

FY25/3 Second Quarter Presentation Material

November 5, 2024
Nichirei Corporation

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Representative Director, President & Chief Executive Officer

(1) Group overall

- First half results were generally in line with the full-year plan. Full year forecasts are unchanged from the plan revised upward in the Q1 financial results, and we aim to achieve record high sales of ¥700 billion with operating profit of ¥40.5 billion
- We aim to achieve ROIC of 7.8%, ROE of 10% or higher, and EPS of 204 yen, as outlined in the FY25/3 plan

(2) Mainstay businesses

(Processed Foods)

- We will focus on maintaining sales volume of prepared foods, which are performing well in Japan
- In the overseas business, the profit forecast was lowered due to the impact of the strong baht on our Thai subsidiary, and an increase in product purchase costs at the North American subsidiary

(Logistics)

- Earnings in the domestic storage business are expected to increase on expanded cargo collections ahead of the second half of the fiscal year
- In the overseas business, we expect to cover CSRD expenses and increased depreciation from new facility construction and expansion, and achieve earnings gains

(3) Enhanced shareholder returns

- In consideration of consolidated business results and cash flow, we decided to conduct a share buyback and retirement, pay a special dividend, and implement a stock split

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

I would like to start with the results for Nichirei Group as a whole.

First half results were generally in line with the full year plan, so our forecasts are unchanged from the figures announced during Q1 financial results, for net sales of ¥700 billion with operating profit of ¥40.5 billion.

In addition, we aim to achieve our plan figures of ROIC of 7.8%, ROE of 10% or higher, and EPS of 204 yen. Next, the outlook for our mainstay businesses.

In the Processed Foods business, we have revised downward our profit forecast for the overseas business in response to the continued increase in chicken procurement prices in the North American business, and the rapid appreciation of the baht in Thailand, but there will be no change in the overall full year plan.

In the Logistics business, the transport and delivery business and the 3PL business are driving transaction volume and profitability in Japan, and we expect domestic inventory levels to improve toward the second half of the fiscal year, especially for imported cargo, so there is no change in the full year plan.

Lastly, we will strengthen shareholder returns. In consideration of consolidated results for the medium-term business plan and cash flow, Nichirei decided to 1) conduct a share buyback and cancellation of treasury stock, 2) pay a special dividend, and 3) implement a stock split to increase liquidity.

I would now like to explain the content of each of these points in detail.

- **FY25/3 Second Quarter Results (Pages 3 to 8)**
- **FY25/3 Full-year Forecast (Pages 9 to 23)**
- **Appendix (Pages 24 to 36)**

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 Second Quarter Results

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

(Billions of yen)

	Q2			Operating Profit/ Net Sales	First Half				
	Results	Y o Y			Results	Y o Y		Progress Rate for Full-year Plan	Operating Profit/ Net Sales
		Variance	% Change			Variance	% Change		
Processed Foods	77.4	5.9	8%		155.2	12.2	9%	49%	
Marine Products	13.8	-1.5	-10%		26.6	-2.5	-9%	53%	
Meat and Poultry	17.0	-3.4	-17%		35.6	-5.8	-14%	52%	
Logistics	71.5	6.8	11%		137.3	11.4	9%	50%	
Real Estate	1.2	0.1	13%		2.4	0.2	9%	53%	
Other	1.5	0.4	33%		2.7	0.6	27%	43%	
Adjustment	-6.5	-0.6	—		-12.7	-1.0	—	—	
Net Sales	176.1	7.8	5%		347.2	15.0	5%	50%	
(Overseas Sales)	41.4	5.7	16%		80.8	11.1	16%	48%	
Processed Foods	5.2	1.3	31%	6.8%	11.1	3.3	42%	53%	7.1%
Marine Products	0.0	-0.1	-89%	0.1%	0.0	-0.1	-71%	3%	0.2%
Meat and Poultry	0.3	0.1	28%	1.7%	0.6	0.2	39%	63%	1.8%
Logistics	4.1	-0.5	-11%	5.8%	7.5	-1.1	-13%	46%	5.5%
Real Estate	0.5	0.1	23%	39.0%	0.9	0.1	10%	47%	37.2%
Other	0.3	0.2	982%	17.1%	0.4	0.4	—	41%	13.4%
Adjustment	-0.3	-0.3	—	—	-0.8	-0.5	—	—	—
Operating Profit	10.1	0.7	7%	5.8%	19.7	2.3	13%	49%	5.7%
Ordinary Profit	10.3	0.5	5%		20.6	2.5	14%	50%	
Profit attributable to owners of parent	6.4	-0.3	-4%		12.9	1.2	10%	50%	

Net Sales

Net sales rose 5% year on year on strong performance in Processed Foods, and overseas operations in Logistics.

Operating Profit

Operating profit increased 13% year on year from substantial growth in the Processed Foods business.

Breakdown of Overseas Sales by Area (First Half)

(Billions of yen)

Total	North America	Europe	Southeast Asia	East Asia	Others
80.8 (+11.1)	19.6 (+2.5)	36.3 (+6.0)	13.8 (+2.3)	5.9 (+0.5)	5.3 (-0.2)

Note: Figures in parenthesis are year-on-year comparisons. See Page 29 for reference information.

Exchange Rates

(Yen)

	FY25/3 Q2	FY24/ Q2
USD/JPY	152.25	134.84
EUR/JPY	164.59	145.76
THB/JPY	4.21	3.95

Note: Exchange rate figures are the average for the January-June period.

This is the consolidated financial results for the first half of the fiscal year.

Net sales amounted to ¥347.2 billion, an increase of ¥15.0 billion, or 5%, from the corresponding period of the previous fiscal year, with the two core businesses continuing to drive revenue overall. Overseas sales increased to ¥80.8 billion, up 16%, or ¥11.1 billion, owing to steady performance in Logistics.

Operating profit was ¥19.7 billion, an increase of ¥2.3 billion, or 13% from a year earlier, due mainly to the contribution from the Processed Foods business, where profitability improved both in Japan and overseas.

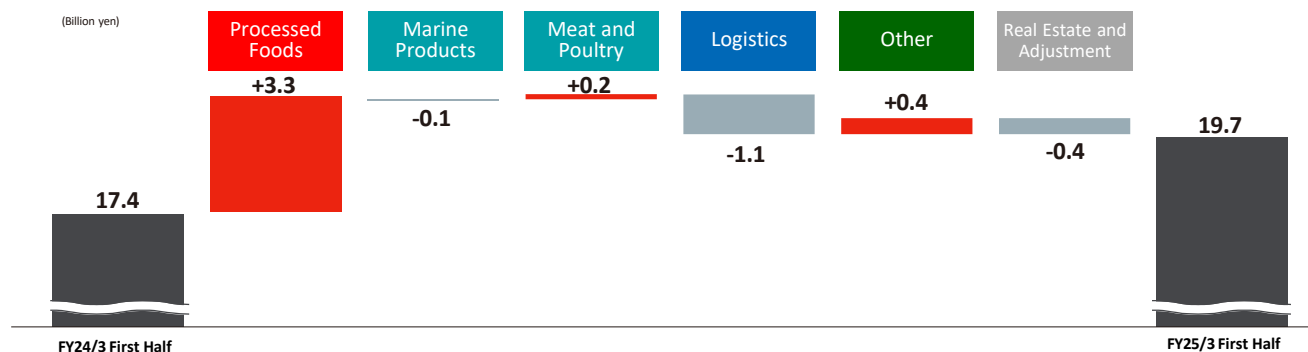
Profit attributable to owners of parent was ¥12.9 billion, an increase of ¥1.2 billion, or 10% year on year.

Factors for Increase/Decrease in Operating Profit

Creating Savory Moments



(Billion yen)



Processed Foods

Increase of ¥3.3 billion on growth in sales volume due to promotional measures, and an accompanying increase in production profits at domestic and overseas plants.

Logistics

Decrease of ¥1.1 billion on rebound decline from high inventories in the previous fiscal year, an increase in depreciation costs for the Kobe Rokko DC.

Other

Increase of ¥0.4 billion on expanded sales in the Bioscience business for simultaneous COVID–influenza antigen test kits.

Adjustment

Increase in strategic expenditures for DX and sustainability measures.

This page shows the factors that contributed to changes in operating profit by business segment. I will discuss these in a moment.

■ Operating profit reached a record high of ¥11.1 billion in the first half on growth in sales volume of prepared foods

(Billions of yen)

	Q2			Operating Profit/Net Sales	First Half				Operating Profit/Net Sales
	Results	Y o Y Variance	% Change		Results	Y o Y Variance	% Change	Progress Rate for Full-year Plan	
Net Sales	77.4	5.9	8%		155.2	12.2	9%	49%	
Household-use Prepared Foods	22.9	2.0	10%		45.5	3.8	9%	49%	
Commercial-use Prepared Foods	26.6	1.8	7%		53.6	3.6	7%	48%	
Processed Agricultural Products	6.5	0.4	7%		12.9	1.0	8%	49%	
Overseas	16.5	1.6	11%		34.5	4.0	13%	48%	
Other	5.0	0.0	0%		8.8	-0.1	-1%	58%	
Operating Profit	5.2	1.3	31%	6.8%	11.1	3.3	42%	53%	7.1%

Net Sales

Household-use Prepared Foods

Revenue up 9% year on year (Unit price +1%, volume +8%)

- Sales rose on the boost from TV commercials and other promotional measures, and substantial growth in rice products and snack items, including a rebound rise following egg shortages in the previous fiscal year
- Boost from new products, including personal use (single serving) items

Commercial-use Prepared Foods

Revenue up 7% year on year (Unit price +1%, volume +6%)

- Boost from increased sales of processed chicken and rice products for major users
- Growth in sales volume of products for the delicatessen route, for which profitability is improving

Overseas

- North America: Continued impact from inflation-related consumption decline, with sales on a local currency basis flat, but revenue was up overall from currency translation
- GFPT Nichirei (Thailand): Revenue rose on expanded sales in Thailand and overseas, and the positive impact from the weakening of the baht

Operating Profit

Earnings rose 42% 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.

