



April 27, 2012

## Summary of Consolidated Financial Statements for the year ended March 31, 2012

[Prepared under Japanese GAAP, UNAUDITED]

### NISSIN FOODS HOLDINGS CO., LTD.

Code number: 2897  
 Stock exchange listing: Tokyo, Osaka  
 URL: <http://www.nissinfoods-holdings.co.jp/>  
 Phone: +81-3-3205-5111  
 Representative: Koki Ando, President and CEO  
 Contact: Yukio Yokoyama, Director and CFO  
 Scheduled date of general meeting of shareholders: June 28, 2012  
 Scheduled date for filing of securities report: June 28, 2012  
 Scheduled date of dividend payment: June 29, 2012  
 Preparation of supplementary documents: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

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

### 1. Consolidated Financial Results for the Fiscal 2012 (April 1, 2011–March 31, 2012)

#### (1) Operating Results

(% figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Fiscal 2012	380,674	1.5	26,211	(24.1)	28,099	(22.8)	18,538	(10.7)
Fiscal 2011	374,932	1.0	34,537	26.3	36,418	11.0	20,756	1.3

Note: Comprehensive income: Fiscal 2012: ¥18,540 million (up 40.1%); Fiscal 2011: ¥13,238 million (down 49.7%)

	Net income per share (primary)	Net income per share (diluted)	Return on equity	Ordinary income/total assets	Operating income/net sales (%)
	(¥)	(¥)	(%)	(%)	
Fiscal 2012	167.97	167.59	6.7	6.8	6.9
Fiscal 2011	187.56	187.30	7.7	8.9	9.2

Reference: Equity in earnings of affiliates: Fiscal 2012: ¥1,146 million; Fiscal 2011: ¥1,510 million

#### (2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	(¥ million)	(¥ million)	(%)	(¥)
Fiscal 2012	414,717	286,657	67.6	2,545.31
Fiscal 2011	409,748	277,595	66.3	2,454.67

Reference: Shareholders' equity as of March 31, 2012: ¥280,423 million, as of March 31, 2011: ¥271,654 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 2012	32,604	(12,831)	(9,442)	71,740
Fiscal 2011	29,258	(33,440)	(4,710)	61,957

## 2. Details of Dividends

	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 2011	—	35.00	—	35.00	70.00	7,746	37.3	2.9
Fiscal 2012	—	40.00	—	35.00	75.00	8,262	44.7	3.0
Fiscal 2013 (Forecast)	—	40.00	—	35.00	75.00		43.5	

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

The interim dividend for Fiscal 2013 consists solely of ordinary dividend.

## 3. Forecasts of Consolidated Results for the Fiscal 2013 (April 1, 2012–March 31, 2013)

(% figures represent changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share (¥)
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	
1 <sup>st</sup> Half of Fiscal 2013	190,000	5.5	9,500	(21.1)	10,500	(20.5)	7,000	(34.1)	63.54
Fiscal 2013	400,000	5.1	27,000	3.0	30,000	6.8	19,000	2.5	172.46

## 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 due to revisions of accounting standards: None

2) Changes other than 1): None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Number of shares outstanding (common stock)

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

Fiscal 2012 117,463,685 shares

Fiscal 2011 117,463,685 shares

2) Number of shares of treasury stock outstanding as of the end of:

Fiscal 2012 7,291,193 shares

Fiscal 2011 6,795,554 shares

3) Average number of shares outstanding during the period:

Fiscal 2012 110,367,235 shares

Fiscal 2011 110,665,423 shares

### \*Notes for the implementation status of audit process

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

During the fiscal year under review, the Japanese economy faced a severe situation in the first half of the year, given the effects of the restrictions in the electric power supply and the accident at the nuclear power plant. However, the economy gradually began to recover in the second half of the year. Overall, with concerns lingering over the economic slowdown linked to the debt crisis in Europe, the surge in crude oil prices, and the strong yen, economic conditions remained severe.

In the instant noodle industry, the core business of the NISSIN FOODS Group, the market was revitalized by a temporary increase in demand in the wake of the earthquake and the aggressive introduction of new products by competitors from the summer. However, given the surge in prices of wheat and other raw materials, the industry experienced an increasingly severe business environment.

In this environment, to respond to the diversifying needs of consumers, the Company continued to focus on product development by taking advantage of the Group's technical strength, and sought to further strengthen its brand value. To deal with the rapid growth of the overseas instant noodle market, particularly in emerging economies, the Company is also continuing to execute its global strategies with an emphasis on speed.

