

Summary of Consolidated Financial Statements for Fiscal Year Ended March 31, 2011 (Fiscal 2011)

[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, Director and CFO (Chief Financial Officer)

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Scheduled date of general meeting of shareholders: June 29, 2011

Scheduled date of dividend payment: June 30, 2011

Scheduled date for filing of securities report: June 29, 2011

Holding of financial results meeting: Yes (for investment analysts and institutional investors)

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

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

(1) Operating Results

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

	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Fiscal 2011	374,932	1.0	34,537	26.3	36,418	11.0	20,756	1.3
Fiscal 2010	371,178	2.5	27,341	16.1	32,794	14.1	20,496	29.0

(Note)

Comprehensive income: Fiscal Year ended Mar. 31, 2011: ¥13,238 million (down 49.7%); Fiscal year ended Mar. 31, 2010: ¥26,323 million

	Net income per share (primary) (¥)	Net income per share (diluted) (¥)	Return on equity (%)	Ordinary income/total assets (%)	Operating income/net sales (%)
Fiscal 2011	187.56	187.30	7.7	8.9	9.2
Fiscal 2010	177.02	176.91	7.5	8.0	7.4

(Reference)

Equity in earnings of affiliates: Fiscal Year ended Mar. 31, 2011: ¥1,510 million; Fiscal Year ended Mar. 31, 2010: ¥1,471 million

(2) Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Equity ratio (%)	Net assets per share (¥)
Fiscal 2011	409,748	277,595	66.3	2,454.67
Fiscal 2010	408,410	271,951	65.2	2,406.26

(Reference)

Equity: Fiscal Year Ended Mar. 31, 2011: ¥271,654 million; Fiscal year ended Mar. 31, 2010: ¥266,253 million

(3) Cash Flows

	Cash flows from operating activities (¥ million)	Cash flows from investing activities (¥ million)	Cash flows from financing activities (¥ million)	Cash and cash equivalents at end of year (¥ million)
Fiscal 2011	29,258	(33,440)	(4,710)	61,957
Fiscal 2010	40,777	(2,339)	(38,109)	72,688

2. Details of Dividends

(Record date)	Cash dividend per share					Total (Annual) (¥ million)	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 (¥)			
Fiscal 2010	—	25.00	—	35.00	60.00	6,763	33.9	2.6
Fiscal 2011	—	35.00	—	35.00	70.00	7,746	37.3	2.9
Fiscal 2012 (Forecast)	—	40.00	—	35.00	75.00		39.5	

Interim dividend for the Fiscal 2012 includes a commemorative dividend of ¥5 per share for the 40th anniversary of the launch of *Cup Noodle*.

3. Forecasts of Consolidated Results for the Fiscal 2012 (Apr. 1, 2011–Mar. 31, 2012)

(% 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 2012	187,500	6.6	10,000	(30.5)	12,000	(21.4)	10,400	9.2	93.97
Fiscal 2012	395,000	5.4	26,000	(24.7)	28,000	(23.1)	21,000	1.2	189.76

4. Others

(1) Changes in principal subsidiaries during the fiscal year (changes in specified subsidiaries which resulted in changes in the 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): Yes

(3) Number of shares outstanding (common stock)

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

March 31, 2011 117,463,685 shares

March 31, 2010 117,463,685 shares

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

March 31, 2011 6,795,554 shares

March 31, 2010 6,813,604 shares

3) Average number of shares outstanding during the period

Year ended March 31, 2011 110,665,423 shares

Year ended March 31, 2010 115,787,649 shares

(Reference) Summary of non-consolidated financial results

1. Non-consolidated financial results for Fiscal 2011 (Apr. 1, 2010–Mar. 31, 2011)

1) Operating Results

(% figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Fiscal 2011	20,690	21.0	6,642	37.8	7,559	(6.6)	7,387	(22.6)
Fiscal 2010	17,097	(83.5)	4,819	(47.1)	8,092	(37.4)	9,538	64.5

	Net income per share (primary)		Net income per share (diluted)	
	(¥)	(¥)	(¥)	(¥)
Fiscal 2011	66.76	66.66	66.66	66.66
Fiscal 2010	82.38	82.33	82.33	82.33

2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	(¥ million)	(¥ million)	(%)	(¥)
Fiscal 2011	315,312	225,176	71.3	2,030.83
Fiscal 2010	321,101	228,255	71.0	2,061.01

(Reference)

Equity: Fiscal Year ended Mar. 31, 2011: ¥224,748 million; Fiscal Year ended Mar. 31, 2010: ¥228,051 million

* Notes for the implementation status of audit processes

This Summary of Consolidated Financial Statements is not subject to the audit process under the Financial Instruments and Exchange Act. As of the day of the disclosure of this release, the audit procedures under the Financial Instruments and Exchange Act had not been completed.

