

## Summary of Financial Statements for Nine Months ended December 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.

(From April 1, 2005 to December 31, 2005)

Company name: **Nippon Suisan Kaisha, Ltd.** (TSE 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 2 Exclusion 1

### 2. Consolidated Financial Data for Nine Months ended December 31, 2005

#### (1) Consolidated Operating Results

	Sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Nine Months ended December 31, 2005</b>	<b>411,668</b>	<b>3.9</b>	<b>11,072</b>	<b>0.0</b>	<b>11,938</b>	<b>5.2</b>
Nine Months ended December 31, 2004	396,303	4.0	11,070	-	11,348	-
Year ended March 31, 2005	510,889		12,221		12,615	

	Net income		Net income per share
	Millions of yen	%	Yen
<b>Nine Months ended December 31, 2005</b>	<b>5,392</b>	<b>-9.8</b>	<b>19.50</b>
Nine Months ended December 31, 2004	5,975	-	21.60
Year ended March 31, 2005	6,138		21.50

Note : Each percentage figures indicated in columns of Sales, Operating income, Ordinary income, Net income shows changes from the previous period.

#### (2) Consolidated Financial Position

	Total assets	Total shareholders' equity	Equity ratio	Equity per share
	Millions of yen	Millions of yen	%	Yen
<b>As of December 31, 2005</b>	<b>397,681</b>	<b>103,925</b>	<b>26.1</b>	<b>375.80</b>
As of December 31, 2004	355,358	87,927	24.7	317.85
As of March 31, 2005	331,519	88,505	26.7	319.28

#### (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 period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
<b>Nine Months ended December 31, 2005</b>	<b>4,568</b>	<b>(27,286)</b>	<b>23,998</b>	<b>11,282</b>
Nine Months ended December 31, 2004	7,342	(11,999)	4,597	8,967
Year ended March 31, 2005	22,738	(15,338)	(6,839)	9,585

### 3. Forecast for Financial Year ending March 31, 2006 ( Consolidated )

	Sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
<b>Year ending March 31, 2006</b>	<b>535,000</b>	<b>14,000</b>	<b>6,500</b>

Pro forma income per share for the whole-year: 22.91 Yen

There is no revision on the forecast, which was released on November 18, 2005.

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

## **[Qualitative Information, etc. on Progress in Consolidated Business Performance]**

### **Overview of Third Quarter (from April 1, 2005 to December 31, 2005)**

The Japanese economy in the third quarter showed clearer signs of recovery, such as improvements in corporate earnings and increase in capital investment. The global economy was on an expansionary trend driven by increasing consumption and capital investment in the United States and Asia centering on China. However, prospects are uncertain due to such factors as soaring crude oil prices. In the industries in which the Company and its subsidiaries and affiliates operate, although the price of certain types of fish increased, the business environment remained harsh in that the price of raw materials of processed products increased and market competition among companies intensified.

Under these circumstances, the operating results for the third quarter were: ¥411,668 million in sales (an increase of ¥15,365 million from the corresponding period of the previous year); ¥11,072 million in operating income (an increase of ¥2 million); ¥11,938 million in ordinary income (an increase of ¥589 million); and ¥5,392 million in net income (a decrease of ¥583 million).

### **Overview of Operating Results by Business Segment**

#### **(1) Marine Products Business**

In the Marine Products business, we have pressed forward with the construction of a thorough system of control from a global perspective, encompassing all the way from production and processing to sale. In addition, the price of surimi, salmon and trout remained firm. As a consequence, sales increased ¥3,758 million year-on-year to ¥175,389 million, and operating income increased ¥2.4 billion year-on-year to ¥5,461 million.

#### **(2) Foods Business**

Sales generated by the Foods business increased ¥11,433 million year-on-year to ¥209,096 million due to the expansion of the chilled foods business and the acquisition of a ready-to-eat frozen seafood products company in North America. However, operating income decreased ¥2,893 million year-on-year to ¥4,804 million because of the rise in raw materials prices and the costs incurred in expanding the chilled foods business, in addition to the fierce competition among companies in the ready-to-eat frozen seafood products market in North America.

