(Translated)

February 06, 2025

Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Q3- FY2024) (Japanese Accounting Standards)

Company name: ITOHAM YONEKYU HOLDINGS INC.
Stock exchange listing: Tokyo Stock Exchange
Stock code: 2296
URL: https://www.itoham-yonekyu-holdings.com
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Supplementary documents for financial results: Yes
Quarterly results briefing: None

(Amounts of less than one million yen are truncated)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024–December 31, 2024)

(1) Consolidated Results of Operations (% figures show year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
December 31, 2024	758,482	4.2	17,173	(17.2)	17,992	(23.1)	12,264	(20.2)
December 31, 2023	728,220	3.8	20,727	(13.3)	23,401	(10.0)	15,366	(13.4)

(Note) Comprehensive income: Nine months ended December 31th 2024 13,575 million Yen (32.5) %
Nine months ended December 31th 2023 20,126 million Yen 1.1 %

	Profit per share	Diluted profit per share
Nine months ended	Yen	Yen
December 31, 2024	216.20	216.13
December 31, 2023	269.80	269.71

(Note) As the effective date on October 1 2023, we have completed a share consolidation (combining 5 shares of common stock into 1 share).
In regard to above Profit per share and Diluted profit per share, it shows on the assumption of the share consolidation be carried out at the beginning of previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million Yen	Million Yen	%
As of December 31, 2024	503,643	287,867	57.0
As of March 31, 2024	462,570	285,326	61.5

(Reference) Shareholders' equity: As of December 31, 2024 287,133 million Yen
As of March 31, 2024 284,616 million Yen

2. Dividends

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2024	—	0.00	—	125.00	—
March 31, 2025	—	70.00			
Fiscal year ending March 31, 2025 (Forecast)			—	75.00	145.00

(Note) Changes to most recent dividend forecast : None

(Note) As the effective date on October 1 2023, we have completed a share consolidation (combining 5 shares of common stock into 1 share).
The Total annual divident for the Fiscal year ended March 31, 2024 is shown as "－" because a simple sum is not appropriate.

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% figures show year-on-year change)

	Net Sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Full year	985,000	3.1	19,500	(12.7)	21,000	(19.3)	13,000	(16.4)	229.17

(Note) Changes to most recent financial results forecast : Yes

(Translated)

* Notes

(1) Changes in significant subsidiaries during the term (changes in specific subsidiaries accompanied by a change in the scope of consolidation) : None

(2) Application of special accounting treatment in the preparation of the quterly consolidation financial statements : None

(3) Changes in accounting policies, changes of accounting estimates and restatement

(i)	Changes in accounting policies due to amendments to accounting standards	: YES
(ii)	Other Changes in accounting policies	: None
(iii)	Changes in accounting estimates	: None
(iv)	Restatement	: None

(4) Numbers of shares outstanding (common stock)

(i) Numbers of issued shares at end of period:

As of December 31, 2024 :	57,471,011	shares
As of March 31, 2024 :	57,471,011	shares

(ii) Numbers of treasury shares at end of period:

As of December 31, 2024 :	736,702	shares
As of March 31, 2024 :	756,164	shares

(iii) Average number of shares outstanding during period:

As of December 31, 2024 :	56,727,632	shares
As of the third quarter ending March 31, 2	56,955,917	shares

(Note) As the effective date on October 1 2023, we have completed a share consolidation (combining 5 shares of common stock into 1 share).
In regard to above (iii), it shows on the assumption of the share consolidation be carried out at the beginning ofthe previous fiscal year.

* Review of the accompanying consolidated financial statements by a certified public accountant or an auditing firm : None

* Explanation for using the forecasted information and the other special notes

(Notes concerning forward-looking statements, etc.)

This summary financial report contains forward-looking statements and forecasts are made based on information available to the company at the time of preparation and certain assumption deemed to reasonable and actual result may significantly due to various factors.

(Access to Supplementary Explanations)

We will disclose the materials on TD-net and our website on the same days as this financial results.

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1. Overview of Operating Results and Financial Position

(1) Overview of operating results

○Our operating results and overview

◇Consolidated operating results (% figures show year-on-year change)

Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
758,482	4.2	17,173	(17.2)	17,992	(23.1)	12,264	(20.2)

In a difficult business environment with remaining high raw material prices and rising logistics costs. Sales inceased by rising meat market price and performed price revisions for processed foods, however operating profit, ordinary profit, and profit attributable to owners of parent all decreased due to the impact of reduced profits in the meat division, etc.

