

Summary of 2nd Quarter Report for Fiscal Year 2010 (April 1, 2010 through September 30, 2010)

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 FY2010 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	%
FY2010 first half	237,228	▲1.7	3,314	▲12.9	684	▲77.5	▲1,321	-
FY2009 first half	241,226	▲6.9	3,805	52.0	3,040	172.7	1,031	-

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

	Net income per share
FY2010 first half	▲ 4.78
FY2009 first half	3.73

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
FY2010 second quarter	Million yen 395,814	Million yen 69,591	% 12.9	Yen 185.45
FY2009	383,924	79,567	16.0	222.87

(Note): Total shareholders' equity September 30, 2010 ¥51,240 Million March 31, 2010 ¥61,579 Million

2. Dividend

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
FY2009	Yen -	Yen 5.00	Yen -	Yen 5.00	Yen 10.00
FY2010	-	5.00	-	-	-
FY2010 (forecast)	-	-	-	5.00	10.00

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

3. Consolidated Forecast for FY2010 (Term: April 1, 2010 through March 31, 2011)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
FY2010	505,000	4.9	9,500	52.6	7,500	21.5	3,000	-	10.86	

(Note) Revision during the current quarter to the consolidated forecast for FY2010: Yes

4. Others (Note) For details, please refer to 2. Others of [Qualitative Information/Consolidated Financial Statements] on page 3.

- 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
- 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: Yes
 - 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, 2011: 277,210,277 shares, FY ended March 31, 2010: 277,210,277 shares
 - ② Number of treasury stock at the end of the term
2Q of FY ending March 31, 2011: 907,656 shares, FY ended March 31, 2010: 904,469 shares
 - ③ Average number of shares during the term (For the current consolidated first half)
2Q of FY ending March 31, 2011: 276,304,354 shares, 2Q of FY ended March 31, 2010: 276,314,580 shares

***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**

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 3.

1. Qualitative information on the second quarter of the fiscal year ending March 31, 2011

(1) Qualitative information on consolidated financial results

During the first six months of the current fiscal year, the Japanese economy, despite increased exports and the effects of the government's economic stimulus package, remained in a state of uncertainty over the future due to the appreciating value of the yen and falling stock prices, in addition to the stagnation in the employment environment and income levels.

In terms of the global economy, while the economies of Asia continued to regain momentum thanks to the expansion of domestic demand in China, harsh conditions prevailed in the U.S. and Europe, aggravated by the deterioration of the employment environment and the continued stagnation in personal consumption.

In the industries in which the Company and its corporate group operate, the business environment witnessed a slowdown in demand precipitated by concerns over the decelerating pace of the economies in Japan, the U.S. and Europe.

Under these circumstances, as consolidated results for this six-month period, we recorded sales of 237,228 million yen, down 3,998 million yen year-on-year; operating income of 3,314 million yen, down 490 million yen year-on-year; ordinary income of 684 million yen, down 2,356 million yen year-on-year; and net loss of 1,321 million yen, down 2,353 million yen year-on-year.

Performance by major business segment is as follows:

(1) Marine Products Business

In Japan, Hakata Marukita Suisan Co., Ltd. (Note 1) became a consolidated subsidiary. In North America, the production volume and sales prices of cod roe declined; while overseas, in South America, despite Netuno International S.A. (Note 2) becoming a consolidated subsidiary and the effects of improvement in the business structure of the salmon/trout business as well as the spike in fish prices, fish catch dropped drastically in the fisheries business. Additionally, sales in Europe declined reflecting the harsh market environment. Consequently, sales in the amount of 80,820 million yen (down 4,912 million yen year-on-year) and an operating loss of 1,224 million yen (a year-on-year improvement of 134 million yen) were recorded.

