Minutes of the Web Conference for the First Quarter of the Fiscal Year Ended March 31, 2027
(Main Q&As)

Date and time: Monday, August 3, 2026, 17:00–18:00

1.Plans for the Processed Foods Business in Fiscal year ending March 2027

Q: What is the probability of achieving the domestic processed foods business operating profit plan?

A: While the consumer segment is growing on track with the plan, we will implement sales strategies to maintain sales volume, given upcoming price revisions.
The commercial-use products, temporarily experienced a decline in sales volume due to lower adoption rates amid rising market prices and adverse weather conditions. We expect a recovery from the second half of the fiscal year. We will structure our plan by comprehensively considering sales volumes/product mix improvements and expense control.

Q: What is the progress toward eliminating the losses in the overseas processed food business?

A: The manufacturing system of the North American acquired company—an issue from the previous fiscal year—is gradually becoming operational. In addition, sales of processed chicken products are also performing steadily, and the North American business is driving the results.
In Thailand, performance continues to be challenging due to the impact of foreign exchange rates and the surge in chicken raw material prices. However, from the second half onward, we will implement line reductions, as done in domestic processed business to compress fixed costs.

2.Medium-to Long-Term Perspective for the Processed Foods Business

Q: Will domestic processed foods business continue to pursue structural reforms to improve profitability?

A: We will implement structural reforms that are appropriate considering changes in the external environment—not simply an extension of existing efforts.

３．Plans for the Fresh Meat Business in Fiscal year ending March 2027

Q: What is the outlook for the domestic fresh meat business?

A: For domestic chicken, production volumes have decreased due to the impact of the fire at the Shiretoko Plant. However, we are covering this more than the initial plan through procurement from external suppliers and increased production at other plants.
Production volume for domestic pork is also on an expanding trend, supported by increased volume associated with the operation of a new farm. For Nippon Food sales, we are promoting price pass-through and expect to maintain sales volumes at around the same level as the previous year. By leveraging our strengths in earning profits across the entire value chain, we aim to secure profits exceeding the initial plan.

Q: What is the outlook for the overseas fresh meat business, including the Australia operation?
A: In the first quarter, the overseas fresh meat business grew. On the other hand, from the second quarter onward, performance will be affected by factors such as the decline in the import chicken market prices, an increase in market prices for cattle and weaker selling prices in Australia.
In particular, the Australian business is expected to face its toughest conditions in the second quarter; however, by maintaining a flexible business strategy that responds to changes in the external environment, we expect the extent of the year-on-year profit decline to moderate from the third quarter onward.

4. Plans for the Sports & Entertainment Business in Fiscal year ending March 2027
Q: What were the factors behind the steady growth in sales and profits?
A: Tickets, advertising, merchandise, and food and beverage sales have performed well, and overall unit prices are also rising. We believe this reflects improving profit quality.

5. Operating Cash Flow (Inventories)
Q: What are the factors behind the increase in inventories?
A: The primary driver is the increase in unit prices of raw materials and products. We do not hold excessive inventory and do not view it as a significant issue.

End of Minutes