

# Summary of Consolidated Financial Statements for the Six Months (1<sup>st</sup> Half) Ended September 30, 2019

[Prepared under IFRS, UNAUDITED]

NISSIN FOODS HOLDINGS CO., LTD.

Stock code: 2897

Stock exchange listing: Tokyo

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Scheduled date of filing of Quarterly Securities Report: November 7, 2019 (in Japanese)

Scheduled date of dividend payment: November 28, 2019

Preparation of supplementary documents: Yes

Holding of financial results meeting: Yes (for institutional investors and analysts) (in Japanese)

(All amounts are rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Six Months of the FY2020 (April 1, 2019–September 30, 2019)

### (1) Consolidated Operating Results

(% figures represent year-on-year changes)

Six Months of	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
FY 2020	221,361	+3.1	19,721	(12.5)	20,427	(12.7)	13,469	(11.1)
FY 2019	214,662	+1.9	22,537	+20.4	23,387	+18.3	15,150	+4.2

Six Months of	Basic earnings per share (¥)	Diluted earnings per share (¥)
FY 2020	129.31	128.62
FY 2019	145.47	144.74

### (2) Consolidated Financial Position

As of	Total assets (¥ million)	Total equity (¥ million)	Equity attributable to owners of parent (¥ million)	Equity attributable to owners of parent to total assets (%)
September 30, 2019	560,344	349,599	324,274	57.9
March 31, 2019	557,577	352,545	326,781	58.6

## 2. Details of Dividends

	Cash dividend per share				
	End of 1 <sup>st</sup> quarter (¥)	End of 2 <sup>nd</sup> quarter (¥)	End of 3 <sup>rd</sup> quarter (¥)	Year-end (¥)	Total (¥)
FY 2019	—	55.00	—	55.00	110.00
FY 2020	—	55.00	—	—	—
FY 2020 (Forecast)	—	—	—	55.00	110.00

Note: Modifications to the dividend forecast published most recently: None

## 3. Forecasts of Consolidated Financial Results for the FY 2020 (April 1, 2019–March 31, 2020)

(% figures represent changes from the previous year)

	Revenue		Operating profit		Profit attributable to owners of parent		Basic earnings per share (¥)
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	
FY 2019	465,000	+3.1	37,000	+27.7	26,000	+34.3	249.62

Note: Modifications to the forecast published most recently: None

**Notes:**

(1) Changes in principal subsidiaries during the six months of FY 2020 (changes in specified subsidiaries that resulted in changes in scope of consolidation): Yes

-Newly consolidated: None

-Excluded from consolidation: SHANGHAI NISSIN FOODS CO.,LTD.

(2) Changes in significant accounting policy, procedure and presentation methods for consolidated financial statements:

1) Changes in accounting policies required by IFRS: Yes

2) Changes in accounting policies other than 1): None

3) Changes in accounting estimates: None

\* For more information, see page 16, “2. Condensed Consolidated Financial Statements and Significant Notes

(4) Notes to Condensed Quarterly Consolidated Financial Statements (Changes in accounting policies)”

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding (including treasury shares) as of the end of:

Six months of FY 2020	105,700,000 shares
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FY 2019	105,700,000 shares
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2) Number of shares of treasury shares outstanding as of the end of:

Six months of FY 2020	1,533,089 shares
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FY 2019	1,543,266 shares
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3) Average number of shares outstanding during the period:

Six months of FY 2020	104,161,813 shares
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Six months of FY 2019	104,144,596 shares
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\* This summary of quarterly consolidated financial statements is outside the scope of audits by certified public accountants or audit firms.

\* Notes for proper use of forecasts and other remarks

Disclaimer regarding appropriate use of forecasts:

Forecasts contain forward-looking statements based on estimates made as of the day of release of these materials. Actual results may differ materially depending on a number of factors including but not limited to potential risks and uncertainties. Please refer to page 4 for “(3) Explanation Concerning Consolidated Forecasts” for the conditions of assumptions for the forecast and cautions to use forecast.

