

# FY 2025 3Q



## Business Results

for the Third Quarter of FY2025/3

**NH Foods Ltd.** January 31, 2025



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\* The Company has adopted International Financial Reporting Standards ("IFRS Accounting Standards").

\* "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.

\* Due to rounding, numbers may not match totals.

\* The beef business related to Breeders & Packers Uruguay S.A. (BPU) in the previous fiscal year is classified as discontinued operations.

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# 04 Summary of FY2025/3 3Q Financial Results (1)

## FY2025/3 1Q-3Q Results

Growth of the Processed Foods Business and the Ballpark Business exceeded expectations. In the Processed Foods Business, structural reforms are yielding positive results and in the Ballpark Business bolstered by strong visitor numbers. However, profits declined due to the worsening supply-demand balance of soaring imported fresh meat, increased raw material procurement costs for processed products in North America, and irregular weather conditions in Australia.

### Net sales

**¥1,055.0** billion  
(+5.7% year-on-year)

(Fresh meats business) Increases in unit prices and sales volume of fresh meats  
(Overseas business) Increases in sales of Australian beef and processed foods in North America  
(Ballpark business) Steady visitor numbers

### Business profit

**¥40.0** billion  
(-3.7% year-on-year)

(Fresh meats business) A supply-demand balance of imported fresh meats  
(Overseas business) Increasing procurement costs for processed foods in North America  
Rising cattle prices due to bad weather in Australia

### Profit attributable to owners of parent

**¥29.2** billion  
(-1.2% year-on-year)

Decreases in foreign exchange gains and the share of profit (loss) in investments accounted for using the equity method

## FY2025/3 Full-year Outlook

We have revised upward our forecast for the Processed Foods Business due to the positive effects of structural reforms in processing. However, we have revised downward our forecasts for the Fresh Meats Business and the Overseas Business given higher-than-anticipated rises in feed prices and in cattle prices in Australia.

### Net sales

**¥1,370.0** billion  
(+5.1% year-on-year)

### Business profit

**¥45.0** billion  
(+0.1% year-on-year)

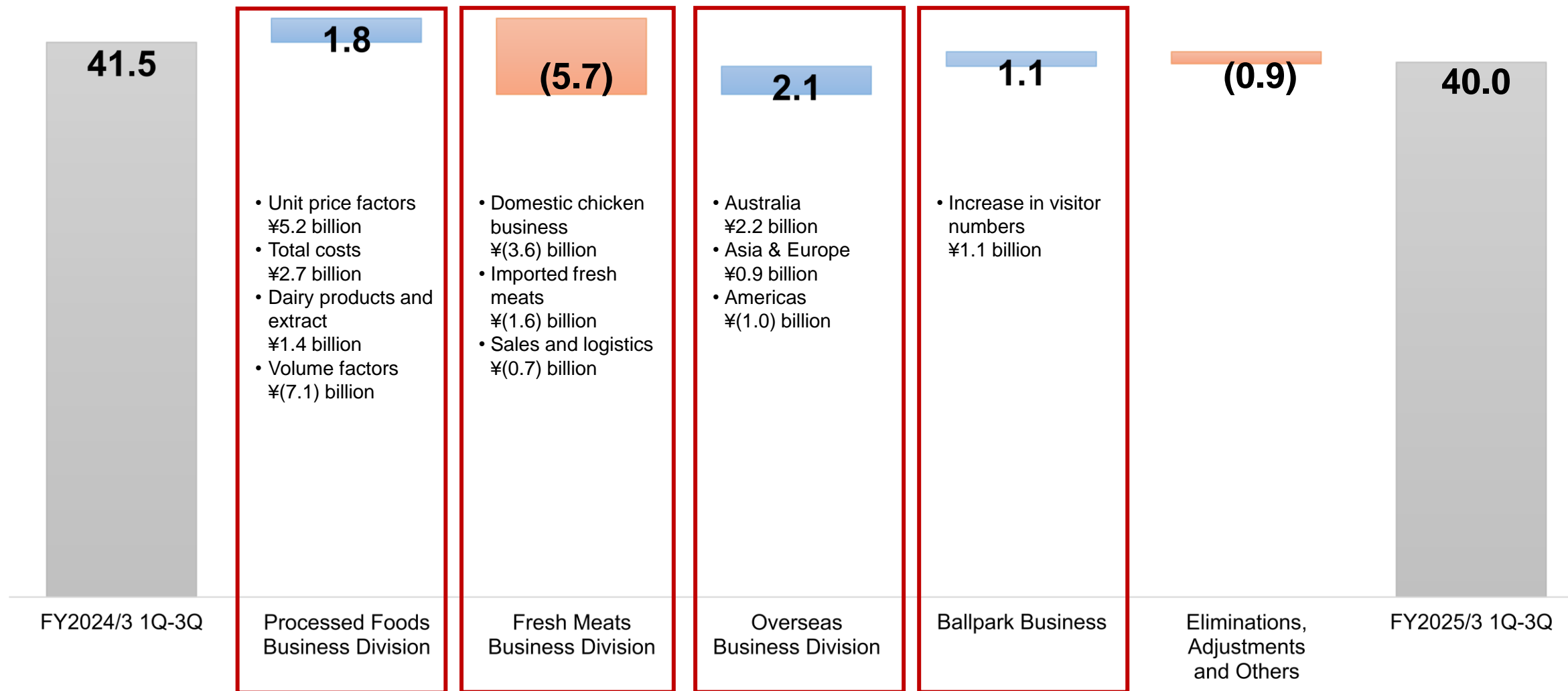
### Profit attributable to owners of the parent

**¥26.0** billion  
(-7.4% year-on-year)

# 05 Summary of FY2025/3 3Q Financial Results (2)

## Business Profit for FY2025/3 1Q-3Q

(¥ billion)



## 06 Financial Highlights (1) FY2025/3 1Q-3Q Results

(¥ billion)

	FY2025/3 1st half	FY2025/3 3Q	FY2025/3 1Q-3Q	Variance	Variance (%)
Net sales	683.9	371.2	<b>1,055.0</b>	57.1	5.7%
Business profit	27.1	12.9	<b>40.0</b>	(1.6)	(3.7%)
(of which Continuing operations)				(2.5)	(5.9%)
Business profit ratio	4.0%	3.5%	<b>3.8%</b>	(0.5%)	-
Profit before tax	28.9	14.4	<b>43.3</b>	(0.4)	(0.9%)
Profit attributable to owners of the parent	17.9	11.3	<b>29.2</b>	(0.4)	(1.2%)

# 07 Financial Highlights (2) Net Sales and Business Profit by Segment

## Net sales

(¥ billion)

	FY2025/3 1st half	FY2025/3 3Q	FY2025/3 1Q-3Q	Variance	Variance (%)
Processed Foods Business Division	208.6	115.9	<b>324.5</b>	(5.4)	(1.6%)
Fresh Meats Business Division	409.3	223.7	<b>632.9</b>	37.3	6.3%
Overseas Business Division	161.6	82.8	<b>244.4</b>	24.7	11.2%
Ballpark Business	19.6	4.3	<b>23.9</b>	2.5	11.4%
Eliminations, Adjustments and Others	(115.2)	(55.4)	<b>(170.6)</b>	(12.6)	-
Discontinued operations	-	-	-	10.6	-
<b>Consolidated</b>	<b>683.9</b>	<b>371.2</b>	<b>1,055.0</b>	<b>57.1</b>	<b>5.7%</b>

## Business profit

(¥ billion)

