



"The Natural Power of Plants"

# **The Nisshin Oillio Group, Ltd.**

## **First Quarter of FY2024**

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## 1. Summary of Financial Results

### 1-1. Summary for First Quarter FY2024

(Million yen)

	First Quarter FY2024	First Quarter FY2023	YoY Change	YoY Change (%)
Net sales	128,488	128,740	(252)	99.8
Percentage of overseas sales	23.5%	18.3%	—	—
Operating profit	5,738	6,334	(595)	90.6
Operating profit to net sales	4.5%	4.9%	—	—
Ordinary profit	5,137	6,554	(1,417)	78.4
Profit attributable to owners of parent	5,125	5,037	+88	101.8

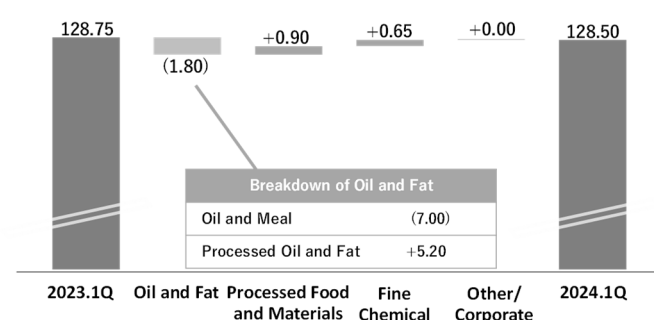
### 1-2. Results by Business Segment

(Million yen)

	First Quarter FY2024	First Quarter FY2023	YoY Change	YoY Change (%)
Net sales	128,488	128,740	(252)	99.8
Oil and Fat	104,658	106,465	(1,807)	98.3
Oil and Meal	77,060	84,046	(6,986)	91.7
Processed Oil and Fat	27,598	22,418	+5,179	123.1
Processed Food and Materials	17,905	17,010	+895	105.3
Fine Chemical	5,282	4,643	+638	113.7
Other/Adjustments	641	621	+20	103.3
Operating profit	5,738	6,334	(595)	90.6
Oil and Fat	4,587	5,896	(1,308)	77.8
Oil and Meal	2,784	4,842	(2,057)	57.5
Processed Oil and Fat	1,803	1,053	+749	171.1
Processed Food and Materials	768	194	+574	394.6
Fine Chemical	499	312	+187	159.8
Other/Adjustments	(117)	(69)	(47)	—

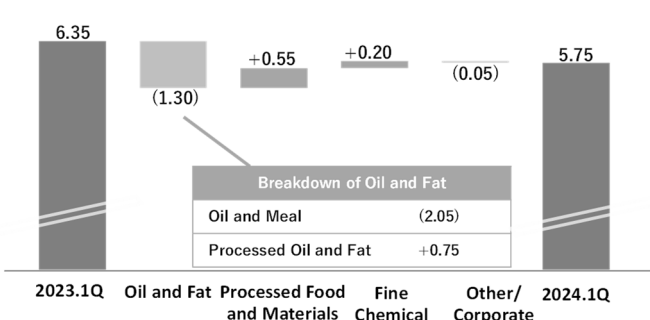
### 1-3. Segment Information: Factors Impacting Net Sales and Operating Profit (Year on Year)

#### Changes in net sales



#### Changes in operating profit

(Billion yen)



#### < Factors impacting net sales >

- Oil and Fat
  - Decrease in unit sales prices of general-purpose products and meal for domestic oil and fat ( ↓ )
  - Increase in sales volume of commercial-use products and meal ( ↑ )
  - Decrease in sales volume of products for processing-use and household-use ( ↓ )
  - Increase in sales volume and unit sales prices of overseas processed oil and fat ( ↑ )
  - Increase in sales volume of domestic processed oil and fat ( ↑ )
- Processed Food and Materials
  - Increase in unit sales prices of chocolate products ( ↑ )
  - Decrease in sales volume of soybean foods/materials ( ↓ )
- Fine Chemical
  - Increase in sales volume and unit sales prices of raw materials for cosmetics ( ↑ )

