# First Six Months of Fiscal 2027 Results Briefing

Nisshin Seifun Group Inc.

October 30, 2026

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# Main Points of Today's Meeting

## ◎ First six months of fiscal 2027 and fiscal 2027 forecasts

- In 1H, we secured gains in sales and profits, with results surpassing forecasts, due to growth of overseas business against a backdrop of rising costs.
  In light of the uncertain outlook, our FY2027 profit forecasts remain unchanged; however, we will steadily implement sales expansion measures on the execution side and aim to build up profits. Additionally, we will implement share buybacks of ¥20 billion. We will balance investments in growth and shareholder returns to bring about sustainable enhancement in our corporate value.

## ◎ Management strategies for sustainable growth

- Through integrated implementation of three basic strategies—"awakening latent competitiveness," "redesign of our management infrastructure" and "optimization of support functions"—in line with our 1st step "breakthrough" strategy, we will strive to strengthen our business competitiveness and accelerate the pace of transformation.
- We will open up new growth opportunities through Group "alliances" and strategic investment and aim for sustainable profit growth and enhancement of corporate value.

# I. First Six Months of Fiscal 2027 Results

# 1. First Six Months of Fiscal 2027 Results



- Net sales increased due mainly to increased shipments as a result of the strengthening of the production structure in the United States in the overseas flour milling business coupled with the impact from foreign currency translation.
- Operating profit increased, primarily reflecting increased shipments in the overseas flour milling business coupled with the impact from foreign currency translation and increased shipments in the yeast, healthcare foods and biotechnology businesses, which more than offset higher costs in each business due to the Middle East situation and decreased sales in the Prepared Dishes and Other Prepared Foods Segment, mainly attributable to unseasonable weather.
- Profit attributable to owners of parent rose sharply chiefly owing to the reduction of cross-shareholdings as planned and the absence of impairment losses recognized in the India yeast business the previous fiscal year.

* Figures rounded to the nearest 100 million yen

| (100 millions of yen) | Fiscal 2027 First Six Months of Fiscal 2027 Results | Fiscal 2026 Results | | Forecasts (May Release) | |
|---|---|---|---|---|---|
| | | | Change | | Change |
| Net sales | 4,418 | 4,313 | +2.4% | 4,300 | +2.7% |
| Overseas sales ratio | 32.1% | 28.2% | – | – | – |
| Operating profit | 228 | 226 | +0.8% | 220 | +3.7% |
| Ordinary profit | 240 | 248 | (3.0%) | 230 | +4.5% |
| Profit attributable to owners of parent | 182 | 103 | +75.8% | 170 | +6.8% |

# 2. First Six Months of Fiscal 2027 Results (By Segment)

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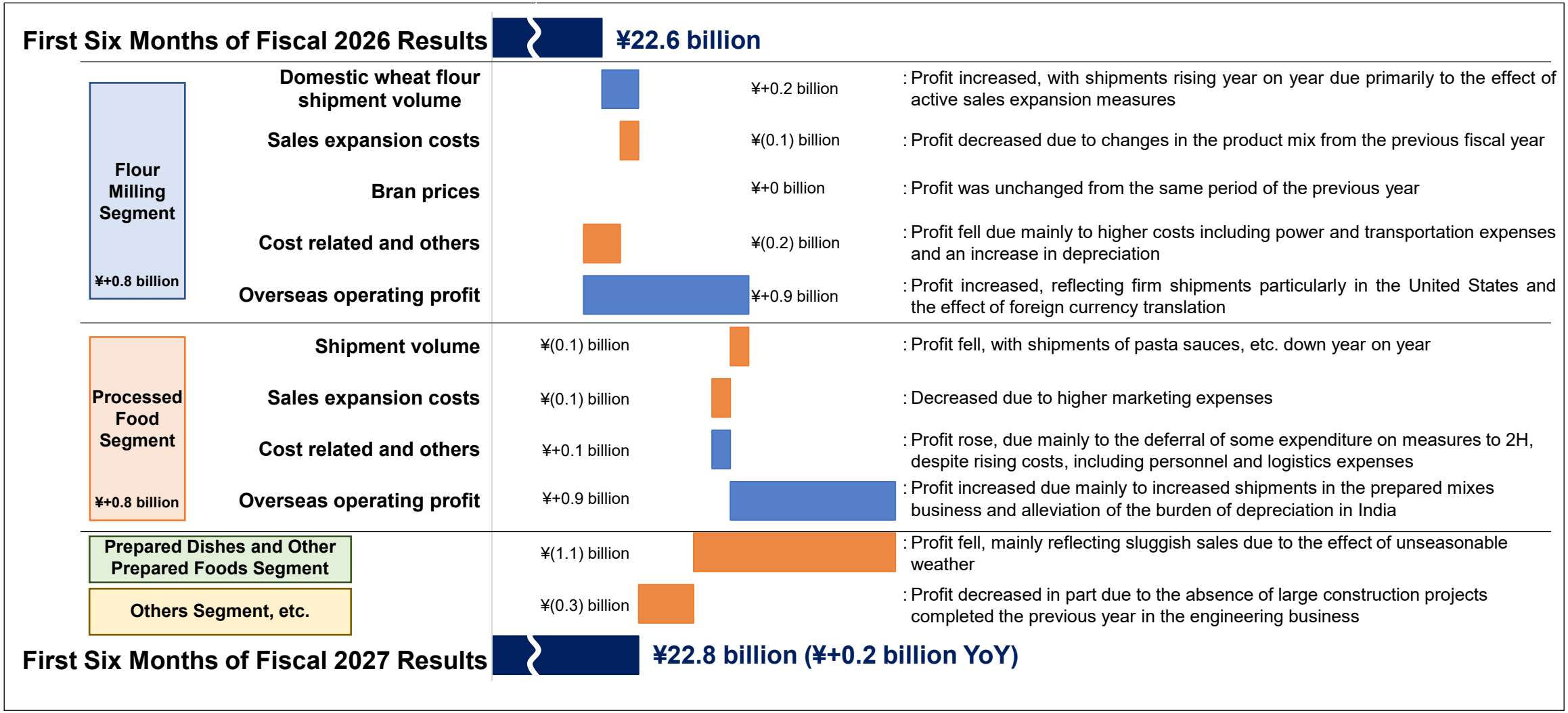
| (100 millions of yen) (Amounts of less than 100 million yen are rounded to the nearest million yen.) | Fiscal 2026 Results | Fiscal 2027 First Six Months of Fiscal 2027 Results | YoY difference | YoY change | Forecasts difference | Forecasts change |
|---|---|---|---|---|---|---|
| Net sales<br>[Overseas sales] | **4,313**<br>**[1,216]** | **4,418**<br>**[1,416]** | +104<br>[+200] | +2.4%<br>[+16.5%] | +118<br>– | +2.7%<br>– |
| Flour Milling | 2,117 | 2,279 | +162 | +7.7% | – | – |
| Processed Food | 1,085 | 1,088 | +3 | +0.3% | – | – |
| Prepared Dishes and Other Prepared Foods | 843 | 812 | (31) | (3.7%) | – | – |
| Others | 268 | 238 | (30) | (11.1%) | – | – |
| Operating profit<br>[Overseas operating profit] | **226**<br>**[70]** | **228**<br>**[89]** | +2<br>[+19] | +0.8%<br>[+27.2%] | +8<br>– | +3.7%<br>– |
| Flour Milling | 131 | 140 | +8 | +6.3% | – | – |
| Processed Food | 37 | 45 | +8 | +22.1% | – | – |
| Prepared Dishes and Other Prepared Foods | 34 | 24 | (11) | (30.9%) | – | – |
| Others | 26 | 23 | (3) | (11.0%) | – | – |
| Adjustments (Intersegment eliminations, etc.) | (2) | (3) | (1) | – | – | – |
| Ordinary profit | **248** | **240** | (8) | (3.0%) | +10 | +4.5% |
| Profit attributable to owners of parent | **103** | **182** | +78 | +75.8% | +12 | +6.8% |

# 3. First Six Months of Fiscal 2027 Operating Profit — Year-on-Year Analysis



## Analysis of Change in Operating Profit (vs. FY2026)

: Increase in profit　: Decrease in profit



# II. Fiscal 2027 Forecasts

# 1. Fiscal 2027 Forecasts



- We raised our net sales forecast to ¥900.0 billion (104.0% of the FY2026 level), taking into consideration factors such as a weaker yen than initially anticipated and surging wheat prices.
- Our forecasts for operating profit, ordinary profit and profit attributable to owners of parent announced in May this year remain unchanged.
- The negative impact of costs due to the situation in the Middle East is estimated at ¥1.5 billion, unchanged from our initial forecast. While price revisions are proceeding as anticipated, we have taken into consideration their impact on future demand. On the execution side, we plan to implement sales expansion measures that will involve advertising expenses in an effort to boost sales volumes.

