

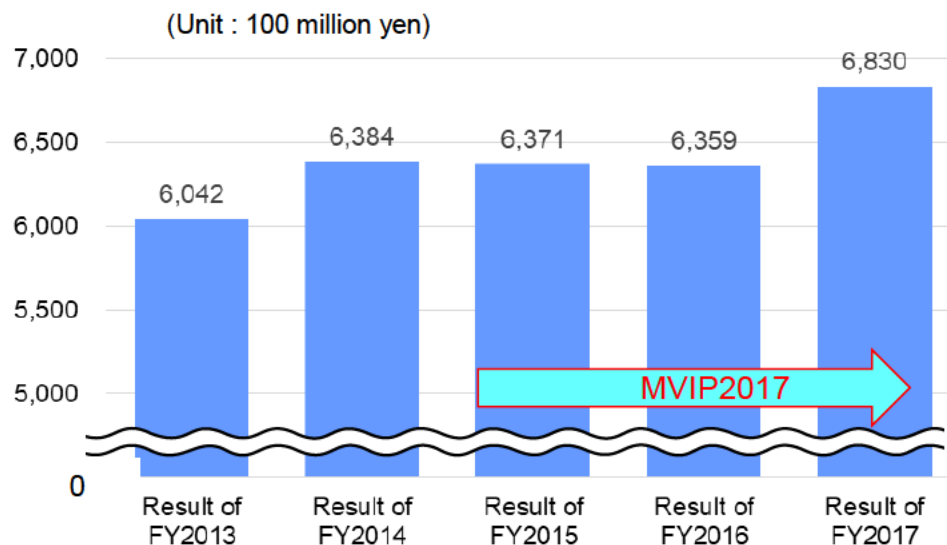
Supplemental Document for Fiscal Year 2017

May 14, 2018
Nippon Suisan Kaisha, Ltd.

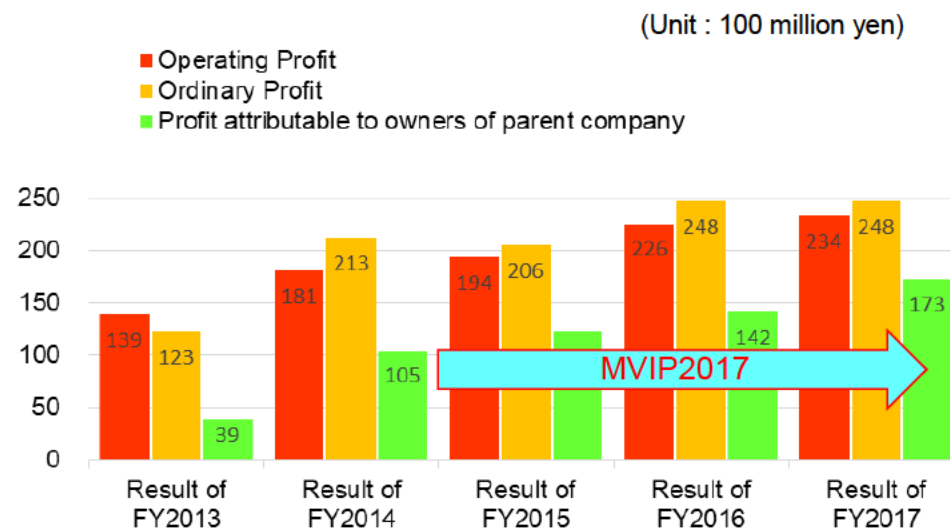
◆ All of the KPI of Mid-Term Business Plan were achieved. Revenue increased by 7% year-on-year and profit attributable to owners of parent company increased by 21% and posted a record.

(Unit : 100 million yen)	Result of FY2017	Result of FY2016	Increase/Decrease (Y-on-Y)		Mid-term business Plan for FY2017	Increase/Decrease to Mid-term business plan (Y-on-Y)	
			(Amount)	(%)		(Amount)	(%)
Net Sales	6,830	6,359	470	107.4	6,800	30	100.4
Operating Profit	234	226	8	103.7	230	4	102.1
Ordinary Profit	248	248	(0)	99.8	245	3	101.4
Profit attributable to owners of parent company	173	142	31	121.9	145	28	119.5

Net Sales



Operating Profit / Ordinary Profit / Profit attributable to owners of parent company



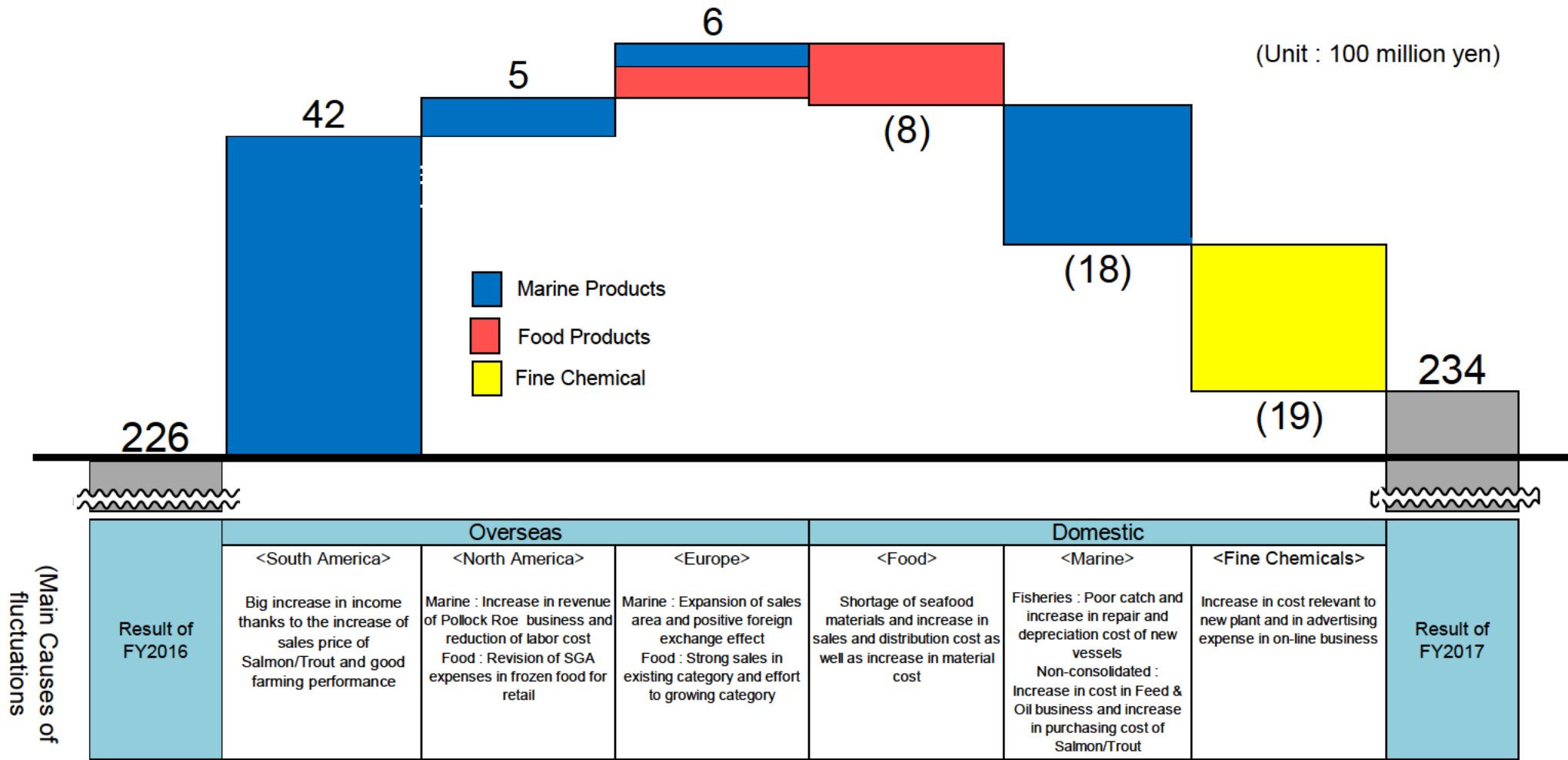
Overview of FY2017 by Segments

- ◆ Revenue increased greatly in Japan and Europe in both Marine and Food Products Businesses. Operating profit increased significantly in the Marine Products Business, lead the whole, and covered the decrease in income in the Fine Chemicals Business due to upfront investment.

