Consolidated Financial Results for the First Half of Fiscal 2026 [Japanese GAAP]

October 30, 2025

Listed Company Name: Nisshin Seifun Group Inc. Registered on Tokyo Stock Exchange
Code: 2002
URL: https://www.nisshin.com
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Date to submit the Semi-annual Securities Report: November 10, 2025
Date to start distributing dividends: December 5, 2025
Supplementary materials for these consolidated financial results: Yes
Results briefing for financial results: Yes (for analysts and institutional investors)

(Figures shown are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the First Half of Fiscal 2026 (April 1, 2025 to September 30, 2025)

(1) Consolidated Business Results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First six months of Fiscal 2026	431,310	0.4	22,633	(13.0)	24,788	(8.5)	10,325	(49.3)
First six months of Fiscal 2025	429,513	0.6	26,010	2.0	27,076	2.1	20,363	10.4

(Note) Comprehensive income: First six months of Fiscal 2026: ¥22,441 million (781.8%)
First six months of Fiscal 2025: ¥2,544 million (down 95.2%)

	Earnings per share	Fully diluted earnings per share
	Yen	Yen
First six months of Fiscal 2026	35.65	–
First six months of Fiscal 2025	68.48	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
September 30, 2025	798,315	515,678	62.3
March 31, 2025	789,713	502,570	61.4

(Reference) Equity capital: September 30, 2025: ¥497,358 million March 31, 2025: ¥485,005 million

2. Dividends

	Dividend per share				
	1Q End	2Q End	3Q End	Year-End	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal 2025	–	25.00	–	30.00	55.00
Fiscal 2026	–	30.00			
Fiscal 2026 (forecast)			–	30.00	60.00

(Note) Revision to the latest forecast of dividends: None

3. Forecast of Consolidated Financial Results for the Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	870,000	2.2	47,000	1.3	50,000	1.6	30,000	(13.5)	104.46

(Notes) 1. Revision to the latest forecast of financial results: Yes
2. The Company has resolved at the meeting of its Board of Directors held on October 30, 2025 to acquire shares of the Company’s stock. The earnings per share in the Forecast of Consolidated Financial Results for the Year Ending March 31, 2026 reflect the effect of the acquisition of treasury shares. For details, please refer to the Notice Concerning Determination of Matters Related to Acquisition of Own Shares published on the same date.

* Notes

(1) Significant changes in the scope of consolidation during the first six months of the fiscal year ending March 31, 2026: None

(2) Adoption of special accounting treatment for preparing semi-annual consolidated financial statements: Yes

Note: For details, please refer to "2. Semi-annual Consolidated Financial Statements and Related Notes (4) Notes on Semi-annual Consolidated Financial Statements [Notes on Special Accounting Treatment for Preparing Semi-annual Consolidated Financial Statements]" on page 14 of the Attachment.

(3) Changes in accounting policies, changes in accounting estimates and revisions restated

1) Changes in accounting policies associated with the revisions of accounting standards, etc.: None
2) Changes in accounting policies other than the above: None
3) Changes in accounting estimates: None
4) Revisions restated: None

(4) Number of shares issued and outstanding (common stock)

1) Number of shares issued and outstanding (including treasury shares)	As of September 30, 2025	290,657,891	As of March 31, 2025	290,657,891
2) Number of treasury shares	As of September 30, 2025	1,082,926	As of March 31, 2025	936,739
3) Average number of shares outstanding	First six months of Fiscal 2026	289,658,537	First six months of Fiscal 2025	297,374,485

* Semi-annual earnings reports are not subject to review by certified public accountants or the audit firm.

* Statement regarding the proper use of financial forecasts and other special remarks

(1) The statements contained in this document are based on various assumptions and do not constitute any guarantee or definite promise that projections of future performance or related business policies will actually be realized. For details of assumptions for financial forecasts and other related matters, please refer to "1. Overview of Business Performance, etc. (3) Forecast of Consolidated Financial Results and Other Forward-looking Information" on page 6 of the Attachment.

(2) Supplementary materials for this report can be found on the Company's website.

