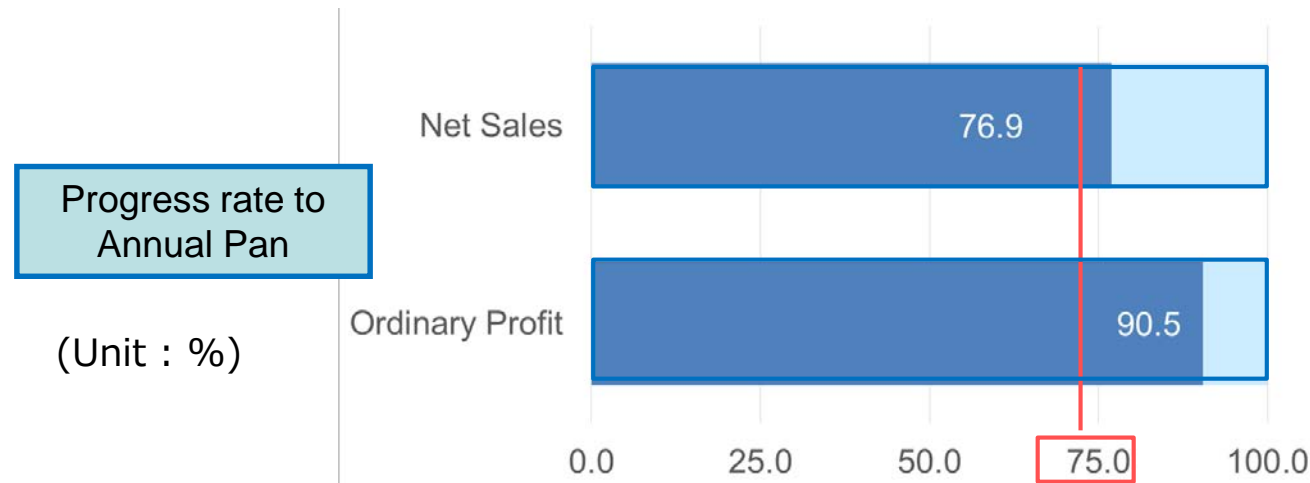


Supplemental Documents for 3rd Quarter of FY2018

February 5, 2019
Nippon Suisan Kaisha, Ltd.

◆ Revenue increased significantly mainly due to the Food Products Business. Despite remaining effect of juvenile death in Salmon/Trout farming business in South America., income made good progress to the annual plan thanks to the strong North American and European business.
Reduction of the profit attributable to owners of parent (Y-on-Y) was caused by the gain on sales of investment securities in the previous year.

(Unit : 100 million yen)	3Q of FY2018	Increase/Decrease		Annual Plan for FY2018	
		(Amount)	(%)	(Amount)	Progress rate
Net Sales	5,432	311	106.1	7,065	76.9
Operating Profit	198	(5)	97.5	220	90.5
Ordinary Profit	228	16	107.9	235	97.1
Profit attributable to owners of parent	152	(11)	93.3	160	95.5

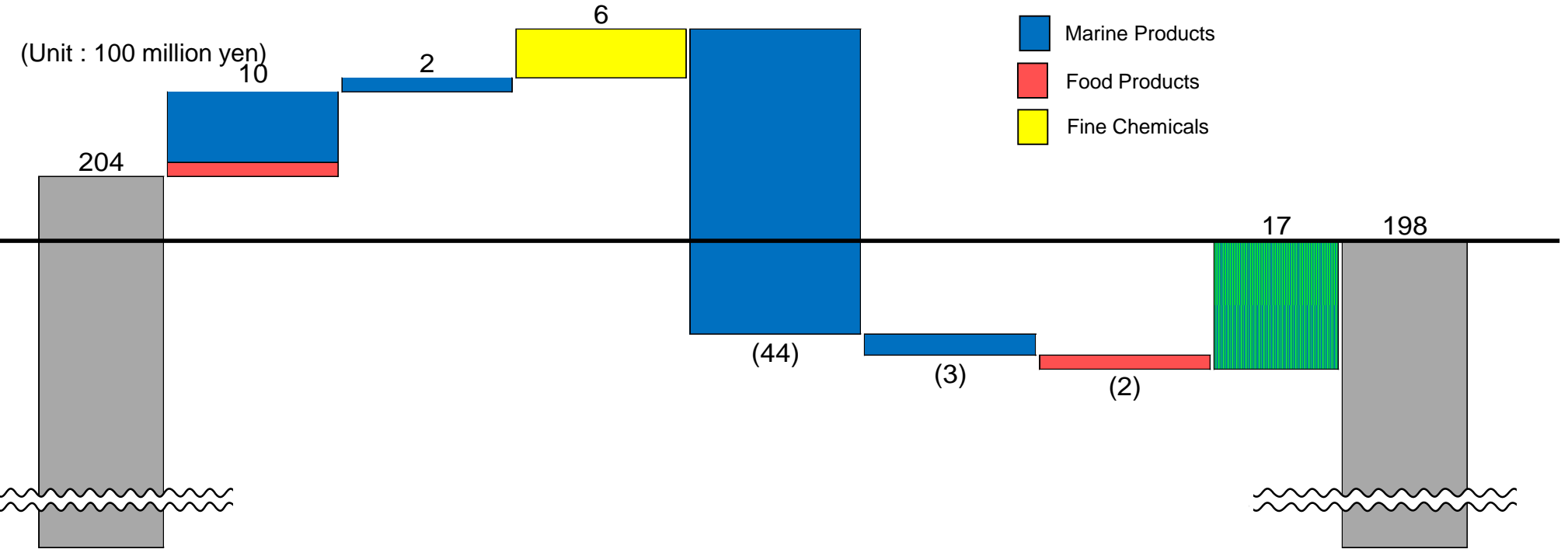


◆ Increase in revenue in all the business segments. Decrease in operating income in the Marine Products Business.

(Unit : 100 million yen)	3Q of FY2018	3Q of FY2017	Increase/Decrease (Y-on-Y)		Annual Plan for FY2018	Progress rate (%)
			(Amount)	(%)		
Net Sales	5,432	5,120	311	106.1	7,065	76.9
Marine Products Business	2,233	2,170	63	102.9	2,882	77.5
Food Products Business	2,616	2,462	154	106.3	3,382	77.4
Fine Chemicals Business	195	189	6	103.4	265	74.0
General Distributions	128	125	2	102.1	166	77.2
Others	258	172	85	149.5	370	69.9
Operating Profit	198	204	(5)	97.5	220	90.5
Marine Products Business	97	110	(13)	88.0	98	99.6
Food Products Business	103	102	0	100.4	124	83.4
Fine Chemicals Business	19	13	6	144.7	29	67.7
General Distributions	16	16	(0)	99.3	19	87.2
Others	8	9	(0)	94.0	12	72.4
Common Costs	(46)	(49)	2	95.2	(62)	75.7
Ordinary Profit	228	211	16	107.9	235	97.1
Profit attributable to owners of parent company	152	163	(11)	93.3	160	95.5
EPS (Net profit per share)	49.06 yen	52.57 yen	-	-	51.42 yen	-

Main Causes of fluctuations

◆ Steady business in North American and European business and the Fine Chemicals Business. Despite significant income decline in South America and struggling Domestic Marine and Food Products Business, income stayed in a little reduction as a whole thanks to the positive effect of unrealized profit in inventory.



Result of 3Q of FY2017	Overseas		Domestic	Overseas	Domestic		Marine Products : Consolidated Adjustment Unrealized income in inventory, etc.	Result of 3Q of FY2018
	<North America>	<Europe>	<Fine Chemicals Business>	<South America>	<Marine Products>	<Food Products>		
	Marine Products : Unit selling price of surimi & Pollock roe increased Food Products : Income increased by improving cost structure	Marine Products : Revenue increased because of expansion of sales area	Income increased due to the overseas sales growth in functional materials and the reduction in advertising expense	Aquaculture : In addition to the significant sales volume down due to the death of juvenile, sales price declined.	Non-consolidated : Struggling in salmon/trout, shrimp and tuna. Group companies : Income increased in Fishery Business but decrease in income due to cost increase in domestic aquaculture.	Non-consolidated : Income decreased as the cost of raw material increased. Group companies : Strong chilled business thanks to the increase in the number of stores of Convenience Stores.		

◆ Increase in accounts receivable and inventory.

The Italic and bold figures means increase/decrease, compared to 4Q of FY2017.

