

Summary of Financial Statements for the Year ended March 31, 2019 (April 1, 2018 through March 31, 2019)

Qualification: This is directly translated into English for the convenience of readers, and all financial results conform with the accounting principles generally accepted in Japan.

Company: **Nippon Suisan Kaisha, Ltd.** Listed on Tokyo Stock Exchange with the register code 1332<http://www.nissui.co.jp/english/index.html>**1. Consolidated Financial Data for Fiscal Year ended March 31, 2019****(1) Consolidated Financial Results**

(Amounts less than one million yen are omitted)

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY ended March 31, 2019	712,111	5.1	21,685	(6.7)	25,358	3.2	15,379	(10.8)
FY ended March 31, 2018	677,293	-	23,240	-	24,583	-	17,234	-

Note : Each percentage figure shows changes from the previous year.

Comprehensive income March 31, 2019 12,289 Million yen((37.0%)) March 31, 2018 19,506 Million yen(-%)

	Earnings per share	Diluted income per share	Profit attributable to owners of parent / Total shareholders equity	Ordinary Profit / Total assets	Operating Profit / Net sales
	Yen	Yen	%	%	%
FY ended March 31, 2019	49.41	-	10.8	5.3	3.0
FY ended March 31, 2019	55.33	-	13.3	5.3	3.4

Ref.) Share of profit on entities accounted for using equity method

March 31, 2019

2,751 Million yen

March 31, 2018

1,325 Million yen

Note : The year-on-year rate of increase for FY2017 is not stated as retroactive adjustment has been made due to changes in accounting policies.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2019	477,913	166,158	30.6	470.28
As of March 31, 2018	482,233	157,106	28.6	442.13

Ref.) Total shareholders' equity

March, 31, 2019

146,325

Million yen

March 31, 2018

137,714

Million yen

(3) Consolidated Cash-Flow

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of fiscal year
	Million yen	Million yen	Million yen	Million yen
FY ended March 31, 2019	24,693	(16,803)	(15,956)	16,165
FY ended March 31, 2018	28,325	(21,540)	(8,156)	24,318

2. Dividend

	Dividend per share					Total dividend	Payout ratio	Dividend / Net assets
	1Q	2Q	3Q	Final	Annual		(Consolidated)	(Consolidated)
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY ended March 31, 2018	-	4.00	-	4.00	8.00	2,492	14.5	1.9
FY ended March 31, 2019	-	4.00	-	4.00	8.00	2,492	16.2	1.8
FY ending March 31, 2020(forecast)	-	4.00	-	4.50	8.50		15.1	

3. Forecast for the Year ending March 31, 2019, Consolidated

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2019	710,000	(0.3)	24,000	10.7	26,500	4.5	17,500	13.8	56.24

Note:

1) Changes in scope of consolidation due to transfer of significant subsidiaries during the term: None

2) Changes in accounting policy, changes in accounting estimate, and restatement:

i) Changes in accounting policy associated with the revision of the accounting standard, etc.: None

ii) Changes in accounting policy other than those stated above: Yes

iii) Changes in accounting estimate : None

iv) Restatement : None

3) Number of issued shares (Common stock)

i) Number of issued shares at the end of the term (Including treasury stock)

ii) Number of treasury stock at the end of the term

iii) Average number of shares during the term

FY2018	312,430,277	FY2017	312,430,277
FY2018	1,284,069	FY2017	948,795
FY2018	311,276,763	FY2017	311,481,273

1. Non-consolidated Financial Data for Fiscal Year ended March 31, 2019

(1) Non-consolidated Financial Results

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY ended March 31, 2019	396,976	4.6	2,006	(16.7)	6,646	1.4	5,480	(31.3)
FY ended March 31, 2018	379,515	5.0	2,409	(59.5)	6,557	(39.5)	7,977	0.7

Note : Each percentage figure shows changes from the previous year.

	Earnings per share	Diluted income per share
	Yen	Yen
FY ended March 31, 2019	17.59	-
FY ended March 31, 2018	25.60	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2019	329,359	89,862	27.3	288.69
As of March 31, 2018	318,237	87,897	27.6	282.08

Note : Total shareholders' equity March 31, 2019 89,862 Million yen March 31, 2018 87,897 Million yen

* The summary of financial results is not subject to audits.

* Explanation on the proper use of the forecasts

• The above forecast is based on the information available at the issuing date of this report. Accordingly, the final results may change due to various factors.

For matters pertaining to the forecasts, please refer to 1. Qualitative information for the fiscal year ended March 31, 2019 (2) Explanation on consolidated financial position on Page 6.

1. Qualitative information for the fiscal year ended March 31, 2019

(1) Explanation on consolidated financial results

[Consolidated Results for the year ended March 31, 2019]

The Japanese economy showed continued improvement in capital investment and the employment environment during the consolidated fiscal year under review, despite a downward trend in the improvement of corporate earnings.

In terms of the global economy during the consolidated fiscal period from January to December, the U.S. showed improvement in consumer spending and capital investment amid concerns about the effect of the protectionist government policy in the U.S. and the political situation among EU nations. Europe showed a modest recovery as the unemployment rate continued to decrease and consumer spending continued to increase. Meanwhile, the Chinese economy gradually slowed down.

The Company and its corporate group reflected the severe business environment due to the sharp rise of raw material prices and the death of juveniles in the previous year in the Salmon/Trout business in South America despite strong sales as a whole.

Under these circumstances, the consolidated financial results through the consolidated fiscal year under review were as follows: net sales were 712,111 million yen, up 34,818 million yen year-on-year; operating profit was 21,685 million yen, down 1,555 million yen year-on-year; ordinary profit was 25,358 million yen, up 774 million yen year-on-year; and the profit attributable to the owners of the parent company was 15,379 million yen, down 1,854 million yen year-on-year.