* 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 materially 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

We begin by remembering those who lost their lives in the Great East Japan Earthquake on March 11 and express our heartfelt sympathy to all victims of the disaster. We look forward to the early reconstruction of the affected areas.

During the fiscal year under review, the Japanese economy remained uncertain, with downward risks such as unstable political trends overseas, the appreciation of the yen, and rising raw material prices lingering through the period. Employment conditions and the income environment remained weak, despite improved earnings and increased capital spending at some companies. The domestic Japanese economy is becoming even more uncertain, in light of the expected aftermath of the earthquake in March 11, including the issue of power shortages.

The instant noodle industry, the core business of the NISSIN FOODS Group (“the Group”), confronted a severe operating environment, facing record high temperatures in summer and rising raw material prices. Consumers continued to favor low-priced products, taking a more cost-conscious approach in the moderately deflationary environment that persisted through the year, although there was a temporary increase in demand related to the disaster.

In these difficult sales circumstances, the Group continued to develop products tailored to diversified consumer needs and sought to increase its brand value by launching *Myojo Kiwamen* followed by the new *Nissin Ra-O*, investing aggressively to exert our strengths in advanced technology. With respect to the effect of the Great East Japan Earthquake, although the Company’s subsidiaries suffered damages to some of their plants and offices, losses were minor.

As a result, in the consolidated results for the fiscal year under review, net sales increased 1.0% from the previous fiscal year, to ¥374,932 million. Operating income rose 26.3%, to ¥34,537 million, and ordinary income climbed 11.0%, to ¥36,418 million, while net income increased a modest 1.3%, to ¥20,756 million, influenced somewhat by the posting of losses of ¥976 million associated with the Great East Japan Earthquake.

Consolidated results

(Millions of yen)

	FY2010	FY2011	Year on year	
	From April 1, 2009 to March 31, 2010	From April 1, 2010 to March 31, 2011	Amount	%
Net sales	371,178	374,932	+3,753	+1.0
Operating income	27,341	34,537	+7,196	+26.3
Ordinary income	32,794	36,418	+3,623	+11.0
Net income	20,496	20,756	+259	+1.3

The following is an overview of performance by reportable segment:

(i) Nissin Foods Products

NISSIN FOOD PRODUCTS CO., LTD. has been moving forward with initiatives to create new demand with the proposal of product value that meets consumer expectations.

Looking at sales in the fiscal year under review, although the operating environment was difficult in the first half, partly attributable to record temperatures in summer, products using a three-layer thick noodle manufacturing technology, such as the revamped *Nissin Ra-O* series launched in September, the *Nissin-no-Donbei* series, and the *Nissin Futomen Doudou* series, proved popular with consumers. Sales of the *Nissin Menshokunin* series were up substantially from the previous fiscal year, thanks to active initiatives including the display of more products in stores.

Cup Noodle Gohan, an instant pot rice cooked with a microwave, which was launched only in the Kinki area in August 2010, outperformed expectations.

As a result, net sales in this segment stood at ¥196,080 million, and the segment income came to ¥22,773 million.

(ii) Myojo Foods

MYOJO FOODS CO., LTD. has been developing products that provide customers with a strong feeling of value compatible with the price, promoting refresh policies through an improvement of product quality with the aim of increasing brand value.

Sales remained firm in the fiscal year under review as the segment renewed *Myojo Charumera*, which celebrated the 45th anniversary of its launch in September 2010, based on the theme of a “major renovation in the 45th year.” The segment also sought to improve the quality of *Myojo Ipppeichan Yomise no Yakisoba*. In addition, MYOJO FOODS entered the vertical, big-sized, cup-type instant noodle market and launched new products beginning with *Myojo Yataino Ramen Ipppeichan Roasted Soy Sauce And Pork Flavor* in August. As a consequence, the segment was able to achieve stable sales in this market.

As a result, net sales in this segment came to ¥42,569 million, and segment income reached ¥2,427 million.

