

# Summary of Financial Statements for the Year ended March 31, 2008

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.

(April 1, 2007 through March 31, 2008)

Company: **Nippon Suisan Kaisha, Ltd.** Listed on Tokyo Stock Exchange with the register code 1332

<http://www.nissui.co.jp/english/index.html>

## 1. Consolidated Financial Data for Fiscal Year ended March 31, 2008

### (1) Consolidated Financial Results

(Amounts less than one million yen are omitted)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>FY ended March 31, 2008</b>	<b>533,970</b>	<b>▲3.4</b>	<b>7,231</b>	<b>▲56.3</b>	<b>6,758</b>	<b>▲57.9</b>	<b>9,390</b>	<b>1.0</b>
FY ended March 31, 2007	552,871	2.4	16,544	48.2	16,065	35.1	9,301	38.8

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

	Net income per share	Diluted income per share	Net income / Total shareholders equity	Ordinary income / Total assets	Operating income / Net sales
	Yen	Yen	%	%	%
<b>FY ended March 31, 2008</b>	<b>33.97</b>	-	<b>8.5</b>	<b>1.7</b>	<b>1.4</b>
FY ended March 31, 2007	33.64	-	8.5	4.1	3.0

Note : Equity in earnings of unconsolidated subsidiaries and affiliates March, 31, 2008 ¥1,752 Million March, 31, 2007 ¥1,643 Million

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
<b>As of March 31, 2008</b>	<b>396,739</b>	<b>128,029</b>	<b>27.3</b>	<b>392.45</b>
As of March 31, 2007	404,173	127,351	27.7	404.59

Note : Total shareholders' equity March, 31, 2008 ¥108,500 Million March, 31, 2007 ¥111,870 Million

### (3) Consolidated Cash-Flow

	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
<b>FY ended March 31, 2008</b>	<b>14,900</b>	<b>1,848</b>	<b>▲16,999</b>	<b>11,774</b>
FY ended March 31, 2007	16,744	▲22,990	8,098	12,900

## 2. Dividend

	Dividend per share			Total dividend	Payout ratio (Consolidated)	Dividend / Net assets (Consolidated)
	Interim	Final	Annual			
	Yen	Yen	Yen	Million yen	%	%
FY ended March 31, 2007	4.00	5.00	9.00	2,488	26.8	2.3
<b>FY ended March 31, 2008</b>	<b>5.00</b>	<b>5.00</b>	<b>10.00</b>	<b>2,764</b>	<b>29.4</b>	<b>2.5</b>
FY ending March 31, 2009 (forecast)	5.00	5.00	10.00		55.3	

## 3. Forecast for the Year ending March 31, 2009, Consolidated

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
<b>Six Months ending September 30, 2008</b>	<b>260,000</b>	<b>▲2.9</b>	<b>4,500</b>	<b>▲27.5</b>	<b>4,000</b>	<b>▲31.4</b>	<b>1,000</b>	<b>▲19.3</b>	<b>3.62</b>
<b>FY ending March 31, 2009</b>	<b>530,000</b>	<b>▲0.7</b>	<b>13,500</b>	<b>86.7</b>	<b>12,000</b>	<b>77.5</b>	<b>5,000</b>	<b>▲46.8</b>	<b>18.09</b>

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

(Reference) Summary of Non-consolidated financial statements

1. Non-consolidated Financial Data for Fiscal Year ended March 31, 2008

(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	%
<b>FY ended March 31, 2008</b>	<b>337,629</b>	<b>▲1.8</b>	<b>2,997</b>	<b>▲51.4</b>	<b>4,166</b>	<b>▲49.5</b>	<b>5,491</b>	<b>10.7</b>
FY ended March 31, 2007	343,666	3.6	6,169	85.4	8,248	44.2	4,960	▲1.7

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

	Net income per share	Diluted income per share
	Yen	Yen
<b>FY ended March 31, 2008</b>	<b>19.86</b>	-
FY ended 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
<b>As of March 31, 2008</b>	<b>237,242</b>	<b>70,581</b>	<b>29.8</b>	<b>255.28</b>
As of March 31, 2007	265,015	77,491	29.2	280.24

Note : Total shareholders' equity      March, 31, 2008      ¥70,581 Million      March, 31, 2007      ¥77,491 Million

2. Forecast for the Year ending March 31, 2009, 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
<b>Six Months ending September 30, 2008</b>	<b>160,000</b>	<b>▲6.2</b>	<b>1,500</b>	<b>▲24.4</b>	<b>2,500</b>	<b>▲9.3</b>	<b>2,000</b>	<b>273.8</b>	<b>7.23</b>
<b>FY ending March 31, 2009</b>	<b>326,000</b>	<b>▲3.4</b>	<b>4,300</b>	<b>43.5</b>	<b>6,800</b>	<b>63.2</b>	<b>4,800</b>	<b>▲12.6</b>	<b>17.36</b>

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. Consolidated Results of the Year ended March 31, 2008

During the consolidated fiscal year under review, the Japanese economy, backed by strong corporate earnings, continued along the path of moderate recovery, as evidenced in the increase in capital investments and improved employment conditions. However, feeling the effects of the continued surge in materials prices, including those of crude oil and grain, in addition to the sharp drop in stock prices and the rapidly appreciating yen reflecting the global financial instability, which, in turn, was triggered by the subprime mortgage crisis, the economy has been decelerating toward the end of the fiscal year.

As for the global economy, recession concerns are mounting in the U.S., as the subprime mortgage crisis assumes serious proportions and with the downturn in private consumption. However, in Asia, primarily in China, consumption and capital investment have been on the increase and the economy has continued to expand.

