



**FY 10/2025 2Q**

# **Supplementary Materials For Financial Results**

**SHOEI FOODS CORPORATION  
(TSE code:8079,Prime Market)**

**I. Report on Business Results for FY 10/2025 2Q**

**II. Progress of Medium-Term Management Plan**

# Financial Highlights (from Nov. to Apr.)



- ◆ Net sales increased 10.1% year on year due to higher sales of dairy products and confectionery ingredients in Japan, as well as increased sales in both the United States and China.
- ◆ Regarding profits, gross profit increased by 1.7% year on year, maintaining a growth trend, but selling, general and administrative expenses increased due to higher personnel expenses and expenses related to digital transformation (DX), resulting in a 5.7% decrease in operating income, a 7.4% decrease in ordinary income, and an 11.1% decrease in net income attributable to owners of parent.

(Million yen)

	FY24/Q2	FY25/Q2		year on year change	Ratio to Initial Forecast	FY25	
	Result	Forecast at beginning of period	Result			Forecast at beginning of period	Revised Forecast
Net sales	59,692	59,500	65,764	+10.1%	+10.5%	115,000	120,000
Gross profit	10,018	—	10,192	+1.7%	—	—	—
Operating profit	3,092	2,900	2,913	▲5.7%	+0.4%	4,400	4,550
Ordinary profit	3,178	2,950	2,941	▲7.4%	▲0.2%	4,500	4,600
Profit attributable to owners of parent	1,949	1,950	1,731	▲11.1%	▲11.1%	3,000	2,750
Operating income to net sales	5.2%	480.0%	4.4%	—	unachieved	3.8%	3.7%

Exchange Rate : USD JPY 151.41  
: RMB JPY 20.83  
: HKD JPY 19.34

JPY 149.52  
JPY 20.59  
JPY 19.22

# Business Performance

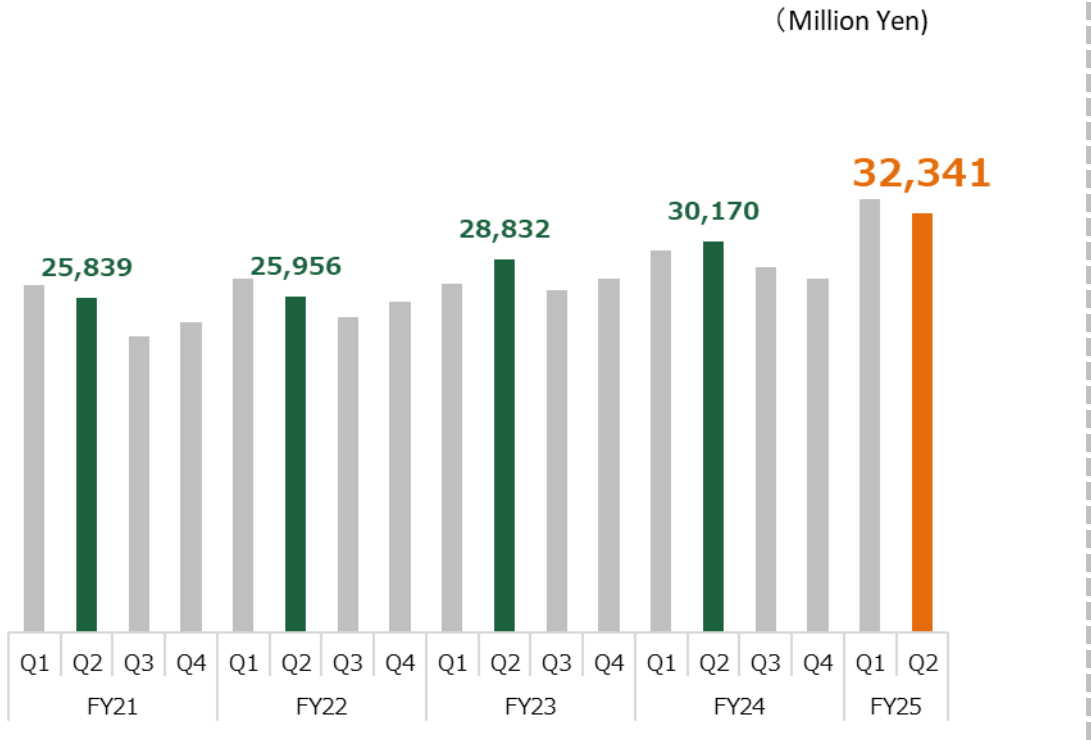
## Net Sales and Gross Profit



- ◆ Sales increased steadily and reached a record high for the quarter.
- ◆ Gross profit was the second highest in the same quarter.

