

May 10, 2017

Earnings Results for FY17/3 Presentation Material



(Stock code: 2871)

1. General Overview—Results for FY17/3 (Consolidated Group)

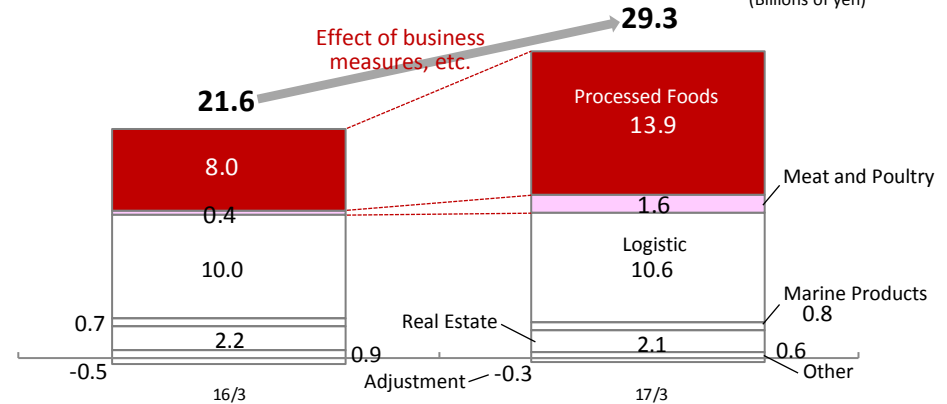
Record High Earnings on Significant Boost from Processed Foods and Meat & Poultry

(Billions of yen)

	FY17/3		
	Result	Y o Y	
		Variance	% Change
Net Sales	539.7	4.3	1%
Processed Foods	205.0	5.8	3%
Marine Products	69.4	0.6	1%
Meat and Poultry	88.1	-3.9	-4%
Logistics	186.9	2.0	1%
Real Estate	4.6	-0.0	-0%
Other	4.5	-0.7	-14%
Adjustment	-18.9	0.5	—
Operating Profit	29.3	7.7	36%
Processed Foods	13.9	5.9	74%
Marine Products	0.8	0.1	22%
Meat and Poultry	1.6	1.2	321%
Logistics	10.6	0.7	7%
Real Estate	2.1	-0.1	-3%
Other	0.6	-0.3	-33%
Adjustment	-0.3	0.1	—
Ordinary Profit	29.1	7.7	36%
Profit	18.8	5.3	39%

Consolidated Operating Profit

(Billions of yen)



1. Processed Foods

- Expanded sales of mainstay products, improved operations for production lines at company-owned plants.
- Product measures emphasizing profitability, centered on commercial-use products.
- Low and stable food material costs for meat products and other ingredients.

2. Logistics

- Positive growth for cargo collection in major metropolitan areas.
- Increase in project orders for the Engineering business.

3. Marine Products

- Significant improvement in profitability for shrimp, a mainstay product material.

4. Meat and Poultry

- Focus on sales emphasizing profitability, mainly for imported chicken.
- Stability in the meat products market for domestically produced chicken and other products.

1. General Overview—Forecast for FY18/3 (Consolidated Group)

Absorb the Effect of Cost Increases, and Maintain Current Level of Operating Profit for Mainstay Foods

(Billions of Yen)

	FY17/3					FY18/3					
	Results	Y o Y		Compared to previous forecast		Forecast	Y o Y		Compared to business plan		
		Variance	% Change	Forecast	Variance		Variance	% Change	Targets	Variance	% Change
Net Sales	539.7	4.3	1%	540.0	-0.3	556.0	16.3	3%	552.5	3.5	1%
Processed Foods	205.0	5.8	3%	205.7	-0.7	213.0	8.0	4%	210.0	3.0	1%
Marine Products	69.4	0.6	1%	70.0	-0.6	72.5	3.1	5%	72.5	—	—
Meat and Poultry	88.1	-3.9	-4%	87.4	0.7	86.0	-2.1	-2%	85.0	1.0	1%
Logistics	186.9	2.0	1%	187.0	-0.1	194.0	7.1	4%	195.0	-1.0	-1%
Real Estate	4.6	-0.0	-0%	4.6	0.0	4.3	-0.3	-7%	4.5	-0.2	-4%
Other	4.5	-0.7	-14%	4.6	-0.1	5.5	1.0	23%	5.6	-0.1	-2%
Adjustment	-18.9	0.5	—	-19.3	0.4	-19.3	-0.4	—	-20.1	0.8	—
Operating Profit	29.3	7.7	36%	29.0	0.3	28.5	-0.8	-3%	27.0	1.5	6%
Processed Foods	13.9	5.9	74%	14.0	-0.1	14.0	0.1	1%	13.0	1.0	8%
Marine Products	0.8	0.1	22%	0.8	-0.0	0.7	-0.1	-12%	0.7	—	—
Meat and Poultry	1.6	1.2	321%	1.6	0.0	1.0	-0.6	-38%	0.6	0.4	67%
Logistics	10.6	0.7	7%	10.5	0.1	10.7	0.1	1%	10.6	0.1	1%
Real Estate	2.1	-0.1	-3%	2.0	0.1	2.1	-0.0	-1%	2.0	0.1	5%
Other	0.6	-0.3	-33%	0.5	0.1	0.6	-0.0	-1%	0.7	-0.1	-14%
Adjustment	-0.3	0.1	—	-0.4	0.1	-0.6	-0.3	—	-0.6	—	—
Ordinary Profit	29.1	7.7	36%	28.7	0.4	28.2	-0.9	-3%	26.3	1.9	7%
Profit attributable to owners of parent	18.8	5.3	39%	18.0	0.8	18.5	-0.3	-1%	16.8	1.7	10%

	Exchange Rates	
	USD/JPY	EUR/JPY
FY 18/3 full year (forecast)	116.00	122.00
FY 17/3 (actual)	108.87	120.36

Note: Exchange rate figure for FY17/3 is the average for the January-December period.

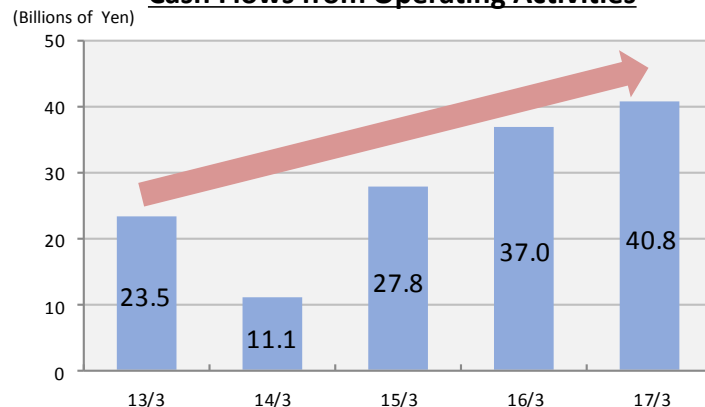
1. Net sales are expected to increase overall, led by mainstay Processed Foods and Meat and Poultry.
2. Operating profit in mainstay businesses is expected to be on a par with the previous fiscal year, due mainly to increased revenue and streamlining.

1. General Overview—Progress of Business Plan* (Consolidated Group)

Steady Progress with Measures for Sustainable Growth and Greater Capital Efficiency

* The medium-term business plan (FY17/3—FY19/3)

Cash Flows from Operating Activities



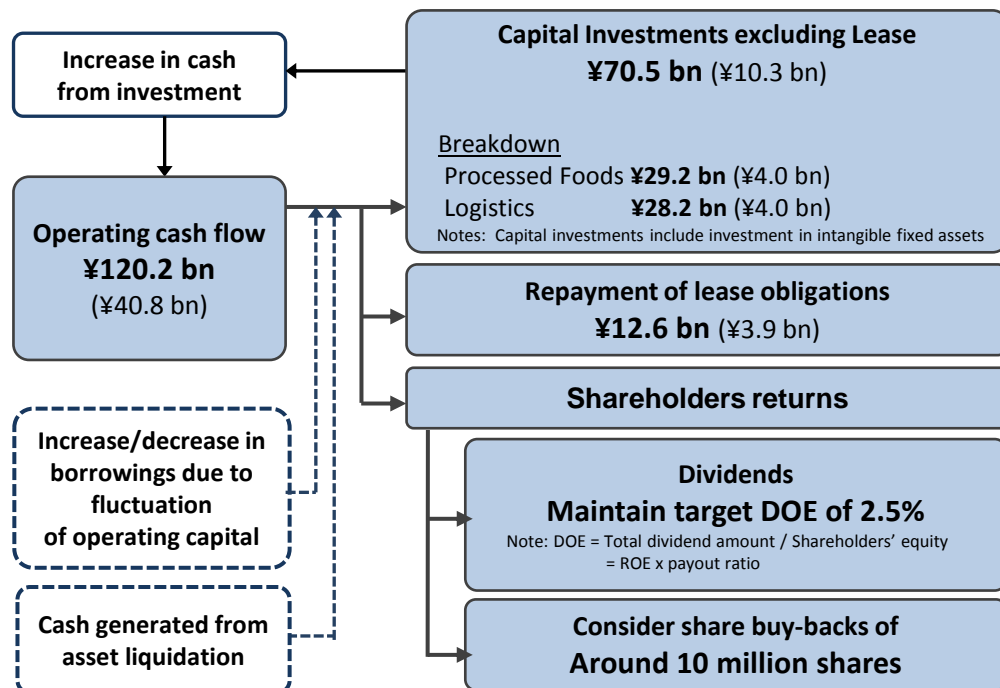
Greater Capital Efficiency (FY17/3)

ROE raised to 12%	ROA raised through increase in operating profit	Owned capital maintained at an appropriate level
ROE 12.1% (Plan target: 10% or higher)	ROA* 8.5% *Return on assets Operating margin 5.4% (+0.6 pp compared to plan) Asset turnover ratio 1.6 times	Equity ratio 46.0% Interest-bearing debt ¥ 89.8 billion Share buy-backs Around 5.3 million shares (around ¥ 10.0 billion)

Business segments	Main measures	Progress
Processed Foods	Continue measures to improve profitability	➡ Significant increase in operating margin on positive sales of mainstay products (Operating margin 6.8% (+0.9ppt vs. plan))
	Overseas: Further expand business scale, focusing on the U.S. market	➡ Sales steadily rising in U.S. (local currency basis) amid fierce competition
Logistics	Expand the scale of the logistics network business	➡ Progress in line with plan
	Overseas: Strengthen and expand the business base through proactive investment in Europe	➡ Certain aspects behind schedule, but measures to be implemented in line with plan
Marine Products and Meat & Poultry	Raise profitability and improve asset turnover	➡ Improved profitability for both Marine Products and Meat & Poultry
Overall	Allocate operating cash flow to capital investments for mainstay businesses, and appropriate distribution of shareholder returns	➡ Steady increase in operating cash flow, allocated to increased dividend (Dividend per share: FY16/3 ¥24 → FY17/3 ¥28)

