

Second Quarter Financial Results for the Year Ended March 31, 2021

Prima Meat Packers, Ltd. Nov 16, 2021

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March 31, 2022**

Second Quarter Financial Results for the Year Ended March 31, 2022

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【Consolidated statements of income】

(one hundred millions yen %)

(Reference)

	Previous (retroactively adjusted)	Net sales ratio	FYE March 2022				Previous term results
			Results	Net sales ratio	YOY(%)	YOY	
Net sales	2,046	100.0	2,097	100.0	102.5	51	2,122
Processed Foods Business	1,375	67.2	1,422	67.8	103.4	47	1,441
Fresh Meats Business	669	32.7	673	32.1	100.5	4	679
Others	2	0.1	2	0.1	100.4	0	2
Cost of Sales	1,760	86.0	1,827	87.1	103.8	67	1,760
Gross Profit	286	14.0	270	12.9	94.3	-16	362
SSG&A expenses	175	8.6	190	9.1	108.7	15	251
Operating income	111	5.4	80	3.8	71.7	-32	111
Non-operating income	5		10				5
Non-operating expenses	2		2				2
Ordinary income	115	5.6	89	4.2	77.3	-26	115
Extraordinary income	2		2				2
Extraordinary loss	5		1				5
Income before income taxes	111	5.4	89	4.3	80.3	-22	111
Net income	70	3.4	53	2.5	76.0	-17	70

【Cost to net sales ratio】

- Ratio of raw materials and inventory UP 0.2%
- Production expenses ratio UP 0.9%

◇ Cost of sales ratio

Down 1.1%

【SG&A expenses】

- personnel expenses ratio UP 0.05%
- expense ratio UP 0.47%

◇ SG&A expenses to net sales ratio

UP 0.52%

◇ Ordinary income to net sales ratio

Down 1.6%

Note: "Previous (retroactively adjusted)" refers to the FYE March 2021/H1 results after we retroactively adjusted them in line with the new accounting standard for revenue recognition.

Second Quarter Financial Results for the Year Ended March 31, 2022

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【Financial results by segment】		(Reference)		(one hundred millions yen %)		
		Previous term results	Previous (retroactively adjusted)	First Half, Year Ended March, 2022		
				Results	YOY(%)	YOY
Processed Foods Business	Net sales	1,441	1,375	1,422	103.4	47
	Operating income	91	91	82	89.7	-9
Fresh Meats Business	Net sales	679	669	673	100.5	4
	Operating income	20	20	6	29.1	-14
Others	Net sales	2	2	2	100.4	0
	Operating income	1	1	1	184.1	1
※調整額	Operating income			-9		-9
Consolidated Total	Net sales	2,122	2,046	2,097	102.5	51
	Operating income	111	111	80	71.7	-32

YOY (Operating income)

(one hundred millions yen)		
		YOY
Processed Foods segment	Non-consolidated	0
	△9 subsidiary	-3
	PD	-3
Fresh Meats segment	Overseas projects etc	-3
	Non-consolidated	-8
△14	subsidary	-6
	Adjustment △9	Prima Next Project
Total		-32

Note: "Adjustment" refers to general (organization-wide) expenses not allocated to any particular segment, or SG&A expenses not attributable to any particular segment.

Business environment	<p>We faced rising production costs with higher raw material costs, cereal prices, oil prices, transportation costs, and material prices.</p> <p>The COVID-19 impact persisted, with series of states of emergency</p> <p>Demand for cooking at home held firm, but the food service industry (particularly izakayas) continued to suffer.</p> <p>Retail competition heated up, leading to a reorganization of the distribution sector.</p>
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Second Quarter Financial Results for the Year Ended March 31, 2022

【Non-consolidated income】

(one hundred millions yen %)

(Reference)

	Previous		First Half, Year Ended March, 2022				Previous term results
	(retroactively adjusted)	Net sales ratio	Results	Net sales ratio	YOY(%)	YOY	
Net sales	1,488	100.0	1,504	100.0	101.1	16	1,623
Operating income	63	4.2	44	2.9	69.9	-19	63
Ordinary income	71	4.8	54	3.6	75.3	-18	71
Net income before income taxes	67	4.5	53	3.5	80.1	-13	67
Quarterly net income	47	3.2	38	2.5	79.7	-10	47

Note: "Previous (retroactively adjusted)" refers to the FYE March 2021/H1 results after we retroactively adjusted them in line with the new accounting standard for revenue recognition.

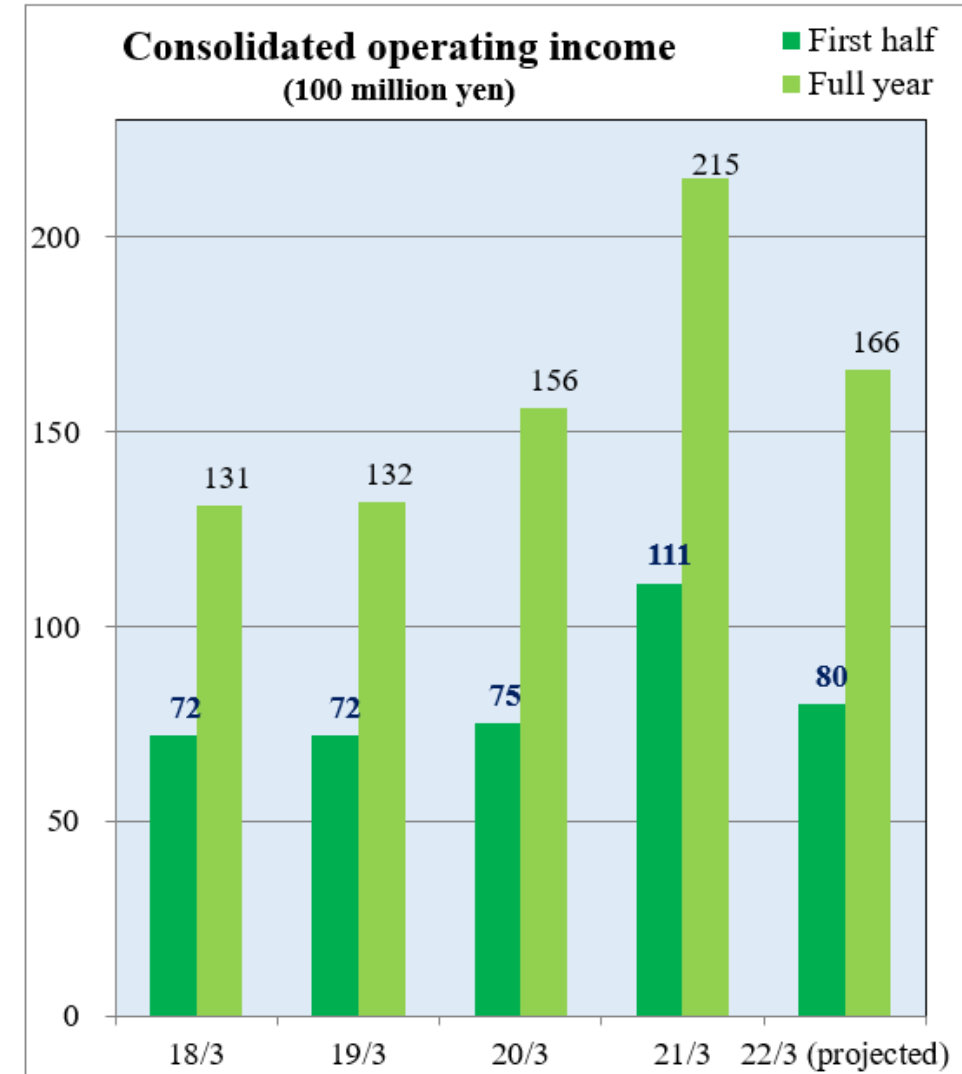
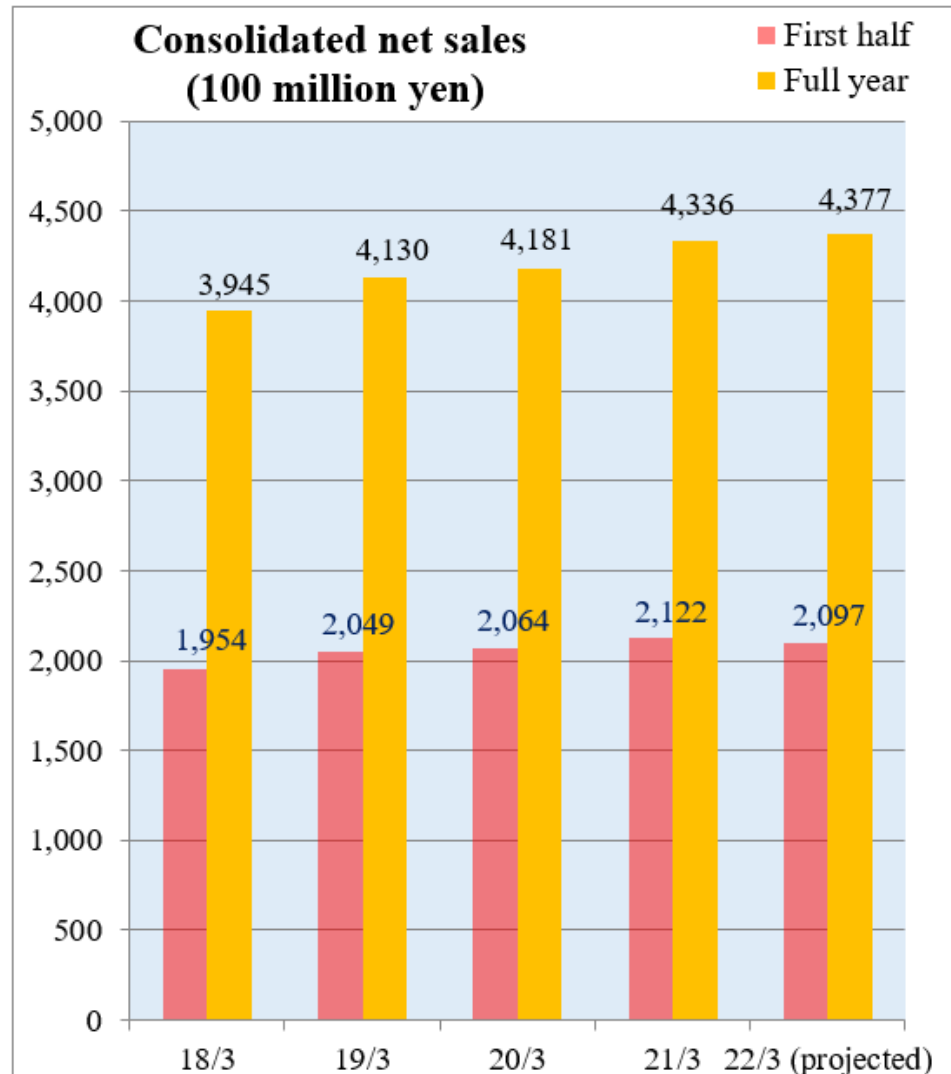
【Income by group company】

