

# Interim Financial Results for First Half of Fiscal Year 2009

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12 Nov 2009

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First Half of FY2009(Ending March 31,2010)  
Group Operations

# GLOBAL LINKS by Segment Matrix (as of 25 November,2009)



	Fishery	Aquaculture	Processed Foods	Trading/ Wholesale	Logistics	Pharmaceuticals/ Others
Japan	Kyowa Suisan	Kurose Suisan Nakatani Suisan	Nippon Cookery Mogami Foods Hachikan Kunihiro Kaneko Shokuhin Sasaya Tomisou	YTC Kurahashi K-Teion Housui Suisan Ryutsu Daisui	Nissui Logistic Carry Net Hokkaido Nissui	Nissui Pharmaceutical Hokkaido Finechemicals Nippon Marine Enterprise
N.America	UniSea Bering Sea Partners GFC		Gorton's King & Prince	F.W.Bryce		
S.America	PESPASA PESANTAR DOSA	Salmones Antartica		Nordsee		
Europe			Cite Marine	Nordic Seafood Europacifico		
Asia/Oceania	I.M.P. W.I.F. Sealord	Nissui Indonesia	NIGICO Nissui Thailand SANNIS Taimei	Nissui(S'pore)		TNFinechemicals

Black : Consolidated total 62

Blue : Affiliates applied equity method total 39

We have established the Global Links as a network of companies which share the same goal with the Nissui Group and create value together. The state as of November 25, 2009 has not been changed since when I addressed you at the Briefing Session held in May 2009.

## Overview of the First Half of FY2009

## Overview of the First Half of FY2009

### Consolidated Income Statement (Y-on-Y, Comparison with Plan)



(Unit: 100 million yen)

	'09/9	%	'08/9	%	Y-on-Y	%	Comparison with Plan	%
Net Sales	2,412		2,590		178		87	
Gross profit	539	22.3%	537	20.7%	2	0.4%		
SGA expenses	501		511		10			
Operating Income	38	1.6%	25	1.0%	13	52.0%	21	36.6%
Non-operating income	13		15		1			
Non-operating expenses	21		29		8			
Ordinary Income	30	1.3%	11	0.4%	19	172.7%	19	39.2%
Extraordinary income	0		7		7			
Extraordinary loss	3		19		16			
Income (loss) before income taxes and minority interests	27	1.1%	1	0.1%	28	-		
Income taxes - current	17		22		5			
Income taxes - deferred	4		6		1			
Minority interest in income	4		3		1			
Net Income (Loss)	10	0.4%	20	0.8%	31	-	9	48.5%

\* Projected figures are based on those of business forecasts announced on May 15, 2009.

We noted a decrease in sales and yet an increase in earnings from the previous year, while a decrease in both sales and earnings from the plan. In short, we have not regained our normal footing.

## Overview of the First Half of FY2009

Effects of devaluation of inventories, currency fluctuations and securities



### Devaluation of product inventories: 1.7 billion yen

Judging from profitability of individual inventory as of the end of the period, the Group forcibly devaluated inventories whose unit price fell below the net sales value (unit price as of the end of the period – direct sales cost and distribution cost).

(Unit: 100 million yen)	09/9	09/6	09/3
Amounts of devaluation	17	21	29

### B/S (net assets): Increase in foreign currency translation adjustment from the end of the previous fiscal term 5.4 billion yen

There was a significant decrease in foreign currency translation adjustment at the end of the previous fiscal term due to sharp fluctuations of exchange rates. However, for the end of this half-year period, an increase was recorded from the end of the previous fiscal term owing to recoveries of foreign currency rates against the yen.

(Unit: 100 million yen)	09/9	09/6	09/3	08/3
Foreign currency translation adjustment	54	79	109	47
Change from March 31, 2009	54	29	-	-

### Increase in valuation difference on available-for-sale securities from the end of the previous fiscal term 1.1 billion yen

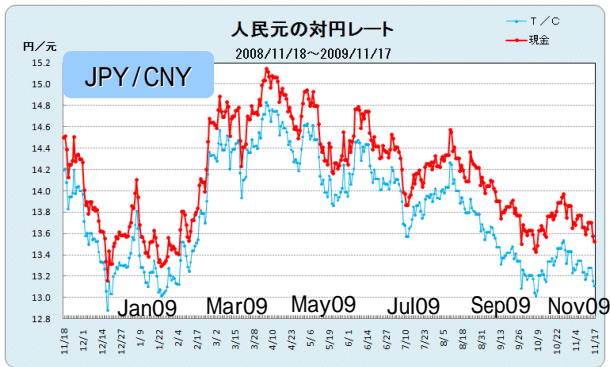
There was a significant decrease at the end of the previous fiscal term mainly due to the impact of the global financial crisis. However, for the end of this half-year period, an increase was recorded from the end of the previous fiscal term especially owing to the recovery of stock markets.

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We marked 1.7 billion yen in devaluation of product inventories. From a broad view, the correction of excessive inventory that resulted in the devaluation has run its course; however, it was also attributable to the ongoing effects of the dip in prices during the second quarter of fiscal year 2010.

In addition, foreign currency translation adjustment increased by 5.4 billion yen from the end of the previous fiscal term, given recoveries in rates of foreign currencies against the yen. Moreover, valuation difference on available-for-sale securities increased by 1.1 billion yen from the end of the previous fiscal term on the backs of the recovering stock markets.

# Foreign exchange



Here we have trends of major foreign currencies: the Chinese yuan shows a downside against the yen, while the Thai Baht, Chilean Peso, and Indonesian Rupiah show an upside against the U.S. Dollar. This is due primarily to the increase in foreign currency translation adjustment from the end of the previous fiscal term.

## Overview of the First Half of FY2009 Consolidated Balance Sheet (Y-on-Y)



(Unit: 100 million yen)

	Liabilities
Current Assets	3,069
1,820	( 63)
( 84)	Incl. Loans payable
	2,229
	( 78)
Noncurrent Assets	Net Assets
2,040	792
(91)	(70)
Total Assets	Incl. Total Shareholders' Equity
3,861	618(61)
(7)	

Breakdown of Increase/Decrease			
Current Assets	84	Cash & Deposits	134
		Inventories	17
		Other	32
Noncurrent Assets	91	Property, Plant and Equipment	25
		Intangible Assets	2
		Investments and Other Assets	63
Liabilities	63	Loans Payable	78
Net Assets	70	Retained Earnings	3
		Valuation and Translation Adjustments (*1)	65
	18.7%	Minority Interests	8
	20.5%		

(\*1) Includes 5.4 billion yen in foreign currency translation adjustment and 1.1 billion yen in valuation difference on available-for-sale securities

\*(Y-on-Y)

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I wish to underscore that, regarding the status of the balance sheet, net assets recovered to 79.2 billion yen, an increase by 7.0 billion yen from the end of the previous fiscal term, due to the factors that I explained in Pages 6 and 7.

## Overview of the First Half of FY2009 Consolidated Cash Flow Statement (Y-on-Y Comparison)



(Unit: 100 million yen)

				(Unit: 100 million yen)			
	09/9	08/9	Y-on-Y	Breakdown	09/9	08/9	Y-on-Y
Operating activities	102	193	296	Income before income taxes and minority interests	27	1	28
				Deoreciation and amortization	82	73	9
				Increase of working capital	10	212	202
Investment activities	94	192	97	Purchase of property, plant and equipment	63	163	99
				Purchase of intangible assets	11	13	1
				Revenue and expenditure related to investment securities	8	34	26
				Increase of short-term loans receivable	8	8	16
Financing activities	131	426	557	Net increase (decrease) in short-term loans payable	76	352	428
				Net increase (decrease) in long-term loans payable	27	92	119
				Cash dividends paid (including cash dividends paid to minority shareholders)	27	14	12
Balance of cash and cash equivalents at year end	198	154	43				

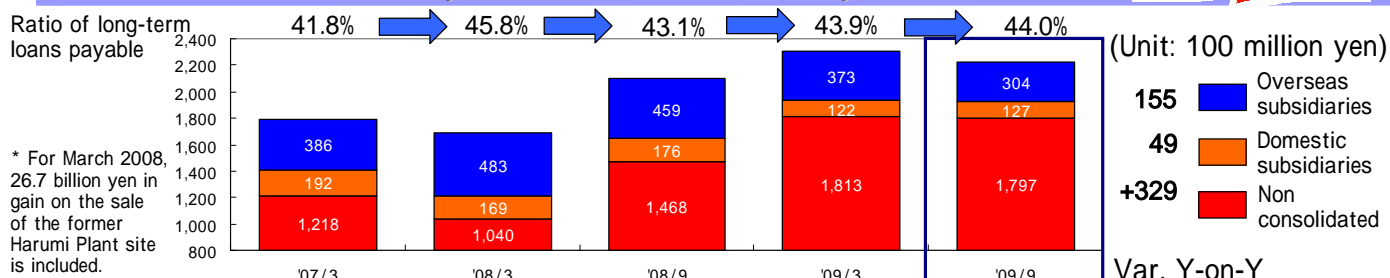
(Unit: 100 million yen)	2008.3	2008.9	2009.3	2009.9
Inventories	715	973	789	806

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Cash flow from operating activities resulted in a net inflow of 10.2 billion yen. This was due mainly to the income before income taxes and minority interests of 2.7 billion yen and depreciation and amortization of 8.2 billion yen.

