



# Maruha Nichiro Corporation

## February, 2018



# 1. Consolidated Statement of Income



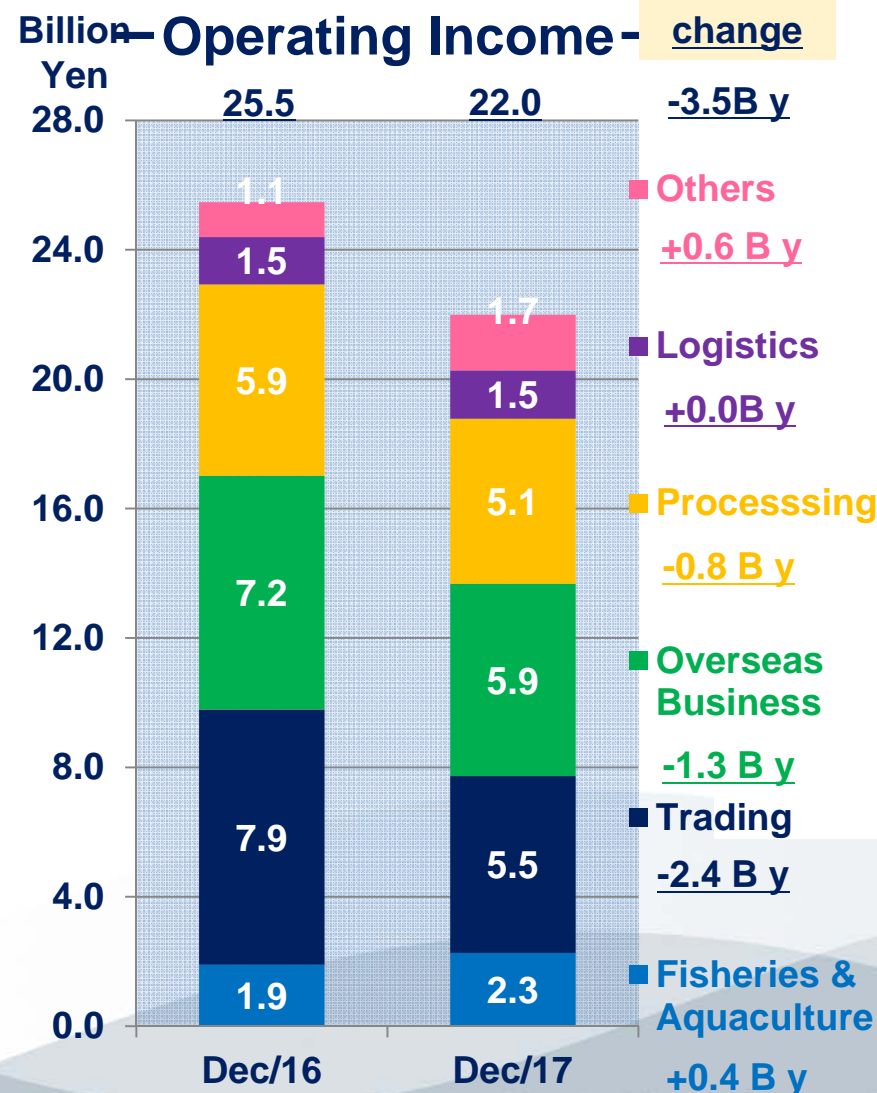
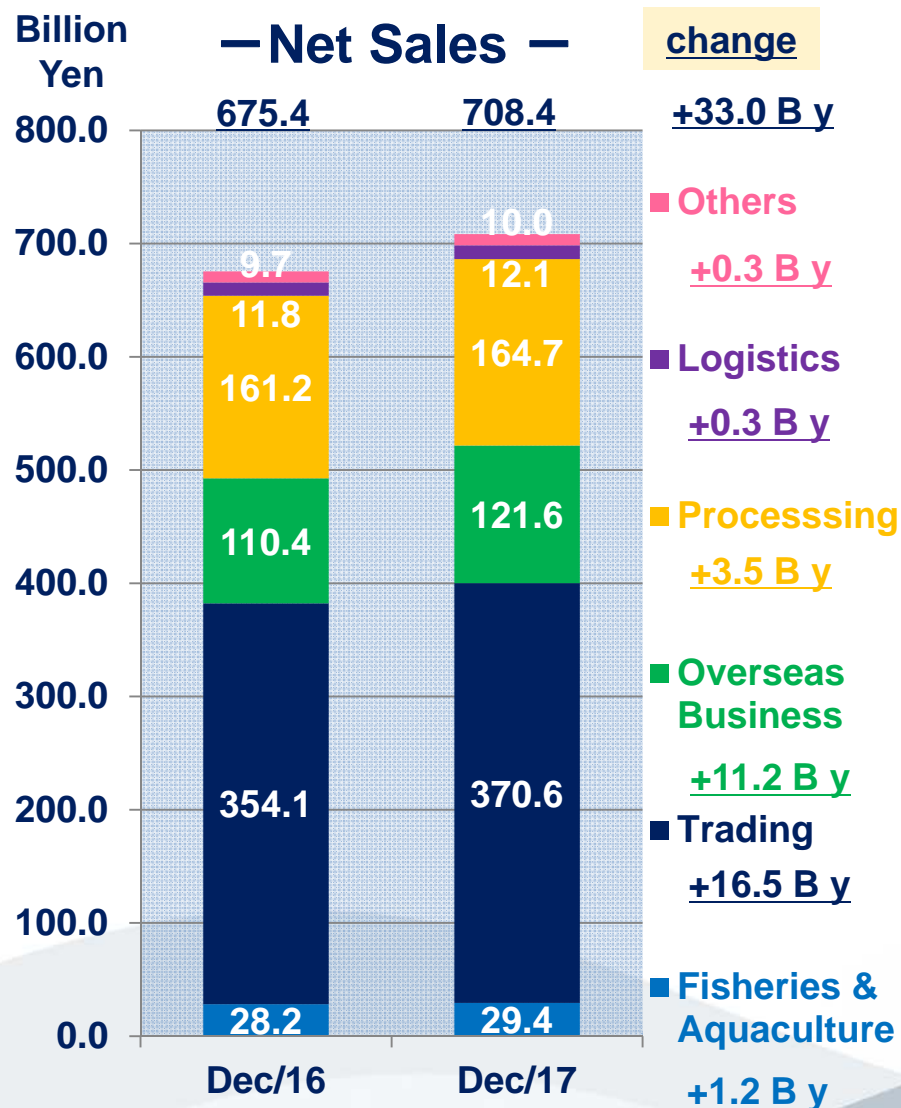
(Billions of Yen)

