

## *True Global Links*



# Financial Result for the Year Ended March 31, 2012

Nippon Suisan Kaisha, Ltd.

May 21, 2012

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# Global Links & Local Links 2012 (As of May 21, 2012)



Black : Consolidated (65 Companies)

Blue : Equity method affiliate (40 Companies)

	Access to resources		Processed Foods	Trading / Wholesale	General Distribution	Pharmaceuticals / Fine Chemicals	Others
	Fishery	Aquaculture					
Japan			Non-consolidated Marine Products Non-consolidated Food Products			Non-consolidated  Fine Chemicals	
	Kyowa Suisan	Kurose Suisan Nakatani Suisan	Nippon Cookery Mogami Foods Nippo Shokuhin Delmar Hakata Marukita Suisan Kaneko Sangyo Hachikan Kunihiro Kaneko Shokuhin TOMISO Sasaya Shoten Tokyo Kitaichi	Yokohama Trading Corp. Yamatsu Suisan Oita Chuo Suisan Daisui Housui Suisan Ryutsu Kurahashi Hiroshima Suisan Maruuo Suisan K-teion foods	Nissui Logistics Carry Net Hokkaido Nissui Nissui Carry System Tokyo Suisan Unyu Corporation Hinomaru Nissui	Nissui Pharmaceutical Hokkaido Fine Chemicals	Nippon Marine Enterprise Nissui Marine Industries Nissui Engineering Nagasaki Shipyard Nissui Food system
North America	UniSea Bering Sea Partners Glacier Fish Company		Gorton's King & Prince	F. W. Bryce		Year/month when the company changed to consolidated company during FY2010.  Netuno : May 2010 Delmar : July 2010 Thai Delmar : July 2010 Nordic Seafood : August 2010	
South America	PESPASA PESANTAR DOSA (EMDEPES/FRIOSUR)	Salmones Antartica Netuno International	Netuno International	Netuno International Nordsee		Year/month when the company became newly added consolidated company during FY2012  Kaneko Sangyo : April 2012 Leuchtturm : January 2012 Hachikan (From equity method) : March 2012	
Europe			Cite Marine LEUCHTTURM	Nordic Seafood Europacifico			
Asia / Oceania	Sealord Australian Longline	Nissui Indonesia Sealord	NIGICO Nissui Thailand Thai Delmar Shandong Sanfod Nissui Tai Mei Food Industrial Corp.	Nissui(S'pore)		TN Fine Chemicals	

Newly added consolidated subsidiaries

Changed to consolidated from equity method affiliates

# Overview of FY2011 (General)

# Overview of FY2011

## Consolidated Income Statement (Y-on-Y)



(Unit: 100 million yen)

Net sales	5,380		4,942		437	8.8%
Gross profit	1,197	22.3%	1,129	22.9%	67	6.0%
SGA expenses	1,101		1,049		52	
Operating income	95	1.8%	80	1.6%	14	18.1%
Non operating income	40		40		(0)	
Non operating expenses	51		58		(6)	
Ordinary income	84	1.6%	62	1.3%	21	33.9%
Extraordinary income	6		9		(3)	
Extraordinary expenses	76		63		12	
Income before income taxes	14	0.3%	9	0.2%	5	58.6%
Income taxes-current	43		28		15	
Income taxes-deferred	(52)		(20)		(32)	
Minority interest in income	3		11		(7)	
Net income	20	0.4%	(9)	(0.2%)	29	

➤ Influence due to appreciating yen (Estimated: Consolidated)

Net Sales : -13.1 billion yen

Operating Income : - 0.3 billion yen

(unit: 100 million Yen)

Extraordinary loss	76	
Loss on disposal of noncurrent assets	5	
Impairment loss	17	Impairment loss on goodwill : 16
Loss on valuation of investment securities	6	
Loss on disaster	5	
Loss on liquidation of business	41	<p>①Fishery business in Argentina : 22 Discharge expense and loss of non-operational ships of PESPASA and PESANTAR</p> <p>②Shrimp aquaculture business in Indonesia : 9 Impairment of inventory assets and impairment and disposal of tangible fixed assets of Nissui Indonesia</p>

# Overview of FY2011 Consolidated Balance Sheet (Y-on-Y)



(Unit: 100 million yen)

Current assets 1,941 (+32)	Current liabilities 1,962 (+61)
	Noncurrent liabilities 1,407 (+18)
Noncurrent assets 2,067 (▲20)	Net assets 639 (▲68)
Total assets 4,008 (+11)	Incl. Total shareholder's equity 459 (▲45)

() indicates variance to 4Q of FY2010.

## Breakdown of Increase/Decrease

Current assets	+32	Note and accounts receivable-trade	+34
		Merchandise and finished goods	+16
		Product in process	+23
		Short-term loans receivable	(19)
Noncurrent assets	(20)	Property, plant and equipment	(38)
		Intangible assets	(8)
		Investments and other assets	+26
Current liabilities	+61	Note and account payable-trade	+11
		Accrued expenses	+50
		Provision for loss on business liquidation	+20
Noncurrent liabilities	+18	Long-term loans payable	+10
Net assets	(68)	Retained earnings	(17)
		Accumulated other comprehensive loss <sup>*(1)</sup>	(27)
		Minority interests	(23)

\* (1) : Mainly increase (Decrease) of foreign currency translation adjustment : - 31

- Increase of total assets due to increase of consolidated subsidiaries : +38
- Inventories : 817 → 864 (+47)
- Short-term and long-term loan payable : 2,473 → 2,405 (-68)
- Ratio of shareholders' equity : 12.6 % → 11.5 %

# Overview of FY2011

## Consolidated Cash Flow Statement (Y-on-Y)



(Unit: 100 million yen)

	'12/3	'11/3	Y-on-Y	Breakdown	'12/3	'11/3	Y-on-Y
Operating activities	238	55	182	Income before income taxes and minority interests	14	9	5
				Depreciation and amortization	167	166	0
				Loss on liquidation of business	41	-	41
				Increase of working capital	(29)	(130)	101
Investing activities	(167)	(288)	120	Purchase of property, plant and equipment	* (122)	(167)	44
				Purchase of intangible assets	(32)	(26)	(6)
				Increase of investment securities	(7)	(11)	3
				Purchase of investments in subsidiaries resulting in change in scope of consolidation	(2)	(60)	58
				Increase (Decrease) in short-term loans receivable	(6)	(47)	41
Financing activities	(90)	200	(290)	Increase (Decrease) in short-term loan	(79)	168	(248)
				Increase (Decrease) in long-term loan	30	75	(44)
Cash and cash equivalent at end of period	149	171	(22)				

### ➤ Main companies and investment amount

Non-consolidated : 3 billion yen; Cite Marine : 1.8 billion yen; Nippon Cookery : 1.4 billion yen  
 Salmenes Antartica : 1.4 billion yen ; Kyowa Suisan : 0.7 billion yen

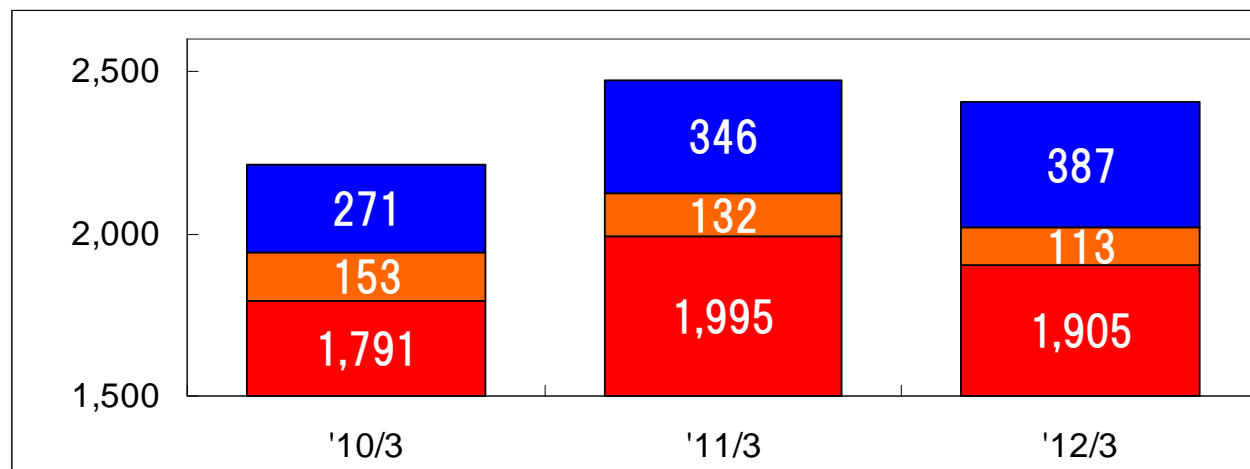
# Overview of FY2011

## Consolidated Loans Payable & Net Interest Payments



(Unit:100 million yen)

- Overseas Subsidiaries
- Domestic Subsidiaries
- Non-consolidated



Variance to  
4Q of FY2010

40  
-19  
-89

Total Debt	2,216	2,473	2,405	(68)
Short-term	1,146	1,285	1,207	(78)
Long-term	1,069	1,187	1,197	10
Average interest of short-term loans payable	1.2%	1.2%	1.3%	0.1%
Average Interest of long-term loans payable	1.7%	1.7%	1.6%	(0.1%)
Net Interest Cost	19.7	19.9	18.3	(1.6)
Ratio of net interest cost on operating income	32%	25%	19%	(5%)
Interest expense	35.8	35.9	37.3	1.4
Interest income	5.9	5.6	8.1	2.5
Dividend income	10.2	10.3	10.8	0.5



