

Maruha Nichiro Corporation

Consolidated Financial Results for the Year Ended March, 2016

Shigeru Ito, President

May 17, 2016



1. Business Environment

2. Consolidated Statement of Income

3. Status of Mid-Term Management Plan

4. Forecast for the FY 2016

1. Business Environment



Domestic Economy

- Improving corporate earnings & labor market
 - on moderate recovery track
- Global economy remains uncertain
 - with potential downside risk

Marine Product & Food Industry

- High cost and labor shortage remain
- Consumer spending – frugal and optional

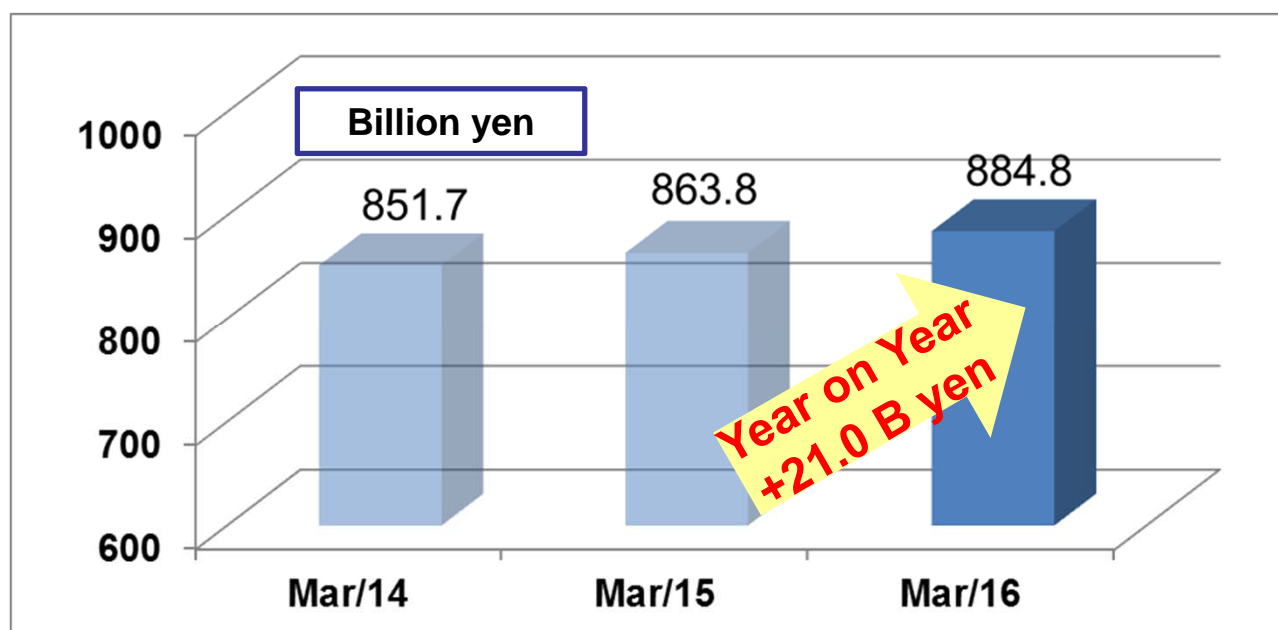
Maruha Nichiro Group

- 2nd year of the 4-year management plan
 - Challenge toward 2017*
- Striving for restoring business fundamentals
- Practice of growth initiative
 - Expanding egg-to-harvest bluefin tuna farming
 - Increasing profit in the global domain
 - Launching sales of food with nutrient function claims

