

The Nisshin OilliO Group, Ltd. **TSE: 2602**

FY2025

Financial Results Briefing

May 19, 2026

Value UpX

01

Summary of Financial Results for FY2025

Financial Results for FY2025

(Billion yen; Amounts of less than 0.1 billion yen are rounded down.)

	FY2025 results	FY2024 results	YoY change		Earnings forecast for FY2025 (Disclosed in February 2026)
Net sales	554.2	530.8	+23.3	104.4%	540.0
Operating profit	17.0	19.2	(2.2)	88.3%	15.0
Operating profit margin	3.1%	3.6%	—	—	2.8%
Ordinary profit	16.0	18.0	(2.0)	88.6%	14.0
Profit attributable to owners of parent	23.9	12.8	+11.1	186.7%	23.5
ROE	12.1%	7.0%	+5.1 pts	—	12.2%
ROIC	4.5%	4.6%	(0.1) pts	—	4.1%

Results by Business Segment for FY2025 (Net Sales and Operating Profit)

(Billion yen)

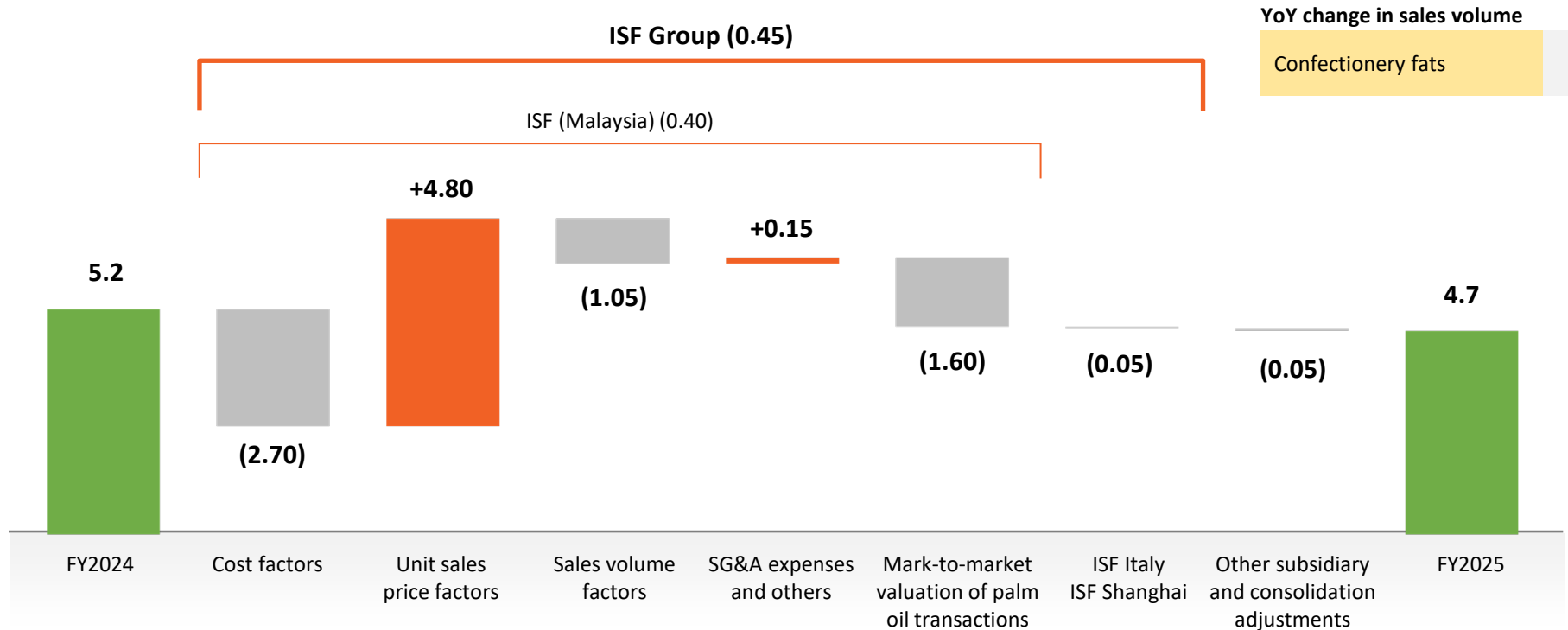
	FY2025 results	FY2024 results	YoY change	
Net sales	554.2	530.8	+23.3	104.4%
Global Oil & Fat and Processed Oil & Fat	138.8	115.4	+23.4	120.3%
Oil, Fat & Meal and Processed Food & Materials	389.5	390.4	(0.8)	99.8%
Oil, Fat & Meal	311.5	312.6	(1.0)	99.7%
Processed Food & Materials	78.0	77.7	+0.2	100.3%
Fine Chemical	15.5	14.5	+0.9	106.6%
Other/Adjustments	10.3	10.5	(0.1)	98.1%
Operating profit	17.0	19.2	(2.2)	88.3%
Global Oil & Fat and Processed Oil & Fat	4.7	5.2	(0.4)	91.1%
Oil, Fat & Meal and Processed Food & Materials	11.1	12.7	(1.6)	87.3%
Oil, Fat & Meal	6.7	8.0	(1.3)	83.1%
Processed Food & Materials	4.4	4.6	(0.2)	94.7%
Fine Chemical	1.5	1.5	(0.0)	98.1%
Other/Adjustments	(0.4)	(0.2)	(0.1)	—

Changes in Operating Profit by Business Segment for FY2025

(Billion yen)

Global Oil & Fat and Processed Oil & Fat

- Operating profit decreased YoY due to the significant impact of mark-to-market valuation losses of palm oil transactions, despite profit growth driven mainly by higher sales volume of confectionery fats and an improvement in gross profit per unit achieved through our successful capture of demand for cocoa butter substitutes.



Breakdown of cost factors

Raw materials costs	(4.70)
Manufacturing costs and others	+2.00

Breakdown of unit sales price factors

Confectionery fats	+2.50
Other	+2.30

Breakdown of sales volume factors

Confectionery fats	+0.40
Other	(1.45)

Mark-to-market valuation

FY2024	+0.45
FY2025	(1.15)

Changes in Operating Profit by Business Segment for FY2025

(Billion yen)