#### < Factors impacting operating profit >

- Oil and Fat
  - Increase in costs for olive oil ( ↓ )
  - Deterioration of gross profit per unit of domestic oil and fat and higher logistics costs ( ↓ )
  - Increase in earnings on mark-to-market valuation of palm oil transactions ( ↑ )
  - Increase in sales volume of overseas processed oil and fat ( ↑ )
  - Increase in sales volume and higher gross profit per unit of domestic processed oil and fat ( ↑ )
- Processed Food and Materials
  - Improved gross profit per unit due to higher unit sales prices of chocolate products ( ↑ )
  - Sales of functional materials and foods at appropriate prices ( ↑ )
- Fine Chemical
  - Increase in sales volume of raw materials for cosmetics ( ↑ )

#### 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	46,289	(4,926)	(2,022)	<ul style="list-style-type: none"> <li>Despite factors that increased sales including higher sales volumes of commercial-use products and meal, net sales decreased due to lower unit sales prices.</li> <li>In addition to deterioration of the gross profit per unit for general-purpose products and effects from higher costs for olive oil, logistics costs also increased, and as a result, profits were down.</li> </ul>
Commercial-use and processing-use	28,919	(3,734)		
Household-use	17,369	(1,192)		
Meal	22,484	(2,511)		
Subsidiaries	20,307	+271	(75)	
Consolidation adjustment and others	(12,021)	+179	+39	
<b>Oil and meal total</b>	<b>77,060</b>	<b>(6,986)</b>	<b>(2,057)</b>	

Supplement: Value-added products in domestic oil and fat

Sales composition ratio	YoY change in net sales
21%	+1,473

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

(Billion yen)

	Changes	Main Factors
Sales volume factors	+0.25	Commercial-use and processing-use [+0.20], household-use [+0.05]
Unit sales price factors	(5.55)	Commercial-use and processing-use [(4.75)], household-use [(0.80)]
Cost factors	+3.70	
Soybean	+1.30	C&F [+5.55], foreign exchange [(2.40)], meal sales [(1.85)]
Rapeseed	+2.45	C&F [+5.50], foreign exchange [(1.80)], meal sales [(1.25)]
Other products & manufacturing costs	(0.05)	
SG&A expenses and others	(0.40)	
<b>Total</b>	<b>(2.00)</b>	

##### 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	28,672	+5,636	+583	<ul style="list-style-type: none"> <li>In addition to higher sales volume and higher unit sales prices, there were also effects from currency conversion, and sales increased.</li> <li>Profits increased due to higher sales volumes and higher mark-to-market valuation of palm oil transactions (as of June 30, 2024: +0.60 billion yen; as of June 30, 2023: +0.25 billion yen).</li> </ul>
Europe	11,007	+1,493		
Asia	15,818	+3,761		
Other regions	1,847	+381		
Domestic processed oil and fat	3,815	+189	+175	Net sales and profits increased due to higher sales volume and sales at appropriate prices.
Consolidation adjustment and others	(4,889)	(646)	(9)	
<b>Processed oil and fat total</b>	<b>27,598</b>	<b>+5,179</b>	<b>+749</b>	

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

	YoY changes
Overseas processed oil and fat	+12%
Europe	+13%
Asia	+12%
Other regions	+15%

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

Sales composition ratio	Change in sales volume YoY
38%	+11%

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

(Billion yen)

	Changes	Main Factors
Sales volume factors	+0.30	Specialty fats [+0.00], other products [+0.30]
Unit sales price factors	+1.00	Specialty fats [+0.20], other products [+0.80]
Cost factors	(1.10)	
Raw material costs	(1.15)	
Manufacturing costs and others	+0.05	
SG&A expenses and others	+0.05	
Mark-to-market valuation of palm oil transactions	+0.35	As of June 30, 2024: +0.60 billion yen; as of June 30, 2023: +0.25 billion yen
<b>Total</b>	<b>+0.60</b>	

