

**Q2/FY2017**  
**Supplemental IR information**  
(FYE March 2018)

November 7, 2017

**FUJI OIL HOLDINGS INC.**

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## ◆ 1. Consolidated profit and loss summary

(Unit: JPY 100 million)

		FY2016 Q2	FY2017 Q2	YoY	
				Change	Rate of increase
Revenue	Oils and Fats	526	569	+43	+8.1%
	Confectionery and Bakery Ingredients	696	732	+36	+5.1%
	Soy	191	196	+5	+2.4%
	Total	1,414	1,496	+83	+5.9%
Operating profit	Oils and Fats	35	29	▲6	▲17.0%
	Confectionery and Bakery Ingredients	44	49	+6	+13.0%
	Soy	13	16	+2	+16.9%
	Total	92	94	+2	+2.2%
Operating margin		6.5%	6.3%	▲0.2p	—
Ordinary profit		91	92	+2	+1.7%
Net income attributable to owners of parent		62	58	▲3	▲5.7%
EBITDA		138	139	+1	+0.9%
Cash flows from operating activities		67	141	+74	+110.1%
Cash flows from investing activities		▲83	▲64	+19	▲22.5%
Free cash flow		▲16	76	+93	—
Net interest-bearing loans		543	471	▲72	▲13.2%
Net operating capital		552	629	+77	+14.0%
Net interest-bearing loans/EBITDA		2.0(times)	1.7(times)	▲0.3times	—
CCC (Cash conversion cycle)		104(days)	106(days)	+2(days)	—

## ◆ 2. Key points of financial accounting

- ▶ • Achieved record highs for first half operating income and ordinary income
- For oils and fats, we worked to maintain profitability but income declined on rising raw materials prices
- Confectionery and baking ingredients achieve increased income mainly due to improved profitability in South America
- For soy, sales growth for high value-added products (soy protein materials, water soluble)
- No change on consolidated earnings forecast issued MM 9, 2017  
(We revised the full-year forecast figures for the breakdown of net sales and operating income by consolidated region to reflect recent performance trends)

### ◆3. Segment-specific summary

#### Oils and Fats

●Japan

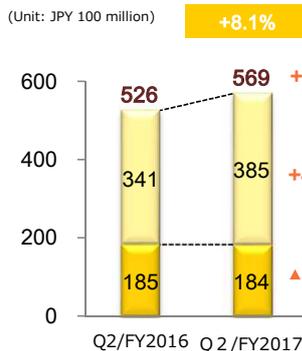
A focus on profitable sales resulted in decreased revenues. Income declined due to a decline in profitability caused by higher raw material prices.

●Overseas

Revenues increased thanks to sales growth for hard butters for chocolate in the Americas and in Europe. Income declined due to a decline in profitability caused by higher raw material prices.

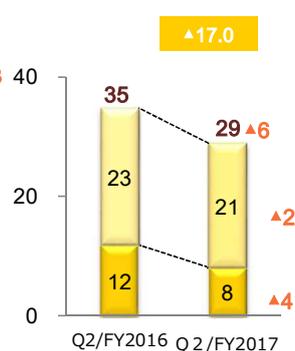
#### Revenue

(Bottom row: Domestic, Top row: Overseas)



#### Operating profit

(Bottom row: Domestic, Top row: Overseas)



#### Confectionery and Bakery Ingredients

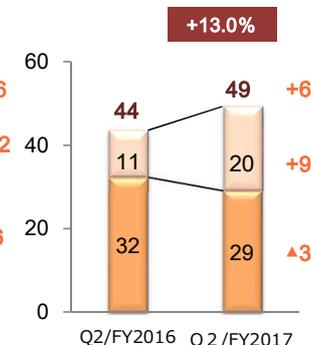
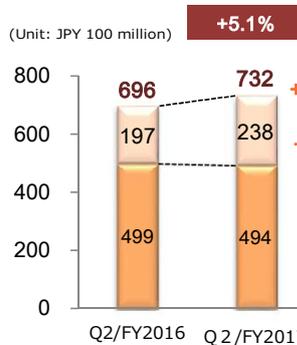
●Japan

Although sales of industrial use chocolate and fillings were firm, revenues declined on decreased sales of chocolate for frozen confectioneries resulting from poor weather and a continued focus on profitable sales of food ingredients.

●Overseas

Revenues increased thanks to favorable sales of filling products on the China market, and increased in Asia and Brazil, too.

