

FYE3/2026 Q3 Results Briefing

January 30, 2026

FEED ONE CO., LTD.

TSE Prime Securities Code: 2060

Feed the world for the future, lives and smiles

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Results Summary (Consolidated)

Revenue declined YoY due to lower sales volumes and reduced feed selling prices; however, profits increased thanks to improved raw material positions and cost management.

(Millions of Yen)

	FY3/2025		FY3/2026	
	Q3	Q3	YoY	Full-Year Forecast Progress
Net Sales	225,521	219,072	-2.9%	70.4%
Cost of Sales	201,804	193,932	-3.9%	—
Gross Profit	23,716	25,139	+6.0%	74.4%
SG&A Expenses	19,444	19,507	+0.3%	—
Operating Profit	4,271	5,632	+31.8%	82.8%
Ordinary Profit	4,728	6,149	+30.1%	87.9%
Profit attributable to owners of parent	3,711	4,585	+23.5%	88.2%

Price Revision Gap

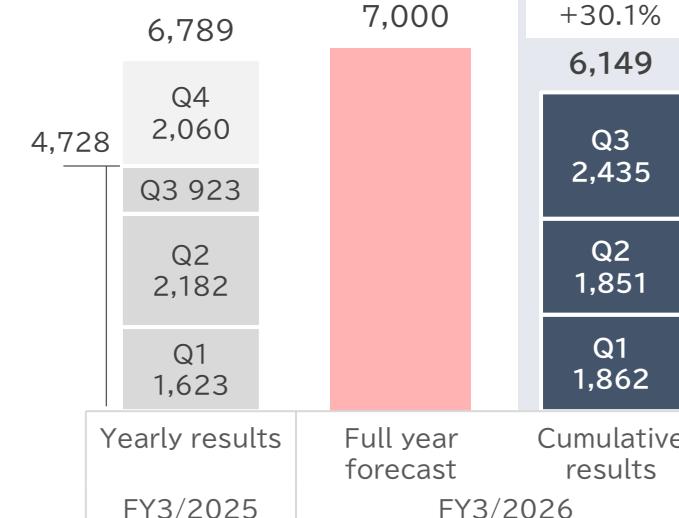
- In the animal feed industry, selling prices are revised each quarter in response to fluctuations in raw material costs, such as grain market prices, exchange rates, and ocean freight costs.
- However, sudden changes in raw material costs can create a gap between expected and actual costs, which may cause temporary fluctuations in profit.
- In most cases, this gap is corrected through price revisions in the following quarter, so profits tend to stabilize over the course of the year.

Ordinary Profit

¥6,149 million

Progress rate 88%

(Millions of Yen)

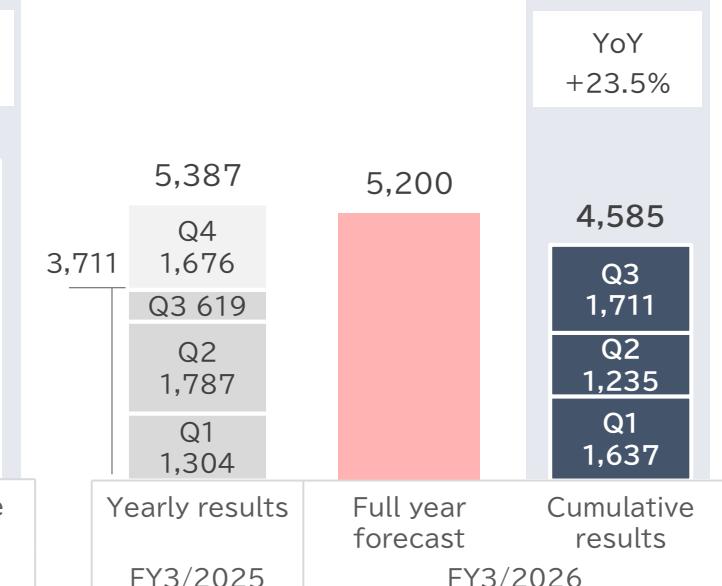


Net Profit

¥4,585 million

Progress rate 88%

(Millions of Yen)



— YoY Comparison (Oct-Dec) —

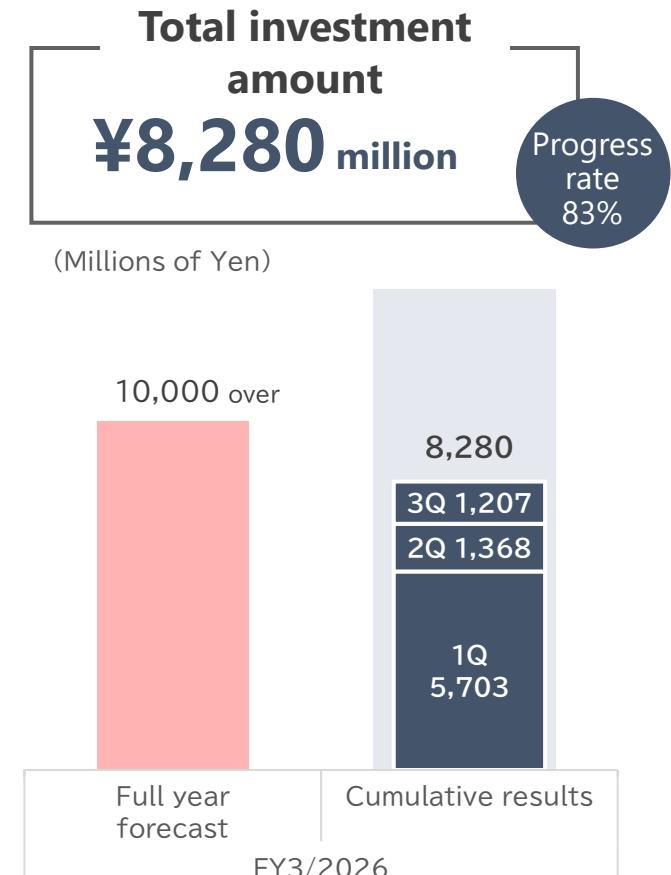
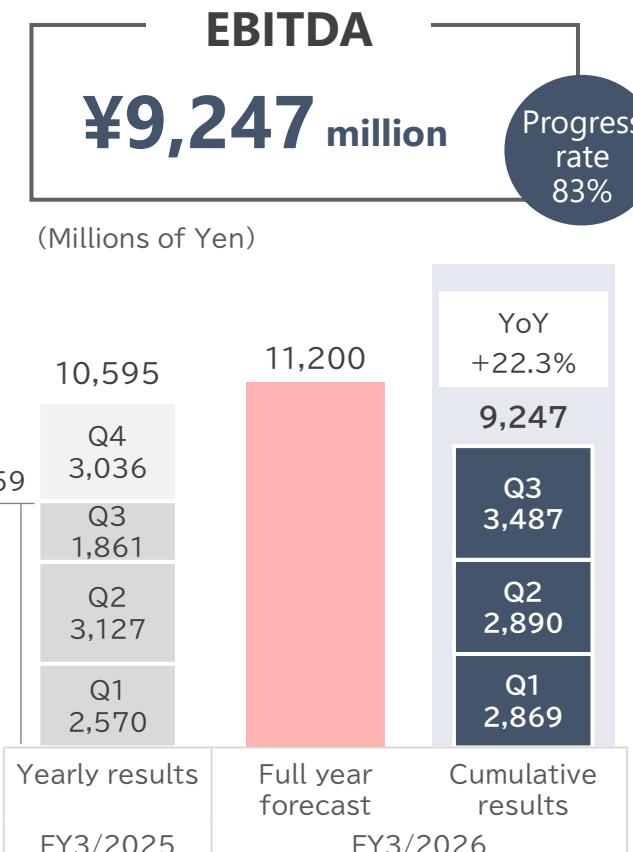
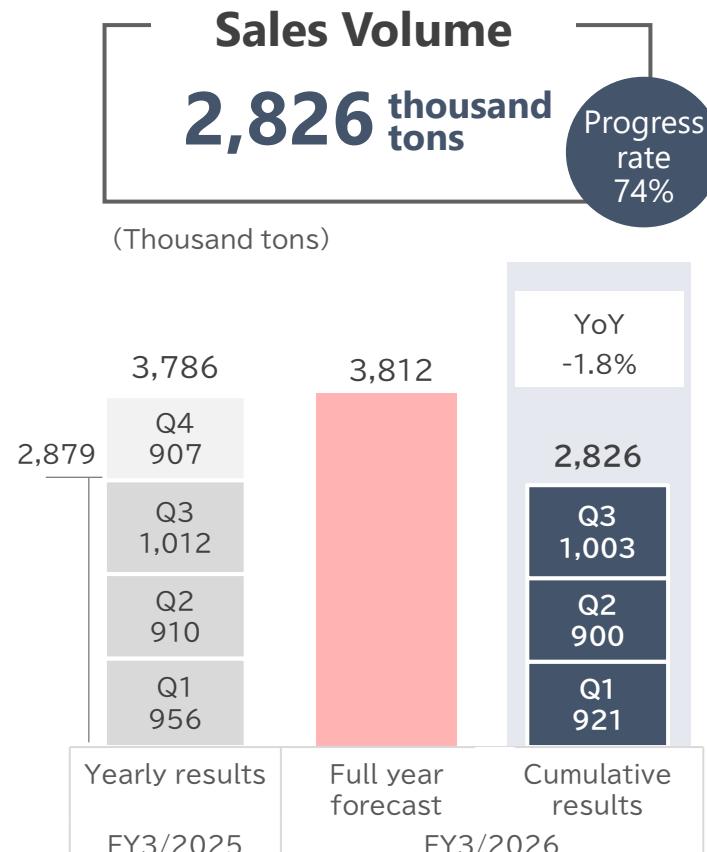
In Q3 of FY3/2025, the Animal Feed Business prioritized expanding sales volumes, and the price revision gap (see top right of this slide) also contributed, resulting in a decline in gross profit. In Q3 of FY3/2026, however, profit increased thanks to setting selling prices at an appropriate level that considers profitability, as well as reviewing unprofitable sales.

