

Consolidated Financial Results for Fiscal Year Ended March, 2018 and Outline of Forecast for Fiscal Year Ending March, 2019

May 14, 2018

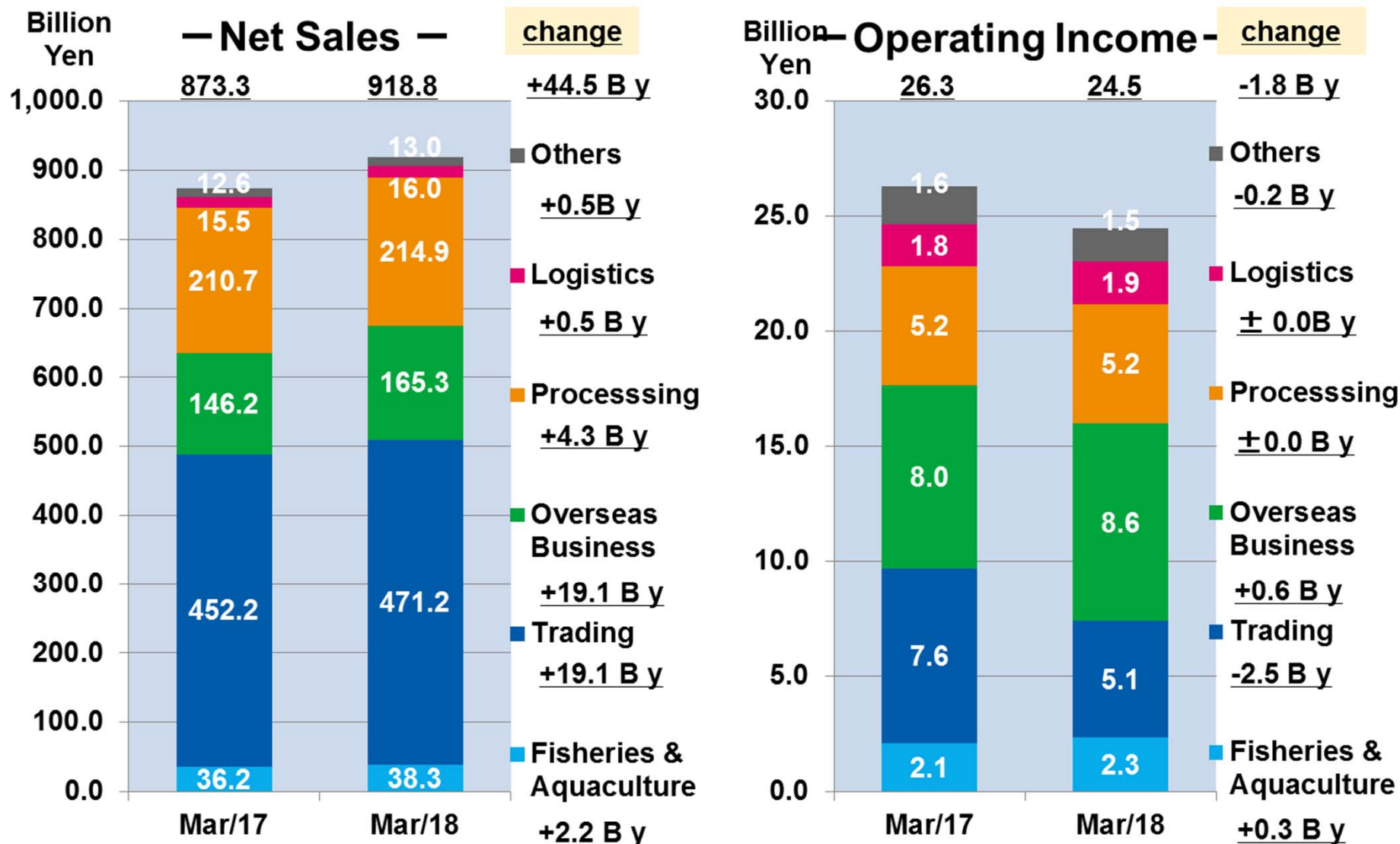


1.Consolidated Income Statement

(JPY in billions)

	Mar, 2018	Mar, 2017	Change	【Remarks】
Net Sales	918.8	873.3	45.5	Non-operating Revenues Dividends Income 1.2B yen Equity in earnings of affiliates 1.4B yen
Cost of Sales	793.7	747.0	46.8	
Gross profit	125.1	126.3	(1.2)	
Expense	100.6	100.0	0.6	Non-operating Expenses Interest Expenses 1.8B yen
Operating Income	24.5	26.3	(1.8)	Extraordinary Income Gain on sales of noncurrent assets 0.6B yen
Non-operating Revenues	5.8	4.3	1.5	Gain on sales of investment securities 0.8B yen
Non-operating Expenses	2.4	2.8	(0.4)	
Recurring Income	27.9	27.9	0.0	Extraordinary Loss Losses on Impairment of Assets 1.5B yen
Extraordinary Income	1.4	0.3	1.1	Losses on disposal of property 1.0B yen
Extraordinary Loss	2.6	3.5	(1.0)	
Income before Tax	26.7	24.6	2.1	
Taxes	7.3	5.8	1.5	
Profit attributable to non-controlling interests	3.3	3.4	(0.1)	
Profit attributable to owners of parent	16.1	15.4	0.7	

