

## Summary of Financial Statements for the Year ended March 31, 2018 (April 1, 2017 through March 31, 2018)

Qualification: This is directly translated into English for the convenience of readers, and all financial results conform with the accounting principles generally accepted in Japan

Company: **Nippon Suisan Kaisha, Ltd.** Listed on Tokyo Stock Exchange with the register code 1332<http://www.nissui.co.jp/english/index.html>**1. Consolidated Financial Data for Fiscal Year ended March 31, 2018****(1) Consolidated Financial Results**

(Amounts less than one million yen are omitted)

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>FY ended March 31, 2018</b>	<b>683,008</b>	<b>7.4</b>	<b>23,489</b>	<b>3.7</b>	<b>24,840</b>	<b>(0.2)</b>	<b>17,334</b>	<b>21.9</b>
FY ended March 31, 2017	635,953	(0.2)	22,646	16.5	24,884	20.2	14,216	15.5

Note : Each percentage figure shows changes from the previous year

Comprehensive income March 31, 2018 19,512 Million yen(29.6%) March 31, 2017 15,052 Million yen(149.6%)

	Earnings per share	Diluted income per share	Profit attributable to owners of parent / Total shareholders equity	Ordinary Profit / Total assets	Operating Profit / Net sales
	Yen	Yen	%	%	%
<b>FY ended March 31, 2018</b>	<b>55.65</b>	-	<b>13.4</b>	<b>5.3</b>	<b>3.4</b>
FY ended March 31, 2017	48.02	-	13.2	5.5	3.6

Note : Share of profit on entities accounted for using equity method

March 31, 2018

1,329 Million yen

March 31, 2017

2,965 Million yen

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
<b>As of March 31, 2018</b>	<b>484,622</b>	<b>157,106</b>	<b>28.4</b>	<b>442.13</b>
As of March 31, 2017	451,876	141,205	26.8	388.38

Note : Total shareholders' equity

March, 31, 2018

137,714 Million yen

March 31, 2017

120,973 Million yen

**(3) Consolidated Cash-Flow**

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of fiscal year
	Million yen	Million yen	Million yen	Million yen
<b>FY ended March 31, 2018</b>	<b>28,504</b>	<b>(21,742)</b>	<b>(7,950)</b>	<b>24,318</b>
FY ended March 31, 2017	30,179	(7,445)	(11,517)	25,181

**2. Dividend**

	Dividend per share					Total dividend	Payout ratio	Dividend / Net assets
	1Q	2Q	3Q	Final	Annual		(Consolidated)	(Consolidated)
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY ended March 31, 2017	-	2.50		3.50	6.00	1,869	12.5	1.6
<b>FY ended March 31, 2018</b>	-	<b>4.00</b>		<b>4.00</b>	<b>8.00</b>	<b>2,492</b>	<b>14.4</b>	<b>1.9</b>
FY ending March 31, 2019(forecast)	-	4.00		4.00	8.00		<b>15.6</b>	

**3. Forecast for the Year ending March 31, 2019, Consolidated**

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
<b>FY2018</b>	<b>698,000</b>	<b>2.2</b>	<b>22,000</b>	<b>(6.3)</b>	<b>23,500</b>	<b>(5.4)</b>	<b>16,000</b>	<b>(7.7)</b>	<b>51.37</b>

**Note:**

1) Changes in scope of consolidation due to transfer of significant subsidiaries during the term: None

2) Changes in accounting policy, changes in accounting estimate, and restatement:

i) Changes in accounting policy associated with the revision of the accounting standard, etc : None

ii) Changes in accounting policy other than those stated above: None

iii) Changes in accounting estimate : None

iv) Restatement : None

3) Number of issued shares (Common stock)

i) Number of issued shares at the end of the term (Including treasury stock)

ii) Number of treasury stock at the end of the term

iii) Average number of shares during the term

FY2017	312,430,277	FY2016	312,430,277
FY2017	948,795	FY2016	945,671
FY2017	311,481,273	FY2016	296,031,140

**1. Non-consolidated Financial Data for Fiscal Year ended March 31, 2018****( 1 ) Non-consolidated Financial Results**

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>FY ended March 31, 2018</b>	<b>379,515</b>	<b>5.0</b>	<b>2,409</b>	<b>(59.5)</b>	<b>6,557</b>	<b>(39.5)</b>	<b>7,977</b>	<b>0.7</b>
FY ended March 31, 2017	361,344	1.0	5,942	14.5	10,841	26.4	7,924	11.3

Note : Each percentage figure shows changes from the previous year

	Earnings per share□	Diluted income per share
	Yen	Yen
<b>FY ended March 31, 2018</b>	<b>25.60</b>	-
FY ended March 31, 2017	26.76	-

**( 2 ) Non-consolidated Financial Position**

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
<b>As of March 31, 2018</b>	<b>320,034</b>	<b>87,897</b>	<b>27.5</b>	<b>282.08</b>
As of March 31, 2017	301,609	81,709	27.1	262.21

Note : Total shareholders' equity      March 31, 2017      87,897      Million yen      March 31, 2016      81,709      Million yen

\* The summary of financial results is not subject to audits

\* Explanation on the proper use of the forecasts

- The above forecast is based on the information available at the issuing date of this report. Accordingly, the final results may change due to various factors. For matters pertaining to the forecasts, please refer to 1. Financial Results (1) Analysis of Financial Results [Full-year Forecast] on Page 4.
- Supplemental Documents for the FY2017 was disclosed on the TD-net (Timely Disclosure network) on the same day.

