



Maruha Nichiro Corporation

Consolidated Financial Result for 2nd Quarter of the Year Ending March, 2017

Result by Business Segments and Balance Sheet

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Managing Director**

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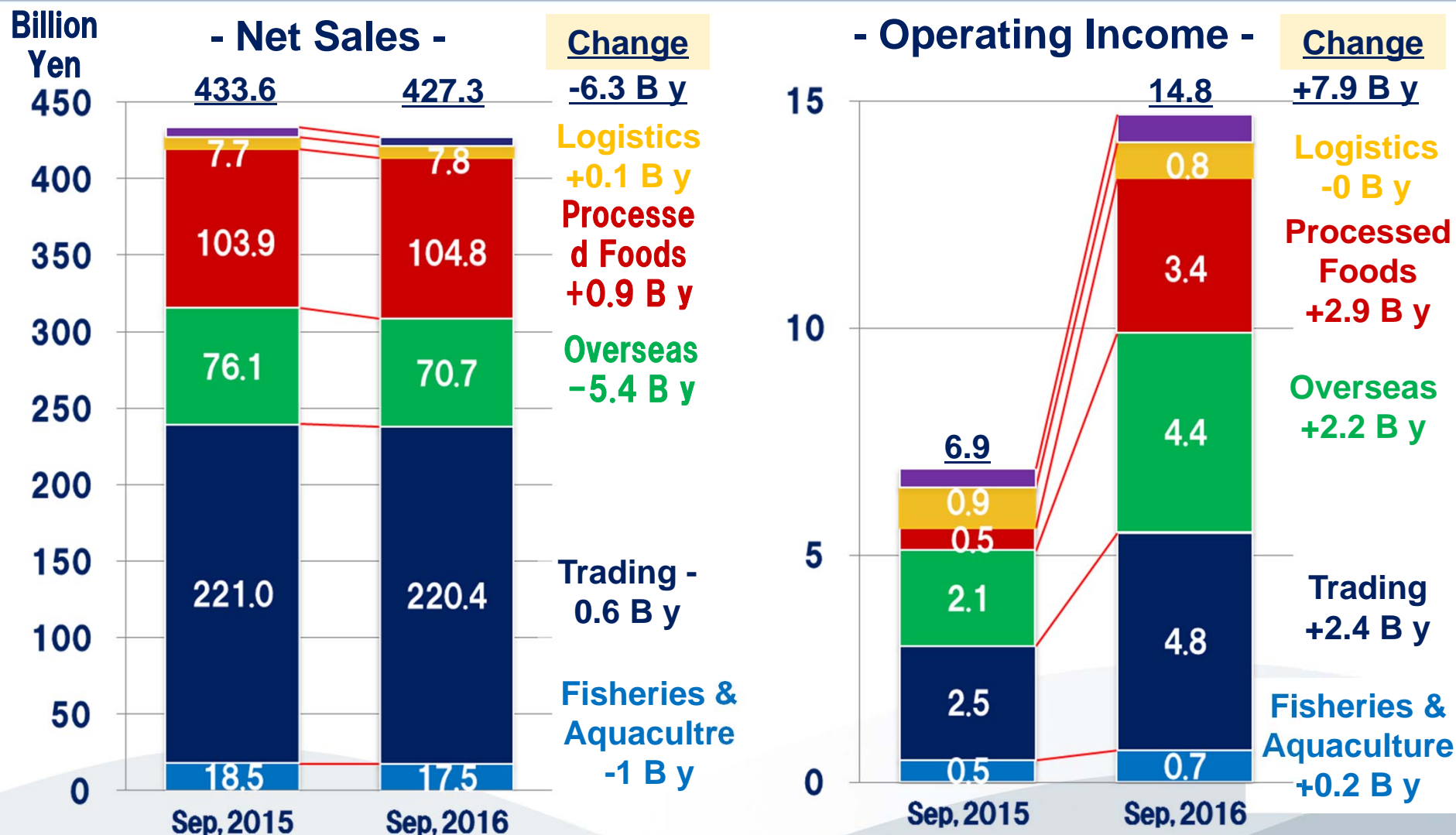
1. Consolidated Statement of Income



(Billions of Yen)

