



H1 FYE3/2027 Financial Results Briefing

October 29, 2026

FEED ONE CO., LTD.

TSE Prime Securities Code: 2060

Feed the world for the future, lives and smiles

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H1 FY3/2027 Financial Highlights

Sales and profit increased, driven by the animal feed business. Each profit achieved a record high figure for the first half.

Net Sales

¥156.7 billion

YoY

+10.1%

Progress vs. forecast

49.4%

Ordinary Profit

¥4.5 billion

YoY

+21.2%

Progress vs. forecast

51.2%

Net Profit

¥3.2 billion

YoY

+14.0%

Progress vs. forecast

50.4%

Net Sales

- Sales volumes increased in both the animal feed and aquatic feed businesses
- Price revisions (increases) were implemented for both animal feed and aquatic feed

Ordinary Profit

- The animal feed business recorded a significant increase in profit, driven by a sales strategy focused on profitability, including expanded sales of differentiated products.
- The aquatic feed business recorded a significant YoY decline in segment profit due to soaring fishmeal prices.

Net Profit

- Net profit also increased YoY, driven by an increase in ordinary profit
- Also making steady progress toward the full-year forecast

Given the characteristics of the animal feed business(see p. 19), we aim to increase profit per ton by promoting "a shift from quantity to quality (added value)."

Management challenges

Due to its low-margin, high-volume business structure, fluctuations in the external environment tend to have a direct impact on revenue in the feed industry

With the domestic market remaining flat, the business model of pursuing higher sales volumes and cost competitiveness through mass production is reaching its limits.

Shift in the business model

Shifting from a “volume-driven” model to a “value-added and solution-driven” model



High Value Addition

Procurement & Manufacturing Reforms

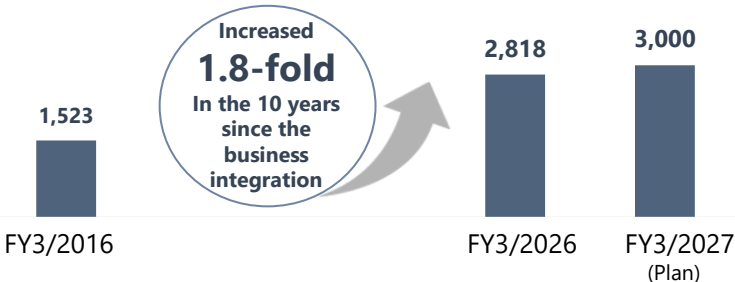
- Expand sales of products whose feed performance is easily distinguishable, including feed for juvenile animals and heat-stress mitigation feed
- Propose solutions using husbandry techniques to improve production performance
- Utilize alternative raw materials such as insect protein
- Reduce manufacturing costs by streamlining the product lineup and optimizing inventories

Results of the strategic shift

Focus on increasing “profit per ton,” rather than the profit margin on sales

- ☑ Demonstrate progress in the strategic shift **from “quantity” to “quality (added value)”**
- ☑ Assess profitability that is difficult to capture through the profit margin on sales alone, as sales fluctuate due to price revisions

Trends in profit per ton in the animal feed business

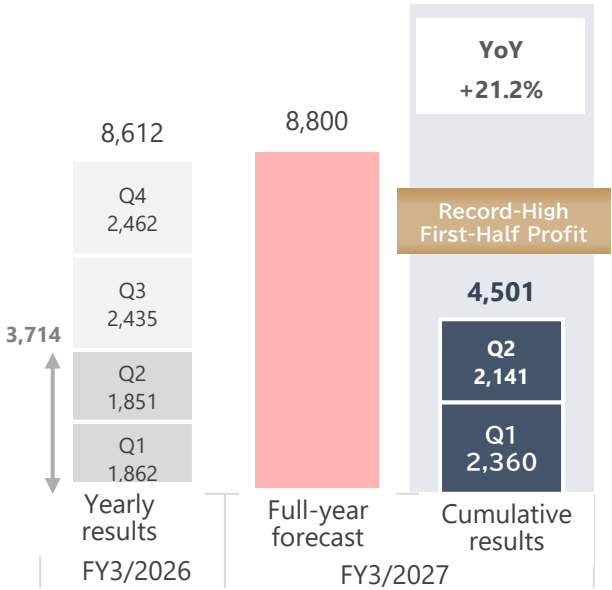
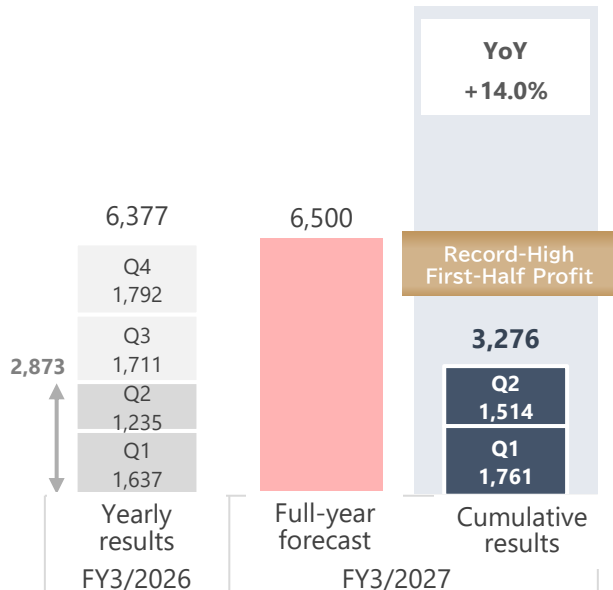


Financial Results Summary (Consolidated)

Profit reached record highs at each level. Profit growth in the animal feed and food businesses offset lower profit in the aquatic feed business.

(Millions of Yen)

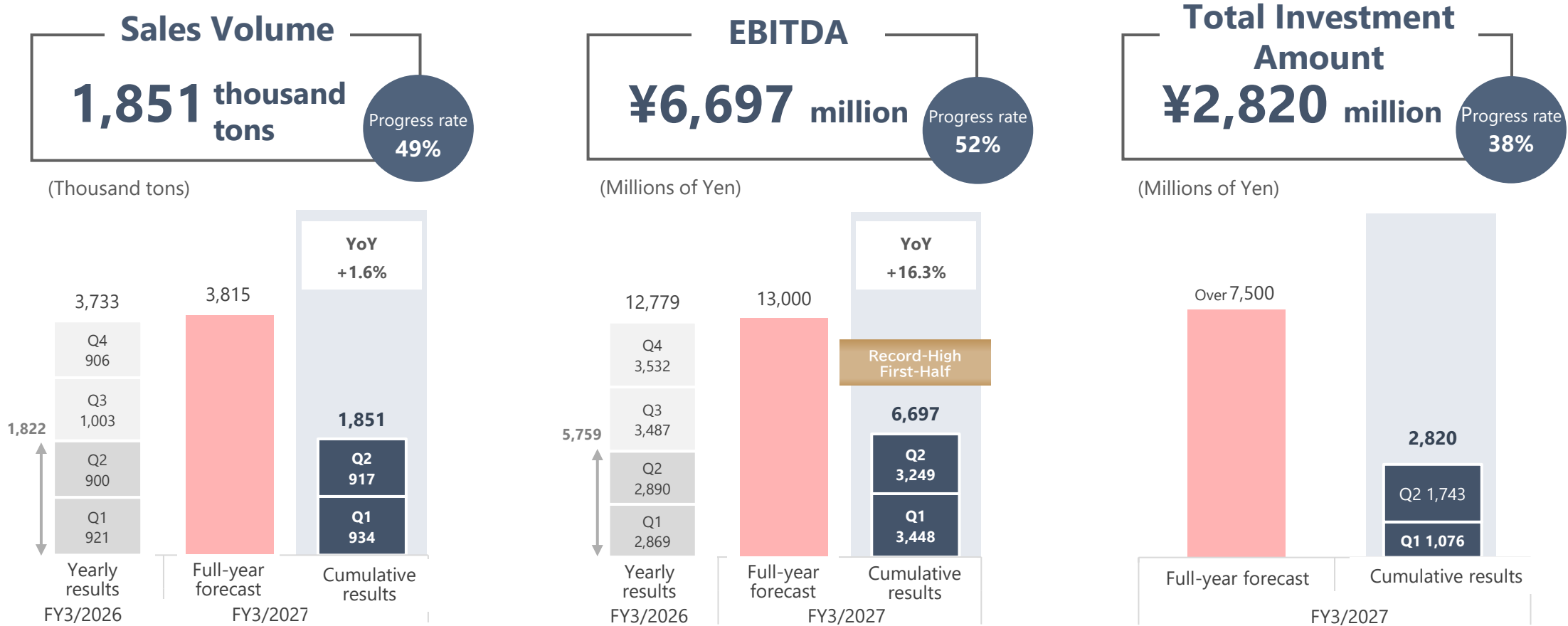
	FY3/2026	FY3/2027		
	H1	H1	YoY	Full-Year Forecast Progress
Net Sales	142,344	156,709	+10.1%	49.4%
Cost of Sales	126,357	139,288	+10.2%	–
Gross Profit	15,987	17,421	+9.0%	49.2%
SG&A Expenses	12,730	13,094	+2.9%	–
Operating Profit	3,257	4,326	+32.8%	50.9%
Ordinary Profit	3,714	4,501	+21.2%	51.2%
Profit attributable to owners of parent	2,873	3,276	+14.0%	50.4%



Both ordinary profit and net profit progressed steadily toward the full-year forecasts.