* Figures rounded to the nearest 100 million yen

| (100 millions of yen) | Fiscal 2027 Forecasts (October Release) | Fiscal 2026 Results | | | Forecasts (May Release) | | |
|---|---|---|---|---|---|---|---|
| | | | Difference | Change | | Difference | Change |
| Net sales | 9,000 | 8,650 | +350 | +4.0% | 8,700 | +300 | +3.4% |
| Overseas sales ratio | 32.2% | 29.2% | – | – | 30.1% | – | – |
| Operating profit | 460 | 467 | (7) | (1.5%) | 460 | – | – |
| Ordinary profit | 490 | 514 | (24) | (4.7%) | 490 | – | – |
| Profit attributable to owners of parent | 410 | 326 | +84 | +25.8% | 410 | – | – |

# 2. Fiscal 2027 Forecasts (By Segment)

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| (100 millions of yen)<br>(Amounts of less than 100 million yen are rounded to the nearest million yen.) | Fiscal 2026 Results | Fiscal 2027 Forecasts | YoY difference | YoY change | Forecasts difference (May Release) | Forecasts change (May Release) |
|---|---|---|---|---|---|---|
| Net sales<br>[Overseas sales] | **8,650**<br>**[2,525]** | **9,000**<br>**[2,902]** | +350<br>[+377] | +4.0%<br>[+15.0%] | +300<br>[+280] | +3.4%<br>[+10.7%] |
| Flour Milling | 4,285 | 4,660 | +375 | +8.7% | +350 | +8.1% |
| Processed Food | 2,166 | 2,190 | +24 | +1.1% | – | – |
| Prepared Dishes and Other Prepared Foods | 1,646 | 1,610 | (36) | (2.2%) | (50) | (3.0%) |
| Others | 553 | 540 | (13) | (2.3%) | – | – |
| Operating profit<br>[Overseas operating profit] | **467**<br>**[155]** | **460**<br>**[181]** | (7)<br>[+26] | (1.5%)<br>[+16.5%] | –<br>[+7] | –<br>[+4.0%] |
| Flour Milling | 277 | 286 | +9 | +3.2% | +12 | +4.4% |
| Processed Food | 82 | 81 | (1) | (1.5%) | – | – |
| Prepared Dishes and Other Prepared Foods | 57 | 45 | (12) | (20.8%) | (12) | (20.8%) |
| Others | 55 | 51 | (4) | (6.9%) | – | – |
| Adjustments (Intersegment eliminations, etc.) | (4) | (3) | +1 | – | – | – |
| Ordinary profit | **514** | **490** | (24) | (4.7%) | – | – |
| Profit attributable to owners of parent | **326** | **410** | +84 | +25.8% | – | – |

# III. Management Strategies for Sustainable Growth

## 1) Basic Concept

## 2) Overview of Basic Strategy (1st Step)

## 3) Progress of Basic Strategy

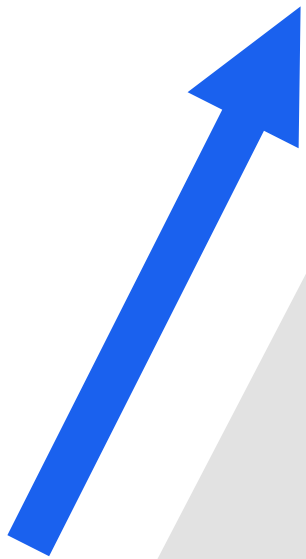
## 4) Environmental and Procurement Initiatives Supporting Business Base

# 1) Management Strategies for Sustainable Growth — Basic Concept

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**Corporate Value** = **Multiplier Effect** of **Short-term Earnings** × **Long-term Value**



## 1st Step
## Breakthrough

**We will once more return to our roots as a manufacturing company, accelerating the speed of transformation to drive future development.**

**Over several years,**
**we will work to structurally transform our earning model**

- Structural transformation of the earning model by **awakening latent competitiveness**
- **Redesign of our management infrastructure** with a view to maximizing corporate value
- **Optimization of support functions** underpinning our competitive strategy

## 2nd Step
## Overdrive

**Integrate the relationship between the issues faced by society and our business strategy to an even stronger degree, and aim to develop a business model underpinned by the inertial force to growth in step with the world's development.**

**The goal is the creation of long-term economic value.**
Social value will also be created as part of the process.

# III. Management Strategies for Sustainable Growth

1) Basic Concept

**2) Overview of Basic Strategy (1st Step)**

3) Progress of Basic Strategy

4) Environmental and Procurement Initiatives Supporting Business Base

# 2) Management Strategies for Sustainable Growth — Overview of Basic Strategy (1st Step)



**With accelerating the speed of transformation to drive future development as our basic concept, we will implement the 1st step of our management strategies.**

## (1) Awakening latent competitiveness (expansion of relative returns)

- Creating new competitiveness through **Group alliances**
- Generating **appropriate earnings** based on the assumption of an inflationary environment
- Creating **added value** by strengthening innovation and brands
- Strengthening **cost competitiveness** through innovation
- Capturing growth opportunities **in overseas markets**

## (2) Redesign of our management infrastructure (strengthening of risk tolerance)

- **Governance reforms** in Group management
- Rebuilding the **overseas management structure**

## (3) Optimization of support functions (acceleration of strategy execution)

- **Multidimensional capital policies** focused on growth potential, efficiency and sustainability
- **Preserving options in investment decision making**
- Optimization of business units and **monitoring** in terms of competitive strategy
- **Eliminating the complexity** in organizations and frameworks, and ensuring the **optimal allocation of management resources**

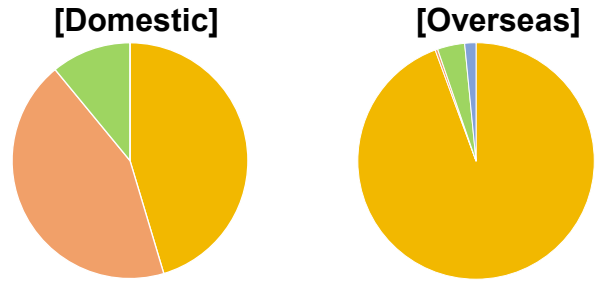
# Principle Theme of Management Strategies for Sustainable Growth — Putting into Practice "Autonomy and Alliances"

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## <Business Portfolio Framework>

| Business Category | Views on Business Portfolio | |
|---|---|---|
| Flour Milling Segment<br>Processed Food Business<br>Yeast, Health, and Biotechnology Businesses<br>Prepared Dishes and Other Prepared Foods Segment<br>Engineering Business<br>Mesh Cloth Business | Wheat flour-related ingredients | •Flour milling (wheat flour, etc.)<br>•Commercial-use prepared mixes<br>•Baker's yeast<br>•Functional ingredients |
| | Processed food | •Processed food<br>•Prepared dishes and other prepared foods<br>•Filling, etc. |
| | Technology expansion approach | •Biotechnology (Diagnostic reagent raw materials, culture media, etc.)<br>•Engineering<br>•Mesh cloths |
| | BOP (Base of the Pyramid) | •India yeast<br>•Expand business into new areas |

### <Composition of Net Sales (Domestic and Overseas)>




* Estimated based on FY2026 results

### <Aims of Each Category>

| | |
|---|---|
| (Domestic) | Ensure innovation and appropriate earnings |
| (Overseas) | Enhance competitiveness / expand business |
| (Domestic) | Enhance value / ensure appropriate earnings |
| (Overseas) | Build infrastructure / expand business |
| (Domestic) (Overseas) | Expand business / redefine portfolio |
| (Overseas) | Ensure future growth base |

**In addition to business categories, we will formulate our competitive strategy with a view to the business portfolio. We will engage in appropriate management to ensure that there are no delays in implementing the necessary measures, such as investment in the growth areas that should be prioritized, including R&D and DX, as well as business alliances or withdrawals.**

# III. Management Strategies for Sustainable Growth

1) Basic Concept

2) Overview of Basic Strategy (1st Step)

**3) Progress of Basic Strategy**

4) Environmental and Procurement Initiatives Supporting Business Base

# 1. Awakening Latent Competitiveness (1) — Domestic Flour Milling Business



**With the domestic flour milling business positioned as the Group's core business, we will continue to ensure appropriate earnings while also implementing initiatives for further business growth.**

### Maintenance and expansion of topline performance

- ✓ During 1H, wheat flour shipment volume held firm. (**101%** of level for same period of previous year)
- ✓ Effects of active implementation of sales expansion measures emerged

### Revision of wheat flour prices

- ✓ Implemented price revisions in December in light of rising costs, including power and transportation expenses due to the impact of the Middle East situation, in addition to wheat flour price volatility (announced in October)
- ✓ Planning to continue steadily implementing price revisions while seeking the understanding of customers in face of continued cost increases

### Strong bran prices

- ✓ Prices remained strong, reflecting recent market prices and the demand and supply balance

### Development and sales expansion of high value-added products

- ✓ Expanded sales of high value-added products such as Amuleia and flour made from domestically produced wheat
- ✓ Strengthened product development and proposal capabilities to meet diverse needs of customers
- ✓ Built high value-added product portfolio

