

October 31, 2022

BRIEF STATEMENT OF ACCOUNTS
FOR THE SECOND QUARTER OF THE YEAR ENDING MARCH 31, 2023
(Under IFRS) (Consolidated)

Name of listed company:	NH Foods Ltd. (the “Company”)
Listing exchange:	Tokyo Stock Exchange
Code number:	2282
URL:	https://www.nipponham.co.jp/eng/
Representative:	Yoshihide Hata President and Representative Director
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TEL:	+81-6-7525-3042
Scheduled date of filing of quarterly report:	November 8, 2022
Scheduled date of payment of dividends:	—
Preparation of supplementary information on quarterly statement of accounts:	Yes
Holding of quarterly results briefing:	Yes (results briefing for institutional investors and analysts)

(Figures are indicated by counting fractions of 1/2 or more of a million yen as one and discarding the rest.)

1. Consolidated business results for the second quarter of the year ending March 31, 2023 (April 1, 2022 through September 30, 2022):

(1) Consolidated operating results (cumulative):

(The percentages indicate the rates of increase (decrease) from the second quarter of the previous fiscal year.)

	Net sales		Business profit		Profit before tax		Profit		Profit attributable to owners of the parent		Total comprehensive income	
	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%
Second quarter of the year ending March 31, 2023	634,024	11.4	15,204	(37.3)	22,291	(20.6)	16,095	(18.3)	15,480	(21.0)	26,510	29.0
Second quarter of the year ended March 31, 2022	569,118	—	24,252	10.6	28,073	—	19,697	4.7	19,604	0.7	20,549	(0.8)

(yen)

	Earnings per share (basic)	Earnings per share (diluted)
Second quarter of the year ending March 31, 2023	151.21	151.18
Second quarter of the year ended March 31, 2022	191.80	191.75

(Notes)

1. Business profit is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while deducting adjustments in accordance with IFRS and non-recurring items.
2. The marine products business relating to The Marine Foods Corporation, its subsidiaries, etc. has been reclassified to discontinued operations from the fourth quarter of the year ended March 31, 2022. As a result, loss from discontinued operations for the first quarter of the previous fiscal year is presented separately from those from continuing operations in the condensed consolidated statements of income. Consequently, only net sales and profit before tax from continuing operations are presented. The corresponding figures for the second quarter of the year ended March 31, 2022 have been reclassified in the same manner, and accordingly, percentages indicating the rates of increase (decrease) from the same period of the previous fiscal year are not presented.

(2) Consolidated financial position:

	Total assets	Total equity	Total equity attributable to owners of the parent	Equity ratio of owners of the parent
	(millions of yen)	(millions of yen)	(millions of yen)	(%)
Second quarter of the year ending March 31, 2023	946,987	506,019	494,786	52.2
Year ended March 31, 2022	909,213	489,554	479,069	52.7

2. State of dividends:

(yen)

	Annual dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended March 31, 2022	—	—	—	102.00	102.00
Year ending March 31, 2023	—	—			
Year ending March 31, 2023 (forecast)			—	110.00	110.00

(Note) Adjustment to the most recently publicized forecast of dividends: None

3. Forecast of consolidated business results for the year ending March 31, 2023 (April 1, 2022 through March 31, 2023):

(The percentages indicate the rates of increase (decrease) from the previous fiscal year in respect of the whole-year period.)

	Net sales		Business profit		Profit before tax		Profit attributable to owners of the parent		Earnings per share (basic)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Whole-year period	1,270,000	8.1	36,000	(25.2)	35,000	(31.9)	26,000	(45.9)	253.85

(Note) Adjustment to the most recently publicized forecast of business results: None

* Notes:

- (1) Changes in significant subsidiaries (changes in specific subsidiaries involving a change in the scope of consolidation) during the period under review: None

New subsidiaries: - (Name:) Excluded subsidiaries: - (Name:)

- (2) Changes in accounting policies and accounting estimates:

- 1) Changes of accounting policies required by IFRS: None
- 2) Changes of accounting policies other than 1) above: None
- 3) Changes in accounting estimates: None

- (3) Number of shares issued (shares of common stock):

- 1) Number of shares issued (including shares of treasury stock) as of the end of the period:

Second quarter of the year ending March 31, 2023: 102,958,904 shares

Year ended March 31, 2022: 102,958,904 shares

- 2) Number of shares of treasury stock as of the end of the period:
Second quarter of the year ending March 31, 2023: 537,337 shares
Year ended March 31, 2022: 633,488 shares
- 3) Average number of shares outstanding during the period:
Second quarter of the year ending March 31, 2023: 102,369,344 shares
Second quarter of the year ended March 31, 2022: 102,211,246 shares

(Note) The number of shares of treasury stock as of the end of the period includes the number of the Company's shares (131,403 shares for the second quarter of the year ending March 31, 2023 and 137,759 shares for the year ended March 31, 2022) held by the Board Incentive Plan Trust (the "BIP Trust") adopted upon the introduction of the Performance-Based Stock Compensation Plan for officers. The number of shares of treasury stock deducted in the calculation of the average number of shares outstanding during the period includes the number of the Company's shares held by the BIP Trust. In addition, the number of shares of treasury stock as of the end of the period includes the number of the Company's shares (382,400 shares for the second quarter of the year ending March 31, 2023 and 466,200 shares for the year ended March 31, 2022) held by the NH Foods Group Employee Shareholding Association Dedicated Trust (the "Trust") upon the introduction of the Trust-type Employee Shareholding Incentive Plan. The number of shares of treasury stock deducted in the calculation of the average number of shares outstanding during the period includes the number of the Company's shares held by the Trust.

- * A brief statement of accounts for a quarter is not subject to quarterly review.
- * Explanation for the appropriate use of the forecast of business results and other special instructions

(Cautionary notice on information about the future)

The descriptions herein about the future, including the forecast of business results, are based on the information currently available to the Company and certain assumptions considered reasonable by the Company and are not contemplated to ensure the fulfillment thereof. The actual results may materially differ from such forecast and plans depending on various factors. The Company, therefore, wishes to caution that readers should not place undue reliance on these descriptions to make investment decisions. Further, unless obligated by laws or ordinances or the rules of financial instruments exchanges, the Company will not necessarily, or is not obligated to, revise such descriptions about the future, including the forecast of business results notwithstanding any information or event in the future or any results arising therefrom, or publicize such revised information. For information on the conditions precedent to the forecast of business results and cautionary notes for the use of the forecast of business results, please refer to "1. Qualitative Information on the Statement of Accounts for the Second Quarter of the Fiscal Year under Review: (3) Explanation on the Forward-looking Information such as Forecast of Consolidated Business Results" on page 10.

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* The Company is planning to hold a financial results briefing for institutional investors and analysts on Monday, October 31, 2022. All materials to be used at the conference will be disclosed on TDnet and posted on its website today.

* In addition to the above-mentioned briefing, the Company will hold briefings of its operations and business results for individual investors from time to time. Please check the Company's website for information on the schedules of such briefings, etc.

