

Summary of Financial Statements for Nine Months ended December 31, 2006

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, 2006 to December 31, 2006)

Company name: **Nippon Suisan Kaisha, Ltd.** (TSE & OSE 1st section, #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 | : | Business and geographic segments have been changed. | | | |
| (3) Change in scope of consolidation | : | Consolidated subsidiaries | Inclusions | 3 | Exclusions 3 |
| | | Companies applied in equity method | Inclusions | 2 | Exclusions 2 |

2. Consolidated Financial Data for Nine Months ended December 31, 2006

(1) Consolidated Operating Results

	Sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine Months ended December 31, 2006	425,929	3.5	14,104	27.4	13,915	16.6
Nine Months ended December 31, 2005	411,668	3.9	11,072	0.0	11,938	5.2
Year ended March 31, 2006	539,653		11,163		11,888	

	Net income		Net income per share
	Millions of yen	%	Yen
Nine Months ended December 31, 2006	7,150	32.6	25.86
Nine Months ended December 31, 2005	5,392	-9.8	19.50
Year ended March 31, 2006	6,700		23.60

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
December 31, 2006	413,024	121,557	25.7	384.38
December 31, 2005	397,681	103,925	26.1	375.80
March 31, 2006	384,819	105,863	27.5	382.20

(3) Consolidated Cash Flows

	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
Nine Months ended December 31, 2006	(3,533)	(16,282)	23,299	14,383
Nine Months ended December 31, 2005	4,568	(27,286)	23,998	11,282
Year ended March 31, 2006	16,798	(30,201)	14,792	11,601

3. Forecast for Financial Year ending March 31, 2007 (Consolidated)

	Sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Year ending March 31, 2007	545,000	17,000	9,000

Pro forma income per share for the whole-year: 32.55 Yen

There is no revision on the forecast, which was released on November 17, 2006.

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 on the progress of consolidated business results]
Summary of the First Three Quarters (from April 1, 2006 to December 31, 2006)

In the first three quarters, the Japanese economy continued along the path of recovery, backed by improved corporate earnings and increased private sector capital investment, but surging raw material prices and other factors remained cause for concern.

As for the world economy, economic growth continued to prevail in the United States, while China and other countries throughout Asia also recorded economic expansion on the back of increased consumption and capital investment.

In the industry to which Nissui and the Nissui Group belong, however, the business environment remained grim, as rising worldwide demand for marine products continued to inflate prices and the industry suffered from escalating prices for marine products and intense market competition in Japan.

Against this backdrop, Nissui, together with its group of companies, commenced efforts to develop a more advanced, cutting-edge presence in its fields of business and pressed forward with building a more profitable business structure under the Group's medium-term management plan, termed the "New TGL Plan" (TGL being an acronym for "True Global Links").

As a consequence, consolidated operating results for the first three quarters were sales of ¥425,929 million (78.2% of forecast annual sales; up ¥14,261 million year-on-year), operating income of ¥14,104 million (76.2% of forecast annual operating income; up ¥3,032 million year-on-year), ordinary income of ¥13,915 million (81.9% of forecast annual ordinary income; up ¥1,977 million year-on-year), and net income of ¥7,150 million (79.4% of forecast annual net income; up ¥1,757 million year-on-year).

Summary of Performance by Major Business Segment

(1) In the Marine Products Business, sales rose to ¥179,177 million (up ¥3,788 million year-on-year) on the back of growth in sales of salmon trout and crab, but operating income dropped to ¥4,996 million (down ¥465 million year-on-year) because the processing and aquaculture businesses in Asia are taking far longer than planned to turn a profit.

(2) In the Foods business, sales reached ¥209,687 million (up ¥7,916 million year-on-year), driven by growth in sales of frozen foods, canned foods and bottled foods as well as the addition of a frozen seafood processing company that Nissui acquired in North America. Although the realization of the business integration effect of this frozen seafood processing company delayed far much than planned, improved profitability in the chilled foods segment helped to boost operating income in the Foods business to ¥3,856 million (up ¥2,891 million year-on-year).

