

Consolidated Financial Results for the Year ended March 31, 2021 (April 1, 2020, through March 31, 2021)

Qualification: This is directly translated into English for readers' convenience, 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

<https://www.nissui.co.jp/english/index.html>**1. Consolidated Financial Data for Fiscal Year ended March 31, 2021****(1) Consolidated Financial Results**

(Amounts less than one million yen are omitted)

	Net Sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY ended March 31, 2021	656,491	(4.9)	18,079	(20.8)	22,750	(11.8)	14,452	(2.1)
FY ended March 31, 2020	690,016	(3.1)	22,834	5.3	25,807	1.8	14,768	(4.0)

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

Comprehensive income: March 31, 2021: 20,009 Million yen (100.8%)

March 31, 2020: 9,963 Million yen ((18.9%))

	Earnings per share	Diluted income per share	Profit attributable to owners of parent/ Total shareholders equity	Ordinary Profit / Total Assets	Operating Profit / Net Sales
	Yen	Yen	%	%	%
FY ended March 31, 2021	46.45	-	9.0	4.7	2.8
FY ended March 31, 2020	47.47	-	9.9	5.3	3.3

Ref.) Share of profit on entities, accounted for using equity method:

March 31, 2021: 2,770 Million yen

March 31, 2020: 2,820 Million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	yen
As of March 31, 2021	475,415	187,926	35.7	545.02
As of March 31, 2020	491,533	172,300	31.2	492.23

(Note): Total shareholders' equity As of March 31, 2021: 169,574 Million yen As of March 31, 2020: 153,152 Million yen

(3) Consolidated Cash-Flow

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of fiscal year
	Million yen	Million yen	Million yen	Million yen
FY ended March 31, 2021	45,910	(18,023)	(44,786)	14,760
FY ended March 31, 2020	18,786	(29,446)	25,942	31,647

2. Dividend

	Dividend per share					Total dividend	Payout ratio (Consolidated)	Dividend /Net assets (Consolidated)
	1Q	2Q	3Q	Final	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY ended March 31, 2020	-	4.00	-	4.50	8.50	2,648	17.9	1.8
FY ended March 31, 2021	-	4.00	-	5.50	9.50	2,960	20.5	1.8
FY ended March 31, 2022 (Forecast)	-	4.50	-	5.00	9.50		19.7	

3. Forecast for the Year ending March 31, 2022, Consolidated

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY ended March 31, 2022	642,000	-	20,000	-	23,000	-	15,000	-	48.21

(Note) We applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29), etc. From the beginning of the fiscal year ending March 2022, the above consolidated earnings forecasts are based on the amounts after the application. Therefore, we do not state changes from the previous fiscal year.

* Notes

- 1) Changes in scope of consolidation due to transfer of significant subsidiaries during the term: None
- 2) Changes in accounting policy, Changes in accounting estimate, and restatement:
 - i. Changes in accounting policy associated with the revision of the accounting standard, etc.: None
 - ii. Changes in accounting policy other than those stated above: None
 - iii. Changes in accounting estimate: None
 - iv. Restatement: None

- 3) Number of issued shares (Common stock)
 - i. Number of issued shares at the end of the term (Including treasury stock)
 - ii. Number of treasury stock at the end of the term
 - iii. Average number of shares during the term (For the current consolidated second quarter)

FY2020	312,430,277	FY2019	312,430,277
FY2020	1,296,387	FY2019	1,289,063
FY2020	311,139,338	FY2019	311,143,760

(Note) Nissui has introduced the "Board Benefit Trust (BBT)" as its performance-linked and share-based compensation plan since FY2018, and its own shares remaining in the Trust is included as treasury shares. The number of treasury stock at the end of the term and the average number of shares during the term is 330,500.

(Reference) Summary of Non-consolidated financial statements

1. Non-consolidated Financial Data for Fiscal Year ended March 31, 2021

(1) Non-consolidated Financial Results

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY ended March 31, 2021	370,547	(5.2)	3,876	32.6	9,739	14.6	9,222	69.6
FY ended March 31, 2020	390,977	(1.5)	2,922	45.7	8,499	27.9	5,438	(0.8)

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

	Earnings per share	Diluted income per share
	Yen	Yen
FY ended March 31, 2021	29.63	-
FY ended March 31, 2020	17.47	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	331,064	102,319	30.9	328.72
As of March 31, 2020	345,274	90,818	26.3	291.77

Note: Total shareholders' equity

As of March 31, 2021: 102,319 Million yen As of March 31, 2020: 90,818 Million yen

* The summary of financial results is not subject to audits.

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

The performance forecasts in this report are based on information available at present 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 "Full-year forecast" on page 7 of the Consolidated Financial Results (Appendix).

1. Qualitative information for the fiscal year ended March 31, 2021

(1) Explanation on consolidated financial results

<Consolidated Results for the year ended March 31, 2021>

During the consolidated fiscal year under review, the economic activity was deteriorated in the first half in Japan due to the restriction on going out caused by declarations of an emergency in April. Both corporate profit and personal consumption have been increasing in the second half, thanks to various economic policies launched by the Japanese government. However, due to the re-spread of the infection at the end of 2020, the emergency declaration was re-issued. The future is still uncertain, and no one predicts when the infection end.

In terms of the global economy during the period subject to consolidated accounting from January to December, corporate earnings and consumer spending dropped rapidly due partly to the gradual emergence of impacts from COVID-19 in late February and declarations of an emergency and lockdowns taken place in the United States and European countries in March. The governments partially relaxed the regulation from late April, and economic activity resumed in stages. Still, the situation remains severe, with the infection re-spread in the United States and Europe from October.

