

Financial Results for the Three Months  
of the Fiscal Year Ended March 31, 2020  
Announced on August 7, 2019

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**NISSIN FOODS HOLDINGS CO., LTD.**

Stock Code: 2897

## FY2020 Mgmt. Policy

### Steadily implement measures in response to changing market environment and work to strengthen profitability

- Domestic:
- Seek to stabilize earnings base by hitting back at headwind of higher costs with price revisions.
  - Aim to expand revenues and profits through highly unique brand strategy.
  - Quickly achieve higher productivity at the Kansai Plant (NISSIN FOOD PRODUCTS) and use this as basis for future profits.
- Overseas:
- Quickly improve profits in the U.S. by carrying out structural reforms (price revisions, cost reductions, and review of product portfolio).
  - Maintain stable growth in China.
  - Aim to make businesses in India and Indonesia profitable quickly by focusing on strengthening brands and profitability.
- Group-wide:
- Make group-wide efforts to reduce costs and strengthen the financial position.

## FY2020 1Q Results

- Consolidated: Revenue increased and operating profit and profit attributable to owners of parent decreased
- \* Excluding the impact of the gain on sale of non-current assets recorded in the first quarter of the previous fiscal year, operating profit increased
- Domestic: Revenue decreased slightly and operating profit decreased
- Instant noodles business: Revenue increased at both NISSIN FOOD PRODUCTS and MYOJO FOODS partly due to increased sales in April and May despite sales promotion control and price revisions in June. Operating profit decreased, reflecting higher depreciation due to the start of operations at NISSIN FOOD PRODUCTS Kansai Plant in addition to rising raw material costs and distribution costs. Results for both revenue and operating profit were in line with expectations under the initial business plan.
  - Chilled and frozen foods and Confectionary and beverages businesses: Both revenue and operating profit decreased slightly. The businesses made a slow start.
  - The decreased operating profit of domestic business is largely attributable to the impact of a gain on sale of non-current assets of 5.2 billion yen recorded in the first quarter of the previous fiscal year.
- Overseas: Both revenue and operating profit increased
- Americas: The U.S. business improved. The Brazil and Mexico businesses continued to perform strongly and both revenue and operating profit increased sharply.
  - China region: Both revenue and operating profit increased. In particular, increased revenue in mainland China contributed to profit growth.
  - Asia region: Revenue and operating profit increased, largely due to the contributions of Thailand and Indonesia. Gain on investments accounted for using the equity method also contributed to profit growth.

Overall, consolidated results were strong.

In domestic business, price revisions have filtered down as planned. Domestic businesses refrained from sales promotions in June to firmly establish prices but will conduct sales promotions at new sale prices from the second quarter with the aim of recovery in units sold.

Overseas business was strong, driven by key businesses.

## Summary of 1Q

(bil. yen)

	FY2020			FY2019
	3 Months Results	YoY Change	YoY Change(%)	3 Months Results
Revenue	105.9	+2.5	+2.4%	103.4
Operating profit	8.6	-4.2	-32.8%	12.8
Profit attributable to owners of parent	5.8	-2.5	-29.9%	8.3

