Supplemental documents for Fiscal Year 2013

May 15, 2014

Nippon Suisan Kaisha, Ltd.

Overview of FY2013

◆ Both revenue and income increased year-on-year

【Marine Products business】

We achieved a significant increase in revenue and income due to the recovery of the marine products market in Japan, efforts to control inventory (non-consolidated), downsizing of or withdrawal from poorly performing overseas businesses, and improvement in the balance in salmon/trout business attributable to the recovery of fish price.

【Food Products business】

In Japan, the impact of high costs of raw materials stemming from the weak Japanese yen was partially offset by improvements in productivity, reduction of selling expenses, the revision of selling prices, etc. Overseas performance suffered in North America while business remained favorable in Europe.

【Progress was made to a certain degree in poorly-performing overseas businesses】

- Sealord Group, Ltd. (New Zealand: An affiliate subject to the equity method

  Sold all shares of its Argentine subsidiary and withdrew from the Argentina business.
  (Amount of loss borne by Nissui in association with withdrawal : 1,600 million yen)
- Leuchtturm Beteiligungs-und Holding Germany AG (Germany: Manufacturing and sales of frozen prepared foods)

  Sold all shares (Loss on sale: 610 million yen)
- Shangdong Sanfod Nissui, Ltd. (China; Manufacturing and sales of marine products and frozen prepared foods

  Handed over investments up to the holding ratio at 14.89% (Loss on sale: 780 million yen

Increase/decrease of FY2013

◆ Revenue and income increased in Marine products, Food Products and Fine Chemicals businesses. Profit by Marine products improved.

(Unit : 100 million yen)

	Results of FY2013	Results of FY2012	Increase /Decrease
Net Sales	6,042	5,668	373
Marine Products Business	2,538	2,329	209
Food Products Business	2,826	2,680	146
Fine Business	285	275	10
Logitics	138	133	4
Other	252	249	2
Operating Income	139	58	81
Marine Products Business	50	(25)	75
Food Products Business	27	19	8
Fine Business	75	73	2
Logistics	15	18	(2)
Other	12	11	0
Common Costs	(41)	(38)	(2)
Ordinary Income	123	54	69
Net Income	37	(47)	85

- Impact of withdrawal and restructuring the group companies on Net Sales :
  - 13,000 million yen
- Impact of foreign currency translation adjustment on Net Sales (estimated) :
  + 39,500 million yen
- Impact of withdrawal and restructuring the group companies on Operating Income :
  + 2,100 million yen

Consolidated Income Statement (Y-on-Y)

(Unit : 100 million yen)

	FY2013	%	FY2012	%	Increase /Decrease	%
Net Sales	6,042		5,668		373	6.6%
Gross Profit	1,240	20.5%	1,202	21.2%	37	3.2%
SGA expenses	1,100		1,144		(43)	
Operating Income	139	2.3%	58	1.0%	81	139.8%
Non-Operating Income	37		45		(7)	
Non-Operating Expenses	53		48		4	
Ordinary Income	123	2.1%	54	1.0%	69	127.1%
Extraordinary Income	21		20		1	
Extraordinary Expenses	34		96		(62)	
Income (Loss) before taxes	110	1.8%	(21)	(0.4%)	132	-
Income taxes-current	56		47		8	
Income taxes-deferred	3		(3)		7	
Income (Loss) before minority interest	50		(66)		116	
Minority interest in income(loss)	12		(18)		31	
Net Interest (Loss)	37	0.6%	(47)	(0.8%)	85	-

【Major Causes of Fluctuations】

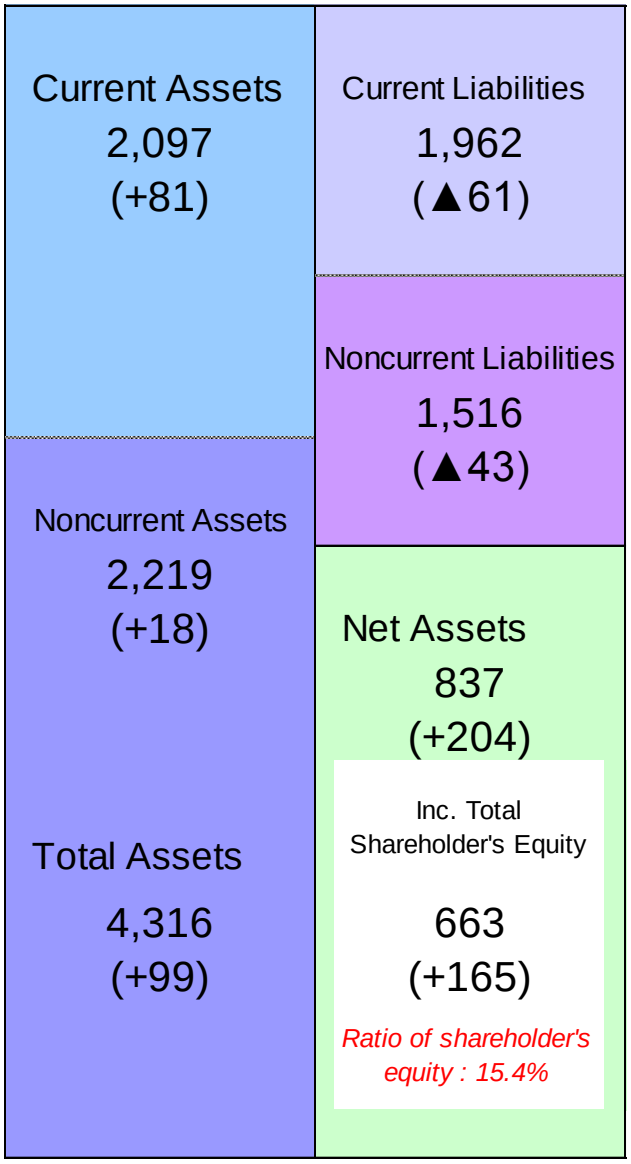
【SGA expenses】
Mainly cost-cutting by reduction of personnel expenses (Non-consolidated), selling and administration cost

【Non-operating Income(loss)】
- Decrease in interest income
  : approx. 400 million yen
- Decrease in foreign exchange income : approx. 200 million yen

Breakdown

【Extraordinary income(loss)】
- Gain on sales of noncurrent assets : approx. 1,400 million yen
- Loss on sales of stocks of subsidiaries and affiliates
  : approx. 1,600 million yen

Consolidated Balance Sheet (Y-on-Y)



() indicated variance to 4Q of FY2012.