The Company and its corporate group's sales of food for households were strong both in Japan and overseas countries thanks to increased household consumption due to the restriction on going out. However, dining out and tourism demand sharply declined, and marine products and food sales for hotels and restaurants decreased. In addition to the worsening marine products market condition because of the reduced demand, sales of products for convenience stores also exhibited impacts. In Japan and overseas, the business environment was severe in the aquaculture business due to falling unit sales prices and production cuts.

Under these circumstances, the consolidated financial results through the consolidated fiscal year under review were as follows: net sales were 656,491 million yen, down 33,524 million yen year-on-year; operating profit was 18,079 million yen, down 4,755 million yen year-on-year; ordinary profit was 22,750 million yen, down 3,056 million yen year-on-year; and the profit attributable to the owners of the parent company was 14,452 million yen, down 316 million yen year-on-year.

The Company and its corporate group are working on expanding and innovating the aquaculture business to reduce the marine environment's burden to make people worldwide healthy from sustainable marine resources. We will continue to advance the aquaculture business and accelerate overseas expansion, which is our primary strategy and provide products that respond to lifestyle changes, such as rapidly expanding remote work and increased health awareness.

As for our measures against COVID-19, we will continue to implement workstyles for employees to realize the 3Cs, namely avoiding "closed spaces," "crowded places," and "close-contact settings," by combining "working from home" and "web meetings," etc., to prevent the spread of infection. We are committed to ensuring our business partner's and employees' safety and fulfilling our responsibilities to produce and supply food.

(Unit: million yen)

	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent
FY2020	656,491	18,079	22,750	14,452
FY2019	690,016	22,834	25,807	14,768
Difference	(33,524)	(4,755)	(3,056)	(316)
Percentage difference (%)	95.1%	79.2%	88.2%	97.9%

The summary by segment is as follows.

(Unit: million yen)

	Net Sales	Increase/Decrease (Y-on-Y)	Y-on-Y	Operating Profit	Increase/Decrease (Y-on-Y)	Y-on-Y
Marine Products	262,108	(27,481)	90.5%	5,984	(5,865)	50.5%
Food Products	330,037	(7,207)	97.9%	14,005	1,244	109.7%
Fine Chemicals	26,421	(601)	97.8%	2,397	(202)	92.2%
General Distribution	16,671	75	100.5%	2,202	215	110.9%
Other ^(Note)	21,251	1,690	108.6%	734	321	177.7%
Common Costs	-	-	-	(7,245)	(468)	106.9%
Total	656,491	(33,524)	95.1%	18,079	(4,755)	79.2%

(Note) "Other" refers to Engineering (planning, design, construction of plants and equipment), business and Ship Operation Business, etc.

(1) Marine Products Business

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

<Overview of the consolidated fiscal year under review>

We recorded 262,108 million yen, down 27,481 million yen year-on-year in sales, and 5,984 million yen, down 5,865 million yen year-on-year, in operating profit in the Marine Products Business.

Fishery Business: Both revenue and income decreased year-on-year.

[Japan]

- Sardine and mackerel catches were strong, but buri yellowtail and others' catches were weak and sluggish fish prices resulting in reduced revenue and income.

[South America]

- Both revenue and income declined since Southern blue whiting catch was slow.

Aquaculture Business: Both revenue and income decreased year-on-year.

[Japan]

- Sales of farmed fish to mass retailers increased thanks to increased consumption in households due to self-restraint from going out. However, in addition to falling sales prices, many farmed tunas died due to typhoons, resulting in higher costs and lower profits.

[South America]

- Both revenue and income decreased in the salmon/trout business due to the decline in sales volume because of reducing production in addition to falling sales prices.

Seafood Processing and Trading Business: Both revenue and income decreased year-on-year.

[Japan]

- Revenue decreased as the sales prices of salmon/trout, surimi, and buri yellowtail declined, in addition to the decreasing sales volume of salmon/trout and pollock roe.

[North America]

- Both revenue and income decreased as the yield decreased in the surimi and fillet of Alaskan pollock and increased labor costs.

[Europe]

- Both revenue and income decreased as sales for dining out and cruise ship has shrunk.

(2) Food Products Business

The Food Products segment is engaged in the food processing and chilled foods businesses.

<Overview of the consolidated fiscal year under review>

We recorded 330,037 million yen, down 7,207 million yen year-on-year in sales and 14,005 million yen, up 1,244 million yen year-on-year, in operating profit in the Food Products Business.

Processed Foods Business: Revenue decreased, but income increased year-on-year.

- Income increased by covering the struggling commercial foods thanks to the strong sales in frozen food and chilled food for household use both in Japan and overseas.

Chilled Foods Business: Both revenue and income decreased year-on-year.

- Orders for convenience stores declined in the first half as the number of people going outside decreased because of increasing work from home and decreased demand tourism. Both revenue and income decreased while sales for chilled bento, or lunch box, and cooked noodles grew, and the cost reduction effect emerged in the second half.

(3) Fine Chemicals Business

The Fine Chemicals segment is engaged in the manufacture and sale of pharmaceutical raw materials, functional raw materials (Note 1), functional foods (Note 2), diagnostic medicines, and test drug.

<Overview of the consolidated fiscal year under review>

We recorded 26,421 million yen, down 601 million yen in sales year-on-year, and 2,397 million yen, down 202 million yen year-on-year, in operating profit in the Fine Chemical Business.

[Pharmaceutical Raw Materials, Functional Raw Materials and Functional Foods]

- Income increased as functional raw materials and functional foods sold well while sales of pharmaceutical raw materials decreased.