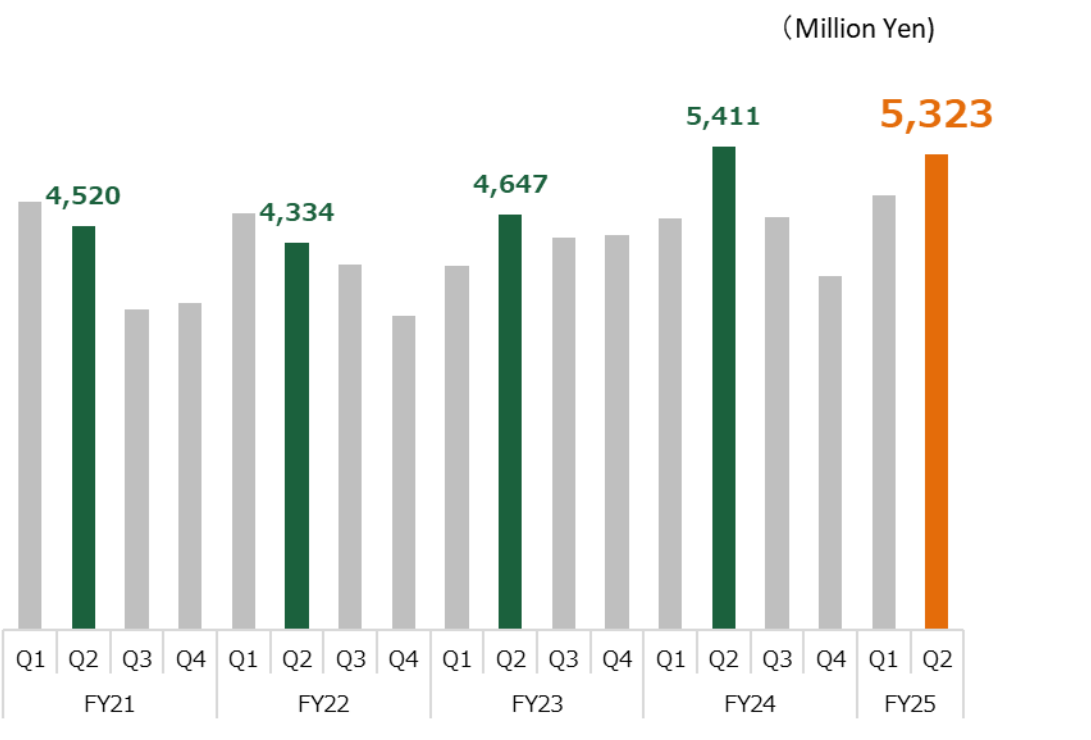
### Net Sales Trend (Quarterly)

(Million Yen)



### Gross Profit Trend (Quarterly)

(Million Yen)



# Business Performance

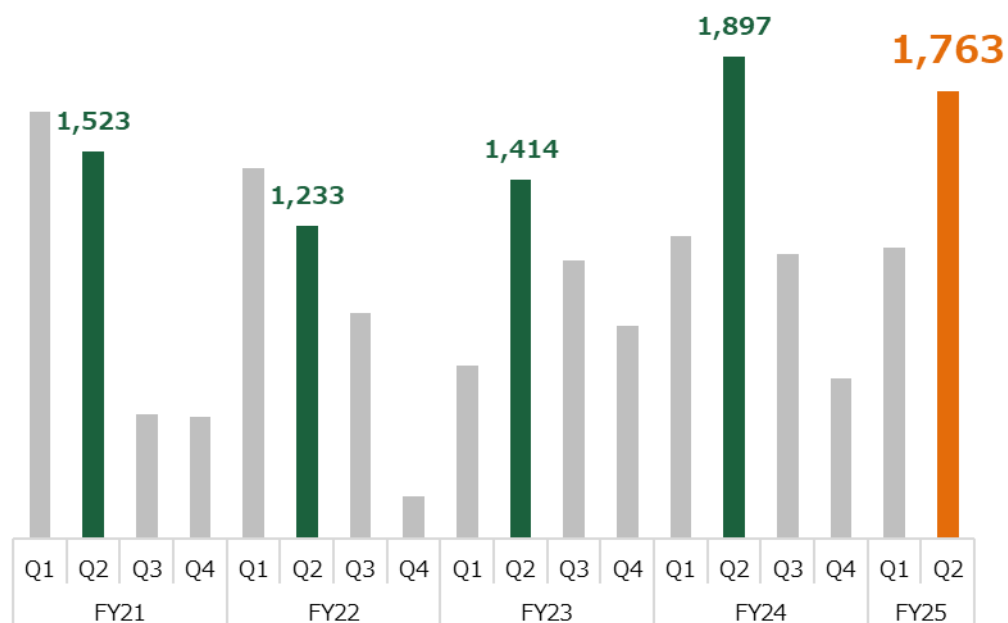
## Operating Profit



- ◆ Operating income decreased year on year, but was the second highest in the company's history.
- ◆ Although revenue increased compared to the previous term, profits decreased due to higher cost ratios and increases in HR and property expenses.

