

Consolidated Results for the Nine Months
of the Fiscal Year Ended March 31, 2019
Announced on February 5, 2019



NISSIN FOODS HOLDINGS CO., LTD.

Stock Code : 2897

Aim to make a further leap forward in the milestone year of the 60th anniversary of the birth of instant noodles!

FY2019
Mgmt.
Policy

Domestic: “Heat up” the Japanese market through the strong enhancement of long-selling brands

- Aim to maximize sales by enhancing products that will celebrate their anniversaries, including the 60th anniversary of *CHICKEN RAMEN*

- Make a strategic move toward medium- and long-term sustained growth with the construction of the Kansai Plant

Overseas: “Boil” the global market based on the *CUP NOODLES* Strategy

- Make innovative changes occur in the market by proposing high value-added products, with a focus on the globalization of *CUP NOODLES*

- Detect changes in the market environment accurately and accelerate area strategies

Consolidated: Revenue increased and profit decreased (operating profit, profit attributable to owners of parent).

Domestic: Both revenue and operating profit increased.

- NISSIN FOOD PRODUCTS: The main brands, led by *CHICKEN RAMEN* that is marking its 60th anniversary, drove higher revenue. There was an impact of increases in raw materials costs and depreciation due to the first stage operation of the Kansai Plant, resulting in lower profit.
- MYOJO FOODS: *YOMISE NO YAKISOBA* of cup-type noodles and *CHUKAZANMAI* of bag-type noodles performed strongly, resulting in higher revenue and operating profit.
- Chilled and frozen foods: Revenue increased in both the chilled foods business and the frozen foods business. Operating profit declined slightly due to the decreased operating profit of the subsidiaries in the frozen foods business.
- Confectionary and beverages: Revenue recovered to last year’s level at NISSIN CISCO. While revenue increased at BonChi, it decreased at NISSIN YORK. Operating profit increased in the overall segment.
- Domestic others: Gain on sales of real estate was posted.

Overseas: Revenue increased and operating profit decreased.

- The Americas: Revenue rose substantially on a local currency basis in Brazil and Mexico. Revenue increased in the U.S., but the Americas was a slight increase on a JPY currency basis given the impact of foreign exchange. Operating profit decreased substantially on the basis of higher costs in the U.S. and a reaction to the receipt of fire insurance in Brazil (in the previous fiscal year) and the impact of the weaker Real.
- China: Revenue increased in both Hong Kong and Mainland China. Operating profit declined, mainly due to a rise in G&A expenses and a reaction to recording gain on sales of property in the previous fiscal year.
- Asia: Revenue increased, mainly due to the contributions of Thailand, India and Vietnam. Operating profit increased, exceeding that of the previous year in all regions with the contribution of the rise in gain on investments accounted for using the equity method.
- EMEA: Revenue increased in both Europe and Turkey. Operating profit increased despite a fall in gain on investments accounted for using the equity method.

Reconciliations: Operating profit decreased.

- Gain on change in equity that occurred in 4Q of the last fiscal year was incorporated in the operating profit of 3Q of the last fiscal year following the adoption of IFRS.

Domestic businesses, particularly the instant noodles business and the chilled and frozen foods businesses, contributed to higher revenue. The Group achieved a rise in operating profit thanks to posting a gain on sales of real estate, despite an increase in depreciation due to the operation of the Kansai Plant. However, overseas businesses saw higher revenue and lower operating profit, especially, due to significant changes in the cost structure of the U.S., while the U.S. is working on the penetration of price increases. The Group will aim to achieve the initial targets by continuing to respond to environmental changes in each business and region.

FY2019
3Q
Results

Summary
of 3Q

(bil. Yen)

	FY2019			FY2018
	9 Months Results	YoY Change	YoY Change(%)	9 Months Results
Revenue	336.8	+6.9	+2.1%	329.8
Operating profit	34.8	-1.2	-3.3%	35.9
Profit attributable to owners of parent	24.7	-4.3	-14.9%	29.0
OP margin	10.3%	-0.6pt	/	10.9%
Profit attributable to owners of parent margin	7.3%	-1.5pt		8.8%

The Group will continue to aim to achieve the initial targets.