One point to note is that inventories decreased by 16.7 billion yen from 97.3 billion yen at the end of September 2008 to 80.6 billion yen at the end of September 2009. Given the concentration of inventories due to unbalanced production and a seasonal characteristic prior to the end of year, inventories tend to swell in the month of September. In step with this, we are working toward downsizing inventories by establishing "The Inventory Investment Council" in April 2009. However, our points of focus from our current perspective are the issues of sluggish sales in the Marine Products business and market shrinkage—rather than swelling inventories. This point will be explained later.

## Overview of the First Half of FY2009 Consolidated Loans Payable & Net Interest Payments



\* For March 2008, 26.7 billion yen in gain on the sale of the former Harumi Plant site is included.

	'07/3	'08/3	'08/9	'09/3	'09/9	Var. Y-on-Y
Total Loans Payable	1,796	1,692	2,102	2,308	2,229	+127
Short-term	1,044	915	1,194	1,293	1,247	+52
Long-term	752	776	907	1,014	982	+74
Average interest rate of short-term loans payable	2.4%	3.0%	2.0%	1.3%	1.2%	0.8%
Average interest rate of long-term loans payable	2.4%	2.8%	2.2%	2.0%	1.8%	0.4%
Net interest payments	29.9	33.4	14.9	24.8	11.8	3.1
Interest expenses	46.4	50.2	22.0	40.9	18.6	3.4
Interest income	7.6	5.8	2.4	5.1	2.9	+0.4
Dividends income	8.7	10.9	4.6	10.9	3.8	0.7

\* The decrease in loans payable of overseas affiliates is primarily attributable to 4.9 billion yen in sub-loan from Nissui and 5.2 billion yen in capital increase by Nissui.

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Debts remain high. Long-term loans payable account for 44% of the total debts. Net interest payments decreased by 310 million yen from 1.49 billion yen at the end of September 2008 to 1.18 billion yen at the end of September 2009. In addition, consolidated debts decreased while non-consolidated debts increased. This was due to non-consolidated advantageous financing and fund supply made to the Group companies in the form of investments and loans.

# Overview of the First Half of FY2009

## Y-on-Y Comparison of Turnover by Segment Matrix



(Unit:100million yen)

	Japan	N.America	S.America	Asia	Europe	S.Total	Consolidated Adjustments	G.Total	
Marine Products	811 ( 153)	149 ( 42)	111 ( 27)	47 ( 18)	34 ( 33)	1,154 ( 274)	297 (103)	857 ( 171)	
	964	191	139	65	68	1,429	400	1,029	
Food Products	1,387 ( 45)	244 ( 14)		15 (0)	46 ( 9)	1,692 ( 69)	384 (56)	1,308 ( 12)	
	1,432	258		14	55	1,761	440	1,320	
General Distribution	92 ( 6)	Upper column indicates Results for 09/9, lower column indicates Results for 08/9. Figures in superscript on the right indicate increase/decrease.				92 ( 6)	34 (8)	57 (2)	
	98					98	42	55	
Fine Chemicals	126 (7)					126 (7)	8 ( 1)	117 (5)	
	118					118	6	112	
Other	113 ( 63)					0 (0)	113 ( 62)	42 (61)	70 ( 1)
	176					-	176	104	72
S.Total	2,529 ( 260)	393 ( 56)	111 ( 27)	62 ( 17)	81 ( 43)	3,178 ( 405)			
	2,790	450	139	80	124	3,584			
Consolidated Adjustments	581 (174)	72 (36)	71 (13)	40 (3)	0 (0)		766 (227)		
	756	108	84	44	0		993		
G.Total	1,947 ( 86)	320 ( 20)	40 ( 14)	21 ( 13)	80 ( 43)			2,412 ( 178)	
	2,034	341	54	35	124			2,590	

[Main reasons for decrease of Turnover]

**Marine:** JPN:Non-consolidated, N.A:UniSea, S.A:DOSA, Asia:Nissui S'pore, Europe: Europacifico

**Food:** JPN:Non-consolidated, N.A:King&Prince, Europe:Cite Marine

[Main reasons for increase of Turnover]

**Food:** JPN:Non-consolidated, Fine: Non-consolidated

\* Consolidation adjustments include elimination of sales through inter-group trades.

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The above slide represents turnover by segment matrix.

Although details will be explained later by each geographical segment, performance of the Marine Products business in Japan (non-consolidated) and North America (UniSea) and the Food Products business in Japan (chilled processing companies), North America (King & Prince), and Europe (Cite Marine) was lackluster, whereas that for the Food Products business and the Fine Chemicals business in Japan (both non-consolidated) was favorable.

# Overview of the First Half of FY2009

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



(Unit:100million yen)

	Japan	N.America	S.America	Asia	Europe	Elimination or Common	S.Total	Consolidated Adjustments	G.Total	
Marine Products	16 <sup>( 28)</sup>	5 <sup>( 4)</sup>	5 <sup>(15)</sup>	5 <sup>( 1)</sup>	1 <sup>( 3)</sup>		12 <sup>( 21)</sup>	0 <sup>( 1)</sup>	13 <sup>( 23)</sup>	
	11	9	10	3	2		9	0	9	
Food Products	32 <sup>(21)</sup>	2 <sup>(5)</sup>		0 <sup>(4)</sup>	1 <sup>( 0)</sup>		32 <sup>(30)</sup>	5 <sup>(3)</sup>	26 <sup>(33)</sup>	
	11	7		3	1		2	9	6	
General Distribution	8 <sup>( 0)</sup>	[Main reasons for decrease of operating income]						8 <sup>( 0)</sup>	0 <sup>(0)</sup>	9 <sup>( 0)</sup>
	9	<b>Marine: JPN:</b> Non-consolidated, <b>N.A:</b> UniSea						9	0	9
Fine Chemicals	24 <sup>( 0)</sup>	[Main reasons for increase of operating income]						24 <sup>( 0)</sup>	0 <sup>(0)</sup>	24 <sup>( 0)</sup>
	24							24	0	24
Other	5 <sup>(0)</sup>			0 <sup>(0)</sup>			6 <sup>(0)</sup>	1 <sup>(1)</sup>	4 <sup>(1)</sup>	
	5			0			5	2	2	
Elimination or Common		<b>Marine: S.A:</b> Salmenes Antartica					13 <sup>(1)</sup>	13 <sup>(1)</sup>		13 <sup>(1)</sup>
		<b>Food: JPN:</b> Non-consolidated, <b>N.A:</b> King&Prince					15	15		15
S.Total	55 <sup>( 7)</sup>	2 <sup>(0)</sup>	5 <sup>(15)</sup>	4 <sup>(2)</sup>	0 <sup>( 3)</sup>	13 <sup>(1)</sup>	45 <sup>(9)</sup>			
	62	1	10	6	4	15	36			
Consolidated Adjustments	1 <sup>( 2)</sup>	5 <sup>(2)</sup>	0 <sup>(1)</sup>	0 <sup>(1)</sup>	0 <sup>(0)</sup>			7 <sup>(3)</sup>		
	0	8	0	1	0			10		
G.Total	53 <sup>( 9)</sup>	3 <sup>(3)</sup>	5 <sup>(17)</sup>	4 <sup>(3)</sup>	0 <sup>( 3)</sup>	13 <sup>(1)</sup>			38 <sup>(13)</sup>	
	63	7	11	7	3	15			25	

\* Upper column indicates Results for 09/9, lower column indicates Results for 08/9. Figures in superscript on the right indicate increase/decrease.