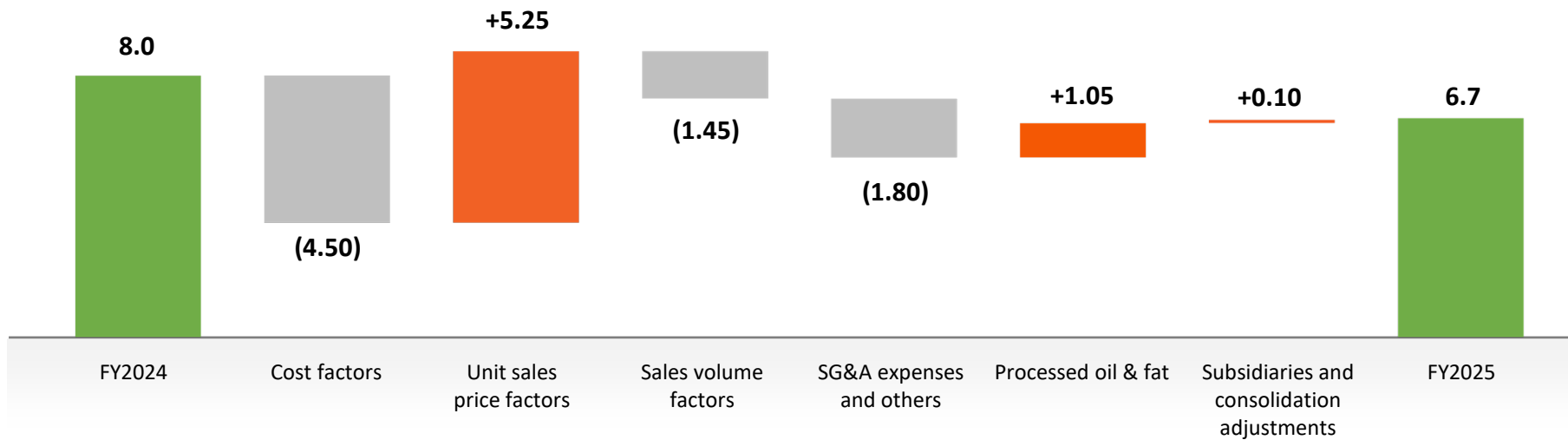
Oil, Fat & Meal

- Operating profit decreased YoY due to higher oil & fat costs and lower sales volume of household-use products, coupled with higher SG&A expenses, despite higher unit sales prices.

YoY change in sales volume

Commercial-use and food processing	-0%
Household-use	-9%
Processed oil & fat	+1%

Oil & Fat and Processed Oil & Fat (1.45)



Breakdown of cost factors

Soybean	(0.75) [C&F +7.00, foreign exchange +0.70, meal sales (8.45)]
Rapeseed	(6.30) [C&F (3.10), foreign exchange +0.65, meal sales (3.85)]
Other products & manufacturing costs	+2.55 [olive oil +1.65, yield rate, energy costs, etc. (0.85), other +1.75]

Breakdown of unit sales price factors

Commercial-use and food processing	+5.10
Household-use	+0.15

Breakdown of sales volume factors

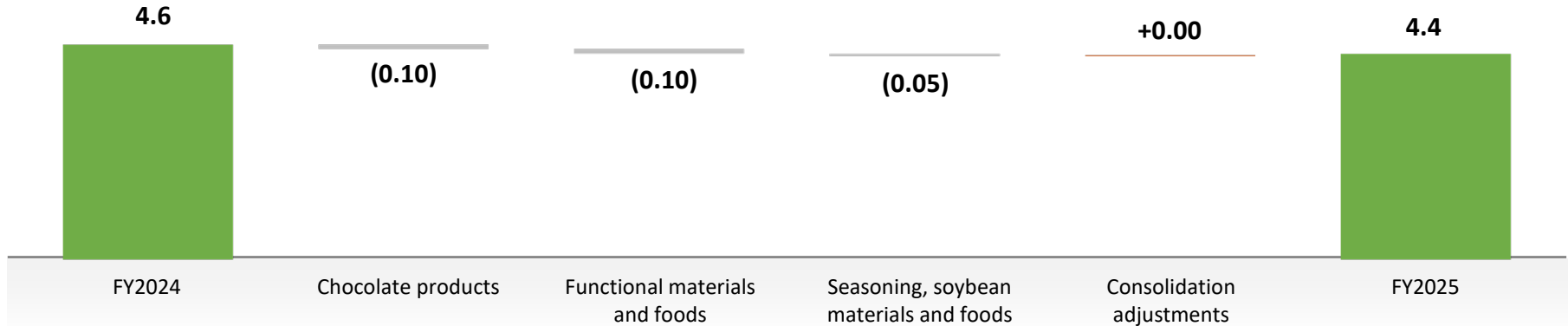
Commercial-use and food processing	(0.00)
Household-use	(1.45)

Changes in Operating Profit by Business Segment for FY2025

(Billion yen)

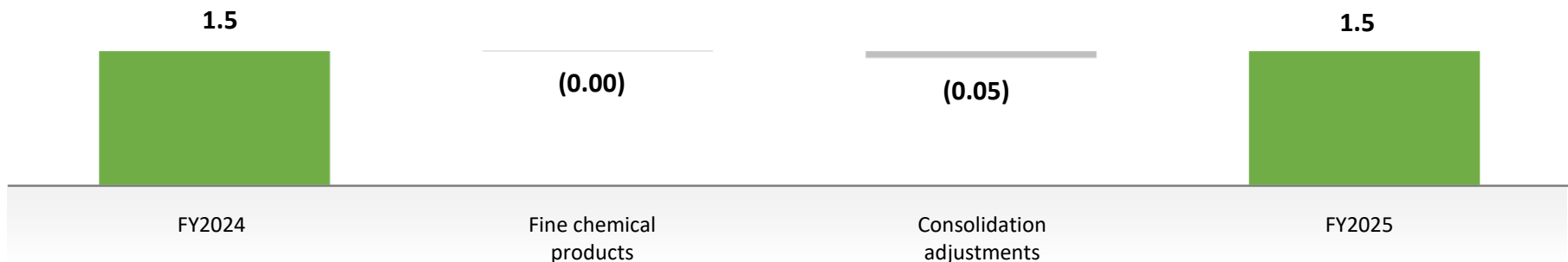
Processed Food & Materials

- Despite lower sales volume, Daito Cacao posted higher profit YoY due to higher gross profit per unit in chocolate products. Meanwhile, profit decreased in overseas subsidiaries due to lower sales volume and higher costs.



Fine Chemical

- Operating profit remained flat YoY due to lower sales volume overseas, despite higher sales volume of cosmetic ingredients in Japan.



Consolidated Balance Sheets and Cash Flows

(Billion yen)

Consolidated Balance Sheets

Item	End of March 2026	End of March 2025	Change
Total assets	451.1	388.2	+62.9
Current assets	262.0	228.6	+33.4
Non-current assets	189.0	159.5	+29.5
Total liabilities	229.1	190.1	+39.0
Interest-bearing liabilities	118.2	90.7	+27.5
Other liabilities	110.8	99.3	+11.5
Total net assets	222.0	198.0	+23.9

Item	End of March 2026	End of March 2025
Equity ratio	46.6%	48.2%
Net D/E ratio	0.47	0.39

Consolidated Cash Flows

Item	FY2025	FY2024	Change
Operating cash flows	+10.4	+21.1	(10.7)
Depreciation	+11.5	+10.4	+1.1
Decrease (increase) in working capital	(12.4)	+3.6	(16.0)
Investing cash flows	(9.8)	(9.5)	(0.2)
Financing cash flows	+8.2	(13.8)	+22.1

Value UpX

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Earnings Forecast for FY2026

Earnings Forecast for FY2026

(Billion yen)