(Unit : 100 million yen)	Result of FY2017	Result of FY2016	Increase/Decrease	
			(Amount)	(%)
Net Sales	6,830	6,359	470	107.4
Marine Products Business	2,869	2,658	211	107.9
Food Products Business	3,277	3,044	232	107.6
Fine Chemicals Business	258	257	0	100.3
General Distribution	163	159	3	102.4
Others	260	238	22	109.5
Operating Profit	234	226	8	103.7
Marine Products Business	102	79	23	129.4
Food Products Business	107	111	(3)	96.6
Fine Chemicals Business	20	39	(18)	52.5
General Distribution	19	17	1	107.4
Others	12	6	6	198.9
Common Costs	(28)	(28)	0	99.7
Share of profit of entities accounted for using equity method	13	29	(16)	44.8
Ordinary Profit	248	248	(0)	99.8
Profit attributable to owners of parents company	173	142	31	121.9
EPS (Net profit per share)	55.65 yen	48.02 yen	-	-

Main Causes of Fluctuations

◆ Salmon/Trout farming business in South America contributed greatly thanks to the strong sales price and good farming performance. However, income decreased in domestic Marine Products Business due to difficult fisheries business and cost increase in Feed & Oil business. Income decreased in the Fine Chemicals Business due to upfront investment.



- ◆ Total assets increased by 7% year-on-year because of the increase of account receivable and inventory, but equity ratio increased to 28% range.

The Italic and bold figures means increase/decrease, compared to 4Q of FY2016.

(Unit : 100 million yen)

Current Assets 2,571 **240**

Accounts receivable	846	94
Inventory	1,222	122
Others	241	25

Non-current Assets 2,274 **86**

Property, plant and equipment	1,327	91
Intangible assets	115	(1)
Investments and other asset	831	(2)

Total Assets 4,846 **327**

Current Liabilities 2,128 **(33)**

Accounts Payable	446	100
Accrued Expenses	281	37
Short-term loans payable	1,150	(233)

Non-current Liabilities 1,146 **202**

Long-term loans payable	888	194
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Net Assets 1,571 **159**

Shareholder's Equity	1,377	167
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Equity Ratio

'17/3 26.8% => '18/3 28.4%

◆ Operating CF covered investment CF and loan payable decreased.

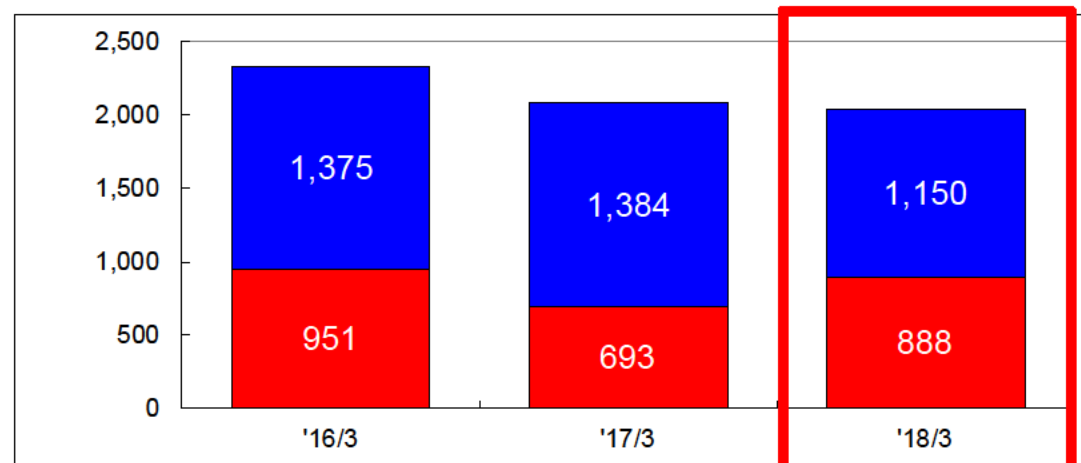
(Unit : 100 million yen)

	Result of FY2017	Result of FY2016	Increase /Decrease
· Income before income taxes	262	245	17
· Depreciation & Amortization	181	173	7
· Working Capital	(59)	(23)	(35)
· Income taxes paid	(63)	(63)	(0)
· Others	(35)	(29)	(6)
Net cash provided by operating activities	285	301	(16)
· Investment on (Purchase of) plant and equipment	(280)	(244)	(35)
· Others	62	170	(107)
Net cash provided by investment activities	(217)	(74)	(142)
· Increase(Decrease) in short-term loans payable	(11)	(25)	14
· Increase(Decrease) in long-term loans payable	(27)	(204)	177
· Proceeds from issuance of common shares	-	139	(139)
· Others	(40)	(23)	(17)
Net cash provided by financial activities	(79)	(115)	35
Cash and cash equivalent at end of period	243	251	

◆ Loan payable shrank to 200 billion yen range falling far below mid-term business plan goal of 240 billion yen.

(Unit : 100 million yen)

■ Short-term
■ Long-term



Comparison with
4Q of FY2016

(233)

194

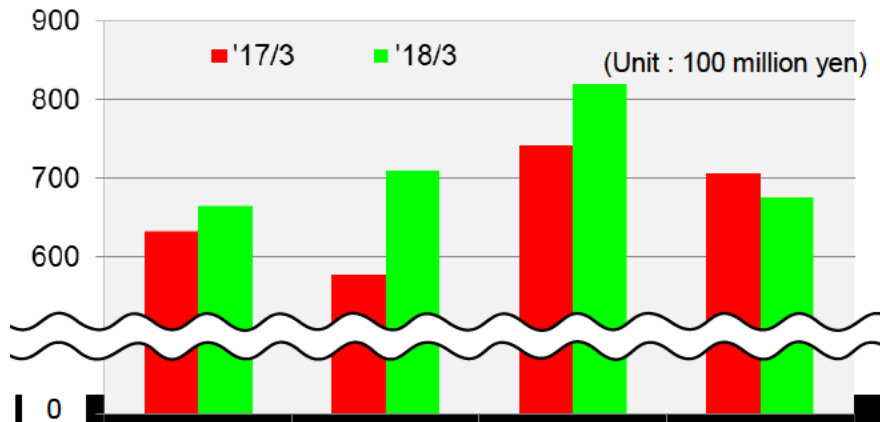
Total Debt	2,326	2,077	2,038	(38)
Short-tem loans payable	1,375	1,384	1,150	(233)
Long-term loans payable	951	693	888	194
Net Interest	13.8	10.4	8.8	
Ratio of Net Interest Cost on Operating Profit	7%	5%	4%	
Interest expenses	26.5	21.7	20.1	
Interest income	3.3	2.3	3.5	
Dividend income	9.3	8.8	7.6	

Exchange rate (=US\$1.00)	@120.61(End of Dec)	@116.49(End of Dec)	@113.00(End of Dec)
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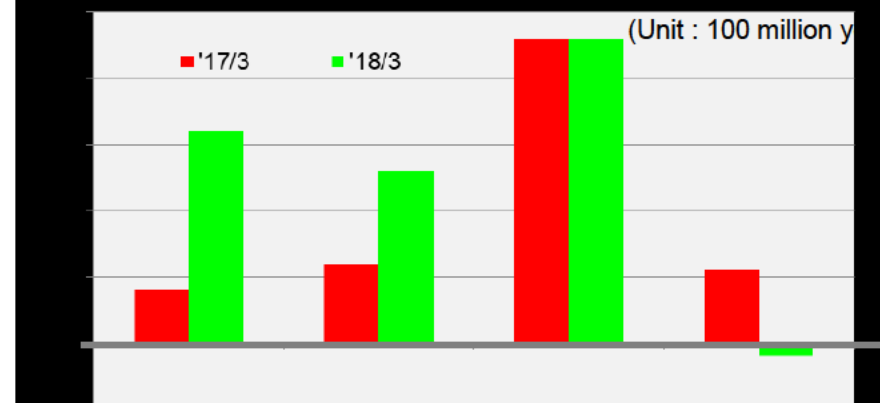
- ◆ Both revenue and income increased as a result of big improvement of Salmon/Trout business in South America.