Since Nissui changed the way of converting to Yen from using spot exchange rate as of accounting closing date to average exchange rate during the period regarding income and cost of overseas subsidiaries, comparison between current fiscal year and previous year is conducted by using figures recalculated retrospectively. In addition, from the first quarter of the consolidated fiscal year under review, criteria of distribution of selling, general and administrative expenses has been reviewed in order to understand segment results in more appropriate manner.

(Unit : million yen)

	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent
FY2018	712,111	21,685	25,358	15,379
FY2017	677,293	23,240	24,583	17,234
Increase/Decrease compared to FY2017	34,818	(1,555)	774	(1,854)
Percentage	105.1%	93.3%	103.2%	89.2%

The summary by segment is as follows.

(Unit : million yen)

	Net Sales	Increase/Decrease (Y-on-Y)	Y-on-Y	Operating Profit	Increase/Decrease (Y-on-Y)	Y-on-Y
Marine Products	289,991	6,132	102.2%	10,292	(732)	93.4%
Food Products	342,328	17,067	105.2%	11,906	(1,011)	92.2%
Fine Chemicals	26,513	649	102.5%	2,612	67	102.7%
General Distribution	16,663	302	101.8%	1,990	59	103.1%
Other	36,614	10,667	141.1%	1,156	(130)	89.9%
Common Costs	-	-	-%	(6,272)	192	97.0%
Total	712,111	34,818	105.1%	21,685	(1,555)	93.3%

(1) Marine Products Business

The Marine Products segment is engaged in the fishery, aquaculture, and seafood processing and trading businesses.

<Overview of the Current Consolidated Fiscal Year>

In the Marine Products business, revenue was 289,991 million yen (up 6,132 million yen year-on-year) and operating profit was 10,292 million yen (down 732 million yen year-on-year).

Fishery Business: Both revenue and income increased year-on-year.

[Japan]

• Both revenue and income increased thanks to the good catch of Bonito and Mackerel.

[South America]

• Both revenue and income increased thanks to the good catch of high-priced fish and the increase of sales prices.

Aquaculture Business: Both revenue and income decreased year-on-year.

[Japan]

- While the sales volume and sales price of Wakaburi (Note 1), which is good in terms of quality even in the summer season, increased, both revenue and income decreased due to the drop of the Tuna sales price, the effect of damage from red tide, and the increase of the farming cost of Salmon/Trout.

[South America]

- While the sales volume of Salmon/Trout decreased significantly due to the death of juveniles in the previous year, the declining profit margin was controlled because of efforts for production cost reduction.

Seafood Processing and Trading Business: Both revenue and income increased year-on-year.

[Japan]

- While sales of surimi and fish meal/fish oil were strong, revenue increased but income decreased due to the drop of the sales price of shrimp and the increase of purchase price of Salmon/Trout.

[North America]

- While revenue decreased due to the decrease in the handling volume of crab, income increased thanks to the increase of the sales price of Surimi and Pollock Roe and the effect of labor cost reduction.

[Europe]

- Both revenue and income increased thanks to the expansion of the sales area.

(2) Food Products Business

The Food Products segment is engaged in processed foods and chilled foods businesses.

<Overview of the Current Consolidated Fiscal Year>

In the Food Products business, revenue was 342,328 million yen (up 17,067 million yen year-on-year) and operating profit was 11,906 million yen (down 1,011 million yen year-on-year).

Processed Foods Business: Revenue increased but income decreased year-on-year.

[Japan]

- While sales in the cooked rice and vegetable category of frozen food and surimi-based products were strong, revenue increased but income decreased due to the increase of the price of raw materials including surimi.

[North America]

- Both revenue and income decreased due to the decline in the productivity of frozen food for food service, despite the effect of cost reduction of frozen food for household use.

[Europe]

- Revenue increased thanks to the improvement of the production system and strong sales of prepared products using fish, etc. However, income decreased mainly due to the increase in the prices of raw materials.

Chilled Foods Business: Revenue increased but income decreased year-on-year.

[Japan]

- Revenue increased thanks to the increase in the number of stores supplying our products as a result of a reorganization of the convenience store industry, and the increased sales of rice balls, bento products and noodle products. However, income decreased due to depreciation costs and establishment costs incurred with the completion of the construction of a new plant.

(3) Fine Chemicals Business

The Fine Chemicals segment is engaged in the manufacture and sale of pharmaceutical raw materials, functional raw materials (Note 2), functional foods (Note 3), pharmaceuticals, and diagnostic medicines.

<Overview of the Current Consolidated Fiscal Year>

In the Fine Chemicals business revenue was 26,513 million yen (up 649 million yen year-on-year) and operating profit was 2,612 million yen (up 67 million yen year-on-year).

[Pharmaceutical Raw Materials, Functional Raw Materials and Functional Foods]

- Both revenue and income increased thanks to the reduction of advertisement expense for on-line business such as "I-MARK S", food for specified health uses (FOSHU), in addition to strong functional raw materials business including DHA for infant formula in both domestic and overseas market,

[Clinical Diagnostic Medicines and Pharmaceuticals]

- While revenue increased thanks to the strong sales of the clinical diagnostic medicine business, income decreased due to business reform (sale of cosmetics business).

(4) General Distribution Business

The General Distribution segment is engaged in the cold storage, transportation and customs clearing businesses.

<Overview of the Current Consolidated Fiscal Year>

In the General Distribution business, revenue was 16,663 million yen (up 302 million yen year-on-year) and operating profit was 1,990 million yen (up 59 million yen year-on-year).

- Both revenue and income increased thanks to reassumed cold storage warehouse and stock amount of existing warehouse but various costs including labor and electricity increased.