Key Management Indicators

Sales volume increased in both animal feed and aquatic feed. EBITDA was driven by increased profits in animal feed and food businesses.





Both animal feed and aquatic feed increased YoY.



EBITDA increased mainly driven by improved profitability in the animal feed business.
Depreciation expense was up 144 million yen YoY.
*EBITDA: Ordinary profit + Interest expenses -Interest income + Depreciation and amortization of goodwill



Progress has been made according to the plan without any delays.

Performance by Segment

Profit growth in the animal feed and food businesses offset lower profit in the aquatic feed business.

(Millions of Yen)

Segment		FY3/2026	FY3/2027			
		H1	H1	YoY Difference	YoY	Full-Year Forecast Progress
Animal Feed Business	Net Sales	109,487	119,831	+10,344	+9.4%	49.9%
	Segment profit	4,536	5,735	+1,199	+26.4%	55.2%
	EBITDA	5,882	7,188	+1,306	+22.2%	54.5%
Aquatic Feed Business	Net Sales	11,811	15,990	+4,178	+35.4%	51.6%
	Segment profit	669	176	-492	-73.6%	11.8%
	EBITDA	953	483	-469	-49.3%	23.0%
Food Business	Net Sales	21,039	20,883	-156	-0.7%	45.4%
	Segment profit	55	169	+113	+203.7%	56.6%
	EBITDA	173	286	+113	+65.3%	57.3%
Other/Adjustments	Net Sales	6	3	-2	-40.8%	—
	Segment profit	-1,546	-1,580	-33	—	—

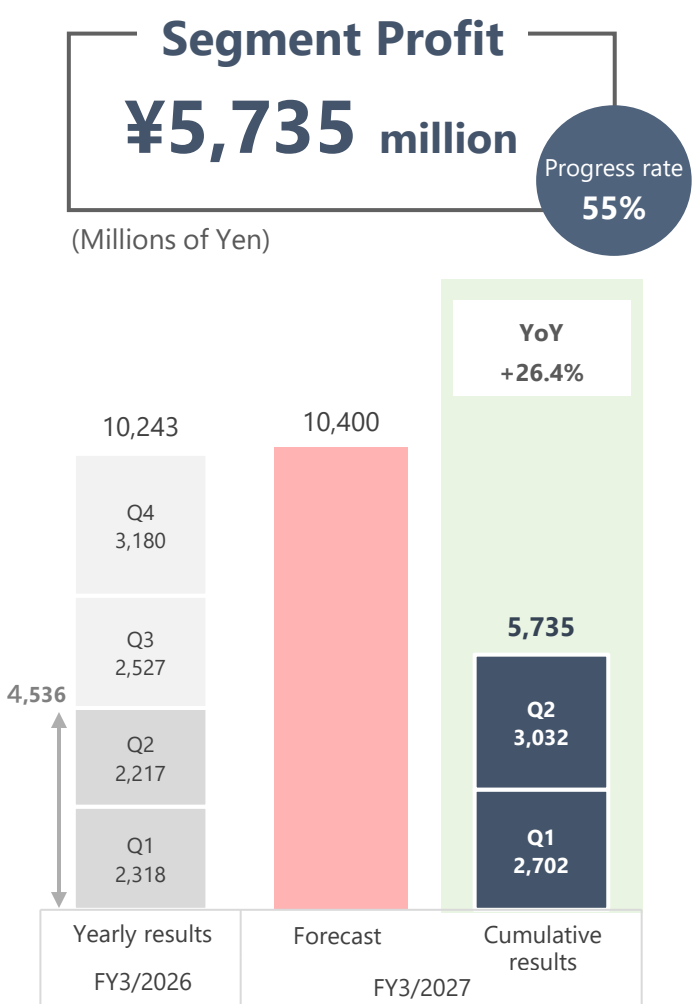
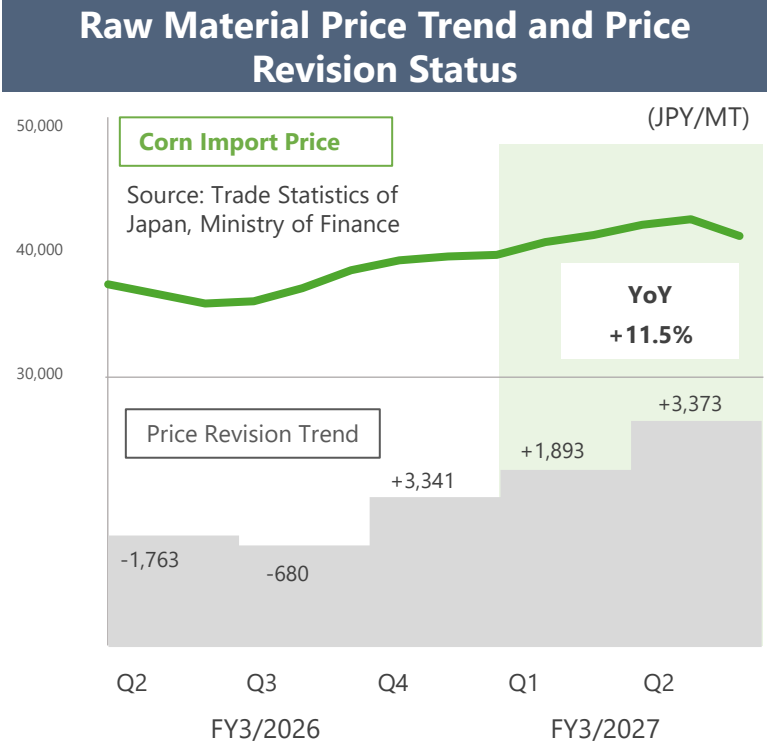
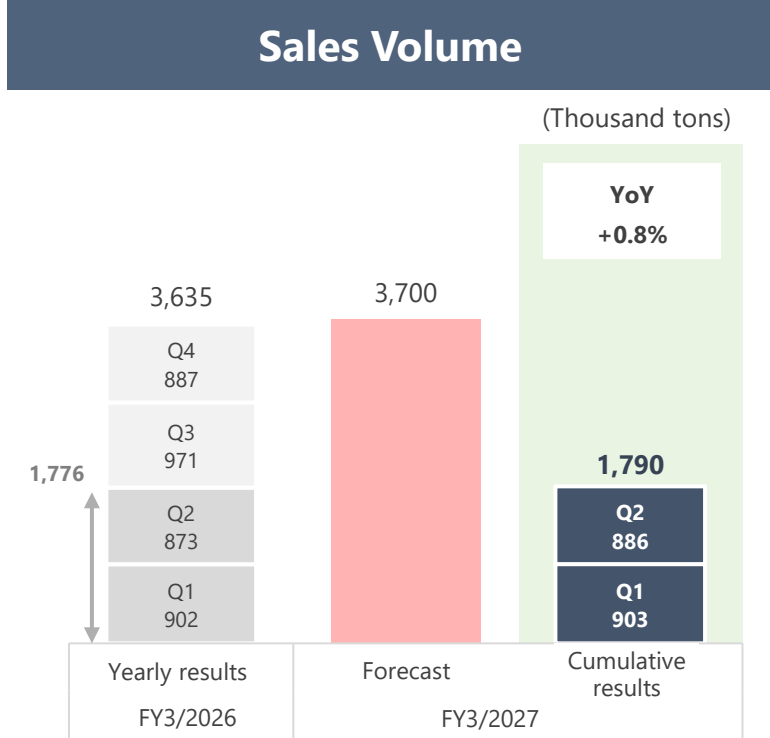
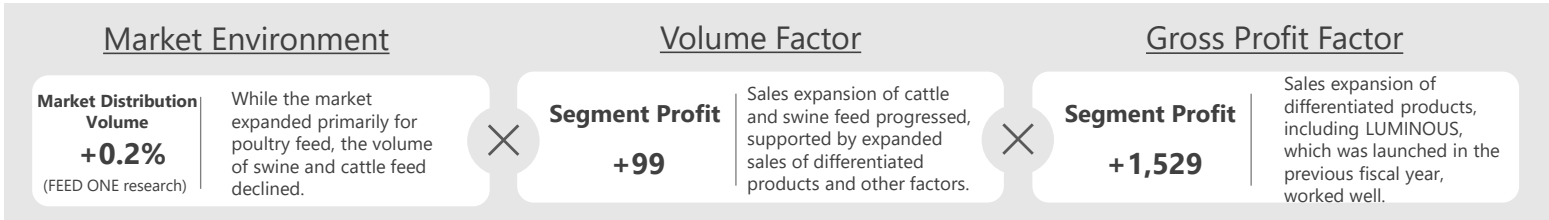
*Segment profit: Ordinary profit basis

