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Notice Concerning “Mid-Term Business Plan “MVIP + (Plus) 2020””

Nippon Suisan Kaisha, Ltd. (“Nissui”) hereby announces that it has formulated a new Mid-Term Business Plan for the three-year period ending in fiscal 2020.

In the previous Mid-Term Business Plan, “MVIP 2017,” which was launched in FY2015, Nissui has aimed to be a “manufacturer with unique technological capability which can differentiate in response to environmental changes.” Therefore, Nissui has addressed 4 measures; 1. invest positively for the growth, 2. reinforce the capability for marine resource access, 3. provide health-functional high-value-added products; and 4. expand its business into overseas market.

In addition, Nissui has promoted management based on CSR and contributed widely to the society, as well as increased the corporate value, which has resulted in achieving all of the KPI set out in the “MVIP 2017.”

In line with this trend of “MVIP 2017,” Nissui has formulated a new Mid-Term Business Plan “MVIP + (Plus) 2020,” which adds “new value” to achieve sustainable growth and further increase in corporate value.

<New Mid-Term Business Plan "MVIP + (Plus) 2020">

1. Basic Concepts

In 2016, Nissui established the “CSR Action Declaration” to realize our basic management policy: “Nissui will champion the sustainable utilization of marine resources and the preservation of the earth environment and continue to create diverse values from resources including marine resources, thus helping individual consumers across the world to maintain a fit and healthy lifestyle, as well as contributing to a bright future.”

Based on this policy and declaration, the New Mid-Term Business Plan leads Nissui into utilizing unique technologies to deliver health from sustainable marine resources to people around the world.

“Basic Concepts of the Mid-Term Business Plan”

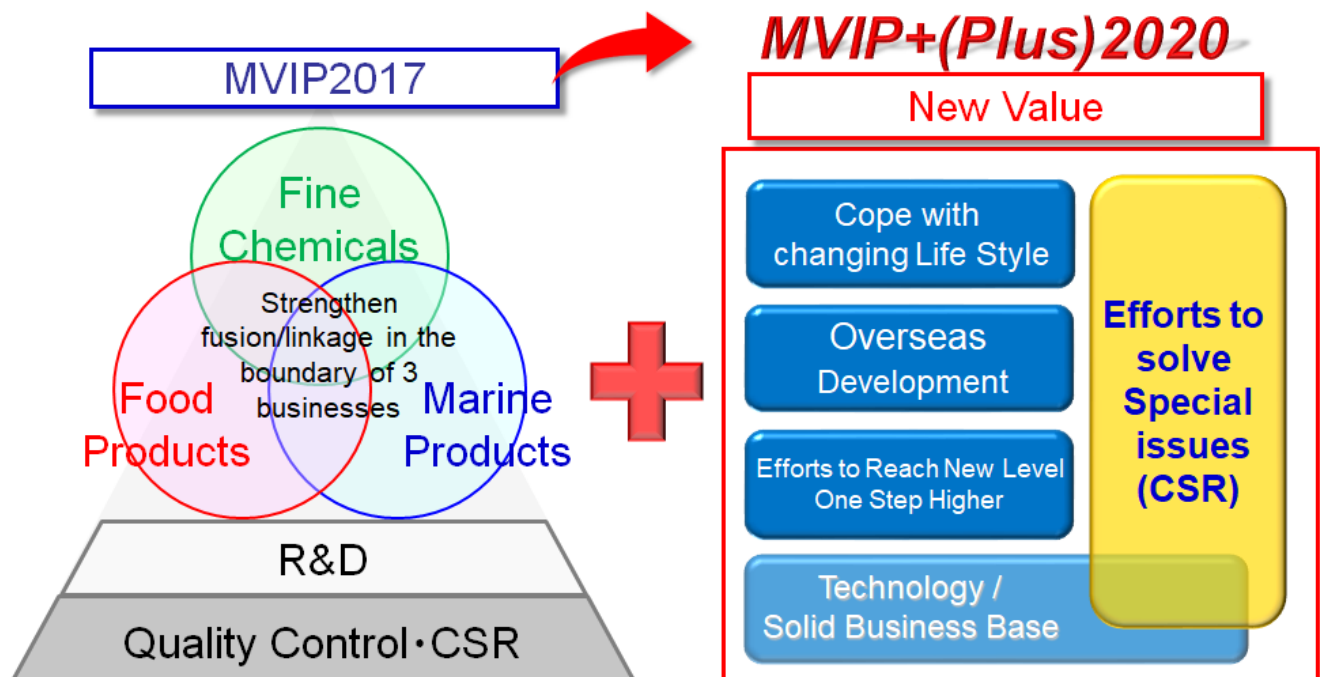
Aiming to become a manufacturer that creates value by leveraging unique technologies

