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## **Supplementary Materials Fiscal Year Ended March 31, 2018**

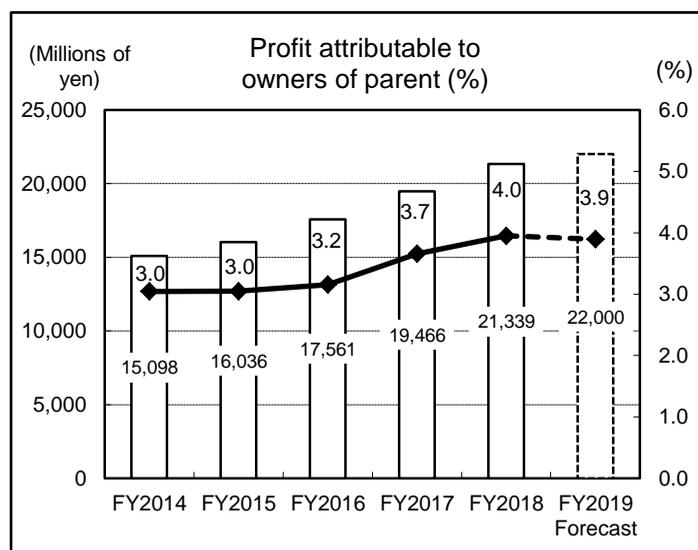
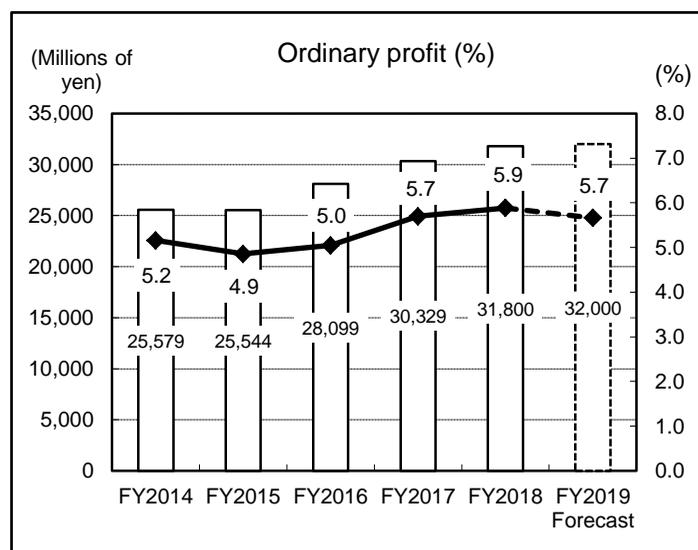
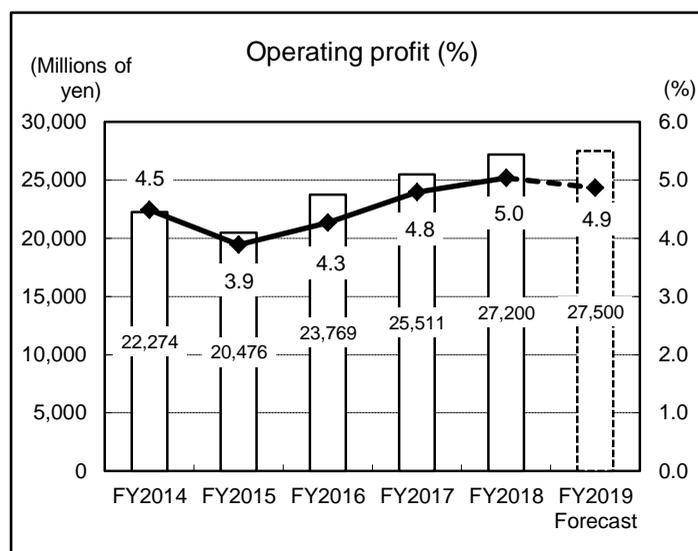
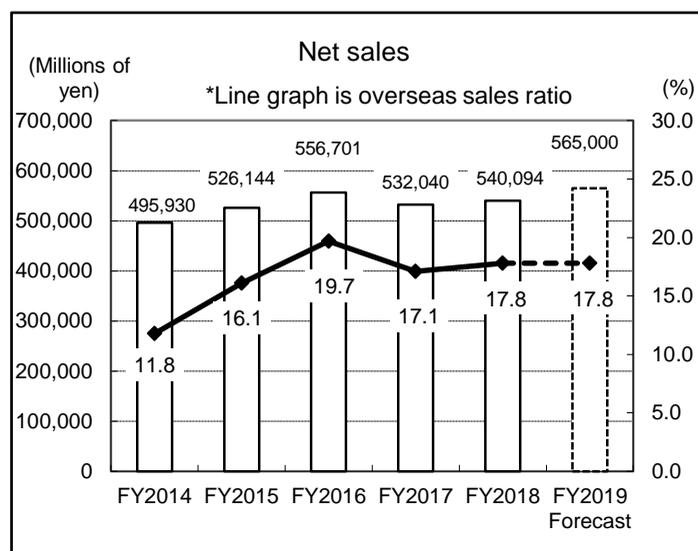
- I. Consolidated Performance Highlights..... P. 1-2
  
