

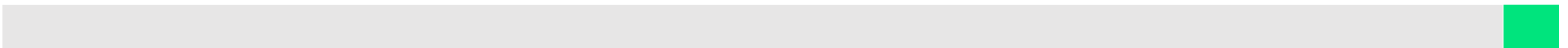


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# Fiscal 2024

# Results Briefing Meeting

May 20, 2024  
Nisshin Seifun Group Inc.





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- I. Fiscal 2024 Results
- II. Fiscal 2025 Forecasts and Towards the Achievement of the Medium-Term Management Plan
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# I. Fiscal 2024 Results



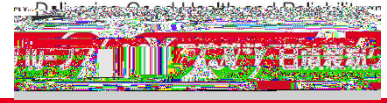
## 2. Fiscal 2024 Operating Profit — Year-on-Year Analysis



Analysis of Change in Operating Profit (vs. FY2023)

■ : Increase in profit    ■ : Decrease in profit

FY2023 Results		¥32.8 billion	[Major factors behind the increase or decrease in profit]
<b>Flour Milling Segment</b> ¥+11.0 billion	<b>Sales revenue</b>	¥+1.2 billion	: The product mix improved due to the recovery of people's movements, etc.
	<b>Bran prices</b>	¥+1.4 billion	: Bran prices remained strong
	<b>Cost related and others</b>	¥+4.1 billion	: Effect of the new consolidation of Kumamoto Flour Milling Co., Ltd. appropriate price revisions that also accommodated cost increases from the previous fiscal year, etc.
	<b>Overseas operating profit</b>	¥+4.3 billion	: Decrease in depreciation and amortization expenses in Australia, etc.
<b>Processed Food Segment</b> ¥+2.3 billion	<b>Sales revenue</b>	¥+0.4 billion	: A decrease in shipping volume was more than offset chiefly by improvements in sales expansion expenses and the product mix.
	<b>Cost related and others</b>	¥+1.2 billion	: Implemented appropriate price revisions that also accommodated cost increases from the previous fiscal year
	<b>Overseas operating profit</b>	¥+0.7 billion	: Profit in the India yeast business declined, but overall profit increased chiefly due to higher shipments in the prepared mixes business and raw materials for pharmaceuticals.
<b>Prepared Dishes and Other Prepared Foods Segment</b>		¥+2.1 billion	: Implemented price revisions, improved person-hour productivity, etc.
<b>Others Segment, etc.</b>		¥(0.4) billion	: While profit increased in the mesh cloth business, it decreased in the engineering business
<b>FY2024 Results</b>		<b>¥47.8 billion (¥+15.0 billion YoY)</b>	

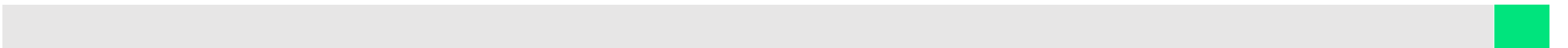
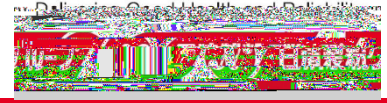


