

Making people's lives around the world richer through food



Nishimoto Co., Ltd.

Fiscal Year Ended December 2017 – Financial Results Supplementary Materials



February 14, 2018

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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)

Global food distribution company group contributing to the development of “Food” worldwide

The Nishimoto Wismettac Group’s dream is to make a difference to the lives of people around the world through food.

For more than a century since the inception of our business, our goal has been to increase satisfaction for even more customers, making our dream come true through closer cooperation with Group companies worldwide.

Tasty food brings happiness to people worldwide – the Nishimoto Wismettac Group is moving forward with this in mind.

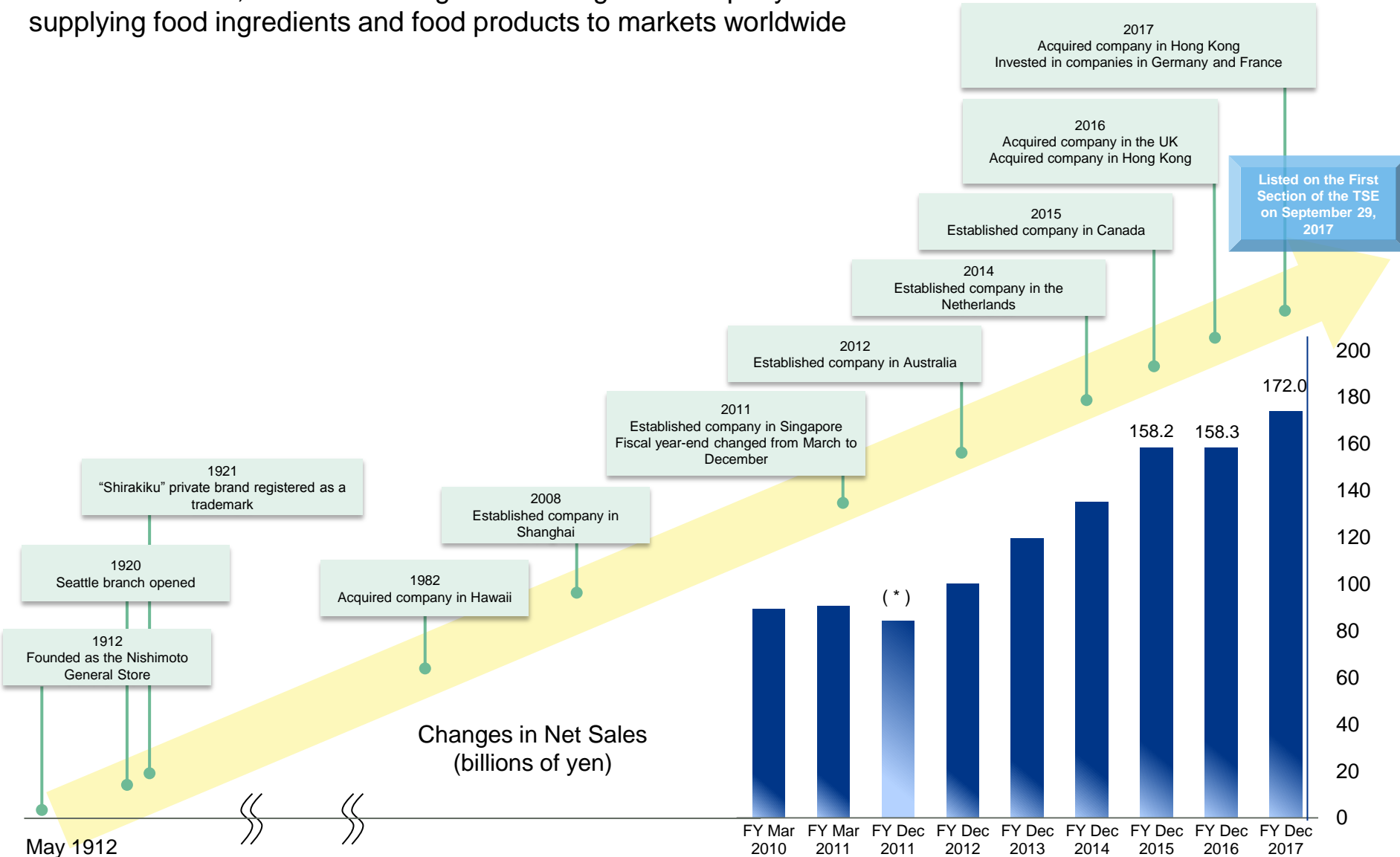
Founded in 1912, Nishimoto Wismettac has grown into a global company supplying food ingredients and food products to markets worldwide

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	1,638 (as of December 31, 2017) (including 1,372 in the Asian Food Global Business)
Business	<ul style="list-style-type: none"> ◆ Development and sale of Asian food worldwide ◆ Importation and sale of fruit, vegetables and related processed products, and supply of food ingredients to food manufacturers and the restaurant sector
Subsidiaries and Affiliates	11 subsidiaries, five affiliates
Business Sites	46 worldwide (including 23 in North America) Locations in Japan, the US, Canada, Singapore, Australia, Netherlands, UK, Germany, France, China, Hong Kong and Thailand
Consolidated net sales	172.0 billion yen (FY ended December 2017) *Overseas sales ratio 67.3%
Ordinary income	5.9 billion yen (FY ended December 2017)
Shareholders' equity ratio	59.0% (FY ended December 2017)

Nishimoto Wismettac: Corporate History

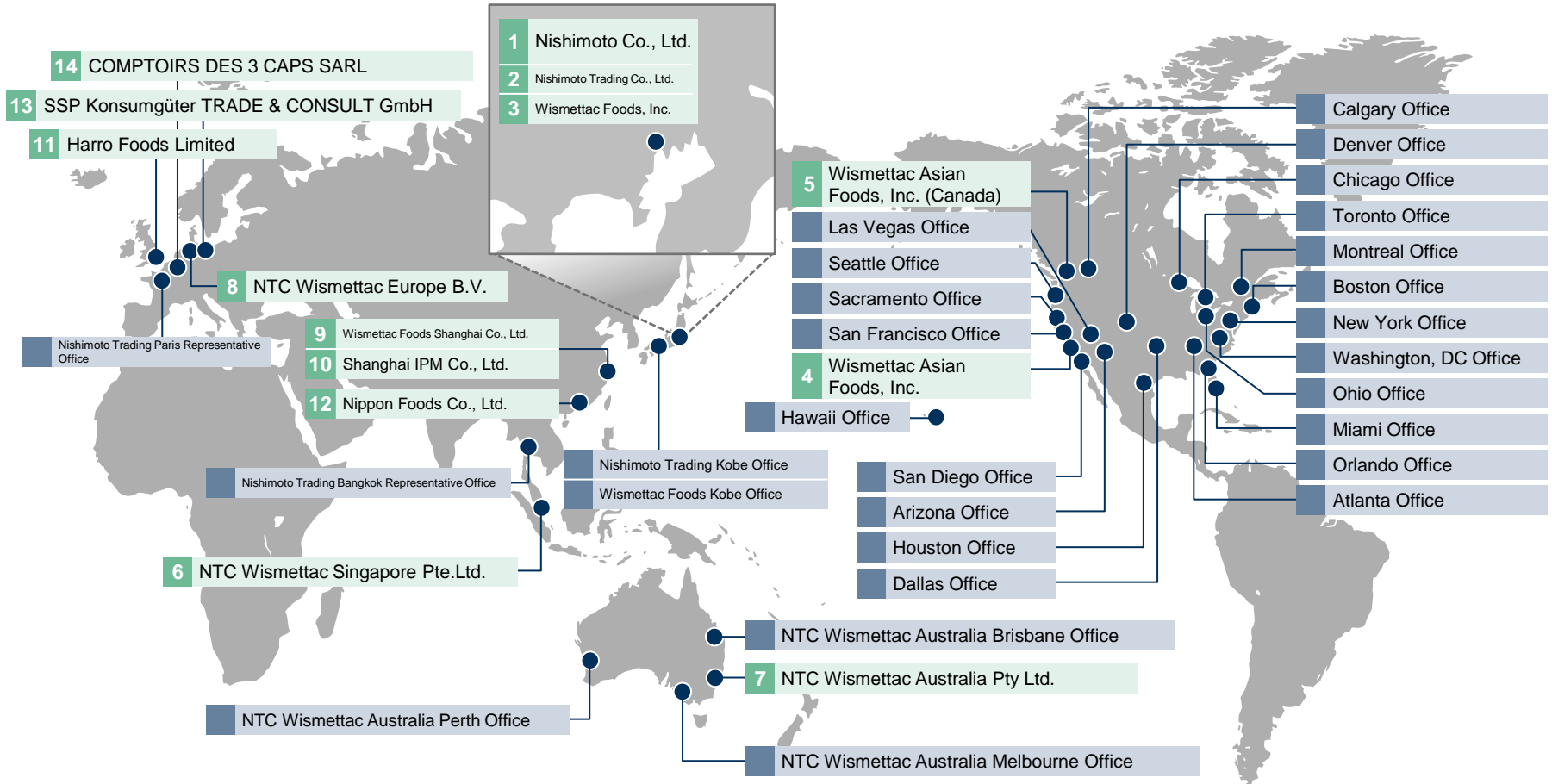


Founded in 1912, Nishimoto has grown into a global company supplying food ingredients and food products to markets worldwide



*FY Dec 2011 was a nine-month transitional period due to a change in fiscal year-end.

- ◆ Developing businesses worldwide with 46 global locations
- ◆ 23 locations in the North American region (the U.S. and Canada)



- ◆ Distribution of Asian food products with a focus on Japanese food around the world centering on North American. Successful implementation of its own integrated operations from product development and planning to sales.

← **Compliance with related laws and regulations** →

Product development and planning

Purchasing

Customs Clearance

Storage and sorting

Delivery

Sales

Developing new private brand products and expanding the private brand range



「Shirakiku」 accounts for about 40% in terms of sales

Wide range of sourced products and diverse supplier base (about 8,300 items)

