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MEMBERSHIP
May 8, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: FEED ONE CO., LTD.
 Listing: Tokyo
 Securities code: 2060
 URL: <https://www.feed-one.co.jp/> (in Japanese)
 Representative: REPRESENTATIVE DIRECTOR, HIDEHIRO SHOJI
 PRESIDENT
 GENERAL MANAGER,
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 Scheduled date of ordinary general meeting of shareholders: June 20, 2025
 Scheduled date to commence dividend payments: June 5, 2025
 Scheduled date to file annual securities report: June 17, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2025	296,045	(5.7)	6,343	(18.1)	6,789	(12.3)	5,387	6.0
March 31, 2024	313,875	1.9	7,748	444.6	7,737	352.2	5,084	393.2

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥5,587 million [(13.1)%]
 For the fiscal year ended March 31, 2024: ¥6,431 million [356.5%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	140.84	—	10.3	5.3	2.1
March 31, 2024	132.97	—	10.7	6.0	2.5

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2025: ¥129 million
 For the fiscal year ended March 31, 2024: ¥(312) million

	EBITDA	
Fiscal year ended	Millions of yen	%
March 31, 2025	10,595	(5.4)
March 31, 2024	11,204	–

Note: EBITDA = Ordinary profit + interest expenses - interest income + depreciation and amortization of goodwill

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	124,172	55,347	44.0	1,429.04
March 31, 2024	131,038	50,856	38.4	1,314.03

Reference: Equity

As of March 31, 2025: ¥54,623 million

As of March 31, 2024: ¥50,280 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	8,570	(3,088)	(6,011)	10,287
March 31, 2024	11,138	(2,168)	(5,474)	10,817

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	–	12.50	–	14.50	27.00	1,037	20.3	2.2
Fiscal year ended March 31, 2025	–	14.50	–	21.00	35.50	1,365	25.2	2.6
Fiscal year ending March 31, 2026 (Forecast)	–	21.00	–	21.00	42.00		30.9	

Note: 1. Total cash dividends includes dividends (¥4 million for the fiscal year ended March 31, 2024, and ¥7 million for the fiscal year ended March 31, 2025) for shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account) as the trust assets for the “trust for share-based remuneration for directors (and other officers).”

2. Breakdown of interim dividend for the fiscal year ending March 2026 (Forecast):

ordinary dividend ¥16.00

commemorative dividend ¥5.00

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	311,000	5.1	6,800	7.2	7,000	3.1	5,200	(3.5)	136.04

* **Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Dohoku Kyodo Shiryo Hanbai Co., Ltd.)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	38,477,128 shares
As of March 31, 2024	38,477,128 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	253,018 shares
As of March 31, 2024	212,836 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	38,253,930 shares
Fiscal year ended March 31, 2024	38,235,630 shares

Note: The number of treasury shares excluded from the calculation of the number of treasury shares at the end of the period and the average number of shares outstanding during the period includes shares of the Company (251,560 shares for the fiscal year ended March 31, 2025, and 166,960 shares for the fiscal year ended March 31, 2024) held by Custody Bank of Japan, Ltd. (Trust Account) as the trust assets for the “trust for share-based remuneration for directors (and other officers).”

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Explanation of forward-looking statements, etc.

The forward-looking statements contained in this report, including earnings forecasts, are based on information currently available to the Company and certain assumptions that management believes to be reasonable. Actual financial and other results may differ substantially due to various factors. Please see “1. Overview of operating results and others (4) Future outlook” on page 4 of the attached material to this financial results report for the suppositions that form the assumptions for the earnings forecasts and cautions concerning the use thereof.

(How to acquire the Supplementary Materials for Financial Results and Financial Results Briefing content)

The Supplementary Materials for Financial Results are disclosed via TDnet on the same day, and are posted to the Company’s website as well. The Company plans to hold a Financial Results Briefing for institutional investors and analysts on Tuesday, May 20, 2025 in a hybrid format that combines an on-site meeting with live streaming, and the content of the briefing and presentation will be posted on the Company’s website promptly after the briefing.

