

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

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- My name is Yukio Yokoyama, and I am the CFO.
- I would like to report on the consolidated results for the nine months of the fiscal year, which we disclosed at 1:15 p.m. today via the Timely Disclosure Network of Tokyo Stock Exchange and our official website.
- Please be ready to look at the “Summary of Consolidated Financial Statements for the Nine Months Ended December 31, 2018 [Prepared under IFRS]” “Supplemental Data for the Third Quarter (Nine Months) ended December 31, 2018,” and the presentation material for the “Consolidated Results for the Nine Months of the Fiscal Year Ended March 31, 2019.”
- I would now like to outline our performance for the nine months under review by using the presentation material for the “Consolidated Results for the Nine Months of the Fiscal Year Ended March 31, 2019.”

Executive Summary		1
FY2019 Mgmt. Policy	<p>Aim to make a further leap forward in the milestone year of the 60th anniversary of the birth of instant noodles!</p> <p>Domestic: "Heat up" the Japanese market through the strong enhancement of long-selling brands</p> <ul style="list-style-type: none"> - Aim to maximize sales by enhancing products that will celebrate their anniversaries, including the 60th anniversary of <i>CHICKEN RAMEN</i> - Make a strategic move toward medium- and long-term sustained growth with the construction of the Kansai Plant <p>Overseas: "Boil" the global market based on the <i>CUP NOODLES</i> Strategy</p> <ul style="list-style-type: none"> - Make innovative changes occur in the market by proposing high value-added products, with a focus on the globalization of <i>CUP NOODLES</i> - Detect changes in the market environment accurately and accelerate area strategies 	
FY2019 3Q Results	<p>Consolidated: Revenue increased and profit decreased (operating profit, profit attributable to owners of parent).</p> <p>Domestic: Both revenue and operating profit increased.</p> <ul style="list-style-type: none"> • NISSIN FOOD PRODUCTS: The main brands, led by <i>CHICKEN RAMEN</i> 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: <i>YOMISE NO YAKISOBA</i> of cup-type noodles and <i>CHUKAZANMAI</i> 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. • Confectionery 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. <p>Overseas: Revenue increased and operating profit decreased.</p> <ul style="list-style-type: none"> • 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. <p>Reconciliations: Operating profit decreased.</p> <ul style="list-style-type: none"> • 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. <p>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.</p>	
Summary of 3Q	<p style="text-align: right;"></p>	

- Please look at Slide 1, which shows the executive summary.
- As for the consolidated results for the third quarter, group-wide revenue increased but profit decreased.
- On the domestic businesses, revenue increased mainly in the instant noodles business and the chilled and frozen foods business, which drove sales. Operating profit rose, thanks mainly to the revenue increase as a result of increased sales and the recording of gain on sales of property despite increases in raw material and distribution expenses and a rise in depreciation expenses due to the first-stage operation of the NISSIN FOOD PRODUCTS' Kansai Plant.
- Overseas, revenue remained strong, particularly in Europe, Asia and Latin America including Brazil and Mexico. Overall revenue increased but operating profit decreased primarily due to cost increases in the United States and reactions to gains on sales of property in China and insurance claims received in Brazil, which were recorded in the previous fiscal year.
- In addition, gain on change in equity of 4.4 billion yen was posted as an extraordinary gain in the fourth quarter of the previous fiscal year under Japanese GAAP to adjust changes in equity following the business combination, but this was included in the operating profit of the previous third quarter following the adoption of IFRS. After consolidated reconciliations, this difference resulted in a significant operating profit decline.

(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.

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- Please look at Slide 2, which shows a summary of the results for the nine months.
- Revenue increased 6.9 billion yen year on year, to 336.8 billion yen.
- Operating profit decreased 1.2 billion yen year on year, to 34.8 billion yen.
- Profit attributable to owners of parent decreased 4.3 billion yen year on year, to 24.7 billion yen.

Revenue Results by Segment

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(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.).