(Unit : 100 million yen)

Breakdown of Increase/Decrease

Assets	+99	Current Assets	+81	Cash and deposits	(72)
				Accounts receivable	+26
				Merchandise and Finished Goods	+82
				Work in process	+53
				Raw materials and supplies	(7)
		Noncurrent Assets	+18	Property, Plant and Equipments	(31)
				Intangible Assets	(16)
				Investments and other assets	+67
Liabilities	(104)	Current Liabilities	(61)	Short-term loans payable	(28)
				Accrued Expenses	(42)
		Noncurrent Liabilities	(43)	Long-term loans payable	(36)
				Provision for retirement benefit	(170)
				Net defined benefit liability	+153
		Net Assets	+204	Retained Earnings	+37
				Valuation difference on available-for-sale securiteis	+21
				Foreign Currency Translation Adjustment	+79
				Remesurements of defined benefit plans	+21

Ratio of shareholdner's equity: '13/3 11.8% → '14/3 15.4%

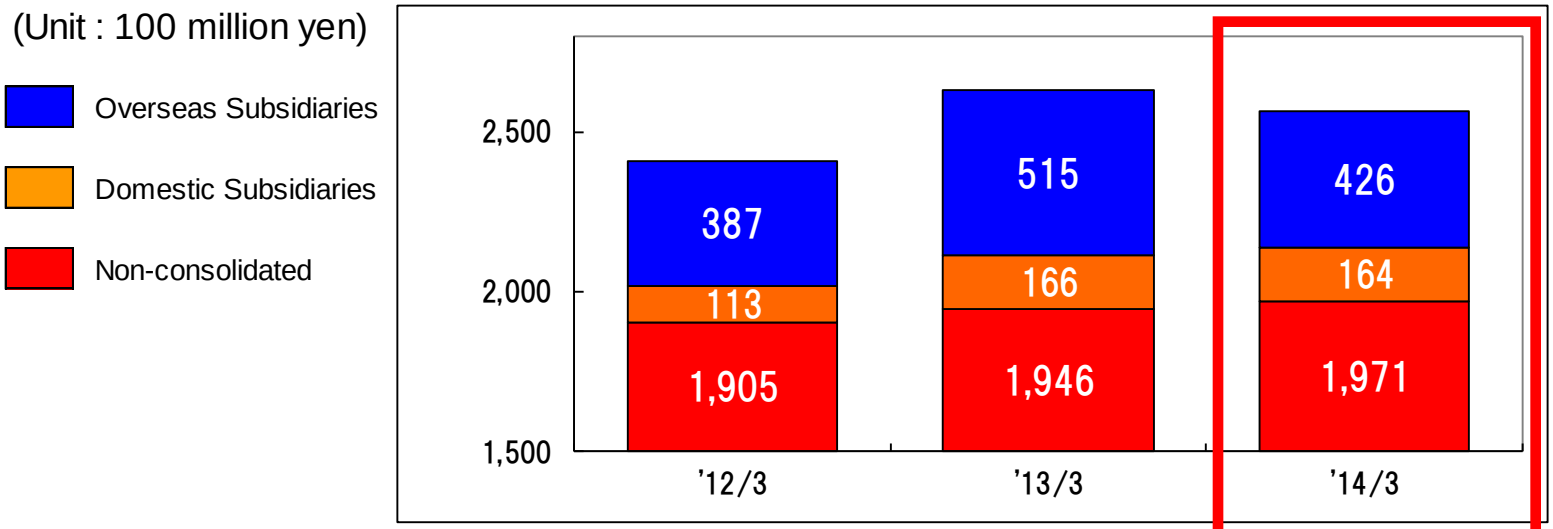
Consolidated Cash Flow Statement (Y-on-Y)

	'14/3	'13/3	Y-on-Y	Breakdown	'14/3	'13/3	Y-on-Y
Operating activities	181	151	29	Income(Loss) before income taxes and minority interests	110	(21)	132
				Depreciation and amortiization	168	168	(0)
				Increase (decrease) in provision for retirement benefits	-	18	(18)
				Increase (decrease) in net defined benefit liability	(10)	-	(10)
				Loss on liquidation of business	-	83	(83)
				Increase(decrease) of working capital	(93)	7	(101)
				Interest and dividend income received	13	23	(9)
				Income expenses paid	(34)	(37)	2
				Accrued expenses	(54)	(47)	(7)
				Others	51	(52)	104
Investing activities	(116)	(213)	96	Purchase of property, plant and equipment	(132)	(192)	60
				Procees from sales of property, plant and equipment	34	29	5
				Purchase of invetments securities for sale	(57)	(17)	(40)
				Proceeds from sales of investments securites	36	22	13
				Puchase of investments in subsidiaries	-	(44)	44
				Purchase of investments in subsidiaries resulting in change in scope of consolidatioin	-	(15)	15
				Increase (Decrease) in short-term loans receivable	2	(18)	21
Financing activitites	(118)	84	(203)	Increase (Decrease) in short-term loan	(36)	25	(62)
				Proceeds from long-term loans payable	195	431	(235)
				Repayment of long-term loans payable	(268)	(347)	79
				Cash dividends paid		(13)	13
Cash and cash equivalent at end of period	138	181	(43)				

*"Others" of operating activities includes "Decrease /increase in advanced payments".

Consolidated Loans Payable & Net Interest Cost

(Unit : 100 million yen)



Compared with the 4Q of FY2012

(88)

(2)

＋25

Total Debt	2,405	2,626	2,561	(65)
Short-term	1,207	1,307	1,278	(28)
Long-term	1,197	1,319	1,282	(36)
Average interest of short-term loans payable	1.2%	0.9%	0.7%	(0.2%)
Average interest of long-term loans payable	1.6%	1.4%	1.4%	(0.0%)
Net Interest	18.3	18.1	16.9	
Ratio of Net Interest Cost on Operating Income	19%	31%	12%	
Interest expenses	37.3	37.6	32.7	
Interest income	8.1	9.3	4.7	
Dividend income	10.8	10.1	11.0	
Exchange Rate (per US$1.00)	@77.74(End of Dec.)	@86.58(End of Dec.)	@105.39(End of Dec.)	

- Total debt at the 4Q of FY2013 includes 8,700 million yen increase by conversion of foreign currency.(Y-on-Y)

Comparison of Net Sales of Segment Matrix (Y-on-Y)

(Unit : 100 million yen)

	Japan	North America	South America	Asia	Europe	Sub Total	Consolidated Adjustment	Grand Total
Marine Products	1,993 *(98)*	401 *(49)*	244 *(▲51)*	158 *(8)*	507 *(132)*	3,305 *(236)*	▲766 *(▲27)*	2,538 *(209)*
	1,895	352	296	150	374	3,069	▲739	2,329
Food Products	2,989 *(▲41)*	560 *(104)*		84 *(16)*	229 *(73)*	3,863 *(153)*	▲1,036 *(▲6)*	2,826 *(146)*
	3,030	456		68	156	3,710	▲1,030	2,680
Fine Chemicals	303 *(12)*			2 *(▲0)*		305 *(11)*	▲19 *(▲1)*	285 *(10)*
	291			2		293	▲18	275
Logistics	223 *(8)*					223 *(8)*	▲84 *(▲3)*	138 *(4)*
	215					215	▲81	133
Other	297 *(▲32)*			1 *(0)*		298 *(▲32)*	▲46 *(34)*	252 *(2)*
	329			1		330	▲81	249
Sub Total	5,806 *(44)*	962 *(153)*	244 *(▲51)*	246 *(24)*	737 *(206)*	7,997 *(377)*		
	5,761	809	296	222	530	7,619		
Consolidated Adjustment	▲1,425 *(10)*	▲198 *(▲8)*	▲176 *(0)*	▲134 *(▲8)*	▲19 *(3)*		▲1,954 *(▲3)*	
	▲1,436	▲189	▲176	▲126	▲22		▲1,951	
Grand Total	4,380 *(55)*	763 *(144)*	68 *(▲51)*	111 *(16)*	718 *(209)*			6,042 *(373)*
	4,325	619	119	95	508			5,668

