



Nichirei Integrated Report 2018



Nichirei Group Company Management Principles

Mission

Focus on Lifestyles, and Provide True Satisfaction.

The Group makes every effort to create products and provide services that, while enriching lifestyles, help people live healthy and happy lives.

Vision

The Group aims to be a food pioneer, supplying exceptional foods and logistics services; creating and providing products and services that satisfy customers in terms of quality and value; and growing together with society as a trusted, respected business.

Communication Message

Creating Savory Moments

Contents

Nichirei Group Company Management Principles / External Review ..	01	Directors, Auditors and Officers	23
Nichirei Value Creation		Outside Director's Message	25
Nichirei's History	03	Business Strategy	
Overview of Nichirei Group	05	Segment Highlights	27
Nichirei's Value Creation Model	07	Processed Foods Business	29
		Logistics Business	31
		Marine Products, Meat and Poultry Products Business	33
		Bioscience Business	35
		Real Estate Business	36
President's Message		Financial / Non-financial Highlights	37
President's Message	09	Financial Section	39
ESG Initiatives		Investor Information	55
ESG Initiatives	13	Company Information.....	56
Provide Safe Products and Services	15		
Maintain a Sustainable Supply Chain	17		
Environmental Initiatives/Way of Working Reform	19		
Corporate Governance	21		

External Review

Incorporation of SRI Index (Fiscal 2017 (FY18/3))



FTSE4Good



FTSE Blossom
Japan



2017 Constituent
MSCI Japan ESG
Select Leaders Index



2017 Constituent
MSCI Japan Empowering
Women Index (WIN)

Review/Awards

- Health and Productivity Management Organization White 500 (FY18/3, FY19/3)
- Tokyo Stock Exchange 6th Corporate Value Improvement Award, Excellence Award (FY18/3)
- Green Logistics Partnership Conference Outstanding Business Award (FY18/3)



Website

For other information, please visit our website.



Nichirei Company Information
<https://www.nichirei.co.jp/english/corpo/>

Investor Relations
<https://www.nichirei.co.jp/english/ir/>

CSR Information
<https://www.nichirei.co.jp/english/csr/>

Targets

Nichirei Corporation and its consolidated subsidiaries in Japan and overseas.

Target Period

April 1, 2017-March 31, 2018
(Some information from outside of this period is included)

Issue Date

October 2018

Notes about Future Prospects

Statements in this report pertaining to future business performance and so on consist of rational judgments based on currently available information and contain a degree of uncertainty. Actual business performance may differ due to a variety of factors.

Editorial Policy

The Nichirei Integrated Report 2018 is issued to provide a broad overview of the financial and non-financial aspects of Nichirei Group. The main focus is information pertaining to Nichirei Group's strategy for enhancing corporate value as well as ESG. For more information, please visit our website.

Nichirei's History

The Birth of Nichirei Group Promoting Business Diversification

After the war, the company transformed from a semi-governmental company to a private company. During the reconstruction period, in addition to its cold storage and marine product businesses, its processed foods and meat and poultry businesses developed in multiple ways as well. Certain that businesses based on refrigeration, such as cold chains and frozen food, would develop in the future, the company promoted the development and spread of prepared frozen foods.

Business Expansion Based on Refrigeration Completing a Logistics Network

The Nichirei brand expanded robustly during the period of high economic growth through the popularization of refrigerators and other home appliances. With the cold chain plan introduced by the Science and Technology Agency serving as a tailwind, the company developed long-distance low-temperature transportation vehicles that linked large refrigerated warehouses and established a frozen food distributor.

1940s to 1950s

1942

Teikoku Marine Products
Control Company
established



1943

Marine product
business and
ice-making,
cold storage, and
freezing business
established



1945

Nippon Reizo established as
private company

Around 1953

Began sale of frozen oranges,
strawberries, and juice

1954

Began sale of prepared frozen foods

1955

Began at-sea exportation of marine products

1956

Began meat and
poultry business

Provided frozen food to
Antarctic expedition team



1960s to 1970s

1960

Nichirei brand established

Nichirei star symbol used at the time



(Launched in 1967)

1963

Developed long-distance frozen cargo vehicles

Created logistics network, contributing to "cold chain plan"
spearheaded by the government



1964

Contributed to Tokyo Olympic Games

Provided large amounts of various frozen foods to Olympic village



Nichirei was established to provide a safe and reliable supply of food products during the postwar era, when food shortages were a serious problem. It has steadily grown while developing a variety of businesses to support Japan's dietary habits. As a company on the cutting edge of the food industry, we aim to meet society's expectations and continue to earn people's trust.

Establishment of the Nichirei Brand Promoting Business Internationalization

The Nichirei brand was established as part of our corporate identity. We made efforts to create new businesses and internationalize our operations. Social progress by women and the diversification of the family structure contributed to the "externalization of food." The expansion of frozen food products for business use, the sale of microwaveable frozen family dinners, and other such developments addressed the changing of the times.

Creation of New Customer Value Aiming for Further Growth

To address the diversification in lifestyles and expedite management, we became a holding company. We will aim for further development by creating new value through utilizing our Group's unique traits and overall ability.

1980s to 1990s

1982

Expansion into the biotechnology field



1985

Company name is changed to Nichirei

Around 1985

Transit logistics center operations established

One of the first logistics centers for retail distribution businesses

1987

Creation of the acerola drink

Currently sold by SUNTORY FOODS LIMITED

Sales of frozen rice for home use are strengthened

Ebi Pilaf (shrimp pilaf) for home use goes on sale



(In 1987)

1988

Logistics expands overseas

1994

Development of microwaveable croquettes

Shin-Renji-Seikatsu series one of the first microwaveable frozen food products to go on sale



2000s to present

2000

Quality assurance system enhanced

Management system and quality assurance enhanced in the wake of issue with pesticide residue in China-produced frozen vegetables and other issues

2001

The frozen food *Honkaku-Itame Cha-Han* (fried rice) for home use goes on sale

2005

We become a holding company

2007

Directly managed poultry farm established

We begin raising *Junwakei* chickens in Hirono Town, Iwate Prefecture

2011

High-performance large refrigerated warehouses constructed

A seismic isolation system, facial recognition system, and other industry-leading technology is introduced at the Higashi-Ogishima Distribution Center in Kawasaki City, Kanagawa Prefecture



2017

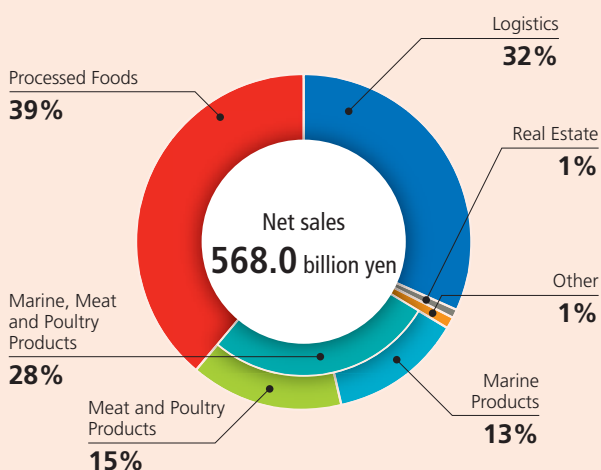
The frozen food *Tokukara* (fried chicken) for home use goes on sale

Overview of Nichirei Group

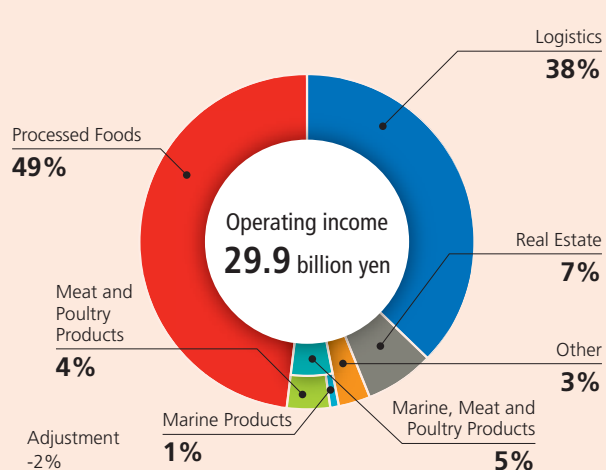
Nichirei Group

Nichirei Group is expanding its business initiatives in the areas of marine/meat and poultry products, bioscience, real estate, and so on, with a focus on processed foods and logistics. Under the holding company responsible for the overall Group strategy, each of our operational companies aims to create new value for our customers through flexible fulfillment of business activities and raising corporate value over the medium and long terms.

Net Sales Distribution Ratio*1*2
(FY18/3)



Operating Income Distribution Ratio*2
(FY18/3)



*1 The distribution ratio was calculated based on net sales to external customers. *2 Amounts and percentages are rounded off.

Processed Foods Business

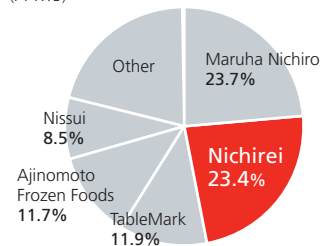
Description of Business

We aim to observe how people live and contribute to the realization of a healthy society through food based on the seven basic values of deliciousness, health, enjoyment, safety and security, simplicity and convenience, reliable supply, and reasonable price. We will continue to refine our unique abilities and create superb value through frozen foods, retort pouch foods, and wellness foods and become the most trusted food company in the world.



Share of the Value of Domestic Frozen Food Shipments

(FY17/3)



Source: The Nikkei Business Daily, August 21, 2017 edition

Household Prepared Frozen Food Ranking

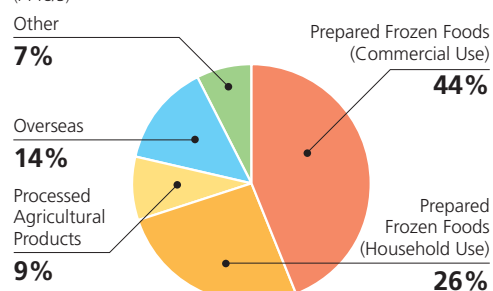
(FY18/3)

Ranking	Company
1	Nichirei Foods
2	Maruha Nichiro
3	Ajinomoto Frozen Foods
4	TableMark
5	Nissui

*Nationwide panel survey of individual consumers Total from April 2017-March 2018 (Source) INTAGE Inc. SCI (Prepared frozen food purchase amount per 100 people; purchase route includes co-op stores)

Processed Foods Business Net Sales Breakdown

(FY18/3)



*3 Does not include eliminations within subsegments.

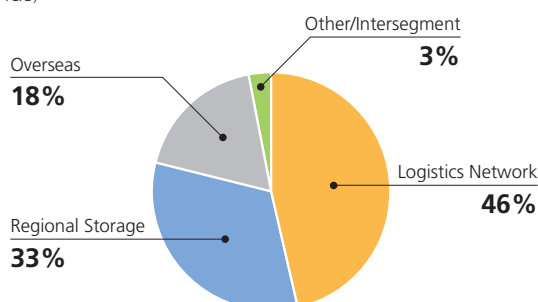
Logistics Business

Description of Business

This Group is the largest domestic temperature-controlled logistics group, and it consists of the Logistics Network, which is focused on transportation and delivery; Regional Storage, which is in charge of refrigerated warehouse functionality; Overseas Business, which handles operations in Europe, China, Thailand, and Malaysia; and Engineering Services, which performs everything from temperature-controlled logistics facility planning and design to maintenance management. We provide high-quality service throughout the entirety of our supply chain, from transportation and delivery, storage, and logistics processing linked by an advanced logistics information system to the design, construction, and maintenance of logistics centers.



Logistics Business Net Sales Breakdown*4
(FY18/3)



*4 Does not include eliminations within subsegments.

Marine Products, Meat and Poultry Products Business

Description of Business

We promote the development of the premium products of our marine, meat, and poultry products by utilizing our global procurement abilities and emphasizing freshness, deliciousness, safety, security, health, and eco-friendliness. We also keep sustainability in mind, paying attention to resources and the environment while aiming to create better value for consumers.



Ranked #1 in Terms of Share of Refrigerated Warehouse Capacity*5 (Domestic)

Ranking	Name	Capacity (Ten Thousands of Tons)	Share (%)
1	Nichirei Logistics Group, Inc.	151	10
2	Yokohama Reito Co., Ltd.	86	6
3	Maruha-Nichiro Group	66	4
4	Toyo Suisan Group	49	3
5	Chilled & Frozen Logistics Holdings	48	3

Source: Japan Association of Refrigerated Warehouses materials processed at the company (as of April 2018)

*5 Warehouse Storage Space

Ranked #5 in Terms of Share of Refrigerated Warehouse Capacity*5 (Global)

Ranking	Company/Group Name	Capacity (Ten Thousands of Tons)	Main Countries of Business
1	Americold Logistics	1,083	U.S., etc.
2	Lineage Logistics	869	U.S., etc.
3	Swire Group	406	U.S., etc.
4	AGRO Merchants Group, LL	245	U.S., etc.
5	Nichirei Logistics Group, Inc.	197	Japan, etc.
6	Kloosterboer	187	Netherlands, etc.
7	NewCold Coöperatief U.A.	159	Netherlands, etc.
8	VersaCold Logistics Services	150	Canada
9	Interstate Warehousing, Inc.	114	U.S.
10	Frialsa Frigoricos S.A. De C.V.	110	Mexico

Source: IARW (International Association of Refrigerated Warehouses) "Global Top 25 List" processed at the company (As of April 2018)

Bioscience Business

Description of Business

We provide high-quality products and services in the cell biology field, through biotechnology that enables us to contribute to the physical and mental health of as many people as possible, and functional materials, by utilizing Nichirei Group's ingredient procurement capabilities.



Real Estate Business

Description of Business

We rent and manage office building space to make the most of the company-owned land.

Nichirei's Value Creation Model

Opportunities and Risks

Climate Change

Opportunities

- Demand for food supply regulation functionality via cold storage
- Demand for eco-friendly products and services

Risks

- Warming may cause changes in regions where raw ingredients are produced
- Increased cost of warming countermeasures, etc.

Supply Chain Management

Opportunities

- Demand for food traceability
- Demand for ethical products and services
- Demand for sustainable raw ingredients

Risks

- Cost of creating a sustainable supply chain

Food Waste

Opportunities

- Demand for frozen ingredients
- Demand for temperature-controlled storage services

Health-consciousness

Opportunities

- Demand for health-conscious products

Decrease in Japan's Population

Opportunities

- Increase in demand for simple and convenient food products due to social progress by women and changes in the family structure
- Demand for new foods and services that address labor shortages

Risks

- Lack of human resources and passing down technology and know-how

Main Businesses

Processed Foods

Frozen food brand strength
Quality assurance ability
Product development capabilities
Equipment capacity
Expansive market and sales network



Research and
Development

Procurement

Customers and Business Partners

Business ecosystem
Cold chain
Customer base

Total Assets
368.7 billion yen
Grade A*1
(End of March 2018)

Our

Production Factories

15 domestic factories,
four overseas factories

Storage Warehouse Capacity

*2 *3 *4
1,510,000 tons domestically,
460,000 tons overseas

Logistics

Logistics brand strength
Location advantage
#1 refrigerated warehouse capacity domestically*3,
#5 worldwide *4
One-stop logistics service
Refrigerated warehouse equipment technology strength



*1 R&I, JCR *2 Warehouse storage space *3 Source: From Japan Association of Refrigerated Warehouses (as of April 2018) *4 2018 IARW Global Top 25 List (as of April 2018)

Nichirei Group provides value to society in diverse ways with regards to a variety of opportunities and risks, using its businesses centered on processed foods and logistics. We will continue to expand our corporate value and contribute to the realization of a sustainable society.



Manufacturing

Sales

The Blessings of
Nature Procured
from Around the
World

Capital

Flavor Reproduction
Technology and
Logistics Know-how

Number of
Employees
Group-wide
15,787

(End of March 2018)

Total solution for logistics



Value Provided to Society

A Deliciously Rich Experience

We provide authentic taste and seasonal delicacies from across the world

Safe Products and Services

We ship high-quality food products in a safe manner

Reduction of Food Waste

We prevent food quality from deteriorating and reduce procurement waste

A Sustainable Supply Chain

Our products and services are gentle on both people and the environment

Reduced Environmental Impact

Modal shift
Cooperative distribution

A Healthy Society

Food products that support health

Contributing to Better Efficiency

Reduced Preparation Burden
3PL*⁵ and BPO*⁶

Results and Targets

(Group-wide)

Numbers inside parentheses are FY19/3 targets

Net sales

568.0 billion yen

(586.0 billion yen)

Overseas percentage of sales

12.9%

(13.1%)

Operating income

29.9 billion yen

(31.0 billion yen)

ROE

11.9%

(10% or more)

Nichirei Value Creation

President's Message

ESG Initiatives

Business Strategy

Financial Section

*5 3PL: Abbreviation of Third Party Logistics *6 BPO: Abbreviation of Business Process Outsourcing

President's Message



**Our Medium-Term Management Plan is progressing nicely.
We will produce new value through technological innovation and provide "spiritual satisfaction" to our customers.**

Kunio Otani

Representative Director and President
Nichirei Corporation

Progress of Medium-Term Management Plan

Billions of yen

	Results		Projected Results	Comparing FY18/3 to FY17/3	
	FY17/3	FY18/3	FY19/3	Variance	% Change
Processed Foods	205.0	220.7	229.0	15.7	7.6%
Marine Products	69.4	71.5	75.0	2.1	3.1%
Meat and Poultry	88.1	90.4	92.0	2.3	2.6%
Logistics	186.9	195.1	200.0	8.2	4.4%
Real Estate	4.6	4.9	4.8	0.2	5.0%
Other	4.5	5.3	5.7	0.9	19.2%
Adjustment	-18.9	-19.9	-20.5	-1.0	-
Net Sales	539.7	568.0	586.0	28.4	5.3%
Processed Foods	13.9	14.6	15.0	0.7	5.0%
Marine Products	0.8	0.3	0.7	-0.5	-61.6%
Meat and Poultry	1.6	1.3	1.4	-0.3	-19.2%
Logistics	10.6	11.3	11.5	0.6	5.9%
Real Estate	2.1	2.2	2.2	0	1.3%
Other	0.6	0.8	0.8	0.2	34.1%
Adjustment	-0.3	-0.5	-0.6	-0.2	-
Operating Income	29.3	29.9	31.0	0.6	2.0%
Ordinary Income	29.1	30.7	31.0	1.5	5.3%
Profit Attributable to Owners of Parent	18.8	19.1	19.8	0.3	1.8%

*The profit attributable to owners of parent indicates the net income that will be returned to the shareholders of the parent company.

*Amounts and percentages are rounded off.

Results for FY18/3

Revenue and earnings gains on steady growth in mainstay Processed Foods and Logistics businesses

Regarding Nichirei Group's financial results for fiscal 2017 (FY18/3), our Processed Food and Logistics businesses were the main drivers, resulting in net sales of 568.0 billion yen, a 5.3% increase compared to the previous period, and operating income of 29.9 billion yen, a 2.0% increase compared to the previous period. Due to increased equity in earnings of affiliates, our ordinary income increased to 30.7 billion yen, a 5.3% increase over the previous period, and while we did suffer losses on retirement of non-current assets and other extraordinary losses of 1.5 billion yen, our profits attributable to owners of parent are 19.1 billion yen, a 1.8% increase over the previous term. Looking back, I think we can say that it has been a strong year overall.

I think the rapid shift in the structure of the household was one of the reasons for the increase in income from our Processed Foods business. The number of one-person and older households has grown, which resulted in expanded use of frozen foods. So we were able to increase sales significantly by supplying products that meet the demands of these consumers. Also, with regards to our processed chicken products and rice products, two of our key product categories, we not only enhanced the production capacity of our key factories in Thailand and Japan, but also constantly ran TV commercials and other promotions, raising their profile and attracting consumers who had never tried a Nichirei food product before. So I think that clever creation of a favorable investment and sales cycle contributed to our steady growth as well.