First is the Processed Foods business.

Segment first half net sales amounted to ¥155.2 billion, an increase of ¥12.2 billion, or 9% from the corresponding period of the previous fiscal year.

In household-use prepared foods, net sales were ¥45.5 billion, an increase of ¥3.8 billion, or 9% from the previous fiscal year. Sales rose on the boost from TV commercials and other promotional measures, a rebound rise from limited sales in the previous fiscal year due to egg shortages, and the addition of new products, especially rice items, snacks, and personal use (single serving) products. Breaking down the 9% increase, the unit price accounted for a 1% rise, and volume an 8% gain.

Next is commercial-use prepared foods.

Net sales were ¥53.6 billion, an increase of ¥3.6 billion, or 7% from a year earlier. Breaking down the increase, the unit price accounted for a 1% rise, and volume a 6% gain.

The main factors were strong sales of processed chicken products for major users, and easily prepared rice products, along with recovery in sales volume of products for the ready-to-eat foods sales channel, an area in which Nichirei has been working to improve profitability.

Overseas, net sales amounted to ¥34.5 billion, up ¥4.0 billion, or 13%, from a year earlier. The North American business accounted for ¥2.2 billion of the increase, and GFPT Nichirei (Thailand) ¥1.6 billion. In Thailand especially, sales increased due to the expansion of sales both domestically and overseas, as well as the weakening of the baht against the U.S. dollar, which is the currency of settlement. I will discuss the North American business in detail in a moment.

Operating profit in the Processed Foods business reached ¥11.1 billion, a record high for the first half period. Higher costs stemming from such factors as the depreciation of the yen were absorbed by improved performance at Nichirei's domestic and overseas affiliates, as well as the boost from increased sales and price revisions, resulting in an increase of ¥3.3 billion, or 42%, from the previous year.

■ Operating profit in the domestic storage business were down the rebound from high inventories in the previous fiscal year

(Billions of yen)

		Q2				First Half				
		Results	Y o Y		Operating Profit/ Net Sales	Results	Y o Y		Progress Rate for Full-year Plan	Operating Profit/ Net Sales
			Variance	% Change			Variance	% Change		
Logistics	Net Sales	71.5	6.8	11%		137.3	11.4	9%	50%	
	Japan Subtotal	48.5	1.8	4%		95.1	3.2	4%	51%	
	Logistics Network	31.2	1.1	4%		61.4	2.1	3%	50%	
	Regional Storage	17.3	0.7	4%		33.7	1.2	4%	51%	
	Overseas	21.7	4.2	24%		40.3	7.2	22%	48%	
	Other/Intersegment	1.3	0.8	176%		1.9	0.9	93%	45%	
	Operating Profit	4.1	-0.5	-11%	5.8%	7.5	-1.1	-13%	46%	5.5%
	Japan Subtotal	3.7	-0.4	-9%	7.5%	7.0	-0.8	-11%	49%	7.4%
	Logistics Network	1.7	-0.1	-7%	5.6%	3.3	-0.4	-10%	49%	5.4%
	Regional Storage	1.9	-0.2	-11%	11.1%	3.7	-0.5	-11%	49%	11.0%
Overseas	1.0	0.1	8%	4.4%	1.6	0.2	12%	44%	4.0%	
Other/Intersegment	-0.5	-0.2	—	—	-1.1	-0.4	—	—	—	

(Japan)

Net Sales

Revenue rose 4% on growth in the third party logistics (3PL) and transport and delivery business, along with an increase in cargo collections, mainly in port areas in the Kansai area.

Operating Profit

Earnings declined 11% year on year, due mainly to continued low inventory levels, and an increase in depreciation costs for the Kobe Rokko DC.

(Overseas)

Net Sales

Sales increased 22% on steady growth in business to retailers in Europe, along with a positive impact from currency translation on the weakening of yen.

Operating Profit

Earnings increased 12% year on year, due mainly to business to retailers in Europe, along with contributions from subsidiaries in Thailand and Malaysia incorporated into the scope of consolidation in the previous fiscal year.

This is the first half results for the Logistics business.

Segment first half net sales amounted to ¥137.3 billion, an increase of ¥11.4 billion, or 9% from the corresponding period of the previous fiscal year, with operating profit of ¥7.5 billion, a decline of ¥1.1 billion, or 13%.

In Japan, net sales amounted to ¥95.1 billion, an increase of 3.2 billion, or 4%, from a year earlier, on growth in the third party logistics (3PL) and transport and delivery business, including trunk lines, along with an increase in cargo collections, mainly in port areas in the Kansai area.

In terms of earnings, operating profit decreased 11%, due mainly to continued sluggish inventory levels, and an increase in depreciation costs at Kobe Rokko DC, which started operations in January this year.

Overseas, net sales totaled ¥40.3 billion, an increase of ¥7.2 billion, or 22%, on steady growth in business to retail customers, mainly in Poland, and the effects of foreign exchange translation due to the depreciation of the yen.

Operating profit was ¥1.6 billion, an increase of ¥0.2 billion, or 12%, on business to retail customers in Europe, and contributions from subsidiaries in Thailand and Malaysia, included in the scope of consolidation from the previous fiscal year.

- **Marine Products: Operating profit decline of ¥0.1 billion on continued impact from sluggish profitability of fish roe**
- **Meat and Poultry: Revenue decline with earnings gain from implementation of price revisions, and selection and concentration of handling categories**

(Billions of yen)

		Q2				First Half				
		Results	Y o Y		Operating Profit/ Net Sales	Results	Y o Y		Progress Rate for Full-year Plan	Operating Profit/ Net Sales
			Variance	% Change			Variance	% Change		
Marine Products	Net Sales	13.8	-1.5	-10%		26.6	-2.5	-9%	53%	
	Operating Profit	0.0	-0.1	-89%	0.1%	0.0	-0.1	-71%	3%	0.2%
Meat and Poultry	Net Sales	17.0	-3.4	-17%		35.6	-5.8	-14%	52%	
	Operating Profit	0.3	0.1	28%	1.7%	0.6	0.2	39%	63%	1.8%

Marine Products

Net Sales

Sales decreased 9% year on year due to ongoing cutbacks in low-margin products.

Operating Profit

Earnings decline of ¥0.1 billion on sluggish profitability in fish roe, offsetting expanded sales of high-margin and MSC/ASC certified products, and price revisions.

Meat and Poultry

Net Sales

Sales decreased 14% on cutbacks in imported frozen meats and other low-margin products.

Operating Profit

Earnings increased ¥0.2 billion on expanded sales of processed foods to restaurants, and cutbacks in low-margin products.

Next is the Marine Products, Meat and Poultry business.

Structural reforms were implemented in both businesses, which led to a significant decline in sales.

In Marine Products, segment net sales amounted to ¥26.6 billion, a decrease ¥2.5 billion, or 9% from the corresponding period of the previous fiscal year, with operating profit of ¥40 million, down ¥0.1 billion, or 71% from a year earlier.

Revenue declined due to steady cutbacks in low-margin products. Earnings were down ¥0.1 billion from the slump in profitability for fish roe that has continued since the previous fiscal year, offsetting expanded sales of high-margin items, and MSC/ASC certified products.

In Meat and Poultry, segment net sales amounted to ¥35.6 billion, down ¥5.8 billion, or 14%, from the corresponding period of the previous fiscal year, while operating profit rose to ¥0.6 billion, an increase of ¥0.2 billion, or 39% from a year earlier.

Revenue declined due to reductions in low-margin products such as imported frozen meat, mainly pork. Operating profit increased on growth in processed products for restaurants, and reductions in low-margin products.

FY25/3 Full-year Forecast

Consolidated Group Forecast

Creating Savory Moments



- No change from previous forecast of record high sales of ¥700 billion with operating profit of ¥40.5 billion
- Aim for ROIC of 7.8%, ROE of 10% or higher, and EPS of 204 yen

(Billions of yen)

	Second Half			Full Year					
	Plan	YoY		Plan	YoY		Compared with Previous Plan		Operating Profit/Net Sales
		Variance	% Change		Variance	% Change	Previous Plan	Variance	
Net Sales	352.8	4.9	1%	700.0	19.9	3%	700.0	—	
(Overseas)	87.5	12.2	16%	168.3	23.3	16%	168.3	—	
Operating Profit	20.8	1.3	7%	40.5	3.6	10%	40.5	—	5.8%
Ordinary Profit	20.6	0.5	2%	41.2	2.9	8%	41.2	—	
Profit Attributable to Owners of Parent or Profit	13.1	0.3	2%	26.0	1.5	6%	26.0	—	
EPS (yen)				204	12	6%	204	—	
EBITDA				66.2	5.1	8%	66.2	—	
ROIC (%)				7.8%	0.3%				
ROE (%)				10% or higher					

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 29 for reference information.

Exchange Rates

(Billions of yen)

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

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

Now, let's move on to full-year forecasts.

Forecast figures are unchanged from the previous announcement. We are anticipating net sales of ¥700 billion, for a year-on-year increase of ¥19.9 billion, or 3%, with operating profit of ¥40.5 billion, up ¥3.6 billion, or 10% year on year.

