

# Consolidated Financial Results For 1Q of the Year Ending March, 2020

August, 2019



# 1. Consolidated Statement of Income

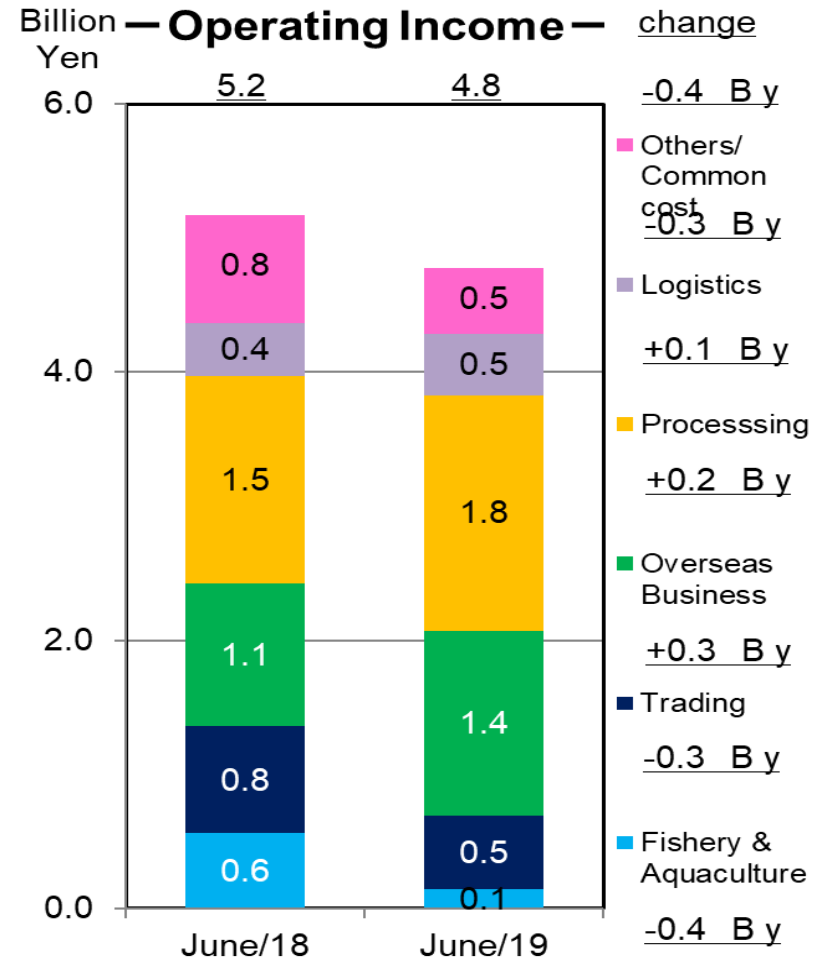
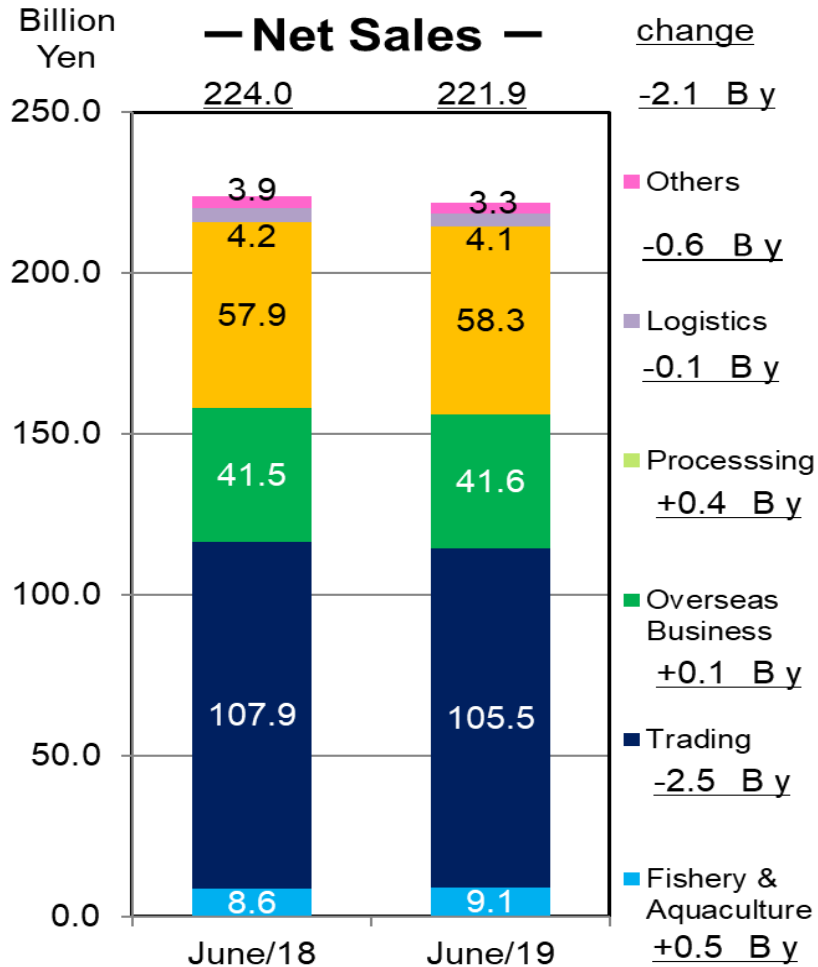
(Billions of Yen)

