

Financial Results for FY2020
(Fiscal Year Ended March 31, 2020)
Announced on May 12, 2020



NISSIN FOODS HOLDINGS CO., LTD.

Stock Code: 2897

FY2020 Business Report FY2021 Business Plan

Director, CFO, and Managing Executive Officer
Yukio Yokoyama

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.

FY2020 Results

- Consolidated: Increased in revenue and operating profit and profit attributable to owners of parent (Both profit achieved record high)
- In response to coronavirus disease 2019 (COVID-19) in March 2020, the stable supply was sought by narrowing down SKU of the product to stay-at-home demand.
- Domestic: Increased in revenue and decreased in operating profit
- Instant noodles business: Price revisions made in June have penetrated steadily. Despite increases in raw material and distribution costs, along with other cost increases, the increase in stay-at-home demand as a result of measures taken to combat the spread of COVID-19 during the fourth quarter also contributed to profits, resulting in an overall increase in both revenue and operating profit.
 - 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
- The Americas: The U.S. business performance recovered. Continued strong performance in Brazil and Mexico, leading to higher revenue and significant operating profit growth. (Profit increased even after excluding U.S. impairment loss of property recorded in the previous fiscal year.)
 - 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, Singapore and India. 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.

Achieved a V-shaped recovery from the previous fiscal year's profit decline.
Strong performance of instant noodles business in domestic business.
Revenue and operating profit increased in all overseas segments.
(Excludes the impact of changes in the accounting periods in FY2019 in Asia)

Summary of FY2020

(bil. yen)

	FY2020					FY2020	FY2019
	Results	vs. Plan		YoY Change		Plan	Results
Revenue	468.9	+3.9	+0.8%	+17.9	+4.0%	465.0	451.0
Operating profit	41.3	+4.3	+11.5%	+12.3	+42.4%	37.0	29.0
Profit attributable to owners of parent	29.3	+3.3	+12.8%	+10.0	+51.5%	26.0	19.4
OP margin	8.8%	+0.8pt		+2.4pt		8.0%	6.4%
Profit attributable to owners of parent margin	6.3%	+0.7pt		+2.0pt		5.6%	4.3%
ROE	9.0%	-		+3.1pt		-	5.9%
EPS (yen)	281	+32		+96		250	186
Adjusted EPS (yen) ^{*1}	278	+33		+53		245	225

*1: Adjusted EPS=(Operating profit ±Other income, expenses - Income tax expense - Profit attributable to non-controlling interests)/
Average number of shares outstanding (excluding treasury shares)

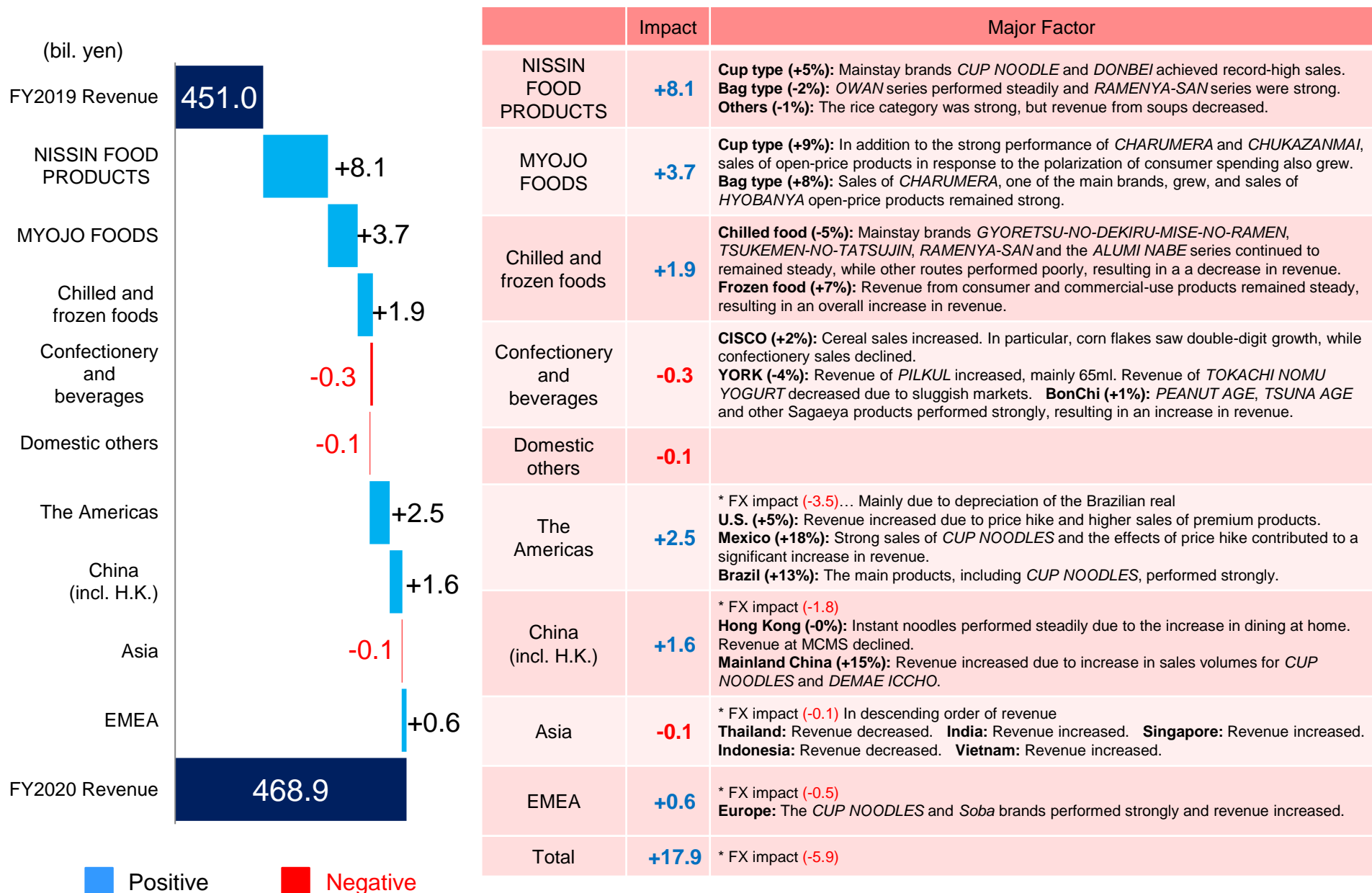
Revenue Results by Segment

(bil. Yen)