1. Qualitative Information on the Statement of Accounts for the Second Quarter of the Fiscal Year under Review

(1) Explanation on the Operating Results

Overview of Operating Results in General

The Japanese economy during the second quarter of the fiscal year under review showed signs of recovery as the society moved toward a new phase of living with COVID-19. On the other hand, amid the ongoing global monetary tightening, downturns in overseas economies could depress the domestic economy, and the situation remained uncertain due to rising prices, supply constraints, and fluctuations in financial and capital markets, whose effects need close monitoring.

The food and fresh meats industry continued to face the unprecedentedly difficult situation due to significant changes in the business environment, including rising raw material prices and energy costs, and the ongoing rapid depreciation of the yen.

Under these circumstances, NH Foods Ltd. and its subsidiaries (the “Group”) promoted business development based on our four management policies: “Shift to a sustainable business model with profitability,” “Establish a growth model for Overseas Business,” “Provide new value through new products and services” and “Strengthen corporate functions to achieve the Vision” under the “Medium-Term Management Plan 2023” that commenced in April 2021 as a milestone in pursuing our “ideals for 2030”: NH Foods Group “Vision 2030”—“Unleash new potentials for protein.”

During the second quarter of the fiscal year under review, in response to continuously soaring raw material prices and rising energy costs, we strengthened our production, logistics, and sales structures in order to continue delivering high-quality, safe and secure products to our customers.

In addition, we have set targets for reducing fossil fuel-derived CO2 emissions and water consumption in our overseas operations as part of our sustainability efforts. Under the Hokkaido project with an eye to the opening of the new stadium in 2023, we strengthened our relationship with the local community by sponsoring the Hokkaido Marathon, one of the largest sports festivals in Hokkaido, and by opening our first shop at the Sapporo Autumn Fest, a food festival. Furthermore, we worked to commercialize “PIG LABO,” a smart pig farming system that uses AI to diagnose physical conditions of and detect the estrus in pigs. Other initiatives include the promotion of Digital Transformation (DX) to strengthen our management base; and the consideration of an optimal business portfolio to improve ROIC.

Regarding the cross-group initiatives, we promoted projects in the areas of “logistics,” “sales,” and “free trade agreements” as cross-business strategies to transform a transformation for achieving sustainability and to maximize synergies.

Efforts to enhance the business structure were made in line with “NH Foods Group Fundamental Policy on Corporate Governance.”

As a result of these activities, for the second quarter of the fiscal year under review on a consolidated and cumulative basis, net sales increased by 11.4% from the same period of the previous fiscal year to ¥634,024 million. Business profit decreased by 37.3% to ¥15,204 million, profit before tax decreased by 20.6% to ¥22,291 million, and profit attributable to owners of the parent decreased by 21.0% to ¥15,480 million, compared to the same period of the previous fiscal year.

Overview of Operating Segments

(Processed Foods Business Division)

In the Processed Foods Business Division as a whole, sales declined from the same period of the previous fiscal year with lower sales in consumer products due to changes in product trends after the price revision, while sales of commercial-use products rose due to factors including the easing of voluntary restrictions on going out amid the COVID-19 pandemic. The earnings environment was also challenging due to higher-than-expected raw material and fuel prices, which were caused by soaring international grain and crude oil prices as well as a depreciating yen.

Hams and sausages, deli and processed foods sales results are broken down as follows. In the hams and sausages business, sales of commercial-use products to convenience store channels increased from the same period of the previous fiscal year, while sales of consumer products decreased associated with a price revision that triggered a decline in sales volume, despite our sales promotion efforts for the main product “*SCHAU ESSEN*” in collaboration with other companies. In the deli and processed foods business, sales of consumer products declined from the same period of the previous year due to a drop in sales of “*Chuka Meisai*,” although sales of the mainstay “*Chilled Bakery*” were strong thanks to increased demand for snacks. Sales of commercial-use products also fell from the same period of the previous year reflecting lower sales to convenience store channels.

Overall sales of summer gifts decreased from the same period of the previous year with decreased sales in the mainstay, “*Utsukushi-no-Kuni*” and “*Honkakuha*,” although sales of “*Kamakura Ham*” grew significantly, exceeding the market growth rate.

Extract/primary processing sales results are broken down as follows. In the extracts business, sales of soups to restaurant channels, mainly ramen shops, and commercial-use sauces to convenience store channels remained strong as people eased their self-restraint from going out. In the primary processing business, sales of unheated processed products recovered, resulting in an increase in the overall sales from the same period of the previous fiscal year, despite a fall in sales to convenience store channels.

Dairy products sales results are broken down as follows. In the yogurt and lactic acid probiotic beverages business, sales decreased from the same period of the previous fiscal year as sales of existing products to supermarket channels fell, along with lower sales volume after the price revision, though we released a new lineup of our mainstay consumer product, “*Vanilla Yogurt*” series: a drink-type yogurt. In the cheese business, sales of mainstay commercial-use products to restaurant channels rose due to the easing of the self-restraint in going out. As a result, sales were higher than that of the same period of the previous year.

Profit of the Processed Foods Business Division as a whole decreased due to lower

sales, a sharp rise primarily in raw material prices and fuel costs, and increased upfront costs for the development of DX.

As a result, for the second quarter of the fiscal year under review on a consolidated and cumulative basis, net sales of the Processed Foods Business Division decreased by 16.0% from the same period of the previous fiscal year to ¥204,019 million, and business profit decreased by 80.9% from the same period of the previous fiscal year to ¥1,334 million.

(Fresh Meats Business Division)

In the domestic business, we have reorganized the production and consignment divisions to respond to rapid changes in the external environment, whereby working to enhance productivity and reduce costs.

In the domestic beef and pork business, the consignment division endeavored to secure profits by expanding sales of branded meats such as “*Kurohana-Gyu*” and “*Mugikomachi*” as well as by expanding exports to Asia, although demand for high-priced parts of Wagyu beef was sluggish as consumers continued to save money. The production division struggled due to a drop in shipment volume associated with production adjustments following the reorganization of bases. The division was also significantly affected by soaring costs for feed, fuel, and electricity. As a result, the business as a whole posted a decrease in profit.

In the domestic chicken business, sales in the consignment division remained strong, especially to mass retailers, and market prices remained stable at high levels. Both volume of chicken handled and profit increased thanks to the 20th anniversary campaign carried out for “*Sakurahime*,” a domestic chicken brand and the strengthening of procurement from external partners. However, the production division was significantly affected by the soaring costs for feed, fuel, and electricity, resulting in a decrease in profits for the business as a whole, despite our efforts to enhance productivity.

In the import procurement division, for frozen pork and chicken, we continued to make proposals to meet customer needs, mainly to the restaurant channel, and strived to secure profits through stable procurement. Meanwhile, beef and offal, chilled pork, and other products saw a decline in demand from mass retailers and restaurants due to less attractive prices, partly impacted by high local market prices and the weak yen. As a result, the import procurement division posted a decrease in profit.