	FY2026 forecast	FY2025 results	YoY change	
Net sales	590.0	554.2	+35.7	106.4%
Operating profit	19.0	17.0	+1.9	111.6%
Operating profit margin	3.2%	3.1%	+0.1 pts	
Ordinary profit	18.0	16.0	+1.9	112.3%
Profit attributable to owners of parent	12.0	23.9	(11.9)	50.0%
ROE	5.7%	12.1%	(6.4) pts	—
ROIC	4.2%	4.5%	(0.3) pts	—

Forecast by Business Segment for FY2026 (Net Sales and Operating Profit)

(Billion yen)

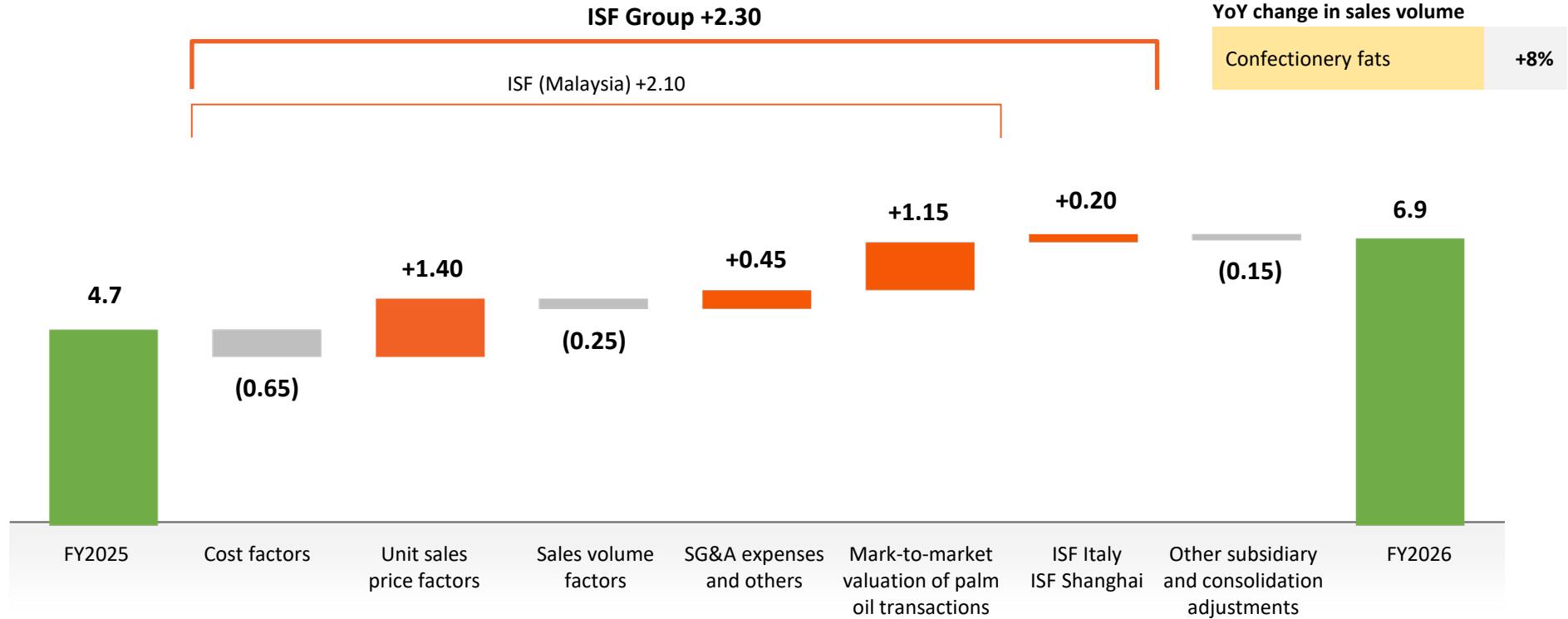
	FY2026 forecast	FY2025 results	YoY change	
Net sales	590.0	554.2	+35.7	106.4%
Global Oil & Fat and Processed Oil & Fat	149.0	138.8	+10.2	107.3%
Oil, Fat & Meal and Processed Food & Materials	411.9	389.5	+22.3	105.7%
Oil, Fat & Meal	328.4	311.5	+16.8	105.4%
Processed Food & Materials	83.5	78.0	+5.5	107.1%
Fine Chemical	18.6	15.5	+3.1	120.2%
Other/Adjustments	10.3	10.3	+0.0	100.4%
Operating profit	19.0	17.0	+1.9	111.6%
Global Oil & Fat and Processed Oil & Fat	6.9	4.7	+2.1	144.8%
Oil, Fat & Meal and Processed Food & Materials	10.6	11.1	(0.5)	95.3%
Oil, Fat & Meal	7.6	6.7	+0.8	113.3%
Processed Food & Materials	3.0	4.4	(1.4)	67.9%
Fine Chemical	1.8	1.5	+0.2	118.7%
Other/Adjustments	(0.3)	(0.4)	+0.0	—

Changes in Operating Profit by Business Segment for FY2026

(Billion yen)

Global Oil & Fat and Processed Oil & Fat

- Amid rising costs, operating profit is expected to increase YoY due to appropriate sales pricing, higher sales volume of confectionery fats, as well as the impact of mark-to-market valuation of palm oil transactions.



Breakdown of cost factors

Raw materials costs	+0.80
Manufacturing costs and others	(1.45)

Breakdown of unit sales price factors

Confectionery fats	+0.40
Other	+1.00

Breakdown of sales volume factors

Confectionery fats	+0.60
Other	(0.85)

