

Q2/FY2019
IR information
(FYE March 2020)

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FUJI OIL HOLDINGS INC.

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1. Consolidated profit and loss summary(FY2019Q2:3months)

(Unit: JPY 100 million)

		FY2018 Q2	FY2019 Q2	YoY	
				Change	Rate of increase
Revenue	Vegetable Oils and Fats	258	240	(18)	(7.0)%
	Industrial Chocolate	147	436	+289	+196.4%
	Emulsified and Fermented Ingredients	210	201	(9)	(4.5)%
	Soy-based ingredients	92	90	(2)	(2.2)%
	Total	707	967	+259	+36.7%
Operating profit	Vegetable Oils and Fats	19	25	+6	+33.2%
	Industrial Chocolate	12	14	+2	+17.8%
	Emulsified and Fermented Ingredients	5	11	+6	+121.4%
	Soy-based ingredients	8	11	+2	+27.2%
	Consolidated adjustment / group administrative expenses	(7)	(10)	(2)	-
Total	37	51	+14	+38.7%	
Operating margin		5.2%	5.2%	+0.1pt	-
Ordinary profit		38	48	10	+25.4%
Net income attributable to Owners of parent		9	28	19	+207.0%

■Operating profit

< Key points >

Operating profit increased due to improving profitability in the Vegetable Oils and Fats, growth in Japan in the Industrial Chocolate, increased sales volume of cream in Japan in the Emulsified and Fermented Ingredients.

< By Division >

Vegetable Oils and Fats

Operating income increased on continuing focus on profitability, in addition to firm sales for hard butters for chocolate in Japan and Americas

Industrial Chocolate

Although there were special factors in the Americas, operating income increased thanks to growth in sales to the Japanese confectionery market and sales growth in Europe.

Emulsified and Fermented Ingredients

Operating income increased due to increased sales volume of cream and drinks in Japan and fillings in China

Soy-based ingredients

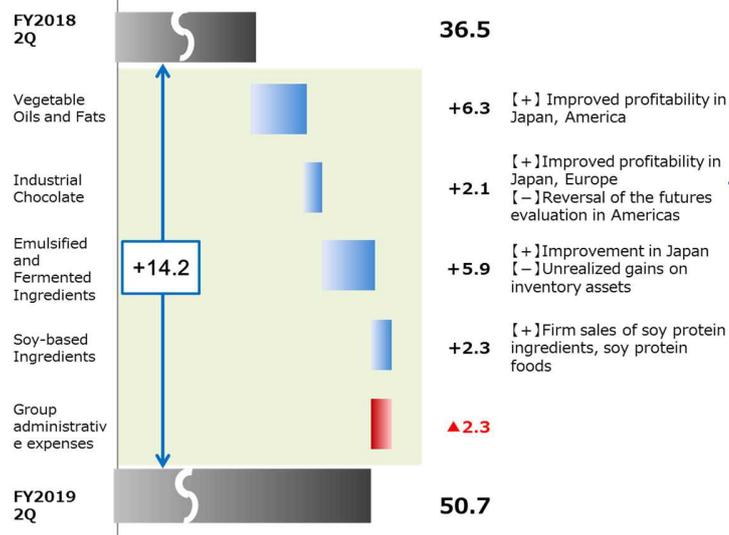
Operating income increased on firm sales of soy protein ingredients and soy protein foods.

■Net income attributable to Owners of parent

Net income increased due to loss of impairment loss in the previous fiscal year.

FY2019Q2(3 months) Operating profit analysis

(Unit: JPY 100 million)



Operating profit	FY18 Q2	FY19 Q2	YoY	Analysis
Industrial Chocolate	11.7	13.8	2.1	
Japan	13.4	15.7	2.3	Strong sales for confectionery
Americas	(4.1)	(5.9)	(1.9)	
Blommer,Harald			4.8	Blommer: Sales of value added products grew. Harald: Although decline in profitability due to Brazilian real depreciation, the deficit has decreased compared to the previous year due to increased sales volume
Blommer/reversal of the futures evaluation			(6.7)	
SE Asia	1.8	2.6	0.8	
China	0.3	0.4	0.1	
Europe	0.8	0.9	0.2	
Group administrative expenses	(0.6)	0.0	0.6	

2. Consolidated profit and loss summary(FY2019 1st half) 1st half

(Unit: JPY 100 million)

		FY2018 1st half	FY2019 1st half	YoY	
				Change	Rate of increase
Revenue	Vegetable Oils and Fats	529	486	(43)	(8.1)%
	Industrial Chocolate	342	844	+502	+146.9%
	Emulsified and Fermented Ingredients	420	407	(13)	(3.0)%
	Soy-based ingredients	181	179	(2)	(1.3)%
	Total	1,471	1,916	+444	+30.2%
Operating profit	Vegetable Oils and Fats	35	44	+10	+27.6%
	Industrial Chocolate	44	24	(20)	(45.7)%
	Emulsified and Fermented Ingredients	15	19	+5	+33.5%
	Soy-based ingredients	17	21	+4	+21.8%
	Consolidated adjustment / group administrative expenses	(16)	(18)	(2)	-
Total	95	91	(4)	(4.5)%	
Operating margin		6.4%	4.7%	(1.7)pt	-
Ordinary profit		95	83	(13)	(13.5)%
Net income attributable to Owners of parent		44	60	16	+36.3%
EBITDA		147	171	24	+16.0%
ROE		5.6%	7.6%	+2.1pt	-
Cash flows from operating activities		120	142	+22	+18.3%
Cash flows from investing activities		(115)	(100)	+15	(13.2)%
Free cash flow		5	42	+37	+783.4%
Net interest-bearing loans		509	1,380	+871	+171.1%
Net operating capital		567	730	+163	+28.7%
Net interest-bearing loans/EBITDA		1.7x	4.0x	+2.3x	-
CCC (Cash conversion cycle)		104days	116days	+12days	-

■Operating profit

< Key points >

Although operating profit increased in Vegetable Oils and Fats, Emulsified and Fermented ingredients, Soy-based ingredients, operating profit decreased by 4.5% from the same period last year due to a decreased in profits in the Americas in Industrial Chocolate.