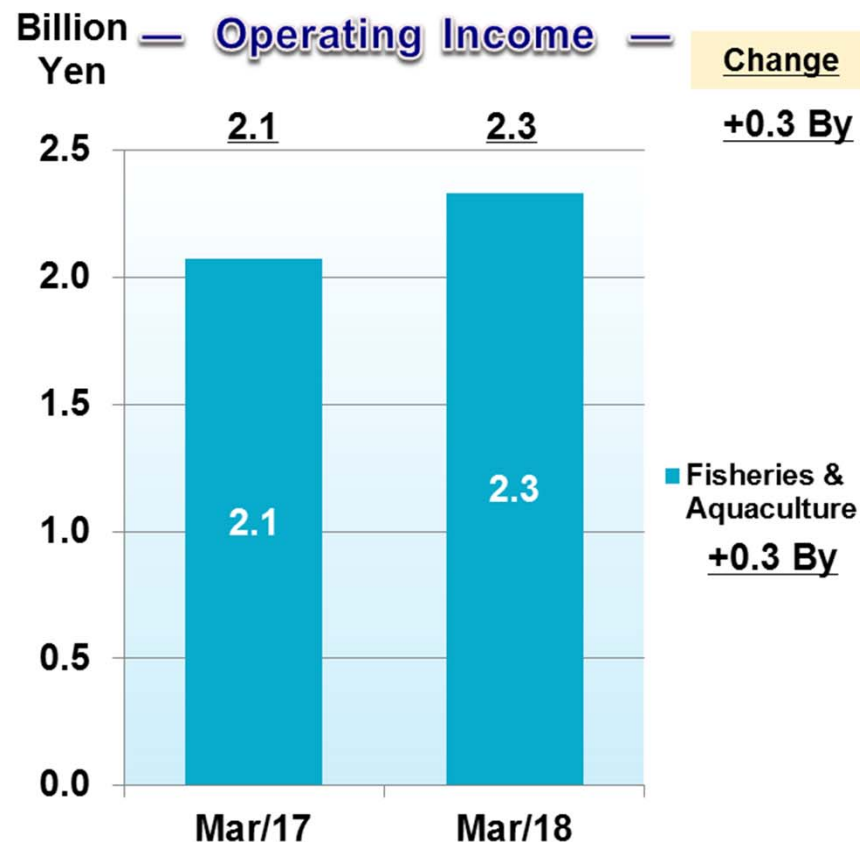
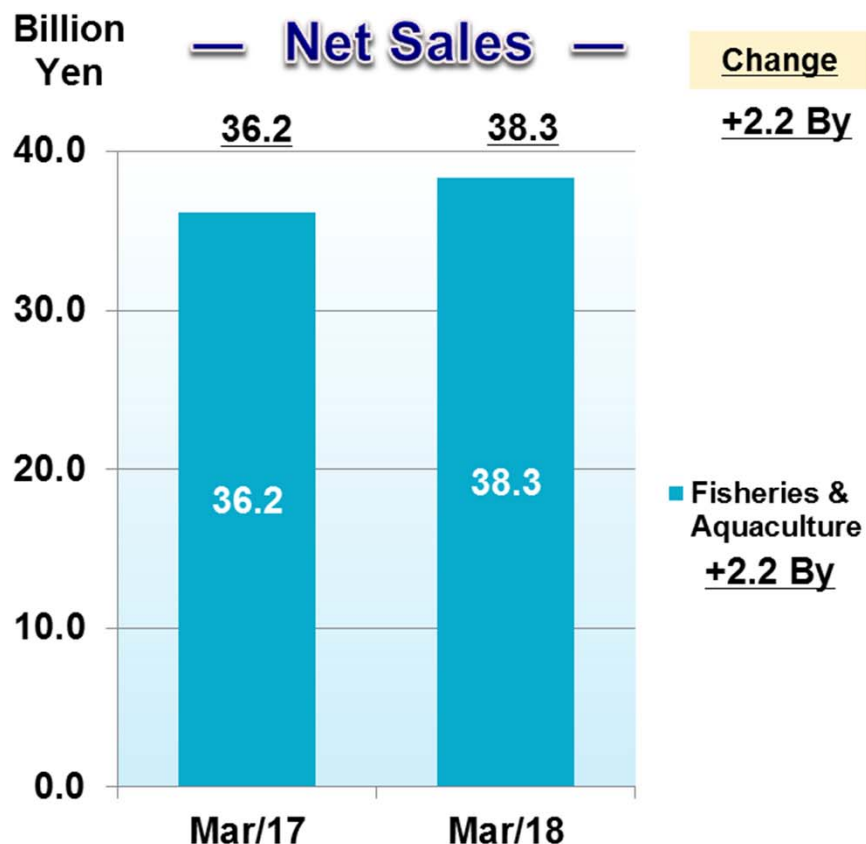
2. Net Sales / Operating Income by Business Segments



