



August 5, 2004  
Nippon Suisan Kaisha, Ltd.

## Summary of Financial Statements for the First Quarter ended June 30, 2004

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. Figures concerning the present financial year are unaudited.

### I. Consolidated Financial Results

	<b>Three Months ended June 30, 2004</b>	Three Months ended June 30, 2003	The Year ended March 31, 2004
	Millions of yen	Millions of yen	Millions of yen
Sales	<b>131,416</b>	124,113	494,644
Change	<b>+5.9%</b>	-	
Operating income	<b>4,675</b>	-	10,183
Ordinary income	<b>4,760</b>	-	8,643
Net income	<b>2,889</b>	-	3,117
Net income per share	<b>10.44 yen</b>	-	10.66 yen
Total assets	<b>337,757</b>	-	326,224
Total shareholders' equity	<b>83,950</b>	-	81,590
Equity ratio	<b>24.9%</b>	-	25.0%

Note: The figures of the previous year are not available except amount of sales because this is the first time to disclose on the quarterly-basis.

<b>[Forecast]</b>	Sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
<b>Six Months ending Sept. 30, 2004</b>	<b>260,000</b>	<b>6,000</b>	<b>2,500</b>
<b>The Year ending March 31, 2005</b>	<b>520,000</b>	<b>14,000</b>	<b>5,000</b>

Note: There is no revision on the forecast, which was released on May 21, 2004.

The forecast above is based on information available on the issuing date of this report. Accordingly, the final results will be changed due to various unknown factors.

## **II. Progress of Management Performance (Consolidated) and Others**

### Summary of the First Quarter (from April 1, 2004 to June 30, 2004)

The Japanese economy moved in the direction of a steady recovery during the first quarter and some signs of brighter times have begun to appear in the consumer spending. In the industries in which the Company and its group of companies operate, however, the consumer price stayed stagnant etc.; the business environments were still harsh.

These conditions were the backdrop of the following operating results for this consolidated quarter: the sales amounted to ¥131,416 million, the operating income to ¥4,675 million, and the ordinary income to ¥4,760 million. The net income of the first quarter amounted to ¥2,889 million (the progress rates with respect to the plan of the current consolidated fiscal year were 25.3% for the sales, 31.2% for the operating income and 34.0% for the ordinary income).

### Summary of Performance by Operating Segment

#### (1) Marine Products Business

The Marine Products business went well due to the performance of the major fish types, including surimi, eels and pollack roe products. Consequently, the sales amounted to ¥55,579 million and the operating income to ¥1,797 million (the progress rates with respect to the plan of the current consolidated fiscal year were 24.6% for the sales and 36.7% for the operating income).

#### (2) Foods Business

Sales from the Foods business amounted to ¥66,820 million and the operating income amounted to ¥3,206 million, thanks to the steady growth of sales of frozen ready-to-eat foods for home use, canned foods and bottled foods, as well as strong sales of fine chemicals and chilled foods, although frozen foods for restaurant use faced an uphill battle (the progress rates with respect to the plan of the current consolidated fiscal year were 26.6% for the sales and 32.4% for the operating income).

#### (3) General Distribution Business, Pharmaceuticals Business and Other Businesses

Both sales and operating income are showing progress almost exactly as planned.

## Summary of Performance by Geographical Segment

### (1) Japan

The frozen ready-to-eat foods for home use, fine chemicals and chilled foods in the Foods business were brisk as well as the Marine Products business. Consequently, the sales amounted to ¥112,294 million and the operating income ¥3,347 million (the progress rates with respect to the plan of the current consolidated fiscal year were 24.4% for the sales and 26.7% for the operating income).

### (2) North America

The Marine Products business remained strong, particularly for pollack roe products, where we have concentrated the production in the first quarter due to seasonal factors. In the Foods business, the sales of frozen ready-to-eat fish foods for home and restaurant use exceeded the plan. As a result, the sales amounted to ¥16,060 million and the operating income to ¥1,875 million (the progress rates with respect to the plan of the current consolidated fiscal year were 31.6% for the sales and 56.0% for the operating income).