Attached Material

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1. Overview of operating results and others

(1) Overview of operating results for the fiscal year

During the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025), the Japanese economy saw a gradual recovery in domestic consumption due to improvements in the employment and income environment as a result of an increase in corporate earnings and rising inbound demand driven by the increased number of foreign visitors to Japan. On the other hand, the economic outlook remained uncertain due to soaring prices of consumer goods and energy and rapid exchange rate fluctuations against the backdrop of unstable international situation caused by factors such as policy actions in the United States and growing tensions in the Middle East.

In the feed industry, the price of corn, which is a primary raw ingredient, was lower than the same period of the previous year, due to factors such as favorable weather conditions and higher yields in the United States, the main production area, and the Group reduced animal feed prices in April and October. However, raw material prices denominated in yen remained high due to the persistently high ocean freight rates and other factors.

With regard to animal products prices, the market price of pork was higher than in the same period of the previous year due to the impact of a decrease in the number of animals shipped as a result of the outbreak of diseases and extreme summer heat. The market price of chicken eggs remained weak in the first half of the period. From the autumn onward, however, supplies tightened due to the outbreak of avian influenza and other factors, and the market price remained at a high level.

In this environment, the Group is moving forward with initiatives to achieve the goals of its “Medium-Term Management Plan 2026 ~1st STAGE for NEXT 10 YEARS~,” which began from the fiscal year ended March 31, 2025. These initiatives include strengthening its sales structure, renovating and enhancing its production system and research facilities, taking on the challenge of next-generation aquaculture, and building a business model that integrates animal products and feedstuffs.

As a result, for the fiscal year ended March 31, 2025, the Group’s net sales were ¥296,045 million (down 5.7% year-on-year), operating profit was ¥6,343 million (down 18.1% year-on-year), ordinary profit was ¥6,789 million (down 12.3% year-on-year), and profit attributable to owners of parent was ¥5,387 million (up 6.0% year-on-year).

In addition, in order to ensure the execution of capital investment plans and to achieve management that is conscious of the cost of capital, EBITDA and ROIC have been introduced as new management indicators from the fiscal year ended March 31, 2025. EBITDA and ROIC for the fiscal year ended March 31, 2025 are as follows.

(i) EBITDA

	Fiscal year ended March 31, 2024 (Millions of yen)	Fiscal year ended March 31, 2025 (Millions of yen)	Year-on-year change (%)
Ordinary profit	7,737	6,789	(12.3)
Interest expenses	183	190	4.1
Interest income	8	6	(26.5)
Depreciation and amortization of goodwill	3,291	3,621	10.0
EBITDA	11,204	10,595	(5.4)

Note: EBITDA = Ordinary profit + interest expenses - interest income + depreciation and amortization of goodwill

(ii) ROIC

	Fiscal year ended March 31, 2024 (%)	Fiscal year ended March 31, 2025 (%)	Change (%)
ROIC	6.9	6.1	(0.8)

- Notes: 1. $ROIC = (\text{Ordinary profit} + \text{interest expenses} - \text{interest income}) \times (1 - \text{effective tax rate}) / \text{invested capital}$
 2. Invested capital = Average of amounts of (interest-bearing debt + shareholders' equity) at the beginning and the end of the period

Operating results by segment are as follows.

The classification of reportable segments has been changed from the fiscal year ended March 31, 2025, and the following comparisons with the same period of the previous year are comparative analyses based on figures for the same period of the previous year that have been reclassified into the new segment classifications.

For details, please refer to “3. Consolidated financial statements and significant notes thereto (5) Notes to consolidated financial statements (Notes to segment information, etc.).”

(i) Animal Feed Business

Segment sales were ¥232,259 million (down 6.0% year-on-year), segment profit was ¥8,533 million (down 6.3% year-on-year), and segment EBITDA was ¥11,073 million (down 4.5% year-on-year).

Both revenues and profits decreased due to a year-on-year decrease in the average selling price and an increase in selling, general and administrative expenses caused by factors such as increased contributions to the Feed Price Stabilization Fund, despite an increase in the sales volume of animal feed.

(ii) Aquatic Feed Business

Segment sales were ¥25,640 million (down 4.3% year-on-year), segment profit was ¥1,164 million (up 34.8% year-on-year), and segment EBITDA was ¥1,679 million (up 22.8% year-on-year).

