



# Wismettac

---

---

## Supplementary Material to Financial Results

---

Second Quarter of the Fiscal Year Ending  
December 2019

Nishimoto Co., Ltd.

August 13, 2019

- Summary of Financial Results  
for the Second Quarter of the Fiscal Year  
Ending December 2019 P. 2
- Forecasts of Operating Results  
for the Fiscal Year Ending December 2019 P. 10
- Medium-term Business Plan P. 15
- Policy of Returning Profits to Shareholders P. 27
- Corporate Profile P. 29

---

Summary of Financial Results  
for the Second Quarter of the Fiscal Year Ending  
December 2019

---



- Net sales for the Asian Food Global Business increased 4.9% year on year, but decreased 1.9% against the plan. Net sales for the Agricultural & Seafood Products Trading Business decreased 3.6% year-on-year and 8.2% against the plan. As a result, total net sales increased 2.1% year-on-year, but decreased 4.0% against the plan to 92.1 billion yen.
- Operating income for both the Asian Food Global Business and the Agricultural & Seafood Products Trading Business decreased. As a result, total operating income also decreased 16.0% year-on-year and 13.0% against the plan.
- The impact of exchange rates (the yen depreciated against the US dollar by 1.37 yen from the previous fiscal year) when converting to yen for consolidation purposes was plus 0.67 billion yen in terms of net sales and plus 0.02 billion yen in terms of operating income compared to the same period of the previous fiscal year (for North America).

(Unit: billions of yen, Percentage to net sales is stated in parentheses)

		FY ended December 2018 First half results *	FY ending December 2019			
			First half results	Changes year-on-year	Second quarter forecast	Difference between results and plan
Operating results	Net sales	90.2 (100.0%)	92.1 (100.0%)	+2.1%	96.0 (100.0%)	-4.0%
	Gross profit	15.3 (17.0%)	15.8 (17.2%)	+3.1%	16.4 (17.1%)	-3.5%
	Operating income	3.0 (3.4%)	2.5 (2.8%)	-16.0%	2.9 (3.1%)	-13.0%
	Ordinary income	3.0 (3.4%)	2.6 (2.9%)	-13.2%	2.9 (3.1%)	-10.7%
	Net income attributable to owners of parent	2.1 (2.4%)	1.8 (2.0%)	-13.8%	2.1 (2.2%)	-11.7%
Yen/Dollar exchange rate (Average rate during the period)		108.68 yen	110.05 yen	+1.37 yen	110.00 yen	+0.05 yen
Quarterly net income per share		151.75 yen	130.86 yen	-13.8%	148.27 yen	-11.7%

\* Starting from the first quarter of the fiscal year ending December 2019, we changed the method for calculating the net defined benefit liability of our domestic consolidated subsidiaries from the simplified method from the projected benefit obligations (PBO) method and applied the new method retroactively. Hence, the figures stated for the first half of the fiscal year ended December 2018 are those after the retroactive application.

## Asian Food Global Business

- Overall net sales increased 4.9% year-on-year, but decreased 1.9% against the plan [a 4.9% increase year-on-year in North America (a 3.5% increase on a local currency basis) and a 5.2% increase year-on-year on a consolidated yen basis and a 10.0% increase on a weighted-average local currency basis in other regions].
- Operating income decreased 4.7% year-on-year and 3.9% against the plan. In the North American region, despite persistently high personnel and logistics expenses and the recording of strategic expenses, the gross profit margin improve. As a result, operating income remained nearly flat from the previous fiscal year, although it fell short of the plan. Operating income in other regions was largely in line with the plan (which anticipated a year-on-year decrease reflecting increases in purchase/procurement personnel within the Group), although it decreased year-on-year as our U.K. subsidiary struggled. (Foreign exchange fluctuations resulting in the weaker yen caused procurement costs to rise, which pressured profits.)

## Agricultural & Seafood Products Trading Business

- Overall, net sales decreased 3.6% year-on-year and 8.2% against the plan. This was mainly due to the struggling sales of fruits and vegetables in general (citrus fruits, tropical foods, and vegetables) and falls in unit sales prices in the Japanese market. In addition, our Chinese subsidiary continued to be affected by sluggish sales of U.S.-made citrus fruits from the impact of U.S.-China trade tensions.
- Operating income decreased year-on-year and fell short of the plan due to across-the-board sales declines in fruits and vegetables, coupled with rises in costs.

## Sales to external customers

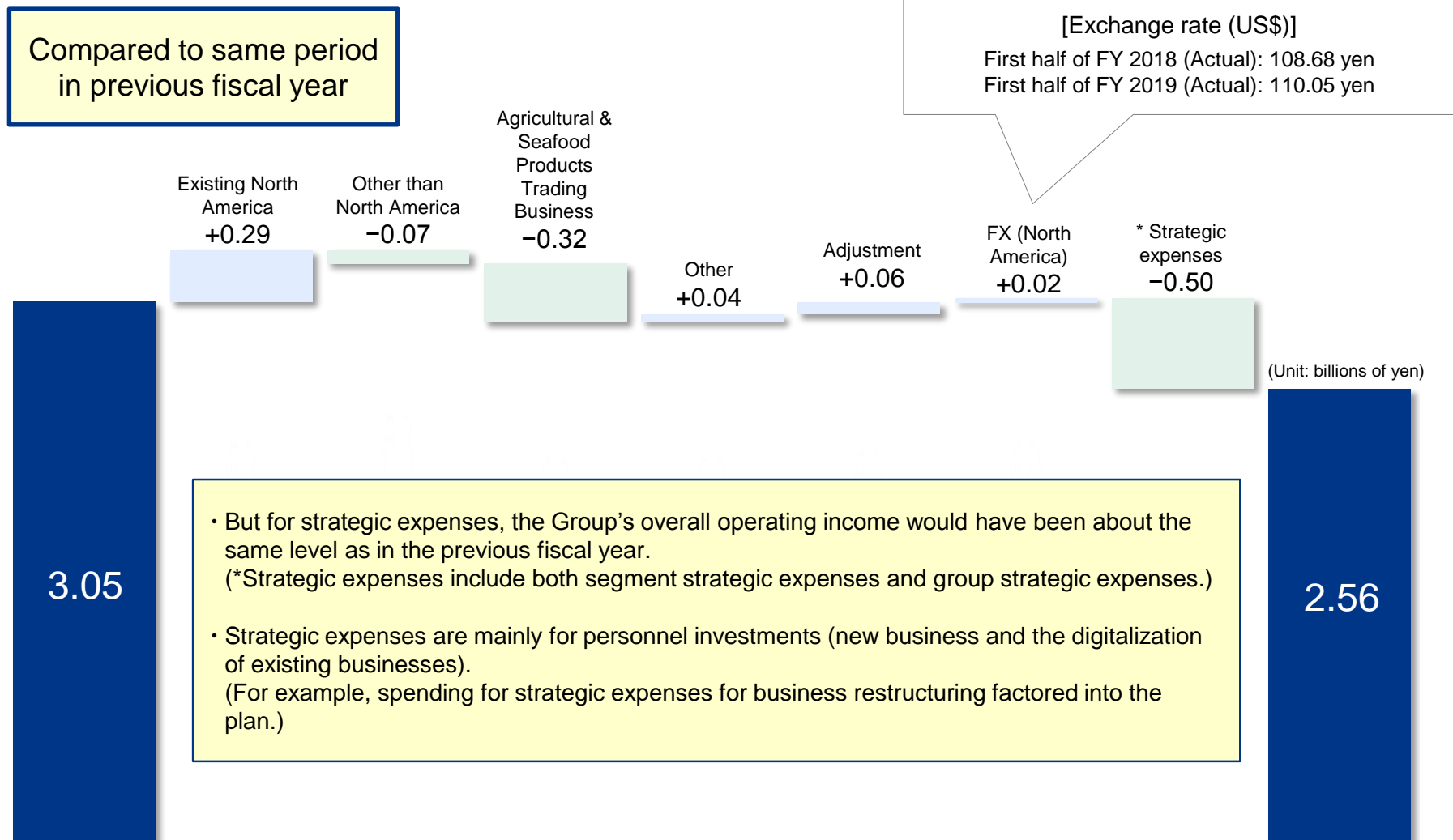
(Unit: billions of yen)

	FY ended December 2018 First half results	FY ending December 2019			
		First half results	Changes year-on-year	Second quarter forecast	Difference between results and plan
Asian Food Global Business	60.56	63.53	+4.9%	64.73	-1.9%
Agricultural & Seafood Products Trading Business	27.83	26.82	-3.6%	29.21	-8.2%
Other business	1.85	1.82	-1.7%	2.07	-12.1%
Total	90.25	92.18	+2.1%	96.02	-4.0%

## Operating income

	FY ended December 2018 First half results*	FY ending December 2019			
		First half results	Changes year-on-year	Second quarter forecast	Difference between results and plan
Asian Food Global Business	2.52	2.40	-4.7%	2.50	-3.9%
Agricultural & Seafood Products Trading Business	0.52	0.19	-62.5%	0.63	-69.1%
Other business	0.01	0.06	+224.9%	0.05	+6.0%
Adjustment & Strategic Expense for Group Measures	-0.01	-0.09	—	-0.25	—
Total	3.05	2.56	-16.0%	2.95	-13.0%

