

Summary of Financial Statements for the Year ended March 31, 2005

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, 2004 through March 31, 2005)

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

1. Consolidated Financial Data for the Year ended March 31, 2005

(1) Consolidated Financial Results

| | Sales | | Operating income | | Ordinary income | | Net income | |
|--------------------------------------|----------------|------------|------------------|-------------|-----------------|-------------|----------------|-------------|
| | Million of yen | % | Million of yen | % | Million of yen | % | Million of yen | % |
| The Year ended March 31, 2005 | 510,889 | 3.3 | 12,221 | 20.0 | 12,615 | 45.9 | 6,138 | 96.9 |
| Previous Year ended March 31, 2004 | 494,644 | -1.0 | 10,183 | -32.9 | 8,643 | -40.3 | 3,117 | -37.2 |

| | Net income per share | Diluted income per share | Net income / Total shareholders equity | Ordinary income / Total assets | Ordinary income / Sales |
|--------------------------------------|----------------------|--------------------------|--|--------------------------------|-------------------------|
| | Yen | Yen | % | % | % |
| The Year ended March 31, 2005 | 21.50 | - | 7.2 | 3.8 | 2.5 |
| Previous Year ended March 31, 2004 | 10.66 | - | 4.1 | 2.7 | 1.7 |

Note 1. Earnings on investment in equity method: ¥2,059 Million (March 2005), ¥1,088 Million (March 2004)

2. Weighted average numbers of outstanding common stock throughout the year (consolidated):
276,690,511 (March 2005), 276,797,664 (March 2004)

3. Change of accounting method: Not applicable

4. Each percentage figure indicated in columns of Sales, Operating income, Ordinary income, Net income shows changes from the previous year.

(2) Consolidated Financial Position

| | Total assets | Total shareholders' equity | Equity ratio | Equity per share |
|-----------------------|----------------|----------------------------|--------------|------------------|
| | Million of yen | Million of yen | % | Yen |
| March 31, 2005 | 331,519 | 88,505 | 26.7 | 319.28 |
| March 31, 2004 | 326,224 | 81,590 | 25.0 | 294.21 |

Note : Outstanding common stocks at the end of the year (consolidated)

276,608,337 (March 2005), 276,760,700 (March 2004)

(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 year |
|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|---|
| | Million of yen | Million of yen | Million of yen | Million of yen |
| The Year ended March 31, 2005 | 22,738 | (15,338) | (6,839) | 9,585 |
| Previous Year ended March 31, 2004 | 19,621 | (16,157) | (10,052) | 7,331 |

(4) Scope of Consolidation

| | | | |
|---------------------------------------|----|-------------------------------------|----|
| Consolidated subsidiaries | 59 | Affiliates applied in equity method | 21 |
| Subsidiaries applied in equity method | 13 | | |

(5) Change in Scope of Consolidation

| | | | | |
|------------------------------------|------------|----|------------|----|
| Consolidated subsidiaries | Inclusions | 16 | Exclusions | 2 |
| Companies applied in equity method | Inclusions | 16 | Exclusions | 14 |

2. Forecast for the Year ending March 31, 2006, Consolidated

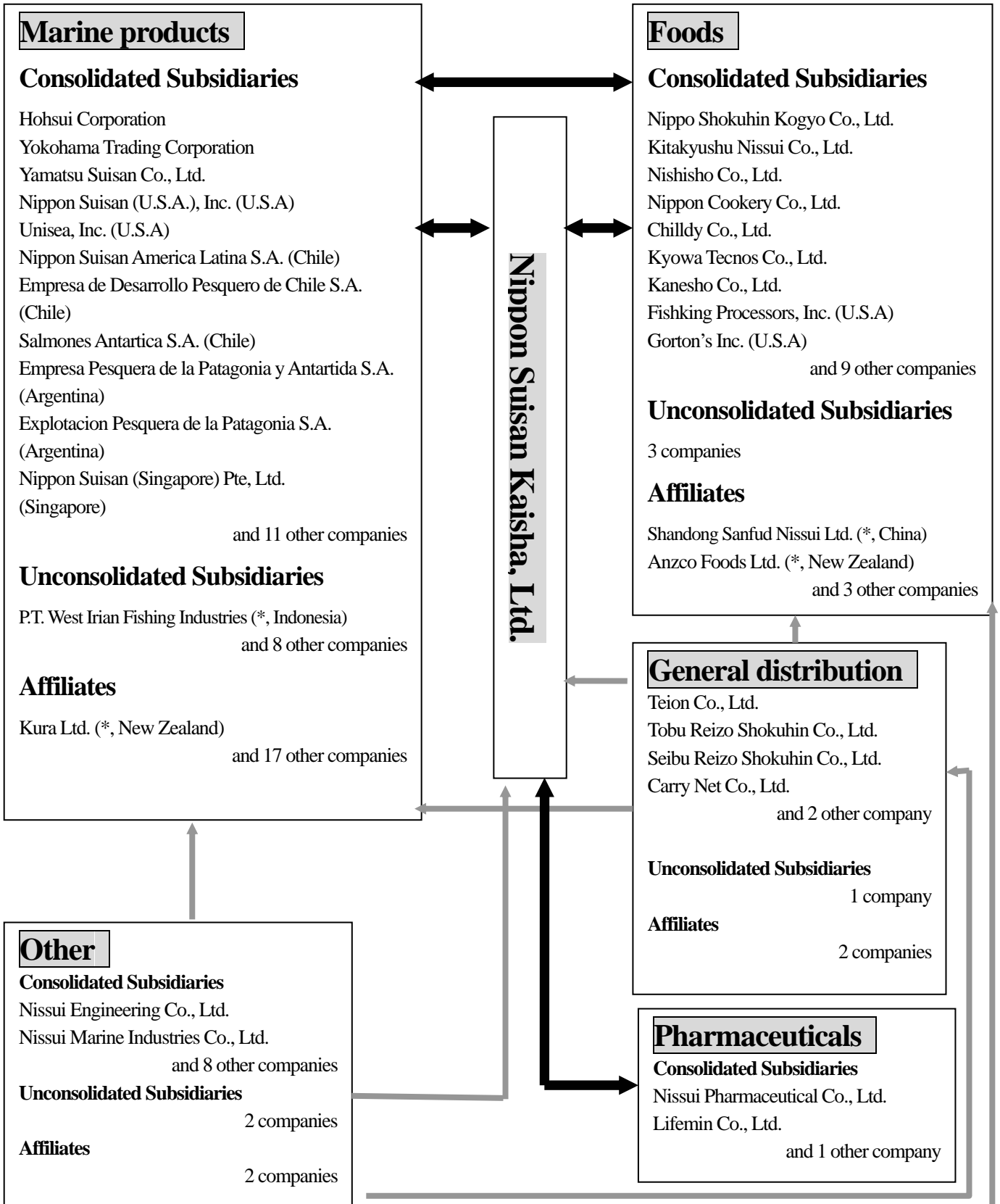
| | Sales | Ordinary income | Net income |
|---|----------------|-----------------|----------------|
| | Million of yen | Million of yen | Million of yen |
| Six Months ending September 30, 2005 | 264,000 | 8,000 | 3,000 |
| The Year ending March 31, 2006 | 535,000 | 17,000 | 7,500 |

Pro forma income per share for the whole-year: ¥26.42 (for reference purpose only)

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

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. Also please refer to the Company's cautionary note on forward-looking statements on the page of 14.

Customers



Flow of products and materials
 Supply of services

(*) Companies by the equity method

[2] Management Policies

1) Basic Management Policies

The Company and its group engages in business activities with its basic philosophy that has never changed since its establishment, i.e. “contributing to the society while continuing to create value.”

In order to fulfill this philosophy, the Company stands on the management policies as follows:

- (1) To aim to deliver valuable goods and services to customers through “developing global supply chain of marine products”,
- (2) To give great importance to cost, quality, and research and development, and
- (3) To behave with integrity as a company and as individuals.

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 group intends to further brush up the qualities of the group as a whole and execute management that will continue winning your support in the future.

2) Basic Policies for Profit Sharing

As for profit sharing at the Company and its subsidiaries and affiliates, our policy is to pay dividends to shareholders according to the consolidated business performance of the Company and its subsidiaries and affiliates from the year-end dividend of the year ended March 31, 2005, in view of enhancing the corporate constitution from a long-term, comprehensive perspective, in consideration of retained earnings to prepare for rolling out businesses in the future.

3) Approach, Policy, etc. for Decreasing Our Unit of Investment

The Company has resolved, at the meeting of the Board of Directors held on May 13, 2005, to decrease the unit of investment of its shares from 1,000 shares to 100 shares effective September 1, 2005, based on the view that it is important to provide an environment that facilitates investors to make an investment, broaden the base of individual investors and enhance the liquidity of its shares.

4) Targeted Management Indexes

The Company and its group of companies continue to uphold the “minimum ratio of operating income to Sales of 3%” and the “minimum return on equity (ROE) of 10%” as the management indexes for the 2004 fiscal year (from April 1, 2004 to March 31, 2005) in view of the progress of our Toward Global Links (TGL) Plan, and press forward with the business management that places emphasis on shareholder interest.

5) Basic Medium/Long-term Policies

Since the 2001 fiscal year, the Company has been pursuing the TGL Plan, which is based on the idea of “growing together with customers and partners through creation of more values for customers on a global scale”, as an evolved and strengthened version of its basic philosophy that remains unchanged since its establishment, that is, “contributing to the society while continuing to create value.” The Company and its group has created various values from marine resources and delivered them to customers to meet their demand, such as material from sea, fish oil/meals, seafood products, chilled food, canned food, surimi-based products, frozen food, seasonings, pharmaceutical products, etc.

The TGL Plan aims to further enhance our functions as a producer in the domain of “creating customer-oriented value from marine resources”, where we have accumulated our strength more than anywhere else, so as to grow together with customers in Japan and in other countries as a company that can demonstrate leadership in this field.

For this purpose, the following measures are to be taken:

- (1) To stick to being a “producer” which is based on the technologies gained through food processing;
- (2) To foster brands which can win support from the people in Japan and abroad;
- (3) To further strengthen R&D and quality assurance, and place emphasis on harmonization with the environment;
- (4) To integrate fishing operations and food operations, and thus drive globalization of production and sale; and
- (5) To shift to the sales system of creating value together with customers.

6) Tasks to Be Addressed By the Company

In an attempt to gain greater trust of our consumers in our efforts towards safety and security and environmental issues that we have addressed actively to fulfill our corporate social responsibility, we will: promote the acquisition of ISO quality control certification on a Group-wide scale; strictly enforce the Quality Assurance Code; continue enhancing efforts to strictly enforce the Environmental Code, which takes into consideration the sustainable use of marine resources and existing harmoniously with nature; and handle personal information pursuant to the Law regarding the Protection of Personal Information (Law Protecting Personal Information) on a Group-wide scale.

7) Fundamental Philosophy Concerning Corporate Governance and the Status of Implementation of Measures

Fundamental Philosophy Concerning Corporate Governance

The Company's fundamental philosophy concerning corporate governance is to maintain the auditor system to ensure that decisions are made in a timely and efficient manner under proper supervision and control.

