

Financial Statement

For the year ended March 31, 2019



INDEX

Number of the Consolidated Subsidiaries and the Affiliates under the Application of the Equity Method.....	1
Business Classification of the Consolidated Companies	1
Consolidated Outlook of Statements of Income.....	2
Consolidated Estimates for the Next Period.....	2
Consolidated Statements of Retained Earnings.....	2
Consolidated Balance Sheets.....	3 ~ 4
Consolidated Statements of Income.....	5
Consolidated Statements of Cash Flows.....	6 ~ 7

**Number of the Consolidated Subsidiaries and
the Affiliates under the Application of the Equity Method**

Subsidiaries and Affiliates	Mar.31, 2019			Mar.31, 2018		
	Number	Consolidation Criteria		Number	Consolidation Criteria	
		Consolidated	Equity Method		Consolidated	Equity Method
Subsidiaries	98	76	2	99	77	2
Affiliates	55	0	25	51	0	22
Total	153	76	27	150	77	24

Business Classification of the Consolidated Companies

Business Unit	Mar.31, 2019
	number of the companies
Fisheries & Aquaculture Unit	13
Marine Products Trading Unit	2
Marine Products Wholesaling Unit	15
Meat and Products Trading Unit	3
Oversea Bussiness Unit	12
North America Operations Unit	32
Consumer Frozen Foods Business Unit	2
Consumer Processed Foods Business Unit	2
Institutional Foods Business Unit	5
Foods & Fine Chemicals Unit	3
Logistics Unit	7
Others	7
Total	103

Consolidated Outlook of Statements of Income

	Millions of yen		
	2019 (4/01/18 - 3/31/19)	2018 (4/01/17 - 3/31/18)	2017 (4/01/16 - 3/31/17)
Net sales	¥922,468	¥918,820	¥873,295
Operating income	21,758	24,497	26,308
Ordinary income	25,233	27,917	27,874
Net income attributable to owners of parent	16,695	16,102	15,446
Net income per share (yen)	317.24	305.95	293.44
Total assets	520,318	516,607	501,303
Total shareholders' equity	150,379	140,049	122,820

Consolidated Estimates for the Next Period

(April 1, 2019 - March 31, 2020)

	Millions of yen
Consolidated:	
Net sales	¥940,000
Operating income	25,500
Ordinary income	26,500
Net income attributable to owners of parent	17,000

Consolidated Statements of Retained Earnings

	Millions of yen		
	2019 (4/01/18 - 3/31/19)	2018 (4/01/17 - 3/31/18)	2017 (4/01/16 - 3/31/17)
Retained earnings at the beginning of the period	¥47,523	¥33,789	¥19,922
Increase of retained earnings			
Change in number of consolidated subsidiaries			
Decrease of retained earnings			
Dividends	2,105	2,368	1,579
Directors bonus			
Change in number of consolidated subsidiaries			
Change of the accounting rule			
The transfer from a capital surplus			
Net income for the period	16,695	16,102	15,446
Retained earnings at the end of the period	62,113	47,523	33,789

Consolidated Balance Sheets

March 31, 2018 ,2017 and 2016

	Millions of yen		
Assets	2019	2018	2017
Current assets:			
Cash and deposit	¥12,132	¥16,475	¥13,769
Trade notes and accounts receivable	114,040	115,703	103,686
Marketable securities	-	9	-
Inventories	163,521	152,010	149,609
Short-term loans receivable	550	736	1,065
Other current assets	9,534	7,623	8,056
Allowance for doubtful receivables	(420)	(373)	(720)
Total current assets	299,359	292,184	278,970
Fixed assets:			
<i>Tangible fixed assets;</i>			
Buildings and structures	47,730	48,801	50,728
Machinery, equipment and delivery equipment	33,939	33,761	31,400
Land	47,723	48,430	49,813
Construction in progress	7,669	4,150	4,363
Other tangible fixed assets	3,287	3,300	3,708
Total tangible fixed assets	140,351	138,444	140,014
<i>Total intangible fixed assets</i>	20,454	21,917	22,349
<i>Investments and other fixed assets;</i>			
Investment securities	37,918	41,153	40,999
Long-term loans receivable	2,343	3,233	3,109
Net defined benefit asset	358	315	155
Deferred income tax assets	7,460	7,127	4,178
Other investments and fixed assets	15,584	16,708	16,002
Allowance for doubtful receivables	(3,512)	(4,477)	(4,478)
Total investments and other fixed assets	60,152	64,061	59,967
Total fixed assets	220,958	224,423	222,332
Total deferred assets	-	-	-
TOTAL	520,318	516,607	501,303

