

Summary of Consolidated Financial Statements for the Fiscal Year Ended March 31, 2010 (Fiscal 2010)

May 13, 2010

These financial statements have been prepared for reference only in accordance with accounting principles and practices generally accepted in Japan.

Stock exchange listing: Tokyo, Osaka

NISSIN FOODS HOLDINGS CO., LTD.

Code number: 2897

URL: <http://www.nissinfoods-holdings.co.jp/>

Representative: Koki Ando, President and CEO (Chief Executive Officer)

Contact: Yukio Yokoyama, CFO (Chief Financial Officer) and Executive Officer

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Scheduled date of general meeting of shareholders: June 29, 2010

Scheduled date of filing of securities report: June 29, 2010

Scheduled date of dividend payment: June 30, 2010

(All amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Fiscal 2010 (Apr. 1, 2009–Mar. 31, 2010)

(1) Operating Results

(% figures represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Fiscal 2010	371,178	2.5	27,341	16.1	32,794	14.1	20,496	29.0
Fiscal 2009	362,057	(6.1)	23,552	(14.9)	28,748	(12.3)	15,890	16.9

	Net income per share (primary)	Net income per share (diluted)	Return on equity	Ordinary income/total assets	Operating income/net sales
	(¥)	(¥)	(%)	(%)	(%)
Fiscal 2010	177.02	176.91	7.5	8.0	7.4
Fiscal 2009	129.98	—	5.7	7.2	6.5

Reference:

Equity in earnings of affiliates:

Fiscal Year ended Mar. 31, 2010: ¥1,471 million, Fiscal Year ended Mar. 31, 2009: ¥765 million

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	(¥ million)	(¥ million)	(%)	(¥)
Fiscal 2010	408,410	271,951	65.2	2,406.26
Fiscal 2009	408,729	285,569	68.4	2,287.21

Reference:

Equity: Fiscal Year Ended March 31, 2010: ¥266,253 million, Fiscal year ended March 31, 2009: ¥279,629 million

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	(¥ million)	(¥ million)	(¥ million)	(¥ million)
Fiscal 2010	40,777	(2,339)	(38,109)	72,688
Fiscal 2009	30,010	(31,829)	(1,865)	71,491

2. Details of Dividends

(Record date)	Cash dividend per share					Total (Annual)	Payout ratio (consolidated)	Ratio of total amount of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
	(¥)	(¥)	(¥)	(¥)	(¥)	(¥ million)	(%)	(%)
Fiscal 2009	—	25.00	—	25.00	50.00	6,112	38.5	2.2
Fiscal 2010	—	25.00	—	35.00	60.00	6,763	33.9	2.6
Fiscal 2011 (Forecast)	—	35.00	—	35.00	70.00		35.2	

Year-end dividend for the Fiscal 2010 includes a commemorative dividend of ¥10 per share for the 100th anniversary of the birth of the late founder.

3. Forecasts of Consolidated Results for the Fiscal 2011 (Apr. 1, 2010–Mar. 31, 2011)

(% figures represent change from the previous year or first half.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
First half of Fiscal 2011	186,000	4.2	14,500	17.0	16,500	4.8	10,000	(4.0)	90.37
Fiscal 2011	390,000	5.1	34,500	26.2	38,000	15.9	22,000	7.3	198.82

4. Others

(1) Changes in principal subsidiaries during the fiscal year (changes in specified subsidiaries which resulted in changes in scope of consolidation): None

Newly consolidated: None Excluded from consolidation: None

(2) Changes in significant accounting policy, procedure and presentation methods for consolidated financial statements.

1) Changes derived from revisions of accounting standards: Yes

2) Changes other than 1): No

(3) The number of shares outstanding (common stock)

1) The number of shares outstanding as of the year-end (including treasury stock)

March 31, 2010 117,463,685 shares

March 31, 2009 127,463,685 shares

2) The number of treasury stock shares outstanding as of the year-end

March 31, 2010 6,813,604 shares

March 31, 2009 5,206,128 shares

Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for Fiscal 2010 (Apr. 1, 2009–Mar. 31, 2010)

1) Operating Results

(% figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Fiscal 2010	17,097	(83.5)	4,819	(47.1)	8,092	(37.4)	9,538	64.5
Fiscal 2009	103,731	(54.5)	9,113	(65.6)	12,918	(57.4)	5,798	(27.6)

	Net income per share (primary) (¥)	Net income per share (diluted) (¥)
Fiscal 2010	82.38	82.33
Fiscal 2009	47.42	—

2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	(¥ million)	(¥ million)	(%)	(¥)
Fiscal 2010	321,101	228,255	71.0	2,061.01
Fiscal 2009	334,419	254,532	76.1	2,081.94

Reference:

Equity: Fiscal Year ended Mar. 31, 2010: ¥228,051 million, Fiscal Year ended Mar. 31, 2009: ¥254,532 million

Note: Effective October 1, 2009, NISSIN FOOD HOLDINGS CO., LTD. (formerly NISSIN FOOD PRODUCTS CO., LTD.) has changed its corporate organization to a holding company structure. Therefore, non-consolidated financial results for fiscal 2010 have completely changed, compared to the results for fiscal 2009.