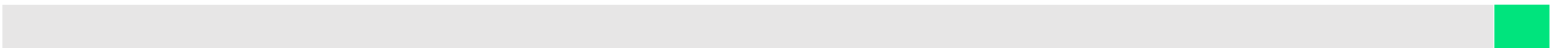


## **II. Fiscal 2025 Forecasts and Towards the Achievement of the Medium-Term Management Plan**









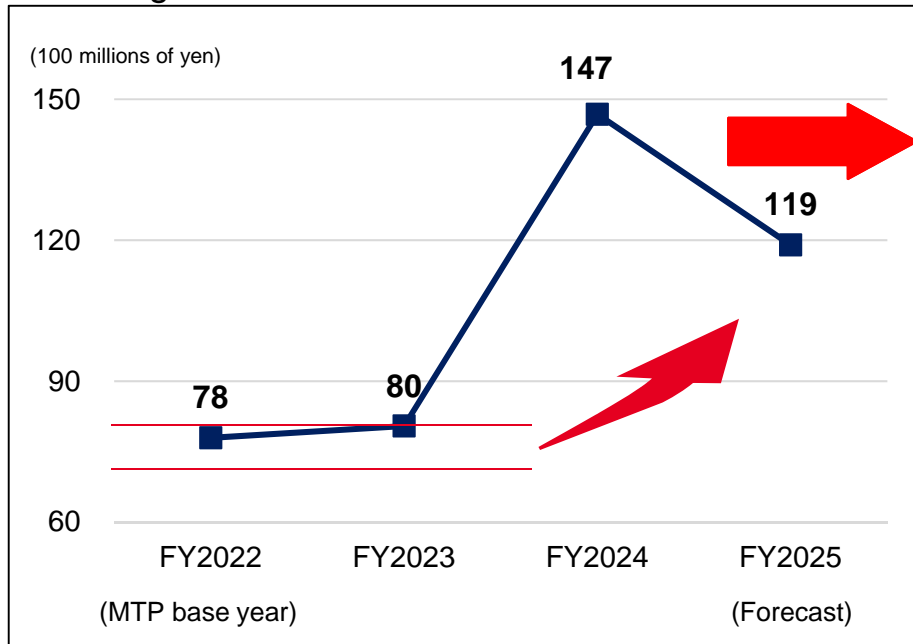
# 3-1. Domestic Flour Milling Business



Term Management Plan base year.

still be higher than in fiscal 2022, the Medium-

Change in operating profit in the domestic flour milling business

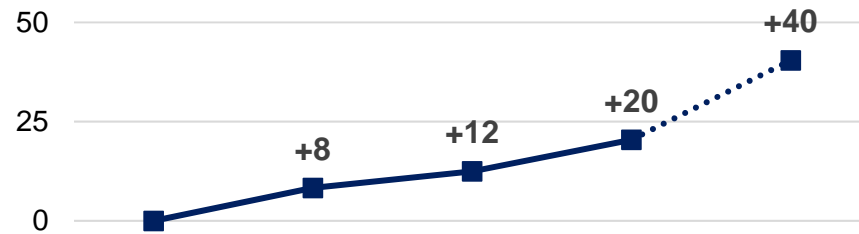
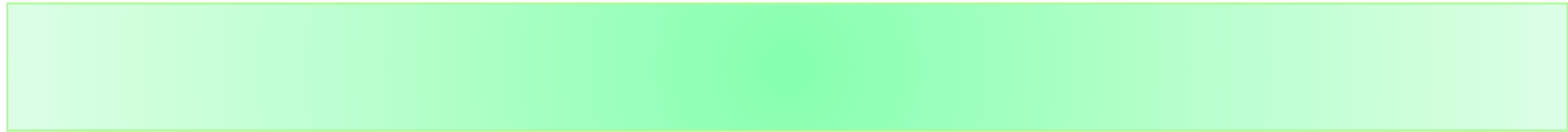


Major factors behind increased profit in FY2024 (¥+6.7 billion)



Establishing the Mizushima Plant, closing two plants (in FY2026)

## 3-2 (1). Improvement of the Performance of the Australia Flour Milling Business



## 3-2 (1). Improvement of the Performance of the India Yeast Business



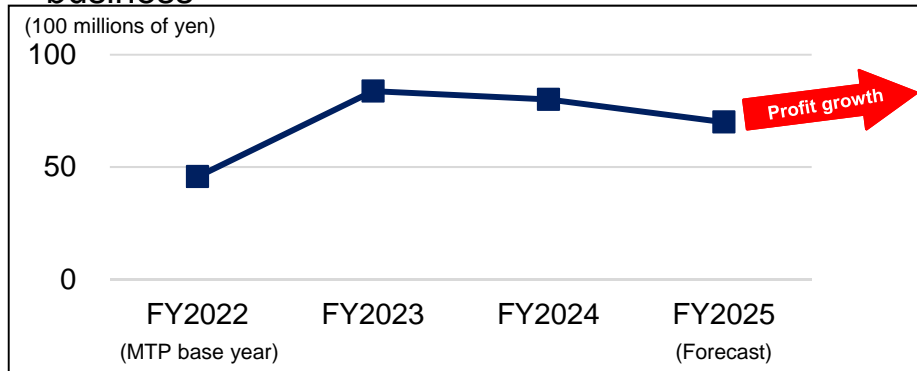
The business aims to increasing its market share and generate profits