*King & Prince Seafood Corporation

(3) In the General Distribution business, sales fell to ¥9,294 million (down ¥216 million year-on-year) due to an overhaul of the 3PL business. However, efforts to increase productivity in the cold storage business paid off, with operating income rising to ¥1,928 million (up ¥289 million year-on-year).

(4) In the Fine Chemicals business, the strong performance of pharmaceuticals, health foods and other products resulted in sales of ¥18,698 million (up ¥783 million year-on-year) and operating income of ¥5,082 million (up ¥369 million year-on-year).

Summary of Performance by Geographic Segment

(1) Japan

Sales fell to ¥358,056 million (down ¥1,220 million year-on-year) due to a decrease in sales volume of surimi (minced fish) and feed & meal in the marine products business and a merger in the foods business which changed the status of a foods wholesaler(*) that was formerly a consolidated subsidiary to an affiliated company. Nevertheless, operating income rose to ¥12,025 million (up ¥3,264 million year-on-year) thanks to an improvement in the profitability of chilled foods and the strong performance of the fine chemicals business.

(*)Kanesho Co., Ltd. (Merged in October 2006 and subsequently changed name to K Chilled Foods Co., Ltd.)

(2) North America

Sales and operating income amounted to ¥57,051 million (up ¥13,863 million year-on-year) and ¥3,183 million (up ¥218 million year-on-year) respectively, thanks to King & Prince Seafood Corporation's contribution to sales and the impact of corporate acquisitions in the marine products and foods businesses.

(3) South America

We operate a marine products business in South America which saw aquaculture perform strongly to produce sales of ¥5,643 million (up ¥2,454 million year-on-year) and operating income of ¥1,457 million (up ¥92 million year-on-year) for the region.

(4) Asia

We operate a marine products business in Asia which saw sales of frozen fish decline, resulting in decreased sales of ¥2,468 million (down ¥465 million year-on-year) for the Asian region. The region also recorded an operating loss of ¥799 million (down ¥526 million year-on-year) because our foods and aquaculture businesses in Asia are taking far longer than planned to turn a profit.

(5) Europe

In Europe, where we mainly operate in marine products, we generated sales of ¥2,710 million (down ¥371 million year-on-year) and operating income of ¥21 million (down ¥38 million year-on-year).

Please note that the divisions of our business and geographic segments have changed as of this term. Year-on-year comparisons have been made on the basis of the new segments. Please refer to the attached documents for more information.

[Qualitative information on changes in consolidated financial position]

Cash flows from operating activities netted an outflow of ¥3,533 million (down ¥8,101 million year-on-year). This was mainly attributable to net income before income taxes and minority interest for the first three quarters of ¥12,567 million (up ¥1,385 million year-on-year), depreciation and amortization of ¥10,300 million (up ¥559 million year-on-year), an increase in accounts receivable of ¥18,236 million yen (down ¥5,670 million year-on-year), an increase in inventories of ¥13,197 million (up ¥11,942 million year-on-year), an increase in accounts payable of ¥3,964 million (down ¥7,623 million year-on-year), and income and other taxes paid of ¥2,362 million (down ¥148 million year-on-year).

Cash flows from investing activities netted an outflow of ¥16,282 million (up ¥11,003 million year-on-year), largely due to expenditures totaling ¥9,626 million for the acquisition of plant, property and equipment, such as investments in increasing production capacity at food processing plants, construction of a new Kashima plant in the fine chemicals business, and construction of a seafood processing plant in Chile, as well as expenditures of ¥6,361 million for the acquisition of investment securities.

Cash flows from financing activities netted an inflow of ¥23,299 million (down ¥698 million year-on-year), mainly due to borrowing.

Consequently, the balance of cash and cash equivalents at the end of the third quarter of the current fiscal year amounted to ¥14,383 million (up ¥3,100 million year-on-year).

