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## Supplementary Material to Financial Results

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Second Quarter of the Fiscal Year Ending December 2022

Nishimoto Co., Ltd.

August 12, 2022

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## Financial Results for the Second Quarter of the Fiscal Year Ending December 2022

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- ◆ The Asian Food Global Business, our mainstay, posted significant year-on-year increases in both sales and income. Demand recovered with the deregulation of COVID-19-related regulations, mainly in the North American region. Amid the continuing tight supply-demand situation, the Company maintained strong performance through appropriate price adjustments and other measures.
- ◆ The impact of foreign currency translation boosted sales and profits due to the ongoing yen's depreciation.

Same period last year

Net sales: 99.9 billion yen, Operating income: 3.2 billion yen, Ordinary income: 3.3 billion yen, Net profit: 2.5 billion yen\*

**Current period**

**Net sales: 130.7 billion yen, Operating income: 6.0 billion yen, Ordinary income: 6.4 billion yen, Net profit: 4.5 billion yen\***

(\*) Net income attributable to owners of parent

## Revision of the Annual Profit Earnings Forecasts for the Fiscal Year Ending December 2022

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- ◆ Revised the annual profit earnings forecasts considering the 2Q results and the positive effect of the yen's depreciation on income.

Before revision

Net sales: 254.0 billion yen, Operating income: 9.0 billion yen, Ordinary income: 9.0 billion yen, Net profit: 6.0 billion yen\*

**After revision**

**Net sales: 265.0 billion yen, Operating income: 10.5 billion yen, Ordinary income: 10.5 billion yen, Net profit: 7.0 billion yen\***

(\*) Net income attributable to owners of parent

[Average exchange rate for the full-year forecasts (USD)] (Before revision) \$1=120 yen (After revision) \$1=127 yen

- ◆ Assumes a gradual decline in profit margins toward the second half of the fiscal year, considering increasing purchase costs and expenses and the impact of consumer trends, such as more thrifty spending, amid growing uncertainty about the economic outlook, including prolonged inflation.

## Revision of Interim and Year-End Dividend Forecasts

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- ◆ Increased interim dividend to 70 yen per share. Revised the year-end dividend forecast to 75 yen following the revision of the annual profit earnings forecasts.

FYE 12/2021 Interim dividend: 35 yen, Year-end dividend: 70 yen, Total: 105 yen

**FYE 12/2022 Interim dividend: 70 yen, Year-end dividend: 75 yen (forecast), Total: 145 yen (forecast)**

[Forecasts announced in May] [65 yen] [60 yen] [125 yen]

- ◆ As previously planned, the dividend payout ratio is an important indicator, and the Company aims for a consolidated dividend payout ratio of around 30% for the full fiscal year.

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# Summary of Financial Results for the Second Quarter of the Fiscal Year Ending December 2022

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◆ **The Asian Food Global Business achieved significant growth in net sales and operating income, resulting in a drastic year-on-year increase in both sales and profits.**

- ◆ Maintained a stable product supply system by increasing inventory levels in an environment of prolonged logistics disruptions. Secured profits through appropriate price adjustments and other measures, despite higher overall costs due to ongoing inflation, without missing profit-making opportunities.
- ◆ Besides the sales situation reflecting the recovery trend in demand, the impact of the yen's depreciation on foreign currency translation boosted net sales and profits, resulting in a significant increase in sales (up 30.9% YoY) and net income (up 74.1% YoY).

(Unit: billions of yen)

		FY ended December 2021		FY ending December 2022		Changes year-on-year (Cumulative comparison)	
		Second quarter results		Second quarter results			
			(Apr-Jun)		(Apr-Jun)		
Operating results	Net sales	99.9	55.3	130.7	71.7	+30.8	+30.9%
	Gross profit	18.7	10.1	26.6	14.1	+7.9	+42.3%
	Operating income (Excluding strategic expenses)	4.6	2.8	7.4	3.8	+2.7	+58.9%
	Operating income or loss(△)	3.2	2.1	6.0	3.1	+2.7	+84.7%
	Ordinary income or loss(△)	3.3	2.1	6.4	3.2	+3.1	+93.2%
	Net income or loss(△) attributable to owners of parent	2.5	1.6	4.5	2.3	+1.9	+74.1%
Yen/Dollar exchange rate (Average rate during the period)		107.69 yen		122.89 yen		+15.20 yen	
Quarterly net income or loss(△) per share		180.26 yen		313.84 yen		+74.1%	

- ◆ **The Asian Food Global Business recorded significant year-on-year increases in both sales and profits, mainly in Europe and the U.S.**
- ◆ **The Agricultural & Seafood Products Trading Business and other domestic businesses recorded a year-on-year increase in sales and a year-on-year decrease in profits.**

**Asian Food Global Business (hereinafter called “AFB”)**

- ◆ While logistics delays became the norm due to deteriorating container ship standby at sea and general personnel shortages, the entire Company Group maintained a stable supply of products and service levels by securing sufficient inventories and replenishing necessary personnel. Profit margins improved, especially in North America, and the impact of the yen’s depreciation on foreign currency translation boosted net sales and income.
  - Sales in the North America region increased by 37.6% year-on-year and 33.3% compared to the same period in FY2019, before the spread of COVID-19.
  - Sales in regions other than North America increased by 36.8% year-on-year.

**Agricultural & Seafood Products Trading Business**

- ◆ Purchase costs of imported fruits, our main product, rose due to inflation in the country of origin, soaring ocean freight, increased logistics-related costs, and a rapidly depreciating yen. The Company struggled to secure sales in the domestic market affected by a decline in price competitiveness against competing products such as domestically produced products. Sales in the segment as a whole increased by 13.1% year-on-year, mainly due to the consolidation of Ban Choon Marketing Pte. Ltd., Singapore’s leading fruit and vegetable wholesaler.
- ◆ Despite efforts to pass on higher costs to customers, income decreased year-on-year due to the impact of the handling of quality deterioration caused by the delayed arrival of container ships, etc.

(Unit: billions of yen)

Business segments		FY ended December 2021		FY ending December 2022		Changes year-on-year (Cumulative comparison)	
		Second quarter results		Second quarter results			
		(Apr-Jun)		(Apr-Jun)			
AFB	Net sales	73.0	39.7	100.4	54.0	+27.3	+37.4%
	Operating income or loss(△)	3.3	2.1	6.5	3.5	+3.1	+94.8%
Agricultural & Seafood Products Trading Business	Net sales	25.3	15.0	28.6	17.1	+3.3	+13.1%
	Operating income or loss(△)	0.1	0.2	▲ 0.1	▲ 0.1	▲0.3	-
Other	Net sales	1.5	0.5	1.6	0.5	+0.1	+11.5%
	Operating income or loss(△)	▲ 0.0	▲ 0.0	▲ 0.1	▲ 0.1	▲0.1	-
Adjustment	Net sales	-	-	-	-	-	-
	Operating loss(△)	▲0.2	▲ 0.1	▲ 0.2	▲ 0.1	0.0	-
Total	Net sales	99.9	55.3	130.7	71.7	+30.8	+30.9%
	Operating income	3.2	2.1	6.0	3.1	+2.7	+84.7%