(iii) Chilled and frozen foods

Of the products of NISSIN CHILLED FOODS CO., LTD., sales of *Tsukemen* products such as the *Tsukemen no Tatsujin* series and the *Yumeiten Tsukemen* series remained firm throughout the year, as did sales of local *yakisoba* series including *Yokote-fuu Yakisoba* and *Kitami-fuu Shioyakisoba*. In addition, the *Tomato Ramen* series, a new type of *ramen* with tomato soup, were also well received by consumers.

Of the products of NISSIN FROZEN FOODS CO., LTD., sales of the *Reito Nissin Spa-O Premium* series, whose concept of a premier finish with reasonable price matched customer needs, the *Reito Nissin-no Ramen-ya-san Plus* series, and *Reito Nissin Tokumasa Curry Udon* were firm. Sales of local *yakisoba* series such as *Reito Nissin Yokote-fuu Yakisoba* and *Reito Nissin Kitami-fuu Shioyakisoba* also remained strong, backed by a local B-class gourmet boom.

As a consequence, net sales and income in this segment were ¥51,353 million and ¥1,814 million, respectively.

(iv) The Americas

Sales declined in the Americas, reflecting the struggle in selling *Cup Noodles*, although sales of *Top Ramen*, *CHOW MEIN*, *Bowl Noodles*, and *Super Meal* remained firm. Segment income declined because of the smaller sales volume of *Cup Noodles* and falling retail prices.

As a result, net sales in this segment were ¥26,454 million, and segment income was ¥1,376 million.

(v) China

Net sales in the China business increased, as sales of high-priced products remains solid, although sales of existing pillow-type instant noodle products and frozen foods declined. Segment income decreased given adverse factors such as rising raw material prices and an increase in selling expenses.

As a result, net sales in this segment were ¥18,373 million, while segment income was ¥988 million.

Net sales and income in the “Other” reported segment were ¥40,100 million and ¥1,748 million, respectively.

Net sales and segment income in reported segments

(Millions of yen)

	Net sales	Segment income
	FY2011	FY2011
Nissin Food Products	196,080	22,773
Myojo Foods	42,569	2,427
Chilled and frozen foods	51,353	1,814
The Americas	26,454	1,376
China	18,373	988
Other	40,100	1,748
Total	374,932	31,129

(Note) Segment income is adjusted with operating income in consolidated statements of income.

(Outlook for the Fiscal Year Ending March 31, 2012)

For the fiscal year ending March 31, 2012, we expect continued economic instability in Japan, given factors such as the prolonged weakness of the economy, the Great East Japan Earthquake and the accident at the Fukushima Daiichi Nuclear Power Plant.

In this environment, the Group will continue to make efforts to increase its brand value and provide products with even greater added-value.

With respect to operating results for the fiscal year ending March 31, 2012, we forecast a year-on-year increase of 5.4% in net sales, to ¥395,000 million. With respect to profit, we anticipate a fall of 24.7% in operating income, to ¥26,000 million, a decline of 23.1% in ordinary income, to ¥28,000 million, and an increase of 1.2% in net income, to ¥21,000 million.

Projected exchange rates for major currencies used in results forecasts for overseas subsidiaries are ¥81 to US\$1.00, ¥10 to HK\$1.00, and ¥12 to RMB 1.00.

If raw material prices rise sharply and a massive blackout and other events occur as a result of power shortages in the Eastern Japan region in the future, they could have an impact on the results forecasts above, and these figures may change.

(2) Analysis of Financial Position

(Assets, Liabilities, Net Assets)

The financial position as of March 31, 2011 is as follows:

(Assets)

Total assets rose ¥1,338 million from the end of the previous fiscal year, to ¥409,748 million. This change is mainly attributable to a decline in current assets of ¥11,683 million due to a fall in cash and deposits and marketable securities and a decrease in investments and other assets of ¥3,196 million from a drop in investments in securities, which were outweighed by an increase in tangible fixed assets of ¥16,604 million as a result of investments in plant and equipment.

(Liabilities)

Total liabilities fell ¥4,305 million from the end of the previous fiscal year to ¥132,153 million. This was attributable chiefly to a decrease in accrued retirement benefits to employees of ¥6,151 million, which offset an increase in long-term borrowings of ¥3,111 million.

(Net Assets)

Net assets rose ¥5,644 million from the end of the previous fiscal year to ¥277,595 million, mainly as a result of an increase in retained earnings of ¥12,973 million outweighing a decline in accumulated other comprehensive income of ¥7,626 million, which in turn reflected falls in net unrealized holding gain (loss) on securities and translation adjustments.

As a result, the equity ratio rose from 65.2% at the end of the previous fiscal year, to 66.3%.

