

August 1, 2024

BRIEF STATEMENT OF ACCOUNTS
FOR THE FIRST QUARTER OF THE YEAR ENDING MARCH 31, 2025
(Under IFRS Accounting Standards) (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:	Nobuhisa Ikawa President and Representative Director
Further inquiries:	Satoshi Izumi General Manager of Accounting & Finance Department
TEL:	+81-6-7525-3042
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 first quarter of the year ending March 31, 2025 (April 1, 2024 through June 30, 2024):

(1) Consolidated operating results (cumulative):

(The percentages indicate the rates of increase (decrease) from the first 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)	%
First quarter of the year ending March 31, 2025	338,050	4.9	14,562	20.0	19,805	5.4	13,874	11.1	13,048	11.1	23,190	22.0
First quarter of the year ended March 31, 2024	322,175	6.5	12,140	32.4	18,785	27.6	12,486	19.8	11,749	15.4	19,008	5.8

(yen)

	Earnings per share (basic)
First quarter of the year ending March 31, 2025	127.09
First quarter of the year ended March 31, 2024	114.60

(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 Accounting Standards and non-recurring items.

2. Diluted earnings per share is not presented as no potential shares with dilutive effect existed.

(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)	(%)
First quarter of the year ending March 31, 2025	998,565	550,289	537,722	53.8
Year ended March 31, 2024	958,237	539,202	527,503	55.0

2. State of dividends:

(yen)

	Annual dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended March 31, 2024	—	—	—	119.00	119.00
Year ending March 31, 2025	—	—	—	—	—
Year ending March 31, 2025 (forecast)	—	—	—	135.00	135.00

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

3. Forecast of consolidated business results for the year ending March 31, 2025 (April 1, 2024 through March 31, 2025):

(The percentages indicate rates of increase (decrease) from the previous fiscal year in respect of whole-year figures, and from the second quarter (cumulative) period of the previous fiscal year in respect of the second quarter (cumulative) period, respectively.)

	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)
Cumulative second quarter	670,000	2.7	26,000	4.2	24,000	(24.1)	14,000	(29.9)	136.34
Whole-year period	1,340,000	2.8	48,000	6.8	40,000	(1.5)	27,000	(3.8)	262.94

(Note) Adjustment to the most recently publicized forecast of business results: Yes

(Note) In consideration of the recent developments of its business results, the Company has made adjustments to the forecasts of consolidated business results for the cumulative second quarter of the fiscal year ending March 31, 2025. For details, please refer to “1. Qualitative Information on the Statement of Accounts for the First Quarter of the Fiscal Year under Review: (3) Explanation on the Forward-looking Information such as Forecast of Consolidated Business Results” on page 8.

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: — (Name:) Excluded: — (Name:)

(2) Changes in accounting policies and accounting estimates:

- 1) Changes of accounting policies required by IFRS Accounting Standards: 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:

First quarter of the year ending March 31, 2025:	102,958,904 shares
Year ended March 31, 2024:	102,958,904 shares
- 2) Number of shares of treasury stock as of the end of the period:

First quarter of the year ending March 31, 2025:	272,178 shares
Year ended March 31, 2024:	308,314 shares
- 3) Average number of shares outstanding during the period:

First quarter of the year ending March 31, 2025:	102,663,444 shares
First quarter of the year ended March 31, 2024:	102,517,730 shares

(Note) The number of shares of treasury stock as of the end of the period includes the number of the Company’s shares (105,607 shares for the first quarter of the year ending March 31, 2025 and 123,968 shares for the year ended March 31, 2024) 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 (155,500 shares for the first quarter of the year ending March 31, 2025 and 173,500 shares for the year ended March 31, 2024) 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.

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

- * 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 First quarter of the Fiscal Year under Review: (3) Explanation on the Forward-looking Information such as Forecast of Consolidated Business Results" on page 8.