## 3-2 (2). Growth of the US Flour Milling Business



The expansion of the Los Angeles Plant in California was completed in November 2023. A new production line is being constructed at the Saginaw Plant in Texas. **Operations are scheduled to commence in early 2025. We are aiming for further business growth.**

Change in operating profit in the US flour milling business



Effects of expanding the Saginaw Plant

(1) Production and Sales

**10% increase in production capacity.** Achievement of shipments that accommodate market growth.

(2) Market Presence

**Increase production capacity to the 4th in the US market** (currently 5th)

(3) Profit Growth

**Profit contribution is expected due to increased shipments**

Initiatives to enhance the effects of the expansion of the Saginaw Plant (establishment of the Innovation & Technical Center (ITC))

The ITC is set to be completed in the latter half of 2024, around the same time as the expansion of the Saginaw Plant. The ITC will feature small mills capable of replicating the flour mill s production line and bakery equipment, which will significantly expand services to customers. It will allow us to perform tests and analysis across a wide range of areas from raw wheat to flour products.

An image of the completed ITC



**We aim to increase the levels of proposals and services to customers and strengthen the presence of the US flour milling business.**

**Showing customers invited to the ITC both product testing and prototypes and allowing them to try food samples, providing specialist information on product development to customers of any size, and proposing improvements to baking methods**

**Sharing data (on the quality of raw materials, etc.) with plants of the Company in a timely manner**

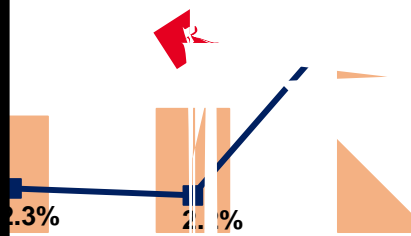
The ITC will also be used by five plants of Miller Milling Company, LLC in the United States, and Rogers Foods Ltd. in Canada.



Cost-saving in  
competitor

operating pro  
foods busine:

Promote automation  
that will set us apart





# 3-2 (5). Growth of the Mesh Cloth Business

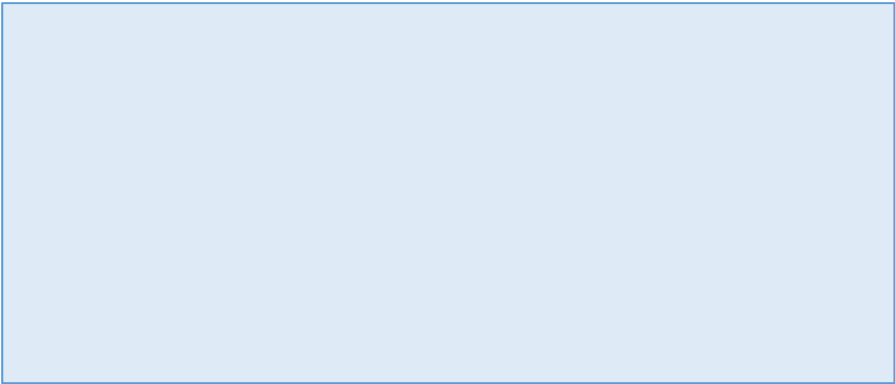
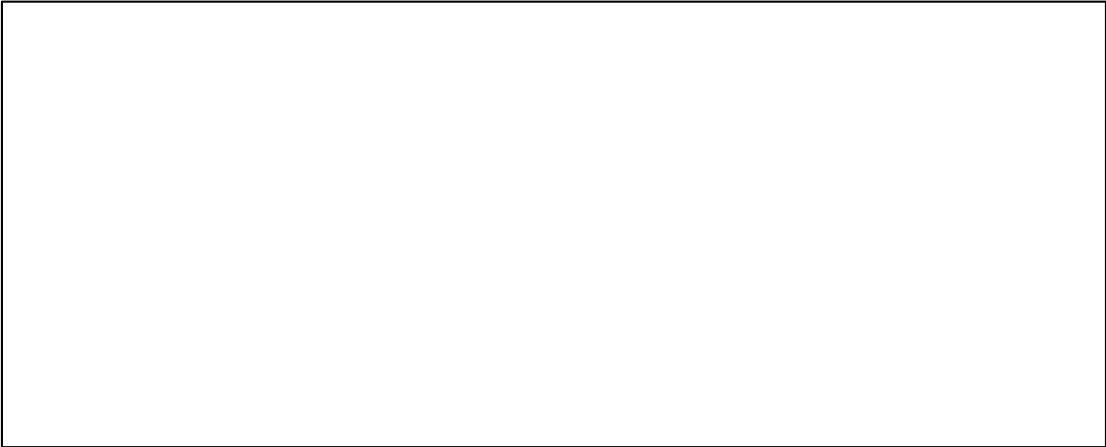