Our logistics business also fared well. While rising human resource and electricity costs, rising transportation and delivery costs, and other factors contributed to rising expenditures, we steadily incorporated demand for storage while promoting

policies that helped increase work efficiency and procure appropriate freight charges, allowing us to secure higher profits.

Due to reasons such as the aforementioned, the demand for frozen foods has increased, and a growing number of not only mass retailers, but also drugstores and convenience stores are stocking them. The amount of meat/poultry and marine products and other imported products has been increasing yearly as well, primarily in the metropolitan area, firmly increasing the need for logistics. To respond to this kind of situation, we have spent the last several years constructing new logistics centers in Higashi-Ogishima (Kanagawa) and Sakishima (Osaka) and methodically enhancing our facilities, incorporating demand for storage and increasing our profits.

With our marine, meat, and poultry business, we suffered reduced profits due to procurement and sales difficulties caused by an increase in shrimp procurement costs and other factors, but by providing optimally processed products to meet consumer needs, we addressed business challenges by, for example, expanding sales aimed at those who dine out and those who eat ready-made meals. Overall, I believe we have made strong progress.

In our bioscience business, we are planning to shift our research and production base in preparation for an expansion of our business, which will result in depreciation and increased personnel costs, but from the perspective of business growth, it is clear that we are steadily moving forward.

▶ “POWER UP 2018” medium-term management plan progress and FY19/3 prospects

Focus on investments for sustainable earnings growth

If I were to identify the main business management challenges facing us, they would be figuring out how to increase net sales, how to increase cost competitiveness, and how to go about changing our structure and organization control. With these issues in mind, we created the three-year “POWER UP 2018”

medium-term management plan in FY2017/3.

Last year was the second year of this plan, and our net sales and operating income have already exceeded the targets set by the plan, so we are making steady progress. I think this is the result of our constant hard work toward solving the issues identified by the plan when it was created. Particularly on the domestic front, we implemented policies for sustainable profit growth and increased capital efficiency, resulting in strong business performance.

Additionally, we must achieve sustainable growth while also addressing the issues of climate change, respect for human rights, resource conservation, and other clear challenges facing us. One of the most serious issues facing Japan now is that of severe labor shortages resulting from the declining birthrate and aging population. To address this, we believe that further utilization of the all-encompassing Internet of Things and AI is our prime task, so we have been pouring our efforts into technological innovation. For example, in the Logistics business, where labor shortages are especially pressing, we are making various labor- and energy-saving efforts, such as digitizing warehouse interior work, implementing an advance truck reservation system to reduce waiting times, using data analysis for more efficient worker placement, and so on. Furthermore, in our Processed Foods business, we have partnered with Kindai University to develop ingredient selection technology powered by AI to make progress toward automating the processes of removing foreign matter from vegetables and such and eliminating the three major impurities (bone, feathers, and bloodstains) from chicken meat.

Overseas, while we are pursuing development with a focus on our Processed Foods and Logistics businesses, business expansion has been proceeding more slowly than we originally planned. One of the reasons for this is the lack of personnel to handle our overseas expansion operations. Going forward, we want to make more proactive investments in human resources. However, there is no point in just blindly expanding our business. Our objective is to utilize Nichirei Group's superior technology and the know-how we have accumulated domestically to provide value that meets

Medium-Term Management Plan (FY2016-2018)

POWER UP 2018

For FY19/3, we anticipate a difficult business environment due to rising ingredient and human resource costs, among other factors. We aim to contribute to the resolution of social issues through our businesses while accurately gauging the changes in the management environment to ensure stable and steady growth.

Through capital expenditures focused on our mainstay Processed Foods and Logistics businesses, we will enhance enterprise value by strengthening the foundations for the growth of the corporate group.

General Strategy

- Ensure sustainable earnings growth and raise capital efficiency.
- Pursue continued expansion in scale for overseas business.
- Further enhance the Nichirei Group's capabilities for quality assurance.
- Continue to strengthen corporate governance and other ESG-related efforts.
- Focus more intently on utilizing diverse personnel.

FY19/3 Group Targets (November 1, 2016 external announcement)

Net sales	567.0 billion yen
Operating income	28.6 billion yen
Net income	18.2 billion yen
Total capital investment over three years (including leasing)	90.5 billion yen

the needs of locals. Without forgetting where everything started, we will accelerate overseas expansion through resource investments of an appropriate scale. Our overseas sales ratio was 12.9% in FY18/3; I want to raise that to 20% within five years.

Additionally, mergers and acquisitions are another management choice, assuming the companies in question fit Nichirei Group's business strategy. The fact that we have such financial leeway is another one of our strengths. Our debt equity ratio is currently about 0.5, and if we extend our leverage further, we could potentially acquire a considerably large company. However, simply expanding isn't good in and of itself, so we need to carefully evaluate the merits of each individual case before moving forward.

➤ A Vision for Future Growth Creating new, unique value that focuses people's lifestyles

One of Nichirei Group's missions is to "Focus on Lifestyles, and Provide True Satisfaction" Whether it be food or logistics, we will clearly identify how people go about their lives and provide them with not only physical satisfaction, but also holistic satisfaction. To increase society's trust in us, we must first and foremost faithfully accomplish this mission. To that end, I want Nichirei to create new value only it can create, and the keys to this are utilizing the bounties of nature and providing strong social infrastructure. Specifically, we must make full use of one of our biggest strengths, our original cooking technology, to create products that make people think that they are delicious precisely because they are frozen. To do this, we must work on refining our technology day by day to create a high level of added value.

The quality of Nichirei Group's logistics services is excellent, even when viewed based on global standards. We will continue to incorporate the Internet of Things and AI to create operations that are more sophisticated and efficient. By expanding this business model both domestically and globally and providing all

regions with a high-quality logistics network, we can offer satisfaction to a large number of customers.

It is also essential that we take a more long-term view with regards to management practices. For FY18/3, two of our primary objectives are providing safe products and services and creating a sustainable supply chain. In the food products and logistics businesses, if you cannot provide safe products and services, you will be a major detriment to society. Everything depends on the supply chain, so it must be sustainable. These important matters are both great opportunities for us to create value as well as significant risk factors. It is essential to keep both of these in mind when expanding our business.

I believe that there can be no customer satisfaction without employee satisfaction. To provide satisfaction to our customers, we must first make our company one where our employees wish to work. In other words, our company must facilitate work by fostering trust among its employees, and it must give people the will to work by providing them with a sense of satisfaction through their duties. It is when you combine these two factors that you get a company where employees want to work. Creating a company where employees want to work increases their motivation, which increases productivity and leads to the creation of new value. This results in higher net sales, which allows the organization to become stronger. Creating this kind of beneficial cycle is one of management's chief roles. Reforming the work style as well as health management are both a part of this effort.

When it comes to corporate governance, the most important thing is to make management as transparent as possible. At our company, we have had three outside directors for a long time, and three of our five auditors are outside of the company as well. These external officers actively share their views with the Board of Directors and other such bodies, and we can state with confidence that we have achieved a high degree of transparency in our management. Furthermore, two of our outside directors are women, and we are creating an environment in which we can receive input from a diverse array of perspectives.

Sustainable Development Goals (SDGs)



In 2015, over 150 heads of state participated in the Sustainable Development Summit hosted by the United Nations, and the 2030 Agenda for Sustainable Development was adopted to create a brighter future for both humans and the world. This action plan consists of 17 goals and 169 targets, which together comprise sustainable development goals (SDGs). Achieving these goals requires that governments, firms, and civil society work together. Through its business activities and the "Nichirei Pledge," Nichirei Group is making efforts to achieve these SDGs.

Nichirei Group's Top Priorities

- Provide safe products and services
- Maintain a sustainable supply chain

We will redouble our efforts in these areas so that, by the time our 100-year anniversary arrives in 2045, the value Nichirei Group provides for its customers' lifestyles will have spread throughout the world, making us a company that people appreciate. At present, that is our major goal.

In addition, 2030 is the target year for achieving the SDGs established by the UN and shared across the globe, and we aim to achieve these goals as well and further our contributions. There are many areas in which we can contribute, such as the fight against hunger and climate change, the pursuit of innovation, and the conservation of ocean and land resources, but the one that is most closely tied to our businesses is Goal #12: responsible consumption and production. By reducing food waste through effective utilization of frozen foods, marine, meat, and poultry products, and logistics services, I believe we can contribute to the achievement of these SDGs.

Financial Strategies

Appropriate distribution of investments and shareholder returns

With our financial strategy as well, we are generally making progress according to our medium-term management plan. Going forward, we will continue to make investments that spur growth while also actively investing in enhancements to our business fundamentals to support the maintenance and increase of our medium- to long-term competitive strength.

Additionally, to ensure efficient and stable procurement of business funds, we will continue to be mindful of capital efficiency, growth potential, and financial soundness while maintaining a balanced capital structure and continuing to distribute stable dividends to our shareholders. Specifically, we will maintain benchmarks of 10% or more for ROE (return on equity) and 2.5% or more for DOE (dividend on equity). We plan to increase the dividend for the fiscal year ended March 2019 (FY19/3), by two yen, bringing it to 32 yen for the year.

A Message to Our Stakeholders

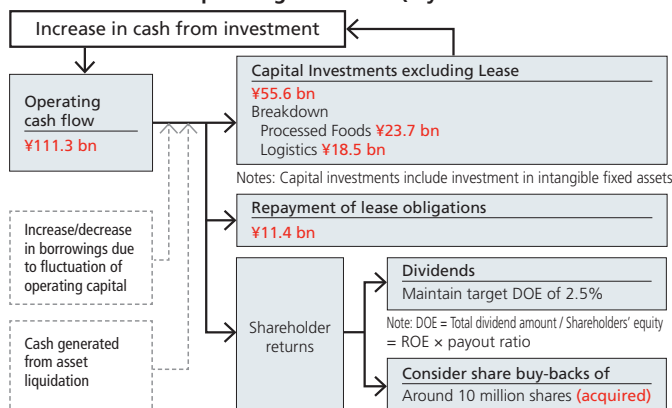
Maintaining constructive dialogue as we work towards realizing our mission

This report was created through a careful process that summarized the opinions gained through several discussions among a number of departments within the company. I have personally confirmed that the results and future objectives are based on an accurate picture of current conditions. I hope that reading this report will help as many people as possible better understand Nichirei Group.

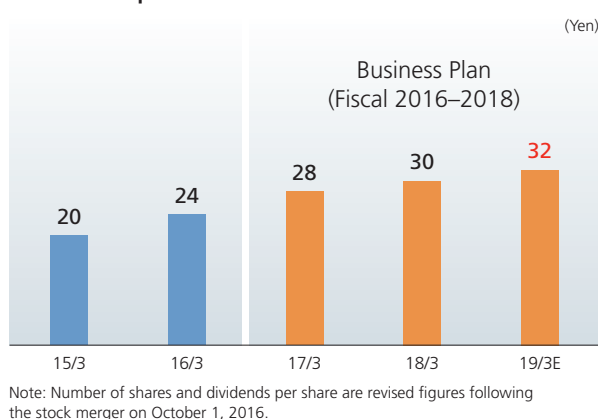
Going forward, to fulfill our mission to "Focus on Lifestyles, and Provide True Satisfaction," we will continue to examine our stakeholders' lifestyles and do our best to provide value that leads to your satisfaction. Please feel free to read this report and share your honest opinions with us. I wish to deepen the dialogue between us and use this to further our growth as a company.

Financial Strategies

● Distribution of Operating Cash Flow (3-year cumulative forecast)



● Dividends per Share



ESG Initiatives

ESG Initiatives

Nichirei Group, through its management principles, conducts its business activities with the goal of achieving sustainable growth and increasing medium- to long-term corporate value. In our medium-term management plan "POWER UP 2018" that started in Fiscal 2016 (FY17/3), we declared that continued strengthening of corporate governance and other ESG initiatives is necessary for achieving sustainable growth. Based on this policy, in 2016, we established the CSR Management discussion meeting to allow the entire Group to work on corporate governance, the environment, society, creating a sustainable supply chain, and other issues. At this meeting, we began revising the basic CSR policy to clearly identify the items that are important for Nichirei Group to be able

to make a sustainable society a reality. On April 1 of 2017, we established the Nichirei Pledge as our basic CSR policy.

The Nichirei Pledge clarifies the original policy while also adding the new themes which are to "provide safe products and services" to strengthen the foundation of our business and "maintain a sustainable supply chain" that makes this possible. These two additional themes are considered high-priority items, and we will enhance the disclosure of relevant efforts and information.

Going forward, we will promote additional efforts, such as tackling human rights issues in our supply chain, and continue to strengthen the entire Group's ESG initiatives.

Initiative Framework

To manage ESG activities across the Nichirei Group, the entirety of Nichirei Corporation, the Group's holding company, functions as the Corporate Social Responsibility Headquarters, with the company president serving as chairperson. This allows for initiatives related to the environment, society, and governance to be promoted across the Group. In addition, the director serving as CSR headquarters vice chairperson acts as the owner and holds the CSR management discussion meeting comprised of members of each Group company. During this meeting, we

discuss the Group's common basic policy, efforts by each operating company to address social and environmental issues, maintain a sustainable supply chain, and so on. The conclusions reached during these discussions are reported to the Board of Directors and management conference, then put into action once approval is received from management.

Furthermore, in FY18/3, we established the CSR Promotion Group in Nichirei Corporation's Strategic Planning Department, which provides assistance to the operating companies.

The Nichirei Pledge

Working to Make Our Communities More Sustainable

As a group of companies that provide value in the fields of food and health, the Nichirei Group strives to help communities solve the issues they face while creating new value for customers through its business activities. The Group gives full consideration to the economic, social, and environmental impact of its endeavors, and publicly discloses the details of its businesses to its stakeholders, in order to gain their understanding and promote further dialogue.

Create new value for customers	We strive to create new products and services, while helping customers and communities solve various issues through our business activities.
Provide safe products and services	We ensure that everything we offer our customers is characterized by high quality and safety.
Maintain a sustainable supply chain	We work to ensure that our supply chain is sustainable.
Reduce environmental impact	We strive to reduce the environmental impact of our operations, while giving full consideration to their potential effects on the global environment.
Foster cooperative relations with communities	As a responsible corporate citizen, we foster close cooperation with local communities in the interests of the public good.
Continually enhance our workplaces	While promoting respect for the diversity of our employees, we continuously improve the workplace environment to enable every employee to make the most of his or her abilities and work with enthusiasm.
Support good corporate governance	We employ highly transparent, fair management practices, while ensuring that resources are properly allocated and management decisions are made in a timely manner.
Ensure strict compliance	We maintain high ethical standards, while complying with the laws and social norms of each country in which the Nichirei Group operates.

Process for Identifying Important Items

Step 1

FY15/3–FY16/3

- Through a Group-wide CSR management project, we held a workshop to identify important items for Nichirei Group

Step 2

FY17/3

- Started CSR Management discussion meeting

Step 3

FY18/3

- Established the Sustainable Supply Chain Policy, and the Nichirei Pledge which serves as our basic CSR policy.
- Confirmed validity of selection process for important items via consultations with outside experts

Outside Experts

Hidemi Tomita: Lloyd's Register Japan K.K., Director and General Manager of Business Development Division

Masao Seki: Sompo Japan Nipponkoa Insurance Inc., Senior Advisor on CSR

- Identifying Important Items via Management Conference

Top-priority Important Items

Provide safe products and services

"Provide safe products and services" is at the core of the Group's businesses, and we have made explicit some items that we have considered important for a long time.

To gain the trust of our customers and ordinary people, the entire Group strives to provide high-quality and safe products and services.

■ Related SDG Goals



Maintain a sustainable supply chain

"Maintain a sustainable supply chain" is the foundation that supports the Group's business activities. It is expected that our entire supply chain, which includes our business partners, fulfill its responsibility to society and the environment. Based on the Nichirei Group Sustainable Supply Chain Policy, Nichirei Group aims to cooperate with its business partners to develop a completely sustainable supply chain.

■ Related SDG Goals



Provide Safe Products and Services

Approach to Quality Assurance

The Nichirei Group has put in place a fundamental policy for quality assurance, based on the Group's business management philosophy and the Nichirei Pledge, which serves as our basic CSR policy. Our goals are to ensure the quality and safety of all Nichirei Group products and services—so that they will not be hazardous to the health of our consumers—as well as to maintain and improve the standards of quality management, quality assurance,

and customer satisfaction.

Following incidents in society of food intentionally being tainted with foreign substances, we have adopted a protective approach in our food hygiene practices. In addition, we now have in place a system that would enable us quickly to put out accurate information in the event of a health-threatening incident.

Fundamental Policies on Quality Assurance

1. Compliance with the requirements of laws governing food products.
2. Recognizing the needs of customers and partners regarding food safety and security, and working to better the Group's quality management and assurance.
3. Applying the concepts of food defense, safety and crisis management, to prevent Group products from threatening the health of customers.

Quality Assurance System

To ensure the safety of our food products and satisfy our customers, Nichirei Group has established standards and rules for quality control and quality assurance across all aspects of production, from the product development phase to customer support, in its mission to provide safe products and services.

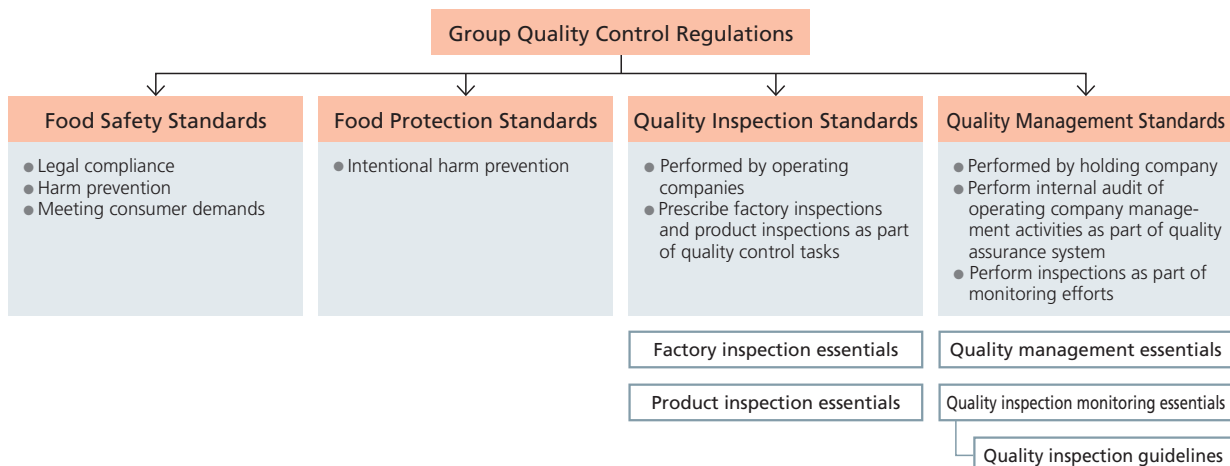
Nichirei Corporation's Quality Assurance Division has established rules and standards for quality control and quality assurance and performs internal audits and monitoring inspections based on quality management standards to ensure that the

Group's quality management system is functioning effectively.

Each operating company's Quality Assurance Division performs quality inspections of its own products and services and confirms whether safe products and services are being provided.

The state of these quality assurance initiatives is shared among Group companies, and all operating companies report their status to the Quality Assurance Committee and the Group Quality Assurance Committee, which assists with the improvement and enhancement of our quality assurance system.