(Note 1) Farmed Buri Yellowtail which is in season in Spring to Summer by accelerating spawning period. Thus enabling to deliver good quality fish in summer time

(Note 2) Functional raw materials consist of EPA, DHA, and others mainly used as ingredients of health supplements and infant formula.

(Note 3) Functional foods mainly consist of food for specified health uses such as IMARK S and supplements such as EPA and DHA.

(2) Explanation on consolidated financial position

Current assets decreased by 2.2% compared to the end of the previous consolidated fiscal year to 247,603 million yen, mainly because of a decrease in cash and deposit by 13,764 million yen, notes and accounts receivable by 4,072 million yen and work in progress by 4,456 million yen.

Noncurrent assets increased by 0.5% compared to the end of the previous consolidated fiscal year to 230,309 million yen, mainly because of an increase in property, plant and equipment by 4,742 million yen.

As a result, total assets decreased by 0.9% compared to the end of the previous consolidated fiscal year to 477,913 million yen.

Current liabilities decreased by 4.8% compared to the end of the previous consolidated fiscal year to 202,699 million yen, mainly because of a decrease in short-term loan payable by 10,979 million yen and an increase in notes and accounts payable by 4,767 million yen.

Noncurrent liabilities decreased by 2.9% compared to the end of the previous consolidated fiscal year to 109,054 million yen, mainly because of a decrease in long-term loans payable by 1,827 million yen and net defined benefit liability by 1,500 million yen.

As a result, total liabilities decreased by 4.1% compared to the end of the previous consolidated fiscal year to 311,754 million yen.

Total net assets increased by 9,051 million yen compared to the end of the previous consolidated fiscal year to 166,158 million yen. This was because of posting profit attributable to owners of parent by 15,379 million yen and an decrease in the foreign currency translation adjustment by 2,922 million yen.

(3) Status of Cash Flow

Cash and cash equivalents decreased by 8,153 million yen from the end of the previous consolidated fiscal year to 16,165 million yen.

Net cash provided by operating activities were a net inflow of 24,693 million yen, attributed mainly to profit before income taxes increase of 24,605 million yen, depreciation and amortization of 18,272 million yen, increase in notes and accounts receivable-trade by 5,136 million, in inventories by 8,086 million yen, and increase in notes and accounts payable-trade by 5,426 million yen.

Cash flows from investing activities amounted to a net outflow of 16,803 million yen. This was because mainly of an outlay of 21,917 million yen for the acquisition of property, plant and equipment including production facility completion in Nippon Cookery and inflow of 1,667 million yen for the sale of investment securities and outflow of 2,553 million yen for purchase of investment securities.

Cash flows from financing activities resulted in a net outflow of 15,956 million yen. This was because mainly of net decrease in short-term loans payable by 11,918 million yen, proceeds from long-term loans payable by 15,633 million yen and repayments of long-term loans payable by 15,447 million yen.

(4) Full-year Forecast

In terms of full-year forecast, which is the middle year of the Mid-Term Business Plan "MVIP+(Plus) 2020", we expect the Japanese economy will show a gradual recovery trend with continuing improvement in employment during the period while increase in logistics and labor cost as well as the effect of consumption tax hike are predicted. Also, trade issues such as US-China trade war and political and geopolitical risk in Europe are concerned. In addition, in the business environment, Nissui and its group companies expect that the uncertain business environment such as market conditions and fluctuations in exchange rates will continue. In order to cope with life-style change, we will draw out the taste of fish and other materials, and will expand and strengthen high-quality products that are easy-to cook, ready-meal and health etc.

In CSR activities, we will further strengthen activities such as "preserving the bounty of the sea", "food loss", and "health management"

We expect net sales of 710,000 million yen, operating profit of 24,000 million yen, ordinary profit of 26,500 million yen and profit attributable to owners of parent of 17,500 million yen.

Net sales and operating profit by operational segment are as follows;

<Current Fiscal Year>

(Unit : million yen)

	Marine Products Business	Food Products Business	Fine Chemicals Business	General Distribution Business	Reportable Segment Total	Others	Total	Consolidated Adjustment	Consolidated
Net Sales	289,991	342,328	26,513	16,663	675,497	36,614	712,111	-	712,111
Operating Profit	10,292	11,906	2,612	1,990	26,802	1,156	27,958	(6,272)	21,685

<Next Fiscal

(Unit : million yen)

	Marine Products Business	Food Products Business	Fine Chemicals Business	General Distribution Business	Reportable Segment Total	Others	Total	Consolidated Adjustment	Consolidated
Net Sales	298,700	344,900	28,100	17,300	689,000	21,000	710,000	-	710,000
Operating Profit	13,400	12,900	2,700	2,000	31,000	500	31,500	(7,500)	24,000

<Increase/Decrease>

(Unit : million yen)

	Marine Products Business	Food Products Business	Fine Chemicals Business	General Distribution Business	Reportable Segment Total	Others	Total	Consolidated Adjustment	Consolidated
Net Sales	8,708	2,571	1,586	636	13,502	(15,614)	(2,111)	-	(2,111)
Operating Profit	3,107	993	87	9	4,197	(656)	3,541	(1,227)	2,314

(Note) The above forecast is based on the information available at the issuing date of this report. Accordingly, the final results may change due to various factors.

2. Basic Policy of selecting accounting standard

We use Japanese standard to make financial statements in the light of the period comparability of consolidated financial statements and comparability among group companies.

We will accommodate properly regarding adaption of IFRS in the future in the light of the foreign and domestic circumstances.

