February 5, 2015

Summary of 3rd Quarter Report for Fiscal Year 2014 (April 1, 2014 through December 31, 2014)

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 FY2014

(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	%
3rd quarter of FY2014	**472,106**	**5.2**	**17,039**	**45.9**	**20,785**	**84.5**	**10,551**	**80.4**
3rd quarter of FY2013	448,695	6.2	11,676	53.6	11,264	82.8	5,849	160.6

(Note) : Each percentage figure shows changes from the previous year.

Comprehensive income of 3rd quarter of FY2014 17,063 Million yen (24.0%) 3rd quarter of FY2013 13,759 Million yen(191.4%)

	Net income per share	Diluted income per share
	Yen	Yen
3rd quarter of FY2014	**38.19**	**-**
3rd quarter of FY2013	21.17	-

(2) Consolidated Financial Position of 3rd Quarter

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
3rd quarter of FY2014	**470,007**	**100,540**	**17.5**
FY2013	431,643	83,732	15.4

(Note) : Total shareholders' equity December 31, 2014 82,341 Million yen March 31, 2014 66,314 Million yen

2. Dividend

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
	Yen	Yen	Yen	Yen	Yen
FY2013	-	0.00	-	0.00	0.00
FY2014	**-**	**0.00**	**-**		
FY2014 (forecast)				-	-

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

The company hasn't decided the anticipated dividends for FY2014.

3. Consolidated Forecast for FY2014 (April 1, 2014 through March 31, 2015)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2014	**610,000**	**1.0**	**17,500**	**25.6**	**20,000**	**61.8**	**10,500**	**179.6**	**38.01**

(Note) Revision during the current quarter to the consolidated forecast for FY2014: 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:

①Changes in accounting policy associated with the revision of the accounting standard, etc.: Yes

②Changes in accounting policy other than those stated above: None

③Changes in accounting estimate : None

④Restatement : None

(Note) Please refer to "2. Matters regarding summary information (Notes)" on page

4) Number of issued shares (Common stock)

①Number of issued shares at the end of the term (Including treasury stock)	3Q of FY2014	277,210,277	FY2013	277,210,277
②Number of treasury stock at the end of the term	3Q of FY2014	933,622	FY2013	929,129
③Average number of shares during the term (For the consolidated 9 months)	3Q of FY2014	276,279,079	3Q of FY2013	276,284,797

*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 2014 (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, 2015
(1) Explanation on consolidated financial results

During the consolidated cumulative third quarter of the current fiscal year, the Japanese economy continued to be on a modest recovery trend, thanks to the uptrend of capital expenditures, in addition to the recovery in the performance of companies. Nevertheless, the economic outlook remains uncertain due to such factors as the increase in the cost of imports resulting from the weak yen and the postponement of the second round of the consumption tax rate hike.

In terms of the global economy during the period subject to consolidated accounting from January to September, the United States experienced robust consumer spending while the employment situation continued to improve. European economies showed signs of picking up somewhat, whereas in Asia, the pace of economic growth became moderate in China.

The Company and its corporate group witnessed generally high levels of prices in the marine products market. In the Food Products business, the cost of imported ingredients, products processed abroad, etc. rose because of the progressive softening of the yen.

Under these circumstances, as consolidated results for the third quarter of the current fiscal year under review, we recorded sales of 472,106 million yen, up 23,410 million yen year-on-year, operating income of 17,039 million yen, up 5,362 million yen year-on-year, and ordinary income of 20,785 million yen, up 9,520 million yen year-on-year. The net income for the third quarter was10,551 million yen, up 4,702 million yen year-on-year.

The summary by segment is as follows.

(Unit : million yen)

	Net Sales	Increase/Decrease (Y-on-Y)	Y-on-Y	Operating Income	Increase/Decrease (Y-on-Y)	Y-on-Y
Marine Products	210,619	24,541	113.2%	7,491	3,304	178.9%
Food Products	220,729	8,234	103.9%	6,129	3,693	251.6%
Fine Chemicals	18,756	(2,809)	87.0%	3,652	(2,203)	62.4%
General Distribution	10,890	259	102.4%	1,394	54	104.1%
Other	11,110	(6,816)	62.0%	508	(305)	62.5%
Common Costs	—	—	—	(2,138)	818	72.3%
Total	472,106	23,410	105.2%	17,039	5,362	145.9%

(1) Marine Products Business
The Marine Products segment is engaged in the fishery, aquaculture, and seafood processing and trading businesses.