The assumed exchange rate, on which the earnings forecast is based, is also unchanged from the previous announcement.

Overseas sales are expected to be ¥168.3 billion, up ¥23.3 billion year on year, for an overseas sales ratio of 24%.

We also aim to meet our targets of ROIC of 7.8%, ROE of 10% or higher, and EPS of 204 yen, which are indicators of capital efficiency.

Consolidated Group Forecast by Segment

Creating Savory Moments



(Billions of yen)

(Billions of yen)											
		Second Half			Full Year						
		Plan	YoY		Operating Profit/Net Sales	Plan	YoY		Compared with Previous Plan		Operating Profit/Net Sales
			Variance	% Change			Variance	% Change	Previous Plan	Variance	
	Processed Foods	162.8	14.9	10%		318.0	27.1	9%	318.0	—	
	Marine Products	23.4	-9.1	-28%		50.0	-11.6	-19%	50.0	—	
	Meat and Poultry	32.4	-8.0	-20%		68.0	-13.8	-17%	68.0	—	
	Logistics	138.7	7.3	6%		2,76.0	18.6	7%	276.0	—	
	Real Estate	2.2	-0.1	-2%		4.6	0.1	3%	4.6	—	
	Other	3.7	-1.0	-21%		6.4	-0.4	-6%	6.4	—	
	Adjustment	-10.3	0.8	—		-23.0	-0.2	—	-23.0	—	
Net Sales		352.8	4.9	1%		700.0	19.9	3%	700.0	—	
	Processed Foods	9.9	0.3	3%	6.1%	21.0	3.6	21%	21.0	—	6.6%
	Marine Products	1.3	0.8	186%	5.4%	1.3	0.7	120%	1.3	—	2.6%
	Meat and Poultry	0.4	-0.2	-37%	1.1%	1.0	-0.0	-4%	1.0	—	1.5%
	Logistics	9.0	1.8	25%	6.5%	16.5	0.7	4%	16.5	—	6.0%
	Real Estate	1.0	0.2	19%	45.8%	1.9	0.2	15%	1.9	—	41.3%
	Other	0.5	-0.8	-60%	14.6%	0.9	-0.4	-30%	0.9	—	14.1%
	Adjustment	-1.3	-0.7	—	—	-2.1	-1.2	—	-2.1	—	—
Operating Profit		20.8	1.3	7%	5.9%	40.5	3.6	10%	40.5	—	5.8%

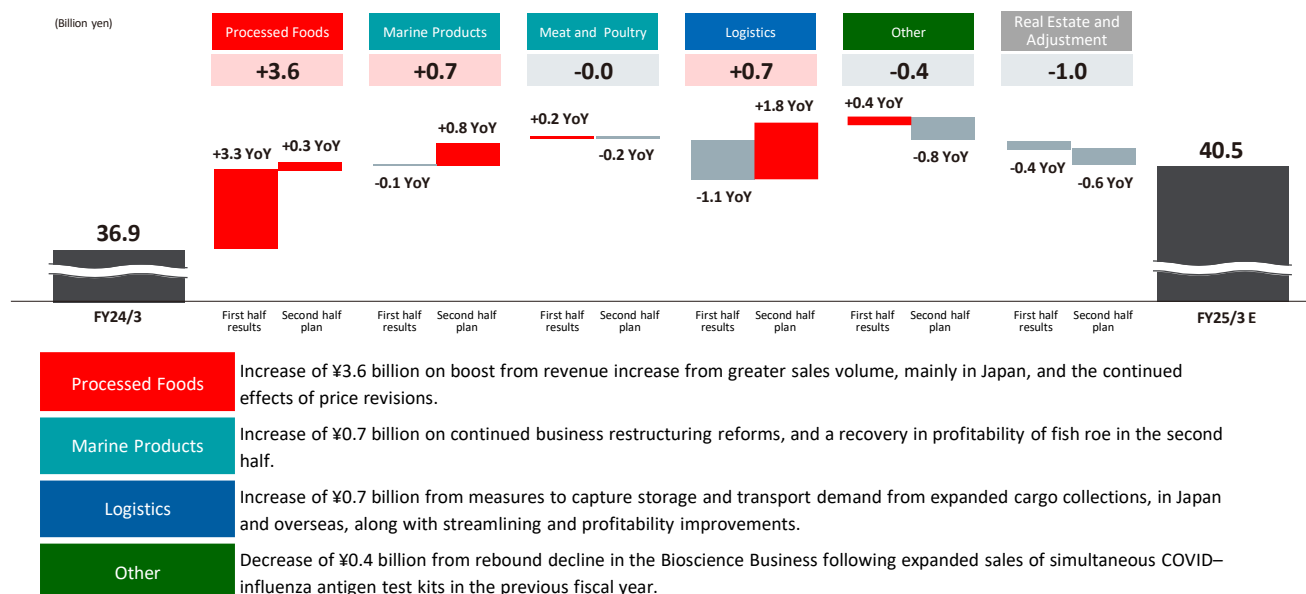
This page shows sales and operating profit by segment, which will be explained later in the respective parts for each business.

Factors for Increase/Decrease in Operating Profit Forecast

Creating Savory Moments



(Billion yen)



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These are the factors for forecast changes in operating profit for the full fiscal year.

The point that I would like to highlight here is the changes between the first half and second half of the Processed Foods and Logistics businesses.

Processed Foods drove growth overall in the first half, but in the second half, the margin of profit growth is expected to narrow significantly due to additional costs incurred overseas.

In contrast, the Logistics business posted an earnings decline in the first half due to sluggish inventory levels of imported cargo, but in the second half, we are anticipating an increase of ¥1.8 billion on positive performance in the transport and delivery business, and a rise in collections of import cargo. Earnings growth in the Logistics business during the second half will be a major driver for achieving operating profit of ¥40.5 billion for the Group overall.

- Additional costs anticipated overseas, but will be offset by streamlining operations in Japan, so no change from previous forecast

(Billions of yen)

		Second Half				Full Year					
		Plan	YoY		Operating Profit/Net Sales	Plan	YoY		Compared with Previous Plan		Operating Profit/Net Sales
			Variance	% Change			Variance	% Change	Previous Plan	Variance	
Processed Food	Net Sales	162.8	14.9	10%		318.0	27.1	9%	318.0	—	
	Household-use Prepared Foods	48.0	2.3	5%		93.5	6.1	7%	93.5	—	
	Commercial-use Prepared Foods	58.4	5.8	11%		112.0	9.3	9%	112.0	—	
	Processed Agricultural Products	13.1	1.3	11%		26.0	2.3	10%	26.0	—	
	Overseas	36.8	5.4	17%		71.3	9.4	15%	71.3	—	
	Other	6.4	0.2	3%		15.2	0.1	1%	15.2	—	
	Operating Profit	9.9	0.3	3%	6.1%	21.0	3.6	21%	21.0	—	6.6%

Next, I will explain the situation for each segment.

This is the Processed Foods business.

Unchanged from the previous announcement, we aim to achieve net sales of ¥318.0 billion, an increase of ¥27.1 billion, or 9% year on year, with operating profit of ¥21.0 billion, an increase of ¥3.6 billion, or 21%.

Changes in the business environment include a sharp appreciation of the baht from July, which has put pressure on earnings in Thailand, and in North America, an increase in the purchasing cost for chicken products along with greater sales promotion expenses for new brand recognition. We plan to absorb these factors with cost reductions such as logistics costs in Japan and productivity improvements, aiming to achieve operating profit of ¥21.0 billion.

Expansion in strategic categories

Rice products

- Expand sales volume, focusing on *Honkaku-Itame-Chahan* (authentic stir-fried rice)
- For commercial-use items, strengthen the development of small-sized products and that can be prepared by customers

Processed chicken products

- Position *Mune-kara* (breast meat frozen fried chicken) as the next main product to *Toku-kara* (frozen fried chicken), and expand sales
- For commercial-use items, strengthen initiatives with major users and product proposals for the peak demand period at the end of the year

Market creation from new added value

Personal use (single serving)

- Sales expected to reach ¥30 billion, as originally planned
- For snack items, bolster the supply system for the peak demand season in winter, and eliminate opportunity losses
- For household-use items, expand sales with individual serving noodle dishes such as the new *Truly Delicious Tantanmen* launched in autumn, and bolstering the lineup of one plate items
- For commercial-use items, respond to needs of elderly care facilities and indoor leisure centers against the backdrop of labor shortages

For household-use items, to accelerate volume growth, strengthen proposals for effective in-store exposure methods that are timed with TV commercials

- Going forward, broadcast TV commercials for processed chicken products *Tokukara*, *Munekara*, and Young Fried Chicken with Sauce
- In stores, develop sales floor displays on the consumer flow line (end display) to coincide with TV commercials



Displays with multiple products also leads to increased brand awareness

- Expand sales of national brand products in convenience store frozen food sections

This page shows our basic strategy in Japan.

For “Expansion in strategic categories,” for rice products we will increase sales volume focusing on *Honkaku-Itame-Chahan* (authentic stir-fried rice), and in the commercial-use field, we will strengthen product development in such areas as small-portion items that can be provided in single servings, and items that can be prepared by the customer by adding ingredients. In processed chicken products, in response to growing health consciousness, we will position *Mune-kara* (breast meat frozen fried chicken), which is becoming increasingly popular, as the next main product to *Toku-kara* (frozen fried chicken), and expand sales. For “Market creation from new added value,” Nichirei plans to achieve ¥30.0 billion in sales of personal use (single serving) items.

Earnings growth for overseas business

North America

Operating profit forecast revised downward to reflect increased promotional expenses for growth and higher purchase costs for chicken product.