# Overview of FY2011

## Net Sales & Operating Income by Segments



(Unit : 100 million yen)

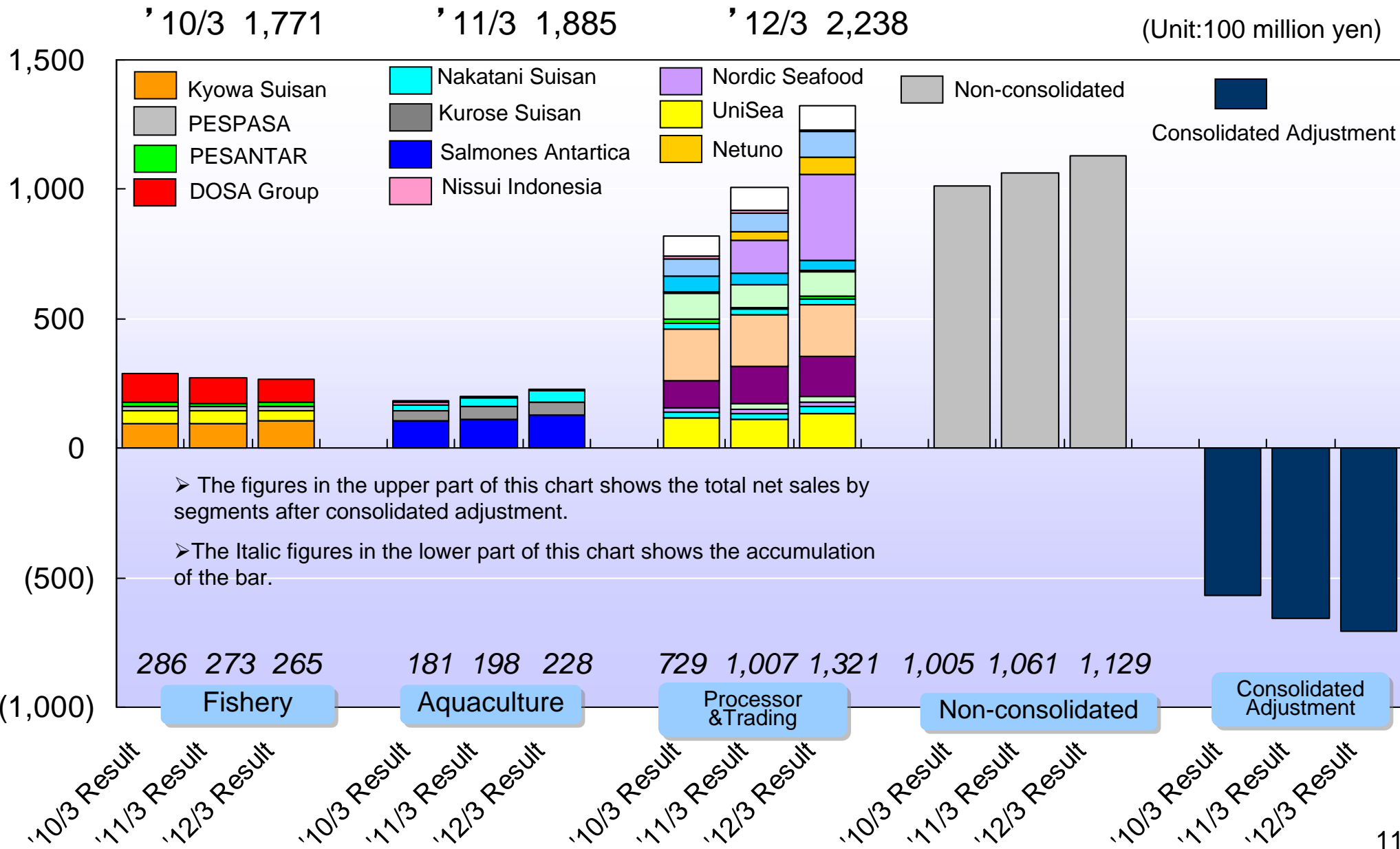
【Operating Segments】

	FY2010		FY2011		Y-on-Y	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Marine Products	1,885	1	2,238	12	352	10
Food Products	2,543	42	2,590	35	46	(7)
Fine Chemicals	252	52	259	61	7	8
General Distribution	117	15	124	17	7	1
Others	143	3	167	6	23	3
Sub Total	4,942	116	5,380	133	437	16
Elimination or Common	-	(35)	-	(37)	-	(2)
Total	4,942	80	5,380	95	437	14

【Geographic Segments】

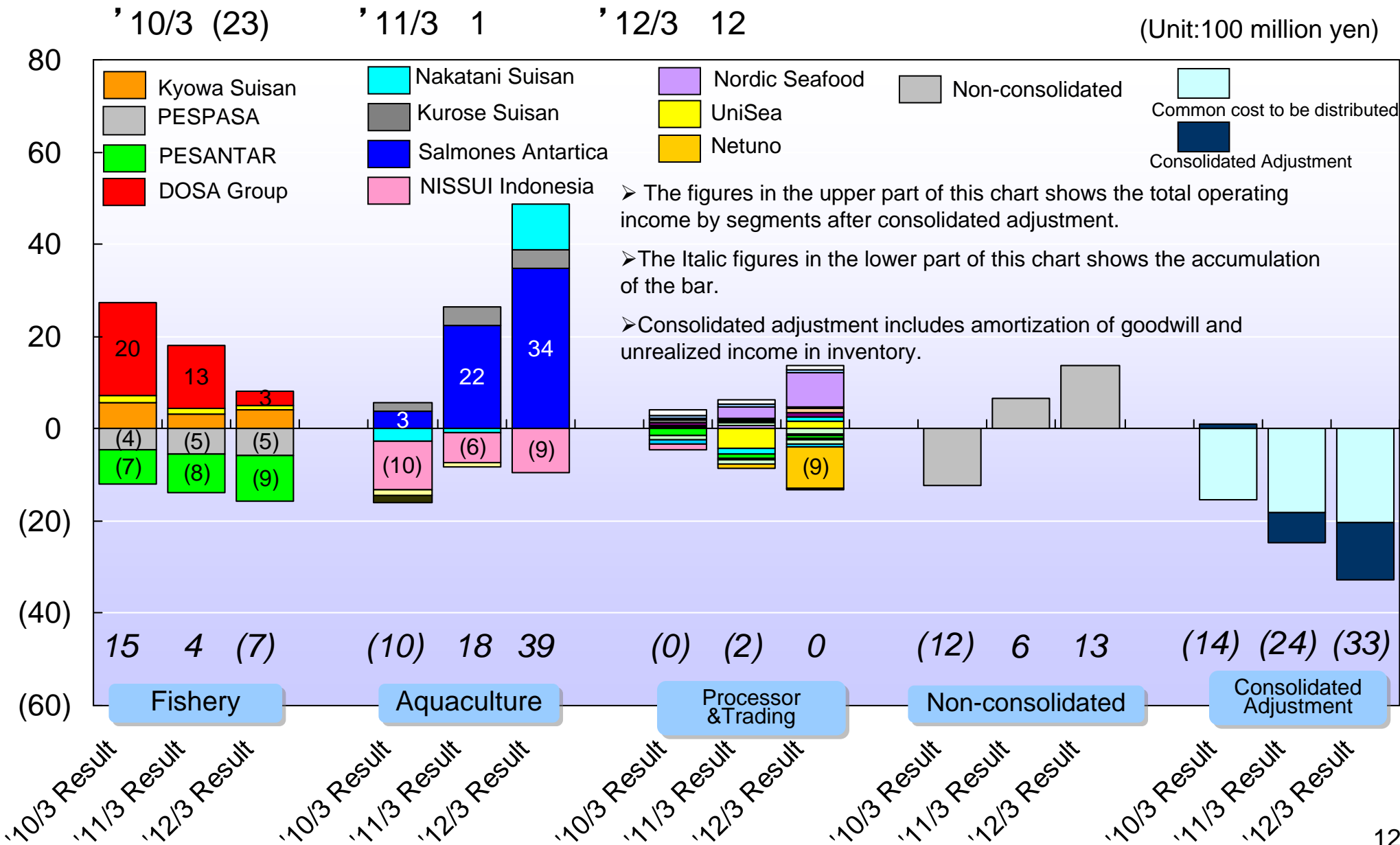
	FY2010		FY2011		Y-on-Y	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Japan	3,963	99	4,161	119	198	19
North America	554	0	540	5	(13)	5
South America	104	17	123	11	19	(5)
Asia	69	(7)	97	(12)	27	(4)
Europe	250	6	455	7	205	1
Sub Total	4,942	114	5,380	131	437	16
Elimination or Common	-	(34)	-	(35)	-	(1)
Total	4,942	80	5,380	95	437	14

# Overview of FY2011 (Marine Products)





(Unit:100 million yen)



