



"The Natural Power of Plants"

The Nisshin Oillio Group, Ltd.

FY2023 (Year ended March 31, 2024)

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1. Summary of Financial Results

1-1. Summary for FY2023

(Million yen)

	FY2023	FY2022	YoY	
			Change	Change (%)
Net sales	513,541	556,565	(43,023)	(7.7)
Percentage of overseas sales	21.2%	22.8%	—	(1.7)pts
Operating profit	20,840	16,186	+4,653	+28.8
Operating profit to net sales	4.1%	2.9%	—	+1.1 pts
Ordinary profit	20,033	16,242	+3,791	+23.3
Profit attributable to owners of parent	15,148	11,157	+3,991	+35.8

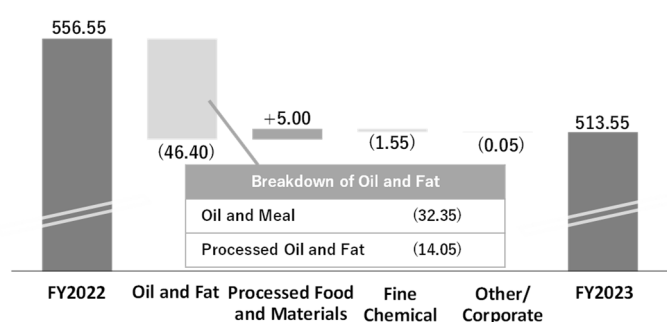
1-2. Results by Business Segment

(Million yen)

	FY2023	FY2022	YoY	
			Change	Change (%)
Net sales	513,541	556,565	(43,023)	(7.7)
Oil and Fat	421,973	468,379	(46,405)	(9.9)
Oil and Meal	317,995	350,356	(32,360)	(9.2)
Processed Oil and Fat	103,978	118,023	(14,045)	(11.9)
Processed Food and Materials	70,129	65,103	+5,026	+7.7
Fine Chemical	18,884	20,462	(1,577)	(7.7)
Other/Adjustments	2,553	2,619	(66)	(2.5)
Operating profit	20,840	16,186	+4,653	+28.8
Oil and Fat	18,981	14,625	+4,356	+29.8
Oil and Meal	14,478	9,097	+5,381	+59.2
Processed Oil and Fat	4,503	5,528	(1,024)	(18.5)
Processed Food and Materials	990	533	+457	+85.7
Fine Chemical	1,208	1,385	(176)	(12.8)
Other/Adjustments	(340)	(358)	+17	—

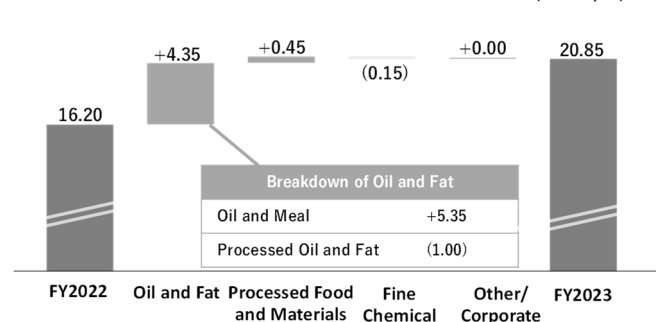
1-3. Segment Information: Factors Impacting Net Sales and Operating Profit (Year on Year)

■ Changes in net sales



■ Changes in operating profit

(Billion yen)



< Factors impacting net sales >

■ Oil and Fat

- Decrease in unit sales prices of main products for commercial-use and household-use (↓)
- Increase in unit sales prices of value-added products for household-use (↑)
- Decrease in sales volume of meal in conjunction with decrease in the crushing volume (↓)
- Decrease in unit sales prices of overseas processed oil and fat in conjunction with falling market prices for palm oil (↓)

■ Processed Food and Materials

- Increase in sales volume and unit sales prices of chocolate products (↑)
- Increase in unit sales prices of MCT products and soybean-related products (↑)