* Notes for proper use of forecasts and other remarks

Forecasts contain forward-looking statements based on estimates made as of the day of release of these materials. Actual results may differ depending on a number of factors including but not limited to potential risks and uncertainties. The assumptions and other issues related to the above forecasts are described on page 4.

1. Operating Results and Financial Position

(1) Analysis of Operating Results

During the fiscal year under review, the employment situation in Japan remained adverse amid gradual economic deflation. Nevertheless, against a backdrop of government stimulus measures and a gradual recovery in exports, signs of recovery in corporate profits and personal consumption began to appear. The business environment in Japan surrounding the core instant noodle business of the NISSIN FOODS Group (“the Group”) remained adverse due to factors including birthrate decline and population aging and cooling consumer sentiment in response to deflation.

In these circumstances, on January 12, 2010 NISSIN FOODS HOLDINGS CO., LTD. (“the Company”) announced the UNITE FOOD POWERS 2012 medium-term business plan, positioning the three-year period from the fiscal year ending March 31, 2011 as a growth period for the Group.

In Japan, we made active capital investments necessary for the technical innovation that is a key Group strength, implemented quality improvements to the noodles used in existing brands and engaged in the development of next-generation noodles, as exemplified by the launch of *Nissin Futomen Doudou* (straight noodles that are 72% thicker, yet cook as quickly as thin noodles). We also undertook to increase the Group’s brand value by implementing sales initiatives that took advantage of the Group’s marketing power, another key strength.

In overseas markets, operations in North America went into the black as a result of successful price adjustments and a decline in raw materials prices. In China and Asia, although the business was affected by slack consumption in China, active marketing resulted in solid business performance in other Asian markets.

As a result, in the consolidated business results for the fiscal year under review, net sales increased by 2.5% to ¥371,178 million. Operating income rose by 16.1% to ¥27,341 million, ordinary income by 14.1% to ¥32,794 million and net income by 29.0% to a record-high ¥20,496 million, due in part to the profit recovery in North America.

(Consolidated basis; ¥ million)

	Net sales	Operating income	Ordinary income	Net income
FY2010	371,178	27,341	32,794	20,496
FY2009	362,057	23,552	28,748	15,890
Year-on-year change (%)	2.5	16.1	14.1	29.0

(Business Segment Results)

Net sales by category

Category	Consolidated net sales (¥ Million)	Year-on-year change (%)
Pillow-type instant noodles	58,859	0.7
Cup-type instant noodles	218,770	1.8
Chilled and frozen foods	53,766	8.5
Instant noodle and associated business	331,396	2.7
Other business	39,781	1.4
Total	371,178	2.5

1) Instant Noodles and Associated Business

- Pillow-type Instant Noodles

Sales of pillow-type instant noodles in Japan were robust, boosted by a campaign in which NISSIN FOOD PRODUCTS CO., LTD. sold its mainstay product *Chicken Ramen* for ¥35 (special offer limited to 10 million servings) to commemorate the 100th anniversary of the birth of the late founder Momofuku Ando. Although sales of the *Nissin-no-Ramen-ya-san* series fell from the previous year, sales of *Nissin Yakisoba* increased.

At MYOJO FOODS CO., LTD., sales of *MYOJO CHARUMELA* declined year on year, while sales of the *MYOJO HYOUBANYA* series of open price products were flat. In overseas markets, sales increased in Asia as a result of active marketing. Sales also increased in North America, in part due to the impact of price adjustments.

As a result of the above, total net sales from the instant noodle and associated business segment increased by 0.7% to ¥58,859 million.

- Cup-type Instant Noodles

Sales of cup-type instant noodles in Japan were strong. NISSIN FOOD PRODUCTS CO., LTD. expanded customer acceptance of our products with a three-pronged product strategy to satisfy customers who seek brand value or quality, those who place importance on price and customers who seek enjoyment or novelty. In particular, we implemented the “Noodle Reengineering” project launched in the year under review, to leverage our technical innovation and marketing power. We improved the *Nissin Menshokunin* series to realize texture and ease of swallowing comparable to fresh noodles. We applied the “Thick and straight manufacturing method” to improve the *Nissin-no-Donbei* series by introducing the thickest noodles ever used for this brand called *Butto Udon*. As the first new brand introduction since the launch of the project, we introduced the *Nissin Futomen Doudou* series, featuring our thickest noodles, manufactured using the “Thick and straight manufacturing method.” The new series has been popular among consumers who want instant noodles that more closely resemble traditional restaurant noodles.

MYOJO FOODS CO., LTD. actively advertised and promoted its *MYOJO CHARUMELA* and *MYOJO IPPEI-CHAN*

YOMISE NO YAKISOBA series, increasing sales of both brands. The company made a further advancement in its super non-fry preparation technology and improved the texture of *MYOJO Kiwamen* and *MYOJO Non-fry Wantan*, boosting sales of both products. In its overseas business, the company sharply increased sales in North America, primarily for existing brands.

As a result of these developments, net sales from the cup-type instant noodles segment increased by 1.8% year on year to ¥218,770 million.