Mark-to-market valuation

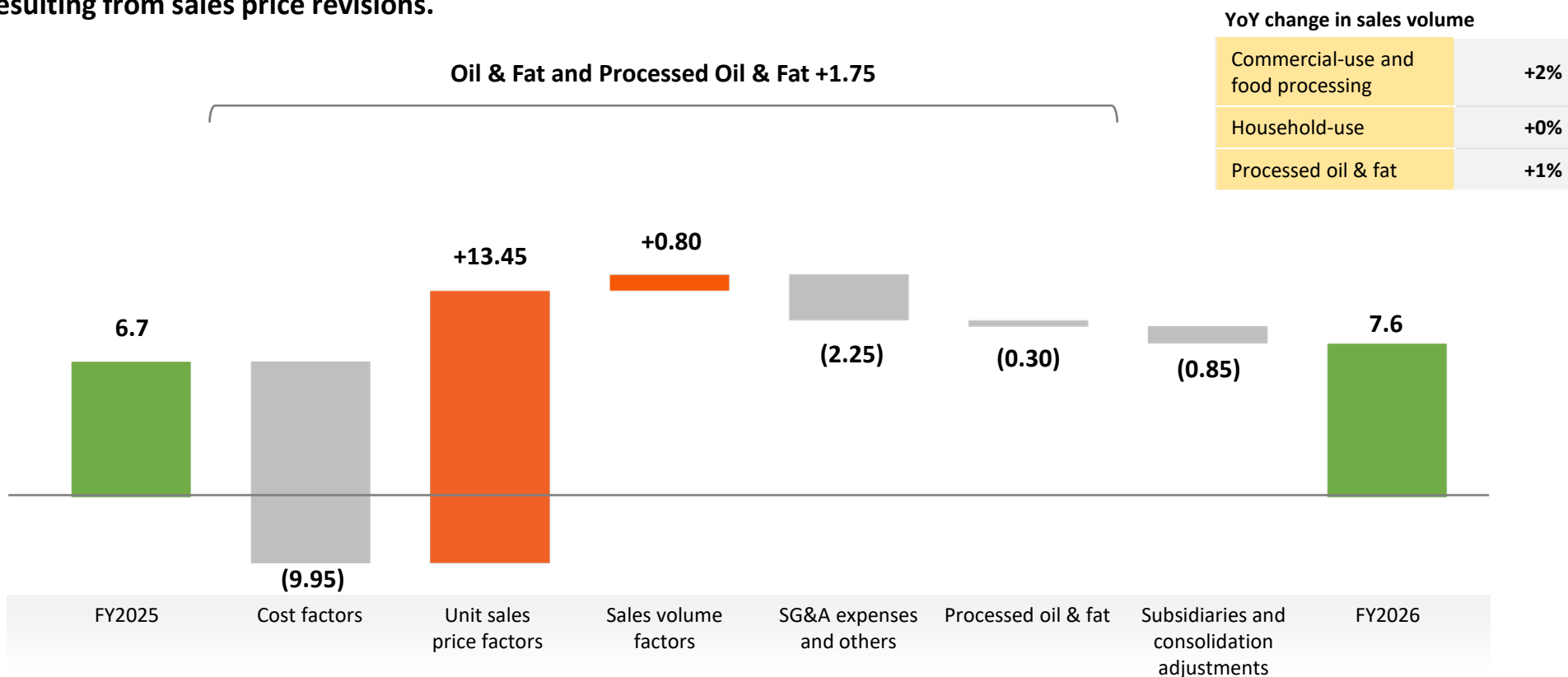
FY2025	(1.15)
FY2026	+0.00

Changes in Operating Profit by Business Segment for FY2026

(Billion yen)

Oil, Fat & Meal

- Operating profit is expected to increase YoY due to higher sales volume of oil & fat products, and higher gross profit per unit resulting from sales price revisions.



Breakdown of cost factors

Soybean	(5.80) [C&F (5.65), foreign exchange (4.70), meal sales +4.55]
Rapeseed	(1.25) [C&F +0.70, foreign exchange (3.35), meal sales +1.40]
Other products & manufacturing costs	(2.90) [olive oil +1.75, yield rate, energy costs, etc. (2.45), other (2.20)]

Breakdown of unit sales price factors

Commercial-use and food processing	+10.35
Household-use	+3.10

Breakdown of sales volume factors

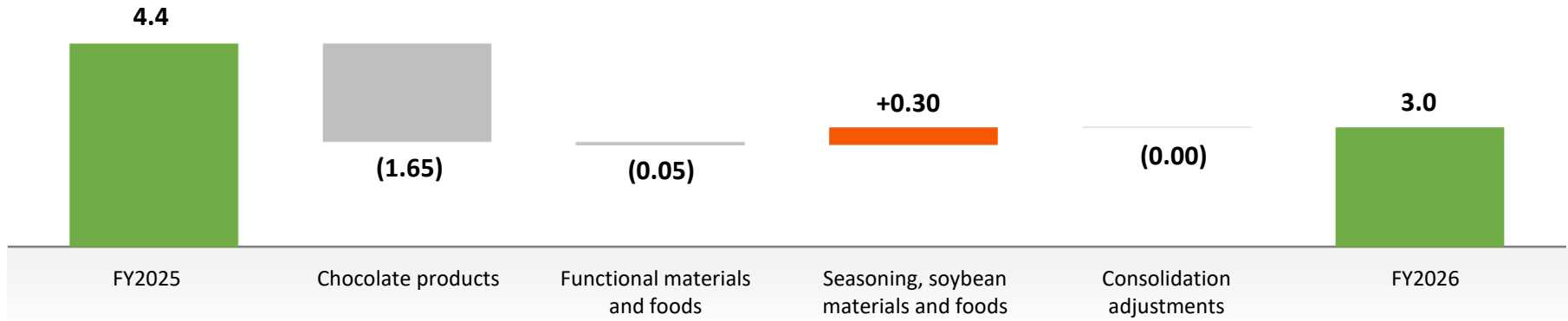
Commercial-use and food processing	+0.45
Household-use	+0.35

Changes in Operating Profit by Business Segment for FY2026

(Billion yen)

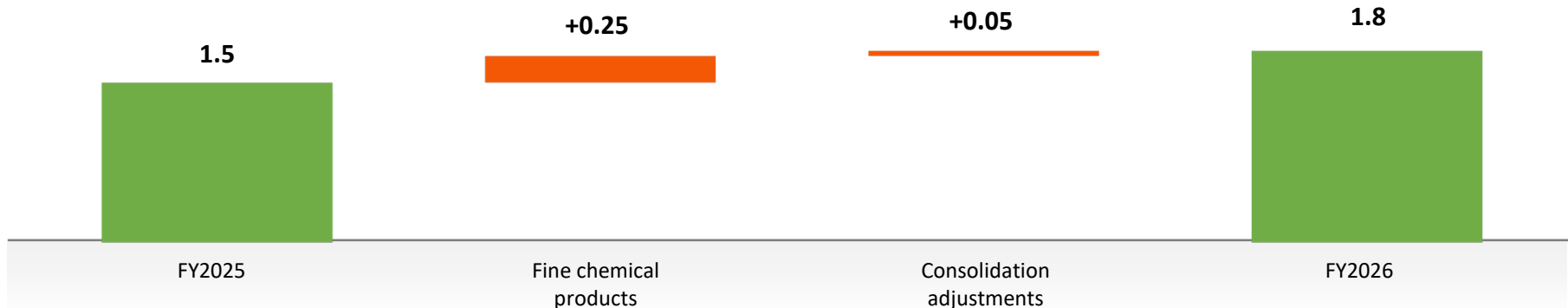
Processed Food & Materials

- Operating profit is expected to decrease YoY due to higher costs for chocolate products, and the drop in cocoa bean market prices lowering unit sales prices of chocolate products.



Fine Chemical

- Operating profit is expected to increase YoY due to higher sales volume of cosmetic ingredients in Japan and overseas.



Groupwide and Segment ROIC for FY2026

Groupwide		FY2026 forecast	FY2025 results	YoY change
(Billion yen)				
ROIC		4.2%	4.5%	(0.3) pts
Net sales		590.0	554.2	+35.7
Operating profit		19.0	17.0	+1.9
Profit attributable to owners of parent		12.0	23.9	(11.9)
Invested capital*		332.2	303.2	+29.0
Business segment		FY2026 forecast	FY2025 results	YoY change
Global Oil & Fat and Processed Oil & Fat	ROIC	6.8%	6.1%	+0.7 pts
	Operating profit	6.9	4.7	+2.1
	Invested capital*	78.0	60.4	+17.6
Oil, Fat & Meal and Processed Food & Materials	ROIC	3.5%	4.3%	(0.8) pts
	Operating profit	10.6	11.1	(0.5)
	Invested capital*	233.8	216.2	+17.6
Fine Chemical	ROIC	11.0%	10.0%	+1.1 pts
	Operating profit	1.8	1.5	+0.2
	Invested capital*	12.1	11.3	+0.8

* Invested capital is the average of the beginning and ending balances.

