



Supplemental documents for 2nd Quarter of Fiscal Year 2013

November 5, 2013

Nippon Suisan Kaisha, Ltd.

Overview of the 2nd Quarter of FY2013
Consolidated Income Statement (Y-on-Y)



(Unit : 100 million yen)

	'13/9	%	'12/9	%	Increase/ Decrease	%
Net Sales	2,916		2,770		145	5.3%
Gross Profit	602	20.7%	598	21.6%	3	0.6%
SGA expenses	549		569		(20)	
Operating Income	53	1.8%	29	1.1%	23	82.1%
Non operating income	24		17		7	
Non operating expenses	20		38		(18)	
Ordinary Income	57	2.0%	7	0.3%	50	665.9%
Extraordinary Income	20		8		11	
Extraordinary Expenses	10		19		(9)	
Income(loss) before income taxes	68	2.3%	(2)	(0.1%)	70	
Income taxes - current	26		20		6	
Income taxes - deferred	5		(5)		11	
Income before minority interest (Loss)	35		(17)		53	
Minority interests in income (Loss)	3		(5)		9	
Net income (Loss)	31	1.1%	(12)	(0.4%)	44	

Current Assets 2,167 (+151)	Current Liabilities 2,132 (+108)
	Noncurrent Liabilities 1,509 (▲50)
Noncurrent Assets 2,186 (▲13)	Net Assets 711 (+78)
Total Assets 4,353 (+137)	Inc. Total Shareholder's Equity 569 (+72) <i>Ratio of shareholder's equity: 13.1%</i>

Breakdown of Increase/Decrease			
Current Assets	+151	Notes and accounts receivable	+24
		Merchandise and finished goods	+107
		Work in process	+36
		Raw materials and supplies	(31)
Noncurrent Assets	(13)	Property, plant and equipments	(34)
		Intangible assets	(5)
		Investments and other assets	+26
Current Liabilities	+108	Notes and accounts payable	+19
		Short-term loans payable	+117
		Accrued expenses	(38)
Noncurrent Liabilities	(50)	Long-term loans payable	(70)
		Provision for retirements benefits	+10
Net Assets	+78	Capital Surplis	+31
		Valuation difference on available-for-sale securities	+13
		Foreign currency translation adjustment	+29

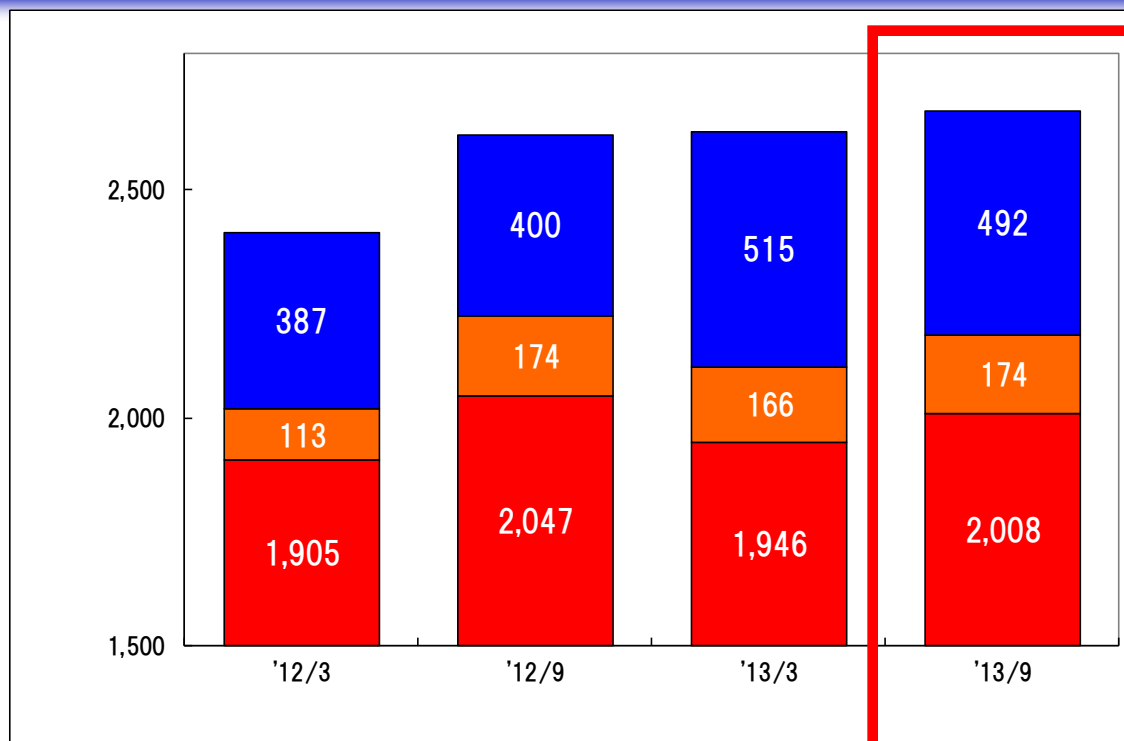
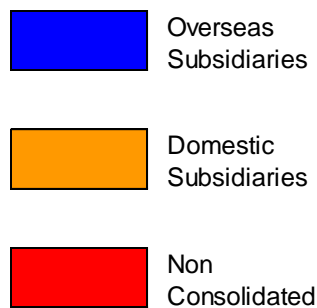
➤ Ratio of shareholder's equity:
 11.8% (as of Mar. 2013) → 13.1% (as of Sep. 2013)

Overview of the 2nd Quarter of FY2013

Consolidated loans payable & Net Interest Payments



(Unit : 100 million yen)



Compared with
the 4Q of FY2013

(23)

