

Fiscal 2024 Results Briefing

Results, Forecasts

May 20, 2024

Nisshin Seifun Group Inc.



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1. Fiscal 2024 Results (1)

(100 millions of yen)	Fiscal 2023 Results	Fiscal 2024 Results	YoY		Forecasts	
			difference	change	difference	change
Net sales [Overseas sales]	7,987 [2,617]	8,582 [2,682]	+596 [+65]	+7.5% [+2.5%]	+82 [+11]	+1.0% [+0.4%]
Flour Milling	4,198	4,582	+384	+9.2%	+12	+0.3%
Processed Food	1,880	2,011	+131	+7.0%	+11	+0.5%
Prepared Dishes and Other Prepared Foods	1,475	1,536	+61	+4.1%	+6	+0.4%
Others	434	454	+20	+4.5%	+54	+11.3%
Operating profit [Overseas operating profit]	328 [98]	478 [155]	+150 [+58]	+45.6% [+58.8%]	+18 [+18]	+3.9% [+13.5%]
Flour Milling	176	286	+110	+62.2%	+24	+9.0%
Processed Food	60	84	+23	+38.4%	(10)	(11.1%)
Prepared Dishes and Other Prepared Foods	33	54	+21	+64.3%	+4	+7.9%
Others	57	54	(3)	(5.9%)	+1	+2.1%
Adjustments*	1	1	(1)	—	(0)	—
Ordinary profit	331	500	+169	+51.3%	+30	+6.4%
Profit attributable to owners of the parent	(104)	317	+421	—	+17	+5.8%

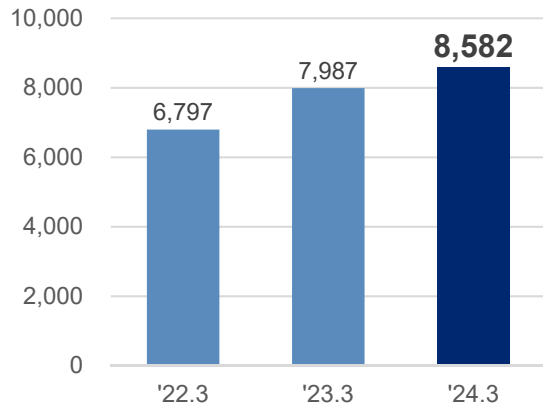
* Includes elimination of intersegment transactions, among other adjustments

* Figures rounded to the nearest 100 million yen.

1. Fiscal 2024 Results (2)

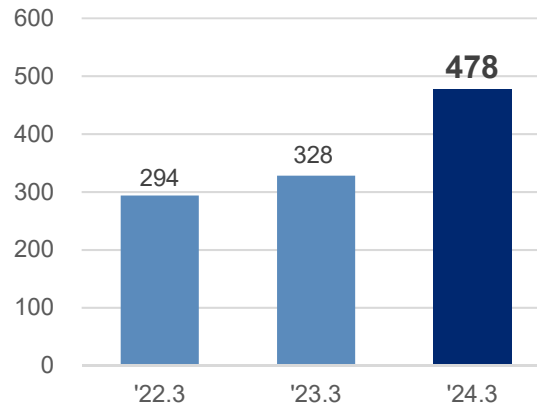
Net sales

(100 millions of yen)



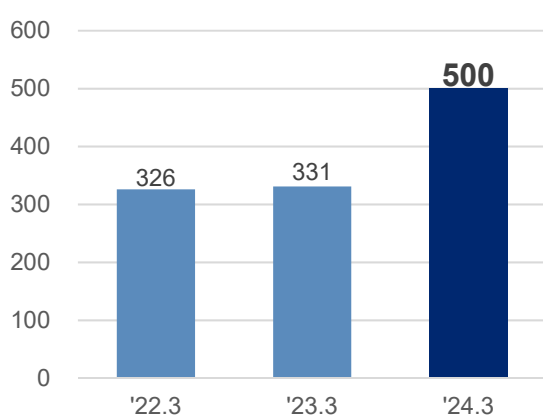
Operating profit

(100 millions of yen)