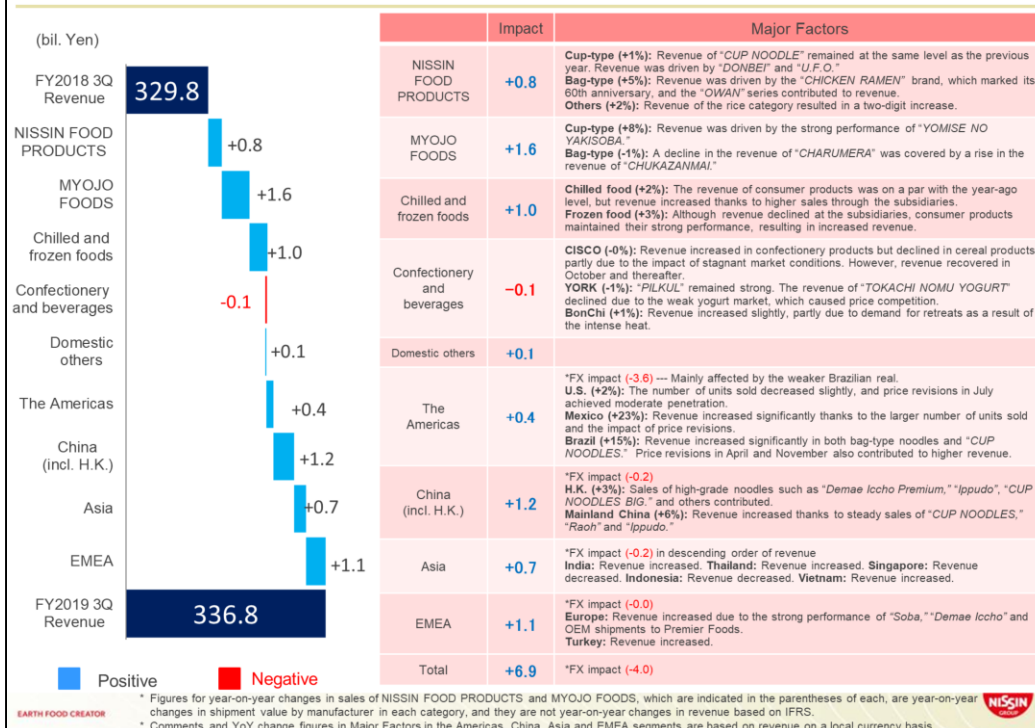
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- Please look at Slide 3, which shows the revenue results by segment.
- Revenue from domestic businesses increased 3.5 billion yen, to 247.6 billion yen. Revenue from overseas businesses increased 3.5 billion yen, to 89.1 billion yen.

Revenue Contribution by Segment

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- Please look at Slide 4, where major factors for the changes in revenue in each segment are stated in detail.
- The revenue of NISSIN FOOD PRODUCTS increased 0.8 billion yen year on year, to 145.5 billion yen. The revenue of cup-type instant noodle products grew 1% year on year thanks to revenue from "CHICKEN RAMEN", which celebrated its 60th anniversary, followed by "DONBEI", "U.F.O.", and other products that exceeded their respective year-ago levels. Revenue from bag-type instant noodle products also increased 5% year on year thanks to the significant growth of the "CHICKEN RAMEN" brand and the net increase of the "OWAN" series. Revenue from products in the "Others" category rose 2% year on year, partly because revenue from the rice category grew by two digits.
- The revenue of MYOJO FOODS increased 1.6 billion yen from the year-ago level, to 24.9 billion yen. The revenue of cup-type instant noodle products rose 8% year on year, reflecting the recovery of "IPPEICHAN YOMISE NO YAKISOBA" and the increased sales of open price products and PB/limited-edition products for CVS. The revenue of bag-type instant noodle products remained almost unchanged from the year-ago level by covering a decline in the revenue of "CHARUMERA", which was strong a year ago, through the strengthening of "CHUKAZANMAI".
- In the chilled and frozen foods segment, the revenue of products for the commercial routes continued to stagnate in the chilled food business. However, the revenue of this business increased thanks to stronger sales of its subsidiaries in the Group. Revenue from frozen food continued to be driven by products for the commercial routes, resulting in a year-on-year increase. As a result, revenue in this segment increased 1 billion yen, to 42 billion yen.
- In the confectionery and beverages segment, NISSIN CISCO saw a decline in revenue in the first half of the year, but revenue in the cereal business turned into an upward trend and returned to almost the same level as the previous fiscal year. NISSIN YORK enjoyed steady sales of "PILKUL", but its overall revenue declined because of the weak yogurt drink market and fierce competition. The revenue of BonChi rose year on year thanks to the savings in the first half. As a result, revenue in this segment fell 0.1 billion yen, to 32.1 billion yen.
- Revenue in the Americas increased 0.4 billion yen, to 46 billion yen. Excluding the impact of the foreign exchange rate, which was 3.6 billion yen, it actually increased 4.1 billion yen year on year.

