

# Supplementary Materials Consolidated Financial Results for the 1<sup>st</sup> Quarter of Fiscal Year Ending March 2025

August 5, 2024

Maruha Nichiro Corporation (TSE:1333)



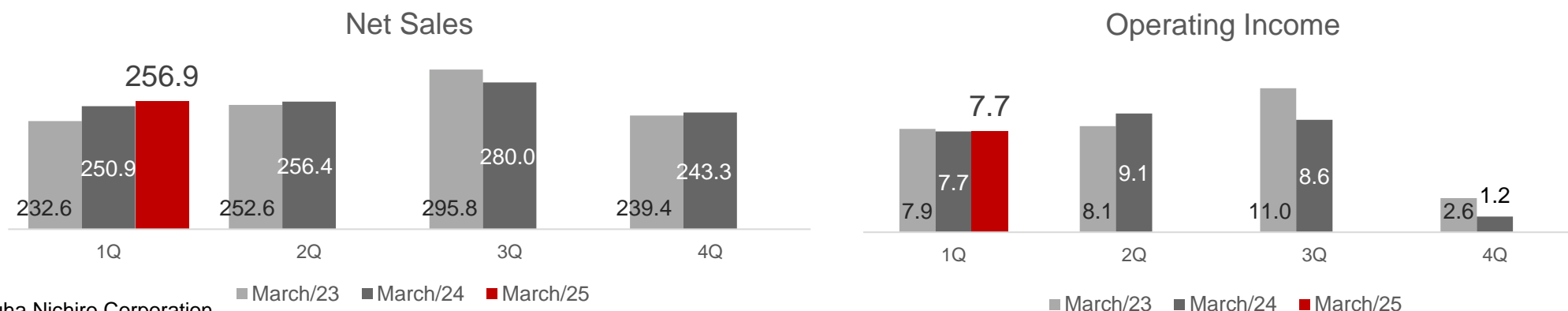
# Overview of the 1<sup>st</sup> Quarter of the Fiscal Year ending March 2025

# 1<sup>st</sup> Quarter Financial Highlights

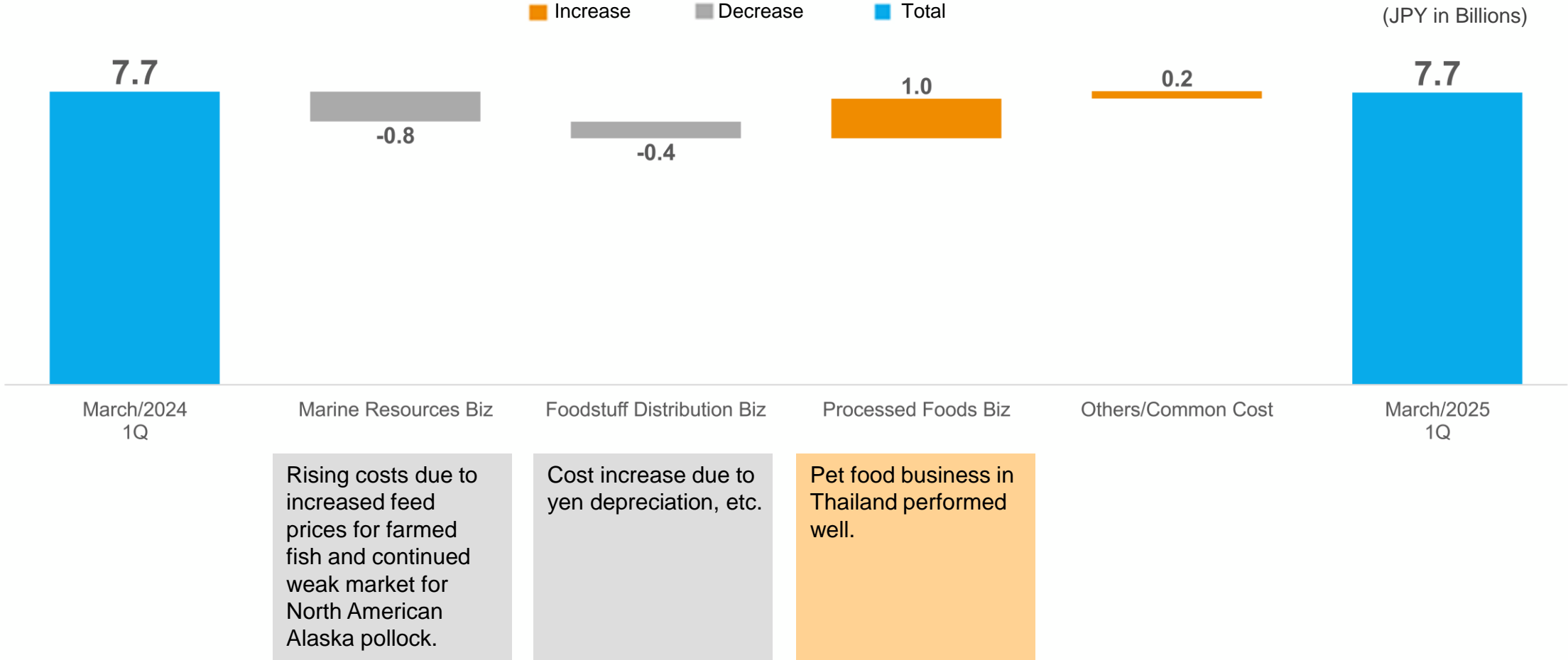
Net sales increased due to strong sales in the Marine Resources Business Segment and Processed Foods Business Segment. Although the pet food business (Thailand) in the Processed Foods Business Segment performed well, overall operating income remained on par with the previous year.