In the industries in which the Company and its corporate group operate, the environment in Japan remained austere as the soaring purchase price of seafood caused by strong worldwide demand could not be shifted on to sales prices; while in addition to the hike in the raw materials prices of processed products, the market was embroiled in turmoil under the effects of the falsifications of food expiry dates and concerns over safety of Chinese food products, brought on by the Chinese frozen dumpling incident. As for the rest of the world, amid growing difficulty in securing food resources accompanying the shift in demand and supply, the price of whitefish in the U.S. and Europe remained steady. However, the price of raw materials continued to soar in terms of precooked frozen seafood in the U.S., personal consumption slumped, and market competition remained stiff overall.

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.

Although every one of our businesses were subject to price hikes of fuel, main and auxiliary materials, and equipments/materials, passing on these cost onto sales prices proved difficult due to structural factors; while King & Prince Seafood Corp., the commercial precooked frozen seafood company, and the aquaculture businesses in Chile and Indonesia also performed poorly. Consequently, our operating results for the consolidated fiscal year under review were: sales in the amount of 533,970 million yen, down 18,901 million yen (3.4%) year-on-year; operating income of 7,231 million yen, down 9,313 million yen (56.3%) year-on-year; and ordinary income of 6,758 million yen, down 9,307 million yen (57.9%) year-on-year.

In terms of extraordinary gains, the gain on sales of fixed assets of 26,973 million yen, including gains on sale of the former site of the Harumi frozen food factory was recorded, and as extraordinary losses, impairment losses on goodwill of King & Prince and losses on disposal of fixed assets of 13,852 million yen were recognized. As a consequence, net income was 9,390 million yen (up 89 million yen, up 1.0% year-on-year).

#### 1) Performance by Major Business Segment

##### (1) Marine Products Business

Sales decreased by 2,755 million yen year-on-year to 230,822 million yen and operating income decreased by 5,475 million yen year-on-year to 8 million yen, owing mainly to the decrease in the sales volume of the Company’s main fish products of surimi (fish paste), shrimp and salmon/trout, in addition to the effects of the earthquake and fish diseases on the salmon/trout aquaculture business in South America and the major delays in the reforms of the shrimp aquaculture operations in Asia.

##### (2) Foods Business

Despite growing sales of fish sausage and ham, using the “eco-clip” (Note 1), and frozen foods for commercial use, sales decreased by 17,252 million yen year-on-year to 251,836 million yen, due to the merger of a food wholesale company in Japan (Note 2) accompanying the change in its status from consolidated subsidiary to unconsolidated subsidiary accounted for by the equity method, in addition to soaring raw materials price, increased sales expenses and drastic decrease in the sale of frozen foods for household use resulting from the concerns for the safety of Chinese food products. Additionally, King & Prince in the U.S. also continued to perform poorly as a result of soaring raw materials costs and the downturn in personal consumption. Consequently, operating income also decreased by 2,695 million yen year-on-year to 1,627 million yen.

**(3) General Distribution Business**

Sales generated by the General Distribution Business totaled 12,412 million yen, a year-on-year increase of 738 million yen due to the increase in the cold storage business. However, operating income decreased by 144 million yen year-on-year to 1,992 million yen, as a result of the increase in expenses incurred in the reorganization of the corporate group (Note 3) through the merger of its consolidated subsidiaries and corporate splits.

**(4) Fine Chemicals Business**

Sales generated by the Fine Chemicals Business increased by 23 million yen year-on-year to 24,889 million yen. However, due to the decrease in production volume and the increase in expenses caused by the delay in the initial plans for the newly established Kashima Plant, operating income decreased by 831 million yen to 6,000 million yen.

## **2) Performance by Geographical Segment**

### **(1) Japan**

In the Marine Products business, sales volume of our main fish products decreased and the gross profit margin also fell due to the rise in purchase prices.

In the Foods business, despite the increase in sales of fish sausage and ham using the “eco-clip,” frozen foods for commercial use and bottled Shelf-stable foods, sales decreased by 26,162 million yen year-on-year to 432,423 million yen and operating income decreased by 3,103 million yen year-on-year to 11,031 million yen, due to the change in the status of a consolidated subsidiary to an unconsolidated subsidiary accounted for by the equity method, in addition to the rise in raw materials prices and the drastic decrease in the sales of frozen foods for household use, resulting from the concerns for the safety of Chinese food products.

### **(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, resulting in an increase of 887 million yen year-on-year to 80,024 million yen in total sales. However, due to the poor performance of King & Prince, reflecting the rise in raw materials prices and the downturn in personal consumption, operating income fell by 2,139 million yen year-on-year to 1,382 million yen.

### **(3) South America**

We are engaged in the fishing and aquaculture businesses in Argentina and Chile. Due to the poor performance of the fishing business in Argentina and the drastic decrease in revenue caused by the effects of the earthquake and fish diseases on the aquaculture business in Chile, sales decreased by 2,639 million yen year-on-year to 10,782 million yen and an operating loss of 201 million yen was recorded, constituting a year-on-year decrease of 2,626 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 increase by 1,076 million yen year-on-year to 5,250 million yen. However, we recorded an operating loss of 2,075 million yen, a year-on-year loss increase of 905 million yen, due to the major delays in the reforms on the shrimp aquaculture business in Indonesia.

### **(5) Europe**

We are engaged in the Marine Products and Foods businesses in Europe. In October 2007, we acquired a seafood processing company in France (Note 4) and as a result sales increased by 2,657 million yen year-on-year to 5,489 million yen and operating income increased by 82 million yen year-on-year to 69 million yen.