# 1. Qualitative information for the fiscal year ended March 31, 2018

## (1) Explanation on consolidated financial results

[Consolidated Results for the year ended March 31, 2018]

The Japanese economy showed a gradual recovery trend with improvement in corporate earnings and employment during the period subject to consolidated accounting under review. While future of foreign economy and financial and capital market was unclear, consumer spending continued making a mild recovery.

In terms of the global economy during the period subject to consolidated accounting from January to December, the U.S. showed strong recovery in economy as consumer spending is increasing due to stable employment and income environment and Europe showed continuing signs of moderate economic improvement such as decrease in unemployment rate and increase of consumer spending. In Asia, Chinese economy was underpinned by government policy effect.

The Company and its group companies showed a continuing strong performance in Salmon/Trout farming business in the Marine Products business but sign of changes including a rise of raw materials and distribution cost in the Food Products business. Upfront investment cost increased in the Fine Chemicals business.

Under these circumstances, the consolidated financial results of the consolidated fiscal year under review were as follows: net sales were 683,008 million yen, up 47,054 million yen year-on-year; operating profit was 23,489 million yen, up 842 million yen year-on-year; ordinary profit was 24,840 million yen, down 44 million yen year-on-year; and profit attributable to owners of parent company was 17,334 million yen, up 3,118 million yen year-on-year.

(Unit : million yen)				
	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent
FY2017	683,008	23,489	24,840	17,334
FY2016	635,953	22,646	24,884	14,216
Increase/Decrease compared to FY2016	47,054	842	(44)	3,118
Percentage	107.4%	103.7%	99.8%	121.9%

The summary by segment is as follows.

(Unit : million yen)						
	Net Sales	Increase/Decrease (Y-on-Y)	Y-on-Y	Operating Profit	Increase/Decrease (Y-on-Y)	Y-on-Y
Marine Products	286,991	21,122	107.9%	10,289	2,339	129.4%
Food Products	327,704	23,216	107.6%	10,735	(376)	96.6%
Fine Chemicals	25,866	69	100.3%	2,086	(1,890)	52.5%
General Distribution	16,361	379	102.4%	1,931	132	107.4%
Other	26,084	2,266	109.5%	1,263	628	198.9%
Common Costs	-	-	-%	(2,817)	9	99.7%
Total	683,008	47,054	107.4%	23,489	842	103.7%

Note: Operating profit of the Marine Products business includes 133 million yen loss on valuation of fish (560 million yen profit on valuation of fish in the previous fiscal year) in the aquaculture pond of the South American salmon/trout aquaculture business.

### (1) Marine Products Business

The Marine Products segment is engaged in the fishery, aquaculture, and seafood processing and trading businesses.

#### <Overview of the Current Consolidated Fiscal Year>

In the Marine Products business, revenue was 286,991 million yen (up 21,122 million yen year-on-year) and operating profit was 10,289 million yen (up 2,339 million yen year-on-year).

Fishery Business: Both revenue and income decreased year-on-year.

[Japan]

In addition to the poor catch including Mackerel and Horse Mackerel, both revenue and income decreased mainly because of an increase in repair cost and depreciation cost of a new vessel.

[South America]

•Hoki catch was poor and both revenue and income decreased.

Aquaculture Business: Both revenue and income increased year-on-year.

[Japan]

Revenue increased thanks to the sales volume increase of main species including Tuna, Yellowtail and Salmon/Trout. Regarding sales price, that of Tuna decreased but that of Yellowtail and Salmon/Trout increased.

[South America]

Both revenue and income increased significantly thanks to the increase of sales price and good farming performance of Salmon/Trout.

Seafood Processing and Trading Business: Revenue increased but income decreased year-on-year.

[Japan]

While sales of Yellowtail went strong, income decreased as cost increased in Feed and Oil business and purchasing cost of Salmon/Trout rose.

[North America]

In addition to the revenue increase in Pollock Roe business, income increased because of the labor cost reduction effect.

[Europe]

Both revenue and income increased thanks to the startup of new business and the expansion of sales area and positive foreign exchange effect.

## (2) Food Products Business

The Food Products segment is engaged in processed foods and chilled foods businesses.

<Overview of the Current Consolidated Fiscal Year>

In the Food Products business, revenue was 327,704 million yen (up 23,216 million yen year-on-year) and operating profit was 10,735 million yen (down 376 million yen year-on-year).