(JPY in Billions)

	Mar/25 1Q	Mar/24 1Q	Year on year		Full year forecast	
			Change	%		1Q/Fyf
Net Sales	256.9	250.9	6.0	+2.4%	1,050.0	24.5%
Operating Income	7.7	7.7	-0.0	-0.4%	30.0	25.5%
Ratio (%)	(3.0%)	(3.1%)				
Ordinary Income	9.9	11.2	-1.3	-12.0%	32.0	30.8%
Profit Attributable to Owners of Parent	6.5	6.7	-0.1	-1.7%	19.0	34.4%
EBITDA	13.3	12.7	0.6	+4.8%	-	-



# Factors of Increase/Decrease in Operating Income (YoY)



**The Marine Resources Business Segment experienced a decrease in operating income compared to the previous year.**

- Decrease in operating income due to continued high cost of feed for farmed fish in the Aquaculture Business Unit.  
(Aquaculture Business Unit Operating Income: 0.1 billion JPY, -0.7 billion JPY YoY)

**The Foodstuff Distribution Business Segment posted lower operating income compared to the previous year.**

- Decrease in operating income in the Marine Products Business Unit due to cost increases from the depreciation of the yen and a decrease in the handling volume of certain fish species.  
(Marine Products Business Unit Operating Income: 1.6 billion JPY, -0.4 billion JPY YoY).

**The Processed Foods Business Segment saw an increase in operating income compared to the previous year.**

- Processed Foods Business Unit recorded an increase in operating income due to favorable performance of pet food business (Thailand) .  
(Processed Foods Business Unit Operating income: 3.0 billion JPY, +1.0 billion JPY YoY)

# 1<sup>st</sup> Quarter Consolidated Balance Sheet

(JPY in Billions)

	June/24	Mar/24	Change	Remarks (Year-end change)
Current Assets	432.8	405.0	27.8	Cash & deposit (-2.5), Trade notes & accounts receivable (+12.5), Inventories (+17.0)
Fixed Assets	275.4	266.8	8.6	Tangible fixed assets (+2.2), Intangible fixed assets (+0.4), Investment securities (+5.2)
Total Assets	708.2	671.8	36.4	
Current Liabilities	274.5	273.0	1.6	Trade notes & accounts payable (+9.1), Short-term loans payable(-5.3)
Long-term Liabilities	177.1	153.4	23.7	Bonds (+15.0), Long-term loans payable (+7.9)
Total Liabilities	451.6	426.3	25.3	
Shareholders' Equity	182.9	178.9	4.0	Capital surplus (+4.0)
Other Cumulative Comprehensive Income	34.9	28.3	6.7	
Minority Interests	38.7	38.4	0.3	
Total Shareholders' Equity	256.5	245.5	11.0	
Total	708.2	671.8	36.4	
Interest-bearing Debt	301.9	284.4	17.6	(Includes +15.0 from bonds)
Equity Ratio	30.8%	30.8%	-0.1	

## Increase in Assets +36.4 Billion JPY

- Increase in inventories due to seasonal factors
- Increase in trade notes & receivables due to higher sales
- Increase in investment securities due to higher stock prices