In the sales division, while demand from mass retailers subsided, demand from the restaurant channel showed a recovery trend. The division set up specialized divisions in each area that tailored to each channel in the fiscal year under review to focus on sales activities, while strengthening cooperation with the domestic and import consignment divisions. As a result, the sales volume grew and profit increased.

As a result, for the second quarter of the fiscal year under review on a consolidated and cumulative basis, net sales of the Fresh Meats Business Division increased by 9.6% from the same period of the previous fiscal year to ¥361,652 million, and business profit decreased by 20.2% to ¥14,220 million.

(Overseas Business Division)

In Asia and Europe operations, net sales increased from the same period of the previous

year due to firm sales of chicken in Turkey, as well as a steady recovery in sales of processed foods in Thailand, Vietnam, and Greater China. Overall profit decreased due to the struggles in China with high raw material prices for processed products and high feed and raw material costs in the poultry farming business in Turkey, despite a recovery resulting from the increased sales volume in Thailand and Vietnam.

In Americas operations, net sales were higher than that of the same period of the previous year due to steady export of pork and firm sales of processed food at mass retailers in the U.S., as well as firm pork exports from Chile. Profit decreased due to higher raw material prices for processed products in the U.S. and soaring pork procurement prices in Chile.

In Australia operations, net sales were higher than that of the same period of the previous year thanks to favorable exports and domestic sales, despite struggles in collecting cattle in Australia and some difficulties faced in Uruguay due to lower sales prices. Profit decreased since cattle collection prices remained high in Australia and Uruguay, despite efforts to improve the efficiency of factory operations.

As a result, for the second quarter of the fiscal year under review on a consolidated and cumulative basis, net sales of the Overseas Business Division increased by 32.5% from the same period of the previous fiscal year to ¥169,348 million, and business loss amounted to ¥936 million (business profit of ¥628 million for the same period of the previous fiscal year).

(Others)

Hokkaido Nippon-Ham Fighters, representing the Baseball and Ballpark Business, finished the 2022 regular season in sixth place in the Pacific League. Despite the lingering impact of COVID-19, we hosted all scheduled games while working to attract more spectators than in the previous season by providing a safe and secure game-watching environment, resulting in an increase in both net sales and profit from the same period of the previous fiscal year. Going forward, we will strive to fully develop the system to operate “Hokkaido Ballpark F Village” that is to open in March 2023, and provide new value to all NH Foods Group stakeholders in the Baseball and Ballpark Business.

In the health support business operated by the Research & Development Center, we actively promoted sales of functional food ingredients by releasing seminar videos on the web and other methods to acquire new customers, although face-to-face business negotiations were limited due to the impact of COVID-19. In the food testing kit category, we worked to increase sales by launching “*FASTKIT Slim Crustacean*,” a simple and rapid testing kit for food allergens.

In the New Business, etc., we endeavored to raise recognition of two D2C (Direct to Consumer) services launched in the cumulative first quarter: “Meatful” in the entertainment business; and “Table for All” in the wellness business to acquire new customers.

As a result, for the second quarter of the fiscal year under review on a consolidated and cumulative basis, net sales of the Others increased by 28.0% from the same period of the previous fiscal year to ¥10,538 million, and business profit increased by 347.3% from the same period of the previous fiscal year to ¥1,928 million.

(2) Explanation on the Financial Position

<Financial position>

At the end of the second quarter of the fiscal year under review, total assets increased by 4.2% from the end of the previous fiscal year to ¥946,987 million, as trade and other receivables and inventories increased by ¥12,051 million and ¥39,491 million, respectively, although cash and cash equivalents and other financial assets decreased by ¥22,760 million and ¥11,290 million, respectively. Liabilities increased by 5.1% from the end of the previous fiscal year to ¥440,968 million as interest-bearing liabilities and trade and other payables increased by ¥25,539 million and ¥13,119 million, respectively, although other financial liabilities decreased by ¥10,571 million. Interest-bearing liabilities stood at ¥236,946 million.

Total equity attributable to owners of the parent increased by ¥15,717 million from the end of the previous fiscal year to ¥494,786 million, and the equity ratio of owners of the parent decreased by 0.5 percentage points from the end of the previous fiscal year to 52.2%.

<Cash flows>

With regard to operating activities, the increase in trade and other receivables amounted to ¥11,153 million, the increase in inventories amounted to ¥37,644 million, and income tax paid amounted to ¥7,108 million, while profit before tax amounted to ¥22,291 million, and depreciation and amortization expense amounted to ¥18,846 million. As a result, net cash used in operating activities amounted to ¥13,354 million.

With regard to investing activities, acquisition of fixed assets amounted to ¥36,408 million, while the decrease in short-term loans receivable amounted to ¥8,650 million. As a result, net cash used in investing activities amounted to ¥26,545 million.

With regard to financing activities, the increase in short-term bank loans amounted to ¥17,618 million, and proceeds from debt amounted to ¥46,047 million, while cash dividends amounted to ¥10,448 million and repayments of debt amounted to ¥41,623 million. As a result, net cash provided by financing activities amounted to ¥11,938 million.

As a result, cash and cash equivalents at the end of the second quarter of the fiscal year under review decreased by ¥22,760 million from the end of the previous fiscal year to ¥62,614 million.

(3) Explanation on the Forward-looking Information such as Forecast of Consolidated Business Results

There are no changes to the forecast of the whole-year period of the year ending March 31, 2023 from the future outlook announced in the “Notice of the Adjustment to the Forecast of Business Results” released on October 28, 2022.

Cautionary notice on information about the future

The plans, forecast of operating results and other prospects for the future described in this brief statement of accounts are based on the information currently available to the Company and certain assumptions considered reasonable by the Company and are not contemplated to

ensure the fulfillment thereof. The actual results in the future may materially differ from such plans and forecast, depending on various factors including risk factors in business. The Company, therefore, wishes to caution that readers should not place undue reliance on these descriptions to make investment decisions. Further, unless obligated by laws or ordinances or the rules of financial instruments exchanges, the Company will not necessarily, or is not obligated to, revise such descriptions about the future, including the forecast of business results notwithstanding any information or event in the future or any results arising therefrom, or publicize such revised information.