Status of Implementation of Measures Concerning Corporate Governance

(i) Status of the management control organization and that of other corporate governance systems concerning the adoption, execution and surveillance of corporate management decisions

The President supervises the Group in the execution of duties. In the Marine Products business, Foods business and the Fine Chemicals/Fine Foods/Chilled Foods business, responsibilities for execution rest with the respective directors in charge of the individual businesses. In overseas operations, the Business Supervisor in South American Operations and the Business Supervisor in North American Operations are responsible for the execution of business operations in their respective regions. Furthermore, an Officer is appointed in each field—namely, information, environmental affairs, public relations and legal affairs—within the Support Administration Division, in an effort to strengthen the management functions of the Group as a whole.

With respect to supervision and control, the Board of Directors meets at least once a month as a general rule, in order to make decisions on important affairs and oversee the status of the execution of operations. Additionally, four Auditors, including three outside Auditors, monitor the Directors' performance of duties. The Audit Office, which reports directly to the President, conducts internal audits in order to assess the appropriateness of the operations of the Company and its subsidiaries and affiliates.

(ii) Risk Management System

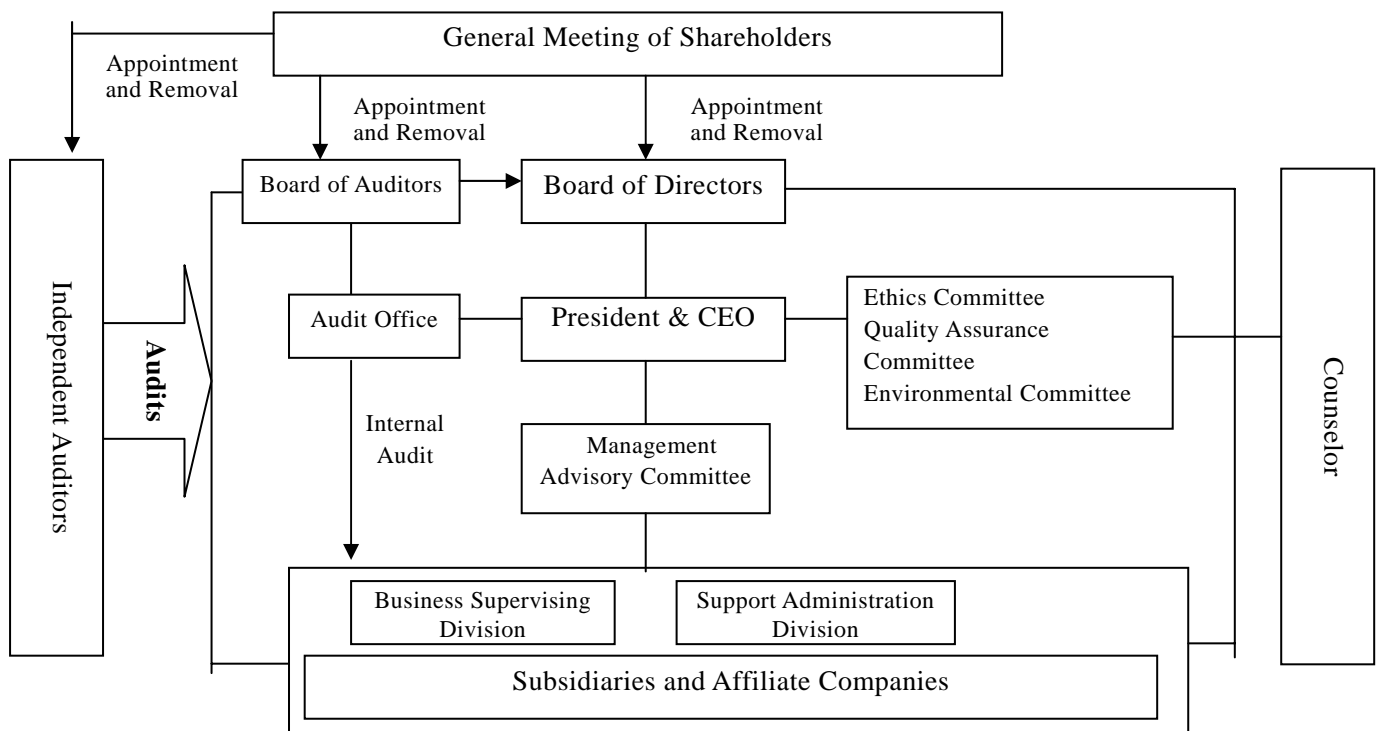
For risk management, the Ethics Committee, whose members include the Director in charge of compliance and the counselor, plays a leading role in compliance efforts (i.e., various activities aimed at raising the ethical standards of practices within the Company and its subsidiaries and affiliates), such as strictly enforcing the Code of Ethics, which declares our compliance with the law and our corporate stance. We also strive to disclose management information promptly and accurately by holding briefing sessions targeted at investors, following the end of each fiscal year, and by publicizing information promptly on the Company's Web site. We have established the Environmental Committee and the Quality Assurance Committee to address environmental affairs and quality, respectively, and laid down internal rules, etc. We also make efforts in avoiding and preventing risks by carrying out education and enlightenment activities, etc. in cooperation with divisions in charge of

related operations. In the event that a risk becomes a reality, the Company's policy is to take prompt action, under the initiative of the Committees.

In the year ending March 31, 2006, we will implement anti-risk measures from a comprehensive perspective in regards to management in general, and enhance efforts to control management risks on a Group-wide scale, through the establishment of a Risk Management Committee that directly reports to the President, aimed at improving the standard of such measures.

The following diagram shows the Company's system of corporate governance:

As of April 1, 2005



(iii) Auditing of Accounts

The Company requests Shin Nihon & Co., an independent auditing firm, to implement regular auditing of the accounts as required procedures by the statutory regulations of Japan.

In this fiscal year, three certified public accountants of the firm, Ms. Masako Ohinata, Mr. Eiji Ito and Ms. Michiko Chiba, and other firm's assistants are involved with the auditing procedures.

The fees to be paid to Shin Nihon & Co. for the year, ended March 2005, total 38 million yen, all of which is the compensation for auditing and attestation.

(iv) Board Members' Compensation

Compensation paid to the board of directors in the year ended March 2005, are described as below.

| | | Numbers of members | Compensation amount (million yen) |
|--|---------------|-----------------------|--------------------------------------|
| Compensation | For directors | 14 | 254 |
| | For auditors | 5 | 57 |
| Payment to directors having duties in an employee's capacity | | | 47 (inc. each bonus) |
| Directors' bonus | For directors | 13 | 50 |
| Retirement benefits | For directors | 1 | 74 |
| | For auditors | 1 | 12 |

(Note) The maximum amount as the compensation for directors and auditors are 27 million yen and 5 million yen per month, although the compensation for directors excluding the payment to those having duties in an employee's capacity.

(v) Summary of Personal, Equity, or Business Relationship, or Any Other Interests Between the Company and Its Outside Directors and Outside Auditors

The Company does not have any outside Directors. Of the three outside Auditors, one is a former Director of the Company. The other two are former directors of a financial institution with which the Company has business dealings. There are no interests, such as business dealings, between the outside Auditors and the Company.

(vi) Implementation of Steps Taken Over the Past Year to Enhance Corporate Governance of the Company

The Code of Ethics was adopted on April 1, 2003, and the Ethics Committee (which meets once a month), whose members include the Director in charge of compliance and the counselor, takes the initiative in ensuring extensive compliance throughout the organization. Chiefly, our domestic subsidiaries and affiliates have completed the drafting of documents including the Code of Ethics and established compliance promotion organizations, and even launched such activities as the sharing of external hotlines in the year ended March 31, 2005. In order to comply with the Law regarding the Protection of Personal Information (Law Protecting Personal Information), which came into effect on April 1, 2005, we have started to organize personal information in our possession, laid down rules for handling such information in compliance with laws and regulations, and launched activities on a Group-wide scale.

[3] Financial Results and Positions

I. Overview of Consolidated Results of the Year ended March 31, 2005

In the consolidated fiscal year under review, the Japanese economy was characterized by improvements in corporate earnings, increase in private-sector capital investment and signs of recovery in employment conditions. However, economic prospects remain uncertain, as export growth has slowed down, production has weakened, consumer spending has stagnated, and crude oil and other raw material prices have soared since the beginning of the year. Meanwhile, the world economy is becoming increasingly multipolarized, in that capital investment and consumer spending continued to increase in the United States, more countries joined the EU in Europe, and populous countries endowed with natural resources such as mines and oil gained momentum, namely, BRICs (acronym of Brazil, Russia, India and China).

In the industries in which the Company and its subsidiaries and affiliates operate, the business environment was tough, as consumer prices remained depressed and natural disasters such as typhoons and earthquakes occurred one after the other. In the United States and Europe, competition in the market of frozen foods, etc. remained fierce, while the price of white fish fillets, etc. were steady, helped by the growth in consumption of seafood ingredients. In China and Brazil, the demand for shrimp and salmon increased. The business climate in these countries was in sharp contrast with the tough Japanese market.

Under these circumstances, the Company and its subsidiaries and affiliates collectively pressed forward with its medium-term management policy named the Toward Global Links (TGL) Plan. We globalized our production bases by further enhancing our manufacturing functions in “creating customer-oriented value from marine resources”, a field in which we have built our strengths to the highest degree. We also made efforts to reinforce our quality assurance system to ensure the delivery of safe products that satisfy every one of our customers.

Consequently, our operating results for the consolidated fiscal year under review were: sales in the amount of 510,889 million yen, up 16,245 million yen (3.3%) year-on-year; operating income of 12,221 million yen, up 2,038 million yen (20.0%); and ordinary income of 12,615 million yen, up 3,971 million yen (45.9%). These results were attributable to the increase in sales generated by the Marine Products business in the United States and Europe, which offset the tough business climate it faced in Japan, and the good performance of the Foods business in relation to chilled foods, frozen foods for home consumption, fine foods, etc. in Japan.

As for extraordinary gains and losses, gains on the sale of property, plant and equipment and gains on the sale of investment securities, etc. resulted in extraordinary gains in the amount of 1.4 billion yen, while losses on the disposal of property, plant and equipment and the creation of a reserve for doubtful accounts associated with the delayed recovery of debts from a Russian company, etc. resulted in extraordinary losses in the amount of 2.9 billion yen. As a consequence, net income was 6,138 million yen, up 3,021 million yen (96.9%) year-on-year.

II. Consolidated Performance by Major Business & Geographic Segments

1) Performance by Major Business Segment

Marine Products Business

In the Marine Products business, we promoted the development of an integrated management system encompassing all processes from production and processing to sales, based on a global perspective. Despite such efforts, sales decreased 7,694 million yen year-on-year to 216,537 million yen, and operating income fell 146 million yen year-on-year to 2,653 million yen, partly due to the fall in the price of products targeted at Japan in the South American aquaculture business, combined with the decrease in sales volume attributable to the sluggish trading of major types of fish, such as crab, salmon/trout, shrimp and surimi.

Foods Business

Sales generated by our Foods business amounted to 256,680 million yen and operating income 8,938 million yen, a year-on-year increase of 17,540 million yen and 1,459 million yen thanks to the growth of our chilled foods business and the good performance of frozen foods for home consumption, canned foods, other processed foods and fine foods, which offset the poor performance of frozen foods for business use.