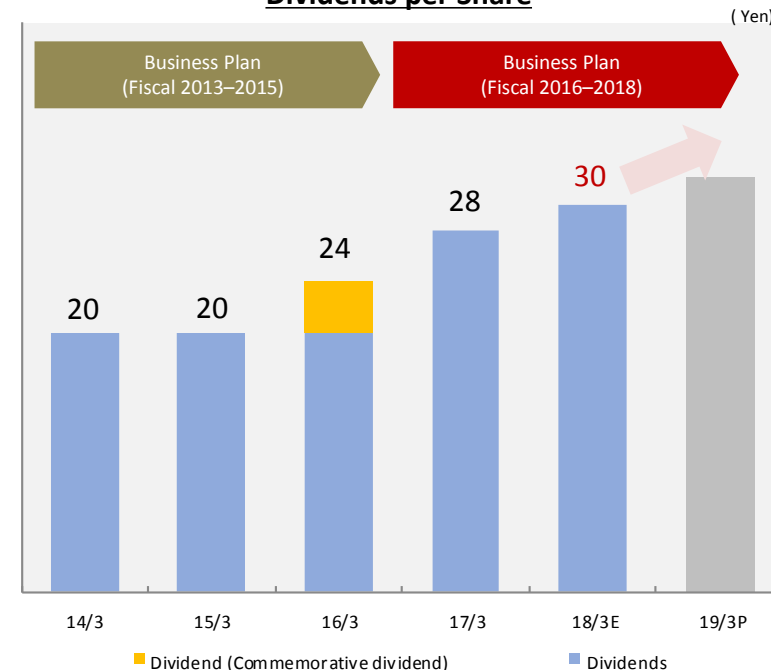
Allocate Operating Cash Flow to Capital Investments and Enhance Shareholder Returns

Distribution of Operating Cash Flow (3-year cumulative)



Note: Figures in parentheses indicate the results for FY 2016.

Dividends per Share

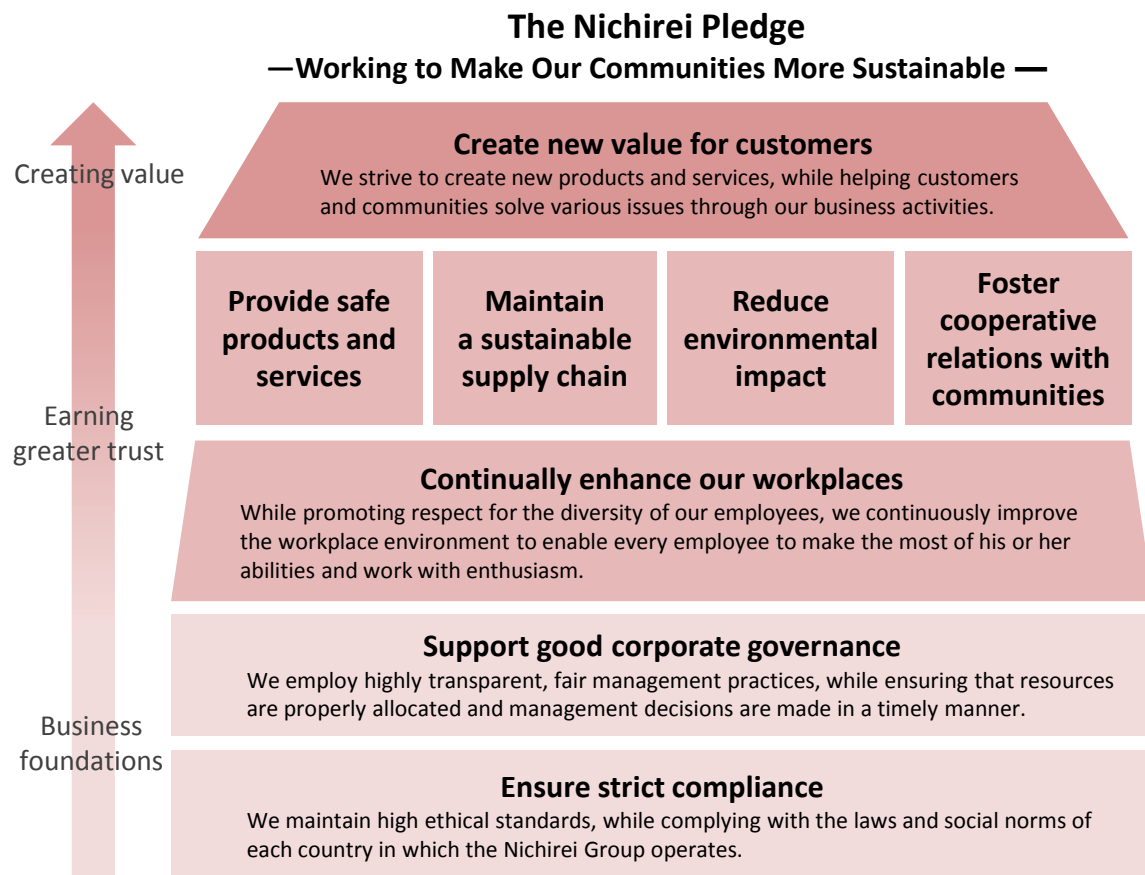


Note: Number of shares and dividends per share are revised figures following the stock merger on October 1, 2016.

1. During FY18/3, Nichirei will make growth investments in mainstay businesses, and strengthen investment in establishing a business base, with the aim of maintaining competitiveness over the longer term.
2. Enhancing shareholder returns
 - i. We will maintain a stable dividend, with a target of 2.5% of DOE. For FY18/3, we plan a dividend increase of ¥2, to ¥30 per share.

- ii. Of the total share buy-back of 10 million shares scheduled during the business plan period (of which, 5.3 million have already been acquired), Nichirei has decided to acquire the remaining 4.7 million. Altogether, 8 million shares will be retired.

Revisions to the CSR Basic Policy to Support Sustainable Growth



Revisions to the Nichirei Group's Way of Working

Launch measures to be implemented by FY22/3

1. Diversify ways of working
i. Expand choices in employment
ii. Establish a framework for continued career paths
2. Rectify the practice of working long hours
3. Provide equal opportunities
i. Support active roles for women
ii. Provide a stimulating workplace for people with disabilities
iii. Establish employment for seniors

1. The Nichirei Group revised its basic CSR policy in April 2017, and changed the name to “Nichirei Pledge.” As a company sustaining food and health, while bearing in mind the economic, social, and environmental aspects, Nichirei will create new value for customers through its business activities, and contribute to the resolution of social issues.

2. Nichirei formulated a revised policy for the way of working based on “Nichirei Pledge,” in order to enhance our workplaces and raise productivity. Utilizing the diverse values and ideas of employees will lead to sustainable growth for the corporate group.

2. Processed Foods

Considerable Earnings Gain from Successful Strategy in Previous Fiscal Year to Focus on Product Differentiation

[Background to the Large Increase in Earnings]

Business measures

- Strengthen product appeal and production structure at company-owned plants, and increase margins with sales strategies emphasizing profitability

Strengthen product appeal and production structure

- Concentrate resources on mainstay products, introduce new production methods and menus.
- Invest in production line equipment for rice products, processed chicken products, and spring rolls.
- Optimize arrangement for domestic production system, with new facilities at the Funabashi No. 2 plant as the starting point.
- Total capital investment for FY14/3-FY16/3: ¥24.7 billion

Sales strategies

- Offer products adapted to specific industry needs
- Proactive promotional activities
- Replace low-earning products through strict revenue management by product

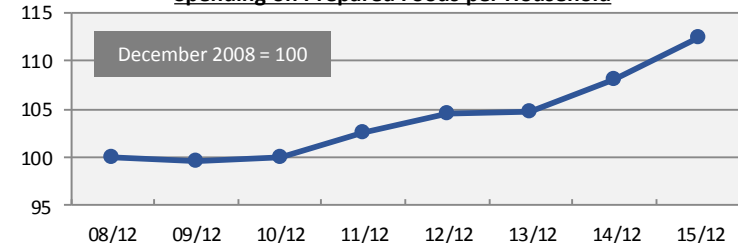
Introduce business division system to strengthen ties by function

External environment

■ Increased demand for frozen foods with more meals prepared outside the home

- Growth in the home meal replacement (HMR) market
- Greater awareness of frozen foods, increased demand as carbohydrate and main dish.

Spending on Prepared Foods per Household



Source: Nichirei, based on survey data on household spending from Statistics Bureau, Ministry of Internal Affairs and Communications.

■ Food material markets remained low and stable in previous fiscal year, with yen strengthening in exchange markets

Results

1. Considerable growth in sales of products from company-owned plants, including processed chicken and rice products.
2. Increase in operation rate and productivity at company-owned plants, and lower unit costs.
3. Steady improvement for low-earning products.