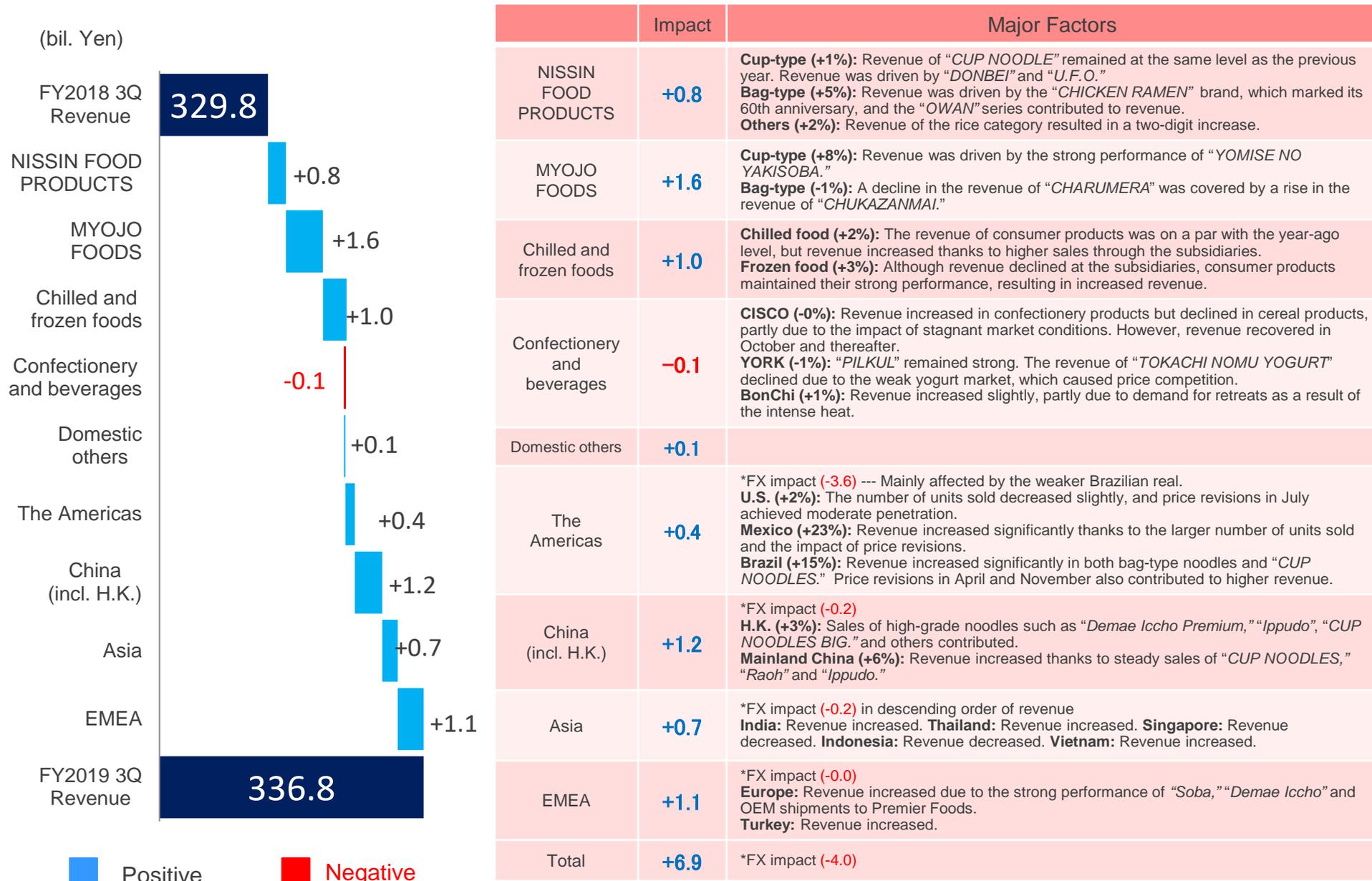
Revenue Results by Segment

(bil. Yen)