3 Consolidated Financial Statement

(1) Consolidated Balance Sheet

Million yen

	FY2017 As of Mar. 31, 2018	FY2018 As of Mar. 31, 2019
Assets		
Current assets		
Cash and deposits	22,669	8,904
Notes and accounts receivable-trade	84,681	88,753
Securities	—	500
Merchandise and finished goods	64,570	65,619
Work in process	24,940	29,397
Raw materials and supplies	32,764	33,734
Other	24,174	21,078
Allowance for doubtful accounts	(645)	(384)
Total current assets	253,155	247,603
Non-current assets		
Property, plant and equipment		
Buildings and structures	143,762	146,232
Accumulated depreciation	(88,330)	(89,143)
Buildings and structures, net	55,432	57,088
Machinery, equipment and vehicles	140,409	148,078
Accumulated depreciation	(109,330)	(114,434)
Machinery, equipment and vehicles, net	31,079	33,643
Vessels	21,346	21,861
Accumulated depreciation	(14,494)	(15,897)
Vessels, net	6,851	5,964
Land	27,248	26,273
Leased assets	6,006	5,530
Accumulated depreciation	(2,724)	(2,652)
Leased assets, net	3,282	2,877
Construction in progress	6,607	9,243
Other	13,917	14,488
Accumulated depreciation	(11,635)	(12,054)
Other, net	2,281	2,433
Total property, plant and equipment	132,782	137,525
Intangible assets		
Goodwill	535	276
Software	2,381	2,283
Other	8,622	8,143
Total intangible assets	11,540	10,704
Investments and other assets		
Investment securities	70,994	69,024
Long-term loans receivable	2,336	2,147
Retirement benefit asset	155	146
Deferred tax assets	3,567	3,043
Other	12,716	12,659
Allowance for doubtful accounts	(5,014)	(4,942)
Total investments and other assets	84,755	82,080
Total non-current assets	229,078	230,309
Total assets	482,233	477,913

Consolidated Balance Sheet

Million yen

	FY2017 As of Mar. 31, 2018	FY2018 As of Mar. 31, 2019
Liabilities		
Current liabilities		
Notes and accounts payable-trade	44,656	49,424
Short-term loans payable	115,058	104,078
Lease obligations	509	515
Income taxes payable	4,720	3,735
Accrued expenses	28,185	27,459
Provision for bonuses	3,094	3,190
Provision for bonuses for directors (and other officers)	294	319
Provision for environmental measures	1	1
Other provision	6	34
Other	16,342	13,940
Total current liabilities	212,869	202,699
Non-current liabilities		
Long-term loans payable	88,807	86,979
Lease obligations	2,544	2,120
Deferred tax liabilities	3,012	4,186
Provision for retirement benefits for directors (and other officers)	103	83
Provision For Management Board Incentive Plan Trust	—	25
Retirement benefit liability	13,290	11,789
Other	4,498	3,869
Total non-current liabilities	112,257	109,054
Total liabilities	325,127	311,754
Net assets		
Shareholders' equity		
Capital stock	30,685	30,685
Capital surplus	21,758	21,757
Retained earnings	71,130	83,988
Treasury shares	(269)	(471)
Total shareholders' equity	123,305	135,960
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,262	11,077
Deferred gains or losses on hedges	(152)	283
Foreign currency translation adjustment	4,868	1,945
Remeasurements of defined benefit plans	(2,569)	(2,941)
Total accumulated other comprehensive income	14,409	10,365
Non-controlling interests	19,392	19,832
Total net assets	157,106	166,158
Total liabilities and net assets	482,233	477,913

(2) Consolidated Income Statements

	Million yen	
	FY ended on March 31, 2018	FY ended on March 31, 2019
Net sales	677,293	712,111
Cost of sales	537,301	573,385
Gross profit	139,991	138,725
Selling, general and administrative expenses		
Sales commission	31,772	31,954
Warehousing expenses	4,391	4,623
Shipment expenses	27,522	27,312
Advertising expenses	3,907	3,450
Difference of provision of allowance for doubtful accounts	108	(153)
Salaries and allowances	20,119	21,068
Bonuses	2,785	2,269
Provision for bonuses	1,469	1,546
Provision for bonuses for directors (and other officers)	288	317
Retirement benefit expenses	854	429
Depreciation	2,002	1,942
Rent and repair expense	2,533	2,730
Transportation and communication expenses	2,722	2,813
Other	16,274	16,734
Total selling, general and administrative expenses	116,750	117,039
Operating profit	23,240	21,685
Non-operating income		
Interest income	355	215
Dividend income	760	801
Foreign exchange gains	62	512
Share of profit of entities accounted for using equity method	1,325	2,751
Subsidy income	486	497
Miscellaneous income	614	780
Total non-operating income	3,606	5,559
Non-operating expenses		
Interest expenses	2,000	1,744
Miscellaneous expenses	262	142
Total non-operating expenses	2,263	1,887
Ordinary profit	24,583	25,358

Consolidated Income Statements

Million yen

	FY ended on March 31, 2018	FY ended on March 31, 2019
Extraordinary income		
Gain on sales of non-current assets	323	553
Gain on sales of investment securities	4,396	573
Gain on sales of shares of subsidiaries and associates	161	17
Gain on bargain purchase	267	—
Gain on abolishment of retirement benefit plan	180	—
Total extraordinary income	5,329	1,144
Extraordinary losses		
Loss on disposal of non-current assets	385	402
Impairment loss	2,147	1,477
Loss on sales of investment securities	—	8
Loss on valuation of investment securities	5	1
Loss on sales of shares of subsidiaries and associates	254	7
Loss on sales of investments in capital of subsidiaries and affiliates	—	1
Special retirement expenses	367	—
Loss on disaster	632	—
Total extraordinary losses	3,793	1,898
Profit before income taxes	26,120	24,605
Income taxes-current	7,910	6,123
Income taxes-deferred	(24)	2,156
Total income taxes	7,886	8,279
Profit	18,233	16,325
Profit attributable to non-controlling interests	999	946
Profit attributable to owners of parent	17,234	15,379

