

18th Nov. 2005

# Maruha Group Inc.

2005 Sep. Interim Result

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## Consolidated Statements of Income (Semi-annual)

	Sep.2005	/ Sep.2004
Net Sales	Yen348.3B	94.6%
Operating Income	Yen 6.2B	84.6%
Ordinary Income	Yen 7.0B	110.9%
Net Income	Yen 1.2B	53.7%

### Points

1. Poor Catch of Shrimp Trawling in African Countries (Madagascar, Mozambique)
2. Strong Market of Pollack Surimi and Fillet due to the Worldwide Strong Demand
3. Price Slump of Domestic Fresh Fish (Saury, Skipjack Tuna and etc.)
4. Currency-hedging profit by Weak Japanese Yen



## Result by Strategic Segments and Business Unit

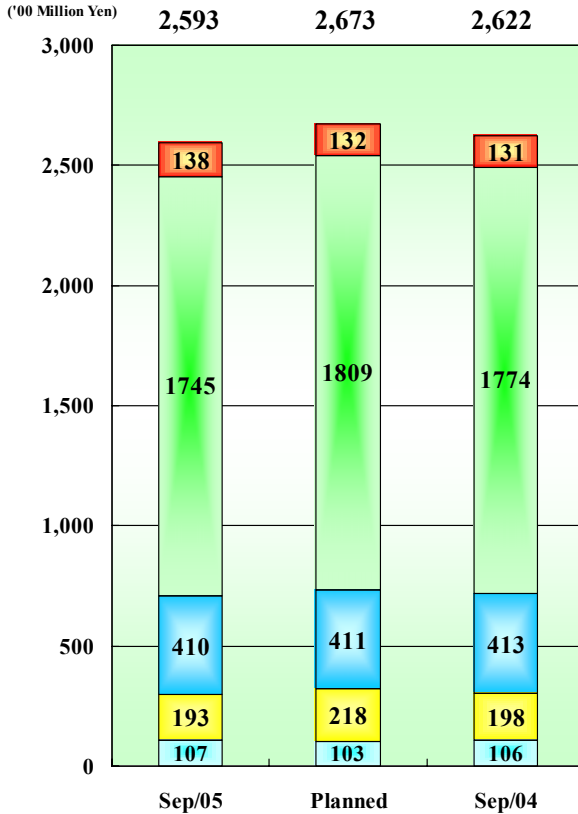
('00 Million Yen)

	Net Sales					Operating Income				
	Sep/05	Planned	Sep/04	+ / -		Sep/05	Planned	Sep/04	+ / -	
				a-b	a-c				d-e	d-f
	a	b	c			d	e	f		
1 Fishery & Aquaculture	107	103	106	4	1	1	8	5	-7	-4
2 North American Operations	193	218	198	-25	-5	21	15	8	6	13
3 Marine Products Trading	410	411	413	-1	-3	15	20	22	-5	-7
4 Marine Products Wholesaling	1,745	1,809	1,774	-64	-29	6	9	6	-3	0
5 Strategic Sales	138	132	131	6	7	1	1	1	0	0
<b>Marine Products Segment</b>	<b>2,593</b>	<b>2,673</b>	<b>2,622</b>	<b>-80</b>	<b>-29</b>	<b>44</b>	<b>53</b>	<b>42</b>	<b>-9</b>	<b>2</b>
6 Institutional Foods	308	330	317	-22	-9	3	7	6	-4	-3
7 Consumer Foods	267	262	255	5	12	12	14	13	-2	-1
8 Foods & Fine Chemicals	55	65	56	-10	-1	6	5	5	1	1
9 Asia & Oceania Operations	123	134	132	-11	-9	4	6	7	-2	-3
<b>Processed Foods Segment</b>	<b>753</b>	<b>791</b>	<b>760</b>	<b>-38</b>	<b>-7</b>	<b>25</b>	<b>32</b>	<b>31</b>	<b>-7</b>	<b>-6</b>
10 Storage & Logistics	78	76	76	2	2	11	10	8	1	3
Others	59	60	222	-1	-163	2	3	7	-1	-5
Shared Service & Intercompany						-20	-18	-15	-2	-5
<b>TOTAL</b>	<b>3,483</b>	<b>3,600</b>	<b>3,680</b>	<b>-117</b>	<b>-197</b>	<b>62</b>	<b>80</b>	<b>73</b>	<b>-18</b>	<b>-11</b>