	Dec, 2017	Dec, 2016	Change	Mar'18 Forecast (revised from original)	Result/ Forecast
Net Sales	708.4	675.4	33.0	910.0	78%
Cost of Sales	610.2	575.1	35.1	※before revision 900.0	
Gross profit	98.2	100.2	(2.1)		
Expense	76.2	74.8	1.4		
Operating Income	22.0	25.5	(3.5)	24.0	92%
Non-operating Revenues	4.8	3.7	1.1		
Non-operating Expenses	1.7	2.8	(1.1)		
Ordinary Income	25.1	26.3	(1.2)	27.5	91%
Extraordinary Income	0.9	0.3	0.6	※before revision 27.0	
Extraordinary Loss	1.0	0.6	0.4		
Income before Tax	25.0	26.0	(1.0)		
Taxes	6.7	6.7	0.0		
Profit attributable to non-controlling interests	2.6	2.7	(0.1)		
Profit attributable to owners of parent	15.7	16.7	(1.0)	15.5	101%
				※before revision 13.5	

Net Sales of the period increased by 4.9% year on year. As the decrease of profit by cost hike due to soaring purchase price and weak yen was more than offset of the increase of profit in Fishery & Aquaculture Segment, Operating Income, Ordinary Income and Profit attributable to owners of parent decreased year on year by 13.7%, 4.7% and 5.8% respectively.

The full-year financial forecasts are, however, revised upward as the current results are overperforming the original forecasts.