Consolidated Statements of comprehensive income

Million yen

	FY ended on March 31, 2018	FY ended on March 31, 2019
Profit	18,233	16,325
Other comprehensive income		
Valuation difference on available-for-sale securities	789	(1,039)
Deferred gains or losses on hedges	(491)	507
Foreign currency translation adjustment	328	(1,537)
Remeasurements of defined benefit plans, net of tax	(816)	(395)
Share of other comprehensive income of entities accounted for using equity method	1,463	(1,572)
Total other comprehensive income	1,272	(4,036)
Comprehensive income	19,506	12,289
(Breakdown)		
Comprehensive income attributable to owners of parent	18,400	11,335
Comprehensive income attributable to non-controlling interests	1,105	953

(3) Consolidated Statements of Changes in Net assets

Previous Fiscal Year (From April 1, 2017 to March 31, 2018)

(Million yen)

	Shareholder's Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,685	21,078	56,666	(266)	108,163
Cumulative effects of changes in accounting policies			(433)		(433)
Restated balance	30,685	21,078	56,233	(266)	107,730
Changes of items during period					
Dividends of surplus			(2,337)		(2,337)
Profit attributable to owners of parent			17,234		17,234
Purchase of treasury shares				(5)	(5)
Disposal of treasury shares		0		3	3
Change in ownership interest of parent due to transactions with non-controlling interests		679			679
Net changes of items other than shareholders' equity					
Total changes of items during period	—	680	14,897	(2)	15,574
Balance at end of current period	30,685	21,758	71,130	(269)	123,305

(Million yen)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	11,477	460	2,625	(1,753)	12,809	20,232	141,205
Cumulative effects of changes in accounting policies			433		433		—
Restated balance	11,477	460	3,059	(1,753)	13,243	20,232	141,205
Changes of items during period							
Dividends of surplus							(2,337)
Profit attributable to owners of parent							17,234
Purchase of treasury shares							(5)
Disposal of treasury shares							3
Change in ownership interest of parent due to transactions with non-controlling interests							679
Net changes of items other than shareholders' equity	785	(613)	1,809	(815)	1,166	(840)	326
Total changes of items during period	785	(613)	1,809	(815)	1,166	(840)	15,900
Balance at end of current period	12,262	(152)	4,868	(2,569)	14,409	19,392	157,106

Current Fiscal Year (From April 1, 2018 to March 31, 2019)

(Million yen)

	Shareholder's Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,685	21,758	71,130	(269)	123,305
Changes of items during period					
Dividends of surplus			(2,492)		(2,492)
Profit attributable to owners of parent			15,379		15,379
Purchase of treasury shares				(202)	(202)
Disposal of treasury shares		0		0	0
Change in ownership interest of parent due to transactions with non-controlling interests		(1)			(1)
Increase in decrease of consolidated subsidiaries retained earnings			6		6
Decrease in retained earnings due to exclusion of equity method companies			(34)		(34)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(1)	12,858	(202)	12,654
Balance at end of current period	30,685	21,757	83,988	(471)	135,960

(Million yen)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	12,262	(152)	4,868	(2,569)	14,409	19,392	157,106
Changes of items during period							
Dividends of surplus							(2,492)
Profit attributable to owners of parent							15,379
Purchase of treasury shares							(202)
Disposal of treasury shares							0
Change in ownership interest of parent due to transactions with non-controlling interests							(1)
Increase in decrease of consolidated subsidiaries retained earnings							6
Decrease in retained earnings due to exclusion of equity method companies							(34)
Net changes of items other than shareholders' equity	(1,185)	436	(2,922)	(371)	(4,043)	440	(3,603)
Total changes of items during period	(1,185)	436	(2,922)	(371)	(4,043)	440	9,051
Balance at end of current period	11,077	283	1,945	(2,941)	10,365	19,832	166,158

(4) Consolidated Statements of Cash-Flow

Million yen

	FY ended on March 31, 2018	FY ended on March 31, 2019
Cashflows from operating activities		
Profit before income taxes	26,120	24,605
Depreciation	17,599	18,272
Impairment loss	2,147	1,477
Amortization of goodwill	415	259
Increase (decrease) in allowance for doubtful accounts	(113)	(210)
Increase (decrease) in retirement benefit liability	(3,039)	(1,768)
Interest and dividend income	(1,116)	(1,016)
Interest expenses	2,000	1,744
Share of loss (profit) of entities accounted for using equity method	(1,325)	(2,751)
Gain on sales of noncurrent assets	(323)	(553)
Loss on disposal of noncurrent assets	385	402
Loss (gain) on sales and valuation of investment securities	(4,390)	(563)
Loss on disaster	632	—
Loss (gain) on sales of shares of subsidiaries and associates	92	(10)
Loss (gain) on sales of investment in capital of subsidiaries and associates	—	1
Gain on bargain purchase	(267)	—
Extra retirement payment	367	—
Gain on abolishment of retirement benefit plan	(180)	—
Decrease (increase) in notes and accounts receivable-trade	(7,584)	(5,136)
Decrease (increase) in inventories	(10,533)	(8,086)
Increase (decrease) in notes and accounts payable-trade	8,448	5,426
Increase (decrease) in accrued expenses	3,859	(600)
Other, net	2,806	2,311
Subtotal	35,999	33,801
Interest and dividend income received	865	1,009
Interest expenses paid	(2,008)	(1,730)
Extra retirement payments	(206)	(292)
Payments for loss on disaster	(10)	—
Income taxes paid	(6,313)	(8,095)
Net cash provided by(used in) operating activities	28,325	24,693