< By Division >

Vegetable Oils and Fats

Operating income increased on recovery from the climate last year in Americas, in addition to sales focus on profitability in Japan and Europe.

Industrial Chocolate

Operating income decreased due to the impact of valuation losses on Blommer futures (-1.6billion yen), decreased sales volume during the high-demand period in Brazil, and increased raw materials costs due to the depreciation of the Brazilian real.

Emulsified and Fermented Ingredients

Operating income increased on firm sales of cream and other products in Japan and recovery in the preparations business in Southeast Asia.

Soy-based ingredients

Operating income increased on firm sales of soy protein ingredients and soy protein foods.

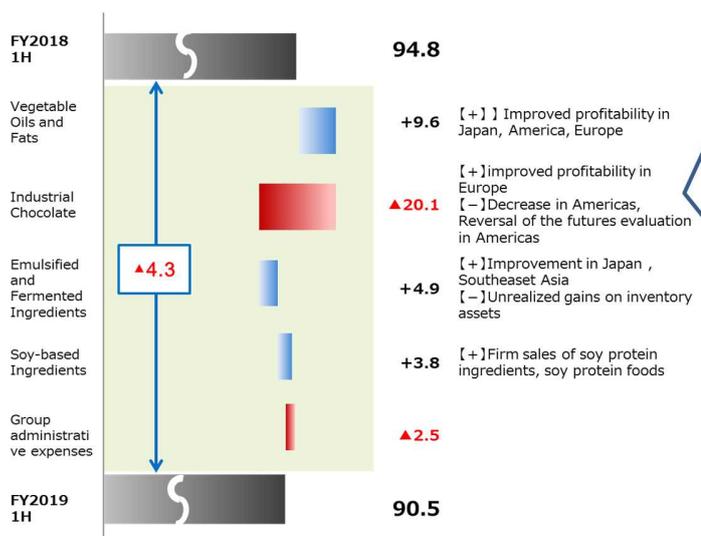
■Net income attributable to Owners of parent

Net Income increased due to the gain from sales of Sakai factory and loss of impairment loss in the previous year, in the previous overcoming the impact of the disaster.

■CCC

+12 days compared to the same period of the previous year, but 105 days excluding the impact of Blommer.

FY2019 1st half Operating profit analysis (Unit: JPY 100 million)



Operating profit	Y18 1st ha	FY19 Q1	YoY	Analysis
Industrial Chocolate	43.9	23.8	(20.1)	
Japan	28.5	29.3	0.8	Strong sales for confectionery
Americas	10.4	(13.0)	(23.4)	
Harald, Blommer			(7.2)	Blommer: Sales of value added products grew. Harald: 2Q sales volume recovered but profits decreased on low sales during the high-demand Easter period and a decline in profitability due to Brazilian real depreciation.
Blommer:reversal of the futures evaluation			(16.2)	
SE Asia	4.0	4.6	0.6	
China	0.5	0.8	0.3	
Europe	0.9	2.0	1.1	Firm sales
Group administrative expenses	(0.5)	0.1	0.5	

◆3. Consolidated balance sheets

(Unit: JPY 100 million)

	FY2018 Year-end	FY2019 Q2	vs.end of previous FY	Major factors of change
Current assets	1,854	1,698	(156)	Decreased in cash and deposits,accounts receivable
Fixed assets	1,980	1,966	(14)	Decreased in goodwill
Deffered assets	-	3	+3	Recorded bond issue cost
Total assets	3,834	3,667	(167)	
Intrest-bearing loans	1,605	1,555	(50)	Decreased in short term debt
Other liabilities	637	518	(119)	Decreased in payables
Total liabilities	2,242	2,073	(168)	
Total net assets	1,592	1,593	+1	

◆4. Consolidated cash flow

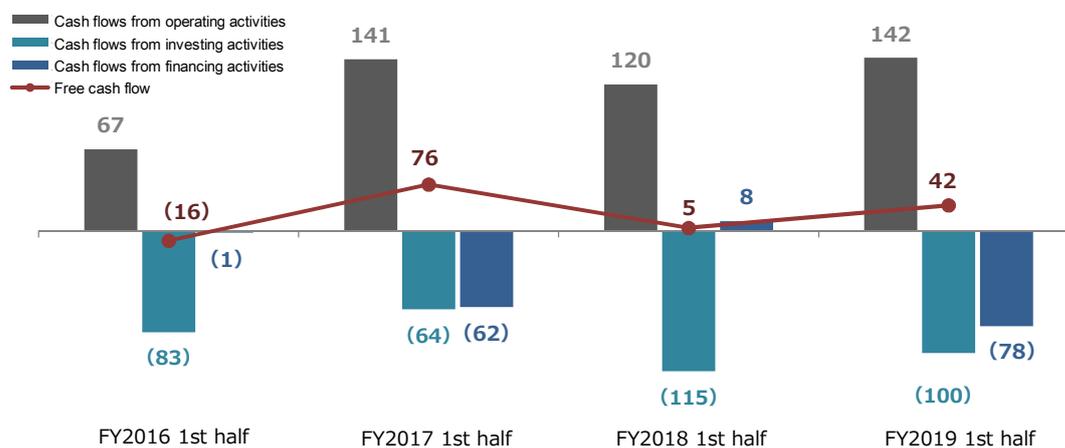
(Unit: JPY 100 million)