(Unit : 100 million yen)

Current Assets 2,712 181		Current Liabilities 2,240 112	
Cash and deposit	140 (86)	Notes and accounts payable	523 76
Notes and accounts receivable	1,067 220	Short-term loans payable	1,275 124
Inventory	1,298 75	Others	109 (58)
Non-current Assets 2,333 42		Non-current Liabilities 1,110 (12)	
Property, plant and equipment	1,347 20	Long-term loans payable	870 (17)
Intangible assets	108 7		
Investment and other assets	877 29		
Total Assets 5,046 224		Net Assets 1,695 124	
		Shareholder's Equity	1,499 121
		Equity Ratio	
		As of Mar 2018	28.6%
		⇒ As of Dec 2018	29.7%

◆ Decrease in operating cash flow with the increase of working capital

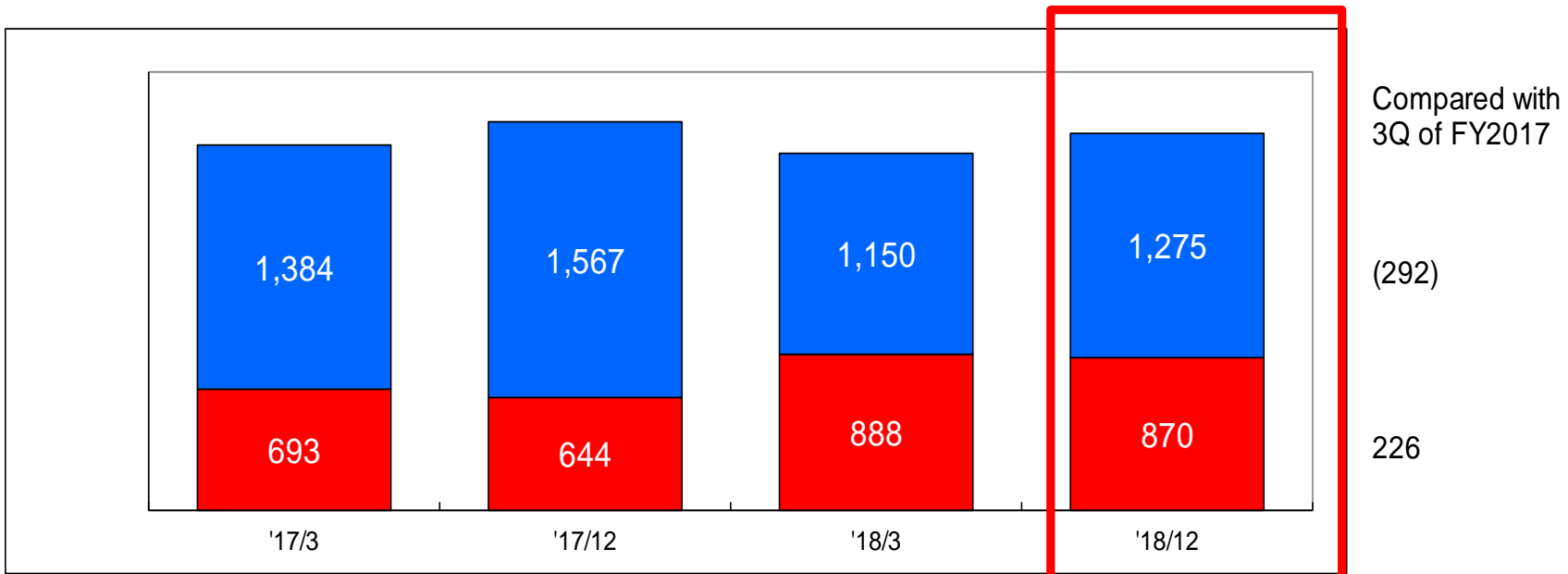
(Unit : 100 million yen)

	3Q of FY2018	3Q of FY2017	Increase/ Decrease
▪ Income before income taxes	230	248	(18)
▪ Depreciation & Amortization	135	131	4
▪ Working Capital	(213)	(149)	(63)
▪ Income taxes paid	(70)	(51)	(18)
▪ Others	(62)	(71)	9
Net cash provided by operating activities	19	106	(87)
▪ Investment on (Purchase of) property, plant and equipments	(154)	(206)	51
▪ Others	41	42	(0)
Net cash provided by investment activities	(113)	(163)	50
▪ Increase(Decrease) in short-term loans payable	149	385	(236)
▪ Increase(Decrease) in long-term loans payable	(39)	(254)	214
▪ Others	(34)	(39)	4
Net cash provided by financial activities	74	92	(17)
Cash and cash equivalent at end of term	223	290	

◆ Reduce the loan payable by 7 billion yen year-on-year

(Unit : 100 million yen)

Short-term
Long-term



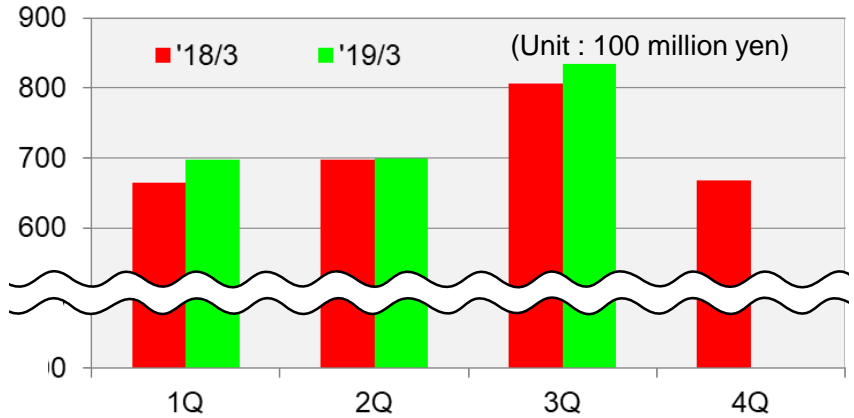
Compared with 3Q of FY2017
(292)
226

Total Debt	2,077	2,211	2,038	2,145	(66)
Short-term loans payable	1,384	1,567	1,150	1,275	(292)
Long-term loans payable	693	644	888	870	226
Net Interest	10.4	8.6	8.8	7.6	
Ratio of Net Interest Cost on Operating Profit	5%	4%	4%	4%	
Interest expenses	21.7	15.3	20.0	13.3	
Interest income	2.3	2.6	3.5	1.4	
Dividend income	8.8	4.0	7.6	4.2	

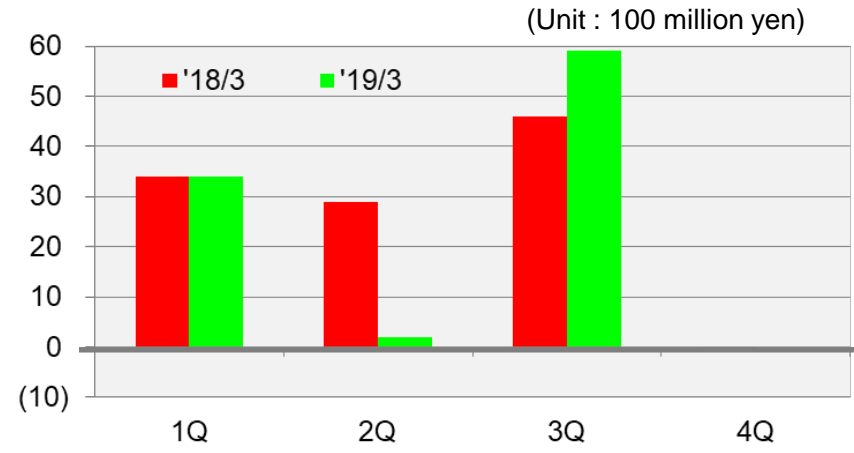
◆ Increase in revenue in North American, European and Fishery Business, but decrease in income due to Salmon/Trout farming business in South America and cost increase in domestic farming business.

(Unit : 100 million yen)	Result of 3Q of FY2018	Result of 3Q of FY2017	Increase/Decrease		Annual plan for FY2018	Progress rate (%)
			(Amount)	(%)		
Net Sales	2,233	2,170	63	102.9	2,882	77.5
Operating Profit	97	110	(13)	88.0	98	99.6

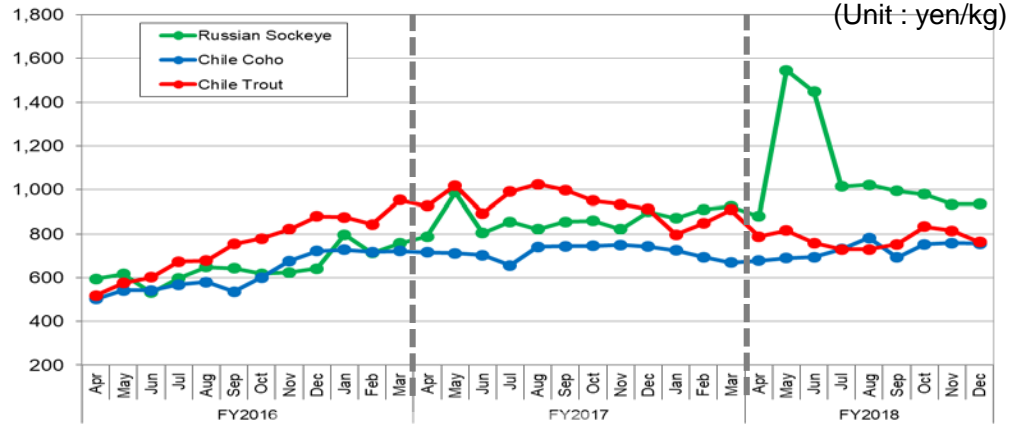
Net Sales



Operating Profit



<Domestic market condition of marine products (salmon/trout)>
(Calculated based on Trade Statistics of Japan, Ministry of Finance)
(Unit : yen/kg)



