Toyo Suisan Kaisha, Ltd.

ANNUAL REPORT 2008

Year ended March 31, 2008

Since its debut in 1962, the Maruchan mark has become widely recognized and loved as the symbol for Toyo Suisan's processed foods among every Japanese age group ranging from small children to the elderly. In 1972, Toyo Suisan established a local subsidiary in the United States and began manufacturing and selling products for North America. Accordingly, products featuring the Maruchan label are highly acclaimed for their flavor both domestically and overseas.

CORPORATE PROFILE

Toyo Suisan Kaisha, Ltd. ("the Company"), was established in 1953 as an exporter, domestic buyer and distributor of marine products. The Company entered the cold-storage business in 1955 and began producing and selling such processed marine food products as fish sausage in 1956.

Toyo Suisan and its consolidated subsidiaries ("the Group") subsequently expanded operations into such other business fields as instant noodles, fresh noodles and frozen foods. At present, besides consumer foods for home use, we also provide a diverse range of delicious, easy-preparation food products for the commercial food service industry, including restaurants, specialty stores and industrial food service.

Based on Toyo Suisan's corporate stance of "striving to deliver the most wholesome bounty of the earth to the dining table," the Company is undertaking efforts to ensure careful selection of only the choicest foods and to create products that preserve the flavor of ingredients. We are also striving to build an optimally functional logistics system, achieve consistent quality and sanitation controls and undertake R&D efforts to develop new flavors in response to next-generation needs.

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In this annual report, statements other than historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results and achievements to differ materially from those anticipated in these statements.

TO OUR SHAREHOLDERS

I would like to begin by expressing my sincere appreciation for our shareholders' continued support. It is our great pleasure to report on the business results for Toyo Suisan Kaisha, Ltd., for fiscal 2008, ended March 31, 2008.

In a severe operating environment, the Toyo Suisan Group will seek to enhance its competitiveness for continued development and to carry out swift reform. We will also strive to win the support and trust of our customers, to improve corporate value and to boost shareholder value.

Operating results for the year ended March 2008

In the consolidated fiscal year under review, the Japanese economy maintained an undertone of gradual recovery accompanied by a rise in personal spending, with an increase in capital investment due to improved corporate earnings and improvement in employment at the beginning of the fiscal year. However, personal spending growth remained sluggish, corporate earnings became bearish and the economic recovery tended to slow as raw material prices rose due to the hike of crude oil prices, thereby resulting in a shift of raw material costs to product prices. The U.S. economy showed signs of a setback primarily affected by the impact of the subprime housing loan issue.

In the food industry, competition among companies is intensifying as a result of the hike of crude oil prices, price increases of products due to higher raw material prices, the shrinking market due to the falling birthrate and aging population, and continuing difficult business conditions. Companies in the industry face increased requirements to enhance quality control and fulfill their corporate social responsibility, including the handling of environmental issues in view of increased consumer awareness of food product safety.

In this business environment, the Company has addressed diverse actions with the aim of "contributing to society through foodstuffs" and "providing customers with safe and secure foods and services." The Company has also promoted restructuring of the Group's production and distribution systems, and cost reduction and active sales activities to cope with the vehement industrial sales competition.

As a consequence, consolidated net sales were ¥314,744 million in the term under review, down 2.1% year on year. Consolidated operating income was ¥20,222 million, an increase of 3.3%, and ordinary income was ¥22,623 million, an increase of 5.0%. Consolidated net income was ¥11,382 million, up 84.3% on factors including the recording of extraordinary losses on a goodwill impairment loss that occurred when a consolidated subsidiary, Tago Seihyo Kaisha, Ltd., was made a wholly owned subsidiary through a share exchange in the previous fiscal year.

June 2008

Tadasu Tsutsumi
President

TOYO SUISAN KAISHA, LTD., AND ITS SUBSIDIARIES

Consolidated Financial Highlights

Years ended March 31, 2007 and 2008

	Millions of yen		Thousands of U.S. dollars
	2007	2008	2008
For the year:			
Net sales	¥321,357	¥314,744	$3,141,471
Operating income	19,571	20,222	201,837
Net income	6,177	11,382	113,604
At year-end:			
Total assets	¥219,853	¥206,044	$2,056,533
Total net assets	147,501	149,101	1,488,182
Per share of common stock: (in yen and U.S. dollars)			
Net income	¥ 59.1	¥ 111.6	$ 1.11
Cash dividends	20.0	25.0	0.25

Dollar amounts represent translations at the rate of ¥100.19 = US$1, the rate prevailing on March 31, 2008.

The *Attaka-Gohan* (warm rice) series is popular with its daintiness and quality. Easy-to-prepare rice products that taste delicious.

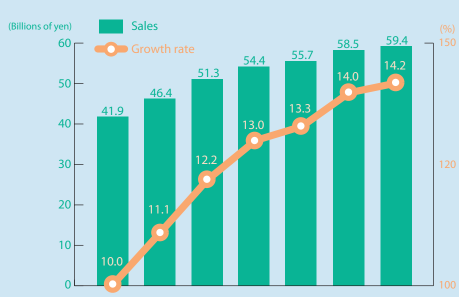
Focusing on safety and security without using acidifiers

The Company focuses its attention not only on a regular assortment of instant noodles but also on processed and packaged rice products. The *Attaka-Gohan* series can be quickly served in a just-cooked state by boiling or using a microwave oven. The HTST (high-temperature, short-time) processing method, which imposes less impact on the rice, is adopted for packaging the series' products without using acidifiers or preservatives. As the rice is boiled after being placed in a tray, consumers can fully enjoy the intrinsic flavor and delicious taste of the rice. The No. 2 factory for aseptically packaged rice products was completed in 2006 to streamline our supply system.

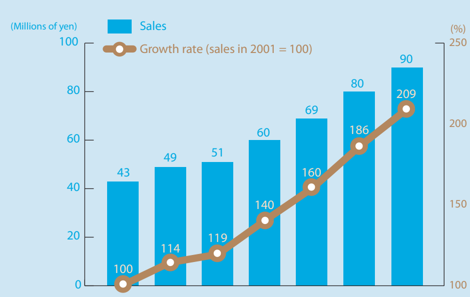
OUR PROCESSED AND PACKAGED RICE PRODUCTS LINEUP

Rising Sales of Processed and Packaged Rice Products

Change in Sales of Processed and Packaged Rice Products



Change in Sales of Retort-Rices



Market Trend

In the processed and packaged rice products market, sales have been expanding each year, reflecting changes in lifestyles due to the spread of the nuclear family and the trend of a dwindling birthrate and an aging population, as well as the improved quality and safety of products. In 2001, the Company entered the aseptically packaged rice products market on a full-fledged basis. Meanwhile, the Company additionally launched *tray-iri* (on a tray) products in the retort rice market. In both markets, our annual sales growth has been higher than that of the overall market.

Bits of Knowledge

What is the difference between aseptically packaged rice and retort rice products?
With aseptically packaged rice, rice is placed on a tray and then sterilized by heating the rice before sealing it in an aseptic state. For retort rice products, the container is first steamed and then boiled rice is placed in the container. After sealing the container, the retort sterilization treatment (via pressurized heating) is conducted. Each method has its merits, and the applications are different. It is generally said that aseptic packaging is the most appropriate for white rice, whereas the retort method is the most appropriate for mixed rice products such as red bean rice.

New lineup to meet consumer needs

Our processed and packaged rice products lineup was renewed with the launch of the *Attaka-Gohan* series' *Tori Kamameshi* (rice cooked with vegetables and chicken in a small individual pot); *Kashiwa Meshi* (chicken and rice), for which marketing is limited to the Kyushu region; the PARAPARICE series' *Gomoku-Pilaf* (pilaf with various ingredients); and *Dry Curry*. We intend to continuously offer simple, convenient and delicious products to meet the rising need for rice products given the current trends toward eating alone and diversified dining options and the enhanced emphasis on rice as a diet staple.

NEW LAUNCH

Have a nice dining experience with a bit more effort and time.

Consumers are familiar with our processed and packaged rice products for their ease of cooking by simply boiling or using a microwave oven. But if you fry them with eggs and oil in a pan, for example, such a minor effort will surely enhance your dining pleasure with a different taste.

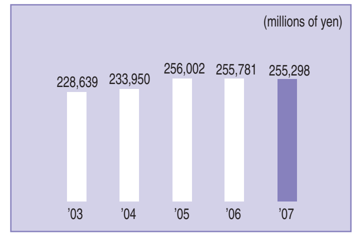
Quality Management:

Aseptically packaged rice products require sophisticated bacterial management and processing. The Company's factories have obtained the ISO 9001 and ISO 140001 certifications. They carry out a strict inspection of rice as a primary raw material, a complete check of traceability and an examination of residual pesticides in the pursuit of safe and secure products.

OUR PRODUCT LINEUP FOR OVERSEAS MARKET

Processed Foods Division

Sales 255,298 million yen



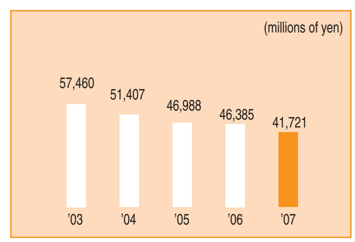
Concerning cup-style noodles in the domestic instant noodles operations, the Company actively conducted sales promotions of the mainstay Japanese noodles, such as the TU→YU Original Goods Present Campaign that covered *Akai Kitsune Udon* (an udon series) and *Midori-no Tanuki Tensoba* (a series of buckwheat noodles with tempura), as well as the 15th Anniversary Sales Promotion Plan of the *Men-Zukuri* series, the core non-fried noodle product. Although these plans contributed to favorable results of the relevant products, total sales of cup-style noodles declined slightly below the level of a year earlier, given the effects of the rapidly changing sales environment affected by price increases due to the price hike of wheat, the main ingredient.