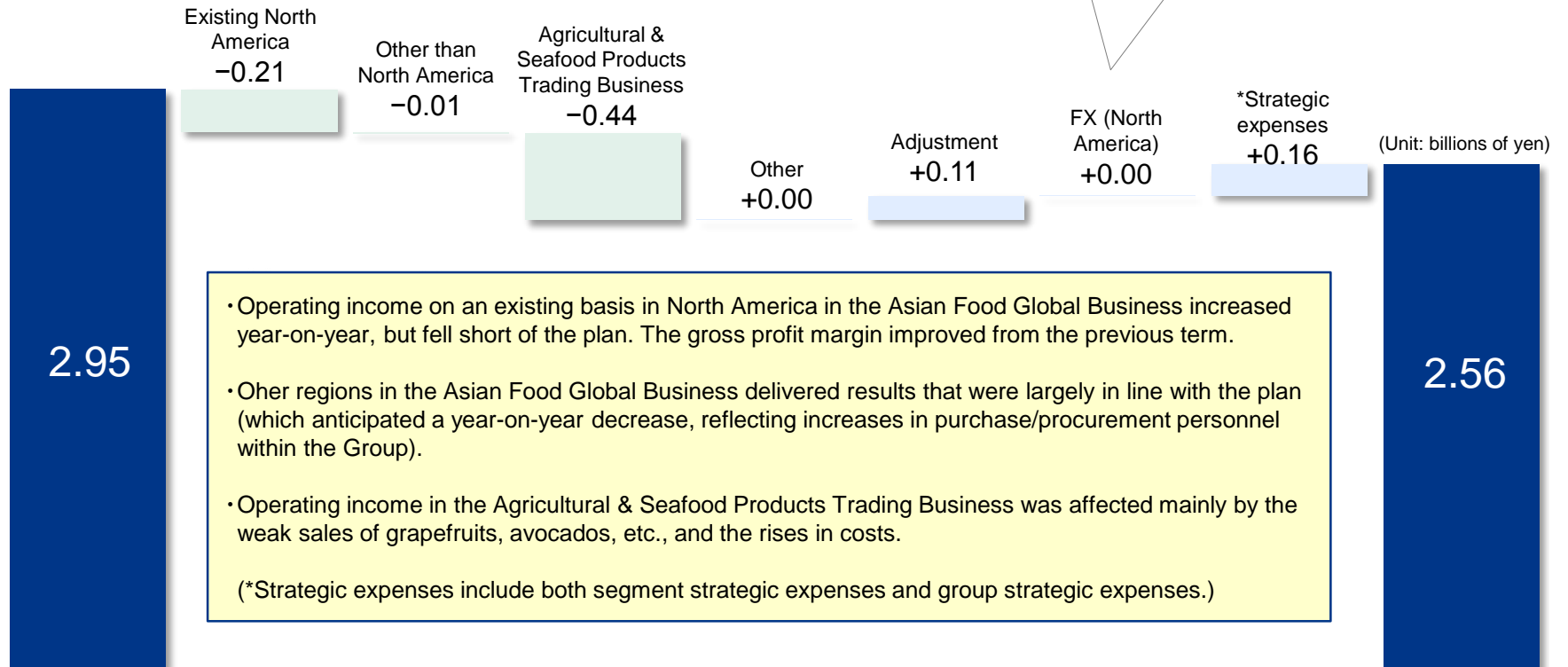
\* Starting from the first quarter of the fiscal year ending December 2019, we changed the method for calculating the net defined benefit liability of our domestic consolidated subsidiaries from the simplified method from the projected benefit obligations (PBO) method and applied the new method retroactively. Hence, the figures stated for the first half of the fiscal year ended December 2018 are those after the retroactive application.



This page shows figures after excluding segment strategic expenses, group strategic expenses, and unrealized profit from each segment for the purpose of clarifying fluctuations in operating income. Hence, the operating income fluctuation amounts in the table above do not match the segment operating income fluctuation amounts as shown in the Consolidated Financial Results report.

Comparison with the plan

[Exchange rate (US\$)]  
 First half of FY 2019 (Plan): 110.00 yen  
 First half of FY 2019 (Actual): 110.05 yen



- Operating income on an existing basis in North America in the Asian Food Global Business increased year-on-year, but fell short of the plan. The gross profit margin improved from the previous term.
- Other regions in the Asian Food Global Business delivered results that were largely in line with the plan (which anticipated a year-on-year decrease, reflecting increases in purchase/procurement personnel within the Group).
- Operating income in the Agricultural & Seafood Products Trading Business was affected mainly by the weak sales of grapefruits, avocados, etc., and the rises in costs.

(\*Strategic expenses include both segment strategic expenses and group strategic expenses.)

Plan for first half of FY ending December 2019

This page shows figures after excluding segment strategic expenses, group strategic expenses, and unrealized profit from each segment for the purpose of clarifying fluctuations in operating income.

Results for first half of FY ending December 2019

# Consolidated Balance Sheet (Summary)



(Unit: billions of yen)

	End of December 2018	End of June 2019	Amount/rate of increase (decrease)	Notes
Current assets	74.9	74.5	-0.3	
Non-current assets	8.7	8.9	+0.1	
<b>Total assets</b>	<b>83.7</b>	<b>83.5</b>	<b>-0.2</b>	
Current liabilities	20.1	19.8	-0.3	
Non-current liabilities	12.0	12.1	+0.0	
<b>Total liabilities</b>	<b>32.1</b>	<b>31.9</b>	<b>-0.2</b>	
<b>Total net assets</b>	<b>51.5</b>	<b>51.5</b>	<b>+0.0</b>	Retained earnings +1.0, translation adjustment -1.0
<b>Total liabilities and net assets</b>	<b>83.7</b>	<b>83.5</b>	<b>-0.2</b>	

Shareholders' equity ratio	61.5%	61.7%	+0.2 pt	
Current ratio	371.4%	375.3%	+3.9 pt	

\* Starting from the first quarter of the fiscal year ending December 2019, we changed the method for calculating the net defined benefit liability of our domestic consolidated subsidiaries from the simplified method from the projected benefit obligations (PBO) method and applied the new method retroactively. Hence, the figures stated as of December 31, 2018 are those after the retroactive application.



# Consolidated Statement of Cash Flows (Summary)



(Unit: billions of yen)

	First half of FY ended December 2018	First half of FY ending December 2019	Changes year-on-year	Notes
Cash flows from operating activities	3.5	1.1	-2.3	Accounts payable-trade decreased, payment of income taxes increased
Cash flows from investing activities	-0.2	-0.7	-0.4	
Cash flows from financing activities	-3.9	-0.8	3.0	Repayments of short-term/long-term loans payable in the 1H
Translation adjustments	-0.5	-0.4	0.0	

Cash and cash equivalents	First half of FY ended December 2018	First half of FY ending December 2019	Changes year-on-year	Notes
Beginning balance	31.2	28.5	-2.7	
Changes during the period	-1.2	-0.8	0.4	Operating CF -2.3, investing CF -0.4, financing CF +3.0
Ending balance	30.0	27.7	-2.3	

### <(Existing) Progress made in efforts to address short-term issues>

Segment	Main issues	Progress status
Asian Food Global/ North America	Profitability improvements to respond to the external environment	<ul style="list-style-type: none"> <li>• In response to rises in logistics-related expenses (including labor costs) and cost increases due to U.S. tariff hikes on Chinese exports, negotiations are underway for price transfers and reduction of purchase prices.</li> <li>• Strict profit management at the individual customer level (continued)</li> </ul>
Asian Food Global/ Other regions	Enhancement of business foundation	<ul style="list-style-type: none"> <li>• The top line has been firm at 105% of the previous fiscal year's results (110% on a weighted-average local currency basis) as at the end of the first half of FY 2019.</li> <li>• Efforts to expand the top line through the development of new customers will continue in the second half and beyond.</li> </ul>
Agricultural & Seafood Products Trading	Broad-based profit improvements Enhancement of business foundation	<ul style="list-style-type: none"> <li>• In domestic sales, efforts will be made to offset the negative performance in 1H by promoting products with the potential to increase demand and realize a higher profit margin.</li> <li>• Efforts will be made to increase profit by further expanding overseas sales network (export of Japanese food, intermediary trade).</li> </ul>

### <(New) Strategic expanses>

Area	Progress status	
Recruitment / new projects	North America: Development of new sales channels	<ul style="list-style-type: none"> <li>• A team in charge of developing new sales channels (such as local channels for commercial customers) has been organized and has started to work.</li> </ul>
	North America: Logistics	<ul style="list-style-type: none"> <li>• For the reconstruction of the logistics function in North America, multiple projects are underway to improve the efficiency of logistics (delivery and warehousing works) by management-level personnel.</li> </ul>
	Contents and platform	<ul style="list-style-type: none"> <li>• Have already hired experts in the development of global supply chain solution contents.</li> <li>• Will continue to work on product contents improvement and the recruitment of experts specializing in each product area.</li> <li>• Will also continue efforts to recruit human resources for the development of a platform management structure in Europe and Asia.</li> </ul>
Other	Systems Relocation of the headquarters	<ul style="list-style-type: none"> <li>• Systems: New systems for international trade administration and product standard management have started operations. Business processes will be streamlined as operation procedures will be revised.</li> <li>• Headquarters relocation: Scheduled for September as initially planned.</li> </ul>

---

# Forecasts of Operating Results for the Fiscal Year Ending December 2019

---

Consolidated financial results forecast for the fiscal year ending December, 2019 were unchanged from results released on February 14, 2019



- Net sales will increase 5.9% against the previous fiscal year. Asian Food Global Business will grow by 5.9%, and Agricultural & Seafood Products Trading Business will grow by 5.6%. The outlook for continued stable growth in net sales and gross profit remains unchanged.
- Operating profit will decline by 10.5% against the previous fiscal year. We are anticipating an increase in costs for the group overall from measures to prepare for changes in the external environment in the future.
- We are anticipating decreases in net income attributable to parent company shareholders by 6.2%, amounting to 4.3-billion yen.