Logistics capabilities and systems



Marketing network and North American business locations

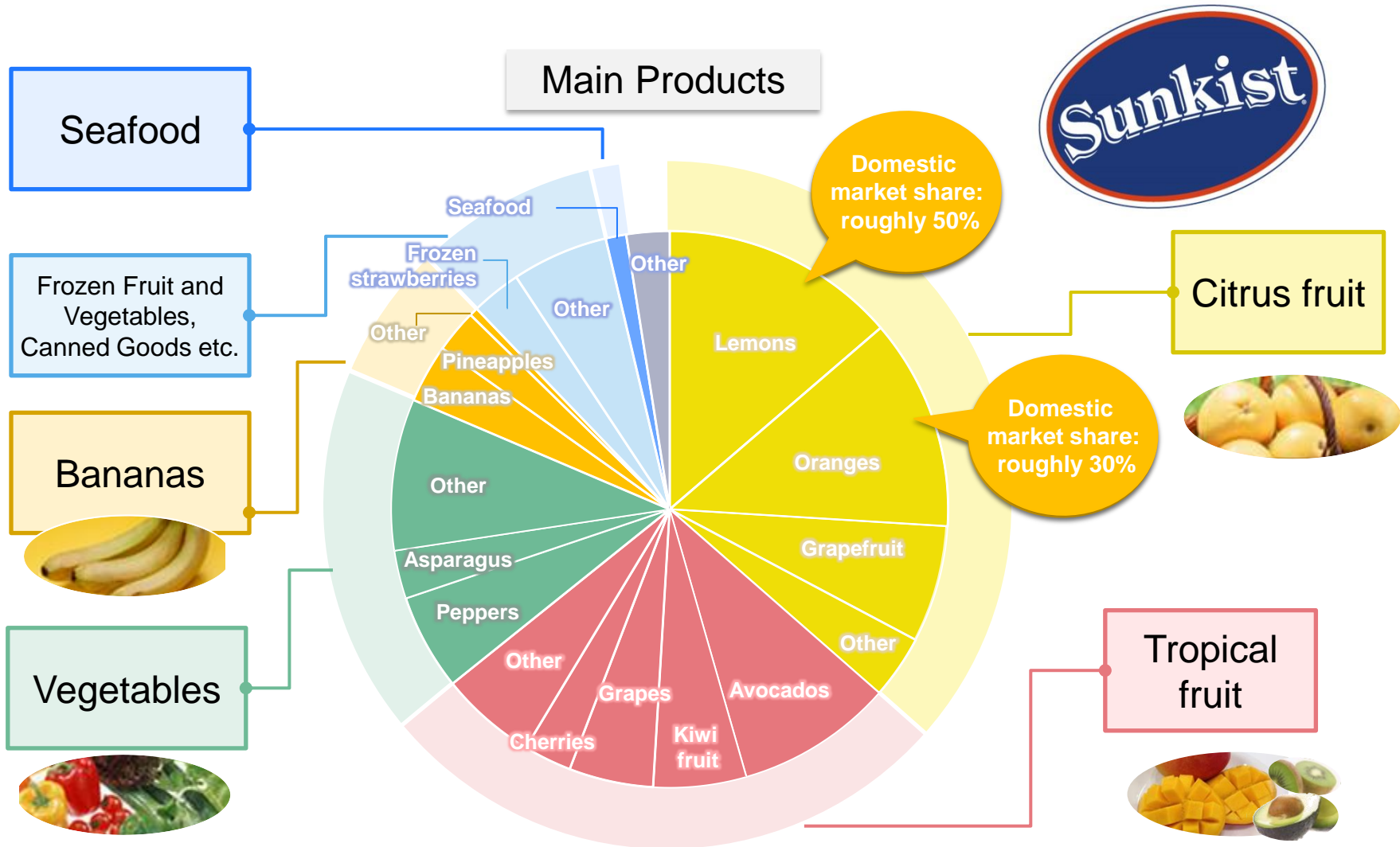
(23 locations in North America)
(37 locations globally)



- ◆ 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

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



* Calculated based on Trade Statistics of Japan (Ministry of Finance) (2016)

Summary of Financial Results for the Fiscal Year Ended December 2017

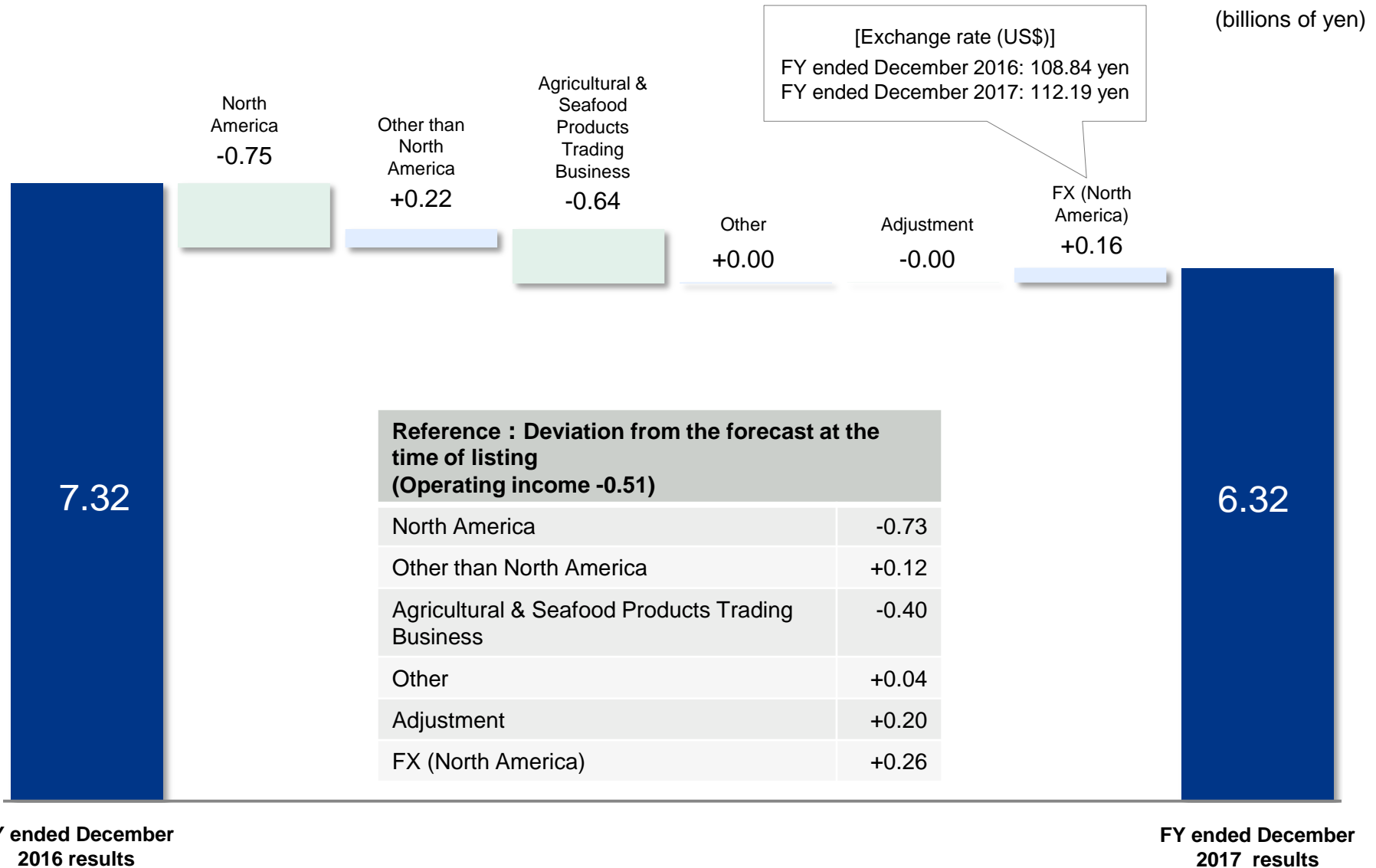


(Unit: billions of yen, Percentage to net sales is stated in parentheses)

		FY ended December 2016	FY ended December 2017			
		Full-year results	Full-year results	Year-on-year rate	Full-year forecast	Compared to the plan
Operating results	Net sales	158.3 (100.0%)	172.0 (100.0%)	+8.7%	169.4 (100.0%)	+1.6%
	Gross profit	27.9 (17.6%)	29.8 (17.3%)	+6.8%	29.3 (17.3%)	+1.9%
	Operating income	7.3 (4.6%)	6.3 (3.7%)	-13.7%	6.8 (4.0%)	-7.5%
	Ordinary income	6.9 (4.4%)	5.9 (3.4%)	-14.5%	6.3 (3.7%)	-6.2%
	Net income attributable to owners of parent	2.8 (1.8%)	3.0 (1.8%)	+7.7%	3.3 (2.0%)	-8.4%
Group KPI	Percentage of North America (Net sales)	59.0%	58.9%	-0.1 pt	-	-
	Percentage of North America (Operating income)	75.2%	78.6%	+3.5 pt	-	-
	ROWC ^{*1}	25.3%	20.3%	-5.0 pt	-	-
Yen/Dollar exchange rate (Average rate during the period)		108.84 yen	112.19 yen	+3.35 yen	106.19 yen	+6.00 yen
Net income per share ^{*2}		227.95 yen	236.37 yen	+3.7%	258.08 yen	-8.4%

(*1) Operating income for FY 2017 / ([Working capital at the end of FY 2016 + Working capital at the end of FY 2017] / 2)

(*2) The Company conducted a five-for-one common stock split on June 1, 2017. Net income per share was calculated on the assumption that the stock split has been conducted at the beginning of FY 2016.



Sales to external customers

(billions of yen)

	FY ended December 2016 results	FY ended December 2017	
		Full-year results	Year-on-year rate
Asia Food Global Business	106.1	118.4	+11.6%
Agricultural & Seafood Products Trading Business	48.3	49.6	+2.8%
Other business	3.8	3.9	+2.6%
Total	158.3	172.0	+8.7%

Operating income

(billions of yen)

	FY ended December 2016 results	FY ended December 2017	
		Full-year results	Year-on-year rate
Asia Food Global Business	6.0	5.6	-6.0%
Agricultural & Seafood Products Trading Business	1.0	0.4	-60.1%
Other business	0.1	0.1	+5.7%
Total	7.3	6.3	-13.7%

Consolidated Balance Sheet (Summary)



(billions of yen)

	End of December 2016	End of December 2017	Amount/rate of increase (decrease)	Main reasons for changes
Current assets	65.1	75.6	+10.5	Cash and deposits (+6.9), Accounts receivable-trade (+1.2), Inventories (+1.9)
Non-current assets	7.5	8.6	+1.1	Shares of subsidiaries and associates (+2.0), Impairment and Amortization of goodwill (-0.9)
Total assets	72.7	84.3	+11.6	
Current liabilities	18.8	19.6	+0.8	
Non-current liabilities	14.9	14.9	0.0	
Total liabilities	33.7	34.5	+0.8	
Total net assets	38.9	49.7	+10.8	Increase due to IPO (+8.3), Net income (+3.1)
Total liabilities and net assets	72.7	84.3	+11.6	
Shareholders' equity ratio	53.6%	59.0%	+5.4 pt	
Current ratio	345.9%	385.1%	+39.2 pt	

(billions of yen)

	FY ended December 2016	FY ended December 2017	Changes year- on-year	Main reasons for changes
Cash flows from operating activities	3.8	1.3	-2.4	
Cash flows from investing activities	-6.9	-1.4	+5.4	M&A in FY 2016 (-4.3)
Cash flows from financing activities	8.9	8.5	-0.3	IPO (+8.3) (Borrowing of long-term loans in 2016 [+9.6])
Translation adjustments	-0.6	-0.2	+0.3	

Cash and cash equivalents	FY ended December 2016	FY ended December 2017	Changes year- on-year	Main reasons for changes
Beginning balance	17.7	22.9	+5.1	
Changes during the period	5.1	8.3	+3.2	
Ending balance	22.9	31.2	+8.3	

Forecast of Operating Results for the Fiscal Year Ending December 2018



Achievements and issues in FY 2017

<Asian Food Global Business>

- In the North American region, the sales plan (yen-denominated) was achieved; however, a delay is occurring in the mid- and long-term challenges and investments (addition of manpower, logistics and selling system development, promotion of streamlining, new business).
- In other regions, progress has been made basically as planned although progress differs between corporations. It is expected that they are becoming profitable.

<Agricultural & Seafood Products Trading Business>

- The fruits and vegetables business, which is a main business, did not achieve the plan in terms of operating income. Challenges are to develop an alternative system from the viewpoint of profit to prepare for changes in the market environment and price fluctuations.
- In other businesses (freezing, fishery, agriculture, export), progress has been made basically as planned. Handling of domestic food items is getting into full swing.