■ Fine Chemical

- Decrease in sales volume and unit sales prices at European subsidiary (↓)
- Increase in sales volume and unit sales prices of raw materials for cosmetics in Japan (↑)
- Decrease in sales volume of hygiene-related products (↓)

< Factors impacting operating profit >

■ Oil and Fat

- Sales of domestic oil and fat at appropriate prices and higher gross profit per unit of domestic oil and fat (↑)
- Increase in sales volume and higher gross profit per unit of domestic processed oil and fat (↑)
- Decrease in gross profit per unit of overseas processed oil and fat (↓)
- Impact of mark-to-market valuation losses on palm oil transactions (↓)

■ Processed Food and Materials

- Increase in sales volume and improved gross profit per unit of chocolate products (↑)
- Increase in cost of sales for seasonings and MCT products (↓)
- Increase in unit sales prices of soybean-related products (↑)

■ Fine Chemical

- Decrease in sales volume and unit sales prices at European subsidiary (↓)
- Increase in sales volume and unit sales prices of raw materials for cosmetics in Japan (↑)
- Decrease in sales volume and increase in raw material costs for hygiene-related products (↓)

1-4. Segment Information Details

Oil and Meal (Included in Oil and Fat)

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Results	Changes		
Domestic oil and fat	192,777	(14,760)	+5,478	<ul style="list-style-type: none"> Net sales decreased due to decrease in unit sales prices for main domestic oil and fat products and a decline in sales volume of household-use products and meal. Amid declining oil and fat costs for main domestic oil and fat products, continued sales at appropriate prices resulted in an increase in profits.
Commercial-use and processing-use	121,944	(10,938)		
Household-use	70,832	(3,821)		
Meal	94,702	(14,822)		
Subsidiaries	77,557	(4,724)	(80)	
Consolidation adjustment and others	(47,041)	+1,946	(17)	
Oil and meal total	317,995	(32,360)	+5,381	

Supplement: Value-added products in domestic oil and fat

Net sales composition ratio	YoY change in net sales
18%	+2,178

Supplement: Breakdown of Changes in Operating Profit in Domestic Oil and Fat

(Billion yen)

	Changes	Main Factors
Sales volume factors	(0.60)	Commercial-use and processing-use [+0.10], household-use [(0.70)]
Unit sales price factors	(11.45)	Commercial-use and processing-use [(11.50)], household-use [+0.05]
Cost factors	+19.55	
Soybean	+6.50	C&F [+12.50], foreign exchange [(6.55)], meal sales [+0.55]
Rapeseed	+23.30	C&F [+29.70], foreign exchange [(6.10)], meal sales [(0.30)]
Other products & manufacturing costs	(10.25)	Effects from inventory, rising cost of olive oil and other factors
SG&A expenses and others	(2.00)	
Total	+5.50	

Processed Oil and Fat (Included in Oil and Fat)

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Results	Changes		
Overseas processed oil and fat	109,029	(16,051)	(2,330)	<ul style="list-style-type: none"> Net sales decreased due to decrease of unit sales prices in conjunction with a decline in palm oil market prices. Profits decreased due to lower gross profit per unit and a decline in mark-to-market valuation of palm oil transactions (FY2023: -0.80 billion yen; FY2022: +1.45 billion yen).
Europe	46,328	(7,672)		
Asia	55,230	(7,329)		
Other regions	7,470	(1,049)		
Domestic processed oil and fat	14,768	+1,347	+1,289	Net sales and profits increased due to higher sales volume and sales at appropriate prices.
Consolidation adjustment and others	(19,819)	+659	+15	
Processed oil and fat total	103,978	(14,045)	(1,024)	

Supplement: Percentage change in sales volume of overseas processed oil and fat

	YoY changes
Overseas processed oil and fat	+4%
Europe	(3)%
Asia	+9%
Other regions	(10)%

Supplement: Specialty fats centered on oil and fat for chocolate in overseas processed oil and fat

Sales composition ratio	Change in sales volume YoY
41%	+13%

Supplement: Breakdown of Changes in Operating Profit in ISF (Malaysia)