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Operating Profit Results by Segment

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(bil. Yen)

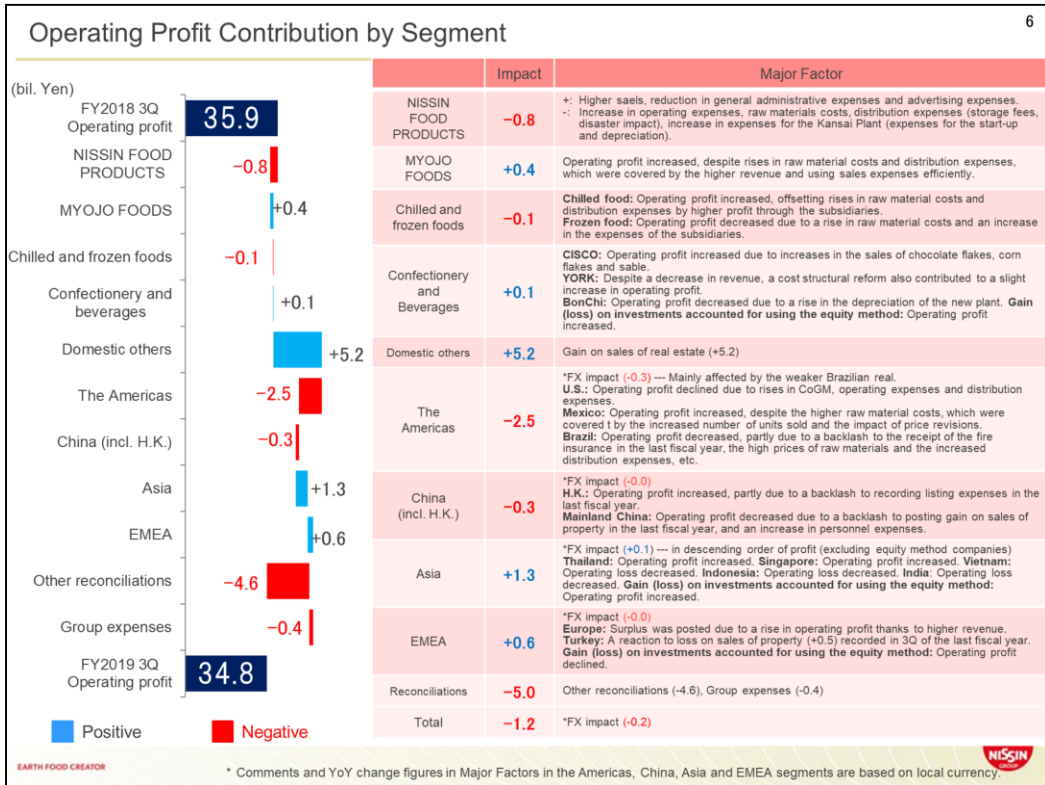
	FY2019			FY2018
	9 Months Results	YoY Change	YoY Change(%)	9 Months Results
Instant Noodles	23.9	-0.5	-1.9%	24.3
NISSIN FOOD PRODUCTS	21.8	-0.8	-3.6%	22.6
MYOJO FOODS	2.1	+0.4	+19.8%	1.8
Chilled and frozen foods	1.7	-0.1	-3.2%	1.7
Confectionery and beverages	2.1	+0.1	+2.8%	2.0
Domestic others	6.4	+5.2	+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

* 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.).