Factors for increase/decrease	YoY, ¥ bn
Increased revenue	+2.5
Improved productivity	+2.4
Effect of results from subsidiaries	+1.3
Decrease in ingredient and products purchasing costs	+1.2
Increase in advertising and sale promotion expenses	-1.5
Total	+5.9

Continue with measures to produce results

2. Processed Foods

Absorb Higher Food Material and Procurement Costs with Revenue Gains and Productivity Improvements

(Billions of Yen)

	Results	FY17/3				Forecast	FY18/3	
		Y o Y		Compared to previous forecast			Y o Y	
		Variance	% Change	Previous forecast	Variance		Variance	% Change
Net Sales	205.0	5.8	3%	205.7	-0.7	213.0	8.0	4%
Household-Use Prepared Frozen Foods	52.5	5.5	12%	51.9	0.6	55.0	2.5	5%
Commercial Use Prepared Frozen Foods	88.8	2.6	3%	90.2	-1.4	93.0	4.2	5%
Processed Agricultural Products	18.8	0.3	2%	18.2	0.6	18.4	-0.4	-2%
Overseas	28.5	-2.0	-7%	29.8	-1.3	29.7	1.2	4%
Other	16.4	-0.5	-3%	15.6	0.8	16.9	0.5	3%
Operating Profit	13.9	5.9	74%	14.0	-0.1	14.0	0.1	1%

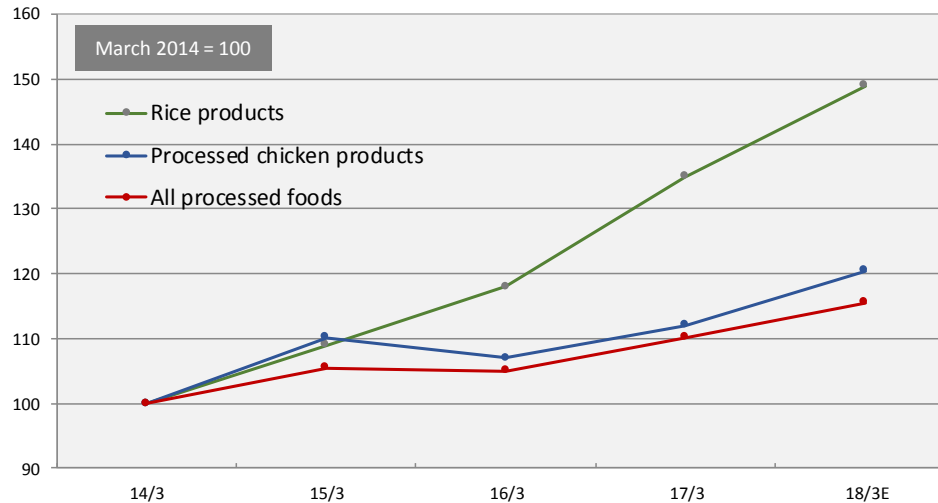
1. Household-use Prepared Foods: Along with mainstay rice products, strengthen sales of processed chicken products, including the new *Tokukara* launched this spring.
2. Commercial-use Prepared Foods: Continue product measures emphasizing profitability, and expand sales of mainstay products such as processed chicken products and spring rolls to the favorable home meal replacement (HMR) market.

3. Operating profit is expected to be on a par with the previous fiscal year, with rising food material and procurement costs for such products as rice and meat offset by higher revenue from prepared frozen foods, and productivity improvements.

2. Processed Foods (Japan)

Strengthen Core Products, and Expand Range of Products to Meet Diversified Consumption Patterns

Frozen Food Sales



Nichirei's new household-use product Tokukara, launched this spring



1. Household-use Prepared Foods

- Conduct effect sales promotions, including TV commercials and consumer campaigns, to raise brand awareness, and further enhance turnover of mainstay products such as rice products and processed chicken products.
- Expand range of single-serving products and foods for evening meals, in order to continue creating new demand.

2. Commercial-use Prepared Foods

- Further strengthen product development for the home meal replacement market, and expand sales of products such as mainstay processed chicken to major users, while continuing product measures emphasizing profitability.
- Strengthen the supply structure to meet robust demand for processed chicken products, including adding a fifth production line at GFPT Nichirei in Thailand (scheduled to begin operations in August 2017)

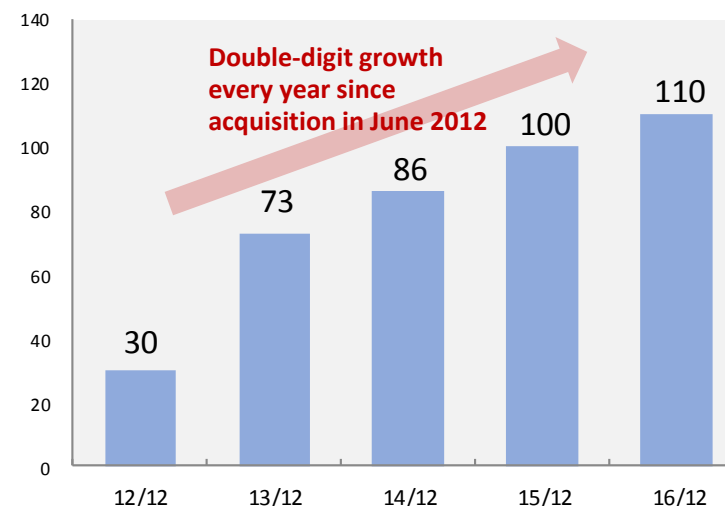
2. Processed Foods (Overseas)

InnovAsian Cuisine – Aim for Further Growth in the U.S. Asian Foods Markets

Overview of InnovAsian Cuisine

	Household-use	Commercial-use
Strengths	<ul style="list-style-type: none"> Product development capabilities based on marketing trends from an American consumer perspective Sales and reach capabilities to large volume retailers in the U.S. 	
Products	InnovAsian Most widely recognized family-oriented product line, mainly Chinese foods 	Provides Asian foods and solutions, mainly for delicatessen sections *Menus and presentation methods offered as a program 
	Lemon Grass Kitchen High-end brand of Southeast Asian foods, anticipating consumer trend 	
Principal Product Categories	Main dishes (such as processed chicken products), fried rice and other rice products	
Main Sales Channels	<ul style="list-style-type: none"> Frozen food section of major volume retailers 	<ul style="list-style-type: none"> Delicatessen section of major volume retailers School lunches, restaurant chains, etc.

(Millions of US dollar) **InnovAsian Cuisine's Net Sales**



Notes: 1. FY12/12 is a six-month period.
 2. The accounting method was changed from FY16/12 (to exclude from sales a portion of the expenses recorded as selling costs). Figures in the graph, to allow for comparisons with past fiscal years, are prior to the change in accounting method.

1. Household-use products: Strengthen advertising and other marketing measures, and raise brand awareness to improve the store turnover rate. Also, establish the high-end brand Lemon Grass Kitchen.

2. Commercial-use products: Strengthen the sales structure to respond quickly to industry-specific customer needs, and develop new sales channels such as delicatessens and school cafeterias.

Strengthen Existing Business, and Actively Invest to Solidify the Earnings Base

(Billions of Yen)

	FY17/3					FY18/3		
	Results	Y o Y		Compared to Previous Forecast		Forecast	Y o Y	
		Variance	% Change	Previous forecast	Variance		Variance	% Change
Net Sales	186.9	2.0	1%	187.0	-0.1	194.0	7.1	4%
Japan Subtotal	150.7	2.4	2%	150.7	0.0	156.4	5.7	4%
Logistics Network	88.5	-2.3	-3%	88.6	-0.1	92.6	4.1	5%
Regional Storage	62.2	4.8	8%	62.1	0.1	63.8	1.6	3%
Overseas	32.0	-1.9	-5%	32.2	-0.2	32.7	0.7	2%
Other/Intersegment	4.2	1.4	53%	4.1	0.1	4.9	0.7	17%
Operating Income	10.6	0.7	7%	10.5	0.1	10.7	0.1	1%
Japan Subtotal	9.4	0.6	7%	9.5	-0.1	9.8	0.4	4%
Logistics Network	2.9	-0.5	-14%	3.0	-0.1	3.5	0.6	20%
Regional Storage	6.5	1.1	20%	6.5	0.0	6.3	-0.2	-4%
Overseas	1.1	-0.2	-18%	1.0	0.1	1.0	-0.1	-11%
Other/Intersegment	0.1	0.3	—	0.0	0.1	-0.1	-0.2	—

Note:

1. In FY17/3, a portion of the operations in the logistics network business was transferred to the regional storage business.
2. The Engineering Business is included in the "Other/Intersegment" segment.

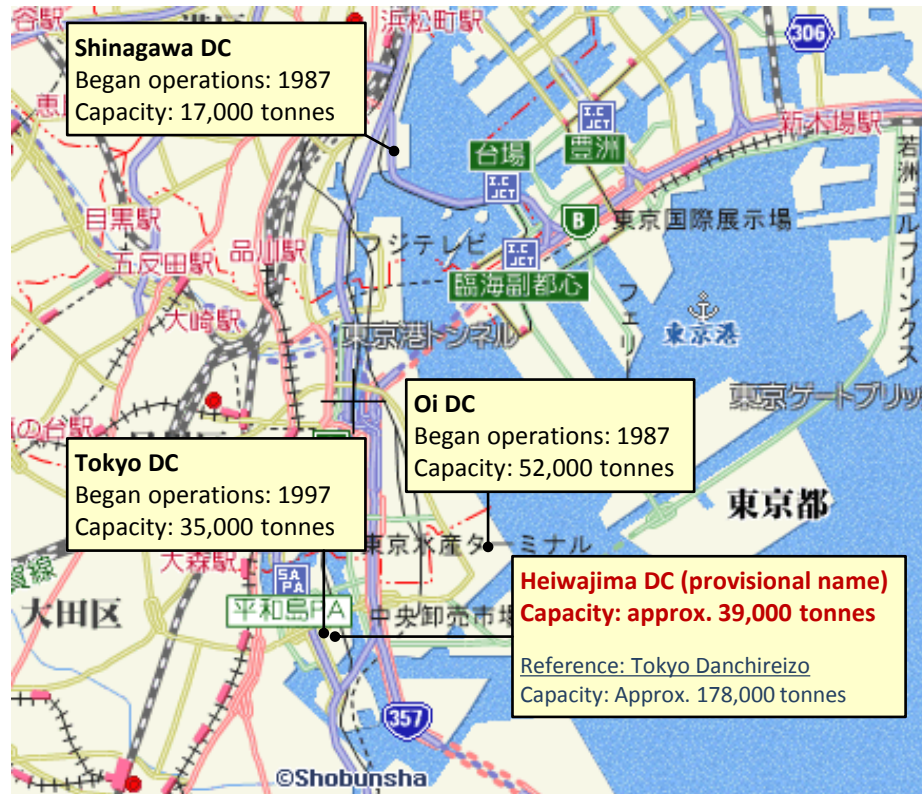
1. Japan
 - i. Expectation for higher revenue from expansion of the logistics network business, and growth in cargo collection.
 - ii. Despite rising handling and delivery/transport costs, and expected increases in electricity fees, secure earnings on a par with the previous fiscal year through operational streamlining and receipts from appropriate rates.
2. Overseas

In Europe, for earnings growth over the medium term, make investments to strengthen functions at Rotterdam port, and increase share of cargo handled at the port.