\*Consolidated adjustments consist mainly of amortization of goodwill. Total for 09/9: 710 million yen (N. America: 650 million yen, S. America: 20 million yen, Europe: 30 million yen)

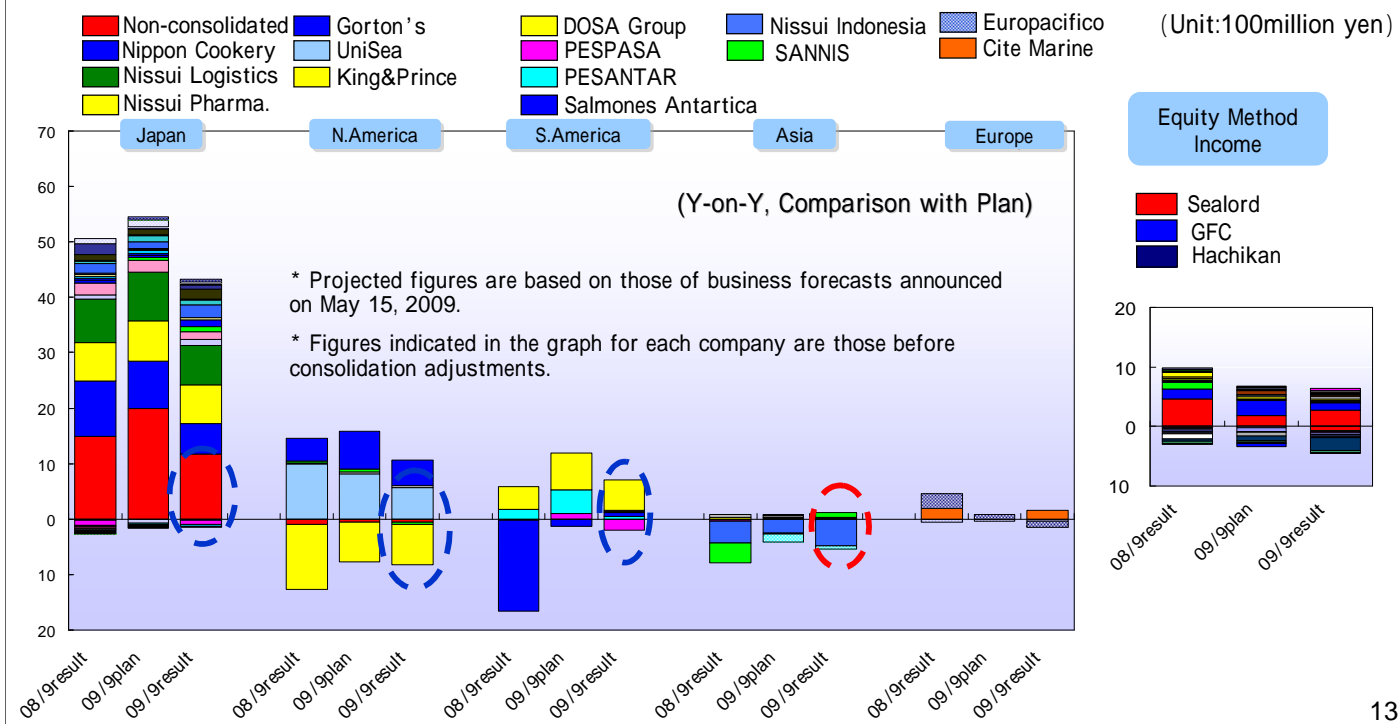
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The above slide represents operating income by segment matrix.

The Marine Products business in Japan (non-consolidated) and North America (UniSea) suffered a decline in profits, while the Marine Products business in South America (Salmenes Antartica) finally came into the black. As for the Food Products business, Japan (non-consolidated) contributed to profits and North America (King & Prince), despite operating in the red, has been further improved.

# Overview of the First Half of FY2009

## Operating Income by Geographical Segments & Group Companies

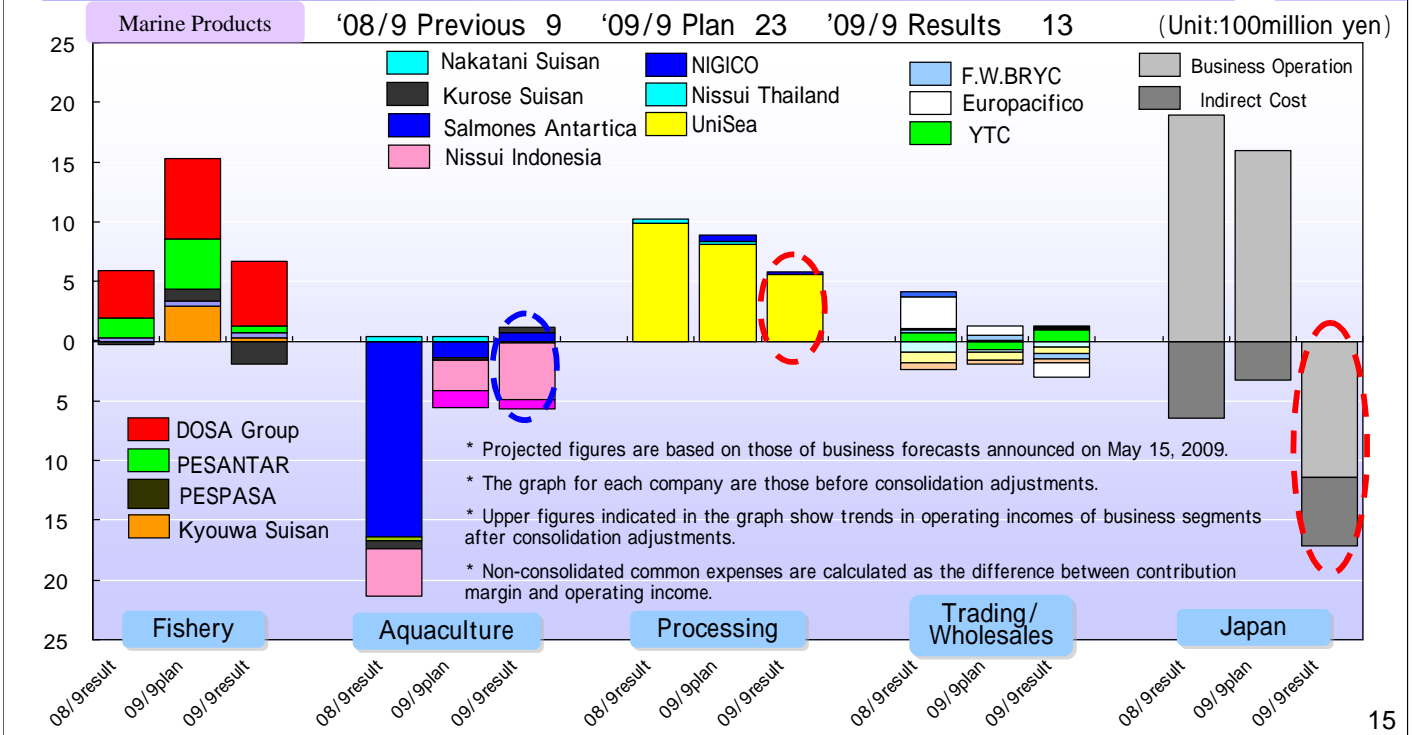


Operating income by geographical area segments and group companies is as indicated in the above slide. Companies circled with a dotted line are ones for which remedial measures are necessary to improve operating income. The unfavorable operating income is mainly attributable to Japan (non-consolidated) and North America (King & Prince and UniSea). In terms of unconsolidated affiliates, Hachikan, a company located in Japan, recorded a significant operating loss.

## Overview of the First Half of FY2009 Marine Products Business

# Overview of the First Half of FY2009 (Maine Products)

## Operating Income by Geographical Segments & Group Companies



Operating income by geographical segments and group companies in the Marine Products business is as indicated in the above slide. Segments such as fishery, aquaculture, processing, trading, and non-consolidated are shown from the left.

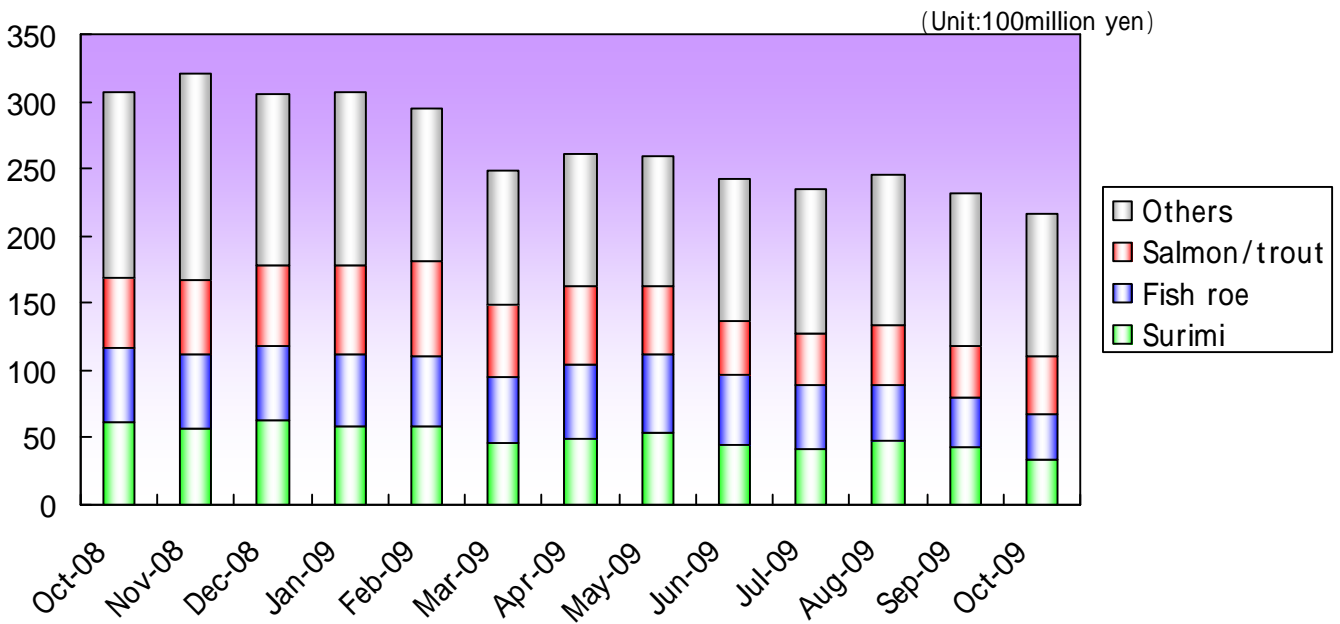
For fishery, the DOSA Group is faring well even under the harsh business climate, while PESPASA needs some work.