	Sep, 2016	Sep, 2015	Change	
Net Sales	427.3	433.6	(6.3)	<u>[Major Changes]</u>
Cost of Sales	363.1	377.6	(14.4)	<u>Non-operating Revenues</u>
Gross profit	64.2	56.1	8.1	Dividend Income 0.9B yen
Expense	49.4	49.2	0.2	Miscellaneous Income 1.6B yen
Operating Income	14.8	6.9	7.9	<u>Non-operating Expenses</u>
Non-operating Revenues	2.5	2.4	0.1	Interest Expenses 1B yen
Non-operating Expenses	3.5	1.6	1.9	Foreign Exchange Losses 2.2B yen etc.
Ordinary Income	13.8	7.7	6.1	
Extraordinary Income	0.3	2.0	(1.7)	<u>Extraordinary Loss</u>
Extraordinary Loss	0.5	0.8	(0.3)	Loss on Disaster 0.2B yen etc.
Income before Tax	13.5	8.9	4.7	
Taxes	3.1	3.1	0.0	
Profit attributable to non-controlling interests	1.6	1.1	0.5	
Profit attributable to owners of parent	8.8	4.7	4.1	

2. Net Sales / Operating Income by Business Segments



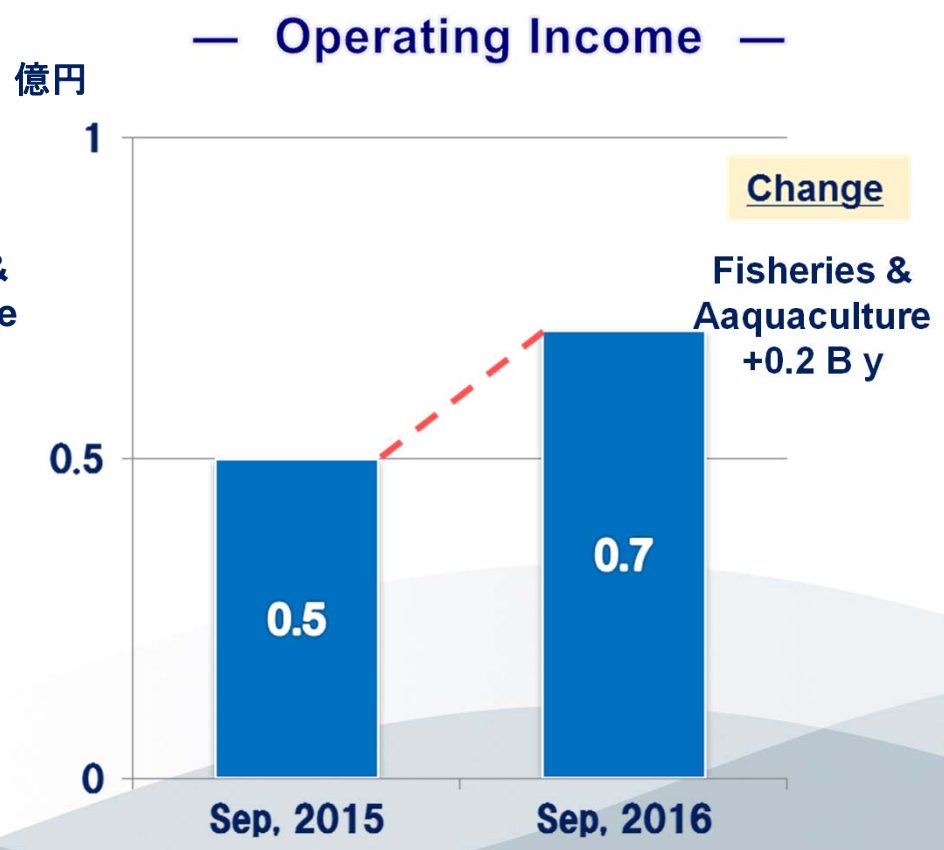
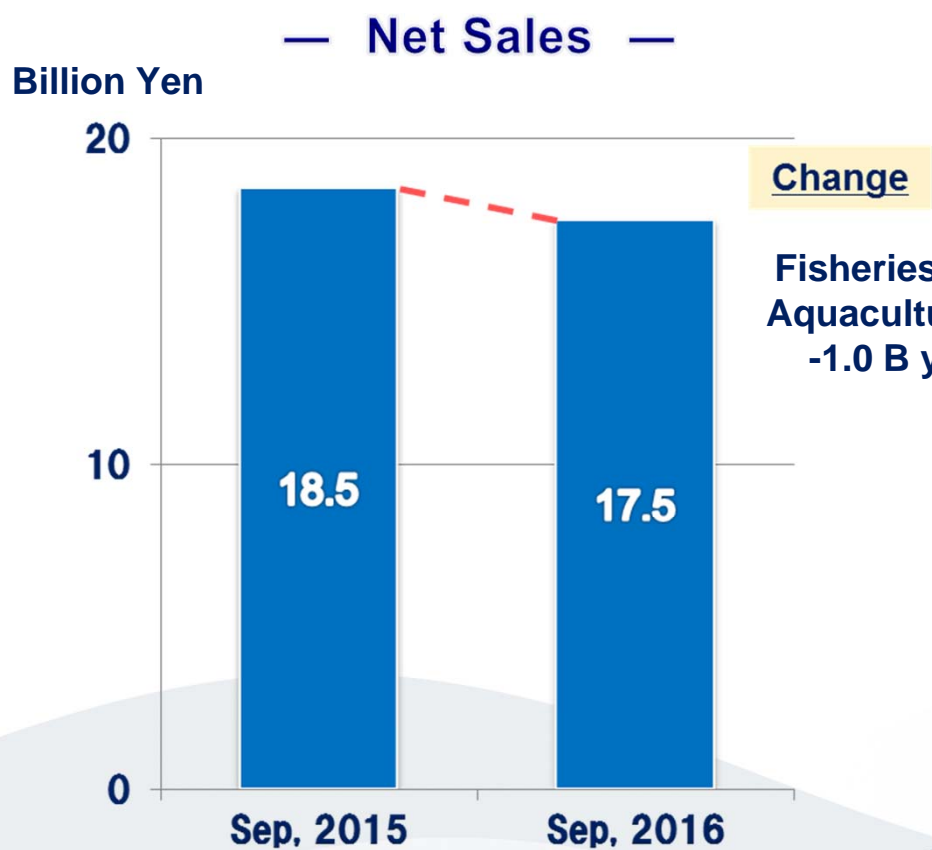
Impact of foreign currency translation : -5.5 B y