Marine processing company, mainly processing whitefish

KUROSE

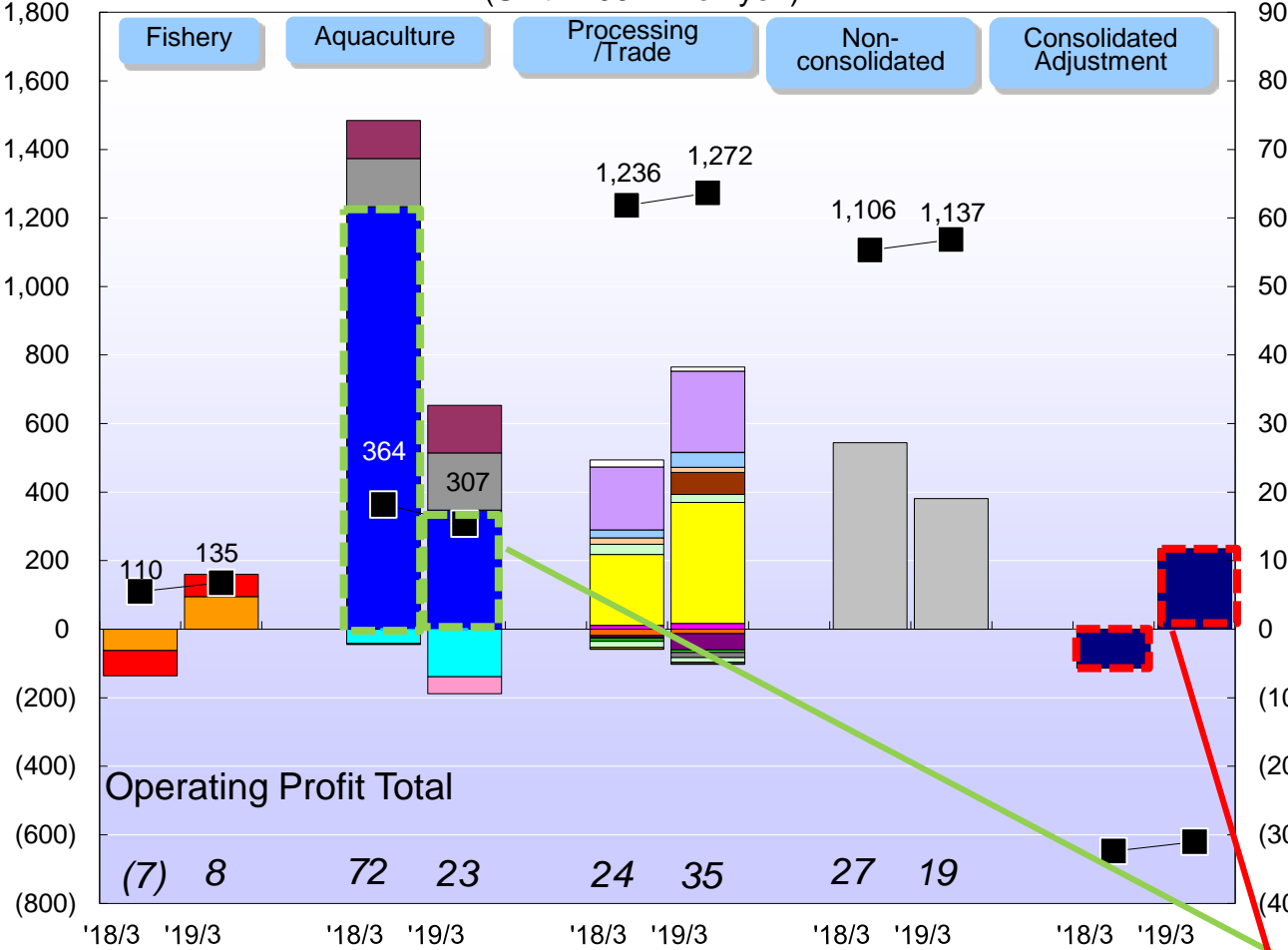
"Kurose buri", yellow tail

Marine Products Business

Net Sales & Operating Profit (Y-on-Y)



Net Sales (Line chart) (Unit : 100 million yen) Operating Profit (Bar chart)



Major causes of fluctuation

<Fishery> (Increase in both revenue and income)

- Japan : Good catch of Skipjack and Mackerel
- South America : Increase in catching volume and sales price

<Aquaculture> (Decrease in both revenue and income)

- Domestic aquaculture business
 - Buri yellowtail : Increase in sales volume and sales price
 - Tuna : Decline in sales price and damage by red tide
 - Salmon(Coho) : Production cost increased.
- Salmon/Trout aquaculture business in South America
 - Decrease in sales volume and sales price

<Processing/Trade>(Increase in both revenue and income)

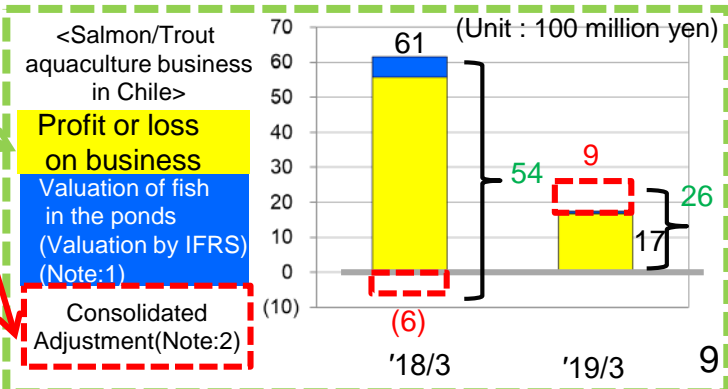
- USA: Increase in unit price as well as cost reduction
- Non-consolidated : Strong surimi business but weak Salmon/Trout and Shrimp business

➤ The Italic figures in the lower part of this chart show the accumulation of the bar (Operating Profit)

➤ Consolidated Adjustment of net sales and operating profit includes the amortization of goodwill and unrealized income in inventory.

(Note1) Valuation of fish in the ponds is calculated every quarter based on IFRS and allocated in operating profit.

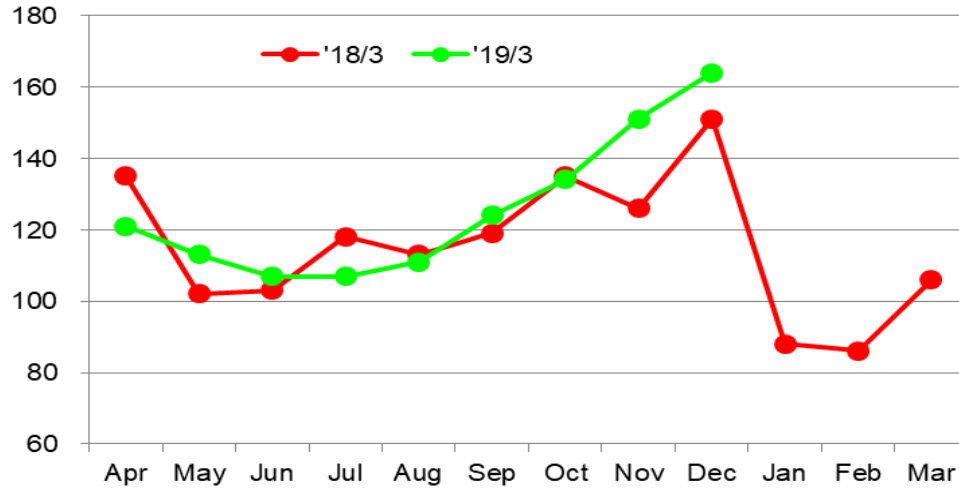
(Note2) Adjustment of unrealized income in inventory including in the inventory of Salmon/Trout business in South America



◆ Part of the major species have been decreased in income continuously but started on recovery trend

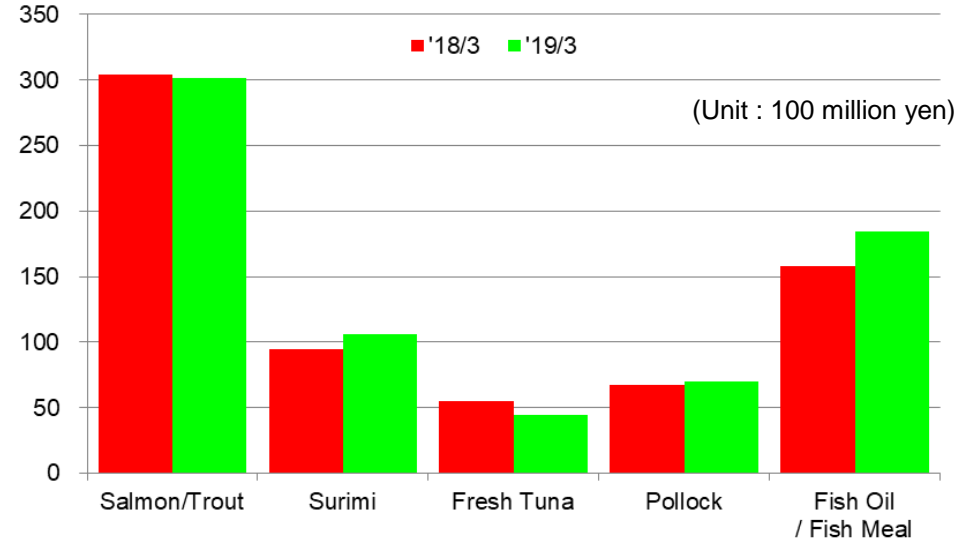
<Net Sales (Monthly)>

(Unit : 100 million yen)



