Maruha Nichiro Holdings, Inc.

“Double Wave! 21”
Maruha Nichiro Group
Medium-term Management Plan
April 2008  -  March 2011
Content

1. Background of “Double Wave! 21”
2. Corporate Policy
3. Business Strategy and Measures
4. Managerial Goal
# 1-1. Summary of Previous Planning

## Performance of Planning (Consolidated)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Goal for Mar08</th>
<th>Result</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>¥21.0 Billion</td>
<td>¥13.0 Billion</td>
<td>61.9%</td>
</tr>
<tr>
<td>Net Income</td>
<td>¥18.0 Billion</td>
<td>¥7.3 Billion</td>
<td>40.6%</td>
</tr>
<tr>
<td>Debt with Interest</td>
<td>¥230.0 Billion</td>
<td>¥335.9 Billion</td>
<td></td>
</tr>
<tr>
<td>ROA(O.I.)</td>
<td>5.4%</td>
<td>2.4%</td>
<td></td>
</tr>
<tr>
<td>D/E Ratio</td>
<td>3.8</td>
<td>4.4</td>
<td></td>
</tr>
</tbody>
</table>
1-2. Changing Environment and Action

**Environmental Risk**
- Competition for food resources
- Steep rise in fuel price
- Conservation of aquatic resources
- Global warming
- Global economic stagnation
- Inflation & Rising interest rates

**Corporate Risk**
- Cost Increase
  - Marine products and food ingredient
  - Distribution cost
  - Packing material
- Balance sheet fundamentals

**Action**
- Shift increased cost to selling price
- Further cost reduction
- Improve capital ratio
- Reduce debt with interest

Maruha Nichiro Holdings, Inc.
1-3. Organization of Maruha Nichiro

April 1, 2008

Maruha Nichiro

4 Main Business Companies

- Marine Product
  - Maruha Nichiro Seafoods, Inc.
- Processed Food
  - Maruha Nichiro Foods, Inc.
- Meat & Product
  - Maruha Nichiro Meat and Products, Inc.
- Storage
  - Maruha Nichiro Logistics, Inc.

Shared Service
- Maruha Nichiro Management, Inc.

127 Consolidated Companies and 78 Affiliate Companies

Maruha Nichiro Holdings, Inc.
1-4. Concept of New med-term Plan

“Double Wave! 21” (2008-2010)

Enhancing Consolidated Management

- Group infrastructure improvement to minimize indirect cost
- Reinforce group management (in each strategic segment)
- To maximize positive effects of consolidation with Nichiro
- Reinforcement of Business infrastructure

Strategy for Growth

- Stable Procurement and Supply
- To enhance sales to overseas market
1-5. Capital Expenditure for Growing

(2008 - 2010)

Marine Product
- Local Fishing [Build new Fishing Boats]
  (Independent Offshore Purse Seiner)
  (Larger Sized Far Seas Purse Seiner)
- Increase Production Capacity of N.America
- Increase Processing capacity of Malaysian prawn farming

¥17 Billion

Processed Food
- Integration of production bases
- Increase in Production Capacity

¥20 Billion

Others
- Business Alliance and/or M&A
- System integration to improve efficiency

¥23 Billion

Total ¥60 Billion
1-6. Group Financial Policy

To improve financial condition to meet shareholders’ expectations

- To decrease debts with interest
  - To decrease debts by ¥36 Billion

- To improve equity ratio
  - To increase shareholder’s equity

- Elimination of preferred stock
  - Eliminate the second kind of preferred stock (¥4 Billion)

To improve shareholders’ value

From stable dividends to higher return
2-1. Group Philosophy

**Group Philosophy**

The Maruha Nichiro Group aims to contribute to the betterment of people’s daily lives through providing wholesome, safe and healthy food with sincerity and integrity.

**Group Vision**

- The Maruha Nichiro Group is making global contributions in the food industry with its core business interests of fisheries and food products, aiming to become an excellent company of the 21st century.
- The Maruha Nichiro Group, as a value-generating corporation, constantly looks to provide new ideas in food.
- The goal of the Maruha Nichiro Group is to maximize our corporate value through full optimization of the Group by specialization and integration of business resources.
2-2. Corporate Social Responsibility (CSR)

Maruha Nichiro Group CSR

Looking at the future of humans and the Earth.
We aim to be a corporate group both trusted and needed by society.