- ◆ **Assets, liabilities, and net assets increased from the end of the previous fiscal year due to an increase in both lease assets and lease obligations as a result of the application of the new lease standard at a consolidated subsidiary in the U.S., along with the impact of the yen's depreciation, etc.**
- ◆ **Inventories increased by 17.8 billion yen from the end of the previous fiscal year due to an increase in inventories for the purpose of stable supply under the unstable logistics situation, as well as higher purchase costs and the yen's depreciation.**

(Unit: billions of yen)

		End of 12/2021	End of 06/2022	Amount/Rate of increase (decrease)	Main reasons for changes
Total assets	Current assets	124.7	142.8	+18.1	Cash and deposits ▲7.3, Trade receivables +6.5, Inventories +17.8
	Non-current assets	17.0	31.0	+14.0	Lease assets (net) +11.1
		141.7	173.9	+32.2	
Total liabilities	Current liabilities	36.6	42.2	+5.5	Trade payables +3.1, Lease obligations +2.0
	Non-current liabilities	45.2	58.6	+13.3	Lease obligations +9.4
Total liabilities		81.9	100.8	+18.9	
Total net assets		59.8	73.1	+13.2	
Total liabilities and net assets		141.7	173.9	+32.2	
Yen/Dollar exchange rate (Year-end rate)		115.02 yen	136.68 yen	+21.66 yen	
Shareholders' equity ratio		41.9%	41.7%	▲0.2 pt	
Current ratio		339.9%	338.3%	▲1.7 pt	

# Consolidated Statements of Cash Flows (Summary)



(Unit: billions of yen)

	Q2 FYE 12/2021 Year-to-date Actual	Q2 FYE 12/2022 Year-to-date Actual	Changes Year-on year	Main reasons for changes (Change from previous period)
Cash flows from operating activities	0.6	▲8.9	▲9.5	Net income before income taxes and others +2.9 Change in inventories (▲ denotes an increase) ▲8.3 Change in trade payables (▲ denotes a decrease) ▲1.3
Cash flows from investing activities	▲0.1	▲2.6	▲2.5	Net change in time deposits (▲ denotes an increase) ▲1.6
Cash flows from financing activities	0.7	▲0.3	▲1.1	Dividends paid ▲0.7
Exchange rate change	1.7	4.5	+2.7	

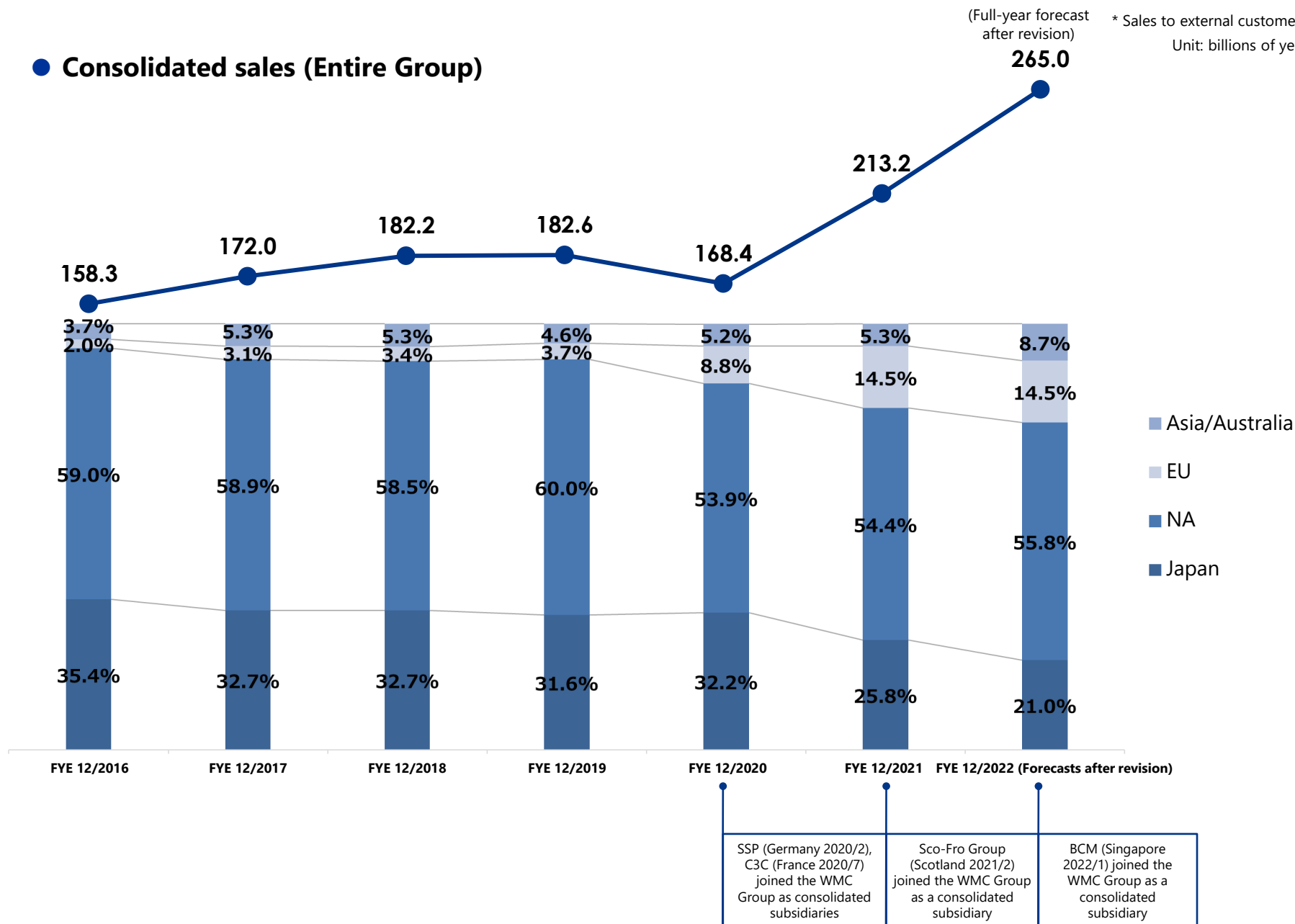
Cash and cash equivalents	Q2 FYE 12/2021 Year-to-date Actual	Q2 FYE 12/2022 Year-to-date Actual	Changes Year-on-year	Remarks
Cash and cash equivalents at beginning of period	50.9	65.6	+14.7	
Net increase (decrease) in cash and cash equivalents	3.0	▲7.3	▲10.4	
Cash and cash equivalents at end of year	53.9	58.2	+4.2	



# (Ref.) Sales Composition Ratio by Region

## ● Consolidated sales (Entire Group)

(Full-year forecast after revision) \* Sales to external customers  
Unit: billions of yen



- ◆ Continues to invest in initiatives to strengthen the foundations of existing businesses and evolve into new business models.