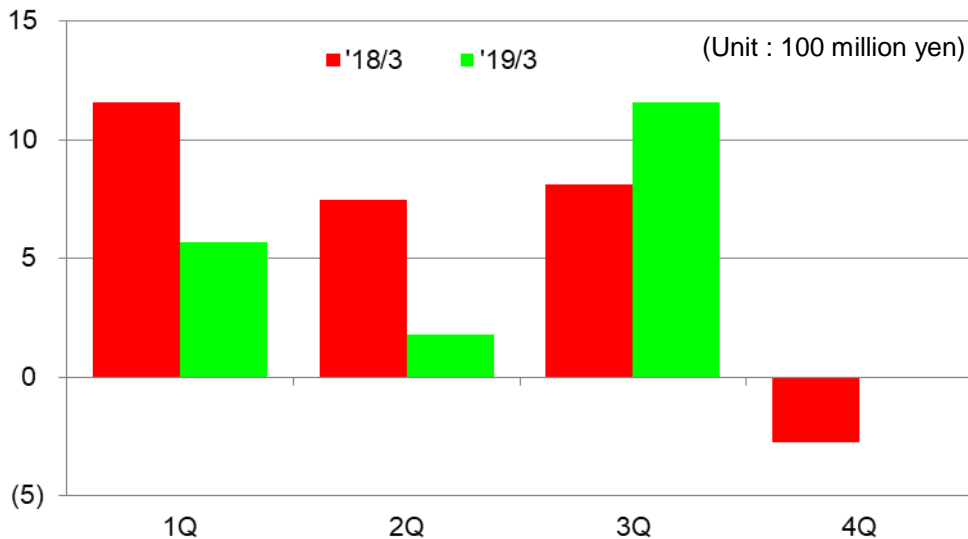
<Sales by Main Species (Y-on-Y)>

(Unit : 100 million yen)

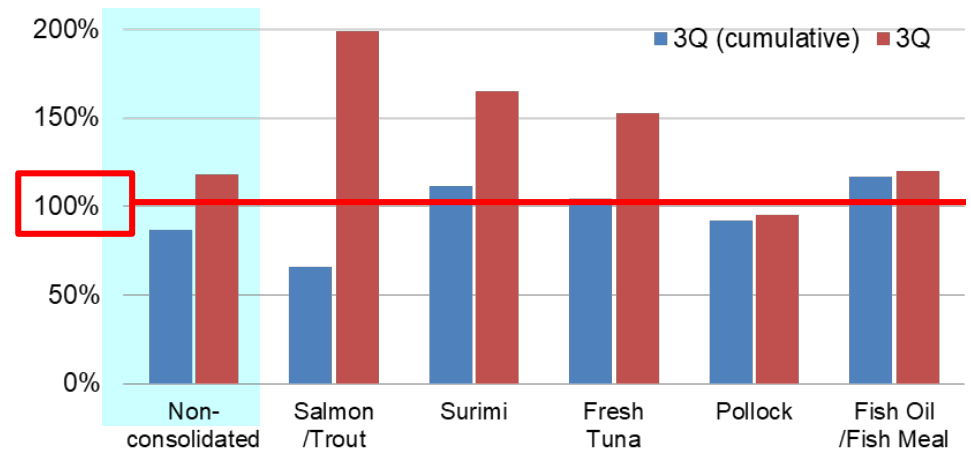


<Operating Profit (Quarterly)>

(Unit : 100 million yen)



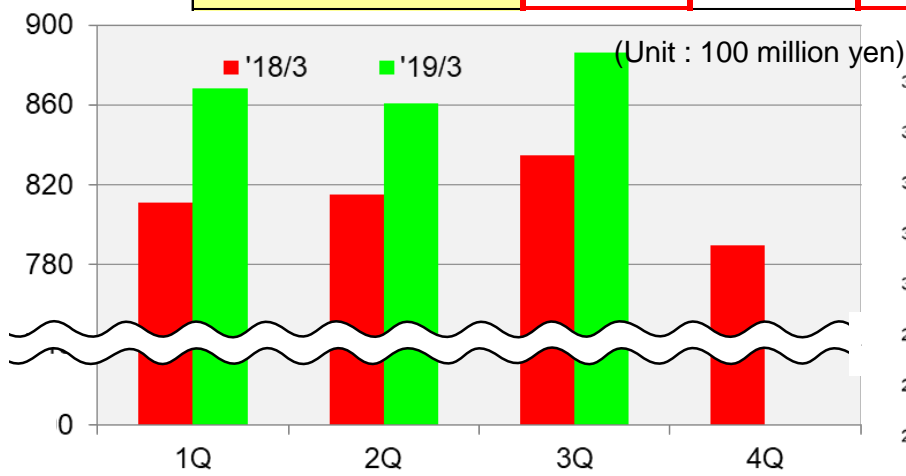
<Progress of Marginal profit ratio by main species (Y-on-Y)>



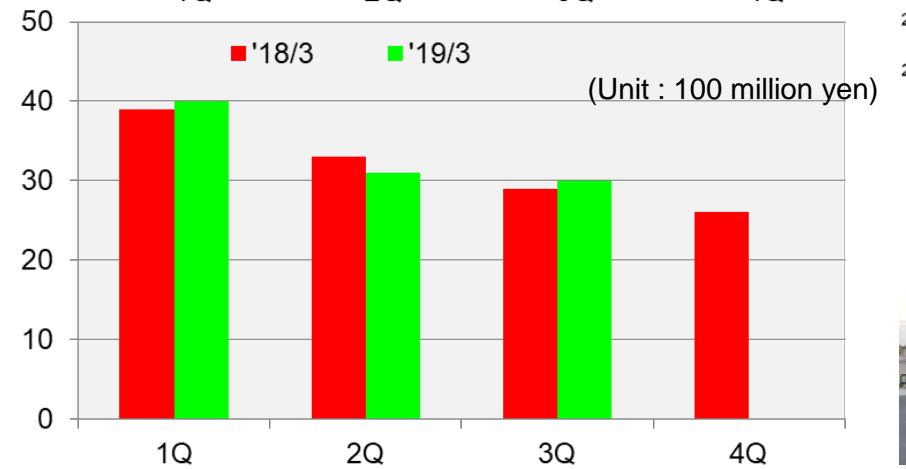
◆ Increase in income in North American and Chilled Business. Effect of increase in raw material and distribution cost has started to come out.

(Unit : 100 million yen)	Result of 3Q of FY2018	Result of 3Q of FY2017	Increase/Decrease		Annual plan for FY2018	Progress rate (%)
			(Amount)	(%)		
Net Sales	2,616	2,462	154	106.3	3,382	77.4
Operating Profit	103	102	0	100.4	124	83.4