	FY ended on March 31, 2018	FY ended on March 31, 2019
Cashflows from investing activities		
Decrease (increase) in time deposits	50	1
Decrease(increase) in short-term investment securities	300	—
Purchase of property, plant and equipment	(26,777)	(21,917)
Proceeds from sales of property, plant and equipment	785	1,672
Purchase of intangible assets	(1,038)	(1,080)
Payments for acquisition of businesses	(494)	—
Purchase of investment securities	(182)	(2,553)
Proceeds from sales of investment securities	6,662	1,667
Proceeds from redemption of investment securities	—	100
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,650)	—
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	805	—
Payments for sales of investments in capital of subsidiaries and affiliates resulting in change in scope of consolidation	—	(13)
Decrease (increase) in short-term loans receivable	213	5,012
Other, net	(214)	306
Net cash provided by (used in) investing activities	(21,540)	(16,803)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(1,181)	(11,918)
Proceeds from long-term loans payable	34,989	15,633
Repayments of long-term loans payable	(37,918)	(15,447)
Repayments of lease obligations	(435)	(1,186)
Proceeds from share issuance to non-controlling share holders	—	163
Cash dividends paid	(2,331)	(2,490)
Dividends paid to non-controlling interests	(550)	(507)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(722)	—
Decrease (increase) in treasury shares	(5)	(202)
Other, net	0	0
Net cash provided by (used in) financing activities	(8,156)	(15,956)
Effect of exchange rate change on cash and cash equivalents	508	(86)
Net increase (decrease) in cash and cash equivalents	(862)	(8,153)
Cash and cash equivalents at beginning of period	25,181	24,318
Cash and cash equivalents at end of period	24,318	16,165

(5) Notes on Consolidated Financial Statements

(Notes on the Premise of Going Concern)

Not applicable.

(Change in Accounting Policy)

Regarding income and cost of overseas subsidiaries, Nissui had been converting to Yen by using the spot exchange rate as of accounting closing date in the past but has changed to the way by using the average exchange rate during the period from the beginning of this consolidated fiscal year under review. This change has been conducted because of the growing importance of the overseas subsidiaries under the circumstances of accelerating overseas development which is a major strategy of mid-term business plan, MVIP+ 2020 starting from FY2018 and to reflect the performance of overseas subsidiaries more appropriately considering recent fluctuation of foreign exchange ratio.

This change in Accounting Policy is applied retrospectively so consolidated financial report of the previous year has been adjusted in the same manner.

As a result, comparing with the figures before the adjustment, net sales was down 5,715 million yen, operating profit was down 248 million yen, ordinary profit was down 256 million yen, net profit before income tax was down 170 million yen and profit attributable to owners of parent was down 99 million yen respectively. In addition, as retrospective effect amounts was reflected to net assets as of a beginning of previous period, beginning balance of previous year's retained earnings was down 433 million yen and of foreign currency translation adjustment was up the same amount.

(Changes of presentation)

Nissui has applied "Partial Amendment to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28 February 16, 2018) from the beginning of this consolidated fiscal year and deferred tax assets are indicated in the segment of investment and other assets, and deferred tax liabilities are indicated in the segment of non-current liabilities.

As a result, 3,983 million yen of deferred tax assets in current assets, which were included in the consolidated balance sheet for the previous fiscal year, are included in deferred tax assets by 3,567 million yen in investments and other assets.

(Additional Information)

Nissui has introduced the “Board Benefit Trust (BBT)” as its performance-linked and share-based compensation plan (hereinafter referred to as the “Plan”) for Nissui’s Board Members (excluding Outside Board Members and Board Members residing in overseas countries) and Executive Officers who do not concurrently serve as Board Members (excluding such Executive Officers residing in overseas countries; hereinafter referred to as “Executive Officers”; Board Members and Executive Officers shall be hereinafter collectively referred to as “Board Members, etc.”), starting from this consolidated fiscal year under review, pursuant to the resolution of the 103rd Ordinary General Shareholders’ Meeting held on June 27, 2018.

The purpose of the Plan is to promote the motivation of Board Members, etc., in contributing to the improvement of corporate value over the medium to long term by making the linkage between their compensation and Nissui’s business performance and shareholder value even clearer and having Board Members, etc., share not only the benefits from higher stock prices, but also the risk of a drop in stock prices, with shareholders.

The gross method has been used for the accounting treatment under the Plan in accordance with “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees, etc., through Trusts” (Practical Issues Task Force No. 30 of March 26, 2015).

(1) Overview of Transactions

The Plan is a scheme whereby money contributed by Nissui is used as financial resources to acquire Nissui’s shares through a trust (the trust established under the Plan shall be hereinafter referred to as the “Trust”), and Nissui’s shares and money in the amount of monetary equivalence of Nissui’s shares measured at fair value (hereinafter referred to as “Nissui’s Shares, etc.”) are provided to Board Members, etc., through the Trust in accordance with the “Share Benefit Regulations for Officers” stipulated by Nissui.

The time when Nissui’s Shares, etc., are provided to Board Members, etc., shall be, in principle, a certain period of time after the completion of each of Nissui’s Mid-Term Business Plans (meaning the three-year period from the fiscal year ending at the end of March 2019 to the fiscal year ending at the end of March 2021 and the subsequent three-year periods thereafter).

(2) Nissui’s Own Shares Remaining in the Trust

Nissui recognizes its own shares remaining in the Trust as treasury shares under the category of net assets, using the carrying amount in the Trust (excluding the amount of ancillary expenses). The carrying amount of such treasury shares as of the end of this consolidated fiscal year under review is 199 million yen, and the number of such shares is 330,500.

[Segment Information]

1. Overview of reportable segments

The reportable segments of the Company comprise constituent units of the Company for which separate financial information may be obtained. The board of directors examines these segments on a regular basis for the purpose of determining the allocation of management resources and evaluating operating performance.