### (3) South America

Overall our fishing enterprise sales developed as planned, but the farming enterprise struggled due to flagging silver salmon prices and influence of the strong Chilean peso. Consequently, the sales amounted to ¥447 million and the operating income to ¥73 million (the progress rates with respect to the plan of the current consolidated fiscal year were 23.4% for the sales and 4.8% for the operating income).

### (4) Other

We are engaged in the Marine Products business in Asia and Europe. Marine products sold at a generally solid pace, and thus the sales amounted to ¥2,613 million and the operating income to ¥41 million (the progress rates with respect to the plan of the current consolidated fiscal year were 33.5% for the sales and 35.3% for the operating income).

### **III. Changes in Financial Position (Consolidated) and Others**

Our total assets at the end of the first quarter amounted to ¥337,757 million (an increase of ¥11,532 million compared to the previous consolidated fiscal year end). The main reasons for this are as follows:

- notes and accounts receivable increased by ¥6,661 million compared to the previous quarter end due to increased sales
- our cash and bank deposits increased by ¥3,111 million compared to the previous quarter end

Our cash flows from operating activities resulted in a net outflow of ¥2,834 million. This was mainly caused by increased notes and accounts receivable and corporate tax payments.

Our cash flows from investing activities also resulted in a net outflow of ¥2,106 million, which was mainly due to expansion of factory facilities. Our cash flows from financing activities yielded a net inflow of ¥6,128 million, mainly due to increased short-term debts.

As a result, the balance of cash and bank deposits at the end of the first quarter amounted to ¥10,140 million, an increase of ¥2,808 million compared to the previous consolidated fiscal year end.

# Summary of Consolidated Financial Statements for the First Quarter ended June 30, 2004

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. Figures concerning the present financial year are unaudited.

(April 1, 2004 through June 30, 2004)

Company: **Nippon Suisan Kaisha, Ltd.** Listed on Tokyo and Osaka Stock Exchange with the register code 1332 <http://www.nissui.co.jp>

## 1. Notes for Reporting the Quarterly Financial Information

- (1) Adoption of simplified accounting method : Not applicable  
 (2) Change of accounting method : Not applicable  
 (3) Change in scope of consolidation : Applicable
- |                             |            |    |            |    |
|-----------------------------|------------|----|------------|----|
| Consolidated subsidiaries   | Inclusions | 13 | Exclusion  | 1  |
| Affiliates in equity method | Inclusions | 11 | Exclusions | 11 |

## 2. Consolidated Financial Data for the First Quarter ended June 30, 2004

### (1) Consolidated Financial Results

All figures shown in millions of yen are rounded off to the nearest million.

	Sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Three Months ended June 30, 2004</b>	<b>131,416</b>	<b>5.9</b>	<b>4,675</b>	-	<b>4,760</b>	-	<b>2,889</b>	-
Three Months ended June 30, 2003	124,113	-	-	-	-	-	-	-
The Year ended March 31, 2004	494,644		10,183		8,643		3,117	

	Net income per share	Diluted income per share
	Yen	Yen
<b>Three Months ended June 30, 2004</b>	<b>10.44</b>	-
Three Months ended June 30, 2003	-	-
The Year ended March 31, 2004	10.66	-

Note 1. Percentage figure indicated in column of Sales shows changes from the previous year's term.

2. The figures of the previous year are not available except amount of sales because this is the first time to disclose on the quarterly-basis.

### (2) Consolidated Financial Position

	Total assets	Total shareholders' equity	Equity ratio	Equity per share
	Millions of yen	Millions of yen	%	Yen
<b>June 30, 2004</b>	<b>337,757</b>	<b>83,950</b>	<b>24.9</b>	<b>303.40</b>
June 30, 2003	-	-	-	-
March 31, 2004	326,224	81,590	25.0	294.21

Note. The figures of the previous year are not available because this is the first time to disclose on the quarterly-basis.