	FY2025/3 1st half	FY2025/3 3Q	FY2025/3 1Q-3Q	Variance	Variance (%)
Processed Foods Business Division	4.7	6.0	<b>10.7</b>	1.8	19.7%
Fresh Meats Business Division	13.9	8.8	<b>22.7</b>	(5.7)	(20.0%)
Overseas Business Division	4.2	0.1	<b>4.3</b>	2.1	98.6%
Ballpark Business	7.0	(1.2)	<b>5.8</b>	1.1	24.4%
Eliminations, Adjustments and Others	(2.7)	(0.7)	<b>(3.5)</b>	(0.9)	-
<b>Consolidated</b>	<b>27.1</b>	<b>12.9</b>	<b>40.0</b>	<b>(1.6)</b>	<b>(3.7%)</b>

# 08 Segment Data: Processed Foods Business Division (1)

(¥ billion)

	FY2025/3 1st half	FY2025/3 3Q	FY2025/3 1Q-3Q	Variance	Variance (%)
Net sales	208.6	<b>115.9</b>	<b>324.5</b>	(5.4)	(1.6%)
Business profit	4.7	<b>6.0</b>	<b>10.7</b>	1.8	19.7%
Business profit ratio	2.3%	<b>5.1%</b>	<b>3.3%</b>	0.6%	-

## Decrease in net sales

- Sales, primarily of low-profit products, declined due to strategic product consolidation.
- Sales of *Schau Essen*, chilled bakery, extracts, primary processed products, and dairy products remained strong.

## Increase in business profit

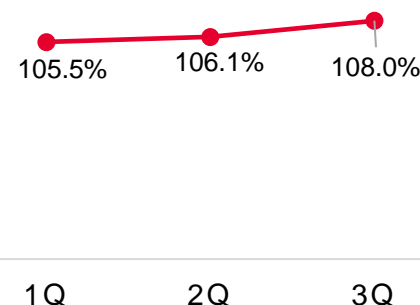
- The product mix improved due to increased sales from *Schau Essen* and the price revisions and reductions of low-profit products, including private brand products.
- We reduced production lines, which lead to a more optimized production system. Fixed costs improved, resulting in an increase in profitability.
- Profit increased due to increased sales of extracts, primary processed products, and dairy products.

## Sales performance by consumer product/channel for 1Q-3Q of FY2025/3 (YoY)

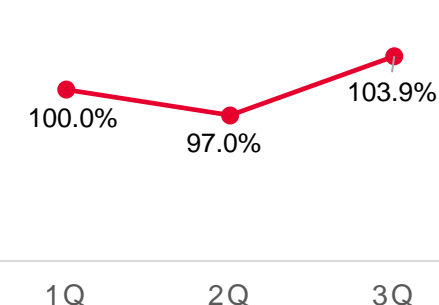
Ham and sausages	Volume	Amount
Wieners	-	100.7%
<i>Schau Essen</i> category	-	106.6%
Other wieners	-	89.3%
Loin hams, bacon	-	72.0%
Consumer	89.0%	95.7%
Commercial-use	95.2%	100.5%
<b>Total</b>	<b>90.1%</b>	<b>95.9%</b>

Deli products	Volume	Amount
Chilled bakery	-	100.3%
<i>Chuka Meisai</i>	-	88.1%
Hamburg and meatball	-	90.0%
Fried chicken	-	92.8%
Consumer	89.5%	92.4%
Commercial-use	88.0%	90.1%
<b>Total</b>	<b>89.2%</b>	<b>91.7%</b>

## Year on year trends in *Schau Essen* category sales



## Year on year trends in chilled bakery sales





## 09 Segment Data: Processed Foods Business Division (2)

### Factor analysis: year on year changes in business profit

(¥ billion)

	1st half Change	3Q Change	1Q-3Q Change	Main reasons for year on year changes
Hams and sausages, deli products	0.8	0.0	0.8	
Total gross profit	(1.0)	(0.9)	(1.9)	
Volume factors	(3.8)	(3.3)	(7.1)	The review of low-profit products, which led to product consolidation, and a decline in the sales volume of deli products
Unit price factors	2.8	2.4	5.2	
Product mix	2.4	2.9	5.3	Continued improvement in unit prices due to the growth of <i>Schau Essen</i> category products and price revisions
External environment total	0.4	(0.5)	(0.1)	
Principal raw materials	(0.6)	(0.9)	(1.5)	Sharply increased pork prices
Other materials	1.0	0.5	1.5	Improved sheep intestine prices
Other costs	1.8	0.8	2.7	
Electric power	(0.1)	(0.1)	(0.3)	Increased electricity and fuel expenses
Other expenses (manufacturing expenses, SG&A expenses, etc.)	1.9	1.0	2.9	Reduced manufacturing expenses, including labor cost, due to optimized production systems
Dairy/marine products & extract/primary Processing	1.0	0.4	1.4	Increased due to the growth of sales of extracts, primary processed products, dairy products after price revisions
Other (adjustments, etc.)	0.0	(0.4)	(0.4)	
<b>Total</b>	<b>1.8</b>	<b>(0.1)</b>	<b>1.8</b>	

# 10 Segment Data: Fresh Meats Business Division (1)

(¥ billion)

	FY2025/3 1st half	FY2025/3 3Q	FY2025/3 1Q-3Q	Variance	Variance (%)
Net sales	409.3	<b>223.7</b>	<b>632.9</b>	37.3	6.3%
Business profit	13.9	<b>8.8</b>	<b>22.7</b>	(5.7)	(20.0%)
Business profit ratio	3.4%	<b>3.9%</b>	<b>3.6%</b>	(1.2%)	-

## Increase in net sales

- Sales to volume retailers increased due to higher volumes and unit sales prices for domestic pork and beef.
- The sales volumes and unit sales prices of domestic fresh meats for restaurants increased. The unit sales prices of imported pork for restaurants also rose.

## Decrease in business profit

- Profit declined due to persistent high feed costs and a growing imbalance between the supply and demand for imported fresh meats in 3Q.

## Sales volume of mainstay brands in 1Q-3Q (YoY)



Sakurahime  
103%



Mugikomachi  
113%



Omugi-gyu  
Angus  
190%

Processed foods total  
106%

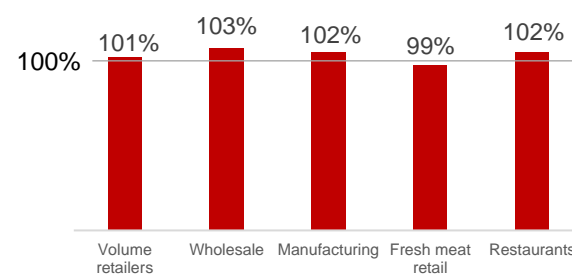
## Nippon Food Sales Group: 1Q-3Q results in terms of sales volume and revenue by meat type (YoY)

Domestic	Volume	Amount
Beef	104%	107%
Pork	104%	111%
Chicken	105%	101%
Domestic total	104%	106%

Imported	Volume	Amount
Beef	98%	105%
Pork	93%	102%
Chicken	105%	102%
Imported total	98%	104%

## Nippon Food Sales Group: 1Q-3Q results by channel

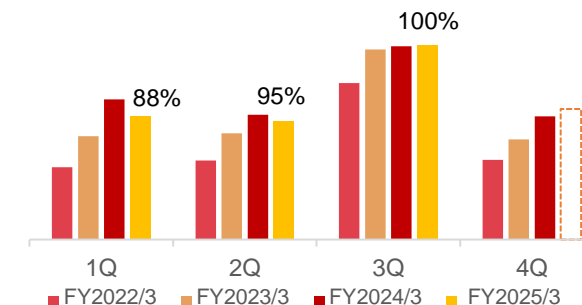
Overall volume growth of 101.3%  
(104.8% in value terms)



## Nippon Food Sales Group: Quarterly profit

\* Change in profit on a four-year managed basis

In 3Q, profit remained at a record high level despite delayed price pass-through amid soaring market prices.