Consolidated Financial Statements
Consolidated Balance Sheet

Millions of yen

Item	December 31, 2006	December 31, 2005	March 31, 2006	Item	December 31, 2006	December 31, 2005	March 31, 2006
(Assets)				(Liabilities)			
Current assets	186,629	175,405	156,665	Current liabilities	185,528	193,351	165,237
Cash and bank deposits	12,451	11,494	12,015	Notes and accounts payable	34,698	42,496	30,537
Notes and accounts receivable	83,773	87,753	65,257	Short-term debt	118,754	121,308	103,833
Marketable securities	632	228	30	Accrued income taxes	1,230	1,535	1,569
Inventories	75,885	60,615	62,125	Accrued expenses	26,949	24,968	22,780
Deferred taxes	2,812	3,043	4,755	Accrued bonus expenses	586	591	2,127
Other	12,859	14,067	13,972	Accrued bonus expenses for directors	142	-	-
Allowance for doubtful accounts	(1,785)	(1,798)	(1,490)	Other accrued costs	178	227	144
				Others	2,988	2,223	4,244
Property, plant, and equipment	93,945	91,527	93,640	Long term liabilities	105,938	84,766	97,723
Buildings and structures	46,261	44,703	46,848	Long-term debt	75,169	55,188	64,638
Machinery and equipment	23,613	23,203	23,776	Deferred taxes	9,351	7,086	10,527
Vessels	991	1,063	1,165	Accrued retirement benefits	16,844	18,085	17,880
Land	17,825	17,360	17,697	Accrued retirement benefits for directors	735	670	787
Construction in progress	3,321	3,219	2,145	Other accrued costs	-	10	12
Other	1,933	1,977	2,006	Other	3,838	3,723	3,877
Intangible assets	37,385	35,630	38,555	Total Liabilities	291,467	278,117	262,961
Goodwill	19,233	-	-	(Minority interest)			
Other	18,151	35,630	38,555	Minority interests	-	15,638	15,994
				(Shareholders' equity)			
Investments and long-term advances	95,063	95,117	95,958	Common stock	-	23,729	23,729
Investment securities	83,745	82,914	84,445	Capital surplus reserve	-	14,151	14,152
Long-term loans	3,314	3,722	3,435	Accumulated earnings	-	41,899	43,208
Deferred taxes	1,862	1,556	1,900	Unrealized gains on securities	-	19,244	18,149
Other	8,524	9,485	8,670	Foreign currency translation adjustments	-	5,076	6,804
Allowance for doubtful accounts	(2,383)	(2,560)	(2,493)	Treasury common stock	-	(177)	(180)
				Total Shareholders' equity	-	103,925	105,863
				Total Liabilities, Minority interest and Shareholders' equity	-	397,681	384,819
				(Net Assets)			
				Shareholders' equity	85,799	-	-
				Common stock	23,729	-	-
				Capital surplus reserve	14,152	-	-
				Accumulated earnings	48,112	-	-
				Treasury common stock	(194)	-	-
				Evaluation, exchange differences	20,487	-	-
				Unrealized gains/losses on securities	14,570	-	-
				Deferred hedge income/loss	101	-	-
				Foreign currency transaction adjustment	5,814	-	-
				Minority interests	15,269	-	-
				Total net assets	121,557	-	-
Total Assets	413,024	397,681	384,819	Total liabilities and net assets	413,024	-	-