2. Consolidated Statement of Income



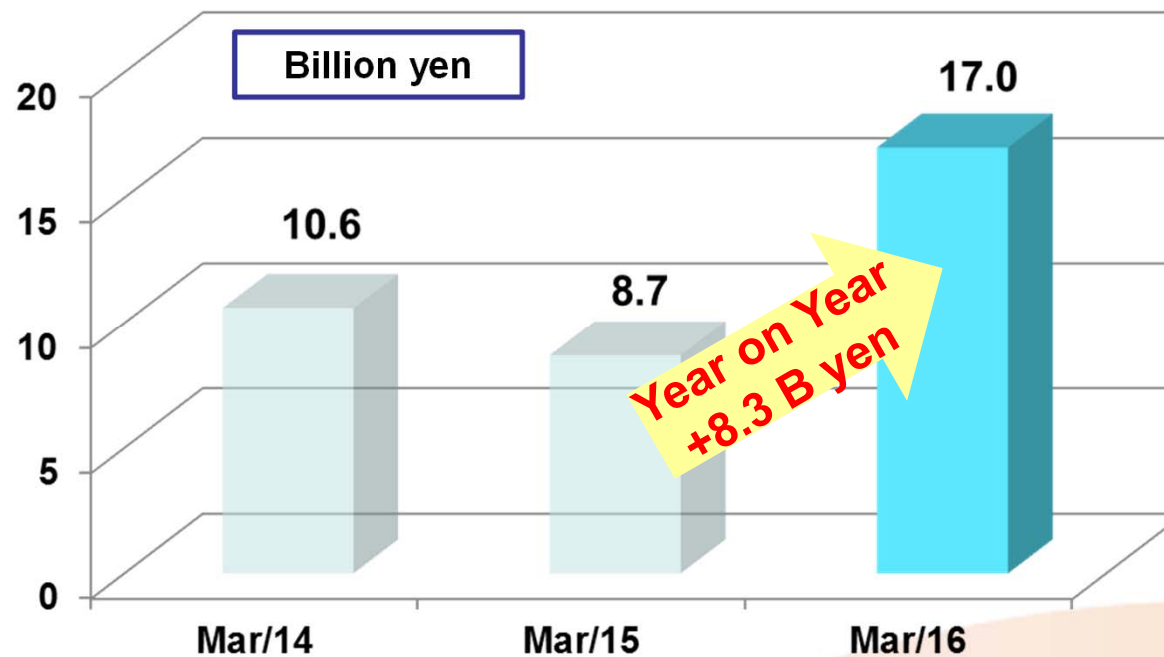
Net Sales



2. Consolidated Statement of Income



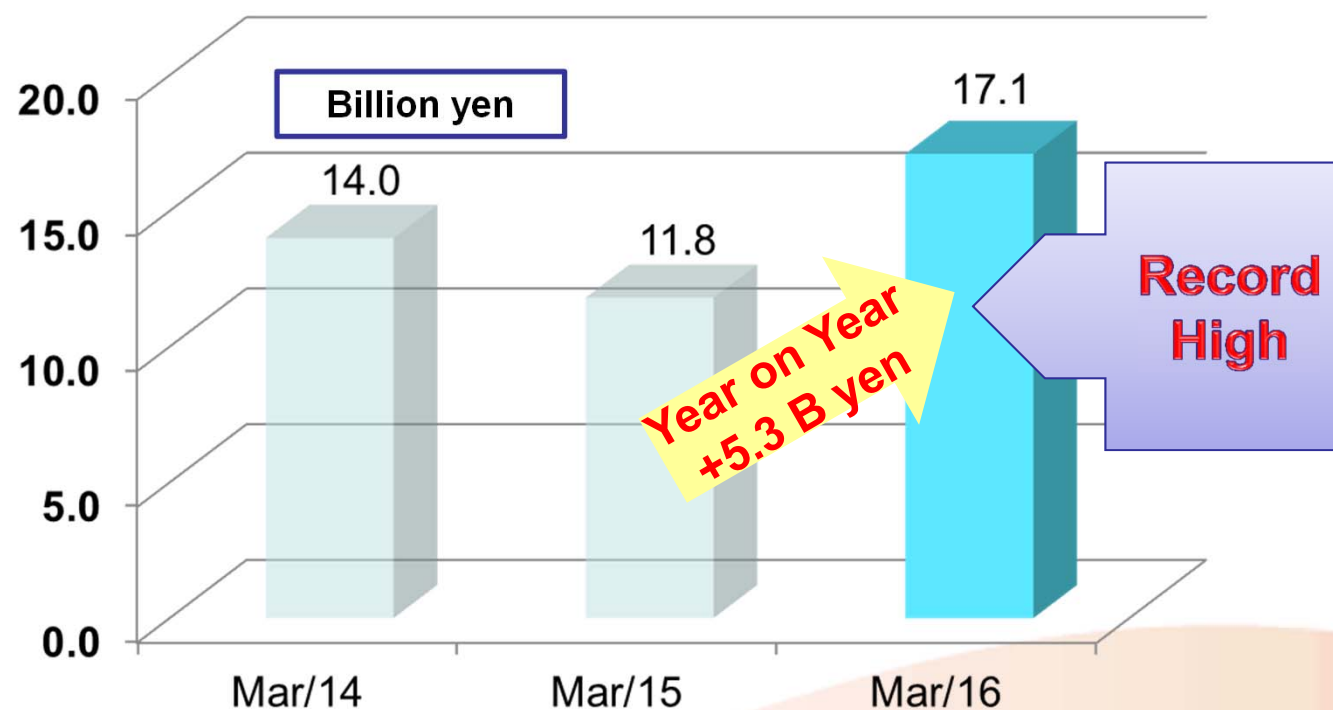
Operating Income



2. Consolidated Statement of Income