CONTENTS OF ATTACHMENT

1. Qualitative Information on the Statement of Accounts for the First Quarter of the Fiscal Year under Review	6
(1) Explanation on the Operating Results.....	6
(2) Explanation on the Financial Position.....	7
(3) Explanation on the Forward-looking Information such as Forecast of Consolidated Business Results.....	8
2. Condensed Consolidated Financial Statements and Primary Notes.....	10
(1) Condensed Consolidated Statements of Financial Position	10
(2) Condensed Consolidated Statements of Income.....	12
(3) Condensed Consolidated Statements of Comprehensive Income	13
(4) Condensed Consolidated Statements of Changes in Equity.....	14
(5) Condensed Consolidated Statements of Cash Flows	16
(6) Note on the Premises of a Going Concern	17
(7) Significant Matters Forming the Basis for Preparing Condensed Consolidated Financial Statements.....	17
(8) Notes to Condensed Consolidated Financial Statements.....	17
1. Segment information	17
2. Note on discontinued operations	20

* The Company is planning to hold a financial results briefing for institutional investors and analysts on Thursday, August 1, 2024. 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 First Quarter of the Fiscal Year under Review

(1) Explanation on the Operating Results

Overview of Operating Results in General

For the first quarter of the fiscal year under review on a consolidated and cumulative basis, net sales increased by 4.9% from the same period of the previous fiscal year to ¥338,050 million, due to an increase in sales volume and higher unit prices of mainly domestic fresh meat in the Fresh Meats Business, as well as higher unit prices of the chicken sold in Turkey and growth in sales of processed foods in the Americas in the Overseas Business. Business profit increased by 20.0% to ¥14,562 million due to the Overseas Business securing profits from growth in production volume amid a tailwind in the Australian beef procurement and sales environment, as well as an improved product mix and progress in production optimization in the Processed Foods Business. Profit before tax increased by 5.4% to ¥19,805 million, and profit attributable to owners of the parent increased by 11.1% to ¥13,048 million, compared to the same period of the previous fiscal year.

Overview of Operating Segments

From the first quarter of the fiscal year under review, the Company has independently disclosed the Ballpark Business, which was previously included in the "Others", in consideration of its increased importance.

(millions of yen)

YoY results	Net sales			Business profit		
	Cumulative first quarter of the year ending March 31, 2025 (consolidated)	Increase (decrease) from the first quarter of the previous fiscal year	Increase (decrease) (%)	Cumulative first quarter of the year ending March 31, 2025 (consolidated)	Increase (decrease) from the first quarter of the previous fiscal year	Increase (decrease) (%)
Processed Foods Business Division	102,716	(827)	(0.8)	2,489	1,699	215.1
Fresh Meats Business Division	205,414	11,489	5.9	7,609	(2,634)	(25.7)
Overseas Business Division	79,840	4,609	6.1	2,494	2,748	—
Ballpark Business	9,574	852	9.8	3,168	610	23.8

(Processed Foods Business Division)

Net sales decreased by 0.8% from the same period of the previous fiscal year to ¥102,716 million due to strategic product consolidation, including a review of low-profit products as part of structural reform, despite strong sales of the main product "SCHAU ESSEN" and extracts/primary processed items. Business profit increased by 215.1% from the same period of the previous fiscal year to ¥2,489 million due to improved product mix in hams and sausages as well as progress in production optimization.

(Fresh Meats Business Division)

Net sales increased by 5.9% from the same period of the previous fiscal year to ¥205,414 million due to growth in volume and higher unit prices of domestically produced pork to mass retailers, as well as strong sales of imported beef and pork in restaurant channels. Business profit decreased by 25.7% to ¥7,609 million due to higher feed prices and other costs in the domestic production division and a temporary delay in passing on higher prices in the sales division in response to sharply higher market prices.

(Overseas Business Division)

Net sales increased by 6.1% from the same period of the previous fiscal year to ¥79,840 million, due to firm sales prices in the chicken business in Turkey and increased sales volume in the processed foods in the Americas. Business profit amounted to ¥2,494 million (business loss of ¥254 million for the same period of the previous fiscal year), mainly due to an increase in sales volume of processed products in Australia and progress in securing profits.

(Ballpark Business)

Net sales increased by 9.8% from the same period of the previous fiscal year to ¥9,574 million and business profit increased by 23.8% from the same period of the previous fiscal year to ¥3,168 million, as a result of the number of visitors remained strong due to the implementation of various plans on game days and the strengthening of the team, and food and beverage revenues increased due to the expansion of new areas and food-based events.

(2) Explanation on the Financial Position

<Financial position>

Total assets at the end of the first quarter of the fiscal year increased by 4.2% from the end of the previous fiscal year to ¥998,565 million. Current assets increased by 10.3% from the end of the previous fiscal year to ¥467,071 million as cash and cash equivalents increased by 24.6% to ¥81,557 million and inventories increased by 16.3% to ¥164,448 million because of an increase in stocks of fresh meats, especially imported beef and pork, while trade and other receivables decreased by 1.3% to ¥162,815 million. Non-current assets decreased by 0.6% from the end of the previous fiscal year to ¥531,494 million mainly because deferred tax assets decreased by 5.9% to ¥26,402 million, while intangible assets and goodwill increased by 4.4% to ¥26,952 million.