### (3) Consolidated Cash-Flow

	Cash from operating activities	Cash from investing activities	Cash from financing activities	Cash and cash equivalent at the end of the term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
<b>Three Months ended June 30, 2004</b>	<b>(2,834)</b>	<b>(2,106)</b>	<b>6,128</b>	<b>10,140</b>
Three Months ended June 30, 2003	-	-	-	-
The Year ended March 31, 2004	19,621	(16,157)	(10,052)	7,331

Note. The figures of the previous year are not available because this is the first time to disclose on the quarterly-basis.

## 3. Forecast for the Year ending March 31, 2005, Consolidated

	Sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
<b>Six Months ending September 30, 2004</b>	<b>260,000</b>	<b>6,000</b>	<b>2,500</b>
<b>The Year ending March 31, 2005</b>	<b>520,000</b>	<b>14,000</b>	<b>5,000</b>

Pro forma income per share for the whole-year: 18.07 Yen

There is no revision on the forecast, which was released on May 21, 2004.

The forecast above is based on information available on the issuing date of this report. Accordingly, the final results will be changed due to various unknown factors.

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

Millions of yen

	June 30, 2004		March 31, 2004	
(Assets)		%		%
<b>Current assets</b>	<b>150,203</b>	<b>44.5</b>	138,503	42.5
Cash and bank deposit	10,109		6,997	
Notes and accounts receivable	68,621		61,959	
Marketable securities	608		405	
Inventories	57,206		56,449	
Deferred taxes	2,425		2,727	
Other	13,147		11,723	
Allowance for doubtful accounts	(1,915)		(1,761)	
<b>Property, plant and equipment</b>	<b>83,659</b>	<b>24.8</b>	82,171	25.2
Buildings and structures	40,519		40,091	
Machinery and equipment	20,699		20,928	
Vessels	1,293		917	
Land	18,179		17,813	
Construction in progress	1,289		880	
Other	1,677		1,540	
<b>Intangible assets</b>	<b>23,041</b>	<b>6.8</b>	23,475	7.2
<b>Investment and long-term advance</b>	<b>80,852</b>	<b>23.9</b>	82,074	25.1
Investment securities	65,015		64,898	
Long-term loan	3,390		3,150	
Deferred taxes	7,082		7,747	
Other	7,393		8,306	
Allowance for doubtful accounts	(2,030)		(2,027)	
<b>Total assets</b>	<b>337,757</b>	<b>100.0</b>	326,224	100.0
(Liabilities)				
<b>Current liabilities</b>	<b>147,281</b>	<b>43.6</b>	138,352	42.4
Notes and accounts payable	30,157		29,514	
Short-term debt	91,638		83,186	
Accrued income taxes	558		1,551	
Accrued expenses	20,966		18,313	
Accrued bonus expenses	701		1,823	
Other accrued costs	125		173	
Other	3,132		3,788	
<b>Long-term liabilities</b>	<b>92,764</b>	<b>27.5</b>	92,262	28.3
Long-term debt	70,211		70,429	
Deferred taxes	1,565		1,419	
Accrued retirement allowance	17,909		17,847	
Accrued retirement benefits for directors	732		733	
Other accrued costs	2		1	
Other	2,342		1,830	
<b>Total liabilities</b>	<b>240,046</b>	<b>71.1</b>	230,614	70.7
(Minority interests)				
<b>Minority interests</b>	<b>13,760</b>	<b>4.0</b>	14,018	4.3
(Shareholders' equity)				
Common stock	23,729		23,729	
Capital surplus reserve	14,149		14,149	
Accumulated earnings	36,097		33,548	
Unrealized gains/losses on securities	10,157		9,582	
Foreign currency transaction adjustment	(77)		680	
Treasury common stock	(106)		(99)	
<b>Total shareholders' equity</b>	<b>83,950</b>	<b>24.9</b>	81,590	25.0
<b>Total liabilities, Minority interests and Shareholders' equity</b>	<b>337,757</b>	<b>100.0</b>	326,224	100.0