- The upper columns indicates the result of FY2013 and the lower columns indicates that of FY2012.
  The Italic figures mean increase/decrease.
- Consolidated Adjustment include elimination between the group companies.
- Impact of withdrawal and restructuring the group companies : - 13,000 million yen
- Impact of exchange conversion on net sales (Estimated) : 39,500 million yen

Comparison of Operating Income by Segment Matrix (Y-on-Y)

(Unit : 100 million yen)

	Japan	North America	South America	Asia	Europe	Common Cost	Sub Total	Consolidated Adjustment	Grand Total
Marine Products	31 *(19)*	▲3 *(▲10)*	12 *(49)*	2 *(5)*	10 *(7)*		54 *(71)*	▲4 *(3)*	50 *(75)*
	11	7	▲37	▲2	3		▲17	▲7	▲25
Food Products	24 *(10)*	2 *(▲5)*		0 *(0)*	2 *(6)*		29 *(10)*	▲2 *(▲1)*	27 *(8)*
	14	8		0	▲3		19	▲0	19
Fine Chemicals	74 *(2)*			0 *(▲0)*			75 *(2)*	0 *(▲0)*	75 *(2)*
	72			0			73	0	73
Logistics	14 *(▲2)*						14 *(▲2)*	0 *(▲0)*	15 *(▲2)*
	17						17	1	18
Others	9 *(▲3)*			0 *(0)*			9 *(▲3)*	2 *(3)*	12 *(0)*
	12			0			12	▲0	11
Common Cost						▲41 *(▲1)*	▲41 *(▲1)*	▲0 *(▲1)*	▲41 *(▲2)*
						▲39	▲39	0	▲38
Sub Total	155 *(27)*	▲0 *(▲16)*	12 *(49)*	3 *(5)*	12 *(13)*	▲41 *(▲1)*	141 *(77)*		
	128	15	▲37	▲2	▲0	▲39	64		
Consolidated Adjustment	5 *(12)*	▲0 *(▲0)*	0 *(▲4)*	0 *(0)*	▲7 *(▲1)*	▲1 *(▲2)*		▲2 *(3)*	
	▲6	0	5	▲0	▲5	0		▲6	
Grand Total	161 *(39)*	▲0 *(▲16)*	13 *(45)*	3 *(6)*	5 *(11)*	▲43 *(▲4)*			139 *(81)*
	121	16	▲32	▲2	▲6	▲39			58

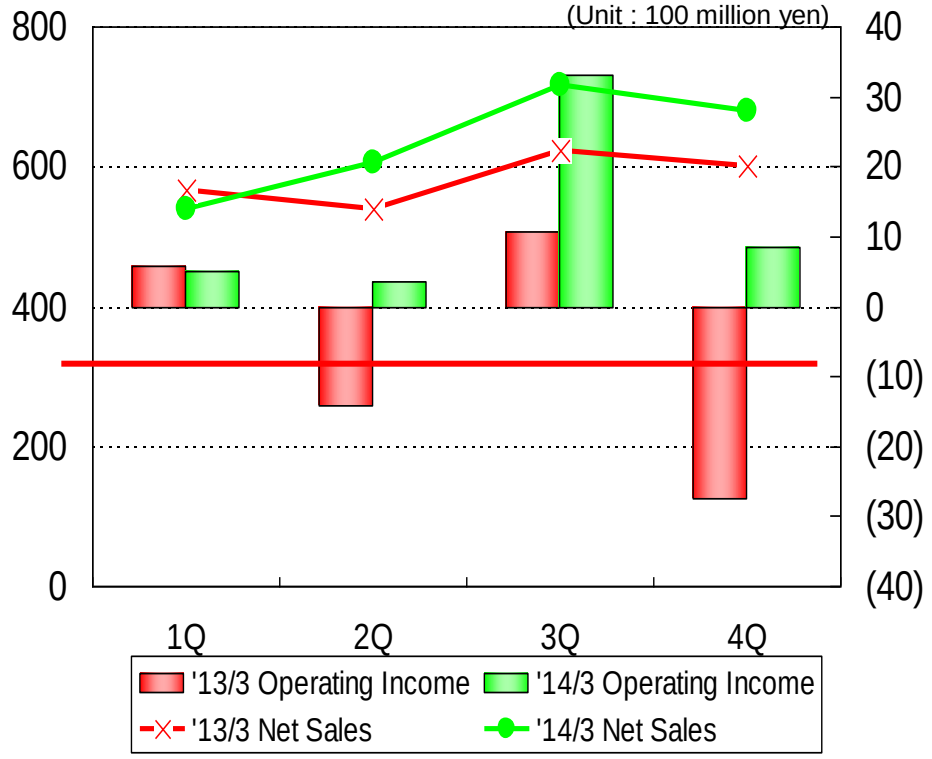
- The upper columns indicates the result of FY2013 and the lower columns indicates that of FY2012.
  The Italic figures mean increase/decrease.
- Consolidated adjustment includes amortization of goodwill and unrealized income in inventory.
- Impact of withdrawal and restructuring the group companies on operating income : 2,100 million yen

◆Revenue and income increased as the profit in Japan and South America improved

(Unit : 100 million yen)

	Result of FY2013	Result of FY2012	Increase /Decrease
Net Sales	2,538	2,329	209
Operating Income	50	(25)	75

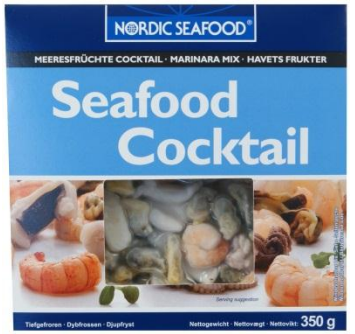
Net Sales (Line Chart) Operating Income (Bar Chart)



【Overview of Financial Results】

- The marine products market recovered in both Japan and overseas, resulting in the fish price remaining high.
- The downsizing of and withdrawal from unprofitable overseas businesses led to stabilization of the revenue base.
- Expansion of business was aggressively sought in Europe through the development of new markets.



