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[Documents Filed]	Annual Securities Report
[Applicable Law]	Article 24, Paragraph 1 of the Financial Instruments and Exchange Act
[Filed to]	Director of the Kanto Local Finance Bureau
[Filing Date]	June 17, 2025
[Fiscal year]	The 107th Term (from April 1, 2024 to March 31, 2025)
[Company Name]	Kabushikigaisha Nichirei
[Company Name in English]	NICHIREI CORPORATION
[Title and Name of Representative]	Kenya Okushi, Representative director and President
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[Phone No.]	03 (3248) 2165
[Contact Person]	Tatsuya Tanaka Group leader, Corporate accounting group, Accounting & Tax division
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[Phone No.]	03 (3248) 2165
[Contact Person]	Tatsuya Tanaka Group leader, Corporate accounting group, Accounting & Tax division
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo)

- In this report, NICHIREI CORPORATION is hereinafter referred to as the "Company" and together with its consolidated subsidiaries as the "Nichirei Group" or the "Group."
- The term "FY" preceding a year means the twelve-month period ended March 31 of that year. For example, "FY2025" refers to the twelve-month period ended March 31, 2025. All other references to years refer to the applicable calendar year.
- Negative balance or amount is presented with "△."
- "¥" or "yen" means Japanese yen.

Part I Corporate Information

I. Group Overview

1.Trends of Major Management Indicators

(1) Consolidated Management Indicators

Fiscal year		103rd term	104th term	105th term	106th term	107th term
Year end		March 2021	March 2022	March 2023	March 2024	March 2025
Net sales	(Millions of yen)	572,757	602,696	662,204	680,091	702,080
Operating profit	(Millions of yen)	32,949	31,410	32,935	36,911	38,315
Ordinary profit	(Millions of yen)	33,532	31,667	33,448	38,255	39,878
Profit attributable to owners of parent	(Millions of yen)	21,212	23,382	21,568	24,495	24,731
Comprehensive income	(Millions of yen)	25,609	26,792	27,664	39,116	30,481
Net assets	(Millions of yen)	210,426	217,903	233,513	265,942	275,966
Total assets	(Millions of yen)	405,719	427,606	457,333	485,157	499,221
Net assets per share	(Yen)	762.88	815.42	878.85	992.02	1,037.82
Profit per share	(Yen)	79.59	88.36	83.57	95.90	97.35
Diluted profit per share	(Yen)	—	—	—	—	—
Equity ratio	(%)	50.1	49.4	49.1	52.2	52.1
Return on equity	(%)	10.9	11.3	9.9	10.3	9.6
Price-earnings ratio	(Times)	17.9	13.4	16.1	21.6	18.3
Cash flows from operating activities	(Millions of yen)	45,453	34,660	37,865	62,442	53,194
Cash flows from investing activities	(Millions of yen)	△32,213	△26,016	△26,844	△31,592	△32,403
Cash flows from financing activities	(Millions of yen)	△10,709	△14,179	△8,591	△31,255	△16,804
Cash and cash equivalents at the end of the period	(Millions of yen)	28,011	23,340	27,767	29,725	35,935
Number of employees (Average number of temporary employees during the period not included in above)	(Persons)	15,383 (2,708)	15,296 (2,692)	15,766 (2,656)	16,385 (2,539)	16,626 (2,456)
Equity ratio based on fair value	(%)	93.6	71.7	74.9	109.1	89.2
Interest-bearing liabilities (Amounts excluding lease liabilities)	(Millions of yen)	96,423 (80,757)	104,718 (90,172)	114,580 (100,064)	97,954 (83,891)	106,255 (92,731)
Interest-bearing liabilities to cash flow ratio	(Years)	2.1	2.2	2.3	1.8	1.9
Financial balance	(Millions of yen)	170	289	281	376	574
Interest coverage ratio	(Times)	64.0	72.2	62.9	67.2	46.8
Amount of capital investments	(Millions of yen)	37,776	27,913	30,416	31,283	34,504
Depreciation	(Millions of yen)	19,669	21,089	22,198	24,219	24,277
Number of treasury shares	(Shares)	6,741,928	4,522,808	6,351,246	6,354,029	3,182,831
Number of consolidated subsidiaries	(Companies)	73	77	80	81	80
Number of affiliates accounted for by the equity method	(Companies)	16	16	18	15	15

(Notes)

1. "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and other related accounting standards have been applied from the beginning of the 104th term fiscal year, and the major management indicators, etc. for the 104th and subsequent fiscal years are those after the application of these accounting standards.
2. "Diluted profit per share" is not disclosed since there are no diluted shares.
3. On April 1, 2025, the Company conducted a stock split at a ratio of 2 shares for each common stock. The figures for "Net assets per share," and "Profit per share," have been calculated on the assumption that the stock split had been effective at the beginning of the 103rd fiscal year.
4. Calculation method of each indicator from "Equity ratio based on fair value" to "Interest coverage ratio" is as follows.
   - Equity ratio based on fair value: Total market capitalization divided by Total assets
     Total market capitalization is calculated as follows.
     Closing stock price at the end of the period (Tokyo Stock Exchange Prime Market) multiplied by
     Number of issued shares at the end of the period (after deducting treasury shares)
   - Interest-bearing liabilities
     Short and Long-term borrowings + Commercial papers + Bonds payable + Lease liabilities
   - Interest-bearing liabilities to cash flow ratio
     Interest-bearing liabilities ((Beginning of the period + End of the period) divided by 2) divided by Operating cash flows
   - Financial balance
     (Interest income + Dividend income) － (Interest expenses + Interest on commercial papers)
   - Interest coverage ratio
     Operating cash flows divided by Interest payments
     Interest payments are Interest expenses disclosed in the consolidated statement of cash flows.
   - In calculating "Interest-bearing liabilities to cash flow ratio" and "Interest coverage ratio," Operating cash flows are cash flows from operating activities disclosed in the consolidated statement of cash flows, adjusted by changes in operating funds (trade receivables, inventories, and trade payables).

(2) Management Indicators of the Company

Fiscal year		103rd term	104th term	105th term	106th term	107th term
Year end		March 2021	March 2022	March 2023	March 2024	March 2025
Operating revenue	(Millions of yen)	18,464	18,906	19,003	19,192	22,430
Operating profit	(Millions of yen)	8,903	8,972	8,818	8,701	9,136
Ordinary profit	(Millions of yen)	10,191	10,226	9,964	9,925	10,608
Profit	(Millions of yen)	9,496	12,433	9,341	9,165	10,164
Share capital	(Millions of yen)	30,418	30,472	30,512	30,563	30,608
Total number of shares issued	(Shares)	140,003,877	134,007,795	134,042,599	134,075,652	128,464,869
Number of treasury shares	(Shares)	6,741,928	4,522,808	6,351,246	6,354,029	3,182,831
Average number of shares during the period	(Shares)	133,251,575	132,317,386	129,046,180	127,713,086	127,029,897
Net assets	(Millions of yen)	112,017	107,058	105,147	112,292	101,404
Total assets	(Millions of yen)	207,643	205,028	211,227	209,564	202,523
Net assets per share	(Yen)	420.29	413.40	411.72	439.60	404.70
Dividend per share (of which interim dividend per share)	(Yen)	50 (22)	50 (25)	52 (26)	74 (37)	92 (41)
Profit per share	(Yen)	35.63	46.98	36.19	35.88	40.01
Diluted profit per share	(Yen)	—	—	—	—	—
Equity ratio	(%)	53.9	52.2	49.8	53.6	50.1
Return on equity	(%)	8.7	11.4	8.8	8.4	9.5
Price-earnings ratio	(Times)	40.0	25.2	37.1	57.7	44.4
Dividend payout ratio	(%)	70.2	53.2	71.8	103.1	115.0
Number of employees (Average number of temporary employees during the period not included in above)	(Persons)	198 (2)	213 (2)	221 (3)	241 (5)	235 (5)
Stock price at the end of the period	(Yen)	2,849.0	2,369.0	2,684.0	4,143.0	1,777.5
Total shareholder return (Comparison index: TOPIX including dividends)	(%)	94.9 (142.1)	80.8 (145.0)	92.8 (153.4)	143.0 (216.8)	126.8 (213.4)
Highest stock price	(Yen)	3,190.0	3,080.0	2,904.0	4,204.0	1,797.0 (4,554.0)
Lowest stock price	(Yen)	2,600.0	2,367.0	2,171.0	2,633.0	1,756.5 (3,346.0)

(Notes)

1. “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and other related accounting standards have been applied from the beginning of the 104th term fiscal year, and the major management indicators, etc. for the 104th and subsequent fiscal years are those after the application of these accounting standards.
2. “Dividend per share” for the 103rd term includes a commemorative dividend of 6 yen per share for the 75th anniversary of the Company’s foundation (year-end only). In addition, "Dividend per share" for the 107th fiscal year includes a special dividend of 10 yen (year-end only).
3. “Dividend per share” for the fiscal year ending March 2025 is 92 yen, including the year-end dividend of 51 yen, which is subject to resolution at the Ordinary General Shareholders Meeting scheduled to be held on June 25, 2025.
4. “Diluted profit per share” is not disclosed since there are no diluted shares.
5. On April 1, 2025, the Company conducted a stock split at a ratio of 2 shares for each common stock. The figures for “Net assets per share,” and “Profit per share,” have been calculated on the assumption that the stock split had been effective at the beginning of the 103rd fiscal year.

6. "Stock price at the end of the period," "Highest stock price," and "Lowest stock price" are based on listings on the Tokyo Stock Exchange Prime Market from April 4, 2022 onward, and on the First Section of the Tokyo Stock Exchange prior to that date.
7. On April 1, 2025, the Company conducted a stock split at a ratio of 2 shares for each common stock. For the stock prices in the 107th fiscal year, “Stock price at the end of the period”, “Highest stock price” and “Lowest stock price” after the ex-rights date following the stock sprit are presented, with the corresponding prices before the stock split shown in ().

2. Corporate History

(History of the Company's foundation)

Based on the Fisheries Control Order promulgated on May 19, 1942, Teikoku Marine Products Control Company was established on December 24, 1942 with a share capital of 50 million yen by 18 companies, mostly fisheries companies, as a central control organization for sales of marine products, ice making, refrigeration, and other businesses associated with marine fisheries. Subsequently, following the repeal of the Fisheries Control Order on November 30, 1945, the Company was reorganized as a limited company under the Commercial Code of Japan on December 1, 1945, and changed its name to Nippon Reizo Inc.

Month and Year	History
December 1942	Establishment of Teikoku Marine Products Control Company.
April 1943	Began purchasing and sale of marine products, as well as ice making, refrigeration, and freezing business.
December 1945	Changed trade name to Nippon Reizo Inc.
March 1946	Established a food sales subsidiary.
December 1948	Added to its business purposes the manufacturing, trading and import and export of canned foods, fertilizers, feeds and oils and fats, and the import and export of marine products.
May 1949	Shares listed on the Tokyo, Osaka (delisted in June 2010), and Nagoya (delisted in June 2003) stock exchanges.
August 1951	Established a canning factory and started the food production business.
October 1952	Began sales of prepared frozen foods.
May 1956	Started the meat and poultry products business.
March 1977	Established a subsidiary to handle transportation. (currently Logistics Network Inc., a consolidated subsidiary.)
January 1979	Established a subsidiary to collect and sell agricultural, marine, and livestock products in the U.S.A. (currently Nichirei Foods U.S.A., Inc., consolidated subsidiaries took over the business.)
June 1982	Entered the biotechnology field.
April 1984	Added to its business purposes the manufacturing and trading of medicines, quasi-drugs and reagents, and the production and trading of seeds and seedlings.
February 1985	Changed trade name to Nichirei Corporation.
April 1988	Released an acerola drink in earnest.
September 1988	Acquired a Dutch refrigeration company and entered the refrigeration business in the Netherlands. (currently Thermotraffic B.V., a consolidated subsidiary)
December 1988	Construction of the Nichirei Akashi-cho Building was completed and the Company began the office building leasing business in earnest.
April 1989	Released a combination food for diabetic diet preparation, a special-use food approved by the Ministry of Health and Welfare.
April 1990	Started the logistics business in earnest.
February 1991	Construction of the Nichirei Higashi-Ginza Building was completed. Head office relocated to the building in April of the same year.
March 1997	Established a Technology Development Center to consolidate its R&D functions.
April 1998	Entered the third-party logistics business. (currently Logistics Network Inc., a consolidated subsidiary took over the business.)
June 2000	Added to the business purposes the management of hotels and Japanese style hotels.
January 2003	Spun off its information systems division and established an outsourcing company for information processing operations (an affiliate) through joint investment with Hitachi, Ltd.
April 2004	Conducted a corporate split of the domestic logistics business. (Split off to one logistics network company and seven companies in the regional storage business, consolidated subsidiaries.)
April 2005	The processed foods, marine products, meat and poultry products, logistics, bioscience, and shared services businesses were split off, and the Company transitioned to a holding company.
November 2005	Established Jinzhu (Yantai) Food Research and Development Co., Ltd. (an affiliate) in China (Shandong province) as a joint venture with Nisshin Seifun Group Inc. and started operation in October 2006.
November 2006	Acquired a production base in Thailand as a subsidiary. (Surapon Nichirei Foods Co., Ltd., a consolidated subsidiary)
July 2010	Acquired a French temperature-controlled logistics company and entered into the logistics business in France. (currently Transports Godfroy S.A.S. and one other company, consolidated subsidiaries)
October 2010	The production base established in Thailand started operations. (GFPT Nichirei (Thailand) Co., Ltd., a consolidated subsidiary)
June 2012	Acquired an American food company and expanded its business in the U.S. market. (InnovAsian Cuisine Enterprises, Inc., a consolidated subsidiary)
March 2019	Established a Global Innovation Center as an R&D and production base for the Bioscience business.
April 2022	Transitioned from the First Section of the Tokyo Stock Exchange to the Prime Market due to the revision of the market classification of the Tokyo Stock Exchange.
June 2023	Taken a temperature-controlled logistics company in Thailand as a subsidiary. (SCG Nichirei Logistics Co., Ltd., a consolidated subsidiary)

3. Description of Business

The Group consists of the Company, 80 subsidiaries and 15 affiliates, and is engaged in Processed foods, Marine products, Meat and poultry products, Logistics, Real estate, and Other businesses, as well as operations related to the businesses.

As the Company falls under the category of Specified Listed Company, etc., the minor criteria for material facts under the insider trading regulations are judged based on the figures on a consolidated basis.

(1) Main Businesses and Positions of the Company, Subsidiaries and Affiliates by Segment, as well as Names of Subsidiaries and Affiliates, and Number of Subsidiaries and Affiliates

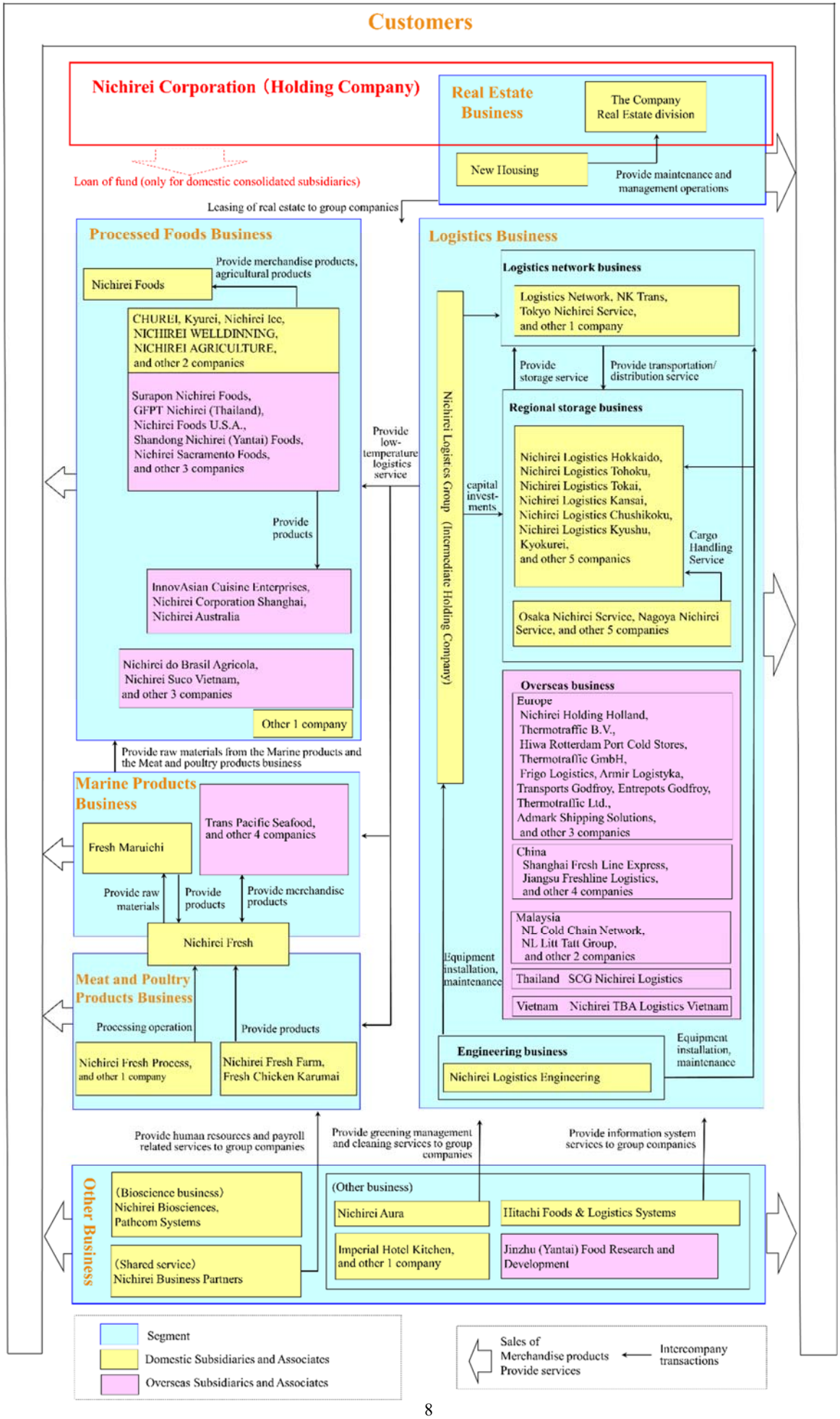
All subsidiaries are consolidated by the Company.

(As of March 31, 2025)

Segment		Main businesses (Main services and items handled) and Positions of the Company, subsidiaries and affiliates	Names of subsidiaries and affiliates Number of subsidiaries and affiliates	
Processed foods business		Subsidiaries: ① Manufacturing, processing and sales of processed foods ② Sales of processed foods, Trading agricultural products ③ Processing and sales of agricultural products Affiliates: ④ Manufacturing and sales of processed foods [Items handled] Prepared frozen foods (chicken, processed meat products, rice, croquettes, Chinese side dishes, snacks, etc.), Agricultural processed foods, Retort foods, and Wellness foods, Acerola, Packaged ice	① Nichirei Foods, CHUREI, Kyurei, Nichirei Ice, NICHIREI WELLDINING, Surapon Nichirei Foods, GFPT Nichirei (Thailand), Shandong Nichirei (Yantai) Foods, Nichirei do Brasil Agricola, Nichirei Sacramento Foods ② Nichirei Foods U.S.A, InnovAsian Cuisine Enterprises, Nichirei Corporation Shanghai, Nichirei Australia, Nichirei Suco Vietnam, and 4 other companies ③ NICHIREI AGRICULTURE and 1 other company	21 subsidiaries
			④ SHIN SUNFOOD INDUSTRY, Taian Jiayu Foodstuff, and 2 other companies	4 affiliates
Marine products business		Subsidiaries: ① Processing and sales of marine products ② Trading of marine products [Items handled] Shrimp, Octopus, Crab, Shellfish, Fish roe and other marine products, Processed marine materials	① Nichirei Fresh (*), Fresh Maruichi, Trans Pacific Seafood ② RIZHAO MAI LENG FOOD TRADING, NICHIREI Fresh Hong Kong, and 2 other companies	7 subsidiaries
Meat and poultry products business		Subsidiaries: ① Processing and sales of meat and poultry products ② Processing operations of meat and poultry products ③ Breeding and sales of chicken [Items handled] Chicken, Beef, Pork, Processed and Packaged livestock materials	① Nichirei Fresh (*), Fresh Chicken Karumai ② Nichirei Fresh Process, FRESH MEAT SAKUDAIRA ③ Nichirei Fresh Farm and 1 other company	5 subsidiaries
Logistics business	Logistics business management, Leasing facilities		Nichirei Logistics Group	1 subsidiary
	Logistics net work business	Subsidiaries: Providing transportation/distribution services, and distribution center functions, logistics consulting (3PL), logistics center operation business (Note: 3PL is Abbreviation for Third Party Logistics)	Logistics Network, NK Trans, Tokyo Nichirei Service and 1 other company	4 subsidiaries
	Regional storage business	Subsidiaries: ① Providing storage services, production and sales of ice ② Providing cargo handling services Affiliates: ③ Leasing refrigerated warehouses, providing storage services, and production and sales of ice [Main storage services] Storage, Inventory control, Import customs clearance agent, Freezing and Thawing	① Nichirei Logistics Hokkaido, Nichirei Logistics Tohoku, Nichirei Logistics Tokai, Nichirei Logistics Kansai, Nichirei Logistics Chushikoku, Nichirei Logistics Kyushu, Kyokurei ② Osaka Nichirei Service, Nagoya Nichirei Service, and 5 other companies	14 subsidiaries
			③ Tokyo Industrial Complex Storage and 4 other companies	5 affiliates
	Overseas business	Subsidiaries: Providing logistics services in the Netherlands, Germany, Poland, France, UK, China and Malaysia Thailand, Vietnam Affiliates: Providing logistics services in Malaysia	Nichirei Holding Holland, Thermotraffic B.V., Hiwa Rotterdam Port Cold Stores, Thermotraffic GmbH, Frigo Logistics, Armir Logistyka, Transports Godfroy, Entrepots Godfroy, Thermotraffic Ltd., Admark Shipping Solutions Ltd., Shanghai Fresh Line Express, Jiangsu Freshline Logistics, NL Cold Chain Network, SCG Nichirei Logistics, Nichirei TBA Logistics Vietnam and 7 other companies	22 subsidiaries
			NL Litt Tatt Group and 2 other companies	3 affiliates
	Engineering business	Subsidiary: Construction work and design, Maintenance	Nichirei Logistics Engineering	1 subsidiary
Real estate business		The Company: Leasing office buildings and parking lots Subsidiary: Leasing and management of real estate	New Housing	1 subsidiary
Other business		Subsidiaries: ① Manufacturing and trading of diagnostic pharmaceuticals and medical devices ② Human resources and payroll related services ③ Greening management and cleaning services Affiliates: ④ Manufacturing and sales of processed foods ⑤ Information system services ⑥ Analytics evaluation and research and development of food products	① Nichirei Biosciences, Pathcom Systems ② Nichirei Business Partners ③ Nichirei Aura and 1 other company	5 subsidiaries
			④ Imperial Hotel Kitchen ⑤ Hitachi Foods & Logistics Systems ⑥ Jinzhu (Yantai) Food Research and Development	3 affiliates

(Note) *Nichirei Fresh is engaged in the marine products business and the meat and poultry products business. Therefore, it is included in the number of subsidiaries of each business segment.

(2) Group Business Chart (as of March 31, 2025)



4. Subsidiaries and Affiliates

Name	Address	Share capital or Investments in capital (Millions of yen)	Main Business	Voting rights ownership [Owned by] Ratio (%)	Relation details		Notes
					Concurrent executives (Persons)	Other	
(Consolidated subsidiary)							
Nichirei Foods Inc.	Chuo-ku, Tokyo	15,000	Processed foods	100.0	2	Management guidance, Lease of office spaces	*1, 3
CHUREI Co., Ltd.	Shimonoseki City, Yamaguchi Prefecture	200	〃	100.0 (100.0)	—	—	
Kyurei Inc.	Munakata City, Fukuoka Prefecture	10	〃	100.0 (100.0)	—	—	
Nichirei Ice Inc.	Chuo-ku, Tokyo	20	〃	100.0 (100.0)	—	—	
NICHIREI WELLDINING Inc.	Toyoyama Town, Nishi-Kasugai-gun, Aichi Prefecture	100	〃	100.0 (100.0)	—	—	
NICHIREI AGRICULTURE Inc.	Kagoshima City, Kagoshima Prefecture	25	〃	100.0 (100.0)	—	—	
Surapon Nichirei Foods Co., Ltd.	Samut Prakan Province, Thailand	100,000,000 Thai baht	〃	51.0 (51.0)	—	—	
GFPT Nichirei (Thailand) Co., Ltd.	Chonburi Province, Thailand	3,014,000,000 Thai baht	〃	51.0 (51.0)	—	—	*1
Nichirei Foods U.S.A., Inc.	Washington State, U.S.A.	2,300,000 US dollar	〃	100.0 (100.0)	—	—	
InnovAsian Cuisine Enterprises Inc.	Washington State, U.S.A.	2,200,000 US dollar	〃	100.0 (100.0)	—	—	
Nichirei Foods Acquisition Inc.	Washington State, U.S.A.	30,990,000 US dollar	〃	100.0 (100.0)	—	—	*1
Nichirei Sacramento Foods Corporation	California State, U.S.A.	39,110,000 US dollar	〃	100.0 (100.0)	—	—	*1
Shandong Nichirei (Yantai) Foods Co., Ltd.	Shandong Province, China	21,416,000 Chinese yuan	〃	65.0 (65.0)	—	—	
Nichirei Corporation Shanghai Ltd.	Shanghai City, China	7,100,000 US dollar	〃	100.0 (100.0)	—	—	
Nichirei Australia Pty. Ltd.	New South Wales State, Australia	1,000,000 Australian dollar	〃	100.0 (100.0)	—	—	
Nichirei do Brasil Agricola Ltda.	Pernambuco State, Brazil	27,283,000 Real	〃	100.0 (100.0)	—	—	
Nichirei Suco Vietnam Co., Ltd.	Tien Giang Province, Vietnam	6,200,000 US dollar	〃	100.0 (100.0)	—	—	
Nichirei Fresh Inc.	Chuo-ku, Tokyo	8,000	Marine products, Meat and poultry products	100.0	2	Management guidance, Lease of office spaces	*1, 2
Fresh Maruichi Corporation	Chuo-ku, Tokyo	100	Marine products	100.0 (100.0)	—	—	
RIZHAO MAI LENG FOOD TRADING COMPANY LIMITED	Shandong Province, China	600,000 US dollar	〃	51.0 (51.0)	—	—	
NICHIREI Fresh Hong Kong, Limited	Hong Kong Special Administrative Region, China	5,000,000 Hong Kong dollar	〃	100.0 (100.0)	—	—	
Trans Pacific Seafood Co., Ltd.	Binh Thuan Province, Vietnam	147.55 billion Vietnamese dong	〃	84.6 (84.6)	—	—	
Nichirei Fresh Farm Inc.	Hirono Town, Kunohe-gun, Iwate Prefecture	100	Meat and poultry products	85.0 (85.0)	—	—	
Fresh Chicken Karumai Inc.	Karumai Town, Kunohe-gun, Iwate Prefecture	100	〃	100.0 (100.0)	—	—	
Nichirei Fresh Process Inc.	Kanazawa-ku, Yokohama City	30	〃	100.0 (100.0)	—	—	
Nichirei Logistics Group Inc.	Chiyoda-ku, Tokyo	20,000	Logistics	100.0	2	Management guidance, Lease of office spaces	*1
Logistics Network Inc.	Chiyoda-ku, Tokyo	100	〃	100.0 (100.0)	1	—	*3
NK Trans Inc.	Chiyoda-ku, Tokyo	60	〃	100.0 (100.0)	—	—	
Tokyo Nichirei Service Inc.	Chiyoda-ku, Tokyo	60	〃	100.0 (100.0)	—	—	
Nichirei Logistics Hokkaido, Inc.	Nishi-ku, Sapporo City	50	〃	100.0 (100.0)	1	—	

Name	Address	Share capital or Investments in capital (Millions of yen)	Main Business	Voting rights ownership [Owned by] Ratio (%)	Relation details		Notes
					Concurrent executives (Persons)	Other	
Nichirei Logistics Tohoku, Inc.	Aoba-ku, Sendai City	50	Logistics	100.0 (100.0)	1	—	
Nichirei Logistics Tokai, Inc.	Atsuta-ku, Nagoya City	100	〃	100.0 (100.0)	1	—	
Nichirei Logistics Kansai, Inc.	Kita-ku, Osaka City	100	〃	100.0 (100.0)	1	Lease of office spaces	
Nichirei Logistics Chushikoku, Inc.	Nishi-ku, Hiroshima City	50	〃	100.0 (100.0)	1	—	
Nichirei Logistics Kyushu, Inc.	Higashi-ku, Fukuoka City	100	〃	100.0 (100.0)	1	—	
Kyokurei Inc.	Naka-ku, Yokohama City	298	〃	100.0 (100.0)	1	—	
Osaka Nichirei Service Inc.	Kita-ku, Osaka City	30	〃	100.0 (100.0)	—	—	
Nagoya Nichirei Service Inc.	Atsuta-ku, Nagoya City	50	〃	100.0 (100.0)	—	—	
Nichirei Logistics Engineering Inc.	Chiyoda-ku, Tokyo	60	〃	100.0 (100.0)	1	—	
Nichirei Holding Holland B.V.	Rotterdam City, The Netherlands	11,350,000 Euro	〃	100.0 (100.0)	—	—	
Thermotraffic B.V.	Rotterdam City, The Netherlands	4,910,000 Euro	〃	100.0 (100.0)	—	—	
Hiwa Rotterdam Port Cold Stores B.V.	Rotterdam City, The Netherlands	2,270,000 Euro	〃	100.0 (100.0)	—	—	
Thermotraffic GmbH	Versmold City, Germany	1,200,000 Euro	〃	100.0 (100.0)	—	—	
Frigo Logistics Sp. z o.o.	Znin City, Poland	11,800,000 Złoty	〃	100.0 (100.0)	—	—	
Armir Logistyka Sp. z o.o.	Ruda Slaska City, Poland	20,000 Złoty	〃	100.0 (100.0)	—	—	
Transports Godfroy S.A.S.	Carpiquet City, France	152,000 Euro	〃	100.0 (100.0)	—	—	
Entrepots Godfroy S.A.S.	Carpiquet City, France	7,000 Euro	〃	100.0 (100.0)	—	—	
Thermotraffic Ltd.	Suffolk County, United Kingdom	60,000 Pound sterling	〃	100.0 (100.0)	—	—	
Admark Shipping Solutions Ltd.	Norfolk County, United Kingdom	100 Pound sterling	〃	100.0 (100.0)	—	—	
Shanghai Fresh Line Express Co., Ltd.	Shanghai City, China	3,930,000 US dollar	〃	82.4 (82.4)	—	—	
Jiangsu Freshline Logistics Co., Ltd.	Jiangyin City, China	15,000,000 Chinese yuan	〃	53.6 (53.6)	—	—	
NL Cold Chain Network (M) SDN BHD	Puchong City, Malaysia	62,380,000 Ringgit	〃	100.0 (100.0)	—	—	
SCG Nichirei Logistics Co., Ltd.	Samut Prakan Province, Thailand	803,060,000 Thai baht	〃	49.0 (49.0)	—	—	*1
Nichirei TBA Logistics Vietnam LLC	Long An Province, Vietnam	649,620,000,000 Vietnamese dong	〃	100.0 (100.0)	—	—	*1
New Housing Inc.	Chuo-ku, Tokyo	120	Real estate	100.0	—	Outsourcing maintenance and management of assets for lease	
Nichirei Biosciences Inc.	Chuo-ku, Tokyo	450	Other	100.0	1	Management guidance	
Nichirei Business Partners Inc.	Chuo-ku, Tokyo	30	〃	100.0	1	Outsourcing shared services operations, Lease of office spaces	
Nichirei Aura Inc.	Funabashi City, Chiba Prefecture	20	〃	100.0 (25.0)	1	Outsourcing environment support services and business support services	
Pathcom Systems Corporation	California State, U.S.A.	16,510,000 US dollar	〃	100.0 (100.0)	1	—	
Other 21 companies	—	—	—	—	—	—	

Name	Address	Share capital or Investments in capital (Millions of yen)	Main Business	Voting rights ownership [Owned by] Ratio (%)	Relation details		Notes
					Concurrent executives (Persons)	Other	
(Affiliates accounted for by the equity method) SHIN SUNFOOD INDUSTRY Co., Ltd.	Miyazaki City, Miyazaki Prefecture	30	Manufacturing and sales of processed foods	20.0 (20.0)	—	—	
TAIAN JIAYU FOODSTUFF CO., LTD.	Shandong Province, China	25,810,000 Chinese yuan	Production and sales of frozen processed agricultural products	30.0 (30.0)	—	—	
Tokyo Industrial Complex Storage Inc.	Ota-ku, Tokyo	100	Leasing of refrigerated facilities and refrigerated warehouses business	28.6 (28.6)	—	—	
NL Litt Tatt Group Sdn. Bhd.	Klang City, Malaysia	84,550,000 Ringgit	Logistics	49.0 (49.0)	—	—	
Imperial Hotel Kitchen Corporation	Chiyoda-ku, Tokyo	100	Manufacturing, processing and trading of prepared foods	50.0	3	—	
Hitachi Foods & Logistics Systems Inc.	Chuo-ku, Tokyo	300	Information system services	44.0	1	Outsourcing information system operations, Lease of office spaces	
Jinzhu (Yantai) Food Research and Development Co., Ltd.	Shandong Province, China	240	Analytics evaluation and research and development of food products	50.0	2	—	
8 other companies	—	—	—	—	—	—	

(Notes)

1. Description stated on “Main Business” is as follows.
   Consolidated subsidiaries: Names listed in the segment information
   Affiliates accounted for by the equity method: Business
2. Figures in parentheses under “Voting rights ownership [Owned by] Ratio (%)” indicate the percentage of indirect ownership included in the above ratio.
3. “Concurrent executives” under “Relation details” indicates the status of concurrent positions held by executives (including executive officers) of the Company.
4. The Company has introduced a cash management system (CMS) at its major domestic consolidated subsidiaries to centrally manage the lending of funds and the receipt of surplus funds.
5. *1 Specified subsidiaries
   *2 Net sales (excluding intercompany sales among consolidated companies) exceed 10% of consolidated net sales, but the percentage against net sales (including intersegment sales or transfers) in the Marine products and Meat and poultry products segment in the current fiscal year exceeds 90%. Therefore, major profit and loss information is omitted.
   *3 Major profit and loss information of the consolidated subsidiaries whose net sales (excluding intercompany sales among consolidated companies) exceed 10% of consolidated net sales is as follows.

(Millions of yen)

Segment	Company Name	Net sales	Ordinary profit	Profit	Net assets	Total assets
Processed Foods	Nichirei Foods Inc.	241,081	12,057	8,459	56,872	130,095
Logistics	Logistics Network Inc.	121,472	5,186	3,274	11,257	27,255

5. Employees

(1) Status of the Group

(As of March 31, 2025)

Name of segment	Number of employees (Persons)			Change from end of previous period (Persons)
	Domestic	Overseas	Total	
Processed foods	1,942 (1,908)	8,183 (－)	10,125 (1,908)	183 (69)
Marine products	153 (24)	591 (－)	744 (24)	54 (△16)
Meat and poultry products	397 (57)	― (－)	397 (57)	△6 (△17)
Logistics	3,010 (434)	1,916 (－)	4,926 (434)	33 (△117)
Real estate	15 (1)	― (－)	15 (1)	2 (－)
Other	179 (27)	11 (－)	190 (27)	△19 (△2)
Corporate (common)	229 (5)	― (－)	229 (5)	△6 (－)
Total	5,925 (2,456)	10,701 (－)	16,626 (2,456)	241 (△83)

(Notes)

1. "Number of employees" refers to the number of employees, excluding those seconded from the group companies to outside the Group and including those seconded from outside the Group to the group companies.
2. Figures in parentheses under "Number of employees" are the annual average number of temporary employees (including part-time employees and excluding temporary staff) not included in the above figures.
3. Number of employees listed in "Corporate (common)" is the number of employees belonging to the planning and administrative department and quality assurance department that cannot be classified into other segments.

(2) Status of Filing Company

(As of March 31, 2025)

Number of employees (Persons)	Average age (Years)	Average years of service (Years)	Average annual salary (Yen)
235	45.6	18.1	7,434,707

Name of segment	Number of employees (Persons)
Real estate	6
Corporate (common)	229
Total	235

(Notes)

1. "Number of employees" refers to the number of employees, excluding those seconded from the Company to outside the Company and including those seconded from outside the Company to the Company.
2. "Average annual salary" includes bonuses and extra wages.
3. Number of employees listed in "Corporate (common)" is the number of employees belonging to the planning and administrative department and quality assurance department that cannot be classified into other segments.

(3) Status of Labor Unions

There is nothing special to be noted regarding labor-management relations.

(4) Percentage of Women workers in Management positions, Percentage of Men workers taking Childcare leave, and Pay gap between Men and Women workers

① Filing company

Current fiscal year				
Percentage of women workers in management positions (%) (Note1)	Percentage of men workers taking childcare leave (%) (Note2,3)	Pay gap between men and women workers (%) (Note1)		
		All workers	Regular workers	Non-regular workers
27.1	100.0	72.1	75.4	47.3

② Consolidated subsidiaries

Current fiscal year					
Name	Percentage of women workers in management positions (%) (Note1)	Percentage of men workers taking childcare leave (%) (Note2, 3)	Pay gap between men and women workers (%) (Note1)		
			All workers	Regular workers	Non-regular workers
Nichirei Foods Inc.	6.6	100.0	62.8	75.6	77.9
Nichirei Fresh Inc.	4.3	100.0	73.6	73.7	66.9
Nichirei Logistics Group Inc.	13.0	100.0	79.6	81.5	46.8
Nichirei Biosciences Inc.	25.0	100.0	64.3	87.6	56.8
Logistics Network Inc.	4.2	136.4	76.7	77.7	58.7
Nichirei Logistics Tokai, Inc.	11.1	100.0	77.7	80.6	70.4
Nichirei Logistics Kansai, Inc.	7.1	125.0	76.0	74.1	76.2
Nichirei Logistics Chushikoku, Inc.	0.0	100.0	79.7	79.7	57.9
Nichirei Logistics Kyushu, Inc.	0.0	100.0	76.5	76.2	67.3
Nichirei Logistics Engineering Inc.	0.0	100.0	78.1	76.8	—
Kyurei Inc.	18.2	100.0	71.9	80.6	89.5
NK Trans Inc.	0.0	(Note4)	85.6	89.9	55.9
Nagoya Nichirei Service Inc.	(Note5)	(Note5)	75.0	77.7	69.5
Kyushu Nichirei Service Inc.	0.0	100.0	71.6	71.1	71.1

(Notes)

1. The percentage is calculated in accordance with the provisions of the "Act on the Promotion of Women's Active Engagement in Professional Life" (Act No. 64, 2015).
2. The percentage represents the percentage of childcare leave and time off for childcare purposes stipulated in Article 71-6, item 2 of the "Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Ordinance of Ministry of Labor No. 25, 1991) based on the provisions of the "Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Act No. 76, 1991).
3. The ratio is calculated by dividing the number of employees who took childcare leave during the fiscal year by the number of employees whose spouses gave birth during the same fiscal year.
   Please note that since some employees whose spouses gave birth in previous fiscal years may take childcare leave during the current fiscal year, the ratio may exceed 100%.
4. The number of employees whose spouses gave birth during the fiscal year was zero, while the number of employees who took childcare leave during the same fiscal year was one.
5. Omitted as it is not publicly disclosed.

③ Supplementary explanation of pay gap between men and women workers (common to all Nichirei Group companies)

Although there is no difference in the wage system by gender in all employment types, there is a pay gap. Therefore, the Group has analyzed the gap by each employment category.

(a) Regular workers

The analysis of regular workers showed that pay gap was small among ordinary employees and large among those in management positions. We understand it is because of the smaller number of women in management positions compared to men.

The Group has established "Securing and Developing a Diverse of Human Resources" as one of the Group's material matters (materiality) and has also set DE&I (Diversity, Equity and Inclusion) as one of the strategies in our human resources strategy (*).

To promote the active participation of women, we have launched a cross-group Women's Empowerment Project. The project is advancing initiatives such as resolving issues related to women's advancement from on-site perspectives by project members and providing training for prospective women managers, with the aim of systematically increasing the number of women in managerial positions. As a result, the number of women employees appointed to managerial roles is increasing. Going forward, continued efforts to promote women's participation are expected to contribute to narrowing the wage gap.

(*) For more detailed information, please refer to "II. Business Overview, 2. Approach and Initiatives Concerning Sustainability (4) Strategies, Indicators and Targets by Theme ④ Human capital."

(b) Non-regular workers

As for the gap among non-regular workers, women are more likely to be contract workers or part-time workers, while men are more likely to be rehired after retirement or other non-regular workers, and these differences in contract types are reflected in the gap in non-regular workers.

In addition, as mentioned earlier, there is no difference in the wage system by gender for each employment type. However, for example, among part-time workers, men tend to work full-time while women tend to work shorter hours, resulting in a pay gap due to working hours.

④ Supplementary explanation of percentage of men workers taking childcare leave (common to all Nichirei Group companies)

As a foundation for women's active engagement, we have set a target value for childcare leave and other related programs as "Men taking 1 month or more: 50% (*)" starting from October FY2026, and we aim to achieve this by FY 2028.

With the aim of expanding opportunities for women to actively participate in the workplace by encouraging men to take part in childcare, thereby realizing work-life balance for both men and women during the child-rearing period, labor and management are working together to promote the use of childcare leave and other related programs by men. Specifically, in addition to confirming the intentions to take childcare leave with men workers, interviews are conducted with those who have not yet taken the leave.

(*) "Childcare leave and other related programs": Congratulatory and condolence leave (wife's childbirth), Accumulated annual paid leave (transfer of childcare leave)

II. Business Overview

1. Management Policy, Business Environment and Issues to be Addressed

The management policy, business environment, and issues to be addressed by the Group are as follows.

Forward-looking statements in the following section are based on the judgment of the Group as of the end of the current consolidated fiscal year.

(1) Management Policy

[Mission]

Focus on Lifestyles, and Provide True Satisfaction

[Vision]

We will continue to support good eating habits and health by leveraging our state-of-the-art manufacturing practices that optimize nature's bounty, along with our leading-edge logistics services.

[Guiding Principles]

① Prioritize customers, safety, and quality

The cornerstone of our business activities involves putting customers first and earning their long-lasting trust by ensuring safe, high-quality products and services, and safety at every stage of our operations.

② Ethical operations

We are committed to ensuring fair competition.

Unethical practices make it difficult to do business and can threaten the Group's existence, given the time needed to regain trust once it has been lost.

③ Transparent management

Our operations are transparent and we are beholden to our stakeholders to accurately and impartially disclose management-related information in order to enhance our corporate value and continue to earn stakeholders' trust.

④ Sustainable communities

As a food-and health-related enterprise, we strive to help communities deal with issues they face by understanding their members' livelihoods and future prospects.

We aim to make communities more sustainable by ensuring our business initiatives reflect their economic, social, and environmental situation.

⑤ Value creation

We will continue to create new value by drawing from our open, innovative organizational culture and business practices.

[Nichirei Group Sustainability Policy]

The Group is committed to resolve social issues and create new value through its business activities, which include the procurement, production, logistics and sale of food, while considering the impact of those activities on the global environment and local communities and respect for human rights. We publicly disclose the details of these activities to promote stakeholder dialogue and increase transparency. Furthermore, we work to create more sustainable communities by fulfilling our responsibilities as a company that supports good eating habits and health.

Sustainability Policy: The Nichirei Pledge - Making Our Communities More Sustainable -

Creating new value	We constantly strive to create new products and services, while pursuing business activities that help solve issues faced by our customers and communities.
Safe, high-quality products and services	We continuously work to earn the trust of our customers and communities by meeting diverse demands as well as offering safe, stable, and high-quality supply.
Sustainable supply chain and circular economy	We aim to realize an ethical and sustainable supply chain as well as a circular economy by building enduring and positive partnerships, while considering the environment, human rights and working conditions.
Climate change initiatives and biodiversity conservation	We strive to preserve the global environment and biodiversity by reducing greenhouse gas emissions and managing food and water resources appropriately.
Cooperative relationship with communities	We work to develop our communities and resolve social issues as a responsible corporate citizen by engaging in dialogue and close cooperation with our stakeholders.
Diversity and decent work	We respect the diversity of our employees, and strive to ensure occupational health and safety, provide fair treatment and opportunities for personal development, and continuously improve the workplace to enable every employee to thrive.
Good corporate governance	We are committed to employing highly transparent and fair management practices through stakeholder dialogue and information disclosure, while striving for appropriate resource allocation and swift management decisions.
Thorough compliance	We engage only in honest corporate activities that comply with the laws and regulations of each country in which we operate, respecting international norms of behavior and ensuring sound corporate ethics.

(2) Medium-term Management Strategies, Target Management Indicators, Business Environment and Issues to be Addressed

① Foundation of Long-Term Management Goal "N-FIT (Nichirei Future Innovative Tactics) 2035"

<Background>

Since its founding in 1945, our group has created numerous innovations in businesses centered on refrigeration technology, contributing to the development of society and the improvement of people's lives. In 2005, we shifted to a holding company structure to accelerate management decision-making and business development, and in 2019, we formulated our long-term management goal, "Vision for 2030," to continuously enhance corporate value through a wide range of businesses that support food and health.

However, with rapid social changes on a global scale, the business environment surrounding our group has changed significantly. In Japan, we expect demand for frozen foods to increase due to the growing needs for time-saving solutions and labor shortages associated with the diversification of the household and lifestyles, as well as demand for temperature-controlled logistics as an infrastructure supporting the fields of food. In the long term, however, the Japanese food market is expected to mature due to a declining labor force and changing demographics.