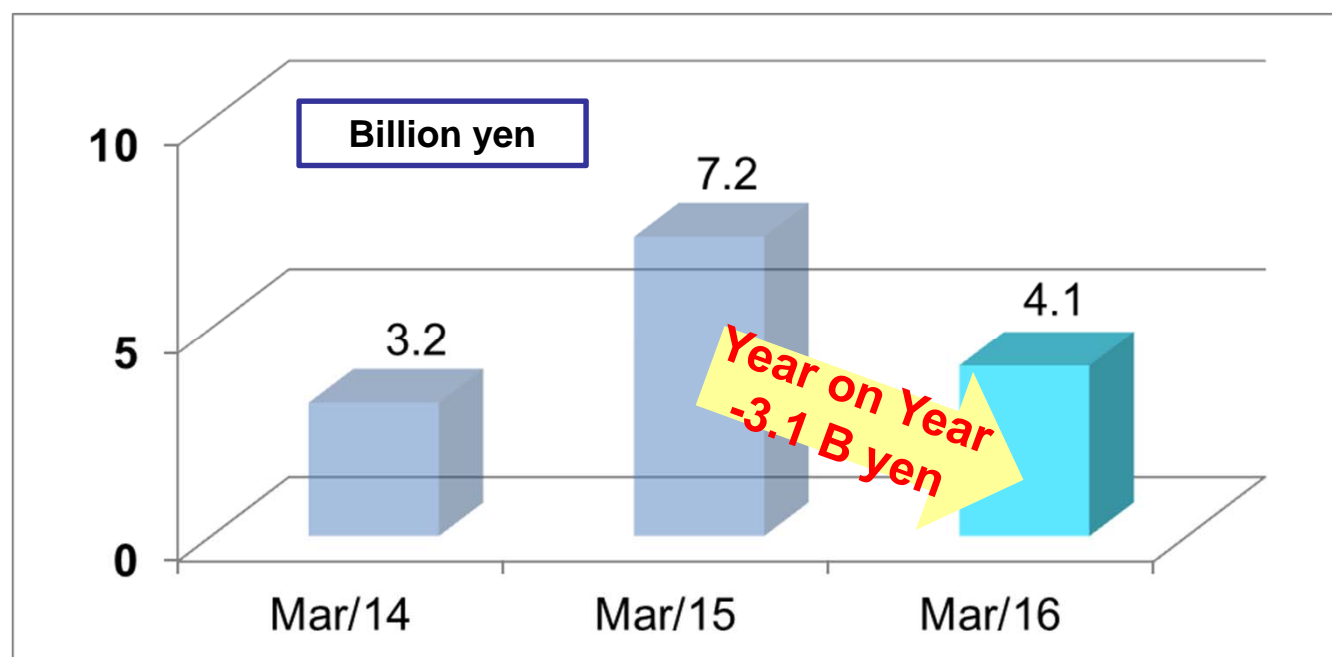
Ordinary Income



2. Consolidated Statement of Income



Profit Attributable to Owners of Parent



2. Consolidated Statement of Income

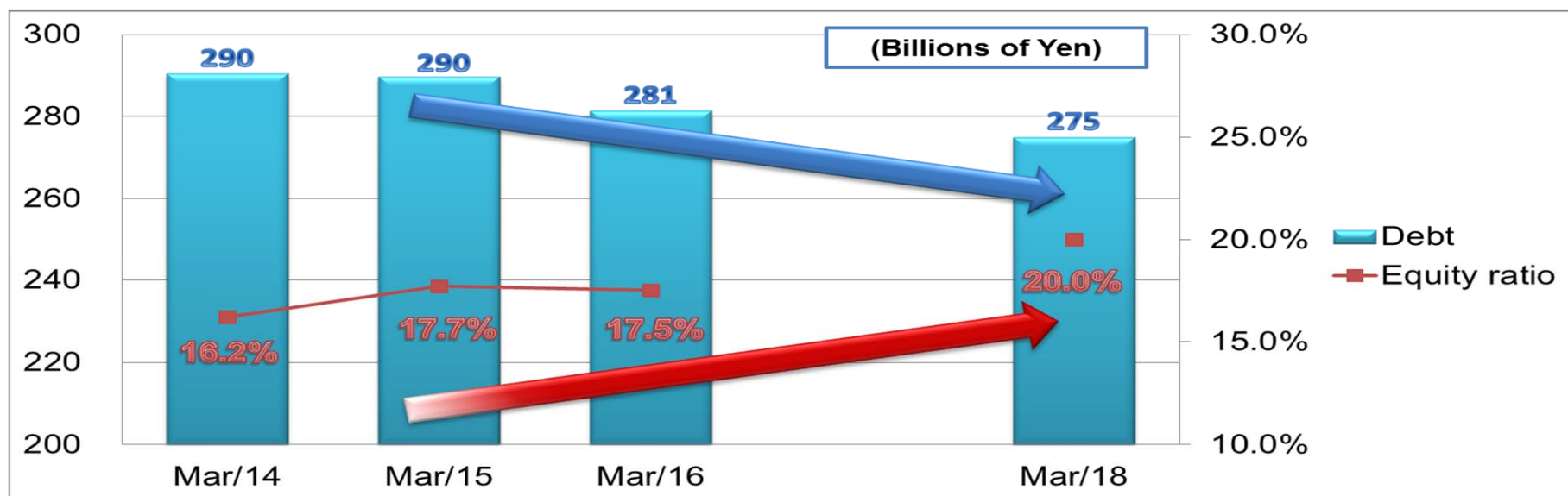


(Billions of Yen)