Value UpX

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Progress of *Value UpX* and Key Measures for FY2026

While we steadily delivered results in our growth-driving segments, we identified challenges related to profitability and efficiency in the domestic oil, fat & meal business.

Opportunities

Increased demand for cocoa substitutes

- Continued shift from cocoa butter to confectionery fats amid higher cocoa bean prices

Increased demand for oils & fats in the cosmetics market

- Growth in the global makeup and skincare markets and increased demand for vegetable oils & fats-derived (clean beauty) products

Threats

Chain reaction of rapidly increased costs

- Unpredictable changes in raw material supply-demand conditions and procurement costs caused by global population growth, energy policy shifts, and other factors
- Higher costs across the supply chain
- Continuation of heightened consumer awareness of protecting their current standard of living and sluggish consumption in Japan

Achievements

Expanded earnings base in the growth-driving segments

- Appropriate price pass-through for chocolate and confectionery fats gained further market acceptance based on their value propositions.
- In the Fine Chemical business, we successfully captured the global demand for cosmetic ingredients and accelerated new customer acquisition. In Japan, newly adopted high-value-added products contributed to solid sales growth.

Challenges

- Primarily in the domestic oil, fat & meal business, earnings declined as price pass-through lagged behind rising costs for raw materials and logistics, and higher oil values.

Profitability

- Short term: Restore profits by completing price revisions
- Medium term: Pursue profitability even amid an uncertain business environment

Efficiency

- Working capital increased due to fluctuations in supply-demand forecasts, and lower profitability reduced capital efficiency.

- Optimize invested capital in the entire balance sheet

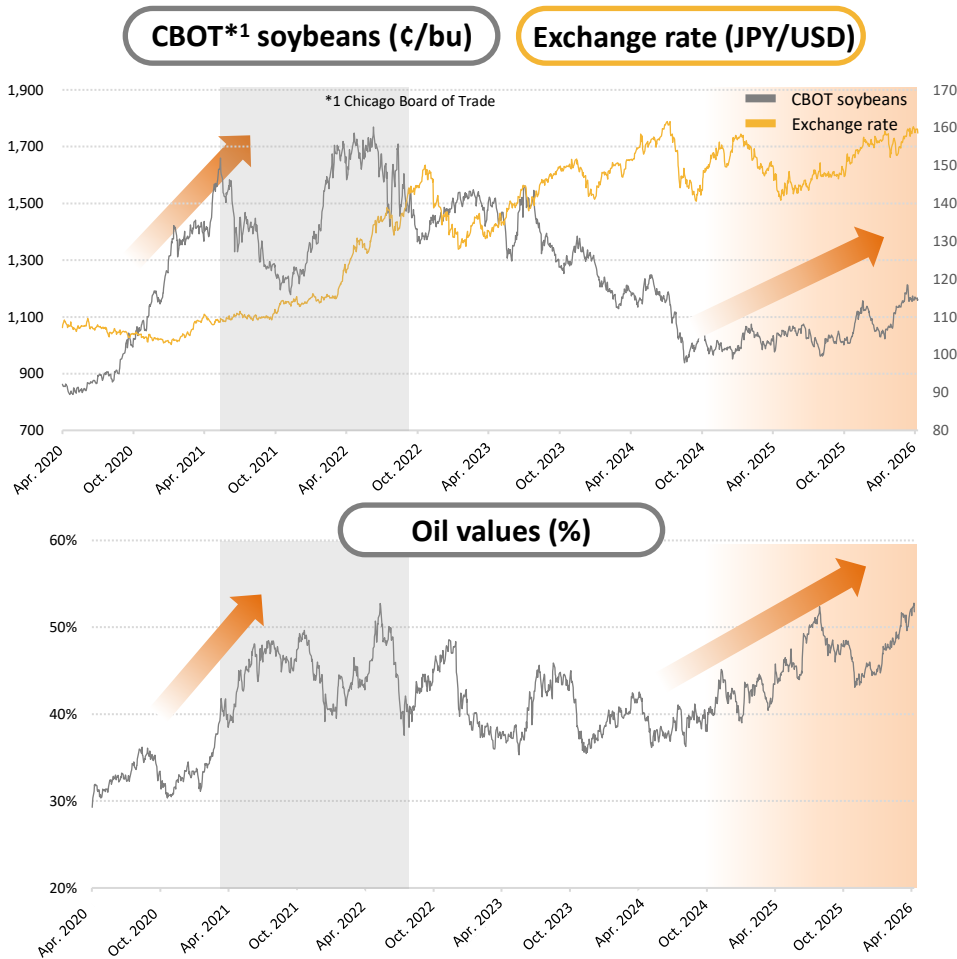
Positioning of FY2026

FY2026 will be the year of restarting efforts to achieve the targets of *Value UpX*.

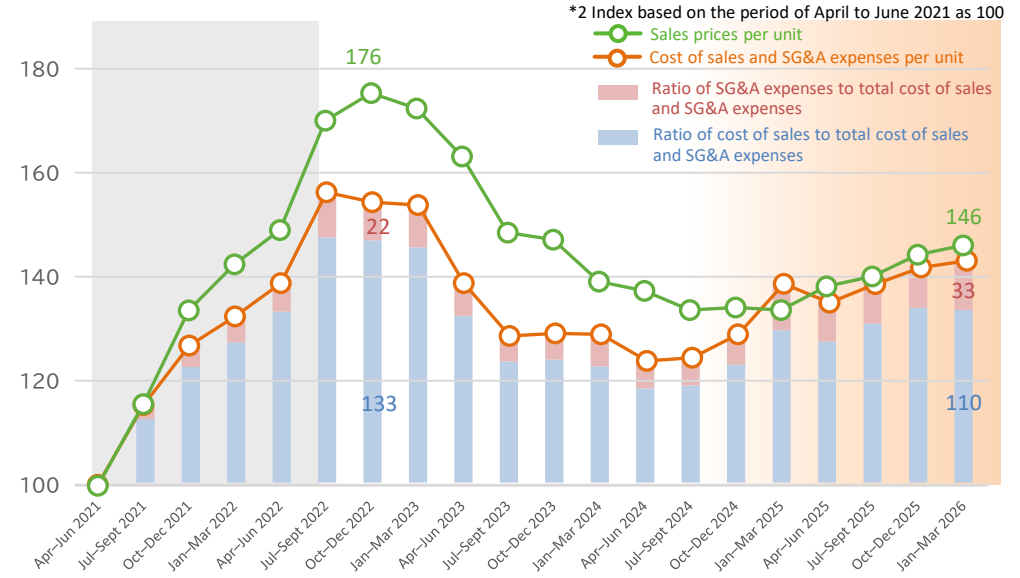
We will transform and advance businesses with a focus on return on invested capital (ROIC).