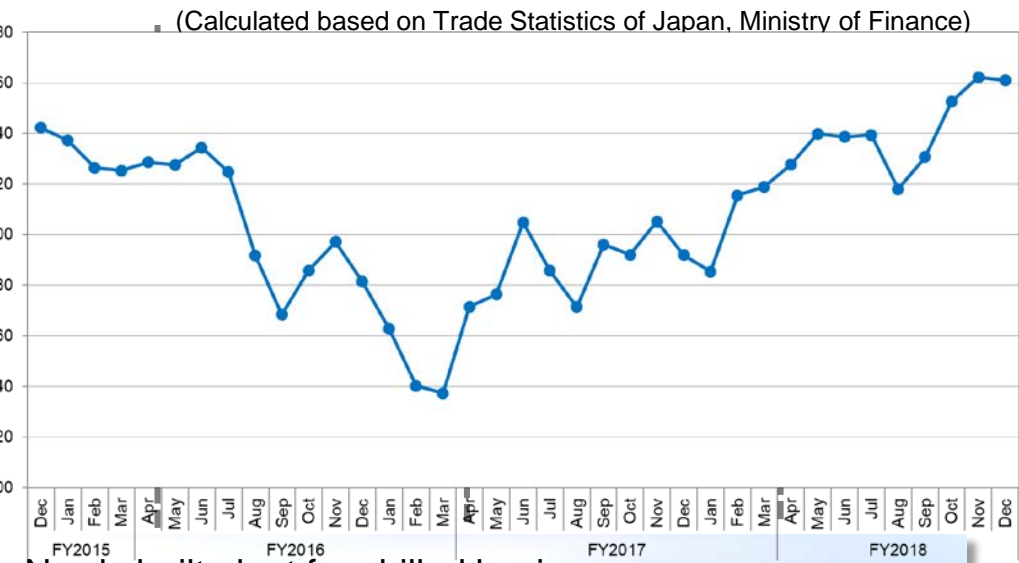
Net Sales



Operating Profit



<Transition of Import price of frozen surimi>



<Newly built plant for chilled business>
Started operating from January 2019



Food Products Business

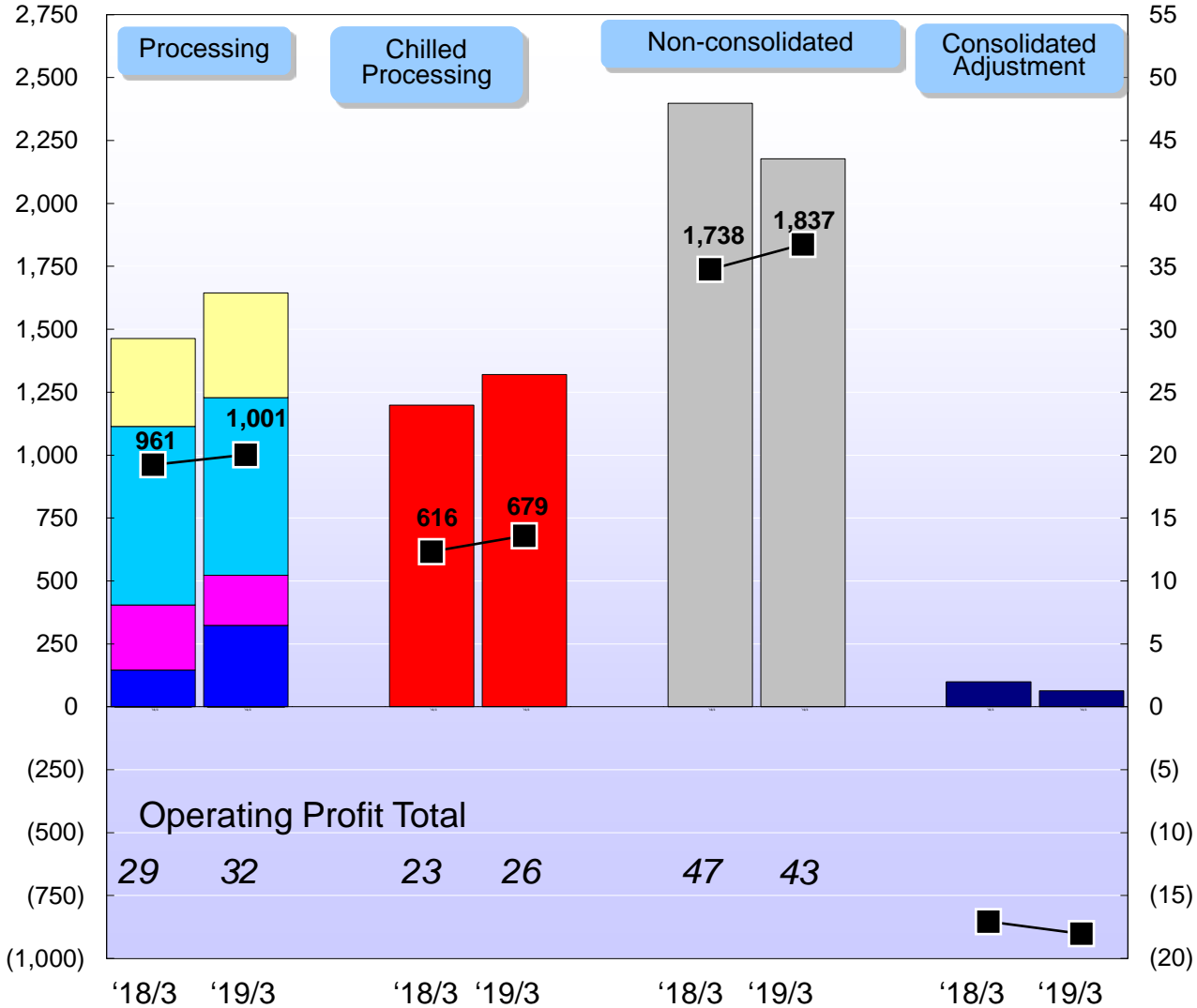
Net Sales & Operating Profit (Y-on-Y)



Net Sales (Line chart)

(Unit : 100 million yen)

Operating Profit (Bar chart)



Major Causes of fluctuation

<Processing> (Increase in revenue but decrease in income)

- North America
Income increased thanks to the cost reduction in Frozen Food for retail business.
- Europe
Production system for market expansion progressed and revenue increased significantly in chilled food products, but income stayed almost the same as previous year due to increase in raw material cost.
- Japan
Despite strong business in frozen food business mainly in cooked rice and vegetable category, but income decreased due to increase in raw material cost such as surimi

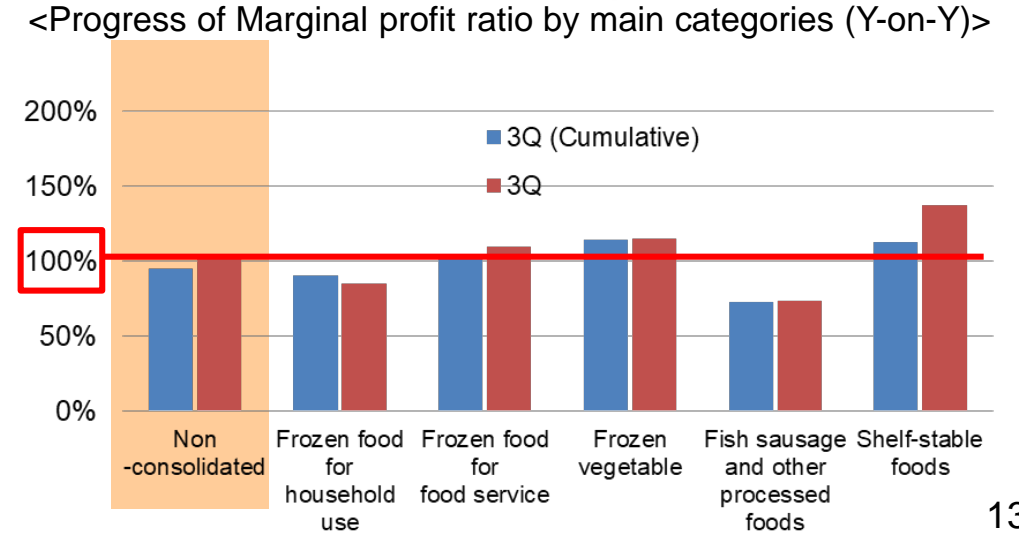
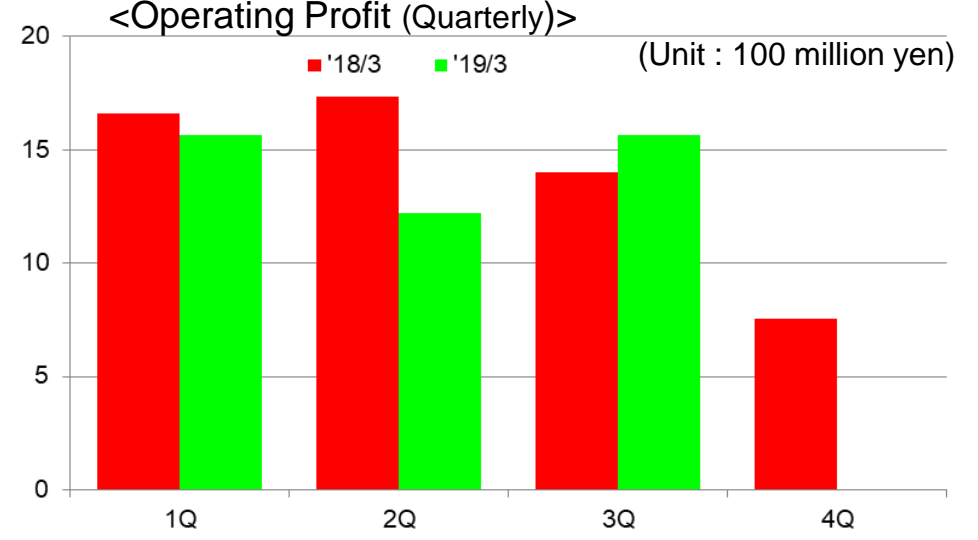
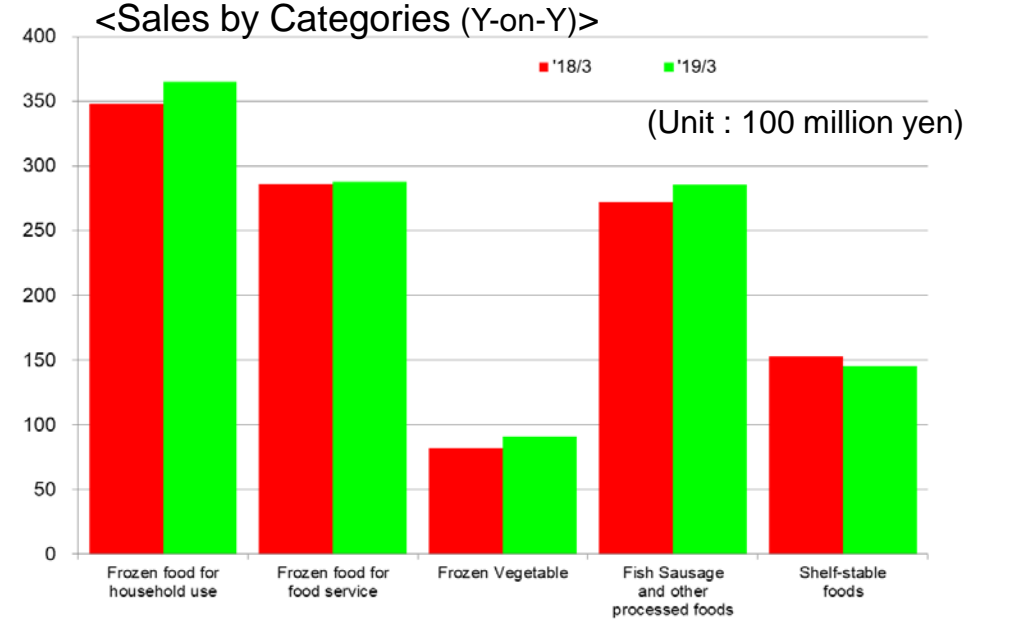
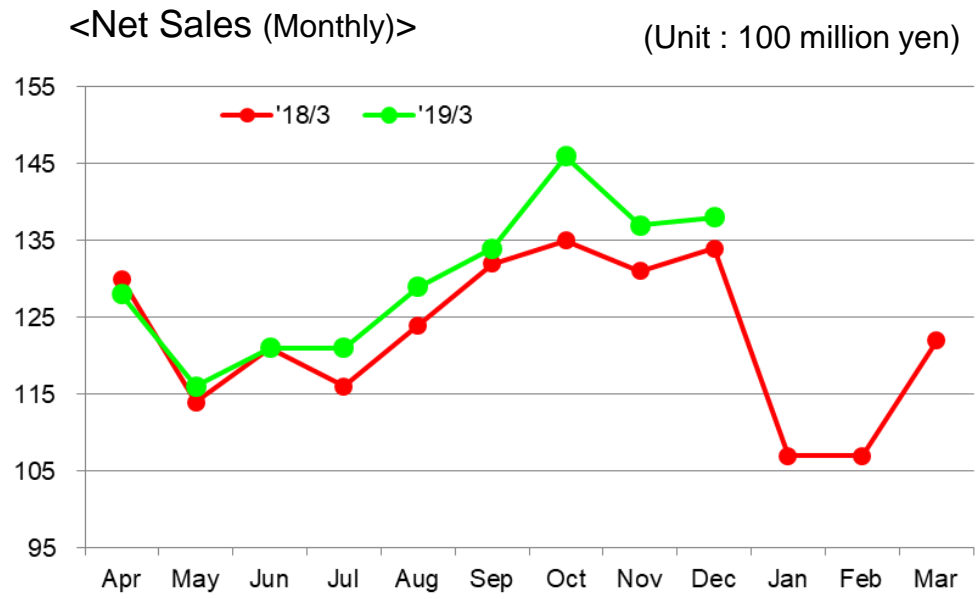
<Chilled Processing> (Increase in both revenue and income)