Consolidated Income Statement

Millions of yen

	Nine Months ended December 31, 2006	Nine Months ended December 31, 2005	Year ended March 31, 2006
Net Sales	425,929	411,668	539,653
Cost of sales	337,402	329,191	432,924
Gross profit	88,527	82,476	106,729
Selling, general and administrative expenses	74,422	71,403	95,566
Operating income	14,104	11,072	11,163
Non-operating income			
Interest income	551	445	597
Dividend income	385	365	773
Gain on foreign currency exchange	677	77	231
Equity in earnings of unconsolidated subsidiaries and affiliates	1,076	1,785	2,046
Other	949	1,185	1,454
Total	3,639	3,859	5,103
Non-operating expenses			
Interest expense	3,318	2,341	3,354
Other	511	653	1,024
Total	3,829	2,994	4,378
Ordinary income	13,915	11,938	11,888
Extraordinary gains			
Gain on sale of property, plant and equipment	4	783	791
Gain on sale of investment securities	152	844	4,323
Gain on sale of investment securities in affiliates	5	3	3
Reversal of reserve for doubtful accounts	39	138	149
Reversal of reserve for doubtful accounts to affiliates	5	11	11
Reversal of reserve for vessels repair	12	-	-
Refund of overpaid property tax	323	-	-
Gain on adjustments of previous year	207	64	-
Total	749	1,844	5,278
Extraordinary losses			
Loss on disposal of property, plant and equipment	856	692	1,064
Loss on impairment of fixed assets	-	1,319	1,387
Loss on sale of investment securities	49	5	5
Loss on revaluation of investment securities	34	16	23
Loss on sale of investment securities in affiliates	-	52	52
Loss on revaluation of investment securities in affiliates	-	-	126
Provision for doubtful accounts	-	-	103
Provision for doubtful accounts to affiliates	-	35	35
Loss on special severance plan	90	30	37
Business integration costs of affiliated companies	1,065	-	426
Loss on adjustments of previous year	-	-	187
Other	-	448	467
Total	2,097	2,601	3,918
Income before income taxes and minority interests	12,567	11,181	13,248
Income taxes	2,021	2,239	2,732
Deferred income taxes	2,847	2,944	3,151
Minority interests (deduct)	548	605	663
Net income	7,150	5,392	6,700

Consolidated

Consolidated Statement of Capital Surplus Reserve and Accumulated Earnings

Millions of yen

Item	Nine Months ended December 31, 2005	Year ended March 31, 2006
(Capital surplus reserve)		
Capital surplus reserve at the beginning of the period	14,151	14,151
Increase in capital surplus reserve	0	0
Margin from disposal of treasury stock	0	0
Capital surplus reserve at the end of the period	14,151	14,152
(Accumulated earnings)		
Accumulated earnings at the beginning of the period	38,623	38,623
Increase in accumulated earnings	5,392	6,701
Net income	5,392	6,700
Increase due to increase of consolidated subsidiaries	-	1
Decrease in accumulated earnings	2,116	2,116
Dividends	1,936	1,936
Directors' bonus	180	180
Accumulated earnings at the end of the period	41,899	43,208

Consolidated Statement of Net Assets

Million of yer

	Shareholders' Equity				
	Common stock	Capital surplus reserve	Accumulated earnings	Treasury common stock	Total shareholders' equity
Balance as of March 31, 2006	23,729	14,152	43,208	(180)	80,910
Variance in the term					
Dividend - yearend			(967)		(967)
Dividend - interrim			(1,106)		(1,106)
Directors' bonus			(172)		(172)
Net income			7,150		7,150
Purchase of treasury stock				(14)	(14)
Disposal of treasury stock		0		0	0
Variance in the term except shareholders' equity					
Total of variance in the term	-	0	4,903	(14)	4,889
Balance as of December 31, 2006	23,729	14,152	48,112	(194)	85,799

Million of yer

	Evaluation, exchange difference				Minority interests	Total net assets
	Unrealized gains/(losses) on securities	Deferred hedge income/(loss)	Foreign currency transaction adjustment	Total evaluation, exchange difference		
Balance as of March 31, 2006	18,149	-	6,804	24,953	15,994	121,858
Variance in the term						
Dividend - yearend						(967)
Dividend - interrim						(1,106)
Directors' bonus						(172)
Net income						7,150
Purchase of treasury stock						(14)
Disposal of treasury stock						0
Variance in the term except shareholders' equity	(3,578)	101	(989)	(4,466)	(724)	(5,190)
Total of variance in the term	(3,578)	101	(989)	(4,466)	(724)	(301)
Balance as of December 31, 2006	14,570	101	5,814	20,487	15,269	121,557