	FY2020					FY2020 Plan	FY2019 Results
	Results	vs.Plan		YoY Change			
Instant noodles	237.8	+3.8	+1.6%	+11.7	+5.2%	234.0	226.1
NISSIN FOOD PRODUCTS	201.3	+1.3	+0.7%	+8.1	+4.2%	200.0	193.3
MYOJO FOODS	36.5	+2.5	+7.4%	+3.7	+11.1%	34.0	32.9
Chilled and frozen foods	57.3	+0.3	+0.5%	+1.9	+3.4%	57.0	55.4
Confectionery and beverages	41.9	-1.1	-2.5%	-0.3	-0.6%	43.0	42.2
Domestic others	4.1	+0.3	+8.0%	-0.1	-1.7%	3.8	4.2
Domestic total	341.2	+3.4	+1.0%	+13.2	+4.0%	337.8	327.9
The Americas	65.9	+1.9	+3.0%	+2.5	+3.9%	64.0	63.4
China (incl. H.K.)	43.1	-1.4	-3.2%	+1.6	+3.9%	44.5	41.4
Asia	11.3	-0.4	-3.8%	-0.1	-1.1%	11.7	11.4
EMEA	7.4	+0.4	+6.1%	+0.6	+9.5%	7.0	6.8
Overseas total	127.7	+0.5	+0.4%	+4.6	+3.8%	127.2	123.0
Consolidated revenue	468.9	+3.9	+0.8%	+17.9	+4.0%	465.0	451.0

* 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.

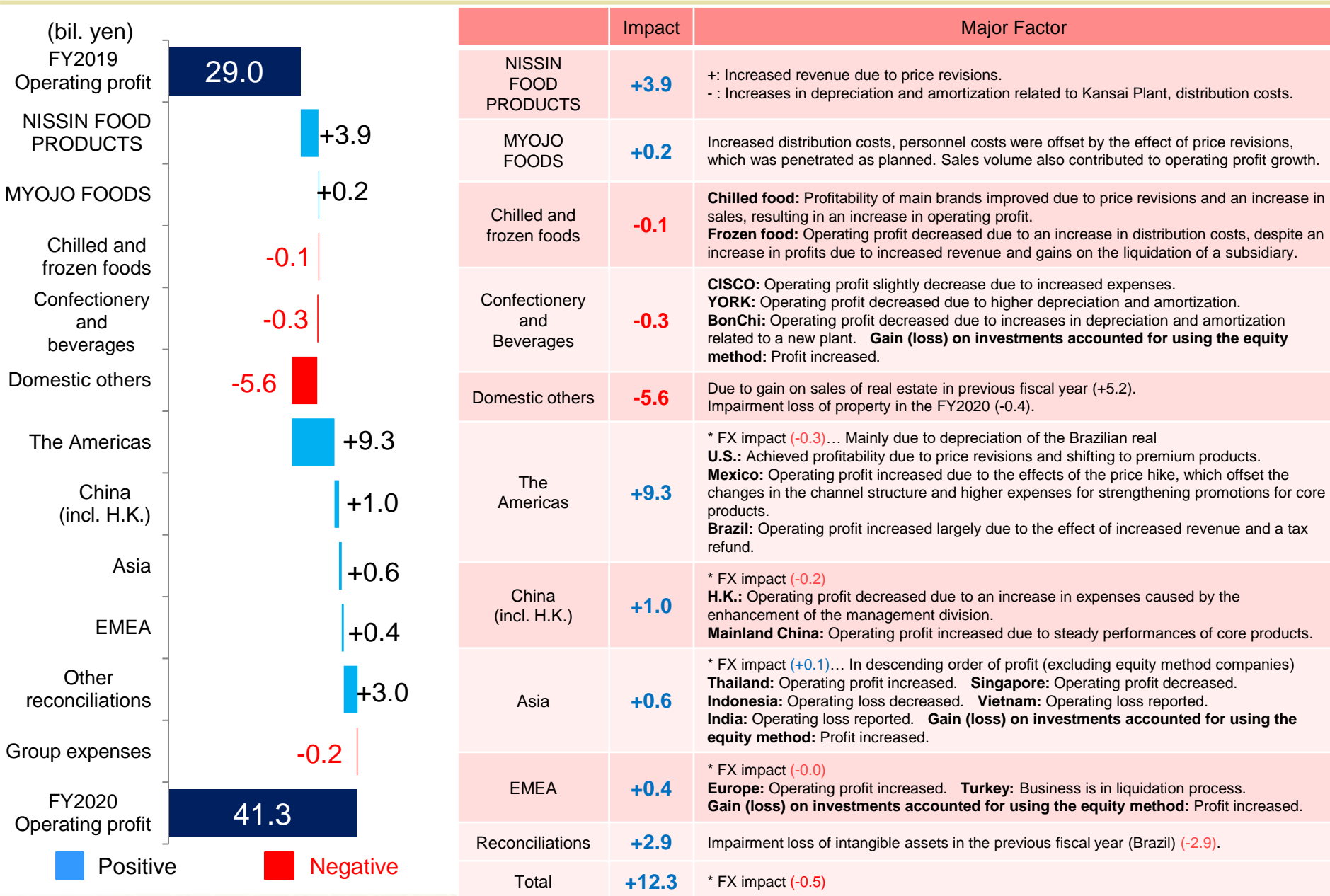
Operating Profit Results by Segment

(bil. Yen)

