

**Consolidated Financial Results**  
**for the Three Months Ended June 30, 2017**  
**<under J-GAAP>**

Company name: **Toyo Suisan Kaisha, Ltd.**  
 Listing: First Section of the Tokyo Stock Exchange  
 Securities code: 2875  
 URL: <http://www.maruchan.co.jp/>  
 Representative: Masanari Imamura, Representative Director and President  
 Contact: Chiyoko Matsumoto, General Manager of Accounting Department  
 TEL: +81-3-3458-5246 (from overseas)

Scheduled date of filing of quarterly securities report: August 10, 2017  
 Scheduled date of start of dividend payment: –  
 Preparation of quarterly results presentation materials: Yes  
 Holding of quarterly results briefing meeting: None

(Amounts less than one million yen have been omitted.)

**1. Consolidated Operating Results for the First Three Months of FY2018**  
**(from April 1, 2017 to June 30, 2017)**

**(1) Consolidated Operating Results** (Percentages indicate year-on-year changes.)

Three months ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Jun. 30, 2017	93,249	2.4	6,399	(11.3)	6,938	(9.7)	4,644	(14.0)
Jun. 30, 2016	91,073	(1.2)	7,212	17.4	7,688	17.5	5,398	29.3

Note: Comprehensive income Three months ended June 30, 2017: 5,487 million yen [–%]  
 Three months ended June 30, 2016: (2,101) million yen [–%]

Three months ended	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Jun. 30, 2017	45.48		–	
Jun. 30, 2016	52.86		–	

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Jun. 30, 2017	360,331	284,141	75.9
As of Mar. 31, 2017	361,074	281,795	75.1

Reference: Equity  
 As of June 30, 2017: 273,452 million yen  
 As of March 31, 2017: 271,198 million yen

**2. Dividends**

	Full Year Dividends				
	1 <sup>st</sup> quarter-end	2 <sup>nd</sup> quarter-end	3 <sup>rd</sup> quarter-end	Year-end	For the year
	Yen				
FY2017	–	30.00	–	30.00	60.00
FY2018	–	–	–	–	–
FY2018 (Forecast)	–	30.00	–	30.00	60.00

Note: Revisions to the dividends forecasts most recently announced: None

### 3. Consolidated Results Forecasts for FY2018 (from April 1, 2017 to March 31, 2018)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Half year	193,000	6.0	13,500	0.4	14,500	2.0	9,500	(3.4)	93.02
Full year	400,000	4.5	30,000	1.7	31,500	1.1	21,400	2.7	209.54

Note: Revisions to the results forecasts most recently announced: None

#### \* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Application of specific accounting procedures for preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

a. Changes in accounting policies due to amendments to accounting standards and other regulations: None

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement: None

(4) Number of shares issued (common stock)

a. Number of shares issued at end of period (including treasury shares)

As of June 30, 2017	110,881,044 shares
As of March 31, 2017	110,881,044 shares

b. Number of treasury shares at end of period

As of June 30, 2017	8,751,549 shares
As of March 31, 2017	8,751,549 shares

c. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2017	102,129,495 shares
Three months ended June 30, 2016	102,129,622 shares

\* Quarterly financial results reports are not required to be subjected to quarterly reviews.

\* Explanation related to the appropriate use of the results forecasts and other items warranting special mention

Forward-looking statements in this document, including the results forecasts, etc., are based on the information available as of the date of the release of this document and the preconditions that Toyo Suisan Kaisha, Ltd. (the "Company") deemed to be reasonable; they are not meant to be a commitment by the Company, and a variety of factors in the future may cause actual results to differ materially from these forecasts. Please refer to Section: "(3) Explanation of forward-looking information, including consolidated results forecasts" of "1. Qualitative Information on Quarterly Consolidated Financial Results for the Three Months Ended June 30, 2017" on page 3 of the attachments for the preconditions for the results forecasts and items to exercise caution in the use of these results forecasts.

## Index of Attachments

<b>1. Qualitative Information on Quarterly Consolidated Financial Results for the Three Months Ended June 30, 2017</b> .....	2
(1) Explanation of the consolidated operating results.....	2
(2) Explanation of the consolidated financial position.....	3
(3) Explanation of forward-looking information, including consolidated results forecasts.....	3
<b>2. Quarterly Consolidated Financial Statements</b> .....	4
(1) Quarterly consolidated balance sheets.....	4
(2) Quarterly consolidated statements of income and comprehensive income.....	6
Quarterly consolidated statements of income (Cumulative).....	6
Quarterly consolidated statements of comprehensive income (Cumulative).....	7
(3) Notes to quarterly consolidated financial statements.....	8
(Notes on going concern assumptions).....	8
(Notes in the event of substantial changes in shareholders' equity).....	8
(Segment information).....	8

## 1. Qualitative Information on Quarterly Consolidated Financial Results for the Three Months Ended June 30, 2017

### (1) Explanation of the consolidated operating results

During the three months ended June 30, 2017, the Japanese economy continued its gradual recovery on the back of improvement in the employment and income environments and results from various economic measures.