For aquaculture, although Salmenes Antartica recorded a significant deficit last year, it is expected to return to the black for this term. Nissui Indonesia is in the red as a result of a new issue, which will be explained later.

For processing, UniSea marked a decrease in operating income due to a decrease in fishing quota of Alaska pollock and drop in unit prices of surimi and cod roe.

Moreover, the important point in particular in this slide is the non-consolidated operating loss.

Overview of the First Half of FY2009 (Maine Products)  
Trends in inventories of non-consolidated Marine Products Business



\* Amounts calculated after devaluation

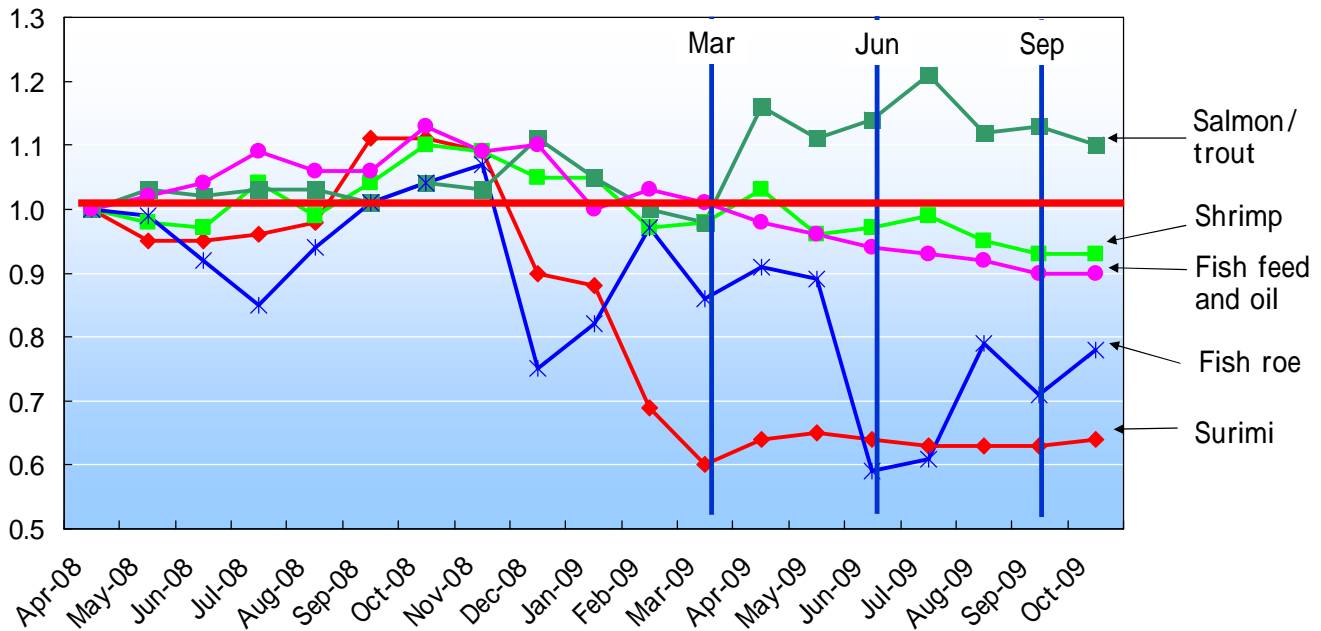
Regarding the non-consolidated status, I will firstly explain the state of inventories. We have worked toward cutting back on inventories by holding a meeting of “The Inventory Investment Council” twice a month since April 2009. As a result, the level of inventories, which had exceeded 30 billion yen in November 2008, gradually decreased to the nearly nominal level at present.

# Overview of the First Half of FY2009 (Maine Products)

Trends in average unit sales prices of major fish products of non-consolidated Marine Products Business



[Price fluctuations as compared to April 2008]



Assuming the unit price at which the non-consolidated Marine Products business sold in Japan in April 2008 as “1” and then looking at the following tendency, the level of salmon/trout is 1 or greater, showing that the business is going well and favorably compared to the previous year. However, prices of shrimp, fish feed and oil, fish roe, and surimi have all dropped. The drop in prices has hit the bottom and is likely to show recovery, though a significant rise cannot be expected.



1. Tokyo Metropolitan Central Wholesale Market Trends in sales and unit prices by division

	Total	Fresh Fish	Live Fish	Shell fish	Frozen fish	Processed fish	
2007	Sales (100 million yen)	5,329	1,596	195	389	1,532	1,555
	YoY (%)	99%	101%	96%	96%	98%	98%
2008	Unit Price (yen)	857	863	1,367	987	1,004	707
	YoY (%)	100%	99%	95%	100%	102%	101%
2008	Sales (100 million yen)	5,209	1,570	190	381	1,480	1,527
	YoY (%)	98%	98%	98%	98%	97%	98%
2008	Unit Price (yen)	844	866	1,280	975	975	694
	YoY (%)	99%	100%	94%	99%	97%	98%
2009 Jan-Sep	Sales (100 million yen)	4,755	1,028	132	246	927	998
	YoY (%)	90%	91%	95%	90%	86%	94%
2009 Jan-Sep	Unit Price (yen)	785	785	1,161	894	907	663
	YoY (%)	95%	90%	90%	92%	96%	99%

2. Sales results of Japan Chain Stores Association by division (Unit: 100 million yen)

	Total sales	Foods	Marine products	Livestock/poultry products	Agricultural produce	Prepared (ready-to-eat) foods	Other foods
2006	140,224	84,590	9,262	9,086	11,316	8,919	46,007
2007	139,788	85,188	9,016	9,152	11,336	9,045	46,638
2008	132,754	82,149	8,387	9,181	10,843	8,577	45,162
2009	95,217	60,351	6,001	6,628	8,149	6,232	33,340
YoY	97.3%	99.4%	97.4%	99.3%	101.3%	97.5%	99.7%

Figures for FY2009 are cumulative data for January-September. Year-on-year comparison percentages are based on figures before store adjustments.

Segment	Sales amount (100 million yen)	%	Y-on-Y (%)	
			Before adjustment	After adjustment
Total sales	95,217	100.0	97.3	96.4
Foods	60,351	63.4	99.4	98.4
Agricultural produce	8,149	8.6	101.3	99.7
Livestock/poultry products	6,628	7.0	99.3	97.4
Marine products	6,001	6.3	97.4	95.4
Prepared (ready-to-eat) foods	6,232	6.5	97.5	96.0
Other foods	33,340	35.0	99.7	99.3

Source: Webpage of Tokyo Metropolitan Central Wholesale Market

Source: Web page of Japan Chain Stores Association

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Although some say that “sales of fish are weak,” the reality is actually that “sales of products are weak” rather than just “fish.”

Looking at trends from the Tokyo Metropolitan Central Wholesale Market (table to the left), overall sales dropped by 10% and unit prices by 5% for the period of January through September 2009, compared to the previous year. The sales results by division announced by the Japan Chain Store Association with data adjusted by the number of shops opened and closed (% Y-on-Y; table in right above) indicate that sales of Marine Products are 2-3 points lower than other products. However, this trend was seen not only in fish and seafood products; save for agricultural products, all divisions were unable to reach the same figures as for the previous year.

# Overview of the First Half of FY2009 (Maine Products)



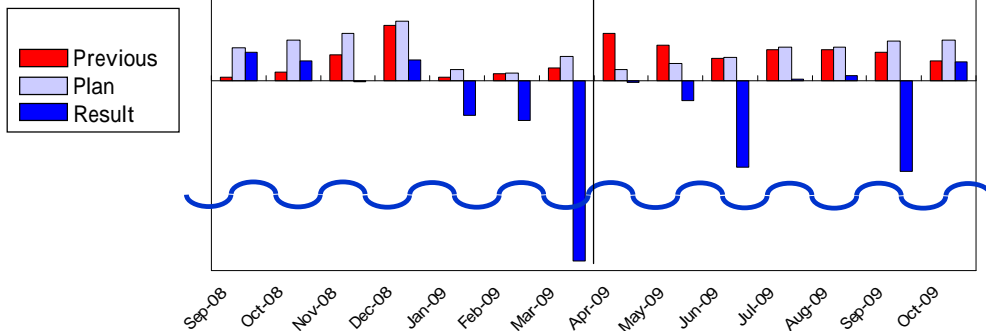
Sales and income of non-consolidated Marine Products Business by major fish products

Total Sales of Marine Products Business  
(quantity: thousand tons; amount: 100 million yen)

	Turnover			Gross margin	
	Quantity	Unit price (yen/kg)	Amount	Amount	%
Result	135	357	485	34	7.1%
Plan	146	361	529	62	11.7%
Result for the previous year	147	408	602	65	10.8%



【Trends in ordinary income】 (\*after devaluation of inventories)



I will now move on to a detailed explanation of the non-consolidated Marine Products business by major fish products.