Consolidated

Consolidated Statement of Cash Flows

Millions of yen

	Nine Months ended December 31, 2006	Nine Months ended December 31, 2005	Year ended March 31, 2006
I. Cash flows from operating activities			
Income before income taxes	12,567	11,181	13,248
Depreciation and amortization	10,300	9,740	13,439
Loss on impairment of fixed assets	-	1,319	1,387
Increase / (decrease) in allowance for doubtful accounts	198	(40)	(453)
(Decrease) / increase in accrued severance indemnities	(919)	120	(222)
Interest and dividend income	(936)	(810)	(1,370)
Interest expense	3,318	2,341	3,354
Equity in earnings of unconsolidated subsidiaries and affiliates	(1,076)	(1,785)	(2,046)
Gain on sale of property, plant and equipment	(4)	(783)	(791)
Loss on disposal of property, plant and equipment	856	692	1,064
Gain on sale of investment securities	(102)	(844)	(4,323)
Loss on revaluation of investment securities	34	16	23
Increase in notes and accounts receivable	(18,236)	(23,906)	(592)
Increase in inventories	(13,197)	(1,254)	(2,007)
Increase / (decrease) in notes and accounts payable	3,964	11,588	(772)
Increase in accrued expenses	3,918	3,994	1,860
Bonus paid to directors	(193)	(199)	(199)
Other	210	(3,351)	(31)
Subtotal	701	8,018	21,567
Interest and dividend received	1,103	1,024	1,372
Interest paid	(2,975)	(1,964)	(3,356)
Income taxes paid	(2,362)	(2,510)	(2,784)
Net cash (used in) provided by operating activities	(3,533)	4,568	16,798
II. Cash flows from investing activities			
Decrease / (increase) in time deposits	236	20	(232)
(Increase) / decrease in marketable securities	(565)	366	566
Purchases of property, plant and equipment	(9,626)	(11,594)	(14,138)
Proceeds from sale of property, plant and equipment	286	1,274	497
Purchases of intangible assets	(423)	(1,799)	(2,309)
Purchases of investment securities	(6,361)	(1,668)	(5,867)
Proceeds from sale of investment securities	470	2,696	7,681
Acquisition of share of subsidiaries	(1,738)	(16,903)	(16,825)
Decrease / (increase) in short-term loans	1,723	(28)	(263)
Other	(284)	351	689
Net cash used in investing activities	(16,282)	(27,286)	(30,201)
III. Cash flows from financing activities			
Increase in short-term bank loan	22,125	27,610	10,699
Proceeds from long-term debt	22,370	4,100	17,086
Repayment or redemption of long-term debt	(18,870)	(5,518)	(10,765)
Dividends paid	(2,031)	(1,914)	(1,935)
Dividends paid to minority interests	(280)	(251)	(259)
Purchase of common stock	(14)	(28)	(33)
Net Cash provided by financing activities	23,299	23,998	14,792
IV. Effect of exchange rate changes	(129)	417	626
V. Net increase in cash and cash equivalents	3,353	1,697	2,016
VI. Cash and cash equivalents at the beginning of the period	11,601	9,585	9,585
VII. Decrease due to exclusion of a subsidiary	(572)	-	-
VIII. Cash and cash equivalents at the end of the period	14,383	11,282	11,601

Consolidated

Segment Information

1. Information by operating segments

Nine Months ended December 31, 2006

Millions of yen

	Marine Products	Foods	General Distribution	Fine Chemicals	Other	Total	Elimination or Common	Consolidated
Sales								
(1) Sales (excluding internal)	179,177	209,687	9,294	18,698	9,072	425,929	-	425,929
(2) Inter-segment sales and transfers	6,151	4,101	8,137	535	2,629	21,556	(21,556)	-
Total	185,328	213,789	17,431	19,234	11,701	447,485	(21,556)	425,929
Operating expenses	180,332	209,932	15,503	14,151	11,676	431,596	(19,772)	411,824
Operating income	4,996	3,856	1,928	5,082	25	15,888	(1,783)	14,104

Nine Months ended December 31, 2005

Millions of yen

	Marine Products	Foods	General Distribution	Pharmaceuticals	Other	Total	Elimination or Common	Consolidated
Sales								
(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

* Changes of business segments

In this term, the Pharmaceutical Business was redefined as Fine Chemicals Business and includes pharmaceutical materials and health foods previously included in the Foods Business. This change was made in order to enhance the products such as pharmaceutical materials and health foods, based upon the group mid-term management plan "True Global Links Plan."