	FY2018 1st half	FY2019 1st half	YOY	Major factors of change
Income before income taxes	70	83	+13	
Depreciation expenses	55	66	+11	
Goodwill amortization	3	18	+15	
Other changes	(8)	(26)	(17)	
Cash flows from operating activities	120	142	+22	
Cash flows from investing activities	(115)	(100)	+15	
Free cash flow	5	42	+37	
Loan procurements/ repayments	85	(52)	(137)	Repayments short term debt
Dividend payments, acquisition of treasury stock, etc.	(21)	(21)	+0	
Cash flows from financing activities	8	(78)	(86)	
Net increase in cash and cash equivalents	6	(38)	(44)	
Cash and cash equivalents at end of period	136	175	+40	

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

Cash flow (1st half)

(Unit: JPY 100 million)



◆5. Consolidated benchmarks

(Unit: JPY 100 million)

	FY2018 Q2	FY2018 Full-year	FY2019 Q2	FY2019 Former Forecast	FY2019 Rev Forecast*2
EBITDA	147	300	171	392	-
Capital Expenditures	81	159	63	220	-
Depreciation expenses	50	110	60	107	-
Intrest-bearing loans	645	1,605	1,555	1,535	1,555
Net interest-bearing loans	509	1,392	1,380	1,366	1,355
Net operating capital	567	171	730	745	-
Net interest-bearing loans/EBITDA	1.7	4.6	4.0	3.5	-
Net assets per share (JPY)	1,798	1,820	1,819	1,954	-
Equity ratio	58.1%	40.8%	42.6%	42.7%	-
D/E ratio	0.42	1.03	0.99	0.91	0.97
Net D/E ratio	0.33	0.87	0.84	0.80	0.79
Cash flows from operating activities	120	226	142	320	-
Free cash flow	5	(565)	+42	101	-
ROE	5.6%	7.3%	7.6%	9.4%	10.7%
ROA	7.1%	5.5%	4.4%	5.7%	6.2%
Operating profit margin	6.4%	6.2%	4.7%	5.6%	5.9%
CCC	104 days	*1105days	116 days	105days	106days

(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 / Equity

Net D/E Ratio=Net interest-bearing debt/(interest-bearing debt — cash and deposits)/shareholder's equity

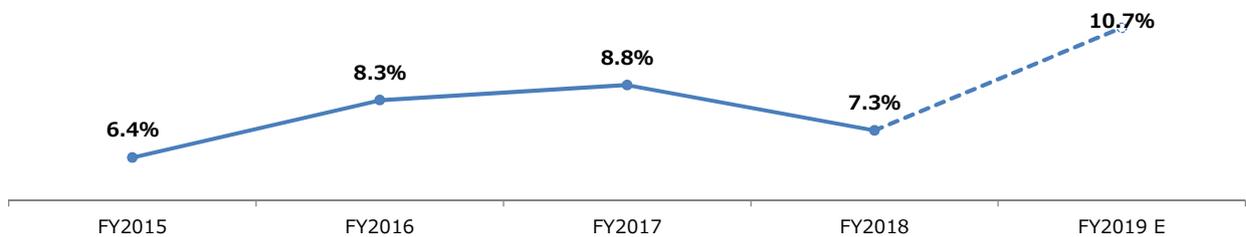
ROE = net income /Average equity at beginning and end of period

ROA = ordinary income / Average total assets at beginning and end of period

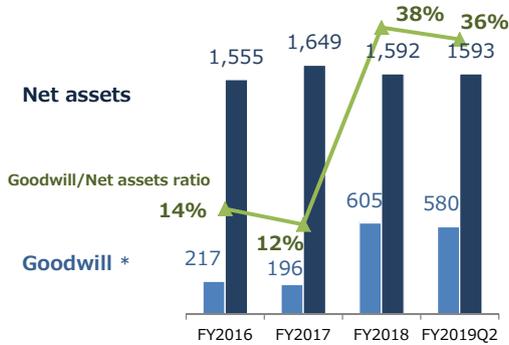
*1 Blommer is no included

*2 Revised forecasts for FY2019 reflect the change in the accounting period (12 months > 15 months) for overseas companies (excluding Blommer and IFS in Australia).

ROE

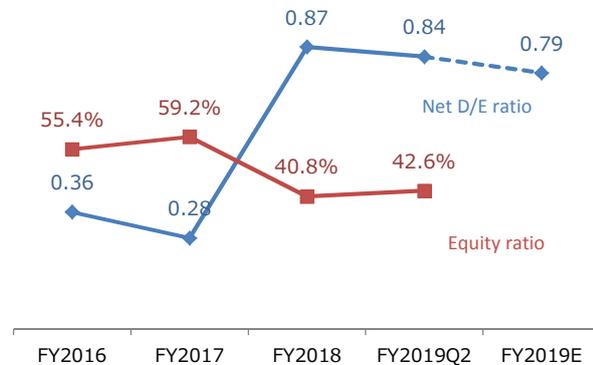


Goodwill / Net assets ratio (Unit:JPY 100 million)



* Goodwill in a broad sence

Net D/E ratio Equity ratio



◆ 6. FY2019 Forecast

FY2019 Forecast

(Unit: JPY 100 million)

		FY 2018	FY2019 forecast	FY2019 Rev forecast (12months)	FY2019 Rev forecast (3months)	FY2019 Rev forecast (15months)
Revenue	Vegetable Oils and Fats	1,097	1,139	983	156	1,139
	Industrial Chocolate	686	1,874	1,783	91	1,874
	Emulsified and Fermented Ingredients	865	915	854	61	915
	Soy-based ingredients	361	372	365	7	372
	Total	3,008	4,300	3,985	315	4,300
Operating profit	Vegetable Oils and Fats	81	91	90	10	100
	Industrial Chocolate	74	103	95	9	103
	Emulsified and Fermented Ingredients	33	43	45	4	50
	Soy-based ingredients	33	41	40	1	41
	Consolidated adjustment / group administrative expenses	(37)	(38)	(39)	-	(39)
Total	185	240	230	25	255	
Operating margin		6.2%	5.6%	5.8%	-	5.9%
Ordinary profit		182	220	217	23	240
Net income attributable to Owners of parent		116	152	152	18	170

■ Operating profit

< Key points >

Due to the change in the accounting period for overseas businesses (excluding Blommer and IFS in Australia), we revised operating profit plans from 24.0 billion yen to 25.5 billion yen. (12-month plan reflects a revision of 24.0 billion yen to 23.0 billion yen).