	FY2019			FY2018
	9 Months Results	YoY Change	YoY Change(%)	9 Months Results
Instant Noodles	170.3	+2.4	+1.5%	167.9
NISSIN FOOD PRODUCTS	145.5	+0.8	+0.6%	144.7
MYOJO FOODS	24.9	+1.6	+7.1%	23.2
Chilled and frozen foods	42.0	+1.0	+2.5%	41.0
Confectionery and beverages	32.1	-0.1	-0.3%	32.2
Domestic others	3.1	+0.1	+1.9%	3.1
Domestic total	247.6	+3.5	+1.4%	244.2
The Americas	46.0	+0.4	+0.9%	45.6
China (incl. H.K.)	30.3	+1.2	+4.2%	29.1
Asia	7.6	+0.7	+10.0%	6.9
EMEA	5.2	+1.1	+28.6%	4.0
Overseas total	89.1	+3.5	+4.1%	85.6
Consolidated revenue	336.8	+6.9	+2.1%	329.8

* The results in China (including H.K.) are based on the consolidation policy of NISSIN FOODS HOLDINGS. Disclosure may differ from that of NISSIN FOODS CO.,LTD. (located in H.K.).

Revenue Contribution by Segment



* Figures for year-on-year changes in sales of NISSIN FOOD PRODUCTS and MYOJO FOODS, which are indicated in the parentheses of each, are year-on-year changes in shipment value by manufacturer in each category, and they are not year-on-year changes in revenue based on IFRS.

* Comments and YoY change figures in Major Factors in the Americas, China, Asia and EMEA segments are based on revenue on a local currency basis.

Operating Profit Results by Segment

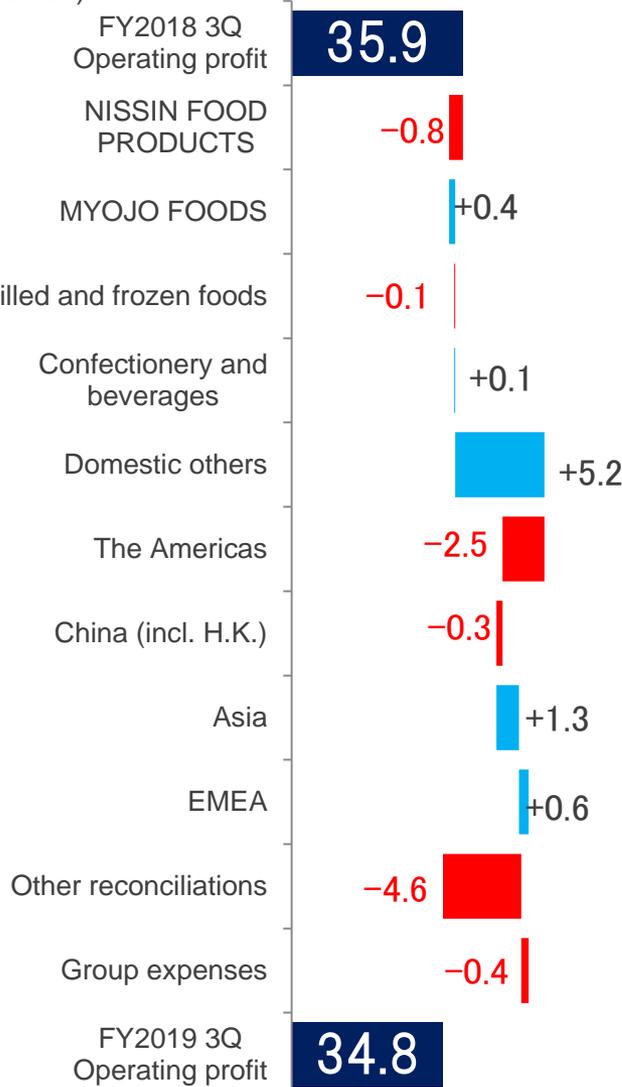
(bil. Yen)