Initiatives

- Safety initiatives
  - Legal compliance / Quality Audit / ISO accreditation
- Human resources development initiatives
- Environmental and social initiatives.
Maximizing good effects of Consolidation

- **Integration of Production base**
  - To start with integration of production base in Hokkaido and part of Tohoku

- **Reorganization of affiliate companies**
  - With a view of group management

- **System Integration**
  - To improve efficiency by System Integration
3-1. Strength of Maruha Nichiro Group

Acknowledged brand “Maruha Nichiro”

The world’s foremost marine product supplier

Good product development capabilities

Pursuing the optimization of the procurement, processing and sale of marine products
### 3-2. Profit Goal of each Segment

(Unit: '00 Million Yen)

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>Ordinary Income March 2011</th>
<th>+/- March 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marine Products</td>
<td>110</td>
<td>+24</td>
</tr>
<tr>
<td>Processed Foods</td>
<td>143</td>
<td>+88</td>
</tr>
<tr>
<td>Storage &amp; Logistics</td>
<td>19</td>
<td>+ 6</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
<td>- 1</td>
</tr>
<tr>
<td>Common Cost</td>
<td>- 40</td>
<td>- 7</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>240</strong></td>
<td><strong>+110</strong></td>
</tr>
</tbody>
</table>
### 3-3. Projection by Unit

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fisheries &amp; Aquaculture</td>
<td>360</td>
<td>300</td>
<td>60</td>
<td>23</td>
<td>18</td>
<td>5</td>
</tr>
<tr>
<td>North America Operations</td>
<td>650</td>
<td>604</td>
<td>46</td>
<td>21</td>
<td>17</td>
<td>4</td>
</tr>
<tr>
<td>Marine Products Trading</td>
<td>1,050</td>
<td>909</td>
<td>141</td>
<td>36</td>
<td>30</td>
<td>6</td>
</tr>
<tr>
<td>Marine Products Wholesaling</td>
<td>3,800</td>
<td>3,635</td>
<td>162</td>
<td>25</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>Strategic Sales</td>
<td>550</td>
<td>482</td>
<td>68</td>
<td>5</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>MARINE PRODUCTS SEGMENT</td>
<td>6,410</td>
<td>5,933</td>
<td>477</td>
<td>110</td>
<td>86</td>
<td>24</td>
</tr>
<tr>
<td>Frozen Foods Business</td>
<td>1,310</td>
<td>778</td>
<td>532</td>
<td>57</td>
<td>13</td>
<td>44</td>
</tr>
<tr>
<td>Processed Foods Business</td>
<td>900</td>
<td>652</td>
<td>248</td>
<td>46</td>
<td>14</td>
<td>32</td>
</tr>
<tr>
<td>Meat and Products Business</td>
<td>590</td>
<td>412</td>
<td>178</td>
<td>16</td>
<td>11</td>
<td>5</td>
</tr>
<tr>
<td>Foods &amp; Fine Chemical</td>
<td>150</td>
<td>126</td>
<td>24</td>
<td>11</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Asia &amp; Oceania Operations</td>
<td>320</td>
<td>295</td>
<td>25</td>
<td>13</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>PROCESSED FOODS SEGMENT</td>
<td>3,270</td>
<td>2,263</td>
<td>1,007</td>
<td>143</td>
<td>55</td>
<td>88</td>
</tr>
<tr>
<td>STORAGE&amp; LOGISTICSSEGMENT</td>
<td>170</td>
<td>141</td>
<td>29</td>
<td>19</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>OTHERS</td>
<td>150</td>
<td>112</td>
<td>38</td>
<td>8</td>
<td>9</td>
<td>-1</td>
</tr>
<tr>
<td>COMMON COST</td>
<td>0</td>
<td>-40</td>
<td>-33</td>
<td>-7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>10,000</td>
<td>8,448</td>
<td>1,552</td>
<td>240</td>
<td>130</td>
<td>110</td>
</tr>
</tbody>
</table>

(Result of March 08 was adjusted for comparison.)
3-4. Global Procurement & Sales

- TRIANGLE OPERATION
  (procurement-process – Sales for optimal market)

- Overseas Sales Target ¥120 Billion for year 2010
3-5. Overseas Sales

Overseas Sales Goal for year 2010:

- **Europe**: ¥28.0B (118% increase)
- **Asia**: ¥37.0B (104% increase)
- **North America**: ¥55.0B (122% increase)

**Total Overseas Sales**: ¥120B

Increased by 15% compared to the previous year.