The Company's business operations involve linking marine resources to the everyday lives of its customers, which is done by formulating comprehensive strategies by product/service both in Japan and overseas.

Therefore, the Company's segments classified by product/service consist of "Marine Products business," "Foods business," "Fine Chemicals business," and "General Distribution business."

"Marine Products" include the fishing, aquaculture, purchasing, processing and selling of marine products (fresh/frozen fish, fish meal & fish oil).

"Foods" include the manufacturing and selling of frozen food, shelf-stable foods, and other processed foods.

"Fine Chemicals" include the manufacturing and selling of medical ingredients, health foods, diagnostic medicines, and general pharmaceuticals.

"General Distribution" includes the cold storage and transportation of frozen and refrigerated goods that back up the above businesses.

The Company is engaged in the above businesses mainly in the five regions of Japan, North America, South America, Asia and Europe.

2. Method of Measuring the Amount of Net Sales, profit(loss), assets and other items by segment

The accounting methods used by the reported business segments are generally the same as those described under the "Significant Matters Fundamental to the Preparation of the Consolidated Financial Statements." Profits of the business segments are operating income-based figures. Intersegment revenues and transfers are valued at prices used in third party transactions.

As described in change of Accounting Policy, regarding income and cost of overseas subsidiaries, Nissui had been converting to Yen by using the spot exchange rate as of accounting closing date in the past but has changed to the way by using the average exchange rate during the period from the current fiscal year.

This change in Accounting Policy is applied retrospectively and segment information of the previous consolidated fiscal year has been adjusted in the same manner. As a result, comparing with the figures before adjustment, sales amounts to the external customers are down 3,266 million yen in the Marine Products Business, 2,443 million yen in the Food Products Business, 1 million yen in the Fine Chemical Business, and 3 million yen in the other Business. Segment income is down 115 million yen in the Marine Products Business, 128 million yen in the Food Products Business, 5 million yen in the Fine Chemical Business, and 0 million yen in other Business respectively.

Nissui has changed the method of calculating administrative expenses which used to be distributed to each reporting segment and these expenses are included in corporate expenses (adjustment). Main purpose of the change is to understand segment result in more appropriate manner as the percentage of administrative work toward non-financial and group increased.

In addition, some consolidated subsidiaries changed their segment from "other Business" to "Marine Products Business" as sales of seafood became more important.

With this change, segment revenue and income of the previous year are recalculated with revised method.

3. Information of net sales, profit (loss), assets and other items by segment

Previous Fiscal Year ended March 31, 2018

	Reportable Segments					Other (*Note1)	Total	Adjustment (*Note2)
	Marine Products	Food Products	Fine Chemicals	General Distribution	Total			
Sales								
Sales to third parties	283,859	325,261	25,864	16,361	651,346	25,946	677,293	-
Inter-segment sales and transfers	18,958	3,921	500	8,285	31,665	1,968	33,634	(33,634)
Total	302,817	329,183	26,365	24,646	683,012	27,915	710,927	(33,634)
Segment income (loss)	11,025	12,917	2,544	1,931	28,418	1,287	29,706	(6,465)
Asset by segment	192,898	157,774	56,890	22,804	430,368	22,211	452,579	29,654
Other								
Depreciation and amortization	6,214	6,224	2,608	1,484	16,532	298	16,830	768
Amortization of goodwill	285	46	-	-	331	83	415	-
Equity in earnings (losses) of affiliates	1,032	186	-	108	1,327	(1)	1,325	-
Gain on bargain purchase	-	267	-	-	267	-	267	-
Impairment loss	329	558	-	-	888	-	888	1,259
Investments in entities accounted for using equity method	29,089	2,623	-	1,451	33,164	-	33,164	-
Unamortized balance of goodwill	284	-	-	-	284	250	535	-
Increase in property, plant and equipment, and intangible assets	8,482	13,012	3,728	949	26,173	529	26,702	2,342

(Note)

1. The "Other" segment includes the building/repair of ships, engineering and other businesses that are not included in the reportable segments.
2. (1)The (6,465) million yen segment income adjustment comprise 40 million yen in inter-segment elimination and (6,506) million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.
(2)The segment assets adjustment amounted to 29,654 million yen are corporate assets not allocated to the segments which is mainly composed of long-term investments (investment securities) and assets relating to R&D department.
(3) The depreciation adjustment amounted to 768 million yen is the depreciation of corporate assets.
(4) The impairment loss adjustment amounted to 1,259 million yen is for the impairment loss of corporate assets.
(5) Increase in property, plant and equipment and intangible assets adjustment amount to 2,342 million yen is capital expenditure of corporate assets.
3. Total segment income corresponds to the operating profit reported in the consolidated income statements.
4. Total segment liabilities is not described because it is not an examination object to decide to evaluated allocation of management resources and business performance.

Current Fiscal Year ended March 31, 2019

	Reportable Segments					Other (*Note1)	Total	Adjustment (*Note2)
	Marine Products	Food Products	Fine Chemicals	General Distribution	Total			
Sales								
Sales to third parties	289,991	342,328	26,513	16,663	675,497	36,614	712,111	-
Inter-segment sales and transfers	13,364	3,516	507	9,155	26,543	2,419	28,963	(28,963)
Total	303,355	345,845	27,021	25,818	702,040	39,033	741,074	(28,963)
Segment income (loss)	10,292	11,906	2,612	1,990	26,802	1,156	27,958	(6,272)
Asset by segment	192,211	166,300	50,375	22,912	431,800	20,578	452,378	25,534
Other								
Depreciation and amortization	6,255	6,737	2,068	1,524	16,585	300	16,885	1,386
Amortization of goodwill	175	-	-	-	175	83	259	-
Equity in earnings (losses) of affiliates	2,563	141	-	47	2,751	-	2,751	-
Impairment loss	1,193	-	-	-	1,193	-	1,193	284
Investments in entities accounted for using equity method	27,691	2,634	-	1,498	31,824	-	31,824	-
Unamortized balance of goodwill	109	-	-	-	109	167	276	-
Increase in property, plant and equipment, and intangible assets	9,930	12,382	817	1,846	24,977	308	25,285	1,244