	FY2019			FY2018
	9 Months Results	YoY Change	YoY Change(%)	9 Months Results
Instant Noodles	23.9	-0.5	-1.9%	24.3
NISSIN FOOD PRODUCTS	21.8	-0.8	-3.6%	22.6
MYOJO FOODS	2.1	+0.4	+19.8%	1.8
Chilled and frozen foods	1.7	-0.1	-3.2%	1.7
Confectionery and beverages	2.1	+0.1	+2.8%	2.0
Domestic others	6.4	+5.2	+436.2%	1.2
Domestic total	34.1	+4.8	+16.2%	29.3
The Americas	(0.1)	-2.5	-	2.3
China (incl. H.K.)	2.4	-0.3	-12.4%	2.7
Asia	1.9	+1.3	+222.6%	0.6
EMEA	0.7	+0.6	+461.1%	0.1
Overseas total	4.9	-0.9	-16.0%	5.8
Other reconciliations	(0.2)	-4.6	-	4.3
Group expenses	(3.9)	-0.4	-	(3.5)
Consolidated operating profit	34.8	-1.2	-3.3%	35.9

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Operating Profit Contribution by Segment

(bil. Yen)



	Impact	Major Factor
NISSIN FOOD PRODUCTS	-0.8	+ : Higher sales, reduction in general administrative expenses and advertising expenses. - : Increase in operating expenses, raw materials costs, distribution expenses (storage fees, disaster impact), increase in expenses for the Kansai Plant (expenses for the start-up and depreciation).
MYOJO FOODS	+0.4	Operating profit increased, despite rises in raw material costs and distribution expenses, which were covered by the higher revenue and using sales expenses efficiently.
Chilled and frozen foods	-0.1	Chilled food: Operating profit increased, offsetting rises in raw material costs and distribution expenses by higher profit through the subsidiaries. Frozen food: Operating profit decreased due to a rise in raw material costs and an increase in the expenses of the subsidiaries.
Confectionery and Beverages	+0.1	CISCO: Operating profit increased due to increases in the sales of chocolate flakes, corn flakes and sable. YORK: Despite a decrease in revenue, a cost structural reform also contributed to a slight increase in operating profit. BonChi: Operating profit decreased due to a rise in the depreciation of the new plant. Gain (loss) on investments accounted for using the equity method: Operating profit increased.
Domestic others	+5.2	Gain on sales of real estate (+5.2)
The Americas	-2.5	*FX impact (-0.3) --- Mainly affected by the weaker Brazilian real. U.S.: Operating profit declined due to rises in CoGM, operating expenses and distribution expenses. Mexico: Operating profit increased, despite the higher raw material costs, which were covered t by the increased number of units sold and the impact of price revisions. Brazil: Operating profit decreased, partly due to a backlash to the receipt of the fire insurance in the last fiscal year, the high prices of raw materials and the increased distribution expenses, etc.
China (incl. H.K.)	-0.3	*FX impact (-0.0) H.K.: Operating profit increased, partly due to a backlash to recording listing expenses in the last fiscal year. Mainland China: Operating profit decreased due to a backlash to posting gain on sales of property in the last fiscal year, and an increase in personnel expenses.
Asia	+1.3	*FX impact (+0.1) --- in descending order of profit (excluding equity method companies) Thailand: Operating profit increased. Singapore: Operating profit increased. Vietnam: Operating loss decreased. Indonesia: Operating loss decreased. India: Operating loss decreased. Gain (loss) on investments accounted for using the equity method: Operating profit increased.
EMEA	+0.6	*FX impact (-0.0) Europe: Surplus was posted due to a rise in operating profit thanks to higher revenue. Turkey: A reaction to loss on sales of property (+0.5) recorded in 3Q of the last fiscal year. Gain (loss) on investments accounted for using the equity method: Operating profit declined.
Other reconciliations	-4.6	
Group expenses	-0.4	
Reconciliations	-5.0	Other reconciliations (-4.6), Group expenses (-0.4)
Total	-1.2	*FX impact (-0.2)

Positive Negative

* Comments and YoY change figures in Major Factors in the Americas, China, Asia and EMEA segments are based on local currency.