## Increase in Liabilities +25.3 Billion JPY

- Decrease in interest-bearing debt
- Increase in trade notes and accounts payable

# 1<sup>st</sup> Quarter Consolidated Cash Flows

(JPY in Billions)

	Mar/25 1Q	Mar/24 1Q	Change	Main contents
Cash Flows from Operating Activities	-9.6	-6.2	-3.4	<ul style="list-style-type: none"> <li>• Net income before taxes and adjustments +9.8</li> <li>• Depreciation and amortization (including goodwill) +4.6</li> <li>• Decrease(Increase(-)) in trade accounts receivable -11.3</li> <li>• Decrease(Increase(-)) in inventories -15.4</li> <li>• Increase(Decrease(-)) in trade accounts payable +8.9</li> <li>• Increase(Decrease(-)) in other current assets +3.0</li> <li>• Corporate taxes paid -6.3</li> <li>• Increase(Decrease(-)) in accrued consumption taxes -2.3</li> </ul>
Cash Flows from Investing Activities	-4.7	-2.4	-2.3	<ul style="list-style-type: none"> <li>• Payments for purchases of tangible fixed assets -5.3</li> <li>• Interest and dividends received +1.1</li> </ul>
Cash Flows from Financing Activities	10.0	3.2	6.8	<ul style="list-style-type: none"> <li>• Increase(Decrease(-)) in short-term loans -8.6</li> <li>• Increase(Decrease(-)) in long-term loans +8.9</li> <li>• Proceeds from issuance of bonds +14.9</li> <li>• Dividends paid -2.5</li> <li>• Interest paid -1.2</li> </ul>
Cash and Cash Equivalents at End of Period	33.1	28.5	4.6	-

# Marine Resources Business Segment

Overall operating income decreased by 93% due to high cost of farmed fish and continued weak Alaska pollock market (North America).

(JPY in Billions)

	Unit	Mar/25 1Q	Mar/24 1Q	Year on year	
				Change	%
Net Sales	Fishery Business	10.2	8.9	1.4	+15.3%
	Aquaculture Business	4.0	4.1	-0.2	-3.9%
	North America Operations	40.7	39.3	1.3	+3.3%
	Segment Sub Total	54.8	52.3	2.5	+4.8%
	Operating Income	0.1	0.8	-0.8	-92.9%
	Operating Income(%)	0.1%	1.6%	-1.5	-

## ● Fishery Business Unit

While the market price of bluefin tuna (from Japanese waters) declined, increased catches of squid and horse mackerel (from New Zealand) and increased catches of skipjack tuna (from Micronesia) led to higher sales and improved profitability.

## ● Aquaculture Business Unit

Net sales decreased due to a reduction in sales volume of yellowtail and amberjack, and op. income declined due to increased costs from rising feed prices and other factors.

## ● North America Operations Unit

### <North America>

Net sales increased due to higher sales volume of Pacific cod products, etc. The market for mainstay Alaska pollock surimi and fillets continued to be weak, leading to a decrease in profit margins and reduced operating income.

### <Europe>

Both net sales and operating income increased due to the focus on sales of high-margin commercial products and the expansion of sales volume.



# Foodstuff Distribution Business Segment

Overall operating income decreased by 10% due to cost increase caused by yen depreciation, etc.

(JPY in Billions)

	Unit	Mar/25 1Q	Mar/24 1Q	Year on year	
				Change	%
Net Sales	Marine Products Trading	71.8	74.3	-2.5	-3.4%
	Foodstuff Distribution Business	58.3	55.9	2.4	+4.3%
	Agricultural Foods & Meat and Products Business	25.0	26.2	-1.2	-4.5%
	Segment Sub Total	155.1	156.4	-1.3	-0.9%
	Operating Income	3.8	4.2	-0.4	-10.4%
	Operating Income(%)	2.4%	2.7%	-0.3	-

## ● Marine Products Trading Unit

Although the market for frozen tuna, which struggled in the previous fiscal year, is on a recovery trend, net sales and operating income decreased due to higher costs for other fish species caused by yen depreciation and a decrease in handling volume for some fish species.

## ● Foodstuff Distribution Business Unit

Net sales increased due to efforts to strengthen intra-group cooperation and to expand sales based on the understanding of business category needs in response to market changes. On the other hand, despite efforts to improve operational efficiency and plant productivity, we were unable to fully offset the increased costs due to the depreciation of the yen and rising raw material prices, resulting in lower operating income.