	Measures	Amount (including expenses/billions of yen)			Aims
		2021	2022	2022	
		Results	Plan	Q2 Results	
<b>1</b> Expansion Business Fields	<ul style="list-style-type: none"> <li>◆ Creation of new businesses in the intersection of the fields of Food, Healthcare, Ecology, New Lifestyle and Food informatics</li> </ul>	0.5	0.8	0.4	<ul style="list-style-type: none"> <li>◆ Diversification of the business portfolio</li> </ul>
<b>2</b> Strengthening Interregional Cooperation	<ul style="list-style-type: none"> <li>◆ Formation and strengthening of regional management teams</li> <li>◆ Product development and mainstream sales channel development in Europe and China</li> </ul>	1.2	1.5	0.6	<ul style="list-style-type: none"> <li>◆ Strengthening management and operational capabilities in each region</li> <li>◆ Building business strategies for strengthening mainstream sales channel, etc., and building business strategies for deepening transactions</li> </ul>
<b>3</b> Strengthening Profitability of Existing Business	<ul style="list-style-type: none"> <li>◆ Enhancement of the product development divisions</li> </ul>	0.1	0.2	0.1	<ul style="list-style-type: none"> <li>◆ Further expansion of the private brand product lineup</li> </ul>
	<ul style="list-style-type: none"> <li>◆ SCM and IT infrastructure investments</li> </ul>	0.0	0.5	0.1	<ul style="list-style-type: none"> <li>◆ Development of health-conscious products</li> </ul>
	<ul style="list-style-type: none"> <li>◆ Organizational revitalization/streamlining (NA, etc.) and reform of compensation system</li> </ul>	0.5	0.1	0.0	<ul style="list-style-type: none"> <li>◆ Improve accuracy of SCM operations</li> <li>◆ Build a more customer-oriented organization</li> <li>◆ Introduction of compensation system based on company and staff performance</li> <li>◆ Strengthen in-house collaboration across divisions and departments</li> </ul>
<b>4</b> Development of New Businesses Derived from Existing Businesses	<ul style="list-style-type: none"> <li>◆ Construction of a mechanism for overseas export of Japanese agricultural products</li> </ul>	0.2	0.3	0.2	<ul style="list-style-type: none"> <li>◆ Capturing growth in overseas markets</li> </ul>
	<ul style="list-style-type: none"> <li>◆ Development of new services to the restaurant industry (New Normal eating habits)</li> </ul>	0.2	0.2	0.1	<ul style="list-style-type: none"> <li>◆ Capturing food service businesses responding to the New Normal lifestyle</li> </ul>
	<b>Total</b>	2.7	3.6	1.5	

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# Revision of Annual Profit Earnings Forecasts for the Fiscal Year Ending December 2022

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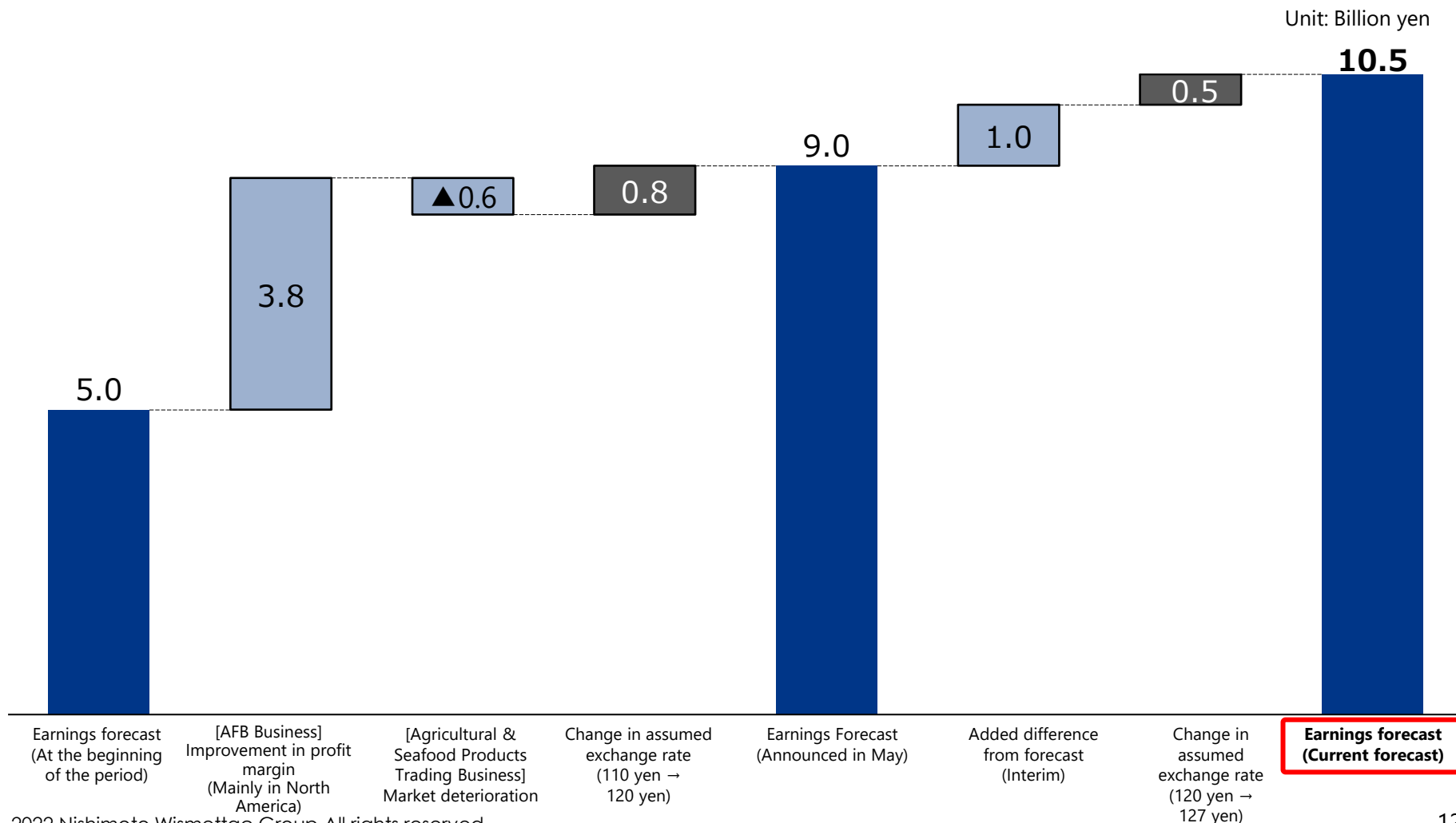


◆ **Revised annual profit earnings forecasts, considering the first-half results and the positive effect of increased income due to the ongoing depreciation of the yen.**

- In the first half of the year, increased purchase costs and expenses were within expectations, and appropriate price adjustments and other measures helped maintain strong profit levels, especially in the mainstay North American region.
- In the second half of the year, purchase costs and expenses are expected to continue to increase, and a price adjustment phase is anticipated as the supply-demand balance moves toward normalization.

	Before revision (Announced in May) Full Year	<b>After revision</b> <b>Full Year</b>	Amount of change	Interim (Actual)
<b>Net sales</b>	254.0 billion yen	<b>265.0 billion yen</b>	(+11.0)	130.7
<b>Operating income</b>	9.0 billion yen	<b>10.5 billion yen</b>	(+1.5)	6.0
<b>Ordinary income</b>	9.0 billion yen	<b>10.5 billion yen</b>	(+1.5)	6.4
<b>Net income attributable to owners of parent</b>	6.0 billion yen	<b>7.0 billion yen</b>	(+1.0)	4.5
(Average USD exchange rate during the year)	(120.00)	(127.00)		(122.89)

- ◆ For the second half of the year, the effects of the ongoing yen's depreciation on profit growth are included in the forecast as a main factor.
- ◆ Assumes a gradual decline in profit margins toward the second half of the year, considering increasing purchase costs and expenses and the impact of consumer trends, such as more thrifty spending, amid growing uncertainty about the economic outlook, including prolonged inflation.