The Nichirei Group Quality Control Regulatory Documentation System



Global Management System Certification Initiative

Nichirei Group is promoting efforts to comply with the global management system. We are making efforts to obtain ISO management system certification that matches our business characteristics as well as food safety management system FSSC 22000^{*1}, ISO 22000^{*2}, and SQF^{*3} certification.

^{*1} FSSC 22000 is an international management system related to food safety that is based on ISO 22000.

^{*2} ISO 22000 is an international standard related to food safety management systems for reducing food safety risks that is based on the HACCP food sanitation control techniques.

^{*3} SQF (Safe Quality Food) certification provides assurance that the product being purchased meets strict international food safety and quality standards such as HACCP. In countries outside of Europe, it is the only program recognized by the Global Food Safety Initiative (GFSI).

Number of Business Establishments that Have Obtained Certification

Certification	Operating company	Number of Business Establishments that Have Obtained Certification
ISO 9001 Quality Management System	Nichirei Foods	13
	Nichirei Fresh	8
	Nichirei Logistics Group	105
ISO 14001 Environmental Management System	Nichirei Foods	11
ISO 13485 Medical Devices/ In Vitro Diagnostic Drugs	Nichirei Biosciences	2
FSSC 22000 ^{*1} , ISO 22000 ^{*2}	Nichirei Fresh	6
SQF ^{*3}	Nichirei Logistics Group	2

As of March 31, 2018

Nichirei Foods

We aim to obtain food safety management system standard FSSC 22000 certification in FY19/3. Through appropriate management in accordance with FSSC 22000, we aim to reduce the risk of harm from food products across all processes, from receipt of ingredients to shipping.

Nichirei Logistics Group

Our Sendai and Osaka sites engaged in the PC business^{*4} have obtained SQF certification.

SQF is a food product quality certification that is recognized by the GFSI, like FSSC 22000.

^{*4} PC business: An abbreviation of Process Center business. (A one-stop service that handles everything from the processing of meat, poultry, and marine products to the weighing, packaging, and delivery)

Nichirei Fresh

Three factories operated by subsidiary Fresh Maruichi Inc. and two operated by subsidiary Nichirei Fresh Process Inc. have obtained FSSC 22000 certification. In addition, Fresh Chicken Karumai Inc., a chicken processing factory, has obtained ISO 22000 certification, and chicken meat processing factory Fresh Meat Sakudaira Inc. is in the process of obtaining it.

Nichirei Biosciences

We undergo periodic audits to ensure compliance with ISO 13485, an international standard for quality management systems in the medical care field that aims for the sustainable manufacture and supply of safe and useful medical devices and in vitro diagnostic drugs, and we have been certified by the certification body.

We have established a companywide management system in accordance with ISO 13485, and after performing the necessary inspections for each manufacturing process, we perform a thorough inspection of each manufacturing lot as well as trend analysis to detect defective products before they emerge.

Maintain a Sustainable Supply Chain

Importance of efforts to maintain a Sustainable Supply Chain

To provide value to society and continue to survive, it is important for Nichirei Group to secure a sustainable source of ingredients, and it is aware of how essential it is to be considerate of supply chain stakeholders and the environment.

In addition to selecting to “maintain a sustainable supply chain” as one of the important items in the Nichirei Pledge, which serves as our basic CSR policy, we established the Nichirei Group

Sustainable Supply Chain Policy on April 1, 2017.

We will make efforts not only for our own business activities, but also to address societal and environmental issues in our supply chain, and work to maintain a sustainable supply chain so that we can provide safe and high-quality products and services in a reliable manner.

Management System

To promote efforts to maintain a sustainable supply chain for all of Nichirei Group, we established the CSR Management discussion meeting in FY17/3. During this meeting, we examine the Group's common basic policy, share issues being faced and efforts being made by each operating company, and so on. The meeting is held

six or more times per year, and the results of the discussions are reported to the Board of Directors and the management conference, providing support for operating companies' efforts to maintain a sustainable supply chain.

Nichirei Group Sustainable Supply Chain Policy

The Nichirei Group is committed in working to maintain a sustainable supply chain. The Group procures products and services in accordance with the following policy and asks suppliers to assent to and comply with this policy.

Legal compliance	: We comply with the laws and social norms of each country and region where we operate.
Fair business practices	: We employ fair, transparent, and impartial business practices.
Human rights	: We respect human rights and provide safe, healthy work environments.
Environment	: We strive to reduce environmental impact and consider the health of the global environment.
Product quality and safety	: We work hard to deliver safe, high-quality products and services.
Information management	: We manage information properly and disclose information related to our business activities in a timely, appropriate manner.
Local communities	: We seek to build close cooperative relationships with local communities, as a good corporate citizen.

Basic Activities

In FY18/3, we shared the Nichirei Group Sustainable Supply Chain Policy with our essential suppliers in an effort to grasp what is happening throughout our supply chain. In FY18/3, Nichirei Foods and Nichirei Fresh administered a survey in the form of a

questionnaire directed at our essential suppliers both in Japan and overseas. In FY19/3, we will analyze the results of this survey and consider future steps.

ASC and MSC Certifications for Marine Products

Since 2006, Nichirei Fresh has been involved in the nature conservation initiative known as "Forest of Life Project" in Tarakan City, a joint effort between Indonesia shrimp supplier PT. Mustika Minanusa Aurora (MMA) and Tarakan City in North Kalimantan that involves improving shrimp habitats and planting mangrove trees.

The Forest of Life Project has engaged in traditional cultivation of shrimp that does not use formula feed or electricity. In this cultivation method, fry shrimp are released into cultivation ponds and raised on plankton and aquatic plants, and fishing is performed using the ebb and flow of the tide. In addition to actively expanding this shrimp raising method, which has a low environmental impact, Nichirei Fresh donates a portion of its sales profits to MMA's Mangrove Foundation. This foundation funds mangrove planting efforts in Tarakan City and has assisted with the recovery of regional ecosystems and environmental conservation.

Moreover, since October 2016, it has partnered with WWF Indonesia and WWF Japan and improved the aquaculture industry as part of the WWF North Kalimantan Sea and Forest Conservation Project. Due to these activities, a portion of MMA's traditional cultivation ponds became the first in Indonesia to receive ASC certification*¹ for black tiger shrimp in August 2017. Factors that led to ASC certification being awarded included not only the conservation of the cultivation

Target area (Indonesia/North Kalimantan Province, Tarakan City)



environment, but also for its consideration toward its workers, as demonstrated by the preparation of a hygienic and safe work environment, the provision of opportunities to learn about cultivation techniques, the fair wage system, and so on.

In addition, as of June 2018, Nichirei Fresh has 16 types of marine products that have obtained MSC certification*². In FY18/3, we developed herring roe Matsumae-zuke and herring roe Wasabi-zuke made with MSC-certified Pacific herring (roe) with a business partner that has obtained CoC certification*³.

Going forward, we expect an increasing number of consumers to pay attention to the sustainability of marine products, so we will continue to grow the number of ASC-certified and MSC-certified marine products we offer.

*1 ASC certification: Marine products certified by the ASC (Aquaculture Stewardship Council) as having been cultivated in a sustainable manner

*2 MSC certification: Natural marine products certified by the MSC (Marine Stewardship Council) as having been cultivated in a sustainable manner

*3 CoC certification: Certification of the management of the processing and distribution processes



Forest of Life Project
<https://www.nichireifresh.co.jp/inochinomori/>
 (Only available in Japanese)



Shrimp that have grown big



Regeneration of mangrove trees

Nichirei Fresh products that have obtained ASC/MSC certification (as of June 2018)

ASC	Certification Registry Number ASC-C-01632	Black tiger shrimp
		Whiteleg shrimp
MSC	Certification Registry Number MSC-C-52165	Salmon varieties (pink salmon, king salmon, coho salmon, chum salmon, sockeye salmon)
		Walleye pollack
		Pacific cod
		Flatfish varieties (Kamchatka flounder, yellowfin sole, dusky sole, white flounder)
		Scallops
		Herring
		Capelins
		Snow crabs
		Arctic surf clams



Environmental Initiatives

Our Approach to the Environment

Nichirei Group has established "The Nichirei Group's Environmental Policy," which sets out three themes: preventing global warming, promoting sustainable recycling, and living in symbiosis with nature.

Our Group's business activities, which support food infrastructure, rely on natural ecosystems for procurement of ingredients and are thus influenced by climate change. Therefore, the Group will work together with our business partners to achieve the goals listed on the right:

- Efficient energy use in the production of food products
- Reduction of greenhouse gases through increased efficiency in temperature-controlled transport
- Reducing the impact of our entire supply chain on climate change through promoting the use of renewable energy

Environmental Targets

In addition to the Group working to reduce CO₂ emissions at our places of business, such as factories and logistics centers, all operating companies have identified the major issues they are facing and are working toward reducing their CO₂ emissions.

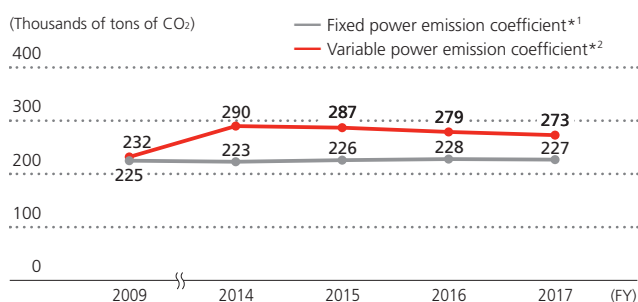
The total amount of CO₂ emissions for FY18/3 increased by 0.8%*¹ compared to FY10/3 due to increased production, new office construction, and so on. In addition, when using the coefficient of variation to compare the CO₂ emission factors due to electricity production, there was an increase of 17.3%*². Going forward, in addition to making our food factory and logistics center operations more efficient, updating to energy-

saving equipment, and implementing renewable energy, we will work on reducing CO₂ emissions throughout our entire supply chain.

*1. Fixed power emission coefficient: The CO₂ emission intensity unit of 0.412 [t-CO₂/MWh] announced by the Federation of Electric Power Companies in FY2009, used nationwide

*2. Variable power emission coefficient: Power conversion coefficient used by power companies in fiscal year utilized at each worksite

Nichirei Group CO₂ Emission Trends



Group medium-term business plan targets (FY2016–FY2018)

Items	Contents
Reduction of CO ₂ Emissions	<ul style="list-style-type: none"> · 2.4% reduction compared to FY2009 in Group (Japan) CO₂ emissions from energy by the end of FY2018 * Energy used by Japan worksites and Company-owned vehicles * CO₂ emission factor derived from purchased electric power is fixed at 0.412 [t-CO₂/MWh], the CO₂ emissions intensity unit announced by the Federation of Electric Power Companies in FY2009
Maintaining Waste Recycling Rate and Controlling Waste Discharging	<ul style="list-style-type: none"> · Maintained waste recycling rate at over 99% at food plants and distribution centers · Reduce residue of material derived from animal and plant (food plants in Japan)
Water Resource Conservation	<ul style="list-style-type: none"> · In consideration of the environmental conditions surrounding water in each community, we engage in water resource conservation through efficient water usage aimed at sustainable water usage (food plants in Japan)
· Engaged in collecting data regarding the environment at overseas worksites	

Logistics Network awarded the Green Logistics Partnership Conference Outstanding Business Award

In December 2017, Logistics Network, Inc. of Nichirei Logistics Group, Inc. received the Green Logistics Partnership Conference Outstanding Business Award*³ as recognition of its achievements in expanding modal shift in frozen food shipping. Logistics Network is a third-party logistics (3PL)*⁴ company that improves and manages all logistics operations for its shipper clients, from procurement and stock control to distribution. It has been promoting modal shift for more than 10 years. Rather than just simply using railways and ferries, it implements a variety of advanced solutions, such as having several shippers share a trunk line for transporting goods and

making shipments more efficient and standardized by utilizing a demand forecasting system.

These efforts were recognized for their efficacy, and the company was awarded the prize along with three other companies, including shipper Nichirei Foods. We will continue to promote sustainable business management that addresses environmental impact and labor shortages going forward.

*3 An institution administered by the Ministry of Land, Infrastructure, Transport and Tourism and other bodies that awards excellent initiatives that promote CO₂ reduction in the logistics field.

*4 3PL: Abbreviation of Third Party Logistics

Way of Working Reform

Revolutionizing the Way We Work to Stimulate the Organization and Raise Productivity

Nichirei Group is striving to enhance its human capital and increase job satisfaction. In FY18/3, we established “The Nichirei Group Workplace Improvement Policy” based on the Nichirei Pledge and aim to achieve its goals by FY22/3. We will create a corporate environment that accepts diversity of values and allows for a more stimulating and productive organization, which will

lead to securing more talent. In addition to each Group company promoting efforts that address their individual issues, we also facilitate exchanges of information and confirm each other's progress through the Group-wide Group Human Assets Committee and Diversity Promotion Conference.

The Nichirei Group Workplace Improvement Policy

Diversify Ways of Working	Expand choices in employment	Implement a system that offers freedom with regards to work location, work hours, and other aspects of the work environment, allowing employees to choose based on their situation
	Establish a framework for continued career paths	Create a system that does not interrupt employees' careers because of various life events, such as birth, childcare, nursing, spouse relocations, health issues, illness, and so on.
	Rectify the practice of working long hours	Labor and management should work together to improve how employees work and make appropriate adjustments to work hours so that each employee is healthy, satisfied with their job, and can work to the best of their abilities.
Provide Equal Opportunities	Support active roles for women	Provide equal opportunities and education and help develop them into an indispensable asset of Nichirei Group.
	Provide a stimulating workplace for people with disabilities	To realize a society where those with disabilities and non-disabled individuals can live together without discrimination, we must create a work environment and opportunities for employees with disabilities that can help them thrive at work and in their lives.
	Establish employment for seniors	As people live longer, healthier lives, we must create a working environment that utilizes their unique experience and is compatible with their values and work styles.

Promote the Advancement of Female Employees

We are implementing a variety of policies to support female employees' precious contributions to the workplace. Nichirei Foods cooperated with other food product companies to hold a women's career seminar. Additionally, it is dispatching employees to leadership training sessions that promote exchange among different industries so that it can cultivate female leaders. Nichirei Logistics Group periodically holds a forum for women working in

logistics. Through workshops and other activities, participants deepen their understanding of the changing social climate and policies promoted by the company. Moreover, Nichirei Logistics Group selects one to two women at each of its companies to serve as women empowerment representatives. They utilize the knowledge they gain at study conferences and such to work toward solving issues.

Policies for Empowering Women	Nichirei Foods	Nichirei Logistics Group
Develop female employee job consciousness	<ul style="list-style-type: none"> · Diversity forum “SPIRAL UP!” · Female employee career seminar “LADY, GO UP!” 	<ul style="list-style-type: none"> · Forum for women working in logistics
Further understanding of management	<ul style="list-style-type: none"> · Management seminar for those with female subordinates 	<ul style="list-style-type: none"> · Department chief insight exchange meeting
A mindset focused on growth	<ul style="list-style-type: none"> · Program for the cultivation of female leaders (external training) 	<ul style="list-style-type: none"> · Study session for representatives supporting women empowerment

Implementing Reforms to Way of Working

In April 2017, we began making efforts to improve the work experience, eventually establishing “The Nichirei Group Workplace Improvement Policy.” Based on this policy, we are striving to diversify ways of working, rectify the practice of working long hours, and increase productivity.

To create new value only Nichirei can offer and address the changing external environment and diversification of consumer needs, employees must accept a variety of values and work styles. We will establish Group-wide qualitative analysis and target setting and implement specific policies to increase employees' work abilities and achieve sustainable growth for the Group.

Yutaka Karino

Nichirei Corporation Executive Officer and General Manager of Human Resources Strategy & General Affairs



Corporate Governance

Nichirei Corporation's Board of Directors drafts Nichirei Group's business strategies under the holding company structure and supervises the business and affairs of the operating companies. Under the supervision of the Board of Directors, we work to ensure sound corporate governance, including proper allocation of resources, prompt decision-making, and strict compliance.



Corporate Governance

<https://www.nichirei.co.jp/english/corpo/management/governance.html>

Corporate Governance Structure

Nichirei has developed a variety of businesses under the holding company structure and adopts the company with board of company auditors structure of corporate governance pursuant to the Companies Act of Japan. The Board of Directors comprises up to 11 members, with three serving as independent outside directors. There are also up to five auditors, with three serving as independent outside company auditors.

The Board of Directors and Board of Auditors work together effectively to provide proper supervision and direction for executive officers in the execution of their duties. In addition, while the decisions reached by the Board of Directors are limited to items established based on legal standards and the company's own standards, many of the decisions are transferred to the management conference composed of executive officers, and the Board of Directors devotes itself to decisions on the most important items as well as supervising executive officers' execution of their duties.

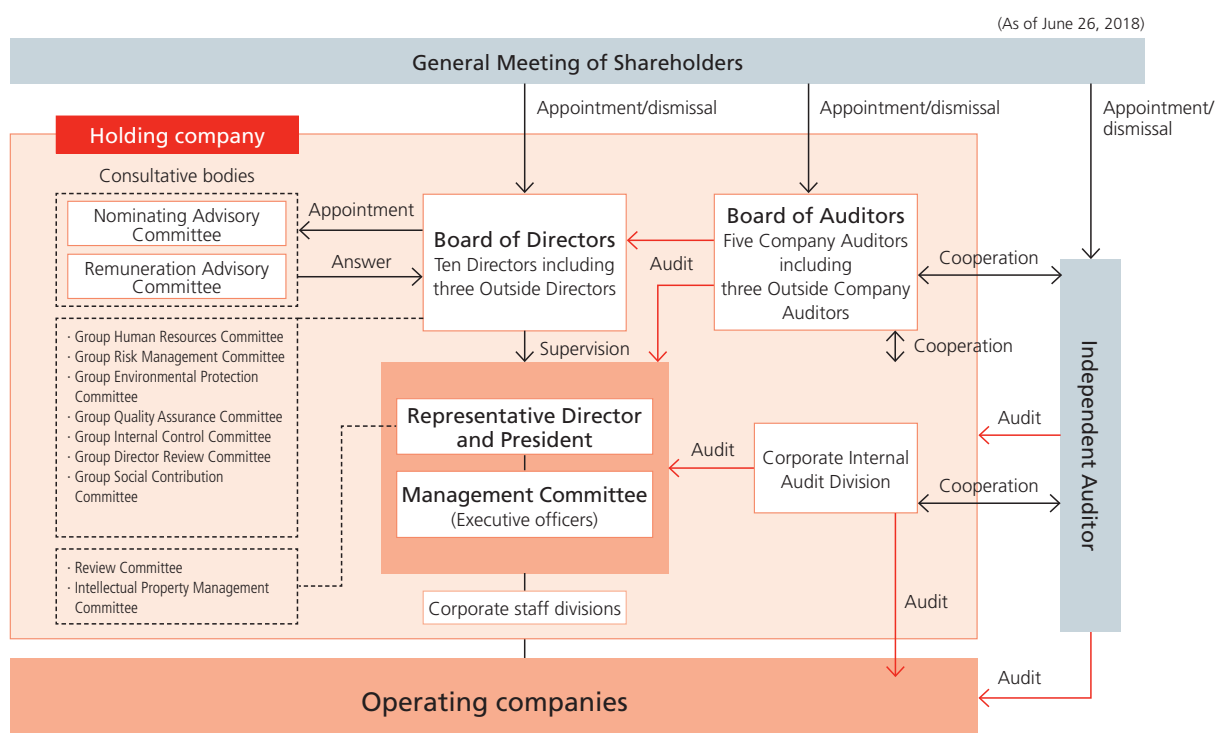
The company auditors, who possess thorough knowledge of the Group's business characteristics, cooperate with the company auditors of the operating companies to perform site visits to the key business locations throughout the year and provide each business with feedback from the audit based on their individual circumstances. Moreover, after performing site visits, all auditors

report the problems and issues they discovered to the Board of Auditors and the representative director to enhance the effectiveness of the auditing system. In addition, the independent outside company auditors participate in and lend their voices to the Board of Directors' main Advisory Committee in addition to the Board of Directors and Board of Auditors, and they accompany company auditors on site visits as appropriate.

