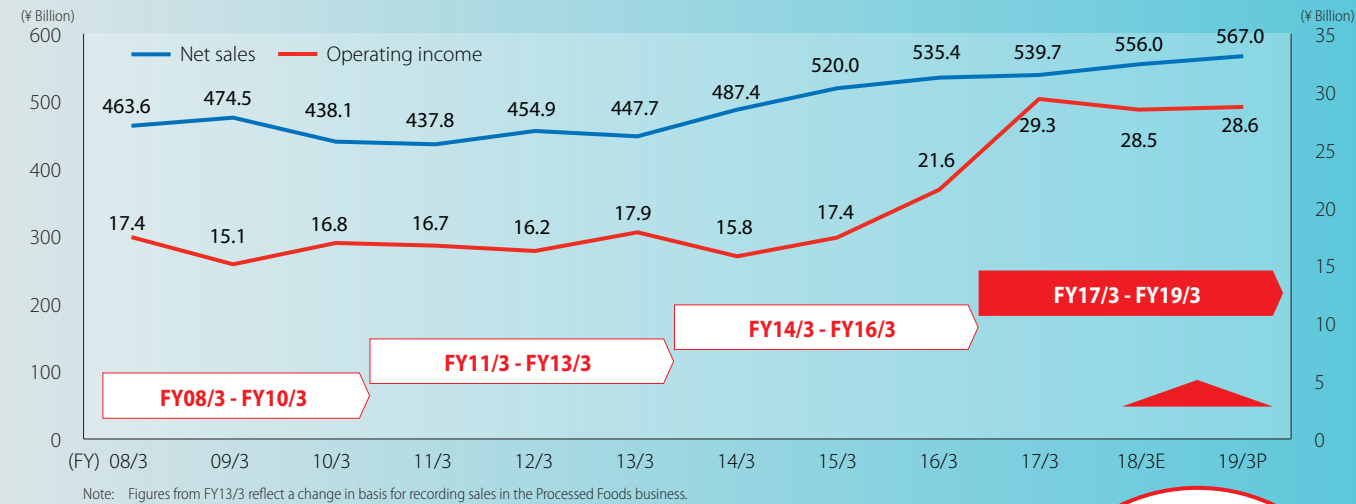


Nichirei's Vision and Medium-term Business Plan

Nichirei will effectively utilize group management resources, enhance the earnings capabilities of domestic business operations, and expand the overseas business, in order to meet stakeholder expectations for sustainable growth.



Medium-term Business Plan FY17/3 - FY19/3

Growth investing + Seed stage investing = Total ¥70.5 bn

Higher Earnings Power Achieved

FY17/3	
Net sales	¥539.7 bn
Operating income	¥29.3 bn
ROE	12.1%

High Earning Power Achieved

FY16/3	
Net sales	¥535.4 bn
Operating income	¥21.6 bn
ROE	9.1%

Nichirei will accurately assess the changes in the business climate, effectively utilize the management resources within the corporate group, enhance the earnings capabilities of domestic business operations in each segment, and expand the overseas business, in order to meet stakeholder expectations for sustainable growth.

In the new business plan, Nichirei plans a proactive program of investment exceeding that of the previous medium-term business plan, and will expand its revenue base in Japan and overseas in sectors where growth is expected. The new business plan will also continue to address the issues remaining from the previous business plan, and by formulating and implementing strategies to ensure long-term competitiveness, which will establish a stronger position in each business domain.

Focus on Lifestyles, and Provide True Satisfaction

Ensure sustainable Profit Growth and Higher Capital Efficiency

FY19/3 plan	
Net sales	¥567.0 bn
Operating income	¥28.6 bn
ROE	more than 10%

Focus on food to become the most trusted company in an increasingly global society

Business strategies P.9-12

- Ensure sustainable earnings growth and raise capital efficiency
- Pursue continued expansion in scale for overseas business

Strengthen management base P.23-30

- 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

Business segments

Business segments	Main measures
Processed Foods P.13-16	Continue measures to improve profitability
Marine Products and Meat and Poultry Products P.17-18	Overseas: Further expand business scale, focusing on the U.S. market
Logistics P.19-22	Raise profitability and improve asset turnover
Overall	Expand the scale of the logistics network business
	Overseas: Strengthen and expand the business base through proactive investment in Europe
	Allocate operating cash flow to capital investments for mainstay businesses, and appropriate distribution of shareholder returns

Progress in FY17/3

- Significant increase in operating margin on positive sales of mainstay products (Operating margin 6.8% (+0.9 ppt vs. plan))
- Sales steadily rising in U.S. (local currency basis) amid fierce competition
- Improved profitability for both Marine Products and Meat and Poultry Products
- Progress in line with plan
- Certain aspects behind schedule, but measures to be implemented in line with plan
- Steady increase in operating cash flow, allocated to increased dividend (Dividend per share: FY16/3 ¥24 ▶ FY17/3 ¥28)

Image of Nichirei Group's growth