### Implementation of DX measures (improvement of productivity and cost competitiveness)

- ✓ Exploring shifting to unmanned operation of production lines at certain times of day at Mizushima Plant
- ✓ Improved productivity through the use of AI and data (See page 23 for details)

### Strengthening of "alliances" within the Group

- ✓ Strengthened connections between development, procurement, production and sales to optimize our entire value chain
- ✓ Created new value and demand and expanded into new markets and customer domains

**Ensuring appropriate earnings** × **Creating innovation**

**Strengthening and awakening business competitiveness**

# 1. Awakening Latent Competitiveness (2) — Enhancement of Competitiveness in Overseas Flour Milling Business

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## <Overseas flour milling business (North America)>

**We are making further growth investments for the realization of sustainable earnings growth.**
**We are steadily strengthening our business base on both the US and Canadian markets.**

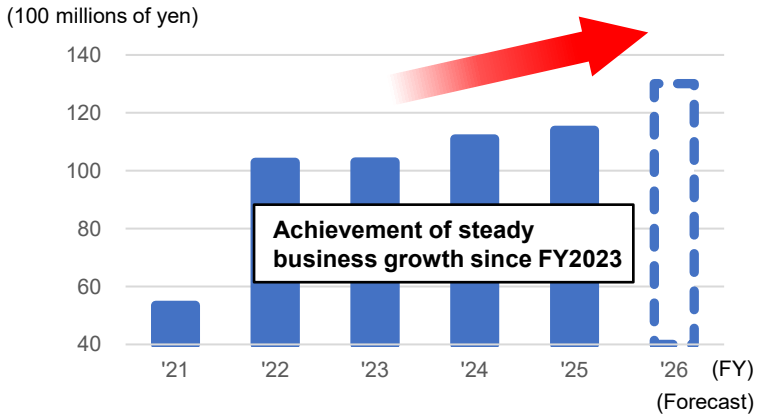
### 1H performance

**Strong performances in both the United States and Canada**

**US**
- Shipment volumes, especially for bread and noodle production, were strong, far exceeding levels a year earlier
- Operation rates also rose at each newly built or expanded plant

**Canada**
- As in the United States, shipments, especially for bread production, were strong
- Plant operating rates remained high

**<Operating profit trend in North America (total of United States and Canada)>**



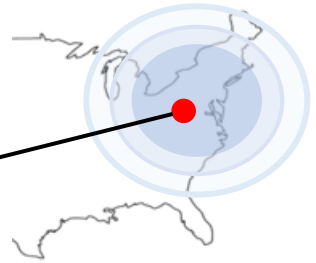

**Initiatives for further growth**

### Investment to strengthen competitiveness at Winchester Plant of Miller Milling in the United States

**Capture of growing demand in the eastern United States and significant increase in market competitiveness**



Panoramic view of Winchester Plant



**Potential of eastern United States**

- Five of the top 10 most populous US states are located in this area.
- Market where food demand is high and continued growth in wheat flour consumption is expected

**Proceeding with three investments at the same time** (to be completed sequentially by 2028)

**(1) Construction of new silo for raw materials**
- Reduction of raw material transportation expenses and storage charges
- Streamlining of raw material procurement and operation

**(2) Expansion of bran shipment facility**
- Automation of shipment operations
- Improvement of margins through optimization of shipment mix

**(3) Construction of new packaging line and product storage warehouse**
- Start of shipment of packaged goods (new category for Winchester Plant)
- Expansion of top line
- Enhancement and diversification of customer portfolio

**Making aggressive and defensive investments (totaling approx. ¥9.0 billion) to develop a new customer base on the East Coast and make the plant cost competitive**

**We will turn strategic investment into our next business growth phase and expand our presence in North America**

# 1. Awakening Latent Competitiveness (3) — Structural Transformation of Australia Business



## <Australia business>

**The market remains challenging, but we will implement price revisions and our structural transformation plan with the aim of returning to profit growth in 2H and achieving our FY2027 forecasts.**

### Situation in first six months

Although the business reported decreased profit in1H, its performance is expected to start improving as a result of steady implementation of various measures, including the effects of price revisions, the implementation of sales expansion measures and progress of the structural transformation plan

**◎ Shipments of Wise Wheat® also remained strong**

WISE WHEAT

During this 1H, we continued efforts to actively promote products and enhance the product lineup and made progress building a product portfolio with high profitability

### Market environment

**Environment remains challenging**

Weak consumer confidence

Demand for products for home use and for commercial use remained weak, dampened by inflation and high interest rates

Persistently high raw materials and energy costs

The cost of raw materials, energy, logistics, etc. continued to rise, in part due to the impact of the Middle East situation

**In face of ongoing cost increases, we will definitely continue making appropriate price revisions**

**Effect during first six months**

We steadily implemented gradual price revisions. The effects of revisions gradually became apparent from 2Q and began contributing to improvement in earnings

»

**Focus from 2H**

We will continue making price revisions in a timely and appropriate manner, in light of ongoing cost increases

### Implementation of structural transformation plan

**(1) Automation of production lines (bakery related raw materials)**

During 1H, action to automate facilities and save labor was completed. From 2H, we will further improve productivity and stabilize quality

**(2) Equipment upgrades aimed at expanding shipments and stabilizing supply**

- At our flour milling plant in western Australia, equipment upgrades were completed, putting in place a structure for increased production → Shipments of wheat flour are expected to expand from 2H
- Optimization of logistics and inventory management led to shorter lead times and lower costs

**(3) Review of product portfolio and supply chain**

- We implemented a review of our product mix, transaction routes, and terms with an emphasis on profitability
- We reallocated sales resources to growth areas to help improve profitability

**Action on each measure was taken.**
**The effects are expected to materialize from 2H**

**We are steadily implementing measures to improve earnings that will lead to sustainable enhancement of our business value**

# 1. Awakening Latent Competitiveness (4) — Global Expansion of Commercial Use Prepared Mixes Business

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## <Commercial Use Prepared Mixes Business>

**In ASEAN and China, which are core growth markets, we continue to explore growth opportunities. In North America and Oceania, we aim to scale up business as a global mix business, keeping business alliance in mind.**

**Scaling up into a global business through Group alliances**

### ASEAN and China

**Pursuing further growth opportunities around existing locations**

- The business has continued to perform strongly this fiscal year, on the back of growth centered around production locations in Vietnam, Thailand and China
- Accelerating expansion in business scale through operations to capture growth in ASEAN and other measures

### North America

**Expanding North American prepared mixes business by strengthening the production structure**

- Introduced a new prepared mixes line at Medallion Foods, Inc. (Tacoma, Washington, US)
- Enhanced product lineup, strengthening ability to meet diversifying customer needs. Achieved shorter lead times and strengthened the structure for stable supply
- Improving the competitiveness of the prepared mixes business through alliances with the Canadian and US flour milling businesses, centered on the processed food business




Exterior of the plant

**<Overview of new production line at Medallion Foods>**

| | |
|---|---|
| Location: | Tacoma, Washington, US |
| Investment amount: | Approx. US$5 million (Approx. ¥0.8 billion) |
| Start of operations: | Around October 2027 |

### Japan (Domestic)

**Improving customer value and profitability through alliances**

- Expanding sales opportunities through joint proposals with the Flour Milling Business
- Building a global supply structure through the optimization of locations in Japan and overseas

### Oceania

**Seeking to strengthen competitiveness through alliances and expand business from an Asia and Oceania perspective**

- Combining Group knowledge through the start of human resource exchanges between the Flour Milling Business and the processed food business
- Improving margins by expanding sales of prepared mixes containing Wise Wheat®
- Strengthening business competitiveness in terms of technology, etc. through alliances on both sales and technology fronts with ASEAN

# 1. Awakening Latent Competitiveness (5) — Enhancing Value in the Processed Food Segment



## <Processed Food Segment>

**We will aim to create new value through continued refinement of the strengths of each business alongside value chain optimization as a Group.**

### Processed Food Business

- **Product groups with strong brand power**
  → Brand power of product groups such as Ma・Ma and Ao No Dokutsu
- **Wide-reaching sales channels**
  → Extensive coverage encompassing home-use and commercial-use products
- **Established market position in both ambient and frozen food categories**
  → Further reinforcement of product base developed in market

### Prepared Dishes and Other Prepared Foods Segment

- **Ability to quickly meet customer needs**
  → Ability to quickly propose products in line with changing market
- **Ability to achieve small-quantity, high-mix manufacturing of chilled and frozen products**
  → Manufacturing base that supports diverse product groups
- **Ability to drive worksite improvements and DX**
  → Increased productivity through data utilization

Room temperature | Chilled | Frozen

**Covering all temperature zones: ambient, chilled and frozen**

**New value creation through collaboration**

**Leveraging manufacturing technologies and production control knowhow to pursue optimization of the value chain as an entire Group**