## Consolidated Income Statements

Millions of yen

	Three months ended June 30, 2004		Year ended March 31, 2003	
		%		%
<b>Net sales</b>	<b>131,416</b>	<b>100.0</b>	494,644	100.0
Cost of sales	103,532	78.8	397,630	80.4
<b>Gross profit</b>	<b>27,883</b>	<b>21.2</b>	97,014	19.6
Selling, general and administrative expenses	23,208	17.7	86,831	17.6
<b>Operating income</b>	<b>4,675</b>	<b>3.6</b>	10,183	2.1
Non-operating income	1,034	0.8	3,187	0.6
Interest income	133		615	
Dividend income	204		710	
Equity in earnings of unconsolidated subsidiaries and affiliates	491		1,088	
Other income	204		772	
Non-operating expenses	948	0.7	4,727	1.0
Interest expenses	724		3,197	
Other expenses	224		1,529	
<b>Ordinary income</b>	<b>4,760</b>	<b>3.6</b>	8,643	1.8
Extraordinary gains	11	0.0	2,622	0.0
Gain on sale of property, plant and equipment	0		778	
Gain on sale of investment securities	5		1,683	
Reversal of reserve for vessel repair costs	-		145	
Reversal of reserve for doubtful account to affiliated companies	-		15	
Gain on previous year adjustment	5		-	
Extraordinary losses	333	0.3	2,836	0.6
Loss on disposal of property, plant and equipment	239		1,312	
Loss on revaluation of investment securities	48		49	
Loss on revaluation of investment securities in affiliated companies	-		139	
Loss on special severance plan	45		79	
Provision for doubtful accounts	-		1,223	
Loss incurred from previous year adjustment	-		31	
<b>Income before income taxes and minority interests</b>	<b>4,437</b>	<b>3.4</b>	8,429	1.7
Income taxes :				
Current	877		2,374	
Deferred	692		2,341	
Minority interests (deduct)	(22)		596	
<b>Net income</b>	<b>2,889</b>	<b>2.2</b>	3,117	0.6

## Consolidated Statements of Capital Surplus Reserve and Accumulated Earnings

Millions of yen

Item	Three months ended June 30, 2004	Year ended March 31, 2004
<b>(Capital surplus reserve)</b>		
Capital surplus reserve at the beginning of the period	14,149	14,149
Capital surplus reserve at the end of the period	14,149	14,149
<b>(Accumulated earnings)</b>		
Accumulated earnings at the beginning of the period	33,548	31,973
Increase in accumulated earnings	3,395	3,117
Net income	2,889	3,117
Increase due to increase of consolidated affiliates	343	-
Increase due to increase of affiliates applied in equity method	162	-
Decrease in accumulated earnings	847	1,542
Dividends	691	1,384
Directors' bonus	155	158
Accumulated earnings at the end of the period	36,097	33,548