(Billion yen)

	Changes	Main Factors
Sales volume factors	+2.30	Specialty fats [+0.50], other products [+1.80]
Unit sales price factors	(16.00)	Specialty fats [(6.20)], other products [(9.80)]
Cost factors	+13.25	
Raw material costs	+13.70	
Manufacturing costs and others	(0.45)	
SG&A expenses and others	+0.10	
Mark-to-market valuation of palm oil transactions	(2.25)	FY2023: (0.80) billion yen; FY2022: +1.45 billion yen
Total	(2.60)	

Processed Food and Materials

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Results	Changes		
Chocolate	37,729	+3,310	+710	Net sales and profits increased due to higher sales volume and an increase in gross profit per unit.
Seasoning	4,850	+330	(50)	Net sales increased due to higher sales volume, but profits declined due to increase in cost of sales and SG&A expenses.
Functional materials and foods	9,171	+1,186	(263)	Net sales increased due to higher MCT unit sales prices, but profits declined due to higher raw material costs and increase in SG&A expenses.
MCT	7,154	+971		
Soybean materials and foods	22,615	+659	+64	Net sales and profits increased as a result of higher unit sales prices accompanying higher raw materials costs.
Consolidation adjustment and others	(4,237)	(460)	(4)	
Processed food and materials total	70,129	+5,026	+457	

Fine Chemical

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Results	Changes		
Fine chemical products	15,483	(1,449)	(163)	Net sales and profits decreased due to lower sales volume and unit sales prices at European subsidiary.
Environment and hygiene-related products	6,395	(541)	(19)	Net sales and profits decreased due to lower sales volumes and higher raw materials costs.
Consolidation adjustment and others	(2,994)	+413	+6	
Fine chemical total	18,884	(1,577)	(176)	

Supplement: Raw materials for cosmetics

Net Sales	YoY change
9,810	(448)

Note: Sales of raw materials for cosmetics are figures after consolidation adjustment.

Key exchange rates (Average rate during period)

	JPY/USD	JPY/EUR	JPY/MYR	JPY/CNY	JPY/IDR
FY2022	135.50	140.99	30.47	19.75	0.0090
FY2023	144.59	156.75	31.15	20.13	0.0094

2. Earnings Forecast for FY2024

2-1. Earnings Forecast

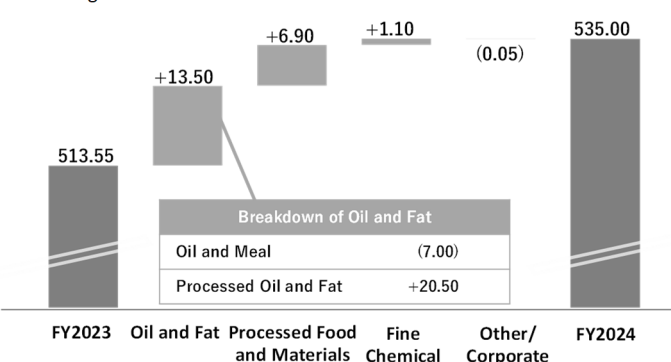
	(Million yen)			
	FY2024 Forecast	FY2023 Results	YoY	
			Change	Change (%)
Net sales	535,000	513,541	+21,458	+4.2
Operating profit	21,000	20,840	+159	+0.8
Ordinary profit	20,000	20,033	(33)	(0.2)
Profit attributable to owners of parent	14,500	15,148	(648)	(4.3)

