



May 11, 2022

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Partial Revision of Performance Targets of Medium-Term Management Plan “Value Up+”

The Nisshin Oillio Group, Ltd. revised some of the performance targets set in the medium-term management plan “Value Up+,” which covers the four years from fiscal 2021 to fiscal 2024. Details of the revisions are described below.

1. Reasons for the Revisions

In light of significant changes in the Group’s business environment and the financial results for fiscal 2021 (ended March 31, 2022), the first year of “Value Up+,” The Nisshin Oillio Group revised some of the performance targets set for fiscal 2024.

Due to structural supply and demand factors, historic price increases for the raw materials of edible oils have been ongoing since last year. As a result, the Group’s net sales have increased significantly by revising sales prices to correspond to the substantial rise in raw material prices. Meanwhile, there is no change in our policy in expanding sales through value creation, which is our goal for the four-year period of “Value Up+”.

Based on the above, we have decided on an upward revision of our net sales target. In terms of operating profit, although the cost environment remains severe, we aim to achieve our initial target through further price revisions and new value creation.

In addition, under “Value Up+,” the Group set improving capital efficiency as a major target, added ROIC as a new performance indicator, and is conducting management with an even greater awareness of capital costs than in the past.

Operating cash flow has been revised downward due to an increase in working capital resulting from a sharp rise in raw material costs.

2. Revised Performance Targets (Consolidated)

(Billion yen)

	FY2021 (Results)	FY2022 (Planned)	FY2024 (After Revision)	FY2024 (Before Revision)
Net sales	432.8	500.0	540.0	400.0
Operating profit	11.7	13.0	17.0	17.0
ROE	5.7%	6.0%	8.0%	8%
Operating cash flow (cumulative total)*	—	—	50.0	70.0
ROIC	3.6%	3.6%	4.6%	—

*Operating cash flow for FY2024 is the cumulative total of the four years of the medium-term management plan “Value Up+” (from FY2021 to FY2024).