

**Financial Results for
the Year Ended March 31, 2024
(For Analysts and Institutional Investors)**

**May 17, 2024
Prima Meat Packers, Ltd.
(TSE Prime: 2281)**



1

Financial Results for the Year Ended March 31, 2024

2

Medium-term Business Plan (Rolling Plan)

3

Appendix: Inter-Year Comparison in Performance

Financial Results for the Year Ended March 31, 2024

Consolidated Statements of Income



(hundred millions of yen, %)

	Previous year		FYE March 2024			
	Full-year	Net sales ratio	Full-year	Net sales ratio	% of comparative period	YoY change
Net sales	4,307	–	4,484	–	104.1	+177
Cost of sales	3,830	88.9	3,983	88.8	104.0	(153)
Gross profit	478	11.1	501	11.2	105.0	+24
SG&A expenses	380	8.8	383	8.5	100.8	(3)
Operating income	97	2.3	118	2.6	121.5	+21
Ordinary income	105	2.4	129	2.9	122.6	+24
Extraordinary income	2	0.1	15	0.3	682.4	+13
Extraordinary loss	48	1.1	10	0.2	20.0	+39
Income before income taxes	59	1.4	134	3.0	227.6	+75
Net income	38	0.9	84	1.9	217.9	+45
Net income attributable to non-controlling interests	(7)	-0.2	9	0.2	-	(15)
Net income attributable to owners of parent	45	1.0	75	1.7	166.2	+30

Gross profit margin: 0.1 pts up (11.1% → 11.2%)

Cost to sales ratio: 0.1 pts up (88.9% → 88.8%)

Purchasing of raw materials and products: 0.4 pts up

Production costs to sales ratio: 0.5 pts down

SG&A: Turned downward (favorable) by 0.3 pts (8.8% → 8.5%)

Labor: 0.1 pts down

Admin: 0.2 pts down

Operating margin: Up 0.3 pts (2.3% → 2.6%)

FYE March 2024: Variance from forecast (hundred millions of yen)

	Forecast (announced May 8)	Result	Change
Net sales	4,703	4,484	(219)
Operating income	115	118	+3
Ordinary income	120	129	+9
Net income attributable to owners of parent	76	75	(1)

Financial Results for the Year Ended March 31, 2024:

Segment Results



(hundred millions of yen, %)

		Result in comparative period	FYE March 2024		
			Full-year	% of comparative period	YoY change
Processed Foods segment	Net sales	3,007	3,122	103.8	+116
	Operating income	102	111	108.5	+9
	Operating margin (%)	3.4	3.6	–	+0.2
Fresh Meat segment	Net sales	1,296	1,356	104.7	+61
	Operating income	(2)	8	–	+10
	Operating margin (%)	–	0.6	–	–
Others	Net sales	5	6	109.3	+0
	Operating income	2	3	115.5	+0
*Adjustment	Operating income	(6)	(4)	71.2	+2
Consolidated Total	Net sales	4,307	4,484	104.1	+177
	Operating income	97	118	121.5	+21
	Operating margin (%)	2.3	2.6	–	+0.3

* Adjustment: This refers to general (organization wide) expenses not allocated to any particular segment.

Net sales by product category

	Full-year	% of comparative period
Ham/sausage	1,121	107.9
Processed foods	768	105.1
Prepared deli items (vendor subsidiary)	1,046	102.9
Fresh meat	1,513	102.2
Total	4,484	104.1

* The fresh meat category includes fresh meat sales in the Processed Foods segment.

Non-consolidated income statement

(hundred millions of yen, %)

		Full-year	% of comparative period	YoY change
Prima Meat Packers	Net sales	3,219	104.7	+145
	Operating income	69	96.9	(2)
	Operating margin (%)	2.1	–	(0.2 pts)

Business environment

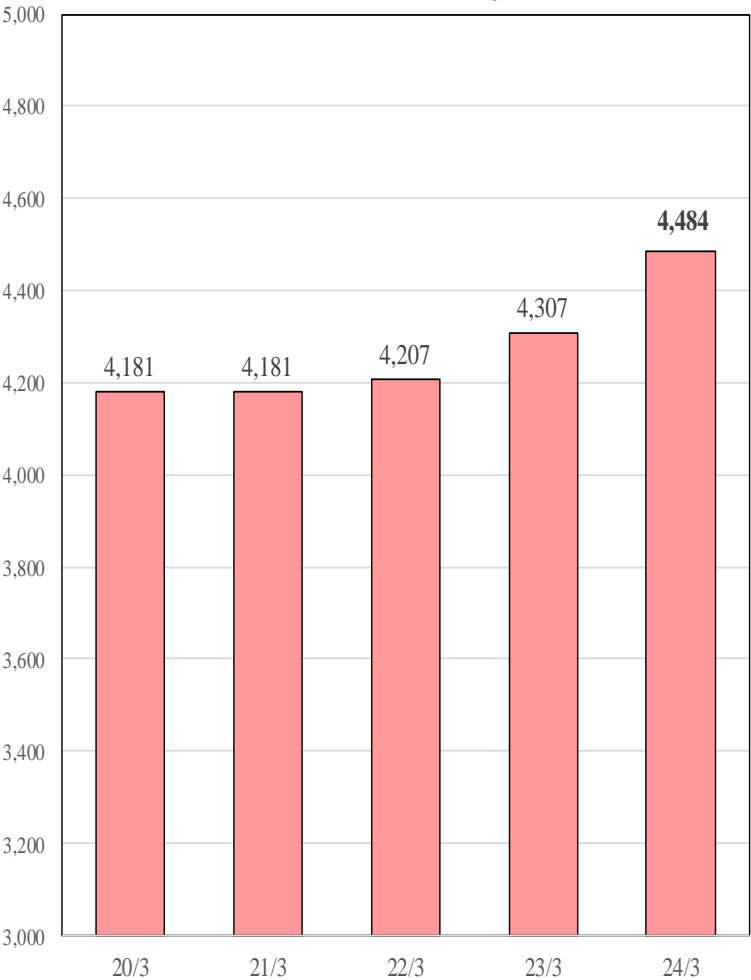
In Japan, consumption trends are mixed. Favorable trends include the fact that inbound tourists are driving demand for food services and tourism. Less favorable trends include the fact that inflation is driving down real wages, causing consumers to tighten their purse strings.

Trends in the industry remain tough, with high purchasing costs, high market prices for livestock, and outbreaks of animal disease. The low yen has pushed up the costs of purchasing raw materials, prompting many businesses in the industry and those in others to hike their prices on multiple occasions.

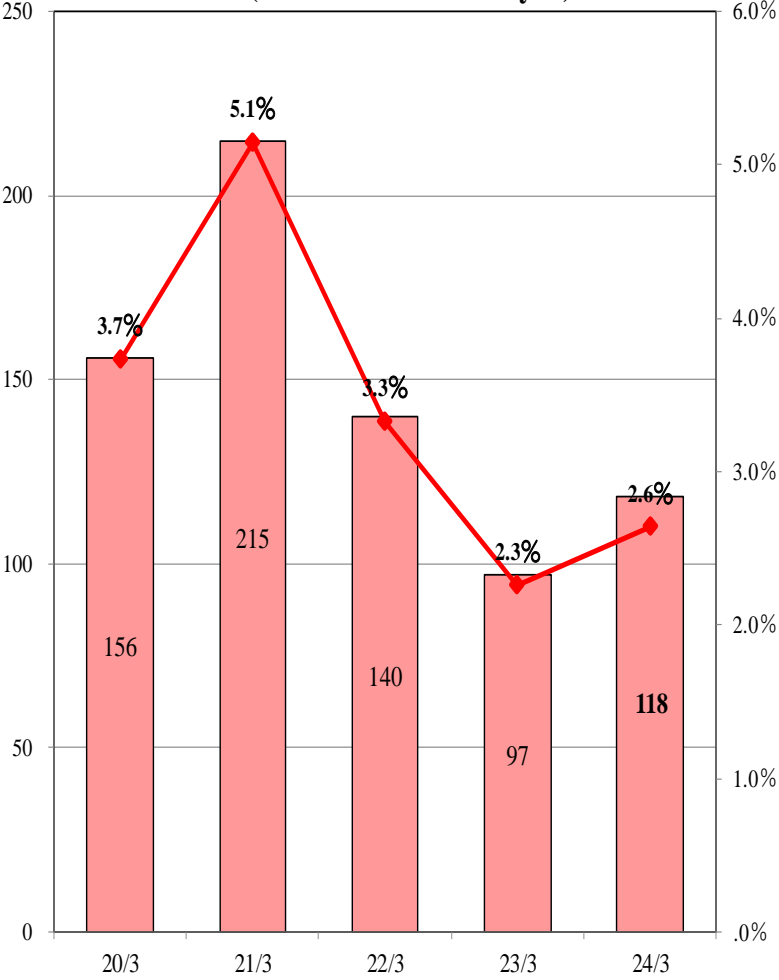
Changes in Net Sales, Operating Income, Net Income