(Note 1) New packaging that replaces the aluminum clips, which had formerly been fastened on both ends of fish sausages, with tape clips.

(Note 2) Kanesho Co., Ltd. (Merged in October 2006, and subsequently change its name to K Chilled Foods Co., Ltd.)

(Note 3) 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 Company.

(Note 4) Cite Marine S.A.S. was acquired in October 2008.

## **2. Full-year Forecast**

In fiscal 2007, under the new 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.

Based on the above, our full-year forecast is 530 billion yen in sales, 13.5 billion yen in operating income, 12 billion yen in ordinary income and 5 billion yen in net income.

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

**[FY2007]**

[Unit:Million yen]

	Marine Products Business	Foods Business	General Distribution Business	Fine Chemicals Business	Other	Elimination or corporate	Total
Net sales	230,822	251,836	12,412	24,889	14,009		533,970
Operating income	8	1,627	1,992	6,000	578	▲2,976	7,231

**[Forecast FY2008]**

[Unit:Million yen]

	Marine Products Business	Foods Business	General Distribution Business	Fine Chemicals Business	Other	Elimination or corporate	Total
Net sales	220,400	259,000	11,700	25,500	13,400		530,000
Operating income	6,400	2,600	2,100	5,700	200	▲3,500	13,500

**II. Analysis of Financial Position**

State of assets, liabilities and net assets

Total assets as of the end of the current consolidated fiscal year decreased by 7,433 million yen compared to the end of the previous consolidated fiscal period to 396,739 million yen. Current assets increased by 5,618 million yen to 177,409 million yen, mainly as a result of the increase in inventories. Fixed assets decreased by yen to 219,330 million yen, mainly as a result of the increase in property, plant and equipment by 10,382 million yen, the decrease of intangible fixed assets by 7,844 million yen and the decrease of investments and other assets by 15,590 million yen. Total liabilities as of the end of the current consolidated fiscal year decreased by 8,110 million yen compared to the previous consolidated fiscal period to 268,710 million yen.

Current liabilities decreased by 11,124 million yen to 158,335 million yen, mainly as a result of the decrease in short-term borrowings. Fixed liabilities increased by 3,013 million yen to 110,375 million yen, mainly as a result of the increase in long-term borrowings. Net assets as of the end of the current consolidated fiscal year increased by 677 million yen compared to the previous consolidated fiscal year to 128,029 million yen.

Status of cash flow

Cash flows from operating activities resulted in a net inflow of 14,900 million yen (down 1,844 million yen year-on-year). This was primarily attributable to income before income taxes in the amount of 19,879 million yen, depreciation and amortization of 15,410 million yen, the decrease in accounts receivable-trade of 10,302 million yen, the increase in accounts payable-trade of 2,243 million yen, the decrease of accrued expenses of 7,858 million yen and the payment of income taxes of 2,569 million yen. Cash flows from investing activities resulted in a net inflow of 1,848 million yen (up 24,838 million yen year-on-year). This was primarily attributable to outlays for the acquisition of property, plant and equipment of 16,666 million yen including investments into reinforcement of food plants, and proceeds from the sales of property, plant and equipment of 27,708 million yen. Cash flows from financing activities resulted in a net outflow of 16,999 million yen (down 25,098 million yen year-on-year) primarily due to the repayment of borrowings.

As a result, the closing balance of cash and cash equivalents as of the end of the current consolidated fiscal year was 11,774 million yen (down 1,126 million yen year-on-year).

	March 2004	March 2005	March 2006	March 2007	March 2008
Ratio of Shareholders' equity	25.0	26.7	27.5	27.7	27.3
Ratio of Shareholders' equity on a market value basis	22.0	30.3	38.6	52.7	26.0
Interest-bearing liabilities versus cash flow	7.8	6.5	10.0	10.7	11.4
Interest coverage ratio	6.1	8.8	5.0	3.8	3.0

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

(Notes)

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.

### **III. Basic Policies for Profit Sharing and Dividends of the Current and Next Terms**

As for profit sharing at the Company and its corporate group, our 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 enhancing 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 term-end dividend. By adding the interim dividend of 5 yen per share already paid out, the annual dividend will be 10 yen per share.

The proposal of this term-end dividend was resolved at the Meeting of the Board of Directors held on May 16, 2008. Upon the approval of the amendment proposal of the Articles of Incorporation in relation to the enforcement of the Company Law at the 91st regular General Meeting of Shareholders to be held on June 28, 2007, matters related to dividends of retained earnings, stipulated in the Company Law, Article 459-1, will be determined by the resolution of the Meeting of the Board of Directors subject to the Articles of Incorporation.

As for the annual dividend for the next term, we plan to pay out 10 yen per share (5 yen for interim and 5 yen for term-end).

### **IV. Risks involved in the 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 and extreme volatility in the marine products market.

- 1 Problems arising relating to food safety
- 2 Massive changes in the marine foods market
- 3 Fish disease infections in the aquaculture business
- 4 Massive fluctuations in the prices of raw materials including the prices of fuel, main and auxiliary materials, and equipment/materials
- 5 Occurrence of terrorism, disputes, infectious diseases, earthquakes, typhoons, and other phenomena in the group's business regions
- 6 Massive fluctuations in the exchange rates
- 7 Amendments and new enactments of legal restrictions and regulations in Japan and overseas
- 8 Effects of the application of impairment accounting

### **[2] Corporate Group Overview**

Our corporate group consists of the Company, its 78 subsidiaries and 27 affiliate companies. We are engaged mainly 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 our consolidated subsidiaries [Hohsui Corporation (\*1), Nippon Suisan (U.S.A.), Inc. and 27 other companies], 10 unconsolidated subsidiaries [6 of which are accounted for by the equity method], as well as affiliated firms, consisting of Kura Ltd. and 17 other companies [17 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 our consolidated subsidiaries [including Nippo Shokuhin Kogyo Co., Ltd., Gorton's Inc, King & Prince Seafood Corp. and 15 other companies], and 2 affiliated firms [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 our consolidated subsidiaries [including Teion Co., Ltd., Nissui Logistic Corp., Carry Net Co., Ltd. and 1 other companies], 1 unconsolidated subsidiary [accounted for by the equity method] and 2 affiliated firm, are engaged in the cold storage and freezing of seafood, and transportation of chilled cargo.