- Chilled and Frozen Foods

In the chilled and frozen foods business, NISSIN CHILLED FOODS CO., LTD. experienced a decline in revenues partially attributable to flat overall demand for chilled noodle products. Nevertheless, sales of the *Tsukemen-no-Tatsujin* series, which takes full advantage of the tastiness of chilled noodles, developed favorably. NISSIN FROZEN FOODS CO., LTD. increased sales of the *Reito Nissin Spa-O* series and the *Reito Nissin Okonomi Bento* series, and revenue from Nicky Foods Co., Ltd., which was included in the scope of consolidation in the third quarter of the previous fiscal year, increased.

As a result, overall net sales from the Chilled and Frozen Foods segment increased by 8.5% year on year to ¥53,766 million.

In total, net sales from the Instant Noodle and Associated Business category increased by 2.7% to ¥331,396 million, and operating income increased by 13.9% to ¥24,669 million.

- Other Business

NISSIN CISCO CO., LTD. posted a major sales increase driven by sales of the breakfast cereal *Ciscorn BIG* as well as confections such as biscuits and chocolate flake cookies. NISSIN YORK CO., LTD. achieved a sharp increase in beverage sales, partly due to the launch of *Pilkul Life+*, a lactobacillus drink sold in single-serving 200ml paper packs. Restaurant operator AJI-NO-MINGEI FOOD SERVICE CO., LTD. experienced a decrease in revenues on lower customer traffic attributable to economic thriftiness and increased eating at home among Japanese consumers.

As a result, net sales from the Other Business segment increased by 1.4% year on year to ¥39,781 million, and operating income rose by 35.6% to ¥3,358 million.

(Results by Geographic Segment)

- Japan

Sales were strong in Japan, especially in the core instant noodles business. Profits increased in spite of higher costs such as retirement benefit expenses. As a result, net sales increased by 1.9% year on year to ¥317,899 million, and operating income rose by 1.3% to ¥24,058 million.

- North America

In North America, revenue increased on robust sales of existing brands of cup-type and pillow-type instant noodles. As a result of improved profitability, aided by a decline in raw materials prices, the business went into the black on an operating income basis. As a result of these developments, net sales increased by 8.9% year on year to ¥28,459 million, and operating income was ¥1,752 million.

- Other Areas

In the results for other regions, successful sales promotion activities in Asia contributed to a sales increase. Operating income rose as raw materials prices fell sharply worldwide. As a result, net sales increased by 3.5% year on year to ¥24,819 million, and operating income rose by 9.5% to ¥2,130 million.

(Outlook for the Fiscal Year Ending March 31, 2011)

In 2008, the Group implemented a transformation to a holding company structure, developed and implemented a strategic platform and established an organization in which the holding company provides logistics support for seven operating companies in Japan and four overseas business regions.

Maturation of the Japanese market has ushered in an era of momentous change caused by numerous factors, including birthrate decline and population aging, weak consumption, major realignment of the food products and retail industries, an increase in environmental consciousness, the increased influence of developing countries. In this adverse business environment, in order to more fully realize our vision of a branding corporation, we will combine advanced technology, superior marketing power and a strong financial position nurtured in Japan, and actively develop overseas markets.

For the current fiscal year, we forecast a year-on-year increase of 5.1% in net sales to ¥390,000 million. With regard to profit, we have revised the figures in the medium-term business plan upward and project an increase of 26.2% in operating income to ¥34,500 million, an increase of 15.9% in ordinary income to ¥38,000 million and an increase of 7.3% in net income to ¥22,000 million. Projected exchange rates for major currencies used in business results forecasts for overseas subsidiaries are ¥92 to US\$1.00, ¥12 to HK\$1.00 and ¥13 to RMB 1.00.

(2) Analysis of Financial Position

(Assets, Liabilities and Net Assets)

Consolidated total assets at the end of the fiscal year under review decreased by ¥318 million from the previous fiscal year to ¥408,410 million. The change is mainly attributable to a decrease of ¥2,460 million in current assets resulting from a decrease in other accounts receivable and a decrease of ¥6,075 million in investments and other assets resulting from a decrease in investments in securities, which offset an increase of ¥8,146 million in fixed assets resulting from capital investments.

Consolidated total liabilities increased by ¥13,299 million from the previous fiscal year to ¥136,459 million. The change is mainly attributable to an increase of ¥13,945 million in long-term liabilities resulting from increases in long-term borrowings and accrued retirement benefits.

Net assets including minority interests decreased by ¥13,618 million from the previous fiscal year to ¥271,951 million. The change is mainly attributable to the purchase of treasury stock.

The equity ratio decreased from 68.4% the previous fiscal year to 65.2%.

(Cash Flows)

Cash and cash equivalents as of March 31, 2010 increased by ¥1,196 million from the previous fiscal year to ¥72,688 million as net cash provided by operating activities was ¥40,777 million, net cash used in investing activities was ¥2,339 million and net cash used in financing activities was ¥38,109 million. Details are presented below.

- Cash Flows from Operating Activities

Net cash provided by operating activities increased by ¥10,766 million from the previous fiscal year to ¥40,777 million. Principal items are net income before taxes and minority interests of ¥31,154 million and depreciation and amortization of ¥9,577 million. The major factors contributing to cash inflow are an increase of ¥7,782 million in net income before taxes and minority interests and a total ¥4,044 million increase effect from fluctuation of notes and accounts receivable.