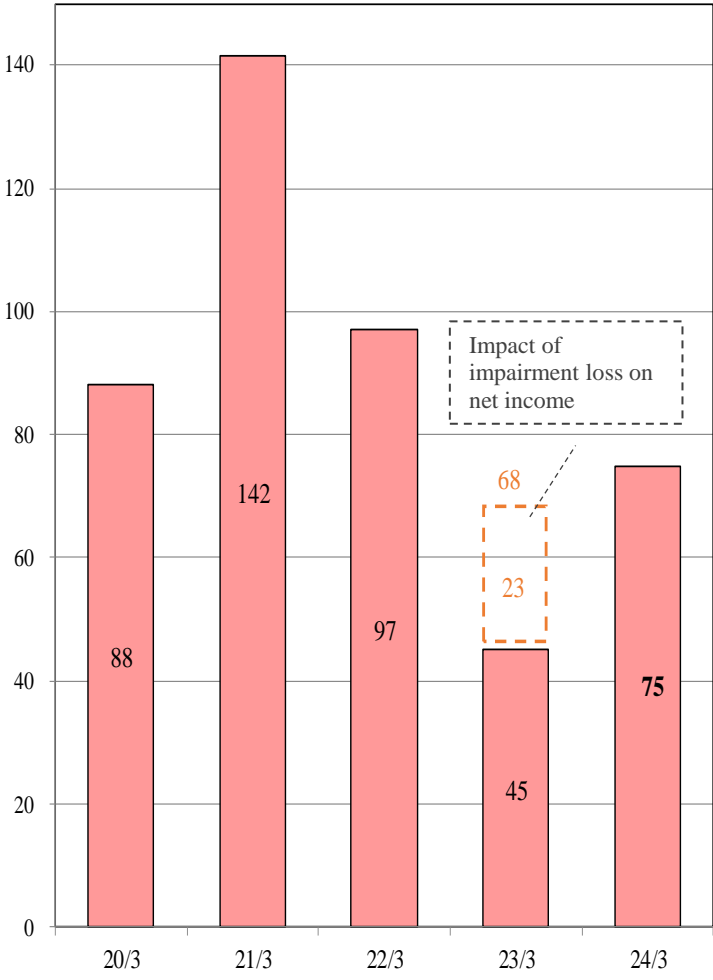
Consolidated net sales
(hundred millions of yen)



Consolidated operating income/
Operating margin
(hundred millions of yen)






Consolidated net income
(hundred millions of yen)



Note: In the year ended March 2022, we changed the way we present earnings to accord with the new revenue recognition standard and the revenue and expenses associated with the compound feed price stabilization system. The new revenue recognition standard has been retroactively applied to the year ended March 2021. Same is true in all other instances.

Net income refers to net income attributable to owners of parent.

Actions Taken in Processed Foods Business

	Actions taken	Outcomes									
Price hikes	<p>○We hiked prices of ham/sausage and other processed foods to absorb cost increases in raw materials and manufacturing.</p> <p>Date Fourth price hike: October 1, 2023</p> <p> First was in February 2022, second in September 2022, third in April 2023</p> <p>Products 200 ham/sausage products and other processed foods (consumer products, commercial products)</p> <p>Size of increase 3–20%</p>	<p>○Ham/Sausage sales</p> <p> ◇108% of comp period</p> <p>○Sales of other processed foods</p> <p> ◇105% of comp period</p>									
Sales	<p>○We continued efforts to expand market share.</p> <p>○We promoted sales of Koukun Sausage and enhanced its brand presence</p> <p>○We enhanced the brand recognition of Smile Up! A loin ham and bacon brand.</p> <p>○We promoted sales in the B2B sector (wholesalers, food service companies)</p> <p>○E-commerce: Takegishi Ham Company launched an online store</p> <p>○Overseas (Singapore): Rudi's Fine Food won more business with local firms</p> <p>○We enlarged our audience through TV ad, promotional campaigns, events, and social media (X, Line)</p>	<p>○Ham/Sausage sales vol: ◇103% of comp period</p> <p> Consumer products 103%</p> <p> Commercial products 104%</p> <p>○Sales vol of other processed foods: ◇100% of comp period</p> <p> Prepared foods for consum 97%</p> <p> Prepared foods for comme: 103%</p> <p> Seasoned raw meat 99%</p>									
Marketing	<div><p>Private theater show: Takarazuka Revue's Star troupe</p></div> <div><p>Buffet at Hotel New Otani</p></div> <div><p>Smile Up! promo campaign</p></div>	<p>○Share of B2C market: Ham/Sausage</p> <p> ◇YoY change 0.9 pts</p> <p> (SCI data, April 2023 to March 2024)</p>									
Production	<p>○We strengthened supply continuity to accommodate market share growth</p> <p> • We boosted production capacity by adding a line in the plant in Kagoshima</p> <p>○We worked to increase production efficiency</p> <p>○We improved eco sustainability by installing a solar power and co-generation system in the plant in Kagoshima</p>	<p>○Man-hours productivity (total for April 2023–March 2024)</p> <table><tr><td></td><td>Ham/Sausage</td><td>Processed foods</td></tr><tr><td></td><td>2.5 pts down</td><td>4.0 pts down</td></tr><tr><td>Note: Shrinkflation is taken into account</td><td>0.7 pts down</td><td>1.3 pts down</td></tr></table>		Ham/Sausage	Processed foods		2.5 pts down	4.0 pts down	Note: Shrinkflation is taken into account	0.7 pts down	1.3 pts down
	Ham/Sausage	Processed foods									
	2.5 pts down	4.0 pts down									
Note: Shrinkflation is taken into account	0.7 pts down	1.3 pts down									
Vendors	<p>○We continued developing new items and proactively supplying them in response to customer needs</p> <p>Smoothies and Cup Deli items performed well</p>	<p>○Vendor business: Net sales</p> <p> ◇103% of comp period</p>									
Other	○Addressing the 2024 problem: On December 1, 2023, we and three other meat processing companies pledged action to support the SDGs and improve sustainability in distribution.										

Processed Foods Business Performance

1. Ham/Sausage

(1) Sales volume: All ham/sausage products

(%)

	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024	% of total
Ham/Sausage	110	104	101	103	
• Consumer Products	117	103	101	103	75.6
• Commercial Products	94	110	102	104	23.4
• Gift Products	93	98	97	83	0.9

(2) Sales volume: Key consumer products

	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024
Koukun Sausage	123	110	107	107
Loin ham group	121	99	99	102
Bacon group	122	100	96	102
Tokachi Raw ham	116	98	92	97

► Koukun performed well, YoY growth in loin ham and bacon group

(3) Improvement in man-hours productivity

	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024
Ham/Sausage	6 pts up	4 pts up	0.2 pts up	2.5 pts down
Shrinkflation is taken into account			2.0 pts up	0.7 pts down

(4) Net sales in vendor business (1 company)

	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024
Net sales	106	103	99	103

2. Other processed foods

(1) Sales volume: All other processed foods products

(%)

	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024	% of total
Processed Foods	99	102	99	100	
• Consumer Products	112	94	103	97	29.1
• Commercial Products	87	118	100	103	47.2
• Seasoning raw meat	105	88	95	99	21.4

(2) Sales volume: Key consumer products

	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024
Burgers	141	103	91	91
Meatballs	104	101	100	75
Chicken strips for salads (including ham/sausage)	107	85	95	101
Fried items for consumers	108	86	115	105

(3) Improvement in man-hours productivity

	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024
Processed Foods	4 pts up	No change	1.6 pts down	4.0 pts down
Shrinkflation is taken into account			1.0 pts down	1.3 pts down

Ham/Sausage



Processed Foods

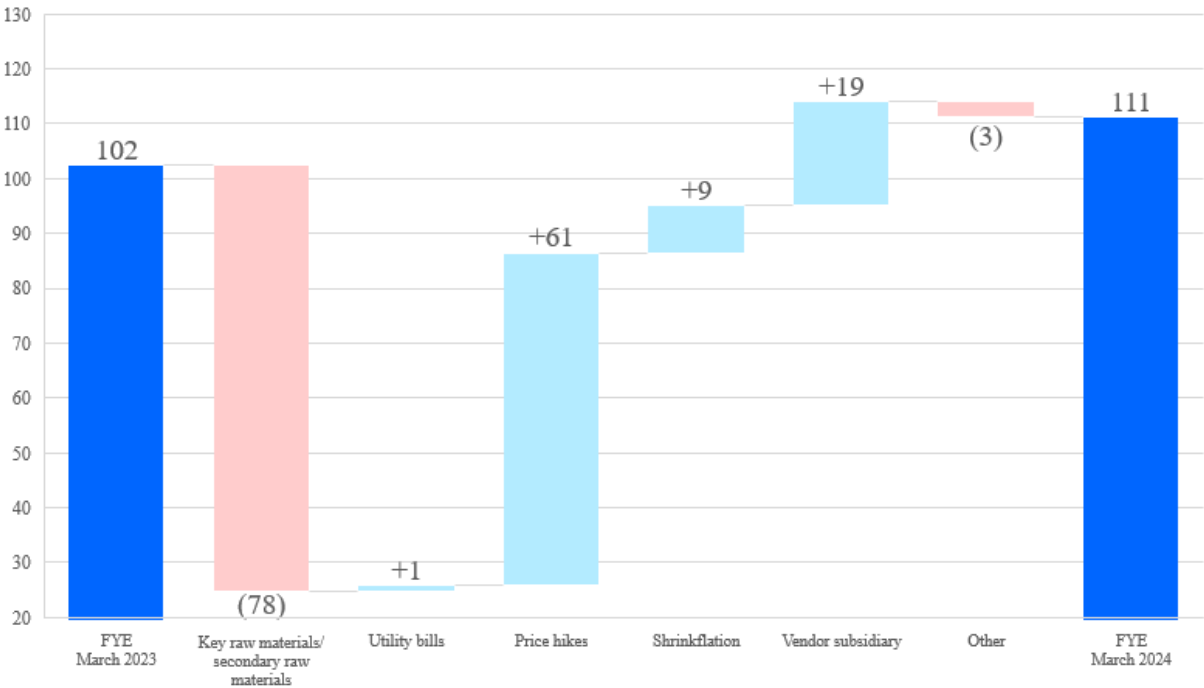


Processed Foods Business: Factors of Change in Operating Income



(hundred millions of yen, %)