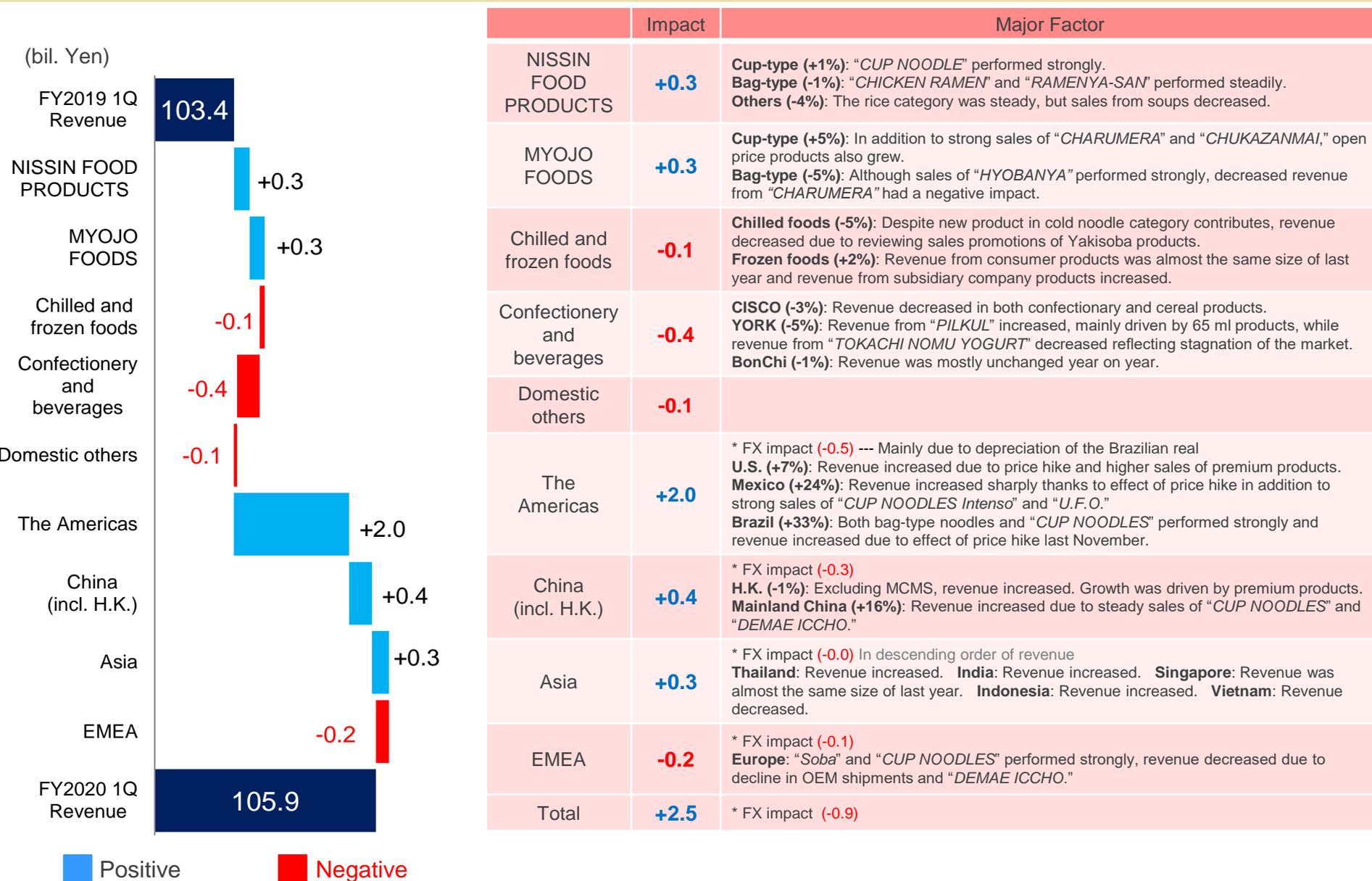
OP margin	8.1%	-4.3pt	/	12.4%
Profit attributable to owners of parent margin	5.5%	-2.5pt		8.0%

(bil. Yen)

	FY2020			FY2019
	3 Months Results	YoY Change	YoY Change(%)	3 Months Results
Instant noodles	51.8	+0.5	+1.0%	51.3
NISSIN FOOD PRODUCTS	43.4	+0.3	+0.6%	43.1
MYOJO FOODS	8.4	+0.3	+3.2%	8.1
Chilled and frozen foods	13.6	-0.1	-0.6%	13.7
Confectionery and beverages	10.5	-0.4	-3.6%	10.9
Domestic others	1.0	-0.1	-5.7%	1.0
Domestic total	76.9	-0.0	-0.0%	76.9
The Americas	15.1	+2.0	+15.5%	13.1
China (incl. H.K.)	9.6	+0.4	+4.4%	9.2
Asia	2.7	+0.3	+12.3%	2.4
EMEA	1.5	-0.2	-13.1%	1.8
Overseas total	29.0	+2.5	+9.4%	26.5
Consolidated revenue	105.9	+2.5	+2.4%	103.4