Approach in FY 2018

<Asian Food Global Business>

- ◆ In the North American region, aim at a stable profit contribution by maintaining a stable growth of the existing businesses as well as promoting structural reforms and streamlining.
- ◆ In other regions, stabilize the businesses that are becoming profitable.
- ◆ Balance the structural reforms (Private Branding, system changes, etc.) of existing businesses and challenge to new businesses. (In regard to new businesses, only expenses are taken into consideration)

<Agricultural & Seafood Products Trading Business>

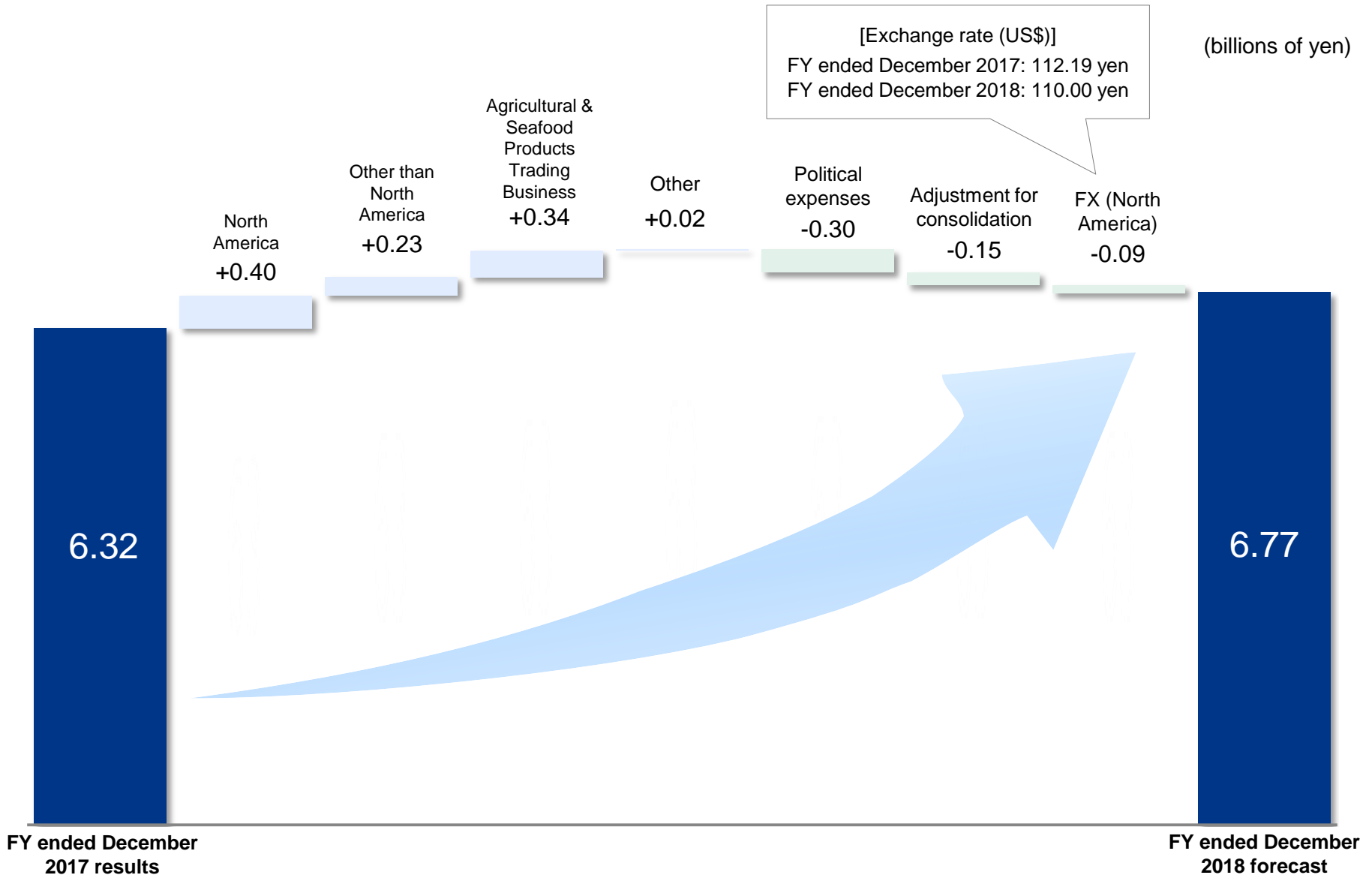
- ◆ Rebuilding of the fruits and vegetables business
...Response to price fluctuations, development of alternative production areas and food items.
- ◆ Increase in revenues in businesses other than the fruits and vegetables business...Development of an earnings structure that do not depend only on fruits and vegetables → Expansion of handling other food items.
- ◆ Further focus on an export and an offshore trade.

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

		FY ended December 2017	FY ending December 2018			
		Full-year results	First half of FY forecast	Changes year-on-year	Full-year forecast	Changes year-on-year
Operating results	Net sales	172.0 (100.0%)	92.3 (100.0%)	+6.6%	184.8 (100.0%)	+7.4%
	Gross profit	29.8 (17.3%)	15.7 (17.1%)	+7.1%	31.9 (17.3%)	+7.1%
	Operating income	6.3 (3.7%)	3.1 (3.4%)	-2.8%	6.7 (3.7%)	+7.1%
	Ordinary income	5.9 (3.4%)	3.1 (3.4%)	+2.2%	6.6 (3.6%)	+12.9%
	Net income attributable to owners of parent	3.0 (1.8%)	2.1 (2.4%)	+50.5%	4.6 (2.5%)	+52.1%
Group KPI	Percentage of North America (Net sales)	58.9%	-	-	57.3%	-1.6 pt
	Percentage of North America (Operating income)	78.6%	-	-	77.3%	-1.4 pt
	ROWC ^{*1}	20.3%	-	-	21.8%	+1.5 pt
Yen/Dollar exchange rate (Average rate during the period)		112.19 yen	110.00 yen	-2.37yen	110.00 yen	-2.19 yen
Net income per share ^{*2}		236.37 yen	151.93 yen	+31.0%	324.98 yen	+37.5%

(*1) Operating income for FY 2017 / ([Working capital at the end of FY 2016 + Working capital at the end of FY 2017] / 2)

(*2) The Company conducted a five-for-one common stock split on June 1, 2017. Net income per share was calculated on the assumption that the stock split has been conducted at the beginning of FY 2016.



Sales to external customers

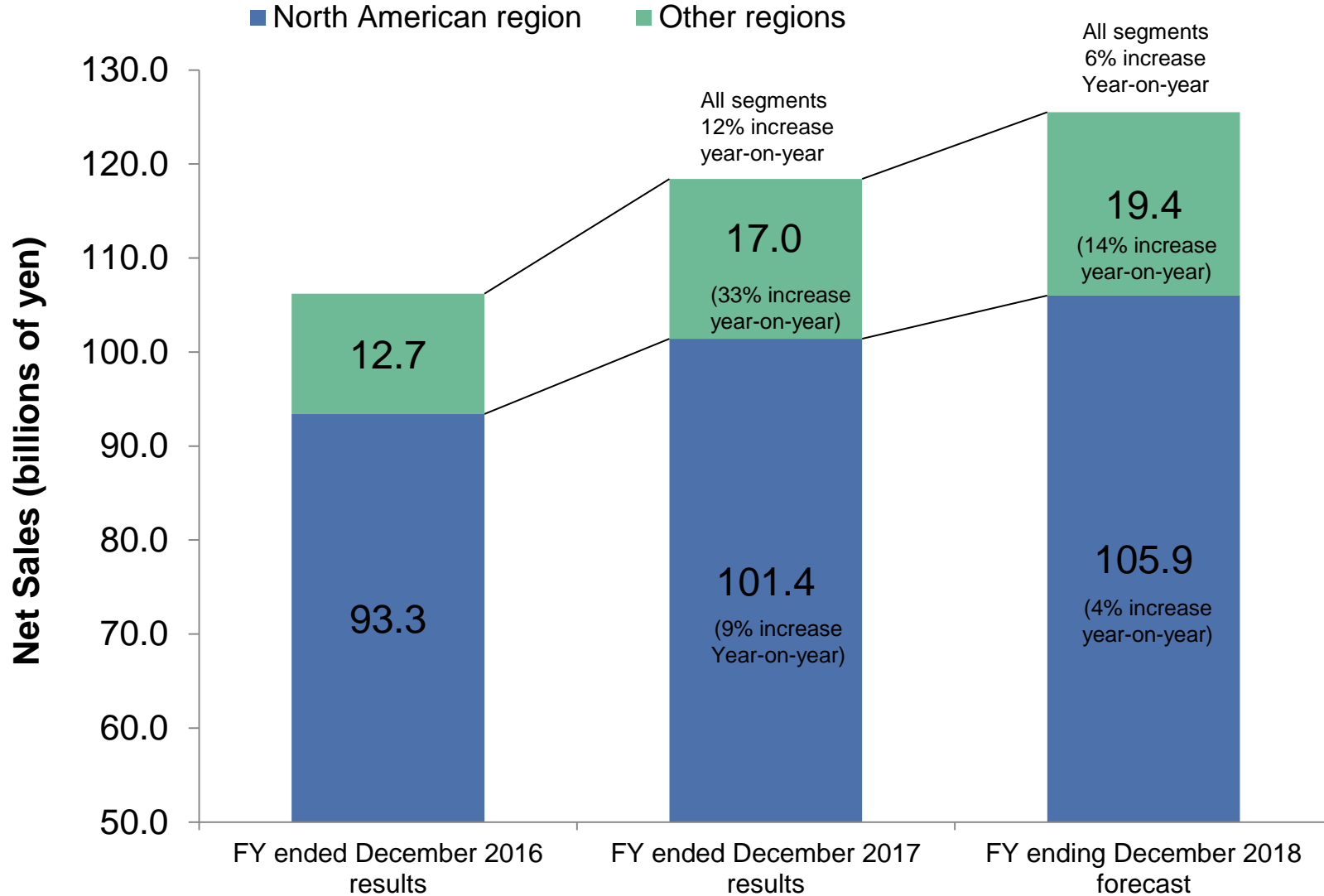
(billions of yen)

	FY ended December 2017	FY ending December 2018			
	Full-year results	First half of FY forecast	Changes year-on- year	Full-year forecast	Changes year-on- year
Asia Food Global Business	118.4	61.0	+5.3%	125.4	+5.9%
Agricultural & Seafood Products Trading Business	49.6	29.1	+8.1%	54.8	+10.5%
Other business	3.9	2.0	+25.1%	4.5	+13.6%
Total	172.0	92.3	+6.6%	184.8	+7.4%

Operating income

(billions of yen)

	FY ended December 2017	FY ending December 2018			
	Full-year results	First half of FY forecast	Changes year-on- year	Full-year forecast	Changes year-on- year
Asia Food Global Business	5.6	2.8	-8.6%	6.2	+9.6%
Agricultural & Seafood Products Trading Business	0.4	0.4	+205.0%	0.7	+79.0%
Other business	0.1	0.0	-	0.1	+12.3%
Adjustment (including political expenses)	0.0	-0.2	-	-0.4	-
Total	6.3	3.1	-2.8%	6.7	+7.1%



Medium-term Business Plan

(Fiscal Year ending December 2018 – Fiscal Year ending December 2020)



Growth as the Group that overcame environmental changes

Great changes in the business environment

Food items

Distribution

Customer orientation
(Preference)

Changes in customer value

The Company's long-term vision

To become the “Only One” company in the global food distribution industry, that develops the most appropriate business **“platform”** in each country and region where the Company operates business, as well as expands multiple **“content”** (similar to a business model) on the “platform.”

