Consolidated Financial Results for the Nine Months Ended July 31, 2025 [Japanese GAAP]

September 12, 2025

Company name: SHOEI FOODS CORPORATION
Stock exchange listing: Tokyo Stock Exchange
Code number: 8079
URL: https://www.shoeifoods.co.jp/english
Representative: Hidemitsu Honda, President and Representative Director
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Scheduled date of commencing dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended July 31, 2025 (November 1, 2024 – July 31, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
July 31, 2025	94,526	7.5	4,218	0.0	4,265	(2.4)	2,605	(5.1)
July 31, 2024	87,926	6.9	4,214	31.8	4,370	33.1	2,746	25.1

(Note) Comprehensive income: Nine months ended July 31, 2025: 2,686 million yen [(33.8)%]
Nine months ended July 31, 2024: 4,059 million yen [80.3%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
July 31, 2025	155.12	–
July 31, 2024	163.01	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of July 31, 2025	92,378	54,819	58.1
As of October 31, 2024	89,905	54,169	59.1

(Reference) Equity: As of July 31, 2025: 53,737 million yen
As of October 31, 2024: 53,169 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended October 31, 2024	–	25.00	–	25.00	50.00
Fiscal year ending October 31, 2025	–	30.00	–		
Fiscal year ending October 31, 2025 (Forecast)				30.00	60.00

Note: Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecasts for the Fiscal Year Ending October 31, 2025 (November 1, 2024 – October 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	120,000	4.1	4,550	(6.0)	4,600	(7.0)	2,750	(13.2)	163.21

Note: Revision to the financial results forecast announced most recently: None

*** Notes:**

(1) Significant changes in the scope of consolidation during the period under review: None

Newly included: – companies (Company name)

Excluded: – companies (Company name)

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common shares)

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

July 31, 2025:	17,100,000 shares
October 31, 2024:	17,100,000 shares

2) Total number of treasury shares at the end of the period:

July 31, 2025:	526,629 shares
October 31, 2024:	252,565 shares

3) Average number of shares during the period:

Nine months ended July 31, 2025:	16,794,415 shares
Nine months ended July 31, 2024:	16,844,961 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanation of the proper use of financial results forecasts and other notes

Financial results forecasts and other forward-looking statements contained herein are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly due to various factors. For the assumptions underlying the forecasts herein and cautionary notes regarding the use of these financial results forecasts, please see “(1) Explanation of Operating Results” under “1. Qualitative Information on Quarterly Financial Results” on page 2 of the Attachments.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

(Million yen)

	Nine months ended		Change
	July 31, 2024	July 31, 2025	
Net sales	87,926	94,526	7.5%
Operating profit	4,214	4,218	0.0%
Ordinary profit	4,370	4,265	(2.4)%
Profit attributable to owners of parent	2,746	2,605	(5.1)%

During the period under review, the Japanese economy saw rising prices mainly in food partly due to the rice shortage amidst increasing uncertainty over the world economy from the U.S. tariff policy. In the food industry, price hikes continued due to the rise in logistics costs and personnel expenses in addition to the increase in costs of imported raw ingredients. On the other hand, measures were taken for budget-minded spending patterns of consumers. Under these circumstances, the ShoEi Foods Corporation Group strived for the stable supply of quality products and price optimization and focused on offering value-added products by using the Group's factories.

As a result of these efforts, consolidated net sales for the period under review increased by 7.5% year on year to 94,526 million yen, thanks to an increase in sales of dairy products, dried fruits, and confectionery and retail products in Japan despite a drop in overseas sales due in part to the decrease in the yen conversion amount from the strong yen.

On the profit front, operating profit increased by 0.0% year on year to 4,218 million yen, ordinary profit decreased by 2.4% to 4,265 million yen, and profit attributable to owners of parent decreased by 5.1% to 2,605 million yen. This was owing to an increase in gross profit resulting from price optimization by reflecting increases in raw ingredients costs despite an increase in selling, general and administrative expenses resulting from costs for digital transformation and increases in personnel expenses.

Business results by product category for the period under review are as follows.

(Million yen)

	Nine months ended July 31, 2024		Nine months ended July 31, 2025		Year on year change	
	Net sales	Composition	Net sales	Composition	Amount	%
Dairy products, oils and fats	26,901	30.6%	29,629	31.3%	2,727	10.1%
Confectionery raw ingredients	13,971	15.9%	15,108	15.9%	1,137	8.1%
Dried fruits and canned foods	32,014	36.4%	33,646	35.5%	1,632	5.0%
Confectionery and retail products	14,852	16.9%	16,133	17.0%	1,280	8.6%
Other	185	0.2%	7	0.0%	(178)	(96.0)%
Total	87,926	100.0%	94,526	100.0%	6,599	7.5%

Segment operating results by region for the period under review are as follows.