	FY2020					FY2020 Plan	FY2019 Results
	Results	vs. Plan		YoY Change			
Instant noodles	29.8	+2.7	+9.8%	+4.0	+15.6%	27.1	25.7
NISSIN FOOD PRODUCTS	27.6	+2.6	+10.3%	+3.9	+16.3%	25.0	23.7
MYOJO FOODS	2.2	+0.1	+4.5%	+0.2	+7.4%	2.1	2.0
Chilled and frozen foods	1.4	-0.6	-29.5%	-0.1	-8.1%	2.0	1.5
Confectionery and beverages	2.2	-0.4	-15.6%	-0.3	-11.1%	2.6	2.5
Domestic others	1.0	+0.3	+36.6%	-5.6	-85.3%	0.7	6.5
Domestic total	34.3	+1.9	+5.9%	-1.9	-5.3%	32.4	36.3
The Americas	4.1	+1.4	+51.1%	+9.3	-	2.7	(5.2)
China (incl. H.K.)	4.9	+1.1	+28.0%	+1.0	+26.6%	3.8	3.8
Asia	2.4	-0.1	-4.1%	+0.6	+31.6%	2.5	1.8
EMEA	1.1	+0.1	+7.2%	+0.4	+70.0%	1.0	0.6
Overseas total	12.4	+2.4	+24.2%	+11.4	+1069.0%	10.0	1.1
Other reconciliations	(0.1)	-0.1	-	+3.0	-	(0.0)	(3.1)
Group expenses	(5.4)	+0.0	-	-0.2	-	(5.4)	(5.2)
Consolidated operating profit	41.3	+4.3	+11.5%	+12.3	+42.4%	37.0	29.0

* 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.).

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) ⁸

(bil. Yen)

	FY2020 Results	FY2019 Results	Difference in operating profit	Difference in non-recurring income and expenses	Main items of non-recurring income and expenses
NISSIN FOOD PRODUCTS	27.6	23.7	+3.9	+0.0	
MYOJO FOODS	2.2	2.0	+0.2	-0.2	
Chilled and frozen foods	1.4	1.5	-0.1	+0.4	(FY2020) Impact of liquidation of associate +0.5
Confectionery and beverages	2.2	2.5	-0.3	-0.1	
Domestic others	1.0	6.5	-5.6	-6.0	(FY2019) Gain on sales of real estate +5.2 (FY2020) Impairment loss of property -0.4
Domestic total	34.3	36.3	-1.9	-5.9	
The Americas	4.1	(5.2)	+9.3	+5.8	(FY2019) Impairment loss of property -5.9
China (incl. H.K.)	4.9	3.8	+1.0	+0.2	
Asia	2.4	1.8	+0.6	-0.3	(FY2019) Impairment loss of property -0.6, Gain on sales of property +0.3 (FY2020) Impairment loss of property -0.7
EMEA	1.1	0.6	+0.4	+0.0	
Overseas total	12.4	1.1	+11.4	+5.8	
Other reconciliations	(0.1)	(3.1)	+3.0	+2.9	(FY2019) Impairment loss of intangible assets -2.9
Group expenses	(5.4)	(5.2)	-0.2	-	
Consolidated operating profit	41.3	29.0	+12.3	+2.8	

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

Analysis of Operating Profit: Consolidated (Domestic / Overseas)

YoY change

(bil. yen)

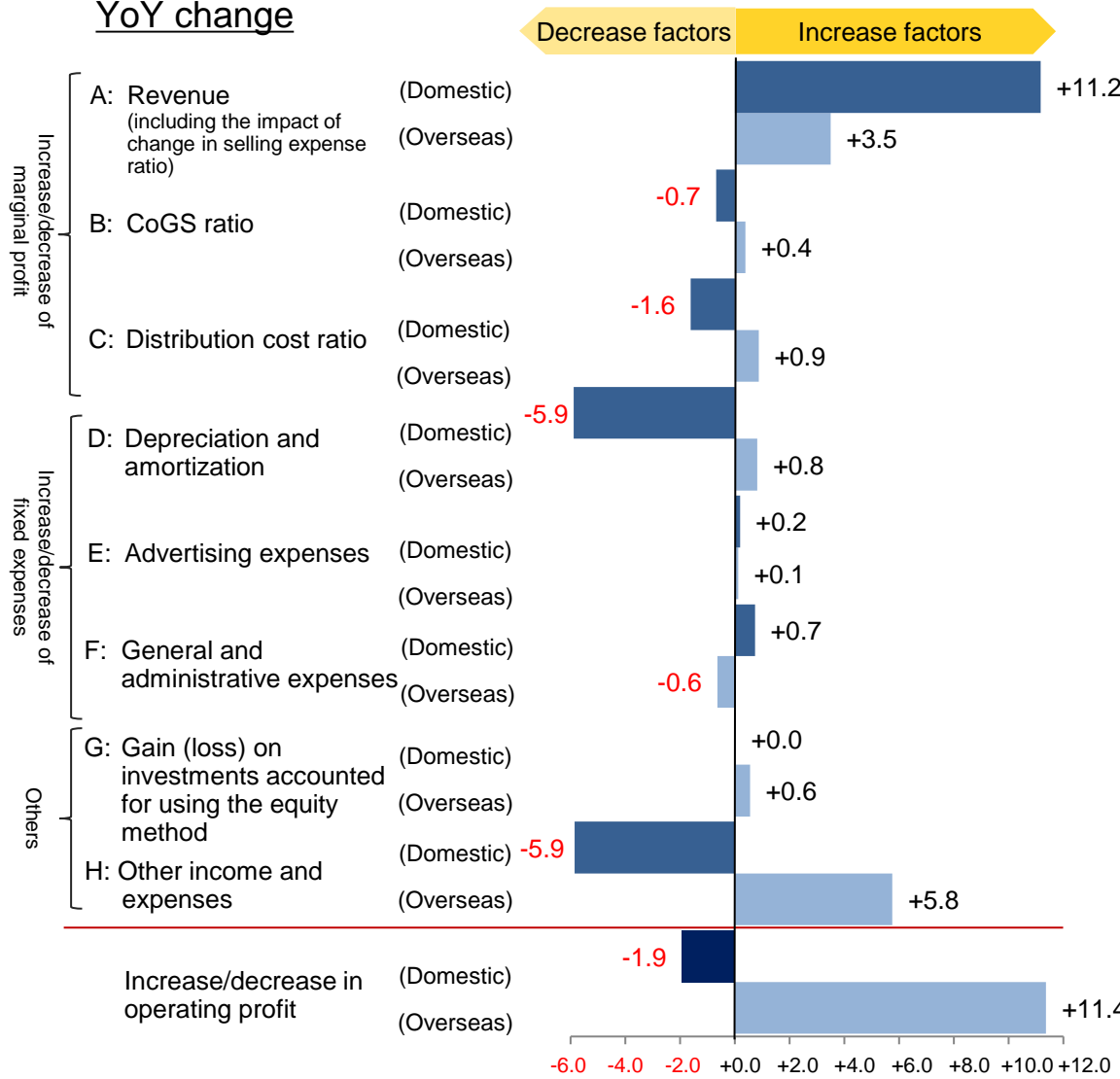
Domestic

- Revenue
 - + Impact of price revisions, improvement in selling expense ratio, etc.
- CoGS ratio
 - + Impact of IFRS 16, etc.
 - 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 (3.0), etc.
- Other income and expenses
 - Recording of gain on sales of real estate in the previous fiscal year (5.2) and impairment losses of fixed assets in this fiscal year (0.4), etc.
 - + Impact of liquidation of associate (0.5), etc.