# 1. Qualitative Information Concerning Six Months Results

## (1) Qualitative Information Concerning Consolidated Business Results

Based on the “Medium-Term Management Plan 2021,” of which term covers five years from the fiscal year ended March 31, 2017, to realize the improvements of “Earning power through operations” and “Value in capital markets,” we are working on the strategic themes such as 1) Promoting global branding, 2) Focusing on priority overseas locations, 3) Laying stronger foundations for our domestic profit base, 4) Establishing a second pillar that generates revenue and profit, 5) Developing and strengthening human resources for global management.

The following is an overview of performance by reportable segment:

< Consolidated results >

(¥ Million)

	Six months ended September 30, 2018	Six months ended September 30, 2019	Year on year	
			Amount	%
Revenue	214,662	221,361	+6,698	+3.1
Operating profit	22,537	19,721	-2,816	-12.5
Profit before tax	23,387	20,427	-2,959	-12.7
Profit attributable to owners of the parent	15,150	13,469	-1,680	-11.1

The following is an overview of performance by reportable segment:

### 1) NISSIN FOOD PRODUCTS

NISSIN FOOD PRODUCTS achieved year-on-year growth in sales with a rise in sales of cup-type noodle products. Sales increased in cup-type noodles year-on-year, where the *CUP NOODLE MISO*, featuring rich miso soup, were strong, and the *ASSARI OISHII CUP NOODLE* series and the *CUP NOODLE BIG* series contributed to sales. In bag-type noodles, the TV commercial that introduced a variety of opinions on the *CHICKEN RAMEN* as “theory” received favorable reviews and contributed to sales. The *OWAN DE TABERU* series also maintained strong sales, although sales of bag-type noodles decreased due to a temporary decrease in sales volume affected by a price revision implemented in June 2019. Meanwhile, profits decreased year on year, reflecting higher depreciation expenses associated with the launch of the Kansai Plant as well as an increase in raw material prices and logistics costs.

Consequently, Revenue was ¥ 92,465 million (+3.3%) and operating profit was ¥ 11,736 million (-4.3%) of this reportable segment.

### 2) MYOJO FOODS

MYOJO FOODS achieved year-on-year growth in sales of cup-type noodle products, reflecting strong sales of the *MYOJO CHARUMERA* and the *MYOJO CHUKAZANMAI* series. Other contributors to the higher sales included the *MYOJO UMADASHIYA* series and the *MYOJO HYOUBANYA* series, which are open-price products. Meanwhile, profits increased year on year, reflecting a price revision implemented in June 2019.

Consequently, Revenue was ¥ 17,097 million (+6.8%) and operating profit was ¥ 1,332 million (+5.9%) of this reportable segment.

### 3) Chilled and frozen foods

At NISSIN CHILLED FOODS, its new product *SONOMANMAMEN* contributed to sales and the *GYORETSU-NO-DEKIRU-MISE-NO-RAMEN* series and the *TSUKEMEN NO TATSUJIN* series were also strong. However, overall sales decreased year on year, reflecting weak demand for chilled noodles in the unseasonable weather and the effects of a decrease in sales of fried noodle products. NISSIN FROZEN FOODS achieved sales growth, helped by the *NISSIN MOCHITTO NAMA PASTA*, a mainstay product, the *NISSIN SPA OH PREMIUM* series, and the *NISSIN CHUKA SHANGHAI YAKISOBA OMORI* and the *NISSIN CHUKA SHIRUNASHITANTANMEN OMORI*, all of which grew stably in terms of sales. Meanwhile, profits decreased year on year, reflecting an increase in raw material prices and logistics costs.

Consequently, Revenue was ¥ 27,921 million (+0.9%) and operating profit was ¥ 1,020 million (-12.1%) of this reportable segment.

4) The Americas

The Americas are working to enhance the proposal of premium products aimed at creating new demand, enhancing the profitability of existing products. Sales increased in the segment, reflecting strong sales of the *CUP NOODLES* in Brazil. Strong sales of existing products and successful sales promotions for premium products in the United States also contributed to the overall sales growth in the segment. Profits increased due to factors such as the effect of price revisions and sales increase of premium products.