On the other hand, in some regions such as Europe, North America, and ASEAN, needs and expectations for frozen foods and temperature-controlled logistics are predicted to further expand in response to economic growth and lifestyle changes.

Given this situation, in order to establish long-term competitive advantages and support good eating habits and health of people, we have formulated a new long-term management goal, "N-FIT 2035," to strengthen profitability and improve capital efficiency, with FY2026, the 80th anniversary of our founding, as a starting point.

<Vision>

The Nichirei Group supports good eating habits and health of people around the world by "creating exceptional value through food" as well as through "innovative solutions generated from advanced logistics services," earning the trust of all stakeholders both in Japan and overseas.

<Financial Goal>

	Target for 2035	Reference Revised target for 2030
Operating margin	10%	8%
ROIC	10%	9%
Overseas sales ratio	40%	35%
Operating profit CAGR *Compared to the actual results for the fiscal year ended March 31, 2025	8% or higher	—

<Group Long-term Business Strategy>

– Strengthening Profitability and Improving Capital Efficiency –

- Further realization of competitive advantage and synergies
- Acceleration of overseas business expansion
- Strengthening of our global business foundation
- Reduction of environmental impact to enhance corporate value
- Establishing a business model that contributes to solving social issues

② Medium-Term Business Plan "Compass × Growth 2027"

(a) Review of the previous medium-term business plan "Compass Rose 2024" (FY2023–FY2025)

Under "Compass Rose 2024," the Nichirei Group aimed to enhance both social and economic value by "Pursuing the growth of core businesses and improvement of low-profitability businesses", "Business portfolio management based on Return on Invested Capital (ROIC)", "Creating new value", and "Strengthening our ESG initiatives".

In the processed foods business, we expanded profitability through a combination of focusing on strategic categories, expanding high value-added products, and implementing price revisions in response to rising costs.

In the logistics business, we advanced infrastructure development in consideration of issues such as the Truck Drivers 2024 problem, while also making proactive investments overseas.

In the marine products and meat, and poultry products business, we improved profitability and capital efficiency—previous challenges—by implementing structural reforms.

As a result, the Group's net sales and operating profit reached record highs, and ROIC also exceeded the original target.

	FY 2025 Results	Changes （Compared to Initial Plan）
Net sales	¥702.1 billion	¥42.1 billion
Of which Overseas Sales	¥165.8 billion	¥35.8 billion
Operating Profit	¥38.3 billion	¥1.3 billion
Profit Attributable to Owners of Parent	¥24.7 billion	¥0.2 billion
EBITDA	¥62.6 billion	△ ¥2.4 billion
Amount of Capital Investments （Three-Year Cumulative Total）	¥96.2 billion	△ ¥23.8 billion
ROIC	7.4%	0.4pt

Amid expectations of continued cost increases and a challenging business environment, we recognize the need to strengthen profitability by focusing on areas where we have competitive advantages and leveraging group synergies through each business's strengths. In addition, the expansion of our overseas business remains a key challenge for achieving further growth.

(b) Overview of the new medium-term business plan "Compass × Growth 2027" (FY2026–FY2028)

(i) Group medium-term management strategy

– Strengthening profitability and improving capital efficiency –

1. Deepening areas of competitive advantages and leveraging Group synergies
・Processed chicken products and rice products / Logistics platform for frozen foods
・Integration of food business
2. Overseas business expansion based on regional strategies
・Europe, ASEAN, and North America
3. Promotion of human capital management and developing global governance, etc.
・Securing and developing human resources / Employee engagement
・Establishment of regional supervisory function

"Compass × Growth 2027" express the Nichirei Group's desire to achieve growth as an indispensable presence in society by enhancing social and economic value, which was addressed in the previous medium-term business plan, "Compass Rose 2024," toward the realization of the new long-term management goal, "N-FIT 2035,".

(ii) Group-wide consolidated target figures under the new medium-term business plan

	Targets	Changes （Compared to FY2025）
Net sales	¥800.0 billion	¥97.9 billion
Of which Overseas Sales ratio	30%	6.4pt
Operating Profit	¥56.0 billion	¥17.7 billion
Profit Attributable to Owners of Parent	¥38.0 billion	¥13.3 billion
EPS	¥151.7	¥54.3
EBITDA	¥83.5 billion	¥20.9 billion
ROIC	8% or more	—
ROE	10% or more	—

(c) Financial strategy

Funds obtained through operating cash flow and debt financing will be allocated in the following order to maintain and enhance corporate value: organic growth, shareholder returns, and inorganic growth.

With regard to shareholder returns, we aim to maximize shareholder value by implementing a progressive dividend policy with a minimum consolidated dividend on equity ratio (DOE) of 4.0%, and by conducting share buybacks as a flexible means of shareholder return, taking into consideration capital efficiency and market environment.

While we target a debt-to-equity (D/E) ratio of approximately 0.5x to ensure financial soundness and capital efficiency, we will actively utilize leverage and debt if strategic investments for inorganic growth become necessary.

(d) Target figures and business strategy by segment

<Target Figures>

Segment	Net sales	Operating profit
Foods Business	¥445.0 billion	¥28.7 billion
Of which Processed Foods Business	¥365.0 billion	¥26.3 billion
Of which Marine Products Business	¥38.0 billion	¥1.3 billion
Of which Meat and Poultry Products	¥45.3 billion	¥1.2 billion
Of which Adjustment	△ ¥3.3 billion	¥0.0 billion
Logistics Business	¥312.0 billion	¥22.6 billion
Real Estate Business	¥5.0 billion	¥2.0 billion
Other	¥58.3 billion	¥4.6 billion
Adjustment	△ ¥20.2 billion	△ ¥1.9 billion
Total	¥800.0 billion	¥56.0 billion

< Strategies by Business Segment>

■ Foods business (processed foods business and marine, meat and poultry products business)

- Accelerate the establishment of a structure for procurement and sales functions to leverage group synergies through the integration of the processed foods business and the marine, meat and poultry products business
- [Domestic] Concentrate resources in strategic categories and restructure the sales composition by business type
- [Overseas] Strengthen the foundation of existing businesses and create inorganic growth opportunities

■ Logistics business

- [Domestic] Develop a business infrastructure and strengthen profitability for the next generation
- [Overseas] Take steps toward sustainable growth of the European business and rapid growth of the ASEAN business

■ Bioscience business

- Strengthen the development of reagents in the growing molecular diagnostics business and expand global sales
- Enhance product competitiveness of infectious disease antigen test kits and establish a production system for stable supply

2. Approach and Initiatives Concerning Sustainability

The Group's approach and initiatives concerning sustainability are as follows.

Forward-looking statements in the following section are based on the judgment of the Group as of end of the current consolidated fiscal year.

(1) Overall Sustainability

Nichirei Group operates globally, with procurement, production, distribution, and sales of foods as its main business areas. As stated in our Vision "We will continue to support good eating habits and health by leveraging our state-of-the-art manufacturing practices that optimize nature's bounty, along with our leading-edge logistics services," "Food" is a bounty of the earth, and it is fundamental to our management to pursue sustainability in order that future generations can be blessed the same bounty as today. In our actions to achieve a sustainable society, we believe that solving various sustainability-related challenges through our business activities will directly lead to corporate growth. Recognizing the impact of our business activities on various stakeholders, the environment and society, we will practice sustainability-focused management based on our sustainability policy, "The Nichirei Pledge," and aim to achieve both economic and social value.

In order to realize our long-term management goal "Vision for 2030," we have identified five material matters (materiality) for the Group, including responding to climate change and building a sustainable supply chain, in 2020. In the process of identifying material matters, we specified stakeholders and extracted social issues (risks and opportunities). We then assessed materiality from the perspective of both issues that will achieve business growth and issues that will prevent damage to corporate value and finalized the issues after categorizing and integrating them. All executives, including outside directors, participated in this identification process, and opinions from outside experts were reflected in the results.

The long-term management goal "N-FIT 2035," formulated in May 2025, also carry forward the concept of materiality, and each of the five materiality has its own group targets (measures and KPI). The medium-term business plan "Compass × Growth 2027" is positioned as a period for deepening sustainability management toward 2035, and business-specific targets are set along with Group targets to integrate the business strategy and sustainability strategy.

(2) Governance

The Group established a Group Sustainability Committee to formulate entire sustainability strategies and manage the progress of materiality. The committee is chaired by the representative director and president of the Company, with the Sustainability Strategy Division as the secretariat under the supervision of the executive officer in charge of sustainability. The committee members include all executives, including outside directors and outside Audit & Supervisory Board members, and personnels from the strategic planning department and the sustainability department of operating companies. Risks and opportunities, strategies, targets, and other information related to sustainability are discussed and examined at the committee, and the executive officer in charge reports to the Board of Directors, revising strategies, targets, and plans as appropriate. The content of the climate change scenario analysis, which has been conducted since 2019, is also discussed at the committee (*) and leads to its disclosure.

Regarding human capital, the Group has identified "Securing and developing a diverse array of human resources" as one of its materiality, which is discussed and examined at the Group Human Resources Committee, an advisory body to the president. Risks and opportunities, strategies, and targets related to human capital are reported to the Board of Directors by the executive officer in charge, and strategies, targets, and plans are reviewed as appropriate.

In the remuneration system for directors (and other officers), in order to appropriately manage ESG-related risks and opportunities and strengthen our response to climate change, corporate ESG evaluations were introduced as an evaluation indicator for performance-linked remuneration, thereby enhancing our response to issues surrounding sustainability.

(*) Group Environmental Protection Committee before FY2022

Group Sustainability Committee Activities in FY2025

Number of meetings	Four (4) times
Main agenda items	● CO_2 emission reduction targets and CO_2 emissions monitoring in the next medium-term business plan to achieve Carbon Neutrality in 2050 ● Update of climate change scenario analysis and assessment of financial impacts ● TCFD disclosures in the Integrated Report for FY2025 ● Supply chain management to achieve sustainable procurement (Conduct supplier ESG surveys, Human rights due diligence, Introduction of a grievance mechanism etc.) ● Compliance with Sustainability Disclosure System ● Progress toward KPIs for material matters and the next-medium targets

(3) Risk Management

Various risks associated with the Group's business activities are managed from an overall perspective in a rational and most appropriate department and method, and are discussed and examined at the Group Risk Management Committee, which is chaired by the representative director and president. Risks and opportunities related to ESG and sustainability are managed and discussed at the Group Sustainability Committee. At the committee, the Company's sustainability department, together with the strategic planning department and the sustainability department of operating companies, identifies themes related to ESG-related issues, risks, and opportunities that are important to our group, and the most important themes are discussed at the committee. In particular, risks associated with climate change scenarios are positioned as one of the key risks, and responses to business risks and opportunities obtained through scenario analysis are discussed and managed by the committee.

Risks and opportunities related to human capital are managed and specifically discussed by the Group Human Resources Committee. At the committee, the Company's human resources department, together with the human resources departments of operating companies, identifies themes related to human resources related risks and opportunities that are important to our group, and the most important themes are discussed at the committee.

(4) Strategies, Indicators and Targets by Theme

① Climate change

In June 2020, the Company expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and announced its participation in the "TCFD Consortium." The Group has positioned climate change initiatives as one of the material matters, and we are actively promoting initiatives to help resolve social issues related to climate change.

In addition to appropriately responding to risks posed by shifts in the external environment caused by climate change, we will consider several scenarios anticipating new business opportunities and conduct proper disclosure.

(a) Strategy

(FY2021)

We assessed the significance of risks and opportunities of the entire Group based on two climate change scenarios, and identified "overall low-carbon policy (CO_2 emissions reduction)" as the most important risk common to the Group. We set a long-term target for CO_2 emissions reduction and launched initiatives.

■Material Risks and Opportunities by Business and Scenarios Identified in FY2021

Business		Risks		
Foods Business	Chicken	Baseline scenario	General abnormal weather	• Soaring prices due to shrinking agricultural production • Deterioration in the quality of raw materials • Difficulty in obtaining raw materials and production delays due to logistics network disruptions
	Rice			
	Shrimp		Flooding,rising sea levels	• Reductions in production efficiency and volume and submerged aquafarms
	Vegetables, marine products, and meat and poultry products			• Submerged agriculture farms, aquafarms and processing factories • Difficulty in obtaining raw materials and production delays due to supply chain disruptions
	Common	1.5℃ scenario	Low-carbon policies	• Increased cost for measures for converting to renewable energy and equipment electrification, reduction of emissions
			Environmental countermeasures within the supply chain	• Curtailment of transactions; higher cost of measures such as the maintenance of global certifications
Logistics Business		Baseline scenario	General abnormal weather	• Damage to refrigerated warehouses and logistics centers
				• Difficulty securing human resources in disaster risk areas
		1.5℃ scenario	Low-carbon policies	•Increase of investment in natural refrigerants and opportunity loss caused by the slow adoption of technological platforms such as electrical and low-carbon vehicles

Business		Opportunities	
Foods Business	Baseline scenario	Changes in weather patterns	• Increased demand for frozen and processed foods
	1.5℃ scenario	Strengthening of environmental countermeasures within the supply chain	• Increased demand for ethical products that are compliant with the Sedex platform and are created using globally certified raw materials
			• Increased demand for the curtailment of food loss within the supply chain through the development of eco-friendly products and technological development
		Increased environmental awareness	• Development and expansion of demand for products created using sustainable raw materials
Logistics Business	Baseline scenario	General abnormal weather	• Increase in sales resulting from expanding customer base through strengthened disaster countermeasures and greater resilience
	1.5℃ scenario	Modal Shift	• Cost reduction achieved through a modal shift that improves transportation efficiency
		Increased environmental awareness	• Increase in number of business partners due to higher evaluations as a company that actively discloses information related to environmental countermeasures

(FY2022)

We selected “water risk due to abnormal weather conditions” as a common risk for the food and logistics businesses, and conducted a survey on flood risk and storm surge risk of rivers in our domestic base regions.

For more information, please refer to pages 59 to 61 of the Nichirei Corporation Group Integrated Report 2021.
https://www.nichirei.co.jp/english/ir/library/integrated.html

(FY2023)

The impact of future climate change on yields of rice and chicken, important raw materials in the food business, was investigated. In the case of the progressing global warming scenario, yields of rice were found to increase in the current sourcing areas. Regarding chicken, yields are expected to decrease in some areas due to the predicted future rise in temperature, but the current poultry farms are air-conditioned, so the impact on yields is expected to be minimal.

For more information, please refer to pages 69 to 70 of the Nichirei Corporation Group Integrated Report 2022.
https://www.nichirei.co.jp/english/ir/library/integrated.html

(FY2024)

We conducted a study and analysis on the impact of future climate change on the procurement of shrimp, a key raw material in our food business. Under global warming scenarios, we observed a decline in the survival rate of post-larval (juvenile) shrimp, while also identifying an impact on procurement, such as shorter farming periods due to increased body length in mature shrimp.

For more information, please refer to pages 72 to 73 of the Nichirei Corporation Group Integrated Report 2023.
https://www.nichirei.co.jp/english/ir/library/integrated.html

(FY2025)

We conducted a re-evaluation of scenario analysis and an assessment of financial impacts related to carbon pricing and energy price laws and regulations, which fall under transition risks, among the high-priority scenario-based risks and opportunities identified in FY2021.

For more information, please refer to pages 58 to 59 of the Nichirei Corporation Group Integrated Report 2024.
https://www.nichirei.co.jp/english/ir/library/integrated.html

■ Efforts to reduce CO_2 emissions

The Group is actively introducing renewable energy in order to achieve its long-term targets of CO_2 emission reduction.

- Installation of on-site solar power generation equipment
- Promotion of renewable energy power supply through off-site PPAs
- Switching to CO_2-free electricity plans offered by power companies

・Utilization of Tradable Green Certificates and Non-Fossil Certificates

■ Efforts to eliminate CFCs (Chlorofluorocarbons)

Switching to natural refrigerants

By 2030, 100% of the freezers at domestic production facilities (self-operated food factories and invested factories) of the processed foods business and 80% (facilities on a tonnage basis, excluding lease) of those of the logistics business, including overseas sites, will be switched to natural refrigerants.

(b) Indicators and targets

■ CO_2 emissions reduction targets

	FY2025 Results	FY2026 Target	FY2031 Target
Domestic/Oversea Scope 1, 2 (Compared with FY2023)	△9%	△16%	△42%
Domestic/Oversea Scope 3 (Compared with FY2023)	—	—	△25%

<FY2025 CO_2 emissions results (Scope 1, 2)>

Domestic CO_2 emissions 173 thousand tons

Overseas CO_2 emissions 142 thousand tons

② Biodiversity

The Group is engaged in a wide variety of businesses globally, centered on "food," and our business is dependent on the blessings of the Earth generated from biodiversity, including agricultural, livestock, and marine resources. Recognizing various impacts on this planet by our business activities, while we rely heavily on natural capital and ecosystem services, which are the blessings of the Earth, we are committed to the conservation of biodiversity and sustainable use of natural capital.

In March 2024, the Company endorsed the philosophy of the Taskforce on Nature-related Financial Disclosures (TNFD) and joined the TNFD Forum to support its activities. Based on the TNFD framework, we will continue to organize the relationship between our business and natural capital, as well as risks and opportunities, and promote appropriate measures in our business activities, as well as appropriate disclosure of information on natural capital.

(a) Strategy

(FY2024)

In light of the dependence on natural capital and significance of the impact, in order to understand the risks and opportunities for our business, we conducted an assessment using the TNFD framework for managing and disclosing nature-related dependencies, impacts, risks and opportunities. Based on the assessment results, we identified "water resources" as the most important risk common to the Group, and started specific initiatives for sites with high water stress ahead of others. We will continue our efforts to conserve and restore biodiversity, including from the perspectives of "water resources" and "agricultural, livestock, and marine resources."

(FY2025)

For company-owned sites identified in FY2024 as being under high water stress, we conducted a current status survey and identified key issues.

From the next fiscal year onward, we will move forward with concrete on-site initiatives.

(b) Indicators and targets

We have set biodiversity-related indicators and targets as measures of the Nichirei Group Material Matters (Materiality), "Realizing sustainable food procurement and a circular economy."

<Group Measure>

Conserve biodiversity and water resources through ecosystem-friendly business activities

<Group KPI>

- Initiatives to reduce water consumption at sites with high water stress
- Implementation of biodiversity conservation activities at Nichirei Group's own sites and company-owned land

③ Building a sustainable supply chain

For the Group, whose vision is "manufacturing practices that optimize nature's bounty" we recognize that sustainable food procurement with consideration of the environment and human rights is fundamental to our business and directly linked to the provision of customer value and the growth of our Group. To build a sustainable supply chain, we will establish long-term relationships of trust for mutual development with suppliers who create value together.

(a) Strategy

We are promoting initiatives based on the "Nichirei Group Sustainable Procurement Policy" and the "Nichirei Group Supplier Code of Conduct and Guidelines" for suppliers.

"Realizing sustainable food procurement and a circular economy" has been set as one of the materiality, the holding company and operating companies each have their own targets, which are discussed and examined at the Group Sustainability Committee while making efforts to disclose them appropriately.

■ Initiatives toward sustainable procurement

・Conducting in-house education on human rights, sustainability study sessions for executives and training courses on sustainable procurement for procurement staff.
・Conducting procurement policy briefing sessions for suppliers, promoting awareness and endorsement of the Supplier Code of Conduct and Guidelines among suppliers, and conducting ESG surveys.
・Initiative for human rights due diligence with domestic and overseas suppliers.
・Expanding the use of the Sustainability Platform (Sedex (*1)) in the processed foods business.
・Operating the Sustainable Marine Product Procurement Guidelines, expanding the handling of MSC- and ASC-certified marine products in the marine products business.
・Undertaking our unique activities ("*Inochi-no-Mori-Project*", "*Inochi-no-Umi-Project*", etc.) aimed at improving local ecosystems and maintaining and conserving marine resources.
・Operating the Sustainable Palm Oil Procurement Guidelines, Purchasing RSPO (*2) certified oil credits (via the book-and-claim method)
・Conducting the poultry farming business with a recycling-oriented agricultural and livestock farming.

(*1) Supplier Ethical Data Exchange: a non-profit organization established in the UK in 2004 to provide a platform for managing and sharing corporate ethical information with the aim of realizing responsible business practices in the supply chain.
(*2) Roundtable on Sustainable Palm Oil: Roundtable for the sustainable palm oil.

(b) Indicators and targets

The Group has set materiality indicators and targets and is working to achieve them.

For details, please refer to "Nichirei Group Material Matters (Materiality) (KPI)" in "1. Management Policy, Business Environment and Issues to be Addressed (2) Medium-term Management Strategies, Target Management Indicators, Business Environment and Issues to be Addressed."

④ Human capital

Based on the sustainability policy, in order to realize the "Vision for 2030" it is necessary to clarify the foundation regarding human resources, and therefore, we established the Nichirei Group's philosophy regarding human resources and a human resources policy based on this concept.

■ Philosophy regarding human resources

"Human resources are the most important asset for realizing our sustainability policy."

■ The Group Human Resources Policies

1. Encourage empathy; use business to resolve social issues
   Develop proactive human resources by aligning employee aspirations with the Group's targeted social impact, based on the idea that food connects people.
2. Generate value by linking knowledge, digital technologies
   Create an organization that contributes to good eating habits and health by incorporating a range of perspectives, as well as using data and digital technologies in response to environmental change.
3. Cultivate a safe, secure corporate culture to tackle challenges
   Communicate work-related ideas, develop mutual trust, and cultivate a corporate culture that can tackle challenges without fear of failure.

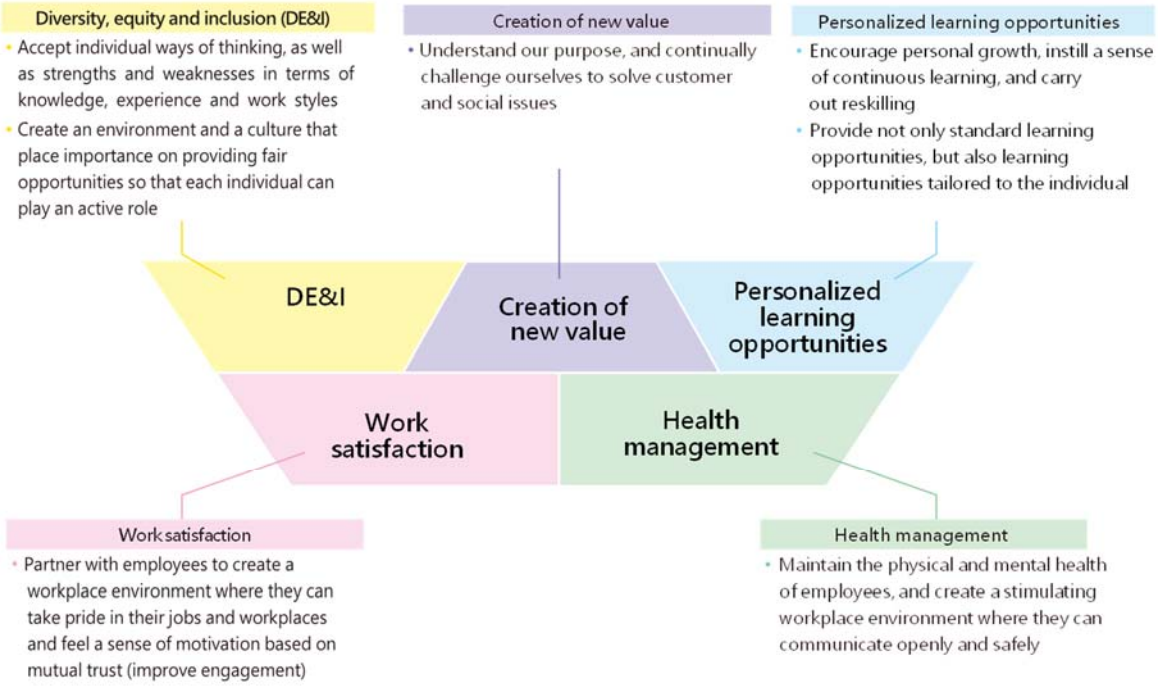
The Newly formulated long-term management goal "N-Fit 2035" also carries forward our philosophy on human resources and the human resource policy based on this concept. We are advancing specific initiatives to achieve the Five Material Matters (Materiality).

(a) Strategy

We have set forth 5 human resources strategies as concrete steps to implement the human resources policy. First, based on the belief that the most important prerequisite for business promotion is for employees to work vigorously, we have established "Work satisfaction" and "Health management" as the foundation of our human resources policy, and then we have set forth strategies to enhance corporate value: "DE&I (Diversity, Equity, and Inclusion)," "Creation of new value," and "Personalized learning opportunities."

We will implement these human resource strategies as one that both solves management issues and realizes the ideal human resources and organization, we aim for.

■ Human Resources Strategies (5 Perspectives to Help Bridge the Gap between the Ideal Situation and Now)



(b) Indicators and Targets

In order to steadily promote the aforementioned 5 human resources strategies, we have established 8 themes related to human resources at the Company and major domestic subsidiaries.

(i) Improving employee performance by maintenance and promotion of health

As we support good eating habits and health, we promote measures that enable our employees to always work vigorously and in good physical and mental health, regardless of their age or gender, while enhancing the well-being of our customers and local communities. To reduce absenteeism and presenteeism leading to declining employee performance, we make enhancements to our occupational health systems, conduct health literacy education, and provide support for balancing medical treatment and work. In recognition of these efforts, we were recognized as “the Health & Productivity Stock Selection 2025” and the 2025 Certified Health and Productivity Management Organization Recognition Program in the large enterprise category (White 500).

	FY2025 Results	FY2028 Target	FY2031 Target
Absenteeism (*1)	3.3 days	2.6 days	1 day
Presenteeism (*2)	79%	85%	90%

(*1) Lost workdays due to poor physical or mental health.
(*2) Performance level with various initiatives in place, compared to the health state performance level set at 100%.

(ii) Strengthen the relationship of mutual trust between the company and employees

In order to realize our “N-FIT 2035,” we believe that the key issue is to improve the relationship of mutual trust and engagement between the company and employees. Using the results of engagement surveys as a starting point, action plans are formulated by the company and department unit, and initiatives are proceeded by both management and front-line workers.

	FY2025 Results	FY2028 Target	FY2031 Target
Employee Engagement Score	69pt	75pt	80pt

(iii) Provide opportunities for women employees and realize their active engagement

In response to the increase in the ratio of women employees in management and executive positions and the diversification of work values, we are implementing various initiatives to create opportunities for women employees to play an active role regardless of their attributes,

In FY2025, the Diversity management division established with in the holding company is currently focusing on “promoting understanding and awareness of diversity” and “promoting women’s active engagement” in collaboration with each operating company. Initiatives include diversity seminars for executives of major domestic group companies, cross-group projects to promote women’s active engagement, and practical leadership training programs.

For securing and developing a diverse of human resources, we will continue to promote initiatives that address on-site

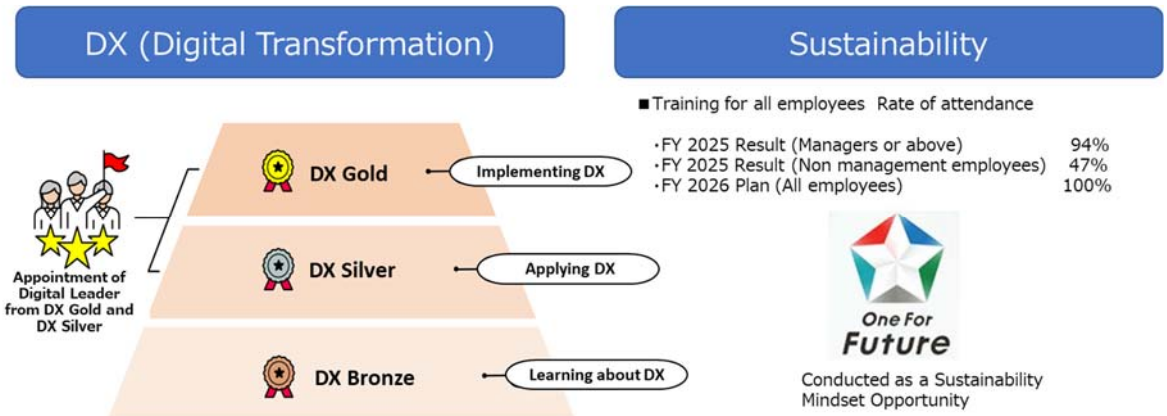
challenges.

	FY2025 Results	FY2028 Target	FY2031 Target
Ratio of women directors and Audit & Supervisory Board members*1	18.8%	18.8%	30.0% or higher
Ratio of women in management positions*2	7.5%	15.9%	30.0%

*1: Ratio of Nichirei Corporation (holding company) only
*2: Ratio of Major Domestic Group Companies

(iv) Develop human resources to support overseas business promotion
Since the expansion of overseas business is essential for achieving our management goals, we are taking initiative to shift management resources to overseas businesses and to secure and develop human resources responsible for governance and business execution. We identify the necessary skills and experience, and provide opportunities to acquire skills such as cross-cultural understanding, group-wide language training programs, career paths including overseas business experience, and short-term experience at overseas bases. In addition, we have been continuously recruiting foreign students who are new graduates to join the company in FY2026.

(v) Educational practices related to digital and sustainability
Digital and sustainability initiatives are essential to meet the needs of the new era and society. For this purpose, we are providing training opportunities for all employees to raise their understanding of digital and sustainability. In addition, we have introduced a certification system to promote digital initiatives and are working to increase the number of certified employees.



(vi) Provide independent learning opportunities and practices
While the Group provides opportunities for necessary skills and experience, it is also essential for employees to learn independently. In addition to mandatory e-learning education, we will expand our correspondence courses offerings for voluntary learning, developing human resources working abroad and digital-related training opportunities.

	FY2025 Results	FY2028 Target	FY2031 Target
Group investment in human resources	¥1.1 billion	¥1.6 billion	¥2.0 billion

(vii) Obtain new perspectives from inside and outside the Group
In order to revitalize the organization and promote the acquisition of new knowledge, it is essential to have the exchange of human resources and knowledge within and outside the Group. We are working on the collaboration of human resources among the Group through an in-house job posting and in-house sideline system, and the systematic recruitment of career workers.

(viii) Compliance with laws and regulations and maintenance of a safe and secure working environment
In addition to compliance with laws and regulations, we are working with labor and management to maintain and improve workplace environments and systems that allow employees to work safe and secure, through such means as cooperative labor-management consultation meetings, education on occupational-related accidents, and awareness and exchange of opinions at the Health and Safety Committee meetings.

- Nichirei Group Material Matters (Materiality)

Group Material Matters (Materiality)		Vision for 2030	Group Measures
Creating new value in food and health	Create new markets and customer value by taking on challenges outside existing areas in both food and health	Discovering the potential of materials and cooling power to contribute to the future of the Earth and people's mental and physical health through food	Allocate resources to R&D to investigate health, the global environment and diversifying customer value, as well as to marketing
			Develop products and services and convey information to address people's mental and physical health and the global environment
			Establish mechanisms to create and cultivate value in new fields and conduct innovation activities
Strengthening food processing and production technology capabilities; enhancing logistics services	Further refine core competencies in food processing, production and logistics to resolve social issues and improve profitability through competitive advantages in global markets	Ability to generate cash improved by concentrating management resources on core businesses	Promote capacity expansion, work process innovation, reduction of environmental impact and development of business foundations through proactive capital expenditures in the processed foods and logistics businesses
		Overseas business has become a new pillar of earnings	Accelerate overseas expansion by securing and training globally capable human resources, cultivating partner companies, conducting M&As and other means
Realizing sustainable food procurement and a circular economy	Resolve various social issues related to the supply chain, which is the foundation of our business, and contribute to sustainable food procurement and the realization of a circular economy	Deepening dialogue with suppliers and partner companies based on the Nichirei Group Supplier Code of Conduct and Supplier Guidelines, enabling the co-creation of a sustainable supply chain.	Establish a supply chain with consideration for human rights and the environment and conduct due diligence
		Promoting a circular economy by creating new business models	Work to conduct sustainable resource procurement and help to realize a circular economy
		Improving resilience of biodiversity and water resources through an understanding of natural capital risks	Conserve biodiversity and water resources through ecosystem-friendly business activities
Climate change initiatives	As a food and logistics company that is greatly affected by climate change, we will work with stakeholders to counter global warming and reduce energy consumption throughout the supply chain	Efforts underway to reduce CO_2 emissions both inside and outside the Group toward the goal of becoming carbon neutral by 2050	Reduce CO_2 emissions of production on a per-unit basis and utilize renewable energy at food factories and logistics centers, and disclose information based on the TCFD recommendations
		Elimination of CFCs progressing at production and logistics facilities as a global warming countermeasure	Replace all refrigerants used in freezing and refrigerating equipment in Japan with natural refrigerants
			Switch to natural refrigerants overseas as necessary, based on on-site confirmations
Securing and developing a diverse array of human resources	Secure and develop a diverse human resources and foster an inclusive corporate culture to achieve sustainable growth	Diverse human resources with various characteristics and skills, maximizing their potential to improve their job satisfaction and support the sustainable growth of the Group	Monitor the effectiveness of the initiatives Conduct a Group-wide engagement survey to monitor the effectiveness of measures
			Establish a personnel system that enables Group employees to choose work styles according to their career outlook and contributes to productivity improvement
			Establish and provide support for application of rules
			Promote communication activities and impartially provide learning opportunities in order to create a work environment and corporate culture in which employees are healthy, lively and satisfied with their jobs

※1 On February 18, 2025, the Group Board of Directors revised Vision for 2030 for supply chain management.

Nichirei Group Material Matters (Materiality) (KPI)

Group Material Matters (Materiality)	Group Targets (KPIs)	FY2025 Results	FY2026 Targets	FY2031 Targets
Creating new value in food and health	Sales of products and services that create added value for people's mental and physical health and the global environment	¥64.0 billion	¥64.0 billion	¥140.0 billion
	Number of information provided for consumers and external parties (total number of people per year)	165 million	170 million	200 million or higher
Strengthening food processing and production technology capabilities; enhancing logistics services	EBITDA margin	8.9%	9.7%	12.0%
	EBITDA CAGR	6.0% *1	6.6% *1	7% or higher *1
	Overseas sales ratio	23.6%	24.9%	35.0%
Realizing sustainable Food procurement and a circular economy	Deepening dialogue with suppliers and partner companies based on the Nichirei Group Supplier Code of Conduct and Supplier and strengthening collaboration. *2	98% Support rate (main domestic and overseas suppliers and OEMs)	Review of the supplier list and ESG questionnaire items	100% implementation rate of communication with main suppliers and OEMs rate *2
	Rate of implementation of ESG due diligence for main raw materials and major suppliers	Domestic meat and poultry and marine products 72% (main suppliers and OEMs)	Overseas 60% (main suppliers and OEMs)	100%
	Rate of attendance for the SDGs educational program aimed at realizing a circular economy	94% (managers or above)	100% (all employees)	100% (all employees)
	Rate of waste recycling at all sites	99%	99%	99%
	Procurement ratio of sustainable marine products complying with the Nichirei Group Sustainable Marine Product Procurement Guidelines in marine products business	99%	99%	100%
	Ratio of marine products in the above from fisheries with MSC, ASC, or other global certification	32%	34%	50%
	Ratio of sustainable palm oil (RSPO certified oil)	100% (Book and Claim)	100% (Book and Claim)	100% (Certified oil)
	Initiatives to reduce water consumption at sites with high water stress	Conducted an assessment of nature-related risks and opportunities in accordance with TNFD and identified high-priority risks and opportunities related to water resources, raw materials, and other key factors	Fact-finding survey of company-owned sites with high water stress	Promote water conservation activities by working to reduce water consumption at high-risk sites
	Implementation of biodiversity conservation activities at Nichirei Group's own sites and company-owned land		Biodiversity fact-finding survey at company-owned sites (terrestrial ecosystems)	Engage in biodiversity restoration activities, including the preservation of plant and animal species at the company's sites
Climate change initiatives	CO_2 emissions: Domestic/Overseas Scope1,2 — Compared with FY2023	△9%	△16%	△42%
	CO_2 emissions: Domestic/Overseas Scope3 — Compared with FY2023	—	—	△25%
	Rate of conversion to natural refrigerants: Production equipment (Japan)	71%	80%	100%
	Rate of conversion to natural refrigerants: Logistics (Global)	61%	64%	80% *3
Securing and developing a diverse array of human resources	Employee Engagement Score	69pt	71pt	80pt
	Ratio of women directors and women Audit & Supervisory Board members (Holding Company)	18.8%	18.8%	30% or higher
	Ratio of women in management position in the Group (Major Domestic Companies) *4	7.5%	9.5%	30%
	Investment in human resources	¥1.1 billion	¥1.3 billion	¥2.0 billion

*1 FY2025 and FY 2026 figures are CAGR based on FY2022. FY2031 figure is CAGR for FY2026-FY2031.
*2 The Group's targets and KPIs related to supply chain management were revised at the Board of Directors meeting held on February 18, 2025.
*3 At the Board of Directors meeting held on February 18, 2025, the 2030 target for the natural refrigerant conversion rate (Logistics) was revised from 75% to 80%.
*4 At the Board of Directors meeting held on October 15, 2024, the scope of the target for the percentage of women in management position was changed from the holding company only to the Group (Major Domestic Companies).

Details of KPI of Materiality are disclosed on the Company's website.

3. Business and Other Risks

The following is a list of major risks that management recognizes as having the potential to materially affect the financial position, operating results, and cash flows of the consolidated companies, among the matters related to business overview and financial information, etc., as described in the Annual Securities Report.

Forward-looking statements in the following section are based on the judgment of the Group as of end of the current consolidated fiscal year.

(1) Economic Conditions and Business Environment

<Risk>

In the domestic market, new demand is expected to be generated by such factors as the growing time-saving needs and the trend toward diversification of consumption patterns driven by changes in household composition and lifestyles. At the same time, however, there are concerns that total demand will shrink over the long-term as the population declines on a full scale. In overseas markets, we expect to see an expansion of various food- and health-related needs that differ from region to region, backed by economic growth and changes in the business environment. In addition, social expectations and demands on companies are becoming even more diverse and sophisticated in order to realize a sustainable society.

<Countermeasures and Initiatives>

In response to these changes in the environment, our group aims to contribute to people's good eating habits and health by creating new value that solves the issues faced by our customers and communities through innovation in a wide range of businesses that support food and health.

(2) Food Quality Problems

<Risks>

The Group manufactures and sells food products, and quality problems related to food products may occur, including exceedances of hygiene standards and standards for residues of agricultural chemicals and veterinary drugs, contamination by foreign or toxic substances, inadequate labeling of allergenic substances and environmental pollutants (PFAS).

In the event that quality problems occur with products sold by our Group (including cases caused by raw materials used), we will take appropriate measures based on a comprehensive assessment of the hazardousness and diffusion of the problem. However, a large-scale recall of the products beyond our expectations could damage our Group's social credibility and have a significant impact on our business performance.

In addition, a serious quality problem with a food product outside of our Group could also hinder the stable procurement and sales of merchandise and raw materials in the processed foods, marine products and meat and poultry products business, and could reduce the utilization rate of logistics centers in the logistics business due to a significant decrease in food product imports.

<Countermeasures and Initiatives>

Aiming to provide reliable products and services to our customers, our Group is striving to maintain and improve a consistent quality assurance system from merchandise development to raw materials procurement, production, inspection system and sales, including the introduction of a food safety management system. We place the highest priority issue on ensuring food "safety and security" through appropriate quality and production control of raw materials and merchandise, establishment of traceability systems, food defense initiatives, and training and proper assignment of personnel.

(3) Securing and Developing a Diverse Array of Human Resources

<Risks>

In order for our Group to achieve sustainable growth, it is important to secure and develop diverse and talented human resources and to maximize their abilities. In Japan, however, the challenge is to respond to the labor shortage caused by the declining birthrate and aging population. If we are unable to secure and develop the necessary human resources as planned due to changes in the employment situation, including labor shortages, or the mobility of human resources, our Group's business operations may be affected.

<Countermeasures and Initiatives>

The Group regards employee engagement as an important non-financial indicator, and using the employee engagement survey as a starting point, we have taken measures to contribute to the improvement of employee engagement, such as understanding and penetrating the corporate management philosophy, developing skills, and providing opportunities to demonstrate capabilities.

We recognize the promotion of women's participation and advancement as an important management issue, and have been working toward achieving a target for the percentage of women in managerial positions. While this target had previously applied only to the holding company, it was revised in 2024 to encompass major domestic group companies. The entire Group is now engaged in efforts to enhance diversity in decision-making bodies.

In addition, as part of our efforts to secure talent for overseas business expansion, we are strengthening resource allocation for the development of overseas human resource candidates. We have also begun new initiatives that we had not undertaken before, such as hiring foreign nationals studying in Japan as new graduates.

With regard to maintaining and improving employee health and safety, In the area of health management, the Company implemented health management initiatives, including thorough health checkups such as cancer screening, follow-up measures, mental health initiatives, and measures to improve health literacy, etc., and it has been selected as "the Health & Productivity Stock Selection 2025 following" previous selections in 2020, 2021 and 2023.

In addition, we have also been recognized by the Ministry of Economy, Trade and Industry (METI) as a corporation that practices excellent health management, and have been certified as "The Certified Health and Productivity Management Organization Recognition Program under the large enterprise category (White 500)" for 9 consecutive years since the certificate system was established.

We have also received the highest rating in the "DBJ Health Management Rating Program" by Development Bank of Japan Inc.

Furthermore, starting in FY 2026, we will increase the number of annual holidays from 115 to 120 days, as part of our ongoing efforts to create a work environment where diverse talent can work with peace of mind.

In addition, we are working to realize diverse work styles by revising our human resource system to make it easier for employees to utilize, improving the working environment by automating operations, labor-saving, and manpower-saving operations in offices, production plants, and logistics centers, and increasing productivity.

(4) Information Security

<Risks>

The Group uses various systems and handles a great deal of important information in the course of its business operations. Therefore, there is a risk that these systems may be shut down or important information may be tampered with due to operational problems or cyber-attacks, which could hinder business operations, or that important information may be leaked outside the Group due to computer viruses or inadequate management of information terminals. In the event of such system trouble or information leakage, the Group's business performance could be severely affected due to the impact on business execution, response costs and loss of social credibility.

<Countermeasures and Initiatives>

In addition to implementing technical measures such as firewalls, intrusion detection systems, and appropriate authentication systems against external attacks, the Group is working to establish an appropriate management system for information systems by preparing rules and regulations on information security and educating employees through e-learning and other means.

(5) Price Fluctuations of Merchandise and Raw materials

<Risks>

Merchandise and raw materials handled by our Group include livestock products (poultry, etc.) and marine products, the prices of which fluctuate widely depending on market environment, crop patterns and fish catches, etc. If cost increases cannot be absorbed by cost reduction measures or if price revisions do not proceed due to intensifying competition or other factors, the Group's business performance may be severely affected.

<Countermeasures and Initiatives>

In the processed foods business, we are striving to continuously reduce manufacturing costs by improving compounding technology and production efficiency and developing new value-added products, while in the marine products, meat and poultry products business, we are striving to procure and sell in line with the supply-demand balance, and to expand the handling of processed products that are less susceptible to market fluctuations and strengthen sales of differentiated products.

(6) Fluctuations in Crude oil Prices, etc.

<Risks>

Soaring crude oil prices leads to increases in our Group's costs for electricity, procurement of fuels such as diesel fuel and heavy fuel oil, and procurement costs for merchandise and raw materials. If these price hikes cannot be absorbed by cost reductions or if price revisions do not proceed, the Group's business performance may be severely affected.

<Countermeasures and Initiatives>

The Group strives to continuously reduce costs by introducing new technologies and improving operations.

(7) Impact of Exchange rate Fluctuations

<Risks>

Since the Group procures some of its merchandise and raw materials from overseas in its main business operations and owns subsidiaries overseas, it is subject to the effects of currency fluctuations. Currencies that affect our Group's business performance include the U.S. dollar, the Thai baht, and the Euro. Any sudden fluctuations in exchange rates that exceed expectations could have a significant impact on the Group's business performance.

<Countermeasures and Initiatives>

Forward exchange contracts are entered into in an effort to minimize the impact of exchange rate fluctuations on the Company's business performance.

(8) Changes in Laws and Regulations, etc.

<Risks>

In conducting our business in Japan, the Group is subject to various laws and regulations, including the Food Sanitation Act, the Warehousing Business Law, Consigned Freight Forwarding Business Act, Act on Pharmaceuticals and Medical Devices, the Antimonopoly Act, Act on the Protection of Personal Information, labor laws, and environmental laws, as well as laws and regulations in the relevant countries for our overseas business.

If our business activities are restricted due to unforeseen revisions or establishment of new laws and regulations or strengthening of regulations by soft law in the future, and if we incur expenses to cope with such restrictions, our Group's business performance may be severely affected.

<Countermeasures and Initiatives>

In accordance with the Sustainability Policy "The Nichirei Pledge" the Group is committed to thorough compliance, pays sufficient attention to the trends of laws and regulations in each country and region and gathers information. In particular, we examine and respond to changes in environmental and social laws and regulations from the perspective of both risk and opportunity.

(9) Sustainable Food Procurement

<Risks>

Consideration for human rights and the working environment in the supply chain, management of natural marine resources, reduction of food loss, and resolution of the marine plastic problem are becoming increasingly important social demands, and there is a possibility that laws and regulations will be revised, newly established, or soft-law regulations will be strengthened in the future. Insufficient efforts or deemed insufficient could not only hinder the stable procurement of raw materials, but also cause damage to social credibility and incur response costs, which could have a significant impact on our Group's business performance.