*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 reportable segments

Performance by Segment/Animal Feed Business

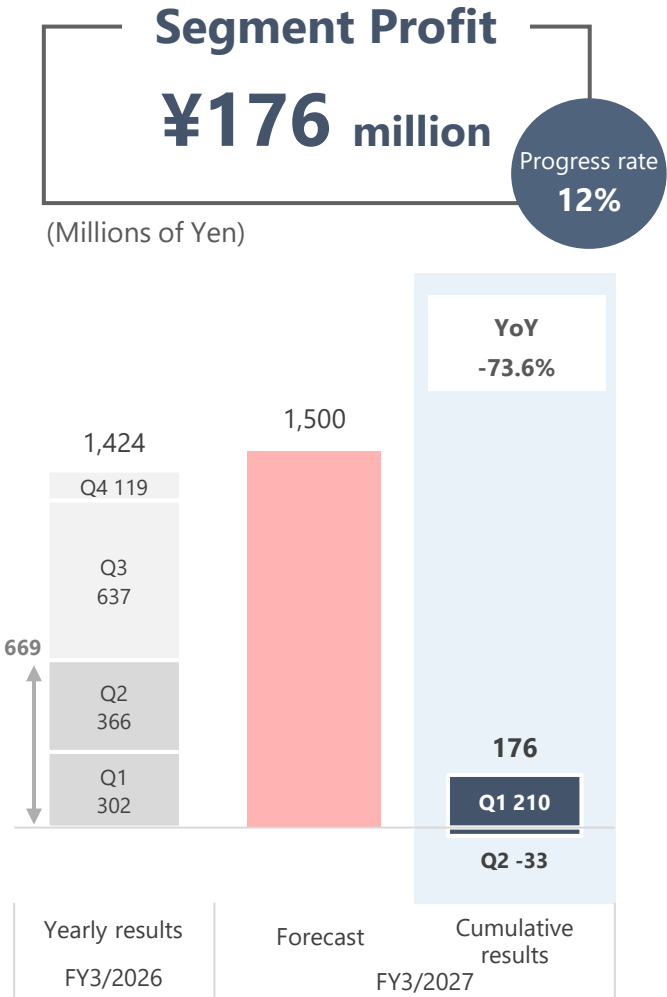
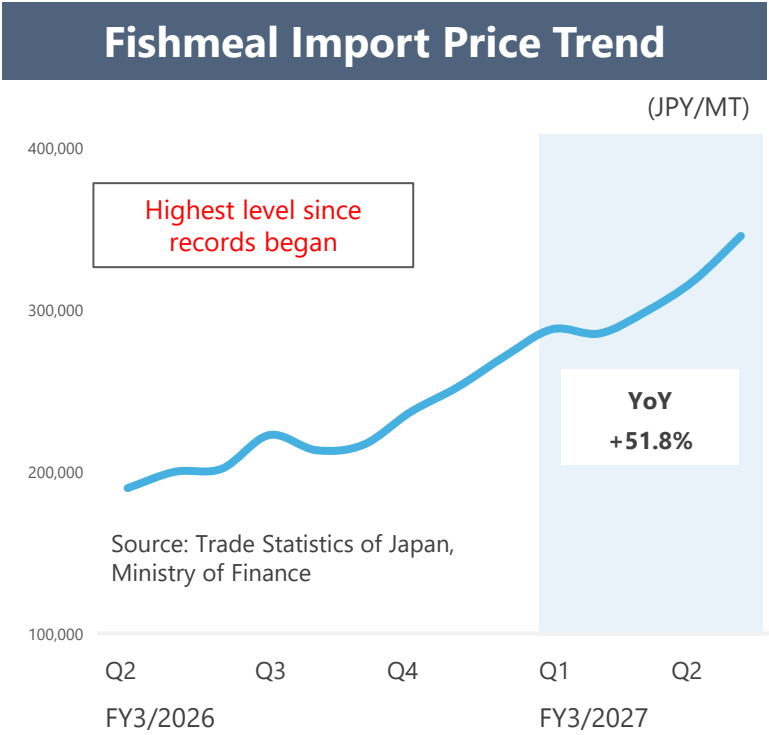
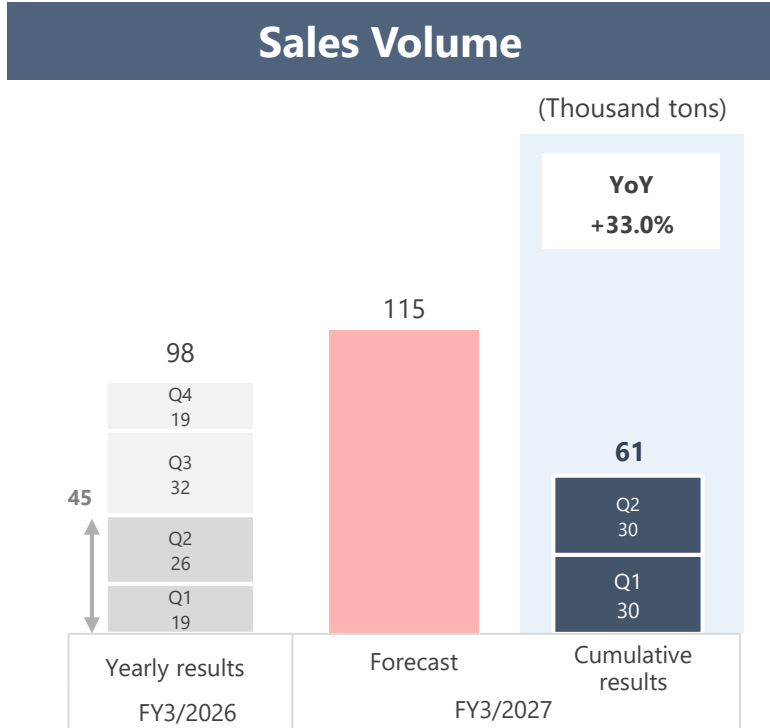
Profit increased driven by the growing adoption of a sales strategy focused on profitability, including expanded sales of differentiated products.



*The figures may not match the difference because factors affecting changes in segment profit include impacts other than those listed above.