2-2. Forecast by Business Segment

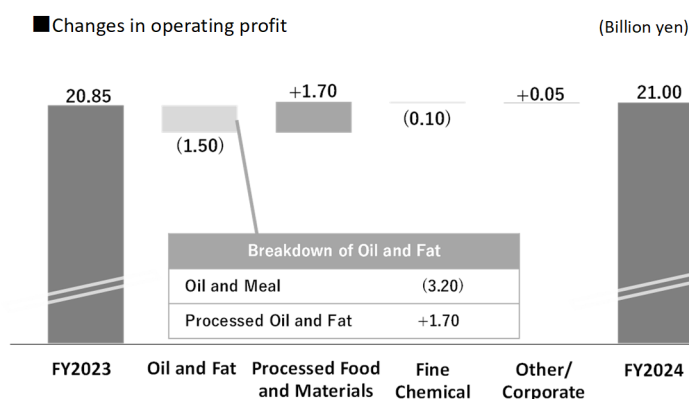
	(Million yen)			
	FY2024 Forecast	FY2023 Results	YoY	
			Change	Change (%)
Net sales	535,000	513,541	+21,458	+4.2
Oil and Fat	435,500	421,973	+13,526	+3.2
Oil and Meal	311,000	317,995	(6,995)	(2.2)
Processed Oil and Fat	124,500	103,978	+20,521	+19.7
Processed Food and Materials	77,000	70,129	+6,870	+9.8
Fine Chemical	20,000	18,884	+1,115	+5.9
Other/Adjustments	2,500	2,553	(53)	(2.1)
Operating profit	21,000	20,840	+159	+0.8
Oil and Fat	17,500	18,981	(1,481)	(7.8)
Oil and Meal	11,250	14,478	(3,228)	(22.3)
Processed Oil and Fat	6,250	4,503	+1,746	+38.8
Processed Food and Materials	2,700	990	+1,709	+172.5
Fine Chemical	1,100	1,208	(108)	(9.0)
Other/Adjustments	(300)	(340)	+40	—

2-3. Segment Information: Factors Impacting Net Sales and Operating Profit (Year on Year)

Changes in net sales



Changes in operating profit



< Factors impacting net sales >

Oil and Fat

- Increase in sales volume of domestic oil and fat (↑)
- Decrease in unit sales prices of commercial-use and processing-use oil and fat (↓)
- Decrease in unit sales price of meal due to decline in meal market prices (↓)
- Increase in unit sales prices of household-use products centered on value-added products (↑)
- Increase in unit sales prices of overseas processed oil and fat (↑)

Processed Food and Materials

- Increase in sales volume and unit sales prices of chocolate products (↑)
- Increase in sales volume of MCT products and seasonings (↑)

Fine Chemical

- Increase in sales volume of raw materials for cosmetics in Japan (↑)

< Factors impacting operating profit >

Oil and Fat

- Decrease in unit sales prices of commercial-use and processing-use oil and fat (↓)
- Higher costs of olive oil and increase in SG&A expenses of domestic oil and fat (↓)
- Increase in gross profit per unit of overseas processed oil and fat (↑)
- Impact of mark-to-market valuation gains on palm oil transactions (↑)

Processed Food and Materials

- Higher sales volume and improvement in gross profit per unit of chocolate products (↑)
- Increase in unit sales prices of seasonings (↑)
- Increase in sales volume and decrease of costs of MCT products (↑)

Fine Chemical

- Increase in SG&A expenses despite increase in sales volume (↓)

2-4. Segment Information Details

Oil and Meal (Included in Oil and Fat)

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Forecast	Changes		
Domestic oil and fat	194,775	+1,998	(2,679)	<ul style="list-style-type: none"> Despite a decline in unit sales prices for commercial-use and processing-use oil and fat, net sales will increase due to increases in sales volume and higher unit sales prices for value-added products. Meal net sales will decrease due to the impact of falling market prices. Profits of domestic oils and fats will decrease due to lower unit sales prices, increased costs of sales of olive oil, and higher SG&A expenses
Commercial-use and processing-use	117,876	(4,067)		
Household-use	76,899	+6,066		
Meal	88,358	(6,344)		
Subsidiaries	89,163	+11,605	(224)	
Consolidation adjustment and others	(61,297)	(14,255)	(323)	
Oil and meal total	311,000	(6,995)	(3,228)	

Supplement: Value-added products in domestic oil and fat

Sales composition ratio	YoY change in net sales
21%	+5,815

Supplement: Breakdown of Changes in Operating Profit in Domestic Oil and Fat

(Billion yen)