- II. Consolidated Statements of Income ..... P. 3-5
  - 1. Consolidated Statements of Income
  - 2. Net Sales, Operating Profit and Non-operating  
Income (Expenses) by Segment
  
- III. Consolidated Balance Sheets..... P. 6-7
  
- IV. Consolidated Statements of Cash Flows ..... P. 8
  
- V. Consolidated ROE..... P. 9

**May 14, 2018**

**Nisshin Seifun Group Inc.**

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.

# I. Consolidated Performance Highlights



## [Performance Trends]

	FY2014	FY2015	FY2016	FY2017	FY2018	YoY Change	Change (%)	FY2019 Forecast
Net sales	495,930	526,144	556,701	532,040	540,094	8,054	1.5%	565,000
Overseas sales (%)	11.8%	16.1%	19.7%	17.1%	17.8%	5,085	5.6%	100,400 17.8%
Operating profit (%)	22,274 4.5%	20,476 3.9%	23,769 4.3%	25,511 4.8%	27,200 5.0%	1,689	6.6%	27,500
Ordinary profit (%)	25,579 5.2%	25,544 4.9%	28,099 5.0%	30,329 5.7%	31,800 5.9%	1,470	4.8%	32,000
Profit attributable to owners of parent (%)	15,098 3.0%	16,036 3.0%	17,561 3.2%	19,466 3.7%	21,339 4.0%	1,872	9.6%	22,000
Capital expenditures	18,290	19,895	14,970	12,689	21,484	8,795	69.3%	21,000
Depreciation and amortization	13,669	14,747	16,816	16,132	15,509	(623)	(3.9)%	15,000
Number of Employees (consolidated)	5,650	6,146	6,440	6,324	6,545	221	3.5%	-
<b>(Reference)</b>								
Operating profit before amortization of goodwill, others	23,483	22,338	26,040	27,693	29,440	1,747	6.3%	29,700
Amortization of goodwill, others	1,208	1,862	2,270	2,181	2,239	58	2.7%	2,200

## [Balance Sheet Trends]

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015	As of March 31, 2016	As of March 31, 2017	As of March 31, 2018	YoY Change
Current assets	216,409	229,804	233,398	238,858	265,442	26,583
Property, plant and equipment, and intangible assets	141,938	170,332	169,829	159,929	163,352	3,422
Investments and other assets	112,692	149,170	147,077	158,779	164,699	5,919
<b>Total assets</b>	<b>471,039</b>	<b>549,307</b>	<b>550,305</b>	<b>557,568</b>	<b>593,493</b>	<b>35,925</b>
Current liabilities	90,433	112,240	106,802	89,833	114,258	24,424
Non-current liabilities	46,514	58,351	57,017	60,928	65,441	4,512
Equity capital	324,775	367,081	373,375	393,620	399,278	5,657
(Equity ratio)	68.9%	66.8%	67.8%	70.6%	67.3%	(3.3)%
Subscription rights to shares	260	179	147	175	189	13
Non-controlling interests	9,057	11,454	12,962	13,009	14,327	1,318
<b>Total liabilities and net assets</b>	<b>471,039</b>	<b>549,307</b>	<b>550,305</b>	<b>557,568</b>	<b>593,493</b>	<b>35,925</b>