Contents of the Attachment

1. Overview of Business Performance, etc.

(1) Overview of Business Performance for the Period under Review

During the first half of the fiscal year ending March 31, 2026, the Japanese economy was affected by strong inbound tourism demand. However, consumer spending declined due to the persistently high prices of goods. There are concerns that prices will continue to rise, compounded by the ongoing uncertainty in the global economy triggered by U.S. tariff policies, although tariff negotiations between Japan and the United States have concluded. The future of the environment surrounding the Nisshin Seifun Group remains uncertain.

In these conditions, the Group strives to fulfill its corporate mission of ensuring a stable supply of foods involving wheat flour and the delivery of safe and reliable products in each business area. Additionally, the Group aims to achieve the goals set out in "The Nisshin Seifun Group Medium-Term Management Plan 2026," set to conclude in the fiscal year ending March 31, 2027.

To achieve these goals, the Mizushima Plant of Nisshin Flour Milling Inc. commenced operations in May of this year in the Flour Milling Business. This plant was established as a "smart plant" that utilizes advanced automation and digital technologies. After the Mizushima Plant began operating, the Okayama Plant and Sakaide Plant were closed in July and September, respectively. Miller Milling Company, LLC, based in the United States, is enhancing its production systems. At the Saginaw Plant, new production lines began operating in March. Reinforcement work at the Winchester Plant was completed, and the facility started increasing its production in July. In the Processed Food Business, Nisshin Seifun Welna Inc. entered into an agreement with Shohei Ohtani of the Los Angeles Dodgers in November last year to feature him in a commercial. Nisshin Seifun Welna Inc. has rebranded Ma･Ma, which is celebrating its 70th anniversary this year. The company is revising its lineup, launching new products, and striving to increase demand for its products. As part of its initiatives, the company launched the Ma･Ma Mochi Mochi Nama Pasta series, which includes both ambient-temperature and frozen products, to develop new fresh pasta markets. Nisshin Pharma Inc. plans to discontinue its fine chemicals business, which produces and sells Active Pharmaceutical Ingredient, in the fiscal year under review. It also plans to transfer its healthcare foods business, which manufactures and sells supplements, to Oriental Yeast Co., Ltd., a company that operates a yeast and biotechnology business. In the prepared dishes and other prepared foods business, Nomura Foods Co., Ltd. has decided to build a new, environmentally friendly next-generation frozen food plant in Uji, Kyoto Prefecture. This plant will incorporate the latest automation and labor-saving technologies. Operations are scheduled to begin around June 2027.

Consolidated net sales in the first six months of the fiscal year under review increased 0.4% year on year to ¥431,310 million, chiefly due to an increase in large-scale construction in the engineering business and strong sales in the yeast and biotechnology business and the prepared dishes and other prepared foods businesses. This increase was partly offset by wheat prices decreasing and the impact of foreign currency translation in the overseas flour milling business. Operating profit and ordinary profit decreased 13.0% year on year to ¥22,633 million and 8.5% to ¥24,788 million, respectively, primarily due to costs associated with the start of operations at the Mizushima Plant in the domestic flour milling business, the downturn of the overseas flour milling business caused mainly by reduced shipments and foreign currency translation effects, increased costs in the processed food business, and a decrease in shipments in the mesh cloth business. Profit attributable to owners of parent came to ¥10,325 million, down 49.3% year on year, reflecting impairment losses on non-current assets in the India yeast business, despite the sale of cross-shareholdings.

(Year-on-year Comparison)

(Million yen)

	First six months of Fiscal 2025	First six months of Fiscal 2026	Difference	Change
Net sales	429,513	431,310	1,797	0.4%
Operating profit	26,010	22,633	(3,377)	(13.0)%
Ordinary profit	27,076	24,788	(2,288)	(8.5)%
Profit attributable to owners of parent	20,363	10,325	(10,037)	(49.3)%

[Business Overview by Segment]

* Expenses incurred by Nisshin Seifun Group Inc., which had been regarded as shared Company-wide expenses, were previously allocated to each business based on business size. However, due to active efforts to advance the Group's business portfolio in recent years, there has been an uptick in the handling of growth investments, including new acquisitions, subsequent post-merger integration (PMI) initiatives, and compliance with local laws and regulations. In light of this situation, we have revised our criteria for allocating expenses to each business from the fiscal year under review.
We provide two types of year-on-year comparisons for each business: one that reflects the change of the allocation criteria and one that does not.
The year-on-year changes in operating profits in the explanation of each business's results reflect the changes to the allocation criteria.