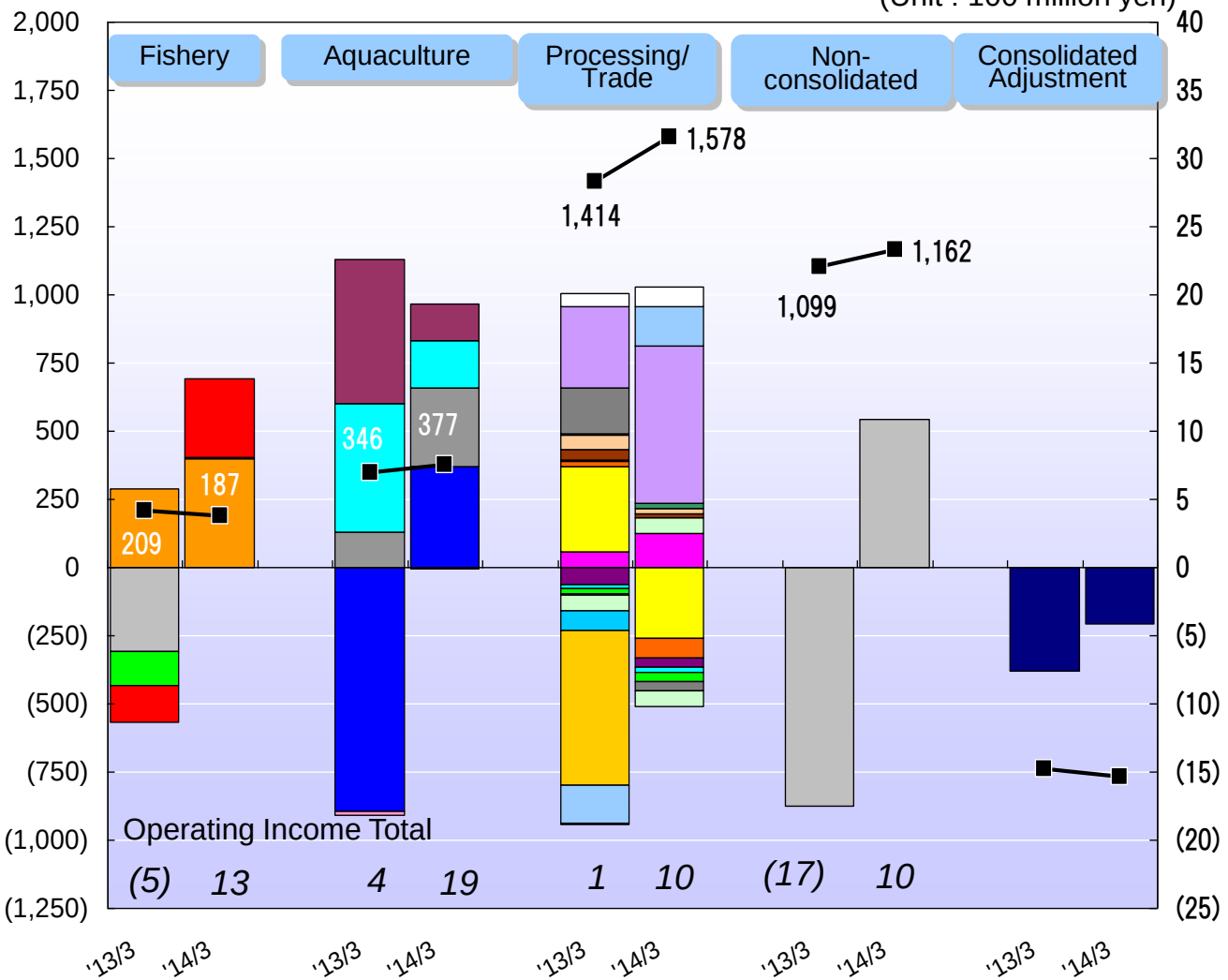


Marine Product Business
Net Sales and Operating Income (Y-on-Y)

Net Sales (Line Chart)

Operating Income (Bar Chart)

(Unit : 100 million yen)



- Each graph (excluding Non-consolidated and Consolidated Adjustment) shows the total of consolidated subsidiaries.
- The figures in the lower part of this chart shows the total operating income by segments.
- Consolidated adjustment of Operating Income includes amortization of goodwill and unrealized income in inventory.

Major Causes of Fluctuations

【Fishery】

- South American fishery businesses
  Earnings improved as a result of business restructuring , withdrawal, etc., and efficient operations.

【Aquaculture】

- Domestic aquaculture business
  Yellowtail; Performed well both in terms of fish price and quantity
  Tuna; Fell in fish price but increased in quantity
- Salmon/trout aquaculture business in Chile
  Income improved as a result of fish price rising, in spite of an increase in costs due to the impact of fish disease and an increase in the cost of feed.

【Processing & Trading】

- Alaska Pollack business in the US
  Surimi and fillet increased in quantity, while roe products decreased in quantity, and prices fell on the whole.
- Withdrew from tilapia farming and processing in Brazil
- In Europe, there was an expansion of the sales area and the price of major fish types trended high.

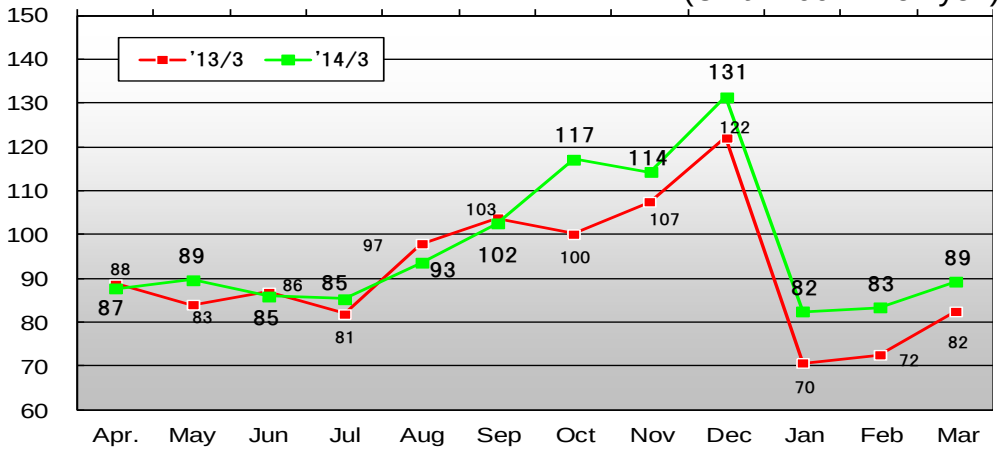
【Non-consolidated】

- Inventory was controlled throughout the year according to the plan.
- Recovery of the marine products market
  In particular, selling price of salmon/trout and shrimp rose.