	June, 2019	June, 2018	Change
Net Sales	221.9	224.0	(2.1)
Cost of Sales	191.7	193.2	(1.5)
Gross profit	30.2	30.9	(0.7)
Expense	25.4	25.7	(0.3)
Operating Income	4.8	5.2	(0.4)
Non-operating Revenues	1.8	2.3	(0.5)
Non-operating Expenses	0.9	0.6	0.4
Ordinary Income	5.6	6.9	(1.3)
Extraordinary Income	0.4	0.1	0.3
Extraordinary Loss	0.0	0.1	(0.0)
Income before Tax	6.0	7.0	(0.9)
Taxes	1.8	2.1	(0.3)
Profit attributable to non-controlling interests	0.5	0.5	(0.0)
Profit attributable to owners of parent	3.7	4.3	(0.6)

Mar'2020 Forecast	Result/ Forecast
940.0	24%
25.5	19%
26.5	21%
17.0	22%

Net sales of the period decreased by 0.9% year on year. Operating income and Ordinary income decreased by 7.7% to JPY 4.8 billion and by 18.2% to JPY 5.6 billion respectively. Profit attributable to owners of parent was JPY 3.7 billion, which reached 22% of the full year forecast of JPY 17.0 billion.

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

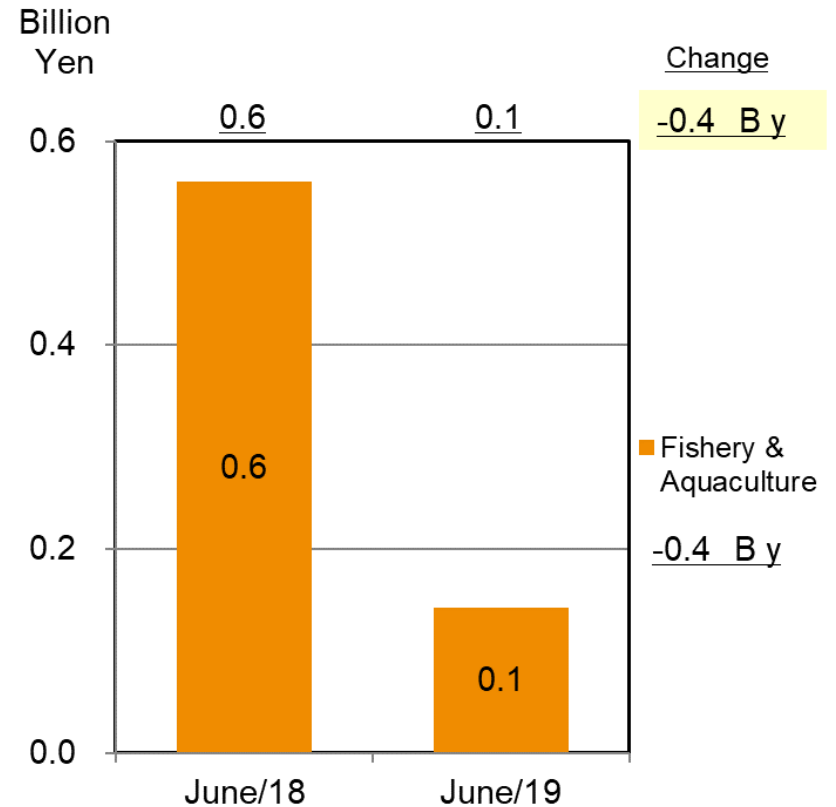
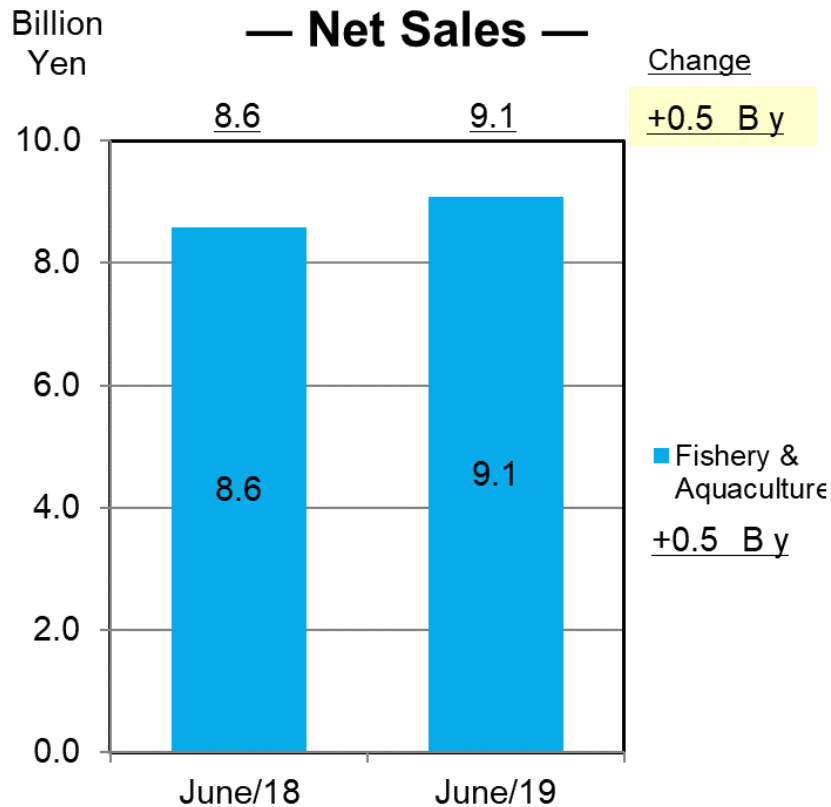


# 3-1. Fishery & Aquaculture Segment

## ■ Business Overview

Net sales increased due to increased farmed yellowtail and amberjack production. Operating income, however, decreased due to reduced catch of Patagonian toothfish and low price of tuna and skipjack.