1) Flour Milling Segment

(Million yen)

	First six months of Fiscal 2025	First six months of Fiscal 2026	Difference	Change
Net sales	228,737	211,668	(17,068)	(7.5)%
Operating profit	15,478	13,138	(2,340)	(15.1)%
[following adjustments to the previous year's results*]	[16,117]	–	[(2,978)]	(18.5)%

In the domestic flour milling business, shipments increased from the previous year due to strong inbound tourism demand and the positive effects of active sales expansion measures.

In July 2025, we revised the prices of commercial-use wheat flour due to changes in the government's prices for five classes of imported wheat. The government's price was lowered 4.6% on average in April. Additionally, transportation costs, personnel expenses and other expenses rose.

In the overseas flour milling business, net sales decreased from the previous fiscal year, primarily due to a decline in wheat market prices and foreign currency translation adjustments.

As a result, net sales of the Flour Milling Segment decreased 7.5% year on year to ¥211,668 million. Operating profit decreased 18.5%* to ¥13,138 million, primarily due to the increase of personnel and other expenses in the domestic flour milling business, costs associated with the start of operations at the Mizushima Plant, as well as reduced shipments and the impact of foreign currency translation in the overseas flour milling business.

2) Processed Food Segment

(Million yen)

	First six months of Fiscal 2025	First six months of Fiscal 2026	Difference	Change
Net sales	101,932	108,515	6,583	6.5%
Operating profit	3,927	3,686	(240)	(6.1)%
[following adjustments to the previous year's results*]	[3,474]	–	[211]	[6.1%]

In the processed food business, we actively implemented initiatives to increase sales in Japan, despite a challenging market environment. This led to an increase in shipments from the previous year. Overseas shipments of commercial-use prepared mixes were also firm, and net sales exceeded the previous fiscal year. To develop new markets for fresh pasta, we launched the Ma･Ma Mochi Mochi Nama Pasta series, which includes both ambient-temperature and frozen products. We thoroughly pursued a chewy texture.

In the yeast and biotechnology business, net sales were up year on year, reflecting strong shipments of yeast and cultivation medium.

In the healthcare foods business, net sales were lower year on year due to lower shipments of consumer products.

As a result, net sales of the Processed Food Segment increased 6.5% year on year to ¥108,515 million. Operating profit increased 6.1%* to ¥3,686 million, primarily due to higher shipments in the yeast and biotechnology business, despite the impact of rising costs before price revisions in July and August in the processed food business.

3) Prepared Dishes and Other Prepared Foods Segment

(Million yen)

	First six months of Fiscal 2025	First six months of Fiscal 2026	Difference	Change
Net sales	78,535	84,303	5,767	7.3%
Operating profit	3,398	3,416	18	0.5%
[following adjustments to the previous year's results*]	[3,266]	–	[150]	[4.6%]

In the Prepared Dishes and Other Prepared Foods Segment, net sales increased 7.3% year on year to ¥84,303 million, reflecting robust sales. Operating profit increased 4.6%* to ¥3,416 million, largely due to the growth of sales and improved productivity.

4) Others Segment

(Million yen)

	First six months of Fiscal 2025	First six months of Fiscal 2026	Difference	Change
Net sales	20,308	26,822	6,514	32.1%
Operating profit	3,247	2,598	(649)	(20.0)%
[following adjustments to the previous year's results*]	[3,194]	–	[(596)]	[(18.7)%]

In the engineering business, net sales exceeded the previous fiscal year due to an increase in large-scale construction in the plant engineering area.