	Mar,16	Mar,15	Change
Net Sales	884.8	863.8	21.0
Cost of Sales	768.2	756.4	11.8
Gross profit	116.6	107.4	9.2
Expense	99.6	98.7	0.9
Operating Income	17.0	8.7	8.3
Non-operating Revenues	4.8	7.6	(2.8)
Non-operating Expenses	4.7	4.5	0.2
Ordinary Income	17.1	11.8	5.3
Extraordinary Income	2.2	3.2	(1.0)
Extraordinary Loss	6.9	3.4	3.5
Income before Tax	12.4	11.7	0.8
Taxes	5.7	2.3	3.4
Profit attributable to non-controlling interests	2.7	2.2	0.5
Profit attributable to owners of parent	4.1	7.2	(3.1)

3. Status of Mid-term Management Plan (1)

Achieved strong recovery in the 2nd FY of the mid-term management plan
Challenge toward 2017
Shifting to **Challenge for Growth** phase



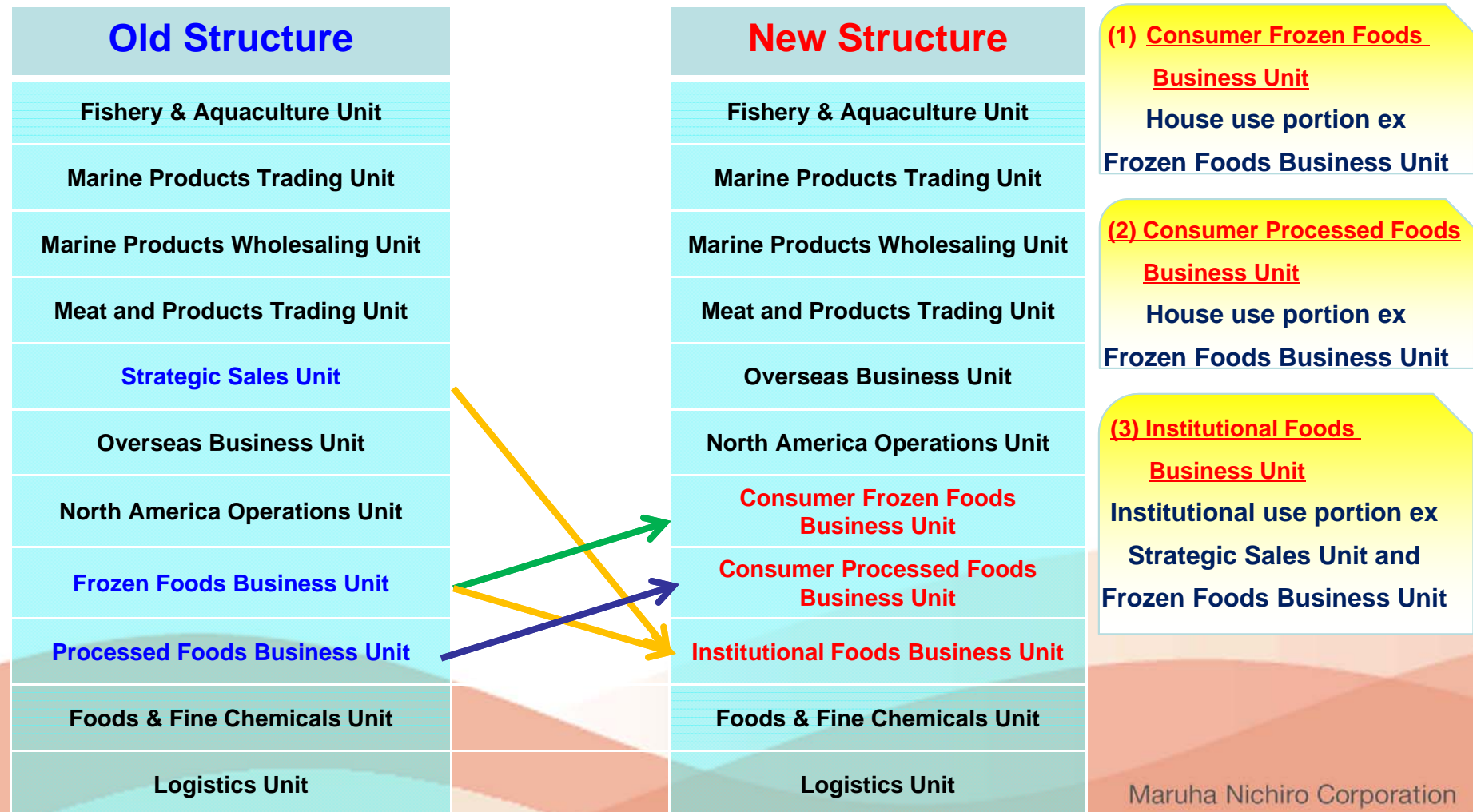
Challent toward 2017

2014-2015
Challenge for REBIRTH
& to become ONE-UNIT

2016-2017
Challenge for
Growth

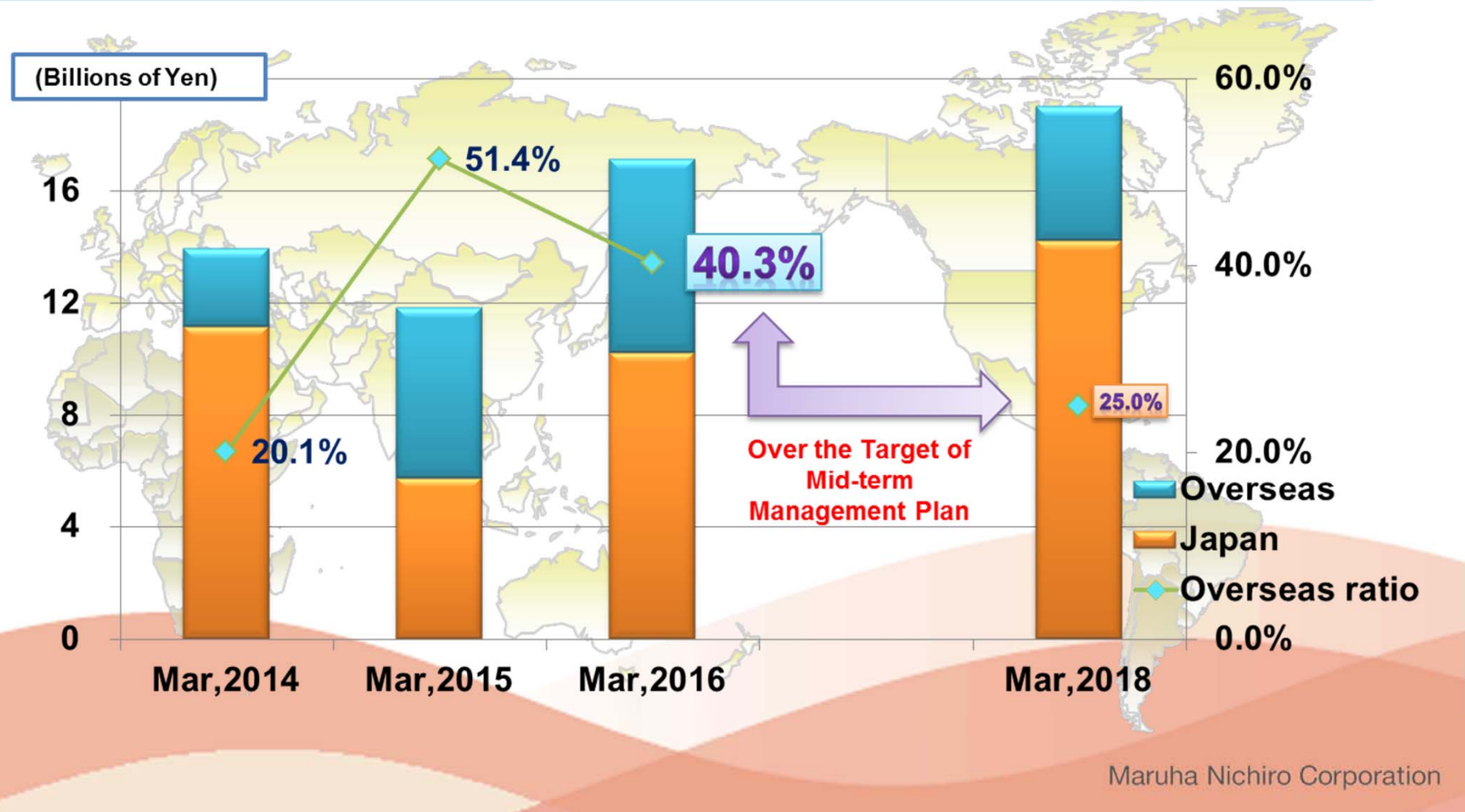
3. Status of Mid-term Management Plan (2)

Partial Change of Business Unit Structure from April, 2016 for Streamlining Accessibility to Customers