Processed Foods Business: Revenue increased but income decreased year-on-year.

[Japan]

While sales of frozen cooked rice products and frozen vegetable products went strong, there was an effect of seafood material shortage in some product categories. Also, sales and distribution cost and material cost increased. As a result, income decreased.

[North America]

Income increased thanks to the revision of SGA expense in frozen foods for retail business though main material cost increased in frozen food for food service business.

[Europe]

Both revenue and income increased thanks to the strong sales in existing category and focus on growing category despite material cost increase.

Chilled Foods Business: Revenue increased but income decreased year-on-year.

[Japan]

Sales of deli foods and cooked noodles to convenience stores increased thanks to the industry reorganization, but income remained on the same level as previous year due to the production cost increase.

## (3) Fine Chemicals Business

The Fine Chemicals segment is engaged in the manufacture and sale of pharmaceutical raw materials, functional raw materials (Note 1), functional foods (Note 2), pharmaceuticals, and diagnostic medicines.

<Overview of the Current Consolidated Fiscal Year>

In the Fine Chemicals business revenue was 25,866 million yen (up 69 million yen year-on-year) and operating profit was 2,086 million yen (down 1,890 million yen year-on-year).

[Pharmaceutical Raw Materials, Functional Raw Materials and Functional Foods]

Income decreased due to the increase of depreciation cost of newly built Kashima Pharmaceutical plant and advertising expense for the expansion of functional foods.

[Clinical Diagnostic Medicines and Pharmaceuticals]

Although sales of clinical diagnostic medicines were strong, costs including production costs increased and income decreased.

## iv) General Distribution Business

The General Distribution segment is engaged in the cold storage, transportation and customs clearing businesses.

<Overview of the Current Consolidated Fiscal Year>

In the General Distribution business, revenue was 16,361 million yen (up 379 million yen year-on-year) and operating profit was 1,931 million yen (up 132 million yen year-on-year).

Both revenue and income increased thanks to the contribution of Oosaka-Maishima Logistics Center as well as strong business in existing cold storage more than previous year.

(Note 1) Functional raw materials consist of EPA, DHA, cholesterol, orange roughy oil and others mainly used as ingredients of foods and cosmetics.

(Note 2) Functional foods mainly consist of food for specified health uses such as IMARK and IMARK S, and supplements such as EPA and DHA.

## (2) Explanation on consolidated financial position

Current assets increased by 10.3% compared to the end of the previous consolidated fiscal year to 257,138 million yen, mainly because of an increase in notes and accounts receivable by 9,474 and merchandise and finished goods by 7,293 million yen.

Noncurrent assets increased by 4.0% compared to the end of the previous consolidated fiscal year to 227,483 million yen, mainly because of an increase in property, plant and equipment by 9,152 million yen.

As a result, total assets increased by 7.2% compared to the end of the previous consolidated fiscal year to 484,622 million yen.

Current liabilities decreased by 1.6% compared to the end of the previous consolidated fiscal year to 212,869 million yen, mainly because of a decrease in short-term loan payable by 23,382 million yen and an increase in notes and accounts payable by 10,046 million yen.

Noncurrent liabilities increased by 21.4% compared to the end of the previous consolidated fiscal year to 114,646 million yen, mainly because of an increase in long-term loans payable by 19,497 million yen and decrease in net defined benefit liability by 2,501 million yen.

As a result, total liabilities increased by 5.4% compared to the end of the previous consolidated fiscal year to 327,515 million yen.

Total net assets increased by 15,900million yen compared to the end of the previous consolidated fiscal year to 157,106 million yen. This was because of posting profit attributable to owners of parent by 17,334 million yen and an increase in the foreign currency translation adjustment by 1,709 million yen.

## (3) Status of Cash Flow

Cash and cash equivalents decreased by 862 million yen from the end of the previous consolidated fiscal year to 24,318 million yen.

Net cash provided by operating activities were a net inflow of 28,504 million yen, attributed mainly to profit before income taxes increase of 26,290 million yen, depreciation and amortization of 17,697 million yen, increase in notes and accounts receivable-trade by 7,603 million, in inventories by 10,642 million yen, and increase in notes and accounts payable-trade by 8,463 million yen, and in accrued expenses by 3,845 million yen.

Cash flows from investing activities amounted to a net outflow of 21,742 million yen. This was because mainly of an outlay of 26,976 million yen for the acquisition of property, plant and equipment including production facility in Nippon Cookery and investment to Kashima Pharmaceutical plant and inflow of 6,662 million yen for the sale of investment securities and outflow of 1,650 million yen for the change of consolidation scope.

Cash flows from financing activities resulted in a net outflow of 7,950 million yen. This was because mainly of inflow of 35,219 from long-term loans payable, and offset by an outlay of 37,978 million yen for the payment of long-term loans payable.