	Result in comparative period	FYE March 2024		
		Full-year	% of comp period	YoY change
Net sales	3,007	3,122	103.8	+116
Operating income	102	111	108.5	+9
Operating margin (%)	3.4	3.6	—	+0.2



- Cost increases (¥7.7 bn)
Key raw materials and secondary raw materials remained expensive, but YoY difference lessened.
- Sales +¥7.0 bn
(Price hikes +¥6.1 bn, shrinkflation +¥0.9 bn)
Price hikes have progressively offset cost increases impact, and in Q4, they more than offset it.

Factor		Full-year	1Q	2Q	3Q	4Q
FYE March 2023 operating income		102	37	22	32	11
Cost increases (77)	Key raw materials/secondary raw materials	(78)	(29)	(21)	(15)	(13)
	Utility bills	+1	(1)	+0	+2	+0
	Subtotal	(77)	(30)	(21)	(13)	(13)
Sales +70	Price hikes	+61	+15	+17	+12	+17
	Shrinkflation	+9	+3	+2	(0)	+4
	Subtotal	+70	+18	+19	+12	+21
Vendor subsidiary		+19	+7	+11	+2	(2)
Other		(3)	+1	(1)	(0)	(2)
FYE March 2024 operating income		111	33	30	33	16
YoY change		+9	(4)	+8	+0	+4
Sales-cost increase		(7)	(12)	(2)	(1)	+8

Actions Taken in Fresh Meat Segment

	Actions taken	Outcomes																				
Purchasing, sales	<div>○Improving profitability/margins</div> <div>We rolled out price increases to absorb higher purchasing costs.</div> <div>We adjusted transaction terms and policies with market conditions.</div> <div></div> <div>○We expanded original brands: Imported chilled beef, imported chilled pork.</div> <div>○The Meat Guy (online fresh meat business)</div> <div>○New products: Locally packaged</div> <div>○We reduced procurement loss and tightened inventory management.</div>	<div>Annual net sales: % of comp period</div> <table><tr><th></th><th>Net sales: % of comp period</th></tr><tr><td>Beef</td><td>97%</td></tr><tr><td>Pork</td><td>95%</td></tr><tr><td>Poultry</td><td>107%</td></tr></table> <div>Demand has shifted from beef to pork and poultry</div> <div>Source: Ministry of Internal Affairs and Communications, survey of households (YoY comparisons from April 2023 to March 2024)</div> <table><tr><th></th><th>Spending</th><th>Sales volume</th></tr><tr><td>Beef</td><td>97%</td><td>95%</td></tr><tr><td>Pork</td><td>103%</td><td>100%</td></tr><tr><td>Poultry</td><td>105%</td><td>102%</td></tr></table>		Net sales: % of comp period	Beef	97%	Pork	95%	Poultry	107%		Spending	Sales volume	Beef	97%	95%	Pork	103%	100%	Poultry	105%	102%
	Net sales: % of comp period																					
Beef	97%																					
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Poultry	107%																					
	Spending	Sales volume																				
Beef	97%	95%																				
Pork	103%	100%																				
Poultry	105%	102%																				
Hog farming	<div>○We increased pig shipments.</div> <div>○Farm in Miyagi: Shipments on track</div> <div>○Older farms improved their productivity and meat quality.</div> <div>○We worked to improve animal welfare.</div> <div><div>• Farms applied our in-house animal welfare standards in line with WOA^H* standards.</div><div>*World Organisation for Animal Health</div></div> <div><div>Fattening site (Yamamoto) in Miyagi</div></div>	<div>Shipments</div> <table><tr><th>Year ended</th><th>Shipments</th></tr><tr><td>2023</td><td>440 k</td></tr><tr><td>2024</td><td>460 k (105% of comp period)</td></tr></table>	Year ended	Shipments	2023	440 k	2024	460 k (105% of comp period)														
Year ended	Shipments																					
2023	440 k																					
2024	460 k (105% of comp period)																					

External environment

○Feed prices rose by ¥14,750 in in FYE March 2023 and remained high in FYE March 2024.

JA animal feed prices (national average)

Apr–Jun 2023	¥2,000 down
Jul–Sep 2023	¥2,000 down
Oct–Dec 2023	¥2,700 down
Jan–Mar 2024	¥2,800 up

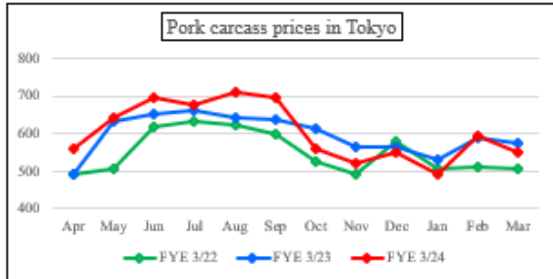
○Meat prices in Japan rose in H1 but turned downward in H2.

Close to last year's level

Tokyo meat market: Pork carcasses

¥574/kg in March 2023, ¥695/kg in September 2023, ¥549/kg in March 2024

Pork carcass prices in Tokyo



Month	FYE 3/22	FYE 3/23	FYE 3/24
Apr	490	500	560
May	500	640	650
Jun	620	660	690
Jul	630	670	680
Aug	620	650	710
Sep	590	640	700
Oct	530	610	560
Nov	510	560	500
Dec	560	540	540
Jan	510	530	490
Feb	510	590	590
Mar	500	570	550

○Stocks of imported meat were down YoY in H2.

Estimated stock (Imports) (source: ALIC)

Unit, %

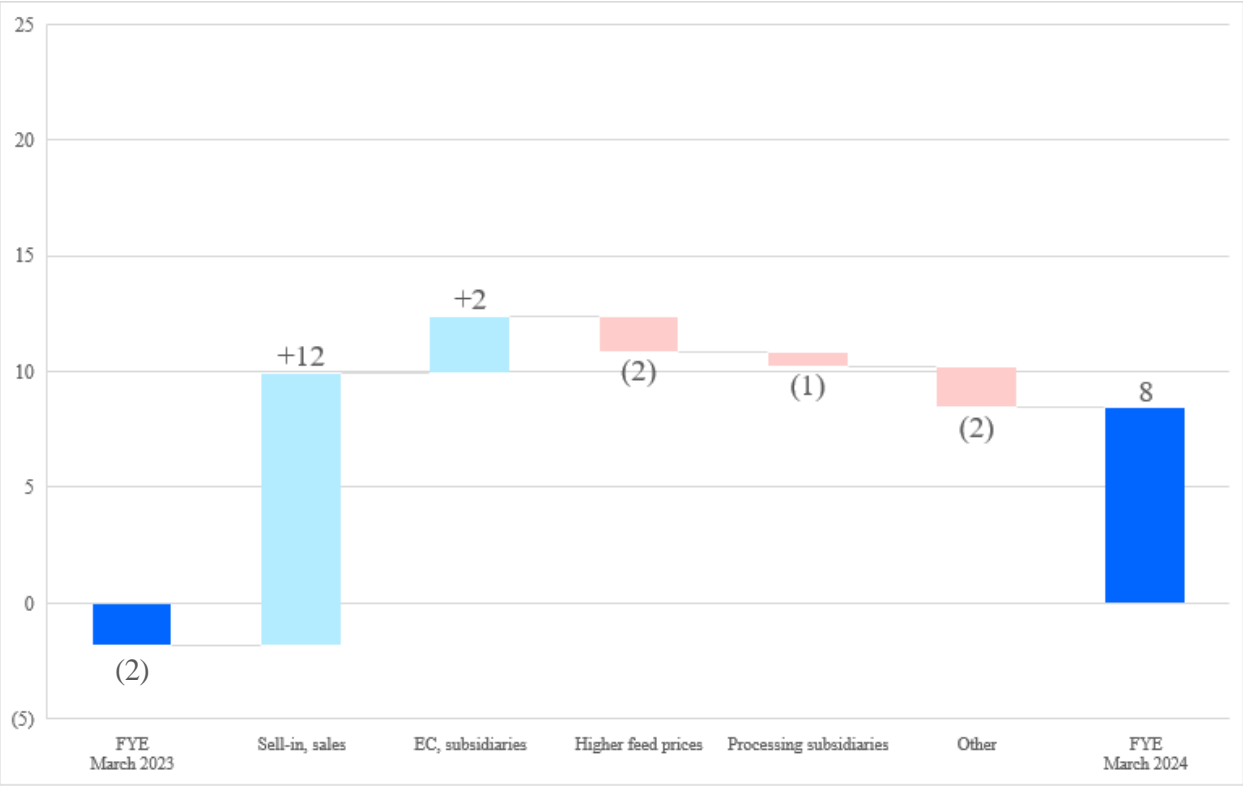
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Beef	147,784	148,317	148,865	146,616	148,818	143,424	137,851	125,976	117,207	122,238	117,666	111,229
YoY	129.4	125.4	114.2	106.7	101.0	94.2	98.8	84.0	82.8	85.3	82.5	81.1
Pork	204,045	223,982	225,288	228,867	217,784	203,477	192,812	184,253	178,128	173,712	165,686	166,119
YoY	128.0	126.5	117.1	118.0	104.7	99.5	98.3	94.2	91.8	92.1	87.6	87.6
Poultry	119,583	127,582	133,613	129,613	133,334	132,497	130,924	119,940	115,668	125,877	124,337	129,110
YoY	102.8	110.2	112.2	107.0	110.0	109.3	102.7	92.3	93.1	108.2	96.9	101.8

