



# Maruha Nichiro Holdings, Inc.

Feb. 2014

Maruha Nichiro Holdings, Inc.

# 1. Consolidated Statement of Income



	Dec,13	Dec,12	Change	(Billions of Yen)	
	Mar '14 Projection	3Q/Mar'14p			
Net Sales	658.5	622.3	36.2	840.0	78%
Cost of Sales	570.6	535.7	35.0		
Gross profit	87.9	86.7	1.2		
Expense	75.5	73.9	1.6		
Operating Income	12.4	12.8	(0.4)	11.5	108%
Non-operating Revenues	5.5	3.9	1.6		
Non-operating Expenses	2.6	3.0	(0.3)		
Ordinary Income	15.2	13.7	1.5	13.5	113%
Extraordinary Income	1.2	8.6	(7.5)		
Extraordinary Loss	5.4	4.2	1.2		
Income before Tax	11.0	18.2	(7.2)		
Taxes	4.1	9.0	(4.9)		
Minority interest income	0.8	-0.9	1.7		
Net Income	6.2	10.1	(3.9)	4.5	138%

The Net Sales increased by 5.8% year on year. The Operating Income decreased by 3.0% due to cost increase with weak Yen. The Ordinary Income, however, increased by 11.0% due to foreign exchange gain through foreign exchange hedging, etc. As a result of incurring extraordinary losses including 3.5 billion yen related to subsidiary Aqli Foods' recalling poisoned frozen food issue, the Net Income decreased by 38.9%. The full year forecast revised accordingly with 840 billion yen Net Sales (-5B yen), 11.5 billion yen Operating Income (-3.5B yen), 13.5 billion yen Ordinary Income (-2.5B yen) and 4.5 billion yen Net Income (-2.5B yen).

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## 2. Consolidated Balance Sheets



(Billions of Yen)

	Dec'13	Mar '13	Change		Dec'13	Mar '13	Change
<b>Current assets</b>	307.9	253.1	54.8	<b>Current liabilities</b>	291.1	244.5	46.6
Cash & deposit	15.1	14.2	0.9	Trade notes & accounts payable	45.8	33.4	12.3
Trade notes & accounts receivable	137.7	103.2	34.5	Short-term loans payable	199.7	172.1	27.6
Marketable securities	0.0	3.2	(3.1)	Other current liabilities	45.6	39.0	6.5
Inventories	141.2	118.2	23.0	<b>Long-term liabilities</b>	138.6	135.8	2.8
Short-term loans receivable	0.8	1.0	(0.2)	Long-term loans payable	110.8	105.8	5.0
Deferred income tax assets	4.6	3.8	0.8	Other fixed liabilities	27.8	29.9	(2.1)
Allowance for doubtful receivables	(1.3)	(1.2)	(0.1)	<b>Total liabilities</b>	429.7	380.2	49.4
Other current assets	9.9	10.8	(0.9)	Common stock	31.0	31.0	0.0
<b>Fixed assets</b>	214.2	209.8	4.4	Capital surplus	47.9	43.4	4.5
Tangible fixed assets	135.9	138.7	(2.8)	Treasury stock	(0.1)	(0.1)	(0.0)
Intangible fixed assets	22.3	21.7	0.6	Shareholders' equity	78.9	74.3	4.5
(goodwill)	15.2	14.8	0.4	Other cumulative comprehensive income	(0.0)	(4.8)	4.8
Investments & other fixed assets	56.0	49.4	6.6	Minority interests	13.6	13.1	0.5
	0.0	0.0	0.0	Total shareholders' equity	92.4	82.7	9.7
<b>Total</b>	522.1	462.9	59.2	<b>Total</b>	522.1	462.9	59.2

Total assets increased by 59.2 billion yen due to increase of trade notes & accounts receivable and inventories.  
 Total liabilities increased by 49.4 billion yen due to increase of trade notes & accounts payable, loans payable, etc.  
 Total liabilities year on year, however, decreased by 4.1 billion yen including 4.1 billion yen decrease in Interest-bearing debt.