Measures to expand sales

Asian Brands

- Expand lineup in accordance with consumer preferences
- For the prepared foods markets, in response to labor shortage at retail stores, focus on the development of pre-packaged products that do not require in-store cooking

Latin Brand—DEL CORAZÓN—

- Increase in sales promotion expenses as demand is expected to be three times higher than originally planned
- Continue to implement promotions to encourage purchases

Measures to respond to increased chicken product purchase costs

- Consider changing formulations while maintaining quality
- Negotiate purchase prices for the next fiscal year to lower costs



The prepared foods sections of mass retailers have shifted away from items that require back-of-house cooking



North America: Net Sales and Operating Profit

		FY25/3						
		First Half			Full Year			
		Results	YoY	Plan	YoY	Compared with Previous Plan		
			Variance	% Change		Variance	% Change	
Net Sales	Reporting currency (JPY bn)	18.8	2.2	13%	40.0	6.5	20%	40.0
	Local currency (USD mn)	124	0	0%	259	21	9%	259
Operating Profit	Reporting currency (JPY bn)	0.8	-0.2	-21%	1.7	-0.7	-30%	2.5
	Local currency (USD mn)	5.3	-2.3	-30%	11.0	-6.3	-36%	16.0
Operating Profit/Net Sales (Reporting currency)		4.3%			4.3%			6.3%
Exchange Rate (USD/JPY, yen)		152.25			154.00			154.00

Overseas Net Sales Results and Plan

(Billions of yen)

		FY25/3					
		First Half			Full Year		
		Results	YoY	Plan	YoY	Compared with Previous Plan	
			Variance	% Change		Variance	% Change
Net Sales	North America	18.8	2.2	13%	40.0	6.5	20%
	GFPT Nichirei	12.1	1.6	15%	24.5	2.3	10%
	Others	3.5	0.2	6%	6.8	0.5	9%
	Total	34.5	4.0	13%	71.3	9.4	15%

Next is the North American business.

Net sales in the first half amounted to ¥18.8 billion, up 13% year on year, and \$124 million on a local currency basis, on a par with the previous fiscal year. Operating profit was ¥0.8 billion, a decline of 21% year on year, and \$5.3 million on a local currency basis, down 30% year on year. Although sales of chicken items struggled due to the price competition that arose from a falloff in consumption due to inflation, sales of rice items were positive, and overall revenue remained at the same level as the previous fiscal year.

Earnings, however, were down because of higher purchasing costs for chicken items from OEM suppliers due to the rising market price of chicken, and an increase in promotional spending for the new Latin Brand product line.

For the full fiscal year, we are forecasting net sales of ¥40.0 billion, an increase of 20% year on year, and \$259 million in local currency terms, up 9%. Operating profit is expected to be ¥1.7 billion, down 30% year on year, and a decrease of ¥0.8 billion from the previous plan. The forecast in local currency terms is \$11 million, down 36%, for a downward revision of \$5 million from the previous plan.

The factors for the decline in earnings in the second half are the higher purchase cost of chicken products, which is expected to continue from the first half, and an increase in sales promotion expenses for the existing Asian brand and new brands.

In the second half, we will continue to introduce and promote new products, while controlling costs by reviewing product specifications, and negotiating with suppliers to reduce costs. If costs continue to rise in the future, we will make a final decision on the revision of sales prices, taking into account the competitive environment.

Factors for Increase/Decrease in Operating Profit

	(Billions of yen)					
	Q1 Results	Q2 Results	First Half Results	Second Half Plan	Full-year Plan	Compared with Previous Plan
FY24/3 Operating Profit	3.8	4.0	7.8	9.6	17.4	—
Factors for increase	2.8	2.5	5.3	4.0	9.3	-0.6
Increased revenue*	1.0	1.4	2.4	1.4	3.8	0.1
Impact of selling price adjustments	0.5	0.5	1.0	1.7	2.7	0.2
Impact of results at overseas affiliated companies	1.0	0.7	1.7	-0.6	1.1	-1.1
Improved productivity	0.2	0.2	0.4	0.6	1.0	0.1
Increase/decrease in depreciation expense	0.2	0.0	0.2	—	0.2	—
Other	-0.1	-0.3	-0.4	0.9	0.5	0.1
Factors for decrease	-0.8	-1.2	-2.0	-3.7	-5.7	0.6
Increase/decrease in raw material and purchasing costs due to yen depreciation	-0.8	-0.8	-1.6	-2.9	-4.5	0.1
Increase/decrease in food material and procurement cost	-0.1	-0.1	-0.2	-0.1	-0.3	0.3
Increase/decrease in logistics costs	0.0	-0.1	-0.1	-0.6	-0.7	0.2
Increase/decrease in power and fuel costs	0.1	-0.2	-0.1	-0.1	-0.2	—
FY25/3 Operating Profit	5.8	5.2	11.1	9.9	21.0	—

* Includes effects from implementation of measures emphasizing profitability.

Main Measures

- Impact of selling price adjustments
Reflecting the effects of the revisions to be implemented from February 2025.
- Impact of results at overseas affiliated companies
Increased promotional expenses and chicken product purchase costs in North America, and impact of export sales at GFPT Nichirei (Thailand) (baht appreciation).
- Increase/decrease in food material and procurement cost
Continued softening of market prices, mainly eggs and poultry.
- Increase/decrease in logistics costs
Effects of inventory reduction measures

This page shows the factors for increase or decrease in operating profit for Processed Foods.

I would first like to explain the impact of foreign exchange rates on our overseas business, which has affected our business performance. I will focus on those overseas affiliates where the variable amount was significant, particularly Thailand.

In the first half, the depreciation of the baht boosted operating profit by ¥0.5 billion year on year. We had assumed that the baht would continue to depreciate in the second half as well, but instead the currency has rapidly appreciated, and we anticipate that in the second half, this will depress operating profit by ¥0.8 billion year on year, and ¥0.7 billion compared with the previous forecast.

Based on this, we are forecasting a total negative factor of ¥1.1 billion in the impact of results at overseas affiliated companies compared with the previous plan, comprising a decrease of ¥0.8 billion in the North American business, and ¥0.3 billion at GFPT Nichirei.

A simple comparison of first and second half operating profit in Thailand shows that operating profit in the second half will decrease by ¥1.3 billion compared with the first half due to fluctuations in dollar to baht exchange rate. This decline, together with the situation in the North American business that I mentioned previously, will be the main reason for the reduction in operating profit in the Processed Foods business during the second half compared with the first half.

Next, I would like to talk about the impact of foreign exchange rates on our domestic business. As a result of the yen's depreciation against the dollar, the negative impact from changes in raw material and purchasing costs due to yen depreciation was ¥1.6 billion in the first half, and we expect an additional impact of ¥1.3 billion in the second half, for a total negative impact of ¥2.9 billion. However, we expect that this will be mostly offset by increased revenue and selling price adjustments.

- Forecasting increase in operating profit for the full fiscal year on positive results in the transportation and delivery business, and increased collections of imported cargo in the second half

(Billions of yen)

		Second Half				Full Year					
		Plan	YoY		Operating Profit/Net Sales	Plan	YoY		Compared to Previous Plan		Operating Profit/Net Sales
			Variance	% Change			Variance	% Change	Previous Plan	Variance	
Logistics Business	Net Sales	138.7	7.3	6%		276.0	18.6	7%	276.0	—	
	Japan Subtotal	92.7	2.1	2%		187.8	5.4	3%	187.8	—	
	Logistics Network	60.8	1.5	3%		122.2	3.6	3%	122.2	—	
	Regional Storage	31.9	0.6	2%		65.6	1.8	3%	65.6	—	
	Overseas	43.7	5.6	15%		84.0	12.9	18%	84.0	—	
	Other/Intersegment	2.3	-0.5	-19%		4.2	0.4	10%	4.2	—	
	Operating Profit	9.0	1.8	25%	6.5%	16.5	0.7	4%	16.5	—	6.0%
	Japan Subtotal	7.3	1.2	20%	7.9%	14.3	0.4	3%	14.3	—	7.6%
	Logistics Network	3.4	0.6	21%	5.6%	6.7	0.2	3%	6.7	—	5.5%
	Regional Storage	3.9	0.6	19%	12.2%	7.6	0.2	2%	7.6	—	11.6%
	Overseas	2.1	-0.0	-1%	4.8%	3.7	0.1	4%	3.7	—	4.4%
	Other/Intersegment	-0.4	0.6	—	—	-1.5	0.1	—	-1.5	—	—

Next is the full-year plan for the Logistics business.

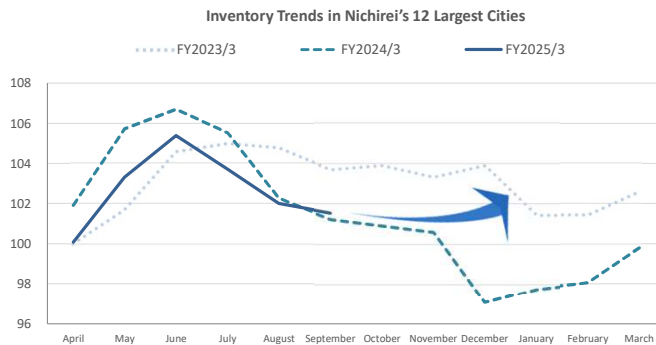
The sales forecast is unchanged from the previous announcement, at ¥276.0 billion, for an increase of ¥18.6 billion, or 7%, from the previous fiscal year.

Operating profit is expected to improve on higher revenue from expanded cargo collections in Japan and operational streamlining. Our full year forecast is unchanged at ¥16.5 billion, for an increase of ¥0.7 billion, or 4% year on year.