(Unit : 100 million yen)	Result of FY2017	Result of FY2016	Increase/Decrease	
			(Amount)	(%)
Net Sales	2,869	2,658	211	107.9
Operating Profit	102	79	23	129.4

Net Sales

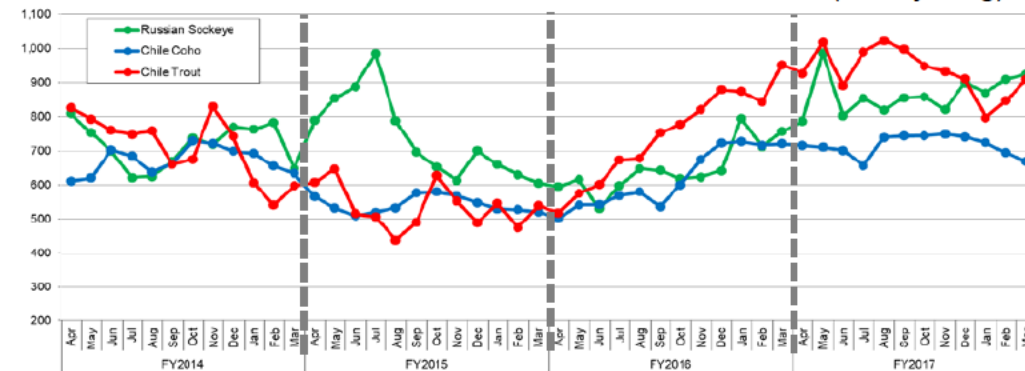


Operating Profit

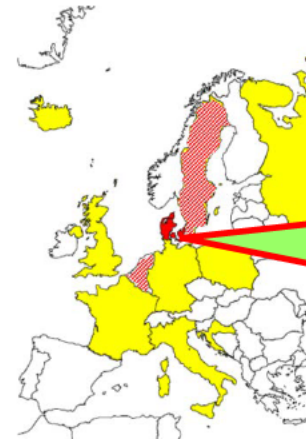


<Domestic market condition of marine products (salmon/trout)>

(Unit : yen/kg)



<Expanding of sales area in Europe>



Nordic Seafood (Denmark) has established Nordic Seafood Benelux in 2017 and acquired Seabreeze Seafood AB.

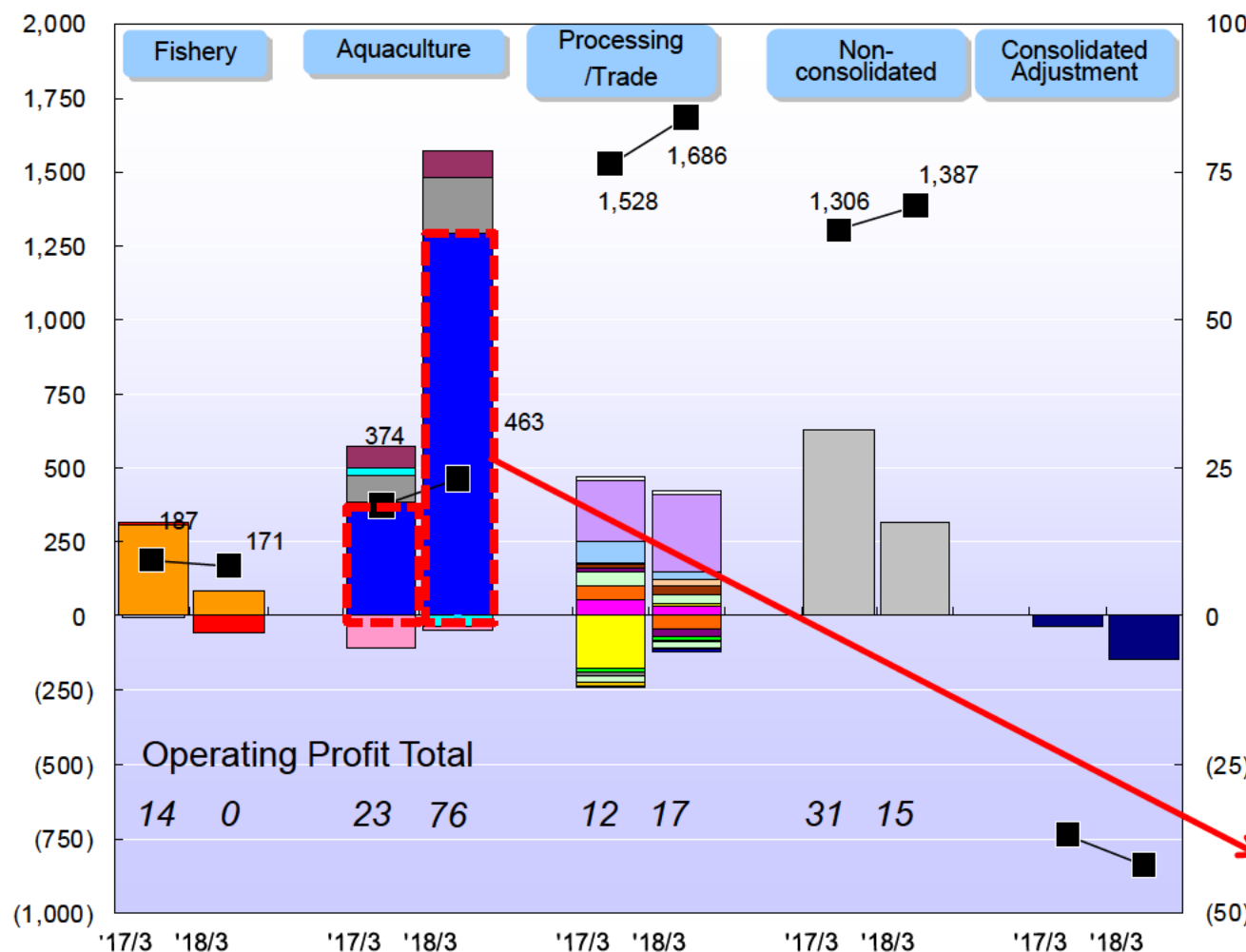


Marine Products Business

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



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



- 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.

Valuation of fish in the ponds is calculated every quarter based on IFRS, included in Marine Products Business ' Operating Profit.

Major Causes of Fluctuation

<Fisheries>(Decrease both in revenue and income)

- Japan
 - Income decreased due mainly to the poor catch including Mackerel and Horse Mackerel and the increase in repair cost and depreciation cost of a new vessel.

<Aquaculture>(Increase both in revenue and income)

- Salmon/Trout business in Chile
 - Both revenue and income increased significantly thanks to the increase of sales price and good farming performance.
- Domestic aquaculture businesses
 - Revenue increased thanks to the sales volume increase of main species including Tuna, Yellowtail and Salmon/Trout. Income increased as sales price increase of Yellowtail and Salmon/Trout, while sales price of Tuna decreased.

<Processing/Trade>(Revenue increased but income decreased)

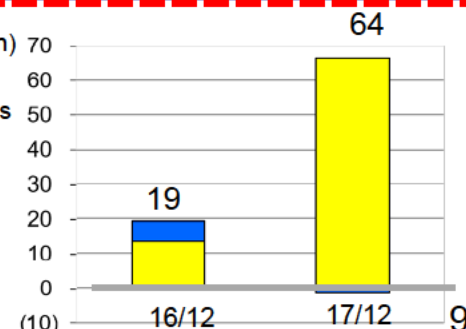
- Japan : While sales of Yellowtail went strong, income decreased due to the increase of cost in Feed and Oil business and rise of purchasing cost of Salmon/Trout.
- North America : In addition to the revenue increase in Pollock Roe business, income increased because of the labor cost reduction effort.
- Europe : Both revenue and income increased thanks to the startup of new business and the expansion of sales area.

(Unit : 100 million yen)

<Salmon/Trout aquaculture business in Chile>

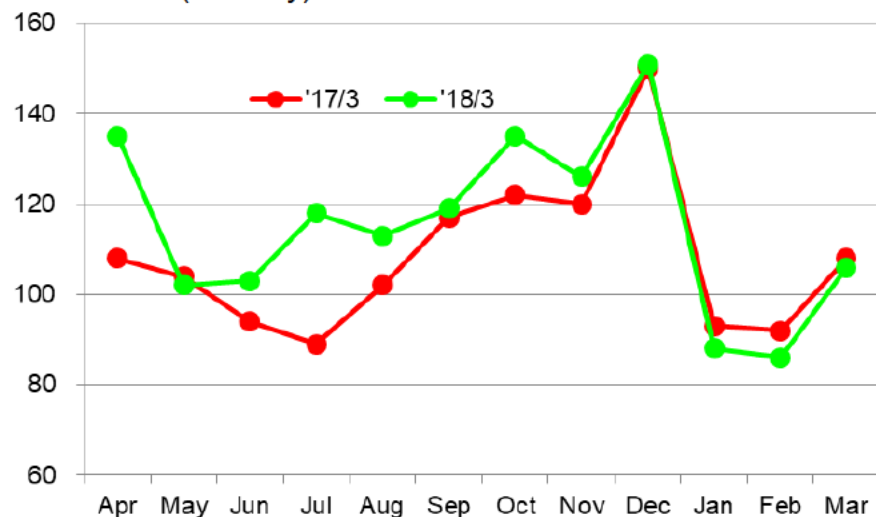
Profit or loss on business

Valuation of fish in the ponds (Valuation by IFRS)