Income increased mainly due to higher profits in Brazil.



#### Soy

●Soy protein materials

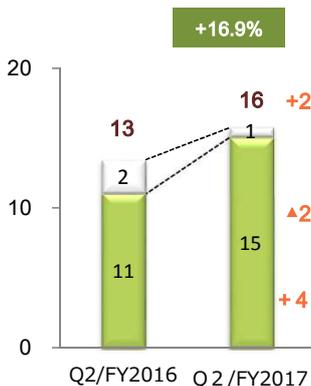
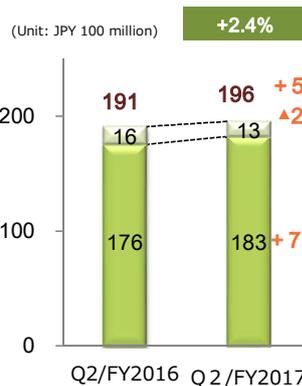
Sales for the cereal and health food markets were favorable.

●Soy protein functional agents

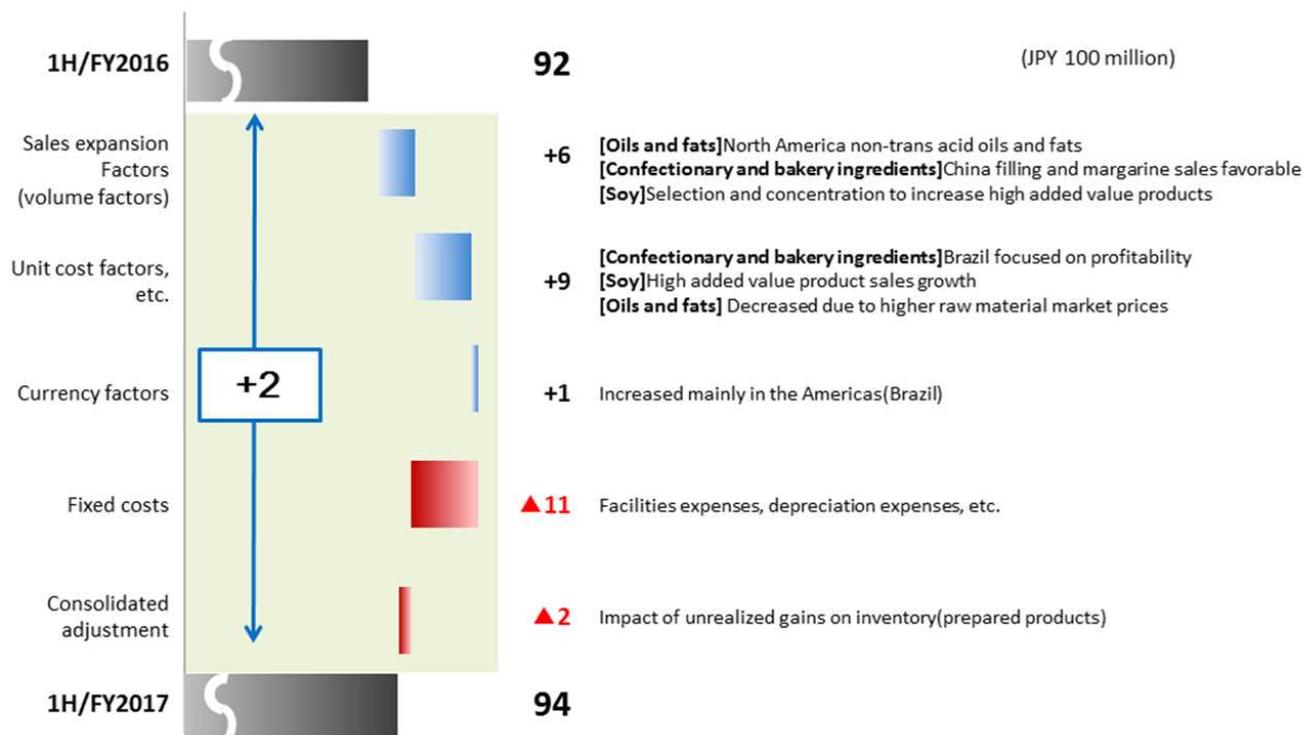
Revenues and income increased thanks to growth in sales of drink ingredients.

●Segment overall

Income increased thanks to improved profitability attributable to business restructuring and cost reductions.