Performance by Segment/Aquatic Feed Business

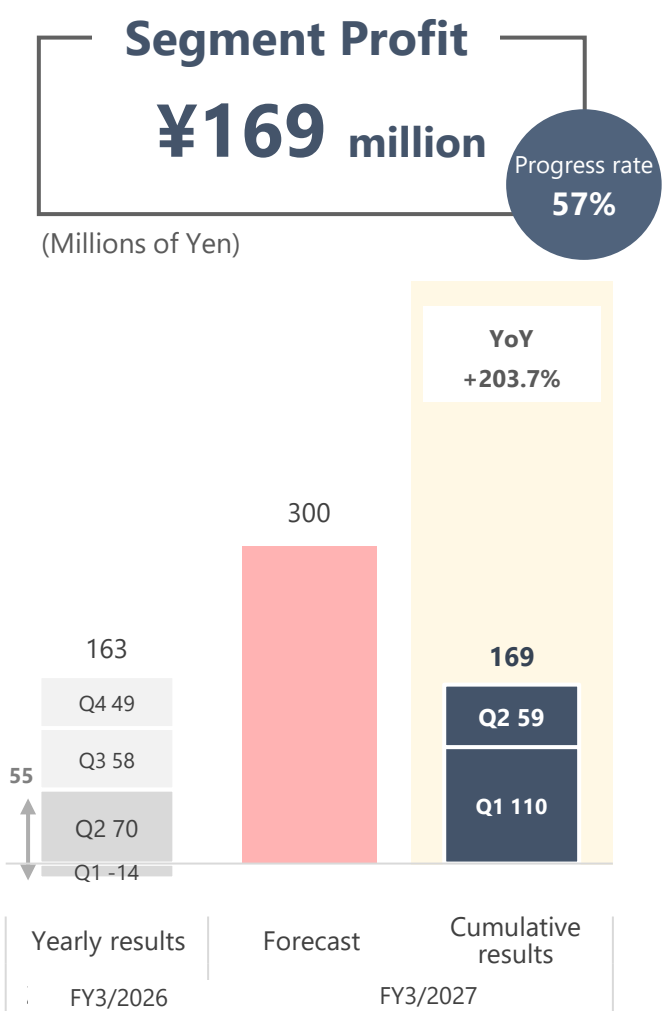
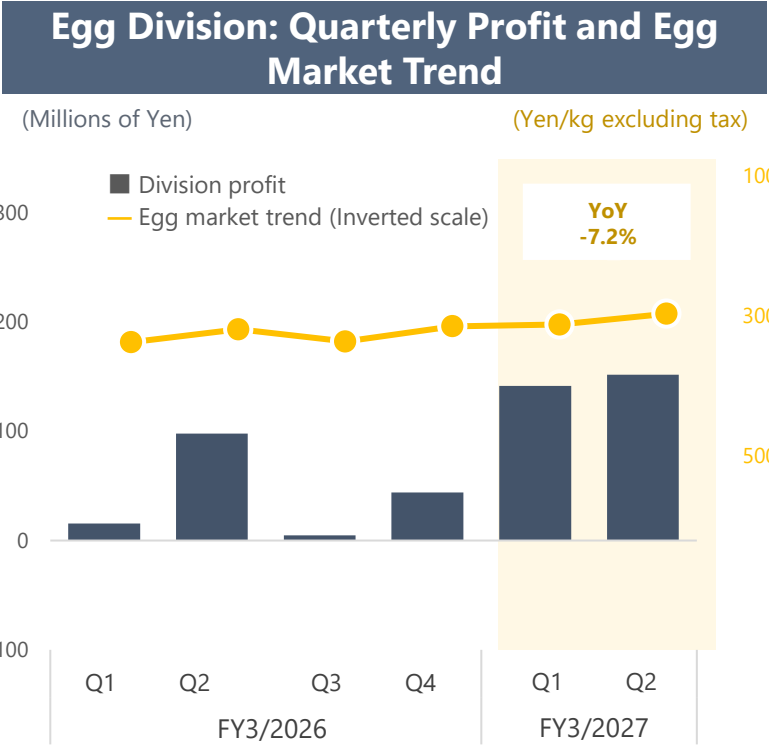
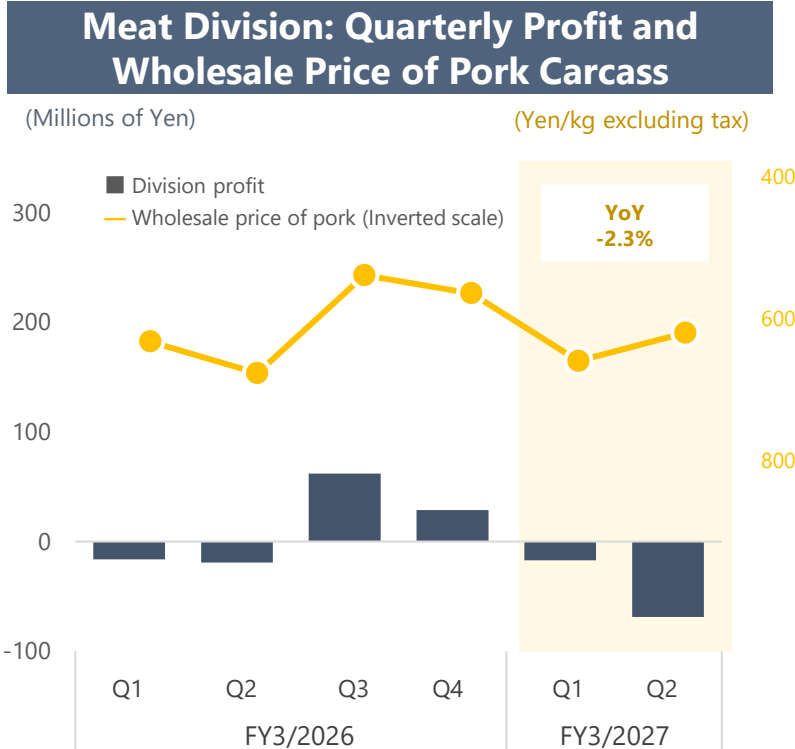
Despite a significant decline in profit due to a sharper-than-expected rise in fishmeal prices, we aim to recover in the second half through price increases and a changeover to fishmeal alternative products.



*The figures may not match the difference because factors affecting changes in segment profit include impacts other than those listed above.

Performance by Segment/Food Business

Despite lower profit in the meat division, profit increased significantly in the food business overall, driven by improved gross profit in the egg division due to higher sales volumes and revised pricing terms.



Egg Division		Meat Division	
Segment Profit	Profit increased, supported by revised pricing terms and sales volumes of Magic Pearl seasoned boiled eggs reaching a record high.	Segment Profit	A loss was recorded as market prices continued to rise through early August, delaying the cost pass-through of increased procurement costs.
+162		-49	

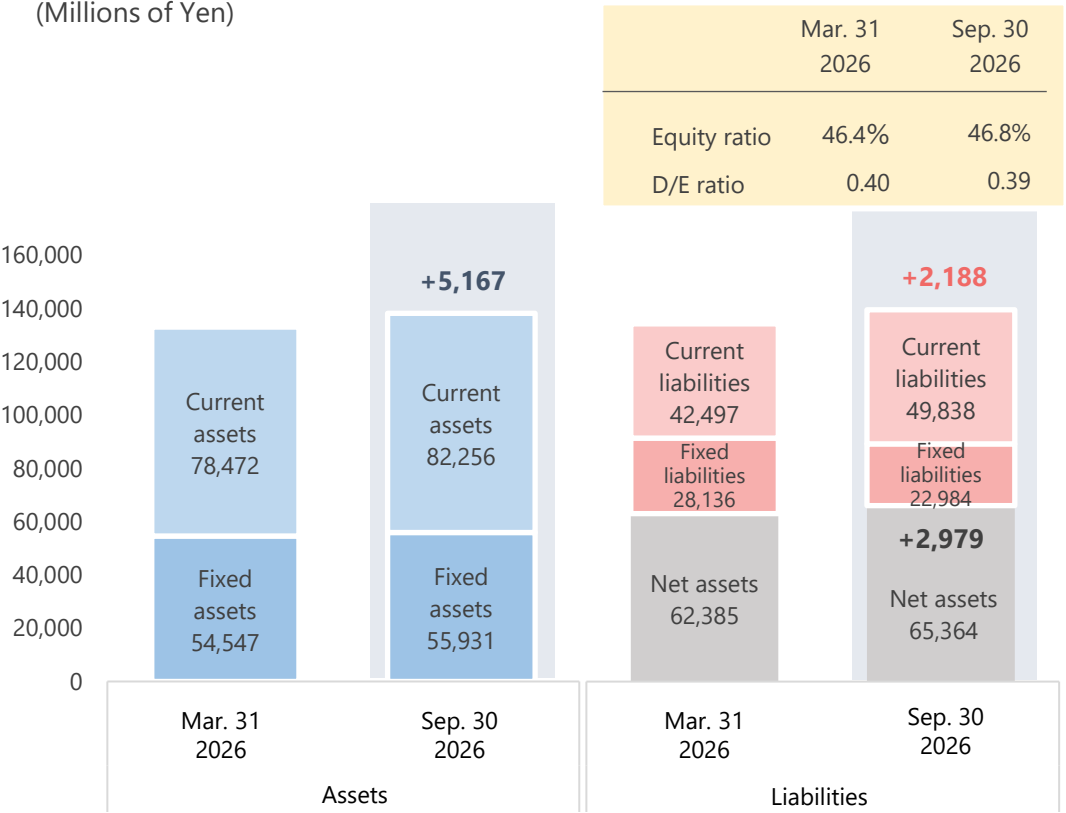
*The figures may not match the difference because factors affecting changes in segment profit include impacts other than those listed above.