The Industrial chocolate business saw decreased sales from Blommer and lower profitability in Harald but is projected to record firm sales for Vegetable Oils and Fats and the Soy-based ingredients.

< By Division >

Vegetable Oils and Fats

Continued focus on profitable sales, recorded firm sales of hard butters for chocolate, and we project the end of the impact of cold weather and hurricanes in North America.

Industrial Chocolate

Although we project decreased 2H sales for Blommer and lower profitability in Brazil due to depreciation of the Brazilian real, we project reduced expenses related to the Blommer acquisition and we are projecting growth in Japan and Europe.

Emulsified and Fermented Ingredients

Planning for increased profits on growth in sales of cream in Japan and recovery in performance from the preparations business.

Soy-based ingredients

Increase due to improved profitability of soybean protein ingredients and soybean protein foods, and sales growth.

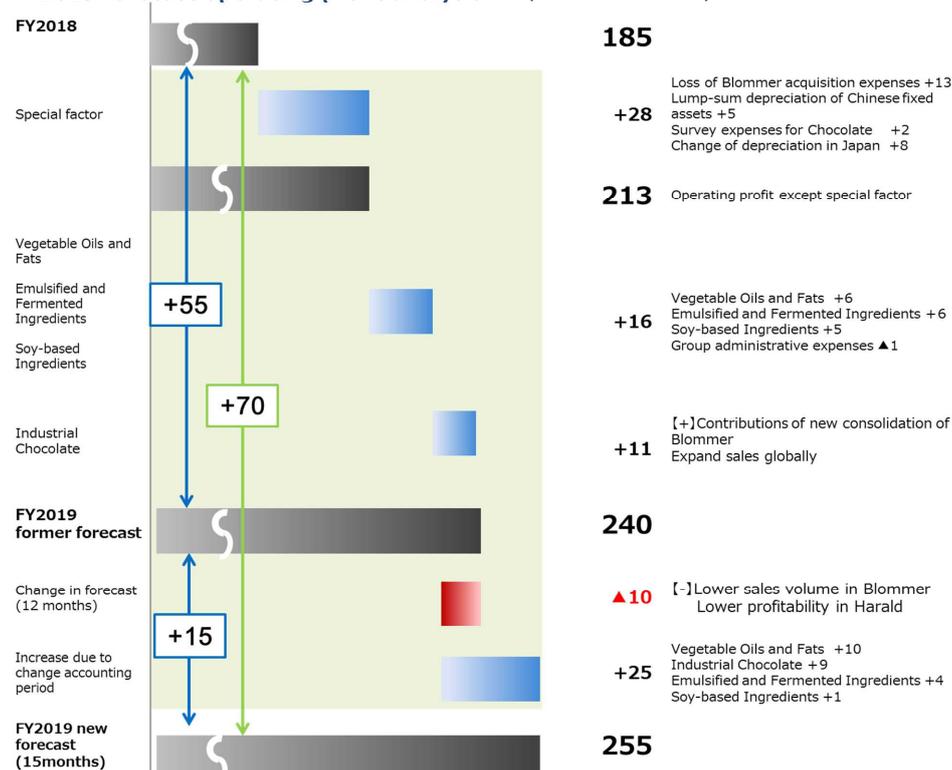
*The revised forecast for FY2019 (12 months) reflects the 12 months from Jan to Dec of overseas consolidated subsidiaries.

*Revised forecasts for FY2019 reflect the change in the accounting period (12 months > 15 months) for overseas businesses (excluding Blommer and IFS).

*Will change segments and segment names. Changing confectionary and bakery ingredients to industrial use chocolate and emulsified and fermented ingredients, oils and fats to vegetable oils and fats, and soy to soy-based ingredients.

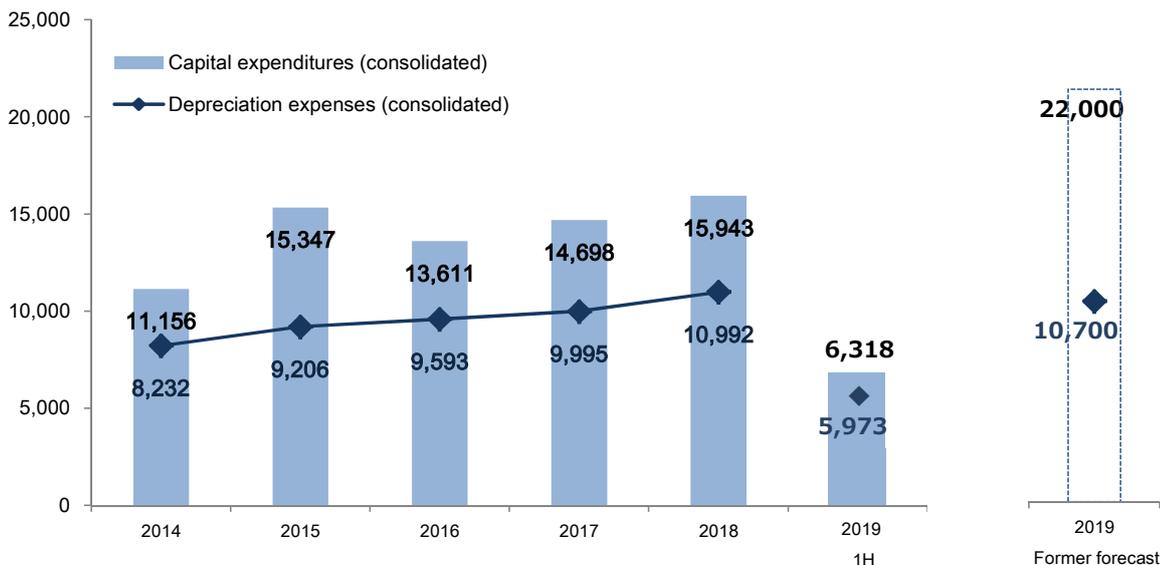
FY2019 forecast operating profit analysis