- ◆ On the premise of stable growth of existing businesses, build up a “foundation” of new businesses and “cultivate” them

Existing business Stable growth

- ◆ Mature North American market
- ◆ Domestic fruits and vegetables business
- ◆ Contribution to profit by global development in regions other than North America

New business From B2B(C) to B2B, promote the following:

- ◆ Attract corporate demand
- ◆ Develop and expand new content
- ◆ Export fruits and vegetables from Japan and arranges an offshore trade
- ◆ Strengthen the platform

Respond to the drastically changing food supply chain

Improvement in productivity and technological innovation in the agricultural, fishery and livestock industry
“Agritech”

Diversification of needs
Rise of the millennial generation/Different culture

Amazon effect
Distribution innovation/Contradiction and coexistence of internet and reality

New technology in logistics
Internet of Things (IoT)/Artificial Intelligence (AI)

Existing business: Restructuring of the platform and improvement of the existing content

- ◆ (1) Stable growth in North America and execution of fundamental reform of the distribution and logistics expense structure
- ◆ (2) Further promotion of Private Branding and product cost reduction measures...Improvement of the gross profit margin ratio
- ◆ (3) Contribution to profit by locations other than North America

New business: Pursuit and development of new content

- ◆ Commercialization of “VALUE, from Japan to the world”...Development of products and distribution channels by business category of customers and by theme (“Ready-to-Eat Meal,” “Products for vegan,” “Gourmet/delicious,” “Health and presymptomatic disease,” etc.)



Consideration of investment

- ◆ Development of new content...Establishment of the product headquarters
- ◆ Logistics reform...Addition of specialized staff and investment in human resources
- ◆ Big data, AI, IoT, introduction of new logistics technology...Incorporation into system development

Current status of business

Strengths

- Platform in North America (marketing, logistics network, power of brand)
- Product portfolio content responding to market needs
- Ability to comply with food and trade-related laws and regulations
- Integrated system: Procurement and purchase → trade and customs clearance → sorting and delivery

Opportunities

- Further expansion and globalization of Japanese food demand as well as entry into the Asian food market
- Japanese food → Distribution channel for business use, health-oriented, food service market
- Expansion of distribution channels from shops and individual stores to chain stores and business areas
- Big data, AI, IoT and technological innovation such as logistics technology → fundamental innovation of business efficiency

Weaknesses

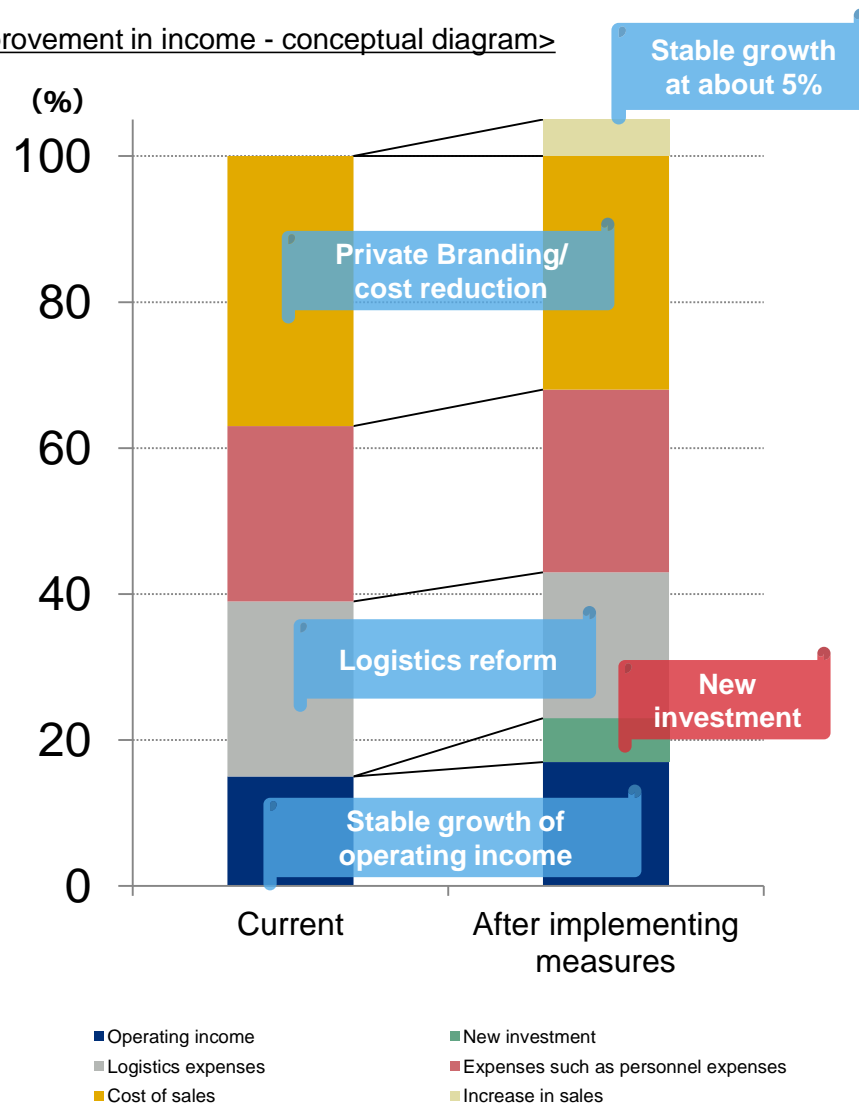
- ✓ Heavy dependence on the North American region
- ✓ Logistics structure depending on manpower
- ✓ Lagging in digitalization of the market data, etc.
- ✓ Development of the R&D function is in progress

Threats

- ✓ Increase in newcomers to the Japanese food market
- ✓ Substantial increase in logistics expenses
- ✓ Possibility of entry of internet mail order retailers (Amazon effect, etc.)

◆ Stable growth in North America and execution of fundamental reform of the distribution and logistics expense structure

<Improvement in income - conceptual diagram>



Current...B2B/C

- Sales: Stable growth at about 5%
- Cost of sales: Private Branding, cost reduction through joint procurement
- Logistics expenses: Cost reduction by logistics reforms

New...B2B, addition of content

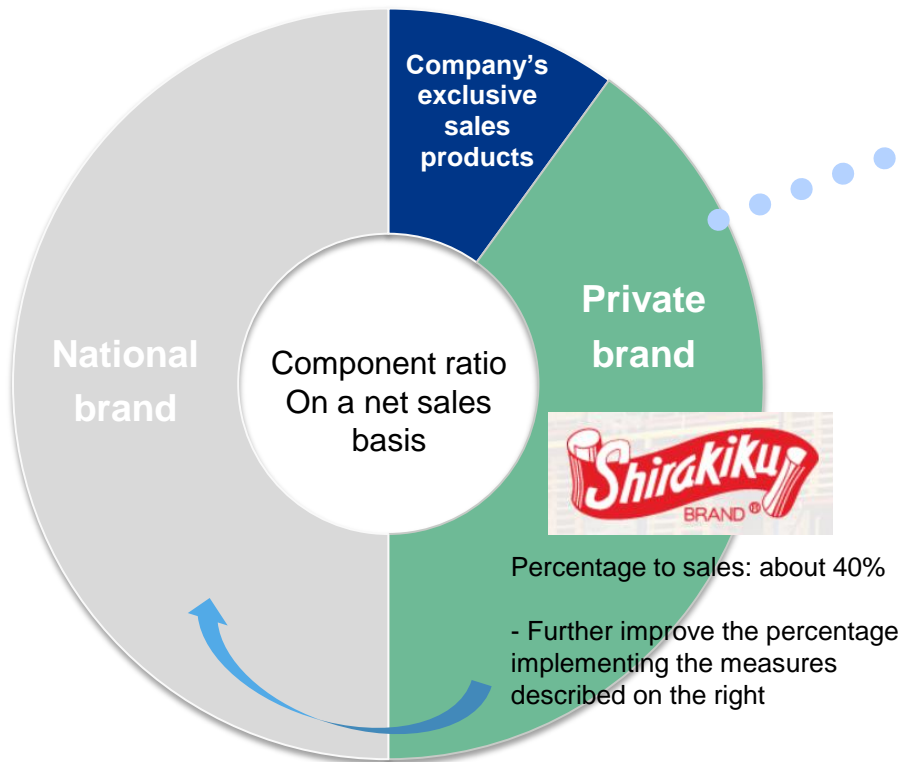
- New investment: Incorporate only expenditures with a focus on investment in human resources



- ◆ Realization of growth in stable operating income from existing business (Operating income to net sales will improve after realization of the new business)

Further promotion of Private Branding and product cost reduction measures...improvement of the gross profit margin ratio

Percentage of PB and NB to net sales



1. Development of PB products that satisfy the customer needs

Identifying customer needs and using global producing regions and producer network to develop new products

2. Cost reduction and stable supply by collaborating with major manufacturers

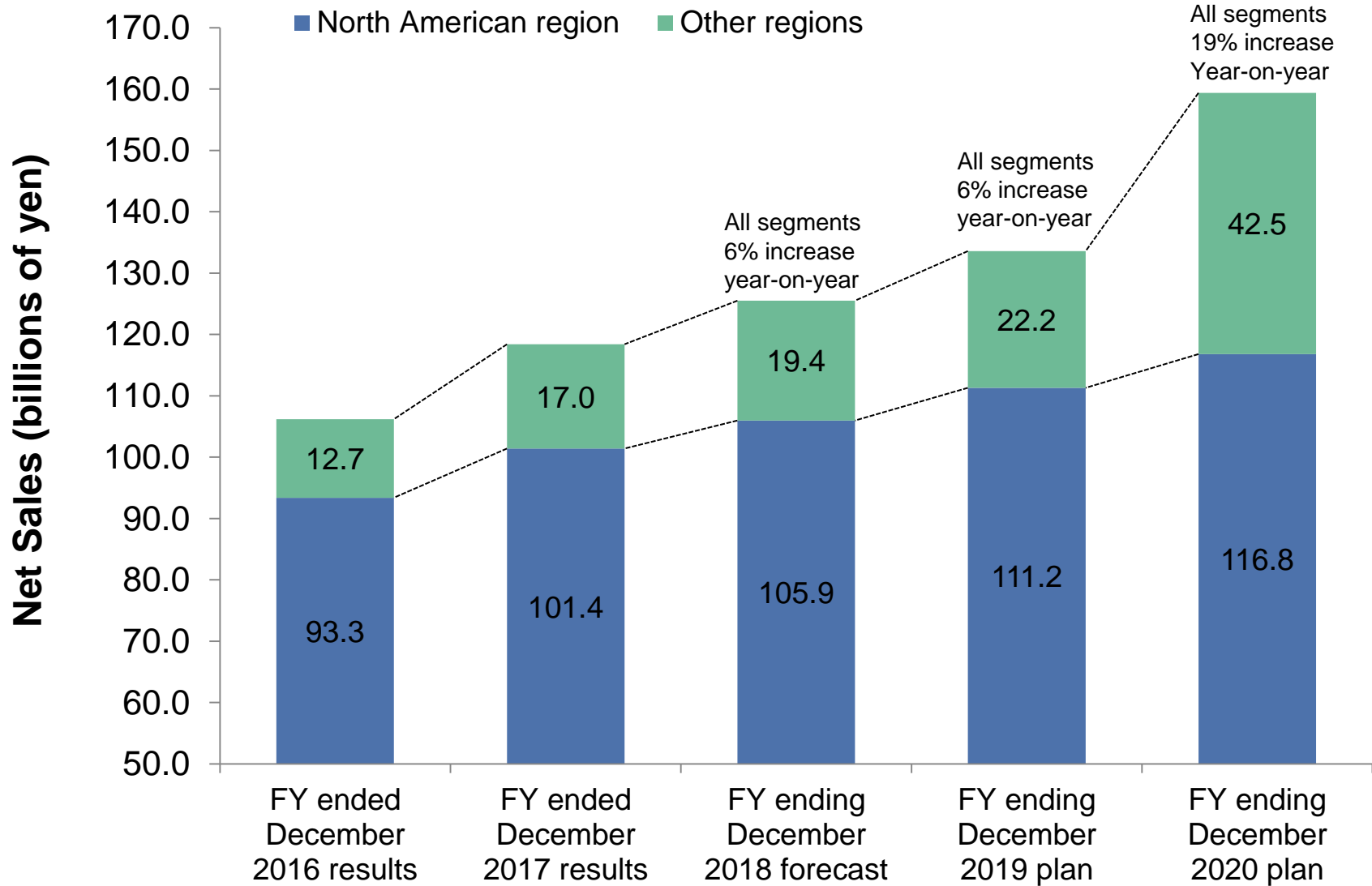
Take advantage of economies of scale by collaborating with major manufacturers, ensure maintenance of a stable supply source and provide real PB products to customers

3. Local production of PB products

Decrease in cost and various expenses by local production in regions where products are sold, and decrease in regulation risks such as import custom clearance.