\* Nippon Food Group sales refers to fresh meat sales companies.

Higashi Nippon Food, Kanto Nippon Food, Naka Nippon Food, Nishi Nippon Food, NH Japan Food

# 11 Segment Data: Fresh Meats Business Division (2)

## Factor analysis: year on year changes in business profit

(¥ billion)

	1st half Change	3Q Change	1Q-3Q Change	Main reasons for year on year changes
Domestic beef/pork business	0.0	0.1	1.0	Profit was roughly the same as a year ago, as a decline in feed prices for pork production and an increase in carcass weights were offset by high market prices at the time of delivery acceptance, a decrease in the number of livestock processed at processing plants, and rising costs.
Domestic chicken business	(3.5)	0.0	(3.6)	Profit decreased because chicken market prices were low, and feed prices remained high in the first half, although prices and costs showed some improvement.
Imported fresh meats business	0.8	(2.4)	(1.6)	Profit declined as the supply-demand balance worsened chiefly due to rising procurement costs for imported beef and chicken.
Sales (Nippon Food Group companies) and logistics section	(0.5)	(0.2)	(0.7)	In 3Q, profit was about the same as a year ago, driven by solid sales volume and value and price pass-through. However, profit for the first half declined due to delays in price pass-through for imported fresh meats and rising logistics and other costs in the first half of the fiscal year.
Other (adjustments, etc.)	0.2	0.0	0.1	
<b>Total</b>	<b>(3.2)</b>	<b>(2.5)</b>	<b>(5.7)</b>	

# 12 Segment Data: Overseas Business Division

(¥ billion)

	FY2025/3 1st half	FY2025/3 3Q	FY2025/3 1Q-3Q	Variance	Variance (%)
Net sales	161.6	<b>82.8</b>	<b>244.4</b>	24.7	11.2%
Business profit	4.2	<b>0.1</b>	<b>4.3</b>	2.1	98.6%
Business profit ratio	2.6%	<b>0.1%</b>	<b>1.8%</b>	0.8%	-

## Increase in net sales

- Australia Sales were firm due to an increase in production volume.
- North America Sales of processed chicken products remained solid.

## Increase in business profit

- Australia: Profit rose due to the increase in the sales volume. The expansion of the feedlot led to an increase in the percentage of brand beef.

## Factor analysis: year on year changes in business profit

(¥ billion)

(¥ billion)

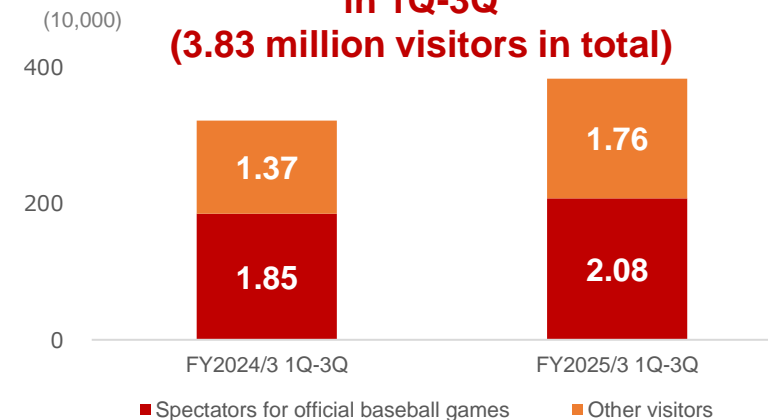
	1st half Change	3Q Change	1Q-3Q Change	Main reasons for year on year changes	Business profit by region	
					1Q-3Q	Variance
Australia	2.8	(0.5)	2.2	Profit was secured due to an increase in the number of cattle shipped and strong sales, but was affected by irregular weather conditions.	2.2	2.2
Americas	0.3	(1.4)	(1.0)	Costs for procuring raw materials for processed foods in North America rose. Additionally, we struggled in foodservice sales due to inflation have had an impact.	0.8	(1.0)
Asia & Europe	0.8	0.0	0.9	Sales of chicken remained firm in Turkey in the first half.	1.9	0.9
Other (adjustments, etc.)	0.1	0.0	0.0		(0.7)	0.0
<b>Total</b>	<b>4.0</b>	<b>(1.9)</b>	<b>2.1</b>		<b>4.3</b>	<b>2.1</b>

# 13 Segment Data: Ballpark Business

(¥ billion)

	FY2025/3 1st half	FY2025/3 3Q	FY2025/3 1Q-3Q	Variance	Variance (%)
Net sales	19.6	4.3	23.9	2.5	11.4%
Business profit	7.0	(1.2)	5.8	1.1	24.4%
Business profit ratio	35.9%	-	24.4%	2.5%	-

## Hokkaido Ballpark F Village visitors in 1Q-3Q (3.83 million visitors in total)



\* Spectators at All-Star Games and Climax Series are included in other visitors.

## Net sales/business profit

- The number of spectators exceeded 2 million for the first time in seven years due to the Fighters' strong performance.
- The team progressed to the Climax Series, which contributed to solid ticket sales.
- We planned and hosted new events on non-game days while expanding the restaurant areas. This resulted in an increase in visitors on both game and non-game days, which boosted the sales of food and beverages.

## Major events that led to the increase in the number of visitors

The Fighters became strong and finished second in the regular season and hosted games in the Climax Series.



A total of approximately 110,000 people visited the ballpark in three days.

Thinking out of the box (First official B League games)

\* B League: Japan Professional Basketball League



A total of approximately 30,000 people visited the ballpark on December 28 and 29.

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# 15 Plan Highlights (1) for FY2025/3 Full-year Plan

## Net sales/business profit

(¥ billion)

	Full Year FY2024/3	Forecasts as of 2Q	Forecasts as of 3Q	Variance	Variance (%)
Net sales	1,303.4	1,340.0	<b>1,370.0</b>	66.6	5.1%
Business profit	44.9			0.1	0.1%
(of which Continuing operations)	45.9	48.0	<b>45.0</b>	(0.9)	(2.0%)
Business profit ratio	3.5%	3.6%	<b>3.3%</b>	(0.2%)	-
Profit before tax	40.6	40.0	<b>38.0</b>	(2.6)	(6.4%)
Profit attributable to owners of the parent	28.1	27.0	<b>26.0</b>	(2.1)	(7.4%)
ROE	5.5%	5.2%	<b>5.0%</b>	(0.5%)	-
ROIC	4.1%	4.4%	<b>4.1%</b>	0.0%	-

\* The ratio of business profit to net sales is calculated using business profit after adjusting for non-continuing operations

# 16 Plan Highlights (2) Full-year Plan for FY2025/3

## Business profit targets by segment

(¥ billion)