Consolidated Financial Position

Although an increase in working capital weighed on operating cash flow, financial soundness was maintained.

Consolidated Balance Sheet

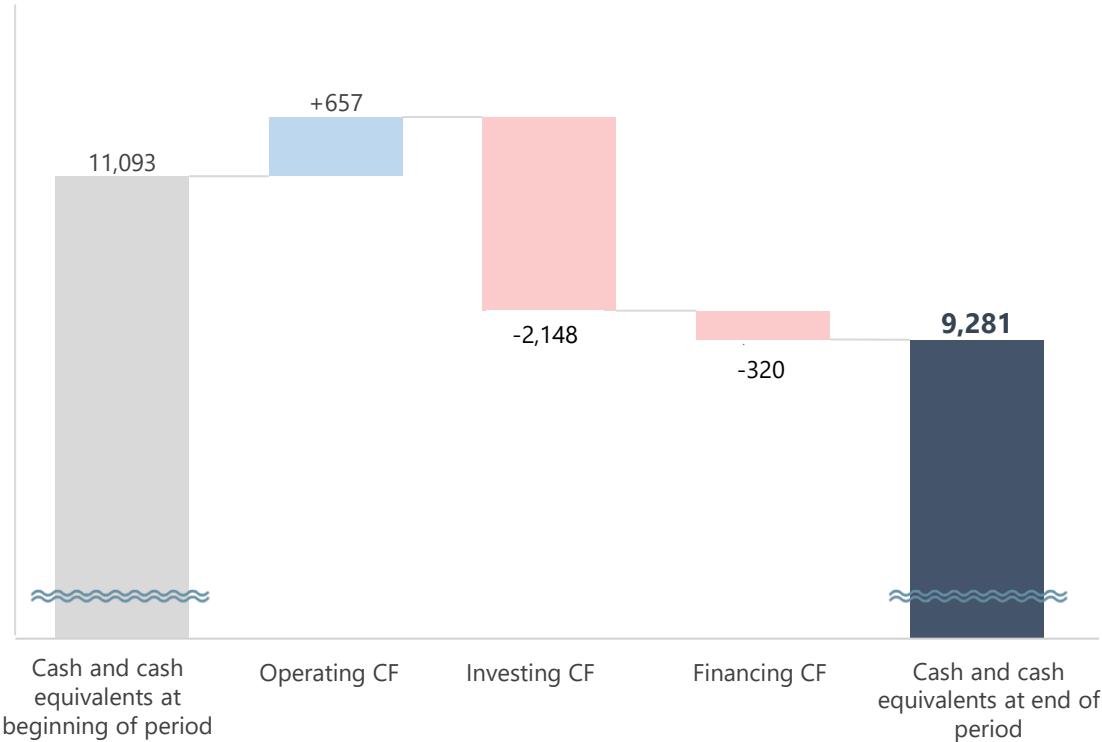
(Millions of Yen)



Consolidated Statement of Cash Flows

(Millions of Yen)

■ Increase ■ Decrease



Working capital increased in line with higher sales.

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



An increase in working capital weighed on operating cash flow
(YoY impact: -5,533 million yen).

Progress is generally in line with expectations at this point, with no changes to the earnings forecast.

(Millions of Yen)

	FY3/2027				
	Initial forecast (disclosed on May 8)	H1		Recent forecast (disclosed on October 29)	vs. Initial forecast
		Results	Progress		
Net Sales	317,000	156,709	49.4%	317,000	–
Cost of Sales	281,600	139,288	–	281,600	–
Gross Profit	35,400	17,421	49.2%	35,400	–
SG&A Expenses	26,900	13,094	–	26,900	–
Operating Profit	8,500	4,326	50.9%	8,500	–
Ordinary Profit	8,800	4,501	51.2%	8,800	–
Profit attributable to owners of parent	6,500	3,276	50.4%	6,500	–

H2 Forecast



The animal feed business will continue to underpin overall company performance, as it did in the first half. The aquatic feed business aims to restore profitability through price revisions and expanded sales of fishmeal alternative products.

Animal Feed Business



Market: Corn prices peaked in September and have recently been trending lower.

Profit: The impact of rising raw material prices on profit will be limited due to price revisions. Continue to focus on expanding sales of differentiated products

Aquatic Feed Business



Market: Although the sharp rise in fishmeal prices will subside, prices are expected to remain at elevated levels

Profit: Aim to recover profitability as price revisions take hold and sales of fishmeal alternative products expand

Food Business



Market: Despite the risk of livestock diseases, market prices will remain stable

Profit: Aim to achieve the full-year earnings forecast by working toward profitability in the meat division

[Topic] Key IR Activities for Strengthening Dialogue with Shareholders and Investors

We have worked to enhance understanding of and interest in the Company by expanding touchpoints with shareholders and investors and strengthening our information dissemination.

Participation in the NIKKEI-TSE IR Fair



We participated in an IR fair for individual investors, where our President presented the Company's businesses and growth strategies.

Production and release of a corporate introduction video



 **Watch the corporate introduction video**

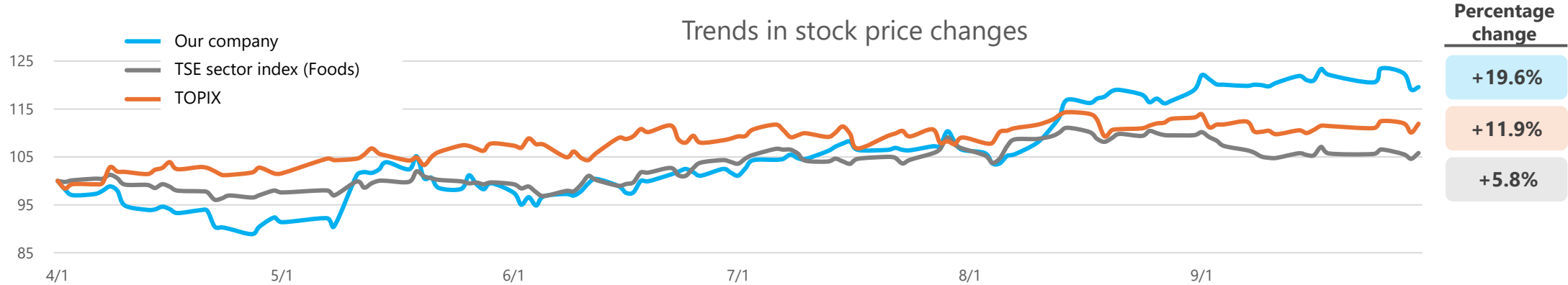
Our executives and employees appear in the video and provide easy-to-understand explanations of the Company's businesses, strengths, and growth strategies.

H1 achievements

Stock price (closing price as of Sep. 30) **¥1,442** Up ¥236 from Apr. 1

Market capitalization (as of Sep. 30) **¥55.5 billion** Up ¥9.1 billion from Apr. 1

Number of interviews (H1 cumulative) **23 sessions** Up 14 sessions YoY



[Topic] In the Spotlight! Development of a Fishmeal-free Feed for Eels

We developed the industry's first fishmeal-free feed for eels, which was featured in various media outlets, including television and newspapers.

Industry
first.

Developed **KAMUI ZERO**, a fishmeal-free feed for eels

Feed for eels typically contains approximately 70% fishmeal, making it highly susceptible to soaring fishmeal prices. In addition to increasing husbandry costs in recent years, declining eel selling prices have put pressure on eel farming operations. The Company has developed the industry's first fishmeal-free feed that ensures good feed acceptance and shape retention.

*FEED ONE research (as of October 2026), based on compound feeds for eels sold in Japan.