Progress of Key Management Indicators

Key management indicators: Sales volume, EBITDA, ROE, ROIC and total investment amount
*ROE, ROIC are presented only at the end of the fiscal year.



Sales volumes are recovering but remain lower YoY due to the impact from H1, while investments are progressing as planned.



- YoY Comparison (Oct-Dec) -

Sales volumes rose in the Aquatic Feed Business, but fell in the Animal Feed Business due to H1 impacts, including high temperatures and decreases in the number of animals/birds caused by livestock diseases.



Increase mainly driven by higher gross profit in the feed businesses.
Depreciation rose 221 million yen YoY.

* EBITDA: Ordinary profit + Interest expenses - Interest income + Depreciation and amortization of goodwill



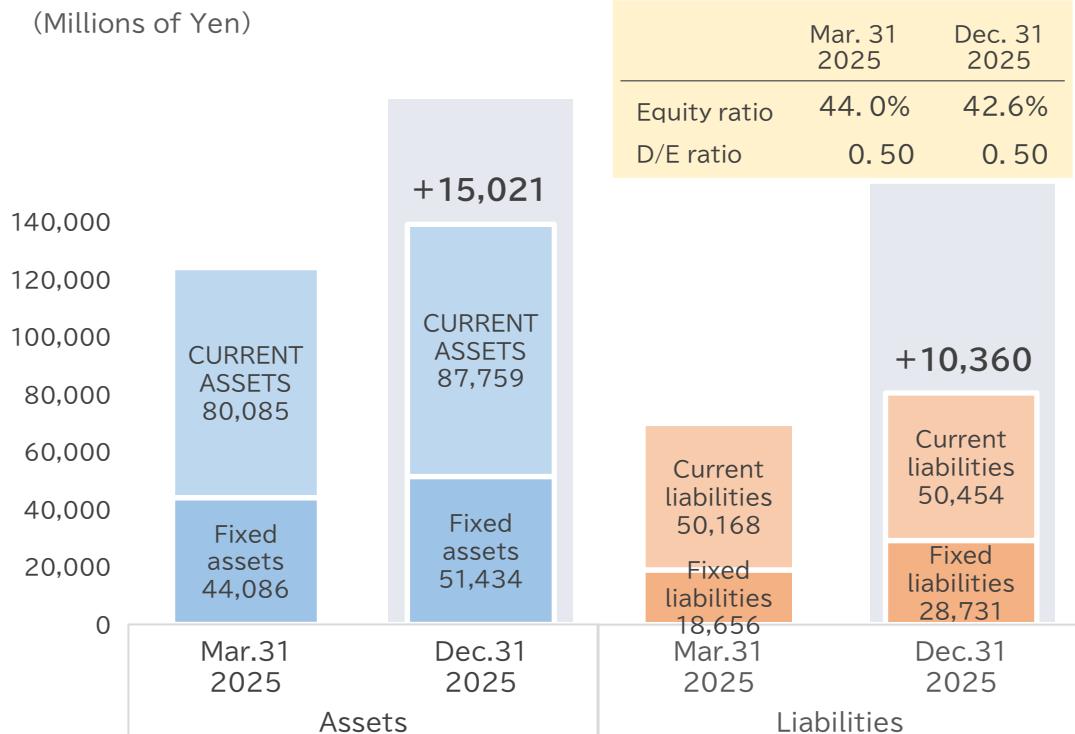
Renewal investments are being steadily executed, centered on a new aquatic feed factory.

Consolidated Financial Condition

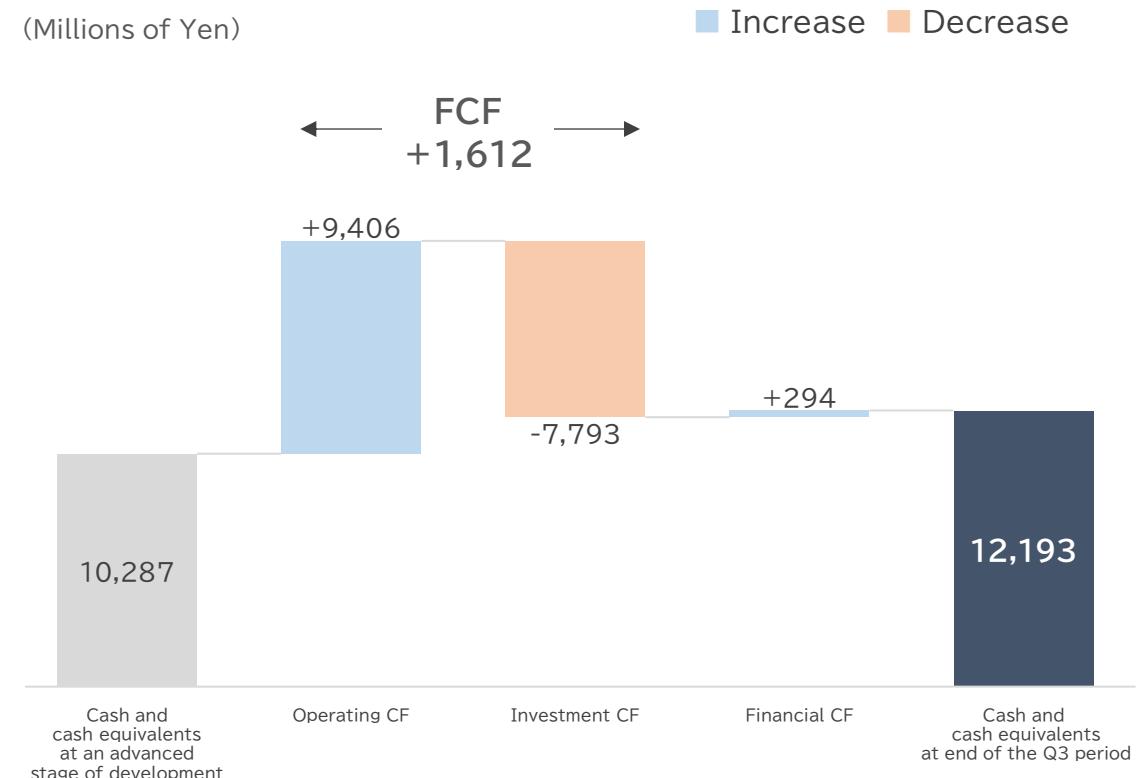


Total assets temporarily rose due to the month-end holiday, but capital investment was covered by operating cash flow from accumulated profits.

Consolidated Balance Sheet



Consolidated Statement of Cash Flows



○ Fixed assets related to the construction of a new aquatic feed factory increased (construction in progress).
Long-term borrowings increased from the H1 syndicated loan, while short-term borrowings decreased.

*Equity ratio = Equity/Total assets *D/E ratio = Interest-bearing debt/Equity

○ Operating CF: Profit before income taxes ¥6,189 mn; depreciation ¥2,923 mn
Investing CF: Expenditures for the construction of a new aquatic feed factory, etc.

Performance by Segment



Feed business: Revenue declined YoY due to lower sales volumes, but profit grew on higher gross profit.
 Food Business: Revenue increased from higher market prices, while profit remained flat YoY.