### Operating Income Trend (Quarterly)

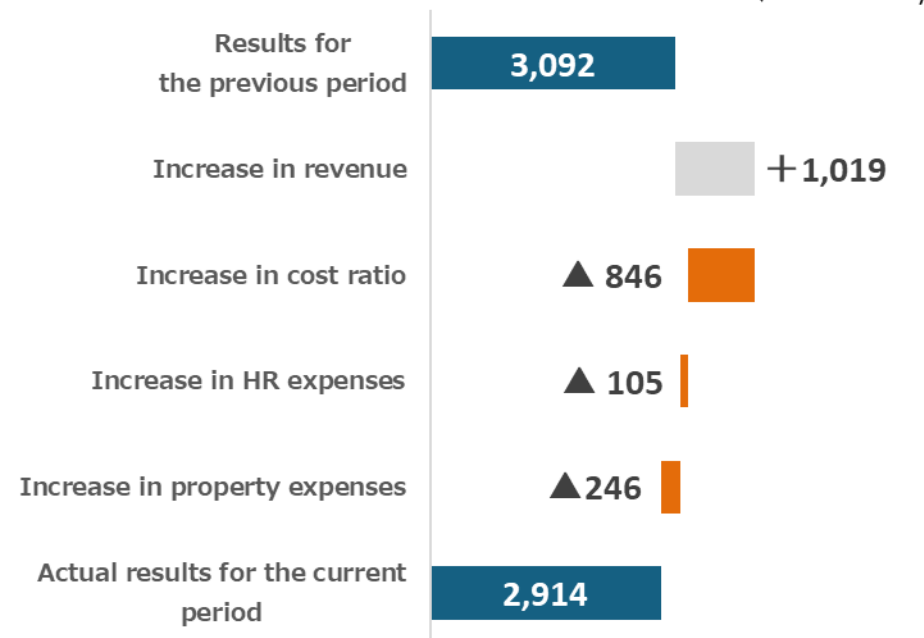
(Million Yen)



### Operating Income Increase/Decrease

#### Factors (from Nov. to Apr.)

(Millions Yen)



# Financial Results by Segment

**ShoEi**

Japan

USA

China

The company's main business is the procurement, processing, manufacturing, and sales of food ingredients (dairy products, oils and fats, confectionery ingredients, dried fruits, canned foods, food ingredients for restaurants, etc.) for the food industry, mainly the confectionery and baking industries, as well as the production and sales of retail confectionery and dried fruit products (nuts and dried fruits). The company owns seven plants in Japan.

## SHOEI FOODS (U.S.A.), INC

- ① Purchasing walnuts from growers, processing them with or without the shell, and exporting them mainly to overseas markets
- ② Purchasing and selling prunes
- ③ Purchasing dried fruits in the US and exporting them to Japan (ShoEi Foods Corporation)
- ④ Managing prune, walnut, and almond orchards
- ⑤ Importing dried fruits and selling them in the US

## ShoEi Foods Qingdao Co., Ltd.

### Yanji ShoEi Foods Co., Ltd.

- ① Processing and manufacturing of confectionery ingredients and dried fruits
- ② Export of processed and manufactured goods to Japan, Europe, etc.
- ③ Sales in China and Hong Kong via ShoEi International Trading Shanghai Co., Ltd. & ShoEi International Trading Hong Kong Co., Ltd.

## ShoEi International Trading Shanghai Co., Ltd.

### ShoEi International Trading Hong Kong Co., Ltd.

- ① Mainly imports dried fruits for sale in China and Hong Kong
- ② Selling products processed and manufactured by ShoEi Foods Qingdao Co., Ltd. & Yanji ShoEi Foods Co., Ltd. in China and Hong Kong



# Performance by Segment (from Nov. to Apr.)



(Million yen)

	Net sales				Segment profit			
	FY24/Q2	FY25/Q2	Difference	%	FY24/Q2	FY25/Q2	Difference	%
Japan	52,553	56,501	3,948	+7.5%	2,824	2,719	▲ 104	▲3.7%
USA	5,500	5,886	386	+7.0%	276	265	▲ 10	▲3.9%
China	5,252	5,934	681	+12.9%	211	123	▲ 87	—
Adjustment	▲ 3,613	▲ 2,558	1,054	—	▲ 219	▲ 195	24	—
Total	59,692	65,764	6,071	+10.1%	3,092	2,913	▲ 179	▲5.7%

## Japan

- ◆ Net sales increased by 7.5% year on year to 56,501 million yen, due to higher prices in response to rising costs and increased sales of dairy products for commercial use, confectionery ingredients, dried fruits, confectionery and retail products.
- ◆ Segment income increased due to higher gross profit resulting from price increases, but decreased 3.7% to 2,719 million yen due to an increase in consulting fees and consulting fees related to DX.

## USA

- ◆ Due to crop conditions, the volume of walnuts and prunes received and sold decreased, but sales increased by 7.0% year on year to 5,886 million yen, reflecting higher market prices.
- ◆ Segment income decreased 3.9% to 265 million yen, as higher prices led to wider margins for walnuts but sales volumes declined, while delayed price increases resulted in lower income for prunes.

## China

- ◆ Although exports decreased, sales of nuts and dried fruits in China and Hong Kong increased, resulting in net sales of 5,934 million yen, up 12.9% year on year.
- ◆ Sales in China increased and gross profit from domestic sales also increased, but segment profit decreased 41.6% to 123 million yen due to a decrease in export profits and an increase in selling, general and administrative expenses.