Revenue from packaged noodles, on the other hand, increased partly with improved sales promotions of the higher-priced *Maze Soba* (mixed buckwheat noodles) and *Zaru Ramen* (soba-styled Chinese noodles) although the market was weak. The performance of wonton products was solid, and revenue increased. Sales of a new product, Tray Wontons *Umami-shioaji* (delicious salt-flavored wonton on a tray), much contributed to this rise. Sales in the fresh noodle business performed better than the previous fiscal year, on the whole. The strong performance of new products and relaunched products, thanks to the clearly distinguishable seasonal weather with different temperatures throughout the year, was partly offset by a slight fall in sales affected by the raising of overall product prices. Although sales of chilled ingredients for commercial use decreased, favorable sales of chilled noodles for commercial use contributed to the improved performance on the whole of the chilled food business over the previous fiscal year. In the rice business, the sales promotion of the *5-packed Merchandise* and the *Shinmai* Sales (sales of newly cropped rice) in response to the extended generations of users resulted in an increase in sales. Regarding other processed foods, fish flesh minced hams and sausages, which appealed to recent health-conscious customers, performed well.

Overall, domestic sales in the Processed Foods Division were flat, whereas overseas sales declined slightly due to the effect of yen appreciation. As a consequence, total sales in the Processed Foods Division were ¥255,298 million, down 0.2% year on year. Operating income was ¥16,963 million, up 1.9%.

Seafood Division

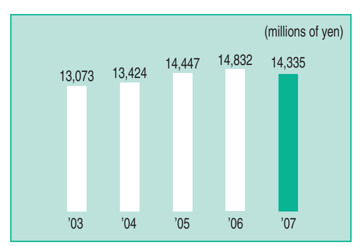
Sales 41,721 million yen



The Seafood Division was marked by higher costs of fisheries raw materials due to voracious demand from China, Russia and Europe along with a fall in trading volume attributable to the sluggish domestic fisheries market. As a consequence, net sales fell 10.1% year on year to ¥41,721 million. Nevertheless, operating income jumped 94.7% to ¥1,510 million as a result of the promotion of high-value-added processed products, including those of roe and squid, and the steady market conditions for minced fish.

Cold-Storage Division

Sales 14,335 million yen



In the Cold-Storage Division, the volume of seafood imports declined as a result of the worldwide continuation of soaring prices of fisheries products and especially a sharp drop in imports of frozen food from China, reflecting the reluctant buying by consumers of Chinese-origin food products. Although the Company endeavored to strengthen its sales activities under these circumstances, booking for replacement cargo was considerably difficult, thereby reducing income from the cold-storage business. As a consequence, net sales of the division amounted to ¥14,335 million, down 3.4%, and operating income was ¥910 million, down 32.7%.

Other Business Division

Sales 3,387 million yen

The Other Business Division engages primarily in the sale of imported beef and processed foods and the leasing of real estate. In this division, net sales fell to ¥3,387 million, a decline of 22.2%, and operating income was ¥839 million, an increase of 5.1%.

CORPORATE GOVERNANCE

Toyo Suisan's Basic Stance Concerning Corporate Governance

Toyo Suisan is highly cognizant of the impact that accurate and rapid decision-making will have on the future growth potential of the Company. Subsequently, management believes that there is a need for clarifying the responsibilities of directors as well as the lines of accountability within each business. In the future, Toyo Suisan plans to develop a more transparent and fluid form of corporate governance to address this need.

Gains in Implementing Corporate Governance

Toyo Suisan employs the Auditor System. The managerial decision-making body is the Board of Directors, which is headed by 13 members, who are all directors from within the Company. There are also four Corporate Auditors, two of whom are selected from outside the Company, who provide advice and counsel to the Board of Directors.

BOARD OF DIRECTORS AND CORPORATE AUDITORS

As of June 26, 2008

Chairman

Kiyoshi Fukagawa

President

Tadasu Tsutsumi

Senior Managing Director

Mutsuhiko Oda

Managing Director

Katsuro Narutaki

Directors

Jinichi Mera
Fumio Taniguchi
Katsuhide Sato
Hiroshi Yamauchi
Toru Yamashita
Hiroyuki Minami
Kenji Sugawara
Kazuo Obata
Senichi Teshima

Corporate Auditors

Katsuhisa Kitamura
Moriyuki Minami
Akira Takara
Isamu Mori

CONSOLIDATED BALANCE SHEETS

AS OF MARCH 31, 2007 AND 2008

ASSETS

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2007	**2008**	**2008**
Current assets:			
Cash on hand and at banks (Note 3(1))	¥ 24,641	**¥ 29,833**	**$ 297,764**
Notes and accounts receivable —			
Trade	43,240	**39,243**	**391,686**
Unconsolidated subsidiaries and affiliates	176	**205**	**2,046**
Other	1,227	**1,101**	**10,989**
Less: Allowance for doubtful accounts	(205)	**(245)**	**(2,445)**
	44,438	**40,304**	**402,276**
Securities (Note 4)	12,587	**8,000**	**79,848**
Inventories	20,127	**18,931**	**188,951**
Deferred income tax assets (Note 11)	1,671	**1,671**	**16,678**
Other current assets	1,620	**1,794**	**17,906**
Total current assets	105,084	**100,533**	**1,003,423**
Property, plant and equipment (Notes 6 and 10)**:**			
Buildings and structures	93,008	**95,238**	**950,574**
Machinery and equipment	76,550	**77,606**	**774,588**
	169,558	**172,844**	**1,725,162**
Less: Accumulated depreciation	(107,802)	**(117,406)**	**(1,171,834)**
	61,756	**55,438**	**553,328**
Land	28,831	**28,396**	**283,421**
Construction in progress	943	**2,670**	**26,649**
Total property, plant and equipment	91,530	**86,504**	**863,398**
Intangible assets (Note 10)	2,563	**1,852**	**18,485**
Investments and other assets:			
Investments in unconsolidated subsidiaries and affiliates	2,888	**2,996**	**29,903**
Investments in securities (Note 4)	15,431	**11,908**	**118,854**
Deferred income tax assets (Note 11)	1,331	**1,299**	**12,965**
Other	1,026	**952**	**9,505**
Less: Allowance for doubtful accounts	(0)	**(0)**	**(0)**
Total investments and other assets	20,676	**17,155**	**171,227**
Total assets	¥219,853	**¥206,044**	**$2,056,533**

The accompanying notes are an integral part of these consolidated financial statements.

LIABILITIES AND NET ASSETS

	Millions of yen 2007	Millions of yen 2008	Thousands of U.S. dollars (Note 1) 2008
Current liabilities:			
Short-term bank loans (Note 6)	¥ 3,030	**¥ 1,441**	**$ 14,383**
Current portion of long-term debt (Note 6)	10,143	**143**	**1,427**
Notes and accounts payable —			
Trade	18,637	**19,466**	**194,291**
Unconsolidated subsidiaries and affiliates	594	**198**	**1,976**
Other	1,429	**648**	**6,468**
	20,660	**20,312**	**202,735**
Income taxes payable	3,533	**3,398**	**33,916**
Accrued expenses	17,325	**14,945**	**149,167**
Other current liabilities	766	**980**	**9,781**
Total current liabilities	55,457	**41,219**	**411,409**
Long-term liabilities:			
Long-term debt (Note 6)	341	**198**	**1,976**
Deferred income tax liabilities (Note 11)	3,570	**1,901**	**18,974**
Reserve for retirement benefits			
— for employees (Note 7)	12,615	**12,904**	**128,795**
— for officers	166	**176**	**1,757**
Other	203	**545**	**5,440**
Total long-term liabilities	16,895	**15,724**	**156,942**
Total liabilities	72,352	**56,943**	**568,351**
Contingent liabilities (Note 16)			
Net assets (Note 12)			
Shareholders' equity:			
Common stock —			
Authorized: 427,000,000 shares in 2007 and 2008			
Issued: 110,881,044 shares in 2007 and 2008	18,969	**18,969**	**189,330**
Capital surplus	21,413	**21,413**	**213,724**
Retained earnings	101,598	**110,734**	**1,105,240**
Treasury stock at cost			
Held by the Company:			
8,793,802 shares in 2007, 8,842,092 shares in 2008			
Owned by consolidated subsidiaries and affiliates:			
46,886 shares in 2007, 46,886 shares in 2008	(6,899)	**(7,001)**	**(69,877)**
Total shareholders' equity	135,081	**144,115**	**1,438,417**
Valuation and translation adjustments			
Net unrealized gain on other securities, net of taxes (Note 4)	2,555	**341**	**3,404**
Net unrealized loss on hedging derivatives, net of taxes (Note 5)	(1)	**(12)**	**(120)**
Adjustment on foreign currency translation	(646)	**(6,666)**	**(66,534)**
Total valuation and translation adjustments	1,908	**(6,337)**	**(63,250)**
Minority interests in consolidated subsidiaries	10,512	**11,323**	**113,015**
Total net assets	147,501	**149,101**	**1,488,182**
Total liabilities and net assets	¥219,853	**¥206,044**	**$2,056,533**