# Annual Profit Earnings Forecasts for the Fiscal Year Ending December 2022 (by Business Segment)



Planning  
assumption

**In the revised annual profit earnings forecast, the average yen/dollar exchange rate for the period is assumed to be \$1 = 127 yen.**

Unit: billions of yen		FY2020 Result	FY2021 Result	FY2022 Forecast	FY2022 Revised	Comment
Entire company	Sales	168.4	213.2	<b>254.0</b>	<b>265.0</b>	Sales grew in the existing AFB business. Continued to strengthen the system and invest for mid- to long-term growth.
	Profit	1.9	7.3	<b>9.0</b>	<b>10.5</b>	
Existing	Sales	165.7	207.3	<b>240.0</b>	<b>251.0</b>	Reflects upward swing in the first half results of AFB business due to prolonged supply chain disruptions and the consequent ongoing supply-demand crunch.
	Profit	3.9	10.5	<b>11.6</b>	<b>13.0</b>	
AFB	Sales	116.3	159.8	<b>191.0</b>	<b>201.3</b>	Although the first half of the year remained strong, a gradual decline in profit margin is expected in the second half in light of supply-demand adjustments due to growing thriftiness and higher procurement and logistics costs.
	Profit	3.0	10.5	<b>11.6</b>	<b>13.0</b>	
Agricultural & Seafood Products	Sales	45.8	43.9	<b>45.0</b>	<b>46.0</b>	No major change in forecast. Sales volume and profit margins are sluggish due to logistics disruptions and the yen's depreciation. Continue to strengthen domestic and overseas sales system.
	Profit	0.8	▲0.1	<b>0.0</b>	<b>0.0</b>	
Domestic BtoC	Sales	3.6	3.7	<b>4.0</b>	<b>3.7</b>	No major change in forecast. Severe business conditions will continue due to squeezed profit caused by the yen's depreciation and other factors. Promote expansion of product lineup and introduction of online order system, etc.
	Profit	0.1	0.1	<b>0.0</b>	<b>0.0</b>	
New	Sales	2.7	6.0	<b>14.0</b>	<b>14.0</b>	No major change in forecast. Continue to invest toward the evolution of new business models and focus on expanding sales to mainstream and other sales channels.
	Profit	▲2.0	▲3.2	<b>▲2.6</b>	<b>▲2.5</b>	
(Average USD exchange rate during the year)		(106.82)	(109.80)	(120.00)	(127.00)	

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# Policy of Returning Profits to Shareholders

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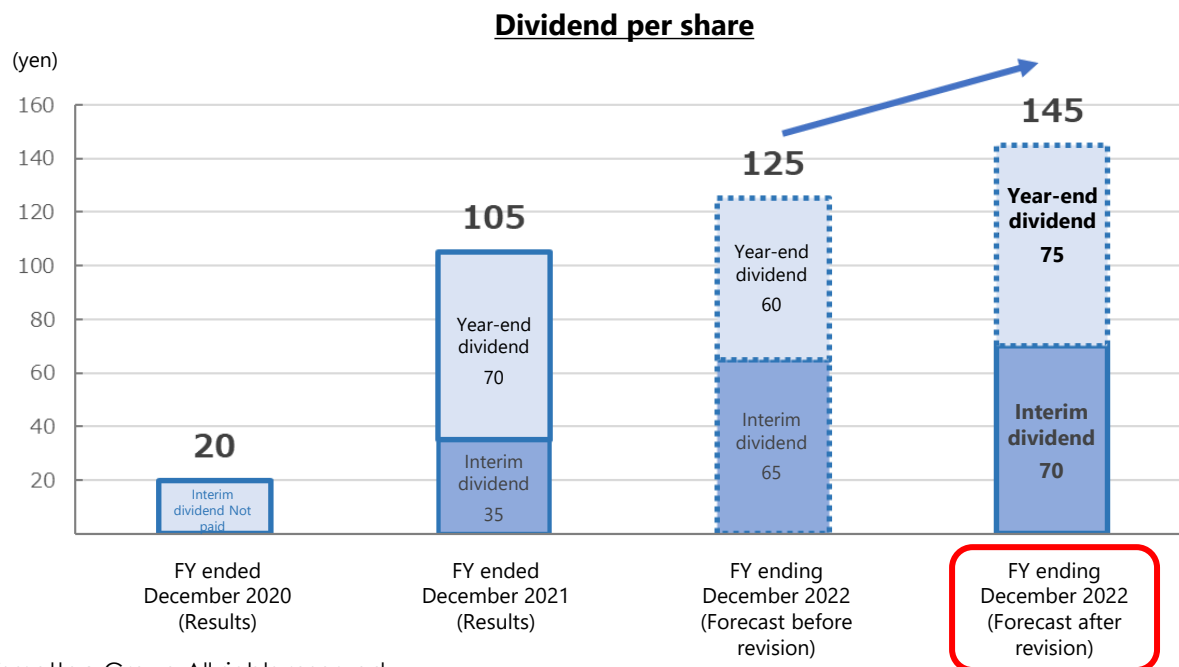


## Basic Policy

- ◆ The Company will continue to pay stable dividends while securing internal reserves for future business development and strengthening the financial structure.
- ◆ The Company considers the dividend payout ratio as an important indicator and aims for a consolidated dividend payout ratio of approximately 30% for the full year.

## Dividends for the Fiscal Year Ending December 2022

- ◆ The forecasts for interim and year-end dividends are determined in consideration of the above basic policy, the business environment surrounding the Group, and future business outlook.
- ◆ The interim dividend was set at 70 yen per share, and the year-end dividend forecast was revised from 60 yen to 75 yen per share following the revision of the annual profit earnings forecast. The annual dividend will be 145 yen per share, resulting in a payout ratio of approximately 30% for the full year.





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# Reference Material: Mid-Term Business Plan

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\* Abstracted from the supplementary explanation material of the financial results for the first quarter of the fiscal year ending December 2022 (disclosed on May 13).



## Purpose Statement

**Contribute to the well-being of humanity through providing the most cutting-edge and powerful solutions to customers and the food industry around the world**

## Mission Statement

**To bring our Purpose a reality, we actively search global best-in-class solutions for unmet needs and issues which shall be brought to our attention through our day-to-day close interactions with customers and the food industry around the world.**

**In other words, we will be the link between the most cutting-edge and best fit solutions and the issues or unmet needs identified through our global network.**

Our business model to bring our Purpose a reality

**To accomplish our mission, we will commit ourselves to evolving our cross-border supply chain into the "Silk Road in Food Industry".**

