

Minutes of the Web Conference for the Second Quarter of the Fiscal Year Ending March 31, 2025
(Main Q&As)

Date & Time: November 1, 2024 (Friday) 17:30-18:30

Q1. What is our business profit forecast for the FY25/3?

A1. We expect full-year business profit to be ¥48 billion as planned. There is potential for an upward revision due to strong sales of *Schau Essen* and further growth in the Australian beef business, as well as a recovery in domestic chicken.

Q2. What is the plan for Processed Foods Business Division for the current fiscal year?

A2. We expect full-year business profit to be ¥10.5 billion. In the first half, profitability improved due to price revisions, product mix improvements, and the progress of an optimal production system. In the second half, we aim to secure profits by further improving the product mix, launching new products, and strengthening promotional activities, while also aiming for a recovery in the volume of Deli products.

Q3. What is the plan for Fresh Meats Business Division for the current fiscal year?

A3. We have revised the full-year business profit forecast to ¥33 billion. In the first half, we were affected by lower market prices for domestic chicken compared to last year and high costs. In the second half, we will proceed with inventory replacement due to a temporary supply-demand imbalance caused by delays in imported meat shipments and exchange rate fluctuations, which worsened our inventory position. Although we expect sales losses in Q3, we anticipate improvement from Q4 onwards.

Q4. What is the plan for Overseas Business Division for the current fiscal year?

A4. We expect full-year business profit to be ¥7 billion. In Q2, there were increases in raw material prices for processed chicken products in the Americas and a decline in manufacturing yield, but overall, it progressed as planned. In the second half, we expect the Australian beef business to progress as planned, and we anticipate securing overall profits.

Q5. What is our business profit forecast for the FY26/3?

A5. We expect to achieve the planned business profit of ¥54 billion for the next fiscal year. In Processed Foods Business Division, we anticipate growth in core products centered on *Schau Essen* and the effects of structural reforms. In Fresh Meats Business Division, we will secure profits through the recovery of domestic chicken and imported meat, deepening channel-specific strategies, and the expansion of sales of branded meat and processed products. In Overseas Business Division, we will continue to expand sales of Australian beef and processed products in Americas.