In addition to increase in the number of stores caused by convenience store industry reform, sales of rice and noodle categories increased.

➤ The Italic figures in the lower part of this chart show the accumulation of the bar (Operating Profit)



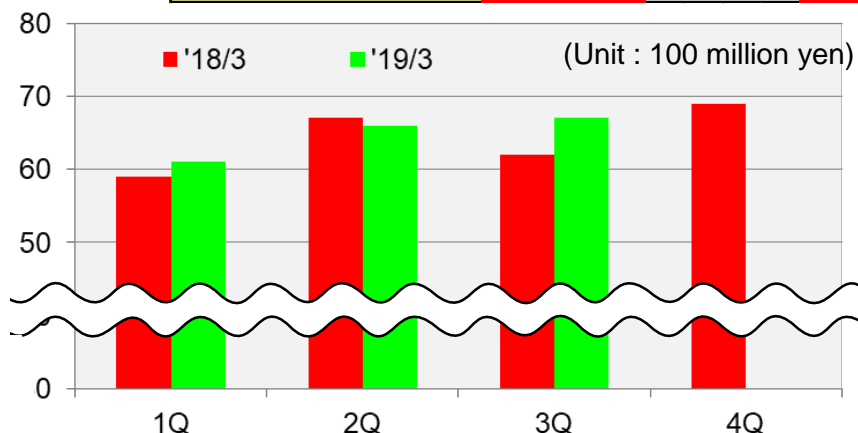
◆ Revenue increased in all the business categories, but the effect of increase in raw material including surimi and rice has started to come out.



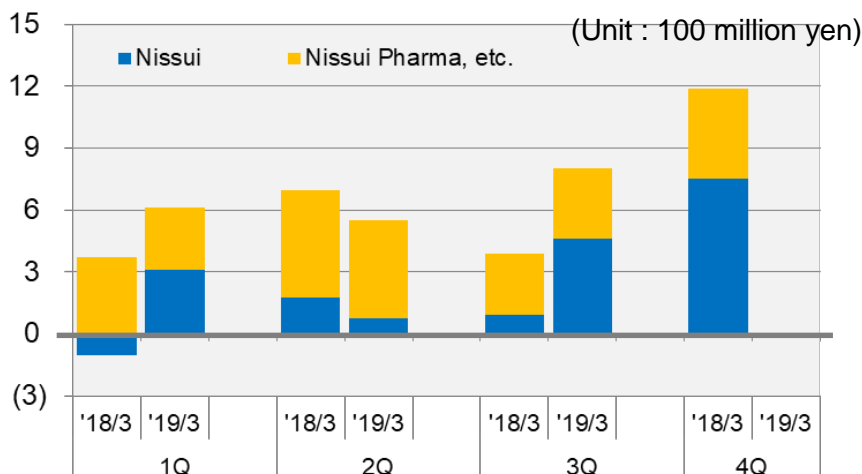
◆ Income increased thanks to the growing functional material business in Japan and overseas as well as reduction of advertising expense.

(Unit : 100 million yen)	Result of 3Q of FY2018	Result of 3Q of FY2017	Increase/Decrease		Annual plan for FY2018	Progress rate (%)
			(Amount)	(%)		
Net Sales	195	189	6	103.4	265	74.0
Operating Profit	19	13	6	144.7	29	67.7

Net Sales



Operating Profit



Major Causes of fluctuation

<Non-consolidated>

- Functional raw material :
Sales volume increased in both Japan and overseas
- Functional food :
Reduction in advertising expenses in on-line sales

<Group Companies>

- Income decreased due to the review of business structure (sale of cosmetic business) while good sales in overseas.



NEW!!

Drink containing DHA which support to maintain memory



<Product development of EPA/DHA>

Existing main products



RENEWAL!!

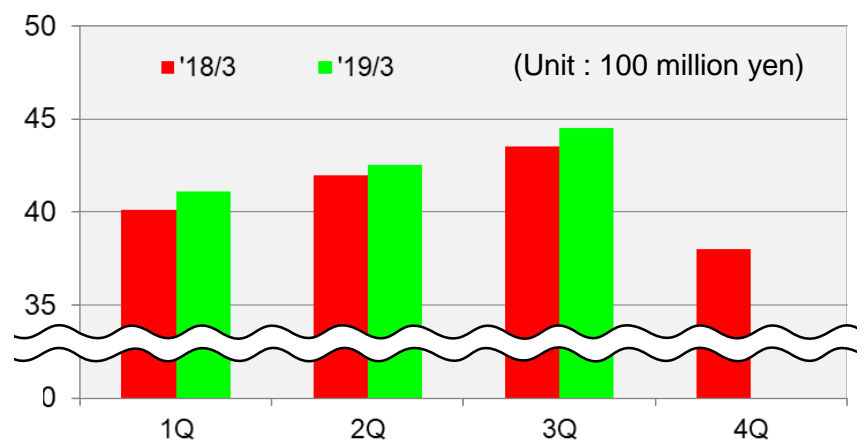
Support sport-loving people with EPA



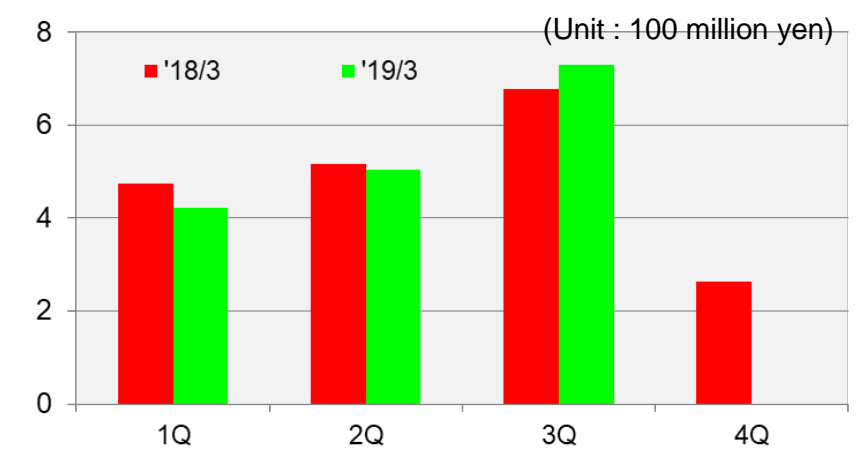
◆ Revenue increased thanks to the resumption of Heiwajima Cold Storage.