General Distribution Business

Sales generated by our General Distribution business totaled 12,829 million yen, a year-on-year decrease of 2,505 million yen from the previous year due to the liquidation of our marine transport operations. However, operating income amounted to 1,866 million yen, a year-on-year increase of 396 million yen as a result of our efforts in running the business efficiently and cutting costs.

Pharmaceuticals business

Sales generated by our Pharmaceuticals business totaled 13,938 million yen, a year-on-year increase of 1,532 million yen as a result of our efforts in sales expansion, including the acquisition of a new health food distributor (now a consolidated subsidiary). However, operating income was 1,077 million yen, a year-on-year decrease 131 million yen as selling expenses soared in line

with the increased health food transactions.

2) Performance by Geographic Segment

Japan

The Marine Products business was marred by sluggish trading of major types of fish, such as crab, salmon/trout, shrimp and surimi. However, sales volume of fishoil and fishmeal increased.

In the Foods business, revenue of chilled foods (e.g., packed lunches, prepared foods) increased through business expansion, while sales also increased in regards to “Champon” (noodles) “Yaki Onigiri” (roasted rice balls) and “ready-to-eat-after-thawing-at-room-temperature” series in the ready-to-eat frozen foods targeted at households, as well as canned foods (e.g., tins, jars) and fine foods. As a result, domestic sales totaled 449,572 million yen and operating income 11,293 million yen, a year-on-year increase of 13,084 million yen and 2,790 million yen.

North America

We operate Marine Products and Foods businesses in the United States. The Marine Products business increased the production of pollock fillets, while roe products performed well. The Foods business performed steadily despite the tough business environment due to intense competition in frozen foods markets. As a result, sales generated in North America totaled 50,828 million yen, a year-on-year increase of 3,988 million yen and operating income 3,013 million yen, a year-on-year decrease of 268 million yen.

South America

We are engaged in the Marine Products business in Argentina and Chile. Sales totaled 2,586 million yen, a year-on-year increase of 1,168 million yen as the fishing division performed more or less according to plan in terms of fish catch, and sales increased as a result of reorganizing the sales network in Europe, the main market. However, operating income amounted to 328 million yen, a year-on-year decrease of 723 million yen partly due to the fall in price of fish cultured for the Japanese market.

Other

We are engaged in the Marine Products business in Asia and Europe. Sales amounted to 7,902 million yen and operating loss 99 million yen, a year-on-year decrease of 1,979 million yen and 208 million yen partly due to the reorganization of the European sales networks within the Group, and the accrual of startup expenses in Asia.

III. Financial Position

Cash flows from operating activities resulted in a net inflow of 22,738 million yen, up 3,116

million yen year-on-year. This was primarily attributable to income before income taxes in the amount of 11,102 million yen (up 2,672 million yen year-on-year), depreciation and amortization of 11,828 million yen (up 1,378 million yen), working capital (change in accounts receivable-trade, inventories and accounts payable-trade) of 2,338 million yen (up 118 million yen), and the payment of income taxes, etc. of 2,672 million yen (up 396 million yen).

Cash flows from investing activities resulted in a net outflow of 15,338 million yen (down 818 million yen year-on-year), largely due to outlays for the acquisition of property, plant and equipment in the amount of 15,044 million yen (down 408 million yen) associated with the acquisition of aquaculture facilities in Chile and Japan by the Marine Products business, and the construction of a new chilled foods factory in Shimada City, Shizuoka Prefecture and the investment aimed at increasing the capacity of food processing plants by the Foods business.

These contributed to a net inflow in free cash flow in the amount of 7,400 million yen, up 3,934 million yen year-on-year.

Cash flows from financing activities resulted in a net outflow of 6,839 million yen, down 3,212 million yen year-on-year, as the free cash flow was used to pay debts in order to improve the financial constitution.

As a result, the closing balance of cash and cash equivalents was 9,585 million yen, up 2,253 million yen year-on-year, including the increase of 1,671 million yen due to the change in the scope of consolidation.

The trends in cash flow indices are as follows:

| | March 2002 | March 2003 | March 2004 | March 2005 |
|---|------------|------------|------------|------------|
| Ratio of shareholders' equity (%) | 20.3 | 22.0 | 25.0 | 26.7 |
| Ratio of shareholders' equity on a market value basis (%) | 14.8 | 22.2 | 22.0 | 30.3 |
| Number of years until debt redemption | 28.3 | 25.0 | 7.8 | 6.5 |
| Interest coverage ratio | 1.6 | 1.7 | 6.1 | 8.8 |

(Notes)

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

Ratio of Shareholders' equity on a market value basis

= Market capitalization of stock / Total assets

Number of years until debt redemption = Interest-bearing liabilities / Operating cash flows

Interest coverage ratio = Operating cash flows / Interest payments

1. Each index was calculated on the basis of consolidated financial data.

2. The market capitalization of stock was calculated by multiplying the closing stock price at the end of the period x year by the number of issued shares as at the end of the year (minus treasury stock).
3. Operating cash flows are based on cash flows from operating activities referred to in the Consolidated Statements of Cash Flows. Interest-bearing liabilities refer to all liabilities declared in the balance sheet for which interest is paid. Interest payments are based on the amount of interest paid referred to in the Consolidated Statements of Cash Flows.

IV. Full-year Forecast

While the economy is on the path towards recovery, the prospects remain uncertain. The business environment surrounding the Company and its subsidiaries and affiliates is expected to become increasingly harsh in terms of global competition. Under these circumstances, we are pressing forward with our medium-term management policy dubbed the “TGL Plan”. We will take further steps to build and expand our global network with our customers and partners in the fiscal year ending March 31, 2006, the final year of the TGL Plan. We will also strive to reduce costs, enhance our product development capacity and sales force, address the growing concerns over food safety among consumers by capitalizing on the advanced quality assurance capabilities of the Company and its subsidiaries and affiliates.

Furthermore, we will strive to strictly enforce the Code of Ethics (our declaration of compliance with laws and regulations and our corporate stance in the context of corporate social responsibility) and the Quality Assurance Code (our commitment to providing high quality, safe products), and continue making efforts to tackle environmental problems, including strictly enforcing the Environmental Code (our commitment to giving consideration to the sustainable use of marine resources and existing harmoniously with nature). We will also handle personal information pursuant to the Law regarding the Protection of Personal Information (Law Protecting Personal Information) on a Group-wide scale.

Based on the above, as consolidated-basis, our full-year forecast is 535 billion yen in sales, 18 billion yen in operating income, 17 billion yen in ordinary income and 7.5 billion yen in net income. And as non-consolidated-basis, 335 billion yen in sales, 7 billion yen in ordinary income and 3.7 billion yen in net income.

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

| Unit: Million yen | Marine products | Foods | General distribution | Pharmaceuticals & Other | Elimination or Common | Total |
|---------------------------|-----------------|---------|----------------------|-------------------------|-----------------------|---------|
| [FY 2004] | | | | | | |
| Sales | 216,537 | 256,680 | 12,829 | 24,842 | | 510,889 |
| Operating income | 2,653 | 8,938 | 1,866 | 1,077 | (2,313) | 12,221 |
| <u>Forecast</u> [FY 2005] | | | | | | |
| Sales | 226,000 | 270,300 | 12,700 | 26,000 | | 535,000 |
| Operating income | 5,600 | 11,600 | 1,700 | 1,500 | (2,400) | 18,000 |

As there are various risks inherent in the business sectors, the Company and its subsidiaries and affiliates 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 subsidiaries and affiliates 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.

V. Cautionary Notes

The Company's current plans and projections stated in this flash report on the consolidated financial statements reflect the judgment of the Company's management based on the information available at the time of producing this report, and is exposed to risks and uncertainties. Please be advised that the actual business performance may differ from these business projections due to various factors. Significant factors which may affect the actual business performance include but are not limited to economic climate surrounding the business sectors in which the Company and its subsidiaries and affiliates operate, market trends, foreign exchange rates (notably the exchange rate between the U.S. dollar and Japanese yen) and the Japanese stock market.

Consolidated Financial Statements

Consolidated Balance Sheets

Million of yen

| Item | March 31, 2005 | March 31, 2004 | Increase / (decrease) | Item | March 31, 2005 | March 31, 2004 | Increase / (decrease) |
|---|-------------------|-------------------|--------------------------|---|-------------------|-------------------|--------------------------|
| (Assets) | | | | (Liabilities) | | | |
| Current assets | 141,396 | 138,503 | 2,892 | Current liabilities | 138,143 | 138,352 | (208) |
| Cash and bank deposits | 9,125 | 6,997 | 2,128 | Notes and accounts payable | 30,659 | 29,514 | 1,144 |
| Notes and accounts receivable | 61,603 | 61,959 | (356) | Short-term debt | 80,370 | 83,186 | (2,815) |
| Marketable securities | 588 | 405 | 183 | Accrued income taxes | 1,289 | 1,551 | (262) |
| Inventories | 55,697 | 56,449 | (752) | Accrued expenses | 19,944 | 18,313 | 1,630 |
| Deferred taxes | 2,176 | 2,727 | (551) | Accrued bonus expenses | 2,111 | 1,823 | 287 |
| Other | 13,843 | 11,723 | 2,119 | Other accrued costs | 180 | 173 | 6 |
| Allowance for doubtful accounts | (1,639) | (1,761) | 121 | Others | 3,587 | 3,788 | (200) |
| Property, plant and equipment | 85,915 | 82,171 | 3,744 | Long term liabilities | 90,474 | 92,262 | (1,787) |
| Buildings and structures | 41,456 | 40,091 | 1,365 | Long-term debt | 67,447 | 70,429 | (2,981) |
| Machinery and equipment | 21,726 | 20,928 | 798 | Deferred taxes | 1,913 | 1,419 | 494 |
| Vessels | 1,123 | 917 | 206 | Accrued retirement benefits | 17,925 | 17,847 | 77 |
| Land | 18,751 | 17,813 | 937 | Accrued retirement benefits | 823 | 733 | 90 |
| Construction in progress | 1,101 | 880 | 221 | Other accrued costs | 6 | 1 | 4 |
| Other | 1,755 | 1,540 | 214 | Other | 2,357 | 1,830 | 526 |
| Intangible assets | 22,323 | 23,475 | (1,151) | Total Liabilities | 228,617 | 230,614 | (1,996) |
| Goodwill | 7,293 | 7,411 | (118) | | | | |
| Software | 7,235 | 7,968 | (733) | (Minority interests) | | | |
| Other | 7,794 | 8,094 | (299) | Minority interests | 14,396 | 14,018 | 377 |
| Investments and long-term advances | 81,884 | 82,074 | (190) | (Shareholders' equity) | | | |
| Investment securities | 66,492 | 64,898 | 1,594 | Common stock | 23,729 | 23,729 | - |
| Long-term loans | 3,005 | 3,150 | (144) | Capital surplus reserve | 14,151 | 14,149 | 1 |
| Deferred taxes | 6,104 | 7,747 | (1,643) | Accumulated earnings | 38,623 | 33,548 | 5,075 |
| Other | 8,992 | 8,306 | 686 | Unrealized gains/losses on securities | 10,668 | 9,582 | 1,086 |
| Allowance for doubtful accounts | (2,711) | (2,027) | (684) | Foreign currency translation adjustment | 1,478 | 680 | 798 |
| | | | | Treasury common stock | (145) | (99) | (46) |
| | | | | Total Shareholders' equity | 88,505 | 81,590 | 6,914 |
| Total Assets | 331,519 | 326,224 | 5,295 | Total Liabilities, Minority interests and Shareholders' equity | 331,519 | 326,224 | 5,295 |