Providing Japanese food, fruit and vegetables, and imported processed foods



Providing every type of solutions from food to technology and services

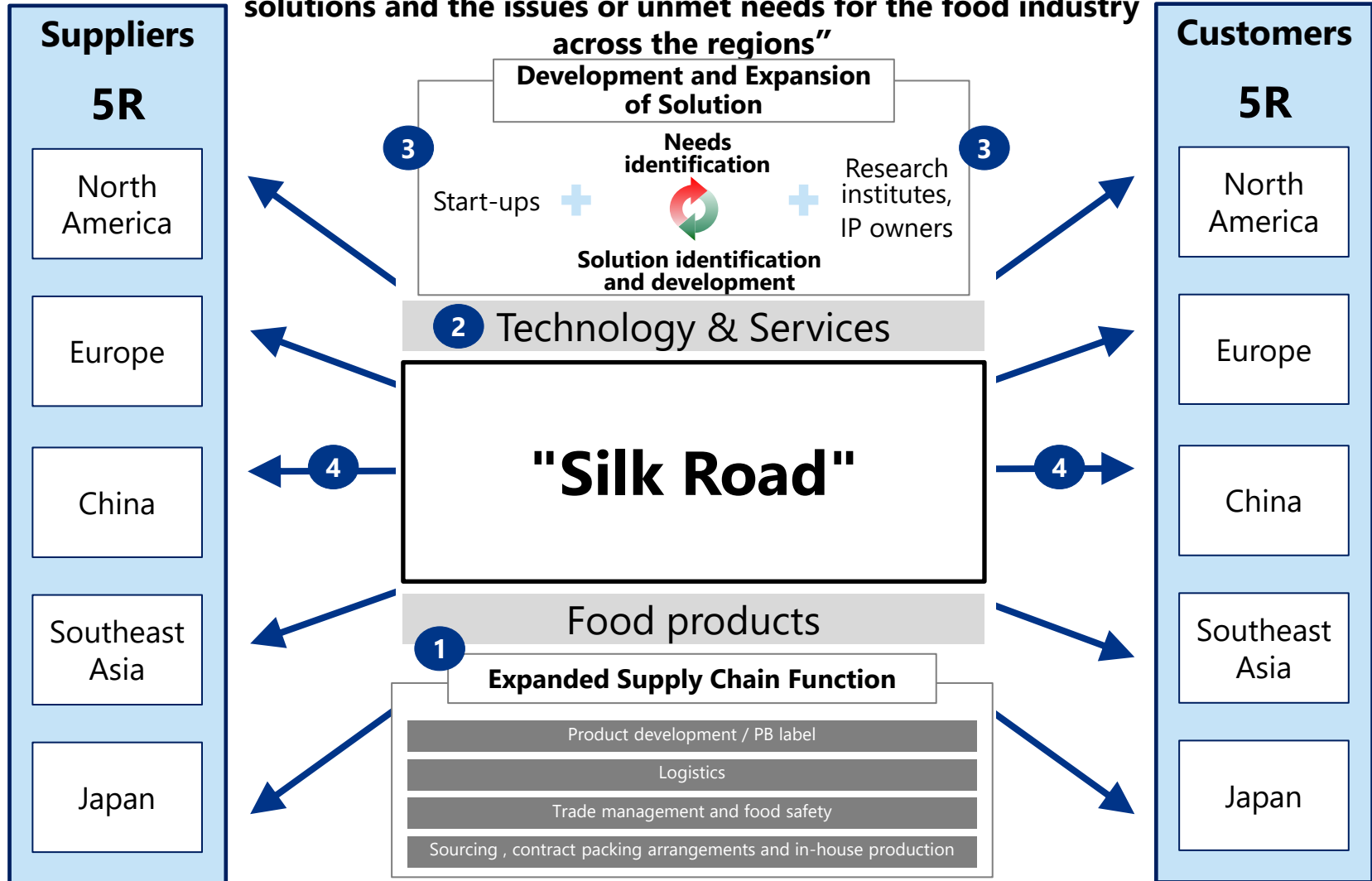
"From Japan to the World" & "From the World to Japan"



"World-to-World"  
- Interactive business in five regions

We will ① strengthen further the supply chain functions we have cultivated to date, ② develop "service and technology" solutions for needs identified through our network within the food industry in the 5Rs (five regions around the world), ③ open up our "Silk Road" for external research institutes and start-up companies, and; ④ expand products and services around the 5Rs through our Silk Road

**"Become the link between the most cutting-edge and best fit solutions and the issues or unmet needs for the food industry across the regions"**



**We will capture further growth in the Asian food market by developing mainstream sales channels and trading areas. In addition, we will develop new products and services based on our global network and strengthen the cross-border food supply chain to evolve into the "Silk Road in Food Industry".**

## Cross-border Food Supply Chain

### Opportunities

- Further penetration of the Japanese food market
- Omni-channel models of the food service after the COVID-19 pandemic.
- Shift to local production in consuming countries
- Oligopolization of the e-commerce and retail industry
- More stringent food safety, traceability, and SDGs requirements for the food industry

Response

**Broader, More Resilient  
Cross-border Food Supply Chains**  
Growth with the Asian Food Global Business

### Strategy

#### [Broader]

- Accelerate development of mainstream sales channels
- Expand and promote sales in the Middle East, South America, India, and Africa

#### [More Resilient]

- Sophisticate our capability of the trade management, food safety, inventory control, and logistics
- Improve our capabilities to develop the products more adaptive to the local market
- Evolve into a trading and wholesaler with in-house production capabilities
- Adapt to TCFD\* and food traceability requirements

\* Task Force on Climate-related Financial Disclosures

## "Silk Road in Food Industry"

- Health-consciousness, telecommuting, and other lifestyle changes
- Digitalization of the food supply chain
- Transformation toward a circular economy
- Transition to a society of health and longevity
- Growing need for improvement of manpower productivity / operational efficiency

Response

**Evolution into the "Silk Road in Food Industry"  
Accessible and attractive to all people**

Development and expansion of new solutions

#### [Attractive]

- Develop nutrient rich and functional foods for the aged and the sick
- Explore and develop solutions for new lifestyles and a circular economy
- Explore and develop solutions to solve workforce shortages faced by the food industry

#### [Accessible]

- Customize services to ensure local acceptance and penetration of solutions such as products, technologies, and services

**We will be a company that provides solutions to meet the needs of the food industry worldwide.**

**The Asian Food Global Business will capture mainstream sales channels and accelerate growth by improving product development capabilities and local production capacity (including in-house production). The Agricultural & Seafood Products Trading Business will improve the quality of its operations and increase profitability.**

## Business Environment Perception

## Outline of Plans

### Asian Food Global Business

- Circa 10% growth of the Japanese food market and mainstream penetration in North America, Europe and China
- Ready-made/home-cooked meal consumption is on the rise. In addition to traditional supermarkets, there is a variety of purchase routes such as e-commerce, take-out and delivery.
- Stricter food regulations in various countries, as well as more stringent traceability requirements in mainstream
- Even after the COVID-19 pandemic, the global food supply chain remains unstable behind the Russia-Ukraine war and intensified political and economic tensions between the Major Powers

1. Expansion of mainstream sales channels and trading areas
  - Expanding mainstream sales channels mainly in the U.S. and Europe
  - Establishing our business hubs in the Middle East, South America, India, and Africa
  - Penetrating Asian food products into the mainstream customers with development of "Deskilled(easy-cook)" products (ready-to-eat product, etc.)
2. Building a stronger and more efficient supply chain
  - Improving the food safety and traceability control
  - Seeking an optimized supply chain that combines imports and local sourcing
3. Establishment of the local production capacity to achieve our stable supply and cost competitiveness

### Solution Development Business

Please refer to the next page for information on projects under consideration and the status of initiatives.