2. Condensed Consolidated Financial Statements and Primary Notes

(1) Condensed Consolidated Statements of Financial Position

	(millions of yen)	
	Year ended March 31, 2022 (as of March 31, 2022)	Second quarter of the year ending March 31, 2023 (as of September 30, 2022)
(Assets)		
Current Assets		
Cash and cash equivalents	85,374	62,614
Trade and other receivables	136,017	148,068
Inventories	119,980	159,471
Biological assets	32,755	32,792
Other financial assets	24,648	18,587
Other current assets	15,096	18,436
Assets held for sale	436	1,147
Total Current Assets	414,306	441,115
Non-current Assets		
Property, plant and equipment	345,022	362,549
Right-of-use assets	46,090	43,305
Biological assets	1,240	1,315
Intangible assets and goodwill	15,269	17,945
Investments accounted for using the equity method	12,410	9,706
Other financial assets	35,232	30,003
Deferred tax assets	26,279	27,885
Other non-current assets	13,365	13,164
Total Non-current Assets	494,907	505,872
Total Assets	909,213	946,987
(Liabilities and Equity)		
Current Liabilities		
Interest-bearing liabilities	90,056	118,716
Trade and other payables	103,719	116,838
Income taxes payable	6,494	2,841
Other financial liabilities	42,056	31,302
Other current liabilities	39,594	36,322
Total Current Liabilities	281,919	306,019
Non-current Liabilities		
Interest-bearing liabilities	121,351	118,230
Retirement benefit liabilities	12,951	13,149
Other financial liabilities	754	937
Deferred tax liabilities	1,045	1,055
Other non-current liabilities	1,639	1,578
Total Non-current Liabilities	137,740	134,949
Total Liabilities	419,659	440,968

	(millions of yen)	
	Year ended March 31, 2022 (as of March 31, 2022)	Second quarter of the year ending March 31, 2023 (as of September 30, 2022)
Equity		
Common stock	36,294	36,294
Capital surplus	71,272	71,245
Retained earnings	360,900	366,145
Treasury stock, at cost	(2,856)	(2,426)
Accumulated other comprehensive income	13,459	23,528
Total Equity Attributable to Owners of the Parent	479,069	494,786
Non-controlling Interests	10,485	11,233
Total Equity	489,554	506,019
Total Liabilities and Equity	909,213	946,987

(Note) Breakdown of accumulated other comprehensive income

	Year ended March 31, 2022	Second quarter of the year ending March 31, 2023
Financial assets measured at fair value through other comprehensive income	9,639	6,357
Exchange differences on translation of foreign operations	3,820	17,171

(2) Condensed Consolidated Statements of Income
[Cumulative second quarter]

(millions of yen)

	Cumulative second quarter of the year ended March 31, 2022 (consolidated) (April 1, 2021 through September 30, 2021)	Cumulative second quarter of the year ending March 31, 2023 (consolidated) (April 1, 2022 through September 30, 2022)
Net Sales	569,118	634,024
Cost of Goods Sold	468,057	541,782
Selling, General and Administrative Expenses	75,502	81,644
Other Income	1,440	20,148
Other Expenses	2,036	11,121
Financial Income	1,387	971
Financial Costs	1,377	951
Share of Profit in Investments Accounted for Using the Equity Method	3,100	2,646
Profit before Tax	28,073	22,291
Income Tax Expense	8,069	5,892
Profit from Continuing Operations	20,004	16,399
Loss from Discontinued Operations - Net of Applicable Income Taxes	(307)	(304)
Profit	19,697	16,095
Profit Attributable to:		
Owners of the Parent		
Continuing Operations	19,917	15,784
Discontinued Operations	(313)	(304)
Total	19,604	15,480
Non-controlling Interests		
Continuing Operations	87	615
Discontinued Operations	6	—
Total	93	615
Profit	19,697	16,095

Earnings per Share		
Earnings per share (basic)	191.80 yen	151.21 yen
Continuing Operations	194.87 yen	154.18 yen
Discontinued Operations	(3.07) yen	(2.97) yen
Earnings per share (diluted)	191.75 yen	151.18 yen
Continuing Operations	194.82 yen	154.16 yen
Discontinued Operations	(3.07) yen	(2.98) yen

[Second quarter]

(millions of yen)

	Second quarter of the year ended March 31, 2022 (consolidated) (July 1, 2021 through September 30, 2021)	Second quarter of the year ending March 31, 2023 (consolidated) (July 1, 2022 through September 30, 2022)
Net Sales	290,289	322,512
Cost of Goods Sold	241,212	277,336
Selling, General and Administrative Expenses	37,980	41,683
Other Income	781	7,818
Other Expenses	916	4,888
Financial Income	158	908
Financial Costs	873	434
Share of Profit in Investments Accounted for Using the Equity Method	2,361	1,000
Profit before Tax	12,608	7,897
Income Tax Expense	3,369	2,233
Profit from Continuing Operations	9,239	5,664
Profit from Discontinued Operations - Net of Applicable Income Taxes	462	10
Profit	9,701	5,674
Profit Attributable to:		
Owners of the Parent		
Continuing Operations	9,254	5,288
Discontinued Operations	444	10
Total	9,698	5,298
Non-controlling Interests		
Continuing Operations	(15)	376
Discontinued Operations	18	—
Total	3	376
Profit	9,701	5,674

Earnings per Share		
Earnings per share (basic)	94.86 yen	51.73 yen
Continuing Operations	90.53 yen	51.64 yen
Discontinued Operations	4.33 yen	0.09 yen
Earnings per share (diluted)	94.83 yen	51.72 yen
Continuing Operations	90.51 yen	51.63 yen
Discontinued Operations	4.32 yen	0.09 yen

(3) Condensed Consolidated Statements of Comprehensive Income
[Cumulative second quarter]

	(millions of yen)	
	Cumulative second quarter of the year ended March 31, 2022 (consolidated) (April 1, 2021 through September 30, 2021)	Cumulative second quarter of the year ending March 31, 2023 (consolidated) (April 1, 2022 through September 30, 2022)
Profit	19,697	16,095
Other Comprehensive Income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit plans	(2)	(6)
Financial assets measured at fair value through other comprehensive income	1,654	(3,074)
Total	1,652	(3,080)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(809)	12,088
Share of other comprehensive income of investments accounted for using the equity method	9	1,407
Total	(800)	13,495
Total Other Comprehensive Income	852	10,415
Comprehensive Income	20,549	26,510
Comprehensive Income Attributable to:		
Owners of the Parent	20,435	25,751
Non-controlling Interests	114	759
Comprehensive Income	20,549	26,510

[Second quarter]

(millions of yen)

	Second quarter of the year ended March 31, 2022 (consolidated) (July 1, 2021 through September 30, 2021)	Second quarter of the year ending March 31, 2023 (consolidated) (July 1, 2022 through September 30, 2022)
Profit	9,701	5,674
Other Comprehensive Income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit plans	(1)	(3)
Financial assets measured at fair value through other comprehensive income	2,898	(849)
Total	2,897	(852)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(515)	3,434
Share of other comprehensive income of investments accounted for using the equity method	52	287
Total	(463)	3,721
Total Other Comprehensive Income	2,434	2,869
Comprehensive Income	12,135	8,543
Comprehensive Income Attributable to:		
Owners of the Parent	12,116	8,145
Non-controlling Interests	19	398
Comprehensive Income	12,135	8,543

(4) Condensed Consolidated Statements of Changes in Equity

Consolidated cumulative second quarter of the year ended March 31, 2022 (April 1, 2021 through September 30, 2021)

(millions of yen)