(Unit: billions of yen, Percentage to net sales is stated in parentheses)

		FY ended December 2018	FY ending December 2019			
		Full-year results*1	First-half forecast	Changes year-on-year	Full-year forecast	Changes year-on-year
Operating results	Net sales	182.2 (100.0%)	96.0 (100.0%)	+6.4%	193.0 (100.0%)	+5.9%
	Gross profit	31.8 (17.5%)	16.4 (17.1%)	+6.9%	33.6 (17.4%)	+5.7%
	Operating income	6.7 (3.7%)	2.9 (3.1%)	-3.3%	6.0 (3.1%)	-10.5%
	Ordinary income	6.5 (3.6%)	2.9 (3.1%)	-2.8%	6.0 (3.1%)	-7.9%
	Net income attributable to owners of parent	4.6 (2.5%)	2.1 (2.2%)	-2.3%	4.3 (2.2%)	-6.2%
Group KPI	Percentage of North America (Net sales)	58.5%	—	—	57.9%	-0.6 pt
	Percentage of North America (Operating income)	66.5%	—	—	76.8%	+10.3 pt
	ROWC *2	20.5%	—	—	17.4%	-3.0 pt
Yen/Dollar exchange rate (Average rate during the period)		110.43 yen	110.00 yen	+1.32 yen	110.00 yen	-0.43 yen
Net income per share		322.18 yen	148.27 yen	-2.3%	302.20 yen	-6.2%

\*1) Starting from the first quarter of the fiscal year ending December 2019, we changed the method for calculating the net defined benefit liability of our domestic consolidated subsidiaries from the simplified method from the projected benefit obligations (PBO) method and applied the new method retroactively. Hence, the figures stated for the first quarter of the fiscal year ended December 2018 are those after the retroactive application.

\* 2) Operating income / ((Working capital at the end of the previous fiscal year + Working capital at the end of the current fiscal year) / 2)

#### Asian Food Global Business

- The Company will maintain stable growth (acquisition of new customers and expansion of sales from existing customers) in existing markets, centered around the North American region with a focus on Japanese food, and engage in initiatives to further expand its business base in regions outside of North America.
- In the North American region, the Company will also strive to develop new sales channels (corporate accounts, etc.) for non-Japanese foods.

#### Agricultural & Seafood Products Trading Business

- The Company will protect net income by maintaining its business in the domestic wholesale market, while aggressively engaging in initiatives to expand sales channels to volume sales, home meal replacements and eating-out, food manufacturers and overseas accounts.

#### Strategic Expenses associated with Group measures

- The Company anticipates an expenditure of 0.95-billion yen for costs associated with measures for the group overall.

### Sales to external customers

(Unit: billions of yen)

	FY ended December 2018 Full-year results	FY ending December 2019			
		First-half forecast	Changes year-on-year	Full-year forecast	Changes year-on-year
Asia Food Global Business	125.11	64.73	+6.9%	132.49	+5.9%
Agricultural & Seafood Products Trading Business	52.88	29.21	+5.0%	55.82	+5.6%
Other business	4.22	2.07	+11.9%	4.68	+11.0%
<b>Total</b>	<b>182.22</b>	<b>96.02</b>	<b>+6.4%</b>	<b>193.00</b>	<b>+5.9%</b>

### Operating income

	FY ended December 2018 Full-year results*	FY ending December 2019			
		First-half forecast	Changes year-on-year	Full-year forecast	Changes year-on-year
Asia Food Global Business	5.40	2.50	-0.8%	5.61	+3.9%
Agricultural & Seafood Products Trading Business	1.03	0.63	+21.1%	1.07	+4.3%
Other business	0.25	0.05	+206.5%	0.25	-1.3%
Strategic Expense for Group Measures, etc.	—	-0.25	—	-0.95	—
<b>Total</b>	<b>6.70</b>	<b>2.95</b>	<b>-3.3%</b>	<b>6.00</b>	<b>-10.5%</b>

\* Starting from the first quarter of the fiscal year ending December 2019, we changed the method for calculating the net defined benefit liability of our domestic consolidated subsidiaries from the simplified method from the projected benefit obligations (PBO) method and applied the new method retroactively. Hence, the figures stated for the first quarter of the fiscal year ended December 2018 are those after the retroactive application.

**The external  
environment is  
changing drastically**

Increasing personnel and distribution costs, climate change and the exploding population, volatile foodstuff costs, the tightening of food related regulations, changing consumer behavior, such as online purchasing, diversification and localization of Japanese cuisine, logistics innovation and expanding IoT...

**With these in mind, the Company will maintain growth in its existing businesses during the 2019 business year while proceeding to implement measures for the future**



## Major Expenditure for Future Growth

Investment in the North American region (recruitment)

- Experts in optimizing and strengthening distribution infrastructure, and human resources for developing new sales channels (corporate accounts, etc.) (Inclusive of funds required to develop new sales channels)

Investments outside the North American region (recruitment)

- Human resources for the formation of area management organization in the European, Asian and Chinese regions.

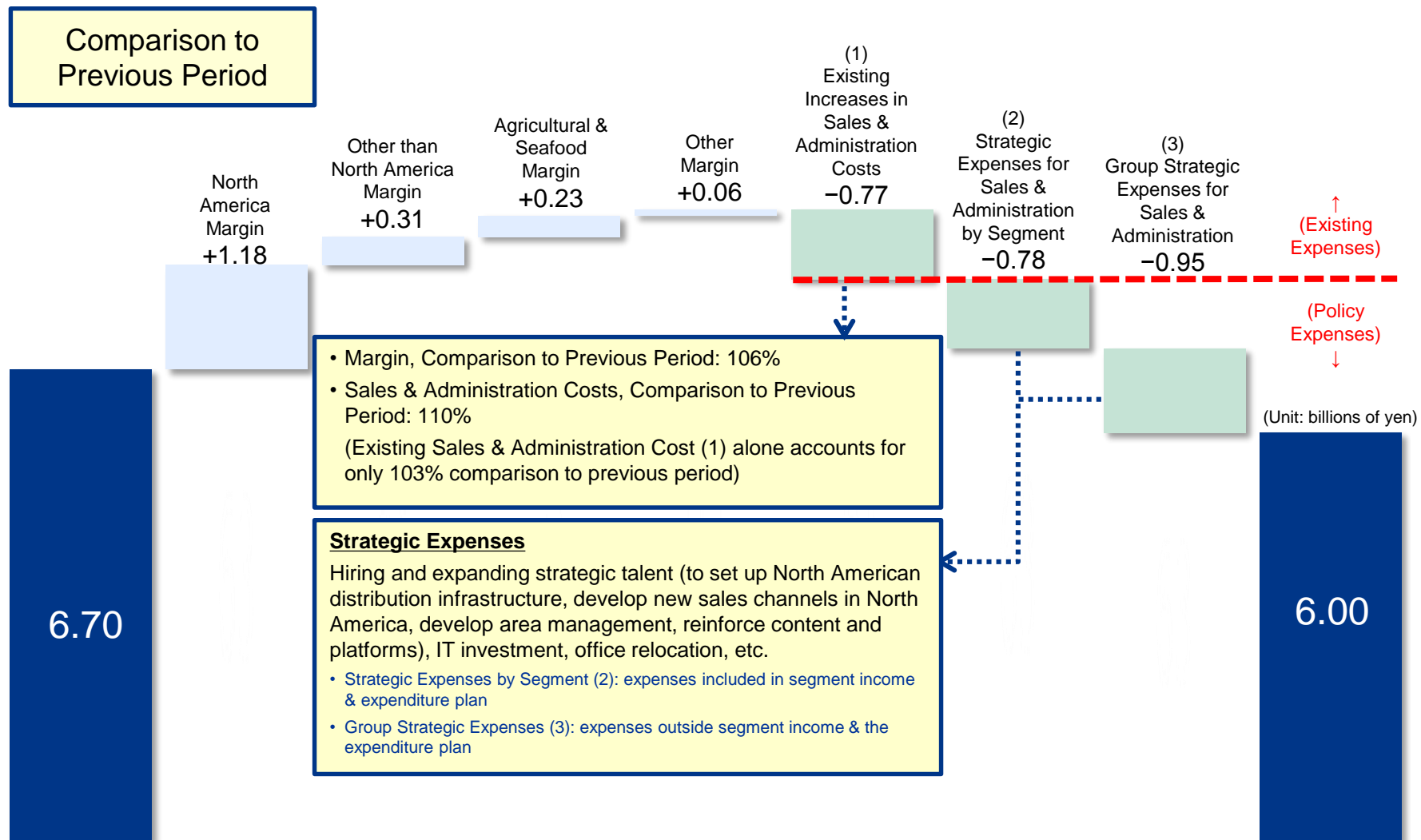
Investments in product content and platforms (recruitment and IT investment, etc.)