Under these circumstances, the Toyo Suisan Group (hereafter, the “Group”), has remained committed to its mission “to contribute to society through foods” and “to provide safe and secure foods and services to customers” under the corporate slogan of “Smiles for All.” The Group continued to implement further cost reductions and promoted aggressive sales activities in its efforts to face an increasingly competitive sales environment.

As a result, net sales were ¥93,249 million (up 2.4% year on year), operating profit was ¥6,399 million (down 11.3% year on year), ordinary profit was ¥6,938 million (down 9.7% year on year), and profit attributable to owners of parent was ¥4,644 million (down 14.0% year on year) for the period under review.

The foreign exchange rate for the period was ¥111.96 to the U.S. dollar (¥102.96 to the U.S. dollar for the corresponding period of the previous fiscal year).

The operating results by segment are as follows.

In the Seafood Segment, while there was increasing severity in business conditions due to decrease in the haul of fish and harsher sales competition in the domestic market, sales increased in the salmon and trout business through stronger marketing to convenience stores and mass retailers. Performance was strong in the fish eggs business through the sale of products suited to customers’ needs. As a result, segment sales were ¥8,221 million (up 4.3% year on year), while segment profit was ¥143 million (up 64.5% year on year).

As for the Overseas Instant Noodles Segment, in the U.S., despite aggressive sales activities such as the strengthening of collaboration with major mass retailers, sales decreased amid a continuing harsh sales environment in the instant noodles market. In Mexico, the situation of local currency depreciation was showing improvement, and sales increased through aggressive efforts directed at consumer campaigns and boosting sales of bag-type noodles. As a result, segment sales decreased on a local currency basis, but due to the weak yen, segment sales were ¥16,903 million (up 6.3% year on year). Segment profit was ¥2,419 million (down 6.7% year on year), due to the increases mainly in personnel expenses and transportation costs.

In the Domestic Instant Noodles Segment, in cup-type noodles, in addition to efforts to increase sales of products such as our signature products *Akai Kitsune Udon*, *Midori no Tanuki Ten Soba*, *Menzukuri* and *Gotsu Mori*, sales of *MARUCHAN QTTA*, which was launched in March 2017, also contributed, resulting in an overall increase in sales. Total sales of bag-type noodles decreased, amidst a challenging overall market environment, despite efforts such as stimulating new demand through the introduction of new flavors in the *Maruchan Seimen* series. As a result, segment sales were ¥28,573 million (down 0.3% year on year). Segment profit was ¥1,254 million (down 49.1% year on year), mainly due to the increases in advertising costs associated with *MARUCHAN QTTA* and depreciation following the start of operations at the Kansai Plant, which was completed in August 2016.

In the Frozen and Refrigerated Foods Segment, in addition to ongoing strength in sales of our signature fresh noodle product *Maruchan Yakisoba (Three-Meal Package)* series, sales of *Kiwami Futomen Yakisoba*, launched in February 2017, and the microwavable food product *Renji de men jyozu* series also contributed, resulting in an increase in sales in fresh noodles overall. Among frozen and chilled foods, *Maruchan Yakisoba Shumai*, leveraging the *Maruchan Yakisoba* brand, and *Chinchintei Abura Soba*, a new household frozen noodle product produced in collaboration with a popular restaurant, sold well. As a result, segment sales were ¥17,806 million (up 1.4% year on year). Segment profit was ¥1,482 million (up 27.3% year on year), due to higher profits resulting from sales growth for our signature products and falling prices for raw ingredients.

In the Processed Foods Segment, sales of rice increased owing to robust sales of not only aseptically packed cooked rice products, a core product, but also retort rice such as brown rice and *kamameshi* (seasoned rice with various ingredients cooked in a pot). In sales of freeze-dried products, products were steadily introduced at convenience stores. As a result, segment sales were ¥5,041 million (up 2.8% year on year). Segment profit was ¥72 million (down 61.6% year on year), due to higher prices for raw rice, an increase in fixed costs accompanying new plant construction and other factors.

In the Cold-Storage Segment, storage and delivery services for new customers and existing customers increased thanks to aggressive sales activities. As a result, segment sales were ¥4,426 million (up 4.6% year on year). Segment profit was ¥602 million (up 21.0% year on year), due to an increase in sales combined with proactive

efforts directed at operational revisions and energy-saving activities, reduced personnel expenses and motive utility costs, etc.