Fresh Meat Business: Factors of Change in Operating Income



(hundred millions of yen, %)

	Result in comparative period	YE March 2024		
		Full-year	% of comp period	YoY change
Net sales	1,296	1,356	104.7	+61
Operating income	(2)	8	—	+10
Operating margin (%)	—	0.6	—	—



- Fresh meat sales +¥1.4 bn
Operating income improved after we started linking sales with market conditions.
- Hog farming business (¥0.4 bn)
Operating income declined YoY because feed prices remained high.

Factor		Full-year	1Q	2Q	3Q	4Q
FYE March 2023 operating income		(2)	(2)	(0)	1	(1)
Sales +14	Sell-in, sales	+12	+4	+2	+5	+1
	EC, subsidiaries	+2	+0	+0	+1	+1
	Subtotal	+14	+5	+2	+5	+2
Hog farming (4)	Higher feed prices	(2)	+2	+0	(1)	(3)
	Processing subsidiaries	(1)	(1)	+0	(0)	+0
	Other	(2)	(1)	+2	(3)	+0
	Subtotal	(4)	+0	+2	(4)	(2)
FYE March 2024 operating income		8	3	3	3	(1)
YoY change		+10	+5	+3	+2	(1)

Consolidated Balance Sheets



(hundred millions of yen)

	FYE March 2023	FYE March 2024	Change
Current assets	953	1,032	+79
Cash and deposits	109	133	+24
Notes and accounts receivable	465	526	+61
Inventory	270	320	+50
Deposits	70	21	(49)
Other	40	33	(7)
Noncurrent assets	1,346	1,416	+70
Tangible fixed assets	1,023	990	(33)
Intangible fixed assets	73	124	+51
Investment and other assets	250	303	+53
Noncurrent assets	2,299	2,448	+149

	FYE March 2023	FYE March 2024	Change
Total liabilities	1,067	1,146	+79
Current liabilities	749	852	+103
Noncurrent liabilities	318	294	(24)
Total shareholders' equity	1,040	1,083	+42
Capital	79	79	±0
Capital reserve	102	102	+0
Retained earnings	863	906	+42
Treasury stock	(4)	(4)	+0
Accumulated other comprehensive income	91	110	+19
Minority interests	100	109	+9
Total net assets	1,232	1,302	+70
Total liabilities and net assets	2,299	2,448	+149

	FYE March 2023	FYE March 2024	Change
Equity ratio	49.2	48.7	(0.5)

(hundred millions of yen, %)

	FYE March 2023	FYE March 2024	Change
Interest-bearing debt	254	217	(37)
Net interest-bearing debt	75	64	(12)
Net DER (fold change)	0.05	0.05	+0.00

Note: For interest-bearing debt and net interest-bearing debt, parenthesized amounts indicate a decrease.

Segment assets

	FYE March 2023	FYE March 2024	Change
Processed Foods segment	1,640	1,719	+79

(hundred millions of yen)

	FYE March 2023	FYE March 2024	Change
Fresh Meat segment	445	483	+39

Consolidated Cash Flow Statements

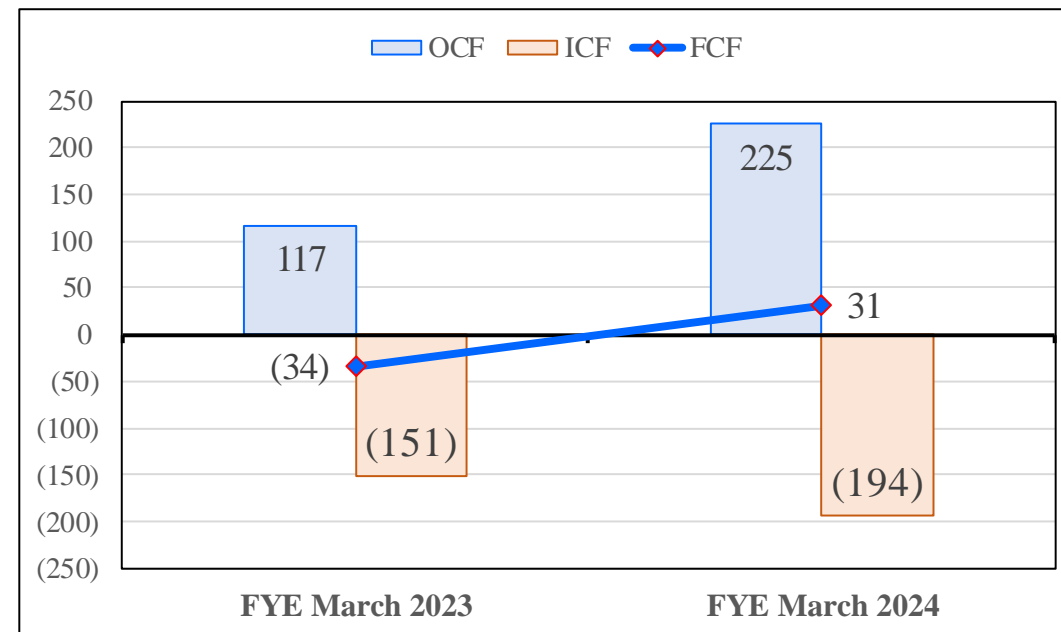
(hundred millions of yen)

	FYE March 2023	FYE March 2024	
	Full-year	Full-year	Change
1. Cash flows from operating activities	117	225	+108
Income before income taxes	59	134	+75
Depreciation/amortization	110	113	+4
Decrease (increase) in notes and accounts receivable-trade	(23)	(61)	(38)
Decrease (increase) in inventory assets	(35)	(50)	(15)
Increase (decrease) in notes and accounts payable-trade	(4)	96	+100
Other	11	(7)	(17)
2. Cash flows from investing activities	(151)	(194)	(43)
Spending on property, plant and equipment	(182)	(104)	+77
Spending on intangible assets	(24)	(62)	(38)
Deposits	50	-	(50)
Other	5	(28)	(32)

Free cash flow (1+2)	(34)	31	+65
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3. Cash flows from financing activities	12	(76)	(88)
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4. Cash and cash equivalents at end of period	141	98	(43)
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Depreciation/amortization, capital expenditures

(hundred millions of yen)

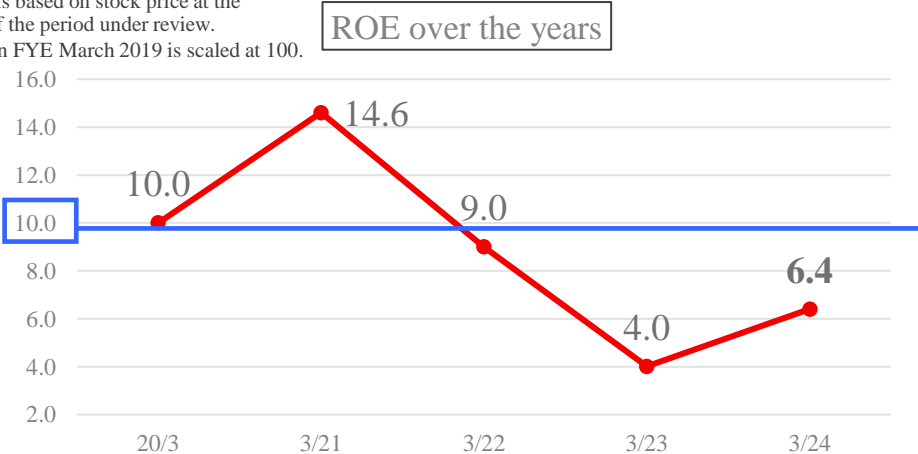
	FYE March 2023	FYE March 2024		FYE March 2024	
	Full-year	Full-year	YoY change	Full-year target	Variance from target
Depreciation/amortization	110	113	+4	122	(9)
Capital expenditures	239	147	(92)	230	(83)

Target

ROE 10% or higher

	FYE March 2020	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024
ROE (%)	10.0	14.6	9.0	4.0	6.4
ROIC (%)	9.7	13.2	8.7	3.3	5.9
ROA (%)	4.4	6.9	4.5	2.0	3.2
Capital cost (%)	4.9	5.1	4.9	4.9	4.6
WACC (%)	4.2	4.6	4.3	4.0	3.9
Equity ratio (%)	45.6	48.3	50.5	49.2	48.7
Stock price at end of period (JPY)	2,453	3,490	2,202	2,201	2,303
PBR (fold change)	1.36	1.69	0.99	0.98	0.97
TSR	122.3	177.0	117.4	120.5	128.7

Note: PBR is based on stock price at the end of the period under review.
Note: TSR in FYE March 2019 is scaled at 100.