~ Helping people across the world stay healthy through the utilization of sustainable marine resources ~

2. Key Strategies

Under the New Mid-Term Business Plan “MVIP + (Plus) 2020,” Nissui will strive to increase our corporate value by strengthening our efforts to address social issues through our business activities.

1. Promoting Sustainable Utilization and Procurement of Marine Resources
 - Nissui will grasp the status of marine resources handled by the Nissui Group and provide appropriate information on how it is responding to them, including consideration for their sustainability.
 - In procuring raw materials and products, Nissui will work with suppliers to promote “CSR Procurement” in consideration of respect for human rights.
2. Consider reducing animal and plant residue, and extending the best-before date with the aim of maximizing the utilization of resources and minimizing food product losses
3. Expand pharmaceutical raw materials and foods that contribute to health by utilizing the functions of marine resources and other materials
4. Structural shifts to businesses that respond to changing lifestyles
 - As the social environment changes, not only in Japan but also in Europe and the United States, food requirements are changing. In addition to expanding the range of delicious and fresh products that meet the needs of convenience and ready-to-eat foods, Nissui will also strengthen and reorganize these processing and production functions.
5. Accelerating overseas operations
 - Expanding further in Europe and focusing on Asia in terms of marine products and food businesses
 - Overseas expansion of pharmaceutical raw materials
6. Further strengthening R&D, leading to sustainability of marine resources
 - Overseas expansion of aquaculture business and taking on a challenge to develop new fish species
 - Research on novel functional lipids
7. Promoting health management through work style reform, health promotion support measures, etc.
8. Enhancing corporate governance



3. Investment and Finance Strategies

1) **Investment Strategy:** Nissui will direct its efforts to achieve sustainable growth by reinforcing capital investments in growth businesses both in Japan and overseas.

Marine Products Business	23 billion yen
Food Products Business	36 billion yen
Fine Chemicals Business	6 billion yen
General Distribution / Marine Business, etc.	15 billion yen
M&A, etc.	10 billion yen
Total Investment	90 billion yen

Depreciation	57 billion yen
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2) Finance Strategy: Toward the Financial Strength Which Enable to Respond to Business Risks

In order to support sustainable growth from a financial perspective, Nissui will 1. strengthen profitability, 2. manage operations with high investment efficiency, and 3. stabilize its management by improving adequacy of equity capital. In addition, Nissui will further reinforce the investment management including group companies based on ROA.

Cash flow	Create 120 billion yen by utilizing Operating Cash flow and cash and deposit
Investment in growing field (Including M&A)	90 billion yen / 3 years, mainly for growth driver Expect 10 billion yen for M&A, etc.
Capital adequacy□	• Strengthen equity capital up to 200 billion yen to increase risk corresponding force
Shareholder return	More than 30 % from consolidated dividend ratio is future target, while 15-20 % is aimed during MVIP2020+ (Plus)

4. Figures to reach for in the Mid-Term Business Plan MVIP + (Plus) 2020 (KPI)

	Annual plan for FY2020	Actual results for FY2017	Increase /Decrease rate
Net Sales	756 billion yen	683 billion yen	111%
Operating Profit	29 billion yen	23.4 billion yen	123%
Ordinary Profit	32 billion yen	24.8 billion yen	129%
Net profit	22 billion yen	17.3 billion yen	127%
ROA	4.5%	4.0%	
(Reference) ROE	12.0%	13.4%	

* Exchange rate: USD = 110 yen, EUR = 135 yen

※ROA = {Net income + Interest expense * (1 - effective tax rate)} / {(Total asset in the end of the previous fiscal year + Total asset in the end of this fiscal year) / 2}

(Precautions 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.

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