#### (4) Full-year Forecast

In fiscal year 2018, the Company have started new Mid-Term Business Plan “MVIP+ 2020”

Basic concept of new Mid-Term Business Plan is;

**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 ~**

In terms of full-year forecast, we expect the Japanese economy showed a gradual recovery trend with continuing improvement in employment and income during the period. However, uncertainty for the future prevailed, due to overseas political and geopolitical risks. In addition, unclear business environment is expected to continue due to the fluctuation of market price in marine products and raw materials shortage. Thus, we expect net sales of 698,000 million yen, operating profit of 22,000 million yen, ordinary profit of 23,500 million yen and profit attributable to the owners of the parent company of 16,000 million yen.

##### <Current Fiscal Year>

(Unit : million yen)

	Marine Products Business	Food Products Business	Fine Chemicals Business	General Distribution Business	Reportable Segment Total	Others	Total	Consolidated Adjustment	Consolidated
Net Sales	287,129	327,704	25,866	16,361	657,061	25,946	683,008	-	683,008
Operating Profit	11,139	13,045	2,549	1,931	28,666	1,287	29,954	(6,465)	23,489

##### <Next Fiscal Year>

(Unit : million yen)

	Marine Products Business	Food Products Business	Fine Chemicals Business	General Distribution Business	Reportable Segment Total	Others	Total	Consolidated Adjustment	Consolidated
Net Sales	277,200	340,100	27,600	16,700	661,600	36,400	698,000	-	698,000
Operating Profit	10,100	11,800	2,900	2,000	26,800	1,200	28,000	(6,000)	22,000

(Note) The above forecast is based on the information available at the issuing date of this report. Accordingly, the final results may change due to various factors.

Meanwhile, we have revised the allocation criteria of SGA expenses of reportable segment in order to grasp the performance of each segment more properly.

Regarding administration costs we had been allocating to each business segment, we decided to recognize the costs as corporate expenses as the weight of non-financial and group task increased.

Please find revised amounts as follows;

(Unit : million yen)

	Marine Products Business	Food Products Business	Fine Chemicals Business	General Distribution Business	Reportable Segment Total	Others	Total	Consolidated Adjustment	Consolidated
Original figure	11,139	13,045	2,549	1,931	28,666	1,287	29,954	(6,465)	23,489
Revised figure	10,289	10,735	2,086	1,931	25,042	1,263	26,306	(2,817)	23,489
Increase/Decrease	850	2,310	463	-	3,623	24	3,648	(3,648)	-

## 2. Basic Policy of selecting accounting standard

We use Japanese standard to make financial statements in the light of the period comparability of consolidated financial statements and comparability among group companies.

We will accommodate properly regarding adaption of IFRS in the future in the light of the foreign and domestic circumstances.

#### 4 Consolidated Financial Statement

##### (1) Consolidated Balance Sheet

Million yen

	FY2016 As of Mar 31, 2017	FY2017 As of Mar 31, 2018
Assets		
Current assets		
Cash and deposits	23,239	22,669
Notes and accounts receivable-trade	75,206	84,681
Securities	300	—
Merchandise and finished goods	57,277	64,570
Work in process	25,786	24,940
Raw materials and supplies	26,979	32,764
Deferred tax assets	3,221	3,983
Other	21,647	24,174
Allowance for doubtful accounts	(571)	(645)
Total current assets	233,087	257,138
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	137,112	143,762
Accumulated depreciation	(84,773)	(88,330)
Buildings and structures, net	52,338	55,432
Machinery, equipment and vehicles	129,272	140,409
Accumulated depreciation	(105,109)	(109,330)
Machinery, equipment and vehicles, net	24,162	31,079
Vessels	20,120	21,346
Accumulated depreciation	(12,866)	(14,494)
Vessels, net	7,253	6,851
Land	26,441	27,248
Leased assets	4,272	6,006
Accumulated depreciation	(2,455)	(2,724)
Leased assets, net	1,816	3,282
Construction in progress	9,410	6,607
Other	13,145	13,917
Accumulated depreciation	(10,938)	(11,635)
Other, net	2,206	2,281
Total property, plant and equipment	123,630	132,782
Intangible assets		
Goodwill	871	535
Software	1,872	2,381
Other	8,994	8,622
Total intangible assets	11,738	11,540
Investments and other assets		
Investment securities	71,018	70,994
Long-term loans receivable	2,491	2,336
Net defined benefit asset	155	155
Deferred tax assets	2,387	1,972
Other	12,585	12,716
Allowance for doubtful accounts	(5,217)	(5,014)
Total investments and other assets	83,420	83,160
Total noncurrent assets	218,789	227,483
Total assets	451,876	484,622