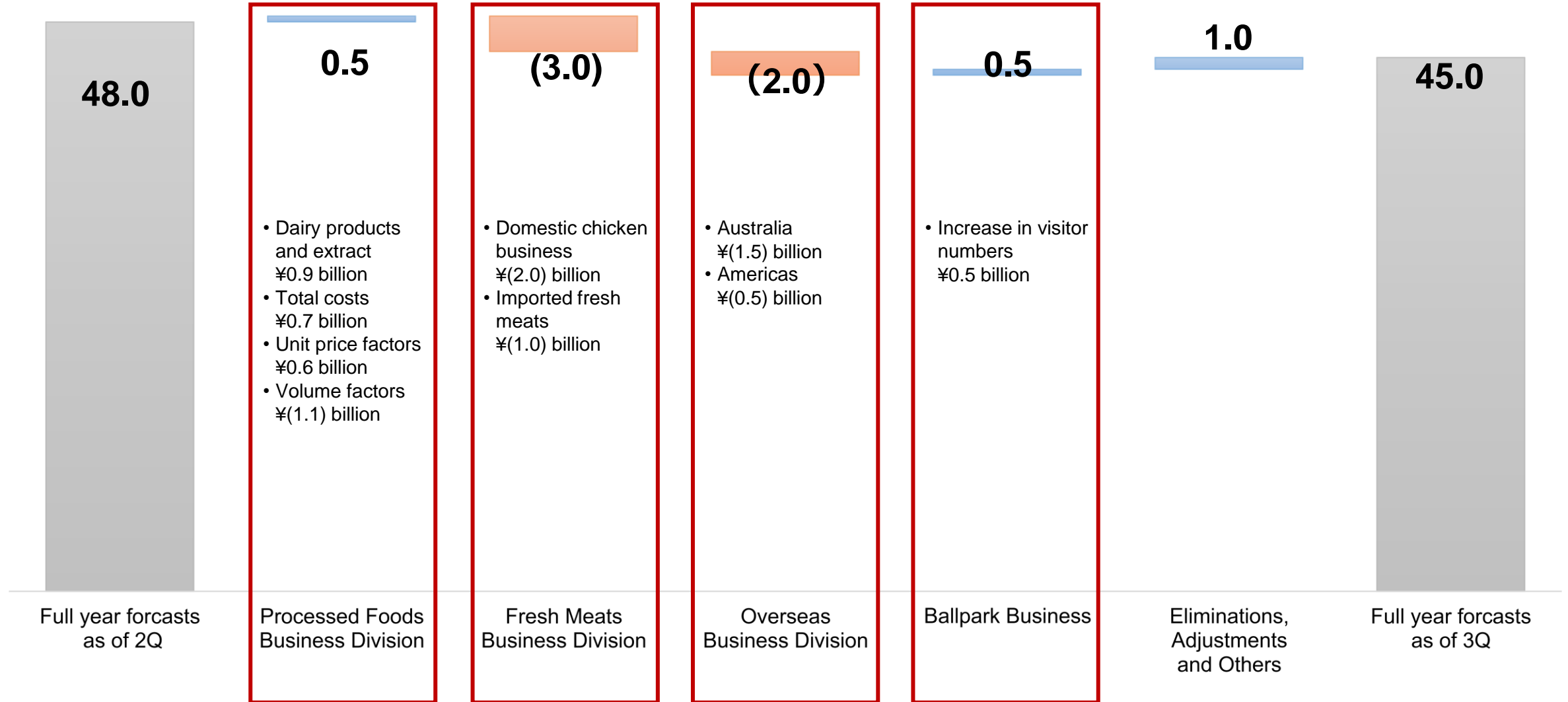
	FY2024/3	FY2025/3			FY2024/3	FY2025/3			FY2024/3	FY2025/3		
	1st half		3Q	4Q	2nd half				Full year			
	Results	Results	Results	Forecasts	Results	Forecasts as of 2Q	Forecasts as of 3Q	Variance	Results	Forecasts as of 2Q	Forecasts as of 3Q	Variance
Processed Foods Business Division	2.9	4.7	6.0	0.3	6.8	5.8	6.3	0.5	9.7	10.5	11.0	0.5
Fresh Meats Business Division	17.0	13.9	8.8	7.3	17.0	19.1	16.1	(3.0)	34.0	33.0	30.0	(3.0)
Overseas Business Division	0.2	4.2	0.1	0.7	2.3	2.8	0.8	(2.0)	2.5	7.0	5.0	(2.0)
Ballpark Business	6.5	7.0	(1.2)	(2.3)	(4.1)	(4.0)	(3.5)	0.5	2.4	3.0	3.5	0.5
Eliminations, Adjustments and Others	(1.6)	(2.7)	(0.7)	(1.0)	(2.0)	(2.8)	(1.8)	1.0	(3.6)	(5.5)	(4.5)	1.0
<b>Total</b>	<b>25.0</b>	<b>27.1</b>	<b>12.9</b>	<b>5.0</b>	<b>20.0</b>	<b>20.9</b>	<b>17.9</b>	<b>(3.0)</b>	<b>44.9</b>	<b>48.0</b>	<b>45.0</b>	<b>(3.0)</b>



# 17 Plan Highlights (3) Full-year Business Profit Plan and Analysis of Main Factors for the Variance from the Plan as of 2Q

FY2025/3 full-year forecasts

(¥ billion)



# 18 Outlook: Processed Foods Business Division (1)

(¥ billion)

	FY2024/3 full-year results	Forecasts as of 2Q	Forecasts as of 3Q	Variance	Variance (%)
Net sales	431.2	419.0	<b>419.0</b>	(12.2)	(2.8%)
Business profit	9.7	10.5	<b>11.0</b>	1.3	13.4%
Business profit ratio	2.3%	2.5%	<b>2.6%</b>	0.3%	-

## Decrease in net sales

- Maintain sales by expanding mainstay brands, including *Schau Essen* and chilled bakery, while the product lineup review is expected to continue.
- Sales volume for deli products, especially sub-brand consumer products and products for convenient stores, saw a slow recovery.

## Increase in business profit

- Enhance profitability by improving the product mix and increasing unit prices, driven by increased sales volumes for *Schau Essen*. Reduce manufacturing expenses by reviewing low-profit products.
- Increase sales of extracts, primary processed products, and dairy products, whose prices have been adjusted, and secure profit.

## Full-year sales plan by consumer product/channel (YoY)

Ham and sausages	Amount	Deli products	Amount
Wieners	101%	Chilled bakery	102%
<i>Schau Essen</i> category	108%	<i>Chuka Meisai</i>	91%
Other wieners	88%	Hamburg and meatball	90%
Loin hams, bacon	72%	Fried chicken	94%
Consumer	96%	Consumer	93%
Commercial-use	98%	Commercial-use	90%
<b>Total</b>	<b>96%</b>	<b>Total</b>	<b>93%</b>

## We will step up our marketing to expand or restore performance in key categories in the next fiscal year.

- |                           |   |
|---------------------------|---|
| <i>Schau Essen</i>        | <ul style="list-style-type: none"> <li>• Enhance the brand strategy as we celebrate the 40th anniversary of the brand and acquire new users.</li> <li>• Extend the brand by launching new products and refreshing products.</li> </ul>                                |
| Chilled bakery            | <ul style="list-style-type: none"> <li>• Improve sales of mini pizzas and snack foods, which are performing well due to the increasing diversity of dining occasions.</li> <li>• Launch new products for individual meals and revitalize the sales floors.</li> </ul> |
| <i>Chuka Meisai</i>       | <ul style="list-style-type: none"> <li>• Review the concept and refresh the products to achieve a recovery in sales.</li> <li>• Launch high value-added products to attain new customers.</li> </ul>  |
| Hamburg/<br>Fried chicken | <ul style="list-style-type: none"> <li>• Implement product strategies aimed at customers purchasing hamburger steak products to achieve a recovery in sales.</li> <li>• Extend the brand Chikichiki Bone by launching new products.</li> </ul>                        |

# 19 Outlook: Processed Foods Business Division (2)

## Factor analysis: Variance from full-year business profit plan

(¥ billion)