As a result, in the consolidated results for the fiscal year under review, net sales increased 1.5% from the previous fiscal year, to ¥380,674 million. Operating income fell 24.1%, to ¥26,211 million, and ordinary income decreased 22.8%, to ¥28,099 million, while net income declined 10.7%, to ¥18,538 million.

Consolidated results	(Millions of yen)			
	Fiscal 2011	Fiscal 2012	Year on year	
			Amount	%
Net sales	374,932	380,674	5,742	1.5
Operating income	34,537	26,211	(8,325)	(24.1)
Ordinary income	36,418	28,099	(8,319)	(22.8)
Net income	20,756	18,538	(2,217)	(10.7)

The following is an overview of performance by reportable segment:

### (i) Nissin Food Products

At the beginning of the fiscal year under review, the Company made a strong effort to supply its products on a priority basis to support the victims of the Great East Japan Earthquake, which struck on March 11, 2011. After the earthquake, as consumers again realized the importance of instant noodles as foods at the time of an emergency, sales of the *Cup Noodle* series and the *Nissin-no-Donbei* series continued to grow steadily. As a result of support from consumers for the extended period, the *Cup Noodle* series commemorated the 40th anniversary of their launch, and accumulated domestic sales exceeded 20 billion units in the fiscal year under review.

New proposal-type products that had been developed using new technologies also contributed to the higher sales. Particularly, in the *Cup Noodle Gohan* series, *Nissin Yakisoba U.F.O. Sobameshi*, which was launched nationwide in March, attracted a great deal of attention from consumers.

As a result, net sales in this reportable segment stood at ¥199,284 million, up 1.6% year on year. The segment income came to ¥20,516 million, a decrease of 9.9% from the previous fiscal year.

### (ii) Myojo Foods

During the fiscal year under review, sales of the *MYOJO CHARUMERA* series, the main brand of Myojo Foods, remained steady through the year. In particular, *MYOJO CHARUMERA CHANPON*, which was launched in September 2011, achieved great popularity by proposing a new cooking method in which noodles and soup are cooked together. Sales of the *MYOJO CHUKAZANMAI* series, which offers an authentic Chinese flavor, rose significantly, as did those of the *YAMUCHAZANMAI* series, a range of healthy cupped soup with harusame noodles that is easily prepared yet tasty. However, with a slump in sales of open price products, such as the *HYOBANYA* and *DESSE* series, overall sales declined from the previous fiscal year.

As a result, net sales in this reportable segment stood at ¥42,005 million, down 1.3% year on year. The segment income came to ¥2,753 million, an increase of 13.4% from the previous fiscal year, mainly reflecting a cutback in advertising expenses.

### (iii) Chilled and frozen foods

Of the products of NISSIN CHILLED FOODS CO., LTD., sales of *Chukafu Ryanmen*, the mainstay of chilled products, remained strong in the first half of the year. Meanwhile, the *Chukazanmai Hiyashichuka* series, a chilled product manufactured based on the flavor of *CHUKAZANMAI*, the pillow-type instant noodles of MYOJO FOODS CO., LTD., enjoyed robust popularity. Sales of the *Gyoretsu-no-Dekiru-Mise-no-Ramen* series, a long seller brand that was celebrating its 15th year, and those of *Hiruzen-Fu Yakisoba*, a reproduction of the menu that won the B-1 Grand prix, among other products were also strong.

Sales of NISSIN FROZEN FOODS CO., LTD. rose, largely reflecting the extremely strong sales of the *Reito Nissin Spa-O Premium* series, a product popular with housewives as a weekday lunch, and the *Reito Nissin Spa-O Chef's Premium* series, a high-end authentic pasta product that consumers can enjoy at home. Sales of *Reito Nissin Futomen Doudou Tsukemen* were also steady. This product uses extra-thick straight noodles that have a pleasantly chewy and satisfying texture that had never been available in the market before.

As a result, net sales in this reportable segment, chilled and frozen foods, stood at ¥53,434 million, up 4.1% year on year. Segment income, however, fell 13.8% from the previous fiscal year, to ¥1,565 million.