**Processed Food and Materials**

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Results	Changes		
Chocolate	9,685	+1,302	+297	Despite higher raw materials costs, net sales and profits increased due to revisions to sales prices and other factors.
Seasoning	1,368	+52	+71	Net sales and profits increased due to the launching of new salad dressing products.
Functional materials and foods	2,372	(13)	+145	<ul style="list-style-type: none"> <li>· Net sales decreased due to lower unit sales prices in conjunction with lower raw material prices for MCT products.</li> <li>· Profits increased due to sales at appropriate prices.</li> </ul>
MCT	1,832	(89)		
Soybean materials and foods	5,495	(261)	+60	Net sales decreased as a result of lower sales volume of meal used for manufacturing soy sauce. Profits increased due to higher gross profit per unit.
Consolidation adjustment and others	(1,016)	(183)	(2)	
<b>Processed food and materials total</b>	<b>17,905</b>	<b>+895</b>	<b>+574</b>	

**Fine Chemical**

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Results	Changes		
Fine chemical products	4,628	+708	+174	Net sales and profits increased due to higher sales volumes in Japan and overseas.
Environment and hygiene-related products	1,457	(134)	(5)	
Consolidation adjustment and others	(803)	+64	+18	
<b>Fine chemical total</b>	<b>5,282</b>	<b>+638</b>	<b>+187</b>	

Supplement: Raw materials for cosmetics

Net Sales	YoY change
3,054	+846

Note: Net sales of raw materials for cosmetics are included in the net sales of fine chemical products.

**Key exchange rates (Average rate during period)**

	JPY/USD	JPY/EUR	JPY/MYR	JPY/CNY	JPY/IDR
First Quarter FY2023	137.49	149.58	30.38	19.56	0.0092
First Quarter FY2024	155.85	167.85	32.96	21.47	0.0097

## 2. Earnings Forecast for FY2024

### 2-1. Earnings Forecast

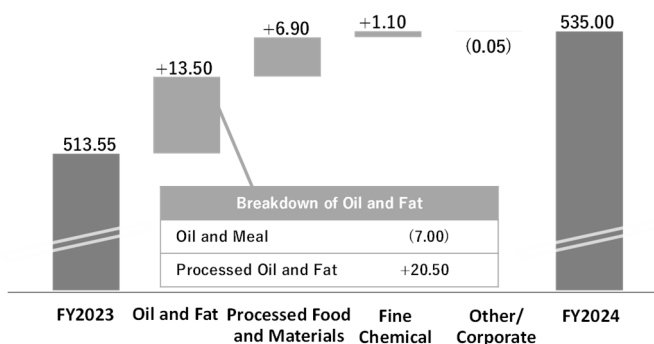
	(Million yen)				
	FY2024 Forecast	FY2023 Results	YoY Change	YoY Change (%)	Reference: May 2024 disclosure
Net sales	535,000	513,541	+21,458	104.2	535,000
Operating profit	21,000	20,840	+159	100.8	21,000
Ordinary profit	20,000	20,033	(33)	99.8	20,000
Profit attributable to owners of parent	14,500	15,148	(648)	95.7	14,500

### 2-2. Forecast by Business Segment

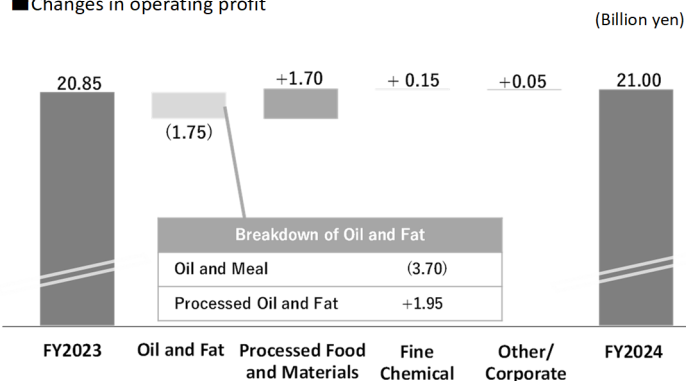
	(Million yen)				
	FY2024 Forecast	FY2023 Results	YoY Change	YoY Change (%)	Reference: May 2024 disclosure
Net sales	535,000	513,541	+21,458	104.2	535,000
Oil and Fat	435,500	421,973	+13,526	103.2	435,500
Oil and Meal	311,000	317,995	(6,995)	97.8	311,000
Processed Oil and Fat	124,500	103,978	+20,521	119.7	124,500
Processed Food and Materials	77,000	70,129	+6,870	109.8	77,000
Fine Chemical	20,000	18,884	+1,115	105.9	20,000
Other/Adjustments	2,500	2,553	(53)	97.9	2,500
Operating profit	21,000	20,840	+159	100.8	21,000
Oil and Fat	17,250	18,981	(1,731)	90.9	17,500
Oil and Meal	10,800	14,478	(3,678)	74.6	11,250
Processed Oil and Fat	6,450	4,503	+1,946	143.2	6,250
Processed Food and Materials	2,700	990	+1,709	272.5	2,700
Fine Chemical	1,350	1,208	+141	111.7	1,100
Other/Adjustments	(300)	(340)	+40	—	(300)