	2nd half			Full year			Main factors behind variance from forecast
	Forecasts as of 2Q	Forecasts as of 3Q	Variance	Forecasts as of 2Q	Forecasts as of 3Q	Variance	
Hams and sausages, deli products	0.0	0.2	0.2	0.8	1.0	0.2	
Total gross profit	(0.5)	(0.9)	(0.5)	(1.4)	(1.9)	(0.5)	
Volume factors	(3.8)	(4.8)	(1.1)	(7.5)	(8.6)	(1.1)	The review of low-profit products and the decline in the sales volume of deli products
Unit price factors	3.3	3.9	0.6	6.1	6.7	0.6	
Product mix	5.6	4.9	(0.7)	8.0	7.3	(0.7)	Impacted by slow recovery in sales of main brands of deli products
External environment total	(2.3)	(1.0)	1.3	(1.9)	(0.6)	1.3	
Principal raw materials	(2.4)	(1.7)	0.8	(2.9)	(2.3)	0.7	Procurement prices for raw materials are expected to fall short of 2Q expectations, and improvements in the mix ratio are expected to change the composition ratio of the raw materials used.
Other materials	0.2	0.7	0.5	1.1	1.6	0.5	Improvements are expected mainly in sheep intestines and packaging materials as they fall short of expectations..
Other costs	0.4	1.2	0.7	2.2	3.0	0.7	
Electric power	(0.5)	(0.2)	0.2	(0.6)	(0.3)	0.2	Manufacturing expenses, including labor costs, are expected to continue decreasing due to manufacturing optimization efforts, including revisions to pricing and product policies.
Others	0.9	1.4	0.5	2.8	3.3	0.5	
Dairy/marine products & extract/primary Processing	(1.1)	(0.1)	0.9	(0.1)	0.8	0.9	Profits are expected to be affected by rising raw material costs in the second half. However, we plan to maintain sales of extracts, primary processed products, and dairy products in order to achieve profits that are roughly on a par with the results of the previous fiscal year.
Other (adjustments, etc.)	0.0	(0.6)	(0.7)	0.1	(0.6)	(0.7)	
<b>Total</b>	<b>(1.0)</b>	<b>(0.5)</b>	<b>0.5</b>	<b>0.8</b>	<b>1.3</b>	<b>0.5</b>	

# 20 Outlook: Fresh Meats Business Division (1)

(¥ billion)

	FY2024/3 full-year results	Forecasts as of 2Q	Forecasts as of 3Q	Variance	Variance (%)
Net sales	780.6	800.0	<b>830.0</b>	49.4	6.3%
Business profit	34.0	33.0	<b>30.0</b>	(4.0)	(11.8%)
Business profit ratio	4.4%	4.1%	<b>3.6%</b>	(0.8%)	-

## Increase in net sales

- Due to the soaring prices of imported meat, the shift towards domestic meat continues, with the quantity and unit sales price of domestic meat for supermarkets and restaurants increasing.

## Decrease in business profit

- Profitability is expected to improve due to price pass-through. However, profit may decrease given high costs for domestic chicken throughout the fiscal year, low market prices in the first half, as well as a worsening supply-demand balance for imported fresh meats.

### Enhance marketing strategy from the customer's perspective

- Propose livestock products tailored to customer needs for each channel amid rising prices.

### Strengthen sales of processed items through cross-segment sales

- Strengthening product development through market-oriented initiatives centered around food companies, focusing on yakiniku restaurants.
- Selling commercial products that were well-received at exhibitions.

### Strengthen sales of branded fresh meats

- Create a fan website and develop seasonal campaigns from the perspective of customers for *Sakurahime*.
- Enhance sales promotions and campaigns for *Mugikomachi* and *Omugi-gyu* Angus.

### Full year target sales volumes for mainstay brands (vs. previous year)



*Sakurahime*  
105%



*Mugikomachi*  
109%



*Omugi-gyu*  
*Angus*  
130%

### Strengthen production and procurement efforts

#### Domestic fresh meats

- Expanding handling volume through procurement that leverages business collaboration with JA Zen-Noh
- Launch a new farm for domestic pork to enhance livestock numbers and productivity.
- Increase in-house production of domestic chicken, which has steady demand, and procure more domestic chicken from outside sources.

#### Imported fresh meats

- Stabilize procurement by increasing sourcing countries and packers and using a broad procurement network to tackle the instability in procuring imported fresh meats and rising prices.
- Reduce volatility by improving the accuracy of AI-based supply and demand forecasts.

## 21 Outlook: Fresh Meats Business Division (2)

### Factor analysis: Variance from full-year business profit plan

(¥ billion)

	2nd half			Full year			Main factors behind variance from forecast
	Forecasts as of 2Q	Forecasts as of 3Q	Variance	Forecasts as of 2Q	Forecasts as of 3Q	Variance	
Domestic beef/pork business	1.0	1.0	0.0	1.0	1.0	0.0	Secure profits by improving carcass weights in pork production and passing prices through upon pork delivery.
Domestic chicken business	2.2	0.2	(2.0)	(1.4)	(3.4)	(2.0)	We expect market prices to rise in 4Q. However, profit is likely to be affected by high costs in 3Q and rising feed prices in 4Q.
Imported fresh meats business	(1.5)	(2.5)	(1.0)	(0.7)	(1.7)	(1.0)	In 4Q, profit is expected to be affected by the worsened supply-demand balance for imported beef in the 3Q.
Sales (Nippon Food Group companies) and logistics section	0.5	0.5	0.0	0.0	0.0	0.0	We expect profit to reach a record high level due to ongoing price pass-through and proposals of meat types to meet demand.
Other (adjustments, etc.)	(0.2)	(0.2)	0.0	0.0	0.0	0.0	
<b>Total</b>	<b>2.1</b>	<b>(0.9)</b>	<b>(3.0)</b>	<b>(1.0)</b>	<b>(4.0)</b>	<b>(3.0)</b>	

## 22 Outlook: Overseas Business Division

(¥ billion)

	FY2024/3 full-year results	Forecasts as of 2Q	Forecasts as of 3Q	Variance	Variance (%)
Net sales	290.0	340.0	<b>340.0</b>	50.0	17.2%
Business profit	2.5	7.0	<b>5.0</b>	2.5	103.7%
Business profit ratio	0.8%	2.1%	<b>1.5%</b>	0.7%	-

### Step up efforts to expand external sales

North America	Boost brand visibility and drive sales through promotions. Increase manufacturing capacity by acquiring a processed food manufacturing company based in the U.S.
Australia	Maximizing sales by flexibly identifying sales destinations in accordance with the external environment. Strengthen sales of premium beef.

### Factor analysis: Variance from full-year business profit plan

(¥ billion)

	2nd half			Full year			Main factors behind variance from forecast	Business profit by region Full Year FY2025/3
	Forecasts as of 2Q	Forecasts as of 3Q	Variance	Forecasts as of 2Q	Forecasts as of 3Q	Variance		
Australia	1.9	0.4	(1.5)	4.7	3.2	(1.5)	Cattle prices are anticipated to be unexpectedly high. Procurement costs are projected to stay elevated.	2.7
Americas	(0.5)	(1.0)	(0.5)	(0.2)	(0.7)	(0.5)	Raw material prices for processed chicken products in North America are anticipated to be higher than previously expected.	1.7
Asia & Europe	(0.8)	(0.8)	0.0	0.0	0.0	0.0	Sales of chicken remain firm in Turkey	1.6
Others	0.0	(0.1)	0.0	0.0	0.0	0.0		(1.0)
<b>Total</b>	<b>0.5</b>	<b>(1.5)</b>	<b>(2.0)</b>	<b>4.5</b>	<b>2.5</b>	<b>(2.0)</b>		<b>5.0</b>

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## 24 FY2024/3 Business Results at a Glance and FY2025/3 Forecasts

(¥ million)

