

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

July 31, 2019

Company name: Nissin Sugar Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 2117 URL <https://www.nissin-sugar.co.jp/>
 Representative: President and Representative Director Yutaka Morita
 Inquiries: General Manager, Finance Department Kenji Oba TEL 03 - 3668 - 1293
 Scheduled date to file Quarterly Securities Report: August 9, 2019
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2019	12,617	(1.6)	911	(14.3)	964	(12.3)	637	(12.8)
Three months ended June 30, 2018	12,828	1.8	1,063	77.7	1,099	21.6	730	12.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2019	28.87		–	
Three months ended June 30, 2018	33.09		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2019	61,092	50,966	83.4
As of March 31, 2019	62,235	51,188	82.2

Notes: In the first quarter, ended June 30, 2019, the Company finalized a provisional accounting treatment related to business combinations. The figures for the fiscal year ended March 31, 2019 reflect the finalization of the provisional accounting treatment.

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2019	–	36.00	–	34.00	70.00
Year ending March 31, 2020	–	–	–	–	–
Year ending March 31, 2020 (Forecast)	–	35.00	–	35.00	70.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2019	–	–	–	–	–	–	–	–	–
Full year	48,000	–	3,200	–	3,500	–	2,500	–	113.23

Notes: As the Company plans to adopt International Financial Reporting Standards (IFRS) from the filing of the annual report for the year ending March 31, 2020, the forecast of the financial earnings is prepared based on IFRS and thus changes from the same month of the previous year are not shown.

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2019	22,673,883 shares	As of March 31, 2019	22,673,883 shares
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Number of treasury shares at the end of the period

As of June 30, 2019	594,974 shares	As of March 31, 2019	594,935 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2019	22,078,928 shares	Three months ended June 30, 2018	22,079,556 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash on hand and in banks	10,900	9,514
Notes and accounts receivable - trade	4,955	5,176
Marketable securities	3,600	3,600
Merchandise and finished goods	3,353	3,552
Work in progress	496	579
Raw materials and supplies	2,196	2,105
Other	302	248
Allowance for doubtful accounts	(1)	(2)
Total current assets	25,803	24,775
Non-current assets		
Property, plant and equipment		
Land	8,606	8,606
Other, net	7,085	7,165
Total property, plant and equipment	15,692	15,772
Intangible assets		
Goodwill	1,815	1,731
Other	217	212
Total intangible assets	2,032	1,943
Investments and other assets		
Investment securities	16,493	16,349
Net defined benefit assets	451	487
Other	1,842	1,844
Allowance for doubtful accounts	(80)	(80)
Total investments and other assets	18,707	18,601
Total non-current assets	36,432	36,317
Total assets	62,235	61,092

(Millions of yen)

As of March 31, 2019

As of June 30, 2019

Liabilities

Current liabilities

Notes and accounts payable - trade	3,676	3,180
Short-term loans payable	1,300	1,300
Income taxes payable	844	334
Provision	353	182
Other	2,008	2,407
Total current liabilities	8,182	7,404

Non-current liabilities

Provision	198	108
Liability for retirement benefits	137	141
Other	2,529	2,472
Total non-current liabilities	2,865	2,722

Total liabilities

11,047 10,126

Net assets

Shareholders' equity

Capital stock	7,000	7,000
Capital surplus	11,821	11,821
Retained earnings	29,486	29,373
Treasury shares	(299)	(300)
Total shareholders' equity	48,008	47,895

Accumulated other comprehensive income

Valuation difference on available-for-sale securities	896	798
Deferred gains or losses on hedges	2	1
Revaluation reserve for land	2,191	2,191
Remeasurements of defined benefit plans	89	79
Total accumulated other comprehensive income	3,179	3,070

Total net assets

51,188 50,966

Total liabilities and net assets

62,235 61,092

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	(Millions of yen)	
	Three months ended June 30, 2018	Three months ended June 30, 2019
Net sales	12,828	12,617
Cost of sales	9,893	9,714
Gross profit	2,935	2,902
Selling, general and administrative expenses	1,871	1,991
Operating profit	1,063	911
Non-operating income		
Interest income	0	0
Dividend income	40	9
Share of profit of entities accounted for using equity method	1	50
Other	5	4
Total non-operating income	47	65
Non-operating expenses		
Interest expenses	8	7
Commission fee	2	2
Other	0	2
Total non-operating expenses	11	12
Ordinary profit	1,099	964
Extraordinary income		
Gain on sales of non-current assets	–	0
Total extraordinary income	–	0
Extraordinary losses		
Loss on disposal of non-current assets	18	1
Total extraordinary losses	18	1
Profit before income taxes	1,081	962
Income taxes	351	325
Profit	730	637
Profit attributable to owners of parent	730	637

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit	730	637
Other comprehensive income		
Valuation difference on available-for-sale securities	(15)	(97)
Deferred gains or losses on hedges	6	(0)
Remeasurements of defined benefit plans, net of tax	(3)	(10)
Share of other comprehensive income of entities accounted for using equity method	4	—
Total other comprehensive income	(7)	(108)
Comprehensive income	722	528
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	722	528
Comprehensive income attributable to non-controlling interests	—	—