	Changes	Main Factors
Sales volume factors	+1.90	Commercial-use and processing-use [+1.15], household-use [+0.75]
Unit sales price factors	(7.50)	Commercial-use and processing-use [(9.65)], household-use [+2.15]
Cost factors	+5.40	
Soybean	+1.15	C&F [+10.85], foreign exchange [(4.00)], meal sales [(5.70)]
Rapeseed	+6.35	C&F [+13.75], foreign exchange [(3.00)], meal sales [(4.40)]
Other products & manufacturing costs	(2.10)	Rising cost of olive oil and other factors
SG&A expenses and others	(2.45)	
Total	(2.65)	

Processed Oil and Fat (Included in Oil and Fat)

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Forecast	Changes		
Overseas processed oil and fat	127,042	+18,013	+1,837	<ul style="list-style-type: none"> Net sales will increase due to increases in sales volume and unit sales prices, mainly of oil and fat for chocolate. Profits will increase due to higher gross profit per unit resulting from higher unit sales prices, as well as the impact of mark-to-market valuation gains/losses on palm oil transactions (FY2024: 0.0 billion yen; FY2023: -0.8 billion yen).
Europe	51,620	+5,292		
Asia	70,108	+14,878		
Other regions	5,313	(2,157)		
Domestic processed oil and fat	14,884	+116	(99)	
Consolidation adjustment and others	(17,427)	+2,391	+9	
Processed oil and fat total	124,500	+20,521	+1,746	

Supplement: Percentage change in sales volume of overseas processed oil and fat segment

	YoY changes
Overseas processed oil and fat	+7%
Europe	+3%
Asia	+12%
Other regions	(26)%

Supplement: Specialty fats centered on oil and fat for chocolate in overseas processed oil and fat

Sales composition ratio	YoY change in sales volume
45%	+18%

Supplement: Breakdown of Changes in Operating Profit in ISF (Malaysia)

(Billion yen)

	Changes	Main Factors
Sales volume factors	(0.10)	Specialty fats [+0.65], other products [(0.75)]
Unit sales price factors	+13.75	Specialty fats [+1.80], other products [+11.95]
Cost factors	(12.80)	
Raw material costs	(13.20)	
Manufacturing costs and others	+0.40	
SG&A expenses and others	+0.20	
Mark-to-market valuation of palm oil transactions	+0.80	FY2024: 0.00 billion yen; FY2023: (0.80) billion yen
Total	+1.85	

Processed Food and Materials

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Forecast	Changes		
Chocolate	48,539	+10,809	+188	Net sales and profits will increase due to higher sales volumes and unit sales prices.
Seasoning	5,721	+870	+262	Net sales and profits will increase due to higher sales volumes and unit sales prices.
Functional materials and foods	10,252	+1,081	1,138	Net sales and profits will increase due to higher sales volumes and decrease of raw material costs of MCTs.
MCT	8,071	+916		
Soybean materials and foods	16,841	(5,774)	+161	
Consolidation adjustment and others	(4,354)	(117)	(41)	
Processed food and materials total	77,000	+6,870	+1,709	

Fine Chemical

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Forecast	Changes		
Fine chemical products	17,082	+1,598	(132)	Net sales will increase due to higher sale volume, but profits will decrease due to increase in SG&A expenses.
Environment and hygiene-related products	6,547	+151	(7)	
Consolidation adjustment and others	(3,629)	(635)	+30	
Fine chemical total	20,000	+1,115	(108)	

Supplement: Raw materials for cosmetics

Net Sales	YoY change
11,280	+1,469

Note: Net sales of raw materials for cosmetics are figures after consolidation adjustment.