growth

aim to achieve further business

Change in solar battery and hydrogen production capacity

(Based on Nisshin Seifun Group research)





### **III. Top Priority Measures for FY2025**

# 1. Top Priority Measures for FY2025

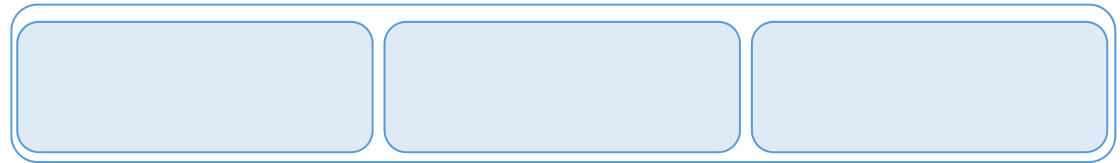







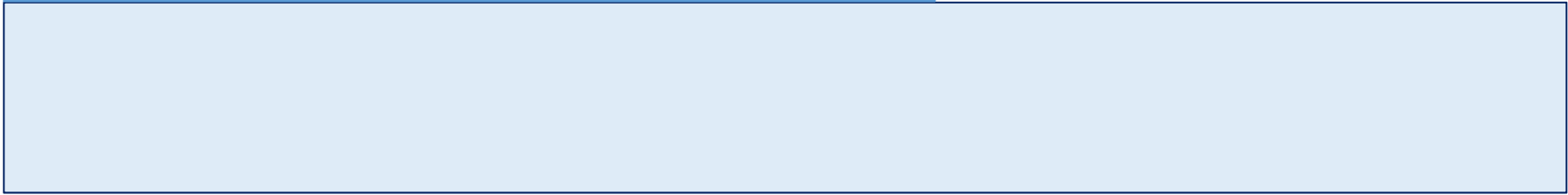
**(1) Stimulate the Group's Ability to Grow by Restructuring the Business Portfolio**

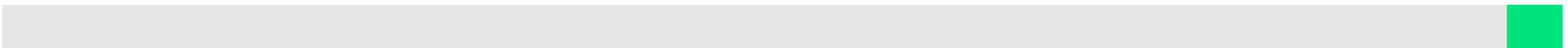
**(2) Implement Initiatives to Achieve a Recovery in the Australia Flour Milling Business and India Yeast Business**

**(3) Produce Visible Results by Executing the R&D Strategy**

**(4) Attain the Benefits of Automation and Labor-saving**









# 1. Reducing Cross-Shareholdings



We have already achieved our cross-shareholdings reduction target for the five-year Medium-Term Management Plan. We aim to reduce cross-shareholdings worth 15.0 billion yen or more over the three-year period from FY2025 to FY2027.

Cross-shareholdings reduction targets for the five-year Medium-Term Management Plan period

FY2023	FY2024	FY2025- FY2027	Total
¥29.4 billion	¥1.5 billion	¥15.0 billion or more <sup>(*)</sup>	¥46.0 billion or more