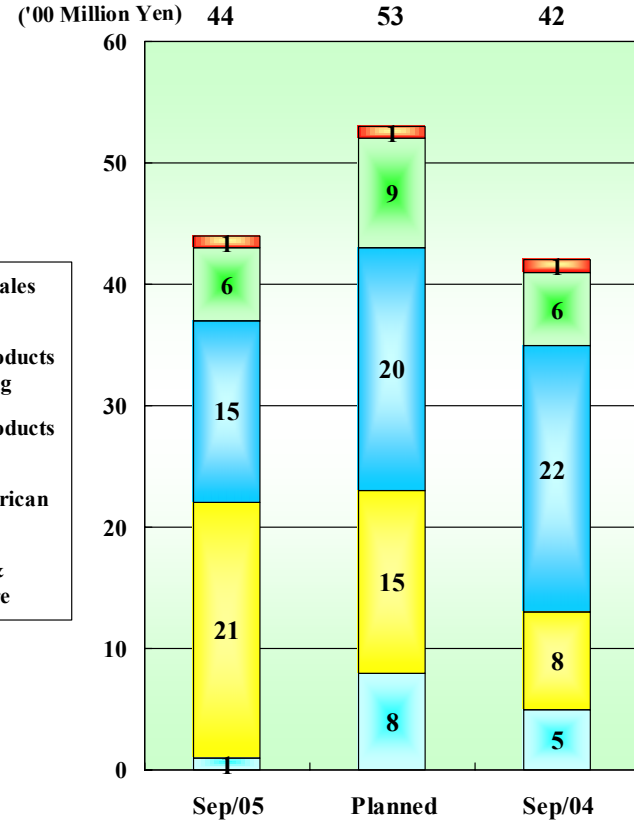


# Marine Products Segment

## Net Sales

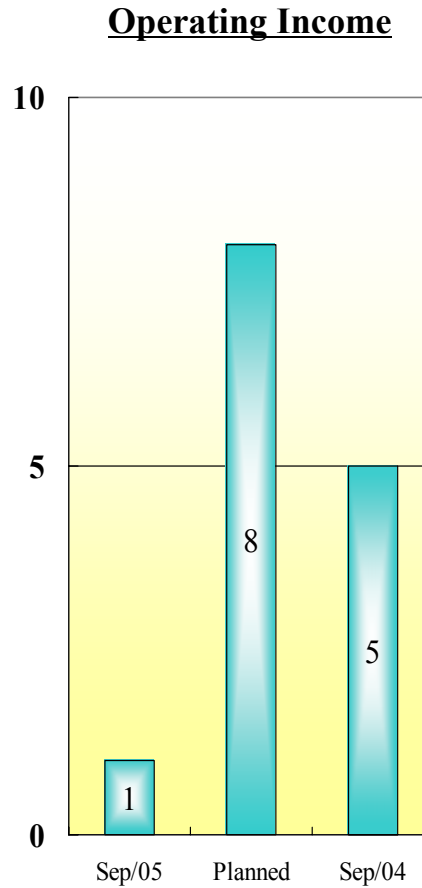
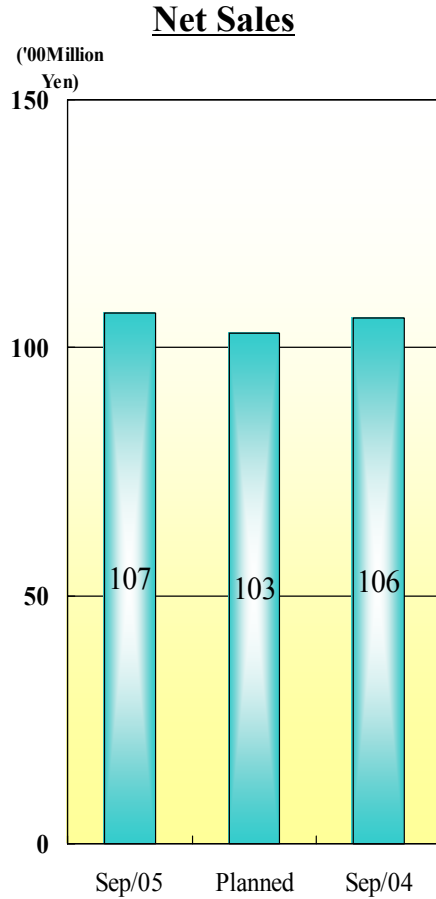


## Operating Income





# (1) Fisheries & Aquaculture



## Topics

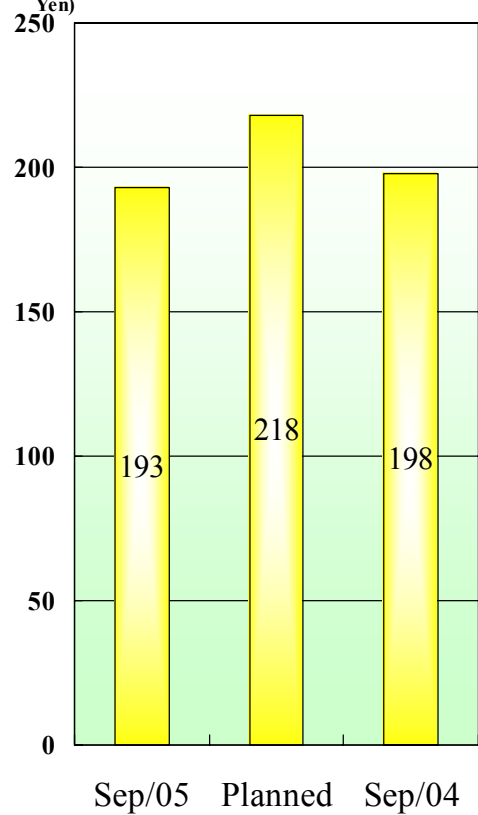
1. Shrimp Trawling (Africa)
  - Poor Catch
  - Increased Fuel Cost
  - Slumped Sales in Europe
2. Aquaculture (Domestic)
  - Slumped price of Yellowtail & Amberjack
3. Blue Fin Tuna /Aquaculture
  - Stable Domestic Sales