- Experts in food products and foodstuffs to enhance product content, experts in food technology.
- Recruitment and investment to develop and strengthen platforms (the distribution and system infrastructure of the entire group)

Relocation of the Tokyo office

- Relocation of the Tokyo office is planned for the second-half of 2019. Consolidating the office space currently spread out over 4 floors into a single floor should promote active communication; the integration of our workers, organization and products; and increased operational efficiency.

(The current lease of the Nihonbashi office is due to expire by November 2019.)



\* Starting from the first quarter of the fiscal year ending December 2019, we changed the method for calculating the net defined benefit liability of our domestic consolidated subsidiaries from the simplified method from the projected benefit obligations (PBO) method and applied the new method retroactively. Hence, the figures stated for the first quarter of the fiscal year ended December 2018 are those after the retroactive application.

---

# Medium-term Business Plan

(through FY ending December 2021)

---





Vision:

**A global solution company that resolves various global food industry issues to create and provide new value**

Nishimoto Wismettac imports and sells foods composed mainly of fruits and vegetables from all regions of the world. When Asian foods developed into widespread global foods, our company catered to customer demand for them along with meeting the various needs and requirements of customers in countries throughout the world.

We have evolved from a food trading company into an enterprise also equipped with functions that include growing fruits and vegetables along with planning, development, logistics, sales and risk management of foods. Currently, we are in the process of building an internal framework that can provide customers with external solutions including the newest technologies in a variety of domains.

Nishimoto Wismettac will continue to evolve and grow as a new eco-platform company that will resolve customers' needs and issues by using its own and its partners' latest solutions.

## Business plan for FY 2021

- After securing stable profit in existing businesses even as we face major changes in the external environment,
- Aim to establish an overwhelming business strength in multiple niche markets through our business portfolio (the combination of Contents and Platform), to create an organization that can continually reproduce it, and thereby to establish a foundation that will assure the sustainable growth of the Group.
- Boldly carry out investments and expenditure (mainly in human resources and systems) to expand the functions of Contents, international trade administration, and Platform on a global basis.

## Numerical targets for FY 2021

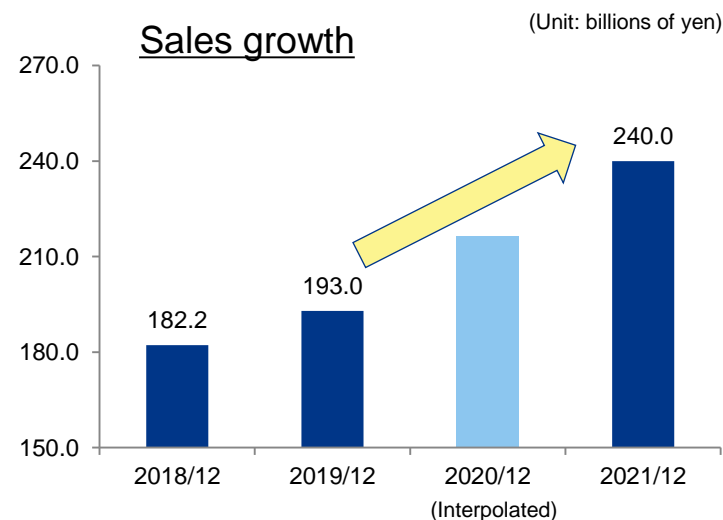
### ➤ FY 2021

Consolidated net sales **240.0** billion yen

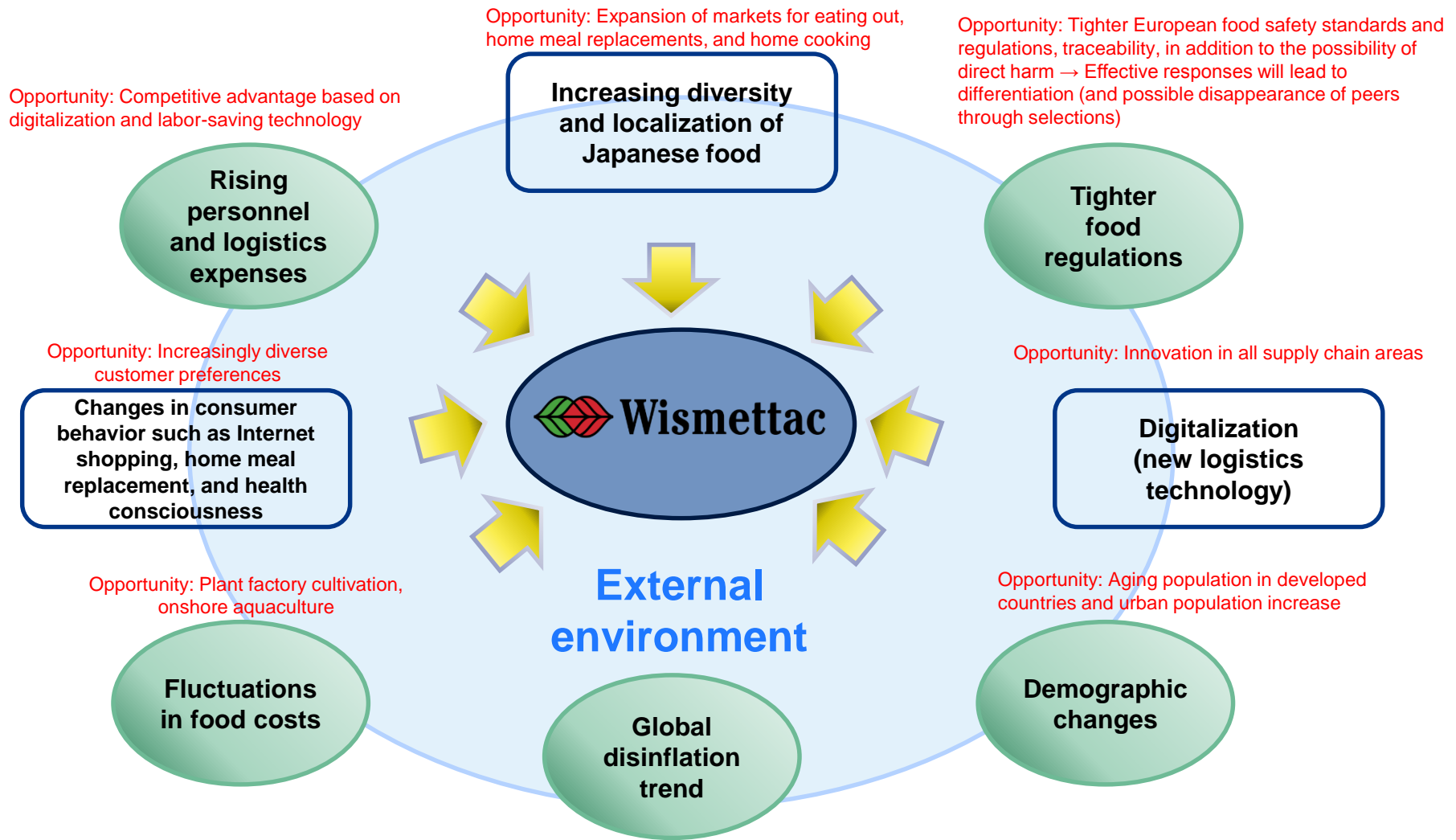
Consolidated operating income **8.0** billion yen

Consolidated operating income after subtracting human resources expenditure **6.5** billion yen

\* Based on an estimated exchange rate of 110 yen/USD



**The external environment surrounding Wismettac is undergoing changes of an unprecedented scale**



→ **For Wismettac as a global solutions company, all changes represent business opportunities.**

**Strengths in the Asian Food Global Business**

**Stable profit in the Asian Food Global Business**

Source of profit

**Strong presence and high market share of the Asian food Global Business in North America**

Factors that support the high market share

**<Sales function>**  
Sales reps visit customers directly

**<In-house delivery function>**  
Has in-house delivery function for delivery to individual restaurants

**<Product development function>**  
Strength in products (particularly private brand products) and procurement

**<Operating bases covering entire North America>**  
Expanded the network of operating bases as the Japanese food market expanded