◇Operating results by reportable segment (% figures show year-on-year change)

	Net Sales		Ordinary profit	
	Million Yen	%	Million Yen	%
Processed Food Division	310,720	2.8	8,836	4.0
Meat Division	447,749	5.1	10,047	(36.2)

<Processed Food Division>

・Regarding Hams and Sausages,the net sales increased driven by promotions for the consumer campaigns to expand sales of mainly products for consumers. Then Cooked foods, net sales also increased driven by expand sales of fitting the diversified consumer needs.

・Over all Processed Foods business,net sales and ordinary profit increased, because the effect of price revisions and cost saving operations covered up with high raw material cost ,utility cost and logistics cost.

<Meat Division>

・In domestic business, the net sales increased driven by rising sales unit proce of beef and pork meat mainly, also increasing sales volume of domestic poultry. However ordinary profits have decreased by cooling dowin of consumer confidence, so it has been caused by high-priced of domestic beef, less sales volme of imported beef and influenced by rising logistics cost.

・In overseas business, ANZCO Foods showed an increse in net sales, however ordinary profits decreased due to rasing labor cost and utilitiy cost ,also having influence of sluggish exports to China.

・Net sales of Meat Division increased, however ordinary profit decreased due to remaining in a difficult business situation for the both of d and overseas operation.

* For details on the overview of operating results,etc., please refer to the finacial results briefing materials disclosed on TD-net today.

(2) Overview of financial positions

(Assets, Liabilities and Net assets)

- Total assets was 503,643 million yen, an increase of 41,072 million yen from the end of the previous consolidated fiscal year.
  Increase factors: Increase in Account receivables,Inventories and Non-current assets
- Liabilities was 215,776 million yen, an increase of 38,531 million yen from the end of the previous consolidated fiscal year.
  Increase factors: Increase in Short-term borrowings
- Net assets was 287,867 million yen, an increase of 2,541million yen from the end of the previous consolidated fiscal year.
  Increase factors: : Increase in Retained earnings and Foreign currency translation adjustment

(Cash flows)

- The balance of cash and cash equivalents at end of period was 18,294 million yen, a decrease of 4,622 million yen from the end of the previous consolidated fiscal year (An increase of 484 million yen in the same quarter previous year).
- Cash flows from operating activities decreased by 13,156million yen (A decrease of 658 million yen in the same quarter previous year).
  Decrease factors: Increase in Account receivable and Inventories
- Cash flows from investing activities decreased by 16,743 million yen (A decrease of 12,741 million yen in the same quarter previous year).
- Cash flows from financing activities increased by 25,091 million yen (An increase of 13,302 million yen in the same quarter previous year).
  Increase factors: Increase in Short-term borrowings
  Decrease factors: Dividends paid

2. Consolidated Financial Statements and Key Notes

(1) Consolidated balance sheets

(Million Yen)

	As of March 31, 2024	As of December 31, 2024
ASSETS		
Current assets		
Cash and deposits	23,225	18,702
Notes and accounts receivable-trade	110,986	139,633
Merchandise and finished goods	100,198	109,601
Work in process	1,981	1,547
Raw materials and supplies	23,292	26,980
Other	12,381	10,272
Allowance for doubtful accounts	(28)	(87)
Total current assets	272,036	306,648
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	38,945	37,723
Machinery, equipment and vehicles, net	32,344	30,877
Tools, furniture & fixtures, net	1,751	1,639
Land	26,720	26,486
Leased assets, net	2,862	2,966
Others, net	2,641	10,154
Total property, plant and equipment	105,265	109,847
Intangible assets		
Goodwill	16,798	15,608
Other	8,412	10,245
Total intangible assets	25,210	25,853
Investments and other assets		
Investment securities	34,699	34,947
Retirement benefit asset	18,625	19,705
Other	7,510	7,416
Allowance for doubtful accounts	(777)	(774)
Investments and other assets	60,058	61,294
Total non-current assets	190,534	196,995
Total Assets	462,570	503,643