Marine Products Business
Non-consolidated (Y-on-Y)

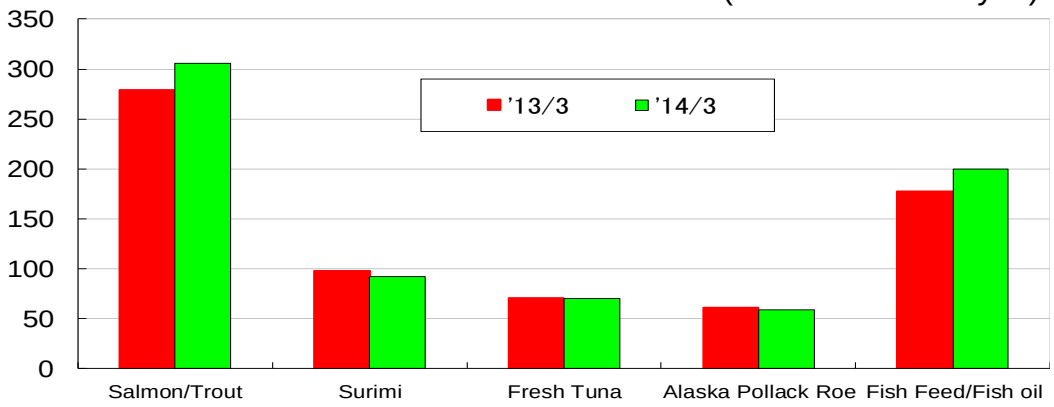
Net Sales (Monthly)

(Unit : 100 million yen)



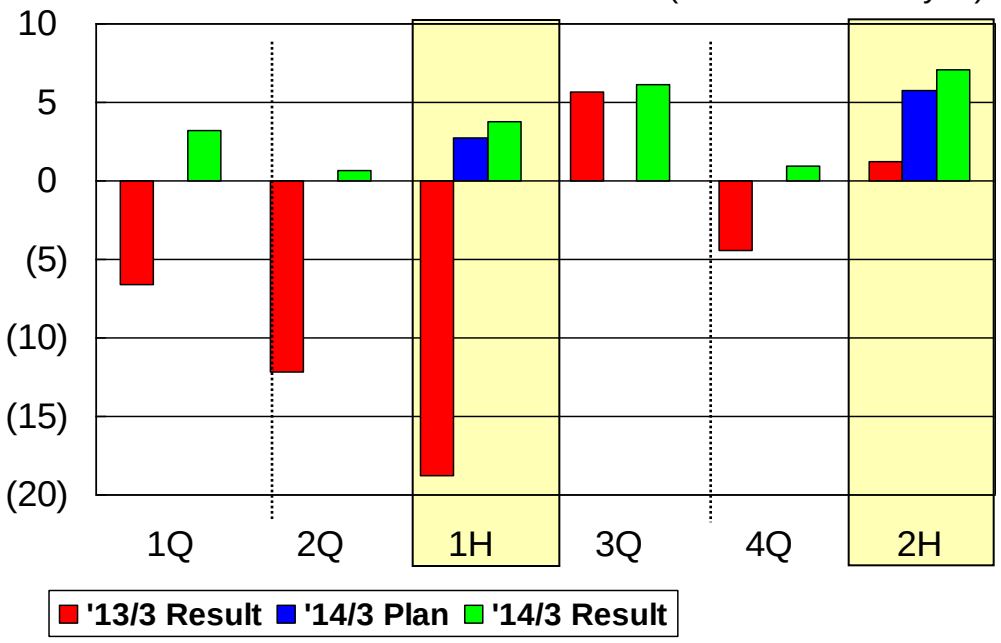
Net Sales by Main Fish Species

(Unit : 100 million yen)

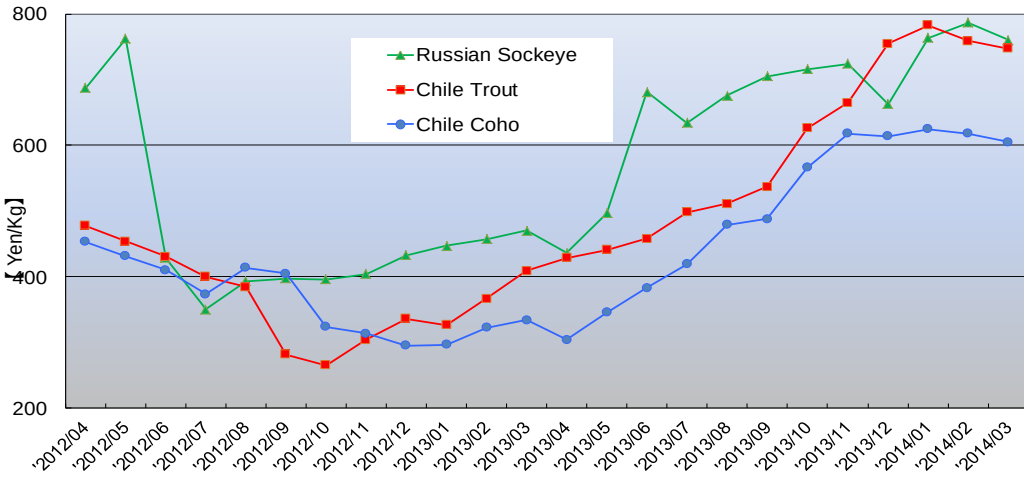


Operating Income (Quarterly)

(Unit : 100 million yen)



Market condition of marine products (Salmon/trout)

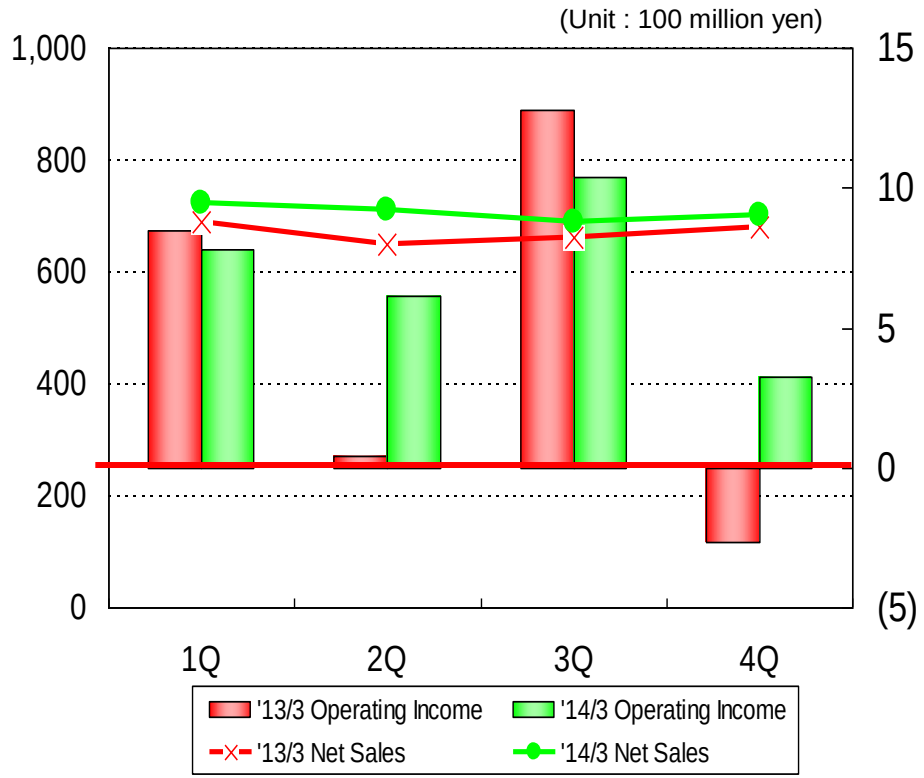


◆ Both revenue and income increased. Revenue fell in Japan but income improved. Overseas performance varied from region to region.