+ 8

+ 62

Influence by weaker yen : +63

Total Debt	2,405	2,621	2,626	2,673	+47
Short-term	1,207	1,445	1,307	1,425	+117
Long-term	1,197	1,175	1,319	1,248	(70)
Average interest of Short-term loans payable	1.2%	1.0%	0.9%	0.8%	(0.1%)
Average interest of Long-term loans payable	1.6%	1.6%	1.4%	1.4%	(0.0%)
Net Interest Cost	18.3	9.7	18.1	8.4	
Ratio of New Interest Cost of Operating Income	19%	33%	31%	16%	
Interest expenses	37.3	18.7	37.6	16.7	
Interest income	8.1	4.3	9.3	2.8	
Dividend income	10.8	4.6	10.1	5.4	

Overview of the 2nd Quarter of FY2013

Y-on-Y Comparison of Net Sales by Segment Matrix



(Unit : 100 million yen)

	Japan	North America	South America	Asia	Europe	Sub Total	Consolidated Adjustment	Grand Total
Marine Product	926 <i>(13)</i>	196 <i>(14)</i>	91 <i>(▲48)</i>	65 <i>(▲1)</i>	206 <i>(49)</i>	1,485 <i>(27)</i>	(341) <i>(10)</i>	1,143 <i>(37)</i>
	912	182	140	66	156	1,458	(351)	1,106
Food Product	1,521 <i>(▲44)</i>	279 <i>(64)</i>		37 <i>(8)</i>	124 <i>(60)</i>	1,963 <i>(89)</i>	(528) <i>(5)</i>	1,434 <i>(94)</i>
	1,565	215		28	64	1,873	(533)	1,339
Fine Chemicals	150 <i>(6)</i>			1 <i>(0)</i>		151 <i>(6)</i>	(9) <i>(0)</i>	142 <i>(6)</i>
	143			1		144	(9)	135
Logistics	110 <i>(7)</i>					110 <i>(7)</i>	(40) <i>(▲2)</i>	70 <i>(5)</i>
	103					103	(38)	64
Others	148 <i>(▲20)</i>			0 <i>(0)</i>		149 <i>(▲20)</i>	(23) <i>(21)</i>	125 <i>(1)</i>
	169			0		169	(45)	124
Sub Total	2,857 <i>(▲36)</i>	476 <i>(78)</i>	91 <i>(▲48)</i>	104 <i>(7)</i>	330 <i>(109)</i>	3,860 <i>(110)</i>		
	2,893	397	140	97	220	3,749		
Consolidated Adjustment	(704) <i>(22)</i>	(98) <i>(2)</i>	(66) <i>(17)</i>	(60) <i>(▲4)</i>	(13) <i>(▲4)</i>		(944) <i>(34)</i>	
	(727)	(101)	(84)	(56)	(9)		(979)	
Grand Total	2,152 <i>(▲13)</i>	377 <i>(81)</i>	24 <i>(▲30)</i>	44 <i>(3)</i>	316 <i>(105)</i>			2,916 <i>(145)</i>
	2,166	296	55	40	211			2,770

- The upper columns indicate the results of 2Q of FY2013 and the lower columns indicate those of FY2012. (The Italic figures mean increase/decrease.)
- Consolidated adjustment include the elimination between the group companies.
- Impact of withdrawal and restructuring the group companies : - 7.7 billion yen
- Impact of exchange conversion on net sales : 20 billion yen

Overview of the 2nd Quarter of FY2013

Y-on-Y Comparison of Operating Income by Segment Matrix



(Unit : 100 million yen)

	Japan	North America	South America	Asia	Europe	Common Cost	Sub Total	Consolidated Adjustment	Grand Total
Marine Products	10 (16)	0 (▲5)	(4) (6)	(0) (▲1)	3 (1)		8 (17)	0 (▲0)	8 (17)
	(6)	6	(11)	0	1		(9)	0	(8)
Food Products	17 (7)	(1) (▲1)		(0) (▲0)	(1) (▲1)		13 (4)	0 (0)	13 (5)
	9	(0)		(0)	(0)		9	(0)	8
Fine Chemicals	36 (1)			0 (0)			36 (1)	0 (▲0)	36 (1)
	35			0			35	0	35
Logistics	7 (▲0)						7 (▲0)	0 (▲0)	7 (▲1)
	8						8	0	9
Others	5 (▲0)			0 (▲0)			5 (▲0)	0 (1)	6 (0)
	5			0			5	(0)	5
Common Cost						(20) (0)	(20) (0)	0 (▲0)	(20) (0)
						(21)	(21)	0	(21)
Sub Total	77 (24)	(0) (▲6)	(4) (6)	(0) (▲1)	1 (0)	(20) (0)	51 (23)		
	52	6	(11)	0	0	(21)	27		
Consolidated Adjustment	3 (6)	0 (0)	(0) (▲7)	1 (1)	(2) (0)	(0) (▲0)		1 (0)	
	(3)	0	7	(0)	(2)	(0)		1	
Grand Total	80 (31)	0 (▲6)	(5) (▲1)	0 (▲0)	(1) (0)	(20) (0)			53 (23)
	49	6	(3)	0	(2)	(21)			29

- The upper columns indicate the results of 2Q of FY2013 and the lower columns indicate those of FY2012. (The Italic figures mean increase/decrease.)
- Consolidated adjustment include the amortization of goodwill and unrealized income in inventory.