### Agricultural & Seafood Products Trading Business

- Both the volume and value of fresh fruit imports are on the rise, and the market size is growing moderately
- In relation to citrus fruits as one of our core product ranges, the market size of grapefruit is shrinking, while that of oranges and lemons is slightly increasing. A growth is expected for our other core products
- Increase in exports of Japanese agricultural products to Asian countries

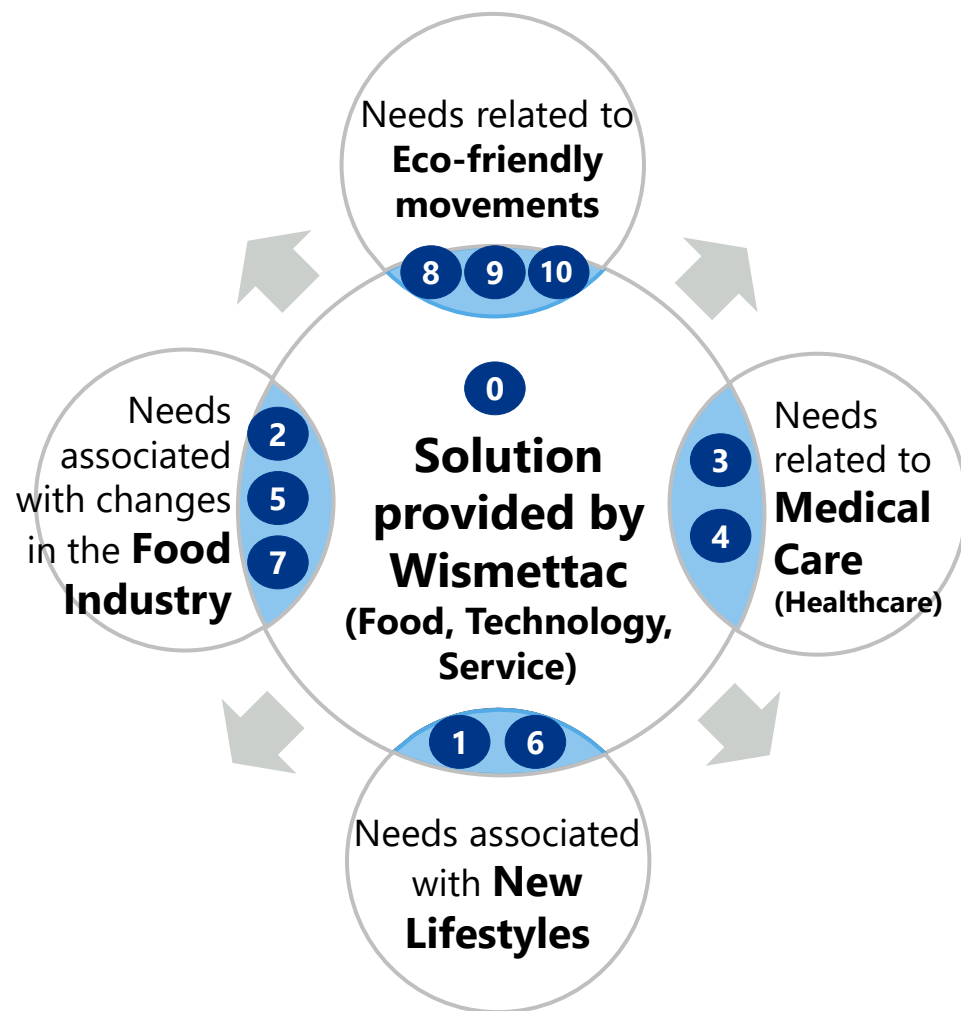
1. Strengthening relationships with customers and production areas and developing overseas business
  - Solution development for domestic and overseas farming areas: overseas sales channel, marketing, support for overseas production/cultivation, etc.
  - Strengthen sales marketing capabilities to customers including large retailers
2. Reshaping into a more efficient operational structure
  - Improved efficiency through integration of business IT systems
  - Reorganization into a function-based structure

### Japan Domestic Business

- Growth of the specialty food market. Sales channels are diversified, with major supermarkets and e-commerce companies entering the market.
- The organic food market in Japan is at an early stage in comparison with foreign countries: however, it is expected to grow in the future.

1. Increasing manpower productivity (Digital Transformation)
  - Introduction of an online ordering system
  - Building omni-channel marketing capabilities
2. Wider varieties of health-conscious products such as organic foods

In order to build a methodology for continuous business creation, we will accelerate the pace of exploring needs and developing solutions. Our attention is drawn to macro-socioeconomic dynamics for our business creation, which are regularly reviewed from the commercial feasibility point of view.

