19th December, 2007

(Correction) Concerning the revision to the *Interim Report for the Year ending March 31, 2008* resulting from the announcement of irregular tradings

Revisions will be made to the *Interim Report for the Year ending March 31, 2008*, which was announced on November 13, 2007, for the following reasons.

1. Reasons for the revision

As a result of the announcement by Nissui's consolidated subsidiary, Hohsui Corporation, on December 17, 2007, of the results of the investigation into irregular trading, which was disclosed on October 24, 2007, revisions shall be made in Nissui's current interim consolidated financial statements to reflect the revisions to Hohsui Corporation's financial results for the six months ended September 30, 2007 and to recognize the entire revision amounts to the financial results of Hohsui Corporation for the year ended March 31, 2007, as one-time extraordinary expenses.

No changes shall be made to the consolidated performance forecast for the term ending March 31, 2008 as a result of these revisions.

2. Details of revision

For the reason stated in 1 above, additional losses incurred as a result of irregular trading will be recognized for the six months ended September 30, 2007.

As a result of the above, net sales of 267,691 million yen (267,785 million yen before revision), an operating income of 6,206 million yen (6,207 million yen before revision), an ordinary income of 5,827 million yen (5,828 million yen before revision), an irregular trading-related extraordinary loss of 174 million yen (0 yen before revision), and a net income of 1,238 million yen (1,339 million yen before revision) shall be recorded for the current interim term.

3. Financial result of revision

(Unit:million yen)

	Item	Pre correction	Post correction	Difference
Interim consolidated income statement	Net sales	267,785	267,691	△ 94
	Cost of sales	212,292	212,199	△ 93
	Gross profit	55,492	55,491	△ 1
	Operating income	6,207	6,206	△ 1
	Ordinary income	5,828	5,827	△ 1
	Irregular trading-related extraordinary loss		174	174
	Total extraordinary loss	2,507	2,681	174
	Icome before income taxes and minority interests	3,460	3,285	△ 175
	Minority interest(deduct)	△ 55	△ 129	△ 74
	Interim net income	1,339	1,238	△ 101
Interim consolidated balance sheet	Current assets	190,905	190,733	△ 172
	Notes and accounts receivable-trade	72,718	72,650	△ 68
	Inventories	82,278	82,174	△ 104
	Total assets	425,768	425,596	△ 172
	Current liabilities	190,906	190,909	3
	Notes and accounts payable-trade	29,749	29,752	3
	Total liabilities	296,452	296,455	3
	Owner's equity	89,050	88,949	△ 101
	Retained earnings	51,383	51,282	△ 101
	Minority interests	15,216	15,142	△ 74
	Total Net assets	129,315	129,140	△ 175
	Total liabilities and net assets	425,768	425,596	△ 172
Iterim consolidated cash flow statement	Interim net icome before income taxes and minority interests	3,460	3,285	△ 175
	Decrease(Increase△) in accounts receivable-trade	△ 1,870	△ 1,802	68
	Decrease(Increase△) in inventories	△ 9,611	△ 9,507	104
	Decrease△(Increase) in accounts payable-trade	△ 1,281	△ 1,278	3

4. Revised sections

Since extensive revisions have been made, the revised version of the Interim Report with underlines indicating the revised sections along with the entire text before revision of the Interim Report, which was announced on November 13, 2007, has been attached.

Post correction

Summary of financial statement

The Interim Report for the Year ending March 31, 2008 (April 1, 2007 through September 30, 2007)

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.

December 6, 2007

Company	Nippon Suisan Kaisha, Ltd.
Stock Code	1332
President	Kakizoe Naoya
Inquiries	Sato Kouki, General manager General affairs Department

Listed exchanges : Tokyo, Osaka
URL http://www.nissui.co.jp
TEL 03 - 3244 - 7181

Expected submission date for semiannual report : December 26, 2007

Expected date for dividend payment : December 6, 2007

(Amounts less than one million yen are omitted)

1. Consolidated Financial Data for the Six Months Ended September 31, 2007

(1) Consolidated Financial Results

Notes : Each percentage figure shows rates of change from each same term as of the previous year.

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Sep. 30 2007	**267,691**	**(4.8)**	**6,206**	**(26.6)**	**5,827**	**(28.2)**	**1,238**	**(66.5)**
Six months ended Sep.30 2006	281,047	6.5	8,456	39.4	8,118	33.4	3,702	62.2
FY ended in March 31, 2007	552,871	-	16,544	-	16,065	-	9,301	-

	Net income per share	Diluted income per share
	Yen	Yen
Six months ended Sep. 30 2007	**4.48**	-
Six months ended Sep.30 2006	13.39	-
FY ended March 31, 2007	33.64	-

Notes: Equity in Earnings of affiliates : FY2007 First-half 583 million yen, FY2006 First-half 503 million yen, FY2006 1,643 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Six months ended Sep. 30 2007	**425,596**	**129,140**	**26.8**	**412.31**
Six months ended Sep.30 2006	404,606	117,280	25.2	368.94
FY ended March 31, 2007	404,173	127,351	27.7	404.59

Notes: Shareholder's equity : FY2007 First-half 113,998 million yen, FY2006 First-half 102,020 million yen, FY2006 111,870 million yen

(3) Consolidated Cash Flow Statement

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	Million yen	Million yen	Million yen	Million yen
Six months ended Sep. 30 2007	**(4,653)**	**(8,647)**	**14,676**	**14,584**
Six months ended Sep.30 2006	(626)	(13,825)	13,340	10,172
FY ended March 31, 2007	16,744	(22,990)	8,098	12,900

2. Dividend

	Dividend per share		
(Record date)	Interim	Final	Annual
	Yen	Yen	Yen
FY ended March 31, 2007	4.00	5.00	9.00
FY ended March 31, 2008	**5.00**		10.00
FY ending March 31, 2008 (forecast)		5.00	

3. Forecast for the Year ending March 31, 2008, Consolidated

Notes : Each percentage figure shows rates of change from each same term as of the previous year.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY ending March 31, 2008	**535,000**	**(3.2)**	**13,000**	**(21.4)**	**11,500**	**(28.4)**	**12,000**	**29.0**	**43.40**

4. Other information

(1) Change in scope of consolidation due to transfer of significant subsidiaries during the term : None

(2) Changes of accounting treatments, preparation and disclosure

1) Changes due to revison of accounting standard : Yes

2) Others No

(3) Number of Issued Common Stocks

1) Issued stocks at the end of each period (Treasury stocks included)

FY2007 First-half 277,210,277 stocks FY2006 First-half 277,210,277 stocks FY2006 277,210,277 stocks

2) Treasury stocks at the end of each period

FY2007 First-half 726,166 stocks FY2006 First-half 688,317 stocks FY2006 708,697 stocks

(Reference) Summary of Non-consolidated financial statements

1. Non-consolidated Financial Data of the Six months ended September 30, 2007

(1) Non-consolidated Financial Results

	Net sales		Operating income		Ordinary income		Net income	
	Million of yen	%	Million of yen	%	Million of yen	%	Million of yen	%
Six months ended Sep. 30 2007	**170,646**	**(0.6)**	**1,984**	**(35.0)**	**2,757**	**(26.5)**	**535**	**(78.7)**
Six months ended Sep.30 2006	171,723	2.0	3,050	3.1	3,750	3.1	2,511	39.3
FY ended in March 31, 2007	343,666	-	6,169	-	8,248	-	4,960	-

Note : Each percentage figure shows rates of change from each same term as of the previous year.