(Unit : 100 million yen)

	Result of FY2013	Result of FY2012	Increase /Decrease
Net Sales	2,826	2,680	146
Operating Income	27	19	8

Net Sales (Line Chart)　　Operating Income (Bar Chart)



【Overview of Financial Results】

- Measures were implemented to address the increase in costs attributable to the drastic weakening of the yen.
- The income structure was remodeled through the downsizing of and withdrawal from unprofitable overseas businesses.
- Europe: An increase in income was achieved through aggressive investment in production facilities.

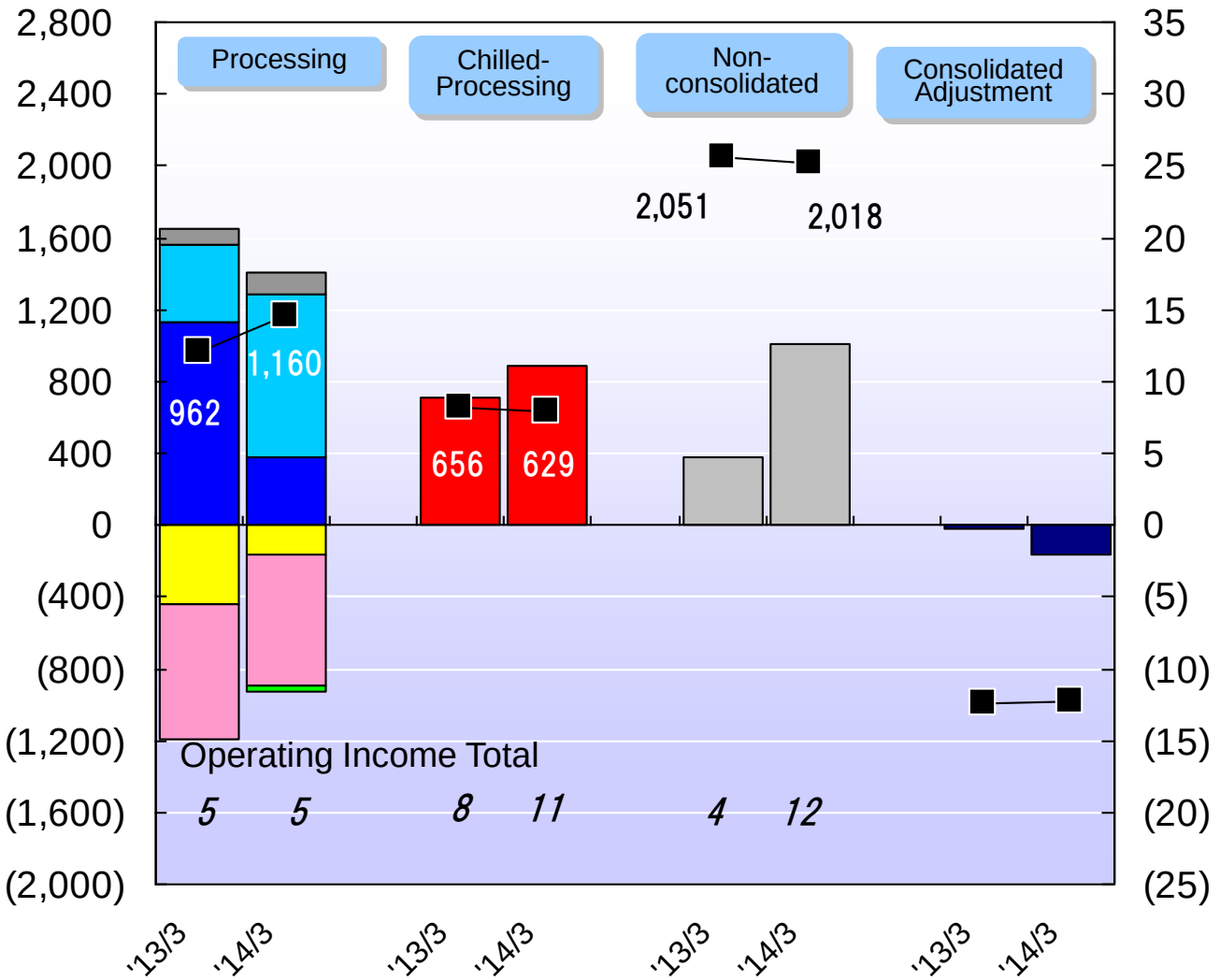


Mini gratin by Cite Marine S.A.S.



Food Products Business
Net Sales and Operating Income(Y-on-Y)

Net Sales (Line Chart)　(Unit : 100 million yen)　Operating Income(Bar Chart)



- Each graph (excluding Non-consolidated and Consolidated Adjustment) shows the total of consolidated subsidiaries.
- The Italic figures in the lower part of this chart shows the accumulation of the bar.
- Consolidated Adjustment includes the amortization of goodwill and unrealized income in inventory.

Major Causes of Fluctuations

【Processing】

- Marine food processing company in France
  Income increased as a result of enhanced production capacity, improved productivity and the launch of new products.
- Frozen seafood products company in Germany
  The sale was completed at the end of July.
- Frozen prepared foods company in North America
  There was a decrease in income as a result of fierce price competitions.
  Business restructuring has been initiated.

【Chilled Products】

- Revision of production items caused a decrease in revenue.
- Improvements in productivity resulted in an increase in income.

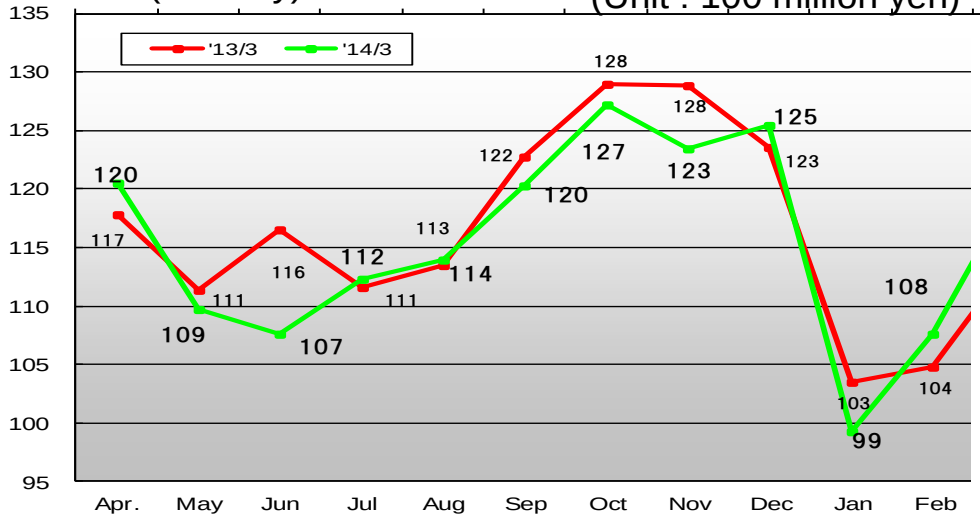
【Non-consolidated】

- The costs of imported raw materials and products increased, impacted by the weakening of the yen.
- Income increased due to efforts to improve productivity, reduce selling cost, and revise selling prices.