Consequently, Revenue was ¥ 31,569 million (+7.9%) and operating profit was ¥ 2,402 million of this reportable segment (+¥ 2,672 million).

5) China

In China, the market for high value-added products is expanding in mainland China. The Group has taken steps to expand its geographical sales areas and strengthen its *CUP NOODLES* brand. In this environment, sales increased year on year thanks to strong sales of cup-type noodles, mainly in the *CUP NOODLES* brand. Profit increased year on year due to the increase in sales volume in China, and cost reductions associated with increase in volume.

Consequently, Revenue was ¥ 20,967 million (+3.1%) and operating profit was ¥ 2,291 million (+31.4%) of this reportable segment.

Revenue of “Others”, which includes business segments not included in reportable segments such as domestic confectionary, beverages, Europe and Asia was ¥ 31,339 million (-1.5%) and operating profit was ¥ 3,765 million (-58.8%).

(2) Analysis of Financial Position

Note: Refer to pages from 5 to 6 for further information.

(3) Explanation Concerning Consolidated Forecasts

The full-year forecasts of the consolidated financial results for the fiscal year ending March 2020 remain unchanged from the forecasts that were announced on May 9, 2019.

## 2. Condensed Consolidated Financial Statements and Significant Notes

### (1) Condensed Consolidated Statements of Financial Position

(¥ Million)

	FY 2019 (As of March 31, 2019)	FY 2020 (As of September 30, 2019)
Assets		
Current assets		
Cash and cash equivalents	57,125	50,951
Trade and other receivables	72,749	70,100
Inventories	32,729	35,107
Income taxes receivable	1,964	586
Other financial assets	8,233	10,008
Other current assets	6,095	7,173
Total current assets	178,898	173,927
Non-current assets		
Property, plant and equipment	216,831	235,336
Goodwill and intangible assets	4,470	4,396
Investment property	7,157	7,132
Investments accounted for using the equity method	43,021	43,659
Other financial assets	92,738	82,932
Deferred tax assets	12,564	12,233
Other non-current assets	1,896	726
Total non-current assets	378,679	386,417
Total assets	557,577	560,344

(¥ Million)

	FY 2019 (As of March 31, 2019)	FY 2020 (As of September 30, 2019)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	106,823	94,673
Borrowings	29,103	7,002
Provisions	820	289
Accrued income taxes	6,894	5,625
Other financial liabilities	767	4,032
Other current liabilities	17,243	16,559
Total current liabilities	161,653	128,183
Non-current liabilities		
Borrowings	13,297	42,934
Other financial liabilities	5,282	17,401
Defined benefit liabilities	5,664	5,797
Provisions	284	226
Deferred tax liabilities	16,408	13,789
Other non-current liabilities	2,442	2,412
Total non-current liabilities	43,378	82,561
Total liabilities	205,031	210,745
Equity		
Share capital	25,122	25,122
Capital surplus	50,614	50,641
Treasury shares	(6,718)	(6,675)
Other components of equity	29,235	18,947
Retained earnings	228,526	236,237
Total equity attributable to owners of the parent	326,781	324,274
Non-controlling interests	25,764	25,325
Total equity	352,545	349,599
Total liabilities and equity	557,577	560,344

(2) Condensed Consolidated Statements of Income and Comprehensive Income  
(Condensed Consolidated Statements of Income)  
(For the six months ended September 30, 2018 and 2019)

(¥ Million)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Revenue	214,662	221,361
Cost of sales	139,435	142,783
Gross profit	75,226	78,578
Selling, general and administrative expenses	60,227	61,302
Gain on investments accounted for using the equity method	1,931	2,077
Other income	6,056	949
Other expenses	448	581
Operating profit	22,537	19,721
Finance income	1,197	1,219
Finance costs	348	513
Profit before tax	23,387	20,427
Income tax expense	7,655	6,046
Profit	15,731	14,380
Profit attributable to		
owners of the parent	15,150	13,469
Non-controlling interests	581	911
Profit	15,731	14,380
Earnings per share (Yen)		
Basic earnings per share (Yen)	145.47	129.31
Diluted earnings per share (Yen)	144.74	128.62