In the mesh cloths business, net sales declined year on year due to a decrease in shipments of screen printing materials for solar panels.

As a result, net sales of the Others Segment increased 32.1% year on year to ¥26,822 million, with operating profit down 18.7% to ¥2,598 million. The decrease in profit came from a decline in shipments in the mesh cloth business.

(2) Overview of Financial Position for the Period under Review

(Million yen)

	As of March 31, 2025	As of September 30, 2025	Difference
Current assets	338,728	333,639	(5,089)
Non-current assets	450,984	464,676	13,691
Total assets	789,713	798,315	8,602
Current liabilities	147,313	138,129	(9,184)
Non-current liabilities	139,829	144,508	4,678
Total liabilities	287,143	282,637	(4,505)
Total net assets	502,570	515,678	13,107
Total liabilities and net assets	789,713	798,315	8,602

The status of assets, liabilities and net assets on a consolidated basis at the end of the first six months of the fiscal year ending March 31, 2026 was as follows.

Current assets decreased ¥5,089 million from the previous fiscal year-end to ¥333,639 million, mainly accompanying a decrease in inventories. Non-current assets increased ¥13,691 million to ¥464,676 million, primarily due to an increase in the market valuation of investment securities held, despite impairment losses on non-current assets in the India yeast business. As a result, total assets increased ¥8,602 million from the previous fiscal year-end to ¥798,315 million.

Current liabilities decreased ¥9,184 million to ¥138,129 million, mainly accompanying a decrease resulting from repayments of short-term borrowings. Non-current liabilities increased ¥4,678 million to ¥144,508 million, primarily due to an increase in deferred tax liabilities. As a result, total liabilities decreased ¥4,505 million from the previous fiscal year-end to ¥282,637 million. Net assets increased ¥13,107 million to ¥515,678 million, mainly reflecting an increase due to profit attributable to owners of parent, a decrease due to the payment of dividends, and an increase in accumulated other comprehensive income.

The Company's consolidated cash flows for the first half of the fiscal year ending March 31, 2026 were as follows.

(Million yen)

	First six months of Fiscal 2025	First six months of Fiscal 2026	Difference
Net cash provided by (used in) operating activities	31,800	34,454	2,654
Net cash provided by (used in) investing activities	(14,668)	(26,551)	(11,882)
Net cash provided by (used in) financing activities	(19,573)	(18,103)	1,469
Effect of exchange rate changes on cash and cash equivalents	(780)	277	1,057
Net increase (decrease) in cash and cash equivalents	(3,222)	(9,922)	(6,700)
Net increase (decrease) in cash and cash equivalents due to changes in the accounting period of consolidated subsidiaries	21	–	(21)
Cash and cash equivalents at end of period	104,480	82,082	(22,397)

Net cash provided by (used in) operating activities

An increase in cash and cash equivalents mainly due to profit before income taxes of ¥19,846 million and non-cash items, including depreciation and amortization and impairment losses, exceeded a decrease in cash and cash equivalents, including income taxes paid. This led to net cash provided by operating activities for the first half of ¥34,454 million, compared to ¥31,800 million in net cash provided by operating activities a year earlier.

Net cash provided by (used in) investing activities

¥23,650 million was used for the purchase of property, plant and equipment and intangible assets. Consequently, net cash used in investing activities was ¥26,551 million, compared to ¥14,668 million a year earlier.

Net cash provided by (used in) financing activities

Net cash used in financing activities was ¥18,103 million for the first half of the fiscal year ending March 31, 2026, compared to ¥19,573 million a year earlier. This mainly reflected a net decrease in short-term borrowings and ¥8,695 million used for the payment of dividends as part of the return of profits to shareholders.

As a result, consolidated cash and cash equivalents at the end of the first half of the fiscal year ending March 31, 2026 decreased ¥9,922 million from the previous year-end to ¥82,082 million.

