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## Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

May 11, 2022

Company name: The Nisshin Oillio Group, Ltd.

Stock exchange listing: Tokyo

Code number: 2602

URL: <https://www.nisshin-oillio.com/english/>

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Scheduled date of Annual General Meeting of Shareholders: June 24, 2022

Scheduled date of commencing dividend payments: June 27, 2022

Scheduled date of filing annual securities report: June 24, 2022

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes (for analysts and institutional investors)

(Amounts of less than one million yen are rounded down)

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

## (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	432,778	28.7	11,670	(5.3)	12,648	(8.6)	8,595	(7.0)
March 31, 2021	336,306	0.9	12,324	(6.2)	13,836	9.5	9,244	11.5

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 13,833 million [ 30.4%]  
Fiscal year ended March 31, 2021: ¥ 10,607 million [ 77.9%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	265.24	-	5.7	4.0	2.7
March 31, 2021	278.34	-	6.5	4.9	3.7

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2022: ¥ 1,155 million  
Fiscal year ended March 31, 2021: ¥ 1,409 million

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	344,506	164,314	45.3	4,820.49
March 31, 2021	292,154	153,259	49.8	4,491.81

(Reference) Equity: As of March 31, 2022: ¥ 156,225 million  
As of March 31, 2021: ¥ 145,552 million

## (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	(26,631)	(9,327)	34,473	7,875
March 31, 2021	6,340	(14,626)	(5,814)	9,256

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	-	40.00	-	40.00	80.00	2,635	28.7	1.8
March 31, 2022	-	45.00	-	45.00	90.00	2,922	33.9	1.9
Fiscal year ending								
March 31, 2023 (Forecast)	-	45.00	-	45.00	90.00		31.7	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	500,000	15.5	13,000	11.4	13,300	5.1	9,200	7.0	283.88

## Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )  
 Exclusion: - (Company name: )

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: Yes
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

\*For details, please refer to p. 22: Changes in accounting policies.

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2022: 33,716,257 shares  
 March 31, 2021: 34,667,857 shares

2) Total number of treasury shares at the end of the period:

March 31, 2022: 1,307,629 shares  
 March 31, 2021: 2,263,963 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2022: 32,407,552 shares  
 Fiscal Year ended March 31, 2021: 33,214,149 shares

\* Please refer to "Per Share Information" on page 29 for shares used as the basis for calculating basic earnings per share (consolidated).

\* The Company's shares held by the Trust Account for Stock Delivery to Directors are included in treasury shares.

## (Reference) Summary of Non-consolidated Financial Results

## 1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

## (1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2022	269,826	26.0	4,105	(57.7)	5,160	(52.2)	4,149	(47.3)
March 31, 2021	214,230	1.0	9,709	9.8	10,785	7.2	7,866	7.1

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
March 31, 2022	127.95	-
March 31, 2021	236.68	-

## (2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of				
March 31, 2022	267,725	119,412	44.6	3,681.82
March 31, 2021	232,698	115,810	49.8	3,571.28

(Reference) Equity: As of March 31, 2022: ¥ 119,412 million  
As of March 31, 2021: ¥ 115,810 million

\* The Consolidated Financial Results are not subject to audit by certified public accountants or audit firms.

\* Explanation of the appropriate use of earnings forecasts and other notes: The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ materially due to a variety of factors. Please refer to "1. Overview of Business Performance, (4) Outlook Going Forward" on page 10 for the conditions that form the assumptions for the forecast of financial results and cautions concerning the use of the forecast of financial results.

The Company will hold a financial results briefing for analysts and institutional investors as noted below. The Company plans to stream the financial results briefing live at the same time. Note that the details of the event are subject to change in the interest of preventing the spread of COVID-19.

The financial results briefing materials to be used in this briefing will be posted on the Company's website on the day of the briefing.

May 19, 2022 (Thursday): Financial Results Briefing for Analysts and Institutional Investors (Language used: Japanese)

[Reference]

Table of Contents

1. Overview of Business Performance.....	5
(1) Overview of Fiscal Year Business Performance .....	5
(2) Overview of Fiscal Year Financial Position .....	9
(3) Status of Fiscal Year Cash Flows .....	9
(4) Outlook Going Forward .....	10
2. Basic Approach to Selection of Accounting Standards.....	11
3. Consolidated Financial Statements and Related Notes .....	12
(1) Consolidated Balance Sheets .....	12
(2) Consolidated Statements of Income and Comprehensive Income .....	14
(3) Consolidated Statements of Changes in Net Assets .....	16
(4) Consolidated Statements of Cash Flows .....	20
(5) Notes to the Consolidated Financial Statements .....	22
Notes on going concern assumption .....	22
Changes in the scope of consolidation or the scope of application of the equity method .....	22
Change of fiscal year closing date of consolidated subsidiaries.....	22
Changes in accounting policies .....	22
Additional information .....	23
Segment information .....	25
Revenue recognition .....	29
Per share information .....	29
Significant subsequent events .....	30

## 1. Overview of Business Performance

### (1) Overview of Fiscal Year Business Performance

In the fiscal year ended March 31, 2022, conditions in the Japanese economy remained challenging overall, though some movement toward a recovery was seen amidst intermittent measures to control the COVID-19 pandemic. Currently, there are concerns about downside risks to the economy due to rising raw material prices and supply constraints caused by Russia's invasion of Ukraine and other factors, as well as fluctuations in the financial and capital markets.

The global economy was on a gradual recovery path due to both the curbing of infections and renewed economic activity, although the situation differs by country and region. That said, Russia's invasion of Ukraine has led to a sharp rise in energy, resource, and grain prices, added to which are concerns about prolonged supply chain disruptions, global inflation fears, and rising interest rates, as well as concerns about a global economic slowdown in Europe, China, and elsewhere. Uncertainty about the future is growing.

In this environment, the Group has made concrete efforts to realize its management targets, while responding to new lifestyles and consumer behavior impacted by COVID-19, doing so under the policies of its new medium-term management plan "Value Up+" (FY2021-FY2024), which started this fiscal year and which aims to achieve sustainable growth through the creation of diverse values shared with society, leveraging the "Natural Power of Plants" as a basis for value creation.

As a result, consolidated financial results for the fiscal year ended March 31, 2022 were as shown below. Note that the effect of the decrease in net sales caused by the adoption of new revenue recognition standards was ¥ 5,695 million, while the impact on profit and loss was minor.

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Change	YoY (%)
Net sales	336,306	432,778	+96,471	128.7%
Operating profit	12,324	11,670	(654)	94.7%
Ordinary profit	13,836	12,648	(1,187)	91.4%
Profit attributable to owners of parent	9,244	8,595	(649)	93.0%

Results by segment are as follows.