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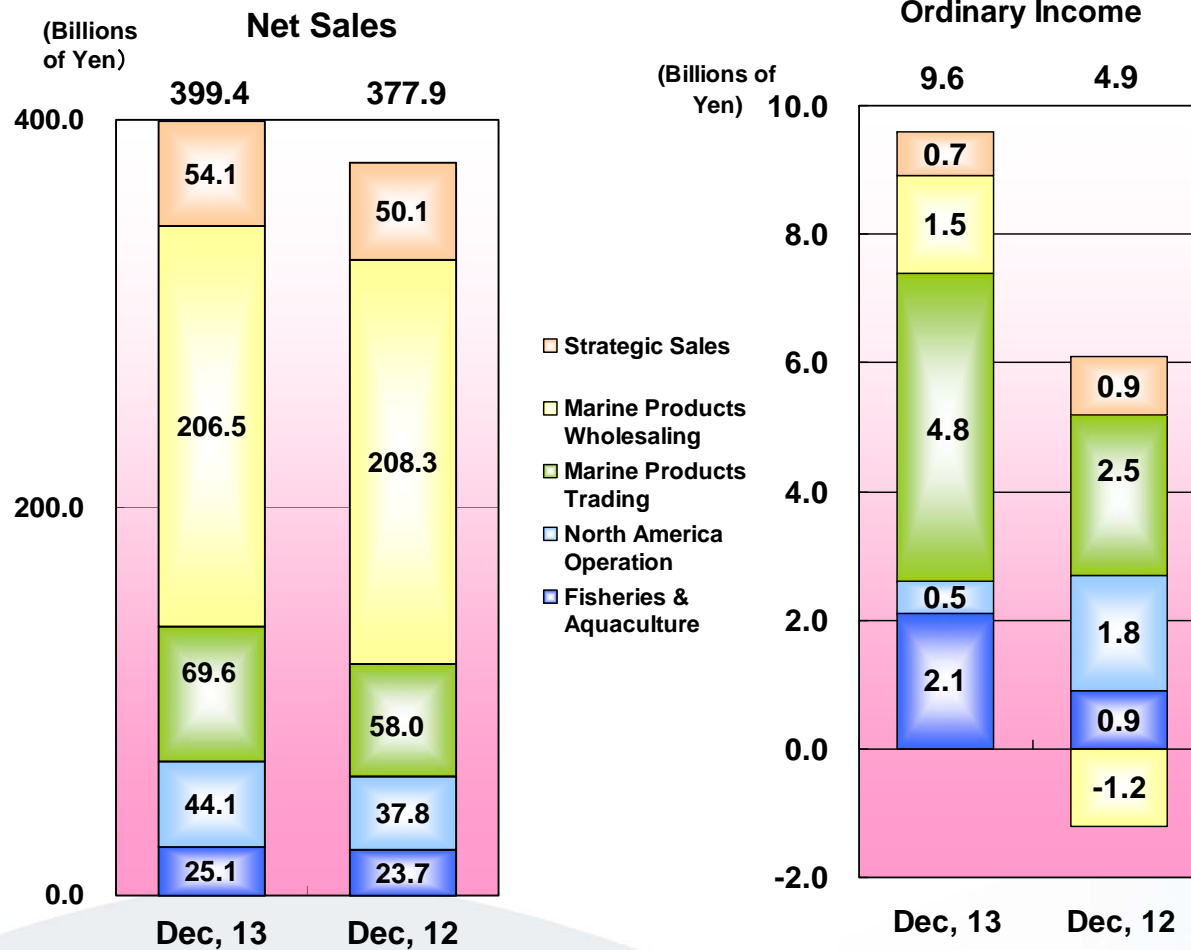
### 3. Result by Strategic Segment and Business Unit MARUHA NICHIRO

(Billion Yen)