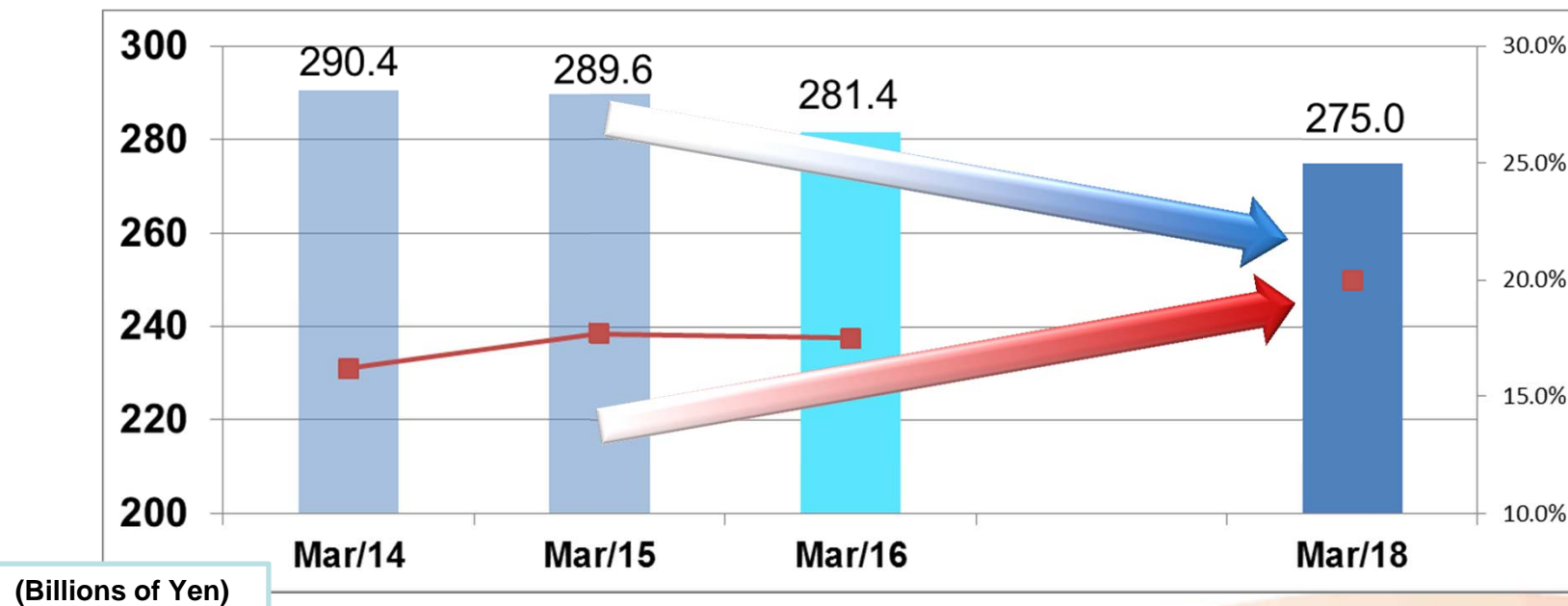
3. Status of Mid-term Management Plan (3)

Status of Ordinary Income of Overseas Subsidiaries 40.3% vs Consolidated Ordinary Income – Over the Target of Mid-term Management Plan



3. Status of Mid-term Management Plan (4)

- Interest Bearing Debt / Mar, 2016 : **281.4 B yen** (Decreased 9 B yen in the first 2 years of Mid-term Management Plan)
- Equity Ratio : **17.5%** (+1.3 percentage point in 2 years)



4. Forecast for the FY2016 (1)

Overview



**For the 3rd Year of Mid-term Management Plan and
for the 1st Year of *Challenge for Growth* Initiative**

TARGET : Net Sales 890B yen / Operating Income 18B yen

Billion Yen	Forecast	Mar, 2016	Change	Change%	FY2017 Target
Net Sales	890.0	884.8	5.2	0.6%	900.0
Operating Income	18.0	17.0	1.0	6.1%	20.0
Ordinary Income	18.0	17.1	0.9	5.1%	19.0
Profit Attributable to Owners of Parent	9.0	4.1	4.9	119.7%	----

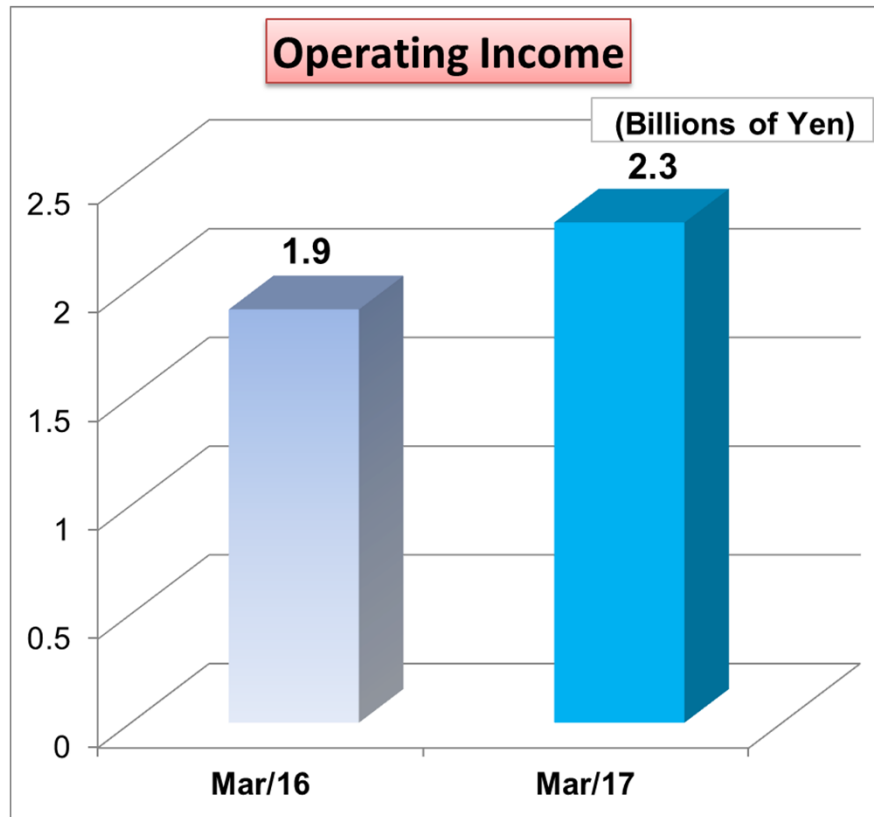
4. Forecast for the FY2016 (2) by Business Units



