

## Summary of 3rd Quarter Report for Fiscal Year 2011 (April 1, 2011 through December 31, 2011)

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 3rd quarter of FY2011

## (1) Consolidated Financial Results (For the nine months ended December 31)

(Amounts less than one million yen are omitted)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>3rd quarter of FY2011</b>	<b>409,505</b>	<b>10.6</b>	<b>11,203</b>	<b>43.5</b>	<b>9,312</b>	<b>65.0</b>	<b>4,508</b>	<b>105.7</b>
3rd quarter of FY2010	370,338	1.3	7,806	16.3	5,644	(9.7)	2,192	(0.2)

(Note) : Each percentage figure shows changes from the previous year. Comprehensive income of 3rd quarter of FY2011 (727) Million yen 3rd quarter of FY2010 (2,330) Million yen

	Net income per share
	Yen
<b>3rd quarter of FY2011</b>	<b>16.32</b>
3rd quarter of FY2010	7.93

## (2) Consolidated Financial Position of 3rd Quarter

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
<b>3rd quarter of FY2011</b>	<b>415,962</b>	<b>66,272</b>	<b>11.5</b>
FY2010	399,718	70,807	12.6

(Note) : Total shareholders' equity December 31, 2011 47,964 Million yen March 31, 2011 50,438 Million yen

## 2. Dividend

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
	Yen	Yen	Yen	Yen	Yen
FY2010 (result)	-	5.00	-	5.00	10.00
<b>FY2011 (result)</b>	-	<b>5.00</b>	-	-	-
FY2011 (forecast)	-	-	-	5.00	10.00

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

## 3. Consolidated Forecast for FY2011 (April 1, 2011 through March 31, 2012)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
<b>FY2011</b>	<b>525,000</b>	<b>6.2</b>	<b>12,000</b>	<b>48.4</b>	<b>11,000</b>	<b>75.3</b>	<b>5,500</b>	-	<b>19.91</b>

(Note) Revision during the current quarter to the consolidated forecast for FY2011: None

## 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: None
- 3) Changes in accounting policy, Changes in accounting estimate, and restatement:
  - ① Changes in accounting policy associated with the revision of the accounting standard, etc.: None
  - ② Changes in accounting policy other than those stated above: None
  - ③ Changes in accounting estimate : None
  - ④ Restatement : None

## (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 consolidated 9 months)

3Q of FY2011	277,210,277	FY2010	277,210,277
3Q of FY2011	918,517	FY2010	915,222
3Q of FY2011	276,293,328	3Q of FY2010	276,303,371

\*Indication of implementation status of quarterly review procedures

This report is exempt from the quarterly review procedures based on the Financial Instruments and Exchange Act.

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

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

The performance forecasts contained in this report are based on information available at the present time and certain premises thought to be reasonable. Accordingly, the final results may change substantially due to various factors. For conditions from which the premises for the forecasts were derived and the other noteworthy items relating to the use of the forecasts, please refer to "Qualitative information on the consolidated forecasts" of page 4 of the Summary of 3rd Quarter Report for Fiscal Year 2011 (Appendix).

\* Supplemental Documents for the 3rd quarter was disclosed on the TD-net (Timely Disclosure network) on the same day.

## 1. Qualitative information for the third quarter of the fiscal year ending March 31, 2012

### (1) Qualitative information on consolidated financial results

During the first nine month of the current fiscal year, despite production activities and personal consumption gradually recovering from the stagnation following the Great East Japan Earthquake, the Japanese economy continued to witness uncertainty prevail, as a result of concerns over the electricity supply and the anxiety toward radioactive substances, in addition to the effects of the prolonged appreciation of the yen and the flood in Thailand.

In terms of the global economy, while in Asia China continued economic growth, its growth rate was slowing down somewhat. In the U.S., despite high unemployment rates, personal consumption and capital expenditures were beginning to show signs of recovery. In Europe, the fiscal problems of certain countries were raising concerns for the global financial system.