Consolidated Income Statements

Million of yen

| | Year ended March 31, 2005 | Year ended March 31, 2004 | Increase / (decrease) |
|--|------------------------------|------------------------------|--------------------------|
| Net sales | 510,889 | 494,644 | 16,245 |
| Cost of sales | 406,968 | 397,630 | 9,337 |
| Gross profit | 103,921 | 97,014 | 6,907 |
| Selling, general and administrative expenses | 91,699 | 86,831 | 4,868 |
| Operating income | 12,221 | 10,183 | 2,038 |
| Non-operating income | | | |
| Interest income | 533 | 615 | (82) |
| Dividend income | 613 | 710 | (97) |
| Foreign exchange gain | 265 | - | 265 |
| Equity in earnings of unconsolidated subsidiaries and affiliates | 2,059 | 1,088 | 971 |
| Other income | 1,033 | 772 | 260 |
| Total | 4,505 | 3,187 | 1,317 |
| Non-operating expenses | | | |
| Interest expense | 2,770 | 3,197 | (427) |
| Foreign exchange loss | - | 291 | (291) |
| Other expenses | 1,341 | 1,238 | 102 |
| Total | 4,111 | 4,727 | (612) |
| Ordinary income | 12,615 | 8,643 | 3,971 |
| Extraordinary gains | | | |
| Gain on sale of property, plant and equipment | 411 | 778 | (367) |
| Gain on sale of investment securities | 913 | 1,683 | (769) |
| Gain on sale of investment securities in affiliated companies | 11 | - | 11 |
| Reversal of reserve for vessel repair costs | - | 145 | (145) |
| Reversal of reserve for doubtful accounts in affiliated companies | - | 15 | (15) |
| Gain from prior-year adjustments | 114 | - | 114 |
| Total | 1,451 | 2,622 | (1,171) |
| Extraordinary losses | | | |
| Loss on disposal of property, plant and equipment | 1,567 | 1,312 | 255 |
| Loss on revaluation of investment securities | 53 | 49 | 3 |
| Loss on revaluation of investment securities in affiliated companies | 55 | 139 | (84) |
| Provision for doubtful accounts | 1,018 | 1,223 | (205) |
| Loss incurred from the postretirement costs | 269 | 79 | 189 |
| Loss from prior-year adjustments | - | 31 | (31) |
| Total | 2,964 | 2,836 | 127 |
| Income before income taxes and minority interests | 11,102 | 8,429 | 2,672 |
| Income taxes : | | | |
| Current | 2,214 | 2,374 | (160) |
| Deferred | 2,128 | 2,341 | (213) |
| Minority interests (deduct) | 620 | 596 | 24 |
| Net income | 6,138 | 3,117 | 3,021 |

Consolidated Statements of Capital Surplus Reserve and Accumulated Earnings

Million of yer

| Item | Year ended March 31, 2005 | Year ended March 31, 2004 |
|---|------------------------------|------------------------------|
| (Capital surplus reserve) | | |
| Capital surplus reserve at the beginning of the year | 14,149 | 14,149 |
| Increase in capital surplus | 1 | - |
| Margin from disposal of treasury stock | 1 | - |
| Capital surplus reserve at the end of the year | 14,151 | 14,149 |
| (Accumulated earnings) | | |
| Accumulated earnings at the beginning of the year | 33,548 | 31,973 |
| Increase in accumulated earnings | 6,613 | 3,117 |
| Net income | 6,138 | 3,117 |
| Increase due to increase of consolidated subsidiaries | 460 | - |
| Increase due to increase of companies applied in equity methods | 14 | - |
| Decrease in accumulated earnings | 1,538 | 1,542 |
| Dividends | 1,383 | 1,384 |
| Directors' bonus | 155 | 158 |
| Accumulated earnings at the end of the year | 38,623 | 33,548 |

Consolidated Statements of Cash-Flow

Million of yen

| | Year ended March 31, 2005 | Year ended March 31, 2004 |
|---|------------------------------|------------------------------|
| I Cash flows from operating activities | | |
| Income before income taxes | 11,102 | 8,429 |
| Depreciation and amortization | 11,828 | 10,449 |
| Increase in allowance for doubtful accounts | 558 | 1,507 |
| (Decrease)/increase in accrued retirement benefits | (118) | 135 |
| Interest and dividend income | (1,147) | (1,326) |
| Interest expense | 2,770 | 3,197 |
| Equity in earnings of unconsolidated subsidiaries and affiliates | (2,059) | (1,088) |
| Gain on sale of property, plant and equipment | (411) | (778) |
| Loss on disposal of property, plant and equipment | 1,567 | 1,312 |
| Gain on sale of investment securities | (913) | (1,683) |
| Loss on revaluation of investment securities | 53 | 49 |
| Decrease/(increase) in notes and accounts receivable | 904 | (6,379) |
| Decrease in inventories | 653 | 5,711 |
| Increase in notes and accounts payable | 781 | 2,890 |
| Increase in accrued expenses | 477 | 264 |
| Bonus paid to directors | (172) | (165) |
| Other | 973 | 1,284 |
| Subtotal | 26,848 | 23,812 |
| Interest and dividends received | 1,133 | 1,286 |
| Interest paid | (2,570) | (3,201) |
| Income taxes paid | (2,672) | (2,276) |
| Net cash provided by operating activities | 22,738 | 19,621 |
| II Cash flows from investing activities | | |
| (Increase)/decrease in time deposits | (112) | 220 |
| (Increase)/decrease in marketable securities | (91) | 1,246 |
| Purchases of property, plant and equipment | (15,044) | (15,453) |
| Proceeds from sale of property, plant and equipment | 1,309 | 861 |
| Purchases of intangible assets | (1,320) | (3,540) |
| Purchases of investment securities | (1,074) | (6,816) |
| Proceeds from sale of investment securities | 2,492 | 7,362 |
| Increase in short-term loans | (1,335) | (147) |
| Other | (160) | 109 |
| Net cash used in investing activities | (15,338) | (16,157) |
| III Cash flows from financing activities | | |
| Increase in short-term debt | 3,573 | 998 |
| Proceeds from long-term debt | 7,897 | 7,140 |
| Repayment or redemption of long-term debt | (16,699) | (16,458) |
| Dividends paid | (1,356) | (1,384) |
| Dividends paid to minority interests | (209) | (331) |
| Purchase of common stock | (45) | (16) |
| Net Cash used in financing activities | (6,839) | (10,052) |
| IV Effect of exchange rate changes | 23 | 188 |
| V Net increase/(decrease) in cash and cash equivalents | 582 | (6,400) |
| VI Cash and cash equivalents at the beginning of the year | 7,331 | 13,731 |
| VII Adjustment to cash and cash equivalents resulting from inclusion and exclusion of certain subsidiaries in consolidation | 1,671 | - |
| VIII Cash and cash equivalents at the end of the year | 9,585 | 7,331 |

Foundations for Accounting of the Consolidated Financial Statements

1. Scope of Consolidation

Consolidated subsidiaries 59 companies

16 companies have been added into the consolidated financial statements since this year.

(Establishment)

Kurose Suisan Co Ltd, Nippon Suisan America Latina Peru, SA, Nissui (Thailand) Co Ltd.,
P.T. Nissui Investment and Management Indonesia,
Xiamen Nissui Longpeng Cultivation Co Ltd.

(Purchase)

Japan Create Co Ltd

(Shifted from the category of equity method due to reconsideration of those materiality)

Oita Chuo Suisan Co Ltd, Gunma Fresh Foods Co Ltd, Fuji Seikan Co Ltd,
Nippon Marine Enterprises Ltd, Sea-R Corporation Co Ltd, Nichinan Sekiyu Co Ltd,
Tokyo Suisan Unyu Co Ltd, Nissui Food System Co Ltd, Nisshin Sangyo Co Ltd
Minh Hai Nissui Girimex Co

Two companies have been excluded due to that liquidation since this year.

Anny Co Ltd, Nippon Suisan Delaware LLC

Unconsolidated subsidiaries 15 companies

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

2. Accounting for Equity Method

Companies applied in equity method

Unconsolidated subsidiaries 13 companies

Affiliates 21 companies

16 companies have been added into the consolidation with equity method since this year.

(Establishment)

Hachikan Co Ltd, Kaiko Senpaku Co Ltd, Shandong Sanfud Nissui Ltd,
Europacifico Alimentos del Mar SL

(Due to reconsideration of those materiality)

Sankyo Suisan Co Ltd, Hokkaido Pesca Co Ltd, Oita Gyokan Service Co Ltd,
Oita Suisanbutsu Seisan Co Ltd, Kyodo Senpaku Kaisha Ltd, Oita Rinkai Kenkyu Co Ltd,
P.T. Irian Marine Product Development, Star Partners LLC, Petuna Sealord Pty Ltd,
Levante Ship Management Inc, Australis Fishing and Trading Co Ltd,
Xiamen Longpeng Food Co Ltd

14 companies have been excluded since this term.

(Selloff)

Fresh Carriers Co Ltd, Tokyo Reefer Chartering Co Ltd

(Liquidation)

Wakamatsu Denki Co Ltd, Dutch Harbor Seafoods Inc, Santiago Ship Management Inc,

Suruga Reefer S.A., Sagami Reefer S.A.
 (Shifted to the category of consolidation due to reconsideration of those materiality)
 Oita Chuo Suisan Co Ltd, Gunma Fresh Foods Co Ltd, Fuji Seikan Co Ltd,
 Nippon Marine Enterprises Ltd, Sea-R Corporation Co Ltd, Nichinan Sekiyu Co Ltd,
 Minh Hai Nissui Girimex Co

Investment in two unconsolidated subsidiaries and 6 affiliates that are not accounted for by the equity method does not have any material effect on the net income or accumulated earnings. It is for this reason that the equity method is not applied to these companies.

3. Closing Date of Consolidated Subsidiaries

The closing date of fiscal year for some consolidated subsidiaries differs from the date of the consolidation. It is on January 31 for Esa Ichiban Co., Ltd., and on December 31 for those of Nippon Suisan (U.S.A.), Inc. and 19 other companies. The consolidated financial statements are prepared, using the financial statements of Nippon Suisan (U.S.A.), Inc. and those of 20 other companies as of the end of their respective fiscal year as these dates fall within three months of the closing date of the consolidated financial statements. However, adjustments necessary for consolidation were made with respect to significant transactions that occurred prior to the date of the consolidated financial statements. Remains of other consolidated subsidiaries use same year-end closing date as the closing date of the consolidated financial statements.