- Cash Flows from Investing Activities

Net cash used in investing activities decreased by ¥29,490 million from the previous year to ¥2,339 million. Principal items are payments of ¥15,275 million for purchases of fixed assets, payments of ¥13,870 million for purchases of investments in securities and proceeds of ¥23,551 million from sales and redemption of investments in securities. The major factors contributing to cash outflow are a decrease of ¥46,507 million in payments for purchases of investments in securities and a decrease of ¥12,287 million in proceeds from sales and redemption of investments in securities.

- Cash Flows from Financing Activities

Net cash used in financing activities increased by ¥36,243 million from the previous fiscal year to ¥38,109 million. The principal item is a ¥34,047 million net increase of treasury stocks that increased by ¥34,036 million from the previous year.

Trends in the Company's cash flow indicators are as follows:

		Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010
Equity ratio	(%)	68.7	71.9	68.4	65.2
Equity ratio based on market capitalization	(%)	128.7	104.6	86.7	85.2
Net cash interest-bearing liabilities ratio	(years)	0.2	0.1	0.4	0.3
Interest coverage ratio	(times)	557.9	430.6	357.5	205.4

Notes:

Equity ratio = (Net assets - Minority interests)/Total assets

Equity ratio based on market capitalization = Market capitalization/Total assets

Net cash interest-bearing liabilities ratio = Interest-bearing liabilities/Net cash provided by operating activities

Interest coverage ratio = Net cash provided by operating activities/Interest expenses

* All indicators are calculated on a consolidated basis.

* Market capitalization is calculated on the number of shares outstanding as of the year-end (excluding treasury stocks).

* Net cash is net cash provided by operating activities as reported on the consolidated statements of cash flows.

* Interest-bearing liabilities are all liabilities shown on the consolidated balance sheets on which interest is paid. Interest payment is interest paid as reported on the consolidated statements of cash flows.

(3) Basic Policy on the Distribution of Profits and Forecasted Dividends for the Fiscal Year Ended March 31, 2010 and Fiscal Year Ending March 31, 2011

On the basis of policies outlined below, the Company will seek to continue to pay stable dividends in line with our target of a 40% consolidated payout ratio through the fiscal year ending March 31, 2013.

The Company constantly endeavors to increase the Group's earnings potential, recognizes that increasing corporate value and providing appropriate shareholder returns are the most important management priorities and has a basic policy of providing continuous, stable returns to shareholders while taking into consideration consolidated business results and future capital requirements. With regard to the use of retained earnings, the Company will provide for

capital needs such as capital investments, research and development investments and mergers and acquisitions for the purpose of further increasing corporate value and efficiently invest surplus funds taking into consideration investment risks.

During the fiscal year under review the Company made treasury stock purchases on three occasions, purchasing a total of 11,611,900 shares. On January 28, 2010 the Company retired 10,000,000 shares of treasury stock. As a result, the number of shares outstanding is 117,463,685 shares.

For the year ended March 31, 2010, the Company paid an interim dividend of ¥25 per share in November 2009 and plans to pay a commemorative dividend of ¥10 per share to commemorate the 100th anniversary of the birth of the late founder Momofuku Ando and a year-end dividend of ¥25 per share, for an annual dividend of ¥60 per share.

For the year ending March 31, 2011, the Company plans to increase the dividend by ¥10 per share and pay an annual dividend of ¥70 per share (including an interim dividend of ¥35 per share), which will result in a payout ratio of 35.2%.

2. Management Policies

(1) Basic Management Policy

The Group has adopted as its Group principle “EARTH FOOD CREATOR,” which is grounded in the founding philosophies “Peace will come to the world when people have enough to eat,” “Eating smart will enhance beauty and health” and “The creation of food will serve society.” In the coming years, the Group will explore the potential of various types of food, create visionary flavor and contribute to society and the global environment by providing people with the joy and delight of food. Moreover, as a comprehensive food manufacturer, the Company will constantly endeavor to create and nurture the top brand in each business category with the aim of being a “branding corporation” comprising a strong assortment of market-leading brands. In this way, we will strive to secure and enhance corporate value and the commensurate return for shareholders while building a more solid business base.

(2) Medium- to Long-term Management Strategies

On January 12, 2010 the Company announced the UNITE FOOD POWERS 2012 medium-term business plan, positioning the three-year period from the fiscal year ending March 31, 2011 as a growth period for the Group. A summary of UNITE FOOD POWERS 2012 follows.

In 2008, the Group implemented a transformation to a holding company structure, developed and implemented a strategic platform and established an organization in which the holding company provides logistics support for seven operating companies in Japan and four overseas business regions.

Maturation of the Japanese market has ushered in an era of momentous change caused by numerous factors, including birthrate decline and population aging, weak consumption, major realignment of the food products and retail industries, an increase in environmental consciousness, the increased influence of developing countries. In this adverse business environment, in order to more fully realize our vision of a branding corporation, we will combine advanced technology, superior marketing power and a strong financial position nurtured in Japan, and actively develop overseas markets.