[Clinical Diagnostic and Test Drug]

- Although sales of diagnostic equipment increased, the sales composition ratio of products with high-cost ratios increased, resulting in lower revenue and income.

(4) General Distribution Business

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

<Overview of the consolidated fiscal year under review>

We recorded 16,671 million yen, up 75 million yen year-on-year, in sales and 2,202 million yen, up 215 million yen year-on-year, in operating profit in the General Distribution Business.

- Despite a continuing trend of sluggish cargo movement and a decrease in warehousing by commercial customers, income increased thanks to the new operation of Osaka Maishima Logistics Center Building No. 2 and the effect of cost reduction.

(Note 1) EPA, DHA, and others mainly used as ingredients of health supplements and infant formula

(Note 2) Supplements such as EPA, DHA, and "i-mark S," food for specified health uses (FOSHU), for online business

(2) Explanation on the consolidated financial position

(Unit: million yen)

	FY2019	FY2020	Increase/Decrease
Current Assets	253,115	231,751	(21,364)
(Inventories)	131,053	127,926	(3,126)
Non-current Assets	238,417	243,663	5,245
Total Assets	491,533	475,415	(16,118)
Current Liabilities	196,895	153,467	(43,428)
Non-current Liabilities	122,337	134,021	11,683
Liabilities	319,233	287,489	(31,744)
Total Net Assets	172,300	187,926	15,625

Assets

Total assets decreased by 16,118 million yen, compared to the previous consolidated fiscal year's end to 475,415 million yen (down 3.3%).

Current assets decreased by 21,364 million yen to 231,751 million yen (down 8.4%). The main reason for this was a decrease in cash and deposit, secured as a measure against COVID-19 by establishing a commitment line of 16,384 million yen. Also, inventories decreased by 3,126 million yen because of strengthening control.

Non-current assets increased by 5,245 million yen to 243,663 million yen (up 2.2%), mainly due to an increase in investment securities by 5,591 million yen due to the rise in stock prices.

Liabilities

Total liabilities decreased by 31,744 million yen, compared to the end of the previous consolidated fiscal year to 287,489 million yen (down 9.9%)

Current liabilities decreased by 43,428 million yen to 153,467 million yen (down 22.1%), mainly due to a decrease in short-term borrowings by 52,299 million yen by the procurement of low interest and stable long-term borrowings, and an increase in notes and accounts payable by 6,188 million yen.

Non-current liabilities increased by 11,683 million yen to 134,021 million yen (up 9.6%). As mentioned in the factors for the decrease in current liabilities, the main reason was an increase in long-term borrowings by 11,868 million yen.

Net Assets

Total net assets increased by 15,625 million yen (up 9.1%) compared to the previous consolidated fiscal year to 187,926 million yen. It was mainly because of posting profit attributable to owners of parent of 14,452 million yen, payment of dividends of surplus by 2,648 million yen, an increase in valuation difference on available-for-sale of 5,041 million yen, as stated in the factors behind the increase in non-current assets, and a decrease in foreign currency translation adjustment by 1,242 million yen due to appreciating yen.

(3) State of cash flows

(Unit: million yen)

	FY2019	FY2020	Increase/Decrease
Net cash provided by operating activities	18,786	45,910	27,124
Net cash provided by investing activities	(29,446)	(18,023)	11,423
Net cash provided by financing activities	25,942	(44,786)	(70,728)
Cash and cash equivalent at the end of period	31,647	14,760	(16,887)

Net cash flows from operating activities were 45,910 million yen. It was mainly due to posting a total of 42,201 million yen in profit before income taxes and depreciation and income tax-paid by 3,824 million yen, in addition to a decrease in working capital, including an increase in trade payables by 9,805 million yen.

Net cash flows used in investing activities were 18,023 million yen. The main reason was there was an investment in vessels for the fishery businesses in Oceania and Japan. And, there were proceeds from sales of shares of subsidiaries resulting in a change in the scope of consolidation and proceeds from sales of investment securities.

Net cash flows used in financing activities were 44,786 million yen, mainly due to the increasing long-term borrowing by 9,126 million yen in net, decreasing short-term borrowings by 49,282 million yen in net and dividend paid by 2,647 million yen.

Cash and cash equivalents decreased by 16,887 million yen from the previous consolidated fiscal year to 14,760 million yen.

(4) Full-year Forecast

The outlook is uncertain because the convergence of the new coronavirus is unclear, and restrictions such as surveys for overseas expansion, which is the key to growth strategies, continue. Still, in the fiscal year ending March 2022, we will firmly discuss the medium- to long-term vision and strategy for realizing the vision. We will strengthen our constitution as a year to lead to the next medium-term management plan from the fiscal year ending March 2023.

We position strengthening the constitution as "overcoming weaknesses, expanding strengths and solidifying the foundation for regrowth." In addition to the rapid rebuilding of the domestic aquaculture business and chilled business, we will globally expand and strengthen delicious and healthy products that respond to changes in lifestyle and needs due to refraining from going out and increasing work from home. Specifically, we will further promote overseas expansion, such as expanding production functions in Europe and the United States and expanding sales channels to Asia. We will also work on the early realization of overseas expansion of pharmaceutical raw materials, the sophistication of aquaculture business utilizing digital technologies such as AI and IoT, and productivity improvement.

Furthermore, in addition to new initiatives such as product development, new businesses, and e-commerce that transcend the boundaries of each business, we will promote the creation of an environment in which diverse human resources who can realize these new ideas can work comfortably.

Regarding the domestic aquaculture business, which is an issue, we will hurry to improve profitability by reducing costs such as reducing artificial seedlings and expanding livestock farming for tuna. Also, increasing the size and improving the productivity of salmon/trout, and introducing artificial seedlings, and enhancing feed for amberjack. Regarding the chilled business, we will review the business structure, such as personnel adjustments and cost reductions in response to the decrease in sales, and aim to enter new categories.