— Net Sales —



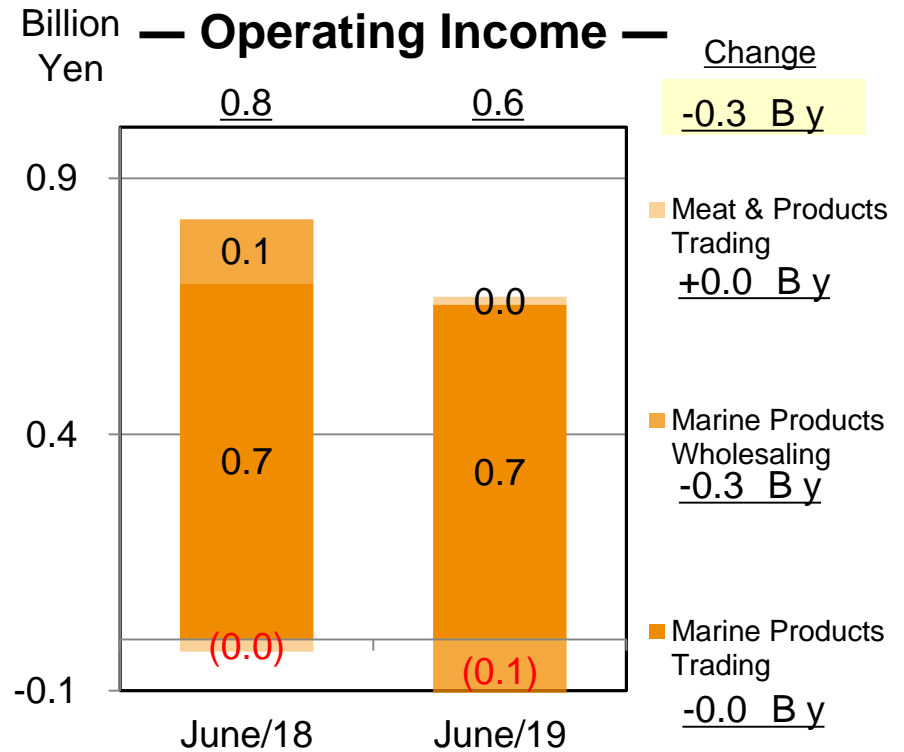
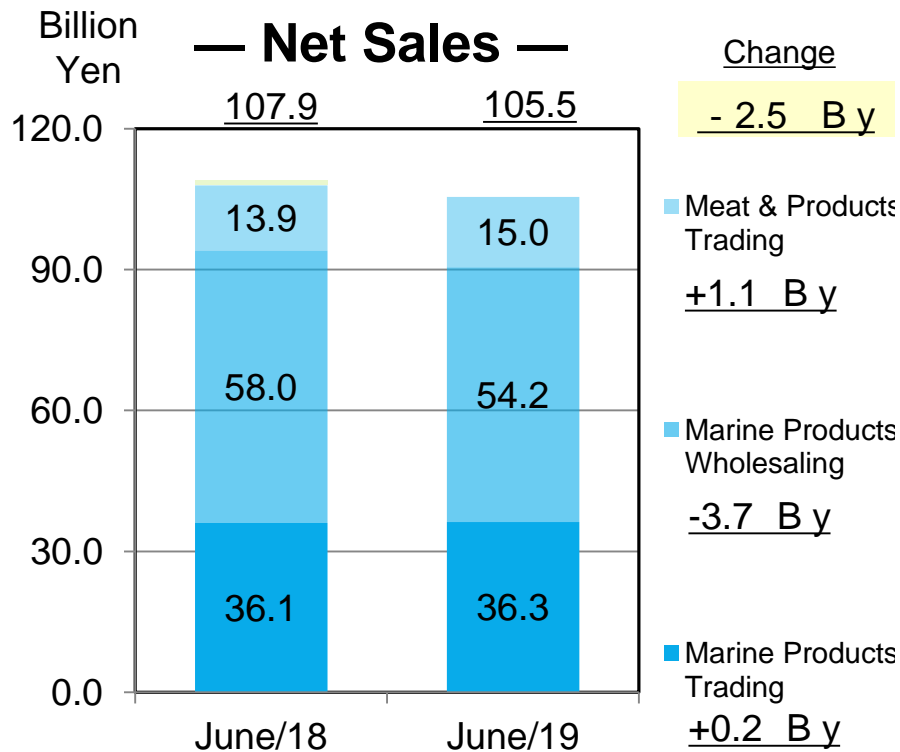
# 3-2. Trading Segment

■ Business Overview :

<Marine Products Trading> Net sales remained unchanged. Operating income, however, decreased due to down in sales of a part of processed seafoods and luxury items for China.

<Marine Products Wholesaling> Net sales decreased due to reduced sales of fresh fish. Operating income decreased due to lackluster price and sluggish demand of marine products.

<Meat & Products Trading> Both net sales and Operating income increased due to increased sales of beef and pork and increased margin of pork.