(Cash Flows)

Consolidated cash and cash equivalents (hereinafter called net cash) at the end of the fiscal year under review stood at ¥61,957 million, a decline of ¥10,730 million from the end of the previous fiscal year, as net cash provided by operating activities was ¥29,258 million, net cash used in investing activities was ¥33,440 million, and net cash used in financial activities was ¥4,710 million. Details are presented below.

(Millions of yen)

	Previous fiscal year	Fiscal year under review	Change
	From April 1, 2009 to March 31, 2010	From April 1, 2010 to March 31, 2011	
Cash flows from operating activities	40,777	29,258	(11,518)
Cash flows from investing activities	(2,339)	(33,440)	(31,100)
Cash flows from financing activities	(38,109)	(4,710)	+33,399
Effect of exchange rate changes on cash and cash equivalents	237	(1,862)	(2,099)
Net increase (decrease) in cash and cash equivalents	565	(10,754)	(11,319)
Cash and cash equivalents at beginning of the period	71,491	72,688	+1,196
Increase in cash and cash equivalents arising from initial consolidation of subsidiaries	631	—	(631)
Increase in cash and cash equivalents arising from merger	—	23	+23
Cash and cash equivalents at end of the period	72,688	61,957	(10,730)

(Cash Flows from Operating Activities)

Net cash provided by operating activities decreased by ¥11,518 million from the previous fiscal year, to ¥29,258 million. Principal items are net income before taxes and minority interests of ¥34,683 million, depreciation and amortization of ¥12,827 million, and income taxes paid of ¥13,580 million. The major factor contributing to the decrease in cash flow is a fall of ¥13,089 million in accrued retirement benefits to employees, despite an increase of ¥3,528 million in net income before taxes and minority interests.

(Cash Flows from Investing Activities)

Net cash used in investing activities stood at ¥33,440 million, a fall in net cash of ¥31,100 million from the previous fiscal year. The principal item is payments of ¥32,328 million for purchases of tangible fixed assets. The major factors contributing to the fall in cash flow are an increase of ¥17,052 million for purchases of tangible fixed assets and a decrease of ¥18,526 million in proceeds from sales of investments in securities.

(Cash Flows from Financing Activities)

Net cash used in financing activities was ¥4,710 million, an increase in net cash of ¥33,399 million from the previous fiscal year. Principal items are cash dividends paid of ¥7,746 million and proceeds from long-term borrowings of ¥4,650 million. The major factor contributing to the increase in cash flow is payments of ¥34,047 million for the purchase of treasury stock posted in the previous fiscal year.

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

		Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011
Equity ratio	(%)	71.9	68.4	65.2	66.3
Equity ratio based on market capitalization	(%)	104.6	86.7	85.2	79.2
Net cash interest-bearing liabilities ratio	(years)	0.1	0.4	0.3	0.5
Interest coverage ratio	(times)	430.6	357.5	205.4	136.7

(Notes)

Equity ratio = (Net assets – Stock options - 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 Forecast Dividends for the Fiscal Year Ended March 31, 2011 and Fiscal Year Ending March 31, 2012

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, recognizing growth in corporate value and the provision of appropriate shareholder returns as the most important management priorities. Our basic policy is to provide continuous, stable returns to shareholders while taking business results and future capital requirements into consideration.

With respect to the use of retained earnings, we will provide for capital needs such as capital investments, R&D spending, and M&A, for the purpose of further increasing corporate value and efficiently investing surplus funds with investment risks taken into account.

For the year ended March 31, 2011, the Company plans to pay a year-end dividend of ¥35 per share, for an annual dividend of ¥70 per share combined with an interim dividend of ¥35 per share paid in November 2010.

For the year ending March 31, 2012, the Company plans to pay a commemorative dividend of ¥5 per share at the time of interim dividends to commemorate the 40th anniversary of the launch of *Cup Noodle* due on September 18, 2011, as well as an annual dividend of ¥75 per share (including an interim dividend of ¥40 per share), resulting in a payout ratio of 39.5%.

2. Status of Corporate Group

The disclosure of the status of the Corporate Group is omitted as there is no significant change from the “Business Flow Diagram (Details of Business)” and the “Status of Affiliated Companies” in the most recent securities report (submitted on June 29, 2010).

3. Management Policies

The disclosure of (1) Basic Management Policy and (2) Medium- and Long-Term Management Strategies is omitted as there is no significant change from the information disclosed in the summary of consolidated financial statements for the fiscal year ended March 31, 2010 (published on May 13, 2010).