Overseas

- Revenue
 - + Impact of price revisions in the Americas, etc.
- CoGS ratio
 - + Impact of product mix in China and EMEA, etc.
 - Increase of raw materials costs in the Americas region, etc.
- Distribution cost ratio
 - + Impact of improved distribution costs in Americas, etc.
- Depreciation and amortization
 - + Decreased depreciation and amortization in each segment, etc.
- Other income and expenses
 - + Recording of impairment loss of property in the U.S. in the previous fiscal year (5.9), etc.

* In addition to the above, there is a difference in "Reconciliations" of +2.9 billion yen in comparison with the previous fiscal year. (In the previous fiscal year, impairment loss of intangible assets in Brazil (2.9) were posted.)



* From the 2Q of FY2020, the calculation method has been changed in order to more accurately express the impact of price revisions.

* 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

Aim to strengthen the business base to achieve the goals of the Medium-Term Business Plan 2021 and further growth

Domestic:

- Advance DX (Digital Transformation) and seek to expand business operations with a product supply framework that is rock solid even under highly uncertain business conditions.
- Aim to expand revenues and generate profits by further enhancing brand strategy.
- Seek to achieve growth in other business areas (aside from instant noodles) and use them as a basis for future profits.

Overseas:

- Seek to expand sales of added-value products with strategic priority in the U.S. market, which has made a rapid recovery.
- Maintain stable growth in China and Brazil.
- Aim to make businesses in India, Vietnam and Indonesia profitable quickly by focusing on strengthening brands and enhancing profitability.

Group-wide:

- Continue working as a unified group towards achieving the goals of the Medium-Term Business Plan.
- Maintain stable food supply even in the event of an emergency while paying maximum attention to safety and security, including measures against coronavirus disease 2019 (COVID-19).

	FY2021			FY2020 Results
	Plan	YoY Change		
Revenue	486.0	17.1	+3.7%	468.9
Operating profit	43.5	2.2	+5.4%	41.3
Profit attributable to owners of parent	30.5	1.2	+4.0%	29.3
OP margin	9.0%	+0.2pt	/	8.8%
Profit attributable to owners of parent margin	6.3%	+0.0pt		6.3%
ROE	9.0%	+0.0pt	/	9.0%
EPS (Yen)	293	+11		281
Adjusted EPS (Yen) ^{*1}	281	+3		278

(bil. Yen)

■ Main factors behind higher costs

Factors

Increases in distribution expenses and raw material costs

4.1 bil. yen
Palm oil, cardboard boxes, and seafood, etc.

*1: Adjusted EPS=(Operating profit ±Other income, expenses - Income tax expense - Profit attributable to non-controlling interests)/
Average number of shares outstanding (excluding treasury shares)

(bil. yen)

	FY2021			FY2020
	Plan	YoY Change		Results
Instant noodles	242.5	+4.7	+2.0%	237.8
NISSIN FOOD PRODUCTS	206.0	+4.7	+2.3%	201.3
MYOJO FOODS	36.5	+0.0	+0.0%	36.5
Chilled and frozen foods	59.5	+2.2	+3.8%	57.3
Confectionery and beverages	44.5	+2.6	+6.1%	41.9
Domestic others	3.5	-0.7	-15.8%	4.1
Domestic total	350.0	+8.8	+2.6%	341.2
The Americas	68.0	+2.1	+3.2%	65.9
China (incl. H.K.)	47.0	+3.9	+9.1%	43.1
Asia	13.5	+2.2	+20.0%	11.3
EMEA	7.5	+0.1	+1.0%	7.4
Overseas total	136.0	+8.3	+6.5%	127.7
Consolidated revenue	486.0	+17.1	+3.7%	468.9

* The business plan targets for the China region were set independently by NISSIN FOODS HOLDINGS.

	FY2021			(bil. yen)
	Plan	YoY Change		FY2020
		Results		
Instant noodles	30.2	+0.4	+1.5%	29.8
NISSIN FOOD PRODUCTS	28.0	+0.4	+1.5%	27.6
MYOJO FOODS	2.2	+0.0	+0.3%	2.2
Chilled and frozen foods	1.7	+0.3	+20.5%	1.4
Confectionery and beverages	2.4	+0.2	+9.4%	2.2
Domestic others	1.2	+0.2	+20.3%	1.0
Domestic total	35.5	+1.1	+3.3%	34.3
The Americas	4.3	+0.2	+5.4%	4.1
China (incl. H.K.)	4.9	+0.0	+0.7%	4.9
Asia	3.4	+1.0	+41.8%	2.4
EMEA	1.4	+0.3	+30.6%	1.1
Overseas total	14.0	+1.6	+12.8%	12.4
Other reconciliations	(0.1)	+0.1	-	(0.1)
Group expenses	(5.9)	-0.5	-	(5.4)
Consolidated operating profit	43.5	+2.2	+5.4%	41.3

* The business plan targets for the China region were set independently by NISSIN FOODS HOLDINGS.