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- In the United States, the number of units sold declined slightly from the previous year, but in monetary terms rose 2% year on year as price revisions slowly penetrated. Revenue in Mexico rose significantly by 23% thanks to the increased revenue of “CUP NOODLES”, the net increase of “U.F.O.”, and the effect of price revisions. Revenue in Brazil rose by 15% thanks to an increase in the revenue of bag-type instant noodle products and the penetration of “CUP NOODLES” in the market, as well as the effect of price revisions in April and November.
- Revenue in China including Hong Kong increased 1.2 billion yen, to 30.3 billion yen. Excluding the impact of the foreign exchange rate, which was 0.2 billion yen, revenue actually grew by 1.4 billion yen. In Hong Kong, “Demae Iccho Premium”, “Ippudo” and “CUP NOODLES BIG” contributed to the increase in revenue, resulting in 3% growth. Revenue in Mainland China grew 6% year on year thanks to the increase in the revenue of “CUP NOODLES” and the net increase in the revenue of “Raoh” and “Ippudo”.
- Revenue in Asia increased 0.7 billion yen year on year, to 7.6 billion yen. Excluding the impact of the foreign exchange rate, which was 0.2 billion yen, revenue actually grew by 0.9 billion yen. In Asia, India and Thailand saw strong sales growth. Revenue in Vietnam also increased, although it is small in scale. On the other hand, revenue in Singapore declined slightly because of the decreased sales of MYOJO brand products. In Indonesia, the magnitude of a decline in revenue shrank, due partly to the launch of renewed products that was behind schedule.
- In EMEA, revenue increased 1.1 billion yen, to 5.2 billion yen. The impact of the foreign exchange rate was minor. In Europe, sales of “Soba” and “Demae Iccho” remained strong, and shipments of “Super Noodle Pots”, an OEM product for Premier Foods, were also strong. The revenue of the business in Turkey also grew positively.
- We will now move on to operating profit by segment. Please look at Slide 5.
- Profit from domestic businesses increased 4.8 billion yen year on year, to 34.1 billion yen. Gain on sales of real estate in Japan of 5.2 billion yen was recorded this fiscal year. Excluding this, profit decreased 0.4 billion yen year on year.
- Profit from overseas businesses declined 0.9 billion yen, to 4.9 billion yen.
- Adjustments between Group companies of negative 0.4 billion yen and gain on change in equity of 4.4 billion yen were included in the reconciliations in the third quarter of the previous fiscal year. The reaction to this inclusion resulted in a decrease in profit of 4.6 billion yen.
- As a result, the final operating profit decreased by 1.2 billion yen, to 34.8 billion yen.



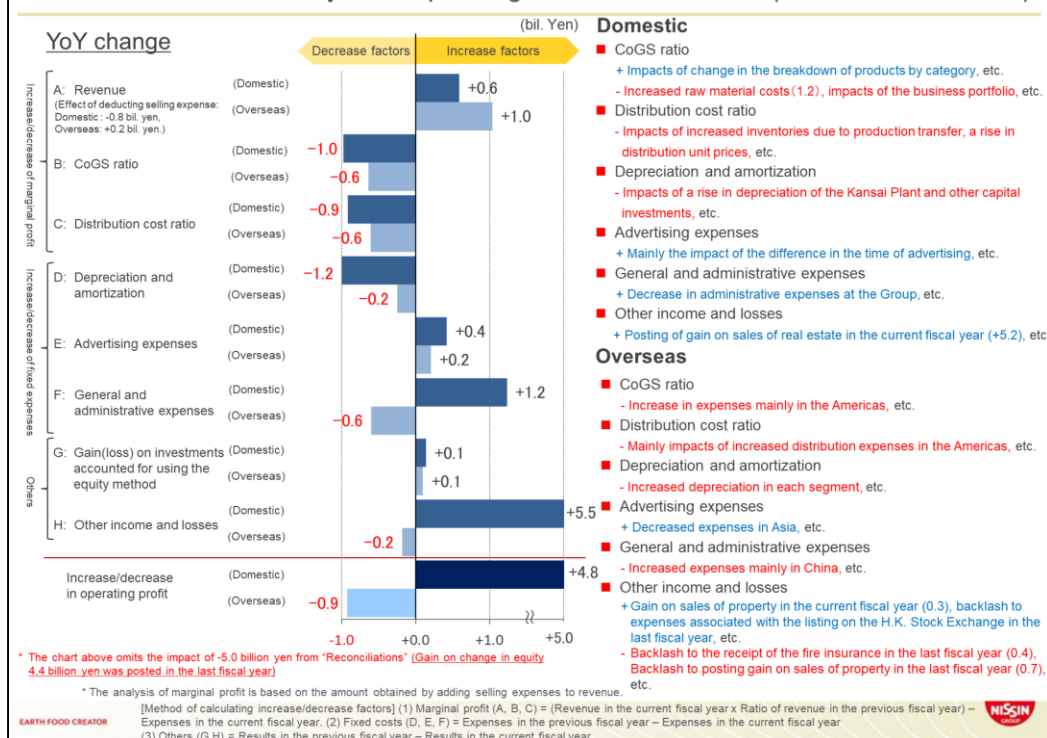
- Next, I will explain the factors for the increase or decrease of operating profit by segment. Please look at Slide 6.
- The operating profit of NISSIN FOOD PRODUCTS decreased 0.8 billion yen, to 21.8 billion yen. This was due to rises in raw material costs and distribution expenses as well as the depreciation of the Kansai Plant that was added from this third quarter, despite the effect of increased revenue, the decline in the cost of goods sold ratio attributed to the breakdown of products, and the reduction in advertising expenses and general and administrative expenses.
- The operating profit of MYOJO FOODS reached 2.1 billion yen, up 0.4 billion yen year on year, because the effect of increased revenue as well as the efficient use of sales expenses and the savings in selling, general and administrative expenses offset cost increases caused by rising material prices and distribution expenses.
- The operating profit of the chilled and frozen foods business fell slightly from the year-ago level, to 1.7 billion yen. This is because the operating profit of NISSIN CHILLED FOODS rose slightly thanks to the increased profit of its subsidiaries in the Group, offsetting rises in raw material and distribution costs, and also because the operating profit of NISSIN FROZEN FOODS was down slightly due to the decreased profit of its subsidiaries in the Group, although frozen foods on the market increased sales and profit.
- In the segment of of the confectionery and beverages business, the operating profit of NISSIN CISCO increased year on year, largely reflecting the rise in profit thanks to strong sales of chocolate flakes, corn flakes and biscuits(sable). NISSIN YORK's revenue decreased, but its profit rose, partly due to the revised cost structure. BonChi's profit fell due to a rise in depreciation following the start of the operation of Yamagata Plant. Operating profit in this segment rose 0.1 billion yen year on year, to 2.1 billion yen, due to a year-on-year increase of over 0.1 billion yen in gain on investments accounted for using the equity method.
- In the segment of "Domestic others," operating profit increased 5.2 billion yen year on year, to 6.4 billion yen, due to a gain on sale of real estate of 5.2 billion yen.