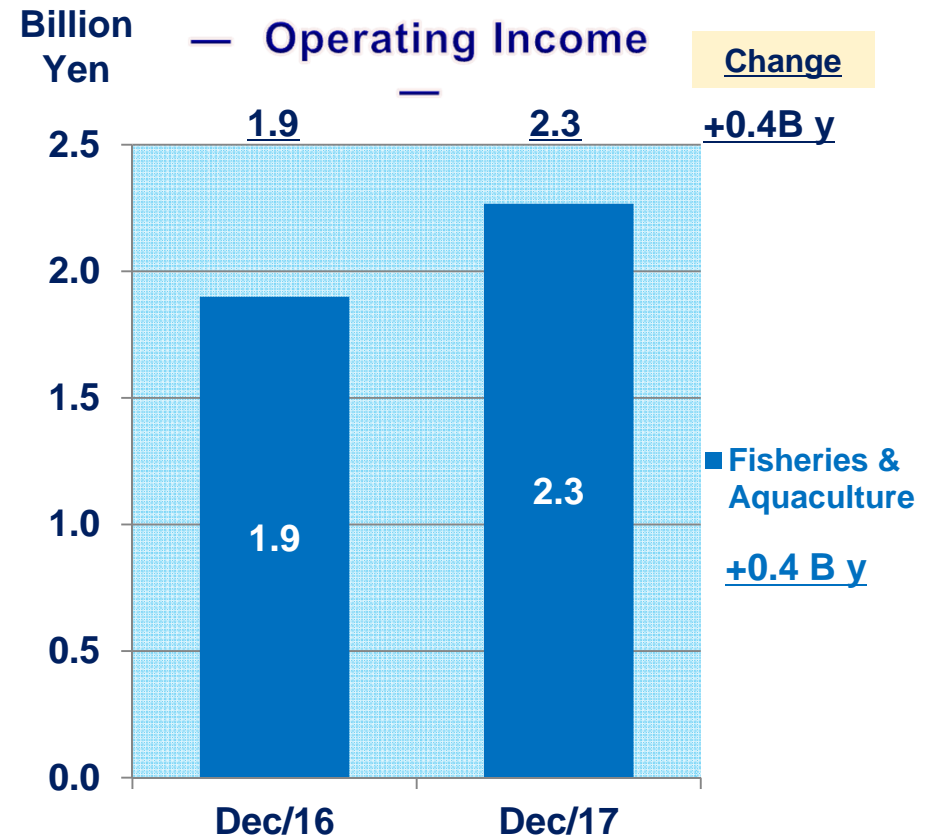
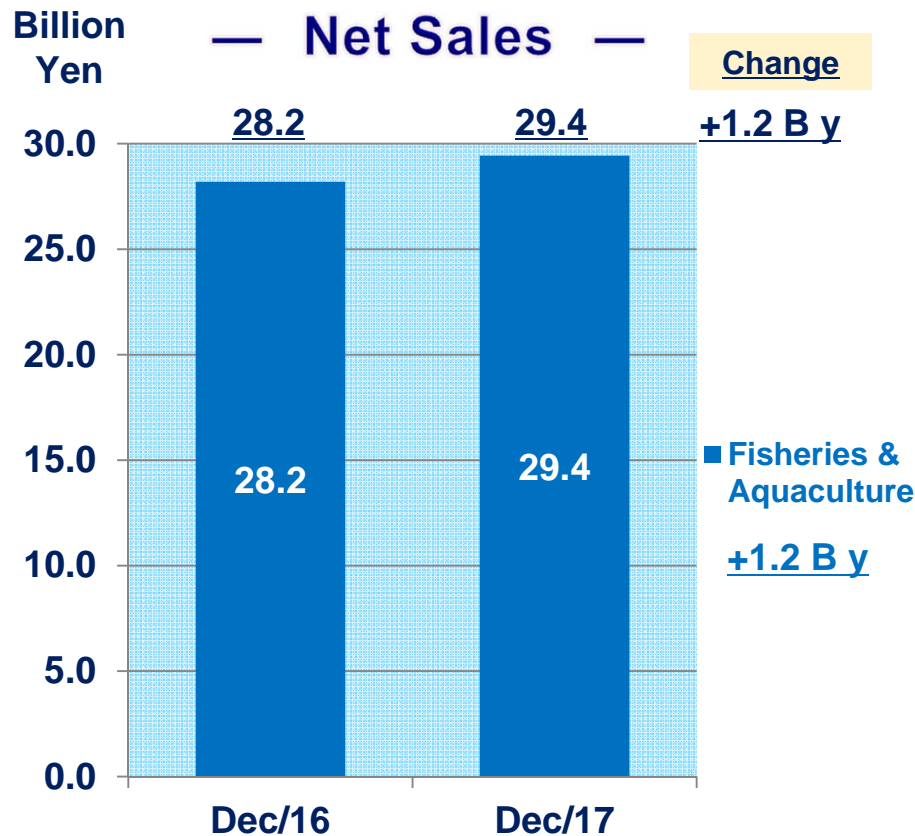
## 2. Net Sales / Operating Income by Business Segments



# 3-1. Fisheries & Aquaculture Segment



**■ Business Overview :**  
 Buoyant fish price in fishery and increased output of aquaculture pushed up the Net Sales.  
 Operating Income increased due to improved margin in fishery with strong skipjack price and satisfactory catch results on overall fishing operation.