<Countermeasures and Initiatives>

The Group is proceeding initiatives based on the "Nichirei Group Sustainable Procurement Policy" and the "Nichirei Group Supplier Code of Conduct" and "Nichirei Group Supplier Guidelines" for suppliers. We continue to engage in dialogue with suppliers through ESG surveys and joint human rights due diligence aiming to deepen mutual understanding of our shared values. Also, we are working on the handling of sustainable marine products (MSC and ASC certified products), procurement of sustainable palm oil, and poultry farming business for recycling-oriented agricultural and livestock farming.

(10) Climate Change

<Risks>

As the transition to a decarbonized society accelerates, companies are expected to take steps to significantly reduce greenhouse gas emissions and become carbon neutral, and policies and regulations are expected to be strengthened to facilitate this, such as the imposition of a carbon tax. For our group, which is based on freezing and refrigeration technology and consumes energy mainly in the form of electricity, there is a possibility of an increase in costs if efforts to reduce CO_2 emissions are delayed. In addition, if the supply chain, including raw material procurement, production, and logistics, is affected by rising temperatures and more frequent occurrence of extreme weather events associated with global warming, the Group's business performance could be severely impacted.

<Countermeasures and Initiatives>

As part of our efforts to address climate change, we are actively switching to renewable energy that does not emit CO_2 and increasing the ratio of renewable energy use, such as expanding the installation of solar power generation facilities, the implementation of off-site corporate PPA and the use of Tradable Green Certificates. In addition, we will continuously assess the impact of climate change and disclose information, in accordance with the recommendations of the TCFD.

(11) Large-scale Natural Disasters

<Risks>

In the event of extensive damage to roads, ports, railroads, etc. in our Group's bases and neighborhoods due to a huge earthquake or localized storms, which have been on the increase in recent years, or in the event of market contraction, supply chain disruption, or restriction of business activities, our business activities may be suspended for a long time before restoration, and our Group's business performance may be severely affected.

<Countermeasures and Initiatives>

As countermeasures against large-scale natural disasters, the Group is proceeding with seismic reinforcement work and deployment of emergency power generators, while the entire Group is developing an employee safety confirmation system, disaster prevention manuals and business continuity plans (BCP) and establishing multiple data centers.

(12) International Situation

<Risks>

If geopolitical risks were to cause prolonged increases in energy and raw materials prices, impact financial markets, or affect supply chains, the Group's business performance could be severely affected.

<Countermeasures and Initiatives>

We will continue to monitor the situation closely, strive to minimize the impact on our business activities, and take appropriate measures as needed.

(13) Technological Innovation

<Risks>

If the Group's technologies or the competitiveness of the merchandise and services it provides were to decline due to unpredictable changes in the business environment caused by technological innovation, such as rapid advances in digital technology and food tech, the Group's business performance could be severely affected.

<Countermeasures and Initiatives>

In the field of food and health, our Group is working on business process transformation and various innovations through the use of digital technology and data. We have established and are operating an innovation management system (IMS) based on ISO 56002.

(14) Holding of Non-current Assets

<Risks>

The Group owns a number of logistics centers and production plants in Japan and abroad. In addition, the Group may hold goodwill and investment securities as a result of investments in overseas operations or the development of new businesses. In the future, if the location conditions of our logistics centers deteriorate due to the relocation of shippers or changes in the road transportation network, if our production plants are restructured due to aging or obsolescence of facilities or sluggish sales, or if goodwill or investment securities deviate from the business plan at the time of investment, in addition to the impact of deterioration in gain on investments, the Group's business performance may be severely affected by impairment or devaluation of non-current assets, or by disposal of those assets.

<Countermeasures and Initiatives >

The Group has introduced a PDCA cycle for each investment project and has clarified the items to be considered at the time of investment proposal and the rules for post-approval verification and is appropriately operating the cycle.

(15) Strategic-Holding Securities

<Risks>

The Group has strategic-holding securities, but if the market value of such security or the financial condition of the issuing company changes significantly due to future trends in the economic environment or corporate earnings, shareholders' equity may be damaged, and the Group's business performance may be severely affected.

< Countermeasures and Initiatives>

The Company verifies the medium- to long-term economic rationale for each individual security and sells securities that it deems to be of little significance to be held. In the verifying process, we make a comprehensive judgment based on an individual examination of the security whether the benefits and risks, such as profits and dividends, are commensurate with the cost of capital, and considering a qualitative assessment of strategic importance and other factors.

4. Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows

Forward-looking statements in the following section are based on the judgment of the Group as of end of the current consolidated fiscal year.

(1) Summary of Operating Results and Management's Discussion and Analysis on the Operating Results

① Operating results and analysis

During the current fiscal year, the Japanese economy experienced a moderate recovery. On the other hand, the economic outlook remained uncertain due to the impact of higher prices resulting from the yen's depreciation and surging prices of raw materials and energy along with concerns over the impact of U.S. trade policies.

In the food-related industry, demand for foodservice and ready-to-eat meals remains strong due to diversified lifestyles and the increasing number of inbound tourists. At the same time rising food prices continue, leading to a growing consumer toward frugality.

In the logistics-related industry, demand for temperature-controlled logistics is expected to continue expanding. Amid this trend, efforts toward transformation involving customers and increased investment in refrigerated warehouses by companies from other industries have intensified, as part of the drive to establish a sustainable logistics system.

Under these circumstances, in the last fiscal year of our medium-term business plan "Compass Rose 2024" (FY2023-FY2025), the Group has aimed to sustainably enhance the corporate value of the Nichirei Group through business activities based on sustainability management that balances both social and economic value creation.

As a result, net sales of the Group totaled ¥702,080 million (up 3.2.% from the previous fiscal year), thanks to steady sales in our core businesses, the processed foods and the logistics businesses. On the profit front, despite ongoing cost increase due to the impact of yen depreciation and rising prices of raw materials and procurement, operating profit increased to ¥38,315 million (up 3.8% from the previous fiscal year) and ordinary profit increased to ¥39,878 million (up 4.2% from the previous fiscal year) supported by higher revenue and efforts to improve operational efficiency.

Extraordinary income totaled ¥634 million, including gain on sale of investment securities, while extraordinary losses totaled ¥2,677 million, including loss on retirement of non-current assets.

As a result of the above, profit attributable to owners of parent amounted to ¥24,731 million (up 1.0% from the previous fiscal year).

[Consolidated operating results]

(Millions of yen)

	Current fiscal year	Compared to Previous fiscal year	Percentage change (%)
Net sales	702,080	21,989	3.2
Operating profit	38,315	1,404	3.8
Ordinary profit	39,878	1,622	4.2
Profit attributable to owners of parent	24,731	235	1.0

Operating results by segment are as follows.

(Millions of yen)

(Segment)	Net sales			Operating profit		
	Current fiscal year	Compared to Previous fiscal year	Percentage change (%)	Current fiscal year	Compared to Previous fiscal year	Percentage change (%)
Processed foods	311,583	20,717	7.1	18,792	1,376	7.9
Marine products	58,668	△2,932	△4.8	1,413	821	138.8
Meat and poultry products	67,415	△14,413	△17.6	1,082	38	3.7
Logistics	278,273	20,917	8.1	15,749	△83	△0.5
Real estate	5,186	721	16.2	1,900	241	14.6
Others	6,473	△309	△4.6	1,089	△198	△15.4
Adjustment	△25,519	△2, 710	—	△1,712	△791	—
Total	702,080	21,989	3.2	38,315	1,404	13.8

(a) Processed foods business

[Industry Topics]

In the processed foods industry, changes in consumer lifestyles and a worsening labor shortage have further increased the demand for reduced cooking time and simplified cooking processes. While demand remained strong across a variety of business formats, price revisions continued in response to rising procurement costs driven by raw material prices and the depreciation of the yen.

[Key Performance Indicators]

Net sales increased due to expanded sales of major merchandise and new value-added products, as well as expanded overseas sales. Operating profit increased mainly due to the sales growth and improved performance of overseas affiliates, despite continued cost increases in raw materials, purchase prices, and other items.

(Millions of yen)

	Current fiscal year	Compared to Previous fiscal year	Percentage change (%)
Net sales	311,583	20,717	7.1
Household-use Prepared Foods	93,544	6,102	7.0
Commercial-use Prepared Foods	110,005	7,328	7.1
Processed Agricultural Products	24,377	653	2.8
Overseas	68,688	6,786	11.0
Other	14,966	△ 153	△ 1.0
Operating profit	18,792	1,376	7.9

(Note) Overseas: Cumulative period from January 2024 to December 2024

Household-use Prepared Foods

We focused on expanding sales of products such as rice products, “Mune-kara (chicken breast karaage),” a processed chicken products made from chicken breast that meets the needs of health-conscious consumers, single-serving noodles for personal use, and “THREE-STAR PLATE” series. Effective promotional efforts, including television commercials, contributed to increased sales volume, resulting in higher revenue.

Commercial-use Prepared Foods

Sales increased due in part to the expansion of sales of processed chicken products for major customers, as well as ready-to-serve items such as rice dishes for the foodservice industry that require only minimal preparation before being served.

Processed Agricultural Products

Sales for both household-use and commercial-use was increased, resulting in strong sales of the broccoli products, due to the Company responded to customer needs in terms of quality and convenience, in addition to price revisions in response to rising procurement costs by the depreciation of the yen.

Overseas

U.S. subsidiary InnovAsian Cuisine Enterprises Inc. saw sales remained flat on a local currency basis due to the impact of lower consumption caused by inflation despite the launch of new products and promotions. How ever sales increased, supported by expanded sales in Thailand and Europe by our Thai subsidiary, GFPT Nichirei.

(b) Marine products business

[Industry Topics]

As global demand for marine products demand continues to rise, inbound demand has also grown in Japan, driven in part by the depreciation of the yen. On the other hand, procurement conditions have become increasingly challenging due to geopolitical risks and climate change.

[Key Performance Indicators]

Net sales decreased due to the planned reduction of low-profit products. In terms of profit, profit increased due to focus on sales of highly profitable products and certified products, and revised -prices in response to increased procurement costs.

(c) Meat and poultry products business

[Industry Topics]

Inbound demand in Japan increased due to the impact of the weaker yen. On the other hand, production costs increased due to soaring feed prices. procurement prices.

In addition, chicken procurement prices also continued to remain on an upward trend by reduced production caused by the spread of avian influenza and growing demand.

[Key Performance Indicators]

Net sales decreased mainly due to the reduction of low-profit products such as imported frozen items, but profit remained at the same level as the previous fiscal year, supported by the promotion of sales of high-profit processed products.

(d) Logistics business

[Industry Topics]

In the first half of the fiscal year inventory levels remained low following the previous year, due to a decline in import cargoes caused by the weak yen. However, in the second half, a gradual recovery trend was observed. In addition, the labor storage associated with the 2024 logistics problem led to a further increase in demand for sustainable logistics solutions.

[Key Performance Indicators]

Revenue increased by steadily capturing both domestic and overseas demand for mainly transportation/distribution. Profit remained at the same level as the previous fiscal year, as the effects of continued high costs were mitigated through active expansion of cargo collection, promotion of operational efficiency, and collection of appropriate fee.

(Millions of yen)

	Net sales			Operating profit		
	Current fiscal year	Compared to Previous fiscal year	Percentage change (%)	Current fiscal year	Compared to Previous fiscal year	Percentage change (%)
Domestic Subtotal	190,285	7,880	4.3	14,395	478	3.4
Logistics Network	123,568	4,977	4.2	6,775	301	4.7
Regional Storage	66,717	2,903	4.5	7,619	177	2.4
Overseas	83,203	12,066	17.0	3,368	△187	△5.3
Other/Common	4,783	970	25.4	△2,013	△374	—
Total	278,273	20,917	8.1	15,749	△83	△0.5

(Notes) Overseas is the cumulative period from January 2024 to December 2024.

Domestic

Net sales increased due to the growth of the 3PL and transportation businesses, as well as beginning operations at newly established refrigerated warehouse facilities. Profit increased as we actively focused on expanding cargo collection and promoted operational efficiency.

Overseas

Net sales increased due to favorable performance of retail businesses in the Europe region, however, profit declined as costs were incurred for sustainability-related disclosures.

(e) Real estate business

[Key Performance Indicators]

In the major leasing business for office buildings, both net sales and operating profit increased as we actively -promoted tenant acquisition while systematically implementing BCP-related construction work to enhance asset value.

(f) Other business

[Key Performance Indicators]

Among other businesses, the bioscience business focused on the sales of combined novel coronavirus and influenza antigen test kits: however, both net sales and operating profit declined due to the earlier-than-expected end of the influenza outbreak compared to the previous year.

② Financial condition and cash flows, analysis

(a) Financial condition and analysis

(Millions of yen)

	At the end of the Previous fiscal year	At the end of the Current fiscal year	Comparative increase/△decrease
Assets			
Current assets	201,434	204,925	3,491
Non-current assets	283,723	294,295	10,572
Total assets	485,157	499,221	14,064
Liabilities and Net Assets			
Current liabilities	123,525	129,083	5,558
Non-current liabilities	95,689	94,171	△1,517
Total liabilities	219,214	223,255	4,040
Of which, interest-bearing liabilities	97,954	106,255	8,301
(excluding lease liabilities)	(83,891)	(92,731)	(8,840)
Total net assets	265,942	275,966	10,023
(of which shareholders' equity)	(253,404)	(260,041)	(6,636)
D/E ratio (times)	0.4	0.4	0.0
(excluding lease liabilities)	(0.3)	(0.3)	(0.0)

(Note) D/E ratio calculation method: Interest-bearing liabilities divided by Net assets

Total assets at the end of the current consolidated fiscal year were ¥499.2 billion, up ¥14.0 billion from end of previous consolidated fiscal year. Current assets increased by ¥3.4 billion to ¥204.9 billion, mainly due to an increase in cash and deposits. Non-current assets increased by ¥10.5 billion to ¥294.2 billion due to an increase in property, plant and equipment resulting from capital investments to expand the revenue source of core businesses.

Total liabilities amounted to ¥223.2 billion, up ¥4.0 billion from the end of the previous consolidated fiscal year. Current liabilities increased by ¥5.5 billion to ¥129.0 billion, due to an increase in current portion of bonds payable by reclassification. Non-current liabilities decreased by ¥1.5 billion to ¥94.1 billion. Interest-bearing liabilities increased by ¥8.3 billion to ¥106.2 billion due to an increase in long-term borrowings.

Total net assets increased by ¥10.0 billion from the end of the previous consolidated fiscal year to ¥275.9 billion. Shareholders' equity increased by ¥6.6 billion to ¥260.0 billion, due to ¥24.7 billion of profit attributable to owners of parent, ¥9.9 billion of dividend payment, ¥15.1 billion of cancellation of treasury shares and ¥1.7 billion of increase in accumulated other comprehensive income.

(b) Status and analysis of cash flows

(Millions of yen)

	At the end of the Previous fiscal year	At the end of the Current fiscal year	Comparative increase/△decrease
Cash flows from operating activities	62,442	53,194	△9,248
Cash flows from investing activities	△31,592	△32,403	△811
Cash flows from financing activities	△31,255	△16,804	14,450
Free cash flows	30,850	20,790	△10,060

Cash flows from operating activities decreased by ¥9.2 billion from the same period of the previous year and provided ¥53.1 billion. Ordinary profit was ¥39.8 billion, and depreciation was ¥24.2 billion, while income taxes paid was ¥11.3 billion.

Cash flows from investing activities decreased by ¥0.8 billion from the same period of the previous year and used ¥32.4 billion. This was due mainly to ¥28.3 billion of purchase of property, plant and equipment.

Cash flows from financing activities increased by ¥14.4 billion from the same period of the previous year and used ¥16.8 billion. Main factors are ¥10.0 billion of the purchase of treasury shares, ¥9.9 billion of dividend paid, and ¥3.7 billion of repayments of lease liabilities.

As a result of the above, cash and cash equivalents at the end of the current year increased by ¥6.2 billion from end of the previous year and amounted to ¥35.9 billion.

③ Significant accounting estimates and assumptions used in making such estimates

The consolidated financial statements of the Group are prepared in accordance with accounting principles generally accepted in Japan. In preparing the consolidated financial statements, the major accounting estimates that affect the reported values of assets and liabilities at the fiscal year end date and the reported values of revenues and costs during the reporting period are as follows, which are evaluated on a rational basis continuously.

Estimates, judgments and assessments are based on past performance and factors considered reasonable under the circumstances, but actual results may differ due to uncertainties inherent in estimates.

(a) Inventories

For the valuation basis and method of inventories, please refer to the note "V. Financial Information, [Notes to Consolidated Financial Statements] (Significant Matters Serving as the Basis for Preparation of Consolidated Financial Statements) 4. Accounting policies."

(b) Property, plant and equipment and Intangible assets

Property, plant and equipment, and intangible assets are rationally grouped based on management accounting categories, units used in making investment decisions, and the complementary nature of their businesses, and any indication of impairment is recognized for each such asset group. In case there is an indication of impairment, if the total amount of undiscounted future cash flows to be derived from the asset group is less than the carrying amount of the asset, impairment loss is recognized for the asset group and the carrying amount is written down to the recoverable amount. The method uses a number of estimates and assumptions, including future cash flows and discount rates. Future cash flows are estimated based on reasonable and explainable assumptions and projections that reflect circumstances specific to the entity, while the discount rate is estimated based on a consideration of overall combination of factors including the risks inherent in the asset group, the cost of capital required of the Group and a reasonable rate of return that is considered to be a market average reflecting the inherent risks similar to those of the asset group, respectively.

(c) Securities

Investment securities other than equity securities, etc. without market prices, are stated at fair value based on market prices, while securities, etc. without market prices are stated at cost. For investment securities other than equity securities, etc. without market prices, impairment loss is recognized when the market prices as of the fiscal year end date have declined by 40% or more compared to the acquisition cost, except in cases where the possibility of recovery is evident, and 30% or more but less than 40%, in cases where the possibility of recovery is not recognized. For equity securities, etc. without market prices, impairment loss is recognized when the substantial value has declined by 50% or more compared to the acquisition cost due to deterioration of the issuing company's financial condition, except in cases where the possibility of recovery is evident.

(d) Deferred tax assets

Deferred tax assets are recognized for future deductible temporary differences, tax loss carryforwards and tax credit carryforwards to the extent that it is probable that they are available against future taxable income to reduce the tax burden. Deferred tax assets are reviewed each period, and when it is determined that all or part of the future deductible temporary differences, tax loss carryforwards, and tax credit carryforwards are no longer effective in reducing the amount of future tax burden, the unrecoverable amount is reversed from recognized deferred tax assets.

(e) Allowance for doubtful accounts and other provisions

For allowance for doubtful accounts and other significant provisions, please refer to the note "V. Financial Information, [Notes to Consolidated Financial Statements] (Significant Matters Serving as the Basis for Preparation of Consolidated Financial Statements) 4. Accounting policies."

(f) Asset retirement obligations

For the criteria for recognizing asset retirement obligations, please refer to the note "V. Financial Information, (Asset Retirement Obligations)."

(g) Sales promotion expenses, etc.

With respect to a portion of the expenses incurred by the Company to its suppliers for the purpose of promoting the sale of products (hereinafter referred to as "sales promotion expenses, etc."), since sales promotion expenses, etc. are taken into account when determining transaction terms and are regarded as a substantial part of the sales price, the Company makes a reasonable estimate based on actual payments of sales promotion expenses, etc. and deducts them from net sales at the time of sales.

④ Factors that have a significant impact on operating results

For details, please refer to "3. Business and Other Risks."

⑤ Analysis of capital resources and liquidity of funds

(a) Basic policy for resource allocation

In addition to proactively investing in growth and strengthening our business foundation while addressing various issues, we will also allocate funds to initiatives aimed at realizing a sustainable society. In order to efficiently and stably procure the necessary funds for these purposes, we will maintain a balanced capital structure, taking into consideration capital efficiency, growth potential and soundness. We have set management targets for ROE and ROIC for capital efficiency, Net sales and EBITDA for growth potential, and D/E ratio for soundness, and monitor changes in the external environment and the progress of our business plan on a quarterly basis.

Our basic policy for returning profits to shareholders is to pay stable and continuous dividends based on the consolidated dividend on equity ratio (DOE) while taking into consideration the consolidated business performance and cash flows for each fiscal year, and to purchase treasury shares in consideration of capital efficiency and the market environment.

(b) Financing needs and financing methods

Working capital requirements are mainly for operating expenses such as merchandise and raw materials purchases, manufacturing expenses, operating expenses for the temperature-controlled logistics centers, and selling, general and administrative expenses, and while capital investments requirements are mainly for the purchase and construction of food production facilities and temperature-controlled logistics facilities.

The Company and its domestic consolidated subsidiaries have introduced a cash management system (CMS) and working capital and capital investments are financed mainly by the Company's borrowings and the issuance of bonds and internal funds through the concentration of the cash flows from operating activities of Group companies.

(c) Financial policy

Aiming to sustainably increase the group's corporate value, we will invest not only in growth and to strengthen our business foundation, but also for meeting social needs such as food safety and environmental preservation. We will achieve a well-balanced capital structure, taking into consideration capital efficiency, growth potential, and soundness, so that we can efficiently and stably procure the funds necessary for the execution of these businesses.

Funds generated from operating cash flow and asset liquidation will be used for investments to maintain and increase corporate value and for shareholder returns through dividends and purchase of treasury shares.

⑥ Analysis of business performance in light of medium- and long-term goals

For details, please refer to "1. Management Policy, Business Environment and Issues to be Addressed (2) Medium-term Management Strategies, Target Management Indicators, Business Environment and Issues to be Addressed."

(2) Production, Orders and Sales

① Production results

(Millions of yen)

Name of segment	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)	Percentage change (%)
Processed foods	147,133	157,099	6.8
Marine products	5,310	2,541	△52.1
Meat and poultry products	3,206	3,092	△3.6
Logistics	304	305	0.3
Real estate	–	–	–
Other	2,026	2,249	11.0
Total	157,981	165,288	4.6

(Note) Production results are based on total manufacturing costs before offsetting and elimination.

② Purchase results

(Millions of yen)

Name of segment	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)	Percentage change (%)
Processed foods	74,039	84,943	14.7
Marine products	51,706	52,311	1.2
Meat and poultry products	70,960	55,415	△21.9
Logistics	240	272	13.5
Real estate	—	—	—
Other	780	912	16.9
Total	197,727	193,855	△2.0

(Notes)

1. Intersegment transactions are offset and eliminated.
2. Purchase results of "Processed foods," "Marine products," "Meat and poultry products," "Logistics" and "Others" are the total amount of purchase price of merchandise and various handling costs.

③ Results of orders received

Results of orders received by the logistics segment (Nichirei Logistics Engineering Inc.) were as follows.
The Company does not manufacture products on a made-to-order basis except for the logistics segment.

(Millions of yen)

Orders received			Outstanding orders		
Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)	Percentage change (%)	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)	Percentage change (%)
4,506	9,437	109.41	1,293	6,767	423.43

(Note) Intersegment transactions are offset and eliminated.

④ Sales results

(Millions of yen)

Name of segment	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)	Percentage change (%)
Processed foods	290,613	311,342	7.1
Marine products	61,577	58,472	△5.0
Meat and poultry products	78,790	63,836	△19.0
Logistics	240,275	259,551	8.0
Real estate	2,910	3,275	12.6
Other	5,922	5,601	△5.4
Total	680,091	702,080	3.2

(Notes)
1. Intersegment transactions are offset and eliminated.
2. Sales results to major customers and percentage to total sales results are as follows.

Customers Name	Previous fiscal year (from April 1, 2023 to March 31, 2024)		Current fiscal year (from April 1, 2024 to March 31, 2025)	
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)
Mitsubishi Shokuhin Co., Ltd.	77,181	11.3	82,321	11.7

5. Material Agreements

(1) Asset lease agreements

Contracting company	Name of leased party	Address	Contents of contract	Contract period
The Company	Mitsubishi UFJ Trust and Banking Corporation	Chiyoda-ku, Tokyo	General fixed term land leasehold (Land located in Tsukiji, Chuo-ku, Tokyo)	from June 30, 2003 to November 30, 2052

(2) Merger Agreement Between Consolidated Subsidiaries

At the Board of Directors meeting held on May 13, 2025, the Company resolved to merge its consolidated subsidiaries, Nichirei Foods Inc. and Nichirei Fresh Inc., with Nichirei Foods Inc. as the surviving company, and entered into a merger agreement on the same date.

The effective date (date of merger) of this merger is scheduled for April 1, 2026.

For details, please refer to "Ⅴ: Financial Information, 1. Consolidated Financial Statements, (1) Consolidated Financial Statements, [Notes to Consolidated Financial Statements], Significant Subsequent Events."

6. Research and Development Activities

The Group conducts research and development activities with the aim of developing new merchandise and new technologies in response to market changes and fostering new businesses.

Research and development expenses for the current fiscal year totaled ¥2,206 million, increasing ¥239 million from the previous fiscal year. By segment, processed foods business accounted for ¥1,436 million, logistics business accounted for ¥479 million and other businesses accounted for ¥291 million.

Research and development activities by segment are as follows.

(1) Processed Foods Business

At Nichirei Foods Inc., in line with the Nichirei Group's first materiality theme, "Creating new value in food and health," a new brand statement was established in FY2024: "Toward a world of sharing deliciousness and health-FoodJoy Equity."

In the current consolidated fiscal year, to realize this statement, the company launched and began sales of a new health-focused brand, "everyONe meal", which leverages the functional advantages of frozen food.

・Background of the Development of the "everyONe meal" Series

With growing health consciousness, foods rich in protein—an essential nutrient for maintaining life functions—such as meat, soy, and protein supplements, have been drawing increasing attention.
However, protein intake remains below the recommended level across all age groups, and the average daily protein intake per person in Japan has declined to the same level as in the 1950s.
In response to this situation, we developed meal menus that offer both great taste and nutritional value, providing sufficient protein while maintaining freshly prepared quality through frozen food technology.

The "everyONe meal" series combines "everyone," representing each individual customer, with "meal," symbolizing daily eating, and is based on the concept of turning necessary nutrients "ON."

・Product Features

Utilizing our "Flavor-reproduction technology," which controls ingredient combinations through cooking methods that natural flavors of the ingredients and spices, we offer a variety of menu items—from main dishes to light meals—that provide at least 9g of protein per 100g. These meals make it easy and enjoyable to consume protein as part of daily eating habits.

Sales began via e-commerce channels in June 2024, followed by retail stores in the Tokyo metropolitan area in September. Starting in March 2025, we have expanded the product lineup and started sales through retail channels nationwide.

(2) Logistics Business

With the objective of solving various social issues, such as "unable-to-transport risk" associated with the Truck Drivers 2024 problem and the serious labor shortage in temperature-controlled logistics operations, we are working on technological verification and system development that contribute to labor-saving and simplification of work.

In the area of labor-saving operations, we are conducting demonstration tests and implementing autonomous forklift and automatic guided vehicles (AGV) in refrigerated and frozen environments, while evaluating their effectiveness. In cargo handling operations as well, we are promoting labor-saving measures through the use of robotic arms and shuttle-type racks. Furthermore, we are continuing research and development to achieve manpower reduction across the entire work process by enabling coordination among various devices.

In the area of work simplification, we have implemented a tablet-based receiving/shipping operations and an artificial intelligence-based expiration date management function, and are promoting research and development of a work task management system that uses data to provide optimal work suggestions and instructions, while also by utilizing IoT, we have built a system to remotely monitor refrigeration units installed at logistics centers nationwide, thereby improving the efficiency of maintenance operations while also engaging in research aimed at creating new value..

(3) Other Business (Bioscience Business)

We develop molecular diagnostics and rapid chromatographic immunoassay products. Kappa-CISH probe and Lambda-CISH probe, both of which are in situ hybridization products, for HISTOSTAINER AT (fully automated instrument) was launched as research-use reagents. In the area of rapid chromatographic immunoassay products, we began manufacturing and sales of the antigen test kit "Inspecter KOWA w" which enables simultaneous detection of novel coronavirus and influenza, as an over-the-counter (OTC) drug for general use.

III. Equipment and Facilities

1. Overview of Capital Investments

The Group continuously makes capital investments to enhance its refrigeration and production facilities, to rationalize, maintain, and preserve facilities, to upgrade information technology, and to enhance research and development system.

There were no disposals or sales of significant facilities.

Capital investments by segment

(Millions of yen)

Name of segment	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)	Compared to previous period
Processed foods	6,304	9,260	2,956
Marine products	235	345	110
Meat and poultry products	342	275	△67
Logistics	21,448	22,748	1,300
Real estate	915	1,105	190
Other	36	88	52
Adjustment	2,001	681	△1,320
Total	31,283	34,504	3,221

(Notes)

1. The segment "Adjustment" represents the elimination of carrying amount and unrealized gains/losses on non-current assets related to the holding company (the company filing the consolidated financial statements), which are not allocated to reportable segments.
2. Amount of capital investments includes the amount of intangible assets.
3. Major capital investments during the current fiscal year are as follows.

(Millions of yen)

Year and month of completion	Name of company Name of business site	Location	Name of segment	Facilities	Total capital investments	Amount recorded in the current period (Accumulated amount)	Incremental capacity after completion
May 2024	Nichirei TBA Logistics Vietnam LLC	Long An Province, Vietnam	Logistics	Establishment of new logistics center	2,474	1,016 (2,474)	Facility capacity 42,985t
October 2024	Frigo Logistics Sp. z o.o.	Znin City, Poland	Logistics	Expansion of logistics center	2,548	2,445 (2,548)	Facility capacity 20,104t
March 2025	SCG Nichirei Logistics Co., Ltd.	Pathum Thani Province, Thailand	Logistics	Establishment of new logistics center	3,948	1,503	Facility capacity 35,100t
April 2024	Frigo Logistics Sp. z o.o.	Nowy Dwor City, Poland	Logistics	Establishment of new logistics center	5,712	3,035 (4,570)	Facility capacity 42,552t

(Notes)

1. The total capital investment of Nichirei TBA Logistics Vietnam LLC amounts to 430 billion Dong in local currency.
2. The expansion work of Frigo Logistics Sp. z o.o., completed in October 2024, began operations in July 2024, with a total capital investment of 67 million Zloty in local currency.
3. The total capital investment of SCG Nichirei Logistics Co., Ltd., completed in March 2025, amounts to 893 million Thai Baht in local currency.
4. The new construction project of Frigo Logistics Sp. z o.o., completed in April 2025, began operations in December 2024 and the total capital investment amounts to 154.9 million Zloty in local currency.

2. Major Facilities

The status at the end of the current consolidated fiscal year is as follows.

(1) By Segment

Name of segment	Carrying amount (Millions of yen)					
	Buildings and structures	Machinery, equipment and vehicles	Land	Leased assets	Other (Note 2)	Total
			Area (m^2)			
Processed foods	26,743	23,139	6,116	180	4,098	60,278
			698,398			
Marine products	638	516	33	0	68	1,257
			7,545			
Meat and poultry products	522	567	55	12	53	1,211
			236,737			
Logistics	57,369	24,090	39,058	11,932	6,230	138,680
			1,056,415			
Real estate	11,896	100	654	217	459	13,328
			69,163			
Other	1,918	63	514	—	57	2,553
			3,893			
Adjustment (Note 1)	1,034	449	25	3	415	1,928
			3,439			
Total	100,123	48,927	46,457	12,346	11,383	219,238
			2,075,592			

(Notes)
1. The segment "Adjustment" represents the elimination of carrying amount and unrealized gains/losses on non-current assets related to the holding company (the company filing the consolidated financial statements), which are not allocated to reportable segments.
2. "Other" in column is the total amount of tools, furniture and fixtures and construction in progress.

(2) Status of the Company

Name of business site or property (Location)	Name of segment (Note1)	Facilities	Carrying amount (Millions of yen)						Number of Employees (Temporary) (Persons)
			Buildings and structures	Machinery, equipment and vehicles	Land	Leased assets	Other (Note3)	Total	
					Area (m^2)				
Nichirei Higashi-Ginza Building (Chuo-ku, Tokyo)	Real estate	Office buildings for lease	5,762	2	44	—	411	6,220	—
					4,619				
Nichirei Akashi-cho Building (Chuo-ku, Tokyo)	〃	〃	2,985	—	6	—	25	3,017	—
					4,163				
Nichirei Suidobashi Building (Chiyoda-ku, Tokyo)	〃	〃	1,082	2	1	—	12	1,099	—
					2,926				
Nichirei Suidobashi Building annex (Chiyoda-ku, Tokyo)	〃	〃	1,314	0	0	—	4	1,319	—
					1,424				
Head office (Chuo-ku, Tokyo)	Corporate (Common)	Other facility	604	0	(Note2)	3	250	858	235 (5)
					—				

(Notes)
1. The segment "Corporate (common)" refers to facilities at the head office that cannot be classified into other segments.
2. Land is described in "Nichirei Higashi-Ginza Building.
3. "Other" in column is the total amount of tools, furniture and fixtures and construction in progress.
4. "Number of employees" is the number of full-time employees, and "(Temporary)" is the annual average number of temporary employees not included in above number.

(3) Status of Domestic Subsidiaries

Name of Company, Name of business site or property (Location)	Name of segment	Facilities	Carrying amount (Millions of yen)						Number of employees (Temporary) (Persons) (Note 4)
			Buildings and structures	Machinery, equipment and vehicles	Land Area (m^2) (Note 2)	Leased assets	Other (Note 3)	Total	
Nichirei Foods Inc. Funabashi Plant (Funabashi City, Chiba Prefecture)	Processed Foods	Processed foods production facilities	2,303	3,494	1,025 30,839	—	203	7,025	135 (205)
Nichirei Foods Inc. Funabashi No.2 Plant (Funabashi City, Chiba Prefecture)	〃	〃	882	777	1,819 39,299	—	78	3,558	66 (107)
Nichirei Foods Inc. Funabashi No.3 Plant (Funabashi City, Chiba Prefecture)	〃	〃	1,057	1,484	233 7,004	—	69	2,844	71 (126)
Nichirei Foods Inc. Kansai Plant (Takatsuki City, Osaka)	〃	〃	2,134	1,871	126 23,691	—	246	4,378	124 (332)
Nichirei Foods Inc. Shiroishi Plant (Shiroishi City, Miyagi Prefecture)	〃	〃	1,267	995	360 23,152	0	140	2,765	127 (234)
Nichirei Foods Inc. Yamagata Plant (Tendo City, Yamagata Prefecture)	〃	〃	1,725	1,609	305 16,011	—	102	3,742	128 (179)
Logistics Network Inc. Funabashi Distribution Center (Funabashi City, Chiba Prefecture) Refrigeration 101,268t	Logistics	Freezing refrigeration equipment	2,958	1,038	1,724 47,036	92	115	5,929	59 (2)
Logistics Network Inc. Higashi-Ogishima Distribution Center (Kawasaki-ku, Kawasaki City) Refrigeration 81,717t	〃	〃	3,835	159	(Note 1) (42,345)	281	31	4,307	44 (—)
Nichirei Logistics Kansai Inc. Osaka Shin-Nanko Distribution Center (Suminoe-ku, Osaka City) Refrigeration 57,176t	〃	〃	626	332	2,176 16,392	369	132	3,637	30 (1)
Nichirei Logistics Kansai Inc. Osaka Futo Distribution Center (Suminoe-ku, Osaka City) Refrigeration 56,602t	〃	〃	850	183	999 19,923	128	29	2,190	31 (2)
Logistics Network Inc. Ohi Distribution Center (Ota-ku, Tokyo) Refrigeration 52,460t	〃	〃	649	411	(Note 1) (10,000)	83	24	1,168	26 (—)

(Notes)
1. Land is leased.
2. Figures in parentheses in the lower row of "Area" are leased space not included in above.
3. "Other" in column is the total amount of tools, furniture and fixtures and construction in progress.
4. "Number of employees" is the number of full-time employees, and "(Temporary)" is the annual average number of temporary employees not included in "Number of employees."
5. In addition to the above, major facilities leased under lease contracts are as follows.

Name	Volume	Contract period	Leased assets (Millions of yen)
Logistics center	12 buildings	10-20 years	3,019

(4) Status of Overseas Subsidiaries

Name of Company Name of business site (Location)	Name of segment	Facilities	Carrying amount (Millions of yen)						Number of Employees (Temporary) (Persons) (Note 4)
			Buildings and structures	Machinery, equipment and vehicles	Land Area (m²) (Note 2)	Leased assets	Other (Note 3)	Total	
Surapon Nichirei Foods Co., Ltd. (Samut Prakan Province, Thailand)	Processed Foods	Processed foods production facilities	1,047	491	686 68,540	—	218	2,444	1,572 (—)
GFPT Nichirei (Thailand) Co., Ltd. (Chonburi Province, Thailand)	〃	〃	2,920	2,936	(Note 1) (244,408)	—	353	6,209	5,688 (—)
Hiwa Rotterdam Port Cold Stores B.V. Food Port (Rotterdam City, The Netherlands) Refrigeration 147,443t	Logistics	Freezing refrigeration equipment	1,532	980	(Note 1) (88,990)	—	111	2,624	108 (—)
Thermotraffic B.V. Maasvlakte (Rotterdam City, The Netherlands) Refrigeration 85,000t	〃	〃	2,391	694	(Note 1) (77,494)	—	40	3,126	48 (—)

(Notes)
1. Land is leased.
2. Figures in parentheses in the lower row of "Area" are leased space not included in above.
3. "Other" in column is the total amount of tools, furniture and fixtures and construction in progress.
4. "Number of employees" is the number of full-time employees, and "(Temporary)" is the annual average number of temporary employees not included in "Number of employees".

3. Plan for New Construction and Disposals of Facilities

Capital investments and other plans of the Group are formulated based on a comprehensive consideration of production plans, demand forecasts, investment as a percentage of profits, cash flow, and other factors.

Plans for new construction and disposals of significant facilities are described in "1. Overview of Capital Investments."

The breakdown by segment is as follows.

(Millions of yen)

Name of segment	Planned capital investments for the next fiscal year
Processed foods	18,835
Marine products	419
Meat and poultry products	533
Logistics	23,310
Real estate	1,288
Other	447
Adjustment	1,637
Total	46,471

(Notes)
1. The segment "Adjustment" represents the amount of planned capital investments for the next fiscal year related to the holding company (the company filing the consolidated financial statements), which is not allocated to the reportable segments.
2. Amount of capital investments includes the amount of intangible assets.

IV. Information on the Filing Company

1. Information about Shares

(1) Total Number of Shares

① Total number of shares

Type	Total number of shares authorized to be issued (shares)
Common stock	360,000,000
Total	360,000,000

(Note) Pursuant to the resolution of the Board of Directors meeting held on November 5, 2024, the Articles of Incorporation were amended effective April 1, 2025, in conjunction with a stock split. As a result, the total number of shares issued and outstanding increased by 360,000,000 shares to 720,000,000 shares.

② Issued shares

Type	Number of shares issued As of end of the fiscal year (March 31, 2025)	Number of shares issued As of the date of filing (June 17, 2025)	Name of listed financial instruments exchange or Name of registered and licensed financial instruments dealers association	Contents
Common stock	128,464,869	256,929,738	Tokyo Stock Exchange, Inc. Prime Market	Number of shares per unit 100 shares
Total	128,464,869	256,929,738	—	—

(Note) Pursuant to the resolution of the Board of Directors meeting held on November 5, 2024, a stock split was conducted at a ratio of 2shares for common stock, effective April 1, 2025. As a result, the total number of shares issued and outstanding shares increased by 128,464,869 shares to 256,929,738 shares.

(2) Information of Share Acquisition Rights

① Details of stock option plan

Not applicable

② Details of rights plan

Not applicable

③ Details of other share acquisition rights

Not applicable

(3) Information of Exercise of Bonds with Share Acquisition Rights with Exercise Price Revision Clause

Not applicable

(4) Changes in Total Number of Shares Issued and Share Capital

Date	Total number of shares issued increase/△decrease (Shares)	Total shares issued balance (Shares)	Share capital increase/△decrease (Millions of yen)	Share capital balance (Millions of yen)	Legal capital surplus increase/△decrease (Millions of yen)	Legal capital surplus balance (Millions of yen)
July 22, 2020 (Note1)	38,290	140,003,877	59	30,418	59	7,715
July 21, 2021 (Note2)	37,518	140,041,395	53	30,472	53	7,769
November 10, 2021 (Note3)	△6,033,600	134,007,795	—	30,472	—	7,769
July 22, 2022 (Note4)	34,804	134,042,599	39	30,512	39	7,808
July 26, 2023 (Note5)	33,053	134,075,652	51	30,563	51	7,860
July 24, 2024 (Note6)	25,617	134,101,269	45	30,608	45	7,905
November 13, 2024 (Note7)	△5,636,400	128,464,869	—	30,608	—	7,905

(Notes)

1. Increase due to a paid-in third-party allotment of shares with compensation as restricted stock compensation.
   Issue price: 3,115 yen, Paid-in capital: 1,557.5 yen
   Allottees: 7 directors (excluding outside directors) and 4 executive officers
2. Increase due to a paid-in third-party allotment of shares with compensation as restricted stock compensation.
   Issue price: 2,841 yen, Paid-in capital: 1,420.5 yen
   Allottees: 7 directors (excluding outside directors) and 4 executive officers
3. Decrease due to cancellation of treasury shares based on the resolution of the Board of Directors meeting held on November 2, 2021.
4. Increase due to a paid-in third-party allotment of shares with compensation as restricted stock compensation.
   Issue price: 2,292 yen, Paid-in capital: 1,146 yen
   Allottees: 6 directors (excluding outside directors) and 3 executive officers
5. Increase due to a paid-in third-party allotment of shares with compensation as restricted stock compensation.
   Issue price: 3,126 yen, Paid-in capital: 1,563 yen
   Allottees: 6 directors (excluding outside directors) and 4 executive officers
6. Increase due to a paid-in third-party allotment of shares with compensation as restricted stock compensation.
   Issue price: 3,516 yen, Paid-in capital: 1,758 yen
   Allottees: 6 directors (excluding outside directors) and 5 executive officers
7. Decrease due to cancellation of treasury shares based on the resolution of the Board of Directors meeting held on November 5, 2024.
8. A stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, resulting in an increase of 128,464,869 shares in the total number of shares issued and outstanding.

(5) Shareholders by Category

(As of March 31, 2025)

Classification	Status of Shares (Number of Shares per Unit: 100 shares)								Status of odd-lot shares (Shares)
	Government and local governments	Financial institutions	Financial instruments dealers	Other corporations	Foreign corporations		Individual and other	Total	
					Non-Individual	Individual			
Number of shareholders (Persons)	—	81	39	262	320	29	22,594	23,325	—
Number of shares held (Unit)	—	640,182	44,664	115,432	311,674	174	170,570	1,282,696	195,269
Number of shares held Percentage (%)	—	49.91	3.48	9.00	24.30	0.01	13.30	100.00	—

(Note) 3,182,831 shares of treasury stock is included in “Individuals and other” (31,828 units) and “Status of odd-lot shares” (31 shares).

(6) Major Shareholders

(As of March 31, 2025)

Name	Address	Number of shares held (Thousands of shares)	Percentage of shares held to total number of shares issued (excluding treasury shares) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	1-8-1 Akasaka, Minato-ku, Tokyo	23,135	18.47
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	13,472	10.75
Nippon Life Insurance Company	1-6-6 Marunouchi, Chiyoda-ku, Tokyo	5,744	4.59
Mizuho Bank, Ltd.	1-5-5 Otemachi, Chiyoda-ku, Tokyo	3,813	3.04
Nisshin Seifun Group Inc.	1-25 Kanda Nishiki-cho, Chiyoda-ku, Tokyo	2,719	2.17
Fukoku Mutual Life Insurance Company	2-2-2 Uchisaiwai-cho, Chiyoda-ku, Tokyo	2,680	2.14
The Norinchukin Bank	1-2-1 Otemachi, Chiyoda-ku, Tokyo	2,675	2.14
Government of Norway (Standing proxy: Citibank)	Norway Oslo Bankplassen (6-27-30 Shinjuku, Shinjuku-ku, Tokyo)	1,970	1.57
SUMITOMO LIFE INSURANCE COMPANY	2-2-1 Yaesu, Chuo-ku, Tokyo	1,855	1.48
MUFG Bank, Ltd.	2-7-1 Marunouchi, Chiyoda-ku, Tokyo	1,703	1.36
Total	—	59,770	47.71

(Notes)

1. In addition to the above, the Company owns 3,182 thousand shares of treasury stock (2.48% of the total number of shares issued).
2. Of the above number of shares held, the number of shares related to trust business is as follows.
   The Master Trust Bank of Japan, Ltd. (Trust Account): 22,854 thousand shares
   Custody Bank of Japan, Ltd. (Trust Account): 13,382 thousand shares
3. Although a stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, the number of shares acquired as stated above refers to the number of shares acquired prior to the stock split.
4. Information of the Large Shareholding Report (Change Report), in which the number of shares held cannot be confirmed as of March 31, 2025, is as follows.

   (1) Sumitomo Mitsui DS Asset Management Company, Limited filed a large shareholding report on March 24, 2025, naming Sumitomo Mitsui Banking Corporation as a joint holder. However, the Company is unable to confirm the number of shares actually held by those companies as of March 31, 2025, and therefore these shares are not taken into account in the “Major Shareholders” above.

   The contents of the large shareholding report are as follows.

Name	Address	Number of share certificates held (Thousands of shares)	Percentage of share certificates held (%)
Sumitomo Mitsui DS Asset Management Company, Limited	Toranomon Hills Business Tower 26F, 1-17-1 Toranomon, Minato-ku, Tokyo	6,121	4.77
Sumitomo Mitsui Banking Corporation	1-1-2 Marunouchi, Chiyoda-ku, Tokyo	388	0.30
Total	—	6,510	5.07

(2) Sumitomo Mitsui Trust Bank, Limited filed a large shareholding report (change report) on January 21, 2025, naming Sumitomo Mitsui Trust Asset Management Co., Ltd. and Nikko Asset Management Co., Ltd. as a joint holder. However, the Company is unable to confirm the number of shares actually held by those companies as of March 31, 2025, and therefore, these shares are not taken into account in the "Major Shareholders" above.