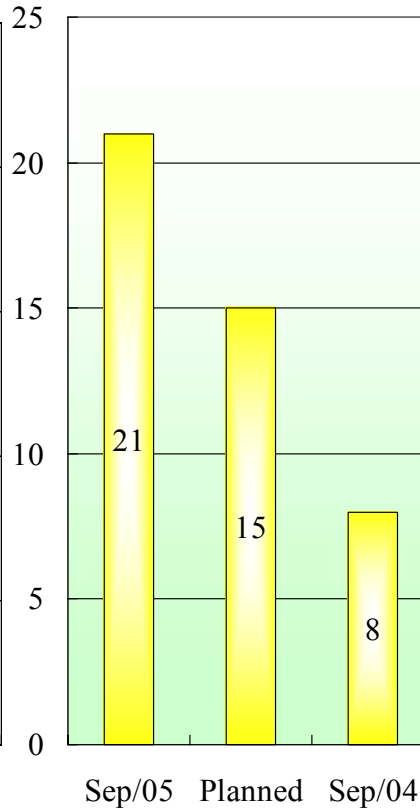
## (2) North American Operation Unit

### Net Sales

('00 Million Yen)



### Operating Income



### Topics

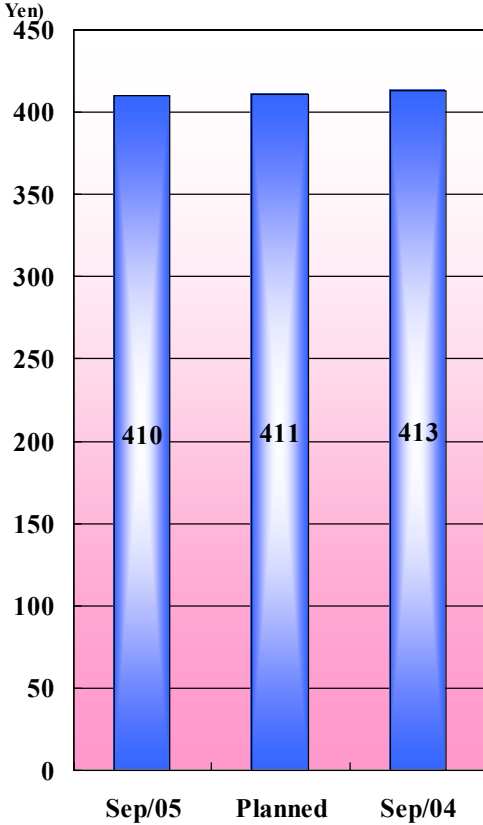
1. Surimi & Fillet  
- Stable sales due to increased demand
2. Pollack Roe  
- Decrease of purchase
3. Increased Production Capacity of Pollack Fillet



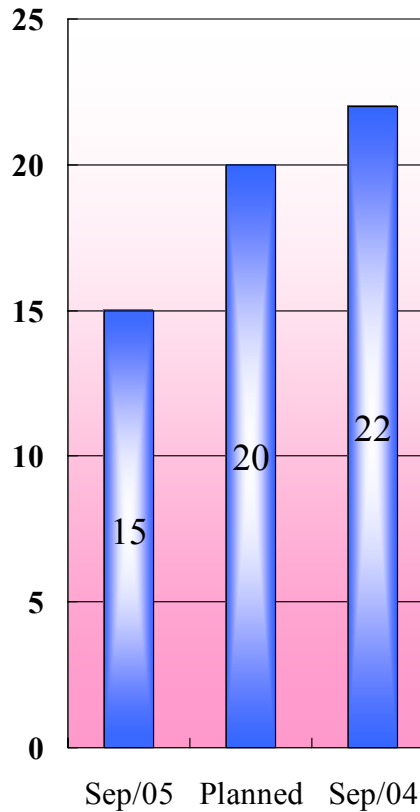
### (3) Marine Products Trading Unit

#### Net Sales

('00 Million Yen)



#### Operating Income



#### Topics

1. Decreased Sales  
- Shrimp, Crab
2. Increased Sales  
- Cod, Salmon, Shellfish
3. Increased Cost  
- Increased Fuel Cost

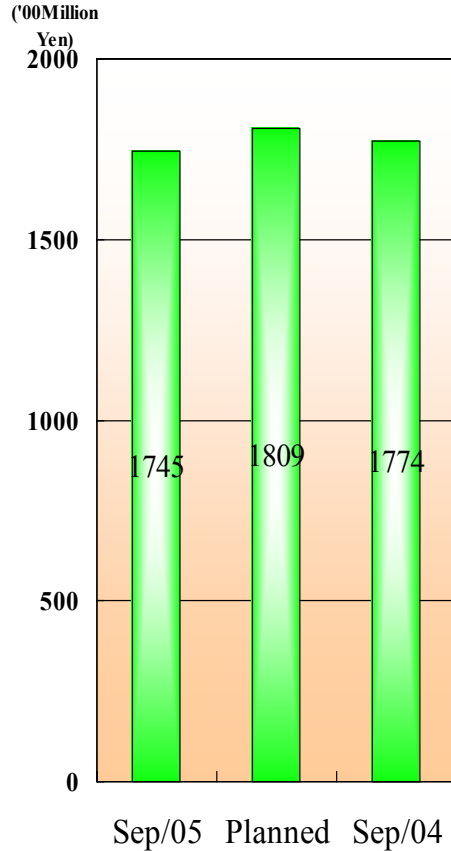
#### Domestic Sales of Imported Fish

	05/Sep	04/Sep	+/-
Volume ('000ton)	122	127	-5
Average Price (Yen/Kg)	¥622	¥609	+ ¥13