### 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 seasonings and MCT products (↑)

##### ■ Fine Chemical

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

#### < Factors impacting operating profit >

##### ■ Oil and Fat

- Higher costs for olive oil (↓)
- Deterioration of gross profit per unit of domestic oil and fat and higher logistics costs (↓)
- 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 (↑)
- Higher sales volume and sales at appropriate prices of seasonings and MCT products (↑)

##### ■ Fine Chemical

- Higher sales volume of raw materials for cosmetics and sales at appropriate prices (↑)

## 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	(3,371)	<ul style="list-style-type: none"> <li>• Despite factors that increase sales including higher sales volumes of domestic oil and fat and meal, net sales will decrease due to lower unit sales prices.</li> <li>• In addition to deterioration of gross profit per unit for general-purpose products and effects from higher costs for olive oil, logistics costs will also increase, leading to a decrease in profits.</li> </ul>
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	(256)	
Consolidation adjustment and others	(61,297)	(14,255)	(50)	
<b>Oil and meal total</b>	<b>311,000</b>	<b>(6,995)</b>	<b>(3,678)</b>	

Supplement: Value-added products in domestic oil and fat

Sales composition ratio	YoY change in net sales
21%	+4,677

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

(Billion yen)

	Changes	Main Factors
Sales volume factors	+1.70	Commercial-use and processing-use [+1.25], household-use [+0.45]
Unit sales price factors	(6.05)	Commercial-use and processing-use [(7.50)], household-use [+1.45]
Cost factors	+3.15	
Soybean	+1.20	C&F [+13.05], foreign exchange [(7.00)], meal sales [(4.85)]
Rapeseed	+3.40	C&F [+12.80], foreign exchange [(5.65)], meal sales [(3.75)]
Other products & manufacturing costs	(1.45)	Rising cost of olive oil and other factors
SG&A expenses and others	(2.15)	
<b>Total</b>	<b>(3.35)</b>	

### 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	+1,969	<ul style="list-style-type: none"> <li>• Net sales will increase due to increases in sales volume and unit sales prices, mainly of oil and fat for chocolate.</li> <li>• 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)</li> </ul>
Europe	51,620	+5,292		
Asia	70,108	+14,878		
Other regions	5,313	(2,157)		
Domestic processed oil and fat	14,884	+116	(36)	
Consolidation adjustment and others	(17,427)	+2,391	+13	
<b>Processed oil and fat total</b>	<b>124,500</b>	<b>+20,521</b>	<b>+1,946</b>	

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

	YoY changes
Overseas processed oil and fat	+3%
Europe	+2%
Asia	+4%
Other regions	(7)%

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

Sales composition ratio	YoY change in sales volume
44%	+15%

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

(Billion yen)

	Changes	Main Factors
Sales volume factors	(0.15)	Specialty fats [+0.60], other products [(0.75)]
Unit sales price factors	+13.30	Specialty fats [+1.35], other products [+11.95]
Cost factors	(12.35)	
Raw material costs	(12.05)	
Manufacturing costs and others	(0.30)	
SG&A expenses and others	+0.35	
Mark-to-market valuation of palm oil transactions	+0.80	FY2024: 0.0 billion yen; FY2023: (0.80) billion yen
<b>Total</b>	<b>+1.95</b>	