Liabilities and Shareholder's Equity	2019	2018	2017
Current liabilities:			
Trade notes and accounts payable	¥33,512	¥36,758	¥33,078
Short-term loans payable	126,186	138,199	149,036
Income taxes payable	3,733	3,886	5,164
Reserve for bonuses	1,250	1,307	1,518
Deferred income tax liabilities	-	-	-
Reserve for losses on disaster	1,028	-	-
Other current liabilities	38,079	39,610	37,415
Total current liabilities	203,792	219,762	226,214
Long-term liabilities:			
Long-term loans payable	137,221	127,838	123,172
Deferred income tax liabilities	2,202	1,287	1,235
Reserve for retirement allowances	20,507	21,144	21,844
Reserve for special repairs on vessels	89	80	71
Reserve for environmental measures	13	13	19
Other fixed liabilities	6,111	6,431	5,924
Total long-term liabilities	166,145	156,794	152,267
Total liabilities	369,938	376,557	378,482
Minority interests	25,025	24,589	22,156
Shareholders' equity:			
Common stock	20,000	20,000	20,000
Capital surplus	39,697	39,703	39,767
Retained earnings	62,113	47,523	33,789
Net unrealized gains on investment securities	5,098	7,258	7,018
Deferred gains or losses on hedges	14	(25)	42
Adjustment account for foreign exchange	(1,455)	745	42
Treasury stock	(72)	(57)	(45)
Adjustment of net defined benefit	(42)	310	49
Total shareholders' equity	150,379	140,049	100,663
TOTAL	520,318	516,607	501,303

Consolidated Statements of Income

Years ended March 31, 2018, 2017 and 2016

	2019	2018	2017
Net sales	¥922,468	¥918,820	¥873,295
Cost of sales	798,618	793,705	746,954
Gross profit on sales	123,849	125,115	126,341
Selling, general and administrative expenses	102,091	100,617	100,033
Operating income	21,758	24,497	26,308
Non-operating revenues:			
Interest income	173	194	188
Deividends income	959	1,154	1,215
Reversal of allownce for doubtful accounts	51	37	55
Foreign exchange gain	875	813	-
Equity in gain of affiliates	1,243	1,352	542
Miscellaneous revenues	2,567	2,264	2,342
Total non-operating revenues	5,871	5,816	4,344
Non-operating expenses:			
Interest expenses	1,752	1,845	1,953
Foreign exchange loss	-	-	32
Miscellaneous expenses	628	550	792
Total non-operating expenses	2,397	2,397	2,778
Ordinary income	25,233	27,917	27,874
Extraordinary income:			
Gain on sale of property, plant and equipment	44	588	134
Gain on sale of securities	748	771	67
Gain on sales of shares of subsidiaries and associates	931	-	95
Insurance claims received	2,866	-	-
Gain on liquidation of subsidiaries and associates	-	15	-
Other special profits	113	8	5
Total extraordinary income	4,704	1,384	302
Extraordinary loss:			
Losses on disposal of property, plant and equipment	639	1,028	411
Losses on Impairment of Assets	673	1,455	2,607
Losses on sale of securities	1	14	-
Losses on write-down of securities	7	8	38
Losees on disaster	2,049	-	125
Losses on business liquidation	18	-	328
Provision for losses on business iliquidation	-	72	-
Other special losses	1	12	31
Total extraordinary loss	3,391	2,590	3,544
Income before taxes and adjustment	26,547	26,711	24,632
Income taxes :			
Current	6,177	7,067	6,194
Deferred	1,447	234	(376)
Minority interest income(loss) of consolidated subsidiaries	2,226	3,307	3,368
Net income for the period	16,695	16,102	15,446