<Overview of the third quarter of the consolidated fiscal year under review>
In the Marine Products business, sales in the amount of 210,619 million yen (up 24,541 million yen year-on-year) and operating income of 7,491 million yen (up 3,304 million yen year-on-year) were recorded.

Fishery Business: Revenues increased but income decreased year-on-year.
[Japan]
- Catch of yellowtail, etc. by inshore fishing was strong. However, in overseas round haul net fishing, the sales price of bonito hovered at low levels.
- The sales price of white fish rose, but the catch of Southern blue whiting was poor.

Aquaculture Business: Both revenue and income increased year-on-year.
[Japan]
- In the yellowtail business, sales of Wakaburi (Note 1), which remains high in quality even in summer, progressed at a healthy pace. In addition, the sales price of yellowtail hovered at high levels until the end of the year.

- In the tuna business, sales volumes grew but sales prices fell as imports from Australia, Mexico, etc. increased.

[South America]
- The salmon/trout business recorded a massive increase in income, thanks to the rise in the sales price and valuation gains on fish in aquaculture ponds, in addition to improvements in the survival rate.

Seafood Processing and Trading Business: Both revenue and income increased year-on-year.
[Japan]
- The sales price of salmon/trout was firm, due to such factors as the impact of export bans to Russia and the further weakening of the yen.

[North America]
- The Alaska Pollack catch was strong and the sales price of fish paste (surimi) rose, while the production volume of roe products increased.

[Europe]
- The prices of major fish types such as shrimp and white fish hovered at high levels.

[Asia]
- The marine products purchase/sale business in Singapore recorded an allowance for doubtful accounts with respect to receivables with low collectability.

(2) Food Products Business
The Food Products segment is engaged in the food processing and chilled foods businesses.

<Overview of the third quarter of the consolidated fiscal year under review>
In the Food Products business, sales in the amount of 220,729 million yen (up 8,234 million yen year-on-year) and operating income of 6,129 million yen (up 3,693 million yen year-on-year) were recorded.

Processed Foods Business: Both revenue and income increased year-on-year.
[Japan]
- Due to such factors as the further softening of the yen, the cost of imported ingredients including fish paste (surimi) and products processed abroad rose.
- Sales expenses of frozen prepared foods for household use increased because of intensified sales competition. However, sales of fish paste (surimi) products and fish sausages were healthy.

[North America]
- Profitability of companies involved in frozen prepared foods for household use improved as a result of their cost reduction efforts such as the concentration on priority items and efficient sales activities.
- Profitability of companies involved in frozen prepared foods for commercial use improved due to the increase in the volume of sales and the revision of prices targeted at a major restaurant chain, while the prices of main ingredients hovered at high levels.

[Europe]
- Chilled product sales grew and productivity improved.

Chilled Foods Business: Both revenue and income increased year-on-year.
[Japan]
Sales of chilled boxed lunches, salads, etc. to convenience stores grew, while productivity also improved.

(3) Fine Chemicals Business
The Fine Chemicals segment is engaged in the manufacture and sale of pharmaceutical raw materials, functional raw materials (Note 2), functional foods (Note 3), pharmaceuticals and diagnostic medicines.

<Overview of the third quarter of the consolidated fiscal year under review>
The Fine Chemicals business posted sales in the amount of 18,756 million yen (down 2,809 million yen year-on-year) and operating income of 3,652 million yen (down 2,203 million yen year-on-year).

[Pharmaceutical Raw Materials, Functional Raw Materials and Functional Foods]
- Both revenue and income decreased as they were impacted by the National Health Insurance price revisions, government-led measures to promote the use of generic drugs, etc.
- The sales volume of functional foods grew at a sluggish pace, despite the injection of money into advertising.