#### **Fine Chemicals:**

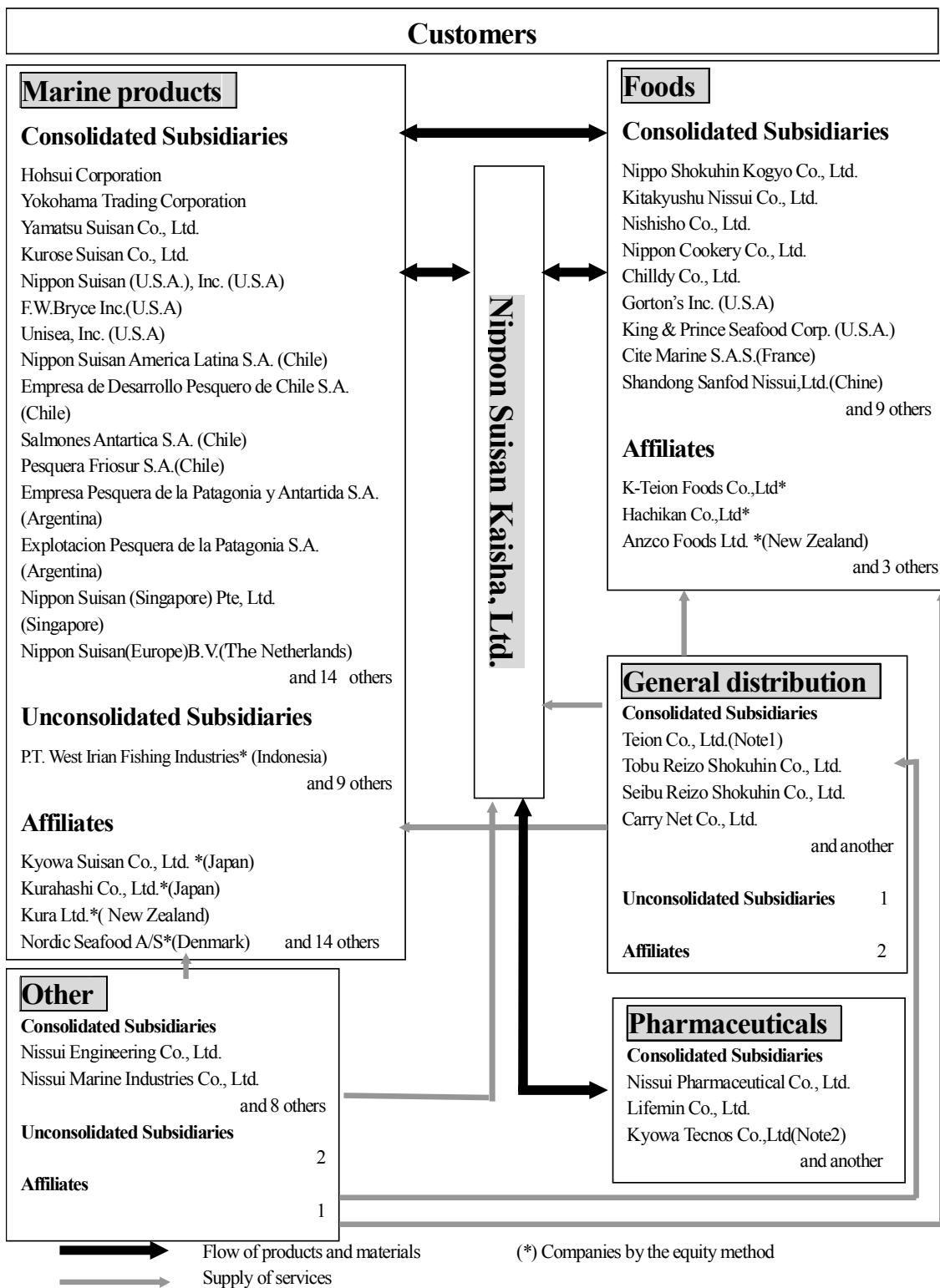
The Company, together with consolidated subsidiaries [consisting of Nissui Pharmaceutical Co., Ltd. (\*2), Lifemin Co., Ltd., Kyowa Tecnos Co., Ltd. and another company], manufacture and sell pharmaceutical products, health foods and pharmaceutical materials.

#### **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 firm [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., L Listed on the First Section of the Tokyo Stock Exchange.



(Note1)On April 1, Teion Co., Ltd. succeeded a portion of the marine products sales business of the Sapporo Branch in Fisheries Business Dept. and the foods sales business of the Company's Sapporo Branch through a split-off. (The name of the new company: Hokkaido Nissui Co. Ltd.)

(Note2)The company merged with Kyowa Technos Co., Ltd.