	Net income per share
	Yen
Six months ended Sep. 30 2007	**1.94**
Six months ended Sep.30 2006	9.08
FY ended in March 31, 2007	17.94

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million of yen	Million of yen	%	Yen
Six months ended Sep. 30 2007	**276,691**	**74,785**	**27.0**	**270.48**
Six months ended Sep.30 2006	266,648	76,690	28.8	277.33
FY ended in March 31, 2007	265,015	77,491	29.2	280.24

Notes: Shareholder's equity FY2007 First-half 74,785 million yen, FY2006 First-half 76,690 million yen, FY2006 77,491 million yen

2. Forecast for the Year ending March 31, 2008, Non-consolidated

	Net sales		Operating Income		Ordinary Income		Net Income		Net income per share
	Million of yen	%	Million of yen	%	Million of yen	%	Million of yen	%	Yen
FY ending March 31, 2008	**344,000**	**0.1**	**5,000**	**(19.0)**	**6,600**	**(20.0)**	**11,500**	**131.8**	**41.59**

Note : Each percentage figure shows rates of change from each same term as of the previous year.

Hohsui Corporation, which is one of our consolidated subsidiaries, announced "Information regarding occurrence of inappropriate transaction" at October 24, 2007.
Its impact to the consolidated financial results above-mentioned is not factored due to the difficulties for culculation at the present moment.
Additional disclosure will be made timely and appropriately as necessary.
The forecast above is based on information available on the issuing date of this report. Accordingly, the final results may change due to various factors.

[1] Financial Results

I. Analysis of Financial Results
1. Financial Results of the Current Interim Period

During the period under review, the Japanese economy experienced a steady recovery trend prompted by an upswing in the employment situation resulting from improved corporate earnings and brisk private consumption. As for the global economy, the U.S. economy slowed down amid concerns for the subprime mortgage crisis, while in Asia the economy continued to grow, thanks mainly to the strides taken by China.

In the industries in which the Company and its corporate group operate, the business environment in Japan remained austere due to soaring purchase price of seafood caused by strong worldwide demand, as well as the hike in the raw materials prices of processed products, in addition to the effects of the growing concerns over food safety. In the United States and Europe, the price of white fish remained steady, while movements to raise the price of raw materials of processed foods were discerned.

Under these circumstances, the Company and its corporate group made a concerted effort to promote the medium-term management policy named "New TGL Plan" (True Global Links), which aimed to enhance its business field to a higher state-of-the-art level and to improve the profitability of its business structure, as well as reinforce its quality assurance system to ensure the delivery of safe products that would satisfy every one of our customers.

As a result of the above circumstances, as well as the difficulty of passing on the increased costs from the rise of fuel prices, the prices of main and auxiliary materials, and the prices of equipment and materials, onto sales prices, operating results for this interim period were sales in the amount of 267,691 million yen, down 13,355 million yen (4.8%) year-on-year; operating income of 6,260 million yen, down 2,249 million yen (26.6%) year-on-year; and ordinary income of 5,827 million yen, down 2,291 million yen (28.2%) year-on-year.

As for extraordinary gains and losses, an extraordinary loss of 2,681 million yen was declared, which included retirement benefits for directors. As a consequence, interim net income was 1,238 million yen, down 2,464 million (66.5%) year-on-year.

As a result of announcement by Nissui's consolidated subsidiary, Housui Corporation, on December 17, 2007, of the results of the investigation into irregular trading, which was disclosed on October 24, 2007, revisions shall be made in Nissui's current interim consolidated financial statements to reflect the revisions to Hohsui Corporation's financial results for the six months ended September 30, 2007 and to recognize the entire revision amounts to the financial results of Hohsui Corporation for the year ended March 31, 2007, as one-time extraordinary expenses.
The Company and its corporate group intend to thoroughly enforce compliance and the fundamental actions aimed at preventing such irregularities, as well as further improve the risk management structure of the entire group, including the reinforcement of mutual checks and balances and the monitoring functions.

1) Performance by Major Business Segment
(1) Marine Products Business
Sales increased by 4,525 million yen year-on-year to 115,017 million yen, owing mainly to the effects of the acquisition in North America of F.W. Bryce in April 2006. However due to the decrease in sales volume of surimi (fish paste), shrimp, and eel imported from China, the effects of the earthquake and fish diseases in the aquaculture business in Chile and the delays in the reforms of the food processing and shrimp aquaculture operations in Asia, operating income fell by 538 million yen year-on-year to 1,729 million yen.

(2) Foods Business
Sales decreased by 18,900 million yen year-on-year to 128,133 million yen due to the merger of a food wholesale company in Japan (Note 1) accompanying the change in its status from consolidated subsidiary to unconsolidated subsidiary accounted for by the equity method and the increase in sales costs resulting from intensified competition for frozen food and surimi products, in addition to the continuing poor performance of the commercial frozen seafood business in North America. Operating income also decreased by 1,523 million yen year-on-year to 1,399 million yen.

(3) General Distribution Business
Sales generated by the General Distribution business totaled 6,295 million yen, a year-on-year increase of 346 million yen, due to the increase in cold storage business. However, operating income decreased by 201 million yen year-on-year to 1,031 million yen, as a result of the increase in expenses incurred in the reorganization of the corporate group (Note 2) through the merger of its consolidated subsidiaries and corporate splits.

(4) Fine Chemicals Business
Despite the initial costs incurred in the establishment of our new Kashima Plant, strong performances by the pharmaceuticals and health foods business resulted in sales of 12,667 million yen, an increase of 440 million yen year-on-year, and an operating income of 3,311 million yen, an increase of 72 million yen year-on-year.

2) Performance by Geographic Segment
(1) Japan
In the Marine Products business, sales volume of surimi, shrimp and eel imported from China decreased, while the purchase price of salmon/trout rose. In the Foods business, there was a change in the status of a consolidated subsidiary to an unconsolidated subsidiary accounted for by the equity method, in addition to an increase in sales expenses for frozen foods and surimi products. As a result, sales generated in Japan decreased by 20,466 million yen year-on-year to 216,110 million yen and operating income decreased by 751 million yen year-on-year to 6,196 million yen.

(2) North America
We operate Marine Products and Foods businesses in the United States. The Marine Products business enjoyed an increase in sales due to the effects of the acquisition of F.W. Bryce and increased sales volume of white fish, resulting in an increase of 6,545 million yen year-on-year to 44,100 million yen in total sales. However, due to the poor performance in the commercial frozen seafood business, operating income fell by 1,249 million yen year-on-year to 1,414 million yen.

(3) South America
We are engaged in the fishing and aquaculture businesses in South America. Despite the sluggish fishing business in Argentina and the effects of the earthquake and fish disease in the aquaculture business in Chile, sales totaled 4,798 million yen, a year-on-year increase of 1,114 million yen, and operating income amounted to 638 million yen, a year-on-year increase of 198 million yen.