Looking at contribution margins, surimi shows a significant decrease, and fish roe and salmon/trout show a slight decrease.

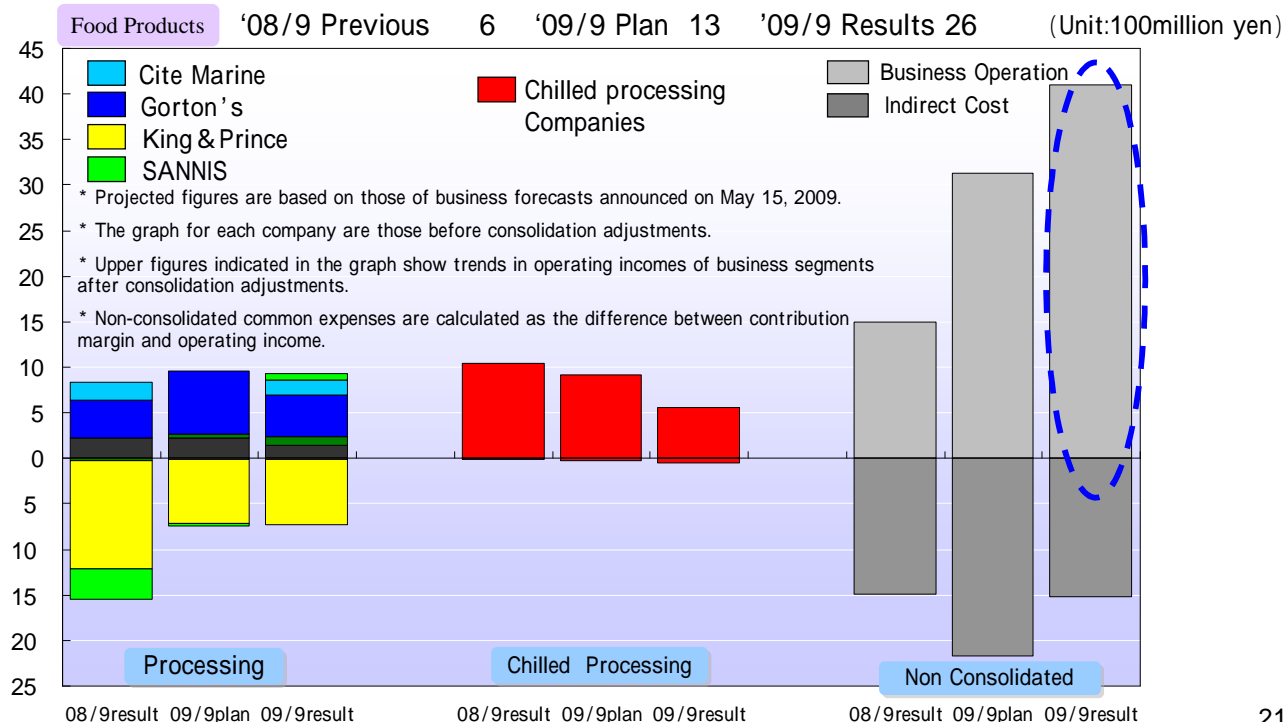
With respect to monthly trends in ordinary income, the effect of inventory devaluation, which is gradually mitigating, is reflected on a quarterly basis. We finally returned to the black in October, which is likely to be a sign of having hit the bottom.

The key tasks ahead for the Marine Products business are creating demand, providing suggestions to people's lifestyles, and strengthening marketing.

## Overview of the First Half of FY2009 Food Products Business

# Overview of the First Half of FY2009 (Food Products)

## Operating Income by Geographical Segments & Group Companies



Operating income by geographical segments and group companies in the Marine Products business is as indicated in the above slide.

As opposed to the Marine Products business, a rise in non-consolidated operating income contributed toward pushing the income of the Food Products business higher.

In terms of the Processed Foods business, King & Prince marked a decrease by 700 million yen as expected, which will be explained separately.

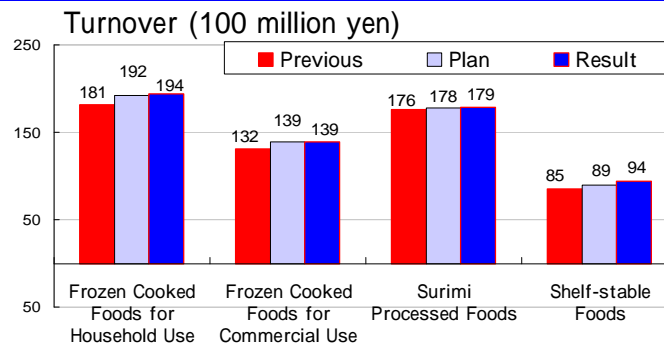
Chilled processing companies posted a decrease in earnings due to sluggish sales at convenience stores, which are their major buyers (level of 90% in sales of existing stores, YoY).

## Overview of the First Half of FY2009 (Food Products) Net sales and Contribution margin of Non-consolidated



(quantity: thousand tons; amount: 100 million yen)

	Result	Turnover		Gross margin		
		Quantity	Unit price (yen/kg)	Amount	Amount	%
Frozen Cooked Foods for Household Use	Result	23	826	194	82	42.1%
Frozen Cooked Foods for Commercial Use		25	556	139	41	29.1%
Frozen Agricultural Foods		11	351	37	16	42.0%
Surimi Processed Foods		28	642	179	66	36.7%
Shelf-stable Foods					120	38
Total	Result	91	732	669	241	36.0%
	Plan	89	741	662	227	34.2%
	Result for the previous year	93	681	636	204	32.0%



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The above slide represents the net sales and income of the non-consolidated Food Products business by segment.

The business successfully exceeded expected figures for the second quarter of fiscal year 2010.

This was achieved owing to the expanded sales (boost in production) thanks to our focus on the quality and continuous implementation of high value-added products, and our long-term efforts for improving productivity, as well as stabilized raw material prices.

However, we have recouped few of the losses incurred by the soar in raw material prices which occurred last year.

Our key challenge lies in whether we will be able to maintain such a positive momentum going forward.

## Overview of the First Half of FY2009

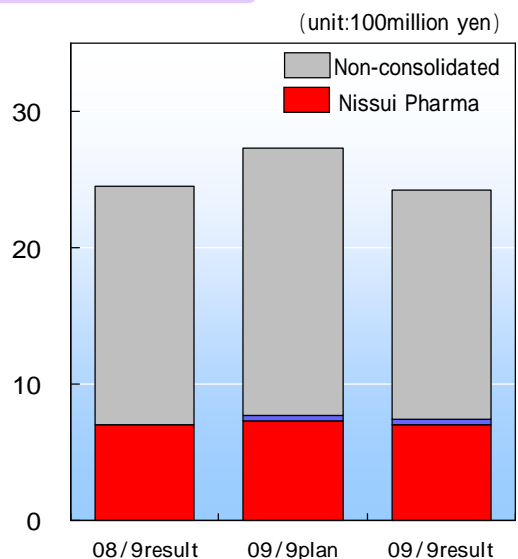
### Fine chemicals/General Distribution

# Overview of the First Half of FY2009

## Operating Income by Geographical Segments & Group Companies

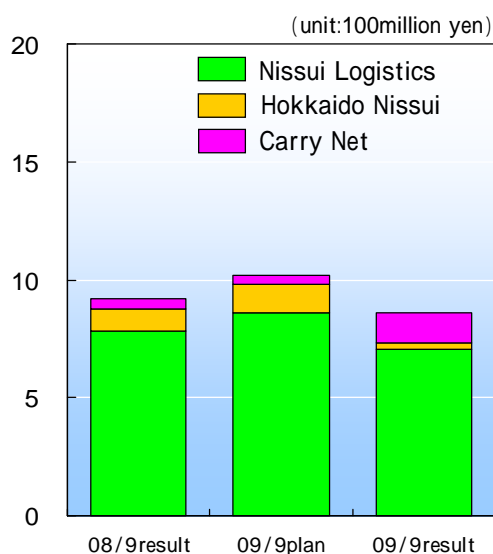


### Fine Chemicals



Depreciation and amortization	6		14
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### General Distribution



Depreciation and amortization	5		7
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\*Projected figures are based on those of business forecasts announced on May 15, 2009.  
 Figures indicated in the graph for each company are those before consolidation adjustments.

The above slide represents the status of operating income for group companies in the Fine Chemicals business and the General Distribution business.

Looking at the status of depreciation and amortization: an increase by about 800 million yen from the previous year is marked in the Fine Chemicals business due to operation of the Kashima Plant, and an increase by about 200 million yen from the previous year is marked in the General Distribution business due to facility improvement. Amidst these conditions, the operating income of these two businesses is nearly within the margin of our expectations.