Revenues decreased because the sales volume of aquatic feed decreased, but profits increased as a result of improvement in the earnings environment due to factors such as a year-on-year increase in the average selling price.

(iii) Food Business

Segment sales were ¥38,131 million (down 4.7% year-on-year), segment profit was ¥284 million (down 58.1% year-on-year), and segment EBITDA was ¥457 million (down 45.9% year-on-year).

The meat division recorded a decrease in profits due to a sharp rise in the market price of pork. The egg division recorded decreases in both revenues and profits due to factors such as the impact of egg market prices falling below the same period of the previous year.

(iv) Other businesses

Segment sales were ¥14 million (up 43.9% year-on-year), segment profit was ¥103 million (compared to a loss of ¥148 million in the same period of the previous year), and segment EBITDA was ¥104 million (compared to a loss of ¥147 million in the same period of the previous year).

The category “Other” includes operating segments other than reportable segments, such as overseas and real estate leasing businesses. No sales are recorded for the overseas business since it is only an affiliate accounted for using the equity method.

(2) Overview of financial position for the fiscal year

(Assets)

The total assets as of March 31, 2025 amounted to ¥124,172 million (down ¥6,866 million from the end of the previous fiscal year). This was mainly due to a decrease in notes and accounts receivable - trade of ¥8,617 million, despite an increase in raw materials and supplies of ¥2,410 million.

(Liabilities)

The total liabilities as of March 31, 2025 amounted to ¥68,825 million (down ¥11,356 million from the end of the previous fiscal year). This was mainly due to decreases in notes and accounts payable - trade of ¥5,253 million, income taxes payable of ¥2,075 million, and long-term borrowings of ¥6,777 million, despite an increase in short-term borrowings of ¥2,298 million.

(Net assets)

The total net assets as of March 31, 2025 amounted to ¥55,347 million (up ¥4,490 million from the end of the previous fiscal year). This was mainly due to an increase in retained earnings of ¥4,262 million as a result of recording of profit attributable to owners of parent.

(3) Overview of cash flows for the fiscal year

Cash and cash equivalents (hereinafter referred to as “net cash”) in the fiscal year ended March 31, 2025 decreased by ¥530 million from the end of the fiscal year ended March 31, 2024, amounting to ¥10,287 million as of March 31, 2025.

The situation of each cash flow and its factors in the fiscal year ended March 31, 2025 are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥8,570 million (¥11,138 million provided in the same period of the previous year). This was mainly due to recording of profit before income taxes, etc.

(Cash flows from investing activities)

Net cash used in investing activities was ¥3,088 million (¥2,168 million used in the same period of the previous year). This was mainly due to a result of the purchase of plant and equipment and intangible assets, etc.

(Cash flows from financing activities)

Net cash used in financing activities was ¥6,011 million (¥5,474 million used in the same period of the previous year). This was mainly due to repayments of borrowings and dividends paid.

(4) Future outlook

The Japanese economy is expected to recover at a gentle pace due to factors such as expanding consumer spending with rising real wages as part of the backdrop, despite increased uncertainties arising from the tariff policy issued by the new administration of the United States. In the environment surrounding the Group, we expect a decrease in demand for animal feed due to a decrease in the number of households raising animals held by animal producers and a temporary decrease in the number of animals due to the outbreak of diseases, a decrease in demand for aquatic feed caused by factors such as restricting feed intake due to the effect of high seawater temperatures, supply concerns and price hikes of raw ingredients for feed due to climate change, etc., and an increase in production costs due to soaring energy prices. Given these factors, the revenue situation will remain uncertain.

In this environment, the Group has started the Medium-Term Management Plan 2026 from the fiscal year ended March 31, 2025. Under the Management Plan, we will strive to realize its Purpose and

Vision and to continually enhance profitability by strengthening collaboration among businesses with the Animal Feed Business as a center. The latter will be achieved by leveraging our strengths, such as coordination between a well-developed production system and a strong sales network, capability of purchasing raw ingredients by taking advantage of economies of scale, a financial base that allows us to make proactive capital investments, our research and development system that draws on our global knowledge, and value enhancement through sales of animal and aquatic products.

For the Group's consolidated operating results for the fiscal year ending March 31, 2026, we project net sales of ¥311,000 million, operating profit of ¥6,800 million, ordinary profit of ¥7,000 million, and profit attributable to owners of the parent of ¥5,200 million.