The contents of the large shareholding report are as follows.

Name	Address	Number of share certificates held (Thousands of shares)	Percentage of share certificates held (%)
Sumitomo Mitsui Trust Bank, Limited	1-4-1 Marunouchi, Chiyoda-ku, Tokyo	187	0.15
Sumitomo Mitsui Trust Asset Management Co., Ltd.	1-1-1 Shiba-Koen, Minato-ku, Tokyo	2,442	1.90
Nikko Asset Management Co., Ltd.	9-7-1 Akasaka, Minato-ku, Tokyo	4,357	3.39
Total	—	6,987	5.44

(3) Nomura Securities Co., Ltd. filed a large shareholding report (change report) on December 18, 2024, naming Nomura international plc and Nomura Asset Management Co., Ltd as a joint holder. However, the Company is unable to confirm the number of shares actually held by those companies as of March 31, 2025, and therefore, these shares are not taken into account in the "Major Shareholders" above.

The contents of the large shareholding report are as follows.

Name	Address	Number of share certificates held (Thousands of shares)	Percentage of share certificates held (%)
Nomura Securities Co., Ltd.	1-13-1 Nihonbashi, Chuo-ku, Tokyo	517	0.40
Nomura international plc	1 Angel Lane, London EC4R 3AB, United Kingdom	52	0.04
Nomura Asset Management Co., Ltd	2-2-1 Toyosu, Koto-ku, Tokyo	8,261	6.43
Total	—	8,832	6.88

(4) Mitsubishi UFJ Financial Group, Inc. filed a large shareholding report (change report) on August 19, 2024, naming MUFG Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Asset Management Co., Ltd. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. as a joint holder. However, the Company is unable to confirm the number of shares actually held by those companies as of March 31, 2025, and therefore these shares are not taken into account in the "Major Shareholders" above.

The contents of the large shareholding report are as follows.

Name	Address	Number of share certificates held (Thousands of shares)	Percentage of share certificates held (%)
MUFG Bank, Ltd.	2-7-1 Marunouchi, Chiyoda-ku, Tokyo	1,703	1.27
Mitsubishi UFJ Trust and Banking Corporation	1-4-5 Marunouchi, Chiyoda-ku, Tokyo	2,617	1.95
Mitsubishi UFJ Asset Management Co., Ltd.	1-9-1 Higashi-Shimbashi, Minato-ku, Tokyo	2,267	1.69
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	1-9-2 Otemachi, Chiyoda-ku, Tokyo	350	0.26
Total	—	6,938	5.17

(5) Nippon Life Insurance Company filed a large shareholding report (change report) on August 7, 2024, naming Nissay Asset Management Corporation as a joint holder. However, the Company is unable to confirm the number of shares actually held by those companies as of March 31, 2025, and therefore these shares are not taken into account in the "Major Shareholders" above.

The contents of the large shareholding report are as follows.

Name	Address	Number of share certificates held (Thousands of shares)	Percentage of share certificates held (%)
Nippon Life Insurance Company	3-5-12 Imabashi, Chuo-ku, Osaka City, Osaka	6,158	4.59
Nissay Asset Management Corporation	1-6-6 Marunouchi, Chiyoda-ku, Tokyo	776	0.58
Total	—	6,934	5.17

(6) Mizuho Bank, Ltd. filed a large shareholding report (change report) on March 7, 2023, naming Asset Management One Co., Ltd. as a joint holder. However, the Company is unable to confirm the number of shares actually held by those companies as of March 31, 2025, and therefore these shares are not taken into account in the "Major Shareholders" above.

The contents of the large shareholding report are as follows.

Name	Address	Number of share certificates held (Thousands of shares)	Percentage of share certificates held (%)
Mizuho Bank, Ltd.	1-5-5 Otemachi, Chiyoda-ku, Tokyo	3,813	2.85
Asset Management One Co., Ltd.	1-8-2 Marunouchi, Chiyoda-ku, Tokyo	4,367	3.26
Total	—	8,181	6.10

(7) Information of Voting Rights

① Issued shares

(As of March 31, 2025)

Classification	Number of shares (Shares)	Number of voting rights (Numbers)	Contents
Non-voting stock	—	—	—
Stock with restricted voting rights (Treasury shares, etc.)	—	—	—
Stock with restricted voting rights (Other)	—	—	—
Stock with full voting rights (Treasury shares, etc.)	(Treasury shares) Common stock 3,182,800	—	—
Stock with full voting rights (Other)	Common stock 125,086,800	1,250,868	—
Odd-lot shares	Common stock 195,269	—	Less than one unit (100 shares)
Total number of shares issued	128,464,869	—	—
Voting rights of all shareholders	—	1,250,868	—

(Notes)

1. "Odd-lot shares" includes 31 treasury shares held by the Company.
2. Although a stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, the number of shares acquired as stated above refers to the number of shares acquired prior to the stock split.

② Treasury shares

(As of March 31, 2025)

Name of owner	Owner's address	Number of shares held in one's own name (shares)	Number of shares held in the name of others (shares)	Total number of shares held (shares)	Percentage of shares held to total shares issued (%)
(Treasury shares) Nichirei Corporation	6-19-20 Tsukiji, Chuo-ku, Tokyo	3,182,800	—	3,182,800	2.48
Total	—	3,182,800	—	3,182,800	2.48

(Note) 1. Although a stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, the number of shares acquired as stated above refers to the number of shares acquired prior to the stock split.

2. Information on Acquisition of Treasury shares

[Type of Stock] Acquisition of shares of common stock that falls under Article 155, Item 7 of the Companies Act.

(1) Details of Acquisition by Resolution of the General Shareholders Meeting

Not applicable

(2) Details of Acquisition by Resolution of the Board of Directors

Classification	Number of shares (Shares)	Total value (Yen)
Resolution status at the Board of Directors meeting (November 5, 2024) (Acquisition period November 6, 2024－February 28, 2025)	3,000,000	10,000,000,000
Treasury shares acquired prior to the current fiscal year	—	—
Treasury shares acquired during the current fiscal year	2,462,900	9,999,949,872
Total number and total value of remaining shares resolved	537,100	50,128
Unexercised ratio as of the end of the current fiscal year (%)	17.9	0.0
Treasury shares acquired during the period	—	—
Unexercised ratio as of the date of filling (%)	17.9	0.0

(Note) A stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025. the number of shares acquired as stated above refers to the number of shares acquired prior to the stock split.

(3) Details of Items not based on Resolutions of the General Shareholders Meeting or the Board of Directors

Classification	Number of shares (Shares)	Total value (Yen)
Treasury shares acquired during the current fiscal year	2,344	9,264,513
Treasury shares acquired during the period	401	725,185

(Notes)
1. "Treasury shares acquired during the period" does not include the number of odd-lot shares purchase requested from June 1, 2025 to the date of filing of this Annual Securities Report.
2. Although a stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, the number of treasury shares acquired as stated above refers to the number of shares acquired prior to the stock split, while the number of treasury shares acquired during the period refers to the number of shares acquired after the stock split.

(4) Details of Disposal and Holding of Treasury Shares Acquired

Classification	Current fiscal year		Current period	
	Number of shares (Shares)	Total amount of disposal value (Yen)	Number of shares (Shares)	Total amount of disposal value (Yen)
Treasury shares acquired for which subscribers were solicited	—	—	—	—
Treasury shares acquired that were canceled	5,636,400	15,116,669,623	—	—
Treasury shares acquired that were transferred due to merger, share exchange, share delivery or corporate split	—	—	—	—
Other (requests for sales of odd-lot shares)	42	173,358	—	—
Number of treasury shares held	3,182,831	—	6,366,063	—

(Notes)
1. "Other (requests for sales of odd-lot shares)" for the current period does not include the number of odd-lot shares requested for sales from June 1, 2025 to the date of filing of this Annual Securities Report.
2. "Number of treasury shares held" for the current period does not include the number of shares purchased from June 1, 2025 to the date of filing of this Annual Securities Report, or odd-lot shares purchase or sales requested from June 1, 2025 to the date of filing of this Annual Securities Report.
3. Although a stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, the number of treasury shares acquired as stated above refers to the number of shares acquired prior to the stock split, while the number of treasury shares acquired during the period refers to the number of shares acquired after the stock split.

3. Dividend Policy

The Company's basic policy is to maintain stable dividends based on a progressive dividend policy with the consolidated dividend on equity ratio (DOE), while taking into consideration consolidated business performance and cash flow for each fiscal year. For the current fiscal year, the Company plans to declare a year-end dividend of 51 yen per share, which together with the interim dividend of 41 yen per share, would result in a total of 92 yen per share.

The Company pays dividends from surplus twice a year, an interim dividend and a year-end dividend, in accordance with the Articles of Incorporation stipulating that the Company may pay interim dividends as stipulated in Article 454, Paragraph 5 of the Companies Act. The decision-making bodies for these dividends are the Board of Directors for the interim dividend and the General Shareholders Meeting for the year-end dividend.

The Articles of Incorporation also stipulate that the Company may pay year-end dividends by resolution of the Board of Directors only when the Board of Directors determines that it is difficult to hold a General Shareholders Meeting due to unforeseen circumstances such as disasters or epidemics.

(Notes)

1. Dividends of surplus whose record date belongs to the current fiscal year are as follows.

Date of resolution	Total dividends (Millions of yen)	Dividend per share (Yen)
November 5, 2024 Resolution of the Board of Directors Meeting	5,237	41
June 25, 2025 Resolution of the Ordinary General Shareholders Meeting (Planned)	6,389	51

2. Dividend per share to be resolved at the Ordinary General Meeting of Shareholders scheduled to be held on June 25, 2025, includes a special dividend of 10 yen.
3. Although a stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, the number of shares acquired as stated above refers to the number of shares acquired prior to the stock split.
4. At the Board of Directors meeting held on May 13, 2025, the Company resolved to revise its dividend policy and introduce a progressive dividend policy, effective from the fiscal year ending March 2026.

4. Corporate Governance

(1) Overview of Corporate Governance

Please also refer to the "Basic Policy on Corporate Governance" posted on the Company's website, which sets forth the Company's basic policy on corporate governance.
https://www.nichirei.co.jp/english/corpo/governance/governance_policy.html

① Basic approach to corporate governance and corporate governance structure

(a) Overview of basic approach to corporate governance and corporate governance structure

(i) Basic approach to corporate governance

Under a holding company structure, the Group engages in business through operating companies across a wide range of fields that include processed foods, marine products, meat and poultry products, logistics, and biosciences. The Board of Directors of the Company, aiming to achieve sustainable growth and increase corporate value over the medium to long term, formulates Group business strategies and applies an operating structure for supervising business execution by the operating companies.

The Company recognizes that ensuring equitable and highly transparent business practices is a key management issue, and accordingly strives to enhance corporate governance practices with regard to appropriately allocating resources, accelerating the decision-making process, and ensuring strict compliance.

The Company has adopted the corporate governance structure of a company with an Audit & Supervisory Board, pursuant to the Companies Act.

(ii) Directors and the Board of Directors

(Roles and responsibilities of the Board of Directors)

The Board of Directors formulates Group business strategies and supervises business execution by the operating companies. In so doing, the Board of Directors facilitates efforts with respect to appropriately allocating Group resources, accelerating the decision-making process, and ensuring strict compliance.

The Board of Directors formulates and approves the Group strategy after such matters have been deliberated on by the Group Strategy Committee, which meets twice a year. The Board of Directors subsequently checks on the status of business execution by each Group business on a quarterly basis, while also providing highly effective supervision to executive directors and executive officers.

(Summary of the scope of matters delegated to the Board of Directors)

Decision-making by the Board of Directors is limited in scope to matters of top priority. This includes addressing matters to be resolved in accordance with the Companies Act, determining the content of the Management Principles, medium-term business plan, management policies and operating budgets; revising and repealing various directives, policies and key regulations; and making decisions on appointments for key officer positions. Authority for important matters other than the aforementioned is delegated to the Management Committee whose membership comprises the executive officers, with the functions of business execution kept separate from those of management supervision so that the executive officers are better able to deal with pressing and future business challenges.

(Term of office of directors)

Directors are appointed for a term of 1 year, pursuant to the Articles of Incorporation, in order to enhance the Company's flexibility in addressing changes in the business environment.

Outside directors may serve for no more than 6 years from a viewpoint to ensure their independence.

(Composition of the Board of Directors)

The Company appoints no more than 11 directors, at least one-third (1/3) of whom are independent outside directors. The Board of Directors is structured in a way that achieves both diversity and optimal size, taking into account each director's overall balance of knowledge, experience and other qualities.

(Operation of the Board of Directors and roles of its chairperson)

A director appointed beforehand by the Board of Directors is responsible for convening meetings of the Board of Directors and acts as the chairperson of such meetings in accordance with the Articles of Incorporation and the Board of Directors regulations, unless otherwise stipulated by laws and regulations.

(Activities of the Board of Directors)

During the current fiscal year, the Company held 20 Board of Directors meetings, and the attendance of the individual Directors was as follows.

Name	Position	Attendance at the Board of Directors meetings
Kenya Okushi	Representative Director, President	100% (20 times / 20 times)
Masahiko Takenaga	Director, Senior Executive Officer	95.0% (19 times / 20 times)
Wataru Tanabe	Director, Senior Executive Officer	100% (20 times / 20 times)
Kenji Suzuki	Director, Senior Executive Officer	100% (20 times / 20 times)
Yuichi Takaku	Director, Senior Executive Officer	100% (20 times / 20 times)
Kazunori Shimamoto	Director, Senior Executive Officer	100% (16 times / 16 times)
Mana Nabeshima	Outside Director	100% (20 times / 20 times)
Itsuo Hama	Outside Director	95.0% (19 times / 20 times)
Kenji Hamashima	Outside Director	100% (20 times / 20 times)
Yukiko Yoshimaru	Outside Director	100% (16 times / 16 times)
Yumi Yamaguchi	Outside Director	100% (16 times / 16 times)

(Notes)

1. In addition to the number of Board of Directors meetings mentioned above, there were two written resolutions deemed to have been adopted by the Board of Directors pursuant to the provisions of Article 370 of the Companies Act and Article 26 of the Company's Articles of Incorporation.
2. As Mr. Kazunori Shimamoto, Ms. Yukiko Yoshimaru and Ms. Yumi Yamaguchi was newly appointed as Director at the 106th Ordinary General Shareholders Meeting on June 25, 2024, his attendance at the Board of Directors meetings counts only those meetings held after that date.

The specific deliberations of the Board of Directors meetings during the current fiscal year were as follows.

- Management strategy : Revision of Vision for 2030 regarding "Nichirei Corporation Group Material Matters (Materiality)," and group initiatives, and Revision and Establishment of the Group Targets (KPI).
- Financial strategy : Shareholders returns (purchase of treasury shares and special dividends) and stock split
- Medium-term business plan : Progress, Evaluation, and Review of the medium-term business plan "Compass Rose 2024" and Formulation of the new medium-term business plan "Compass × Growth 2027"
- Sustainability : Nichirei Corporation Group Material Matters (Materiality), "Realizing Sustainable Food Procurement and Resources Recycling", "Climate change initiatives", ESG index evaluation and issues
- Governance : Strengthening governance of overseas subsidiaries in response to the misconduct at the company's Chinese subsidiary, Activities of the nominating advisory committee and remuneration advisory committee
- Business strategy : Functional reorganization toward the integration of the foods business

(iii) Audit & Supervisory Board and Audit & Supervisory Board members

(Roles and responsibilities of Audit & Supervisory Board and Audit & Supervisory Board members)

Independent of the Board of Directors, the Audit & Supervisory Board and Audit & Supervisory Board members endeavor to gather information and maintain an appropriate audit environment by communicating effectively with directors, and employees in the Corporate Internal Audit Division, in accordance with the audit policy and audit plan for each fiscal year. Audit & Supervisory Board members attend meetings of the Board of Directors and other important meetings, and also appropriately call for explanations and contribute to discussions.

(Term of office of Audit & Supervisory Board members)

The terms of office of Audit & Supervisory Board members are as stipulated by the Companies Act.

Outside Audit & Supervisory Board members may serve for no more than 8 years from a viewpoint to ensure their independence.

(Composition of the Audit & Supervisory Board)

The Company appoints 5 Audit & Supervisory Board members, pursuant to the Articles of Incorporation, of whom 3 are independent outside Audit & Supervisory Board members.

(iv) Nominating Advisory Committee and Remuneration Advisory Committee

The Company has established the Nominating Advisory Committee, chaired by an outside director, as an advisory body to the Board of Directors. The committee, the majority of whose members are outside directors, deliberates on appropriate human resources as candidates for senior management, directors, and Audit & Supervisory Board members, as well as succession planning and other matters, and reports back to the Board of Directors.

The Company has established the Remuneration Advisory Committee, chaired by an outside director, as an advisory body to the Board of Directors. The committee, the majority of whose members are outside directors, deliberates on the remuneration system, the level of remuneration, the appropriateness of remuneration, and other issues, and reports back to the Board of Directors.

(As of June 17, 2025)

Committee name	Committee chairperson	Number of members (Persons)	Director	Outside directors
Nominating Advisory Committee	Outside Director Itsuo Hama	6 persons	Kenya Okushi	Mana Nabeshima Itsuo Hama Kenji Hamashima Yukiko Yoshimaru Yumi Yamaguchi
Remuneration Advisory Committee	Outside Director Kenji Hamashima	6 persons	Kenya Okushi	Mana Nabeshima Itsuo Hama Kenji Hamashima Yukiko Yoshimaru Yumi Yamaguchi

(Note) The Company has submitted proposals for the “Election of 11 Directors” as agenda items (resolutions) at the Ordinary General Shareholders’ Meeting scheduled to be held on June 25, 2025. If these proposals are approved and adopted, the composition will remain in the same as stated above.

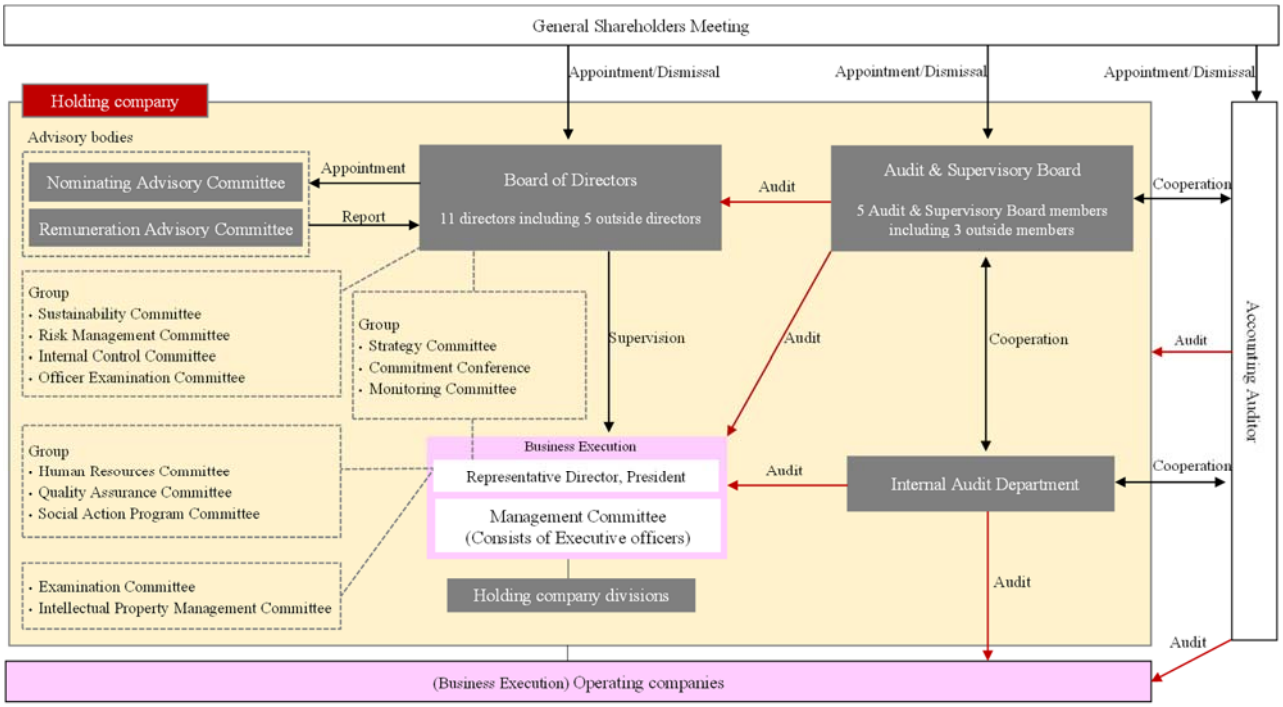
(b) Reasons for selection of current corporate governance structure

The Company has adopted the company with an Audit & Supervisory Board system as its organizational design for running a wide range of businesses under the holding company structure. As of the filing date (June 17, 2025) from among the maximum of 11 directors stipulated in the Articles of Incorporation, the Company has designated 5 independent outside directors. Among 5 Audit & Supervisory Board members, the Company has designated 3 independent outside Audit & Supervisory Board members.

The Board of Directors and the Audit & Supervisory Board work together effectively to properly supervise and oversee executive officers engaged in business execution. Matters decided by the Board of Directors are limited to matters prescribed by law and matters defined by the Company’s own standards, but many decisions are delegated to the Management Committee, a body composed of executive officers, thereby allowing the Board of Directors to concentrate on deciding matters of utmost importance and overseeing business execution by executive officers.

Full-time Audit & Supervisory Board members of the Company, who have extensive knowledge of the Group’s business characteristics, cooperate with full-time Audit & Supervisory Board members of the operating companies to conduct onsite inspections at key business establishments throughout the year. Audit & Supervisory Board members who have visited the business establishment and conducted audits or hearings on its status in person present the audit findings according to the actual circumstances of each business. Moreover, after performing an audit, Audit & Supervisory Board members report the problems and issues identified as a result of the audit to the Audit & Supervisory Board and the representative director, and make efforts to enhance the effectiveness of auditing functions. In addition, the independent outside Audit & Supervisory Board members of the Company attend and speak out not only at meetings of the Board of Directors and the Audit & Supervisory Board but also at meetings of the body in charge of strategic management and the Board of Directors’ principal advisory committees, in addition to accompanying full-time Audit & Supervisory Board members when they conduct onsite inspections as appropriate.

As described above, the Company is striving to enhance and thoroughly implement corporate governance practices by separating business execution functions from supervision/oversight functions, delegating responsibilities and authority to executive officers, ensuring transparency of the decision-making process, and maximizing the auditing functions based on the company with an Audit & Supervisory Board system.



* The above chart reflects the status as of the date of submission.

The Company has submitted proposals for the "Election of 11 Directors" and the "Election of 1 Audit & Supervisory Board Member" as agenda items (resolutions) at the Ordinary General Shareholders' Meeting scheduled to be held on June 25, 2025. If these proposals are approved and adopted, the number of the Company's directors will remain at 11 (including 5 outside directors) and 5 Audit & Supervisory Board members (including 3 Outside Audit & Supervisory Board Members), thereby maintaining the same structure.

* The content of the resolutions (e.g., position) to be adopted at the Board of Directors meeting and the Audit & Supervisory Board meeting to be held immediately after the Ordinary General Shareholders' Meeting is as stated in "(2) Directors and Officers ① b.".

(c) Status of internal control system

The Group recognizes that the development and operation of an internal control system to "improve the effectiveness and efficiency of operations," "ensure the reliability of reporting," "comply with laws and regulations related to business activities," and "safeguard assets" will lead to an increase in corporate value.

The Company has established the following basic policy for its internal control system as "a system to ensure that the execution of duties by directors complies with laws and regulations and the Articles of Incorporation, and other systems prescribed by the applicable Ordinance of the Ministry of Justice as necessary to ensure the properness of the operations of a company and of the corporate group consisting of such company and its subsidiaries" under the Companies Act, and will review and improve this policy annually to respond to changes in the business environment and other factors.

The Company's Internal Controls Basic Policy

(I) Compliance with the law and internal regulations

i) The Company, in accordance with the Group's management principles and code of conduct, shall comply with the laws, regulations, and its articles of incorporation, refrain from dishonest or antisocial corporate activities, and ensure that competition is fair.

ii) As a holding company, the Company shall manage the Group and strengthen corporate governance by establishing, implementing, maintaining internal controls for the entire Group; formulate business strategies for the Group; conduct internal Group audits; monitor its subsidiaries; and facilitate the joint procurement of assets.

iii) The Company shall ensure its disclosures are prompt, accurate, and fair, based on the Group's accounting regulations. It shall be accountable to shareholders and investors on an ongoing basis, while ensuring the transparency of corporate information.

iv) The Company shall establish a Group auditing department that, based on the Group's in-house audit regulations, shall audit Group company controls.

v) The Company, in order to handle reports and consultations by employees concerning acts that may violate corporate ethics, shall establish an internal reporting system (a hotline) that protects whistleblowers. Every effort shall be made to discover and correct violations of the system at an early stage, and ensure compliance.

vi) The Company, in accordance with guidelines regarding the Board of Directors, office structures, and other internal arrangements, shall establish systems for appropriate and efficient execution of duties, based on rules regarding management authority and decision-making.

(II) Managing information on Company, subsidiary directors

i) The Company shall properly record, retain, manage, and preserve minutes of the Board of Directors meetings, documents for circulation, and other information regarding execution of duties, in accordance with the law, as well as internal regulations regarding the Board of Directors, Group document management, and information security management.

ii) The Company, based on Group regulations concerning Group management, Group materials for discussion or circulation, and other Group arrangements, shall receive reports on matters regarding the execution of duties by directors and employees of subsidiaries.

iii) The Company's directors and Audit & Supervisory Board members shall be able to directly examine and/or copy any information regarding execution of duties that has been electronically recorded, retained, managed, or preserved by the Company's departments.

iv) When requested by a director or Audit & Supervisory Board members, the Company's departments shall promptly provide or submit for inspection the specified information.

(III) Risk management of Company, subsidiary losses

i) Based on the Group's risk management regulations, the Company shall identify and evaluate Group risks through the Group Risk Management Committee, and establish a risk management framework for the Group.

ii) The Company and its subsidiaries, reflecting the risk management cycle, shall voluntarily and independently respond to corporate activity-related risks. Important matters shall be reported to the holding company's Board of Directors, and the response discussed.

iii) Based on the Group's risk management regulations, the Company shall respond promptly and appropriately in the event of a disaster, accident, incident, or other crisis that threatens business continuity.

(IV) Group duties of Nichirei, subsidiaries (besides those in I-III above).

i) To realize the mission and vision of the Group, the Company, as a holding company, shall propose, decide, and implement Group strategies, allocate business resources, conduct monitoring and risk management for the entire Group, and fulfill the responsibilities of a publicly traded company.

ii) As a holding company, the Company has a corporate staff division that supports the Board of Directors, an internal auditing division that monitors the Group, as well as the Group R&D and quality assurance divisions.

iii) Each subsidiary shall serve as an independent company (fulfilling the functions of planning, development, production, sales, management, and administration), increase the independence of their respective organizations through their presidents, and adapt to the business environment to respond quickly to market demands.

iv) Transactions between the Company and its subsidiaries shall be based on accounting principles, tax laws, and other regulations.

(V) Exclusion of antisocial forces

The Company, keenly aware of its corporate social responsibility, shall prohibit any submission to, or collusion with, antisocial forces that threaten the order and safety of civil society, and shall resolutely respond thereto.

(VI) Audit & Supervisory Board members and independence of employees

i) The Company shall establish a Group internal audit department, and maintain systems that allow Audit & Supervisory Board members to execute audits more effectively and efficiently, including holding regular liaison conferences with Audit & Supervisory Board members.

ii) The Company shall assign specialist staff at the behest of the Audit & Supervisory Board. Personnel assignments shall be decided by consultation between the directors and Audit & Supervisory Board members, with attention given to independence from directors and ensuring of the effectiveness of directives from Audit & Supervisory Board members.

(VII) Systems for reporting to Audit & Supervisory Board members

i) Directors and employees shall report to Audit & Supervisory Board members, without delay, should they become aware of either a serious violation of laws or internal regulations in the execution of their duties, or any facts that could, or do, have the potential to cause the Company substantial harm.

ii) Directors and employees shall report immediately, to Audit & Supervisory Board members, decisions that may seriously impact business or the organization, and the results of internal audits.

iii) Directors, Audit & Supervisory Board members, and employees of subsidiaries with knowledge of facts that could have a serious impact on the Group's internal controls, or persons who have received reports from such persons, shall report such to Audit & Supervisory Board members without delay.

iv) The Company and its subsidiaries shall protect people reporting to Audit & Supervisory Board members, to ensure that the reports do not lead to adverse treatment.

(VIII) Ensuring compliance of Audit & Supervisory Board members

i) To enable Audit & Supervisory Board members to adequately perform their functions, the representative director shall arrange for the Audit & Supervisory Board to receive regular reports on, for example, the status of business, quite apart from briefings on similar topics going to the Board of Directors.

ii) The Board of Directors shall ensure that Audit & Supervisory Board members attend important meetings regarding the Company's business to ensure it is appropriately conducted.

iii) Once requested by the Audit & Supervisory Board members, and unless a request is unreasonable, the Company shall provide prompt advance payment, or reimbursement, for expenses incurred by the Audit & Supervisory Board members in the execution of their duties.

Regarding internal controls over financial reporting required by the Financial Instruments and Exchange Act, we selected scope for companies and business processes which may have a material effect on financial reporting overall on a consolidated basis, recognized risks and documented control actions, and then we evaluated the effectiveness of company-level internal control and internal control over business processes. Based on these results, we prepared an internal control report.

(d) Risk management

The Group has set up the Group Risk Management Committee, chaired by the representative director and president, to manage the various risks associated with its business activities, in the most appropriate and rational ways from a comprehensive standpoint, and to maximize the Group's corporate value. The committee identifies and evaluates Group-wide risks and the Company and operating companies respond to these risks on their own accord, based on the established risk management cycle. Important items are reported to the Board of Directors of the Company, the holding company, which considers the response. Furthermore, the Company has introduced an internal reporting system (a hotline) in an effort to minimize risks.

② Summary of the contents of the limited liability agreement

Pursuant to the provisions of the Articles of Incorporation, the Company has entered into an agreement with outside directors and outside audit & supervisory board members, to limit their liability for damages. The maximum amount of their liability for damages based on such agreements is the amount stipulated by laws and regulations.

③ Summary of the contents of the directors and officers liability insurance agreement

The Company has concluded a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The scope of the insured under the policy is directors, Audit & Supervisory Board members, and executive officers of the Company, as well as officers of domestic and certain overseas subsidiaries, and the insured does not bear insurance expenses. The insurance policy covers damages that may arise from the insured being held liable for the performance of his/her duties or being subject to claims related to the pursuit of such liability. However, there are certain exclusions, such as the insured is not covered for damages arising from acts committed by the insured with knowledge that such acts violate laws and regulations.

④ Number of directors and requirements for resolution of election of directors

The Company's Articles of Incorporation stipulate that the Company shall have no more than 11 directors. The Articles of Incorporation also stipulate that the election of directors shall be resolved by a majority of the voting rights of the shareholders present at a meeting where shareholders holding one-third (1/3) or more of the voting rights of shareholders who are entitled to exercise their voting rights are present, and that cumulative voting shall not be used.

⑤ Matters to be resolved at the General Shareholders Meeting that may be resolved by the Board of Directors

(a) Purchase of treasury shares

The Articles of Incorporation stipulate that the Company may purchase treasury shares through market transactions, etc. by a resolution of the Board of Directors pursuant to Article 165, Paragraph 2 of the Companies Act, in order to enable flexible response in the event that a change in the business environment necessitates the purchase of treasury shares.

(b) Interim dividends

In order to flexibly return profits to shareholders, the Articles of Incorporation stipulate that the Company may pay interim dividends with a record date of September 30 of each year by a resolution of the Board of Directors as stipulated in Article 454, Paragraph 5 of the Companies Act.

(c) Dividends of surplus in cases where it is deemed difficult to hold the General Shareholders Meeting

The Articles of Incorporation stipulate that, in the event that the Board of Directors determines that it is difficult to hold the General Shareholders Meeting due to unforeseen circumstances such as a disaster or an epidemic, it may determine matters such as dividends of surplus stipulated in Article 459, Paragraph 1, Items 2 through 4 of the Companies Act, by a resolution of the Board of Directors unless otherwise provided by law.

⑥ Requirements for special resolutions of the General Shareholders Meeting

In order to facilitate the smooth operation of the General Shareholders Meeting by relaxing the quorum for special resolutions, the Articles of Incorporation stipulate those resolutions in Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds (2/3) or more of the votes of shareholders present at the meeting where shareholders holding one-third (1/3) or more of the voting rights are present.

⑦ Basic policy on the control over the Company

(a) Basic policy

In the event that the Company receives an acquisition proposal from anyone coming forward to propose the acquisition of the Company's shares, etc., we believe that the decision of whether or not to sell the Company's shares in response to such a proposal should ultimately be left to our shareholders. We also believe that, in order for shareholders to make an appropriate decision, it is important that shareholders are provided with sufficient information on the acquisition proposal as well as the opportunity to look into matters such as the possibility of alternative proposals.

Having declared the Group's mission to "Focus on Lifestyles, and Provide True Satisfaction" in the Nichirei Management Principles, our vision is to "continue to support good eating habits and health by leveraging our state-of-the-art manufacturing practices that optimize nature's bounty, along with our leading-edge logistics services." If the acquisition proposal places importance exclusively on short-term economic efficiency and is incongruent with such Management Principles, vision or the medium- to long-term management policy of the Group, we believe shareholders need to make a decision after obtaining sufficient information in order to prevent the impairment of the Company's corporate value, and in turn, the common interests of its shareholders.

(b) Specific efforts to implement the basic policy

(i) Special efforts to implement the basic policy

In response to significant changes in the external environment, the Group has succeeded the long-term management goal "Vision for 2030" and established a new long-term management goal, "N-FIT 2035," based on five new management strategies.

To achieve this vision, we have formulated the Group's medium-term business plan "Compass × Growth 2027," covering the three-year period FY 2026 to FY 2028. Through this plan, we aim to further enhance both social and economic value on a global scale.

On the financial front, capital from operating cash flow and asset liquidation will be used for investments to maintain and enhance corporate value, and for shareholder returns through dividends and stock buybacks. The basic policy for shareholder returns is to maintain a stable dividend based on the progressive dividend policy with a baseline minimum consolidated dividend on equity ratio (DOE) of 4.0 %, and to conduct flexible stock buybacks in consideration of capital efficiency and the market environment.

(ii) Efforts to prevent an inappropriate person/entity from gaining control in light of the basic policy

The Group is engaged in the businesses of processed foods, marine products, meat and poultry products, logistics, real estate and others. For the expansion of its physical business activities, the Group conducts business worldwide through its subsidiaries and business establishments. Management of the Group is based on extensive knowledge of and a wealth of experience in these multiple businesses and relationships with customers, employees and clients/suppliers around the world; shareholders need to gain a sufficient understanding of these matters when deciding whether or not to accept the acquisition proposal made by the proposer.

The Company strives to provide information to shareholders by proactively engaging in investor relations (IR) activities on a day-to-day basis. In order for shareholders to properly decide whether or not to accept the acquisition proposal by the proposer, provision of appropriate and sufficient information by both the Company and the proposer (description of the Group's management policy and business plan contemplated by the proposer, the impact of the acquisition proposal on shareholders of the Company and the management of the Group, the impact on many stakeholders of the Group, approach to social responsibility and other information from the proposer) will be indispensable, in addition to securing the time needed for shareholders to examine the proposal to decide whether or not to accept it. Depending on the circumstances, the Company may look into the possibility of an alternative proposal and put it forward to shareholders, allowing shareholders to choose a better proposal from the viewpoint of the Company's corporate value, and in turn, the common interests of shareholders.

The Company will take appropriate measures to the extent permitted by the Financial Instruments and Exchange Law, the Companies Act and other relevant laws and regulations including requiring the proposer to provide necessary and sufficient information for shareholders to properly decide whether or not to accept the acquisition proposal, disclosing the opinions, etc. of the Board of Directors of the Company, and endeavoring to secure the time and information needed by shareholders to examine the proposal and continue to make efforts to ensure and improve its corporate value and the common interests of shareholders.

(c) The Board of Directors' decision on the specific efforts and the reasons for such a decision

The aforementioned "(b) Specific efforts to implement the basic policy" is in line with the aforementioned "(a) Basic policy" and is not detrimental to the corporate value of the Company or the common interests of its shareholders, nor is it intended to maintain the status of the Company's directors.

(2) Directors and Officers

① List of directors and officers

(a) As of June 17, 2025 (date of submission of the Japanese version of this Annual Securities Report), the status of the Company's officers is as follows.

13 men, 3 women (18.8% of executives are women)

Position	Name	Date of Birth	Career Summary	Term of office	Number of shares held (hundreds of shares)
Representative Director, President	Kenya Okushi	January 15, 1965	April 1988 Joined the Company April 2011 General Manager of Business Coordination Division, Nichirei Foods Inc. April 2013 General Manager of Strategic Planning Division, the Company June 2014 Executive Officer; General Manager of Strategic Planning Division, the Company June 2015 Director, Managing Executive Officer; in charge of Brand Promoting Division, Human Resources Division, Business Administration Division, Business Promoting Division, Imported Products Procurement Strategy Division, and International Business Division; General Manager of Strategic Planning Division, Nichirei Foods Inc. April 2017 Representative Director, President, Nichirei Foods Inc. June 2017 Director, Executive Officer, the Company April 2018 Director, Executive Officer; in charge of Strategic Planning Division, the Company April 2019 Representative Director, President & Chief Executive Officer, the Company (to the present) May 2020 Chairman, Japan Frozen Food Association June 2025 Chairman, Japan Association of Refrigerated Warehouses (to the present)	(Note) 4	891
Director (Senior Executive Officer)	Masahiko Takenaga	September 16, 1964	April 1989 Joined the Company April 2013 General Manager of Brand Promoting Division, Nichirei Foods Inc. April 2015 Executive Officer; General Manager of Manufacturing Strategy Division, and General Manager of Manufacturing Administration Division, Manufacturing Division, Nichirei Foods Inc. April 2016 Executive Officer; Executive General Manager of Consumer Brand Division, Nichirei Foods Inc. April 2017 Managing Executive Officer; Executive General Manager of Consumer Brand Division, Nichirei Foods Inc. June 2018 Director, Managing Executive Officer; Nichirei Foods Inc. April 2019 Representative Director, President, Nichirei Foods Inc. (to the present) June 2019 Director, Executive Officer, the Company April 2023 Director, Senior Executive Officer, the Company (to the present)	(Note) 4	610

Job title	Name	Date of Birth	Career Summary		Term of office	Number of shares held (hundreds of shares)
Director (Senior Executive Officer)	Wataru Tanabe	July 26, 1969	April 1992 September 2009 April 2019 June 2020 April 2021 June 2021 April 2023	Joined the Company Representative Director, President, Nichirei Fresh Farm Inc. Executive Officer; General Manager of Strategic Planning Division, Nichirei Fresh Inc. Director, Executive Officer; General Manager of Strategic Planning Division, Nichirei Fresh Inc. Representative Director, President, Nichirei Fresh Inc. (to the present) Director, Executive Officer, the Company Director, Senior Executive Officer, the Company (to the present)	(Note) 4	288
Director (Senior Executive Officer) Executive General Manager of Corporate Management Headquarters, In charge of Accounting & Tax Division, Finance Division, Human Resources Development Division, Legal Affairs Division, Public Relations & Investor Relations Division, Corporate Internal Audit Division, Quality Assurance Division, Real Estate Division	Kenji Suzuki	February 18, 1967	April 1991 September 2019 April 2021 February 2022 June 2022 April 2024 April 2025	Joined the Company General Manager of Finance Division, the Company Executive Officer; General Manager of Business Management Division, and General Manager of Finance Division, the Company Executive Officer; in charge of Accounting & Tax Division, General Manager of Business Management Division, General Manager of Finance Division, the Company Director, Executive Officer; Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Management Business Division and Real Estate Division, General Manager of Finance Division, the Company Director, Senior Executive Officer, Chief Financial Officer; Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Public Relations & Investor Relations Division, Human Resources Development Division, Corporate Internal Audit Division, Quality Assurance Division and Real Estate Division, General Manager of Finance Division, the Company Director, Senior Executive Officer, Chief Financial Officer; Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Finance Division, Public Relations & Investor Relations Division, Human Resources Development Division, Legal Affairs Division, Corporate Internal Audit Division, Quality Assurance Division and Real Estate Division (to the present)	(Note) 4	206
Director (Senior Executive Officer) Executive General Manager of Strategy Headquarters, In charge of IT Strategy Division, Sustainability Strategy Division, Innovation Planning & Development Division, Diversity Promotion Division, General Manager of Strategic Planning Division	Yuichi Takaku	July 18, 1970	April 1994 April 2012 April 2018 April 2021 April 2023 June 2023 April 2024 April 2025	Joined the Company Seconded to Nichirei Holding Holland B.V., Nichirei Logistics Group Inc. General Manager of Strategic Planning Division, Nichirei Logistics Group Inc. Executive Officer; in charge of IT Strategy Division, General Manager of Strategic Planning Division, the Company Senior Executive Officer; in charge of IT Strategy Division and Sustainability Management Division, General Manager of Strategic Planning Division, the Company Director, Senior Executive Officer; in charge of IT Strategy Division and Sustainability Management Division, General Manager of Strategic Planning Division, the Company Director, Senior Executive Officer; Executive General Manager of Strategy Headquarters, in charge of IT Strategy Division, Sustainability Strategy Division and Diversity Promotion Division, General Manager of Strategic Planning Division, General Manager of Innovation Planning & Development Division, the Company Director, Senior Executive Officer; Executive General Manager of Strategy Headquarters, in charge of IT Strategy Division, Sustainability Strategy Division, Innovation Planning & Development Division, and Diversity Promotion Division, General Manager of Strategic Planning Division, the Company (to the present)	(Note) 4	206

Job title	Name	Date of Birth	Career Summary		Term of office	Number of shares held (hundreds of shares)
Director (Senior Executive Officer)	Kazunori Shimamoto	February 5, 1972	April 1996 April 2014 April 2017 April 2020 April 2021 June 2023 April 2024 June 2024	Joined the Company Shanghai Representative Office, Nichirei Logistics Group Inc. General Manager, Bangkok Representative Office, Nichirei Logistics Group Inc. General Manager of Sales Strategy Division, Nichirei Logistics Group Inc. Executive Officer; General Manager of Strategic Planning Division, General Manager of Sales Strategy Division, Nichirei Logistics Group Inc. Director, Executive Officer; General Manager of Strategic Planning Division, General Manager of Sales Strategy Division, Nichirei Logistics Group Inc. Representative Director, President, Nichirei Logistics Group Inc. (to the present) Director, Senior Executive Officer, the Company (to the present)	(Note) 4	60
Outside Director	Mana Nabeshima	July 4, 1966	August 1991 October 2000 January 2015 August 2016 September 2016 January 2020 July 2020 December 2020 June 2021	Joined Citibank, N.A., Tokyo Branch Joined Goldman Sachs Japan Co., Ltd. Joined DBS Bank Ltd. Representative Director and CEO, DBS Securities (Japan) Co., Ltd. Country Head of Japan, DBS Bank Ltd. Executive Officer; Head of Sales, HiJoJo Partners Inc. Vice Chairman, DIGITAL GRID Corporation (to the present) Representative Director, Wakiaiai Co., Ltd. (to the present) Outside Director, the Company (to the present)	(Note) 4	59
Outside Director	Itsuo Hama	March 14, 1954	April 1977 March 2008 January 2009 March 2010 January 2012 March 2016 January 2019 March 2022 June 2022 March 2023	Joined Lion Fat & Oil Co., Ltd. (currently Lion Corporation) Director; Executive General Manager of Household Products Division, Lion Corporation Director; Executive General Manager of Household Products Division; responsible for Advertising Department, Behavioral Science Research Institute, Distribution Policy and Customer Development Department, Lion Corporation Executive Director; responsible for Health Care Products Division, Household Products Division, Gift and Channel-Specific Products Division, Advertising Department, Behavioral Science Research Institute, Distribution Policy and Customer Development Department, Lion Corporation Representative Director, President, Executive Officer, Chief Operating Officer; responsible for Risk Management, Lion Corporation Representative Director, President and CEO, Chairman of the Board of Directors, Executive Officer; Lion Corporation Representative Director, Chairman of the Board of Directors, Chief Executive Officer; Lion Corporation Representative Director, Chairman of the Board of Directors; Lion Corporation Outside Director, the Company (to the present) Executive Advisor, Lion Corporation (to the present)	(Note) 4	19
Outside Director	Kenji Hamashima	January 3, 1959	April 1982 April 1999 November 2000 April 2004 April 2007 June 2010 April 2014 October 2014 April 2019 April 2020 June 2020 June 2022 June 2024	Joined Ushio, Inc. Director, President, CEO, Ushio America, Inc. Director, President, CEO, Christie Digital Systems, Inc. Senior Group Executive Officer, Ushio, Inc. Group Managing Executive Officer, Ushio, Inc. Director, Senior Managing Executive Officer, Ushio, Inc. Representative Director, Senior Executive Vice President, Ushio, Inc. Representative Director, Chief Executive Officer, Ushio, Inc. Corporate Advisor, Ushio, Inc. Special Counselor, Ushio, Inc. (to the present) Outside Director, Inabata & Co., Ltd. Outside Director, Audit and Supervisory Committee Member, Inabata & Co., Ltd. Outside Director, the Company (to the present) Outside Director, Takamatsu Construction Group Co., Ltd. (to the present)	(Note) 4	58