## Overview of Companies Requiring Business Improvement

# Overview of Overseas Companies for Fiscal Year 2009

## -King & Prince



### Key points in the revised plan for fiscal year 2009

- Complete addressing negative legacies
- Cut beginning inventories in half
- Reduce staff and improve productivity
- Develop and release new products in cooperation with customers
- Shift sales to fast-food restaurants (to arrest the decline in sales)

### Additional measures

- Enhance plant productivity
- Develop new products for the next term
- Revamp broker network      Sales growth

### Progress during January-October

(Preliminary figures for January-October 2009)

100 million yen	Cumulative figure for January-October		
	2008	2009 Plan	2009 Result
Net sales	132	137	118
Operating income	20	8	9

(Quarterly results for fiscal year 2009)

100 million yen	1Q	2Q	3Q
	Result	Result	Result
Net Sales	39	33	31
Operating income	4	2	1

- Optimized inventory levels and reduced selling expense.
- Rehabilitated production and improved labor productivity.
- Successfully introduced new shrimp products to fast-food restaurants and started the shipment.
- The decline in the sales to the casual dining market continued.

Full-year forecast of operating income

	FY2008	FY2009	
		Initial plan	Revised forecast
100 million yen	27	10	10

26

Under the direction of its new president, who was assigned from Nissui in February 2009, King & Prince has begun taking new measures after having reorganized negative inheritance. Sweeping reforms were steadily carried out, including reorganization and optimization of inventories, normalization of production system, and improvement of labor productivity.

In this way, improvements that were made under its own initiative have come to bear fruit. However, while casual restaurants, namely K&P's major sales destinations, are experiencing sluggish business, consideration may be given to reapportioning products to the fast-food business. In any case, how we can boost sales will remain an important issue going forward.

# Overview of Overseas Companies for Fiscal Year 2009

## –Salmones Antartica



### Key points in the revised plan for fiscal year 2009

- Concentrate on the production of trout, which is SA's strength and free from the influence of ISA
  - Improve aquaculture and farming performance
  - Cut fixed expense
  - Enhance plant productivity
- } Reduce cost

### Additional measures

- Increase production quantity through contract processing of coho salmon
- Improve aquaculture and farming performance (improve vaccine; review feed formula)
- Globalize trout market
- Further shift production to high-value-added products

### Progress during January-October

(Preliminary figures for January-October 2009)

100 million yen	Cumulative figure for January-October		
	2008	2009 Plan	2009 Result
Net sales	85	69	72
Operating income	14	0	2

- Price of trout was steady. Shifted production to high-value-added products
- Enhanced plant productivity and cut fixed expense
- Survival rates declined and the cost of fish with heads and guts rose

### Full-year forecast of operating income

100 million yen	FY2008	FY2009	
		Initial plan	Revised forecast
	12	0	2

Salmones Antartica is likely to return to black this term as stated earlier. Looking at the cumulative figures for January through October 2009, operating income amounts to 200 million yen. That is mainly due to the enhancement of plant productivity, the steady price of trout, and shift to high value-added products.

A point of concern is decline in the survival rates of cultured fish, which was down to 58% for the period of January through March. This was the result of a new fish disease which had occurred at certain of our freshwater fish farms. We are, however, already on our way toward gradually overcoming this issue; by October, the situation has already been improved to the level of 85% of our goal.

# Overview of Overseas Companies for Fiscal Year 2009 –Nissui Indonesia



## Key points in the revised plan for fiscal year 2009

- Improve efficiency in aquaculture and farming
 

Management indicators	FY2008
Yield (number of tons per ha)	6.7 t/ha
FCR (feed conversion ratio)	1.87
Weight per fish	29.9 g/fish
- Cut cost
  - Reduce usage of heavy oil
  - Change fish meal
  - Improve processing yield
- Sales price-related measures
  - Sales to the European market

## Additional measures

- Improve yield:
  - Increase the percentage of products with heads in the product portfolio
  - Continue negotiations with the European market
- Improve efficiency in aquaculture and farming:
  - Select key culturing ponds and concentrate efforts
- Continue cost reduction measures

## Progress during January-October

(Preliminary figures for January-October 2009)

100 million yen	Cumulative figure for January-October		
	2008	2009 Plan	2009 Result
Net sales	4	17	10
Operating income	4	1	7

### (Culture index)

	Plan	1Q result	2Q result	3Q result
Yield	8.0t/ha	6.0	5.8	6.2
FCR	1.8	2.2	2.2	2.1
Weight per fish	33g/fish	30.3	28.3	28.8

### Cost cuts

- Implementing measures to reduce usage of heavy oil (in electric power generation and transmission)
- Changed fish meal

- The issue regarding the location remains to be addressed

### Full-year forecast of operating income

	FY2008	FY2009	
		Initial plan	Revised forecast
100 million yen	5	0	7

Nissui Indonesia is evolving its aquaculture technology to such an extent that it can potentially produce some of the most outstanding figures globally in terms of black tiger shrimp farming.

At the same time, however, certain issues deriving from the location, such as the unstable civil conditions, remain unaddressed. We are exerting efforts to solve these issues by approaching Indonesian administrative bodies.

# Overview of Overseas Companies for Fiscal Year 2009 -SANNIS



## Key points in the revised plan for fiscal year 2009

### ■ Increase production

Strengthen the production capacity of fried seafood products for food services  
Increase production for companies of the Global Links including King&Prince

### ■ Cut costs

Reduce expenses for personnel, administration, materials, power, yield management, etc.

## Additional measures

### ■ Increase production for Global Links companies (Alaska pollock and salmon)

- King&Prince: Start producing products
- Cite Marine: Consider value-added products

### ■ Further cost cuts

## Progress during January-October

(Preliminary figures for January-October 2009)

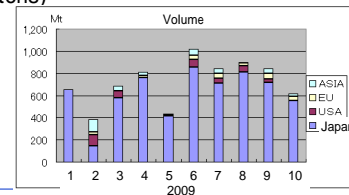
100 million yen	Cumulative figure for January-October		
	2008	2009 Plan	2009 Result
Net sales	24	35	25
Operating income	5	0	0

### ■ Cut costs

■ Improved earnings in marine products and fried seafood products for food services

■ Sales to the U.S. and European markets (based on volume in tons)

100% for Japan  
86% for Japan,  
5% for North America,  
3% for Europe,  
and 5% for Asia



## Full-year forecast of operating income

100 million yen	FY2008	FY2009	
		Initial plan	Revised forecast
	5	0	1

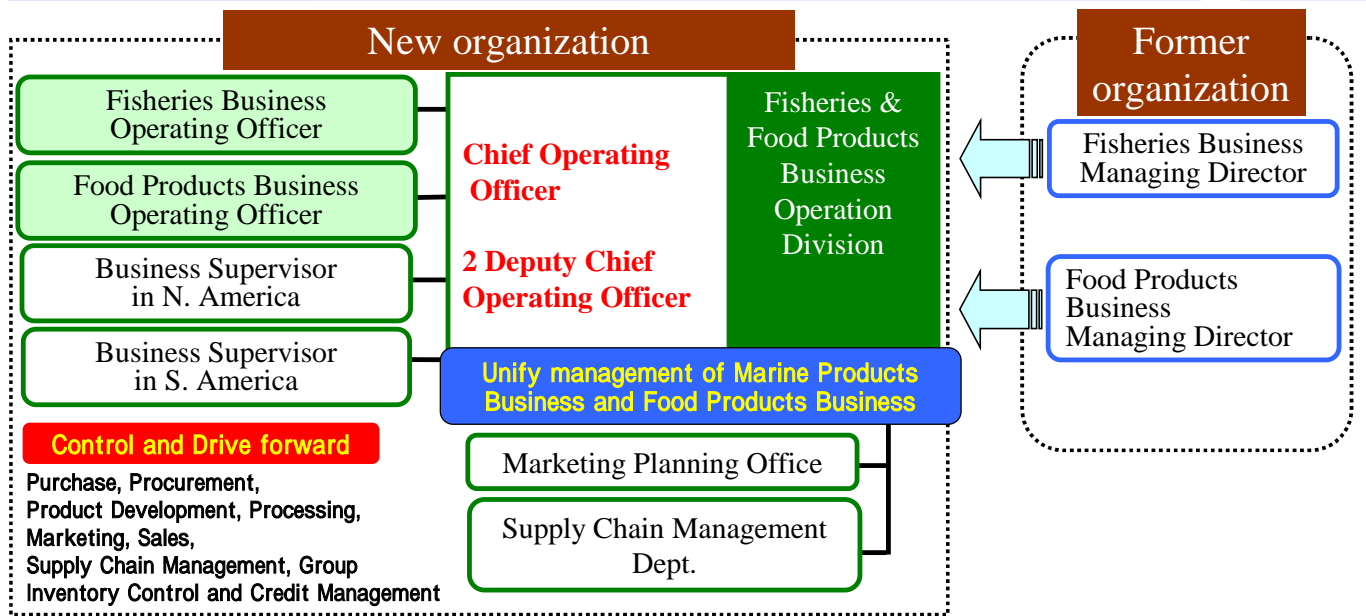
29

Shandong Sanfod Nissui(SANNIS) successfully turned into the black. Initially, the company exclusively produced products for Japan. It is now expanding production for the Global Links, including King & Prince and Cite Marine, and increasing sales to the U.S. and Europe.

Going forward, we will make further efforts to reduce costs so as to gain international competitive power.