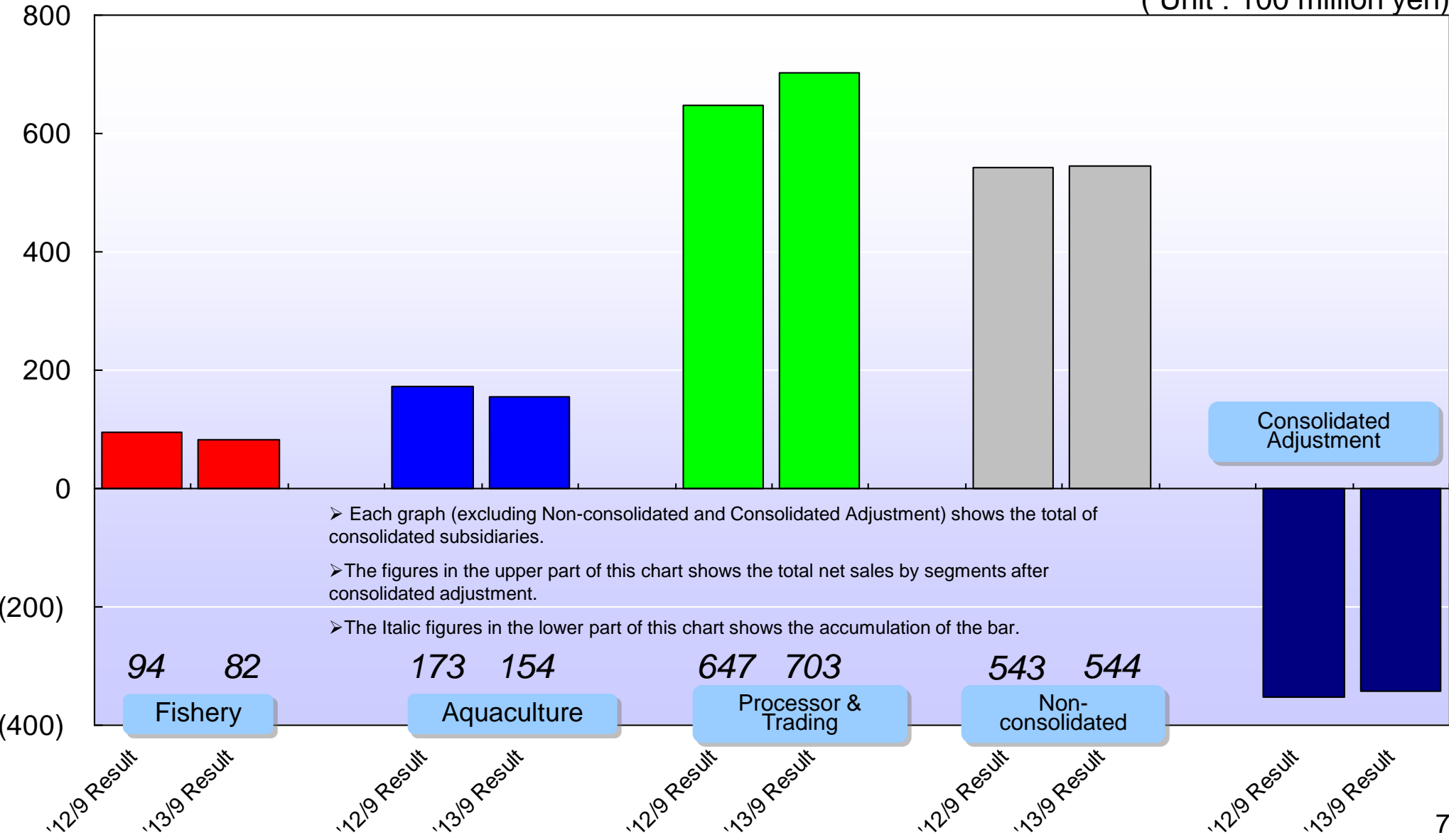
Overview of the 2nd Quarter of FY2013

Y-on-Y Comparison of Net Sales by Marine Product Segment



'12/9 Result 1,106 '13/9 Result 1,143

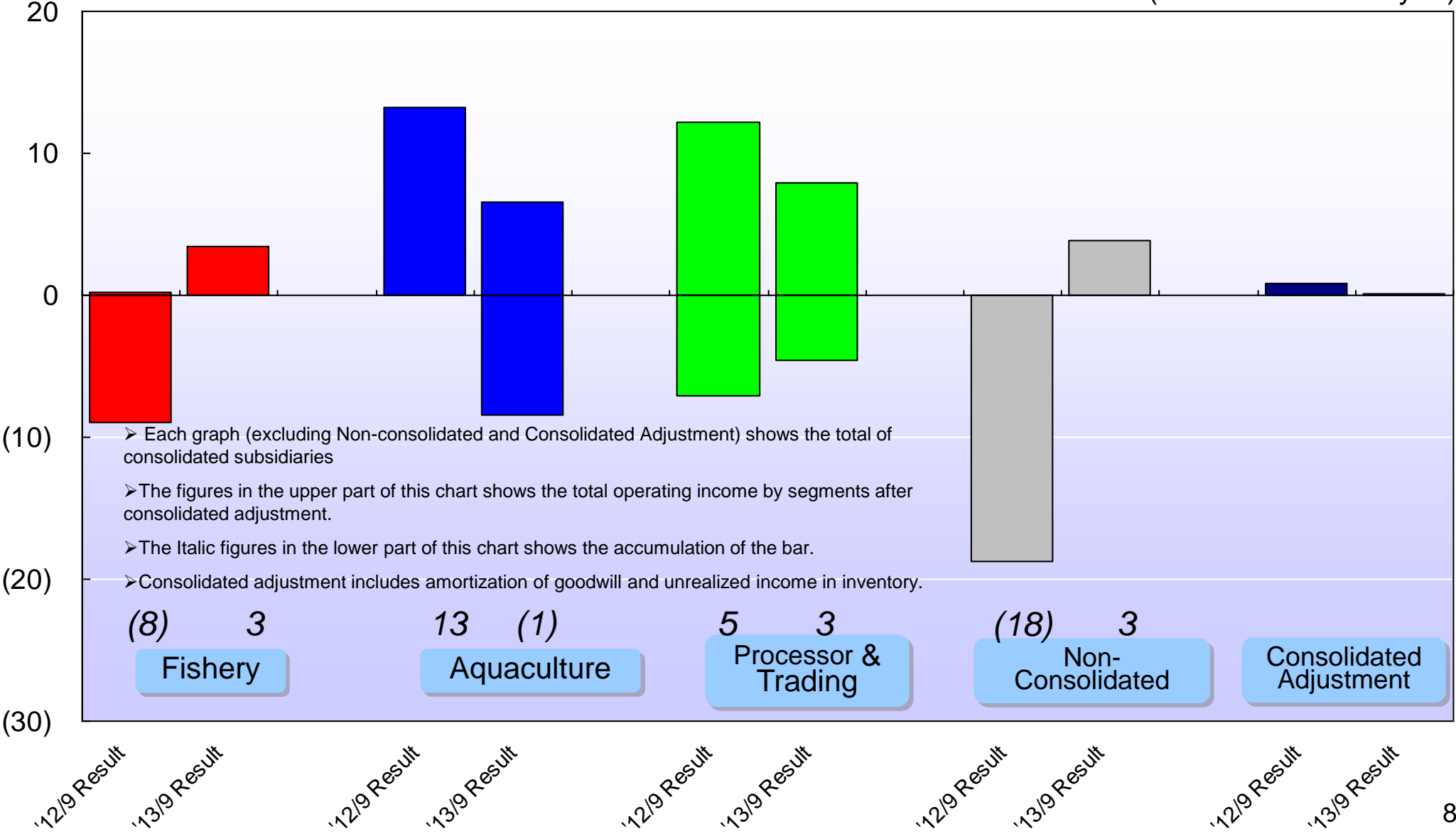
(Unit : 100 million yen)