Under these circumstances, as consolidated results for the first nine month of the fiscal year, we recorded sales of 409,505 million yen, up 39,166 million yen year-on-year; operating income of 11,203 million yen, up 3,397 million yen year-on-year; ordinary income of 9,312 million yen, up 3,667 million year-on-year, and net income of 4,508 million yen, up 2,316 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 first nine month of the consolidated fiscal year>

In the Marine Products Business, sales in the amount of 172,436 million yen (up 33,593 million yen year-on-year) and operating income of 3,600 million yen (up 2,913 million yen year-on-year) were recorded.

Fishery Business: Decreased income on increased revenue year on year.

In South America, the catch quota of major fish was reduced in Chile, and fish catches remained at a low level in Argentina.

Aquaculture Business: Both income and revenue increased year on year.

In Japan, sales volume increased in the yellowtail aquaculture business and fish prices rose in the bluefin tuna aquaculture business.

In Asia, improvements in Indonesian shrimp aquaculture business did not advance.

In South America, sales volume increased and fish prices maintained high levels in Chile's salmon/trout aquaculture business.

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

In Japan, the price of fish paste (surimi) fell, while sales of salmon/trout, bluefin tuna and crab were strong.

In North America, the catch quota for Alaska Pollack increased and sales of Alaska Pollack roe were also strong. However, catch of Alaska Pollack dropped off toward the latter half of the fishing season.

In South America, Netuno International S.A. (Note 1) became a consolidated subsidiary from the previous third quarter. However, owing to delays in structural reforms, profits declined considerably.

In Europe, Nordic Seafood A/S (Note 2) became a consolidated subsidiary from the previous third quarter and performed strongly.

(ii) Food Product Business

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

<Overview of the first nine month of the consolidated fiscal year>

In the Food Products Business, sales in the amount of 197,109 million yen (up 3,640 million yen year-on-year) and operating income of 3,397 million yen (down 139 million yen year-on-year) were recorded.

Food Processing Business: Decreased income on increased revenue year on year.

In Japan, although the Onagawa Plant in the North eastern part of Japan and other sites were affected by the Great East Japan Earthquake, the Nissui Group strived to recover the product supply through the transfer of production to other plants.

The rising demand for eating in and prepared delicatessen food to be eaten at home resulted in strong sales of frozen prepared foods for household use, such as champon noodles and those for commercial use, such as processed chicken products; while sales of fish sausage and ham declined due to the intensified competition of market.

In North America, companies engaged in frozen prepared foods for commercial use performed poorly due to the prolonged downturn in demand in the food service industry.

In Asia, production volume fell drastically in the food processing company in China.

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

Revenues grew as sales of noodles and chilled lunch boxes increased partly because the convenience stores were appreciated well in terms of their convenience.

(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 medicines.

<Overview of the first nine month of the consolidated fiscal year>

In the Fine Chemicals Business, sales in the amount of 19,657 million yen (up 615 million yen year-on-year) and operating income of 5,061 million yen (up 701 million yen year-on-year) were recorded.

Fine Chemicals business: Both revenue and income increased year on year.

In Japan, strong sales of pharmaceutical raw materials and functional raw materials were posted for Nippon Suisan Kaisha, Ltd.

In addition, the diagnostic medicines business also performed well for Nissui's consolidated subsidiary, Nissui Pharmaceutical Co., Ltd.

(iv) General Distribution Business

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

<Overview of the first nine month of the consolidated fiscal year>

In the General Distribution Business, sales in the amount of 9,389 million yen (up 473 million yen year-on-year) and operating income of 1,305 million yen (up 70 million yen year-on-year) were recorded.

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

In the cold storage business, despite posting decreases in revenue in the North eastern part of Japan caused by the effects of the Great East Japan Earthquake, increases in revenue were posted overall as a result of increases in the volume of inbound storage in the Tokyo metropolitan area. Revenue also increased in the transportation business.

(Note 1) The company was incorporated in May 2010 and started operation in September of the same year. It is headquartered in the city of Recife, Pernambuco state, Brazil. It is engaged mainly in aquaculture and the manufacture and distribution of precooked frozen seafood.

(Note 2) The company is headquartered in Hirtshals, Denmark and engaged in the distribution of marine products and processed marine products all over Europe with the exception of Spain and Portugal. Formerly accounted for under the equity method, the company became a consolidated subsidiary in August 2010 following the acquisition of its shares by Nissui Group.