The Other Business Segment consists of mainly the packed lunch/deli food business. Segment sales were ¥12,276 million (up 2.7% year on year), while segment profit was ¥549 million (up 39.8% year on year).

(2) Explanation of the consolidated financial position

At the end of the first quarter of the fiscal year ending March 31, 2018, total assets decreased by ¥743 million from the previous fiscal year-end to ¥360,331 million, and net assets increased by ¥2,346 million to ¥284,141 million. The main factors contributing to these results are as follows:

The main contributing factors for assets were a decrease in securities, in spite of increases in cash and deposits and construction in progress. The main contributing factors for liabilities were decreases in accrued expenses and income taxes payable. The main contributing factors for net assets were increases in retained earnings and valuation difference on available-for-sale securities.

As a result of these factors, the equity ratio was 75.9%.

(3) Explanation of forward-looking information, including consolidated results forecasts

We have not changed our consolidated results forecasts for the first six months and the full term of the fiscal year ending March 31, 2018, as announced on May 12, 2017, because the results for the first three months were within our expectations. Should any changes occur in the future, the relevant information will be duly disclosed.

## 2. Quarterly Consolidated Financial Statements

### (1) Quarterly consolidated balance sheets

(Millions of yen)

	As of end FY2017 (March 31, 2017)	As of end 1Q FY2018 (June 30, 2017)
<b>Assets</b>		
Current assets		
Cash and deposits	78,209	79,471
Notes and accounts receivable - trade	50,315	49,852
Securities	43,000	40,000
Merchandise and finished goods	15,678	15,732
Work in process	409	323
Raw materials and supplies	5,307	5,502
Deferred tax assets	1,825	1,324
Other	3,062	3,204
Allowance for doubtful accounts	(493)	(498)
Total current assets	197,314	194,911
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	59,557	59,139
Machinery, equipment and vehicles, net	28,347	27,886
Land	35,336	35,327
Leased assets, net	2,970	3,278
Construction in progress	1,786	3,158
Other, net	1,356	1,305
Total property, plant and equipment	129,355	130,095
Intangible assets		
Other	2,428	2,223
Total intangible assets	2,428	2,223
Investments and other assets		
Investment securities	29,689	30,889
Deferred tax assets	1,469	1,425
Net defined benefit asset	73	68
Other	1,074	1,047
Allowance for doubtful accounts	(331)	(331)
Total investments and other assets	31,976	33,099
Total non-current assets	163,760	165,419
<b>Total assets</b>	<b>361,074</b>	<b>360,331</b>

(Millions of yen)

	As of end FY2017 (March 31, 2017)	As of end 1Q FY2018 (June 30, 2017)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	24,339	24,601
Short-term loans payable	267	277
Lease obligations	243	237
Accrued expenses	19,713	17,612
Income taxes payable	3,068	1,448
Deferred tax liabilities	2	2
Provision for directors' bonuses	196	13
Provision for removal cost of property, plant and equipment	179	160
Other	2,208	2,504
Total current liabilities	50,219	46,858
Non-current liabilities		
Lease obligations	3,955	3,897
Deferred tax liabilities	4,021	4,328
Provision for directors' retirement benefits	213	189
Net defined benefit liability	18,846	18,905
Asset retirement obligations	229	217
Other	1,794	1,792
Total non-current liabilities	29,060	29,331
<b>Total liabilities</b>	<b>79,279</b>	<b>76,189</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	18,969	18,969
Capital surplus	22,942	22,942
Retained earnings	228,277	229,858
Treasury shares	(8,225)	(8,225)
Total shareholders' equity	261,963	263,544
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,738	9,515
Deferred gains or losses on hedges	(5)	(6)
Foreign currency translation adjustment	2,627	2,455
Remeasurements of defined benefit plans	(2,124)	(2,056)
Total accumulated other comprehensive income	9,235	9,907
Non-controlling interests	10,596	10,689
<b>Total net assets</b>	<b>281,795</b>	<b>284,141</b>
<b>Total liabilities and net assets</b>	<b>361,074</b>	<b>360,331</b>

(2) Quarterly consolidated statements of income and comprehensive income  
 Quarterly consolidated statements of income (Cumulative)

(Millions of yen)