A summary of consolidated financial statements for the fiscal year ended March 31, 2010 is posted on the following websites.

(Homepage of NISSIN FOODS HOLDINGS)

<http://www.nissinfoods-holdings.co.jp/ir/index.html>

(Homepage of the Tokyo Stock Exchange (Company Search))

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

(3) Company Initiatives

Based on one of its founding philosophy of *SHOKUI SEISHOKU* (“Working with food is a sacred occupation”), the Group recognizes that it has a social mission to fulfill as a food company and is committed to quickly delivering *Cup Noodles* and other valuable products to consumers as emergency aid at times of disaster.

As part of its corporate social responsibility (CSR) activities, the Group is seeking to build a trusted corporate group through social action programs including dietary education and disaster-relief activities. Following the recent earthquake in Japan, the Group was involved in support activities, quickly delivering one million *Cup Noodles* to the affected areas as emergency aid and dispatching seven kitchen cars with a hot-water supply function. In a second round of emergency aid, we delivered an additional one million *Cup Noodles* and other products to the affected areas, based on contributions collected from officers and employees of the Group. We have also been conducting support and reconstruction assistance activities in cooperation with the World Instant Noodles Association.

With respect to the electric power supply problem in the months ahead, we will endeavor to save power across the Group by streamlining the production systems.

The pursuit of food safety, the most important task of a food company, has consistently been the fundamental policy of the Company in development and production since its foundation. The Group will continue to strengthen quality management systems and establish its own quality assurance system.

In our initiatives to address environmental problems, we will proceed with efforts to expand and enhance the line of refill products and convert to paper containers.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of Mar. 31, 2010	As of Mar. 31, 2011
Assets		
Current assets		
Cash and deposits	67,304	56,651
Notes and accounts receivable—trade	43,606	47,125
Marketable securities	22,653	16,841
Finished goods and merchandise	7,666	6,845
Raw materials and supplies	6,805	7,448
Deferred income taxes	4,434	5,393
Other	3,639	4,066
Less: Allowance for doubtful receivables	(299)	(246)
Total current assets	<u>155,810</u>	<u>144,127</u>
Fixed assets		
Tangible fixed assets		
Building and structures, net	30,662	33,347
Machinery, equipment and vehicles, net	26,328	36,420
Tools and fixtures, net	1,935	2,197
Land	46,946	49,542
Leased assets, net	336	407
Construction in progress	2,301	2,975
Other, net	767	990
Total tangible fixed assets	<u>109,278</u>	<u>125,882</u>
Intangible fixed assets		
Goodwill	4,149	3,399
Other	701	1,065
Total intangible fixed assets	<u>4,850</u>	<u>4,465</u>
Investments and other assets		
Investments in securities	119,287	115,927
Other investments	7,391	10,399
Long-term loans	1,764	1,670
Deferred income taxes	7,895	5,455
Other	2,504	2,168
Less: Allowance for doubtful accounts	(370)	(346)
Total investments and other assets	<u>138,471</u>	<u>135,274</u>
Total fixed assets	<u>252,600</u>	<u>265,621</u>
Total assets	<u>408,410</u>	<u>409,748</u>

	As of Mar. 31, 2010	As of Mar. 31, 2011
Liabilities		
Current liabilities		
Notes and accounts payable—trade	40,400	41,422
Short-term borrowings	2,030	1,692
Accrued payables	19,240	19,676
Lease liabilities within one year	50	62
Accrued income taxes	7,982	7,268
Other	18,384	17,532
Total current liabilities	88,088	87,655
Long-term liabilities		
Long-term borrowings	9,869	12,980
Lease liabilities beyond one year	152	160
Asset retirement obligations	—	91
Deferred tax liabilities	9,479	8,420
Deferred income taxes on land revaluation	3,409	3,409
Accrued retirement benefits to employees	22,470	16,318
Other	2,990	3,118
Total long-term liabilities	48,371	44,498
Total liabilities	136,459	132,153
Net assets		
Shareholders' equity		
Common stock	25,122	25,122
Additional paid-in capital	48,416	48,416
Retained earnings	223,857	236,831
Less: Treasury stock, at cost	(20,448)	(20,393)
Total shareholders' equity	276,948	289,976
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,587	380
Land revaluation reserve	(7,682)	(7,649)
Translation adjustments	(6,600)	(11,053)
Total accumulated other comprehensive income	(10,695)	(18,322)
Stock options	204	428
Minority interests	5,494	5,512
Total net assets	271,951	277,595
Total liabilities and net assets	408,410	409,748