Establish a business foundation for the next era in logistics

Outlook for increase in cargo collections in the second half

- Gradual recovery in handling of imported cargo
- Work to further expand cargo collections, mainly in major metropolitan areas, and capture demand for storage and transportation of year-end products to the greatest extent possible



* With inventory tonnage in April 2022 as 100

Initiatives for Sustainable Growth

Establishment of R&D Center

- R&D Center established to cultivate cutting-edge technologies such as robots and automated conveyors, and verify sequential workflows utilizing these technologies
- Introduction of equipment for this fiscal year proceeding as planned
- Proceed with verification experiments to further improve work efficiency



Verification of individual advanced technologies in sequential workflow



Next is our initiatives for the Logistics business in Japan.

In September, inventory levels recovered to the same level as the same month of the previous year, and have since remained on a gradual recovery trend. Since the volume of imported cargo is also increasing, especially meat products, we will aim to further expand its cargo collections, especially in major metropolitan areas.

In addition, the changes in labor regulations for truck drivers implemented in 2024 has led to a significant increase in transportation demand nationwide. In the Tokyo metropolitan area in particular, the impact from organizational restructuring implemented in April 2023 has become increasingly noticeable in the current fiscal year. We have been steadily capturing new demand for combined storage and transportation, which has led to an increase in transportation revenue, and will continue to strengthen our efforts.

Achieve growth in both revenue and earnings

Overseas Sales

(Billions of yen)

		FY25/3					
		First Half			Full Year		
		Results	Variance	% Change	Plan	Variance	% Change
Net Sales	Europe	36.3	6.0	20%	75.6	11.4	18%
	East Asia	2.7	0.3	15%	5.7	0.5	10%
	Southeast Asia	1.3	0.9	206%	2.7	1.0	59%
	Total	40.3	7.2	22%	84.0	12.9	18%

Net sales for Europe

		FY25/3					
		First Half			Full Year		
		Results	Variance	% Change	Plan	Variance	% Change
Reporting currency (JPY bn)	Storage	14.4	3.1	28%	29.4	5.0	20%
	Clearance and Transport	21.9	2.8	15%	46.3	6.4	16%
	Total	36.3	6.0	20%	75.6	11.4	18%
Local currency (Euro mn)	Storage	88	10	14%	178	18	11%
	Clearance and Transport	133	2	2%	280	18	7%
	Total	221	13	6%	458	36	8%

Europe

Port Business

Make effective use of synergy from organizational restructuring in the Netherlands and the U.K., and expand one-stop services.

Poland—Business development focused on refrigerated logistics for retail

- Subsidiary Frigo Logistics Sp. z o.o. expanded the Zunin logistics center in July 2024
- Aim for further expansion by providing advanced one-stop services that combine increased storage capacity with a transportation and delivery network that covers all of Poland

ASEAN

Vietnam

- Distribution center of subsidiary Nichirei TBA Logistics Vietnam LLC started operations in July 2024
- In the current fiscal year, focus on stable warehouse operation, and sales activities to attract customers
- Aim to capture demand for low-temperature logistics, which has grown with Vietnam's economic development, and further expand business in the ASEAN region

Next is our initiatives for the Logistics business overseas.

The full year forecast for overseas sales remains unchanged at ¥84.0 billion. In addition, the ratio of overseas sales is expected to reach 30% in the current fiscal year.

Next, look at the righthand side of the slide.

In the European port business, we expanded the scope of its one-stop service through the organizational restructuring in the Netherlands and the UK in January 2024, and is working to realize synergies, and improve management efficiency. Our subsidiary in Poland, which handles low-temperature logistics for retailers, expanded its distribution center in July 2024. Utilizing this expanded storage capacity, and nationwide transportation and delivery network, we aim to provide advanced one-stop services and further expand our business.

In ASEAN, our new facility in Vietnam started operations in July 2024.

In the current fiscal year, we will focus on the stable operation of warehouses, and sales activities to attract customers. Going forward, we will capture demand for low-temperature logistics, which has grown with the development of the Vietnamese economy, and coordinate with other facilities in Asia to establish a cross-border business in the ASEAN region.

Factors for Increase/Decrease in Operating Profit

	(Billions of yen)					
	Q1 Results	Q2 Results	First Half Results	Second Half Plan	Full-year Plan	Compared with Previous Plan
FY24/3 Operating Profit	4.0	4.7	8.6	7.2	15.8	—
Factors for increase	-0.3	-0.2	-0.5	2.1	1.6	—
Effect on results from increase in cargo collection costs	-0.1	-0.1	-0.2	0.5	0.3	—
Operational improvements	-0.2	-0.1	-0.3	0.5	0.2	—
Work fee pricing revisions	0.2	0.1	0.3	0.6	0.9	—
Effect on overseas business	0.1	0.1	0.2	-0.1	0.1	—
Other	-0.3	-0.2	-0.5	0.6	0.1	—
Factors for decrease	-0.3	-0.3	-0.6	-0.3	-0.9	—
Increase/decrease in power and fuel costs	0.1	-0.1	0.0	-0.3	-0.3	—
Increase in work outsourcing costs (including vehicle hiring and operation in warehouses)	-0.2	-0.1	-0.3	-0.3	-0.6	—
Startup costs for new locations in Japan	-0.2	-0.1	-0.3	0.3	—	—
FY25/3 Operating Profit	3.4	4.1	7.5	9.0	16.5	—

Main Measures

- **Effect on results from increase in cargo collection costs**
In the first half, results were affected by a decline in inventory levels, but we will proactively expand cargo collections in conjunction with the healthy transportation and delivery business, and achieve recovery in the second half
- **Work fee pricing revisions**
Mitigate the impact of rising energy and outsourcing costs through appropriate fee collection
- **Overseas**
Despite continued expansion of cargo collection in European port areas and cross-border transportation, the margin of profit increase will contract from the previous fiscal year due to CSRD-related expenses, and increased costs from the startup of operations at a new facility in Vietnam
- **Other**
In the first half, IT system-related expenses increased, and in the second half, we will make investments for sustainable growth such as the establishment of an R&D Center, but anticipates a rebound decline from expenditures related to operational efficiency in the second half of the previous fiscal year

This page shows the factors for increase or decrease in operating profit for Logistics.

I would like to focus on the background to the recovery in business performance from the first half to the second half.

In the first half, the effect on the results from increase in cargo collection costs and operational improvements was lower than in the previous fiscal year due to the decline in inventory levels caused by the rebound from high inventories in the previous fiscal year, as well as the result of a decrease in imported cargo due to the depreciation of the yen. In the second half, however, we expect an increase of ¥1.0 billion on positive performance in the transport and delivery business, and proactive measures to capture the recovering demand in imported cargo.

As a result, while operating profit declined ¥1.1 billion in the first half, in the second half we are expecting an increase of ¥1.8 billion, for total full-year operating profit of ¥16.5 billion.

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

(Billions of yen)

		Second Half				Full Year					
		Plan	YoY		Operating Profit/Net Sales	Plan	YoY		Compared to Previous Plan		Operating Profit/Net Sales
			Variance	% Change			Variance	% Change	Previous Plan	Variance	
Marine Products	Net Sales	23.4	-9.1	-28%		50.0	-11.6	-19%	50.0	—	
	Operating Profit	1.3	0.8	186%	5.4%	1.3	0.7	120%	1.3	—	2.6%
Meat and Poultry	Net Sales	32.4	-8.0	-20%		68.0	-13.8	-17%	68.0	—	
	Operating Profit	0.4	-0.2	-37%	1.1%	1.0	-0.0	-4%	1.0	—	1.5%

Marine Products

Net Sales

While systematically implementing a significant reduction in low-margin products, focusing on strengthening overseas sales, mainly in North America.

Operating Profit

Aim to increase earnings by ¥700 million through replacement of high-priced inventories in fish eggs, and focusing on the price revisions, and expanded handling of high-margin and certified products.

Meat and Poultry

Net Sales

While stepping up reductions in low-margin items, expand sales of differentiated products such as high-margin processed items and healthy meat.

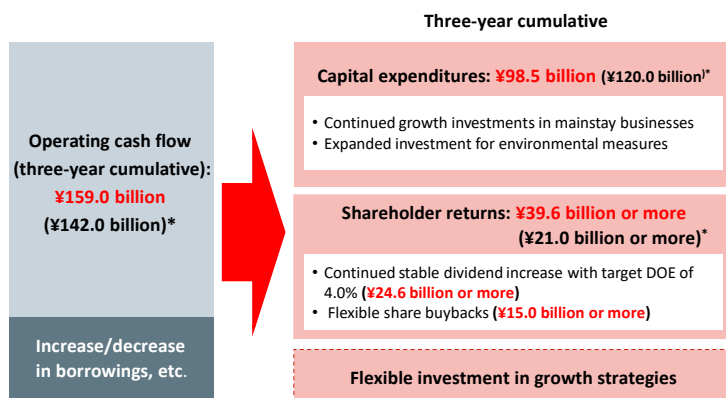
Operating Profit

Earnings expected to be on a par with the previous fiscal year due to cutbacks in low-margin items such as imported frozen products.

For the Marine Products and Meat and Poultry businesses, in the second half we will continue to implement far-reaching structural reforms, with the aim of achieving the full-year plan.