(Unit: JPY 100 million)



◆7.Capital expenditures, Depreciation expenses history

(Unit:JPY 1 million)



	1H /FY2019	FY2019 Forecast
Capital expenditures:	6.3	22.0
<u>Major expenditures</u>		
· New production plant for USA Oils and Fats	0.8	5.1
· Capital expenditures for Blommer	0.6	1.3
· New production plant for Japanese textured soy protein	0.1	
Total depreciation expenses	6.0	10.7

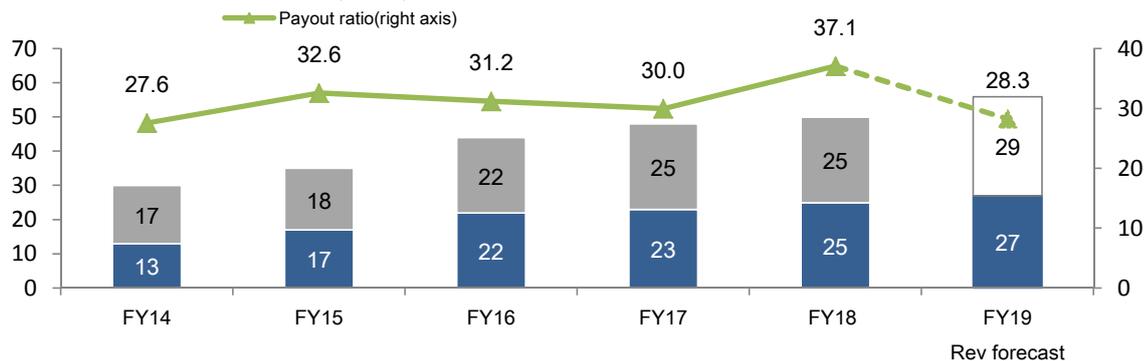
(Unit : billion Yen)

◆8.Dividend history

(Unit :JPY)

■ 2nd half(left axis)
■ 1st half(left axis)
— Payout ratio(right axis)

(Unit :%)



Unit:JPY

	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19 Rev forecast
1st half	12	12	13	13	17	22	23	25	27
2nd half	12	13	13	17	18	22	25	25	29
Total	24	25	26	30	35	44	48	50	56
Payout ratio	24.9%	25.8%	27.4%	27.6%	32.6%	31.2%	30.0%	37.1%	28.3%

◆9. Revenue, Operating profit (by region, division) (1st half)

Revenue

(Unit: JPY 1 million)

	FY	Japan		Americas		Southeast Asia		China		Europe		Consolidated Total	
			VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year
Vegetable Oils and Fats	2019 1H	17,040	(1,346)	13,813	(546)	8,704	(86)	1,439	(58)	7,607	(2,241)	48,605	(4,279)
	2018 1H	18,386		14,359		8,790		1,497		9,848		52,884	
Industrial Chocolate	2019 1H	17,679	(262)	58,413	49,336	5,307	1,137	1,236	(92)	1,754	97	84,391	50,216
	2018 1H	17,941		9,077		4,170		1,328		1,657		34,175	
Emulsified and Fermented Ingredients	2019 1H	29,514	(1,181)			5,521	(87)	5,662	7			40,698	(1,261)
	2018 1H	30,695				5,608		5,655				41,959	
Soy-based Ingredients	2019 1H	16,676	28					1,213	(262)			17,890	(233)
	2018 1H	16,648						1,475				18,123	
Revenue total	2019 1H	80,910	(2,762)	72,227	48,791	19,533	963	9,552	(404)	9,361	(2,144)	191,585	44,442
	2018 1H	83,672		23,436		18,570		9,956		11,505		147,143	

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

The European area is divided into segments Vegetable Oils and Fats and Industrial Chocolate from FY2019Q1 (conventionally represented using Industrial Chocolate in Vegeta Oils and Fats segments). In the above, FY2018 1H results have also been retroactively revised.

Operating profit

(Unit: JPY 1 million)

	FY	Japan		Americas		Southeast Asia		China		Europe		Consolidated adjustment		Group administrative expenses		Consolidated Total	
			VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year
Vegetable Oils and Fats	2019 1H	2,024	374	1,152	253	553	59	82	(98)	595	430	17	(61)			4,425	957
	2018 1H	1,650		899		494		180		165		78				3,468	
Industrial Chocolate	2019 1H	2,929	82	(1,296)	(2,337)	461	59	81	32	197	106	8	53			2,382	(2,005)
	2018 1H	2,847		1,041		402		49		91		(45)				4,387	
Emulsified and Fermented Ingredients	2019 1H	1,049	445			326	331	545	40			26	(327)			1,947	489
	2018 1H	604				(5)		505				353				1,458	
Soy-based Ingredients	2019 1H	1,864	317					231	103	(3)	(3)	9	(41)			2,103	377
	2018 1H	1,547						128				50				1,726	
Consolidated adjustment	2019 1H	84	29	15	9	(9)	(15)					(99)	(32)				
	2018 1H	55		6		6						(67)					
Group administrative expenses	2019 1H													(1,808)	(246)	(1,808)	(246)
	2018 1H													(1,562)		(1,562)	
Operaing profit total	2019 1H	7,952	1,247	(128)	(2,075)	1,332	435	950	87	789	532	(36)	(404)	(1,808)	(246)	9,050	(428)
	2018 1H	6,705		1,947		897		863		257		368		(1,562)		9,478	

The European area is divided into segments Vegetable Oils and Fats and Industrial Chocolate from FY2019Q1 (conventionally represented using Industrial Chocolate in Vegetable Oils and Fats segments). In the above, FY2018 1H results have also been retroactively revised.