'12/9 Result (8) '13/9 Result 8

(Unit : 100 million yen)



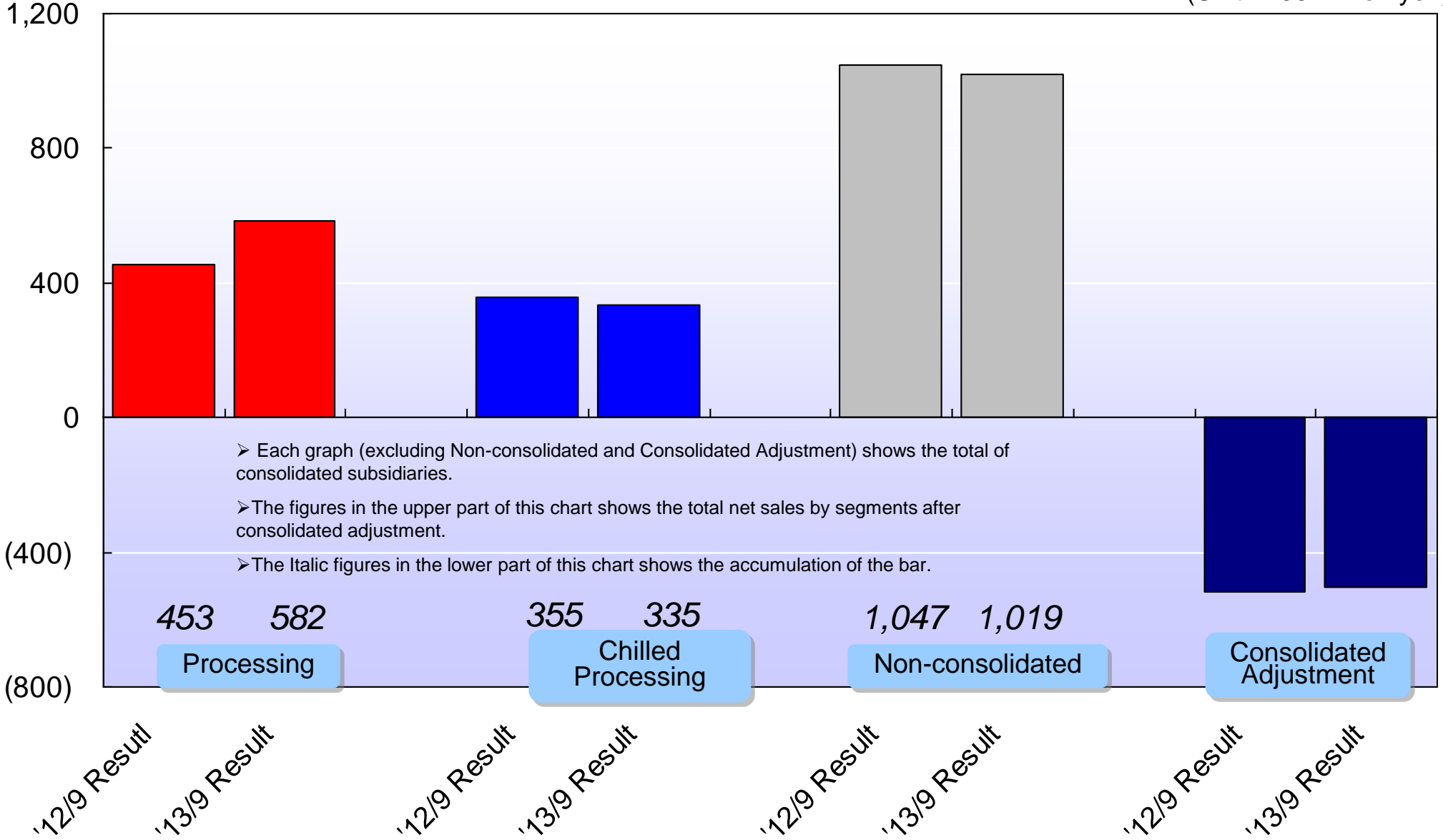
Overview of the 2nd Quarter of FY2013

Y-on-Y Comparison of Net Sales by Food Product Segment



'12/9 Result 1,339 '13/9 Result 1,434

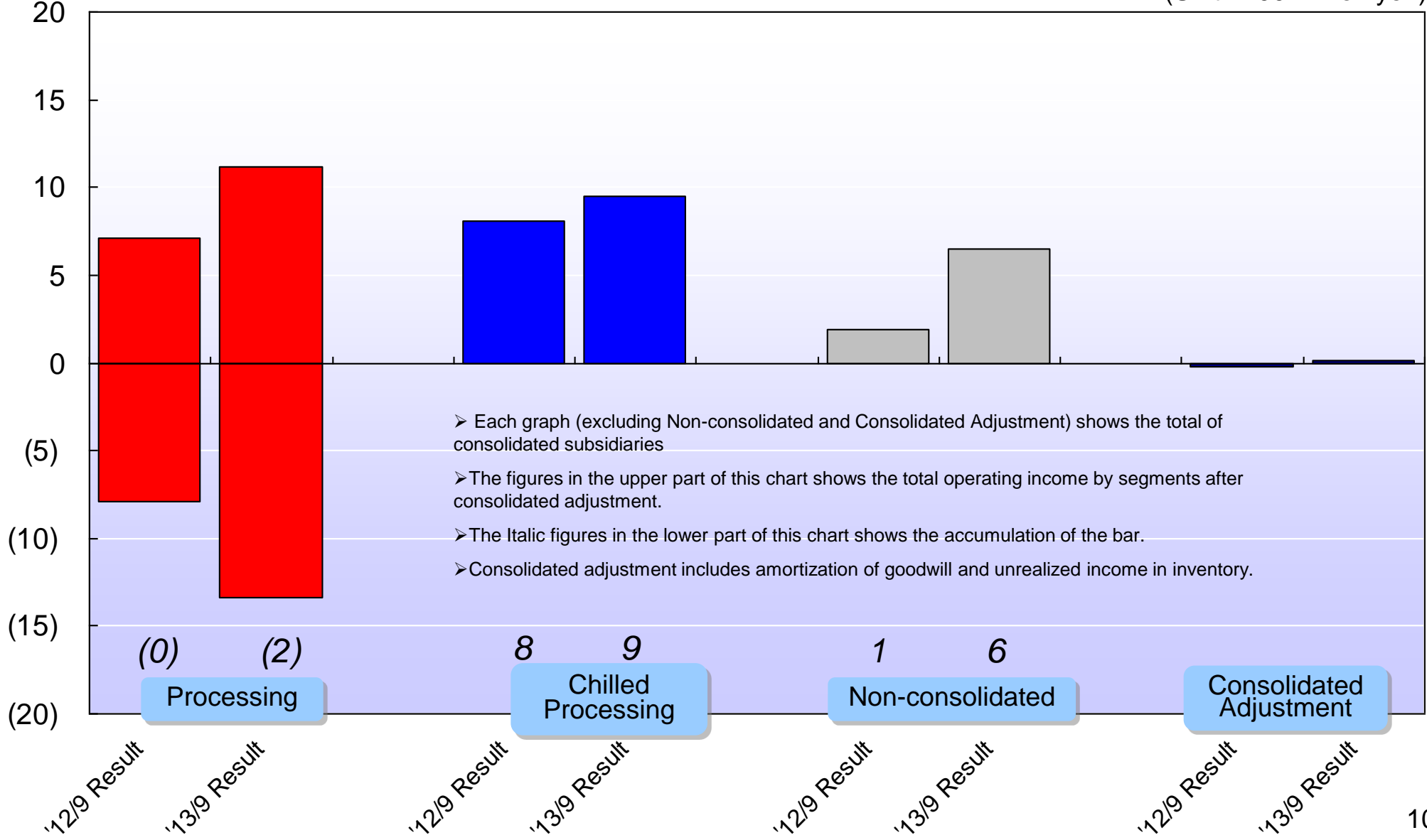
(Unit : 100 million yen)





'12/9 Result 8 '13/9 Result 13

(Unit : 100 million yen)



- Each graph (excluding Non-consolidated and Consolidated Adjustment) shows the total of consolidated subsidiaries