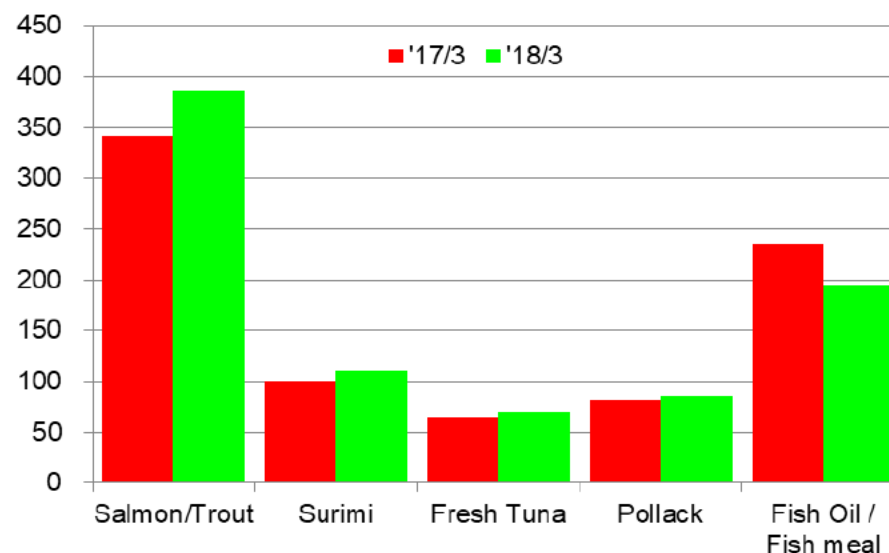


◆ Decrease in income due to the cost increase in Feed & Oil business and increase of purchasing price of Salmon/Trout

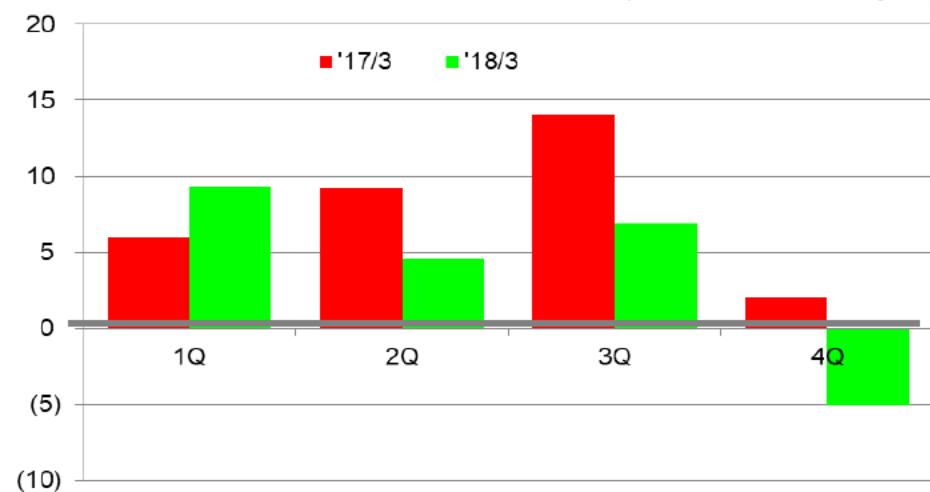
<Net Sales (Monthly)> (Unit : 100 million yen)



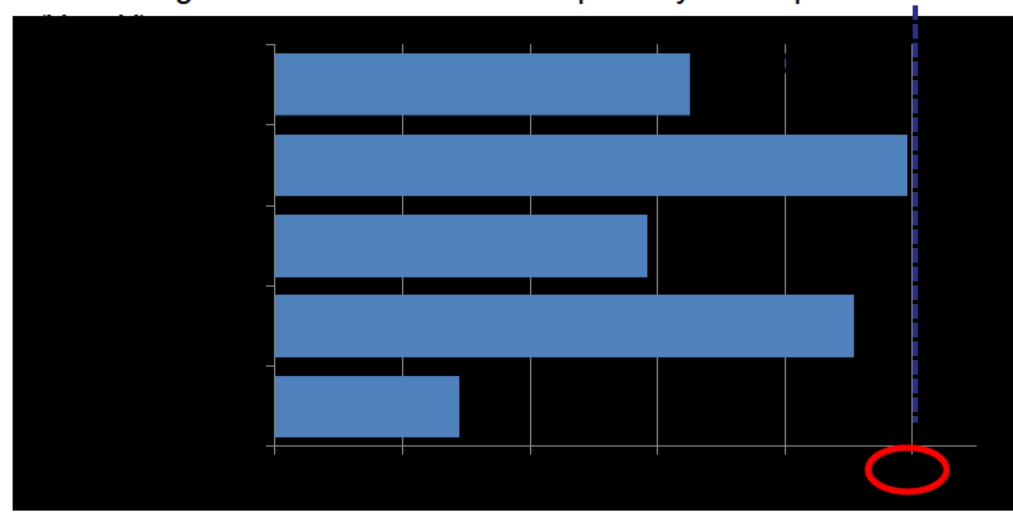
<Sales by Main Species (Y-on-Y)>



<Operating Profit (Quarterly)> (Unit : 100 million yen)

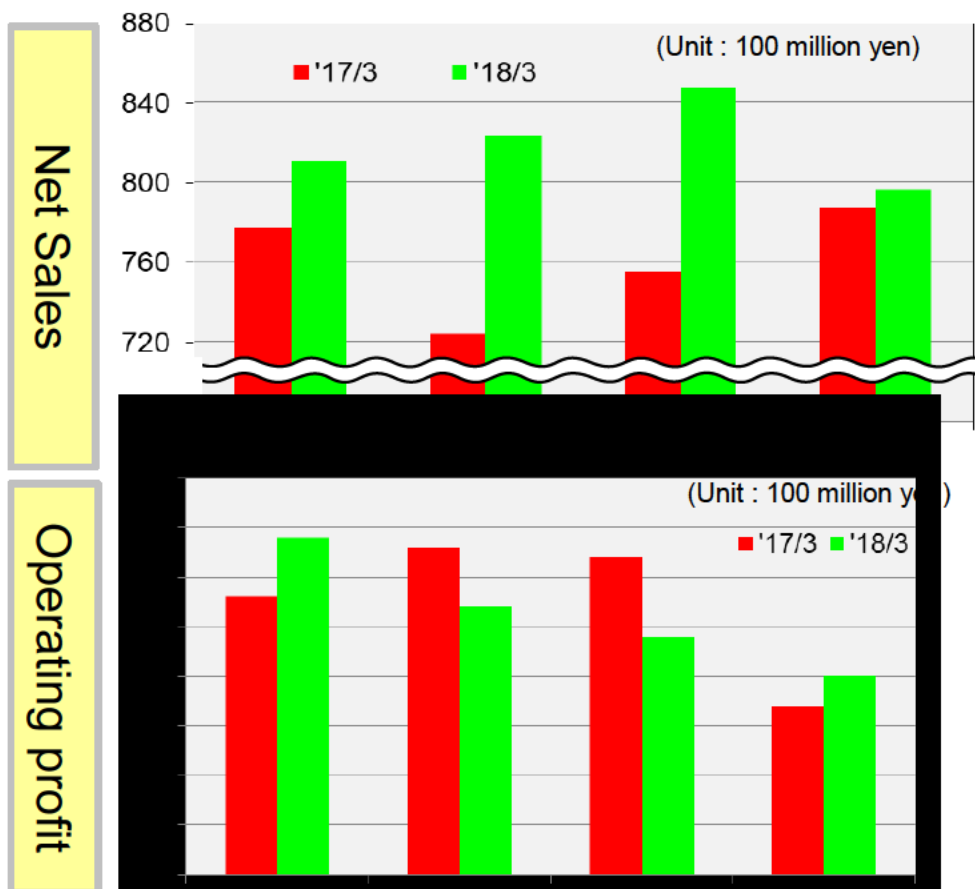


<Percentage of increase/decrease of profit by main species



- ◆ Sales of frozen foods in Europe went well. Meanwhile in Japan, revenue increased but income decreased due to the increase of sales and material cost while sales of frozen food for retail went strong.