We aim to maintain growth in North America by carefully taking advantage of current growth opportunities
 Also, using our existing network of business sites, we aim to transfer our strengths in North America to other markets around the world and replicate our results worldwide





Existing business・・・**Mainly fresh fruits and vegetables**

- ◆ Steady profit growth in the stable growth market...increase in the share by further strengthening the sales force

New business

- ◆ Sales of domestic fruits and vegetables in overseas markets and sales of foreign fruits and vegetables in overseas markets (offshore trade)
- ◆ Development of new products and new distribution channels of agricultural processed products, as well as expansion of handling domestic products
- ◆ Domestic sales of Asian food with a focus on fishery products...Gaining share in the “Japanese market,” which is the biggest market for Japanese food, could mean gaining share in the Japanese food markets in the world



Consideration of investment...Strengthening the fundamental “procurement power”

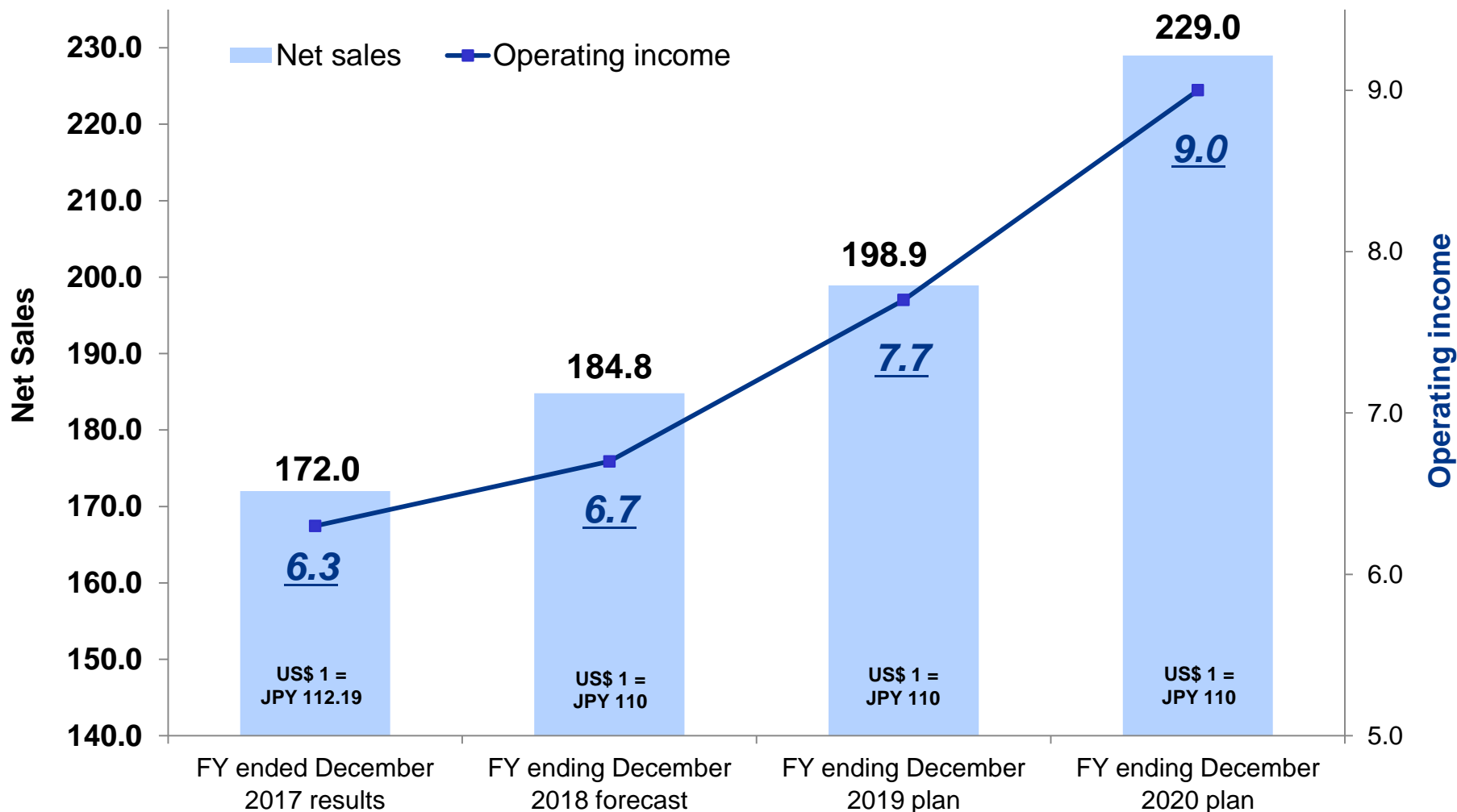
- ◆ Secure domestic producers of fruits and vegetables, promote their branding and collaborate with them, as well as develop new food items
- ◆ Strengthen domestic sales of Asian food ingredients (increase in sales → buying power)
- ◆ Invest in food ingredients resources

Status of the business

<p><u>Strengths</u></p> <ul style="list-style-type: none"> ➢ Relationship with prominent growers such as Sunkist ➢ Top-class share in imported citrus ➢ Sales power of food ingredients in Japanese food markets all over the world 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> ✓ Sharp changes in revenue and expenditure in the industry as a whole due to price fluctuations ✓ Mature market of fruits and vegetables in Japan
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> ➢ Expansion (export) of handling domestic fruits and vegetables ➢ Aging of domestic producers and increasing number of agricultural corporations ➢ Easing of regulations in a variety of handling operations ➢ Expansion of distribution channels by equipping processing and logistics functions ➢ Domestic sales of Asian food ➢ Investment in food ingredients resources 	<p><u>Threats</u></p> <ul style="list-style-type: none"> ✓ Expansion of direct procurement by domestic sellers (major retailers, etc.) ✓ Decline in the purchasing power in Japan (falling population, increase in demand in emerging countries) ⇔ This could be a strength of the Group that has a worldwide distribution network.

- ◆ Aim to achieve the medium-term business plan by steady growth of the existing businesses
- ◆ The figures of the plan only include the existing businesses. New businesses only incorporate expenses.

(billions of yen)



(billions of yen)

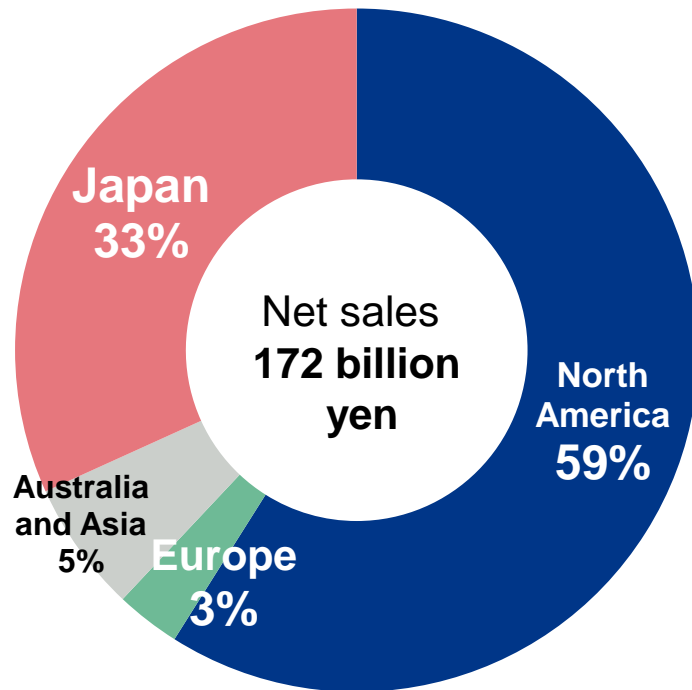
Net sales	FY ended December 2017 Results	FY ending December 2018		FY ending December 2019		FY ending December 2020	
		Forecast	Changes year- on-year	Plan	Changes year- on-year	Plan	Changes year- on-year
Asia Food Global Business	118.4	125.4	+5.9%	133.5	+6.5%	159.3	+19.3%
Agricultural & Seafood Products Trading Business	49.6	54.8	+10.5%	60.5	+10.4%	64.4	+6.5%
Other business	3.9	4.5	+13.6%	4.8	+6.6%	5.1	+6.5%
Total	172.0	184.8	+7.4%	198.9	+7.6%	229.0	+15.1%

(billions of yen)

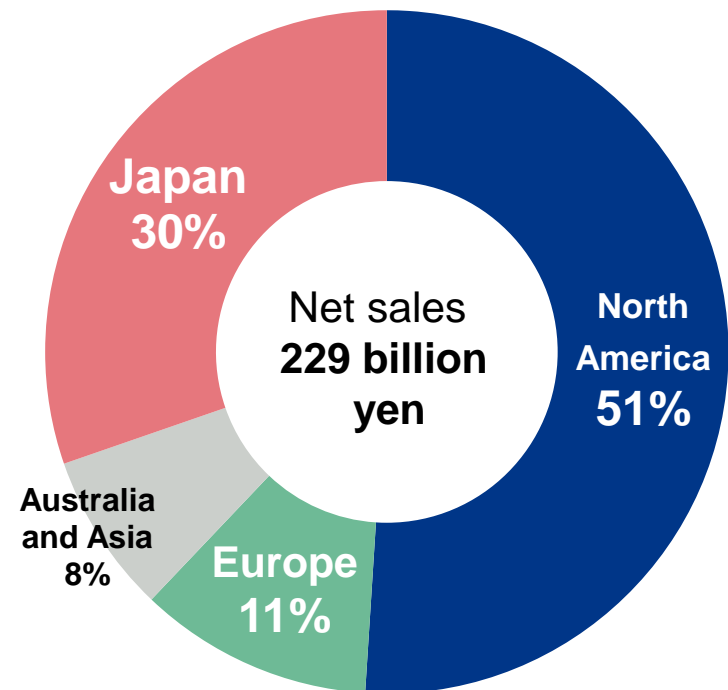
Operating income	FY ended December 2017 Results	FY ending December 2018		FY ending December 2019		FY ending December 2020	
		Forecast	Changes year- on-year	Plan	Changes year- on-year	Plan	Changes year- on-year
Asia Food Global Business	5.6	6.2	+9.6%	6.7	+7.3%	7.7	+15.8%
Agricultural & Seafood Products Trading Business	0.4	0.7	+79.0%	0.9	+19.1%	1.0	+16.0%
Other business	0.1	0.1	+12.3%	0.2	+43.7%	0.3	+16.0%
Adjustment	0.0	-0.4	-	-0.1	-	-0.1	-
Total	6.3	6.7	+7.1%	7.7	+14.6%	9.0	+16.1%

