

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2020 (Based on IFRS)

May 21, 2020

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 of ordinary general meeting of shareholders: June 25, 2020  
 Scheduled date to file Securities Report: June 25, 2020  
 Scheduled date to commence dividend payments: June 26, 2020  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

#### (1) Consolidated operating results

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2020	47,809	(0.0)	2,858	(14.8)	3,168	(11.6)	2,173	(16.1)	2,173	(15.1)	1,395	(45.3)
Year ended March 31, 2019	47,829	-	3,356	-	3,585	-	2,589	-	2,561	-	2,550	-

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
Year ended March 31, 2020	98.43	-	4.5	5.1	6.0
Year ended March 31, 2019	116.01	-	5.4	5.8	7.0

#### (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	60,798	48,039	48,039	79.0	2,175.84
As of March 31, 2019	64,267	48,181	48,181	75.0	2,182.25

#### (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 the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2020	3,972	(2,185)	(2,505)	8,085
Year ended March 31, 2019	4,814	(3,607)	(2,386)	8,803

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2019	-	36.00	-	34.00	70.00	1,545	60.3	3.2
Year ended March 31, 2020	-	35.00	-	31.00	66.00	1,457	67.0	3.0
Year ending March 31, 2021 (Forecast)	-	33.00	-	32.00	65.00		119.6	

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2020	21,000	—	700	—	800	—	400	—	400	—	18.12
Full year	44,000	(8.0)	1,900	(33.5)	2,100	(33.7)	1,200	(44.8)	1,200	(44.8)	54.35

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2020  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies and changes in accounting estimates  
Changes in accounting policies required by IFRS: No  
Changes in accounting policies due to other reasons: No  
Changes in accounting estimates: No

(3) Number of issued shares (ordinary shares)

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

As of March 31, 2020	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 year

As of March 31, 2020	595,194 shares	As of March 31, 2019	594,935 shares
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Average number of shares during the year

Year ended March 31, 2020	22,078,828 shares	Year ended March 31, 2019	22,079,275 shares
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**Consolidated financial statements**  
**Consolidated statement of financial position**

(Millions of yen)

	IFRS Transition Date As of April 1, 2018	As of March 31, 2019	As of March 31, 2020
<b>Assets</b>			
Current assets			
Cash and cash equivalents	9,982	8,803	8,085
Trade and other receivables	5,323	5,459	4,309
Other financial assets	4,062	6,062	6,067
Inventories	5,406	6,036	5,898
Other current assets	191	234	259
Total current assets	24,966	26,597	24,620
Non-current assets			
Property, plant and equipment	11,533	11,854	11,985
Right-of-use assets	2,848	4,338	3,150
Goodwill	1,338	2,065	2,515
Intangible assets	133	212	255
Investments accounted for using equity method	11,842	11,341	11,545
Other financial assets	6,380	6,755	5,840
Retirement benefit asset	565	536	242
Deferred tax assets	397	372	467
Trade and other receivables	18	13	2
Other non-current assets	158	179	172
Total non-current assets	35,218	37,670	36,177
Total assets	60,184	64,267	60,798

(Millions of yen)

	IFRS Transition Date As of April 1, 2018	As of March 31, 2019	As of March 31, 2020
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Borrowings	1,300	1,300	1,300
Trade and other payables	3,413	4,598	3,151
Lease liabilities	599	945	955
Other financial liabilities	46	62	35
Income taxes payable	217	850	616
Other current liabilities	1,961	2,120	1,992
<b>Total current liabilities</b>	<b>7,538</b>	<b>9,877</b>	<b>8,051</b>
<b>Non-current liabilities</b>			
Trade and other payables	32	0	0
Lease liabilities	3,647	4,559	3,612
Other financial liabilities	146	144	139
Retirement benefit liability	305	349	296
Provisions	163	380	399
Deferred tax liabilities	847	737	222
Other non-current liabilities	36	36	36
<b>Total non-current liabilities</b>	<b>5,180</b>	<b>6,207</b>	<b>4,707</b>
<b>Total liabilities</b>	<b>12,718</b>	<b>16,085</b>	<b>12,758</b>
<b>Equity</b>			
Capital stock	7,000	7,000	7,000
Capital surplus	11,767	11,596	11,596
Treasury shares	(298)	(299)	(300)
Other components of equity	1,088	967	361
Retained earnings	27,908	28,917	29,382
<b>Total equity attributable to owners of parent</b>	<b>47,465</b>	<b>48,181</b>	<b>48,039</b>
Non-controlling interests	–	–	–
<b>Total equity</b>	<b>47,465</b>	<b>48,181</b>	<b>48,039</b>
<b>Total liabilities and equity</b>	<b>60,184</b>	<b>64,267</b>	<b>60,798</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Revenue	47,829	47,809
Cost of sales	38,412	37,725
Gross profit	9,416	10,083
Selling, general and administrative expenses	6,113	6,444
Other operating income	117	329
Other operating expenses	65	1,110
Operating profit	3,356	2,858
Finance income	126	167
Finance costs	91	86
Share of profit of investments accounted for using equity method	193	228
Profit before tax	3,585	3,168
Income tax expense	995	995
Profit	2,589	2,173
Profit attributable to		
Owners of parent	2,561	2,173
Non-controlling interests	28	–
Profit	2,589	2,173
Earnings per share		
Basic earnings per share	116.01	98.43