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

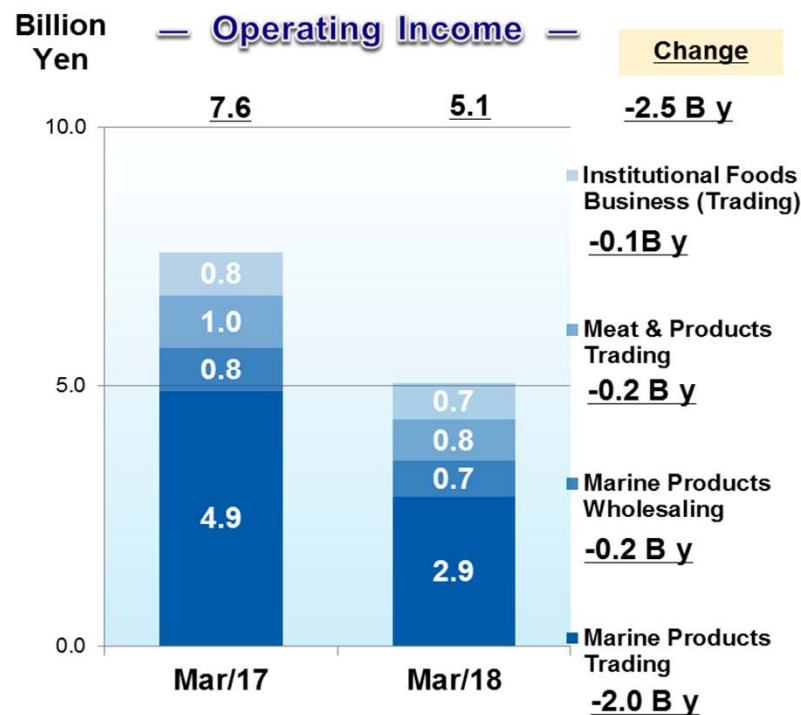
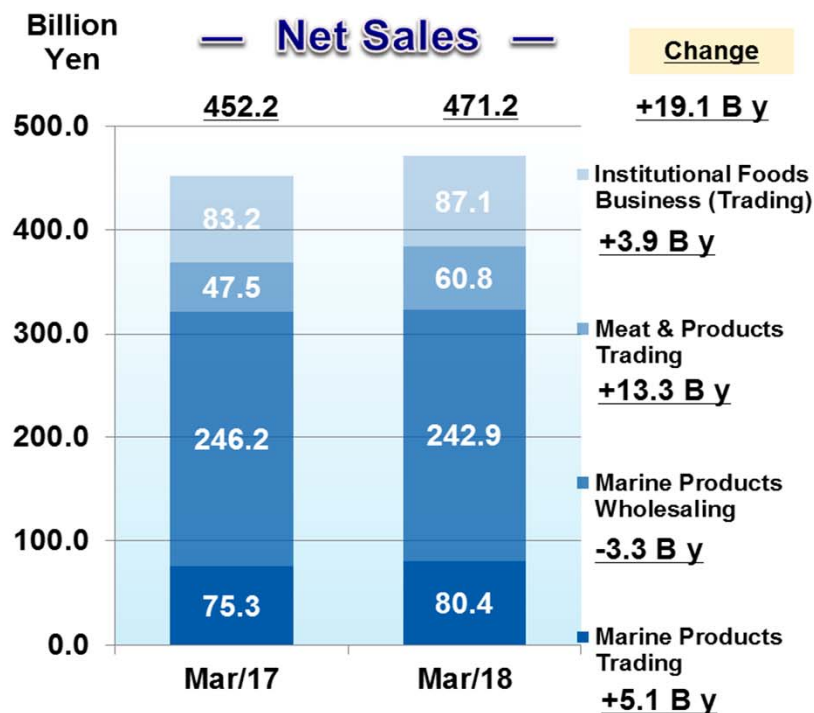
■ Business Overview

[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.