	Equity attributable to owners of the parent									Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income				Total		
					Remeasure-ment of defined benefit plans	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Subtotal			
Balance as of April 1, 2021	36,294	71,240	320,577	(3,532)	—	9,954	(938)	9,016	433,595	10,714	444,309
Profit			19,604					—	19,604	93	19,697
Other comprehensive income					(2)	1,654	(821)	831	831	21	852
Comprehensive income	—	—	19,604	—	(2)	1,654	(821)	831	20,435	114	20,549
Dividends			(9,604)					—	(9,604)	(6)	(9,610)
Acquisition of treasury stock				(1)				—	(1)	—	(1)
Disposal of treasury stock		(14)		367				—	353	—	353
Share-based payment transactions		40						—	40	—	40
Other		0						—	0	(60)	(60)
Transfer of accumulated other comprehensive income to retained earnings			26		2	(28)		(26)	—	—	—
Total transactions with owners	—	26	(9,578)	366	2	(28)	—	(26)	(9,212)	(66)	(9,278)
Balance as of September 30, 2021	36,294	71,266	330,603	(3,166)	—	11,580	(1,759)	9,821	444,818	10,762	455,580

Consolidated cumulative second quarter of the year ending March 31, 2023 (April 1, 2022
through September 30, 2022)

(millions of yen)

	Equity attributable to owners of the parent									Non-con- trolling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income				Total		
					Remeasure- ment of defined benefit plans	Financial assets measured at fair value through other comprehen- -sive income	Exchange differences on translation of foreign operations	Subtotal			
Balance as of April 1, 2022	36,294	71,272	360,900	(2,856)	—	9,639	3,820	13,459	479,069	10,485	489,554
Profit			15,480					—	15,480	615	16,095
Other comprehensive income					(6)	(3,074)	13,351	10,271	10,271	144	10,415
Comprehensive income	—	—	15,480	—	(6)	(3,074)	13,351	10,271	25,751	759	26,510
Dividends			(10,437)					—	(10,437)	(11)	(10,448)
Acquisition of treasury stock				(2)				—	(2)	—	(2)
Disposal of treasury stock		(58)		432				—	374	—	374
Share-based payment		31						—	31	—	31
Transfer of accumulated other comprehensive income to retained earnings			202		6	(208)		(202)	—	—	—
Total transactions with owners	—	(27)	(10,235)	430	6	(208)	—	(202)	(10,034)	(11)	(10,045)
Balance as of September 30, 2022	36,294	71,245	366,145	(2,426)	—	6,357	17,171	23,528	494,786	11,233	506,019

(5) Condensed Consolidated Statements of Cash Flows:

(millions of yen)

	Cumulative second quarter of the year ended March 31, 2022 (April 1, 2021 through September 30, 2021)	Cumulative second quarter of the year ending March 31, 2023 (April 1, 2022 through September 30, 2022)
Cash Flows from Operating Activities		
Profit before tax	28,073	22,291
Loss before tax from discontinued operations	(34)	(406)
Depreciation and amortization expense	18,029	18,846
Impairment losses (reversal of impairment losses)	874	(2,107)
Decrease (increase) in fair value of biological assets	(953)	(604)
Financial income and costs	1,000	(20)
Loss (gain) on sales of business	—	479
Decrease (increase) in trade and other receivables	(3,797)	(11,153)
Decrease (increase) in inventories	(23,464)	(37,644)
Decrease (increase) in biological assets	(1,915)	817
Decrease (increase) in other assets	(1,488)	(3,803)
Increase (decrease) in trade and other payables	11,508	11,839
Increase (decrease) in other liabilities	(2,405)	(3,758)
Others—net	(2,987)	(6,792)
Interest received	97	570
Dividends received	830	5,892
Interest paid	(723)	(693)
Income tax paid	(13,328)	(7,108)
Cash Flows from Operating Activities	9,317	(13,354)
Cash Flows from Investing Activities		
Acquisition of fixed assets	(26,965)	(36,408)
Proceeds from sales of fixed assets	226	613
Decrease (increase) in time deposits	(3)	(53)
Acquisition of other financial assets	(41)	(34)
Sale and redemption of other financial assets	106	725
Decrease (increase) in short-term loans receivable	—	8,650
Proceeds from sales of business	—	3,434
Payments for sales of business	—	(3,166)
Others—net	(77)	(306)
Cash Flows from Investing Activities	(26,754)	(26,545)
Cash Flows from Financing Activities		
Cash dividends	(9,610)	(10,448)
Increase (decrease) in short-term bank loans	23,456	17,618
Proceeds from debt	16,534	46,047
Repayments of debt	(28,839)	(41,623)
Acquisition of treasury stock	(2)	(2)
Proceeds from sales of treasury stock	341	346
Others—net	(61)	0
Cash Flows from Financing Activities	1,819	11,938
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(308)	4,625
Hyperinflation Adjustment	—	576
Net Increase (Decrease) in Cash and Cash Equivalents	(15,926)	(22,760)
Cash and Cash Equivalents at the Beginning of the Period	83,831	85,374
Cash and Cash Equivalents at the End of the Period	67,905	62,614

(6) Note on the Premises of a Going Concern

Not applicable.

(7) Notes to Condensed Consolidated Financial Statements

1. Segment information

Information regarding the reportable segments

The Group categorizes the business into the following three reportable segments according to the nature of products and providing services, and the geographical areas where it sells products or provides services. The Group manages its operations by the business segment.

Processed Foods Business Division	—	Mainly domestic production and sales of hams and sausages, processed foods, and dairy products
Fresh Meats Business Division	—	Mainly domestic production and sales of fresh meats
Overseas Business Division	—	Mainly production and sales of hams and sausages, processed foods, fresh meats and marine products at overseas subsidiaries and associates

The Company has classified the marine products business relating to The Marine Foods Corporation, its subsidiaries, etc. as discontinued operations from the year ended March 31, 2022. Therefore, the corresponding figures for the cumulative second quarter and the second quarter of the year ended March 31, 2022 have been reclassified accordingly.

However, the Processed Foods Business Division in the reportable segments includes the marine products business that has been classified as discontinued operations.

The Group consists of 69 subsidiaries and 6 associates.

