

-For reference purpose: This is translated into English for the convenience of readers.-

February 5, 2009

## Summary of 3<sup>rd</sup> Quarter Report for Fiscal Year 2008

Company: **NipponSuisan Kaisha, Ltd.**

Listed on Tokyo Stock Exchange with the register code 1332

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

### 1. Consolidated Financial Data of 3<sup>rd</sup> Quarter for FY2008 (Term: April 1, 2008 through December 31, 2008)

#### (1) Consolidated Financial Results of 3<sup>rd</sup> Quarter

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>3rd quarter of FY2008</b>	<b>400,088</b>	-	<b>6,125</b>	-	<b>2,449</b>	-	<b>▲6,594</b>	-
3rd quarter of FY2007	408,157	▲4.2	9,412	▲33.3	9,651	▲30.6	3,033	▲57.6

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

	3rd quarter net income per share	Diluted 3rd quarter net income per share
<b>3rd quarter of FY2008</b>	Yen <b>▲ 23.85</b>	Yen -
3rd quarter of FY2007	10.97	-

#### (2) Consolidated Financial Position of 3<sup>rd</sup> Quarter

	Total assets	Net assets	Equity ratio	Net assets per share
<b>3rd quarter of FY2008</b>	Million yen <b>425,984</b>	Million yen <b>97,435</b>	% <b>18.8</b>	Yen <b>290.27</b>
FY2007	396,739	128,029	27.3	392.45

(Note) Total shareholders' equity 'December 31, 2008 80,242 Million Yen 'March 31, 2007 108,500 Million Yen

### 2. Dividend

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
	Yen	Yen	Yen	Yen	Yen
FY2007	-	5.00	-	5.00	10.00
FY2008	-	<b>5.00</b>	-	-	-
<b>FY2008 (forecast)</b>	-	-	-	<b>5.00</b>	<b>10.00</b>

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

### 3. Consolidated Forecast for FY2008 (Term: April 1, 2008 through March 31, 2009)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen %	Million yen %	Million yen %	Million yen %	Yen
FY2008	500,000 ▲6.4	6,000 ▲17.0	0 ▲100.0	▲11,000 -	▲39.79

(Note) Revision during the current quarter to the consolidated forecast for FY2008: Yes

#### 4. Others

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

(2) Adoption of simplified accounting method or accounting methods specific to quarterly consolidated financial statements: Yes

(Note) For details, please refer to 4. Others of Qualitative Information/Consolidated Financial Statements on page 5.

(3) Changes in accounting principles, procedures, presentation methods, related to the preparation of quarterly consolidated financial statements (Items stated under Changes in the Significant Assumptions Underlying the Preparation of the Quarterly Consolidated Financial Statements)

1) Changes accompanying changes in accounting standards: Yes

2) Change other than those stated above: Yes

(Note) For details, please refer to 4. Others of Qualitative Information/Consolidated Financial Statements on page 5.

(4) Number of issued shares (Common stock)

1) Number of issued shares at the end of the term (Including treasury stock)

3Q of FY ending March 31, 2009: 277,210,277 shares, FY ended March 31, 2008: 277,210,277 shares

2) Number of treasury stock at the end of the term

3Q of FY ending March 31, 2009: 766,209 shares, FY ended March 31, 2008: 742,650 shares

3) Average number of shares during the term (For the current consolidated third quarter)

3Q of FY ending March 31, 2009: 276,457,399 shares,

3Q of FY ended March 31, 2008: 276,485,043 shares

#### \*Explanation on the proper use of the forecasts

1. Yearly forecast announced on 12<sup>th</sup> November 2008 is revised on this report.

2. The above forecast is based on the information available at the issuing date of this report. Accordingly, the final results may change due to various factors. For matters pertaining to the forecasts, please refer to 3. Qualitative information on consolidated forecasts of Qualitative Information/Consolidated Financial Statements on page 5.

3. Starting from the current consolidated fiscal year, the Company has adopted the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12, March 14, 2007) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14, March 14, 2007). The quarterly consolidated financial statements have been prepared in accordance with Regulations Concerning Quarterly Financial Statements.

## [Qualitative information/financial statements]

### 1. Qualitative information on consolidated financial results

During the current cumulative 3<sup>rd</sup> quarter, the Japanese economy, under the influence of the worldwide recession brought on by the financial crisis in the U.S., declined rapidly, as evidenced by the deteriorating employment situation and slumping personal consumption, as it headed toward the end of the year amid the sharp climb of the yen and plunging stock prices.