Efforts to Revise Oil & Fat Prices and Changes in the Underlying Environment

Price revisions in response to higher raw material prices from April 2021 through July 2022 were fully reflected in sales prices. However, price revisions in response to the complex changes in the cost environment since October 2024 have lagged behind actual market conditions. If tensions in the Middle East persist over the long term, there is a risk of further increases in oil values and disruptions to materials procurement.



Trends in sales price and cost per unit in our household-use (general-purpose) oils*2



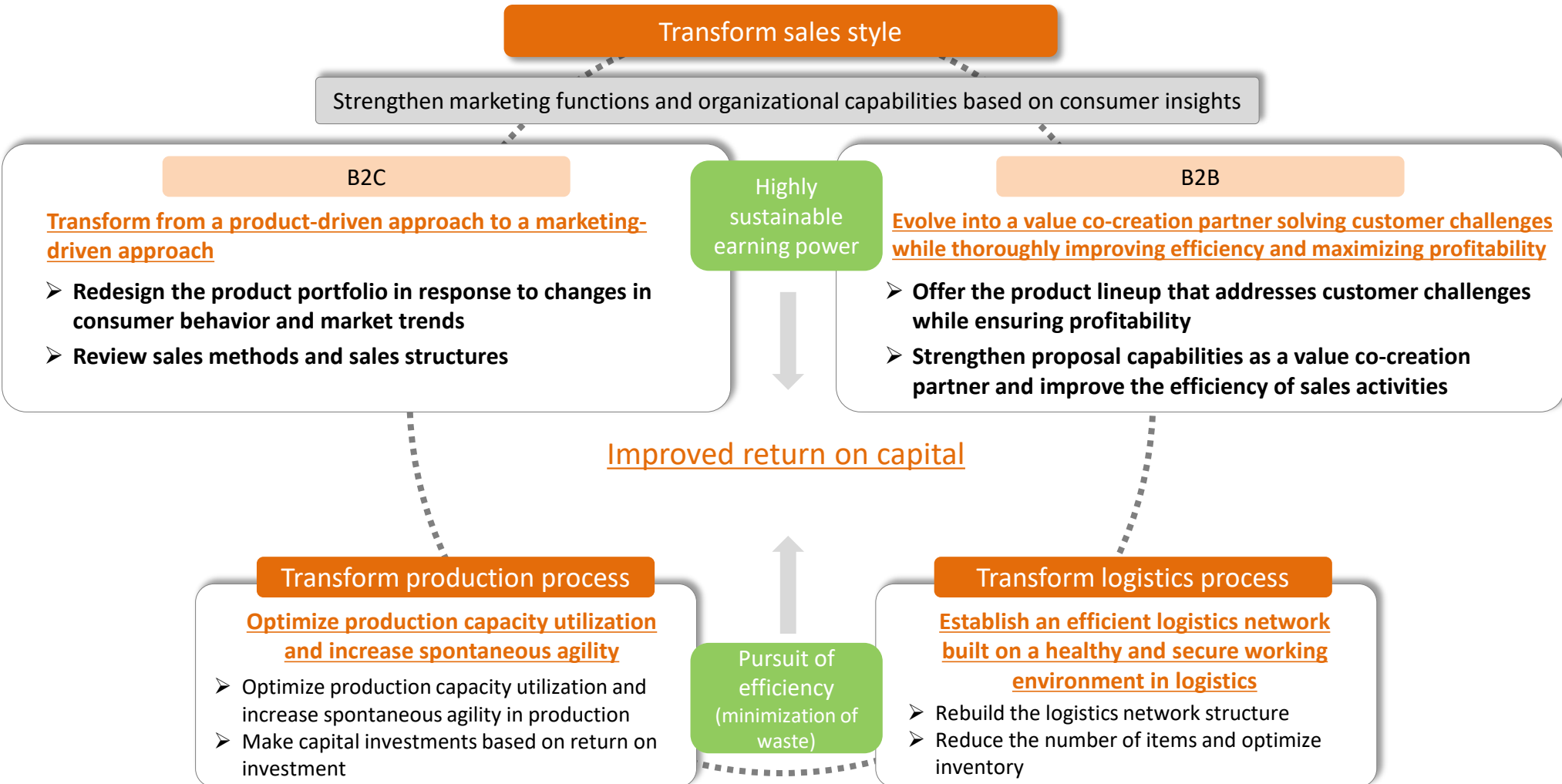
	Price revisions	Price revisions
Factors	<ul style="list-style-type: none"> Higher raw material prices Yen depreciation against the U.S. dollar 	<ul style="list-style-type: none"> Lower sales prices due to stabilized raw material prices Higher logistics and personnel costs Yen depreciation against the U.S. dollar Persistently high oil values
Results	We ensured revised prices prevailed in the market	We faced delays in having revised prices prevail in the market

Short term We will carefully explain the necessity of price revisions and complete them to respond to structural changes in the cost environment and to ensure stable supply.

As uncertainty in the business environment becomes the norm, we need a fundamental transformation of our business structure.