Major media outlets



The Nikkei

(Published on October 13, 2026)

The Company's development of fishmeal-free feed for eels was featured in an article on soaring fishmeal prices.



The Suisan Keizai Shimbun

(Published on October 19, 2026)

The Company's initiatives to promote alternatives to fishmeal were featured, with a focus on its industry-first fishmeal-free feed for eels.



TV Asahi **Good! Morning**

(Aired on October 16, 2026)

The Company's fishmeal-free feed was featured as part of efforts to ensure a stable supply of eels, and the General Manager of the Aquatic Feed Division appeared on the program.



**Watch the archived
video here**

We will explain this initiative at the H1 financial results briefing on November 17.

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	935 (as of March 31, 2026, 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

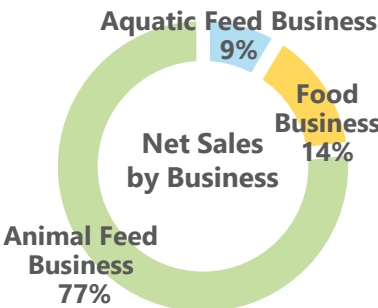
-FY3/2026 -

Net Sales
¥290.6 billion

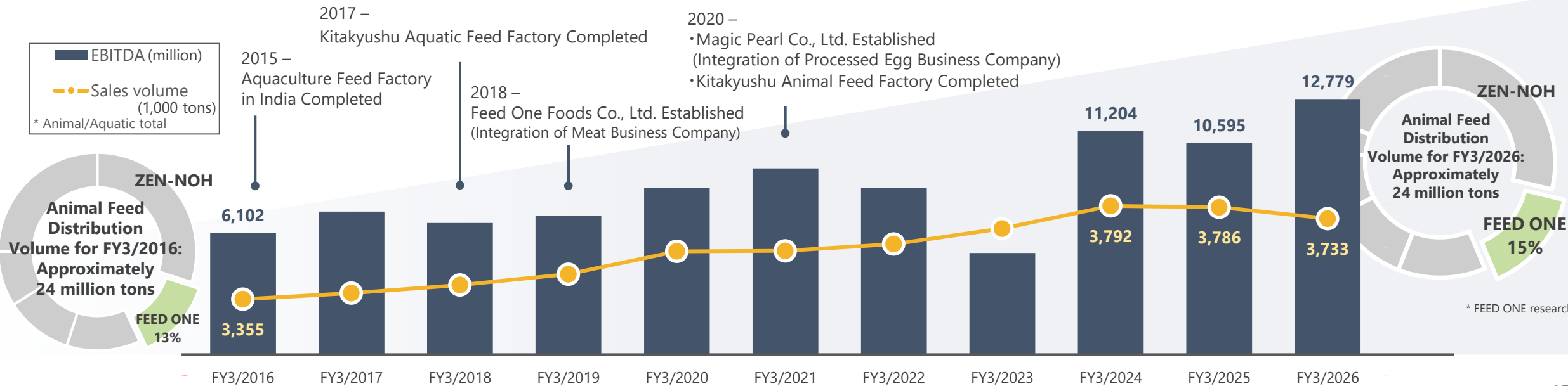
Ordinary Profit
¥8.6 billion

Sales Volume
3.73 million tons

ROE
11.0%

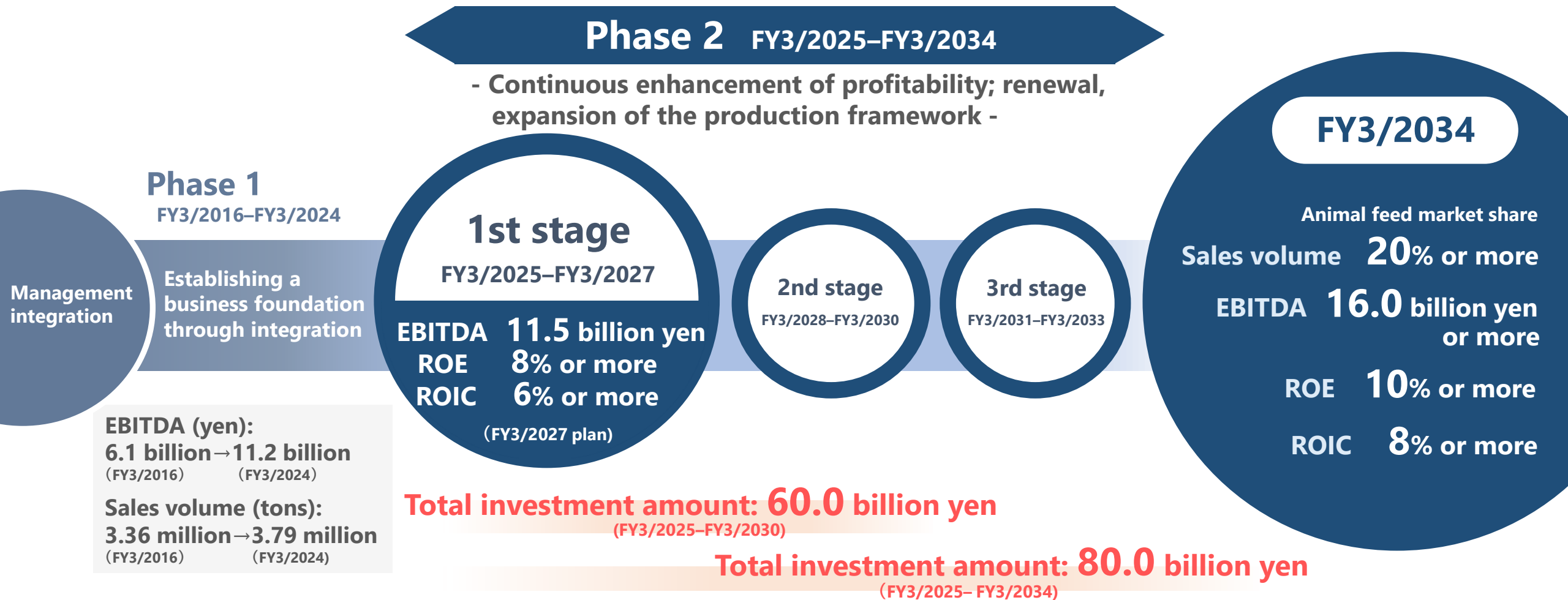


The Animal Feed Business is our core business, accounting for approximately 80% of net sales. The Aquatic Feed Business accounts for about 10%, reflecting the smaller market size—roughly one-sixth that of the animal feed market.



Long-term Vision

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 Animal Feed Business; therefore, net sales alone do not fully reflect the underlying profitability of the business.

[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 price revisions, net sales alone do not fully reflect underlying profitability.