Plan to expand sales in regions other than the North American region

FY ended December
2017

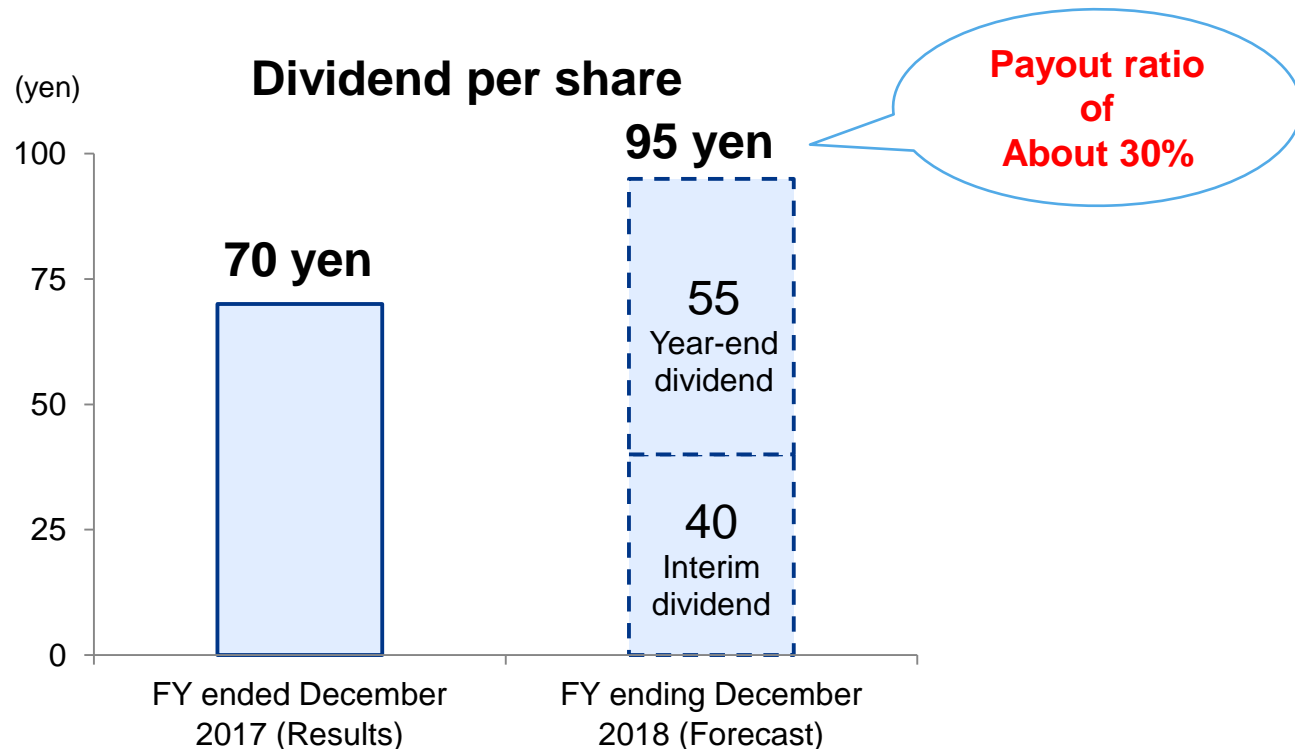


FY ending December
2020 (Plan)



[Policy]

- ◆ In regard to profit distribution, the Company's basic policy is to continue stable dividends while striving to maintain retained earnings for developing future businesses and improving financial strength.
- ◆ The Company considers the payout ratio to be an important index and aims at maintaining a consolidated payout ratio of about 30% every year.
- ◆ The Company schedules to make a dividend payment twice a year (year-end and interim).
 - The amount of dividend for the fiscal year ending December 2018 is planned to be 95 yen per year (40 yen for interim and 55 yen for year-end).



Appendix

(Reference) Net Sales by Region



(billions of yen)

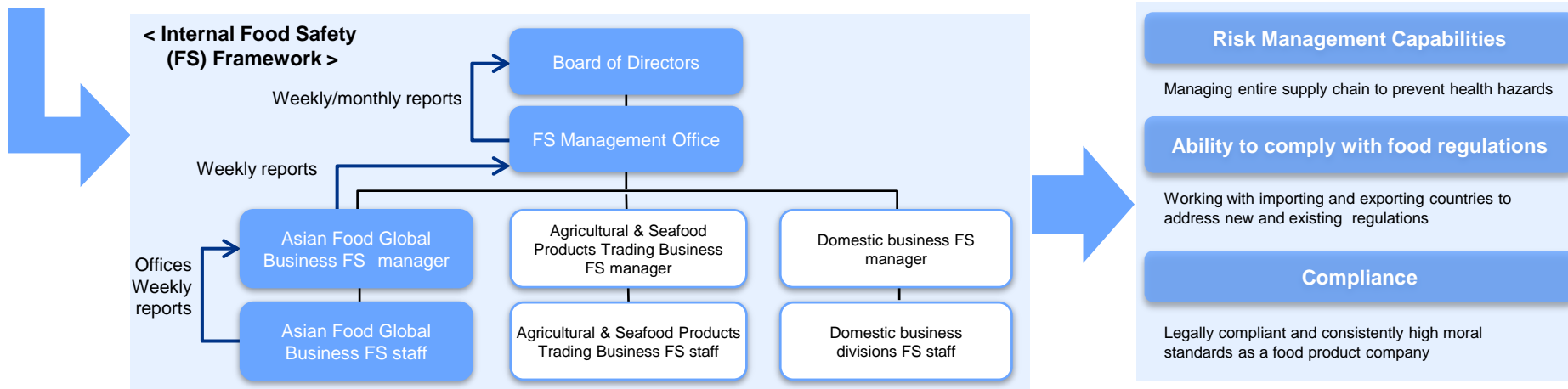
	FY ended December 2015		FY ended December 2016		FY ended December 2017	
	Actual results	Component ratio	Actual results	Component ratio	Actual results	Component ratio
North America	99.7	63.0%	93.3	59.0%	101.4	58.9%
Europe	0.1	0.1%	3.1	2.0%	5.2	3.1%
Asia/Australia	4.8	3.0%	5.8	3.7%	9.0	5.3%
Japan	53.5	33.8%	55.9	35.4%	56.3	32.7%
Total	158.2	100%	158.3	100%	172.0	100%

The Group has minimized regulatory risk and other negative factors by building a group-wide system to comply with the wide range of different local regulations in the value chain

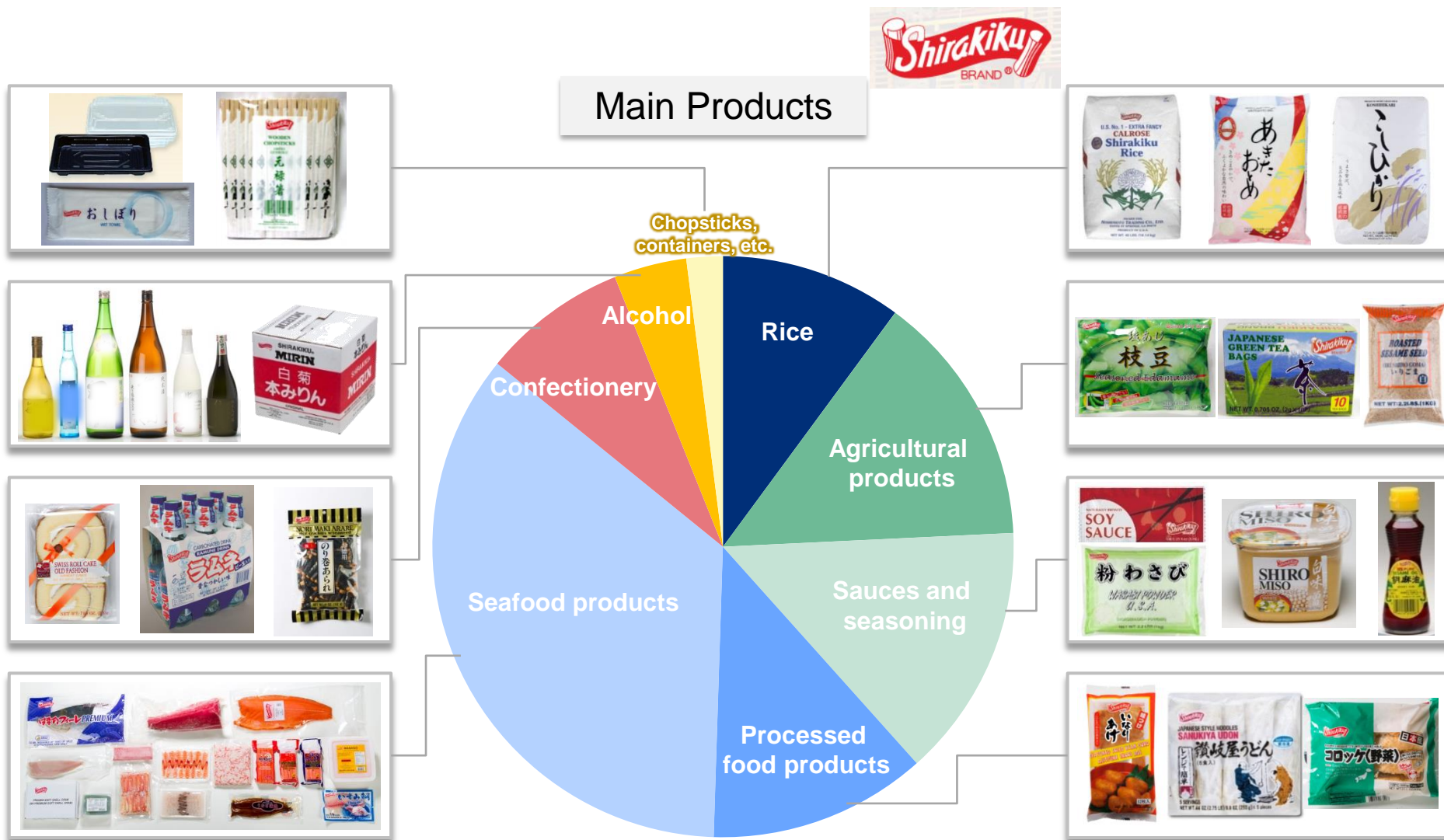
Main regulations (US examples)	Product development and planning	Purchasing	Customs Clearance	Storage and sorting	Delivery	Sales
Food Safety Modernization Act (FSMA)	<ul style="list-style-type: none"> Prevention and control of food safety hazards HARPC (HACCP + prevention and control) 		<ul style="list-style-type: none"> Inspection program for overseas suppliers 		<ul style="list-style-type: none"> Regulations governing hygiene control at transport firms 	
HACCP	<ul style="list-style-type: none"> Seafood HACCP (manufacturing) 	<ul style="list-style-type: none"> Seafood HACCP program (storage, sorting, delivery, sales) 				
Other regulations	<ul style="list-style-type: none"> Bioterrorism Act Low-acid canned foods program 	<ul style="list-style-type: none"> The Code of Federal Regulations National Shellfish Sanitation Program 				<ul style="list-style-type: none"> California laws (Proposition 65)