- The figures in the upper part of this chart shows the total operating income by segments after consolidated adjustment.
- The Italic figures in the lower part of this chart shows the accumulation of the bar.
- Consolidated adjustment includes amortization of goodwill and unrealized income in inventory.

Overview of the 2nd Quarter of FY2013 (Fine Chemicals)

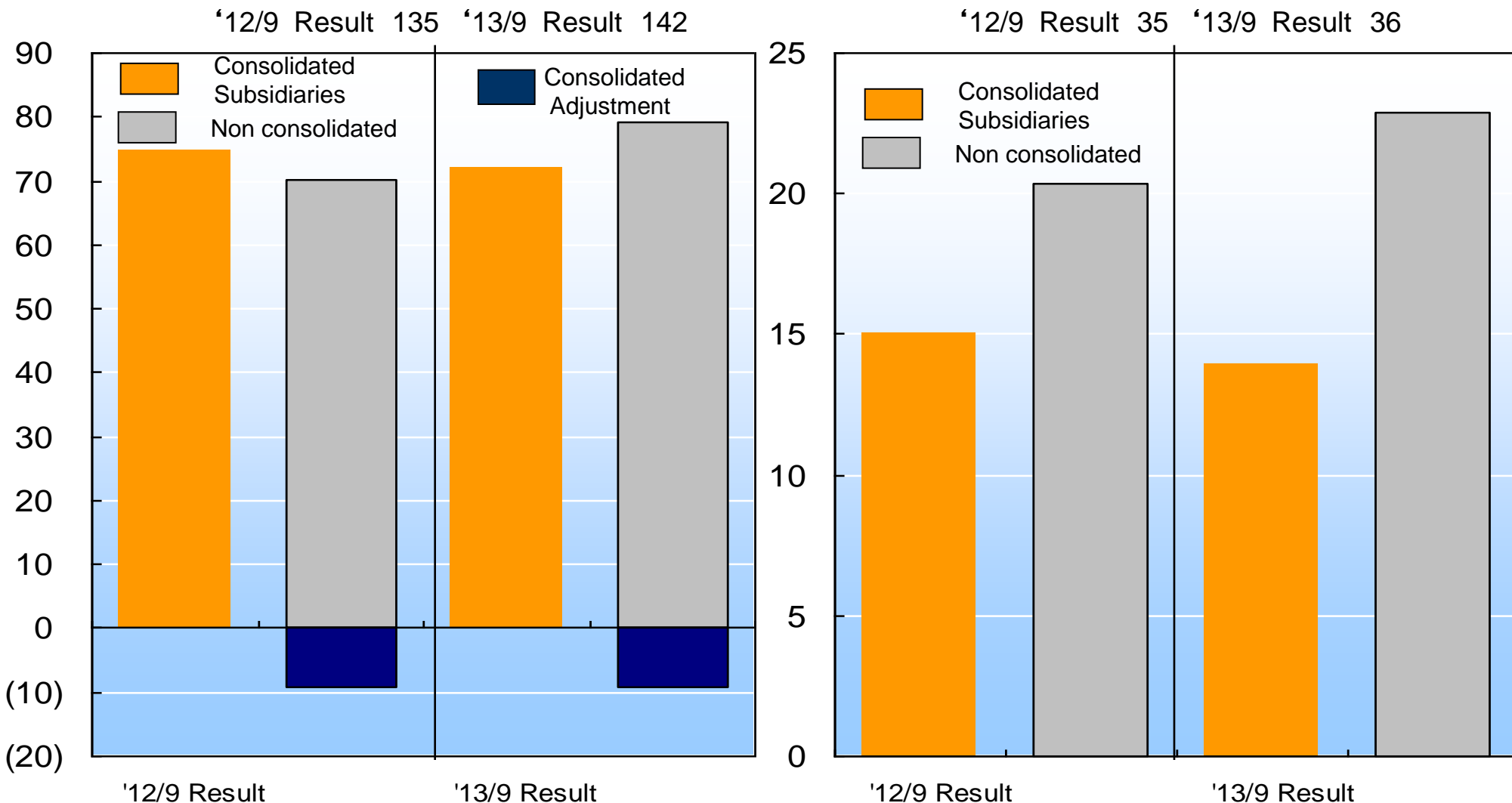
Y-on-Y Comparison of Net Sales and Operating Income