## ● Agricultural Foods & Meat and Products Unit

Although net sales decreased due to a decline in the volume of pork imported from Europe, operating income increased as higher procurement costs due to the yen's depreciation were reflected in selling prices.

# Processed Foods Business Segment

Overall operating income increased 46% due to strong sales of pet food business to North America.

(JPY in Billions)

	Unit	Mar/25 1Q	Mar/24 1Q	Year on year	
				Change	%
Net Sales	Processed Foods Business	40.1	35.8	4.4	+12.2%
	Fine Chemicals	1.9	1.7	0.2	+14.5%
	Segment Sub Total	42.0	37.4	4.6	+12.3%
	Operating Income	3.3	2.3	1.0	+45.7%
	Operating Income(%)	7.9%	6.1%	1.8	-

## ● Processed Foods Business Unit

The implementation of price revisions and advertising contributed to increased net sales. Net sales and operating income increased due to strong sales in the pet food business, mainly to North America.

## ● Fine Chemicals Unit

Both net sales and operating income increased due to strong sales of DHA/EPA, protamine, and chondroitin for pharmaceutical use.

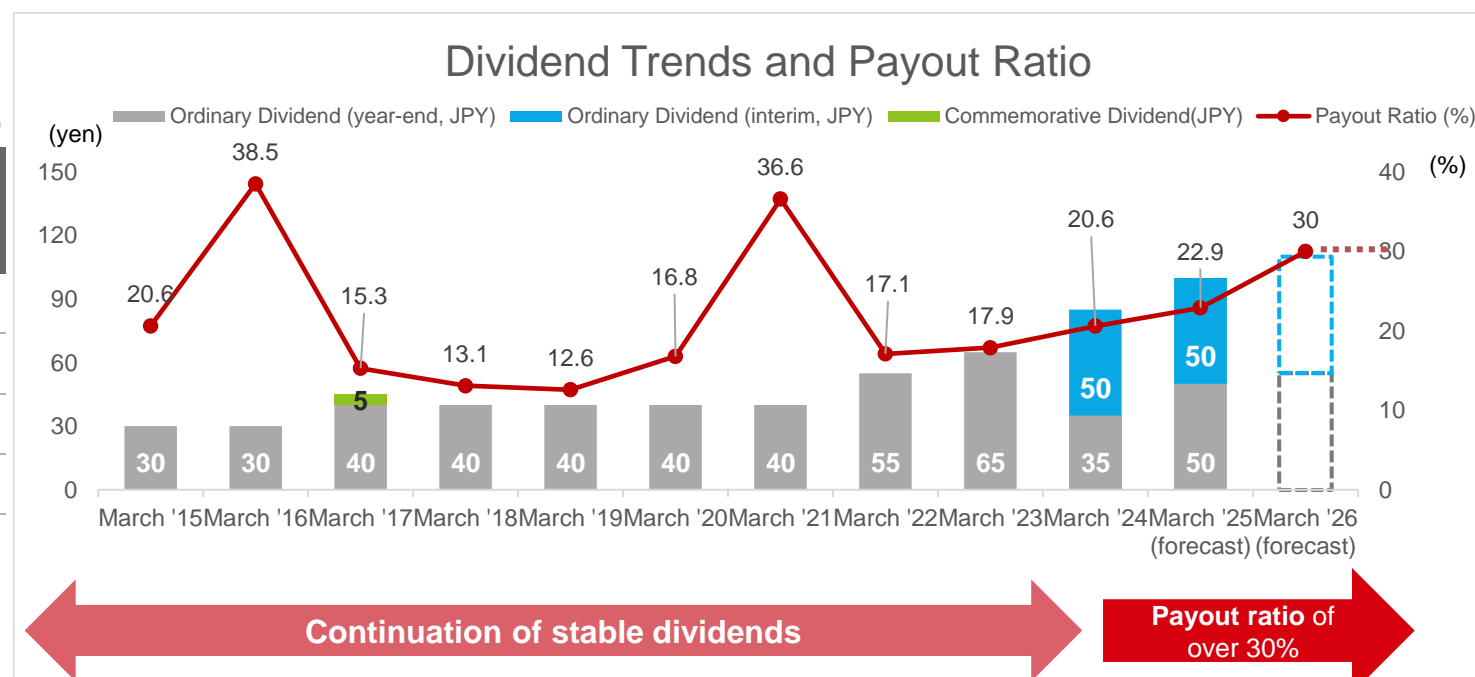
# Future Outlook and Measures

# FY Ending March 2025: Full-Year Plan and Shareholder Return

- An extraordinary income of 6.1 billion yen from the sale of cross-shareholdings will be recorded in 2Q. The funds obtained from the sale will be used for growth investments, human resource investments, and shareholder returns (to be announced in the next medium-term management plan starting from the FY ending March 2026).
- Due to the above extraordinary income, the consolidated earnings forecast for the current FY has been revised upward (Profit attributable to owners of parent: from 19.0 billion yen to 22.0 billion yen).
- Will consider annual dividend of 100 yen per share for the current FY. Will discuss dividend policy in the formulation of the next medium-term management plan (aiming for a dividend payout ratio of 30% or more).
- Considering measures to increase shareholder value from time to time, based on the premise of maintaining financial discipline.

(JPY in Billions)

	Mar/24 1Q (A)	Mar/25 Forecast	Mar/25 Revised Forecast (B)	1Q/Fyf (A/B)
Net Sales	256.9	1,050.0	1050.0	24.5%
Operation Income	7.7	30.0	30.0	25.5%
Ordinary Income	9.9	32.0	32.0	30.8%
Profit Attributable to Owners of Parent	6.5	19.0	22.0	29.7%



Despite the continued challenging business environment, we will improve profitability by implementing cost reduction measures and enhancing productivity.

(JPY in Billions)

	Unit	Mar/25 1Q	1Q/Fyf	
			Mar/25	%
Net Sales	Fishery Business	10.2	46.2	22.2%
	Aquaculture Business	4.0	16.6	23.8%
	North America Operations	40.7	180.0	22.6%
	Segment Sub Total	54.8	242.8	22.6%
	Operating Income	0.1	7.5	0.8%
	Operating Income(%)	0.1%	3.1%	-