Overseas Sales Ratio: 12%

**Business Strategy**
- To enhance Procurement Capabilities
- To reinforce Overseas Production
- To strengthen Overseas Sales
- To strengthen market transaction
- Strict Quality Control and Assurance

**Action Plan**
- Increase Fishing Activity
- Enhance Fish Farming
- Improve business foundation of N. America
- Increase Trading Partners globally
- Strengthen domestic sales
3-6-1. Increase Fishing Activity

Strengthen Access to Resources

Enhance in house fishing activity

- Offshore Fishing
  - Bring new energy to local fisheries
    - Established Shimonoseki Fishery
  - Increase effective fishing
  - Build Japanese first independent offshore purse seiner

- Far Seas Fishing
  - Aiming to effective fishing
    - Build larger sized far seas purse seiners to compete with global standard boats
3-6-2. Enhancing Fish Farming

Strengthen Accessing capability to Resources

Enhancing fish farming

- **Domestic**
  - Bluefin Tuna farming
    - Add new farming site
    - Move toward full-cycle cultivation
    - Projection: 60,000 pieces annually (about ¥10 Billion)
  - Amberjack farming
    - Improve processing facility

- **Overseas**
  - Prawn farming (Agrobest, Malaysia)
    - TO start Vannamei Prawn farming
    - Expecting 10,000 ton production annually (about ¥4 Billion)
  - New variety fish farming (Philippines)
    - Expand Grouper farming
3-6-3. Business foundation of N. America

Reinforce Business Foundation

- Integrate duplicate functions caused by consolidation
- Cost Reduction
- Efficient Sales
- Enhance production capacity
- Aim to worldwide market

Processing Plant 8
Processing Mother Boat 4
3-6-4. Increase Trading Partners Globally

Global Network: Procurement-Process-Sales

- Effective utilization of Asian production base
  - Production base of Triangle Operation
    - Kingfisher Holdings (Thailand)
    - Zhejiang Industrial Group (China)
    - Rizhao Nichiro and Rongsense Foods

- Increase sale of processed marine product

- Enhancing procurement capability

- Stable supply to domestic market

原料

加工貿易

国内市場

海外貿易

Raw Material

Processed Sea Foods

Zhejiang Industrial Group (China)
Squid, Prawn, Sea Foods

Rizhao Nichiro and Rongsense Foods (China)
Processed Sea Foods

Kingfisher Holdings (Thailand)
Squid, Prawns, Tuna and etc.
3-6-5. Strengthening domestic sales

Enhancing both market distribution and direct sales

Fishing companies / importers

Mainly fresh & frozen fish

• Efficient distribution
• Processing facilities
• Integration by district

GYOEI-KAI supporting group 162 companies

Mass distributors/Retailers/Restaurant

Mainly primary processed Sea Foods

• Shift to overseas production
• Develop product for customers needs

Customers
3-7. Business Strategy of Processed Food

**Business Strategy**
- Efficient production
- Select and Focus
- Speeding Up product development
- Pursue positive effect of consolidation
- Strict Quality Control and Assurance

**Action Plan**
- Integration of domestic production base
- Reorganization of sales structure
- Enhance frozen food business
- Strengthen health related food and chilled food business
- Enhance overseas sale of Thai product
3-7-1. Domestic production base

Consolidation to 13-15 plants

- Dominant position in procurement
- Consolidation of similar kinds of production
- Improvement of efficiency
- Ecological attention

- **Hokkaido**: 16 plants
- **Part of Tohoku**: 3 plants
- **Total**: 19 plants
3-7-2. Reorganization of Sales

- Efficient sales structure
- Integration of affiliates
- Improve distribution
- System integration

Cost Reduction
Improvement of efficiency
3-7-3. Enhancing Frozen Food Business

**Priority Product**
(Retail Pack Frozen Food)

**Select and Reduce number of items**
(Institutional Frozen Food)

Number of institutional products
from Current 2,250 to Target 1,250

Target: priority products to cover 60% of sales
Target: 60% to be produced within group
3-7-4. Health related and Chilled foods

**Health related & Chilled Food**

- DHA
- Jelly de ZERO
- FOSHU Resara
- Nursing Food
- Chilled foods under development etc.