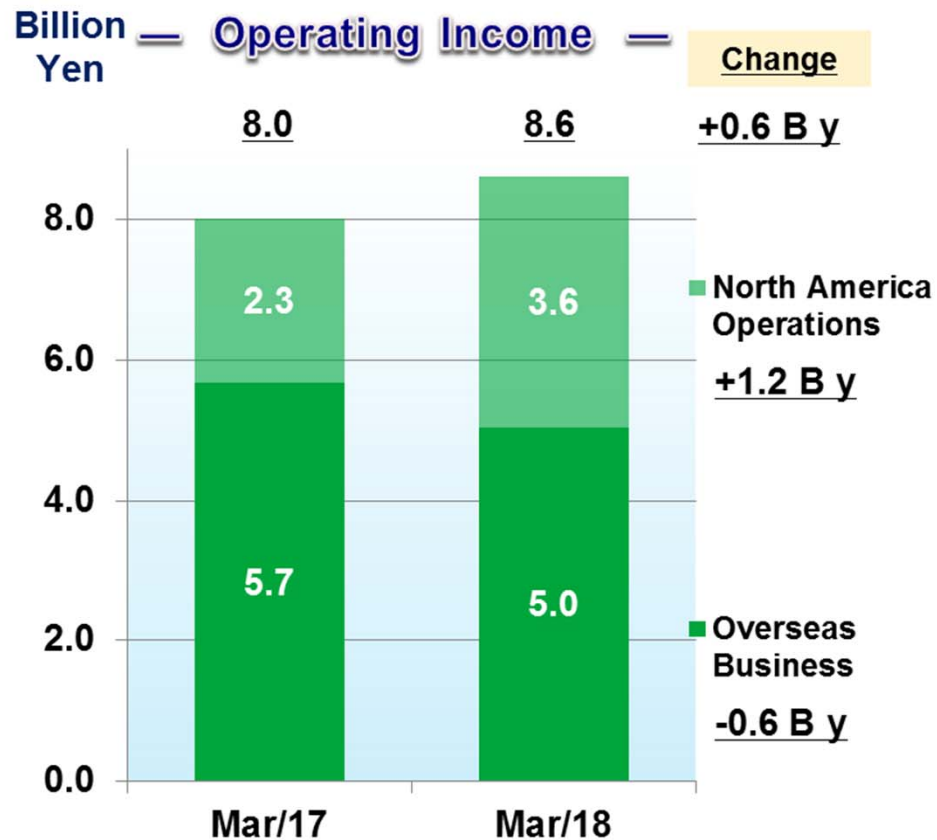
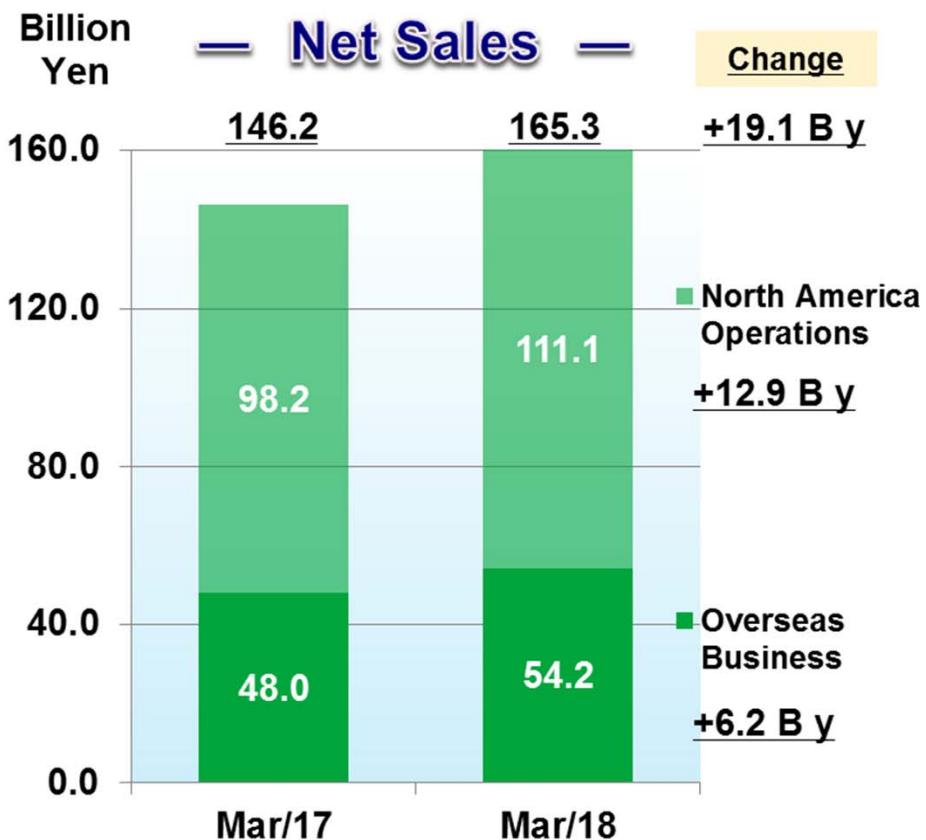


3-3. Overseas Business Segment

■ 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 and exports from Japan performed satisfactory.

[North America Operations] Both Net Sales and operating income increased due to optimized surimi production and increased production and sales of Alaskan salmon, in spite of reduced production and sales of Bering Sea snow crab.