(iv) The Americas

In the Americas, sales of *Top Ramen*, *Cup Noodles*, *Bowl Noodles*, and *Big Cup Noodles*, a new product, were solid. However, principally reflecting the effects of exchange rate fluctuations, net sales in this reportable segment, the Americas, declined 7.6% year on year, to ¥24,431 million. The segment loss stood at ¥340 million, due to the surge in prices of raw materials such as wheat.

(v) China

In China, sales of *Hap Mei Do*, *Kai Bei Le* and other cup-type instant noodles were strong, despite effects of exchange rates. As a result, net sales in this reportable segment, China, stood at ¥18,694 million, up 1.7% year on year. Segment income rose 5.5% from the previous fiscal year, to ¥1,042 million, despite the surge in prices of raw materials and higher sales costs from active sales promotion.

Net sales in the "Other" reported segment were ¥42,825 million, up 6.8% year on year. Segment income rose 17.7% from the previous fiscal year, to ¥2,058 million.

Net sales and segment income in reported segments (Millions of yen)

	Net sales		Change	Segment income or loss		Change
	FY2011	FY2012		FY2011	FY2012	
Nissin Food Products	196,080	199,284	+3,203	22,773	20,516	(2,256)
Myojo Foods	42,569	42,005	(564)	2,427	2,753	+325
Chilled and frozen foods	51,353	53,434	+2,081	1,814	1,565	(249)
The Americas	26,454	24,431	(2,023)	1,376	(340)	(1,717)
China	18,373	18,694	+321	988	1,042	+53
Other	40,100	42,825	+2,724	1,748	2,058	+309
Total	374,932	380,674	+5,742	31,129	27,595	(3,534)

Note: Segment income is reconciled to operating income of the consolidated statements of income.

(Outlook for the Fiscal Year Ending March 31, 2013)

In the fiscal year ending March 31, 2013, although the Japanese economy is likely to stage a gradual recovery on the strength of demand related to reconstruction from the earthquake and a recovery in the employment situation, its outlook is likely to remain uncertain, influenced by the effects of the debt crisis in Europe and the prolonged appreciation of the yen and surge in crude oil prices.

Domestic consumption remains steady at present, but the population is steadily declining and clearly aging, while consumers' needs have been diversifying.

In this environment, the NISSIN FOODS Group will develop products that meet consumers' needs, and will create proposal-type products by drawing on the Group's superior technological strength. Through these initiatives, the Group will strive to further improve its brand value. It will also continue to take steps to respond to the rapidly growing overseas instant noodles market, mainly in emerging economies.

With respect to operating results for the fiscal year ending March 31, 2013, we forecast a year on year increase of 5.1% in net sales, to ¥400,000 million. With respect to profit, we project a rise of 3.0% in operating income, to ¥27,000 million, an increase of 6.8% in ordinary income, to ¥30,000 million, and a rise of 2.5% in net income, to ¥19,000 million.

Projected exchange rates for major currencies used in results forecasts for overseas subsidiaries are ¥78 to US\$1.00, ¥10 to HK\$1.00, and ¥12 to CNY1.00.

## (2) Analysis of Financial Position

### (Assets, Liabilities, Net Assets)

The financial position as of March 31, 2012 is as follows:

#### (Assets)

Total assets increased ¥4,968 million from the end of the previous fiscal year, to ¥414,717 million. This change was mainly attributable to an increase in current assets of ¥7,688 million, chiefly due to a rise in cash and deposits, which outweighed a decline of ¥2,671 million in investments and other assets, mainly reflecting the reversal of deferred tax assets as a result of retirement benefits payments and the revision of tax laws.

#### (Liabilities)

Total liabilities fell ¥4,093 million from the end of the previous fiscal year, to ¥128,060 million. This fall reflected a decline of ¥7,303 million in long-term liabilities, chiefly attributable to a decline in accrued retirement benefits to employees, offsetting a rise of ¥3,210 million in current liabilities, mainly reflecting an increase in payables.

#### (Net Assets)

Net assets rose ¥9,061 million from the end of the previous fiscal year, to ¥286,657 million. This increase chiefly reflected an increase of ¥10,307 in retained earnings.

As a result, the equity ratio rose from 66.3% at the end of the previous fiscal year, to 67.6%.