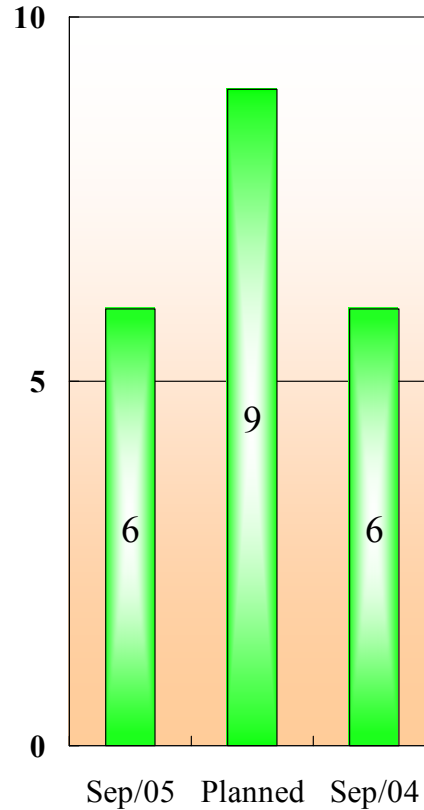


# (4) Marine Products Wholesaling Unit

## Net Sales



## Operating Income



## Topics

### 1. Volume('000Ton) & Average Price(¥/Kg)

		05/Sep	04/Sep	+ / -
Frozen	'000ton	90	96	-6
	¥/Kg	¥790	¥709	+ ¥81
Fresh	'000ton	89	94	-5
	¥/Kg	¥725	¥733	- ¥8