Total liabilities increased by 7.0% from the end of the previous fiscal year to ¥448,276 million mainly because interest-bearing liabilities increased by 11.4% to ¥239,410 million due to an increase in borrowings prepared for current capital needs, although other financial liabilities decreased by 24.7% to ¥12,158 million.

Total equity attributable to owners of the parent increased by 1.9% from the end of the previous fiscal year to ¥537,722 million mainly because ¥13,048 million increase due to profit and ¥8,189 million increase relating to exchange differences on translation of foreign operations due to the weakening of the yen, although ¥12,217 million decrease due to cash dividends.

As a result, the equity ratio of owners of the parent decreased by 1.2 percentage points from the end of previous fiscal year to 53.8%.

<Cash flows>

With regard to operating activities, profit before tax amounted to ¥19,805 million, depreciation and amortization expenses amounted to ¥10,126 million and the increase in trade and other payables amounted to ¥6,118 million, while the increase in inventories amounted to ¥21,731 million. As a result, net cash provided by operating activities amounted to ¥8,505 million.

With regard to investing activities, acquisition of fixed assets amounted to ¥9,034 million. As a result, net cash used in investing activities amounted to ¥4,742 million.

With regard to financing activities, the increase in short-term bank loans amounted to ¥4,680 million and proceeds from debt amounted to ¥19,971 million, while cash dividends amounted to ¥12,299 million. As a result, net cash provided by financing activities amounted to ¥9,155 million.

As a result, cash and cash equivalents at the end of the first quarter of the fiscal year increased by ¥16,092 million from the end of the previous fiscal year to ¥81,557 million.

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

In consideration of the recent developments of its business results, the Company has adjusted the forecast of consolidated business results for the cumulative second quarter period ending March 31, 2025 announced on May 10, 2024 in “Brief Statement of Accounts for the Year Ended March 31, 2024” as described below.

- Adjustment to the forecast of consolidated business results for the cumulative second quarter of the year ending March 31, 2025 (April 1, 2024 through September 30, 2024):

	Net sales	Business profit	Profit before tax	Profit attributable to owners of the parent	Earnings per share (basic) (yen)
Previous forecast (A)	670,000	24,000	22,000	13,000	126.60
Adjusted forecast (B)	670,000	26,000	24,000	14,000	136.34
Amount of increase or decrease (B)–(A)	0	2,000	2,000	1,000	
Rate of increase or decrease (%)	0.0%	8.3%	9.1%	7.7%	
(For reference) Actual results for the cumulative second quarter of the previous year (April 1, 2023 through September 30, 2023)	652,122	24,963	31,605	19,984	194.88

The Company does not change the forecast of consolidated business results for the whole-year period ending March 31, 2025.

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, 2024 (as of March 31, 2024)	First quarter of the year ending March 31, 2025 (as of June 30, 2024)
(Assets)		
Current Assets		
Cash and cash equivalents	65,465	81,557
Trade and other receivables	165,022	162,815
Inventories	141,429	164,448
Biological assets	25,420	31,855
Other financial assets	5,711	8,877
Other current assets	20,318	17,424
Assets held for sale	65	95
Total Current Assets	423,430	467,071
Non-current Assets		
Property, plant and equipment	375,211	374,893
Right-of-use assets	44,814	43,782
Biological assets	1,531	1,672
Intangible assets and goodwill	25,822	26,952
Investments accounted for using the equity method	9,835	10,045
Other financial assets	30,019	29,681
Deferred tax assets	28,072	26,402
Other non-current assets	19,503	18,067
Total Non-current Assets	534,807	531,494
Total Assets	958,237	998,565
(Liabilities and Equity)		
Current Liabilities		
Interest-bearing liabilities	59,247	93,139
Trade and other payables	116,773	123,699
Income taxes payable	7,143	4,664
Other financial liabilities	14,964	10,977
Other current liabilities	48,705	52,655
Total Current Liabilities	246,832	285,134
Non-current Liabilities		
Interest-bearing liabilities	155,605	146,271
Retirement benefit liabilities	12,491	12,660
Other financial liabilities	1,184	1,181
Deferred tax liabilities	874	1,010
Other non-current liabilities	2,049	2,020
Total Non-current Liabilities	172,203	163,142
Total Liabilities	419,035	448,276

