

Summary of 2nd Quarter Report for Fiscal Year 2012 (April 1, 2012 through September 30, 2012)

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 2nd quarter of FY2012****(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	%
2nd quarter of FY2012	277,032	1.9	2,912	(54.2)	754	(85.7)	(1,216)	-
2nd quarter of FY2011	271,774	14.6	6,355	91.7	5,280	671.6	2,073	-

(Note): Each percentage figure shows changes from the previous year. Comprehensive income of 2nd quarter of FY2012 (1,134) Million yen(-%) 2nd quarter of FY2011 2,579 Million yen(-%)

	Net income per share
	Yen
2nd quarter of FY2012	(4.40)
2nd quarter of FY2011	7.51

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
2nd quarter of FY2012	424,409	60,747	10.2
FY2011	400,885	63,932	11.5

(Note): Total shareholders' equity September 30, 2012 43,328 Million yen March 31, 2012 45,919 Million yen

2. Dividend

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
	Yen	Yen	Yen	Yen	Yen
FY2011	-	5.00	-	5.00	10.00
FY2012	-	0.00	-	-	-
FY2012 (forecast)	-	-	-	0.00	0.00

(Note) Revision to dividend forecast during the current quarter: Yes

3. Consolidated Forecast for FY2012 (April 1, 2012 through March 31, 2013)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2012	560,000	4.1	6,000	(37.2)	2,600	(69.1)	0	(100.0)	0.00

(Note) Revision during the current quarter to the consolidated forecast for FY2012: Yes

4. Others

- 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: Non
- 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: Yes
 - ④ Restatement: None

(Note) This change falls under Article 10 (5) of the Ordinance on Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements Please refer to "Matters Regarding Summary Information (Notes) on Page.4

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 2nd quarter)

2Q of FY2012	277,210,277	FY2011	277,210,277
2Q of FY2012	921,105	FY2011	920,083
2Q of FY2012	276,289,791	2Q of FY2011	276,293,876

*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 forecast 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 3 of the Summary of 2nd Quarter Report for Fiscal Year 2012 (Appendix)

* Support documentation for the 2nd quarter was disclosed on the TD-net (Timely Disclosure network) on the same day

(1) Qualitative information for the second quarter of the fiscal year ending March 31, 2013

(1) Qualitative information on consolidated financial results

During the second quarter of the current fiscal year, uncertainties in the outlook of Japanese economy heightened due to such factors as the decrease in production activities stemming from the slowdown of overseas economies, the prolonged appreciation of the yen, etc., sluggish personal consumption caused by concerns over the consumption tax hike, etc., and the materialization of the so-called “China risk”.

The industry to which the Company and its corporate group belong continued to face severe business conditions, including the backlash from the temporary increase in demand following the Great East Japan Earthquake during the same period in the previous fiscal year and prolonged deflation.

In terms of the global economy during the period subject to consolidated accounting from January to June, the U.S. suffered from limited growth in personal consumption due to slow economic recovery, while in Europe, fiscal turmoil continued in some countries, and in Asia, the growth of exports and production slowed down in China.

Under these circumstances, as consolidated results for the second quarter of the fiscal year, we recorded sales of 277,032 million yen (up 5,257 million yen year-on-year), operating income of 2,912 million yen (down 3,442 million yen year-on-year), ordinary income of 754 million yen (down 4,526 million yen year-on-year), and due in part to the write-down of investment securities, net loss of 1,216 million yen (down 3,290 million yen year-on-year).

Business operations are summarized as follows.

(i) Marine Products Business

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

<Overview of the second quarter of the fiscal year>

In the Marine Products business, sales in the amount of 110,614 million yen (down 2,444 million yen year-on-year) and operating loss of 844 million yen (down 2,563 million yen year-on-year) were recorded.

Fishery business: Revenue decreased but income increased year-on-year

- In South America, fish catches were down due to the shortening of the number of days of operation in Chile and other factors, while withdrawal from fishery business in Argentina is under way.

Aquaculture Business: Revenue increased but income fell year-on-year.

- In Japan, Kaneko Sangyo Co., Ltd. (Note 1) became a consolidated subsidiary. Fish prices trended high in the tuna aquaculture business, while fish prices stagnated in the yellowtail aquaculture business.
- In South America, while sales volume rose in Chile's salmon/trout aquaculture business, the price of trout for Japan, a major sales destination, plummeted.