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

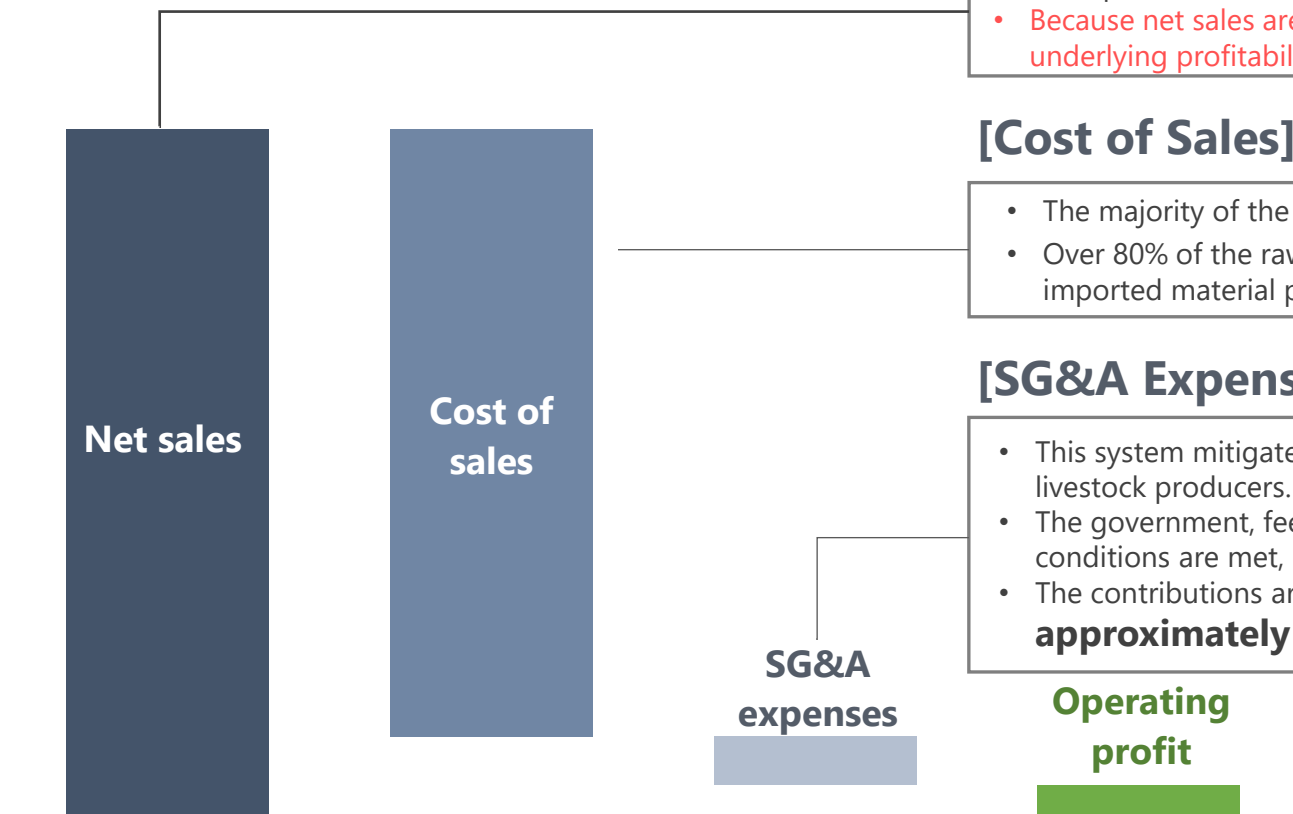
- The majority of the cost of sales for compound feed consists of raw material costs.
- Over 80% of the raw material costs are attributable to imported raw materials, so fluctuations in imported material prices directly impact the cost of sales.

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

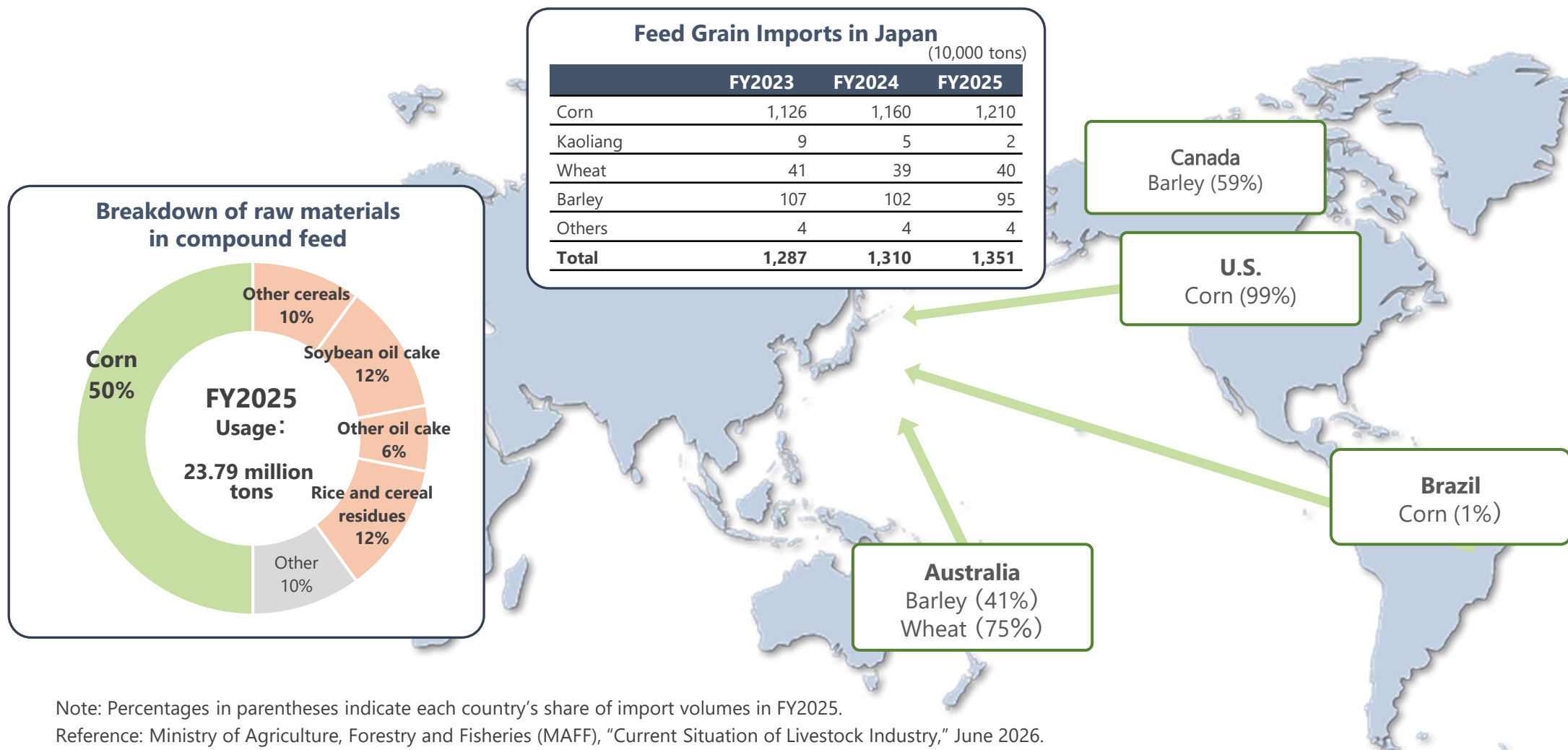
- This system mitigates the impact of sudden rises in imported raw material prices on the operations of livestock producers.
- The government, feed manufacturers, and producers contribute to the fund, and when certain conditions are met, compensation is paid to producers.
- The contributions are tax-deductible and recorded as SG&A expenses;
approximately 6.5 billion yen was recorded for FY3/2026.

**Operating
profit**

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.

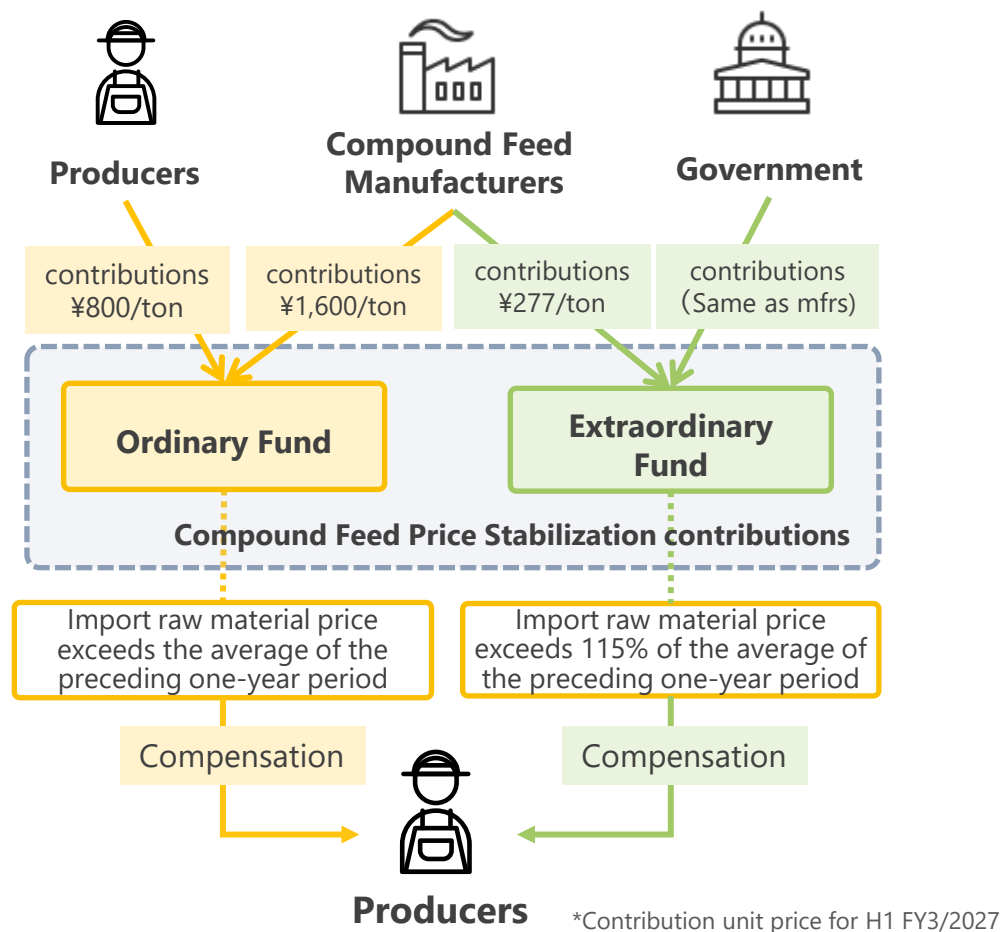


Most feed grains are procured through imports, with a particularly high dependence on the U.S. and Australia.

