

## FY2025-FY2027 Mid-Term Management Plan: Major Q&A

•Date/time	August 28, 2025 (Thu.) 15:30 - 16:30 (JST)		
•Speaker	President	CEO (Chief Executive Officer)	Tatsuji Omori
	Director and Senior Executive Officer	COO (Chief Operating Officer)	Hiroyuki Tanaka
	Director and Senior Executive Officer	CFO (Chief Financial Officer)	Sunao Maeda

**Q. Demand for vegetable fats for chocolate (CBE) is increasing. Why are you not making large-scale investments?**

A. CBE demand is influenced by fluctuations in cocoa prices. By fiscal year 2027, while cocoa prices are not expected to return to pre-2023 levels, we anticipate stabilization compared to the sharp surge in 2024. We do not plan large-scale investments in CBE, but through equipment improvements and strengthening the internal supply system for intermediate raw materials within the Fuji Oil Group, we plan to increase volume by 5–10%, which we believe will sufficiently meet demand.

**Q. The business profit target for fiscal year 2027 is ¥45.0 billion. What is the profit outlook for Blommer? In fiscal year 2024, the loss of cocoa-related special factors was 30.5 billion yen at Blommer, and business profit excluding these factors was ¥43.5 billion. If Blommer is expected to generate some profit, would that suggest limited growth in other businesses?**

A. While we are unable to provide profit plans for individual companies, we expect Blommer to achieve a certain level of profitability by fiscal year 2027. In fiscal year 2024, Vegetable Oils and Fats business and Industrial Chocolate business recorded temporary raw material gains. Excluding these, we plan to grow profits from fiscal year 2024 to fiscal year 2027 on a fundamental earnings basis, driven by CBE and compound chocolate. However, as we expect cocoa prices to stabilize, we are taking a conservative view of CBE profitability.

**Q. How will U.S. tariff policies affect the planned expansion of the new line at Blommer's Campbellford plant in Canada? Also, what is meant by "value-added compound" to be produced there?**

A. At present, agricultural exports from Canada to the United States that satisfy certain conditions remain exempt from additional tariffs; therefore, the impact is expected to be minimal. The Campbellford plant is scheduled to produce value-added compound chocolate products, including low-sugar, sugar-free, and high-protein varieties.

**Q. Blommer has faced challenging conditions since the acquisition. If profitability does not recover as expected, is there a possibility of additional restructuring or even an exit from the business?**

A. Blommer's profitability has remained sluggish since the acquisition due to changes in the business environment, such as the pandemic and soaring raw material prices. Through structural reforms, including the closure of the Chicago plant, we have been implementing measures to improve productivity. Regarding cocoa-related special factors that had a major impact in fiscal year 2024, we are working to mitigate risks by optimizing cocoa inventory and diversifying sourcing regions, while also strengthening management systems through the introduction of a unified core system and additional personnel from Japan. If the significant fluctuations in cocoa prices subside, we believe achieving the plan remains feasible. However, if further changes in the business environment affect performance, we will review all strategic alternatives.