## ● Fishery Business Unit

The business environment is expected to remain severe in terms of fuel oil and other costs. We will review our operational structure, including the number of vessels and timing of operation, and diversify our sales channels.

## ● Aquaculture Business Unit

Rising costs such as feed costs and the soft yellowtail market will continue. While promoting measures to reduce raw material prices, we will focus on stabilizing selling prices based on stable supply and expanding exports, especially to Asia, to reduce the market linkage of both raw material prices and selling prices.

## ● North America Operations Unit

### <North America>

Although the market for Alaska pollock remains weak, it is gradually improving due to changes in supply levels in the market. While consumption remains steady, business costs remain high. We will focus on optimizing production and sales items and maximizing production efficiency.

### <Europe>

Marine products prices are generally soft. We will further strengthen sales expansion centered on sushi items and Asian foods to increase sales volume.

Concerns about rising production and procurement costs persist. We will enhance profitability by quickly responding to environmental changes based on customer needs.

(JPY in Billions)

	Unit	Mar/25 1Q	1Q/Fyf	
			Mar/25	%
Net Sales	Marine Products Trading	71.8	285.8	25.1%
	Foodstuff Distribution Business	58.3	245.9	23.7%
	Agricultural Foods & Meat and Products Business	25.0	84.9	29.5%
	Segment Sub Total	155.1	616.6	25.1%
	Operating Income	3.8	10.0	38.0%
	Operating Income(%)	2.4%	1.6%	-

## ● Marine Products Trading Unit

While the supply of imported marine products is generally stable, selling prices of marine products in Japan are on an upward trend due to the depreciation of the yen and rising logistics costs. We will ensure appropriate inventories through efficient procurement and sales, and hedge risks with foreign exchange reservations. Further accelerate intra-group collaboration to build a strong business foundation.

## ● Foodstuff Distribution Business Unit

Continued concern over rising costs due to yen depreciation and geopolitical risks. In addition to strengthening intra-group cooperation and striving to improve operational efficiency and productivity, we will promote efficiency in both production and sales to achieve overall optimization.

## ● Agricultural Foods & Meat and Products Unit

Although procurement costs continue to rise, the domestic market remains price-conscious. We will strive to respond to the fluctuating environment in a timely manner by utilizing our domestic and overseas procurement networks.

Price revisions for frozen foods for household use (Domestic) will be implemented in September. Pet food business (Thailand) is expected to remain strong.