Also, in terms of the world economy, the real economies of the U.S. and Europe deteriorated even further, while the Asian nations including China experienced an economic slowdown.

In the industries in which the Company and its corporate group operate, sales were weak in the domestic Marine Products business during the second half of the year reflecting the slump in personal consumption, while the business environment for the domestic Foods business also remained harsh, as further problems arose concerning the safety of frozen prepared foods for household use produced in China. In the U.S. and Europe also, retail prices fell reflecting the decline in demand brought on by the recession, and market conditions deteriorated as illustrated by the slump in consumption of precooked frozen seafood in the U.S.

Under these circumstances, the effects of the poor performance by the commercial precooked frozen seafood company in North America, the changes in the scope of consolidation, as well as the amortization of goodwill of an overseas subsidiary (Note 1), and the exclusion from inflation accounting (Note 2) were felt. Moreover, the Company's performance was also impacted by the foreign exchange losses recorded on loans mainly denominated in USD and the unrealized losses on investment securities, in addition to the effects of having to provision the allowance for doubtful accounts to accounts receivable, in response to a business partner filing for the commencement of civil rehabilitation proceedings. Consequently, operating results for the current cumulative 3<sup>rd</sup> quarter were sales in the amount of 400,088 million yen, down 8,068 million yen year-on-year; operating income of 6,125 million yen, down 3,286 million yen year-on-year; ordinary income of 2,449 million yen, down 7,202 million yen year-on-year, and a net loss of 6,594 million yen, down 9,627 million yen year-on-year.

#### Performance by Major Business Segment

##### (1) Marine Products Business

In Japan, sales of surimi, fish oil and fish meal, etc. were as planned, while sales of fresh and frozen fish slumped toward the end of year, when demand should have been the highest. Consequently, despite factors such as the consolidation of the fishery, Kyowa Suisan Co., Ltd. (Note 3), the application of the equity method to Hohsui Corporation and to the company established through the corporate split of the Seafood-ECR department of the Company (Note 4), and the consolidation of a South American fishery overseas (Note 5), sales in the Marine Products business fell by 13,643 million yen year-on-year to 166,609 million yen and operating income by 1,784 million yen year-on-year to 4,244 million yen.

##### (2) Foods Business

In Japan, sales of fish sausage and ham, using the "eco-clip" (Note 6) increased, however, due to the delay in passing on the costs of increasing raw materials prices onto sales prices and further problems connected with the safety of frozen prepared foods for household use produced in China, drastic decreases in sales volume were recorded. While overseas, despite the consolidation of a producer of processed seafood in Europe (Note 7), in North America the commercial precooked frozen seafood company performed poorly due to factors including the downturn in the restaurant industry, and in Asia, performance by the Chinese food processing company was further aggravated due to slow sales of foods intended for Japan. As a result, while sales in the Foods business increased by 7,114 million yen year-on-year to 197,412 million yen, the amortization of goodwill (1,435 million yen) of an overseas subsidiary and other factors contributed to the recording of an operating loss of 1,290 million yen, representing a 3,480 million yen decrease year-on-year.

##### (3) General Distributions Business

Sales decreased by 872 million yen year-on-year to 8,642 million yen, and operating income decreased by 80 million yen year-on-year to 1,571 million yen, due to the decrease in the volume of imports received in the first half of the year and the decrease in handling volume resulting from slow cargo movement reflecting sluggish consumption in the second half of the year, both in the cold storage business, in addition to mounting expenses accompanying the additional installation of cold storage facilities.

##### (4) Fine Chemicals Business

In our pharmaceutical business, the decrease in the sales volume of pharmaceutical raw materials and mounting expenses resulting from the delays in the start-up of the new wing of our Kashima Plant caused sales to drop by 1,817 million yen year-on-year to 17,079 million yen, and operating income by 1,395 million yen year-on-year to

3,501 million yen.