	FY2023/3 results			FY2024/3 forecasts					
	1Q-3Q	4Q	Full year	1Q-3Q results	Variance (%)	Forecasts for 4Q	Variance (%)	Full-year forecasts	Variance (%)
Net sales	997,957	305,475	1,303,432	1,055,018	5.7%	314,982	3.1%	1,370,000	5.1%
Cost of goods sold	834,271	265,530	1,099,801	879,013	5.4%	268,987	1.3%	1,148,000	4.4%
Gross profit	163,686	39,945	203,631	176,005	7.5%	45,995	15.1%	222,000	9.0%
Gross profit ratio	16.4%	13.1%	15.6%	16.7%	-	14.6%	-	16.2%	-
Selling, general and administrative expenses	126,688	45,386	172,074	136,604	7.8%	47,396	4.4%	184,000	6.9%
Other income and expenses	5,926	2,749	8,675	3,681	(37.9%)	(4,981)	-	(1,300)	-
Finance income and costs	639	(399)	240	1,006	57.4%	1,294	-	2,300	-
Share of profit (loss) in investments accounted for using the equity method	118	9	127	(791)	-	(209)	-	(1,000)	-
Profit before tax	43,681	(3,082)	40,599	43,297	(0.9%)	(5,297)	-	38,000	(6.4%)
Income tax expense	12,703	(1,450)	11,253	12,556	(1.2%)	(1,556)	-	11,000	(2.2%)
Tax rate	29.1%	-	27.7%	29.0%	-	-	-	28.9%	-
Profit attributable to owners of the parent	29,520	(1,442)	28,078	29,152	(1.2%)	(3,152)	-	26,000	(7.4%)
Business profit	41,545	3,394	44,939	39,988	(3.7%)	5,012	47.7%	45,000	0.1%



## 25 FY2024/3 Sales by Product Category and FY2025/3 Forecasts

(¥ million)

	FY2024/3 results			FY2025/3 forecasts								
	1Q-3Q	4Q	Full year results	1Q-3Q results	Variance (%)	Volume growth rate	Forecasts for 4Q	Variance (%)	Volume growth rate	Full-year forecasts	Variance (%)	Volume growth rate
Ham and sausages	105,127	30,023	135,150	101,685	(3.3%)	(9.2%)	30,815	2.6%	(4.5%)	132,500	(2.0%)	(8.1%)
Processed foods	180,589	57,281	237,870	181,127	0.3%	(7.5%)	56,873	(0.7%)	(3.1%)	238,000	0.1%	(6.5%)
Fresh meats	629,711	196,999	826,710	685,744	8.9%	2.8%	204,756	3.9%	(1.4%)	890,500	7.7%	1.8%
Beef	250,353	72,935	323,288	283,192	13.1%	0.7%	81,808	12.2%	4.9%	365,000	12.9%	1.7%
Pork	200,821	64,569	265,390	217,976	8.5%	(0.2%)	61,524	(4.7%)	(5.5%)	279,500	5.3%	(1.5%)
Chicken	163,827	55,094	218,921	175,682	7.2%	8.4%	57,318	4.0%	(1.0%)	233,000	6.4%	6.0%
Other fresh meats	14,710	4,401	19,111	8,894	(39.5%)	(46.7%)	4,106	(6.7%)	(15.4%)	13,000	(32.0%)	(37.1%)
Dairy products	29,605	9,358	38,963	31,062	4.9%	2.8%	8,938	(4.5%)	(0.6%)	40,000	2.7%	2.0%
Others (including marine products)	52,925	11,814	64,739	55,400	4.7%	-	13,600	15.1%	-	69,000	6.6%	-
<b>Total</b>	<b>997,957</b>	<b>305,475</b>	<b>1,303,432</b>	<b>1,055,518</b>	<b>5.7%</b>	<b>-</b>	<b>314,982</b>	<b>3.1%</b>	<b>-</b>	<b>1,370,000</b>	<b>5.1%</b>	<b>-</b>

Note 1: From the cumulative third quarter 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 cumulative third quarter in this fiscal year.

Note 2: Sales by product category are calculated based on segment totals and may not equal segment sales.

Note 3: Results for the previous fiscal year reflect adjustments for discontinued operations.

## 26 Balance Sheets

(¥ million)

	End of FY2023/3	End of FY2024/3	FY2025/3 3Q	Variance	YoY change rate (%)
Cash and cash equivalents	64,986	65,465	84,458	18,993	29.0
Trade and other receivables	146,660	165,022	191,012	25,990	15.7
Inventories	141,930	141,429	141,226	(203)	(0.1)
Biological assets	27,984	25,420	31,907	6,487	25.5
Others	46,458	26,094	20,869	(5,225)	(20.0)
<b>Total current assets</b>	<b>428,018</b>	<b>423,430</b>	<b>469,472</b>	<b>46,042</b>	<b>10.9</b>
Property, plant and equipment	364,381	375,211	370,620	(4,591)	(1.2)
Right-of-use assets	40,898	44,814	42,051	(2,763)	(6.2)
Biological assets	1,517	1,531	1,694	163	10.6
Others	102,341	113,251	112,271	(980)	(0.9)
<b>Total non-current assets</b>	<b>509,137</b>	<b>534,807</b>	<b>526,636</b>	<b>(8,171)</b>	<b>(1.5)</b>
<b>Total assets</b>	<b>937,155</b>	<b>958,237</b>	<b>996,108</b>	<b>37,871</b>	<b>4.0</b>
Interest-bearing liabilities	102,199	59,247	128,570	69,323	117.0
Trade and other payables	106,027	116,773	121,404	4,631	4.0
Others	70,310	70,812	57,879	(12,933)	(18.3)
<b>Total current liabilities</b>	<b>278,536</b>	<b>246,832</b>	<b>307,853</b>	<b>61,021</b>	<b>24.7</b>
Interest-bearing liabilities	139,856	155,605	126,783	(28,822)	(18.5)
Others	15,982	16,598	16,459	(139)	(0.8)
<b>Total non-current liabilities</b>	<b>155,838</b>	<b>172,203</b>	<b>143,242</b>	<b>(28,961)</b>	<b>(16.8)</b>
Equity attributable to owners of parent	492,913	527,503	531,693	4,190	0.8
Non-controlling interests	9,868	11,699	13,320	1,621	13.9
<b>Total equity</b>	<b>502,781</b>	<b>539,202</b>	<b>545,013</b>	<b>5,811</b>	<b>1.1</b>
<b>Total liabilities and equity</b>	<b>937,155</b>	<b>958,237</b>	<b>996,108</b>	<b>37,871</b>	<b>4.0</b>

### Major reasons for increase/decrease

#### [Total current assets]

Current assets increased by 10.9% from the end of the previous fiscal year to ¥469.5 billion, as cash and cash equivalents increased by 29.0% to ¥84.5 billion and trade and other receivables increased by 15.7% to ¥191.0 billion due to seasonal factors, including year-end sales. Meanwhile, other current assets decreased by 27.9% to ¥14.6 billion.

#### [Total non-current assets]

Non-current assets decreased by 1.5% from the end of the previous fiscal year to ¥526.6 billion, because property, plant and equipment decreased by 1.2% to ¥370.6 billion, while intangible assets and goodwill increased by 17.1% to ¥30.2 billion.

#### [Total current liabilities & total non-current liabilities]

Total liabilities increased by 7.7% from the end of the previous fiscal year to ¥451.1 billion, mainly because interest-bearing liabilities increased by 18.9% to ¥255.4 billion, given an increase in borrowings prepared for current capital needs, although other current liabilities decreased by 21.3% to ¥38.3 billion, following a reduction in unearned revenue related to Ball Park Business.

## Statements of cash flows

(¥ million)

	FY2023/3 1Q-3Q	FY2024/3 1Q-3Q	FY2025/3 1Q-3Q
Profit before tax	27,206	43,681	43,297
Depreciation and amortization	28,351	29,567	30,757
Increase (decrease) in trade receivables	(60,835)	(37,536)	(23,069)
Increase (decrease) in inventories	(27,464)	11,179	565
Increase (decrease) in biological assets	856	2,434	(3,278)
Increase (decrease) in trade payables	24,231	18,244	4,426
Others	(22,100)	(7,026)	(20,524)
Cash flows from operating activities	(29,754)	60,543	32,174
Acquisition of fixed assets, proceeds from sales of fixed assets	(44,861)	(33,138)	(27,248)
Others	13,929	188	6,159
Cash flows from investing activities	(30,932)	(32,950)	(21,089)
Cash flows from financing activities	37,956	(27,818)	4,651

- Cash flows from operating activities

While trade and other receivables increased by ¥23.1 billion, profit before tax amounted to ¥43.3 billion, depreciation and amortization expenses totaled ¥30.8 billion and trade and other payables increased ¥4.4 billion. As a result, net cash provided by operating activities increased by ¥32.2 billion.