(2) Foods Business

In Japan, Delmar Co., Ltd. (Note 3) became a consolidated subsidiary; and while a certain level of sales of frozen prepared foods was maintained in a market that tended toward lower prices; in terms of fish sausage and ham, and fish paste products, sales costs increased and raw material prices rose. While overseas, in North America the effects of business improvements took effect amid the slowdown in the market for frozen prepared foods for commercial use. Consequently, sales in the amount of 131,692 million yen (up 850 million yen year-on-year) and an operating income of 2,488 million yen (down 203 million yen year-on-year) were recorded.

(3) Fine Chemicals Business

In the Fine Chemicals Business, strong sales in both the pharmaceutical business and the health foods business resulted in sales in the amount of 12,556 million yen (up 782 million yen year-on-year) and an operating income of 2,762 million yen (up 316 million yen year-on-year).

(4) General Distribution Business

In the cold storage business, cargo movement was slow, in addition to a decline in stored goods, which resulted in sales in the amount of 5,830 million yen (up 32 million yen year-on-year) and an operating income of 705 million yen (down 245 million yen year-on-year).

(Note 1) A production and sales company of cod roe, which commenced business from February 1, 2010

(Note 2) A company established in May 2010, whose main businesses are fish farming, and the production and sales of prepared frozen seafood and whose head office is in Recife in the state of Pernambuco in Brazil.

(Note 3) A company whose main businesses are the processing and sales of marine products and frozen prepared foods, which were transferred to the company in July 2010.

(2) Qualitative information on consolidated financial position

State of assets, liabilities and net assets

Assets

Current assets increased by 9.8% compared to the end of the previous consolidated fiscal year to 187,366 million yen, mainly as a result of the increase in merchandise and finished goods by 9,968 million yen and the increase in raw materials and inventory goods by 1,009 million yen. Fixed assets decreased by 2.3% compared to the end of the previous consolidated fiscal year to 208,448 million yen, mainly as a result of the 7,565 million yen decrease in investments and other assets, which, in turn, was caused by the decline in the market prices of investment securities.

As a result, total assets increased by 3.1% compared to the end of the previous consolidated fiscal year to 395,814 million yen.

Liabilities

Current liabilities increased by 9.0% compared to the end of the previous consolidated fiscal year to 189,281 million yen, mainly as a result of the increase in short-term loans payable by 14,790 million yen.

Noncurrent liabilities increased by 4.8% compared to the end of the previous consolidated fiscal year to 136,942 million yen, mainly as a result of the increase in long-term loans payable by 6,586 million yen.

As a result, total liabilities increased by 7.2% compared to the end of the previous consolidated fiscal year to 326,223 million yen.

Net assets

Total net assets decreased by 9,976 million yen to 69,591 million yen. This was due mainly to the 1,382 million yen decrease in retained earnings resulting from the payment of dividends and 1,374 million yen decrease resulting from the application of the “equity method accounting standards,” as well as decreases in the valuation and translation adjustments by 6,259 million yen.

Status of cash flow

The balance of cash and cash equivalents as of the end of second quarter increased by 5,764 million yen compared to the end of the previous consolidated fiscal year to 26,716 million yen

Cash flows from operating activities resulted in a net outflow of 1,943 million yen. This was due mainly to the income before income taxes in the amount of 155 million yen, depreciation and amortization of 8,057 million yen, and an increase in inventories by 10,644 million yen. Cash flows from investing activities resulted in a net outflow of 9,973 million yen. This was due mainly to the outlays in the amount of 7,478 million yen for the acquisition of property, plant and equipment, including the Central Research Laboratory (Tokyo Innovation Center) and the investments to augment the capacity of the food plants, and the acquisition of stocks of subsidiaries in the amount of 3,538 million yen.

Cash flows from financing activities resulted in a net inflow of 18,315 million yen. This was due mainly to the proceeds from short-term loans payable in the amount of 12,558 million yen, the proceeds from long-term loans payable in the amount of 11,300 million yen and the repayment of long-term loans in the amount of 3,367 million yen.

(3) Qualitative information on consolidated forecasts

Taking into consideration the progress of the results for the current six-month period, we have revised the forecasts for the fiscal year ending March 31, 2011, which were announced on August 5, 2010.