2. Basic rationale for selection of accounting standards

The Group's business activities are conducted almost exclusively with companies in Japan, and international transactions are limited. The number of shareholders of foreign corporations, etc. and the number of shares held by them are also small. Under these circumstances, the Group has adopted the Japanese standard as its accounting standard.

3. Consolidated financial statements and significant notes thereto**(1) Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	10,876	10,342
Notes and accounts receivable - trade	51,829	43,211
Electronically recorded monetary claims - operating	5,149	4,437
Merchandise and finished goods	2,856	2,570
Raw materials and supplies	14,041	16,451
Animals	408	392
Other	3,335	2,832
Allowance for doubtful accounts	(292)	(152)
Total current assets	88,204	80,085
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,195	25,386
Accumulated depreciation	(11,793)	(12,366)
Buildings and structures, net	12,401	13,019
Machinery, equipment and vehicles	29,792	31,457
Accumulated depreciation	(19,613)	(21,489)
Machinery, equipment and vehicles, net	10,179	9,967
Land	6,265	6,255
Leased assets	1,089	1,064
Accumulated depreciation	(401)	(435)
Leased assets, net	687	629
Construction in progress	167	648
Other	2,205	2,499
Accumulated depreciation	(1,725)	(1,711)
Other, net	480	787
Total property, plant and equipment	30,181	31,308
Intangible assets		
Other	1,542	1,552
Total intangible assets	1,542	1,552
Investments and other assets		
Investment securities	10,143	10,450
Long-term loans receivable	1	8
Distressed receivables	252	171
Deferred tax assets	199	205
Other	681	531
Allowance for doubtful accounts	(169)	(141)
Total investments and other assets	11,109	11,225
Total non-current assets	42,834	44,086
Total assets	131,038	124,172

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	34,360	29,106
Short-term borrowings	10,580	12,878
Lease liabilities	133	129
Income taxes payable	2,262	187
Provision for bonuses	772	790
Asset retirement obligations	77	–
Other	6,933	7,075
Total current liabilities	55,121	50,168
Non-current liabilities		
Long-term borrowings	21,178	14,400
Lease liabilities	602	538
Deferred tax liabilities	685	858
Provision for share awards for directors (and other officers)	111	118
Retirement benefit liability	2,313	2,478
Asset retirement obligations	3	58
Liabilities from application of equity method	119	117
Other	46	85
Total non-current liabilities	25,060	18,656
Total liabilities	80,182	68,825
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	9,737	9,757
Retained earnings	28,075	32,338
Treasury shares	(173)	(210)
Total shareholders' equity	47,639	51,884
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,316	2,659
Deferred gains or losses on hedges	139	(33)
Foreign currency translation adjustment	213	140
Remeasurements of defined benefit plans	(28)	(27)
Total accumulated other comprehensive income	2,640	2,739
Non-controlling interests	576	723
Total net assets	50,856	55,347
Total liabilities and net assets	131,038	124,172

(2) Consolidated statements of income and comprehensive income
(Consolidated statements of income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	313,875	296,045
Cost of sales	283,153	264,171
Gross profit	30,721	31,874
Selling, general and administrative expenses	22,972	25,531
Operating profit	7,748	6,343
Non-operating income		
Interest income	8	6
Dividend income	156	164
Share of profit of entities accounted for using equity method	–	129
Stockpile storage revenue	136	142
Other	233	286
Total non-operating income	535	730
Non-operating expenses		
Interest expenses	183	190
Share of loss of entities accounted for using equity method	312	–
Commission expenses	14	34
Other	35	58
Total non-operating expenses	545	283
Ordinary profit	7,737	6,789
Extraordinary income		
Gain on sale of non-current assets	15	11
Gain on receipt of donated non-current assets	–	8
Gain on sale of investment securities	206	–
Gain on sale of businesses	–	10
Insurance claim income	–	10
Gain on bargain purchase	–	338
Total extraordinary income	221	378
Extraordinary losses		
Loss on sale of non-current assets	20	31
Loss on retirement of non-current assets	46	65
Loss on tax purpose reduction entry of non-current assets	–	8
Impairment losses	204	88
Loss on cancellation of leases	0	0
Loss on valuation of investment securities	2	–
Loss on sale of shares of subsidiaries and associates	–	8
Loss on closing of factory	149	–
Loss on sale of membership	11	–
Loss on step acquisitions	–	158
Head office relocation expenses	–	32
Total extraordinary losses	434	393
Profit before income taxes	7,524	6,774
Income taxes - current	2,363	1,247
Income taxes - deferred	46	38
Total income taxes	2,410	1,285
Profit	5,113	5,488
Profit attributable to non-controlling interests	29	101
Profit attributable to owners of parent	5,084	5,387