- Cash flows from investing activities

Net cash flows from investing activities declined by ¥21.1 billion, in part due to the acquisition of non-current assets amounting to ¥28.1 billion.

- Cash flows from financing activities

The net increase in short-term borrowings stood at ¥25.2 billion, and proceeds from debt came to ¥22.0 billion, while the purchase of treasury shares amounted to ¥20.2 billion. As a result, net cash provided by financing activities was ¥4.7 billion.

## Capital expenditures, depreciation and amortization

(¥ million)

	FY2024/3	FY2025/3			
	1Q-3Q	1Q-3Q results	Variance (%)	Variance	Full-year forecasts
Capital expenditures	27,267	22,897	(16.0)	(4,370)	39,000
Processed Foods Business Division	5,000	3,355	(32.9)	(1,645)	9,900
Fresh Meats Business Division	14,096	9,238	(34.5)	(4,858)	15,200
Overseas Business Division	4,759	3,719	(21.9)	(1,040)	4,700
Ballpark Business	676	1,538	127.5	862	2,600
Eliminations, Adjustments and Others	2,736	5,047	84.5	2,311	6,600
Depreciation and amortization	19,897	20,726	4.2	829	28,000

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

## 28 Overseas Business Division: Breakdown of Net Sales by Region

(¥ billion)

		FY2024/3 results		FY2025/3 results				
		3Q results	1Q-3Q results	3Q results	1Q-3Q results	1Q-3Q sales composition	1Q-3Q variance	1Q-3Q variance (%)
International total	Net sales	69.5	219.7	82.8	244.4	-	24.7	11.2%
	Sales to external customers	39.2	131.2	52.4	146.6	60.0%	15.3	11.7%
	Intersegment sales	30.3	88.5	30.4	97.8	40.0%	9.3	10.6%
Australia	Net sales	23.9	87.1	36.1	99.9	-	12.7	14.6%
	Sales to external customers	21.6	80.2	32.9	88.6	88.8%	8.5	10.6%
	Intersegment sales	2.4	6.9	3.2	11.2	11.2%	4.3	61.7%
Americas	Net sales	33.0	93.7	30.0	96.7	-	3.0	3.2%
	Sales to external customers	10.4	27.8	9.2	29.2	30.2%	1.4	4.9%
	Intersegment sales	22.6	65.9	20.8	67.5	69.8%	1.7	2.5%
Asia & Europe	Net sales	12.9	39.7	17.5	49.6	-	9.9	24.8%
	Sales to external customers	7.2	23.2	10.3	28.7	58.0%	5.5	23.8%
	Intersegment sales	5.6	16.5	7.2	20.8	42.0%	4.3	26.3%

\*Net sales includes BPUs subject to business transfer

# 29 External Environment: Market Conditions (1)

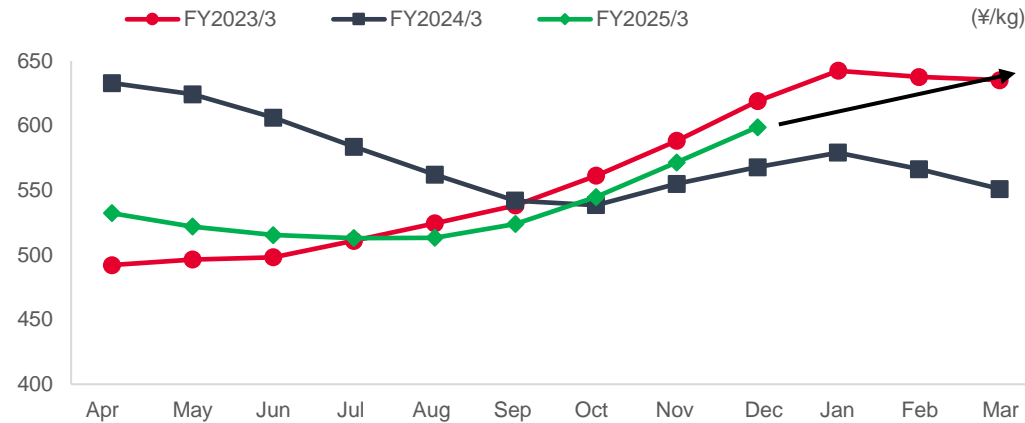


Scan the QR code or click the URL below for other data (collection of materials on market trends)  
[https://www.nipponham.co.jp/eng/ir/library/market\\_trend/](https://www.nipponham.co.jp/eng/ir/library/market_trend/)



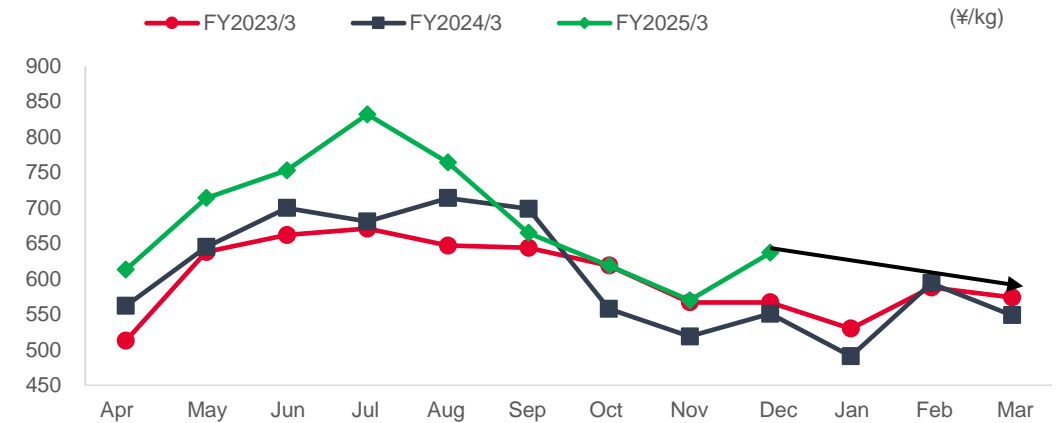
## Domestic chicken market price

Source: Weighted average price for chicken meat \*simple average unit price cited in "Daily Meat & Livestock" published by Shokuhin Sangyo Shimbussha Co., Ltd.