**Refining specific strengths and accelerating business growth**

**<Now>**

# 1. Awakening Latent Competitiveness (6) — BOP Business Strategy

## <India Yeast Business>

**Through business partnerships with local companies, we will seek further expansion of shipments and improvement in profitability and aim for sustainable growth.**

### Business progress and initiatives to improve profitability

**◎ Steady shipment volumes**

Total shipment volume of baker's yeast grew steadily during the first six months at **104%** year on year, reflecting the steady capture of demand across India

<Bread market>
CAGR of **7-8%**

<Baker's yeast market>
CAGR of **5-7%**

» **India is a promising market that will continue growing in the medium and long term**

**◎ Rising costs partly due to the impact of the Middle East situation**

This fiscal year, the business is still being weighed down by costs due to increased logistics costs in addition to rising prices for key ingredients (molasses, etc.) and energy

● **Ensuring earnings through the implementation of various measures**

- ☞ Passing on cost increases appropriately through continued price revisions
- ☞ Executing cost reduction measures and achieving improvement in productivity
- ☞ Driving sales expansion of products other than baker's yeast

### [New measure] Business partnership with local yeast company

**(1) Partnership on the sales and logistics fronts**

Strengthening logistics competitiveness and product supply capabilities, especially in northern and eastern India

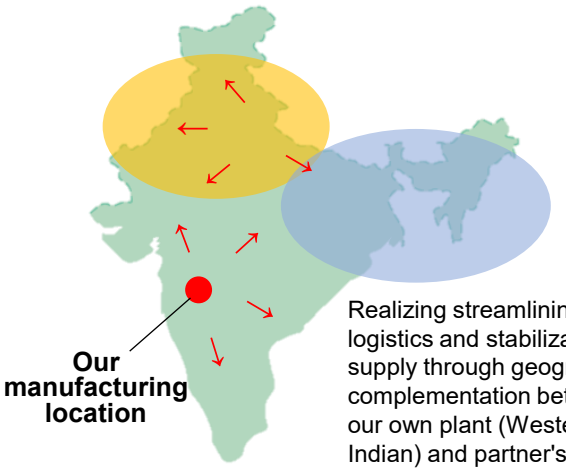
**(2) Utilization of production facilities**

Enhancing product lineup for dry yeast, etc. through utilization of partner's facilities. Developing new product and market areas

**(3) Technical support**

Product quality and performance is improving thanks to our technical support

■ Rebuilding the supply and logistics structure




Realizing streamlining of logistics and stabilization of supply through geographical complementation between our own plant (Western Indian) and partner's location in the north

### Main benefits of partnership

| Improvement of logistics competitiveness | Strengthening of profitability | Improvement of production efficiency | Stabilization of product supply |
|---|---|---|---|
| Reduction of logistics costs and shortening of lead times in northern and eastern India | Sales expansion and improvement of profitability through cost optimization | Improvement of facility operating rates and streamlining of fixed costs | Further strengthening of stable supply structure through establishment of a two-location structure |

**By expanding our customer base and increasing customer loyalty, we will improve profitability and business value**

# 1. Awakening Latent Competitiveness (7) — Strengthening Business Competitiveness Through DX



**We will drive the sustainable and sophisticated implementation of DX according to the characteristics of each business through the development and utilization of digital human resources.**

## Implementation of DX according to business characteristics

### Flour Milling Segment

**Aiming to build a next-generation flour milling model integrating demand forecasting, production optimization and automation**

| | | |
|---|---|---|
| Demand trends and supply-and-demand forecasting | » | Improving ability to adapt to fluctuations in demand through the use of AI |
| Optimization of production plans | » | Speeding up planning and reducing key person dependency |
| Smart factory | » | Achieving automation and labor-savings, quality stability and stable supply |
| Integration and visualization of business data | » | Visualizing business activities and speeding up decision-making |

**Implementing advanced technologies at plants in Japan and overseas to improve productivity by over 20%**

### Prepared Dishes and Other Prepared Foods Segment

**Driving automation and data-driven management through the sharing of manufacturing data between management and worksites**

| | | |
|---|---|---|
| Sophistication of production control | » | Starting to introduce production control systems at frozen food plants as well.<br>Expanding the scope of collection and utilization of production data to promote data-driven management |
| Sophistication of raw materials management | » | Streamlining operations and reducing workloads through transition to operations utilizing systems and data |
| Development and utilization of DX human resources | » | Driving the work site-led transformation of operations through the participation of a total of approximately 100 employees in activities to drive DX over five fiscal years |

## Human resource base supporting DX

**Groupwide improvement in digital skills**
Raising the base level of literacy through education

**Development of learning environment**
Supporting employees through online learning, etc.

**Development of human resources who drive DX**
Strengthening human resources responsible for transforming business and work sites

**Redeployment of human resources**
Shifting away from reduction of operations towards high value-added operations

**Sophistication of business operations**

**Sophistication of human resources and management base**

**Leading to enhancement of business competitiveness across the Group**

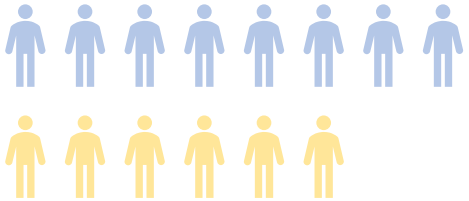
# 2. Redesign of Our Management Infrastructure (Progress)

**We have transitioned to a new structure, and are starting to see changes that will enhance the quality of discussions at both meetings of the Board of Directors and management meetings.**

## Supervision (Board of Directors)

Shifting to a governance structure in which Outside Directors account for a majority in the Board of Directors

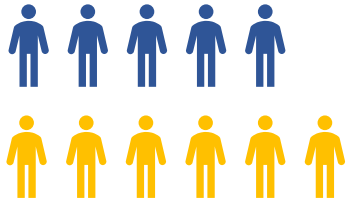
### Before (to June 2026)



Directors: 14
Inside: 8/Outside: 6

Percentage of Outside Directors
43%

### Now (from June 2026)



Directors: 11
Inside: 5/Outside: 6

Percentage of Outside Directors
55%

## Execution

Clarifying functions of meeting bodies

### Before (to June 2026)

Group Management Meeting
(Consultation + Information exchange)



### Now (from June 2026)

**Group Executive Meeting**
(Decision-making)
Highest decision-making body on the business execution side

**Group Coordination Meeting**
(Sharing information)
Quick sharing of management information and collaboration

## Changes since shift to new structure (current sense)

**Supervision (Board of Directors)**

Reviewed criteria for matters to be submitted to the Board of Directors, and narrowed agenda items down to important management-related matters

- Lively discussion drawing on diverse perspectives of Outside Directors
- More in-depth discussion from a macro-level perspective of important topics, including medium-and long-term management issues and risks

**Execution (Group Executive Meeting)**

Narrowed down attending members to ensure speed, flexibility and agility in decision-making

- Environment allowing thorough discussion of strategies and important proposals
- Facilitation of prompt and flexible decision-making

**Going forward, we will continue increasing the quality and speed of management through in-depth discussions by the Board of Directors and the execution side.**

# 3. Optimization of Support Functions — Human Resource Strategy (1)



**In keeping with a human resource strategy aimed at achieving our business strategy, we will adopt a medium- to long-term perspective in prioritizing the implementation of initiatives that contribute to improved personnel and organizational capabilities.**

## Enhancing human potential

**Initiatives to secure and develop human resources who will take on challenges on their own initiative and drive improvement in business competitiveness and value creation and to maximize their potential**

## Enhancing organizational potential

**Initiatives to develop an environment, ethos and systems that enables diverse human resources to take pride in their individual roles and continue fulfilling their potential**

| | |
|---|---|
| **(1) Strengthen recruitment**<br>Achieve qualitative and quantitative reinforcement of personnel | Strengthen recruitment competitiveness |
| | Step up measures to help personnel succeed and become established at an early stage |
| **(2) Strengthen development capabilities**<br>Further cultivation of human resources who will drive the company's growth | Cultivate next-generation leaders |
| | Cultivate specialists in charge of growth areas |
| | Support proactive learning |
| **(3) Strengthen HR utilization capabilities**<br>Increased utilization of human resources from a Group-wide perspective | Promote human resource exchange within the Group |
| | Use talent management system |
| **(4) Reform human resource management systems**<br>Create an attractive personnel system that rewards challenge and contribution | Revise managerial position system |
| | Revise non-managerial position system and elderly employee system |
| **(5) Strengthen organizational foundations**<br>Strengthen organizational base supporting challenge | Balance improvement of productivity and ease of work |
| | Promote DE&I |
| | Expand opportunities for ongoing career development and career advancement |

Details on the next page

# 3. Optimization of Support Functions — Human Resource Strategy (2)

**We are developing a framework that integrates managerial position grading, evaluation and compensation criteria with "roles and responsibilities and performance" and rewards challenge and performance.**