■ Key points

Segment	Area	FY2019 1st half
Vegetable Oils and Fats	Japan	Income increased on continuing focus on profitability, in addition to firm sales for hard butters for chocolate
	Americas	In addition to recovery from the climate last year, income increased on due to increased sales of hard butter for chocolate
	Southeast Asia	Although decreased on lower sales volume for hard butters for chocolate, income increased on due to improved profitability for commodity oils and fats.
	China	Income decreased on lower sales volume for hard butters for chocolate
	Europe	Income increased on improved profitability for raw materials
Industrial Chocolate	Japan	Income increased on firm sales for confectionery, despite a decrease chocolate for ice cream
	Americas	Income decreased significantly due to the reversal of valuation gains on Blommer futures and decreased sales volume during the high-demand period in Brazil, increased raw materials costs due to the depreciation of the Brazilian real
	Southeast Asia	Income increased due to increased sales volume
	China	Income increased on improved profitability
	Europe	Income increased on firm sales
Emulsified and Fermented Ingredients	Japan	Income increased on cream for desserts market and drinks for restaurant industry
	Southeast Asia	Although decreased on lower sales volume for Preparation, income increased on improved profitability
	China	Although decreased on lower sales volume for margarine and shortening, income increased in increased sales of filling
	Consolidated adjustment	Income decreased on normalization after recording unrealized gains on inventory assets from the previous fiscal year
Soy-based ingredients	Japan	Functional agents decreased, but income increased due to firm sales for soy protein ingredients and soy protein foods, and increased sales of high value-added products
	China	Although sales of functional agents decreased, income increased thanks to the elimination of expenses following the sale of JILIN FUJI PROTEIN CO., LTD. last fiscal year.

◆10.Revenue, Operating profit (by region, division)(FY forecast)

Revenue

(Unit: JPY 1 million)

	FY	Japan		Americas		Southeast Asia		China		Europe		Consolidated	
			VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year
Vegetable Oils and Fats	2019 Rev(15 months)	35,400	(1,382)	34,200	5,417	21,200	3,406	3,300	407	19,800	(3,622)	113,900	4,225
	2019 former	36,900	118	29,700	918	20,400	2,607	3,400	507	23,500	78	113,900	4,225
	2018	36,782		28,782		17,793		2,893		23,422		109,675	
Industrial Chocolate	2019 Rev(15 months)	38,800	240	127,600	110,353	13,000	3,138	3,300	404	4,700	4,700	187,400	118,834
	2019 former	39,400	840	133,400	116,153	11,600	1,738	3,000	104			187,400	118,834
	2018	38,560		17,247		9,862		2,896				68,566	
Emulsified and Fermented Ingredients	2019 Rev(15 months)	62,500	13			14,100	2,734	14,900	2,261			91,500	5,008
	2019 former	64,000	1,513			13,400	2,034	14,100	1,461			91,500	5,008
	2018	62,487				11,366		12,639				86,492	
Soy-based Ingredients	2019 Rev(15 months)	33,900	771					3,300	319			37,200	1,090
	2019 former	34,500	1,371					2,700	(281)			37,200	1,090
	2018	33,129						2,981				36,110	
Revenue total	2019 Rev(15 months)	170,600	(359)	161,800	115,770	48,300	9,278	24,800	3,390	24,500	1,078	430,000	129,156
	2019 former	174,800	3,841	163,100	117,070	45,400	6,378	23,200	1,790	23,500	78	430,000	129,156
	2018	170,959		46,030		39,022		21,410		23,422		300,844	

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

*Revised forecasts for FY2019 reflect the change in the accounting period (12 months > 15 months) for overseas businesses (excluding Blommer and Australia's in IFS).

YoY comparison is a comparison with previous fiscal year figures (12 months).

Operating profit

(Unit: JPY 1 million)

	FY	Japan		Americas		Southeast Asia		China		Europe		Consolidated adjustment		Group administrative expenses		Consolidated Total	
			VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year		VS. Previous Year
Vegetable Oils and Fats	2019 Rev(15 months)	4,065	81	2,676	923	1,578	649	149	(157)	1,574	409	(40)	(49)			10,004	1,854
	2019 former	3,662	(322)	2,210	457	1,498	569	419	113	1,294	129	1	(8)			9,084	936
	2018	3,984		1,753		929		306		1,165		9				8,148	
Industrial Chocolate	2019 Rev(15 months)	6,897	451	1,345	(15)	1,305	344	247	275	497	497	39	1,345			10,330	2,898
	2019 former	6,687	241	2,351	991	1,141	180	74	102			43	1,349			10,296	2,864
	2018	6,446		1,360		961		(28)				(1,306)				7,432	
Emulsified and Fermented Ingredients	2019 Rev(15 months)	2,770	940			822	624	1,404	413			(45)	(345)			4,952	1,632
	2019 former	2,363	533			868	670	1,117	126			(49)	(349)			4,300	980
	2018	1,830				198		991				300				3,320	
Soy-based Ingredients	2019 Rev(15 months)	3,316	668					683	99			131	75			4,130	841
	2019 former	3,433	785					559	(25)			138	82			4,130	841
	2018	2,648						584				56				3,289	
Consolidated adjustment	2019 Rev(15 months)	164	1,352	(86)	(77)	3	48	37	37	20	20	(138)	(1,381)				
	2019 former	232	1,420	0	9	15	60	(29)	(29)			(218)	(1,461)				
	2018	(1,188)		(9)		(45)						1,243					
Group administrative expenses	2019 Rev(15 months)													(3,916)	(251)	(3,916)	(251)
	2019 former													(3,809)	(144)	(3,809)	(144)
	2018													(3,665)		(3,665)	
Operating profit total	2019 Rev(15 months)	17,212	3,490	3,935	832	3,709	1,665	2,522	669	2,091	926	(53)	(354)	(3,916)	(251)	25,500	6,975
	2019 former	16,377	2,655	4,561	1,458	3,523	1,479	2,140	287	1,294	129	(85)	(386)	(3,809)	(144)	24,000	5,475
	2018	13,722		3,103		2,044		1,853		1,165		301		(3,665)		18,525	

*Revised forecasts for FY2019 reflect the change in the accounting period (12 months > 15 months) for overseas businesses (excluding Blommer and IFS).