For the consolidated cumulative second quarter of the year ended March 31, 2022 (April 1, 2021 through September 30, 2021):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Others	Total	Eliminations, adjustments and others	Consolidated (before adjustment for discontinued operations)	Transfer to discontinued operations	Consolidated (after adjustment for discontinued operations)
Net sales									
Sales to external customers	230,143	299,716	65,878	6,614	602,351	1,014	603,365	(34,247)	569,118
Intersegment sales	12,857	30,113	61,905	1,622	106,497	(106,497)	—	—	—
Total	243,000	329,829	127,783	8,236	708,848	(105,483)	603,365	(34,247)	569,118
Segment profit	6,997	17,809	628	431	25,865	(1,613)	24,252	(1,125)	23,127

For the consolidated cumulative second quarter of the year ending March 31, 2023 (April 1, 2022 through September 30, 2022):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Others	Total	Eliminations, adjustments and others	Consolidated (before adjustment for discontinued operations)	Transfer to discontinued operations	Consolidated (after adjustment for discontinued operations)
Net sales									
Sales to external customers	190,822	330,146	96,793	8,899	626,660	7,364	634,024	—	634,024
Intersegment sales	13,197	31,506	72,555	1,639	118,897	(118,897)	—	—	—
Total	204,019	361,652	169,348	10,538	745,557	(111,533)	634,024	—	634,024
Segment profit (loss)	1,334	14,220	(936)	1,928	16,546	(1,342)	15,204	—	15,204

- (Notes) 1. “Others” refers to operating segments not included in the reportable segments, such as the Baseball and Ballpark Business and New Business, etc.
2. “Eliminations, adjustments and others” includes unallocated items and intersegment eliminations.
3. Except for a few unallocated items, corporate overhead expenses and profit or loss of certain subsidiaries are allocated to each reportable operating segment. These subsidiaries provide indirect services and operational support for the Group included in each reportable operating segment.
4. “Segment profit (loss)” is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while deducting adjustments in accordance with IFRS and non-recurring items.
5. The amounts of net sales, profits, and losses of The Marine Foods Corporation, its subsidiaries, etc. included in the Processed Foods Business Division have been reclassified to “Transfer to discontinued operations” for the cumulative second quarter of the year ended March 31, 2022.

For the consolidated second quarter of the year ended March 31, 2022 (July 1, 2021 through September 30, 2021):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Others	Total	Eliminations, adjustments and others	Consolidated (before adjustment for discontinued operations)	Transfer to discontinued operations	Consolidated (after adjustment for discontinued operations)
Net sales									
Sales to external customers	118,172	151,535	35,011	3,033	307,751	667	308,418	(18,129)	290,289
Intersegment sales	6,563	15,695	32,330	795	55,383	(55,383)	—	—	—
Total	124,735	167,230	67,341	3,828	363,134	(54,716)	308,418	(18,129)	290,289
Segment profit	3,674	8,285	857	54	12,870	(1,043)	11,827	(825)	11,002

For the consolidated second quarter of the year ending March 31, 2023 (July 1, 2022 through September 30, 2022):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Others	Total	Eliminations, adjustments and others	Consolidated (before adjustment for discontinued operations)	Transfer to discontinued operations	Consolidated (after adjustment for discontinued operations)
Net sales									
Sales to external customers	98,364	166,604	48,253	4,740	317,961	4,551	322,512	—	322,512
Intersegment sales	6,643	16,053	36,672	828	60,196	(60,196)	—	—	—
Total	105,007	182,657	84,925	5,568	378,157	(55,645)	322,512	—	322,512
Segment profit (loss)	114	7,160	(1,279)	1,109	7,104	(1,070)	6,034	—	6,034

- (Notes) 1. “Others” refers to operating segments not included in the reportable segments, such as the Baseball and Ballpark Business and New Business, etc.
2. “Eliminations, adjustments and others” includes unallocated items and intersegment eliminations.
3. Except for a few unallocated items, corporate overhead expenses and profit or loss of certain subsidiaries are allocated to each reportable operating segment. These subsidiaries provide indirect services and operational support for the Group included in each reportable operating segment.
4. “Segment profit (loss)” is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while deducting adjustments in accordance with IFRS and non-recurring items.
5. The amounts of net sales, profits, and losses of The Marine Foods Corporation, its subsidiaries, etc. included in the Processed Foods Business Division have been reclassified to “Transfer to discontinued operations” for the second quarter of the year ended March 31, 2022.

2. Note on discontinued operations

1) Overview of discontinued operations

The Company, at the meeting of its Board of Directors held on February 9, 2022, determined to transfer all of its shares and related assets of its consolidated subsidiary, The Marine Foods Corporation (“Marine Foods”), to Sojitz Corporation, and the share transfer was completed on March 31, 2022.

As a result, the marine products business relating to Marine Foods has been classified as discontinued operations from the fourth quarter of the year ended March 31, 2022.

2) Name and nature of business of the subsidiary and the segment that included the divested business

Name of the subsidiary	The Marine Foods Corporation
Nature of business	Manufacturing and sale of processed marine food products and import and sale of marine raw materials
Applicable segment	Processed Foods Business Division

3) Number of shares sold, percentage of ownership after the sale, and gain or loss on sale

Numbers of shares owned before the sale	22,666,000 shares (Number of voting rights: 22,666,000) (Percentage of voting rights held: 100.0%)
Number of shares sold	22,666,000 shares (Number of voting rights: 22,666,000)
Percentage of ownership after the sale	— share (Number of voting rights: —) (Percentage of voting rights held: — %)

4) Profit (loss) from discontinued operations

Details of profit (loss) from discontinued operations are as follows.

(millions of yen)

	Cumulative second quarter of the year ended March 31, 2022 (consolidated) (April 1, 2021 through September 30, 2021)	Cumulative second quarter of the year ending March 31, 2023 (consolidated) (April 1, 2022 through September 30, 2022)
Net sales	34,247	—
Gain (loss) on sales of business (Note)	—	(406)
Other profit (loss)	(34,281)	—
Loss before tax from discontinued operations	(34)	(406)
Income tax expense	(273)	102
Loss from discontinued operations	(307)	(304)

(Note) Gain (loss) on sales of business classified as discontinued operations in the cumulative second quarter of the year ending March 31, 2023 was due to an adjustment to the transfer price of The Marine Foods' shares held by the Company pursuant to the share transfer agreement.

Second quarter of
the year ending March 31, 2023

Supplementary materials

NH Foods Ltd.

October 31, 2022

Note: The Company has classified certain business as discontinued operations from the fourth quarter of the year ended March 31, 2022. Accordingly, the corresponding figures for the

I Financial Highlights

Consolidated Accounts

(millions of yen)

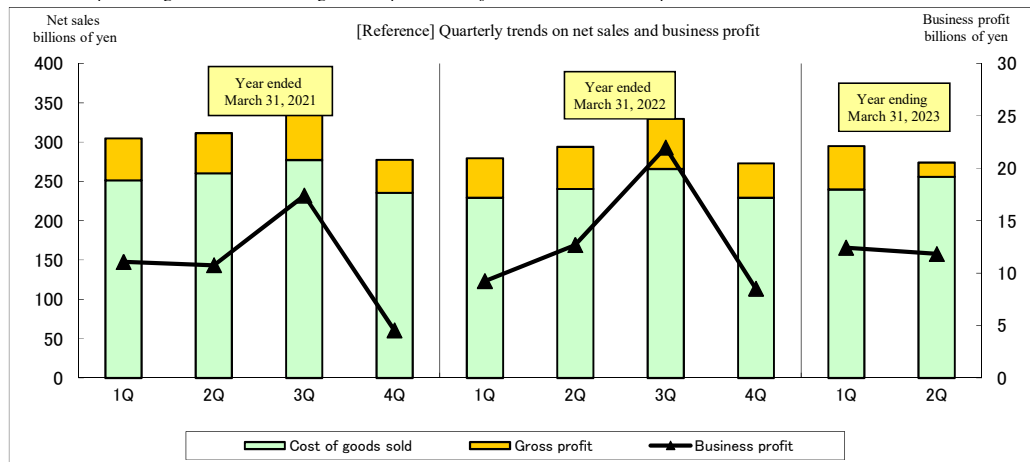
	Second quarter of the year ended March 31, 2021 (results)	Second quarter of the year ended March 31, 2022 (results)	Second quarter of the year ended March 31, 2023 (results)	The percentages indicate the rates of increase (decrease) from the second quarter of the previous fiscal year	Year ended March 31, 2022 (results)	Year ending March 31, 2023 (plan)
Net sales	573,484	569,118	634,024	11.4%	1,174,389	1,270,000
Gross profit	104,088	101,061	92,242	(8.7)%	200,028	
Business profit	21,923	24,252	15,204	(37.3)%	48,116	36,000
Profit before tax	28,730	28,073	22,291	(20.6)%	51,366	35,000
Equity attributable to owners of the parent	19,476	19,604	15,480	(21.0)%	48,049	26,000