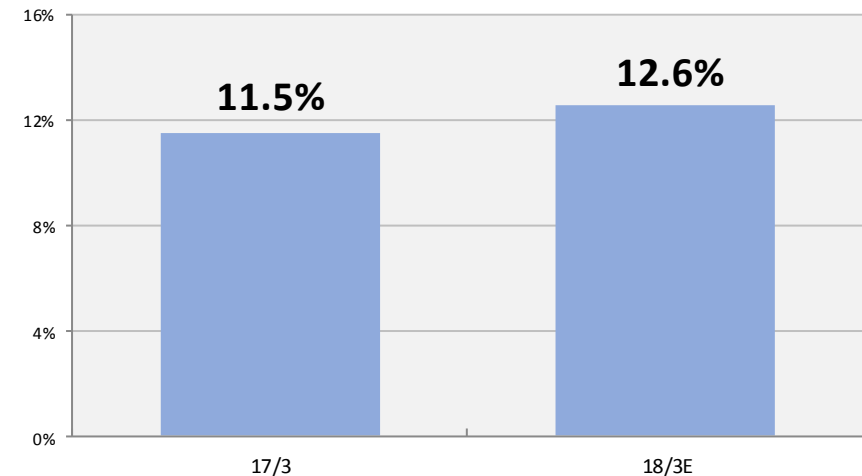
3. Logistic (Japan)

Increase Capacity and Expand Cargo Collection in the Tokyo Waterfront District

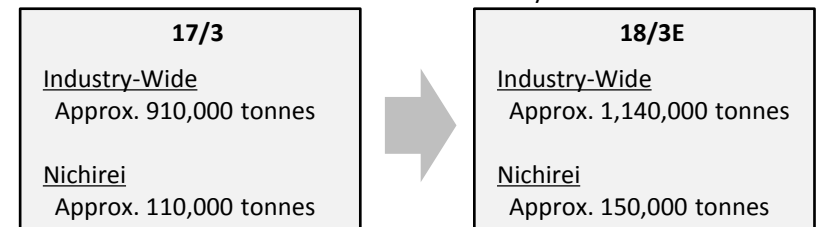
Nichirei Logistics Group's Facility Network in the Tokyo Waterfront District



Nichirei's Share of Facility Capacity in the Tokyo Waterfront District



After resumption of operations at Tokyo Danchireizo



1. Tokyo Danchireizo's resumption of operations in March 2018 (scheduled) will expand Nichirei's share of facility capacity in the Tokyo Waterfront District, which handles a large volume of imports.

2. Looking toward the start of operations at the Heiwajima DC (provisional name), Nichirei will utilize the advantageous location and additional services to expand collection of new cargo, and provide optimal placement of stored cargo according to the attributes of the location.

3. Logistic (Overseas)

Facility Investment in Europe to Strengthen the Business Base



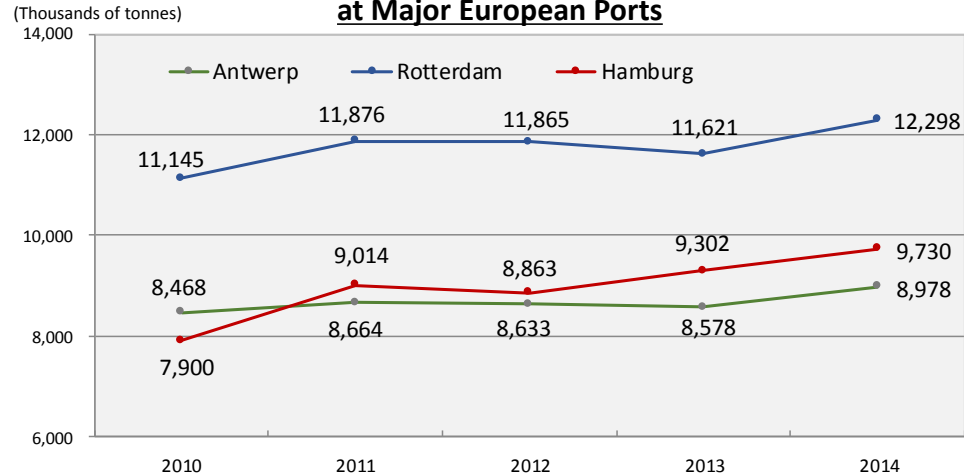
1. The Netherlands

Increase refrigerated warehouse capacity in the Maasvlakte district to strengthen Nichirei's competitive advantage in the EU's largest port of Rotterdam. Expand share of cargo handled by offering value-added services, and strengthening quarantine functions.

2. Poland

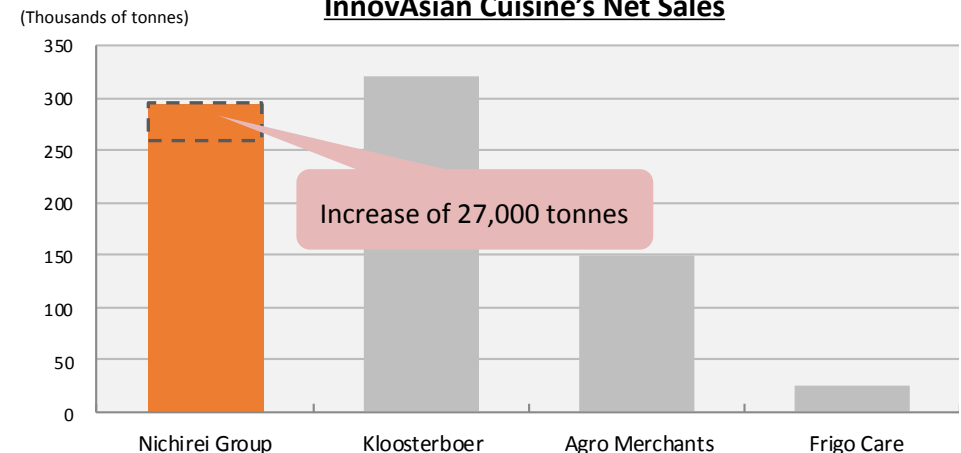
Provide storage and transport services to major domestic retail customers on a stable, year-round basis, and steadily recovery earnings. Pursue measures to further expand the scope of business operations.

Refrigerated/Freezer Container Handling Volume at Major European Ports



Source: Nichirei, from data published by World Container Traffic Data 2015 (International Association of Ports and Harbors)

InnovAsian Cuisine's Net Sales



Source: Nichirei, from data published by Agri-Food Logistics Proposition the Netherlands Version 1.8 FINAL November 14, 2016 (Holland International Distribution Council)

3. Logistic (Operational Innovations)

Implementing Measures for Workflow Innovation in Warehouses

[Special characteristics of food distribution]

- Wide variety of cargo from upstream to downstream
- Broad seasonal fluctuations in volume
- "First in, first out" (FIFO) principle



- High-density utilization of warehouse space (Frequent shifting, repositioning of cargo)
- Previously done with manpower (Labor-intensive work)

Labor shortages and rising operational costs have led to a considerable decrease in profitability of labor-intensive work

Need for work process innovations

Prioritization and successive implementation

- **Introduction of racks**
 - Reduced workload for cargo shifting and repositioning
 - Determine cargo position by pallet
- **Introduction of mobile terminals on forklifts**
 - Greater efficiency in work directive
 - Accumulate operational data
- **Trial introduction of unmanned forklift**
 - Labor-saving measure



Movable racks



Mobile terminals

- Based on updated facilities and accumulated operational data, we will seek to utilize AI and other technologies for labor savings and productivity gains.
 - Refine income and expenditure management by work operation
 - Optimize and even-out workflow, optimization of personnel assignment

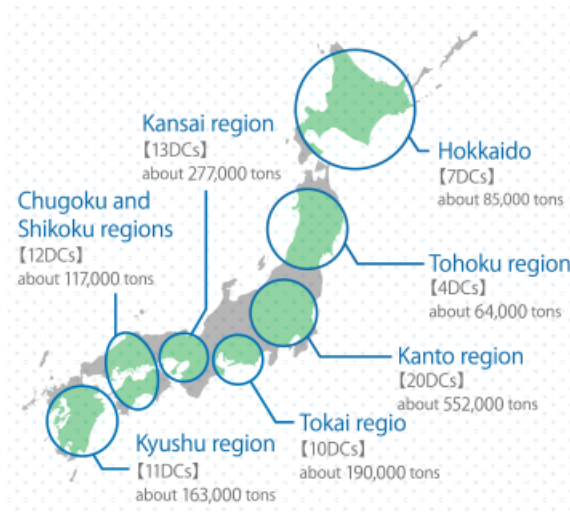
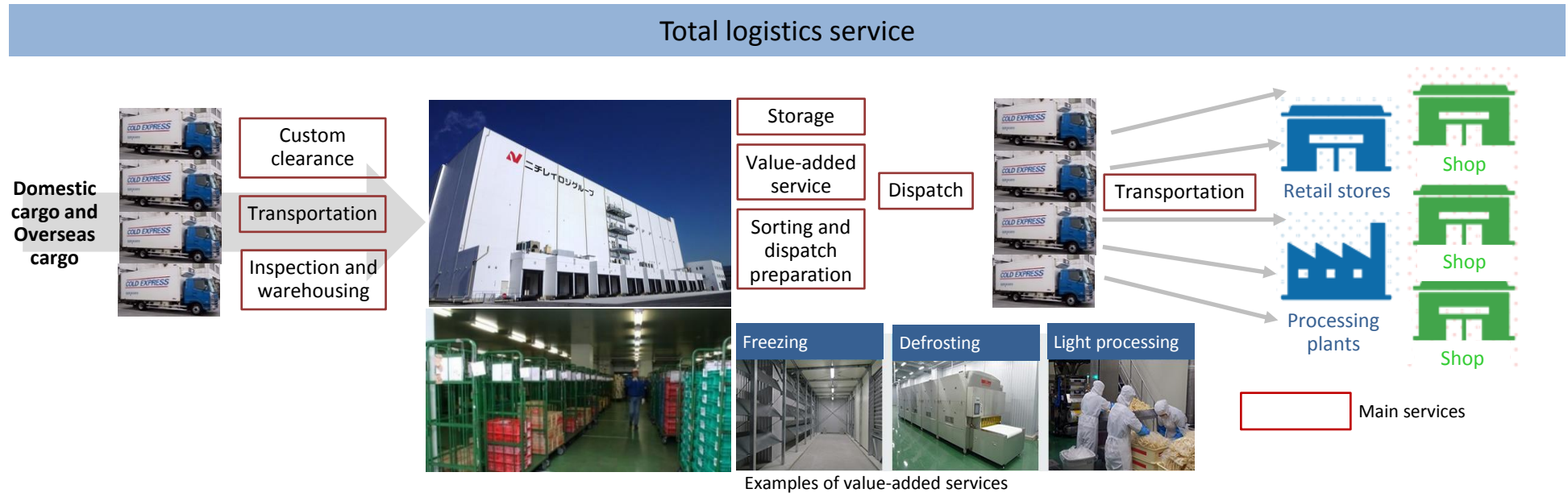
Current status