Previously, the Company used three reporting segments: "Oil, Meal, and Processed Food," "Processed Oil and Fat," and "Fine Chemical." However, in line with the business strategies in the medium-term management plan, "Value Up+," the Company has changed them to "Oil and Fat," "Processed Food and Materials," and "Fine Chemical."

This change in business segments is intended to accurately reflect the actual state of The Nisshin Oillio Group's management and administration.

Segment information for the fiscal year ended March 31, 2021 has been restated based on the classification method after the change.

Furthermore, as stated in the section regarding changes in accounting policies, the Company has applied the accounting standard for revenue recognition from the beginning of the current consolidated fiscal year, changing the accounting methods regarding revenue recognition. The impact of the change on each segment is negligible.

## • Net sales

(Million yen)

		Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Change	YoY (%)
Oil and Fat	Oil and Meal	212,514	267,840	+55,325	126.0%
	Processed Oil and Fat	53,617	87,186	+33,568	162.6%
	Subtotal	266,132	355,026	+88,894	133.4%
Processed Food and Materials		53,146	58,185	+5,038	109.5%
Fine Chemical		14,194	17,003	+2,808	119.8%
Other		2,834	2,563	(270)	90.4%
Total		336,306	432,778	+96,471	128.7%

## Reference: Net sales (non-consolidated)

(Million yen)

		Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Change	YoY (%)
Oil and Fat	Oil and Meal	182,700	236,444	+53,743	129.4%
	Commercial-use and food processing	70,591	98,027	+27,436	138.9%
	Household-use	57,095	60,144	+3,049	105.3%
	Meal	55,013	78,271	+23,258	142.3%
	Processed Oil and Fat	8,463	9,936	+1,473	117.4%
	Subtotal	191,164	246,381	+55,216	128.9%
Processed Food and Materials		18,164	17,509	(655)	96.4%
Fine Chemical		4,560	5,598	+1,037	122.8%
Other		340	338	(2)	99.4%
Total		214,230	269,826	+55,596	126.0%

## • Operating profit

(Million yen)

		Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Change	YoY (%)
Oil and Fat	Oil and Meal	9,548	4,716	(4,831)	49.4%
	Processed Oil and Fat	870	4,258	+3,387	489.3%
	Subtotal	10,419	8,975	(1,444)	86.1%
Processed Food and Materials		1,810	1,672	(138)	92.4%
Fine Chemical		792	1,336	+544	168.7%
Other		(28)	351	+380	—
Intersegment eliminations and adjustments		(668)	(665)	+2	—
Total		12,324	11,670	(654)	94.7%

**Overview by segment**

## &lt;&lt; Oil and Fat &gt;&gt;

Net sales increased due to sales price revisions against the backdrop of soaring raw material prices and a rise in meal unit prices and sales volume. Operating profit, on the other hand, declined, significantly affected by soaring raw material prices and other factors.

## ■ Procurement environment of raw materials

In the procurement of raw materials, a broad year-on-year rise in the market for major raw materials and the weakening of the yen against the U.S. dollar versus the previous fiscal year saw significant price increases for both

soybeans and rapeseed.

#### *Market prices of major raw materials*

The market price of soybeans rose to the US\$16 per bushel level in mid-May against the backdrop of tight supply and demand for U.S. soybeans due to vigorous purchasing by China and expectations of increased demand for biofuels. Subsequently, the price dropped to the US\$11 level due to improved production in the U.S. and favorable plantings in South America. Prices moved upward again, however, after the new year, as concerns over production cuts in South America increased. Prices rose further, to the US\$17 level for the first time since 2012, due to growing concerns over grain supply caused by Russia's invasion of Ukraine, resulting in significantly higher prices compared to the previous period.

The market price for rapeseed reached a record high of C\$1,000 per metric ton in May due to tightening global supply and demand caused by the impact of reduced production of rapeseed in Europe as well as expectations of increased demand for biofuels. Subsequently, the price continued to rise against the backdrop of tight global supply and demand due to a major cutback in production and deteriorating quality caused by hot, dry weather in Canada. Further, the price hit another record high at the C\$1,100 level in March due to growing concerns over grain supply caused by Russia's invasion of Ukraine, and moved significantly higher year on year.

#### *Exchange rates*

The yen weakened further against the U.S. dollar in the first half of the year due to expectations for a recovery in the U.S. economy and a consequent rise in U.S. long-term interest rates, and in the second half of the year, the dollar rose to the 116-yen level against a backdrop of a downsizing of monetary easing in the U.S. and rising expectations for higher interest rates. Further, at the start of the year, added pressure on the weak yen from real demand brought a substantial expansion of the trade deficit, which in March resulted in the U.S. dollar's rise to the 120-yen level for the first time since 2016, and a year-on-year weakening of the yen against the dollar.

#### ■ Meal sales

Soybean meal sales volume increased as a result of efforts to expand sales in line with a recovery in pressed oil volume, while compound feed production volume remained about flat year on year. Net sales also rose on rising feed material prices against a backdrop of tight global supply and demand for soybeans and corn, resulting in higher unit sales prices. Sales of rapeseed meal increased due to higher sales volume resulting from a recovery in pressed oil volume and higher blending rates for compound feed, as well as higher sales prices in conjunction with rising feed ingredient prices.

#### ■ Sales of oil and processed oil and fat

##### *Oil and fat*

In oils and fats, the Group was able to phase in revisions to sales prices by carefully explaining to its business partners and clients the background behind the sharp rise in costs in the commercial-use, food processing, and household-use sectors.

Sales volume in the commercial-use and food processing sectors saw a gradual recovery in demand after falling significantly in the previous fiscal year due to the impact of COVID-19. The Group worked to expand sales and find new customers through "needs-collaboration discovery" marketing and proposals for value-added products with additional functions such as "customer-solution-type frying oil" with long-lasting functions and *Nisshin Oil for Steamed-Rice*, resulting in an increase in sales volume.

Sales volume in household-use products declined in reaction to significant sales growth in the previous fiscal year driven by increased demand for eating at home. However, in anticipation of continuous growth in the

household market, the Group made efforts to expand sales of value-added products such as sesame oil and olive oil, and nurture markets and create new demand for “pour-and-enjoy” fresh edible oil and “flavored oil.”

As a result, net sales of oils and fats rose overall, but operating profit fell due to the enormous impact of soaring raw material prices.

### ***Processed oil and fat***

In the overseas sector of processed oil and fat, sales increased at Intercontinental Specialty Fats Sdn. Bhd. of Malaysia due to higher sales prices in line with soaring palm oil market prices and an increase in sales volumes. Operating profit also rose due to a rise in unit sales prices and a recovery in sales volume, as well as the impact of the mark-to-market valuation of palm oil transactions.