**<Competitive environment>**  
Relatively few competitors as we focus on a niche market

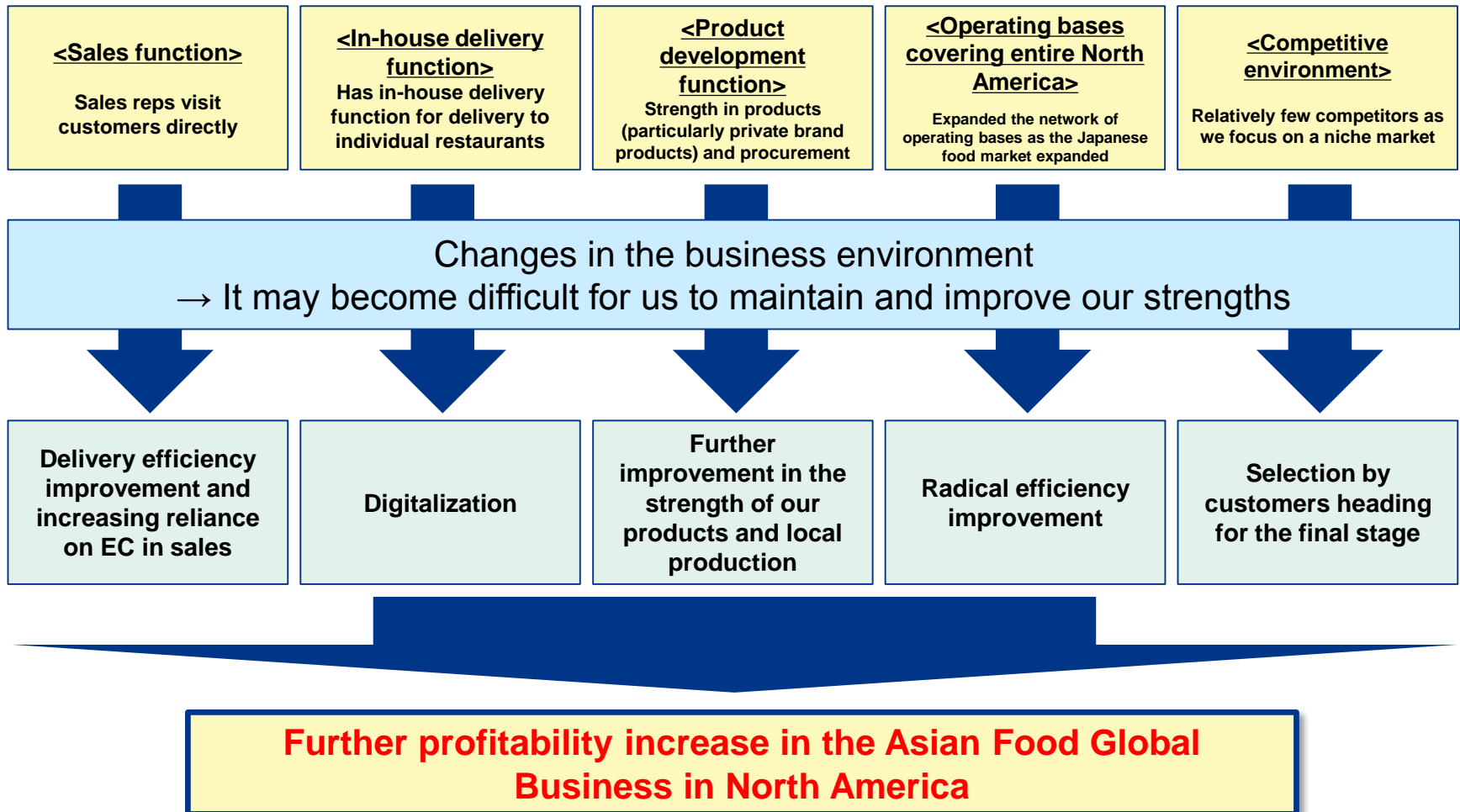
**Food safety/legal compliance**

Sources of the strengths in the Asian Food Global Business: Five factors + FS

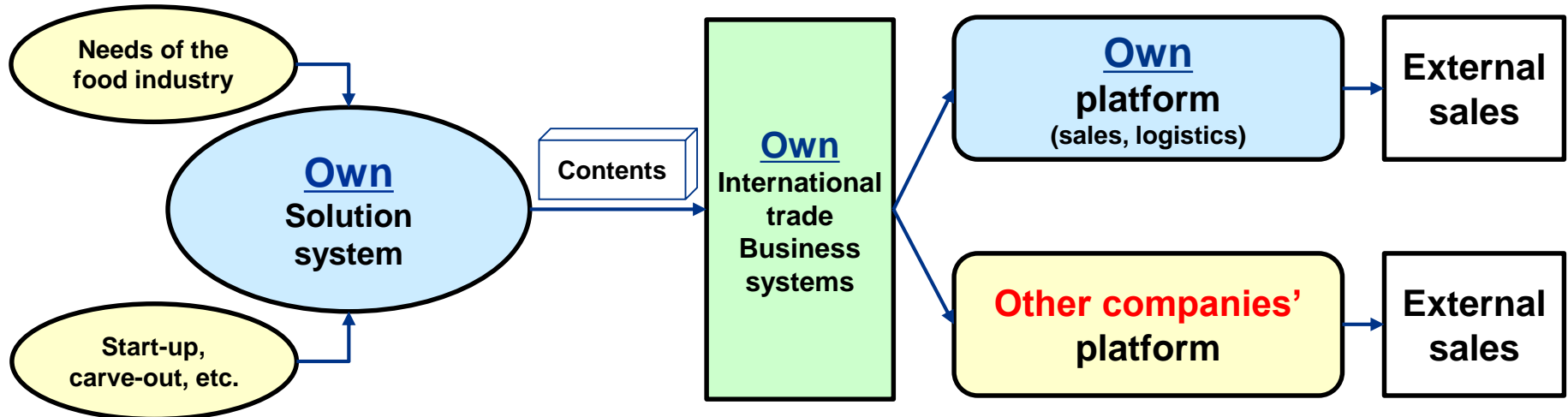
**We need to proactively change this business model amid major changes in the external environment**

## Outlook of the Asian Food Global Business in North America

**A sense of urgency that if we do not carry out a reform now, we may be headed for a decline**  
**→ We can step up to a new growth stage by getting the reform on track**



<Basic form>



**Business operations (adoption of SOPs, digitalization)**

**Sales, logistics, and administration platforms developed/improved on a global and regional basis**

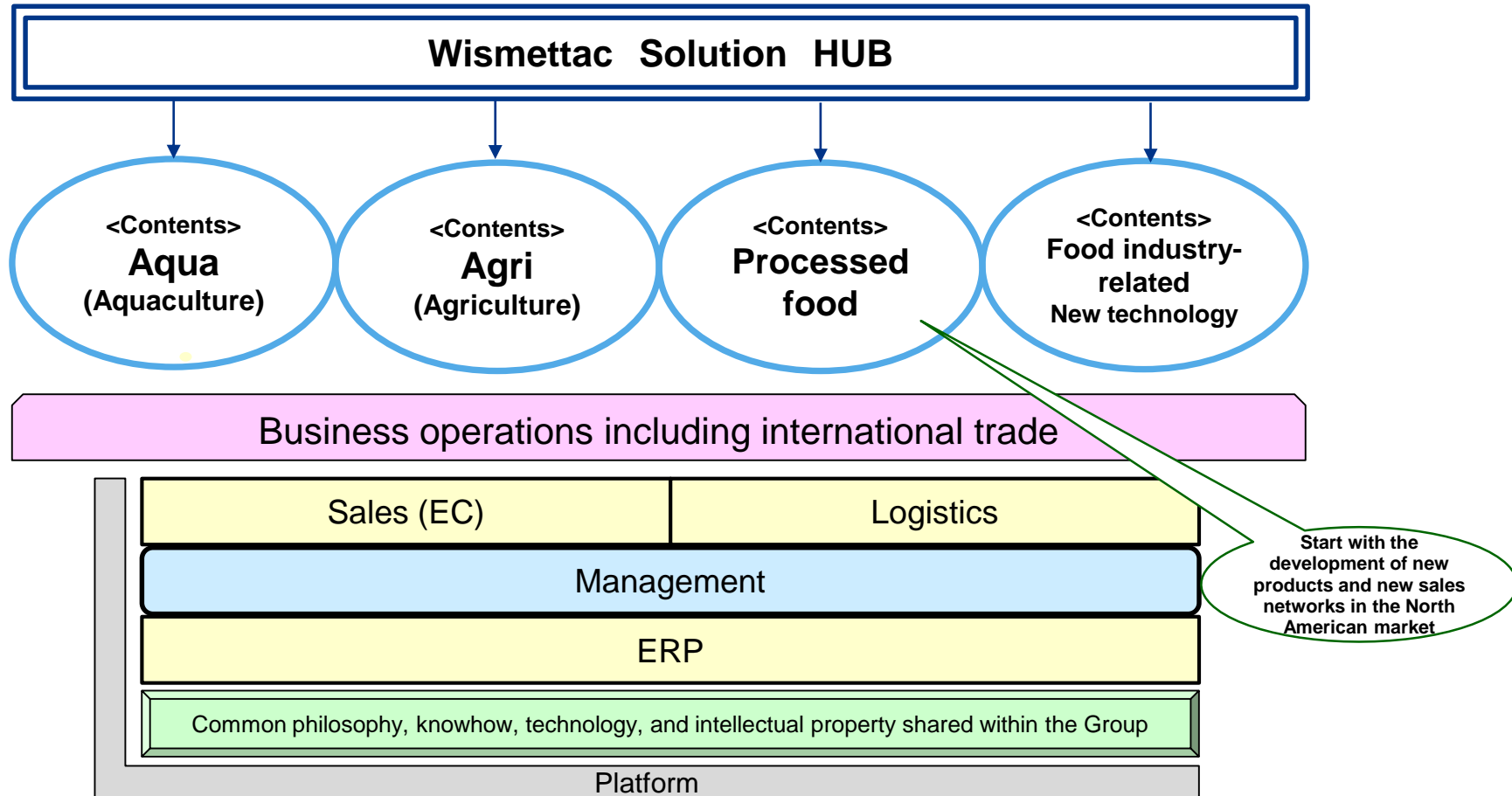
- Solution system:** In-house function to solve the needs of the food industry using new technologies, business models, and intellectual property
- Platform:** Provide sales, service, logistics, and administration functions in five major regions in the world
- International trade:** Provide cross-border administration functions in general (trade, ship chartering, insurance, regulations, etc.)
- Business operations:** Promote digitalization and rationalization of the entire supply chain, functions, and intragroup transactions