Numerical targets in the medium-term business plan are as follows:

	(¥ billion)		
	Fiscal 2011	Fiscal 2012	Fiscal 2013
Consolidated net sales	3,900	4,100	4,300
Operating income	320	320	355
Ordinary income	350	355	400
Net income	200	235	250
EBITDA	460	480	515
EPS	¥173	¥203	¥216
ROE	7.1%	7.9%	8.0%

*EBITDA = Operating income + depreciation and amortization

Please visit the following URLs to obtain the relevant disclosure documents.

Nissin Foods corporate website:

<http://www.nissinfoods-holdings.co.jp/english/>

Tokyo Stock Exchange website (listed company information search page)

<http://www.tse.or.jp/english/index.html>

(3) Company Initiatives

The most important task for a food manufacturer is the pursuit of food safety, and the Company has always made this its fundamental policy in development and production. With the aim of reinforcing the quality management systems, the Group has established the Food Safety Research Institute and Nissin (Shanghai) Food Safety R&D Co., Ltd. and put in place an inspection system to ensure food safety.

With respect to initiatives to address environmental problems, the Group is converting many of its plants to fuel gas and reducing CO₂ emissions to achieve the environmental targets for fiscal 2011 in the medium-term environmental targets. In the area of product development, we are proceeding with efforts to expand and enhance the line of refill products and convert to paper containers.

With regard to CSR activities, we are implementing the Hyakufukushi Project to engage in a total of 100 social contribution activities during the next 50 years launched in 2008 on the occasion of the 50th anniversary.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of Mar. 31, 2009	As of Mar. 31, 2010
Assets		
Current assets		
Cash and deposits	65,902	67,304
Notes and accounts receivable—trade	44,456	43,606
Marketable securities	17,647	22,653
Finished goods and merchandise	8,235	7,666
Raw materials and supplies	6,990	6,805
Deferred income taxes	4,089	4,434
Other	11,414	3,639
Less: Allowance for doubtful receivables	(466)	(299)
Total current assets	158,270	155,810
Fixed assets		
Tangible fixed assets		
Building and structures, net	29,586	30,662
Machinery, equipment and vehicles, net	21,110	26,328
Tools and fixtures, net	1,480	1,935
Land	46,943	46,946
Leased assets, net	184	336
Construction in progress	1,300	2,301
Other, net	525	767
Total tangible fixed assets	101,131	109,278
Intangible fixed assets		
Goodwill	4,327	4,149
Other	452	701
Total intangible fixed assets	4,779	4,850
Investments and other assets		
Investments in securities	130,134	119,287
Other investments	6,154	7,391
Long-term loans	1,138	1,764
Deferred income taxes	5,271	7,895
Other	2,557	2,504
Less: Allowance for doubtful accounts	(709)	(370)
Total investments and other assets	144,547	138,471
Total fixed assets	250,458	252,600
Total assets	408,729	408,410

	As of Mar. 31, 2009	As of Mar. 31, 2010
Liabilities		
Current liabilities		
Notes and accounts payable—trade	43,163	40,400
Short-term borrowings	4,636	2,030
Accrued payables	19,066	19,240
Lease liabilities within one year	16	50
Accrued income taxes	7,425	7,982
Other current liabilities	14,425	18,384
Total current liabilities	88,733	88,088
Long-term liabilities		
Long-term borrowings	5,380	9,869
Lease liabilities beyond one year	61	152
Deferred tax liabilities	7,110	9,479
Deferred income taxes on land revaluation	3,510	3,409
Accrued retirement benefits to employees	15,260	22,470
Other long-term liabilities	3,102	2,990
Total long-term liabilities	34,425	48,371
Total liabilities	123,159	136,459
Net assets		
Shareholders' equity		
Common stock	25,122	25,122
Additional paid-in capital	49,755	48,416
Retained earnings	235,052	223,857
Less: Treasury stock, at cost	(14,355)	(20,448)
Total shareholders' equity	295,575	276,948
Valuation and translation adjustments and other		
Net unrealized holding gain (loss) on securities	(477)	3,587
Land revaluation reserve	(7,532)	(7,682)
Translation adjustments	(7,935)	(6,600)
Total valuation and translation adjustments and other	(15,946)	(10,695)
Stock options	—	204
Minority interests	5,940	5,494
Total net assets	285,569	271,951
Total liabilities and net assets	408,729	408,410

(2) Consolidated Statements of Income

(Millions of Yen)