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statements of Income)

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Net sales	371,178	374,932
Cost of sales	203,037	203,202
Gross profit	168,141	171,729
Selling, general and administrative expenses	140,799	137,192
Operating income	27,341	34,537
Non-operating income		
Interest income	1,316	1,023
Dividend income	1,595	1,652
Gain on sales of marketable securities	872	—
Equity in earnings of affiliates	1,471	1,510
Foreign currency exchange gain	221	—
Other non-operating income	727	585
Total non-operating income	6,205	4,772
Non-operating expenses		
Interest expenses	198	214
Foreign currency exchange loss	—	2,312
Other non-operating expenses	553	364
Total non-operating expenses	751	2,891
Ordinary income	32,794	36,418
Extraordinary gains		
Gain on sales of fixed assets	12	15
Gain on sales of investments in securities	15	848
Reversal of allowance for doubtful accounts	102	—
Other extraordinary gains	5	140
Total extraordinary gains	136	1,004
Extraordinary losses		
Loss on sales of fixed assets	14	6
Loss on disposal of fixed assets	459	723
Loss on impairment of fixed assets	416	151
Loss on devaluation of investments in securities	4	438
Loss on devaluation of investments in affiliates	562	330
Loss on liquidation of subsidiaries	175	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	67
Loss on disaster	—	976
Other extraordinary losses	144	45
Total extraordinary losses	1,776	2,739
Income before income taxes and minority interests	31,154	34,683
Current income taxes	13,254	11,522
Deferred income taxes	(2,983)	2,074
Total income taxes	10,270	13,597
Income before minority interests	—	21,085
Minority interests in earnings of consolidated subsidiaries	388	329
Net income	20,496	20,756

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Income before minority interests	—	21,085
Other comprehensive income		
Valuation difference on available-for-sale securities	—	(3,244)
Translation adjustment	—	(3,169)
Share of other comprehensive income of affiliates	—	(1,433)
Total other comprehensive income	—	(7,847)
Comprehensive Income	—	13,238
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	—	13,096
Comprehensive income attributable to minority interests	—	141

(3) Consolidated Statements of Changes in Net Assets

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
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	49,755	48,416
Increase (decrease) during the year		
Sales of treasury stock	(0)	(9)
Cancellation of treasury stock	(1,338)	—
Transfer from retained earnings	—	9
Total increase (decrease) during the year	(1,339)	—
Balance at the end of the year	48,416	48,416
Retained earnings		
Balance at the beginning of the year	235,052	223,857
Increase (decrease) during the year		
Dividends from retained earnings	(5,947)	(7,746)
Net income	20,496	20,756
Cancellation of treasury stock	(26,600)	—
Transfer to additional paid-in capital	—	(9)
Reversal of land revaluation reserve	149	(32)
Increase due to addition of consolidated subsidiaries	703	—
Decrease due to addition of consolidated subsidiaries	(2)	—
Other increase in retained earnings	6	6
Total increase (decrease) during the year	(11,194)	12,973
Balance at the end of the year	223,857	236,831
Treasury stock, at cost		
Balance at the beginning of the year	(14,355)	(20,448)
Increase (decrease) during the year		
Purchase of treasury stock	(34,048)	(4)
Sales of treasury stock	16	58
Cancellation of treasury stock	27,939	—
Total increase (decrease) during the year	(6,092)	54
Balance at the end of the year	(20,448)	(20,393)
Total shareholders' equity		
Balance at the beginning of the year	295,575	276,948
Increase (decrease) during the year		
Dividends from retained earnings	(5,947)	(7,746)
Net income	20,496	20,756
Purchase of treasury stock	(34,048)	(4)
Sales of treasury stock	15	48
Reversal of land revaluation reserve	149	(32)
Increase due to addition of consolidated subsidiaries	703	—
Decrease due to addition of consolidated subsidiaries	(2)	—
Other increase in retained earnings	6	6
Total increase (decrease) during the year	(18,626)	13,027
Balance at the end of the year	276,948	289,976