(Consolidated statements of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	5,113	5,488
Other comprehensive income		
Valuation difference on available-for-sale securities	1,087	343
Deferred gains or losses on hedges	106	(172)
Remeasurements of defined benefit plans, net of tax	(27)	1
Share of other comprehensive income of entities accounted for using equity method	151	(73)
Total other comprehensive income	1,317	98
Comprehensive income	6,431	5,587
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,401	5,485
Comprehensive income attributable to non-controlling interests	29	101

(3) Consolidated statements of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	9,737	23,952	(244)	43,445
Changes during period					
Dividends of surplus			(960)		(960)
Profit attributable to owners of parent			5,084		5,084
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		0	0
Disposal of treasury stock by stock benefit trust				73	73
Net changes in items other than shareholders' equity					
Total changes during period	-	0	4,123	71	4,194
Balance at end of period	10,000	9,737	28,075	(173)	47,639

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,229	32	61	(0)	1,323	546	45,314
Changes during period							
Dividends of surplus							(960)
Profit attributable to owners of parent							5,084
Purchase of treasury shares							(1)
Disposal of treasury shares							0
Disposal of treasury stock by stock benefit trust							73
Net changes in items other than shareholders' equity	1,087	106	151	(27)	1,317	29	1,347
Total changes during period	1,087	106	151	(27)	1,317	29	5,542
Balance at end of period	2,316	139	213	(28)	2,640	576	50,856

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	9,737	28,075	(173)	47,639
Changes during period					
Dividends of surplus			(1,114)		(1,114)
Profit attributable to owners of parent			5,387		5,387
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		5		33	39
Acquisition of treasury stock by stock benefit trust				(87)	(87)
Disposal of treasury stock by stock benefit trust				17	17
Change in scope of equity method			(10)		(10)
Change in ownership interest of parent due to transactions with non-controlling interests		13			13
Net changes in items other than shareholders' equity					
Total changes during period	–	19	4,262	(37)	4,244
Balance at end of period	10,000	9,757	32,338	(210)	51,884

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,316	139	213	(28)	2,640	576	50,856
Changes during period							
Dividends of surplus							(1,114)
Profit attributable to owners of parent							5,387
Purchase of treasury shares							(0)
Disposal of treasury shares							39
Acquisition of treasury stock by stock benefit trust							(87)
Disposal of treasury stock by stock benefit trust							17
Change in scope of equity method							(10)
Change in ownership interest of parent due to transactions with non-controlling interests							13
Net changes in items other than shareholders' equity	343	(172)	(73)	1	98	147	245
Total changes during period	343	(172)	(73)	1	98	147	4,490
Balance at end of period	2,659	(33)	140	(27)	2,739	723	55,347

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	7,524	6,774
Depreciation	3,291	3,621
Impairment losses	204	88
Share of loss (profit) of entities accounted for using equity method	312	(129)
Increase (decrease) in allowance for doubtful accounts	125	(135)
Increase (decrease) in provision for bonuses	214	18
Increase (decrease) in retirement benefit liability	39	140
Increase (decrease) in provision for share awards for directors (and other officers)	(62)	6
Interest and dividend income	(165)	(170)
Interest expenses	183	190
Gain on bargain purchase	–	(338)
Loss (gain) on valuation of investment securities	2	–
Loss (gain) on sale of investment securities	(206)	–
Commission expenses	14	34
Loss (gain) on sale of shares of subsidiaries and associates	–	8
Loss (gain) on sale of businesses	–	(10)
Loss (gain) on sale and retirement of non-current assets	51	85
Gain on receipt of donated non-current assets	–	(8)
Loss on tax purpose reduction entry of non-current assets	–	8
Insurance claim income	–	(10)
Loss (gain) on sale of membership	11	–
Head office relocation expenses	–	32
Loss (gain) on step acquisitions	–	158
Decrease (increase) in trade receivables	(1,759)	9,861
Decrease (increase) in inventories	3,278	(2,065)
Increase (decrease) in trade payables	(2,114)	(5,617)
Other, net	712	(630)
Subtotal	11,658	11,913
Income taxes paid	(519)	(3,321)
Payments for head office relocation expenses	–	(32)
Proceeds from insurance income	–	10
Net cash provided by (used in) operating activities	11,138	8,570