3-4. Processing Segment

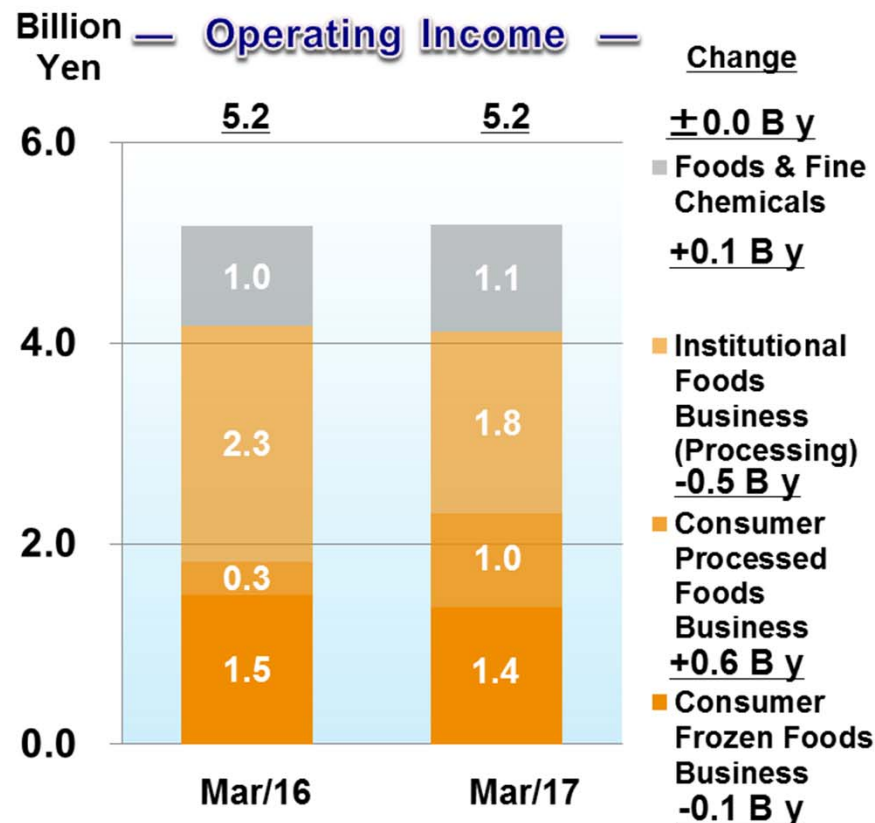
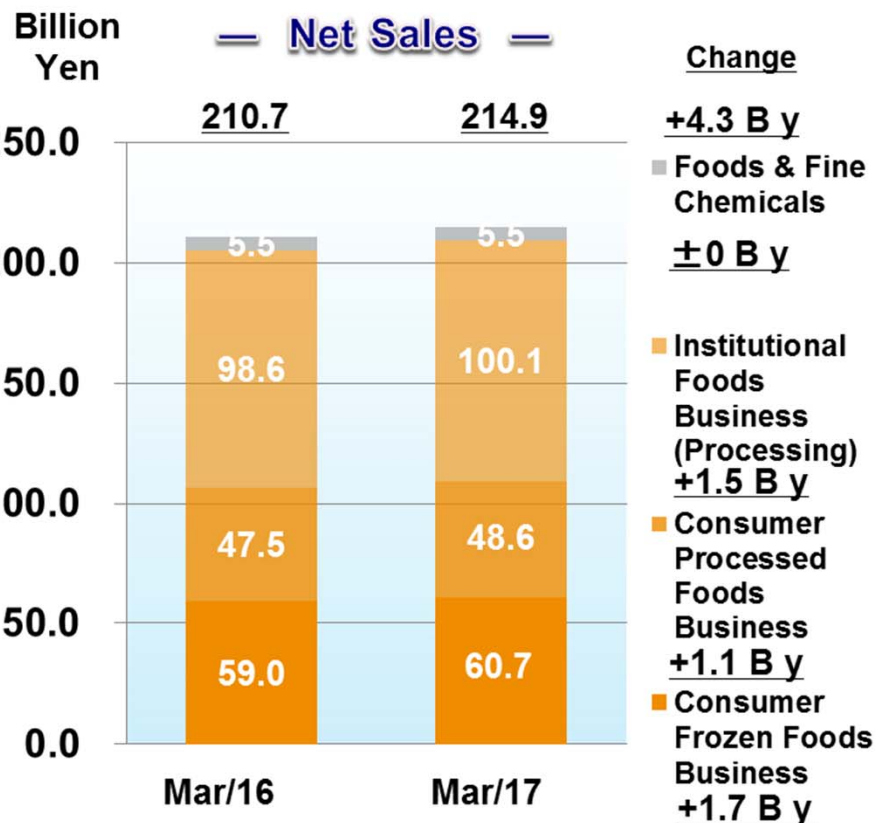
■ Business Overview :

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

[Consumer Processed Foods BIZ] Both Net Sales and Operating income increased due to canned food and favorable fish sousage 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.