YoY comparison is a comparison with previous fiscal year figures (12 months).

■ Key points

Segment	Area	FY2019
Vegetable Oils and Fats	Japan	Planning for income increased in continuing focus on profitability.
	Americas (15 months in FY2019)	Planning for income increased in growth sales of commodity and hard butter for chocolate.
	Southeast Asia (15 months in FY2019)	Planning for income increased in growth sales of hard butter for chocolate.
	China (15 months in FY2019)	Planning for strategic decline due to review of portfolio.
Industrial Chocolate	Japan	Planning for income increased due to sales expansion of color chocolate.
	Americas (15 months in FY2019)	Lower sales volume for Blommer and lower profitability in Harald.
	Southeast Asia,China (15 months in FY2019)	Firm sales in Southeast Asia, planning to expand sales in China.
Emulsified and Fermented Ingredients	Japan(12months) Southeast Asia,China (15 months in FY2019)	Planning for income increased due to sales expansion in new market and contribution.
Soy-based ingredients	Japan(12months) China (15 months in FY2019)	Planning for income increased due to sales recovery.

◆11. Mid-term strategic products Sales volume (YoY)

Segment	Product	Area	FY 2017	FY2018						FY 2018	FY2019			FY 2019 E
				1Q	2Q	1st half	3Q	4Q	2nd half		1Q	2Q	1st half	
Vegetable Oils and Fats	Hard butters for chocolate	Japan	99%	96%	98%	97%	96%	96%	96%	97%	97%	107%	102%	100%
		Americas	85%	104%	103%	104%	109%	93%	101%	102%	98%	103%	100%	119%
		SE Asia	108%	112%	102%	107%	80%	98%	88%	97%	98%	95%	97%	102%
		China	114%	83%	103%	90%	96%	87%	91%	91%	73%	97%	83%	103%
		Europe	102%	92%	105%	98%	90%	90%	90%	93%	84%	83%	84%	98%
		Total	99%	103%	102%	103%	91%	95%	93%	97%	94%	97%	96%	105%
Industrial Chocolate	Chocolate	Japan	102%	102%	91%	96%	99%	90%	95%	96%	93%	103%	98%	103%
		Americas	89%	93%	92%	92%	102%	117%	110%	101%	82%	131%	96%	106% *1
		SE Asia	124%	104%	98%	101%	101%	107%	104%	103%	119%	127%	123%	127%
		China	92%	141%	114%	127%	114%	121%	118%	122%	99%	104%	101%	106%
		Europe	105%	122%	131%	127%	91%	117%	105%	123%	123%	106%	114%	105%
		Total	101%	100%	96%	98%	105%	110%	107%	103%	99%	119%	107%	110%
		Blommer(Ref)	-	-	-	-	-	-	-	-	107%	98%	102%	- *2
Emulsified and Fermented Ingredients	Cream	Japan	104%	104%	101%	102%	94%	99%	96%	99%	107%	104%	105%	103%
		SE Asia	120%	125%	103%	111%	103%	114%	109%	110%	116%	116%	116%	116%
	Margarine / shortening	Japan	98%	96%	98%	97%	96%	92%	94%	96%	84%	85%	85%	94%
		China	110%	95%	99%	97%	92%	122%	106%	103%	94%	88%	91%	145%
	Filling	China	160%	161%	132%	145%	139%	141%	140%	142%	115%	114%	114%	116%
Soy-based Ingredients	Soy protein ingredients	Japan	103%	104%	104%	104%	105%	102%	104%	104%	101%	104%	103%	103%
	Soy protein foods	Japan	89%	83%	84%	83%	103%	105%	104%	93%	108%	102%	105%	106%
	Functional agents	Japan	103%	96%	107%	102%	91%	107%	99%	101%	96%	90%	93%	113%

*1 Blommer is no included

*2 Blommer incorporate in the Fuji Oil Group P/L is carried out from February to April as 1Q.

YoY comparison figures are calculated based on the same period as the consolidated fiscal year.

FY2019 E is based on the initial plan of 12 months.

Chocolate (Americas, Southeast Asia) and cream (Southeast Asia) have been retroactively revised due to changes in aggregation methods.

■Key points(FY2019 1st half)