(Million Yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	73,830	77,420
Electronically recorded obligations - operating	1,347	1,510
Short-term borrowings	39,815	77,247
Current portion of Long-term borrowings	106	100
Income taxes payable	3,892	1,147
Provision for bonuses	6,365	3,065
Provision for bonuses for directors (and other officers)	169	115
Other	35,706	37,351
Total current liabilities	161,234	197,959
Non-current liabilities		
Long-term borrowings	340	265
Retirement benefit liability	1,600	1,565
Asset retirement obligations	1,277	1,209
Other	12,792	14,776
Total non-current liabilities	16,010	17,817
Total liabilities	177,244	215,776
Net assets		
Shareholders' equity		
Capital stock	30,003	30,003
Capital surplus	89,430	89,442
Retained earnings	148,784	149,988
Treasury shares	(2,793)	(2,721)
Total shareholders' equity	265,424	266,712
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,228	9,599
Deferred gains or losses on hedges	(366)	(154)
Foreign currency translation adjustment	6,309	7,312
Remeasurements of defined benefit plans	4,019	3,662
Total accumulated other comprehensive income	19,191	20,420
Share acquisition rights	77	66
Non-controlling interests	632	666
Total net assets	285,326	287,867
Total liabilities and net assets	462,570	503,643

(2) Consolidated statements of income and comprehensive income

Consolidated statements of income

(Million Yen)

	Nine months Ended December 31, 2023 (Apr 1, 2023 - Dec 31, 2023)	Nine months Ended December 31, 2024 (Apr 1, 2024 - Dec 31, 2024)
Net sales	728,220	758,482
Cost of sales	623,353	654,039
Gross profit	104,866	104,442
Selling, general and administrative expenses	84,138	87,269
Operating profit	20,727	17,173
Non-operating Income		
Interest income	183	180
Dividend income	374	416
Rental income	359	325
Subsidy income	2,166	202
Share of profit of entities accounted for using equity method	351	1,022
Other	699	534
Total non-operating income	4,134	2,681
Non-operating expenses		
Interest expenses	1,286	1,733
Rental expenses on real estate	103	104
Other	70	24
Total non-operating expenses	1,460	1,862
Ordinary profit	23,401	17,992
Extraordinary income		
Gain on sale of non-current assets	1	97
Gain on sale of investment securities	188	271
Gain on reversal of provision incurred from business combination	550	-
Other	-	0
Total extraordinary income	740	369
Extraordinary losses		
Loss on retirement of non-current assets	158	181
Impairment loss	-	10
Loss on disaster	248	-
Loss on closing plants	823	-
Loss on valuation of investment securities	-	37
Others	51	87
Total extraordinary losses	1,282	317
Profit before income taxes	22,859	18,045
Income taxes-current	6,421	3,603
Income taxes-deferred	1,029	2,124
Total income taxes	7,451	5,728
Profit	15,408	12,317
Profit attributable to non-controlling interests	41	52
Profit attributable to owners of parent	15,366	12,264

Consolidated statements of comprehensive income

(Million Yen)

	Nine months Ended December 31, 2023 (Apr 1, 2023 - Dec 31, 2023)	Nine months Ended December 31, 20241 (Apr 1, 2024 - Dec 31, 2024)
Profit	15,408	12,317
Other comprehensive income		
Valuation difference on available-for- sale securities	827	372
Deferred gains or losses on hedges	(177)	211
Foreign currency translation adjustment	2,903	502
Remeasurements of defined benefit plans	616	(380)
Share of other comprehensive income of entities accounted for using equity method	546	552
Total other comprehensive income	4,718	1,258
Comprehensive income	20,126	13,575
(Breakdown)		
Comprehensive income attributable to owners of parent	20,057	13,493
Comprehensive income attributable to non-controlling interests	68	81

(3) Consolidated statements of cash flows

(Million Yen)