# Overview of FY2011 (Food Products)

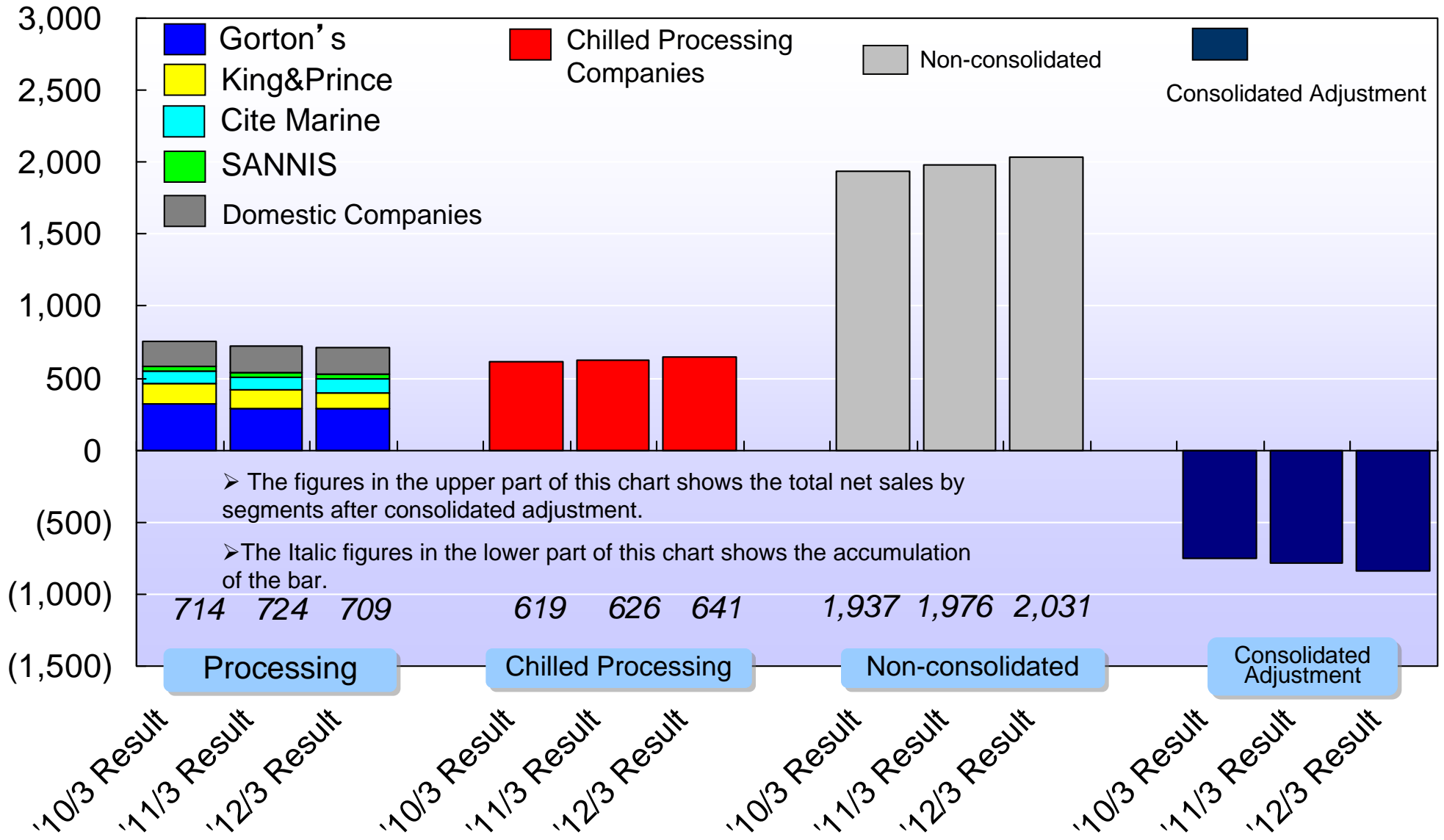


' 10/3 2,514

' 11/3 2,543

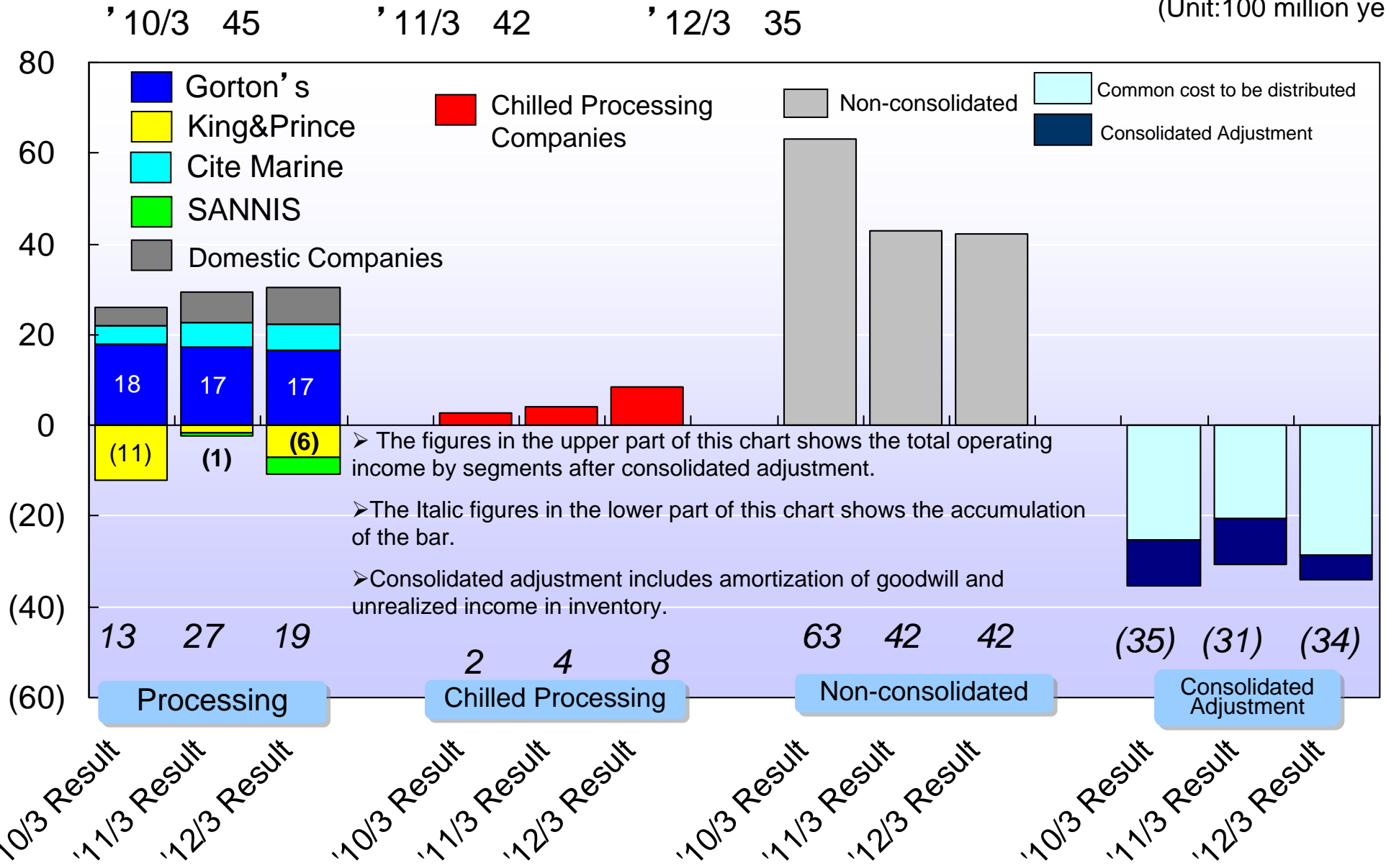
' 12/3 2,590

(Unit:100 million yen)





(Unit:100 million yen)