4. Accounting Standards

(a) Standards and Method of Valuation of Assets

Marketable securities

Securities held to maturity: Amortized cost method (straight-line method)

Other marketable securities

Those with market value: At market, based on the market value, etc. as of the last day of the term (All valuation gains and losses are included directly in shareholders' equity. Cost of sales is computed by the moving average method.)

Those without market value: At cost using the moving average method

Derivatives: At market

Inventories: Mainly at the lower of cost or market using the moving average method

(b) Depreciation and Amortization Methods for Depreciable and Amortizable Assets

Tangible fixed assets: Mainly declining-balance methods

Buildings excluding building fixture, acquired on or after April 1, 1998, are depreciated using the straight-line method.

Intangible fixed assets: Straight-line method

Software used within the company is amortized over the period that the software is usable within the company (5 years).

Goodwill and other intangible assets that arise in North American subsidiaries are not amortized. Instead, a determination of loss is made once a year or whenever an event that suggests the possibility of any impairment occurs.

(c) Standards for the Computation of Significant Allowances

Allowance for doubtful accounts:

Estimated amounts of doubtful accounts are computed, based on the historical percentage of uncollectable receivables with respect to general liabilities, and by individually analyzing the probability of collection regarding special liabilities, such as receivables that are feared to become uncollectable.

Allowance for bonuses: An estimated amount of payment is reported.

Allowance for retirement benefits:

An amount that is deemed to have been incurred during this year based on the estimated amount of the retirement benefit obligation and that of pension plan assets as of the year-end is reported.

Actuarial differences are expensed, using the straight-line method over a certain number of years (mainly 6 years) not to exceed the duration of the average remaining years of service of the employees at the time of the incurrence, starting with the following consolidation fiscal year.

Past service cost is expensed, using the straight-line method over a certain number of years (mainly 6 years) not to exceed the duration of the average remaining years of service of the employees at the time of the incurrence, starting with the current consolidation fiscal year.

(d) Accounting Method for consumer tax

Tax-excluded

(e) Standards for the Translation of Foreign Currency-Denominated Assets and Liabilities to the Japanese Currency

Monetary debts and credits that are denominated in foreign currencies are translated to yen using the spot foreign exchange rates in effect on the balance sheet date. Translation differences are treated as gains or losses in the term. Assets and liabilities of foreign subsidiaries and others, as well as their profits and expenses are translated to yen, using the spot foreign exchange rate effected as of the balance sheet date. Translation differences are included in the minority interest and the foreign exchange adjustment account in the Shareholders' Equity section.

(f) Accounting for Lease Transactions

All finance lease transactions, with the exception of those in which the title to the lease property is deemed to be transferred to the lessee, are accounted for in accordance with methods that apply to ordinary lease transactions.

(g) Accounting Methods for Hedges

i. Accounting Methods for Hedges

Deferral hedge accounting is applied. Part of forward foreign exchange contracts and currency swaps are accounted for by the allocation method as long as they meet the criteria for such allocation. Interest rate swaps are accounted for by the method, which is allowed to add to or deduct from the assets or liabilities concerned without fair-value measurement, if the contracts satisfy the criteria for the accounting.

ii. Hedging Tools and Hedged Transactions

| <u>Hedging Tool</u> | <u>Hedged Transaction</u> |
|-------------------------------------|--|
| Forward foreign exchange contracts | Foreign currency-denominated business transactions |
| Currency swaps, Interest rate swaps | Loans, etc. |

iii. Hedging Policy

Under the system of risk control that is dictated by the internal control summary, those which present foreign exchange risks are hedged with the use of such instruments as forward foreign exchange contracts and currency swaps. Those that present interest rate risks are hedged with the use of interest rate swaps, etc.

iv. Method to Assess the Effectiveness of Hedging

When entering a derivative transaction, we ensure that key conditions of hedging tools and hedged transactions roughly match, and that market fluctuations can be offset both upon initiation of the hedge and continuously in the subsequent periods. In addition, we make an assessment as to whether a scheduled transaction has a very high feasibility of materialization. Results are regularly reported to the board of directors.

5. Valuation of the Assets and Liabilities of Consolidated Subsidiaries

All assets and liabilities of consolidated subsidiaries are measured at market value.

6. Amortization of Consolidation Adjustment Accounts

With the exception of rare items, consolidation adjustment accounts are amortized using the straight-line method over a period of 20 years or less.

7. Handling of Profit Disposition Items

Consolidated statement of retained earnings is prepared based on the disposition of profits of consolidated companies that are finalized during this consolidated fiscal year.

8. Scope of Cash and Cash Equivalents in the Consolidated Statement of Cash-Flows

Cash and cash equivalents in the consolidated statement of cash-flows consist of cash on hand, deposits that can be withdrawn any time, and short-term investment instruments that can be converted to cash readily, mature within three months from the date of their acquisitions and entail only minor price fluctuation risks.

Notes

Million of yen

| Item | March 31, 2005 | March 31, 2004 |
|--|----------------|----------------|
| (1) Accumulated depreciation of tangible fixed assets | 115,538 | 110,013 |
| (2) Assets used as collateral | 59,468 | 62,089 |
| (3) Secured borrowing | 406 | 807 |
| (4) Consolidated statement of cash-flows Relationship between the outstanding balance of cash and cash equivalents as of the year-end date and the amounts of line items listed in the consolidated balance sheets. | | |
| Cash and deposit account | 9,125 | 6,997 |
| Fixed-term deposit with longer than 3 months to maturity | (432) | (412) |
| Short-term loan included in other current assets account | <u>891</u> | <u>745</u> |
| Cash and cash equivalents | 9,585 | 7,331 |

Segment Information

1. Information by operating segments

The Year ended March 31, 2005

Million of yen

| | Marine Products | Foods | General distribution | Pharmaceuticals | Other | Total | Elimination or Common | Consolidated |
|---|-----------------|---------|----------------------|-----------------|--------|---------|-----------------------|--------------|
| Sales | | | | | | | | |
| (1) Sales (excluding internal) | 216,537 | 256,680 | 12,829 | 13,938 | 10,903 | 510,889 | - | 510,889 |
| (2) Inter-segment sales and transfers | 9,684 | 7,115 | 10,513 | 131 | 3,422 | 30,866 | (30,866) | - |
| Total | 226,222 | 263,795 | 23,342 | 14,070 | 14,325 | 541,756 | (30,866) | 510,889 |
| Operating expenses | 223,568 | 254,857 | 21,476 | 12,992 | 14,326 | 527,221 | (28,553) | 498,668 |
| Operating income (loss) | 2,653 | 8,938 | 1,866 | 1,077 | (0) | 14,535 | (2,313) | 12,221 |
| Assets, Depreciation & Capital Expenditure | | | | | | | | |
| Assets | 120,621 | 137,956 | 24,468 | 20,664 | 8,243 | 311,954 | 19,564 | 331,519 |
| Depreciation | 3,387 | 6,263 | 1,549 | 585 | 43 | 11,828 | - | 11,828 |
| Capital expenditure | 4,497 | 10,940 | 531 | 354 | 50 | 16,374 | - | 16,374 |

Previous Year ended March 31, 2004

Million of yen

| | Marine Products | Foods | General distribution | Pharmaceuticals | Other | Total | Elimination or Common | Consolidated |
|---|-----------------|---------|----------------------|-----------------|-------|---------|-----------------------|--------------|
| Sales | | | | | | | | |
| (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) | - |
| Total | 232,688 | 247,851 | 25,607 | 12,563 | 7,606 | 526,317 | (31,672) | 494,644 |
| 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 |
| Assets, Depreciation & Capital Expenditure | | | | | | | | |
| Assets | 121,519 | 132,932 | 27,351 | 21,306 | 4,152 | 307,263 | 18,961 | 326,224 |
| Depreciation | 2,803 | 5,568 | 1,497 | 532 | 47 | 10,449 | - | 10,449 |
| Capital expenditure | 5,543 | 10,480 | 1,529 | 1,689 | 36 | 19,278 | - | 19,278 |

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 are in the chart below.

| | |
|-----------------------------|---|
| Marine products | Fishing, farming, purchasing, processing and selling of marine products (fresh / frozen fish, fishmeal & fishoil) |
| Foods | Manufacturing and selling of frozen food, canned food, and other processed food |
| General distribution | Cold storage and transportation of frozen and refrigerated goods |
| Pharmaceuticals | Manufacturing and selling of diagnostic products and ordinary medicines |
| Other | Construction / repair, operation, engineering of marine vessels, etc. |

- (2) Assets for common

The Company holds assets for common use amounted ¥19,564 million. The primary contents are the long-term investments (investment securities) and the assets which are utilized for administrative purpose.

Segment Information (continued)

2. Information by geographic segments

The Year ended March 31, 2005

Million of yen

| | Japan | North America | South America | Oceania | Other | Total | Elimination or Common | Consolidated |
|---------------------------------------|---------|---------------|---------------|---------|--------|---------|-----------------------|--------------|
| Sales | | | | | | | | |
| (1) Sales (excluding internal) | 449,572 | 50,828 | 2,586 | - | 7,902 | 510,889 | - | 510,889 |
| (2) Inter-segment sales and transfers | 3,498 | 7,150 | 11,884 | - | 6,078 | 28,612 | (28,612) | - |
| Total | 453,071 | 57,979 | 14,471 | - | 13,981 | 539,502 | (28,612) | 510,889 |
| Operating expenses | 441,778 | 54,965 | 14,142 | - | 14,080 | 524,966 | (26,298) | 498,668 |
| Operating income (loss) | 11,293 | 3,013 | 328 | - | (99) | 14,535 | (2,313) | 12,221 |
| Assets | 250,301 | 41,859 | 15,569 | 8 | 4,215 | 311,954 | 19,564 | 331,519 |

Previous Year ended March 31, 2004

Million of yen

| | Japan | North America | South America | Oceania | Other | Total | Elimination or Common | Consolidated |
|---------------------------------------|---------|---------------|---------------|---------|--------|---------|-----------------------|--------------|
| Sales | | | | | | | | |
| (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 | 8,502 | 3,281 | 1,052 | - | 108 | 12,944 | (2,761) | 10,183 |
| Assets | 247,139 | 42,894 | 13,941 | 76 | 3,211 | 307,263 | 18,961 | 326,224 |

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 are in the chart below.

| | |
|----------------------|-------------------------------|
| North America | The United States and Canada |
| South America | Chile and Argentina |
| Oceania | New Zealand |
| Other | The Netherlands and Singapore |

(2) Assets for common

The Company holds assets for common use amounted ¥19,564 million. The primary contents are the long-term investments (investment securities) and the assets which are utilized for administrative purpose.

3. Overseas sales

The Year ended March 31, 2005

Million of yen

| | North America | Other area | Total |
|----------------------------------|---------------|------------|---------|
| Overseas sales | 46,499 | 20,316 | 66,816 |
| Total consolidated sales | | | 510,889 |
| Ratio of overseas sales to total | 9.1% | 4.0% | 13.1% |

Previous Year ended March 31, 2004

Million of yen

| | North America | Other area | Total |
|----------------------------------|---------------|------------|---------|
| Overseas sales | 44,629 | 18,850 | 63,479 |
| Total consolidated sales | | | 494,644 |
| Ratio of overseas sales to total | 9.0% | 3.8% | 12.8% |

Notes:

1. The definitions of geographic segments are in accordance with geographic regions.
2. Major foreign countries included in each segment are in the chart below.

| | |
|----------------------|--------------------------------|
| North America | The United States and Canada |
| Other area | 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.