Fish Processing and Trading Business: Both revenue and income fell year-on-year.

- In Japan, the oversupply of Chilean Coho Salmon triggered the price collapse of salmon/trout, which are major fish species, so efforts were made to reduce inventory along with other frozen fish; in addition to this, losses were incurred in the fishmeal business, resulting in a lower gross margin.
- In North America, Alaska Pollack fish paste (surimi), fillet and roe performed well in terms of production and sales. Also, Pacific cod and snow crab increased in production.

- In Europe, sales were sluggish due to the impact of weak consumer sentiment arising from the recession.

(ii) Food Business

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

<Overview of the second quarter of the fiscal year>

In the Food Products business, sales in the amount of 133,979 million yen (up 1,298 million yen year-on-year) and operating income of 892 million yen (down 1,602 million yen year-on-year) were recorded.

Food Processing Business: Revenue increased but income fell year-on-year.

- In Japan, sales expenses rose due to the intensification of sales competition associated with sluggish sales. In addition, raw materials prices increased. Sales of fish sausage for household use experienced sluggish growth in consumption, while frozen prepared foods for commercial use were affected by the surge in labor costs in China, Thailand, etc.
- In North America, the company specializing in precooked frozen seafood products for household use suffered from sluggish growth in consumption.
- In Europe, Leuchtturm Beteiligungs- und Holding Germany AG (Note 2) became a consolidated subsidiary and launched production.

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

- Sales of chilled lunch boxes, prepared foods and noodles grew at convenience stores.

(iii) Fine Chemicals Business

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

<Overview of the second quarter of the fiscal year>

In the Fine Chemicals business, sales in the amount of 13,553 million yen (up 655 million yen year-on-year) and operating income of 3,538 million yen (up 205 million yen year-on-year) were recorded.

Fine Chemicals business:

As for pharmaceutical raw materials, the impact of the National Health Insurance price revision was compensated by the increase in sales volume. In regards to functional foods, sales volume increased due in part to the effects of advertising in the mail-order business. The diagnostic products business of consolidated subsidiary Nissui Pharmaceutical Co., Ltd. also performed well.

(iv) General Distribution Business

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

<Overview of the second quarter of the fiscal year>

In the General Distribution business, sales in the amount of 6,475 million yen (up 417 million yen year-on-year) and operating income of 928 million yen (up 229 million yen year-on-year) were recorded.

General Distribution business: Both revenue and income increased year-on-year.

- In the cold storage business, recovery in the northeastern part of Japan together with the increase mainly in the Tokyo metropolitan area in the volume of cargo handled resulted in increases in both revenue and income.

(Note 1) The company is headquartered in Nagasaki City, Nagasaki Prefecture, and is mainly engaged in aquaculture and seafood processing businesses. All of its shares were acquired by the Company and it was made a consolidated subsidiary in April 2012.

(Note 2) The company is headquartered in Niedersachsen, Germany, and is a holding company of frozen marine foods manufacturing and sales companies. It was made a consolidated subsidiary of the Company in January 2012 through equity investments.

(Note 3) Functional raw materials consist mainly of EPA, DHA, glucosamine, cholesterol, and orange roughy oil, which are used primarily as ingredients in foods and cosmetics.

(2) Qualitative information on consolidated financial position

State of assets, liabilities and net assets

Assets

Current assets increased by 10.1% compared to the end of the previous consolidated fiscal year to 213,828 million yen, mainly as a result of an increase in notes and account receivable-trade by 8,706 million yen, as well as an increase in merchandise and finished goods by 2,771 million yen, work in process by 2,611 million yen and raw materials and inventory by 2,260 million yen.

Noncurrent assets increased by 1.9% compared to the end of the previous consolidated fiscal year to 210,581 million yen. As a result, total assets increased by 5.9% compared to the end of the previous consolidated fiscal year to 424,409 million yen.

Liabilities

Current liabilities increased by 14.2% compared to the end of the previous consolidated fiscal year to 224,070 million yen, mainly as a result of an increase in short-term loans payable by 23,884 million yen.

Noncurrent liabilities decreased by 0.8% compared to the end of the previous consolidated fiscal year to 139,591 million yen, mainly as a result of a decrease in long-term loans payable by 2,248 million yen.

As a result, total liabilities increased by 7.9% compared to the end of the previous consolidated fiscal year to 363,661 million yen.