# 3-2. Trading Segment



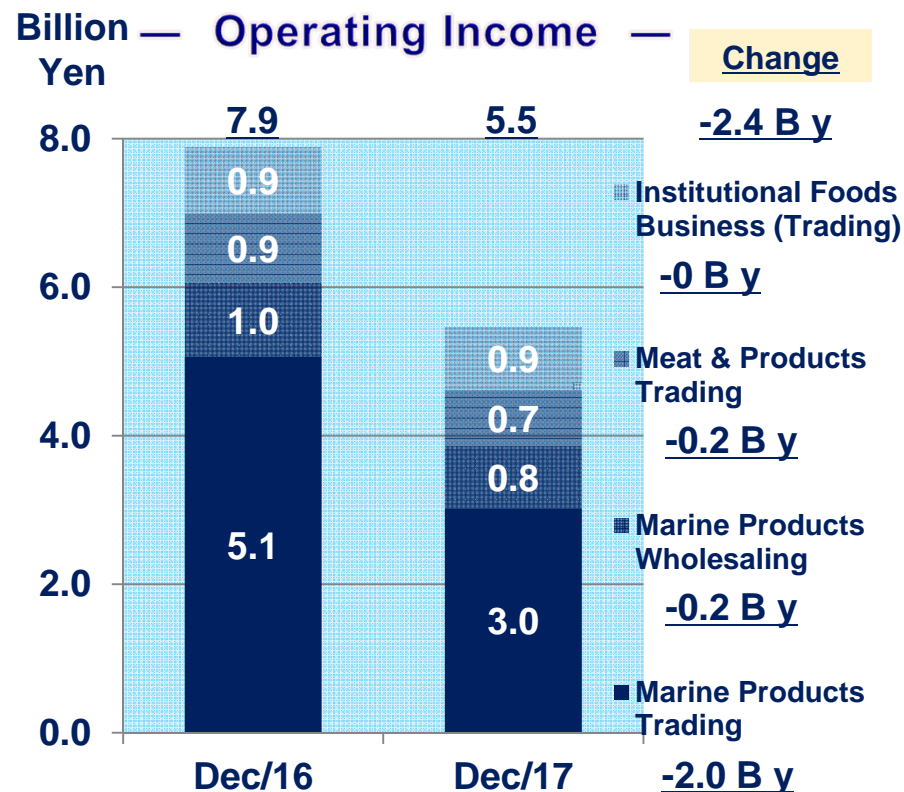
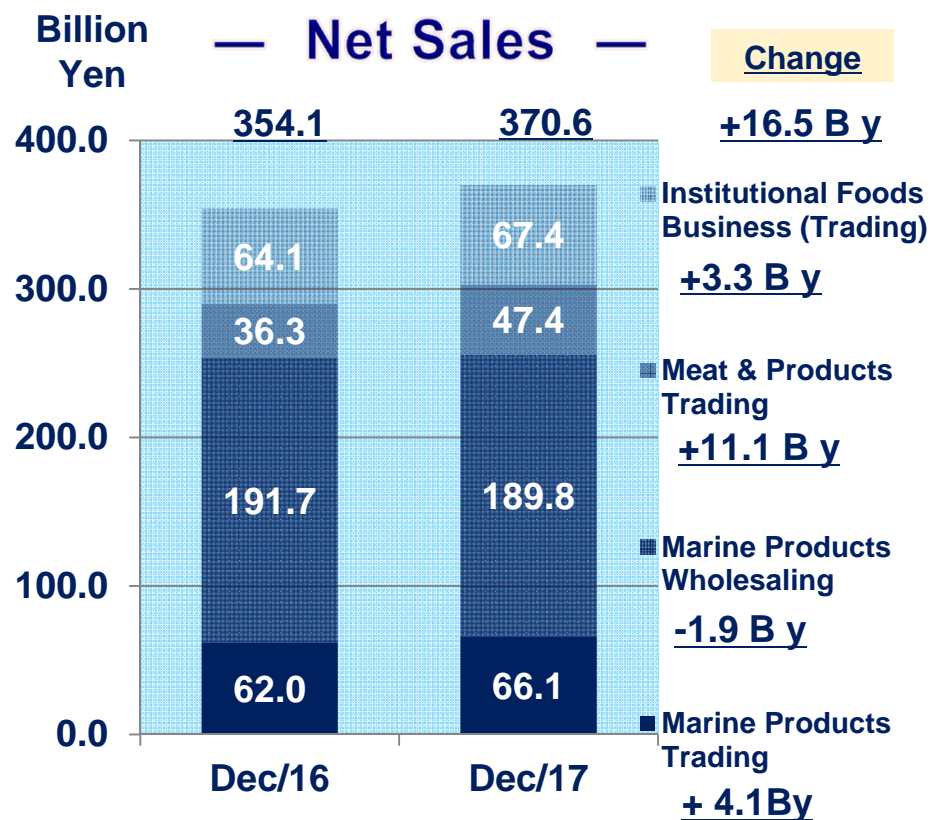
## Business Overview

[Marine Products Trading] While sales of raw material and processed product of frozen fish, shrimp, etc. have been satisfactory, Operating Income decreased due to cost hike with soaring purchase price and weak yen.

[Marine Products Wholesaling] Net Sales and Operating Income decreased because of disruption in procurement under inclement weather and slashed margin due to price hike of fresh & frozen fish.

[Meat & Products Trading] While Net Sales increased, Operating Income decreased due to decreased margin of processed product, poultry and feedstuff.

[Institutional Foods Business (Trading)] Net Sales increased, but Operating Income decreased due to cost hike in spite of steady sales to CVSs and food services.