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED MARCH 31, 2007 AND 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2007	**2008**	**2008**
Net sales (Note 17)	¥321,357	**¥314,744**	**$3,141,471**
Cost of sales (Note 9)	205,365	**199,163**	**1,987,853**
Gross profit	115,992	**115,581**	**1,153,618**
Selling, general and administrative expenses (Note 9)	96,421	**95,359**	**951,781**
Operating income (Note 17)	19,571	**20,222**	**201,837**
Non-operating income (expenses):			
Interest and dividends income	1,640	**2,945**	**29,394**
Interest expenses	(268)	**(180)**	**(1,797)**
Exchange gain (loss)	43	**(881)**	**(8,793)**
Gain on sales of shares of subsidiaries and affiliates	879	**—**	**—**
Loss on sales or disposal of property, plant and equipment, net	(467)	**(340)**	**(3,394)**
Gain on sales of investments in securities, net (Note 4)	156	**520**	**5,190**
Write-down of investments in securities	(48)	**(123)**	**(1,228)**
Impairment losses on fixed assets (Notes 10 and 17)	(5,229)	**(1,362)**	**(13,594)**
Other, net	620	**714**	**7,127**
Income before income taxes and minority interests	16,897	**21,515**	**214,742**
Income taxes (Note 11)**:**			
Current	8,742	**8,674**	**86,576**
Deferred	1,062	**309**	**3,084**
	9,804	**8,983**	**89,660**
Income before minority interests	7,093	**12,532**	**125,082**
Minority interests in subsidiaries	(916)	**(1,150)**	**(11,478)**
Net income	¥ 6,177	**¥ 11,382**	**$ 113,604**

	Yen		U.S. dollars (Note 1)
Amounts per share of common stock (Note 14)**:**			
Net income	¥59.1	**¥111.6**	**$1.11**
Cash dividends applicable to the year	20.0	**25.0**	**0.25**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

FOR THE YEARS ENDED MARCH 31, 2007 AND 2008

	Millions of yen							
	Common stock	Capital surplus	Retained earnings	Treasury stock at cost	Net unrealized gain on other securities, net of taxes	Net unrealized (loss) gain on hedging derivatives, net of taxes	Adjustment on foreign currency translation	Minority interests in consolidated subsidiaries
Balance at March 31, 2006	¥18,969	¥20,155	¥ 98,366	¥(3,049)	¥ 4,074	¥ 99	¥ (949)	¥ 9,973
Net income			6,177					
Cash dividends paid			(2,875)					
Directors' bonuses			(70)					
Acquisition of treasury stock				(7,151)				
Share exchange		1,258		3,301				
Net changes in items except shareholders' equity					(1,519)	(100)	303	539
Balance at March 31, 2007	¥18,969	¥21,413	¥101,598	¥(6,899)	¥ 2,555	¥ (1)	¥ (646)	¥10,512
Net income			11,382					
Cash dividends paid			(2,246)					
Acquisition of treasury stock				(102)				
Net changes in items except shareholders' equity					(2,214)	(11)	(6,020)	811
Balance at March 31, 2008	¥18,969	¥21,413	¥110,734	¥(7,001)	¥ 341	¥ (12)	¥(6,666)	¥11,323

	Thousands of U.S. dollars (Note 1)							
	Common Stock	Capital surplus	Retained earnings	Treasury stock at cost	Net unrealized gain on other securities, net of taxes	Net unrealized (loss) gain on hedging derivatives, net of taxes	Adjustment on foreign currency translation	Minority interests in consolidated subsidiaries
Balance at March 31, 2007	$189,330	$213,724	$1,014,053	$(68,859)	$ 25,502	$ (10)	$ (6,448)	$104,921
Net income			113,604					
Cash dividends paid			(22,417)					
Acquisition of treasury stock				(1,018)				
Net changes in items except shareholders' equity					(22,098)	(110)	(60,086)	8,094
Balance at March 31, 2008	$189,330	$213,724	$1,105,240	$(69,877)	$ 3,404	$(120)	$(66,534)	$113,015

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED MARCH 31, 2007 AND 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2007	**2008**	**2008**
Cash flows from operating activities:			
Income before income taxes and minority interests	¥16,897	**¥21,515**	**$214,742**
Depreciation and amortization	8,901	**8,561**	**85,448**
Impairment losses on fixed assets	5,229	**1,362**	**13,594**
Amortization of goodwill	64	**39**	**389**
Equity in gain under the equity method	(180)	**(168)**	**(1,677)**
Gain on sales of investments in securities, net	(156)	**(520)**	**(5,190)**
Write-down of investments in securities	48	**123**	**1,228**
Gain on sales of shares of subsidiaries and affiliates	(879)	**—**	**—**
Increase (Decrease) in reserve for retirement benefits	(488)	**298**	**2,974**
Increase in allowance for bonus to officers	98	**32**	**319**
Increase in allowance for doubtful accounts	142	**43**	**429**
Interest and dividends income	(1,640)	**(2,945)**	**(29,394)**
Interest expenses	268	**180**	**1,797**
Currency exchange loss	3	**917**	**9,153**
Loss on sales or disposal of property, plant and equipment, net	467	**222**	**2,216**
Decrease (Increase) in notes and accounts receivable, trade	(592)	**3,708**	**37,010**
Decrease in inventories	1,302	**798**	**7,965**
Increase (Decrease) in notes and accounts payable, trade	(607)	**617**	**6,158**
Decrease in accrued expenses	(563)	**(2,040)**	**(20,361)**
Other, net	513	**(805)**	**(8,036)**
Sub-total	28,827	**31,937**	**318,764**
Interest and dividends income received	1,642	**2,962**	**29,564**
Interest expenses paid	(264)	**(192)**	**(1,916)**
Income taxes paid	(9,498)	**(9,274)**	**(92,564)**
Net cash provided by operating activities	20,707	**25,433**	**253,848**
Cash flows from investing activities:			
Payment for time deposits	(9,764)	**(5,894)**	**(58,828)**
Proceeds from maturities of time deposits	9,758	**5,904**	**58,928**
Payment for purchase of property, plant and equipment	(8,197)	**(7,150)**	**(71,364)**
Proceeds from sales of property, plant and equipment	221	**686**	**6,847**
Payment for purchase of investments in securities	(3,313)	**(980)**	**(9,781)**
Proceeds from sales of investments in securities	180	**1,108**	**11,059**
Proceeds from sales of shares of subsidiaries	624	**—**	**—**
Payment for loans receivable	(2,046)	**(1,935)**	**(19,313)**
Collection of loans receivable	2,132	**1,884**	**18,804**
Payment for purchase of intangible assets	(485)	**(173)**	**(1,727)**
Proceeds from sales of investments in subsidiaries resulting in changes in consolidation scope (Note3(2))	2,287	**—**	**—**
Other, net	49	**32**	**319**
Net cash used in investing activities	(8,554)	**(6,518)**	**(65,056)**
Cash flows from financing activities:			
Proceeds from short-term loans	3,523	**4,831**	**48,218**
Repayment of short-term loans	(1,825)	**(7,673)**	**(76,584)**
Repayment of long-term debt	(170)	**(143)**	**(1,427)**
Repayment of corporate bond	—	**(10,000)**	**(99,810)**
Payment for purchase of treasury stock	(6,658)	**—**	**—**
Cash dividends paid	(2,875)	**(2,246)**	**(22,417)**
Other, net	(168)	**(369)**	**(3,684)**
Net cash used in financing activities	(8,173)	**(15,600)**	**(155,704)**
Effect of exchange rate changes on cash and cash equivalents	62	**(2,613)**	**(26,081)**
Net increase in cash and cash equivalents	4,042	**702**	**7,007**
Cash and cash equivalents at beginning of year	32,826	**36,868**	**367,981**
Cash and cash equivalents at end of year (Note 3(1))	¥36,868	**¥37,570**	**$374,988**

The accompanying notes are an integral part of these consolidated financial statements.

1. Basis of presenting the consolidated financial statements:

The accompanying consolidated financial statements of Toyo Suisan Kaisha, Ltd. ("the Company") and its consolidated subsidiaries have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act in 2008 (the Japanese Securities and Exchange Law in 2007) and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

The accompanying consolidated financial statements have been restructured and translated into English from the consolidated financial statements of the Company prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Japanese Financial Instruments and Exchange Act.

The translation of the Japanese yen amounts into U.S. dollar is included solely for the convenience of readers outside Japan, using the prevailing exchange rate at March 31, 2008, which was ¥100.19 to U.S. $1. The convenience translation should not be construed as representation that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollar at this or any other rate of exchange.

2. Summary of significant accounting policies:

(1) Scope of consolidation —
The Company has 32 subsidiaries as of March 31, 2007 and 2008. The accompanying consolidated financial statements include the accounts of the Company and its 22 subsidiaries. The subsidiaries that are substantially controlled by the parent company are consolidated.

Consolidated subsidiaries are listed below:

Name of subsidiary	Equity ownership percentage
Hachinohe Toyo Co., Ltd.	100.0%
Kofu Toyo Co., Ltd.	100.0
Fukushima Foods Co., Ltd.	51.8
Toyo Reito Kaisha, Ltd.	100.0
Sanriku Toyo Kaisha, Ltd.	100.0
Shuetsu Co., Ltd.	100.0
Shinto Corporation	100.0
Tobu Boeki K.K.	100.0
Tsukiji Toyo Kaisha, Ltd.	100.0
Imari Toyo Co., Ltd.	100.0
Fresh Diner Corporation	100.0
Tokyo Commercial Co., Ltd	89.7
Choshi Toyo Kaisha, Ltd.	100.0
Yutaka Foods Corporation	40.3
Ishikari Toyo Kaisha, Ltd.	100.0
Mitsuwa Daily Co., Ltd	100.0
Maruchan, Inc. (*1)	100.0
Maruchan Virginia, Inc. (*1)	100.0
Maruchan de Mexico, S.A. de C.V. (*2)	100.0
Sanmaru de Mexico, S.A.de C.V. (*2)	100.0
Pac-Maru, Inc. (*1)	100.0
Seafreeze Limited, Partnership (*1)	100.0

(*1) Incorporated in the U.S.A.
(*2) Incorporated in United Mexican States

The remaining 10 unconsolidated subsidiaries, whose combined assets, net sales, net income and retained earnings in the aggregate are not significant compared to those of the consolidated financial statements of the Company and its consolidated subsidiaries, therefore, have not been consolidated with the Company as of March 31, 2007 and 2008.

Major unconsolidated subsidiaries are listed below:
Yaizu Shinto Co., Ltd.
Suruga Toyo Kaisha, Ltd.