## [Shareholders' Equity and Dividends]

	FY2014	FY2015	FY2016	FY2017	FY2018	YoY Change	FY2019 Forecast
Net assets per share (Yen)*	1,079.82	1,218.49	1,237.64	1,303.45	1,344.68	41.23	-
Earnings per share (Yen)*	50.21	53.28	58.25	64.50	71.47	6.97	74.09
Fully diluted earnings per share (Yen)*	50.19	53.22	58.15	64.43	71.40	6.97	-
Dividend per share (Yen)	20.00	22.00	24.00	26.00	29.00	3.00	32.00
Dividend per share after consideration of stock split (Yen)*	17.35	21.09	24.00	26.00	29.00	3.00	32.00
Total dividends (Millions of yen)	5,220	6,353	7,240	7,851	8,617	765	-
Payout ratio (%)	34.6%	39.6%	41.2%	40.3%	40.6%	0.3%	43.2%

(\*) Stock splits (1.1-for-1) were conducted on October 1, 2013 and October 1, 2014, respectively. Above figures were calculated as if the stock splits took place at the beginning of the year ended March 31, 2014.

## [Share Data (Nisshin Seifun Group Inc.)]

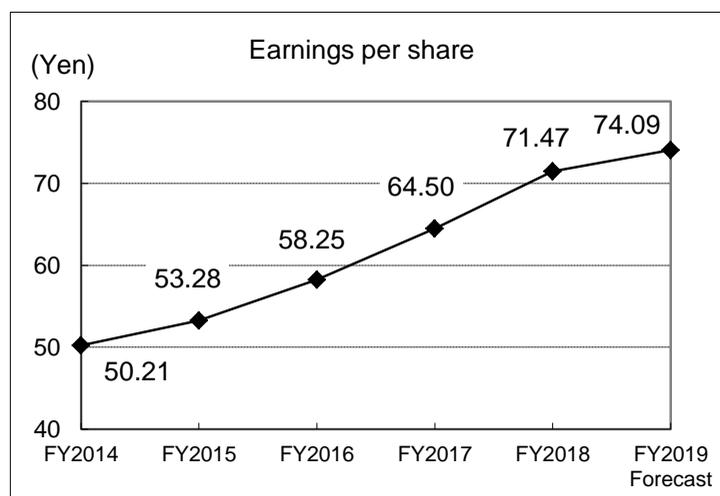
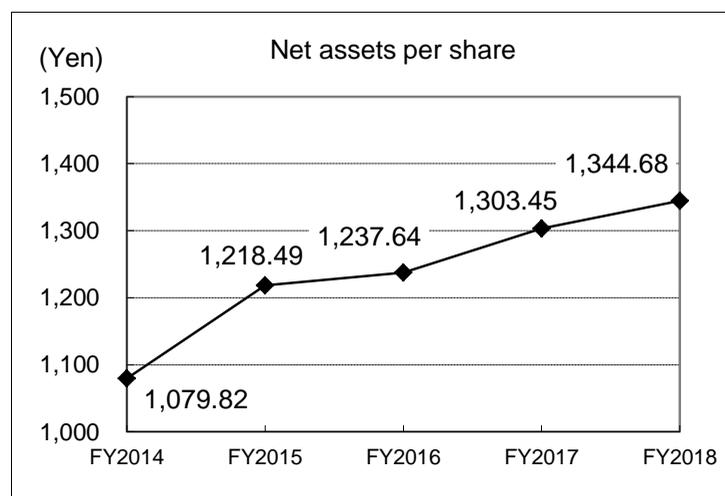
	As of March 31, 2014	As of March 31, 2015	As of March 31, 2016	As of March 31, 2017	As of March 31, 2018
Shares issued and outstanding at end of period (Thousand shares)	273,498	301,341	301,764	302,064	297,013
Share price at end of period (Yen)	1,134	1,414	1,789	1,661	2,109
Total market value of shares (Millions of yen)	310,147	426,096	539,857	501,729	626,400

## [Statements of Cash Flows]

(Millions of yen) (Billions of yen)