#### Performance by Geographical Segment

##### (1) Japan

In the Marine Products business, sales of surimi, fish oil and meal, etc. were as planned, while sales of fresh and frozen fish slumped toward the end of year, when demand should have been the highest. Changes were made to the scope of consolidation as a result of the fishery, Kyowa Suisan Co., Ltd. becoming a consolidated subsidiary and the application of the equity method to Hohsui Corporation and to the company established through the corporate split of the Seafood-ECR department of the Company. In the Foods business, despite the increase of sales of fish sausage and ham, using the “eco-clip,” due to the delay in passing on the costs of increasing raw materials prices onto sales prices and further problems connected with the safety of frozen prepared foods for household use produced in China, drastic decreases in sales volume were recorded. Consequently, sales in Japan decreased by 18,966 million yen year-on-year to 318,416 million yen, while operating income also decreased by 223 million yen year-on-year to 9,952 million yen.

##### (2) North America

We are engaged in the Marine Products and Foods businesses in North America. As a result of diminished sales volume in the Marine Products business and the effects of the downturn in the restaurant industry on the Foods business, in addition to the amortization of goodwill (1,402 million yen), sales decreased by 7,573 million yen year-on-year to 52,031 million yen and an operating loss of 473 million yen was recorded, representing a decrease of 2,430 million yen year-on-year.

##### (3) South America

We are engaged in the fishing and aquaculture businesses in Argentina and Chile. While sales increased 1,533 million yen year-on-year to 9,078 million yen, due to a Chilean fishing company becoming a consolidated subsidiary in the fishing business, an operating loss of 261 million yen was recorded, representing a decrease of 765 million yen year-on-year. This was due to the poor performance by the Chilean salmon aquaculture company caused by the outbreak of a fish disease.

##### (4) Asia

We are engaged in the Marine Products and Foods businesses in Asia. In spite of sales increasing by 1,369 million yen year-on-year to 4,994 million yen, we recorded an operating loss of 1,182 million yen, a year-on-year loss increase of 174 million yen, due to the fact that in the Marine Products business, despite signs of improvement in the shrimp aquaculture business in Indonesia, it did not necessarily lead to revenues; and in the Foods business, the food processing company in China, which became a consolidated subsidiary, continued to perform poorly due to the slow sales intended for Japan.

##### (5) Europe

We are engaged in the Marine Products and the Foods businesses in Europe. Sales increased by 15,568 million yen year-on-year to 15,568 million yen as a result of the French seafood processing company and the Spanish marine products company (Note 9) becoming consolidated subsidiaries. Operating income also increased by 515 million yen year-on-year to 418 million yen.

Please note that amounts of year-on-year changes have been included in the “Qualitative information on consolidated financial results” for reference purposes.

##### (Note 1) Major components of goodwill:

Gorton's (North America): 914 million yen, King & Prince (North America): 462 million yen, Cité Marine S.A.A. (Europe): 57 million yen, Others: 59 million yen

(Note 2) The accounting method applied in Chile, whereby fluctuations in the prices of commodities are reflected in business accounting in order to disclose an accurate picture of a company's finances. In accordance with International Financial Reporting Standards, the adjustment gains of 2,413 million yen (non-operating income) resulting from said accounting method has been omitted.

(Note 3) In October 2008, the Company acquired shares of Kyowa Suisan Co., Ltd. and subsequently it was made a consolidated subsidiary of the Company.

(Note 4) -In March 2008, Suisan Ryutsu Co., Ltd., was established through the incorporation-type demerger of the Seafood-ECR business of the Company, and then was immediately made a subsidiary of Hohsui Corporation, the Company's consolidated subsidiary.

-In April 2008, Hohsui Corporation was made an affiliate accounted for under the equity method through a merger.

(Note 5) In October 2007, the Company underwrote the capital increases of PESQUERA FRIOSUR. S.A. and PESQUERA SUR AUSTRAL S.A.

(Note 6) New packaging that replaces the aluminum clips, which had formerly been fastened on both ends of fish sausages, with tape clips. It has been marketed from September 2007.

(Note 7) Cité Marine S.A.S. (France) was acquired in October 2007 through a merger.

(Note 8) In August 2007 the Company underwrote the capital increase of Shandong Sanfod Nissui, Ltd.

(Note 9) EUROPACFIO ALIMENTOS DEL MAR S.L., whose equity ratio changed as a result of the Company underwriting the capital increase of PESQUERA FRIOSUR. S.A. in October, 2007.