(2) Accounting for investments in unconsolidated subsidiaries and affiliates —
The Company has 2 affiliates as of March 31, 2007 and 2008.

The affiliate to which the equity method has been applied is listed below:

Name of affiliate	Equity ownership percentage
Semba Tohka Industries Co., Ltd.	26.4%

The investments in the unconsolidated subsidiaries and an affiliate (Irago Institute Co., Ltd.) are carried at cost since the effect of applying the equity method of accounting to these companies would not have had any material effect on net income and retained earnings of the consolidated financial statements of the Company and its consolidated subsidiaries.

(3) Consolidation principles —
The closing dates of all consolidated subsidiaries and the affiliate to which the equity method has been applied are March 31, which is in agreement with the fiscal year end of the Company.

All significant intercompany transactions and account balances are eliminated in consolidation.

Unrealized intercompany profits are entirely eliminated, and the portion thereof attributable to minority interests is charged to minority interests.

Any differences, which may arise at the acquisition date in elimination of cost of an investment in a subsidiary and the amount of underlying equity in net assets of the subsidiary as well as companies accounted for on an equity basis, are deferred and amortized on a straight-line basis over a period of five years from the date of acquisition.

Assets and liabilities of the subsidiaries, including the portion attributable to minority shareholders, are evaluated based on their fair values at the time the Company acquired control of the respective subsidiaries.

(4) Foreign currency translation —
Assets and liabilities denominated in foreign currencies are translated into Japanese yen at the exchange rates prevailing at the balance sheet date. Resulting gains and losses are included in net profit or loss for the period.

In addition, the assets and liabilities of foreign subsidiaries are translated into Japanese yen at the exchange rates prevailing at the balance sheet date. The shareholders' equity except for net income of the current year is translated into Japanese yen at the historical rates. Profit and loss accounts for the year are translated into Japanese yen using the exchange rates prevailing at the balance sheet date. Differences in yen amounts arising from the use of different rates are presented as adjustment on foreign currency translation in the net assets.

(5) Cash and cash equivalents —
Cash and cash equivalents in consolidated statements of cash flows consist of cash on hand and at banks able to be withdrawn on demand and short-term investments with an original maturity of three months or less and, which hold a minor risk of fluctuations in value.

(6) Securities —
Available-for-sale securities with fair market value are stated at fair market value. Available-for-sale securities without fair market value are mainly stated at moving-average cost.

Effective from the year ended March 31, 2008, the Company and its consolidated subsidiaries adopted the revised "Practical Standard for Financial Instruments Accounting" (Accounting Practice Committee Report No. 14 issued by the Japanese Institute of Certificated Public Accountants on July 4, 2007) and "Q&A for Financial Instruments Accounting" (Issued by Accounting Practice Committee of the Japanese Institute of Certificated Public Accountants on November 6, 2007). Due to the adoption of the standards, certificates of deposits, previously included in "cash on hand and at banks", is classified as "securities". As a result of this change, the ending balance of cash on hand and at banks" decreased by ¥8,000 million ($79,848 thousand) and securities increased by the same amount.

The ending balance of certificates of deposits in 2007, which amounted to ¥12,500 million, is reclassified to "securities" on the balance sheet and the related footnotes to conform to 2008's presentation.

(7) Derivative financial instruments —
Gains or losses arising from changes in the fair value of those derivatives designated as 'hedging instruments' are deferred in the net assets section. The gains and losses on the hedged items or transactions are charged to income when recognized.

The Company and its consolidated subsidiaries hold derivative financial instruments in the form of foreign exchange forward contracts, currency and interest rate swap transactions and commodity futures contracts to hedge against fluctuations in foreign currency exchange rates, interest rates and commodity prices. The Company and its consolidated subsidiaries do not hold or issue derivatives for trading purpose and it is the Company's policy to use derivatives only for the purpose of mitigating market risk and financing costs in accordance with internal criteria.

(8) Accrued Officers' bonuses —
"Accounting Standard for Directors' Bonuses" (Statement No.4 issued by the Accounting Standards Board of Japan on November 29, 2005) has been adopted effective from the year ended March 31, 2007. Due to the adoption of this new accounting standard, the directors' bonuses are expensed when incurred, although it was accounted for an appropriation of retained earnings upon resolution of shareholders' meeting. As a result, operating income and net income before taxes and minority interests for the year ended March 31, 2007 decreased by ¥98 million compared with those that would have been reported under the previous accounting policy. The effect of the change on the segment information is described in Note 17.

(9) Accounting Standard for Presentation of Net Assets in the Balance Sheet —
Effective from the year ended March 31, 2007, the Company and its consolidated subsidiaries adopted new accounting standard, "Accounting Standard for Presentation of Net Assets in the Balance Sheet" (Statement No.5 issued by the Accounting Standards Board of Japan on December 9, 2005), and the implementation guidance for the accounting standard for presentation of net assets in the balance sheet (the Financial Accounting Standard Implementation Guidance No.8 issued by the Accounting Standards Board of Japan on December 9, 2005), (collectively, "the New Accounting Standards").

Under the New Accounting Standards, the balance sheet comprises three sections, which are assets, liabilities and net assets sections. Previously, the balance sheet comprised assets, liabilities, minority interests, as applicable, and shareholders' equity sections.

(10) Accounting Standard for Statement of Changes in Net Assets —
Effective from the year ended March 31, 2007, the Company and its consolidated subsidiaries adopted the new accounting standard, "Accounting Standard for Statement of Changes in Net Assets" (Statement No.6 issued by the Accounting Standards Board of Japan on December 27, 2005), and the implementation guidance for the accounting standard for statement of changes in net assets (the Financial Accounting Standard Implementation Guidance No.9 issued by the Accounting Standards Board of Japan on December 27, 2005).

Accordingly, the Company prepared the consolidated statements of changes in net assets from the year ended March 31, 2007 in accordance with the New Accounting Standards.

(11) Allowance for doubtful accounts —
The allowance for doubtful accounts is mainly calculated based on the aggregate amount of estimated credit losses on doubtful receivables, plus an amount for receivables other than doubtful receivables calculated using an historical write-off experience ratio from certain prior periods.

(12) Inventories —
Inventories are mainly stated at cost based on the moving-average cost method.

(13) Property, plant and equipment —
Depreciation is computed mainly by the declining-balance method at rates based on the estimated useful lives of assets. Buildings excluding leasehold improvement and auxiliary facilities attached to buildings acquired on and after April 1, 1998 are depreciated using the straight-line method.

The ranges of useful lives are summarized as follows:

Buildings and structures	15 – 50 years
Machinery and equipment	4 – 16 years

The cost of property, plant and equipment retired or otherwise disposed of and accumulated depreciation in respect thereof are eliminated from the related accounts, and the resulting gain or loss is reflected in income. Normal repairs and maintenance, including minor renewals and improvements, are charged to income as incurred.

Effective from the year ended March 31, 2008, the Company and its domestic consolidated subsidiaries changed the depreciation method for property, plant and equipment acquired on or after April 1, 2007 in consideration of the revised Corporation Tax Law of Japan. As a result of this change, gross profit, operating income, and income before income taxes and minority interests respectively decreased by ¥65 million ($649 thousand), ¥78 million ($779 thousand) and ¥78 million ($779 thousand) for the year ended March 31, 2008 compared with those that would have been reported under the previous accounting policy. The effect of the change on the segment information is described in Note 17.

Due to the revised Corporation Tax Law of Japan, effective April 1, 2007, the salvage values of fixed assets acquired before April 1, 2007 are additionally depreciated to their memorandum price equally over five years commencing from the years immediately after the year in which the depreciated bases have been reached to the 5% of their acquisition costs. As a result of this change, gross profit, operating income, and income before income taxes and minority interests respectively decreased by ¥206 million ($2,056 thousand), ¥221 million ($2,206 thousand) and ¥224 million ($2,235 thousand) for the year ended March 31, 2008 compared with those that would have been reported under the previous method. The effect of the change on the segment information is described in Note 17.

(14) Intangible assets —
Amortization is mainly computed using the straight-line method based on the estimated useful lives of the assets.

Software for internal use is amortized over its expected useful life (5 years) using the straight-line method.

(15) Accounting for leases —
Finance leases other than those that are deemed to transfer the ownership of the leased assets to lessees are principally accounted for by the method used for ordinary operating leases.

(16) Reserve for retirement benefits and pension plan —
(a) Retirement benefits for employees
The employees of the Company and its domestic consolidated subsidiaries are generally covered by the retirement benefit plans under which the retiring employees are entitled to pension or lump-sum payments determined by reference to the current rates of salary, length of service and conditions under which the terminations occur.

The balance of the reserve for retirement benefits for employees in the accompanying consolidated balance sheets represents the estimated present value of projected benefit obligations in excess of the fair value of the plan assets. The prior service costs are amortized mainly over ten years, which is within the average remaining service period, using the straight-line method from the time when the difference was generated. The unrecognized actuarial differences are amortized using the straight-line method mainly over ten years from the next year in which they arise.

(b) Retirement benefits for officers
The Company's major domestic consolidated subsidiaries provide for the accrued cost of retirement benefits to officers at an amount equivalent to 100% of such benefits the subsidiaries would be required to pay if all eligible officers retired at the year-end date. The payments of retirement benefits to officers are subject to approval of the respective shareholders' meeting.

The abolition of the retirement benefits for the Company's officers for the future periods was resolved at the annual general meeting of shareholders held on June 29, 2006. Hereinafter, the reserve for retirement benefits for the Company's officers as of June 29, 2006 was reclassified to "Notes and accounts payable—other".

(17) Net income and cash dividends per share of common stock —
Net income per share of common stock is based upon the weighted-average number of shares of common stock outstanding during each year. Cash dividends per share represent dividends declared as applicable to the respective period.