(Unit : 100 million yen)	Result of 3Q of FY2018	Result of 3Q of FY2017	Increase/Decrease		Annual plan for FY2018	Progress rate (%)
			(Amount)	(%)		
Net Sales	128	125	2	102.1	166	77.2
Operating Profit	16	16	(0)	99.3	19	87.2

Net Sales



Operating Profit



Major Causes of fluctuation

- Increase in revenue thanks to the resumption of Heiwajima Cold Storage.
- Labor and electricity cost increased.

<Heiwajima Logistics Center, Nissui Logistics>
Resumed in March



◆ Everything is going smoothly according to the annual plan, but serious business environment will be expected including increase in material price.

(Unit : 100 million yen)	Plan for FY2018 (Released on Nov. 5)	Result of FY2017	Increase/Decrease		Main Causes of fluctuations
			Amount	(%)	
Net Sales	7,065	6,772	292	104.3	
Operating Profit	220	232	(12)	94.7	
Ordinary Profit	235	245	(10)	95.6	
(Extraordinary income/loss)	(8)	15	(23)		Gain on sales of investment securities (43)
Profit attributable to owners of parent	160	172	(12)	92.8	

Marine
Product
Business

Aquaculture in South America

- Effect of Juvenile death has been normalized since July 2018.
- Increase production volume by expanding farming site.

Domestic Aquaculture

- Keep on improving productivity and differentiation

“Evolution & Expansion”

Further breed control

Increase on-site processing ratio

Brand new measures

Highly fresh Vannamei shrimp, possible to be distributed fresh

Black skipjack

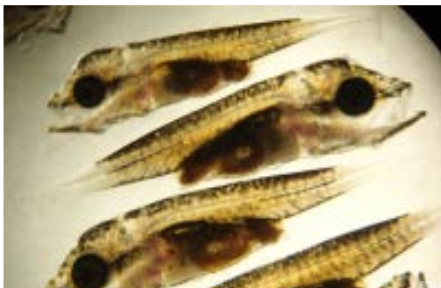


Suitable for sashimi and sushi, high fat content by fast farming

Breed of buri yellowtail

Coho

Tuna



Multi-egg-collection

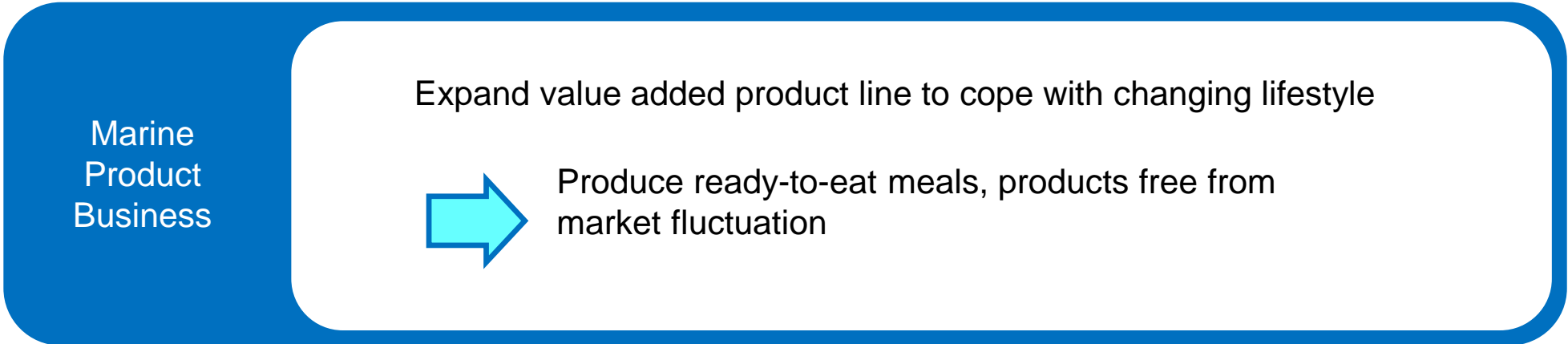
Selective breeding

(Egg-collection center, completed in November 2018)

- More convenient and tasty
- Profitability free from market fluctuation

Securing stable farming period

Reduction of farming cost



New products featuring taste of fish



Naturally thawing grilled Sawara, Spanish mackerel, with Saikyo miso



Pan-fried seasoned shrimp with vegetable

New products combining seafood & vegetable

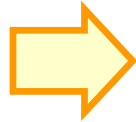


Marinated Trout/Salmon in lemon sauce



Food Product Business

Cover the effect of increasing raw material costs with sales & production



- Improve profitability by capital investment (automation/increase production)
- Improve profitability by mark-up

Frozen Vegetable



Production enhancement by *Edamame* new plant

Chilled Business



日本クツカリ株式会社
Start production in January 2019

Cope with expanding demand by enhance production capacity & increase efficiency by labor saving

Frozen Processed Food



株式会社 八子カン

Cope with consumer demand by expanding product line such as “*Maze-gohan*”, cooked rice with seasoned ingredients

Overseas



Expand product categories including processed shrimp as well as whitefish by building new plant

Price revision to some products is scheduled due to the increasing raw material cost because of strong demand in the world, in addition to labor cost.

<Items concerned>

For retail	Fish sausages and other processed foods
For food service	Fried squid, Deep fried fish, Croquette

<Timing>

From the delivery on March 1, 2019



Food Product Business

Concept of new products:

- Dining table supporters enriching dietary life with sharpened and differentiated products
- Develop products coping with easy and convenient deli needs : “Diversified lifestyle”, “Health conscious” and “Declining fish-eating”

Changing life style

Fuss-free products

Health appeal

Targeting women

Fish easy-to-prepare

Easy and tasty seafood products

Tinned domestic caught oil sardine



Microwavable authentic Chinese



Rice ball with fiber-rich Glutinous wheat



Serving suggestion : Sardine Ajillo

Fine Chemicals Business

Overseas:

- Demand for EPA is expected to rise as validity of highly purified EPA against circulatory disease is confirmed by REDUCE-IT
- Coping with mandatory addition of DHA to infant formula in Europe

Domestic:

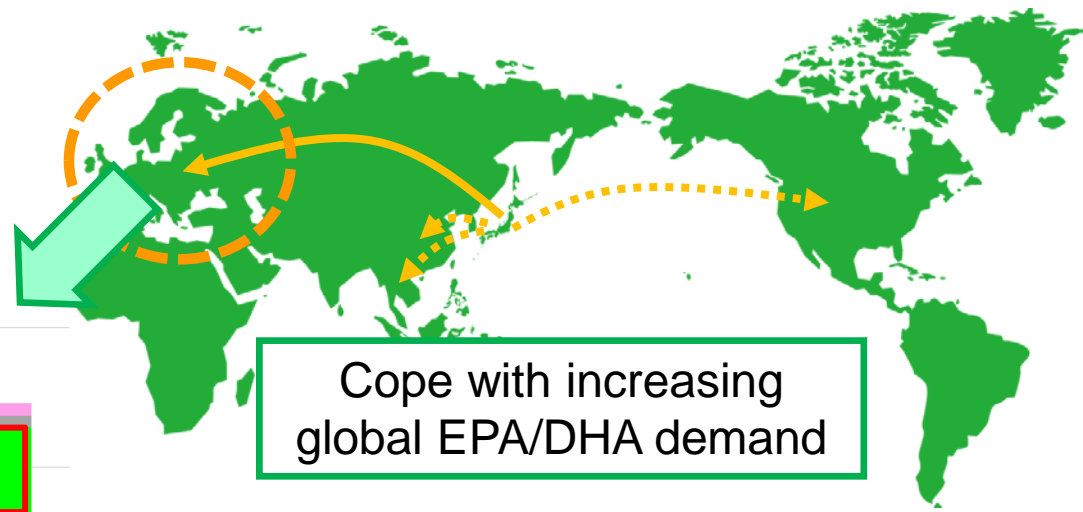
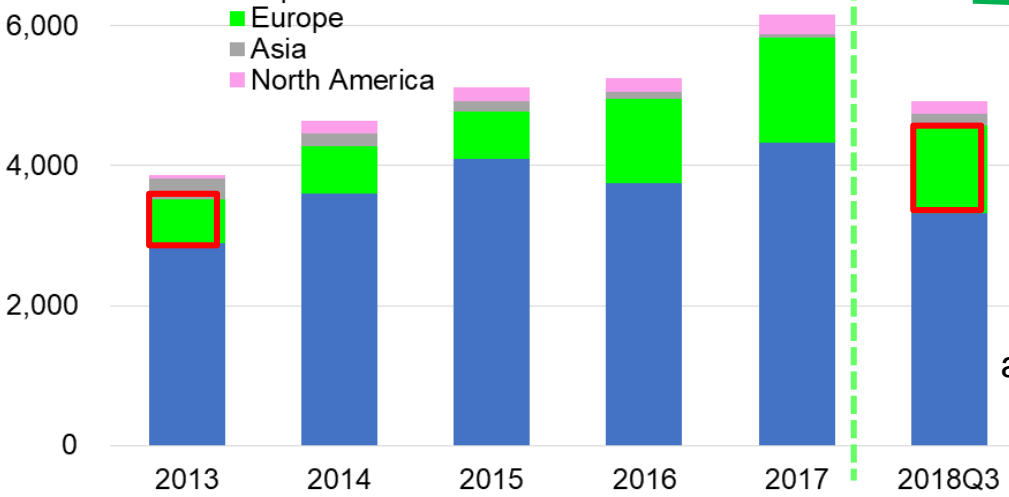
- Coping with escalating demand for health