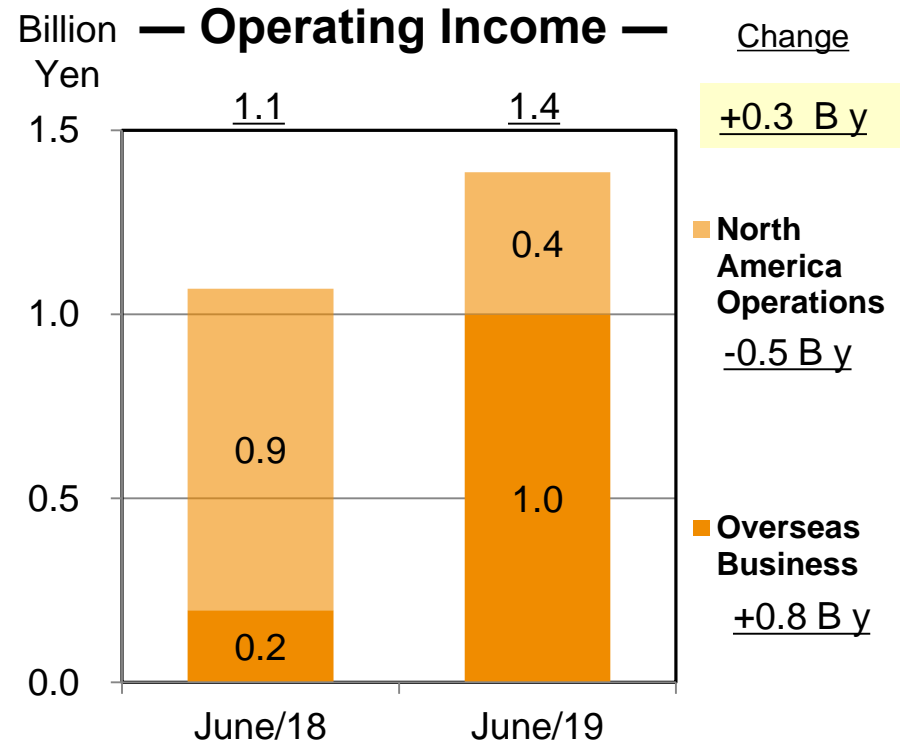
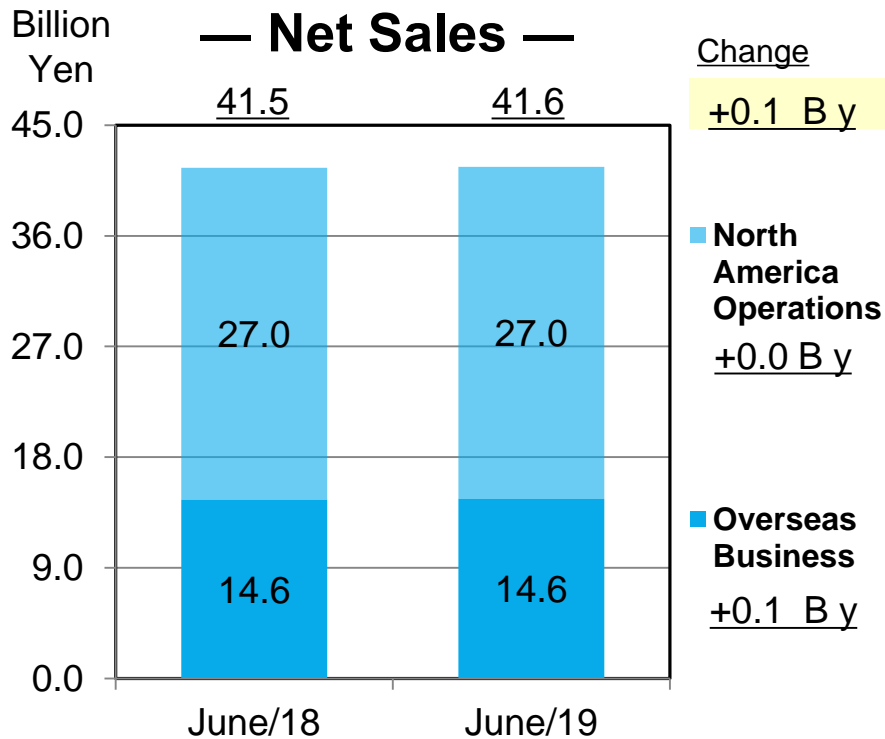


# 3-3. Overseas Business Segment

■ Business Overview:

<Overseas Business> Net sales remained unchanged as buoyant fishery in NZL offset declined export of pelagic fish from JPN. Operating income increased along with expansion of production lines in Thai pet food operation.

<North America Operations> Net sales remained unchanged, Operating income, however, decreased due to reduced production of pacific cod and sourcing crab from east Canada.