(3) Forecast of Consolidated Financial Results and Other Forward-looking Information

1) Forecast of Consolidated Financial Results for the Year Ending March 31, 2026

As stated in the Notice Concerning Impairment Losses in India Yeast Business, Difference between Consolidated Results and Forecasts in First Half of FY2026, and Revision of Full-Year Consolidated Forecasts, announced on October 30, 2025, we have revised our initial forecast for the fiscal year ending March 31, 2026, which was announced on May 15, 2025. The revised forecasts are net sales of ¥870 billion (up 2.2% year on year), an operating profit of ¥47 billion (up 1.3%), an ordinary profit of ¥50 billion (up 1.6%), and a profit attributable to owners of parent of ¥30 billion (down 13.5%).

Revisions to Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Note)
Previous forecasts (A) (Announced May 15, 2025)	Million yen 870,000	Million yen 50,000	Million yen 53,000	Million yen 39,000	Yen 134.61
Revised forecasts (B)	870,000	47,000	50,000	30,000	104.46
Difference (B-A)	–	(3,000)	(3,000)	(9,000)	–
Change (%)	–	(6.0)	(5.7)	(23.1)	–
(Reference) Results for previous year (Fiscal 2025)	851,486	46,380	49,210	34,684	117.33

(Note) The Company has resolved at the meeting of its Board of Directors held on October 30, 2025 to acquire shares of the Company's stock. The earnings per share in the Forecast of Consolidated Financial Results for the Year Ending March 31, 2026 reflect the effect of the acquisition of treasury shares. For details, please refer to the Notice Concerning Determination of Matters Related to Acquisition of Own Shares published on the same date.

2) Dividends for the Year Ending March 31, 2026

For the fiscal year ending March 31, 2026, the Company plans to pay an annual dividend of ¥60 per share, an increase of ¥5 from the previous year as initially planned. This plan is based on the Company's basic policy of achieving a consolidated dividend payout ratio of approximately 50% (after the exclusion of gains or losses from non-recurring extraordinary factors) by the fiscal year ending March 31, 2027, the final year of The Nisshin Seifun Group Medium-Term Management Plan 2026. Based on the planned dividends, the payout ratio on a consolidated basis for the fiscal year under review will be 57.4%, or 51.1% with the exclusion of gains or losses from non-recurring extraordinary factors.

3) Purchase of Treasury Shares

The Company has resolved at the meeting of its Board of Directors held on October 30, 2025 to acquire shares of the Company's stock from the market using the trust method. The goal of this decision is to enhance shareholder return, improve capital efficiency, and align capital policies with the business environment. The maximum cost of this purchase will be ¥20 billion. The maximum number of shares to be purchased is 15 million (5.18% of the outstanding shares excluding treasury shares). For details, please refer to the Notice Concerning Determination of Matters Related to Acquisition of Own Shares published on the same date.

We will buy back shares of the Company's stock for the second consecutive fiscal year. We will continue to accelerate our efforts to improve ROE and increase corporate value by implementing capital policies that include proactive shareholder return initiatives.

2. Semi-annual Consolidated Financial Statements and Related Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	93,968	89,569
Notes and accounts receivable - trade, and contract assets	109,547	109,807
Securities	2,150	5,194
Inventories	120,641	117,341
Other	12,933	12,248
Allowance for doubtful accounts	(512)	(521)
Total current assets	338,728	333,639
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	77,665	77,876
Machinery, equipment and vehicles, net	74,633	77,521
Land	52,700	53,971
Right-of-use assets, net	18,731	18,660
Other, net	27,269	23,162
Total property, plant and equipment	251,000	251,192
Intangible assets		
Goodwill	5,018	4,911
Other	15,956	16,045
Total intangible assets	20,975	20,957
Investments and other assets		
Investment securities	158,338	171,738
Other	20,845	20,960
Allowance for doubtful accounts	(174)	(172)
Total investments and other assets	179,009	192,526
Total non-current assets	450,984	464,676
Total assets	789,713	798,315