# Overview of FY2011 (Fine Chemicals)



# Overview of FY2011

## Y-on-Y Comparison of Net Sales & Operating Income by Fine Chemicals Segment & Group Companies



### Net Sales

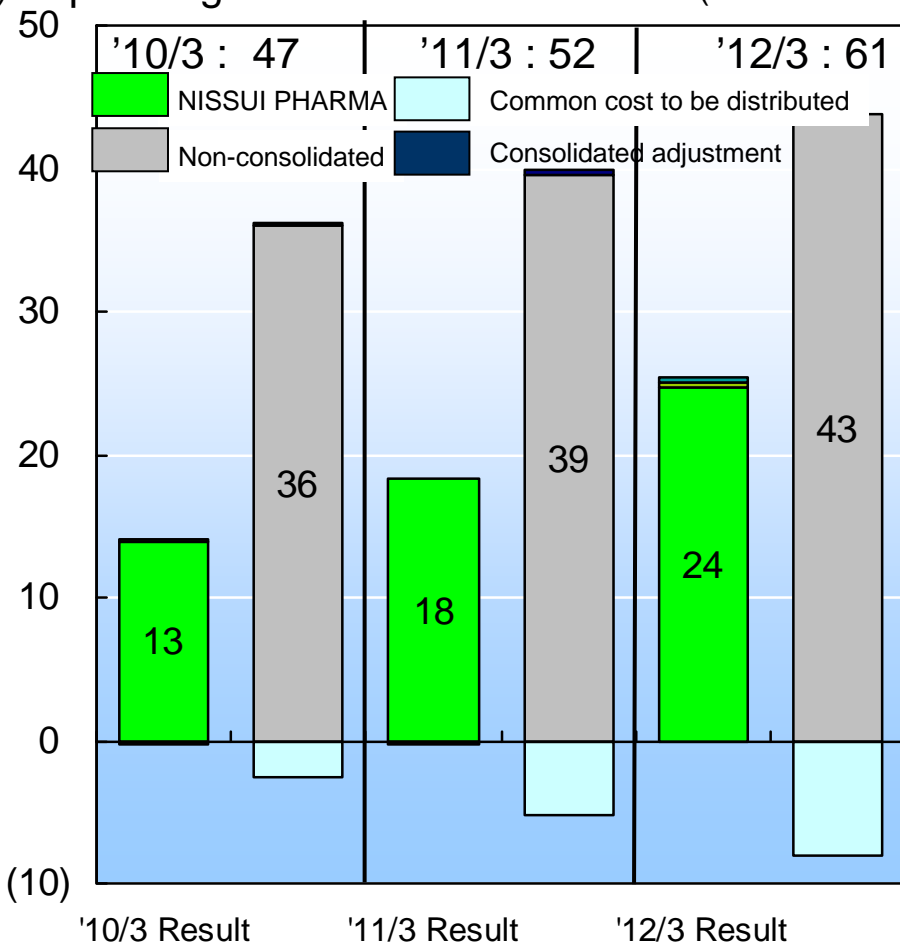
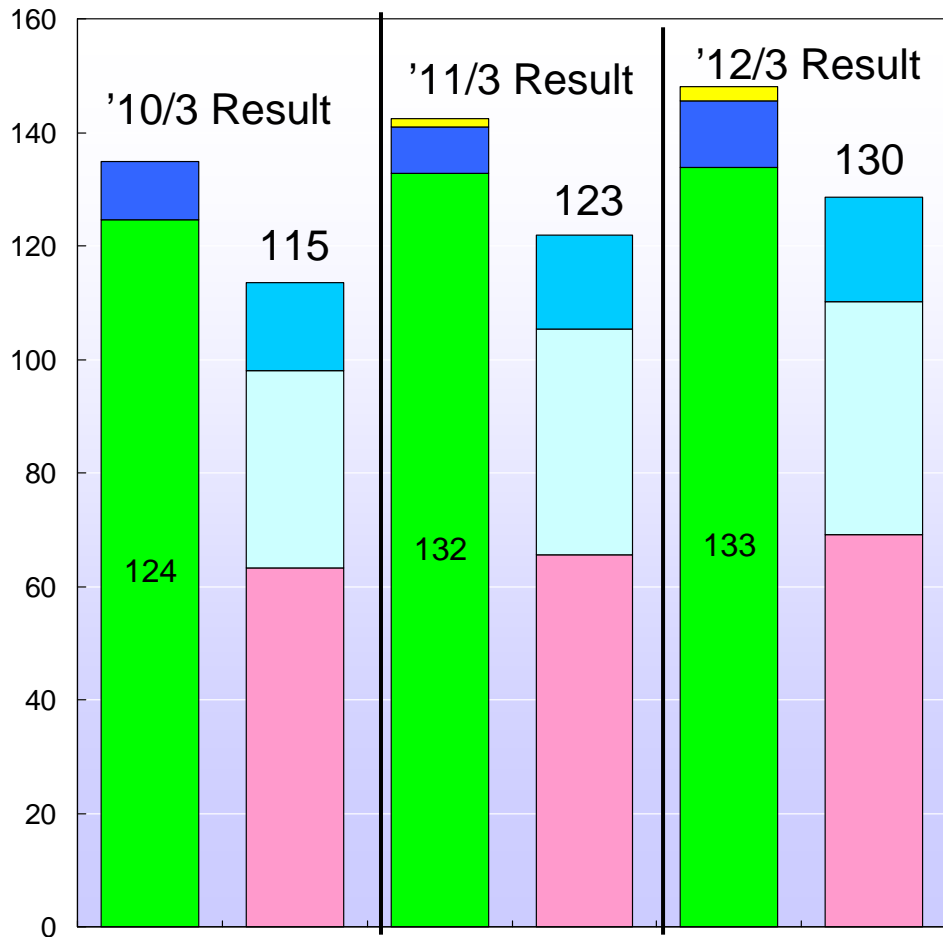
(Unit : 100 million yen) Operating Income

(Unit : 100 million yen)

'10/3 : 235

'11/3 : 252

'12/3 : 259



- NISSUI PHARMA
- TN Fine Chemical
- Functional raw materials
- Hokkaido Fine Chemicals
- Raw materials for pharmaceuticals
- Functional foods

➢ The figures in the upper part of this chart shows the total net sales / operating income by segments after consolidated adjustment.

➢ The Italic figures in the lower part of this chart shows the accumulation of the bar.

➢ Consolidated adjustment includes unrealized income in inventory.

➢ The figures for FY2009 and FY2010 for NISSUI PHARMA are those which was disclosed last year.

# Overview of FY2011 (General Distribution)

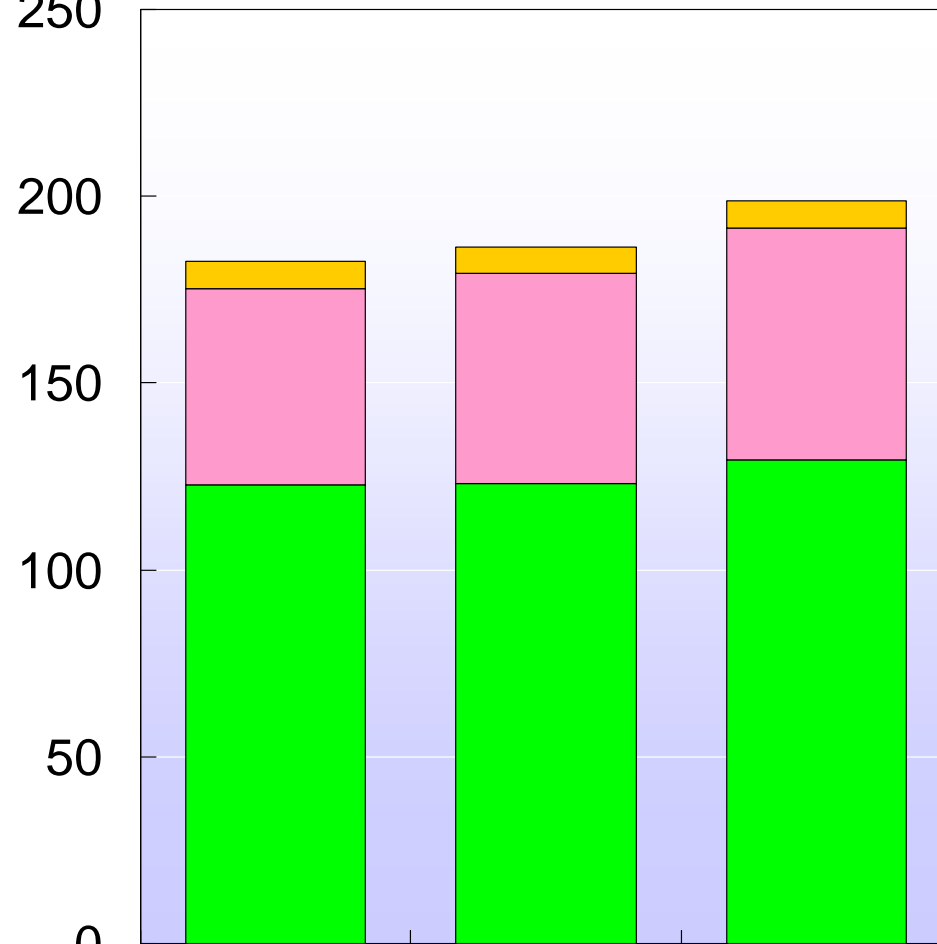
# Overview of FY2011

Y-on-Y Comparison of Net Sales and Operating Income by Logistics Segments & Group Companies