(For the three months ended September 30, 2018 and 2019)

(¥ Million)

	Three months ended September 30, 2018	Three months ended September 30, 2019
Revenue	111,263	115,466
Cost of sales	72,395	74,067
Gross profit	38,867	41,399
Selling, general and administrative expenses	30,707	31,160
Gain on investments accounted for using the equity method	1,108	1,073
Other income	689	261
Other expenses	254	479
Operating profit	9,704	11,094
Finance income	278	212
Finance costs	62	171
Profit before tax	9,921	11,135
Income tax expense	2,551	2,914
Profit	7,369	8,221
Profit attributable to		
owners of the parent	6,878	7,669
Non-controlling interests	491	551
Profit	7,369	8,221
Earnings per share (Yen)		
Basic earnings per share (Yen)	66.04	73.63
Diluted earnings per share (Yen)	65.70	73.22

(Condensed Consolidated Statement of Comprehensive Income)  
(For the six months ended September 30, 2018 and 2019)

(¥ Million)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Profit	15,731	14,380
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in equity instruments measured at fair value through other comprehensive income	2,634	(7,266)
Remeasurements of defined benefit plans	-	-
Share of other comprehensive income of entities accounted for using the equity method	(91)	86
Total items that will not be reclassified to profit or loss	2,543	(7,180)
Items that may be reclassified to profit or loss		
Net change in debt instruments measured at fair value through other comprehensive income	0	1
Cash flow hedges	40	(26)
Foreign currency translation differences on foreign operations	(867)	(4,939)
Share of other comprehensive income of entities accounted for using the equity method	(1,982)	728
Total items that may be reclassified to profit or loss	(2,809)	(4,235)
Total other comprehensive income	(266)	(11,416)
Comprehensive income	15,465	2,964
Comprehensive income attributable to		
owners of the parent	14,691	2,955
Non-controlling interests	773	9
Comprehensive income	15,465	2,964

(For the three months ended September 30, 2018 and 2019)

(¥ Million)

	Three months ended September 30, 2018	Three months ended September 30, 2019
Profit	7,369	8,221
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in equity instruments measured at fair value through other comprehensive income	2,774	(182)
Remeasurements of defined benefit plans	14	-
Share of other comprehensive income of entities accounted for using the equity method	(70)	50
Total items that will not be reclassified to profit or loss	2,718	(132)
Items that may be reclassified to profit or loss		
Net change in debt instruments measured at fair value through other comprehensive income	0	(0)
Cash flow hedges	(4)	17
Foreign currency translation differences on foreign operations	507	(2,365)
Share of other comprehensive income of entities accounted for using the equity method	(926)	3
Total items that may be reclassified to profit or loss	(423)	(2,346)
Total other comprehensive income	2,294	(2,478)
Comprehensive income	9,664	5,743
Comprehensive income attributable to owners of the parent	9,122	5,445
Non-controlling interests	541	297
Comprehensive income	9,664	5,743

(3) Condensed Consolidated Statements of Changes in Equity  
Six months ended September 30, 2018 (From April 1, 2018 to September 30, 2018)

(¥ Million)

	Equity attributable to owners of the parent						
	Share capital	Capital surplus	Treasury shares	Other components of equity			
				Stock acquisition rights to shares	Foreign currency translation differences on foreign operations	Cash flow hedges	Net change in financial instruments measured at fair value through other comprehensive income
Balance at April 1, 2018	25,122	51,218	(58,002)	1,819	(2,922)	(41)	30,039
Profit	—	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	(1,053)	38	2,630
Total comprehensive income	—	—	—	—	(1,053)	38	2,630
Acquisition of treasury shares	—	—	(4)	—	—	—	—
Sales of treasury shares	—	3	93	(96)	—	—	—
Cancelation of treasury shares	—	—	51,190	—	—	—	—
Cash dividend paid	—	—	—	—	—	—	—
Share-based payments	—	—	—	401	—	—	—
Changes in the ownership interest in subsidiaries	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	—	(24)
Other	—	—	—	—	—	—	—
Total transactions with owners of the parent	—	3	51,279	304	—	—	(24)
Balance at September 30, 2018	25,122	51,222	(6,723)	2,124	(3,975)	(3)	32,645