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	64,872	66,357
Short-term borrowings	13,141	7,460
Income taxes payable	7,502	8,108
Accrued expenses	26,295	23,677
Other	35,502	32,524
Total current liabilities	147,313	138,129
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	11,244	10,923
Lease liabilities	40,148	41,316
Deferred tax liabilities	37,689	41,646
Provision for repairs	1,281	1,212
Retirement benefit liability	21,935	21,798
Other	7,530	7,611
Total non-current liabilities	139,829	144,508
Total liabilities	287,143	282,637
Net assets		
Shareholders' equity		
Share capital	17,117	17,117
Capital surplus	12,560	12,560
Retained earnings	341,375	343,006
Treasury shares	(1,470)	(1,722)
Total shareholders' equity	369,583	370,961
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	74,065	83,349
Deferred gains or losses on hedges	(112)	245
Foreign currency translation adjustment	40,514	41,848
Remeasurements of defined benefit plans	955	953
Total accumulated other comprehensive income	115,422	126,396
Non-controlling interests	17,564	18,319
Total net assets	502,570	515,678
Total liabilities and net assets	789,713	798,315

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

[Semi-annual Consolidated Statements of Income]

(Million yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	429,513	431,310
Cost of sales	332,358	336,107
Gross profit	97,155	95,203
Selling, general and administrative expenses	71,145	72,570
Operating profit	26,010	22,633
Non-operating income		
Interest income	447	609
Dividend income	1,462	1,627
Share of profit of entities accounted for using equity method	1,049	1,370
Other	713	814
Total non-operating income	3,672	4,421
Non-operating expenses		
Interest expenses	1,935	1,835
Other	670	431
Total non-operating expenses	2,605	2,266
Ordinary profit	27,076	24,788
Extraordinary income		
Gain on sale of non-current assets	–	1,406
Gain on sale of investment securities	4,251	4,748
Total extraordinary income	4,251	6,154
Extraordinary losses		
Loss on retirement of non-current assets	246	581
Impairment losses	Note 1 70	Note 1 8,721
Loss on factory closures	–	Note 2 1,611
Other	–	183
Total extraordinary losses	317	11,096
Profit before income taxes	31,011	19,846
Income taxes	9,971	8,822
Profit	21,039	11,024
Profit attributable to non-controlling interests	676	698
Profit attributable to owners of parent	20,363	10,325

[Semi-annual Consolidated Statements of Comprehensive Income]

(Million yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	21,039	11,024
Other comprehensive income		
Valuation difference on available-for-sale securities	(13,735)	9,205
Deferred gains or losses on hedges	(305)	302
Foreign currency translation adjustment	(4,888)	2,011
Remeasurements of defined benefit plans, net of tax	42	24
Share of other comprehensive income of entities accounted for using equity method	392	(126)
Total other comprehensive income	(18,494)	11,417
Comprehensive income	2,544	22,441
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,415	21,299
Comprehensive income attributable to non-controlling interests	1,128	1,142

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	31,011	19,846
Depreciation	11,518	12,784
Impairment losses	70	8,721
Loss on factory closures	–	1,611
Amortization of goodwill	603	634
Interest and dividend income	(1,910)	(2,236)
Interest expenses	1,935	1,835
Share of loss (profit) of entities accounted for using equity method	(1,049)	(1,370)
Loss (gain) on sale of investment securities	(4,251)	(4,748)
Decrease (increase) in accounts receivable - trade, and contract assets	7,865	681
Decrease (increase) in inventories	7,237	4,391
Increase (decrease) in trade payables	(13,094)	1,122
Increase (decrease) in accounts payable - other, and accrued expenses	(8,175)	(2,357)
Other, net	2,011	282
Subtotal	33,771	41,197
Interest and dividends received	2,808	3,007
Interest paid	(1,917)	(1,835)
Income taxes paid	(2,863)	(7,914)
Net cash provided by (used in) operating activities	31,800	34,454
Cash flows from investing activities		
Payments into time deposits	(2,044)	(11,269)
Proceeds from withdrawal of time deposits	3,067	4,561
Purchase of securities	–	(1,995)
Proceeds from sale and redemption of securities	–	353
Purchase of property, plant and equipment and intangible assets	(20,062)	(23,650)
Proceeds from sale of investment securities	4,501	5,157
Other, net	(129)	292
Net cash provided by (used in) investing activities	(14,668)	(26,551)