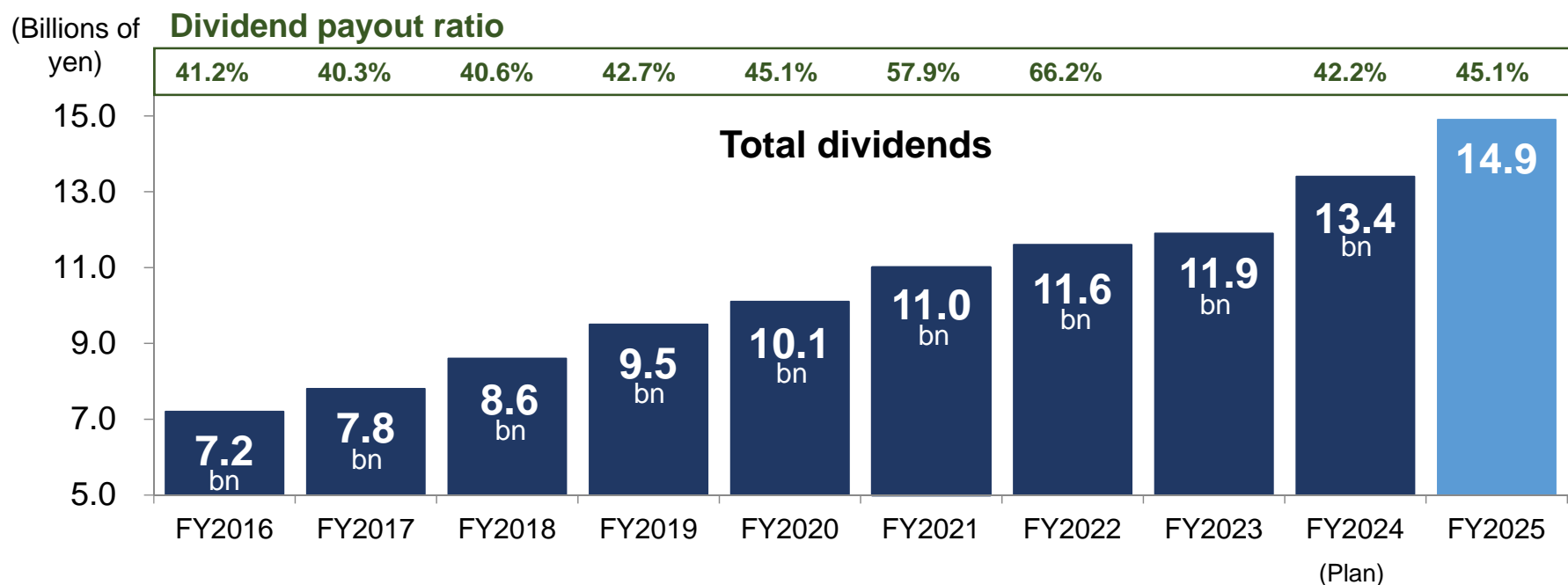
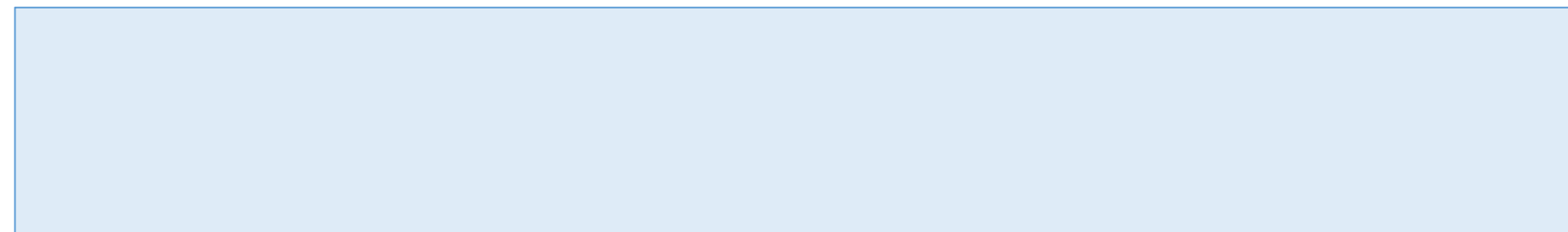
(\*) We may further reduce cross-s

Ways to use the cash obtained from reducing cross-shareholdings

- We will actively invest in growth and other opportunities using the cash obtained from reducing cross-shareholdings.