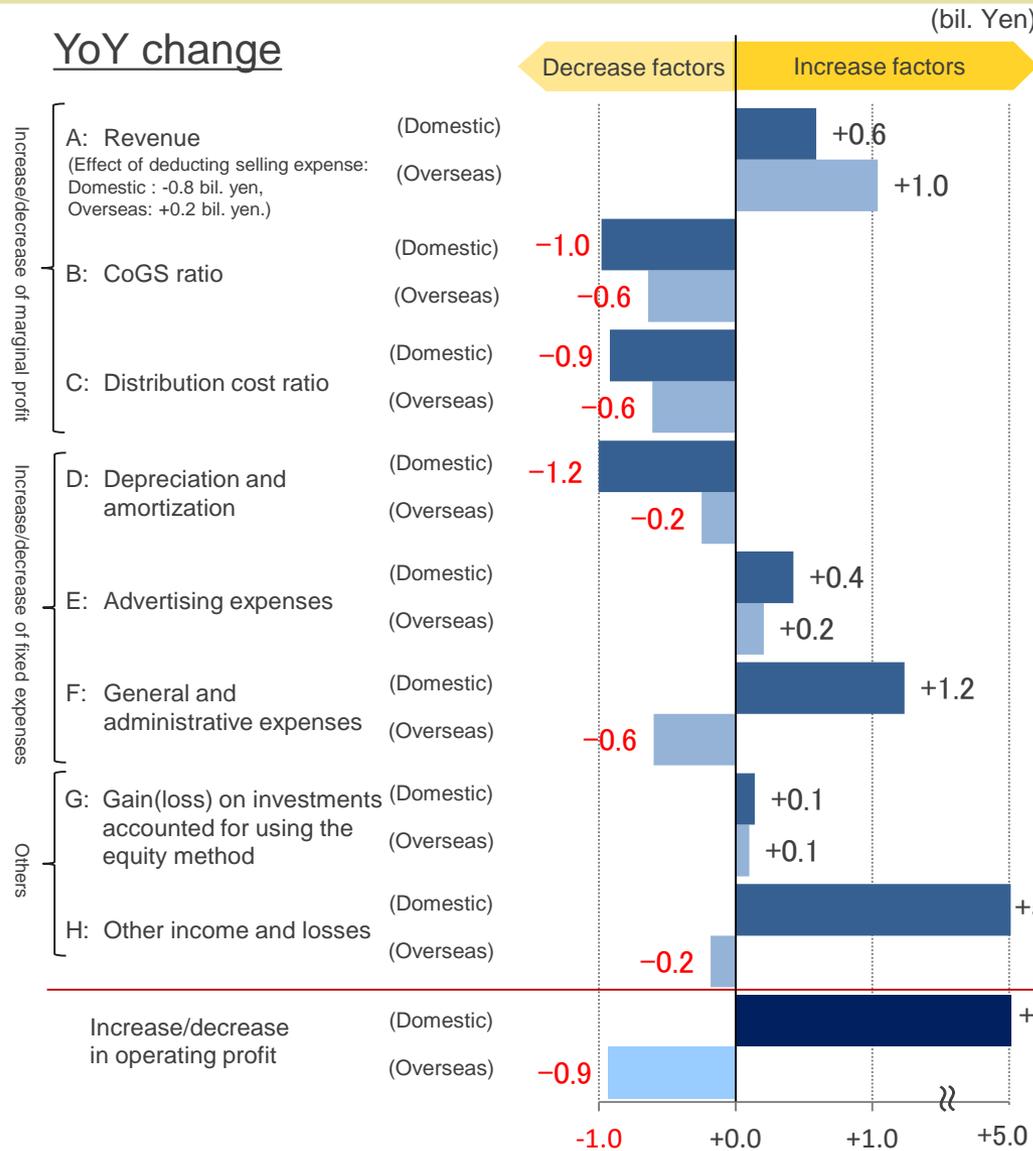
Major Factors for Difference in Operating Profit (Impact of Non-Recurring Income and Losses)

(bil. Yen)