**Global human resources are the key for strengthening the functions of each organizational entity**

## Contents development scheme

Global human resources are the key for strengthening the functions of each organizational entity

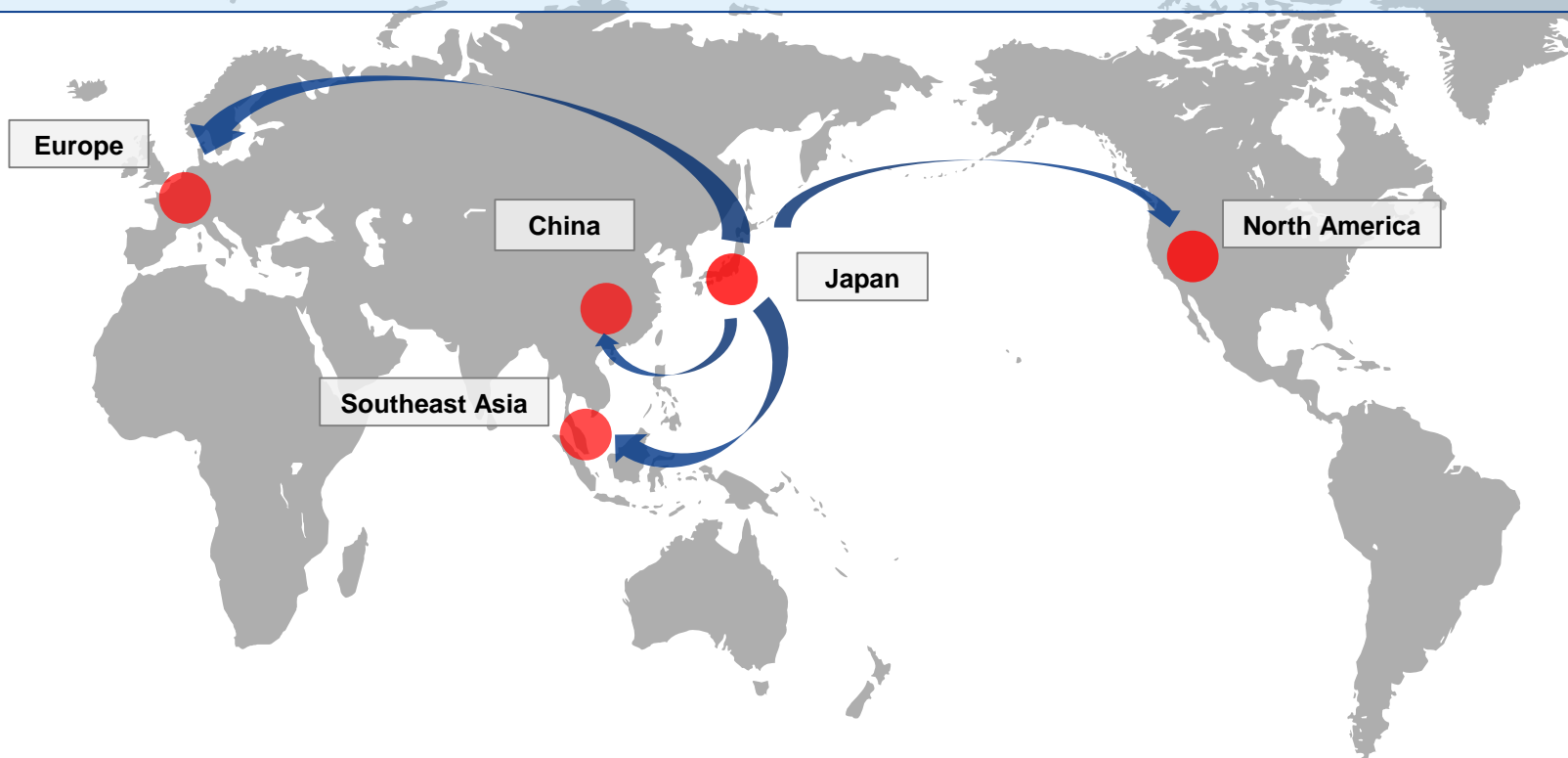
- ◆ Strengthen contents for the deeper exploitation of existing markets and the development of new markets to develop multiple business portfolios on an ongoing basis → Aim to achieve a quasi-monopoly in niche markets



## Platform development scheme

Global human resources are the key for strengthening the functions of each organizational entity

- ◆ Build a platform for each of the five geographic regions to ensure a more intimate approach to local markets and speedy management.
- ◆ Deploy high value-added contents both on a global and regional basis using our ability to ascertain customer needs based on our close relationships with them, ultimately to develop them into a business portfolio.
- ◆ Construct a more advanced commercial flow and logistics by, for example, achieving an efficient global/regional combination based on digitalization and accumulation of knowledge.



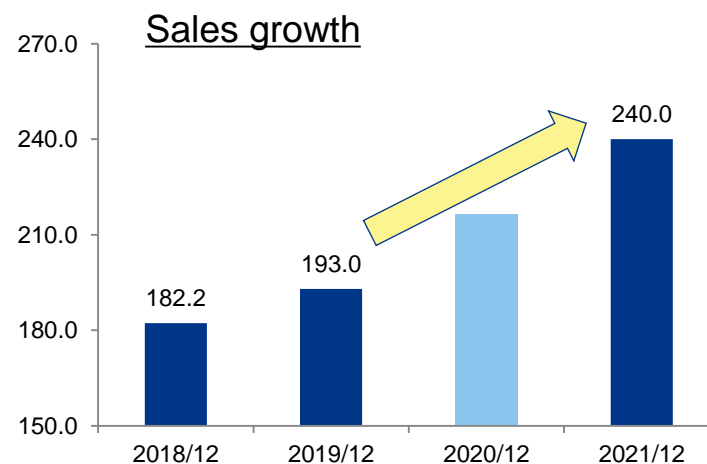


# Numerical targets for FY 2021

- Consolidated net sales **240.0** billion yen
- Consolidated operating income **8.0** billion yen
- Consolidated operating income after subtracting human resources expenditure **6.5** billion yen

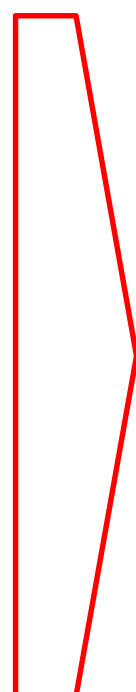
Figures shown above include the following forecasts for new businesses in North America as per FY 2021 plan

Net sales	4.3 billion yen
Operating income	0.2 billion yen



# Sales plan by location of group companies for FY 2021

(Unit: billions of yen)

	FY ended December 2018		FY ending December 2019			FY ending December 2021		
	Full-year results	Percentage of total	Full-year forecast	Percentage of total		Full-year plan	Percentage of total	
North America	106.6	58.5%	111.8	57.9%		124.3	51.8%	
Europe	6.2	3.4%	6.9	3.6%		*	28.6	11.9%
Asia/Australia	9.7	5.3%	10.5	5.5%		14.6	6.1%	
Japan	59.6	32.7%	63.7	33.0%		72.4	30.2%	
Total	182.2	100%	193.0	100%		240.0	100%	

\* Sales in Europe for FY 2021 reflect the planned change in the consolidation scope of subsidiaries accounted for under the equity method scheduled to be completed by the end of FY 2020.

We will actively hire experts and management-level human resources to expand the existing businesses and drastically reform our business model.

## “Human resources expenditure”

・・・Human resources expenditure that is not accounted for as segment expenses. It is recognized as a group overhead expense and then allocated to each segment based on actual job responsibilities.