(one hundred millions yen %)

	Previous (retroactively adjusted)		First Half, Year Ended March, 2022					Previous term net sales
	Net sales	Operating income	Net sales	YOY(%)	Operating income	YOY(%)	YOY	
Non-consolidated	1,488	63	1,504	101.1	44	70.0	-19	1,623
Subsidiary	PD	20	514	105.4	16	83.8	-3	510
	Others	27	535	104.2	18	67.8	-9	-
※Consolidation adjustment	-444	1	-456		1			-
Consolidated total	2,046	111	2,097	102.5	80	71.7	-32	2,122

Note: "Intercompany elimination" refers to the amount deducted after removing transactions between group companies.

Changes in Net Sales and Operating Income



Note: The figures for FYE March 2022 are forecasts. The figures for past years have been retroactively adjusted. Rounded to nearest 100 million yen

FYI: H1 2022/3 net sales by product category

Breakdown by Product Category and Segment

(100 million yen)

Business Segment	Product Category		Total
	Product Category	Product Category	
Processed Foods Business	Ham/sausage	Ham/sausage	497
	Processed foods	Processed foods, deli	328
	Vendor (deli)		511
Fresh Meats Business	Fresh meats	Fresh Meat	76
	Fresh meat		671
	Processed foods		0
Other			13

Ham/Sausage: 497
 Processed foods, deli: 839
 Fresh Meat: 747

Net sales by product category







Sales in Processed Foods Business and Fresh Meats Business by product category

(hundred millions of yen %)

Product category	Previous (retroactively adjusted)	FYE March 2021/H1		Segment		
		Total	YoY change	Processed Foods Business	Fresh Meats Business	Other
Ham/sausage	481	497	103.4	497		
Processed foods, deli	802	839	104.6	839	0	
Fresh meat	745	747	100.3	76	671	0
Other	18	13		9	2	2
Total	2,046	2,097	102.5	1,422	673	2

Net sales grew year-on-year in ham/sausage, processed foods, deli, and fresh meat categories

Actions Taken in Processed Foods Business

	Measures, outcomes											
Sales	<ul style="list-style-type: none"> • Products commemorating our 90th anniversary • Koukun sausage: More sales growth, better brand recognition • Concentrated sales of key ham/sausage products (Over 30) • Recovery in commercial sales 	  										
Marketing	<ul style="list-style-type: none"> • Continued TV ad campaign featuring Tao Tsuchiya (new version of Koukun sausage ad) • Developed new promo campaign amid pandemic • Reached out to broad audience on Twitter, Line, and apps 	   <p>New ad for Kou Promo campaign with D Family apps</p>										
Production	<ul style="list-style-type: none"> • Maintained stable supply of products and improved productivity to minimize increases in costs • Improved man-hour productivity in workplaces for producing ham/sausage and processed food products • Took anti-infection measures to maintain production systems in Japan and overseas 	<table border="1"> <thead> <tr> <th colspan="2">Man-hours productivity</th> </tr> <tr> <th>Ham/sausage</th> <th>Processed foods</th> </tr> </thead> <tbody> <tr> <td>+4%</td> <td>+1%</td> </tr> </tbody> </table>	Man-hours productivity		Ham/sausage	Processed foods	+4%	+1%				
Man-hours productivity												
Ham/sausage	Processed foods											
+4%	+1%											
Vendors	<ul style="list-style-type: none"> • Expanded sales and production volume with 12 plants operating across Japan • Developed new products catering to new lifestyles and consumer trends Desserts, Cup Deli, salads, etc. 	<p>Sales volume of sausages and ham</p> <p>YoY: 105%</p> <table border="1"> <tr> <td>Consumer</td> <td>104%</td> </tr> <tr> <td>Commercial</td> <td>109%</td> </tr> </table> <p>Sales volume of processed foods</p> <p>YoY: 107%</p> <table border="1"> <tr> <td>Prepared foods, consumer</td> <td>98%</td> </tr> <tr> <td>Prepared foods, commercial</td> <td>127%</td> </tr> <tr> <td>Seasoned meats</td> <td>93%</td> </tr> </table> <p>Share of B2C market: Ham/sausage</p> <p>YoY: +1.6%</p> <p>(SCI data, April-September)</p> <p>Vendor business: Net sales</p> <p>YoY: 105%</p> <p>With revenue recognition standard retroactively applied</p>	Consumer	104%	Commercial	109%	Prepared foods, consumer	98%	Prepared foods, commercial	127%	Seasoned meats	93%
Consumer	104%											
Commercial	109%											
Prepared foods, consumer	98%											
Prepared foods, commercial	127%											
Seasoned meats	93%											

Processed Foods Business in the Year Ended March 2022 (Reference materials)

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1. Ham/Sausage

1) Total<Sales volume of sausages and ham YOY> %

	FYE March 2019	FYE March 2020	FYE March 2021/H1	Composition ratio
Ham/Sausage	102	110	105	
Consumer Products	106	117	104	76.2
Commercial Products	95	94	109	23.0
Gift Products	99	93	102	0.1

2) Main Products<Sales volume YOY> %

	FYE March 2019	FYE March 2020	FYE March 2021/H1
Koukun Sausage	120	123	111
Loin ham group	93	121	101
Bacon group	115	122	101
Tokachi Raw ham	115	116	98



3) Improved of Man-hour productivity YOY %

FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021/H1
5	2	6	4

4) Vendor products<Net Sales YOY> %

FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021/H1
107	103	106	105

The revenue recognition standard is retroactively applied in year-on-year comparisons with FYE March 2021/H1

2. Processed Foods

1) Total<Sales volume of Processed Foods YOY> %

	FYE March 2019	FYE March 2020	FYE March 2021/H1	Composition ratio
Processed Foods	100	99	107	
Consumer Products	108	112	98	38.4
Commercial Products	101	87	127	44.9
Seasoning raw meat	95	105	93	20.7

2) Main Products<Sales volume YOY> %

	FYE March 2019	FYE March 2020	FYE March 2021/H1
Humberger group	117	141	110
Salada Chicken	103	107	92
Spring roll	91	113	86
Raw chicken ball	97	106	130

3) Improved of Man-hour productivity YOY

FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021/H1
6%	1%	4%	1%



Processed Foods Business Factors of Change in Operating Income

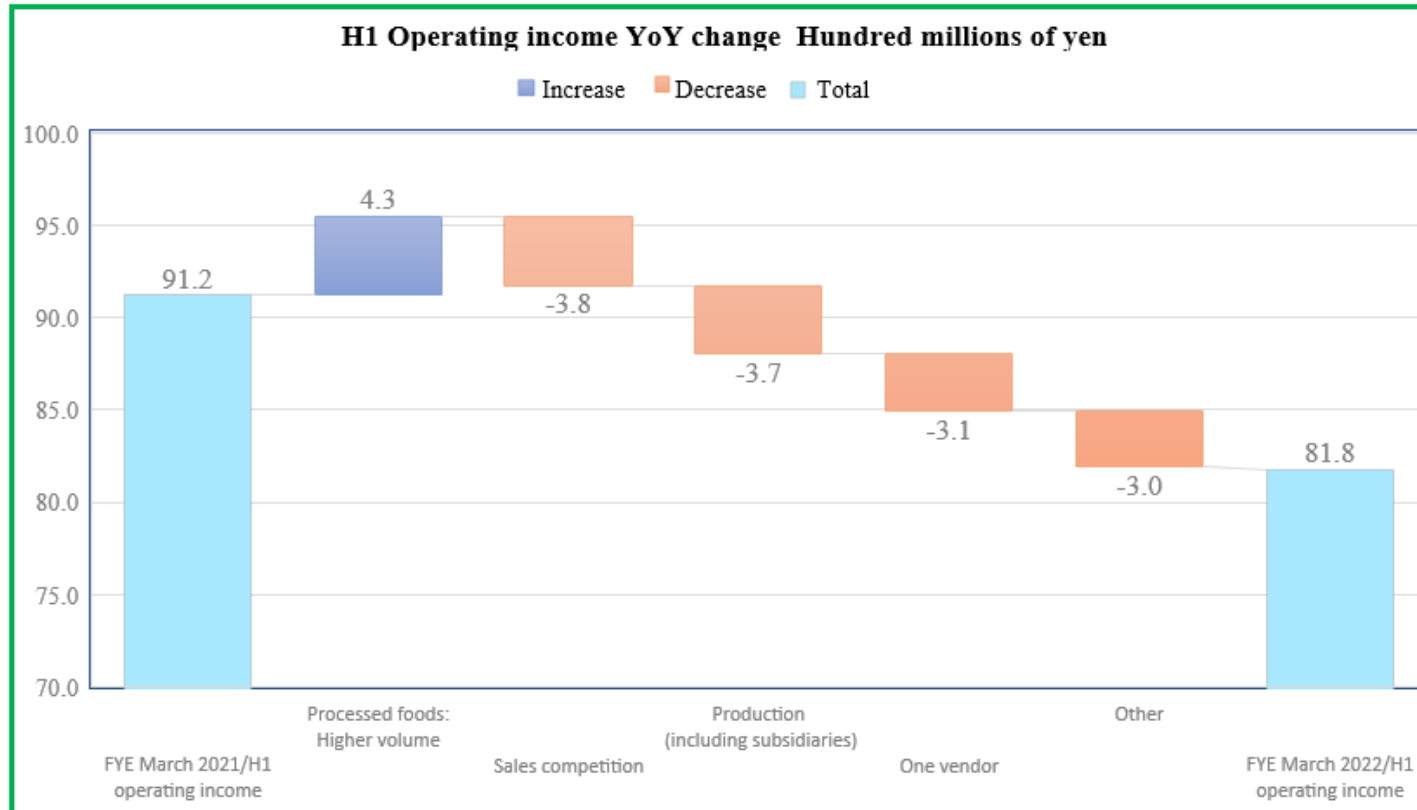
Processed Foods Business

(hundred millions of yen)

	Previous (retroactively adjusted)	FYE March 2022/H1		
		Results	YOY	Difference
Net sales	1,375	1,422	103.4	47
Operating income	91.2	81.8	89.7	-9.4

Target	Variance
1,520	-98
68	14

Target includes \1 billion in adjustment.



