

Summary of 2nd Quarter Report for Fiscal Year 2009 (April 1, 2009 through September 30, 2009)

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 FY2009 First Half****(1) Consolidated Financial Results (For the six months ended September 30)**

(Amounts less than one million yen are omitted)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2009 first half	241,226	▲ 6.9	3,805	52.0	3,040	172.7	1,031	-
FY2008 first half	259,043	-	2,503	-	1,115	-	▲ 2,069	-

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

	Net income per share
	Yen
FY2009 first half	3.73
FY2008 first half	▲ 7.49

(2) Consolidated Financial Position of 2nd Quarter

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2009 second quarter	386,164	79,212	16.0	223.98
FY2008	385,462	72,165	14.5	201.64

(Note) : Total shareholders' equity September 30, 2009 ¥61,888 Million March 31, 2009 ¥55,718 Million

2. Dividend

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
	Yen	Yen	Yen	Yen	Yen
FY2008	-	5.00	-	5.00	10.00
FY2009	-	5.00	-	-	-
FY2009 (forecast)	-	-	-	5.00	10.00

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

3. Consolidated Forecast for FY2009 (Term: April 1, 2009 through March 31, 2010)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2009	480,000	▲ 5.0	8,500	169.3	7,000	-	2,000	-	7.24

(Note) Revision during the current quarter to the consolidated forecast for FY2009: Yes

4. Others

1) Change in scope of consolidation due to transfer of significant subsidiaries during the term: None

2) Adoption of simplified accounting method or accounting methods specific to quarterly consolidated financial statements: Yes

(Note) For details, please refer to 4. Others of [Qualitative Information/Consolidated Financial Statements] on page 4.

3) Changes in accounting principles, procedures, presentation methods, relating to the preparation of quarterly consolidated financial statements

(Items stated under Changes in the Significant Assumptions Underlying the Preparation of the Quarterly Consolidated Financial Statements)

① Changes accompanying changes in accounting standards: None

② Change other than those stated above: None

(4) Number of issued shares (Common stock)

① Number of issued shares at the end of the term (Including treasury stock)

2Q of FY ending March 31, 2010: 277,210,277 shares, FY ended March 31, 2009: 277,210,277 shares

② Number of treasury stock at the end of the term

2Q of FY ending March 31, 2010: 899,160 shares, FY ended March 31, 2009: 891,340 shares

③ Average number of shares during the term (For the current consolidated first half)

2Q of FY ending March 31, 2010: 276,314,580 shares, 2Q of FY ended March 31, 2009: 276,461,359 shares

***Explanation on the proper use of the forecasts**

The above forecast is based on the information available at the issuing date of this report. Accordingly, the final results may change due to various factors. For matters pertaining to the forecasts, please refer to 3. Qualitative information on consolidated forecasts of [Qualitative Information/Consolidated Financial Statements] on page 4.

[Qualitative information / financial statements]

1. Qualitative information on consolidated financial results

During the first six months of the current fiscal year, the Japanese economy, despite signs of a recovery in exports and production, remains in austerity as reflected in increasing consumer consciousness on defending livelihoods and sluggish personal consumption due to a significant drop in corporate earnings and the deterioration of employment conditions.

In terms of the global economy, despite a recovery in Asia revolving primarily around China, the U.S. and Europe continued to suffer economic stagnation.

In the industries in which the Company and its corporate group operate, the challenging business environment persisted as sales volume and sales prices fell in the domestic Marine Products business due to sluggish consumption of marine products, while in the domestic Foods business the drop of product prices became pronounced. In the U.S. and Europe, harsh conditions remained as personal consumption continued to be sluggish.

Under these circumstances, as consolidated results for this six-month period, we recorded sales of 241,226 million yen, down 17,816 million yen year-on-year; operating income of 3,805 million yen, up 1,301 million yen year-on-year; ordinary income of 3,040 million yen, up 1,925 million yen year-on-year; and net income of 1,031 million yen, up 3,100 million yen year-on-year.