(4) Asia
We are engaged in the Marine Products business in Asia. As a result of the increased sales volume of frozen fish, sales increased by 1,150 million yen year-on-year to 2,691 million yen. However, we recorded an operating loss of 586 million yen, a year-on-year loss increase of 211 million yen, due to the delays in the reforms on the processing and aquaculture operations.

(5) Europe
We are mainly engaged in the Marine Products business in Europe. Due to the transfer of all of Nissui Europe's sales operations to Nordic Seafood, an affiliate company accounted for by the equity method, sales were not recorded in this segment (sales of 1,699 million yen were recorded in the same period of the previous year), while an operating loss of 62 million yen, a year-on-year loss increase of 73 million yen was recorded.

(Note 1) Kanesho Co., Ltd. (Merged in October 2006, and subsequently changed its name to K Chilled Foods Co., Ltd.)
(Note 2) Effective as of April 1, 2007, the Company merged its consolidated subsidiaries Tobu Reizo Shokuhin Co., Ltd. and Seibu Reizo Shokuhin Co, Ltd., with Tobu Reizo Shokuhin Co., Ltd. as the surviving company. The Company also spun-off its cold storage business to Tobu Reizo Shokuhin Co., Ltd. On the same date the name of said company was changed to Nissui Logistics Corporation.

2. Full-year Forecast
Although the domestic economy as well as the global economy is expected to continue on its course of recovery, the future is somewhat uncertain as a result of the confusion on the financial markets caused by the U.S. subprime mortgage crisis and the effects of the price of crude oil, which continue to soar.

Under such circumstances, in fiscal 2007, under the medium-term management policy, the "New TGL Plan", we will strive to further refine our vertically integrated operations, maximize revenue based on a product/marketing mix of marine products, and develop and sell value-added, highly functional products. We will also aim to improve the profitability of our business structure by innovating our marketing style and by cutting costs in our core businesses.

As our corporate social responsibility, we will make sure that the Code of Ethics (our declaration of compliance with laws and regulations and corporate stance) and the Quality Assurance Code (our commitment to providing high-quality, safe products) are thoroughly known and strictly enforced. We will also continue to enhance efforts in tackling environmental problems, including the strict enforcement of the Environmental Code (considerations to utilize marine resources in a sustainable manner and to coexist harmoniously with nature). The Risk Management Committee will play a central role in enhancing risk management in relation to the management of Nissui.

Despite the scheduled business integration of the Group Companies of Chile in South America (Note 1), the capital investments in a European processed seafood company (Note 2) and domestic production companies (Note 3), in the Marine Products business, reforms on the shrimp aquaculture business are being delayed and drastic cuts are being made in the production plan of salmon/trout farming companies; and in the Foods business, an uphill battle is foreseen for commercial frozen seafood in the United States. Consequently, our full-year forecast is 535,000 million yen in sales, 13,000 million yen in operating income, 11,500 million yen in ordinary income, and 12,000 million yen in net income.

(Note 1) In October 2007, Desarrollos Oceanicos S.A., which is responsible for the management functions of the integration business, was established.
(Note 2) In October 2007, 59% of the shares of Cite Marine SAS (France) were acquired.
(Note 3) In October 2007, 20.5% of the shares of Kaneko Shokuhin Co., Ltd., 20.5% of the shares of Kunihiro Inc., and 20% of the share of Sasaya Shoten Co., Ltd. were acquired.

Sales and operating income by major business segment are as follows:

[Interim FY2007 / Unit: Million yen]

	Marine Products Business	Foods Business	General Distribution Business	Fine Chemicals Business	Other	Elimination or corporate	Total
Net sales	115,017	128,133	6,295	12,667	5,577		267,691
Operating income	1,729	1,399	1,031	3,311	129	(1,394)	6,206

[Forecast FY2007 / Unit: Million yen]

	Marine Products Business	Foods Business	General Distribution Business	Fine Chemicals Business	Other	Elimination or corporate	Total
Net sales	229,000	252,000	12,900	26,600	14,500		535,000
Operating income	3,200	3,900	2,100	6,600	400	(3,200)	13,000

II. Analysis of Financial Position

1. Status of assets, liabilities and net assets

Total assets as of the end of the current interim consolidated period increased by 21,423 million yen compared to the end of the previous consolidated fiscal period, to 425,596 million yen. Current assets increased by 18,942 million yen, mainly as a result of the 10,651 million yen increase in inventories, to 190,733 million yen. Fixed assets increased by 2,481 million yen, mainly as a result of the 2,665 million yen increase in property, plant and equipment, to 234,863 million yen.

Total liabilities as of the end of the current interim consolidated period increased by 19,634 million yen compared to the end of the previous consolidated fiscal period, to 296,455 million yen. Current liabilities increased by 21,450 million yen, mainly as a result of the 20,086 million yen increase in short-term borrowings, to 190,990 million yen. Fixed liabilities decreased by 1,815 million yen, mainly as a result of the 1,654 million yen decrease in long-term borrowings, to 105,546 million yen.
Net assets as of the end of the current interim consolidated period increased by 1,789 million yen compared to the end of the previous consolidated fiscal period, to 129,140 million yen. As a result, the equity ratio fell from the 27.7% as of the end of the previous consolidated fiscal period to 26.8%.

2. Status of cash flow

Cash flows from operating activities resulted in a net outflow of 4,653 million yen (a year-on-year increase in outflow of 4,027 million yen). This was primarily attributable to income before income taxes in the amount of 3,285 million yen, depreciation and amortization of 7,129 million yen, the increase in accounts receivable of 1,802 million yen, the increase in inventories of 9,507 million yen, the decrease in notes and accounts payable by 1,278 million yen and payment of income taxes of 1,898 million yen.

Cash flows from investing activities resulted in a net outflow of 8,647 million yen (a year-on-year decrease in outflow of 5,177 million yen), largely due to outlays for the acquisition of property, plant and equipment in the amount of 7,173 million yen.

Cash flows from financing activities resulted in a net inflow of 14,676 million yen (up 1,336 million yen year-on-year), due to the procurement of long-term borrowings.
As a result, the closing balance of cash and cash equivalents was 14,584 million yen (up 4,412 million yen year-on-year).

The cash flow indices of our corporate group are as follows:

	March 2004	March 2005	March 2006	March 2007	September 2007
Ratio of Shareholders' equity	25.0	26.7	27.5	27.7	26.8
Ratio of Shareholders' equity on a market value basis	22.0	30.3	38.6	52.7	39.4
Interest-bearing liabilities versus cash flow	7.8	6.5	10.0	10.7	-
Interest coverage ratio	6.1	8.8	5.0	3.8	-

Ratio of Shareholders' equity = Shareholders' equity / Total assets

Ratio of Shareholders' equity on a market value basis = Market capitalization of stock / Total assets

Interest-bearing liabilities versus cash flow = Interest-bearing liabilities / Operating cash flows

Interest coverage ratio = Operating cash flows / Interest payments

(Note)

1. Each index was calculated on the basis of consolidated financial data.
2. The market capitalization of stock was calculated based on the number of shares issued and outstanding.
3. Cash flows are based on operating cash flows.
4. Interest-bearing liabilities refer to all liabilities declared in the Consolidated Balance Sheet for which interest is paid.
5. The Interest coverage ratio and Operating cash flows/Interest payments for the current interim period are not indicated, as the cash flows from operating activities was a negative figure.