#### **(3) General Distribution Business**

Sales generated by the General Distribution business decreased ¥485 million year-on-year to ¥9,510 million due to the impact of winding up the marine transport business at the end of the previous period. However, operating income increased ¥259 million year-on-year to ¥1,638 million thanks to the increase in average inventory volume in the cold storage business.

#### **(4) Pharmaceuticals Business**

In the Pharmaceuticals business, sales increased ¥326 million year-on-year to ¥10,589 million and operating income increased ¥185 million year-on-year to ¥873 million, due to the growth in the sales of health foods and the decrease in selling, general and administrative expenses.

## **Overview of Operating Results by Geographic Segment**

### **(1) Japan**

In the Marine Products business, the price of surimi, salmon and trout remained firm, while in the Foods business, sales volume of chilled foods and fine chemicals increased. In the Foods business, however, the price of raw materials increased and costs were incurred in expanding the chilled foods business. As a result, sales increased ¥10,765 million year-on-year to ¥359,276 million while operating income decreased ¥1,061 million year-on-year to ¥8,760 million.

### **(2) North America**

In North America, the Marine products business performed solidly and the Foods business increased sales partly through the acquisition of a ready-to-eat frozen seafood products company. However, as the competition among companies remained harsh in the ready-to-eat frozen seafood products market, sales decreased ¥3,192 million year-on-year to ¥43,187 million and operating income decreased ¥94 million year-on-year to ¥2,965 million.

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

Due to the reorganization of Nissui Group's European sales network and the solid performance of fishery operations and farmed salmon and trout, sales increased ¥1,619 million year-on-year to ¥3,189 million and operating income increased ¥1,483 million year-on-year to ¥1,365 million.

### **(4) Other**

We are engaged in the Marine Products business in Asia and Europe. Due to the impact of restructuring the sales network in Europe and the costs incurred in expanding aquaculture operations in Asia, sales decreased ¥212 million year-on-year to ¥6,014 million and operating income decreased ¥306 million year-on-year to a loss of ¥212 million.

## **[Qualitative Information, etc. on Changes in Consolidated Financial Position]**

Cash flows from operating activities decreased ¥2,773 million year-on-year to ¥4,568 million, as a result of ¥11,181 million in income before income taxes and minority interests (up ¥865 million year-on-year), ¥9,740 million in depreciation and amortization (up ¥875 million), the increase in notes and accounts receivable to ¥23,906 million (up ¥3,965 million), the increase in inventories to ¥1,254 million (up ¥371 million), the increase in notes and accounts payable to ¥11,588 million (up ¥462 million) and ¥2,510 million in income taxes payable (up ¥101 million).

Cash flows used in investing activities decreased ¥15,286 million year-on-year to

¥27,286 million, mainly due to the expenditure of ¥11,594 million for the acquisition of property, plant and equipment (up ¥17 million year-on-year) due to the construction of a new chilled foods plant in the Foods business and the expenditure of ¥16,903 million for the acquisition of a ready-to-eat frozen seafood products company in the United States (up ¥16,903 million).

Cash flows from financing activities increased ¥19,401 million year-on-year to ¥23,998 million partly due to borrowing.

As a result, the quarterly closing balance of cash and cash equivalents was ¥11,282 million, a year-on-year increase of ¥2,315 million.