(Unit : 100 million yen)	Result of FY2017	Result of FY2016	Increase/Decrease	
			(Amount)	(%)
Net Sales	3,277	3,044	232	107.6
Operating Profit	107	111	(3)	96.6

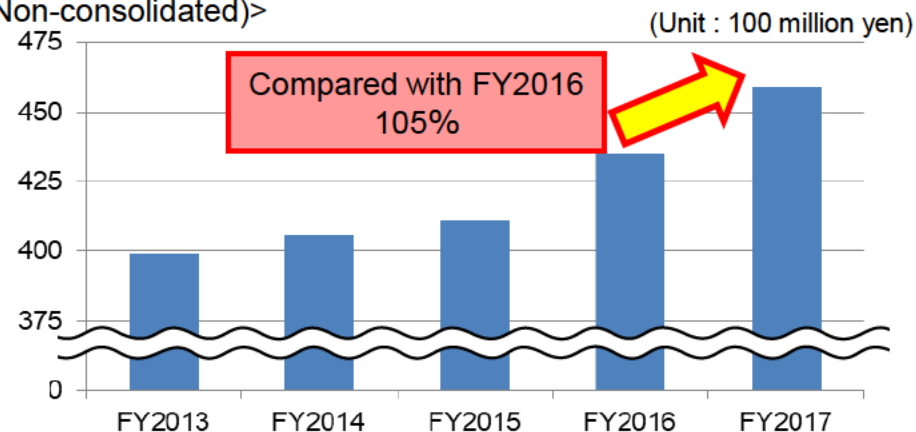


<Frozen foods using vegetable sold well in Europe>



Products of Cité Marine (France)

<Transaction of net sales of Frozen Ready-to-eat meals for retail (Non-consolidated)>

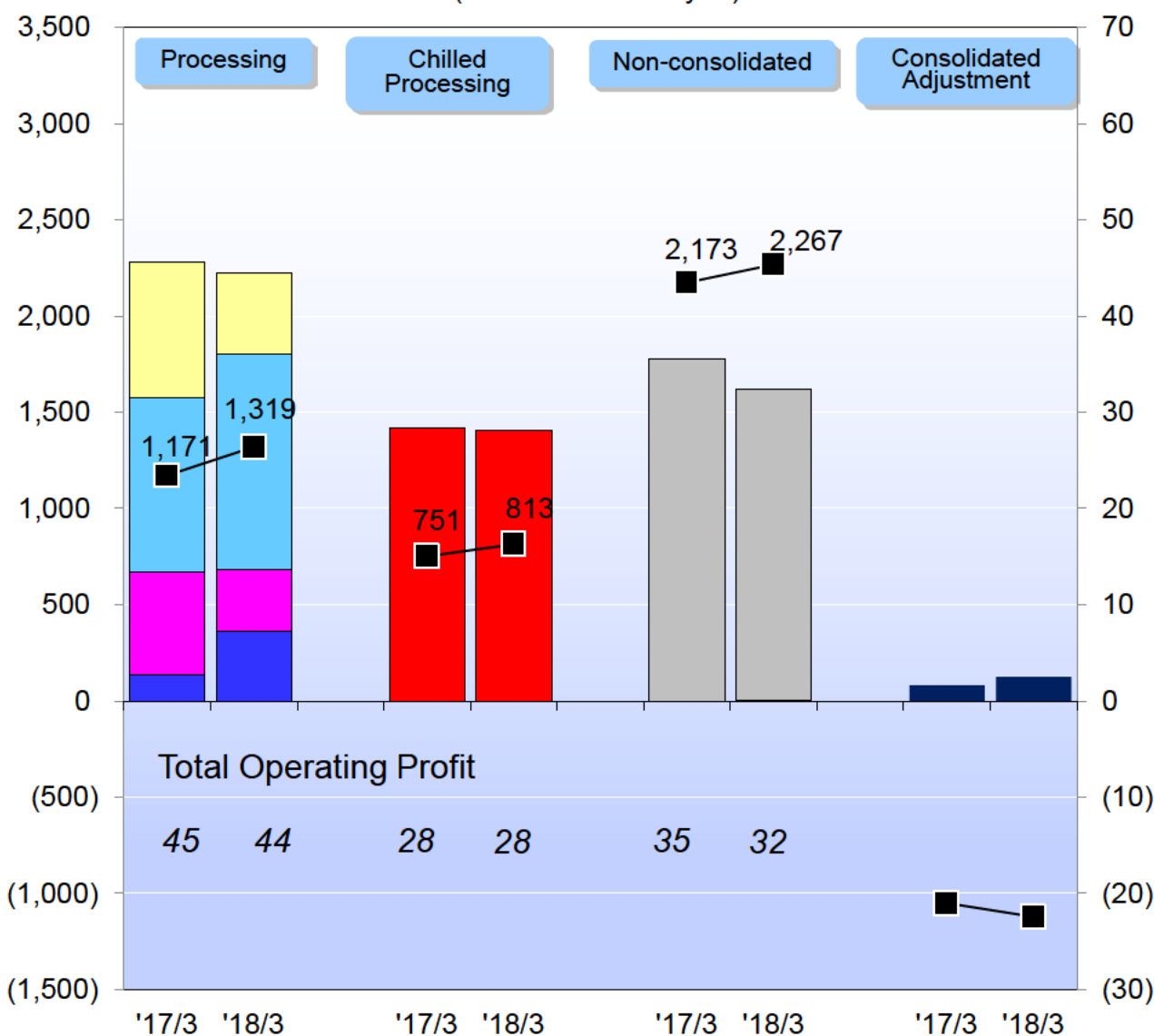


Food Products Business

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



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



Major Causes of Fluctuation

<Processing>(Revenue increased but income decreased)

- North America
 - Frozen foods for household use
Income increased due to the reduction of labor cost and SGA expense
 - Frozen foods for food service
Revenue increased thanks to the Limited Time Offer products, but income decreased due to the increase of material cost.
- Europe
Income increased thanks to the sales effort to growing category despite material cost increase.
- Japan
Income decreased due to the increase of production cost including material cost.

<Chilled Processing>(Revenue increased but income decreased)

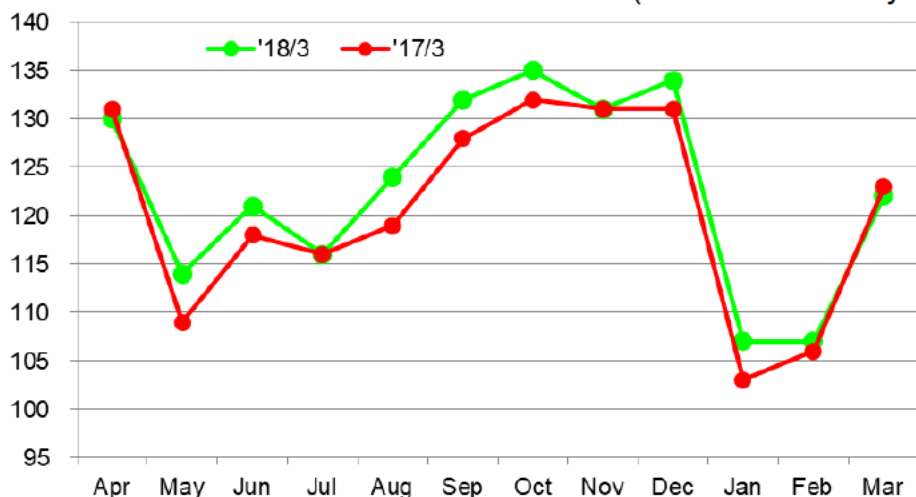
Income stayed same level as previous year as sales of deli-foods and cooked noodles to convenience stores increased while there was an effect of increase of the production cost.

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

◆ Revenue increased thanks to the strong sales of frozen food, but income decreased due to the increase of distribution cost and raw material.

