

Business Results for the Second Quarter of FY2026/3(abridged version) (1)

*Due to rounding, numbers may not match totals.

*In April 2025, the Group abolished Overseas Business Division and reorganized into two divisions: Processed Foods Business Division and Fresh Meats Business Division. As a result, from the cumulative second quarter of the fiscal year, all overseas subsidiaries and overseas affiliates that were under the jurisdiction of Overseas Business Division have been transferred to Processed Foods Business Division and Fresh Meats Business Division, respectively. Therefore, figures for the cumulative second quarter of the year ended March 31, 2025 have been reclassified based on the new reportable segment information for comparative analysis.

FY2026/3 2Q Results and Full Year Forecasts

(¥million)

		FY2025/3		FY2026/3						
		2Q Results	1st half Results	2Q Results	1st half Results	1st half Variance	1st half Variance(%)	Full Year Forecasts as of 1Q	Full Year Forecasts as of 2Q	Full Year Forecasts Variance
Net Sales		345,814	683,864	368,458	722,599	38,735	5.7	1,400,000	1,430,000	30,000
	Processed Foods Business Division	129,647	264,315	129,215	258,241	(6,074)	(2.3)	550,000	545,000	(5,000)
	Fresh Meats Business Division	241,741	478,522	256,425	506,712	28,190	5.9	970,000	1,000,000	30,000
	Ballpark Business	10,033	19,607	11,708	22,840	3,233	16.5	28,000	31,000	3,000
	Eliminations and adjustments	(35,607)	(78,580)	(28,890)	(65,194)	13,386	-	(148,000)	(146,000)	2,000
Business Profit		12,530	27,092	20,100	36,341	9,249	34.1	54,000	59,000	5,000
	Processed Foods Business Division	2,062	4,583	1,332	2,170	(2,413)	(52.7)	12,000	10,500	(1,500)
	Fresh Meats Business Division	8,048	18,048	14,978	27,615	9,567	53.0	44,500	49,500	5,000
	Ballpark Business	3,865	7,033	4,960	9,067	2,034	28.9	3,500	5,000	1,500
	Eliminations and adjustments	(1,445)	(2,572)	(1,170)	(2,511)	61	-	(6,000)	(6,000)	0
Profit before Tax		9,067	28,872	19,855	38,273	9,401	32.6	45,000	50,000	5,000
Income tax expense		3,210	9,141	6,759	12,622	3,481	38.1	14,000	15,000	1,000
Profit attributable to owners of the parent		4,816	17,864	11,771	23,188	5,324	29.8	30,000	34,000	4,000

Segment Results and Factor Analysis of Changes in Business Profit

(¥billion)

Processed Foods Business Division

		1st half Forecasts as of 1Q	1st half Results	2nd half Forecasts as of 2Q	Full Year Forecasts as of 1Q	Full Year Forecasts as of 2Q	Full Year Forecasts Variance	
Business Profit		3.0	2.2	8.3	12.0	10.5	(1.5)	Main factors behind the forecast variance
Factor analysis	Hams and sausages, deli and processed foods	1.3	0.2	1.7	2.2	1.9	(0.3)	
	<Total gross profit>	1.2	(0.5)	3.1	4.0	2.6	(1.3)	
	<Volume factors>	(2.1)	(3.5)	1.4	(1.1)	(2.2)	(1.0)	Securing volume by focusing efforts on sales of products on key brands in the 2nd half although the Impact of the volume reduction in the 1st half will remain
	<Unit price factors>	3.3	3.1	1.7	5.1	4.8	(0.4)	
	(Product mix)	4.1	4.0	1.8	6.3	5.8	(0.5)	Improvement of unit prices will continue with a review of low-profit products and the growth of products of key brands, but the results are expected to fall short of the forecast as of 1Q due to sales promotions to achieve the recovery of volume
	(External environment total)	(0.9)	(1.0)	(0.1)	(1.2)	(1.0)	0.2	
	(Principal raw material)	(0.8)	(1.0)	0.1	(0.9)	(1.0)	(0.1)	
	(Other materials)	0.0	0.1	(0.1)	(0.3)	0.0	0.3	Prices of sheep casings, among other materials, are expected to improve from the forecast as of 1Q
	<Other costs>	0.1	0.7	(1.4)	(1.7)	(0.7)	1.0	
	(Electric power)	(0.4)	(0.1)	(0.3)	(0.7)	(0.4)	0.3	Both electricity and fuel will improve from the forecast as of 1Q
	(Other expenses) manufacturing expenses, SG&A expenses, etc.	0.5	0.8	(1.1)	(1.0)	(0.3)	0.7	There will be effects of improvements, including the reduction of lines in the manufacturing division and the improvement of priority manufacturing line, throughout the fiscal year
	Dairy/marine products and extract/primary processing	(0.1)	0.1	0.6	(0.1)	0.7	0.8	Profit will increase due to the introduction of strategic extracts and primary processed products and shelf-stable product price revisions in the 2nd half
	Others (Domestic business adjustments etc.)	(2.0)	(1.7)	(0.6)	(1.7)	(2.3)	(0.6)	In addition to adjustments, DX and IT-related costs that had been planned for the next fiscal year will be recorded in the 2nd half, ahead of schedule
	Overseas	(0.8)	(1.1)	1.2	1.5	0.1	(1.3)	Despite stable chicken raw material prices and price revisions in North America, profit will fall short of the forecast due to a delay in the Full-scale operation of a newly acquired plant
	Total	(1.6)	(2.4)	2.9	2.0	0.5	(1.5)	