【Net Sales】

(Unit : 100 million yen) 【Operating Income】

(Unit : 100 million yen)



➤ Each graph of consolidated subsidiaries shows the total amount of net sales and operating income.

➤ The figures in the upper part of this chart shows the total net sales and operating income by segments after consolidated adjustment.

➤ Consolidated adjustment includes unrealized income in inventory

Overview of the 2nd Quarter of FY2013 (General Distribution)

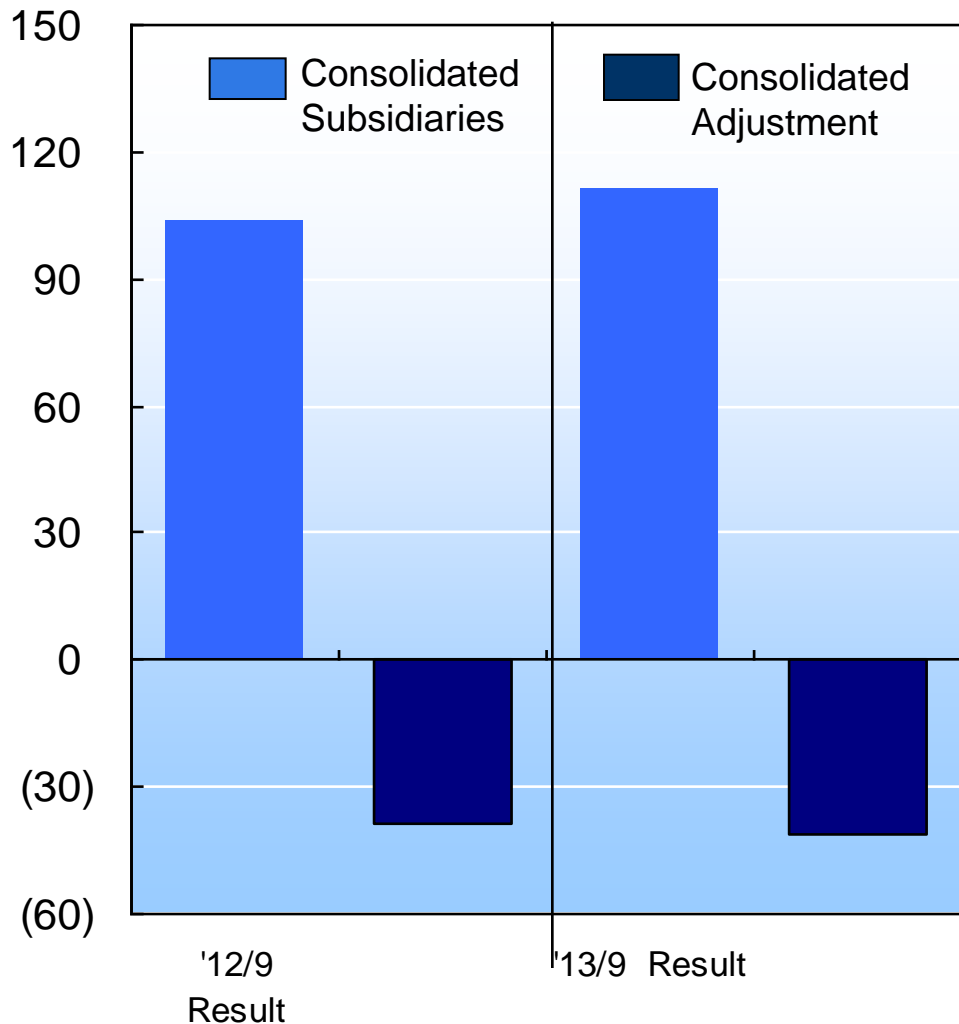
Y-on-Y Comparison of Net Sales and Operating Income



【Net Sales】

(Unit : 100 million yen)