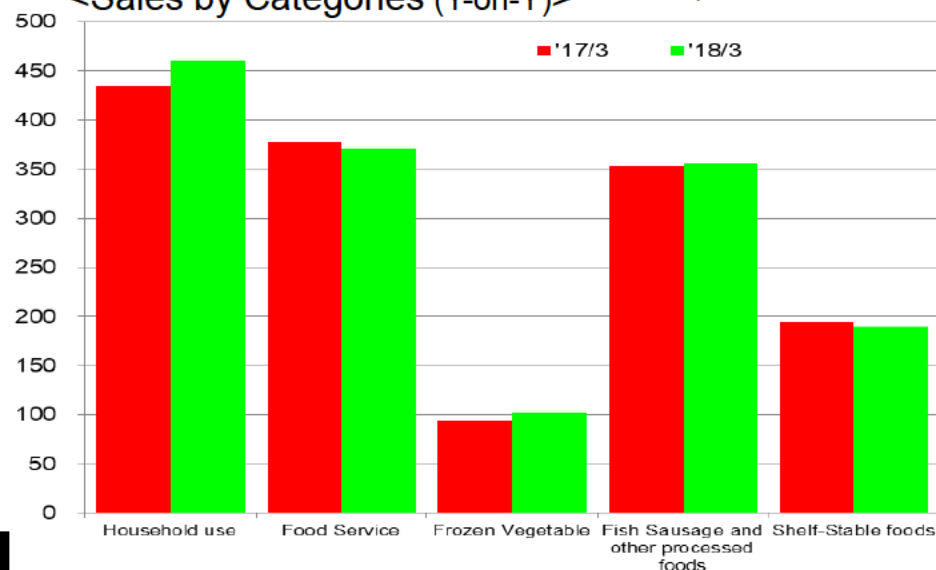
<Net Sales (Monthly)>

(Unit : 100 million yen)



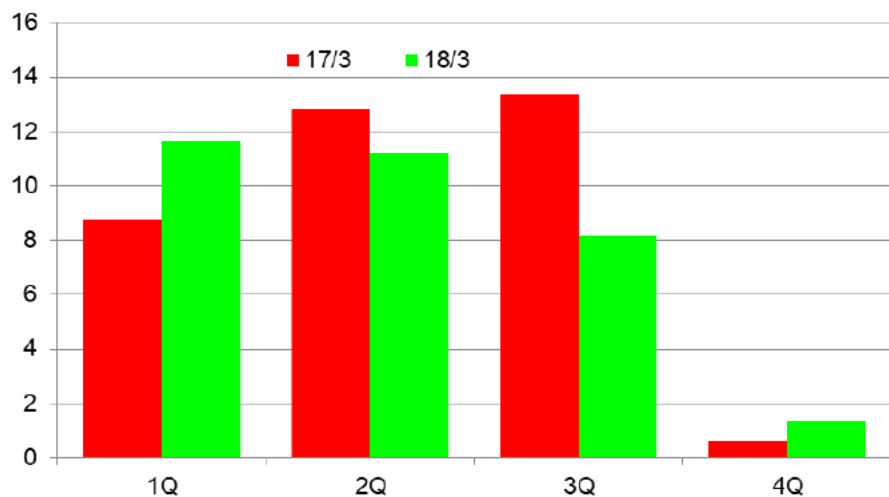
<Sales by Categories (Y-on-Y)>

(Unit : 100 million yen)

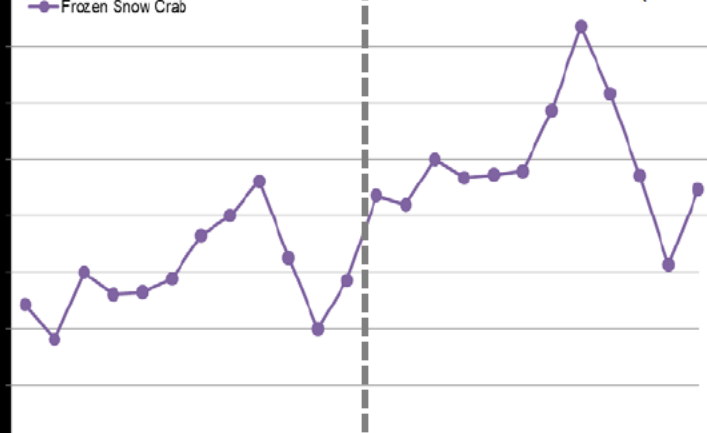


<Operating Profit (Quarterly)>

(Unit : 100 million yen)

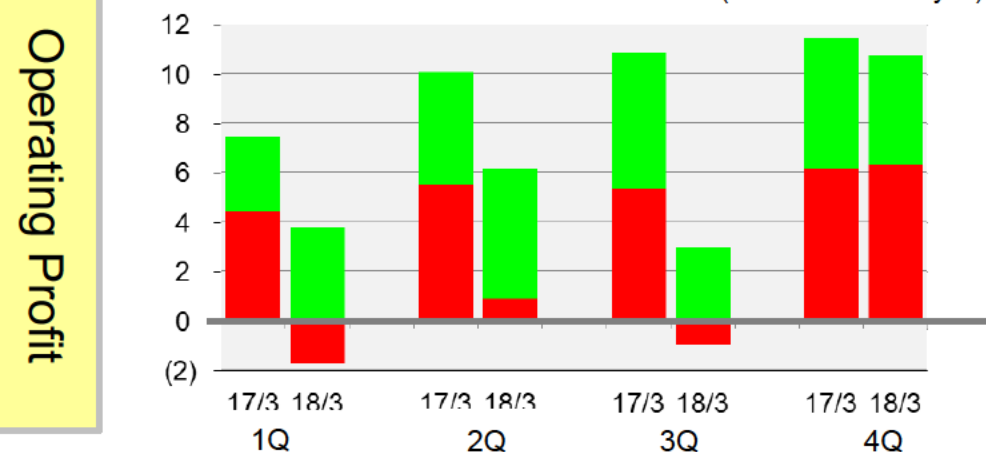
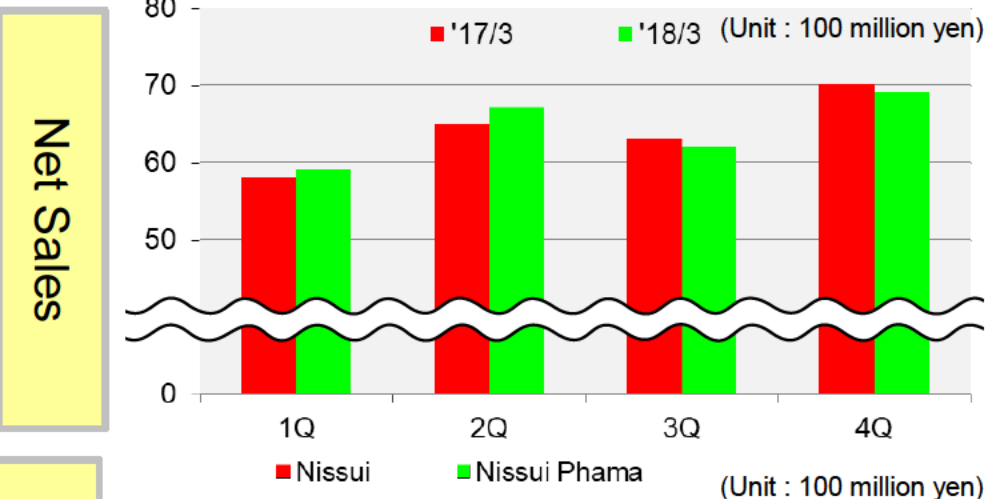


Frozen Snow Crab (Unit: yen/kg)



- ◆ Income decreased due to the increase of depreciation cost of new plant and advertising expense to expand on-line business.

(Unit : 100 million yen)	Result of FY2017	Result of FY2016	Increase/Decrease	
			(Amount)	(%)
Net Sales	258	257	0	100.3
Operating Profit	20	39	(18)	52.5



Major causes of Fluctuation

<Non-consolidated> (Revenue increased but income decreased)

<Non-consolidated>

- Depreciation for newly built Kashima plant increased in Pharmaceutical raw material.
- Income decreased due to the increase in advertising expense to expand on-line business of "I-MARK".