	1Q FY2017 (from April 1, 2016 to June 30, 2016)	1Q FY2018 (from April 1, 2017 to June 30, 2017)
Net sales	91,073	93,249
Cost of sales	56,652	58,378
Gross profit	34,421	34,870
Selling, general and administrative expenses	27,208	28,471
Operating profit	7,212	6,399
Non-operating income		
Interest income	159	267
Dividend income	215	223
Share of profit of entities accounted for using equity method	16	12
Rent income	84	83
Miscellaneous income	165	188
Total non-operating income	642	775
Non-operating expenses		
Interest expenses	67	65
Cost of lease revenue	15	15
Compensation expenses	24	100
Foreign exchange losses	22	13
Miscellaneous loss	36	40
Total non-operating expenses	166	235
Ordinary profit	7,688	6,938
Extraordinary income		
Gain on sales of non-current assets	7	14
Total extraordinary income	7	14
Extraordinary losses		
Loss on sales and retirement of non-current assets	17	90
Loss on valuation of investment securities	1	–
Other	–	6
Total extraordinary losses	18	96
Profit before income taxes	7,676	6,856
Income taxes - current	1,874	1,653
Income taxes - deferred	291	466
Total income taxes	2,165	2,120
Profit	5,511	4,736
Profit attributable to non-controlling interests	112	91
Profit attributable to owners of parent	5,398	4,644

Quarterly consolidated statements of comprehensive income (Cumulative)

(Millions of yen)

	1Q FY2017 (from April 1, 2016 to June 30, 2016)	1Q FY2018 (from April 1, 2017 to June 30, 2017)
Profit	5,511	4,736
Other comprehensive income		
Valuation difference on available-for-sale securities	(381)	827
Deferred gains or losses on hedges	(44)	(0)
Foreign currency translation adjustment	(7,268)	(171)
Remeasurements of defined benefit plans, net of tax	79	73
Share of other comprehensive income of entities accounted for using equity method	2	21
Total other comprehensive income	(7,612)	750
Comprehensive income	(2,101)	5,487
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,179)	5,317
Comprehensive income attributable to non- controlling interests	78	170

- (3) Notes to quarterly consolidated financial statements  
 (Notes on going concern assumptions)  
 Not applicable

(Notes in the event of substantial changes in shareholders' equity)  
 Not applicable

(Segment information)

I. Three months ended June 30, 2016 (from April 1, 2016 to June 30, 2016)

1. Information relating to net sales, profit and loss by each reportable segment

(Millions of yen)

	Reportable segment							Other (Note 1)	Total	Adjust- ments (Note 2)	Amount reported on quarterly consoli- dated financial statements (Note 3)
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold- Storage Segment	Total				
Net sales											
Net sales to outside customers	7,884	15,905	28,646	17,553	4,904	4,231	79,126	11,947	91,073	–	91,073
Internal net sales or transfer between segments	231	–	–	–	–	231	462	114	576	(576)	–
Total	8,115	15,905	28,646	17,553	4,904	4,462	79,588	12,061	91,650	(576)	91,073
Segment profit	87	2,592	2,467	1,163	188	497	6,997	393	7,390	(178)	7,212

- Notes: 1. The Other Business Segment is one which is not among the reportable segments and refers to a business which is mainly involved in the packed lunch/deli food business.
2. The negative ¥178 million in segment profit adjustments includes companywide expenses of negative ¥319 million which have not been allocated to each reportable segment, a ¥40 million adjustment to inventories, and other adjustments of ¥101 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly for offset and elimination of knowhow fees from overseas subsidiaries.
3. Segment profit is adjusted at the operating profit level on the quarterly consolidated financial statements.

2. Information relating to impairment loss on non-current assets or goodwill for each reportable segment  
 Not applicable

II. Three months ended June 30, 2017 (from April 1, 2017 to June 30, 2017)

1. Information relating to net sales, profit and loss by each reportable segment

(Millions of yen)

	Reportable segment							Other (Note 1)	Total	Adjust- ments (Note 2)	Amount reported on quarterly consoli- dated financial statements (Note 3)
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold- Storage Segment	Total				
Net sales											
Net sales to outside customers	8,221	16,903	28,573	17,806	5,041	4,426	80,972	12,276	93,249	–	93,249
Internal net sales or transfer between segments	281	–	–	–	–	219	500	71	571	(571)	–
Total	8,502	16,903	28,573	17,806	5,041	4,645	81,473	12,347	93,821	(571)	93,249
Segment profit	143	2,419	1,254	1,482	72	602	5,974	549	6,524	(124)	6,399

Notes: 1. The Other Business Segment is one which is not among the reportable segments and refers to a business which is mainly involved in the packed lunch/deli food business.

2. The negative ¥124 million in segment profit adjustments includes companywide expenses of negative ¥277 million which have not been allocated to each reportable segment, a ¥48 million adjustment to inventories, and other adjustments of ¥104 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly for offset and elimination of knowhow fees from overseas subsidiaries.

3. Segment profit is adjusted at the operating profit level on the quarterly consolidated financial statements.

2. Information relating to impairment loss on non-current assets or goodwill for each reportable segment  
Not applicable