## ◆ 4. Operating profit analysis



## ◆5.Revenue, operating profit (quarterly, by division)

(Blue indicates earnings forecast figures)

(Unit: JPY 1 million)

		FY2017			FY2016			vs. Previous Year			
		Actual			Actual			Change		Change	
		Revenue	Operating profit	Operating margin	Revenue	Operating profit	Operating margin	Revenue	Operating profit	Revenue	Operating profit
Oils and Fats	1Q	29,088	1,324	4.6%	26,462	1,611	6.1%	+2,626	▲287	+9.9%	▲17.8%
	2Q	27,786	1,568	5.6%	26,144	1,874	7.2%	+1,642	▲306	+6.3%	▲16.3%
	1H	56,874	2,892	5.1%	52,606	3,485	6.6%	+4,268	▲593	+8.1%	▲17.0%
	3Q				28,564	2,063	7.2%				
	4Q				28,191	869	3.1%				
	2H				56,755	2,932	5.2%				
	Full-year total	112,700	6,500	5.8%	109,361	6,417	5.9%	+3,339	+83	+3.1%	+1.3%
Confectionery and Bakery Ingredients	1Q	38,524	3,256	8.5%	35,566	2,533	7.1%	+2,958	+723	+8.3%	+28.5%
	2Q	34,657	1,673	4.8%	34,059	1,828	5.4%	+598	▲155	+1.8%	▲8.5%
	1H	73,181	4,929	6.7%	69,625	4,361	6.3%	+3,556	+568	+5.1%	+13.0%
	3Q				38,609	3,604	9.3%				
	4Q				35,726	2,622	7.3%				
	2H				74,335	6,225	8.4%				
	Full-year total	158,000	11,200	7.1%	143,960	10,586	7.4%	+14,040	+614	+9.8%	+5.8%
Soy	1Q	9,754	830	8.5%	9,731	715	7.3%	+23	+115	+0.2%	+16.1%
	2Q	9,836	742	7.5%	9,397	629	6.7%	+439	+113	+4.7%	+17.9%
	1H	19,590	1,572	8.0%	19,128	1,344	7.0%	+462	+228	+2.4%	+16.9%
	3Q				9,840	780	7.9%				
	4Q				10,258	566	5.5%				
	2H				20,098	1,346	6.7%				
	Full-year total	38,400	2,300	6.0%	39,226	2,690	6.9%	▲826	▲390	▲2.1%	▲14.5%
Total	1Q	77,366	5,411	7.0%	71,759	4,859	6.8%	+5,607	+551	+7.8%	+11.3%
	2Q	72,279	3,982	5.5%	69,602	4,332	6.2%	+2,677	▲350	+3.8%	▲8.1%
	1H	149,645	9,393	6.3%	141,361	9,191	6.5%	+8,284	+202	+5.9%	+2.2%
	3Q				77,011	6,446	8.4%				
	4Q				74,175	4,057	5.5%				
	2H				151,186	10,503	6.9%				
	Full-year total	309,000	20,000	6.5%	292,547	19,694	6.7%	+16,453	+306	+5.6%	+1.6%

## ◆6. Revenue, operating profit (by region, division)

## 1. Revenue

[Consolidated revenue]

(Unit: JPY 1 million)

	FY	Japan		Asia		Americas		Europe		Consolidated total	
		Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year
<b>Oils and Fats</b>	2017.2Q	18,375	▲108	11,672	441	15,870	2,688	10,955	1,247	56,874	4,268
	2016.2Q	18,483		11,231		13,182		9,708		52,606	
<b>Confectionery and Bakery Ingredients</b>	2017.2Q	49,351	▲597	13,569	2,354	10,259	1,798			73,181	3,556
	2016.2Q	49,948		11,215		8,461				69,625	
<b>Soy</b>	2017.2Q	18,277	702	1,312	▲241					19,589	461
	2016.2Q	17,575		1,553						19,128	
<b>Revenue total</b>	2017.2Q	86,003	▲3	26,555	2,554	26,129	4,486	10,955	1,247	149,645	8,284
	2016.2Q	86,007		24,001		21,643		9,708		141,361	

(Note) The above revenue are revenue to outside customers (revenue after eliminating inside sales).