We have set the following three important issues (materiality) when working to solve the social problems through our business.

"Preserve the bountiful sea and promote the sustainable utilization of marine resources and their procurement."

"Contribute a healthy lifestyle with food safety and security."

"Aim to be a company where diverse human resources play an important role in addressing the social agenda."

In the fiscal year ending March 31, 2022, we will clarify specific goals and further strengthen our business.

Priority initiative theme	Initiatives
Efforts to build a sustainable marine products business	<ul style="list-style-type: none"> - Business development and procurement considering the sustainability of marine resources - Examination of methods for ensuring traceability of marine products
Efforts to reduce CO2 emissions	<ul style="list-style-type: none"> - Setting specific targets for reducing CO2 emissions - Extract climate change risks and opportunities and disclose information
Efforts to respect human rights throughout the value chain	<ul style="list-style-type: none"> - Build systems to promote respect for human rights, promote employee understanding and raise awareness - Implementation of human right due diligence
Efforts to promote diversity	<ul style="list-style-type: none"> - Setting specific goals for promoting women's empowerment

As we expect the normalization of the global economy is expected to take time, we have included a certain amount of risk in our earnings forecasts for the fiscal year ending March 31, 2022, as the table below. The difference between the new standard and the old standard due to "Accounting Standard for Revenue Recognition," etc., is mainly seen in net sales, and the impact of net sales in fiscal 2020 will be minus 40,000 million yen. The deduction was mainly due to the removal of consideration paid to customers, such as rebates included in selling, general and administrative expenses, from sales.

We plan to pay an annual dividend of 9.5 JPY per share for the next fiscal year, the same as in the fiscal year 2020.

(Unit: Million yen)				
	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent
FY2021(New Standard)	642,000	20,000	23,000	15,000
FY2020(New Standard)	614,887	17,965	22,636	14,361
Difference	27,113	2,035	364	639
Y-on-Y	104.4%	111.3%	101.6%	104.4%

(Note) "Accounting Standards for Revenue Recognition" have been applied since the beginning of the fiscal year ending March 2022. The above-consolidated earnings forecast for the fiscal year ending March 2022 and the actual results for the fiscal year ending March 2021 are the amounts after the relevant accounting standards have been applied.

(Note) The above forecast is based on the information available at the issuing date of this report. Accordingly, the final results may change due to various factors.

2. Basic Policy of selecting accounting standard

We use the Japanese standard to make financial statements based on consolidated financial statements and comparability among group companies.

We will accommodate properly regarding the adaption of IFRS in the future in the light of foreign and domestic circumstances.

3. Consolidated Financial Statement

(1) Consolidated Balance Sheet

Million yen

	FY2019 As of Mar. 31, 2020	FY2020 As of Mar. 31, 2021
Assets		
Current assets		
Cash and deposits	27,371	10,986
Notes and accounts receivable-trade	79,962	77,094
Securities	431	-
Merchandise and finished goods	68,300	67,047
Work in process	28,740	26,069
Raw materials and supplies	34,012	34,809
Other	14,600	16,082
Allowance for doubtful accounts	(303)	(338)
Total current assets	253,115	231,751
Non-current assets		
Property, plant and equipment		
Buildings and structures	154,455	153,708
Accumulated depreciation	(92,940)	(92,635)
Buildings and structures, net	61,515	61,072
Machinery, equipment and vehicles	156,319	157,279
Accumulated depreciation	(120,943)	(121,185)
Machinery, equipment and vehicles, net	35,375	36,094
Vessels	24,384	29,642
Accumulated depreciation	(16,404)	(17,879)
Vessels, net	7,980	11,763
Land	27,852	26,659
Leased assets	7,149	7,456
Accumulated depreciation	(3,086)	(3,664)
Leased assets, net	4,063	3,792
Construction in progress	8,631	5,273
Other	15,155	15,491
Accumulated depreciation	(12,532)	(12,719)
Other, net	2,622	2,772
Total property, plant and equipment	148,042	147,428
Intangible assets		
Goodwill	669	452
Software	1,990	2,021
Other	7,700	7,317
Total intangible assets	10,360	9,791
Investments and other assets		
Investment securities	32,485	38,076
Shares of subsidiaries and associates	32,773	34,566
Long-term loans receivable	1,857	1,438
Retirement benefit asset	122	229
Deferred tax assets	2,461	2,335
Other	15,126	14,369
Allowance for doubtful accounts	(4,810)	(4,573)
Total investments and other assets	80,015	86,443
Total non-current assets	238,417	243,663
Total assets	491,533	475,415

Consolidated Balance Sheet

Million yen

	FY2019 As of Mar. 31, 2020	FY2020 As of Mar. 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable-trade	35,476	41,665
Short-term borrowings	120,877	68,577
Lease obligations	738	701
Income taxes payable	2,119	4,207
Accrued expenses	23,280	23,096
Provision for bonuses	3,250	3,290
Provision for bonuses for directors (and other officers)	252	188
Provision for loss on sales of shares of subsidiaries and associates	216	-
Other provisions	23	-
Other	10,659	11,738
Total current liabilities	196,895	153,467
Non-current liabilities		
Long-term borrowings	100,361	112,230
Lease obligations	3,082	2,703
Deferred tax liabilities	2,501	4,517
Provision for retirement benefits for directors (and other officers)	87	71
Provision for share-based remuneration for directors (and other officers)	58	50
Retirement benefit liability	12,450	10,428
Other	3,796	4,020
Total non-current liabilities	122,337	134,021
Total liabilities	319,233	287,489
Net assets		
Shareholders' equity		
Capital stock	30,685	30,685
Capital Surplus	21,621	21,658
Retained earnings	96,237	107,928
Treasury shares	(474)	(476)
Total shareholders' equity	148,069	159,795
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,839	13,881
Deferred gains or losses on hedges	264	92
Foreign currency translation adjustment	186	(1,056)
Remeasurements of defined benefit plans	(4,208)	(3,139)
Total accumulated other comprehensive income	5,082	9,778
Non-controlling interests	19,148	18,352
Total net assets	172,300	187,926
Total liabilities and net assets	491,533	475,415