### **[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 taking 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 the fiscal year under review, 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 True Global Links (TGL) Plan by setting the coming 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 our 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 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 such as increasing concern for the global shortage of natural resources. 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

**Consolidated Financial Statements**  
**Consolidated Balance Sheets**

Million yen

	As of March 31, 2007	As of March 31, 2008	GAP		As of March 31, 2007	As of March 31, 2008	GAP
<b>(Assets)</b>				<b>(Liabilities)</b>			
<b>Current assets</b>	171,791	<b>177,409</b>	5,618	<b>Current liabilities</b>	169,459	<b>158,335</b>	▲11,124
Cash and bank deposits	12,406	11,578	▲828	Notes and accounts payable	30,717	36,315	5,598
Notes and accounts receivable	70,282	63,416	▲6,865	Short-term debt	104,436	91,575	▲12,860
Marketable securities	1,394	1,376	▲17	Accrued income taxes	1,729	2,121	391
Inventories	71,522	78,749	7,227	Accrued expenses	25,070	18,437	▲6,633
Deferred taxes	3,357	2,732	▲625	Accrued bonus expenses	2,129	2,221	91
Other	14,633	20,160	5,527	Accrued bonus expenses for directors	226	85	▲141
Allowance for doubtful accounts	▲1,805	▲604	1,201	Other accrued expenses	169	114	▲54
				Other	4,979	7,463	2,483
<b>Fixed assets</b>	232,382	<b>219,330</b>	▲13,051	<b>Long term liabilities</b>	107,362	<b>110,375</b>	3,013
<b>Property, plant and equipment</b>	94,661	<b>105,044</b>	10,382	Long-term debt	75,255	77,651	2,396
Buildings and structures	45,914	49,872	3,957	Deferred taxes	10,827	11,745	918
Machinery and equipment	24,665	28,236	3,571	Accrued retirement benefits	16,024	14,537	▲1,487
Vessels	1,040	3,435	2,394	Accrued retirement benefits for directors	687	686	▲1
Land	17,284	17,428	143	Other	4,567	5,755	1,187
Construction in progress	3,822	3,892	69	<b>Total Liabilities</b>	276,821	<b>268,710</b>	▲8,110
Other	1,933	2,179	246	<b>(Net Assets)</b>			
<b>Intangible assets</b>	37,516	<b>29,671</b>	▲7,844	<b>Owners' equity</b>	89,105	<b>95,709</b>	6,603
Goodwill	19,743	14,281	▲5,461	Common stock	23,729	23,729	
Software	3,893	2,344	▲1,549	Capital surplus	14,152	14,153	0
Other	13,879	13,045	▲833	Retained earnings	51,426	58,052	6,625
<b>Investments and long-term advances</b>	100,204	<b>84,614</b>	▲15,590	Treasury common stock	▲202	▲225	▲22
Investment securities	90,021	73,974	▲16,046	<b>Valuation and Translation adjustments</b>	22,764	<b>12,790</b>	▲9,974
Long-term loans	1,393	1,023	▲370	Unrealized gains/losses on securities	14,816	4,790	▲10,025
Deferred taxes	2,615	2,522	▲92	Deferred gains/losses on hedges	37	▲85	▲122
Other	8,535	9,396	860	Foreign currency translation adjustment	7,910	8,085	174
Allowance for doubtful accounts	▲2,360	▲2,301	59	<b>Minority interests</b>	15,481	<b>19,528</b>	4,047
				<b>Total Net assets</b>	127,351	<b>128,029</b>	677
<b>Total Assets</b>	404,173	<b>396,739</b>	▲7,433	<b>Total Liabilities and Net assets</b>	404,173	<b>396,739</b>	▲7,433

## Consolidated Income Statements

Million yen

	FY ended March 31, 2007	FY ended March 31, 2008	GAP
<b>Net sales</b>	552,871	<b>533,970</b>	▲ 18,901
Cost of sales	438,126	426,344	▲ 11,782
<b>Gross profit</b>	114,744	<b>107,625</b>	▲ 7,119
Selling, general and administrative expenses	98,200	100,394	2,194
<b>Operating income</b>	16,544	<b>7,231</b>	▲ 9,313
Non-operating income			
Interest income	769	581	▲ 188
Dividend income	879	1,094	215
Foreign exchange gain	571		▲ 571
Equity in earnings of unconsolidated subsidiaries and affiliates	1,643	1,752	109
Adjustment on inflation accounting		1,238	1,238
Other income	1,107	1,002	▲ 104
Total	4,970	5,669	699
Non-operating expenses			
Interest expense	4,640	5,021	381
Foreign exchange loss		69	69
Other expenses	808	1,051	243
Total	5,448	6,142	693
<b>Ordinary income</b>	16,065	<b>6,758</b>	▲ 9,307
Extraordinary gains			
Gain on sale of property, plant and equipment	1,374	26,774	25,399
Gain on sale of investment securities	169	68	▲ 100
Gain on sale of investment securities of affiliated companies	200		▲ 200
Reversal of allowance for doubtful accounts	124	125	1
Reversal of allowance for doubtful accounts to affiliated companies	35	4	▲ 30
Reversal of special reserve for repair due to sale of vessels	12		▲ 12
Refund of past-year fixed assets tax	372		▲ 372
Gain on insurance	605		▲ 605
Gain on changes of shares of affiliates	129		▲ 129
Gain from prior-year adjustments	164		▲ 164
Total	3,187	26,973	23,785
Extraordinary losses			
Loss on disposal of property, plant and equipment	1,096	997	▲ 99
Loss on impairment of fixed assets	-	8,277	8,277
Loss on sale of investment securities	52	18	▲ 33
Loss on revaluation of investment securities	35	709	674
Loss on sale of investment securities of affiliated companies	-	53	53
Provision for doubtful accounts	77	483	405
Loss on special severance plan	196	205	9
Retirement benefits for directors	-	1,459	1,459
Provision for Retirement benefits for directors	-	427	427
Loss on earthquake damage in Chile	-	609	609
Loss on fish disease in Chile	-	435	435
Loss on integration costs of affiliated companies	1,274		▲ 1,274
Loss from prior-year adjustments	-	174	174
Other	263		▲ 263
Total	2,996	13,852	10,855
<b>Income before income taxes and minority interests</b>	16,257	<b>19,879</b>	3,622
Income taxes :			
Current	3,554	2,419	▲ 1,135
Deferred	2,674	7,689	5,015
Minority interests (deduct)	726	380	▲ 346
<b>Net income</b>	9,301	<b>9,390</b>	89