Job title	Name	Date of Birth	Career Summary		Term of office	Number of shares held (hundreds of shares)
Outside Director	Yukiko Yoshimaru	February 1, 1960	April 1982 April 1998 October 2004 April 2008 June 2011 April 2018 June 2019 June 2021 June 2024	Joined Oki Electric Industry Co., Ltd. Director, Oki America Inc., Head, New York Office, Oki Electric Industry Co., Ltd. General Manager, Diversity Development Office, Nissan Motor Co., Ltd. Joined Nifco Inc. Executive Officer, Nifco Inc. Outside director, Sekisui House, Ltd. (to the present) Outside director, Mitsui Chemicals, Inc. Outside director, Daiwabo Holdings Co., Ltd. (to the present) Outside director, the Company (to the present)	(Note) 4	13
Outside Director	Yumi Yamaguchi	March 31, 1961	April 1983 April 2001 August 2005 July 2006 July 2014 October 2015 April 2016 July 2020 April 2023 June 2024	Joined Ministry of Transport (currently Ministry of Land, Infrastructure, Transport and Tourism) Director of TF for 2002 FIFA World Cup International Passengers Transportation, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism Director of Logistic Facilities Industries Division, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism Vice-Governor, Okayama Prefecture Senior Vice Commissioner, Japan Tourism Agency, Ministry of Land, Infrastructure, Transport and Tourism Executive Advisor, Corporate Planning & Strategy Division, Mitsui & Co., Ltd. Managing Officer, Mitsui & Co., Ltd. President & CEO, Mitsui Global Strategic Studies Institute Managing Officer; Deputy Chief Strategy Officer, Deputy Chief Digital Information Officer, Mitsui & Co., Ltd. Executive Advisor, Mitsui & Co., Ltd. Outside director, the Company (to the present) Outside Director, Mitsui O.S.K. Lines, Ltd. (to the present)	(Note) 4	5
Audit & Supervisory Board Member	Tatsushi Kato	January 6, 1962	April 1987 April 2013 October 2013 April 2015 April 2016 April 2019 April 2020 April 2021 June 2021	Joined the Company General Manager of Funabashi Plant, Manufacturing Division, Nichirei Foods Inc. General Manager of Funabashi Plant, General Manager of Funabashi No. 2 Plant, Manufacturing Division, Nichirei Foods Inc. Executive Officer; General Manager of Funabashi Plant, General Manager of Funabashi No. 2 Plant, Manufacturing Division, Nichirei Foods Inc. Executive Officer; General Manager of Manufacturing Division, Nichirei Foods Inc. Managing Executive Officer; General Manager of Quality Assurance Department, Nichirei Foods Inc. Managing Executive Officer; General Manager of Quality Assurance Department, General Manager of Research and Development Department, Nichirei Foods Inc. General Manager of Corporate Social Responsibility Headquarters, the Company Audit & Supervisory Board Member, the Company (to the present)	(Note) 5	42
Audit & Supervisory Board Member	Tetsuro Katabuchi	May 13, 1964	April 1987 April 2005 April 2011 April 2013 April 2022 June 2022	Joined the Company Group Leader; Legal Affairs Support, Group Legal Affairs Service Division, Nichirei Proserve Inc. Manager of Business Management Support Department, Nichirei Proserve Inc. General Manager of Legal Affairs Division, the Company Corporate Management Headquarters, the Company Audit & Supervisory Board Member, the Company (to the present)	(Note) 5	22

Job title	Name	Date of Birth	Career Summary		Term of office	Number of shares held (hundreds of shares)
Outside Audit & Supervisory Board Member	Yuhiko Saito	January 27, 1955	April 1983 September 2012 July 2014 April 2015 September 2016 March 2017 January 2018 March 2018 June 2019	Appointed Public Prosecutor Director-General of the Rehabilitation Bureau, Ministry of Justice Chief Prosecutor, Kyoto District Public Prosecutors Office Chief Prosecutor, Yokohama District Public Prosecutors Office Superintending Prosecutor, Takamatsu High Public Prosecutors Office Superintending Prosecutor, Hiroshima High Public Prosecutors Office Retired from office Registered as an attorney (Dojima Law Office) (to the present) Outside Audit & Supervisory Board Member, the Company (to the present)	(Note) 5	46
Outside Audit & Supervisory Board Member	Takaaki Kato	June 12, 1957	April 1980 March 2005 April 2008 April 2009 April 2011 April 2013 June 2015 June 2017 June 2023 June 2024	Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.) General Manager, Hong Kong Branch, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) Executive Officer, Mizuho Securities Co., Ltd. Managing Executive Officer, Mizuho Securities Co., Ltd. Managing Executive Officer, Mizuho Securities Co., Ltd., Chairman, Mizuho Securities Asia Limited Managing Executive Officer, KYB Corporation Member of the Board of Directors, Senior Managing Executive Officer, KYB Corporation Representative Director, Executive Vice President Executive Officer, KYB Corporation Corporate Advisor, KYB Corporation (to the present) Outside Audit & Supervisory Board Member, the Company (to the present) Outside Director, KANDENKO CO., LTD. (to the present)	(Note) 5	2
Outside Audit & Supervisory Board Member	Hiromichi Matsushima	January 20, 1958	April 1982 May 1999 October 2003 July 2005 October 2006 July 2007 January 2010 August 2011 April 2013 July 2014 August 2015 July 2019 September 2020 June 2024	Joined Ministry of Agriculture, Forestry and Fisheries Counsellor, The Permanent Mission of Japan to the International Organizations in Geneva, Ministry of Foreign Affairs Director, Milk and Dairy Products Division, Livestock Industry Department, Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries Director, Regional Products and Industrial Crops Division, Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries Director, Administration Division, Agriculture, Forestry and Fisheries Research Council Secretariat, Ministry of Agriculture, Forestry and Fisheries Director, Personal Division, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries Director for Research Coordination, Policy Research Institute, Ministry of Agriculture, Forestry and Fisheries Counsellor (Environment and International Affairs), Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries Director-General, International Affairs Department, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries, Councillor, Cabinet Secretariat Director General, Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries Vice-Minister for International Affairs, Ministry of Agriculture, Forestry and Fisheries Advisor, Ministry of Agriculture, Forestry and Fisheries Ambassador Extraordinary and Plenipotentiary to the Republic of Slovenia Outside Audit & Supervisory Board Member, the Company (to the present)	(Note) 5	4
Total						2,534

(Notes)

1. "Number of shares held" is rounded down to the nearest 100 shares. A stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025. the number of shares stated above is after the stock split.
2. Mana Nabeshima, Itsuo Hama, Kenji Hamashima, Yukiko Yoshimaru, and Yumi Yamaguchi are outside directors.
3. Yuhiko Saito, Takaaki Kato and Hiromichi Matsushima are outside Audit & Supervisory Board members.
4. The term of office of directors shall expire at the close of the Ordinary General Shareholders Meeting relating to the last fiscal year ending within 1 year after their election.
5. The term of office of Audit & Supervisory Board members shall expire at the close of the Ordinary General Shareholders Meeting relating to the last fiscal year ending within 4 years after their election.
6. There are following 1 senior executive officer, excluding directors who serve concurrently as senior executive officers.

Responsibilities and Concurrent Positions	Name
Representative Director, President, Nichirei Biosciences Inc.	Hideo Yokoi

7. There are following 3 executive officers, excluding directors who serve concurrently as executive officers.

Responsibilities and Concurrent Positions	Name
General Manager of Quality Assurance Division	Takuji Okugawa
General Manager of IT Strategy Division	Jouji Sakaguchi
In charge of General Affairs Division and Human Resources Planning Division, General Manager of Diversity Promotion Division	Emi Kataoka

(b) The Company has submitted proposals for the "Election of 11 Directors" and the "Election of 1 Audit & Supervisory Board Member" as agenda items (resolutions) at the Ordinary General Shareholders' Meeting scheduled to be held on June 25, 2025. If these proposals are approved and adopted, the status and terms of office of the Company's officers will be as set forth below.

This also includes the matters (e.g. position) to be resolved at the Board of Directors meeting scheduled to be held immediately after the Ordinary General Shareholders' Meeting.

13 men, 3 women (18.8% of executives are women)

Position	Name	Date of Birth	Career Summary	Term of office	Number of shares held (hundreds of shares)
Representative Director, President	Kenya Okushi	January 15, 1965	April 1988 Joined the Company April 2011 General Manager of Business Coordination Division, Nichirei Foods Inc. April 2013 General Manager of Strategic Planning Division, the Company June 2014 Executive Officer; General Manager of Strategic Planning Division, the Company June 2015 Director, Managing Executive Officer; in charge of Brand Promoting Division, Human Resources Division, Business Administration Division, Business Promoting Division, Imported Products Procurement Strategy Division, and International Business Division; General Manager of Strategic Planning Division, Nichirei Foods Inc. April 2017 Representative Director, President, Nichirei Foods Inc. June 2017 Director, Executive Officer, the Company April 2018 Director, Executive Officer; in charge of Strategic Planning Division, the Company April 2019 Representative Director, President & Chief Executive Officer, the Company (to the present) May 2020 Chairman, Japan Frozen Food Association June 2025 Chairman, Japan Association of Refrigerated Warehouses (to the present)	(Note) 4	891
Director (Senior Executive Officer)	Masahiko Takenaga	September 16, 1964	April 1989 Joined the Company April 2013 General Manager of Brand Promoting Division, Nichirei Foods Inc. April 2015 Executive Officer; General Manager of Manufacturing Strategy Division, and General Manager of Manufacturing Administration Division, Manufacturing Division, Nichirei Foods Inc. April 2016 Executive Officer; Executive General Manager of Consumer Brand Division, Nichirei Foods Inc. April 2017 Managing Executive Officer; Executive General Manager of Consumer Brand Division, Nichirei Foods Inc. June 2018 Director, Managing Executive Officer; Nichirei Foods Inc. April 2019 Representative Director, President, Nichirei Foods Inc. (to the present) June 2019 Director, Executive Officer, the Company April 2023 Director, Senior Executive Officer, the Company (to the present)	(Note) 4	610

Position	Name	Date of Birth	Career Summary		Term of office	Number of shares held (hundreds of shares)
Director (Senior Executive Officer)	Wataru Tanabe	July 26, 1969	April 1992 September 2009 April 2019 June 2020 April 2021 June 2021 April 2023	Joined the Company Representative Director, President, Nichirei Fresh Farm Inc. Executive Officer; General Manager of Strategic Planning Division, Nichirei Fresh Inc. Director, Executive Officer; General Manager of Strategic Planning Division, Nichirei Fresh Inc. Representative Director, President, Nichirei Fresh Inc. (to the present) Director, Executive Officer, the Company Director, Senior Executive Officer, the Company (to the present)	(Note) 4	288
Director (Senior Executive Officer) Executive General Manager of Corporate Management Headquarters, In charge of Accounting & Tax Division, Finance Division, Human Resources Development Division, Legal Affairs Division, Public Relations & Investor Relations Division, Corporate Internal Audit Division, Quality Assurance Division, Real Estate Division	Kenji Suzuki	February 18, 1967	April 1991 September 2019 April 2021 February 2022 June 2022 April 2024 April 2025	Joined the Company General Manager of Finance Division, the Company Executive Officer; General Manager of Business Management Division, and General Manager of Finance Division, the Company Executive Officer; in charge of Accounting & Tax Division, General Manager of Business Management Division, General Manager of Finance Division, the Company Director, Executive Officer; Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Management Business Division and Real Estate Division, General Manager of Finance Division, the Company Director, Senior Executive Officer, Chief Financial Officer; Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Public Relations & Investor Relations Division, Human Resources Development Division, Corporate Internal Audit Division, Quality Assurance Division and Real Estate Division, General Manager of Finance Division, the Company Director, Senior Executive Officer, Chief Financial Officer; Executive General Manager of Corporate Management Headquarters, in charge of Accounting & Tax Division, Finance Division, Public Relations & Investor Relations Division, Human Resources Development Division, Legal Affairs Division, Corporate Internal Audit Division, Quality Assurance Division and Real Estate Division (to the present)	(Note) 4	206
Director (Senior Executive Officer) Executive General Manager of Strategy Headquarters, In charge of IT Strategy Division, Sustainability Strategy Division, Innovation Planning & Development Division, Diversity Promotion Division, General Manager of Strategic Planning Division	Yuichi Takaku	July 18, 1970	April 1994 April 2012 April 2018 April 2021 April 2023 June 2023 April 2024 April 2025	Joined the Company Seconded to Nichirei Holding Holland B.V., Nichirei Logistics Group Inc. General Manager of Strategic Planning Division, Nichirei Logistics Group Inc. Executive Officer; in charge of IT Strategy Division, General Manager of Strategic Planning Division, the Company Senior Executive Officer; in charge of IT Strategy Division and Sustainability Management Division, General Manager of Strategic Planning Division, the Company Director, Senior Executive Officer; in charge of IT Strategy Division and Sustainability Management Division, General Manager of Strategic Planning Division, the Company Director, Senior Executive Officer; Executive General Manager of Strategy Headquarters, in charge of IT Strategy Division, Sustainability Strategy Division and Diversity Promotion Division, General Manager of Strategic Planning Division, General Manager of Innovation Planning & Development Division, the Company Director, Senior Executive Officer; Executive General Manager of Strategy Headquarters, in charge of IT Strategy Division, Sustainability Strategy Division, Innovation Planning & Development Division, and Diversity Promotion Division, General Manager of Strategic Planning Division, the Company (to the present)	(Note) 4	206

Job title	Name	Date of Birth	Career Summary		Term of office	Number of shares held (hundreds of shares)
Director (Senior Executive Officer)	Kazunori Shimamoto	February 5, 1972	April 1996 April 2014 April 2017 April 2020 April 2021 June 2023 April 2024 June 2024	Joined the Company Shanghai Representative Office, Nichirei Logistics Group Inc. General Manager, Bangkok Representative Office, Nichirei Logistics Group Inc. General Manager of Sales Strategy Division, Nichirei Logistics Group Inc. Executive Officer; General Manager of Strategic Planning Division, General Manager of Sales Strategy Division, Nichirei Logistics Group Inc. Director, Executive Officer; General Manager of Strategic Planning Division, General Manager of Sales Strategy Division, Nichirei Logistics Group Inc. Representative Director, President, Nichirei Logistics Group Inc. (to the present) Director, Senior Executive Officer, the Company (to the present)	(Note) 4	60
Outside Director	Mana Nabeshima	July 4, 1966	August 1991 October 2000 January 2015 August 2016 September 2016 January 2020 July 2020 December 2020 June 2021	Joined Citibank, N.A., Tokyo Branch Joined Goldman Sachs Japan Co., Ltd. Joined DBS Bank Ltd. Representative Director and CEO, DBS Securities (Japan) Co., Ltd. Country Head of Japan, DBS Bank Ltd. Executive Officer; Head of Sales, HiJoJo Partners Inc. Vice Chairman, DIGITAL GRID Corporation (to the present) Representative Director, Wakiaiai Co., Ltd. (to the present) Outside Director, the Company (to the present)	(Note) 4	59
Outside Director	Itsuo Hama	March 14, 1954	April 1977 March 2008 January 2009 March 2010 January 2012 March 2016 January 2019 March 2022 June 2022 March 2023	Joined Lion Fat & Oil Co., Ltd. (currently Lion Corporation) Director; Executive General Manager of Household Products Division, Lion Corporation Director; Executive General Manager of Household Products Division; responsible for Advertising Department, Behavioral Science Research Institute, Distribution Policy and Customer Development Department, Lion Corporation Executive Director; responsible for Health Care Products Division, Household Products Division, Gift and Channel-Specific Products Division, Advertising Department, Behavioral Science Research Institute, Distribution Policy and Customer Development Department, Lion Corporation Representative Director, President, Executive Officer, Chief Operating Officer; responsible for Risk Management, Lion Corporation Representative Director, President and CEO, Chairman of the Board of Directors, Executive Officer; Lion Corporation Representative Director, Chairman of the Board of Directors, Chief Executive Officer; Lion Corporation Representative Director, Chairman of the Board of Directors; Lion Corporation Outside Director, the Company (to the present) Executive Advisor, Lion Corporation (to the present)	(Note) 4	19
Outside Director	Kenji Hamashima	January 3, 1959	April 1982 April 1999 November 2000 April 2004 April 2007 June 2010 April 2014 October 2014 April 2019 April 2020 June 2020 June 2022 June 2024	Joined Ushio, Inc. Director, President, CEO, Ushio America, Inc. Director, President, CEO, Christie Digital Systems, Inc. Senior Group Executive Officer, Ushio, Inc. Group Managing Executive Officer, Ushio, Inc. Director, Senior Managing Executive Officer, Ushio, Inc. Representative Director, Senior Executive Vice President, Ushio, Inc. Representative Director, Chief Executive Officer, Ushio, Inc. Corporate Advisor, Ushio, Inc. Special Counselor, Ushio, Inc. (to the present) Outside Director, Inabata & Co., Ltd. Outside Director, Audit and Supervisory Committee Member, Inabata & Co., Ltd. Outside Director, the Company (to the present) Outside Director, Takamatsu Construction Group Co., Ltd. (to the present)	(Note) 4	58

Job title	Name	Date of Birth	Career Summary		Term of office	Number of shares held (hundreds of shares)
Outside Director	Yukiko Yoshimaru	February 1, 1960	April 1982 April 1998 October 2004 April 2008 June 2011 April 2018 June 2019 June 2021 June 2024	Joined Oki Electric Industry Co., Ltd. Director, Oki America Inc., Head, New York Office, Oki Electric Industry Co., Ltd. General Manager, Diversity Development Office, Nissan Motor Co., Ltd. Joined Nifco Inc. Executive Officer, Nifco Inc. Outside director, Sekisui House, Ltd. (to the present) Outside director, Mitsui Chemicals, Inc. Outside director, Daiwabo Holdings Co., Ltd. (to the present) Outside director, the Company (to the present)	(Note) 4	13
Outside Director	Yumi Yamaguchi	March 31, 1961	April 1983 April 2001 August 2005 July 2006 July 2014 October 2015 April 2016 July 2020 April 2023 June 2024	Joined Ministry of Transport (currently Ministry of Land, Infrastructure, Transport and Tourism) Director of TF for 2002 FIFA World Cup International Passengers Transportation, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism Director of Logistic Facilities Industries Division, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism Vice-Governor, Okayama Prefecture Senior Vice Commissioner, Japan Tourism Agency, Ministry of Land, Infrastructure, Transport and Tourism Executive Advisor, Corporate Planning & Strategy Division, Mitsui & Co., Ltd. Managing Officer, Mitsui & Co., Ltd. President & CEO, Mitsui Global Strategic Studies Institute Managing Officer; Deputy Chief Strategy Officer, Deputy Chief Digital Information Officer, Mitsui & Co., Ltd. Executive Advisor, Mitsui & Co., Ltd. Outside director, the Company (to the present) Outside Director, Mitsui O.S.K. Lines, Ltd. (to the present)	(Note) 4	5
Audit & Supervisory Board Member	Tetsuro Katabuchi	May 13, 1964	April 1987 April 2005 April 2011 April 2013 April 2022 June 2022	Joined the Company Group Leader; Legal Affairs Support, Group Legal Affairs Service Division, Nichirei Proserve Inc. Manager of Business Management Support Department, Nichirei Proserve Inc. General Manager of Legal Affairs Division, the Company Corporate Management Headquarters, the Company Audit & Supervisory Board Member, the Company (to the present)	(Note) 5	22
Audit & Supervisory Board Member	Kenji Yanagisawa	June 6, 1963	April 1986 July 1986 December 1987 November 1996 January 2000 April 2005 April 2014 April 2017 January 2021 July 2025	Joined the Company Foreign Trade Department No.1, Foreign Trade Division, the Company Seconded to Nichirei Corporation of Americas Seconded to Ina Bakery Corporation Manager of Strategic Planning Division, the Company Seconded to Nichirei Holding Holland B.V. General Manager of Finance & Investor Relations, Group Leader of Investor Relations, the Company Executive Officer; General Manager of Business Administration Division, Nichirei Fresh Inc. Company Auditor, Nichirei Fresh Inc. Audit & Supervisory Board Member, the Company (to the present)	(Note) 5	-

Job title	Name	Date of Birth	Career Summary		Term of office	Number of shares held (hundreds of shares)
Outside Audit & Supervisory Board Member	Yuhiko Saito	January 27, 1955	April 1983 September 2012 July 2014 April 2015 September 2016 March 2017 January 2018 March 2018 June 2019	Appointed Public Prosecutor Director-General of the Rehabilitation Bureau, Ministry of Justice Chief Prosecutor, Kyoto District Public Prosecutors Office Chief Prosecutor, Yokohama District Public Prosecutors Office Superintending Prosecutor, Takamatsu High Public Prosecutors Office Superintending Prosecutor, Hiroshima High Public Prosecutors Office Retired from office Registered as an attorney (Dojima Law Office) (to the present) Outside Audit & Supervisory Board Member, the Company (to the present)	(Note) 5	46
Outside Audit & Supervisory Board Member	Takaaki Kato	June 12, 1957	April 1980 March 2005 April 2008 April 2009 April 2011 April 2013 June 2015 June 2017 June 2023 June 2024	Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.) General Manager, Hong Kong Branch, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) Executive Officer, Mizuho Securities Co., Ltd. Managing Executive Officer, Mizuho Securities Co., Ltd. Managing Executive Officer, Mizuho Securities Co., Ltd., Chairman, Mizuho Securities Asia Limited Managing Executive Officer, KYB Corporation Member of the Board of Directors, Senior Managing Executive Officer, KYB Corporation Representative Director, Executive Vice President Executive Officer, KYB Corporation Corporate Advisor, KYB Corporation (to the present) Outside Audit & Supervisory Board Member, the Company (to the present) Outside Director, KANDENKO CO., LTD. (to the present)	(Note) 5	2
Outside Audit & Supervisory Board Member	Hiromichi Matsushima	January 20, 1958	April 1982 May 1999 October 2003 July 2005 October 2006 July 2007 January 2010 August 2011 April 2013 July 2014 August 2015 July 2019 September 2020 June 2024	Joined Ministry of Agriculture, Forestry and Fisheries Counsellor, The Permanent Mission of Japan to the International Organizations in Geneva, Ministry of Foreign Affairs Director, Milk and Dairy Products Division, Livestock Industry Department, Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries Director, Regional Products and Industrial Crops Division, Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries Director, Administration Division, Agriculture, Forestry and Fisheries Research Council Secretariat, Ministry of Agriculture, Forestry and Fisheries Director, Personal Division, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries Director for Research Coordination, Policy Research Institute, Ministry of Agriculture, Forestry and Fisheries Counsellor (Environment and International Affairs), Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries Director-General, International Affairs Department, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries, Councillor, Cabinet Secretariat Director General, Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries Vice-Minister for International Affairs, Ministry of Agriculture, Forestry and Fisheries Advisor, Ministry of Agriculture, Forestry and Fisheries Ambassador Extraordinary and Plenipotentiary to the Republic of Slovenia Outside Audit & Supervisory Board Member, the Company (to the present)	(Note) 5	4
Total						2,492

(Notes)
1. "Number of shares held" is rounded down to the nearest 100 shares. A stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025. The number of shares stated above is after the stock split.
2. Mana Nabeshima, Itsuo Hama, Kenji Hamashima, Yukiko Yoshimaru, and Yumi Yamaguchi are outside directors.
3. Yuhiko Saito, Takaaki Kato and Hiromichi Matsushima are outside Audit & Supervisory Board members.
4. The term of office of directors shall expire at the close of the Ordinary General Shareholders Meeting relating to the last fiscal year ending within 1 year after their election.
5. The term of office of Audit & Supervisory Board members shall expire at the close of the Ordinary General Shareholders Meeting relating to the last fiscal year ending within 4 years after their election.
6. There are following 1 senior executive officer, excluding directors who serve concurrently as senior executive officers.

Responsibilities and Concurrent Positions	Name
Representative Director, President, Nichirei Biosciences Inc.	Hideo Yokoi

7. There are following 3 executive officers, excluding directors who serve concurrently as executive officers.

Responsibilities and Concurrent Positions	Name
General Manager of Quality Assurance Division	Takuji Okugawa
General Manager of IT Strategy Division	Jouji Sakaguchi
In charge of General Affairs Division and Human Resources Planning Division, General Manager of Diversity Promotion Division	Emi Kataoka

② Status of outside directors and outside Audit & Supervisory Board members

As of the date of submission of the Japanese version of this Annual Securities Report, there are 5 outside directors and 3 outside Audit & Supervisory Board members.

The Company has established Criteria for Independence and appoints independent outside directors and independent outside Audit & Supervisory Board members who meet the criteria. For details of the criteria for independence, please refer to the Company's "Bacic Policy on Corporate Governance."

Outside directors, Itsuo Hama, Kenji Hamashima, Yukiko Yoshimaru, and outside Audit & Supervisory Board members, Yuhiko Saito and Hiromichi Matsushima are not from the Company's major corporate shareholders or major business partners, and the Company believes that their roles and functions in supervision from an independent standpoint are sufficiently secured.

Ms. Mana Nabeshima, an outside director, is scheduled to assume the position of outside director of The Chiba Bank, Ltd., our main banking partner, on June 27, 2025. However, since our company is not solely dependent on borrowings from the said bank and its influence on our company is limited, we believe that her role and function of supervision from an independent standpoint are sufficiently ensured.

There are business relationships between the Company's subsidiaries and Mitsui & Co., Ltd. for which Yumi Yamaguchi, an outside director, served as an executive officer until March 31, 2023. However, the annual payment from Mitsui & Co., Ltd. to our Group is less than 1% of our Group's annual consolidated net sales, and the company is not a major business partner, so we believe that her role and function in supervision from an independent standpoint are sufficiently secured.

In addition, Takaaki Kato, an outside Audit & Supervisory Board member, worked as an executive officer at Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.), the Company's main bank of account, until March 2008. However, the Company is not solely dependent on borrowings from the bank and its influence on the Company is limited, the Company believes that his role and function in supervision from an independent standpoint are sufficiently secured.

Outside directors are highly qualified in their respective fields of expertise and strive to contribute to the sustainable growth of the Company and the enhancement of the medium- to long-term corporate value by speaking from their professional perspectives through the attendance to the Board of Directors meetings, strategic management bodies, and major advisory committees.

The Company has submitted proposals for the "Election of 11 Directors" and the "Election of 1 Audit & Supervisory Board Member" as agenda items (resolutions) at the Ordinary General Shareholders' Meeting scheduled to be held on June 25, 2025. If these proposals are approved and adopted, the number of the outside directors will remain at 5 and 3 Audit & Supervisory Board members, thereby maintaining the same structure.

③ Mutual cooperation among supervision or audit by outside directors or outside Audit & Supervisory Board members, internal audit, audit by the Audit & Supervisory Board members and accounting audit, and relationship with internal control department

Outside Audit & Supervisory Board members monitor business execution through operational audits, accounting audits, and attendance at various meetings, and conduct audits in cooperation with the accounting auditor and the internal audit department.

As a support system for outside directors and outside Audit & Supervisory Board members, when liaison or coordination with internal departments is required to provide accurate information about the Company, the secretary in charge serves as a point of contact and ensures necessary cooperation is established with the relevant internal departments.

(3) Status of Audits

① Status of audits by Audit & Supervisory Board members

(a) Composition of Audit & Supervisory Board

As of the date of submission of the Japanese version of this Annual Securities Report, The Audit & Supervisory Board of the Company consists of 2 Audit & Supervisory Board members and 3 outside Audit & Supervisory Board members, for a total of 5 members.

The Company has adopted a holding company structure, and as a cornerstone of the group-wide auditing system, Audit & Supervisory Board members of the Company and those of its 4 core subsidiaries (*) (hereinafter referred to as "Audit & Supervisory Board members of each company") jointly conduct audits of the 4 core subsidiaries and their subsidiaries, thereby enhancing the effectiveness of audits in response to group management.

(*) 4 core subsidiaries (Nichirei Foods Inc., Nichirei Fresh Inc., Nichirei Logistics Group Inc, Nichirei Biosciences Inc.)

One of the Company's 5 Audit & Supervisory Board members has many years of experience in the operations of financial institutions and has considerable knowledge of finance and accounting.

In addition, The Company has submitted proposals for the "Election of one Audit & Supervisory Board Member" as agenda items (resolutions) at the Ordinary General Shareholders' Meeting scheduled to be held on June 25, 2025. If these proposals are approved and adopted, the number of the Audit & Supervisory Board will remain at 5 (including 2 Audit & Supervisory Board members and 3 Outside Audit & Supervisory Board members).

(b) Activities of the Audit & Supervisory Board

During the current fiscal year, the Audit & Supervisory Board was held a total of 16 times, and the average time spent per meeting was 70 minutes.

Attendance of the Company's Audit & Supervisory Board members at the Audit & Supervisory Board and the Board of Directors meetings is as follows.

Position	Name	Attendance at the Audit & Supervisory Board meetings	Attendance at the Board of Directors meetings
Audit & Supervisory Board member	Tatsushi Kato	100% (16 / 16 times)	100% (20 / 20 times)
Audit & Supervisory Board member	Tetsuro Katabuchi	100% (16 / 16 times)	100% (20 / 20 times)
Outside Audit & Supervisory Board member	Yuhiko Saito	100% (16 / 16 times)	100% (20 / 20 times)
Outside Audit & Supervisory Board member	Takaaki Kato	100% (11 / 11 times)	100% (16 / 16 times)
Outside Audit & Supervisory Board member	Hiromichi Matsushima	100% (11 / 11 times)	100% (16 / 16 times)

In addition to the attendance at the Board of Directors meetings mentioned above, there were two written resolutions deemed to have been adopted by the Board of Directors pursuant to the provisions of Article 370 of the Companies Act and Article 26 of the Company's Articles of Incorporation.

(c) Specific considerations at the Audit & Supervisory Board

At the Audit & Supervisory Board meetings for the current fiscal year, the followings were resolved or reported.

Resolutions: Evaluation of the accounting auditor, Audit of the accounting auditors' audit report and audit related materials, Audit report of the Audit & Supervisory Board, Audit policy, Audit plan and assignment of duties, Consent to the proposal for appointment of Audit & Supervisory Board members, Reappointment of the accounting auditor, Consent to the audit fee of the accounting auditor, Acknowledgement of non-assurance services provided by the accounting auditor

Matters reported: Management trends (agenda items for the Board of Directors meetings and key executive meetings of the 4 core subsidiaries, and the Company's important approval documents), Results of audit performance reviews, Contents of the annual securities reports, Onsite inspections results and future onsite inspection plans, etc.

In addition to the above, the details of matters reported to the Group internal reporting system (a hotline) and the status of their responses are reported and shared to the Audit & Supervisory Board and the Audit & Supervisory Board confirms that the system is being properly operated.

(d) Activities of full-time and outside Audit & Supervisory Board members

Activities	Full-time	Outside
Attendance at the Board of Directors meetings	O	O
Attendance at important meetings Management Committee, Various committees, Group Commitment Conference, etc.	O	O (*)
Discussions with the representative director and president (twice a year) Confirmation and sharing of Results of Audit & Supervisory Board members' onsite inspections, and Progress and issues of the medium-term business plan	O	O
Meetings with internal directors	O	O
Exchange of opinions with outside directors	O	O
Conversation with and information gathering from executive officers, executive general managers and general managers	O	
Inspection of important documents Approval documents, Important contracts, Other important documents, etc.	O	
Reports from and exchange of opinions with full-time Audit & Supervisory Board members of subsidiaries Reports on audit activities by full-time Audit & Supervisory Board members of subsidiaries, and Group-wide and individual meetings with full-time Audit & Supervisory Board members of subsidiaries	O	
Investigation of the status of design and operation of the internal control system Exchange of opinions and information on audit policies and contents of the 4 core subsidiaries, and Cooperation and investigation during onsite inspections of the domestic and overseas subsidiaries	O	O
Accounting audit Attending audits by accounting auditors, Hearing reports from accounting auditors, Exchange of opinions, and Determining the appropriateness of the accounting auditor's audits	O	O
Financial audit Audit of semi-annual securities reports, Audit of year-end financial statements, Audit of procedures, proposals and documents related to the General Shareholders Meeting, Audit of business reports, and Audit of subsequent events	O	O
Prior consent of non-assurance services provided by the accounting auditor and the same network group Discussion and resolution of prior consent for non-assurance services provided by the accounting auditor and the same network group	O	O
Cooperation with accounting auditors and internal audit department	O	O
Participation in the investigation committee	O	O

(*) Outside Audit & Supervisory Board members participate in the Company's Management Committee on a voluntary basis as an observer.

In addition to attending the Board of Directors meetings, in accordance with the audit policy and the assignment of duties determined by the Audit & Supervisory Board, the Company's Audit & Supervisory Board members attended other important meetings, interviewed directors and other relevant personnel, reviewed important approval documents, communicated and exchanged information with the Audit & Supervisory Board members of subsidiaries, and confirmed business reports from subsidiaries. In addition, in accordance with the audit plan, the Audit & Supervisory Board members conducted interviews with senior management and investigated the business operation and the status of assets, mainly focusing on important domestic and overseas sites (15 domestic companies and 12 overseas companies in 5 countries).

In light of the importance of mutual cooperation between audits (the threefold audit), the Audit & Supervisory Board members also work closely with the accounting auditors through discussions (14 times) and with the Audit & Supervisory Board members of 4 core subsidiaries and the internal audit department through regular meetings (11 times) to share information and exchange opinions more extensively, and improve audit quality and audit efficiency.

(Reference) Details of Cooperation between Audit & Supervisory Board members and Accounting Auditor

Details of cooperation (FY2025 results)	Summary	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Semi-annual review report, Explanation of the quarterly status and Consideration of KAM	Explanation for the 1Q Progress, Preliminary Explanation before the 2Q Review, Explanation for the 2Q Review, Preliminary Explanation for the 3Q Progress, Explanation for the 3Q Progress						●		●	●		●	
Explanation of audit results	Report on business office visits, Explanation of audit results under the Companies Act, Explanation of audit performance, Explanation of proposed audit fees, Report on visits to China	●	●	●				●					
Auditor's report	Explanation of the audit results based on the Financial Instruments and Exchange Act and the final content of key audit matters (KAM)			●									
Audit plan	Explanation of the audit plan, Explanation of proposed audit fees and Initiatives for DX				●								
Exchange of information and opinions	Exchange of information and opinions meeting with outside directors										●		

② Status of internal audits

(a) Organization, resources and procedures of internal audit

Internal audit at the Company is handled by the Corporate Internal Audit Division (14 employees), which is an internal audit department of the Group. Corporate Internal Audit Division examines and advises on the status of internal controls across all management activities through operational and accounting audits, and thereby strives to ensure observance of the Code of Conduct and strict compliance, and raise awareness of risk management. In addition, the division conducts facility audits where auditing the status of facilities such as production plants and logistics centers and providing appropriate guidance and advice.

(b) Mutual cooperation among internal audits, audit by Audit & Supervisory Board members and accounting audits, and relationship between these audits and the internal control department.

The accounting auditor is Ernst & Young ShinNihon LLC. The audits are statutory audits, etc. of the Group and, in addition, for each individual subject, the accounting auditor preliminary confirms the appropriateness of accounting procedures and compliance with accounting standards, and provides advice accordingly. While maintaining their independence, The audit & Supervisory Board members of each company and the accounting auditor try to communicate with each other actively, share audit issues, mainly in the evaluation of the internal control system of the Group, and cooperate as follows to improve the quality and efficiency of their audit work.

- The accounting auditor holds meetings to report and exchange opinions with Audit & Supervisory Board members of each company at the time of formulating the audit plan.
- Audit & Supervisory Board members of each company and the accounting auditor, together with the Corporate Internal Audit Division, hold regular liaison meetings to discuss the status of audit implementation and other matters. In addition, Audit & Supervisory Board members of each company attend audit sites of the accounting auditors as necessary.
- Audit & Supervisory Board members of each company regularly exchange information with the accounting auditor, including receiving explanations of the contents of the accounting auditor's audit report, etc.

(c) Efforts to ensure the effectiveness of internal audits

The internal audit department encourages audited departments to improve on audit findings and requests reports on the status of improvement with set deadlines to ensure effectiveness and efficiency.

In addition, audit results and status of improvements are reported to the representative director on a quarterly basis, to the Board of Directors on a semi-annual basis, and to full-time Audit & Supervisory Board members on a regular basis (12 times), and opinions are exchanged.

③ Status of accounting audit

(a) Name of audit firm

Ernst & Young ShinNihon LLC

(b) Continuous audit period

73 years since the statutory audit based on the Securities and Exchange Law began in 1951

(c) Certified public accountants who performed audit
Designated and Engagement Partner: Makoto Ishii
Designated and Engagement Partner: Kiyotaka Kinugawa
Designated and Engagement Partner: Takahiro Sugano

(Note) EY Ernst & Young ShinNihon LLC implemented the rotation of the engagement partner. They have not been involved in the audit for more than 7 consecutive accounting periods. The lead engagement partner has not been involved in the audit for more than 5 consecutive accounting periods. The engagement partners will have an interval of 5 accounting periods after being replaced. The lead engagement partner will not be involved in the company again.

(d) Composition of assistants for audit
Certified public accountants 5 persons, Other 39 persons

(e) Policy and reasons for selection of the audit firm
Ernst & Young ShinNihon LLC was selected as the accounting auditor of the Company based on the Company's judgment that it has a system in place to ensure that the Company's accounting audit is performed properly, taking into consideration the status of performance of its duties, audit system, independence, and expertise, comprehensively.

[Policy on Dismissal or Non-Reappointment of Accounting Auditors]
The Audit & Supervisory Board shall dismiss the accounting auditor with the unanimous consent of all Audit & Supervisory Board members if it determines that the accounting auditor falls under any of the items of Article 340, Paragraph 1 of the Companies Act. In addition, the Audit & Supervisory Board shall, aside from the cases of the Company's convenience, based on the resolution of the Audit & Supervisory Board, make the dismissal or non-reappointment of the accounting auditor an agenda item for the General Shareholders Meeting when it deems it necessary, such as when the accounting auditor is deemed insufficient to perform audits from the viewpoint of audit quality, quality control, and independence, etc..

(f) Evaluation of the audit firm by the Audit & Supervisory Board members and Audit & Supervisory Board
The Audit & Supervisory Board members and the Audit & Supervisory Board have evaluated Ernst & Young ShinNihon LLC and its audit team on the following points in accordance with the "Accounting Auditor Evaluation Standards" formulated by the Audit & Supervisory Board, and, as a result, have determined that they are adequate to perform the audit of the Company and the Group and reappointed them as accounting auditors.

- The audit firm's quality control system and the results of its external review evaluation
- Independence, professionalism and demonstration of professional skepticism of the audit team and audit members
- Planning and steady implementation of audit plans based on risk analysis
- Effective communication with Audit & Supervisory Board members and other relevant parties
- Effective communication with management and the internal audit department
- Sufficient communication with its network firms and other accounting auditors in the group audits
- Appropriate assessment of fraud risk and due consideration in audit planning and practice
- Reasonableness of resources devoted to audit work and associated audit fees

④ Details of audit fees

(a) Professional fees to the auditing certified public accountants

(Millions of yen)

Classification	Previous fiscal year		Current fiscal year	
	Professional fees for audit attestation services	Professional fees for non-audit services	Professional fees for audit attestation services	Professional fees for non-audit services
Filing company	75	2	74	—
Consolidated subsidiaries	41	1	47	—
Total	117	4	121	—

(b) Professional fees to the same network (Ernst & Young Group) of the auditing certified public accountants (excluding (a))

(Millions of yen)

Classification	Previous fiscal year		Current fiscal year	
	Professional fees for audit attestation services	Professional fees for non-audit services	Professional fees for audit attestation services	Professional fees for non-audit services
Filing company	—	14	—	7
Consolidated subsidiaries	59	44	68	26
Total	59	59	68	34

The Company and its consolidated subsidiaries pay for services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services), such as corporate tax and income tax filing services.

(c) Professional fees for other significant audit attestation services
Not applicable

(d) Policy for determining audit fees
There is no applicable information regarding the Company's policy for determining audit fees for the auditing certified public accountants. However, the Company determines audit fees with the consent of the Audit & Supervisory Board, based on the assumption that the audit attestation work will be performed adequately, taking into consideration the characteristics of the work, the number of audit days and other factors comprehensively.

(e) Reasons the Audit & Supervisory Board agreed to the professional fees for the accounting auditor
After carefully examining the details of the accounting audit plan for the current fiscal year explained by the audit team, such as the number of audit days and staffing, verification and evaluation of the audit performance of the previous fiscal year, the status of the accounting auditor's audit implementation, and the basis for calculating the estimates on which the audit fee is based, the Audit & Supervisory Board has determined that the aforementioned information is reasonable and agree on the amount of professional fees for the accounting auditor.

(4) Remuneration for Directors (and other officers)

① Policy on determination of directors (and other officers) remuneration

(a) Method to determine the policy and changes in the policy for determining directors (and other officers) remuneration

(i) Method to determine the policy for determining directors (and other officers) remuneration
The Remuneration Advisory Committee deliberates on the appropriateness of the policy for determining the remuneration of each individual director of the Company every fiscal year, and then the Board of Directors makes a decision on the policy. In its deliberations, the Remuneration Advisory Committee takes into consideration changes in the management environment and the opinions of shareholders and investors, and obtains information necessary for its deliberations from third-party organizations with extensive global experience and knowledge.

(ii) Changes in the policy for determining directors (and other officers) remuneration
In conjunction with the commencement of the new medium-term business plan "Compass × Growth 2027" starting in FY2026, we have decided to revise the performance indicators for performance-linked bonuses. Specifically, in order to focus on improving particularly important management indicators, we will abolish the net sales indicator and increase the weighting of profitability and efficiency indicators in the evaluation. Furthermore, to deepen sustainability management, we will replace external ESG third-party assessments with specific ESG indicators selected from Nichirei Group Material Matters (Materiality). In addition, taking into account the increasing roles and responsibilities of top management due to the continuous growth and expansion of the corporate scale of our group, we have decided to expand variable remuneration that contributes to further growth of the group, with reference to objective remuneration market survey data on executive remuneration.
There are no other significant changes to the policy for determining directors (and other officers) remuneration for FY2026.

Items	Pre-revision (Until FY2025)	Post-revision（From FY2026）
Evaluation indicators for performance-linked bonuses (KPI)	Net sales, EBITDA, Profit, ROIC, ESG third-party evaluation	EBITDA, Performance, ROIC, Corporate ESG evaluation (Internal indicators)
Composition of remuneration ratio of the president *Role-based remuneration (Fixed remuneration)：Performance-linked bonuses：Stock compensation	60%:20%:20%	50%:25%:25%

(b) Policy for determining directors (and other officers) remuneration

(i) Basic policy

Directors (excluding outside directors)

- Remuneration shall strongly encourage directors to perform their duties in accordance with the Group's management principles, "Sustainability Policy - The Nichirei Pledge" and management strategy
- In order to achieve the long-term management goal, remuneration shall strongly motivate directors to achieve specific management goals with regard to the Group's material matters (materiality) and its medium-term business plan.
- In order for remuneration to function as a proper incentive toward the sustainable growth of the Group, the ratio of remuneration linked to short-term results and performance of duties (performance-linked bonuses) and remuneration linked to medium- to long-term results and corporate value (stock compensation) shall be set in an appropriate manner.
- Remuneration shall be adequate treatment for the positions as directors and executive officers of the Company in consideration of the significance of the Group's social roles and responsibilities, trends at companies competing with the Group in business and human resources, including those in the food and logistics industries, and changes in the business environment.

Outside directors

- In light of their role to supervise the Company's management from an independent and objective standpoint, remuneration shall be only base remuneration (fixed remuneration).

(ii) Composition and levels of remuneration

Directors (excluding outside directors)

Remuneration for directors, excluding outside directors, shall consist of "Role-based remuneration" and "Director allowances" as base remuneration (fixed remuneration) and "Performance-linked bonuses" and "Stock compensation" as variable remuneration, as shown in the table below. The ratio of "Role-based remuneration," "Performance-linked bonuses," and "Stock compensation" related to the execution of duties shall be set so that the standard amount would be 50%:25%:25% for the president, while for other directors, the ratio shall be 60%:20%:20%. Remuneration levels shall be set at appropriate amounts with reference to objective remuneration market survey data (remuneration levels of companies competing with our Group in business and human resources, including those in the food and logistics industries), taking into consideration the responsibilities and number of our directors and future changes in the business environment, and incorporating the opinions of third-party organizations.

Components of composition of remuneration		Composition ratio	Purpose/Description
Base Remuneration (Fixed Remuneration)	Role-based remuneration	President: 50% Other directors: 60%	Basic remuneration for the execution of duties (performance of duties) Set according to the significance of the role of each director
	Director allowances	Fixed amount	Remuneration for the responsibilities of making management decisions and supervising the execution of the management decisions Set at a uniform amount for all directors
Variable Remuneration	Performance-linked bonuses	President: 25% Other directors: 20%	Remuneration for motivating directors to achieve annual financial and strategic goals The amount paid upon achievement of goals ("standard amount") is set as a percentage of role-based remuneration Paid within a range of 0% to 200% of the standard amount according to the degree of achievement
	Stock compensation (Restricted shares)	President: 25% Other directors: 20%	Remuneration for encouraging management from a long-term/Group-wide perspective and the perspective of shareholders and investors Value of shares delivered each fiscal year ("standard amount") is set as a percentage of role-based remuneration Restricted shares are delivered every year in an amount equal to the standard amount, and restrictions are lifted upon directors' retirement

Outside directors

Outside directors shall be paid only a base remuneration (fixed remuneration). Base remuneration consists of "Basic remuneration," which is paid in a uniform amount to all outside directors as members of the Board of Directors, and "Chairperson's allowance," which is additionally paid to the chairperson of either the Nominating Advisory Committee or the Compensation Advisory Committee. The level of remuneration shall be set at an appropriate amount, taking into consideration the time and effort spent by each outside director to fulfill their expected roles and functions, as well as objective remuneration market survey data (remuneration levels of companies similar in size to ours (all industries).

