (time)	2.1	2.0	2.2	2.2	2.2	2.1	2.1	1.9	1.9	2.0	1.9	1.9
Weighted Average Cost of Capital (WACC) (%)										4.0	4.0	4.0
<b>Processed Foods</b>												
<b>Simple ROIC* (%)</b>	<b>3.2</b>	<b>5.2</b>	<b>8.3</b>	<b>15.3</b>	<b>14.4</b>	<b>13.3</b>	<b>15.1</b>	<b>13.9</b>	<b>10.3</b>	<b>8.5</b>	<b>10.8</b>	<b>12.5</b>
Operating profit after tax/net sales (%)	1.0	1.6	2.7	4.7	4.6	4.5	4.9	5.3	4.0	3.5	4.1	4.6
Main capital employed turnover (time)	3.1	3.2	3.1	3.3	3.2	3.0	3.1	2.6	2.6	2.4	2.6	2.8
<b>Logistics</b>												
<b>Simple ROIC (%)</b>	<b>5.2</b>	<b>5.0</b>	<b>6.0</b>	<b>6.9</b>	<b>7.0</b>	<b>7.1</b>	<b>7.2</b>	<b>7.8</b>	<b>7.8</b>	<b>7.7</b>	<b>7.2</b>	<b>7.2</b>
Operating profit after tax/net sales (%)	3.3	3.1	3.6	3.9	4.0	3.9	4.0	4.3	4.5	4.3	4.2	4.1
Main capital employed turnover (time)	1.6	1.6	1.7	1.8	1.8	1.8	1.8	1.8	1.7	1.8	1.7	1.8
<b>Marine Products</b>												
<b>Simple ROIC (%)</b>	<b>1.5</b>	<b>0.8</b>	<b>2.2</b>	<b>2.7</b>	<b>1.0</b>	<b>0.6</b>	<b>1.6</b>	<b>2.0</b>	<b>3.3</b>	<b>3.5</b>	<b>2.9</b>	<b>7.5</b>
Operating profit after tax/net sales (%)	0.4	0.2	0.6	0.8	0.3	0.2	0.5	0.6	1.0	1.0	0.7	1.8
Main capital employed turnover (time)	3.9	3.6	3.4	3.4	3.4	3.5	3.3	3.4	3.4	3.7	4.4	4.2
<b>Meat and Poultry</b>												
<b>Simple ROIC (%)</b>	<b>1.6</b>	<b>3.5</b>	<b>6.2</b>	<b>29.5</b>	<b>16.3</b>	<b>16.8</b>	<b>13.6</b>	<b>21.5</b>	<b>20.2</b>	<b>13.8</b>	<b>12.4</b>	<b>16.8</b>
Operating profit after tax/net sales (%)	0.1	0.3	0.3	1.3	1.0	1.1	0.7	1.1	1.0	0.8	0.9	1.0
Main capital employed turnover (time)	15.9	13.1	22.4	23.3	16.4	15.2	19.1	20.0	20.1	17.9	14.1	16.2
<b>Biosciences</b>												
<b>Simple ROIC (%)</b>	<b>8.4</b>	<b>9.6</b>	<b>14.9</b>	<b>9.5</b>	<b>9.4</b>	<b>2.3</b>	<b>-2.2</b>	<b>-3.2</b>	<b>-3.0</b>	<b>8.9</b>	<b>12.5</b>	<b>9.2</b>
Operating profit after tax/net sales (%)	7.6	9.4	13.3	11.1	11.4	4.5	-4.5	-6.6	-6.1	12.0	15.2	10.9
Main capital employed turnover (time)	1.1	1.0	1.1	0.9	0.8	0.5	0.5	0.5	0.5	0.7	0.8	0.8