Equity attributable to owners of the parent						
	Other components of equity		Retained earnings	Total	Non-controlling interests	Total equity
	Share of other comprehensive income of entities accounted for using the equity method	Total				
Balance at April 1, 2018	2,458	31,353	280,083	329,776	23,352	353,128
Profit	—	—	15,150	15,150	581	15,731
Other comprehensive income	(2,074)	(458)	—	(458)	192	(266)
Total comprehensive income	(2,074)	(458)	15,150	14,691	773	15,465
Acquisition of treasury shares	—	—	—	(4)	—	(4)
Sales of treasury shares	—	(96)	—	—	—	—
Cancellation of treasury shares	—	—	(51,190)	—	—	—
Cash dividend paid	—	—	(4,686)	(4,686)	(626)	(5,312)
Share-based payments	—	401	—	401	—	401
Changes in the ownership interest in subsidiaries	—	—	—	—	531	531
Transfer from other components of equity to retained earnings	—	(24)	24	—	—	—
Other	—	—	(289)	(289)	6	(283)
Total transactions with owners of the parent	—	279	(56,141)	(4,578)	(89)	(4,667)
Balance at September 30, 2018	384	31,174	239,093	339,889	24,036	363,926

Six months ended September 30, 2019 (From April 1, 2019 to September 30, 2019)

(¥ Million)

	Equity attributable to owners of the parent						
	Share capital	Capital surplus	Treasury shares	Other components of equity			
				Stock acquisition rights to shares	Foreign currency translation differences on foreign operations	Cash flow hedges	Net change in financial instruments measured at fair value through other comprehensive income
Balance at April 1, 2019	25,122	50,614	(6,718)	2,110	(4,656)	3	31,749
Profit	—	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	(4,050)	(14)	(7,263)
Total comprehensive income	—	—	—	—	(4,050)	(14)	(7,263)
Acquisition of treasury shares	—	—	(3)	—	—	—	—
Sales of treasury shares	—	27	46	(73)	—	—	—
Cash dividend paid	—	—	—	—	—	—	—
Share-based payments	—	—	—	270	—	—	—
Changes in the ownership interest in subsidiaries	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	—	37
Other	—	—	—	—	—	—	—
Total transactions with owners of the parent	—	27	42	196	—	—	37
Balance at September 30, 2019	25,122	50,641	(6,675)	2,307	(8,707)	(11)	24,522

Equity attributable to owners of the parent						
	Other components of equity		Retained earnings	Total	Non-controlling interests	Total equity
	Share of other comprehensive income of entities accounted for using the equity method	Total				
Balance at April 1, 2019	28	29,235	228,526	326,781	25,764	352,545
Profit	—	—	13,469	13,469	911	14,380
Other comprehensive income	814	(10,514)	—	(10,514)	(901)	(11,416)
Total comprehensive income	814	(10,514)	13,469	2,955	9	2,964
Acquisition of treasury shares	—	—	—	(3)	—	(3)
Sales of treasury shares	—	(73)	—	0	—	0
Cash dividend paid	—	—	(5,728)	(5,728)	(613)	(6,342)
Share-based payments	—	270	—	270	—	270
Changes in the ownership interest in subsidiaries	—	—	—	—	313	313
Transfer from other components of equity to retained earnings	(7)	29	(29)	—	—	—
Other	—	—	(0)	(0)	(147)	(148)
Total transactions with owners of the parent	(7)	226	(5,759)	(5,462)	(448)	(5,910)
Balance at September 30, 2019	835	18,947	236,237	324,274	25,325	349,599

#### (4) Notes to Condensed Quarterly Consolidated Financial Statements

(Notes on premise of going concern)

No items to report

(Reporting entity)

NISSIN FOODS HOLDINGS CO., LTD. (hereinafter the “Company”) is established as a stock company domiciled in Japan. The addresses of its registered head office and main offices are disclosed on the Company’s website ([https://www.nissin.com/en\\_jp/](https://www.nissin.com/en_jp/)). The Company’s condensed quarterly consolidated financial statements comprise the Company and its subsidiaries (hereinafter “the Group”) and interests in the Company’s associates.