III. Basic Policies for Profit Sharing and Dividends of the Current Term

As for profit sharing at the Company and its corporate group, its basic policy is to pay dividends to shareholders according to the consolidated business performance of the Company and its corporate group in tune with changes in the business environment, while taking into consideration the enhancement of the corporate constitution from a long-term and comprehensive perspective and reserving sufficient retained earnings to prepare for the rolling out of promising business opportunities in the future.

Accordingly we decided on a payout of 5 yen per share as the interim dividend. As for the term-end dividend, 5 yen per share payout is scheduled for the time being.

IV. Risks involved in Business, etc.

As there are various risks inherent in the business sectors, the Company and its corporate group strive to reasonably reduce such risks through risk prevention, diversification and/or hedging. However, the business performance and financial position of the Company and its corporate group may substantially be affected in the event of unforeseeable circumstances, such as the emergence of food safety problems, extreme volatility in the marine products markets, political and/or economic changes and massive natural disasters.

[2] Corporate Group Overview

The corporate group consists of the Company, 70 subsidiaries and 27 affiliate companies. We are mainly engaged in the Marine Products business, Foods business, General Distribution business and Fine Chemicals business. In addition, we conduct research activities and provide services in each of the areas of business we are engaged in.

The positioning of our group's business operations and the Company's relationship with individual business segments are as follows:

Marine Products:
The Company, together with its consolidated subsidiaries [including Hohsui Corporation (*1), Nippon Suisan (U.S.A.), Inc., and 22 other companies], 9 unconsolidated subsidiaries [6 of which are accounted for by the equity method], as well as affiliate companies, consisting of Kura Ltd. and 20 other companies [20 of which are accounted for by the equity method], are engaged in the fishing, farming, purchasing, processing and sale of marine products.

Foods:
The Company, together with its consolidated subsidiaries [including Nippo Shokuhin Kogyo Co., Ltd., Gorton's Inc., King & Prince Seafood Corp. and 12 other companies], 1 unconsolidated subsidiary [accounted for by the equity method], and 4 affiliate companies [all of which are accounted for by the equity method], manufacture and sell frozen and shelf-stable foods, as well as other processed foods.

General Distribution:
The Company, together with its consolidated subsidiaries [including Teion Co., Ltd., Nissui Logistics Corporation, Carry Net Co., Ltd. and 1 other company], 1 unconsolidated subsidiary [accounted for by the equity method], and 1 affiliate company, are engaged in the cold storage and freezing of seafood and the transportation of chilled cargo.

Fine Chemicals:
The Company, together with its consolidated subsidiaries [consisting of Nissui Pharmaceutical Co., Ltd. (*2), Lifemin Co., Ltd., Kyowa Technos Co., Ltd., and 1 other company] manufacture and sell pharmaceutical products, health foods and pharmaceutical materials.

Other:
Consolidated subsidiaries [including Nissui Engineering Co., Ltd., Nissui Marine Industries Co., Ltd. and 8 other companies] and 2 unconsolidated subsidiaries [both of which are accounted for by the equity method], together with 1 affiliate company [accounted for by the equity method], are engaged in vessel construction, repair, operation and engineering.

*1 Hohsui Corporation: Listed on the First Section of the Tokyo Stock Exchange
*2 Nissui Pharmaceutical Co., Ltd.: Listed on the First Section of the Tokyo Stock Exchange

Customers

Marine products

Consolidated Subsidiaries

Hohsui Corporation
Yokohama Trading Corporation
Yamatsu Suisan Co., Ltd.
Kurose Suisan Co., Ltd.
Nippon Suisan (U.S.A.), Inc. (U.S.A)
F.W.Bryce Inc.(U.S.A)
Unisea, Inc. (U.S.A)
Nippon Suisan America Latina S.A. (Chile)
Empresa de Desarrollo Pesquero de Chile S.A. (Chile)
Salmones Antartica S.A. (Chile)
Empresa Pesquera de la Patagonia y Antartida S.A. (Argentina)
Explotacion Pesquera de la Patagonia S.A. (Argentina)
Nippon Suisan (Singapore) Pte, Ltd. (Singapore)
Nippon Suisan(Europe)B.V.(The Netherlands)
and 10other companies

Unconsolidated Subsidiaries

☆P.T. West Irian Fishing Industries(Indonesia)
and 8 other companies

Affiliates

☆Kyowa Suisan Co., Ltd. (*, Japan)
☆Kurahashi Co., Ltd. (*, Japan)
☆Kura Ltd.(New Zealand)
☆Nordic Seafood A/S(Denmark)
and 17 other companies

Nippon Suisan Kaisha, Ltd.

Foods

Consolidated Subsidiaries

Nippo Shokuhin Kogyo Co., Ltd.
Kitakyushu Nissui Co., Ltd.
Nishisho Co., Ltd.
Nippon Cookery Co., Ltd.
Chilldy Co., Ltd.
Gorton's Inc. (U.S.A)
King & Prince Seafood Corp. (U.S.A.)
and 8 other companies

Unconsolidated Subsidiaries

☆Shandong Sanfod Nissui Ltd. (China)*

Affiliates

☆K-Teion Foods Co.,Ltd
☆Hachikan Co.,Ltd
☆Anzco Foods Ltd. (New Zealand)
and 1 companies

General distribution

Consolidated Subsidiaries

Teion Co., Ltd.
Nissui Logistics Corporation
Carry Net Co., Ltd.
and 1 company

Unconsolidated Subsidiaries

1 company

Affiliates

1 companies

Other

Consolidated Subsidiaries

Nissui Engineering Co., Ltd.
Nissui Marine Industries Co., Ltd.
and 8 other companies

Unconsolidated Subsidiaries

2 companies

Affiliates

1 companies

Pharmaceuticals

Consolidated Subsidiaries

Nissui Pharmaceutical Co., Ltd.
Lifemin Co., Ltd.
Kyowa Tecnos Co.,Ltd
and 1 company

Flow of products and materials ☆Companies by the equity method
Supply of services

(Note) As a result of the Company underwriting another capital increase in August 2007, its status has changed from an affiliate company accounted for by the equity method (shareholding ratio of 40%) to an unconsolidated subsidiary accounted for by the equity method (shareholding ratio of 58%).

[3] Management Policies

1. Basic Management Policies

The Company and its corporate group engage in business activities with a basic philosophy that has never changed since its establishment: "contributing to society while continuing to create value."

In order to fulfill this philosophy, the Company's basic management policy is to behave with integrity as a company and as individuals, with the aim to deliver carefully selected ingredients and valuable goods and services to customers' dining tables by placing importance on technology and research and development, by aggressively incorporating ever-evolving information technology, and by developing a supply chain of marine products that takes advantage of global networks.

Based on such a spirit, which has been passed on from generation to generation as a gene dating back to its establishment, the Company and its corporate group are committed to executing management that will continue to have your support in the future, by further improving the qualities of the group as a whole so that new businesses can grow substantially, while striving to improve the profitability of its business structure.

2. Basic Medium/Long-term Policies and Targeted Management Indexes

In fiscal year 2006, the Company started pushing its business domains to the forefront and making them more sophisticated under its newly formulated mid-term management policy, the "New TGL Plan" (True Global Links) by setting the six-year period from fiscal 2006 to fiscal 2011—the year of its centennial anniversary—as "*the time to put together 100 years of experience since its establishment and firmly build its foundations for the next 100 years*".