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

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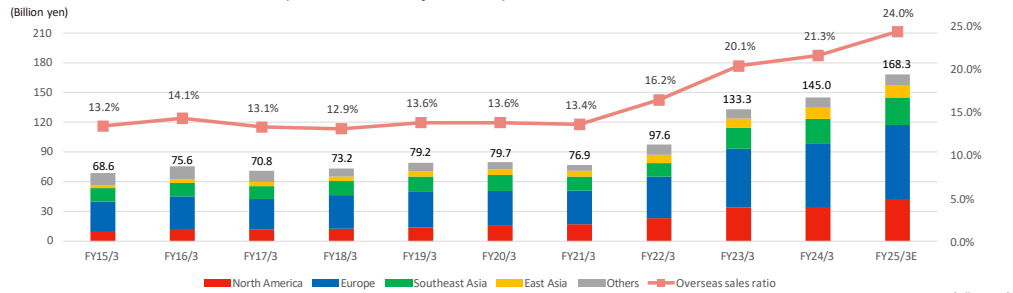


## Consolidated Overseas Sales by Area

Creating Savory Moments



Retroactive presentation due to change in classification of areas from the standard through the year-end financial results for FY24/3 (disclosed on May 14, 2024)



	(Billion yen)										
	FY15/3	FY16/3	FY17/3	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3E
Overseas sales	68.6	75.6	70.8	73.2	79.2	79.7	76.9	97.6	133.3	145.0	168.3
North America	9.2	12.2	11.6	12.6	13.8	15.3	17.1	23.0	33.8	34.4	41.6
Europe	30.7	32.8	30.9	33.9	36.5	35.3	33.8	42.1	59.5	64.3	75.6
Southeast Asia	13.7	13.7	13.1	14.2	15.1	16.3	14.4	13.7	21.0	24.7	27.7
East Asia	2.6	3.8	4.1	4.5	5.3	5.6	5.9	8.6	9.4	11.2	12.7
Others	12.5	13.1	11.2	8.0	8.4	7.2	5.6	10.1	9.5	10.4	10.7
Overseas sales ratio	13.2%	14.1%	13.1%	12.9%	13.6%	13.6%	13.4%	16.2%	20.1%	21.3%	24.0%
Exchange Rates											
USD/JPY	105.86	121.05	108.87	112.19	110.44	109.06	106.83	109.80	131.45	140.55	154.00
EUR/JPY	140.43	134.32	120.36	126.66	130.42	122.08	121.82	129.88	138.05	151.98	165.00

\* Actual exchange rate figures are the average for the January-December period.

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

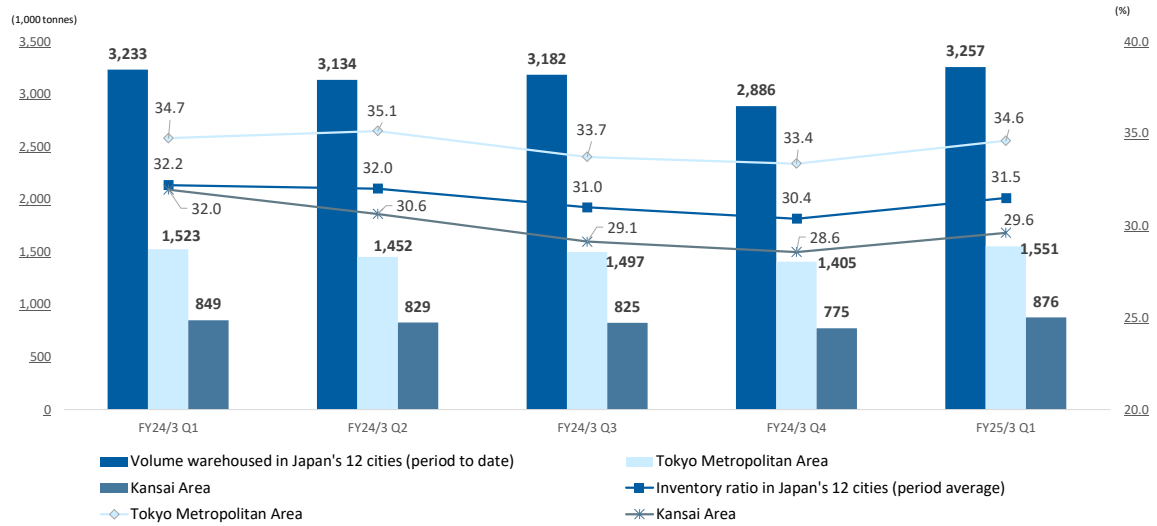
Item	FY24/3 Q1	FY24/3 Q2	FY24/3 Q3	FY24/3 Q4	FY24/3	FY25/3 Q1
Overall	109%	106%	106%	106%	107%	103%
Deep-fried meat	128%	123%	118%	107%	119%	96%
Pilaf rice	103%	104%	105%	104%	104%	101%
Rice balls	112%	107%	125%	109%	113%	107%
Japanese-style snacks	106%	107%	109%	103%	106%	108%
Hamburger steak	112%	110%	109%	95%	106%	91%

