

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

Date & Time: January 31, 2025 (Friday) 16:30-17:30

**Q1. What is the full-year business profit forecast?**

A1. The business profit plan has been revised downward from ¥48 billion to ¥45 billion. Although the structural reforms in the processing business and the ballpark business progressed steadily, the meat business and the overseas business were impacted by a deterioration in external environments.

**Q2. What is the outlook for the fresh meat business for the full year?**

A2. The business profit plan has been revised to ¥30 billion. This is due to higher-than-expected feed prices for domestic chicken and a worse-than-expected supply-demand balance for imported beef in the third quarter, which is expected to continue into the fourth quarter.

**Q3. What is the outlook for the overseas business for the full year?**

A3. The business profit plan has been revised to ¥5 billion. This reflects the impact of increased livestock prices due to adverse weather conditions in the Australian beef business and the poor performance of foodservice sales in North America coupled with higher-than-expected raw material costs for processed chicken products.

**Q4. What is the status of capital investment and cash flow?**

A4. Capital investment is expected to proceed as planned over the three-year period of the medium-term management plan, focusing on growth investments and maintenance updates. In terms of working capital, the inventory level of imported fresh meat temporarily increased, but through rigorous management of inventory turnover days, it is now returning to an almost appropriate level.

**Q5. What is the situation regarding the reorganization of the Overseas Business Division?**

A5. Significant cost impacts are not expected, but the goal is to ensure faster business operations. The reorganization aims to stabilize profits by expanding the processed food business overseas and strengthening the sales of branded beef both domestically and internationally.

**Q6. What about the business collaboration with JA ZEN-NOH and CP Foods?**

A6. We plan to push forward with 13 joint projects with JA ZEN-NOH (as explained in the progress briefing of the medium-term management plan) and develop products leveraging CP Foods' raw material procurement capabilities and our technological expertise for rollout in Japan and Thailand. More specific information will be provided at the progress briefing for the medium-term management plan for the fiscal year ending March 2026 in May.

**Q7. What is the outlook for business profit next fiscal year?**

A7. The business profit plan of ¥54 billion is considered fully achievable. This fiscal year's plan revisions are temporary, and we anticipate rebuilding through structural reforms in the processed food business, expanding main product sales, structural reforms in domestic pork and recovery of profits in imported meat in the fresh meat business, and stabilization of livestock prices in the Australian beef business and further expansion of processed products in North America in the overseas business.