	Year ended March 31, 2009	Year ended March 31, 2010
Net sales	362,057	371,178
Cost of sales	202,304	203,037
Gross profit	159,752	168,141
Selling, general and administrative expenses	136,200	140,799
Operating income	23,552	27,341
Non-operating income		
Interest income	1,761	1,316
Dividend income	2,903	1,595
Gain on sales of marketable securities	1,926	872
Equity in earnings of affiliates	765	1,471
Foreign currency exchange gain	—	221
Other non-operating income	823	727
Total non-operating income	8,181	6,205
Non-operating expenses		
Interest expenses	83	198
Loss on sales of securities	41	—
Foreign currency exchange loss	2,176	—
Other non-operating expenses	682	553
Total non-operating expenses	2,984	751
Ordinary income	28,748	32,794
Extraordinary gains		
Gain on sales of fixed assets	349	12
Gain on sales of investments in securities	137	15
Reversal of allowance for doubtful accounts	—	102
Other extraordinary gains	12	5
Total extraordinary gains	499	136
Extraordinary losses		
Loss on sales of fixed assets	554	14
Loss on disposal of fixed assets	315	459
Loss on impairment of fixed assets	124	416
Loss on devaluation of investments in securities	4,630	4
Loss on devaluation of investments in affiliates	—	562
Loss on liquidation of subsidiaries	—	175
Other extraordinary losses	251	144
Total extraordinary losses	5,876	1,776
Income before income taxes and minority interests	23,372	31,154
Current income taxes	9,223	13,254
Deferred income taxes	(1,837)	(2,983)
Total income taxes	7,385	10,270
Minority interests in earnings of consolidated subsidiaries	96	388
Net income	15,890	20,496

(3) Consolidated Statements of Changes in Net Assets

(Millions of Yen)

	Year ended March 31, 2009	Year ended March 31, 2010
Shareholder's equity		
Common stock		
Balance at the beginning of the year	25,122	25,122
Increase (decrease) during the year		
Total increase (decrease) during the year	—	—
Balance at the end of the year	25,122	25,122
Additional paid-in capital		
Balance at the beginning of the year	49,754	49,755
Increase (decrease) during the year		
Sales of treasury stock	0	(0)
Cancellation of treasury stock	—	(1,338)
Total increase (decrease) during the year	0	(1,339)
Balance at the end of the year	49,755	48,416
Retained earnings		
Balance at the beginning of the year	225,269	235,052
Increase (decrease) during the year		
Dividends from retained earnings	(6,112)	(5,947)
Net income	15,890	20,496
Cancellation of treasury stock	—	(26,600)
Reversal of land revaluation reserve	—	149
Increase due to addition of consolidated subsidiaries	—	703
Decrease due to addition of consolidated subsidiaries	—	(2)
Other increase in retained earnings	5	6
Total increase (decrease) during the year	9,783	(11,194)
Balance at the end of the year	235,052	223,857
Treasury stock, at cost		
Balance at the beginning of the year	(14,342)	(14,355)
Increase (decrease) during the year		
Purchase of treasury stock	(15)	(34,048)
Sales of treasury stock	3	16
Cancellation of treasury stock	—	27,939
Total increase (decrease) during the year	(12)	(6,092)
Balance at the end of the year	(14,355)	(20,448)
Total shareholders' equity		
Balance at the beginning of the year	285,803	295,575
Increase (decrease) during the year		
Dividends from retained earnings	(6,112)	(5,947)
Net income	15,890	20,496
Purchase of treasury stock	(15)	(34,048)
Sales of treasury stock	4	15
Reversal of land revaluation reserve	—	149
Increase due to addition of consolidated subsidiaries	—	703
Decrease due to addition of consolidated subsidiaries	—	(2)
Other increase in retained earnings	5	6
Total increase (decrease) during the year	9,771	(18,626)
Balance at the end of the year	295,575	276,948

(Millions of Yen)

	Year ended March 31, 2009	Year ended March 31, 2010
Valuation and translation adjustment and other		
Net unrealized holding gain on securities		
Balance at the beginning of the year	3,589	(477)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	(4,067)	4,065
Total increase (decrease) during the year	(4,067)	4,065
Balance at the end of the year	(477)	3,587
Land revaluation reserve		
Balance at the beginning of the year	(7,532)	(7,532)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	—	(149)
Total increase (decrease) during the year	—	(149)
Balance at the end of the year	(7,532)	(7,682)
Translation adjustments		
Balance at the beginning of the year	605	(7,935)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	(8,541)	1,335
Total increase (decrease) during the year	(8,541)	1,335
Balance at the end of the year	(7,935)	(6,600)
Total valuation and translation adjustments and other		
Balance at the beginning of the year	(3,337)	(15,946)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	(12,608)	5,250
Total increase (decrease) during the year	(12,608)	5,250
Balance at the end of the year	(15,946)	(10,695)
Stock options		
Balance at the beginning of the year	—	—
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	—	204
Total increase (decrease) during the year	—	204
Balance at the end of the year	—	204
Minority interests		
Balance at the beginning of the year	6,377	5,940
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	(437)	(446)
Total increase (decrease) during the year	(437)	(446)
Balance at the end of the year	5,940	5,494

(Millions of Yen)

	Year ended March 31, 2009	Year ended March 31, 2010
Total net assets		
Balance at the beginning of the year	288,844	285,569
Increase (decrease) during the year		
Dividends from retained earnings	(6,112)	(5,947)
Net income	15,890	20,496
Purchase of treasury stock	(15)	(34,048)
Sales of treasury stock	4	15
Reversal of land revaluation reserve	—	149
Increase due to addition of consolidated subsidiaries	—	703
Decrease due to addition of consolidated subsidiaries	—	(2)
Other increase in retained earnings	5	6
Net increase (decrease) during the year except those included in shareholders' equity	(13,046)	5,008
Total increase (decrease) during the year	(3,274)	(13,618)
Balance at the end of the year	285,569	271,951