	FY2014	FY2015	FY2016	FY2017	FY2018	YoY Change	FY2018 Reference*
Cash and cash equivalents at beginning of period	53,249	72,685	59,897	72,960	90,837	17,877	92.5
Net cash provided by (used in) operating activities	25,058	25,107	35,839	35,361	42,869	7,507	42.8
Net cash provided by (used in) investing activities	(1,797)	(43,636)	(12,201)	(5,240)	(18,067)	(12,827)	(18.8)
Net cash provided by (used in) financing activities	(5,072)	4,331	(9,446)	(11,470)	(18,593)	(7,123)	(18.5)
Effect of exchange rate changes on cash and cash equivalents	1,247	1,409	(1,128)	(246)	1,415	1,662	1.4
Increase (decrease) in cash and cash equivalents resulting from change of fiscal year-end of subsidiaries	-	-	-	(527)	-	527	-
<b>Cash and cash equivalents at end of period</b>	<b>72,685</b>	<b>59,897</b>	<b>72,960</b>	<b>90,837</b>	<b>98,461</b>	<b>7,624</b>	<b>99.4</b>

\*Includes deposits exceeding 3 months and securities under management



## II. Consolidated Statements of Income

### 1. Consolidated Statements of Income

(Millions of yen)

	FY2017	FY2018	YoY Change	FY2019 Forecast
Net sales	532,040	540,094	8,054	565,000
Cost of sales	374,028	378,742	4,713	
<b>Gross profit</b>	<b>158,012</b>	<b>161,352</b>	<b>3,340</b>	
Selling, general and administrative expenses	132,500	134,152	1,651	
Sales freight expenses	35,161	35,668	506	
Sales promotion expenses	40,576	40,669	92	
Personnel expenses	28,290	28,555	264	
Non-personnel expenses	28,471	29,258	787	
<b>Operating profit</b>	<b>25,511</b>	<b>27,200</b>	<b>1,689</b>	<b>27,500</b>
Non-operating income	5,119	5,084	(34)	
Interest income	160	305	144	
Dividend income	2,393	2,412	18	
Share of profit of entities accounted for using equity method	1,960	1,771	(189)	
Rent income	285	284	(1)	
Other	319	311	(7)	
Non-operating expenses	301	485	183	
Interest expenses	202	221	18	
Foreign exchange losses	-	52	52	
Share issuance cost	-	54	54	
Other	98	156	58	
<b>Ordinary profit</b>	<b>30,329</b>	<b>31,800</b>	<b>1,470</b>	<b>32,000</b>
Extraordinary income	2,669	1,365	(1,304)	
Gain on sales of non-current assets	387	1,007	620	
Gain on sales of investment securities	401	357	(44)	
Gain on sales of shares of subsidiaries and associates	1,880	-	(1,880)	
Extraordinary losses	1,809	734	(1,074)	
Loss on retirement of non-current assets	527	605	77	
Impairment loss	958	129	(828)	
Loss on restructuring of production system	323	-	(323)	
<b>Profit before income taxes</b>	<b>31,189</b>	<b>32,430</b>	<b>1,240</b>	
Income taxes – current	9,924	8,664	(1,260)	
Income taxes – deferred	501	1,096	594	
<b>Total income taxes</b>	<b>10,426</b>	<b>9,760</b>	<b>(665)</b>	
<b>Profit</b>	<b>20,763</b>	<b>22,669</b>	<b>1,906</b>	
Profit attributable to non-controlling interests	1,296	1,330	34	
<b>Profit attributable to owners of parent</b>	<b>19,466</b>	<b>21,339</b>	<b>1,872</b>	<b>22,000</b>

FY2019 Forecast		(Millions of yen)
Non-operating income (expenses)		4,500
Net financial income		2,500
Equity in earnings (losses) of affiliates		1,200
Other		800

### Principal Consolidated Subsidiaries

(Millions of yen)

Company name	Net sales	Ordinary profit	Profit	Net assets	Total assets
Nisshin Flour Milling Inc.	167,963	9,195	6,568	72,451	146,801
Miller Milling Company, LLC	56,478	871	608	35,628	47,823 *
Nisshin Foods Inc.	118,763	6,149	4,338	30,384	61,793
Oriental Yeast Co., Ltd.	65,175	4,523	3,324	16,767	45,161

\*Miller Milling Company, LLC reports profit (loss) data after deduction of amortization of goodwill, others (1,939 million yen).