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Accumulated other comprehensive income		
Net unrealized holding gain (loss) on securities		
Balance at the beginning of the year	(477)	3,587
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	4,065	(3,206)
Total increase (decrease) during the year	4,065	(3,206)
Balance at the end of the year	3,587	380
Land revaluation reserve		
Balance at the beginning of the year	(7,532)	(7,682)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	(149)	32
Total increase (decrease) during the year	(149)	32
Balance at the end of the year	(7,682)	(7,649)
Translation adjustments		
Balance at the beginning of the year	(7,935)	(6,600)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	1,335	(4,453)
Total increase (decrease) during the year	1,335	(4,453)
Balance at the end of the year	(6,600)	(11,053)
Total accumulated other comprehensive income		
Balance at the beginning of the year	(15,946)	(10,695)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	5,250	(7,626)
Total increase (decrease) during the year	5,250	(7,626)
Balance at the end of the year	(10,695)	(18,322)
Stock options		
Balance at the beginning of the year	—	204
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	204	224
Total increase (decrease) during the year	204	224
Balance at the end of the year	204	428
Minority interests		
Balance at the beginning of the year	5,940	5,494
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	(446)	18
Total increase (decrease) during the year	(446)	18
Balance at the end of the year	5,494	5,512

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Total net assets		
Balance at the beginning of the year	285,569	271,951
Increase (decrease) during the year		
Dividends from retained earnings	(5,947)	(7,746)
Net income	20,496	20,756
Purchase of treasury stock	(34,048)	(4)
Sales of treasury stock	15	48
Reversal of land revaluation reserve	149	(32)
Increase due to addition of consolidated subsidiaries	703	—
Decrease due to addition of consolidated subsidiaries	(2)	—
Other increase in retained earnings	6	6
Net increase (decrease) during the year except those included in shareholders' equity	5,008	(7,383)
Total increase (decrease) during the year	(13,618)	5,644
Balance at the end of the year	271,951	277,595

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Cash flows from operating activities		
Income before income taxes and minority interests	31,154	34,683
Depreciation and amortization	9,577	12,827
Loss on impairment of fixed assets	416	151
Increase (decrease) in allowance for doubtful receivables	(510)	(63)
Increase (decrease) in accrued retirement benefits to employees	7,161	(5,928)
Interest and dividend income	(2,911)	(2,676)
Interest expenses	198	214
Foreign currency exchange (gain) loss	(192)	780
Equity in earnings of affiliates	(1,471)	(1,510)
Loss (gain) on disposal and sales of property, plant and equipment	461	714
Loss (gain) on sales of marketable securities, investments in securities and other	(829)	(848)
Loss (gain) on valuation of marketable securities, investments in securities and other	589	807
(Increase) decrease in trade notes and accounts receivable	1,310	(4,068)
(Increase) decrease in inventories	829	(190)
Increase (decrease) in trade notes and accounts payable	(2,871)	1,363
Increase (decrease) in accrued payable	(167)	760
Other, net	1,744	1,509
Subtotal	44,490	38,527
Interest and dividends received	4,220	3,001
Interest paid	(198)	(214)
Income taxes paid	(12,798)	(13,580)
Income taxes refunded	5,063	1,523
Net cash provided by operating activities	40,777	29,258
Cash flows from investing activities		
Increase in time deposits	(1,775)	(3,351)
Proceeds from redemption of time deposits	210	4,514
Payment for purchases of marketable securities	(0)	(0)
Proceeds from sales and redemption of marketable securities	7,302	10,805
Payment for purchases of property, plant and equipment and others	(15,275)	(32,328)
Proceeds from sales of property, plant and equipment and others	48	53
Payment for purchases of investments in securities	(13,870)	(17,302)
Proceeds from sales and redemption of investments in securities	23,551	5,024
Payment for purchases of additional shares of consolidated subsidiaries and others	(1,350)	—
Expenditure of loans receivable	(1,433)	(992)
Collection of loans receivable	253	136
Net cash used in investing activities	(2,339)	(33,440)

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Cash flows from financing activities		
Net decrease in short-term borrowings	(2,617)	(280)
Proceeds from long-term borrowings	5,800	4,650
Repayment of long-term borrowings	(1,284)	(1,200)
Repayment for redemption of bonds	(10)	—
Net increase in treasury stock	(34,047)	(3)
Cash dividends paid	(5,947)	(7,746)
Cash dividends paid to minority shareholders	(61)	(18)
Other, net	58	(110)
Net cash used in financing activities	(38,109)	(4,710)
Effect of exchange rate changes on cash and cash equivalents	237	(1,862)
Net increase (decrease) in cash and cash equivalents	565	(10,754)
Cash and cash equivalents at beginning of the period	71,491	72,688
Increase in cash and cash equivalents arising from initial consolidation of subsidiaries	631	—
Increase in cash and cash equivalents arising from merger	—	23
Cash and cash equivalents at end of the period	72,688	61,957