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,649)	(3,659)
Proceeds from sale of property, plant and equipment and intangible assets	59	60
Payments for asset retirement obligations	–	(75)
Purchase of investment securities	(4)	(5)
Proceeds from sale of investment securities	432	1
Proceeds from sale of shares of subsidiaries and associates	–	4
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	–	189
Loan advances	(150)	(4)
Proceeds from collection of loans receivable	12	96
Proceeds from sale of businesses	–	10
Interest and dividends received	175	183
Other, net	(44)	109
Net cash provided by (used in) investing activities	(2,168)	(3,088)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(6,287)	(1,998)
Proceeds from long-term borrowings	3,850	1,350
Repayments of long-term borrowings	(1,815)	(3,838)
Interest paid	(186)	(186)
Dividends paid	(963)	(1,114)
Dividends paid to non-controlling interests	–	(7)
Repayments of lease liabilities	(129)	(141)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(8)
Commission expenses paid	(14)	(36)
Purchase of treasury shares	(1)	(88)
Proceeds from sale of treasury shares	73	56
Net cash provided by (used in) financing activities	(5,474)	(6,011)
Net increase (decrease) in cash and cash equivalents	3,495	(530)
Cash and cash equivalents at beginning of period	7,322	10,817
Cash and cash equivalents at end of period	10,817	10,287

(5) Notes to consolidated financial statements

(Notes on premise of going concern)

Not applicable.

(Notes to segment information, etc.)

1 Overview of reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available and are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

With the start of the "Medium-Term Management Plan 2026 ~1st STAGE for NEXT 10 YEARS~," beginning from the fiscal year ended March 31, 2025, the Group has reformed its organizational structure and methods of performance evaluation. In order to properly reflect this change in reportable segments, the Group has subdivided its business segments into three segments: "Animal Feed Business," "Aquatic Feed Business," and "Food Business" instead of the previous two segments: "Feed Business" and "Food Business," and consolidated its business segments under the new method of classification. In addition, due to the introduction of management indicators based on ordinary profit, segment profit has been changed from "operating profit" to "ordinary profit."

Segment information for the fiscal year ended March 31, 2024 has been prepared based on the new classification method and segment profit is based on ordinary profit.

The main finished goods and merchandise in each reportable segment are animal feed, animal products, etc. for the "Animal Feed Business," aquatic feed, aquatic products, etc. for "Aquatic Feed Business," and processed products of animal products, etc. for the "Food Business."

2 Method for calculating amounts of net sales, profit or loss, assets, liabilities and other items by reportable segment

The method of accounting treatment for reportable business segments conforms to the accounting policies adopted to prepare consolidated financial statements.

Profits of reportable segments are adjusted for ordinary profit. Intersegment internal revenue and transfers are based on current market prices.

3 Disclosure of sales, profit (loss), assets, liabilities, and other items for each reportable segment, and breakdown of revenue

Fiscal year ended March 31, 2024
(from April 1, 2023 to March 31, 2024)

(Unit: Millions of yen)

