

Financial Results for the Nine Months
of the Fiscal Year Ending March 31, 2020
Announced on February 5, 2020



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 review, 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.

Consolidated: Increased in revenue and operating profit and profit attributable to owners of parent

Domestic: Increased in revenue and decreased in operating profit

- Instant noodles business: Revenue rose in both NISSIN FOOD PRODUCTS and MYOJO FOODS due to smooth penetration of price revisions in June. Operating profit rose, reflecting higher raw material costs and distribution costs, as well as higher depreciation and amortization due to the start of operations at the Kansai Plant. Both revenues and operating profits were in line with initial plans.
- Chilled and frozen foods : Revenue increased and operating profit decreased.
- Confectionery and beverages : Both revenue and operating profit decreased.
- The main factor behind the decline in operating profits in the domestic business was the 5.2 billion yen gain on sales of property recorded in the first quarter of the previous fiscal year.

Overseas: Both revenue and operating profit increased

- Americas: The U.S. business's performance recovered. Continued strong performance in Brazil and Mexico, leading to higher revenue and significant operating profit growth.
- China: Both revenue and operating profit increased. Higher revenue, particularly in Mainland China, contributed to higher operating profit.
- Asia: Revenue increased due to contributions from Thailand. Operating profit rose due to contributions from Thailand and Indonesia. Gain on investments accounted for using the equity method also contributed to operating profit growth.

FY2020 3Q Results

Strong performance on a consolidated basis.

Strong performance of instant noodles business in domestic business.

Revenue and operating profits increased in all overseas segments.

Summary of 3Q

(bil. yen)

	FY2020			FY2019 9 Months Results
	9 Months Results	YoY Change	YoY Change(%)	
Revenue	348.0	+11.3	+3.4%	336.8
Operating profit	35.5	+0.8	+2.2%	34.8
Profit attributable to owners of parent	25.6	+0.9	+3.8%	24.7

OP margin	10.2%	-0.1pt	/	10.3%
Profit attributable to owners of parent margin	7.4%	+0.0pt		7.3%