(18) Accounting for consumption tax —
Consumption tax is levied at the flat rate of 5% on all domestic consumption of goods and services (with certain exemptions). The consumption tax withheld or paid by the Company and its domestic subsidiaries on its sales and purchases is not included in the amounts of the respective accounts in the consolidated statements of income, but is recorded as an asset or a liability as the case may be, and the net balance is included in other current liabilities on the consolidated balance sheets.

(19) Reclassification and restatement —
Certain prior year amounts have been reclassified to conform to the current year presentation.

As described in Note 2 (6), Note 3 (1) and Note 4 (3), the consolidated balance sheet for 2007 and the related footnotes have been reclassified to conform to new presentation rules of 2008.

3. Cash flow information:

(1) Cash and cash equivalents as of March 31, 2007 and 2008 consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Cash on hand and at banks	¥24,641	**¥29,833**	**$297,764**
Securities with an original maturity of 3 months or less	12,500	**8,000**	**79,848**
Time deposits with deposit term of over 3 months	(273)	**(263)**	**(2,624)**
Cash and cash equivalents	¥36,868	**¥37,570**	**$374,988**

Certificates of deposits amounting to ¥12,500 million in 2007 and ¥8,000 million ($79,848 thousand) in 2008 respectively are included in the above table of "Securities with an original maturity of 3 months or less", and 2007 presentation is reclassified to conform to 2008 presentation. Refer to Note 2 (6) and (19) for further explanations.

(2) Assets and liabilities of the subsidiaries excluded from the consolidation scope
Assets and liabilities of the subsidiaries at the time they were excluded from the consolidation scope, related sale price of shares and net of proceed from sale of shares are as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Current assets	¥1,097	**¥—**	**$—**
Fixed assets	2,464	—	—
Current liabilities	(298)	—	—
Long-term liabilities	(1,020)	—	—
Net unrealized gain on other securities	(95)	—	—
A brokerage fee	84	—	—
Gain on sale of shares	568	—	—
Sale price of shares for the year	2,800	—	—
A brokerage fee	(84)	—	—
Cash and cash equivalents	(429)	—	—
Proceeds from sale of shares of subsidiaries excluded from the consolidation	¥2,287	**¥—**	**$—**

4. Securities:

(1) Available-for-sale securities with fair market value as of March 31, 2007 and 2008 are as follows:

	Millions of yen		
	2007		
	Acquisition cost	Book value	Difference
Securities with book values (fair values) exceeding acquisition costs:			
Equity securities	¥ 7,642	¥12,565	¥4,923
Securities with book values (fair values) not exceeding acquisition costs:			
Equity securities	2,760	2,294	(466)
	¥10,402	¥14,859	¥4,457

	Millions of yen		
	2008		
	Acquisition cost	Book value	Difference
Securities with book values (fair values) exceeding acquisition costs:			
Equity securities	**¥ 5,383**	**¥ 7,342**	**¥ 1,959**
Securities with book values (fair values) not exceeding acquisition costs:			
Equity securities	**5,399**	**4,011**	**(1,388)**
	¥10,782	**¥11,353**	**¥ 571**

	Thousands of U.S. dollars		
	2008		
	Acquisition cost	Book value	Difference
Securities with book values (fair values) exceeding acquisition costs:			
Equity securities	**$ 53,728**	**$ 73,281**	**$ 19,553**
Securities with book values (fair values) not exceeding acquisition costs:			
Equity securities	**53,888**	**40,034**	**(13,854)**
	$107,616	**$113,315**	**$ 5,699**

(2) Details of available-for-sale securities sold during the years ended March 31, 2007 and 2008 are as follows:

	Millions of yen		
	2007		
	Amount sold	Total gain on sale	Total loss on sale
Equity securities	¥180	¥156	¥0

	Millions of yen		
	2008		
	Amount sold	Total gain on sale	Total loss on sale
Equity securities	**¥1,108**	**¥605**	**¥85**

	Thousands of U.S. dollars		
	2008		
	Amount sold	Total gain on sale	Total loss on sale
Equity securities	**$11,059**	**$6,038**	**$848**

(3) Available-for-sale securities without fair market value as of March 31, 2007 and 2008 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Unlisted equity securities etc.	¥13,159	**¥8,555**	**$85,387**

Certificates of deposits amounting to ¥12,500 million in 2007 and ¥8,000 million ($79,848 thousand) in 2008 respectively are included in the above table, and 2007 presentation is reclassified to conform to 2008 presentation. Refer to Note 2 (6) and (19) for further explanations.

(4) The redemption schedule for available-for-sale securities with maturity dates subsequent to March 31, 2007 and 2008 is as follows:

	Millions of yen			
	2007			
	Within one year	More than one year, less than five years	More than five years, less than ten years	More than ten years
Bonds	¥—	¥20	¥—	¥—
Other	87	—	—	—
Total	¥87	¥20	¥—	¥—

	Millions of yen			
	2008			
	Within one year	More than one year, less than five years	More than five years, less than ten years	More than ten years
Bonds	**¥—**	**¥20**	**¥—**	**¥—**
Other	—	—	—	—
Total	**¥—**	**¥20**	**¥—**	**¥—**

	Thousands of U.S. dollars			
	2008			
	Within one year	More than one year, less than five years	More than five years, less than ten years	More than ten years
Bonds	**$—**	**$200**	**$—**	**$—**
Other	—	—	—	—
Total	**$—**	**$200**	**$—**	**$—**

5. Derivative financial instruments:

The Company and its consolidated subsidiaries hold derivative financial instruments in the form of foreign exchange forward contracts, currency and interest rate swap transactions and commodity futures contracts to hedge against fluctuations in foreign currency exchange rates, interest rates and commodity prices. The Company and its consolidated subsidiaries do not hold or issue derivatives for trading purpose and it is the Company's policy to use derivatives only for the purpose of mitigating market risk and financing costs in accordance with internal criteria.

The Company and its consolidated subsidiaries do not anticipate any losses resulting from default by the counter-parties, as these are limited to major domestic financial institutions with sound operational foundations.

In line with internal risk management policies, for receivables and payables denominated in foreign currencies, the Company and its consolidated subsidiaries enter into forward exchange contracts denominated in the same currency, in the same amount and executed on the same execution day. In addition overseas consolidated subsidiaries use commodity futures contracts for the purpose of mitigating the market fluctuation risk of commodities. Accordingly, the hedging relationships between the derivative financial instrument and the hedged item are highly effective in offsetting changes in currency exchange rates and commodity prices.

The disclosure of fair value information for derivatives as of March 31, 2007 and 2008 is omitted since all derivatives were accounted for as hedges.

6. Short-term bank loans and long-term debt:

Short-term bank loans outstanding as of March 31, 2008 are generally represented by the notes payable issued by the Company and its consolidated subsidiaries to banks bearing interest at annual rates averaging 1.063%.

Long-term debt as of March 31, 2007 and 2008 consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Loans from banks and other financial institutions due from 2009 to 2012 with mortgages and collateral, at interest rates averaging 5.109%	¥ 432	**¥ 310**	**$ 3,094**
Loans from banks and other financial institutions due from 2009 to 2012 without mortgages and collateral, at interest rates averaging 0.0%	52	**31**	**309**
1.44% bonds due February 15, 2008 issued by the Company	10,000	**—**	**—**
	10,484	**341**	**3,403**
Less amount due within one year	(10,143)	**(143)**	**(1,427)**
Current portion of long-term debt	¥ 341	**¥ 198**	**$ 1,976**

The assets pledged as collateral and collective mortgages for long-term debt and short-term debt as of March 31, 2007 and 2008 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Property, plant and equipment, net of accumulated depreciation: Buildings and structures	¥300	**¥291**	**$2,904**
	¥300	**¥291**	**$2,904**

The aggregate annual maturities of long-term debt at March 31, 2008 are as follows:

Year ending March 31,	Millions of yen	Thousands of U.S. dollars
2009	**¥143**	**$1,427**
2010	**82**	**818**
2011	**52**	**519**
2012	**52**	**519**
2013	**12**	**120**
	¥341	**$3,403**

7. Reserve for retirement benefits and pension plan:

The Company and some of its domestic consolidated subsidiaries have 1) defined benefit pension plans, 2) tax qualified pension plans and 3) lump-sum severance payment plans as defined benefit retirement plans covering substantially all employees. Moreover, the premium retirement payments are paid for the retirement of employees under certain circumstances.

The reserves for retirement benefits as of March 31, 2007 and 2008 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Projected benefit obligations	¥ 28,206	**¥ 28,518**	**$ 284,639**
Fair value of pension plan assets	(10,340)	**(11,033)**	**(110,121)**
Unfunded retirement benefit obligations	17,866	**17,485**	**174,518**
Unrecognized actuarial differences	(6,347)	**(5,536)**	**(55,255)**
Unrecognized prior service costs	1,086	**939**	**9,373**
Prepaid pension costs	10	**16**	**159**
Reserve for retirement benefits	¥ 12,615	**¥ 12,904**	**$ 128,795**

Notes

1 Domestic consolidated subsidiaries mainly adopted the simplified method for retirement benefits.

Net costs related to the retirement benefit plans for the years ended March 31, 2007 and 2008 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Service costs	¥1,319	**¥1,308**	**$13,055**
Interest costs	492	**514**	**5,130**
Expected return on pension plan assets	—	**(5)**	**(50)**
Amortization of actuarial differences	880	**969**	**9,672**
Amortization of prior service costs	(167)	**(157)**	**(1,567)**
Net pension costs	¥2,524	**¥2,629**	**$26,240**

Notes

1 Net pension costs for subsidiaries adopting the simplified method are included in "Service costs".

The assumptions used in accounting for the above plans for the years ended March 31, 2007 and 2008 are as follows:

	Year ended March 31, 2007	Year ended March 31, 2008
Discount rate	2.0%	**2.0%**
Expected rate of return on pension plan assets	0.0%	**0.0%–2.5%**
Amortization of unrecognized actuarial differences	10 years	**10 years**
Amortization of unrecognized prior service costs	10 years	**10 years**

The estimated amount of all retirement benefits to be paid at the future retirement dates is allocated equally to each service year using the estimated number of total service years.