Effective changes of the terms in the previous year are shown as follows:

Nine Months ended December 31, 2005

Millions of yen

	Marine Products	Foods	General Distribution	Fine Chemicals	Other	Total	Elimination or Common	Consolidated
Sales								
(1) Sales (excluding internal)	175,389	201,770	9,510	17,915	7,082	411,668	-	411,668
(2) Inter-segment sales and transfers	6,807	5,989	8,198	473	2,642	24,110	(24,110)	-
Total	182,196	207,760	17,708	18,388	9,724	435,778	(24,110)	411,668
Operating expenses	176,734	206,795	16,070	13,675	9,623	422,900	(22,304)	400,595
Operating income (loss)	5,461	964	1,638	4,713	100	12,878	(1,805)	11,072

Segment Information (continued)

2. Information by geographic segments

Nine Months ended December 31, 2006

Millions of yen

	Japan	North America	South America	Oceania	Asia	Europe	Total	Elimination or Common	Consolidated
Sales									
(1) Sales (excluding internal)	358,056	57,051	5,643	-	2,468	2,710	425,929	-	425,929
(2) Inter-segment sales and transfers	2,184	5,400	10,205	-	4,990	140	22,920	(22,920)	-
Total	360,240	62,451	15,849	-	7,458	2,850	448,850	(22,920)	425,929
Operating expenses	348,214	59,268	14,391	-	8,257	2,828	432,961	(21,136)	411,824
Operating income (loss)	12,025	3,183	1,457	-	(799)	21	15,888	(1,783)	14,104

Nine Months ended December 31, 2005

Millions of yen

	Japan	North America	South America	Oceania	Other	Total	Elimination or Common	Consolidated
Sales								
(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

* Changes of geographic segments

The region previously designated the Other, has been divided into Asia and Europe, considering their importance as sales markets and production bases with expansion of those markets and customers and enhancement of sales structure, based upon the group mid-term management plan "True Global Link Plan."

Effective changes of the terms in the previous year are shown as follows:

Nine Months ended December 31, 2005

Millions of yen

	Japan	North America	South America	Oceania	Asia	Europe	Total	Elimination or Common	Consolidated
Sales									
(1) Sales (excluding internal)	359,276	43,187	3,189	-	2,933	3,081	411,668	-	411,668
(2) Inter-segment sales and transfers	2,817	5,197	10,227	-	3,422	289	21,953	(21,953)	-
Total	362,093	48,384	13,416	-	6,355	3,370	433,621	(21,953)	411,668
Operating expenses	353,332	45,419	12,051	-	6,628	3,310	420,742	(20,147)	400,595
Operating income (loss)	8,760	2,965	1,365	-	(272)	60	12,878	(1,805)	11,072

Summary of Financial Statements for Nine Months ended December 31, 2006

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, 2006 to December 31, 2006)

Company name: **Nippon Suisan Kaisha, Ltd.** (TSE & OSE 1st section, #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, 2006

(1) Operating Results (Non-consolidated)

	Sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine Months ended December 31, 2006	266,986	3.1	5,812	30.1	6,429	10.4
Nine Months ended December 31, 2005	259,066	3.1	4,468	-0.6	5,825	41.5
Year ended March 31, 2006	331,771		3,327		5,720	

	Net income		Net income per share
	Millions of yen	%	Yen
Nine Months ended December 31, 2006	4,107	34.5	14.85
Nine Months ended December 31, 2005	3,052	44.3	11.04
Year ended March 31, 2006	5,047		17.96