(Note)

1. The "Other" segment includes the building/repair of ships, engineering and other businesses that are not included in the reportable segments.
2. (1)The (6,272) million yen segment income adjustment comprise 56 million yen in inter-segment elimination and (6,329) million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.
(2)The segment assets adjustment amounted to 25,534 million yen are corporate assets not allocated to the segments which is mainly composed of long-term investments (investment securities) and assets relating to R&D department.
(3) The depreciation adjustment amounted to 1,386 million yen is the depreciation of corporate assets.
(4) The impairment loss adjustment amount to 284 million yen is for the impairment loss of corporate assets.
(5) Increase in property, plant and equipment and intangible assets adjustment amount to 1,244 million yen is capital expenditure of corporate assets.
3. Total segment income corresponds to the operating profit reported in the consolidated income statements.
4. Total segment liabilities is not described because it is not an examination object to decide to evaluated allocation of management resources and business performance.

[Related Information]

Previous Fiscal Year ended March 31, 2018

1. Information of area

(1) Net Sales (Unit: Million yen)

Japan	North America	Europe	Others	Total
467,916	85,867	83,741	39,766	677,293

(Note) Net Sales is based on customer's address and classifies by countries and geographical area.

(2) Property, plant and equipment (Unit: Million yen)

Japan	North America	Others	Total
97,959	15,653	19,169	132,782

2. Information on main customers

(Unit: Million yen)

Customer's name		Net Sales	Segment
Mitsubishi Shokuhin Co., Ltd.		80,998	Foods

Current Fiscal Year ended March 31, 2019

1. Information of area

(1) Net Sales (Unit: Million yen)

Japan	North America	Europe	Others	Total
492,216	83,347	92,749	43,797	712,111

(Note) Net Sales is based on customer's address and classifies by countries and geographical area.

(2) Property, plant and equipment (Unit: Million yen)

Japan	North America	Others	Total
100,308	15,832	21,383	137,525

2. Information on main customers

Customer's name		Net Sales	Segment
Mitsubisi Shokuhin Co., Ltd.		81,182	Foods

4. Other

(1) Changes of Officers (to be effective on June 26, 2019)

(1) Changes of Board Members and Auditors

i) Candidates for newly appointed Board Members

Not applicable

ii) Board Members scheduled to retire (to be effective on June 26, 2019)

Name	Current position
Norio Hosomi	Representative Board Member, Chairman

iii) Candidates for newly appointed Auditors (to be effective on June 26, 2019)

Name	New position	Current position
Hiroyuki Hamano	Standing Audit & Supervisory Board Member	Commissioned General Manager of Corporate Strategic & IR Dept., In charge of Finance and Accounting Dept.

iv) Auditors scheduled to retire (to be effective on June 20, 2019)

Name	Current position
Koki Sato	Standing Audit & Supervisory Board Member

(2) Changes of other Representative (to be effective on June 26, 2019)

Name	New position	Current position
Shingo Hamada	Representative Board Member Assist President and control overall business, Commissioned Food Products Business Operating Officer, In charge of Production Group	Board Member, Managing Executive Officer Commissioned Food Products Business Operating Officer, In charge of Production Group and Product Research & Development Dept.
Norio Hosomi	Advisor	Representative Board Member, Chairman

(2) Change of other Executive Officer (to be effective on June 26, 2019)

(1) Candidates for newly appointed Executive Officer

Name	New position	Current position
Koichi Oda	Commissioned General Manager of Corporate Strategic & IR Dept., In charge of Finance and Accounting Dept.	General Manager of Internal Audit Dept.
Hideyo Okumura	Commissioned Convenience Store Sales and Production Dept.	General Manager of Convenience Store Sales and Production Dept.
Teru Tanaka	Commissioned Deputy General Manager of National Account Sales Division	The CEO of Salmenes Antartica S.A.

(2) Executive Officer scheduled to retire

Name	Current position
Norio Hosomi	Representative Board Member, Chairman
Tomomi Kimura	Commissioned Deputy General Manager of National Account Sales Division
Hiroyuki Hamano	Commissioned General Manager of Corporate Strategic & IR Dept., In charge of Finance and Accounting Dept.

(3) Executive Officer scheduled to promote

Name	New position	Current position
Shingo Hamanda	Representative Board Member Assist President and control overall business, Commissioned Food Products Business Operating Officer, In charge of Production Group	Board Member, Managing Executive Officer Commissioned Food Products Business Operating Officer, In charge of Production Group and Product Research & Development Dept.
Seiji Takahashi	Board Member, Managing Executive Officer Commissioned Fisheries Business Operating Officer	Board Member, Executive Officer Commissioned Fisheries Business Operating Officer, Business Supervisor in South America, The CEO of Nippon Suisan America Latina S.A.
Hisami Sakai	Managing Executive Officer Commissioned Business Supervisor in Europe and Oceania, In charge of International Sales and Business Development Dept.	Executive Officer Commissioned Business Supervisor in Europe and Oceania, In charge of Supply Chain Management Dept. and Marine Business Strategy Dept.

(3) Change of Advisor (to be effective on June 26, 2019)

(1) Candidate for newly appointed Advisor

Name	New position	Current position
Norio Hosomi	Advisor	Representative Board Member, Chairman

(2) Advisor scheduled to retire

Name	Current position
Kunihiko Koike	Advisor