## Consolidated Statements of Changes in Net assets

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 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 (*) (Final)			▲2,765		▲2,765						▲2,765
Net income			9,390		9,390						9,390
Purchases of treasury stock				▲23	▲23						▲23
Disposal of treasury stock		0		0	1						1
Other changes						▲10,025	▲122	174	▲9,974	4,047	▲5,926
Total changes during the year	-	0	6,625	▲22	6,603	▲10,025	▲122	174	▲9,974	4,047	677
Balance as of March, 31, 2008	23,729	14,153	58,052	▲225	95,709	4,790	▲85	8,085	12,790	19,528	128,029

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

# Consolidated Statements of Cash-Flow

Million yen

	FY ended March 31, 2007	FY ended March 31, 2008	GAP
<b>I Cash flows from operating activities</b>			
Income before income taxes and minority interest	16,257	19,879	3,622
Depreciation and amortization	14,053	15,410	1,357
Loss on impairment of fixed assets	-	8,277	8,277
Increase (Decrease) in allowance for doubtful accounts	192	▲ 1,208	▲ 1,401
Increase (Decrease) in accrued retirement benefits	▲ 1,359	▲ 1,501	▲ 142
Interest and dividend income	▲ 1,648	▲ 1,675	▲ 27
Interest expense	4,640	5,021	381
Equity in earnings of unconsolidated subsidiaries and affiliates	▲ 1,643	▲ 1,752	▲ 109
Gain on sale of property, plant and equipment	▲ 1,374	▲ 26,774	▲ 25,399
Loss on disposal of property, plant and equipment	1,096	997	▲ 99
Gain on sale of investment securities	▲ 169	▲ 68	100
Loss on revaluation of investment securities	35	709	674
Decrease (Increase) in notes and accounts receivable	▲ 10,398	10,302	20,700
Decrease (Increase) in inventories	▲ 9,292	▲ 412	8,880
Increase (Decrease) in notes and accounts payable	7,672	2,243	▲ 5,429
Increase (Decrease) in accrued expenses	3,387	▲ 7,858	▲ 11,245
Bonus paid to directors	▲ 193	-	193
Other	1,443	▲ 553	▲ 1,996
Subtotal	22,702	21,037	▲ 1,664
Interest and dividends received	1,518	1,390	▲ 127
Interest paid	▲ 4,457	▲ 4,959	▲ 501
Income taxes paid	▲ 3,018	▲ 2,569	449
<b>Net cash provided by operating activities</b>	<b>16,744</b>	<b>14,900</b>	<b>▲ 1,844</b>
<b>II Cash flows from investing activities</b>			
Decrease (Increase) in term deposits	248	101	▲ 146
Decrease (Increase) in marketable securities	71	1,535	1,464
Purchases of property, plant and equipment	▲ 15,082	▲ 16,666	▲ 1,583
Proceeds from sale of property, plant and equipment	2,646	27,708	25,062
Purchases of intangible assets	▲ 993	▲ 984	9
Purchases of investment securities	▲ 10,984	▲ 3,383	7,600
Proceeds from sale of investment securities	1,345	595	▲ 749
Payment for acquisition of shares of subsidiaries accompanying change in scope of consolidation	▲ 1,738	▲ 2,670	▲ 931
Proceeds from sale of shares of subsidiaries accompanying change in scope of consolidation	-	176	176
Decrease (Increase) in short-term loans	▲ 534	▲ 4,405	▲ 3,870
Other	2,032	▲ 159	▲ 2,191
<b>Net cash used in investing activities</b>	<b>▲ 22,990</b>	<b>1,848</b>	<b>24,838</b>
<b>III Cash flows from financing activities</b>			
Increase (Decrease) in short-term debt	3,258	▲ 12,279	▲ 15,538
Proceeds from long-term debt	33,973	17,388	▲ 16,585
Repayment of long-term debt	▲ 26,754	▲ 19,075	7,678
Proceeds from capital increase underwritten by minority shareholders	-	1,039	1,039
Dividends paid	▲ 2,072	▲ 2,765	▲ 692
Dividends paid to minority interests shareholders	▲ 285	▲ 1,288	▲ 1,003
Decrease (Increase) of treasury stock	▲ 22	▲ 18	3
<b>Net Cash provided by financing activities</b>	<b>8,098</b>	<b>▲ 16,999</b>	<b>▲ 25,098</b>
IV Effect of exchange rate changes on cash and cash equivalents	18	▲ 249	▲ 267
V Net increase in cash and cash equivalents	1,871	▲ 499	▲ 2,371
VI Cash and cash equivalents at the beginning of the year	11,601	12,900	1,299
VII Changes in cash and cash equivalents due to scope of consolidation	▲ 572	▲ 626	▲ 54
<b>VIII Cash and cash equivalents at the end of the year</b>	<b>12,900</b>	<b>11,774</b>	<b>▲ 1,126</b>

