

## Summary of 1st Quarter Report for Fiscal Year 2015 (April 1, 2015 through June 30, 2015)

Qualification: This is directly translated into English for the convenience of readers, and all financial results conform with the accounting principles generally accepted in Japan.

Company: **Nippon Suisan Kaisha, Ltd.** Listed on Tokyo Stock Exchange with the register code 1332

<http://www.nissui.co.jp/english/index.html>

## 1. Consolidated Financial Data of 1st Quarter of FY2015

## (1) Consolidated Financial Results (For three months ended June 30) (Amounts less than one million yen are omitted)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>1st quarter of FY2015</b>	<b>160,651</b>	<b>5.9</b>	<b>5,100</b>	<b>0.2</b>	<b>6,892</b>	<b>14.1</b>	<b>3,984</b>	<b>59.6</b>
1st quarter of FY2014	151,664	6.5	5,089	92.1	6,042	62.9	2,495	(7.4)

(Note): Each percentage figure shows changes from the previous year.

Comprehensive income of 1st quarter of FY2015 2,440 Million yen ((19.2%)) 1st quarter of FY2014 3,020 Million yen((39.6%))

	Net income per share	Diluted income per share
	Yen	Yen
<b>1st quarter of FY2015</b>	<b>14.42</b>	-
1st quarter of FY2014	9.03	-

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
<b>1st quarter of FY2015</b>	<b>459,637</b>	<b>106,308</b>	<b>19.1</b>
FY2014	459,293	104,225	18.6

(Note): Total shareholders' equity June 30, 2015 87,614 Million yen March 31, 2015 85,283 Million yen

## 2. Dividend

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
FY2014	-	0.00	-	3.00	3.00
FY2015	-				
FY2015 (forecast)		2.00	-	2.00	4.00

(Note) Revision to dividend forecast during the current quarter: None

## 3. Consolidated Forecast for FY2015(April 1, 2015 through March 31,2016)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2nd Quarter of FY2015 (Commutative)	313,000	3.6	7,500	(26.8)	8,300	(27.9)	4,500	(23.7)	16.29
FY2015	636,000	(0.4)	17,000	(6.1)	18,500	(13.5)	10,500	2.2	38.01

(Note) Revision during the current quarter to the consolidated forecast for FY2015: None

## 4. Notes

- 1) Changes in scope of consolidation due to transfer of significant subsidiaries during the term: None
- 2) Adoption of accounting treatment unique to the preparation of quarterly consolidated financial statement: None
- 3) Changes in accounting policy, Changes in accounting estimate, and restatement:
  - ① Changes in accounting policy associated with the revision of the accounting standard, etc.: Yes
  - ② Changes in accounting policy other than those stated above: None
  - ③ Changes in accounting estimate : None
  - ④ Restatement : None

(Note) Please refer to "2. Matters regarding summary information (Notes)

## 4) Number of issued shares (Common stock)

- ① Number of issued shares at the end of the term (Including treasury stock)
- ② Number of treasury stock at the end of the term
- ③ Average number of shares during the term (For the current consolidated first quarter)

1Q of FY2015	277,210,277	FY2014	277,210,277
1Q of FY2015	936,672	FY2014	934,853
1Q of FY2015	276,274,735	1Q of FY2014	276,280,544

## \*Indication of implementation status of quarterly review procedures

This report is exempt from the quarterly review procedures based on the Financial Instruments and Exchange Act. Quarterly review procedures based on the Financial Instruments and Exchange Act have not been completed at the time of disclosure of this report.

## \*Explanation on the proper use of the forecasts, and other noteworthy items

The performance forecasts contained in this report are based on information available at the present time and certain premises thought to be reasonable. Accordingly, the final results may change substantially due to various factors. For conditions from which the premises for the forecasts were derived and the other noteworthy items relating to the use of the forecasts, please refer to "Qualitative information on the consolidated forecasts" of page 4 of the Summary of 1st Quarter Report for Fiscal Year 2015 (Appendix).

\* Support documentation for the 1st Quarter was disclosed on the TD-net (Timely Disclosure network) on the same day.

## 1. Qualitative Information for First Three Months of Current Fiscal Year

### (1) Explanation on consolidated financial results

During the first three months of the current fiscal year, the Japanese economy was on a modest recovery trend, as capital expenditures increased in the wake of continuing improvements in corporate earnings, while signs of improvement in the employment situation and recovery in consumer spending were also seen.