- Operating cash flow will continue to be allocated for investments aimed at sustainable growth and shareholder returns
- Make investments to expand overseas bases for low-temperature logistics as planned

Financial Strategy



* Figures in parenthesis are the initial business plan figures

Capital expenditures

Capital Expenditures by Segment in FY25/3

(Billions of yen)

	First Half Results	Full-year Plan	Compared with previous plan
Processed Foods	2.9	10.8	—
Logistics	11.0	20.0	—
Other	1.1	6.0	—
Total	15.0	36.8	—

Main Capital Expenditures in FY25/3

(Billions of yen)

	Major Breakdown Items	Plan
Logistics	New and expanded refrigerated warehouses in Poland	5.0 (3.6 already recorded)
	New refrigerated warehouse in Vietnam	1.1 (1.0 already recorded)

Next is our financial strategies and capital investments.

Let's start with financial strategies.

Operating cash flow will continue to be used for growth investments and shareholder returns.

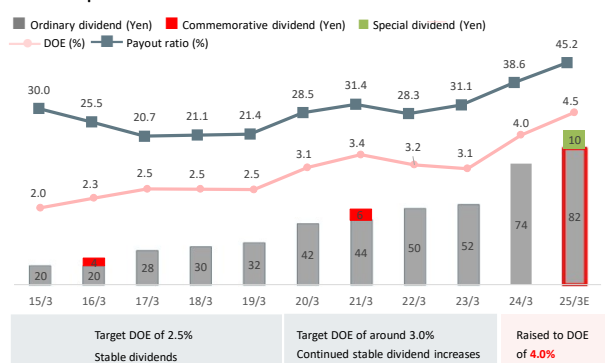
Three-year cumulative operating cash flow is expected to be around ¥159.0 billion, an increase of ¥17.0 billion from the initial medium-term business plan, due to progress in improving profitability in core businesses.

Capital expenditure for the current fiscal year is expected to be ¥36.8 billion, as originally planned, with the main investment for the expansion of overseas bases in the Logistics business.

Three-year cumulative capital expenditure is expected to be ¥98.5 billion, compared with the initial plan of ¥120.0 billion.

- Dividend for FY25/3 has been revised **upward to 92 yen per share**, an increase of 18 yen from the previous fiscal year, with the addition of a **special dividend of 10 yen**
- We decided to conduct **acquisition and cancellation of treasury stock** with the aim of enhancing shareholder returns and improving capital efficiency
- **Stock split** (one share of common stock into two shares) is scheduled to be implemented on April 1, 2025

Dividends per Share



Details of the Acquisition of Treasury Stock

Total number of shares to be acquired	3,000,000 shares (maximum)
Acquisition cost	10.0 billion yen (maximum)
Acquisition period	November 6, 2024 – February 28, 2025
Acquisition method	Market purchase

Details of the Cancellation of Treasury Stock

Total number of shares to be cancelled	5,636,400 shares
Scheduled cancellation date	November 13, 2024

Stock split

Record date	March 31, 2025
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I will now explain our shareholder returns and stock split.

We have decided to increase our dividend, conduct a share buyback and cancellation of treasury stock, and implement a stock split.

We set a dividend of 82 yen per share for the full fiscal year in the initial plan, but has also decided to add a special dividend of 10 yen, for a total of 92 yen per share. This represents an increase of 18 yen from the previous fiscal year, and an increase in ordinary dividends for a ninth consecutive year.

DOE for the current fiscal year is expected to be 4.5% when the special dividend is taken into account.

In addition, considering the progress of capital expenditures and our financial situation, such as the D/E ratio, we have decided to conduct a share buyback to further enhance shareholder returns and improve capital efficiency. The amount will be up to ¥10 billion, and will be conducted through market purchases.

We implemented a share buyback of ¥5 billion in FY23/3, so this represents an expected total of ¥15 billion during the current medium-term business plan period. In conjunction with the share buyback, we have also decided to cancel approximately 5.64 million shares held as treasury shares.

Further, we will implement a stock split of one share of common stock into two shares effective April 1, 2025, to create a more accessible investment environment, enhance the liquidity of our shares, and further broaden its investor base.

As shown by these initiatives, we consider shareholder returns to be an important management measure. We will continue to enhance shareholder returns while allocating cash flows generated from our core businesses for growth investments.

Concluding Remarks

Lastly, less than six months remain in the current medium-term business plan. This plan was positioned as a period of transformation to realize Vision for 2030, our long-term management goal. As a result of accelerating sustainability management, and pursuing capital efficiency based on ROIC as a newly introduced key management indicator, we are on course to exceed the plan targets.

Nevertheless, we are not satisfied with the current state of efforts for further expansion of

investments for growth, business portfolio management, and collaboration among group companies. We believe that it is necessary to address these issues in the next medium-term business plan that will start next year.

The functional reorganization for the integration of our food businesses planned for April 2026, which was announced on November 5, 2024, is part of this effort.

Under the current business plan, we have achieved a certain degree of success in improving profitability in the Processed Foods business, and stabilizing earnings in the Marine Products and Meat and Poultry businesses through structural reforms focused on sweeping reductions in low-margin items. However, to achieve our long-term management targets outlined in the Vision for 2030 of an operating profit margin of 8% and ROIC of 9%, we have determined that it is necessary to fully utilize the management resources of both businesses as much as possible, and accelerate the growth and global expansion of the food business.

Starting with the reorganization of certain functions at subsidiaries in North America in January next year, we will review all functions from procurement to sales, including overseas operations. We plan to cut back or withdraw from some areas, but we do not anticipate completely severing any business itself.

We plan to explain the specific quantitative aspects, such as synergies and resource allocation, in a way that incorporates them into the next medium-term business plan to be announced in May next year.

Appendix

Factors for Increase/Decrease in Consolidated Balance Sheet

Creating Savory Moments



(Billions of yen)

	FY24/3 (as of March 31, 2024)	FY25/3 Q2 (as of September 30, 2024)	Variance	
Assets				
Current assets	201.4	207.9	6.5	(1)
Non-current assets	283.7	289.7	6.0	(2)
Total	485.2	497.6	12.4	
Liabilities and net assets				
Current liabilities	123.5	118.6	-4.9	
Non-current liabilities	95.7	101.1	5.4	(3)
Total	219.2	219.7	0.4	
Total net assets	265.9	277.9	12.0	(4)
Shareholders' equity	253.4	263.3	9.9	
Interest-bearing Debt	98.0	102.4	4.4	
Excluding leased debt	83.9	89.0	5.1	

	FY24/3 Q2 (April 1–September 30, 2023)	FY25/3 Q2 (April 1–September 30, 2024)	Variance	
Capital Expenditures	11.8	15.0	3.1	(5)
Excluding leased assets	9.9	13.8	3.8	
Depreciation	11.8	11.8	0.0	
Excluding leased assets	10.0	10.1	0.1	

Factors for increase/decrease

- (1) Cash and deposits: + 1.4 billion
Merchandise and finished goods: + 6.5 billion
- (2) Construction in progress: + 4.6 billion
- (3) Long-term loans payable: + 6.0 billion
- (4) Profit attributable to owners of parent: +12.8 billion
Dividend: -4.7 billion
Deferred gains or losses on hedges: -3.9 billion
Foreign currency translation adjustment: + 7.1 billion

Main Achievements

- (5) Expansion of Zunin refrigerated warehouse (Poland):
2.0 billion
Newly established Warsaw refrigerated warehouse (Poland): 1.6 billion
Newly established Vietnam refrigerated warehouse: 1.0 billion