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Major Factors for Difference in Operating Profit (Impact of Non-Recurring Income and Losses)					7
	FY2019	FY2018	Difference in	Difference in non-	Main items of non-recurring
	9 Months Results	9 Months Results	operating profit	recurring income	income and losses
				and losses	
	(bil. Yen)				
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	

- In the Americas, operating profit declined 2.5 billion yen year on year, resulting in an operating loss of 0.1 billion yen. Foreign exchange rate fluctuations also had an impact of negative 0.3 billion yen. In the United States, operating profit was affected significantly by an increase in expenses such as the cost of goods manufactured, operating expenses, and distribution expenses, and revised prices have penetrated gradually since July last year. Operating profit increased in Mexico thanks to the increase in sales in terms of quantity, which was combined with the effect of the price increase. Operating profit in Brazil decreased year on year, mainly because of a reaction to the fire insurance received in the previous fiscal year, high raw material market prices, and a rise in distribution expenses, despite a significant increase in sales. The price hike of bag-type instant noodle products has been underway since November last year.
- Operating profit in China, including Hong Kong, decreased 0.3 billion yen, to 2.4 billion yen. Excluding the effect of the gain on the sale of the Shanghai Plant in the previous third quarter, it increased.
- Operating profit in Asia increased by 1.3 billion yen, to 1.9 billion yen. Excluding the impact of the foreign exchange rate, which was plus 0.1 billion yen, it actually increased 1.2 billion yen year on year. In Thailand, profit rose thanks to increased sales and the stable operation of the plant. In Singapore, operating profit also increased, due partly to gain on sales of property. In Vietnam, Indonesia and India, deficits have been steadily shrinking. In addition, gain on investments accounted for using the equity method increased by 0.5 billion yen.
- Operating profit in EMEA was up 0.6 billion yen, to 0.7 billion yen, with almost no currency exchange impact. In Europe, operating profit rose thanks to rising sales. In Turkey, operating profit rose reflecting the positive effect of the loss on sales of property in the previous year. However, loss on investments accounted for using the equity method was approximately 0.4 billion yen.
- Slide 7 shows operating profit impacted by non-recurring income and losses.
- The items newly impacted by income and losses this quarter are gain on sales of property in China and loss on sales of property in EMEA, which recorded in the previous year.