### 2. Imported Frozen Fish

- Increased Cost,  
Decreased Volume

### 3. Domestic Fresh Fish

- Slumping Market

### 4. Continued Efforts for

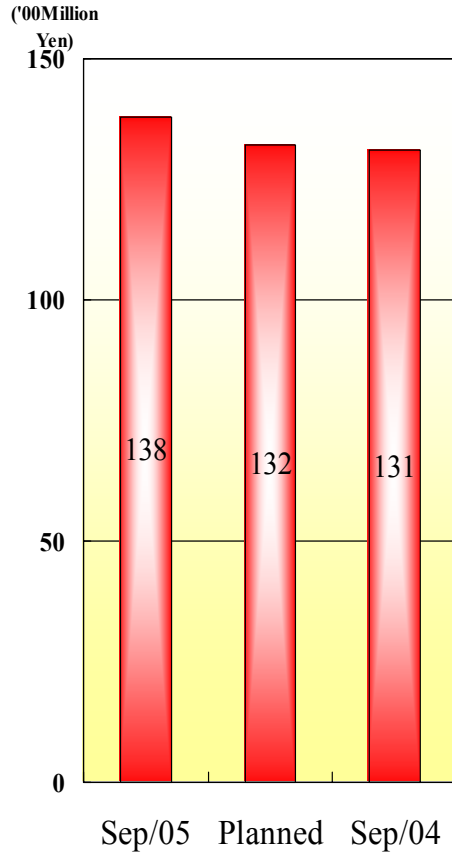
Operational Efficiency Improvement



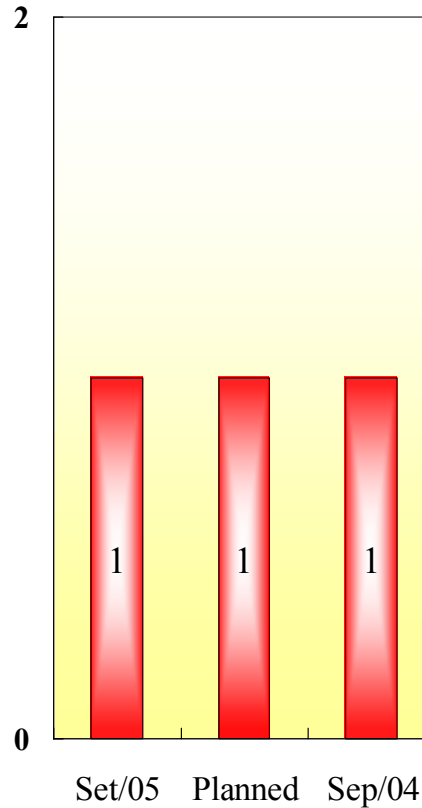


## (5) Strategic Sales Unit

Net Sales



Operating Income



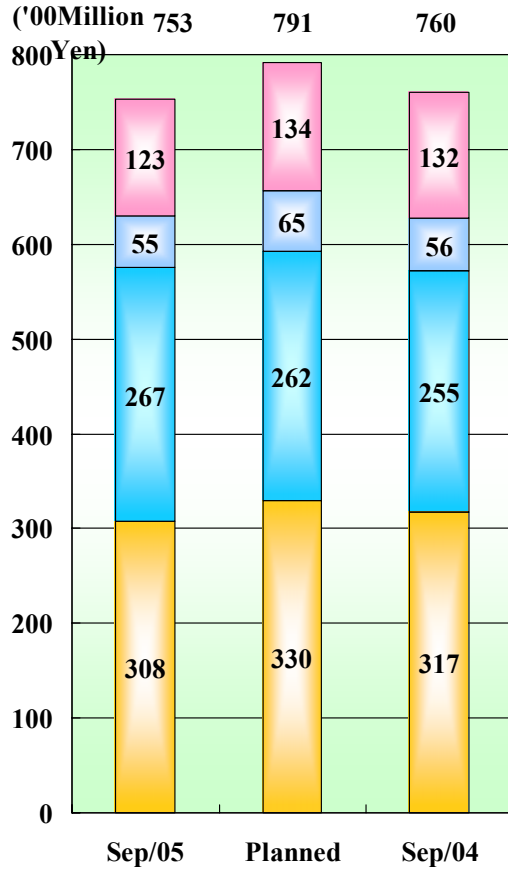
Topics

1. Developed New Customers  
- Convenience Store Chain, HMR and etc.
2. Increased Cost  
- Cost of Raw Materials



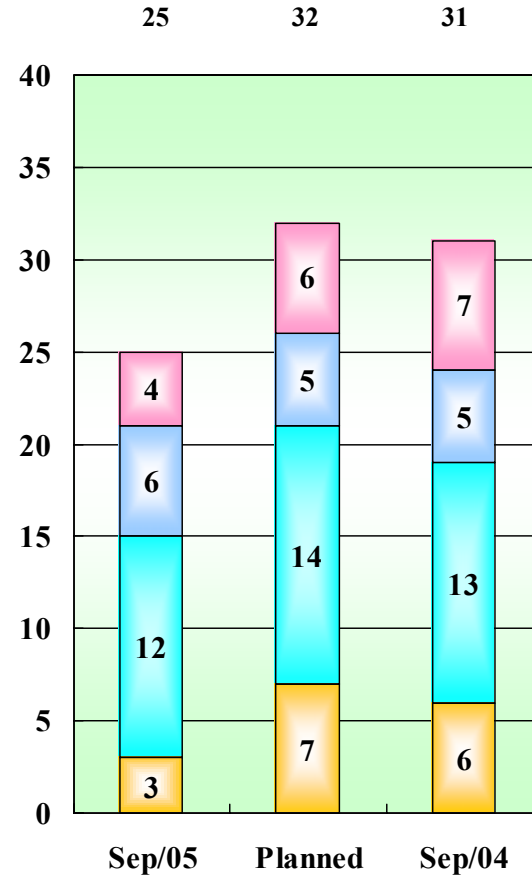
# Processed Foods Segments

Net Sales



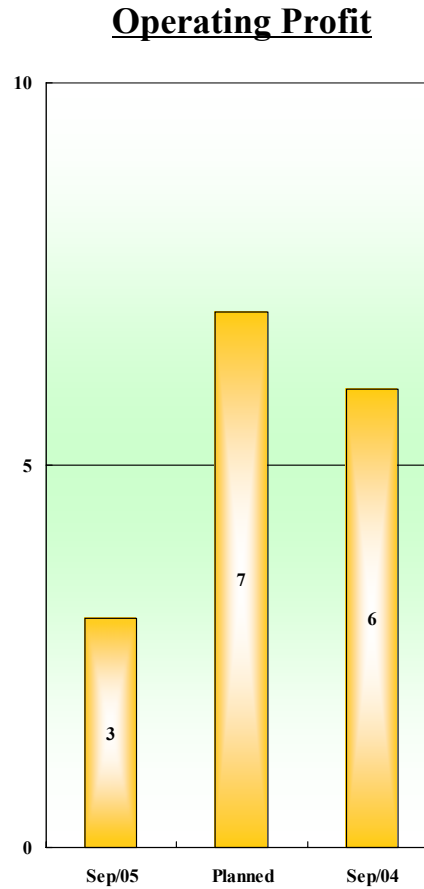
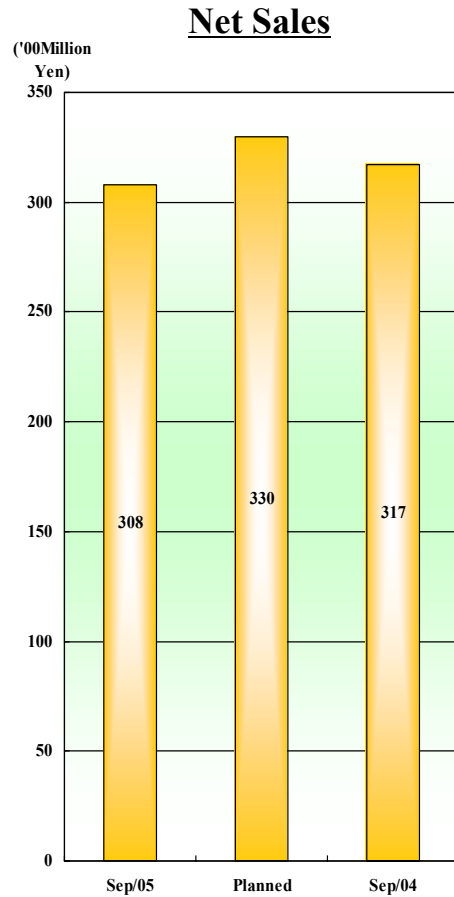
- Asia & Oceania Operations
- Foods & Fine Chemicals Unit
- Consumer Foods Unit
- Institutional Foods Unit