# Consolidated Financial Statements

## Consolidated Balance Sheets

Millions of yen

Item	As of December 31, 2005	As of December 31, 2004	As of March 31, 2005	Item	As of December 31, 2005	As of December 31, 2004	As of March 31, 2005
<b>(Assets)</b>				<b>(Liabilities)</b>			
<b>Current assets</b>	<b>175,405</b>	<b>163,777</b>	<b>141,396</b>	<b>Current liabilities</b>	<b>193,351</b>	<b>158,898</b>	<b>138,143</b>
Cash and bank deposits	11,494	8,699	9,125	Notes and accounts payable	42,496	41,137	30,659
Notes and accounts receivable	87,753	82,842	61,603	Short-term debt	121,308	87,917	80,370
Marketable securities	228	792	588	Accrued income taxes	1,535	1,404	1,289
Inventories	60,615	57,836	55,697	Accrued expenses	24,968	23,917	19,944
Deferred taxes	3,043	2,344	2,176	Accrued bonus expenses	591	678	2,111
Other	14,067	13,224	13,843	Other accrued costs	227	224	180
Allowance for doubtful accounts	(1,798)	(1,961)	(1,639)	Others	2,223	3,617	3,587
<b>Property, plant and equipment</b>	<b>91,527</b>	<b>86,532</b>	<b>85,915</b>	<b>Long term liabilities</b>	<b>84,766</b>	<b>94,272</b>	<b>90,474</b>
Buildings and structures	44,703	39,854	41,456	Long-term debt	55,188	71,041	67,447
Machinery and equipment	23,203	19,926	21,726	Deferred taxes	7,086	1,788	1,913
Vessels	1,063	1,171	1,123	Accrued retirement benefits	18,085	17,810	17,925
Land	17,360	18,385	18,751	Accrued retirement benefits for directors	670	809	823
Construction in progress	3,219	5,544	1,101	Other accrued costs	10	439	6
Other	1,977	1,649	1,755	Other	3,723	2,382	2,357
<b>Intangible assets</b>	<b>35,630</b>	<b>23,302</b>	<b>22,323</b>	<b>Total Liabilities</b>	<b>278,117</b>	<b>253,170</b>	<b>228,617</b>
				<b>(Minority interest)</b>			
				Minority interests	15,638	14,260	14,396
<b>Investments and long-term advances</b>	<b>95,117</b>	<b>81,746</b>	<b>81,884</b>	<b>(Shareholders' equity)</b>			
Investment securities	82,914	66,616	66,492	Common stock	23,729	23,729	23,729
Long-term loans	3,722	3,305	3,005	Capital surplus reserve	14,151	14,151	14,151
Deferred taxes	1,556	6,571	6,104	Accumulated earnings	41,899	38,464	38,623
Other	9,485	7,182	8,992	Unrealized gains on securities	19,244	10,145	10,668
Allowance for doubtful accounts	(2,560)	(1,929)	(2,711)	Foreign currency translation adjustments	5,076	1,573	1,478
				Treasury common stock	(177)	(136)	(145)
				<b>Total Shareholders' equity</b>	<b>103,925</b>	<b>87,927</b>	<b>88,505</b>
<b>Total Assets</b>	<b>397,681</b>	<b>355,358</b>	<b>331,519</b>	<b>Total Liabilities, Minority interest and Shareholders' equity</b>	<b>397,681</b>	<b>355,358</b>	<b>331,519</b>

## Consolidated Income Statement

Millions of yen

	<b>Nine Months ended December 31, 2005</b>	Nine Months ended December 31, 2004	Year ended March 31, 2005
<b>Net Sales</b>	<b>411,668</b>	396,303	510,889
Cost of sales	329,191	315,658	406,968
<b>Gross profit</b>	<b>82,476</b>	80,644	103,921
Selling, general and administrative expenses	71,403	69,573	91,699
<b>Operating income</b>	<b>11,072</b>	11,070	12,221
Non-operating income			
Interest income	445	412	533
Dividend income	365	304	613
Gain on foreign currency exchange	77	104	265
Equity in earnings of unconsolidated subsidiaries and affiliates	1,785	1,636	2,059
Other	1,185	630	1,033
Total	3,859	3,089	4,505
Non-operating expenses			
Interest expense	2,341	2,092	2,770
Other	653	718	1,341
Total	2,994	2,811	4,111
<b>Ordinary income</b>	<b>11,938</b>	11,348	12,615
Extraordinary gains			
Gain on sale of property, plant and equipment	783	143	411
Gain on sale of investment securities	844	23	913
Gain on sale of investment securities in affiliates	3	11	11
Reversal of reserve for doubtful accounts	138	-	-
Reversal of reserve for doubtful accounts to affiliates	11	-	-
Gain on adjustments of previous year	64	126	114
Total	1,844	305	1,451
Extraordinary losses			
Loss on disposal of property, plant and equipment	692	1,127	1,567
Loss on impairment of fixed assets	1,319	-	-
Loss on sale of investment securities	5	-	-
Loss on revaluation of investment securities	16	48	53
Loss on sale of investment securities in affiliates	52	-	-
Loss on revaluation of investment securities in affiliates	-	55	55
Provision for doubtful accounts	-	-	1,018
Provision for doubtful accounts to affiliates	35	-	-
Loss on special severance plan	30	106	269
Other	448	-	-
Total	2,601	1,338	2,964
<b>Income before income taxes and minority interests</b>	<b>11,181</b>	10,316	11,102
Income taxes	2,239	2,506	2,214
Deferred income taxes	2,944	1,283	2,128
Minority interests (deduct)	605	550	620
<b>Net income</b>	<b>5,392</b>	5,975	6,138