Sales scale in Europe in 2018 is **doubled** in 5 years

(Unit : million yen)

Functional Oil Sales trend by area

- Japan
- Europe
- Asia
- North America



<p>Europe</p> <p>Mandatory addition of DHA to infant formula by new regulation</p>	<p>Asia</p> <p>New development by highly purified EPA clinical test</p>	<p>USA</p> <p>Market expansion by the result of REDUCE-IT</p>
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Forest preservation activity to protect wellhead and sea started (In a National park in Tottori prefecture)

船上山



CSR

October



Background :
Objective of the effort

The Nissui Group sets up the goal to preserve the bounty of the sea and promote the sustainable utilization and procurement of marine resources.

This is a part of activities to achieve the goal.



Start delivering Black skipjack

Black skipjack : Eastern little tuna with high fat contents similar to Otoro and Chutoro of Tuna



Marine Products Business

November



Marine Products Business

“Senjyouzan Egg Collection Center for Coho Salmon” started operation.



Release “Sustainability Report 2018” running a article about CSR activities



CSR December



January

Food Products Business

New products release event for spring and summer



Mackerel seasoned with sweet cooking rice wine



Steamed meat dumpling for food service



Recent major events (overseas)

Start investing in headquarter plant for productivity increase



Automation and wide variety in small quantity



(Image)

Food Products Business



The shrimp processing company of which Cite Marine holds 31% share started to operate new plant.



Food Products Business



Various CSR activities at overseas affiliates



(USA)



Preservation activity of near threatened species "Piping Plover"



(Thailand)



NISSUI(THAILAND)Co.,Ltd.



Making dam with natural materials



◆ Revenue increased but income decreased year-on-year.

(Unit : 100 million yen)

	Result of 3Q of FY2018	Result of 3Q of FY2017	Increase /Decrease	Main Causes of fluctuations
Net Sale	5,432	5,120	311	
Gross Profit	1,094	1,089	4	
SGA Expenses	895	885	9	
Operating Profit	198	204	(5)	
Non-operating profit	43	23	20	Share of profit of entities accounted for using equity method 15
Non-operating expenses	14	15	(1)	
Ordinary Profit	228	211	16	
Extraordinary Profit	5	50	(45)	Gain on sales of investment securities (41)
Extraordinary expenses	3	13	(10)	Loss on disaster (6)
Income before income taxes	230	248	(18)	
Income taxes-current	46	74	(28)	
Income taxes-deferred	24	3	20	
Profit	159	170	(11)	
Profit attributable to non-controlling interest	6	6	0	
Profit attributable to owners of parent	152	163	(11)	

(Note) Since we have changed the way of converting to Yen from using spot exchange rate as of accounting closing date to average exchange rate during the period regarding income and cost of overseas subsidiaries, comparison between current fiscal year and previous year is conducted by using figures recalculated retrospectively.

◆ Despite major effect due to US\$ exchange rate, increase a little as a whole.

Exchange rate among overseas subsidiaries	3Q of FY2018		3Q of FY2017		Increase/Decrease (Y-on-Y)		Breakdown (Unit : 100 million yen)	
	Local Currency	JPY (100 million yen)	Local Currency	JPY (100 million yen)	Local Currency	JPY (100 million yen)	Local Currency	Impact of exchange rate
USD(Million Dollar)	815	893	876	981	(60)	(87)	(68)	(19)
EUR(Million Euro)	193	252	172	215	21	37	26	10
DKK(Million Krone)	2,385	418	2,174	366	211	51	35	15
Other Currency	—	179	—	145	—	33	31	2
Total		1,744		1,708		35	25	10

<Ref: Exchange rate>

	3Q of FY2018	3Q of FY2017	Variation
USD	109.63	111.81	(2.0)%
EUR	130.62	125.24	4.3%
DKK	17.53	16.84	4.1%

◆ Revenue increased in Japan and Europe.

(Unit : 100 million yen)

	Japan		North America		South America		Asia		Europe		Sub Total		Consolidated Adjustment		Grand Total	
Marine Products	1,890	50	339	(22)	146	(42)	58	(2)	418	51	2,853	36	(620)	26	2,233	63
	1,839		361		188		61		366		2,817		(647)		2,170	
Food Products	2,783	162	405	(15)			55	7	315	59	3,560	212	(943)	(58)	2,616	154
	2,621		421				48		255		3,347		(885)		2,462	
Fine Chemicals	213	7					3	(0)			217	7	(21)	(0)	195	6
	206						3				209		(20)		189	
General Distribution	242	13									242	13	(114)	(10)	128	2
	229										229		(103)		125	
Others	322	3					1	(0)			323	3	(64)	82	258	85
	318						1				320		(147)		172	
Sub Total	5,452	236	744	(38)	146	(42)	118	4	733	111	7,196	272				
	5,215		782		188		114		622		6,924					
Consolidated Adjustment	(1,468)	0	(112)	(0)	(89)	37	(82)	(1)	(11)	2			(1,763)	39		
	(1,468)		(112)		(126)		(81)		(13)				(1,803)			
Grand Total	3,984	237	632	(38)	57	(4)	35	3	722	113					5,432	311
	3,746		670		61		32		608						5,120	

(Note:1)

- The upper columns indicate the result of 3Q of FY2018 and the lower columns indicate that of FY2017. The Italic and bold figures mean increase/decrease.
- Consolidated adjustment include elimination between the group companies.
- The breakdown of the increase in sales (Y-on-Y)(Note: 1) :
 - + 23.6 billion yen (Increase in Japan)
 - + 35.0 billion yen (Increase among overseas group companies. See Page 26.)
 - + 39.0 billion yen (Consolidated adjustment)

◆ Income decreased in South America.

(Unit : 100 million yen)

	Japan	North America	South America	Asia	Europe	Common Costs	Sub Total	Consolidated Adjustment	Grand Total	Ratio of Operating Profit to Net Sales
Marine Products	34 (3)	20 8	19 (38)	0 (0)	11 2		85 (30)	11 17	97 (13)	4.4 (0.7)
	38	11	57	0	8		116	(5)	110	5.1
Food Products	71 (2)	10 2		6 2	13 (0)		102 1	1 (1)	103 0	4.0 (0.2)
	73	8		4	13		100	2	102	4.2
Fine Chemicals	18 6			0 (0)			19 6	0 (0)	19 6	10.0 2.9
	12			0			13	0	13	7.2
General Distribution	16 0						16 0	0 (0)	16 (0)	12.9 (0.4)
	16						16	0	16	13.3
Others	8 (4)			0 (0)			8 (4)	(0) 4	8 (0)	3.4 (2.0)
	13			0			13	(4)	9	5.3
Common Costs						(47) 2	(47) 2	0 (0)	(46) 2	
						(49)	(49)	0	(49)	
Sub Total	150 (4)	30 10	19 (38)	7 1	24 2	(47) 2	186 (25)			
	154	19	57	6	22	(49)	211			
Consolidated Adjustment	2 3	2 1	8 14	(0) (1)	(0) 1	(0) (0)		12 20		
	(1)	0	(5)	0	(1)	0		(7)		
Grand Total	152 (0)	33 12	28 (23)	7 0	24 3	(47) 2			198 (5)	3.7 (0.3)
	153	20	51	7	20	(49)			204	4.0

• The upper columns indicate the result of 3Q of FY2018 and the lower columns indicate that of FY2017.

The Italic and bold figures mean increase/decrease.

• Consolidated adjustment includes amortization of goodwill and unrealized income in inventory.

• In order to understand segments results in more appropriate manner, criteria of distribution of SGA expenses has been reviewed from the first quarter of the consolidated fiscal year.

Disclaimer regarding forward-looking statements



This presentation contains forward-looking statements regarding Nissui's business projections for the current term and future terms. All forward-looking statements are based on rational judgment of management derived from the information currently available to it, and the Company provides no assurances that these projections will be achieved.

Please be advised that the actual business performance may differ from these business projections due to changes of various factors. Significant factors which may affect the actual business performance includes but are not limited to the changes in the market economy and product demand, foreign exchange rate fluctuations, and amendments to various international and Japanese systems and laws.

Accordingly, please use the information contained in this presentation at your own discretion. The Company assumes no liability for any losses that may arise as a result through use of this presentation.

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