## 2. Operating profit

[Consolidated operating profit]

(Unit: JPY 1 million)

	FY	Japan		Asia		Americas		Europe		Eliminated		Consolidated total	
		Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year
<b>Oils and Fats</b>	2017.2Q	768	▲387	893	▲123	1,124	308	111	▲397	▲6	6	2,892	▲593
	2016.2Q	1,155		1,016		816		508		▲12		3,485	
<b>Confectionery and Bakery Ingredients</b>	2017.2Q	2,867	▲317	1,363	149	851	959			▲153	▲223	4,929	568
	2016.2Q	3,184		1,214		▲108				70		4,361	
<b>Soy</b>	2017.2Q	1,455	414	88	▲174					28	▲12	1,572	228
	2016.2Q	1,041		262						40		1,344	
<b>Consolidated adjustment</b>	2017.2Q	125	▲41	▲50	▲8	3	5	1	1	▲78	44	0	0
	2016.2Q	166		▲42		▲2		0		▲122		0	0
<b>Operating profit total</b>	2017.2Q	5,216	▲332	2,295	▲156	1,979	1,274	111	▲397	▲209	▲186	9,393	202
	2016.2Q	5,548		2,451		705		508		▲23		9,191	

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## ◆7. Consolidated balance sheets

(Unit: JPY 100 million)

	FY2016 Year-end	End of Q2/FY17	vs. end of previous FY	Major factors of change
Current assets	1,325	1,326	+1	Increase in cash and deposits, increase in accounts receivable, decrease in inventory assets
Fixed assets	1,397	1,363	▲34	Increase in investment securities, decrease in goodwill
Total assets	2,721	2,689	▲32	
interest-bearing loans	657	611	▲46	
Other liabilities	510	500	▲10	Increase in trade payables, decrease in other fixed liabilities
Total liabilities	1,166	1,110	▲56	
Total net assets	1,555	1,578	+24	Increase in surplus income, decrease in currency conversion adjustment accounts

## ◆8. Consolidated cash flow

(Unit: JPY 100 million)

	Q2/FY2016	Q2/FY2017	YoY
Income before income taxes	88	88	+0
Depreciation and amortization	51	53	+2
Other changes	▲72	0	+72
Cash flows from operating activities	67	141	+74
Cash flows from investing activities	▲83	▲64	+19
Free cash flow	▲16	76	+93
Loan procurements / repayments	70	▲42	▲112
Dividend payments, acquisition of treasury stock, etc.	▲71	▲20	+51
Cash flows from financing activities	▲1	▲62	▲61
Net increase in cash and cash equivalents	▲34	11	+45
Changes incidental to new consolidations and eliminations	▲5	2	+7
Cash and cash equivalents at end of period	128	139	+12

(Note)

Depreciation expenses includes depreciation expenses for both tangible fixed assets and intangible fixed assets.

Change in cash and cash equivalents includes conversion differences related to cash and cash equivalents.

## ◆9. Consolidated benchmarks

(Unit: JPY 100 million)

	FY2014	Q2/FY2015	FY2015	Q2/FY2016	FY2016	Q2/FY2017
	Full-year		Full-year		Full-year	
Capital expenditures	112	62	153	69	136	71
Depreciation expenses	82	43	92	47	96	48
interest-bearing loans	296	622	600	672	657	611
Net assets (excluding holdings by non-controlling interests)	1,456	1,463	1,423	1,392	1,507	1,534
Net assets per share (JPY)	1,694	1,702	1,656	1,619	1,754	1,784
Total assets	2,236	2,656	2,669	2,579	2,721	2,689
Equity ratio	65.1%	55.1%	53.3%	54.0%	55.4%	57.0%
D/E ratio	0.20	0.43	0.42	0.48	0.45	0.4
ROE	6.8%	5.0%	6.4%	8.7%	8.3%	7.6%
ROA	6.3%	4.8%	5.8%	6.9%	7.3%	6.8%
Operating profit margin	5.2%	4.8%	5.9%	6.5%	6.7%	6.3%

(Note)

Depreciation expenses indicates depreciation expenses for tangible fixed assets.

Net assets indicates net assets related to common stock excluding holdings by non-controlling interests.

D/E Ratio = interest-bearing debt / net assets (holdings by non-controlling interests)

ROE = net income / net assets (Q2 index converted for full year.)

ROA = ordinary income / total assets (Q2 index converted for full year.)