**Consolidated Balance Sheet**

Million yen

	FY2016 As of Mar 31, 2017	FY2017 As of Mar 31, 2018
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	34,609	44,656
Short-term loans payable	138,440	115,058
Lease obligations	378	509
Income taxes payable	3,186	4,720
Accrued expenses	24,477	28,185
Provision for bonuses	3,171	3,094
Provision for directors' bonuses	240	294
Provision for environmental measures	5	1
Other provision	31	6
Other	11,695	16,342
<b>Total current liabilities</b>	<b>216,236</b>	<b>212,869</b>
<b>Noncurrent liabilities</b>		
Long-term loans payable	69,309	88,807
Lease obligations	1,260	2,544
Deferred tax liabilities	3,883	5,401
Provision for directors' retirement benefits	85	103
Net defined benefit liability	15,791	13,290
Other	4,102	4,498
<b>Total noncurrent liabilities</b>	<b>94,434</b>	<b>114,646</b>
<b>Total liabilities</b>	<b>310,671</b>	<b>327,515</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	30,685	30,685
Capital surplus	21,078	21,758
Retained earnings	56,666	71,663
Treasury shares	(266)	(269)
<b>Total shareholders' equity</b>	<b>108,163</b>	<b>123,838</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	11,477	12,262
Deferred gains or losses on hedges	460	(152)
Foreign currency translation adjustment	2,625	4,334
Remeasurements of defined benefit plans	(1,753)	(2,569)
<b>Total accumulated other comprehensive income</b>	<b>12,809</b>	<b>13,875</b>
<b>Non-controlling interests</b>	<b>20,232</b>	<b>19,392</b>
<b>Total net assets</b>	<b>141,205</b>	<b>157,106</b>
<b>Total liabilities and net assets</b>	<b>451,876</b>	<b>484,622</b>



## (2) Consolidated Income Statements

	Million yen	
	FY ended on March 31, 2017	FY ended on March 31, 2018
Net sales	635,953	683,008
Cost of sales	501,371	542,296
Gross profit	134,581	140,711
Selling, general and administrative expenses		
Sales commission	30,603	31,778
Warehousing expenses	4,003	4,422
Shipment expenses	25,946	27,624
Advertising expenses	2,658	3,918
Difference of provision of allowance for doubtful accounts	(148)	110
Salaries and allowances	19,898	20,288
Bonuses	2,666	2,786
Provision for bonuses	1,582	1,473
Provision for directors' bonuses	240	294
Provision for environmental measures	5	—
Retirement benefit expenses	1,109	863
Depreciation	2,102	2,020
Rent and repair expense	2,317	2,545
Transportation and communication expenses	2,714	2,741
Other	16,233	16,353
Total selling, general and administrative expenses	111,934	117,222
Operating profit	22,646	23,489
Non-operating income		
Interest income	239	357
Dividend income	885	766
Foreign exchange gains	—	69
Gain on sales of investment securities	832	—
Share of profit of entities accounted for using equity method	2,965	1,329
Subsidy income	442	488
Miscellaneous income	604	618
Total non-operating income	5,968	3,630
Non-operating expenses		
Interest expenses	2,172	2,013
Foreign exchange losses	254	—
Loss on sales of investment securities	880	—
Miscellaneous expenses	422	265
Total non-operating expenses	3,730	2,278
Ordinary profit	24,884	24,840

## Consolidated Income Statements

Million yen

	FY ended on March 31, 2017	FY ended on March 31, 2018
Extraordinary income		
Gain on sales of non-current assets	894	324
Gain on sales of investment securities	59	4,396
Gain on sales of shares of subsidiaries and associates	—	161
Gain on bargain purchase	—	267
Gain on abolishment of retirement benefit plan	—	180
Total extraordinary income	954	5,330
Extraordinary losses		
Loss on disposal of non-current assets	463	386
Impairment loss	182	2,147
Loss on valuation of investment securities	169	5
Loss on sales of shares of subsidiaries and associates	17	338
Special retirement expenses	134	369
Loss on disaster	342	633
Total extraordinary losses	1,309	3,880
Profit before income taxes	24,529	26,290
Income taxes-current	5,993	7,975
Income taxes-deferred	2,940	(28)
Total income taxes	8,933	7,947
Profit	15,596	18,343
Profit attributable to non-controlling interests	1,380	1,009
Profit attributable to owners of parent	14,216	17,334

## Consolidated Statements of comprehensive income

Million yen

	FY ended on March 31, 2017	FY ended on March 31, 2018
Profit	15,596	18,343
Other comprehensive income		
Valuation difference on available-for-sale securities	1,006	789
Deferred gains or losses on hedges	352	(491)
Foreign currency translation adjustment	(1,931)	219
Remeasurements of defined benefit plans, net of tax	333	(816)
Share of other comprehensive income of entities accounted for using equity method	(304)	1,468
Total other comprehensive income	(543)	1,168
Comprehensive income	15,052	19,512
(Breakdown)		
Comprehensive income attributable to owners of parent	13,381	18,400
Comprehensive income attributable to non-controlling interests	1,670	1,112

### (3) Consolidated Statements of Changes in Net assets

Previous Fiscal Year (From April 1, 2016 to March 31, 2017)