A certain domestic consolidated subsidiary has comprehensively established pension plan which is governed by the regulations of the Japanese Welfare Pension Insurance Law.

The status of reserve of the comprehensively established pension plan as of March 31, 2007 is as follows:

	Millions of yen	Thousands of U.S. dollars
Fair value of pension plan assets	**¥51,436**	**$513,384**
Benefit obligations on actuarial calculation	**49,507**	**494,131**
Difference	**¥ 1,929**	**$ 19,253**

The details of the difference stated above are as follows;

	Millions of yen	Thousands of U.S. dollars
Retained earnings of the current year	**¥ 433**	**$ 4,322**
Other reserve	**8,047**	**80,317**
The balance of prior service costs	**(6,551)**	**(65,386)**
Difference	**¥ 1,929**	**$ 19,253**

The percentage of the contribution made by the subsidiary for the year ended March 31, 2007 was 0.27%.

The prior service costs are amortized over twenty years using the straight-line method from the time when the difference was incurred. The consolidated subsidiary recorded the special contribution amounted to ¥0 million ($0 thousand) as expenses in 2008.

The percentage shown above does not agree to the percentage of actual obligations owed by the subsidiary.

8. Business combinations:

Effective from the year ended March 31, 2007, the Company adopted "Accounting Standard for Business Combinations" issued by the Business Accounting Council on October 31, 2003, "Accounting Standard for Business Divestitures" (Statement No.7 issued by the Accounting Standards Board of Japan on December 27, 2005), and "Guidance for Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (the Financial Accounting Standard Implementation Guidance No.10 issued by the Accounting Standards Board of Japan on December 22, 2006).

(Making Tago Seihyo Kaisha, Ltd. wholly—owned subsidiary by share exchange for the year ended March 31, 2007)

(1) Corporate name and business of the entity combined, legal form of business combinations, corporate name after business combinations, and overview of the transaction including its purpose

(a) Corporate name and business of the entity combined
Name: Tago Seihyo Kaisha, Ltd. ("Tago Seihyo")
Business: Supplier of the Company's brand products, such as instant bouillon and shavings of dried bonito.

(b) Legal form of business combinations
Transaction under common control (Making wholly—owned subsidiary by share exchange)

(c) Overview of transaction including its purpose
Tago Seihyo was a supplier of the Company's brand, such as instant bouillon and shavings. The Company's purpose of making Tago Seihyo a wholly—owned subsidiary by share exchange was to construct mutually closer collaborative relationship, to be promptly adapted to the change in business environment, and consequently to develop more effective business operation as a whole group. The Company and Tago Seihyo resolved that the Company made Tago Seihyo its wholly—owned subsidiary on the respective Board of Directors' meeting held on July 18, 2006. The Company and Tago Seihyo completed procedures to make Tago Seihyo its wholly—owned subsidiary on September 6, 2006.

(2) Additional acquisition of shares of Tago Seihyo

(a) Acquisition cost and its breakdown
Consideration for acquisition
The Company's share
¥7,126 million
Expenditure directly required for acquisition
Remuneration for valuation of a stock price
¥8 million
Acquisition cost ¥7,134 million

(b) Exchange ratio according to the class of stocks, calculation method, number of the granted stocks and amount appraised

i : Class of stocks and exchange ratio
A common stock The Company 1.61: Tago Seihyo 1

ii : Calculation method of exchange ratio
The Company: Market stock prices method
Tago Seihyo: Adjusted book value method

iii: Number of the granted stocks and the amount appraised
Number of the granted stocks: 3,804,151 shares
Amount appraised: ¥5,869 million

(c) Overview of the accounting treatment
This is the classified as transaction with minority shareholders among the transactions under common control. Amount of goodwill by share exchange was ¥4,325 million, which was mainly due to the unrealized gains of the Company's share owned by Tago Seihyo. Carrying amounts of goodwill were devalued to recoverable amounts. As a result, the Company recognized loss on impairment by ¥4,121 million. Residual amount of goodwill of ¥204 million is amortized over 5 years.

9. Research and development expenses:

Research and development expenses for the years ended March 31, 2007 and 2008 were ¥1,303 million and ¥1,317 million ($13,145 thousand), respectively.

10. Impairment losses on fixed assets:

During the fiscal years ended March 31, 2007 and 2008, the Company and its consolidated domestic subsidiaries recognized impairment losses on fixed assets on the following groups of assets.

		Millions of yen		Thousands of U.S. dollars
Use	Type of Assets	2007	**2008**	**2008**
Business property	Buildings, machinery, equipment, land and goodwill	¥5,180	**¥1,057**	**$10,550**
Idle property	Land	49	**305**	**3,044**
		¥5,229	**¥1,362**	**$13,594**

The Company and its consolidated domestic subsidiaries classified their fixed assets into groups by the type of respective operations based on the business segment. Their idle properties are individually considered.

Book values of business properties were reduced to recoverable amounts due to lowered profitability. The recoverable value is measured with (1) their net realizable value based on amounts mainly determined by valuation made in accordance with real estate appraisal standards or (2) the present value of the expected cash flows from the on—going utilization and subsequent disposition of the assets discounted at 7%.

Book values of idle properties were reduced to recoverable amounts which were based on net selling prices or real estate appraisal standards.

11. Income taxes:

The income taxes applicable to the Company and the domestic subsidiaries include (1) corporation taxes, (2) enterprise taxes (excluding the part attributed to added value and capital) and (3) inhabitants' taxes which, in the aggregate, result in a statutory tax rate equal to approximately 40.7% for the years ended March 31, 2007 and 2008.

The significant components of deferred tax assets and liabilities as of March 31, 2007 and 2008 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Deferred tax assets:			
Unrealized gain on fixed assets	¥ 217	**¥ 219**	**$ 2,186**
Accrued bonuses	679	**776**	**7,745**
Write-down of investments in securities	1,106	**1,416**	**14,133**
Reserve for retirement benefits	5,202	**5,324**	**53,139**
Impairment losses on fixed assets	1,021	**1,237**	**12,347**
Net tax loss carried forward	1,120	**1,129**	**11,269**
Other	1,637	**1,748**	**17,446**
Gross deferred tax assets	10,982	**11,849**	**118,265**
Less: valuation allowance	(3,485)	**(4,797)**	**(47,879)**
Total deferred tax assets	7,497	**7,052**	**70,386**
Deferred tax liabilities:			
Allowance for doubtful accounts	142	**57**	**569**
Reversal of special reserves for deferred capital gains	4,962	**4,816**	**48,069**
Difference between cost of an investment and the amount of underlying equity in a subsidiary	141	**141**	**1,407**
Depreciation in overseas consolidated subsidiaries	1,176	**824**	**8,224**
Net unrealized gain on other securities	1,644	**145**	**1,448**
Total deferred tax liabilities	8,065	**5,983**	**59,717**
Net deferred tax Assets (Liabilities)	¥ (568)	**¥ 1,069**	**$10,669**

The following table summarizes the significant differences between the statutory tax rate and the effective tax rate for the year ended March 31, 2007.

	2007
Statutory tax rate	40.7%
Permanent difference — expenses	0.7
Permanent difference — revenue	(0.6)
Impairment losses on goodwill	9.9
Valuation allowance	6.2
Difference in income tax rates applied to overseas consolidated subsidiaries	(2.0)
Retained losses	2.1
Other	1.0
Effective tax rate	58.0%

The above information for the year ended March 31, 2008 is not disclosed because the difference between the statutory tax rate and the effective tax rate is less than 5% of the statutory tax rate.

12. Net assets:

The Japanese Corporate Law ("the Law") became effective on May 1, 2006, replacing the Japanese Commercial Code ("the Code"). The Law is generally applicable to events and transactions occurring after April 30, 2006 and for fiscal years ending after that date.

Under Japanese laws and regulations, the entire amount paid for new shares is required to be designated as common stock. However, a company may, by a resolution of the Board of Directors, designate an amount not exceeding one-half of the price of the new shares as additional paid-in capital, which is included in capital surplus.

Under the Law, in cases where a dividend distribution of surplus is made, the smaller of an amount equal to 10% of the dividend or the excess, if any, of 25% of common stock over the total of additional paid-in-capital and legal earnings reserve must be set aside as additional paid-in-capital or legal earnings reserve. Legal earnings reserve is included in retained earnings in the accompanying consolidated balance sheets.

Under the Code, companies were required to set aside an amount equal to at least 10% of the aggregate amount of cash dividends and other cash appropriations as legal earnings reserve until the total of legal earnings reserve and additional paid-in capital equaled 25% of common stock.

Under the Code, legal earnings reserve and additional paid-in capital could be used to eliminate or reduce a deficit by a resolution of the shareholders' meeting or could be capitalized by a resolution of the Board of Directors. Under the Law, both of these appropriations generally require a resolution of the shareholders' meeting.

Additional paid-in capital and legal earnings reserve may not be distributed as dividends. Under the Code, however, on condition that the total amount of legal earnings reserve and additional paid-in capital remained equal to or exceeded 25% of common stock; they were available for distribution by resolution of the shareholders' meeting. Under the Law, all additional paid-in-capital and all legal earnings reserve may be transferred to other capital surplus and retained earnings, respectively, which are potentially available for dividends.

The maximum amount that the Company can distribute as dividends is calculated based on the non-consolidated financial statements of the Company in accordance with Japanese laws and regulations.

At the annual shareholders' meeting held on June 26, 2008, the shareholders approved cash dividends amounting to ¥1,530 million ($15,271 thousand). Such appropriations have not been accrued in the consolidated financial statements as of March 31, 2008. Such appropriations are recognized in the period in which they are approved by the shareholders.