## 2. Net Sales, Operating Profit and Non-operating Income (Expenses) by Segment

### [Net Sales by Segment]

(Millions of yen)

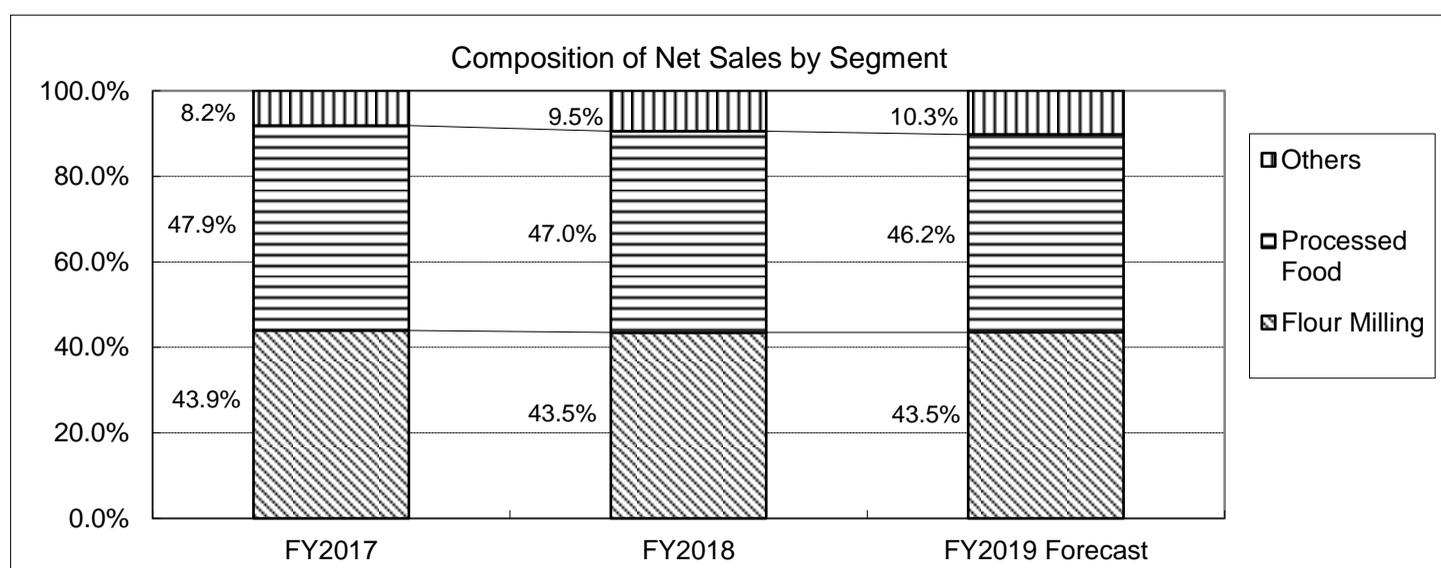
	FY2017	FY2018	YoY Change	Change (%)	FY2019 Forecast
Flour Milling	233,618	234,799	1,181	0.5%	246,000
Processed Food	254,944	254,000	(944)	(0.4)%	261,000
Others	43,478	51,295	7,816	18.0%	58,000
<b>Total</b>	<b>532,040</b>	<b>540,094</b>	<b>8,054</b>	<b>1.5%</b>	<b>565,000</b>

Overseas Sales (included in sales data above)

(Millions of yen)

Currency Exchange Rates

	FY2017	FY2018	YoY Change	Impact of currency exchange rate fluctuations	FY2019 Forecast		FY2017	FY2018	FY2019 (Projection)
Flour Milling	76,533	79,535	3,002	2,654	82,100	USD	109.34	112.31	107.00
Processed Food	10,083	11,685	1,601	360	13,100	CAD	82.17	86.47	85.00
Others	4,587	5,069	482	34	5,200	THB	3.09	3.30	3.40
<b>Total</b>	<b>91,204</b>	<b>96,290</b>	<b>5,085</b>	<b>3,049</b>	<b>100,400</b>	NZD	75.72	79.88	79.00



### (Analysis of Net Sales Difference from Previous Year)

**+8.1 billion yen**

(Billions of yen)