(Billions of Yen)

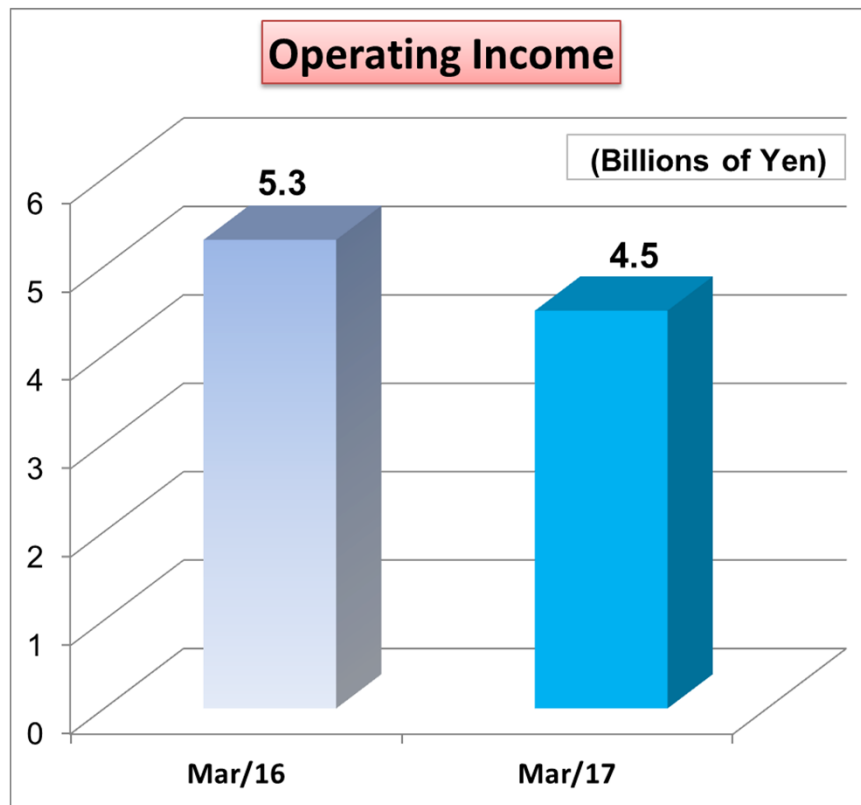
	Net Sales			Operating Income		
	Mar,16	Mar,15	Change	Mar,16	Mar,15	Change
Fisheries & Aquaculture Unit	36.2	37.7	Δ 1.5	1.8	1.6	0.1
Marine Products Trading Unit	71.6	74.3	Δ 2.7	2.3	1.9	0.5
Marine Products Wholesaling Unit	252.0	251.1	0.9	1.0	1.2	Δ 0.2
Meat & Products Trading Unit	54.0	48.0	6.1	0.5	0.5	0.0
Overseas Business Unit	51.2	52.6	Δ 1.4	4.5	5.3	Δ 0.8
North America Operation Unit	99.3	105.0	Δ 5.7	2.5	2.4	0.2
Consumer Frozen Foods Business Unit	58.2	57.2	1.0	0.7	0.3	0.4
Consumer Processed Foods Business Unit	50.4	47.8	2.6	0.1	Δ 1.3	1.4
Institutional Foods Business Unit	182.0	177.4	4.6	1.8	1.5	0.4
Foods & Fine Chemical Unit	5.6	4.9	0.6	0.7	0.7	Δ 0.0
Logistics Unit	15.9	15.6	0.3	1.8	1.8	0.0
Others	13.7	13.1	0.5	0.3	0.5	Δ 0.2
Common Cost	0.0	0.0	0.0	Δ 0.0	0.7	Δ 0.7
Total	890.0	884.8	5.2	18.0	17.0	1.0

4. Forecast for the FY2016 (3) Marine Products Trading Unit



- The unit will keep high profitability with excellent procurement ability, even in fierce competition in global market driven by strong demand.