## Consolidated Statements of Cash-Flow

Millions of yen

	Three months ended June 30, 2004	Year ended March 31, 2004
<b>I Cash flows from operating activities</b>		
Income before income taxes	4,437	8,429
Depreciation and amortization	2,785	10,449
Increase in allowance for doubtful accounts	150	1,507
(Decrease)/increase in accrued retirement benefits	(139)	135
Interest and dividend income	(337)	(1,326)
Interest expense	724	3,197
Equity in earnings of unconsolidated subsidiaries and affiliates	(491)	(1,088)
Gain on sale of property, plant and equipment	0	(778)
Loss on disposal of property, plant and equipment	239	1,312
Gain on sale of investment securities	(5)	(1,683)
Loss on revaluation of investment securities	48	49
(Increase) in notes and accounts receivable	(6,124)	(6,379)
(Increase)/decrease in inventories	(978)	5,711
Increase in notes and accounts payable	269	2,890
Increase in accrued expenses	1,619	264
Bonus paid to directors	(172)	(165)
Other	(2,569)	1,284
Subtotal	(543)	23,812
Interest and dividends received	150	1,286
Interest paid	(701)	(3,201)
Income taxes paid	(1,740)	(2,276)
<b>Net cash (used in) provided by operating activities</b>	<b>(2,834)</b>	<b>19,621</b>
<b>II Cash flows from investing activities</b>		
Decrease in time deposits	-	220
Decrease in marketable securities	10	1,246
Purchases of property, plant and equipment	(3,571)	(15,453)
Proceeds from sales of property, plant and equipment	1,089	861
Purchases of intangible assets	(256)	(3,540)
Purchases of investment securities	(503)	(6,816)
Proceeds from sales of investment securities	433	7,362
Decrease/(increase) in short-term loans	458	(147)
Other	232	109
<b>Net cash used in investing activities</b>	<b>(2,106)</b>	<b>(16,157)</b>
<b>III Cash flows from financing activities</b>		
Increase in short-term debt	11,891	998
Proceeds from long-term debt	-	7,140
Repayment or redemption of long-term debt	(5,000)	(16,458)
Dividends paid	(691)	(1,384)
Dividends paid to minority interests	(63)	(331)
Purchase of common stock	(6)	(16)
<b>Net Cash provided by (used in) financing activities</b>	<b>6,128</b>	<b>(10,052)</b>
IV Effect of exchange rate changes	(97)	188
V Net increase/(decrease) in cash and cash equivalents	1,090	(6,400)
VI Cash and cash equivalents at the beginning of the period	7,331	13,731
VII Increase due to inclusion of subsidiaries	1,718	-
<b>VIII Cash and cash equivalents at the end of the period</b>	<b>10,140</b>	<b>7,331</b>

## Segment Information

### 1. Information by operating segments

#### Three Months ended June 30, 2004

Millions of yen

	Marine Products	Foods	General distribution	Pharmaceuticals	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	55,579	66,820	3,529	3,193	2,293	131,416	-	131,416
(2) Inter-segment sales and transfers	2,214	1,649	2,374	34	1,008	7,281	(7,281)	-
<b>Total</b>	<b>57,793</b>	<b>68,470</b>	<b>5,903</b>	<b>3,228</b>	<b>3,301</b>	<b>138,697</b>	<b>(7,281)</b>	<b>131,416</b>
Operating expenses	55,996	65,263	5,644	3,171	3,283	133,360	(6,618)	126,741
Operating income	1,797	3,206	258	56	18	5,337	(662)	4,675

#### Three Months ended June 30, 2003

Millions of yen

	Marine Products	Foods	General distribution	Pharmaceuticals	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	57,086	59,432	3,978	2,873	742	124,113	-	124,113
(2) Inter-segment sales and transfers	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operating expenses	-	-	-	-	-	-	-	-
Operating income	-	-	-	-	-	-	-	-

\*1. The figures of the previous year are not available except amount of sales because this is the first time to disclose on the quarterly-basis.

\*2. Due to the change of segmental information in September 2003 that the seafood ingredients totally shift from Foods section to Marine product section, the figures in the previous year's three months are also adopted.

#### Previous Year ended March 31, 2004

Millions of yen

	Marine Products	Foods	General distribution	Pharmaceuticals	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	224,231	239,139	15,335	12,406	3,531	494,644	-	494,644
(2) Inter-segment sales and transfers	8,456	8,711	10,271	156	4,075	31,672	(31,672)	-
<b>Total</b>	<b>232,688</b>	<b>247,851</b>	<b>25,607</b>	<b>12,563</b>	<b>7,606</b>	<b>526,317</b>	<b>(31,672)</b>	<b>494,644</b>
Operating expenses	229,888	240,372	24,136	11,353	7,621	513,372	(28,911)	484,461
Operating income (loss)	2,800	7,479	1,470	1,209	(14)	12,944	(2,761)	10,183

## Segment Information (continued)

### 2. Information by geographic segments

#### Three Months ended June 30, 2004

Millions of yen

	Japan	North America	South America	Oceania	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	112,294	16,060	447	-	2,613	131,416	-	131,416
(2) Inter-segment sales and transfers	1,750	3,505	2,818	-	1,530	9,605	(9,605)	-
Total	114,044	19,566	3,266	-	4,144	141,022	(9,605)	131,416
Operating expenses	110,697	17,691	3,192	-	4,103	135,684	(8,943)	126,741
Operating income	3,347	1,875	73	-	41	5,337	(662)	4,675

#### Three Months ended June 30, 2003

Millions of yen

	Japan	North America	South America	Oceania	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	104,454	16,273	318	-	3,066	124,113	-	124,113
(2) Inter-segment sales and transfers	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Operating expenses	-	-	-	-	-	-	-	-
Operating income (loss)	-	-	-	-	-	-	-	-

\* The figures of the previous year are not available except amount of sales because this is the first time to disclose on the quarterly-basis.