(JPY in Billions)

	Unit	Mar/25 1Q	1Q/Fyf	
			Mar/25	%
Net Sales	Processed Foods Business	40.1	163.0	24.6%
	Fine Chemicals	1.9	8.1	23.5%
	Segment Sub Total	42.0	171.2	24.6%
	Operating Income	3.3	11.8	28.0%
	Operating Income(%)	7.9%	6.9%	-

## ● Processed Foods Business Unit

In addition to further improving productivity and stepping up advertising, we will implement price revisions for frozen foods for household use (Domestic) in September. Pet food business (Thailand) is expected to remain strong.

## ● Fine Chemicals Unit

We anticipate a challenging business environment due to the slow recovery of inbound demand and rising raw material prices. We will work on expanding sales of existing products and advancing new initiatives such as DHA derived from algae.

# Appendix



# 1<sup>st</sup> Quarter Consolidated Statement of Income



(JPY in Billions)

	Mar/25 1Q	Mar/24 1Q	Change	Remarks
Net Sales	256.9	250.9	6.0	
Cost of Sales	221.3	216.9	4.4	
Gross Profit	35.7	34.1	1.6	
Expense	28.0	26.4	1.6	
Operating Income	7.7	7.7	-0.0	
Non-operating Revenues	3.4	4.4	-1.0	Foreign exchange gain (1.1)
Non-operating Expenses	1.2	0.8	0.3	
Ordinary Income	9.9	11.2	-1.3	
Extraordinary Income	0.1	0.1	0.0	
Extraordinary Loss	0.1	0.6	-0.5	
Income before Tax	9.8	10.7	-0.8	
Taxes	2.3	3.5	-1.2	
Minority Interest Income(Loss) of Consolidated Subsidiaries	1.0	0.6	0.5	
Profit Attributable to Owners of Parent	6.5	6.7	-0.1	

# 1<sup>st</sup> Quarter Results (by Segment/Unit)

(JPY in Billions)

Segment	Unit	Net Sales				Operating Income						Ordinary Income			
		Mar/25 1Q	Mar/24 1Q	YoY change		Mar/25 1Q		Mar/24 1Q		YoY change		Mar/25 1Q	Mar/24 1Q	YoY change	
					(%)		Ratio (%)		Ratio (%)		(%)				(%)
Marine Resources Business	Fishery Business	10.2	8.9	1.4	+15.3%	-0.9	-	-1.0	-	0.1	-	-0.2	-0.6	0.5	-
	Aquaculture Business	4.0	4.1	-0.2	-3.9%	0.1	3.6%	0.8	19.4%	-0.7	-82.3%	0.2	0.8	-0.6	-76.4%
	North America Operations	40.7	39.3	1.3	+3.3%	0.8	2.0%	1.0	2.6%	-0.2	-22.2%	0.9	2.0	-1.1	-56.5%
	Segment Total	54.8	52.3	2.5	+4.8%	0.1	0.1%	0.8	1.6%	-0.8	-92.9%	0.9	2.2	-1.3	-58.7%
	(Domestic)	15.9	16.9	-1.0	-5.7%	-0.3	-	0.9	5.4%	-1.3	-	-	-	-	-
	(Overseas)	38.9	35.4	3.5	+9.8%	0.4	1.0%	-0.1	-	0.5	-	-	-	-	-
Foodstuff Distribution Business	Marine Products Trading	71.8	74.3	-2.5	-3.4%	1.6	2.3%	2.0	2.7%	-0.4	-18.1%	1.8	2.1	-0.3	-16.3%
	Foodstuff Distribution Business	58.3	55.9	2.4	+4.3%	1.5	2.6%	1.6	2.9%	-0.1	-5.3%	1.7	1.7	0.0	+1.9%
	Agricultural Foods & Meat and Products Business	25.0	26.2	-1.2	-4.5%	0.6	2.5%	0.6	2.4%	0.0	+1.4%	1.0	0.8	0.2	+19.7%
	Segment Total	155.1	156.4	-1.3	-0.9%	3.8	2.4%	4.2	2.7%	-0.4	-10.4%	4.5	4.6	-0.2	-3.3%
	(Domestic)	154.3	155.4	-1.1	-0.7%	3.8	2.5%	4.3	2.7%	-0.4	-9.9%	-	-	-	-
	(Overseas)	0.8	1.0	-0.2	-21.7%	-0.0	-	-0.0	-	-0.0	-	-	-	-	-
Processed Foods Business	Processed Foods Business	40.1	35.8	4.4	+12.2%	3.0	7.4%	2.0	5.6%	1.0	+48.7%	2.5	2.2	0.3	+12.1%
	Fine Chemicals	1.9	1.7	0.2	+14.5%	0.3	16.7%	0.3	15.7%	0.1	+22.3%	0.3	0.2	0.1	+34.5%
	Segment Total	42.0	37.4	4.6	+12.3%	3.3	7.9%	2.3	6.1%	1.0	+45.7%	2.8	2.4	0.3	+14.2%
	(Domestic)	28.9	27.5	1.4	+4.9%	1.4	4.9%	2.0	7.1%	-0.5	-27.7%	-	-	-	-
	(Overseas)	13.2	9.9	3.3	+33.0%	1.9	14.4%	0.3	3.2%	1.6	+495.0%	-	-	-	-
Logistics	4.5	4.7	-0.2	-4.2%	0.8	17.3%	0.8	16.5%	0.0	0.0%	0.8	0.8	-0.0	-1.7%	
Others	0.5	0.1	0.4	+431.6%	0.4	75.0%	0.1	74.7%	0.3	+433.8%	0.4	0.1	0.3	+427.8%	
Common Cost	-	-	-	-	-0.7	-	-0.5	-	-0.1	-	0.6	1.2	-0.6	-49.0%	
<b>Total</b>		<b>256.9</b>	<b>250.9</b>	<b>6.0</b>	<b>+2.4%</b>	<b>7.7</b>	<b>3.0%</b>	<b>7.7</b>	<b>3.1%</b>	<b>-0.0</b>	<b>-0.4%</b>	<b>9.9</b>	<b>11.2</b>	<b>-1.3</b>	<b>-12.0%</b>
(Domestic)		203.7	204.3	-0.6	-0.3%	5.1	2.5%	7.4	3.6%	-2.3	-31.3%	-	-	-	-
(Overseas)		53.3	46.6	6.6	+14.3%	2.6	4.8%	0.3	0.6%	2.3	+850.7%	-	-	-	-