	Reportable segments				Other Note 1	Total	Adjustmen ts Note 2	Consoli- dated financial statement amounts Note 3
	Animal Feed Business	Aquatic Feed Business	Food Business	Total				
Net sales								
Revenue from contracts with customers	247,055	26,779	40,030	313,864	10	313,875	–	313,875
Net sales from external customers	247,055	26,779	40,030	313,864	10	313,875	–	313,875
Intersegment sales or transfers	5,013	224	29	5,266	1	5,268	(5,268)	–
Total	252,069	27,003	40,059	319,131	11	319,143	(5,268)	313,875
Segment profit (loss)	9,107	864	679	10,651	(148)	10,502	(2,764)	7,737
Segment assets	95,984	13,925	10,068	119,978	1,703	121,682	9,356	131,038
Other items								
Depreciation	2,486	503	166	3,156	0	3,157	134	3,291
Interest income	–	–	–	–	–	–	8	8
Interest expenses	–	–	–	–	–	–	183	183
Share of profit (loss) of entities accounted for using equity method	65	(324)	–	(259)	(53)	(312)	–	(312)
Investments in entities accounted for using equity method	2,158	–	–	2,158	1,545	3,704	–	3,704
Increase in property, plant and equipment and intangible assets	1,676	260	78	2,016	–	2,016	739	2,755

Notes 1 The category “Other” includes operating segments other than reportable segments, such as overseas and real estate leasing businesses. No sales are recorded for the overseas business since it is only an affiliate accounted for using the equity method.

2 The adjustments are as follows.

(1) The adjusted segment profit or loss of ¥(2,764) million includes corporate expenses of ¥(2,764) million that is not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses not attributable to the reportable segments.

(2) The adjusted segment assets of ¥9,356 million includes corporate assets of ¥11,788 million that is not allocated to each reportable segment. Corporate assets consist mainly of surplus operating funds (cash and deposits), long-term investment funds (investment securities), assets related to administrative operations of the reporting company, etc.

3 Segment profit (loss) is adjusted with ordinary profit in the consolidated statements of income.

Fiscal year ended March 31, 2025
(from April 1, 2024 to March 31, 2025)

(Unit: Millions of yen)

	Reportable segments				Other Note 1	Total	Adjustmen ts Note 2	Consoli- dated financial statement amounts Note 3
	Animal Feed Business	Aquatic Feed Business	Food Business	Total				
Net sales								
Revenue from contracts with customers	232,259	25,640	38,131	296,030	14	296,045	–	296,045
Net sales from external customers	232,259	25,640	38,131	296,030	14	296,045	–	296,045
Intersegment sales or transfers	4,647	294	19	4,961	1	4,962	(4,962)	–
Total	236,906	25,934	38,151	300,992	16	301,008	(4,962)	296,045
Segment profit	8,533	1,164	284	9,982	103	10,086	(3,296)	6,789
Segment assets	88,924	11,931	9,900	110,755	1,724	112,480	11,691	124,172
Other items								
Depreciation	2,539	515	172	3,227	1	3,228	393	3,621
Interest income	–	–	–	–	–	–	6	6
Interest expenses	–	–	–	–	–	–	190	190
Share of profit (loss) of entities accounted for using equity method	(60)	(0)	–	(61)	191	129	–	129
Investments in entities accounted for using equity method	1,800	–	–	1,800	1,661	3,462	–	3,462
Increase in property, plant and equipment and intangible assets	2,865	179	1,410	4,455	0	4,456	532	4,988

Notes 1 The category “Other” includes operating segments other than reportable segments, such as overseas and real estate leasing businesses. No sales are recorded for the overseas business since it is only an affiliate accounted for using the equity method.

2 The adjustments are as follows.

(1) The adjusted segment profit of ¥(3,296) million includes corporate expenses of ¥(3,296) million that is not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses not attributable to the reportable segments.

(2) The adjusted segment assets of ¥11,691 million includes corporate assets of ¥12,266 million that is not allocated to each reportable segment. Corporate assets consist mainly of surplus operating funds (cash and deposits), long-term investment funds (investment securities), assets related to administrative operations of the reporting company, etc.

3 Segment profit is adjusted with ordinary profit in the consolidated statements of income.

(Notes to per share information)

(Yen)

	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)
Net assets per share	1,314.03	1,429.04
Basic earnings per share	132.97	140.84

Notes 1 Diluted earnings per share is not included since there are no residual shares.

- 2 Since the Company's shares held by Custody Bank of Japan, Ltd. (trust account) as trust assets of the Board Benefit Trust are treated as treasury shares, these shares are included in treasury shares that are deducted from the number of shares outstanding at the end of the period in the calculation of net assets per share. In the calculation of basic earnings per share, these shares are included in treasury shares that are deducted from the average number of shares outstanding during the period.