※Impact of foreign currency translation : -0.5 B y

3-1. Fisheries & Aquaculture Segment



■ **Business Overview :**
Operating income increased due to improved margin in both fisheries and aquaculture, while net sales decreased as a result of down in output of farmed fish.



3-2. Trading Segment



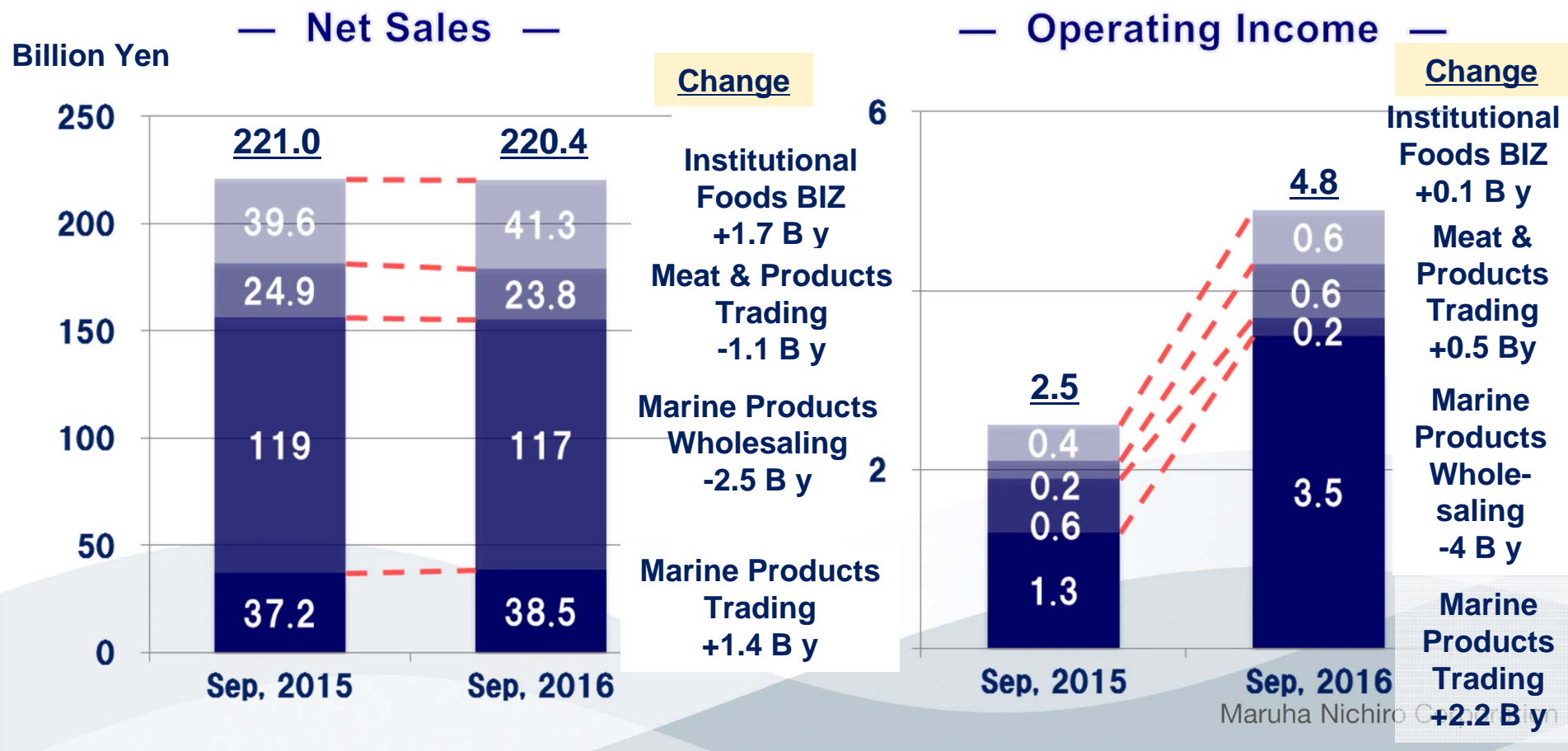
Business Overview

[Marine Products Trading] Sales of raw material and processed product of mainly frozen fish, shrimp, etc. has been buoyant. Both net sales and operating income increased due to cost reduction by strong yen.