For details, please refer to the “Announcement of Difference between the Consolidated Forecasts and Results for the Six Months Ended September 30, 2010 and Revision of the Consolidated Forecasts for the Full-Year Ending March 31, 2011,” released on November 5, 2010.

2. Others

(1) Overview of changes in significant subsidiaries

Not applicable.

(2) Overview of simplified accounting and special accounting

i) Simplified accounting

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.

ii) Accounting treatment specific to quarterly consolidated financial statements

Not applicable.

(3) Overview of changes in accounting principles and procedures, presentation methods, etc.

Matters relating to accounting standards

i) Application of “Accounting Standard for Equity Method of Accounting for Investments” and “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method”

Beginning from the first quarter of the current consolidated fiscal year, the Company has adopted the “Accounting Standard for Equity Method of Accounting for Investments” (Accounting Standard Boards of Japan [ASBJ] Statement No. 16 of March 10, 2008) and the “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method” (ASBJ PITF No. 24 of March 10, 2008). Retained earnings at the beginning of the period decreased by 1,374 million yen as a result of this change, while ordinary income and income before income taxes were not impacted.

ii) Application of “Accounting Standards for Asset Retirement Obligations

Beginning from the first quarter of the current consolidated fiscal year, the Company has adopted the “Accounting Standards for Asset Retirement Obligations” (ASBJ Statement No. 18 of March 31, 2008) and the “Guidance on Accounting Standards for Asset Retirement Obligations” (ASBJ Guidance No. 21 of March 31, 2008). While the impact of this change on operating income and ordinary income for this six-month period was minimal, income before income taxes decreased by 417 million yen. Net changes in asset retirement obligations resulting from the application of these accounting standards amounted to 452 million yen.

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

Million yen

	FY2010 second quarter As of Sep. 30, 2010	FY2009 As of Mar. 31, 2010
Assets		
Current assets		
Cash and deposits	10,552	10,846
Notes and accounts receivable-trade	59,135	59,526
Merchandise and finished goods	49,108	39,139
Work in process	10,430	9,459
Raw materials and supplies	20,045	19,036
Other	38,581	33,059
Allowance for doubtful accounts	▲487	▲502
Total current assets	187,366	170,566
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	47,591	48,370
Other, net	67,922	64,489
Total property, plant and equipment	115,514	112,860
Intangible assets		
Goodwill	4,132	4,122
Other	10,995	11,003
Total intangible assets	15,127	15,126
Investments and other assets		
Investment securities	60,931	66,986
Other	22,703	24,601
Allowance for doubtful accounts	▲5,828	▲6,216
Total investments and other assets	77,806	85,371
Total noncurrent assets	208,448	213,358
Total assets	395,814	383,924

Consolidated Balance Sheet

Million yen

	FY2010 second quarter As of Sep. 30, 2010	FY2009 As of Mar. 31, 2010
Liabilities		
Current liabilities		
Notes and accounts payable-trade	28,116	25,145
Short-term loans payable	129,429	114,639
Income taxes payable	1,555	2,268
Accrued expenses	18,964	19,972
Provision	2,432	2,308
Other	8,781	9,347
Total current liabilities	189,281	173,681
Noncurrent liabilities		
Long-term loans payable	113,580	106,993
Provision for retirement benefits	13,912	15,117
Other of provision	220	498
Other	9,229	8,066
Total noncurrent liabilities	136,942	130,675
Total liabilities	326,223	304,357
Net assets		
Shareholders' equity		
Capital stock	23,729	23,729
Capital surplus	13,758	13,758
Retained earnings	25,485	29,563
Treasury stock	▲253	▲252
Total shareholders' equity	62,719	66,798
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	▲1,174	1,017
Deferred gains or losses on hedges	▲269	▲155
Foreign currency translation adjustment	▲8,608	▲4,598
Pension liability adjustment of foreign consolidated subsidiaries	▲1,426	▲1,483
Total valuation and translation adjustments	▲11,479	▲5,219
Minority interests	18,350	17,988
Total net assets	69,591	79,567
Total liabilities and net assets	395,814	383,924