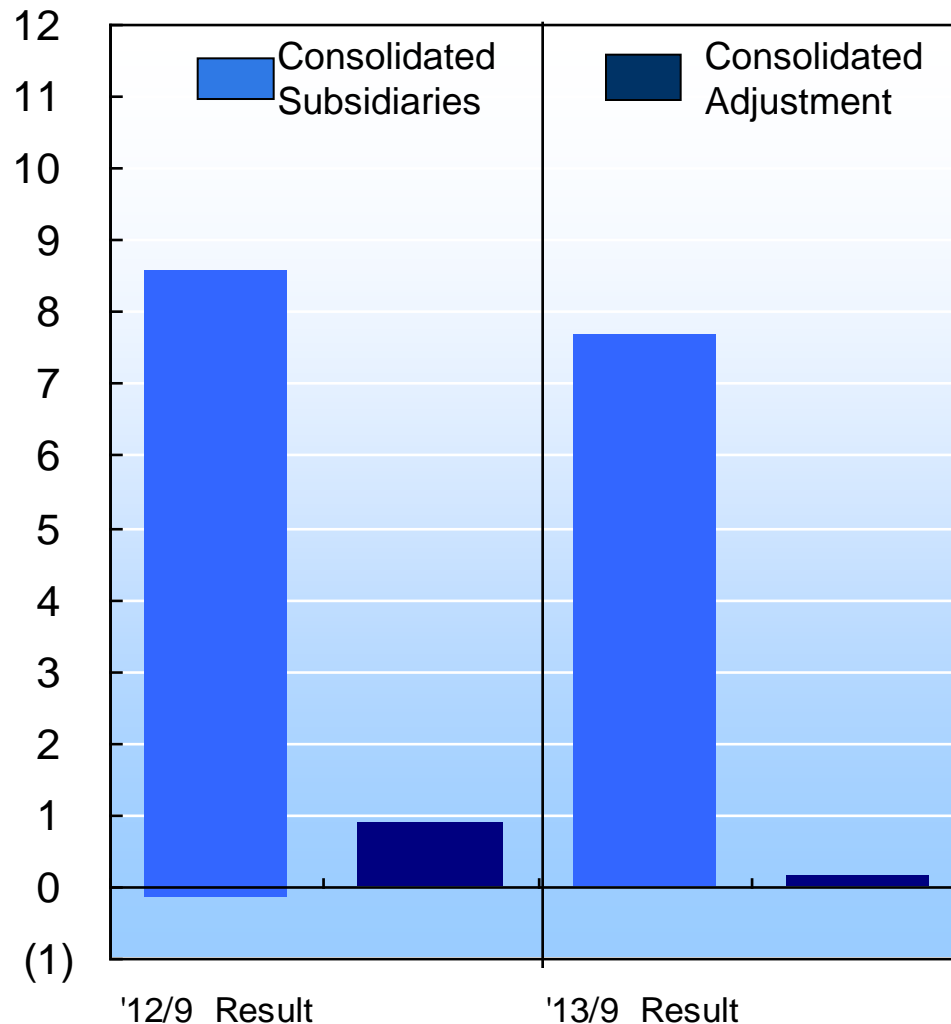
'12/9 Result 64 '13/9 Result 70



【Operating Income】

(Unit : 100 million yen)

'12/9 Result 9 '13/9 Result 7



➤ Each graph of consolidated subsidiaries shows the total amount of net sales and operating income.

➤ The figures in the upper part of this chart shows the total net sales and operating income by segments after consolidated adjustment.

➤ Consolidated adjustment includes unrealized income in noncurrent assets.

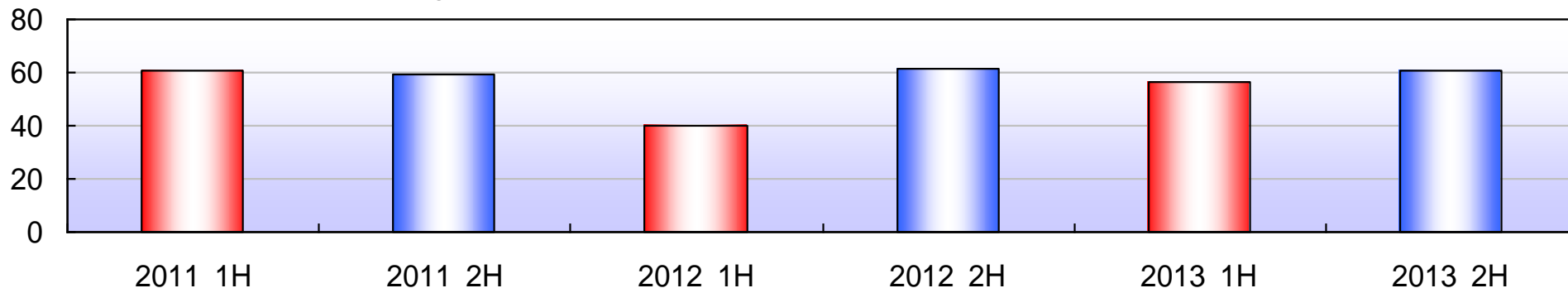
Overview of the 2nd Quarter of FY2013 (Non-consolidated)
Income Statement (Y-to-Y)



(Unit : 100 million yen)

	'13/9	%	'14/9	%	Increase /Decrease	%
Net Sales	1,643		1,661		(18)	(1.1%)
Gross Profit	327	20.0%	317	19.1%	10	3.4%
SGA expenses	315		335		(19)	
Operating Income (Loss)	12	0.8%	(18)	(1.1%)	30	
Non operating Income	16		16		(0)	
Non Operating Expenses	17		26		(8)	
Ordinary Income (Loss)	11	0.7%	(27)	(1.7%)	38	
Extraordinary Income	15		8		7	
Extraordinary Expenses	2		17		(14)	
Income (loss) before taxes	24	1.5%	(36)	(2.2%)	60	
Income taxes - current	1		0		1	
Income taxes - deferred	6		(9)		15	
Net Income(Loss)	16	1.0%	(26)	(1.6%)	43	

Movement of Gross margin (Unit: 100 million yen)



Summary of Second Quarter

Measures to be taken in Second Half of Fiscal Year

【Overall】

In the second quarter, both sales and profits were higher than in the previous year.