(2) Consolidated Income Statements

Million yen

	FY ended on March 31, 2020	FY ended on March 31, 2021
Net sales	690,016	656,491
Cost of sales	556,218	529,314
Gross profit	133,797	127,176
Selling, general and administrative expenses		
Sales commission	31,559	31,096
Storage costs	4,929	5,054
Shipment expenses	20,945	20,737
Advertising expenses	3,451	3,691
Difference of provision of allowance for doubtful accounts	73	52
Salaries and allowances	21,570	21,394
Bonuses	2,373	2,304
Provision for bonuses	1,534	1,592
Provision for bonuses for directors (and other officers)	281	195
Retirement benefit expenses	899	1,436
Depreciation	2,070	1,836
Rent and repair expenses	2,920	3,132
Travel, transportation and communication expenses	2,656	1,361
Other	15,695	15,211
Total selling, general and administrative expenses	110,962	109,097
Operating profit	22,834	18,079
Non-operating income		
Interest income	235	196
Dividend income	800	697
Foreign exchange gains	-	462
Gain on sales of investment securities	-	36
Share of profit of entities accounted for using equity method	2,820	2,770
Subsidy income	687	1,253
Miscellaneous income	615	693
Total non-operating income	5,161	6,110
Non-operating expenses		
Interest expenses	1,636	1,318
Foreign exchange losses	199	-
Loss on sales of investment securities	-	2
Miscellaneous expenses	352	118
Total non-operating expenses	2,188	1,439
Ordinary profit	25,807	22,750

Consolidated Income Statements

Million yen

	FY ended on March 31, 2020	FY ended on March 31, 2021
Extraordinary income		
Gain on sales of non-current assets	206	363
Gain on sales of investment securities	53	1,895
Gain on sales of shares of subsidiaries and associates	9	-
Gain on change in equity	11	-
Total extraordinary income	281	2,259
Extraordinary losses		
Loss on disposal of non-current assets	486	578
Impairment loss	258	553
Loss on sales of investment securities	0	3
Loss on valuation of investment securities	1,836	144
Loss on valuation of investments in capital	-	70
Extra retirement payments	-	90
Loss on disaster	421	1,008
Loss on relocation of factory	207	-
Provision of allowance for loss on sales of shares of subsidiaries and associates	216	-
Total extraordinary losses	3,426	2,448
Profit before income taxes	22,662	22,561
Income taxes-current	6,981	6,648
Income taxes-deferred	393	707
Total income taxes	7,374	7,356
Profit	15,287	15,205
Profit attributable to non-controlling interests	518	752
Profit attributable to owners of parent	14,768	14,452

Consolidated Statements of comprehensive income

Million yen

	FY ended on March 31, 2020	FY ended on March 31, 2021
Profit	15,287	15,205
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,250)	4,996
Deferred gains or losses on hedges	(63)	(261)
Foreign currency translation adjustment	(1,450)	(1,990)
Remeasurements of defined benefit plans, net of tax	(1,260)	1,040
Share of other comprehensive income of entities accounted for using equity method	(299)	1,019
Total other comprehensive income	(5,323)	4,804
Comprehensive income	9,963	20,009
(Breakdown)		
Comprehensive income attributable to owners of parent	9,485	19,149
Comprehensive income attributable to non-controlling interests	477	860

(3) Consolidated Statements of Changes in Net assets

Previous Fiscal Year (From April 1, 2019 to March 31, 2020)

	Shareholder's Equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,685	21,757	83,988	(471)	135,960
Changes during period					
Dividends of surplus			(2,492)		(2,492)
Profit attributable to owners of parent			14,768		14,768
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		0		0	0
Change in ownership interest of parent due to transactions with non-controlling interests		(11)			(11)
Increase due to decrease in affiliates			1		1
Decrease in retained earnings by increasing of equity method affiliates			(28)		(28)
Change in treasury shares arising from change in equity in entities accounted for using equity method				(0)	(0)
Changes in liabilities for written put options over non-controlling interests		(123)			(123)
Net changes in items other than shareholders' equity		(135)	12,248	(3)	12,109
Total changes during period	—	(135)	12,248	(3)	12,109
Balance at end of period	30,685	21,621	96,237	(474)	148,069

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,077	283	1,945	(2,941)	10,365	19,832	166,158
Changes during period							
Dividends of surplus							(2,492)
Profit attributable to owners of parent							14,768
Purchase of treasury shares							(2)
Disposal of treasury shares							0
Change in ownership interest of parent due to transactions with non-controlling interests							(11)
Increase due to decrease in affiliates							1
Decrease in retained earnings by increasing of equity method affiliates							(28)
Change in treasury shares arising from change in equity in entities accounted for using equity method							(0)
Changes in liabilities for written put options over non-controlling interests							(123)
Net changes in items other than shareholders' equity	(2,237)	(19)	(1,759)	(1,267)	(5,283)	(684)	(5,967)
Total changes during period	(2,237)	(19)	(1,759)	(1,267)	(5,283)	(684)	6,142
Balance at end of period	8,839	264	186	(4,208)	5,082	19,148	172,300