Major Factors for Difference in Operating Profit

(Impact of Non-Recurring Income and Expenses)

(bil. Yen)

	FY2020 Results	FY2021 Plan	Difference in operating profit	Difference in non-recurring income and expenses	Main items of non-recurring income and expenses
NISSIN FOOD PRODUCTS	27.6	28.0	+0.4	-0.1	
MYOJO FOODS	2.2	2.2	+0.0	+0.2	
Chilled and frozen foods	1.4	1.7	+0.3	-0.1	(FY2020) Impact of liquidation of associate +0.5 (FY2021) Impact of liquidation of associate +0.3
Confectionery and beverages	2.2	2.4	+0.2	+0.0	
Domestic others	1.0	1.2	+0.2	+0.7	(FY2020) Impairment loss of property -0.4, etc.
Domestic total	34.3	35.5	+1.1	+0.7	
The Americas	4.1	4.3	+0.2	+0.1	
China (incl. H.K.)	4.9	4.9	+0.0	-0.0	
Asia	2.4	3.4	+1.0	+0.8	(FY2020) Impairment loss of property -0.7
EMEA	1.1	1.4	+0.3	-0.1	
Overseas total	12.4	14.0	+1.6	+0.7	
Other reconciliations	(0.1)	(0.1)	+0.1	+0.1	
Group expenses	(5.4)	(5.9)	-0.5	+0.0	
Consolidated operating profit	41.3	43.5	+2.2	+1.5	

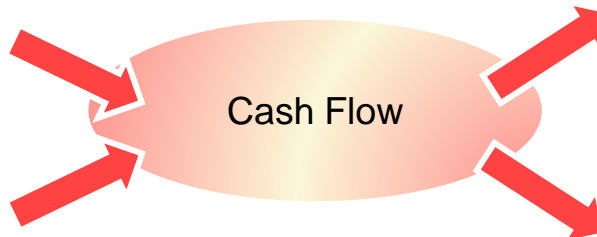
* Figures in the "Main items of non-recurring income and expenses": + Income, - Loss

Cash Flow

CF provided by operating activities

Approx. 54.0 bil. yen

In the event of a shortfall in capital, usage of cash and deposits, redemption of investment securities and various type of finance will be considered



Shareholder Returns

Expected dividend payment: 11.5 bil. yen
Dividend per share (plan): 110 yen
(1H: 55 yen, Year-end: 55 yen)

Budget for investment

Capital investment: 39.4 bil. yen

Business investment: Depends on opportunities

Shareholder Returns

(Dividends) ● Dividend increase reflecting favorable financial performance, with an aim for achieving **average payout ratio of 40% or above**.

41.3% (Estimate): An average of payout ratio over the five years from FY2017 to FY2021

- 👉 FY2019 1H: 55 yen (10 yen Increase), Year-end: 55 yen (10 yen Increase), Total 110 yen (20 yen Increase)
- 👉 FY2020 1H: 55 yen, Year-end: 55 yen, Total 110 yen
- 👉 **FY2021 1H: 55 yen, Year-end: 55 yen, Total 110 yen (Plan)**

	5-Year Plan	FY2017 Results	FY2018 Results	FY2019 Results	FY2020 Results	FY2021 Plan
Dividend per share	Stable dividend	85 yen	90 yen	110 yen	110 yen	110 yen
Payout ratio	Average 40% or above	38.4%*1	32.2%*1	59.2%*2	39.1%*2	37.6%*2

*1 Based on J-GAAP *2 Based on IFRS

(Treasury stock) ● Consider stock repurchase with agility according to changes in management and business environments

- 👉 FY2017 Executed stock repurchase in Nov.: 4,088,300 shares/ 22,935 mil. yen
- 👉 FY2019: Cancelled 10% of the number of shares outstanding (May 24, 2018, 11,763,685 shares).
- 👉 **FY2021: Consider the timing of stock repurchase, taking the market environment and business environment into consideration.**

Strategic shareholdings

- 👉 Plan to reduce the number of shares held in view of increasing capital efficiency, and sold some of the shares in FY2017, FY2018, FY2019 and FY2020.
- 👉 **In FY2021, the Group will continue to consider the sale of strategic shareholdings in view of the market and business environment. In accordance with internal investment rules, the Board of Directors is consulted over whether to continue to hold the individual stocks.**

Progress of Medium-Term Business Plan 2021

Representative Director, President and CEO
Koki Ando

Mid-term Plan KPIs (IFRS)

	FY2020 Results	FY2021 Plan*1	FY2021 Revised Plan	
Earning power through operations	Revenue	468.9 bil. yen	480.0 bil. yen	486.0 bil. yen
	Operating profit	41.3 bil. yen	42.5 bil. yen	43.5 bil. yen
	Ratio of operating profit from overseas business	26.6 %	30 % or higher	28.3 %
Capital market value	Profit*2	29.3 bil. yen	30.0 bil. yen	30.5 bil. yen
	ROE	9 %	8 %	9 %
	Adjusted EPS*3	278 yen	284 yen	281 yen

*1: The Medium-Term Business Plan 2021 was revised and announced on May 9, 2019.

*2: Profit attributable to owners of parent under IFRS

*3: Operating profit \pm Other income, expenses – Income tax expenses – Profit attributable to non-controlling interests) / Average number of shares outstanding during the fiscal year (excluding treasury shares)