Hundred millions of yen

Factor	Amount
FYE March 2021/H1 operating income	91.2
Processed foods: Higher volume	4.3
Sales competition	-3.8
Production (including subsidiaries)	-3.7
One vendor	-3.1
Other	-3.0
FYE March 2022/H1 operating income	81.8

"Other" includes Singapore proposition

Processed Foods: First Half, Year Ending March 2022

Actions	Outcomes												
<p>Japanese pork products: Strengthened production</p> <ol style="list-style-type: none"> Increase pig shipments Improve productivity indicators (incident rate, feed share, pig shipments) Improve quality Improve animal welfare Expand farm business (open new farm) 	<ul style="list-style-type: none"> Pig shipments (target, result) <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th></th> <th>Pig shipments</th> </tr> </thead> <tbody> <tr> <td>Result</td> <td>2019</td> <td>380,000</td> </tr> <tr> <td>Target</td> <td>2025</td> <td>510,000</td> </tr> <tr> <td>Target</td> <td>2030</td> <td>600,000</td> </tr> </tbody> </table> <p>111% of FYE March 2021/H1 result</p> Introduced modifiable crates Proceeded with construction work for Miyagi farm 			Pig shipments	Result	2019	380,000	Target	2025	510,000	Target	2030	600,000
		Pig shipments											
Result	2019	380,000											
Target	2025	510,000											
Target	2030	600,000											
<p>Strengthen sales capacity</p> <ol style="list-style-type: none"> Prioritize earning potential in marketing activities Engage with new key customers Cultivate sales team, improve sales skills 	<ul style="list-style-type: none"> We were slow to reflect price changes in imported beef and pork. <u>H1 gross profit YoY (nonconsolidated)</u> <ul style="list-style-type: none"> Imported beef: 76% Imported pork: 79% Improved talent allocation and internal job rotation 												
<p>Strengthen merchandise power</p> <ol style="list-style-type: none"> Strengthen original brands Collaborate with other members of Itochu Corporation Develop businesses in Japan and overseas 	<ul style="list-style-type: none"> Original pork brands: Sales volume increased <u>H1 2021/3: 102%</u> Domestic pork: Steady growth Imports (e.g. Thai rice): Impacted by production stoppages <u>Sales composition ratio: 46%</u> 												



Conditions in meat industry
<ul style="list-style-type: none"> ● Beef and pork imports commanded high prices ● Rising grain prices led to higher prices for animal feed ● Spread of COVID caused some production stoppages in Thai meat and processed food products ● Chronic port delays in US West Coast ● Domestic meat consumption declined from previous year's high

Original brands
<p>Pork linked with Canadian br Delicious kurobuta pork brand</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <div style="text-align: right; margin-top: 10px;">  </div>

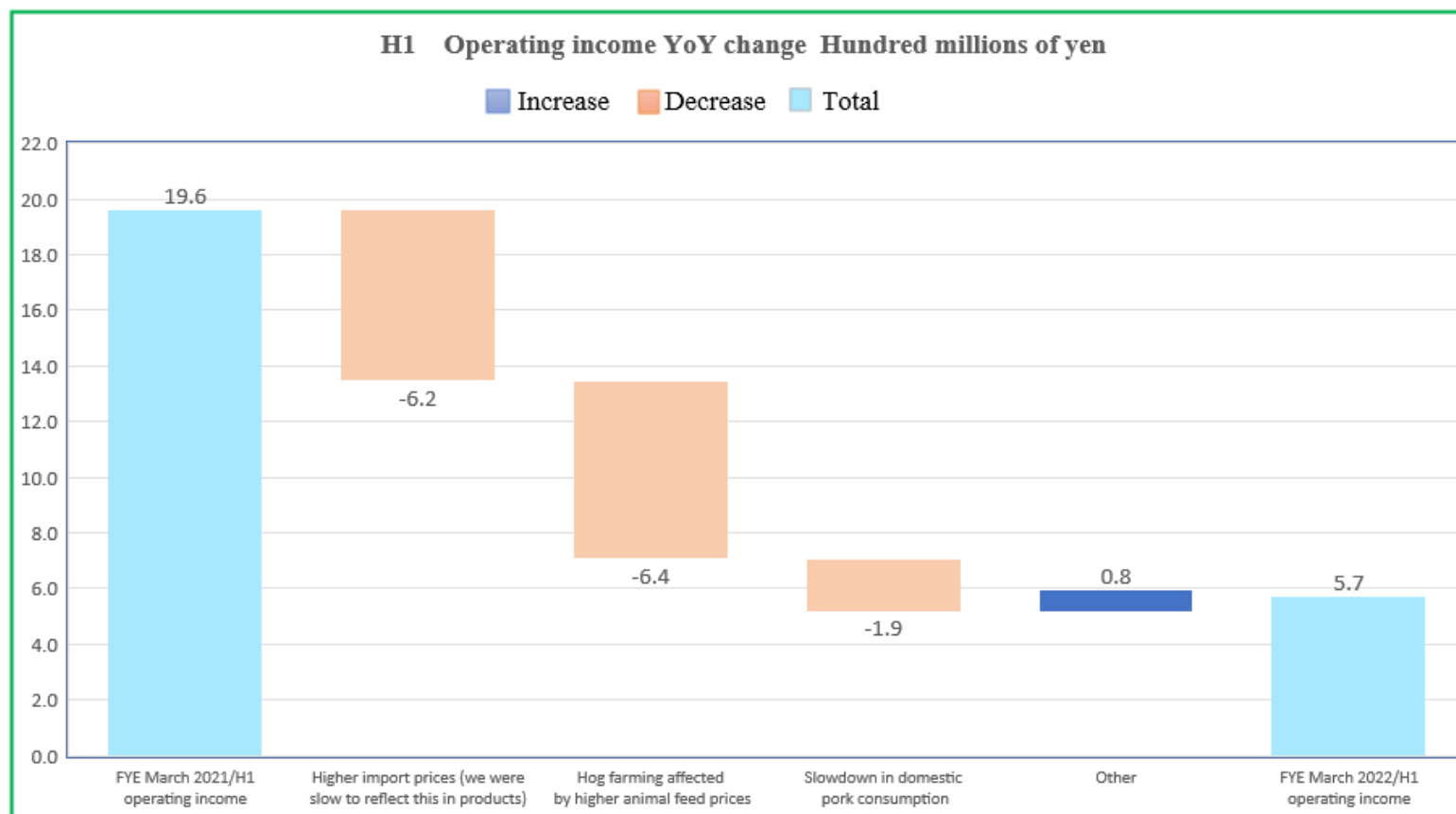
Fresh Meat Business Contributors to YoY change in operating income

Fresh Meat Business (hundred millions of yen)

	Previous (retroactively adjusted)	FYE March 2022/H1		
		Results	YOY	Difference
Net sales	669	673	100.5	4
Operating income	19.6	5.7	29.1	-13.9

Target	Variance
685	-12
13	-7

Target includes ¥250 million in adjustment.



Factor	Amount
FYE March 2021/H1 operating income	19.6
Higher import prices (we were slow to reflect this in products)	-6.2
Hog farming affected by higher animal feed prices	-6.4
Slowdown in domestic pork consumption	-1.9
Other	0.8
FYE March 2022/H1 operating income	5.7

"Other" doesn't include supplementary payments for animal feed

Variance from Plan – First Half, Year Ended March, 2022

【Processed foods business】

(100 million yen %)

		FYE March 2022 results			FYE March 2022 plan				
		1Q	2Q	H1	1Q	2Q	H1	Difference from the plan	Plan ratio
	Net sales	708	714	1,422	743	777	1,520	-98	93.6
	Operating income	47	34	82	32	36	68	14	120.8
After considering the initial plan of 1 billion adjustments not included in the results by segment							78	4	106.7

《Operating income for the first half plan difference》

- Ham/Sausage, etc - 100 million Sales and sales volume for both household and commercial use exceeded last year, but raw materials increased.
- PD + 500 million Net sales 105% Due to the long rain in the summer, the price of raw materials was soaring, but it exceeded the plan.

【Fresh meats business】

		1Q	2Q	Results	1Q	2Q	Plan	Difference from the plan	Plan ratio
			Net sales	337	336	673	343	342	685
	Operating income	3	3	6	7	6	13	-7	22.8
After considering the initial plan of 2.5 million adjustments not included in the results by segment							16	-10	36.5

《Operating income for the first half plan difference》

- Production business - 600 million Production costs increase due to the impact of soaring grain prices and feed prices
- Purchase and sale - 400 million The price could not be passed on to the soaring prices of imported beef and pork.