(Millions of Yen)

Segment	FY3/2025		FY3/2026			Full-Year Forecast Progress
	Q3	Q3	YoY difference	YoY		
Animal Feed	Net Sales	175,949	167,759	-8,189	-4.7%	70.2%
	Segment profit	5,977	7,063	+1,086	+18.2%	80.3%
	EBITDA	7,870	9,100	+1,230	+15.6%	79.1%
Aquatic Feed	Net Sales	21,104	19,441	-1,662	-7.9%	69.4%
	Segment profit	976	1,307	+330	+33.9%	108.9%
	EBITDA	1,351	1,737	+386	+28.6%	96.5%
Food	Net Sales	28,456	31,860	+3,404	+12.0%	72.4%
	Segment profit	116	114	-2	-2.0%	57.1%
	EBITDA	239	290	+50	+21.1%	72.5%
Other/Adjustments	Net Sales	11	10	-1	-11.5%	-
	Segment profit	-2,341	-2,335	+6	-	-

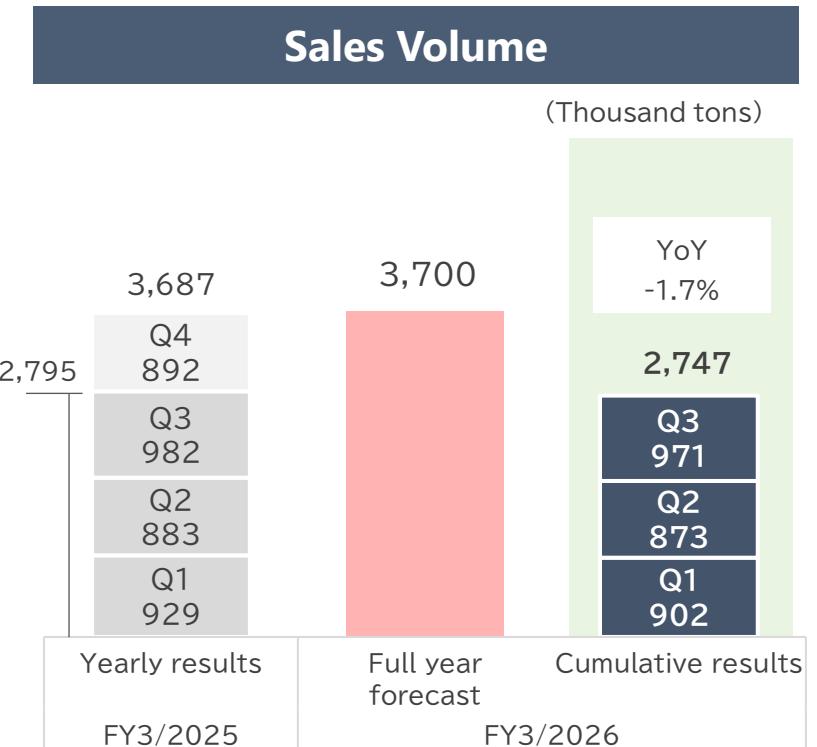
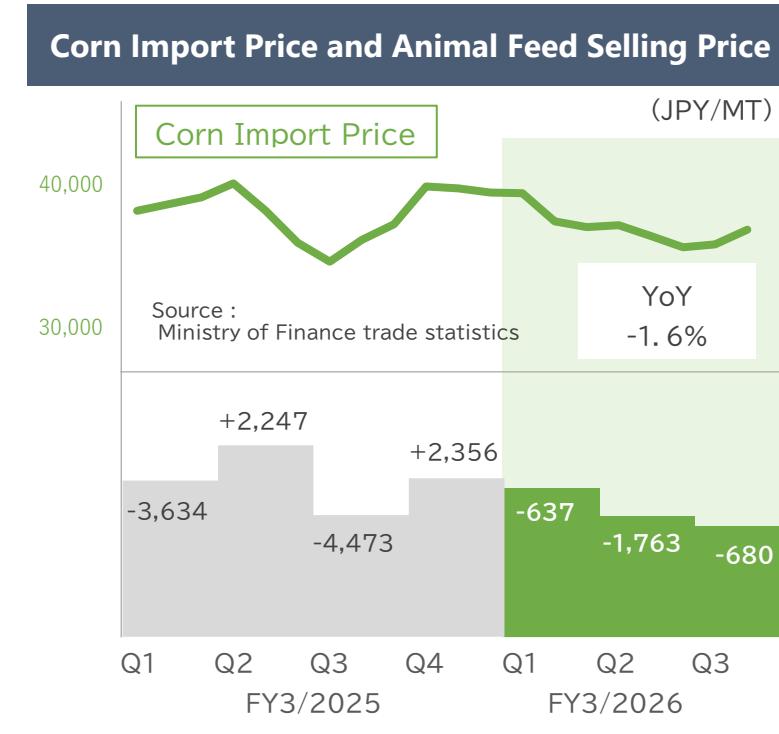
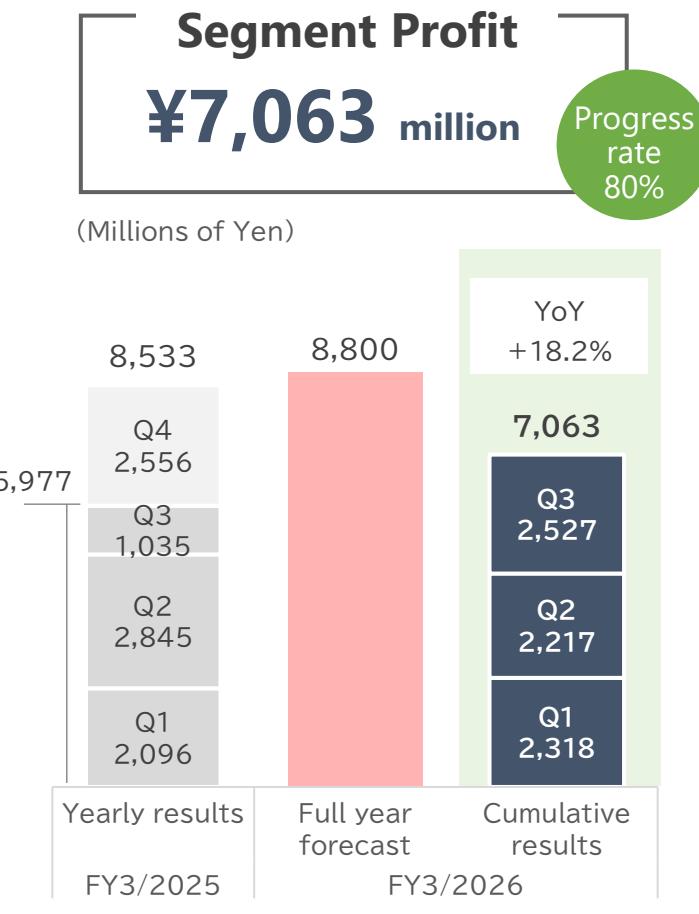
* Segment profit: Ordinary profit basis

* EBITDA: Ordinary profit + Interest expenses – Interest income + Depreciation and amortization of goodwill

* Other: overseas business, real estate rental business, etc. *Adjustments = Corporate expenses not allocated to business segments