In FY18/3, there were 19 meetings of the Board of Directors.

Enhancing the Corporate Governance Structure

Fiscal Year	Initiative
2001	● Implementation of executive officer system
2003	● Implementation of outside director system
2005	● Shift to holding company system ● Shift to three independent outside directors structure ● First female outside director (one) installed
2006	● Retirement bonuses for directors discontinued ● Shortening of director tenure to one year
2012	● Shift to five auditor structure (including three independent outside company auditors)
2015	● Corporate Governance Basic Policy established ● Nominating Advisory Committee and Remuneration Advisory Committee established ● Board of Directors effectiveness evaluations started
2016	● Anti-takeover measures discontinued ● Number of female outside directors increased to two



Status of Board of Directors' Evaluations

Overview of Results of FY18/3 Director Evaluations

An analysis and evaluation of the status of activities by the Board of Directors is carried out as necessary with the assistance of outside experts for the purpose of ensuring effective decision-making by the Board, and a summary of the results is then disclosed. A summary of the results of the evaluation conducted in FY18/3 is as follows:

(1) Evaluation Method

Target: Directors, auditors (15 people in total)

Period: From late January 2018 to late February 2018

Method: Self-evaluation method involving third-party outside experts
Specifically, in addition to the conventional questionnaire, we also conducted individual interviews.

1) Questionnaire

Five-grade evaluation and free response, 12 categories (69 items)

Categories

1. Board of Directors' roles and function
2. Board of Directors' size and structure
3. Board of Directors' management conditions
4. Nominating Advisory Committee structure and roles
5. Nominating Advisory Committee management conditions
6. Remuneration Advisory Committee structure and roles
7. Remuneration Advisory Committee management conditions
8. Outside director support system
9. Auditors' roles/Expectations for auditors
10. Relationship with investors/shareholders
11. Governance structure/Overall effectiveness of Board of Directors
12. Self-evaluation

2) Individual Interview

Based on the results of 1), outside experts interview each respondent for 30 to 45 minutes to confirm and delve more deeply into their questionnaire responses as well as discuss other issues.

(2) Overview of Evaluation Results

The outside experts' remarks based on the above questionnaire and individual interviews are as follows:

"The Board of Directors has maintained a certain degree of diversity among its members and has created an environment that facilitates discussion during actual deliberations. The majority of respondents believe that the chief facilitator of the Board allows discussions to proceed in a smooth manner and that the Board of Directors has firmly maintained a considerable level of effectiveness overall. In addition, many believed issues identified in the past two years of this effectiveness evaluation have been addressed to a certain degree, and that the effectiveness of the Board of Directors currently compares favorably with those of other companies.

That being said, several respondents identified areas where there is room for further improvement to the effectiveness of the Board, and we believe these areas will be taken into consideration in the Board's self-evaluations going forward."

The Board of Directors takes the outside experts' evaluation of

it seriously, and after deliberation of the items for which comments and proposals have been provided, we have decided to reflect the following in the activities of the Board of Directors going forward.

1) Measures to Further Stimulate Board Discussions

1. Implement advance explanations of agenda items, etc., for outside directors
At the request of our outside directors, we will respect their impartiality and independence and offer advance explanations, though not on a regular basis.
2. Modify the structure and content of Board materials
We decided to continue to utilize the basic format of the agenda items and create the materials after making the main points easy to understand.
3. Outside director participation in management conferences as observers
At the request of our outside directors and having re-confirmed their purpose and importance, we will have them join management conferences.

2) Succession Plan Discussions

We have decided to create an environment that accommodates discussions about discovering and training the next generation of management staff.

3) Desired Board Meeting Topics (Summary)

We confirmed the following as topics of great interest to the Board that should be discussed.

1. Medium- to long-term management vision
2. Cultivating global talent
3. M&A, overseas investment projects
4. New business initiatives
5. Quality assurance, intellectual property-related
6. Revising Board agenda items and report items

In view of the outside experts' opinions based on the questionnaires and individual interviews, we confirmed that our Board of Directors has maintained a certain degree of effectiveness and taken steps towards rectifying the issues identified in the past. Going forward, we will continue to periodically carry out Board evaluations and further increase its effectiveness.

Directors, Auditors and Officers (As of June 26, 2018)

■ Directors



Toshiaki Murai

Representative Director and Chairman

Mr. Toshiaki Murai has gained abundant experience in divisions such as overseas business and strategic planning as well as corporate management experience as President of the Company and its group companies, and he provides opinions and advice during meetings of the Board of Directors and various other internal meetings from the perspective of the Group's management supervisor.



Kunio Otani

Representative Director and President

Mr. Kunio Otani has gained abundant experience in divisions such as accounting & tax, strategic planning, and corporate supervision as well as corporate management experience as President of the Company and its group companies, and he provides opinions and advice during meetings of the Board of Directors and various other internal meetings from the perspective of the Group's management supervisor.



Takumi Taguchi

Director and Executive Officer

Mr. Takumi Taguchi has acquired extensive experience in accounting & tax and finance divisions, and he provides opinions and advice during meetings of the Board of Directors and various other internal meetings from an accounting and financial perspective.

■ Outside Directors



Kazuhiko Umezawa

Director and Executive Officer

Mr. Kazuhiko Umezawa has gained abundant experience as Representative Director and President of Nichirei Logistics Group Inc. and in divisions such as logistics solutions and operational management in the logistics business, as well as corporate management experience as President of the group companies.



Shizuka Uzawa

Outside Director

Mr. Shizuka Uzawa has extensive experience as a corporate executive coupled with a wide-ranging knowledge of financial affairs and accounting and, in the interest of Group management, provides opinions and advice during meetings of the Board of Directors and various other internal meetings (including meetings of the Nominating Advisory Committee and Remuneration Advisory Committee).

Significant concurrent positions outside the Company

Outside Director, Japan Finance Corporation
Outside Director, Sapporo Holdings Limited



Mieko Wanibuchi

Outside Director

Ms. Mieko Wanibuchi has worked in corporate management for many years and leverages the knowledge and experience acquired through these endeavors to offer opinions and advice during meetings of the Board of Directors and various other internal meetings (including meetings of the Nominating Advisory Committee and Remuneration Advisory Committee) from perspectives that include the product and service purchasing behaviors of consumers.

Significant concurrent positions outside the Company

Representative Director, President, GINZA TAILOR GROUP CO., LTD.
Representative Director, President, GINZA TAILOR CO., LTD.
Representative Director, President, GGG Co., Ltd.

■ Outside Company Auditors



Kunitaro Saido

Outside Company Auditor

Mr. Kunitaro Saido has a background in the legal world and possesses abundant knowledge and experience as a legal professional.



Masaaki Okajima

Outside Company Auditor

Mr. Masaaki Okajima has considerable experience and extensive knowledge in government and offers opinions and advice during meetings of the Board of Directors, the Board of Auditors, and various other internal meetings.



Kazuo Nagano

Outside Company Auditor

Mr. Kazuo Nagano has considerable experience and knowledge in business management, including as manager of a financial institution.



Yoshifumi Kaneko
Director and Executive Officer

Representative Director and President, Nichirei Fresh Inc. Mr. Yoshifumi Kaneko has acquired abundant experience in sales, procurement, and logistics of the processed foods business as well as corporate management experience as President of the group companies, and he draws upon his considerable experience and achievements both domestically and overseas to provide opinions and advice during meetings of the Board of Directors and various other internal meetings.



Kenya Okushi
Director and Executive Officer

Representative Director and President, Nichirei Foods Inc. Mr. Kenya Okushi has gained a wealth of experience in divisions such as manufacturing and business coordination of the processed foods business as well as strategic planning, and he draws upon his considerable experience and achievements in the processed foods business and strategic planning division to provide opinions and advice during meetings of the Board of Directors and various other internal meetings.



Junji Kawasaki
Director and Executive Officer

Mr. Junji Kawasaki has acquired extensive experience in the quality assurance division through duties that include performing quality audits and process quality management, and the marketing division of the processed foods business. He draws upon his knowledge of technical strategy, quality assurance, and other areas to provide opinions and advice during meetings of the Board of Directors and various other internal meetings.

■ Company Auditors



Kuniko Shoji
Outside Director

Ms. Kuniko Shoji has extensive experience as a business manager in the pharmaceutical industry and has considerable knowledge in the areas of quality assurance and research and development.

Significant concurrent positions outside the Company
Outside Director, MEDIPAL HOLDINGS CORPORATION



Yasunari Shigeno
Company Auditor

Mr. Yasunari Shigeno has gained abundant experience in divisions such as sales and management in the logistics business as well as managerial experience as President of the group companies.



Kazuhiko Yasuda
Company Auditor

Mr. Kazuhiko Yasuda has abundant experience in divisions such as accounting & tax and strategic planning as well as considerable knowledge of financial affairs and accounting.

■ Executive Officers



Tatsuo Udagawa
Executive Officer

General Manager, Finance & Investor Relations



Kazunori Miki
Executive Officer

General Manager of Strategic Planning Department



Masato Takenaga
Executive Officer

Representative Director, President, Nichirei Biosciences Inc.



Yutaka Karino
Executive Officer

General Manager, Human Resources Strategy & General Affairs

Outside Director's Message

Becoming a Company that Can Adapt to Any Business Environment



Shizuka Uzawa

Independent Director
Nichirei Corporation

Why He Was Chosen

Mr. Uzawa has experience serving as the president and representative director as well as the chairman of the board for Nisshinbo Holdings Inc. He possesses significant experience as a manager as well as deep knowledge in the areas of finance and accounting, and he was chosen to utilize these advantages in the management of our Group. He has been serving as outside director since June 2016.

I have worked as outside director for Nichirei for two years, and I feel that this is the type of company where extremely earnest, lively discussions can be had.

As outside director, I believe my role is to provide honest feedback from an external perspective on issues that are often not visible from within the company. I have utilized my experience in management and my knowledge of financial affairs and accounting to provide as much feedback as possible.

The "POWER UP 2018" medium-term management plan is proceeding smoothly. The issues the company faces going forward are increasing our businesses' profitability ratio and expanding overseas.

With regards to overseas expansion, from a risk management perspective, it is essential to raise awareness about the thorough approach to contract management used in Europe and America and follow suit. I think it is also important to secure reliable local human resources and establish communication between management and employees on the ground overseas.

Moreover, diversity is something I want to see pursued more vigorously. First, promoting more women to executive roles and so on is important for providing role models to the younger generation. But diversity does not stop at empowering women. Utilizing a broader understanding of diversity that encompasses gender, nationality, values, and so on will allow people of various backgrounds to work together and stimulate the organization.

Further discussions and efforts with regards to future sources of profit are needed as well. Because food is an essential part of people's lives, it is not a business area that is likely to disappear easily. That being said, we are in an age where change is rapid and it is difficult to see what lies ahead, so we must not grow complacent. The company I worked at for a long time was also engaged in the textile business, considered one of the three essentials along with food and shelter, and yet the increase in cheap imported goods from abroad has resulted in textiles currently accounting for only 10% of net sales. We must always be aware that these kinds of shifts are possible.

As an outside director, while I want to maintain my perspective as a stockholder and an outsider, I also want to cheer on the company's success. It is my wish to not only point out areas that need improvement and encourage reform, but also support Nichirei's efforts to pursue ever-higher corporate value in a sound and sustainable manner.

Business Strategy

Contents

- 27 Segment Highlights
- 29 Processed Foods Business
- 31 Logistics Business
- 33 Marine Products, Meat and Poultry Products Business
- 35 Bioscience Business
- 36 Real Estate Business

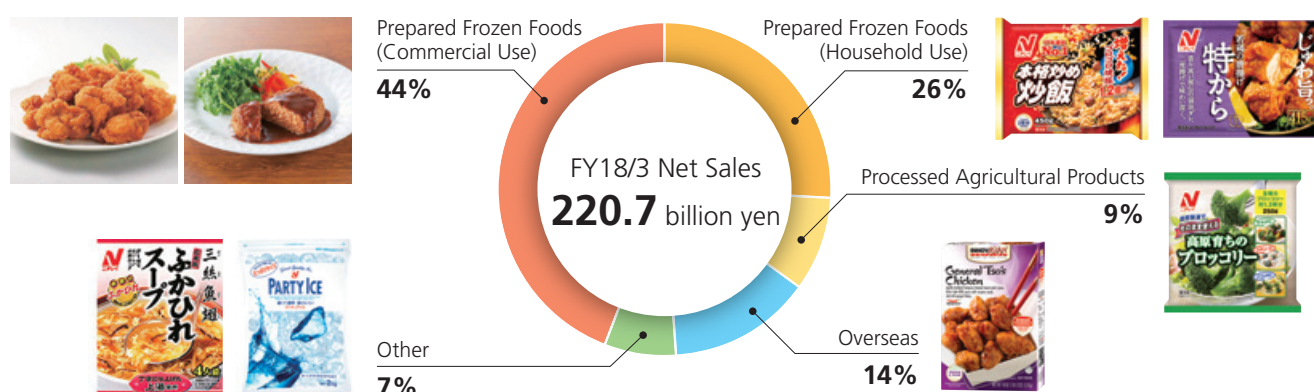
Segment Highlights

Net Sales/Operating Income by Segment (FY18/3)

Unit: Millions of Yen

Segment	Net Sales			Operating Income		
	Results	YoY Variance	Change (%)	Results	YoY Variance	Change (%)
Processed Foods	220,686	15,660	7.6	14,573	700	5.0
Marine Products	71,511	2,135	3.1	305	-488	-61.6
Meat and Poultry Products	90,393	2,264	2.6	1,301	-309	-19.2
Logistics	195,093	8,208	4.4	11,255	623	5.9
Real Estate	4,869	232	5.0	2,152	27	1.3
Other	5,344	859	19.2	811	206	34.1
Adjustment	-19,866	-986	-	-501	-171	-
Total	568,032	28,375	5.3	29,897	588	2.0

Processed Foods Business

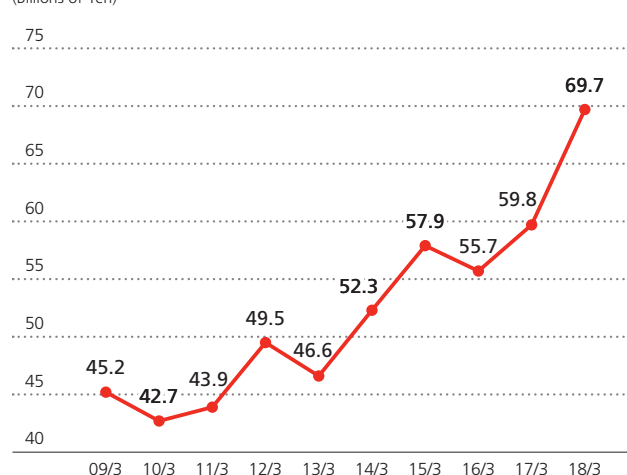


Factors for increase/decrease in operating income

	(Billions of Yen)
FY17/3 Operating Income	13.9
Factors for increase	3.3
Increased revenue	2.8
Improved productivity	0.5
Factors for decrease	-2.6
Rise in ingredient and purchasing costs	-1.3
Effect of results from subsidiaries	-1.5
Increase/decrease in advertising and sale promotion expenses	0.8
Other	-0.6
FY18/3 Operating Income	14.6

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

(Billions of Yen)

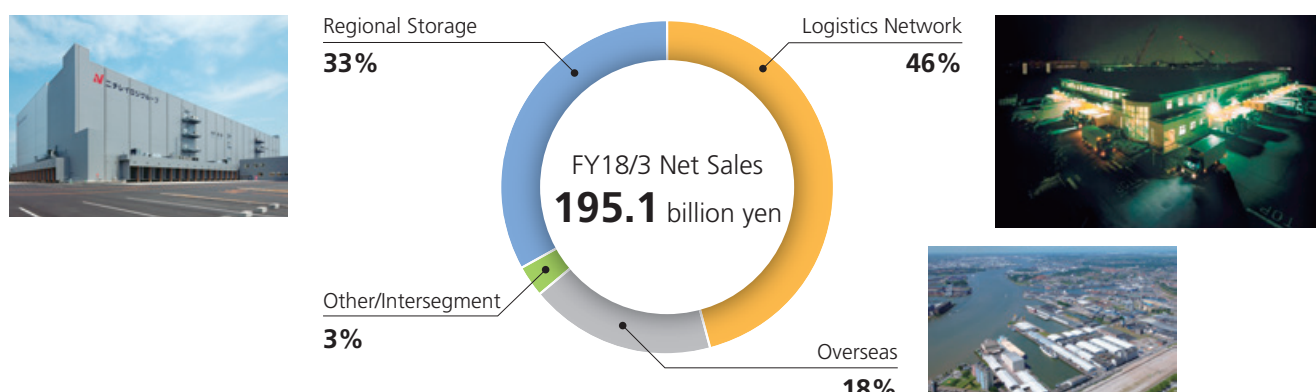


Note: Figures from FY13/3 reflect a change in the basis for recording sales in the Processed Foods business. (The portion that had previously been recorded as promotional expenses has been excluded from net sales.)

Key Achievements (FY18/3)

Processed Foods	In addition to augmenting product development and sales activities with a focus on our processed chicken products, rice products, and other key category products for household and commercial use, sales from our overseas subsidiaries contributed to our increased revenue as well. While there were negative factors such as the business results of affiliated companies and rising ingredient and procurement costs, our operating income increased due to our increased revenue, increased production efficiency, and so on.
Logistics	We focused on expanding cargo pickup concentrated in metropolitan areas as well as the provision of comprehensive logistics services to rural areas that include storage, transport, and distribution processing. Moreover, our revenue and profits increased through the advancement cost countermeasures such as improved business operations and transport efficiency, as well as favorable trends in our TC (transfer center) business.
Marine Products	Revenue increased thanks to efforts to expand sales of restaurant and home meal replacement products as well as increased stocking of octopus, roe, and other products, but profits declined due to rising shrimp procurement costs due to the weak yen.
Meat and Poultry Products	Revenue increased thanks to increased restaurant sales and sales of home meal replacement products and such, but profits declined due to our inability to absorb rising chicken meat procurement costs.

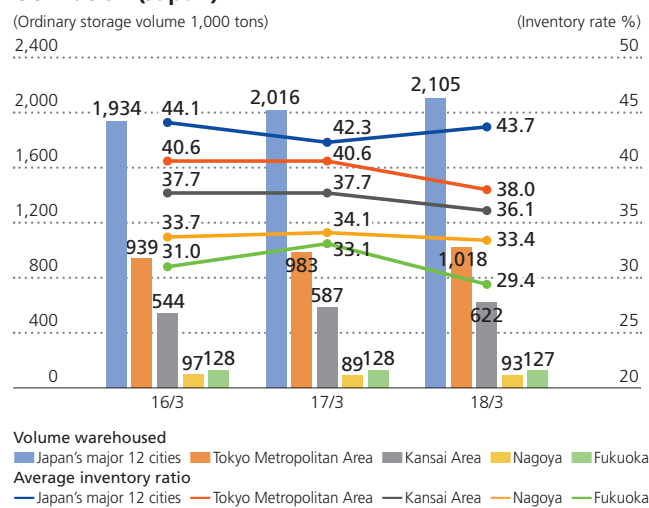
Logistics Business



Factors for increase/decrease in operating income

FY17/3 Operating Income	(Billions of Yen)	10.6
Factors for increase		2.1
Effect on results from increase in cargo collection		0.7
Earnings improvement in trunk line transport		0.6
Operational improvements		0.4
Expansion of 3PL business		0.2
Streamlining of transport business		0.2
Factors for decrease		-1.4
BCP-related expenses		-0.5
Increase in transport and delivery costs (net)		-0.3
Increase in electricity charges (net)		-0.3
Increase in work outsourcing costs (net)		-0.1
Other		-0.2
FY18/3 Operating Income		11.3

Nichirei Logistics Group Cold Storage Capacity Utilization (Japan)



Processed Foods Business



Our medium-term plan to increase profitability is proceeding smoothly, and we will aim for even higher profits by strengthening our strategic categories

Kenya Okushi

Representative Director and President
Nichirei Foods Inc.