13. Notes to the consolidated statement of changes in net assets:

(1) Type and number of shares issued and outstanding for the years ended March 31, 2007 and 2008

	Thousands of shares	
Common stock outstanding	2007	**2008**
Balance at beginning of the year	$110,881	**$110,881**
Balance at end of the year	$110,881	**$110,881**

	Thousands of shares	
Treasury stock outstanding	2007	**2008**
Balance at beginning of the year	$3,399	**$8,841**
Increase due to purchase of odd stock	54	**48**
Increase due to purchase of treasury stock owned by subsidiaries	2,063	—
Increase due to purchase of treasury stock in ToSNet-2	2,279	—
Increase due to acquisition of treasury stock due to share exchange with Tago Seihyo Kaisha, Ltd.	4,850	—
Decrease due to making wholly-owned subsidiary of Tago Seihyo Kaisha, Ltd. by share exchange	(3,804)	—
Balance at end of the year	$8,841	**$8,889**

(2) Dividends

(a) Dividends whose record date is attributable to the accounting period ended March 31, 2007 but to be effective after the accounting period

The Company resolved dividends at the general meeting of shareholders held on June 28, 2007 as follows:

Dividends on Common stock

a. Total amount of dividends	¥1,225 million
b. Funds for dividends	Retained earnings
c. Dividends per share	¥12.0
d. Record date	March 31, 2007
e. Effective date	June 29, 2007

(b) Dividends whose record date is attributable to the accounting period ended March 31, 2008 but to be effective after the accounting period.

The Company resolved approval at the general meeting of shareholders held on June 26, 2008 as follows:

Dividends on Common stock

a. Total amount of dividends	¥1,530 million ($15,271 thousand)
b. Funds for dividends	Retained earnings
c. Dividends per share	¥15.0 ($150 thousand)
d. Record date	March 31, 2008
e. Effective date	June 27, 2008

14. Per share information:

The basis of the calculation of per share data is as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Net income	¥6,177	**¥11,382**	**$113,604**
Net income attributable to common stock	¥6,177	**¥11,382**	**$113,604**
Weighted-average amount of common stock (unit: thousands of shares)	104,608	**102,009**	**102,009**

15. Leases:

All finance lease contracts other than those in which the ownership of the leased assets is transferred to the lessees, are accounted for by a method similar to that applied to operating leases.

Assumed data as to acquisition cost, accumulated depreciation, net book value and the depreciation expense of the leased assets, which includes the portion of interest thereon, for the years ended March 31, 2007 and 2008 are summarized as follows:

	Year ended March 31, 2007		
	Millions of yen		
	Cost	Accumulated Depreciation	Book Value
Machinery and equipment	¥ 179	¥ 84	¥ 95
Other	1,540	598	942
	¥1,719	¥682	¥1,037

	Year ended March 31, 2008					
	Millions of yen			Thousands of U.S. dollars		
	Cost	Accumulated Depreciation	Book Value	Cost	Accumulated Depreciation	Book Value
Machinery and equipment	¥ 254	¥ 77	¥177	$ 2,535	$ 769	$1,766
Other	1,213	554	659	12,107	5,529	6,578
	¥1,467	¥631	¥836	$14,642	$6,298	$8,344

The scheduled maturities of the above lease contracts subsequent to March 31, 2007 and 2008 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Due within one year	¥ 344	**¥321**	**$3,204**
Due over one year	693	**515**	**5,140**
	¥1,037	**¥836**	**$8,344**

Lease expenses and assumed amounts of depreciation on finance lease contracts without ownership-transfer for the years ended March 31, 2007 and 2008 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Lease expenses	¥370	**¥364**	**$3,633**

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Assumed amounts of depreciation	¥370	**¥364**	**$3,633**

Assumed amounts of depreciation are calculated using the straight-line method over the lease terms of the leased assets, assuming no residual value except in cases where the residual value is guaranteed in the lease contract.

16. Contingent liabilities:

Contingent liabilities for guarantees of indebtedness for the following company as of March 31, 2007 and 2008 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2007	**2008**	**2008**
Zhanjian Dongyang Shuichan, Ltd. etc.	¥270	**¥198**	**$1,976**

17. Segment information:

(1) Business segment information

The Company and its consolidated subsidiaries operate principally in three industrial segments:

Business segment	Major products/services
Seafood	Fish and shellfish
Processed foods	Instant foods, fresh noodles, chilled foods and instant rice
Cold-storage	Operation of refrigerated warehouses
Other	Rent of warehouses

2007 — Millions of yen

	Business segment						
	Seafood	Processed foods	Coldstorage	Other	Total	Elimination or corporate (a)	Consolidated total
Net sales	¥ 48,617	¥ 256,457	¥ 16,277	¥ 6,695	¥ 328,046	¥ (6,689)	¥ 321,357
Operating expenses	**47,841**	**239,811**	**14,924**	**5,897**	**308,473**	**(6,687)**	**301,786**
Operating income	**¥ 776**	**¥ 16,646**	**¥ 1,353**	**¥ 798**	**¥ 19,573**	**¥ (2)**	**¥ 19,571**
Assets	¥ 21,649	¥ 129,846	¥ 32,106	¥12,918	¥ 196,519	¥ 23,333	¥ 219,853
Depreciation and amortization (b)	163	6,177	1,573	680	8,593	308	8,901
Impairment losses on fixed assets	516	4,500	—	164	5,180	49	5,229
Capital expenditure (b)	429	5,613	2,545	44	8,631	437	9,068

2008 — Millions of yen

	Business segment						
	Seafood	Processed foods	Coldstorage	Other	Total	Elimination or corporate (a)	Consolidated total
Net sales	¥ 43,935	¥ 255,974	¥ 15,491	¥ 4,514	¥ 319,914	¥ (5,170)	¥ 314,744
Operating expenses	**42,424**	**239,011**	**14,580**	**3,675**	**299,690**	**(5,168)**	**294,522**
Operating income	**¥ 1,511**	**¥ 16,963**	**¥ 911**	**¥ 839**	**¥ 20,224**	**¥ (2)**	**¥ 20,222**
Assets	¥ 20,636	¥ 121,082	¥ 28,450	¥11,984	¥ 182,152	¥ 23,892	¥ 206,044
Depreciation and amortization (b)	206	5,816	1,620	641	8,283	278	8,561
Impairment losses on fixed assets	5	554	369	250	1,178	184	1,362
Capital expenditure (b)	160	5,251	404	1,059	6,874	85	6,959

2008 — Thousands of U.S. dollars

	Business segment						
	Seafood	Processed foods	Coldstorage	Other	Total	Elimination or corporate (a)	Consolidated total
Net sales	$ 438,517	$ 2,554,886	$ 154,616	$ 45,054	$ 3,193,073	$ (51,602)	$ 3,141,471
Operating expenses	**423,436**	**2,385,578**	**145,523**	**36,679**	**2,991,216**	**(51,582)**	**2,939,634**
Operating income	**$ 15,081**	**$ 169,308**	**$ 9,093**	**$ 8,375**	**$ 201,857**	**$ (20)**	**$ 201,837**
Assets	$ 205,969	$ 1,208,524	$ 283,960	$119,613	$ 1,818,066	$ 238,467	$ 2,056,533
Depreciation and amortization (b)	2,056	58,050	16,169	6,398	82,673	2,775	85,448
Impairment losses on fixed assets	50	5,529	3,683	2,496	11,758	1,836	13,594
Capital expenditure (b)	1,597	52,411	4,032	10,570	68,610	848	69,458

Notes

(a) The amounts of corporate assets included in the column "Elimination or corporate", for the years ended March 31, 2007 and 2008 were ¥23,925 million and ¥29,627 million ($295,708 thousand), respectively. Corporate assets were mainly long-term investment funds (investment securities) of the Company and assets which belong to administrative department of the Company.

(b) "Capital expenditure" included long-term prepaid expenses and deferred charges. "Depreciation and amortization" included the amortization of long-term prepaid expenses and deferred charges.

(c) The exchange gain/loss arising from exchange conversion in the elimination of transactions with overseas subsidiaries at the fiscal year-end were included in non-operating income/expense as exchange gain/loss. Accordingly, the exchange gain/loss is not reflected in operating income of the above business segment information. With respect to the breakdown of the exchange gain/loss classified by segment, ¥48 million (gain) and ¥7 million (loss) were recorded in "Seafood" and "Processed foods", respectively, for the year 2007 and ¥870 million ($8,684 thousand) (loss) and ¥31 million ($309 thousand) (gain) were recorded in "Seafood" and "Processed foods", respectively, for the year 2008.

(d) As described in Note 2 (8), "Accounting Standard for Directors' Bonuses" (Statement No.4 issued by the Accounting Standards Board of Japan on November 29, 2005) has been adopted effective from the year ended March 31, 2007. As a result, operating expenses in "Elimination or corporate" increased by ¥98 million, and operating income decreased by the same amount compared with those that would have been reported under the previous accounting policy.

(e) As described in Note 2 (13), effective from the year ended March 31, 2008, the Company and its domestic consolidated subsidiaries changed the depreciation method for property, plant and equipment acquired on or after April 1, 2007 in consideration of the revised Corporation Tax Law of Japan. As a result of this change, operating expenses in "Seafood", "Processed foods", "Cold storage" and "Other" respectively increased by ¥5 million ($50 thousand), ¥61 million ($609 thousand), ¥3 million ($30 thousand) and ¥7 million ($70 thousand) and operating income decreased by the same amounts compared with those that would have been reported under the previous accounting policy.