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended March 31, 2009	Year ended March 31, 2010
Cash flows from operating activities		
Income before income taxes and minority interests	23,372	31,154
Depreciation and amortization	7,973	9,577
Loss on impairment of fixed assets	124	416
Increase (decrease) in allowance for doubtful receivables	(21)	(510)
Increase (decrease) in accrued retirement benefits to employees	6,555	7,161
Increase (decrease) in accrued retirement benefits to directors and statutory auditors	(6)	—
Interest and dividend income	(4,665)	(2,911)
Interest expenses	83	198
Foreign currency exchange (gain) loss	1,454	(192)
Equity in earnings of affiliates	(765)	(1,471)
Loss on disposal and sales of property, plant and equipment	519	461
Gain on sales of marketable securities and investments in securities and others	(2,022)	(829)
Loss on valuation of marketable securities and investments in securities and others	4,719	589
(Increase) decrease in trade notes and accounts receivable	(2,734)	1,310
(Increase) decrease in inventories	(1,065)	829
Increase (decrease) in trade notes and accounts payable	4,808	(2,871)
Decrease in accrued payables	(672)	(167)
Other, net	2,377	1,744
Subtotal	40,036	44,490
Interest and dividends received	3,570	4,220
Interest paid	(83)	(198)
Income taxes paid	(13,512)	(12,798)
Income taxes refunded	—	5,063
Net cash provided by operating activities	30,010	40,777
Cash flows from investing activities		
Increase in time deposits	(807)	(1,775)
Proceeds from redemption of time deposits	3,000	210
Payment for purchases of marketable securities	(2,000)	(0)
Proceeds from sales and redemption of marketable securities	12,002	7,302
Payment for purchases of property, plant and equipment and others	(18,215)	(15,275)
Proceeds from sales of property, plant and equipment and others	1,060	48
Payment for purchases of investments in securities	(60,377)	(13,870)
Proceeds from sales and redemption of investments in securities	35,838	23,551
Payment for purchases of additional shares of consolidated subsidiaries and others	(2,199)	(1,350)
Expenditure of loans receivable	(153)	(1,433)
Collection of loans receivable	21	253
Net cash used in investing activities	(31,829)	(2,339)

(Millions of Yen)

	Year ended March 31, 2009	Year ended March 31, 2010
Cash flows from financing activities		
Net decrease in short-term borrowings	(466)	(2,617)
Proceeds from long-term borrowings	5,380	5,800
Repayment of long-term borrowings	(668)	(1,284)
Repayment for redemption of bonds	(40)	(10)
Net increase in treasury stock	(11)	(34,047)
Cash dividends paid	(6,112)	(5,947)
Cash dividends paid to minority shareholders	(23)	(61)
Other, net	77	58
Net cash used in financing activities	(1,865)	(38,109)
Effect of exchange rate changes on cash and cash equivalents	(3,597)	237
Net increase (decrease) in cash and cash equivalents	(7,282)	565
Cash and cash equivalents at beginning of the period	78,774	71,491
Increase in cash and cash equivalents arising from initial consolidation of subsidiaries	—	631
Cash and cash equivalents at end of the period	71,491	72,688

(5) Segment Information

a) Information by business segment

Year ended March 31, 2009

(Millions of Yen)

	Instant noodle and associated business	Other business	Total	Eliminations or corporate	Consolidated
I. Sales and operating income :					
(1) Sales to third parties	322,836	39,220	362,057	—	362,057
(2) Intersegment sales	3	6,257	6,260	(6,260)	—
Total	322,840	45,477	368,317	(6,260)	362,057
Operating expenses	301,185	42,999	344,185	(5,680)	338,504
Operating income	21,654	2,477	24,132	(579)	23,552
II. Total assets, depreciation and amortization, loss on impairment of fixed assets and capital investment:					
Total assets	219,722	26,950	246,673	162,055	408,729
Depreciation and amortization	6,847	846	7,693	280	7,973
Loss on impairment of fixed assets	81	43	124	—	124
Capital investment	10,709	1,560	12,269	5,302	17,572

(Notes)

- The Group's businesses are classified into two segments principally based on product types and characteristics.
- Major products of each business segment:
Instant noodle and associated business—pillow-type instant noodles, cup-type instant noodles, chilled foods, and frozen foods
Other business—confectionary, beverages, and food service business
- Operating expenses under "Eliminations or corporate" that cannot be allocated to any particular segment amounted to ¥6,788 million and consisted of mainly payroll cost in the back office division, general expenses and amortization of goodwill.
- Total assets under "Eliminations or corporate" that cannot be allocated to any particular segment amounted to ¥208,835 million, and consisted of mainly surplus investment fund (including cash and marketable securities), long-term investment fund (including investments in securities) and, assets associated with the back office division and goodwill.