## Segment Information

### 1. Information by business segments

#### Fiscal Year ended March 31, 2007

Million yen

	Marine Products	Foods	General distribution	Fine chemicals	Other	Total	Elimination or corporate	Consolidated
<b>Sales</b>								
(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	5,484	4,322	2,137	6,831	124	18,899	(2,355)	16,544
<b>Assets, Depreciation &amp; Capital Expenditure</b>								
Assets	158,535	153,766	23,193	35,858	11,401	382,755	21,417	404,173
Depreciation and amortization	3,915	7,557	1,446	1,027	106	14,053	-	14,053
Capital expenditure	5,642	5,978	539	3,632	238	16,031	-	16,031

#### Fiscal Year ended March 31, 2008

Million yen

	Marine Products	Foods	General distribution	Fine Chemicals	Other	Total	Elimination or corporate	Consolidated
<b>Sales</b>								
(1) Sales to third parties	230,822	251,836	12,412	24,889	14,009	533,970	-	533,970
(2) Inter-segment sales and transfers	9,670	824	10,752	536	3,288	25,073	(25,073)	-
Total	240,492	252,661	23,165	25,425	17,298	559,043	(25,073)	533,970
Operating expenses	240,483	251,034	21,172	19,425	16,720	548,836	(22,097)	526,738
Operating income	8	1,627	1,992	6,000	578	10,207	(2,976)	7,231
<b>Assets, Depreciation &amp; Capital Expenditure</b>								
Assets	157,919	147,213	20,999	40,196	10,602	376,931	19,808	396,739
Depreciation and amortization	4,695	7,691	1,427	1,449	145	15,410		15,410
Impairment losses	-	8,010	-	266	-	8,277		8,277
Capital expenditure	6,295	5,877	2,606	4,006	319	19,105		19,105

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

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

(2) Corporate operating expenses

The operating expenses in Elimination or cooperate, amounted to ¥2,976 million, mainly composed of expenses concerning research and development, quality assurance and environmental coordination of the company.

(3) Corporate assets

The assets for corporate use amounted to ¥19,808 million, mainly composed of long-term investments (investment securities) assets and assets utilized for administrative purpose.

## Segment Information (continued)

### 2. Information by geographical segments

Fiscal Year ended March 31, 2007

Million yen

	Japan	North America	South America	Asia	Europe	Total	Elimination or corporate	Consolidated
<b>Sales</b>								
(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
<b>Assets</b>	268,724	77,317	25,602	9,332	1,778	382,755	21,417	404,173

Fiscal Year ended March 31, 2008

Million yen

	Japan	North America	South America	Asia	Europe	Total	Elimination or corporate	Consolidated
<b>Sales</b>								
(1) Sales to third parties	432,423	80,024	10,782	5,250	5,489	533,970	-	533,970
(2) Inter-segment sales and transfers	3,883	5,193	13,123	7,583	-	29,784	(29,784)	-
Total	436,307	85,218	23,906	12,833	5,489	563,754	(29,784)	533,970
Operating expenses	425,275	83,835	24,107	14,909	5,419	553,547	(26,808)	526,738
Operating income(loss:▲)	11,031	1,382	▲201	▲2,075	69	10,207	(2,976)	7,231
<b>Assets</b>	250,466	65,554	31,708	14,815	14,386	376,931	19,808	396,739

Notes:

(1) Definitions of geographic segments and major countries

- i. The Definitions of geographic segments are in accordance with geographic regions.
- ii. Major foreign countries included in each segment

<b>North America</b>	The United States and Canada
<b>South America</b>	Chile and Argentina
<b>Asia</b>	Singapore, Thailand and China
<b>Europe</b>	The Netherlands, France

(2) Corporate operating expenses

The operating expenses in Elimination or cooperate, amounted to ¥2,976 million, mainly composed of expenses concerning research and development, quality assurance and environmental coordination of the company.

(3) Corporate assets

The assets for corporate use amounted to ¥19,808 million, mainly composed of long-term investments (investment securities) assets and assets utilized for administrative purpose.

### 3. Overseas sales

Fiscal Year ended March 31, 2007

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%

Fiscal Year ended March 31, 2008

Million yen

	North America	Other	Total
Overseas sales	72,832	31,358	104,191
Total consolidated sales			533,970
Ratio of overseas sales to total	13.6%	5.9%	19.5%

Notes:

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

<b>North America</b>	The United States and Canada
<b>Other</b>	South America, Europe and Asia