	FY2019 9 Months Results	FY2018 9 Months Results	Difference in operating profit	Difference in non- recurring income and losses	Main items of non-recurring income and losses
NISSIN FOOD PRODUCTS	21.8	22.6	-0.8	-0.1	
MYOJO FOODS	2.1	1.8	+0.4	+0.2	
Chilled and frozen foods	1.7	1.7	-0.1	+0.1	
Confectionery and beverages	2.1	2.0	+0.1	+0.0	
Domestic others	6.4	1.2	+5.2	+5.3	(FY2019) Gain on sales of real estate +5.2 etc.
Domestic total	34.1	29.3	+4.8	+5.5	
The Americas	(0.1)	2.3	-2.5	-0.5	(FY2018) Receipt of fire insurance +0.4 etc.
China (incl. H.K.)	2.4	2.7	-0.3	-0.5	(FY2018) Gain on sales of property +0.7 etc.
Asia	1.9	0.6	+1.3	+0.4	(FY2019) Gain on sales of property +0.3 etc.
EMEA	0.7	0.1	+0.6	+0.4	(FY2018) Loss on sales of property -0.5 etc.
Overseas total	4.9	5.8	-0.9	-0.2	
Other reconciliations	(0.2)	4.3	-4.6	-4.5	(FY2018) Gain on change in equity +4.4 etc.
Group expenses	(3.9)	(3.5)	-0.4	+0.0	
Consolidated operating profit	34.8	35.9	-1.2	+0.8	

FY2019 Nine Months Analysis of Operating Profit: Consolidated (Domestic / Overseas)

YoY change



(bil. Yen)

Domestic

- CoGS ratio
 - + Impacts of change in the breakdown of products by category, etc.
 - Increased raw material costs (1.2), impacts of the business portfolio, etc.
- Distribution cost ratio
 - Impacts of increased inventories due to production transfer, a rise in distribution unit prices, etc.
- Depreciation and amortization
 - Impacts of a rise in depreciation of the Kansai Plant and other capital investments, etc.
- Advertising expenses
 - + Mainly the impact of the difference in the time of advertising, etc.
- General and administrative expenses
 - + Decrease in administrative expenses at the Group, etc.
- Other income and losses
 - + Posting of gain on sales of real estate in the current fiscal year (+5.2), etc.