	Net Sales			Operating Income			Ordinary Income		
	Dec/13	Dec/12	Change	Dec/13	Dec/12	Change	Dec/13	Dec/12	Change
Fisheries & Aquaculture Unit	25.1	23.7	1.4	1.7	1.2	0.5	2.1	0.9	1.2
North America Operation Unit	44.1	37.8	6.3	Δ 0.2	1.1	Δ 1.3	0.5	1.8	Δ 1.3
Marine Products Trading Unit	69.6	58.0	11.6	4.5	2.8	1.7	4.8	2.5	2.3
Marine Products Wholesaling Unit	206.5	208.3	Δ 1.8	1.3	Δ 1.4	2.7	1.5	Δ 1.2	2.8
Strategic Sales Unit	54.1	50.1	4.0	0.7	0.9	Δ 0.2	0.7	0.9	Δ 0.2
Marine Products Segment	399.4	377.9	21.5	8.0	4.7	3.3	9.6	4.9	4.7
Frozen Foods Business Unit	118.1	111.0	7.1	2.4	3.8	Δ 1.4	2.5	4.1	Δ 1.6
Processed Foods Business Unit	49.4	53.1	Δ 3.8	1.1	1.6	Δ 0.5	1.2	1.6	Δ 0.4
Meat & Products Business Unit	37.9	31.1	6.8	0.6	0.7	Δ 0.1	0.7	0.7	0.0
Foods & Fine Chemical Unit	9.5	9.9	Δ 0.3	0.7	0.9	Δ 0.2	0.7	0.9	Δ 0.2
Asia & Oceania Operation Unit	29.0	23.3	5.7	0.0	1.5	Δ 1.4	0.8	2.1	Δ 1.3
Processed Foods Segment	243.9	228.4	15.4	4.8	8.4	Δ 3.6	5.9	9.4	Δ 3.5
Storage & Logistics Unit	11.5	11.9	Δ 0.4	1.0	1.2	Δ 0.2	0.8	1.0	Δ 0.2
Others	3.8	4.1	Δ 0.3	0.7	0.7	0.0	0.6	0.5	0.1
Common Cost	0.0	0.0	0.0	Δ 2.2	Δ 2.3	0.1	Δ 1.6	Δ 2.0	0.4
<b>Total</b>	<b>658.5</b>	<b>622.3</b>	<b>36.2</b>	<b>12.4</b>	<b>12.8</b>	<b>Δ 0.4</b>	<b>15.2</b>	<b>13.7</b>	<b>1.5</b>

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## 3-1. Marine Products Segment



### Fisheries & Aquaculture

- favorable purse seine skipjack fishery
- market of yellowtail improved and price of bluefin tuna has been steady

### North American Operation

- contribution from acquired Dutch seafood sales company appended besides buoyant sales in Europe
- output of pollock roe and pollock fillet price down
- profit from products for Japan dropped by weakened yen