Key exchange rates (Average rate during period)

	JPY/USD	JPY/EUR	JPY/MYR	JPY/CNY	JPY/IDR
FY2023	144.59	156.75	31.15	20.13	0.0094
FY2024	152.74	164.13	32.11	21.06	0.0096

3. Main Indicators

3-1. Performance Targets

	Unit	FY2022 Results	FY2023 Results	FY2024 Forecast
Net sales	Million yen	556,565	513,541	535,000
Operating profit	Million yen	16,186	20,840	21,000
ROE	%	7.0	8.8	8.0 or higher
ROIC	%	4.5	5.1	5.0 or higher

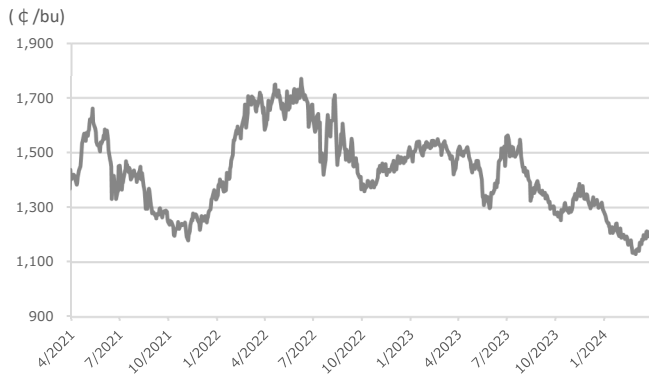
3-2. Balance Sheet Items

	Unit	FY2022 Results	FY2023 Results	FY2024 Forecast
Total assets	Million yen	374,453	393,382	408,000
Operating capital	Million yen	154,547	151,758	141,000
Equity	Million yen	162,559	182,622	188,000
Interest-bearing debt	Million yen	105,814	96,946	105,000
Invested capital	Million yen	268,374	279,568	293,000
Equity ratio	%	43.4	46.4	46.1
Net D/E ratio	Times	0.57	0.42	0.46

3-3. Cash Flow Items

	Unit	FY2022 Results	FY2023 Results	FY2024 Forecast
Operating cash flow	Million yen	398	36,715	37,000
Investment cash flow	Million yen	(6,143)	(16,083)	(40,000)
Financial cash flow	Million yen	6,342	(14,586)	1,000

Chicago Soybean Market



Source: Bloomberg

ICE Rapeseed Market



Source: Bloomberg

Crude Palm Oil Market



Source: Bloomberg

Exchange Rates (JPY/USD)