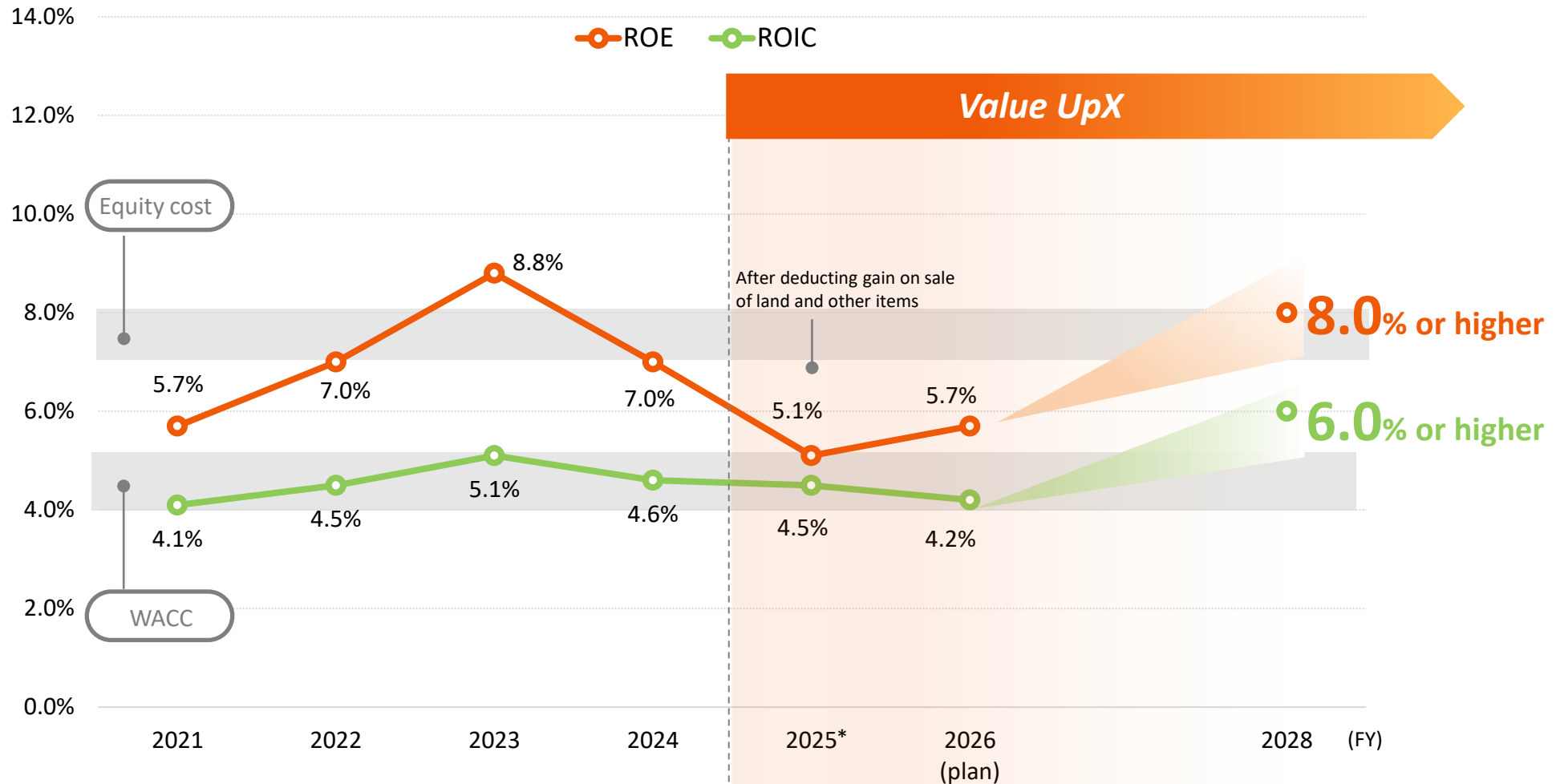
Medium term

We will transition to a **business structure focused on return on capital** by transforming production and logistics processes, starting with our sales style.



Current Status and Targets for ROE and ROIC

We have set performance targets under *Value UpX* of achieving ROE of 8.0% or higher and ROIC of 6.0% or higher. Amid volatile capital markets, we are placing even greater emphasis on the cost of capital and will strive to improve capital efficiency to consistently generate spreads above the rising cost of capital.



* The FY2025 ROE figure was 12.1%; however, to exclude extraordinary factors, the figure shown above is after deducting gain on sale of land and other items.

Key Measures for FY2026 Toward Steadily Improving ROIC

As invested capital increases in line with expanding global growth investments, we aim to achieve ROIC of 4.2% or higher in FY2026 through higher operating profit and more efficient use of invested capital.

Improving return on capital

Higher operating profit

Global Oil & Fat and Processed Oil & Fat

- Increase sales of confectionery fats by strengthening the global supply chain

Oil, Fat & Meal and Processed Food & Materials

- Complete price revisions
- Restore the profitability of olive oil products

Fine Chemical

- Increase global market share in cosmetic ingredients

More efficient use of
invested capital

Improve cash conversion cycle (CCC)

- Reduce the number of items and optimize inventory

Control investments based on return on investment

Manage invested capital through financial strategies

- Improve global cash efficiency

ROIC

FY2026 target:
4.2% or higher

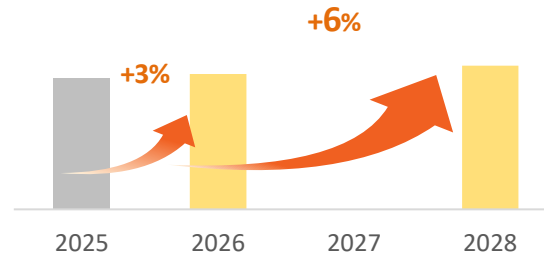
Sales volume of confectionery fats progressed steadily in line with plan. We will continue to work on sustainable growth of our core product category, cocoa butter equivalents (CBEs), beyond FY2026 through accurate identification of customer needs and strengthening of supply capabilities.

Business environment changes requiring close attention

- Lower profitability of exports due to appreciation of the Malaysian ringgit against the U.S. dollar
- Pressure on profitability due to higher costs for raw materials and logistics, and energy prices including natural gas
- Reduced price competitiveness of confectionery fats due to lower cocoa bean market prices

Global market forecast for confectionery fats*

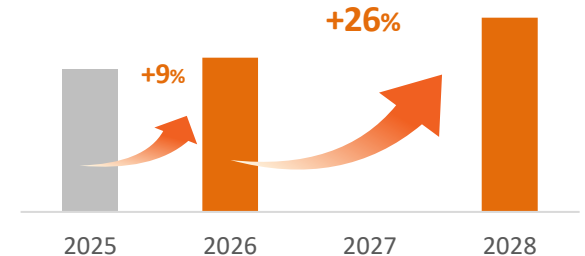
Volume basis



* Based on our estimates

Our confectionery fats as a whole

Actual and target sales volumes



Initiatives to increase sales of CBEs

Accurate identification of customer needs

—Markets—

Japan
(Included in Oil, Fat & Meal)

U.S.

China

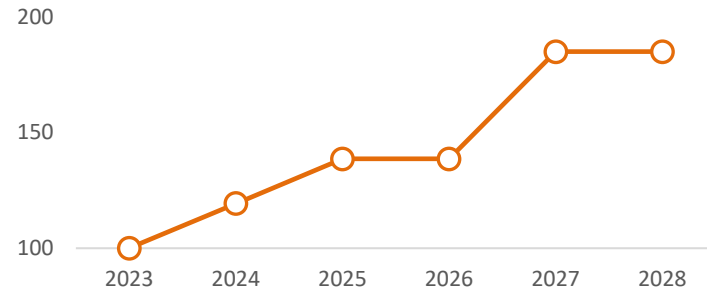
Europe

- Continue increasing new orders following the elimination of production capacity bottlenecks
- Progress initiatives to build a large-scale distribution system capable of meeting the needs of large customers
- Propose well-received products to new customers to further increase sales volumes
- Strengthen the supply chain to ensure comprehensive support for key customers

Strengthening of supply capabilities

Capital investments to increase production volume

(Index based on FY2023 production volume as 100)



Oil, Fat & Meal

Price revisions lagged behind changes in the market environment and consumer behavior that exceeded our assumptions, resulting in revisions to our profit plan. In FY2026, we will implement sales strategies that directly address these challenges to steadily restore profit levels and improve return on capital.