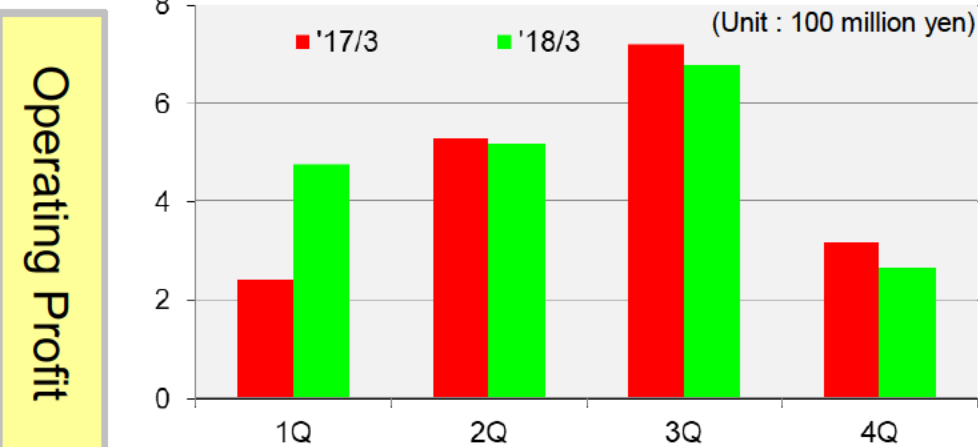
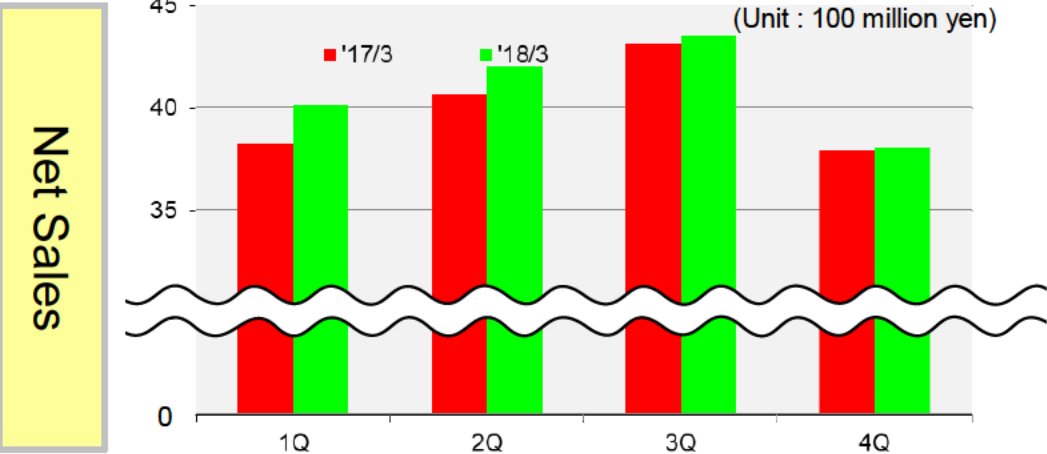
<Group Companies> (Both revenue and income decreased)

- Income decreased due to the increase in production cost of main business in addition to the sales of cosmetic business.



◆ Both revenue and income increased thanks to the contribution of Osaka-Maishima Logistics Center started in 2016 as well as strong business in existing cold storage.

(Unit : 100 million yen)	Result of FY2017	Result of FY2016	Increase/Decrease	
			(Amount)	(%)
Net Sales	163	159	3	102.4
Operating Profit	19	17	1	107.4

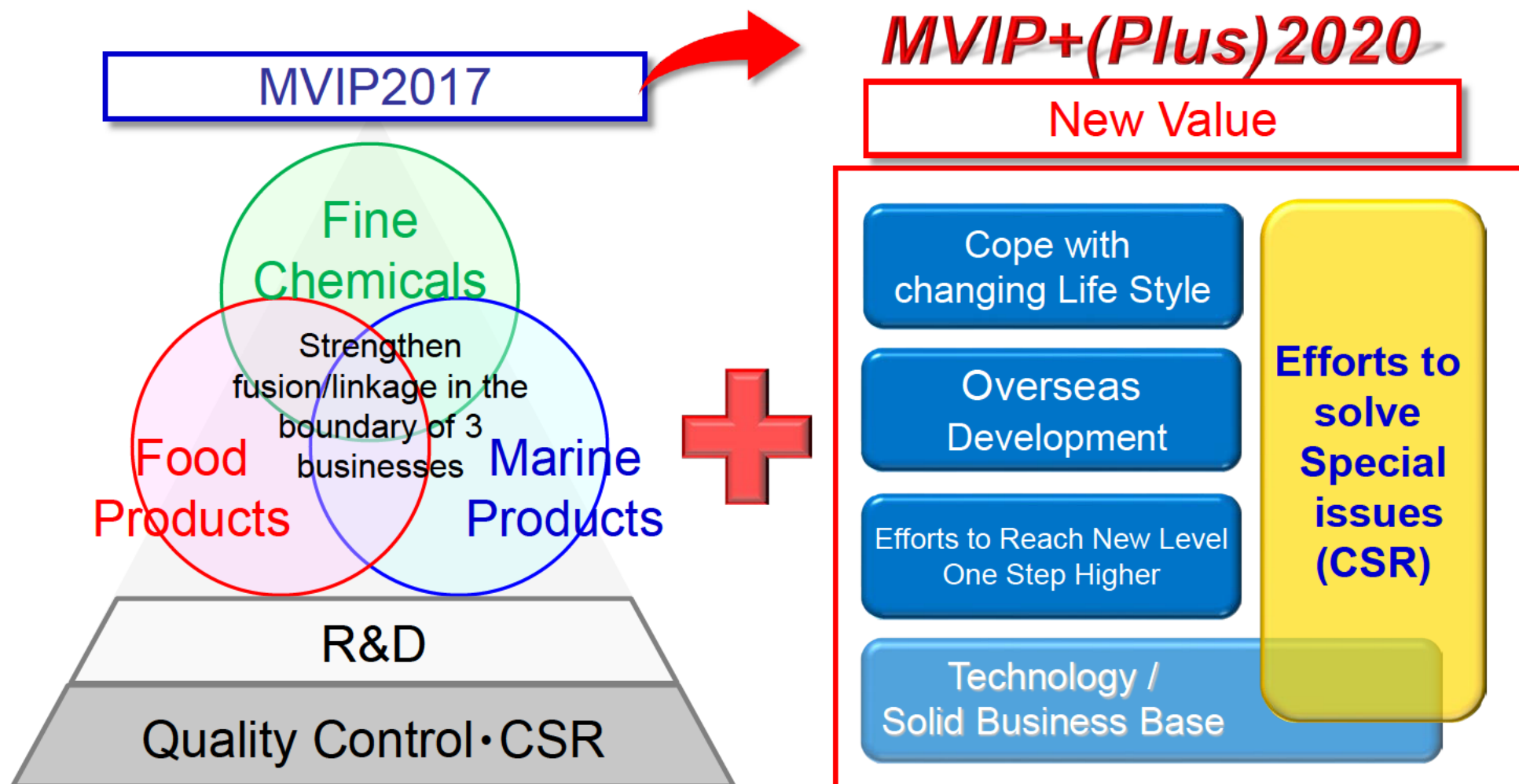


Major Causes of Fluctuation

- Osaka Maishima Logistics Center started business in 2016 lead the business by full-operation as well as the decrease in initial cost.
- Warehousing volume in existing cold storage went well.



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 ~



Basic Concept of new Mid-Term Business Plan (In order to achieve Sustainable Growth)



<Qualitative>
<Quantitative Goal>



MVIP2017
(2015~2017)

Product Recovery
and stability of Non-
consolidated

MMP+ (Plus)
2020
(2018~2020)

Realization of Growth
& Corporate value

Result of FY2017

**CSR
Management**

Progress of
CSR
Management

Plan for FY2020

Efforts to solve
social agenda
through businesses

<Social Agenda>

Preserve bountiful sea &
promote the sustainable
usage of marine resources
and the procurement

Contribute to healthy
lifestyle with
safety and security

Aim to be the company where
diverse human resources play
an important role to address
the social agenda

Net Sales
Operating Profit
Ordinary Profit
Profit attributable to owners of parent company
ROA

683 billion yen

23.4 billion yen

24.8 billion yen

17.3 billion yen

4.0%

756 billion yen

29 billion yen

32 billion yen

22 billion yen

4.5%

- ◆ Decrease in sales volume and price in Salmon/Trout farming business in South America and increase in various costs are expected.