Consolidated

## Consolidated Statements of Capital Surplus Reserve and Accumulated Earnings

Millions of yen

Item	Nine Months ended December 31, 2005	Nine Months ended December 31, 2004	Year ended March 31, 2005
<b>(Capital surplus reserve)</b>			
Capital surplus reserve at the beginning of the period	<b>14,151</b>	14,149	14,149
Increase in capital surplus reserve	0	1	1
Margin from disposal of treasury stock	0	1	1
Capital surplus reserve at the end of the period	<b>14,151</b>	14,151	14,151
<b>(Accumulated earnings)</b>			
Accumulated earnings at the beginning of the period	<b>38,623</b>	33,548	33,548
Increase in accumulated earnings	5,392	6,454	6,613
Net income	5,392	5,975	6,138
Increase due to increase of consolidated subsidiaries	-	464	460
Increase due to increase of companies applied in equity method	-	14	14
Decrease in accumulated earnings	2,116	1,538	1,538
Dividends	1,936	1,383	1,383
Directors' bonus	180	155	155
Accumulated earnings at the end of the period	<b>41,899</b>	38,464	38,623

## Consolidated Statements of Cash-Flow

Millions of yen

	Nine Months ended December 31, 2005	Nine Months ended December 31, 2004	Year ended March 31, 2005
<b>I. Cash flows from operating activities</b>			
Income before income taxes	11,181	10,316	11,102
Depreciation and amortization	9,740	8,865	11,828
Loss on impairment of fixed assets	1,319	-	-
(Decrease)/increase in allowance for doubtful accounts	(40)	50	558
Increase/(decrease) in accrued severance indemnities	120	(256)	(118)
Interest and dividend income	(810)	(717)	(1,147)
Interest expense	2,341	2,092	2,770
Equity in earnings of unconsolidated subsidiaries and affiliates	(1,785)	(1,636)	(2,059)
Gain on sale of property, plant and equipment	(783)	(143)	(411)
Loss on disposal of property, plant and equipment	692	1,127	1,567
Gain on sale of investment securities	(844)	(23)	(913)
Loss on revaluation of investment securities	16	48	53
(Increase)/decrease in notes and accounts receivable	(23,906)	(19,941)	904
(Increase)/decrease in inventories	(1,254)	(883)	653
Increase/(decrease) in notes and accounts payable	11,588	11,125	781
Increase/(decrease) in accrued expenses	3,994	4,400	477
Bonus paid to directors	(199)	(172)	(172)
Other	(3,351)	(2,913)	973
Subtotal	8,018	11,339	26,848
Interest and dividend received	1,024	501	1,133
Interest paid	(1,964)	(2,088)	(2,570)
Income taxes paid	(2,510)	(2,409)	(2,672)
<b>Net cash provided by operating activities</b>	<b>4,568</b>	<b>7,342</b>	<b>22,738</b>
<b>II. Cash flows from investing activities</b>			
Decrease/(increase) in time deposits	20	-	(112)
Decrease/(increase) in marketable securities	366	231	(91)
Purchases of property, plant and equipment	(11,594)	(11,576)	(15,044)
Proceeds from sale of property, plant and equipment	1,274	768	1,309
Purchases of intangible assets	(1,799)	(944)	(1,320)
Purchases of investment securities	(1,668)	(1,192)	(1,074)
Proceeds from sale of investment securities	2,696	790	2,492
Acquisition of subsidiary	(16,903)	-	-