Performance by Major Business Segment

(1) Marine Products Business

In Japan, despite the addition of Kyowa Suisan Co., Ltd. (Note 1) as a consolidated subsidiary, sales volume and sales prices of major fish products such as surimi, crab, salmon/trout and fish roe (Note 2) dropped as a result of slumping consumption and a devaluation loss was recorded on inventories. While overseas, in addition to the drop in the production volume and sales prices of surimi and others in North America and the decline in the fish catch of fishery companies in South America, the sales volume and sales prices in Europe and Asia also declined. As a result, sales in the amount of 85,732 million yen (down 17,189 million yen year-on-year) and an operating loss of 1,358 million yen (down 2,324 million yen year-on-year) were recorded.

(2) Foods Business

In Japan, sales of frozen prepared foods, shelf-stable foods, fish sausage and ham and others increased, while sales of chilled foods for convenience stores decreased as sales prices further dropped. Overseas, although sales volume of frozen prepared foods dropped in North America and Europe, the earnings improved at Shandong Sanfod Nissui, Ltd. (Note 3). Consequently, sales in the amount of 130,841 million yen (down 1,227 million yen year-on-year) and an operating income of 2,691 million yen (up 3,350 million yen year-on-year) were recorded.

(3) General Distribution Business

In the cold storage business, despite our efforts made toward effective sales activities, slow cargo movement resulted in sales of 5,797 million yen (up 210 million yen year-on-year) and an operating income of 951 million yen (down 15 million yen year-on-year).

(4) Fine Chemicals Business

Although both the pharmaceutical business and the health foods business performed well, there was an increase in fixed costs incurred at the Kashima Plant for its additional facilities. As a result, sales in the amount of 11,774 million yen (up 544 million yen year-on-year) and an operating income of 2,446 million yen (down 13 million yen year-on-year) were recorded.

Performance by Geographical Segment

(1) Japan

In the Marine Products business, sales volume and sales prices of major fish products such as surimi, crab, salmon/trout and fish roe declined as a result of slumping consumption and a devaluation loss was recorded on inventories. While in the Foods business, sales of frozen prepared foods, shelf-stable foods, fish sausage and ham and others were favorable, while sales of chilled foods for convenience stores decreased as sales prices further dropped. As a result, sales in the amount of 194,797 million yen (down 8,609 million yen year-on-year) and an operating income of 5,368 million yen (down 945 million yen year-on-year) were recorded.

(2) North America

We are engaged in the Marine Products and Foods businesses in North America. In the Marine Products business, production volume and sales prices of surimi and others fell, while in the Foods business, although business improvement efforts at King & Prince Seafood Corp. (Note 4) began to take effect, its earnings have yet to turn into black under the influence of sluggishness in the restaurant industry. As a result, sales in the amount of 32,095 million yen (down 2,060 million yen year-on-year) and an operating loss of 338 million yen (a year-on-year loss decrease of 365 million yen) were recorded.

(3) South America

We are engaged in the fishing and aquaculture businesses in Argentina and Chile. Although fish catch declined and sales prices dropped at the fishery companies, further business improvements were marked at Salmones Antartica, S.A. in Chile (Note 5), which resulted in sales of 4,058 million yen (down 1,414 million yen year-on-year) and an operating income of 594 million yen (up 1,761 million yen year-on-year).

(4) Asia

We are engaged in the Marine Products and Foods businesses in Asia. In the Marine Products business, a reform in the shrimp aquaculture business in Indonesia did not progress as planned and sales volume and sales prices fell in the marine products sales company in Singapore, while in the Foods business, the earnings improved at Shandong Sanfod Nissui, Ltd. (Note 3). As a result, sales in the amount of 2,193 million yen (down 1,395 million yen year-on-year) and an operating loss of 426 million yen, representing a year-on-year loss decrease of 371 million yen.

(5) Europe

We are engaged in the Marine Products and Foods businesses in Europe. Sales volume and sales prices declined as a result of sluggish consumption in both the Marine Products and Foods businesses, resulting in sales of 8,082 million yen (down 4,337 million yen year-on-year) and an operating loss of 25 million yen (down 386 million yen year-on-year).