#### Previous Year ended March 31, 2004

Millions of yen

	Japan	North America	South America	Oceania	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	436,488	46,839	1,417	-	9,899	494,644	-	494,644
(2) Inter-segment sales and transfers	4,451	6,664	12,195	-	7,095	30,407	(30,407)	-
Total	440,939	53,504	13,613	-	16,995	525,052	(30,407)	494,644
Operating expenses	432,437	50,222	12,560	-	16,887	512,107	(27,646)	484,461
Operating income (loss)	8,502	3,281	1,052	-	108	12,944	(2,761)	10,183

## Summary of Financial Statements for the First Quarter ended June 30, 2004

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(April 1, 2004 through June 30, 2004)

Company: **Nippon Suisan Kaisha, Ltd.** Listed on Tokyo and Osaka Stock Exchange with the register code 1332 <http://www.nissui.co.jp>

### 1. Notes for Reporting the Quarterly Financial Information

- (1) Adoption of simplified accounting method : Not applicable  
 (2) Change of accounting method : Not applicable

### 2. Non-consolidated Financial Data for the First Quarter ended June 30, 2004

#### (1) Non-consolidated Financial Results

All figures shown in millions of yen are rounded off to the nearest million.

	Sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Three Months ended June 30, 2004</b>	<b>82,958</b>	-	<b>1,728</b>	-	<b>1,879</b>	-	<b>1,160</b>	-
Three Months ended June 30, 2003	-	-	-	-	-	-	-	-
The Year ended March 31, 2004	321,915	-	1,334	-	1,044	-	1,871	-

	Net income per share	Diluted income per share
	Yen	Yen
<b>Three Months ended June 30, 2004</b>	<b>4.19</b>	-
Three Months ended June 30, 2003	-	-
The Year ended March 31, 2004	6.58	-

Note. The figures of the previous year are not available because this is the first time to disclose on the quarterly-basis.

#### (2) Non-consolidated Financial Position

	Total Assets	Total shareholders' equity	Equity ratio	Equity per share
	Millions of yen	Millions of yen	%	Yen
<b>June 30, 2004</b>	<b>248,008</b>	<b>65,791</b>	<b>26.5</b>	<b>237.73</b>
June 30, 2003	-	-	-	-
March 31, 2004	241,032	64,781	26.9	233.89

Note. The figures of the previous year are not available because this is the first time to disclose on the quarterly-basis.

### 3. Forecast for the Year ending March 31, 2005, Non-consolidated

	Sales	Ordinary income	Net income	Annual dividend per share		
				Interim	Final	
	Millions of yen	Millions of yen	Millions of yen	Yen	Yen	Yen
<b>Six Months ending September 30, 2004</b>	<b>167,000</b>	<b>2,000</b>	<b>1,400</b>	<b>2.50</b>	-	-
<b>The Year ending March 31, 2005</b>	<b>335,000</b>	<b>5,000</b>	<b>2,800</b>	-	<b>2.50</b>	<b>5.00</b>

Pro forma income per share for the whole-year: 9.94 Yen

There is no revision on the forecast, which was released on May 21, 2004.

The forecast above is based on information available on the issuing date of this report. Accordingly, the final results will be changed due to various unknown factors.