Consolidated Balance Sheets for the Year Ended March 2022 First Half

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	FYE March	FYE March 2022	
	2021	First half	Change
Current assets	987	961	-27
Cash and deposits	130	99	-31
Notes and accounts receivable	434	433	-2
Inventory	206	258	52
Deposits	200	150	-50
Other	188	273	85
Noncurrent assets	1,158	1,213	55
Tangible fixed assets	911	948	38
Intangible fixed assets	17	31	15
Investment and other assets	231	233	2
Gross assets	2,145	2,173	28

	FYE March	FYE March 2022	
	2021	First half	Change
Total liabilities	998	1,004	6
Current liabilities	720	744	24
Noncurrent liabilities	278	260	-19
Total shareholders' equity	972	992	20
Capital	79	79	0
Capital reserve	86	86	0
retained earnings	811	831	20
Treasury stock	-4	-4	0
Accumulated other comprehensive income	65	60	-5
Minority interests	111	118	7
Total net assets	1,148	1,170	22
Total liabilities and net assets	2,145	2,173	28

(100 million yen %)

	FYE March	FYE March 2022	
	2021	First half	Change
Equity capital	1,036	1,051	15
Equity ratio	48.3	48.4	0.1

	FYE March	FYE March 2022	
	2021	First half	Change
Interest-bearing debt	222	197	-25
D/E ratio	0.21	0.19	-0.02
Net interest-bearing debt	-107	-52	55

2022/3 Cash Flow Statement

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(hundred millions of yen)

	H1/20	H1/21	Change
1. Cash flows from operating activities	130	83	-47
Net income before tax	111	89	-22
Depreciation/amortization	47	51	4
Decrease (increase) in notes and accounts receivable—trade	-6	2	8
Decrease (increase) in inventory assets	-14	-51	-38
Increase (decrease) in notes and accounts payable-trade	27	22	-5
Other	-35	-29	6
2. Cash flows from investing activities	-61	-158	-96
Spending on property, plant and equipment	-49	-75	-26
Spending on intangible assets	-4	-8	-4
Deposits	0	-50	-50
Other	-9	-25	-16
3. Cash flows from financing activities	-43	-59	-16
4. Cash and cash equivalents at end of period	248	164	-84
Free cash flow (1 + 2)	68	-75	-143

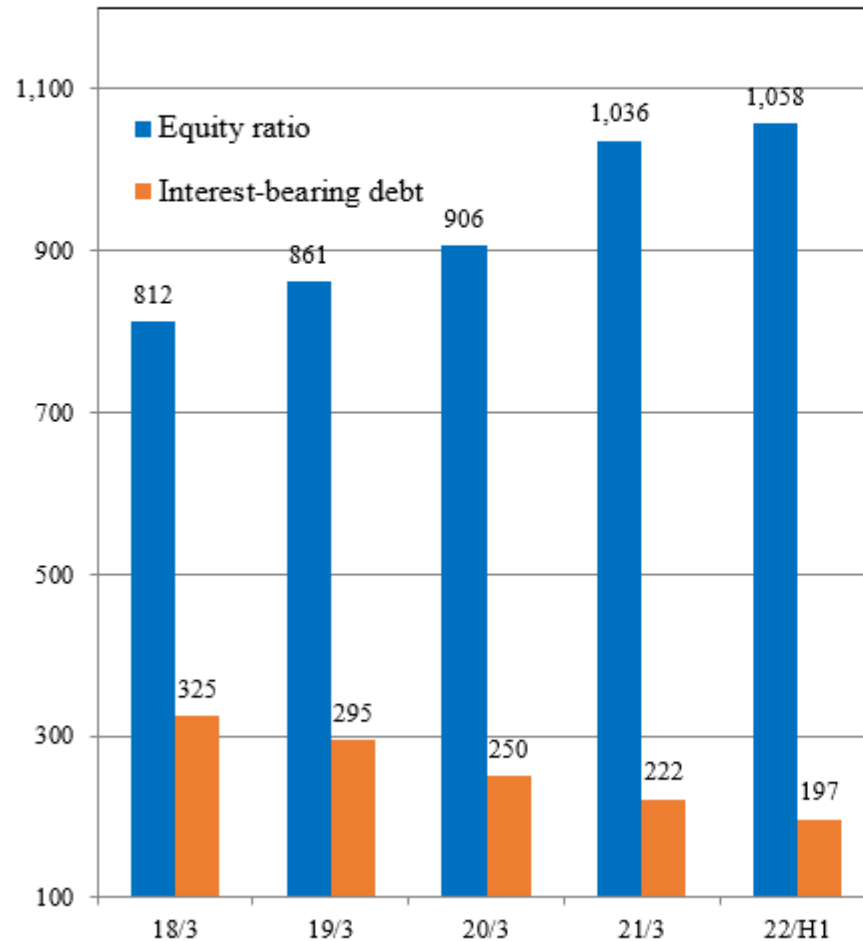


Depreciation/amortization, capital expenditures (hundred millions of yen)

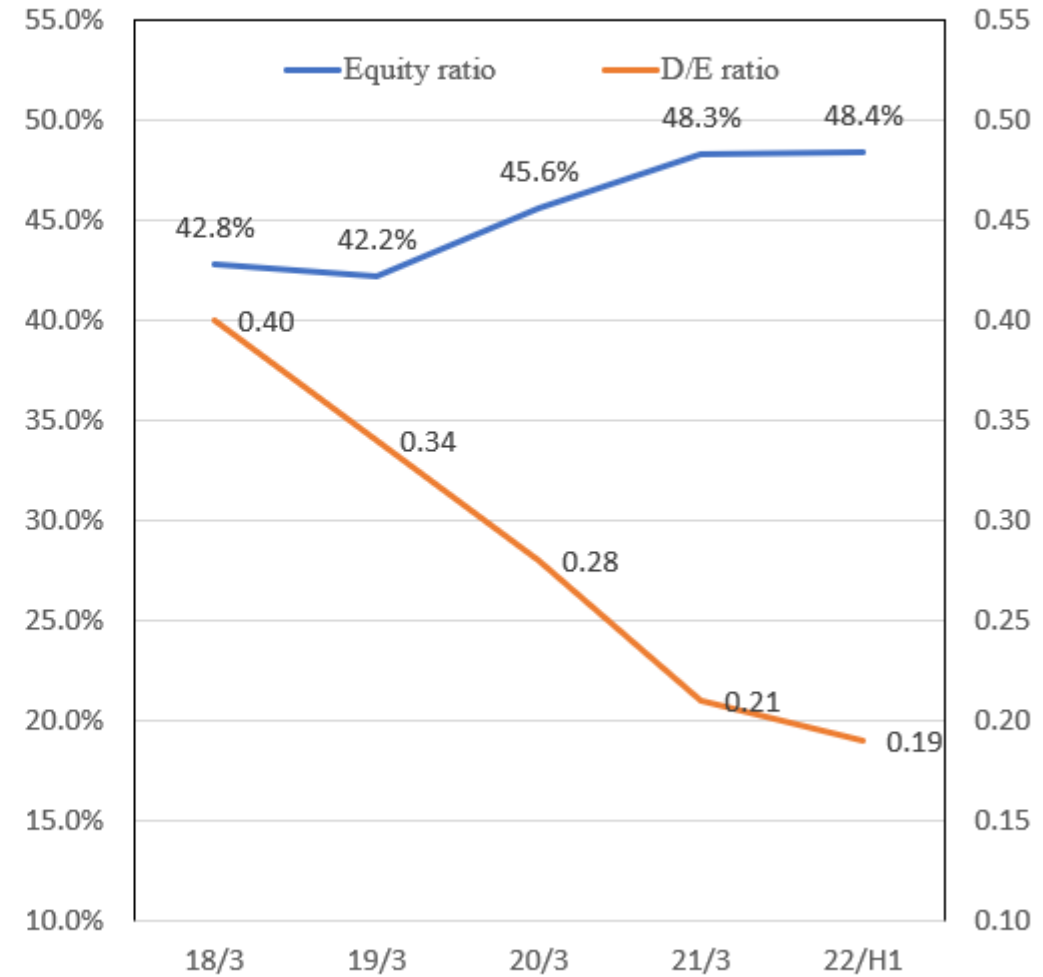
	FYE March 2021/1H		FYE March 2022/1H Full-year		
		Full year		Difference	target
Depreciation/amortization	47	99	51	4	103
Capital expenditures	52	124	85	34	183

Changes in Equity and Interest-bearing Liabilities

Equity ratio and interest-bearing debt (100 million yen)



Equity ratio and D/E ratio



Forecast for FYE March 2022

Forecast for FYE March 2022

[Consolidated statements of income]

(100 million yen %)

	Previous (retroactively adjusted)			FYE March 2022 plan				
	First half	Second half	Full year	First half	Second half	Full year	YOY	Difference
Net sales	2,046	2,135	4,181	2,097	2,280	4,377	104.7	196
Operating income	111	103	215	80	86	166	77.3	-49
Ordinary income	115	110	224	89	80	168	75.0	-56
Net income	70	72	142	53	52	105	74.1	-37

The full-year targets remain unchanged

Dividends

(yen)

	H1 dividend	Forecast Year end	Commemorative bonus	Total	Payout ratio
FYE March 2022	20	45		65	31.1%
FYE March 2021	20	45	20	85	30.2%

[Profit and loss by segment]

		Previous term	Plan	前期比
Net sales	Processed foods business	2,694	2,974	110.4%
	Fresh meats business	1,247	1,399	112.2%
	Other	5	4	75.8%
Operating income	Processed foods business	117	143	122.2%
	Fresh meats business	12	23	190.4%
	Other	2	0	11.9%

Dividend benchmarks

Payout ratio: >30%

Equity ratio: >40%

ROE: >10%

H1 equity ratio: 48.4%

H1 ROE: 5.1%

Initiatives of the Processed Foods Business for the Second Half of FYE March 2022

Business conditions, issues	<ul style="list-style-type: none"> ●Rising raw material prices, oil prices, transport costs, and weak yen are pushing up material prices ●Need to keep an eye on consumer behavior and economic trends following state of emergency; risk of sixth wave ●Food service and leisure industries are recovering, and competition is heating up ● Change in household consumption expected, and competition intensifying between distributors and producers
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Merchandise strategy	<p>Concentrate sales activities on key products, further increase share, promote products commemorating 90th anniversary</p> <p>Ham/sausage: Boost production capacity</p> <p>Prepare for recovery in B2B sector</p> <p>Year-end: Prepare for recovery in processed food supplies from Thailand</p>
Marketing strategy	<p>Prepare Disney promo campaign for winter</p> <p>Engage on social media</p> <p style="padding-left: 20px;">LINE, Twitter, YouTube</p> <p>Small Worlds Tokyo</p>
Year-end gift campaign	<p>TV ad for year-end gifts</p> <p style="text-align: right;">Sausage and sliced ham gifts commemorating 90th anniversary, prepared with HPP</p>