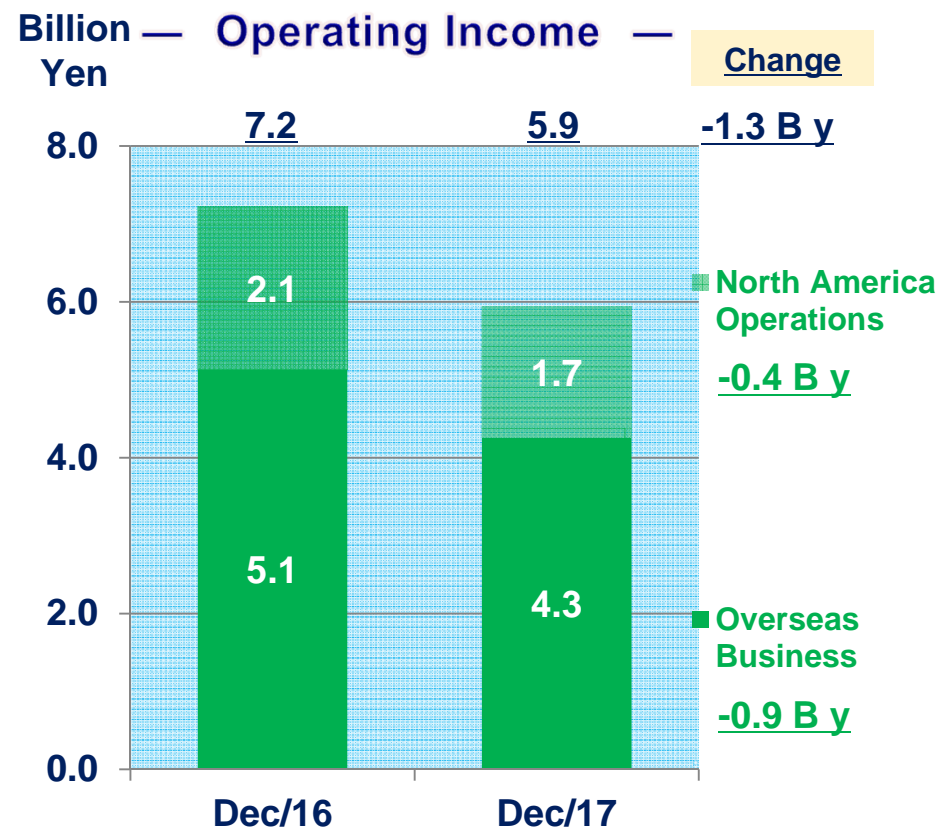
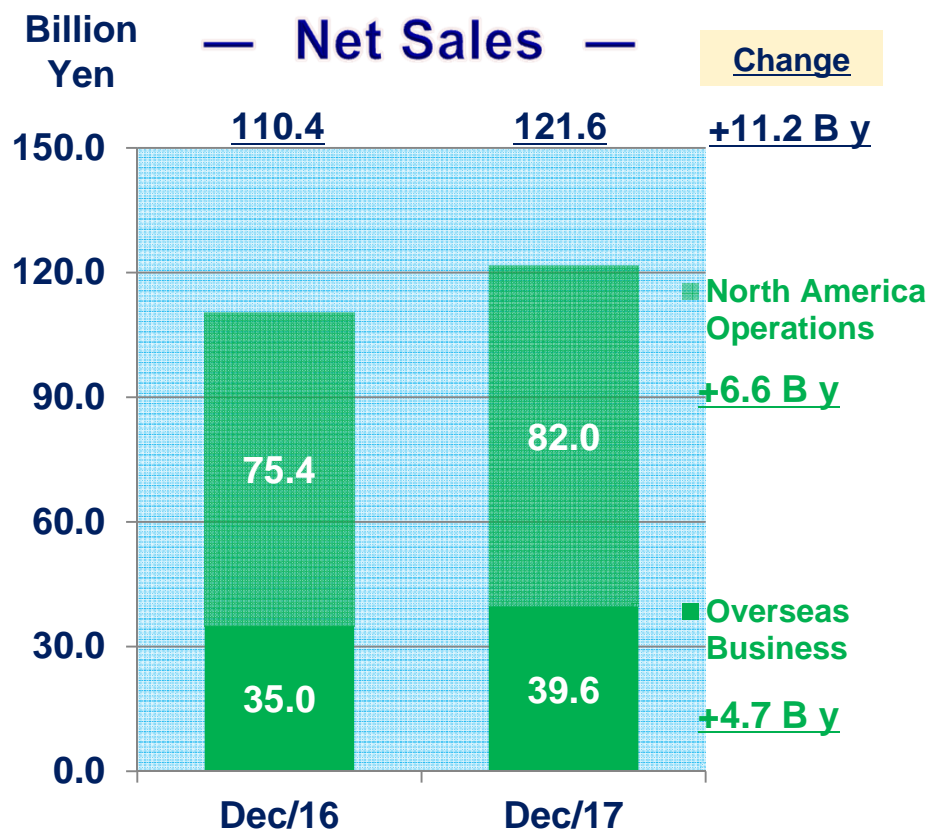
# 3-3. Overseas Business Segment



## ■ Business Overview

[Overseas Business] Net Sales increased, but Operating Income decreased due to cost hike in pet food in Thailand, etc., while Australian fishing company, exports of frozen food from Thailand and exports from Japan performed satisfactory.

[North America Operations] While Net Sales increased due to increase d production of Alaskan salmon, sales of Canadian snow crab and seafood sales by subsidiary in Europe , Operating Income decreased due to reduced production of Bering Sea snow crab and stagnant market of pink salmon.