[Clinical Diagnostic Medicines and Pharmaceuticals]
- Intensified price competition in the market for clinical diagnostic medicines, as well as a rebound from last-minute purchases of pharmaceuticals that immediately preceded the consumption tax rate hike, created a challenging climate.

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

<Overview of the third quarter of the consolidated fiscal year under review>
In the General Distribution business, sales in the amount of 10,890 million yen (up 259 million yen year-on-year) and operating income of 1,394 million yen (up 54 million yen year-on-year) were recorded.
- Although the costs for electricity use, transportation, etc. rose, revenue from storage fees, etc. increased.

(Note 1): Wakaburi is an aquaculture yellowtail brand that spawns early, allowing fish to be shipped six months earlier than in the normal aquaculture cycle. Fish are shipped in spring and summer as they reach the height of their season.
(Note 2) Functional raw materials consist of EPA, DHA, glucosamine, cholesterol, orange roughy oil and others mainly used as ingredients of foods and cosmetics.

(Note 3) Functional foods mainly consist of food for specified health uses such as IMARK and IMARK S, and supplements such as EPA, DHA and glucosamine.

(2) Explanation on consolidated financial position

State of assets, liabilities and net assets

Assets
Current assets increased by 19.9% compared to the end of the previous consolidated fiscal year to 251,366 million yen, mainly as a result of an increase in notes and accounts receivable-trade by 17,084 million yen, as well as an increase in merchandise and finished goods by 5,243 million yen.

Noncurrent assets decreased by 1.5% compared to the end of the previous consolidated fiscal year to 218,640 million yen, mainly as a result of a decrease in intangible assets by 1,721 million yen.
As a result, total assets increased by 8.9% compared to the end of the previous consolidated fiscal year to 470,007 million yen.

Liabilities
Current liabilities increased by 12.5% compared to the end of the previous consolidated fiscal year to 220,793 million yen, mainly as a result of an increase in short-term loans payable by 14,675 million yen and an increase in accrued expenses by 7,062 million yen.

Noncurrent liabilities decreased by 2.0% compared to the end of the previous consolidated fiscal year to 148,673 million yen, mainly as a result of a decrease in long-term loans payable by 3,114 million yen.
As a result, total liabilities increased by 6.2% compared to the end of the previous consolidated fiscal year to 369,466 million yen.

Net assets

Total net assets increased by 16,808 million yen compared to the end of the previous consolidated fiscal year to 100,540 million yen. This was due mainly to net income of 10,551 million yen and the increase in the valuation difference on available-on-sale securities in the amount of 2,521 million yen.

(3) Qualitative information on consolidated forecasts

No changes have been made at this point in time to the full-year financial forecasts released on November 5, 2014. If the need to revise the financial forecasts arises depending on the earnings trends in the days ahead, the Company will promptly publish the revised forecasts.

2. Matters regarding summary information (Notes)

Changes in accounting principles, accounting estimates and retrospective restatement for consolidated financial statements

(Changes in accounting principles)

(Application of the Accounting Standard for Retirement Benefits, etc.)

Effective from the 1st quarter of the current fiscal year under review, the Company has adopted the provisions set forth in the main clause of Section 35 of the Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (“ASBJ”) Statement No. 26, May 17, 2012, hereinafter “Accounting Standard for Retirement Benefits”) and the provisions set forth in the main clause of Section 67 of the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012, hereinafter “Guidance on Retirement Benefits”). Accordingly, the Company has revised the method of calculating retirement benefit obligations and prior service costs and changed its method of attributing projected retirement benefits from the straight-line basis to the plan's benefit basis. Additionally, the Company has changed its method of determining the discount rate, from the method based on the number of years which approximate the average remaining years of service of the employees to the method in which a single weighted average discount rate is used that reflects the estimated timing of benefit payments and the amount of benefit payment for each estimated payment period.

The application of the Accounting Standard for Retirement Benefits, etc. is subject to the tentative treatment provided for in Section 37 of the Accounting Standard for Retirement Benefits. Consequently, the impact of the change in the method of calculating retirement benefit obligations and prior service costs has been recognized as increases or decreases to retained earnings as of the beginning of the third quarter of the current fiscal year under review.