#### (Cash Flows)

Consolidated cash and cash equivalents (hereinafter called net cash) at the end of the fiscal year under review stood at ¥71,740 million, an increase of ¥9,783 from the end of the previous fiscal year, as net cash provided by operating activities was ¥32,604 million, while net cash used in investing activities was ¥12,831 million, and net cash used in financing activities was ¥9,442 million. Details are presented below:

(Millions of yen)

	Fiscal 2011	Fiscal 2012	Change
Cash flows from operating activities	29,258	32,604	+3,346
Cash flows from investing activities	(33,440)	(12,831)	+20,948
Cash flows from financing activities	(4,710)	(9,442)	(4,731)
Effect of exchange rate changes on cash and cash equivalents	(1,862)	(547)	+1,314
Net increase (decrease) in cash and cash equivalents	(10,754)	9,783	+20,537
Cash and cash equivalents at beginning of the period	72,688	61,957	(10,730)
Increase in cash and cash equivalents arising from merger	23	—	(23)
Cash and cash equivalents at end of the year	61,957	71,740	+9,783

#### (Cash Flows from Operating Activities)

Net cash provided by operating activities increased by ¥3,346 million from the previous fiscal year, to ¥32,604 million. Principal items are net income before taxes and minority interests of ¥31,620 million, depreciation and amortization of ¥14,955 million, and income taxes paid of ¥12,607 million. The major factor contributing to the increase in cash flow is a rise of ¥2,127 million in depreciation and amortization.

#### (Cash Flows from Investing Activities)

Net cash used in investing activities stood at ¥12,831 million, an increase in net cash of ¥20,948 million from the previous fiscal year. The principal items are proceeds from sales and redemption of marketable securities of ¥6,751 million, and payments for purchases of property, plant and equipment and others of ¥19,187 million. The major factors contributing to the increase in cash flow are declines in payments for purchases of property, plant and equipment and others of ¥13,140 million, and in payments for purchases of investments in securities of ¥12,146 million.

#### (Cash Flows from Financing Activities)

Net cash used in financing activities was ¥9,442 million, a decrease in net cash of ¥4,731 million from the previous fiscal year. The principal item is cash dividends paid of ¥8,280 million. The major factors contributing to the decrease in cash flow are a decline of ¥2,996 in the proceeds from long-term borrowings, and an increase of ¥1,473 million in payments for the purchase of treasury stock.

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

		Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012
Equity ratio	(%)	68.4	65.2	66.3	67.6
Equity ratio based on market capitalization	(%)	86.7	85.2	79.2	82.2
Net cash interest-bearing liabilities ratio	(years)	0.4	0.3	0.5	0.5
Interest coverage ratio	(times)	357.5	205.4	136.7	150.0

(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

Interest coverage ratio = Net cash / 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, 2012 and Fiscal Year Ending March 31, 2013

The Company constantly endeavors to increase the Group's earnings potential, recognizing growth in the corporate value and the provision of appropriate shareholder returns as the most important management priorities. Our basic policy is to provide continuous and 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 will efficiently invest surplus funds with investment risks taken into account.

For the year ended March 31, 2012, the Company plans to pay a year-end dividend of ¥35 per share, for an annual dividend of ¥75 per share combined with an interim dividend of ¥40 per share paid in November 2011.

For the year ending March 31, 2013, the Company plans to pay an ordinary annual dividend of ¥75 per share (including an interim dividend of ¥40 per share), resulting in a payout ratio of 43.5%.

## 2. 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

Last year, global population reached 7 billion and is forecasted to reach 10 billion in 2050, potentially creating a tight supply/demand balance of food. In response, based on one of the founder's philosophy, "Peace will come to the world when there is enough food for everyone," the NISSIN FOODS Group takes the initiative to make it possible to provide instant noodles that can support peoples' basic diet in many countries. Moreover, in the pursuit of food safety, the most important task of a food company, the Company will further strengthen its quality assurance system, and take the initiative to develop its own quality assurance system.

As part of its corporate social responsibility (CSR) activities, the Group will take the initiative to build a trusted corporate group by actively participating in dietary education, disaster-relief activities and other social action programs. In our initiatives to address environmental problems, we will seek to cut CO<sub>2</sub> emissions by adopting the modal shift in which we will shift the cargo transportation methods from trucks to ships and railways. We will also be engaged in zero emission activities, and will strive to reduce wastage, and promote recycling.