(Note 1) In October 2008, the Company acquired shares of the fisheries company, Kyowa Suisan Co., Ltd. and subsequently it was made a consolidated subsidiary of the Company.

(Note 2) Roe of Alaska pollack

(Note 3) Company engaged in the marine products and food processing businesses, with headquarters in Qingdao, Shandong Province, China.

(Note 4) A manufacturer and distributor of commercial-use frozen precooked seafood with headquarters in Brunswick, Georgia, U.S.

(Note 5) A salmon aquaculture company with headquarters in Chonchi, Chile.

2. Qualitative information regarding the consolidated financial position

- Status of assets, liabilities and net assets -

Assets

Current assets decreased by 4.4% compared to the end of the previous consolidated fiscal year to 182,086 million yen, mainly as a result of the decrease in cash and bank deposits by 13,470 million yen and the increases in work in process by 3,078 million yen.

Fixed assets increased by 4.7% compared to the end of the previous consolidated fiscal year to 204,078 million yen, mainly as a result of increases in property, plant and equipment by 2,500 million yen and in investments and other assets by 6,390 million yen and decreases in goodwill by 345 million yen.

As a result, total assets increased by 0.2% compared to the end of the previous consolidated fiscal year to 386,164 million yen.

Liabilities

Current liabilities decreased by 1.7% compared to the end of the previous consolidated fiscal year to 183,670 million yen, mainly as a result of the decrease of short-term loans payable by 4,610 million yen and the decrease of notes and accounts payable-trade by 1,144 million yen.

Noncurrent liabilities decreased by 2.5% compared to the end of the previous consolidated fiscal year to 123,280 million yen, mainly as a result of the decrease in long-term loans payable by 3,237 million yen.

As a result, total liabilities decreased by 2.0% compared to the end of the previous consolidated fiscal year to 306,951 million yen.

Net assets

Total net assets increased by 7,047 million yen compared to the end of the previous consolidated fiscal year to 79,212 million yen. This was due mainly to the increase in valuation difference on available-for-sale securities by 1,170 million yen and in foreign currency translation adjustment by 5,434 million yen.

- Status of cash flow -

The balance of cash and cash equivalents as of September 30, 2009 decreased by 11,085 million yen from the end of the previous fiscal year to 19,807 million yen.

Cash flows from operating activities resulted in a net inflow of 10,267 million yen. This was due mainly to the income before taxes in the amount of 2,729 million yen, depreciation and amortization of 8,255 million yen and the decrease in accounts payable-trade by 2,414 million yen.

Cash flows from investing activities resulted in a net outflow of 9,414 million yen. This was due mainly to the outlays for the acquisition of property, plant and equipment, in the amount of 6,365 million yen, which was used in investments to expand the production capacity of the food plants among others.

Cash flows from financing activities resulted in a net outflow of 13,127 million yen. This was due mainly to the decrease in short-term loans payable by 7,625 million yen, proceeds from long-term loans payable in the amount of

3. Qualitative information on consolidated forecasts

The future economic climate is, despite some signs of recovery, expected to remain extremely harsh on fears that consumer consciousness on defending livelihoods will be stronger and personal consumption will continue to be sluggish due to deterioration of employment conditions and decreases in household incomes.

Under such circumstances and taking into consideration the financial results for this six-month period, we have revised the financial forecasts for the full-year period ending March 31, 2010 announced on August 4, 2009.

For details, please refer to the “Announcement of Difference between the Consolidated Financial Forecasts and Results for the Six Months Ended September 30, 2009 and Revision of the Financial Forecasts for the Full-Year Ending March 31, 2010” released today.

4. Others

(1) Changes in significant subsidiaries during the term (Changes in designated subsidiaries accompanying changes in the scope of consolidation)

Not applicable.

(2) Adoption of simplified accounting method or accounting methods specific to quarterly consolidated financial statements:

Method of calculating depreciation of fixed assets

For assets that are depreciated on the declining-balance method, depreciation expenses applicable to the consolidated fiscal year are calculated on a pro-rata basis.

