First Six Months of Fiscal 2023 Results Briefing

Results, Forecasts

October 28, 2022

Nisshin Seifun Group Inc.

1. First Six Months of Fiscal 2023 Results (2)

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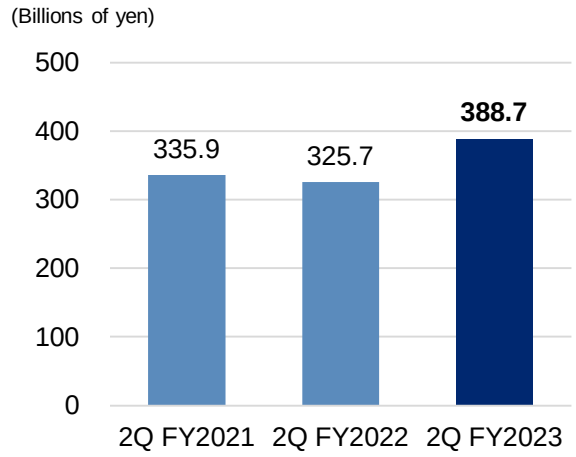
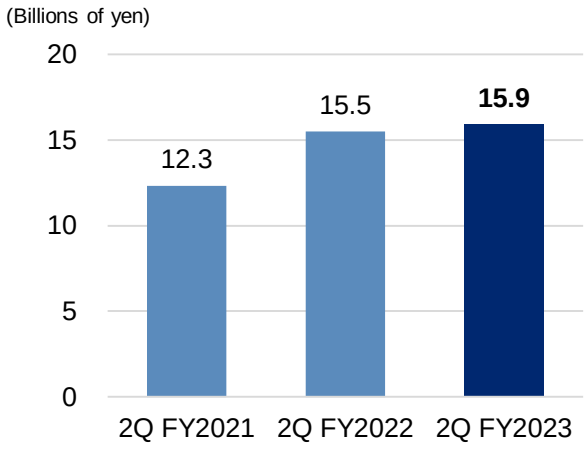
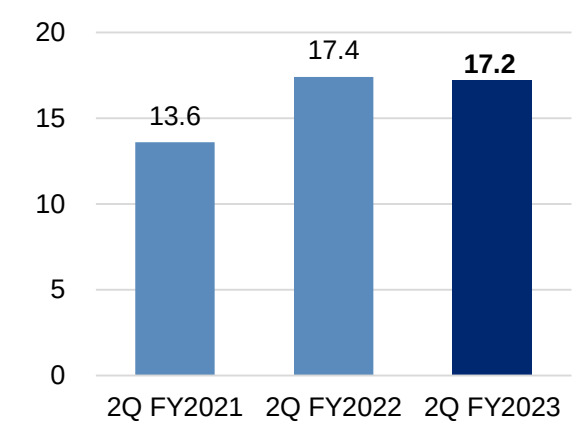
Net sales



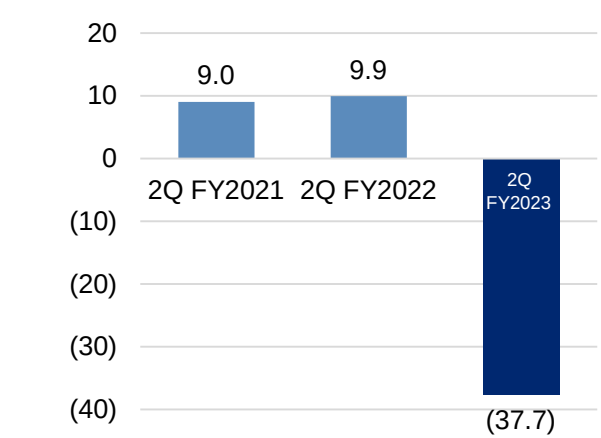
Operating profit



Ordinary profit



Profit attributable to owners of parent



* Figures rounded down to nearest 100 million yen

- Net sales increased mainly due to the implementation of wheat price revisions in the domestic flour milling business, higher wheat prices in the overseas flour milling business and foreign currency translation effects, and steady sales in the prepared dishes and other prepared foods businesses.
- Operating profit increased due to strong bran prices in the domestic flour milling business and favorable performance in the overseas flour milling business.
- Quarterly loss due to impairment loss in the Australia flour milling business based on re-examination of the business plan, considering market changes influenced by strict COVID-19 measures in Australia.

Net sales:	YoY changes	+19.3%
Operating profit:	YoY changes	+2.3%
Ordinary profit:	YoY changes	(1.2)%
Profit attributable to owners of parent:	YoY changes	Ṡ

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3. Non-operating Income (Expenses) / Extraordinary Income (Losses) (Results)

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(Millions of yen)

	First Six Months of Fiscal 2022 Results	First Six Months of Fiscal 2023 Results	YoY difference	Comments
[Non-operating Income (Expenses)]				
Net financial income	49	(21)	(71)	
Share of profit of entities accounted for using equity method	1,498	632	(865)	Decrease in profit of compound feed-related affiliates
Other	309	690	381	Profit on foreign currency exchange
Total non-operating income (expenses)	1,856	1,301	(555)	

[Extraordinary Income (Losses)]				
Gain on sales of investment securities	648	206	(441)	
Impairment loss		(55,836)	(55,836)	Impairment loss due to a decline in results of the Australian flour milling business
Other	(393)	(358)	35	
Total extraordinary income (losses)	255	(55,987)	(56,242)	

* Figures rounded down to nearest million yen

4. Statements of Cash Flows (Results)

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	First Six Months of Fiscal 2022 Results	First Six Months of Fiscal 2023		YoY difference	
		Results	Highlights		
Cash and cash equivalents at beginning of period	**59.1**	**68.7**		T**9.5**	Cash on hand*1 **70.7**
Cash flows from operating activities	**29.3**	**(1.8)**	Loss before income taxes (38.7) Depreciation and amortization +11.5 Impairment loss +55.8 Increase in working capital (24.9) Income taxes paid (7.3)	(31.2)	
Cash flows from investing activities	**(8.4)**	**(6.7)**	Capital expenditures (payment basis) (8.9)	š 1.7	
Cash flows from financing activities	**(10.5)**	**(1.2)**	Cash dividends paid (5.9) Increase in short-term loans (for working capital) +6.6	š 9.3	
Effect of exchange rate change on cash					

5. Fiscal 2023 Forecasts (1)

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- Net sales are expected to increase due to the continued impact of the same factors as in the first half's results.
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Loss resulting from impairment loss in the Australia fr5ultfi aA s

Caution Regarding Results Briefing Content

The content of this briefing is based on various assumptions, and thus does not represent any promise or guarantee that numerical targets and initiatives projected for the future will be realized.