1) Japan

In Japan, net sales increased by 6.9% year on year to 82,222 million yen due to the progress of hikes in sales prices from rising costs and the increased sales of imported dairy products such as butter and milk powder, dried fruits including raisins and cranberries, and confectionery and retail products including prunes in retail bags.

Segment profit increased by 9.4% year on year to 3,866 million yen owing to an increase in gross profit as a result of the progress of price hikes despite an increase in selling, general and administrative expenses resulting from increases in advisory fees related to digital transformation and logistics costs.

2) United States

In the United States, net sales in U.S. dollars increased due to price hikes reflecting higher market prices, despite the decreased volumes of walnuts and prunes received and sold owing to crop conditions. However, net sales in yen decreased by 2.6% year on year to 8,366 million yen partly due to the decline in the yen equivalent amount caused by the strong yen by approximately 10% year on year.

Segment profit decreased by 21.8% year on year to 529 million yen. This was owing to the decreased sales volume of walnuts, delayed price hikes of prunes, and the decline in the yen equivalent amount caused by the strong yen.

3) China

In China, net sales decreased by 0.3% year on year to 8,475 million yen due to the decreased exports of dried fruits for Japan and the lower yen equivalent amount due to the strong yen despite the increased sales of nuts in China.

Segment profit decreased by 49.0% to 203 million yen owing to lower gross profit in dried fruits and temporary costs for efforts to improve profitability such as changes of logistics and roles of offices in China.

(2) Explanation of Financial Position

1) Assets, liabilities, and net assets

Total assets as of July 31, 2025 amounted to 92,378 million yen, an increase of 2,472 million yen compared with the end of the previous fiscal year. This was due mainly to increases of 1,607 million yen in notes and accounts receivable - trade, 4,225 million yen in merchandise and finished goods, 906 million yen in work in process, despite decreases of 2,560 million yen in cash and deposits, 267 million yen in raw ingredients and supplies, and 245 million yen in advance payments to suppliers, resulting in current assets of 62,446 million yen, an increase of 3,298 million yen from the end of the previous fiscal year. Non-current assets decreased by 825 million yen compared with the end of the previous fiscal year to 29,932 million yen due to decreases of 737 million yen in property, plant and equipment and 143 million yen in investments and other assets.

Total liabilities as of July 31, 2025 amounted to 37,558 million yen, an increase of 1,822 million yen compared with the end of the previous fiscal year. This was due mainly to increases of 3,285 million yen in short-term borrowings, 2,475 million yen in current portion of long-term borrowings, 128 million yen in accounts payable - other, despite decreases of 1,228 million yen in notes and accounts payable - trade, 342 million yen in income taxes payable, 462 million yen in provision for bonuses, resulting in current liabilities of 30,398 million yen, an increase of 4,608 million yen from the end of the previous fiscal year. Non-current liabilities decreased by 2,786 million yen compared with the end of previous fiscal year to 7,160 million yen due to decreases of 2,754 million yen in long-term borrowings.

Total net assets as of July 31, 2025 amounted to 54,819 million yen, an increase of 650 million yen compared with the end of the previous fiscal year. This was due mainly to increases of 1,678 million yen in retained earnings, despite an increase of 1,102 million yen in treasury shares and a decrease of 116 million yen in deferred gains or losses on hedges.

(3) Explanation of Consolidated Financial Results Forecasts and Other Forward-looking Information

The Group has not revised the consolidated financial results forecasts for the fiscal year ending October 31, 2025 announced on June 13, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheet

(Thousand yen)

	As of October 31, 2024	As of July 31, 2025
Assets		
Current assets		
Cash and deposits	11,194,538	8,634,210
Notes and accounts receivable - trade	21,823,436	23,430,684
Merchandise and finished goods	19,878,851	24,104,316
Work in process	739,390	1,645,964
Raw ingredients and supplies	3,157,069	2,889,588
Advance payments to suppliers	1,001,145	755,678
Other	1,355,199	987,707
Allowance for doubtful accounts	(1,790)	(1,705)
Total current assets	59,147,841	62,446,446
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,492,604	11,890,711
Machinery, equipment and vehicles, net	5,922,439	5,790,217
Tools, furniture and fixtures, net	363,852	328,801
Land	3,580,430	3,595,604
Leased assets, net	217,014	232,266
Construction in progress	553,479	566,657
Other, net	308,613	296,619
Total property, plant and equipment	23,438,433	22,700,878
Intangible assets		
Software	94,666	85,030
Software in progress	381,608	453,895
Other	154,862	147,152
Total intangible assets	631,137	686,078
Investments and other assets		
Investment securities	4,489,232	4,615,599
Deferred tax assets	159,550	132,829
Long-term advance account	1,734,085	1,494,699
Other	396,147	399,613
Allowance for doubtful accounts	(90,501)	(97,558)
Total investments and other assets	6,688,513	6,545,184
Total non-current assets	30,758,085	29,932,140
Total assets	89,905,926	92,378,586