Processed Foods: Actions in Second Half

<p>Business conditions, issues</p>	<ul style="list-style-type: none"> ● Business conditions remain challenging in terms of rising prices for meat reared overseas, port delays, rising transportation costs, trends in China, and exchange rates. ● Animal feed prices remain high, creating cost pressures in the domestic meat production business ● Household demand is stabilizing, which will fuel a price war among retailers ● Food service and leisure industries are recovering, driving up demand for fresh meat in B2B sector
<p>Sales, procurement</p>	<p>Re-emphasize importance of final profit among employees, differentiate management between products and suppliers</p> <p>Negotiate sales prices commensurate with import/procurement prices</p> <p>Reduce inventory losses by adjusting inventory to reflect supply/demand balance</p> <p>Strengthen efforts in food service and leisure industries, where recovery is expected</p> <p>Engage with new key clients</p>
<p>Products</p>	<p>Further strengthen original brands</p> <p>Prepare for recovery in Thai brand, Komedoru</p> <p>Cultivate new supply sources, develop new packages featuring local produce</p> <p>Develop overseas businesses in collaboration with Itochu Corporation</p>
<p>Production/hog farming</p>	<p>Continue strengthening our group's hog farms</p> <p>Improve productivity</p> <p>Proceed with farm expansion plan (new farm)</p> <p>Improve animal welfare</p>



米のロゴデザインはプリマハムの登録商標です

Actions (new Miyagi farm, new plant, overseas businesses)



Singapore
August 2021: Acquired Rudi's Fine Food Pte Ltd



Actions (listings, Sustainability Committee)



JPX-NIKKEI 400

August 31, 2021:
Selected for listing on JPX-
Nikkei 400



Applied for listing on TSE
Prime Market

Sustainability Committee

Committee established on October 1,
2021

The committee coordinates efforts to
address material issues and thereby
improve our enterprise value over
the medium to long term.

Sustainability webpage to be
launched in mid December

Prima Meat Packers Integrated Group Report 2021
released in September

ESG DATA BOOK 2021



Linked with the integrated report, the ESG Data Book discloses our measures for addressing material issues and discloses quantitative data.

The integrated report integrates a broad range of information about our organization, including our growth strategy for sustainable corporate development, our goals and actions for material issues, and other financial and non-financial information.

Group growth strategy

- Fresh eat: Become a top-class hog farming company in Japan
 - Processed foods: Contribute to healthier, more abundant diets
- Prima Meat Packers' capital, growth scenarios, investment strategy

Material issues for group

In September 2020, we performed a materiality analysis, identifying 10 material issues. For each issue, we identified the current reality and set goals and developed an action plan to address the issue.

[Prima Meat Packers Group Integrated Report 2021 \(primaham.co.jp\)](http://primaham.co.jp)

Referential Materials

Changes in Consolidated Balance Sheets

[Consolidated statements of income]

(100 million yen)

	Segment	FYE March 2020			FYE March 2021			Previous (retroactively adjusted)	FYE March 2022				
		First half	Second half	Full year	First half	Second half	Full year		First half	Second half	First half	Second half forecast	Full year forecast
Net sales	Processed Foods Business	1,396	1,462	2,858	1,441	1,492	2,933	1,375	708	714	1,422		
	Fresh Meats Business	665	652	1,317	679	718	1,397	669	337	336	673		
	Other business	3	3	5	2	3	5	2	1	1	2		
	Total	2,064	2,117	4,181	2,122	2,213	4,336	2,046	1,046	1,052	2,097	2,280	4,377
	Cost of Sales	1,738	1,775	3,513	1,760	1,842	3,602	1,760	904	923	1,827		
	Gross Profit	326	342	668	362	372	734	286	141	129	270		
	Selling, general and administrative expenses	251	261	511	251	268	519	175	94	96	190		
	Operating income	75	81	156	111	103	215	111	47	33	80	86	166
	Non-operating loss	4	▲ 1	3	3	6	9	3	4	5	9		
	Ordinary income	79	80	160	115	110	224	115	51	38	89	80	168
	Extraordinary income	23	▲ 29	▲ 6	▲ 3	▲ 2	▲ 5	▲ 3	▲ 0	1	1		
	Income before income taxes	102	51	153	111	108	219	111	50	39	89		
	Net income	57	31	88	70	72	142	70	30	23	53	52	105

(Reference) Net sales by product category

(100 million yen)

	Product category	FYE March 2020			FYE March 2021			Previous (retroactively adjusted)	FYE March 2022				
		First half	Second half	Full year	First half	Second half	Full year			First half	Second half	Full year forecast	
Net sales	Ham/sausage	449	453	902	505	520	1,025	481			497		
	Processed foods (etc.)	855	904	1,759	847	909	1,756	802			839		
	Fresh meats	757	757	1,514	767	783	1,550	745			747		
	Other	3	3	5	2	3	5	18			13		
	Total	2,064	2,117	4,181	2,122	2,213	4,336	2,049			2,097		

Changes in Consolidated Balance Sheets

[Consolidated balance sheet]

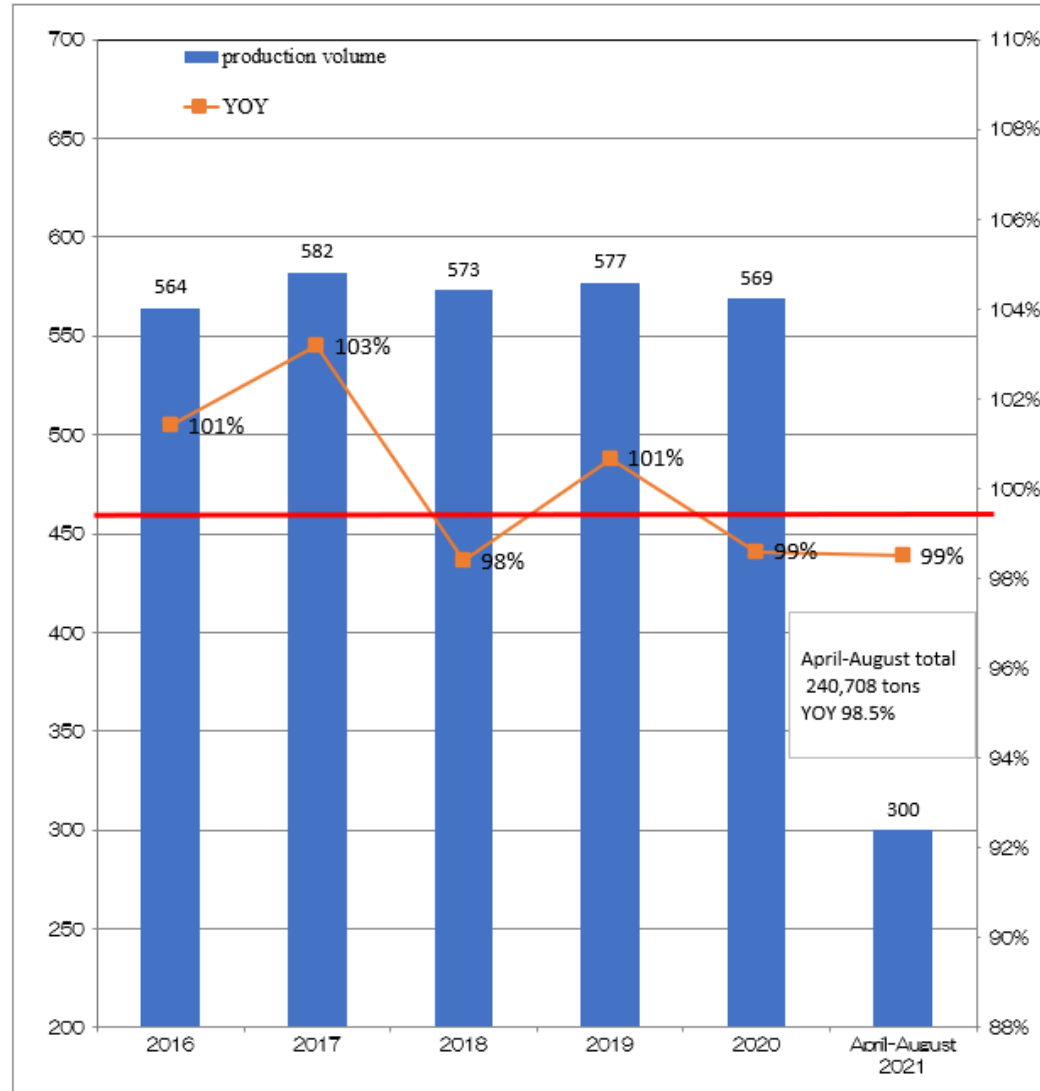
(100 million yen)

	FYE March 2020		FYE March 2021		FYE March 2022	
	First half	Full year	First half	Full year	First half	Full year
current assets	855	873	934	987	961	
Non-current assets	1,148	1,112	1,129	1,158	1,213	
Total assets	2,004	1,985	2,063	2,145	2,173	
Current Liabilities	687	682	710	720	744	
Non-current liabilities	324	302	288	278	260	
Total liabilities	1,011	984	998	998	1,004	
Shareholders' equity	839	860	910	972	992	
Total other comprehensive income	57	46	51	65	60	
Non-controlling interests	96	96	104	111	118	
Total net assets	993	1,001	1,064	1,148	1,170	
Total liabilities and net assets	2,004	1,985	2,063	2,145	2,173	
Equity capital	896	906	960	1,036	1,051	
Equity capital ratio (%)	44.7	45.6	46.6	48.3	48.4	

Data on Industry Trends (Production Volume ham and sausages)

(1) Industrial production volume

(Thousand tons)