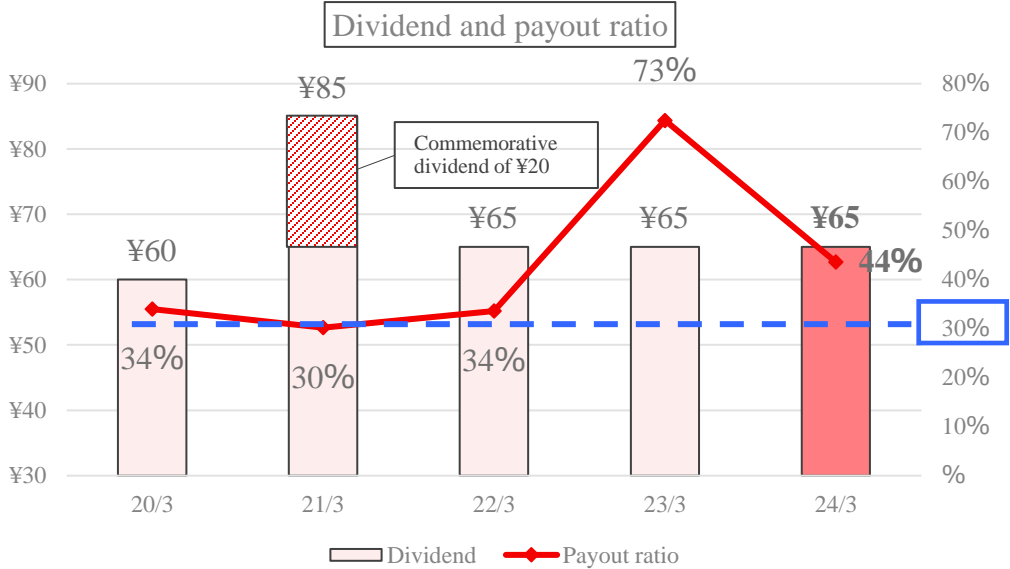


Dividend policy for FYE March 2024

Stable dividend with payout ratio of 30% or higher

		FYE March 2020	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024
Cash dividend per share	Mid-year	20	20	20	20	20
	Year-end	40	*65	45	45	45
	Annual	60	85	65	65	65
Payout ratio (%)		34	30	34	73	44
Dividend yield (%)		2.9	3.5	1.9	3.0	3.0
Previous year-end dividend		2,054	2,453	3,490	2,202	2,201

Note: Dividend yield is based on stock price as of the end of the previous fiscal year. *Includes commemorative dividend of ¥20



1

Financial Results for the Year Ended March 31, 2024

2

Medium-term Business Plan (Rolling Plan)

3

Appendix: Inter-Year Comparison in Performance

Mission

**Contribute to food culture and society
through great taste and excitement**



Medium-Term Business Plan (FYE March 2025 to FYE March 2027): Basic Policy

We will hone our sales capacity, development, and merchandising expertise to increase and strengthen sales and profits while promoting sustainability management, to be a company that customers always love and support

Priority actions

- 1. Make business foundation more sustainable**
- 2. Adapt earnings base to changes in external environment**
- 3. Create business and develop globally in order to capture growing markets**

1. Make business foundation more sustainable

- ▶ Place more emphasis on capital costs
- ▶ Acquire talent and provide training to transform workplace culture
- ▶ Take action related to the carbon transition and circular economy

2. Adapt earnings base to changes in external environment

- ▶ Improve earnings base in existing businesses
- ▶ Adapt risk/return management to changes in external environment
- ▶ Build a sustainable supply chain

3. Create business and develop globally in order to capture growing markets

- ▶ Business development in Japan and abroad based on collaboration with ITOCHU Corporation
- ▶ Penetrate growing markets, achieve digital transformation, develop and introduce new technology

GHG emissions

Preliminary figure for
FYE March 2024

156,333

9.0% down from previous
year's level

t-CO₂

Target for
FYE March 2031

130,794

24.3% down from FYE
March 2022 level

Rolling Medium-Term Targets for Consolidated Income (1)

(hundred millions of yen)

		FYE March 2024	FYE March 2025	% of comparative period	YoY change	FYE March 2026	FYE March 2027
Net sales		4,484	4,700	104.8	+ 216	5,000	5,100
	Previous medium-term business plan	4,703	4,851			4,944	-
Operating income		118	160	135.4	+ 42	155	175
	Previous medium-term business plan	115	158			174	-
Ordinary income		129	170	131.9	+ 41	165	185
	Previous medium-term business plan	120	162			178	-
Net income attributable to owners of parent		75	100	133.1	+ 25	100	115
	Previous medium-term business plan	76	100			111	-
Operating margin		2.6%	3.4%	-	+0.8	3.1%	3.4%
Capital expenditures		147	257	174.8	+ 110	123	105
	CapEx for digital transformation	43	113			20	12
	Previous medium-term business plan	230	233			90	—
Depreciation/amortization		113	115	101.4	+2	133	134
	Previous medium-term business plan	122	129			149	—

Rolling Medium-Term Targets for Consolidated Income (2) (metrics and targets)



		(hundred millions of yen)			
		FYE March 2024	FYE March 2025	FYE March 2026	FYE March 2027
ROE		6.4%	8.3%	7.8%	8.5%
	Previous medium-term business plan	6.6%	8.2%	8.6%	—
ROIC		5.9%	8.3%	7.6%	8.4%
	Previous medium-term business plan	5.9%	7.7%	8.3%	—
ROA		3.2%	4.1%	4.0%	4.5%
	Previous medium-term business plan	3.2%	4.1%	4.5%	—
Capital cost		4.6%	4.6%	4.6%	4.6%
WACC		3.9%	3.9%	3.9%	3.9%
	Previous medium-term business plan	4.0%	4.0%	4.0%	—
Interest-bearing debt (hundred millions of yen)		217	290	271	171
Net interest-bearing debt (hundred millions of yen)		64	202	181	80
Net D/E ratio (fold change)		0.05	0.15	0.13	0.05
Cash dividend per share (JPY)		65	*80	*80	*92
Payout ratio (%)		44%	40%	40%	40%

The rolling projections above are based on the targets in the current medium-term plan (FYE March 2025 to FYE March 2026)

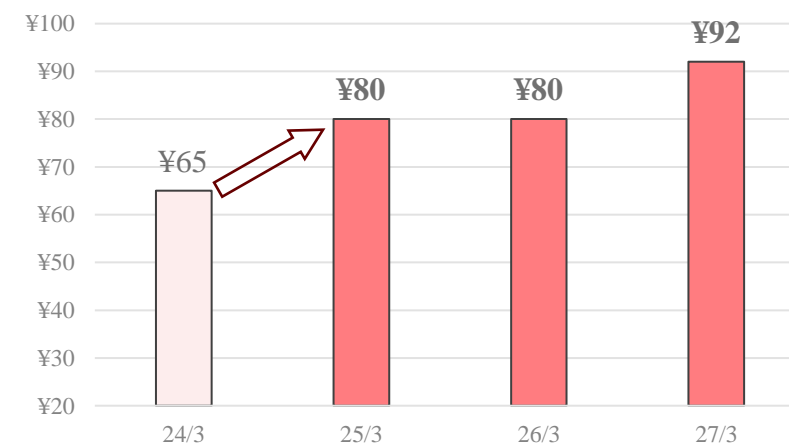
Financial KPIs

ROE: 10% or higher

Dividend policy

Stable dividend with payout ratio of **40% or higher**

Dividend forecast



Projected cash dividend per share (Yen)

	FYE March 2024 (actual)	FYE March 2025	FYE March 2026	FYE March 2027
Mid-year	20	40	40	46
Year-end	45	40	40	46
Annual	65	80	80	92