[Marine Products Wholesaling] Net sales decreased soared fish price and typhoon impact. Operating income decreased accordingly in spite of cost curtailment.

[Meat & Products Trading] Operating income increased due to improved margin of poultry and imported pork, while net sales decreased due to weak market of poultry and fish meal feedstuff material.

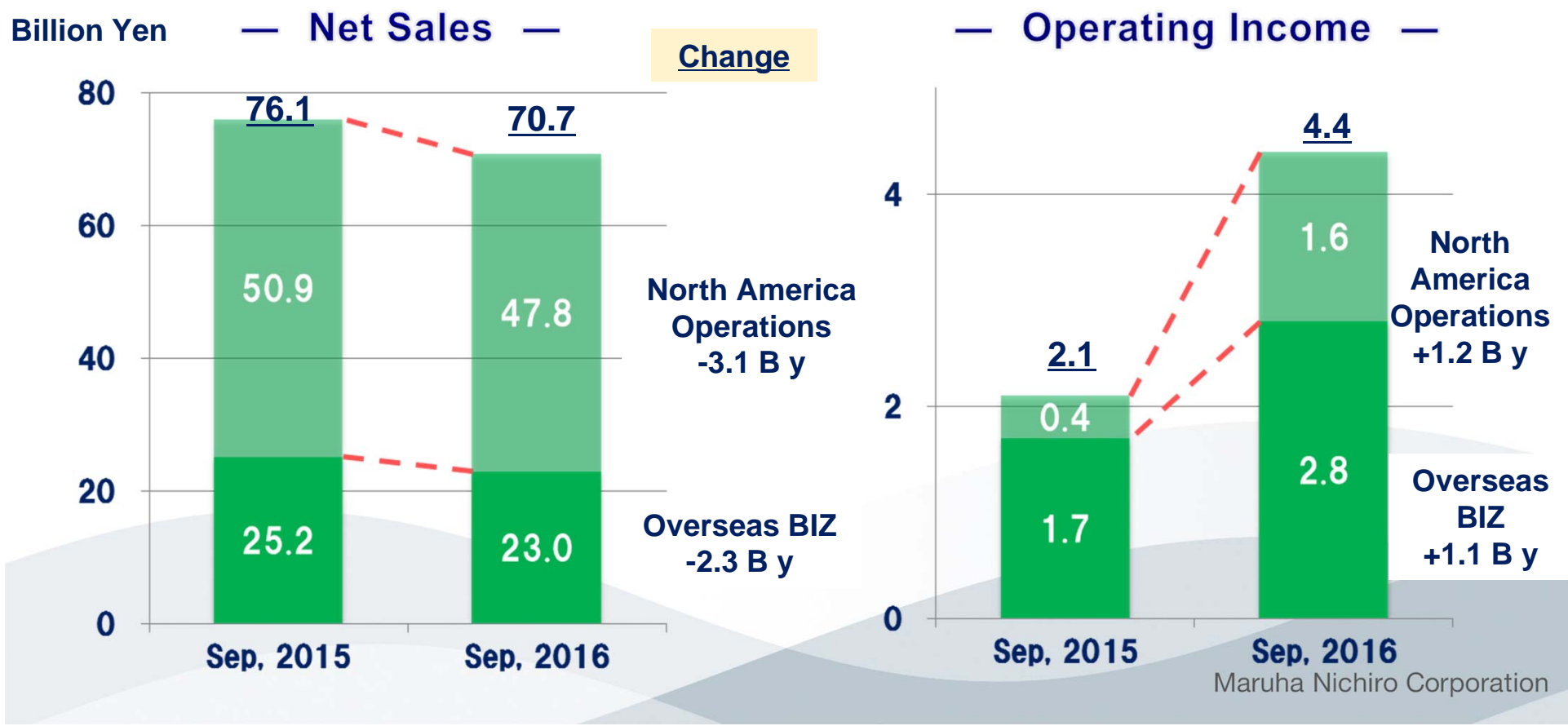
[Institutional Foods Business (Trading)] Both net sales and operating income as a result of enhanced sales proposal to supermarkets, food services and CVSs.