In terms of the global economy during the period subject to consolidated accounting from January to March, the U.S. saw an improvement in the employment situation and increased consumer spending, although capital expenditures remained weak. Uncertainty for the future continued to prevail with increasing concern for the impact of the debt crisis in Greece, despite the improvement of the economy in Europe overall, and in Asia, the Chinese economy continued to slow down albeit at a moderate pace.

The Company and its corporate group witnessed fish prices, despite signs of weakening in certain areas, remain solid in the marine products market. In the Food Products business, the import costs of raw ingredients and processed products, etc. rose because of the continuing weakening of the yen in Japan, while in North America, performances were strong.

Under these circumstances, as consolidated results for the first three months of the current fiscal year under review, we recorded sales of 160,651 million yen, up 8,987 million yen year-on-year; operating income of 5,100 million yen, up 11 million yen year-on-year; ordinary income of 6,892 million yen, up 849 million yen year-on-year; and profit attributable to owners of the parent of 3,984 million yen, up 1,488 million yen year-on-year.

The summary by segment is as follows.

(Unit : million yen)

	Net Sales	Increase/Decrease (Y-on-Y)	Y-on-Y	Operating Income	Increase/Decrease (Y-on-Y)	Y-on-Y
Marine Products	66,168	1,413	102.2%	1,064	(1,119)	48.7%
Food Products	80,413	6,679	109.1%	3,198	1,169	157.6%
Fine Chemicals	5,824	(204)	96.6%	989	(94)	91.2%
General Distribution	3,558	(17)	99.5%	435	13	103.2%
Other	4,687	1,116	131.3%	121	7	106.8%
Common Costs	-	-	-	(709)	35	95.3%
Total	160,651	8,987	105.9%	5,100	11	100.2%

#### (1) Marine Products Business

The Marine Products segment is engaged in the fishery, aquaculture, and seafood processing and trading businesses.

<Overview of the first three months of the consolidated fiscal year under review>

In the Marine Products business, sales in the amount of 66,168 million yen (up 1,413 million yen year-on-year) and operating income of 1,064 million yen (down 1,119 million yen year-on-year) were recorded.

Fishery Business: Both revenue and income decreased year-on-year.

[Japan]

• While fuels costs decreased due to the fall in crude oil prices, depreciation increased due to the building of new ships.

[South America]

• Costs increased due to the large-scale renewal of facilities and long-term docking.

Aquaculture Business: Both revenue and income decreased year-on-year.

- In the yellowtail business, sales volume of Wakaburi (Note 1) increased.
- In the tuna business, sales prices remained high despite the decrease in sales volume.

[South America]

• In the salmon/trout business, a drastic decline in income was reported due to the surge in feed prices, in addition to the plunge in the sales price of salmon/trout.

Seafood Processing and Trading Business: Both revenue and income increased year-on-year.

[Japan]

• The sales prices of salmon/trout showed certain signs of recovery despite being on a declining trend, while the sales prices of fish meal remained high, resulting in increased income.

[North America]

• The sales price of fish paste (surimi) rose, in addition to an increase in sales volume.

[Europe]

• The Group focused on capturing new customers and securing profits amid the weakening euro.

## (2) Food Products Business

The Food Products segment is engaged in the food processing and chilled foods businesses.

<Overview of the first three months of the consolidated fiscal year under review>

In the Food Products business, sales in the amount of 80,413 million yen (up 6,679 million yen year-on-year) and operating income of 3,198 million yen (up 1,169 million yen year-on-year) were recorded.

Processed Foods Business: Both revenue and income increased year-on-year.

[Japan]

• While import costs of raw ingredients and processed products rose due to the impact of the weakening yen, sales of fish paste (surimi) products and fish sausage and ham were strong, in addition to the price revisions having an effect to a certain extent.

[North America]

• In North America, the profitability of companies involved in frozen prepared foods for household use improved as a result of efforts such as the consolidation of plants while companies involved in frozen prepared foods for commercial use reported strong sales to the major restaurant chains.

[Europe]

• Sales volume grew, while productivity also improved, resulting in increased income.

Chilled Foods Business: Both revenue and income increased year-on-year.

[Japan]

• Sales of chilled boxed lunches (bento), salads and other products to convenience stores grew, while productivity also improved.