(Note) Figures for the second quarter of the year ended March 31, 2021 include discontinued operations.

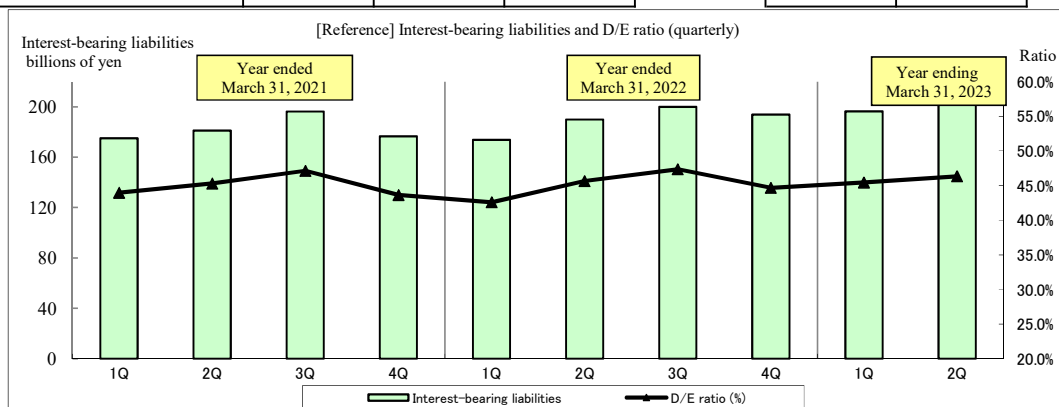
Gross profit margin	18.2%	17.8%	14.5%	17.0%	
Business profit margin	3.8%	4.1%	2.4%	3.9%	2.8%
Return on equity (ROE)	4.7%	4.5%	3.2%	10.5%	5.3%
Return on invested capital (ROIC)	2.5%	2.6%	1.5%	5.0%	3.4%

(Note) Figures for the second quarter of the year ended March 31, 2021 include discontinued operations.

Business profit margin was calculated using business profit after adjustment on discontinued operations.



	Second quarter of the year ended March 31, 2021 (results)	Second quarter of the year ended March 31, 2022 (results)	Second quarter of the year ended March 31, 2023 (results)	Year ended March 31, 2022 (results)	Year ending March 31, 2023 (plan)
Total assets	782,074	844,824	946,987	909,213	
Total equity attributable to owners of the parent	415,940	444,818	494,786	479,069	
Interest-bearing liabilities	189,865	206,185	236,946	211,407	
D/E ratio	0.46	0.46	0.48	0.44	
Capital expenditures	40,295	25,490	32,770	80,395	86,700
Depreciation expense	16,837	17,985	18,818	36,379	37,700



II Segment Information

[Cumulative second quarter]			(millions of yen)			
	Consolidated cumulative second quarter of the year ended March 31, 2022 (April 1, 2021 through September 30, 2021)		Consolidated cumulative second quarter of the year ending March 31, 2023 (April 1, 2022 through September 30, 2022)		Increase (decrease) from the second quarter of the previous fiscal year	
	Amount	% of sales	Amount	% of sales	Amount	The rate of increase (decrease)
Processed Foods Business Division						
Sales to external customers	230,143	94.7%	190,822	93.5%	(39,321)	(17.1)%
Intersegment sales	12,857	5.3%	13,197	6.5%	340	2.6%
Total net sales	243,000	100.0%	204,019	100.0%	(38,981)	(16.0)%
Segment profit	6,997	2.9%	1,334	0.7%	(5,663)	(80.9)%
Fresh Meats Business Division						
Sales to external customers	299,716	90.9%	330,146	91.3%	30,430	10.2%
Intersegment sales	30,113	9.1%	31,506	8.7%	1,393	4.6%
Total net sales	329,829	100.0%	361,652	100.0%	31,823	9.6%
Segment profit	17,809	5.4%	14,220	3.9%	(3,589)	(20.2)%
Overseas Business Division						
Sales to external customers	65,878	51.6%	96,793	57.2%	30,915	46.9%
Intersegment sales	61,905	48.4%	72,555	42.8%	10,650	17.2%
Total net sales	127,783	100.0%	169,348	100.0%	41,565	32.5%
Segment profit (loss)	628	0.5%	(936)	(0.6)%	(1,564)	—
Others						
Sales to external customers	6,614	80.3%	8,899	84.4%	2,285	34.5%
Intersegment sales	1,622	19.7%	1,639	15.6%	17	1.0%
Total net sales	8,236	100.0%	10,538	100.0%	2,302	28.0%
Segment profit	431	5.2%	1,928	18.3%	1,497	347.3%
Eliminations, adjustments and others						
Net sales	(105,483)		(111,533)		(6,050)	
Segment profit	(1,613)		(1,342)		271	
Consolidated (before adjustment for discontinued operations)						
Total net sales	603,365	100.0%	634,024	100.0%	30,659	5.1%
Segment profit	24,252	4.0%	15,204	2.4%	(9,048)	(37.3)%
Transfer to discontinued operations						
Total net sales	(34,247)		—		34,247	
Segment profit	(1,125)		—		1,125	
Consolidated (after adjustment for discontinued operations)						
Total net sales	569,118	100.0%	634,024	100.0%	64,906	11.4%
Segment profit	23,127	4.1%	15,204	2.4%	(7,923)	(34.3)%

(Note) Segment profit (loss) is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while excluding adjustments in accordance with IFRS and non-recurring items.

