

Business Results for the First Quarter of FY2025/3(abridged version) (1)

*Due to rounding, numbers may not match totals

[FY2025/3 2Q Results and Full year Forecasts]

(¥ million)

	FY2024/3		FY2025/3							
	2Q Results	1st half Results	2Q Results	1st half Results	Variance	Variance(%)	Full Year Forecasts as of 1Q	Full Year Forecasts as of 2Q	Variance	
Net Sales	329,947	652,122	345,814	683,864	31,742	4.9	1,340,000	1,340,000	0	
Processed Foods Business Division	107,395	210,938	105,914	208,630	(2,308)	(1.1)	419,000	419,000	0	
Fresh Meats Business Division	192,143	386,068	203,842	409,256	23,188	6.0	800,000	800,000	0	
Overseas Business Division	74,969	150,200	81,765	161,605	11,405	7.6	340,000	340,000	0	
Ballpark Business	9,736	18,458	10,033	19,607	1,149	6.2	25,000	25,000	0	
Eliminations and adjustments	(49,839)	(102,919)	(55,740)	(115,234)	(12,315)	-	(244,000)	(244,000)	0	
(Continuing operations)	(4,457)	(10,623)	-	-	-	-	-	-	-	
Business Profit	12,823	24,963	12,530	27,092	2,129	8.5	48,000	48,000	0	
Processed Foods Business Division	2,116	2,906	2,228	4,717	1,811	62.3	10,500	10,500	0	
Fresh Meats Business Division	6,786	17,029	6,269	13,878	(3,151)	(18.5)	34,000	33,000	(1,000)	
Overseas Business Division	459	205	1,718	4,212	4,007	1,954.6	7,000	7,000	0	
(Continuing operations)	762	1,133	1,718	4,212	3,079	271.8	7,000	7,000	0	
Ballpark Business	3,911	6,469	3,865	7,033	564	8.7	2,600	3,000	400	
Eliminations and adjustments	(449)	(1,646)	(1,550)	(2,748)	(1,102)	-	(6,100)	(5,500)	600	
Income before income tax	12,820	31,605	9,067	28,872	(2,733)	(8.6)	40,000	40,000	0	
Income tax expense	4,063	9,826	3,210	9,141	(685)	(7.0)	12,000	12,000	0	
Profit attributable owners of parent	8,235	19,984	4,816	17,864	(2,120)	(10.6)	27,000	27,000	0	

[Segment Results and Factor analysis of changes in business profit]
[Processed Foods Business Division]

	Variance from previous year		Variance from plan				
	1st half Forecasts as of 1Q	1st half Results	2nd half Forecasts as of 2Q	Full Year Forecasts as of 2Q	Full Year Forecasts as of 2Q	Variance	
Business Profit	4.2	4.7	5.8	10.5	10.5	0.0	Main factors behind variance from forecast (2Q)
Factor analysis							
Hams and sausages, deli and processed foods	0.8	0.8	(0.0)	0.7	0.8	0.1	
<Volume factors>	(3.4)	(3.8)	(3.8)	(7.5)	(7.5)	(0.1)	Profits are expected to be maintained through increased promotional activity aimed at a recovery, despite the review of low-profit products and the expected decline in the sales of deli products for both consumer and commercial use.
<Unit price factors>	3.6	2.8	3.3	7.9	6.1	(1.8)	-
(Product mix)	3.4	2.4	5.6	9.4	8.0	(1.4)	A decline in core deli products
(External environment total)	0.2	0.4	(2.3)	(1.4)	(1.9)	(0.5)	-
(Principal raw material prices)	(0.7)	(0.6)	(2.8)	(2.7)	(3.3)	(0.6)	A sharp rise in pork raw material costs
(Other materials)	0.8	1.0	0.5	1.3	1.4	0.2	Decline sheep intestine prices
<Total gross profit>	0.2	(1.0)	(0.5)	0.5	(1.4)	(1.9)	-
<Other costs>	0.6	1.8	0.4	0.2	2.2	2.0	Further improvements are expected through the optimization of manufacturing including labor expense and SG&A expenses driven by product policy revisions.
Dairy/marine products and extract/primary processing	0.9	1.0	(1.1)	0.0	(0.1)	(0.1)	Further improvements are expected through the optimization of manufacturing including labor expense and SG&A expenses driven by product policy revisions.
Others (Adjustments etc.)	(0.4)	0.0	0.0	0.1	0.1	0.0	-
Total	1.3	1.8	(1.0)	0.8	0.8	0.0	-

[Fresh Meats Business Division]