## October 2026 revisions to personnel

| Matters reviewed | Details and purpose of changes |
|---|---|
| Grading | **Creating a single role-based grading system** (scrapping ability-based grading system) |
| Promotion | Providing opportunities to **human resources who rise to the challenge of competition on their own initiative** |
| Compensation | Shifting to compensation linked to importance of role **regardless of age** |
| Evaluation | Performing evaluations that vary according to **achievement of expected performance** |

## Intended outcomes of system revisions

### Career advancement of human resources who take on challenges

- More opportunities for ambitious human resources to take on challenges
- Human resources who strive for higher level roles, and differentiated compensation

### Connection between organizational goals and individual goals

- Execution of roles in line with management and business strategies
- Proactive contribution to achievement of organizational goals

### Acceleration of strategic deployment of human resources

- Active appointment to important positions and growth areas
- Maximization and exertion of potential of human resources through systematic deployment and development

# 3. Optimization of Support Functions — Capital Policies (Cash Flow)

**We will prioritize allocation of increased cash flow generated over the period of the current Medium-Term Management Plan to strategic investments that are directly linked to strengthening business competitiveness. We will also consider leveraging our funding capacity to make use of interest-bearing debt as we strive for sustainable profit growth and increased capital efficiency.**

## Cash flow plan during the period of the five-year Medium-Term Management Plan (FY2023-FY2027)

### Cash generation capabilities

- Cash generating capabilities have steadily improved through initiatives implemented during the Medium-Term Management Plan period
- Cumulative operating cash flow over the course of the Medium-Term Management Plan (5-year basis) is expected to increase by around 30% from ¥206 billion during the previous Medium-Term Management Plan

### Reduction of cross-shareholdings

- We will seek a reduction of ¥40.0 billion or more over the five-year period from FY2025 to FY2029
- A reduction of ¥9.0 billion is expected to be made in FY2027 (a reduction of ¥4.9 billion was made in 1H of FY2027)

(Inflows)

**Cash flows from operating activities**
**¥267.0 billion**

**Asset sales**
**Increase/decrease in interest-bearing debt, etc.**
**¥55.0 billion**

**Enhancing corporate value**

(Outflows)

**Growth investment**
**Maintenance and renewal investments**
**¥194.0 billion**

**Shareholder returns**
**¥128.0 billion**

### Amount invested

| FY2023-FY2026 (Result) | FY2027 (Forecast) |
|---|---|
| ¥146.1 billion | ¥48.0 billion |

- Cash generated over the course of the Medium-Term Management Plan will be actively utilized for growth investments and similar endeavors
- We will also consider leveraging our funding capacity to make use of interest-bearing debt for any further investments made

### Shareholder returns

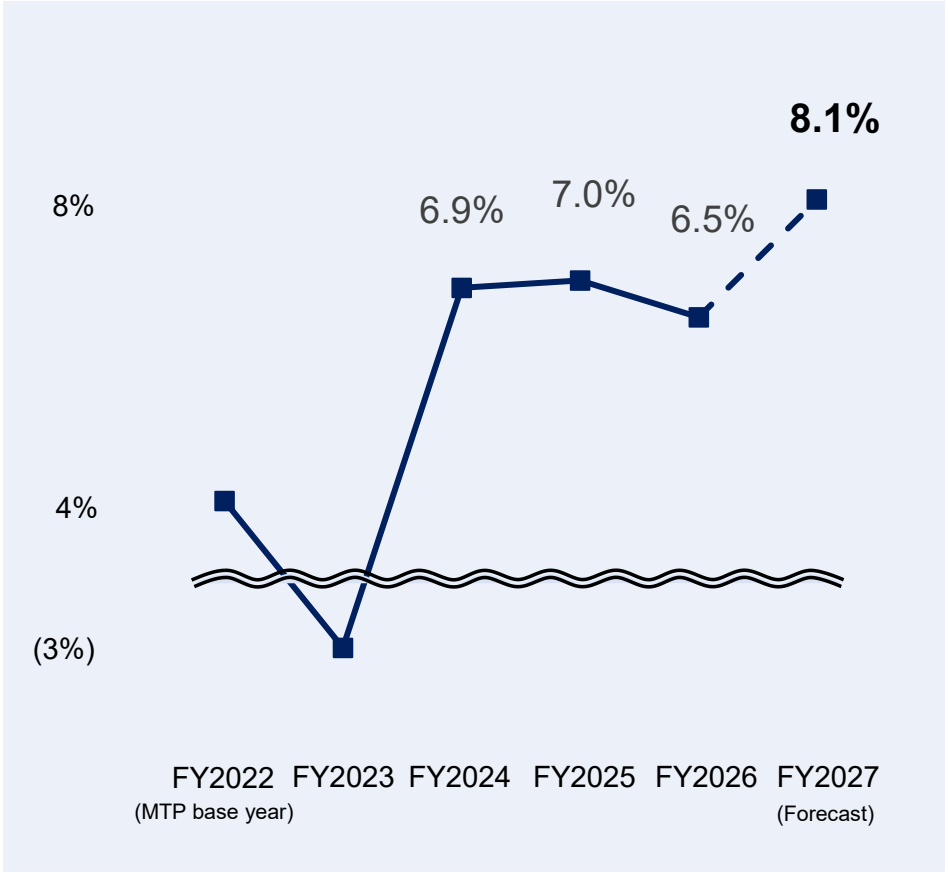
- Raise the consolidated payout ratio to be achieved by FY2027 to around 50%, excluding profits and losses from non-recurring or extraordinary factors
- In FY2027 we also resolved to make treasury share acquisitions of ¥20.0 billion (treasury share acquisitions over three consecutive fiscal years)

# 3. Optimization of Support Functions — Promoting Capital-Efficient Management



**Our FY2027 ROE forecast is 8.1%. We will work to build a base for returns exceeding 8% through both core profit growth and improvement in capital efficiency.**

