

Consolidated Financial Highlights

NH Foods Ltd. and Subsidiaries
For the Years Ended March 31

	Millions of Yen					Thousands of U.S. dollars
	2018	2017	2016	2015	2014	2018
Net Sales	¥1,269,201	¥1,202,293	¥1,229,324	¥1,199,956	¥1,110,766	\$11,973,594
Operating Income	49,218	53,802	49,207	47,770	36,089	464,320
Income from Continuing Operations before Income Taxes and Equity in Earnings (Losses) of Associated Companies	50,455	49,112	35,309	43,797	35,673	475,989
Net Income Attributable to NH Foods Ltd.	37,147	35,004	21,779	31,048	24,524	350,443
Total Assets	755,076	720,276	682,855	661,567	627,220	7,123,359
Total NH Foods Ltd. Shareholders' Equity	440,793	404,126	356,353	353,664	320,984	4,158,424
Interest-Bearing Debt	110,948	138,284	154,583	136,758	144,901	1,046,679
Net Cash Provided by Operating Activities	54,626	65,254	52,535	29,681	32,952	515,340
Net Cash Used in Investing Activities	(49,006)	(38,271)	(49,139)	(31,517)	(27,021)	(462,321)
Free Cash Flow	5,620	26,983	3,396	(1,836)	5,931	53,019
Net Cash Provided by (Used in) Financing Activities	(27,508)	(11,439)	8,182	(17,187)	(9,373)	(259,509)
Capital Expenditures	41,466	43,765	36,799	35,694	29,152	391,189
Depreciation and Amortization	21,234	19,765	19,445	18,951	18,649	200,321

Per Share Amounts:

	Yen					U.S. dollars
Basic Earnings per Share Attributable to NH Foods Ltd. Shareholders						
Continuing operations	¥ 348.46	¥ 343.59	¥ 245.56	¥ 297.70	¥ 248.02	\$ 3.29
Discontinued operations		(0.12)	(31.72)	7.16	(3.79)	
Total	¥ 348.46	¥ 343.47	¥ 213.84	¥ 304.86	¥ 244.23	\$ 3.29
Diluted Earnings per Share Attributable to NH Foods Ltd. Shareholders						
Continuing operations	¥ 342.07	¥ 322.66	¥ 230.61	¥ 279.50	¥ 225.27	\$ 3.23
Discontinued operations		(0.12)	(29.72)	6.72	(3.44)	
Total	¥ 342.07	¥ 322.54	¥ 200.89	¥ 286.22	¥ 221.83	\$ 3.23
Total NH Foods Ltd. Shareholders' Equity	¥4,100.70	¥3,832.95	¥3,498.72	¥3,472.37	¥3,151.94	\$38.69
Cash Dividends	¥ 53.00	¥ 52.00	¥ 33.00	¥ 46.00	¥ 37.00	\$ 0.50

Financial Indicators:

Ratio of Operating Income to Net Sales	3.9%	4.5%	4.0%	4.0%	3.2%
Return on Equity (ROE)	8.8%	9.2%	6.1%	9.2%	8.0%
Return on Invested Capital (ROIC)	6.2%	7.0%	6.5%	6.4%	4.9%
NH Foods Ltd. Shareholders' Equity Ratio	58.4%	56.1%	52.2%	53.5%	51.2%
Debt/Equity Ratio	0.25 times	0.34 times	0.43 times	0.39 times	0.45 times
Interest Coverage Ratio	44.7 times	57.4 times	35.1 times	24.2 times	21.3 times
Payout ratio (Consolidated)	30.4%	30.3%	30.9%	30.2%	30.3%

Notes

- The above figures are based on the consolidated financial statements prepared in conformity with accounting principles generally accepted in the United States of America.
- The United States dollar amounts represent translations of Japanese yen at the rate of ¥106 = \$1. See Note 1 to the consolidated financial statements.
- Figures have been rounded to the nearest unit.
- Certain figures for the years ended on or before March 31, 2014 were adjusted retroactively as a result of a change in accounting policy about the classification of "cash and cash equivalents" for the year ended March 31, 2015.
- As of April 1, 2018, NH Foods Ltd. carried out a share consolidation at a ratio of one share for each two shares of common stock. Total NH Foods Ltd. shareholders' equity per share, Basic earnings per share attributable to NH Foods Ltd. shareholders and Diluted earnings per share attributable to NH Foods Ltd. shareholders were computed on the assumption that the share consolidation was carried out at the beginning of the year ended March 31, 2014. Cash dividends represent the actual payment prior to the relevant share consolidation. Also for the year ended March 31, 2018, both the highest and lowest stock prices same as before and after the stock consolidation are stated in "[.]"
- In accordance with Accounting Standards Codification ("ASC") Topic 205, "Presentation of Financial Statements," certain figures for the years ended on or before March 31, 2016 relating to the discontinued operation have been reclassified to conform to the current year's presentation.

- Operating income represents net sales less cost of goods sold and selling, general and administrative expenses.
- Interest-bearing debt consists of short-term bank loans, current maturities of long-term debt and long-term debt, less current maturities (including zero coupon convertible bonds) in the consolidated balance sheets.
- Capital expenditures represent the additions to tangible and intangible fixed assets.
- Depreciation and amortization consist of depreciation of tangible fixed assets and amortization of intangible fixed assets.
- ROE = (Net income attributable to NH Foods Ltd. / Average total NH Foods Ltd. shareholders' equity) × 100
ROIC = (Operating income after tax / (Total equity + Interest-bearing debt)) × 100
Free Cash Flow = Net cash provided by (used in) operating activities + Net cash provided by (used in) investing activities
NH Foods Ltd. Shareholders' Equity Ratio = (NH Foods Ltd. shareholders' equity / Total assets) × 100
Debt / Equity Ratio = Interest-bearing debt / NH Foods Ltd. shareholders' equity
Interest Coverage Ratio = Net cash provided by operating activities / Interest paid