(Increase)/decrease in short-term loans	(28)	198	(1,335)
Other	351	(274)	(160)
<b>Net cash used in investing activities</b>	<b>(27,286)</b>	<b>(11,999)</b>	<b>(15,338)</b>
<b>III. Cash flows from financing activities</b>			
Increase/(decrease) in short-term bank loan	27,610	15,782	3,573
Proceeds from long-term debt	4,100	5,000	7,897
Repayment or redemption of long-term debt	(5,518)	(14,369)	(16,699)
Dividends paid	(1,914)	(1,383)	(1,356)
Dividends paid to minority interests	(251)	(125)	(209)
Purchase of common stock	(28)	(36)	(45)
<b>Net Cash provided by (used in) financing activities</b>	<b>23,998</b>	<b>4,597</b>	<b>(6,839)</b>
IV. Effect of exchange rate changes	417	25	23
V. Net increase/(decrease) in cash and cash equivalents	1,697	(35)	582
VI. Cash and cash equivalents at the beginning of the period	9,585	7,331	7,331
VII. Adjustments to cash and cash equivalents resulting from inclusion or exclusion of certain subsidiaries in consolidation	-	1,671	1,671
<b>VIII. Cash and cash equivalents at the end of the period</b>	<b>11,282</b>	<b>8,967</b>	<b>9,585</b>

## Segment Information

### 1. Information by operating segments

#### Nine Months ended December 31, 2005

Millions of yen

	Marine Products	Foods	General distribution	Pharmaceuticals	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	175,389	209,096	9,510	10,589	7,082	411,668	-	411,668
(2) Inter-segment sales and transfers	6,807	6,527	8,198	104	2,642	24,279	(24,279)	-
Total	182,196	215,624	17,708	10,694	9,724	435,947	(24,279)	411,668
Operating expenses	176,734	210,819	16,070	9,820	9,623	423,069	(22,474)	400,595
Operating income	5,461	4,804	1,638	873	100	12,878	(1,805)	11,072

#### Nine Months ended December 31, 2004

Millions of yen

	Marine Products	Foods	General distribution	Pharmaceuticals	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	171,630	197,662	9,995	10,263	6,751	396,303	-	396,303
(2) Inter-segment sales and transfers	7,867	5,337	7,623	99	2,516	23,444	(23,444)	-
Total	179,497	203,000	17,619	10,362	9,268	419,747	(23,444)	396,303
Operating expenses	176,436	195,302	16,239	9,674	9,237	406,890	(21,657)	385,232
Operating income (loss)	3,061	7,698	1,379	687	30	12,857	(1,786)	11,070

#### Year ended March 31, 2005

Millions of yen

	Marine Products	Foods	General distribution	Pharmaceuticals	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(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

## Segment Information (continued)

### 2. Information by geographic segments

#### Nine Months ended December 31, 2005

Millions of yen

	Japan	North America	South America	Oceania	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	359,276	43,187	3,189	-	6,014	411,668	-	411,668
(2) Inter-segment sales and transfers	2,817	5,197	10,227	-	3,648	21,890	(21,890)	-
Total	362,093	48,384	13,416	-	9,663	433,558	(21,890)	411,668
Operating expenses	353,332	45,419	12,051	-	9,875	420,679	(20,084)	400,595
Operating income (loss)	8,760	2,965	1,365	-	(212)	12,878	(1,805)	11,072