Performance by Segment/Animal Feed Business

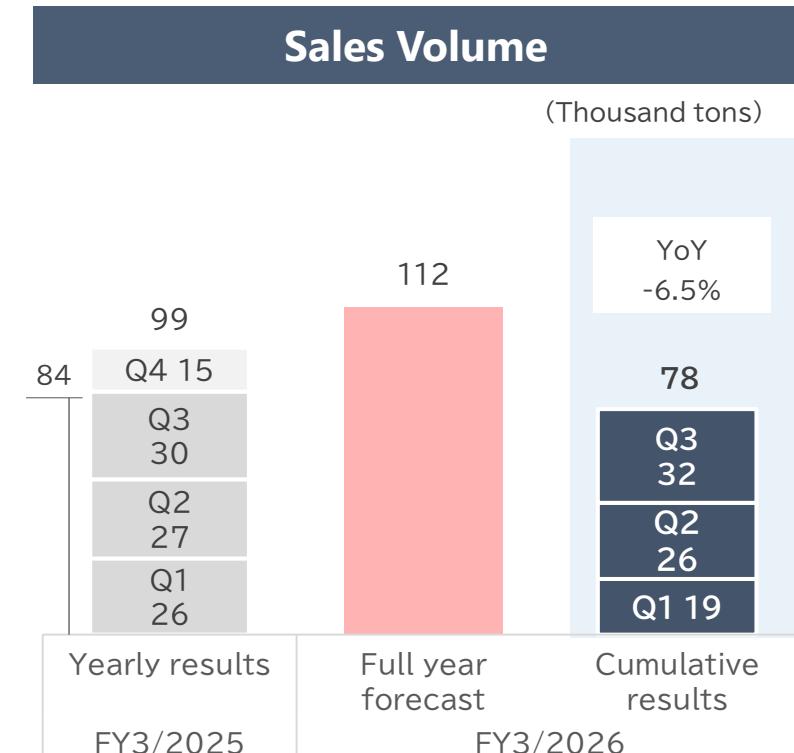
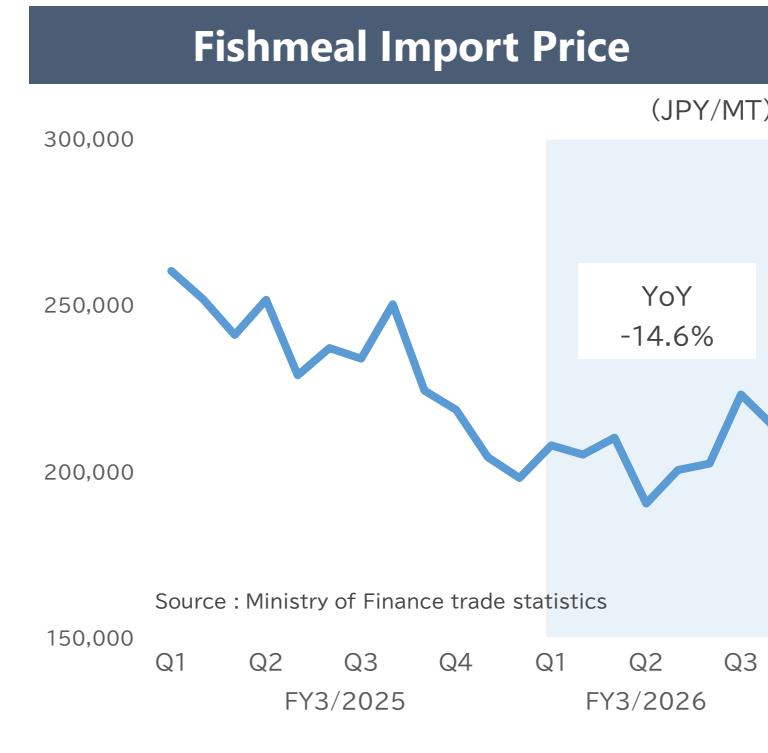
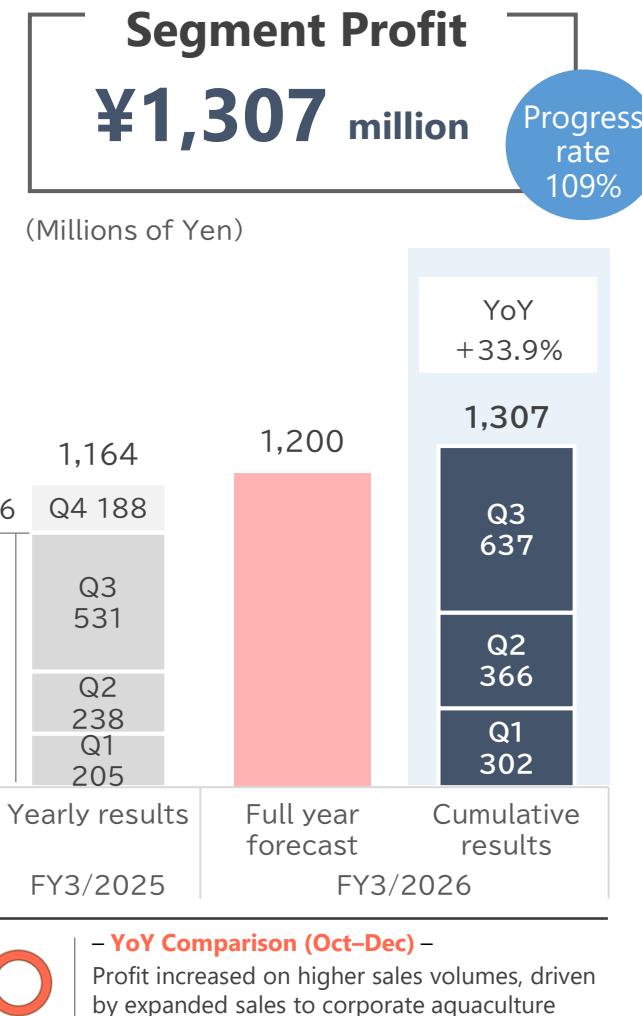
Sales volumes declined YoY, but profit increased due to rigorous profitability management (such as setting selling prices at an appropriate level and reviewing unprofitable sales).



- ¥1,086 mn increase YoY in segment profit, ¥304 mn decrease in sales volume, ¥1,318 mn increase in gross profit, ¥181 mn increase in equity-method income, etc.
- Sales volume: Sales of swine and cattle feed recovered mainly due to lower temperatures, but poultry feed demand declined due to avian influenza and environmental factors (decrease in the number of animals/birds due to heat stress and livestock diseases). Overall, sales remained below the same period last year.
(Reference) Nationwide animal feed sales volume: down 1.3% YoY (FEED ONE research)

Performance by Segment/Aquatic Feed Business

Sales volumes are recovering, but cumulative volumes remain below the year-earlier level.
Profit increased due to weak fishmeal prices and thorough cost management (such as improvement of manufacturing efficiency).

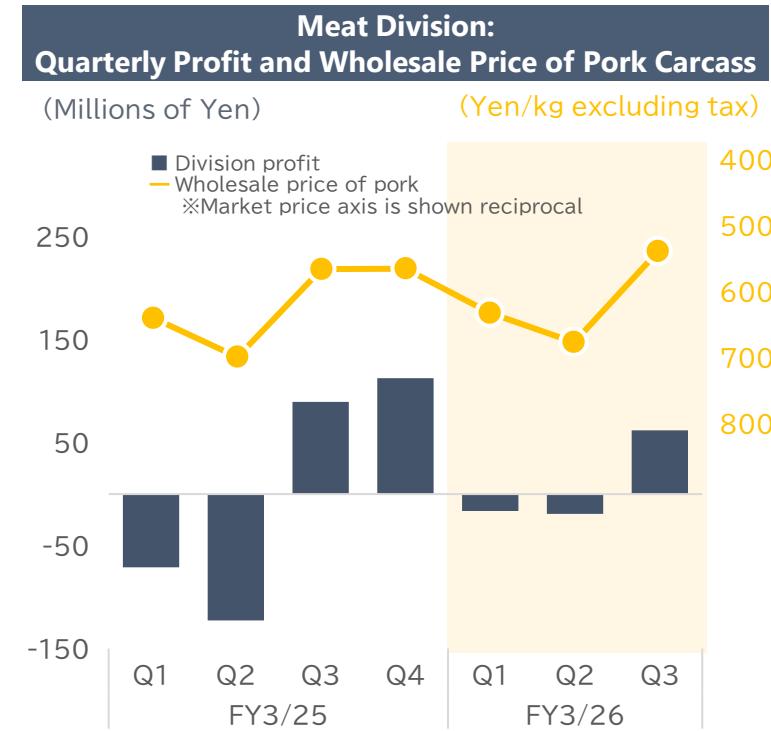
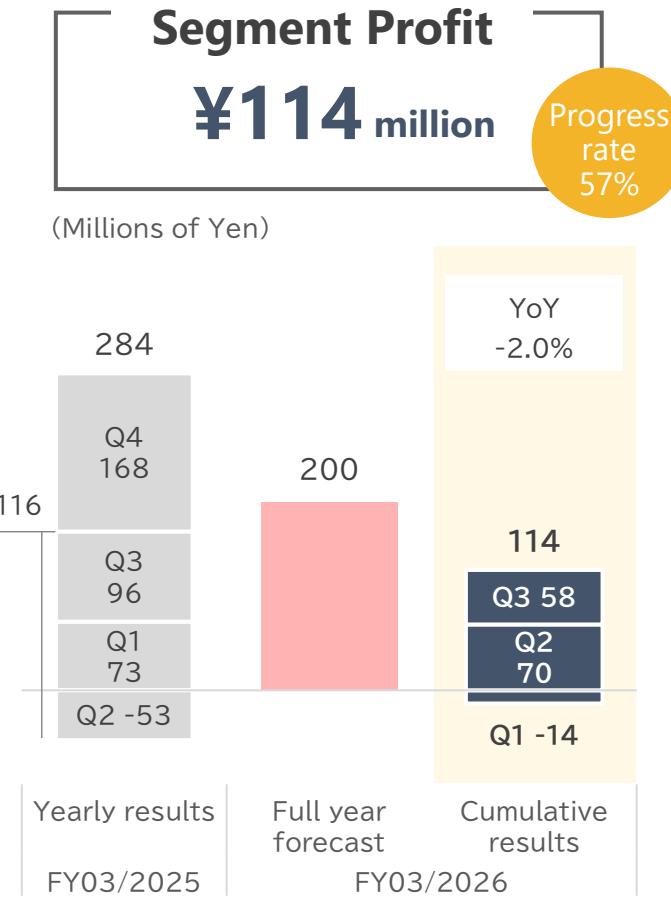


- ¥330 mn increase YoY in segment profit, ¥157 mn decrease in sales volume, ¥514 mn increase in gross profit, etc.
- Sales volume: Sales volumes showed a recovery trend from H2, due to favorable water temperatures, growth of the current-year fish (fish introduced this year), and expanded sales to yellowtail and greater amberjack farming. However, this recovery did not fully offset the H1 decline caused by high water temperatures, and volumes remained below the level of the same period last year.

(Reference) Nationwide aquatic feed sales volume: down 1.0% YoY (FEED ONE research)

Performance by Segment/Food Business

The egg division saw a YoY profit decline due to higher market prices and increased depreciation, while the meat division posted higher profit on improved profitability and easing market prices.