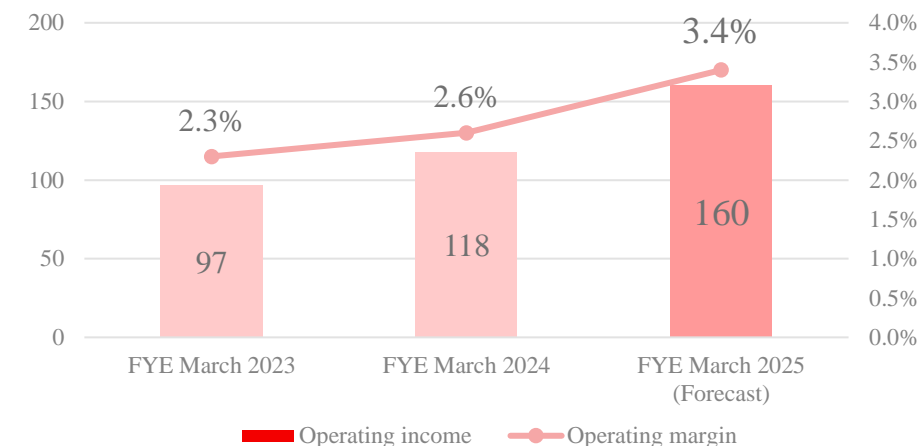
Targets for FYE March 2025

Consolidated results

(hundred millions of yen, %)

	Result in comparative period			Consolidated forecasts for FYE March 2025				
	H1	H2	Full-year	H1	H2	Full-year	% of comparative period	YoY change
Net sales	2,227	2,257	4,484	2,350	2,350	4,700	104.8	+216
Operating income	68	50	118	85	75	160	135.4	+42
Ordinary income	74	55	129	89	81	170	131.9	+41
Net income attributable to owners of parent	39	36	75	51	49	100	133.5	+25
Operating margin (%)	3.1	2.2	2.6	3.6	3.2	3.4	—	+0.8

Operating income and operating margin compared with two preceding years (hundred millions of yen, %)



Processed Foods segment

(hundred millions of yen, %)

	Result in comparative period			Targets for FYE March 2025				
	H1	H2	Full-year	H1	H2	Full-year	% of comparative period	YoY change
Net sales	1,571	1,551	3,122	1,650	1,650	3,300	105.7	+178
Operating income	63	48	111	73	70	143	128.7	+32
Operating margin (%)	4.0	3.1	3.6	4.4	4.2	4.3	—	+0.8
	Year end			Target		Change		
Segment assets	1,719			1,691		(28)		

Fresh Meat segment

(hundred millions of yen, %)

	Result in comparative period			Targets for FYE March 2025				
	H1	H2	Full-year	H1	H2	Full-year	% of comparative period	YoY change
Net sales	653	703	1,356	680	700	1,380	101.7	+24
Operating income	6	2	8	13	8	21	249.1	+13
Operating margin (%)	1.0	0.3	0.6	1.9	1.1	1.5	—	+0.9
	Year end			Target		Change		
Segment assets	483			505		+22		

We have revised the following items in the supplementary material to the financial results for the year ended March 31, 2024, released on May 7, 2024:

- FYE March 2025 operating income targets (full-year, H1, and H2) for the Processed Foods and Fresh Meat segments (p.12)

Processed Foods: Key Actions in FYE March 2025

Price hikes

- Price hikes in April 2024 (5th round)
Approx no. of items covered: 130 (national brands, private brands, commercial-use products)
Range of increase: 3%–38%

Sales

- Ongoing efforts to increase market share
- Enlarge audience and improve brand recognition through TV ads, promotional campaigns, events, and social media
 - ▶ Koukun Sausage (twin-pack, ziplock large-pack), Smile Up! among others

Sales promotion



Promotional campaign with Tokyo Disney Resort

June 2024
Opening of Disney Sea's Fantasy Springs



Koukun Day

Private theater shows (Takarazuka Revue)
• Takarazuka Grand Theater (Hyogo)
• Tokyo Takarazuka Theater



E-commerce website (Takegishi Ham Company)

- Further actions related to commercial-use products: Prepared deli items, products for food service companies and wholesalers
- Actions related to growing markets (online sales, frozen foods)
- Overseas (Singapore): Rudi's Fine Food to win more business

Production

- Ensuring stable supply: Build production system to accommodate larger market share
 - Boosting production capacity, strengthening competitiveness: PP&E acceleration, compact production lines, better product composition
- Green action (carbon transition, supporting circular economy)
 - Ibaraki plant: Transition to 100% renewables, chemical recycling of plastic waste

Vendor subsidiaries

Action for market needs, ongoing product development/launch

Other

Action for 2024 distribution problem

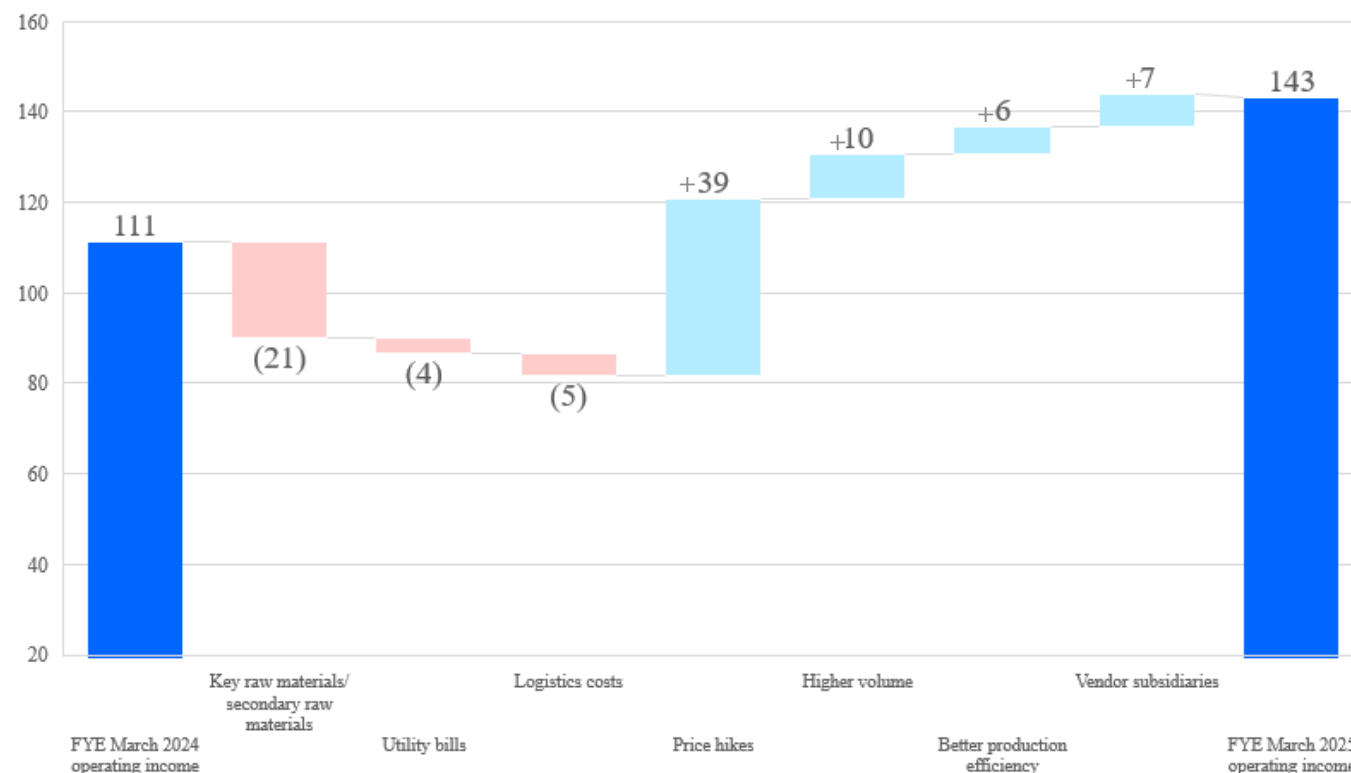
Processed Foods: FYE March 2025 Operating Income Targets



(hundred millions of yen, %)

	Result in comparative period	FYE March 2025 target		
	Full-year	Full-year	% of comparative period	YoY change
Net sales	3,122	3,300	105.7	+178
Operating income	111	143	128.7	+32
Operating margin (%)	3.6	4.3	—	+0.8

FYE March 2025	
H1	H2
1,650	1,650
73	70



Factor		Full-year target
FYE March 2024 operating income		111
Cost increases (30)	Key raw materials/ secondary raw materials	(21)
	Utility bills	(4)
	Logistics costs	(5)
	Subtotal	(30)
Positive factors (sales, production) +55	Price hikes	+39
	Higher volume	+10
	Better production efficiency	+6
	Subtotal	+55
Vendor subsidiaries		+7
FYE March 2025 operating income		143
YoY change		+32