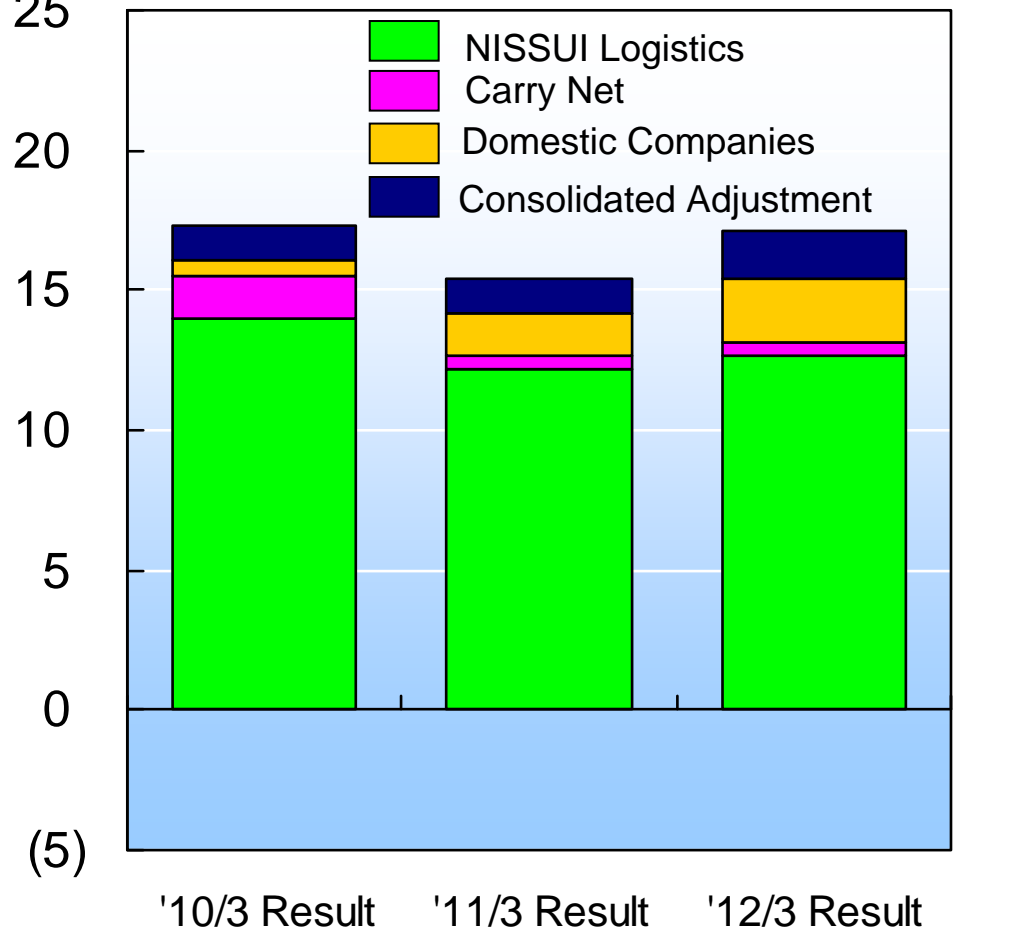
**Net Sales** (Unit: 100 million yen)

'10/3 116    '11/3 117    '12/3 124



**Operating Income** (Unit: 100 million yen)

'10/3 17    '11/3 15    '12/3 17



'10/3 Result    '11/3 Result    '12/3 Result

■ NISSUI Logistics    ■ Carry Net    ■ Domestic Companies

➢ The figures in the upper part of this chart shows the total net sales / operating income by segments after consolidated adjustment.

➢ The Italic figures in the lower part of this chart shows the accumulation of the bar.

➢ Consolidated adjustment includes unrealized income in inventory.

# Unification of Strategies

## The three “stars” of Asia

### ■ The Dongwon Group:

This is a food corporation that operates in a range of fields, including fisheries, frozen foods, canned goods, seasonings, and other food products. It acquired StarKist in 2008. In 2010, the two chief companies of the group, Dongwon Industries and Dongwon F&B, had sales of about 1.5 billion USD.

### ■ TUF (Thai Union Frozen Products):

This Thai company controls the world’s largest tuna canning company as well as a major frozen foods company. It controls brands such as MW and Chicken of the Sea, and its sales to the U.S. and Europe account for over 60% of its total sales. It is currently in the process of vertically integrating businesses around its tuna and shrimp. Its sales in 2011 amounted to about 3 billion USD.

### ■ Pacific Andes international:

Sales of this company to China account for nearly half of its overall sales figures. It is a seafood group that owns a fishery company. The group is beginning to put efforts into value-added marine resources. Its sales in 2011 amounted to 1.8 billion USD.

## Competition in the North American market

### ■ Highliner Foods:

Highliner is a high value-added frozen seafood manufacturer that sells mainly to the North American market. Its sales in North America have grown since it acquired Icelandic USA. Its sales in 2011 amounted to about 650 million USD.

### ■ Trident Seafoods:

Based in Alaska, Trident is a seafood company that operates fisheries, processing, and sales of seafood. Its sales in 2010 amounted to about 1.25 billion USD.

# Unification of Strategies: The Beginning of Boundary-less Competition

	Fishery	Aquaculture	Primary processing	Secondary processing	Advanced processing and R&D	Marketing
The Dongwon Group	○	△	○	○	△	○
TUF	△	○	○	○	△	○
Pacific Andes	○	△	○	○	—	○
Highliner Foods	—	—	—	○	△	○
Trident Seafoods	○	—	○	○	—	○
Nissui Group	○	○	○	○	○	○

Value creation and marketing power will become core competences

How will Nissui meet these challenges?

Differentiation

■ Innovative technologies

- Advanced processing      Higher functionality, bio-production strategies
- Aquaculture                      Breeding, fish diseases, feeds

■ Marketing

- Promotion of the “Nordic Model”

# Forecast for FY2012



Consolidated

(Unit : 100 million yen)

	FY2011 Results	%	FY2012 Plan	%	Y-on-Y	%
Net Sales	5,380		5,700		319	5.9%
Operating Income	95	1.8%	135	2.4%	39	41.3%
Ordinary Income	84	1.6%	125	2.2%	40	48.7%
Net Income	20	0.4%	60	1.1%	39	199.1%

■ Dividend Forecast

FY2012(F) Total Fiscal Year Dividend for per Share : 5 yen  
Interim : 2.5 yen (Last year : 5 yen)  
Year End : 2.5 yen (Last year : 5 yen)

# Forecast for FY2012

## Net Sales and Operating Income by Segments



(Unit :100 million yen)

【Operating Segments】

	FY2011		FY2012 (Planned)		Y-on-Y	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Marine Products	2,238	12	2,380	51	141	38
Food Products	2,590	35	2,680	51	89	15
Fine Chemicals	259	61	270	69	10	7
General Distribution	124	17	120	19	(4)	1
Others	167	6	250	2	82	(4)
Sub Total	5,380	133	5,700	192	319	58
Elimination or Common	-	(37)	-	(57)	-	(19)
Total	5,380	95	5,700	135	319	39

【Geographical Segments】

	FY2011		FY2012 (Planned)		Y-on-Y	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Japan	4,161	119	4,380	148	217	28
North America	540	5	580	19	39	13
South America	123	11	150	16	26	4
Asia	97	(12)	100	3	2	15
Europe	455	7	490	6	34	(1)
Sub Total	5,380	131	5,700	192	319	60
Elimination or Common	-	(35)	-	(57)	-	(21)
Total	5,380	95	5,700	135	319	39

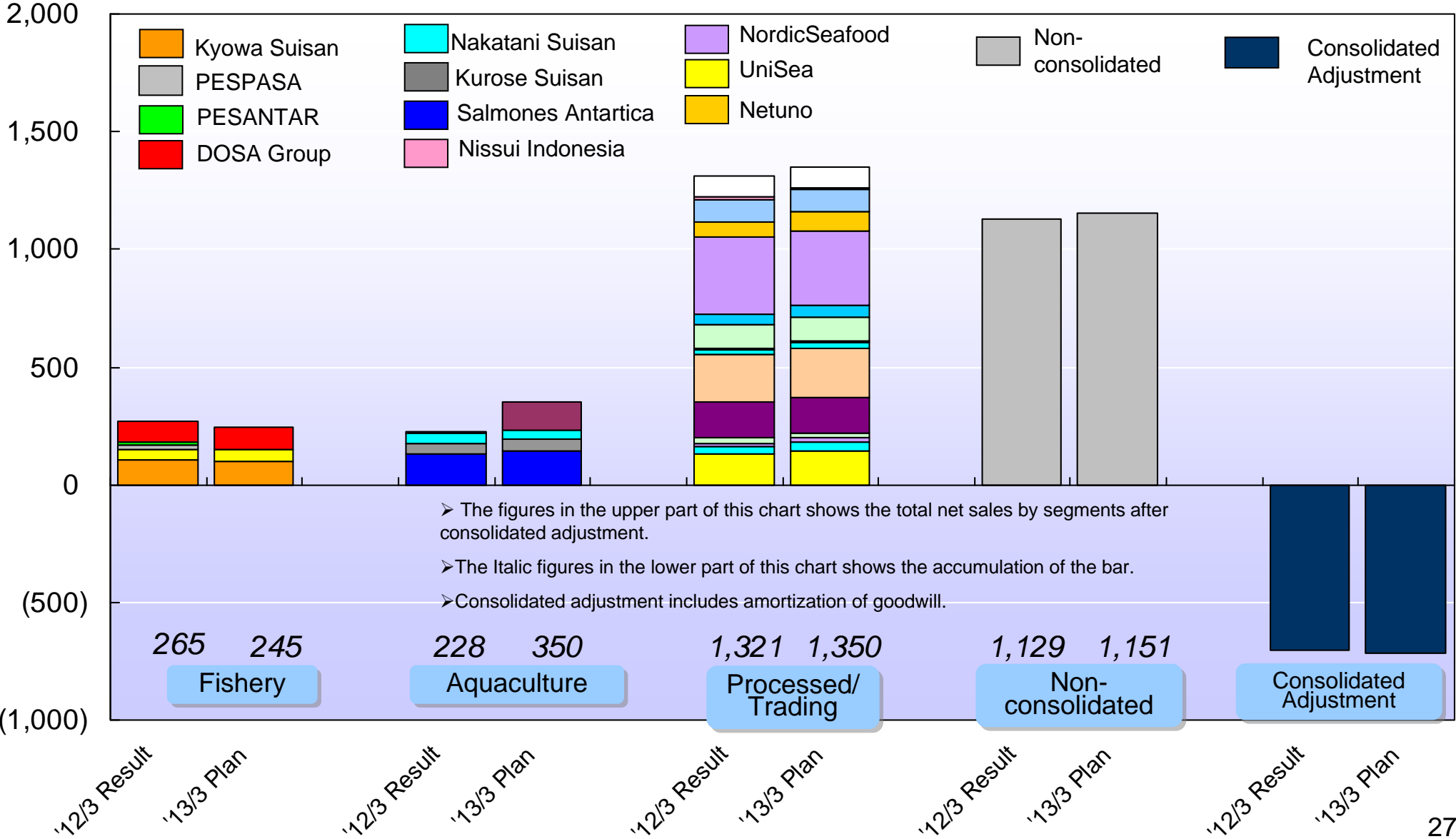
# Forecast for FY2012

## Net Sales by Marine Products Segments & Group Companies



(Unit : 100 million yen)