(Thousand yen)

	As of October 31, 2024	As of July 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,660,340	10,432,134
Short-term borrowings	8,830,084	12,115,594
Current portion of long-term borrowings	369,926	2,845,366
Accounts payable - other	1,898,339	2,026,979
Income taxes payable	923,013	580,591
Provision for bonuses	989,282	526,602
Provision for bonuses for directors (and other officers)	12,121	5,380
Other	1,106,445	1,865,655
Total current liabilities	25,789,553	30,398,303
Non-current liabilities		
Long-term borrowings	8,286,731	5,532,684
Deferred tax liabilities	394,404	367,886
Retirement benefit liability	691,256	684,926
Provision for retirement benefits for directors (and other officers)	78,230	87,551
Other	496,361	487,487
Total non-current liabilities	9,946,983	7,160,536
Total liabilities	35,736,536	37,558,840
Net assets		
Shareholders' equity		
Share capital	3,379,736	3,379,736
Capital surplus	3,066,303	3,068,975
Retained earnings	41,686,809	43,365,210
Treasury shares	(873,762)	(1,976,054)
Total shareholders' equity	47,259,088	47,837,868
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,216,830	2,244,385
Deferred gains or losses on hedges	218,754	102,301
Foreign currency translation adjustment	3,412,178	3,494,254
Remeasurements of defined benefit plans	62,910	58,535
Total accumulated other comprehensive income	5,910,673	5,899,477
Non-controlling interests	999,627	1,082,400
Total net assets	54,169,389	54,819,746
Total liabilities and net assets	89,905,926	92,378,586

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

Nine months ended July 31

(Thousand yen)

	For the nine months ended July 31, 2024	For the nine months ended July 31, 2025
Net sales	87,926,146	94,526,009
Cost of sales	73,275,805	79,421,184
Gross profit	14,650,340	15,104,825
Selling, general and administrative expenses	10,435,699	10,886,123
Operating profit	4,214,640	4,218,701
Non-operating income		
Interest income	14,475	6,649
Dividend income	96,266	115,908
Foreign exchange gains	45,528	–
Share of profit of entities accounted for using equity method	23,484	25,276
Dividend income of insurance	26,378	5,857
Insurance claim income	6,081	8,133
Factory attracting bounty	31,770	29,289
Other	44,599	59,669
Total non-operating income	288,584	250,783
Non-operating expenses		
Interest expenses	103,912	177,826
Foreign exchange losses	–	15,597
Compensation expenses	20,564	3,663
Other	7,992	6,708
Total non-operating expenses	132,469	203,795
Ordinary profit	4,370,756	4,265,689
Extraordinary income		
Gain on sale of non-current assets	2,083	2,874
Reversal of allowance for doubtful accounts	17	–
Total extraordinary income	2,100	2,874
Extraordinary losses		
Loss on retirement of non-current assets	9,844	14,192
Loss on sale of non-current assets	8,387	3,451
Compensation for damage	–	278,600
Total extraordinary losses	18,231	296,244
Profit before income taxes	4,354,625	3,972,319
Income taxes - current	1,352,057	1,291,977
Income taxes - deferred	183,568	(7,303)
Total income taxes	1,535,625	1,284,674
Profit	2,818,999	2,687,645
Profit attributable to non-controlling interests	72,967	82,456
Profit attributable to owners of parent	2,746,032	2,605,188

Quarterly Consolidated Statement of Comprehensive Income

Nine months ended July 31

(Thousand yen)

	For the nine months ended July 31, 2024	For the nine months ended July 31, 2025
Profit	2,818,999	2,687,645
Other comprehensive income		
Valuation difference on available-for-sale securities	299,551	37,592
Deferred gains or losses on hedges	(211,469)	(116,452)
Foreign currency translation adjustment	1,155,503	82,075
Remeasurements of defined benefit plans, net of tax	(3,307)	(4,374)
Total other comprehensive income	1,240,278	(1,159)
Comprehensive income	4,059,278	2,686,486
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,973,325	2,593,992
Comprehensive income attributable to non-controlling interests	85,952	92,494

(3) Notes to Quarterly Consolidated Financial Statements

(Changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes,” etc.)