Consolidated Income Statements

Million yen

	FY2009 first half (Six months ended September 30,2009)	FY2010 first half (Six months ended September 30,2010)
Net sales	241,226	237,228
Cost of sales	187,318	182,225
Gross profit	53,907	55,002
Selling, general and administrative expenses	50,102	51,688
Operating income	3,805	3,314
Non-operating income		
Interest income	290	272
Dividends income	388	387
Equity in earnings of affiliates	149	-
Miscellaneous income	548	340
Total non-operating income	1,377	1,000
Non-operating expenses		
Interest expenses	1,860	1,724
Foreign exchange losses	40	1,250
Equity in losses of affiliates	-	366
Miscellaneous expenses	241	289
Total non-operating expenses	2,141	3,631
Ordinary income	3,040	684
Extraordinary income		
Gain on sales of noncurrent assets	5	45
Gain on sales of investment securities	8	-
Reversal of allowance for doubtful accounts	-	167
Total extraordinary income	14	212
Extraordinary loss		
Loss on disposal of noncurrent assets	178	301
Loss on valuation of investment securities	147	53
Loss on adjustment for changes of accounting standard for retirement obligations	-	387
Total extraordinary losses	325	741
Income before income taxes	2,729	155
Income taxes-current	1,720	1,426
Income taxes-deferred	▲481	▲296
Total income taxes	1,238	1,129
Income (losses) before minority interests	-	▲974
Minority interests in income	458	347
Net income(▲ loss)	1,031	▲1,321

Consolidated Statements of Cash-Flow

Million yen

	FY2009 first half (Six months ended September 30,2009)	FY2010 first half (Six months ended September 30,2010)
Net cash provided by (used in) operating activities		
Income(▲)loss) before income taxes	2,729	155
Depreciation and amortization	8,255	8,057
Amortization of goodwill	641	595
Increase (decrease) in allowance for doubtful accounts	109	▲389
Increase (decrease) in provision for retirement benefits	▲112	▲1,167
Interest and dividends income	▲679	▲660
Interest expenses	1,860	1,724
Equity in (earnings) losses of affiliates	▲149	366
Gain on sales of noncurrent assets	▲5	▲45
Loss on disposal of noncurrent assets	178	301
Loss (gain) on sales and valuation of investment securities	139	53
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	387
Decrease (increase) in notes and accounts receivable-trade	1,350	▲144
Decrease (increase) in inventories	634	▲10,644
Increase (decrease) in notes and accounts payable-trade	▲2,414	3,663
Increase (decrease) in accrued expenses	▲583	▲1,064
Other, net	1,136	▲584
Subtotal	13,090	604
Interest and dividends income received	1,058	768
Interest expenses paid	▲1,945	▲1,643
Income taxes paid	▲1,935	▲1,672
Net cash provided by (used in) operating activities	10,267	▲1,943
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits	738	298
Decrease (increase) in short-term investment securities	▲185	300
Purchase of property, plant and equipment	▲6,365	▲7,478
Proceeds from sales of property, plant and equipment	51	117
Purchase of intangible assets	▲1,190	▲1,338
Purchase of investment securities	▲4,591	▲676
Proceeds from sales of investment securities	757	4
Proceeds from redemption of investment securities	3,000	-
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	-	▲3,538
Decrease (increase) in short-term loans receivable	▲849	2,709
Other, net	▲780	▲371
Net cash provided by (used in) investing activities	▲9,414	▲9,973