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

**Non-consolidated Financial Statements**
**Non-consolidated Balance Sheets**

Million yen

	As of March 31, 2007	As of March 31, 2008	GAP		As of March 31, 2007	As of March 31, 2008	GAP
<b>(Assets)</b>				<b>(Liabilities)</b>			
<b>Current assets</b>	99,846	<b>93,885</b>	▲5,960	<b>Current liabilities</b>	113,464	<b>88,964</b>	▲24,500
Cash and bank deposits	146	254	107	Accounts payable-trade	18,764	17,154	▲1,610
Notes receivable	140	149	9	Short-term debts	56,389	39,943	▲16,446
Accounts receivable-trade	45,594	38,537	▲7,056	Long-term debts (within 1 year)	10,366	6,216	▲4,149
Finished goods	25,865	24,379	▲1,485	Accounts payable-other	3,647	3,229	▲418
Raw materials	5,153	6,847	1,693	Accrued income taxes	162	238	76
Goods in process	300	653	353	Accrued business taxes	78	67	▲11
Supplies	589	589	▲0	Accrued sales taxes	247	404	156
Fishing operations in progress	822	867	45	Accrued expenses	14,471	9,998	▲4,473
Advances	477	330	▲147	Advanced receipt	41	18	▲23
Prepaid expenses	319	482	163	Deposits received	124	134	9
Deferred taxes	1,598	501	▲1,097	Deposits received - affiliates	8,007	10,445	2,438
Short-term loans - affiliates	14,997	15,841	843	Accrued bonus expenses	1,043	1,053	10
Accounts receivable-other	3,522	3,227	▲294	Accrued bonus expenses to directors	120	-	▲120
Other	369	1,228	858	Other	-	61	61
Allowance for doubtful accounts	▲51	▲5	45				
				<b>Long term liabilities</b>	74,059	<b>77,696</b>	3,637
<b>Fixed assets</b>	165,169	143,356	▲21,813	Long term debt	55,052	57,870	2,817
<b>Property, plant and equipment</b>	40,641	<b>36,155</b>	▲4,486	Deferred taxes	6,049	7,005	955
Buildings	18,322	14,630	▲3,691	Accrued retirement benefits	12,476	11,216	▲1,260
Structures	980	1,323	343	Long-term deposit received	480	457	▲23
Machinery and equipment	9,704	10,062	358	Others	-	1,147	1,147
Vessels	1	197	195				
Vehicles and transport equipment	23	31	7	<b>Total Liabilities</b>	187,524	<b>166,660</b>	▲20,863
Tools and implements	504	525	21				
Land	8,743	6,947	▲1,796				
Construction in progress	2,361	2,436	74				
<b>Intangible assets</b>	5,872	<b>3,427</b>	▲2,445				
Leaseholds	1,289	37	▲1,251	<b>(Net assets)</b>			
Software	3,581	2,026	▲1,555	<b>Owners' equity</b>	63,102	<b>65,809</b>	2,707
Telephone rights and other	1,001	1,362	361	<b>Common stock</b>	23,729	23,729	-
				<b>Capital surplus</b>	13,757	13,758	0
<b>Investments and long-term advances</b>	118,655	<b>103,774</b>	▲14,880	Additional paid-in capital	6,000	6,000	-
Investment securities	52,738	37,213	▲15,525	Other capital surplus	7,757	7,758	0
Investment securities - affiliates	51,274	47,718	▲3,555	<b>Retained earnings</b>	25,815	28,541	2,726
Investment capital	0	0	-	Other retained earnings	25,815	28,541	2,726
Investment capital - affiliates	1,150	733	▲416	Reserves for compressed fixed assets	3,032	3,475	443
Long-term loans	134	97	▲36	Special reserves	-	9,531	9,531
Long-term loans - employees	13	31	18	Other reserves	15,500	10,500	▲5,000
Long-term loans - affiliates	9,875	10,001	125	Retained earning carryforwards	7,283	5,034	▲2,248
Credits associated with companies in bankruptcy / insolvency	5,699	12,063	6,364				
Prepaid expenses (long-term)	81	474	392	<b>Treasury common stock</b>	▲200	▲220	▲19
Guarantee deposits paid	1,158	1,132	▲25	<b>Valuation and Translation adjustments</b>	14,389	<b>4,771</b>	▲9,617
Other	3	3	▲0	Unrealized gains/losses on securities	14,364	4,808	▲9,555
Allowance for doubtful accounts	▲3,475	▲5,697	▲2,221	Deferred gains/losses on hedges	24	▲37	▲61
<b>Total Assets</b>	265,015	<b>237,242</b>	▲27,773	<b>Total Net assets</b>	77,491	<b>70,581</b>	▲6,910
				<b>Total Liabilities and Net assets</b>	265,015	<b>237,242</b>	▲27,773

## Non-consolidated Income Statements

Million yen

	FY ended March 31, 2007	FY ended March 31, 2008	GAP
<b>Net sales</b>	343,666	<b>337,629</b>	▲ 6,037
Cost of sales	281,380	275,914	▲ 5,466
Gross profit	62,286	61,715	▲ 570
Selling, general and administrative expenses	56,117	58,718	2,601
<b>Operating income</b>	6,169	<b>2,997</b>	▲ 3,172
Non-operating income			
Interest income	763	778	14
Dividend income	3,365	3,142	▲ 223
Other income	534	371	▲ 163
Total	4,663	4,291	▲ 371
Non-operating expenses			
Interest expenses	2,075	2,287	211
Other expenses	509	836	326
Total	2,584	3,123	538
<b>Ordinary income</b>	8,248	<b>4,166</b>	▲ 4,082
Extr Other, net			
Gain on sale of property, plant and equipment	236	26,768	26,531
Gain on sale of investment securities	95	9	▲ 86
Gain on sale of investment securities in affiliated companies	291	-	▲ 291
Reversal of provision for doubtful accounts to affiliated companies	143	140	▲ 2
Reversal of provision for doubtful accounts	124	125	1
Reversal of special reserve for repaire due to sale of vessels	12	-	▲ 12
Refund of past-year fixed assets tax	155	-	▲ 155
Total	1,059	27,043	25,984
Extraordinary losses			
Loss on disposal of property, plant and equipment	336	620	284
Loss on revaluation of investment securities-other	5	548	542
Loss on revaluation of investment securities in affiliated companies	0	11,158	11,158
Loss on revaluation of investment capital in affiliated companies	260	889	629
Provision for doubtful accounts to affiliated companies	130	2,419	2,288
Provision for doubtful accounts to others	77	118	40
Loss on special severance plan	109	22	▲ 87
Other, net	0	1,459	1,459
Total	919	17,235	16,315
Income before income taxes	8,387	13,973	5,586
Income taxes :			
Current	64	139	74
Deferred	3,362	8,342	4,980
<b>Net income</b>	4,960	<b>5,491</b>	530