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

(2) Financial Position (Non-consolidated)

	Total assets	Total shareholders' equity	Equity ratio	Equity per share
	Millions of yen	Millions of yen	%	Yen
December 31, 2006	274,024	76,605	28.0	277.03
December 31, 2005	269,885	76,806	28.5	277.73
March 31, 2006	250,905	77,734	31.0	280.80

3. Forecast for Financial Year ending March 31, 2007 (Non-Consolidated)

	Sales	Ordinary income	Net income	Annual dividend per share	
				Yearend	Yen
Year ending March 31, 2007	Millions of yen 337,000	Millions of yen 7,200	Millions of yen 4,500	4.00	8.00

Pro forma income per share for the whole-year: 16.27 Yen

There is no revision on the forecast, which was released on November 17, 2006.

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.

Financial Statements - Non-consolidated

Balance Sheet - Non-consolidated

Millions of yen

Item	December 31, 2006	December 31, 2005	March 31, 2006	Item	December 31, 2006	December 31, 2005	March 31, 2006
(Assets)				(Liabilities)			
Current assets	112,933	108,451	94,663	Current liabilities	123,979	135,539	110,335
Cash and bank deposits	1,208	1,938	307	Accounts payable-trade	22,666	21,412	17,322
Notes receivable	161	320	151	Short-term debt	76,244	88,276	69,429
Accounts receivable-trade	57,262	54,254	39,168	Accrued income taxes	107	63	128
Inventories	33,448	29,398	31,869	Accrued business taxes	58	58	79
Short-term loans	15,267	16,386	15,424	Accrued consumption taxes	397	644	340
Other	5,644	6,217	7,795	Accrued expenses	14,634	14,506	11,158
Allowance for doubtful accounts	(59)	(65)	(52)	Accrued bonus expenses	254	259	1,009
				Accrued bonus expenses for directors	60	-	-
				Accrued vessel repair costs	-	29	-
Property, plant and equipment	39,657	38,341	38,155	Other	9,556	10,287	10,867
Buildings	18,258	18,753	18,528	Long term liabilities	73,439	57,539	62,835
Machinery and equipment	9,369	9,338	9,139	Long term debt	55,010	38,302	42,681
Vessels	2	295	377	Accrued retirement benefits	13,045	13,875	13,816
Land	8,841	8,162	8,081	Reserves for periodic repairs of vessels	-	10	12
Other	3,186	1,791	2,027	Long-term deposit received	490	481	494
				Other	4,894	4,869	5,830
Intangible assets	5,936	7,632	7,374	Total Liabilities	197,419	193,079	173,171
Leaseholds	1,289	1,289	1,289	(Shareholders' equity)			
Telephone subscription rights and other	4,646	6,343	6,085	Common stock	-	23,729	23,729
				Capital surplus reserve	-	13,757	13,757
				Additional paid-in capital	-	6,000	6,000
Investments and long-term advances	115,497	115,460	110,712	Other capital surplus reserve	-	7,757	7,757
Investment securities	48,430	49,946	50,225	Accumulated earnings	-	21,015	23,009
Investment securities in affiliated companies	50,786	43,079	43,451	Voluntary reserves	-	15,598	15,598
Long-term loans	11,280	18,271	12,378	Unappropriated net earnings	-	5,416	7,410
Credits associated with companies in bankruptcy / insolvency	5,883	5,905	5,654	Unrealized gains on securities	-	18,479	17,415
Other	2,654	2,380	2,668	Treasury common stock	-	(174)	(177)
Allowance for doubtful accounts	(3,537)	(4,123)	(3,666)	Total shareholders' equity	-	76,806	77,734
				Total Liabilities and Shareholders' equity	-	269,885	250,905
				(Net assets)			
				Shareholders' equity	62,257	-	-
				Common stock	23,729	-	-
				Capital surplus reserve	13,757	-	-
				Additional paid-in capital	6,000	-	-
				Other capital surplus reserve	7,757	-	-
				Accumulated earnings	24,962	-	-
				Other capital surplus reserve	24,962	-	-
				Treasury common stock	(192)	-	-
				Evaluation, exchange differences	14,347	-	-
				Unrealized gains/losses on securities	14,251	-	-
				Deferred hedge income/loss	96	-	-
				Total net assets	76,605	-	-
Total Assets	274,024	269,885	250,905	Total liabilities and net assets	274,024	-	-