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”) and other relevant accounting standards from the beginning of the first quarter ended January 31, 2025.

Revisions in the accounting classification of current income taxes (taxes on other comprehensive income) have been made in accordance with the transitional treatments stipulated in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatments stipulated 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 referred to as the “Revised Guidance 2022”). This change in accounting policies has no impact on the quarterly consolidated financial statements.

In addition, the Company has applied the Revised Guidance 2022 from the beginning of the first quarter ended January 31, 2025 with respect to revisions regarding reviews on treatments in the consolidated financial statements in the case that gains or losses associated with sales of shares, etc. of subsidiaries among consolidated companies are deferred for tax purposes. The said change in accounting policies has been retrospectively applied and the quarterly consolidated financial statements for the quarter of the previous fiscal year and the consolidated financial statements for the previous fiscal year have been prepared after the retrospective application of the change. This change in accounting policies has no impact on the quarterly consolidated financial statements for the quarter of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

(Segment information, etc.)

[Segment information]

I. For the nine months ended July 31, 2024 (from November 1, 2023 to July 31, 2024)

Information on net sales and profit (loss) by reportable segment and disaggregation of revenues

(Thousand yen)

	Reportable segment				Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Statement of Income (Note 2)
	Japan	United States	China	Total		
Net sales						
Revenue from contracts with customers	75,781,332	6,201,371	5,940,238	87,922,942	–	87,922,942
Other revenue (Note 3)	3,203	–	–	3,203	–	3,203
Net sales to outside customers	75,784,536	6,201,371	5,940,238	87,926,146	–	87,926,146
Inter-segment net sales or transfers	1,116,404	2,396,754	2,563,992	6,077,151	(6,077,151)	–
Total	76,900,941	8,598,126	8,504,230	94,003,298	(6,077,151)	87,926,146
Segment profit	3,532,574	677,303	398,249	4,608,127	(393,486)	4,214,640

Notes:
1. The adjustment of segment profit of negative 393,486 thousand yen includes inter-segment elimination of negative 105,899 thousand yen and company-wide expenses of negative 287,587 thousand yen. Company-wide expenses are general and administrative expenses that do not belong to the reportable segments.
2. Segment profit has been adjusted with operating profit in the Quarterly Consolidated Statement of Income.
3. Other revenue includes real estate lease revenue included in the scope of the Accounting Standard for Lease Transactions.

II. For the nine months ended July 31, 2025 (from November 1, 2024 to July 31, 2025)

Information on net sales and profit (loss) by reportable segment and disaggregation of revenues

(Thousand yen)

	Reportable segment				Adjustment (Note 1)	Amount recorded in Quarterly Consolidated Statement of Income (Note 2)
	Japan	United States	China	Total		
Net sales						
Revenue from contracts with customers	81,596,032	5,658,148	7,265,082	94,519,264	–	94,519,264
Other revenue (Note 3)	6,745	–	–	6,745	–	6,745
Net sales to outside customers	81,602,777	5,658,148	7,265,082	94,526,009	–	94,526,009
Inter-segment net sales or transfers	620,123	2,708,324	1,210,842	4,539,289	(4,539,289)	–
Total	82,222,900	8,366,473	8,475,924	99,065,299	(4,539,289)	94,526,009
Segment profit	3,866,820	529,606	203,041	4,599,468	(380,766)	4,218,701

Notes:
1. The adjustment of segment profit of negative 380,766 thousand yen includes inter-segment elimination of negative 68,354 thousand yen and company-wide expenses of negative 312,412 thousand yen. Company-wide expenses are general and administrative expenses that do not belong to the reportable segments.
2. Segment profit has been adjusted with operating profit in the Quarterly Consolidated Statement of Income.
3. Other revenue includes real estate lease revenue included in the scope of the Accounting Standard for Lease Transactions.

(Notes in case of significant changes in amount of shareholders' equity)

The Group has repurchased 280,000 treasury shares through the Off-Auction Own Share Repurchase Trading System (ToSTNeT-3) of the Tokyo Stock Exchange on June 16, 2025 based on a resolution of a meeting of the Board of Directors held on June 13, 2025.

As a result, treasury shares as of July 31, 2025 are 1,976,054 thousand yen.

(Notes on going concern assumption)

Not applicable.

(Notes on statement of cash flows)

Quarterly consolidated statement of cash flows for the nine months ended July 31, 2025 is not prepared. Depreciation for the nine months ended July 31, which includes amortization of intangible assets, is as follows:

(Thousand yen)

	For the nine months ended July 31, 2024	For the nine months ended July 31, 2025
Depreciation	2,167,583	2,087,134