(millions of yen)

	Year ended March 31, 2024 (as of March 31, 2024)	First quarter of the year ending March 31, 2025 (as of June 30, 2024)
Equity		
Common stock	36,294	36,294
Capital surplus	71,110	71,141
Retained earnings	390,305	391,527
Treasury stock, at cost	(1,403)	(1,238)
Accumulated other comprehensive income	31,197	39,998
Total Equity Attributable to Owners of the Parent	527,503	537,722
Non-controlling Interests	11,699	12,567
Total Equity	539,202	550,289
Total Liabilities and Equity	958,237	998,565

(Note) Breakdown of accumulated other comprehensive income

	Year ended March 31, 2024	First quarter of the year ending March 31, 2025
Financial assets measured at fair value through other comprehensive income	8,817	9,429
Exchange differences on translation of foreign operations	22,380	30,569

(2) Condensed Consolidated Statements of Income

(millions of yen)

	Cumulative first quarter of the year ended March 31, 2024 (consolidated) (April 1, 2023 through June 30,2023)	Cumulative first quarter of the year ending March 31, 2025 (consolidated) (April 1, 2024 through June 30, 2024)
Net Sales	322,175	338,050
Cost of Goods Sold	267,666	279,270
Selling, General and Administrative Expenses	41,557	45,015
Other Income	9,119	10,382
Other Expenses	4,439	5,048
Financial Income	1,630	1,511
Financial Costs	524	642
Share of Profit (loss) in Investments Accounted for Using the Equity Method	47	(163)
Profit before Tax	18,785	19,805
Income Tax Expense	5,763	5,931
Profit from Continuing Operations	13,022	13,874
Loss from Discontinued Operations	(536)	—
Profit	12,486	13,874
Profit Attributable to:		
Owners of the Parent		
Continuing Operations	12,285	13,048
Discontinued Operations	(536)	—
Total	11,749	13,048
Non-controlling Interests		
Continuing Operations	737	826
Discontinued Operations	—	—
Total	737	826
Profit	12,486	13,874

Earnings per Share		
Earnings per share (basic)	114.60 yen	127.09 yen
Continuing Operations	119.83 yen	127.09 yen
Discontinued Operations	(5.23) yen	— yen

(Note) Diluted earnings per share is not presented as no potential shares with dilutive effect existed.

(3) Condensed Consolidated Statements of Comprehensive Income

(millions of yen)

	Cumulative first quarter of the year ended March 31, 2024 (consolidated) (April 1, 2023 through June 30, 2023)	Cumulative first quarter of the year ending March 31, 2025 (consolidated) (April 1, 2024 through June 30, 2024)
Profit	12,486	13,874
Other Comprehensive Income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit plans	(8)	(4)
Financial assets measured at fair value through other comprehensive income	547	994
Share of other comprehensive income of investments accounted for using the equity method	(56)	13
Total	483	1,003
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	5,368	7,796
Share of other comprehensive income of investments accounted for using the equity method	671	517
Total	6,039	8,313
Total Other Comprehensive Income	6,522	9,316
Comprehensive Income	19,008	23,190
Comprehensive Income Attributable to:		
Owners of the Parent	18,136	22,240
Non-controlling Interests	872	950
Comprehensive Income	19,008	23,190

(4) Condensed Consolidated Statements of Changes in Equity

Consolidated cumulative first quarter of the year ended March 31, 2024 (April 1, 2023 through June 30, 2023)

(millions of yen)

	Equity attributable to owners of the parent									Total	Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income				Accumulated other comprehensive income of disposal groups classified as held for sale			
					Remeasurement 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, 2023	36,294	71,095	369,389	(2,057)	—	6,469	10,724	17,193	999	492,913	9,868	502,781
Profit			11,749					—		11,749	737	12,486
Other comprehensive income					(8)	489	5,569	6,050	337	6,387	135	6,522
Comprehensive income	—	—	11,749	—	(8)	489	5,569	6,050	337	18,136	872	19,008
Dividends			(11,275)					—		(11,275)	(37)	(11,312)
Acquisition of treasury stock				(1)				—		(1)		(1)
Disposal of treasury stock		(13)		117				—		104		104
Share-based payment transactions		12						—		12		12
Sales of subsidiary								—		—	323	323
Transfer of accumulated other comprehensive income to retained earnings			(8)		8			8		—		—
Total transactions with owners	—	(1)	(11,283)	116	8	—	—	8	—	(11,160)	286	(10,874)
Balance as of June 30, 2023	36,294	71,094	369,855	(1,941)	—	6,958	16,293	23,251	1,336	499,889	11,026	510,915