(3) Changes in accounting principles, procedures, presentation methods, relating to the preparation of quarterly consolidated financial statements

Not applicable.

[5]2nd Quarter Consolidated Financial Statements
Consolidated Balance Sheet

Million yen

	FY2009 second quarter As of Sep. 30, 2009	FY2008 As of Mar. 31, 2009
Assets		
Current assets		
Cash and deposits	12,128	25,599
Notes and accounts receivable-trade	58,865	58,515
Merchandise and finished goods	49,408	49,458
Work in process	11,003	7,925
Raw materials and supplies	20,204	21,517
Other	31,047	28,202
Allowance for doubtful accounts	▲ 571	▲ 654
Total current assets	182,086	190,562
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	50,912	50,253
Other, net	59,674	57,833
Total property, plant and equipment	110,587	108,086
Intangible assets		
Goodwill	4,483	4,829
Other	11,628	10,995
Total intangible assets	16,111	15,824
Investments and other assets		
Investment securities	64,472	58,565
Other	19,650	18,968
Allowance for doubtful accounts	▲ 6,743	▲ 6,545
Total investments and other assets	77,379	70,988
Total noncurrent assets	204,078	194,899
Total assets	386,164	385,462

Consolidated Balance Sheet

Million yen

	FY2009 second quarter As of Sep. 30, 2009	FY2008 As of Mar. 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable-trade	26,055	27,199
Short-term loans payable	124,746	129,357
Income taxes payable	1,875	2,201
Accrued expenses	18,769	19,297
Provision	2,266	2,240
Other	9,957	6,507
Total current liabilities	183,670	186,805
Noncurrent liabilities		
Long-term loans payable	98,231	101,469
Provision for retirement benefits	16,480	16,268
Other of provision	461	572
Other	8,107	8,181
Total noncurrent liabilities	123,280	126,491
Total liabilities	306,951	313,296
Net assets		
Shareholders' equity		
Capital stock	23,729	23,729
Capital surplus	13,758	13,758
Retained earnings	31,668	32,018
Treasury stock	▲251	▲249
Total shareholders' equity	68,904	69,257
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	697	▲473
Deferred gains or losses on hedges	▲211	▲234
Foreign currency translation adjustment	▲5,476	▲10,911
Pension liability adjustment of foreign consolidated subsidiaries	▲2,025	▲1,920
Total valuation and translation adjustments	▲7,015	▲13,539
Minority interests	17,323	16,447
Total net assets	79,212	72,165
Total liabilities and net assets	386,164	385,462

Consolidated Income Statements

Million yen

	FY2008 first half (Six months ended September 30,2008)	FY2009 first half (Six months ended September 30,2009)
Net sales	259,043	241,226
Cost of sales	205,343	187,318
Gross profit	53,700	53,907
Selling, general and administrative expenses	51,197	50,102
Operating income	2,503	3,805
Non-operating income		
Interest income	247	290
Dividends income	463	388
Equity in earnings of affiliates	451	149
Miscellaneous income	396	548
Total non-operating income	1,559	1,377
Non-operating expenses		
Interest expenses	2,208	1,860
Equity in losses of affiliates	423	40
Miscellaneous expenses	316	241
Total non-operating expenses	2,948	2,141
Ordinary income	1,115	3,040
Extraordinary income		
Gain on sales of noncurrent assets	33	5
Gain on sales of investment securities	349	8
Reversal of allowance for doubtful accounts	83	-
Gain on transfer of business	250	-
Total extraordinary income	715	14
Extraordinary loss		
Loss on disposal of noncurrent assets	432	178
Loss on valuation of investment securities	70	147
Loss on sales of stocks of subsidiaries and affiliates	69	-
Provision for allowance for doubtful debts	37	-
Loss on special severance pay	241	-
Loss on valuation of inventories	222	-
Loss on fish disease in Chile	499	-
Loss on change in equity	402	-
Total extraordinary losses	1,976	325
Income(▲loss) before income taxes	▲146	2,729
Income taxes-current	2,256	1,720
Income taxes-deferred	▲674	▲481
Total income taxes	1,581	1,238
Minority interests in income	341	458
Net income(▲loss)	▲2,069	1,031