## 2. Strengthening Shareholder Returns

(G) Capital Policy



Dividend per share

¥24    ¥26    ¥29    ¥32    ¥34    ¥37    ¥39    ¥40    ¥45

(¥+5)



### 3. Future Investments (1)

(G) Capital  
Policy



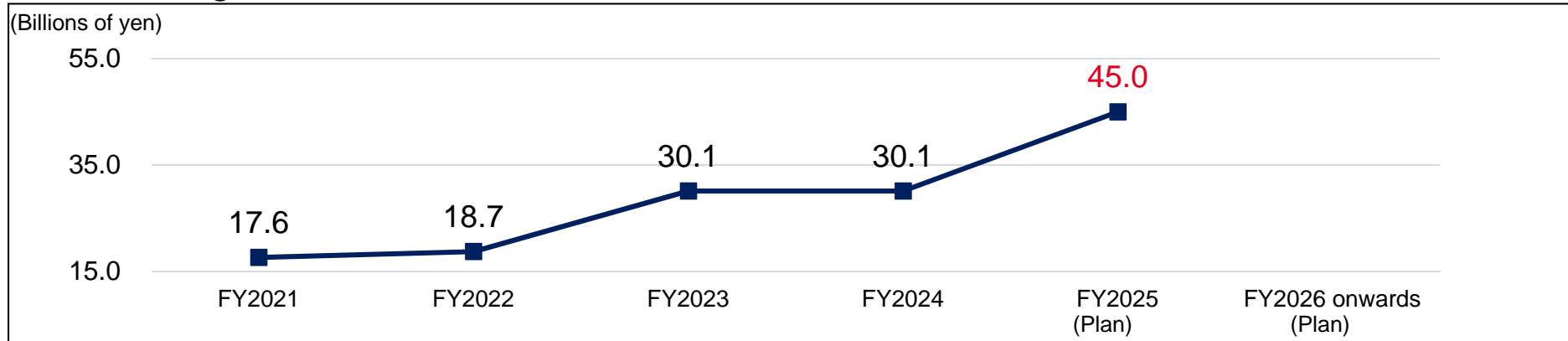
We plan to make investments more actively from fiscal 2025.

**Investment for sustainable growth** (domestic and overseas businesses)  
**Investment in maintenance and renewal, which is necessary for business continuity**

### 3. Future Investments (2)



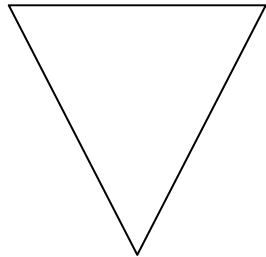
Trend in growth investment, maintenance and renewal investments



## 4. Restructuring the Offices in Areas Close to the Head Office



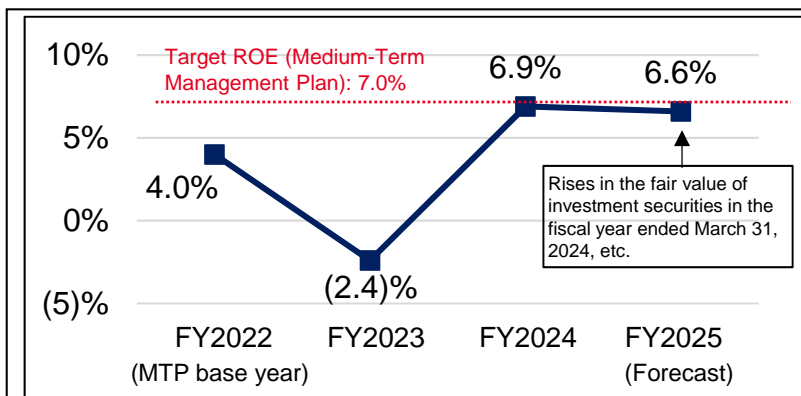
produce results by redeveloping the Group's bases for development  
create employee-friendly office environments



# 5. Promoting Capital-Efficient Management



## Trends in ROE



[Initiatives to improve ROE in fiscal 2024]

### (1) Improved profitability

- Addressing food inflation, a recovery in the Australia flour milling business, etc.

### (2) Growth investment

- The effect of the new consolidation of Kumamoto Flour Milling Co., Ltd.

### (3) Consolidation of plants with low utilization rates

- Closure of Saitama Plant in the yeast and biotechnology business

## Future initiatives

### Improve profitability

- Stimulate the Group's ability to grow by restructuring the business portfolio
- Produce visible results under the R&D Strategy
- Actively invest in growth (including M&A)

### Improve efficiency

- Monitor ROIC by business regularly
- Sell non-business assets, including cross-shareholdings



# 6. Human Resource Strategy (2)



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## **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.