In the domestic processed oil and fat sector, the Group was able to phase in revisions to sales prices by carefully explaining to business partners and clients the background behind the sharp rise in costs. Sales volume also saw a gradual recovery in demand after falling significantly in the previous fiscal year due to the impact of COVID-19. Meanwhile, sales volume and net sales increased due to efforts to expand sales to existing customers and develop new customers through new product proposals and other measures. Operating profit declined due to the significant impact of soaring raw material prices.

### **<< Processed Food and Materials >>**

An increase in sales volume and sales at appropriate prices saw net sales rise, though operating profit was lower due to the impact of soaring raw material prices and other factors.

Sales volume for chocolate products rose at Daito Cacao Co., Ltd. as a result of efforts to expand sales of chocolate products to existing customers and develop new customers amid sluggish demand for confectionaries, mainly as souvenirs. T.&C. Manufacturing Co., Pte. Ltd. (Singapore) was impacted by Japan’s switching to use domestically produced butter and skim milk powder instead of premixed products, resulting in a decline in sales volumes for confectionary ingredients and other products (premixed products). Sales volume increased at PT Indoagri Daitocacao, partly because of the start of transactions with new customers, which had been delayed due to the impact of COVID-19. Due to these factors, both net sales and operating profit for chocolate as a whole rose year on year.

In seasonings, in addition to *Nisshin Dressing “Diet”* and other core products, the Group worked to expand sales by enhancing its lineup of products emphasizing the health benefits of edible oils, including *Nisshin Flaxseed Dressing*, *Nisshin Green Perilla Dressing*, and *Nisshin MCT Dressing Sauce*. As a result, net sales increased with higher sales volume, though operating profit declined due primarily to the impact of soaring raw material prices.

In functional materials and foods, the Group worked to expand sales by renewing the MCT oil HC series to indicate its use as a food with functional claim (“reduces body fat and waist size for those with a high BMI”), and by developing communications that link media strategies using TV commercials and social media with in-store sales promotions. As a result, sales volumes increased and net sales rose, but operating profit fell due to the significant impact of soaring raw material prices.

In soybean materials and foods, the Group worked to revise sales prices for food soybeans and meal used to manufacture soy sauce in conjunction with soaring raw material prices, and expanded sales through newly launched soy protein products. Both net sales and operating profit increased as a result.

### **<< Fine Chemical >>**

A recovery in demand brought a rise in sales volume, which, along with the revision of selling prices, resulted in an increase both in net sales and operating profit.



Fine chemical products saw a year-on-year increase in both net sales and operating profit, driven by a recovery in demand for cosmetic ingredients in Japan and overseas and growth in overseas sales thanks to capturing of new demand for skincare applications, primarily for cleansing, as well as sales at appropriate prices in line with costs.

In environment and hygiene-related products, net sales were flat year on year on steady sales of alcohol preparations in the midst of the ongoing COVID-19 pandemic. However, operating profit declined due to a decrease in sales of high-margin products and soaring raw material prices.

#### << Other >>

In the Other business segment including information systems, net sales were down, but operating profit increased year on year.

#### Net sales by region

Sales to Asia, including Malaysia and China, increased by 48.8% year on year to ¥54,523 million. Sales to other regions, including Europe and the United States, increased by 78.2% year on year to ¥39,730 million, owing to the increased sales to Europe and the United States by Intercontinental Specialty Fats Sdn. Bhd. Overseas sales accounted for 21.8% of consolidated net sales, up by 4.3 percentage points from the previous fiscal year.

#### **(2) Overview of Fiscal Year Financial Position**

Total assets on March 31, 2022, stood at ¥344,506 million, up by ¥52,352 million from the previous fiscal year-end. The main reasons for this increase were increases of ¥19,820 million in accounts receivable-trade, ¥24,657 million in inventories, ¥281 million in property, plant and equipment, and ¥876 million in investment securities.

Liabilities stood at ¥180,192 million, up by ¥41,298 million from the previous fiscal year-end. The main reasons for the increase were increases of ¥5,870 million in trade payables, ¥25,959 million in short-term borrowings, and ¥12,389 million in long-term borrowings.

Net assets stood at ¥164,314 million, an increase of ¥11,054 million from the previous fiscal year-end. The main factors in the increase were increases of ¥4,061 million in retained earnings, ¥3,009 million in treasury shares, and ¥3,198 million in foreign currency translation adjustment.

#### **(3) Status of Fiscal Year Cash Flows**

Consolidated cash and cash equivalents as of March 31, 2022, stood at ¥7,875 million, a decrease of ¥1,381 million from the previous fiscal year-end.

#### << Cash Flows from Operating Activities >>

Operating activities used net cash of ¥26,631 million. The main factors increasing cash were profit before income taxes of ¥12,095 million, depreciation of ¥8,876 million, and increase in trade payables of ¥5,018 million. The main factors decreasing cash were an increase in trade receivables of ¥18,920 million, an increase in inventories of ¥22,681 million, and income taxes paid of ¥3,538 million.

#### << Cash Flows from Investing Activities >>

Investing activities used net cash of ¥9,327 million. The main factor decreasing cash was purchase of property, plant, and equipment of ¥10,138 million.

#### << Cash Flows from Financing Activities >>

Financing activities provided net cash of ¥34,473 million. The main factors increasing cash was a net increase in

short-term borrowings of ¥24,080 million and proceeds from long-term borrowings of ¥18,870 million. This was partially offset by repayment of long-term borrowings of ¥5,144 million and a decrease in cash for dividends paid of ¥2,759 million.

(Reference) Change in cash flow-related indices

	FY2018	FY2019	FY2020	FY2021	FY2022
Capital adequacy ratio	49.0	52.6	50.2	49.8	45.3
Capital adequacy ratio at market value	36.6	42.1	43.9	36.2	26.8
Ratio of cash flow to interest-bearing debt	10.9	2.2	2.4	8.7	—
Interest coverage ratio	10.9	47.4	67.8	16.2	—

Notes: Capital adequacy ratio: equity capital/total assets

Capital adequacy ratio at market value: market capitalization/total assets

Ratio of cash flow to interest-bearing debt: interest-bearing debt/cash flow

Interest coverage ratio: cash flow/interest payments

1. All indices are calculated based on consolidated financial figures
2. Market capitalization is calculated by multiplying the closing share price at the end of the fiscal year by the number of shares outstanding (less treasury shares) at the end of the fiscal year.
3. Cash flows are the cash flows from operating activities in the consolidated statements of cash flows. Interest-bearing debt is all liabilities on the consolidated balance sheet for which interest is paid. For interest payments, the amount of interest paid in the consolidated statements of cash flows is used.