Flour Milling	+1.2	· Domestic wheat flour shipments (+0.7%)	+1.3
		· Flour price revisions, others accompanying revised wheat prices	(2.4)
		· Bran prices	+0.0
		· Overseas sales, others	+2.3
<hr/>			
Processed Food	(0.9)	· Processed Food sales	(3.3)
		Household-use flour sales	(0.6)
		Prepared mix product sales	(0.2)
		Pasta-related sales	+1.2
		Frozen food sales	+0.8
		Prepared dishes and other prepared foods sales	+4.2
		Overseas processed food sales	+0.7
		Exclusion of Daisen Ham from consolidation	(3.9)
		Other	(5.5)
		· Oriental Yeast sales	+2.2
		· Nisshin Pharma sales	+0.2
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Others	+7.8	· Nisshin Petfood sales	+0.1
		· NBC Meshtec sales	+0.5
		· Facility construction sales, others (Nisshin Engineering, others)	+7.2

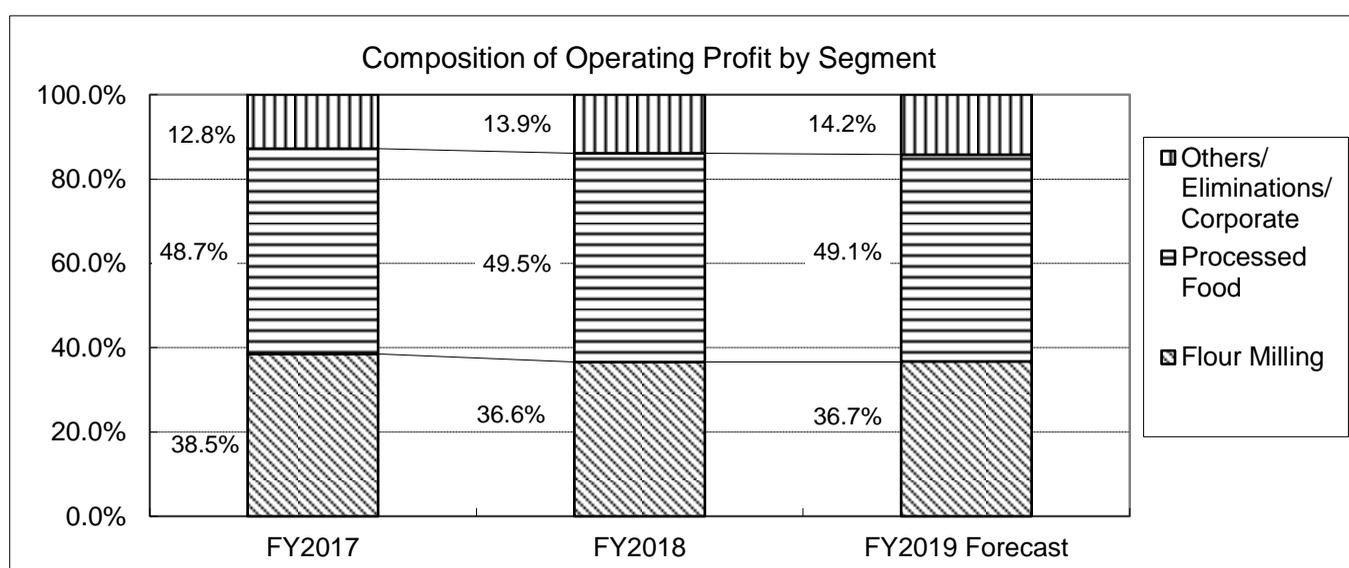
[Operating Profit by Segment]

(Millions of yen)

	FY2017	FY2018	YoY Change	Change (%)	FY2019 Forecast
Flour Milling	9,823	9,957	134	1.4%	10,100
Processed Food	12,426	13,473	1,046	8.4%	13,500
Others	2,956	3,613	657	22.2%	3,700
Eliminations/Corporate	304	155	(149)	-	200
<b>Total</b>	<b>25,511</b>	<b>27,200</b>	<b>1,689</b>	<b>6.6%</b>	<b>27,500</b>

Overseas Operating Profit (included in profit data above)

	FY2017	FY2018	YoY Change	Impact of currency exchange rate fluctuations	Change (%)	FY2019 Forecast
	4,059	4,033	(26)	186	(0.6)%	4,600



(Analysis of Operating Profit Difference from Previous Year)

+1.7 billion yen

(Billions of yen)