Consolidated cumulative first quarter of the year ending March 31, 2025 (April 1, 2024
through June 30, 2024)

(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		
					Remeasurement 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, 2024	36,294	71,110	390,305	(1,403)	—	8,817	22,380	31,197	527,503	11,699	539,202
Profit			13,048					—	13,048	826	13,874
Other comprehensive income					(4)	1,007	8,189	9,192	9,192	124	9,316
Comprehensive income	—	—	13,048	—	(4)	1,007	8,189	9,192	22,240	950	23,190
Dividends			(12,217)					—	(12,217)	(82)	(12,299)
Acquisition of treasury stock				(1)				—	(1)		(1)
Disposal of treasury stock		10		166				—	176		176
Share-based payment transactions		21						—	21		21
Transfer of accumulated other comprehensive income to retained earnings			391		4	(395)		(391)	—		—
Total transactions with owners	—	31	(11,826)	165	4	(395)	—	(391)	(12,021)	(82)	(12,103)
Balance as of June 30, 2024	36,294	71,141	391,527	(1,238)	—	9,429	30,569	39,998	537,722	12,567	550,289

(5) Condensed Consolidated Statements of Cash Flows

(millions of yen)

	Cumulative first quarter of the year ended March 31, 2024 (April 1, 2023 through June 30, 2023)	Cumulative first quarter of the year ending March 31, 2025 (April 1, 2024 through June 30, 2024)
Cash Flows from Operating Activities		
Profit before tax	18,785	19,805
Loss before tax from discontinued operations	(746)	—
Depreciation and amortization expense	9,786	10,126
Impairment losses (reversal of impairment losses)	292	11
Decrease (increase) in fair value of biological assets	(1,374)	(3,294)
Financial income and costs	(1,036)	(869)
Loss (gain) on sales of business	44	—
Decrease (increase) in trade and other receivables	9,793	3,096
Decrease (increase) in inventories	(7,985)	(21,731)
Decrease (increase) in biological assets	883	(1,817)
Decrease (increase) in other assets	2,295	4,308
Increase (decrease) in trade and other payables	7,147	6,118
Increase (decrease) in other liabilities	2,826	3,510
Others—net	(3,440)	(4,710)
Interest received	525	592
Dividends received	945	478
Interest paid	(468)	(389)
Income tax paid	(1,995)	(6,729)
Cash Flows from Operating Activities	36,277	8,505
Cash Flows from Investing Activities		
Acquisition of fixed assets	(11,184)	(9,034)
Proceeds from sales of fixed assets	104	246
Decrease (increase) in time deposits	(159)	(62)
Acquisition of other financial assets	(16)	(57)
Sale and redemption of other financial assets	0	1,859
Proceeds from government grants	2,425	2,471
Payments for sales of business	(974)	—
Others—net	(345)	(165)
Cash Flows from Investing Activities	(10,149)	(4,742)
Cash Flows from Financing Activities		
Cash dividends	(11,312)	(12,299)
Increase (decrease) in short-term bank loans	(32,684)	4,680
Proceeds from debt	31,080	19,971
Repayments of debt	(7,276)	(3,286)
Acquisition of treasury stock	(1)	(1)
Proceeds from sales of treasury stock	89	90
Cash Flows from Financing Activities	(20,104)	9,155
Effect of Exchange Rate Changes on Cash and Cash Equivalents	3,735	2,815
Hyperinflation Adjustment	146	359
Increase (decrease) in Cash and Cash Equivalents Included in Assets Held for Sale	96	—
Net Increase (Decrease) in Cash and Cash Equivalents	10,001	16,092
Cash and Cash Equivalents at the Beginning of the Period	64,986	65,465
Cash and Cash Equivalents at the End of the Period	74,987	81,557

(6) Note on the Premises of a Going Concern

Not applicable.

(7) Significant Matters Forming the Basis for Preparing Condensed Consolidated Financial Statements

The condensed quarterly consolidated financial statements have been prepared in accordance with Article 5, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange, Inc. However, some disclosures in IAS 34 "Interim Financial Reporting" have been omitted in accordance with Article 5, Paragraph 5 of the Standards for the Preparation of Quarterly Financial Statements, etc.