FY2019 Nine Months Analysis of Operating Profit: Consolidated (Domestic / Overseas) ⁸



- Next, I will explain the analysis of operating profit by expense. Please look at Slide 8.
- I will start with an analysis of domestic operating profit.
- An increased change in revenue contributed to a rise in profit of 0.6 billion yen.
- A change in the cost of goods sold ratio led to an increase in expenses of 1 billion yen, mainly because the raw material costs of the domestic Group increased by over 1.2 billion yen.
- A change in the distribution cost ratio resulted in an increase in expenses of 0.9 billion yen. This was affected by the increase in chilled distribution costs, as well as the impact of natural disasters that occurred last year and the subsequent high delivery costs.
- Depreciation and amortization increased by 1.2 billion yen. This was mainly because the first-stage construction of NISSIN FOOD PRODUCTS' Kansai Plant was completed and it began operating in October, and BonChi's Yamagata Plant also commenced operation.
- Advertising expenses decreased by 0.4 billion yen. However, we plan to increase the expenses by 0.1 billion yen in the full year, so I think that the amount will be adjusted throughout the current fiscal year.
- General and administrative expenses decreased by 1.2 billion yen, due mainly to decreases in expenses of NISSIN FOOD PRODUCTS and NISSIN FOODS HOLDINGS.
- Other income and losses grew positively, by 5.5 billion yen. This is largely attributed to 5.2 billion yen as a gain on sale of real estate mentioned earlier.
- I will now explain the overseas results.
- Higher revenue resulted in an increase in operating profit of 1 billion yen.
- A change in the cost of goods sold ratio led to an increase in expenses of 0.6 billion yen. This was mainly owing to increases in raw material costs and manufacturing costs in the Americas, particularly in the United States.
- The rise in the distribution cost ratio resulted in a rise in expenses of 0.6 billion yen. The major factor for this increase is a rise in distribution expenses in the Americas, mainly in the United States.
- The 0.2-billion-yen increase in depreciation and amortization reflects the accumulated small expenses of overseas businesses.
- Advertising expenses fell by 0.2 billion yen, mainly reflecting the decrease in these expenses in Asia.

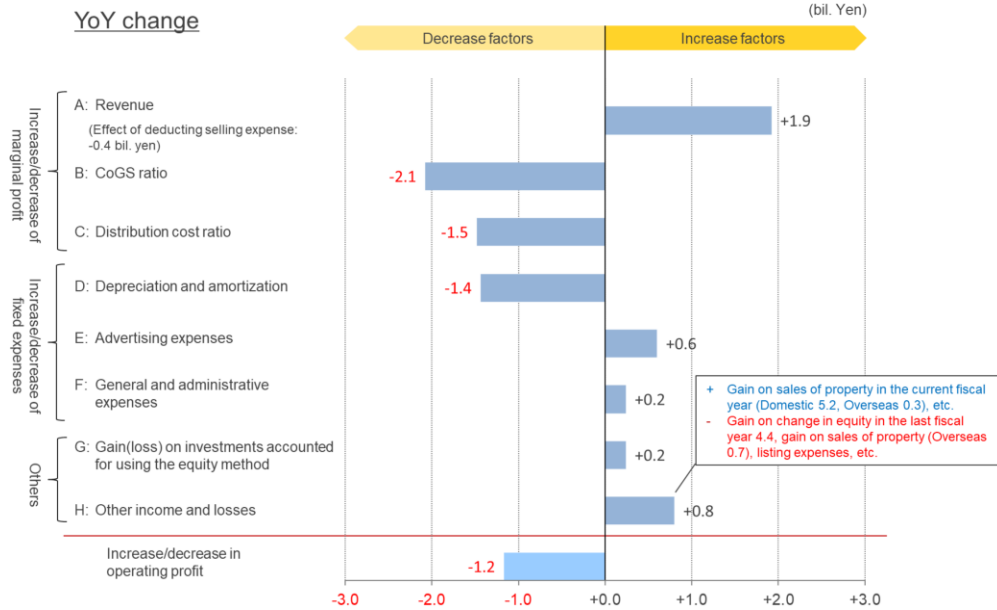
APPENDIX

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- General and administrative expenses rose by 0.6 billion yen. The major factor for this change is an increase in the expenses of our businesses in China.
- Other income and losses shows a rise in expenses of 0.2 billion yen. For detailed factors, please see the right side of the bar chart.
- Although not shown on the bar chart, a cost increase of 5 billion yen was incurred as an adjustment. Please note that the gain on change in equity of 4.4 billion yen posted following the business consolidation in the previous fiscal year has been adjusted.
- Finally, NISSIN FOOD PRODUCTS announced a price revision today. It will raise prices from 4% to 8% from the shipment on June 1.
- With this, I conclude the summary of the financial results for the first nine months of the fiscal year ended March 31, 2019.

FY2019 Nine Months Analysis of Operating Profit: Consolidated (Overall Group)



* 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

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- 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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