# 【Reference】 Results for the most recent 4 years by Segment/Unit (After Organizational Structure Changes)

(JPY in Billions)

	Net Sales				Operation Income			
	Mar/2022	Mar/2023	Mar/2024	Mar/2025 (Forecast)	Mar/2022	Mar/2023	Mar/2024	Mar/2025 (Forecast)
Fishery Biz Unit	31.5	42.2	38.5	46.2	0.3	1.8	-1.0	2.0
Aquaculture Biz Unit	14.6	15.9	16.0	16.6	0.0	1.6	0.7	0.4
North America Operations Unit	101.3	152.9	171.6	180.0	3.6	5.6	3.2	5.2
Marine Resources Biz Segment Total	147.4	210.9	226.1	242.8	3.9	9.0	2.9	7.5
(Domestic)	57.2	67.0	64.9	69.9	0.3	1.8	0.1	0.4
(Overseas)	90.2	143.9	161.2	172.9	3.5	7.2	2.9	7.2
Marine Products Trading Unit	279.8	309.3	298.1	285.8	4.6	3.5	2.5	4.0
Foodstuff Distribution Biz Unit	194.8	223.8	234.4	245.9	2.1	2.5	6.2	4.8
Agricultural Foods & Meat and Products Biz Unit	71.1	86.0	92.4	84.9	0.7	0.8	1.3	1.2
Foodstuff Distribution Biz Segment Total	545.7	619.1	624.9	616.6	7.4	6.9	10.0	10.0
(Domestic)	543.7	615.8	621.4	612.3	7.4	7.2	10.1	9.8
(Overseas)	2.0	3.3	3.5	4.4	0.0	-0.3	-0.1	0.1
Processed Foods Biz Unit	149.7	164.7	152.5	163.0	9.5	9.8	9.5	10.5
Fine Chemicals Unit	6.8	7.8	7.9	8.1	1.5	1.4	1.1	1.3
Processed Foods Biz Segment Total	156.6	172.4	160.4	171.2	11.0	11.2	10.6	11.8
(Domestic)	112.1	113.6	113.2	118.0	5.6	3.0	6.4	6.3
(Overseas)	44.4	58.9	47.1	53.1	5.4	8.2	4.2	5.5
Logistics	16.6	17.6	17.6	17.6	1.1	1.6	2.3	1.8
Others	0.4	0.4	1.7	1.8	0.5	0.9	0.7	- 1.1
<b>Total</b>	<b>866.7</b>	<b>1,020.5</b>	<b>1,030.7</b>	<b>1,050.0</b>	<b>23.8</b>	<b>29.6</b>	<b>26.5</b>	<b>30.0</b>
(Domestic)	729.2	813.1	817.2	818.1	15.0	14.4	18.7	18.6
(Overseas)	137.5	207.3	213.4	231.9	8.8	15.2	7.9	11.4