### 3. Consolidated Financial Statements

#### 1. Consolidated Balance Sheets

(Millions of Yen)

	As of Mar. 31, 2011	As of Mar. 31, 2012
<b>Assets</b>		
Current assets		
Cash and deposits	56,651	67,599
Notes and accounts receivable—trade	47,125	46,490
Marketable securities	16,841	10,836
Finished goods and merchandise	6,845	9,652
Raw materials and supplies	7,448	7,854
Deferred tax assets	5,393	4,247
Other	4,066	5,395
Less: Allowance for doubtful receivables	(246)	(261)
<b>Total current assets</b>	<b>144,127</b>	<b>151,815</b>
Fixed assets		
Tangible fixed assets		
Building and structures, net	33,347	34,595
Machinery, equipment and vehicles, net	36,420	37,501
Tools and fixtures, net	2,197	2,556
Land	49,542	47,999
Leased assets, net	407	704
Construction in progress	2,975	1,493
Other, net	990	1,510
<b>Total tangible fixed assets</b>	<b>125,882</b>	<b>126,360</b>
Intangible fixed assets		
Goodwill	3,399	2,648
Other	1,065	1,290
<b>Total intangible fixed assets</b>	<b>4,465</b>	<b>3,939</b>
Investments and other assets		
Investments in securities	115,927	117,635
Investments in capital	10,399	9,564
Long-term loans	1,670	1,464
Deferred tax assets	5,455	2,204
Other	2,168	2,071
Less: Allowance for doubtful accounts	(346)	(338)
<b>Total investments and other assets</b>	<b>135,274</b>	<b>132,602</b>
<b>Total fixed assets</b>	<b>265,621</b>	<b>262,902</b>
<b>Total assets</b>	<b>409,748</b>	<b>414,717</b>

	As of Mar. 31, 2011	As of Mar. 31, 2012
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable—trade	41,422	44,876
Short-term borrowings	1,692	1,780
Accrued payables	19,676	20,136
Lease liabilities within one year	62	92
Accrued income taxes	7,268	6,813
Other	17,532	17,165
Total current liabilities	87,655	90,865
Long-term liabilities		
Long-term borrowings	12,980	12,860
Lease liabilities beyond one year	160	241
Asset retirement obligations	91	103
Deferred tax liabilities	8,420	8,685
Deferred tax liabilities on land revaluation	3,409	2,961
Accrued retirement benefits to employees	16,318	9,450
Other	3,118	2,891
Total long-term liabilities	44,498	37,194
<b>Total liabilities</b>	<b>132,153</b>	<b>128,060</b>
<b>Net assets</b>		
Shareholders' equity		
Common stock	25,122	25,122
Additional paid-in capital	48,416	48,416
Retained earnings	236,831	247,138
Less: Treasury stock, at cost	(20,393)	(21,855)
Total shareholders' equity	289,976	298,821
Accumulated other comprehensive income		
Unrealized gain (loss) on available-for-sale securities	380	4,385
Land revaluation reserve	(7,649)	(7,275)
Translation adjustments	(11,053)	(15,509)
Total accumulated other comprehensive income	(18,322)	(18,398)
Stock options	428	658
Minority interests	5,512	5,575
Total net assets	277,595	286,657
<b>Total liabilities and net assets</b>	<b>409,748</b>	<b>414,717</b>

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

(Millions of Yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Net sales	374,932	380,674
Cost of sales	203,202	213,707
Gross profit	171,729	166,967
Selling, general and administrative expenses	137,192	140,755
Operating income	34,537	26,211
Non-operating income		
Interest income	1,023	927
Dividend income	1,652	1,718
Equity in earnings of affiliates	1,510	1,146
Other non-operating income	585	868
Total non-operating income	4,772	4,660
Non-operating expenses		
Interest expenses	214	217
Foreign currency exchange loss	2,312	2,236
Other non-operating expenses	364	319
Total non-operating expenses	2,891	2,773
Ordinary income	36,418	28,099
Extraordinary gains		
Gain on sales of fixed assets	15	157
Gain on sales of investments in securities	848	—
Government grant	—	425
Gain on transfer of benefit obligation relating to employees' pension fund	—	5,452
Other extraordinary gains	140	0
Total extraordinary gains	1,004	6,035
Extraordinary losses		
Loss on sales of fixed assets	6	463
Loss on disposal of fixed assets	723	451
Loss on reduction of noncurrent assets	—	425
Loss on impairment of fixed assets	151	181
Loss on devaluation of investments in securities	438	2
Loss on devaluation of investments in affiliates	330	—
Loss on valuation of investments in capital	—	451
Loss on adjustment for changes of accounting standard for asset retirement obligations	67	—
Loss on disaster	976	—
Other extraordinary losses	45	538
Total extraordinary losses	2,739	2,514
Income before income taxes and minority interests	34,683	31,620
Current income taxes	11,522	9,983
Deferred income taxes	2,074	2,904
Total income taxes	13,597	12,887
Income before minority interests	21,085	18,732
Minority interests in earnings of consolidated subsidiaries	329	193
Net income	20,756	18,538