Workload reduction and work digitalization phase

Future

3. Logistic (Reference Material)

Logistics Business Model (Japan)



Nichirei Group's Strengths

Facility Capacity / Cargo Collection	<ul style="list-style-type: none"> Domestic storage capacity of around 1.45 million tons – Leading market share (around 10%) Warehouses in major metropolitan areas with heavy cargo traffic and prime locations, as well as in agricultural and livestock-producing regions
Varied services	<ul style="list-style-type: none"> Nationwide warehouse and transport network supporting a comprehensive service including storage, additional services, and delivery Total of 34 delivery centers serving major retailers
Quality Control / Trustworthiness	<ul style="list-style-type: none"> Expertise to make high-quality operations possible Business relationship with around 5,000 companies annually, based on the trustworthiness of the Nichirei brand

4. Marine Products, Meat and Poultry

Ensure Continued Stable Earnings for both Marine Products, and Meat and Poultry

(Billions of Yen)

		FY17/3					FY18/3		
		Result	Y o Y		Compared to previous forecast		Forecast	Y o Y	
			Variance	% Change	Previous forecast	% Change		Variance	% Change
Marine Products	Net Sales	69.4	0.6	1%	70.0	-0.6	72.5	3.1	5%
	Operating Profit	0.8	0.1	22%	0.8	-0.0	0.7	-0.1	-12%
Meat and Poultry	Net Sales	88.1	-3.9	-4%	87.4	0.7	86.0	-2.1	-2%
	Operating Profit	1.6	1.2	321%	1.6	0.0	1.0	-0.6	-38%

1. Expand lineup of distinctive ingredients, and continue to increase sales of products optimally processed to meet customer needs, focusing on the restaurant and home meal replacement (HMR) channels.
2. Marine Products: Achieve stable procurement and sales through diversification of producing regions, focusing on shrimp and other marine products for which Nichirei has an advantage in transaction volume.
3. Meat and Poultry: Strengthen procurement capabilities for domestic products, and expand sales. For imports, focus on products with exceptional ingredients or quality controls.

Reference Materials

Factors for increase/decrease in operating profit (FY16/3-FY18/3)

Processed Foods

(Billions of Yen)

FY16/3 Operating Profit	8.0
Factors for increase	7.4
Increased revenue	2.5
Improved productivity	2.4
Effect of results from subsidiaries	1.3
Decrease in ingredient and products purchasing costs	1.2
Factors for decrease	-1.5
Increase in advertising and sale promotion expenses	-1.5
FY17/3 Operating Profit	13.9
Factors for increase	3.2
Increased revenue	2.2
Improved productivity	1.0
Factors for decrease	-3.1
Rise in ingredient and purchasing costs	-1.6
Effect of results from subsidiaries	-1.3
Other	-0.2
FY18/3 Operating Profit Forecast	14.0

Logistics

(Billions of Yen)

FY16/3 Operating Profit	10.0
Factors for increase	1.7
Operational improvements	0.4
Streamlining of transport business	0.3
Effect on results from increase in cargo collection	0.5
Effect of changes in electricity rates	0.2
Expansion of engineering business	0.3
Factors for decrease	-1.1
Increase in transport and delivery costs (net)	-0.4
Cost increase to establish new TC	-0.3
Increase in work outsourcing costs (net)	-0.2
Foreign exchange	-0.2
FY17/3 Operating Profit	10.6
Factors for increase	1.4
Operational improvements	0.4
Earnings improvement in trunk line transport	0.4
Expansion of 3PL business	0.2
Streamlining of transport business	0.2
Effect on results from increase in cargo collection	0.2
Factors for decrease	-1.3
Increase in transport and delivery costs (net)	-0.4
Effect on results from establishment of new DC	-0.3
Increase in work outsourcing costs (net)	-0.2
Effect of changes in electricity rates	-0.1
Effect on results from overseas business	-0.1
BCP-related expenses	-0.2
FY18/3 Operating Profit Forecast	10.7

Non-operating Income and Expenses / Extraordinary Income or Loss

(Billions of Yen)

	FY17/3		FY18/3	
	Results	Y o Y	Forecast	Y o Y
		Variance		Variance
Non-operating Income and Expenses	-0.2	-0.0	-0.3	-0.0
(Main items)				
Financial account balance	-0.2	0.1	-0.1	0.0
Share of (profit) loss of entities accounted for using equity method	0.2	0.1	0.0	-0.2
Extraordinary Income or Loss	-1.2	-0.4	-0.4	0.8
(Main items)				
Gain on sales of non-current assets	0.4	0.3	0	-0.3
Loss on sales of non-current assets and retirement of non-current assets	-0.8	-0.1	-0.4	0.3
Loss on revision of retirement benefit plan	-0.2	-0.2	—	0.2
Impairment loss	-0.2	-0.1	—	0.2

Results during Business Plan Periods

(Billions of Yen)

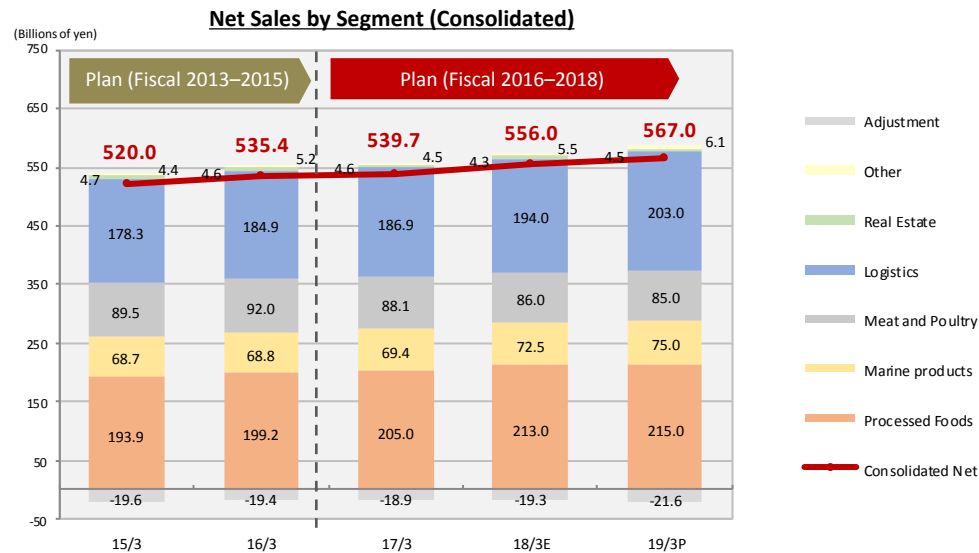
		Business Plan (FY08/3-FY10/3)			Business Plan (FY11/3-13/3)			Business Plan (FY14/3-16/3)			New Business Plan (FY17/3-19/3)		
		08/3	09/3	10/3	11/3	12/3	13/3	14/3	15/3	16/3	17/3	18/3E	19/3P
Net Sales		463.6	474.5	438.1	437.8	454.9	447.7	487.4	520.0	535.4	539.7	556.0	567.0
	Processed Foods	175.0	174.0	162.1	161.9	174.2	161.6	180.7	193.9	199.2	205.0	213.0	215.0
	Marine Products	74.7	76.1	67.2	66.8	65.7	63.7	68.6	68.7	68.8	69.4	72.5	75.0
	Meat and Poultry	83.9	92.5	77.6	78.3	75.6	75.5	80.1	89.5	92.0	88.1	86.0	85.0
	Logistics	138.7	142.3	139.0	139.4	149.5	156.4	168.4	178.3	184.9	186.9	194.0	203.0
	Real Estate	7.5	7.4	7.0	6.6	4.9	4.7	5.0	4.7	4.6	4.6	4.3	4.5
	Other	6.3	6.6	6.9	6.2	6.0	5.8	3.7	4.4	5.2	4.5	5.5	6.1
	Adjustment	-22.6	-24.4	-21.7	-21.5	-21.0	-20.0	-19.1	-19.6	-19.4	-18.9	-19.3	-21.6
Operating Profit		17.4	15.1	16.8	16.7	16.2	17.9	15.8	17.4	21.6	29.3	28.5	28.6
	Processed Foods	4.1	2.0	2.6	4.6	5.2	6.0	3.4	5.4	8.0	13.9	14.0	14.0
	Marine Products	-0.5	0.3	0.9	0.6	0.2	0.1	0.4	0.2	0.7	0.8	0.7	0.8
	Meat and Poultry	0.6	-0.0	0.7	0.4	0.5	0.5	0.1	0.4	0.4	1.6	1.0	0.8
	Logistics	8.5	8.2	7.9	7.3	7.4	8.6	8.9	8.7	10.0	10.6	10.7	11.0
	Real Estate	4.3	4.0	3.7	3.6	2.4	2.3	2.4	2.1	2.2	2.1	2.1	2.0
	Other	0.2	0.2	0.4	0.4	0.5	0.4	0.4	0.6	0.9	0.6	0.6	0.6
	Adjustment	0.1	0.4	0.7	-0.2	0.0	0.0	0.1	0.0	-0.5	-0.3	-0.6	-0.6
Ordinary Profit		16.9	14.2	15.5	16.1	15.3	17.2	14.4	16.9	21.4	29.1	28.2	28.3
Profit attributable to owners of parent		9.6	6.0	9.1	4.0	7.9	9.8	8.9	9.5	13.5	18.8	18.5	18.2
Amount of capital investment	including leased assets	—	14.9	24.4	22.1	12.2	13.2	24.0	24.2	16.2	13.9	32.0	38.6
	excluding leased assets	7.8	12.8	18.0	18.1	9.4	10.7	21.2	19.8	13.2	10.3	28.0	32.2
Interest-bearing debt	including leased debt	—	110.5	85.8	97.0	97.8	96.9	106.1	107.7	94.7	89.8		
	excluding leased debt	66.1	87.9	60.9	72.5	74.8	75.4	85.7	87.3	75.5	70.9		
D/E ratio (times)	including leased debt	—	1.0	0.7	0.8	0.8	0.8	0.8	0.7	0.6	0.5		
	excluding leased debt	0.6	0.8	0.5	0.6	0.6	0.6	0.6	0.6	0.5	0.4		
Capital adequacy ratio (%)		44.3	38.6	43.1	40.4	40.2	41.3	41.9	43.0	44.4	46.0		
ROE (%)		8.5	5.3	7.9	3.4	6.8	8.2	6.9	6.8	9.1	12.1	At least 10%	