Current Fiscal Year (From April 1, 2020 to March 31, 2021)

	Shareholder's Equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,685	21,621	96,237	(474)	148,069
Changes during period					
Dividends of surplus			(2,648)		(2,648)
Profit attributable to owners of parent			14,452		14,452
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		0	0
Change in ownership interest of parent due to transactions with non-controlling interests		10			10
Decrease in retained earnings by increasing of consolidated subsidiaries			(6)		(6)
Decrease in due to changes in accounting period of consolidated subsidiaries			(0)		(0)
Decrease in due to changes in accounting period of equity method affiliates			(106)		(106)
Change in treasury shares arising from change in equity in entities accounted for using equity method				(0)	(0)
Changes in liabilities for written put options over non-controlling interests		25			25
Net changes in items other than shareholders' equity	—	36	11,690	(1)	11,725
Total changes during period	—	36	11,690	(1)	11,725
Balance at end of period	30,685	21,658	107,928	(476)	159,795

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	8,839	264	186	(4,208)	5,082	19,148	172,300
Changes during period							
Dividends of surplus							(2,648)
Profit attributable to owners of parent							14,452
Purchase of treasury shares							(1)
Disposal of treasury shares							0
Change in ownership interest of parent due to transactions with non-controlling interests							10
Decrease in retained earnings by increasing of consolidated subsidiaries							(6)
Decrease in due to changes in accounting period of consolidated subsidiaries							(0)
Decrease in due to changes in accounting period of equity method affiliates							(106)
Change in treasury shares arising from change in equity in entities accounted for using equity method							(0)
Changes in liabilities for written put options over non-controlling interests							25
Net changes in items other than shareholders' equity	5,041	(171)	(1,242)	1,068	4,696	(796)	3,899
Total changes during period	5,041	(171)	(1,242)	1,068	4,696	(796)	15,625
Balance at end of period	13,881	92	(1,056)	(3,139)	9,778	18,352	187,926

(4) Consolidated Statements of Cash-Flow

	Million yen	
	FY ended on March 31, 2020	FY ended on March 31, 2021
Cash flows from operating activities		
Profit before income taxes	22,662	22,561
Depreciation	19,450	19,640
Impairment loss	258	553
Amortization of goodwill	263	231
Increase (decrease) in allowance for doubtful accounts	(123)	(23)
Increase (decrease) in retirement benefit liability	(563)	(810)
Interest and dividend income	(1,036)	(894)
Interest expenses	1,636	1,318
Share of loss (profit) of entities accounted for using equity method	(2,820)	(2,770)
Gain on sales of non-current assets	(206)	(363)
Loss on disposal of noncurrent assets	486	578
Loss (gain) on sales and valuation of investment securities	1,783	(1,782)
Loss on valuation of investments in capital	—	70
Loss on disaster	421	1,008
Loss (gain) on sales of shares of subsidiaries and associates	(9)	—
Loss (gain) on change in equity	(11)	—
Loss on relocation of factory	207	—
Extra retirement payments	—	90
Provision of allowance for loss on sales of shares of subsidiaries and associates	216	—
Decrease (increase) in trade receivables	8,741	1,621
Decrease (increase) in inventories	(2,621)	1,577
Increase (decrease) in trade payables	(14,197)	6,624
Increase (decrease) in accrued expenses	(4,003)	(17)
Other, net	(2,998)	723
Subtotal	27,533	49,937
Interest and dividends received	1,003	874
Interest paid	(1,695)	(1,283)
Proceeds from insurance income for disaster loss	—	235
Payments associated with disaster loss	—	(28)
Income taxes paid	(8,054)	(3,824)
Net cash provided by(used in) operating activities	18,786	45,910

	FY ended on March 31, 2020	FY ended on March 31, 2021
Cash flows from investing activities		
Decrease (increase) in time deposits	(4)	(4)
Decrease(increase) in short-term investment securities	500	-
Purchase of property, plant and equipment	(27,948)	(23,325)
Proceeds from sales of property, plant and equipment	358	1,009
Purchase of intangible assets	(643)	(903)
Purchase of investment securities	(1,040)	(44)
Proceeds from sales of investment securities	102	3,137
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,042)	-
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	14
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	2,401
Decrease (increase) in short-term loans receivable	126	(154)
Other, net	144	(154)
Net cash provided by (used in) investing activities	(29,446)	(18,023)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	18,782	(49,282)
Proceeds from long-term borrowings	28,747	24,289
Repayments of long-term borrowings	(17,284)	(15,163)
Repayments of lease obligations	(748)	(786)
Proceeds from share issuance to non-controlling share holders	12	-
Dividends paid	(2,490)	(2,647)
Dividends paid to non-controlling interests	(510)	(277)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(563)	(916)
Decrease (increase) in treasury shares	(2)	(1)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	25,942	(44,786)
Effect of exchange rate change on cash and cash equivalents	200	(10)
Net increase (decrease) in cash and cash equivalents	15,482	(16,908)
Cash and cash equivalents at beginning of period	16,165	31,647
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	-	20
Cash and cash equivalents at end of period	31,647	14,760

(5) Notes on Consolidated Financial Statements

(Notes on the Premise of Going Concern)

Not applicable.

[Changes in presentation]

(Related to Consolidated Balance Sheet)

"Shares of subsidiaries and associates," which was included in "Investment securities" under "Investments and other assets" in the previous fiscal year, is presented as a separate line item from the current fiscal year for clarity.

The consolidated financial statements for the previous fiscal year have been reclassified to reflect this change. As a result, 32,773 million yen included in "Investment securities" of investments and other assets in the consolidated balance sheets for the previous fiscal year has been reclassified as "shares of subsidiaries and associates."