**Processed Food and Materials**

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Forecast	Changes		
Chocolate	48,539	+10,809	+121	Net sales and profits will increase due to higher sales volumes and unit sales prices.
Seasoning	5,721	+870	+211	Net sales and profits will increase due to the launching of new salad dressing products.
Functional materials and foods	10,252	+1,081	+1,156	Net sales and profits will increase due to higher sales volume of MCT products and sales at appropriate prices.
MCT	8,071	+916		
Soybean materials and foods	16,841	(5,774)	+210	Net sales will decrease as a result of lower sales volume of meal used for manufacturing soy sauce. Profits will increase due to higher gross profit per unit.
Consolidation adjustment and others	(4,354)	(117)	+11	
<b>Processed food and materials total</b>	<b>77,000</b>	<b>+6,870</b>	<b>+1,709</b>	

**Fine Chemical**

(Million yen; Changes: YoY)

	Net Sales		Changes in Operating Profit	Remarks
	Forecast	Changes		
Fine chemical products	17,082	+1,598	+146	Net sales and profits will increase due to higher sales volume and sales at appropriate prices.
Environment and hygiene-related products	6,547	+151	(7)	
Consolidation adjustment and others	(3,629)	(635)	+2	
<b>Fine chemical total</b>	<b>20,000</b>	<b>+1,115</b>	<b>+141</b>	

Supplement: Raw materials for cosmetics

Net Sales	YoY change
11,280	+1,469

Note: Net sales of raw materials for cosmetics are included in the net sales of fine chemical products.

**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	156.64	168.87	33.18	21.57	0.0097

■ Chicago Soybean Market



Source: Bloomberg

■ ICE Rapeseed Market



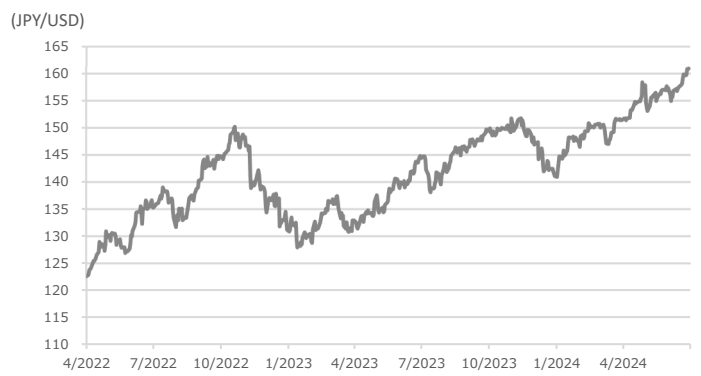
Source: Bloomberg

■ Crude Palm Oil Market



Source: Bloomberg

■ Exchange Rates (JPY/USD)