# 3-4. Processed Foods Segment

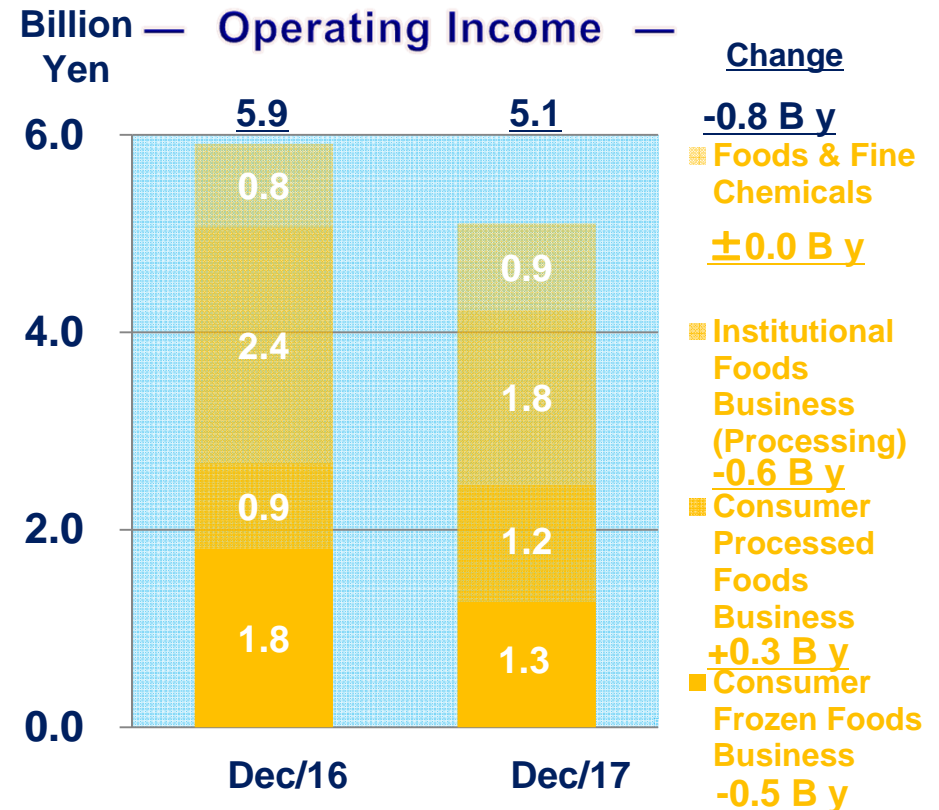
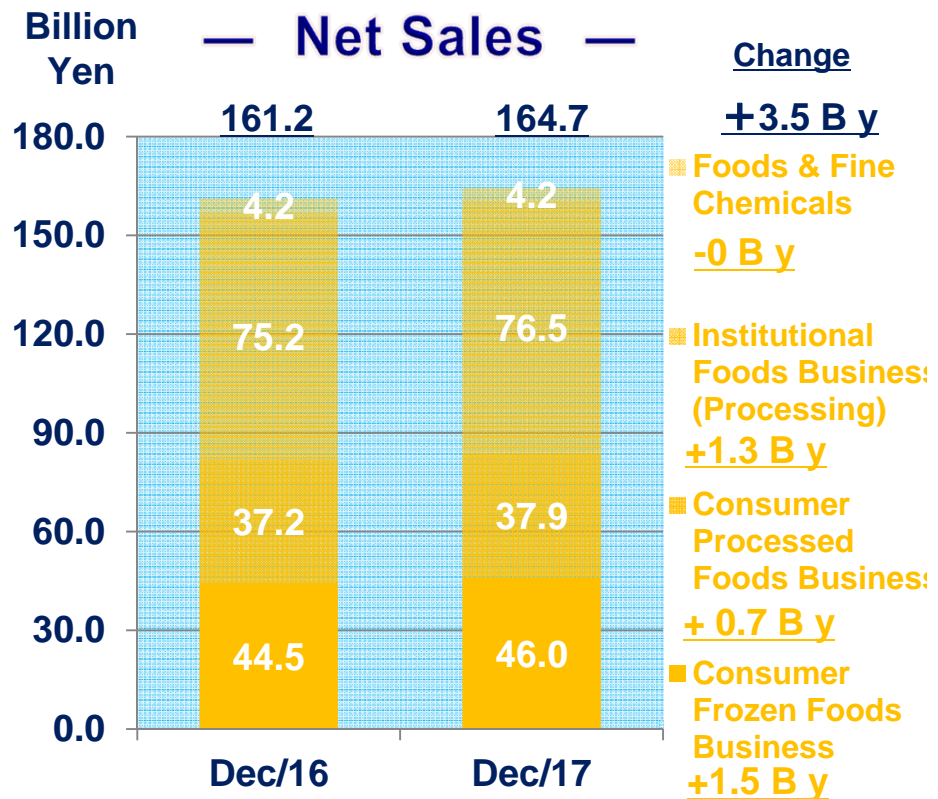
■ **Business Overview :**

[Consumer Frozen Foods BIZ] While Net Sales increased with buoyant sales of staple food like rice products and sales increase of AQLI brand items, Operating Income decreased due to increase of depreciation and amortization expenses.

[Consumer Processed Foods BIZ] Both Net Sales and Operating income increased due to favorable fish souses sales , optimized material cost and improvement of productivity.

[Institutional Foods BIZ] Net sales increased due to promotion of CVS items and care food in addition to increase of in-house products. Operating income decreased due to cost hike with weak yen.