## (3) Fine Chemicals Business

The Fine Chemicals segment is engaged in the manufacture and sale of pharmaceutical raw materials, functional raw materials (Note 2), functional foods (Note 3), pharmaceuticals, and diagnostic medicines.

<Overview of the first three months of the consolidated fiscal year under review>

The Fine Chemicals business posted sales in the amount of 5,824 million yen (down 204 million yen year-on-year) and operating income of 989 million yen (down 94 million yen year-on-year).

[Pharmaceutical Raw Materials, Functional Raw Materials and Functional Foods]

• Sales volume of pharmaceutical raw materials fell due to the measures to promote the use of generic drugs.

[Clinical Diagnostic Medicines, Industrial Reagents, Pharmaceuticals and Cosmetics]

• Sales of clinical diagnostic medicines and industrial reagents were strong.

#### (4) General Distribution Business

The General Distribution segment is engaged in the cold storage, transportation and customs clearing businesses.

<Overview of the first three months of the consolidated fiscal year under review>

In the General Distribution business, sales in the amount of 3,558 million yen (down 17 million yen year-on-year) and operating income of 435 million yen (up 13 million yen year-on-year) were recorded.

• Although the volume of transported cargo decreased in the transportation business, revenue from storage fees increased in the cold storage business, resulting in revenue and income comparable to the previous fiscal year.

(Note 1) Wakaburi is an aquaculture yellowtail that reaches the height of its season in spring and summer through early spawning, which allows for the shipment of high quality fish even in the summer season (The brand name, “Kurose-no-Wakaburi,” is owned by the Company.)

(Note 2) Functional raw materials consist mainly of EPA, DHA, glucosamine, cholesterol, and orange roughy oil, which are used primarily as ingredients in foods and cosmetics.

(Note 3) Functional foods refer to food for specified health uses “IMARK” and “IMARK S” and supplements such as EPA, DHA and glucosamine.

## (2) Explanation on consolidated financial position

State of assets, liabilities and net assets

### Assets

Current assets increased by 1.4% compared to the end of the previous consolidated fiscal year to 235,009 million yen, mainly as a result of an increase in notes and accounts receivable-trade by 1,046 million yen, as well as an increase in work in progress by 1,535 million yen.

Noncurrent assets decreased by 1.3% compared to the end of the previous consolidated fiscal year to 224,627 million yen, mainly as a result of a decrease in property, plant and equipment by 1,141 million yen, as well as a decrease in investment securities by 1,566 million yen.

As a result, total assets increased by 0.1% compared to the end of the previous consolidated fiscal year to 459,637 million yen.

### Liabilities

Current liabilities decreased by 1.3% compared to the end of the previous consolidated fiscal year to 209,482 million yen, mainly as a result of a decrease in short-term loans payable by 4,971 million yen.

Noncurrent liabilities increased by 0.8% compared to the end of the previous consolidated fiscal year to 143,845 million yen, mainly as a result of an increase in long-term loans payable by 1,297 million yen.

As a result, total liabilities decreased by 0.5% compared to the end of the previous consolidated fiscal year to 353,328 million yen.

### Net assets

Total net assets increased by 2,083 million yen compared to the end of the previous consolidated fiscal year to 106,308 million yen. This was due mainly to reporting a profit attributable to owners of the parent of 3,984 million yen.

## (3) Explanation on Consolidated Financial Forecasts

No changes have been made at this point in time to the full-year financial forecasts for the fiscal year ending March 2016, which were released on May 15, 2015.

## **2. Matters regarding Summary Information (Notes)**

Changes in accounting principles, accounting estimates and retrospective restatement for consolidated financial statements

(Changes in Accounting Principles)

Effective from the 1st quarter of the current fiscal year under review, the Company has adopted the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, September 13, 2013, hereinafter referred to as the “Business Combinations Accounting Standards”), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013, hereinafter referred to as the “Consolidated Financial Statements Accounting Standard”), and the “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013, hereinafter referred to as the “Business Divestitures Accounting Standard”). Accordingly, for subsidiaries the Company continues to control, differences arising due to changes in the equity portion are reported as capital surplus and costs associated with the acquisition of shares are reported as expenses in the consolidated fiscal year in which they are incurred. Additionally, for business combinations that are implemented after the beginning of the 1st quarter of the current fiscal year, the allocation of the cost of acquisitions, as determined after review of provisional accounting treatment, is reflected in the quarterly consolidated financial statements for the quarter in which the business combination took place. Furthermore, the Company has changed the method of presenting quarterly net income and changed minority interests in income to a non-controlling interest item. To reflect these changes, the Company has applied the provisional accounting treatment contained in Business Combination Accounting Standard 58-2 (4), Consolidated Financial Statements Accounting Standard 44-5 (4), and Business Divestitures Accounting Standard 57-4 (4) and will continue to apply these standards from the beginning of the 1st quarter of the current fiscal year under review into the future.