#### (4) Outlook Going Forward

In the global economy, while the effects of the COVID-19 pandemic continue to linger, a gradual recovery is expected amid efforts to balance prevention of the worldwide spread of infections with socioeconomic activity and greater cross-border movement of people. That said, downside risks to the global economy are increasing, including the rise in consumer prices and a shift to tighter monetary policies in countries around the world, in addition to global resource supply concerns, price hikes, and disruptions to supply chains due to a tenuous international situation associated with the emergence of geopolitical risks. In particular, a spike in grain prices and supply chain disruptions due to the worsening situation in Russia and Ukraine could continue throughout the year.

In Japan, the impact of COVID-19 is expected to be limited in scale, even with a temporary resurgence in infections, and priority measures to prevent the spread of the virus are also expected to be applied only partially. In addition, there are hopes that the economy will show a gradual recovery due to the event ticket discounts and other measures to stimulate demand. On the other hand, soaring resource prices and a rise in the price of raw materials due to supply chain disruptions may worsen corporate earnings, while rising consumer prices may curb any recovery in personal consumption, which could lead to an economic downturn.

The Company expects market prices for raw materials such as soybeans, rapeseed, and palm, which have a significant impact on the Group, to soar and remain high due to several factors. These include the recovery in demand following the global COVID-19 pandemic; the expansion of biofuel consumption; and concerns about grain supply instability and prolonged supply chain disruptions caused by the worsening situation in Russia and Ukraine. In terms of production, the Group also expects the supply and demand environment to remain extremely challenging due to the adverse impact of unseasonable weather worldwide on production volume and quality, as well as concerns about production cuts in Ukraine, one of the major grain-producing countries.

Under these very difficult business conditions, the Group has formulated the “The Nisshin Oillio Group Vision 2030” to clarify its vision and strategic guidelines for ensuring sustained growth into the future and for contributing to realizing a sustainable society. At the same time, the Group is engaged in implementing “Value Up+,” its four-year medium-term management plan (FY2021–FY2024) aimed at achieving those goals. Under this plan, the Group is

working to steadily execute on its basic policy of transforming itself into a customer-centric corporate group that continuously creates diverse value. The aim is for sustainable growth through the creation of diverse shared values with society leveraging the “Natural Power of Plants” as the basis for value creation.

For the fiscal year ending March 31, 2023, the second year of the “Value Up+” medium-term management plan, the Group forecasts net sales of ¥500,000 million, operating profit of ¥13,000 million, ordinary profit of ¥13,300 million, and profit attributable to owners of parent of ¥9,200 million.

Pressing issues that the entire Group is working to address include the formation of appropriate selling prices commensurate with the continued rise in raw material costs and a response to recovery in demand following the COVID-19 pandemic and changes in consumer trends, as well as stable procurement of raw materials in the face of ongoing supply chain disruptions.

## **2. Basic Approach to Selection of Accounting Standards**

For the time being, the Group will prepare its consolidated financial statements in accordance with Japanese GAAP, taking into consideration the comparability of the consolidated financial statements between periods and among companies. The Group’s policy is to adopt IFRS as appropriate, taking into account various conditions in and outside of Japan.

### 3. Consolidated Financial Statements and Related Notes

#### (1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	11,036	9,977
Notes and accounts receivable – trade	68,379	88,200
Inventories	60,154	84,811
Short-term loans receivable	1	0
Other	11,366	18,937
Allowance for doubtful accounts	(19)	(86)
Total current assets	150,918	201,840
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	27,630	31,959
Machinery, equipment and vehicles, net	28,192	36,081
Land	28,115	27,736
Leased assets, net	1,554	1,422
Right-of-use assets, net	2,453	2,478
Construction in progress	13,002	1,551
Total property, plant and equipment	100,948	101,230
Intangible assets		
Goodwill	244	227
Other	1,459	1,443
Total intangible assets	1,703	1,671
Investments and other assets		
Investment securities	29,516	30,393
Long-term loans receivable	28	30
Retirement benefit asset	4,941	5,318
Deferred tax assets	764	672
Other	3,281	3,312
Allowance for doubtful accounts	(26)	(26)
Total investments and other assets	38,505	39,701
Total non-current assets	141,158	142,603
Deferred assets		
Bond issuance costs	76	63
Total deferred assets	76	63
<b>Total assets</b>	<b>292,154</b>	<b>344,506</b>

(Million yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	38,984	44,855
Short-term borrowings	9,411	35,370
Lease obligations	444	427
Accounts payable - other	18,118	14,674
Accrued expenses	4,769	5,331
Income taxes payable	1,964	626
Provision for bonuses for directors (and other officers)	53	57
Other	4,886	4,548
Total current liabilities	78,633	105,891
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	25,806	38,195
Lease liabilities	3,860	3,837
Deferred tax liabilities	7,414	9,039
Provision for retirement benefits for directors (and other officers)	416	346
Provision for share awards	115	146
Retirement benefit liability	1,962	1,949
Other	684	785
Total non-current liabilities	60,260	74,300
Total liabilities	138,894	180,192
<b>Net assets</b>		
Shareholders' equity		
Share capital	16,332	16,332
Capital surplus	22,849	21,665
Retained earnings	106,318	110,379
Treasury shares	(7,081)	(4,071)
Total shareholders' equity	138,418	144,305
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,670	8,715
Deferred gains or losses on hedges	662	2,565
Foreign currency translation adjustment	(1,555)	1,642
Remeasurements of defined benefit plans	(643)	(1,003)
Total accumulated other comprehensive income	7,133	11,919
Non-controlling interests	7,707	8,088
Total net assets	153,259	164,314
Total liabilities and net assets	292,154	344,506

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	336,306	432,778
Cost of sales	275,916	375,791
Gross profit	60,389	56,987
Selling, general and administrative expenses	48,065	45,317
Operating profit	12,324	11,670
Non-operating income		
Interest income	75	61
Dividend income	391	378
Foreign exchange gains	-	137
Share of profit of entities accounted for using equity method	1,409	1,155
Other	350	314
Total non-operating income	2,227	2,047
Non-operating expenses		
Interest expenses	391	536
Loss on disposal of inventories	106	117
Foreign exchange losses	0	-
Other	216	414
Total non-operating expenses	715	1,068
Ordinary profit	13,836	12,648
Extraordinary income		
Gain on sale of investment securities	289	890
Gain on sale of shares of subsidiaries and associates	-	17
Compensation income	235	-
Total extraordinary income	525	908
Extraordinary losses		
Loss on sale of non-current assets	-	38
Loss on retirement of non-current assets	510	773
Impairment losses	1,520	615
Loss on the spread of infectious disease	137	-
Loss on cancellation of business consignment agreement	-	33
Total extraordinary losses	2,168	1,462
Profit before income taxes	12,192	12,095
Income taxes - current	3,905	2,510
Income taxes - deferred	149	849
Total income taxes	4,054	3,360
Profit	8,138	8,734
Profit (loss) attributable to non-controlling interests	(1,106)	138
Profit attributable to owners of parent	9,244	8,595

## Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit	8,138	8,734
Other comprehensive income		
Valuation difference on available-for-sale securities	2,147	292
Deferred gains or losses on hedges	613	1,902
Foreign currency translation adjustment	(846)	3,100
Remeasurements of defined benefit plans, net of tax	505	(359)
Share of other comprehensive income of entities accounted for using equity method	50	163
Total other comprehensive income	2,469	5,098
Comprehensive income	10,607	13,833
Comprehensive income attributable to:		
Owners of parent	11,781	13,380
Non-controlling interests	(1,174)	452

## (3) Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2021

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,332	22,732	99,768	(4,085)	134,747
Cumulative effects of changes in accounting policies					-
Restated balance	16,332	22,732	99,768	(4,085)	134,747
Changes during period					
Dividends of surplus			(2,673)		(2,673)
Profit attributable to owners of parent			9,244		9,244
Purchase of treasury shares				(3,002)	(3,002)
Disposal of treasury shares		0		7	7
Cancellation of treasury shares					-
Purchase of shares of consolidated subsidiaries		116			116
Increase (decrease) from accounting period changes of consolidated subsidiaries			(20)		(20)
Net changes in items other than shareholders' equity					
Total changes during period	-	116	6,550	(2,995)	3,671
Balance at end of period	16,332	22,849	106,318	(7,081)	138,418



	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	6,577	118	(951)	(1,148)	4,596	9,981	149,324
Cumulative effects of changes in accounting policies							-
Restated balance	6,577	118	(951)	(1,148)	4,596	9,981	149,324
Changes during period							
Dividends of surplus							(2,673)
Profit attributable to owners of parent							9,244
Purchase of treasury shares							(3,002)
Disposal of treasury shares							7
Cancellation of treasury shares							-
Purchase of shares of consolidated subsidiaries							116
Increase (decrease) from accounting period changes of consolidated subsidiaries							(20)
Net changes in items other than shareholders' equity	2,093	543	(604)	505	2,537	(2,273)	263
Total changes during period	2,093	543	(604)	505	2,537	(2,273)	3,934
Balance at end of period	8,670	662	(1,555)	(643)	7,133	7,707	153,259

For the fiscal year ended March 31, 2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,332	22,849	106,318	(7,081)	138,418
Cumulative effects of changes in accounting policies			10		10
Restated balance	16,332	22,849	106,329	(7,081)	138,429
Changes during period					
Dividends of surplus			(2,759)		(2,759)
Profit attributable to owners of parent			8,595		8,595
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares			(2)	20	18
Cancellation of treasury shares		(1,179)	(1,812)	2,992	-
Purchase of shares of consolidated subsidiaries		(4)			(4)
Increase (decrease) from accounting period changes of consolidated subsidiaries			29		29
Net changes in items other than shareholders' equity					
Total changes during period	-	(1,183)	4,050	3,009	5,876
Balance at end of period	16,332	21,665	110,379	(4,071)	144,305

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	8,670	662	(1,555)	(643)	7,133	7,707	153,259
Cumulative effects of changes in accounting policies							10
Restated balance	8,670	662	(1,555)	(643)	7,133	7,707	153,270
Changes during period							
Dividends of surplus							(2,759)
Profit attributable to owners of parent							8,595
Purchase of treasury shares							(3)
Disposal of treasury shares							18
Cancellation of treasury shares							-
Purchase of shares of consolidated subsidiaries							(4)
Increase (decrease) from accounting period changes of consolidated subsidiaries							29
Net changes in items other than shareholders' equity	44	1,903	3,198	(359)	4,785	381	5,167
Total changes during period	44	1,903	3,198	(359)	4,785	381	11,043
Balance at end of period	8,715	2,565	1,642	(1,003)	11,919	8,088	164,314

## (4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	12,192	12,095
Depreciation	8,061	8,876
Impairment losses	1,520	615
Amortization of goodwill	31	33
Interest and dividend income	(467)	(440)
Interest expenses	391	536
Share of loss (profit) of entities accounted for using equity method	(1,409)	(1,155)
Loss (gain) on sale and retirement of non-current assets	510	812
Loss (gain) on sale of investment securities	(289)	(890)
Loss (gain) on sale of shares of subsidiaries and associates	-	(17)
Compensation income	(235)	-
Decrease (increase) in trade receivables	(5,567)	(18,920)
Decrease (increase) in inventories	(7,961)	(22,681)
Increase (decrease) in trade payables	4,845	5,018
Decrease (increase) in retirement benefit asset	(1,470)	(377)
Increase (decrease) in retirement benefit liability	59	(13)
Other, net	38	(6,524)
<b>Subtotal</b>	<b>10,251</b>	<b>(23,033)</b>
Interest and dividends received	469	427
Interest paid	(391)	(486)
Income taxes paid	(4,223)	(3,538)
Proceeds from compensation	235	-
<b>Net cash provided by (used in) operating activities</b>	<b>6,340</b>	<b>(26,631)</b>
<b>Cash flows from investing activities</b>		
Decrease (increase) in time deposits	7	(0)
Purchase of property, plant and equipment	(14,153)	(10,138)
Proceeds from sale of property, plant and equipment	1	56
Purchase of investment securities	(291)	(37)
Proceeds from sale of investment securities	791	1,378
Proceeds from collection of loans receivable	52	2
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	308
Other, net	(1,034)	(897)
<b>Net cash provided by (used in) investing activities</b>	<b>(14,626)</b>	<b>(9,327)</b>

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	1,528	24,080
Proceeds from long-term borrowings	25	18,870
Repayments of long-term borrowings	(252)	(5,144)
Repayments of lease obligations	(503)	(532)
Dividends paid	(2,673)	(2,759)
Proceeds from sale of treasury shares	2	59
Purchase of treasury shares	(3,002)	(3)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(902)	(82)
Dividends paid to non-controlling interests	(35)	(13)
Net cash provided by (used in) financing activities	(5,814)	34,473
Effect of exchange rate change on cash and cash equivalents	(120)	422
Net increase (decrease) in cash and cash equivalents	(14,220)	(1,061)
Cash and cash equivalents at beginning of period	23,552	9,256
Increase (decrease) in cash and cash equivalents resulting from change in accounting period of consolidated subsidiaries	(75)	(319)
Cash and cash equivalents at end of period	9,256	7,875

## (5) Notes to the Consolidated Financial Statements

**Notes on going concern assumption**

There is no item to report.