Processed Foods: Price Hikes



	FYE March 2022	FYE March 2023				FYE March 2024				FYE March 2025				Coverage	Approx no. of items	Range of % increase
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
1st	<div>Feb 2022</div> <div><div></div></div>													Consumer products Commercial products	200	5%–12%
2nd			<div>Sep 2022</div> <div><div></div></div>											Consumer products Commercial products	400	Consumer products: 5%–20% Commercial products: 5%–30%
3rd						<div>Apr 2023</div> <div><div></div></div>								Consumer products Commercial products	400	Consumer products: 5%–15% Commercial products: 5%–20%
4th								<div>Oct 2023</div> <div><div></div></div>						Consumer products Commercial products	200	3%–20%
5th										<div>Apr 2024</div> <div><div></div></div>				Consumer products Commercial products	130	3%–38%

	FYE March 2023	FYE March 2024	FYE March 2025 (Target)	Total
Positive factors (e.g. price hikes)	+¥6.3 bn	+¥7.0 bn	+¥5.5 bn	+¥18.8 bn
Cost increases	-¥9.3 bn	-¥7.7 bn	-¥3.0 bn	-¥20.0 bn
Difference	-¥3.0 bn	-¥0.7 bn	+¥2.5 bn	-¥1.2 bn
% of costs transferred in price hikes	68%	91%	183%	94%

Purchasing, sales

- Profitability-focused sales and purchasing operations
 - Linking transaction terms with market conditions
 - Robust inventory management
 - Efficient purchasing operations with supply-chain partners
- Expanding and nurturing original brands
 - Imports of chilled strip loin and pork, domestic pork
- Tailoring purchasing and product development to needs of consumers and business partners
 - Acquire a wide range of clients (new locals, packers)
 - Local packaging • Effective use and promotion of offal
- Forge new sales routes (B2B: Food service companies, wholesalers)
- Preparing for export
- The Meat Guy website (online fresh meat business): Improving website visibility, actions for commercial-use products



Hog farming

- Increasing pig shipments.
- A farm in Miyagi: Two-site method (better biosecurity), use of rice co-products
- Better farming productivity and quality, investment in fixed assets, integrating animal feed purchasing for better efficiency
- Improving animal welfare
 - New farm in Miyagi: Use open crates
 - Apply in-house animal welfare standards in line with WOA H standards



Breeding site (Watari) in Miyagi

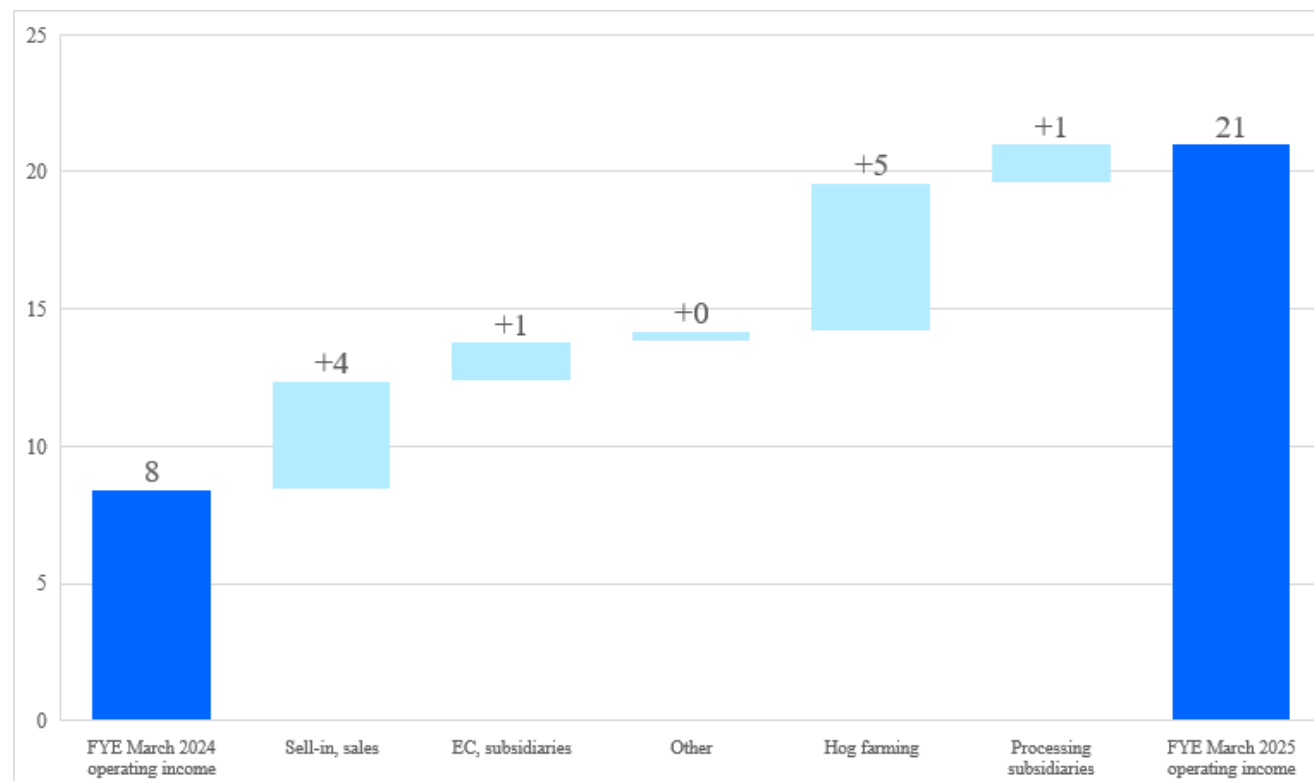
Fresh Meat: FYE March 2025 Operating Income Targets



(hundred millions of yen, %)

	Result in comparative period	FYE March 2025 target		
		Full-year	% of comparative period	YoY change
Net sales	1,356	1,380	101.7	+24
Operating income	8	21	249.1	+13
Operating margin (%)	0.6	1.5	—	+0.9

FYE March 2025 target	
H1	H2
680	700
13	8



Factor		Full-year target
FYE March 2024 operating income		8
Sales +6	Sell-in, sales	+4
	EC, subsidiaries	+1
	Other	+0
Hog farming +6	Hog farming	+5
	Processing subsidiaries	+1
FYE March 2025 operating income		21
YoY change		+13

►Sep 2023: Released Prima Meat Packers Group Human Rights Policy and Prima Meat Packers Group Procurement Policy

○ Prima Meat Packers Group Human Rights Policy

The policy is designed to ensure we respect, and fulfil our obligations regarding, the human rights of everyone affected by our business activities.

○ Prima Meat Packers Group Procurement Policy

The policy is designed to ensure responsible procurement activities. It emphasizes partnerships for shared prosperity, through which we promote safety and socioenvironmental sensitivity and build trust with business partners across our supply chain, ultimately contributing to a sustainable society.

►Dec 2023: Launched sustainability webpage disclosing ESG data in English

Launch of this webpage has expanded our English-language disclosures

►Jan 2024: Disclosed information in line with TCFD recommendations (FYE March 2024 disclosures)

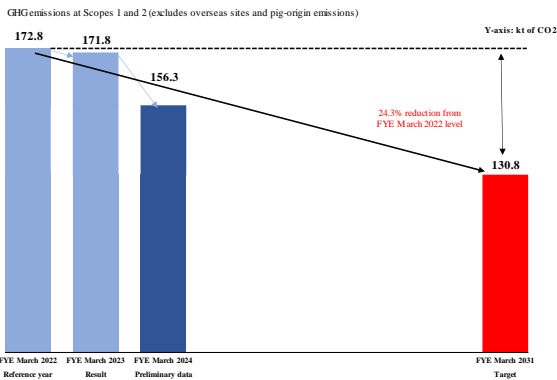
1. Disclosures include non-consolidated Scope 3 GHG emissions data for FYE March 2022 and FYE March 2023
2. Includes scenario analysis on climate-related risks and opportunities with significant financial implications that we identified in FYE March 2023
 - Technological innovations that support a carbon transition (transition to lower-carbon or zero-carbon economy)
 - Higher raw material costs
 - Epidemics and pandemics
 - Riverine and coastal floods
 - Use of renewable energy (shift from thermal power generation)



► **Efforts to reduce GHG emissions (preliminary figure for FYE March 2024)**

156,333 t-co₂ 9.0% reduction (YoY)

Solid progress made in reducing GHG emissions with eco-friendly plant in Kagoshima now in service, with fluorocarbon phase out, and with increasing use of renewable energy



○ **Ibaraki plant (core plant) transferring to 100% renewables (from April 2024)**

Renewables shift will reduce GHG emissions by 9 kt (5.8% according to preliminary figure for FYE March 2024)