Thorough inventory control by setting a ceiling on inventory levels led to improvements in inventory turnover, as well as gross margin.

【Salmon/trout】

- In contrast with the falling fish price last year, fish price has risen since the beginning of the year.

【Shrimp】

- Argentinean red shrimp performed well, while other species rose in price due to the impact of fish disease, etc.

【Fish paste (*Surimi*)】

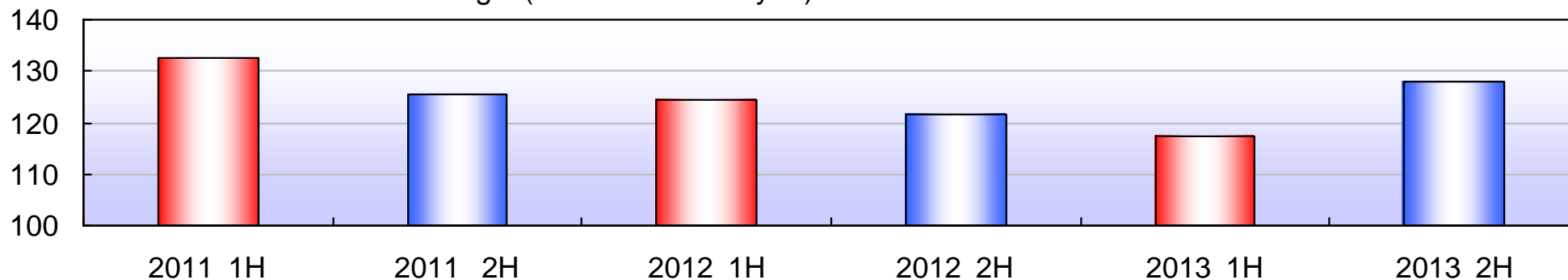
- Revenue substantially decreased due to the impact of falling unit selling price.

【Overall】

- Promote synergies of integrated sales functions for marine products and food products for commercial use.
 - Enhance sales targeted at wholesale dealers (tap consumers through sales taking advantage of wealth of seafood knowledge).
 - Increase rate of conversion into food ingredients and prepared foods, aimed at deeper penetration of merchandise in commercial channels.
- Uphold inventory ceiling
 - Minimize year-end inventory, and reduce risks in forth quarter.
 - Avert price fluctuation risks by optimizing procurement.
 - Expect to reduce logistics costs by improving inventory turnover.
- Thoroughly execute price revision



Movement of Real Gross margin (Unit: 100 million yen)



✓ Real Gross margin is the profit that common gross profit minus direct sales expense, such as sales rebate.

Summary of Second Quarter

【Overall】

- Profits were squeezed by the increase in imported raw materials, purchase price of products, etc. and heating and lighting expenses, due to the weak Japanese Yen since the end of last year.
- Cost reduction was carried out, and prices were revised especially for overseas products.

【Frozen prepared foods for household use】

- Price revision was carried out and progress was made to a certain degree.
- Profits decreased despite having reduced selling expenses.

【Ham, Sausage and fish paste (surimi) products for household use】

- Sales of chikuwa and fish ham & sausages were lower than in the previous year, but profits increased due in part to the fall in price of surimi ingredients.

【Frozen prepared foods for commercial use】

- Profits decreased due to being heavily affected by higher costs resulting from the impact of the weak Japanese yen, despite having carried out price revision



Measures to be taken in Second Half of Fiscal Year

【Overall】

- Concentrate on merchandise with high gross margin.
→ Seek higher profitability.
- Continue reducing selling expenses and cutting factory costs.
- Continue price revision negotiations.
(Frozen prepared foods for household use, food products for commercial use, canned food)

【For household use】

- Focus efforts on sales of new products, “yakionigiri” and “Champon noodles”.
- Develop new categories (noodles with frozen ingredients., etc.)

【For commercial use】

- Expand sales and realize deeper penetration in each line of business by integrating know-how of prepared foods and restaurants with that of seafood sales floors.
- Continue to concentrate on nine major categories.

Forecast of FY2013

Consolidated, Non-consolidated and Dividend



(Unit : 100 million yen)

Consolidated	'13/9	%	Forecast of 1H of FY2013	%	Ratio of Progress	Forecast of FY2014	%	Ratio of Progress
Net Sales	2,916		2,900		100.6%	5,820		50.1%
Operating Income	53	1.8%	40	1.4%	132.6%	125	2.1%	42.4%
Ordinary Income	57	2.0%	30	1.0%	192.5%	115	2.0%	50.2%
Net Income (Loss)	31	1.1%	10	0.3%	318.4%	60	1.0%	53.1%

(Unit : 100 million yen)

Non-Consolidated	'13/9	%	Forecast of 1H of FY2013	%	Ratio of Progress	Forecast of FY2014	%	Ratio of Progress
Net Sales	1,643		1,630		100.8%	3,330		49.3%
Operating Income (Loss)	12	0.8%	7	0.4%	178.1%	25	0.8%	49.9%
Ordinary Income	11	0.7%	8	0.5%	141.6%	45	1.4%	25.2%
Net Sales	16	1.0%	8	0.5%	204.4%	40	1.2%	40.9%

■ Prospective exchange rate : 1US\$ = 95 yen

Disclaimer regarding forward-looking statements

This presentation contains forward-looking statements regarding Nissui's business projections for the current term and future terms. All forward-looking statements are based on rational judgement of management derived from the information currently available to it, and the Company provides no assurances that these projections will be achieved.

Please be advised that the actual business performance may differ from these business projections due to changes of various factors. Significant factors which may affect the actual business performance includes but are not limited to the changes in the market economy and product demand, foreign exchange rate fluctuations, and amendments to various international and Japanese systems and laws.

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