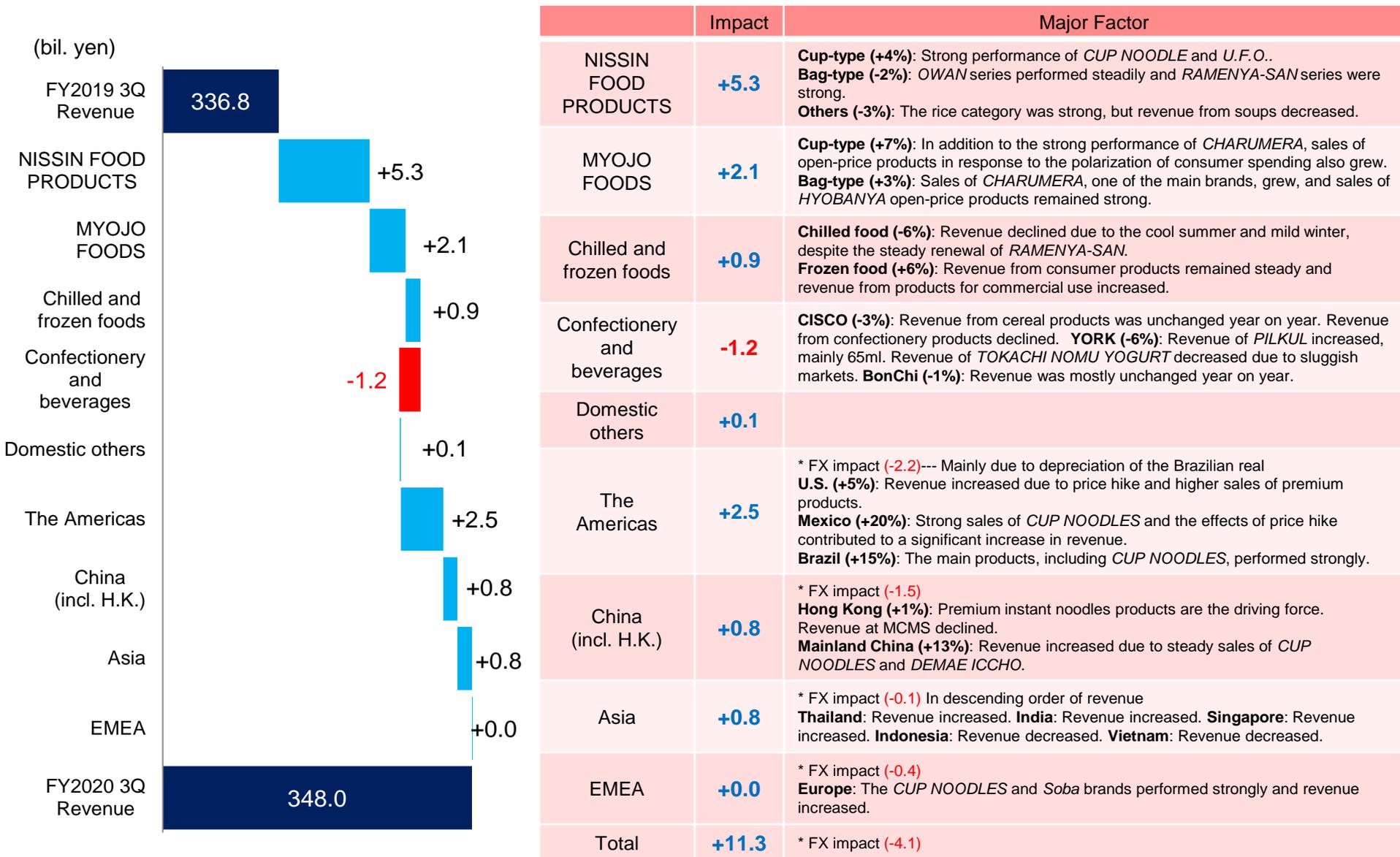
Revenue Results by Segment

(bil. yen)

	FY2020			FY2019
	9 Months Results	YoY Change	YoY Change(%)	9 Months Results
Instant noodles	177.7	+7.4	+4.3%	170.3
NISSIN FOOD PRODUCTS	150.8	+5.3	+3.6%	145.5
MYOJO FOODS	27.0	+2.1	+8.5%	24.9
Chilled and frozen foods	42.9	+0.9	+2.0%	42.0
Confectionery and beverages	30.9	-1.2	-3.8%	32.1
Domestic others	3.2	+0.1	+2.2%	3.1
Domestic total	254.7	+7.1	+2.9%	247.6
The Americas	48.5	+2.5	+5.4%	46.0
China (incl. H.K.)	31.2	+0.8	+2.7%	30.3
Asia	8.5	+0.8	+11.1%	7.6
EMEA	5.2	+0.0	+0.8%	5.2
Overseas total	93.3	+4.2	+4.7%	89.1
Consolidated revenue	348.0	+11.3	+3.4%	336.8

* 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



Positive Negative

* 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

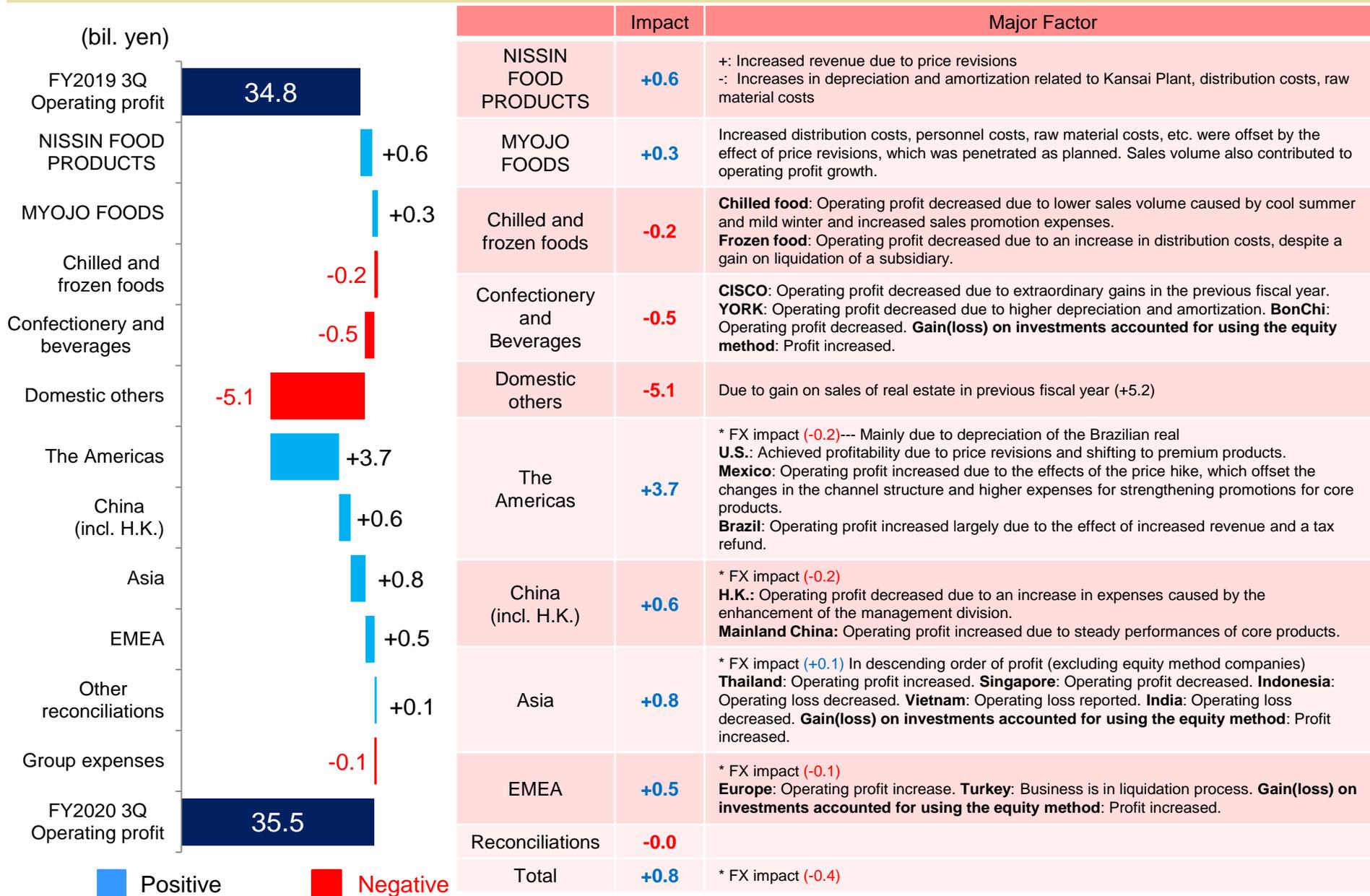
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(bil. yen)