(iii) Performance-linked bonuses

The amount of money to be paid to each individual as a performance-linked bonus varies within a range of 0% to 200% of the standard amount for each position, depending on the achievement degree of the Company-wide, business, and individual performance targets.

- Amount of individual bonus = Standard amount by position × Performance evaluation coefficient (0%-200%)

*Performance evaluation coefficients are weighted averages of the evaluation coefficients for each performance indicator (KPI).

Performance Indicators (KPI)		Reasons for selection	Evaluation Weight		
			Representa-tive director	Director (In charge of Function)	Director (In charge of Business)
Company-wide performance evaluation			100%	70%	60%
	EBITDA	Improvement of ability to generate cash and profitability of core businesses	40%	30%	20%
	Profit	Improvement of shareholder returns	20%	10%	10%
	ROIC	Optimization of business portfolio and improvement of capital efficiency	20%	15%	15%
	Corporate ESG evaluation (*)	Strengthen response to sustainability-related issues	20%	15%	15%
Business performance evaluation			—	—	30%
	EBITDA	Improvement of ability to generate cash and profitability of core businesses	—	—	15%
	ROIC	Optimization of business portfolio and improvement of capital efficiency	—	—	15%
Individual performance evaluation			—	30%	10%
	Responding to medium- and long-term strategic issues and initiatives, including ESG		—	30%	10%
Total			100%	100%	100%

(*) For Corporate ESG evaluations, specific evaluation indicators will be selected from among the Nichirei Group Material Matters (Materiality). Specifically, we utilize the following 3 types of assessments.

Corporate ESG evaluation	Reasons for selection
・CO_2 emissions (Scope1, 2) ・Ratio of women workers in management position ・Employee Engagement	・Response to climate change ・Enhancement of human capital for new value creation

(iv) Procedures for determining remuneration

In order to ensure the appropriateness and objectivity of the matters related to remuneration for individual directors, the Board of Directors shall make decisions on such matters after deliberations and reports by the Remuneration Advisory Committee, which is composed mainly of independent outside directors. In its deliberations, the Remuneration Advisory Committee shall take into account changes in the management environment and the opinions of shareholders and investors, and shall properly obtain information necessary for its deliberations from an objective and professional standpoint.

In the process of determining the performance-linked bonuses to be paid to each individual, the individual performance targets and evaluations shall be drafted by the representative director and president, who is delegated by the Board of Directors, after interviewing each director, and shall be decided by the representative director and president after deliberation by the Remuneration Advisory Committee. The determined individual performance targets and evaluation results shall be reported to the Board of Directors in a timely and appropriate manner to ensure the objectivity and fairness of the evaluation. The final bonuses to be paid to each individual shall be drafted by the representative director and president, and decided by the Board of Directors after deliberation by the Remuneration Advisory Committee.

(v) Other important matters

In the event of a deterioration in the Company's business performance, or in the event of quality problems, serious accidents, or scandals that damage the Company's corporate value or brand value, the Company may reduce or deny the remuneration, etc., to directors.

With respect to the performance-linked bonuses, when factors that should be taken into account as temporary special factors that were not assumed when the targets were set at the beginning of the fiscal year arise, performance may be evaluated after eliminating the effects of such factors, and the bonuses paid to each individual director may be calculated.

With respect to the performance-linked bonuses, in the event that a director violates the law or their duty of care or fidelity as a director before the bonus is paid, or in the event that such a violation is discovered within 2 years after the bonus was paid, or in the event of other similar events, the director's right to receive the bonus, shall be forfeited extinguished, and the Company may request to return the bonus already paid.

Remuneration for executive officers who do not concurrently serve as directors shall be determined in accordance with the Company's policy for determining such remuneration for directors.

② Remuneration for directors (and other officers) for the current fiscal year

(a) Total amount of remuneration for directors (and other officers) in FY2025

Classification	Total amount of remuneration by type (Millions of Yen)			Total amount of remuneration (Millions of yen)	Number of executives (persons)
	Base remuneration	Performance-linked bonuses	Restricted stock compensation		
Directors (excluding outside directors)	123 (222)	36 (69)	63 (63)	223 (356)	7 (7)
Outside directors	65	—	—	65	6
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	48	—	—	48	2
Outside Audit & Supervisory Board members	32	—	—	32	5
Total	270 (369)	36 (69)	63 (63)	370 (503)	20 (20)

(Notes)

1. The above table includes 1 director, 1 outside director and 2 outside Audit & Supervisory Board members who retired at the close of the 106th Ordinary General Shareholders Meeting held on June 25, 2024.
2. The total amount of remuneration, etc. above is stated as the total amount of remuneration, etc. borne by the Company (Total amount of remuneration paid or to be paid, or expenses, etc. borne by the Company). The amounts in parentheses for Directors (excluding outside directors) and Total are the total amount of consolidated remuneration, etc. to be borne by the Company and its subsidiaries.
3. The above "Base remuneration" amount is the total amount of remuneration, etc. paid in FY2025 (all monetary remuneration).
4. The above "Performance-linked bonuses" amount is estimated bonus payments for FY2025 (amount based on the results of FY2025 performance and other factors, and expected to be paid in June 2025 or later) add the difference between estimated bonus payments for FY2024 at the time of filing of the annual securities report for the previous fiscal year and the amount actually paid after June 2024 (all monetary remuneration).
5. The amount of "Restricted stock compensation" above is the total amount expensed in FY2025. In FY2025, the Company granted monetary compensation claims to 6 directors (excluding outside directors) and had all such claims contributed in kind to the Company, resulting in the delivery of 17,249 shares of common stock of the Company as stock compensation. The delivery of such shares is subject to the condition that they do not transfer the shares until they retire from the positions as directors of the Company.
   * The Company has introduced a restricted stock compensation plan similar to that for directors for executive officers who do not concurrently serve as directors, and 8,368 shares of the Company's common stock were delivered to 5 executive officers in FY2025.
6. The maximum amounts of remuneration, etc. for directors and Audit & Supervisory Board members approved at the General Shareholders Meeting are as follows.

Classification	Date of resolution at the General Shareholders Meeting	Base remuneration	Performance-linked bonuses	Restricted stock		Number of executives (persons)
Director	June 25, 2019 (The 101st Ordinary General Shareholders Meeting)	—	Up to ¥130 million	Up to ¥100 million	Up to 70,000 shares	10
	June 25, 2024 (The 106th Ordinary General Shareholders Meeting)	Up to ¥270 million (including Outside directors: up to ¥100 million)	—	—	—	11 (including Outside directors: 5)
Audit & Supervisory Board members	June 26, 2012 (The 94th Ordinary General Shareholders Meeting)	Up to ¥120 million	—	—		5 (including Outside Audit & Supervisory Board members: 3)

*The company and its directors are in a relationship of mandate, and no salary as employee is paid.

*Because a stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, the maximum number of restricted stocks to be granted on or after April 1, 2025 shall be the post-adjustment number reflecting the stock split (up to 140,000 shares).

(b) Total amount of consolidated remuneration, etc. of persons whose total amount of consolidated remuneration, etc. is 100 million yen or more

There is no director (or other officer) whose total amount of consolidated remuneration is 100 million yen or more.

(c) Significant employee salaries for the directors concurrently serving as employees

Not applicable

(d) Calculation method and evaluation results of performance-linked bonuses for FY2025

The amount of each director's FY2025 bonus payment is expected to range from 83.4% to 116.1% of the standard bonus amount, based on the calculation method below and the evaluation of performance and other factors.

- Amount of individual bonus = Standard amount by position × Performance evaluation coefficient

*Performance evaluation coefficients are weighted averages of the evaluation coefficients for each performance indicator (KPI).

Performance Indicators (KPI) *1		Evaluation Weights			Business	FY2025 Target	FY2025 Results	Evaluation coefficient for each KPI
		Representative director	Director (In charge of Function)	Director (In charge of Business)				
Company-wide performance evaluation	Net sales	10%	5%	10%	Consolidated	¥ 690,000 million	¥ 702,080 million	117.5%
	EBITDA	40%	30%	20%	Consolidated	¥ 64,700 million	¥ 62,593 million	91.9%
	Profit	10%	5%	10%	Consolidated	¥ 24,800 million	¥ 24,731 million	99.3%
	ROIC	20%	15%	10%	Consolidated	7.5%	7.4%	75.0%
	ESG third-party evaluation	20%	15%	10%	Consolidated	FTSE*2: Continued Adoption MSCI*3: AA CDP*4: A-	FTSE*2: undetermined*5 MSCI*3: undetermined*5 CDP*4: B	undetermined (50% to 150%)
Business performance evaluation	Net sales	—	—	5%	NF*6	¥ 310,000 million	¥ 311,583 million	105.1%
					NFR*7	¥ 118,000 million	¥ 126,083 million	168.5%
					NL*8	¥ 274,000 million	¥ 278,273 million	115.6%
	EBITDA	—	—	15%	NF*6	¥ 28,300 million	¥ 27,608 million	93.9%
					NFR*7	¥2,800 million	¥ 2,889 million	109.1%
					NL*8	¥ 30,700 million	¥ 28,576 million	82.7%
	Simplified ROIC *9	—	—	10%	NF*6	11.4%	11.0%	75.0%
					NFR*7	Marine Products 7.5% Meat and Poultry Products 16.8%	Marine Products 8.0% Meat and Poultry Products 21.9%	125.0% 200.0%
					NL*8	7.5%	6.5%	75.0%
Individual performance evaluation		—	30%	10%	Individual evaluation of; progress in medium- to long-term strategic issues and initiatives, performance of duties in line with the "Sustainability Policy - The Nichirei Pledge" and demonstration of leadership, etc.			100% to 125%
Total		100%	100%	100%	Weighted average or performance evaluation coefficient for each director			83.4% to 116.1%

(Notes)

1. The reasons for selecting each KPI are as follows:
   [Net sales] Expansion for corporate scale
   [EBITDA] Enhancement of cash generation capability and improvement of core business profitability
   [Profit] Enhancement of shareholder value
   [ROIC] Optimization of business portfolio and capital efficiency
   [ESG third-party evaluation] Strengthening of response to sustainability issues ("ESG-related risks and opportunities" and "To strengthen our response to climate change")
2. FTSE4Good Index Series
3. MSCI ESG Ratings
4. CDP Climate Change
5. The evaluation results of FTSE and MSCI are scheduled to be finalized by around September 2025.
6. NF: Processed foods business: Applied to the evaluation of the director and executive officer (concurrently serving as President of Nichirei Foods Inc.).
7. NFR: Marine products and Meat and poultry products business: Applied to the evaluation of the director and executive officer (concurrently serving as President of Nichirei Fresh Inc.).

8. NL: Logistics business: Applied to the evaluation of the director and executive officer (concurrently serving as President of Nichirei Logistics Group Inc.).
9. Simplified ROIC: Operating profit after income tax / Major capital employed (Operating funds + Tangible and intangible non-current assets)

③ Targets for the following fiscal year

The target performance indicators of remuneration for directors (and other officers) for FY2026 are as follows.

Assessment Classification		Performance indicator	Target (Millions of yen)
Company-wide performance evaluation		Consolidated EBITDA	67,774
		Consolidated Profit	29,500
		Consolidated ROIC (%)	8.0
Business performance evaluation	Processed Foods	EBITDA	31,055
		Simplified ROIC (%)	11.6
	Marine products	EBITDA	1,186
		Simplified ROIC (%)	8.2
	Meat and poultry products	EBITDA	724
		Simplified ROIC (%)	8.3
	Logistics	EBITDA	31,474
		Simplified ROIC (%)	7.7

④ Operation of the Remuneration Advisory Committee for the current fiscal year

(a) FY2025 Remuneration Advisory Committee Activities

With respect to the determination of the remuneration of directors for FY2025, the Remuneration Advisory Committee convened 8 times between May 2024 and May 2025, with all members in attendance. In addition, a remuneration consultant from a third-party organization (Willis Towers Watson) was present at 4 of the 8 meetings for the purpose of providing objective and professional information necessary for deliberations.

The main matters deliberated and confirmed regarding directors' remuneration in FY2025 are as follows, and the Remuneration Advisory Committee decided on the contents of the report to the Board of Directors regarding the results of deliberations.

- With regard to the performance-linked bonuses for FY2024, the Remuneration Advisory Committee deliberated on an additional amount to be paid since the ESG third-party evaluation, one of the performance evaluation indicators, had been finalized and the evaluation was higher than originally expected.
- Remuneration Advisory Committee deliberated on or confirmed the standard amount of remuneration for each individual director for FY2025, the performance targets and evaluation criteria for performance-linked bonuses, and the number of shares of restricted stock to be delivered.
- Remuneration Advisory Committee has examined the appropriateness of the remuneration system and the level and composition ratio of remuneration for directors, taking into consideration the increase in the roles and responsibilities of top management resulting from the continued growth of the group and the expansion of its corporate scale and the demands of shareholders and investors, as well as the results of comparisons with other companies. As a result of this review, we confirmed that, due to the recent trend of rising remuneration levels centered on variable remuneration at other companies, the relative position of the Company's directors and officers has declined, in particular, the remuneration of the president has been below the medium level of comparable companies. Therefore, We have conducted thorough discussions on increasing variable remuneration starting from FY2026.
- In conjunction with the commencement of the new medium-term business plan "Compass × Growth 2027" starting from FY2026, we discussed the partial revision of the performance indicators (KPIs) used for performance-linked bonuses. In particular, we conducted thorough deliberations on selecting KPIs related to the Nichirei Group Material Matters (Materiality) as performance-linked bonus KPIs, with the aim of deepening sustainability management.
- Remuneration Advisory Committee has confirmed the written contents of remuneration for directors (and other officers) in the business report and the annual securities report.
- With regard to the performance-linked bonuses for FY 2025, Remuneration Advisory Committee deliberated the appropriateness of the company-wide performance evaluation, the evaluation of each business, and the individual evaluation of each director proposed by the representative director and president, as well as the appropriateness of the amount to be paid to each individual based on the results of those evaluations.

(Notes)

1. Remuneration Advisory Committee reports to and advises the Board of Directors on the above matters in a timely and appropriate manner. The Board of Directors determines the details of remuneration for each individual director based on the contents of such reports and recommendations. However, the individual performance evaluation in the process of determining the amount of individual performance-linked bonuses for FY2025 is drafted by the representative director and president (Kenya Okushi) after interviewing each director from the position as the chief executive officer of the Group, and is decided after deliberation by the Remuneration Advisory Committee. On the other hand, the final bonuses to be paid to each individual, based on the results of the individual performance evaluation, the company-wide performance evaluation, and the evaluation of each business, are determined by the Board of Directors based on the reports and advice from the Remuneration Advisory Committee.
2. Remuneration for executive officers who do not concurrently serve as directors is also determined through the same process described above.

(b) Comments by the Board of Directors on the appropriateness and reasonableness of the FY2025 remuneration

In determining the details of individual director's remuneration for FY2025, as stated in (a) above, the Remuneration Advisory Committee, led by the independent outside directors, has conducted a multifaceted review based on objective and professional information necessary for deliberation, including consistency with the decision policy, and the Board of Directors also basically respects the report and judges it to be in line with the decision policy.

(5) Equity Securities Held

① Criteria and approach to classification of investments in equity securities

The Company classifies investment in equity securities into 2 categories: investment in equity securities held for pure investment and investment in equity securities held for other than pure investment. If the Company judges that investment in equity securities will contribute to improving the Company's corporate value through the maintenance and strengthening of business and cooperative relationships, etc., the securities are classified as investment in equity securities held for other than pure investment.

② Investment in equity securities held for other than pure investment

(a) Holding policy, methods of verifying the rationality of holding and details of verification by the Board of Directors regarding the appropriateness of holding individual security

The Board of Directors verifies the medium- to long-term economic rationality of the individual strategic-holding security on an annual basis, and accordingly sells the security if it finds the rationale insufficient to justify maintaining such holdings. In conducting the verification, the Board of Directors makes a comprehensive judgment based on a careful examination of each individual security as to the benefits, such as profits from transactions and dividends, and whether risks are commensurate with the cost of capital, as well as considering a qualitative assessment of strategic importance and other factors.

(b) Number of security names and balance sheet amount

	Number of security names	Total Balance sheet amount (Millions of yen)
Equity securities not listed	5	523
Equity securities other than those not listed	15	27,419

(Security names whose number of shares increased in the current fiscal year)

	Number of security names	Total acquisition cost related to the increase in the number of shares (Millions of yen)	Reason for the increase in the number of shares
Equity securities not listed	1	9	Shares were acquired as we considered it beneficial for the enhancement of our corporate value.
Equity securities other than those not listed	—	—	—

(Security names whose number of shares decreased in the current fiscal year)

	Number of security names	Total sales amount related to the decrease in the number of shares (Millions of yen)
Equity securities not listed	—	—
Equity securities other than not listed	—	—

(c) Information on the number of shares and balance sheet amount for each security name of specified investment equity securities and deemed holding shares

(i) Specified investment equity securities

Security name	Current fiscal year Number of shares Balance sheet amount (Millions of yen)	Previous fiscal year Number of shares Balance sheet amount (Millions of yen)	Purpose of holding, Outline of business alliances, etc., Quantitative holding effects, and Reason for the increase in the number of shares	Holding of the Company's shares
NISSHIN SEIFUN GROUP INC.	3,460,457 5,988	3,460,457 7,265	Held to strengthen the business foundation through stable supply of raw materials for processed foods and other businesses, and to strengthen cooperation in quality assurance through joint ventures.	Yes
Fuyo General Lease Co., Ltd.	416,600 4,822	416,600 5,732	Held to maintain and strengthen lease transactions and collaborative relationships for the Group.	Yes
Kewpie Corporation	1,555,007 4,540	1,555,007 4,400	Held to strengthen the business foundation through stable supply of raw materials for processed foods and other businesses.	Yes
Mitsubishi Shokuhin Co., Ltd.	700,000 3,433	700,000 3,934	Held to strengthen the business foundation through transactions and stable supply of raw materials for processed foods and logistics business.	No
Mitsubishi UFJ Financial Group, Inc.	926,160 1,862	926,160 1,442	Held to strengthen the Group's financial foundation through stable fund procurement and fund management operations, to provide useful information on market trends and regulations, and to enhance business support by providing advisory functions.	No
SOMPO Holdings Inc.	365,055 1,650	121,685 1,164	Held to strengthen the Group's management foundation by providing ongoing support for asset protection and crisis management. (Note4)	No
THE KYOTO HOTEL LTD.	2,008,178 1,423	2,008,178 1,530	Held to maintain and strengthen business and cooperative relationships for the Group.	No
Mizuho Financial Group, Inc.	195,756 793	195,756 596	Held to strengthen the Group's financial foundation through stable fund procurement and fund management operations, to provide useful information on market trends and regulations, and to enhance business support by providing advisory functions.	No
The Chiba Bank, Ltd.	553,000 773	553,000 697	Held to strengthen the Group's financial foundation through stable fund procurement and fund management operations, to provide useful information on market trends and regulations, and to enhance business support by providing advisory functions.	Yes
Imperial Hotel, Ltd.	696,048 622	696,048 683	Held to maintain and strengthen cooperative relationships through joint ventures for processed foods and other businesses.	Yes
Yasuda logistics corporation	301,000 505	301,000 365	Held to maintain and strengthen business and cooperative relationships for the logistics and other businesses.	Yes
JINUSHI Co., Ltd.	156,000 325	156,000 399	Held to maintain and strengthen lease transactions and cooperative relationships for real estate and other businesses.	No

Security name	Current fiscal year Number of shares Balance sheet amount (Millions of yen)	Previous fiscal year Number of shares Balance sheet amount (Millions of yen)	Purpose of holding, Outline of business alliances, etc., Quantitative holding effects, and Reason for the increase in the number of shares	Holding of the Company's shares
Sumitomo Mitsui Trust Holdings, Inc.	79,680 296	79,680 263	Held to strengthen the Group's financial foundation through stable fund procurement and fund management operations, to provide useful information on market trends and regulations, and to enhance business support by providing advisory functions.	No
Toyo Seikan Group Holdings, Ltd.	101,200 247	101,200 246	Held to strengthen the business foundation through stable supply of raw materials for processed foods and other businesses.	Yes
TODA CORPORATION	151,000 133	151,000 154	Held to strengthen the business foundation by providing support for the maintenance and preservation of buildings for logistics and real estate business.	Yes

(Notes)

1. The above-mentioned security names are comprehensively judged for the appropriateness of holding based on a careful examination of individual security as to the benefits, such as profits from transactions and dividends, and whether risks are commensurate with the cost of capital, as well as considering a qualitative assessment of strategic importance and other factors. Quantitative holding effects are not stated in the above table in consideration of the relationship with the counterparty, but based on the above policy, the Company has verified and judged that the holding is meaningful.
2. The top 12 securities listed above have balance sheet amounts exceeding 1% of the Company's share capital.
3. "Holding of the Company's shares" is indicated as "Yes" if the shares are directly owned by the issuer of the listed securities.
4. SOMPO Holdings Inc. conducted a 3-for-1 split of its common stock on April 1, 2024.

(b) Deemed holding shares

Not applicable

③ Investment in equity securities held for pure investment

Not applicable

V. Financial Information

1. Basis for presentation of consolidated and non-consolidated financial statements

(1) The consolidated financial statements of Nichirei Corporation (the "Company") and its subsidiaries (together, the "Group") are prepared in accordance with the "Regulation on Terminology, Forms and Preparation Methods of Consolidated Financial Statements" (Ministry of Finance Order No. 28, 1976, hereinafter referred to as the "Consolidated Financial Statement Regulations").

(2) The non-consolidated financial statements of the Company are prepared in accordance with the "Regulation on Terminology, Forms, and Preparation Methods of Financial Statements" (Ministry of Finance Order No. 59 of 1963, hereinafter referred to as the "Financial Statement Regulations").

As the Company qualifies as a special company filing financial statements defined in the Financial Statement Regulations, the Company prepares its non-consolidated financial statements pursuant to Article 127 of the Financial Statement Regulations.

2. Audit attestation

Pursuant to the provisions of Article 193-2, Paragraph 1, of the Financial Instruments and Exchange Act, the Company's consolidated and non-consolidated financial statements for the fiscal year (from April 1, 2024 to March 31, 2025) were audited by Ernst & Young ShinNihon LLC.

3. Special efforts to ensure the appropriateness of consolidated financial statements, etc.

The Company makes special efforts to ensure the appropriateness of consolidated financial statements. Specifically, in order to appropriately grasp the content of accounting standards and establish a system that enables the proper preparation of consolidated financial statements, etc., the Company has joined the Financial Accounting Standards Foundation (FASF) and participates in seminars organized by various organizations.

1. Consolidated Financial Statements, etc.

(1) Consolidated Financial Statements

① Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Assets		
Current assets		
Cash and deposits	31,279	39,369
Notes and accounts receivable - trade	*1 105,811	*1 101,430
Merchandise and finished goods	37,829	39,637
Work in process	1,274	2,582
Raw materials and supplies	12,221	12,774
Other	13,169	9,242
Allowance for doubtful accounts	△150	△110
Total current assets	201,434	204,925
Non-current assets		
Property, plant and equipment		
Buildings and structures	*5 290,828	*5 302,316
Accumulated depreciation	△195,296	△202,192
Buildings and structures, net	95,531	100,123
Machinery, equipment and vehicles	*5 149,726	*5 163,158
Accumulated depreciation	△105,760	△114,230
Machinery, equipment and vehicles, net	43,965	48,927
Land	*3, *5 45,755	*3, *5 46,457
Leased assets	31,503	31,486
Accumulated depreciation	△18,567	△19,139
Leased assets, net	12,935	12,346
Construction in progress	4,479	6,027
Other	*5 16,624	*5 18,703
Accumulated depreciation	△12,208	△13,347
Other, net	4,416	5,355
Total property, plant and equipment	207,084	219,238
Intangible assets		
Goodwill	6,906	7,356
Other	8,877	8,936
Total intangible assets	15,783	16,292
Investments and other assets		
Investment securities	*2 46,858	*2 45,036
Retirement benefit asset	38	40
Deferred tax assets	2,690	2,920
Other	*2 11,726	*2 10,906
Allowance for doubtful accounts	△459	△139
Total investments and other assets	60,854	58,764
Total non-current assets	283,723	294,295
Total assets	485,157	499,221

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Liabilities		
Current liabilities		
Accounts payable - trade	29,769	27,137
Electronically recorded obligations - operating	1,570	993
Short-term borrowings	6,708	6,348
Commercial papers	2,000	3,000
Current portion of bonds payable	—	10,000
Current portion of long-term borrowings	*3 10,643	*3 9,713
Current portion of lease liabilities	3,569	3,568
Accrued expenses	40,597	40,351
Income taxes payable	7,541	4,811
Provision for bonuses for directors (and other officers)	234	216
Other	*6 20,891	*6 22,942
Total current liabilities	123,525	129,083
Non-current liabilities		
Bonds payable	40,000	30,000
Long-term borrowings	*3 24,539	*3 33,669
Lease liabilities	10,493	9,955
Deferred tax liabilities	9,425	8,565
Provision for retirement benefits for directors (and other officers)	57	63
Retirement benefit liability	2,208	2,158
Asset retirement obligations	4,768	4,925
Long-term guarantee deposits	1,994	2,285
Other	2,201	2,548
Total non-current liabilities	95,689	94,171
Total liabilities	219,214	223,255
Net assets		
Shareholders' equity		
Share capital	30,563	30,608
Capital surplus	5,513	5,558
Retained earnings	203,783	203,435
Treasury shares	△16,856	△11,749
Total shareholders' equity	223,003	227,853
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,155	17,254
Deferred gains or losses on hedges	2,168	△368
Foreign currency translation adjustment	9,076	15,301
Total accumulated other comprehensive income	30,400	32,187
Non-controlling interests	12,537	15,925
Total net assets	265,942	275,966
Total liabilities and net assets	485,157	499,221

② Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

[Consolidated Statements of Income]

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Net sales	*1 680,091	*1 702,080
Cost of sales	*2 559,945	*2 575,852
Gross profit	120,145	126,228
Selling, general and administrative expenses		
Transportation and storage costs	20,500	21,434
Promotion expenses	1,394	1,430
Advertising expenses	5,187	5,082
Remuneration for directors (and other officers) and employees' salaries, bonuses and allowances	23,334	24,799
Retirement benefit expenses	1,221	1,282
Legal and other welfare expenses	4,073	4,154
Travel, transportation and communication expenses	2,409	2,673
Rent expenses	2,467	2,628
Outsourcing expenses	5,185	6,044
Research and development expenses	*3 1,967	*3 2,206
Other	15,491	16,175
Total selling, general and administrative expenses	83,234	87,913
Operating profit	36,911	38,315
Non-operating income		
Interest income	385	627
Dividend income	877	1,116
Share of profit of entities accounted for using equity method	689	536
Other	802	862
Total non-operating income	2,755	3,143
Non-operating expenses		
Interest expenses	886	1,151
Other	524	428
Total non-operating expenses	1,410	1,580
Ordinary profit	38,255	39,878
Extraordinary income		
Gain on sale of non-current assets	*4 139	*4 139
Gain on sale of investment securities	133	343
Gain on step acquisitions	547	—
Insurance claim income	514	31
Compensation income	—	105
Other	99	14
Total extraordinary income	1,434	634
Extraordinary losses		
Loss on sale of non-current assets	*5 1	*5 3
Loss on retirement of non-current assets	*6 1,237	*6 1,474
Impairment losses	*7 531	*7 465
Compensation expense for damage	205	—
Loss on office closings	270	285
Other	284	448
Total extraordinary losses	2,530	2,677
Profit before income taxes	37,160	37,835
Income taxes - current	11,650	10,211
Income taxes - deferred	△395	573
Total income taxes	11,255	10,785
Profit	25,904	27,049
Profit attributable to non-controlling interests	1,409	2,318
Profit attributable to owners of parent	24,495	24,731

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Profit	25,904	27,049
Other comprehensive income		
Valuation difference on available-for-sale securities	6,811	△1,904
Deferred gains or losses on hedges	739	△2,552
Foreign currency translation adjustment	5,788	7,427
Share of other comprehensive income of entities accounted for using equity method	△128	461
Total other comprehensive income	*1 13,211	*1 3,431
Comprehensive income	39,116	30,481
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	36,943	26,518
Comprehensive income attributable to non-controlling interests	2,172	3,963

③ Consolidated Statements of Changes in Equity

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,512	5,492	187,333	△16,847	206,490
Changes during period					
Issuance of new shares	51	51			103
Dividends of surplus			△8,045		△8,045
Profit attributable to owners of parent			24,495		24,495
Change in ownership interest of parent due to transactions with non-controlling interests		△30			△30
Purchase of treasury shares				△10	△10
Disposal of treasury shares		0		0	0
Net changes in items other than shareholders' equity					
Total changes during period	51	21	16,449	△9	16,513
Balance at end of period	30,563	5,513	203,783	△16,856	223,003

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	12,342	1,436	4,173	17,952	9,070	233,513
Changes during period						
Issuance of new shares						103
Dividends of surplus						△8,045
Profit attributable to owners of parent						24,495
Change in ownership interest of parent due to transactions with non-controlling interests						△30
Purchase of treasury shares						△10
Disposal of treasury shares						0
Net changes in items other than shareholders' equity	6,812	732	4,903	12,447	3,467	15,915
Total changes during period	6,812	732	4,903	12,447	3,467	32,428
Balance at end of period	19,155	2,168	9,076	30,400	12,537	265,942

Current fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,563	5,513	203,783	△16,856	223,003
Changes during period					
Issuance of new shares	45	45			90
Dividends of surplus			△9,963		△9,963
Profit attributable to owners of parent			24,731		24,731
Purchase of treasury shares				△10,009	△10,009
Disposal of treasury shares		0		0	0
Cancellation of treasury shares		△0	△15,116	15,116	—
Net changes in items other than shareholders' equity					
Total changes during period	45	44	△348	5,107	4,849
Balance at end of period	30,608	5,558	203,435	△11,749	227,853

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	19,155	2,168	9,076	30,400	12,537	265,942
Changes during period						
Issuance of new shares						90
Dividends of surplus						△9,963
Profit attributable to owners of parent						24,731
Purchase of treasury shares						△10,009
Disposal of treasury shares						0
Cancellation of treasury shares						—
Net changes in items other than shareholders' equity	△1,900	△2,536	6,224	1,787	3,387	5,174
Total changes during period	△1,900	△2,536	6,224	1,787	3,387	10,023
Balance at end of period	17,254	△368	15,301	32,187	15,925	275,966

④ Consolidated Statements of Cash Flows

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Cash flows from operating activities		
Profit before income taxes	37,160	37,835
Depreciation	24,219	24,277
Impairment losses	531	465
Increase/△decrease in allowance for doubtful accounts	42	△364
Interest and dividend income	△1,263	△1,744
Interest expenses	886	1,151
Share of loss/△profit of entities accounted for using equity method	△689	△536
Loss/△gain on step acquisitions	△547	—
Loss/△gain on sale of non-current assets	△138	△136
Loss on retirement of non-current assets	1,237	1,474
Loss on office closings	270	285
Loss/△gain on sale of investment securities	△116	△343
Decrease/△increase in trade receivables	△2,308	6,150
Decrease/△increase in inventories	4,518	△2,596
Increase/△decrease in trade payables	796	△3,743
Compensation income	—	△105
Compensation expense for damage	205	—
Insurance claim income	△514	△31
Other, net	4,281	1,578
Subtotal	68,571	63,618
Interest and dividends received	1,442	1,915
Proceeds from compensation	—	105
Compensation paid for damage	△134	—
Insurance claim received	799	31
Interest paid	△884	△1,141
Income taxes paid	△7,351	△11,333
Net cash provided by/△used in operating activities	62,442	53,194
Cash flows from investing activities		
Purchase of property, plant and equipment	△26,726	△28,328
Proceeds from sale of property, plant and equipment	212	218
Purchase of intangible assets	△2,217	△1,034
Purchase of investment securities	△29	△42
Proceeds from sale of investment securities	315	440
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△54	△435
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	658	—
Other, net	△3,750	△3,222
Net cash provided by/△used in investing activities	△31,592	△32,403

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Cash flows from financing activities		
Net increase/△decrease in short-term borrowings	△11,571	△875
Net increase/△decrease in commercial papers	△4,000	1,000
Proceeds from long-term borrowings	808	18,267
Repayments of long-term borrowings	△3,632	△10,770
Proceeds from issuance of bonds	9,957	—
Redemption of bonds	△10,000	—
Repayments of lease liabilities	△3,773	△3,706
Purchase of treasury shares	△10	△10,010
Dividends paid	△8,034	△9,949
Dividends paid to non-controlling interests	△738	△760
Proceeds from share issuance to non-controlling shareholders	180	—
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	△439	—
Other, net	0	0
Net cash provided by/△used in financing activities	△31,255	△16,804
Effect of exchange rate change on cash and cash equivalents	2,362	2,224
Net increase/△decrease in cash and cash equivalents	1,957	6,210
Cash and cash equivalents at beginning of period	27,767	29,725
Cash and cash equivalents at end of period	*1 29,725	*1 35,935

[Notes to Consolidated Financial Statements]

(Significant Matters Serving as the Basis for Preparation of Consolidated Financial Statements)

1. Scope of consolidation

(1) Consolidated subsidiaries

All subsidiaries are consolidated.

① Number of consolidated subsidiaries: 80 companies
Number of domestic consolidated subsidiaries: 38 companies
Number of overseas consolidated subsidiaries: 42 companies

② Names of major consolidated subsidiaries
Please refer to "I. Group Overview, 4. Subsidiaries and Affiliates."

③ Changes in consolidated subsidiaries
(Increase due to new establishment: 1 company)
me:new Inc.（Subsidiary of Nichirei Foods Inc.）
(Increase due to share acquisition: 1 company)
Admark Shipping Solutions Limited
(Decrease due to merger: 1 company)
Nichirei Seafoods, Inc.
(Decrease due to liquidation: 2 companies)
Thermotraffic Logistics Ltd. and me:new Inc.（Subsidiary of the Company）
The statements of income are consolidated for the period during which the companies were consolidated subsidiaries.

2. Application of the equity method

(1) Entities accounted for by the equity method

All affiliates are accounted for by the equity method.

① Number of affiliates accounted for by the equity method: 15 companies
Number of domestic affiliates accounted for by the equity method: 9 companies
Number of overseas affiliates accounted for by the equity method: 6 companies

② Name of major entities accounted for by the equity method
Hitachi Foods & Logistics Systems, Inc.

③ Changes in entities accounted for by the equity method
There were no changes in entities accounted for by the equity method

(2) Matters deemed necessary to be stated specifically with respect to the procedures for application of the equity method

Among entities accounted for by the equity method, there are 7 affiliates whose fiscal year-end date differs from the consolidated fiscal year-end date. For these affiliates, the financial statements of the affiliates for their fiscal year or the provisional financial statements prepared based on the most recent quarterly financial statements are used during the consolidation.

For significant transactions that occurred between their fiscal year-end date and the consolidated fiscal year-end date, necessary adjustments are made for consolidation purposes.

3. Fiscal year of consolidated subsidiaries

There are 42 consolidated subsidiaries, including Nichirei Holding Holland B.V., whose fiscal year-end date is December 31 and differs from the consolidated fiscal year-end date.

In preparing the consolidated financial statements, the financial statements of these subsidiaries as of their fiscal year-end date are used, and necessary adjustments for consolidation purposes are made for significant transactions that occurred between their fiscal year-end date and the consolidated fiscal year-end date.

4. Accounting policies

(1) Valuation basis and methods for significant assets

① Securities

Available-for-sale securities

(a) Available-for-sale securities other than equity securities, etc. without market prices
Fair value method (Unrealized gains and losses are recognized in a component of net assets, and costs of securities sold are determined by the moving average method.)

(b) Equity securities, etc. without market prices
Stated at cost determined by the moving average method

② Inventories
Merchandise and finished goods, Work in process, Raw materials and supplies
Stated at cost determined primarily by the gross-average method (Carrying amounts on the balance sheet are calculated by the method in which book values are written down with a decline in profitability of assets)

(2) Method of depreciation for important depreciable assets

① Property, plant and equipment (excluding leased assets)

Declining-balance method is used.

However, buildings for lease, buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998, and facilities attached to buildings and structures acquired on or after April 1, 2016 are depreciated using the straight-line method.

Overseas consolidated subsidiaries use the straight-line method.

② Intangible assets (excluding leased assets)

Straight-line method is used.

Software intended for internal use is depreciated over the estimated useful lives (5 years).

③ Leased assets

Leased assets under the finance lease arrangements which do not transfer ownership of the leased assets to the lessee are depreciated by the straight-line method over the respective lease periods without residual values.

(3) Accounting standards for significant provisions

① Allowance for doubtful accounts

To prepare for possible losses due to bad debts, the estimated uncollectible amount is recorded as follows.

(a) General receivables

Historical bad debt ratio method set forth in the accounting standards for financial instruments

(b) Doubtful receivables and bankruptcy reorganization claims, etc.

Debtor's financial assessment method set forth in the accounting standards for financial instruments

② Provision for bonuses for directors (and other officers)

To prepare for bonuses payments to directors (and other officers), the estimated amount to be paid at the end of the consolidated fiscal year is recorded.

③ Provision for retirement benefits for directors (and other officers)

To prepare for retirement benefits payments to directors and executive officers, domestic consolidated subsidiaries provide for the amount to be paid at the end of the consolidated fiscal year based on the internal rules.

(4) Basis for recognition of significant revenues and expenses

① Processed foods business, Marine products business, Meat and poultry products business, and Other businesses (Bioscience business)

Main business is the manufacturing and sales of prepared frozen food, marine products, livestock products, diagnostic pharmaceuticals, etc. Revenue is recognized at the time of shipment as far as the period from the time of shipment until the time when control of merchandises or products is transferred to customers is a normal period. Revenue is measured at the consideration promised in customer contracts, less returns, discounts and rebates, etc.

In the marine products business and the meat and poultry products business, consideration received from suppliers is not recognized as revenue for paid-material-supplies transactions that are not obligated to repurchase the supplies.

② Logistics business (Logistics network business, Regional storage business, Overseas business)

Main business is providing services for transporting and delivering cargo entrusted by customers by using trucks and other vehicles, as well as providing services such as quality control and inventory control of cargo entrusted by customers, and receiving, shipping and packing cargo operations. Revenue is recognized upon completion of providing the services that fulfills the performance obligation.

③ Real estate business

Revenue is recognized in a similar manner with ordinary lease transactions in accordance with the accounting standards for lease transactions.

(5) Accounting method for retirement benefits

The simplified method is applied to calculate retirement benefit liability and retirement benefit expenses, in which the retirement benefit obligation is assumed at the amount that would be required if the employees voluntarily terminated their employment at the end of the fiscal year.

(6) Significant hedge accounting method

① Hedge accounting method

In principle, deferred hedge accounting is used.

However, allocation treatment is applied to the forward exchange contracts, etc. that satisfy the requirements of the allocation treatment. In addition, exceptional accounting treatment is applied to the interest rate swaps, etc. that satisfy the requirements of the exceptional accounting treatment.

② Hedging instruments and hedged items

(a) Hedging instruments

Derivative transactions (forward exchange contracts, interest rate swaps, etc.)

(b) Hedged items

Items for which there is a possibility of loss due to market fluctuations, etc. and the market fluctuations, etc. are not reflected in the valuation, and items for which cash flows are fixed and fluctuations thereof are avoided (e.g., monetary receivables and payables denominated in foreign currencies).

③ Hedging policy

In accordance with the "Group Accounting and Management Standards for Financial Instruments" established by the Group, forward exchange contracts are entered into to hedge the foreign exchange rate fluctuation risk associated with transactions denominated in foreign currencies (import and export transactions of merchandise and raw materials, etc.).

For transactions denominated in foreign currencies that do not occur on a recurring basis, a hedging policy is established for each transaction. In addition, interest rate swaps contracts, etc. are entered into as necessary to convert the interest rate fluctuation risk related to interest-bearing receivables and payables to an appropriate level.

④ Method of evaluating hedge effectiveness

The effectiveness of the hedge is evaluated by comparing the cumulative changes in cash flows or market fluctuations of the hedged item with the cumulative changes in cash flows or market fluctuations of the hedging instrument semiannually, and based on both fluctuating amounts, etc.

However, the evaluation of effectiveness is omitted for the forward exchange contracts for which allocation treatment is applied and the interest rate swaps for which exceptional accounting treatment is applied.

(7) Amortization method and period for goodwill

Goodwill is amortized on a straight-line basis over a period not exceeding 20 years from the date of occurrence. However, if the amount is insignificant, the full amount is written off in the fiscal year in which it occurs.

(8) Scope of cash and cash equivalents in consolidated statement of cash flows

Funds (cash and cash equivalents) consist of cash on hand, deposits that can be withdrawn on demand, and short-term funds that are readily convertible to cash and have an insignificant risk of changes in value with a maturity of 3 months or less at the time of acquisition.

(9) Other important matters for the preparation of consolidated financial statements

Not applicable.

(Changes in Accounting Policy)

(Application of the "Accounting Standard for Current Income Taxes")

The "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standard"), etc. have been applied from the beginning of the current consolidated fiscal year.

With regard to the revision concerning the classification of income taxes (taxation on other comprehensive income), the company has complied with the transitional treatment stipulated in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment stipulated in the proviso to Paragraph 65-2 (2) of the "Implementation Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Implementation Guidance"). There is no impact on the consolidated financial statements as a result of the change in this accounting policy.

Regarding the revision concerning the amended treatment when gains or losses on the sale of shares of subsidiaries, etc. between consolidated companies, are deferred for tax purposes for the consolidated financial statements were revised. The Company has applied this revision based on the 2022 Revised Implementation Guidance from the beginning of the current consolidated fiscal year.

The change in this accounting policy has been retrospectively applied, and the consolidated financial statements for the previous consolidated fiscal year have been prepared based on the retrospective application. There is no impact on the consolidated financial statements as a result of the change in this accounting policy.

(Unapplied Accounting Standards, etc.)

"Accounting Standard for Leases" (ASBJ Statement No. 34, September 13, 2024)

"Implementation Guidance on Accounting Standard for Leased" (ASBJ Guidance No. 33, September 13, 2024), etc.

1. Summary

As part of efforts by the Accounting Standards Board of Japan (ASBJ) to align Japanese accounting standards with international standards, ASBJ has examined lease accounting based on international standards. The result is a new accounting standard for leases that requires lessees to recognize assets and liabilities for all leases.

While the new standard is based on the single accounting model of IFRS 16, it does not adopt all provisions of IFRS 16. Instead, it incorporates only the key provisions, aiming to create a simplified and user-friendly standard. This approach ensures that, when applying IFRS 16 to separate financial statements, minimal adjustments are generally required.

Under the lessee accounting treatment, regardless of whether a lease is classified as a finance lease or operating lease, a single accounting model will be applied. This model involves recognizing depreciation expenses on right-of-use assets and interest expenses on lease liabilities, consistent with IFRS 16.

2. Expected date of application

The company is going to apply the accounting standards from the beginning of the fiscal year ending March 31, 2028.

3. Effect of application of the accounting standards

Impact of application of the accounting standards are currently being examined.

(Significant Accounting Estimates)

Previous fiscal year (from April 1, 2023 to March 31, 2024)

[Valuation of non-current assets]

1. Amounts recorded in the consolidated financial statements for the fiscal year

Nichirei Biosciences Inc. (Other business)

Property, plant and equipment and Intangible assets: ¥2,691 million

Nichirei Biosciences Inc. manufactures and trades diagnostic pharmaceuticals and medical devices, etc. in 3 businesses: the molecular diagnostic business, the biopharmaceutical raw materials business and the rapid chromatographic immunoassay business.

Although the company had continued to record negative operating profit in the fiscal years ended on and before March 31, 2022, operating profits for the previous and current fiscal year, and operating profit in the business plan for the following fiscal year are all positive, and there have been no other events that indicate impairment. Therefore, it is deemed that indications of impairment don't exist for property, plant and equipment and intangible assets.

2. Information on the content of significant accounting estimates pertaining to identified items

(1) Calculation method of the amounts recorded in the consolidated financial statements for the fiscal year

The Company has established an asset grouping policy for each segment. For the other business segment, in light of the size and business content, indications of impairment such as continuous negative operating profit, significant deterioration in the business environment, changes in usage, or a significant decline in market prices are grasped for each company that is a group of assets. In case indicators of impairment are deemed to exist, the recognition of impairment loss is considered.

If indications of impairment of an asset are identified, it is considered whether impairment loss needs to be recognized by comparing the carrying amount with the total undiscounted future cash flows from the underlying non-current assets of the respective company. As a result, if it is determined that impairment loss is required to be recognized, the carrying amount is written down to the recoverable amount, and the reduction in the carrying amount is recorded as impairment loss.

(2) Key assumptions used in calculating the amounts recorded in the consolidated financial statements for the fiscal year

The business plan of Nichirei Biosciences Inc. is used to determine indicators of impairment. Key assumption used in developing the plan is sales volume of the rapid chromatographic immunoassay business based on future demand projections.

(3) Effect on the consolidated financial statements for the following fiscal year

Sales of the rapid chromatographic immunoassay business are highly uncertain due to the significant impact of demand trends in response to the increasing number of persons infected with the novel coronavirus and influenza. There are possibilities that the demand for antigen testing medicine and other products of the rapid chromatographic immunoassay business declines and the business environment deteriorates significantly.