**Changes in the scope of consolidation or the scope of application of the equity method**

Changes in the scope of consolidation

(1) Changes in the scope of consolidation:

The Company sold all shares of Mogi Tofu Co., Ltd., in March 2022. In conjunction with the sale, Mogi Tofu has been excluded from the scope of consolidation.

(2) Number of consolidated subsidiaries after the change: 19 companies

**Change of fiscal year closing date of consolidated subsidiaries**

As of the consolidated fiscal year ended March 31, 2022, the fiscal year closing dates of Industrial Química Lasem, S.A.U., T. & C. Manufacturing Co., Pte. Ltd., and Intercontinental Specialty Fats (Italy) S.r.l. were changed from December 31 to March 31. For Shanghai Nisshin Oil & Fats, Ltd., The Nisshin Oillio (China) Investment Co., Ltd., Intercontinental Specialty Fats (Shanghai) Co., Ltd., and The Nisshin Oillio (Shanghai) International Trading Co., Ltd., the Company has changed to a method of consolidation by conducting a provisional closing of financial accounts on March 31, the consolidated closing date. Moreover, regarding profit and loss of the subsidiaries for the three-month period from January 1, 2021, to March 31, 2021, ¥29 million is added to retained earnings upon consolidation.

**Changes in accounting policies****◆ Adoption of Accounting Standard for Revenue Recognition**

The Company has adopted the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020; hereinafter, the “Accounting Standard for Revenue Recognition”) from the beginning of the consolidated fiscal year under review. Under the new standard, the Company recognizes as revenue the amount which it expects to receive in exchange for promised goods or services upon the transfer of control of the goods or services to the customer.

The Group has adopted the alternative treatment stipulated in paragraph 98 of the “Implementation Guidance on Accounting Standard for Revenue Recognition” for sales of commodities or products in Japan, under which it will recognize revenue upon shipment in cases where the time period from shipment until control of the commodities or products is transferred to the customer is within an ordinary time period.

With the adoption of the Accounting Standard for Revenue Recognition, in transactions that were previously recorded as sales promotion expenses within selling, general and administrative expenses where the Group pays its customer, if the consideration paid to the customer is not payment for a separate good or service from the customer, the revenue is measured by deducting the consideration from the transaction price.

In adopting the Accounting Standard for Revenue Recognition, in accordance with the transitional treatment stated in the proviso to Section 84 of the standard, the cumulative amount of impacts that would have accrued had the new accounting policies been adopted prior to the beginning of the consolidated fiscal ended March 31, 2022 was added to or deducted from the balance of retained earnings at the beginning of the fiscal year under review, and the new accounting policies applied from the balance at the beginning of the period.

As a result, the amount of net sales during the consolidated fiscal year ended March 31, 2022, was decreased by ¥5,695 million. In addition, the impact on profit and loss and on retained earnings in the consolidated financial statements during the fiscal year ended March 31, 2022, was negligible.

Furthermore, in accordance with the transitional treatment stipulated in Section 89-2 of the Accounting

Standard for Revenue Recognition, the figures for the previous fiscal year have not been restated according to the new presentation method.

#### ◆ Adoption of Accounting Standard for Fair Value Measurement

The Company has adopted the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter the “Fair Value Measurement Standard”) from the beginning of the fiscal year ended March 31, 2022. The Company decided to apply the new accounting policy stipulated by the Fair Value Measurement Standard prospectively in accordance with the transitional treatment specified in Section 19 of the Fair Value Measurement Standard and Section 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019). There is no impact on the consolidated financial statements as a result of this application.

#### Additional information

##### ◆ Stock-based compensation plan for Directors and Corporate Officers

Pursuant to a resolution of the Board of Directors meeting held on May 9, 2018, the Company introduced in August 2018 a stock-based compensation plan for Directors (excluding Outside Directors) and Executive Officers of the Company (collectively, “Directors, etc.”), with the goal of increasing their awareness of contributing to the improvement of medium to long-term business performance and an increase in corporate value.

##### (1) Outline of Transactions

Money will be entrusted to a Trust (the “Trust”) established by the Company, which will then acquire the Company’s common shares (the “Company Shares”). Under this stock-based compensation plan, Company Shares are then delivered to the Directors, etc. through the Trust in proportion to the number of points granted to the Directors, etc. in accordance with the Stock Delivery Regulations established by the Board of Directors of the Company. Note that, as a rule, Directors, etc. shall receive such Company Shares upon their retirement from office.

##### (2) Company Shares Remaining in the Trust

Company Shares remaining in the Trust are recorded as treasury shares under net assets, at their book value in the Trust (excluding the amount of any incidental expenses). The book value and number of shares of said treasury shares were ¥131 million and 41 thousand shares in the previous consolidated fiscal year, and ¥162 million and 52 thousand shares in the current consolidated fiscal year.

##### ◆ Impact of the COVID-19 pandemic

In the fiscal year ended March 31, 2022, while efforts progressed in countries around the world to balance controlling the spread of the novel coronavirus (“COVID-19”) with the resumption of economic activity, recovery in demand was slow, particularly in the food service and tourism industries. Further, supply chain disruptions and labor shortages associated with COVID-19 impacted various aspects of the business world throughout the year.

In the domestic market for edible vegetable oils (April 2021–March 2022), according to JAS-rated volumes of edible vegetable oils and fats by the Japan Inspection Institute of Fats & Oils, while household use saw a reactionary decline of about 10% from the previous year, the market as a whole remained flat year on year due to a recovery of about 4% and 2% for commercial and processing use, respectively, after a decline in the previous year.

As for the impact on the Group itself, the recovery in domestic sales of commercial-use oils and fats was sluggish, and sales of oils and fats for household use also declined due to a reactionary fallback from the previous year’s stay-at-home demand. That said, net sales in the current consolidated fiscal year exceeded the previous year’s levels due to sales price revisions in response to soaring raw material prices and to expanded sales of value-added products. In terms of profit, although the Company was able to achieve phased-in sales price revisions, the impact of soaring raw material prices was significant, and operating profit for the current consolidated fiscal year

fell below that of the previous year.

While the impact of COVID-19 is expected to linger going forward, vaccinations are progressing in countries around the world, as is the development and approval of new remedies. These and other factors are expected to contribute to a gradual economic recovery, with the impact of COVID-19 seen as gradually subsiding as any temporary resurgence in infections remain limited in scale. Nevertheless, should a more highly toxic or infectious variant emerge, or if further lockdowns or emergency declarations are issued in response to such an outbreak, the Group's business performance and financial position could be affected.