## **2. Qualitative information regarding the consolidated financial position**

- The status of assets, liabilities and net assets -

Current assets increased 20.4% from the end of previous consolidated fiscal year to 213,604 million yen. This was mainly attributable to the increase in notes and accounts receivable by 14,908 million yen, and the increase in merchandise and finished goods by 13,662 million yen. Fixed assets decreased by 3.2% from the end of the previous consolidated fiscal year to 212,379 million yen. This was mainly attributable to the increase in property, plant and equipment by 11,145 million yen, and the decrease in investments and other assets by 9,542 million yen and the decrease in goodwill by 4,783 million yen. As a result of the above, total assets increased by 7.4% from the end of the previous consolidated fiscal year to 425,984 million yen.

### Liabilities

Current liabilities increased by 34.5% from the end of the previous consolidated fiscal term to 212,918 million yen. This was mainly attributable to the increase in short-term loans payable by 40,952 million yen, the increase in accrued expenses by 7,223 million yen. Long-term liabilities increased by 4.8% from the previous consolidated fiscal year to 115,630 million yen. This was mainly attributable to the increase in long-term loans payable by 11,680 million yen and the decrease in deferred tax liabilities by 5,853 million yen. As a result of the above, total liabilities increased 22.3% from the end of the previous consolidated fiscal year to 328,549 million yen.

### Net assets

Total net assets decreased by 30,594 million yen from the end of the previous consolidated fiscal year to 97,435 million yen. This was mainly attributable to the decrease in retained earnings in the amount of 6,594 million yen due to the recording of net loss and in the amount of 7,442 million yen due to changes in accounting policies and the 7,411 million yen decrease in foreign currency translation adjustment.

- Status of cash flow -

Cash flows from operating activities resulted in a net outflow of 14,476 million yen. This was primarily attributable to loss before taxes in the amount of 3,227 million yen, depreciation and amortization of 11,864 million yen, and the increase in inventories of 20,958 million yen. Cash flows from investment activities resulted in a net outflow of 30,567 million yen, largely due to outlays for the acquisition of property, plant and equipment, in the amount of 24,277 million yen, which was used in investments to expand the production capacity of the food plants, among others. Cash flows from financing activities resulted in a net inflow of 53,118 million yen, largely due to the increase in short-term loans payable by 45,909 million yen and the proceeds from long-term loans payable in the amount of 21,477 million yen. As a result, the closing balance of cash and cash equivalents as of the end of the current quarter increased by 7,495 million yen compared to the end of the previous consolidated fiscal year to 19,269 million yen.

## **3. Qualitative information on consolidated forecasts**

As for the full year performance forecast for the fiscal year ending March 31, 2009, in view of the current economic climate and other factors, revisions have been made to the full year performance forecast for the fiscal year ending March 31, 2009, which was announced on November 12, 2008. For details, please refer to the *Announcement of revised performance forecast*, which will be released today.

## **4. Others**

(1) There were no changes in significant subsidiaries during the term (no changes in designated subsidiaries accompanying change in the scope of consolidation).

(2) Adoption of simplified accounting method or accounting methods specific to quarterly consolidated financial

statements:

Method of calculating depreciation of fixed assets

For assets that are depreciated on the declining-balance method, depreciation expenses applicable to the consolidated fiscal year are calculated on a pro-rata basis.

(3) Changes in accounting principles, procedures, presentation methods, relating to the preparation of quarterly consolidated financial statements (Changes in the matters relating to accounting standards)

1) Adoption of accounting standards for quarterly financial statements

Starting from the current consolidated fiscal term, the Company has adopted the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14). The quarterly consolidated financial statements have been prepared in accordance with Regulations Concerning Quarterly Financial Statements.

2) Changes in valuation standards and valuation methods of significant assets

Inventories

Previously, inventories held for sale in the ordinary course of business, were stated based on the lower of cost method, with cost being determined by the moving average method. However, starting from the current first quarter, the Company has adopted the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9 of July 5, 2006) and accordingly such inventories are now mainly stated using the acquisition cost method with cost being determined by the moving average method (in cases where the profitability of items has declined, the book value is reduced accordingly). As a result of this change, operating income and ordinary income have decreased by 327 million yen, respectively and net loss before income taxes has increased by 549 million yen. The impact of this change on the business segments has been stated in the appropriate sections.

3) Adoption of the "Tentative Treatment for the Unification of Accounting Policies of Foreign Subsidiaries in Preparing Consolidated Financial Statements."