The impact of the above changes on retained earnings as of the beginning of the third quarter of the current fiscal year under review and the impact on the profit or loss for the third quarter of the current fiscal year are minimal.

3. 3rd Quarter Consolidated Financial Statements

(1)Consolidated Balance Sheet

Million yen

	FY2013 As of Mar. 31, 2014	3rd Quarter of FY2014 As of Dec. 31, 2014
Assets		
Current assets		
Cash and deposits	6,849	10,388
Notes and accounts receivable-trade	73,250	90,334
Merchandise and finished goods	53,058	58,301
Work in process	21,974	24,734
Raw materials and supplies	26,860	28,686
Other	28,384	39,422
Allowance for doubtful accounts	(658)	(501)
Total current assets	209,717	251,366
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	46,971	46,435
Other, net	62,460	65,386
Total property, plant and equipment	109,432	111,822
Intangible assets		
Goodwill	3,522	2,380
Other	12,244	11,665
Total intangible assets	15,766	14,045
Investments and other assets		
Investment securities	77,234	76,975
Other	23,751	19,644
Allowance for doubtful accounts	(4,259)	(3,846)
Total investments and other assets	96,727	92,772
Total noncurrent assets	221,925	218,640
Total assets	431,643	470,007

Consolidated Balance Sheet

Million yen

	FY2013 As of Mar. 31, 2014	3rd Quarter of FY2014 As of Dec. 31, 2014
Liabilities		
Current liabilities		
Notes and accounts payable-trade	33,074	37,696
Short-term loans payable	127,887	142,563
Income taxes payable	3,070	2,294
Accrued expenses	19,854	26,916
Provision	4,872	1,907
Other	7,487	9,414
Total current liabilities	196,247	220,793
Noncurrent liabilities		
Long-term loans payable	128,259	125,145
Provision	237	231
Net defined benefit liability	15,318	14,839
Other	7,848	8,456
Total noncurrent liabilities	151,664	148,673
Total liabilities	347,911	369,466
Net assets		
Shareholders' equity		
Capital stock	23,729	23,729
Capital surplus	13,758	13,758
Retained earnings	19,637	30,235
Treasury shares	(258)	(259)
Total shareholders' equity	56,867	67,463
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,588	9,109
Deferred gains or losses on hedges	395	852
Foreign currency translation adjustment	3,237	5,515
Remeasurements of defined benefit plans	(773)	(598)
Total accumulated other comprehensive income	9,447	14,878
Minority interests	17,417	18,198
Total net assets	83,732	100,540
Total liabilities and net assets	431,643	470,007

(2)Consolidated Income Statements

Million yen

	3rd quarter of FY2013 (Nine months ended December 31, 2013)	3rd quarter of FY2014 (Nine months ended December 31, 2014)
Net sales	448,695	472,106
Cost of sales	354,280	370,670
Gross profit	94,415	101,436
Selling, general and administrative expenses	82,738	84,396
Operating income	11,676	17,039
Non-operating income		
Interest income	364	278
Dividend income	672	696
Foreign exchange gains	586	424
Gain on sales of investment securities	337	1,627
Share of profit of entities accounted for using equity method	—	2,177
Subsidy income	684	59
Miscellaneous income	504	1,208
Total non-operating income	3,150	6,472
Non-operating expenses		
Interest expenses	2,500	2,225
Share of loss of entities accounted for using equity method	742	—
Miscellaneous expenses	320	501
Total non-operating expenses	3,562	2,727
Ordinary income	11,264	20,785
Extraordinary income		
Gain on sales of noncurrent assets	1,464	405
Reversal of impairment loss	382	—
Gain on sales of investment securities	216	13
Total extraordinary income	2,063	419
Extraordinary losses		
Loss on disposal of noncurrent assets	224	249
Impairment loss	195	—
Loss on sales of investment securities	—	4
Loss on valuation of investment securities	—	53
Loss on sales of stocks of subsidiaries and affiliates	731	1,183
Loss on sales of investments in capital of subsidiaries and affiliates	784	—
Special retirement expenses	233	202
Loss on disaster	—	854
Total extraordinary losses	2,169	2,548
Income before income taxes and minority interests	11,158	18,656
Income taxes-current	3,989	4,394
Income taxes-deferred	493	2,624
Total income taxes	4,482	7,018
Income before minority interests	6,676	11,637
Minority interests in income	827	1,085
Net income	5,849	10,551