- The egg division posted a YoY decline in profit, as egg market prices remained high due to tight demand caused by extreme heat and avian influenza outbreaks, and depreciation expenses increased from the new Magic Pearl factory (*1).
- The meat division returned to profitability and achieved a YoY increase in profit, supported by structural reforms to improve profitability (*2) and softer wholesale prices of pork carcass from August as shipment volumes recovered.

*1 The new Magic Pearl factory began operations on March 31, 2025. *2 Revision of selling prices (e.g., timing of price adjustments) and sales methods, etc.

Full-Year Earnings Forecast



Profit forecasts expected to be achieved; however, net sales may fall short despite higher animal feed prices in Q4 (Jan–Mar).

(Millions of Yen)

	FY3/2026				
	Initial forecast (disclosed on May 8)	Q3 Results	Progress	Recent forecast (disclosed on January 30)	vs. Initial forecast
Net Sales	311,000	219,072	70.4%	311,000	—
Cost of Sales	277,200	193,932	—	277,200	—
Gross Profit	33,800	25,139	74.4%	33,800	—
SG&A Expenses	27,000	19,507	—	27,000	—
Operating Profit	6,800	5,632	82.8%	6,800	—
Ordinary Profit	7,000	6,149	87.9%	7,000	—
Profit attributable to owners of parent	5,200	4,585	88.2%	5,200	—

Full Year Forecasts



Although sales volume in the Feed Businesses is expected to fall short of the forecast, improved profitability is making a significant contribution. This offsets concerns over rising market prices in the Food Business, and all profit targets are expected to be achieved.

Animal Feed Business



Sales volume: Expected to increase YoY in Jan–Mar, but full-year forecast is not expected to be achieved.

Profit: For Jan–Mar, gross profit is expected to be secured through price revisions reflecting material costs, and the profit forecast is expected to be achieved.

Aquatic Feed Business



Sales volume: Expected to increase YoY in Jan–Mar, while full year volume is expected to fall short of the forecast.

Profit: Although profit margins are expected to decline during Jan–Mar due to the off-season*, earnings from Apr–Dec are expected to provide support, and the profit forecast is expected to be achieved.

*Fish are cold-blooded animals, and lower water temperatures reduce their activity and feed intake.

Food Business



The egg division is expected to remain in a challenging earnings environment due to rising market prices. The meat division is expected to deliver stable performance amid weak market conditions. Overall, the Food Business aims to achieve its full-year forecast.

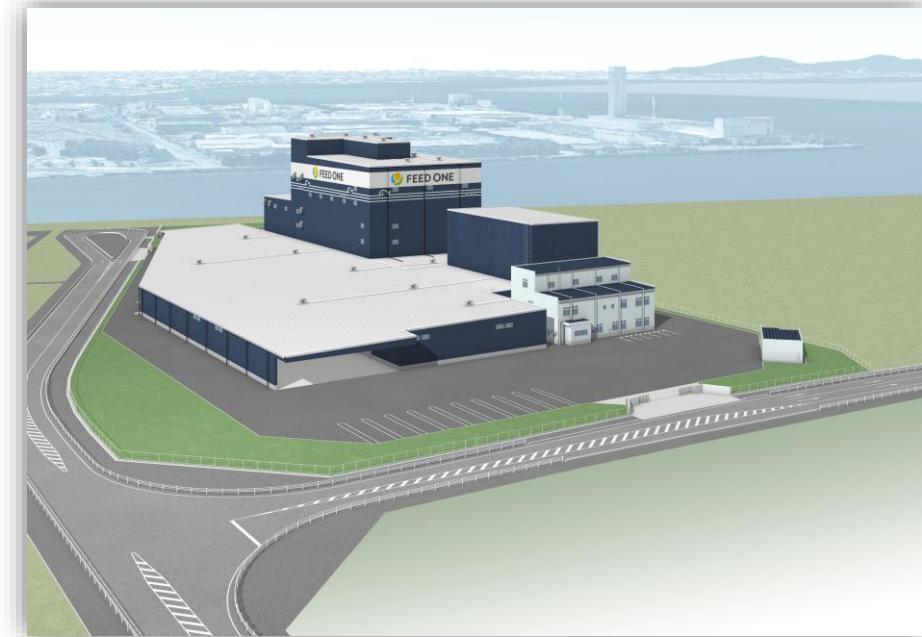
Topics / Progress Update on New Aquatic Feed Factory



- A groundbreaking ceremony was held in October 2025, and construction is currently underway.
- The factory is scheduled for completion in April 2028, with no change from the original plan.



Current status of the planned construction site



Rendering of the completed facility

Please refer to the press release for details regarding the factory construction.

<https://pdf.irpocket.com/C2060/vAfC/AYj3/mdFJ.pdf>

H1 Financial Results Briefing and Business Briefing on November 18, 2025

● From a competitive advantage perspective, how does the company differentiate itself from competitors?

[Answer] Our differentiation lies in three strengths: product capability, technological capability, and human resources. By leveraging these three elements together, we have been able to proactively capture market needs and bring products to market faster than competitors. In addition, we have strengthened our sales and proposal capabilities, allowing us to quickly identify latent customer needs and feed them back into product development—essentially establishing a system of continuous technological innovation.

● Regarding the progressive dividend payments, can we understand that the commemorative dividend for FY3/2027 will not be reduced?

[Answer] The revised dividend policy is based on a progressive dividend payments, targeting a consolidated dividend on equity (DOE) of 3%. We plan to continue progressive dividend payments on this basis in the future, and we are currently working to maintain the dividend at 42 yen for FY3/2027.

Company Presentation for Individual Investors on December 9, 2025

● What is the current situation in the livestock industry that uses animal feed?

[Answer] Although the number of producers is declining, large-scale operations are progressing, and overall production volumes remain flat or are increasing. The trend toward larger-scale operations is particularly pronounced in the poultry industry, and similar developments are also being seen in the swine industry. While the dairy sector is lagging behind in this respect, dairy products are essential to Japan, and the shift toward larger-scale operations is also expected to continue in this sector.

● Please share your views on the future outlook and growth potential of the aquatic feed business.

[Answer] As frequently reported in recent news, new business models such as land-based aquaculture and large-scale offshore aquaculture are emerging. As a result, the aquatic feed business is expected to experience significant growth going forward.

Reference Materials



Company Profile



Company name	FEED ONE CO., LTD.
Head office	5-1-2, Minatomirai, Nishi-ku, Yokohama-shi, Kanagawa
Representative	Hidehiro Shoji
Established	October 1, 2014
Share capital	10 billion yen
Number of employees	925 (as of March 31, 2025, on a consolidated basis)
Major shareholder	Mitsui & Co., Ltd.
Business activities	Production and marketing of compound feed. Procurement, sale, production and processing of meat, egg and seafood, etc. Other businesses ancillary to the above (farm-management consulting, management of veterinary examination and treatment facilities, etc.)