[Basic Management Policies under the "New TGL Plan"]
We will contribute to the people around the world in achieving rich and healthy lifestyles by creating diverse values from marine resources and delivering them.
(1) To build a global supply chain of marine products.
(2) To give greater importance to quality, cost, R&D and marketing.
(3) To venture into and open up forefront business.
(4) To effectively use the resources of the earth and sea in a sustainable manner and be environmentally-friendly.
(5) To behave with integrity as a company and as an individual.

Under the New TGL Plan, we will execute three basic strategies based on the aforementioned policies, namely, (1) improve the profitability of core businesses, (2) achieve an advanced profitable business structure, and (3) develop new bio-production technologies. By doing so, we will continue to execute shareholder-oriented management, in order to make our business structure highly profitable and generate more than 600 billion yen in consolidated sales and 30 billion yen in consolidated operating income (on a consolidated operating margin of 5% or higher) as our management targets for fiscal 2011—the year of our centennial anniversary.

3. Tasks to Be Addressed By the Company

Although the economic climate in Japan is expected to continue its recovery course, there are uncertainties about its future. In addition, the business environment faced by the Company and its corporate group is expected to be marked by the further intensification of global competition.

Under the circumstances, the Company and its corporate group will seek to further enhance and expand the Nissui Group's capacity by generating synergies with members of Global Links (Note), including domestic and overseas affiliates subject to the equity method, in the process of implementing the "New TGL Plan".
(Note) Global Links: A network of companies, which share the same vision as the Nissui Group and work together with the group to create value.

We are determined to continue to tighten risk control over the management as a whole by making the best use of the Risk Management Committee which was created in February 2006 for overall management of risk measures, and by encouraging all managers and employees of the Company to understand and comply with the Declaration of Corporate Policy, Code of Ethics, Code of Quality Assurance and Code of Harmonization with the Environment.

[4] Consolidated financial statement

1. Consolidated balance sheet

Million yen

Item	September 30, 2006	September 30, 2007	March 31, 2007	Item	September 30, 2006	September 30, 2007	March 31, 2007
(Assets)				(Liabilities)			
Current assets	180,196	190,733	171,791	Current liabilities	180,022	190,909	169,459
Cash and bank deposits	9,366	11,160	12,406	Notes and accounts payable	38,265	29,752	30,717
Notes and accounts receivable - trade	79,442	72,650	70,282	Short-term debt	106,209	124,522	104,436
Marketable securities	509	2,425	1,394	Accrued income taxes	1,644	2,000	1,729
Inventories	73,440	82,174	71,522	Accrued expenses	25,450	26,729	25,070
Deferred taxes	4,076	3,053	3,357	Accrued bonus expenses	2,235	2,520	2,129
Other	15,106	19,950	14,633	Accured bonus expenses for directors	94	157	226
Allowance for doubtful accounts	(1,746)	(682)	(1,805)	Other accrued expenses	123	57	169
				Other	6,000	5,169	4,979
Fixed assets	224,410	234,863	232,382	Long term liabilities	107,303	105,546	107,362
Property, plant and equipment	92,767	97,326	94,661	Long-term debt	75,542	73,601	75,255
Buildings and structures	47,030	46,891	45,914	Deferred taxes	9,689	9,696	10,827
Machinery and equipment	23,743	25,612	24,665	Accrued retirement benefits	17,553	15,411	16,024
Vessels	1,077	2,382	1,040	Accrued retirement benefits for directors	701	716	687
Land	17,603	17,839	17,284	Other	3,817	6,119	4,567
Construction in progress	1,319	2,588	3,822				
Other	1,993	2,013	1,933	Total Liabilities	287,326	296,455	276,821
				(Net Assets)			
Intangible assets	37,428	37,986	37,516	Owners' equity	83,464	88,949	89,105
Goodwill	18,830	20,805	19,743	Common stock	23,729	23,729	23,729
Other	18,598	17,180	17,772	Capital surplus	14,152	14,152	14,152
				Retained earnings	45,771	51,282	51,426
Investments and other assets	94,213	99,550	100,204	Treasury common stock	(188)	(216)	(202)
Investment securities	82,899	88,758	90,021	Unrealized gains/losses	18,556	25,049	22,764
Long-term loans	3,357	1,332	1,393	Unrealized gains/losses on securities	15,427	12,790	14,816
Deferred taxes	1,979	2,319	2,615	Deferred gains/losses on hedges	11	48	37
Other	8,408	9,440	8,535	Translation adjustments	3,117	12,210	7,910
Allowance for doubtful accounts	(2,431)	(2,300)	(2,360)	Minority interests	15,259	15,142	15,481
				Total Net assets	117,280	129,140	127,351
Total Assets	404,606	425,596	404,173	Total Liabilities and Net assets	404,606	425,596	404,173

2.Consolidated income statement

(Unit: million

Item	Six months ended Sep 30, 2006	Six months ended Sep 30, 2007	Year ended March 31, 2007
Net sales	281,047	267,691	552,871
Cost of sales	222,688	212,199	438,126
Gross profit	58,358	55,491	114,744
Selling, general and administrative expenses	49,902	49,284	98,200
Operating income	8,456	6,206	16,544
Non-operating income			
Interest income	370	299	769
Dividend income	353	491	879
Foreign exchange gain	356	141	571
Equity in earnings of unconsolidated subsidiaries and affiliates	503	583	1,643
Other income	548	872	1,107
Total non-operating income	2,131	2,387	4,970
Non-operating expense			
Interest expense	2,134	2,486	4,640
Other expenses	334	280	808
Total non-operating expense	2,469	2,766	5,448
Ordinary income	8,118	5,827	16,065
Extraordinary gain			
Gain on sale of property, plant and equipment	2	5	1,374
Gain on sale of investment securities	151	29	169
Gain on sale of investment securities of affiliated companies	5	-	200
Reversal of allowance for doubtful accounts	-	100	124
Reversal of allowance for doubtful accounts of affiliated companies	5	4	35
Reversal of special reserve for repair due to sale of vessels	12	-	12
Refund of past-year fixed assets tax	279	-	372
Gain on insurance	-	-	605
Gain on changes of shares of affiliates	-	-	129
Gain from prior-year adjustments	162	-	164
Total extraordinary gain	618	140	3,187
Extraordinary loss			
Loss on disposal of property, plant and equipment	795	238	1,096
Loss on sale of investment securities	-	-	52
Loss on revaluation of investment securities	34	113	35
Provision for doubtful accounts	-	49	77
Loss on special severance pay	88	7	196
Retirement benefits for directors	-	1,459	-
Provision for retirement benefits for directors	-	427	-
Loss on earthquake damages in Chile	-	212	-
Irregular trading-related extraordinary loss	-	174	-
Loss on integration costs of affiliated companies	925	-	1,274
Other	-	-	263
Total extraordinary loss	1,844	2,681	2,996
Income before income taxes and minority interests	6,893	3,285	16,257
Income taxes : Current	1,298	1,426	3,554
Income taxes : Deferred	1,723	750	2,674
Minority interests (deduct)	167	(129)	726
Interim net income	3,702	1,238	9,301

3.Consolidated Statement of Changes in Net assets

Six months ended in September 30 2006 (Unit: million yen)