Estimated amount of expense: Approximately 2,500 million yen for FY 2020–2021

## (Expected areas of human resources expenditure)

Category	Job category and responsibility
Platform	A staff team in charge of the digitalization of the platform and increases in expertise
Contents	The global head and the development team in charge of product and solution development
Group overhead	Construction of a management structure and revision of the compensation system from the global company perspective

---

# Policy of Returning Profits to Shareholders

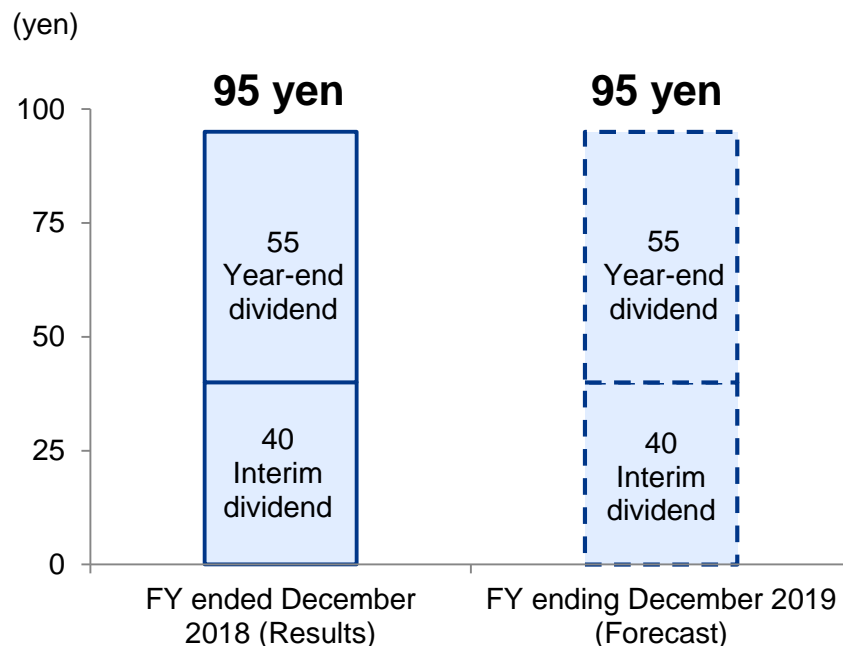
---



## Policy

- ◆ The Company's basic policy for returning profits to shareholders is to continue providing stable dividends while striving to maintain retained earnings to develop its businesses in the future and to improve its financial strength.
- ◆ The Company plans to pay dividends twice a year (interim and year-end).
  - The annual dividend forecast for the fiscal year ending December 2019 is 95 yen (forecasts of a 40 yen interim dividend and a 55 yen year-end dividend).

### Dividend per share



---

# Corporate Profile

---



◆ **Two spheres symbolizing the Earth and Globalism**

- Red is used to show innovation, green represents nature
- Expresses the Company's "lasting commitment to creating healthier and richer lives through food"

◆ **Incorporates the letters "W" "M" and "C" from the Company name**

<Wisdom> (Western knowledge)

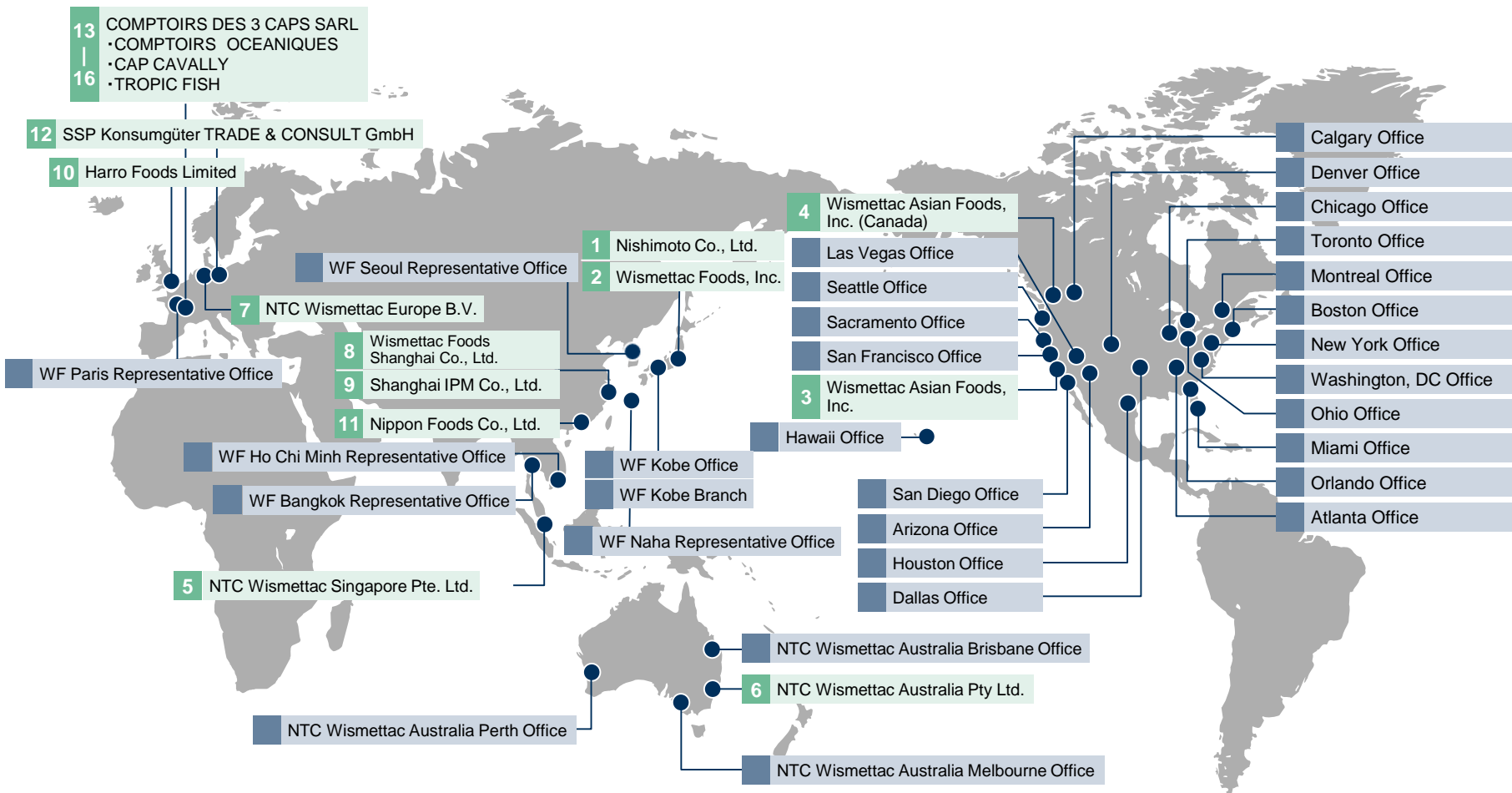
<Metta> (Eastern knowledge)  
(Metta means kindness or empathy in Pali, an ancient Indian language)

<Creativity> (Ability to create value)

Founded in 1912, Nishimoto Wismettac has grown into a global company supplying food ingredients and food products to markets worldwide

Company name	Nishimoto Co., Ltd.
Head Office	Onward Park Building, 3-10-5 Nihonbashi, Chuo-ku, Tokyo
Established	May 1912
Representative directors	Yoshiro Susaki, Chairman & CEO, Takayuki Kanai, President & COO
Number of Employees	1,676 (including 1,404 in the Asian Food Global Business) [As of December 31st, 2018.]
Business	<ul style="list-style-type: none"> <li>◆ Development and sales of Asian food worldwide</li> <li>◆ Imports and sales of fruit, vegetables and related processed products, and supply of food ingredients to food manufacturers and the restaurant sector</li> </ul>
Subsidiaries and Affiliates	10 subsidiaries, 5 affiliates
Business Sites	47 worldwide (including 23 in North America) Locations in Japan, the U.S., Canada, Singapore, Australia, Netherlands, U.K., Germany, France, China, Hong Kong, Thailand, Vietnam and South Korea
Consolidated net sales	182.2 billion yen (FY ended December 2018) * Overseas sales ratio 67.3%
Ordinary income	6.5 billion yen (FY ended December 2018)
Shareholders' equity ratio	61.5% (FY ended December 2018)

- ◆ Developing businesses worldwide with 47 global locations
- ◆ 23 locations in the North American region (the U.S. and Canada)



"WF" shown in the figure is an abbreviation for "Wismettac Foods"



- ◆ Distribution of Asian food ingredients and food products with a focus on Japanese food around the world, centered on North America. Successful implementation of its own integrated operations from product development and planning through to sales and distribution.

