

February 9, 2023

To whom it may concern,

The Nisshin Oillio Group, Ltd.

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Announcement of Revision of Consolidated Earnings Forecasts

In light of recent trends in business performance and other related factors, The Nisshin Oillio Group, Ltd. decided to revise the full-year consolidated earnings forecasts for FY2022 (fiscal year ending March 31, 2023), originally released on May 11, 2022, as follows:

1. Revision of FY2022 Consolidated Earnings Forecasts (April 1, 2022 – March 31, 2023)

	Net sales (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Profit attributable to owners of parent (million yen)	Basic earnings per share (yen)
Original forecasts (A)	500,000	13,000	13,300	9,200	283.88
Revised forecasts (B)	550,000	14,700	15,000	9,800	302.37
Change (B – A)	50,000	1,700	1,700	600	
Change (%)	10.0%	13.1%	12.8%	6.5%	
(Reference) FY2021 performance	432,778	11,670	12,648	8,595	265.24

2. Reasons for the Revision

The oils and fats industry is facing an extremely severe environment impacted by such factors as robust demand for oils and fats worldwide due to population increases, heightened biofuel demand, emergence of geopolitical risks, and historic advance of the weakening yen. The manufacturing cost of edible oils is hovering at historically high levels.

In spite of the above, we expect our net sales to exceed our original full-year earnings forecast as a result of the following two factors: 1) The promotion of business in accordance with our policy of expanding sales through new value creation aimed for the four years of our Value Up+ medium-term management plan; and 2) Price revisions due to the sharp cost increases that have been continuing since FY2021.

Although there will be a loss on reversal of mark-to-market valuation gains related to palm oil and other transactions recorded in the third quarter, we also expect profits to exceed our original full-year earnings forecasts, due to: 1) Our steady efforts in Japan to set appropriate sales prices commensurate with costs and to improve productivity; 2) Increase in sales prices and improved margin as a result of an increase in value-added product sales volume in overseas subsidiaries; and 3) The impact of foreign exchange conversion due to the weakened yen and other factors.

Given the above, we have decided to revise our earnings forecasts for net sales and profits announced on May 11, 2022.

The above earnings forecasts are based on information currently available and certain preconditions that we judge to be reasonable. Actual performance may fluctuate due to various factors.