(Segment Information, etc.)

[Segment Information]

1. Overview of reportable segments

The Company's reportable segments comprise constituent units of the Company for which separate financial information may be obtained. The board of directors examines these segments regularly to determine the allocation of management resources and evaluate operating performance.

The Company's business operations involve linking marine resources to the everyday lives of its customers, which is done by formulating comprehensive strategies by product/service both in Japan and overseas.

Therefore, the Company's segments classified by product/service consist of "Marine Products business," "Foods business," "Fine Chemicals business," and "General Distribution business."

"Marine Products" include the fishing, aquaculture, purchasing, processing, and selling marine products (fresh/frozen fish, fish meal & fish oil).

"Food Products" include the manufacturing and selling frozen food, shelf-stable foods, and other processed foods.

"Fine Chemicals" include the manufacturing and selling diagnostic medicines, general pharmaceuticals, medical ingredients, and health foods.

"General Distribution" consists of the cold storage and transportation of frozen and refrigerated goods that back up the above businesses.

The Company is engaged in the above businesses mainly in the five regions of Japan, North America, South America, Asia, and Europe.

2. Method of Measuring the Amount of Net Sales, profit(loss), assets, and other items by segment

The accounting methods used by the reported business segments are generally the same as those described under the "Significant Matters Fundamental to the Preparation of the Consolidated Financial Statements." Profits of the business segments are operating income-based figures. Intersegment revenues and transfers are valued at prices used in third-party transactions.

From the first quarter of the consolidated fiscal year under review, part of the consolidated subsidiary's segmentation was separated into the Food Products Business and the Marine Products Business, which used to be divided into the Food Business only and the review of organization change. Net sales and operating profit by the segment under review were created according to the revised segmentation.

3. Information of net sales, profit (loss), assets, and other items by segment

Previous Fiscal Year ended March 31, 2020

	Reportable Segments					Others (*Note1)	Total	Consolidated Adjustment (*Note 2)	Consolidated (*Note3)
	Marine Products	Food Products	Fine Chemicals	General Distribution	Total				
Sales									
Sales to third-parties	289,589	337,245	27,023	16,596	670,454	19,561	690,016	-	690,016
Inter-segment sales and transfers	14,945	3,859	273	9,725	28,803	1,982	30,785	(30,785)	-
Total	304,534	341,104	27,296	26,322	699,257	21,543	720,801	(30,785)	690,016
Segment income(loss)	11,850	12,761	2,599	1,986	29,198	413	29,611	(6,777)	22,834
Asset by segment	198,915	165,537	53,279	25,664	443,398	6,098	449,496	42,037	491,533
Other									
Depreciation and amortizations	6,858	7,632	1,870	1,445	17,807	295	18,103	1,347	19,450
Amortization of goodwill	79	100	-	-	179	83	263	-	263
Equity in earnings (losses) of affiliates	2,870	140	(229)	39	2,820	-	2,820	-	2,820
Impairment loss	238	19	0	-	258	-	258	0	258
Investments in entities accounted for using equity method	29,305	2,484	192	1,522	33,504	-	33,504	-	33,504
Unamortized balance of goodwill	80	505	-	-	586	83	669	-	669
Increase in property, plant and equipment, and intangible assets	11,020	9,330	2,304	3,753	26,408	77	26,486	866	27,352

(Note)

- The "Other" segment includes the building/repair of ships, engineering, and other businesses not included in the reportable segments.
- The (6,777) million yen segment income adjustment comprises 18 million yen in inter-segment elimination and (6,796) million yen in corporate expenses not allocated to the segments. Corporate expenses include mainly selling, general and administrative expenses not allocated to the segments.
 - The segment assets adjustment amounted to 42,037 million yen are corporate assets not allocated to the segments, mainly composed of long-term investments (investment securities) and assets relating to the R&D department.
 - The depreciation adjustment amounted to 1,347 million yen is the depreciation of corporate assets.
 - The impairment loss adjustment amount to 0 million yen is for the impairment loss of corporate assets.
 - An increase in property, plant, and equipment and intangible assets adjustment amount to 866 million yen in capital expenditure of corporate assets.
- Total segment income corresponds to the operating profit reported in the consolidated income statements.
- Total segment liabilities are not described because it is not an examination object to decide the evaluated allocation of management resources and business performance.

Current Fiscal Year ended March 31, 2021

	Reportable Segments					Others (*Note1)	Total	Consolidated Adjustment (*Note 2)	Consolidated (*Note3)
	Marine Products	Food Products	Fine Chemicals	General Distribution	Total				
Sales									
Sales to third-parties	262,108	330,037	26,421	16,671	635,239	21,151	656,491	-	656,491
Inter-segment sales and transfers	13,773	1,705	241	9,730	25,449	2,181	27,631	(27,631)	-
Total	275,881	331,742	26,663	26,402	660,689	23,433	684,122	(27,631)	656,491
Segment income(loss)	5,984	14,005	2,397	2,202	24,590	734	25,324	(7,245)	18,079
Asset by segment	194,266	170,311	56,706	24,455	445,739	7,262	453,002	22,413	475,415
Other									
Depreciation and amortizations	6,996	7,714	1,700	1,800	18,211	230	18,441	1,198	19,640
Amortization of goodwill	26	120	-	-	147	83	231	-	231
Equity in earnings (losses) of affiliates	2,590	198	(52)	34	2,770	-	2,770	-	2,770
Impairment loss	76	325	-	151	553	-	553	-	553
Investments in entities accounted for using equity method	30,748	2,638	112	1,556	35,056	-	35,056	-	35,056
Unamortized balance of goodwill	54	397	-	-	452	-	452	-	452
Increase in property, plant and equipment, and intangible assets	10,106	9,429	999	1,029	21,564	76	21,641	972	22,613