'12/3 Result : 2,238      '13/3 Plan : 2,380

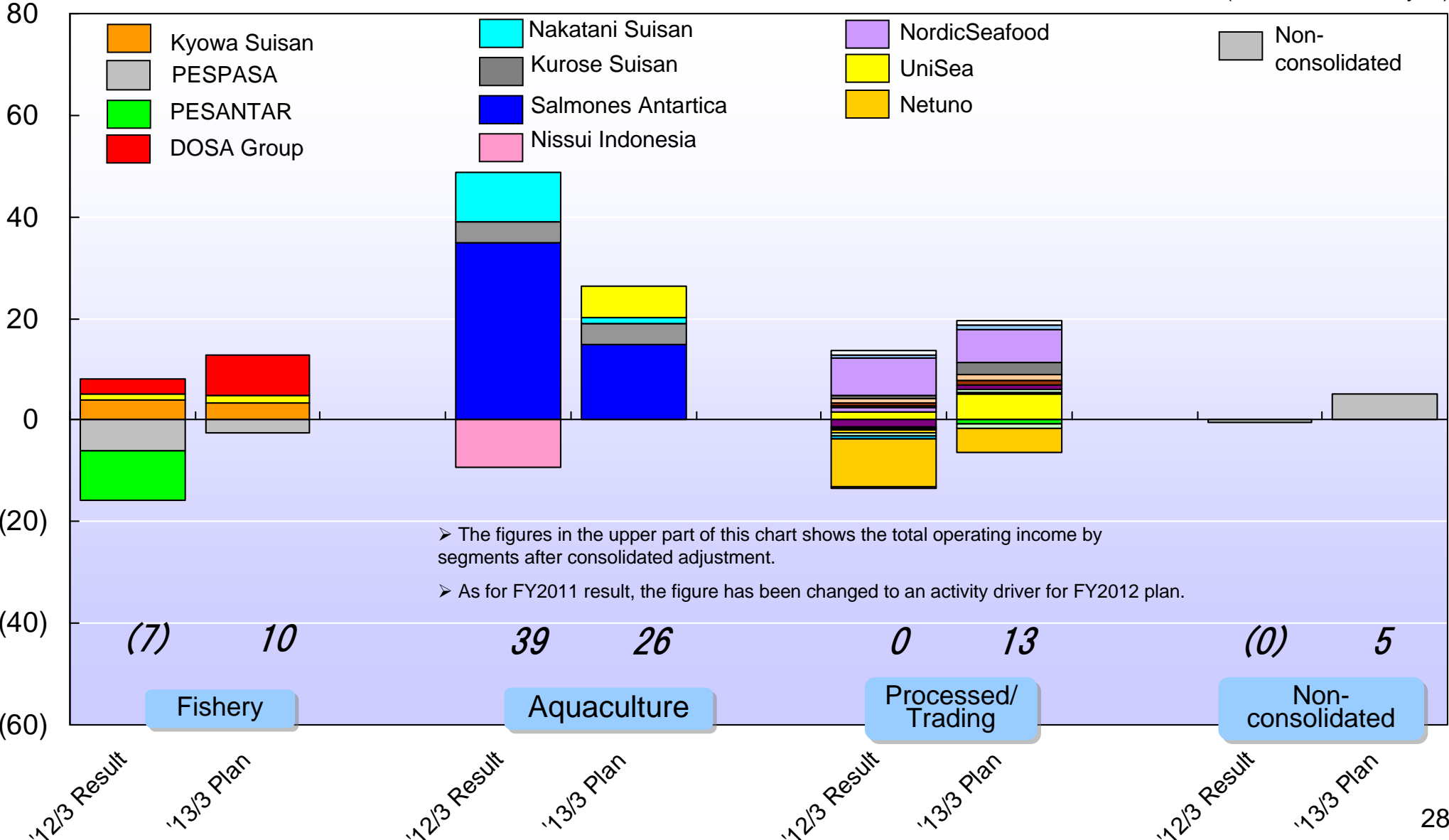


# Forecast for FY2012

## Operating Income by Marine Products Segment & Group Companies

'12/3 Result : 12 ; '13/3 Plan : 51

(Unit : 100 million yen)



# Forecast for FY2012

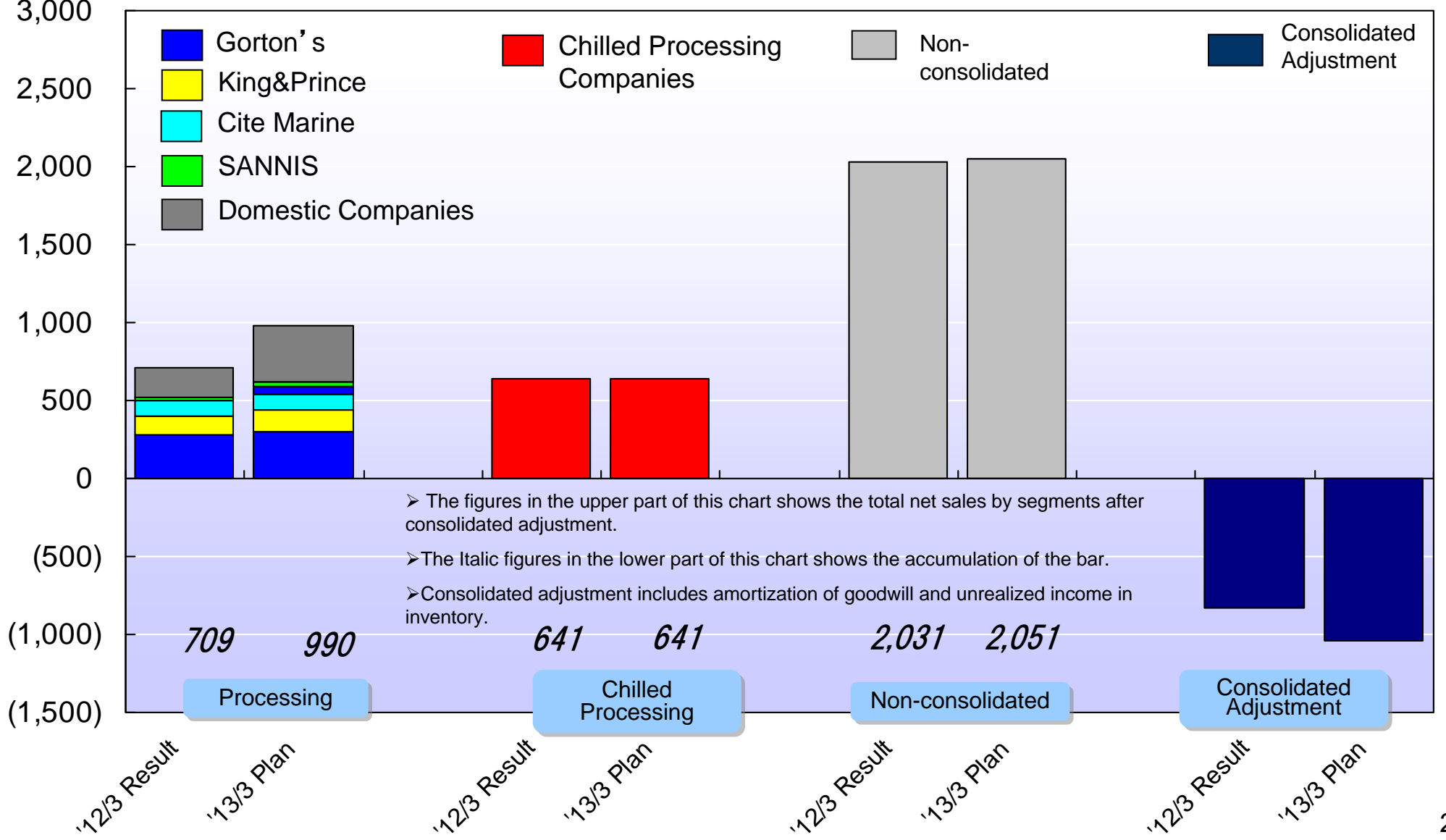
## Net Sales by Food Segment & Group Companies



'12/3 Result : 2,590

'13/3 Plan : 2,680

(Unit : 100 million yen)