Hidehiro Shoji
President and
Representative
Director

PURPOSE

Feed the world for the future, lives and smiles

Business Performance Trends

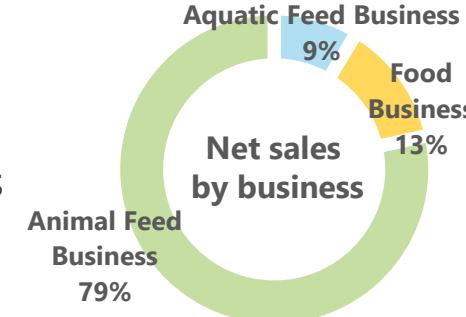


-FY3/2025-

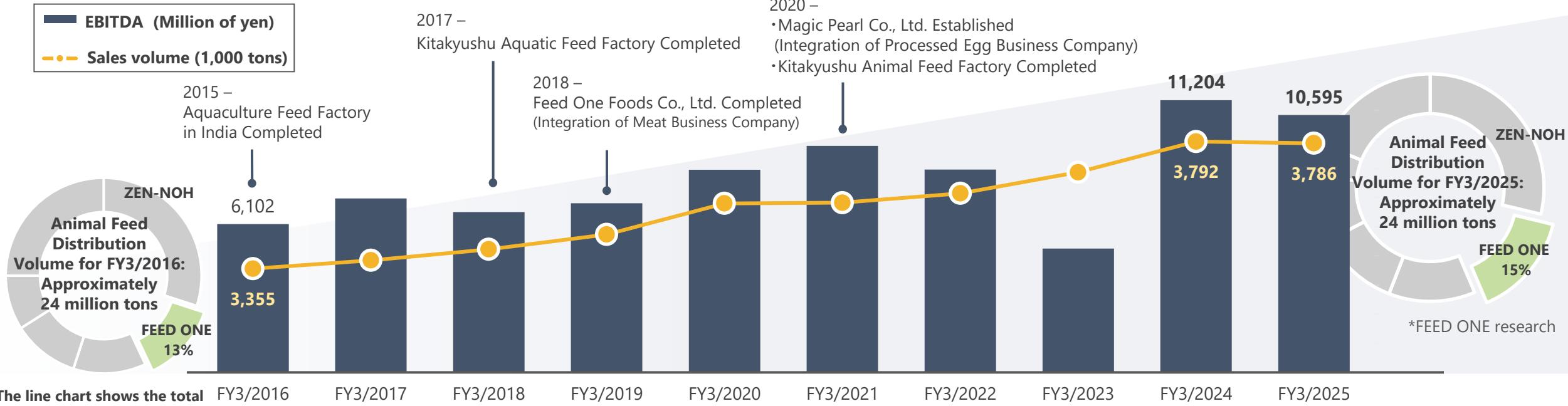
Net Sales
¥296.0 billion

Ordinary Profit
¥6.7 billion

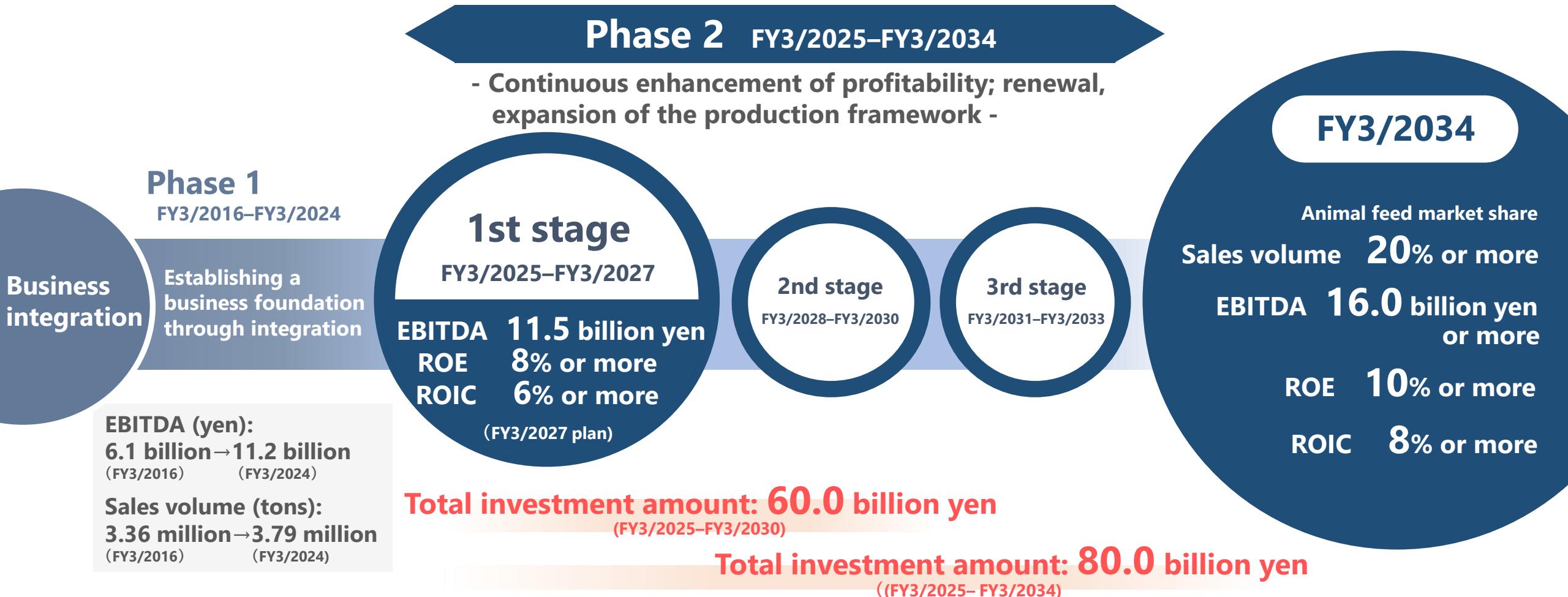
Sales Volume
3.78 million tons
ROE
10.3%



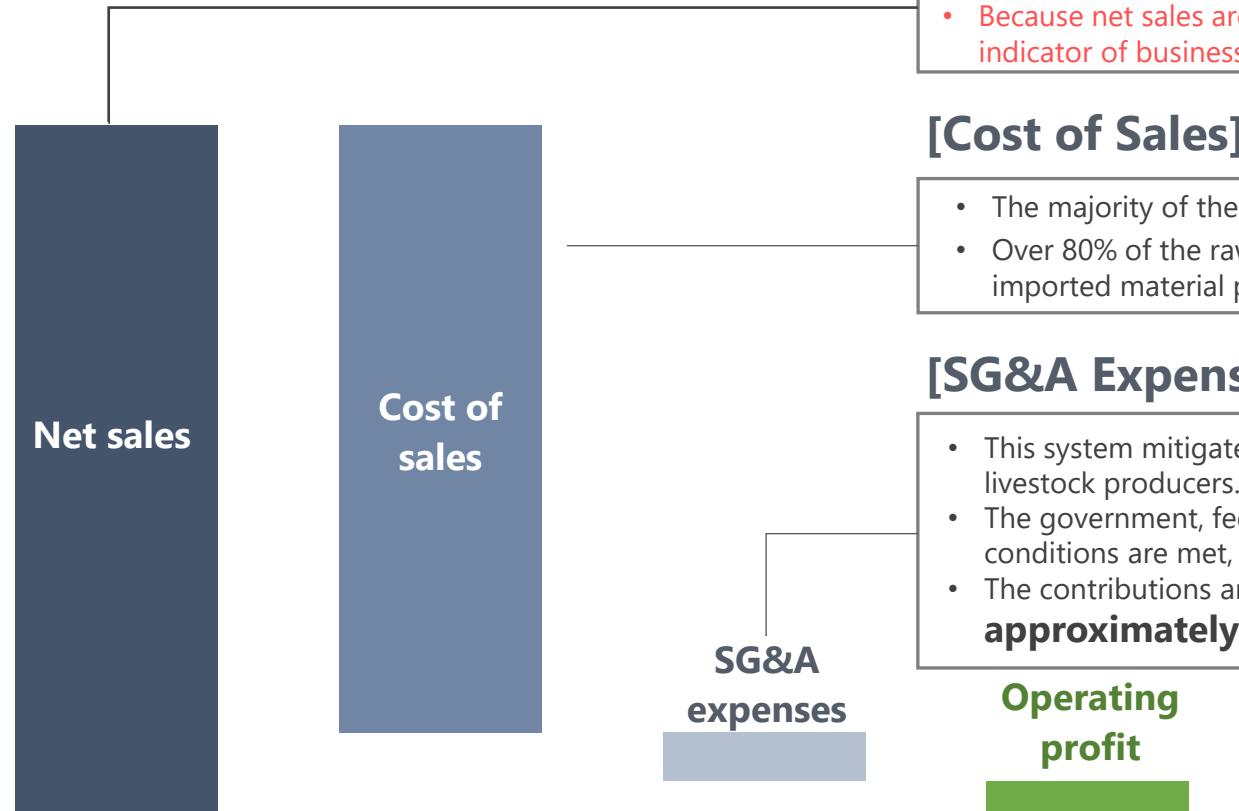
The Animal Feed Business is our core business, accounting for approximately 80% of net sales. The Aquatic Feed Business accounts for about 10%, reflecting the smaller market size—roughly one-sixth that of the animal feed market.



With an unchanging mission of ensuring a stable supply of feed, FEED ONE creates products that meet the needs of society and enhance corporate value.



The revenue structure is heavily influenced by our core business, the Animal Feed Business; therefore, net sales alone are not a reliable indicator of overall performance.



[Net Sales] Adjusted in accordance with changes in imported material prices

- Sales prices of animal feed are revised quarterly based on fluctuations in imported material prices.
- Because net sales are significantly affected by these price revisions, they do not serve as a reliable indicator of business performance.