In the fiscal year ended March 31, 2024, the number of the Company's shares outstanding at the end of the period held by the trust account was 166,960 and the average number of shares outstanding during the period was 196,537, and in the fiscal year ended March 31, 2025, the number of the Company's shares outstanding at the end of the period held by the trust account was 251,560 and the average number of shares outstanding during the period was 194,314.

- 3 The basis for calculation of basic earnings per share is as follows.

(Millions of yen)

Item	Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)
Profit attributable to owners of parent	5,084	5,387
Value not attributable to shareholders of common shares	—	—
Profit attributable to owners of parent related to common shares	5,084	5,387
Average number of shares outstanding during the period (Shares)	38,235,630	38,253,930

(Subsequent events)

(Absorption-type merger of consolidated subsidiaries)

At the Board of Directors meeting held on September 26, 2024, the Company resolved to conduct an absorption-type merger of the Company's wholly owned subsidiaries TOMAKOMAI FEED CO., LTD. and TOHOKU SHIRYO CO., LTD., and concluded a merger agreement on the same day. The Company merged both companies as of April 1, 2025.

1. Overview of transactions

(1) Names of the companies to be merged and their business descriptions

- | | |
|---------------------------------------|-----------------------------|
| (i) Name of the company to be merged | TOMAKOMAI FEED CO., LTD. |
| Business description | Production of compound feed |
| (ii) Name of the company to be merged | TOHOKU SHIRYO CO., LTD. |
| Business description | Production of compound feed |

(2) Date of the business combination

April 1, 2025

(3) Legal form of the business combination

The merger was an absorption-type merger, with the Company as the surviving company and TOMAKOMAI FEED CO., LTD. and TOHOKU SHIRYO CO., LTD. as the dissolved companies.

(4) Name of company after the business combination

FEED ONE CO., LTD.

(5) Other matters regarding overview of transaction

The Company has decided to merge our wholly owned subsidiaries, TOMAKOMAI FEED CO., LTD. and TOHOKU SHIRYO CO., LTD., to strengthen our organizational capabilities and enhance our medium- to long-term competitiveness by converting the subsidiary factories into our own factories.

2. Overview of accounting treatment to be adopted

In accordance with the “Accounting Standard for Business Combinations” and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures,” the Company will account for the business combination as a transaction under common control.

(Absorption-type merger between consolidated subsidiaries)

At the Board of Directors meeting held on April 30, 2025, the Company resolved to conduct an absorption-type merger between the Company’s wholly owned subsidiaries with Kashima Feed One Hanbai Co., Ltd. as the surviving company and Tokai Feed One Hanbai Co., Ltd. as the dissolved company (hereinafter referred to as the “Merger”) with an effective date on October 1, 2025 (planned). The merger is conditioned upon the conclusion of a merger agreement effective mid-June 2025 (planned) and subject to approval at the shareholders’ meetings of each company scheduled to be held in mid-June 2025.

1. Overview of transactions

(1) Name of the company to be merged and its business description

Name of the company to be merged	Tokai Feed One Hanbai Co., Ltd.
Business description	Purchase and sales of feed

(2) Date of the business combination

October 1, 2025 (planned)

(3) Legal form of the business combination

The merger will be an absorption-type merger, with Kashima Feed One Hanbai Co., Ltd. as the surviving company and Tokai Feed One Hanbai Co., Ltd. as the dissolved company.

(4) Name of company after the business combination

Kashima Feed One Hanbai Co., Ltd.

(5) Other matters regarding overview of transaction

Under the “Medium-Term Management Plan 2026 ~1st STAGE for NEXT 10 YEARS~,” beginning from the fiscal year ended March 31, 2025, the Group is strengthening its foundation with a view to the next ten years in order to realize its newly set Purpose of “Feed the world for the future, lives and smiles.” We have decided to conduct the Merger with the aim of further enhancing its corporate value, strengthening its sales capabilities in the Animal Feed Business, and effectively utilizing and streamlining its management resources.

2. Overview of accounting treatment to be adopted

In accordance with the “Accounting Standard for Business Combinations” and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures,” the Company will account for the business combination as a transaction under common control.