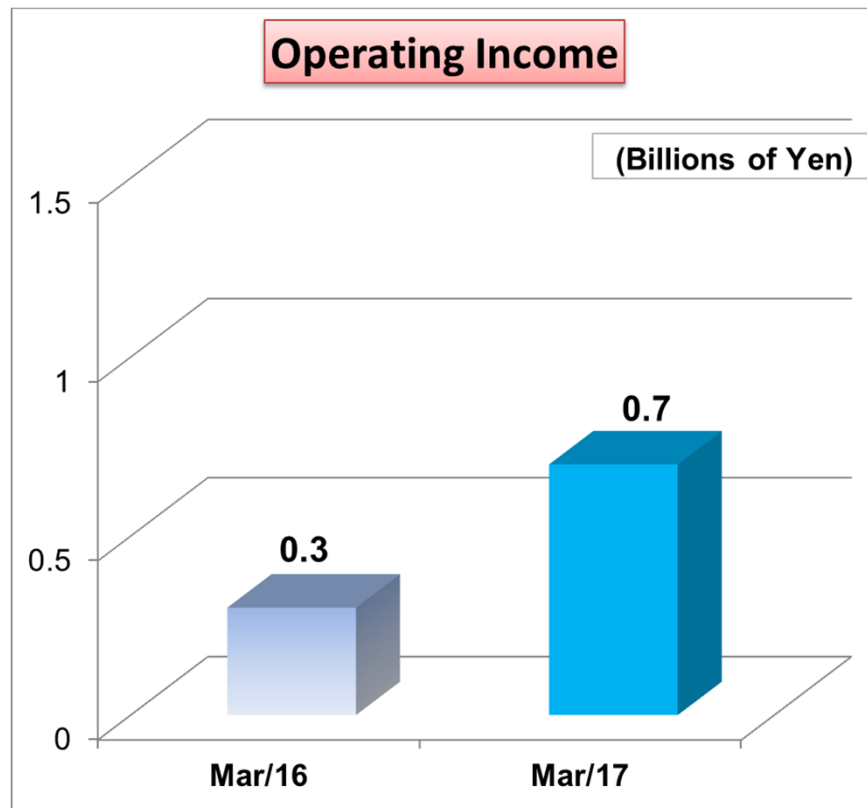
4. Forecast for the FY2016 (4) Overseas Business Unit



- Expecting some drop in operating income due to 20% reduction of toothfish fishing quota and calming down of robust shrimp fishery, the unit will still earn higher margin than others.

4. Forecast for the FY2016 (5)

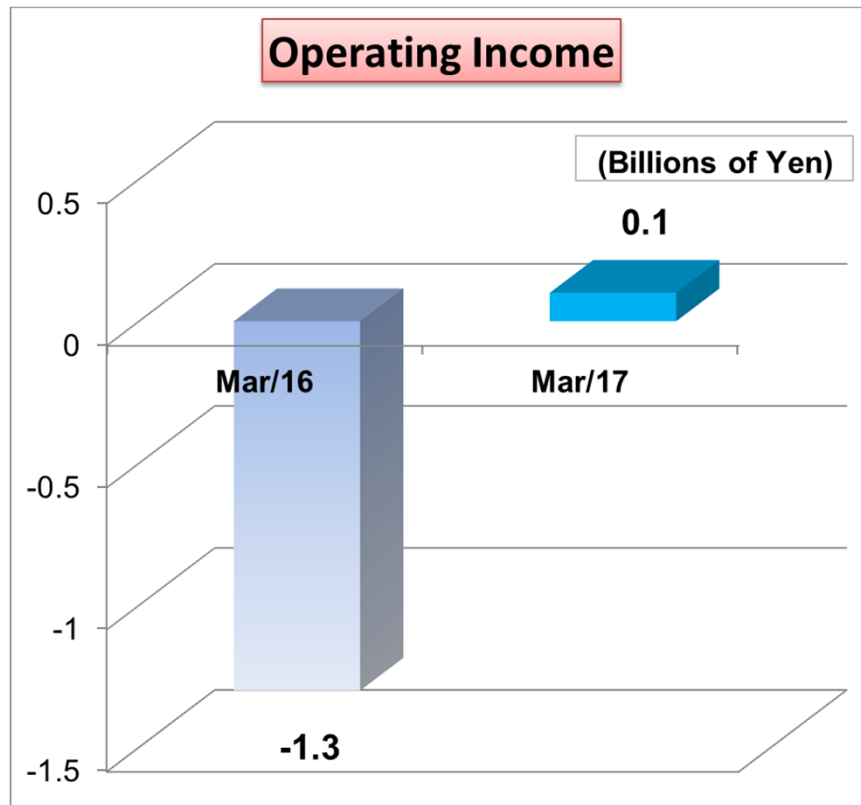
Consumer Frozen Foods Business Unit



- **Priority: Revamping performance of AQLI brand.**
- **Enhancing product development ability and profitability in AQLI's specialty such as pizza, gratin and croquette.**

4. Forecast for the FY2016 (6)

Consumer Processed Foods Business Unit



- **Chilled food business:** improving production efficiency and enhancing product competitiveness.
- **Dessert:** Reviewing product mix and improving production efficiency.
- **Long Life Chilled food:** Intensified marketing

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