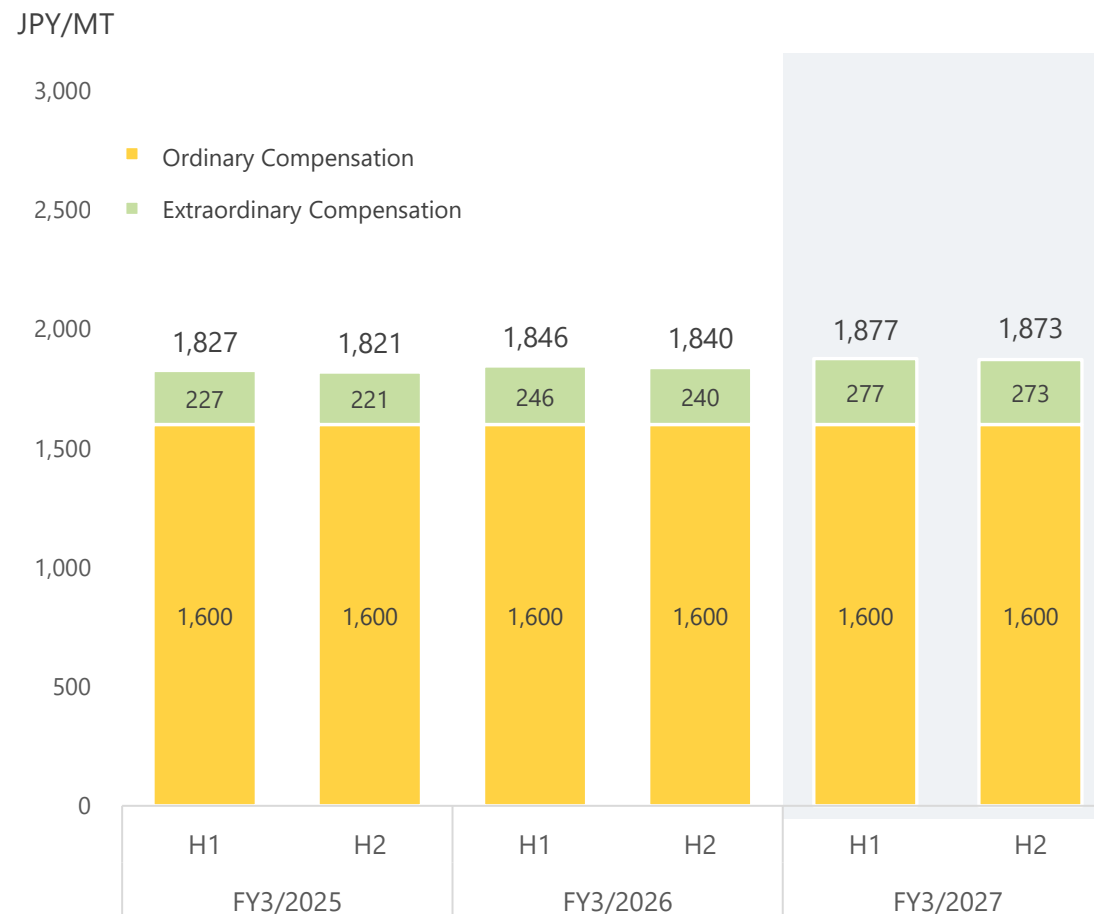


This system mitigates the impact of sudden rises in imported raw material prices on the operations of livestock producers. (*Only for animal feed)

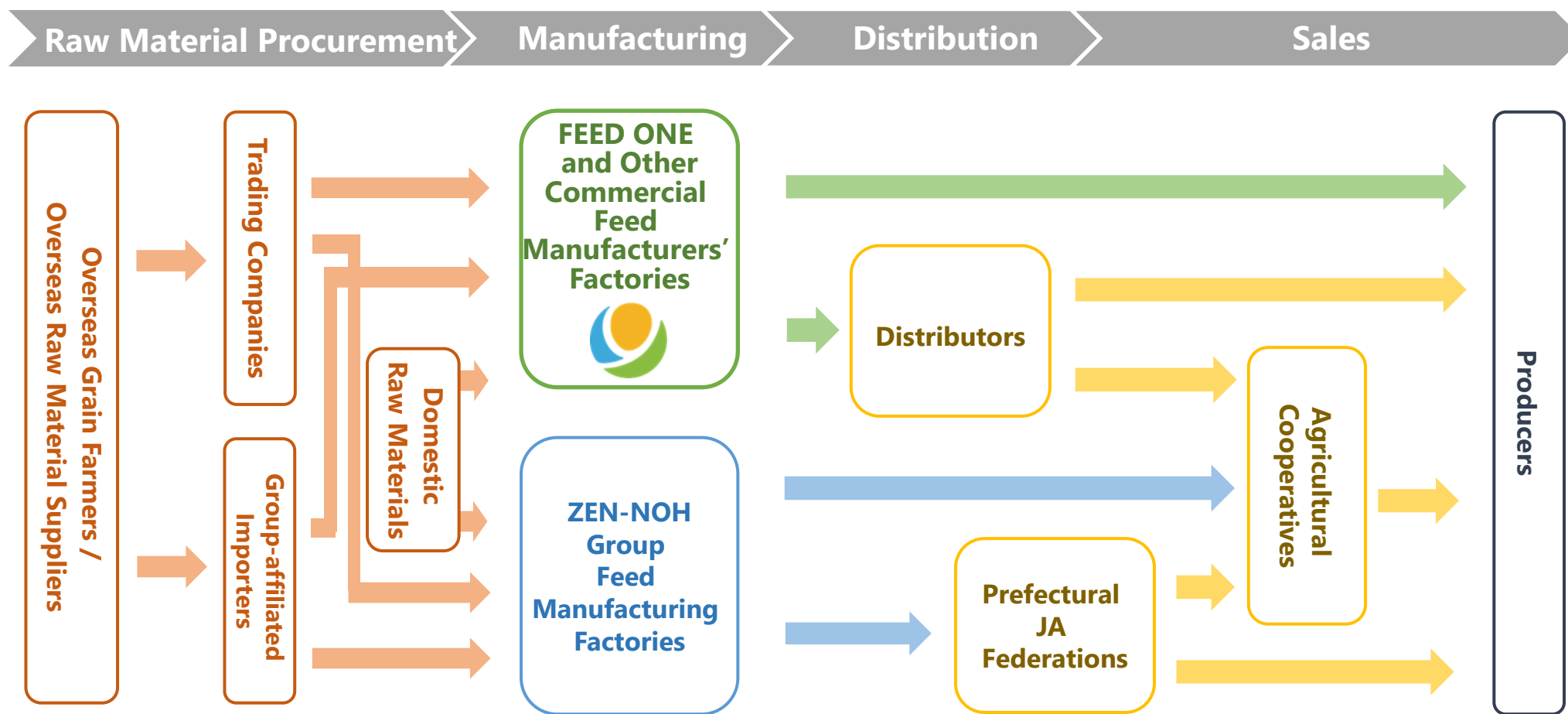
[Mechanism of the System]



[Compound Feed Manufacturers' Contributions]



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



The opinions and forecasts contained in this document are based on the company's judgment at the time the document was prepared, and the accuracy of such information is not guaranteed. Please be aware that actual performance and results may differ due to changes in various factors.



For inquiries regarding this material, please contact the IR & Financial Planning Section, Finance & Accounting Department at ir@feed-one.co.jp.