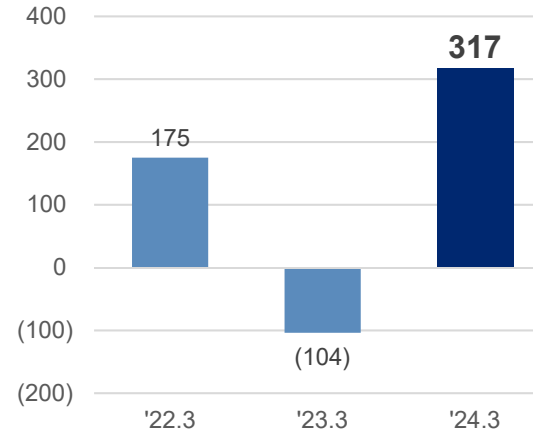
Ordinary profit

(100 millions of yen)



Profit attributable to owners of the parent

(100 millions of yen)



- ▶ Net sales **increased** mainly due to the implementation of flour price revisions associated with wheat price revisions in the domestic flour milling business, the effect of the new consolidation of Kumamoto Flour Milling Co., Ltd. and product price revisions in the processed food segment and prepared dishes and other prepared foods businesses.
- ▶ Operating profit **increased** chiefly due to price revisions, including revisions of prices that were not revised in each business in fiscal 2023 despite cost increases, strong performance in the domestic flour milling business, the effect of the new consolidation of Kumamoto Flour Milling Co., Ltd., a decrease in depreciation and amortization expenses in the Australia flour milling business, a recovery in results in the processed food segment and a strong performance in the prepared dishes and other prepared foods businesses.

Net sales:	YoY changes	+7.5%
Operating profit:	YoY changes	+45.6%
Ordinary profit:	YoY changes	+51.3%
Profit attributable to owners of the parent:	YoY changes	-

* Figures rounded to the nearest 100 million yen.

2. Analysis of Segment Results (1)

Analysis of Net Sales (YoY Difference)

(100 millions of yen)

Flour Milling **¥ +38.4 billion**

Domestic wheat flour shipments (up 0% year on year)	+6
Flour price revisions accompanying revised wheat prices, others (incl. the effect of new consolidation)	+362
Bran prices	+14
Overseas sales	+2

Processed Food **¥ +13.1 billion**

Processed food sales	+91
Household-use flour sales	+3
Prepared mix product sales	+23
Pasta-related sales	+20
Frozen food sales	+33
Overseas processed food sales	+15
Others	(3)
Oriental Yeast sales	+37
Nisshin Pharma sales	+3

Prepared Dishes and Other Prepared Foods **¥ +6.1 billion**

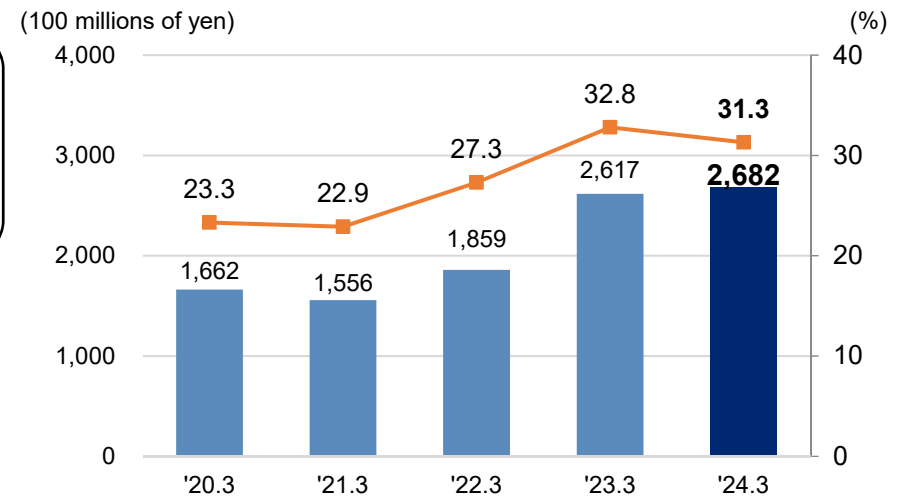
Prepared dishes and other prepared foods sales	+61
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Others **¥ +2.0 billion**