Food Products Business
Non-consolidated (Y-on-Y)

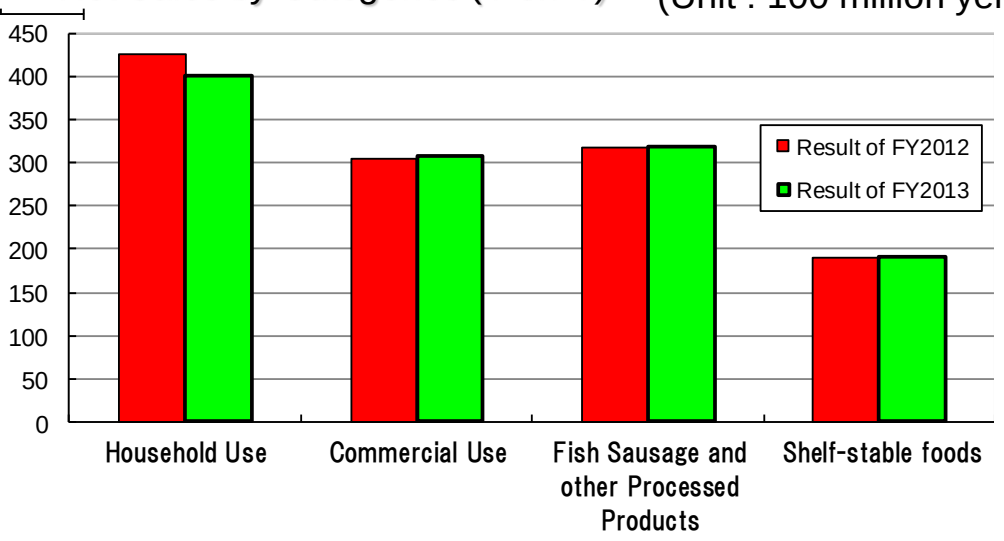
Net Sales(Monthly)

(Unit : 100 million yen)



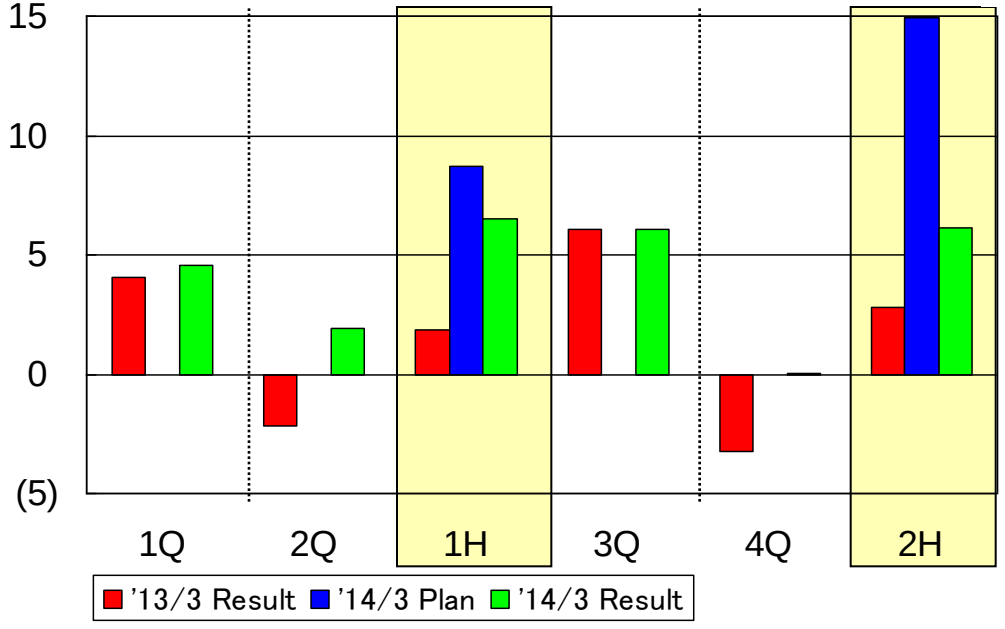
Net Sales by Categories (Y-on-Y)

(Unit : 100 million yen)



Net Sales(Quarterly)

(Unit : 100 million yen)



- Impact on cost increase of raw materials due to the exchange rate
  → 2,600 million yen
- Effect by cost-cutting and revision of the selling price
  → 4,000 million yen











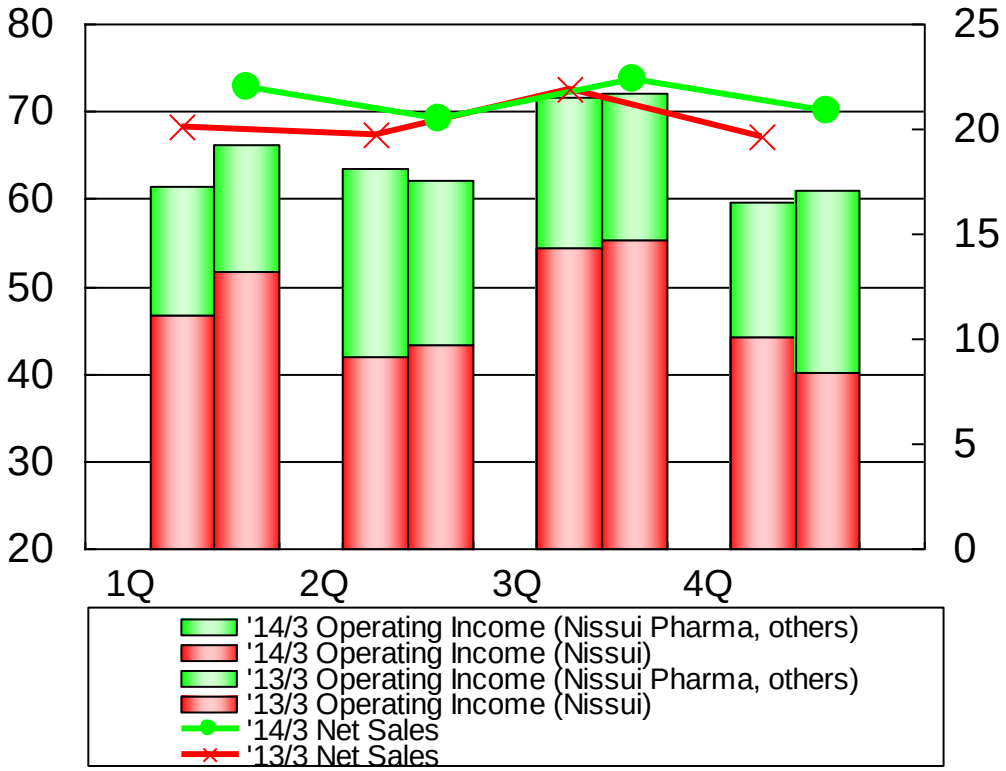
◆Both revenue and income increased, contributed by sales of functional foods.