	Owners' equity					Valuation and translation adjustments				Minority Interests	Total Net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Owners' equity	Unrealized gains/losses on securities	Deferred gains/losses on hedges	Translation adjustments	Total valuation and translation adjustments		
Balance as of March31, 2006	23,729	14,152	43,208	(180)	80,910	18,149	-	6,804	24,953	15,994	121,858
Changes during the year											
Dividends from surplus (*)			(967)		(967)						(967)
Bonus to directors (*)			(172)		(172)						(172)
Interim net income			3,702		3,702						3,702
Purchases of treasury stock				(8)	(8)						(8)
Disposal of treasury stock		0		0	0						0
Other-net						(2,722)	11	(3,686)	(6,397)	(734)	(7,132)
Total changes during the	-	0	2,562	(8)	2,554	(2,722)	11	(3,686)	(6,397)	(734)	(4,577)
Balance as of September30, 2006	23,729	14,152	45,771	(188)	83,464	15,427	11	3,117	18,556	15,259	117,280

(*) items of appropriation of profit resolved in annual shareholders' meeting in June, 2006

Six months ended in September 30 2007 (Unit: million yen)

	Owners' equity					Valuation and translation adjustments				Minority Interests	Total Net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Owners' equity	Unrealized gains/losses on securities	Deferred gains/losses on hedges	Translation adjustments	Total valuation and translation adjustments		
Balance as of March 31, 2007	23,729	14,152	51,426	(202)	89,105	14,816	37	7,910	22,764	15,481	127,351
Changes during the year											
Dividends from surplus			(1,382)		(1,382)						(1,382)
Interim net income			1,238		1,238						1,238
Purchases of treasury stock				(13)	(13)						(13)
Disposal of treasury stock		0		0	0						0
Other-net						(2,025)	10	4,299	2,284	(338)	1,946
Total changes during the	-	0	(143)	(13)	(156)	(2,025)	10	4,299	2,284	(338)	1,789
Balance as of September 30, 2007	23,729	14,152	51,282	(216)	88,949	12,790	48	12,210	25,049	15,142	129,140

Year ended March 31 2007 (Unit: million yen)

	Owners' equity					Valuation and translation adjustments				Minority Interests	Total Net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Owners' equity	Unrealized gains/losses on securities	Deferred gains/losses on hedges	Translation adjustments	Total valuation and translation adjustments		
Balance as of March31, 2006	23,729	14,152	43,208	(180)	80,910	18,149	-	6,804	24,953	15,994	121,858
Changes during the year											
Dividends from surplus (*)(Final)			(967)		(967)						(967)
Dividends from surplus(Interim)			(1,106)		(1,106)						(1,106)
Bonus to directors (*)			(172)		(172)						(172)
Net income			9,301		9,301						9,301
Increase due to revaluation of fixed assets of foreign affiliate			1,055		1,055						1,055
Increase due to decrease of subsidiaries			106		106						106
Purchases of treasury stock				(23)	(23)						(23)
Disposal of treasury stock		0		0	0						0
Other-net						(3,333)	37	1,106	(2,189)	(512)	(2,702)
Total changes during the year	-	0	8,218	(22)	8,195	(3,333)	37	1,106	(2,189)	(512)	5,493
Balance as of March, 31, 2007	23,729	14,152	51,426	(202)	89,105	14,816	37	7,910	22,764	15,481	127,351

(*) items of appropriation of profit resolved in annual shareholders' meeting in June, 2006

4.Consolidated cash flow statement

(Unit: million yen)

		Six months ended September 30, 2006	Six months ended September 30, 2007	FY 2007
I	**Cash flows from operating activities**			
	Income before income taxes and minority interest	6,893	3,285	16,257
	Depreciation and amortization	6,783	7,129	14,053
	Increase (Decrease) in allowance for doubtful accounts	221	(1,226)	192
	Increase (Decrease) in accrued retirement benefits	(197)	(637)	(1,359)
	Interest and dividend income	(723)	(790)	(1,648)
	Interest expense	2,134	2,486	4,640
	Equity in earnings of unconsolidated subsidiaries and affiliates	(503)	(583)	(1,643)
	Gain on sale of property, plant and equipment	(2)	(5)	(1,374)
	Loss on disposal of property, plant and equipment	795	238	1,096
	Gain on sale of investment securities	(151)	(29)	(169)
	Loss on revaluation of investment securities	34	113	35
	Decrease (Increase) in notes and accounts receivable - trade	(14,204)	(1,802)	(10,398)
	Decrease (Increase) in inventories	(11,265)	(9,507)	(9,292)
	Increase (Decrease) in notes and accounts payable - trade	7,656	(1,278)	7,672
	Increase (Decrease) in accrued expenses	2,896	1,140	3,387
	Bonus paid to directors	(193)	-	(193)
	Other	1,759	315	1,443
	Subtotal	1,932	(1,151)	22,702
	Interest and dividends received	824	951	1,518
	Interest paid	(2,090)	(2,555)	(4,457)
	Income taxes paid	(1,292)	(1,898)	(3,018)
	Cash flow from operating activities	(626)	**(4,653)**	16,744
II	**Cash flows from investing activities**			
	Decrease (Increase) in term deposits	230	10	248
	Decrease (Increase) in marketable securities	(446)	259	71
	Purchases of property, plant and equipment	(6,527)	(7,173)	(15,082)
	Proceeds from sale of property, plant and equipment	250	18	2,646
	Purchases of intangible assets	(364)	(410)	(993)
	Purchases of investment securities	(5,833)	(1,100)	(10,984)
	Proceeds from sale of investment securities	349	218	1,345
	Acqusition of subsidiaries	(1,738)	-	(1,738)
	Decrease (Increase) in short-term loans	466	166	(534)
	Other	(210)	(634)	2,032
	Cash flow from investing activities	(13,825)	**(8,647)**	(22,990)
III	**Cash flows from financing activities**			
	Increase (Decrease) in short-term debt	9,350	14,379	3,258
	Proceeds from long-term debt	16,042	5,000	33,973
	Repayment of long-term debt	(10,876)	(3,037)	(26,754)
	Dividends paid	(967)	(1,380)	(2,072)
	Dividends paid to minority interests shareholders	(201)	(272)	(285)
	Decrease (Increase) of treasury stock	(8)	(12)	(22)
	Cash flow from financing activities	13,340	**14,676**	8,098
IV	Effect of exchange rate changes on cash and cash equivalents	(317)	307	18
V	Net increase (Decrease) in cash and cash equivalents	(1,429)	1,683	1,871
VI	Cash and cash equivalents at the beginning of the year	11,601	12,900	11,601
VII	Changes in cash and cash equivalents due to scope of consolidation	-	-	(572)
VIII	**Cash and cash equivalents at the end of the year**	10,172	**14,584**	12,900

5. Basis of Accounting of the Interim Consolidated Financial Statements

1. Scope of consolidation

(a) Consolidated subsidiaries	57 companies	
(Companies excluded this fiscal year)	3 companies	
(Companies liquidated/excluded following mergers)		Seibu Reizo Shokuhin Co., Lt Nichinan Sekyu Co., Ltd., CR Corporation
(b) Unconsolidated subsidiaries	13 companies	

All unconsolidated subsidiaries are small with respect to their total assets, sales, interim net income and retained earnings. They therefore do not exert material impact on the interim consolidated financial statements.