Nichirei Foods provides frozen foods (for both household and commercial use) both within Japan and abroad utilizing its original product development capabilities and quality assurance ability. In addition, in Japan we also provide retort pouch foods and wellness food products. We will focus on people's lifestyles and contribute to the realization of a healthy and abundant society through food.



Nichirei Foods Inc.
URL <https://www.nichireifoods.co.jp/>
(Only available in Japanese)

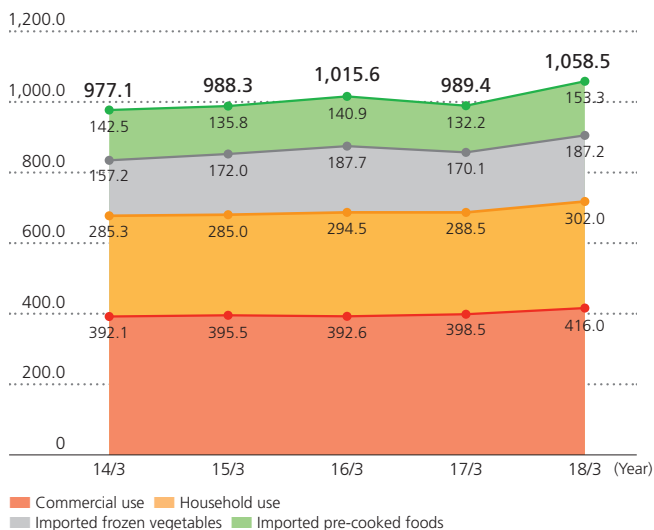
Overview

The domestic frozen food market is continuing its prosperous run, with FY18/3 frozen food production trends achieving their best results thus far. Going forward, the market is expected to experience further growth due to home meal replacements and labor shortages in the restaurant industry, as well as further changes in the structure of the household that have led to the "externalization of food." Against this background, frozen foods, in addition to their conventional reputation as simple, convenient, and storage-friendly foods, have increasingly come to be considered by consumers as hand-cooked meal replacements that offer value.

As a pioneer in frozen foods, Nichirei Foods will continue striving to create value and provide useful products to consumers based on the philosophy of "Exploring the subtleties of flavors."

Frozen Foods Market

(Billions of Yen)



Source: Created using statistical data from the Japan Frozen Food Association
<https://www.reishokukyo.or.jp/statistic/pdf-data/> (Only available in Japanese)

Main Products



No.1 fried rice product with most domestic sales in frozen cooked rice category for 17 years in a row
INTAGE Inc. SRI (March 2001-February 2018)



Fried chicken developed to meet dinner needs



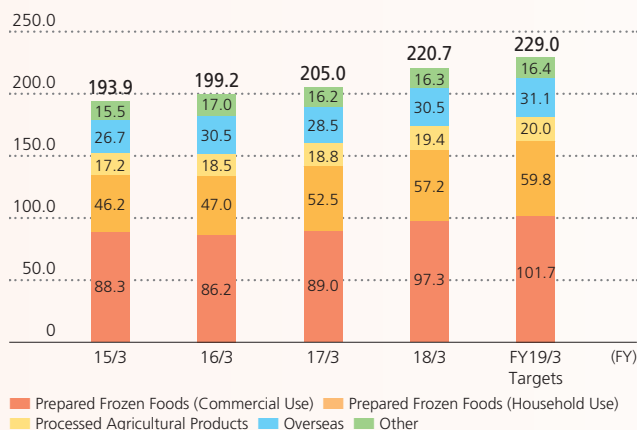
Rising prices for perishable products due to bad weather helped spur frozen vegetable sales



Harumaki (spring rolls), one of our main products for commercial use

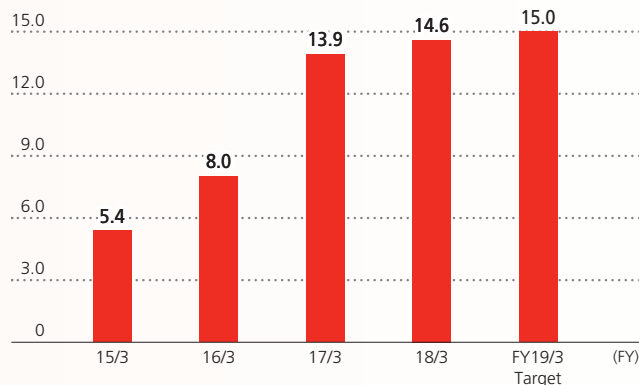
Net Sales

(Billions of Yen)



Operating Income

(Billions of Yen)



Progress of Medium-Term Business Plan and Future Direction

Regarding the progress made on the medium-term business plan, expanded sales of our key products and improvement in productivity have allowed us to achieve the goal of increased profitability in our domestic operations. In FY18/3, the second year of our medium-term business plan, we continued achieving favorable results, with net sales of 220.7 billion yen (a 7.6% increase compared to the previous term), operating income of 14.6 billion yen (a 5.0% increase compared to the previous term), and an operating margin of 6.6%. In particular, our processed chicken products and rice products contributed greatly to our increased revenue.

In FY19/3, the last year of the medium-term business plan, we have to deal with the impact of an increase in depreciation and amortization and a strong Thai baht, but we will aim for increased revenue and profits by implementing our next plan and taking other measures.

With prepared foods for household use, we will work to increase

sales of our best-selling rice products such as our *Honkaku-Itame Cha-Han* (fried rice) and *Yaki-Onigiri* (grilled rice balls), as well as our processed chicken products such as *Tokukara* (fried chicken) and our new product that launched in spring, *Kireteru! Salad Chicken* (sliced steamed chicken).

With prepared foods for commercial use, we will focus on the home meal replacements, which have seen strong sales, and continue increasing sales of key products, such as our processed chicken and *Harumaki* (spring rolls) products.

In our overseas businesses, we will aim for further sales growth in the American Asian food market. In addition to increasing sales of products for household use already on the market, we will invest in single-serving meals to drive new growth and expand our customer base.

Going forward, we will focus on maximizing profits in the strategic categories of processed chicken products, rice products, and so on, and we will further increase profits by enhancing our production capacity and efficiency to develop more diversified products and increase demand.

TOPIC

A new household product that launched in spring 2018, *Kireteru! Salad Chicken* (sliced steamed chicken) Creating new demand: Food that can be used as an ingredient

Through *Kireteru! Salad Chicken*, which can be used in a variety of dishes, Nichirei Foods provides customers with a way to make cooking easier and drive new demand for frozen foods.

Since its launch in March 2017, *Tokukara* (fried chicken) has received widespread praise as a fried chicken product that can be used as the centerpiece of meals, and it drove growth in the market for frozen processed chicken products for household use. As a new offering in the processed chicken product market, Nichirei Foods launched *Kireteru! Salad Chicken* (sliced steamed chicken), which features chicken breast meat that is gently boiled until it's soft, then sliced and topped with simple seasonings. This product can be used as an ingredient in dishes, or it can be enjoyed as-is. It is recommended for those who want to do chores but don't have the time, and those who want to finish their chores without a lot of effort, as households where both parents work become more common.



Logistics Business



Increasing profits for existing businesses and pursuing work reforms to become the No. 1 food product logistics company through excellent service

Kazuhiko Umezawa

Representative Director and President
Nichirei Logistics Group Inc.

Nichirei Logistics Group is the largest domestic temperature-controlled logistics group, and it consists of the logistics network business, which is focused on transportation and delivery; regional storage, which is in charge of refrigerated warehouse functionality; overseas business, which handles operations in Europe, China, Thailand, and Malaysia; and engineering services, which performs everything from temperature-controlled logistics facility planning and design to maintenance management. By providing high-quality service throughout the entire food product supply chain, it contributes to the optimization of clients' logistics operations and continues supporting people's food lifestyles.



Nichirei Logistics Group Inc.

URL <https://www.nichirei-logi.co.jp/english/index.html>

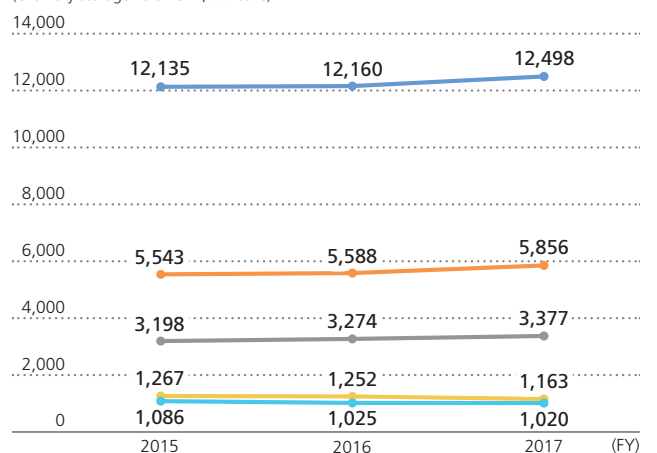
Overview

In Japan, the increased availability of meat and poultry products and frozen foods has led to steadily growing demand for temperature-controlled logistics. Yet various issues have arisen, such as the pressing need for better compensation for truck drivers and rising transportation and delivery costs and warehouse work costs due to labor shortages.

In this kind of business environment, the Group's basic policy for its current medium-term plan will involve strengthening our business foundation by increasing productivity through work reforms and increasing the profits of existing businesses through utilization of newly constructed sites at metropolitan-area ports, as well as strengthening initiatives for new growth by advancing into unexplored areas.

Industry-wide Refrigerated Warehouse Capacity Utilization (Japan)

(Ordinary storage volume: 1,000 tons)



Volume warehoused

— Japan's major 12 cities — Tokyo Metropolitan Area — Kansai Area — Nagoya — Fukuoka

Source: Calculated and created by Nichirei using statistical data from the Japan Association of Refrigerated Warehouses
<http://www.jarw.or.jp/know/statistics> (Only available in Japanese)

Main Services



A logistics network business centered on transportation and delivery



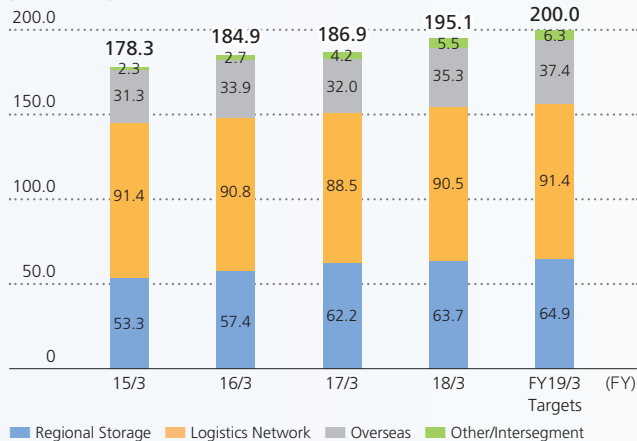
Regional storage business with refrigerated warehousing functionality



Overseas business with 36 sites in 13 countries, mainly in Europe and Asia

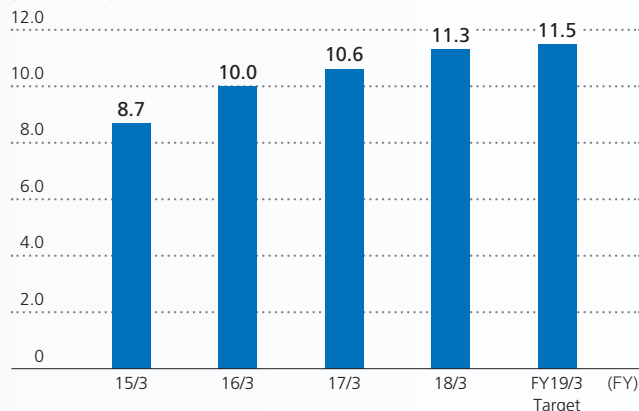
Net Sales

(Billions of Yen)



Operating Income

(Billions of Yen)



Progress of Medium-Term Business Plan and Future Direction

Regarding the progress of our medium-term business plan, due to expanded cargo pickup concentrated in metropolitan areas, with a focus on large sites such as the Higashi-ogishima DC*¹ and Sakishima DC that have been increased up until now, FY18/3 net sales were 195.1 billion yen (a 4.4% increase compared to the previous term), operating income was 11.3 billion yen (a 5.9% increase compared to the previous term), and the operating margin was 5.8%, which indicates steady growth.

In FY19/3, the last year of the medium-term business plan, in addition to rising costs due to labor shortages, system costs and other expenses will rise as well, but we will aim to secure increased revenue and profits by implementing further measures.

In the logistics network business, we will work to improve transport earnings and expenses and also expand our scale through strengthening our vehicle procurement foundation and 3PL*² growth. With the regional storage business, in addition to quickly arranging for stable operation of our newly constructed Heiwajima DC and promoting efficiency through optimum allocation of freight stored in the Kanto waterfront area, we will focus on maximizing

utilization of our sites nationwide to serve active demand for storage.

To address rising domestic costs, we will promote operational improvements, streamlining, and other cost-absorbing measures, as well as work towards charging appropriate fees.

In addition, with an eye toward enhancing our medium-term competitive strength, we will promote operational innovations such as the digitalization of warehouse work and implementing energy-saving measures inside warehouses.

Overseas, we have made efforts to provide a one-stop service in Europe that handles everything from customs clearance to storage, transportation, and delivery, and we have worked to expand cargo pickup as well. We have also begun increasing construction of refrigerated warehouses to improve our competitive advantage at the Port of Rotterdam in the Netherlands, the largest port in Europe.

In terms of uncovering new areas of growth, we are working on increasing our logistics coverage area in China, and we also established a new site in Malaysia. We will work to strengthen the foundation of our ASEAN operations by making use of the synergistic effect of our existing business in Thailand.

*1 DC: Abbreviation of Distribution Center.

*2 3PL: Abbreviation of Third Party Logistics. Create improvement proposals for overall logistics operations, from procurement to distribution, and provide comprehensive logistics services.

TOPIC

Heiwajima DC Operation

On March 1, 2018, we began operation of the Heiwajima DC at Tokyo Danchireizo Co. in Ota Ward, Tokyo.

In the Tokyo Bay area, the entryway for imported cargo, the number of imported processed foods and ingredients has increased in recent years, which has led to a demand for more advanced and efficient logistics. The Heiwajima DC is a facility in the Tokyo metropolitan area, Japan's largest consumer market, and it contains refrigerated equipment capacity and can store 38,000 tons worth of products, which will enable it to flexibly meet the active demand for storage.

Moreover, it is near Oi Container Terminal and Haneda Airport, which provide vital logistics infrastructure, and it also has good access to main roads, which will allow it to contribute to raising logistics efficiency. In addition to cutting-edge anti-earthquake measures to ensure safety, on the work front, work efficiency has increased due to the introduction of inspection devices. Heiwajima DC will coordinate with Nichirei Logistics Group sites in the Tokyo Bay area and strive to provide logistics services with high added value.



Marine Products, Meat and Poultry Products Business



We will identify consumer needs and promote sales of our superior products

Yoshifumi Kaneko

Representative Director and President
Nichirei Fresh Inc.

Nichirei Fresh has been utilizing its global procurement and development capabilities to pursue business development centered on providing ingredients for marine products and meat and poultry products. In addition, it produces processed goods made with high-quality ingredients at sites around the world.

By harnessing its development of original premium products and strong relationships with local suppliers based on trust, Nichirei Fresh will aim to provide even better value to consumers.



Nichirei Fresh Inc.

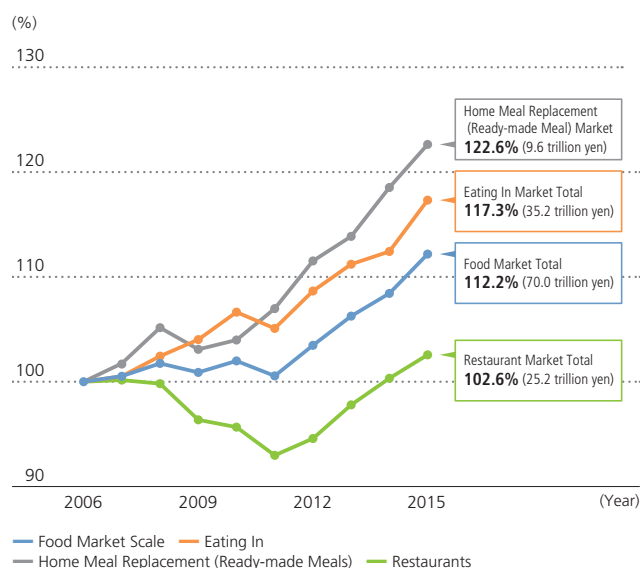
URL <https://www.nichireifresh.co.jp/en/>

Overview

Domestically, ready-made meals and other items in the home meal replacement market have seen solid performance, and in particular the amount of chicken meat consumed has been increasing in recent years. The global demand for marine products is increasing, and production site prices are rising overall. Moreover, the time is ripe for demanding procurement of sustainable ingredients that are eco-friendly and conscious of human rights, and it is necessary to address these issues.

Faced with these conditions, Nichirei Fresh provides optimally processed products to meet consumer needs, as well as focuses on developing premium products that distinguish it from the competition. In the marine products business, Nichirei Fresh is concentrating its managerial resources on its most competitive products and working to increase asset efficiency. In the meat and poultry products business, it is strengthening the foundation of its domestic chicken business, and it opened a new company-owned poultry farm in Iwate Prefecture in March 2018. In addition, it is working on developing products for health-conscious people.

Market Scale Trends for Eating In, Home Meal Replacement (Ready-made Meals), and Restaurants (Ratio set to 100% for 2006)



Source: Japan Ready-made Meal Association "Ready-made Meal White Paper, 2017 Edition"

Main Products and Businesses



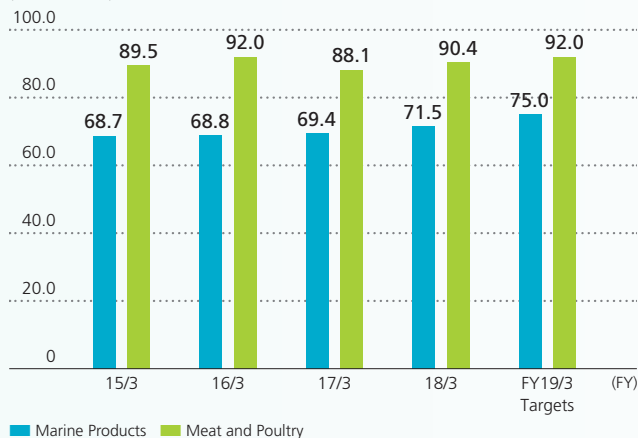
Premium marine products such as shrimp and roe



Company-owned domestic poultry farm

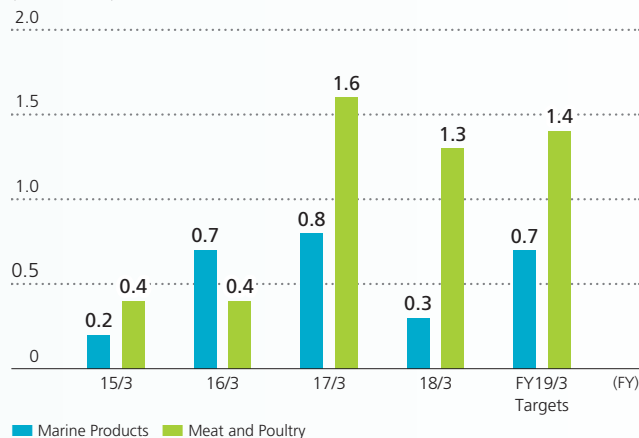
Net Sales

(Billions of Yen)



Operating Income

(Billions of Yen)



Progress of Medium-Term Business Plan and Future Direction

In FY18/3, the marine products business posted net sales of 71.5 billion yen (a 3.1% increase compared to the previous term) and operating income of 300 million yen (a 61.6% decrease compared to the previous term). Revenue increased thanks to increased stocking of octopus, roe, and other products, but profits declined due to rising shrimp and other seafood prices resulting from increased production site costs and the weak yen.