Breakdown of industry production

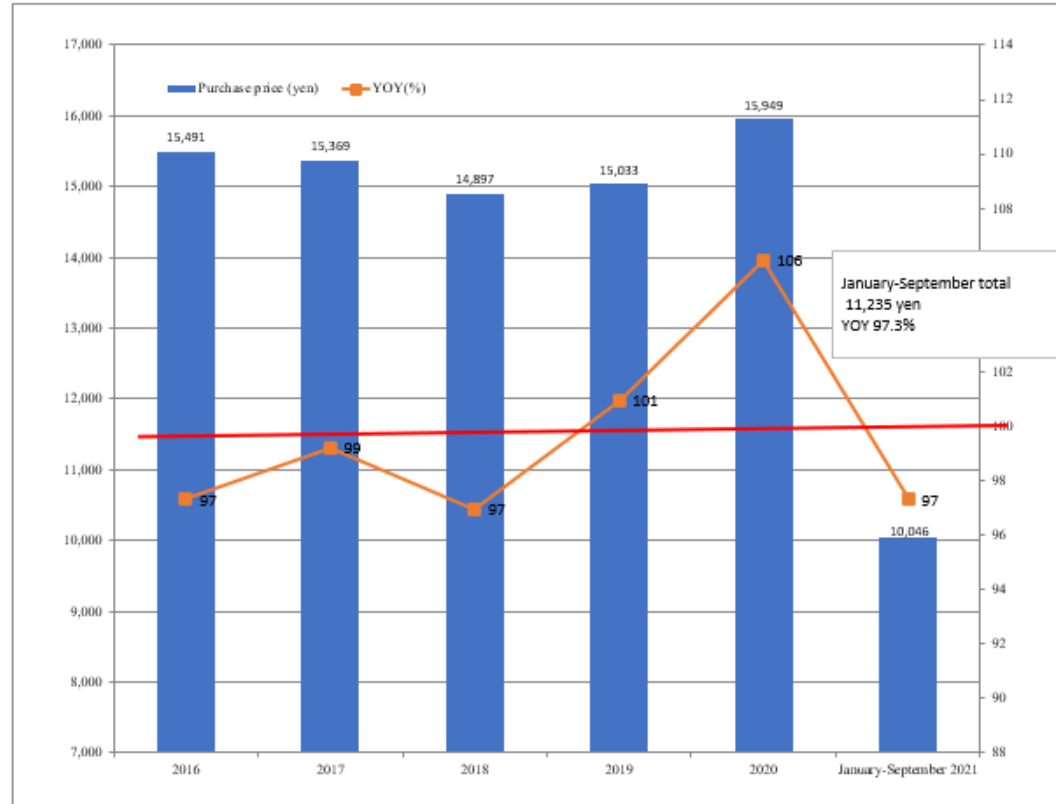
(ton %)

	FYE March 2018		FYE March 2019		FYE March 2020		April-August 2021	
	Volume	YOY	Volume	YOY	Volume	YOY	Volume	YOY
Ham group	111,717	101.6	113,514	101.6	111,494	98.2	48,841	98.5
Bacon group	96,962	100.4	97,302	100.4	97,991	100.7	40,765	97.2
Sausage group	316,966	101.0	320,211	101.0	317,069	99.0	132,938	98.8
Wiener	237,415	101.6	241,188	101.6	242,350	100.5	98,306	96.2
Frankfurt	35,775	96.7	34,606	96.7	30,255	87.4	15,761	115.3
Grilled pork	22,100	98.1	21,688	98.1	21,687	100.0	9,273	102.5
Press	10,942	110.6	12,104	110.6	10,091	83.4	4,140	96.6
Total	573,058	100.7	576,912	100.7	568,857	98.6	240,708	98.5

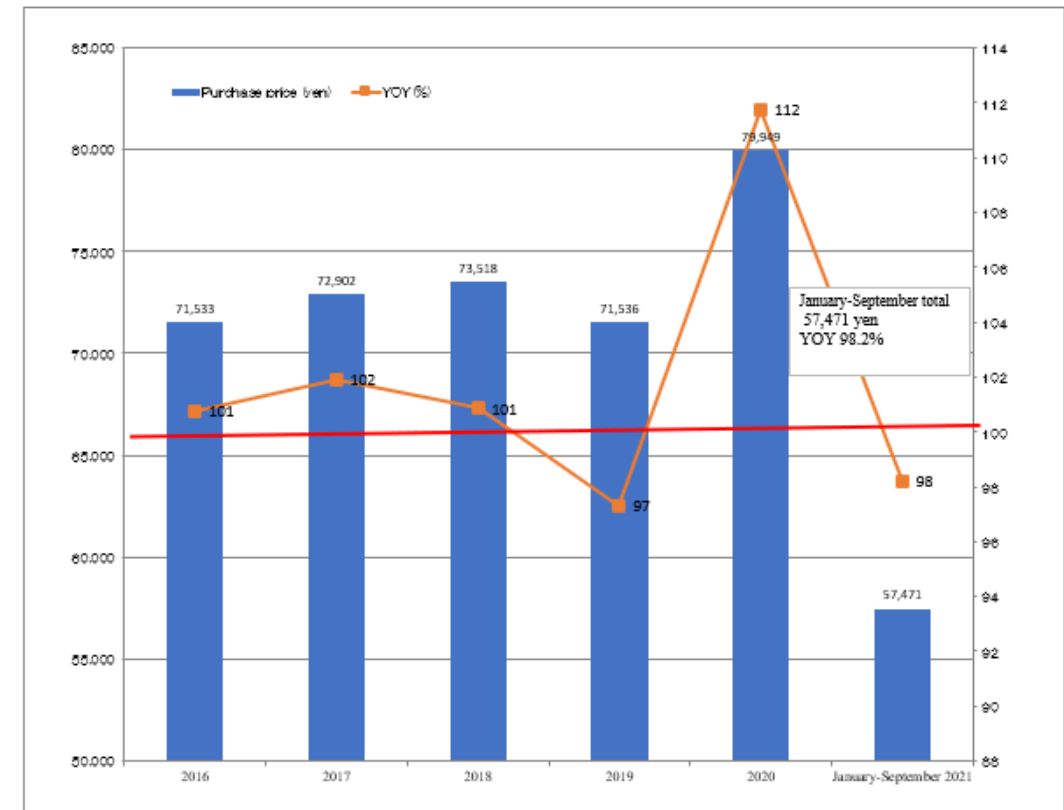
(Memo) Information from JAPAN HAM&SAUSAGE PROCESSORS COOPERATIVE ASSOCIATION

Data on Industry Trends :Household survey

(1) Household survey: Annual household spending on ham/sausage products (# yen)



(2) Household survey: Annual household spending on fresh meat and seafood (# yen)



Household survey: Ham/bacon/sausage breakdown

(yen %)

	January-December 2018		January-December 2019		January-December 2020		January-September 2021	
	Purchase price	YOY	Purchase price	YOY	Purchase price	YOY	Purchase price	YOY
Ham	4,979	93.4	5,092	102.3	5,155	101.2	3,534	99.2
Bacon	7,343	98.8	7,359	100.2	7,904	107.4	5,651	96.7
Sausage	2,575	99.0	2,582	100.3	2,890	111.9	2,050	95.8
Total	14,897	96.9	15,033	100.9	15,949	106.1	11,235	97.3

Household survey: Beef/pork/poultry breakdown

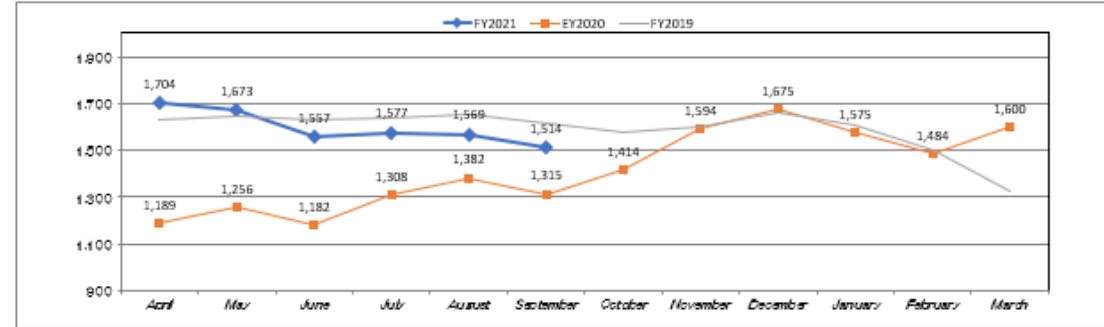
	January-December 2018		January-December 2019		January-December 2020		January-September 2021	
	Purchase price	YOY	Purchase price	YOY	Purchase price	YOY	Purchase price	YOY
Beef	21,871	99.6	21,178	96.8	23,677	111.8	16,792	98.9
Pork	30,591	101.9	29,637	96.9	32,861	110.9	23,724	97.4
Poultry	15,877	100.4	15,587	98.2	17,281	110.9	12,361	97.6
Fresh meat	73,518	100.8	71,536	97.3	79,949	111.8	57,471	98.2

(Memo) Household Survey Report of Statistics Bureau, Ministry of Internal Affairs and Communications (nationwide, per household with two or more people)

Data on Industry Trends (Beef)

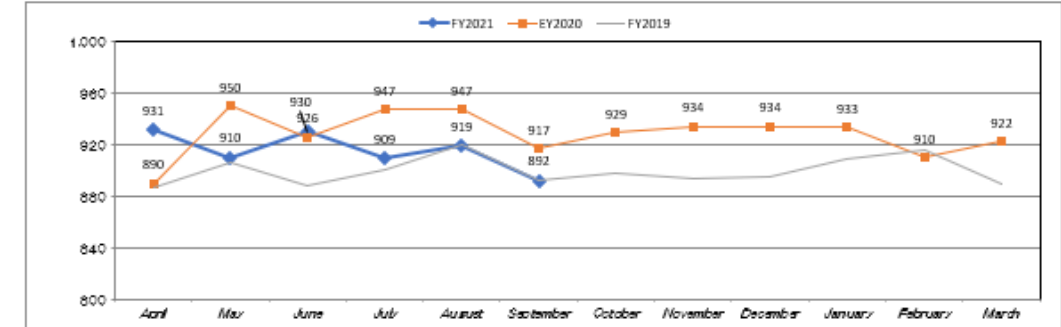
(1) Tax-excluded wholesale price (Tokyo) of B-3 crossbred steers

(Dressed price; unit: yen/kg of carcass weight)