Operating Income





## (6) Institutional Foods Unit

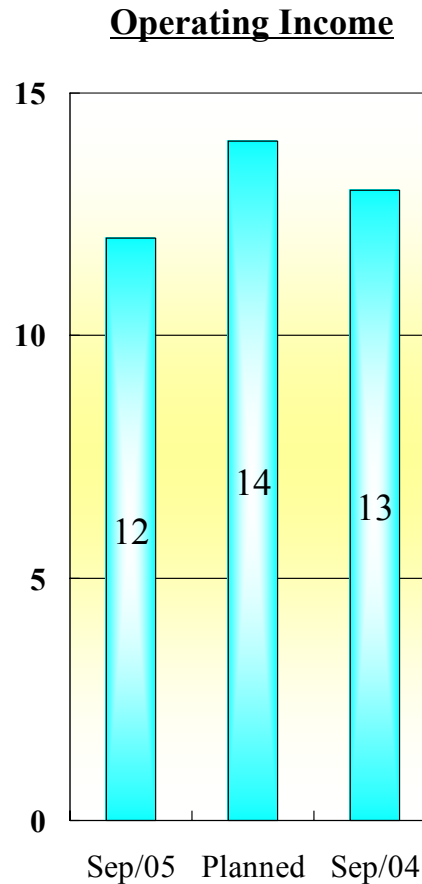
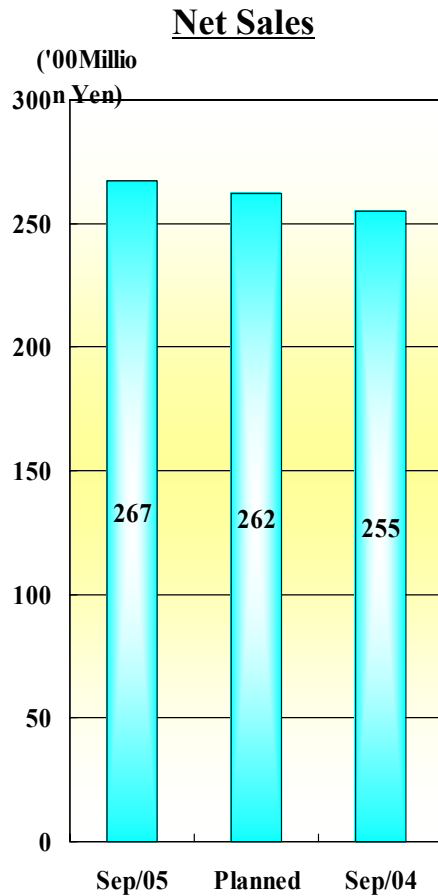


### Topics

1. Increased Cost  
- White Meat Fish
2. “Love Bone” Fish  
- to establish Sales Channel
3. Decrease of Pet Foods  
- Maruha Pet Foods changed their name to “AISIA” and became more independent.



## (7) Consumer Foods Unit

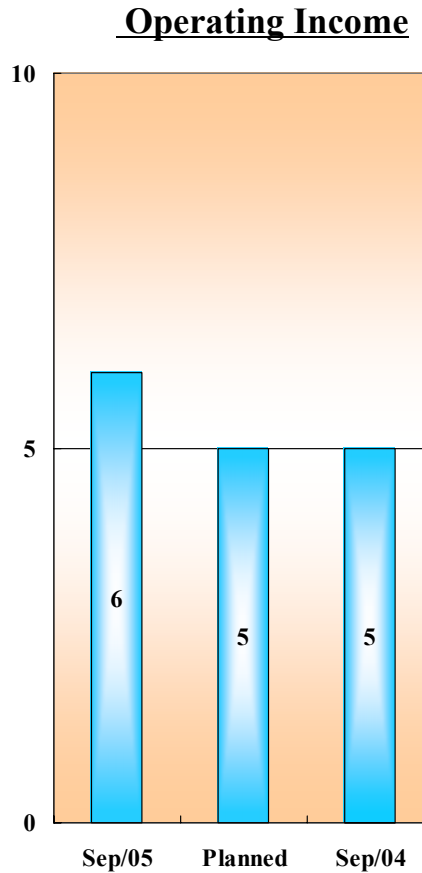
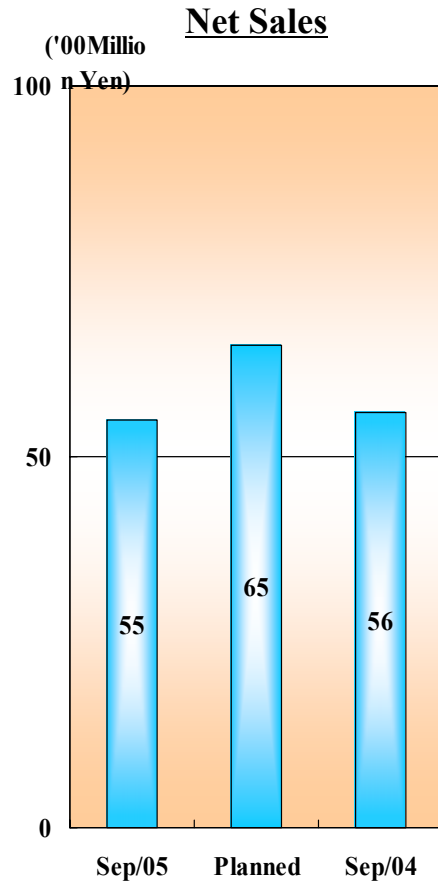