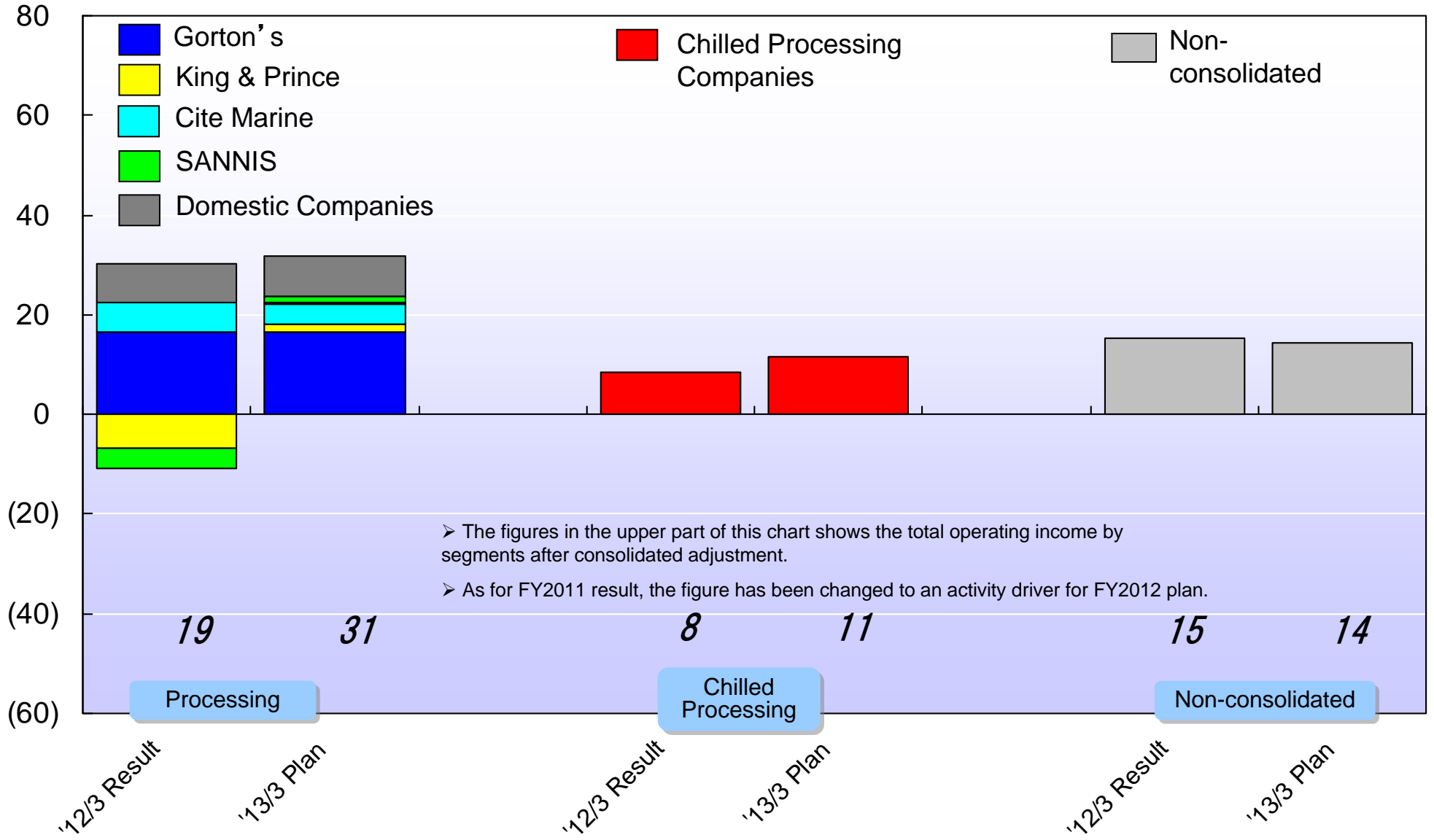
# Forecast for FY2012

## Operating Income by Food Segment & Group Companies



'12/3 Result : 35 ; '13/3 Plan : 51

(Unit : 100 million yen)



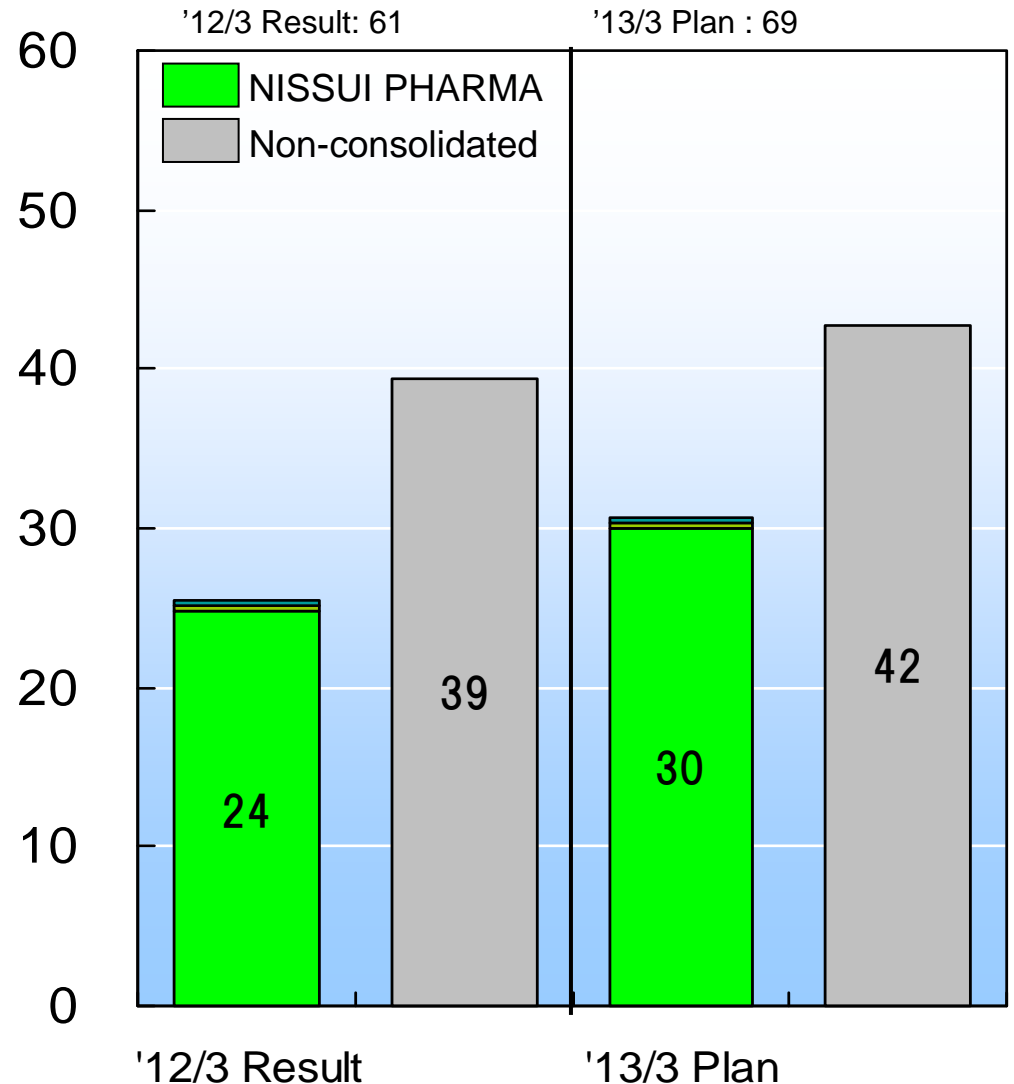
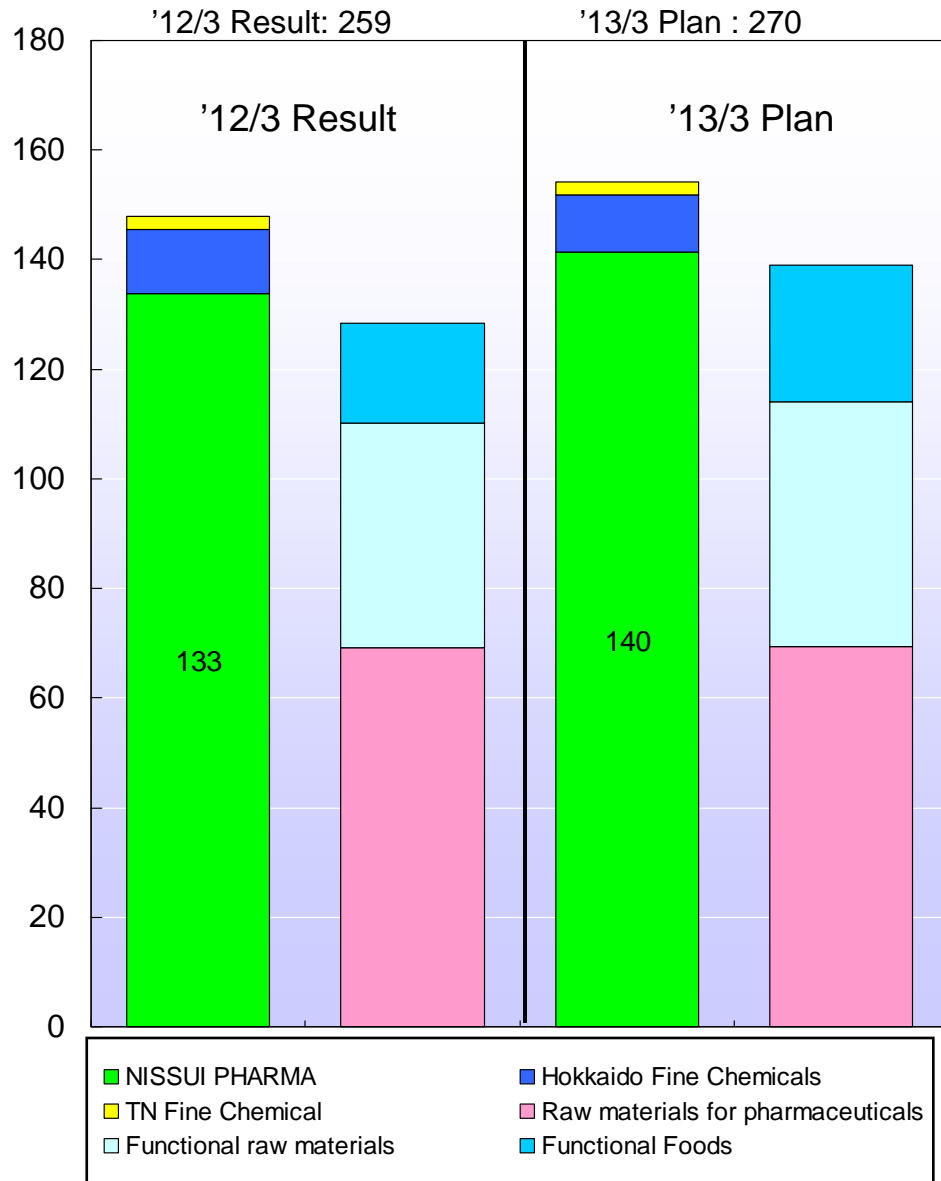