## Trends in ROE

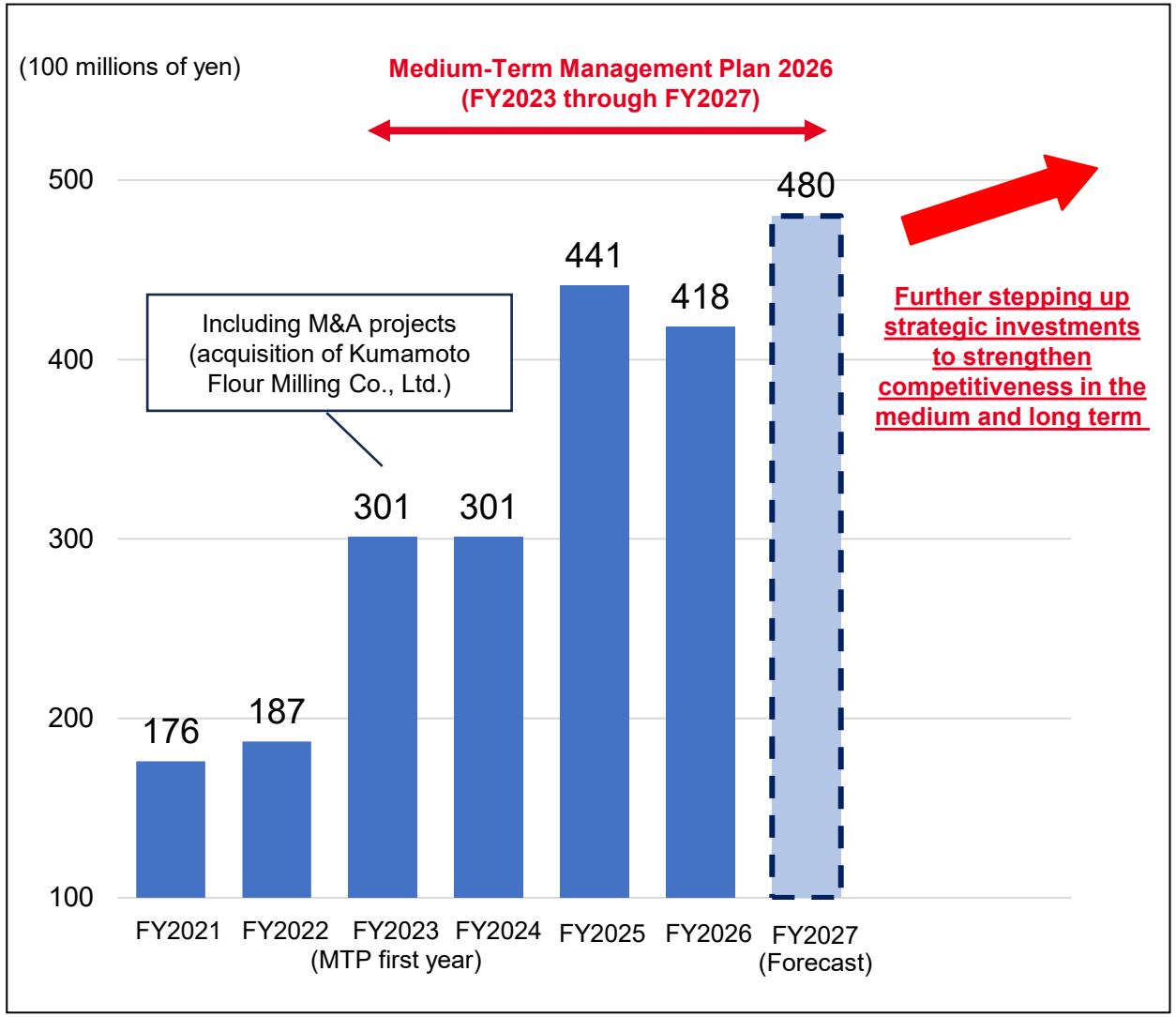



### <Initiatives to improve ROE>

- **Profit growth from growth investments that increase business competitiveness**
  - We will prioritize allocating management resources to strengthening business competitiveness, with the aim of improving the profitability of existing businesses and expanding new growth areas. We will actively make investments whilst maintaining financial discipline, targeting a net D/E ratio of 0.3x.
- **Improvement of profitability and capital efficiency through ROIC management by business**
  - Taking the characteristics of each business and quality of invested capital into consideration, we will visualize "earning power" and "capital efficiency."
  - We will balance growth investment and improvement in capital efficiency and realize capital profitability that exceeds WACC on a consolidated basis, while also aiming for industry-leading profitability in each business.
- **Reduction of cross-shareholdings (reduction of more than ¥40.0 billion over the five-year period from FY2025 to FY2029)**
- **Active shareholder returns based on basic policy of stable dividends (also resolved treasury share acquisitions of ¥20.0 billion in FY2027)**

# 3. Optimization of Support Functions — Capital Policies (Investment)

## Trends in growth investment and maintenance and renewal investment




Investment Amounts (Results and Forecasts)

| | Amount invested (MTP period) | Details of major investments made over the course of the Medium-Term Management Plan |
|---|---|---|
| Flour milling segment | ¥108.5 billion | ➢Domestic flour milling<br>Construction of the new Mizushima Plant, acquisition of Kumamoto Flour Milling<br>➢Addition of a silo for wheat raw materials at the Tsurumi Plant<br>US flour milling<br>Extension and expansion work at three plants<br>(Los Angeles, Saginaw and Winchester)<br>➢Processed food<br>Addition of production line to the Vietnam prepared mixes plant<br>➢Prepared dishes and other prepared foods<br>Construction of new frozen food factory at Nomura Foods<br>➢Other<br>Construction of a new development site<br>(Yoga, Setagaya Ward) |
| Processed food segment | ¥30.0 billion | |
| Prepared dishes and other prepared foods segment | ¥27.0 billion | |
| Other* | ¥28.6 billion | |
| Groupwide | ¥194.1 billion | |

* Other segments + Group head office + intercompany eliminations

- Prioritizing allocation of management resources to strengthening business competitiveness. Expanding growth areas partly through M&A activities primarily in overseas markets
- Incorporating "option thinking" for adapting to changes in the environment and making decisions in steps, and balancing maximization of investment opportunities and control of downside risk

# 3. Optimization of Support Functions — Capital Policies (Reduction of Cross-Shareholdings)



**We are in the process of reducing cross-shareholdings in line with the Group's cross-shareholdings reduction policy. In 1H of FY2027, we made a reduction of ¥4.9 billion. While we will achieve our target of a ¥40.0 billion reduction over five years as a top priority, we are also exploring the possibility of achieving this target ahead of schedule, and will continue to address it as an important challenge**

**The Group's Cross-Shareholdings Reduction Policy**

Over a five-year period from FY2025 to FY2029, we will reduce cross-shareholdings to the amount of at least ¥40 billion
(Average of around ¥8 billion a year)

## Cross-shareholdings Reduction Amounts and Targets

| FY2023-FY2024 (MTP first year) | FY2025 | FY2026 | FY2027 | FY2028-FY2029 | FY2023-FY2029 Total |
|---|---|---|---|---|---|
| ¥30.8 billion | ¥9.0 billion | ¥12.3 billion | ¥9.0 billion (*) | Around ¥16.0 billion (*) | ¥75.0 billion or more |

(*) Calculated using the stock price as of September 30, 2026.

- In FY2027, we are continuing to make steady reductions in line with our reduction policy (we made a reduction of ¥4.9 billion in 1H of FY2027).
- We will verify the appropriateness of cross-shareholdings on an ongoing basis and actively make reductions when there is deemed to be no rationale for holding them.

**The cash gained from the reduction of cross-shareholdings will be used for growth investments and similar endeavors, to help strengthen our business competitiveness and improve our capital efficiency.**

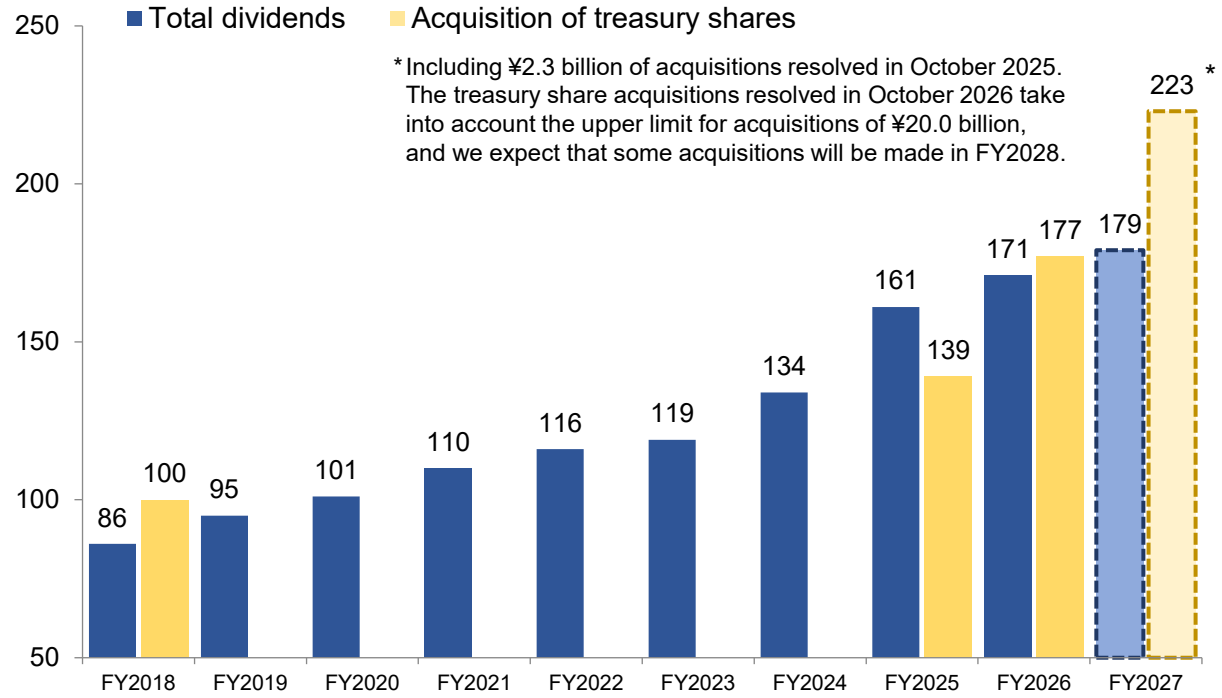
# 3. Optimization of Support Functions — Capital Policies (Shareholder Returns)

Delivering Good Health and Reliability
日清製粉グループ

**We resolved treasury share acquisitions worth ¥20.0 billion aimed at further enhancing shareholder returns and capital efficiency and otherwise carrying out capital policy measures in light of the management situation.**

## Trend in Shareholder Returns

(100 millions of yen)




| | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 (Plan) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Dividend per share** | ¥29 | ¥32 | ¥34 | ¥37 | ¥39 | ¥40 | ¥45 | ¥55 | ¥60 | **¥65** |
| **Dividend payout ratio** | 40.6% | 42.7% | 45.1% | 57.9% | 66.2% | – | 42.2% | 51.1% | 48.6% | **53.6%** |

(excluding extraordinary profits and losses from FY2025 onwards)

- In FY2027, we plan to pay a dividend of ¥65 per share, a rise of ¥5 from the year-earlier level, which represents an increased dividend for a 14th consecutive year in effect
- Treasury share acquisitions announced on October 28, 2026
  - Shares acquired: 14 million shares (upper limit) (5.00% of total number of shares issued and outstanding (excluding treasury shares))
  - Acquisition value: ¥20.0 billion (upper limit)
  - Acquisition period: November 2, 2026 to June 23, 2027
  - Acquisition method: Market purchase via a trust method

# III. Management Strategies for Sustainable Growth

1) Basic Concept

2) Overview of Basic Strategy (1st Step)