If we determine that a review of the business plan is required due to the significant shortfall relative to Nichirei Biosciences Inc.'s business plan and considering available internal and external information, it is possible that projected operating profits for the following fiscal year and beyond become negative, which may constitute an indication of impairment. In such a case, the recoverable amount may be less than the carrying amount of non-current assets, and recognition of the impairment loss may be required.

Current fiscal year (from April 1, 2024 to March 31, 2025)

[Valuation of goodwill]

1. Amounts recorded in the consolidated financial statements for the fiscal year

Goodwill: ¥5,224 million

The above goodwill represents the excess earning power of Thermotraffic (N.I.) Ltd., a consolidated subsidiary, recognized as goodwill upon the acquisition of its shares.

2. Information on the content of significant accounting estimates pertaining to identified items

(1) Calculation method of the amounts recorded in the consolidated financial statements for the fiscal year

In identifying indicators of impairment of goodwill, the business of each acquired company to which goodwill has been allocated is treated as a single grouping unit. When profit or loss generated from operating activities continues to be negative, when there is a significant deterioration in the business environment, and it is determined that there is an indicators of impairment due to the impairment of the excess earning power of the acquired company, the necessity of recognizing impairment loss is assessed by comparing the book value of the asset group including goodwill with the total amount of undiscounted future cash flows.

With respect to the current consolidated fiscal year, no indicators of impairment was identified for the goodwill related to Thermotraffic (N.I.) Ltd.

(2) Key assumptions used in calculating the amounts recorded in the consolidated financial statements for the fiscal year

The business plan of Thermotraffic (N.I.) Ltd. is used to determine indicators of impairment. Key assumption used in developing the plan is the number of pallets related to the planned warehouse expansion and the increase in sales.

(3) Effect on the consolidated financial statements for the following fiscal year

The business plan may be affected by external factors such as changes in the market environment, and if actual performance differs from the estimates, there is a possibility that an impairment loss may be recognized in the following consolidated fiscal year.

(Notes to Consolidated Balance Sheets)

*1 Notes and accounts receivable - trade, arising from contracts with customers are as follows

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Notes receivable - trade	9	1
Accounts receivable - trade	105,801	101,429

*2 Equity securities and investments in capital of affiliates are as follows

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Investment securities (equity securities)	6,450	7,168
Other (investments in capital)	594	673

*3 Assets pledged as collateral and secured liabilities

Assets pledged as collateral are as follows.

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Land	729	729

Secured liabilities are as follows.

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Current portion of long-term borrowings	70	70
Long-term borrowings	988	917

*4 Guarantee obligations

The Company provides guarantees to the following company's trade payables from suppliers up to the below amounts.

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Sunfoods kesennuma Co., Ltd. (joint guarantee)	60	—

*5 Accumulated tax purpose reduction entry deducted from the acquisition cost of non-current assets due to national subsidies, etc., is as follows

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Buildings and structures	4,571	4,566
Machinery, equipment and vehicles	2,637	3,102
Land	1,366	1,366
Other property, plant and equipment	8	9

*6 Contract liabilities are as follows.

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Contract liabilities	1,233	1,464

(Notes to Consolidated Statements of Income)

*1 Revenue from contracts with customers

Net sales are not presented with the classification of Revenue from contracts with customers and Other revenue. The amount of revenue from contracts with customers is presented in Note "(Revenue Recognition) 1. Breakdown of revenue from contracts with customers."

*2 Write down amount (△ represents reversal amount) due to decline in profitability of inventories held for ordinary sales purposes is as follows.

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Cost of sales	256	△49

*3 Research and development expenses included in selling, general and administrative expenses are as follows. There are no research and development expenses included in manufacturing expenses.

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025
Selling, general and administrative expenses	1,967	2,206

*4 Breakdown of gain on sale of non-current assets is as follows.

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Buildings and structures	29	0
Machinery, equipment and vehicles	99	108
Other	10	30
Total	139	139

*5 Breakdown of loss on sale of non-current assets is as follows.

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Buildings and structures	0	0
Machinery, equipment and vehicles	0	2
Other	0	0
Total	1	3

*6 Breakdown of loss on retirement of non-current assets is as follows.

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Buildings and structures	206	219
Machinery, equipment and vehicles	176	82
Leased assets	34	56
Other	114	34
Removal costs	706	1,081
Total	1,237	1,474

*7 Impairment loss

Previous fiscal year (from April 1, 2023 to March 31, 2024)

Impairment losses were recorded, but the breakdown is omitted due to immateriality.

Current fiscal year (from April 1, 2024 to March 31, 2025)

Impairment losses were recorded, but the breakdown is omitted due to immateriality.

(Notes to Consolidated Statements of Comprehensive Income)

*1 Reclassification adjustments, income taxes and tax effects in other comprehensive income

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Valuation difference on available-for-sale securities:		
Amount incurred during the year	9,909	△2,054
Reclassification adjustment	△133	△358
Amount before income taxes and tax effect	9,775	△2,413
Income taxes and tax effect	△2,963	509
Net valuation difference on available-for-sale securities	6,811	△1,904
Deferred gains or losses on hedges:		
Amount incurred during the year	1,067	△3,663
Income taxes and tax effect	△328	1,111
Net deferred gains or losses on hedges	739	△2,552
Foreign currency translation adjustment:		
Amount incurred during the year	5,788	7,427
Net foreign currency translation adjustment	5,788	7,427
Share of other comprehensive income of entities accounted for using equity method:		
Amount incurred during the year	96	461
Reclassification adjustment	△225	—
Amount before income taxes and tax effect	△129	461
Income taxes and tax effect	0	0
Net share of other comprehensive income of entities accounted for using equity method	△128	461
Total other comprehensive income	13,211	3,431

(Notes to Consolidated Statements of Changes in Equity)

Previous fiscal year (from April 1, 2023 to March 31, 2024)

1. Types and numbers of issued shares and treasury shares

(Shares)

	Number of shares at the beginning of the fiscal year	Number of shares increased during the fiscal year	Number of shares decreased during the fiscal year	Number of shares at the end of the fiscal year
Issued shares				
Common stock (Note 1)	134,042,599	33,053	—	134,075,652
Total	134,042,599	33,053	—	134,075,652
Treasury shares				
Common stock (Notes 2, 3)	6,351,246	2,973	190	6,354,029
Total	6,351,246	2,973	190	6,354,029

(Notes)

1. Increase in the number of issued shares of common stock resulted from the issuance of new shares for restricted stock compensation.
2. Increase in the number of treasury shares of common stock resulted from the request for purchase of odd-lot shares.
3. Decrease in the number of treasury shares of common stock resulted from the request for sale of odd-lot shares.

2. Dividends

(1) Dividends paid during the fiscal year

Resolution	Type of stock	Total dividends (Millions of yen)	Dividend per share (yen)	Record date	Effective date
June 27, 2023 The Ordinary General Shareholders Meeting	Common stock	3,319	26	March 31, 2023	June 28, 2023
October 31, 2023 The Board of Directors Meeting	Common stock	4,725	37	September 30, 2023	December 5, 2023

(2) Dividends of which the record date falls in the current fiscal year, but the effective date falls in the following fiscal year

Resolution	Type of stock	Total dividends (Millions of yen)	Source of dividend	Dividend per share (yen)	Record date	Effective date
June 25, 2024 The Ordinary General Shareholders Meeting	Common stock	4,725	Retained earnings	37	March 31, 2024	June 26, 2024

Current fiscal year (from April 1, 2024 to March 31, 2025)

1. Types and numbers of issued shares and treasury shares

(Shares)

	Number of shares at the beginning of the fiscal year	Number of shares increased during the fiscal year	Number of shares decreased during the fiscal year	Number of shares at the end of the fiscal year
Issued shares				
Common stock (Note 1, 2)	134,075,652	25,617	5,636,400	128,464,869
Total	134,075,652	25,617	5,636,400	128,464,869
Treasury shares				
Common stock (Notes 3, 4)	6,354,029	2,465,244	5,636,442	3,182,831
Total	6,354,029	2,465,244	5,636,442	3,182,831

(Notes)

1. Increase in the number of issued shares of common stock resulted from the issuance of new shares for restricted stock compensation.
2. Decrease in the number of issued shares of common stock resulted from the cancellation of treasury shares.

3. The breakdown of the increase of 2,465,244 shares in treasury shares of common stock is as follows.
(Overview of reasons for change)
Increase in purchase of treasury shares based on resolution of the Board of Directors 2,462,900 shares
Increase in the request for purchase of odd-lot shares 2,344 shares
4. The breakdown of the decrease of 5,636,442 shares in treasury shares of common stock is as follows.
(Overview of reasons for change)
Decrease in cancellation of treasury shares 5,636,400 shares
Decrease in the request for sale of odd-lot shares 42 shares

2. Dividends
(1) Dividends paid during the fiscal year

Resolution	Type of stock	Total dividends (Millions of yen)	Dividend per share (yen)	Record date	Effective date
June 25, 2024 The Ordinary General Shareholders Meeting	Common stock	4,725	37	March 31, 2024	June 26, 2024
November 5, 2024 The Board of Directors Meeting	Common stock	5,237	41	September 30, 2024	December 5, 2024

(2) Dividends of which the record date falls in the current fiscal year, but the effective date falls in the following fiscal year
The following matters are scheduled to be submitted as agenda items to the ordinary general shareholders meeting to be held on June 25, 2025.

Resolution	Type of stock	Total dividends (Millions of yen)	Source of dividend	Dividend per share (yen)	Record date	Effective date
June 25, 2025 The Ordinary General Shareholders Meeting	Common stock	6,389	Retained earnings	51	March 31, 2025	June 26, 2025

(Note) Although stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, the dividend per share as stated above refers to the amount before the stock split.

(Notes to Consolidated Statements of Cash Flows)

*1 Reconciliation between cash and deposits in the consolidated balance sheets and cash and cash equivalents in the consolidated statements of cash flows are as follows:

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Cash and deposits	31,279	39,369
Time deposits with maturity exceeding 3 months	△1,554	△3,434
Cash and cash equivalents	29,725	35,935

(Lease Transactions)

1. Finance lease transactions
Finance lease transactions which do not transfer ownership of the leased assets to the lessee
(As a Lessee)
(1) Description of leased assets
Property, plant and equipment
Mainly consists of refrigerated facilities (buildings and structures) of the logistics business.
Intangible assets
Mainly consists of software in the logistics business.
(2) Depreciation method of leased assets
The straight-line method is used, where the lease period is deemed as the useful life of the asset and the residual value is set as zero (0).

2. Operating lease transactions (including sublease transactions)
Future lease payments for non-cancellable operating lease transactions

(As a Lessee)
Future lease payments

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Within 1 year	2,487	2,784
More than 1 year	11,325	13,118
Total	13,812	15,902

(As a Lessor)
Future lease receipts

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Within 1 year	17	61
More than 1 year	148	906
Total	165	968

(Financial Instruments)

1. Information on financial instruments

(1) Policy for using financial instruments

In light of working capital requirements and capital investment plans, the Group raises the necessary funds through bank loans and bonds issuances. In addition, the Group ensures safe and reliable management over temporary surplus funds.

Derivatives transactions are used to avoid the risks described below, and the Group's policy is not to use them for speculative purposes.

(2) Description and risks of financial instruments

Notes and accounts receivable - trade, which are trade receivables, are exposed to the credit risk of customers. In addition, trade receivables denominated in foreign currencies are exposed to the exchange rate fluctuation risk.

Investment securities are shares of companies with which the Company has business relationships and are exposed to the market price fluctuation risk.

Accounts payable - trade and Electronically recorded obligations - operating, which are trade payables, are mostly due within 1 year. In addition, trade payables denominated in foreign currencies are exposed to the exchange rate fluctuation risk.

Borrowings, Commercial papers, Bonds payable and Lease liabilities related to finance lease transactions are mainly for the purpose of obtaining the finance required for capital investment.

Derivatives transactions are forward exchange contracts to hedge the exchange rate fluctuation risk related to trade receivables and payables denominated in foreign currencies. Please refer to Note "(Significant Matters Serving as the Basis for Preparation of Consolidated Financial Statements) 4. Accounting policies, (6) Significant hedge accounting method" for hedging instruments and hedged items, hedging policy, and method of evaluating hedge effectiveness with respect to the hedge accounting.

(3) Risk management system for financial instruments

① Credit risk management (the risk relating to the breach of contract by customers)

The Group manages trade receivables on a daily basis in accordance with the credit management manual, etc., regularly monitors the status of customers, manages due dates and balances for each customer, and strives to quickly identify and mitigate concerns about collection due to deterioration in financial conditions, etc.

Derivative transactions are entered into with financial institutions with qualified ratings in order to minimize the credit risk.

② Market risk management (the risk arising from fluctuations in exchange rates, interest rates and others)

The Group uses forward exchange contracts to hedge the exchange rate fluctuation risk identified by currency related to trade receivables and payables denominated in foreign currencies.

With regard to investment securities, the Group regularly monitors the fair values and financial conditions of the counterparties, and continuously reviews the holdings status by considering the relationship with the counterparties.

Derivative transactions are executed by the Finance division based on the management rules that stipulate the trading policy, and the trading result is reported to the members of the Board of the Company and its consolidated subsidiaries.

③ Liquidity risk management related to fund raising (the risk not being able to execute payment on due dates)

The Company and major domestic consolidated subsidiaries have introduced a cash management system, and therefore the Company manages the liquidity risk of the system participants.

Based on reports from each company and division, the Finance division prepares and updates cash flow plans in a timely manner and manages the liquidity risk by maintaining liquidity on hand at a certain level.

(4) Supplementary explanation about fair values of financial instruments

Since variable factors are incorporated in the calculation of the fair value of financial instruments, the fair value may fluctuate if different assumptions are adopted.

2. Fair values of financial instruments

Carrying amount on the consolidated balance sheet, fair value and the difference between these amounts are as follows.

Previous fiscal year (as of March 31, 2024)

Notes are omitted for Cash and deposits, Notes and accounts receivable - trade, Accounts payable - trade, Electronically recorded obligations - operating, Short-term borrowings (excluding Current portion of long-term borrowings), Commercial papers, Accrued expenses, Income taxes payable, as their fair values approximate their book values due to their short-term settlement.

(Millions of yen)

	Carrying amount	Fair value	Difference
Investment securities *1			
Available-for-sale securities	38,428	38,428	—
Total assets	38,428	38,428	—
Bonds payable	40,000	39,569	△430
Long-term borrowings	35,182	35,276	93
Lease liabilities	14,062	14,485	422
Long-term guarantee deposits *2	1,176	1,146	△30
Total liabilities	90,422	90,477	55
Derivative transactions *3			
To which hedge accounting is not applied	—	—	—
To which hedge accounting is applied	3,170	3,170	—
Total derivative transactions	3,170	3,170	—

*1 Equity securities, etc. without market prices are not included. The carrying amount of unlisted equity securities on the consolidated balance sheet is ¥8,430 million.

*2 Long-term guarantee deposits related to business transactions are repayable at any time upon the termination of transactions with counterparties or upon requests for repayment. Therefore, the fair value of the deposits is deemed as book value as same as short-term settlements, and is not included on the above table. The carrying amount on the consolidated balance sheet of long-term guarantee deposits related to business transactions is ¥817 million.

*3 Net receivables and payables arising from derivative transactions are presented on a net basis. Of those arising from forward exchange contracts for which the allocation treatment is applied, are accounted for together with accounts receivable - trade and accounts payable - trade that are hedged items.

Current fiscal year (as of March 31, 2025)

Notes are omitted for Cash and deposits, Notes and accounts receivable - trade, Accounts payable - trade, Electronically recorded obligations - operating, Short-term borrowings (excluding Current portion of long-term borrowings), Commercial papers, Accrued expenses, Income taxes payable, as their fair values approximate their book values due to their short-term settlement.

(Millions of yen)

	Carrying amount	Fair value	Difference
Investment securities *1			
Available-for-sale securities	35,947	35,947	—
Total assets	35,947	35,947	—
Bonds payable	40,000	39,389	△610
Long-term borrowings	43,383	43,321	△62
Lease liabilities	13,524	13,764	240
Long-term guarantee deposits *2	1,664	1,566	△98
Total liabilities	98,572	98,041	△530
Derivative transactions *3			
To which hedge accounting is not applied	—	—	—
To which hedge accounting is applied	△493	△493	—
Total derivative transactions	△493	△493	—

*1 Equity securities, etc. without market prices are not included. The carrying amount of unlisted equity securities on the consolidated balance sheet is ¥9,088 million.

*2 Long-term guarantee deposits related to business transactions are repayable at any time upon the termination of transactions with counterparties or upon requests for repayment. Therefore, the fair value of the deposits is deemed as book value as same as short-term settlements, and is not included on the above table. The carrying amount on the consolidated balance sheet of long-term guarantee deposits related to business transactions is ¥620 million.

*3 Net receivables and payables arising from derivative transactions are presented on a net basis. Of those arising from forward exchange contracts for which the allocation treatment is applied, are accounted for together with accounts receivable - trade and accounts payable - trade that are hedged items.

(Note) 1 Redemption schedule of monetary claims after the consolidated fiscal year end date

Previous fiscal year (as of March 31, 2024)

(Millions of yen)

	Within 1 year	More than 1 year
Cash and deposits	31,261	—
Notes receivable - trade	9	—
Accounts receivable - trade	105,801	—
Total	137,072	—

Current fiscal year (as of March 31, 2025)

(Millions of yen)

	Within 1 year	More than 1 year
Cash and deposits	39,340	—
Notes receivable - trade	1	—
Accounts receivable - trade	101,429	—
Total	140,771	—

(Note) 2 Repayment schedule of bonds payable, long-term borrowings, lease liabilities and other interest-bearing liabilities after the consolidated fiscal year end date

Previous fiscal year (as of March 31, 2024)

(Millions of yen)

	Within 1 year	Over 1 year Within 2 years	Over 2 years Within 3 years	Over 3 years Within 4 years	Over 4 years Within 5 years	Over 5 years
Short-term borrowings	6,708	—	—	—	—	—
Bonds payable	—	10,000	10,000	10,000	10,000	—
Long-term borrowings	10,643	9,698	173	277	277	14,113
Lease liabilities	3,569	3,006	2,322	1,815	1,375	1,973

Current fiscal year (as of March 31, 2025)

(Millions of yen)

	Within 1 year	Over 1 year Within 2 years	Over 2 years Within 3 years	Over 3 years Within 4 years	Over 4 years Within 5 years	Over 5 years
Short-term borrowings	6,348	—	—	—	—	—
Bonds payable	10,000	10,000	10,000	10,000	—	—
Long-term borrowings	9,713	687	4,497	706	20,026	7,751
Lease liabilities	3,568	2,923	2,425	1,906	1,286	1,412

3. Breakdown of fair value of financial instruments by level

Carrying amount on the consolidated balance sheet, fair value, difference between these amounts and fair value by level are as follows.

Fair value of financial instruments is classified into the following 3 levels based on the observability and materiality of the inputs used to determine the fair value.

Level 1 fair value: Fair value determined by quoted prices for assets or liabilities that are subject to valuation in active markets out of the inputs for determining observable fair value

Level 2 fair value: Fair value calculated using inputs for determining fair value other than Level 1 inputs, out of the inputs for determining observable fair value

Level 3 fair value: Fair value calculated using inputs related to the calculation of unobservable fair value

In case multiple inputs are used that have a significant impact on the calculation of fair value, the fair value is classified as the lowest priority level in determining fair value among the levels to which each of those inputs belong.

(1) Financial instruments recorded at fair value in the consolidated balance sheet

Previous fiscal year (as of March 31, 2024)

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
① Investment securities				
Available-for-sale securities	38,428	—	—	38,428
Total assets	38,428	—	—	38,428
② Derivative transactions				
To which hedge accounting is not applied	—	—	—	—
To which hedge accounting is applied	—	3,170	—	3,170
Total derivative transactions	—	3,170	—	3,170

Current fiscal year (as of March 31, 2025)

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
① Investment securities				
Available-for-sale securities	35,947	—	—	35,947
Total assets	35,947	—	—	35,947
② Derivative transactions				
To which hedge accounting is not applied	—	—	—	—
To which hedge accounting is applied	—	△493	—	△493
Total derivative transactions	—	△493	—	△493

(2) Financial instruments other than financial instruments recorded at fair value in the consolidated balance sheet

Previous fiscal year (as of March 31, 2024)

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
③ Bonds payable	—	39,569	—	39,569
④ Long-term borrowings	—	35,276	—	35,276
⑤ Lease liabilities	—	14,485	—	14,485
⑥ Long-term guarantee deposits	—	1,146	—	1,146
Total liabilities	—	90,477	—	90,477

Current fiscal year (as of March 31, 2025)

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
③ Bonds payable	—	39,389	—	39,389
④ Long-term borrowings	—	43,321	—	43,321
⑤ Lease liabilities	—	13,764	—	13,764
⑥ Long-term guarantee deposits	—	1,566	—	1,566
Total liabilities	—	98,041	—	98,041

(Notes) Explanation of valuation method used to calculate fair value and inputs related to the calculation of the fair value

① Investment securities

Fair value of securities is calculated based on market prices. As listed equity securities are traded in an active market, their fair values are classified as Level 1 fair value.

② Derivative transactions

Fair value of forward exchange contracts is based on the fair value quoted by financial institutions. As the fair value is calculated using observable inputs such as exchange rates, it is classified as Level 2 fair value.

③ Bonds payable

Fair value of bonds payable issued by the Company is calculated based on the present value of total amount of principal and interest discounted by the interest rate considering the remaining term of bonds and credit risk. The fair value is classified as Level 2 fair value.

④ Long-term borrowings

Fair value is calculated based on total amount of principal and interest discounted by the interest rate assumed for similar new borrowings. The fair value is classified as Level 2 fair value.

⑤ Lease liabilities

Fair value is calculated based on the present value of total amount of principal and interest discounted by the interest rate assumed for a similar new lease transaction. The fair value is classified as Level 2 fair value.

⑥ Long-term guarantee deposits

Fair value is calculated based on the present value of the deposits discounted by the interest rate considering the remaining term of long-term guarantee deposits and credit risk. The fair value is classified as Level 2 fair value.

(Securities)

1. Available-for-sale securities

Previous fiscal year (as of March 31, 2024)

(Millions of yen)

	Type	Carrying amount	Acquisition cost	Difference
Amount on consolidated balance sheet exceeding acquisition cost	Equity securities	38,161	11,273	26,887
	Subtotal	38,161	11,273	26,887
Amount on consolidated balance sheet below acquisition cost	Equity securities	251	264	△12
	Debt securities	15	15	—
	Subtotal	266	279	△12
Total		38,428	11,553	26,874

(Note) Unlisted equity securities, etc. (carrying amount on the consolidated balance sheet: ¥1,979 million) are not included in the above table because they are equity securities, etc. without market prices.

Current fiscal year (as of March 31, 2025)

(Millions of yen)

	Type	Carrying amount	Acquisition cost	Difference
Amount on consolidated balance sheet exceeding acquisition cost	Equity securities	35,768	11,249	24,519
	Subtotal	35,768	11,249	24,519
Amount on consolidated balance sheet below acquisition cost	Equity securities	163	222	△58
	Debt securities	14	14	—
	Subtotal	178	237	△58
Total		35,947	11,486	24,461

(Note) Unlisted equity securities, etc. (carrying amount on the consolidated balance sheet: ¥1,920 million) are not included in the above table because they are equity securities, etc. without market prices.

2. Sales of available-for-sale securities during the fiscal year

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

Type	Proceeds from sales	Gains on sales	Losses on sales
Equity securities	311	133	△0
Debt securities	1	—	—

Current fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

Type	Proceeds from sales	Gains on sales	Losses on sales
Equity securities	458	343	—
Debt securities	0	—	—

3. Impairment loss of securities

In the previous fiscal year, ¥25 million of impairment losses (¥25 million for equity securities without market prices) were recognized for securities.

In the current fiscal year, ¥47 million of impairment losses (¥47 million for equity securities without market prices) were recognized for securities.

The criteria for impairment of the Group are as follows:

(1) When the fair value of an individual security declines by 40% or more compared to the acquisition cost

Impairment loss is recognized unless it is evident that the fair value will recover to a level near the acquisition cost within 1 year.

(2) When the fair value of an individual security declines by 30% or more but less than 40% compared to the acquisition cost

Impairment loss is recognized if any of the following conditions is applicable, and it is deemed unlikely to be recovered.

① The rate of decline has remained at 30% or more to less than 40% of the acquisition cost over 2 years.
② The issuing company is in a state of insolvency.
③ Losses are recorded for 2 consecutive fiscal years and it is expected to record losses in the following fiscal year as well.

(Derivative Transactions)

1. Derivative transactions to which hedge accounting is not applied

Not applicable.

2. Derivative transactions to which hedge accounting is applied

(1) Currency-related transactions

Previous fiscal year (as of March 31, 2024)

(Millions of yen)

Hedge accounting method	Type of derivative	Main hedged items	Contract amount, etc.	Of the contract amount, etc. Over 1 year	Fair value
Principle method	Forward exchange contracts Sold -US dollar -Japanese yen Bought -US dollar	Accounts receivable - trade (forecast transactions) Accounts payable - trade (forecast transactions)	1,476 55 43,269	— — 9,630	32 △1 3,139
Allocation treatment for Forward exchange contracts, etc.	Forward exchange contracts Sold -US dollar -Japanese yen Bought -US dollar	Accounts receivable- trade Accounts payable - trade	1,877 14 2,454	— — —	(Note)
Total			49,146	9,630	3,170

(Note) The fair value of forward exchange contracts, etc., to which the allocation treatment is applied, is included in the fair value of the hedged items because they are accounted for together with accounts receivable - trade and accounts payable - trade that are hedged items.

Current fiscal year (as of March 31, 2025)

(Millions of yen)

Hedge accounting method	Type of derivative	Main hedged items	Contract amount, etc.	Of the contract amount, etc. Over 1 year	Fair value
Principle method	Forward exchange contracts Sold -US dollar -Japanese yen Bought -US dollar	Accounts receivable - trade (forecast transactions) Accounts payable - trade (forecast transactions)	1,869 85 53,458	— — 16,548	△2 4 △495
Allocation treatment for Forward exchange contracts, etc.	Forward exchange contracts Sold -US dollar -Japanese yen Bought -US dollar	Accounts receivable- trade Accounts payable - trade	1,641 2 3,038	— — —	(Note)
Total			60,095	16,548	△493

(Note) The fair value of forward exchange contracts, etc., to which the allocation treatment is applied, is included in the fair value of the hedged items because they are accounted for together with accounts receivable - trade and accounts payable - trade that are hedged items.

(2) Interest-related transactions

Previous fiscal year (as of March 31, 2024)

Not applicable.

Current fiscal year (as of March 31, 2025)

Not applicable.

(Retirement Benefits)

1. Outline of retirement benefit plans adopted

The Company and some of its consolidated subsidiaries adopt a combination of a defined contribution pension plan, prepaid retirement allowance and lump-sum payments at the time of retirement. Other consolidated subsidiaries adopt a defined benefit corporate pension plan or a lump-sum retirement benefit plan, etc.

In addition, the Company has an early retirement support program that is not subject to actuarially computed retirement benefit obligations in accordance with the accounting standards for retirement benefits. The Company may pay extra retirement payments for early retirement of employees, etc.

Regarding the defined benefit corporate pension plan and the lump-sum retirement benefit plan of certain consolidated subsidiaries, retirement benefit liability, retirement benefit asset, and retirement benefit expenses are calculated by using the simplified method.

2. Defined benefit plan

(1) Reconciliation of beginning and ending balances of retirement benefit liability and retirement benefit asset for the plans to which the simplified method is applied

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Retirement benefit liability and retirement benefit asset (△) at the beginning of the fiscal year	2,082	2,169
Retirement benefit expenses	278	306
Payments of retirement benefits	△238	△165
Contributions to the plans	△45	△49
Other	92	△143
Retirement benefit liability and retirement benefit asset (△) at the end of the fiscal year	2,169	2,117

(Note) In the above table, retirement benefit liability and retirement benefit asset are offset.

(2) Reconciliation from projected benefit obligations and plan assets at the end of the fiscal year to retirement benefit liability and retirement benefit asset recorded in the consolidated balance sheet

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Projected benefit obligations of funded plans	501	471
Plan assets	△477	△472
	23	△1
Projected benefit obligations of unfunded plans	2,146	2,118
Net of liability and asset recorded in the consolidated balance sheet	2,169	2,117
Retirement benefit liability	2,208	2,158
Retirement benefit asset	△38	△40
Net of liability and asset recorded in the consolidated balance sheet	2,169	2,117

(3) Retirement benefit expenses

Retirement benefit expenses calculated by the simplified method amount to ¥278 million for the previous fiscal year and ¥306 million for the current fiscal year.

3. Defined contribution plans

Required contributions to defined contribution plans (including the smaller enterprise retirement allowance mutual aid system, etc.) of the Company and its consolidated subsidiaries were ¥2,299 million for the previous fiscal year and ¥2,269 million for the current fiscal year.

(Stock Options)

Not applicable.

(Tax Effect Accounting)

1. Major components of deferred tax assets and liabilities

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Deferred tax assets		
Asset retirement obligations	1,398	1,471
Tax loss carryforwards (Note 3)	1,916	2,638
Accrued expenses	943	940
Unrealized losses on non-current assets	829	805
Retirement benefit liability	765	753
Accrued bonuses	600	533
Excess depreciation	1,034	1,129
Enterprise tax payable	491	371
Loss on valuation of investment securities	305	311
Impairment loss	399	657
Adjustment for loss on transfer	127	131
Deferred losses on hedges (Note 1)	2	327
Other (Note 1)	2,548	2,587
Subtotal	11,362	12,659
Valuation allowance for tax loss carryforwards (Note 3)	△1,519	△2,310
Valuation allowance for total future deductible temporary differences	△2,593	△2,189
Subtotal of valuation allowance (Note 2)	△4,112	△4,499
Total deferred tax assets	7,249	8,159
Offset against deferred tax liabilities	△4,559	△5,238
Net deferred tax assets	2,690	2,920
Deferred tax liabilities		
Valuation difference on available-for-sale securities	△8,024	△7,491
Reserve for tax purpose reduction entry of non-current assets	△1,142	△1,116
Deferred gains on hedges	△966	△176
Undistributed earnings	△1,568	△2,006
Valuation difference on non-current assets due to capital consolidation	△756	△774
Property, plant and equipment corresponding to asset retirement obligations	△410	△384
Adjustment for gain on transfer	△139	△323
Other	△976	△1,529
Total deferred tax liabilities	△13,985	△13,804
Offset against deferred tax assets	4,559	5,238
Net deferred tax liabilities	△9,425	△8,565

(Notes) 1 "Deferred losses on hedges," which had been included in "Other" under deferred tax assets in the previous consolidated fiscal year, are presented separately in the current consolidated fiscal year due to increased monetary materiality. On the other hand, "Differences at the time of change in accounting standard for leases" which had been presented separately under deferred tax assets in the previous consolidated fiscal year, are included in "Other" in the current consolidated fiscal year due to decreased monetary materiality.

2 There has been no significant change in the valuation allowance.

3 Breakdown of tax loss carryforwards and deferred tax assets by expiry date

Previous fiscal year (as of March 31, 2024)

(Millions of yen)

	Within 1 year	Over 1 year Within 2 years	Over 2 years Within 3 years	Over 3 years Within 4 years	Over 4 years Within 5 years	Over 5 years	Total
Tax loss carryforwards (*1)	27	26	48	38	60	1,715	1,916
Valuation allowance	△27	△26	△48	△38	△49	△1,329	△1,519
Deferred tax assets	—	—	—	—	10	386	(*2) 397

*1 Tax loss carryforwards is the amount multiplied by effective statutory tax rate.
*2 Since taxable income is expected for the following fiscal year, a part of tax loss carryforwards is considered as recoverable.

Current fiscal year (as of March 31, 2025)

(Millions of yen)

	Within 1 year	Over 1 year Within 2 years	Over 2 years Within 3 years	Over 3 years Within 4 years	Over 4 years Within 5 years	Over 5 years	Total
Tax loss carryforwards (*1)	39	37	37	47	103	2,372	2,638
Valuation allowance	△39	△37	△37	△39	△102	△2,052	△2,310
Deferred tax assets	—	—	—	7	0	320	(*2) 328

*1 Tax loss carryforwards is the amount multiplied by effective statutory tax rate.
*2 Since taxable income is expected for the following fiscal year, a part of tax loss carryforwards is considered as recoverable.

2. Major items that caused the difference between the effective statutory tax rate and the effective tax rate after applying the tax effect accounting

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Effective statutory tax rate	Since the difference between the effective statutory tax rate and the effective tax rate after applying the tax effect accounting is less than 5% of the effective statutory tax rate, this note is omitted.	30.6%
(Adjustments)		
Entertainment and other permanently non-deductible expenses		0.7
Dividend and other permanently non-taxable income		0.9
Inhabitants' tax per capita		0.4
Change in valuation allowance		△2.0
Tax credit for research and development expenses, etc.		△1.1
Tax rate differences of overseas subsidiaries		△2.2
Share of profit of entities accounted for using equity method		△0.5
Undistributed earnings of subsidiaries and associates		1.2
Effect of tax rate change		△0.1
Other		0.6
Effective tax rate after applying the tax effect accounting		28.5

3. Adjustment to the amounts of deferred tax assets and deferred tax liabilities due to changes in the tax rate of income taxes

Due to the enactment of the "Act Partially Amending the Income Tax Act" (Act No. 13 of 2025) by the Parliament on March 31, 2025, a "Special corporate tax for Defense" will be imposed for fiscal years beginning on or after April 1, 2026.

As a result, for deferred tax assets and deferred tax liabilities related to temporary differences expected to be reversed in or after the fiscal year beginning on April 1, 2026, the effective statutory tax rate has been changed from 30.6% to 31.5% for calculation purposes.

The impact of this change is immaterial.

(Asset Retirement Obligations)

Asset retirement obligations recorded on the consolidated balance sheet

1. Outline of asset retirement obligations

Mainly consists of restoration obligations, etc. associated with fixed-term land leasehold contracts for refrigerated warehouses.

2. Calculation method for the amount of asset retirement obligations

Asset retirement obligations are calculated using the expected useful lives of 10 to 50 years after acquiring and the discount rates of 0.339% to 2.436% (for overseas △0.085% to 4.306%).

3. Changes in asset retirement obligations during the fiscal year

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Balance at the beginning of the fiscal year	4,643	4,768
Adjustments due to the passage of time	86	88
Increase due to change in estimate (Note)	59	—
Decrease due to fulfillment of asset retirement obligations	△154	—
Other increase/△decrease	133	67
Balance at the end of the fiscal year	4,768	4,925

(Note) In the previous fiscal year, regarding the asset retirement obligations recorded for restoration obligations associated with fixed-term land leasehold contracts for refrigerated warehouses, the Company obtained new information from a re-estimation of the restoration costs. As a result, ¥59 million of increase due to change in estimate was added to the asset retirement obligations.

(Investment and Rental property)

The Company and some of its consolidated subsidiaries own buildings and land for lease in Tokyo and other areas.

Net rent income related to the investment and rental property is ¥1,678 million for the previous fiscal year (rent income is included in net sales and rent expenses are included in cost of sales).

Net rent income related to the investment and rental property is ¥1,883 million for the current fiscal year (rent income is included in net sales and rent expenses are included in cost of sales).

Carrying amount on the consolidated balance sheet, increase or decrease during the fiscal year, as well as fair value of the investment and rental properties are as follows.

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Carrying amount on the consolidated balance sheet		
Carrying amount at the beginning of the fiscal year	9,652	9,606
Net increase/△decrease	△46	△18
Carrying amount at the end of the fiscal year	9,606	9,587
Fair value at the end of the fiscal year	48,035	49,096

(Notes) 1 Carrying amount on the consolidated balance sheet is an acquisition cost deducting accumulated depreciation.

2 For the previous fiscal year, major increase represents ¥566 million of capital investments. Major decrease represents ¥546 million of depreciation and ¥55 million of disposal. For the current fiscal year, major increase represents ¥404 million of capital investments and ¥ 169 million of change in intended use. Major decrease represents ¥563 million of depreciation.

3 Fair value of major properties is based on appraisals obtained from outside real estate appraisers. For other relatively immaterial properties, fair value is based on certain valuation and other value based on the indicators considered to be properly reflected by market prices.

(Revenue Recognition)

1. Breakdown of revenue from contracts with customers

The Group breaks down each segment into major sales management classification based on revenues generated from contracts with customers.

(Millions of yen)

Reportable segment	Major classification for sales management	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Processed foods	Household-use prepared foods	87,441	93,544
	Commercial-use prepared foods	102,677	110,005
	Processed agricultural products	23,723	24,377
	Overseas	61,902	68,688
	Other	15,120	14,966
	Subtotal	290,866	311,583
Marine products		61,601	58,668
Meat and poultry products		81,828	67,415
Logistics	Logistics network	118,591	123,568
	Regional storage	63,814	66,717
	Overseas	71,137	83,203
	Other/Common	3,813	4,783
	Subtotal	257,355	278,273
Other (Note)		6,782	6,473
Total revenue from contracts with customers		698,434	722,413
Real estate		4,465	5,186
Other revenue total		4,465	5,186
Adjustment		△22,808	△25,519
Net sales to external customers		680,091	702,080

(Note) "Other" represents operating segments not included in the reportable segments, such as bioscience business, businesses related to human resources and payroll related services, and greening management and cleaning services, etc.

2. Information that provides a basis for understanding the revenue from contracts with customers

Information that provides a basis for understanding the revenue from contracts with customers is described in the note "(Significant Matters Serving as the Basis for Preparation of Consolidated Financial Statements) 4. Accounting policies, (4) Basis for recognition of significant revenues and expenses." The payment is collected in approximately 1 to 2 months based on the contract with the customer.

3. Information to understand the amount of revenue in the current and subsequent fiscal years

(1) Outstanding contract liabilities

Outstanding contract liabilities at the fiscal year end arising from contracts with customers are described in "(Notes to Consolidated Balance Sheets) *6 Contract liabilities." The amount of revenue recognized in the current fiscal year that was included in the beginning balance of contract liabilities was ¥1,233 million.

(2) Transaction price allocated to remaining performance obligations

Disclosure is omitted for the contracts with an initial expected term of 1 year or less, for which the practical expedient is applied. There are no material amounts of consideration arising from contracts that are not included in the transaction price.

(Segment Information, etc.)

[Segment information]

1. General information about reportable segments

Reportable segments are components of the Company and its consolidated subsidiaries for which separate financial information is available and whose operating results are regularly reviewed by the Board of Directors to make decisions about resources to be allocated to the segments and to assess their performance. Reportable segments are determined by product and service as "Processed foods," "Marine products," "Meat and poultry products," "Logistics" and "Real estate."

General information about the segments is as follows:

(a) Processed foods: Manufacturing, processing and sales of prepared frozen foods, processed agricultural products, retort-pouch foods, wellness foods, acerola and packaged ice

(b) Marine products: Processing and sales of marine products

(c) Meat and poultry products: Processing and sales of livestock products, and breeding and sales of chicken

(d) Logistics: Providing transportation/distribution services and distribution center functions, logistics consulting, providing storage services, production and sales of ice, and construction work and design

(e) Real estate: Leasing of office buildings and parking lots and management of real estate

2. Calculation method for sales, profit or loss, assets, liabilities and other items by reportable segment

Accounting methods used in reported operating segments are almost the same as described in "(Significant Matters Serving as the Basis for Preparation of Consolidated Financial Statements)."

Profit of reportable segments are the figure based on operating profit. Intercompany sales and transfers among the segments are based on third-party transaction prices.

3. Sales, profit or loss, assets, liabilities and other items by reportable segment

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment						Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Processed foods	Marine products	Meat and poultry products	Logistics	Real estate	Total				
Sales:										
Net sales to external customers	290,613	61,577	78,790	240,275	2,910	674,168	5,922	680,091	—	680,091
Intercompany sales and transfers among the segments	252	23	3,037	17,080	1,554	21,948	860	22,808	△22,808	—
Total	290,866	61,601	81,828	257,355	4,465	696,116	6,782	702,899	△22,808	680,091
Segment profit	17,416	591	1,043	15,833	1,659	36,544	1,288	37,832	△921	36,911
Segment assets	178,743	23,115	19,970	217,338	16,456	455,624	8,040	463,665	21,492	485,157
Other items:										
Depreciation	9,481	144	250	12,135	809	22,820	266	23,086	1,132	24,219
Amortization of goodwill	120	—	—	481	—	602	—	602	—	602
Investments in entities accounted for by the equity method	1,552	—	—	3,421	—	4,974	—	4,974	2,070	7,045
Increase in property, plant and equipment and intangible assets	6,304	235	342	21,501	915	29,299	36	29,336	2,001	31,337

(Notes) 1 "Other" represents operating segments not included in the reportable segments, such as bioscience business, businesses related to human resources and payroll related services, and greening management and cleaning services, etc.

2 Details of adjustments are as follows.

(1) Adjustments to "segment profit" are elimination of intersegment transactions of △¥8,000 million and income/△loss of ¥7,079 million related to the holding company (the company filing the consolidated financial statements) that is not allocated to each reportable segment.

(2) Adjustments to "segment assets" are elimination of intersegment credits of △¥182,801 million and ¥204,293 million of corporate assets.

Corporate assets mainly consist of surplus operating funds (cash and deposits) and long-term investment funds (investment securities) of the holding company (the company filing the consolidated financial statements), and assets related to administrative departments that are not allocated to each reportable segment.

(3) Adjustment to "depreciation" is depreciation related to corporate assets.

(4) Adjustment to "investment in entities accounted for by the equity method" is the amount of investment in entities accounted for by the equity method that do not belong to any reportable segment.

(5) Adjustment to "increase in property, plant and equipment and intangible assets" represents increase in corporate assets.

3 Segment profit is adjusted to operating profit in the consolidated financial statements.

Current fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment						Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Processed foods	Marine products	Meat and poultry products	Logistics	Real estate	Total				
Sales:										
Net sales to external customers	311,342	58,472	63,836	259,551	3,275	696,479	5,601	702,080	—	702,080
Intercompany sales and transfers among the segments	240	195	3,579	18,721	1,911	24,647	871	25,519	△25,519	—
Total	311,583	58,668	67,415	278,273	5,186	721,127	6,473	727,600	△25,519	702,080
Segment profit	18,792	1,413	1,082	15,749	1,900	38,938	1,089	40,028	△1,712	38,315
Segment assets	186,934	21,974	17,173	231,146	16,942	474,171	7,386	481,558	17,662	499,221
Other items:										
Depreciation	8,815	124	269	12,826	840	22,876	204	23,081	1,196	24,277
Amortization of goodwill	126	—	—	577	—	703	—	703	—	703
Investments in entities accounted for by the equity method	1,726	—	—	3,888	—	5,615	—	5,615	2,225	7,841
Increase in property, plant and equipment and intangible assets	9,260	345	275	23,180	1,105	34,166	88	34,255	681	34,936

(Notes) 1 "Other" represents operating segments not included in the reportable segments, such as bioscience business, businesses related to human resources and payroll related services, and greening management and cleaning services, etc.

2 Details of adjustment are as follows.

(1) Adjustments to "segment profit" are elimination of intersegment transactions of △¥9,016 million and income/△loss of ¥7,303 million related to the holding company (the company filling the consolidated financial statements) that is not allocated to each reportable segment.

(2) Adjustments to "segment assets" are elimination of intersegment credits of △¥177,882 million and ¥195,545 million of corporate assets.

Corporate assets mainly consist of surplus operating funds (cash and deposits) and long-term investment funds (investment securities) of the holding company (the company filing the consolidated financial statements), and assets related to administrative departments that are not allocated to each reportable segment.

(3) Adjustment to "depreciation" is depreciation related to corporate assets.

(4) Adjustment to "investment in entities accounted for by the equity method" is the amount of investment in entities accounted for by the equity method that do not belong to any reportable segment.

(5) Adjustment to "increase in property, plant and equipment and intangible assets" represents increase in corporate assets.

3 Segment profit is adjusted to operating profit in the consolidated financial statements.

[Related information]

Previous fiscal year (from April 1, 2023 to March 31, 2024)

1. Information by product and service

The description is omitted because the same information is disclosed in the segment information.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	Overseas	Total
535,076	145,014	680,091

(2) Property, plant and equipment

(Millions of yen)

Japan	Overseas	Total
163,227	43,857	207,084

3. Information by major customer

(Millions of yen)

Customer's name	Net sales	Related segment name
Mitsubishi Shokuhin Co., Ltd.	77,181	Processed foods

Current fiscal year (from April 1, 2024 to March 31, 2025)

1. Information by product and service

The description is omitted because the same information is disclosed in the segment information.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	Overseas	Total
536,293	165,787	702,080

(2) Property, plant and equipment

(Millions of yen)

Japan	Overseas	Total
163,259	55,979	219,238

3. Information by major customer

(Millions of yen)

Customer's name	Net sales	Related segment name
Mitsubishi Shokuhin Co., Ltd.	82,321	Processed foods

[Information on impairment losses on non-current assets by reportable segment]

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment						Other	Total	Adjustment	Consolidated
	Processed foods	Marine products	Meat and poultry products	Logistics	Real estate	Total				
Impairment loss	50	165	—	299	—	515	16	531	—	531

Current fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment						Other	Total	Adjustment	Consolidated
	Processed foods	Marine products	Meat and poultry products	Logistics	Real estate	Total				
Impairment loss	217	7	165	75	—	465	—	465	—	465

[Information on amortization and outstanding balance of goodwill by reportable segment]

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment						Other	Total	Adjustment	Consolidated
	Processed foods	Marine products	Meat and poultry products	Logistics	Real estate	Total				
Amortization of goodwill	120	—	—	481	—	602	—	602	—	602
Outstanding balance of goodwill	810	—	—	6,095	—	6,906	—	6,906	—	6,906

Current fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment						Other	Total	Adjustment	Consolidated
	Processed foods	Marine products	Meat and poultry products	Logistics	Real estate	Total				
Amortization of goodwill	126	—	—	577	—	703	—	703	—	703
Outstanding balance of goodwill	751	—	—	6,604	—	7,356	—	7,356	—	7,356

[Information on gain on bargain purchase by reportable segment]

Previous fiscal year (from April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (from April 1, 2024 to March 31, 2025)

Not applicable.