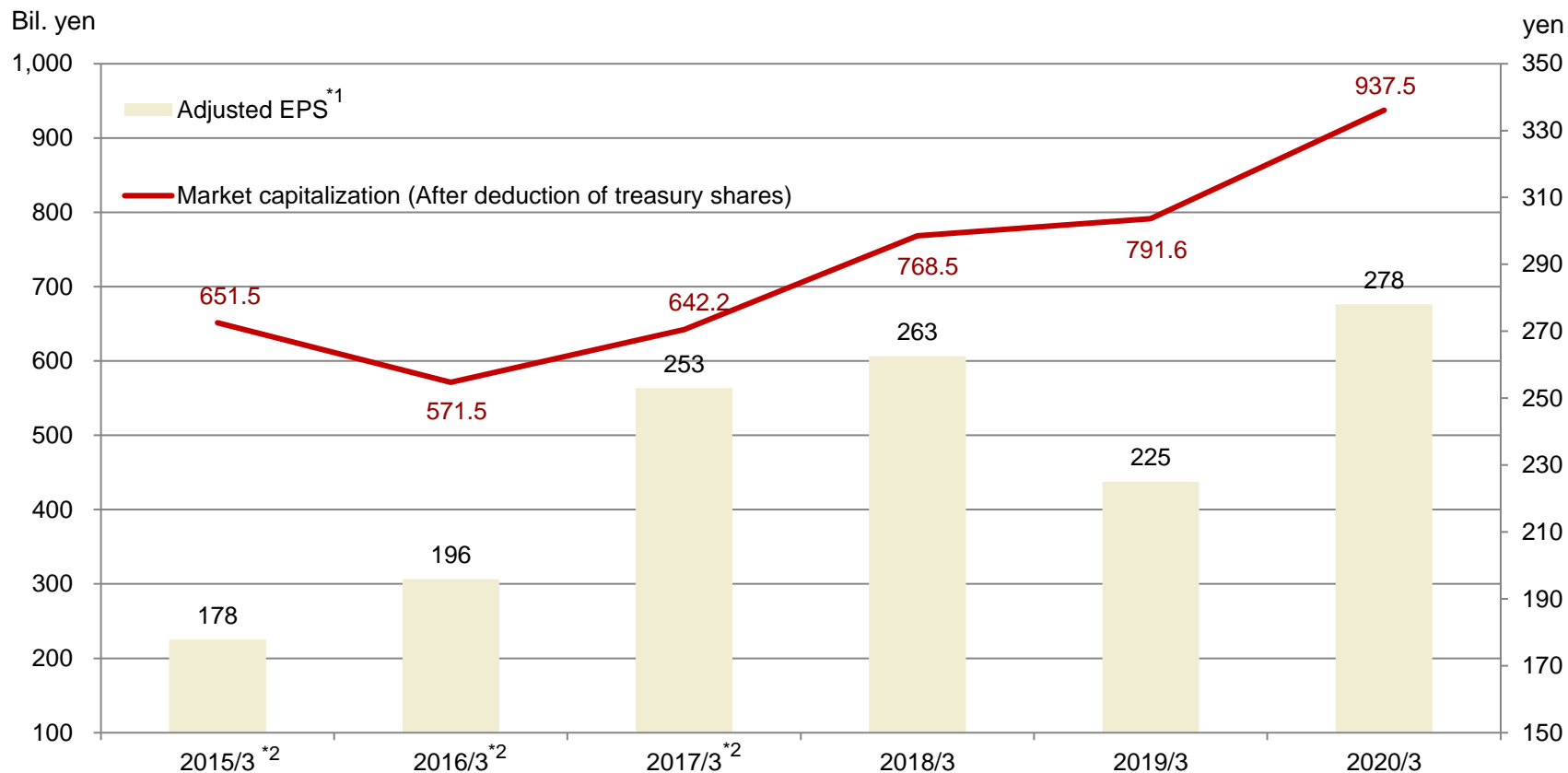
(bil. yen)	FY2021 Initial plan	FY2021 Plan *1	FY2021 Revised Plan	FY2020 Results
Revenue	550.0	480.0	486.0	468.9
Operating profit	47.5	42.5	43.5	41.3
Profit	33.0	30.0	30.5	29.3
ROE (%)	8% or higher	8% or higher	9%	9%
Payout ratio	Average 40% or higher*2	Average 40% or higher*2	37.6%	39.1%
Adjusted EPS (yen)	330	284	281	278

*1: The Medium-Term Business Plan 2021 was revised and announced on May 9, 2019.

*2: Average payout ratio for the five-year period of the Mid-term Business Plan 2021.

ROE:	Initial plan: <u>8%</u> or higher → FY2021 Revised plan : <u>9%</u>
Average payout ratio :	Initial plan: <u>40%</u> or higher → FY2021 Revised plan : <u>41.3%</u>
CAGR of adjusted EPS:	Initial plan: <u>10%</u> or higher → FY2021 Revised plan : <u>8.3%</u>

Market capitalization and Adjusted EPS during the period of the Mid-term Business Plan 2021



*1 Calculations differ between J-GAAP and IFRS. The company has applied IFRS from the 1Q of FY2019.
 • J-GAAP: Adjusted EPS = Adjusted NOPAT / Average number of shares outstanding (excluding treasury shares)
 • IFRS: Adjusted EPS = (Operating Profit ± Other income, expenses - Income tax expense - Profit attributable to non-controlling interests) / Average number of shares outstanding (excluding treasury shares)

*2 J-GAAP

Review of Results (partial)

- Acquisition of Brazil business in the 3Q of FY2016
- Mid-term Business Plan 2021 commenced at FY2017
- The company has applied IFRS from the 1Q of FY2019.
- Domestic instant noodles prices were revised in June 2019.

FY2021 Targets for Domestic Business

(bil. yen)		FY2020 Results	FY2021 Plan*1	FY2021 Revised Plan
Instant noodles	Revenue	237.8	238.0	242.5
	Operating profit	29.8	29.5	30.2
	%	12.5%	12.4%	12.5%
Chilled and frozen foods, confectionery and beverages	Revenue	99.2	103.0	104.0
	Operating profit	3.6	5.2	4.1
	%	3.6%	5.0%	3.9%





FY2021 Targets for Overseas Business

(bil. yen)		FY2020 Results	FY2021 Plan*1	FY2021 Revised Plan
The Americas	Revenue	65.9	67.5	68.0
	Operating profit	4.1	3.7	4.3
	%	6.2%	5.5%	6.3%
China (incl. H.K.)	Revenue	43.1	47.0	47.0
	Operating profit	4.9	4.7	4.9
	%	11.3%	10.0%	10.4%
Asia	Revenue	11.3	13.0	13.5
	Operating profit	2.4	2.7	3.4
	%	21.3%	20.8%	25.2%
EMEA	Revenue	7.4	7.5	7.5
	Operating profit	1.1	1.3	1.4
	%	14.4%	17.3%	18.7%

Foreign exchange rate:	FY2020	FY2021 (Assumed)
USD	108.74	107.00
BRL	26.52	26.00
HKD	13.91	14.00
EUR	120.82	121.00

*1: The Medium-Term Business Plan 2021 was revised and announced on May 9, 2019.

* The business plan targets for the China region were set independently by NISSIN FOODS HOLDINGS.