Internal company systems

FSMA	<ul style="list-style-type: none"> Monitor suppliers (onsite checks, documents) Certification of qualified prevention and control personnel Instructions for suppliers US Agent (Bioterrorism Act) 	<ul style="list-style-type: none"> Certification of qualified prevention and control personnel (head office, regional offices)
HACCP		<ul style="list-style-type: none"> HACCP management (storage, sorting, delivery, sales) Recall program and other systems established HACCP training for staff Third-party certification (offices)
Other regulations		<ul style="list-style-type: none"> Regulation and product label double-check system – systemization



The Group imports Japanese and other Asian food ingredients and products from the US, Japan, China, Southeast Asia and other markets and sells roughly 8,300 items (as of FY ended December 2017) to customers worldwide, mainly in North America



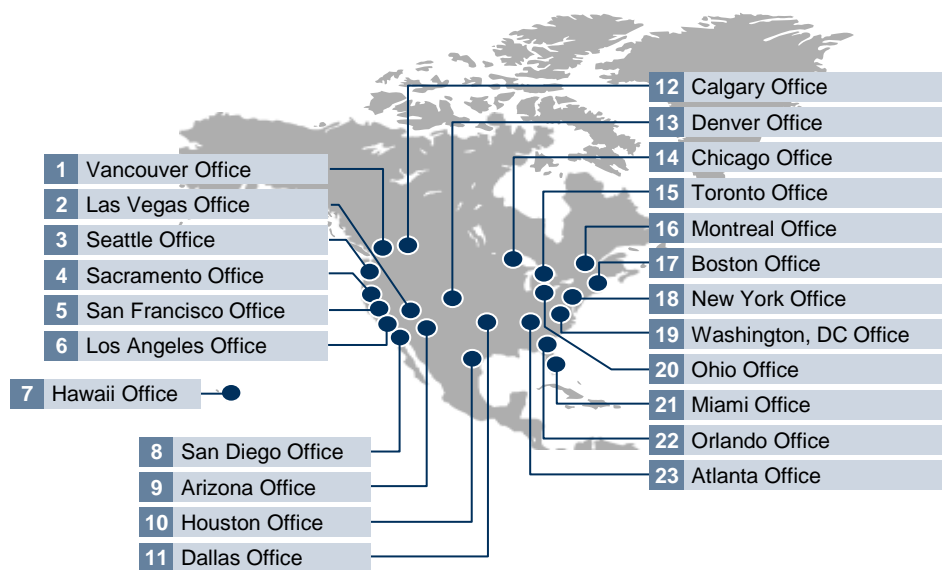
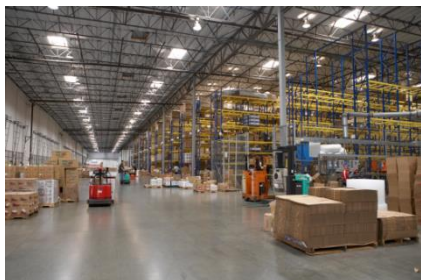
The Group provides rapid, attentive customer service through sales teams tailored to the characteristics of each customer and through product delivery schedules based on customer needs

Logistics capabilities and systems

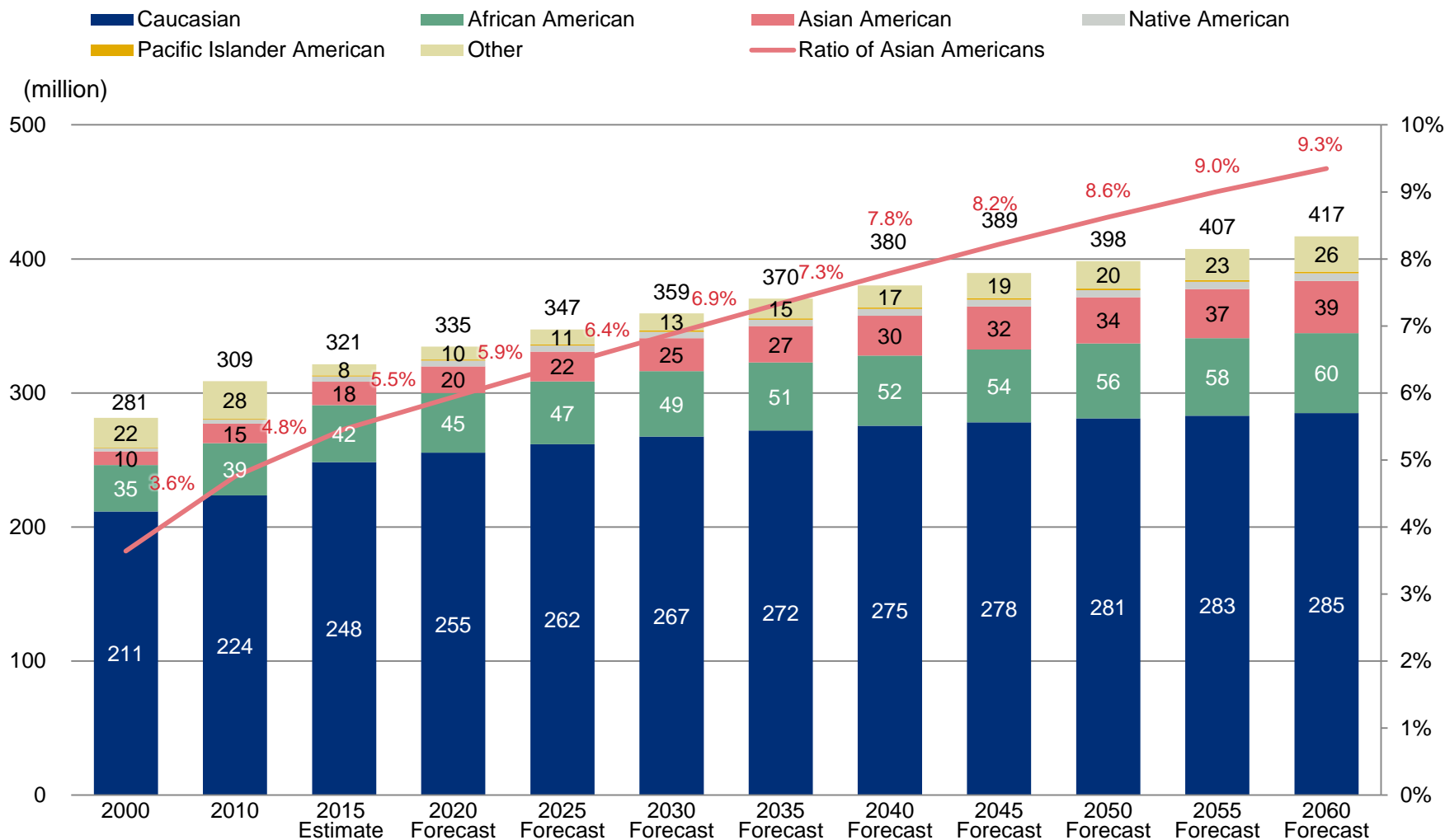
- ◆ Small-lot distribution and delivery using the Group's own logistics network
- ◆ Three temperature zones (ambient, chilled, frozen)
- ◆ Rigorous inventory management
- ◆ Delivery trucks based at all offices in North America

Marketing network and North American business sites

- ◆ Sales teams with personnel who speak the same languages as restaurant owners in North America
- ◆ A network of 23 sales offices (covering major cities)
- ◆ Customer database and ability to analyze characteristics of each customer and local market

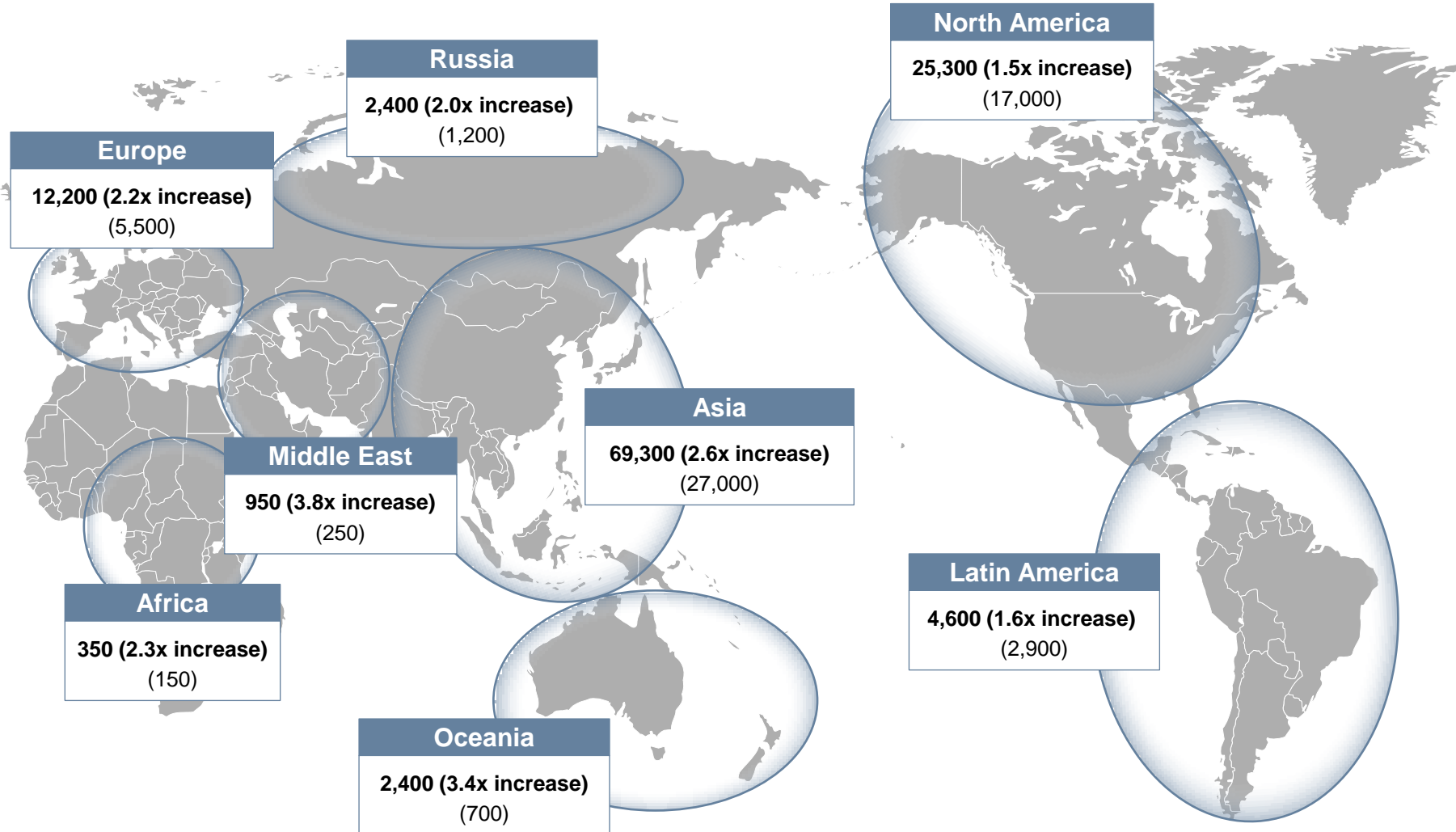


The population of Asian-Americans in the United States increased and the ratio to the total population also increased.