[Related party information]

The description is omitted due to immaterial.

(Per Share Information)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Net assets per share (yen)	992.02	1,037.82
Profit per share (yen)	95.90	97.35

(Notes) 1 "Diluted profit per share" is not disclosed as there are no diluted shares.
2 Although a stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, "Net assets per share" and "Profit per share" are calculated assuming that the stock split had been conducted at the beginning of the previous consolidated fiscal year.
3 Basis to calculate net assets per share is following.

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Net assets (Millions of yen)	265,942	275,966
Amounts excluded from net assets: (Millions of yen)		
For non-controlling interests	12,537	15,925
Net assets attributable to common stock (Millions of yen)	253,404	260,041
Number of shares of common stock used for the calculation of net assets per share (thousands of shares)	255,443	250,564

4 Basis to calculate profit per share is following.

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Profit per share		
Profit attributable to owners of parent (Millions of yen)	24,495	24,731
Amounts not attributable to shareholders of common stock (Millions of yen)	—	—
Profit attributable to owners of parent for common stock (Millions of yen)	24,495	24,731
Average number of shares of common stock during the fiscal year (thousands of shares)	255,426	254,059

(Significant Subsequent Events)

(Merger between consolidated subsidiaries)

At the Board of Directors meeting held on May 13, 2025, the Company resolved to merge its consolidated subsidiaries, Nichirei Foods Inc. (hereinafter referred to as "Nichirei Foods") and Nichirei Fresh Inc. (hereinafter referred to as "Nichirei Fresh"), with Nichirei Foods as the surviving company (hereinafter referred to as "the Merger").

1. Purpose of the Merger

The Group has thus far conducted business operations by leveraging the strengths of each business. However, in order to respond to increasingly diverse customer needs and to address increasingly complex social issues, we have determined that combining the strengths of both the Nichirei Foods and Nichirei Fresh businesses will enable the creation of even greater value.

By carrying out the Merger with a target effective date of April 1, 2026, we aim to integrate all functions from procurement to sales, including those overseas, and to enhance overall group synergy within the food business, thereby strengthening profitability and improving capital efficiency.

2. Outline of the Merger

(1) Schedule of the Merger

The date of resolution of the Board of Directors (the Company): May 13, 2025
The date of execution of the merger agreement (both parties to the merger): May 13, 2025
The Merger date (effective date): April 1, 2026 (scheduled)

(2) Method of the Merger

An absorption-type merger with Nichirei Foods as the surviving company and Nichirei Fresh as the absorbed company

(3) Details of allotment related to the Merger

There will be no allotment of shares, cash, or other consideration as a result of the Merger.

(4) Treatment of share acquisition rights and bonds with share acquisition rights of the absorbed company

Not applicable.

3. **Outline of the accounting method scheduled to be applied**

The Merger is scheduled to be accounted for as a transaction under common control, in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019).

As the Merger is between consolidated subsidiaries of the Company, the impact on the Company's consolidated results is expected to be immaterial.

⑤ Consolidated Supplementary Schedule

[Details of bonds payable]

Company Name	Description	Date of issuance	Balance at beginning of the current fiscal year (Millions of yen)	Balance at end of the current fiscal year (Millions of yen)	Interest rate (%)	Secured	Redemption deadline
The Company	No. 24 unsecured straight bond (with inter-bond pari passu clause)	August 30, 2018	10,000	(10,000)	0.250	none	August 29, 2025
〃	No. 25 unsecured straight bond (with inter-bond pari passu clause)	August 31, 2020	10,000	10,000	0.240	none	August 31, 2027
〃	No. 26 unsecured straight bond (with inter-bond pari passu clause)	November 26, 2021	10,000	10,000	0.170	none	November 24, 2028
〃	No. 27 unsecured straight bond (with inter-bond pari passu clause)	November 24, 2023	10,000	10,000	0.420	none	November 24, 2026
Total	—	—	40,000	40,000 (10,000)	—	—	—

(Notes) 1. Figures in () in the balance at end of period represent amounts scheduled to be redeemed within one year.

2. Redemption schedule for each year within 5 years after the consolidated balance sheet date is as follows.

(Millions of yen)

Within 1 year	Over 1 year Within 2 years	Over 2 years Within 3 years	Over 3 years Within 4 years	Over 4 years Within 5 years
10,000	10,000	10,000	10,000	—

[Details of borrowings, etc.]

Classification	Balance at beginning of the current fiscal year (Millions of yen)	Balance at end of the current fiscal year (Millions of yen)	Average interest rate (%)	Repayment deadline
Short-term borrowings	6,708	6,348	2.394	—
Current portion of long-term borrowings	10,643	9,713	0.541	—
Current portion of lease liabilities	3,569	3,568	3.189	—
Long-term borrowings (excluding current portion of long-term borrowings) (Note 2)	24,539	33,669	1.747	2026～2039
Lease liabilities (excluding current portion of lease liabilities) (Note 2)	10,493	9,955	2.627	2026～2037
Other interest-bearing liabilities				
Commercial papers (within 1 year)	2,000	3,000	0.514	—
Long-term guarantee deposits (Those with no repayment deadline)	729	490	0.630	—
Total	58,684	66,746	—	—

(Notes) 1 "Average interest rate" is the weighted average of the interest rates applied to the outstanding balance of borrowings at end of the period.

2 Repayment schedule of long-term borrowings and lease liabilities (excluding those scheduled to be repaid within 1 year) for each year within 5 years after the consolidated balance sheet date is as follows.

(Millions of yen)

	Over 1 year Within 2 years	Over 2 years Within 3 years	Over 3 years Within 4 years	Over 4 years Within 5 years
Long-term borrowings	687	4,497	706	20,026
Lease liabilities	2,923	2,425	1,906	1,286

[Details of asset retirement obligations]

Since the matters that should be stated here are disclosed as notes stipulated in Article 15-23 of the Consolidated Financial Statement Regulations, details of asset retirement obligations are omitted.

(2) Other

Quarterly information, etc. for the current fiscal year

(Cumulative period)	First quarter	Interim Accounting Period	Third quarter	Current fiscal year
Net sales (Millions of yen)	171,157	347,208	534,841	702,080
Quarterly profit before income taxes (Millions of yen)	10,124	20,400	32,233	37,835
Quarterly profit attributable to owners of parent (Millions of yen)	6,444	12,876	20,575	24,731
Quarterly profit per share (yen)	25.23	50.41	80.66	97.35

(Each accounting period)	First quarter	Second quarter	Third quarter	Fourth quarter
Quarterly profit per share (yen)	25.23	25.18	30.25	16.54

(Notes) 1.The Company prepares quarterly financial information for the first and third quarters in accordance with the rules prescribed by the financial instruments exchange, but such quarterly financial information is not subject to interim reviews.

2.Although a stock split was conducted at a ratio of two shares for each common stock, effective April 1, 2025, “Interim profit per share (Current period) (Quarterly)” is calculated assuming that the stock split had been conducted at the beginning of the current consolidated fiscal year.

2. Non-consolidated Financial Statements, etc.

(1) Non-consolidated Financial Statements

① Non-consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Assets		
Current assets		
Cash and deposits	4,046	5,391
Accounts receivable - trade	7	6
Real estate for sale	10	2
Short-term loans receivable from subsidiaries and associates	42,163	41,142
Accounts receivable - other	*1 912	*1 182
Other	209	349
Allowance for doubtful accounts	△320	—
Total current assets	47,031	47,074
Non-current assets		
Property, plant and equipment		
Buildings	*3 12,807	*3 12,658
Structures	*3 277	*3 268
Machinery and equipment	*3 578	*3 550
Tools, furniture and fixtures	*3 346	*3 366
Land	1,190	1,190
Leased assets	219	221
Construction in progress	50	505
Total property, plant and equipment	15,471	15,762
Intangible assets		
Software	3,212	2,574
Other	7	5
Total intangible assets	3,220	2,579
Investments and other assets		
Investment securities	29,437	27,942
Shares of subsidiaries and associates	69,701	69,701
Investments in capital of subsidiaries and associates	120	120
Long-term loans receivable from subsidiaries and associates	43,750	38,528
Leasehold and guarantee deposits	729	731
Other	237	158
Allowance for doubtful accounts	△134	△74
Total investments and other assets	143,840	137,106
Total non-current assets	162,532	155,449
Total assets	209,564	202,523

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Liabilities		
Current liabilities		
Short-term borrowings	3,000	4,500
Commercial papers	2,000	3,000
Current portion of bonds payable	—	10,000
Current portion of long-term borrowings	10,470	9,570
Lease liabilities	40	46
Accounts payable - other	*1 682	*1 795
Accrued expenses	*1 836	*1 796
Income taxes payable	192	126
Deposits received	*1 14,880	*1 16,347
Provision for bonuses for directors (and other officers)	35	36
Other	213	194
Total current liabilities	32,353	45,413
Non-current liabilities		
Bonds payable	40,000	30,000
Long-term borrowings	16,988	17,517
Lease liabilities	180	178
Long-term Income taxes payable	—	24
Deferred tax liabilities	5,943	5,732
Long-term guarantee deposits	*1 1,785	*1 2,230
Other	20	21
Total non-current liabilities	64,917	55,705
Total liabilities	97,271	101,119
Net assets		
Shareholders' equity		
Share capital	30,563	30,608
Capital surplus		
Legal capital surplus	7,860	7,905
Other capital surplus	0	—
Total capital surplus	7,860	7,905
Retained earnings		
Legal retained earnings	39	39
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	499	481
General reserve	37,010	37,010
Retained earnings brought forward	38,915	24,017
Total retained earnings	76,464	61,548
Treasury shares	△16,856	△11,749
Total shareholders' equity	98,032	88,314
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	14,260	13,089
Total valuation and translation adjustments	14,260	13,089
Total net assets	112,292	101,404
Total liabilities and net assets	209,564	202,523

② Non-consolidated Statements of Income

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Operating revenue		
Group management and operating income	*1 7,009	*1 8,831
Dividend income from investment business	*1 7,974	*1 9,006
Real estate business income	*1 4,011	*1 4,249
Other	*1 197	*1 342
Total operating revenue	19,192	22,430
Operating expenses		
Administrative expenses	*1, *2 8,220	*1, *2 10,977
Real estate business expenses	*1 2,169	*1 2,211
Other	*1 101	*1 105
Total operating expenses	10,491	13,293
Operating profit	8,701	9,136
Non-operating income		
Interest income	*1 794	*1 810
Dividend income	*1 799	*1 961
Other	*1 26	*1 58
Total non-operating income	1,620	1,831
Non-operating expenses		
Interest expenses	*1 147	*1 166
Interest expenses on bonds	91	108
Bond issuance costs	42	—
Depreciation	51	—
Provision of allowance for doubtful accounts	40	—
Other	*1 23	*1 83
Total non-operating expenses	396	358
Ordinary profit	9,925	10,608
Extraordinary income		
Gain on sale of non-current assets	0	—
Other	4	—
Total extraordinary income	4	—
Extraordinary losses		
Loss on sale of non-current assets	0	—
Loss on retirement of non-current assets	*1 270	*1 126
Other	24	31
Total extraordinary losses	295	157
Profit before income taxes	9,633	10,451
Income taxes - current	502	210
Income taxes - deferred	△34	76
Total income taxes	468	286
Profit	9,165	10,164

③ Non-consolidated Statements of Changes in Equity

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity							
		Capital surplus			Retained earnings			
						Other retained earnings		
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward
Balance at beginning of period	30,512	7,808	—	7,808	39	516	37,010	37,779
Changes during period								
Issuance of new shares	51	51		51				
Reversal of reserve for tax purpose reduction entry of non-current assets						△17		17
Dividends of surplus								△8,045
Profit								9,165
Purchase of treasury shares								
Disposal of treasury shares			0	0				
Net changes in items other than shareholders' equity								
Total changes during period	51	51	0	51	—	△17	—	1,136
Balance at end of period	30,563	7,860	0	7,860	39	499	37,010	38,915

	Shareholders' equity			Valuation and translation adjustments		Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total Valuation and translation adjustments	
	Total retained earnings					
Balance at beginning of period	75,345	△16,847	96,819	8,328	8,328	105,147
Changes during period						
Issuance of new shares			103			103
Reversal of reserve for tax purpose reduction entry of non-current assets	—		—			—
Dividends of surplus	△8,045		△8,045			△8,045
Profit	9,165		9,165			9,165
Purchase of treasury shares		△10	△10			△10
Disposal of treasury shares		0	0			0
Net changes in items other than shareholders' equity				5,932	5,932	5,932
Total changes during period	1,119	△9	1,213	5,932	5,932	7,145
Balance at end of period	76,464	△16,856	98,032	14,260	14,260	112,292

Current fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity							
		Capital surplus			Retained earnings			
						Other retained earnings		
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward
Balance at beginning of period	30,563	7,860	0	7,860	39	499	37,010	38,915
Changes during period								
Issuance of new shares	45	45		45				
Reversal of reserve for tax purpose reduction entry of non-current assets						△17		17
Dividends of surplus								△9,963
Profit								10,164
Purchase of treasury shares								
Disposal of treasury shares			0	0				
Cancellation of treasury shares			△0	△0				△15,116
Net changes in items other than shareholders' equity								
Total changes during period	45	45	△0	44	—	△17	—	△14,898
Balance at end of period	30,608	7,905	—	7,905	39	481	37,010	24,017

	Shareholders' equity			Valuation and translation adjustments		Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total Valuation and translation adjustments	
	Total retained earnings					
Balance at beginning of period	76,464	△16,856	98,032	14,260	14,260	112,292
Changes during period						
Issuance of new shares			90			90
Reversal of reserve for tax purpose reduction entry of non-current assets	—		—			—
Dividends of surplus	△9,963		△9,963			△9,963
Profit	10,164		10,164			10,164
Purchase of treasury shares		△10,009	△10,009			△10,009
Disposal of treasury shares		0	0			0
Cancellation of treasury shares	△15,116	15,116	—			—
Net changes in items other than shareholders' equity				△1,170	△1,170	△1,170
Total changes during period	△14,915	5,107	△9,718	△1,170	△1,170	△10,888
Balance at end of period	61,548	△11,749	88,314	13,089	13,089	101,404

[Notes to Non-consolidated Financial Statements]

(Significant Accounting Policies)

1. Valuation basis and methods for assets

(1) Valuation basis and methods for securities

① Shares of subsidiaries and affiliates

Stated at cost determined by the moving average method

② Available-for-sale securities

(a) Available-for-sale securities other than equity securities, etc. without market prices

Fair value method (Unrealized gains and losses are recognized as a component of net assets, and costs of securities sold are determined by the moving average method.)

(b) Equity securities, etc. without market prices

Stated at cost determined by the moving average method

(2) Valuation basis and methods for inventories

Real estate for sale

Stated at cost determined by the specific identification method (Carrying amounts on the balance sheet are calculated by the method in which book values are written down with a decline in profitability of assets)

2. Method of depreciation for non-current assets

(1) Property, plant and equipment (excluding leased assets)

Declining-balance method is used.

However, buildings for lease, buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998, and facilities attached to buildings and structures acquired on or after April 1, 2016 are depreciated using the straight-line method.

(2) Intangible assets

Straight-line method is used.

Softwares intended for internal use are depreciated over the estimated useful lives (5 years).

(3) Leased assets

Leased assets under the finance lease arrangements which do not transfer ownership of the leased assets to the lessee are depreciated by the straight-line method over the respective lease periods without residual values.

3. Accounting standards for provisions

(1) Allowance for doubtful accounts

To prepare for possible losses due to bad debts, the estimated uncollectible amount is recorded as follows.

① General receivables

Historical bad debt ratio method set forth in the accounting standards for financial instruments

② Doubtful receivables and bankruptcy reorganization claims, etc.

Debtor's financial assessment method set forth in the accounting standards for financial instruments

(2) Provision for bonuses for directors (and other officers)

To prepare for bonuses payments to directors (and other officers), the estimated amount to be paid at the end of the fiscal year is recorded.

4. Basis for recognition of revenues and expenses

The Company's revenues mainly consist of group management and operating income from subsidiaries, dividend income and real estate income.

With regard to group management and operating income, the Company recognizes the revenue at the time when services are performed because the performance obligation is to provide contracted services to subsidiaries in accordance with the terms of the contract and is fulfilled when the services are performed. Dividend income is recognized on the effective date of the dividend. Regarding real estate income, revenue is recognized in a similar manner to ordinary lease transactions in accordance with the accounting standards for lease transactions.

5. Other important basis for preparation of non-consolidated financial statements

Hedge accounting method

Deferred hedge accounting is used.

However, exceptional accounting treatment is applied to the interest rate swaps that satisfy the requirement of the exceptional accounting treatment.

(Changes in Accounting Policy)

(Application of the "Accounting Standard for Current Income Taxes")

The "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standard") and other related standards have been applied from the beginning of the current consolidated fiscal year.

With regard to the revision concerning the classification of income taxes, the company has complied with the transitional treatment stipulated in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment stipulated in the proviso to Paragraph 65-2 (2) of the "Implementation Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022). There is no impact on the consolidated financial statements as a result of the change in this accounting policy.

(Significant Accounting Estimates)

Previous fiscal year (from April 1, 2023 to March 31, 2024)

[Valuation of shares of subsidiaries and associates]

1. Amounts recorded in the non-consolidated financial statements for the fiscal year

Shares of Nichirei Biosciences Inc. included in shares of subsidiaries and associates: ¥1,088 million

2. Information on the content of significant accounting estimates pertaining to identified items

(1) Calculation method of the amounts recorded in the non-consolidated financial statements for the fiscal year

When the substantial value of the shares declines significantly due to deterioration in the financial condition of the subsidiaries and associates, the Company reduces the carrying amount of the shares correspondingly and recognizes the valuation difference as a loss for the fiscal year, unless collectability of the value is supported by sufficient evidence.

(2) Key assumptions used in calculating the amounts recorded in the non-consolidated financial statements for the fiscal year

Regarding Nichirei Biosciences Inc., net assets amount to ¥3,312 million and total of property, plant and equipment and intangible assets amounts to ¥2,691 million as of March 31, 2024. If impairment losses on non-current assets are recognized, the substantial value of the company could significantly decline due to deterioration in the financial condition.

In the valuation of non-current assets of the company, the business plan of Nichirei Biosciences Inc. is used to determine indicators of impairment. Key assumption used in developing the plan is sales volume of the rapid chromatographic immunoassay business based on future demand projections.

(3) Effect on the non-consolidated financial statements for the following fiscal year

Sales of the rapid chromatographic immunoassay business are highly uncertain due to the significant impact of demand trends in response to the increasing number of persons infected with novel coronavirus and influenza. There are possibilities that the demand for antigen testing medicine and other products of the rapid chromatographic immunoassay business declines, and the business environment deteriorates significantly.

If we determine that a review of the business plan is required due to the significant shortfall to the Nichirei Biosciences Inc.'s business plan and considering available internal and external information, it is possible that projected operating profits for the following fiscal year and beyond become negative, which may constitute an indication of impairment. In such case, the recoverable amount may be less than the carrying amount of non-current assets, and recognition of the impairment loss may be required.

Current fiscal year (from April 1, 2024 to March 31, 2025)

Not applicable.

(Notes to Non-consolidated Balance Sheets)

*1 Monetary claims from and monetary liabilities to subsidiaries and associates (excluding those separately indicated) are as follows.

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Short-term monetary claims	121	143
Short-term monetary liabilities	14,869	16,404
Long-term monetary liabilities	794	792

*2 Guarantee obligations

The Company provides guarantees for borrowings from financial institutions, etc. of subsidiaries and associates.

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Guarantee for borrowings from financial institutions of subsidiaries and associates	14,804	19,201
Guarantee for electronically recorded obligations – operating of subsidiaries and associates	1,848	1,675
Total	16,653	20,877

*3 Accumulated tax purpose reduction entry deducted from the acquisition cost of non-current assets due to national subsidies, etc., is as follows

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Buildings	185	185
Structures	12	10
Machinery and equipment	0	0
Tools, furniture and fixtures	3	3

(Notes to Non-consolidated Statements of Income)

*1 Amounts of transactions with subsidiaries and associates are as follows.

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Amounts from operating transactions		
Operating revenues	16,447	19,449
Operating expenses	1,116	978
Amounts from other than operating transactions	972	1,045

*2 Major items and amounts of administrative expenses are as follows.

(Millions of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Remuneration for directors (and other officers) and employees' salaries, bonuses and allowances	2,316	2,399
Retirement benefit expenses	121	121
Provision for bonuses for directors (and other officers)	35	36
Depreciation	1,058	1,174
Outsourcing expenses	1,361	3,684
Advertising expenses	909	954

(Securities)

Previous fiscal year (as of March 31, 2024)

Shares of subsidiaries (balance sheet amount: ¥69,564 million) and shares of affiliates (balance sheet amount: ¥137 million) are stated at acquisition cost because they are equity securities, etc. without market prices, and fair values are not disclosed.

Current fiscal year (as of March 31, 2025)

Shares of subsidiaries (balance sheet amount: ¥69,564 million) and shares of affiliates (balance sheet amount: ¥137 million) are stated at acquisition cost because they are equity securities, etc. without market prices, and fair values are not disclosed.

(Tax Effect Accounting)

1. Major components of deferred tax assets and liabilities

(Millions of yen)

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Deferred tax assets		
Allowance for doubtful accounts	139	23
Loss on valuation of investment securities and shares of subsidiaries and associates	386	298
Impairment loss	124	124
Enterprise tax payable	24	15
Accrued bonuses	22	22
Other	326	324
Subtotal	1,022	809
Valuation allowance for total future deductible temporary differences	△818	△686
Total deferred tax assets	204	122
Offset against deferred tax liabilities	△204	△122
Net deferred tax assets	—	—
Deferred tax liabilities		
Valuation difference on available-for-sale securities	△5,878	△5,592
Reserve for tax purpose reduction entry of non-current assets	△220	△212
Other	△48	△50
Total deferred tax liabilities	△6,147	△5,855
Offset against deferred tax assets	204	122
Net deferred tax liabilities	△5,943	△5,732

2. Breakdown of major items that caused the difference between the effective statutory tax rate and the effective tax rate after applying the tax effect accounting

	Previous fiscal year (as of March 31, 2024)	Current fiscal year (as of March 31, 2025)
Effective statutory tax rate	30.6%	30.6%
(Adjustments)		
Entertainment and other permanently non-deductible expenses	0.2	0.8
Dividend and other permanently non-taxable income	△26.2	△27.3
Change in valuation allowance	0.2	△1.4
Other	0.0	0.1
Effective tax rate after applying the tax effect accounting	4.9	2.7

3. Adjustment to the amounts of deferred tax assets and deferred tax liabilities due to changes in the tax rate of income taxes

Due to the enactment of the "Act Partially Amending the Income Tax Act" (Act No. 13 of 2025) by the Parliament on March 31, 2025, a "Special corporate tax for Defense" will be imposed for fiscal years beginning on or after April 1, 2026.

As a result, for deferred tax assets and deferred tax liabilities related to temporary differences expected to be reversed in or after the fiscal year beginning on April 1, 2026, the effective statutory tax rate has been changed from 30.6% to 31.5% for calculation purposes.

The impact of this change in tax rate on the financial statements for the current fiscal year is immaterial.

(Revenue Recognition)

Information that provides a basis for understanding revenue from contracts with customers is described in the note "(Significant Accounting Policies) 4. Basis for recognition of revenues and expenses."

(Significant Subsequent Events)

Not applicable.

④ Supplementary Schedule

[Details of property, plant and equipment and others]

(Millions of yen)

Category	Type of assets	Balance at beginning of the current fiscal year	Increase during the current fiscal year	Decrease during the current fiscal year	Depreciation during the current fiscal year	Balance at end of the current fiscal year	Accumulated depreciation
Property, plant and equipment	Buildings	12,807	696	40	805	12,658	20,778
	Structures	277	14	3	20	268	1,315
	Machinery and equipment	578	51	0	79	550	520
	Tools, furniture and fixtures	346	115	0	95	366	1,399
	Land	1,190	—	—	—	1,190	—
	Leased assets	219	49	—	46	221	192
	Construction in progress	50	880	425	—	505	—
	Total	15,471	1,808	469	1,046	15,762	24,205
Intangible assets	Software	3,212	349	2	985	2,574	—
	Other	7	—	2	0	5	—
	Total	3,220	349	5	985	2,579	—

[Details of allowances]

(Millions of yen)

Category	Balance at beginning of the current fiscal year	Increase during the current fiscal year	Decrease during the current fiscal year	Balance at end of the current fiscal year
Allowance for doubtful accounts	454	—	380	74
Provision for bonuses for directors (and other officers)	35	36	35	36

(2) Major Assets and Liabilities

Disclosure is omitted since the consolidated financial statements are presented.

(3) Other

There is no other item to disclose.

VI. Overview of Stock-related Administration for the Filing Company

Fiscal year	From April 1 to March 31
Ordinary General Shareholders Meeting	June
Record date	March 31
Record date for dividends from surplus	September 30 and March 31
Number of shares per unit	100 shares
Purchase and sales of odd-lot shares Handling office Shareholder registry administrator Purchase and sales fees	 (Special account) 1-3-3 Marunouchi, Chiyoda-ku, Tokyo Stock Transfer Agency Department of the Head office Mizuho Trust & Banking Co., Ltd. (Special account) 1-3-3 Marunouchi, Chiyoda-ku, Tokyo Mizuho Trust & Banking Co., Ltd. (Purchase unit price or sales unit price) x Number of shares per unit x (Number of shares requested for purchase or number of shares requested for sales) / Number of shares per unit x 1.15% However, if the fee per unit is less than ¥2,500, the fee shall be calculated as ¥2,500.
Method of public notice	Electronic public notice. However, if electronic public notice is not possible due to an accident or other unavoidable reason, public notices shall be published in the Nihon Keizai Shimbun. The Company's URL for posting public notices is as follows. https://www.nichirei.co.jp/
Benefits for shareholders	Not applicable

(Note) Pursuant to the Company's Articles of Incorporation, shareholders of the Company may not exercise any rights other than the rights listed below with respect to odd-lot shares held.

(1) Rights listed in each item of Article 189, Paragraph 2 of the Companies Act
(2) Right to make a request pursuant to Article 166, Paragraph 1 of the Companies Act
(3) Right to receive allotment of offered shares and share acquisition rights in proportion to the number of shares held by the shareholder
(4) Right to request the sale of the number of shares that together with the number of odd-lot shares held by the shareholder will constitute one unit of shares

VII. Reference Information on the Filing Company

1. Information on the Parent Company, etc. of the Filing Company

The Company has no parent company, etc. as defined in Article 24-7, Paragraph 1 of the Financial Instruments and Exchange Act.

2. Other Reference Information

The Company submitted the following documents during the period from the beginning of the current fiscal year until the date of filing the Japanese version of Annual Securities Report.

(1) Annual Securities Report and documents attached thereto, and Confirmation Letter	(Fiscal year) (106th term)	(From April 1, 2023 to March 31, 2024)	June 25, 2024 Submitted to the Director of the Kanto Local Finance Bureau
(2) Internal Control Report and documents attached thereto	(Fiscal year) (106th term)	(From April 1, 2023 to March 31, 2024)	June 25, 2024 Submitted to the Director of the Kanto Local Finance Bureau
(3) Semi-annual Securities Report and Confirmation Letter	(During 107th term)	(From April 1, 2024 to September 30, 2024)	November 8, 2024 Submitted to the Director of the Kanto Local Finance Bureau
(4) Extraordinary Report Extraordinary Report based on Article 19, Paragraph 2, Item 9-2 of the Cabinet Office Ordinance on the Disclosure of Corporate Affairs, etc.			June 27, 2024 Submitted to the Director of the Kanto Local Finance Bureau
Extraordinary Report based on Article 19, Paragraph 2, Item 3 of the Cabinet Office Ordinance on the Disclosure of Corporate Affairs, etc.			April 17, 2025 Submitted to the Director of the Kanto Local Finance Bureau
Extraordinary Report based on Article 19, Paragraph 2, Item 3 of the Cabinet Office Ordinance on the Disclosure of Corporate Affairs, etc.			May 13, 2025 Submitted to the Director of the Kanto Local Finance Bureau
(5) Amended Shelf Registration Statement This is an amendment to the shelf registration statement relating to the extraordinary report submitted on April 17, 2025 stated in (4) above.			April 17, 2025 Submitted to the Director of the Kanto Local Finance Bureau
This is an amendment to the shelf registration statement relating to the extraordinary report submitted on May 13, 2025 stated in (4) above.			May 13, 2025 Submitted to the Director of the Kanto Local Finance Bureau
(6) Shelf Registration Statement (Share certificates, Bonds certificates, etc.) and documents attached thereto			July 4, 2024 Submitted to the Director of the Kanto Local Finance Bureau
(7) Status Report on Purchase of Treasury shares	(Reporting period	om November 6, 2024 to November 30, 2024)	December 5, 2024 Submitted to the Director of the Kanto Local Finance Bureau
	(Reporting period	From December 1, 2024 to December 31, 2024)	January 9, 2025 Submitted to the Director of the Kanto Local Finance Bureau
	(Reporting period	om January 1, 2025 to January 31, 2025)	February 6, 2025 Submitted to the Director of the Kanto Local Finance Bureau
	(Reporting period	From February 1, 2025 to February 28, 2025)	March 6, 2025 Submitted to the Director of the Kanto Local Finance Bureau

Part II Information on Guarantors, etc. for the Filing Company

Not applicable.

English Translation

Independent Auditor's Reports on the Audit of Consolidated Financial Statements and Internal Controls over Financial Reporting

NOTE TO READERS:
The following is an English translation of the Independent Auditor's Report filed under the Financial Instruments and Exchange Act. This document is translated from the Japanese original report only for reference purposes and presented merely as supplemental information.

June 17, 2025

The Board of Directors
Nichirei Corporation

Ernst & Young ShinNihon LLC
Tokyo office

Makoto Ishii
Designated and Engagement Partner
Certified Public Accountant

Kiyotaka Kinugawa
Designated and Engagement Partner
Certified Public Accountant

Takahiro Sugano
Designated and Engagement Partner
Certified Public Accountant

<Audit of the Consolidated Financial Statements>

Audit Opinion

Pursuant to Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act, we have audited the accompanying consolidated financial statements of NICHIREI CORPORATION and its subsidiaries (the Nichirei Group) for the consolidated fiscal year from April 1, 2024 to March 31, 2025 included in "V. Financial Information" of this Annual Securities Report, which comprise consolidated balance sheet, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows, significant matters serving as the basis for the preparation of consolidated financial statements, other notes, and consolidated supplementary schedules.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Nichirei Group as of March 31, 2025, and its consolidated results of operation and cash flows for the year then ended in conformity with the accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Nichirei Group in accordance with the Japanese professional ethical requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that the auditors, as a professional expert, determined as being of particular importance in the audit of the consolidated financial statements for the current fiscal year. The key audit matters were those matters that were addressed in the course of performing the audit of the consolidated financial statements as a whole and in forming our audit opinion thereon, and we do not express a separate opinion on those matters individually.

Valuation of Goodwill held by Thermotraffic (N.I.) Ltd.	
Key Audit Matter Decision	How the Key Audit Matter Was Addressed in the Audit
As of March 31, 2025, goodwill amounted to ¥7,356 million on the consolidated balance sheet. Of this amount, ¥5,224 million represents the excess earning power of Thermotraffic (N.I.) Ltd., a consolidated subsidiary, recognized as goodwill upon the acquisition of its shares. As described in "(Significant Accounting Estimates) Valuation of goodwill," In assessing indications of impairment of goodwill, the business of each acquired company to which goodwill has been allocated is treated as a single grouping unit. When it is determined that there are indications of impairment—such as when the profit or loss from operating activities has continued to be negative or when there has been a significant deterioration in the business environment that may suggest impairment of the acquired company's excess earning power—the necessity of recognizing an impairment loss is assessed by comparing the book value of the asset group including goodwill with the total amount of undiscounted future cash flows. Goodwill is amortized on a systematic basis. If indications of impairment of an asset are identified, it is required to consider whether impairment loss is required to be recognized by comparing the carrying amount to the total undiscounted future cash flows from the underlying the asset group including goodwill. In examining the presence of indications of impairment, the Company has reviewed the achievement status of net sales and operating profit for the current consolidated fiscal year against the business plan, and has determined that there are no indications of impairment of goodwill as of the end of the current consolidated fiscal year. The business plan, used for the determination of existence of indications of impairment, includes key assumption, such as an increase in the number of pallets and sales associated with the planned expansion of warehouses, based on changes in the business environment and future performance outlook, and includes significant accounting estimates involving subjective judgments by the management. As stated above, if the business environment is expected to deteriorate significantly and indications of impairment are identified, impairment losses on goodwill might have a material impact on the consolidated financial statements. Therefore, we have determined that the identification of indications of impairment of goodwill at Thermotraffic (N.I.) Ltd. is a key audit matter.	In considering our judgment on the identification of indications of impairment of property, plant and equipment and intangible assets held by Thermotraffic (N.I.) Ltd., we primarily performed the following auditing procedures. ・In order to verify whether or not there was a significant deterioration of the business environment, we reviewed the minutes of the Board of Directors meetings and Management Committee meetings, and questioned management regarding the existence or non-existence of such conditions. ・Regarding the business plan used to determine the indications of impairment, we compared the business plan at the time of acquisition, which was prepared to examine whether the originally anticipated excess earnings power had not been impaired, with actual results. ・We inquired with management, etc., about the feasibility of the projected increase in the number of pallets and sales associated with the planned warehouse expansion included in the business plan and reviewed the responses for consistency with the business plan. ・We examined the consistency of the business environment and future performance outlook with available external information regarding market conditions.

Other Information

The other information comprises the information included in the Annual Securities Report other than the consolidated and non-consolidated financial statements and our audit reports. Management is responsible for the preparation and disclosure of the other information. Audit & Supervisory Board members and Audit & Supervisory Board are responsible for overseeing the execution of Directors' duties to design and operate the reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion on the other information.

Our responsibility in the audit of the consolidated financial statements is to read the other information carefully and, in the course of that reading, to consider whether there are material differences between the other information and the consolidated financial statements or our knowledge obtained in the audit, and to pay attention to whether there is any indication of material misstatements in the other information other than such material differences.

If, based on the work we have performed, we determine that there are material misstatements in the other information, we are required to report those facts.

We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the accounting principles generally accepted in Japan. This includes designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements on a going concern basis and for disclosing matters relating to a going concern if such disclosure is required under the accounting principles generally accepted in Japan.

Audit & Supervisory Board members and Audit & Supervisory Board are responsible for overseeing the execution of directors' duties to design and operate the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

The auditor is responsible for obtaining reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, based on the audit performed by the auditor, and for expressing an opinion on the consolidated financial statements from an independent standpoint in the auditor's report. A misstatement may be caused by fraud or error and is considered to be material if it, individually or in the aggregate, could reasonably be expected to affect the decisions of users of the consolidated financial statements.

The auditor shall exercise professional judgment throughout the audit process in accordance with auditing standards generally accepted in Japan, and shall do the following by maintaining professional skepticism:

- Identify and assess the risks of material misstatement due to fraud or error. Design and perform audit procedures that address the risks of material misstatement. The selection and application of audit procedures are at the auditor's discretion. In addition, obtain sufficient and appropriate audit evidence to provide a basis for expressing an opinion.
- Consider internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies selected by management and their application, the reasonableness of accounting estimates made by management and the validity of related disclosures.
- Conclude whether it is appropriate for management to prepare the consolidated financial statements on a going concern basis and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists regarding a going concern, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to express our opinion with exceptions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and notes to the consolidated financial statements are in accordance with the accounting principles generally accepted in Japan, and whether the presentation including the related notes, structure, content and the consolidated financial statements present fairly the underlying transactions and accounting events.
- Plan and perform the audit of the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the financial information of the Nichirei Group, which serves as the basis for the auditor to express an opinion on the consolidated financial statements. The auditor is responsible for directing, supervising, and reviewing the audit of the consolidated financial statements. The auditor is solely responsible for the audit opinion.

The auditor shall report to Audit & Supervisory Board members and Audit & Supervisory Board on the planned scope and timing of the audit and significant audit findings, including significant deficiencies in internal controls, that we identify during our audit, and other matters required by the auditing standards.

The auditor shall also report to Audit & Supervisory Board members and Audit & Supervisory Board on our compliance with the Japanese professional ethical requirements regarding independence, matters that may reasonably be considered to bear the auditor's independence, and where applicable, the details of actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Among the matters reported to Audit & Supervisory Board members and Audit & Supervisory Board, the auditor determines those matters that were of particular importance in the audit of the consolidated financial statements for the current fiscal year as the key audit matters and describes those matters in our auditor's report. However, such matters shall not be included in the auditor's report if the disclosure of such matters is prohibited by law or if, although extremely limited, the auditor determines that such matters should not be reported because the disadvantages of reporting such matters in the auditor's report are reasonably expected to outweigh the public interest.

<Audit of the Internal Controls over Financial Reporting>

Audit Opinion

Pursuant to Article 193-2, paragraph 2 of the Financial Instruments and Exchange Act, we also have audited the accompanying internal control report of NICHIREI CORPORATION and its subsidiaries (the Nichirei Group) as of March 31, 2025.

In our opinion, the internal control report, which states that the internal controls over financial reporting were effective as of March 31, 2025, presents fairly, in all material respects, the results of the assessment of internal controls over financial reporting in accordance with the standards for management assessment concerning internal controls over financial reporting generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit of the internal controls over financial reporting in accordance with the standards for audit concerning internal controls over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in "Auditor's Responsibilities for the Audit of the Internal Controls over Financial Reporting" section of our report. We are independent of the Nichirei Group in accordance with the Japanese professional ethical requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, Audit & Supervisory Board Members and Audit & Supervisory Board for the Internal Control Report

Management is responsible for the design and operation of internal controls over financial reporting and for the preparation and fair presentation of the internal control report in accordance with the standards for management assessment concerning internal controls over financial reporting generally accepted in Japan.

Audit & Supervisory Board members and Audit & Supervisory Board are responsible for overseeing and examining the design and operation of internal controls over financial reporting.

Internal controls over financial reporting may not completely prevent or detect misstatements in financial reporting.

Auditor's Responsibilities for the Audit of the Internal Controls over Financial Reporting

The auditor is responsible for obtaining reasonable assurance about whether the internal control report is free from material misstatement based on the audit performed by the auditor, and for expressing an opinion on the internal control report from an independent standpoint in the auditor's report.

The auditor shall exercise professional judgment and maintain professional skepticism throughout the audit process in accordance with the standards for audit concerning internal controls over financial reporting generally accepted in Japan, and shall do the followings:

- Perform audit procedures to obtain audit evidence about the results of the assessments of internal controls over financial reporting in the internal control report. The audit procedures for the audit of the internal controls over financial reporting are selected and performed depending on the auditor's judgment regarding significance of effect on the reliability of financial reporting.
- Evaluate the overall presentation of the internal control report, including the management's statements regarding the scope, assessment procedures and assessment results of internal controls over financial reporting.
- Plan and perform the audit of the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the results of the assessments of internal controls over financial reporting in the internal control report. The auditor is responsible for directing, supervising, and reviewing the audit of the internal control report. The auditor is solely responsible for audit opinion.

The auditor shall report to Audit & Supervisory Board members and Audit & Supervisory Board on the planned scope and timing of the internal control audit, the results of the audit, identified material deficiencies in internal control that should be disclosed, the results of their correction, and other matters required by the auditing standards for internal control.

The auditor shall also report to Audit & Supervisory Board members and Audit & Supervisory Board on our compliance with the Japanese professional ethical requirements regarding independence, matters that may reasonably be considered to bear the auditor's independence, and where applicable, the details of actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

<Fee related information>

The fees for audit attestation services and non-audit services of the Company and its subsidiaries to the audit firm and persons belonging to the same network of the audit firm is stated in the note "4. Corporate Governance (3) Status of Audits" included in "IV. Information on the Filing Company."

Interest Required to be Disclosed by the Certified Public Accountants Act of Japan and above

Our firm and designated engagement partners do not have any interest in the Nichirei Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

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*1 The original of the above Independent Auditor's Reports is kept separately by the Company (the filing company of the Annual Securities Report).

2 XBRL data is not included in the scope of the audit.

English Translation

Independent Auditor's Reports on the Audit of Non-consolidated Financial Statements

NOTE TO READERS:
The following is an English translation of the Independent Auditor's Report filed under the Financial Instruments and Exchange Act. This document is translated from the Japanese original report only for reference purposes and presented merely as supplemental information.

June 17, 2025

The Board of Directors
Nichirei Corporation

Ernst & Young ShinNihon LLC
Tokyo office

Makoto Ishii
Designated and Engagement Partner
Certified Public Accountant

Kiyotaka Kinugawa
Designated and Engagement Partner
Certified Public Accountant

Takahiro Sugano
Designated and Engagement Partner
Certified Public Accountant

<Audit of the Non-consolidated Financial Statement>

Audit Opinion

Pursuant to Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act, we have audited the 107th accompanying non-consolidated financial statements of NICHIREI CORPORATION (the Company) for the fiscal year from April 1, 2024 to March 31, 2025 included in "V. Financial Information" of this Annual Securities Report, which comprise balance sheet, statement of income, statement of changes in equity, significant accounting policies, other notes, and supplementary schedules.

In our opinion, the accompanying non-consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and the results of operations for the year then ended in conformity with the accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in "Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements" section of our report. We are independent of the Company in accordance with the Japanese professional ethical requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that the auditors, as a professional expert, determined as being of particular importance in the audit of the non-consolidated financial statements for the current fiscal year. The key audit matters were those matters that were addressed in the course of performing the audit of the non-consolidated financial statements as a whole and in forming our audit opinion thereon, and we do not express a separate opinion on those matters individually.

The audit firm has determined that there are no key audit matters to be reported in the auditor's report..

Other Information

The other information comprises the information included in the Annual Securities Report other than the consolidated and non-consolidated financial statements and our audit reports. Management is responsible for the preparation and disclosure of the other information. Audit & Supervisory Board members and Audit & Supervisory Board are responsible for overseeing the execution of Directors' duties to design and operate the reporting process of the other information.

Our opinion on the non-consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion on the other information.

Our responsibility in the audit of the non-consolidated financial statements is to read the other information carefully and, in the course of that reading, to consider whether there are material differences between the other information and the non-consolidated financial statements or our knowledge obtained in the audit, and to pay attention to whether there is any indication of material misstatements in the other information other than such material differences.

If, based on the work we have performed, we determine that there are material misstatements in the other information, we are required to report those facts.

We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and Audit & Supervisory Board for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with the accounting principles generally accepted in Japan. This includes designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements on a going concern basis and for disclosing matters relating to a going concern if such disclosure is required under the accounting principles generally accepted in Japan.

Audit & Supervisory Board members and Audit & Supervisory Board are responsible for overseeing the execution of directors' duties to design and operate the financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

The auditor is responsible for obtaining reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, based on the audit performed by the auditor, and for expressing an opinion on the non-consolidated financial statements from an independent standpoint in the auditor's report. A misstatement may be caused by fraud or error and is considered to be material if it, individually or in the aggregate, could reasonably be expected to affect the decisions of users of the non-consolidated financial statements.

The auditor shall exercise professional judgment throughout the audit process in accordance with auditing standards generally accepted in Japan, and shall do the followings by maintaining professional skepticism:

- Identify and assess the risks of material misstatement due to fraud or error. Design and perform audit procedures that address the risks of material misstatement. The selection and application of audit procedures are at the auditor's discretion. In addition, obtain sufficient and appropriate audit evidence to provide a basis for expressing an opinion.
- Consider internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the non-consolidated financial statements is not to express an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies selected by management and their application, the reasonableness of accounting estimates made by management and the validity of related disclosures.
- Conclude whether it is appropriate for management to prepare the non-consolidated financial statements on a going concern basis and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists regarding a going concern, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to express our opinion with exceptions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and notes to the non-consolidated financial statements are in accordance with the accounting principles generally accepted in Japan, and whether the presentation including the related notes, structure, content and the non-consolidated financial statements present fairly the underlying transactions and accounting events.

The auditor shall report to Audit & Supervisory Board members and Audit & Supervisory Board on the planned scope and timing of the audit and significant audit findings, including significant deficiencies in internal controls, that we identify during our audit, and other matters required by the auditing standards.

The auditor shall also report to Audit & Supervisory Board members and Audit & Supervisory Board on our compliance with the Japanese professional ethical requirements regarding independence, matters that may reasonably be considered to bear the auditor's independence, and where applicable, the details of actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Among the matters reported to Audit & Supervisory Board members and Audit & Supervisory Board, the auditor determines those matters that were of particular importance in the audit of the non-consolidated financial statements for the current fiscal year as the key audit matters and describes those matters in our auditor's report. However, such matters shall not be included in the auditor's report if the disclosure of such matters is prohibited by law or if, although extremely limited, the auditor determines that such matters should not be reported because the disadvantages of reporting such matters in the auditor's report are reasonably expected to outweigh the public interest.

<Fee related information>

Fee related information can be found in the auditor's report on the consolidated financial statements.

Interest Required to be Disclosed by the Certified Public Accountants Act of Japan

Our firm and designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

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*1 The original of the above Independent Auditor's Reports is kept separately by the Company (the filing company of the Annual Securities Report).

2 XBRL data is not included in the scope of the audit.