Consolidated Statements of comprehensive income

Million yen

	3rd quarter of FY2013 (Nine months ended December 31, 2013)	3rd quarter of FY2014 (Nine months ended December 31, 2014)
Income before minority interests	6,676	11,637
Other comprehensive income		
Valuation difference on available-for-sale securities	2,602	2,379
Deferred gains or losses on hedges	82	689
Foreign currency translation adjustment	1,534	2,342
Other comprehensive income pension liabilities	(374)	—
Remeasurements of defined benefit plans, net of tax	—	134
Share of other comprehensive income of entities accounted for using equity method	3,239	(120)
Total other comprehensive income	7,082	5,426
Comprehensive income	13,759	17,063
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,018	15,983
Comprehensive income attributable to minority interests	740	1,080

(3) Notice concerning the consolidated financial statements

(Notes on premise of existing companies)
Not applicable.

(Notes Regarding Significant Changes in the Amount of Shareholder's Equity)
Not applicable.

(Segment Information, etc.)

1. 3Q of FY2013 (Apr.1, 2013-Dec. 31, 2013)

1. Information of net sales and profit (loss) by reportable segment

(Million yen)

	Information by business segments					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Marine Products	Food Products	Fine Chemicals	General distribution	Total				
Sales									
(1) Sales to third parties	186,077	212,495	21,565	10,630	430,769	17,926	448,695	-	448,695
(2) Inter-segment sales and transfers	7,909	925	205	5,332	14,374	1,472	15,846	(15,846)	-
Total	193,987	213,421	21,771	15,963	445,143	19,399	464,542	(15,846)	448,695
Segment income	4,186	2,435	5,856	1,339	13,818	814	14,632	(2,956)	11,676

(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 (2,956) million yen segment income adjustment comprise 76 million yen in inter-segment transactions and (3,032) million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.
3. Segment income is adjusted to reflect operating income as recorded in the quarterly consolidated statement of income.

2. Information regarding impairment loss on noncurrent assets and goodwill by reportable segment

(Significant impairment loss on noncurrent assets)

In the third Quarter of the fiscal year under review, the book value of factories scheduled to be closed in the “Food Products Business” segment was reduced to the recoverable amount, and said reduction in the amount of 195 million yen was recorded as an impairment loss classified under an extraordinary loss.

(Significant changes in the amount of goodwill)
Not applicable.

(Significant gain on negative goodwill)
Not applicable.

2. 3Q of FY2014 (Apr. 1, 2014 - Dec. 31, 2014)

1. Information of net sales and profit (loss) by reportable segment

(Million yen)

	Information by business segments					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Marine Products	Food Products	Fine Chemicals	General distribution	Total				
Sales									
(1) Sales to third parties	210,619	220,729	18,756	10,890	460,995	11,110	472,106	-	472,106
(2) Inter-segment sales and transfers	8,136	611	273	5,219	14,240	1,677	15,918	(15,918)	-
Total	218,755	221,340	19,030	16,109	475,236	12,788	488,024	(15,918)	472,106
Segment income	7,491	6,129	3,652	1,394	18,668	508	19,177	(2,138)	17,039

(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 (2,138) million yen segment income adjustment comprise 60 million yen in inter-segment transactions and (2,198) million yen in corporate expenses not allocated to the segments. Corporate expenses comprise mainly selling, general and administrative expenses not allocated to the segments.
3. Segment income is adjusted to reflect operating income as recorded in the quarterly consolidated statement of income.

2. Information regarding impairment loss on noncurrent assets and goodwill by reportable segment

(Significant impairment loss on noncurrent assets)
Not applicable.

(Significant changes in the amount of goodwill)
Not applicable.

(Significant gain on negative goodwill)
Not applicable.