# Main Products by Category

category	Subcategory	Main Products
<b>Dairy products, oils and fats</b>	Dairy products	Butter, milk powder, condensed milk, liquid dairy products, cheese, lactose, whey
	Oils and fats	Fats and oils for confectionery, frozen desserts and bread (margarines, shortening, etc.)
<b>Confectionery raw materials</b>	Confectionery Materials	Processed chocolate, baked confectionery, fruits soaked in liquor (rum raisins, etc.), peel products, fruit fillings
	Chestnut products	Chestnut paste, chestnuts in syrup-kanroni, marron glacé
	Japanese confectionery Materials	Sweet potato, xingren powder, oak leaf, preserved cherry leaves with salt
	Bread making materials	Joshinko-powdered non-glutinous rice, cake flour
	Purchased products	Leavening agents/jelly, chocolate/cocoa, honey/sugar, alcohol (liqueurs, etc.), matcha, sesame
<b>Dried fruits and canned foods</b>	Nuts	Almonds, walnuts, macadamia nuts, coconut, pistachios, cashews, hazelnuts, pine nuts, pumpkin seeds
	Dried Fruits	Raisins, prunes, cranberries, blueberries, pineapples
	Fruit Processed Products	Processed apples, processed mangoes, canned yellow peaches, canned pineapples
	Raw Materials for Food Service	Pasta, sweet corn, processed tomatoes, olive oil, dessert ingredients, frozen fruit puree
<b>Confectionery and retail products</b>	Confectionery	Chocolate confectionery, biscuits
	Retail products	Nuts in retail bag, prunes in retail bag, other dried fruit in retail bags, vegetable products



# Business results by product category (from Nov. to Apr.)



(Million yen)

	FY24/Q2		FY25/Q2		Year on year change	
	Net sales	Composition	Net sales	Composition	Difference	%
Dairy products, oils and fats	18,270	30.6%	20,456	31.1%	+2,186	+11.9%
Confectionery raw materials	9,567	16.0%	10,497	16.0%	+930	+9.7%
Dried fruits and canned foods	20,981	35.2%	23,309	35.4%	+2,327	+11.0%
Confectionery and retail products	10,748	18.0%	11,492	17.5%	+744	+6.9%
Other	124	0.2%	7	0.0%	▲117	▲94.0%
Total	59,692	100.0%	65,764	100.0%	+6,071	+10.1%

## Dairy products, oils and fats

Due to price increases, sales of imported dairy products such as powdered milk and butter increased, and sales of domestically purchased products also increased. In addition, sales at domestic manufacturing subsidiaries increased due to price increases and other factors, resulting in an 11.9% year-on-year increase in sales of dairy products and oils and fats.

## Confectionery raw materials

Sales of chestnut products such as chestnut paste decreased, but sales of in-house processed products such as baked confectionery and chocolate products, as well as domestically sourced products, increased. As a result, sales of confectionery raw materials increased by 9.7% year on year.