	Shareholder's Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	23,729	13,758	44,058	(263)	81,282
Changes of items during period					
Issuance of new shares	6,955	6,955			13,911
Dividends of surplus			(1,608)		(1,608)
Profit attributable to owners of parent			14,216		14,216
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares		0		0	0
Capital increase of consolidated subsidiaries		364			364
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Net changes of items other than shareholders' equity					
Total changes of items during period	6,955	7,320	12,607	(3)	26,881
Balance at end of current period	30,685	21,078	56,666	(266)	108,163

(Million yen)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	10,677	(434)	5,499	(2,099)	13,643	19,104	114,030
Changes of items during period							
Issuance of new shares							13,911
Dividends of surplus							(1,608)
Profit attributable to owners of parent							14,216
Purchase of treasury shares							(3)
Disposal of treasury shares							0
Capital increase of consolidated subsidiaries							364
Change in ownership interest of parent due to transactions with non-controlling interests							0
Net changes of items other than shareholders' equity	799	894	(2,873)	345	(834)	1,127	293
Total changes of items during period	799	894	(2,873)	345	(834)	1,127	27,174
Balance at end of current period	11,477	460	2,625	(1,753)	12,809	20,232	141,205

Current Fiscal Year (From April 1, 2017 to March 31, 2018)

(Million yen)

	Shareholder's Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,685	21,078	56,666	(266)	108,163
Changes of items during period					
Dividends of surplus			(2,337)		(2,337)
Profit attributable to owners of parent			17,334		17,334
Purchase of treasury shares				(5)	(5)
Disposal of treasury shares		0		3	3
Change in ownership interest of parent due to transactions with non-controlling interests		679			679
Net changes of items other than shareholders' equity					
Total changes of items during period	—	680	14,997	(2)	15,674
Balance at end of current period	30,685	21,758	71,663	(269)	123,838

(Million yen)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	11,477	460	2,625	(1,753)	12,809	20,232	141,205
Changes of items during period							
Dividends of surplus							(2,337)
Profit attributable to owners of parent							17,334
Purchase of treasury shares							(5)
Disposal of treasury shares							3
Change in ownership interest of parent due to transactions with non-controlling interests							679
Net changes of items other than shareholders' equity	785	(613)	1,709	(815)	1,066	(840)	226
Total changes of items during period	785	(613)	1,709	(815)	1,066	(840)	15,900
Balance at end of current period	12,262	(152)	4,334	(2,569)	13,875	19,392	157,106

**(4) Consolidated Statements of Cash-Flow**

Million yen

	Ended on March 31, 2017	Ended on March 31, 2018
Cashflows from operating activities		
Profit before income taxes	24,529	26,290
Depreciation	16,355	17,697
Impairment loss	182	2,147
Amortization of goodwill	959	416
Increase (decrease) in allowance for doubtful accounts	(383)	(112)
Increase (decrease) in net defined benefit liability	(572)	(3,037)
Interest and dividend income	(1,124)	(1,124)
Interest expenses	2,172	2,013
Share of loss(profit) of entities accounted for using equity method	(2,965)	(1,329)
Gain on sales of noncurrent assets	(894)	(324)
Loss on disposal of noncurrent assets	463	386
Loss (gain) on sales and valuation of investment securities	110	(4,390)
Loss on disaster	342	633
Loss(gain) on sales of shares of subsidiaries and associates	17	176
Gain on bargain purchase	—	(267)
Extra retirement payment	134	369
Gain on abolishment of retirement benefit plan	—	(180)
Decrease (increase) in notes and accounts receivable-trade	(5,744)	(7,603)
Decrease (increase) in inventories	(1,300)	(10,642)
Increase (decrease) in notes and accounts payable-trade	1,946	8,463
Increase (decrease) in accrued expenses	2,702	3,845
Other, net	769	2,810
Subtotal	37,701	36,237
Interest and dividend income received	1,107	873
Interest expenses paid	(2,218)	(2,022)
Extra retirement payments	(1)	(206)
Payments for loss on disaster	(69)	(10)
Income taxes paid	(6,340)	(6,366)
Net cash provided by(used in) operating activities	30,179	28,504

