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Supplementary Materials First Quarter of Fiscal 2021

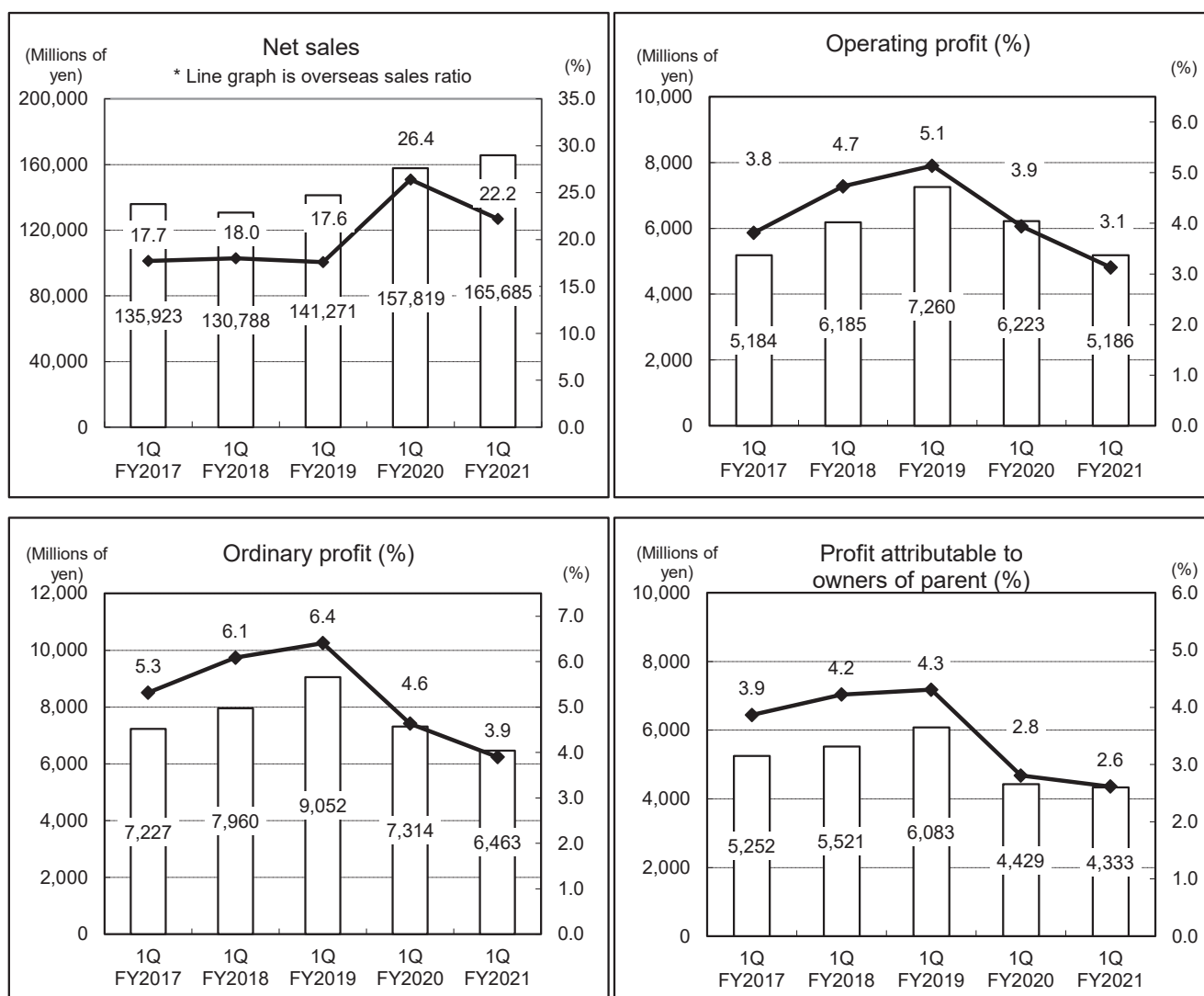
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July 28, 2020

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 for the First Quarter



[Performance Trends]

	1Q FY2017	1Q FY2018	1Q FY2019	1Q FY2020	1Q FY2021	YoY Change	Change (%)	FY2021 Forecast
Net sales	135,923	130,788	141,271	157,819	165,685	7,866	105.0%	700,000
Overseas sales (%)	24,090 17.7%	23,537 18.0%	24,886 17.6%	41,607 26.4%	36,741 22.2%	(4,866)	88.3% (4.2)%	162,100 23.2%
Operating profit (%)	5,184 3.8%	6,185 4.7%	7,260 5.1%	6,223 3.9%	5,186 3.1%	(1,036)	83.3% (0.8)%	26,000 3.7%
Ordinary profit (%)	7,227 5.3%	7,960 6.1%	9,052 6.4%	7,314 4.6%	6,463 3.9%	(851)	88.4% (0.7)%	27,000 3.9%
Profit attributable to owners of parent (%)	5,252 3.9%	5,521 4.2%	6,083 4.3%	4,429 2.8%	4,333 2.6%	(95)	97.8% (0.2)%	17,000 2.4%
Capital expenditures (construction base)	2,808	4,061	3,297	5,321	3,818	(1,502)	71.8%	14,000
Depreciation and amortization	3,988	3,745	3,550	4,247	5,316	1,069	125.2%	22,000
(Reference)								
Operating profit before amortization of goodwill, others	5,765	6,756	7,807	8,189	7,111	(1,077)	86.8%	34,200
Amortization of goodwill, others*	581	571	546	1,965	1,925	(40)	98.0%	8,200

* "Amortization of goodwill, others" refers to amortization of goodwill and intangible assets (client-related assets, etc.)