Net assets

Total net assets decreased by 3,184 million yen compared to the end of the previous consolidated fiscal year to 60,747 million yen. This was due mainly to net loss of 1,2016 million yen and decrease of 1,382 million yen from the payment of dividends.

(3) Qualitative information on consolidated forecasts

In consideration of the business performance in the second quarter of the fiscal year, the Company revised its financial forecasts for the fiscal year ending March 31, 2013 announced on May 15, 2012.

For details, please refer to the “Notice on Revision of Full-year Financial Forecasts” announced today (November 5, 2012).

2. Matters regarding summary information (Notes)

Changes in Accounting Policies, Changes in Accounting Estimates, or Restatement

(Changes in accounting policies that are difficult to distinguish from changes in accounting estimates)

Starting from the first quarter of the fiscal year ending March 31, 2013, the Company and its domestic consolidated subsidiaries, in conjunction with the revision made to the Corporation Tax Law, have adopted a new depreciation and amortization method as set forth in the revised Law with respect to property, plant, and equipment acquired on and after April 1, 2012. The effect of this change on consolidated income is minimal.

3. 2nd Quarter Consolidated Financial Statements

(1) Consolidated Balance Sheet

Million yen

	FY2011 As of Mar. 31, 2012	2nd Quarter of FY2012 As of Sep. 30, 2012
Assets		
Current assets		
Cash and deposits	9,627	9,770
Notes and accounts receivable-trade	67,536	76,243
Merchandise and finished goods	50,249	53,020
Work in process	13,907	16,519
Raw materials and supplies	22,293	24,553
Other	31,103	34,205
Allowance for doubtful accounts	(567)	(485)
Total current assets	194,149	213,828
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	48,336	49,326
Other, net	61,014	64,267
Total property, plant and equipment	109,350	113,593
Intangible assets		
Goodwill	3,607	5,776
Other	13,481	13,166
Total intangible assets	17,089	18,943
Investments and other assets		
Investment securities	58,957	55,367
Other	25,337	26,253
Allowance for doubtful accounts	(3,999)	(3,577)
Total investments and other assets	80,296	78,044
Total noncurrent assets	206,736	210,581
Total assets	400,885	424,409

Consolidated Balance Sheet

Million yen

	FY2011 As of Mar. 31, 2012	2nd Quarter of FY2012 As of Sep. 30, 2012
Liabilities		
Current liabilities		
Notes and accounts payable-trade	30,243	34,089
Short-term loans payable	120,711	144,595
Income taxes payable	3,109	2,498
Accrued expenses	24,733	27,913
Provision	4,702	3,785
Other	12,748	11,187
Total current liabilities	196,249	224,070
Noncurrent liabilities		
Long-term loans payable	119,792	117,543
Provision for retirement benefits	13,498	15,154
Other provision	231	229
Other	7,181	6,663
Total noncurrent liabilities	140,704	139,591
Total liabilities	336,953	363,661
Net assets		
Shareholders' equity		
Capital stock	23,729	23,729
Capital surplus	13,758	13,758
Retained earnings	22,601	19,594
Treasury stock	(256)	(256)
Total shareholders' equity	59,832	56,825
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	329	(314)
Deferred gains or losses on hedges	(328)	(353)
Foreign currency translation adjustment	(11,789)	(10,656)
Other comprehensive income pension liabilities	(2,124)	(2,172)
Total accumulated other comprehensive income	(13,912)	(13,496)
Minority interests	18,012	17,419
Total net assets	63,932	60,747
Total liabilities and net assets	400,885	424,409

(2)Consolidated Income Statements

Million yen

	2nd quarter of FY2011 (Six months ended September 30, 2011)	2nd Quarter of FY2012 (Six months ended September 30,2012)
Net sales	271,774	277,032
Cost of sales	210,153	217,198
Gross profit	61,621	59,834
Selling, general and administrative expenses	55,266	56,921
Operating income	6,355	2,912
Non-operating income		
Interest income	260	432
Dividends income	503	461
Equity in earnings of affiliates	623	—
Subsidy income	—	351
Miscellaneous income	320	486
Total non-operating income	1,708	1,732
Non-operating expenses		
Interest expenses	1,895	1,872
Foreign exchange losses	438	922
Equity in losses of affiliates	—	378
Miscellaneous expenses	448	717
Total non-operating expenses	2,782	3,890
Ordinary income	5,280	754
Extraordinary income		
Gain on sales of noncurrent assets	75	396
Gain on sales of investment securities	—	500
Total extraordinary income	75	897
Extraordinary loss		
Loss on disposal of noncurrent assets	274	290
Impairment loss	—	348
Loss on valuation of investment securities	1,059	1,297
Loss on disaster	300	—
Total extraordinary losses	1,634	1,935
Income (loss) before income taxes and minority interests	3,721	(284)
Income taxes-current	1,802	2,046
Income taxes-deferred	170	(555)
Total income taxes	1,972	1,490
Income (losses) before minority interests	1,749	(1,775)
Minority interests in loss	(324)	(559)
Net income (losses)	2,073	(1,216)