	Factors behind the FY2025 plan shortfall	Key measures for FY2026	Gross profit increase plan (vs. prior-year results)
Cooking oil products for household use	<ul style="list-style-type: none"> • Price revisions lagged behind changes in market and cost conditions • Sales volumes declined amid inflation-driven consumer belt-tightening 	<ul style="list-style-type: none"> • Restore profit levels by completing price revisions • Increase the sales mix of premium products such as rice bran oils and health-oriented oils • Rationalize and consolidate low-profit products 	+¥0.8 billion
Olive oil products for household use	<ul style="list-style-type: none"> • Sales of inventory produced using old-crop raw materials purchased amid surging raw material prices 	<ul style="list-style-type: none"> • Increase sales volumes by effectively leveraging the strengths of the three brands centered on BOSCO • Stabilize procurement 	+¥2.0 billion
Products for commercial use	<ul style="list-style-type: none"> • Price revisions lagged behind changes in market and cost conditions 	<ul style="list-style-type: none"> • Restore profit levels by completing price revisions • Develop new users by addressing increasingly complex customer needs to secure stable sales volumes • Put more effort into proposing highly profitable, marketing-based functional products (e.g., cooked-rice-solution oil) 	+¥1.2 billion

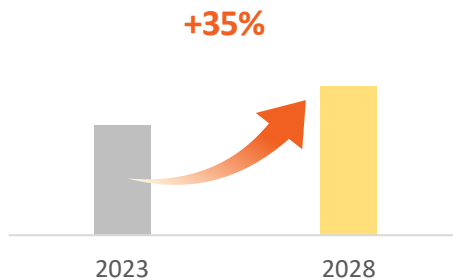
Sales volume of cosmetic ingredients progressed generally in line with plan. We will continue region-specific strategies in FY2026 to increase our global market share.

Business environment changes requiring close attention

- Increasing instability in supply networks for raw materials and packaging/materials
- Lower orders and production cutbacks resulting from delays by customers (cosmetics manufacturers) in procuring raw materials and packaging/materials
- Overreliance on specific raw material suppliers
- Opportunity losses caused by imbalances between growing demand and product supply speed

Global cosmetics market forecast

Value basis



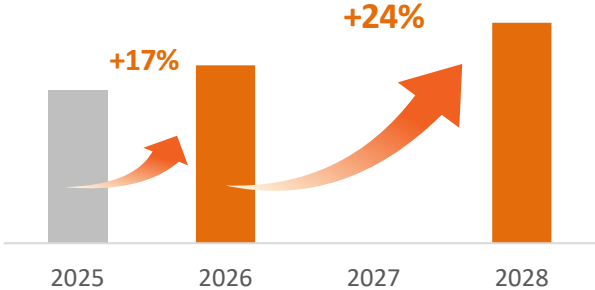
Key measures for FY2026

- Markets—
- Japan
 - Southeast Asia
 - Europe and U.S.

- Continue to steadily capture demand from major cosmetics manufacturers for product relaunches and new products, as in FY2025
- Further strengthen proposal-based sales activities aimed at new adoption by growing indie cosmetics brands
- Ensure halal compliance to capture demand in the rapidly growing Indonesian market and increase sales
- Acquire orders from new customers through digital marketing

Our cosmetic ingredients

Actual and target net sales



Source: Euromonitor International, *World Market for Beauty and Personal Care*, June 2024

The uncertain outlook surrounding the Middle East situation could affect our business in various ways, including costs and procurement. We will continue to closely monitor developments and respond in a timely and flexible manner.

■ Potential impacts

Area	Potential impacts
Costs	Increases in costs resulting from soaring energy, packaging/materials, and logistics costs
	Increasing demand for biofuels as an alternative to petroleum due to soaring crude oil prices (higher oil values)
	Direct increases in prices of certain ingredients used for products in the Fine Chemical business
Procurement	Production adjustments (reduced output) resulting from heightened procurement risks for materials
	Difficulties in stably procuring manufacturing agents used in manufacturing processes
Market trends	Growing concerns over economic slowdown and heightened consumer awareness of protecting their current standard of living
	Increased uncertainty due to disruptions in financial markets, including foreign exchange markets

■ Status of reflection in the FY2026 plan

- ✓ We estimate the impact of increased energy and packaging/materials costs in the first half at approximately ¥2.0–3.0 billion. Higher oil & fat costs and other related impacts have been incorporated into the first-half plan.
- ✓ Price revisions effective from June 2026 have been incorporated into the first-half plan on the assumption that they will prevail in the market within a certain period.
- ✓ Given the high degree of uncertainty at present, the impact of the Middle East situation and related factors has not been incorporated into the second-half plan. We intend to review the assumptions as appropriate.

Reference: Factors Affecting Edible Oil & Fat Product Prices

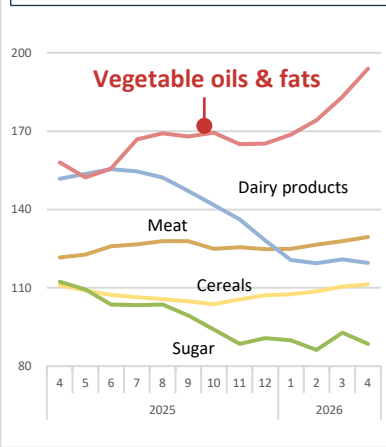
Edible oil & fat product prices are determined by the cost of oils & fats themselves and other costs, both of which have risen significantly in recent years. In addition, deterioration in the Middle East situation is accelerating cost increases and further heightening uncertainty regarding future costs.

I. Structural factors

1. Factors behind rising oil & fat prices

(cost of oils & fats themselves)

World food price index by FAO



Changes in yields of oilseed crops

Reduced room for production expansion
Impact of abnormal weather and other factors

+

Increasing demand for oils & fats as

biofuels (1)

(policy-driven countries: North America, Brazil, Indonesia, Malaysia, etc.)

Increasing demand for oils & fats

driven by **global population growth**

Risk factors
(declining supply)

Ongoing factors
(increasing demand)

×

2. Other factors driving cost increases

Foreign exchange impact
(continued yen depreciation)

Manufacturing costs (e.g., utility costs) (2)

Packaging/materials costs (3)

Logistics costs (e.g., responses to the 2024 problem*) (4)

Severe labor shortages and rising labor costs

Greater impact

Source: Food and Agriculture Organization of the United Nations (FAO), *World Food Price Index*, May 8

Note: Vegetable oil price index surged to 193.9 in April 2026, based on the 2014–2016 average as 100.

* The 2024 problem refers to labor shortages and rising logistics costs in Japan caused by overtime work regulations for truck drivers introduced in 2024.

II. Impact of the Middle East situation

The Middle East situation is accelerating cost inflation and increasing uncertainty regarding future costs

Surge in crude oil (petroleum) prices

⇒ Impact: Higher demand for (1) as a petroleum substitute, resulting in price increases; rise in (2) and (4)

(WTI crude oil: \$50–60/bbl at the beginning of 2026 to around \$100/bbl in mid-May)

Surge in naphtha prices and decline in import volumes

⇒ Impact: Rise in (3) and procurement difficulties
(Domestic naphtha prices: ¥65,700/kl in January–March 2026 to forecast at ¥110,000–120,000/kl in April–June)



"The Natural Power of Plants"