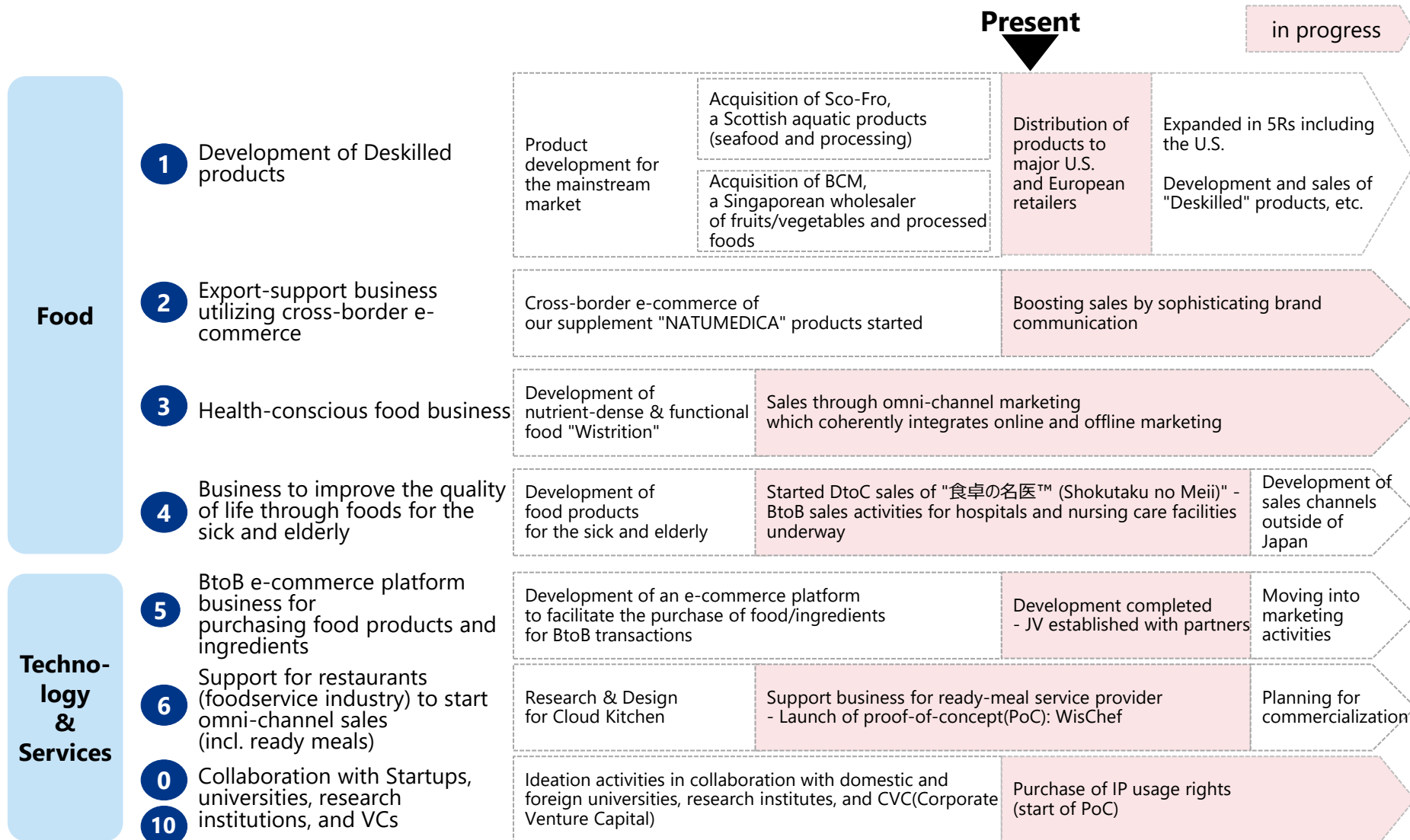


## Projects in progress for commercialization

1	"Deskilled" product development (ready-to-eat product, etc.)	5 Regions
2	Export-support business utilizing cross-border e-commerce	Between China and Japan
3	Health-conscious food business (including some initiatives by existing businesses)	China/Japan
4	Business to improve the quality of life through foods for the sick and elderly	China/Japan
5	BtoB e-commerce platform business for purchasing food products and ingredients	Japan
6	Support for restaurants (foodservice industry) to start omni-channel sales (incl. ready meals)	Japan/US
7	Agricultural products export-support platform business (led by the Agri/Aqua Div.)	Japan/ SE Asia
8	Distribution of RAS aquaculture products (led by the existing AFB Business)	Europe
9	Distribution of plant-based meat and fish products (led by the existing AFB Business)	5 Regions
10	Support for resource-saving farming technology	Japan/ Australia/ US
0	Identify business ideas and solutions Collaboration with Startups, universities, research institutions, and VCs	Japan/ Europe/ China

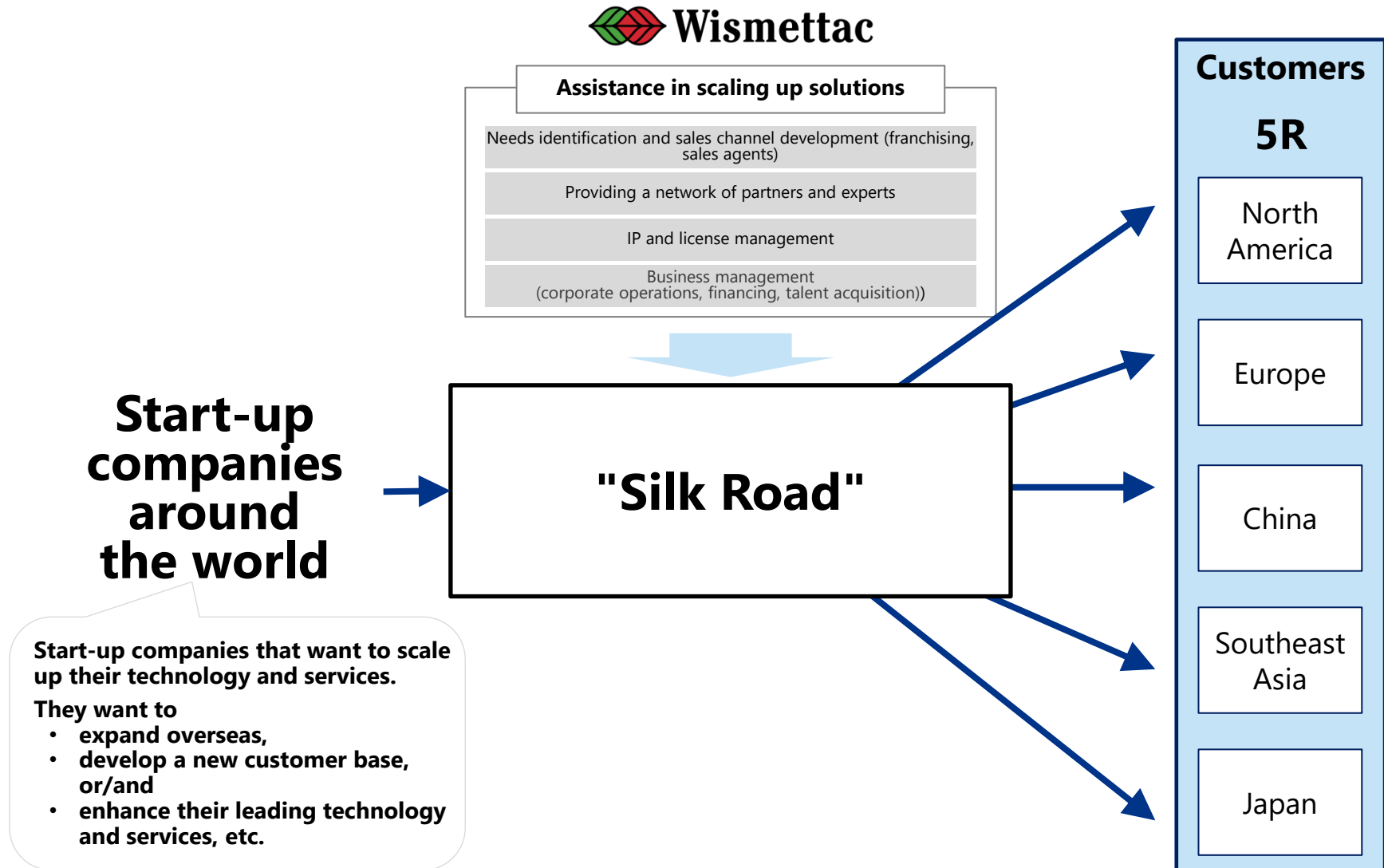
# Status of Activities to Develop New Solutions

**For each activity to develop new solutions, gate reviews are regularly conducted to evaluate the progress of the business and PoC. We will create and nurture numerous business groups with quickly running the PDCA cycle on a global basis.**



(\*) Items 7, 8, and 9 are not included in the above roadmap as they are being implemented as existing business or are derived from existing business.

**While developing our own solutions, we will also utilize the knowledge and the experience gained through these efforts to support Start-ups with excellent solutions who aspire to expand their business, especially overseas.**





**We will achieve a moderate growth of the profit, as the revenue growth offsets a decline in gross profit margin due to the normalization of the supply chain. We are aiming for 304.5 billion yen in sales and 10 billion yen in operating income by 2024.**