#### Nine Months ended December 31, 2004

Millions of yen

	Japan	North America	South America	Oceania	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(1) Sales (excluding internal)	348,511	39,995	1,569	-	6,227	396,303	-	396,303
(2) Inter-segment sales and transfers	2,973	6,135	8,181	-	5,175	22,466	(22,466)	-
Total	351,485	46,130	9,751	-	11,402	418,770	(22,466)	396,303
Operating expenses	341,662	43,071	9,869	-	11,308	405,912	(20,680)	385,232
Operating income (loss)	9,822	3,059	(118)	-	94	12,857	(1,786)	11,070

#### Year ended March 31, 2005

Millions of yen

	Japan	North America	South America	Oceania	Other	Total	Elimination or Common	Consolidated
<b>Sales</b>								
(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

## Summary of Financial Statements for Nine Months ended December 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.

(From April 1, 2005 to December 31, 2005)

Company name: **Nippon Suisan Kaisha, Ltd.** (TSE 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. Financial Data for Nine Months ended December 31, 2005

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

	Sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine Months ended December 31, 2005	259,066	3.1	4,468	-0.6	5,825	41.5
Nine Months ended December 31, 2004	251,261	-	4,496	-	4,117	-
Year ended March 31, 2005	321,434		4,495		5,500	

	Net income		Net income per share
	Millions of yen	%	Yen
Nine Months ended December 31, 2005	3,052	44.3	11.04
Nine Months ended December 31, 2004	2,115	-	7.64
Year ended March 31, 2005	3,256		11.48

Note : Each percentage figures indicated in columns of Sales, Operating income, Ordinary income, Net income shows changes from the previous period.

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

	Total assets	Total shareholders' equity	Equity ratio	Equity per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2005	269,885	76,806	28.5	277.73
As of December 31, 2004	254,502	65,966	25.9	238.39
As of March 31, 2005	242,637	67,604	27.9	244.10

### 3. Forecast for Financial Year ending March 31, 2006 ( Non-Consolidated )

	Sales	Ordinary income	Net income	Annual dividend per share	
				Interim	Yen
Year ending March 31, 2006	Millions of yen 335,000	Millions of yen 6,500	Millions of yen 3,700	3.50	7.00

Pro forma income per share for the whole-year: 13.09 Yen

There is no revision on the forecast, which was released on November 18, 2005.