(Note)

- The "Other" segment includes the building/repair of ships, engineering, and other businesses not included in the reportable segments.
- (1) The (7,245) million yen segment income adjustment comprises 38 million yen in inter-segment elimination and (7,284) 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) The segment assets adjustment amounted to 22,413 million yen are corporate assets not allocated to the segments, mainly composed of long-term investments (investment securities) and assets relating to the R&D department.
 - (3) The depreciation adjustment amounted to 1,198million yen is the depreciation of corporate assets.
 - (4) An increase in property, plant, and equipment and intangible assets adjustment amount to 972 million yen in capital expenditure of corporate assets.
- Total segment income corresponds to the operating profit reported in the consolidated income statements.
- Total segment liabilities are not described because it is not an examination object to decide the evaluated allocation of management resources and business performance.

[Related Information]

Previous Fiscal Year ended March 31, 2020

1. Information of area

(1) Net Sales

(Unit: Million yen)

Japan	North America	Europe	Others	Total
474,110	90,030	88,397	37,477	690,016

(Note) Net Sales are based on customer's addresses and classified by countries and geographical area.

(2) Property, plant, and equipment

(Unit: Million yen)

Japan	North America	Others	Toatl
105,668	15,851	26,521	148,042

2. Information on main customers

(Unit: Million yen)

Customer's name	Net Sales	Segment
SCI, Inc.	76,180	Foods

Current Fiscal Year ended March 31, 2021

1. Information of area

(1) Net Sales

(Unit: Million yen)

Japan	North America	Europe	Others	Total
449,833	89,610	88,334	28,712	656,491

(2) Property, plant, and equipment

(Unit: Million yen)

Japan	North America	Others	Toatl
102,197	15,287	29,943	147,428

2. Information on main customers

The details of major customers were omitted because there were no customers who accounted for 10% of net sales for consolidated income statements.

[Significant subsequent events]

(Announcement Concerning Absorption-Type Merger of Important Subsidiary Companies)

At the Board Meeting held on April 28, 2021, Nissui resolved to merge Delmar Co., Ltd., a wholly-owned subsidiary of our company, and entered into a merger agreement on the same day. Based on this agreement, our company will absorb Delmar Co., Ltd. on July 1, 2021.

1. Overview of the transaction
 - 1) The name of the Combinee and the details of its business
Name of Combinee: Delmar Co., Ltd.
Business Details: Production and sales frozen seafood products
 - 2) Date of Business Combination
July 1, 2021
 - 3) Legal form of business combination
Merger with our company as the surviving company and Delmar Co., Ltd. as the absorbed company
 - 4) Name of Combined Enterprise
Nippon Suisan Kaisha, Ltd.
 - 5) Purpose of Business Combination
The purpose of the absorption-type merger is to further improve management efficiency by consolidating management resources and consolidating operations in our group.
2. Outline of the accounting treatment to be implemented
In accordance with “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, January 16, 2019) and “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, January 16, 2019), the Company plans to treat these transactions as transactions under common control.

4. Other

(1) Changes of Officers (to be effective on June 25, 2021)

(1) Change of the representative

Not applicable

(2) Change of other Board Members and Auditors

i.) Candidates for newly appointed Board Members

Name	New Position	Current Position
Shinya Yamashita	Board Member, Executive Officer, Commissioned Fine Chemicals Business Operating Officer In charge of R&D Group	Executive Officer, In charge of R&D Group and Food Safety Research Department
Tokio Matsuo	Outside Board Member	Advisor of Nippon Carbide Industry Co., Ltd.

ii.) Board Members scheduled to retire

Name	Current Position
Yoichi Sekiguchi	Board Member, Managing Executive Officer, Commissioned Fine Chemicals Business Operating Officer
Kazuo Ohki	Outside Board Member

iii.) Candidates for newly appointed Auditors

Name	New Position	Current Position
Masahiro Yamamoto	Audit & Supervisory Board Member	Certified Public Accountant Inspector of Japan Professional Basketball League Director (Audit and Supervisory Committee member) of DIGITAL HOLDINGS, Inc.
Tadashi Kanki	Audit & Supervisory Board Member	Full-Time Audit & Supervisory Board Member of Nippon Express Co., Ltd.

iv.) Auditors scheduled to retire

Name	Current Position
Motohide Ozawa	Audit & Supervisory Board Member
Toshinari Iyoda	Audit & Supervisory Board Member

(2) Change of Executive Officers

(1) Candidates for newly appointed Executive Officers (to be effective on June 25, 2021)

Name	New Position	Current Position
Hirofumi Nakano	Executive Officer, Commissioned Deputy Food Products Business Operating Officer In charge of Production Group, Business Development Department, Supply Chain Management Department and ICT Department	Deputy Food Products Business Operating Officer
Taro Baba	Executive Officer, Commissioned Legal Department In charge of General Affairs Department	Managing Director of Legal Department

(2) Executive Officers scheduled to retire

Name	Current Position	Scheduled to retire on
Yoichi Sekiguchi	Managing Executive Officer	June 25, 2021
Tetsuya Shindo	Executive Officer	June 23, 2021

(3) Executive Officer scheduled to promote (to be effective on June 25, 2021)

Name	New Position	Current Position
Kouji Umeda	Managing Executive Officer, Commissioned Food Products Business Operating Officer In charge of Marketing Planning Department	Executive Officer, Commissioned Food Products Business Operating Officer In charge of Production Group