Results and Plans for FY25/3

Creating Savory Moments



(Billions of yen)												
	Q1			Q2			Second Half			Full Year		
	Results	YoY		Results	YoY		Plan	YoY		Plan	YoY	
		Variance	% Change		Variance	% Change		Variance	% Change		Variance	% Change
Processed Foods	77.8	6.3	9%	77.4	5.9	8%	162.8	14.9	10%	318.0	27.1	9%
Household-use Prepared Foods	22.6	1.8	9%	22.9	2.0	10%	48.0	2.3	5%	93.5	6.1	7%
Commercial-use Prepared Foods	27.1	1.7	7%	26.6	1.8	7%	58.4	5.8	11%	112.0	9.3	9%
Processed Agricultural Products	6.4	0.6	10%	6.5	0.4	7%	13.1	1.3	11%	26.0	2.3	10%
Overseas	18.0	2.3	15%	16.5	1.6	11%	36.8	5.4	17%	71.3	9.4	15%
Other	3.8	-0.1	-3%	5.0	0.0	0%	6.4	0.2	3%	15.2	0.1	1%
Marine Products	12.7	-1.1	-8%	13.8	-1.5	-10%	23.4	-9.1	-28%	50.0	-11.6	-19%
Meat and Poultry	18.6	-2.4	-12%	17.0	-3.4	-17%	32.4	-8.0	-20%	68.0	-13.8	-17%
Logistics	65.9	4.5	7%	71.5	6.8	11%	138.7	7.3	6%	276.0	18.6	7%
Japan Subtotal	46.6	1.4	3%	48.5	1.8	4%	92.7	2.1	2%	187.8	5.4	3%
Logistics Network	30.2	0.9	3%	31.2	1.1	4%	60.8	1.5	3%	122.2	3.6	3%
Regional Storage	16.4	0.5	3%	17.3	0.7	4%	31.9	0.6	2%	65.6	1.8	3%
Overseas	18.6	3.1	20%	21.7	4.2	24%	43.7	5.6	15%	84.0	12.9	18%
Other/Intersegment	0.6	0.1	18%	1.3	0.8	176%	2.3	-0.5	-19%	4.2	0.4	10%
Real Estate	1.2	0.1	5%	1.2	0.1	13%	2.2	-0.1	-2%	4.6	0.1	3%
Other	1.2	0.2	20%	1.5	0.4	33%	3.7	-1.0	-21%	6.4	-0.4	-6%
Adjustment	-6.2	-0.4	—	-6.5	-0.6	—	-10.3	0.8	—	-23.0	-0.2	—
Net Sales	171.2	7.2	4%	176.1	7.8	5%	352.8	4.9	1%	700.0	19.9	3%
(Overseas Sales)	39.4	5.4	16%	41.4	5.7	16%	87.5	12.2	16%	168.3	23.3	16%
Processed Foods	5.8	2.0	54%	5.2	1.3	31%	9.9	0.3	3%	21.0	3.6	21%
Marine Products	0.0	0.0	36%	0.0	-0.1	-89%	1.3	0.8	186%	1.3	0.7	120%
Meat and Poultry	0.3	0.1	50%	0.3	0.1	28%	0.4	-0.2	-37%	1.0	-0.0	-4%
Logistics	3.4	-0.6	-15%	4.1	-0.5	-11%	9.0	1.8	25%	16.5	0.7	4%
Japan Subtotal	3.3	-0.5	-12%	3.7	-0.4	-9%	7.3	1.2	20%	14.3	0.4	3%
Logistics Network	1.6	-0.2	-13%	1.7	-0.1	-7%	3.4	0.6	21%	6.7	0.2	3%
Regional Storage	1.8	-0.2	-11%	1.9	-0.2	-11%	3.9	0.6	19%	7.6	0.2	2%
Overseas	0.7	0.1	18%	1.0	0.1	8%	2.1	-0.0	-1%	3.7	0.1	4%
Other/Intersegment	-0.6	-0.2	—	-0.5	-0.2	—	-0.4	0.6	—	-1.5	0.1	—
Real Estate	0.4	-0.0	-2%	0.5	0.1	23%	1.0	0.2	19%	1.9	0.2	15%
Other	0.1	0.2	—	0.3	0.2	982%	0.5	-0.8	-60%	0.9	-0.4	-30%
Adjustment	-0.6	-0.1	—	-0.3	-0.3	—	-1.3	-0.7	—	-2.1	-1.2	—
Operating Profit	9.5	1.6	20%	10.1	0.7	7%	20.8	1.3	7%	40.5	3.6	10%
Ordinary Profit	10.3	2.0	24%	10.3	0.5	5%	20.6	0.5	2%	41.2	2.9	8%
Profit Attributable to Owners of Parent or Profit	6.4	1.5	30%	6.4	-0.3	-4%	13.1	0.3	2%	26.0	1.5	6%

Results during Business Plan Periods

Creating Savory Moments



		Business Plan (FY11/3–FY13/3)			Business Plan (FY14/3–FY16/3)			Business Plan (FY17/3–FY19/3)			Business Plan (FY20/3–FY22/3)			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
Net Sales	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
		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
Operating Profit	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
		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	92
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)

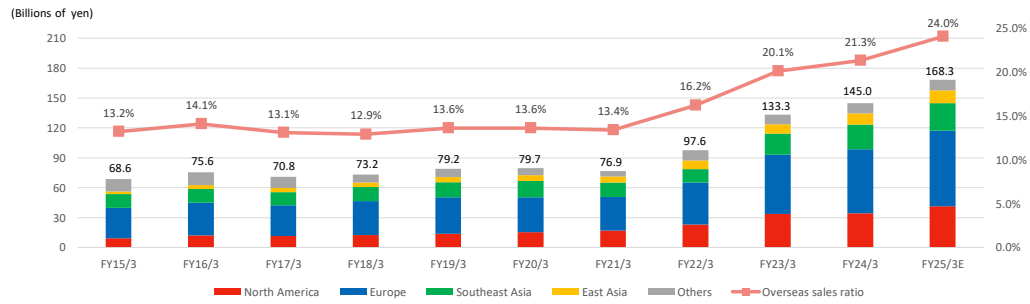
Creating Savory Moments



	FY14/3	FY15/3	FY16/3	FY17/3	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3E
Group overall 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
Net operating profit after tax (NOPAT) (%)	2.0	2.1	2.7	3.7	3.7	3.7	3.6	3.9	4.1	3.5	3.9	4.0
Capital employed turnover ratio (%)	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
Processed Foods												
Simple ROIC* (%)	3.2	5.2	8.3	15.3	14.4	13.3	15.1	13.9	10.3	8.5	10.8	12.5
Operating profit after tax/net sales (%)	1.0	1.8	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	2.9	3.1	3.3	3.2	3.0	3.1	2.6	2.6	2.4	2.6	2.8
Logistics												
Simple ROIC (%)	5.2	5.0	6.0	6.9	7.0	7.1	7.2	7.8	7.7	7.7	7.2	7.2
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
Marine Products												
Simple ROIC (%)	1.5	0.8	2.2	2.7	1.0	0.6	1.5	2.0	3.3	3.5	2.9	7.5
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	3.7	3.4	3.4	3.4	3.5	3.3	3.4	3.4	3.7	4.4	4.2
Meat and Poultry												
Simple ROIC (%)	1.6	3.5	6.2	29.4	16.3	16.8	13.6	21.5	20.2	13.8	12.4	16.8
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	22.3	23.3	16.4	15.1	19.1	20.0	20.1	17.9	14.1	16.2
Biosciences												
Simple ROIC (%)	8.4	9.6	14.9	9.5	9.4	2.4	-2.2	-3.2	-3.0	8.9	12.5	9.2
Operating profit after tax/net sales (%)	7.6	9.4	13.2	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

Notes 1. Simple ROIC = Operating profit after tax ÷ Main capital employed (Operating funds + Non-current assets)
2 Some of the data in FY14/3–24/3 has been revised due to the review of calculation units.

Consolidated Overseas Sales by Area

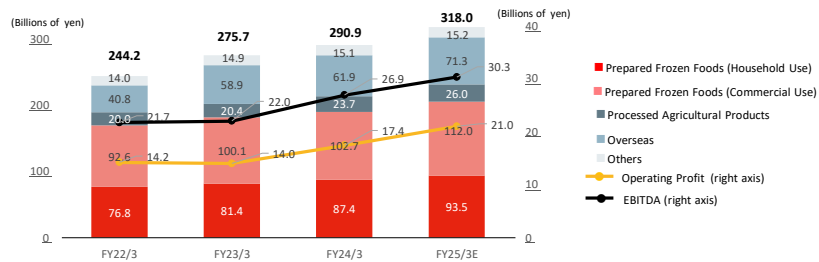


	(Billions of yen)										
	FY15/3	FY16/3	FY17/3	FY18/3	FY19/3	FY20/3	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3E
Overseas sales	68.6	75.6	70.8	73.2	79.2	79.7	76.9	97.6	133.3	145.0	168.3
North America	9.2	12.2	11.6	12.6	13.8	15.3	17.1	23.0	33.8	34.4	41.6
Europe	30.7	32.8	30.9	33.9	36.5	35.3	33.8	42.1	59.5	64.3	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

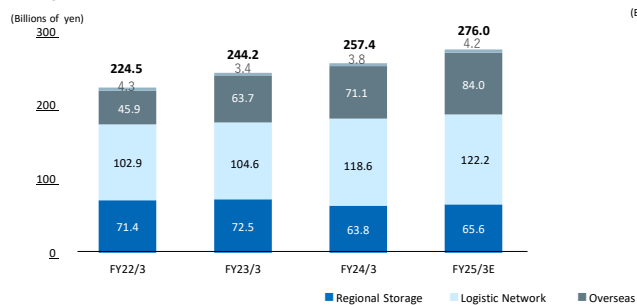
* Actual exchange rate figures are the average for the January-December period.

Mainstay Businesses Performance

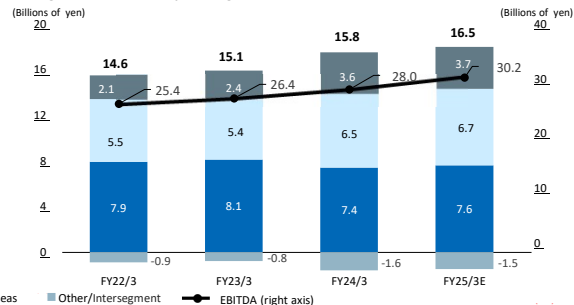
Processed Foods Business: Net Sales, Operating Profit and EBITDA



Logistics Business: Net Sales



Logistics Business: Operating Profit and EBITDA



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	FY25/3 Q2
Overall	109%	106%	106%	106%	107%	103%	105%
Deep-fried meat	128%	123%	118%	107%	119%	96%	96%
Pilaf rice	103%	104%	105%	104%	104%	101%	107%
Rice balls	112%	107%	125%	109%	113%	107%	113%
Japanese-style snacks	106%	107%	109%	103%	106%	108%	111%
Hamburger steak	112%	110%	109%	95%	106%	91%	98%

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

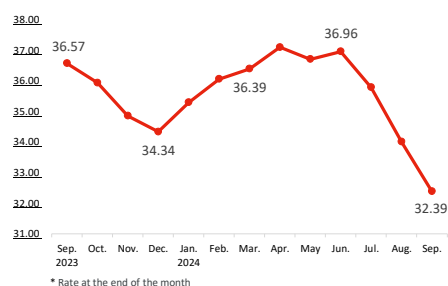
Implementation Period	Items Subject to Price Revision	Revision Rate (Initial Plan)	FY23/3				FY24/3				FY25/3				FY26/3			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
November 2021	Household use	Approx. 4–8%																
	Commercial use	Approx. 3–10%																
March 2022	Agricultural 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%																
March 2024	Household use	Approx. 1–6%																
April 2024	Commercial use	Approx. 1–6%																
September 2024	Agricultural processed, Household use	Approx. 3–7%																
October 2024	Agricultural processed, Commercial use	Approx. 5–7%																
February 2025	Household use	Approx. 10–30%																
	Commercial use	Approx. 5–30%																
Effect from revision (billions of yen)			1.0	2.5	3.2	4.7	5.0	3.9	3.0	1.0	0.5	0.5	1.7					
			Total 11.4				Total 12.9				Total 2.7							