\* 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

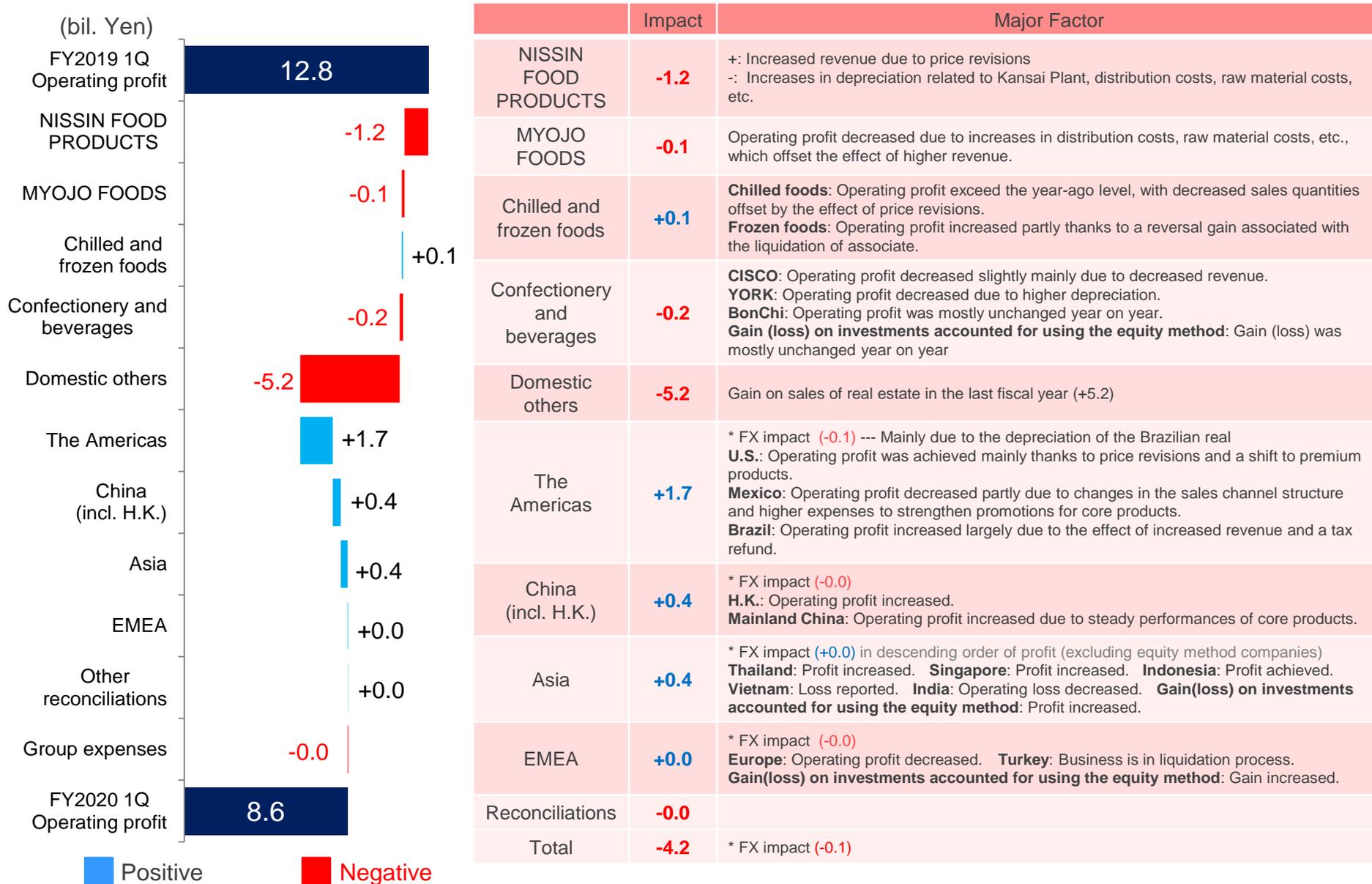
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(bil. Yen)

	FY2020			FY2019
	3 Months Results	YoY Change	YoY Change(%)	3 Months Results
Instant noodles	5.3	-1.3	-20.3%	6.6
NISSIN FOOD PRODUCTS	4.7	-1.2	-20.6%	5.9
MYOJO FOODS	0.6	-0.1	-18.5%	0.8
Chilled and frozen foods	0.7	+0.1	+8.6%	0.7
Confectionery and beverages	0.6	-0.2	-22.3%	0.8
Domestic others	0.3	-5.2	-95.3%	5.5
Domestic total	6.9	-6.7	-49.4%	13.5
The Americas	1.4	+1.7	-	(0.3)
China (incl. H.K.)	0.8	+0.4	+102.4%	0.4
Asia	0.8	+0.4	+74.7%	0.5
EMEA	0.2	+0.0	+13.6%	0.1
Overseas total	3.2	+2.5	+347.0%	0.7
Other reconciliations	(0.1)	+0.0	-	(0.1)
Group expenses	(1.3)	-0.0	-	(1.3)
Consolidated operating profit	8.6	-4.2	-32.8%	12.8

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# Operating Profit Contribution by Segment