(Million yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(8,634)	(6,177)
Repayments of long-term borrowings	(1,013)	(382)
Purchase of treasury shares	(223)	(251)
Dividends paid	(7,140)	(8,695)
Repayments of lease liabilities	(2,276)	(2,209)
Other, net	(284)	(387)
Net cash provided by (used in) financing activities	(19,573)	(18,103)
Effect of exchange rate changes on cash and cash equivalents	(780)	277
Net increase (decrease) in cash and cash equivalents	(3,222)	(9,922)
Cash and cash equivalents at beginning of period	107,681	92,005
Net increase (decrease) in cash and cash equivalents due to changes in the accounting period of consolidated subsidiaries	21	–
Cash and cash equivalents at end of period	104,480	82,082

(4) Notes on Semi-annual Consolidated Financial Statements

[Notes on the Premise of a Going Concern]

There are no applicable matters to be reported.

[Notes on a Significant Change in Shareholders' Equity]

There are no applicable matters to be reported.

[Notes on Special Accounting Treatment for Preparing Semi-annual Consolidated Financial Statements]

Tax expenses are calculated in accordance with Paragraph 15, "Method for Using the Statutory Effective Tax Rate," of the Implementation Guidelines on Tax Effect Accounting for Interim Financial Statements, pursuant to the provision of Paragraph 18 of the Guidance on Accounting Standard for Semi-annual Financial Reporting.

The amount of tax adjustments is included in "Income taxes."

[Notes on Semi-annual Consolidated Statements of Income]

1. Impairment losses

First six months of Fiscal 2025 (April 1, 2024 to September 30, 2024)

The description has been omitted because of its lack of materiality.

First six months of Fiscal 2026 (April 1, 2025 to September 30, 2025)

The Group has recognized an impairment loss regarding the assets described below.

Location	Application	Type
India	Business assets (Processed food business)	Buildings, machinery and equipment, etc.

The Nisshin Seifun Group categorizes assets based on the smallest unit that largely generates cash flows independently from the cash flows of other assets and asset groups.

In the processed food business, the profitability of the non-current assets associated with the India yeast business declined compared to our initial business plan, primarily due to increased prices for raw materials and fuels influenced by the Ukraine crisis, as well as delays in passing on increased costs to product prices due to an intensifying competitive environment. We conducted an impairment test in accordance with the International Financial Reporting Standard and determined that we could not expect to recover the investment amount. We thus reduced the book value of the assets to the recoverable amount based on an assessment of fair value and recorded an impairment loss of ¥8,721 million as extraordinary losses. The breakdown of the impairment loss is buildings and structures of ¥986 million, machinery, equipment and vehicles of ¥7,394 million, and other of ¥340 million yen.

The fair value was determined using the income approach, and the discount rate for future cash flows used in the calculation was 12.5%.

2. Loss on factory closures

First six months of Fiscal 2026 (April 1, 2025 to September 30, 2025)

The loss on factory closures refers to the losses incurred by the closures of the Okayama and Sakaide Plants of Nisshin Flour Milling Inc. The loss on factory closures primarily consists of impairment losses on non-current assets amounting to ¥1,570 million.

A breakdown of the impairment loss is as follows.

Location	Application	Type
Okayama City, Okayama	Business assets (Flour milling business)	Buildings, machinery and equipment, etc.
Sakaide City, Kagawa	Business assets (Flour milling business)	Buildings, machinery and equipment, etc.

The Nisshin Seifun Group categorizes assets based on the smallest unit that largely generates cash flows independently from the cash flows of other assets and asset groups.

In the flour milling business, we closed the Okayama and Sakaide Plants of Nisshin Flour Milling Inc. We reduced the book value of these assets to their recoverable amount and recorded the reduction as a loss on factory closures under extraordinary losses. The breakdown of the impairment loss is buildings and structures of ¥566 million, machinery, equipment and vehicles of ¥274 million, dismantling and removal costs of ¥647 million, and other of ¥81 million. The recoverable amount of the assets was measured based on the net selling price, which was determined to be zero.