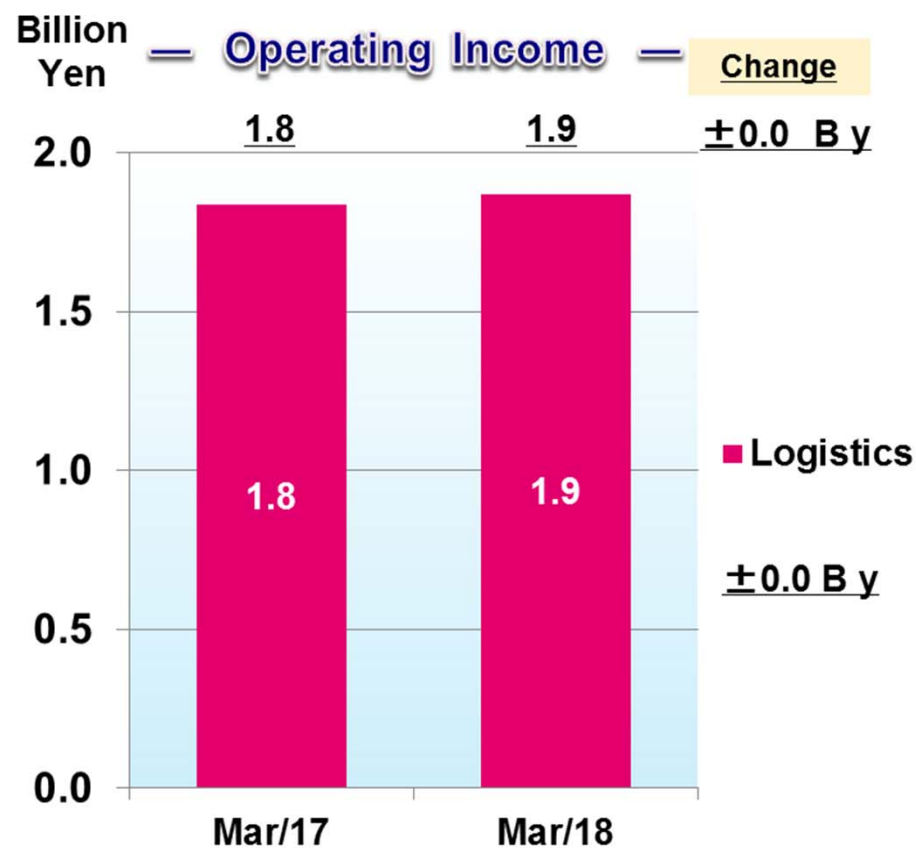
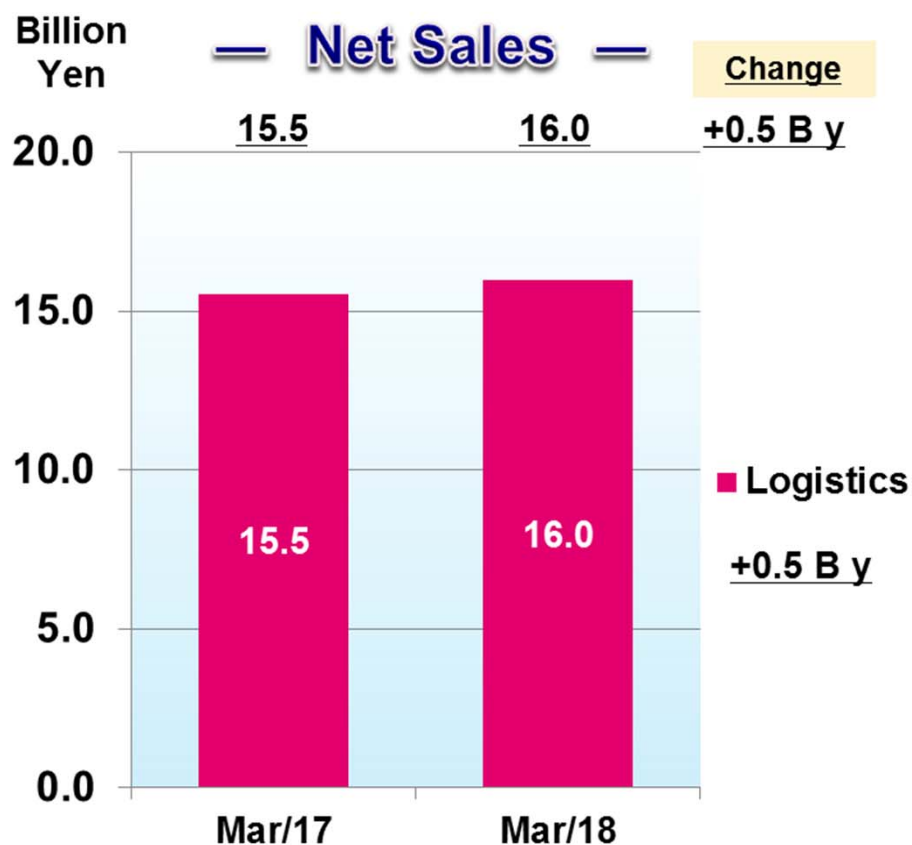
[Foods & Fine Chemicals] While Net Sales remain unchanged due to reduced export of health care food and shortage of raw materials, Operating income increased by brisk sales of DHA/EPA driven by expansion of food with nutrient function claim



3-5. Logistics Segment

■ Business Overview :

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



4. Effort on Business Challenges

- ◆ By focusing on improvement of slump businesses, those performances have been improved as well as JPY 6 billion amid latter two years of mid-term management plan
- ◆ Big recovery in Salmon Operation & AQLI Frozen Food