(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 14.5% compared to the end of the previous consolidated fiscal year to 218,653 million yen, mainly as a result of an increase in notes and account receivable-trade by 15,021 million yen, as well as an increase in work in process by 3,974 million yen.

Noncurrent assets decreased by 5.5% compared to the end of the previous consolidated fiscal year to 197,308 million yen. As a result, total assets increased by 4.1% compared to the end of the previous consolidated fiscal year to 415,962 million yen.

### **Liabilities**

Current liabilities increased by 15.1% compared to the end of the previous consolidated fiscal year to 218,869 million yen, mainly as a result of an increase in short-term loans payable by 18,150 million yen.

Noncurrent liabilities decreased by 5.8% compared to the end of the previous consolidated fiscal year to 130,820 million yen, mainly as a result of a decrease in long-term loans payable by 7,302 million yen.

As a result, total liabilities increased by 6.3% compared to the end of the previous consolidated fiscal year to 349,689 million yen.

### **Net assets**

Total net assets decreased by 4,534 million yen compared to the end of the previous consolidated fiscal year to 66,272 million yen. This was due mainly to the recording of 4,508 million yen in third quarter net income and the decrease of 3,482 million yen in foreign currency translation adjustment, and the decrease of 2,764 million yen from the payment of dividends, and the decrease of 2,060 million yen from the minority interests.

## **(3) Qualitative information on consolidated forecasts**

No changes have been made at this point in time to the full-year financial forecasts that were released on May 10, 2011.

Meanwhile, in case a necessity to make revisions occurs in accordance with future trends in performance, the announcement will be promptly released.

## **2. Matters regarding summary information (Others)**

Not applicable.

### 3. 3rd Quarter Consolidated Financial Statements

#### (1) Consolidated Balance Sheet

Million yen

	FY2010 As of Mar. 31, 2011	3rd Quarter of FY2011 As of Dec. 31, 2011
Assets		
Current assets		
Cash and deposits	9,962	10,863
Notes and accounts receivable-trade	64,104	79,125
Merchandise and finished goods	48,573	49,597
Work in process	11,552	15,527
Raw materials and supplies	21,619	20,946
Other	35,661	43,286
Allowance for doubtful accounts	(526)	(693)
Total current assets	190,947	218,653
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	50,399	48,205
Other, net	62,801	60,520
Total property, plant and equipment	113,200	108,725
Intangible assets		
Goodwill	4,554	3,627
Other	13,378	13,715
Total intangible assets	17,932	17,342
Investments and other assets		
Investment securities	59,056	56,470
Other	21,992	18,169
Allowance for doubtful accounts	(3,412)	(3,399)
Total investments and other assets	77,637	71,240
Total noncurrent assets	208,770	197,308
Total assets	399,718	415,962

**Consolidated Balance Sheet**

Million yen

	FY2010 As of Mar. 31,2011	3rd Quarter of FY2011 As of Dec. 31, 2011
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	29,044	35,210
Short-term loans payable	128,588	146,738
Income taxes payable	1,529	1,799
Accrued expenses	19,636	24,983
Provision	3,852	1,457
Other	7,424	8,679
<b>Total current liabilities</b>	<b>190,075</b>	<b>218,869</b>
<b>Noncurrent liabilities</b>		
Long-term loans payable	118,740	111,438
Provision for retirement benefits	12,949	12,216
Other provision	231	222
Other	6,915	6,943
<b>Total noncurrent liabilities</b>	<b>138,835</b>	<b>130,820</b>
<b>Total liabilities</b>	<b>328,911</b>	<b>349,689</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	23,729	23,729
Capital surplus	13,758	13,758
Retained earnings	24,325	26,069
Treasury stock	(255)	(256)
<b>Total shareholders' equity</b>	<b>61,557</b>	<b>63,300</b>
<b>Accumulated other comprehensive loss</b>		
Valuation difference on available-for-sale securities	(641)	(1,328)
Deferred gains or losses on hedges	(321)	(460)
Foreign currency translation adjustment	(8,645)	(12,128)
Pension liability adjustment of foreign consolidated subsidiaries	(1,510)	(1,420)
<b>Accumulated other comprehensive loss</b>	<b>(11,119)</b>	<b>(15,336)</b>
<b>Minority interests</b>	<b>20,368</b>	<b>18,308</b>
<b>Total net assets</b>	<b>70,807</b>	<b>66,272</b>
<b>Total liabilities and net assets</b>	<b>399,718</b>	<b>415,962</b>