(¥billion)

Fresh Meats Business Division

		1st half Forecasts as of 1Q	1st half Results	2nd half Forecasts as of 2Q	Full Year Forecasts as of 1Q	Full Year Forecasts as of 2Q	Full Year Forecasts Variance	
Business Profit		21.5	27.6	21.9	44.5	49.5	5.0	Main factors behind the forecast variance
Factor analysis	Domestic beef/pork business	0.4	0.9	1.2	1.6	2.1	0.6	Effects of sales measures taken in the 1st half
	Domestic chicken business	5.2	7.1	0.9	8.0	8.0	0.0	In the 1st half, increased profits were driven mainly by higher market prices. However, in the 2nd half, sales prices are expected to fall below expectations
	Imported fresh meats business	(4.0)	(3.1)	1.0	(1.6)	(2.1)	(0.5)	
	(Domestic imported fresh meats business)	(1.7)	(0.4)	1.2	0.4	0.8	0.4	While a certain level of profit was secured in the 1st half due to the successful control of volume and inventories, the sales volume of pork, whose prices have remained high, is expected to decline into the 2nd half
	(Overseas business)	(2.3)	(2.7)	(0.2)	(2.0)	(2.9)	(0.9)	Delays in passing on the sharply rising personnel expenses and feed costs to customers in the Turkish poultry meat business
	Sales (Nippon Food Group companies) and logistics section	(0.9)	(0.9)	0.3	(0.6)	(0.6)	0.1	Continue to maintain appropriate prices and secure the planned profit
	Australia Business	3.1	5.8	3.1	3.7	8.8	5.1	Amid growing demand for Australian beef, the most optimal export destinations were carefully examined and productivity improvement, leading to increase in profit
	Others (Adjustments etc.)	(0.4)	(0.3)	(0.4)	(0.5)	(0.7)	(0.2)	
	Total	3.4	9.6	6.0	10.5	15.5	5.0	

Business Results for the Second Quarter of FY2026/3(abridged version) (2)

【Breakdown of Overseas Business】				(¥million)				
			FY2025/3		FY2026/3			
			1st half Results	1st half share of total net sales	1st half Results	1st half share of net sales (%)	1st half Variance	1st half Variance(%)
Processed Foods Business Division: Overseas Business	Net sales		60,463	-	60,671	-	208	0.3
		External Customer Net Sales	25,446	42.1	32,223	53.1	6777	26.6
		Intersegment	35,017	57.9	28,448	46.9	(6,569)	(18.8)
	Business Profit		(5)	-	(1,109)	-	(1,104)	-
Fresh Meats Business Division: Australia Business	Net sales		63,761	-	82,850	-	19,089	29.9
		External Customer Net Sales	55,762	87.5	75,327	90.9	19,565	35.1
		Intersegment	7,999	12.5	7,523	9.1	(476)	(6.0)
	Business Profit		1,991	-	7,744	-	5,753	289.0