## Dried fruits and canned foods

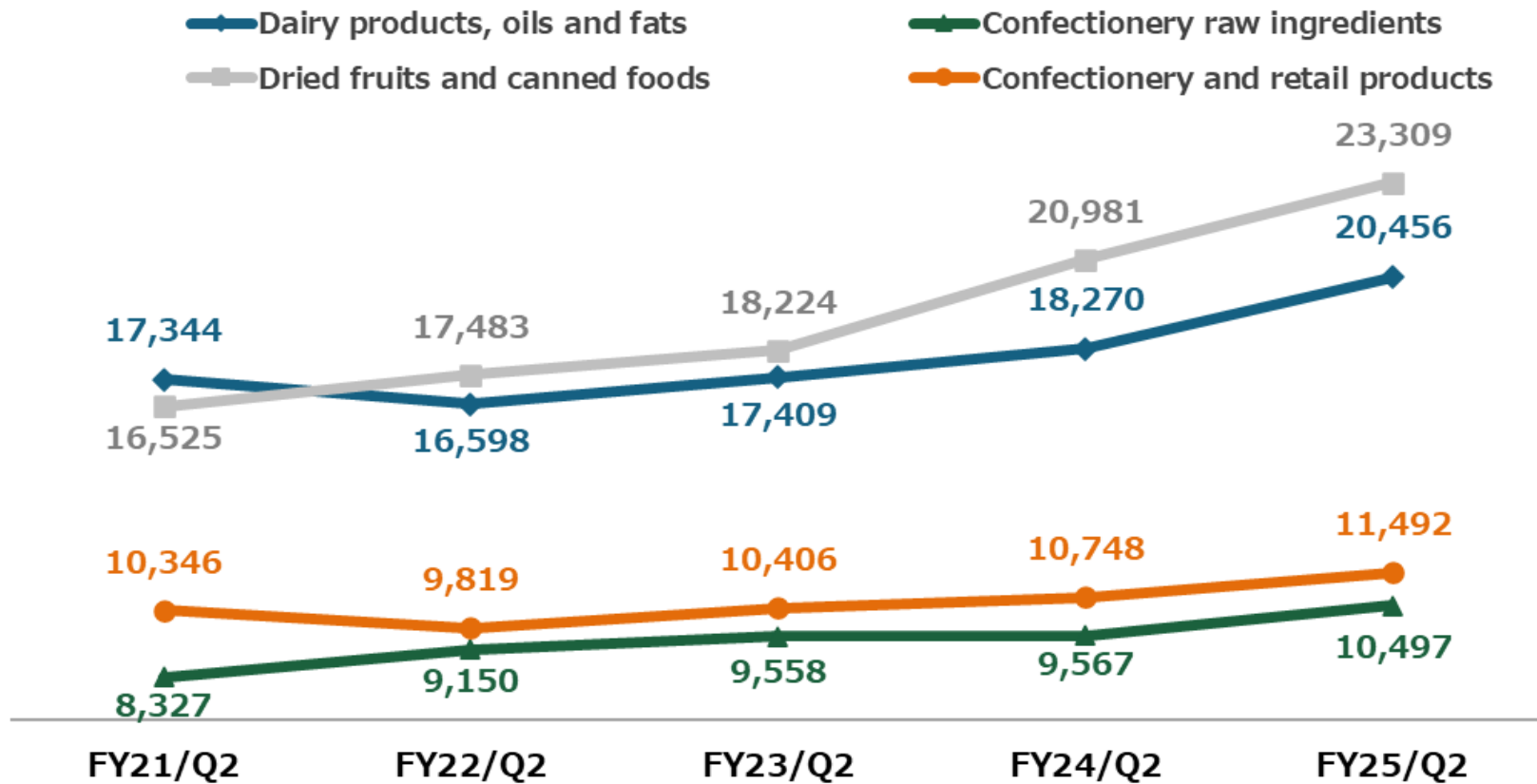
In Japan, sales of dried fruits such as raisins and cranberries increased, mainly reflecting higher unit prices. In the United States, exports of walnuts increased due to higher unit prices, and sales of nuts and dried fruits increased in China. As a result, sales of dried fruits and canned fruits increased 11.0% year on year.

## Confectionery and retail products

Due to higher sales prices caused by the surge in cocoa raw ingredient prices, sales of NB and PB chocolate confectionery increased, and retail products such as small bags of prunes also saw higher sales. As a result, sales of confectionery and retail products increased 6.9% year on year.

# Sales composition by product category (from Nov. to Apr.)

(Million yen)



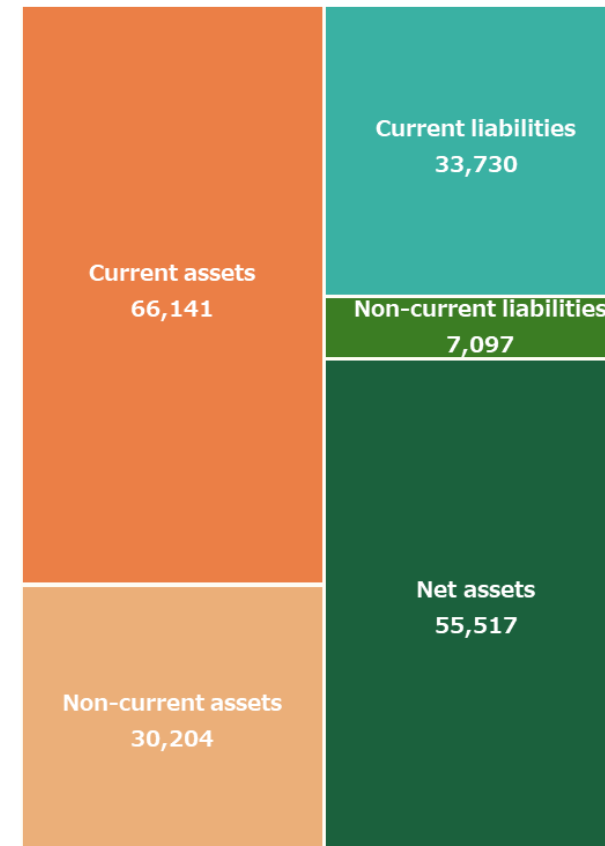
◆ Due to soaring local market prices and increased sales both domestically and overseas, sales increased across all product categories.

# Financial Position

- ◆ Non-current assets decreased, but notes and accounts receivable and inventories increased, resulting in an increase in total current assets and total assets.
- ◆ Non-current liabilities decreased, but current liabilities increased, resulting in an increase in total liabilities.
- ◆ Net assets increased due to retained earnings.