2. Accounting for Equity Method

Companies accounted for by equity method

Unconsolidated subsidiaries	10 companies	
Affiliated firms	25 companies	
(Companies added this fiscal year)	2 companies	(due to purchase of its shares) INVERSIONES NORDSEE S.A. FIERCE ALLEGIANCE LLC

Investments to 3 unconsolidated subsidiaries and 2 affiliate companies that are not accounted for by the equity method do not have any material effect on the interim net income and the retained earnings. It is for this reason that the equity method is not applied to these companies.

6. Changes to the Basis of Accounting of the Interim Consolidated Financial Statements

Method of depreciation of property, plant and equipment

(Changes in accounting policy)

Beginning from the current interim consolidated fiscal period, the Company and its domestic consolidated subsidiaries, in accordance with the revisions made to the Corporation Tax Law of Japan, have adopted the depreciation method based on the revised Corporation Tax Law of Japan, in respect to the property, plant and equipment acquired on or after April 1, 2007. As a result of this change, operating income, ordinary income and current interim income before income taxes decreased by 102 million yen each.

(Additional Information)

In accordance with the revisions made to the Corporation Tax Law of Japan, the Company and its domestic subsidiaries, in respect to depreciable tangible assets purchased on or before March 31, 2007, will continue to depreciate said assets until the remaining value of said assets reach 5% and from the following consolidated fiscal period, depreciate the remaining value evenly over five years until asset amount reaches 1 yen, and record such amounts as depreciation, based on the method of depreciation under the Corporation Tax Law of Japan prior to the revision. As a result of this change, operating income, ordinary income and interim net income before income taxes decreased by 137 million yen each, compared to the amounts calculated under the former method.

Directors' Retirement Benefits

(Changes in accounting policy)

Although a portion of the domestic consolidated subsidiaries had been recording retirement benefits for directors as expenses as they were incurred, in accordance with the revision to the "Audit Treatment for Reserves of Special Taxation Measures Law, and Allowances or Reserves of Special Law and Retirement Benefits for Directors, etc." (Audit and Assurance Committee Report No. 42, JICPA), beginning from the current interim consolidated fiscal period, the amounts required for payment at the fiscal year end based on internal rules will be recorded as "reserve for retirement benefits to directors." Consequently, the amount needed for the current interim consolidated fiscal term of 31 million yen was recorded under "selling, general and administrative expenses," and the amount corresponding to the previous year of 427 million yen was recorded as "extraordinary loss." As a result, operating income and ordinary income, decreased by 31 million yen each, while interim net income before income taxes decreased by 459 million yen, compared to the amounts calculated under the former method.

Disclosure of matters other than those stated above shall be omitted, as there are no material changes from the most recent interim financial statements (released December 15, 2006).

Segment Information

1. Information by business segments

Six months ended September 30, 2006 (April 1 to September 30, 2006) (Unit: million yen)

	Marine Products	Foods	General distributio	Fine chemicals	Other	Total	Elimination	Consolidated
Sales								
(1) Sales to third parties	110,492	147,033	5,948	12,227	5,345	281,047	-	281,047
(2) Inter-segment sales and transfers	4,801	3,863	5,502	344	1,962	16,474	(16,474)	-
Total	115,293	150,897	11,450	12,571	7,308	297,521	(16,474)	281,047
Operating expenses	113,026	147,974	10,217	9,333	7,281	287,832	(15,241)	272,591
Operating income (loss)	2,267	2,923	1,233	3,238	26	9,689	(1,233)	8,456

Six months ended September 30, 2007 (April 1 to September 30, 2007) (Unit: million yen)

	Marine Products	Foods	General distributio	Fine chemicals	Other	Total	Elimination	Consolidated
Sales								
(1) Sales to third parties	115,017	128,133	6,295	12,667	5,577	267,691	-	267,691
(2) Inter-segment sales and transfers	4,845	241	4,322	44	865	10,319	(10,319)	-
Total	119,863	128,374	10,617	12,712	6,442	278,010	(10,319)	267,691
Operating expenses	118,133	126,974	9,585	9,401	6,313	270,409	(8,924)	261,484
Operating income (loss)	1,729	1,399	1,031	3,311	129	7,601	(1,394)	6,206

Year ended March 31, 2007 (Unit: million yen)

	Marine Products	Foods	General distribution	Fine chemicals	Other	Total	Elimination or	Consolidated
Sales								
(1) Sales to third parties	233,577	269,089	11,674	24,865	13,665	552,871	-	552,871
(2) Inter-segment sales and transfers	8,417	4,411	11,462	694	5,164	30,150	(30,150)	-
Total	241,994	273,500	23,136	25,559	18,829	583,021	(30,150)	552,871
Operating expenses	236,510	269,177	20,999	18,728	18,705	564,122	(27,794)	536,327
Operating income (loss)	5,484	4,322	2,137	6,831	124	18,899	(2,355)	16,544

Notes:

(1) Definitions of operating segments and major businesses

i. The classification of the operating segments is in accordance with the management structures of our group.

ii. Major products/businesses of each segment

Marine products	Fishing, aquaculture, purchasing, processing and selling of marine products (fresh / frozen fish, fish-meal & fish-oil)
Foods	Manufacturing and selling of frozen food, canned food, and other processed food
General distribution	Cold storage and transportation of frozen and refrigerated goods
Fine Chemicals	Manufacturing and selling of diagnostic medicines, ordinary medicines, health foods and medical ingredients.
Other	Construction, repair and operation of marine vessels, engineering and other business

(2) Corporate operating expenses

The amount of corporate operating expenses included in the column "Elimination or corporate" is 1,394 million yen, mainly composed of expenses concerning research and development, quality assurance and environmental coordination of the company.

2. Information by geographical segments

Six months ended September 30, 2006 (April 1 to September 30, 2006) (Unit: million yen)

	Japan	North America	South America	Asia	Europe	Total	Elimination or corporate	Consolidated
Sales								
(1) Sales to third parties	236,568	37,554	3,684	1,540	1,699	281,047	-	281,047
(2) Inter-segment sales and transfers	1,267	3,961	5,195	3,177	137	13,738	(13,738)	-
Total	237,835	41,516	8,879	4,718	1,836	294,785	(13,738)	281,047
Operating expenses	230,886	38,852	8,439	5,092	1,824	285,096	(12,505)	272,591
Operating income (loss)	6,948	2,664	439	(374)	11	9,689	(1,233)	8,456

Six months ended September 30, 2007 (April 1 to September 30, 2007) (Unit: million yen)

	Japan	North America	South America	Asia	Europe	Total	Elimination or corporate	Consolidated
Sales								
(1) Sales to third parties	216,101	44,100	4,798	2,691	-	267,691	-	267,691
(2) Inter-segment sales and transfers	1,302	2,601	6,211	3,366	-	13,481	(13,481)	-
Total	217,403	46,701	11,010	6,057	-	283,173	(13,481)	267,691
Operating expenses	211,207	45,287	10,372	6,643	62	273,571	(12,087)	261,484
Operating income (loss)	6,196	1,414	638	(586)	(62)	7,601	(1,394)	6,206