**(2)Consolidated Income Statements**

Million yen

	3rd quarter of FY2010 (Nine months ended December 31,2010)	3rd quarter of FY2011 (Nine months ended December 31,2011)
Net sales	370,338	409,505
Cost of sales	283,692	315,580
Gross profit	86,646	93,924
Selling, general and administrative expenses	78,840	82,720
Operating income	7,806	11,203
Non-operating income		
Interest income	439	407
Dividends income	508	628
Equity in earnings of affiliates	989	672
Miscellaneous income	571	527
Total non-operating income	2,509	2,236
Non-operating expenses		
Interest expenses	2,599	2,799
Foreign exchange losses	1,580	934
Miscellaneous expenses	490	394
Total non-operating expenses	4,670	4,128
Ordinary income	5,644	9,312
Extraordinary income		
Gain on sales of noncurrent assets	429	73
Reversal of allowance for doubtful accounts	167	-
Gain on revision of retirement benefit plan	-	199
Gain on step acquisition	238	-
Total extraordinary income	834	272
Extraordinary loss		
Loss on disposal of noncurrent assets	452	344
Loss on valuation of investment securities	49	995
Loss on disaster	-	304
Loss on adjustment for changes of accounting standard for asset retirement obligations	387	-
Total extraordinary losses	889	1,644
Income before income taxes	5,590	7,940
Income taxes-current	2,627	2,723
Income taxes-deferred	(168)	758
Total income taxes	2,458	3,482
Income before minority interests	3,131	4,458
Minority interests in income (losses)	939	(49)
Net income	2,192	4,508

Consolidated Statements of comprehensive income

Million yen

	3Q of the Last FY (Nine months ended December 31,2010)	3Q of the current FY (Nine months ended December 31,2011)
Income before minority interests	3,131	4,458
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,289)	(784)
Deferred gains or losses on hedges	(164)	(108)
Foreign currency translation adjustment	(2,768)	(3,719)
Pension liability adjustment of foreign consolidated subsidiaries	111	89
Share of other comprehensive income of associates accounted for using equity method	(1,351)	(662)
Total of other comprehensive income	(5,461)	(5,185)
Comprehensive Income	(2,330)	(727)
(Breakdown)		
Comprehensive income attributable to owners of the parent	(2,994)	290
Comprehensive income attributable to minority interest	663	(1,018)

### (3) Going Concern Assumption

None

### (4) Segment Information

#### 1. 3Q of FY2010 (Apr.1, 2010 -Dec. 31, 2010)

	Information by business segments					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Marine Products	Foods	Fine Chemicals	General distribution	Total				
<b>Sales</b>									
(1) Sales to third parties	138,842	193,469	19,042	8,915	360,270	10,068	370,338	-	370,338
(2) Inter-segment sales and transfers	7,643	425	133	5,065	13,268	2,153	15,421	(15,421)	-
Total	146,486	193,894	19,176	13,981	373,538	12,222	385,760	(15,421)	370,338
Segment income (loss)	686	3,536	4,360	1,234	9,818	397	10,216	(2,409)	7,806

(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 2,409 million yen segment loss adjustment comprise 43 million yen in inter-segment transactions and 2,453 million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.

#### 2.3Q of FY2011 (Apr. 1, 2011 - Dec. 31, 2011)

	Information by business segments					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Marine Products	Foods	Fine Chemicals	General distribution	Total				
<b>Sales</b>									
(1) Sales to third parties	172,436	197,109	19,657	9,389	398,592	10,912	409,505	-	409,505
(2) Inter-segment sales and transfers	7,783	786	216	5,388	14,174	2,090	16,265	(16,265)	-
Total	180,219	197,896	19,874	14,777	412,767	13,003	425,770	(16,265)	409,505
Segment income (loss)	3,600	3,397	5,061	1,305	13,365	511	13,876	2,673	11,203

(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 2,673 million yen segment loss adjustment comprise 58 million yen in inter-segment transactions and 2,731 million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.

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

None