There was no material impact on the consolidated financial statements of the 1st quarter of the current fiscal year under review.

**3. 1st Quarter Consolidated Financial Statements**  
**(1)Consolidated Balance Sheet**

Million yen

	FY2014 As of Mar. 31,2015	1st Quarter of FY2015 As of Jun. 30, 2015
Assets		
Current assets		
Cash and deposits	10,455	10,691
Notes and accounts receivable-trade	73,192	74,239
Merchandise and finished goods	59,815	59,622
Work in process	22,589	24,124
Raw materials and supplies	30,795	29,815
Other	35,376	36,996
Allowance for doubtful accounts	(502)	(480)
Total current assets	231,722	235,009
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	48,084	47,396
Other, net	65,582	65,129
Total property, plant and equipment	113,667	112,526
Intangible assets		
Goodwill	2,144	1,860
Other	12,084	11,765
Total intangible assets	14,229	13,625
Investments and other assets		
Investment securities	87,646	86,080
Other	17,745	17,888
Allowance for doubtful accounts	(5,717)	(5,493)
Total investments and other assets	99,674	98,475
Total non-current assets	227,571	224,627
Total assets	459,293	459,637

**Consolidated Balance Sheet**

Million yen

	FY2014 As of Mar. 31, 2015	1st Quarter of FY2015 As of Jun. 30, 2015
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	33,234	36,574
Short-term loans payable	139,941	134,970
Income taxes payable	2,230	2,071
Accrued expenses	21,559	22,711
Provision	3,002	1,459
Other	12,359	11,696
<b>Total current liabilities</b>	<b>212,327</b>	<b>209,482</b>
<b>Non-current liabilities</b>		
Long-term loans payable	114,399	115,696
Provision	237	99
Net defined benefit liability	17,746	18,334
Other	10,358	9,715
<b>Total non-current liabilities</b>	<b>142,740</b>	<b>143,845</b>
<b>Total liabilities</b>	<b>355,068</b>	<b>353,328</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	23,729	23,729
Capital surplus	13,758	13,758
Retained earnings	28,081	32,061
Treasury stock	(260)	(260)
<b>Total shareholders' equity</b>	<b>65,309</b>	<b>69,288</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	13,426	14,034
Deferred gains or losses on hedges	596	721
Foreign currency translation adjustment	8,119	6,154
Remeasurements of defined benefit plans	(2,168)	(2,583)
<b>Total accumulated other comprehensive income</b>	<b>19,974</b>	<b>18,326</b>
<b>Non-controlling interests</b>	<b>18,941</b>	<b>18,694</b>
<b>Total net assets</b>	<b>104,225</b>	<b>106,308</b>
<b>Total liabilities and net assets</b>	<b>459,293</b>	<b>459,637</b>

**(2)Consolidated Income Statements**

Million yen

	1st Quarter of FY2014 (Three months ended Jun. 30, 2014)	1st Quarter of FY2015 (Three months ended Jun. 30, 2015)
Net sales	151,664	160,651
Cost of sales	119,095	126,269
Gross profit	32,569	34,382
Selling, general and administrative expenses	27,480	29,281
Operating income	5,089	5,100
Non-operating income		
Interest income	92	89
Dividend income	218	225
Foreign exchange gains	172	201
Gain on sales of investment securities	664	740
Share of profit of entities accounted for using equity method	528	645
Subsidy income	36	515
Miscellaneous income	57	75
Total non-operating income	1,769	2,493
Non-operating expenses		
Interest expenses	758	684
Miscellaneous expenses	57	16
Total non-operating expenses	815	700
Ordinary income	6,042	6,892
Extraordinary income		
Gain on sales of noncurrent assets	6	7
Gain on sales of investment securities	12	134
Gain on sales of shares of subsidiaries and associates	-	17
Total extraordinary income	19	160
Extraordinary losses		
Loss on disposal of noncurrent assets	78	45
Impairment loss	-	227
Loss on valuation of investment securities	25	30
Loss on sales of stocks of subsidiaries and affiliates	-	9
Special retirement expenses	108	-
Loss on disaster	854	-
Total extraordinary losses	1,066	313
Income before income taxes	4,995	6,740
Income taxes-current	1,352	1,565
Income taxes-deferred	895	903
Total income taxes	2,247	2,469
Profit	2,747	4,270
Profit attributable to non-controlling interests	251	285
Profit attributable to owners of parent	2,495	3,984