# 3-4. Processed Foods Segment

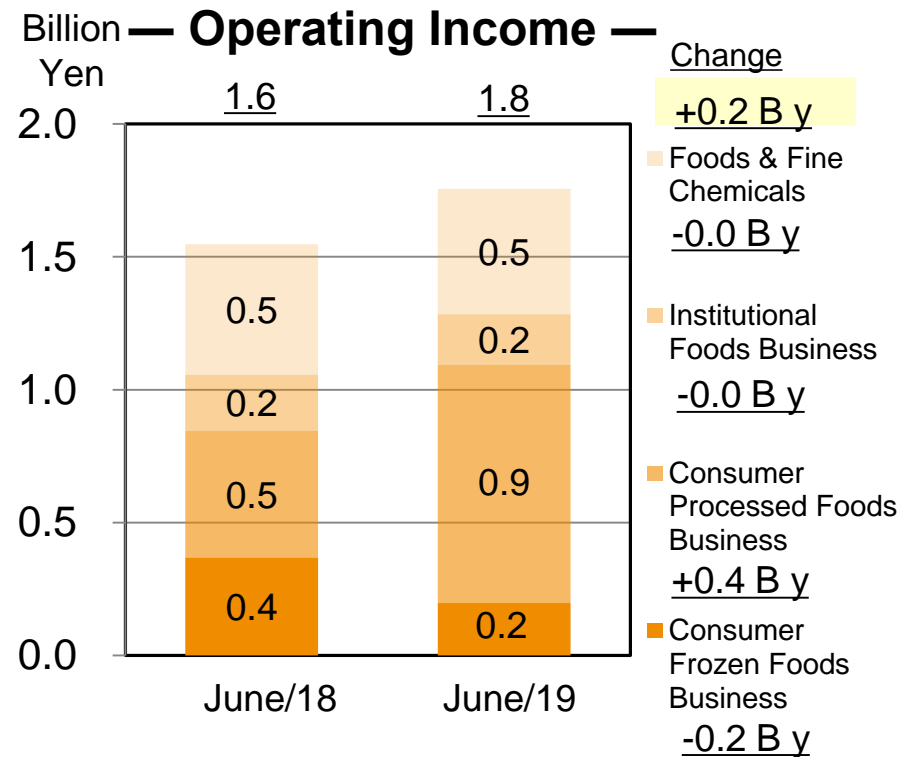
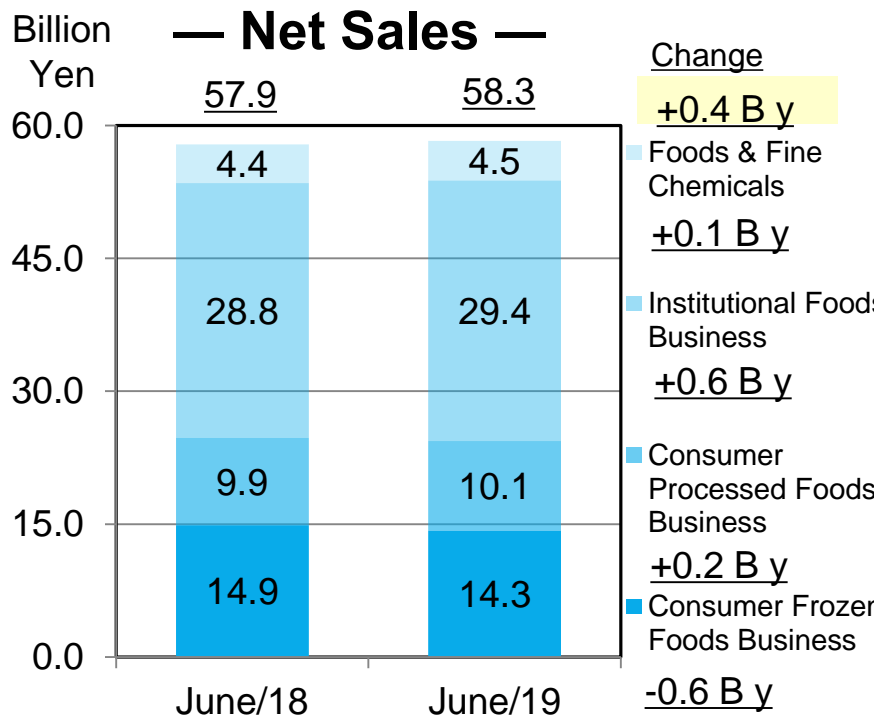
## Business Overview:

<Consumer Frozen Foods Business> Net sales decreased due to reduced sales of lunch box items. Despite the improvement in productivity, operating income decreased.

<Consumer Processed Foods Business> Both net sales and Operating income increased due to the price revision of canned food and increased sales of fish paste products.

<institutional Foods Business> Net sales increased due to enhancement on nursing care food, sales to CVS, etc. Operating income, however, decreased due to reduced sales of in-house manufactured products.