## Future Reform and Environment Surrounding the Group

In this section, I will highlight some of our specific efforts based on the theme of this term: “Management that considers innovation.”



**Global Group Strategic Planning Office**

As a function reporting directly to the President, the Office is responsible for simultaneously and homogenously performing preemptive control over consolidated subsidiaries and monitoring the status of their operations in order to drastically reform management of these companies.

The first is that the organization of our group has dramatically changed. Up to now, Nissui had been operating businesses based on the tenets that the Marine Products business and the Food Products business are two different wheels of the Company.

However, having judged that this system no longer satisfies the needs of our current customers, we established a structure where the two businesses are positioned under one Chief Operating Officer, with the aim of integrated control instead of being separated. As assistants to the Chief Operating Officer, two Deputy Chief Operating Officers are also appointed; one is responsible for marketing, and the other, for operations.

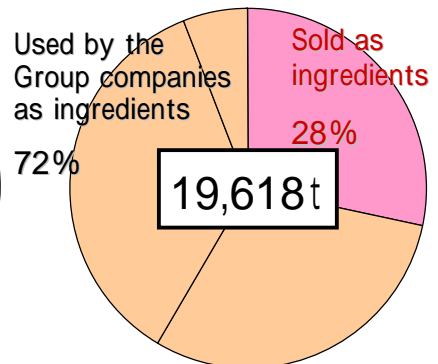
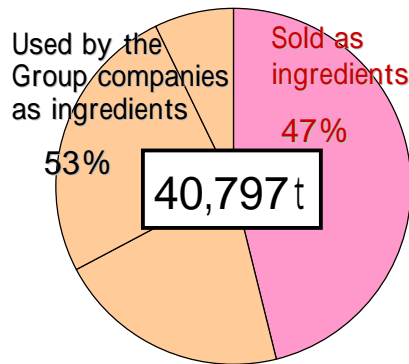
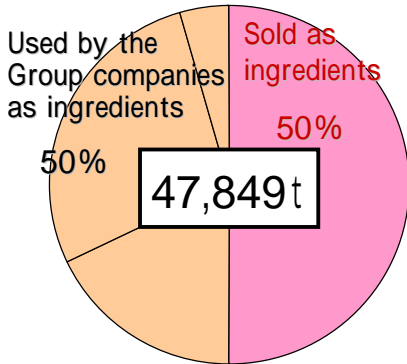
As stated earlier, a key issue for the Marine Products business going forward is creating demand. Under the new structure, this will be facilitated by the Fisheries & Food Products Business Operation Division and thereunder, the Marketing Planning Office and the Supply Chain Management Dept have been established. The Marketing Planning Office assumes the marketing function by considering how we can gain customer support from the perspective of our overall business resources without separating the two businesses.

Salmon/trout: Composition by use (H&G basis)

**[FY2006]**

**[FY2008]**

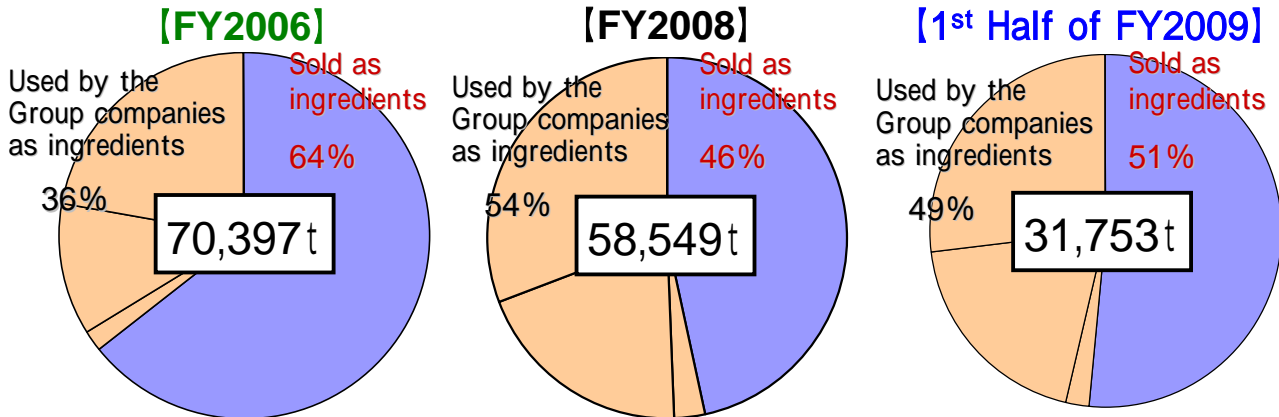
**[1st Half of FY2009]**



Products processed with the ingredients		Ingredients	
Processed foods	Seafood materials		

Now I will present some examples of reform in businesses and sales. With respect to salmon, namely, the product that sells the most among Nissui's marine product business, 50% was sold as an ingredient outside of the Company in 2006 on an H&G basis (after head and guts are removed). In the first half of 2009, however, sales as ingredients outside of the Company came to 28%, with the remainder increasingly used as ingredients within the Nissui Group. In short, we are consciously trying to increase the sales of products processed for users convenience, rather than selling caught fish as-is.

Alaska pollock surimi: Composition by use



Products processed with the ingredients				Ingredients
Imitation crab meet	Chikuwa	Fish sausage&ham		Surimi (Fish Paste)

With respect to surimi of Alaska pollock, which is also one of our large businesses, 64% was sold as ingredients outside the Company in 2006. In the first half of 2009, however, external sales decreased to nearly 50%, with the remainder sold in-house as ingredients for processed products.

Our target was to use 60% of our marine products for in-house processing and 40% for sales outside of the Company. We are on the right track to achieving this target so far.

It should be noted that as in-house uses increase, sales recorded in the Marine Products division will decrease. We appreciate your understanding in this regard.

**“Society for Conservation of Fisheries Resources and Marine Environment” was established on October 1, 2009.**

Nissui supports an incorporated association called “Society for Conservation of Fisheries Resources and Marine Environment” established on October 1, 2009

This association aims to enable the Nissui Group to contribute further to society in terms of resources and environmental conservation through examination of business activities of the companies, which may fall into their “in-house ethic,” from the scientific views of outside experts.

Through the association’s activities, we hope to receive understanding and support from society on our businesses of collecting natural resources or imposing loads to the environment in ways such as aquaculture/farming, to ensure permanence of our operations.

Nissui decided to support the association “Society for Conservation of Fisheries Resources and Marine Environment” established in October 1, 2009. Each business in the Nissui Group will hopefully undergo examinations of their business activities in light of conservation of resources and environment from the scientific views of outside experts in order to ensure a sustainable business environment where marine resources can be permanently used.

## Nissui's Measures

### Realization of third production means



We realized the third production means specified in the New TGL Plan. Through business transfer from Suntory Wellness Limited, the Nissui Group started production and sales of arachidonic acid using biotechnology. This enabled Nissui to become the world's only company that produces three key additives for use in infant formula (DHA, arachidonic acid, cholesterol). Our relationship with leading international companies such as N, M, and A will thus be deepened.

### 3. Develop New Bio-Production Technologies

Research, acquire, and establish Bio-production methods of EPA, DHA and other materials in preparing for future risk

#### Bio-production Research Center

After the CODEX Committee recommended DHA and arachidonic acid as necessary nutrients in 2007, global demand rapidly rose for their use in infant formula.

### 1. Improve Profitability in Core Businesses

Through Cost Reduction  
Create new value-added businesses and high functional products through marketing  
Change marketing style/Enhance Pull marketing  
Reinforce the group's vertically-integrated business structures and maximize profits

### 2. Achieve an Advanced Profitable Business Structure

Forefront aqua-farming (crop harvest of "fish") with secured safety and traceability through vertical integration with feeding  
Develop and commercialize functional materials from marine resources

2in5 Plan

Logistics innovation (SCM Dept)

Aquaculture Business Promotion Office

Human Life Science R&D Center

Marine Business Strategy Office

Marine Resources

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Aiming at realizing third production means by the end of FY 2011, we managed to establish the Bio-production Research Center, and we are pleased to announce that one of the third production means has successfully been achieved.

Following the provision of technologies from Suntory Wellness Limited, on November 1, 2009, we undertook culture, purification, and extraction of filamentous fungi that produce arachidonic acid in the bio-production field, which is the first operation in the Fine Chemicals business.

Nissui had been engaged in extraction and high purification of EPA and DHA from fish for years. Using these technologies has enabled us to produce and sell high-quality arachidonic acid. As the CODEX Committee recommends DHA and arachidonic acid as nutrients for infant formula, demand for Nissui's DHA and arachidonic acid is expected to rise in areas such as Europe and Asia. Nissui has become the world's only company that produces three key additives (DHA, arachidonic acid, cholesterol) extracted from fish. This is an extremely meaningful achievement to deepen our relationship with world's leading companies.