	Variance from previous year		Variance from plan				
	1st half Forecasts as of 1Q	1st half Results	2nd half Forecasts as of 2Q	Full Year Forecasts as of 2Q	Full Year Forecasts as of 2Q	Variance	
Business Profit	14.0	13.9	19.1	34.0	33.0	(1.0)	Main factors behind variance from forecast (2Q)
Factor analysis							
Domestic beef/pork business	(0.7)	(0.0)	1.0	0.5	1.0	0.5	Secured profit with improved feed prices and increased carcass weights
Domestic chicken business	(3.3)	(3.5)	2.2	(1.9)	(1.4)	0.5	Improved feed prices in particular
Imported fresh meats business	1.1	0.8	(1.5)	0.9	(0.7)	(1.5)	We expect the sales environment to turnaround from 4Q onward, but project a decline in profit in 3Q due to a deteriorating demand-supply
Food sales	(0.1)	(0.5)	0.5	0.5	0.0	(0.5)	In the first half we were impacted by delays in passing on sharply rising imported fresh meat purchase costs to prices as well as rising expenses, but in the second half we will make progress in passing on to prices and expect to secure profit on par with the record levels achieved in the previous year
Others (Adjustments etc.)	0.1	0.2	(0.2)	(0.1)	0.0	0.1	-
Total	(3.0)	(3.2)	2.1	0.0	(1.0)	(1.0)	-

[Overseas Business Division]

	Variance from previous year		Variance from plan				
	1st half Forecasts as of 1Q	1st half Results	2nd half Forecasts as of 2Q	Full Year Forecasts as of 2Q	Full Year Forecasts as of 2Q	Variance	
Business Profit	4.4	4.2	2.8	7.0	7.0	0.0	Main factors behind variance from forecast (2Q)
Factor analysis							
Australia	2.7	2.8	1.9	4.6	4.7	0.0	In line with the plan
Americas	0.5	0.3	(0.5)	0.0	(0.2)	(0.2)	Increased expenses from promotional activities aimed at expanding volume
Asia & Europe	0.9	0.8	(0.8)	(0.2)	0.0	0.2	Rising expenses in the sale of chicken in Turkey are expected in the second half, but we will ensure profit by passing on the higher expenses through sales prices
Others	0.1	0.1	0.0	0.1	0.0	0.0	-
Total	4.2	4.0	0.5	4.5	4.5	0.0	-

Business Results for the First Quarter of FY2025/3(abbreviated version) (2)
(Breakdown of overseas Business Division)

(¥ million)

		FY2024/3 Results		FY2025/3						
		1st Half Results	Net sales (%)	1st Half Results	1st Half Net sales(%)	Variance	Variance (%)	Full Year initial forecasts	Full Year 2Q forecasts	Variance
Overseas Business Division	Net sales	150,200	-	161,605	-	11,405	7.6	34,000	34,000	0
	External Customer Net Sales	92,018	61.3	94,156	58.3	2,138	2.3	-	-	-
	Intersegment	58,182	38.7	67,449	41.7	9,267	15.9	-	-	-
	Business Profit	205	-	4,212	-	4,007	-	7,000	7,000	0
Australia		63,170	-	63,761	-	591	0.9	-	-	-
	External Customer Net Sales	58,614	92.8	55,762	87.5	(2,852)	(4.9)	-	-	-
	Intersegment	4,556	7.2	7,999	12.5	3,443	75.6	-	-	-
	Business Profit	(791)	-	1,975	-	2,766	-	4,100	4,100	0
Americas		60,649	-	66,724	-	6,075	10.0	-	-	-
	External Customer Net Sales	17,428	28.7	19,959	29.9	2,531	14.5	-	-	-
	Intersegment	43,221	71.3	46,765	70.1	3,544	8.2	-	-	-
	Business Profit	1,047	-	1,383	-	336	32.1	2,400	2,200	(200)
Asia & Europe		26,855	-	32,094	-	5,239	19.5	-	-	-
	External Customer Net Sales	15,976	59.5	18,436	57.4	2,460	15.4	-	-	-
	Intersegment	10,879	40.5	13,658	42.6	2,779	25.5	-	-	-
	Business Profit	472	-	1,308	-	836	177.1	1,400	1,600	(200)

(Breakdown of Sales Results by products)

(¥ million)