Year ended March 31, 2010

(Millions of Yen)

	Instant noodle and associated business	Other business	Total	Eliminations or corporate	Consolidated
I. Sales and operating income :					
(1) Sales to third parties	331,396	39,781	371,178	—	371,178
(2) Intersegment sales	—	8,842	8,842	(8,842)	—
Total	331,396	48,623	380,020	(8,842)	371,178
Operating expenses	306,727	45,264	351,992	(8,155)	343,836
Operating income	24,669	3,358	28,028	(686)	27,341
II. Total assets, depreciation and amortization, loss on impairment of fixed assets and capital investment:					
Total assets	181,505	29,513	211,018	197,392	408,410
Depreciation and amortization	7,863	1,178	9,042	535	9,577
Loss on impairment of fixed assets	63	85	149	266	416
Capital investment	15,178	2,847	18,026	421	18,447

(Notes)

- The Group's businesses are classified into two segments principally based on product types and characteristics.
- Major products of each business segment:
Instant noodle and associated business—pillow-type instant noodles, cup-type instant noodles, chilled foods, and frozen foods
Other business—confectionary, beverages, and food service business
- Operating expenses under "Eliminations or corporate" that cannot be allocated to any particular segment amounted to ¥686 million and consisted of mainly amortization of goodwill.
- Total assets under "Eliminations or corporate" that cannot be allocated to any particular segment amounted to ¥199,101 million, and consisted of mainly surplus investment fund (including cash and marketable securities), long-term investment fund (including investments in securities) and, assets associated with the back office division and goodwill.
- On November 1, 2009, the Company and certain of its domestic consolidated subsidiaries obtained approval from the Ministry of Health, Labour and Welfare for exemption from the payment of future benefit obligations with respect to the substitutional portion of governmental welfare pension plans. As a result, operating expenses of "Instant noodle and associated business" decreased by ¥859 million, and operating income increased by the same amount.

b) Information by geographic segment

Year ended March 31, 2009

(Millions of Yen)

	Japan	North America	Other areas	Total	Eliminations or corporate	Consolidated
I. Sales and operating income (loss) :						
(1) Sales to third parties	311,954	26,126	23,976	362,057	—	362,057
(2) Intersegment sales	1,266	13	205	1,485	(1,485)	—
Total	313,220	26,140	24,182	363,543	(1,485)	362,057
Operating expenses	289,473	27,622	22,237	339,333	(828)	338,504
Operating income (loss)	23,746	(1,481)	1,944	24,209	(657)	23,552
II. Total assets	179,501	10,209	29,905	219,616	189,112	408,729

(Notes)

1. Classification of the countries or regions is based on geographical proximity.
2. Major countries and regions included in areas other than Japan:
North America—The U.S.A. and Mexico
Other areas—China, Germany and Hungary
3. Operating expense under “Eliminations or corporate” that cannot be allocated to any particular segment amounted to ¥6,788 million, consisted of mainly payroll costs in the back office division, general expenses and amortization of goodwill.
4. Total assets under “Eliminations or corporate” that cannot be allocated to any particular segment amounted to ¥208,835 million, and consisted of mainly surplus investment funds (including cash and marketable securities), long-term investment funds (including investments in securities), assets associated with the back office division and goodwill.

Year ended March 31, 2010

(Millions of Yen)

	Japan	North America	Other areas	Total	Eliminations or corporate	Consolidated
I. Sales and operating income:						
(1) Sales to third parties	317,899	28,459	24,819	371,178	—	371,178
(2) Intersegment sales	1,351	—	—	1,351	(1,351)	—
Total	319,251	28,459	24,819	372,530	(1,351)	371,178
Operating expenses	295,192	26,706	22,689	344,588	(751)	343,836
Operating income	24,058	1,752	2,130	27,941	(599)	27,341
II. Total assets	185,785	11,869	32,295	229,951	178,459	408,410

(Notes)

1. Classification of the countries or regions is based on geographical proximity.
2. Major countries and regions included in areas other than Japan:
North America—The U.S.A. and Mexico
Other areas—China, Germany and Hungary
3. Operating expense under “Eliminations or corporate” that cannot be allocated to any particular segment amounted to ¥686 million, consisted of mainly amortization of goodwill.
4. Total assets under “Eliminations or corporate” that cannot be allocated to any particular segment amounted to ¥199,101 million, and consisted of mainly surplus investment funds (including cash and marketable securities), long-term investment funds (including investments in securities), assets associated with the back office division and goodwill.
5. On November 1, 2009, the Company and certain of its domestic consolidated subsidiaries obtained approval from the Ministry of Health, Labour and Welfare for exemption from the payment of future benefit obligations with respect to the substitutional portion of governmental welfare pension plans. As a result, operating expenses of “Japan” decreased by ¥859 million, and operating income increased by the same amount.

c) Overseas sales

Year ended March 31, 2009

(Millions of Yen)

	North America	Other areas	Total
I. Overseas sales	26,599	24,553	51,152
II. Consolidated sales			362,057
III. Overseas sales as a percentage of consolidated sales (%)	7.4	6.8	14.1

Year ended March 31, 2010

(Millions of Yen)

	North America	Other areas	Total
I. Overseas sales	28,614	25,314	53,928
II. Consolidated sales			371,178
III. Overseas sales as a percentage of consolidated sales (%)	7.7	6.8	14.5

(Notes)

1. Classification of the countries or regions is based on geographical proximity.
2. Principal countries classified in the above regions:
 North America—The U.S.A. and Mexico
 Other areas—China and Germany
3. Overseas sales represent the sum total of sales to the overseas market outside Japan by the Company and its consolidated subsidiaries.