Starting from the current first quarter, the Company has adopted the "Tentative Treatment for the Unification of Accounting Policies of Foreign Subsidiaries in Preparing Consolidated Financial Statements" (Practical Issues Task Force No. 18, May 17, 2006) and has revised the consolidated financial statements accordingly.

As a result, retained earnings at the beginning of the period have decreased by 7,442 million yen, operating income by 1,335 million yen, ordinary income by 3,956 million yen and net loss before income taxes increased by 3,956 million yen. The impact of this change on the business segments has been stated in the appropriate sections.

4) Adoption of accounting standards of lease transactions

Finance leases that do not transfer ownership to the lessee were previously accounted for as operating leases. However, as it became possible to apply the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13 (Business Accounting Council First Subcommittee June 17, 1993), revised March 30, 2007) and the "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16 (January 18, 1994), (Accounting Practice Committee, JICPA), revised March 30, 2007) to the quarterly consolidated financial statements relating to the consolidated fiscal year starting on and after April 1, 2008, the Company adopted these standards and accordingly such lease transactions have been accounted for as regular sales transactions. Moreover, finance leases that do not transfer ownership to the lessee have been depreciated on a straight-line basis over their lease period, with no residual value. The effect of this change on profits is minimal.

(Additional information)

- Changes in useful lives of property, plant and equipment -

Estimates of the useful lives of the machinery and equipment of the Company and its corporate group have been revised in conjunction with the 2008 revision to the income tax law and changes have been made starting from the current first quarter.

As a result, operating income and ordinary income have increased by 205 million yen and net loss before income tax decreased by 205 million yen, respectively. The impact of this change on the business segments has been stated in the appropriate sections.

### 3<sup>rd</sup> Quarter Financial Statements

#### (1) Balance sheet

Unit: Million Yen

	Q3 Balance As of Dec. 31, 2008	Last year Balance As of Mar. 31, 2008		Q3 Balance As of Dec. 31, 2008	Last year Balance As of Mar. 31, 2008
<b>(Assets)</b>			<b>(Liabilities)</b>		
<b>Current assets</b>			<b>Current liabilities</b>		
Cash and deposits	14,493	11,578	Notes and accounts payable-trade	44,008	36,315
Notes and accounts receivable-trade	78,325	63,416	Short-term loans payable	132,528	91,575
Merchandise and finished goods	61,209	47,546	Income taxes payable	1,498	2,121
Work in process	10,715	8,181	Accrued expenses	25,660	18,437
Raw materials and supplies	23,476	23,021	Provisions	787	2,421
Other Allowance for doubtful accounts	25,945	24,269	Other	8,435	7,463
	▲560	▲604	<b>Current liabilities subtotal</b>	<b>212,918</b>	<b>158,335</b>
<b>Total current assets</b>	<b>213,604</b>	<b>177,409</b>	<b>Noncurrent liabilities</b>		
<b>Noncurrent assets</b>			Long-term loans payable	89,331	77,651
<b>Property, plant and equipment</b>			Provision for retirement benefits	13,514	14,537
Buildings and structures, net	53,884	49,872	Other provision	1,082	686
Others, net	62,305	55,171	Other	11,701	17,500
<b>Total Property, plant and equipment</b>	<b>116,189</b>	<b>105,044</b>	<b>Total noncurrent liabilities</b>	<b>115,630</b>	<b>110,375</b>
<b>Intangible assets</b>			<b>Total liabilities</b>	<b>328,549</b>	<b>268,710</b>
Goodwill	9,497	14,281	<b>(Net Assets)</b>		
Other	11,619	15,389	<b>Equity</b>		
<b>Total intangible assets</b>	<b>21,117</b>	<b>29,671</b>	Capital stock	23,729	23,729
<b>Investments and other assets</b>			Capital surplus	13,758	14,153
Investment securities	64,042	73,974	Retained earnings	41,663	58,052
Other	16,128	12,941	Treasury stock	▲234	▲225
Allowance for doubtful accounts	▲5,099	▲2,301	<b>Total shareholders' equity</b>	<b>78,917</b>	<b>95,709</b>
<b>Total Investments and other assets</b>	<b>75,071</b>	<b>84,614</b>	<b>Valuation and translation adjustments</b>		
<b>Total noncurrent assets</b>	<b>212,379</b>	<b>219,330</b>	Valuation difference on available-for-sale securities	828	4,790
			Deferred gains or losses on hedges	▲177	▲85
			Foreign currency translation adjustment	674	8,085
			<b>Total valuation and translation adjustments</b>	<b>1,325</b>	<b>12,790</b>
			<b>Minority interests</b>	<b>17,192</b>	<b>19,528</b>
			<b>Total Net assets</b>	<b>97,435</b>	<b>128,029</b>
<b>Total assets</b>	<b>425,984</b>	<b>396,739</b>	<b>Total liabilities and net assets</b>	<b>425,984</b>	<b>396,739</b>

