

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on IFRS)

February 8, 2021

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: February 12, 2021
 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 nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

(1) Consolidated operating results (cumulative)

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 | % |
| Nine months ended December 31, 2020 | 33,230 | (10.7) | 2,054 | (39.9) | 2,212 | (38.8) | 985 | (61.1) | 985 | (61.1) | 1,012 | (55.1) |
| Nine months ended December 31, 2019 | 37,213 | – | 3,421 | – | 3,614 | – | 2,536 | – | 2,536 | – | 2,253 | – |

| | Basic earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------------|----------------------------|
| | Yen | Yen |
| Nine months ended December 31, 2020 | 44.63 | – |
| Nine months ended December 31, 2019 | 114.89 | – |

(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 |
|-------------------------|-----------------|-----------------|---|--|
| | Millions of yen | Millions of yen | Millions of yen | % |
| As of December 31, 2020 | 59,954 | 47,631 | 47,631 | 79.4 |
| As of March 31, 2020 | 60,798 | 48,039 | 48,039 | 79.0 |

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, 2020 | – | 35.00 | – | 31.00 | 66.00 |
| Year ending March 31, 2021 | – | 33.00 | – | – | – |
| Year ending March 31, 2021 (Forecast) | – | – | – | 32.00 | 65.00 |

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 |
| Full year | 44,000 | (8.0) | 1,900 | (33.5) | 2,100 | (33.7) | 1,000 | (54.0) | 1,000 | (54.0) | 45.29 |

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 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 period (including treasury shares)

| | | | |
|-------------------------|-------------------|----------------------|-------------------|
| As of December 31, 2020 | 22,673,883 shares | As of March 31, 2020 | 22,673,883 shares |
|-------------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|-------------------------|----------------|----------------------|----------------|
| As of December 31, 2020 | 586,724 shares | As of March 31, 2020 | 595,194 shares |
|-------------------------|----------------|----------------------|----------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

| | | | |
|-------------------------------------|-------------------|-------------------------------------|-------------------|
| Nine months ended December 31, 2020 | 22,082,987 shares | Nine months ended December 31, 2019 | 22,078,870 shares |
|-------------------------------------|-------------------|-------------------------------------|-------------------|

Condensed quarterly consolidated financial statements
Condensed quarterly consolidated statement of financial position

(Millions of yen)

| | As of March 31, 2020 | As of December 31, 2020 |
|---|----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 8,085 | 7,489 |
| Trade and other receivables | 4,309 | 5,406 |
| Other financial assets | 6,067 | 6,191 |
| Inventories | 5,898 | 5,472 |
| Other current assets | 259 | 244 |
| Subtotal | 24,620 | 24,804 |
| Assets held for sale | – | 248 |
| Total current assets | 24,620 | 25,052 |
| Non-current assets | | |
| Property, plant and equipment | 11,985 | 11,439 |
| Right-of-use assets | 3,150 | 2,643 |
| Goodwill | 2,515 | 2,515 |
| Intangible assets | 255 | 335 |
| Investments accounted for using equity method | 11,545 | 11,658 |
| Other financial assets | 5,840 | 5,292 |
| Retirement benefit asset | 242 | 202 |
| Deferred tax assets | 467 | 317 |
| Trade and other receivables | 2 | 2 |
| Other non-current assets | 172 | 493 |
| Total non-current assets | 36,177 | 34,902 |
| Total assets | 60,798 | 59,954 |

(Millions of yen)

| | As of March 31, 2020 | As of December 31, 2020 |
|---|----------------------|-------------------------|
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Borrowings | 1,300 | 1,300 |
| Trade and other payables | 3,151 | 3,087 |
| Lease liabilities | 955 | 973 |
| Other financial liabilities | 35 | 206 |
| Income taxes payable | 616 | 653 |
| Other current liabilities | 1,992 | 1,939 |
| Total current liabilities | 8,051 | 8,160 |
| Non-current liabilities | | |
| Trade and other payables | 0 | 0 |
| Lease liabilities | 3,612 | 3,093 |
| Other financial liabilities | 139 | 114 |
| Retirement benefit liability | 296 | 302 |
| Provisions | 399 | 412 |
| Deferred tax liabilities | 222 | 202 |
| Other non-current liabilities | 36 | 37 |
| Total non-current liabilities | 4,707 | 4,162 |
| Total liabilities | 12,758 | 12,323 |
| Equity | | |
| Capital stock | 7,000 | 7,000 |
| Capital surplus | 11,596 | 11,599 |
| Treasury shares | (300) | (296) |
| Other components of equity | 361 | 692 |
| Retained earnings | 29,382 | 28,635 |
| Total equity attributable to owners of parent | 48,039 | 47,631 |
| Total equity | 48,039 | 47,631 |
| Total liabilities and equity | 60,798 | 59,954 |

Condensed quarterly consolidated statements of income and condensed quarterly consolidated statements of comprehensive income

Condensed quarterly consolidated statements of income

| | (Millions of yen) | |
|--|--|--|
| | Nine months ended December 31, 2019 | Nine months ended December 31, 2020 |
| Revenue | 37,213 | 33,230 |
| Cost of sales | 28,939 | 26,180 |
| Gross profit | 8,274 | 7,050 |
| Selling, general and administrative expenses | 4,836 | 4,690 |
| Other operating income | 21 | 67 |
| Other operating expenses | 38 | 371 |
| Operating profit | 3,421 | 2,054 |
| Finance income | 137 | 78 |
| Finance costs | 66 | 55 |
| Share of profit of investments accounted for using equity method | 122 | 134 |
| Profit before tax | 3,614 | 2,212 |
| Income tax expense | 1,077 | 1,226 |
| Profit | 2,536 | 985 |
| Profit attributable to | | |
| Owners of parent | 2,536 | 985 |
| Non-controlling interests | – | – |
| Profit | 2,536 | 985 |
| Earnings per share | | |
| Basic earnings per share | 114.89 | 44.63 |