3. The Company applies paragraph 7 of Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules (ASBJ PITF No. 46, March 22, 2024) and does not record income taxes related to the global minimum tax rules in the consolidated financial statements for the first six months of the fiscal year under review.

[Notes on Segment Information, etc.]

[Segment Information]

I. First six months of Fiscal 2025 (April 1, 2024 to September 30, 2024)

1. Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Carried on semi-annual consolidated statements of income (Note 3)
	Flour Milling	Processed Food	Prepared Dishes and Other Prepared Foods	Total				
Net sales								
Sales to external customers	228,737	101,932	78,535	409,205	20,308	429,513	–	429,513
Intersegment sales and transfers	9,649	904	2,256	12,809	1,833	14,643	(14,643)	–
Total	238,387	102,836	80,791	422,015	22,141	444,157	(14,643)	429,513
Segment profit	16,117	3,474	3,266	22,858	3,194	26,052	(42)	26,010

Notes: 1. Business segment of "Others" is excluded from reportable segment, which includes engineering, mesh cloths, handling and storage businesses.
2. Segment profit adjustment refers to intersegment transaction eliminations and other.
3. Segment profit has been adjusted for the operating profit appearing in the semi-annual consolidated statements of income.

2. Information regarding impairment losses or goodwill for non-current assets for each reportable segment

[Material impairment losses pertaining to non-current assets]

The description has been omitted because of its lack of materiality.

II. First six months of Fiscal 2026 (April 1, 2025 to September 30, 2025)

1. Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment (Note 2)	Carried on semi-annual consolidated statements of income (Note 3)
	Flour Milling	Processed Food	Prepared Dishes and Other Prepared Foods	Total				
Net sales								
Sales to external customers	211,668	108,515	84,303	404,488	26,822	431,310	–	431,310
Intersegment sales and transfers	9,631	919	2,200	12,751	3,463	16,215	(16,215)	–
Total	221,300	109,435	86,503	417,239	30,286	447,526	(16,215)	431,310
Segment profit	13,138	3,686	3,416	20,241	2,598	22,840	(207)	22,633

Notes: 1. Business segment of "Others" is excluded from reportable segment, which includes engineering, mesh cloths, handling and storage businesses.
2. Segment profit adjustment refers to intersegment transaction eliminations and other.
3. Segment profit has been adjusted for the operating profit appearing in the semi-annual consolidated statements of income.

2. Changes in reportable segments

Expenses incurred by Nisshin Seifun Group Inc., which had been regarded as shared Company-wide expenses, were previously allocated to each business based on business size. However, due to active efforts to advance the Group's business portfolio in recent years, there has been an uptick in the handling of growth investments, including new acquisitions, subsequent post-merger integration (PMI) initiatives, and compliance with local laws and regulations. In light of this situation, we have revised our criteria for allocating expenses to each business from the first half of the fiscal year under review.

Segment profit for the first six months of the previous fiscal year reflects this change in allocating standards.

3. Information regarding impairment losses or goodwill for non-current assets for each reportable segment

[Material impairment losses pertaining to non-current assets]

In the Flour Milling segment, the Okayama Plant and Sakaide Plant of Nisshin Flour Milling Inc. were closed. The book value of these plants was reduced to their recoverable value. A reduced amount of ¥1,570 million is recorded as a loss on factory closures in extraordinary losses in the first six months of the fiscal year under review.

In the Processed Food segment, investments in non-current assets for the India yeast business were deemed unrecoverable. The book value of these assets was reduced to their recoverable value, and impairment losses were recorded. For the first six months of the fiscal year under review, the value of impairment losses was ¥8,721 million.

[Notes to Significant Subsequent Events]

(Purchase of treasury shares)

The Company has resolved at the meeting of its Board of Directors held on October 30, 2025 to acquire shares of the Company's stock pursuant to the provisions of Article 459, Paragraph 1 of the Companies Act and Article 41 of the Company's Articles of Incorporation.

For details, please refer to the Notice Concerning Determination of Matters Related to Acquisition of Own Shares published on the same date.