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Profit	2,589	2,173
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(102)	(620)
Remeasurements of defined benefit plans	2	(173)
Share of other comprehensive income of investments accounted for using equity method	(6)	(0)
Total of items that will not be reclassified to profit or loss	(105)	(794)
Items that may be reclassified to profit or loss		
Cash flow hedges	66	16
Total of items that may be reclassified to profit or loss	66	16
Other comprehensive income	(39)	(777)
Comprehensive income	2,550	1,395
Comprehensive income attributable to		
Owners of parent	2,522	1,395
Non-controlling interests	28	–
Comprehensive income	2,550	1,395

## Consolidated statements of changes in equity

	Equity attributable to owners of parent				
	Capital stock	Capital surplus	Treasury shares	Other components of equity	
				Cash flow hedges	Financial assets measured at fair value through other comprehensive income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2018	7,000	11,767	(298)	1	1,087
Profit	–	–	–	–	–
Other comprehensive income	–	–	–	66	(108)
Total comprehensive income	–	–	–	66	(108)
Purchase of treasury shares	–	–	(1)	–	–
Dividends	–	–	–	–	–
Changes in ownership interest in subsidiaries	–	(171)	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	–	(13)
Transfer to non-financial assets	–	–	–	(66)	–
Total transactions with owners	–	(171)	(1)	(66)	(13)
Balance as of March 31, 2019	7,000	11,596	(299)	2	965
Profit	–	–	–	–	–
Other comprehensive income	–	–	–	16	(620)
Total comprehensive income	–	–	–	16	(620)
Purchase of treasury shares	–	–	(0)	–	–
Dividends	–	–	–	–	–
Changes in ownership interest in subsidiaries	–	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	–	11
Transfer to non-financial assets	–	–	–	(13)	–
Total transactions with owners	–	–	(0)	(13)	11
Balance as of March 31, 2020	7,000	11,596	(300)	5	356

	Equity attributable to owners of parent					
	Other components of equity		Retained earnings	Total	Non-controlling interests	Total
	Remeasurements of defined benefit plans	Total				
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2018	–	1,088	27,908	47,465	–	47,465
Profit	–	–	2,561	2,561	28	2,589
Other comprehensive income	2	(39)	–	(39)	–	(39)
Total comprehensive income	2	(39)	2,561	2,522	28	2,550
Purchase of treasury shares	–	–	–	(1)	–	(1)
Dividends	–	–	(1,567)	(1,567)	–	(1,567)
Changes in ownership interest in subsidiaries	–	–	–	(171)	(28)	(199)
Transfer from other components of equity to retained earnings	(2)	(16)	16	–	–	–
Transfer to non-financial assets	–	(66)	–	(66)	–	(66)
Total transactions with owners	(2)	(82)	(1,551)	(1,806)	(28)	(1,834)
Balance as of March 31, 2019	–	967	28,917	48,181	–	48,181
Profit	–	–	2,173	2,173	–	2,173
Other comprehensive income	(173)	(777)	–	(777)	–	(777)
Total comprehensive income	(173)	(777)	2,173	1,395	–	1,395
Purchase of treasury shares	–	–	–	(0)	–	(0)
Dividends	–	–	(1,523)	(1,523)	–	(1,523)
Changes in ownership interest in subsidiaries	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	173	185	(185)	–	–	–
Transfer to non-financial assets	–	(13)	–	(13)	–	(13)
Total transactions with owners	173	171	(1,708)	(1,537)	–	(1,537)
Balance as of March 31, 2020	–	361	29,382	48,039	–	48,039



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Cash flows from operating activities		
Profit before tax	3,585	3,168
Depreciation and amortization	1,341	1,788
Impairment losses	–	1,047
Finance income	(126)	(167)
Finance expenses	91	86
Share of profit of investments accounted for using equity method	(193)	(228)
(Increase) decrease in inventories	(627)	138
(Increase) decrease in trade and other receivables	(99)	1,248
Increase (decrease) in trade and other payables	1,142	(1,454)
Decrease in net defined benefit assets	35	45
(Decrease) increase in liability for retirement benefits, net	(7)	20
Other, net	47	(518)
Subtotal	5,189	5,175
Interest and dividend income received	132	171
Interest expenses paid	(84)	(83)
Income taxes paid	(423)	(1,291)
Net cash provided by operating activities	4,814	3,972
Cash flows from investing activities		
Increase in short-term investment securities, net	(2,000)	–
Purchase of property, plant and equipment, and intangible assets	(976)	(1,506)
Payments for disposal of property, plant and equipment	(30)	(23)
Purchase of investment securities	(114)	(14)
Proceeds from sale and redemption of investment securities	6	50
Purchase of shares of subsidiaries	(977)	–
Proceeds from sale of investments accounted for using equity method	500	–
Payments for business acquisition	–	(691)
Other, net	(14)	(1)
Net cash used in investing activities	(3,607)	(2,185)
Cash flows from financing activities		
Repayments of lease liabilities	(621)	(978)
Cash dividends paid	(1,564)	(1,526)
Purchase of shares of subsidiaries from non-controlling interests	(199)	–
Other, net	(1)	(0)
Net cash used in financing activities	(2,386)	(2,505)
Net decrease in cash and cash equivalents	(1,179)	(718)
Cash and cash equivalents at the beginning of the year	9,982	8,803
Cash and cash equivalents at the end of the year	8,803	8,085