Source: INTAGE SCI (Frozen prepared foods – Quarter-on-quarter change in purchase amount per 100 people (up to 70s). Purchase channel: co-op stores and non-stores (home delivery, etc.)

## 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				FY26/3						
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
November 2021	Household use	Approx. 4–8%	<div></div>																		
	Commercial use	Approx. 3–10%	<div></div>																		
March 2022	Agricultural processed	Approx. 8–15%	<div></div>																		
April 2022	Commercial use	Approx. 4–10%	<div></div>																		
August 2022	Household use	Approx. 8–20%		<div></div>																	
September 2022	Commercial use	Approx. 4–22%		<div></div>																	
February 2023	Household use	Approx. 6–20%			<div></div>		<div></div>														
	Commercial use	Approx. 5–25%			<div></div>		<div></div>														
July 2023	Commercial use	Approx. 8–27%						<div></div>				<div></div>									
March 2024	Household use	Approx. 1–6%								<div></div>				<div></div>							
April 2024	Commercial use	Approx. 1–6%								<div></div>				<div></div>							
September 2024	Agricultural processed, Household use	Approx. 3–7%											<div></div>				<div></div>				
October 2024	Agricultural processed, Commercial use	Approx. 5–7%												<div></div>				<div></div>			
Effect from revision (billions of yen)			1.0	2.5	3.2	4.7	5.0	3.9	3.0	1.0	0.5	2.0									
			Total 11.4				Total 12.9				Total 2.5										

**Industry-wide Cold Storage Capacity Utilization**



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

- Selected as a Stock of Digital Transformation 2024 (Japanese only)  
<https://www.nichirei.co.jp/news/2024/457.html>
- Announcement of the Acquisition of a UK Forwarding Company  
<https://www.nichirei-logi.co.jp/english/news/2024/20240603.html>
- Announcement of Partial Price Revision (Japanese only)  
[https://www.nichireifoods.co.jp/news/2024/info\\_id40856/](https://www.nichireifoods.co.jp/news/2024/info_id40856/)
- Acquired the DBJ Employees' Health Management Rating for Three Consecutive Years (Japanese only)  
<https://www.nichirei.co.jp/news/2024/463.html>
- Selected as a Constituent Stock of the FTSE4Good Index Series, a Leading Index for ESG Investment, for the 22nd Consecutive Year  
[https://www.nichirei.co.jp/sites/default/files/inline-images/english/ir/pdf\\_file/news/20240708\\_e.pdf](https://www.nichirei.co.jp/sites/default/files/inline-images/english/ir/pdf_file/news/20240708_e.pdf)
- Healthcare Products “everyONE meal” Now on Sale at Retail Stores and Online (Japanese only)  
[https://www.nichireifoods.co.jp/news/2024/info\\_id40995/](https://www.nichireifoods.co.jp/news/2024/info_id40995/)
- Nichirei Foods’ New and Renewed Products Lineup of 40 Items for Fall 2024 (Japanese only)  
[https://www.nichireifoods.co.jp/news/2024/info\\_id40923/](https://www.nichireifoods.co.jp/news/2024/info_id40923/)



everyONE meal  
(Deep fried rice)



Truly Delicious Tantanmen

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- (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.

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