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

## Non-consolidated Financial Statements

### Non-consolidated Balance Sheets

Millions of yen

Item	As of December 31, 2005	As of December 31, 2004	As of March 31, 2005	Item	As of December 31, 2005	As of December 31, 2004	As of March 31, 2005
<b>(Assets)</b>				<b>(Liabilities)</b>			
<b>Current assets</b>	<b>108,451</b>	<b>101,706</b>	<b>88,852</b>	<b>Current liabilities</b>	<b>135,539</b>	<b>117,164</b>	<b>106,997</b>
Cash and bank deposits	1,938	989	206	Accounts payable-trade	21,412	20,569	15,475
Notes receivable	320	433	181	Short-term debt	88,276	70,666	66,890
Accounts receivable-trade	54,254	53,171	37,604	Accrued income taxes	63	174	233
Inventories	29,398	29,936	31,276	Accrued business taxes	58	58	80
Short-term loans	16,386	10,991	13,669	Accrued consumption taxes	644	595	511
Other	6,217	6,611	5,973	Accrued expenses	14,506	14,610	10,749
Allowance for doubtful accounts	(65)	(428)	(60)	Accrued bonus expenses	259	246	1,000
				Accrued vessel repair costs	29	29	-
				Other	10,287	10,214	12,056
<b>Property, plant and equipment</b>	<b>38,341</b>	<b>40,505</b>	<b>39,962</b>				
Buildings	18,753	19,533	19,002	<b>Long term liabilities</b>	<b>57,539</b>	<b>71,371</b>	<b>68,035</b>
Machinery and equipment	9,338	9,829	9,762	Long term debt	38,302	56,779	53,497
Vessels	295	262	355	Accrued retirement benefits	13,875	14,094	14,002
Land	8,162	9,101	9,102	Reserves for periodic repairs of vessels	10	4	6
Other	1,791	1,778	1,739	Long-term deposit received	481	423	459
				Other	4,869	69	69
<b>Intangible assets</b>	<b>7,632</b>	<b>9,290</b>	<b>9,045</b>	<b>Total Liabilities</b>	<b>193,079</b>	<b>188,536</b>	<b>175,033</b>
Leaseholds	1,289	1,326	1,326	<b>(Shareholders' equity)</b>			
Telephone subscription rights and other	6,343	7,964	7,718	Common stock	23,729	23,729	23,729
				<b>Capital surplus reserve</b>	<b>13,757</b>	<b>13,756</b>	<b>13,756</b>
<b>Investments and long-term advances</b>	<b>115,460</b>	<b>102,999</b>	<b>104,777</b>	Additional paid-in capital	6,000	6,000	6,000
Investment securities	49,946	36,509	37,045	Other capital surplus reserve	7,757	7,756	7,756
Investment securities in affiliated companies	43,079	39,994	40,481	<b>Accumulated earnings</b>	<b>21,015</b>	<b>18,837</b>	<b>19,978</b>
Long-term loans	18,271	16,572	17,167	Voluntary reserves	15,598	10,632	10,632
Credits associated with companies in bankruptcy / insolvency	5,905	12,438	13,349	Unappropriated net earnings	5,416	8,204	9,346
Other	2,380	7,090	6,911	Unrealized gains on securities	18,479	9,779	10,285
Allowance for doubtful accounts	(4,123)	(9,605)	(10,178)	Treasury common stock	(174)	(136)	(145)
				<b>Total shareholders' equity</b>	<b>76,806</b>	<b>65,966</b>	<b>67,604</b>
<b>Total Assets</b>	<b>269,885</b>	<b>254,502</b>	<b>242,637</b>	<b>Total Liabilities and Shareholders' equity</b>	<b>269,885</b>	<b>254,502</b>	<b>242,637</b>

## Non-Consolidated Income Statements

Millions of yen

	<b>Nine Months ended December 31, 2005</b>	Nine Months ended December 31, 2004	Year ended March 31, 2005
Net sales	<b>259,066</b>	251,261	321,434
Cost of sales	213,337	205,738	263,570
Gross profit	45,728	45,522	57,863
Selling, general and administrative expenses	41,260	41,025	53,368
Operating income	<b>4,468</b>	4,496	4,495
Non-operating income			
Interest income	706	728	963
Dividend income	2,161	753	2,518
Other income	629	334	599
Total	3,497	1,816	4,080
Non-operating expenses			
Interest expenses	1,536	1,677	2,189
Other expenses	603	518	886
Total	2,139	2,196	3,075
Ordinary income	<b>5,825</b>	4,117	5,500
Extraordinary gains			
Gain on sale of property, plant and equipment	759	207	797
Gain on sale of investment securities	843	15	905
Gain on sale of investment securities in affiliates	3	4	5
Reversal of provision for doubtful accounts to affiliates	81	8	448
Reversal of reserve for doubtful accounts	138	-	-
Total	1,826	236	2,155
Extraordinary losses			
Loss on disposal of property, plant and equipment	193	562	630
Loss on impairment of fixed assets	942	-	-
Loss on sale of investment securities	5	-	-
Loss on revaluation of investment securities-other	16	48	53
Loss on revaluation of investment securities in affiliates	-	55	74
Provision for doubtful accounts to affiliates	161	49	361
Provision for doubtful accounts to others	-	-	955
Loss on debt forgiveness to affiliate	355	-	-
Loss on special severance plan	30	57	85
Other	99	-	-
Total	1,804	773	2,161
Income before income taxes	5,847	3,580	5,495
Income taxes	41	44	56
Deferred income taxes	2,752	1,421	2,181
Net income	<b>3,052</b>	2,115	3,256
Earnings at the beginning of the period	3,331	6,781	6,781
Dividend	967	691	691
Unappropriated net earnings	5,416	8,204	9,346