(5) Segment Information

Effective beginning of the year ending March 31, 2011, the Company adopted “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No.17, March 27, 2009) and “Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related information” (ASBJ Guidance No. 20, March 21, 2008).

a) Overview of reportable segments

Reportable segments comprise a company and/or companies whose operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Adopting a holding company structure with seven operating companies in Japan and four overseas business regions, the company classifies its reportable segments as “Nissin Food Products,” “Myojo Foods,” “Chilled and frozen foods,” “The Americas” and “China.” The business areas of reportable segments are Cup- and pillow-type noodle manufacturing and marketing for “Nissin Food Products,” “Myojo Foods,” “The America” and “China” and Chilled and frozen food manufacturing and marketing for “Chilled and frozen food.”

b) Net sales, income or loss, assets and other items by reportable segments

Year ended March 31, 2011

(Millions of Yen)

	Nissin Food Products	Myojo Foods	Chilled and frozen foods	The Americas	China	Subtotal	Others *1	Total	Adjustment *2 *4	Consolidated *3
Net sales										
Sales to third party	196,080	42,569	51,353	26,454	18,373	334,831	40,100	374,932	—	374,932
Intersegment sales	718	1,093	533	—	180	2,526	15,146	17,673	(17,673)	—
Total	196,799	43,663	51,886	26,454	18,554	337,358	55,247	392,605	(17,673)	374,932
Segment income	22,773	2,427	1,814	1,376	988	29,380	1,748	31,129	3,408	34,537
Segment assets	131,686	47,999	27,184	11,865	25,900	244,637	87,460	332,098	77,650	409,748
Other items										
Depreciation and Amortization	7,405	1,073	966	654	454	10,554	2,272	12,827	—	12,827
Investment in affiliates	—	—	—	—	—	—	28,832	28,832	—	28,832
Capital Investment	15,915	1,045	1,987	1,364	1,075	21,388	9,421	30,810	(0)	30,810

(Notes)

1. “Others” are operating segments not included in reportable segments and include domestic confectionary, beverages and food service business and overseas business in Europe and Asia.
2. Operating income under “Adjustment” amounted to ¥3,408 million, consisting of ¥4,042 million from retirement benefit expenses, (¥750 million) from the amortization of goodwill and ¥115 million from other items including elimination of intersegment transactions.
3. Segment income is adjusted to operating income of Consolidated Statements of Income.
4. Segment assets under “Adjustment” amounted to ¥77,650 million, consisting of corporate assets. Corporate assets mainly consisted of ¥69,254 million of surplus investment funds, ¥3,399 million of goodwill, and ¥4,996 million of other investments.

Year ended March 31, 2010

(Millions of Yen)

	Nissin Food Products	Myojo Foods	Chilled and frozen foods	The Americas	China	Subtotal	Others *1	Total	Adjustment *2 *4	Consolidated *3
Net sales										
Sales to third party	190,984	44,389	49,585	28,459	18,309	331,728	39,450	371,178	—	371,178
Intersegment sales	1,111	1,213	530	—	313	3,169	15,012	18,181	(18,181)	—
Total	192,096	45,603	50,115	28,459	18,622	334,897	54,462	389,359	(18,181)	371,178
Segment income	24,241	2,745	1,725	1,723	1,746	32,181	2,951	35,133	(7,791)	27,341
Segment assets	128,022	48,826	26,320	11,843	27,412	242,425	56,337	298,762	109,647	408,410
Other items										
Depreciation and Amortization	5,081	1,006	800	588	399	7,876	1,700	9,577	—	9,577
Investment in affiliates	—	—	—	—	—	—	7,197	7,197	—	7,197
Capital Investment	10,943	826	1,120	1,245	938	15,075	3,436	18,511	(64)	18,447

(Notes)

1. "Others" are operating segments not included in reportable segments and include domestic confectionary, beverages and food service business and overseas business in Europe and Asia.
2. Operating income under "Adjustment" amounted to minus ¥7,791 million, consisting of (¥7,226 million) from retirement benefit expenses, (¥686 million) from the amortization of goodwill and ¥121 million from other items including elimination of intersegment transactions.
3. Segment income is adjusted to operating income of Consolidated Statements of Income.
4. Segment assets under "Adjustment" amounted to ¥109,647 million, consisting of corporate assets.
Corporate assets mainly consisted of ¥104,184 million of surplus investment funds, ¥4,149 million of goodwill, and ¥1,313 million of other investments.