

# Consolidated Financial Highlights

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

	Millions of Yen					
	2019	2018	2018	2017	2016	2015
	(IFRS)		(U.S. GAAP)			
Net Sales	¥1,234,180	¥1,258,463	¥1,269,201	¥1,202,293	¥1,229,324	¥1,199,956
Operating Income	32,265	45,830	49,218	53,802	49,207	47,770
Profit before Tax [Income from Continuing Operations before Income Taxes and Equity in Earnings (Losses) of Associated Companies]	30,267	52,798	50,455	49,112	35,309	43,797
Profit Attributable to Owners of the Parent [Net Income Attributable to NH Foods Ltd.]	19,561	37,552	37,147	35,004	21,779	31,048
Business Profit	38,311	50,589	—	—	—	—
Total Assets	741,388	734,528	755,076	720,276	682,855	661,567
Total Equity Attributable to Owners of the Parent [Total NH Foods Ltd. Shareholders' Equity]	401,014	417,982	440,793	404,126	356,353	353,664
Interest-Bearing Liabilities [Interest-Bearing Debt]	147,009	111,401	110,948	138,284	154,583	136,758
Net Cash Provided by Operating Activities	30,844	53,284	54,626	65,254	52,535	29,681
Net Cash Used in Investing Activities	(45,110)	(48,194)	(49,006)	(38,271)	(49,139)	(31,517)
Free Cash Flow	(14,266)	5,090	5,620	26,983	3,396	(1,836)
Net Cash Provided by (Used in) Financing Activities	2,932	(27,110)	(27,508)	(11,439)	8,182	(17,187)
Capital Expenditures	47,820	41,201	41,466	43,765	36,799	35,694
Depreciation and Amortization	22,417	20,714	21,234	19,765	19,445	18,951
<b>Per Share Amounts:</b>						
	Yen					
Basic Earnings per Share [Basic Earnings per Share Attributable to NH Foods Ltd. Shareholders]						
Continuing operations	¥ 183.21	¥ 352.26	¥ 348.46	¥ 343.59	¥ 245.56	¥ 297.70
Discontinued operations				(0.12)	(31.72)	7.16
Total	¥ 183.21	¥ 352.26	¥ 348.46	¥ 343.47	¥ 213.84	¥ 304.86
Diluted Earnings per Share [Diluted Earnings per Share Attributable to NH Foods Ltd. Shareholders]						
Continuing operations	¥ 181.48	¥ 350.00	¥ 342.07	¥ 322.66	¥ 230.61	¥ 279.50
Discontinued operations				(0.12)	(29.72)	6.72
Total	¥ 181.48	¥ 350.00	¥ 342.07	¥ 322.54	¥ 200.89	¥ 286.22
Total Equity Attributable to Owners of the Parent [Total NH Foods Ltd. Shareholders' Equity]	¥ 3,896.64	¥ 3,888.48	¥ 4,100.70	¥ 3,832.95	¥ 3,498.72	¥ 3,472.37
Cash Dividends	¥ 90.00	¥ 53.00	¥ 53.00	¥ 52.00	¥ 33.00	¥ 46.00
<b>Financial Indicators:</b>						
Business Profit Ratio	3.1%	4.0%	—	—	—	—
Return on Equity (ROE)	4.8%	9.4%	8.8%	9.2%	6.1%	9.2%
Return on Invested Capital (ROIC)	4.9%	6.6%	6.2%	7.0%	6.5%	6.4%
Total Equity Attributable to Owners of the Parent Ratio [NH Foods Ltd. Shareholders' Equity Ratio]	54.1%	56.9%	58.4%	56.1%	52.2%	53.5%
Interest-Bearing Liabilities/Equity Ratio [Interest-Bearing Debt]	0.37 times	0.27 times	0.25 times	0.34 times	0.43 times	0.39 times
Interest Coverage Ratio	24.2 times	43.1 times	44.7 times	57.4 times	35.1 times	24.2 times
Payout Ratio (Consolidated)	49.1%	30.1%	30.4%	30.3%	30.9%	30.2%

## Notes

- NH Foods Ltd. voluntarily applied International Financial Reporting Standards (IFRS) beginning with its Consolidated Financial Statements for the First Quarter of the Fiscal Year Ended March 31, 2019.
- Figures are noted in accordance with U.S. Generally Accepted Accounting Practices (GAAP) for fiscal years prior to the fiscal year ended March 31, 2018, and in accordance with IFRS from the fiscal year ended March 31, 2018 onward. Where there are differences between U.S. GAAP and IFRS, U.S. GAAP line items are denoted in brackets.
- Figures have been rounded to the nearest unit.
- 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, 2015. Cash dividends represent the actual payment prior to the relevant share consolidation.
- 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 operations have been reclassified.
- Operating income represents net sales less cost of goods sold and selling, general and administrative expenses.
- With the aim of clarifying profits gained from business activities, the Group has replaced the previous operating profit classification with business profit (calculated by deducting cost of goods sold and selling, general and administrative expenses from net sales, and making adjustments of foreign exchange gains and losses determined by the Group, adjustments in accordance with IFRS, and adjustments of non-recurring items).
- Interest-bearing liabilities [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 = Profit attributable to owners of the parent [Net income attributable to NH Foods Ltd.] / Average total equity attributable to owners of the parent [Average total NH Foods Ltd. shareholders' equity] × 100  
Free Cash Flow = Net cash provided by operating activities + Net cash used in investing activities  
Total equity attributable to owners of the parent ratio [NH Foods Ltd. shareholders' equity ratio] (%) = Total equity attributable to owners of the parent [Total NH Foods Ltd. shareholders' equity] / Total assets × 100  
Interest-bearing liabilities [Interest-bearing debt]/equity ratio (times) = Interest-bearing liabilities [Interest-bearing debt] / Total equity attributable to owners of the parent [Total NH Foods Ltd. shareholders' equity]  
Interest coverage ratio = Net cash provided by operating activities / Interest paid