# Non-consolidated Financial Statements

## Non-consolidated Balance Sheets

Millions of yen

Item	June 30, 2004	March 31, 2004	Item	June 30, 2004	March 31, 2004
<b>(Assets)</b>			<b>(Liabilities)</b>		
<b>Current assets</b>	<b>93,184</b>	86,270	<b>Current liabilities</b>	<b>112,666</b>	106,512
Cash and bank deposits	204	249	Accounts payable-trade	16,274	16,236
Notes receivable	237	288	Short-term debts	76,027	67,093
Accounts receivable-trade	43,961	38,800	Accrued income taxes	58	58
Inventories	32,091	32,649	Accrued business taxes	20	82
Short-term loans	10,469	7,508	Accrued sales taxes	340	343
Other	6,282	6,783	Accrued expenses	11,190	11,240
Allowance for doubtful receivables	(62)	(9)	Accrued bonus expenses	227	890
			Accrued vessel repair costs	17	13
			Other	8,508	10,554
<b>Property, plant and equipment</b>	<b>41,002</b>	41,213	<b>Long term liabilities</b>	<b>69,550</b>	69,738
Buildings	20,013	20,121	Long term debt	55,121	55,174
Machinery and equipment	10,355	10,402	Accrued retirement benefits	13,941	14,029
Vessels	319	348	Reserves for periodic repairs of vessels	2	1
Land	8,726	8,726	Long-term deposit received	380	394
Other	1,587	1,615	Other	104	139
			<b>Total Liabilities</b>	<b>182,217</b>	176,250
<b>Intangible assets</b>	<b>9,703</b>	9,989	<b>(Shareholders' equity)</b>		
Leaseholds	1,326	1,326	Common stock	23,729	23,729
Other	8,376	8,662	<b>Capital surplus reserve</b>	<b>13,755</b>	13,755
			Additional paid-in capital	6,000	6,000
<b>Investments and long-term advances</b>	<b>104,118</b>	103,559	Other capital surplus reserve	7,755	7,755
Investment securities-other	36,621	35,684	<b>Accumulated earnings</b>	<b>18,574</b>	18,155
Investment securities in affiliated companies	39,984	39,687	Voluntary reserves	10,632	10,778
Long-term loans	16,295	15,510	Unappropriated net earnings	7,941	7,376
Credits associated with companies in bankruptcy / insolvency	14,608	15,489	Unrealized gains/losses on securities	9,836	9,241
Other	7,687	8,230	Treasury common stock	(103)	(99)
Allowance for doubtful accounts	(11,078)	(11,043)	<b>Total shareholders' equity</b>	<b>65,791</b>	64,781
			<b>Total Liabilities and Shareholders' equity</b>	<b>248,008</b>	241,032
<b>Total Assets</b>	<b>248,008</b>	241,032			

## Non-consolidated Income Statements

Millions of yen

	<b>Three Months ended June 30, 2004</b>	Year ended March 31, 2004
<b>Net sales</b>	<b>82,958</b>	321,915
Cost of sales	67,754	266,642
Gross profit	15,204	55,272
Selling, general and administrative expenses	13,476	53,938
<b>Operating income</b>	<b>1,728</b>	1,334
Non-operating income		
Interest income	240	1,026
Dividend income	485	1,704
Other income	185	546
Total	911	3,277
Non-operating expenses		
Interest expenses	575	2,637
Other expenses	184	930
Total	759	3,567
<b>Ordinary income</b>	<b>1,879</b>	1,044
Extraordinary gains		
Gain on sale of property, plant and equipment	0	3,805
Gain on sale of investment securities	0	1,661
Reversal of provision for doubtful accounts to affiliated companies	-	133
Reversal of reserve for vessel repair costs	-	145
Total	0	5,745
Extraordinary losses		
Loss on disposal of property, plant and equipment	52	755
Loss on revaluation of investment securities-other	48	49
Loss on revaluation of investment securities in affiliated companies	-	130
Provision for doubtful accounts to affiliated companies	-	721
Loss on special severance plan	45	79
Provision for doubtful accounts to others	-	1,126
Total	147	2,861
Income before income taxes	1,732	3,928
Income taxes :		
Current	14	58
Deferred	556	1,997
<b>Net income</b>	<b>1,160</b>	1,871
Earnings carried forward from the previous year	6,781	6,197
Dividend	-	691
Unappropriated net earnings	7,941	7,376