Leases

Million of yen

| Item | Year ended March 31, 2005 | | | Year ended March 31, 2004 | | | | |
|---|---|-------------------|--------------------------|------------------------------|-----------------------|-------------------|--------------------------|----------------|
| I Financial leases, except that leases which the ownership of the leased assets can be transferred to the lessee | | | | | | | | |
| 1 Acquisition costs Accumulated depreciation Net book value | Million of yen | | | Million of yen | | | | |
| | | Acquisition costs | Accumulated depreciation | Net book value | | Acquisition costs | Accumulated depreciation | Net book value |
| | Machinery & equipment | 1,416 | 1,009 | 407 | Machinery & equipment | 1,595 | 1,025 | 570 |
| | Other | 2,376 | 1,318 | 1,057 | Other | 2,353 | 1,148 | 1,204 |
| | Total | 3,793 | 2,328 | 1,464 | Total | 3,948 | 2,174 | 1,774 |
| 2 Future lease expenses | Million of yen | | | Million of yen | | | | |
| | Due within one year | 675 | | Due within one year | 727 | | | |
| | Due after one year | 826 | | Due after one year | 1,094 | | | |
| | Total | 1,502 | | Total | 1,822 | | | |
| 3 Lease expenses Depreciation equivalent Interest expenses equivalent | Million of yen | | | Million of yen | | | | |
| | | 827 | | 924 | | | | |
| | | 780 | | 870 | | | | |
| | | 38 | | 50 | | | | |
| 4 Depreciation method | Straight-line method over the lease terms without residual value | | | | | | | |
| 5 Interest calculation method | Difference between total lease expenses and its acquisition costs is regarded as interest equivalent. The interest equivalent is allocated over the lease terms by interest method, a calculation based on the remaining leased balance with certain interest rate. | | | | | | | |
| II Operating leases | | | | | | | | |
| Future lease expenses | Million of yen | | | Million of yen | | | | |
| | Due within one year | 91 | | Due within one year | 95 | | | |
| | Due after one year | 283 | | Due after one year | 141 | | | |
| | Total | 374 | | Total | 237 | | | |

Tax effect accounting

The significant components of the deferred tax assets and liabilities

Million of yen

| | March 31, 2005 |
|--|----------------|
| I Deferred tax assets, current | |
| Accrued enterprise tax | 155 |
| Allowance for bonus | 918 |
| Allowance for doubtful receivables | 314 |
| Valuation of inventories | 216 |
| Accrued expenses | 271 |
| Unrealized gains on inventories | 59 |
| Tax loss carryforwards | 376 |
| Other | 473 |
| Less: Valuation allowance | (463) |
| Total | 2,322 |
| Amounts offset by deferred tax liabilities (current) | (146) |
| Net | 2,176 |
| II Deferred tax assets, long-term | |
| Depreciation | 178 |
| Accrued retirement benefits | 6,954 |
| Allowance for doubtful receivables | 3,640 |
| Valuation of investment securities | 1,919 |
| Tax loss carryforwards | 6,610 |
| Other | 1,325 |
| Less: Valuation allowance | (5,188) |
| Total | 15,441 |
| Amounts offset by deferred tax liabilities | (9,337) |
| Net | 6,104 |
| III Deferred tax liabilities, long-term | |
| Reserves for compressed fixed assets | 2,026 |
| Unrealized gains on investment securities | 7,183 |
| Other | 2,040 |
| Total | 11,250 |
| Amounts offset by deferred tax assets | (9,337) |
| Net | 1,913 |

The reconciliation of statutory tax rate to effective tax rate

Due to no significant difference between the statutory tax rate and the effective tax rate within five-hundredth of the statutory tax rate, the reconciliation is omitted for the year.

Securities

1. Marketable other securities

Million of yen

| March 31, 2005 | | Acquisition cost | Carrying value | Unrealized gains (losses) |
|--|---------------------------------|------------------|----------------|---------------------------|
| Securities whose carrying value exceeds their acquisition cost | 1 Stocks | 13,559 | 31,732 | 18,172 |
| | 2 Debt securities | | | |
| | -1 Government & municipal bonds | - | - | - |
| | -2 Corporate bonds | 100 | 102 | 2 |
| | -3 Other | 1,494 | 1,516 | 21 |
| | 3 Other | 274 | 306 | 32 |
| | Total | 15,428 | 33,658 | 18,229 |
| Securities whose acquisition cost exceeds their carrying value | 1 Stocks | 1,042 | 922 | (120) |
| | 2 Debt securities | | | |
| | -1 Government & municipal bonds | - | - | - |
| | -2 Corporate bonds | - | - | - |
| | -3 Other | 800 | 736 | (63) |
| | 3 Other | 3,487 | 3,447 | (40) |
| | Total | 5,330 | 5,106 | (224) |
| Grand total | | 20,759 | 38,764 | 18,004 |

2. Other securities which were sold during the period

Million of yen

| Year ended March 31, 2005 | Sale value | Aggregate gains | Aggregate losses |
|-----------------------------------|------------|-----------------|------------------|
| Stocks, debt securities and other | 2,935 | 1,006 | 1 |

3. Other securities not applied for fair value

Million of yen

| Year ended March 31, 2005 | Carrying value |
|---|----------------|
| Held-to-maturity bonds | |
| Private bonds | 300 |
| Other securities | |
| Unlisted stocks except the over-the-counter | 6,779 |

4. Redemption schedule for other securities

Million of yen

| March 31, 2005 | Due in one year or less | Due after one year through five years | Due after five years through ten years | Due after ten years |
|---------------------------------|-------------------------|---------------------------------------|--|---------------------|
| 1 Debt securities | | | | |
| -1 Government & municipal bonds | - | - | - | - |
| -2 Corporate bonds | - | 132 | - | - |
| -3 Other | 888 | 500 | 103 | 448 |
| 2 Other | - | 3,053 | 496 | - |
| Total | 888 | 3,687 | 599 | 448 |

Securities (continued)

1. Marketable other securities

Million of yen

| March 31, 2004 | | Acquisition cost | Carrying value | Unrealized gains (losses) |
|--|---------------------------------|------------------|----------------|---------------------------|
| Securities whose carrying value exceeds their acquisition cost | 1 Stocks | 13,872 | 30,270 | 16,398 |
| | 2 Debt securities | | | |
| | -1 Government & municipal bonds | - | - | - |
| | -2 Corporate bonds | 138 | 143 | 4 |
| | -3 Other | 1,463 | 1,516 | 53 |
| | 3 Other | 2,546 | 2,600 | 53 |
| | Total | 18,021 | 34,531 | 16,509 |
| Securities whose acquisition cost exceeds their carrying value | 1 Stocks | 1,033 | 840 | (192) |
| | 2 Debt securities | | | |
| | -1 Government & municipal bonds | - | - | - |
| | -2 Corporate bonds | 165 | 163 | (1) |
| | -3 Other | 1,400 | 1,374 | (25) |
| | 3 Other | 1,115 | 1,078 | (36) |
| | Total | 3,713 | 3,456 | (256) |
| Grand total | | 21,735 | 37,987 | 16,252 |

2. Held-to-maturity debt securities which were sold during the period

Million of yen

| Year ended March 31, 2004 | Carrying value | Sale value | Gains | Reason for selling off |
|------------------------------|----------------|------------|-------|---|
| Government & municipal bond: | 380 | 385 | 4 | To finance new facilities of production lines |
| Other | 135 | 142 | 7 | To avoid losses in future from the value fluctuation due to foreign exchange, interest or country risks |
| Total | 515 | 527 | 12 | |

3. Other securities which were sold during the period

Million of yen

| Year ended March 31, 2004 | Sale value | Aggregate gains | Aggregate losses |
|-----------------------------------|------------|-----------------|------------------|
| Stocks, debt securities and other | 8,022 | 1,758 | 41 |

4. Other securities not applied for fair value

Million of yen

| Year ended March 31, 2004 | Carrying value |
|---|----------------|
| Held-to-maturity bonds | |
| Private bonds | 300 |
| Other securities | |
| Unlisted stocks except the over-the-counter | 6,802 |

5. Redemption schedule for other securities

Million of yen

| March 31, 2004 | Due in one year or less | Due after one year through five years | Due after five years through ten years | Due after ten years |
|---------------------------------|-------------------------|---------------------------------------|--|---------------------|
| 1 Debt securities | | | | |
| -1 Government & municipal bonds | - | - | - | - |
| -2 Corporate bonds | 203 | 132 | - | - |
| -3 Other | 501 | 994 | 100 | 484 |
| 2 Other | - | 2,790 | 503 | 194 |
| Total | 705 | 3,917 | 603 | 678 |

Derivatives

Currency-related transactions

Million of yen

| Transactions | Year ended March 31, 2005 | | | | Year ended March 31, 2004 | | | |
|-----------------------------------|-----------------------------|-------------|--------------|-----------------|-----------------------------|-------------|--------------|-----------------|
| | Contract or notional amount | | Market value | Unrealized loss | Contract or notional amount | | Market value | Unrealized loss |
| | | Over 1 year | | | | Over 1 year | | |
| Over-the-counter transaction | | | | | | | | |
| Forward foreign exchange contract | | | | | | | | |
| Buy : US dollar | 61 | - | 56 | (5) | 170 | - | 150 | (19) |
| Grand total | - | - | - | (5) | - | - | - | (19) |

1. The market value in transactions

The market value is determined by the future rate of exchange for the forward foreign exchange contracts and the offered price from the financial institution concerned for the foreign currency swap respectively.

2. Any transactions applied for the hedge accounting are omitted from the description above.

Retirement benefits

1. Overview

The Company and its domestic consolidated subsidiaries have defined benefits pension plans, i.e., tax-qualified pension plans and lump-sum payment plans. In a certain case of employees' retirement, an additional severance pay will be provided. Certain foreign consolidated subsidiaries have defined benefit and contribution plans.