Notes

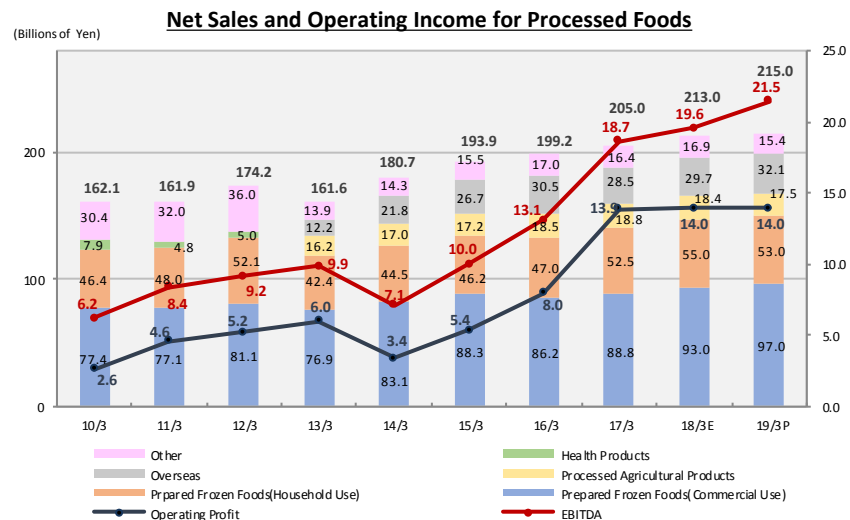
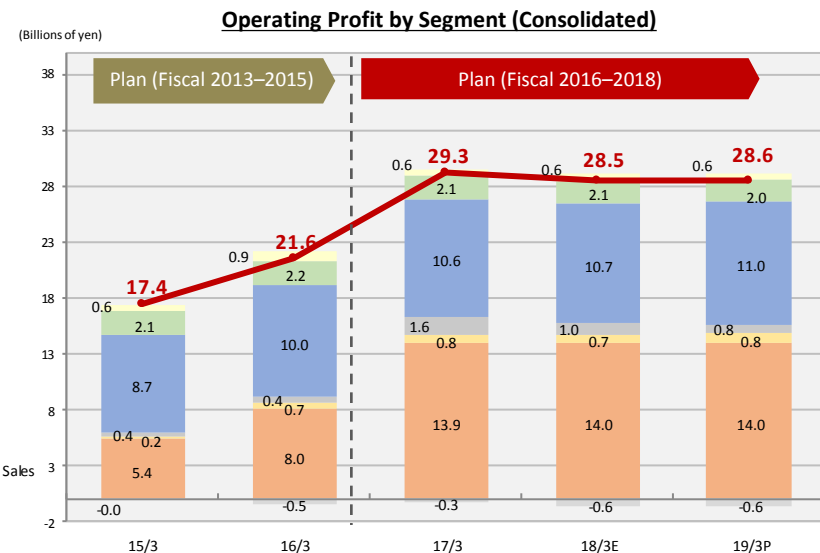
1. In accordance with a change in lease accounting standards, from FY09/3 lease assets and lease obligations are recorded on the balance sheets.
2. Capital investments include intangible fixed assets.
3. Figures from FY13/3 reflect a change in the basis for recording sales in the Processed Foods business.

(The portion that had previously been recorded as promotional expenses has been excluded from net sales.)

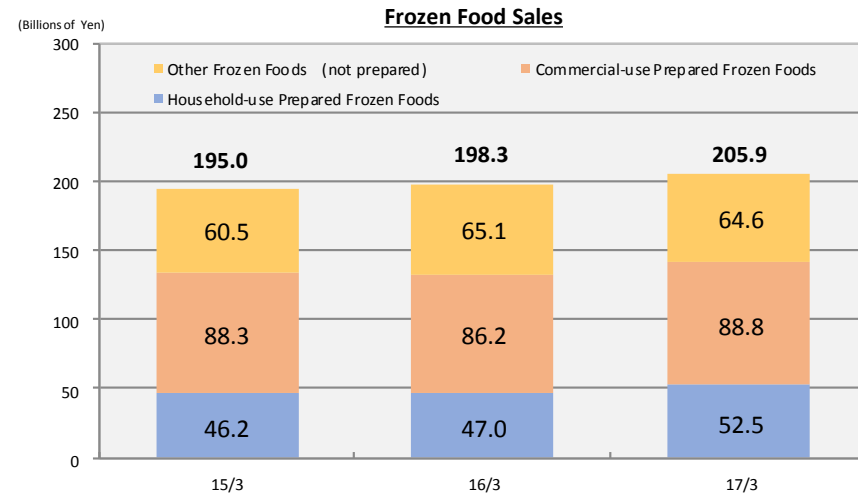
4. Figures for the final year of the Medium-term Business Plan (FY19/3P) are revised figures announced on November 1, 2016.



Note: Figures reflect a change in the basis for recording sales in the Processed Foods business. (The portion that had previously been recorded as promotional expenses has been excluded from net sales.)

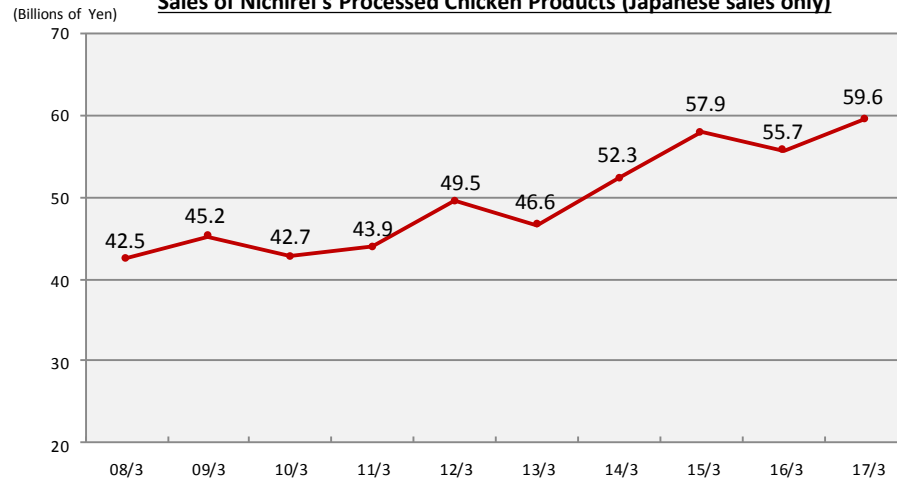


Note: Figures from FY13/3 reflect a change in the basis for recording sales in the Processed Foods business. (The portion that had previously been recorded as promotional expenses has been excluded from net sales.)



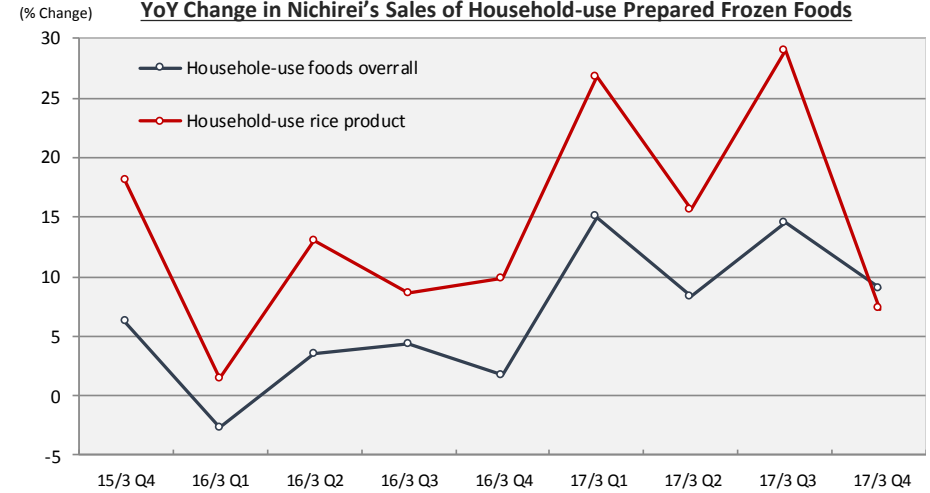
Notes: Figures reflect a change in the basis for recording sales. (The portion that had previously been recorded as promotional expenses has been excluded from net sales)

Sales of Nichirei's Processed Chicken Products (Japanese sales only)

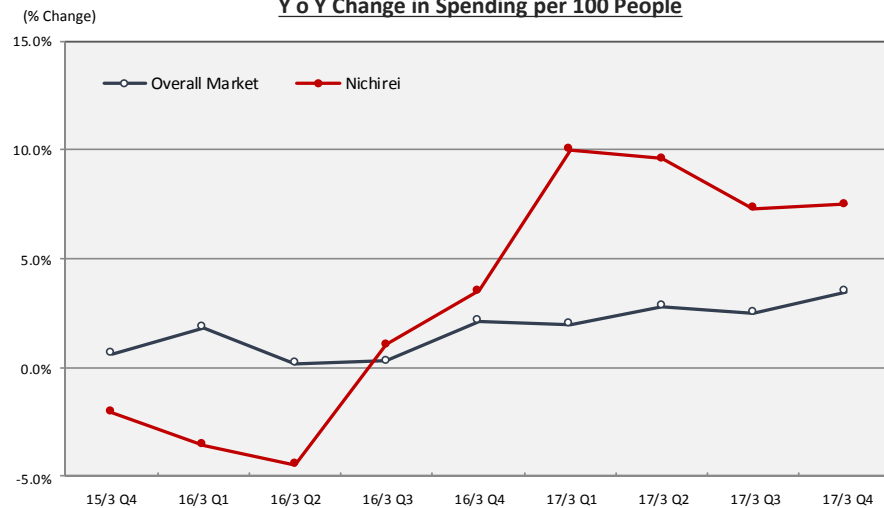


Note: Figures from FY13/3 reflect a change in the basis for recording sales in the Processed Foods business. (The portion that had previously been recorded as promotional expenses has been excluded from net sales.)