Consolidated Statements of Cash-Flow

Million yen

	FY2008 first half (Six months ended September 30,2008)	FY2009 first half (Six months ended September 30,2009)
Net cash provided by (used in) operating activities		
Income(▲loss) before income taxes	▲146	2,729
Depreciation and amortization	7,337	8,255
Amortization of goodwill	1,104	641
Increase (decrease) in allowance for doubtful accounts	▲67	109
Increase (decrease) in provision for retirement benefits	▲452	▲112
Interest and dividends income	▲711	▲679
Interest expenses	2,208	1,860
Equity in (earnings) losses of affiliates	▲451	▲149
Gain on sales of noncurrent assets	▲33	▲5
Loss on disposal of noncurrent assets	432	178
Loss (gain) on sales and valuation of investment securities	▲278	139
Decrease (increase) in notes and accounts receivable-trade	▲5,813	1,350
Decrease (increase) in inventories	▲21,898	634
Increase (decrease) in notes and accounts payable-trade	2,206	▲2,414
Increase (decrease) in accrued expenses	4,264	▲583
Other, net	▲3,948	1,136
Subtotal	▲16,248	13,090
Interest and dividends income received	992	1,058
Interest expenses paid	▲2,280	▲1,945
Income taxes paid	▲1,819	▲1,935
Net cash provided by (used in) operating activities	▲19,355	10,267
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits	7	738
Decrease (increase) in short-term investment securities	1,122	▲185
Purchase of property, plant and equipment	▲16,348	▲6,365
Proceeds from sales of property, plant and equipment	1,087	51
Purchase of intangible assets	▲1,345	▲1,190
Purchase of investment securities	▲4,618	▲4,591
Proceeds from sales of investment securities	1,179	757
Proceeds from redemption of investment securities	-	3,000
Decrease (increase) in short-term loans receivable	817	▲849
Other, net	▲1,108	▲780
Net cash provided by (used in) investing activities	▲19,206	▲9,414

Consolidated Statements of Cash-Flow

Million yen

	FY2008 first half (Six months ended September 30,2008)	FY2009 first half (Six months ended September 30,2009)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	35,247	▲ 7,625
Proceeds from long-term loans payable	16,326	6,176
Repayment of long-term loans payable	▲ 7,079	▲ 8,902
Repayments of finance lease obligations	▲ 389	▲ 461
Proceeds from stock issuance to minority shareholders	-	410
Cash dividends paid	▲ 1,382	▲ 1,382
Cash dividends paid to minority shareholders	▲ 91	▲ 1,340
Decrease (increase) in treasury stock	▲ 7	▲ 1
Net cash provided by (used in) financing activities	42,624	▲ 13,127
Effect of exchange rate change on cash and cash equivalents	▲ 276	1,188
Net increase (decrease) in cash and cash equivalents	3,784	▲ 11,085
Cash and cash equivalents at beginning of period	11,774	30,892
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	▲ 81	-
Cash and cash equivalents at end of period	15,477	19,807

Segment Information

Information by business segments

FY2008 first half (Apr 1,2008~Sep 30,2008)

Million yen

	Marine Products	Foods	General distribution	Fine Chemicals	Other	Total	Elimination or corporate	Consolidated
Sales								
(1) Sales to third parties	102,922	132,069	5,587	11,229	7,234	259,043	-	259,043
(2) Inter-segment sales and transfers	8,678	615	4,021	21	222	13,560	(13,560)	-
Total	111,600	132,685	9,609	11,251	7,457	272,603	(13,560)	259,043
Operating income (loss: ▲)	965	▲ 659	966	2,459	272	4,004	(1,501)	2,503

FY2009 first half (Apr 1,2009~Sep 30,2009)