Year ended March 31, 2007 (Unit: million yen)

	Japan	North America	South America	Asia	Europe	Total	Elimination or corporate	Consolidated
Sales								
(1) Sales to third parties	458,586	79,137	8,142	4,173	2,831	552,871	-	552,871
(2) Inter-segment sales and transfers	3,674	7,203	15,360	6,898	147	33,284	(33,284)	-
Total	462,261	86,341	23,502	11,071	2,978	586,155	(33,284)	552,871
Operating expenses	448,125	82,819	21,077	12,241	2,991	567,256	(30,928)	536,327
Operating income (loss)	14,135	3,521	2,425	(1,170)	(13)	18,899	(2,355)	16,544

Notes:

(1) Definitions of geographic segments and major countries

i. The Definitions of geographic segments are in accordance with geographic proximity.

ii. Major countries and regions included in each segment

North America	The United States and Canada
South America	Chile and Argentina
Asia	Singapore, Thailand and China
Europe	The Netherlands

(2) Corporate operating expenses

The amount of corporate operating expenses included in the column "Elimination or corporate" is 1,394 million yen, mainly composed of expenses concerning research and development, quality assurance and environmental coordination of the company.

3. Overseas sales

Six months ended September 30, 2006 (April 1 to September 30, 2006) (Unit: million yen)

	North America	Other	Total
Overseas sales	34,293	13,003	47,297
Total consolidated sales			281,047
Ratio of overseas sales to total	12.2%	4.6%	16.8%

Six months ended September 30, 2007 (April 1 to September 30, 2007) (Unit: million yen)

	North America	Other	Total
Overseas sales	37,632	14,441	52,073
Total consolidated sales			267,785
Ratio of overseas sales to total	14.1%	5.4%	19.4%

Year ended March 31, 2007 (Unit: million yen)

	North America	Other	Total
Overseas sales	73,213	25,845	99,058
Total consolidated sales			552,871
Ratio of overseas sales to total	13.2%	4.7%	17.9%

Notes:

1. The definitions of geographical segments are in accordance with geographical proximity.
2. Major countries and regions included in each segment

North America	The United States and Canada
Other	South America, Europe and Asia

3. Overseas sales are defined as the sales amounts of the Company and its consolidated subsidiaries which are realized in the countries and areas outside of Japan.

[5]Non-consolidated Financial Statement

1. Non-consolidated Balance Sheet

(Unit: million yen)

Item	September 30, 2006	September 30, 2007	March 31, 2007
(Assets)			
Current assets	107,331	112,782	99,846
Cash and bank deposits	130	176	146
Notes receivable	164	224	140
Accounts receivable-trade	50,080	49,563	45,594
Inventories	34,079	35,300	31,909
Short-term loans	16,153	20,542	14,997
Other	6,779	6,981	7,109
Allowance for doubtful	(55)	(7)	(51)
Fixed assets	159,316	163,908	165,169
Property, plant and equipment	37,900	34,835	40,641
Buildings	18,461	15,009	18,322
Machinery and equipment	9,609	10,068	9,704
Vessels	2	242	1
Land	8,151	7,608	8,743
Other	1,675	1,907	3,869
Intangible assets	6,489	3,885	5,872
Leaseholds	1,289	37	1,289
Telephone right and other	5,200	3,847	4,583
Investments and other asset	114,926	125,187	118,655
Investment securities	49,358	49,647	52,738
Investment securities -	49,298	57,368	51,274
Long-term Loans	11,193	12,912	10,023
Credits assosiated with companies in bankruptcy/ insolvency	5,952	5,839	5,699
Other	2,700	2,903	2,395
Allowance for doubtful	(3,577)	(3,483)	(3,475)
Total Assets	266,648	276,691	265,015

Item	September 30, 2006	September 30, 2007	March 31, 2007
(Liabilities)			
Current liabilities	121,738	126,069	113,464
Accounts payable-trade	22,343	20,059	18,764
Short-term debts	74,272	80,828	66,755
Accrued income taxes	122	124	162
Accrued business taxes	37	33	78
Accrued consumption taxes	287	274	247
Accrued expenses	14,059	14,883	14,471
Accrued bonus expenses	1,015	1,070	1,043
Accrued bonus expenses to	40	101	120
Other	9,560	8,692	11,821
Long term liabilities	68,218	75,836	74,059
Long-term debt	49,216	57,777	55,052
Accrued retirement benefits	13,292	11,864	12,476
Long-term deposit	494	454	480
Other	5,215	5,740	6,049
Total Liabilities	189,957	201,905	187,524
(Net assets)			
Owners' equity	61,773	62,242	63,102
Common stock	23,729	23,729	23,729
Capital surplus	13,757	13,757	13,757
Additional paid-in capital	6,000	6,000	6,000
Other capital surplus	7,757	7,757	7,757
Retained earnings	24,472	24,968	25,815
Other retained earnings	24,472	24,968	25,815
Reserves for compressed fixed assets	3,065	1,845	3,032
Other reserves	15,500	15,500	15,500
Retained earning carryfowards	5,907	7,623	7,283
Treasury common stock	(186)	(213)	(200)
Valuation and translation adjustments	14,916	12,543	14,389
Unrealized gains/losses on	14,916	12,521	14,364
Deferred gains/losses on hedges	6	21	24
Total Net assets	76,690	74,785	77,491
Total Liabilities and Net assets	266,648	276,691	265,015

2. Non-consolidated Income Statement (Unit: million yen)

Item	Six months ended September 30, 2006	Six months ended September 30, 2007	Year ended March 31, 2007
Net sales	171,723	170,646	343,666
Cost of sales	140,619	140,500	281,380
Gross profit	31,104	30,146	62,286
Selling, general and administrative expenses	28,053	28,162	56,117
Operating income	3,050	1,984	6,169
Non-operating income			
Interest income	383	408	763
Dividend income	1,331	1,543	3,365
Other income	266	173	534
Total non-operating income	1,981	2,125	4,663
Non-operating expens			
Interest expense	1,018	1,131	2,075
Other expense	263	220	509
Total non-operating expense	1,281	1,351	2,584
Ordinary income	3,750	2,757	8,248
Extraordinary gain			
Gain on sale of property, plant and equipment	-	-	236
Gain on sale of investment securities	94	-	95
Gain on sale of investment securities in affiliated companies	22	-	291
Reversal of provision for doubtful accounts to affiliated companies	79	64	143
Reversal of provision for doubtful accounts	-	100	124
Reversal of special reserve for repaire due to sale of vessels	12	-	12
Refund of past-year fixed assets tax	121	-	155
Total extraordinary gain	330	165	1,059
Extraordinary loss			
Loss on disposal of property, plant and equipment	148	181	336
Loss on revaluation of investment securities-other	1	93	5
Loss on revaluation of investment securities of affiliated companies	-	107	-
Loss on revaluation of investment capital of affiliated companies	-	-	260
Provision for doubtful accounts to affiliated companies	-	130	130
Provision for doubtful accounts	-	49	77
Loss on special severance plan	4	7	109
Loss on retairement benefit plan to the directors	-	1,459	-
Total extraordinary loss	155	2,028	919
Income before income taxes	3,926	894	8,387
Income taxes :			
Current	30	31	64
Deferred	1,384	327	3,362
Net income	2,511	535	4,960