【Breakdown of Sales Results by Products】					(¥million)	
		FY2025/3 1st half Results	FY2026/3 1st half Results	Variance	Variance(%)	
Processed Foods Business Division		219,729	219,068	(661)	(0.3)	
	Hams and sausages	62,323	57,022	(5,301)	(8.5)	
	Processed foods	105,971	114,113	8,142	7.7	
	Fresh meats	21,112	17,330	(3,782)	(17.9)	
	Dairy products	21,148	20,195	(953)	(4.5)	
	Others	9,175	10,408	1,233	13.4	
Fresh Meats Business Division		445,820	481,165	35,345	7.9	
	Hams and sausages	612	995	383	62.6	
	Processed foods	14,241	14,226	(15)	(0.1)	
	Fresh meats	419,789	453,626	33,837	8.1	
	Dairy products	124	191	67	54.0	
	Others	11,054	12,127	1,073	9.7	
Ballpark Business		17,824	21,026	3,202	18.0	
Eliminations, Adjustments and Others		491	1,340	849	172.9	
Net Sales		683,864	722,599	38,735	5.7	

*Sales by product category are calculated based on Sales to external customers and may not equal segment sales.

【Balance Sheets】						(¥million)	
	End of FY2024/3	End of FY2025/3	FY2026/3 1st half	Variance	Variance(%)		
Cash and cash equivalents	65,465	71,557	74,723	3,166	4.4		
Trade and other receivables	165,022	142,107	147,204	5,097	3.6		
Inventories	141,429	142,548	145,505	2,957	2.1		
Biological assets	25,420	32,063	33,123	1,060	3.3		
Others	26,094	18,033	28,826	10,793	59.9		
Total current assets	423,430	406,308	429,381	23,073	5.7		
Property, plant and equipment	375,211	375,048	372,484	(2,564)	(0.7)		
Right-of-use assets	44,814	43,728	41,253	(2,475)	(5.7)		
Biological assets	1,531	1,627	1,493	(134)	(8.2)		
Others	113,251	122,561	120,560	(2,001)	(1.6)		
Total Non-current Assets	534,807	542,964	535,790	(7,174)	(1.3)		
Total Assets	958,237	949,272	965,171	15,899	1.7		
Interest-bearing liabilities	59,247	85,473	52,643	(32,830)	(38.4)		
Trade and other payables	116,773	106,269	111,138	4,869	4.6		
Others	70,812	66,001	60,750	(5,251)	(8.0)		
Total Current liabilities	246,832	257,743	224,531	(33,212)	(12.9)		
Interest-bearing liabilities	155,605	138,429	179,327	40,898	29.5		
Others	16,598	16,028	15,775	(253)	(1.6)		
Non-current liabilities	172,203	154,457	195,102	40,645	26.3		
Total Equity Attributable to Owner	527,503	524,293	530,315	6,022	1.1		
Non-controlling Interests	11,699	12,779	15,223	2,444	19.1		
Total Equity	539,202	537,072	545,538	8,466	1.6		
Total Liabilities and Equity	958,237	949,272	965,171	15,899	1.7		

【Statements of Cash Flows】				(¥million)	
	FY2024/3 1st half	FY2025/3 1st half	FY2026/3 1st half		
Profit before tax	31,605	28,872	38,273		
Depreciation and amortization	19,684	20,392	22,424		
Decrease (increase) in trade and other receivables	(12,231)	22,750	(4,887)		
Decrease (increase) in inventories	(155)	(21,841)	(2,592)		
Decrease (increase) in biological assets	3,140	(2,216)	639		
Increase(decrease) in trade payables	10,548	(7,342)	4,716		
Others	(6,279)	(18,241)	(16,110)		
Cash flows from operating activities	46,312	22,374	42,463		
Acquisition of fixed assets, proceeds from sales of fixed assets	(20,647)	(19,538)	(13,034)		
Others	(299)	3,794	3,225		
Cash flows from investing activities	(20,946)	(15,744)	(9,809)		
Cash flows from financing activities	(19,518)	64	(30,425)		

【Capital Expenditures, Depreciation and Amortization】							(¥million)	
		FY2025/3	FY2026/3				FY2026/3	
		1st half	1st half	Variance	Variance(%)	Full Year Forecasts	Full Year Forecasts	
Capital expenditures		15,849	12,219	(3,630)	(22.9)	48,500	53,900	
	Processed Foods Business Division	3,007	4,728	1,721	57.2	20,800	20,700	
	Fresh Meats Business Division	7,782	5,546	(2,236)	(28.7)	20,000	27,100	
	Ballpark Business	1,358	1,352	(6)	(0.4)	4,200	4,200	
	Eliminations, Adjustments and Others	3,702	593	(3,109)	(84.0)	3,500	1,900	
Depreciation and amortization		13,782	15,165	1,383	10.0	32,500	32,500	

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