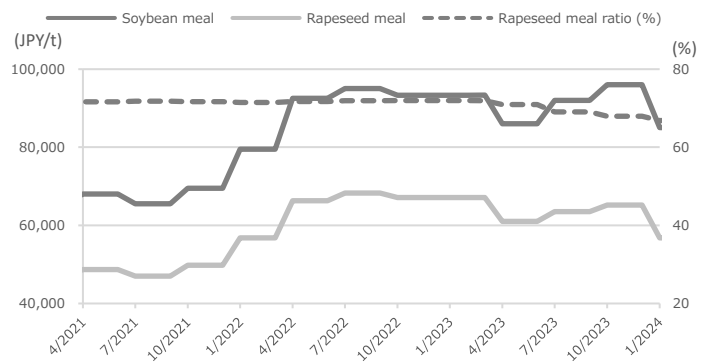
Source: Bloomberg

Meal Value Trends



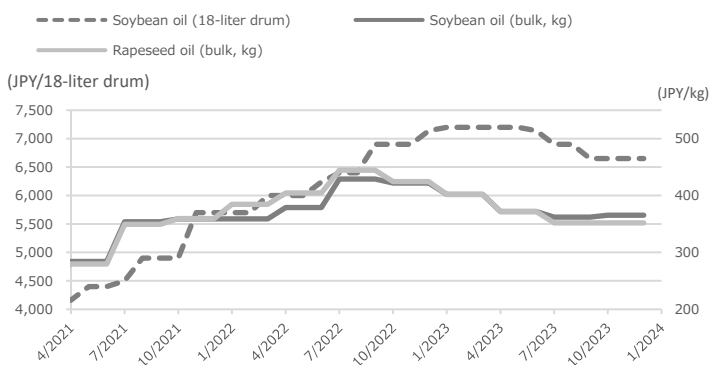
Source: Bloomberg

Average Market Price in the Meal Industry



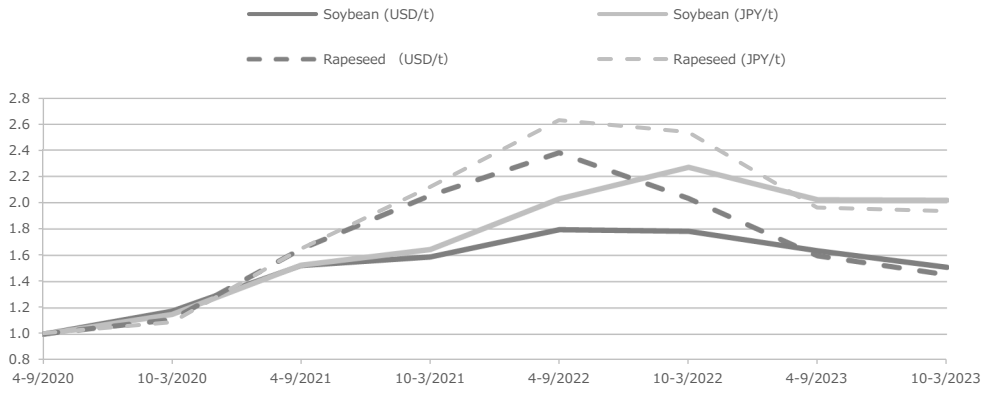
Source: Yushitokuho

Nikkei Market Price Trends

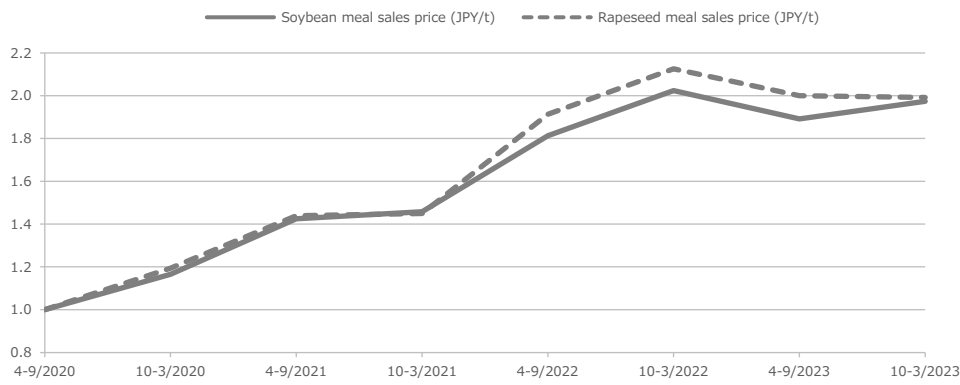


Source: The Nikkei

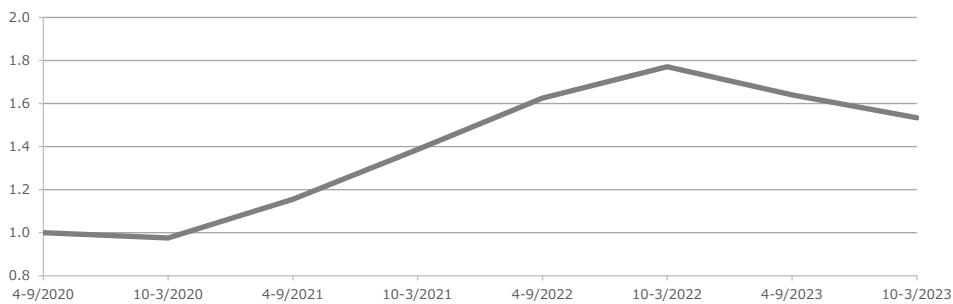
■ Raw Materials (Soybeans and Rapeseed)



■ Meal (Soybeans and Rapeseed)



■ Sales Prices for Main Oil and Fat Products (excluding "Gift" products, weighted average)



Note: Indexed with April–September 2020 result set as 1.0
 Source: The Nisshin Oillio Group, Ltd.