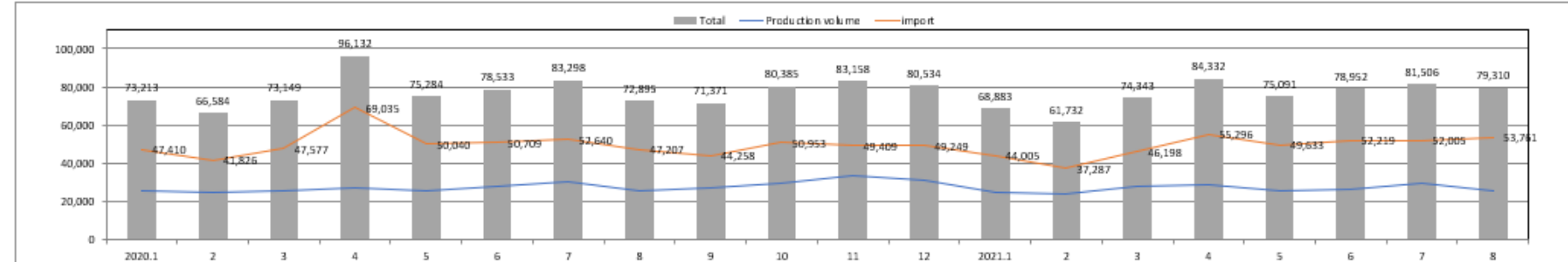
(2) Tax-excluded retail price of Japanese-produced beef loin (Tokyo)

(unit: yen/100g)



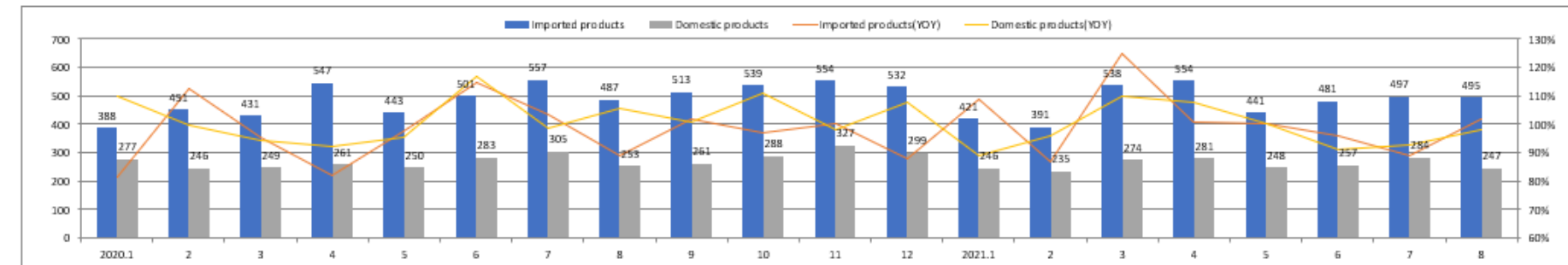
(3) Beef supply and demand table (production volume/imports)

(tons)



(4) Supply and demand trends of beef (estimated to circulate)

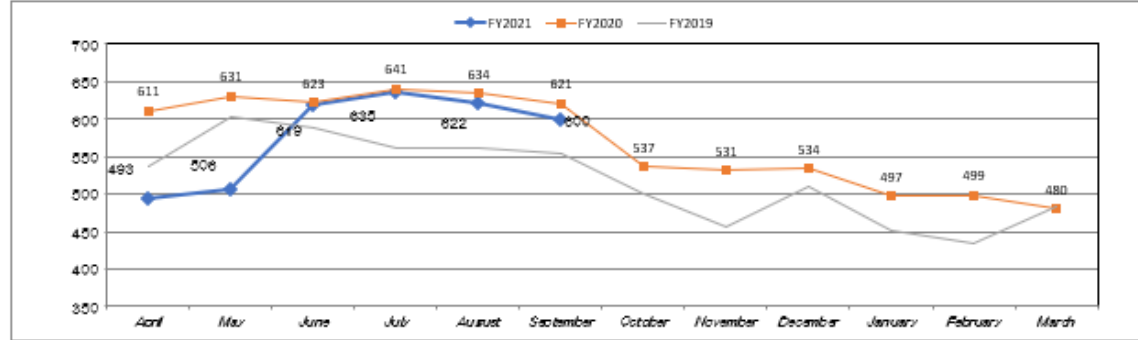
(100 tons/%)



Data on Industry Trends (Pork)

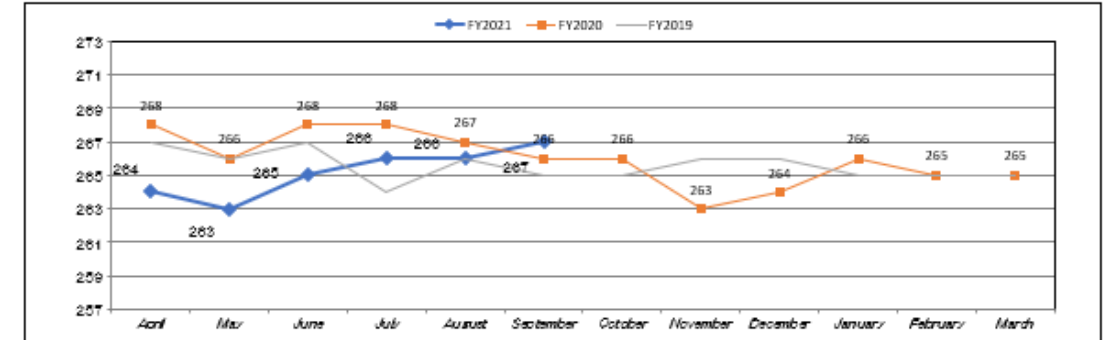
(1) Tax-excluded wholesale price of pork (Tokyo, ministerial ordinance)

(Dressed price; unit: yen/kg of carcass weight)



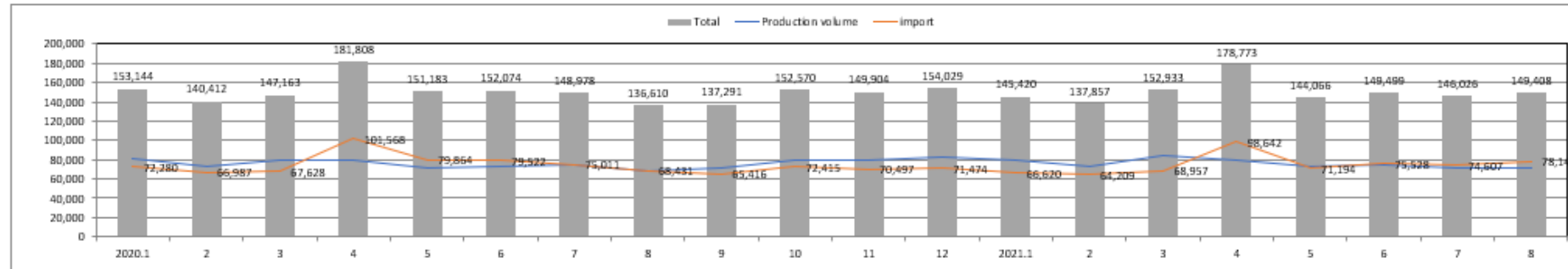
(2) Tax-excluded retail price of Japanese-produced pork loin (Tokyo)

(unit: yen/100g)



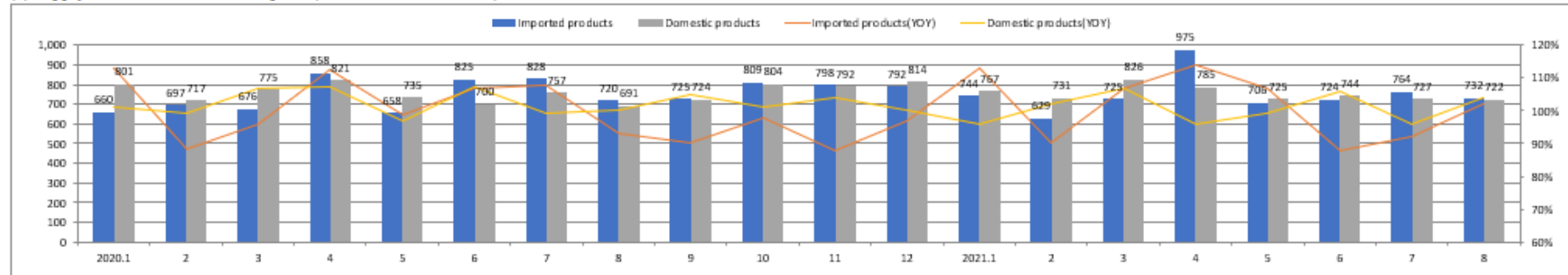
(3) Pork supply and demand table (production volume/imports)

(tons)



(4) Supply and demand trends of pork (estimated to circulate)

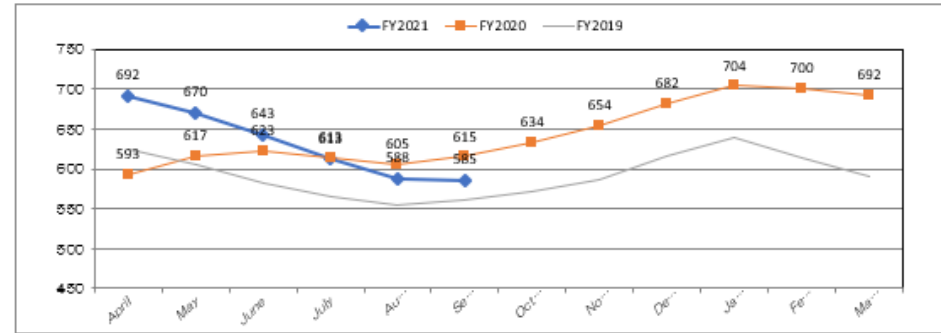
(100 tons/ %)



Data on Industry Trends (Chicken)