MARUHA NICHIRO

Consolidated Statements of Cash Flows

Years ended March 31, 2018, 2017 and 2016

	2019	2018	2017
Cash flows from operating activities:			
Net income before taxes and adjustments	¥26,547	¥26,711	¥24,632
Depreciation and amortization	14,930	14,686	13,962
Losses on Impairment of Assets	673	1,455	2,607
Losses on disposal of fixed assets	449	811	352
Amortization of Goodwill	1,006	1,184	1,192
Increase(Decrease) in allowance for doubtful accounts	(917)	(354)	(376)
Increase(Decrease) in reserve for retirement allowances	(1,174)	(326)	(786)
Increase(Decrease) in provision for losses on business liquidation	(72)	72	-
Increase(Decrease) in provision for losses on disaster	1,028	-	-
Interest and dividend received	(1,133)	(1,348)	(1,404)
Interest paid	1,752	1,845	1,953
Loss(Gain) on sale of tangible fixed assets	145	(372)	(75)
Loss(Gain) on sale of securities	(747)	(756)	(154)
Loss(Gain) on write-down of investment securities	7	8	38
Loss(Gain) on sale of shares of subsidiaries and associates	(931)	-	-
Loss(Gain) on liquidation of business	-	-	328
Insurance claims received	(2,866)	-	-
Decrease(Increase) in trade accounts receivable	1,041	(11,184)	(4,022)
Decrease(Increase) in inventories	(12,589)	(784)	(9,322)
Decrease(Increase) in other current assets	(889)	(319)	416
Increase(Decrease) in trade accounts payable	(2,876)	3,151	3,052
Increase(Decrease) in other current liabilities	(622)	3,777	1,229
Increase(Decrease) in consumption tax payable, etc	(1,817)	1,525	(1,000)
Other	(1,426)	(1,870)	(1,896)
Total	19,518	37,779	30,728
Corporate taxes paid	(6,197)	(8,042)	(4,758)
Insurance claims received	2,866	-	-
Net cash provided from operating activities	16,187	29,737	25,969
Cash flows from investing activities:			
Payments in time deposits	-	(817)	(418)
Proceeds from withdrawal of time deposits	619	10	10
Payments for purchases of tangible fixed assets	(17,425)	(19,864)	(14,462)
Proceeds from sales of tangible fixed assets	350	1,218	770
Payments for purchases of investment securities	(275)	(103)	(1,814)
Proceeds from sales of investment securities	1,088	1,431	360
Proceeds from sales of shares of subsidiaries and associate	-	8	288
Payments for purchases of shares of subsidiaries and assoc	(588)	(699)	(154)
Proceeds from sales of shares of subsidiaries and associate	1,912	-	-
Payments for purchases of shares of subsidiaries resulting in change in scope of consolidation	-	(853)	1,787
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	(12)	-	-
Payments for liquidation of business	-	-	(518)
Proceeds from transfer of business	-	-	1,595
Payments for loans receivable	(134)	(766)	(457)
Proceeds from collections of loans receivable	1,152	744	767
Proceeds from interests and dividends	1,971	3,174	1,829
Proceeds from subsidies	664	2,750	-
Other	(1,178)	(1,208)	(681)
Net cash provided from investing activities	(11,854)	(14,975)	(11,097)
Cash flows from financing activities:			
Increase(decrease) in short-term borrowing	(4,180)	(12,017)	(21,224)
Proceeds from long-term borrowing	36,657	38,123	58,577
Repayments of long-term debt	(34,474)	(33,379)	(45,779)
Acquisition of common stock for treasury	(15)	(12)	(16)



MARUHA NICHIRO

Dividend paid to stockholders	(2,098)	(2,359)	(1,573)
Dividend paid to minority stockholders of subsidiaries	(1,401)	(1,238)	(1,111)
Interest paid	(1,792)	(1,763)	(1,955)
Other	(558)	(667)	(533)
Net cash used in financing activities	(7,863)	(13,314)	(13,618)

	2019	2018	2017
Effect of exchange rate changes on cash and cash equivalents	(¥80)	¥412	¥64
Net increase(decrease) in cash and cash equivalents	(3,611)	1,859	1,318
Cash and cash equivalents at beginning of year	15,187	13,327	12,009
Increase in cash and cash equivalents by inclusion in consolidation group	-	-	-
Effect of exchange rate changes on cash and cash equivalents by merger	-	-	-
Cash and cash equivalents at end of year	11,575	15,187	13,327