Assumption

The yen/dollar exchange rate in the forecast is assumed to be 1\$=120 yen

Unit: billions of yen		FY2021 Results	FY2022 Revised forecast	FY2023	FY2024	Comments:
Entire company	Sales	213.2	<b>254.0</b>	<b>279.2</b>	<b>304.5</b>	Both existing and new sales grew, and we will continue to invest in and reinforce systems for mid- to long-term growth.
	Profit	7.3	<b>9.0</b>	<b>9.5</b>	<b>10.0</b>	
Existing	Sales	207.3	<b>240.0</b>	<b>264.2</b>	<b>287.5</b>	While a decrease in profits due to increased costs will be offset by an increase in sales, investments will continue to be made to strengthen the business foundation for our continuous growth.
	Profit	10.5	<b>11.6</b>	<b>12.2</b>	<b>12.5</b>	
AFB	Sales	159.8	<b>191.0</b>	<b>210.0</b>	<b>230.0</b>	As global supply-demand balance returns to normal and supply volume increases, we will expect a moderate decline in gross profit margin for us, however, this will be offset by an increase in revenues.
	Profit	10.5	<b>11.6</b>	<b>11.5</b>	<b>11.6</b>	
Agricultural & Seafood Products	Sales	43.9	<b>45.0</b>	<b>50.0</b>	<b>53.0</b>	The profitability will increase thanks to operational efficiencies as well as recovery from lower gross margins caused by supply chain disruptions.
	Profit	▲0.1	<b>0.0</b>	<b>0.6</b>	<b>0.8</b>	
Domestic BtoC	Sales	3.7	<b>4.0</b>	<b>4.2</b>	<b>4.5</b>	We are aiming to increase sales by expanding product lineup, introducing online ordering system, etc.
	Profit	0.1	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	
New	Sales	6.0	<b>14.0</b>	<b>15.0</b>	<b>17.0</b>	We will continue to make investment in developing new solutions
	Profit	▲3.2	<b>▲2.6</b>	<b>▲2.7</b>	<b>▲2.5</b>	

(USD exchange rate)

(109.80)

(120.00)

(120.00)

(120.00)

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# Corporate Profile

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◆ **Two spheres symbolizing the Earth and Globalism**

- Red is used to show Innovation, green represents Nature
- Expresses the Company's "lasting commitment to creating healthier and richer lives through food"

◆ **Incorporates the letters "W" "M" and "C" from the Company name**

< **Wisdom** > (Western knowledge)

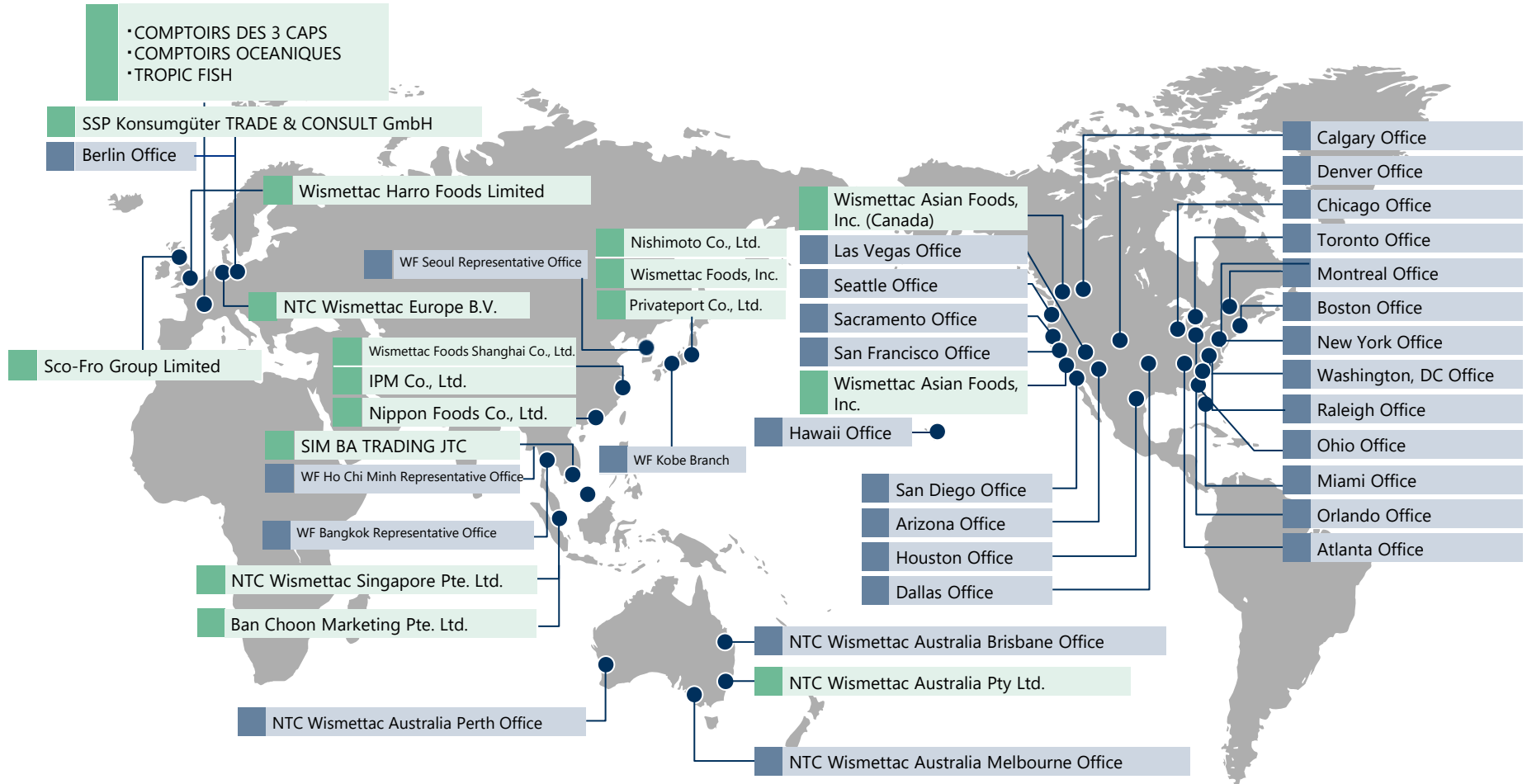
< **Metta** > (Eastern knowledge)  
(Metta means kindness or empathy in Pali, an ancient Indian language)

< **Creativity** > (Ability to create value)

**Founded in 1912, Nishimoto Wismettac has grown into a global company supplying food ingredients and food products to markets worldwide.**

Company name	Nishimoto Co., Ltd.	
Head office	15 <sup>th</sup> Floor, Nihonbashi Muromachi Mitsui Tower, 3-2-1, Nihonbashi Muromachi, Chuo-ku, Tokyo	
Established	May 1912	
Representative directors	Yoshiro Susaki, Chairman & President CEO	
Number of employees	1,813 (including 1,507 in the Asian Food Global Business) [As of December 31, 2021]	
Business	<ul style="list-style-type: none"> <li>◆ Development and sales of Asian food worldwide</li> <li>◆ Imports and sales of fruit, vegetables and related processed products, and supply of food ingredients to food manufacturers and the restaurant sector</li> </ul>	
Subsidiaries and affiliates	23 subsidiaries, 1 affiliate [As of June 30, 2022]	
Business sites	44* worldwide (including 24 in North America) Locations in Japan, the U.S., Canada, Singapore, Australia, Netherlands, U.K., Germany, France, China, Hong Kong, Thailand, Vietnam and South Korea <small>* Figures after reviewing the definition of the number of business sites</small>	
Consolidated net sales	213.2 billion yen (FY ended December 2021)	* Overseas sales ratio 74.2%
Consolidated ordinary income	7.2 billion yen (FY ended December 2021)	
Shareholders' equity ratio	41.9% (FY ended December 2021)	

The Company Group maintains 44 locations around the world in North America, Europe, Australia, and Asia and is developing business globally. Among these, North America (the US and Canada) has 24 locations, which account for the majority of sales.



"WF" shown in the figure is an abbreviation for "Wismettac Foods"

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[Contact]

Nishimoto Co., Ltd.  
Corporate Planning Dept.  
TEL: 03-6870-2015