2. Retirement benefits obligation

| | March 31, 2005 | March 31, 2004 |
|--|-----------------------|----------------|
| | Million of yen | Million of yen |
| a. Retirement benefits obligation | (45,524) | (47,183) |
| b. Plan assets at fair value | 27,708 | 26,381 |
| c. Unfunded retirement benefits obligation (=a+b) | (17,816) | (20,801) |
| d. Unrecognized actuarial differentials | 2,329 | 3,445 |
| e. Unrecognized past service cost (deductible from obligation) | (2,250) | (292) |
| f. Net retirement benefits obligation (=c+d+e) | (17,737) | (17,648) |
| g. Prepaid pension cost | 188 | 199 |
| h. Accrued retirement benefits (=f-g) | (17,925) | (17,847) |

3. Retirement benefits expenses

| | Year ended March 31, 2005 | Year ended March 31, 2004 |
|--|----------------------------------|---------------------------|
| | Million of yen | Million of yen |
| a. Service cost | 1,785 | 1,553 |
| b. Interest cost | 1,286 | 1,282 |
| c. Expected return on plan assets | (873) | (710) |
| d. Amortization of actuarial loss | 892 | 1,485 |
| e. Amortization of past service cost | (358) | (176) |
| f. Total retirement benefits expenses (=a+b+c+d+e) | 2,731 | 3,435 |

4. Assumptions

| | Year ended March 31, 2005 | Year ended March 31, 2004 |
|--|----------------------------------|---------------------------|
| a. Periodic allocation method for projected benefits | | Straight-line method |
| b. Discount rates | | Mainly 2.5% per annum |
| c. Expected rates of return on plan assets | | Mainly 2.5% per annum |
| d. Amortization period of past service cost | | Mainly 6 years |
| e. Amortization period of actuarial gain or loss | | Mainly 6 years |

Results of produce, made-to-order and sales

1. Produce

Million of yen

| Operating segment | Year ended March 31, 2005 | Year ended March 31, 2004 | Increase / (decrease) |
|-------------------|------------------------------|------------------------------|--------------------------|
| Marine products | 54,578 | 50,225 | 4,353 |
| Foods | 169,777 | 151,587 | 18,189 |
| Pharmaceuticals | 9,687 | 9,837 | (150) |
| Total | 234,043 | 211,650 | 22,392 |

Note:

1. The amounts above are stated at the sales value.
2. The amounts above are exclusive of consumption tax.

2. Made-to-order

Not applicable

3. Sales

Million of yen

| Operating segment | Year ended March 31, 2005 | Year ended March 31, 2004 | Increase / (decrease) |
|----------------------|------------------------------|------------------------------|--------------------------|
| Marine products | 216,537 | 224,231 | (7,694) |
| Foods | 256,680 | 239,139 | 17,540 |
| General distribution | 12,829 | 15,335 | (2,505) |
| Pharmaceuticals | 13,938 | 12,406 | 1,532 |
| Other | 10,903 | 3,531 | 7,372 |
| Total | 510,889 | 494,644 | 16,245 |

Note:

The amounts above are exclusive of consumption tax.

Summary of Financial Statements for the Year ended March 31, 2005

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, 2004 through March 31, 2005)

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

1. Non-consolidated Financial Data for the Year ended March 31, 2005

(1) Non-consolidated Financial Results

| | Sales | | Operating income | | Ordinary income | | Net income | |
|--------------------------------------|----------------|-------------|------------------|--------------|-----------------|--------------|----------------|-------------|
| | Million of yen | % | Million of yen | % | Million of yen | % | Million of yen | % |
| The Year ended March 31, 2005 | 321,434 | -0.1 | 4,495 | 236.9 | 5,500 | 426.8 | 3,256 | 74.0 |
| Previous Year ended March 31, 2004 | 321,915 | 2.0 | 1,334 | -75.9 | 1,044 | -79.2 | 1,871 | 6.9 |

| | Net income per share | Diluted income per share | Net income / Total shareholders equity | Ordinary income / Total assets | Ordinary income / Sales |
|--------------------------------------|----------------------|--------------------------|--|--------------------------------|-------------------------|
| | Yen | Yen | % | % | % |
| The Year ended March 31, 2005 | 11.48 | - | 4.9 | 2.3 | 1.7 |
| Previous Year ended March 31, 2004 | 6.58 | - | 3.1 | 0.4 | 0.3 |

Note 1. Weighted average numbers of outstanding common stock throughout the year :

276,702,877 (March 2005), 276,797,664 (March 2004)

2. Change of accounting method : Not applicable

3. Each percentage figure indicated in columns of Sales, Operating income, Ordinary income, Net income shows changes from the previous year.

(2) Dividend

| | Dividend per share, annual | | | Total dividend Annual | Dividend payout ratio | Dividend / Equity |
|--------------------------------------|----------------------------|-------------|-------------|-----------------------|-----------------------|-------------------|
| | Interim | Final | | | | |
| | Yen | Yen | Yen | Million of yen | % | % |
| The Year ended March 31, 2005 | 6.00 | 2.50 | 3.50 | 1,659 | 52.3 | 2.5 |
| Previous Year ended March 31, 2004 | 5.00 | 2.50 | 2.50 | 1,383 | 76.0 | 2.1 |

(3) Non-consolidated Financial Position

| | Total Assets | Total shareholders' equity | Equity ratio | Equity per share |
|-----------------------|----------------|----------------------------|--------------|------------------|
| | Million of yen | Million of yen | % | % |
| March 31, 2005 | 242,637 | 67,604 | 27.9 | 244.10 |
| March 31, 2004 | 241,032 | 64,781 | 26.9 | 233.89 |

Note 1. Outstanding common stocks at the end of the year: 276,620,703 (March 2005), 276,760,700 (March 2004)

2. Common stocks in treasury at the end of the year: 589,574 (March 2005), 449,577 (March 2004)

2. Forecast for the Year ending March 31, 2006, Non-consolidated

| | Sales | Ordinary income | Net income | Annual dividend per share | | |
|---|----------------|-----------------|----------------|---------------------------|-------------|-------------|
| | | | | Interim | Final | |
| | Million of yen | Million of yen | Million of yen | Yen | Yen | Yen |
| Six Months ending September 30, 2005 | 165,000 | 3,200 | 1,400 | 3.50 | - | - |
| The Year ending March 31, 2006 | 335,000 | 7,000 | 3,700 | - | 3.50 | 7.00 |

Pro forma income per share for the whole-year: ¥13.09 (for reference purpose only)

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

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. Also please refer to the Company's cautionary note on forward-looking statements on the page of 14.

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

Million of yen

| Item | March 31, 2005 | March 31, 2004 | Increase / (decrease) | Item | March 31, 2005 | March 31, 2004 | Increase / (decrease) |
|--|-------------------|-------------------|--------------------------|---|-------------------|-------------------|--------------------------|
| (Assets) | | | | (Liabilities) | | | |
| Current assets | 88,852 | 86,270 | 2,582 | Current liabilities | 106,997 | 106,512 | 485 |
| Cash and bank deposits | 206 | 249 | (42) | Accounts payable-trade | 15,475 | 16,236 | (760) |
| Notes receivable | 181 | 288 | (107) | Short-term debts | 59,281 | 53,946 | 5,335 |
| Accounts receivable-trade | 37,604 | 38,800 | (1,195) | Long-term debts (within 1 year) | 7,608 | 13,146 | (5,538) |
| Finished goods | 25,120 | 25,599 | (478) | Accounts payable-other | 2,662 | 2,135 | 526 |
| Raw materials | 5,233 | 6,025 | (791) | Accrued income taxes | 233 | 58 | 175 |
| Goods in process | 433 | 423 | 9 | Accrued business taxes | 80 | 82 | (2) |
| Supplies | 488 | 600 | (112) | Accrued sales taxes | 511 | 343 | 168 |
| Fishing operations in progress | 504 | 398 | 106 | Accrued expenses | 10,749 | 11,240 | (490) |
| Advances | 291 | 649 | (358) | Advanced receipt | 35 | 85 | (49) |
| Prepaid expenses | 453 | 639 | (185) | Deposits received | 80 | 140 | (59) |
| Deferred taxes | 732 | 1,883 | (1,150) | Deposits received from affiliated companies | 9,191 | 8,175 | 1,015 |
| Short-term loans | 50 | 40 | 10 | Accrued bonus expenses | 1,000 | 890 | 109 |
| Short-term loans to affiliated companies | 13,619 | 7,468 | 6,151 | Accrued vessel repair costs | - | 13 | (13) |
| Accounts receivable other | 3,632 | 3,072 | 560 | Other | 86 | 16 | 70 |
| Other | 357 | 139 | 218 | | | | |
| Allowance for doubtful receivables | (60) | (9) | (50) | | | | |
| Property, plant and equipment | 39,962 | 41,213 | (1,251) | Long term liabilities | 68,035 | 69,738 | (1,702) |
| Buildings | 19,002 | 20,121 | (1,118) | Long term debt | 53,497 | 55,174 | (1,677) |
| Structures | 981 | 1,020 | (39) | Accrued retirement benefits | 14,002 | 14,029 | (26) |
| Machinery and equipment | 9,762 | 10,402 | (639) | Reserves for periodic repairs of vessels | 6 | 1 | 4 |
| Vessels | 355 | 348 | 6 | Long-term deposit received | 459 | 394 | 65 |
| Vehicles and transport equipment | 25 | 19 | 6 | Other | 69 | 139 | (69) |
| Tools and implements | 457 | 470 | (12) | | | | |
| Land | 9,102 | 8,726 | 375 | Total Liabilities | 175,033 | 176,250 | (1,217) |
| Construction in progress | 275 | 104 | 170 | | | | |
| Intangible assets | 9,045 | 9,989 | (944) | (Shareholders' equity) | | | |
| Leaseholds | 1,326 | 1,326 | - | Common stock | 23,729 | 23,729 | - |
| Software | 7,052 | 7,787 | (735) | Capital surplus reserve | 13,756 | 13,755 | 1 |
| Telephone subscription rights and other | 665 | 875 | (209) | Additional paid-in capital | 6,000 | 6,000 | - |
| | | | | Other capital surplus reserve | 7,756 | 7,755 | 1 |
| Investments and long-term advances | 104,777 | 103,559 | 1,218 | Accumulated earnings | 19,978 | 18,155 | 1,823 |
| Investment securities-other | 37,045 | 35,684 | 1,360 | (Voluntary reserves) | | | |
| Investment securities in affiliated companies | 40,481 | 39,687 | 793 | Reserves for compressed fixed assets | 3,132 | 3,278 | (146) |
| Investment capital | 0 | 7 | (7) | Other reserves | 7,500 | 7,500 | - |
| Investment capital to affiliated companies | 1,138 | 480 | 658 | Unappropriated net earnings | 9,346 | 7,376 | 1,969 |
| Long-term loans | 477 | 546 | (69) | Unrealized gains/losses on securities | 10,285 | 9,241 | 1,044 |
| Long-term loans to employees | 16 | 16 | (0) | Treasury common stock | (145) | (99) | (46) |
| Long-term loans to affiliated companies | 16,674 | 14,947 | 1,726 | | | | |
| Credits associated with companies in bankruptcy / insolvency | 13,349 | 15,489 | (2,139) | Total shareholders' equity | 67,604 | 64,781 | 2,822 |
| Prepaid expenses (long-term) | 60 | 91 | (30) | | | | |
| Deferred tax assets (long-term) | 4,526 | 6,239 | (1,713) | Total Liabilities and Shareholders' equity | 242,637 | 241,032 | 1,605 |
| Guarantee deposits paid | 1,183 | 1,409 | (225) | | | | |
| Other | 1 | 1 | - | | | | |
| Allowance for doubtful accounts | (10,178) | (11,043) | 865 | | | | |
| Total Assets | 242,637 | 241,032 | 1,605 | | | | |