	Ended on March 31, 2017	Ended on March 31, 2018
Cashflows from investing activities		
Decrease (increase) in time deposits	140	50
Decrease(increase) in short-term investment securities	—	300
Purchase of property, plant and equipment	(23,447)	(26,976)
Proceeds from sales of property, plant and equipment	2,413	787
Purchase of intangible assets	(1,015)	(1,049)
Payments for transfer of business	—	(494)
Purchase of investment securities	(1,472)	(182)
Proceeds from sales of investment securities	15,537	6,662
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(1,650)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	805
Decrease (increase) in short-term loans receivable	597	211
Other, net	(198)	(207)
Net cash provided by (used in) investing activities	(7,445)	(21,742)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(2,591)	(1,136)
Proceeds from long-term loans payable	12,800	35,219
Repayments of long-term loans payable	(33,295)	(37,978)
Repayments of lease obligations	(397)	(445)
Proceeds from issuance of common shares	13,911	—
Proceeds from share issuance to non-controlling share holders	127	—
Cash dividends paid	(1,603)	(2,331)
Dividends paid to non-controlling interests	(464)	(550)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(722)
Decrease (increase) in treasury shares	(3)	(5)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	(11,517)	(7,950)
Effect of exchange rate change on cash and cash equivalents	(91)	325
Net increase (decrease) in cash and cash equivalents	11,124	(862)
Cash and cash equivalents at beginning of period	14,056	25,181
Cash and cash equivalents at end of period	25,181	24,318

(5) Notes on Consolidated Financial Statements

(Notes on the Premise of Going Concern)

Not applicable.

(Additional information)

The company transferred a part of lump-sum severance payment plan to defined contribution pension plan and adopted "Practical Solution on Accounting for Transfer between Retirement Benefit Plans" (ASBJ Guidance No.1), effective from April 1, 2017.

180 million yen was posted as extraordinary income for FY2017, accordingly.

[Segment Information]

**1. Overview of reportable segments**

The reportable segments of the Company comprise constituent units of the Company for which separate financial information may be obtained.

The board of directors examines these segments on a regular basis for the purpose of determining the allocation of management resources and evaluating operating performance.

The Company's business operations involve linking marine resources to the everyday lives of its customers, which is done by formulating comprehensive strategies by product/service both in Japan and overseas.

Therefore, the Company's segments classified by product/service consist of "Marine Products business," "Foods business," "Fine Chemicals business," and "General Distribution business."

"Marine Products" include the fishing, aquaculture, purchasing, processing and selling of marine products (fresh/frozen fish, fish meal & fish oil).

"Foods" include the manufacturing and selling of frozen food, shelf-stable foods, and other processed foods.

"Fine Chemicals" include the manufacturing and selling of medical ingredients, health foods, diagnostic medicines, and general pharmaceuticals.

"General Distribution" includes the cold storage and transportation of frozen and refrigerated goods that back up the above businesses.

The Company is engaged in the above businesses mainly in the five regions of Japan, North America, South America, Asia and Europe.

**2. Method of Measuring the Amount of Profit, Assets, Liabilities, Etc.**

The accounting methods used by the reported business segments are generally the same as those described under the "Significant Matters Fundamental to the Preparation of the Consolidated Financial Statements." Profits of the business segments are operating income-based figures. Intersegment revenues and transfers are valued at prices used in third party transactions.

**3. Information of net sales, profit (loss), assets and other items by segment**

Previous Fiscal Year ended March 31, 2017

(Unit : Million yen)

	Marine Products	Food Products	Fine Chemicals	General Distribution	Total	Other (*Note1)	Total	Adjustment (*Note2)	Consolidated (*Note3)
<b>Sales</b>									
Sales to third parties	265,869	304,487	25,796	15,982	612,135	23,817	635,953	-	635,953
Inter-segment sales and transfers	12,241	3,191	412	7,852	23,697	1,831	25,529	(25,529)	-
Total	278,110	307,679	26,209	23,834	635,833	25,649	661,482	(25,529)	635,953
Segment income (loss)	7,949	11,112	3,976	1,799	24,837	635	25,472	(2,826)	22,646
Asset by segment	191,093	145,397	59,768	23,044	419,303	17,680	436,983	14,893	451,876
<b>Other</b>									
Depreciation and amortization	6,101	6,774	1,429	1,537	15,842	248	16,091	263	16,355
Amortization of goodwill	759	117	-	-	876	83	959	-	959
Equity in earnings (losses) of affiliates	2,750	62	-	154	2,967	(1)	2,965	-	2,965
Impairment loss	23	-	158	-	182	-	182	-	182
Investments in entities accounted for using equity method	29,514	2,269	-	1,343	33,127	12	33,140	-	33,140
Unamortized balance of goodwill	490	46	-	-	536	334	871	-	871
Increase in property, plant and equipment, and intangible assets	11,369	6,478	3,915	755	22,519	902	23,422	351	23,774

(Note)

1. The "Other" segment includes the building/repair of ships, engineering and other businesses that are not included in the reportable segments.

2. (1)The (2,826) million yen segment income adjustment comprise 64 million yen in inter-segment elimination and (2,891) million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.

(2)The segment assets adjustment amounted to 14,893 million yen are corporate assets not allocated to the segments which is mainly composed of long-term investments (investment securities) and assets relating to R&D department.

(3) The depreciation adjustment amounted to 263 million yen is the depreciation of corporate assets.

(4) Increased amount of property, plant and equipment and intangible assets amount to 351 million yen is capital expenditure on corporate assets.