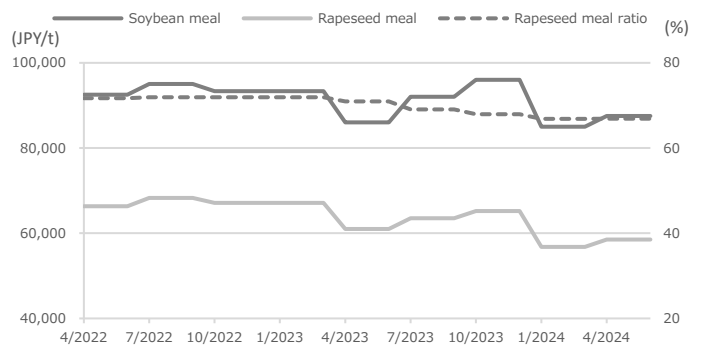
Source: Bloomberg

■ Meal Value Trends



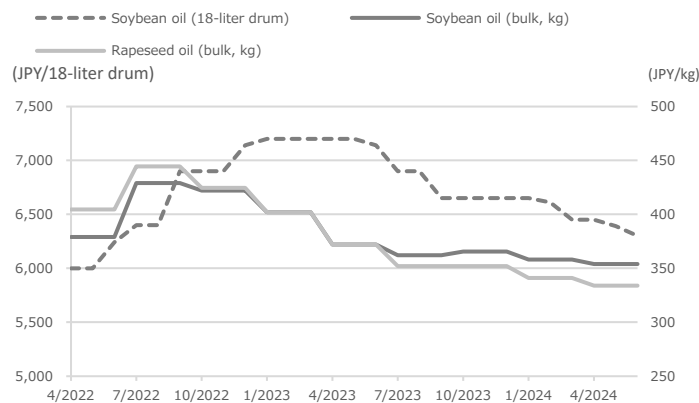
Source: Bloomberg

■ Average Market Price in the Meal Industry



Source: Yushitokuho

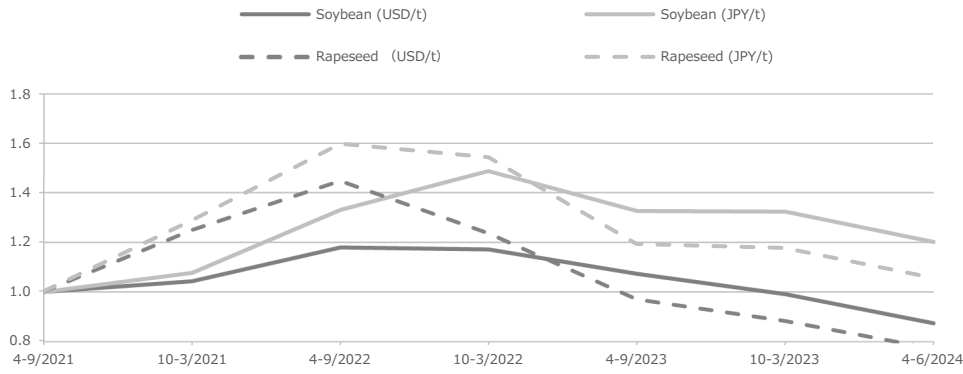
■ Nikkei Market Price Trends



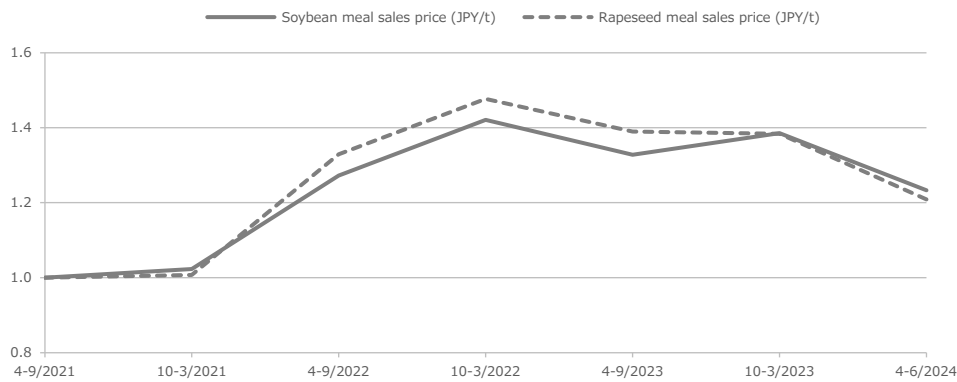
Source: The Nikkei



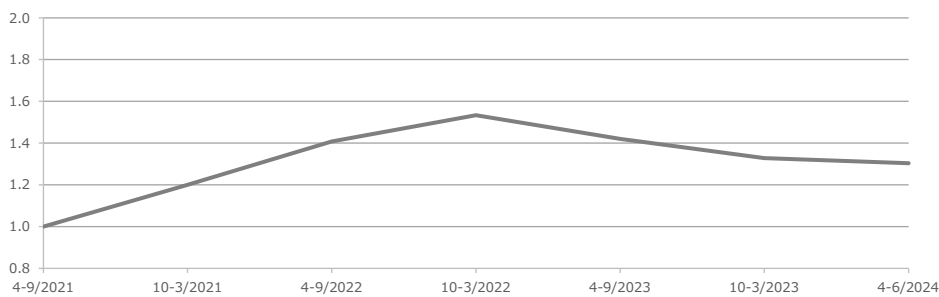
■ Raw Materials (Soybeans and Rapeseed)



■ Meal (Soybeans and Rapeseed)



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



Note: Indexed with April–September 2021 result set as 1.0  
 Source: The Nisshin OilIIO Group, Ltd.