**Sales Target: From ¥3 Billion 2007 To ¥10 Billion 2010**

**Sales target of 2010: ¥10 Billion**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>3</td>
</tr>
<tr>
<td>2008</td>
<td>5</td>
</tr>
<tr>
<td>2009</td>
<td>7.5</td>
</tr>
<tr>
<td>2010</td>
<td>10</td>
</tr>
</tbody>
</table>
3-7-5. Overseas Sales of Thai Products

Kingfisher Holdings

Production and sale of Frozen Seafoods, Frozen foods and Canned/Retort Tuna. Over 80% of sales to Europe, America and Oceania.
Sales ￥37.0 Billion (2007)

N&N Foods

Production of frozen prepared foods for Japanese market.
Sales ￥2.4 Billion (2007)

Combination of Selling power of Kingfisher Holdings and manufacturing knowledge of N&N, Sales of ￥45 Billion is new target.
3-8. Business Strategy of Storage and Logistics

**Business Strategy**

- Cold temperature transportation
- Improved logistics quality
- Environmental consideration

**Action Plan**

- Develop business alliance with a reliable transportation company
- Enhancing Agency services (Customs Entry)
- Conserve Energy (Electricity reduced by 10%)
- Develop more efficient and environmentally sustainable packaging
3-8-1. Storage and Logistics

Establish full service of cool logistics

- Import
- Customs Entry
- Storage
- Processing
- Delivery

Cargo

38 Cold storages with 580,000 ton capacity

Consideration to the environment

Maruha Nichiro Holdings, Inc.
### 4-1. GOAL of “Double Wave! 21”

(Consolidated)

<table>
<thead>
<tr>
<th></th>
<th>March 08</th>
<th>Double Wave! 21</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>March 09</td>
<td>March 10</td>
<td>March 11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Projection</td>
<td>Projection</td>
<td>Projection</td>
</tr>
<tr>
<td>Net Sales</td>
<td>¥844.8B</td>
<td>¥930.0B</td>
<td>¥950.0B</td>
<td>¥1,000.0B</td>
</tr>
<tr>
<td>Operating Income</td>
<td>¥13.0B</td>
<td>¥19.0B</td>
<td>¥22.0B</td>
<td>¥24.0B</td>
</tr>
<tr>
<td>ROA(O.I.)</td>
<td>2.4%</td>
<td>3.5%</td>
<td>4.1%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Equity Ratio</td>
<td>13.9%</td>
<td>14.5%</td>
<td>15.6%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Debt with Interest</td>
<td>¥335.9B</td>
<td>¥314.7B</td>
<td>¥309.5B</td>
<td>¥299.9B</td>
</tr>
</tbody>
</table>
## 4-2. Projected Cash Flow for 3 years

('00 Million Yen)

<table>
<thead>
<tr>
<th>Double Wave! 21</th>
<th>Accumulated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>650</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>415</td>
</tr>
<tr>
<td>Decrease in Inventories</td>
<td>140</td>
</tr>
<tr>
<td>Other</td>
<td>-155</td>
</tr>
</tbody>
</table>

**Cash flows from operating activities**

- Purchase of tangible fixed asset and etc. -600
- Sales of tangible fixed asset and etc. 100
- Proceeds from interests and dividends 40

**Cash flows from investing activities**

- Repayment of borrowing -360
- Acquisition of preferred stock -40
- Interest paid and other -260

**Cash flows from financing activities**

- Net decrease in cash and cash equivalents -70
- Cash and cash equivalents at beginning 220
- Cash and cash equivalents at end of year 150
This material contains forward-looking statements, including projections, plans, policies, management strategies, targets, schedules, understandings and evaluations, about Maruha Nichiro and its group companies that are not historical facts. These forward-looking statements are based on current forecasts, estimates, assumptions, plans, beliefs and evaluations in light of information currently available to management.

In preparing forecasts and estimates, Maruha Nichiro and its group companies have used, as their basis, certain assumptions as necessary, in addition to confirmed historical facts. However, due to their nature, there is no guarantee that these statements and assumptions will prove to be accurate in the future. Maruha Nichiro therefore wishes to caution readers that these statements, facts and certain assumptions are subject to a number of risks and uncertainties and may prove to be inaccurate.

The markets in which Maruha Nichiro and its group companies operate are highly susceptible to rapid changes. Furthermore, Maruha Nichiro and its group companies operate not only in Japan, but in many other countries. As such, factors that can have significant effects on its results include, but are not limited to, shifts in technology, demand, prices, competition, economic environments and foreign exchange rate.

This material has been designed as part of Maruha Nichiro Holdings’ public relations and IR activities. It was not created with the purpose of soliciting investors to buy or sell Maruha Nichiro Holdings’ stock or any other securities.