Based on the above, the Group has determined that the accounting estimates for recoverability of deferred tax assets are not expected to have a material impact at this time.

◆ **Impact of the Russia/Ukraine situation on the Group**

While the Group has no manufacturing or sales bases in Russia or Ukraine, concerns about grain supply instability and prolonged supply chain disruptions caused by the deteriorating situation are expected to result in soaring raw material prices that are likely to remain high. In terms of production, the Group expects supply and demand conditions to remain extremely challenging due to the adverse effects of unseasonable weather worldwide on production volume and quality. Additionally, there are concerns about production cuts in Ukraine, one of the major grain-producing countries. Meanwhile, the Group continues to monitor the situation closely and take appropriate measures to minimize the impact on its business. On the sales side, these include forming appropriate sales prices commensurate with costs and expanding sales of value-added products; in procurement, steps include focusing on the stable procurement of raw materials.

Based on the above, the Group has determined that the accounting estimates for recoverability of deferred tax assets are not expected to have a material impact at this time.



## Segment information

### Segment information

#### 1. Overview of reporting segments

The Company's products are divided between operating divisions at its headquarters, and each operating division formulates comprehensive domestic and overseas strategies for each of its assigned products and conducts business activities. Therefore, the Company's business consists of product segments based on the operating divisions, with three reporting segments: "Oil and Fat," "Processed Food and Materials," and "Fine Chemical."

Main products for each reporting segment can be found in the chart below:

Business Category		Main products
Oil and Fat	Oil and meal	Household-use (edible oils), edible oils for commercial use, oils and fats for food processing, oil meals
	Processed oil and fat	Processed palm oil products, oils and fats for chocolate, margarines, shortenings
Processed Food and Materials		Chocolate-related products, household-use (salad dressing), wellness foods (MCT high-energy food, elderly/nursing care food), MCT, lecithin, tocopherol, edible soybeans, soy protein, tofu
Fine Chemical		Raw materials for cosmetics and toiletries, chemical products, plant-based industrial oils, detergents, antibacterial agents, surfactants
Other		Information systems, sales promotions, sports facility operations, P&C insurance agency, real estate leasing

#### 2. Changes in reporting segments

Previously, the Company used the following three reporting segments: "Oil, Meal, and Processed Food," "Processed Oil and Fat," and "Fine Chemical." However, in line with the business strategies in the medium-term management plan, "Value Up+," the Company has changed its reporting segments to "Oil and Fat," "Processed Food and Materials," and "Fine Chemical."

This change in business segments is intended to accurately reflect the actual state of the Group's management and administration.

Segment information for the fiscal year ended March 31, 2021, has been restated based on the classification method after the change.

Furthermore, as stated in the section regarding change in accounting policies, the Company has applied the Accounting Standard for Revenue Recognition from the beginning of the consolidated fiscal year under review, changing the accounting methods regarding revenue recognition. The impact of the change on each segment is negligible.

### 3. Information regarding amounts of net sales and profit and loss by reporting segment

Previous fiscal year ended Mach 31, 2021 (April 1, 2020, to March 31, 2021)

(Million yen)

	Reporting segment						Other (Note 1)	Total	Adjustments (Note 2)	Amount in the consolidated statements of income (Note 3)
	Oil and Fat			Processed Food and Materials	Fine Chemical	Total				
	Oil and meal	Processed oil and fat	Subtotal							
Net sales										
Sales to external customers	212,514	53,617	266,132	53,146	14,194	333,472	2,834	336,306	—	336,306
Intersegment sales and transfers	2,005	4,329	6,334	90	961	7,387	1,687	9,074	(9,074)	—
Total	214,519	57,947	272,467	53,236	15,156	340,860	4,521	345,381	(9,074)	336,306
Segment profit (loss)	9,548	870	10,419	1,810	792	13,021	(28)	12,993	(668)	12,324
Segment assets	176,503	39,571	216,074	51,803	19,855	287,733	3,131	290,865	1,288	292,154
Other items										
Depreciation	4,460	1,483	5,944	1,567	421	7,933	127	8,061	—	8,061
Change in tangible and intangible assets	9,443	2,805	12,249	3,201	2,452	17,903	79	17,983	—	17,983

Notes:

- The Other category is for business segments that are not included in reporting segments, such as information systems.
- Adjustment amounts are as set forth below.

(1) The adjustment for segment profit of -¥668 million includes unallocated expenses. These expenses mainly comprise general and administrative expenses that cannot be attributed to reporting segments.

(2) The adjustment of segment assets of ¥1,288 million includes -¥783 million for elimination of intersegment transactions and ¥2,071 million for companywide assets not allocated to reporting segments. The companywide assets are the Company's surplus investment funds (cash and deposits).

- Segment profit is adjusted against the operating profit recorded in the consolidated statements of income.

Current fiscal year ended Mach 31, 2022 (April 1, 2021, to March 31, 2022)

(Million yen)

	Reporting segment						Other (Note 1)	Total	Adjustments (Note 2)	Amount in the consolidated statements of income (Note 3)
	Oil and Fat			Processed Food and Materials	Fine Chemical	Total				
	Oil and meal	Processed oil and fat	Subtotal							
Net sales										
Sales to external customers	267,840	87,186	355,026	58,185	17,003	430,215	2,563	432,778	—	432,778
Intersegment sales and transfers	1,713	6,024	7,738	110	1,166	9,015	1,648	10,664	(10,664)	—
Total	269,553	93,211	362,765	58,295	18,169	439,230	4,212	443,442	(10,664)	432,778
Segment profit (loss)	4,716	4,258	8,975	1,672	1,336	11,984	351	12,335	(665)	11,670
Segment assets	212,147	55,259	267,406	51,920	21,940	341,267	2,436	343,703	802	344,506
Other items										
Depreciation	4,904	1,417	6,321	1,693	739	8,754	121	8,876	—	8,876
Change in tangible and intangible assets	6,598	1,006	7,605	1,153	469	9,228	20	9,249	—	9,249

Notes:

- The Other category is for business segments that are not included in reporting segments, such as information systems.
- Adjustment amounts are as set forth below.

(1) The adjustment for segment profit of -¥665 million includes unallocated expenses. These expenses mainly comprise general and administrative expenses that cannot be attributed to reporting segments.

(2) The adjustment of segment assets of ¥802 million includes -¥897 million for elimination of intersegment transactions and ¥1,700 million for companywide assets not allocated to reporting segments. The companywide assets are the Company's surplus investment funds (cash and deposits).