### Marine Products Trading

- strong market in most frozen seafood

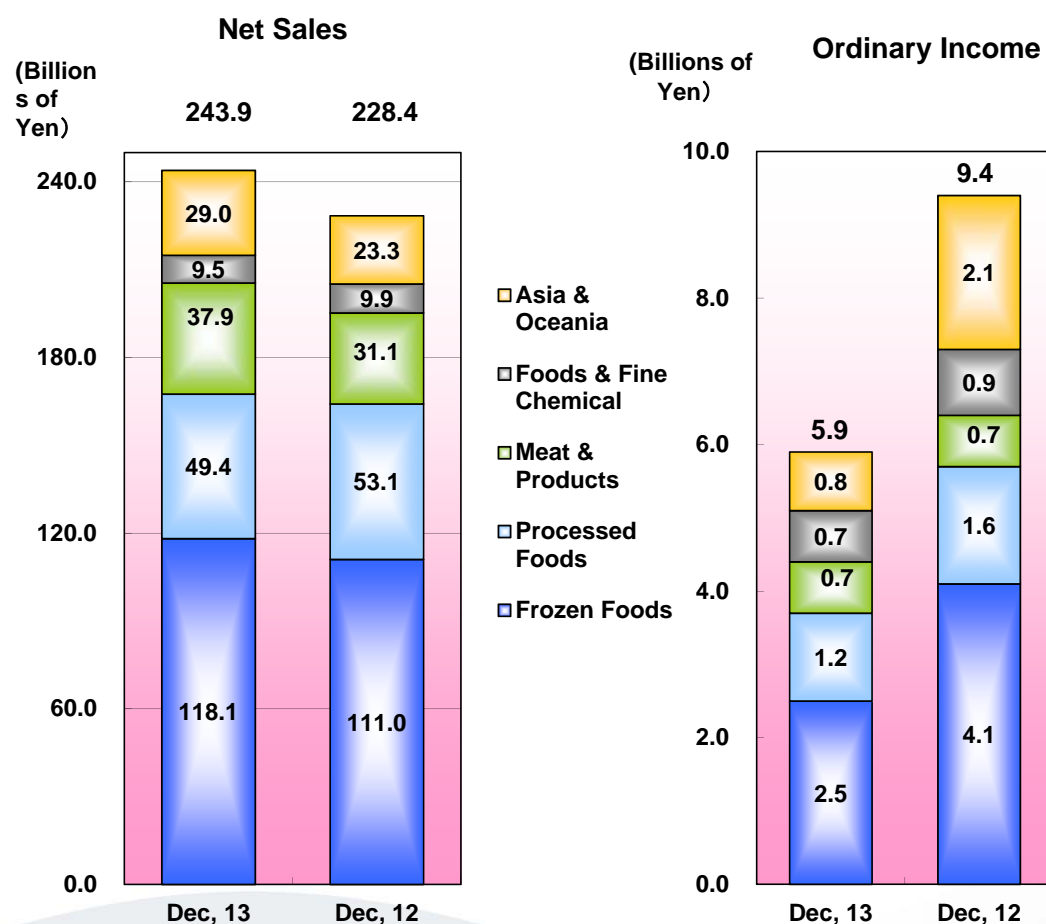
### Wholesaling

- collapse in salmon market resolved
- cost reduction contributed despite reduced sales

### Strategic Sales

- profit decreased despite brisk demand due to increase in purchasing cost

## 3-2. Processed Food Segment



### Frozen Food

- sales increased due to good sales in retail products and including Yayoi Foods' result
- profit suppressed due to cost increase and subsidiary Aqli Foods' recall problem

### Processed Food

- spin-off of a beverage company and sluggish sales of pet food reduced the net sales
- profit decreased due to increase of ad and promotion fee (dessert) and cost increase

### Meat

- sales of imported pork increased
- profit decreased in domestic reprocessing operation due to cost increase by weak yen