Non-consolidated

Income Statement - Non-Consolidated

Millions of yen

	Nine Months ended December 31, 2006	Nine Months ended December 31, 2005	Year ended March 31, 2006
Net sales	266,986	259,066	331,771
Cost of sales	218,626	213,337	273,632
Gross profit	48,360	45,728	58,138
Selling, general and administrative expenses	42,547	41,260	54,811
Operating income	5,812	4,468	3,327
Non-operating income			
Interest income	578	706	925
Dividend income	1,447	2,161	3,641
Other income	509	629	714
Total	2,535	3,497	5,281
Non-operating expenses			
Interest expenses	1,547	1,536	2,019
Other expenses	371	603	869
Total	1,918	2,139	2,888
Ordinary income	6,429	5,825	5,720
Extraordinary gains			
Gain on sale of property, plant and equipment	0	759	759
Gain on sale of investment securities	94	843	4,322
Gain on sale of investment securities in affiliates	22	3	3
Reversal of provision for doubtful accounts to affiliates	79	81	143
Reversal of reserve for doubtful accounts	39	138	149
Reversal of reserve for vessels repair	12	-	-
Refund of overpaid property tax	138	-	-
Total	388	1,826	5,378
Extraordinary losses			
Loss on disposal of property, plant and equipment	205	193	429
Loss on impairment of fixed assets	-	942	942
Loss on sale of investment securities	-	5	5
Loss on revaluation of investment securities-other	1	16	21
Loss on revaluation of investment securities in affiliates	-	-	164
Provision for doubtful accounts to affiliates	-	161	222
Provision for doubtful accounts to others	-	-	38
Loss on debt forgiveness to affiliate	-	355	355
Loss on special severance plan	4	30	37
Other	-	99	114
Total	211	1,804	2,331
Income before income taxes	6,605	5,847	8,767
Income taxes	46	41	56
Deferred income taxes	2,452	2,752	3,663
Net income	4,107	3,052	5,047
Earnings at the beginning of the period	-	3,331	3,331
Dividend	-	967	967
Unappropriated net earnings	-	5,416	7,410

Non-consolidated

Statement of Net Assets - Non-consolidated

Million of yen

	Shareholders' Equity						
	Common stock	Capital surplus reserve			Accumulated earnings	Treasury common stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus reserve	Total capital surplus reserve			
Balance as of March 31, 2006	23,729	6,000	7,757	13,757	23,009	(177)	60,318
Variance in the term							
Dividend - yearend					(967)		(967)
Dividend - interim					(1,106)		(1,106)
Directors' bonus					(80)		(80)
Net income					4,107		4,107
Purchase of treasury stock						(14)	(14)
Disposal of treasury stock			0	0		0	0
Variance in the term except shareholders' equity							
Total of variance in the term	-	-	0	0	1,953	(14)	1,939
Balance as of December 30, 2006	23,729	6,000	7,757	13,757	24,962	(192)	62,257

Million of yen

	Evaluation, exchange difference			Total net assets
	Unrealized gains/(losses) on securities	Deferred hedge income/(loss)	Total evaluation, exchange difference	
Balance as of March 31, 2006	17,415	-	17,415	77,734
Variance in the term				
Dividend - yearend				(967)
Dividend - interim				(1,106)
Directors' bonus				(80)
Net income				4,107
Purchase of treasury stock				(14)
Disposal of treasury stock				0
Variance in the term except shareholders' equity	(3,164)	96	(3,067)	(3,067)
Total of variance in the term	(3,164)	96	(3,067)	(1,128)
Balance as of December 30, 2006	14,251	96	14,347	76,605