	FY2020			FY2019
	9 Months Results	YoY Change	YoY Change(%)	9 Months Results
Instant noodles	24.8	+1.0	+4.0%	23.9
NISSIN FOOD PRODUCTS	22.4	+0.6	+3.0%	21.8
MYOJO FOODS	2.4	+0.3	+14.4%	2.1
Chilled and frozen foods	1.5	-0.2	-11.7%	1.7
Confectionery and beverages	1.6	-0.5	-24.9%	2.1
Domestic others	1.3	-5.1	-80.3%	6.4
Domestic total	29.2	-4.9	-14.4%	34.1
The Americas	3.6	+3.7	-	(0.1)
China (incl. H.K.)	3.0	+0.6	+26.4%	2.4
Asia	2.7	+0.8	+42.6%	1.9
EMEA	1.2	+0.5	+74.0%	0.7
Overseas total	10.5	+5.7	+117.1%	4.9
Other reconciliations	(0.1)	+0.1	-	(0.2)
Group expenses	(4.0)	-0.1	-	(3.9)
Consolidated operating profit	35.5	+0.8	+2.2%	34.8

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Operating Profit Contribution by Segment



* 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 Expenses) ⁷

(bil. yen)

	FY2020 9 Months Results	FY2019 9 Months Results	Difference in operating profit	Difference in non-recurring income and expenses	Main items of non-recurring income and expenses
NISSIN FOOD PRODUCTS	22.4	21.8	+0.6	-0.0	
MYOJO FOODS	2.4	2.1	+0.3	-0.0	
Chilled and frozen foods	1.5	1.7	-0.2	+0.5	(FY2020) Impact of liquidation of associate +0.5
Confectionery and beverages	1.6	2.1	-0.5	+0.1	
Domestic others	1.3	6.4	-5.1	-5.6	(FY2019) Gain on sales of real estate +5.2 (FY2020) Impairment loss of property -0.4
Domestic total	29.2	34.1	-4.9	-5.1	
The Americas	3.6	(0.1)	+3.7	-0.0	
China (incl. H.K.)	3.0	2.4	+0.6	+0.1	
Asia	2.7	1.9	+0.8	-0.3	(FY2019) Gain on sales of property +0.3
EMEA	1.2	0.7	+0.5	+0.1	
Overseas total	10.5	4.9	+5.7	-0.0	
Other reconciliations	(0.1)	(0.2)	+0.1	-0.0	
Group expenses	(4.0)	(3.9)	-0.1	-	
Consolidated operating profit	35.5	34.8	+0.8	-5.2	