Million yen

	Marine Products	Foods	General distribution	Fine Chemicals	Other	Total	Elimination or corporate	Consolidated
Sales								
(1) Sales to third parties	85,732	130,841	5,797	11,774	7,080	241,226	-	241,226
(2) Inter-segment sales and transfers	5,378	469	3,318	103	521	9,790	(9,790)	-
Total	91,111	131,311	9,115	11,877	7,601	251,017	(9,790)	241,226
Operating income (loss: ▲)	▲ 1,358	2,691	951	2,446	441	5,172	(1,367)	3,805

Notes:

Definitions of operating segments and major businesses

- i. The classification of the operating segments is in accordance with the management structures of our group.
- ii. Major products/businesses of each segment

Marine products	Fishing, aquaculture, purchasing, processing and selling of marine products (fresh / frozen fish, fish-meal & fish-oil)
Foods	Manufacturing and selling of frozen food, canned food, and other processed food
General distribution	Cold storage and transportation of frozen and refrigerated goods
Fine Chemicals	Manufacturing and selling of diagnostic medicines, ordinary medicines, health foods and medical ingredients.
Other	Construction, repair and operation of marine vessels, engineering and other business

Segment Information (continued)

Information by geographical segments

FY2008 first half (Apr 1,2008~Sep 30,2008)

Million yen

	Japan	North America	South America	Asia	Europe	Total	Elimination or corporate	Consolidated
Sales								
(1) Sales to third parties	203,406	34,155	5,473	3,588	12,419	259,043	-	259,043
(2) Inter-segment sales and transfers	3,898	4,318	6,117	3,611	29	17,975	(17,975)	-
Total	207,305	38,473	11,590	7,200	12,448	277,019	(17,975)	259,043
Operating income(loss:▲)	6,314	▲ 703	▲ 1,167	▲ 798	360	4,004	(1,501)	2,503

FY2009 first half (Apr 1,2009~Sep 30,2009)

Million yen

	Japan	North America	South America	Asia	Europe	Total	Elimination or corporate	Consolidated
Sales								
(1) Sales to third parties	194,797	32,095	4,058	2,193	8,082	241,226	-	241,226
(2) Inter-segment sales and transfers	3,344	2,088	6,806	4,060	23	16,322	(16,322)	-
Total	198,141	34,183	10,864	6,253	8,105	257,549	(16,322)	241,226
Operating income(loss:▲)	5,368	▲ 338	594	▲ 426	▲ 25	5,172	(1,367)	3,805

Notes:

(1) Definitions of geographic segments and major countries

- i. The Definitions of geographic segments are in accordance with geographic regions.
- ii. Major foreign countries included in each segment

North America	The United States and Canada
South America	Chile and Argentina
Asia	Singapore, Thailand, China, Indonesia and Vietnam
Europe	The Netherlands, France and Spain

Overseas sales

FY2008 first half (Apr 1,2008~Sep 30,2008)

Million yen

	North America	Other	Total
Overseas sales	32,101	28,043	60,145
Total consolidated sales			259,043
Ratio of overseas sales to total	12.4%	10.8%	23.2%

FY2009 first half (Apr 1,2009~Sep 30,2009)

Million yen

	North America	Other	Total
Overseas sales	29,932	20,239	50,172
Total consolidated sales			241,226
Ratio of overseas sales to total	12.4%	8.4%	20.8%

Notes:

1. The definitions of geographical segments are in accordance with geographical regions.
2. Major foreign countries included in each segment

North America	The United States and Canada
Other	South America, Europe and Asia

3. Overseas sales is defined as the sales amounts of the Company and its consolidated subsidiaries which is realized in the countries and areas outside of Japan.

7. Notes on significant subsequent events (Voluntary product recall)

It had been discovered that broken pieces of plastic were found in some "Yakionigiri" packages of frozen toasted rice balls produced at the Company's Hachioji General Plant. As a result of investigation, we concluded that this had originated with partial damage of the container in which steamed rice is carried during the product's production process. In order to make assurance doubly sure, we decided to voluntarily recall the said product and published a press release on November 2, 2009.

In connection with this recall, recalculation of settlements with business partners, refund to individual consumers and other related costs are expected to be incurred during the third quarter of fiscal year 2009 and thereafter; however, their impact on the consolidated financial results has not been determined yet.