[Foods & Fine Chemicals] While Net Sales remain unchanged due to reduced export of health care food, Operating income increased by brisk sales of DHA/EPA driven by development of *food with nutrient function claim*

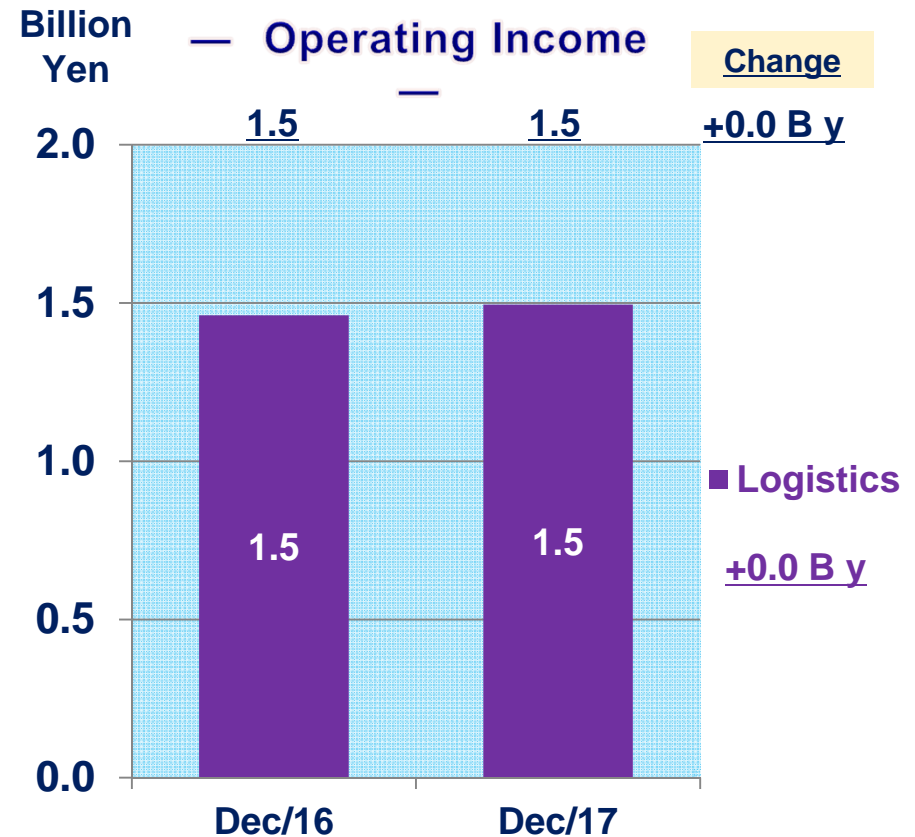
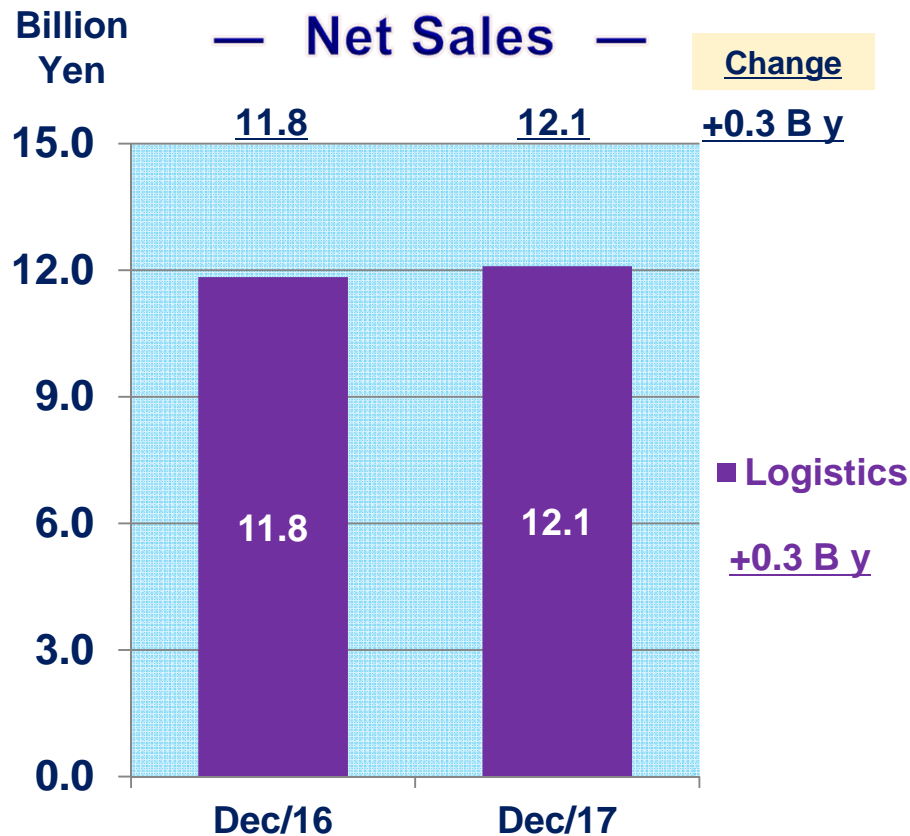


# 3-5. Logistics Segment



## ■ Business Overview

Both Net Sales and Operating Income increased due to increase of handling and transportation business in spite of the cost increase such as depreciation of new storage and power costs.