The meat and poultry products business posted net sales of 90.4 billion yen (a 2.6% increase compared to the previous term) and operating income of 1.3 billion yen (a 19.2% decrease compared to the previous term). Revenue increased thanks to increased restaurant sales and sales of home meal replacement products and such, but profits declined due to rising chicken meat procurement costs. Still, compared to previous years, profit levels have steadily increased.

In FY19/3, the last year of the medium-term business plan, the marine products business is focusing its managerial resources on items with strength in procurement, processing, and sales, such as shrimp, octopus, roe, and shellfish. This will lead to enhanced procurement capabilities and stable sales. In addition, with overseas sales, Nichirei Fresh will work with its local partners with a focus on the particularly large markets of North America and China, and increase sales through the utilization of its procurement capabilities.

In the meat and poultry business, the production of *Omega Balance Chicken* has started at the newly established poultry farm. Nichirei Fresh will expand availability of *Omega Balance* meat made from animals raised on fodder with a good balance of omega-3 fatty acids, which are essential to human health. For imported meat and poultry products, we will focus on selling meat from the *ProSelect* meat products series that has had foreign matter and impurities thoroughly removed, as well as products with excellent quality control.

TOPIC

Developing a New Market with *Omega Balance* Meat

Nichirei Fresh spent approximately 10 years developing meat and poultry products made with meat raised on fodder containing linseed, rich in omega-3 fatty acids, and began full-scale sales in March 2017.

Omega-3 fatty acids are an essential fatty acid that cannot be produced inside people's bodies, and it is a health-promoting ingredient that has received much attention. Nichirei Fresh is conducting a promotion aimed at the new generation of adults who want to live an active life on their own terms*, as well as those who are health-conscious.

In FY18/3, we achieved success through collaboration sales with major home meal replacement companies, and net sales of *Omega Balance* meat increased approximately 50% compared to FY17/3. In addition, to satisfy consumer demand for domestically produced products, we have been operating an *Omega Balance Chicken* poultry farm in Uge, Hirono, Iwate Prefecture since March 2018.

*HAKUHODO, SHIN OTONA KEN



Bioscience Business



We will focus on new product development and strengthening our business foundations to expand the scope of our business

Masato Takenaga

Representative Director, President
Nichirei Biosciences Inc.

Nichirei Biosciences utilizes Nichirei Group's ingredient procurement capabilities and technological strength in the biotechnology field to conduct business in the four fields of molecular diagnostic drugs, rapid diagnostic drugs, biomedical materials, and functional materials. It aims to contribute to the development of the medical, health, and biological industries by harnessing the technical prowess, procurement capabilities, and quality assurance capabilities it has developed thus far to provide high-quality products and services.



Nichirei Biosciences Inc.

URL <https://www.nichirei.co.jp/bio/english/index.html>

Overview

Nichirei Biosciences is engaged in the development, manufacture, and sale of cancer diagnostic drugs in its molecular diagnostic drug business, drugs for the rapid diagnosis of influenza and other infectious diseases in its rapid diagnostic drug business, and functional materials used in health foods and cosmetics in its functional materials business. In its biomedical materials business, it imports and sells cultures and serum used in the biomedical products produced by pharmaceutical companies.

With the medium-term business plan as its current basic policy, the company is focused on developing companion diagnostic drugs used in the selection of patients who are administered anti-cancer drugs. Its molecular diagnostic drug business, which includes these efforts, is rapidly developing. In addition, Nichirei Biosciences is attempting to expand its business scale and areas of involvement by developing products that solve unmet needs, and it is engaged in research and development based on new technology as well.

Progress of Medium-Term Business Plan and Future Direction

Regarding progress with the medium-term business plan, FY18/3 saw healthy sales of companion diagnostic drugs and diagnostic kits for influenza, among other products, resulting in increased revenue and profits. Nichirei Biosciences has expanded its pipeline for the development of companion diagnostic drugs. Moreover, to achieve expansion of its business scale and areas of involvement, it is proceeding with preparations for overseas expansion via a branch site in San Francisco, and it has also begun construction of a new R&D and manufacturing site.

In FY19/3, the final year of the medium-term business plan, it will promote policies aimed at continued growth in the molecular diagnostic drug business. In addition, it will continue preparations to complete its R&D and manufacturing site within the fiscal year.

Main Products



Companion diagnostic drug *HISTOFINE ALK iAEP*[®] kit
(in vitro diagnostic kit)



Influenza virus rapid diagnostic drug *Immunofine*[™] FLU
(rapid diagnostic kit)



Functional Materials
ACEROLA EXTRACT WB
(NICHIREI) (Acerola fruit
extract)

TOPIC

Providing Test Drugs to Myanmar Medical Institutions

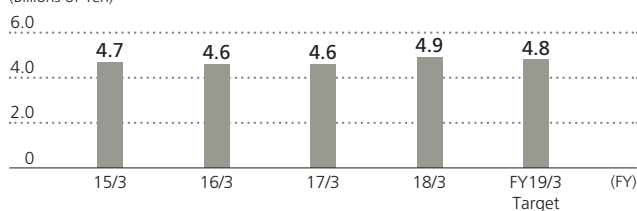
Since FY07/3, Nichirei Biosciences has been providing test drugs in the molecular diagnostic drug field to medical institutions in Myanmar via the Niigata University School of Medicine Pathology Course. In Myanmar, it is currently difficult to obtain pathological antibodies, but it is expected that demand for advanced medical services will increase along with the country's development. For this reason, cultivation of pathologists, pathological research, and improved diagnostic technology are desired.

In February 2018, Professor Emeritus Makoto Naito and others visited University of Medicine 2, Yangon, and in addition to test drugs, Nichirei Biosciences provided pathogen staining samples used in the creation of pathology teaching materials, among other resources. Going forward, it will continue to remain involved in Myanmar's medical development.

Real Estate Business

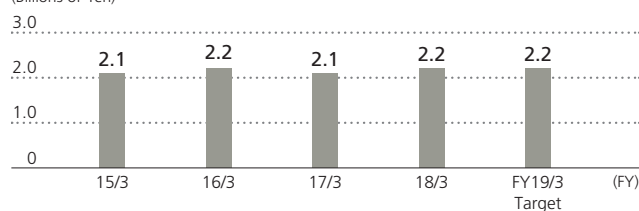
Net Sales

(Billions of Yen)



Operating Income

(Billions of Yen)



Overview

In the real estate business, the company has utilized its land according to the social landscape and surrounding areas. Regarding the outside environment for FY19/3, low interest rates and overseas investment have been good for Tokyo metropolitan area real estate, and rent has also increased due to the low vacancy rate of rental office buildings. However, there is a growing possibility that the industry itself may undergo tumultuous change in the long term due to issues such as the declining birthrate and aging population, rising house vacancies, a decrease in office workers, work reforms, labor shortages in the construction industry, and the international standardization of real estate. The company will keep a close eye on these various factors as it continues its real estate operations.

Progress of Medium-Term Business Plan and Future Direction

Regarding results for the term ended in March 2018, rental office building vacancies were reduced to zero, and net sales were 4.87 billion yen (a 5.0% increase compared to the previous term).

This is likely the result of outfitting rental office buildings with enhanced security, multi-purpose restrooms, renovated elevators, and other elements that meet our customers' needs. Going forward, the company aims to create new value for its customers and achieve stable profits.

TOPIC

Nichirei Solar Town Solar Power Business

There are high expectations for the increase in renewable energy, and Nichirei began its foray into the solar power business in 2011, when solar power received particular attention. Because unused land in Sakaiminato City, Tottori Prefecture and Kushiro City, Hokkaido was found to be suitable for solar power generation, the company named these plots of land "Nichirei Solar Town" and has been operating solar power plants since November 2011. Going forward, the company will contribute to reducing environmental impact through the know-how and experience it gains in the operation of its solar power business and utilization of unused land.



"Nichirei Solar Town" in Takaramachi, Kushiro City

Financial/Non-financial Highlights

Nichirei Corporation and Consolidated Subsidiaries

As of March 31, 2018

Financial Data	(Unit)	FY09/3	FY10/3	FY11/3	FY12/3
Fiscal Year:					
Net sales	Millions of yen	474,515	438,111	437,808	454,931
Gross profit	Millions of yen	87,328	87,957	87,365	86,918
Operating income	Millions of yen	15,142	16,814	16,681	16,177
Profit before income taxes	Millions of yen	11,362	14,380	8,860	14,225
Profit attributable to owners of parent	Millions of yen	6,020	9,064	4,044	7,904
Capital expenditures	Millions of yen	14,883	24,385	22,110	12,248
Depreciation and amortization	Millions of yen	13,738	13,506	14,158	14,978
R&D expenditures	Millions of yen	2,191	1,986	1,806	1,697
End of fiscal year:					
Total assets	Millions of yen	287,296	277,496	284,562	290,537
Total liabilities	Millions of yen	174,096	154,802	166,813	171,837
Interest-bearing debt	Millions of yen	110,495	85,792	96,977	97,824
(excluding lease obligations)	Millions of yen	87,904	60,920	72,479	74,833
Cash Flows:					
Cash flows from operating activities	Millions of yen	15,282	33,345	17,274	19,915
Cash flows from investing activities	Millions of yen	(14,740)	(13,555)	(18,229)	(12,422)
Free cash flows	Millions of yen	541	19,789	(955)	7,492
Cash flows from financing activities	Millions of yen	16,085	(33,323)	6,416	(7,583)
Per Share Data:					
Net assets (BPS)	Yen	357.85	385.47	377.08	396.33
Profit (EPS)	Yen	19.42	29.24	13.08	26.35
Cash dividends	Yen	9	9	9	9
Financial Ratios:					
Operating margin	%	3.2	3.8	3.8	3.6
Return on equity (ROE)	%	5.3	7.9	3.4	6.8
Price earnings ratio (PER)	times	18.0	12.0	27.1	14.7
Debt-to-equity	times	1.0	0.7	0.8	0.8
(excluding lease obligations)	times	0.8	0.5	0.6	0.6
Equity ratio	%	38.6	43.1	40.4	40.2

(Note) The company implemented the share consolidation of which two shares were consolidated into one share as of October 1, 2016.

At the beginning of FY16/3, assuming the share consolidation would occur, we calculated the amount of net assets per share and the profit per share.

Non-financial Data (Human Resources)	(Unit)	FY15/3	FY16/3	FY17/3	FY18/3
Proportion of women in management positions* ¹	%	5.6	5.8	6.1	6.8
Number of female directors	People	1	1	2	2
Average male employment longevity	Years	16.1	16.2	16.4	16.7
Average female employment longevity	Years	14.3	14.8	15.1	15.3
Incidents requiring time off* ²	Incidents	18	21	17	34
Turnover rate* ³	%	2.3	2.2	2.0	2.3
Number of actual annual work hours* ⁴	Hours	2,038	2,025	2,026	2,025
Number of people re-employed after retirement age* ⁵	People	64	54	45	44

Non-financial data (human resources) calculated based on employees (including specialists) of Nichirei Corporation and its 15 main domestic subsidiaries

FY13/3	FY14/3	FY15/3	FY16/3	FY17/3	FY18/3
470,126	511,189	519,963	535,351	539,657	568,032
91,473	93,261	73,782	81,085	91,141	92,838
17,932	15,789	17,406	21,583	29,309	29,897
13,601	15,357	15,871	20,600	27,818	29,237
9,823	8,898	9,516	13,471	18,751	19,097
13,171	24,041	24,171	16,175	13,887	24,952
14,302	14,475	15,621	16,455	16,057	16,155
1,817	1,607	1,730	1,600	1,559	1,986
297,903	318,507	342,014	338,497	346,195	368,675
172,582	181,660	189,728	182,973	181,447	198,995
96,882	106,097	107,670	94,657	89,778	97,745
75,403	85,718	87,313	75,451	70,866	79,844
23,525	11,073	27,803	37,032	40,828	29,859
(9,610)	(17,650)	(22,362)	(14,496)	(11,445)	(20,269)
13,914	(6,576)	5,441	22,535	29,382	9,589
(9,743)	2,580	(6,098)	(20,351)	(21,883)	(13,749)
430.47	466.31	514.63	1,057.00	1,156.52	1,221.04
33.40	31.12	33.29	94.30	135.11	142.23
10	10	10	24	28	30
3.8	3.1	3.3	4.0	5.4	5.3
8.2	6.9	6.8	9.1	12.1	11.9
16.8	14.0	19.9	19.4	20.4	20.7
0.8	0.8	0.7	0.6	0.5	0.6
0.6	0.6	0.6	0.5	0.4	0.5
41.3	41.9	43.0	44.4	46.0	44.1

Non-financial Data (Environment)

	(Unit)	FY15/3	FY16/3	FY17/3	FY18/3
CO ₂ emissions (fluctuating emission factors from electricity* ⁶)	Thousands of tons	290	287	279	273
CO ₂ emissions (fixed emission factors from electricity* ⁷)	Thousands of tons	223	226	228	227

*1 Number of women in management positions divided by number of employees in management positions

*2 Target: Food factory employees (Nichirei Foods-operated factories and Nichirei Fresh domestic subsidiaries)

*3 Target: Employees (including specialists) Turnover rate calculated based on retirees, excluding mandatory retirees

*4 Average number of hours per year per person. Target: Employees (including specialists and employees with reduced working hours)

*5 Target: Employees (including specialists). People working in their 60s. Number of mandatory retirees re-employed per fiscal year.

*6 Variable power emission coefficient: Power conversion coefficient used by power companies in fiscal year utilized at each worksite

*7 Fixed power emission coefficient: The CO₂ emission intensity unit of 0.412 [t-CO₂/MWh] announced by the Federation of Electric Power Companies in FY2009, used nationwide

Financial Section

Contents

40	Consolidated Balance Sheets
42	Consolidated Statements of Income
43	Consolidated Statement of Comprehensive Income
44	Consolidated Statements of Changes in Net Assets
46	Consolidated Statements of Cash Flows

Consolidated Balance Sheets (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries
As of March 31, 2017 and 2018

Assets	Millions of yen		Thousands of U.S. dollars (Note 1)
	2017	2018	2018
Current assets:			
Cash and deposits	¥ 20,512	¥ 18,299	\$ 172,198
Notes and accounts receivable - trade	76,464	85,103	800,824
Less allowance for doubtful accounts	(79)	(86)	(816)
Inventories	42,347	45,258	425,885
Deferred tax assets (Note 5)	2,255	2,316	21,800
Other current assets	4,772	4,989	46,951
Total current assets	146,273	155,881	1,466,843
Fixed assets:			
Property, plant and equipment (Note 3):			
Buildings and structures	230,871	237,546	2,235,314
Machinery and equipment	98,548	107,425	1,010,876
Land	34,215	35,643	335,400
Leased assets	41,165	37,475	352,642
Construction in progress	971	2,261	21,280
	405,772	420,352	3,955,514
Less accumulated depreciation	(260,643)	(267,559)	(2,517,735)
Property, plant and equipment, net	145,129	152,792	1,437,778
Investments and other assets:			
Investment securities (Note 2)	33,893	36,983	348,011
Investment in affiliates	4,545	4,590	43,198
Net defined benefit asset	35	45	432
Deferred tax assets (Note 5)	1,125	1,190	11,201
Other	15,489	17,564	165,277
Less allowance for doubtful accounts	(299)	(372)	(3,508)
Total investments and other assets	54,792	60,001	564,613
Total fixed assets	199,921	212,794	2,002,392
Total assets	¥ 346,195	¥ 368,675	\$ 3,469,236

The accompanying notes are integral parts of these statements.

Consolidated Balance Sheets (Unaudited) (Continued)

Liabilities and net assets	Millions of yen		Thousands of U.S. dollars (Note 1)
	2017	2018	2018
Current liabilities:			
Short-term bank loans	¥ 2,411	¥ 6,237	\$ 58,690
Commercial paper	—	3,000	28,229
Current portion of long-term debt	7,323	4,016	37,793
Current portion of bonds	—	10,000	94,099
Accounts payable	27,326	30,361	285,703
Lease obligations	3,470	3,579	33,681
Income taxes payable	5,082	4,552	42,836
Accrued expenses	31,966	32,782	308,482
Provision for directors' bonuses	319	290	2,729
Other current liabilities (Note 5)	10,916	15,671	147,464
Total current liabilities	88,816	110,490	1,039,711
Long-term liabilities:			
Bonds	40,000	30,000	282,299
Long-term debt	21,132	26,591	250,224
Provision for directors' and statutory auditors' retirement benefits	136	151	1,427
Net defined benefit liability	1,670	1,888	17,774
Lease obligations	15,441	14,321	134,766
Deferred tax liabilities (Note 5)	6,190	6,875	64,697
Asset retirement obligations	3,198	3,448	32,448
Other	4,860	5,227	49,192
Total long-term liabilities	92,631	88,504	832,830
Total liabilities	181,447	198,995	1,872,541
Net assets:			
Shareholders' equity (Note 4):			
Common stock, with no par value			
Authorized			
- 360,000,000 shares for 2017 and 2018			
Issued and outstanding - 147,925,532 shares for 2017 and 139,925,532 shares for 2018	30,307	30,307	285,196
Capital surplus	18,237	7,617	71,680
Retained earnings	112,734	126,510	1,190,460
Treasury stock	(15,189)	(17,432)	(164,043)
Total shareholders' equity	146,090	147,002	1,383,294
Accumulated other comprehensive income:			
Net unrealized holding gain on available- for-sale securities	13,580	15,451	145,395
Net deferred gain (loss) on hedges	26	(739)	(6,954)
Foreign currency translation adjustments	(556)	1,014	9,544
Total accumulated other comprehensive income	13,050	15,726	147,985
Non-controlling interests	5,606	6,951	65,414
Total net assets	164,747	169,680	1,596,694
Total liabilities and net assets	¥ 346,195	¥ 368,675	\$ 3,469,236

The accompanying notes are integral parts of these statements.

Consolidated Statements of Income (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries
For the years ended March 31, 2017 and 2018

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2017	2018	2018
Net sales	¥ 539,657	¥ 568,032	\$ 5,345,182
Operating costs and expenses:			
Cost of sales	448,516	475,194	4,471,576
Selling, general and administrative expenses	61,831	62,940	592,266
	510,347	538,134	5,063,842
Operating income	29,309	29,897	281,339
Other income (expenses):			
Interest and dividend income	716	817	7,693
Interest expense	(954)	(898)	(8,459)
Other – net	(1,253)	(579)	(5,448)
	(1,491)	(660)	(6,214)
Profit before income taxes	27,818	29,237	275,125
Income taxes (Note 5):			
Current	7,930	8,551	80,473
Deferred	(607)	49	467
	7,322	8,601	80,941
Profit	20,496	20,635	194,184
Profit attributable to non-controlling interests	1,744	1,538	14,480
Profit attributable to owners of parent	¥ 18,751	¥ 19,097	\$ 179,703

	Yen		U.S. dollars (Note 1)
	2017	2018	2018
Amounts per share (Note 6):			
Net assets	¥ 1,156.52	¥ 1,221.04	\$ 11.48
Profit:			
Basic	135.11	142.23	1.33
Diluted	—	—	—

The accompanying notes are integral parts of these statements.