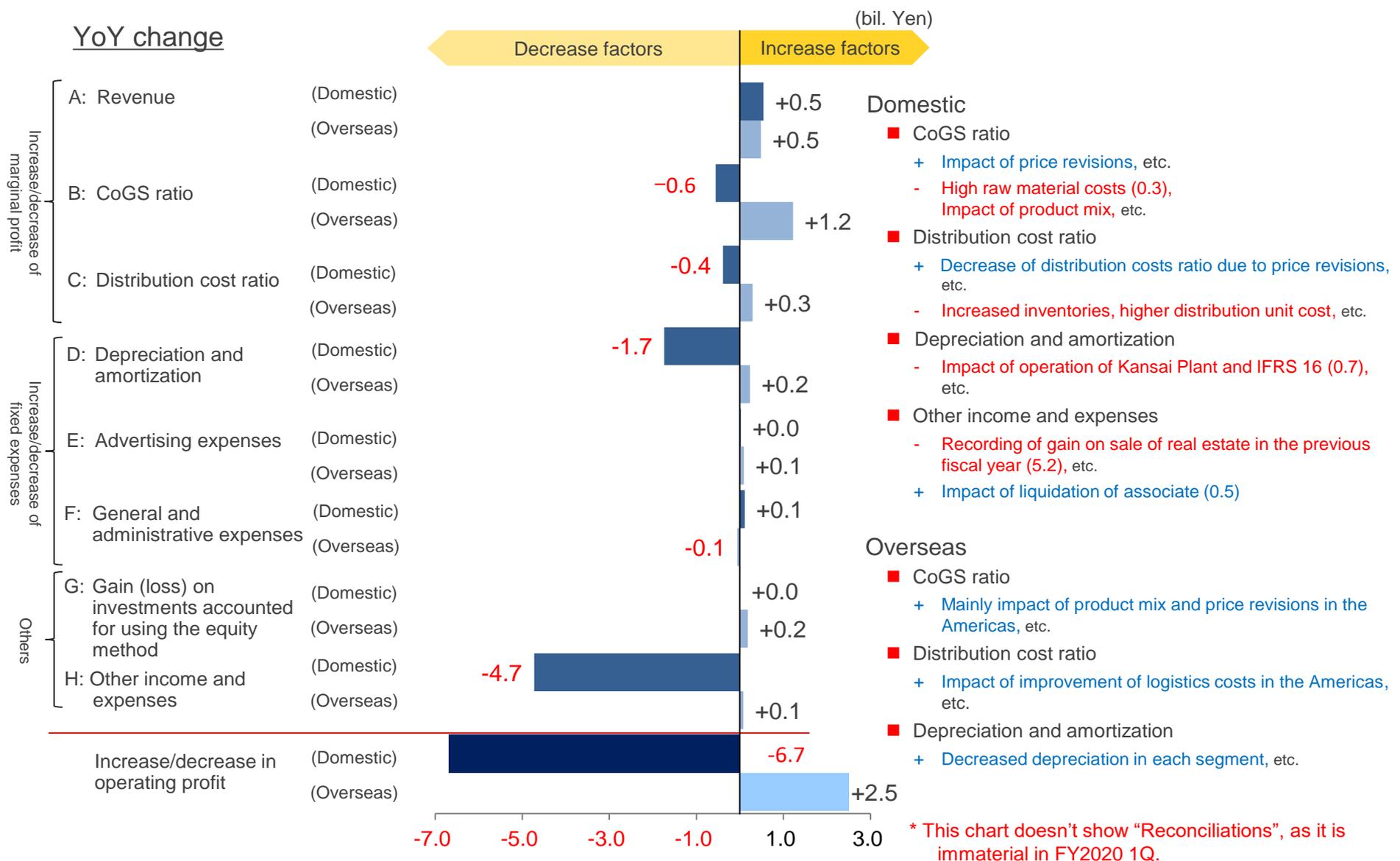


# Major Factors for Difference in Operating Profit (Impact of Non-Recurring Income and Expenses) <sup>7</sup>

	FY2020 3 Months Results	FY2019 3 Months Results	Difference in operating profit	Difference in non-recurring income and expenses	Main items of non-recurring income and expenses
NISSIN FOOD PRODUCTS	4.7	5.9	-1.2	+0.1	
MYOJO FOODS	0.6	0.8	-0.1	-0.0	
Chilled and frozen foods	0.7	0.7	+0.1	+0.5	(FY2020) Impact of liquidation of associate +0.5
Confectionery and beverages	0.6	0.8	-0.2	+0.1	
Domestic others	0.3	5.5	-5.2	-5.2	(FY2019) Gain on sales of real estate +5.2
<b>Domestic total</b>	<b>6.9</b>	<b>13.5</b>	<b>-6.7</b>	<b>-4.7</b>	
The Americas	1.4	(0.3)	+1.7	-0.0	
China (incl. H.K.)	0.8	0.4	+0.4	+0.1	
Asia	0.8	0.5	+0.4	+0.0	
EMEA	0.2	0.1	+0.0	+0.0	
<b>Overseas total</b>	<b>3.2</b>	<b>0.7</b>	<b>+2.5</b>	<b>+0.1</b>	
Other reconciliations	(0.1)	(0.1)	+0.0	-0.0	
Group expenses	(1.3)	(1.3)	-0.0	-	
<b>Consolidated operating profit</b>	<b>8.6</b>	<b>12.8</b>	<b>-4.2</b>	<b>-4.6</b>	

\* + and - figures of "Main items of non-recurring income and losses" represent gain and loss.