(Unit : 100 million yen)

	Result of FY2013	Result of FY2012	Increase /Decrease
Net Sales	285	275	10
Operating Income	75	73	2

Net Sales (Line Chart)

Operating Income (Bar Chart)
(Unit : 100 million yen)



【Overview of Financial Results】

- Pharmaceutical raw material
  The impact of the National Health Insurance price revision starting next fiscal year was partially affected.
- Functional foods
  Continued to perform well in mail orders, the rate of growth has slightly slowed down.
- Nissui Pharmaceutical
  The pharmaceuticals business and the cosmetics business performed well.



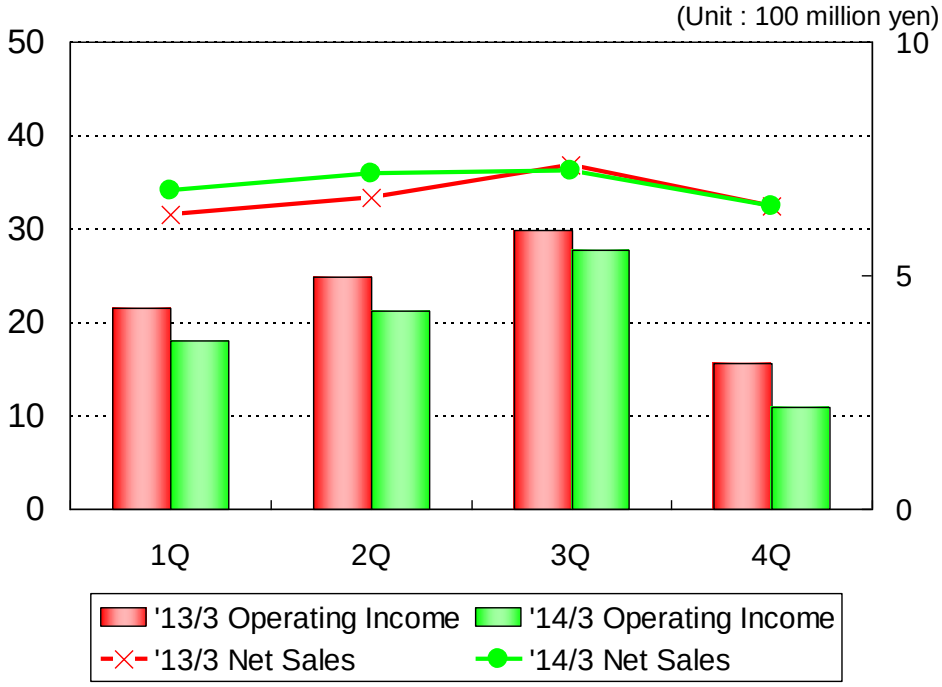
◆Both revenue and income keep the same level year on year.

(Unit : 100 million yen)

	Result of FY2013	Result of FY2012	Increase /Decrease
Net Sales	138	133	4
Operating Income	15	18	(2)

Net Sales (Line Chart)

Operating Income (Bar Chart)



【Overview of Financial Results】

- Revenue increased due to the new joint delivery business.
- Transaction volume fell in the cold storage business.



Non-consolidated Income Statement(Y-on-Y)

(Unit : 100 million yen)

	FY2013	%	FY2012	%	Increase /Decrease	%
Net Sales	3,339		3,298		41	1.3%
Gross Profit	662	19.8%	661	20.1%	0	0.1%
SGA expenses	634		669		(34)	
Operating Income(Loss)	27	0.8%	(7)	(0.2%)	35	–
Non-Operating Income	53		68		(14)	
Non-Operating Expenses	40		54		(13)	
Ordinary Income	40	1.2%	6	0.2%	34	562.4%
Extraordinary Income	16		13		3	
Extraordinary Expenses	21		17		4	
Income (Loss) before taxes	36	1.1%	2	0.1%	33	–
Income taxes-current	7		1		6	
Income taxes-deferred	6		(2)		9	
Net Interest (Loss)	21	0.7%	3	0.1%	18	549.7%

【Major Causes of Fluctuations】

【SGA expenses】
Mainly cost-cutting by reduction of personnel expenses, selling and administration cost

【Non-operating Income(loss)】

- Decrease in interest income
  : approx. 700 million yen
- Decrease in foreign exchange income : approx. 500 million yen

Breakdown

【Extraordinary income(loss)】

- Gain on sales of noncurrent assets : approx. 1,400 million yen
- Loss on sales of stocks of subsidiaries and affiliates
  : approx. 800 million yen

Forecast for FY2014

＜Consolidated＞

➢ Estimated Rate : 108 yen / US$1.00

	Result of FY2013	Plan for FY2014	Increase/ Decrease
Net Sales	6,042	6,030	(12)
Operating Income	139	155	15
Ordinary Income	123	160	36
Net Income	37	73	35

＜Non-Consolidated＞

	Result of FY2013	Plan for FY2014	Increase/ Decrease
Net Sales	3,339	3,280	(59)
Operating Income	27	34	6
Ordinary Income	40	51	10
Net Income	21	37	15

【Plan for the Fiscal Year Ending March 2015】

(Marine Products Business)

- ➢ Promotion of the use of marine products as food stuffs.
- ➢ Thorough control of inventory
- ➢ Advancement of the aquaculture business
  - Production of feed containing tuna
  - Operating yellowtail seedling center
- ➢ Enhancement of improving sales and income in subsidiaries in North America (Improve the transaction volume of Alaska Pollack roe)

(Food Products Business)

- ➢ Continue effort of cost-cutting and concentrate on important merchandise categories.
- ➢ Effect of revision of production system in frozen prepared foods company in North America
- ➢ Reduced revenue and increased income through downsizing of and withdrawal from businesses
  - Shandong Sanfod Nissui, Ltd.
  - Leughtturm Beteiligungs-und Holding Germany AG

(Fine Chemical Business)

- ➢ Increased productivity to compensate for decreased pharmaceuticals sales due to the National Health Insurance price revision.
- ➢ Reinforcement of sales efforts regarding functional foods
  Advertisement and promotion campaigns (Media Mix) in the Kanto area

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.

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.

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