### Topics

1. Fruits in Jelly
  - Sales Increase
  - New Shimonoseki Plant (to open Mar 2006)
2. Specified Health Foods
  - Fish Sausage “ Re – Sara ” # now on sale #
3. Increased Cost
  - Surimi for Fish Sausage



## (8) Foods & Fine Chemicals

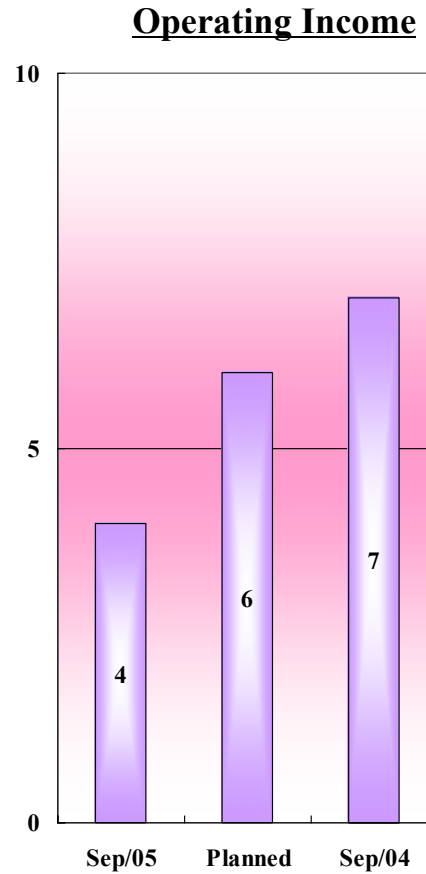
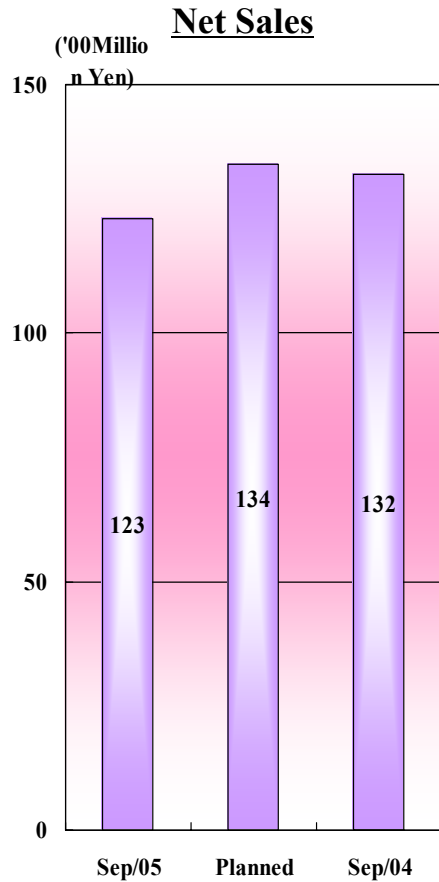


### Topics

1. Favorable Growth
  - chondroitin
  - hyaluronic acid
  - docosahexaenoic acid (DHA)
2. Sales Slump
  - Seasoning
  - Freeze-dry Foods



## (9) Asia & Oceania Operations Unit

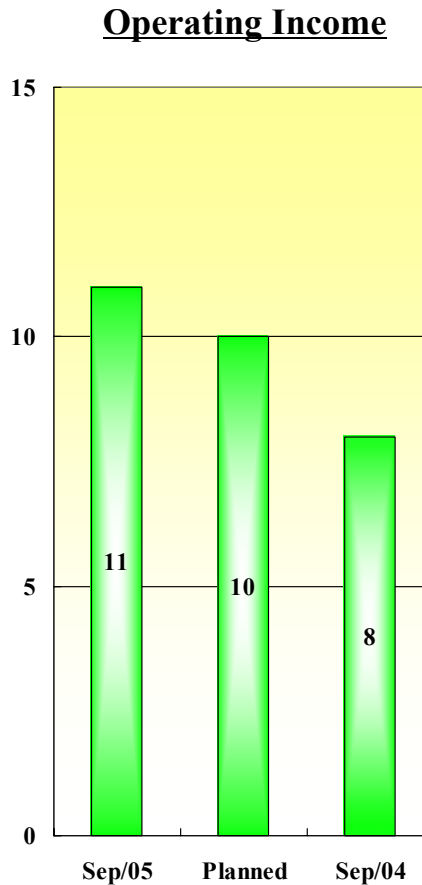
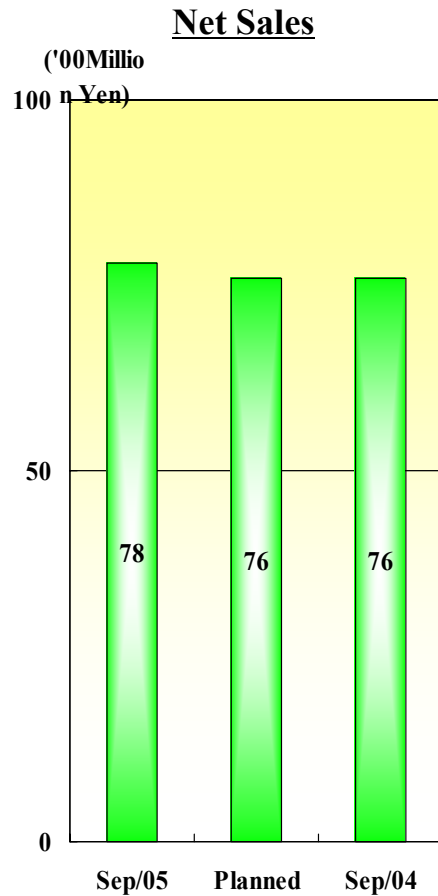