Condensed quarterly consolidated statements of comprehensive income

(Millions of yen)

| | Nine months ended December 31, 2019 | Nine months ended December 31, 2020 |
|--|--|--|
| Profit | 2,536 | 985 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Financial assets measured at fair value through other comprehensive income | (293) | 16 |
| Share of other comprehensive income of investments accounted for using equity method | (0) | (0) |
| Total of items that will not be reclassified to profit or loss | (294) | 16 |
| Items that may be reclassified to profit or loss | | |
| Cash flow hedges | 11 | 10 |
| Total of items that may be reclassified to profit or loss | 11 | 10 |
| Other comprehensive income | (282) | 26 |
| Comprehensive income | 2,253 | 1,012 |
| Comprehensive income attributable to | | |
| Owners of parent | 2,253 | 1,012 |
| Non-controlling interests | — | — |
| Comprehensive income | 2,253 | 1,012 |

Condensed quarterly consolidated statement of changes in equity

Nine months ended December 31, 2019 (from April 1, 2019 to December 31, 2019)

(Millions of yen)

| | Equity attributable to owners of parent | | | | |
|---|---|-----------------|-----------------|------------------|--|
| | Capital stock | Capital surplus | Treasury shares | Cash flow hedges | Other components of equity |
| | | | | | Financial assets measured at fair value through other comprehensive income |
| Balance as of April 1, 2019 | 7,000 | 11,596 | (299) | 2 | 965 |
| Profit | – | – | – | – | – |
| Other comprehensive income | – | – | – | 11 | (294) |
| Total comprehensive income | – | – | – | 11 | (294) |
| Purchase of treasury shares | – | – | (0) | – | – |
| Dividends | – | – | – | – | – |
| Share-based remuneration transactions | – | – | – | – | – |
| Transfer from other components of equity to retained earnings | – | – | – | – | 9 |
| Transfer to non-financial assets | – | – | – | (11) | – |
| Total transactions with owners | – | – | (0) | (11) | 9 |
| Balance as of December 31, 2019 | 7,000 | 11,596 | (300) | 1 | 680 |

| | Equity attributable to owners of parent | | | | |
|---|---|-------|-------------------|---------|---------|
| | Other components of equity | | Retained earnings | Total | Total |
| | Remeasurements of defined benefit plans | Total | | | |
| | | | | | |
| Balance as of April 1, 2019 | – | 967 | 28,917 | 48,181 | 48,181 |
| Profit | – | – | 2,536 | 2,536 | 2,536 |
| Other comprehensive income | – | (282) | – | (282) | (282) |
| Total comprehensive income | – | (282) | 2,536 | 2,253 | 2,253 |
| Purchase of treasury shares | – | – | – | (0) | (0) |
| Dividends | – | – | (1,523) | (1,523) | (1,523) |
| Share-based remuneration transactions | – | – | – | – | – |
| Transfer from other components of equity to retained earnings | – | 9 | (9) | – | – |
| Transfer to non-financial assets | – | (11) | – | (11) | (11) |
| Total transactions with owners | – | (2) | (1,532) | (1,535) | (1,535) |
| Balance as of December 31, 2019 | – | 682 | 29,921 | 48,900 | 48,900 |

Nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

(Millions of yen)

| | 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 |
| Balance as of April 1, 2020 | 7,000 | 11,596 | (300) | 5 | 356 |
| Profit | – | – | – | – | – |
| Other comprehensive income | – | – | – | 10 | 16 |
| Total comprehensive income | – | – | – | 10 | 16 |
| Purchase of treasury shares | – | – | (0) | – | – |
| Dividends | – | – | – | – | – |
| Share-based remuneration transactions | – | 3 | 4 | – | – |
| Transfer from other components of equity to retained earnings | – | – | – | – | 319 |
| Transfer to non-financial assets | – | – | – | (14) | – |
| Total transactions with owners | – | 3 | 3 | (14) | 319 |
| Balance as of December 31, 2020 | 7,000 | 11,599 | (296) | 0 | 691 |

| | Equity attributable to owners of parent | | | | Total |
|---|---|-------|-------------------|---------|---------|
| | Other components of equity | | Retained earnings | Total | |
| | Remeasurements of defined benefit plans | Total | | | |
| Balance as of April 1, 2020 | – | 361 | 29,382 | 48,039 | 48,039 |
| Profit | – | – | 985 | 985 | 985 |
| Other comprehensive income | – | 26 | – | 26 | 26 |
| Total comprehensive income | – | 26 | 985 | 1,012 | 1,012 |
| Purchase of treasury shares | – | – | – | (0) | (0) |
| Dividends | – | – | (1,413) | (1,413) | (1,413) |
| Share-based remuneration transactions | – | – | – | 7 | 7 |
| Transfer from other components of equity to retained earnings | – | 319 | (319) | – | – |
| Transfer to non-financial assets | – | (14) | – | (14) | (14) |
| Total transactions with owners | – | 304 | (1,732) | (1,420) | (1,420) |
| Balance as of December 31, 2020 | – | 692 | 28,635 | 47,631 | 47,631 |