Details of each business and principle activity of the Group are described in Note “Segment information”.

(Basis of preparation)

##### 1) Compliance with IFRS

The condensed quarterly consolidated financial statements of the Group have been prepared in accordance with IAS 34. Since the requirements for “Specified Company of Designated International Accounting Standards” set forth in Article 1-2 of the “Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements” are satisfied, the Group adopts the provisions of Article 93 of the same Ordinance.

The Group’s condensed quarterly consolidated financial statements were approved by the Board of Directors held on November 7, 2019.

##### 2) Basis of measurement

The Group’s consolidated financial statements have been prepared on an acquisition cost basis, except for specific financial instruments measured at fair value.

##### 3) Functional currency and presentation currency

The Group’s consolidated financial statements are presented in Japanese yen, which is also the Company’s functional currency, and amounts of less than one million yen are rounded off to the nearest million yen.

(Significant accounting policies)

No items to report except “(Changes in accounting policies)”

(Changes in accounting policies)

Beginning with the six months under review, the Group adopted IFRS 16 Leases (announced in January 2016, hereinafter referred to as “IFRS 16”). Upon applying the IFRS 16 standard, the Group has chosen a transition option to recognize the cumulative effect of applying the new standard at the date of initial application.

Upon applying the IFRS 16 standard, the Group has chosen the practical expedient described in paragraph C3 of the IFRS 16 to determine whether an arrangement contains a lease, as previously identified in accordance with IAS 17 Leases (hereinafter “IAS 17”) and IFRIC 4 *Determining whether an Arrangement contains a Lease*. The requirements of IFRS 16 apply to all contracts that have been entered into since the date of the initial application. As a lessee, the Group recognized right-of-use assets and lease obligations on the date of initial application in relation to the leasing contracts previously classified as operating leases in accordance with IAS 17. The lease obligations are measured as the present value of residual lease payments discounted using the incremental borrowing rate on the date of initial application. The weighted average of the incremental borrowing rate is 1.4%. The right-of-use assets are measured initially as an amount equal to the lease liability adjusted for prepaid lease payments.

For a lessee’s lease assets classified as finance lease contracts in accordance with IAS 17 in the past, right-of-use assets and lease liabilities on the date of initial application are measured as amounts equal to lease assets and lease obligations, respectively, on the books prepared prior to the date of initial application in accordance with IAS 17.

The gap in the amount between the future minimum lease payments (discounted to the present value using the incremental borrowing rate as mentioned earlier) under non-cancellable operating leases disclosed in accordance with IAS 17 at the end of the consolidated fiscal year preceding the date of initial application, and the lease liabilities recognized on the condensed quarterly statement of consolidated financial position as of the date of initial application was primarily attributable to the differences in estimated values for land and buildings that are to be used longer than the initial non-cancellable period.

Accordingly, the Group booked right-of-use assets at ¥ 20,659 million and lease liabilities at ¥ 19,558 million on the date of the IFRS 16 initial application. This matter will have no material impact on operating income or quarterly net earnings. Upon applying IFRS 16, the Group adopts the following practical expedient.

- Reliance on assessment to determine whether it will be disadvantageous for a lease to apply IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* prior to the date of initial application as an alternative method of impairment testing.
- Exclusion of initial direct costs from the right-of-use assets measured as of the date of initial application.