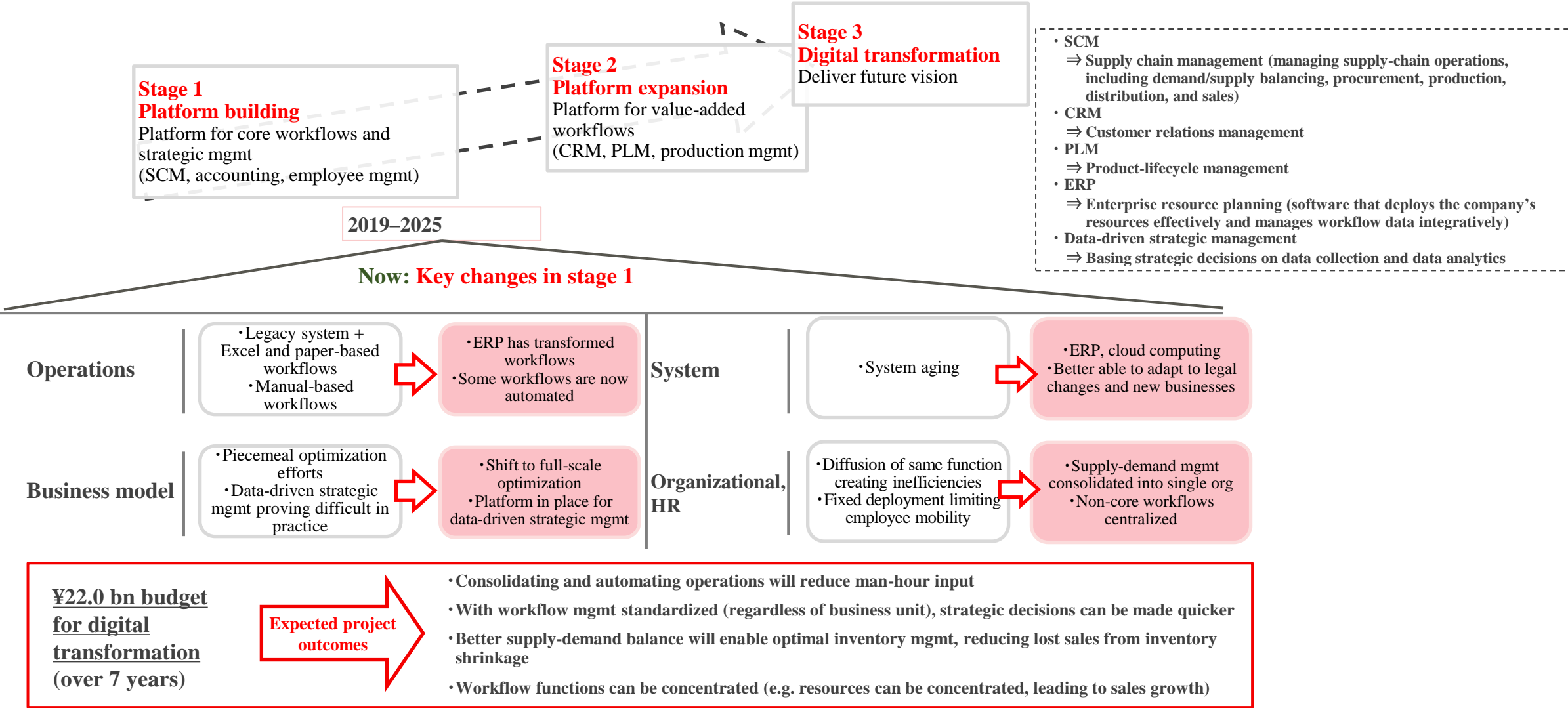


► **Revision of material issues and Prima Meat Packers Group’s Environmental Policy**

New material issues defined: Reducing water usage, reducing plastic usage, safeguarding biodiversity. Environmental Policy updated accordingly.

Material issue	Metrics and targets
Reducing water usage	FYE March 2031: 3% reduction in water usage by manufacturing unit compared to FYE March 2022 level
Reducing plastic usage	Action taken to reduce use of plastic in packaging
Safeguarding biodiversity	Negative impact on biodiversity reduced through actions such as reducing GHG, water usage, and waste

- Prima Next Project (a project for digital transformation) is ongoing
- Purpose is to transform systems and transform workstyle (standardize workflows, enabling replication).
Stage 1 will end in FYE March 2026.



1

Financial Results for the Year Ended March 31, 2024

2

Medium-term Business Plan (Rolling Plan)

3

Appendix: Inter-Year Comparison in Performance

[Reference] Consolidated Statements of Income (FYE March 2021 to FYE March 2024)



	Segment	FYE March 2021			FYE March 2022			FYE March 2023			FYE March 2024		
		H1	H2	Full-year	H1	H2	Full-year	H1	H2	Full-year	H1	H2	Full-year
Net sales	Processed Foods Business	1,375	1,423	2,798	1,422	1,434	2,856	1,484	1,522	3,007	1,571	1,551	3,122
	Fresh Meat Business	669	709	1,378	677	669	1,347	630	665	1,296	653	703	1,356
	Other business	2	3	5	2	2	5	3	3	5	3	3	6
	Total	2,046	2,135	4,181	2,102	2,106	4,207	2,117	2,190	4,307	2,227	2,257	4,484
Cost of sales		1,760	1,842	3,602	1,827	1,853	3,680	1,871	1,959	3,830	1,968	2,015	3,983
Gross profit		286	293	580	275	252	527	246	232	478	259	242	501
SG&A expenses		175	190	365	191	180	371	191	189	380	191	192	383
Operating income		111	103	215	84	56	140	55	43	97	68	50	118
Non-operating income (loss)		3	6	9	4	4	8	4	4	8	6	5	11
Ordinary income		115	110	224	89	60	149	58	47	105	74	55	129
Extraordinary income (loss)		(3)	(2)	(5)	1	1	2	(1)	(45)	(46)	(5)	11	5
Income before income taxes		111	108	219	89	62	151	58	1	59	69	65	134
Net income attributable to owners of parent		70	72	142	53	44	97	37	8	45	39	36	75
Operating margin (%)		5.4	4.8	5.1	4.0	2.7	3.3	2.6	1.9	2.3	3.1	2.2	2.6

Notes: 1. The new revenue recognition standard has been applied since the year ended March 31, 2022, and is retroactively applied to the year ended March 2021.

2. The new presentation method applied from the start of the year ended March 31, 2022, has been applied retroactively to revenue and expenses associated with the compound feed price stabilization system.

[Reference] Net Sales by Product Category (FYE March 2021 to FYE March 2024)



(hundred millions of yen)

	Segment	FYE March 2021			FYE March 2022			FYE March 2023			FYE March 2024		
		H1	H2	Full-year	H1	H2	Full-year	H1	H2	Full-year	H1	H2	Full-year
Net sales	Ham/Sausage	481	493	974	491	488	979	510	529	1,039	559	562	1,121
	Other processed foods	315	350	665	336	338	674	364	368	731	387	381	768
	Prepared deli items(vendor subsidiary)	487	510	997	514	508	1,021	506	510	1,016	535	511	1,046
	Fresh meat	745	760	1,505	746	752	1,498	722	759	1,481	728	785	1,513
	Other	18	22	40	15	19	34	16	25	41	18	17	36
	Total	2,046	2,135	4,181	2,102	2,106	4,207	2,117	2,190	4,307	2,227	2,257	4,484
Net sales when vendor business discounted		1,559	1,626	3,185	1,588	1,598	3,186	1,611	1,680	3,291	1,692	1,746	3,438

[Reference] Vendor subsidiary (1 company)

	FYE March 2021			FYE March 2022			FYE March 2023			FYE March 2024		
	H1	H2	Full-year	H1	H2	Full-year	H1	H2	Full-year	H1	H2	Full-year
Net sales	487	510	997	514	508	1,021	506	510	1,016	535	511	1,046
Operating income	20	17	36	16	5	21	6	7	13	24	6	30
Operating margin (%)	4.0	3.3	3.6	3.2	1.0	2.1	1.2	1.4	1.3	4.5	1.2	2.9

[Reference] Consolidated Balance Sheets (FYE March 2021 to FYE March 2024)



(hundred millions of yen)

	FYE March 2021		FYE March 2022		FYE March 2023		FYE March 2024	
	H1	Year-end	H1	Year-end	H1	Year-end	H1	Year-end
Current assets	934	987	961	958	989	953	1,052	1,032
Noncurrent assets	1,129	1,158	1,213	1,259	1,308	1,346	1,395	1,416
Total assets	2,063	2,145	2,173	2,217	2,296	2,299	2,448	2,448

Current liabilities	710	720	744	717	743	749	872	852
Noncurrent liabilities	288	278	260	275	306	318	308	294
Total liabilities	998	998	1,004	992	1,049	1,067	1,179	1,146
Shareholders' equity	910	972	992	1,028	1,042	1,040	1,056	1,083
Accumulated other comprehensive income	51	65	60	91	97	91	105	110
Non-controlling interests	104	111	118	107	109	100	107	109
Total net assets	1,064	1,148	1,170	1,226	1,248	1,232	1,268	1,302
Total liabilities and net assets	2,063	2,145	2,173	2,217	2,296	2,299	2,448	2,448

Equity capital	960	1,036	1,051	1,119	1,139	1,132	1,161	1,193
Equity capital ratio (%)	46.6%	48.3%	48.4%	50.5%	49.6%	49.2%	46.2%	48.7%

Disclaimer

This document includes forecasts and other forward-looking statements. Such statements represent assumptions and suppositions based on information available at the time. They are subject to risk and uncertainties and do NOT represent guarantees of future performance.

Actual performance and other future eventualities may therefore diverse significantly from what the forward-looking statements suggest.

〒140-8529

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