[Cost of Sales] Raw materials account for the majority of cost of sales

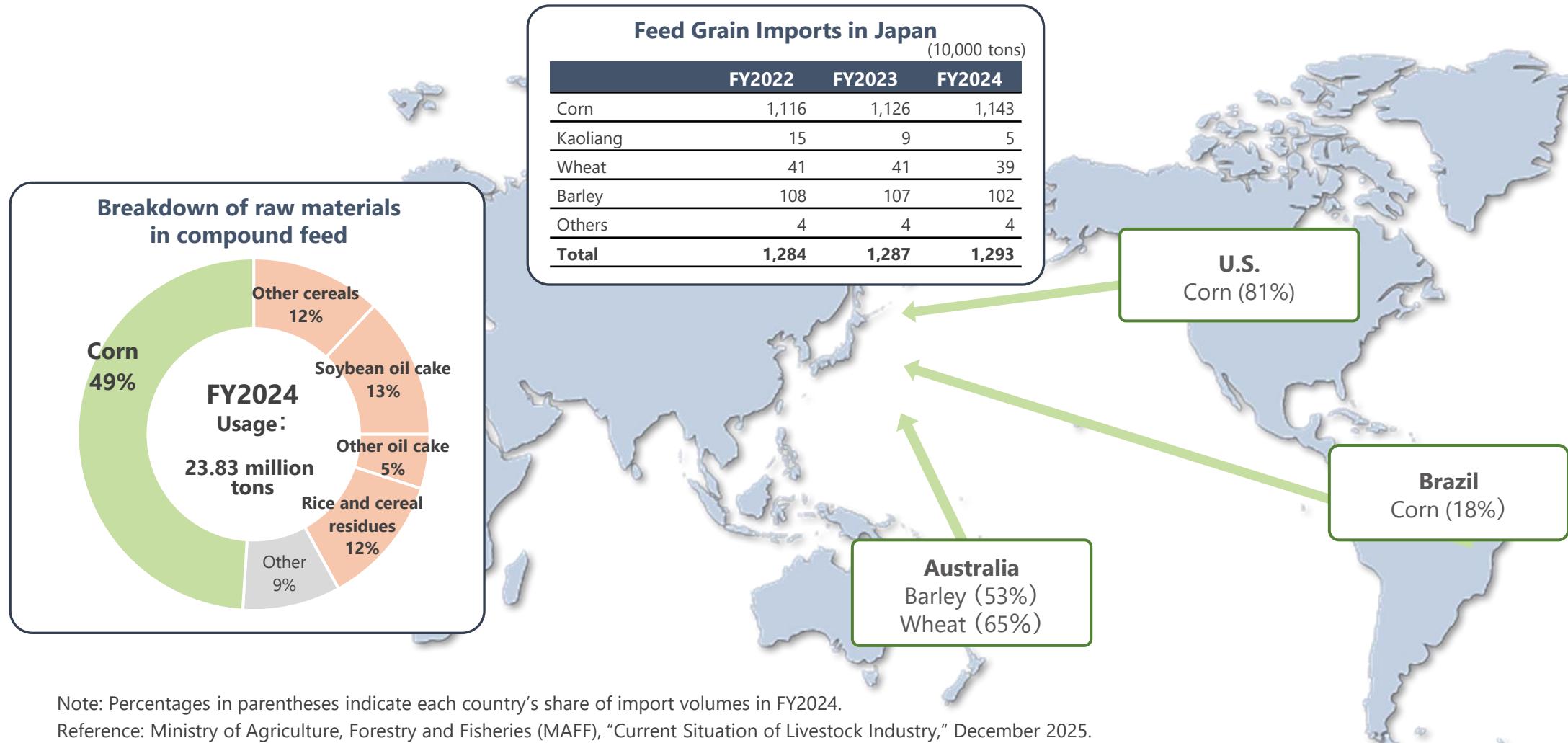
- The majority of the cost of sales for compound feed consists of raw material costs.
- Over 80% of the raw material costs are attributable to imported raw materials, so fluctuations in imported material prices directly impact the cost of sales.

[SG&A Expenses] Recorded contribution to the Compound Feed Price Stabilization Fund

- This system mitigates the impact of sudden rises in imported raw material prices on the operations of livestock producers.
- The government, feed manufacturers, and producers contribute to the fund, and when certain conditions are met, compensation is paid to producers.
- The contributions are tax-deductible and recorded as SG&A expenses; **approximately 6.6 billion yen** was recorded for FY3/2025.

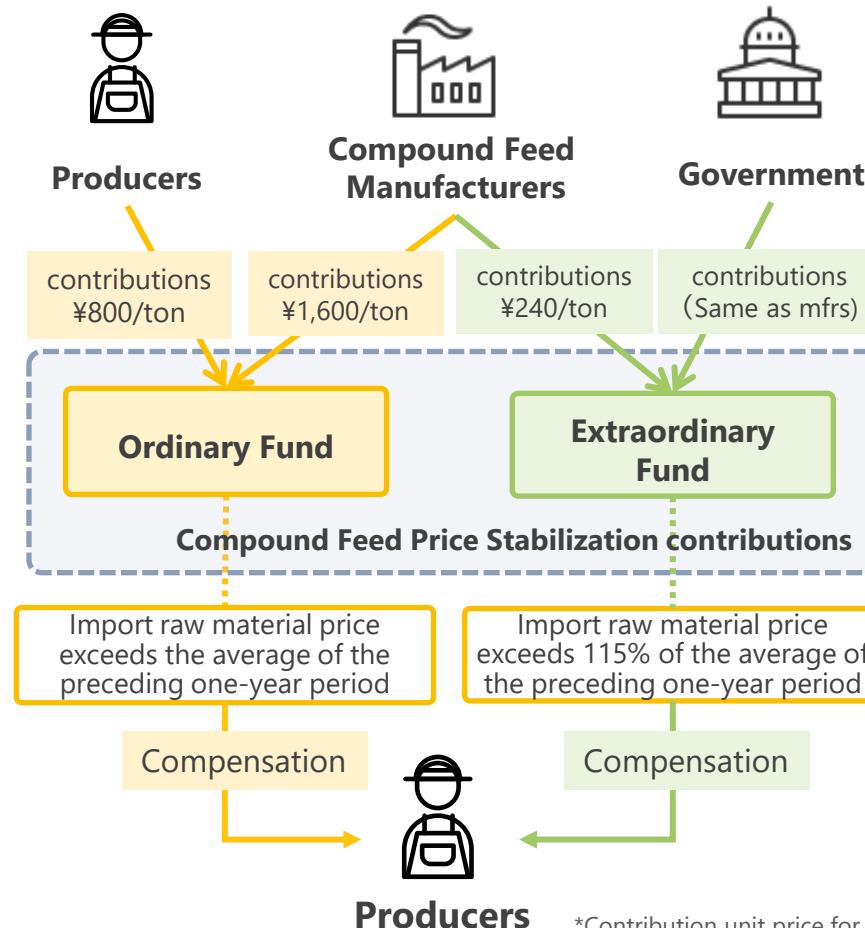
Because the Animal Feed Business adjusts selling prices in response to fluctuations in imported raw material costs, profit remains stable despite temporary fluctuations in net sales.

Most feed grains are procured through imports, with a particularly high dependence on the U.S. and Australia.



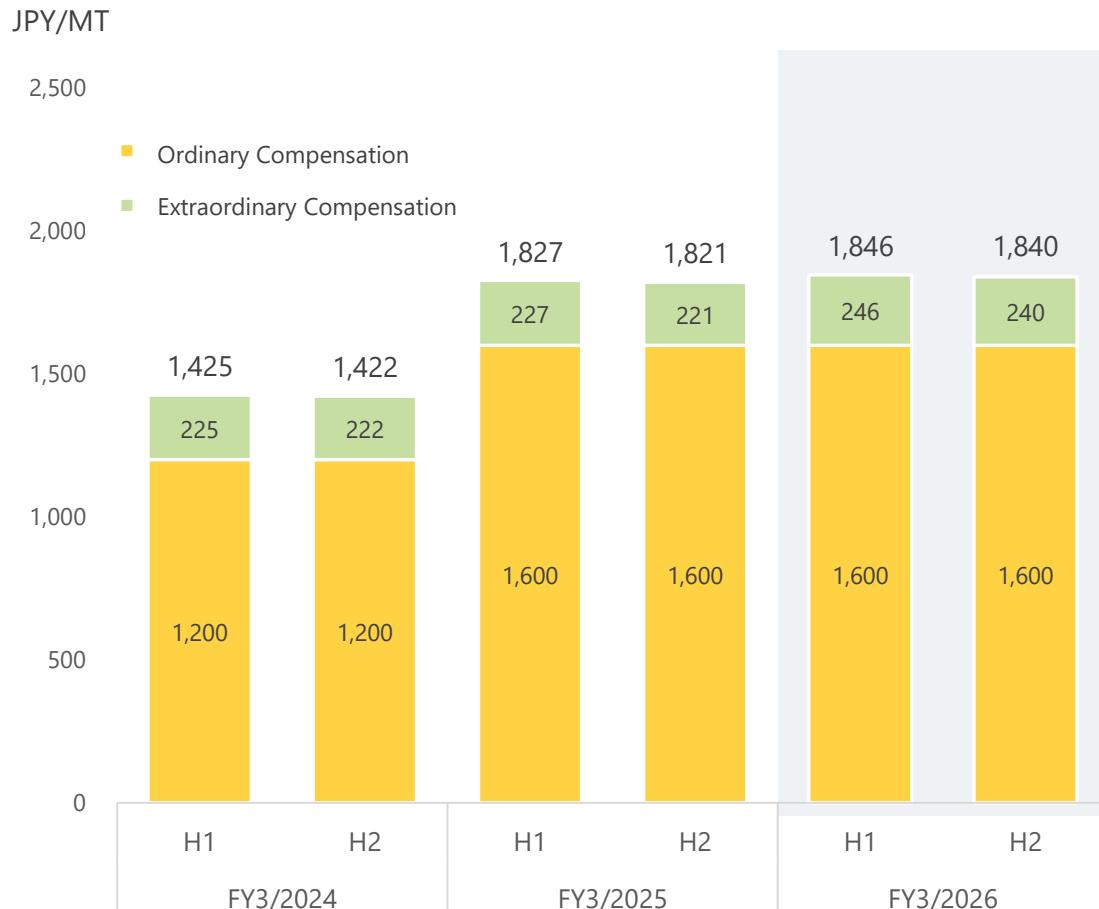
This system mitigates the impact of sudden rises in imported raw material prices on the operations of livestock producers. (*Only for animal feed)