3) Progress of Basic Strategy

**4) Environmental and Procurement Initiatives Supporting Business Base**

# 1. Progress on Medium-to-long-term Targets for Environmental Issues

## Medium-to-long-term targets for environmental issues and our progress

| Action Theme | Targets | FY2026 Results (vs. the base year) |
|---|---|---|
| **Action on climate change** | Reduce the $CO_2$ emissions generated by Group-operated sites by 50% by 2030 (compared with fiscal 2014 levels) | **26% reduction**<br>* Including Oriental Yeast India Pvt. Ltd. |
| | Reduce the $CO_2$ emissions generated by Group-operated sites to effectively zero to achieve carbon neutrality by 2050 | |
| | Reduce $CO_2$ emissions in the supply chain | |
| **Addressing food waste** | Reduce food waste by at least 50% (compared with fiscal 2017 levels; compared with fiscal 2020 levels for the three prepared foods companies) from raw material procurement to delivery to customers by 2030<br>* Applies to domestic Group companies | **60% reduction** |
| **Addressing container and packaging waste** | Reduce the usage of fossil fuel-derived plastics by at least 25% (compared with fiscal 2020 levels) by 2030<br>* Applies to domestic Group companies | **18% reduction** |
| **Addressing water resources** | Reduce water usage at plants as a unit of production by 30% by 2040 (compared with fiscal 2022 levels) | **4% reduction** |

* From FY2026, results are managed while also including the Group portion of Kumamoto Flour Milling

# 2. Natural Capital and Biodiversity Initiatives and Sustainable Procurement of Raw Materials



**To maintain the Group's business base, which fundamentally depend on the blessings of nature, into the future, we will gain an understanding of nature-related dependencies and impacts and key risks and opportunities, and promote sustainable raw materials procurement and production activities.**

## Analysis and information disclosures based on the TNFD recommendations

| Participation in the TNFD Forum (December 2025) | Analyzing dependencies and impacts on natural capital<br>Understanding relationship between business and natural capital | Assessing risks and opportunities | Considering countermeasures, indicators, etc.<br>Identifying material issues and setting targets | Increasing sophistication of information disclosure<br>Gradually enhancing information disclosure |
|---|---|---|---|---|

**As of September 2026**

**We are gradually advancing initiatives and information disclosures related to natural capital and biodiversity in line with the TNFD information disclosure framework**

## Sustainable stable procurement

### Wheat

**Domestic business**

Made progress considering initiatives for the stable supply and procurement of Hokkaido-produced wheat through collaboration with relevant partners

**Overseas business**

Promoted sustainable farming through partnerships with producers, etc.

### Palm oil

✓ **RSPO member (from 2026)**
Developed base for sustainable palm oil procurement

✓ **Responsible procurement**
Promoted safe and stable procurement based on respect for the environment and human rights

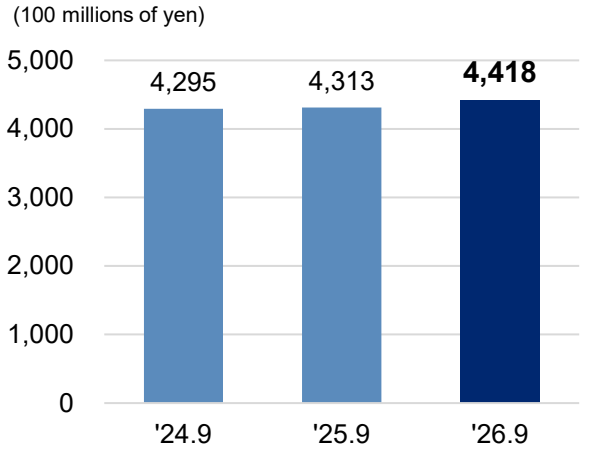
✓ **Future initiatives**
Promoting measures based on the Group's procurement guidelines

**We will understand and evaluate the relationship between business and natural capital to help us achieve sustainable and stable procurement of the raw materials that are fundamental to our business.**

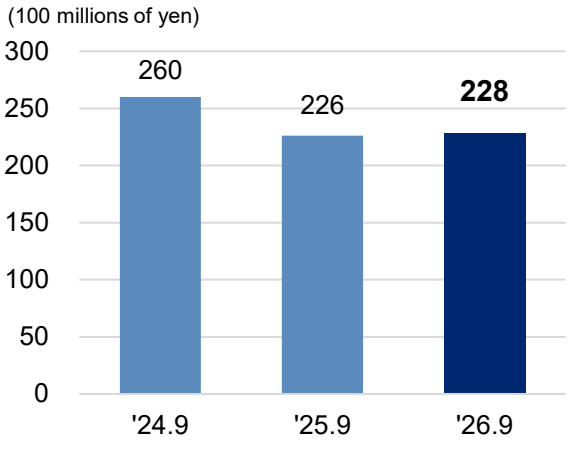
# Appendix

# 1. First Six Months of Fiscal 2027 Results

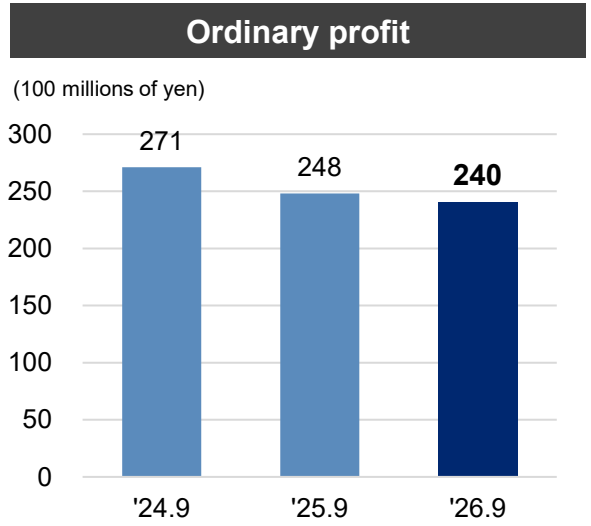
## Net sales



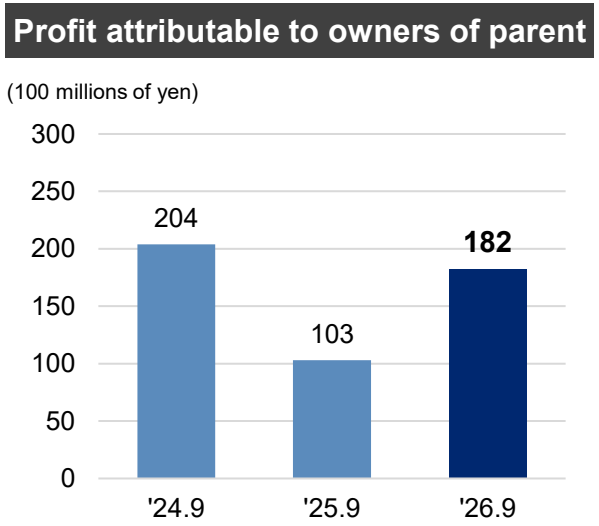

## Operating profit




## Ordinary profit




## Profit attributable to owners of parent




* Figures rounded to the nearest 100 million yen

- Net sales increased due mainly to increased shipments as a result of the strengthening of the production structure in the United States in the overseas flour milling business coupled with the impact from foreign currency translation.
- Operating profit increased, primarily reflecting increased shipments in the overseas flour milling business coupled with the impact from foreign currency translation and increased shipments in the yeast, healthcare foods and biotechnology businesses, which more than offset higher costs in each business due to the Middle East situation and decreased sales in the Prepared Dishes and Other Prepared Foods Segment, mainly attributable to unseasonable weather.
- Profit attributable to owners of parent rose sharply chiefly owing to the reduction of cross-shareholdings as planned and the absence of impairment losses recognized in the India yeast business the previous fiscal year.

| | |
|---|---|
| Net sales: | YoY change + 2.4% |
| Operating profit: | YoY change +0.8% |
| Ordinary profit: | YoY change (3.0%) |
| Profit attributable to owners of parent: | YoY change +75.8% |

# 2. Analysis of Segment Results (1)

## Analysis of Net Sales (YoY Difference)

(Billions of yen)

### Flour Milling ¥+16.2 billion

| | |
|---|---|
| Domestic wheat flour shipments (up 1% year on year) | +1.2 |
| Flour price revisions accompanying revised wheat prices, others | (2.3) |
| Bran prices | +0.0 |
| Overseas sales | +17.3 |

### Processed Food ¥+0.3 billion

| | |
|---|---|
| Processed food sales | +1.4 |
| Household-use flour sales | +0.1 |
| Prepared mix product sales | (0.6) |
| Pasta-related sales | +0.5 |
| Frozen food sales | +0.1 |
| Overseas processed food sales | +1.6 |
| Others | (0.3) |
| Oriental Yeast sales | (1.1) |