Source: U.S. Census Bureau "2010 Census Summary," "2000 Census Summary," "2014 National Population Projections"

The number of overseas Japanese food restaurants has been increasing:
About 24,000 (in 2006) ⇒ about 55,000 (in 2013) ⇒ about 89,000 (in 2015) ⇒ about 118,000 (in 2017)



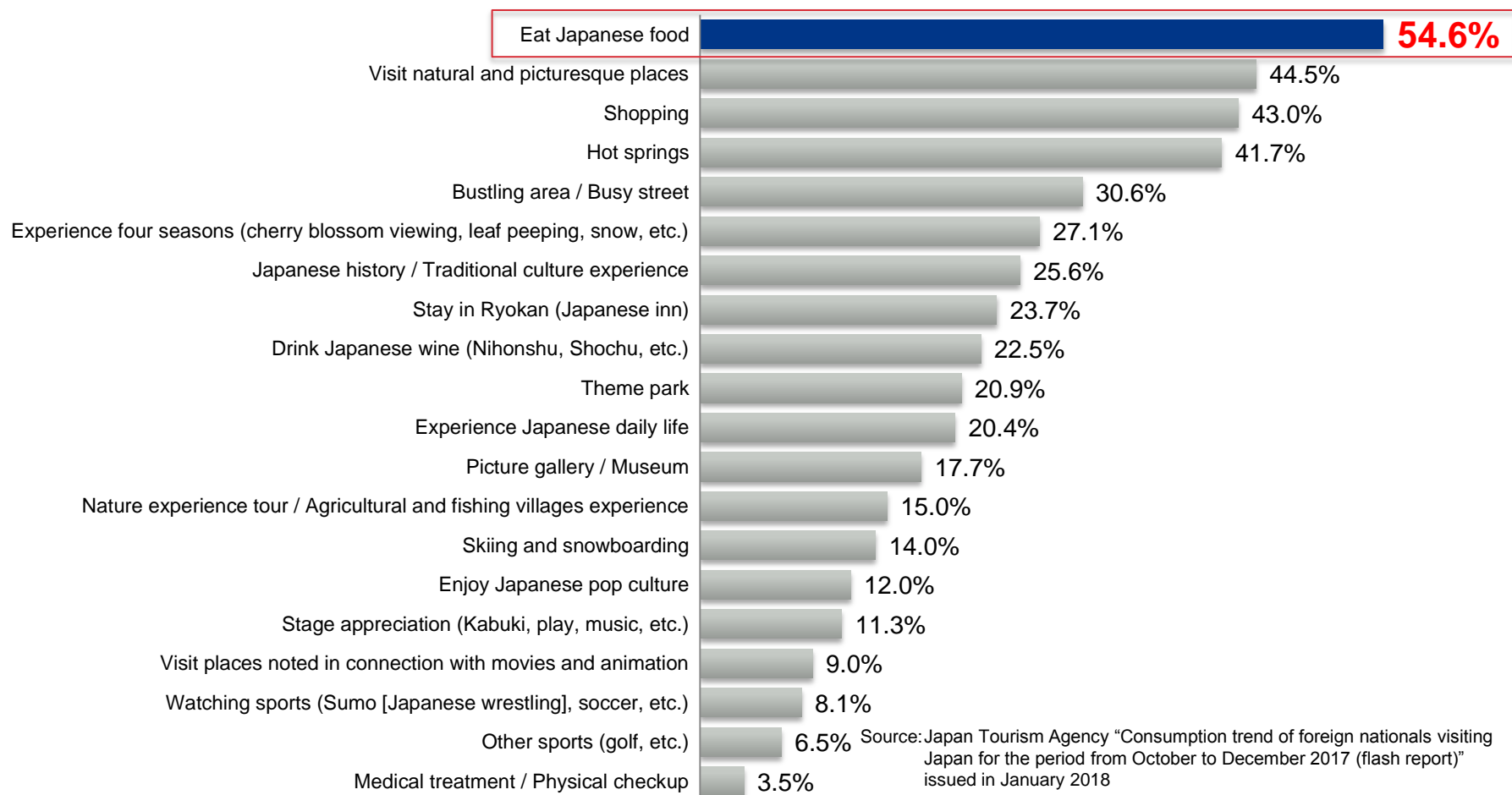
Source: Ministry of Agriculture, Forestry and Fisheries estimates, based on Ministry of Foreign Affairs research

*Approximate number of restaurants as of 2017; figures in first brackets show increase from 2013, figures in second brackets shown number of restaurants as of 2013.

Visits to Japan are encouraging people to seek out Japanese food when they return to their own countries

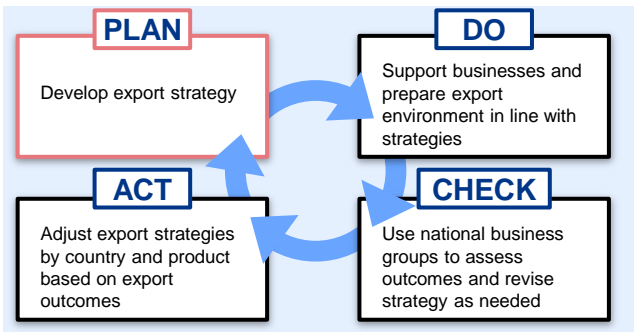
Survey of visitors to Japan: “What do you want to do on your next visit to Japan?” (multiple responses allowed)

◆ “Eat Japanese food” the most common response



The Japanese government is also supporting efforts to grow the value of agricultural, forestry, fishery and food product exports

Export strategies by country and product



Goal is to **increase** the value of agricultural, forestry, fishery and food product exports **to 1 trillion yen by 2020**

< 2020 Export Value Target >

1 trillion yen

< 2012 Export Value >
Roughly 450 billion yen

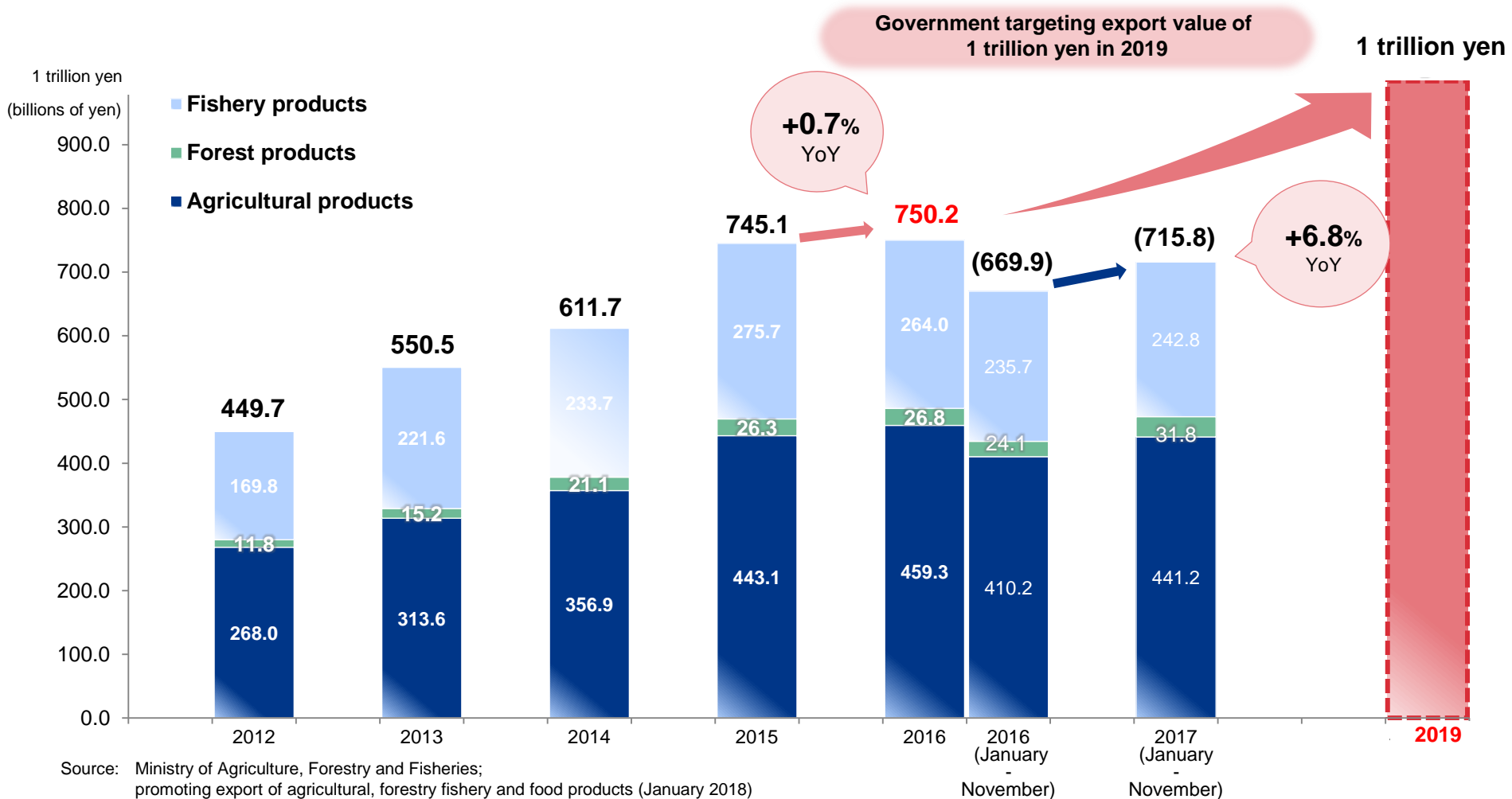
Seafood products	170 billion yen
Processed food products	130 billion yen
Rice/processed rice products	13 billion yen
Forestry products	12 billion yen
Flowers	8 billion yen
Fruit and vegetables	8 billion yen
Beef	5 billion yen
Tea	5 billion yen

Work on branding, create system to rapidly grant hygiene permits (EU, Russia, Southeast Asia, Africa, etc.)
Increase exports of ingredients from Japan due to growth in Japanese food culture and food businesses overseas (EU, Russia, Southeast Asia, China, Middle East, Brazil, India, etc.)
Polish rice in local and sell rice to food service sectors, focus on processed rice products such as sake (Taiwan, Australia, EU, Russia, etc.)
Increase exports of Japanese forestry products through growth in Japanese style homes (China, South Korea, etc.)
Work with local growers to create a distribution network, build a "Japan Brand" (EU, Russia, Singapore, Canada, etc.)
Strategically develop new markets, establish year-round supply network (EU, Russia, Southeast Asia, Middle East, etc.)
Focus promotion efforts on Europe and the US, promote sales of different beef cuts (EU, US, Hong Kong, Singapore, Thailand, Canada, UAE, etc.)
Increase sales leveraging efforts to cultivate Japanese diet and food culture, promote health benefits (EU, Russia, US, etc.)

Seafood products	350 billion yen
Processed food products	500 billion yen
Rice/processed rice products	60 billion yen
Forestry products	25 billion yen
Flowers	15 billion yen
Fruit and vegetables	25 billion yen
Beef	25 billion yen
Tea	15 billion yen

Change in agricultural, forestry, fishery and food products export value

- ◆ The export value of agricultural, forestry, fishery and food products has risen for four consecutive years since 2013, reaching 750.2 billion yen in 2016
- ◆ Export value totaled 715.8 billion yen in Jan–Nov 2017, up 6.8% year-on-year
- ◆ Under the Cabinet Office’s “Economic Measures for Realizing Investment for the Future” (finalized August 2016), the government is aiming to achieve its 2020 1 trillion yen export value target one year early in 2019



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