YoY Change in Nichirei's Sales of Household-use Prepared Frozen Foods

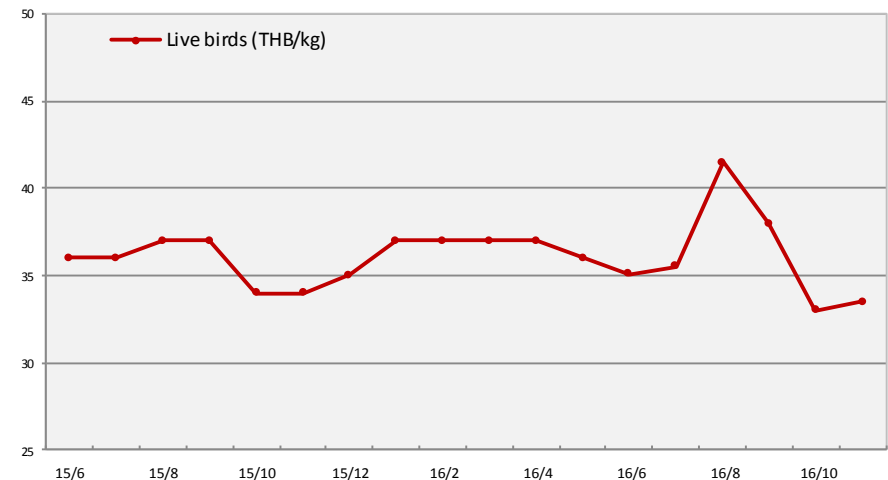


Consumer Panel for Household-use Prepared Frozen Foods
Y o Y Change in Spending per 100 People



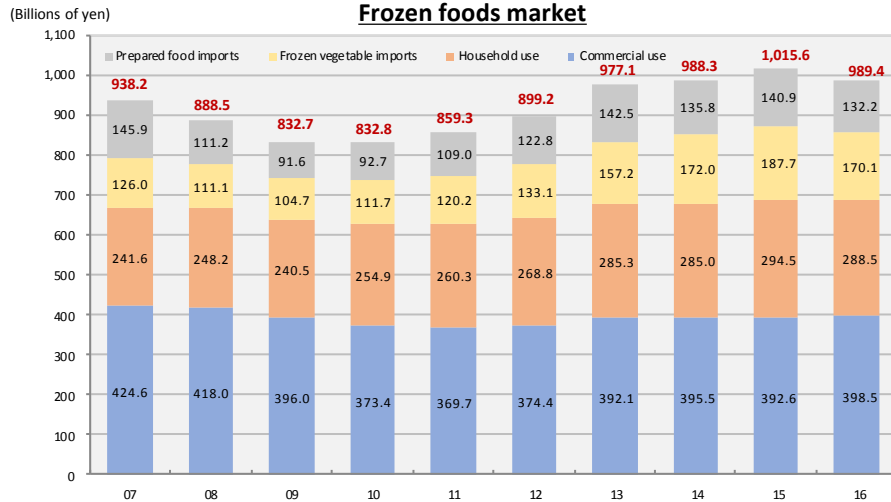
Source: INTAGE Inc. SCI consumer panel (Spending per 100 people on prepared frozen foods. Excludes purchases through consumer cooperatives.)

Wholesale Price of Chicken in Thailand



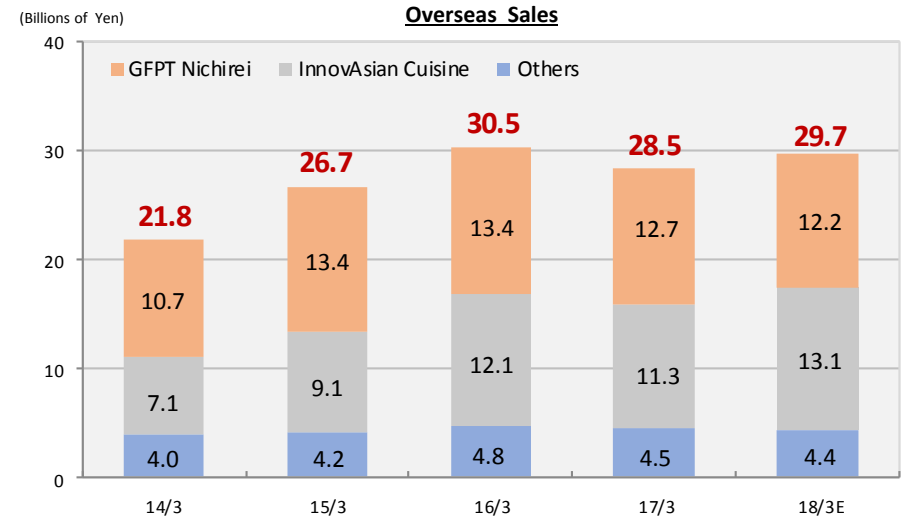
Source: Nichirei, from data published by the Agriculture & Livestock Industries Corporation (alic)

Reference Materials 6



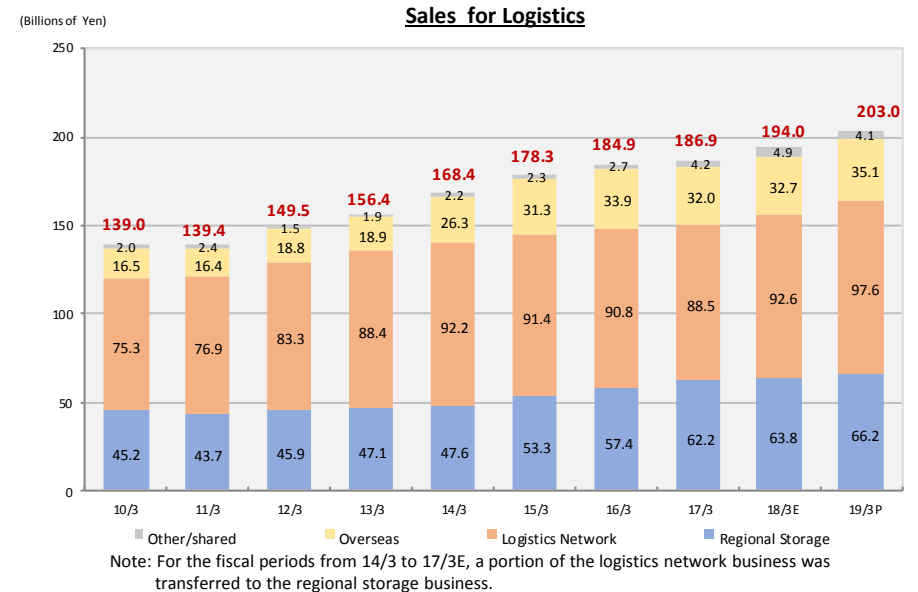
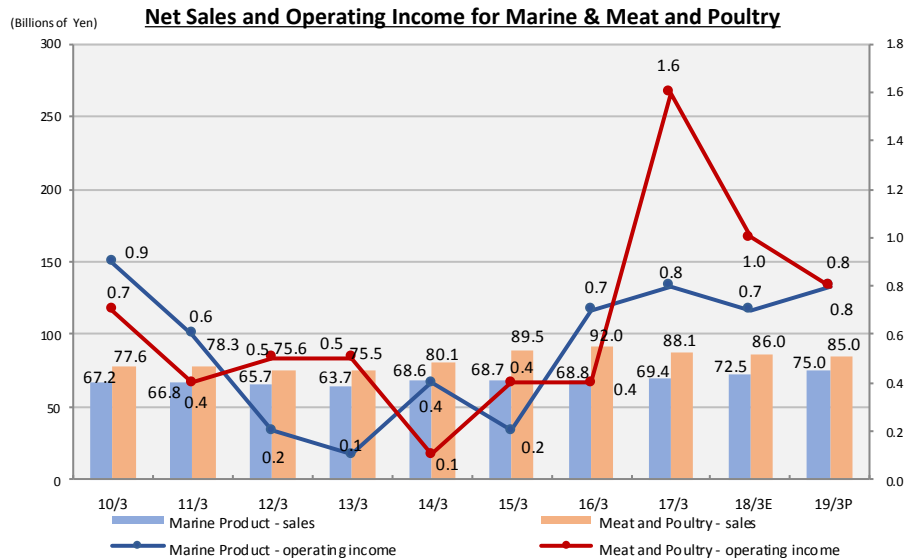
Source: Nichirei based on data from the Japan Frozen Food Association

Note: The figure for imported prepared foods is derived from a sampling survey of 29 members of the Japan Frozen Food Association (companies subject to the survey in 2016), and so is not comprehensive. Accordingly, taking into account imports from non-member trading companies and wholesalers, the actual figure is presumably higher.

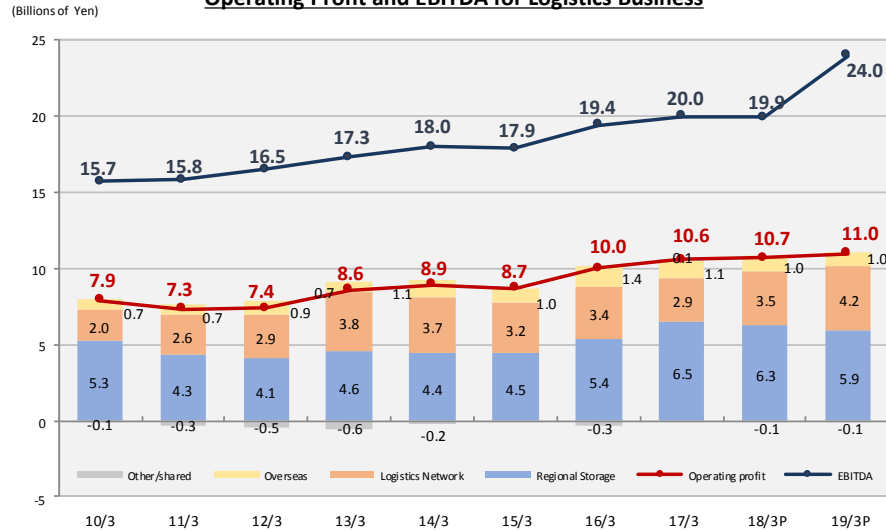


Notes:

1. In Processed Food sales for FY13/3, figures for InnovAsian Cuisine are for a half-year period.
2. GFPT Nichirei's sales are the total of sales to Europe and domestically within Thailand.

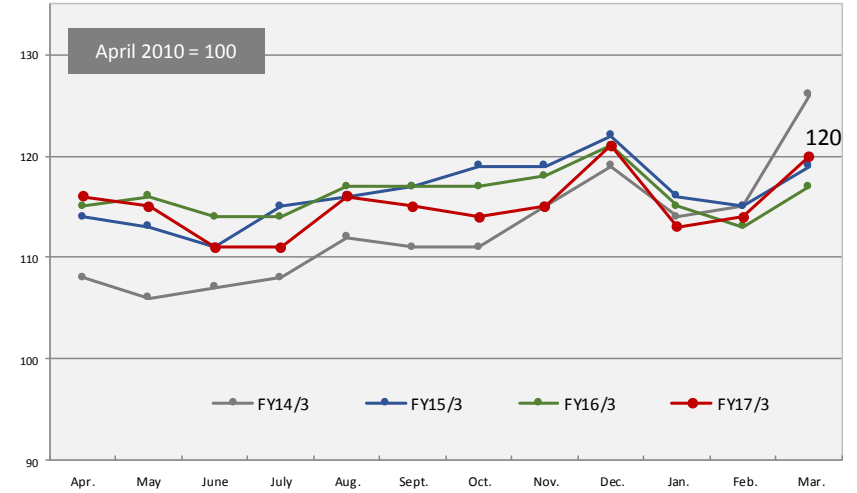


Operating Profit and EBITDA for Logistics Business



Note: For the fiscal periods from 14/3 to 17/3E, a portion of the logistics network business was transferred to the regional storage business.