Strategic Theme	FY2021 Target	FY2020 Results	FY2021 Estimate	Comments
1 Promoting global branding for <i>CUP NOODLES</i>	Up 50% compared to FY2016 (units)	Up 20%	 Up around 30%	<ul style="list-style-type: none"> ✓ Progress was slightly slow due to the impact of price revisions and a shift to premium products in the U.S. business . ✓ Progress remained solid in Brazil, China and India, among BRICs.
2 Focusing on priority locations (BRICs)	Operating profit generated in priority overseas locations accounts for 70%	63%	 Around 63%	<ul style="list-style-type: none"> ✓ As overseas businesses were generally strong, performance remained steady, particularly in areas other than BRICs.
3 Laying stronger foundations for domestic profit base	NISSIN FOOD PRODUCTS + MYOJO FOODS 29.5 bil. yen Operating profit target	29.8 bil. yen	 30.2 bil. yen	<ul style="list-style-type: none"> ✓ Full-scale operation of Kansai Plant (improvement of production efficiency, safety and security) ✓ Further enhancing the value of core brands ✓ Aim to further strengthen the foundations by reducing SKU and concentrating on core brands.
4 Establishing a second primary revenue source (confectionary, cereals, chilled and frozen foods)	As well as growing brands organically, make the most of M&A	We went outside the budget for M&A deals. We will continue to examine favourable M&A proposals.		<ul style="list-style-type: none"> ✓ The Cereal business increased its market presence and value. ✓ In particular, revenue in the Frozen Foods business grew due to market growth and increased demand for single-serving food products. ✓ A shift to more profitable business is needed.
5 Human resources for global management	Pool of management human resources x 2 (200 people)	x 1.9 (Around 190 people)	 x 2 (200 people)	<ul style="list-style-type: none"> ✓ The pool of human resources is almost full. ✓ Systematic rotation and education opportunities are being enhanced to improve the quality of the pool of human resources.

Bil. yen	<u>Initial plan</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	
Capital investment	150.0 bil. yen over 5 years	36.3^{*1}	52.0	57.6	39.7	Around 39.4	(Reasons for extra investment) NISSIN FOOD PRODUCTS (increased investment in Kansai Plant, shift to in-house manufacturing of materials, chilled and frozen food plant, etc.) The expansion of overseas lines: BonChi Yamagata Plant, Nissin Brazil, and new warehouse contracts that have arisen associated with IFRS16, etc.
Depreciation and amortization	Around 19.0 bil. yen (FY2021)	15.4^{*1}	17.8	20.3	25.2	Around 25.4	Impact of approximately 3.0 bil. yen due to the adoption of IFRS16 is included in the FY2020

*1 FY2017 standards are based on J-GAAP

Review of capital investment

- ✓ Expansion of investment in safety and security
- ✓ Expansion of investment aimed at improving production efficiency and saving labor
- ✓ Expansion of facilities for growing categories

Review of business investment

	<u>Initial plan</u>	<u>FY2020</u>
Business investment	100.0 bil. yen over 5 years	24.6 bil. yen over 4 years

- ✓ Major investments up to FY2020 included Investment in Premier Foods, investment in Thai President Foods and Zhuhai Nissin Packaging Company
- ✓ We are still examining M&A deals.

The total amount of investment, including M&A, needs to be controlled. We will manage expenditure by putting investments in order of priority based on factors such as ROI.

Response to COVID-19

Main working conditions

- Feb. 27-: Working from home, in principle, and minimizing the number of commuters.
- Commuters: Preventive measures such as staggered commuting, social distancing, ventilation, body temperature checks, hand-washing and wearing of a mask.
- TEAMS meetings, stamp-less paperwork
- Manufacturing staff come to work as usual to supply products.

Product supply

- Working to supply products based on an enhanced production system to deliver foods, which are part of the life infrastructure, to consumers.
- Efficient production by narrowing SKU down and concentrating on core brands, in principle.

Procurement of materials and production

- Generally, there is no problem in the procurement of materials.
- Overseas plants are operating as usual with the exception of certain area, by taking thorough preventive measures.

Impact on business performance (FY2020)

In the entire NISSIN FOODS Group:
Approx. 5.9 bil. yen
 impact on revenue

■ Breakdown:

	Bil. yen
	Revenue
Instant noodles	3.4
Chilled and frozen foods, confectionery and beverages	1.0
The Americas	0.7
China (incl. H.K.)	0.5
Asia	0.2
EMEA	0.1
Total	5.9

■ EARTH FOOD CHALLENGE 2030

NISSIN FOODS GROUP
Mid-to Long-Term Environmental Strategy



This is the NISSIN FOODS Group's own medium- to long-term environmental strategy. By taking on critical environmental issues and increasing its ability to coexist with the environment, the Group will sustain its business life cycle over the longer term by avoiding the risk of existing businesses declining in the future.

Efforts to raise awareness of emergency stockpiling were recognized

The Group received the Grand Prix in the corporate and industrial division of the 6th Japan Resilience Award, recognized for its efforts to raise awareness of emergency stockpiling through the "Hyakufukushi Project": Project No.25 "Keep Your Pantry Stocked for an Emergency: The Rolling Stokers Project," which encourages general customers to practice "rolling stock"^{*1}, as well as through the sale of "CUP NOODLE Rolling Stock Set,"^{*2} which make it easy to practice "rolling stock" at home.



*1: A method of always keeping a certain stockpile of food at home by consuming stockpiled food on a routine basis and regularly purchasing stocks.

*2: NISSIN FOOD PRODUCTS, a Group company of NISSIN FOODS HOLDINGS, sells it.

International ESG reputation

Selected for the second consecutive year as a component of the Asia/Pacific Index of the Dow Jones Sustainability Indices, a group of global stock price indices of ESG investments



Evaluation of health management

NISSIN FOODS HOLDINGS, NISSIN FOOD PRODUCTS, NISSIN CHILLED FOODS and NISSIN FROZEN FOODS were certified by METI and Nippon Kenko Kaigi as 2020's White 500 for strategic health and productivity management for the second consecutive year.



Evaluation of empowerment of women

Selected for the second consecutive year as "Semi-Nadeshiko Brand" in the "Nadeshiko" initiative run by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange to recognize enterprises that are outstanding in terms of encouraging the empowerment of women in the workplace.