3-3. Overseas Business Segment



■ Business Overview
[Overseas Business] Net Sales decreased but operating income increased
Thai – While exports to North America and Japan reduced, production cost was curtailed and pet food for Europe and US performed well.
Australia – Sales of Patagonian toothfish was brisk.
[North America Operations] While net sales decreased due to reduced production of Alaskan pollock roe and snow crab and price drop of fish meal and surimi, operating income increased due to improvement in salmon operation.



3-4. Processed Foods Segment



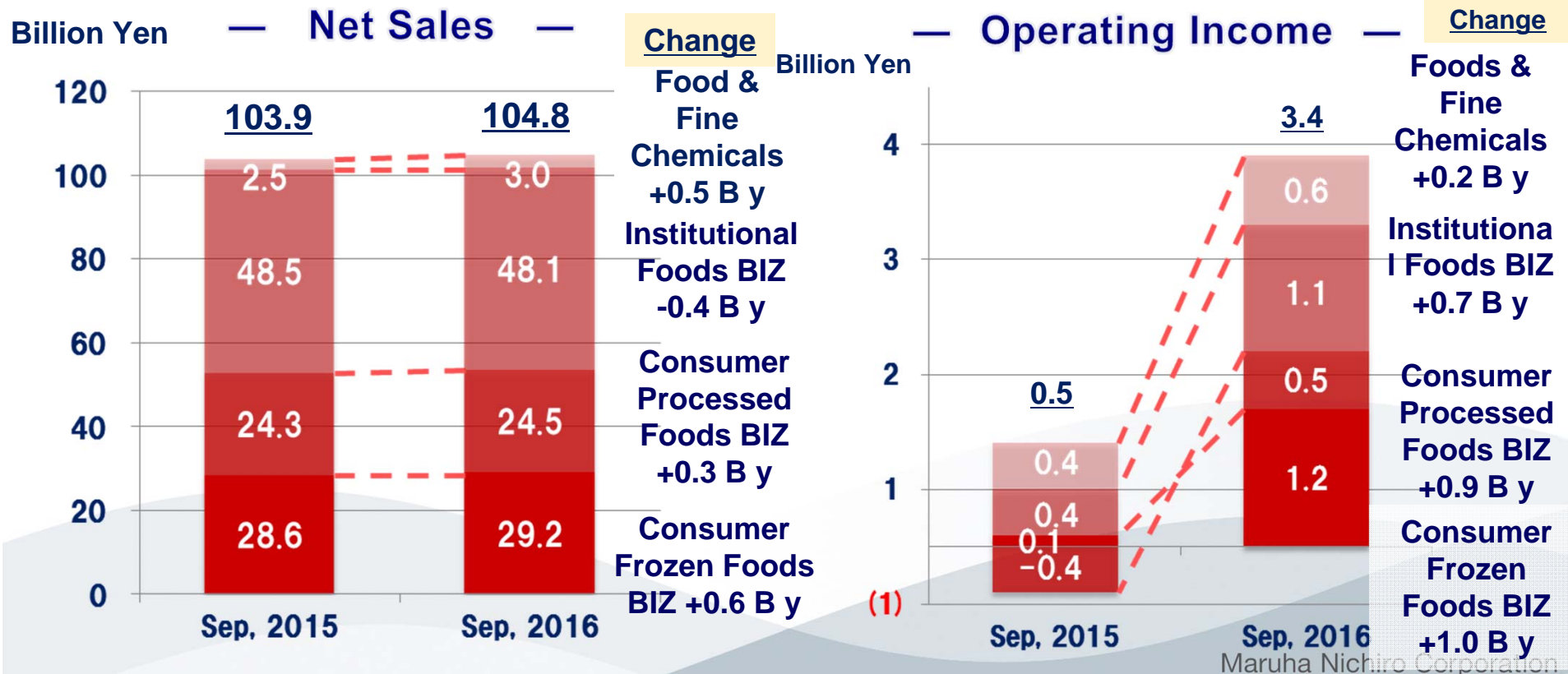
■ Business Overview :

[Consumer Frozen Foods BIZ] Both net sales and operating income increased due to sales increase of cooked noodle/rice, frozen vegetable and AQLI brand products in addition to improved factory operating rate and productivity.