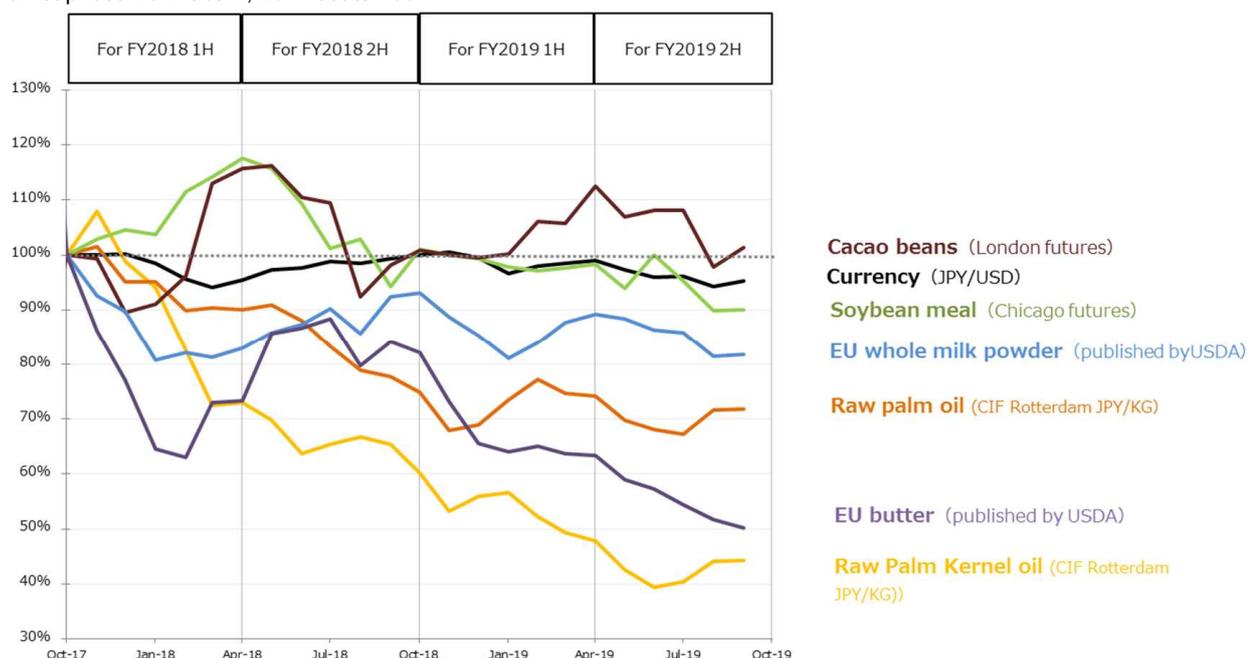
Vegetable Oils and Fats	In Japan, sales increased during the first half thanks to firm sales of hard butters for chocolate during 2Q. In the Americas, sales volume increased during 2Q to result in 1H sales that were largely unchanged year on year.
Industrial Chocolate	In Japan, sales for ice cream decreased, but sales for confectionery remained firm. In the Americas, increased significantly in the second quarter due to sales reinforcement. Increased on contributions of new consolidation of IFS(Australia),in Southeast Asia and increased on firm sales in Europe. In Americas, sales of Blommer declined in the second quarter, despite steady sales such as sugarless chocolate.
Emulsified and Fermented Ingredients	Increased due to sales growth for cream for desserts and café chain. In China, sales of filling were favorable, recording double-digit growth in 1H, but sales of margarine and shortening decreased.
Soy-based Ingredients	Soy protein ingredients and food were favorable on sales. Functional agents decreased due to a cool summer and a shift in the timing of sales launch.

◆12. Market prices for major related raw materials / Major currency rates

- For international markets of major raw materials that could influence our Groups 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, 2017 set to 100.



Major currency rates

		FY2018	FY2018	FY2019	vs. Previous Year		FY2019
		Q1	Q1	Q1	Difference	Change	forecast
\$	P/L	108.68	110.43	110.05	1.37	+ 1.3%	113.00
	B/S	110.54	111.00	107.79	(2.75)	(2.5)%	
BRL	P/L	31.84	30.38	28.64	(3.20)	(10.1)%	28.25
	B/S	28.67	28.65	28.13	(0.54)	(1.9)%	
€	P/L	131.64	130.42	124.32	(7.32)	(5.6)%	132.00
	B/S	127.91	127.00	122.49	(5.42)	(4.2)%	
RMB	P/L	17.09	16.72	16.20	(0.89)	(5.2)%	16.50
	B/S	16.66	16.16	15.69	(0.97)	(5.8)%	

Our group uses exchange contracts for purchasing

◆13. Progress of Mid-Term Business Plan

Basic Strategy



Basic policy

- ① Core competence enhancement
- ② Growth of soy business
- ③ Functional high-value added products business development

- ④ Cost reductions and alignment with global standards

	FY2016	FY2017	FY2018	FY2019 Rev. forecas		FY2020 target
ROE	8.3%	8.8%	7.3%	10.7%	-	10.0%
Net sales margin ratio	4.1%	4.5%	3.8%	-	-	Approx. 5.0%
Total return on asset	107.5%	113.6%	78.5%	-	-	Approx. 115%
financial leverage	1.8x	1.7x	2.5x	-	-	Approx. 1.8x
EPS	140.8 yen	159.9yen	134.7yen	197.8yen	-	EPS
EPS growth rate	31.2%	13.5%	(15.7)%	-	-	CAGR 8%
Operating profit(billion yen)	20	20.5	18.5	25.5	-	Operating profit
Operating profit growth rate	16.9%	4.0%	(9.5)%	-	-	CAGR 6%
Payout ratio	31.2%	30.0%	37.1%	28.3%	-	Payout ratio
						30-40%
Operating cash flow (billion yen)	16.5	28.2	22.6	-	2 year total 50.8	4year cumulative CF 100billion
CCC	110 days	103 days	*105days	106 days	-	10 day contraction
Account receivable	74 days	76 days	-	-	-	
Wholesale assets	65 days	57 days	-	-	-	
Trade payable	29 days	30 days	-	-	-	
Capital expenditure (billion yen)	13.6	14.7	15.9	-	2 year total 30.6	4 year total of about 60-70billion yen
M&A	-	-	Blommer IFS	-	-	assurances of 50 billion yen infunding

*Blommer is no included

The revised forecast for FY19 reflects the change in the accounting period of overseas businesses (excluding some subsidiaries) (12 → 15 months).

◆14.Topics

May 2019	Support of the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) and Participation in the TCFD Consortium
June 2019	Issuing Public Hybrid Bonds(Subordinated Bonds)
July 2019	Publish 2019 Sustainability Report (in Japanese) Establishment of Fuji Brandenburg GmbH
August 2019	Release of Integrated Report: FUJI OIL Integrated Report 2019