(Segment Information)

The Group's reportable segments are components of the Group those for which separate financial information is available and regular evaluation by the Board of Directors is being performed in order to decide how resources are allocated among the Group and assess performance. According to the operating unit strategy of the seven operating companies in Japan and four overseas business regions, the reportable segments consist of "NISSIN FOOD PRODUCTS", "MYOJO FOODS", "Chilled and frozen foods", "The Americas" and "China". The segments of "NISSIN FOOD PRODUCTS", "MYOJO FOODS", "The Americas" and "China" are operating the business of manufacturing and selling cup- and bag-type noodles. The "Chilled and frozen foods" segment is operating the business of manufacturing and selling chilled and frozen foods.

The accounting methods of reportable business segments are generally the same as the Group's accounting policies described in "Significant accounting policies". Figures reported as segment profit are based on the operating profit reported in the condensed quarterly consolidated statements of income. Revenue from intersegment transactions and transfers are based on the current market prices.

## Six months ended September 30, 2018 (From April 1, 2018 to September 30, 2018)

(¥ Million)

	Reportable segment						Others *1	Total	Reconciliations *2	Consolidated *3
	NISSIN FOOD PRODUCTS	MYOJO FOODS	Chilled and frozen foods	The Americas	China	Subtotal				
Revenue										
Sales to third party	89,550	16,008	27,671	29,270	20,342	182,843	31,819	214,662	—	214,662
Intersegment sales	640	3,251	188	8	376	4,465	14,773	19,238	(19,238)	—
Total	90,190	19,260	27,860	29,279	20,718	187,308	46,592	233,901	(19,238)	214,662
Segment profit (loss) (Operating profit(loss))	12,267	1,257	1,161	(270)	1,743	16,159	9,141	25,300	(2,762)	22,537
Finance income	—	—	—	—	—	—	—	—	—	1,197
Finance costs	—	—	—	—	—	—	—	—	—	348
Profit before tax	—	—	—	—	—	—	—	—	—	23,387
Other items										
Depreciation and Amortization	3,169	783	429	859	997	6,240	2,750	8,991	113	9,105
Impairment	—	—	—	—	—	—	—	—	—	—
Gain on investments accounted for using the equity method	—	—	—	—	—	—	1,931	1,931	—	1,931
Capital expenditures	27,043	639	1,086	1,367	1,475	31,612	3,878	35,491	—	35,491

- (Note) 1. “Others” consists of the business segments not included in the reportable segments such as domestic confectionary, beverages, Europe and Asia.
2. Operating profit(loss) under “Reconciliation” amounted to minus ¥ 2,762 million, consisting of minus ¥ 149 million from elimination of intersegment transactions and minus ¥ 2,613 million from group expenses.
3. Segment profit(loss) is adjusted to operating profit of condensed quarterly consolidated statements of income.

## Six months ended September 30, 2019 (From April 1, 2019 to September 30, 2019)

(¥ Million)

	Reportable segment						Others *1	Total	Reconciliations *2	Consolidated *3
	NISSIN FOOD PRODUCTS	MYOJO FOODS	Chilled and frozen foods	The Americas	China	Subtotal				
Revenue										
Sales to third party	92,465	17,097	27,921	31,569	20,967	190,021	31,339	221,361	—	221,361
Intersegment sales	628	3,391	204	2	495	4,723	15,247	19,970	(19,970)	—
Total	93,094	20,489	28,126	31,571	21,463	194,744	46,587	241,331	(19,970)	221,361
Segment profit (Operating profit)	11,736	1,332	1,020	2,402	2,291	18,782	3,765	22,548	(2,826)	19,721
Finance income	—	—	—	—	—	—	—	—	—	1,219
Finance costs	—	—	—	—	—	—	—	—	—	513
Profit before tax	—	—	—	—	—	—	—	—	—	20,427
Other items										
Depreciation and Amortization	5,576	939	655	501	943	8,616	3,457	12,074	24	12,098
Impairment	—	—	—	—	—	—	355	355	—	355
Gain on investments accounted for using the equity method	—	—	—	—	—	—	2,077	2,077	—	2,077
Capital expenditures	13,510	626	857	1,076	1,233	17,304	3,406	20,711	—	20,711

- (Note) 1. “Others” consists of the business segments not included in the reportable segments such as domestic confectionary, beverages, Europe and Asia.
2. Operating profit under “Reconciliation” amounted to minus ¥ 2,826 million, consisting of minus ¥ 131 million from elimination of intersegment transactions and minus ¥ 2,694 million from group expenses.
3. Segment profit is adjusted to operating profit of condensed quarterly consolidated statements of income.