[Consumer Processed Foods BIZ] Operating income increased due to optimized price and improvement of productivity, while net sales remained unchanged.

[Institutional Foods BIZ] Net sales decreased due to reduced sales for deli at SM and for food service. Operating income increased due to abolition of unprofitable items and cost curtailment.

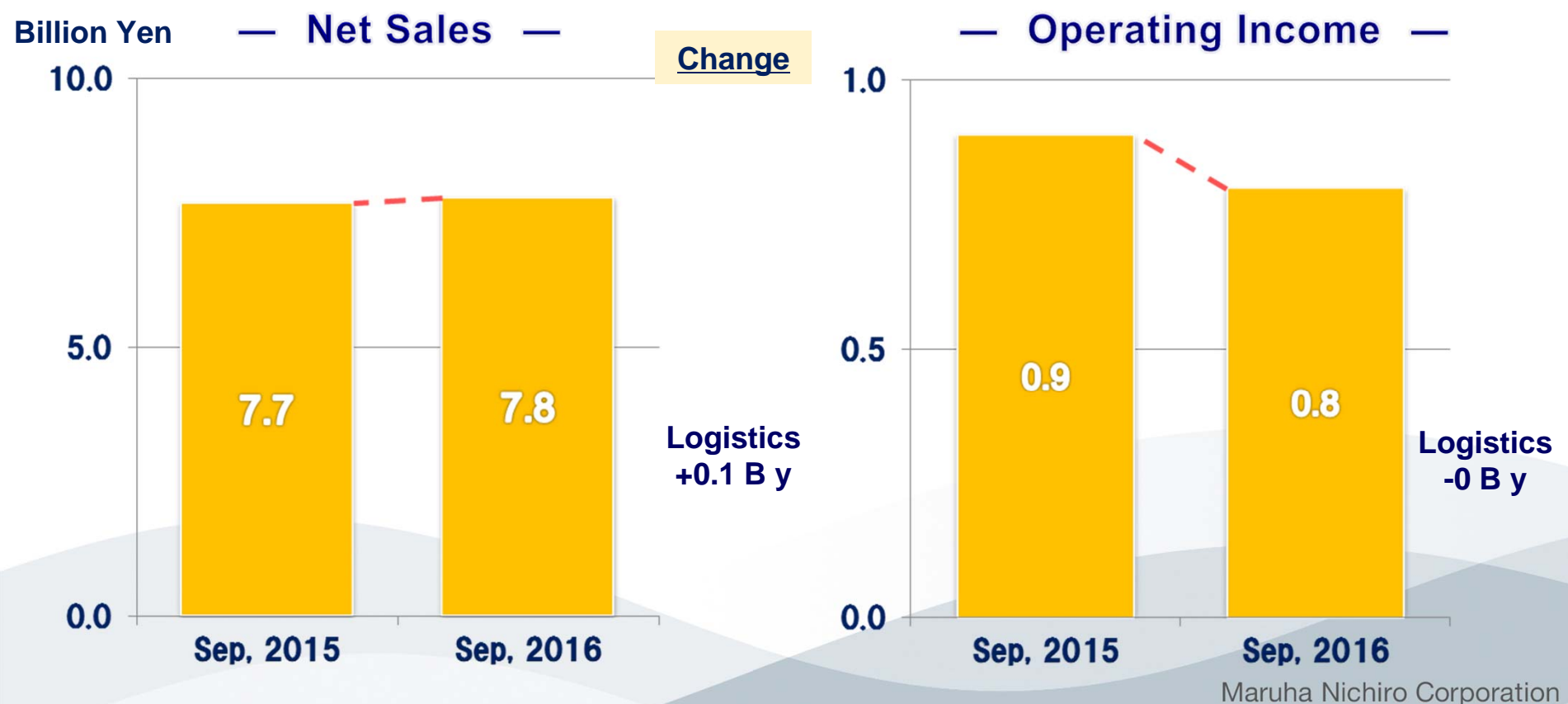
[Foods & Fine Chemicals] Both net sales and operating income increased brisk sales of DHA/EPA driven by development of *food with nutrient function claim* and expanded export to China.



3-5. Logistics Segment

■ Business Overview

Both net sales and operating income remained unchanged as operated quantity and transportation business increased while expenses for system operation and labor costs.