Consolidated Statements of comprehensive income

Million yen

	2nd quarter of FY2011 (Six months ended September 30, 2011)	2nd Quarter of FY2012 (Six months ended September 30,2012)
Income (loss) before minority interests	1,749	(1,775)
Other comprehensive income		
Valuation difference on available-for-sale securities	(95)	(623)
Deferred gains or losses on hedges	(185)	(113)
Foreign currency translation adjustment	(131)	886
Other comprehensive income pension liabilities	11	(47)
Share of other comprehensive income of associates accounted for using equity method	1,230	538
Total of other comprehensive income	830	640
Comprehensive Income	2,579	(1,134)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	3,025	(800)
Comprehensive income attributable to minority interest	(446)	(334)

(3) Going Concern Assumption

None

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

Not applicable.

(5) Segment Information

1. 2nd quarter of FY2011 (Apr.1, 2011 - Sep. 30, 2011)

Million yen

1. Information regarding sales and income or loss by reportable segments

	Information by business segments					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Marine Products	Foods	Fine Chemicals	General distribution	Total				
Sales									
(1) Sales to third parties	113,058	132,680	12,897	6,058	264,695	7,079	271,774	-	271,774
(2) Inter-segment sales and transfers	5,289	475	129	3,544	9,439	1,532	10,972	(10,972)	-
Total	118,348	133,155	13,027	9,603	274,135	8,611	282,746	(10,972)	271,774
Segment income (loss)	1,719	2,495	3,333	698	8,246	254	8,500	(2,145)	6,355

(Note)

1. The "Other" segment includes the building/repair of ships, engineering and other businesses that are not included in the business segments.
2. The 2,145 million yen segment income adjustment comprise 42 million yen in inter-segment transactions and 2,102 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. 2nd quarter of FY2012 (Apr. 1, 2012 - Sep. 30, 2012)

Million yen

1. Information regarding sales and income or loss by reportable segments

	Information by business segments					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Marine Products	Foods	Fine Chemicals	General distribution	Total				
Sales									
(1) Sales to third parties	110,614	133,979	13,553	6,475	264,622	12,409	277,032	-	277,032
(2) Inter-segment sales and transfers	6,055	715	132	3,677	10,580	1,219	11,800	(11,800)	-
Total	116,699	134,694	13,685	10,153	275,203	13,629	288,832	(11,880)	277,032
Segment income (loss)	(844)	892	3,538	928	4,515	518	5,034	(2,121)	2,912

(Note)

1. The "Other" segment includes the building/repair of ships, engineering and other businesses that are not included in the business segments.
2. The 2,121 million yen segment income adjustment comprise 41 million yen in inter-segment transactions and 2,162 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)

In the first half of the fiscal year under review, the book value of assets scheduled to be sold in the "Marine Products Business" segment was reduced to the recoverable amount, and said reduction in the amount of 210 million yen was recorded as an impairment loss classified under an extraordinary loss. Also, idle property in the amount of 138 million yen not allocated to any reporting segment was recorded as an impairment loss.

(Significant changes in the amount of goodwill)

In the Marine Products segment, the Company made Kaneko Sangyo Co., Ltd. a consolidated subsidiary through the acquisition of its shares. As a result, goodwill increased by 2,304 million yen during consolidated cumulative second quarter.

(Significant gain on negative goodwill)

Not applicable.

3. Matters regarding changes in reportable segments

(Changes in the calculation method of income and loss of reportable segments)

Starting from the first quarter of the fiscal year ending March 31, 2013, the Company, in order to measure the business performance of each segment more accurately, has changed the scope to which selling, general and administrative expenses will be allocated and the method of such allocation.

As a result, segment income for the second quarter of the previous fiscal year has been calculated using the revised calculation methods.