## Income Statement

Unit: Million Yen

	3Q of the current FY ended Dec. 31, 2008	3Q of the Last FY ended Dec. 31, 2007
<b>Net sales</b>	400,088	408,157
Cost of sales	316,645	325,097
<b>Gross profit</b>	83,443	83,059
Selling, general and administrative expenses	77,317	73,647
<b>Operating income</b>	6,125	9,412
Non-operating income		
Interest income	339	430
Dividends income	549	532
Foreign exchange gains		222
Equity in earnings of affiliates	650	1,538
Miscellaneous income	585	1,623
Total non-operating income	2,123	4,347
Non-operating expenses		
Interest expenses	3,258	3,728
Foreign exchange losses	1,942	
Miscellaneous expenses	599	380
Total non-operating expenses	5,800	4,109
<b>Ordinary income</b>	2,449	9,651
Extraordinary income		
Gain on sales of noncurrent assets	323	37
Gain on sales of investment securities	770	38
Reversal of allowance for doubtful accounts	86	132
Reversal of allowance for doubtful accounts of affiliated companies		4
Gain on transfer of business	250	
Total extraordinary income	1,430	213
Extraordinary loss		
Loss on disposal of noncurrent assets	627	304
Loss on valuation of investment securities	1,707	114
Loss on sales of stocks of subsidiaries and affiliates	90	
Provision for allowance for doubtful accounts	2,932	97
Special retirement expenses	246	7
Retirements benefits for directors		1,459
Provision for retirements benefits for directors		427
Loss on valuation of inventories	222	
Loss on fish disease in Chile	877	107
Loss on earthquake damages in Chile		203
Loss on change in equity	402	
irregular trading-related extraordinary loss		174
Total extraordinary loss	7,107	2,895
<b>Income before income taxes and minority interests</b>	▲3,227	6,969
Income taxes - current	2,725	1,580
Income taxes - deferred	▲300	2,035
Total income taxes	2,425	3,615
Minority interests in income	941	319
<b>Net income(loss)</b>	▲6,594	3,033

(Note) Please note that amounts of GAP has been shown for reference purposes.

## (3) Cash Flow Statement

Unit: Million Yen

	Q3 of the current FY Apr.1,2008 ~ Dec.31,2008	Q3 of the last FY Apr.1,2007 ~ Dec.31,2007
Loss before income taxes and minority interests	▲3,227	6,969
Depreciation and amortization	11,864	11,197
Amortization of goodwill	1,679	
Increase (decrease) in allowance for doubtful accounts	2,676	▲1,223
Increase (decrease) in provision for retirement benefits	▲649	▲944
Interest and dividends income	▲888	▲963
Interest expense	3,258	3,728
Equity in (earnings) losses of affiliates	▲650	▲1,538
Gain on sales of non-current assets	▲323	▲37
Loss on disposal of non-current assets	627	304
Loss (gain) on sales and valuation of investment securities	936	76
Decrease (increase) in notes and accounts receivable - trade	▲18,326	▲11,710
Decrease (increase) in inventories	▲20,958	▲4,626
Increase (decrease) in notes and accounts payable - trade	10,280	6,440
Increase (decrease) in accrued expenses	8,200	2,561
Other, net	▲4,041	177
Subtotal	▲9,540	10,410
Interest and dividends income received	1,274	1,251
Interest expenses paid	▲3,069	▲3,453
Income taxes paid	▲3,141	▲2,156
<b>Net cash provided by (used in) operating activities</b>	<b>▲14,476</b>	<b>6,052</b>
Decrease (increase) in time deposits	7	
Proceeds from sales of short-term investment securities	972	411
Purchase of property, plant and equipment	▲24,277	▲12,087
Proceeds from sales of property, plant and equipment	1,144	180
Purchase of intangible assets	▲1,807	▲565
Purchases of investment securities	▲4,651	▲2,832
Proceeds from sales of investment securities	2,556	441
Purchase of investments in subsidiaries resulting in change in scope of consolidation	▲1,907	▲5,655
Decrease (increase) in short-term loans receivable	▲53	2,548
Other, net	▲2,550	1,438
<b>II Net cash provided by (used in) investment activities</b>	<b>▲30,567</b>	<b>▲16,118</b>
Net increase (decrease) in short-term loans payable	45,909	9,255
Proceeds from long-term loans payable	21,477	14,097
Repayment of long-term loans payable	▲9,761	▲10,182
Repayments of lease obligations	▲577	
Cash dividends paid	▲2,764	▲2,765
Cash dividends paid to minority shareholders	▲1,155	▲351
Decrease (increase) of treasury stock	▲8	▲16
<b>III Net cash provided by (used in) financing activities</b>	<b>53,118</b>	<b>10,037</b>
IV Effect of exchange rate change on cash and cash equivalents	▲498	▲142
V Net increase (decrease) in cash and cash equivalents	7,577	▲171
VI Cash and cash equivalents at the beginning of the year	11,774	12,900
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	▲81	2,766
<b>VIII Cash and cash equivalents at the end of the year</b>	<b>19,269</b>	<b>15,496</b>