4. Consolidated Balance Sheet



(Billions of Yen)

	Sep'16	Mar '16	Change		Sep'16	Mar '16	Change
Current assets	277.2	266.0	11.2	Current liabilities	267.5	252.0	15.5
Cash & deposit	14.8	12.0	2.8	Trade notes & accounts payable	37.4	29.7	7.7
Trade notes & accounts receivable	107.8	100.2	7.6	Short-term loans payable	190.2	183.3	6.9
Inventories	141.2	141.4	(0.2)	Other current liabilities	39.9	39.0	0.9
Short-term loans receivable	1.2	0.9	0.3	Long-term liabilities	118.8	128.3	(9.5)
Deferred income tax assets	3.4	3.1	0.3	Long-term loans payable	89.1	98.1	(9.0)
Allowance for doubtful receivables	(0.6)	(0.6)	(0.0)	Other fixed liabilities	29.7	30.2	(0.5)
Other current assets	9.5	8.9	0.5	Total liabilities	386.4	380.3	6.1
Fixed assets	213.6	219.9	(6.3)	Shareholders' equity	86.8	79.6	7.2
Tangible fixed assets	135.8	139.6	(3.8)	Common stock	20.0	20.0	0.0
Intangible fixed assets	22.3	23.7	(1.4)	Capital surplus	66.9	59.6	7.2
(goodwill)	10.7	11.4	(0.8)	Treasury stock	(0.0)	(0.0)	(0.0)
Investments & other fixed assets	55.5	56.7	(1.1)	Other cumulative comprehensive income	(1.2)	5.6	(6.8)
				Foreign currency translation adjustment	(5.0)	2.2	(7.2)
				Non-controlling interests	18.9	20.5	(1.6)
				Total shareholders' equity	104.5	105.7	(1.2)
Total	490.9	486.0	4.9	Total	490.9	486.0	4.9