APPENDIX

NISSIN FOOD PRODUCTS

Generate profit by solidifying core brands and create food culture by pursuing new added value

- Aiming for the fourth consecutive year of *CUP NOODLE* and the sixth consecutive year of record sales for *NISSIN NO DONBEI*
- Use targeted marketing aimed at three strategic target groups, such as young consumers, women and price-conscious consumers.
 - Develop new categories (prime bag-type instant noodle products, rice, etc.)
- Increase corporate value through brand communication
 - Further strengthen and improve profitability of core brands
- Improve productivity through DX (Digital Transformation) and train human resources.
 - Reform personnel and training schemes
 - Reform distribution / logistics structure

Further strengthening of core brands



Target Marketing

Seniors

Bowl size
3 servings
Ingredients included

OWAN series

Housewives

Normal size
2 servings
Rich soup

GOHOBI RAOH

Young men

Normal size
3 servings
Ingredients included

AKUMA & GORILLA

Young women

Normal size
3 servings
Ingredients included

TABI SURU ETHNIC

NEW! Families in the "Reiwa" Era

NISSIN RAOH HIYACHU
- Launched March 30, 2020
- RRP: 285 yen
Normal size x 3 servings

NEW! (Young) Men

BUTAZONO
- Launched March 16, 2020
- RRP: 368 yen
Ramen kit (1 serving)

Strategic products for price-conscious



MYOJO FOODS

Build new brands based on proprietary technology, strengthen core brands and contribute to health

- Develop new core brands making effective use of proprietary non-fried noodle technologies
- Strengthen major brands by nurturing mainstay products
 - Enhance soup-less / tray-type products, primarily *IPPEICHAN YOMISE NO YAKISOBA* and *BUBUKA ABURA SOBA*.
 - Revitalize by expanding the customer base of *CHUKAZANMAI*
 - Enhance strategies centered on the *SHOYU* and *BARIKATA MEN* varieties of *CHARUMERA*, and release products that make use of regional culinary culture



- Expand range of products that contribute to health
 - Create products focusing on salt, sugars and fat; introduce new proposal “Salt Care Cup”



The design enables consumers to see how much salt they have consumed when the level of the remaining soup reaches the 150ml line, cleverly enabling them to reduce their salt intake while at the same time maintaining the same delicious taste!

FY2021 Domestic Business: Policy and Activities by Segment (3)

Chilled and frozen foods/Confectionery and Beverages

➤ NISSIN CHILLED FOODS

Aim to maintain sustainable business growth and create new markets

- Strengthen noodles genre, which is core domain and has high profit margins
- Promote a "5K" product strategy offering easy (*kanben*), individual (*kosyoku*), complete (*kanketsu*), healthy (*kenko*), environmentally friendly (*kankyō*) meals for people dining alone
- Increase profitability by rationalizing and streamlining production



➤ NISSIN CISCO

Evolve the value of confectionery and cereal businesses

- Continue to offer new value proposals for deliciousness and health
- New product development centered on nuts
- Further strengthen and nurture the long-selling confectionery brand



➤ BonChi

Expand sales channels in the Kanto area and revitalize existing brands

- Focus on fried rice crackers which are its specialty
- Expand sales channels in the Kanto area, which accounts for 1/3 of the Japanese domestic market
- Use the opportunity of the 60th anniversary of *BONCHI-AGE* to revitalize the Kinki area.



➤ NISSIN FROZEN FOODS

Accelerate creation of a profit-centric business model

- Increase strength of single items by strengthening brand
- Bolster supply capabilities and reduce costs through effective utilization of high-speed production lines



No.1 sales in fresh pasta category in frozen food

➤ NISSIN YORK

Achieve continuous growth of core brands

- Increase perceived quality of *PILKUL* and roll out more variations
- Significantly renew *TOKACHI NOMU YOGURT* to mark 50th anniversary of launch
- Renew Foods with Functional Claims, adopting a container with a one-step cap



The Americas

➤ U.S.

Improve earnings structure and accelerate sales of premium products

- Improve earnings structure
- Increase premium products' share of sales
- Work to implement thorough cost cutting and increase productivity
- Accelerate sales in the premium product category
- CUP NOODLES STIR FRY, CHOW MEIN, Hot&Spicy
- TOP RAMEN BOWL, NISSIN RAOH



➤ Mexico

- Offer new flavors under the CUP NOODLES and U.F.O.
- Strengthen brand recognition targeting young consumers
- Seek to strengthen counter exposure and increase the distribution rate



➤ Brazil

Further invigorate the instant noodle market and expand overall demand

- Revitalize Nissin Lámen through communication
- Further grow and firmly establish the CUP NOODLES
- Develop markets in South America



China

➤ Hong Kong

Expand sales and strengthen the earnings base of each business

- Sales expansion of existing brands and strengthening of the earnings base
- Stabilize earnings base for non-instant noodles business



➤ Mainland China

Expand sales and strengthen the earnings base of each business

- Increase sales of CUP NOODLES and DEMAE ICCHO and strengthen earnings base
- Build an earnings base for the non-instant noodles business



Asia

➤ India

- Expand sales of pivotal products *CUP NOODLES* and *Top Ramen* in the domestic instant noodles business



➤ Singapore

Establish a presence as a leader company and improve profitability

- Cup-type instant noodles products strengthens *CUP NOODLES*, *U.F.O.*, and *Myojo*, while bag-type instant noodles products strengthens *DEMAE ICCHO* and *Myojo*



➤ Vietnam



➤ Thailand

Expand investment for further growth

- Expand *CUP NOODLES* market share
- Invest in production lines and enhance and expand product items with a view to growth of the *GEKI*, which has strong sales



➤ Indonesia

- Expand *CUP NOODLES* market share
- Renew pivotal product *Gekikara* and introduce new products



EMEA

Europe

Further increase presence in growth markets (i.e. Asian noodles)

- Roll out and enhance marketing with the new “Asian Blast” concept
- Appeal to consumers with high added-value products (especially *CUP NOODLES* and *Soba*)
- Maintain the UK, Germany and France as the most important key markets while expanding coverage in other countries and regions



Affiliates accounted for using the equity method

KOIKE-YA Co., Ltd.

- To invigorate brands that appeal to added value
- Development of new markets through the development of new products



NISSIN-UNIVERSAL ROBINA CORP.

- Instant noodles business in the Philippines
- Seek to expand instant noodles business through joint venture with local partner

Mareven Food Holdings Ltd.

- Holding company with firms in Russia, Ukraine, and Kazakhstan.
- The largest firm in Russia's instant noodle market, which has been expanding its business in other CIS countries.



Thai President Foods PCL

- A leading instant noodle company in Thailand

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- This presentation material is available in the Financial Statements / Presentation Materials 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.