(Million yen)

			FY24	FY25/Q2	Difference
Assets	Current assets	Cash and deposits	11,194	10,205	▲989
		Notes and accounts receivable - trade	21,823	26,569	+4,746
		inventories	23,775	27,853	+4,077
		Other current assets	2,354	1,513	▲841
		Total current assets	59,147	66,141	+6,993
	Non-current assets	Property, plant and equipment	23,438	22,912	▲525
		Intangible assets	631	622	▲8
		Total investments and other assets	6,688	6,669	▲18
		Total non-current assets	30,758	30,204	▲553
	Total assets		89,905	96,345	+6,439
Liabilities	Current liabilities		25,789	33,730	+7,941
	Non-current liabilities		9,946	7,097	▲2,849
	Total liabilities		35,736	40,828	+5,091
Net assets	Shareholders' equity		47,259	48,593	+1,334
	Accumulated other comprehensive income		5,910	5,882	▲27
	Non-controlling interests		999	1,041	+41
	Total net assets		54,169	55,517	+1,347
Total liabilities and net assets			89,905	96,345	+6,439
Interest-Bearing Debt			17,486	21,023	+3,536

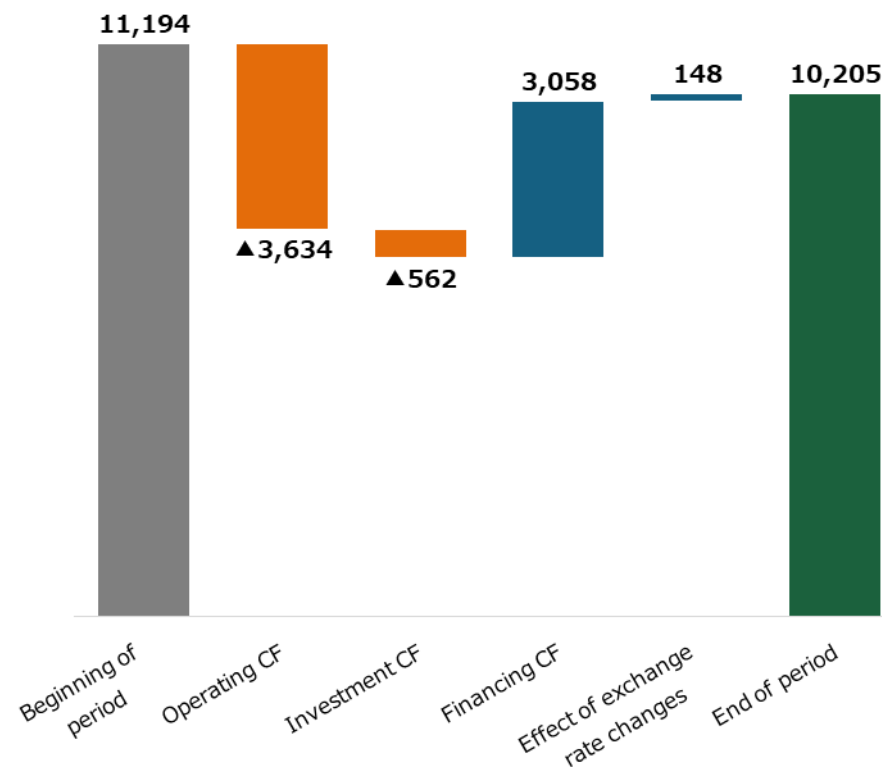


# Cash flow (from Nov. to Apr.)

- ◆ The negative operating cash flow increased due to an increase in accounts receivable, an increase in inventories, and a decrease in accounts payable.
- ◆ The negative investment cash flow narrowed due to a decrease in capital expenditures.
- ◆ Financial cash flow was positive due to an increase in interest-bearing debt.
- ◆ Cash and cash equivalents increased.

(Million yen)

	FY24/Q2	FY25/Q2	Difference
Cash flows from operating activities	▲1,103	▲3,634	▲2,530
Cash flows from investing activities	▲944	▲562	+382
Cash flows from financing activities	▲1,522	3,058	+4,581
Effect of exchange rate change on cash and cash equivalents	80	148	+67
Net increase (decrease) in cash and cash equivalents	▲3,489	▲989	+2,500
Cash and cash equivalents at beginning of period	12,948	11,194	▲1,754
Cash and cash equivalents at end of period	9,458	10,205	+746



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**II. Progress of Medium-Term Management Plan**

# Mission Statement and Corporate Vision

## Mission Statement

Our mission is to contribute to society through creation of a new food culture. We will achieve this mission by always providing our customers with safe and reliable food from carefully selected sources both domestically and globally.

As we celebrate our 120th anniversary, we have revised our vision for the medium to long term.