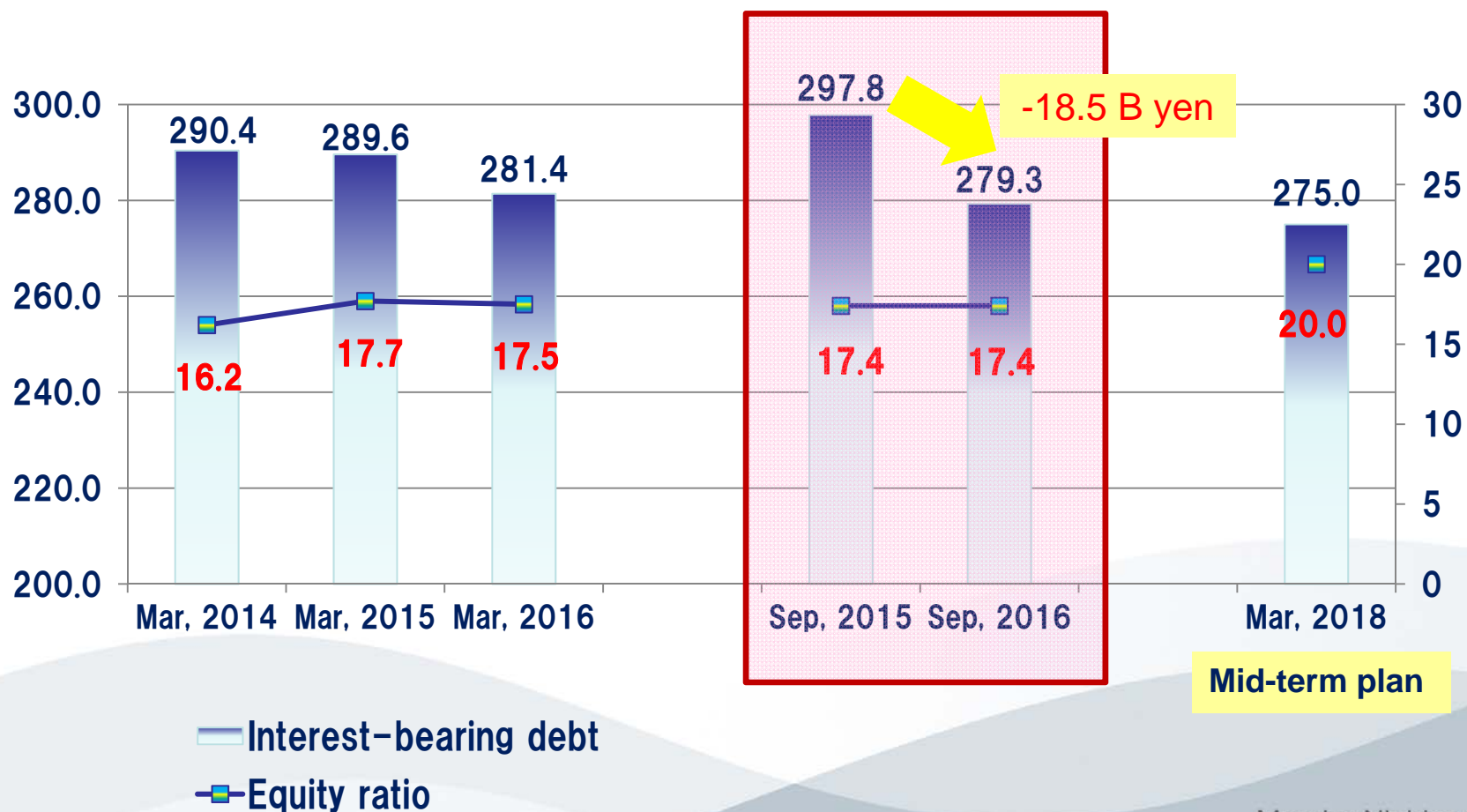
5. Interest-bearing Debt & Equity Ratio



Interest-bearing Debt at Sep/2016 : **279.3 B yen** (down 18.5 B yen YoY)

Equity Ratio : **17.4%**

→ Steady Progress for Improving Financial Condition



Appendix: Results / Progress Ratio by Business Units



(Billions of Yen)

SEGMENT	UNIT	NET SALES					OPERATING INCOME				
		Sep/16	Sep/15	Change	Revised full year projection	2Q/FYp	Sep/16	Sep/15	Change	Revised full year projection	2Q/FYp
Fisheries & Aquaculture	Fisheries & Aquaculture	17.5	18.5	-1.0	35.2 (-1.0)	50%	0.7	0.5	0.2	1.7 (-0.1)	41%
Trading	Marine Products Trading	38.5	37.2	1.4	73.0 (1.4)	53%	3.5	1.3	2.2	4.6 (2.3)	76%
	Marine Products Wholesaling	116.8	119.3	-2.5	249.7 (-2.3)	47%	0.2	0.6	-0.4	0.4 (-0.6)	50%
	Meat & Products Trading	23.8	24.9	-1.1	46.4 (-7.7)	51%	0.6	0.2	0.5	0.9 (0.4)	67%
	Institutional Foods Business (Trading)	41.3	39.6	1.7	83.0 (2.9)	50%	0.6	0.4	0.1	0.9 (0.3)	67%
Trading Segment Sub Total		220.4	221.0	-0.6	452.1 (-5.6)	49%	4.8	2.5	2.4	6.7 (2.4)	72%
Overseas Business	Overseas Business	23.0	25.2	-2.3	43.7 (-7.5)	53%	2.8	1.7	1.1	4.4 (-0.1)	64%
	North America Operations	47.8	50.9	-3.1	97.6 (-1.7)	49%	1.6	0.4	1.2	2.0 (-0.5)	80%
Overseas Business Segment Sub Total		70.7	76.1	-5.4	141.2 (-9.2)	50%	4.4	2.1	2.2	6.4 (-0.6)	69%
Processing	Consumer Frozen Foods Business	29.2	28.6	0.6	59.1 (0.9)	49%	1.1	0.1	1.0	1.6 (0.9)	69%
	Consumer Processed Foods Business	24.5	24.3	0.3	50.0 (-0.4)	49%	0.5	-0.4	0.9	0.5 (0.4)	100%
	Institutional Foods Business (Processing)	48.1	48.5	-0.4	97.6 (-4.4)	49%	1.1	0.4	0.7	1.8 (0.5)	61%
	Foods & Fine Chemicals	3.0	2.5	0.5	5.6 (0.1)	54%	0.6	0.4	0.2	0.9 (0.2)	67%
Processing Segment Sub Total		104.8	103.9	0.9	212.3 (-3.8)	49%	3.4	0.5	2.9	4.9 (2.1)	69%
Logistics	Logistics	7.8	7.7	0.1	15.8 (-0.1)	49%	0.8	0.9	0.0	1.8 (0)	44%
Others		6.1	6.3	-0.2	13.4 (-0.2)	46%	0.5	0.2	0.3	0.5 (0.2)	100%
Common Cost						0%	0.1	0.2	0.0	0.0 (0)	0%
Total		427.3	433.6	-6.3	870.0 (-20.0)	49%	14.8	6.9	7.9	22.0 (4.0)	67%
Institutional Foods Business Segment Total		89.3	88.1	1.3	180.5 (-1.4)	49%	1.7	0.8	0.9	2.6 (8)	65%

change from original projection

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