Three months ended September 30, 2018 (From July 1, 2018 to September 30, 2018)

(¥ Million)

	Reportable segment						Others *1	Total	Reconciliations *2	Consolidated *3
	NISSIN FOOD PRODUCTS	MYOJO FOODS	Chilled and frozen foods	The Americas	China	Subtotal				
Revenue										
Sales to third party	46,407	7,879	14,017	16,171	11,111	95,586	15,676	111,263	—	111,263
Intersegment sales	413	1,789	98	5	124	2,431	7,650	10,081	(10,081)	—
Total	46,821	9,669	14,115	16,176	11,235	98,018	23,327	121,345	(10,081)	111,263
Segment profit (Operating profit)	6,391	505	495	41	1,329	8,762	2,271	11,034	(1,329)	9,704
Finance income	—	—	—	—	—	—	—	—	—	278
Finance costs	—	—	—	—	—	—	—	—	—	62
Profit before tax	—	—	—	—	—	—	—	—	—	9,921
Other items										
Depreciation and Amortization	1,613	393	228	434	476	3,145	1,380	4,526	53	4,580
Impairment	—	—	—	—	—	—	—	—	—	—
Gain on investments accounted for using the equity method	—	—	—	—	—	—	1,108	1,108	—	1,108
Capital expenditures	10,142	325	564	741	653	12,427	2,136	14,564	—	14,564

(Note) 1. “Others” consists of the business segments not included in the reportable segments such as domestic confectionary, beverages, Europe and Asia.

2. Operating profit under “Reconciliation” amounted to minus ¥ 1,329 million, consisting of minus ¥ 22 million from elimination of intersegment transactions and minus ¥ 1,306 million from group expenses.

3. Segment profit is adjusted to operating profit of condensed quarterly consolidated statements of income.

Three months ended September 30, 2019 (From July 1, 2019 to September 30, 2019)

(¥ Million)

	Reportable segment						Others *1	Total	Reconciliations *2	Consolidated *3
	NISSIN FOOD PRODUCTS	MYOJO FOODS	Chilled and frozen foods	The Americas	China	Subtotal				
Revenue										
Sales to third party	49,050	8,705	14,353	16,440	11,332	99,882	15,584	115,466	—	115,466
Intersegment sales	362	1,799	104	0	283	2,551	7,716	10,267	(10,267)	—
Total	49,412	10,505	14,457	16,440	11,616	102,433	23,301	125,734	(10,267)	115,466
Segment profit (Operating profit)	7,068	719	297	1,006	1,451	10,543	1,917	12,460	(1,365)	11,094
Finance income	—	—	—	—	—	—	—	—	—	212
Finance costs	—	—	—	—	—	—	—	—	—	171
Profit before tax	—	—	—	—	—	—	—	—	—	11,135
Other items										
Depreciation and Amortization	2,855	475	333	254	465	4,384	1,704	6,089	11	6,100
Impairment	—	—	—	—	—	—	355	355	—	355
Gain on investments accounted for using the equity method	—	—	—	—	—	—	1,073	1,073	—	1,073
Capital expenditures	7,355	255	400	669	353	9,034	1,646	10,681	—	10,681

(Note) 1. “Others” consists of the business segments not included in the reportable segments such as domestic confectionary, beverages, Europe and Asia.

2. Operating profit under “Reconciliation” amounted to minus ¥ 1,365 million, consisting of minus ¥ 18 million from elimination of intersegment transactions and minus ¥ 1,347 million from group expenses.

3. Segment profit is adjusted to operating profit of condensed quarterly consolidated statements of income.