[Second quarter]

(millions of yen)

	Consolidated second quarter of the year ended March 31, 2022 (July 1, 2021 through September 30, 2021)		Consolidated second quarter of the year ending March 31, 2023 (July 1, 2022 through September 30, 2022)		Increase (decrease) from the second quarter of the previous fiscal year	
	Amount	% of sales	Amount	% of sales	Amount	The rate of increase (decrease)
Processed Foods Business Division						
Sales to external customers	118,172	94.7%	98,364	93.7%	(19,808)	(16.8)%
Intersegment sales	6,563	5.3%	6,643	6.3%	80	1.2%
Total net sales	124,735	100.0%	105,007	100.0%	(19,728)	(15.8)%
Segment profit	3,674	2.9%	114	0.1%	(3,560)	(96.9)%
Fresh Meats Business Division						
Sales to external customers	151,535	90.6%	166,604	91.2%	15,069	9.9%
Intersegment sales	15,695	9.4%	16,053	8.8%	358	2.3%
Total net sales	167,230	100.0%	182,657	100.0%	15,427	9.2%
Segment profit	8,285	5.0%	7,160	3.9%	(1,125)	(13.6)%
Overseas Business Division						
Sales to external customers	35,011	52.0%	48,253	56.8%	13,242	37.8%
Intersegment sales	32,330	48.0%	36,672	43.2%	4,342	13.4%
Total net sales	67,341	100.0%	84,925	100.0%	17,584	26.1%
Segment profit (loss)	857	1.3%	(1,279)	(1.5)%	(2,136)	—
Others						
Sales to external customers	3,033	79.2%	4,740	85.1%	1,707	56.3%
Intersegment sales	795	20.8%	828	14.9%	33	4.2%
Total net sales	3,828	100.0%	5,568	100.0%	1,740	45.5%
Segment profit	54	1.4%	1,109	19.9%	1,055	—
Eliminations, adjustments and others						
Net sales	(54,716)		(55,645)		(929)	
Segment profit	(1,043)		(1,070)		(27)	
Consolidated (before adjustment for discontinued operations)						
Total net sales	308,418	100.0%	322,512	100.0%	14,094	4.6%
Segment profit	11,827	3.8%	6,034	1.9%	(5,793)	(49.0)%
Transfer to discontinued operations						
Total net sales	(18,129)		—		18,129	
Segment profit	(825)		—		825	
Consolidated (after adjustment for discontinued operations)						
Total net sales	290,289	100.0%	322,512	100.0%	32,223	11.1%
Segment profit	11,002	3.8%	6,034	1.9%	(4,968)	(45.2)%

(Note) Segment profit (loss) is calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while excluding adjustments in accordance with IFRS and non-recurring items.

[Reference Information: Breakdown of Overseas Business Division]

[Cumulative second quarter]

(millions of yen)

	Consolidated cumulative second quarter of the year ended March 31, 2022 (April 1, 2021 through September 30, 2021)		Consolidated cumulative second quarter of the year ending March 31, 2023 (April 1, 2022 through September 30, 2022)		Increase (decrease) from the second quarter of the previous fiscal year	
	Amount	% of sales	Amount	% of sales	Amount	The rate of increase (decrease)
Asia and Europe						
Sales to external customers	12,312	39.8%	17,511	46.3%	5,199	42.2%
Intersegment sales	18,659	60.2%	20,317	53.7%	1,658	8.9%
Total net sales	30,971	100.0%	37,828	100.0%	6,857	22.1%
Segment loss	(94)	(0.3)%	(295)	(0.8)%	(201)	—
Americas						
Sales to external customers	12,588	25.3%	17,456	27.7%	4,868	38.7%
Intersegment sales	37,235	74.7%	45,589	72.3%	8,354	22.4%
Total net sales	49,823	100.0%	63,045	100.0%	13,222	26.5%
Segment profit	653	1.3%	414	0.7%	(239)	(36.6)%
Australia						
Sales to external customers	40,978	85.6%	61,826	87.9%	20,848	50.9%
Intersegment sales	6,911	14.4%	8,520	12.1%	1,609	23.3%
Total net sales	47,889	100.0%	70,346	100.0%	22,457	46.9%
Segment profit (loss)	529	1.1%	(518)	(0.7)%	(1,047)	—

(Note) Due to intersegment eliminations, the figures above do not agree with those of “Overseas Business Division” in the segment information.

[Second quarter]

(millions of yen)

	Consolidated second quarter of the year ended March 31, 2022 (July 1, 2021 through September 30, 2021)		Consolidated second quarter of the year ending March 31, 2023 (July 1, 2022 through September 30, 2022)		Increase (decrease) from the second quarter of the previous fiscal year	
	Amount	% of sales	Amount	% of sales	Amount	The rate of increase (decrease)
Asia and Europe						
Sales to external customers	5,817	37.5%	8,825	46.8%	3,008	51.7%
Intersegment sales	9,687	62.5%	10,033	53.2%	346	3.6%
Total net sales	15,504	100.0%	18,858	100.0%	3,354	21.6%
Segment loss	(242)	(1.6)%	(475)	(2.5)%	(233)	—
Americas						
Sales to external customers	6,609	25.3%	9,360	28.3%	2,751	41.6%
Intersegment sales	19,550	74.7%	23,681	71.7%	4,131	21.1%
Total net sales	26,159	100.0%	33,041	100.0%	6,882	26.3%
Segment profit	563	2.2%	301	0.9%	(262)	(46.5)%
Australia						
Sales to external customers	22,585	86.2%	30,068	88.5%	7,483	33.1%
Intersegment sales	3,603	13.8%	3,912	11.5%	309	8.6%
Total net sales	26,188	100.0%	33,980	100.0%	7,792	29.8%
Segment profit (loss)	756	2.9%	(827)	(2.4)%	(1,583)	—

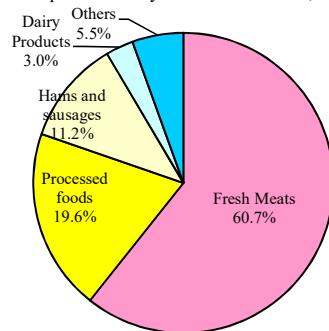
(Note) Due to intersegment eliminations, the figures above do not agree with those of “Overseas Business Division” in the segment information.

III Breakdown of Consolidated Net Sales

(millions of yen)

	Second quarter of the year ended March 31, 2022 (results)	Composition ratio	Second quarter of the year ending March 31, 2023 (results)	Composition ratio	The percentages indicate the rates of increase (decrease) from the first quarter of the previous fiscal year	Year ended March 31, 2022 (results)	Composition ratio	Year ending March 31, 2023 (plan)	Composition ratio
Hams and sausages	63,874	11.2%	62,683	9.9%	(1.9)%	131,147	11.2%	130,000	10.3%
Processed foods	111,560	19.6%	116,383	18.3%	4.3%	224,976	19.2%	234,000	18.4%
Fresh Meats	345,615	60.7%	398,607	62.9%	15.3%	722,843	61.5%	798,000	62.8%
Dairy Products	17,120	3.0%	18,126	2.9%	5.9%	35,214	3.0%	38,000	3.0%
Others	30,949	5.5%	38,225	6.0%	23.5%	60,209	5.1%	70,000	5.5%
Total	569,118	100.0%	634,024	100.0%	11.4%	1,174,389	100.0%	1,270,000	100.0%

Percentage of consolidated sales for the second quarter of the year ended March 31, 2022



Percentage of consolidated sales for the second quarter of the year ending March 31, 2023