Also, as described in Note 2 (13), due to the revised Corporation Tax Law of Japan, effective April 1, 2007, the salvage values of fixed assets acquired before April 1, 2007 are additionally depreciated to their memorandum price equally over five years commencing from the years immediately after the year in which the depreciated bases have been reached to the 5% of their acquisition costs. As a result of this change, operating expenses in "Seafood", "Processed foods", "Cold storage" and "Other" respectively increased by ¥1 million ($1 thousand), ¥139 million ($1,387 thousand), ¥40 million ($399 thousand) and ¥38 million ($379 thousand) and operating income decreased by the same amounts compared with those that would have been reported under the previous method.

(2) Geographic segment information

	2007				
	Millions of yen				
	Japan	North America (a)	Total	Elimination or corporate (b)	Consolidated total
Net sales	¥ 267,738	¥ 60,284	¥ 328,022	¥ (6,665)	¥ 321,357
Operating expenses	**253,464**	**55,001**	**308,465**	**(6,679)**	**301,786**
Operating income	**¥ 14,274**	**¥ 5,283**	**¥ 19,557**	**¥ 14**	**¥ 19,571**
Assets	¥ 160,120	¥ 44,299	¥ 204,419	¥ 15,434	¥ 219,853

	2008				
	Millions of yen				
	Japan	North America (a)	Total	Elimination or corporate (b)	Consolidated total
Net sales	¥ 263,919	¥ 56,781	¥ 320,700	¥ (5,956)	¥ 314,744
Operating expenses	**248,787**	**51,694**	**300,481**	**(5,959)**	**294,522**
Operating income	**¥ 15,132**	**¥ 5,087**	**¥ 20,219**	**¥ 3**	**¥ 20,222**
Assets	¥ 149,548	¥ 41,896	¥ 191,444	¥ 14,600	¥ 206,044

	2008				
	Thousands of U.S. dollars				
	Japan	North America (a)	Total	Elimination or corporate (b)	Consolidated total
Net sales	$ 2,634,185	$ 566,733	$ 3,200,918	$ (59,447)	$ 3,141,471
Operating expenses	**2,483,152**	**515,959**	**2,999,111**	**(59,477)**	**2,939,634**
Operating income	**$ 151,033**	**$ 50,774**	**$ 201,807**	**$ 30**	**$ 201,837**
Assets	$ 1,492,644	$ 418,165	$ 1,910,809	$ 145,724	$ 2,056,533

Notes

(a) The major countries in "North America" are the U.S.A., and United Mexican States.

(b) The amounts of corporate assets included in the column "Elimination or corporate", for the years ended March 31, 2007 and 2008 were ¥23,925 million and ¥29,627 million ($295,708 thousand), respectively. Corporate assets were mainly long-term investment funds (investments in securities) of the Company and assets which belong to administrative department of the Company.

(c) The exchange gain/loss arising from exchange conversion in the elimination of transactions with overseas subsidiaries at the fiscal year-end were included in non-operating income/expense as exchange gain/loss. Accordingly, the exchange gain/loss are not reflected in operating income of the above geographic segment information. With respect to the breakdown of the exchange gain/loss classified by segment, a gain of ¥41 million and a loss of ¥839 million ($8,374 thousand) were recorded in "North America" for the years 2007 and 2008, respectively.

(d) As described in Note 2 (8), "Accounting Standard for Directors' Bonuses" (Statement No.4 issued by the Accounting Standards Board of Japan on November 29, 2005) has been adopted effective from the year ended March 31, 2007. As a result, operating expenses in "Japan" increased by ¥98 million, and operating income decreased by the same amount compared with those that would have been reported under the previous accounting policy.

(e) As described in Note 2 (13), effective from the year ended March 31, 2008, the Company and its domestic consolidated subsidiaries changed the depreciation method for property, plant and equipment acquired on or after April 1, 2007 in consideration of the revised Corporation Tax Law of Japan. As a result of this change, operating expenses in "Japan" increased by ¥77 million ($769 thousand) and operating income decreased by the same amounts compared with those that would have been reported under the previous accounting policy.

Also, as described in Note 2 (13), due to the revised Corporation Tax Law of Japan, effective April 1, 2007, the salvage values of fixed assets acquired before April 1, 2007 are additionally depreciated to their memorandum price equally over five years commencing from the years immediately after the year in which the depreciated bases have been reached to the 5% of their acquisition costs. As a result of this change, operating expenses in "Japan" increased by ¥220 million ($2,196 thousand) and operating income decreased by the same amounts compared with those that would have been reported under the previous method.

(3) Sales to overseas customers

	Millions of yen						Thousands of U.S. dollars		
	2007			2008			2008		
	North America	Others	Total	North America	Others	Total	North America	Others	Total
Overseas sales	¥53,417	¥999	¥ 54,416	¥51,757	¥621	¥ 52,378	$516,587	$6,200	$ 522,787
Consolidated net sales			¥321,357			¥314,744			$3,141,471
Percentage of consolidated net sales	16.6%	0.3%	16.9%	16.4%	0.2%	16.6%	16.4%	0.2%	16.6%

Notes

(a) The major countries in each classification are as follows:

North America ………… U.S.A., United Mexican States

Others …………………... People's Republic of China, Taiwan, Republic of Korea

(b) Overseas sales are sales of the Company and its consolidated subsidiaries in countries other than Japan.

18. Subsequent events:

The Company's shareholders approved appropriation of retained earnings at the general shareholders meeting held on June 26, 2008 as follows:

	Millions of yen	Thousands of U.S. dollars
Cash dividends (¥15.0 per share)	**¥1,530**	**$15,271**

To the Shareholders and the Board of Directors of
TOYO SUISAN KAISHA, LTD.:

We have audited the accompanying consolidated balance sheets of TOYO SUISAN KAISHA, LTD. ("the Company") and consolidated subsidiaries as of March 31, 2007 and 2008, and the related consolidated statements of income, changes in net assets and cash flows for the years then ended, expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to independently express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and consolidated subsidiaries as of March 31, 2007 and 2008, and the consolidated results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2008 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

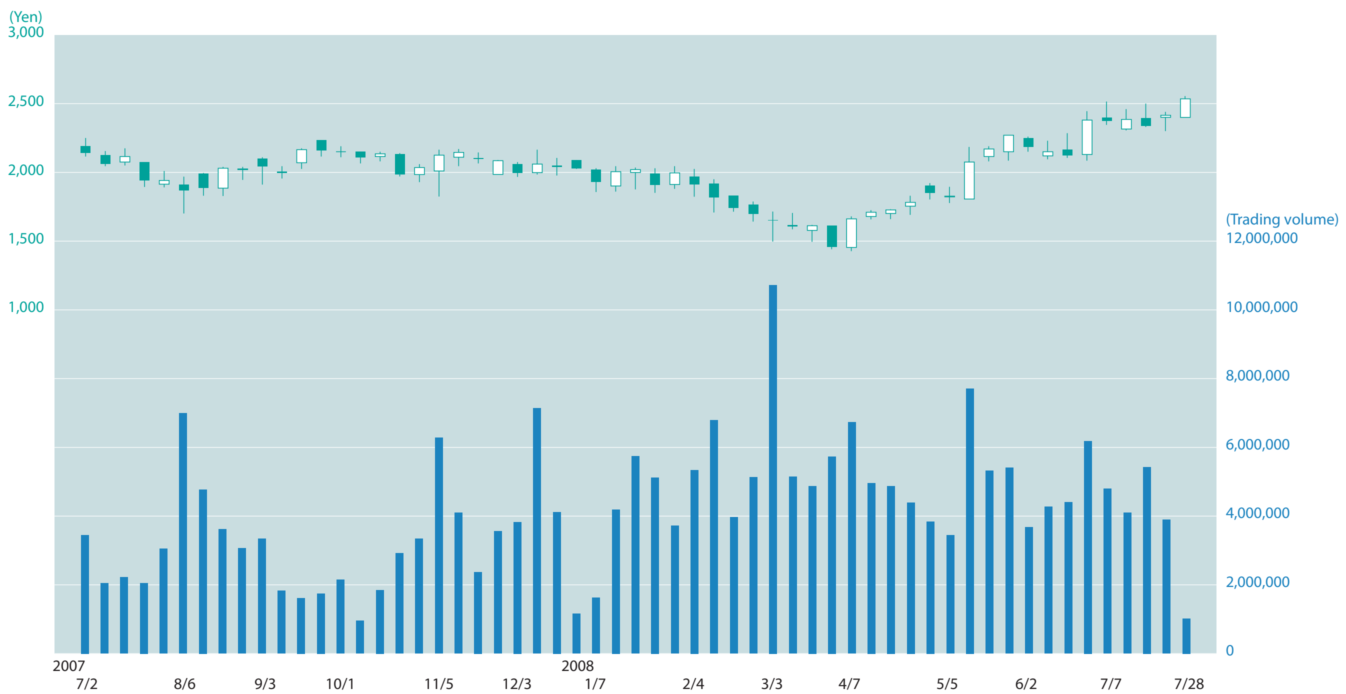
AZSA & Co.

Tokyo, Japan
June 26, 2008

(as of March 31, 2008)

Head Office	13-40, Konan 2-chome, Minato-ku, Tokyo 108-8501, Japan Tel.: +81-3-3458-5111
Date of Establishment	March 25, 1953
Number of Plants	7
Number of Sales Offices	28
Number of Refrigerated Warehouses	13
Number of Subsidiaries and Affiliates	34
Number of Employees	1,663
Common Stock	Total Number of Shares Issuable: 427,000,000 shares Total Number of Shares Issued and Outstanding: 110,881,044 shares Paid-in Capital: ¥18,969 million
Number of Shareholders	6,393
Stock Exchange Listing	Tokyo (#2875)
Stock Transfer Agent	The Chuo Mitsui Trust and Banking Company, Limited, in Tokyo
Annual Meeting	The annual meeting of shareholders is usually held before the end of June in Tokyo.

Common Stock Price Range and Trading Volume



TOYO SUISAN

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