II. Net Sales by Segment

[Net Sales by Segment]

(Millions of yen)

	1Q FY2020	(Composition ratio)	1Q FY2021	(Composition ratio)	Difference from previous year	YoY Change	FY2021 Forecast	(Composition ratio)
Flour Milling	77,255	49%	68,838	42%	(8,416)	89.1%	295,000	42%
Processed Food	54,043	34%	54,760	33%	717	101.3%	222,000	32%
Prepared Dishes and Other Prepared Foods	11,494	7%	32,911	20%	21,416	286.3%	146,000	21%
Others	15,025	10%	9,174	5%	(5,850)	61.1%	37,000	5%
Total	157,819	100%	165,685	100%	7,866	105.0%	700,000	100%

* Overseas Sales (included in sales data above)

	(Millions of yen)					Currency Exchange Rates (Yen)				
	1Q FY2020	1Q FY2021	Difference from previous year	(Impact of currency exchange rate fluctuations)	YoY Change	FY2021 Forecast	1Q FY2020	1Q FY2021	FY2021 (Projection)	
Flour Milling	36,842	31,940	(4,902)	(2,491)	86.7%	140,900	USD	110.7	108.4	108.0
Processed Food	3,606	3,844	238	(125)	106.6%	16,200	CAD	82.4	77.0	83.0
Prepared Dishes and Other Prepared Foods	-	-	-	-	-	-	AUD	77.8	68.4	75.0
Others	1,158	956	(201)	(21)	82.6%	5,000	NZD	73.9	65.0	72.0
Total	41,607	36,741	(4,866)	(2,638)	88.3%	162,100	THB	3.5	3.4	3.6

(Analysis of Net Sales Difference from Previous Year)

			(Billions of yen)
			1Q FY2021 (Difference from previous year)
Flour Milling	(8.4)	· Domestic wheat flour shipments (down 0.7% YoY)	(0.4)
		· Flour price revisions, others accompanying revised wheat prices	(2.9)
		· Bran prices	+0.0
		· Overseas sales, others	(5.1)
Processed Food	+0.7	· Processed Food sales	+1.1
		Household-use flour sales	+0.6
		Prepared mix product sales	(0.4)
		Pasta-related sales	+1.4
		Frozen food sales	+0.0
		Overseas processed food sales	(0.4)
		Other	(0.1)
		· Oriental Yeast sales	(1.1)
		· Nisshin Pharma sales	+0.7
Prepared Dishes and Other Prepared Foods	+21.4	· Effects of new consolidation of Tokatsu Foods, others	+21.4
Others	(5.8)	· Nisshin Petfood sales	(0.3)
		· NBC Meshtec sales	(0.5)
		· Facility construction sales, others (Nisshin Engineering, others)	(5.0)
Total	+7.9		

III. Operating Profit by Segment

[Operating Profit by Segment]

(Millions of yen)

	1Q FY2020	(Composition ratio)	1Q FY2021	(Composition ratio)	Difference from previous year	YoY Change	FY2021 Forecast	(Composition ratio)
Flour Milling	2,074	33%	605	12%	(1,468)	29.2%	8,100	31%
Processed Food	2,920	47%	4,038	78%	1,117	138.3%	15,700	60%
Prepared Dishes and Other Prepared Foods	147	2%	(356)	(7)%	(504)	-	(400)	(2)%
Others	1,015	17%	866	16%	(148)	85.4%	2,400	10%
Eliminations/Corporate	64	1%	31	1%	(32)	-	200	1%
Total	6,223	100%	5,186	100%	(1,036)	83.3%	26,000	100%

* Amortization of goodwill, others (Deducted from [Operating Profit by Segment] above)

	1Q FY2020	1Q FY2021	Difference from previous year	FY2021 Forecast
Flour Milling	1,907	1,517	(389)	6,567
Processed Food	16	16	-	64
Prepared Dishes and Other Prepared Foods	42	392	349	1,569
Others	-	-	-	-
Total	1,965	1,925	(40)	8,200

* Overseas Operating Profit (included in [Operating Profit by Segment] above)

(Millions of yen)

	1Q FY2020	1Q FY2021	Difference from previous year	(Impact of currency exchange rate fluctuations)	YoY Change	FY2021 Forecast
Flour Milling	328	(432)	(761)	138	(131.4)%	2,000
Processed Food	456	773	317	(7)	169.4%	2,200
Prepared Dishes and Other Prepared Foods	-	-	-	-	-	-
Others	12	(16)	(28)	(0)	(139.2)%	100
Total	797	324	(473)	130	40.7%	4,300

(Analysis of Operating Profit Difference from Previous Year)

(Billions of yen)

			1Q FY2021 (Difference from previous year)
Flour Milling	(1.5)	<ul style="list-style-type: none"> • Domestic wheat flour shipment volume • Sales expansion costs • Bran prices • Cost related • Overseas subsidiaries, others 	(0.1)
Processed Food	+1.1	<ul style="list-style-type: none"> • Shipment volume • Sales expansion costs • Cost related • Overseas subsidiaries, others (incl. Oriental Yeast, Nisshin Pharma exports) 	+0.4
Prepared Dishes and Other Prepared Foods	(0.5)	<ul style="list-style-type: none"> • Impact of the novel coronavirus, others 	(0.5)
Others	(0.1)	<ul style="list-style-type: none"> • Sales • Cost related, others 	(0.6)
Eliminations/Corporate	(0.0)	<ul style="list-style-type: none"> • Intersegment transaction eliminations 	(0.0)
Total	(1.0)		