Flour Milling	+0.1	<ul style="list-style-type: none"> <li>• Domestic wheat flour shipment volume +0.2</li> <li>• Sales expansion costs +0.1</li> <li>• Bran prices +0.0</li> <li>• Cost related +0.5</li> <li>• Overseas subsidiaries, others (0.7)</li> </ul>
Processed Food	+1.0	<ul style="list-style-type: none"> <li>• Shipment volume +1.6</li> <li>• Sales expansion costs +0.2</li> <li>• Cost related (1.0)</li> <li>• Overseas subsidiaries, others +0.2</li> </ul>
Others	+0.7	<ul style="list-style-type: none"> <li>• Sales +1.1</li> <li>• Cost related, others (0.4)</li> </ul>
Eliminations/Corporate	(0.1)	<ul style="list-style-type: none"> <li>• Others (0.1)</li> </ul>

[Non-operating income (expenses)]

(Millions of yen)

	FY2017	FY2018	YoY Change
Net financial income	2,351	2,496	145
Equity in earnings (losses) of affiliates	1,960	1,771	(189)
Other	506	331	(174)
<b>Non-operating income (expenses)</b>	<b>4,817</b>	<b>4,599</b>	<b>(218)</b>

### III. Consolidated Balance Sheets

[Assets] (Millions of yen)

	As of March 31, 2017	As of March 31, 2018	YoY Change
<b>Total assets</b>	<b>557,568</b>	<b>593,493</b>	<b>35,925</b>
<b>Current assets</b>	<b>238,858</b>	<b>265,442</b>	<b>26,583</b>
Cash and deposits	85,458	91,635	6,176
Notes and accounts receivable – trade	69,584	79,676	10,092
Securities	7,094	7,857	763
Inventories	64,012	71,882	7,869
Deferred tax assets	4,685	4,690	4
Other	8,221	9,892	1,671
Allowance for doubtful accounts	(197)	(193)	4
<b>Non-current assets</b>	<b>318,709</b>	<b>328,051</b>	<b>9,342</b>
Property, plant and equipment	144,840	150,942	6,102
Buildings and structures, net	55,441	55,979	538
Machinery, equipment and vehicles, net	39,296	38,700	(596)
Land	41,447	42,208	760
Construction in progress	4,587	10,337	5,750
Other, net	4,066	3,716	(349)
Intangible assets	15,089	12,409	(2,680)
Goodwill	7,050	5,623	(1,426)
Other	8,039	6,786	(1,253)
Investments and other assets	158,779	164,699	5,919
Investment securities	151,963	158,211	6,247
Net defined benefit asset	205	238	32
Deferred tax assets	3,541	3,045	(495)
Other	3,191	3,329	137
Allowance for doubtful accounts	(122)	(125)	(2)

◎ Impact After Fair Market Accounting (Billions of yen)

	As of March 31, 2017	As of March 31, 2018	YoY Change
Fair market valuation differences for available-for-sale securities	93.9	99.6	5.7
Deferred tax liabilities, others	28.5	30.1	1.7
Increase in shareholders' equity	65.4	69.5	4.0

## [Liabilities and net assets]

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018	YoY Change
<b>Total liabilities</b>	<b>150,762</b>	<b>179,699</b>	<b>28,936</b>
Current liabilities	89,833	114,258	24,424
Notes and accounts payable – trade	40,320	58,492	18,172
Short-term loans payable	9,745	7,892	(1,852)
Income taxes payable	5,437	4,397	(1,040)
Accrued expenses	18,265	19,291	1,026
Other	16,065	24,184	8,119
Non-current liabilities	60,928	65,441	4,512
Long-term loans payable	4,967	7,194	2,226
Deferred tax liabilities	26,687	29,097	2,410
Provision for repairs	1,509	1,159	(349)
Net defined benefit liability	20,881	20,782	(98)
Long-term deposits received	5,401	5,402	0
Other	1,481	1,804	323
<b>Total net assets</b>	<b>406,805</b>	<b>413,794</b>	<b>6,988</b>
Shareholders' equity	321,154	324,732	3,577
Capital stock	17,117	17,117	-
Capital surplus	12,898	12,894	(3)
Retained earnings	293,165	306,415	13,250
Treasury shares	(2,026)	(11,695)	(9,669) Purchase of treasury shares
Accumulated other comprehensive income	72,466	74,546	2,079
Valuation difference on available-for-sale securities	65,475	69,467	3,991
Deferred gains or losses on hedges	93	(473)	(567)
Foreign currency translation adjustment	7,836	6,352	(1,483)
Remeasurements of defined benefit plans	(939)	(800)	138
Subscription rights to shares	175	189	13
Non-controlling interests	13,009	14,327	1,318
<b>Total liabilities and net assets</b>	<b>557,568</b>	<b>593,493</b>	<b>35,925</b>