<Reference>

◆10: [Fuji Oil (Japan)]

By major product; Domestic sales volume, revenue

(YoY %)

		2013 (Full-year)	2014 (Full-year)	2015 (Full-year)	2016 (Full-year)	2017		
						(1Q)	(2Q)	1 HTotal
Oils for food processing	Volume	99%	99%	108%	104%	99%	91%	95%
	Sales	98%	104%	100%	101%	107%	97%	102%
hard butters for chocolate	Volume	100%	124%	108%	109%	105%	90%	97%
	Sales	104%	124%	104%	106%	101%	89%	94%
Oils and Fats	Volume	98%	95%	107%	105%	99%	91%	95%
	Sales	101%	107%	102%	102%	105%	94%	99%
Chocolate	Volume	106%	110%	109%	104%	99%	101%	100%
	Sales	107%	115%	112%	105%	99%	100%	99%
Cream	Volume	104%	104%	91%	97%	93%	105%	98%
	Sales	105%	103%	93%	96%	89%	105%	96%
Margarine / shortening	Volume	101%	95%	105%	99%	100%	94%	97%
	Sales	104%	99%	105%	96%	100%	96%	98%
Food ingredients	Volume	94%	87%	74%	75%	63%	100%	80%
	Sales	117%	93%	79%	73%	69%	104%	86%
Confectionery and Bakery Ingredients	Volume	102%	101%	97%	97%	95%	100%	97%
	Sales	108%	106%	102%	98%	97%	101%	99%
Soy protein materials	Volume	107%	93%	98%	100%	105%	106%	105%
	Sales	109%	97%	101%	97%	101%	102%	101%
Soy protein foods	Volume	99%	97%	99%	97%	94%	99%	97%
	Sales	99%	99%	98%	98%	94%	101%	98%
Functional agents	Volume	100%	101%	107%	108%	106%	111%	108%
	Sales	102%	104%	111%	108%	108%	114%	111%
Raw soy milk	Volume	98%	107%	103%	97%	92%	103%	98%
	Sales	103%	112%	107%	94%	93%	103%	98%
Soy	Volume	99%	95%	102%	101%	95%	99%	97%
	Sales	103%	99%	102%	99%	100%	104%	102%
Total	Volume	100%	98%	103%	101%	97%	96%	96%
	Sales	105%	105%	102%	99%	100%	100%	100%

Note)

Due to an internal change in reporting categories,  
certain values may differ from materials distributed in the past.

<Reference>

## ◆11: [Overseas] Core competence Sales volume

(YoY %)

		2016	2017		
		(Full-year)	1Q	2Q	1 H Total
Hard butters for chocolate	Asia	113%	90%	107%	98%
	Americas	107%	89%	89%	89%
	Europe	102%	113%	91%	102%
	Overseas total	109%	94%	97%	95%
Chocolate	Asia	116%	120%	118%	119%
	Americas	102%	100%	72%	89%
	Europe	113%	114%	106%	110%
	Overseas total	107%	106%	84%	99%
Cream	Asia	102%	93%	112%	105%
Margarine / shortening	Asia	112%	112%	114%	113%
Filling	Asia	152%	160%	159%	160%

<FY2017 Consolidated earnings forecast summary>

No change on consolidated earnings forecast issued MM 9, 2017  
(We revised the full-year forecast figures for the breakdown of net sales and operating income by consolidated region to reflect recent performance trends)

## ◆12. FY2017 Consolidated earnings forecast summary

(Unit: JPY 100 million)

		FY2016 Cumulative	FY2017 Cumulative	YoY	
				Change	Change %
Revenue	Oils and Fats	1,094	1,127	+34	+3.0%
	Confectionery and Bakery Ingredients	1,440	1,580	+140	+9.7%
	Soy	392	384	▲9	▲2.0%
	Total	2,925	3,090	+165	+5.6%
Operating profit	Oils and Fats	64	65	+1	+1.6%
	Confectionery and Bakery Ingredients	106	112	+6	+5.7%
	Soy	27	23	▲4	▲14.8%
	Total	197	200	+3	+1.6%
Operating margin		6.7%	6.5%	▲0.2pt	-
Ordinary profit		197	194	▲3	▲1.6%
Net income attributable to owners of parent		121	125	+4	+3.3%

## ◆13. FY2017 Consolidated earnings forecast - Revenue, operating profit (by region, division)

[Consolidated revenue]

(Unit: JPY 100 million)