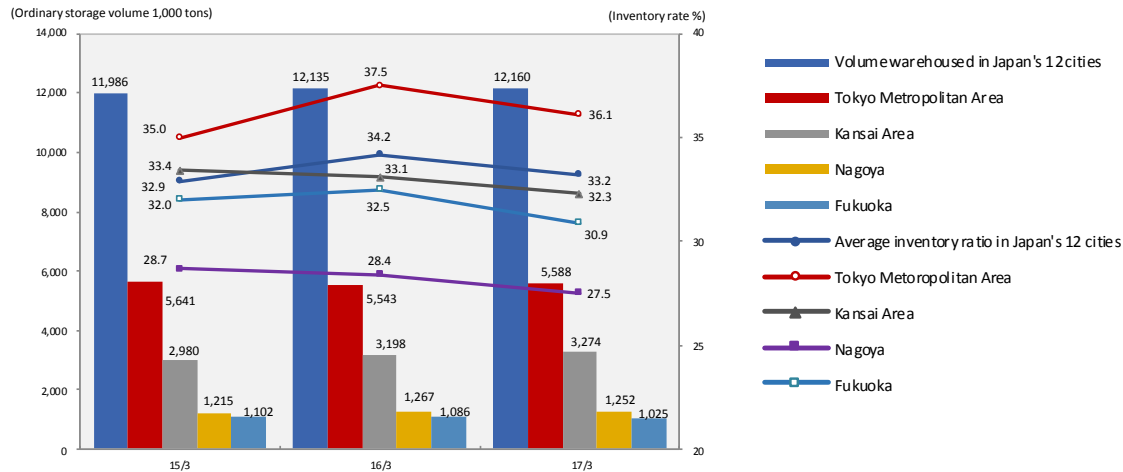
Freight Charge Index (Monthly)



Source: Nichirei, from data published by the Japan Trucking Association
Note: This index is for freight charges recorded on an ICT system of the Japan Trucking Association, and therefore does not represent changes in freight charges at Nichirei's Logistics Business.

[Cold Storage Capacity Utilization]

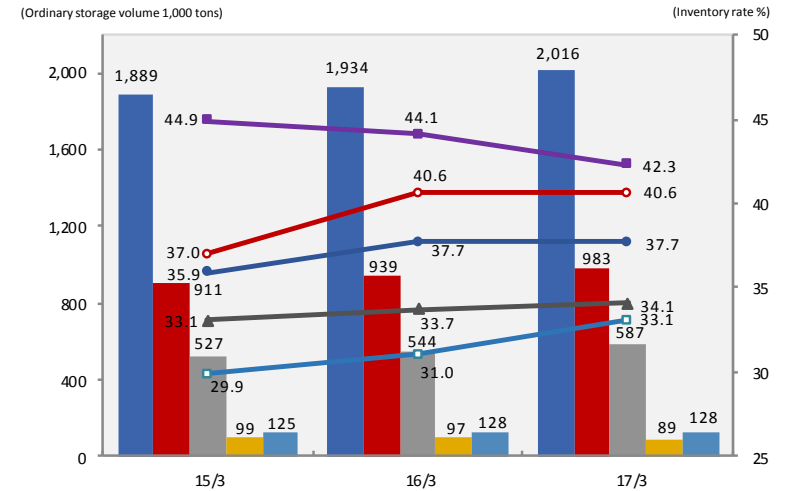
Industry-Wide Cold Storage Capacity Utilization



Source: Industry figures calculated by Nichirei from Japan Association of Refrigerated Warehouses data

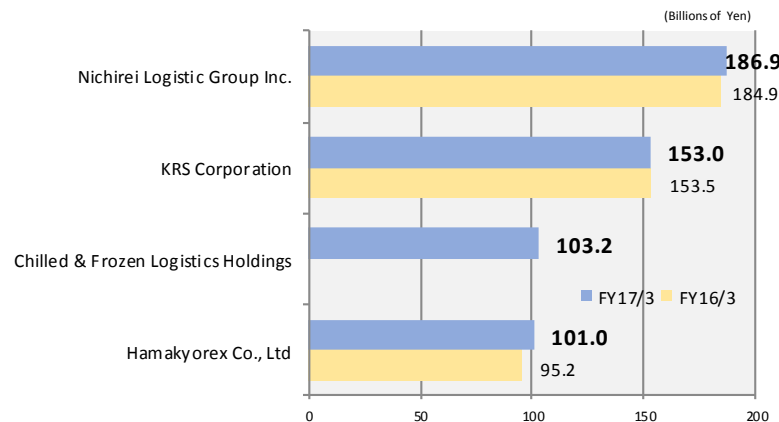
Note: The inventory ratio is the proportion of stored goods to total cold storage space. Typically, around half of the total space is areas where goods cannot be stored, such as aisles and workspaces.

Nichirei Group's Cold Storage Capacity Utilization



[Japan]

Net Sales of Major Food Logistics Companies



Note: Some figures for fiscal 2016 include forecast.

Top 20 Companies in Terms of Cold Storage Capacity (Japan)

Ranking	Name	Capacity (thousand of tonnes)	Variance from Apr. 2016	share	Main operating region
1	Nichirei Group	1,450	0	10%	Nationwide
2	Yokohama Reito	850	40	6%	Nationwide
3	Maruha-Nichiro Holdings	630	0	4%	Nationwide
4	Toyo Suisan Group	480	0	3%	Nationwide
5	Chilled & Frozen Logistics Holdings	480	-20	3%	Nationwide
6	Nippon Suisan Group	410	0	3%	Nationwide
7	Matsuoka	270	0	2%	Kanto, Kansai, Kyushu
8	K.R.S. Corporation	260	10	2%	Nationwide
9	Konoike Transport	250	0	2%	Nationwide
10	Futaba Group	220	0	2%	Kanto
11	Igarashi Reizo Group	220	0	1%	Kanto
12	Nippon Logistic Center	170	0	1%	Kanto, Kansai
13	HYOSHOKU	160	10	1%	Kansai
14	HOHSUI	160	20	1%	Kanto
15	Daiichi Storehouse & Refrigeration	160	-10	1%	Kanto
16	Fujibayashi Group	150	10	1%	Kansai, Kyushu
17	Hosen Cold Storage	140	0	1%	Kansai
18	Kamigumi	110	0	1%	Nationwide
19	Yamate Reizo	100	0	1%	Kanto
20	Nippon Daily Net	100	20	1%	Nationwide
	Other	8,000	300	54%	
	Total	14,770	380	100%	

Source: Compiled by Nichirei based on Japan Association of Refrigerated Warehouses documents (Includes partial estimates)

Note: Created with data from members of the association as well as non-members' data.

[Overseas]

Top Ten Companies Worldwide in the Refrigerated Warehouse Industry by Capacity

Ranking	Company/Group Name	Capacity (thousand of tonnes)	Main Countries of Business
1	Americold Logistics	11,240	USA, etc.
2	Lineage Logistics	6,900	USA
3	Swire Group	4,640	USA, etc.
4	Preferred Freezer Services	3,690	USA, etc.
5	AGRO Merchants Group, LLC	2,480	USA, etc.
6	Nichirei Logistics Group, Inc.	1,780	Japan, etc.
7	Kloosterboer	1,710	Netherlands, etc.
8	VersaCold Logistics Services	1,300	Canada
9	Partner Logistics (ICSH B.V.)	1,140	Netherlands, etc.
10	Interstate Warehousing, Inc.	1,140	USA

As of June 28, 2016

Source: Compiled by Nichirei based on International Association of Refrigerated Warehouses document "Global Top 25 List"

Top Ten Companies of Europe in the Refrigerated Warehouse Industry by Capacity

Ranking	Company/Group Name	Capacity (thousand of tonnes)	Main Countries of Business
1	Kloosterboer	1,710	Netherlands, etc.
2	Partner Logistics	1,140	Netherlands, etc.
3	AGRO Merchants Group, LLC	750	Netherlands, etc.
4	NewCold Cooperatief U.A.	630	Germany
5	Gruppo Marconi Logistica Integrata	620	Italy
6	Nichirei Logistics Group, Inc.	440	Netherlands, etc.
7	Bring Frigo	380	Sweden, etc.
8	Claus Sørensen A/S	290	Denmark
9	Agri-Norcold A/S	270	Denmark
10	Frigolanda Cold Logistics	210	Germany, etc.

As of June 28, 2016

Source: Compiled by Nichirei based on International Association of Refrigerated Warehouses document "European Top 10 List"

Forward-Looking Statements

Aside from historical facts, Nichirei's present plans, forecasts and strategies as outlined in this publication consist of forward-looking statements about future business performance. These forecasts of future business performance and explanations of future business activities may or may not include words such as "believe," "expect," "plan," "strategy," "estimate," "anticipate" or other similar expressions. These statements are based on the information available to Nichirei management at the time of publication. Actual results may differ significantly from these forecasts for a variety of reasons, and readers are therefore advised to refrain from making investment decisions based solely on these forward-looking statements. Nichirei will not necessarily revise its forward-looking statements in accordance with new information, future events, and other results. Risks and uncertainties that could affect Nichirei's actual business results include, but are not limited to:

- (1) Changes in the economic conditions and business environment that may affect the Nichirei Group's business activities.
- (2) Foreign exchange rate risks, especially as regards the US dollar and the euro.

- (3) Risks associated with the practicability of maintaining quality controls throughout the process from product development, procurement of raw materials, production, and sale.
- (4) Risks associated with the practicability of development of new products and services.
- (5) Risks associated with the practicability of growth strategies and implementation of low-cost systems.
- (6) Risks associated with the practicability of achieving benefits through alliances with outside companies.
- (7) Contingency risks.

However, factors that may affect the performance of the Nichirei Group are not limited to those listed above. Further, risks and uncertainties include the possibility of future events that may have a serious and unpredictable impact on the Group. This publication is provided for the sole purpose of enhancing the reader's understanding of the Nichirei Group, and should not be taken as a recommendation regarding investment decisions.