- Segment profit is adjusted against the operating profit recorded in the consolidated statements of income.

## Related information

Previous fiscal year ended March 31, 2021 (April 1, 2020, to March 31, 2021)

## 1. Information on individual products and services

This information is disclosed in the section on segment information, and accordingly, is omitted here.

## 2. Information on each region

## (1) Net sales

(Million yen)				
	Japan	Asia	Other	Total
Net sales	277,373	36,631	22,301	336,306
Ratio to net sales	82.5%	10.9%	6.6%	100.0%

Note: Net sales are based on the location of the customer and are allocated to countries or regions.

## (2) Property, plant, and equipment

(Million yen)			
Japan	Asia	Europe	Total
86,295	12,128	2,524	100,948

Current fiscal year ended March 31, 2022 (April 1, 2021, to March 31, 2022)

## 1. Information on individual products and services

This information is disclosed in the section on segment information, and accordingly, is omitted here.

## 2. Information on each region

## (1) Net sales

(Million yen)				
	Japan	Asia	Other	Total
Net sales	338,524	54,523	39,730	432,778
Ratio to net sales	78.2%	12.6%	9.2%	100.0%

Note: Net sales are based on the location of the customer and are allocated to countries or regions.

## (2) Property, plant, and equipment

(Million yen)			
Japan	Asia	Europe	Total
85,871	12,597	2,761	101,230

## Information relating to non-current asset impairment losses by reporting segment

Previous fiscal year ended Mach 31, 2021 (April 1, 2020, to March 31, 2021)

(Million yen)

	Reporting segment						Other	Companywide/ Elimination	Total
	Oil and Fat			Processed Food and Materials	Fine Chemical	Total			
	Oil and meal	Processed oil and fat	Total						
Impairment losses	—	—	—	1,520	—	1,520	—	—	1,520

Note: The impact on profit attributable to owners of parent from recording the above impairment losses was a decrease of ¥475 million due to deduction of the amount of loss attributable to non-controlling interests.

Current fiscal year ended Mach 31, 2022 (April 1, 2021, to March 31, 2022)

(Million yen)

	Reporting segment						Other	Companywide/ Elimination	Total
	Oil and Fat			Processed Food and Materials	Fine Chemical	Total			
	Oil and meal	Processed oil and fat	Total						
Impairment losses	539	22	562	39	12	614	0	—	615

## Information relating to goodwill amortization and unamortized balances by reporting segment

Previous fiscal year ended Mach 31, 2021 (April 1, 2020, to March 31, 2021)

(Million yen)

	Reporting segment						Other	Companywide/ Elimination	Total
	Oil and Fat			Processed Food and Materials	Fine Chemical	Total			
	Oil and meal	Processed oil and fat	Total						
Amortization amount	—	31	31	—	—	31	—	—	31
Balance at end of fiscal year	—	244	244	—	—	244	—	—	244

Current fiscal year ended Mach 31, 2022 (April 1, 2021, to March 31, 2022)

(Million yen)

	Reporting segment						Other	Companywide/ Elimination	Total
	Oil and Fat			Processed Food and Materials	Fine Chemical	Total			
	Oil and meal	Processed oil and fat	Total						
Amortization amount	—	33	33	—	—	33	—	—	33
Balance at end of fiscal year	—	227	227	—	—	227	—	—	227

## Information relating to gains on negative goodwill by reporting segment

Previous fiscal year ended Mach 31, 2021 (April 1, 2020, to March 31, 2021)

There is no item to report.

Current fiscal year ended Mach 31, 2022 (April 1, 2021, to March 31, 2022)

There is no item to report.

## Revenue recognition

Information breaking down revenue arising from contracts with customers

Current fiscal year ended March 31, 2022 (April 1, 2021, to March 31, 2022)

(Million yen)

	Reporting segment						Other (Note)	Total
	Oil and Fat			Processed Food and Materials	Fine Chemical	Total		
	Oil and meal	Processed oil and fat	Total					
Japan	262,537	9,089	271,626	54,037	10,297	335,960	2,282	338,243
Asia	5,287	42,288	47,576	4,140	2,806	54,523	—	54,523
Other	15	35,808	35,823	7	3,899	39,730	—	39,730
Revenue arising from contracts with customers	267,840	87,186	355,026	58,185	17,003	430,215	2,282	432,498
Other revenue	—	—	—	—	—	—	280	280
Net sales to external customers	267,840	87,186	355,026	58,185	17,003	430,215	2,563	432,778

Note: The Other category is for business segments that are not included in reporting segments, such as information systems.

## Per share information

Item	Previous fiscal year ended March 31, 2021 (April 1, 2020, to March 31, 2021)	Current fiscal year ended March 31, 2022 (April 1, 2021, to March 31, 2022)
Net assets per share	¥4,491.81	¥4,820.49
Basic earnings per share	¥278.34	¥265.24

Notes:

- Diluted earnings per share are not reported, as there are no dilutive shares.
- The basis for the calculation of basic earnings per share is as follows.

Item	Previous fiscal year ended March 31, 2021 (April 1, 2020, to March 31, 2021)	Current fiscal year ended March 31, 2022 (April 1, 2021, to March 31, 2022)
Basic earnings per share		
Profit attributable to owners of parent (million yen)	9,244	8,595
Amount not attributable to owners of common stock (million yen)	—	—
Profit attributable to owners of parent relating to common stock (million yen)	9,244	8,595
Average number of shares of common stock during the fiscal year (thousand shares)	33,214	32,407

- The basis for the calculation of net assets per share is as follows.

Item	Previous fiscal year ended March 31, 2021 (As of March 31, 2021)	Current fiscal year ended March 31, 2022 (As of March 31, 2022)
Total net assets (million yen)	153,259	164,314
Deductions from total net asset (million yen)	7,707	8,088
(Non-controlling interests included in the above (million yen))	(7,707)	(8,088)
Net assets relating to common stock at end of fiscal year (million yen)	145,552	156,225
Number of shares of common stock at end of fiscal year used to calculate net assets per share (thousand shares)	32,403	32,408

4. Company shares held by the Share Grant Trust Account for Directors, etc., are included in treasury shares, which are deducted from the average number of shares during the fiscal year when calculating basic earnings per share (41 thousand shares in the previous consolidated fiscal year, 43 thousand shares in the current consolidated fiscal year). Also, these Company shares held by the Trust are included in treasury shares deducted from the total number of issued shares as of the end of the fiscal year when calculating net assets per share (41 thousand shares in the previous consolidated fiscal year, 52 thousand shares in the current consolidated fiscal year).

**Significant subsequent events**

There is no item to report.