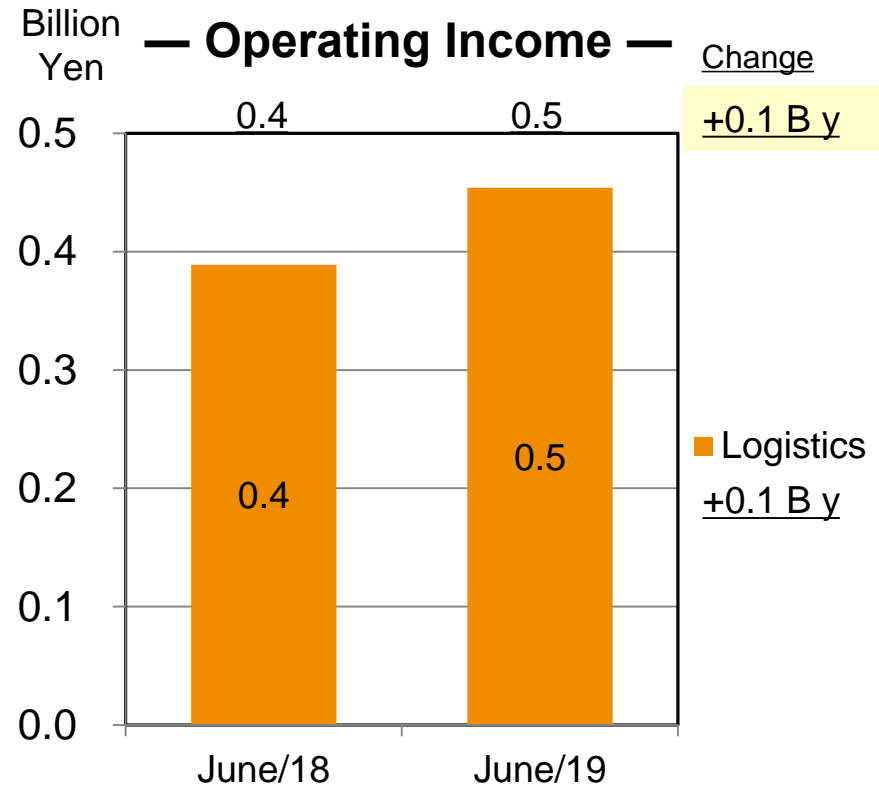
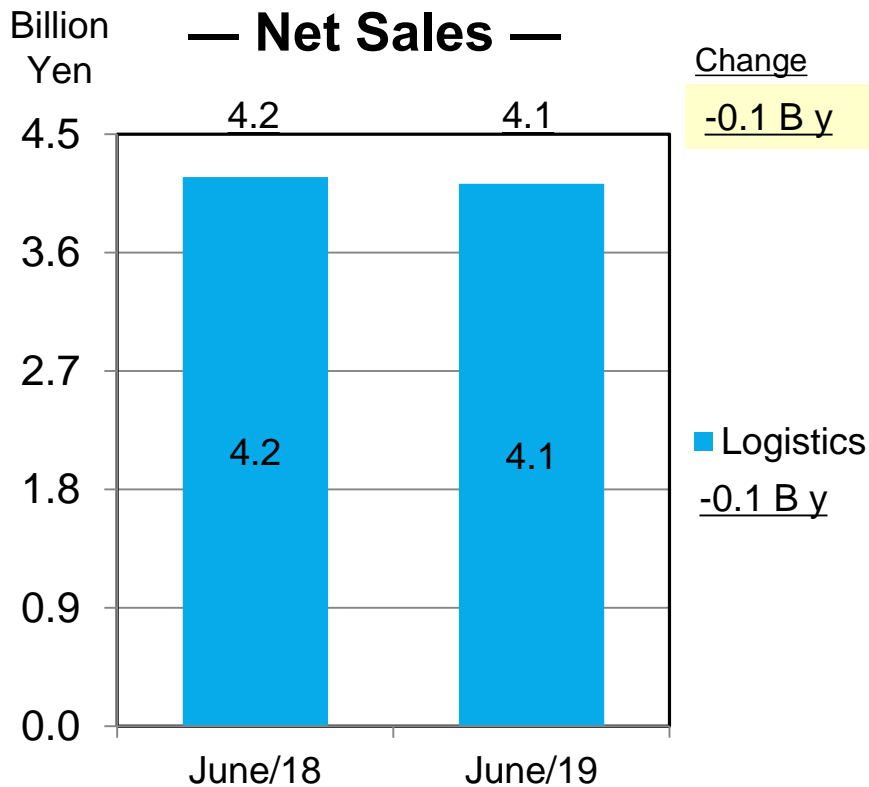
<Foods & Fine Chemicals> Net sales increased due to increased sales of DHA & EPA products and freeze-dried products. Operating income, however, decreased due to reduced sales of protamine products by poor catch of salmon.