Overseas Net Sales Results and Plan

(Billions of yen)

		FY25/3											
		Q2			First Half			Second Half			Full Year		
		Results	YoY		Results	YoY		Plan	YoY		Plan	YoY	
			Variance	% Change		Variance	% Change		Variance	% Change		Variance	% Change
Net Sales	North America	9.1	1.3	16%	18.8	2.2	13%	21.2	4.4	26%	40.0	6.5	20%
	GFPT Nishirei	5.7	0.4	7%	12.1	1.6	15%	12.4	0.7	6%	24.5	2.3	10%
	Others	1.6	-0.0	-1%	3.5	0.2	6%	3.3	0.4	12%	6.8	0.5	9%
	Total	16.5	1.6	11%	34.5	4.0	13%	36.8	5.4	17%	71.3	9.4	15%

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



North America: Net Sales and Operating Profit

		FY25/3											
		Q2			First Half			Second Half			Full Year		
		Results	YoY		Results	YoY		Plan	YoY		Plan	YoY	
			Variance	% Change		Variance	% Change		Variance	% Change		Variance	% Change
Net Sales	Reporting currency (JPY bn)	9.1	1.3	16%	18.8	2.2	13%	21.2	4.4	26%	40.0	6.5	20%
	Local currency (USD mn)	58	1	2%	124	0	0%	135	21	18%	259	21	9%
Operating Profit	Reporting currency (JPY bn)	0.3	-0.1	-35%	0.8	-0.2	-21%	0.9	-0.5	-37%	1.7	-0.7	-30%
	Local currency (USD mn)	1.6	-1.3	-44%	5.3	-2.3	-30%	5.7	-4.0	-41%	11.0	-6.3	-36%
Operating Profit/Net Sales (Reporting currency)		2.9%			4.3%			4.2%			4.3%		
Exchange Rate (USD/JPY, yen)					152.25			154.00			154.00		

Overseas Net Sales Results and Plan

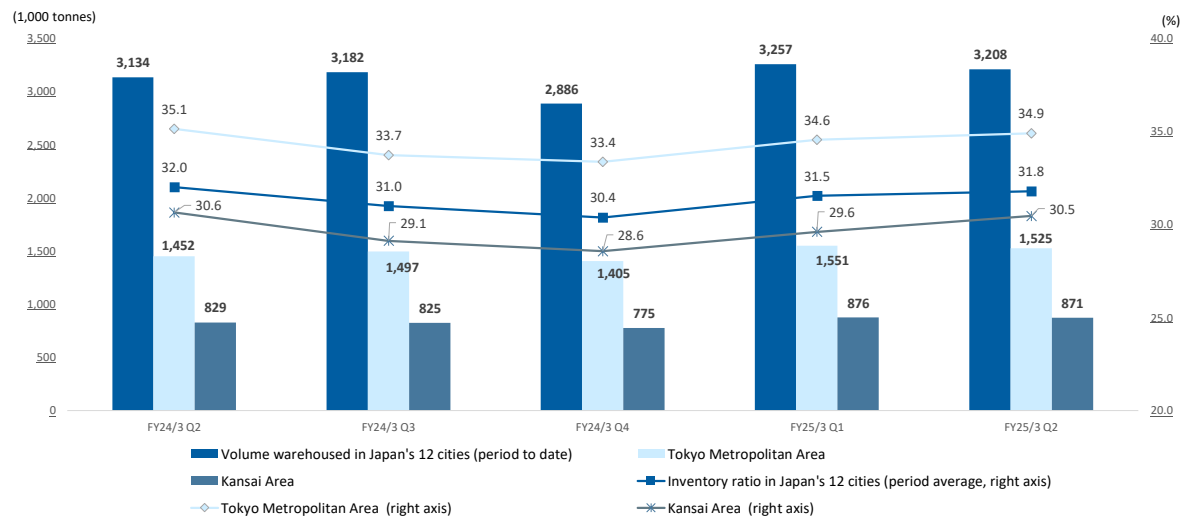
(Billions of yen)

		FY25/3											
		Q2			First Half			Second Half			Full Year		
		Results	YoY		Results	YoY		Plan	YoY		Plan	YoY	
			Variance	% Change		Variance	% Change		Variance	% Change		Variance	% Change
Net Sales	Europe	19.5	3.6	23%	36.3	6.0	20%	39.3	5.4	16%	75.6	11.4	18%
	East Asia	1.5	0.2	13%	2.7	0.3	15%	3.0	0.2	5%	5.7	0.5	10%
	Southeast Asia	0.7	0.4	120%	1.3	0.9	206%	1.4	0.1	8%	2.7	1.0	59%
	Total	21.7	4.2	24%	40.3	7.2	22%	43.7	5.7	15%	84.0	12.9	18%

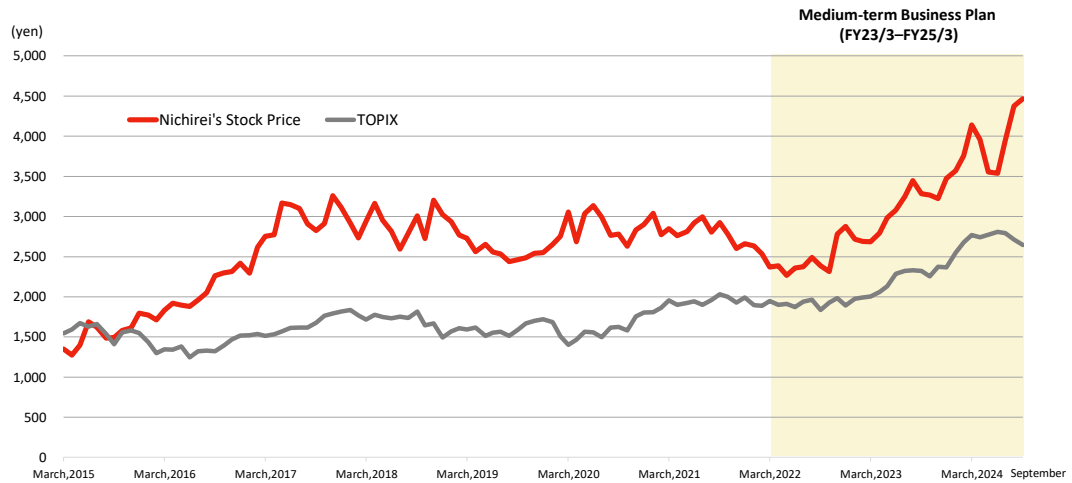
Europe: Net sales

		FY25/3											
		Q2			First Half			Second Half			Full Year		
		Results	YoY		Results	YoY		Plan	YoY		Plan	YoY	
			Variance	% Change		Variance	% Change		Variance	% Change		Variance	% Change
Reporting currency (JPY bn)	Storage	7.6	1.7	29%	14.4	3.1	28%	15.0	1.9	15%	29.4	5.0	20%
	Clearance and Transport	11.9	1.9	19%	21.9	2.8	15%	24.4	3.6	17%	46.3	6.4	16%
	Total	19.5	3.6	23%	36.3	6.0	20%	39.3	5.4	16%	75.6	11.4	18%
Local currency (Euro mn)	Storage	46	6	15%	88	10	14%	90	8	9%	178	18	11%
	Clearance and Transport	71	4	6%	133	2	2%	147	16	12%	280	18	7%
	Total	116	10	9%	221	13	6%	237	23	11%	458	36	8%

Industry-wide Cold Storage Capacity Utilization



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



	15/3	16/3	17/3	18/3	19/3	20/3	21/3	22/3	23/3	24/3	24/9
Nichirei's stock price	1,348	1,832	2,754	2,940	2,728	3,055	2,849	2,369	2,684	4,143	4,467
TOPIX	1,543	1,347	1,513	1,716	1,592	1,403	1,954	1,946	2,004	2,769	2,646

- Establishment of a Website Page for Individual Investors (Japanese only)
<https://www.nichirei.co.jp/ir/individual>
- Selected for continued inclusion in all six ESG indices adopted by GPIF
https://www.nichirei.co.jp/sites/default/files/inline-images/english/ir/pdf_file/news/20240829_e.pdf
- Integrated Report 2024 Published
<https://www.nichirei.co.jp/english/ir/library/integrated.html>
- Information on the Kyurei Plant Tour Published on the IR Website
<https://www.nichirei.co.jp/english/ir/library/event.html>
- Notice of New Product Releases in November (Japanese only)
https://www.nichireifoods.co.jp/news/2024/info_id41514/
- New R&D Content on the Official Nichirei Foods Website
Conveying our commitment to technological development and strengths! (Japanese only)
https://www.nichireifoods.co.jp/news/2024/info_id41529/
- Introduction of the Proprietary NDPS Digital Forms System as Part of the Smart Factory Initiative
Paperless operations at production plants and improved operational efficiency (Japanese only)
https://www.nichireifoods.co.jp/news/2024/info_id41534/
- Announcement of Partial Price Revision (Japanese only)
https://www.nichireifoods.co.jp/news/2024/info_id41689/

Spring roll with japchae
(Korean stir-fried sweet
potato noodles)



Japanese-style
hamburger steak with
plenty of vegetables



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.