Slump Businesses		OP March, 2016	OP March, 2018
①	Shrimp Farming in Malaysia	-0.8 B y	0.0 B y
②	Salmon Operation in North America	-1.0 B y	1.3 B y
③	AQLI Frozen Food	-1.5 B y	0.0 B y
④	Fish Sausage	-0.7 B y	0.1 B y
⑤	Dessert	-0.6 B y	-0.3 B y
⑥	Long-life Chilled Food	-0.8 B y	-0.5 B y
Total		-5.4 B y	0.6 B y

Remarkable Improvement

5. Consolidated Balance Sheet

(Billions of Yen)

	Mar'18	Mar '17	Change		Mar'18	Mar '17	Change
Current assets	295.5	279.0	16.5	Current liabilities	219.8	226.2	(6.4)
Cash & deposit	16.5	13.8	2.7	Trade notes & accounts payable	36.8	33.1	3.7
Trade notes & accounts receivable	115.7	103.7	12.0	Short-term loans payable	138.2	149.0	(10.8)
Inventories	152.0	149.6	2.4	Other current liabilities	44.9	44.1	0.8
Short-term loans receivable	0.7	1.1	(0.3)	Long-term liabilities	157.0	152.3	4.7
Deferred income tax assets	3.3	3.5	(0.2)	Long-term loans payable	127.8	123.2	4.7
Allowance for doubtful receivables	(0.4)	(0.7)	0.3	Other fixed liabilities	29.1	29.1	0.0
Other current assets	7.6	8.1	(0.4)	Total liabilities	376.8	378.5	(1.7)
Fixed assets	221.3	222.3	(1.0)	Shareholders' equity	107.2	93.5	13.7
Tangible fixed assets	138.4	140.0	(1.6)	Common stock	20.0	20.0	0.0
Intangible fixed assets	21.9	22.3	(0.4)	Capital surplus	87.2	73.6	13.7
(goodwill)	9.1	10.1	(1.0)	Treasury stock	(0.1)	(0.0)	(0.0)
Investments & other fixed assets	61.0	60.0	1.0	Other cumulative comprehensive income	8.3	7.2	1.1
				Non-controlling interests	24.6	22.2	2.4
				Total shareholders' equity	140.0	122.8	17.2
Total	516.8	501.3	15.5	Total	516.8	501.3	15.5

6. Forecast for the Year Ending March, 2019

- ◆ Retain Increments in both Net Sales & Operating Income to Begin Initial FY of Mid-Term Management Plan
- ◆ Continue Record Profit (Net Income Attributable to Owners of Parent)

(JPY in billions)	March, 2019 Forecast A	March, 2018 Results B	Change
Net Sales	920.0	918.8	1.2
Operating Income	25.0	24.5	0.5
Recurring Income	27.0	27.9	-0.9
Net Income Attributable to Owners of Parent	17.0	16.1	0.9
Net Income per Share	323.01yen	305.95yen	17.06yen

Exchange Rate JPY/US\$	Mar,2019 forecast	Mar,2018
	113.00	112.39

7. Forecast by Segments for the March, 2019

(Billions of Yen)

SEGMENT	NET SALES			OPERATING INCOME		
	Mar/19	Mar/18	Change	Mar/19	Mar/18	Change
Fisheries & Aquaculture	37.1	38.3	(1.2)	2.3	2.3	(0.0)
Trading	446.9	449.5	(2.6)	5.5	4.8	0.7
Overseas Business	165.2	169.4	(4.2)	8.4	8.8	(0.4)
Processing	240.8	232.6	8.2	6.0	5.3	0.7
Logistics	16.0	16.4	(0.4)	1.9	1.8	0.1
Others	13.6	13.0	0.6	1.0	0.8	0.2
Common Cost	-	-	-	0.0	0.7	(0.7)
Total	920.0	918.8	1.2	25.0	24.5	0.5

8. FY Ending March, 2019 Business Outlook<Trading Segment>

【JPY in billions】	NET SALES			OPERATING INCOME		
	Mar.2019 forecast	Mar.2018	Change	Mar.2019 forecast	Mar.2018	Change
Marine Products Trading	144.4	149.9	-5.5	4.0	3.4	0.6
Marine Products Wholesaling	246.3	242.9	3.4	1.0	0.7	0.3
Meat & Products Trading	56.2	56.7	-0.5	0.5	0.6	-0.1
Total	446.9	449.5	-2.6	5.5	4.8	0.7

Business Outlook (Marine Products Trading)

Business Environment

- High range of fish price continues
- Fierce competition in seafood procurement due to expanding global demand

Measures

- Prioritize profit upon purchasing
- Increase value-add products
- Enhancing sales by collaboration with sales network in and out of country



8. Business Outlook<Overseas Segment>

【JPY in billions】	NET SALES			OPERATING INCOME		
	Mar.2019 forecast	Mar.2018	Change	Mar.2019 forecast	Mar.2018	Change
Overseas Business	56.7	54.2	2.5	5.7	5.0	0.7
North America Operations	108.5	115.2	-6.7	2.7	3.7	-1.0
Total	165.2	169.4	-4.2	8.4	8.8	-0.4

Business Outlook (Overseas Business)