Consolidated Statement of Comprehensive Income (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries

For the years ended March 31, 2017 and 2018

	Millions of yen		Thousands of U.S. dollars (Note 1)	
	2017	2018	2018	
Profit	¥ 20,496	¥ 20,635	\$ 19,184	
Other comprehensive income:				
Net unrealized holding gain on available-for-sale securities	2,436	1,865	17,551	
Net deferred gain (loss) on hedges	922	(767)	(7,220)	
Foreign currency translation adjustments	(1,084)	1,953	18,380	
Share of other comprehensive income (loss) of affiliates accounted for by the equity method	(102)	80	755	
Total other comprehensive income	2,172	3,131	29,467	
Total comprehensive income	¥ 22,668	¥ 23,767	\$ 223,651	
Total comprehensive income attributable to:				
Owners of parent	¥ 21,030	¥ 21,892	\$ 206,009	
Non-controlling interests	1,638	1,874	17,641	

The accompanying notes are integral parts of these statements.

Consolidated Statements of Changes in Net Assets (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries

For the years ended March 31, 2017 and 2018

	Millions of yen				
	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Net assets at April 1, 2016	¥ 30,307	¥ 18,237	¥ 97,319	¥ (6,197)	¥ 139,667
Changes of items during the period					
Dividends from surplus			(3,359)		(3,359)
Profit attributable to owners of parent			18,751		18,751
Acquisition of treasury stock				(8,991)	(8,991)
Disposal of treasury stock		0		0	0
Increase in retained earnings resulting from exclusion of subsidiaries from consolidation			23		23
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	0	15,415	(8,991)	6,423
Net assets at March 31, 2017	¥ 30,307	¥ 18,237	¥ 112,734	¥ (15,189)	¥ 146,090
Changes of items during the period					
Dividends from surplus			(4,200)		(4,200)
Profit attributable to owners of parent			19,097		19,097
Change in scope of equity method			31		31
Acquisition of treasury stock				(14,015)	(14,015)
Disposal of treasury stock		0		0	0
Retirement of treasury stock		(10,620)	(1,151)	11,772	—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(10,620)	13,775	(2,243)	911
Net assets at March 31, 2018	¥ 30,307	¥ 7,617	¥ 126,510	¥ (17,432)	¥ 147,002

	Millions of yen				
	Accumulated other comprehensive income				Non-controlling interests
	Net unrealized holding gain on available-for-sale securities	Net deferred gain (loss) on hedges	Foreign currency translation adjustments	Total accumulated other comprehensive income	
Net assets at April 1, 2016	¥ 11,144	¥ (873)	¥ 503	¥ 10,774	¥ 5,081
Changes of items during the period					
Dividends from surplus					
Profit attributable to owners of parent					
Acquisition of treasury stock					
Disposal of treasury stock					
Increase in retained earnings resulting from exclusion of subsidiaries from consolidation					
Net changes of items other than shareholders' equity	2,435	899	(1,059)	2,275	524
Total changes of items during the period	2,435	899	(1,059)	2,275	524
Net assets at March 31, 2017	¥ 13,580	¥ 26	¥ (556)	¥ 13,050	¥ 5,606
Changes of items during the period					
Dividends from surplus					
Profit attributable to owners of parent					
Change in scope of equity method					
Acquisition of treasury stock					
Disposal of treasury stock					
Retirement of treasury stock					
Net changes of items other than shareholders' equity	1,870	(765)	1,570	2,676	1,345
Total changes of items during the period	1,870	(765)	1,570	2,676	1,345
Net assets at March 31, 2018	¥ 15,451	¥ (739)	¥ 1,014	¥ 15,726	¥ 6,951

The accompanying notes are integral parts of these statements.

Consolidated Statements of Changes in Net Assets (Unaudited) (Continued)

	Thousands of U.S. dollars (Note 1)				
	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Net assets at April 1, 2017	\$ 285,196	\$ 171,618	\$ 1,060,831	\$ (142,932)	\$ 1,374,713
Changes of items during the period					
Dividends from surplus			(39,529)		(39,529)
Profit attributable to owners of parent			179,703		179,703
Change in scope of equity method			293		293
Acquisition of treasury stock				(131,889)	(131,889)
Disposal of treasury stock		0		1	1
Retirement of treasury stock		(99,938)	(10,838)	110,777	—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(99,937)	129,629	(21,110)	8,581
Net assets at March 31, 2018	\$ 285,196	\$ 71,680	\$ 1,190,460	\$ (164,043)	\$ 1,383,294

	Thousands of U.S. dollars (Note 1)					
	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Net unrealized holding gain on available-for-sale securities	Net deferred gain (loss) on hedges	Foreign currency translation adjustments	Total accumulated other comprehensive income		
Net assets at April 1, 2017	\$ 127,790	\$ 250	\$ (5,238)	\$ 122,803	\$ 52,756	\$ 1,550,273
Changes of items during the period						
Dividends from surplus						(39,529)
Profit attributable to owners of parent						179,703
Change in scope of equity method						293
Acquisition of treasury stock						(131,889)
Disposal of treasury stock						1
Retirement of treasury stock						—
Net changes of items other than shareholders' equity	17,604	(7,205)	14,782	25,182	12,657	37,839
Total changes of items during the period	17,604	(7,205)	14,782	25,182	12,657	46,420
Net assets at March 31, 2018	\$ 145,395	\$ (6,954)	\$ 9,544	\$ 147,985	\$ 65,414	\$ 1,596,694

The accompanying notes are integral parts of these statements.

Consolidated Statements of Cash Flows (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries

For the years ended March 31, 2017 and 2018

	Millions of yen		Thousands of U.S. dollars (Note 1)	
	2017	2018	2018	
Cash flows from operating activities:				
Profit before income taxes	¥ 27,818	¥ 29,237	\$ 275,125	
Depreciation and amortization	16,057	16,155	152,027	
Impairment loss on fixed assets	236	95	902	
Increase/(decrease) in allowance for doubtful accounts	(7)	71	675	
Interest and dividend income	(716)	(817)	(7,693)	
Interest expense	954	898	8,459	
Equity in earnings of affiliates	(278)	(715)	(6,728)	
Gain on sales of property, plant and equipment	(404)	(67)	(638)	
Loss on disposal of property, plant and equipment	798	1,137	10,702	
Gain on sales of investment securities	—	(20)	(195)	
Gain on change in equity	(52)	—	—	
Increase in notes and accounts receivable-trade	(425)	(7,972)	(75,022)	
Increase in inventories	(251)	(2,803)	(26,382)	
Increase/(decrease) in notes and accounts payable	(1,346)	2,934	27,618	
Other, net	5,729	959	9,030	
Subtotal	48,112	39,094	367,880	
Interest and dividends received	844	907	8,539	
Interest paid	(955)	(903)	(8,497)	
Income taxes paid	(7,173)	(9,239)	(86,947)	
Net cash provided by operating activities	¥ 40,828	¥ 29,859	\$ 280,974	

The accompanying notes are integral parts of these statements.

Consolidated Statements of Cash Flows (Unaudited) (Continued)

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2017	2018	2018
Cash flows from investing activities:			
Purchase of property, plant and equipment	¥ (8,963)	¥ (15,993)	\$ (150,497)
Proceeds from sales of property, plant and equipment	508	178	1,682
Purchase of intangible assets	(1,058)	(1,721)	(16,203)
Purchase of investment securities	(529)	(62)	(585)
Proceeds from sales of investment securities	2	120	1,129
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	104	—	—
Other, net	(1,509)	(2,790)	(26,263)
Net cash used in investing activities	(11,445)	(20,269)	(190,737)
Cash flows from financing activities:			
Increase in short-term bank loans	26	3,754	35,326
Increase in commercial paper	—	3,000	28,229
Proceeds from long-term debt	1,562	9,500	89,394
Repayment of long-term debt	(6,163)	(7,323)	(68,911)
Proceeds from issuance of bonds	9,946	—	—
Redemption of bonds	(10,000)	—	—
Repayments of lease obligations	(3,863)	(3,649)	(34,341)
Purchase of treasury stock	(9,093)	(14,016)	(131,893)
Dividends paid	(3,353)	(4,192)	(39,451)
Cash dividends paid to non-controlling interests of consolidated subsidiaries	(945)	(935)	(8,801)
Proceeds from non-controlling shareholders	—	113	1,066
Other, net	0	0	1
Net cash used in financing activities	(21,883)	(13,749)	(129,379)
Effect of exchange rate changes on cash and cash equivalents	(156)	723	6,808
Net increase/(decrease) in cash and cash equivalents	7,343	(3,436)	(32,334)
Cash and cash equivalents at the beginning of the year	13,169	20,512	193,025
Cash and cash equivalents at the end of the year	¥ 20,512	¥ 17,076	\$ 160,691

The accompanying notes are integral parts of these statements.

Notes to Consolidated Financial Statements (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries
For the years ended March 31, 2017 and 2018

Note 1: Basis of Presentation

The accompanying consolidated financial statements of Nichirei Corporation (the “Company”) and its consolidated subsidiaries are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards and are compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Law of Japan.

Certain reclassifications have been made to present the accompanying consolidated financial statements in a format which is familiar to readers outside Japan.

Certain amounts in the prior year’s financial statements have been reclassified to conform to the current year’s presentation.

As permitted by the Financial Instruments and Exchange Law of Japan, amounts of less than one million yen have been omitted. As a result, the totals in yen shown in the accompanying consolidated financial statements do not necessarily agree with the sums of the individual amounts.

For the convenience of the reader, the accompanying consolidated financial statements have been presented in U.S. dollars by translating Japanese yen amounts at ¥106.27 = US\$1.00, the exchange rate prevailing on March 31, 2018.

Due to significance, only selected notes are disclosed in the consolidated financial statements. The other notes which are not selected are disclosed on EDINET.

Note 2: Securities

- (1) Acquisition costs, carrying value and unrealized gain on available-for-sale securities as of March 31, 2017 and 2018:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>	
	2017	2018	2018	
Equity securities:				
Acquisition costs	¥ 13,619	¥ 13,540	\$ 127,420	
Carrying value	32,641	35,205	331,284	
Unrealized gain	¥ 19,021	¥ 21,664	\$ 203,864	

Non-listed equity securities amounting to ¥1,252 million and ¥1,777 million (\$16,726 thousand) as of March 31, 2017 and 2018, respectively, are not included in the above table because they are not traded on the market and it is very difficult to determine their fair market value.

- (2) Sales of available-for-sale securities for the years ended March 31, 2017 and 2018:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>	
	2017	2018	2018	
Proceeds from sales	¥ 2	¥ 120	\$ 1,124	
Gains on sales	0	20	195	

Notes to Consolidated Financial Statements (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries
For the years ended March 31, 2017 and 2018

- (3) Aggregate carrying value of available-for-sale securities with no available fair value as of March 31, 2017 and 2018:

	<i>Millions of yen</i>				<i>Thousands of U.S. dollars</i>
	2017		2018		2018
Non-listed equity securities	¥	1,222	¥	1,752	\$ 16,494

- (4) Impairment loss of securities for the years ended March 31, 2017 and 2018:

	<i>Millions of yen</i>				<i>Thousands of U.S. dollars</i>
	2017		2018		2018
Available-for-sale securities:					
Stocks without market value	¥	97	¥	9	\$ 88

Note 3: Investments and Rental Properties

The Company and part of its subsidiaries own buildings and land for lease in Tokyo and other areas.

Net rent income and gain on sales of the property related to the investments and rental properties were ¥2,182 million and ¥339 million for the year ended March 31, 2017, respectively. Net rent income related to the investments and rental properties was ¥2,147 million (\$20,206 thousand) for the year ended March 31, 2018.

Gross rent revenue and expense are included in net sales and cost of sales, respectively, on the consolidated statements of income. Gain on sales of the property is included in other income on the consolidated statements of income.

Carrying value on the consolidated balance sheet, increase or decrease during the year, as well as market value of the investments and rental properties as of March 31, 2017 and 2018:

	<i>Millions of yen</i>				<i>Thousands of U.S. dollars</i>
	2017		2018		2018
Carrying value as of April 1	¥	10,200	¥	10,276	\$ 96,698
Net increase (decrease)		75		(210)	(1,984)
Carrying value as of March 31	¥	10,276	¥	10,065	\$ 94,713
Market value as of March 31	¥	40,159	¥	41,441	\$ 389,966

1. Carrying value on the consolidated balance sheets is calculated as acquisition costs deducting accumulated depreciation and cumulative impairment losses.
2. For the year ended March 31, 2017, major increase represents capital expenditures of ¥386 million and change in the use of property of ¥116 million. Major decrease represents depreciation of ¥446 million.
3. For the year ended March 31, 2018, major increase represents capital expenditures of ¥265 million (\$2,494 thousand). Major decrease represents depreciation of ¥453 million (\$4,268 thousand).
4. Market value of major assets is based on appraisals obtained from outside real estate appraisers. The market value of other relatively immaterial assets is based on certain valuation and other indicators properly reflected by market prices.

Notes to Consolidated Financial Statements (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries
For the years ended March 31, 2017 and 2018

Note 4: Changes in Net Assets

(1) Types and numbers of outstanding shares and treasury stock

(a) For the year ended March 31, 2017

Type of stock	As of April 1, 2016	Increases	Decreases	(Number of shares) As of March 31, 2017
Issued stock:				
Common stock (2)	295,851,065	—	147,925,533	147,925,532
Treasury stock:				
Common stock (3, 4)	11,193,439	9,448,715	10,319,858	10,322,296

(Reasons for changes)

- The Company implemented the share consolidation of which two shares were consolidated into one share as of October 1, 2016.
- The decrease in the number of common stock issued resulted from the following:
 - Share consolidation 147,925,533 shares
- The increase in the number of treasury stock of common stock resulted from the following:
 - Acquisition of treasury stock based on the resolution at the board of directors' meeting 9,436,000 shares (before the share consolidation)
 - Request for redemption of odd-lot stock 11,802 shares (before the share consolidation: 10,058 shares) (after the share consolidation: 1,744 shares)
 - Acquisition of fractional shares as a result of the share consolidation 913 shares (after the share consolidation)
- The decrease in the number of treasury stock of common stock resulted from the following:
 - Share consolidation 10,319,749 shares
 - Request for redemption of odd-lot stock 109 shares

(b) For the year ended March 31, 2018

Type of stock	As of April 1, 2017	Increases	Decreases	(Number of shares) As of March 31, 2018
Issued stock:				
Common stock (1)	147,925,532	—	8,000,000	139,925,532
Treasury stock:				
Common stock (2, 3)	10,322,296	4,332,827	8,000,073	6,655,050

(Reasons for changes)

- The decrease in the number of common stock issued resulted from the following:
 - Retirement of treasury stock 8,000,000 shares
- The increase in the number of treasury stock of common stock resulted from the following:
 - Acquisition of treasury stock based on the resolution at the board of directors' meeting 4,327,600 shares
 - Request for redemption of odd-lot stock 5,227 shares
- The decrease in the number of treasury stock of common stock resulted from the following:
 - Retirement of treasury stock 8,000,000 shares
 - Request for redemption of odd-lot stock 73 shares

Notes to Consolidated Financial Statements (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries
For the years ended March 31, 2017 and 2018

(2) Cash dividends distributed

Dividends paid during the year ended March 31, 2018

Resolution	Type of stock	Total dividends (Millions of yen and Thousands of U.S. dollars)	Dividend per share (Yen and U.S. dollars)	Record date	Effective date
General shareholders' meeting on June 27, 2017	Common stock	¥ 2,201 \$ 20,717	¥ 16 \$ 0.15	March 31, 2017	June 28, 2017
Board of Directors' meeting on October 31, 2017	Common stock	¥ 1,999 \$ 18,811	¥ 15 \$ 0.14	September 30, 2017	December 5, 2017

Dividends of which the record date falls in the current fiscal year but the effective date falls in the following fiscal year

Resolution	Type of stock	Source of dividends	Total dividends (Millions of yen and Thousands of U.S. dollars)	Dividend per share (Yen and U.S. dollars)	Record date	Effective date
General shareholders' meeting on June 26, 2018	Common stock	Retained earnings	¥ 1,999 \$ 18,811	¥ 15 \$ 0.14	March 31, 2018	June 27, 2018

Note 5: Income Taxes

(1) Tax rate reconciliation for the year ended March 31, 2017

The Company and its consolidated subsidiaries are subject to a number of taxes based on income which, in the aggregate, resulted in a statutory tax rate of approximately 30.9% for the year ended March 31, 2017. The effective tax rates reflected in the accompanying consolidated statements of income differ from the statutory tax rate for the following reasons:

	2017
Statutory tax rate	30.9%
Entertainment and other non-deductible expenses	0.8
Dividends exempted for income tax purposes	(0.0)
Inhabitants' tax per capita	0.5
Change in valuation allowance	(4.1)
Tax credit for research and development expenses, etc.	(1.4)
Tax rate differences of overseas affiliates	(1.4)
Equity in earnings of affiliates accounted for by the equity method	(0.4)
Undistributed earnings of affiliates	0.5
Other, net	0.9
Effective tax rate	26.3%

(2) Tax rate reconciliation for the year ended March 31, 2018

Since the difference between the statutory tax rate and the effective tax rate is less than 5% of the statutory tax rate, reconciliation between the tax rates is omitted for the fiscal year ended March 31, 2018.

Notes to Consolidated Financial Statements (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries
For the years ended March 31, 2017 and 2018

Note 6: Per Share Information

Net assets per share as of March 31, 2017 and 2018 are calculated based on the following:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>	
	2017	2018	2018	
Net assets	¥ 164,747	¥ 169,680	\$ 1,596,694	
Net assets attributable to common stock	159,141	162,729	1,531,279	
Amounts excluded from net assets:				
Non-controlling interests	5,606	6,951	65,414	
Number of common stock used for the calculation of net assets per share (in thousands)	137,603	133,270	—	

Profit per share for the years ended March 31, 2017 and 2018 are calculated based on the following:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>	
	2017	2018	2018	
Profit attributable to owners of parent	¥ 18,751	¥ 19,097	\$ 179,703	
Amounts not attributable to common shareholders	—	—	—	
Profit attributable to owners of parent for common stock	18,751	19,097	179,703	
Average number of common stock during the fiscal year (in thousands)	138,782	134,272	—	

Note 7: Segment Information

(1) General information about reportable segments

Reportable segments are components of the Company and its consolidated subsidiaries for which separate financial information is available and whose operating results are regularly reviewed by the board of directors to make decisions about resources to be allocated to the segments and to assess their performance. Reportable segments are determined by product and service as “Processed foods,” “Marine products,” “Meat and poultry products,” “Logistics,” and “Real estate.”

General information about the segments is as follows:

- Processed foods: Production, processing and sales of frozen cooked foods, agricultural processed foods, retort-pouch foods, wellness foods, acerola and packed ice
- Marine products: Processing and sales of marine products
- Meat and poultry products: Processing and sales of meat and poultry products, and breeding and sales of chicken
- Logistics: Providing distribution/transportation services and distribution center functions, logistics consulting, providing storage services, production and sales of ice, and construction work and planning
- Real estate: Leasing of office buildings and parking lots, management of real estate, and sales of housing land.

(2) The basis of measurement for sales, profit or loss, assets, liabilities and other items of reportable segments

Accounting policies and methods used at operating segments are the same as those applied to the Company. Profit or loss of reportable segments is equal to operating income on the consolidated statements of income. Intercompany sales and transfers are based on third-party transaction prices.