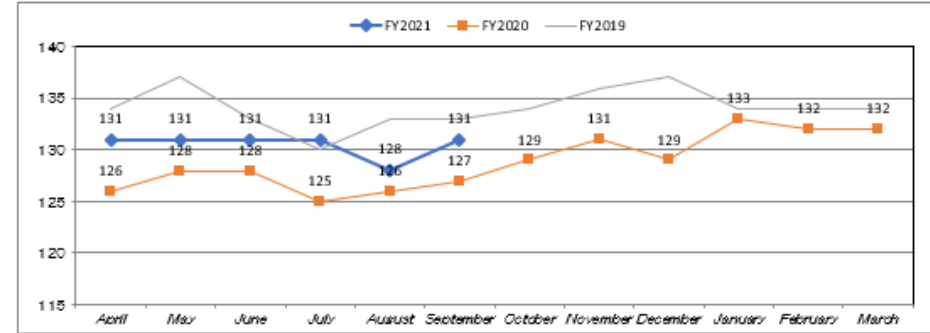
(1) Tax-excluded wholesale price (Tokyo) of chicken (leg)

(unit: yen/kg)

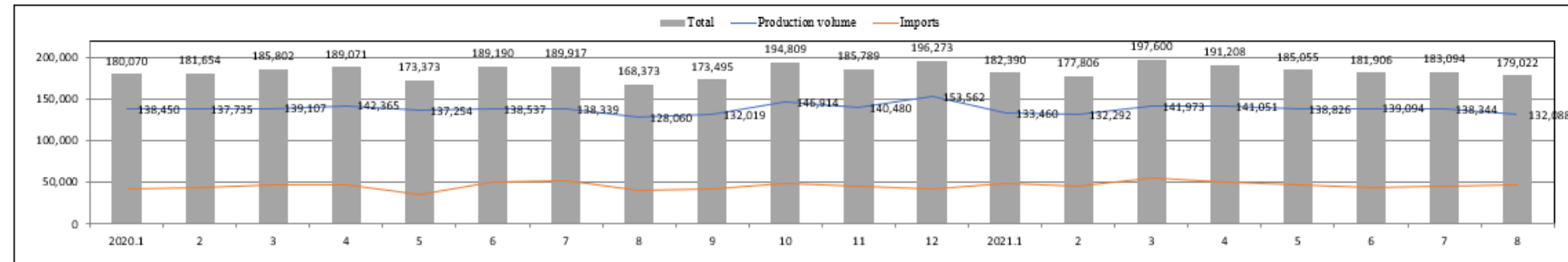


(2) Tax-excluded wholesale price (Tokyo) of Japanese-produced chicken (leg)

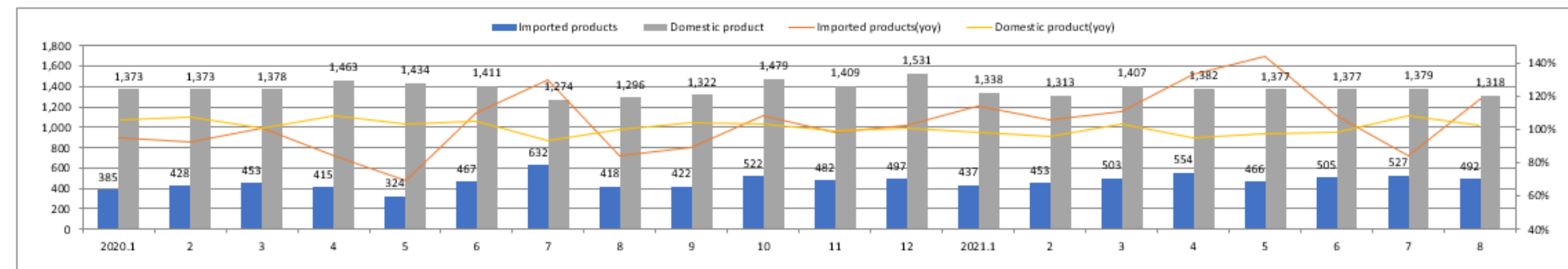
(unit: yen/100g)



(3) Poultry supply and demand table (Production volume + Imports) (ton)



(4) Supply and demand trends of Chicken (Estimated to circulate amount) (one hundred tons/%)



Profile (As of Sept 30, 2021)

■ Corporate data

Head office	Shinagawa Seaside West Tower, 4-12-2 Higashi-Shinagawa, Shinagawa-ku, Tokyo		
Representative	Naoto Chiba, President and Representative Director		
Detail of business	Manufacture and sale of hams and sausages, fresh meats, processed foods, and other products		
Established	July 9, 1948		
Capital	7,908 million yen		
Fiscal year-end	March 31		
Number of employees	1,925 (increased by 30)		
Business sites	(note)	Sales bases	6 branch offices 25 sales offices Production bases 4 plants
Number of group companies	(note)	34	
		Consolidated subsidiaries	31
		Companies accounted for using the equity method	3
Number of employees across corporate group	15,295 (increased by 145)		
Group bases	Production bases	25 plants (in Japan) 3 bases (overseas)	

(Note)

1. Increase/decrease is in comparison to the end of the previous fiscal year (as of March 31, 2020)

■ Company history

September 1931	Takegishi Ham Company founded in Kanazawa
July 1948	Takegishi Livestock Co., Ltd. founded in Takaoka
August 1962	Listed on the first sections of the Tokyo Stock Exchange and Osaka Securities Exchange
May 1965	Name of company changed to Prima Meat Packers, Ltd.
March 1984	Becomes official sponsor of Tokyo Disneyland
April 2004	Mie plant gains ISO14001 certification
March 2005	Becomes official silver sponsor of professional baseball team Tohoku Rakuten Golden Eagles
April 2005	Head office and other production plants gain ISO14001 certification
May 2007	Four plants across Japan (ham/sausage) gain ISO22000 certification
July 2008	Processed foods plants and distribution centers gain ISO22000 certification (total of 26 business centers)
April 2010	Becomes official gold sponsor of professional baseball team Tohoku Rakuten Golden Eagles
September 2011	80th anniversary of company's foundation
June 2016	Ibaraki sausage plant completed, operations commenced
April 2019	Ibaraki ham·bacon plant completed, operations commenced
April 2019	Confrontation of official sponsorship contract with Small Worlds Tokyo

Prima Meat Packers Data

<Fresh Meats Business>

Overseas (1 company)
Companies accounted for using the equity method
Swine Genetics International, Ltd.

Supply of boar semen and pigs

<Fresh Meats Business>

Pig rearing and fattening (6 company)
Consolidated subsidiaries
Pacific Ocean Breeding Co., Ltd. Japan Meat Co., Ltd.
Kamifurano Farm, Ltd. Pork Quality Research Farm, Ltd.
Yukizaw Co., Ltd. Clean Farm Co., Ltd.

Supplies pigs

<Fresh Meats Business>

Fresh meats processing plants (2 companies)
Consolidated subsidiaries
Kamifurano Kobo Co., Ltd. Nishi-Nippon Best Packers Co., Ltd.

Supplies raw materials and products

<Processed Foods Business>

Processed foods manufacturers (6 companies)
Consolidated subsidiaries
Prima Foods Co., Ltd. Shikoku Foods Co., Ltd.
Akita Prima Foods Co., Ltd. Prima Luca Co., Ltd.
Prime Foods Co., Ltd. Primaham Meat Factory Co., Ltd.

Supplies raw materials and products

Cleaning services (1 company)
Consolidated subsidiaries
Prima Environment Services, Ltd.

Contracted cleaning services

<Processed Foods Business>

Overseas business (2 companies)
Consolidated subsidiaries
PRIMAHAM (THAILAND) Co., Ltd.
PRIMAHAM FOODS (THAILAND) Co., Ltd.

Supplies products

<Other>

Other businesses (3 companies)
Consolidated subsidiaries
Prima System Development Co., Ltd.
Prima Management Service Co., Ltd.
Tsukuba Food Evaluation Center Co., Ltd.

Contracted information processing
Personnel services
Contracted physicochemical
inspections of products
External sales

Related parties (1 company)
(Parent company)
ITOCHU Corporation

Supplies raw materials and products

The Company
Manufacture and sale of fresh meats and processed foods

Manufacture and sale of products

<Fresh Meats Business>

Sales companies (3 companies)
Consolidated subsidiaries
Kanto Prima Meat Hambai Co., I Tucky Foods Co., Ltd.
Kansai Prima Meat Hambai Co., Ltd.
Logistics (1 company)
Consolidated subsidiaries
Prima Logistics Co., Ltd.

Supplies products

Sells products

Consigns logistics operations

Distributes products

<Processed Foods and Fresh Meats Business>

Sales companies (6 companies)
Consolidated subsidiaries
Hokkaido Prima Meat Packers, Ltd. Toei Foods Co., Ltd.
Hokuriku Prima Meat Packers, Ltd. Essen House Co., Ltd.

Supplies raw materials and products

Sells products

<Processed Foods and Fresh Meats Business>

Processed foods manufacturers/sellers (2 companies)
Consolidated subsidiaries
Prime Detica Co., Ltd.
Companies accounted for using the equity method
Prime Bakery Co., Ltd.
<Processed Foods and Fresh Meats Business>
Overseas businesses (1 companies)
Consolidated subsidiaries
Rudi's Fine Food Pte Ltd

Manufacture and sale of products

Manufacture and sale of products

<Other>

Other business (1 companies)
Consolidated subsidiaries
Primetech Corporation

Manufacture and sale of
physicochemical instruments

Clients

Prima Meat Packers mission

Mission

Contribute to food culture and society through great taste and excitement

Management Philosophy

- Be honest and dedicated
- The lifeblood of Prima is its products and quality
- Contribute to customers' lives by continuously innovating

Management Vision

1. Each and every one of us shall use our imaginative faculties and come up with creative ideas and proposals
2. We shall utilize our exceptional productive development skills and technical prowess in a comprehensive effort to provide our customers with great tasting food and information related to such; in this way, we shall contribute toward an abundant and healthy dietary life.

Corporate ethos

On April 1, 2021, we restated our mission to make it clearer and easier to remember.

Contribute to food culture and society through great taste and excitement

We will provide safe and reassuring products and services that add inspiration to
We will work toward healthier lifestyles, a more sustainable food culture, and a brighter world.

Precautionary Notes

The projected figures used in this document are the results of the company's assessments and predictions based on currently available information, and they are subject to various risks and uncertainties.

Therefore, the actual performance may differ from the projected figures.

Inquiries

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