# 3-5. Logistics Segment

■ Business Overview:

While storage sector could incorporate into strong demand in metropolitan areas, net sales decreased. Operating income increased due to reduced depreciation expense and outsourcing cost, despite cost hike of power and labor.





# 4. Consolidated Balance Sheet

(Billions of Yen)

	June'19	Mar '19	Change		June'19	Mar '19	Change
<b>Current assets</b>	<b>317.1</b>	<b>299.4</b>	<b>17.7</b>	<b>Current liabilities</b>	<b>220.0</b>	<b>203.8</b>	<b>16.2</b>
Cash & deposit	14.0	12.1	1.9	Trade notes & accounts payable	36.4	33.5	2.9
Trade notes & accounts receivable	121.8	114.0	7.8	Short-term loans payable	137.8	126.2	11.6
Inventories	171.1	163.5	7.6	Other current liabilities	45.8	44.1	1.7
Short-term loans receivable	0.5	0.6	(0.1)	<b>Long-term liabilities</b>	<b>169.5</b>	<b>166.1</b>	<b>3.4</b>
Allowance for doubtful receivables	(0.4)	(0.4)	0.0	Long-term loans payable	140.7	137.2	3.5
Other current assets	10.0	9.5	0.5	Other fixed liabilities	28.8	28.9	(0.1)
				<b>Total liabilities</b>	<b>389.5</b>	<b>369.9</b>	<b>19.6</b>
<b>Fixed assets</b>	<b>224.1</b>	<b>221.0</b>	<b>3.1</b>	<b>Shareholders' equity</b>	<b>123.9</b>	<b>121.7</b>	<b>2.2</b>
Tangible fixed assets	143.9	140.4	3.5	Common stock	20.0	20.0	0.0
Intangible fixed assets	20.1	20.5	(0.4)	Capital surplus	104.0	101.8	2.2
(goodwill)	7.8	8.1	(0.3)	Treasury stock	(0.1)	(0.1)	(0.0)
Investments & other fixed assets	60.1	60.2	(0.0)	Other cumulative comprehensive income	2.7	3.6	(0.9)
				Foreign currency translation adjustment	(1.1)	(1.5)	0.4
				Non-controlling interests	25.0	25.0	(0.0)
				<b>Total shareholders' equity</b>	<b>151.6</b>	<b>150.4</b>	<b>1.2</b>
<b>T o t a l</b>	<b>541.1</b>	<b>520.3</b>	<b>20.8</b>	<b>T o t a l</b>	<b>541.1</b>	<b>520.3</b>	<b>20.8</b>

# Appendix: Progress on Results to Full-year Projection

(Billion of Yen)

Segment	Unit	Net Sales			Operating Income		
		June/19	Full-year projection	1Q/FYp	June/19	Full-year projection	1Q/FYp
Fishery & Aquaculture	Fishery & Aquaculture	9.1	37.7	24%	0.1	2.3	4%
Trading	Marine Products Trading	36.3	151.4	24%	0.7	3.5	20%
	Marine Products Wholesaling	54.2	243.7	22%	(0.1)	0.9	-11%
	Meat & Products Trading	15.0	56.3	27%	0.0	0.7	0%
Trading Segment Sub Total		105.5	451.4	23%	0.5	5.1	10%
Overseas Business	Overseas Business	14.6	60.0	24%	1.0	5.2	19%
	North America Operations	27.0	118.9	23%	0.4	3.6	11%
Overseas Business Segment Sub Total		41.6	178.9	23%	1.4	8.8	16%
Processing	Consumer Frozen Foods Businell	14.3	61.6	23%	0.2	1.4	14%
	Consumer Processed Foods Business	10.1	39.5	26%	0.9	2.0	45%
	Institutional Foods Business	29.4	123.5	24%	0.2	1.8	11%
	Foods & Fine Chemicals	4.5	17.2	26%	0.5	1.6	31%
Processsing Segment Sub Total		58.3	241.8	24%	1.8	6.7	27%
Logistics	Logistics	4.1	16.7	25%	0.5	1.9	26%
Others		3.3	13.5	24%	0.2	0.7	29%
Common Cost		0.0	0.0	-	0.3	0.0	-
Total		221.9	940.0	24%	4.8	25.6	19%

**Thank You**



# MARUHA NICHIRO

For the ocean, for life

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