3. Total segment income corresponds to the operating income reported in the consolidated income statements.

4. Total segment liabilities is not described because it is not an examination object to decide to evaluated allocation of management resources and business performance.



Current Fiscal Year ended March 31, 2018

(Unit : Million yen)

	Marine Products	Food Products	Fine Chemicals	General Distribution	Total	Other (*Note1)	Total	Adjustment (*Note2)	Consolidated (*Note3)
<b>Sales</b>									
Sales to third parties	286,991	327,704	25,866	16,361	656,923	26,084	683,008	-	683,008
Inter-segment sales and transfers	19,014	3,947	500	8,285	31,748	1,968	33,717	(33,717)	-
Total	306,006	331,652	26,366	24,646	688,672	28,053	716,725	(33,717)	683,008
Segment income (loss)	10,289	10,735	2,086	1,931	25,042	1,263	26,306	(2,817)	23,489
Asset by segment	198,964	160,247	64,047	22,927	446,187	22,363	468,550	16,071	484,622
<b>Other</b>									
Depreciation and amortization	6,409	6,582	2,666	1,484	17,143	289	17,433	264	17,697
Amortization of goodwill	287	46	-	-	333	83	416	-	416
Equity in earnings (losses) of affiliates	1,035	188	-	108	1,331	(1)	1,329	-	1,329
Gain on bargain purchase	-	267	-	-	267	-	267	-	267
Impairment loss	329	558	-	-	888	-	888	1,259	2,147
Investments in entities accounted for using equity method	29,089	2,623	-	1,451	33,164	-	33,164	-	33,164
Unamortized balance of goodwill	284	-	-	-	284	250	535	-	535
Increase in property, plant and equipment, and intangible assets	8,850	13,871	3,856	949	27,528	529	28,057	1,209	29,267

(Note)

- The "Other" segment includes the building/repair of ships, engineering and other businesses that are not included in the reportable segments.
- (1)The (2,817) million yen segment income adjustment comprise 40 million yen in inter-segment elimination and (2,857) million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.  
(2)The segment assets adjustment amounted to 16,071 million yen are corporate assets not allocated to the segments which is mainly composed of long-term investments (investment securities) and assets relating to R&D department.  
(3) The depreciation adjustment amounted to 264 million yen is the depreciation of corporate assets.  
(4) The impairment loss adjustment amount to 1,259 million yen is for the impairment loss for idle assets.  
(5) Increased amount of property, plant and equipment and intangible assets amount to 1,209 million yen is capital expenditure on corporate assets.
- Total segment income corresponds to the operating income reported in the consolidated income statements.
- Total segment liabilities is not described because it is not an examination object to decide to evaluated allocation of management resources and business performance.

[Related Information]

Previous Fiscal Year ended March 31, 2017

## 1. Information of area

(1) Net Sales (Unit: Million yen)

Japan	North America	Europe	Others	Total
446,793	84,157	68,910	36,092	635,953

(Note) Net Sales is based on customer's address and classifies by countries and geographical area.

(2) Property, plant and equipment (Unit: Million yen)

Japan	North America	Others	Total
94,068	15,608	13,953	123,630

## 2. Information on main customers

(Unit: Million yen)

Customer's name	Net Sales	Segment
Mitsubishi Shokuhin Co., Ltd.	75,452	Foods

Current Fiscal Year ended March 31, 2018

## 1. Information of area

(1) Net Sales (Unit: Million yen)

Japan	North America	Europe	Others	Total
467,933	86,624	88,258	40,191	683,008

(Note) Net Sales is based on customer's address and classifies by countries and geographical area.

(2) Property, plant and equipment (Unit: Million yen)

Japan	North America	Others	Total
97,959	15,653	19,169	132,782

## 2. Information on main customers

Customer's name	Net Sales	Segment
Mitsubishi Shokuhin Co., Ltd.	80,998	Foods

4. Other

(1) Changes of Officers (to be effective on June 27, 2018)

- (1) Changes of the representative  
Not applicable

- (2) Changes of other Board Members and Auditors

- i) Candidates for newly appointed Board Members  
Not applicable

- ii) Board Members scheduled to retire  
Not applicable

- iii) Candidates for newly appointed Auditors  
Not applicable

- iv) Auditors scheduled to retire  
Not applicable

(2) Change of other Executive Officer (to be effective on June 27, 2018)

- (i) Candidates for newly appointed Executive Officer

Name	New position	Current position
Masahide Asai	Commissioned Business Supervisor in North America, The CEO of Nippon Suisan (U S A ), Inc	Executive Vice president of UniSea, Inc

- (ii) Executive Officer scheduled to retire  
Not applicable

- (iii) Executive Officer scheduled to promote

Name	New position	Current position
Shingo Hamada	Board Member, Managing Executive Officer Commissioned Food Products Business Operating Officer, In charge of Production Group and Product Research & Development Dept	Board Member, Executive Officer Commissioned Food Products Business Operating Officer, In charge of Production Group and Product Research & Development Dept