	FY	Japan		Asia		Americas		Europe		Consolidated total	
		Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year	Actual	vs. Previous Year
Oils and Fats	2017	376	▲11	233	+7	298	+25	220	+11	1,127	+34
	2016	387		226		273		208		1,094	
Confectionery and Bakery Ingredients	2017	1,063	+36	313	+76	203	+28			1,580	+140
	2016	1,026		238		176				1,440	
Soy	2017	357	▲4	27	▲4					384	▲9
	2016	361		31						392	
Revenue total	2017	1,796	+22	574	+79	501	+53	220	+11	3,090	+165
	2016	1,774		495		448		208		2,925	

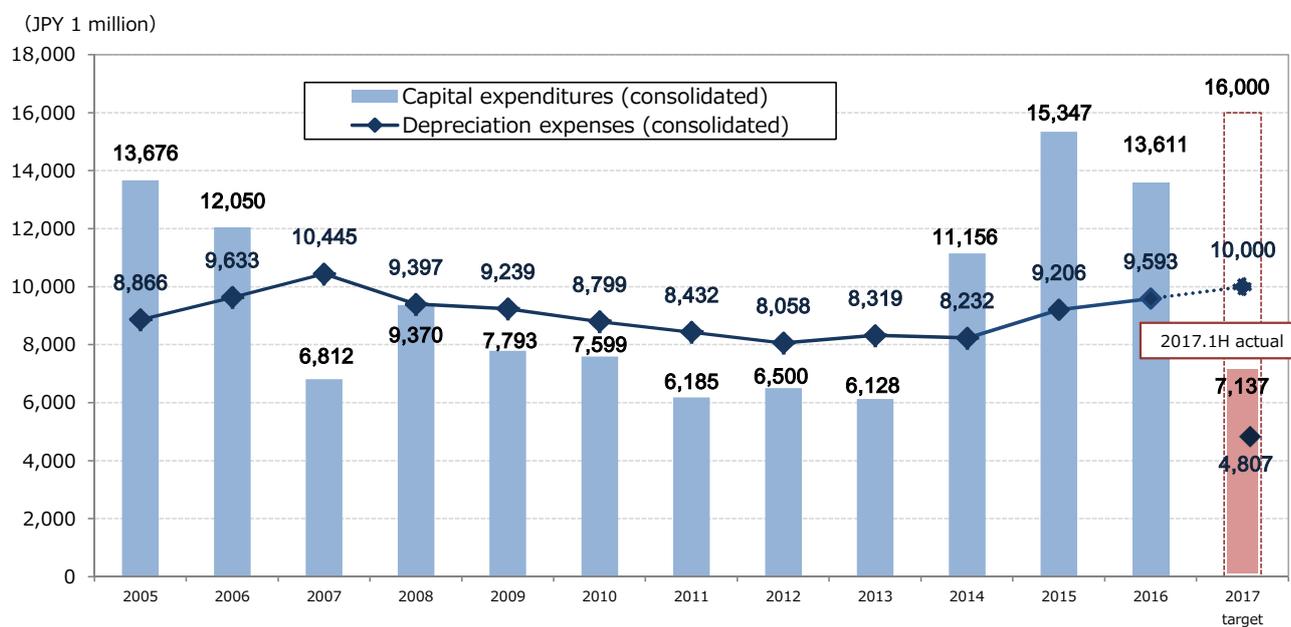
[Consolidated operating profit]

	FY	Japan		Asia		Americas		Europe		Eliminated		Consolidated total	
		Actual	vs. Previous	Actual	vs. Previous	Actual	vs. Previous	Actual	vs. Previous	Actual	vs. Previous	Actual	vs. Previous
Oils and Fats	2017	21	▲4	18	+3	20	+5	6	▲3	0	▲0	65	+1
	2016	25		15		15		8		1		64	
Confectionery and Bakery Ingredients	2017	71	▲3	29	+5	13	+6			▲2	▲1	112	+6
	2016	75		24		7				▲0		106	
Soy	2017	22	+2	1	▲4					0	▲1	23	▲3
	2016	20		5						2		27	
Consolidated adjustment	2017	2	▲1	▲1	▲1	▲0	▲0	▲0	▲0	▲1	+2		
	2016	3		▲0		▲0		0		▲3			
Operating profit total	2017	116	▲7	47	+3	33	+11	6	▲3	▲2	▲1	200	+3
	2016	123		44		22		8		▲1		197	

## ◆14. Capital expenditures, depreciation expenses history

(Unit: JPY 1 million)