\*The figures for the FY ended March 2023 and the FY ended March 2024 have been revised, and changes from the supplementary materials released on May 7, 2024 are indicated in blue.

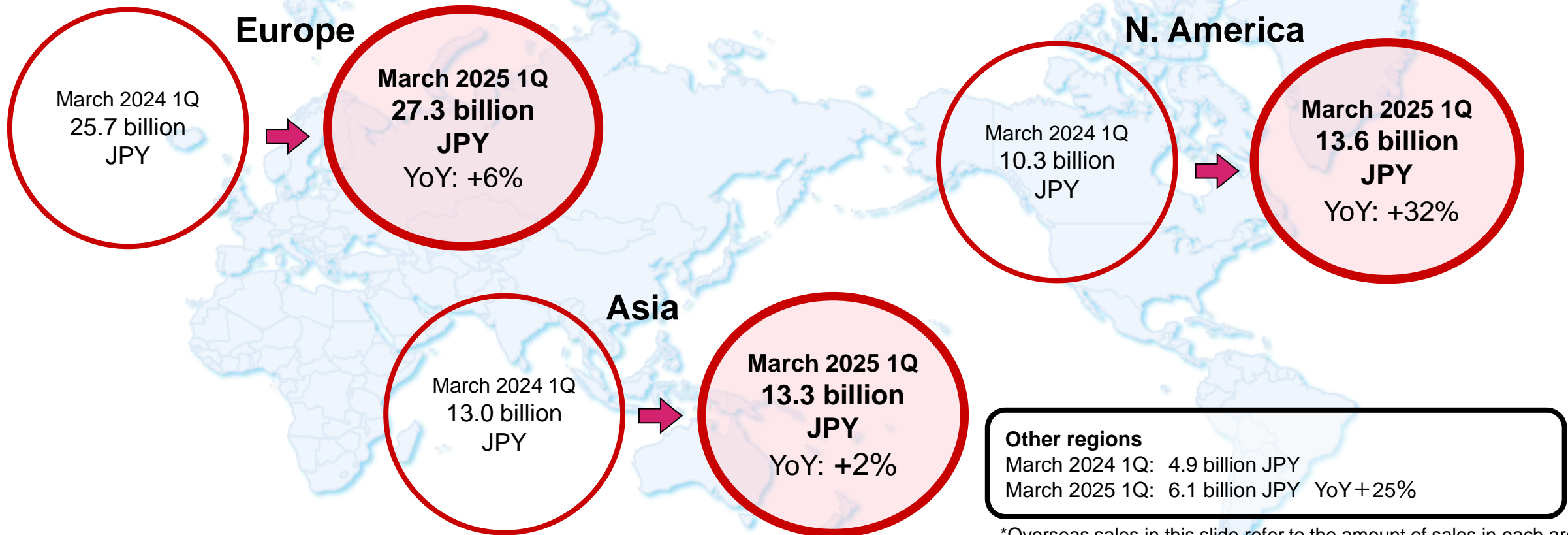
\*Figures in this slide are prepared for reference purposes only (figures for the FY ended March 2022 are approximate estimates).

\*Domestic: Total of Maruha Nichiro Corporation + domestic consolidated subsidiaries; Overseas: Total of overseas consolidated subsidiaries

# Overseas Net Sales for 1Q of FY Ending March 2025

Overseas Net sales	March 2024 1Q	March 2025 1Q	March 2025 target (mid-term initial plan)
	53.9 billion JPY	60.3 billion JPY	215.0 billion JPY

Overseas Net sales ratio	March 2024 1Q	March 2025 1Q	March 2025 target (mid-term initial plan)
	21.5%	23.5%	22.4%



\*Overseas sales in this slide refer to the amount of sales in each area

**Thank You**



# MARUHA NICHIRO

For the ocean, for life

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