NBC Meshtec sales	+28
Facility construction sales, others (Nisshin Engineering, others)	(8)

[Ref.] Overseas sales

* Line graph indicates overseas sales ratio



2. Analysis of Segment Results (2)

Analysis of Operating Profit (YoY Difference)

(100 millions of yen)

Flour Milling ¥ +11.0 billion	
Domestic wheat flour shipment volume	+1
Sales expansion costs	+11
Bran prices	+14
Cost related and others (incl. the effect of new consolidation)	+41
Overseas operating profit	+43

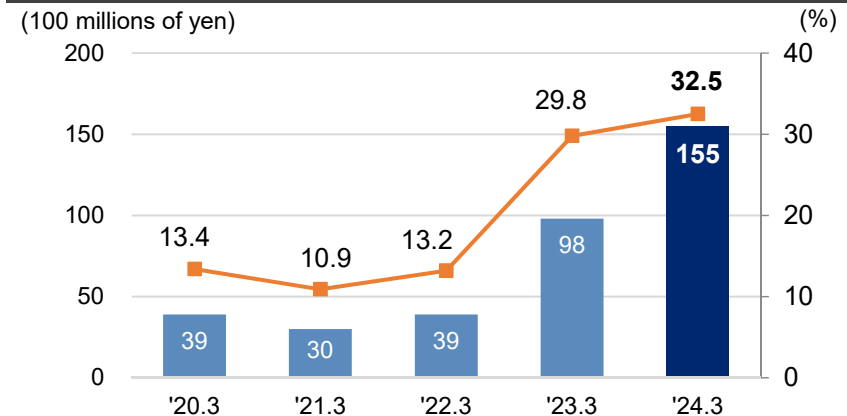
Processed Food ¥ +2.3 billion	
Shipment volume	(4)
Sales expansion costs	+8
Cost related and others	+12
Overseas operating profit (incl. Oriental Yeast, Nisshin Pharma exports)	+7

Prepared Dishes and Other Prepared Foods ¥ +2.1 billion	
Sales	+15
Cost related and others	+6

Others ¥ (0.3) billion	
Sales	+8
Cost related and others	(11)

[Ref.] Overseas operating profit

* Line graph indicates overseas operating profit ratio



3. Non-operating Income (Expenses) / Extraordinary Income (Losses) (Results)

Delivering Good Health and Reliability



(100 millions of yen)

	Fiscal 2023 Results	Fiscal 2024 Results	YoY difference	Comments
[Non-operating Income (Expenses)]				
Net financial income	(1)	(5)	(4)	Decrease in dividend income due to the sale of cross-shareholdings in fiscal 2023
Share of profit (loss) of entities accounted for using equity method	(3)	18	+21	Increase in profit of compound feed-related affiliates
Others	7	9	+3	
Total non-operating income (expenses)	2	22	+20	

[Extraordinary Income (Losses)]				
Gain on sales of investment securities	244	4	(240)	Difference in the sale of cross-shareholdings
Impairment loss	(557)	(13)	+544	(FY2023) A decline in results of the Australia flour milling business (FY2024) Closure of plants in the yeast and biotechnology business
Others	(9)	(3)	+5	
Total extraordinary income (losses)	(322)	(11)	+310	

* Figures rounded to the nearest 100 million yen.

4. Statements of Cash Flows (Results)

(100 millions of yen)

	Fiscal 2023 Results	Fiscal 2024		YoY difference	
		Results	Highlights		
Cash and cash equivalents at beginning of period	687	830		+142	Cash on hand* 830
Cash flows from operating activities	234	732	Profit before income taxes +489 Depreciation and amortization +230 Decrease in working capital +62 Income taxes paid (197)	+498	
Cash flows from investing activities	5	(309)	Capital expenditures (payment basis) (292)	(314)	
Cash flows from financing activities	(106)	(195)	Cash dividends paid (125) Decrease in short-term loans (for working capital) (21)	(89)	
Effect of exchange rate change on cash and cash equivalents	10	20		+10	
Cash and cash equivalents at end of period	830	1,077		+247	Cash on hand* 1,095

* Cash on hand includes deposits exceeding 3 months and operating bonds

	Fiscal 2023 Results	Fiscal 2024 Results	YoY difference	Highlights
Capital expenditures (construction basis)	199	310	+111	Establishment of the Mizushima plant, expansion of the Saginaw plant in the U.S.
Depreciation and amortization	228	230	+2	

* Figures rounded to the nearest 100 million yen.