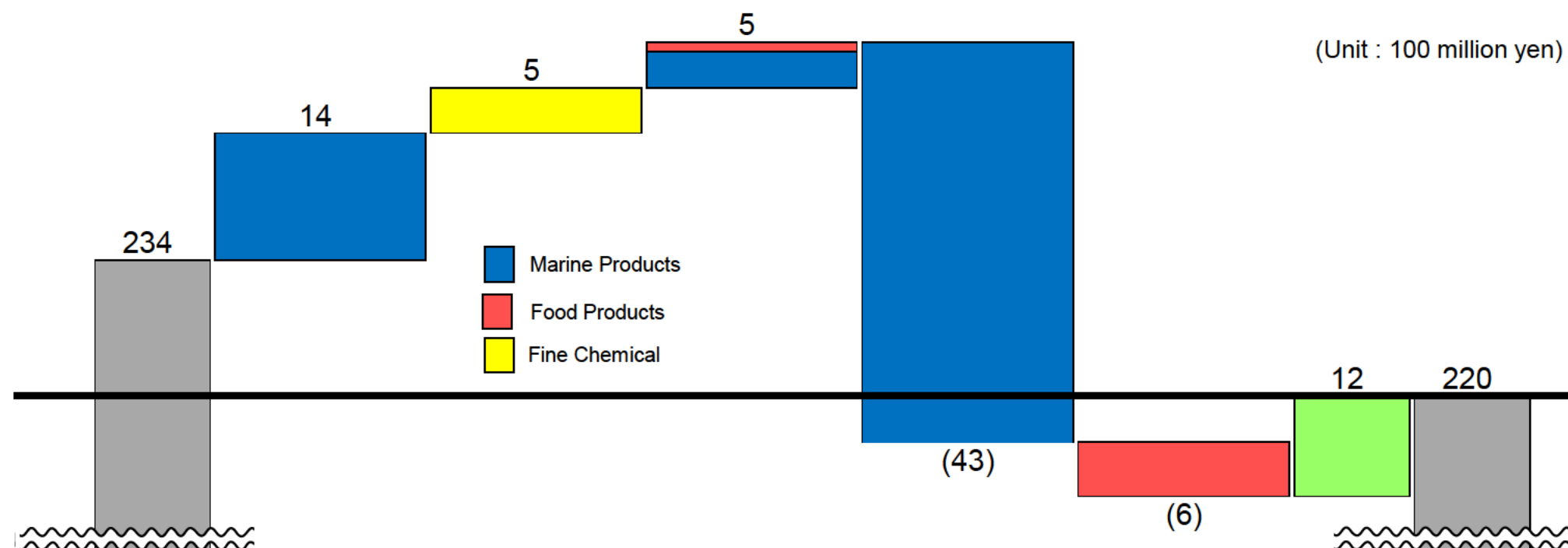
(Unit : 100 million yen)	Plan for FY2018	Result for FY2018	Increase/Decrease (Y-on-Y)	
			(Amount)	(%)
Net Sales	6,980	6,830	149	102.2
Marine Products Business	2,772	2,871	(99)	96.5
Food Products Business	3,401	3,277	123	103.8
Fine Chemicals Business	276	258	17	106.7
General Distribution	167	163	3	102.1
Others	364	259	104	140.3
Operating Profit	220	234	(14)	93.7
Marine Products Business	101	111	(10)	90.7
Food Products Business	118	130	(12)	90.4
Fine Chemicals Business	29	25	3	113.7
General Distribution	20	19	0	103.5
Others	12	12	(0)	93.2
Common Costs	(60)	(64)	4	92.8
Ordinary Profit	235	248	(13)	94.6
Profit attributable to owners of parent Company	160	173	(13)	92.3

(Note)
 Foreign Exchange rate (1USD)
 Estimate for FY2018 : 110 yen
 Result of FY2017 : 113 yen

Outlook of increase/decrease of Operating Profit in FY2018 (1st Year of Mid-Term Business Plan)



- ◆ Each of domestic business segment of Nissui Non-consolidated is expected to increase in income but to be unable to cover the reduction of income in South American business. Difficulties are expected in Europe due to the increase of main materials.



(Main causes of fluctuation)	Domestic			Overseas			Elimination between Group Companies	Plan for FY2018
	<Marine>	<Fine Chemicals>	<North America>	<South America>	<Europe>			
Result of FY2017	Fisheries : Efficient operation and increase in yellowtail catch Aquaculture : Increase in percentage of processed tuna products Non-consolidated : Decrease in purchasing price of Salmon/Trout	Non-consolidated : Improvement in cost effectiveness by efficient advertisement expense to cover increasing depreciation cost of new plant	Increase in profit by increasing percentage of fillets production and production cost reduction	Decrease in landing volume as well as sales price of Salmon/Trout went down	Decrease in income due to the increase of white fish raw materials			

Reference

◆ Both revenue and income increased year-on-year

(Unit : 100 million yen)

	Result for FY2017	Result for FY2016	Increase /Decrease	Main Causes of Fluctuations
Net Sales	6,830	6,359	470	
Gross Profit	1,407	1,345	61	
SGA expenses	1,172	1,119	52	
Operating Profit	234	226	8	
Non-Operating income	36	59	(23)	Share of profit of entities accounted for using equity method : (16) Gain on sales of investment securities : (8)
Non-Operating expenses	22	37	(14)	Loss on sales of investment securities : (8)
Ordinary Profit	248	248	(0)	
Extraordinary Profit	53	9	43	Gain on sales of investment securities : 43
Extraordinary losses	38	13	25	Impairment loss : 19
Profit before income taxes	262	245	17	
Income taxes	79	59	19	
Income taxes -deferred	(0)	29	(29)	
Profit	183	155	27	
Profit attributable to non-controlling interest	10	13	(3)	
Profit attributable to owners of parent company	173	142	31	

◆ Revenue increase in Japan and Europe

(Unit : 100 million yen)

	Japan		North America		South America		Asia		Europe		Sub Total		Consolidated Adjustment		Grand Total	
Marine Products	2,353	187	473	(23)	251	43	81	7	548	97	3,709	312	(839)	(100)	2,869	211
	2,165		497		208		74		451		3,397		(738)		2,658	
Food Products	3,428	159	562	(2)			66	(1)	386	147	4,444	303	(1,167)	(71)	3,277	232
	3,269		564				67		239		4,140		(1,095)		3,044	
Fine Chemicals	280	3					4	1			285	5	(26)	(4)	258	0
	276						3				279		(21)		257	
General Distribution	299	8									299	8	(135)	(5)	163	3
	290										290		(130)		159	
Others	420	131					3	0			423	132	(163)	(109)	260	22
	289						2				291		(53)		238	
Sub Total	6,782	491	1,035	(25)	251	43	156	8	935	244	9,162	762				
	6,291		1,061		208		148		690		8,399					
Consolidated Adjustment	(1,894)	(292)	(144)	43	(163)	(22)	(109)	(10)	(19)	(9)			(2,332)	(292)		
	(1,601)		(188)		(140)		(99)		(10)				(2,040)			
Grand Total	4,888	198	891	18	88	20	46	(2)	915	234					6,830	470
	4,689		873		67		48		680						6,359	

*(Note 1)

(Unit : 100 million yen)

Currency	Impact of exchange rate	Other than impact of exchange rate	Total
USD	(40)	58	18
EUR	29	54	84
DKK	49	48	97
Others	5	68	72
Total	43	228	271

- The upper columns indicate the result of FY2017 and the lower columns indicate that of FY2016. 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) :
 - + 49,100 million yen (Increase in Japan)
 - + 27,100 million yen (Note 2 : Increase among overseas group companies. See the right table.)
 - - 29,200 million yen (Consolidated adjustment)

◆ Marine segment in South America covered decreased income in Japan

(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 (18)	2 5	61 42	(0) (5)	11 3		110 28	(7) (5)	102 23	3.6 0.6
	52	(2)	18	4	8		81	(1)	79	3.0
Food Products	62 (8)	13 0		6 0	22 3		104 (4)	2 0	107 (3)	3.3 (0.4)
	71	13		6	18		109	1	111	3.6
Fine Chemicals	19 (19)			1 0			20 (19)	0 0	20 (18)	8.1 (7.3)
	38			0			39	0	39	15.4
General Distribution	19 1						19 1	0 (0)	19 1	11.8 0.5
	17						17	0	17	11.3
Others	17 11			(0) (0)			17 11	(4) (5)	12 6	4.8 2.2
	6			(0)			6	0	6	2.7
Common Costs						(28) 0	(28) 0	0 (0)	(28) 0	
						(28)	(28)	0	(28)	
Sub Total	152 (33)	16 6	61 42	7 (4)	34 6	(28) 0	243 18			
	186	10	18	11	27	(28)	225			
Consolidated Adjustment	1 (1)	0 (3)	(9) (5)	0 0	(1) (0)	(0) 0		(8) (9)		
	3	3	(3)	(0)	(1)	(0)		1		
Grand Total	153 (35)	16 3	52 37	8 (3)	32 6	(28) 0			234 8	3.4 (0.1)
	189	13	15	11	25	(28)			226	3.6

- The upper columns indicate the result of FY2017 and the lower columns indicate that of FY2016.
The Italic and bold figures mean increase/decrease.
- Consolidated adjustment includes amortization of goodwill and unrealized income in inventory.

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.

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