← Compliance with related laws and regulations →

Product development and planning

Purchasing and Procurement

Customs Clearance

Storage

Sales

Sorting and delivery



Developing new private brand products and expanding the private brand range

“Shirakiku” accounts for about 40% in terms of sales (North American business performance, 2018)

Wide range of sourced products and diverse supplier base (about 8,000 items)

Logistics capabilities and systems



Marketing network and North American business locations

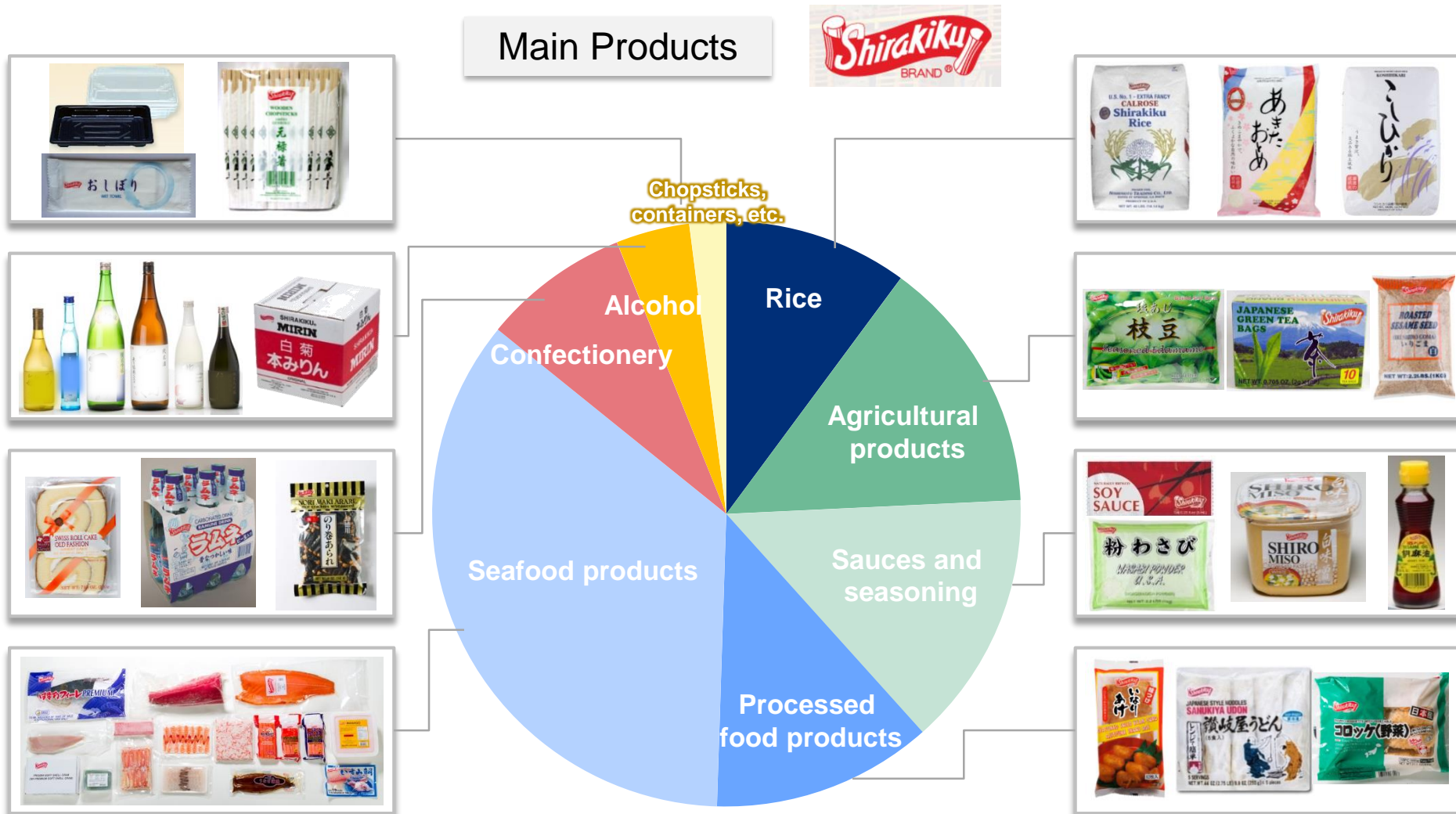
(23 locations in North America)  
(37 locations globally)



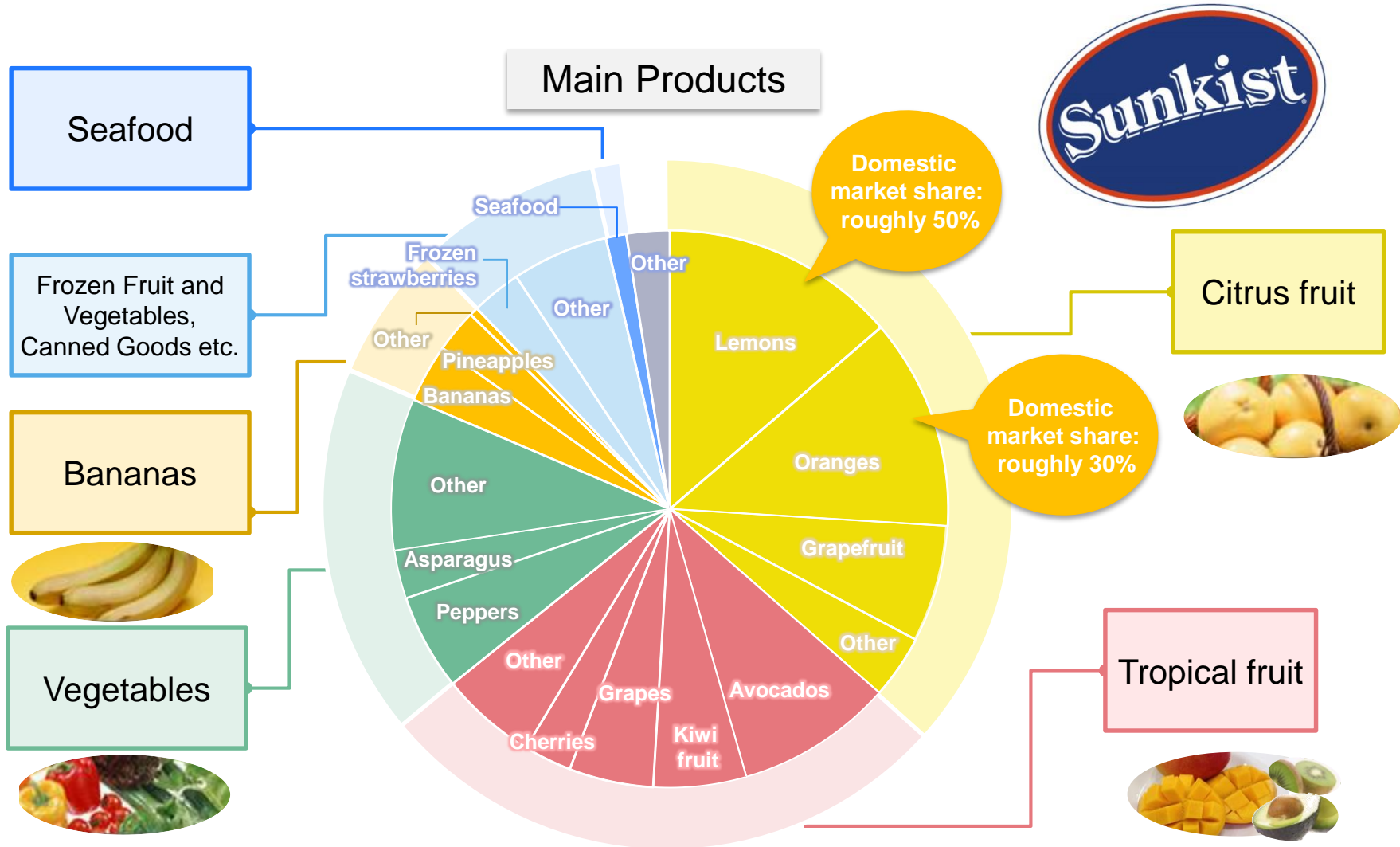
- ◆ Select the best producing region throughout the world
- ◆ Working with producers to develop products tailored to customer needs
- ◆ Implementing production and quality control systems that comply with local regulations

Developing products in line with customer needs

We import and procure Asian food products and ingredients, with a focus on Japanese food, including from the U.S., Japan, China and South East Asia, and distribute approximately 8,000 items on a global basis, principally in North America.



- ◆ Imports and sales, with a focus on fresh fruits and vegetables in the Japanese market.
- ◆ As the sole import agent of Sunkist Growers Inc., in Japan, we maintain high market share of imported citrus. In particular, our market share\* of lemon is about 50% and of orange is about 30%.



\* In-house company calculation based on Ministry of Finance trade statistics

## Disclaimer

These materials are intended to provide financial information, management information, etc., of Nishimoto Co., Ltd. and its affiliated companies (hereinafter collectively referred to as “the Company”), but the Company makes no representation or warranty regarding the content of these materials.

The plans, strategies, operating results forecasts, etc., of the Company in these materials may include information on forward-looking statements, which are based on information currently available to the Company, and include risks and uncertain elements in relation to economic trends, competition in the industry, market demand, foreign exchange rates, taxation system, various systems, etc. Therefore, actual operating results that will be published in the future may differ due to these elements, and the Company does not assume any liability for any damage arising from the use of information in these materials. Furthermore, the Company is under no obligation to revise and publish future forecasts in these materials based on new information or future events.

The Company pays close attention when preparing these materials; however, if there are any errors in the information presented, falsification of data by a third party, or any failure arising from download of data, etc., the Company does not assume any liability for any damage caused by such actions for any reason whatsoever. We appreciate your understanding regarding this matter.

The information in these materials is not intended to solicit investments. When any investment is actually made, please refrain from completely relying on the information in these materials to make an investment decision, and make the decision based on your own judgment.

[Contact]

Nishimoto Co., Ltd.  
Corporate Planning Dept.  
TEL: 03-6870-2015