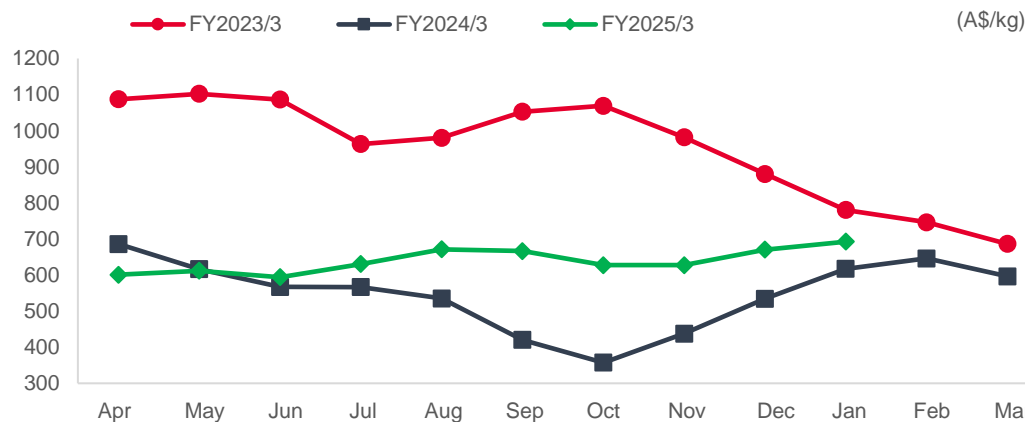
## Domestic pork carcass wholesale price

Source: Average price for top grade on the Tokyo Meat Market



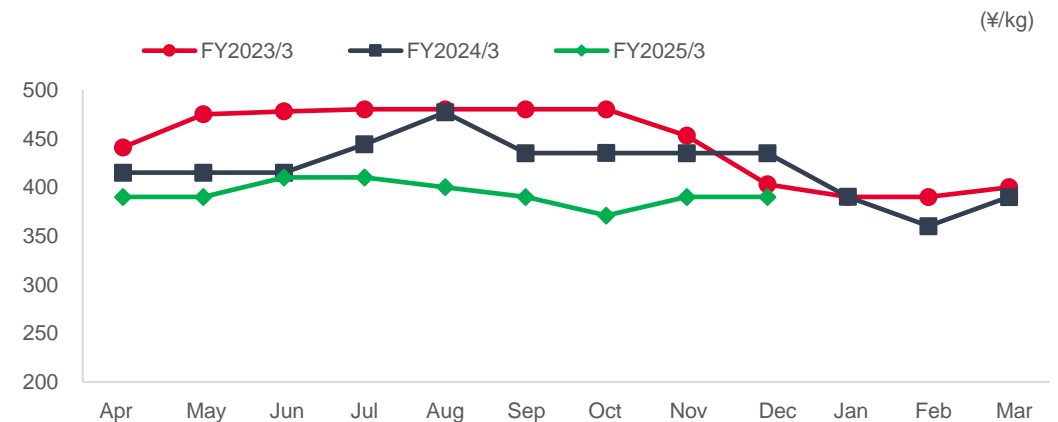
## Price of young Australian beef (producer sales price)

Source: MLA



## Domestic price of Brazilian chicken thigh meat

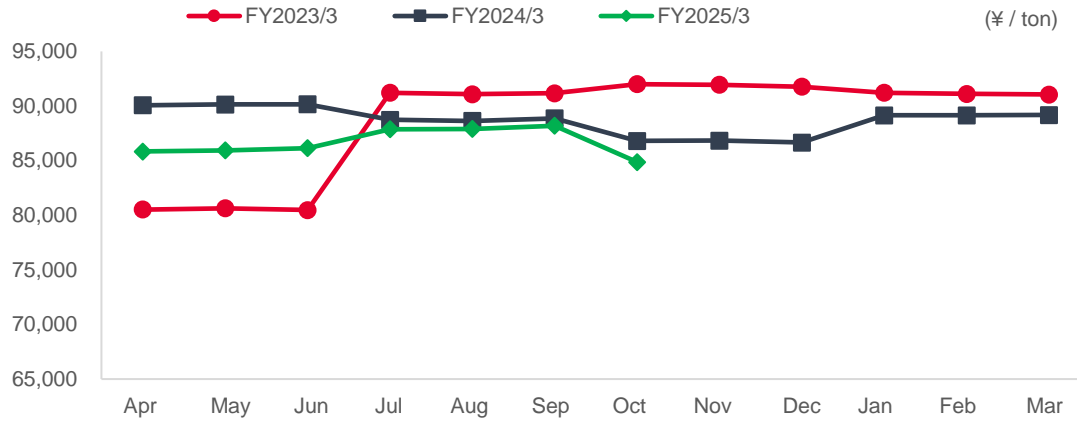
Source: Agriculture & Livestock Industries Corporation (ALIC), Ministry of Agriculture, Forestry and Fisheries "Poultry Market Information," simple average unit price cited in "Daily Meat & Livestock" published by Shokuhin Sangyo Shimbussha Co., Ltd.



# 30 External Environment: Market Conditions (2)

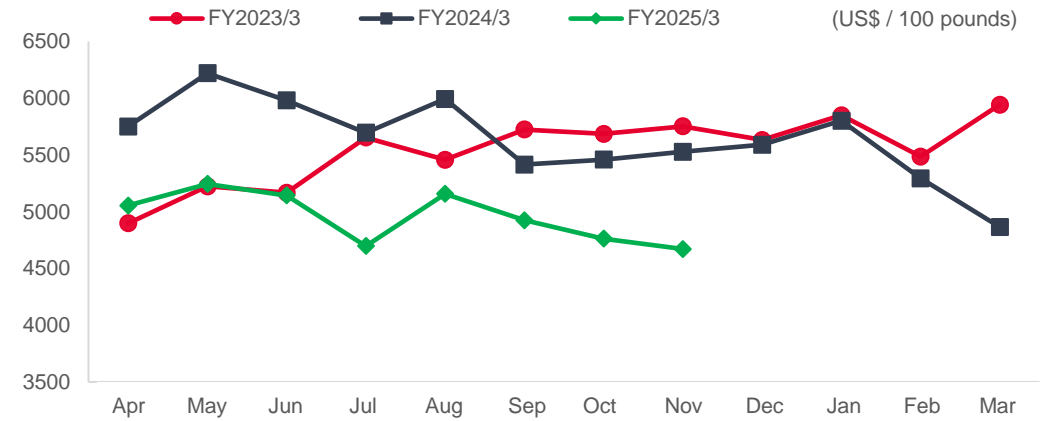
## Compound feed price

Source: ALIC



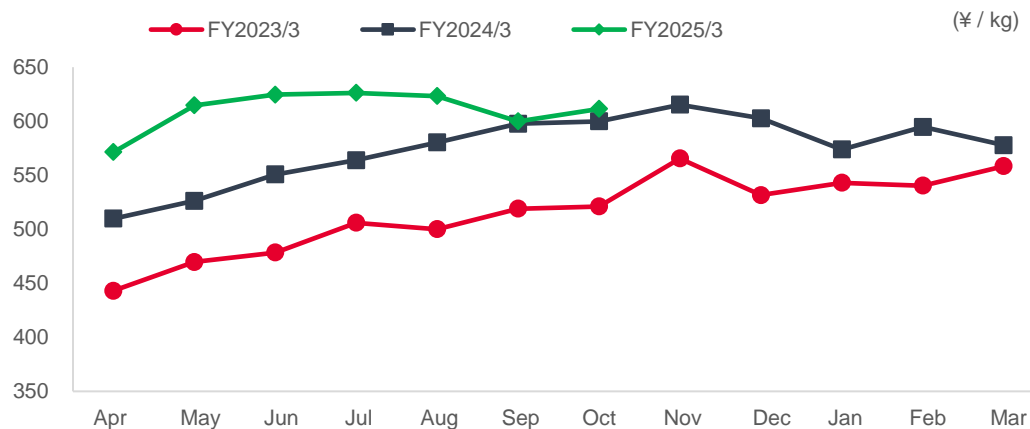
## Price for imported natural intestines \*mainly sheep casing (also including pork and beef intestines, etc.)

Source: Ministry of Finance's "Trade Statistics" (calculated as value ÷ volume)



## Import price for seasoned pork (GSP)

Source: Ministry of Finance's "Trade Statistics" (calculated as value ÷ volume)



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### **Forward-looking statements**

This presentation includes forecasts regarding targets, strategies and earnings. These forecasts are based on information available at the current time and contain certain assumptions about the future. They are subject to numerous external uncertainties in areas such as economic environment, market trends and exchange rates. Actual performance may differ significantly from the targets in this presentation, and investment decisions should not be based exclusively on them.