Non-consolidated Income Statements

Million of yen

| | Year ended March 31, 2005 | Year ended March 31, 2004 | Increase / (decrease) |
|--|------------------------------|------------------------------|--------------------------|
| Net sales | 321,434 | 321,915 | (481) |
| Cost of sales | 263,570 | 266,642 | (3,072) |
| Gross profit | 57,863 | 55,272 | 2,591 |
| Selling, general and administrative expenses | 53,368 | 53,938 | (570) |
| Operating income | 4,495 | 1,334 | 3,161 |
| Non-operating income | | | |
| Interest income | 963 | 1,026 | (62) |
| Dividend income | 2,518 | 1,704 | 813 |
| Other income | 599 | 546 | 52 |
| Total | 4,080 | 3,277 | 803 |
| Non-operating expenses | | | |
| Interest expenses | 2,189 | 2,637 | (447) |
| Other expenses | 886 | 930 | (44) |
| Total | 3,075 | 3,567 | (491) |
| Ordinary income | 5,500 | 1,044 | 4,456 |
| Extraordinary gains | | | |
| Gain on sale of property, plant and equipment | 797 | 3,805 | (3,008) |
| Gain on sale of investment securities | 905 | 1,661 | (756) |
| Gain on sale of investment securities in affiliated companies | 5 | - | 5 |
| Reversal of provision for doubtful accounts to affiliated companies | 448 | 133 | 315 |
| Reversal of reserve for vessel repair costs | - | 145 | (145) |
| Total | 2,155 | 5,745 | (3,590) |
| Extraordinary losses | | | |
| Loss on disposal of property, plant and equipment | 630 | 755 | (124) |
| Loss on revaluation of investment securities-other | 53 | 49 | 3 |
| Loss on revaluation of investment securities in affiliated companies | 74 | 130 | (55) |
| Provision for doubtful accounts to affiliated companies | 361 | 721 | (359) |
| Provision for doubtful accounts to others | 955 | 1,126 | (170) |
| Loss on special severance plan | 85 | 79 | 5 |
| Total | 2,161 | 2,861 | (700) |
| Income before income taxes | 5,495 | 3,928 | 1,567 |
| Income taxes : | | | |
| Current | 56 | 58 | (1) |
| Deferred | 2,181 | 1,997 | 183 |
| Net income | 3,256 | 1,871 | 1,385 |
| Earnings carried forward from previous year | | | |
| Liquidation of earned surplus | 6,781 | 6,197 | 583 |
| Dividend | 691 | 691 | (0) |
| Unappropriated net earnings | 9,346 | 7,376 | 1,969 |

Proposed Appropriation of Earnings

Million of yen

| Item | Year ended March 31, 2005 | Year ended March 31, 2004 |
|--|----------------------------------|----------------------------------|
| Unappropriated net earnings | 9,346 | 7,376 |
| Reversal of reserves for revaluation of assets | 33 | 146 |
| Total | 9,380 | 7,523 |
| Above amount to be appropriated as follows; | (Proposing on June 29, 2005) | (Approved on June 29, 2004) |
| Dividends | 968 <i>3.50 yen per share</i> | 691 <i>2.50 yen per share</i> |
| Director's bonus | 80 | 50 |
| Transfer to other reserve | 5,000 | - |
| Total | 6,048 | 741 |
| Earnings carried over to next year | 3,331 | 6,781 |

Breakdown of Sales (Non-consolidated)

Million of yen

| | Year ended March 31, 2005 | | Year ended March 31, 2004 | | Increase / (decrease) |
|--------------------------|------------------------------|------------------|------------------------------|------------------|--------------------------|
| | Sales | Composition % | Sales | Composition % | |
| Fresh / frozen fish | 110,699 | 34.5 | 124,759 | 38.9 | (14,059) |
| Fishmeal & Fishoil | 14,734 | 4.6 | 13,605 | 4.2 | 1,128 |
| Frozen food | 66,658 | 20.7 | 66,144 | 20.5 | 514 |
| Canned food | 14,530 | 4.5 | 13,862 | 4.3 | 668 |
| Other processed food | 90,249 | 28.1 | 76,353 | 23.7 | 13,896 |
| Cold storage & logistics | 6,273 | 2.0 | 6,587 | 2.0 | (314) |
| Other | 18,287 | 5.6 | 20,603 | 6.4 | (2,315) |
| Total | 321,434 | 100.0 | 321,915 | 100.0 | (481) |
| Of which Exports | 6,968 | 2.2 | 8,153 | 2.5 | (1,184) |

Significant Accounting Policies

1. Standards and Methods of Negotiable Security Valuation

Shares of subsidiaries and those of affiliates: At cost, using the moving average method

Other marketable securities

Those with market value: At market, based on the market value, etc. as of the last day of the year
(All valuation gains and losses are included directly in shareholders' equity. Cost of sales is computed by the moving average method).

Those without market value: At cost, using the moving average method

2. Standards and Methods of Derivatives Valuation At market

3. Standards and Methods of Inventory Valuation

Products, merchandise and raw materials:
At lower of cost or market, using the moving average method.

Work in progress and stored goods:
At cost, using the moving average method.

4. Depreciation and Amortization Methods for Fixed Assets

Depreciation for Tangible Fixed Assets

Buildings (excluding building fixtures): Straight-line method
Other assets: Declining-balance methods

Amortization for intangible fixed assets: Straight-line method.
Software used within the Company is amortized over the period that the software is usable within the company (5 years).

5. Standards for the Computation of Allowances

Allowance for doubtful accounts: In order to prepare for loss, caused by uncollectible claims, amounts of doubtful receivables are estimated, based on the historical percentage of uncollectable receivables with respect to general liabilities, and by individually analyzing the probability of collection regarding special liabilities, such as receivables that are feared to become uncollectable.

Allowance for bonuses: An estimated amount of bonus payment is computed in order to prepare for the payment of employee bonuses.

Allowance for vessel repairs: In order to prepare for the occurrence of routine repair work on vessels, the cost of routine repair work to be done the next time a vessel pulls into port is estimated, and the amount attributable to the current term is accounted for.

Allowance for retirement benefits: In order to prepare for payment of retirement benefits to employees, an amount that is deemed to have been incurred during this term based on the estimated amount of the retirement benefit obligation and that of pension plan assets as of the end of the current consolidation fiscal year is reported.

Actuarial differences are expensed; using the straight-line method over a certain number of years (mainly six years) not to exceed the duration of the average remaining years of service of the employees at the time the amount is incurred, starting with the year following the current consolidation fiscal year.

Past service cost is expensed, using the straight-line method over a certain number of years (mainly six years) not to exceed the duration of the average remaining years of service of the employees at the time the cost is incurred.

Allowance for special repairs: In order to prepare for the incurrence of cost for repairs to ready a vessel that is subject to a periodic inspection as mandated by the Ships Safety Act, an estimate is made and an amount attributable to the current term is accounted for.

6. Standards for the Translation of Foreign Currency-Denominated Assets and Liabilities to the Japanese Currency

Monetary debts and credits that are denominated in foreign currencies are translated to yen using the spot foreign exchange rates in effect on the balance sheet date. Translation differences are treated as gains or losses in the year.

7. Accounting for Lease Transactions

All finance lease transactions, with the exception of those in which the title to the lease property is deemed to be transferred to the lessee, are accounted for in accordance with methods that apply to ordinary lease transactions.

8. Methods of Accounting for Hedging Operations

Deferral hedge accounting is applied. Monetary claims and liabilities that are denominated in foreign currencies, to which forward foreign exchange contracts are attached, are accounted for by the allocation method. Interest rate swaps are accounted for by the method, which is allowed to add to or deduct from the assets or liabilities concerned without fair-value measurement, if the contracts satisfy the criteria for the accounting.

9. Method of accounting for consumer tax, etc. Tax-excluded

Notes

Million of yen

| Item | Year ended March 31, 2005 / As of March 31, 2005 | | | Year ended March 31, 2004 / As of March 31, 2004 | | | | |
|--|--|-------------------|--------------------------|---|----------------------------------|-------------------|--------------------------|----------------|
| I Accumulated depreciation of property, plant and equipment | 47,608 | | | 49,123 | | | | |
| II Assets used as collateral | 40,974 | | | 45,961 | | | | |
| III Liabilities for guarantee | 13,388 | | | 15,458 | | | | |
| IV Treasury common stock | | | | | | | | |
| Number of stocks | 589,574 shares | | | 449,577 shares | | | | |
| Carrying value | ¥ 145 Million | | | ¥ 99 Million | | | | |
| V Leases, except that the ownership of the leased assets can be transferred to the lessee | | | | | | | | |
| 1 Acquisition costs Accumulated depreciation Net book value | Million of yen | | | Million of yen | | | | |
| | | Acquisition costs | Accumulated depreciation | Net book value | | Acquisition costs | Accumulated depreciation | Net book value |
| | Vehicles and transport equipment | 62 | 33 | 29 | Vehicles and transport equipment | 169 | 137 | 31 |
| | Tools and implements | 1,575 | 894 | 680 | Tools and implements | 1,558 | 730 | 828 |
| | Total | 1,638 | 928 | 710 | Total | 1,727 | 868 | 859 |
| 2 Future lease expenses | Million of yen | | | Million of yen | | | | |
| | Due within one year | 328 | | Due within one year | 344 | | | |
| | Due after one year | 395 | | Due after one year | 530 | | | |
| | Total | 724 | | Total | 874 | | | |
| 3 Lease expenses Depreciation equivalent Interest expenses equivalent | Million of yen | | | Million of yen | | | | |
| | | 391 | | | 428 | | | |
| | | 373 | | | 407 | | | |
| | 15 | | | 21 | | | | |
| 4 Depreciation method | Straight-line method over the lease terms without residual value | | | | | | | |
| 5 Interest calculation method | Difference between total lease expenses and its acquisition costs is regarded as interest equivalent. The interest equivalent is allocated over the lease terms by interest method, a calculation based on the remaining leased balance with certain interest rates. | | | | | | | |

Securities

Investment securities in subsidiaries with fair value

| Million of yen | <u>Carrying value</u> | <u>Fair value</u> | <u>Gain</u> |
|----------------|-----------------------|-------------------|-------------|
| March 31,2005 | 1,705 | 14,888 | 13,183 |
| March 31,2004 | 1,705 | 11,751 | 10,045 |

Tax effect accounting

The significant components of the deferred tax assets and liabilities

Million of yen

| | March 31, 2005 |
|--|----------------|
| I Deferred tax assets, current | |
| Allowance for bonus | 395 |
| Tax loss carryforwards | 224 |
| Other | 160 |
| Less: Valuation allowance | (47) |
| Total | 732 |
| II Deferred tax assets and liabilities, long-term | |
| Deferred tax assets | |
| Depreciation | 174 |
| Accrued retirement benefits | 5,494 |
| Allowance for doubtful receivables | 3,630 |
| Valuation of investment securities in affiliated companies | 1,539 |
| Valuation of investment securities | 149 |
| Tax loss carryforwards | 3,406 |
| Other | 354 |
| Less: Valuation allowance | (1,470) |
| Total | 13,279 |
| Deferred tax liabilities | |
| Reserves for compressed fixed assets | (2,026) |
| Unrealized gains on investment securities | (6,726) |
| Total | (8,753) |
| Deferred tax assets, net | 4,526 |

The reconciliation of statutory tax rate to effective tax rate

Due to no significant difference between the statutory tax rate and the effective tax rate within five-hundredth of the statutory tax rate, the reconciliation is omitted for the year.