Consolidated Statements of Cash-Flow

Million yen

	FY2009 first half (Six months ended September 30,2009)	FY2010 first half (Six months ended September 30,2010)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	▲ 7,625	12,558
Proceeds from long-term loans payable	6,176	11,300
Repayment of long-term loans payable	▲ 8,902	▲ 3,367
Repayments of finance lease obligations	▲ 461	▲ 315
Proceeds from stock issuance to minority shareholders	410	-
Cash dividends paid	▲ 1,382	▲ 1,382
Cash dividends paid to minority shareholders	▲ 1,340	▲ 477
Decrease (increase) in treasury stock	▲ 1	▲ 0
Net cash provided by (used in) financing activities	▲ 13,127	18,315
Effect of exchange rate change on cash and cash equivalents	1,188	▲ 634
Net increase (decrease) in cash and cash equivalents	▲ 11,085	5,764
Cash and cash equivalents at beginning of period	30,892	20,952
Cash and cash equivalents at end of period	19,807	26,716

Segment Information

Information by business segments

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

- The classification of the operating segments is in accordance with the management structures of our group.
- 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]

1. Overview of reportable segments

The reporting segments of the Company comprise constituent units of the Company for which separate financial information may be obtained. The board of directors examines these segments on a regular basis for the purpose of determining the allocation of management resources and evaluating operating performance. The Company's business operations involve linking marine resources to the daily lives of its customers, which is done by formulating comprehensive strategies by product/service both in Japan and overseas.

Therefore, the Company's segments classified by product/service consist of "Marine Products business," "Foods business," "Fine Chemicals business," and "General Distribution business."

"Marine Products" include the fishing, aquaculture, purchasing, processing and selling of marine products (fresh/frozen fish, fish meal & fish oil).

"Foods" include the manufacturing and selling of frozen food, shelf-stable foods, and other processed foods.

"Fine Chemicals" include the manufacturing and selling of medical ingredients, health foods, diagnostic medicines, and general pharmaceuticals.

"General Distribution" includes the cold storage and transportation of frozen and refrigerated goods that back up the above businesses.

The Company is engaged in the above businesses mainly in the five regions of Japan, North America, South America, Asia and Europe.

2. Information relating to sales and income/loss of each reporting segment

FY2010 first half (Apr 1, 2010 - Sep 30, 2010)

Million yen

	Information by business segments					Other (Note 1)	Total	Adjustment (Note 2)	Segment income/loss reported in the quarterly consolidated income statement (Note 3)
	Marine Products	Foods	Fine Chemicals	General distribution	Total				
Sales									
(1) Sales to third parties	80,820	131,692	12,556	5,830	230,900	6,327	237,228	-	237,228
(2) Inter-segment sales and transfers	5,555	313	101	3,305	9,276	1,432	10,708	▲ 10,708	-
Total	86,376	132,006	12,658	9,135	240,176	7,760	247,936	▲ 10,708	-
Segment income (loss:▲)	▲ 1,224	2,488	2,762	705	4,731	117	4,849	▲ 1,534	3,314

(Note)

- The "Other" segment includes the building/repair of ships, engineering and other businesses that are not included in the reporting segments.
- The 1,534 million yen segment loss adjustment comprise 14 million yen in inter-segment transactions and 1,548 million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.
- Total segment income (loss) corresponds to the operating income reported in the quarterly consolidated income statements.

3. Impairment loss on fixed assets and amortization of goodwill, etc. by reporting segment

(Impairment loss)

Not applicable.

(Amortization of goodwill)

Not applicable.

(Additional information)

Beginning from the first quarter of the current consolidated fiscal year, the Company has adopted the "Accounting Standards for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17 of March 27, 2009) and the "Guidance on Accounting Standards for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20 of March 21, 2008).

(6) Notes on substantial changes in the amount of shareholders equity

Beginning from the first quarter of the current consolidated fiscal year, the Company has adopted the "Accounting Standards for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17 of March 27, 2009) and the "Guidance on Accounting Standards for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20 of March 21, 2008).

Beginning from the first quarter of the current consolidated fiscal year, the Company has adopted the "Accounting Standard for Equity Method of Accounting for Investments" (Accounting Standard Boards of Japan [ASBJ] Statement No. 16 of March 10, 2008) and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (ASBJ PITF No. 24 of March 10, 2008). Retained earnings at the beginning of the period decreased by 1,374 million yen as a result of this change.