Note) Please note that amounts of GAP has been shown for reference purposes.

Starting from the current consolidated fiscal term, the Company has adopted the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14). The quarterly consolidated financial statements have been prepared in accordance with Regulations Concerning Quarterly Financial Statements.

(4) Notes on the premise of going concern: Not applicable

(5) Segment information

[Information by Business Segment]

Q3 of the current FY (Apr. 1, 2008 ~ Dec. 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	166,609	197,412	8,642	17,079	10,344	400,088	-	400,088
(2) Inter-segment sales and transfers	11,888	846	5,769	33	498	19,037	(19,037)	-
Total	178,497	198,259	14,412	17,113	10,843	419,125	(19,037)	400,088
Operating income	4,244	▲1,290	1,571	3,501	426	8,453	(2,327)	6,125

Q3 of the last FY (Apr. 1, 2007 ~ Dec. 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	180,252	190,297	9,515	18,897	9,193	408,157	-	408,157
(2) Inter-segment sales and transfers	8,923	338	8,565	63	1,939	19,830	(19,830)	-
Total	189,176	190,636	18,080	18,960	11,133	427,988	(19,830)	408,157
Operating income	2,460	2,189	1,651	4,897	332	11,531	(2,118)	9,412

(Notes)

1. Definitions of business segment and major businesses

- i. The classification of the business segment is in accordance with the management structures of our group.
- ii. Major product/businesses of each segment

<b>Marine products</b>	Fishing, farming, purchasing, processing and selling of marine products (fresh / frozen fish, fish-oil & fish-meal)
<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 businesses

2. The effected amounts stated in the “Changes in accounting principles, procedures, presentation methods, relating to the preparation of quarterly consolidated financial statements of 4. Others (3) Qualitative Information/Consolidated Financial” are as follows:

(Valuation method of inventories)

Starting from the current first quarter the Company has adopted the “Accounting Standard for Measurement of Inventories.” As a result of this change, third quarter operating income for the Marine Products business decreased by 96 million yen, operating loss for the Foods business increased by 195 million yen and operating income for the

Fine Chemicals business decreased by 36 million yen, compared to the amounts calculated with the previous method.

(Adoption of the “Tentative Treatment for the Unification of Accounting Policies of Foreign Subsidiaries in Preparing Consolidated Financial Statements.”)

Starting from the current first quarter the Company has adopted “Tentative Treatment for the Unification of Accounting Policies of Foreign Subsidiaries in Preparing Consolidated Financial Statements” and has revised the consolidated financial statements accordingly.

As a result of this change, third quarter operating income of the Marine Products business increased by 89 million yen and the operating loss of the Foods business has increased by 1,424 million yen, compared to the amounts calculated with the previous method.

(Changes in useful lives of property, plant and equipment)

Estimates of the useful lives of the machinery and equipment of the Company and its corporate group have been revised in conjunction with the 2008 revision to the income tax law and changes have been made starting from the current first quarter. As a result of this change, third quarter operating income for the Marine Products business increased by 24 million yen, operating loss for the Foods business decreased by 255 million yen, operating income of the General distribution business increased by 8 million yen, operating income for the Fine Chemicals business decreased by 78 million yen, and operating income for Other businesses decreased by 4 million yen, compared to the amounts calculated with the previous method.