Overseas

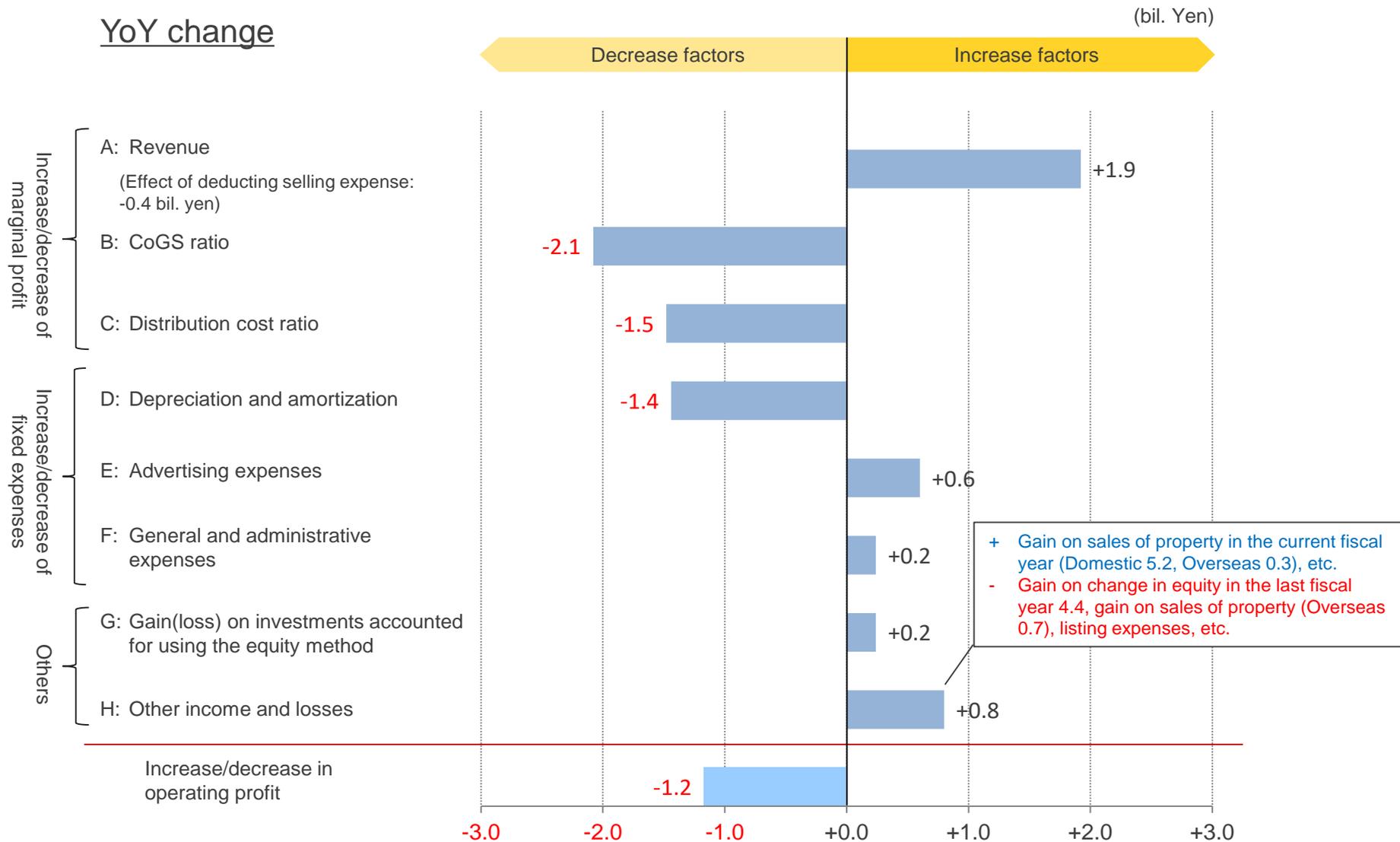
- CoGS ratio
 - Increase in expenses mainly in the Americas, etc.
- Distribution cost ratio
 - Mainly impacts of increased distribution expenses in the Americas, etc.
- Depreciation and amortization
 - Increased depreciation in each segment, etc.
- Advertising expenses
 - + Decreased expenses in Asia, etc.
- General and administrative expenses
 - Increased expenses mainly in China, etc.
- Other income and losses
 - + Gain on sales of property in the current fiscal year (0.3), backlash to expenses associated with the listing on the H.K. Stock Exchange in the last fiscal year, etc.
 - Backlash to the receipt of the fire insurance in the last fiscal year (0.4), Backlash to posting gain on sales of property in the last fiscal year (0.7), etc.

* The chart above omits the impact of -5.0 billion yen from "Reconciliations" (Gain on change in equity 4.4 billion yen was posted in the last fiscal year)

* The analysis of marginal profit is based on the amount obtained by adding selling expenses to revenue.

[Method of calculating increase/decrease factors] (1) Marginal profit (A, B, C) = (Revenue in the current fiscal year x Ratio of revenue in the previous fiscal year) - Expenses in the current fiscal year. (2) Fixed costs (D, E, F) = Expenses in the previous fiscal year - Expenses in the current fiscal year (3) Others (G,H) = Results in the previous fiscal year - Results in the current fiscal year

APPENDIX



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Expenses in the current fiscal year. (2) Fixed costs (D, E, F) = Expenses in the previous fiscal year – Expenses in the current fiscal year

(3) Others (G,H) = Results in the previous fiscal year – Results in the current fiscal year

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- This presentation material is available in the Presentation Material section of our IR website in PDF format. URL: https://www.nissin.com/en_jp/ir/library/materials/
- The amounts in this material are rounded to the nearest 100 million yen; totals may not agree with the sums of their components.
- FY2019 in domestic companies means the fiscal year from Apr. 1, 2018 to Mar. 31, 2019.
- FY2019 in overseas companies generally means the fiscal year from Apr. 1, 2018 to Mar. 31, 2019.
- The same \pm notation as used in the Summary of Consolidated Financial Statements has been applied to percentage change in revenue and profit.
- The average foreign exchange rates for the period have been applied to translating revenues and expenses at associates overseas.
- The results in China (including H.K.) are based on the consolidation policy of NISSIN FOODS HOLDINGS. Disclosure may differ from that of NISSIN FOODS CO.,LTD. (located in H.K.). The business plan for the China segment specifies targets set solely by NISSIN FOODS HOLDINGS.



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