FY		Capital expenditures Consolidated	Depreciation expenses Consolidated
2005	Actual	13,676	8,866
2006	Actual	12,050	9,633
2007	Actual	6,812	10,445
2008	Actual	9,370	9,397
2009	Actual	7,793	9,239
2010	Actual	7,599	8,799
2011	Actual	6,185	8,432
2012	Actual	6,500	8,058
2013	Actual	6,128	8,319
2014	Actual	11,156	8,232
2015	Actual	15,347	9,206
2016	Actual	13,611	9,593
2017.1H	Actual	7,137	4,807
2017	Target	16,000	10,000



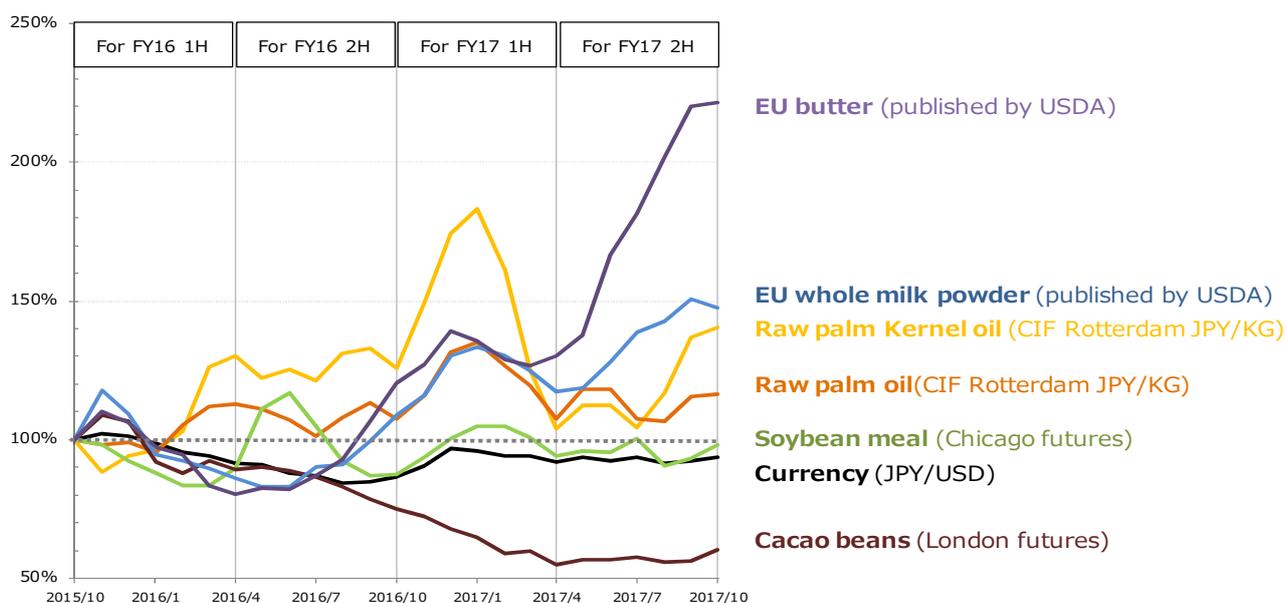
<Reference: related to market prices>

## Market prices for major related raw materials

- For international markets of major raw materials that could influence our Group business, this is a list of benchmarks for yen-converted prices and thus may differ from actual market prices for raw materials used.
- Usage periods and allowance assignment periods differ by half a year to reflect our Groups raw material allowance timing.

### Transitions in major relevant raw material markets (after yen conversion)

\*Market prices from Oct. 1, 2015 set to 100.



## Major currency rates

P/L: FY average rate, B/S: year-end rate

		FY2016	FY2016	FY2017	vs. Previous Year		FY2017
		2Q	Year-end	2Q	Difference	Change	Target
\$	P/L	111.81	108.84	112.37	+0.56	0.5%	111.00
	B/S	102.91	116.49	112.00	+9.09	8.8%	
€	P/L	124.62	120.33	121.64	▲ 2.98	▲ 2.4%	118.19
	B/S	114.39	122.70	127.97	+13.58	11.9%	
¥	P/L	17.07	16.37	16.39	▲ 0.68	▲ 4.0%	16.07
	B/S	15.46	16.76	16.49	+1.03	6.7%	

Our Group uses exchange contracts for purchasing.