### Net Sales

(Unit : 100 million yen)

### Operating Income

(Unit : 100 million yen)



➤ The figures in the upper part of this chart shows the total net sales / operating income by segments after consolidated adjustment.

➤ The figures for each company is before consolidated adjustment.

# Forecast for FY2012 (General Distribution)

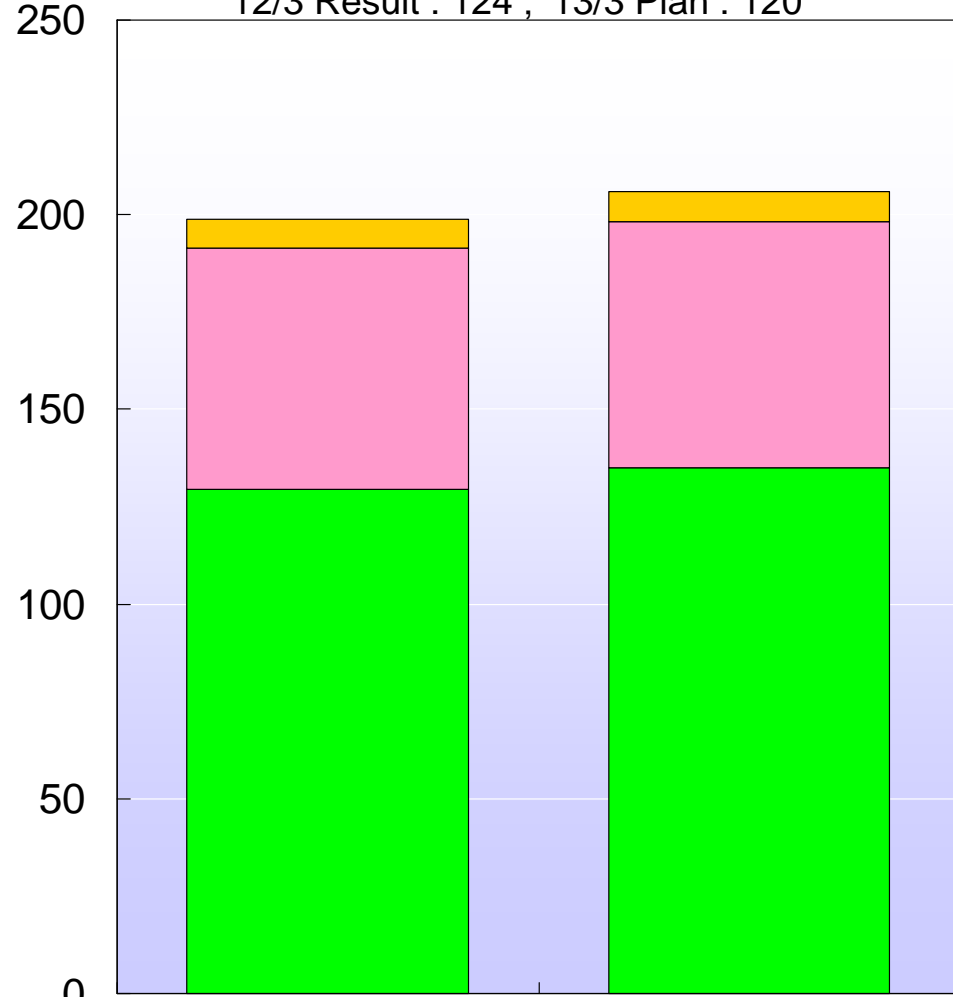
## Net Sales and Operating Income by Group Companies



### Net Sales

(Unit : 100 million yen)

'12/3 Result : 124 ; '13/3 Plan : 120



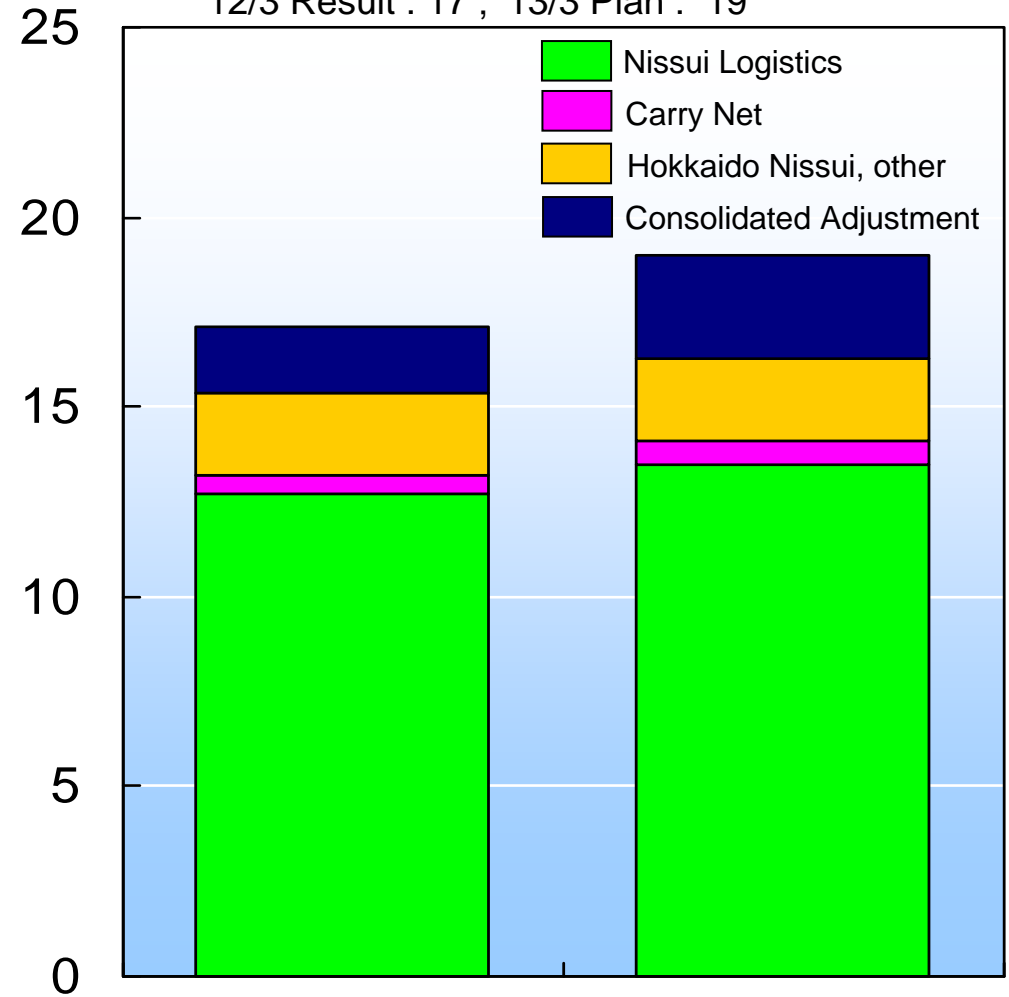
'12/3 Result      '13/3 Plan

■ Nissui Logistics   ■ Carry Net   ■ Hokkaido Nissui

### Operating Income

(Unit : 100 million yen)

'12/3 Result : 17 ; '13/3 Plan : 19



'12/3 Result      '13/3 Plan

➤ The figures in the upper part of this chart shows the total net sales / operating income by segments after consolidated adjustment.

➤ Consolidated adjustment includes unrealized income in inventory.



# 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 includes 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.

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