(8) Notes to Condensed Consolidated Financial Statements

1. Segment information

Information regarding the reportable segments

The Group categorizes the business according to the nature of products and services as well as the geographical areas where it sells products or provides services, by which the Group manages its operations.

The Company has independently disclosed the Ballpark Business, which was previously included in the "Others" from the first quarter of the fiscal year under review in consideration of its increased importance.

Accordingly, reportable segments have been changed to the following four business groups, and figures for the cumulative first quarter of the year ended March 31, 2024 have been reclassified based on the new reportable segment information.

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 and fresh meats at overseas subsidiaries and associates
Ballpark Business	—	Mainly professional baseball-related entertainment, stadium operations, and overall ballpark management

From the first quarter of the fiscal year under review, the Company has reviewed the method of adjusting foreign exchange gains and losses, etc., to more appropriately reflect the performance of its reportable segments and has changed the method of calculating profit or loss by business segment. If business segment information for the cumulative first quarter of the year ended March 31, 2024 had been prepared using the calculation method after the change,

segment profit of the Fresh Meats Business Division would have increased by 649 million yen and segment profit of the Processed Foods Business Division would have decreased by 61 million yen.

In addition, the Company has classified the beef business relating to Breeders & Packers Uruguay S.A. (“BPU”) as discontinued operations from the year ended March 31, 2023. However, the Overseas Business Division in the reportable segments includes beef business that has been classified as discontinued operation.

The Group consists of 64 subsidiaries and 6 associates and joint ventures.

For the consolidated cumulative first quarter of the year ended March 31, 2024 (April 1, 2023 through June 30, 2023):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Ballpark Business	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	96,644	177,762	45,944	7,902	328,252	89	328,341	(6,166)	322,175
Intersegment sales	6,899	16,163	29,287	820	53,169	(53,169)	—	—	—
Total	103,543	193,925	75,231	8,722	381,421	(53,080)	328,341	(6,166)	322,175
Segment profit (loss)	790	10,243	(254)	2,558	13,337	(1,197)	12,140	625	12,765

For the consolidated cumulative first quarter of the year ending March 31, 2025 (April 1, 2024 through June 30, 2024):

(millions of yen)

	Processed Foods Business Division	Fresh Meats Business Division	Overseas Business Division	Ballpark Business	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	95,639	188,669	44,864	8,725	337,897	153	338,050	—	338,050
Intersegment sales	7,077	16,745	34,976	849	59,647	(59,647)	—	—	—
Total	102,716	205,414	79,840	9,574	397,544	(59,494)	338,050	—	338,050
Segment profit	2,489	7,609	2,494	3,168	15,760	(1,198)	14,562	—	14,562

- (Notes) 1. “Eliminations, adjustments and others” includes unallocated items and intersegment eliminations.
2. 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.
3. “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 Accounting Standards and non-recurring items.
4. Net sales, profit and loss, and other data relating to BPU, which are included in the results for the Overseas Business Division have been reclassified to “Transfer to discontinued operations.”

2. Note on discontinued operations

1) Overview of discontinued operations

The Company, at the meeting of its Board of Directors held on January 31, 2023, determined to transfer all of its shares of its consolidated subsidiary, BPU, to Minerva S.A., and the share transfer was completed on August 31, 2023.

As a result, the beef business relating to BPU has been reclassified as discontinued operations from the fourth quarter of the year ended March 31, 2023.

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

Name of the subsidiary	Breeders & Packers Uruguay S.A.
Nature of business	Meat processing and sales (beef)
Applicable segment	Overseas Business Division

3) Number of shares sold and percentage of ownership after the sale

Numbers of shares owned before the sale	1,797,343,133 shares (Number of voting rights: 1,797,343,133) (Percentage of voting rights held: 100.0%)
Number of shares sold	1,797,343,133 shares (Number of voting rights: 1,797,343,133)
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 first quarter of the year ended March 31, 2024 (consolidated) (April 1, 2023 through June 30, 2023)	Cumulative first quarter of the year ending March 31, 2025 (consolidated) (April 1, 2024 through June 30, 2024)
Net sales	6,166	—
Loss recognized on the measurement to fair value less costs to sell of a disposal group constituting the discontinued operation	(219)	—
Other profit (loss)	(6,693)	—
Loss before tax from discontinued operations	(746)	—
Income tax expense	210	—
Loss from discontinued operations	(536)	—