5. Fiscal 2025 Forecasts (1)

- ▶ Net sales are expected to remain **flat from a year ago**. A decrease in sales chiefly due to the adverse impact of cuts in flour prices resulting from wheat price revisions in the domestic flour milling business and wheat market prices in the overseas flour milling business will be offset by an increase in sales in the processed food segment.
- ▶ Operating profit is expected to remain **flat from a year ago**. Profit will decline in the domestic flour milling business, but the decrease will be offset by increases in profit in the processed food segment and the prepared dishes and other prepared foods businesses, as well as rises in profit in the Australia flour milling business and India yeast business chiefly due to recovery initiatives.

	Fiscal 2024 Results	Fiscal 2025 Forecasts	YoY difference	YoY change
Net sales	8,582	8,500	(82)	(1.0%)
Overseas sales [Overseas sales ratio]	2,682 [31.3%]	2,656 [31.2%]	(26)	(1.0%)
Operating profit	478	480	+2	+0.4%
Overseas operating profit [Overseas operating profit ratio]	155 [32.5%]	169 [35.2%]	+14	+8.7%
Ordinary profit	500	500	+0	+0.0%
Profit attributable to owners of the parent	317	330	+13	+4.0%

* Figures rounded to the nearest 100 million yen.

5. Fiscal 2025 Forecasts (2)

Net Sales by Segment

(100 millions of yen)

	Forecasts	YoY difference
Flour Milling	4,410	(172)
Processed Food	2,100	+89
Prepared Dishes and Other Prepared Foods	1,540	+4
Others	450	(4)
Total	8,500	(82)

(100 millions of yen)

Flour Milling

¥ (17.2) billion

Domestic wheat flour shipments (up 0% year on year)	+0
Flour price revisions accompanying revised wheat prices, others	(97)
Bran prices	+0
Overseas sales	(75)

Processed Food

¥ +8.9 billion

Domestic processed food sales	+16
Overseas processed food sales	+18
Oriental Yeast sales	+45
Nisshin Pharma sales	+10

Prepared Dishes and Other Prepared Foods

¥ +0.4 billion

Prepared dishes and other prepared foods sales	+ 4
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Others

¥ (0.4) billion

NBC Meshtec sales	+15
Facility construction sales, others (Nisshin Engineering, others)	(19)

5. Fiscal 2025 Forecasts (3)

(100 millions of yen)

Operating Profit by Segment

(100 millions of yen)

	Forecasts	YoY difference
Flour Milling	260	(26)
Processed Food	108	+24
Prepared Dishes and Other Prepared Foods	55	+1
Others	56	+2
Adjustments*	1	+0
Total	480	+2

* Includes elimination of intersegment transactions, among other adjustments

Flour Milling ¥ (2.6) billion

Domestic wheat flour shipment volume	+0
Sales expansion costs	(4)
Bran prices	+0
Cost related and others	(24)
Overseas operating profit	+2

Processed Food ¥ +2.4 billion

Shipment volume	+11
Sales expansion costs	+1
Cost related and others	+0
Overseas operating profit (incl. Oriental Yeast, Nissin Pharma exports)	+12

Prepared Dishes and Other Prepared Foods ¥ +0.1 billion

Sales	+1
Cost related and others	+0

Others ¥ +0.2 billion

Sales	+1
Cost related and others	+1

Caution Regarding Results Briefing Content

The content of this briefing is based on various assumptions, and thus does not represent any promise or guarantee that numerical targets and initiatives projected for the future will be realized.