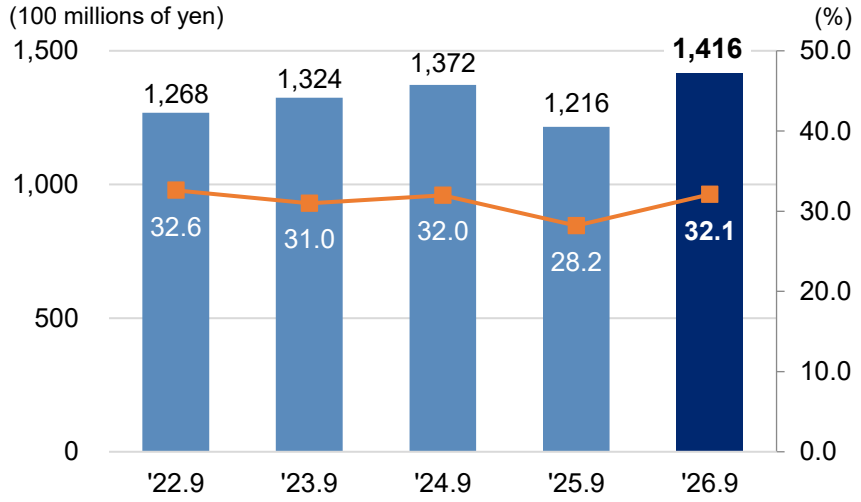
### Prepared Dishes and Other Prepared Foods ¥(3.1) billion

| | |
|---|---|
| Prepared dishes and other prepared foods sales | (3.1) |

### Others ¥(3.0) billion

| | |
|---|---|
| NBC Meshtec sales | +0.6 |
| Facility construction sales, others (Nisshin Engineering, others) | (3.6) |

### [Ref.] Overseas sales * Line graph indicates overseas sales ratio




* Figures rounded to the nearest 100 million yen

# 2. Analysis of Segment Results (2)

## Analysis of Operating Profit (YoY Difference)

(Billions of yen)

### Flour Milling ¥+0.8 billion

| | |
|---|---|
| Domestic wheat flour shipment volume | +0.2 |
| Sales expansion costs | (0.1) |
| Bran prices | +0.0 |
| Cost related and others | (0.2) |
| Overseas operating profit | +0.9 |

### Processed Food ¥+0.8 billion

| | |
|---|---|
| Shipment volume | (0.1) |
| Sales expansion costs | (0.1) |
| Cost related and others | +0.1 |
| Overseas operating profit | +0.9 |

### Prepared Dishes and Other Prepared Foods ¥(1.1) billion

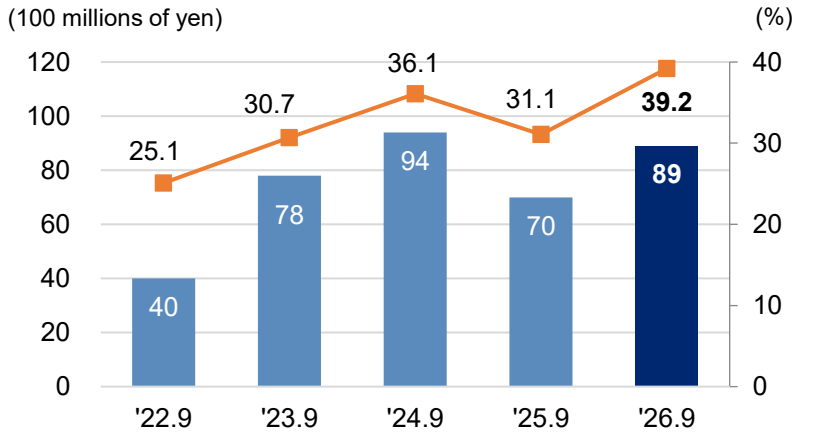
| | |
|---|---|
| Sales | (0.6) |
| Cost related and others | (0.5) |

### Others ¥(0.3) billion

| | |
|---|---|
| Sales | (0.1) |
| Cost related and others | (0.2) |

### [Ref.] Overseas operating profit

*Line graph indicates overseas operating profit ratio




* Figures rounded to the nearest 100 million yen

# 3. Non-operating Income (Expenses) / Extraordinary Income (Losses) (Results)



(100 millions of yen)

| | Fiscal 2026 Results | First Six Months of Fiscal 2027 Results | YoY difference | Comments |
|---|---|---|---|---|
| [Non-operating Income (Expenses)]<br>Net financial income | 4 | 1 | (3) | |
| Share of profit (loss) of entities accounted for using equity method | 14 | 9 | (5) | |
| Others | 4 | 2 | (2) | |
| Total non-operating income (expenses) | 22 | 12 | (9) | |

| | | | | |
|---|---|---|---|---|
| [Extraordinary Income (Losses)]<br>Gain on sale of non-current assets | 14 | – | (14) | |
| Gain on sale of investment securities | 47 | 43 | (4) | |
| Impairment losses | (87) | – | +87 | (Fiscal 2026) India yeast business |
| Loss on factory closures | (16) | (4) | +12 | (Fiscal 2026) Former Okayama and Sakaide Plants of Nisshin Flour Milling |
| Others | (8) | (5) | + 2 | |
| Total extraordinary income (losses) | (49) | 34 | +84 | |

* Figures rounded to the nearest 100 million yen

# 4. Statements of Cash Flows (Results)

(100 millions of yen)

| | Fiscal 2026 Results | First Six Months of Fiscal 2027 | | YoY difference | |
|---|---|---|---|---|---|
| | | Results | Highlights | | |
| Cash and cash equivalents at beginning of period | **920** | **914** | | **(6)** | Cash on hand* **1,002** |
| Cash flows from operating activities | **345** | **326** | Profit before income taxes: +275, depreciation: +136, decrease in working capital: +2, income taxes paid: (104) | (19) | |
| Cash flows from investing activities | **(266)** | **(270)** | Capital expenditures (payment basis) (250) | (5) | |
| Cash flows from financing activities | **(181)** | **(182)** | Cash dividends paid: (84), acquisition of treasury shares: (25), decrease in borrowings (for working capital, etc.): (44) | (1) | |
| Effect of exchange rate changes on cash and cash equivalents | **3** | **(10)** | | (12) | |
| Cash and cash equivalents at end of period | **821** | **778** | | **(43)** | Cash on hand* **924** |

* Cash on hand includes deposits exceeding 3 months and operating bonds

| | Fiscal 2026 Results | First Six Months of Fiscal 2027 Results | YoY difference | Highlights |
|---|---|---|---|---|
| Capital expenditures (construction basis) | 216 | 226 | +10 | |
| Depreciation and amortization | 128 | 136 | + 8 | |

* Figures rounded to the nearest 100 million yen

# 5. Fiscal 2027 Forecasts (1)



## Net Sales by Segment

(100 millions of yen)

| | Forecasts | YoY difference |
|---|---|---|
| Flour Milling | **4,660** | **+375** |
| Processed Food | **2,190** | **+24** |
| Prepared Dishes and Other Prepared Foods | **1,610** | **(36)** |
| Others | **540** | **(13)** |
| Total | **9,000** | **+350** |

(Billions of yen)

### Flour Milling ¥+37.5 billion

| | |
|---|---|
| Domestic wheat flour shipments (up 0% year on year) | +0.2 |
| Flour price revisions accompanying revised wheat prices, others | +4.2 |
| Bran prices | +0.6 |
| Overseas sales | +32.5 |

### Processed Food ¥+2.4 billion

| | |
|---|---|
| Domestic processed food sales | +0.7 |
| Overseas processed food sales | +1.5 |
| Oriental Yeast sales | +0.2 |

### Prepared Dishes and Other Prepared Foods ¥(3.6) billion

| | |
|---|---|
| Prepared dishes and other prepared foods sales | (3.6) |

### Others ¥(1.3) billion

| | |
|---|---|
| NBC Meshtec sales | +2.1 |
| Facility construction sales, others (Nisshin Engineering, others) | (3.4) |

# 5. Fiscal 2027 Forecasts (2)

## Operating Profit by Segment

(100 millions of yen)

| | Forecasts | YoY difference |
|---|---|---|
| Flour Milling | **286** | **+9** |
| Processed Food | **81** | **(1)** |
| Prepared Dishes and Other Prepared Foods | **45** | **(12)** |
| Others | **51** | **(4)** |
| Adjustments* | **(3)** | **+1** |
| Total | **460** | **(7)** |

* Intersegment transaction eliminations

(Billions of yen)

### Flour Milling ¥+0.9 billion

| | |
|---|---|
| Domestic wheat flour shipment volume | +0.0 |
| Sales expansion costs | (0.4) |
| Bran prices | +0.6 |
| Cost related and others | (0.9) |
| Overseas operating profit | +1.6 |

### Processed Food ¥(0.1) billion

| | |
|---|---|
| Shipment volume | +0.1 |
| Sales expansion costs | (0.3) |
| Cost related and others | (0.8) |
| Overseas operating profit | +0.9 |

### Prepared Dishes and Other Prepared Foods ¥(1.2) billion

| | |
|---|---|
| Sales | (0.6) |
| Cost related and others | (0.6) |

### Others ¥(0.4) billion

| | |
|---|---|
| Sales | +0.2 |
| Cost related and others | (0.6) |

## Caution Regarding Results Briefing Content

The statements contained in this document are based on various assumptions and do not constitute any guarantee or definite promise that projections of future performance or related business policies will actually be realized.