Notes to Consolidated Financial Statements (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries
For the years ended March 31, 2017 and 2018

- (3) Sales, profit or loss, assets, liabilities and other items by reportable segment for the years ended March 31, 2017 and 2018 were summarized as follows:

Year ended March 31, 2017 (Millions of yen)										
	Reportable segment							Total	Adjustment	Consolidated
	Processed foods	Marine products	Meat and poultry products	Logistics	Real estate	Total	Other (*1)			
Sales:										
External sales	¥ 204,670	¥ 69,297	¥ 86,325	¥ 172,275	¥ 3,275	¥ 535,845	¥ 3,812	¥ 539,657	¥ —	¥ 539,657
Intercompany sales and transfers	355	78	1,802	14,609	1,361	18,207	673	18,880	(18,880)	—
Total	205,025	69,376	88,128	186,884	4,636	554,052	4,485	558,538	(18,880)	539,657
Segment profit	13,872	794	1,610	10,632	2,124	29,035	605	29,640	(330)	29,309
Segment assets	112,509	27,673	17,841	149,883	15,656	323,565	4,951	328,517	17,677	346,195
Other items:										
Depreciation	4,857	112	202	9,372	821	15,366	120	15,486	570	16,057
Amortization of goodwill	106	—	—	86	—	192	—	192	—	192
Investments in equity-method investees	1,391	178	145	1,540	—	3,256	—	3,256	1,289	4,545
Increase in property, plant and equipment and intangible assets	4,022	268	188	7,590	450	12,520	612	13,133	754	13,887
Outstanding balance of goodwill	1,462	—	—	980	—	2,442	—	2,442	—	2,442
Impairment loss on fixed assets	¥ 204	¥ 12	¥ —	¥ 19	¥ —	¥ 236	¥ —	¥ 236	¥ —	¥ 236

Year ended March 31, 2018 (Millions of yen)										
	Reportable segment							Total	Adjustment	Consolidated
	Processed foods	Marine products	Meat and poultry products	Logistics	Real estate	Total	Other (*1)			
Sales:										
External sales	¥ 220,273	¥ 71,448	¥ 88,316	¥ 180,017	¥ 3,356	¥ 563,412	¥ 4,619	¥ 568,032	¥ —	¥ 568,032
Intercompany sales and transfers	413	62	2,076	15,076	1,512	19,141	725	19,866	(19,866)	—
Total	220,686	71,511	90,393	195,093	4,869	582,554	5,344	587,899	(19,866)	568,032
Segment profit	14,573	305	1,301	11,255	2,152	29,588	811	30,399	(501)	29,897
Segment assets	119,296	29,601	19,806	156,239	16,147	341,091	6,622	347,714	20,961	368,675
Other items:										
Depreciation	5,038	114	200	9,430	681	15,465	112	15,578	577	16,155
Amortization of goodwill	106	—	—	90	—	197	—	197	—	197
Investments in equity-method investees	749	221	—	2,099	—	3,070	—	3,070	1,520	4,590
Increase in property, plant and equipment and intangible assets	9,904	244	696	10,207	408	21,462	1,245	22,707	2,361	25,068
Outstanding balance of goodwill	1,327	—	—	979	—	2,307	—	2,307	—	2,307
Impairment loss on fixed assets	¥ 53	¥ 0	¥ 1	¥ 39	¥ 0	¥ 95	¥ 0	¥ 95	¥ 0	¥ 95

Notes to Consolidated Financial Statements (Unaudited)

Nichirei Corporation and Consolidated Subsidiaries

For the years ended March 31, 2017 and 2018

Year ended March 31, 2018 (Thousands of U.S. dollars)

	Reportable segment						Other (*1)	Total	Adjustment	Consolidated
	Processed foods	Marine Products	Meat and poultry products	Logistics	Real estate	Total				
Sales:										
External sales	\$2,072,772	\$ 672,331	\$ 831,060	\$ 1,693,960	\$ 31,586	\$5,301,712	\$ 43,470	\$ 5,345,182	\$ —	\$5,345,182
Intercompany sales and transfers	3,888	590	19,540	141,867	14,233	180,121	6,825	186,946	(186,946)	—
Total	2,076,660	672,922	850,601	1,835,828	45,820	5,481,833	50,296	5,532,129	(186,946)	5,345,182
Segment profit	137,133	2,872	12,246	105,918	20,253	278,424	7,636	286,061	(4,721)	281,339
Segment assets	1,122,583	278,548	186,382	1,470,212	151,943	3,209,670	62,320	3,271,991	197,245	3,469,236
Other items:										
Depreciation	47,411	1,074	1,886	88,743	6,415	145,531	1,058	146,590	5,437	152,027
Amortization of goodwill	1,001	—	—	852	—	1,854	—	1,854	—	1,854
Investments in equity-method investees	7,050	2,088	—	19,752	—	28,891	—	28,891	14,307	43,198
Increase in property, plant and equipment and intangible assets	93,204	2,302	6,555	96,050	3,845	201,958	11,715	213,674	22,223	235,897
Outstanding balance of goodwill	12,495	—	—	9,219	—	21,714	—	21,714	—	21,714
Impairment loss on fixed assets	\$ 503	\$ 4	\$ 13	\$ 372	\$ 2	\$ 896	\$ 0	\$ 896	\$ 6	\$ 902

(*1) “Other” represents operating segments not disclosed as reportable segments, which include biosciences business, human resources and payroll-related services, tree planting management and cleaning services related to tree planting.

Note 8: Subsequent Events

Not applicable.

Investor Information

(As of March 31, 2018)

Essential Stock Information

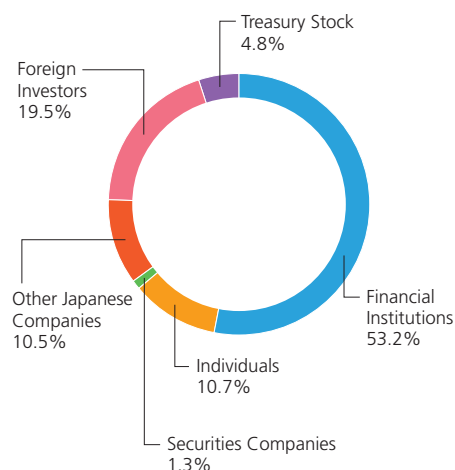
Stock Exchange Listing	Tokyo Stock Exchange (First Section)
Total Number of Authorized Shares	360,000,000 shares
Total Number of Outstanding Shares	139,925,532 shares (including 6,655,050 treasury shares)
Share Unit Number	100 shares
Number of Shareholders	20,248
Shareholder Register Administrator	Mizuho Trust & Banking Co., Ltd.
Annual Meeting of Shareholders	June
Auditors	Ernst & Young ShinNihon LLC

Major Shareholders

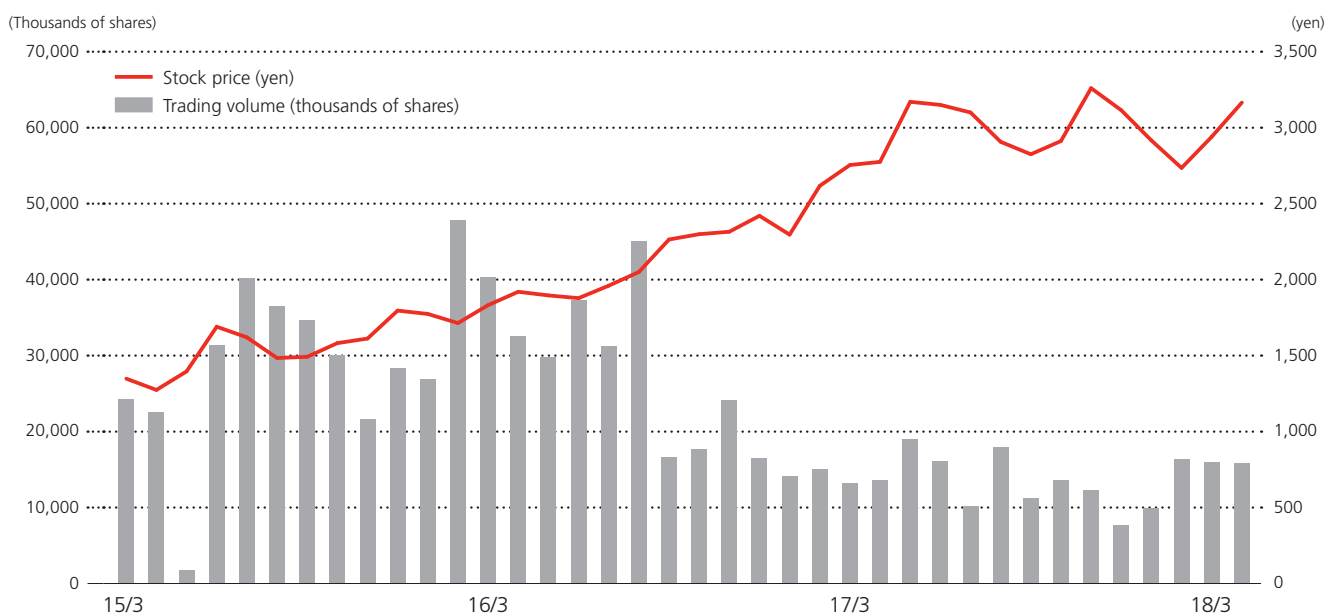
Shareholder Name	Number of shares held (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	15,221	11.4
Japan Trustee Services Bank, Ltd. (Trust account)	12,288	9.2
Nippon Life Insurance Company	5,744	4.3
MUFG Bank, Ltd.	4,866	3.7
Mizuho Bank, Ltd.	3,813	2.9
Mizuho Trust & Banking Co., Ltd. Retirement Benefit Trusts, Mizuho Bank Ltd. Account, Re-trust Trustee, Asset Management Services Trust Account	2,799	2.1
Sompo Japan Nipponkoa Insurance Inc.	2,765	2.1
Nisshin Seifun Group Inc.	2,719	2.0
The Norinchukin Bank	2,675	2.0
The Dai-ichi Life Insurance Company, Ltd.	2,323	1.7

(Note) 1. Number of shares held rounded up to the nearest thousand.
2. Shareholding ratio calculated after subtracting repurchased stock (6,655,050 treasury shares). Rounded off to the first decimal place.

Composition of Shareholders



Stock Price and Trading Volume Trends



Note: The stock prices above reflect amounts after the stock consolidation conducted on October 1, 2016. However, trading volume does not reflect the impact of the stock consolidation.

Company Information

(As of March 31, 2018)

Corporate Data

Company Name	Nichirei Corporation
Established	December 1, 1945
Paid-in Capital	30,307 million yen
Head Office	Nichirei Higashi-Ginza Building 6-19-20 Tsukiji, Chuo-ku, Tokyo 104-8402, Japan
Telephone	[+81] 3-3248-2101 (Main)
Number of Employees (consolidated)	15,787

Main Overseas Bases

Nichirei Foods Inc.

Yantai

No.60 Huangshan Road Yantai Economic & Technical Development Zone China
Tel: 86 (53) 5637-6942
Fax: 86 (53) 5637-5141

Bangkok

Room 1107, Vanit Building 2
1126/2 New Petchburi Rd.
Bangkok, 10400, Thailand
Tel: 66 (2) 253-9921
Fax: 66 (2) 253-4271

Shanghai

Room 1203, Building A,
No.1055 West Zhongshan Road,
Changning District, Shanghai, China
Tel: 86 (21) 6209-0802
Fax: 86 (21) 5272-8477

Nichirei Logistics Group Inc.

Shanghai

Room 806, Xiandai Guangchang
1 Hao Lou, 369 Xianxia Rd.
Changning Dist., Shanghai 200336, China
Tel: 86 (21) 5155-9909
Fax: 86 (21) 5155-9909

Bangkok

Room 1107, Vanit Building 2
1126/2 New Petchburi Rd.
Bangkok 10400, Thailand
Tel: 66 (2) 255-8542
Fax: 66 (2) 253-4271

Nichirei Fresh Inc.

Dalian

No. 69 Fujing St., Shahekou Dist.,
Dalian, Liaoning 116021, China
Tel: 86 (411) 3957-8711
Fax: 86 (411) 3951-4211

Qingdao

6th Floor, 618 Crowne Plaza Qingdao
76 Xiang Gang Zhong Rd.
Qingdao, Shandong 266071, China
Tel: 86 (532) 8578-1031
Fax: 86 (532) 8578-1041

Ho Chi Minh City

61-63a Vo Van Tan St., Rm. 3a, 3rd Floor
District 3, Ho Chi Minh City, Vietnam
Tel: 84 (28) 3930-8051
Fax: 84 (28) 3930-8053

Bangkok

Room 1107, Vanit Building 2
1126/2 New Petchburi Rd.
Bangkok 10400, Thailand
Tel: 66 (2) 253-9921
Fax: 66 (2) 253-4271

Nichirei Biosciences Inc.

San Francisco

1415 Rollins Rd, Ste 202, Burlingame,
CA 94010, USA
Tel : 1 (650) 393-4394
Fax : 1 (650) 393-4327

Major Overseas Group Companies

Nichirei Foods Inc.

Nichirei do Brasil Agricola Ltda.

Avenida Luis de Souza, Lotes 14 a 17,
Quadra H, Distrito Industrial,
Petrobrás/PE - CEP:56308-420, Brasil
Tel: 55 (87) 2101-1408
Fax: 55 (87) 2101-1400

Nichirei Australia Pty. Ltd.

Suite 2, Level 6, South Tower,
Chatswood Central, 1-5
Railway Street, Chatswood, NSW 2067, Australia
Tel: 61 (2) 9411-4277
Fax: 61 (2) 9411-4077

Shandong Nichirei Foods Co., Ltd.

No.60, Huangshan Road Yantai
Economic & Technological Development Zone,
Shandong 264006, China
Tel: 86 (53) 5637-6942
Fax: 86 (53) 5637-5141

Nichirei Enterprise Management Consulting (Shanghai) Co., Ltd.

Unit 13, Floor 29, Building A
Hongqiao Nanfeng Town, No.100, Zunyi Rd,
Changning Dist., Shanghai 200051, China
Tel: 86 (21) 6209-0802
Fax: 86 (21) 5272-7468

Nichirei Corporation Shanghai Ltd.

Unit 13, Floor 29, Building A
Hongqiao Nanfeng Town, No.100, Zunyi Rd,
Changning Dist., Shanghai 200051, China
Tel: 86 (21) 5272-7477
Fax: 86 (21) 5272-7468

Surapon Nichirei Foods Co., Ltd.

22/5 M004, Theparak Road Bangpleeyai,
Bangplee, Samutprakarn, 10540, Thailand
Tel: 66 (3) 720-4438
Fax: 66 (3) 720-4263

GFPT Nichirei (Thailand) Co., Ltd.

77 Mu 4, Hang Sung, Nong Yai,
Chon Buri 20190, Thailand
Tel: 66 (3) 893-2900
Fax: 66 (3) 893-2999

InnovAsian Cuisine Enterprises Inc.

116 Andover Park E, Suite 200,
Tukwila, WA 98188, U.S.A.
Tel: 1 (425) 251-3706
Fax: 1 (425) 251-1565

Nichirei Foods U.S.A., Inc.

2101 4th Avenue, Suite 2030,
Seattle, WA 98121, U.S.A.
Tel: 1 (206) 448-7800
Fax: 1 (206) 443-5800

Nichirei Suco Vietnam Co., Ltd.

ap Hoa Binh, xa Binh Nghi,
huyen Go Cong Dong,
tinh Tien Giang, Vietnam
Tel: 84 (273) 6262-100
Fax: 84 (273) 6262-110

Nichirei Logistics Group Inc.

Nichirei Holding Holland B.V.

Abel Tasmanstraat 1, 3165 AM
Rotterdam, The Netherlands
Tel: 31 (10) 429-2699
Fax: 31 (10) 429-7903

Eurofrigo B.V.

Abel Tasmanstraat 1, 3165 AM
Rotterdam, The Netherlands
Tel: 31 (10) 491-3100
Fax: 31 (10) 429-3251

Hiwa Rotterdam Port Cold Stores B.V.

Vierhavensstraat 20, 3029 BE
Rotterdam, The Netherlands
Tel: 31 (10) 244-5222
Fax: 31 (10) 476-8099

Thermotrafic Holland B.V.

Abel Tasmanstraat 1, 3165 AM
Rotterdam, The Netherlands
Tel: 31 (10) 428- 2866
Fax: 31 (10) 429- 6290

Thermotrafic UK Ltd.

CEME Campus, Marsh Way Rainham,
Essex RM13 8EU, United Kingdom
Tel: 44 (20) 85-96-54-06
Fax: 44 (20) 85-96-54-16

Thermotrafic GmbH

Im Industriegelaende 66 D-33775,
Versmold, Germany
Tel: 49 (54) 239-680
Fax: 49 (54) 2396-8294

Frigo Logistics Sp. z o.o.

ul.Fabryczna 4, 88-400 Znin, Poland
Tel: 48 (52) 303-3600
Fax: 48 (52) 303-11-79

Transports Godfroy S.A.S.

27. Rue de L'avenir 14650
Carpignat, France
Tel: 33 (2) 31-71-13-13
Fax: 33 (2) 31-26-75-68

Entrepôts Godfroy S.A.S.

27. Rue de L'avenir 14650
Carpignat, France
Tel: 33 (2) 31-71-13-16
Fax: 33 (2) 31-26-99-40

Shanghai Fresh Line Express Co., Ltd.

No. 8, Lane 3509, Hongmei (S) Rd.
Shanghai 201108, China
Tel: 86 (21) 3350-5301
Fax: 86 (21) 5463-3273

Jiangsu Freshline Logistics Co., Ltd.

No.177 sub Boulevard, Lingang street,
Jiangyin Jiangsu, China
Tel: 86 (510) 6852-1166
Fax: 86 (510) 6852-1155

SCG Nichirei Logistics Co., Ltd.

173 Moo 16, Bangsaothong,
Samutprakarn 10570, Thailand
Tel: 66 (2) 706-1710
Fax: 66 (2) 706-1578

Nichirei Fresh Inc.

Nichirei Seafoods, Inc.

2101 4th Avenue, Suite 2030,
Seattle, WA 98121, U.S.A.
Tel: 1 (206) 448-7800
Fax: 1 (206) 443-5800

Amazonas Industrias Alimenticias S.A.

Rodovia Arthur Bernardes, 7903,
Km 14 Pratinha (Distrito de Icoaraci)
Belem-Para-Brasil, CEP:66816-000, Brasil
Tel: 55 (91) 3258-6900
Fax: 55 (91) 3258-6925

Rizhao Mei Leng Food Trading Co., Ltd.

The First Haikou Road,Rizhao,
Shandong 276826, China
Tel: 86 (633) 298-2398
Fax: 86 (633) 298-2399

Nichirei Fresh Hong Kong, Ltd.

Office No.9, 30th Floor, Saxon Tower,
No.7 Cheung Shun Street, Lai Chi Kok,
Kowloon, Hong Kong
Tel: 86 (852) 2617-2311
Fax: 86 (852) 2617-3930

Nichirei Fresh Vietnam Co., Ltd.

Floor 3, Room A1, Linco Building,
61A-63A Vo Van Tan Street, Ward 6, Dist 3,
Ho Chi Minh City, Vietnam
Tel: 84 (28) 3930-8051
Fax: 84 (28) 3930-8053



For IR-Related Enquiries
Finance & Investor Relations
Nichirei Corporation

Nichirei Higashi-Ginza Building 6-19-20 Tsukiji, Chuo-ku, Tokyo 104-8402, Japan
Tel: 81(3)3248-2167 Fax: 81(3)3248-2237
<https://www.nichirei.co.jp/english/>