## Forecast for FY 2009

## Full-Year Forecast for Fiscal Year 2009 (compared with the figures announced on August 4, 2009)



### Consolidated, non-consolidated and dividend forecasts

(Unit: 100million yen)

[Consolidated]	FY2009 (Forecast)	%	Plan for fiscal year 2009 (announced on August 4, 2009)	%	Y-on-Y
Net sales	4,800		5,100		300
Operating income	85	1.8%	120	2.4%	35
Ordinary income	70	1.5%	100	2.0%	30
Net income	20	0.4%	50	1.0%	30

[Non-Consolidated]	FY2009 (Forecast)	%	Plan for fiscal year 2009 (announced on August 4, 2009)	%	Y-on-Y
Net sales	3,100		3,250		150
Operating income	25	0.8%	40	1.2%	15
Ordinary income	28	0.9%	50	1.5%	22
Net income	20	0.6%	30	0.9%	10

\* Figures announced on August 4, 2009 are unchanged from those announced on May 15, 2009.

#### ■ Dividend Forecast

FY2009(F) Total Fiscal Year Dividend per Share 10 yen

Interim 5 yen (Last Year 5 yen)

Year End 5 yen (Last Year 5 yen)

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For our forecast for FY 2010 ending March 31, 2010, we are predicting consolidated net sales of 480 billion yen, down 30 billion yen, and operating income of 8.5 billion yen, down 3.5 billion yen, compared to the figures announced on May 15, 2009.

As for dividends, we predict the same case as with the previous year.

# Full-Year Forecast for Fiscal Year 2009

Segment information: Sales (compared with the figures announced on May 15, 2009)



(Unit:100million yen)

	Japan	N.America	S.America	Asia	Europe	S.Total	Consolidated Adjustments	G.Total
Marine Products	1,627 ( 161)	274 ( 26)	225 ( 8)	112 ( 26)	63 ( 6)	2,303 ( 228)	618 (65)	1,685 ( 163)
	1,788	301	233	138	69	2,532	684	1,848
Foods	2,708 ( 196)	459 ( 48)		30 ( 12)	90 (12)	3,289 ( 245)	719 (133)	2,570 ( 112)
	2,905	507		42	78	3,534	852	2,682
General Distribution	188 ( 5)					188 ( 5)	68 (5)	120 (0)
	193					193	73	120
Fine Chemicals	267 ( 12)			0 (0)		268 ( 12)	13 (5)	255 ( 7)
	279			0		280	18	262
Other	269 ( 12)					269 ( 12)	99 ( 5)	170 ( 18)
	281					281	93	188
S.Total	5,061 ( 387)	734 ( 75)	225 ( 8)	143 ( 38)	153 (5)	6,318 ( 504)		
	5,449	809	233	182	147	6,823		
Consolidated Adjustments	1,141 (155)	114 (29)	175 ( 12)	83 (35)	3 ( 3)		1,518 (204)	
	1,297	143	162	119	0		1,723	
G.Total	3,920 ( 232)	620 ( 46)	50 ( 21)	60 ( 3)	150 (2)			4,800 ( 300)
	4,152	666	71	63	148			5,100

\*For each business/regional segment, the upper figure represents the revised forecast for FY2009, and the lower figure represents the forecast as of May 15, 2009. The figure shown within parentheses at the upper right represents the change.

[Main reasons for decrease of Turnover]

**Marine:** JPN: Non-consolidated, YTC, N.A: UniSea, Asia: Nissui S'pore

**Foods:** JPN: Chilled each companies, N.A: Gorton's, King&Prince

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The above slide represents the forecast for FY 2010 ending March 31, 2010 for turnover by geographical segment, compared to the figures announced on May 15, 2009.

# Full-Year Forecast for Fiscal Year 2009

Segment information: Operating income (compared with the figures announced on May 15, 2009)



(Unit:100million yen)

	Japan	N.America	S.America	Asia	Europe	Elimination or Common	S.Total	Consolidated Adjustments	G.Total
Marine Products	3 ( 37)	2 ( 6)	12 ( 17)	7 ( 8)	1 ( 2)		2 ( 71)	2 (13)	0 ( 58)
	33	8	29	1	0		73	15	58
Foods	44 (10)	7 (6)		1 (0)	3 (3)		56 (21)	15 ( 5)	41 (16)
	34	0		0	0		34	9	25
General Distribution	19 ( 0)						19 ( 0)	0 ( 1)	19 ( 2)
	20						20	0	21
Fine Chemicals	49 ( 0)			0 (0)			49 ( 0)	0 ( 0)	49 ( 1)
	50			0			50	0	50
Other	9 (1)						9 (1)	2 ( 0)	7 (1)
	7						7	1	6
Elimination or Common						31 (9)	31 (9)		31 (9)
						40	40		40
S.Total	120 ( 26)	10 (0)	12 ( 17)	6 ( 7)	1 (1)	31 (9)	107 ( 40)		
	146	9	29	1	0	40	147		
Consolidated Adjustments	7 ( 3)	12 ( 2)	0 (7)	1 (4)	0 (0)			22 (5)	
	3	9	7	6	0			27	
G.Total	113 ( 30)	2 ( 2)	12 ( 10)	8 ( 3)	1 (1)	31 (9)			85 ( 35)
	143	0	22	5	0	40			120

\*For each business/regional segment, the upper figure represents the revised forecast for FY2009, and the lower figure represents the forecast as of May 15, 2009. The figure shown within parentheses at the upper right represents the change.

[Main reasons for decrease of Turnover]

**Marine:** JPN: Non-consolidated, N.A: UniSea, S.A: DOSA, PESPASA, PESANTAR, Asia: Nissui Indonesia

[Main reasons for increase of Turnover]

**Foods:** JPN: Non-consolidated

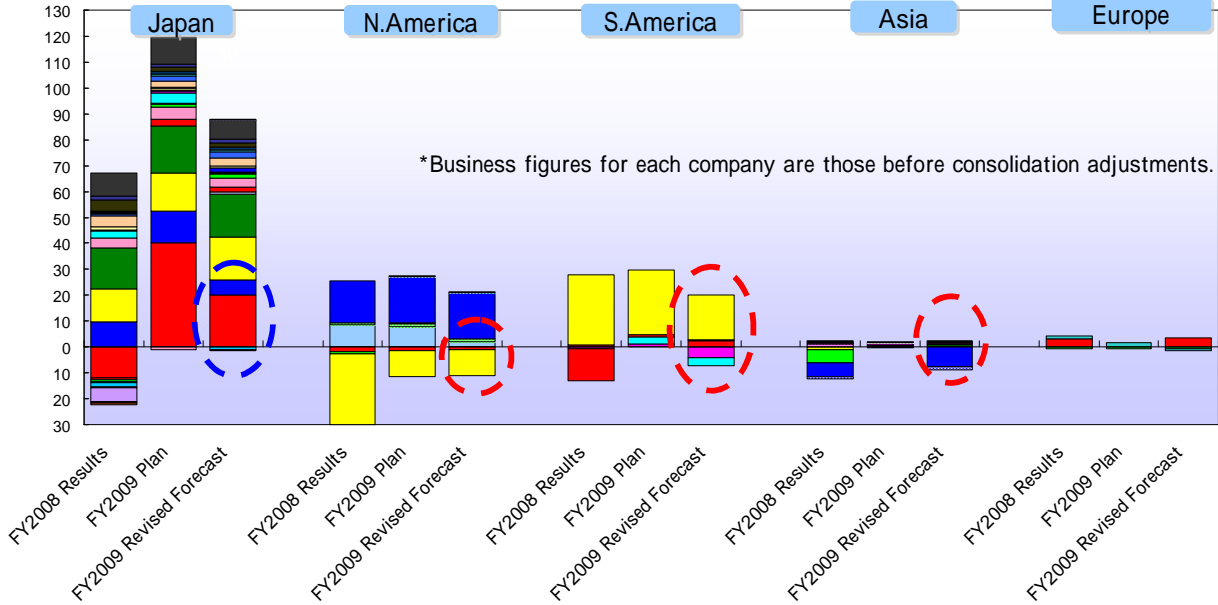
The above slide represents the forecast for FY 2010 ending March 31, 2010 for operating income by geographical segment, compared to the figures announced on May 15, 2009.

# Forecast of FY2009

## Operating Income by Group Companies by Area



- Non-consolidated
- Gorton'S
- DOSA Group
- Nissui Indonesia
- Cite Marine
- Nippon Cookery
- UniSea
- PESPASA
- SANNIS
- Europacifico
- Nissui Logistics
- King&Prince
- PESANTAR
- Salmenes Antartica
- Nissui Pharma
- Kyouwa Suisan



This slide represents the forecast for operating income by geographical area segments and group companies in the graph.

Forecasts for Salmenes Antartica, SANNIS, and King & Prince are nearly the same as the initial plan; however, those for Nissui Indonesia and non-consolidated figures have been revised downward.

As shown in this graph, the result is expected to fall short of the initial plan; however, overall improvement can be seen in each segment compared to the result for the previous term. We have been aware that improvement of non-consolidated earnings in Japan is our most primary issue. It is also important to improve the Marine Products business and maintain the vitality of the Food Products business.

## Disclaimer regarding forward-looking statements



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

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

Accordingly, please use the information contained in this presentation at your own discretion. The Company assumes no liability for any losses that may arise as a result through use of this presentation.

Nippon Suisan Kaisha.,Ltd.

25 Nov, 2009

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