## IV. Consolidated Statements of Cash Flows

(Millions of yen)

	FY2017	FY2018	YoY Change
Cash and cash equivalents at beginning of period	72,960	90,837	17,877
<b>Net cash provided by (used in) operating activities</b>			
Profit before income taxes	31,189	32,430	1,240
Depreciation and amortization	16,132	15,509	(623)
Impairment loss	958	129	(828)
Amortization of goodwill	1,195	1,224	29
Increase (decrease) in net defined benefit liability	(400)	(110)	290
Decrease (increase) in net defined benefit asset	8	(32)	(40)
Interest and dividend income	(2,553)	(2,717)	(163)
Interest expenses	202	221	18
Share of (profit) loss of entities accounted for using equity method	(1,960)	(1,771)	189
Loss (gain) on sales of investment securities	(401)	(357)	44
Loss (gain) on sales of shares of subsidiaries and associates	(1,880)	-	1,880
Decrease (increase) in notes and accounts receivable – trade	1,636	(10,217)	(11,853)
Decrease (increase) in inventories	6,255	(8,010)	(14,265)
Increase (decrease) in notes and accounts payable – trade	(9,272)	18,185	27,458
Other, net	2,701	5,607	2,906
Subtotal	43,811	50,092	6,281
Interest and dividend income received	3,109	3,704	595
Interest expenses paid	(161)	(217)	(55)
Income taxes paid	(11,397)	(10,710)	687
Net cash provided by (used in) operating activities	35,361	42,869	7,507
<b>Net cash provided by (used in) investing activities</b>			
Payments into time deposits	(1,820)	(4,369)	(2,549)
Proceeds from withdrawal of time deposits	2,530	5,128	2,598
Purchase of securities	(1,842)	(2,955)	(1,112)
Proceeds from sales of securities	1,816	2,970	1,153
Purchase of property, plant, and equipment and intangible assets	(13,549)	(19,704)	(6,155)
Proceeds from sales of property, plant, and equipment and intangible assets	767	898	130
Purchase of investment securities	(37)	(625)	(588)
Proceeds from sales of investment securities	853	858	4
Purchase of shares of subsidiaries and associates	(17)	(54)	(36)
Proceeds from sales of shares of subsidiaries and associates	-	122	122
Proceeds from redemption of shares of subsidiaries and associates	2,713	-	(2,713)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	3,206	-	(3,206)
Other, net	138	(334)	(473)
Net cash provided by (used in) investing activities	(5,240)	(18,067)	(12,827)
<b>Net cash provided by (used in) financing activities</b>			
Increase in short-term loans payable	400	-	(400)
Decrease in short-term loans payable	(5,841)	(3,253)	2,588
Proceeds from long-term loans payable	1,951	3,369	1,417
Repayments of long-term loans payable	(2)	-	2
Proceeds from sales of treasury shares	327	339	11
Purchase of treasury shares	(2)	(10,164)	(10,162)
Cash dividends paid	(7,546)	(8,088)	(542)
Other, net	(757)	(795)	(37)
Net cash provided by (used in) financing activities	(11,470)	(18,593)	(7,123)
Effect of exchange rate changes on cash and cash equivalents	(246)	1,415	1,662
Net increase (decrease) in cash and cash equivalents	18,404	7,624	(10,780)
Increase (decrease) in cash and cash equivalents resulting from change of fiscal year-end of subsidiaries	(527)	-	527
Cash and cash equivalents at end of period	90,837	98,461	7,624

## V. Consolidated ROE

	FY2014	FY2015	FY2016	FY2017	FY2018	YoY Change	FY2019 Forecast
ROE (%)	4.8%	4.6%	4.8%	5.1%	5.4%	0.3%	5.4%
Net income to net sales ratio (%)	3.0%	3.0%	3.2%	3.7%	4.0%	0.3%	3.9%
Average total asset turnover (Times)	1.1	1.0	1.0	1.0	0.9	(0.1)	-
Leverage	1.5	1.5	1.5	1.4	1.5	0.1	-