[Mechanism of the System]

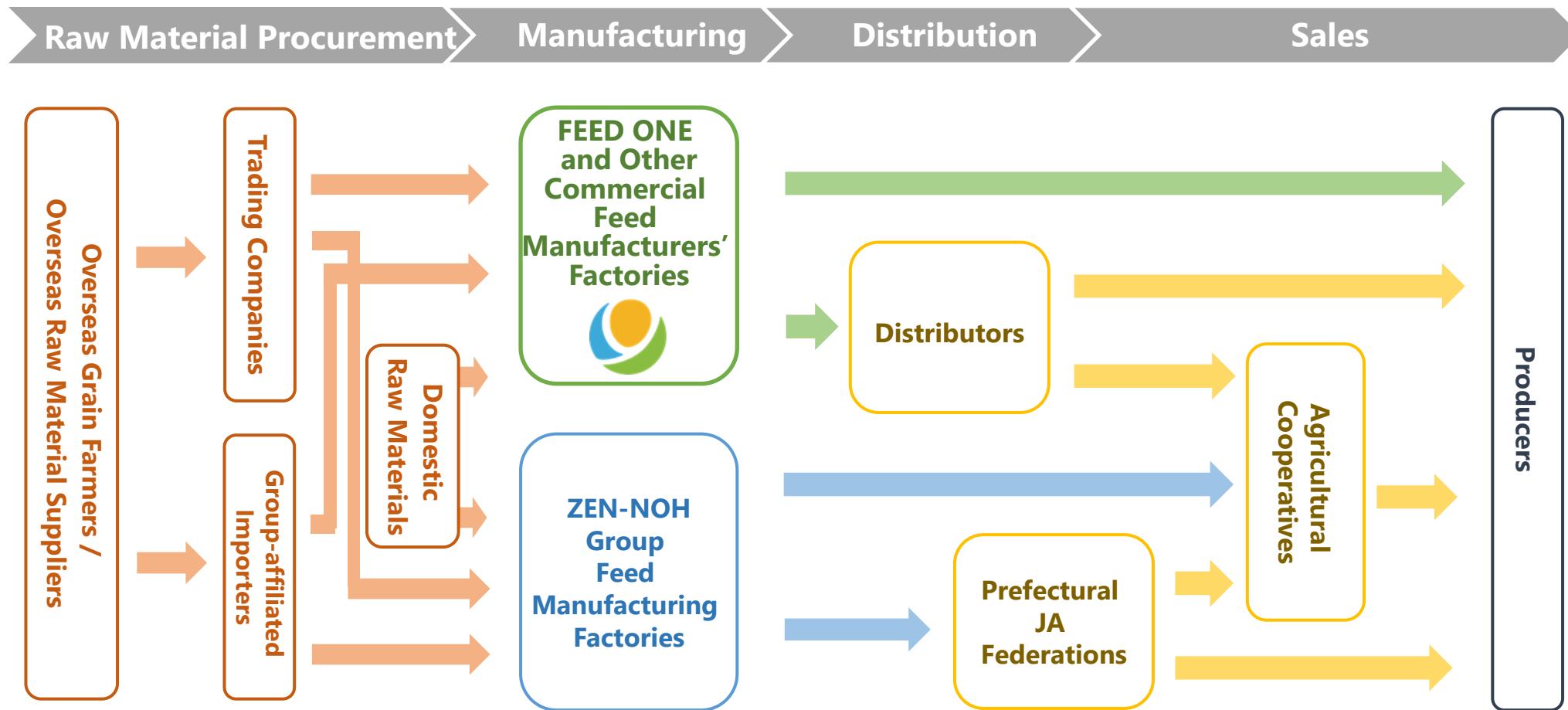


*Contribution unit price for H2 FY2026

[Compound Feed Manufacturers' Contributions]



Distribution channels from feed manufacturers to producers include direct sales, distributors, and agricultural cooperatives.



Shareholder Return Policy and Dividend Trend

Since its establishment, the Company has not reduced its dividend even once over the past 10 years. From FY3/2026, our dividend policy has been revised to enhance shareholder returns.

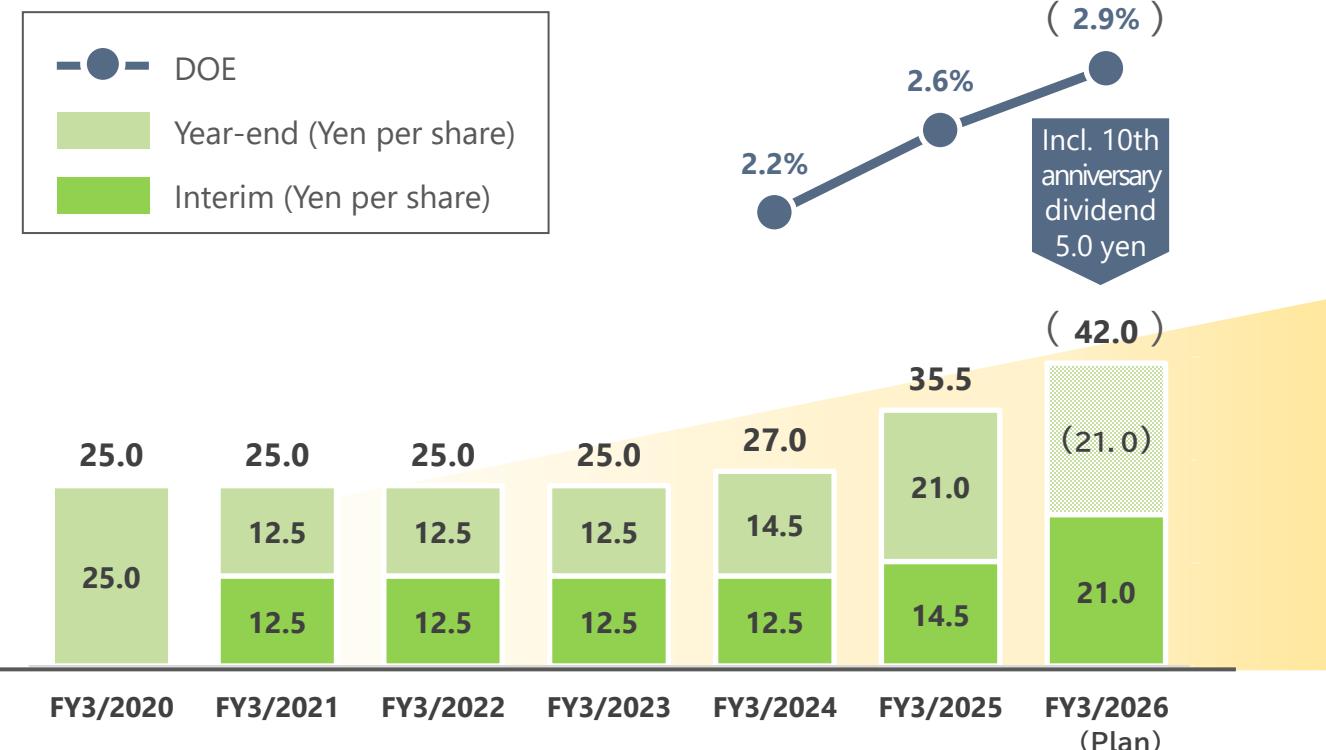
Dividend policy revision (disclosed on May 8, 2025)

Before

We aim to achieve a **consolidated payout ratio of 25% or more**, based on the enhancement of retained earnings to strengthen our financial position as the foundation for long-term development and **stable dividend payments**.

After

We aim to achieve a **consolidated dividend on equity (DOE) of 3%**, based on the enhancement of retained earnings to strengthen our financial position as the foundation for long term development and **progressive dividend payments**.



*Because the Company implemented a 5-for-1 stock consolidation in October 2020, the figures for FY3/2020 and FY3/2021 have been adjusted to reflect the post-stock-consolidation basis.

Reference Information – Linked Resources



FEED ONE Investor Relations Top Page



<https://www.feed-one.co.jp/english/ir/>

FEED ONE Integrated Report 2025



https://www.feed-one.co.jp/english/ir/integrated_report/

FEED ONE Company Research and Analysis Report



https://www.feed-one.co.jp/english/ir/sponsored_research_report/

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