# 4. Consolidated Balance Sheet



(Billions of Yen)

	Dec'17	Mar '17	Change		Dec'17	Mar '17	Change
<b>Current assets</b>	<b>340.8</b>	<b>279.0</b>	<b>61.8</b>	<b>Current liabilities</b>	<b>270.2</b>	<b>226.2</b>	<b>44.0</b>
Cash & deposit	15.4	13.8	1.6	Trade notes & accounts payable	49.6	33.1	16.5
Trade notes & accounts receivable	150.6	103.7	46.9	Short-term loans payable	174.6	149.0	25.5
Inventories	160.9	149.6	11.3	Other current liabilities	46.1	44.1	2.0
Short-term loans receivable	0.7	1.1	(0.3)	<b>Long-term liabilities</b>	<b>155.4</b>	<b>152.3</b>	<b>3.2</b>
Deferred income tax assets	2.5	3.5	(1.0)	Long-term loans payable	126.5	123.2	3.3
Allowance for doubtful receivables	(0.5)	(0.7)	0.2	Other fixed liabilities	28.9	29.1	(0.2)
Other current assets	11.2	8.1	3.2	<b>Total liabilities</b>	<b>425.7</b>	<b>378.5</b>	<b>47.2</b>
<b>Fixed assets</b>	<b>224.8</b>	<b>222.3</b>	<b>2.4</b>	<b>Shareholders' equity</b>	<b>106.8</b>	<b>93.5</b>	<b>13.3</b>
Tangible fixed assets	140.8	140.0	0.8	Common stock	20.0	20.0	0.0
Intangible fixed assets	21.8	22.3	(0.6)	Capital surplus	86.9	73.6	13.3
(goodwill)	9.3	10.1	(0.9)	Treasury stock	(0.1)	(0.0)	(0.0)
Investments & other fixed assets	62.2	60.0	2.3	Other cumulative comprehensive income	8.8	7.2	1.6
				Foreign currency translation adjustment	0.3	0.0	0.2
				Non-controlling interests	24.3	22.2	2.1
				<b>Total shareholders' equity</b>	<b>139.9</b>	<b>122.8</b>	<b>17.1</b>
<b>Total</b>	<b>565.6</b>	<b>501.3</b>	<b>64.2</b>	<b>Total</b>	<b>565.6</b>	<b>501.3</b>	<b>64.2</b>

# Appendix: Forecast by Business Units



(Billion of Yen)

SEGMENT	UNIT	NET SALES					OPERATING INCOME				
		Dec/17	Dec/16	Change	projection	3Q/FYp	Dec/17	Dec/16	Change	projection	3Q/FYp
Fisheries & Aquaculture	Fisheries & Aquaculture	29.4	28.2	1.2	36.5	81%	2.3	1.9	0.4	1.9	121%
Trading	Marine Products Trading	66.1	62.0	4.1	77.4	85%	3.0	5.1	(2.0)	3.0	100%
	Marine Products Wholesaling	189.8	191.7	(1.9)	252.3	75%	0.8	1.0	(0.2)	1.0	80%
	Meat & Products Trading	47.4	36.3	11.1	51.4	92%	0.7	0.9	(0.2)	0.8	88%
	Institutional Foods Business (Trading)	67.4	64.1	3.3	82.3	82%	0.9	0.9	(0.0)	0.6	150%
Trading Segment Sub Total		370.6	354.1	16.5	463.4	80%	5.5	7.9	(2.4)	5.4	102%
Overseas Business	Overseas Business	39.6	35.0	4.7	54.3	73%	4.3	5.1	(0.9)	6.6	65%
	North America Operations	82.0	75.4	6.6	98.1	84%	1.7	2.1	(0.4)	2.3	74%
Overseas Business Segment Sub Total		121.6	110.4	11.2	152.4	80%	5.9	7.2	(1.3)	8.9	66%
Processing	Consumer Frozen Foods Business	46.0	44.5	1.5	60.2	76%	1.3	1.8	(0.5)	1.0	130%
	Consumer Processed Foods Business	37.9	37.2	0.7	51.0	74%	1.2	0.9	0.3	1.1	109%
	Institutional Foods Business (Processing)	76.5	75.2	1.3	101.2	76%	1.8	2.4	(0.6)	2.0	90%
	Foods & Fine Chemicals	4.2	4.2	(0.0)	5.9	71%	0.9	0.8	0.0	0.8	113%
Processing Segment Sub Total		164.7	161.2	3.5	218.3	75%	5.1	5.9	(0.8)	4.9	104%
Logistics	Logistics	12.1	11.8	0.3	15.9	76%	1.5	1.5	0.0	1.9	79%
Others		10.0	9.7	0.3	13.5	74%	0.9	1.0	(0.1)	1.0	90%
Common Cost		0.0	0.0	0.0	-	-	0.8	0.1	0.8	0.0	-
Total		708.4	675.4	33.0	900.0	79%	22.0	25.5	(3.5)	24.0	92%
Institutional Foods Business Segment Total		143.9	139.3	4.5	183.5	0.8	2.6	3.3	(0.7)	2.5	104%

(Note) The forecasts shown above still denote the targets before the revision has made. Please note that some discrepancies may be retained between the forecasts and the year-end results in some business units.

## 世界に美味しいあわせを

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