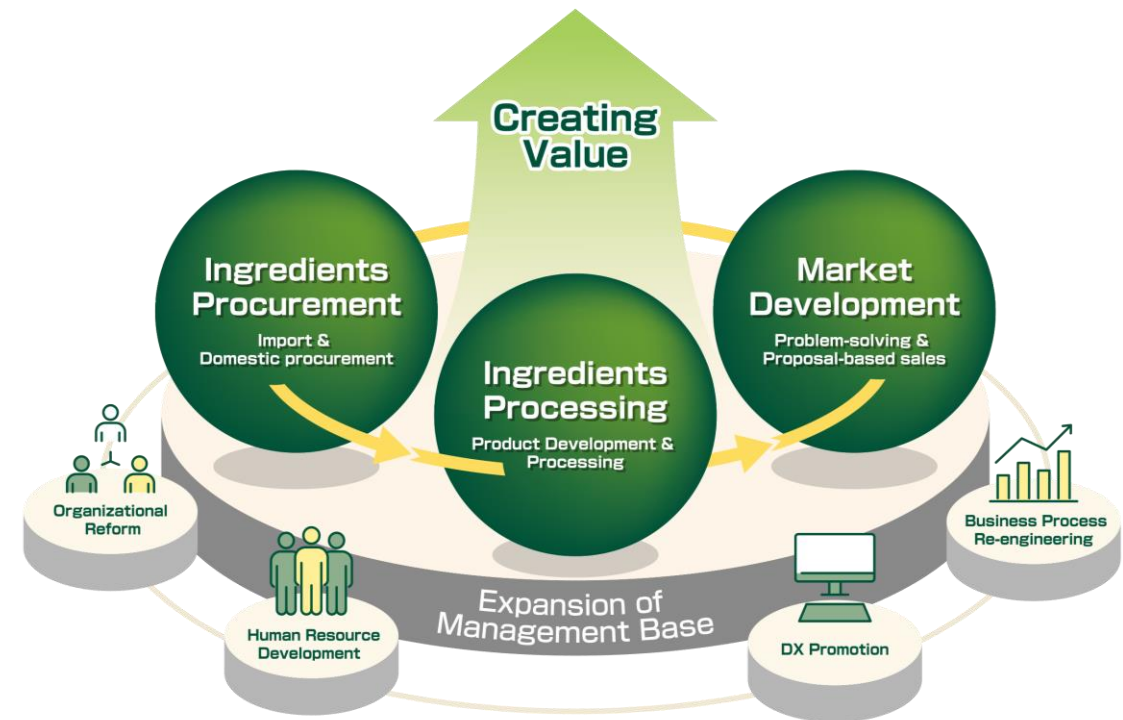
## Corporate Vision

**Beyond ingredients,  
creating New Value!**

By pursuing the possibilities of ingredients through passion for food and endless challenges, we aim to pave the way for people's enjoyment and a healthy future.

## Sustainability Management

Through the food business, we fulfill our social responsibilities and live in harmony with nature!



Sincere and challenging human resources who are enthusiastic about creating a food culture and employee who will support the future of **ShoEi Group**!



# Growth strategy as a food trading company

**ShoEi**

## Pioneering new fields

At FABEX (The World Food and Beverage Great EXPO) Tokyo in April, in addition to exhibiting SICOLY products at our booth, we held a SICOLY product seminar at the seminar venue. The seminar, which included proposals for time-saving recipes using frozen fruit sheets, was very well received.



A major French Cooperative - fresh fruit producer and frozen fruit supplier for which we serve as the sole agent in Japan.





# Growth strategy as a food trading company

**ShoEi**



## World Walnut Summit 2025 to be held

On April 24, the California Walnut Board hosted the “World Walnut Summit 2025” at the ANA InterContinental Tokyo in Akasaka, Tokyo. The summit aimed to deepen understanding of the health benefits of walnuts and promote their regular consumption, focusing on three themes: “gut,” “brain,” and “sleep.”



As the issues surrounding food and health become increasingly diverse, there is renewed interest in the use of ingredients based on scientific evidence. Our affiliate company, ShoEi Foods (U.S.A), Inc., located in California, produces high-quality California walnuts, and we strive to deliver the multifaceted health benefits and value of walnuts to as many customers as possible.



Walnut dishes around the world



Walnut and pumpkin  
vegetarian Wellington-  
style pie (UK)



Walnut Baklava (Turkey)



Inari with walnuts  
(Japan)



Chicken Kanjon with Walnuts (Korea)





# Growth strategy as a food trading company

**ShoEi**

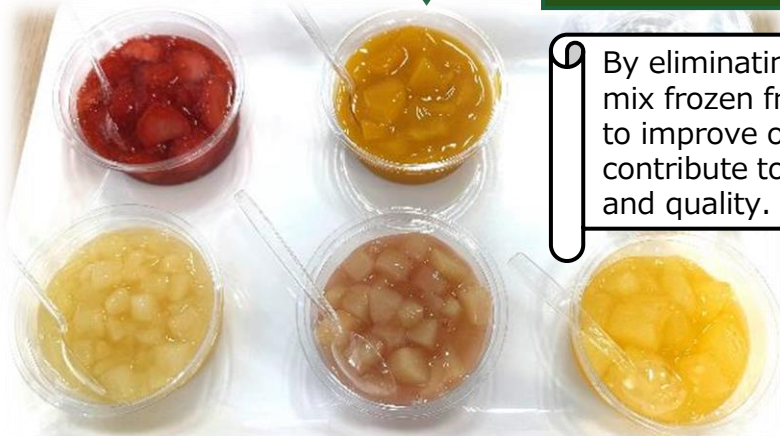
## Expansion of product lineup

We are actively working to diversify our product origins and strengthen our handling of raw ingredients from multiple countries and in multiple varieties, offering products that meet customer needs, such as time-saving products and products with price advantages.