[Information by Geographic Segment]

**O3 of the current FY (Apr. 1, 2008 ~ Dec. 31, 2008)** Unit: Million Yen

	Japan	North America	South America	Asia	Europe	Total	Elimination or corporate	Consolidated
<b>Sales</b>								
(1) Sales to third parties	318,416	52,031	9,078	4,994	15,568	400,088	-	400,088
(2) Inter-segment sales and transfers	5,371	4,752	10,526	6,223	36	26,911	(26,911)	-
<b>Total</b>	<b>323,788</b>	<b>56,783</b>	<b>19,604</b>	<b>11,218</b>	<b>15,604</b>	<b>427,000</b>	<b>(26,911)</b>	<b>400,088</b>
Operating income	9,952	▲473	▲261	▲1,182	418	8,453	(2,327)	6,125

**O3 of the last FY (Apr. 1, 2007 ~ Dec. 31, 2007)** Million yen

	Japan	North America	South America	Asia	Europe	Total	Elimination or corporate	Consolidated
<b>Sales</b>								
(1) Sales to third parties	337,383	59,604	7,544	3,625	-	408,157	-	408,157
(2) Inter-segment sales and transfers	2,346	3,710	8,155	4,855	-	19,067	(19,067)	-
<b>Total</b>	<b>339,729</b>	<b>63,314</b>	<b>15,699</b>	<b>8,480</b>	<b>-</b>	<b>427,224</b>	<b>(19,067)</b>	<b>408,157</b>
Operating income	10,176	1,956	504	▲1,008	▲97	11,531	(2,118)	9,412

(Notes)

1. Definitions of geographic segments and major countries

i. The classification of the geographic segment is in accordance with the management geographical regions of our group.

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, China, Indonesia and Vietnam
<b>Europe</b>	The Netherlands, France, Spain

2. The effected amounts stated in the “Changes in accounting principles, procedures, presentation methods, relating to the preparation of quarterly consolidated financial statements of 4. Others (3) Qualitative Information/Consolidated Financial” are as follows:

(Valuation method of inventories)

Starting from the current first quarter the Company has adopted the “Accounting Standard for Measurement of Inventories.” The effects on the amounts due to this change all took place in Japan.

(Adoption of the “Tentative Treatment for the Unification of Accounting Policies of Foreign Subsidiaries in Preparing Consolidated Financial Statements.”)

Starting from the current first quarter the Company has adopted “Tentative Treatment for the Unification of Accounting Policies of Foreign Subsidiaries in Preparing Consolidated Financial Statements” and has revised the consolidated financial statements accordingly. The effects on the amounts due to this change took place in North America (operating loss increased by 1,402 million yen), South America (operating loss decreased by 114 million yen), Asia (operating loss decreased by 11 million yen), and Europe (operating income decreased by 57 million yen).

(Changes in useful lives of property, plant and equipment)

Estimates of the useful lives of the machinery and equipment of the Company and its corporate group have been revised in conjunction with the 2008 revision to the income tax law and changes have been made starting from the current first quarter. The effects on the amounts due to this change all took place in Japan.

[Overseas Sales]

**Q3 of the current FY (Apr.1, 2008 ~ Dec.31, 2008)**

Million yen

	North America	Other	Total
Overseas sales	46,621	40,056	86,678
Total consolidated sales			400,088
Ratio of overseas sales to total	11.7%	10.0%	21.7%

**Q3 of the last FY (Apr.1, 2007 ~ Dec. 31, 2007)**

Million yen

	North America	Other	Total
Overseas sales	53,517	19,061	72,579
Total consolidated sales			408,157
Ratio of overseas sales to total	13.1%	4.7%	17.8%

(Notes)

1. The definitions of geographical segment is 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.

(6) Notes to cases where drastic changes have taken place in the amount of shareholders' equity.

Starting from the current first quarter the Company has adopted “Tentative Treatment for the Unification of Accounting Policies of Foreign Subsidiaries in Preparing Consolidated Financial Statements” (Practical Issues Task Force No. 18). As a result of this change, retained earnings at the beginning of the period have decreased by 7,442 million yen.