Consolidated Statements of comprehensive income

Million yen

	1st Quarter of FY2014 (Three months ended Jun. 30, 2014)	1st Quarter of FY2015 (Three months ended Jun. 30, 2015)
Profit	2,747	4,270
Other comprehensive income		
Valuation difference on available-for-sale securities	402	331
Deferred gains or losses on hedges	(32)	224
Foreign currency translation adjustment	(1,123)	(1,209)
Remeasurements of defined benefit plans, net of tax	106	(412)
Share of other comprehensive income of entities accounted for using equity method	920	(764)
Total other comprehensive income	273	(1,829)
Comprehensive income	3,020	2,440
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,924	2,336
Comprehensive income attributable to non-controlling interests	96	103

### (3) Notice concerning the consolidated financial statements

(Notes on premise of existing companies)

Not applicable.

(Notes Regarding Significant Changes in the Amount of Shareholder's Equity)

Not applicable.

(Segment Information, etc.)

#### 1. 1st Quarter of the last Fiscal Year(Apr 1, 2014 - Jun 30, 2014)

1. Information of net sales and profit (loss) by reportable segment

Million yen

	Information by business segments					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Marine Products	Food Products	Fine Chemicals	General distribution	Total				
<b>Sales</b>									
(1) Sales to third parties	64,754	73,734	6,029	3,575	148,094	3,570	151,664	-	151,664
(2) Inter-segment sales and transfers	3,355	208	67	1,599	5,231	644	5,876	(5,876)	-
Total	68,110	73,943	6,096	5,175	153,325	4,215	157,541	(5,876)	151,664
Segment income	2,184	2,028	1,084	422	5,719	113	5,833	(744)	5,089

(Note)

1. The "Other" segment includes the building/repair of ships, engineering and other businesses that are not included in the reportable segments.

2. The (744) million yen segment income adjustment comprise 13 million yen in inter-segment transactions and (757) million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.

3. Segment income is adjusted to reflect operating income as recorded in the quarterly consolidated statement of income.

2. Information regarding impairment loss on noncurrent assets and goodwill by reportable segment

(Significant impairment loss on noncurrent assets)

Not applicable.

(Significant changes in the amount of goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

#### 2. 1st Quarter of the current Fiscal Year(Apr 1, 2015 - Jun 30, 2015)

1. Information of net sales and profit (loss) by reportable segment

Million yen

	Information by business segments					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Marine Products	Food Products	Fine Chemicals	General distribution	Total				
<b>Sales</b>									
(1) Sales to third parties	66,168	80,413	5,824	3,558	155,964	4,687	160,651	-	160,651
(2) Inter-segment sales and transfers	4,234	683	90	1,659	6,667	487	7,154	(7,154)	-
Total	70,402	81,096	5,915	5,217	162,632	5,174	167,806	(7,154)	160,651
Segment income	1,064	3,198	989	435	5,688	121	5,809	(709)	5,100

(Note)

1. The "Other" segment includes the building/repair of ships, engineering and other businesses that are not included in the reportable segments.

2. The (709) million yen segment income adjustment comprise 19 million yen in inter-segment transactions and (729) million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.

3. Segment income is adjusted to reflect operating income as recorded in the quarterly consolidated statement of income.

2. Information regarding impairment loss on noncurrent assets and goodwill by reportable segment

(Significant impairment loss on noncurrent assets)

Impairment loss on noncurrent assets was reported on company-wide assets that are not allocated to the reportable segments. In the first quarter of the fiscal year under review, the amount of said impairment loss was 227 million yen.

(Significant changes in the amount of goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.