## Fruit sauce with pulp

By eliminating the need for store staff to mix frozen fruit and sauce, we were able to improve operational efficiency and contribute to improved safety, hygiene, and quality.



## Spanish almonds

### Penta species



New variety (self-pollinating)  
Rich in lipids compared to California-grown almonds  
Now offering a new Spanish-grown almond powder (flour) with a very sweet flavor!

*\*Official release scheduled for September 2025!*



Blueberry



Strawberry



Banana



Raspberry

## Micro-dried fruit



# Growth strategy as a food manufacturer

**ShoEi**



## Product design tailored to customer needs

The ShoEi “I Want to Eat Every Day” series is inspired by the desire to make nuts and dried fruits a part of your daily diet, just like vegetables and fruits, and to create a new food culture for everyday life!



We want you to enjoy them every day, so we roast the nuts in **our own factory** to enhance their flavor and texture. The dried fruits are perfect for eating as is or as a topping, and we have carefully selected the ingredients, **imported them ourselves**, and packaged them **in our own factory**.



# Growth strategy as a food manufacturer

**ShoEi**



## Product design tailored to customer needs and accompanying capital investment

A new sweet potato paste production line was established at the Mitsukaido Plant of our subsidiary Kyo Marron Co., Ltd. New equipment was introduced, sweet potato varieties suitable for confectionery ingredients were selected, and operations began smoothly.



We have created a new product with a moist taste, a slightly powdery texture compared to Beniharuka, and an attractive bright yellow flesh.

蒸し芋  
ペースト  
かぐや

STEAMED SWEET  
POTATO PASTE  
"KAGUYA"



**Kuri Kaguya®**

is a new sweet potato variety that has appeared in recent years and is a registered trademark of Kaneko Seeds Co., Ltd.



茨城県産



しっとり

やや粉質

# Sustainability Initiatives



**We have started handling crushed US walnut shells!**

Our U.S. subsidiary processes and ships U.S.-grown walnuts.

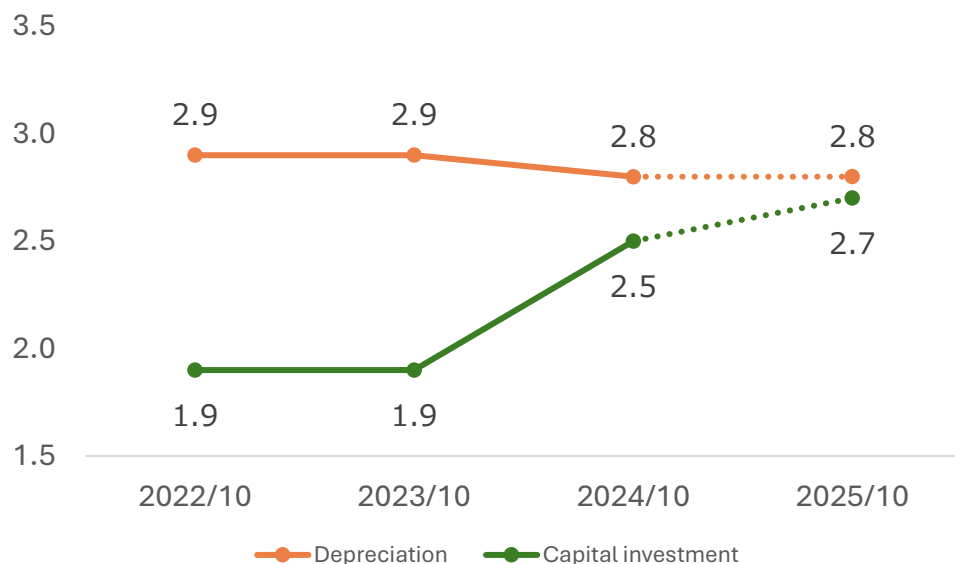
We have recently introduced new equipment to enable the reuse of walnut shells generated during the manufacturing process, which were previously disposed of. We have begun supplying these shells to a company that manufactures and sells abrasive materials and fillers made from plant-based soft particles, including walnut shells.

The walnut shells supplied are being utilized in various fields as innovative products made from natural materials, such as abrasive media, filter materials, fillers, bedding for small animals, and beauty and household products.

# Capital Investment Plan

- ◆ We had planned approximately 3 billion yen in capital expenditures for the fiscal year ending October 2025, but we have revised our investment plan and now plan a total of 2.7 billion yen in capital expenditures, consisting of approximately 2.3 billion yen in tangible fixed assets and approximately 0.4 billion yen in intangible fixed assets.
- ◆ Investments in tangible fixed assets are mainly planned for the renewal and introduction of new equipment with the aim of improving production efficiency at domestic and overseas manufacturing subsidiaries.
- ◆ As intangible fixed assets, we plan to invest primarily in IT for the promotion of DX (digital transformation).

(Billion yen)



## 〈 Breakdown of capital investment 〉

tangible fixed asset 2.3 billion yen

intangible fixed asset 0.4 billion yen

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total 2.7 billion yen

# Cautionary Statement Regarding Forward-Looking Statements

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