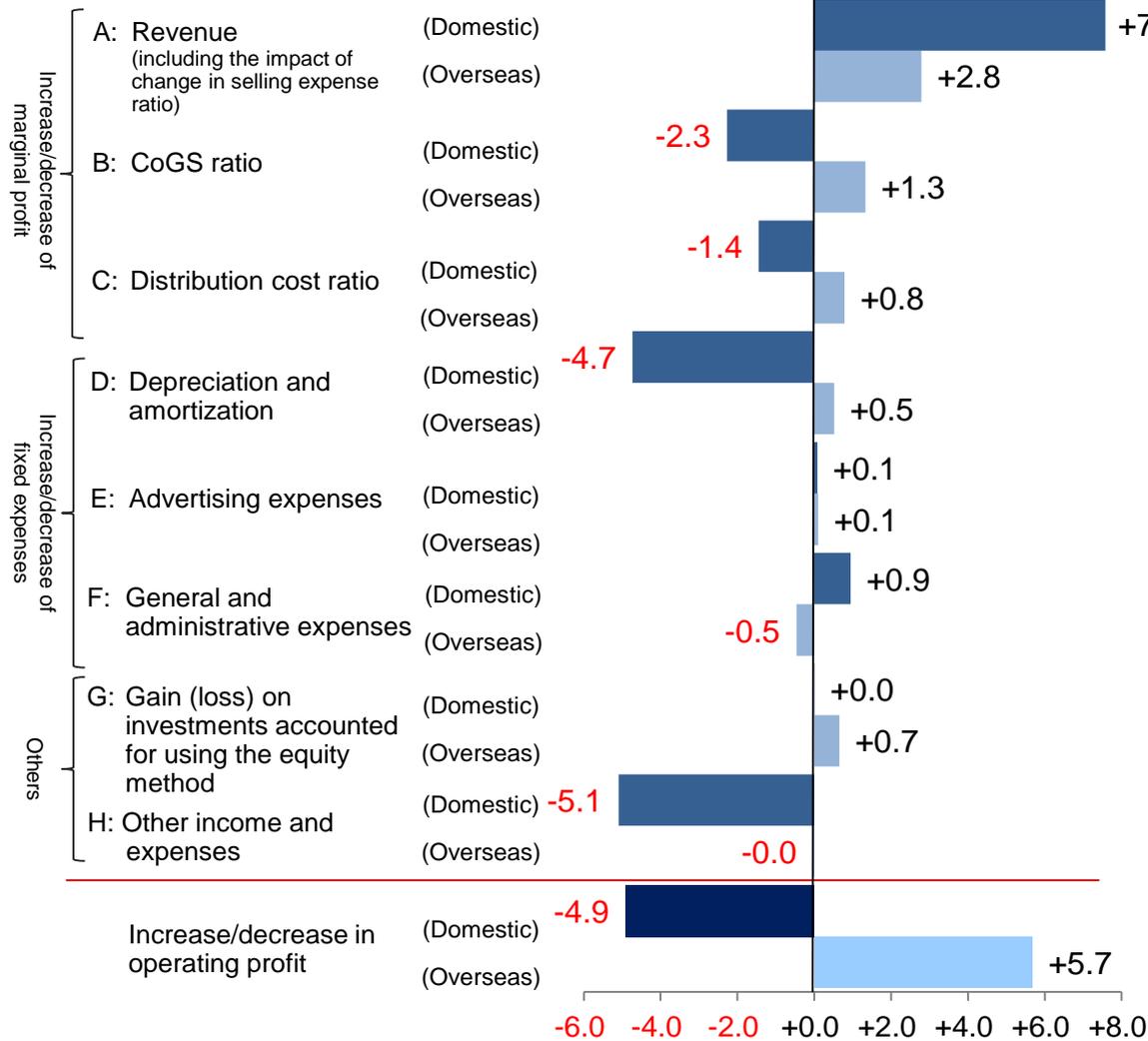
* Figures in the "Main items of non-recurring income and expenses": + Income, - Loss

Analysis of Operating Profit: Consolidated (Domestic / Overseas)

YoY change

(bil. yen)

Decrease factors Increase factors



Domestic

- Revenue
 - + Impact of price revisions, improvement in selling expense ratio, etc.
- CoGS ratio
 - Impact of product mix, etc.
- Distribution cost ratio
 - + Decrease in inventories, etc.
 - Higher distribution costs, etc.
- Depreciation and amortization
 - Impact of operation of Kansai Plant and IFRS 16 (-2.2), etc.
- Other income and expenses
 - Recording of gain on sales of real estate in the previous fiscal year (-5.2), etc.
 - + Impact of liquidation of associate (0.5), etc.

Overseas

- Revenue
 - + Impact of price revisions, etc.
- CoGS ratio
 - + Mainly due to the impact of the product mix in the U.S., etc.
- Distribution cost ratio
 - + Impact of improved distribution costs in Americas, etc.
- Depreciation and amortization
 - + Decreased depreciation and amortization in each segment, etc.

* In addition to the above, there is a difference in "Reconciliations" in consolidated accounting. The difference was minor and insignificant in the FY2020 3Q.

* The analysis of marginal profit is based on the amount obtained by adding selling expenses to revenue.
 * From the 1H of FY2020, the calculation method has been changed in order to more accurately express the impact of price revisions.

[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

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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.
- 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.