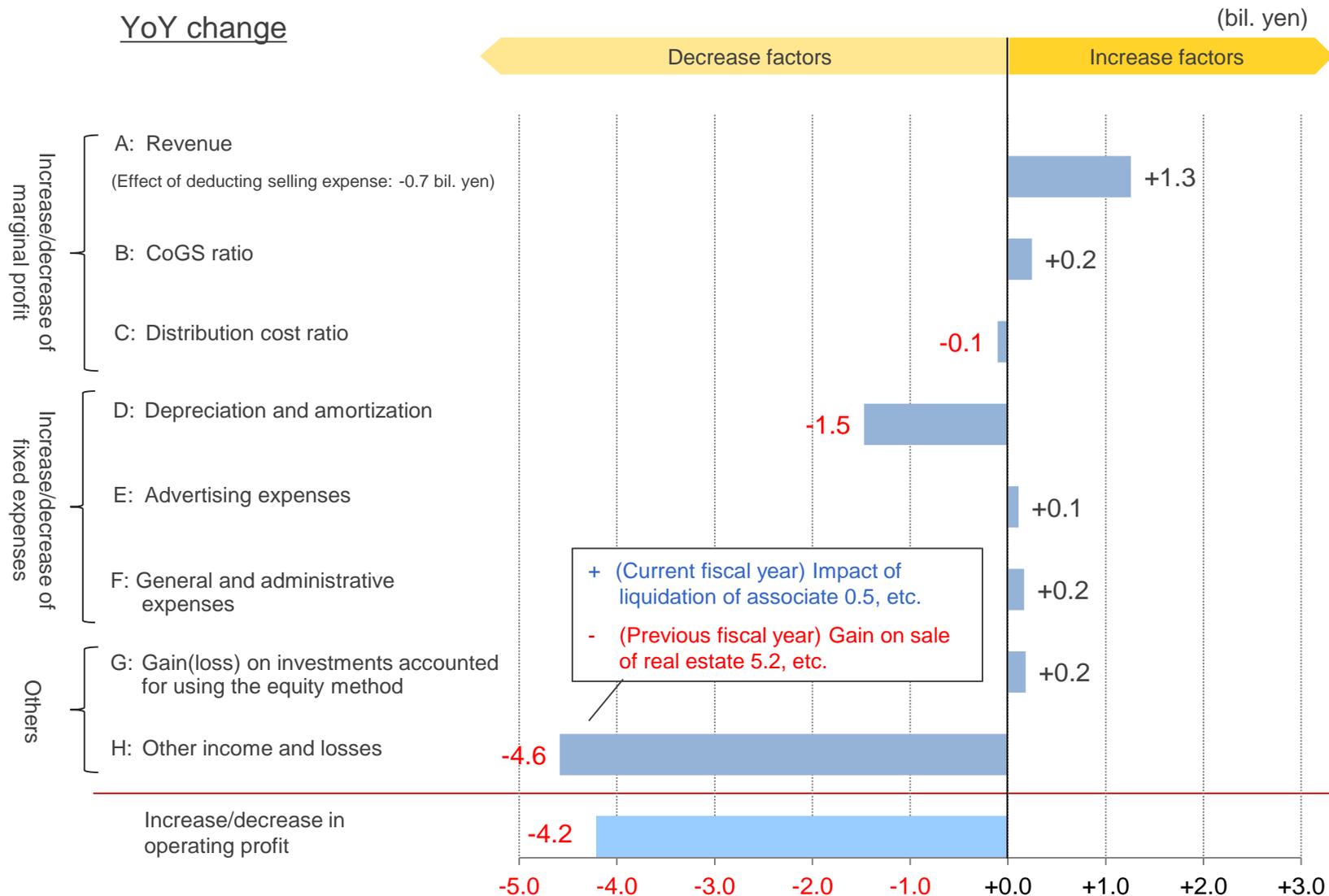
# FY2020 Three Months Analysis of Operating Profit: Consolidated (Domestic / Overseas)



\* 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



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

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 (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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URL: [https://www.nissin.com/en\\_jp/ir/library/materials/](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.
- FY2020 generally means the fiscal year from April 1, 2019 to March 31, 2020.
- 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.



NISSIN FOODS HOLDINGS CO., LTD.