	Nine months Ended December 31, 2023 (Apr 1, 2023 - Dec 31, 2023)	Nine months Ended December 31, 2024 (Apr 1, 2024 - Dec 31, 2024)
Cash flows from operating activities		
Profit before income taxes	22,859	18,045
Depreciation	9,049	9,768
Impairment losses	-	10
Increase (decrease) in provision for bonuses	(2,702)	(3,300)
Amortization of goodwill	1,197	1,206
Interest and dividend income	(557)	(596)
Interest expenses	1,286	1,733
Insurance claim income	(236)	(110)
Subsidy income	(2,166)	(202)
Loss on disaster	248	-
Gain on reversal of provision incurred from business combination	(550)	-
Loss on closing plants	823	-
Share of loss (profit) of entities accounted for using equity method	(351)	(1,022)
Loss (gain) on sale of investment securities	(183)	(271)
Decrease (increase) in trade receivables	(42,298)	(28,497)
Decrease (increase) in inventories	200	(12,400)
Increase (decrease) in trade payables	6,802	3,729
Increase (decrease) in accounts payable - other	7,158	3,423
Increase (decrease) in retirement benefit liability	(23)	(47)
Decrease (increase) in retirement benefit asset	(1,298)	(1,621)
Other	3,976	1,266
Subtotal	3,235	(8,886)
Interest and dividends received	1,123	1,614
Proceeds from insurance income	236	111
Subsidies received	2,110	170
Interest paid	(1,286)	(1,733)
Payments associated with disaster loss	(577)	-
Payments associated with Loss on closing plants	-	(44)
Income taxes paid	(5,500)	(4,388)
Net cash provided by (used in) operating activities	(658)	(13,156)
Cash flows from investing activities		
Acquisition of tangible assets	(11,671)	(15,236)
Payments for retirement of non-current assets	(75)	(243)
Proceeds from sale of property, plant and equipment	80	366
Acquisition of intangible assets	(1,334)	(2,363)
Acquisition of investment securities	(49)	(35)
Proceeds from sale and redemption of securities	462	517
Loan advances	(178)	(179)
Proceeds from collection of loans receivable	155	177
Payments for acquisition of businesses	(70)	-
Other	(59)	252
Net cash provided by (used in) investing activities	(12,741)	(16,743)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	21,069	37,003
Repayments of long-term borrowings	(95)	(81)
Purchase of treasury shares	(83)	(3)
Dividends paid	(6,826)	(11,033)
Other	(761)	(794)
Net cash provided by (used in) financing activities	13,302	25,091
Effect of exchange rate change on cash and cash equivalents	581	185
Net increase (decrease) in cash and cash equivalents	484	(4,622)
Cash and cash equivalents at beginning of period	22,359	22,917
Cash and cash equivalents at end of period	22,843	18,294

(4) Notes to consolidated financial statements

(Notes on Changes in Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes")

The "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter, "Revised Accounting Standard 2022"), etc. has been applied since the beginning of the first quarter of the fiscal year ending March 31, 2025.

Revisions concerning the categories in which current income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, "Revised Guidance 2022"). The change in accounting policies had no impact on the consolidated financial statements for the first quarter under review. With regard to revisions related to changes in the accounting treatment for consolidated financial statements when gains/losses on sale of shares, etc. in subsidiaries resulting from transactions between consolidated subsidiaries are deferred for tax purposes, the Company has applied the Revised Guidance 2022 from the beginning of the first quarter under review. The change in accounting policies was applied retrospectively to the consolidated financial statements for the first quarter of the previous fiscal year and the entire previous fiscal year. The change in the accounting policies had no impact on the consolidated financial statements for the first quarter

(Notes on Segment information, etc.)

Ⅰ For the Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

1. Information on net sales, profit or loss, assets and other items, for each reportable segment

(Million Yen)

	Reportable segments			Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded on consolidated quarterly statements of income (Note 3)
	Processed Food Division	Meat Division	Total				
Net sales							
Sales to outside customers	302,113	426,094	728,208	12	728,220	-	728,220
Intersegment sales and transfers	29,219	54,478	83,697	672	84,369	(84,369)	-
Total	331,332	480,573	811,905	684	812,589	(84,369)	728,220
Segment profit (loss)	8,495	15,755	24,250	(183)	24,067	(665)	23,401

(Note)

1. "Others" segment which is not included in the reportable segments such as human resource and payroll related services.
2. Adjustment on segment profit is mainly due to the amortization of goodwill of (1,041) million yen
3. Segment profit (loss) is adjusted to ordinary profit in the quarterly consolidated statements of income.

Ⅱ For the Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on net sales, profit or loss, assets and other items, for each reportable segment

(Million Yen)

	Reportable segments			Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded on consolidated quarterly statements of income (Note 3)
	Processed Food Division	Meat Division	Total				
Net sales							
Sales to outside customers	310,720	447,749	758,469	12	758,482	-	758,482
Intersegment sales and transfers	28,198	60,811	89,010	704	89,714	(89,714)	-
Total	338,918	508,561	847,480	716	848,196	(89,714)	758,482
Segment profit (loss)	8,836	10,047	18,884	44	18,928	(936)	17,992

(Note)

1. "Others" segment which is not included in the reportable segments such as human resource and payroll related services.
2. Adjustment on segment profit is mainly due to the amortization of goodwill of (1,041) million yen
3. Segment profit (loss) is adjusted to ordinary profit in the quarterly consolidated statements of income.

2. Matters related to changes in reportable segments, etc.
From this first quarter, there has been a transfer of sales to outside customers between segments and a transfer of segment profits or losses between segments due to changes in the department responsible for expenses, etc.
Segment information for the previous fiscal year shows by the above changes.

(Notes on the case of significant changes in shareholders' equity)
Not applicable.

(Notes on going concern assumptions)
Not applicable.