### Topics

1. Increased Cost
  - Domestic Marine Products
  - Imported Fish
2. Canned Tuna/Retort Tuna
  - Shortage of Raw Material



## (10) Storage & Logistics Unit (Segment)

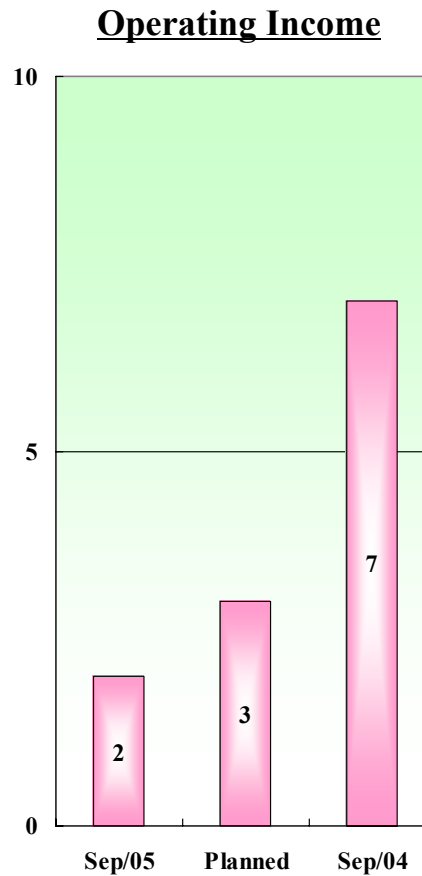
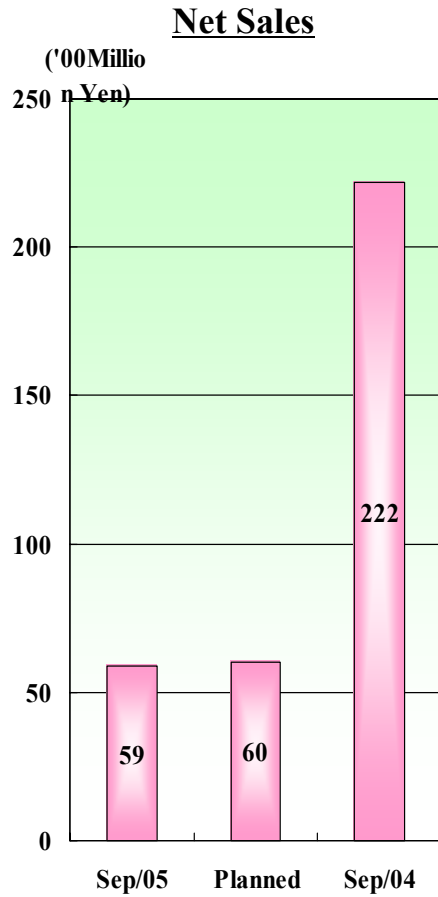


### Topics

1. Amalgamation(4 Companies)
  - Maruha Logistics Network
  - Shin-Nihon Cold
  - Taiyo Reitou
  - Umeda Reizo
2. Cold Storage Warehouse
  - Increased Demand



# Others



## Topics

- Sale of business
  - Sugar
  - Fishing net Manufacturer

Net Sales : -16.7B

Operating Income: -0.3B



## Estimates for March 2006

	March 2006	(March 2005)	<b>06/05</b>
Net Sales	Yen 717.0B	Yen 747.2B	96.0%
Operating Income	Yen 14.0B	Yen 13.4B	104.5%
Ordinary Income	Yen 13.5B	Yen 11.2B	120.5%
Net Income	Yen 4.0B	Yen -15.1B	-

## Cautionary Statements with Respect of Forward-Looking Statements

This material contains forward-looking statements, including projections, plans, policies, management strategies, targets, schedules, understandings and evaluations, about Maruha and its group companies that are not historical facts. These forward-looking statements are based on current forecasts, estimates, assumptions, plans, beliefs and evaluations in light of information currently available to management.

In preparing forecasts and estimates, Maruha and its group companies have used, as their basis, certain assumptions as necessary, in addition to confirmed historical facts. However, due to their nature, there is no guarantee that these statements and assumptions will prove to be accurate in the future. Maruha therefore wishes to caution readers that these statements, facts and certain assumptions are subject to a number of risks and uncertainties and may prove to be inaccurate.

The markets in which Maruha and its group companies operate are highly susceptible to rapid changes. Furthermore, Maruha and its group companies operate not only in Japan, but in many other countries. As such, factors that can have significant effects on its results include, but are not limited to, shifts in technology, demand, prices, competition, economic environments and foreign exchange rates.

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