	FY2024/3	FY2025/3						
	1st Half Results	1st Half Results	Variance	Variance(%)	Volume variance(%)	1st Half Forecasts as of 1Q	1st Half Forecasts as of 2Q	Variance
Hams and sausages	64,980	62,940	(2,040)	(3.1)	(8.8)	136,000	126,500	(9,500)
Processed foods	118,384	120,237	1,853	1.6	(3.4)	246,000	242,000	(4,000)
Fresh meats	410,231	440,311	30,080	7.3	4.6	851,000	867,500	16,500
Beef	163,818	180,118	16,300	10.0	3.0	330,000	350,000	20,000
Pork	129,708	142,572	12,864	9.9	1.3	274,000	283,500	9,500
Chicken	106,982	112,033	5,051	4.7	9.3	232,000	224,000	(8,000)
Other fresh meats	9,723	5,588	(4,135)	(42.5)	(34.2)	15,000	10,000	(5,000)
Dairy products	19,657	21,272	1,615	8.2	0.9	40,000	40,000	0
Others	38,870	39,104	234	0.6	-	67,000	64,000	(3,000)
Total	652,122	683,864	31,742	4.9	-	1,340,000	1,340,000	0

From the 1st half of this fiscal year we have revised product categories in the breakdown of revenue. The revenue breakdown for the previous fiscal year has not been re-arranged to match the categories shown in the 1st half of this fiscal year.

(Balance Sheets)

(¥ million)

	End of FY2023/3	End of FY2024/3	FY2025/3 1st Half	Variance(%)	Variance
Cash and cash equivalents	64,986	65,465	71,213	8.8	5,748
Trade and other receivables	146,660	165,022	141,931	(14.0)	(23,091)
Inventories	141,930	141,429	162,744	15.1	21,315
Biological assets	27,984	25,420	30,539	20.1	5,119
Other current assets	46,458	26,094	22,309	(14.5)	△ 3,785
Total current assets	428,018	423,430	428,736	1.3	5,306
Property, plant and equipment	364,381	375,211	371,479	(1.0)	△ 3,732
Right-of-use assets	40,898	44,814	42,578	(5.0)	△ 2,236
Biological assets	1,517	1,531	1,720	12.3	189
Others	102,341	113,251	112,598	(0.6)	△ 653
Total Non-current Assets	509,137	534,807	528,375	(1.2)	△ 6,432
Total Assets	937,155	958,237	957,111	(0.1)	△ 1,126
Interest-bearing liabilities	102,199	59,247	108,073	82.4	48,826
Trade and other payables	106,027	116,773	108,973	(6.7)	△ 7,800
Others	70,310	70,812	57,264	(19.1)	△ 13,548
Total Current liabilities	278,536	246,832	274,310	11.1	27,478
Interest-bearing liabilities	139,856	155,605	128,026	(17.7)	△ 27,579
Other	15,982	16,598	16,731	0.8	133
Non-current liabilities	155,838	172,203	144,757	(15.9)	△ 27,446
Total Equity Attributable to Owners	492,913	527,503	524,587	(0.6)	△ 2,916
Non-controlling Interests	9,868	11,699	13,457	15.0	1,758
Total Equity	502,781	539,202	538,044	(0.2)	△ 1,158
Total Liabilities and Equity	937,155	958,237	957,111	(0.1)	△ 1,126

(Statements of Cash Flows)

(¥ million)

	1st Half of FY2023/3	1st Half of FY2024/3	1st Half of FY2025/3
Profit before tax	23,600	31,605	28,872
Depreciation and amortization	18,846	19,684	20,392
Increase (decrease) in receivables	(11,153)	(12,231)	22,750
Increase (decrease) in inventories	(37,644)	(155)	(21,841)
Increase (decrease) in biological assets	817	3,140	(2,216)
Increase (decrease) in trade payables	11,839	10,548	(7,342)
Others	(19,659)	(6,279)	(18,241)
Cash flows from operating activities	(13,354)	46,312	22,374
Acquisition of fixed assets, proceeds from sales of fixed	(35,795)	(20,647)	(19,538)
Others	9,250	(299)	3,794
Cash flows from investing activities	(26,545)	(20,946)	(15,744)
Cash flows from financing activities	11,938	(19,518)	64

(Capital expenditures, depreciation and amortization)

(¥ million)

	FY2024/3	FY2025/3			FY2025/3	
	1st Half Results	1st Half Results	Variance	Variance(%)	Full Year forecasts as of Full Year initial forecasts	
Capital expenditures	15,406	15,849	443	2.9	58,000	63,000
Processed Foods Business Division	3,631	2,378	(1,253)	(34.5)	12,800	12,700
Fresh Meats Business Division	6,693	5,841	(852)	(12.7)	16,100	20,700
Overseas Business Division	2,954	2,570	(384)	(13.0)	7,500	7,400
Ballpar and other Business	566	1,358	792	139.9	2,900	2,100
Eliminations and adjustments	1,562	3,702	2,140	137.0	18,700	20,100
Depreciation and amortization	13,258	13,782	524	4.0	29,000	29,000

*Excluding capital expenditures and depreciation related to right-of-use assets