Business Environ- ment

- **THA:** Expand production facilities for growing pet food market in US and Europe
- **AUS:** Slight Increase of quota for Patagonian toothfish
- **US:** Big reduction of pink salmon run is anticipated

Measures

- Reinforce earning base in Thailand, Australia and New Zealand
- Facilitate shifting to profitable frozen items on salmon operation in Alaska
- Enhance sales in Europe
- Seek promising area for resource access



8. Business Outlook<Processing Segment>

【JPY in billions】	NET SALES			OPERATING INCOME		
	Mar.2019 forecast	Mar.2018	Change	Mar.2019 forecast	Mar.2018	Change
Consumer Frozen Foods Business	62.6	60.7	1.9	1.3	1.4	-0.1
Consumer Processed Foods Business	39.1	39.0	0.1	0.9	0.7	0.2
Institutional Foods Business	122.8	117.8	5.0	2.3	1.9	0.4
Foods & Fine Chemicals	16.3	151.0	1.2	1.5	1.4	0.1
Total	240.8	232.6	8.2	6.0	5.3	0.7

Business Outlook (Consumer Frozen Foods and Institutional Foods Business)

Business Environment

- Steady market increase along with HMR demand, etc.
- Expansion of channels such as CVS and drugstores
- Possible market with increasing working couples and labor shortage
- Bottleneck - hiking cost of raw material and distribution



Measures

- Intensify product development
- Vitalize production formation
- Improve awareness of the brand

Expand sales of in-house product
↓
Attain both sales & profit



Appendix1: Results by Business Units

(JPY in billions)

SEGMENT	UNIT	NET SALES			OPERATING INCOME		
		Mar/18	Mar/17	Change	Mar/18	Mar/17	Change
Fisheries & Aquaculture	Fisheries & Aquaculture	38.3	36.2	2.2	2.3	2.1	0.3
Trading	Marine Products Trading	80.4	75.3	5.1	2.9	4.9	(2.0)
	Marine Products Wholesaling	242.9	246.2	(3.3)	0.7	0.8	(0.2)
	Meat & Products Trading	60.8	47.5	13.3	0.8	1.0	(0.2)
	Institutional Foods Business (Trading)	87.1	83.2	3.9	0.7	0.8	(0.1)
Trading Segment Sub Total		471.2	452.2	19.1	5.1	7.6	(2.5)
Overseas Business	Overseas Business	54.2	48.0	6.2	5.0	5.7	(0.6)
	North America Operations	111.1	98.2	12.9	3.6	2.3	1.2
Overseas Business Segment Sub Total		165.3	146.2	19.1	8.6	8.0	0.6
Processing	Consumer Frozen Foods Business	60.7	59.0	1.7	1.4	1.5	(0.1)
	Consumer Processed Foods Business	48.6	47.5	1.1	1.0	0.3	0.6
	Institutional Foods Business (Processing)	100.1	98.6	1.5	1.8	2.3	(0.5)
	Foods & Fine Chemicals	5.5	5.5	(0.0)	1.1	1.0	0.1
Processing Segment Sub Total		214.9	210.7	4.3	5.2	5.2	0.0
Logistics	Logistics	16.0	15.5	0.5	1.9	1.8	0.0
Others		13.0	12.6	0.5	0.8	1.2	(0.4)
Common Cost		0.0	0.0	0.0	0.7	0.5	0.2
Total		918.8	873.3	45.5	24.5	26.3	(1.8)
Institutional Foods Business Segment Total		187.2	181.7	5.4	2.5	3.2	(0.7)

Appendix2: Forecast by Business Unit for the FY ending Mar, 2019

(JPY in billions)

SEGMENT	UNIT	NET SALES			OPERATING INCOME		
		Mar/19	Mar/18	Change	Mar/19	Mar/18	Change
Fisheries & Aquaculture	Fisheries & Aquaculture	37.1	38.3	(1.2)	2.3	2.3	(0.0)
Trading	Marine Products Trading	144.4	149.9	(5.5)	4.0	3.4	0.6
	Marine Products Wholesaling	246.3	242.9	3.4	1.0	0.7	0.3
	Meat & Products Trading	56.2	56.7	(0.5)	0.5	0.6	(0.1)
Trading Segment Sub Total		446.9	449.5	(2.6)	5.5	4.8	0.7
Overseas Business	Overseas Business	56.7	54.2	2.5	5.7	5.0	0.7
	North America Operations	108.5	115.2	(6.7)	2.7	3.7	(1.0)
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	Consumer Processed Foods Business	39.1	39.0	0.1	0.9	0.7	0.2
	Institutional Foods Business	122.8	117.8	5.0	2.3	1.9	0.4
	Foods & Fine Chemicals	16.3	15.1	1.2	1.5	1.4	0.1
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Logistics	Logistics	16.4	16.0	0.4	1.8	1.9	(0.1)
Others		13.6	13.0	0.6	1.0	0.8	0.2
Common Cost		-	-	-	0.0	0.7	(0.7)
Total		920.0	918.8	1.2	25.0	24.5	0.5

Thank You



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