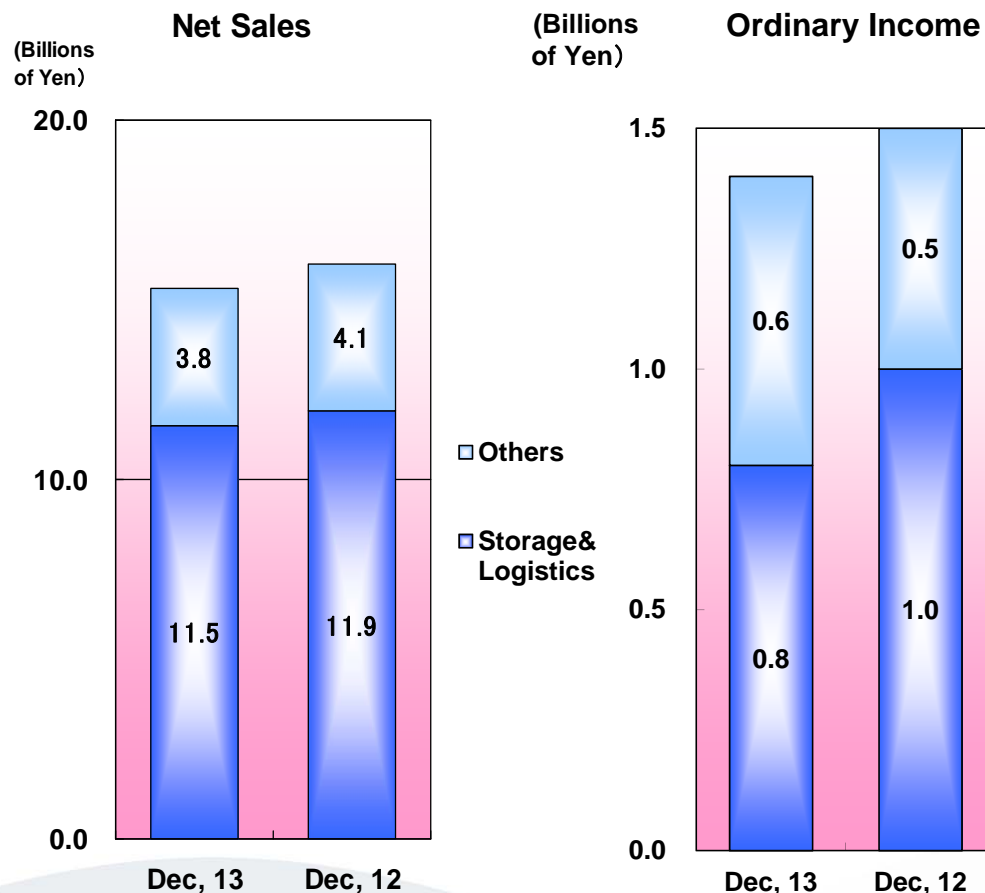
### Foods & Fine Chemical

- shutting down Japanese leek operation in Peru
- sales of biochemical reduced due to the import ban in Korea

### Asia & Oceania Operation

- despite sales increase, profit decreased due to cost increase of skipjack and shrimp

## 3-3. Storage & Logistics / Others



### Storage & Logistics

- further decrease in burden under passive storing with active shipment
- fringe operations such as transportation and freight forwarding have been sluggish

## 4. Full Year Projection (by Unit / Operating Income)



(Billions of Yen)

	Net Sales						Operating Income					
	Dec,13		Mar,14			3Q/FYp	Dec,13		Mar,14			3Q/FYp
	Result	+/- YonY	Rvsd Proj.	+/- YonY	+/- vs. Nov 5 Proj.		Result	+/- YonY	Rvsd Proj.	+/- YonY	+/- vs. Nov 5 Proj.	
Fisheries & Aquaculture Unit	25.1	1.4	32.9	2.9	(1.7)	76%	1.7	0.5	1.8	0.9	0.1	94%
North America Operation Unit	44.1	6.3	57.3	6.5	2.4	77%	(0.2)	(1.3)	0.1	(1.5)	(0.1)	-200%
Marine Products Trading Unit	69.6	11.6	83.4	12.2	11.8	83%	4.5	1.7	4.5	1.9	0.3	100%
Marine Products Wholesaling Unit	206.5	(1.8)	267.6	(1.7)	(6.7)	77%	1.3	2.7	1.2	3.2	0.1	108%
Strategic Sales Unit	54.1	4.0	68.8	3.6	1.9	79%	0.7	(0.2)	0.7	(0.2)	0.1	100%
Marine Products Segment	399.4	21.5	510.0	23.5	7.7	78%	8.0	3.3	8.3	4.2	0.5	96%
Frozen Foods Business Unit	118.1	7.1	144.9	(3.3)	(13.5)	82%	2.4	(1.4)	2.4	(2.0)	(2.2)	100%
Processed Foods Business Unit	49.4	(3.8)	63.8	(3.4)	(5.0)	77%	1.1	(0.5)	0.7	(0.3)	(0.9)	157%
Meat & Products Business Unit	37.9	6.8	50.3	9.1	6.0	75%	0.6	(0.1)	0.6	(0.1)	(0.3)	100%
Foods & Fine Chemical Unit	9.5	(0.3)	13.4	0.4	(1.4)	71%	0.7	(0.2)	0.8	(0.3)	(0.6)	88%
Asia & Oceania Operation Unit	29.0	5.7	37.9	5.1	1.8	77%	0.0	(1.4)	(0.2)	(1.6)	0.1	0%
Processed Foods Segment	243.9	15.4	310.2	7.7	(12.1)	79%	4.8	(3.6)	4.3	(4.2)	(3.9)	112%
Storage & Logistics Unit	11.5	(0.4)	15.0	(0.4)	(0.4)	77%	1.0	(0.2)	1.1	(0.3)	(0.2)	91%
Others	3.8	(0.3)	5.0	(0.5)	0.0	76%	0.7	0.0	0.8	(0.2)	(0.1)	88%
Common Cost		0.0					(2.2)	0.1	(3.1)	(0.1)	0.0	71%
<b>Total</b>	<b>658.5</b>	<b>36.2</b>	<b>840.0</b>	<b>30.2</b>	<b>(5.0)</b>	<b>78%</b>	<b>12.3</b>	<b>(0.4)</b>	<b>11.5</b>	<b>(0.5)</b>	<b>(3.5)</b>	<b>108%</b>

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