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Income before minority interests	21,085	18,732
Other comprehensive income		
Unrealized gain (loss) on available-for-sale securities	(3,244)	4,002
Revaluation reserve for land	—	374
Translation adjustments	(3,169)	(1,768)
Share of other comprehensive income of affiliates	(1,433)	(2,799)
Total other comprehensive income	(7,847)	(191)
Comprehensive Income	13,238	18,540
Total comprehensive income attributable to:		
Owners of the parent	13,096	18,462
Minority interests	141	78

### 3. Consolidated Statements of Changes in Net Assets

(Millions of Yen)

	Year ended March 31, 2011	Year ended March 31, 2012
<b>Shareholder's equity</b>		
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	48,416	48,416
Increase (decrease) during the year		
Sales of treasury stock	(9)	(1)
Transfer from retained earnings	9	1
Total increase (decrease) during the year	—	—
Balance at the end of the year	48,416	48,416
Retained earnings		
Balance at the beginning of the year	223,857	236,831
Increase (decrease) during the year		
Dividends from retained earnings	(7,746)	(8,280)
Net income	20,756	18,538
Transfer to additional paid-in capital	(9)	(1)
Reversal of land revaluation reserve	(32)	43
Other increase in retained earnings	6	6
Total increase (decrease) during the year	12,973	10,307
Balance at the end of the year	236,831	247,138
Treasury stock, at cost		
Balance at the beginning of the year	(20,448)	(20,393)
Increase (decrease) during the year		
Purchase of treasury stock	(4)	(1,477)
Sales of treasury stock	58	15
Total increase (decrease) during the year	54	(1,461)
Balance at the end of the year	(20,393)	(21,855)
Total shareholders' equity		
Balance at the beginning of the year	276,948	289,976
Increase (decrease) during the year		
Dividends from retained earnings	(7,746)	(8,280)
Net income	20,756	18,538
Purchase of treasury stock	(4)	(1,477)
Sales of treasury stock	48	14
Reversal of land revaluation reserve	(32)	43
Other increase in retained earnings	6	6
Total increase (decrease) during the year	13,027	8,845
Balance at the end of the year	289,976	298,821

(Millions of Yen)

	Year ended March 31, 2011	Year ended March 31, 2012
<b>Accumulated other comprehensive income</b>		
Unrealized gain (loss) on available-for-sale securities		
Balance at the beginning of the year	3,587	380
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	(3,206)	4,005
Total increase (decrease) during the year	(3,206)	4,005
Balance at the end of the year	380	4,385
Land revaluation reserve		
Balance at the beginning of the year	(7,682)	(7,649)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	32	374
Total increase (decrease) during the year	32	374
Balance at the end of the year	(7,649)	(7,275)
Translation adjustments		
Balance at the beginning of the year	(6,600)	(11,053)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	(4,453)	(4,455)
Total increase (decrease) during the year	(4,453)	(4,455)
Balance at the end of the year	(11,053)	(15,509)
Total accumulated other comprehensive income		
Balance at the beginning of the year	(10,695)	(18,322)
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	(7,626)	(76)
Total increase (decrease) during the year	(7,626)	(76)
Balance at the end of the year	(18,322)	(18,398)
Stock options		
Balance at the beginning of the year	204	428
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	224	230
Total increase (decrease) during the year	224	230
Balance at the end of the year	428	658
Minority interests		
Balance at the beginning of the year	5,494	5,512
Increase (decrease) during the year		
Net increase (decrease) during the year except those included in shareholders' equity	18	62
Total increase (decrease) during the year	18	62
Balance at the end of the year	5,512	5,575

(Millions of Yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Total net assets		
Balance at the beginning of the year	271,951	277,595
Increase (decrease) during the year		
Dividends from retained earnings	(7,746)	(8,280)
Net income	20,756	18,538
Purchase of treasury stock	(4)	(1,477)
Sales of treasury stock	48	14
Reversal of land revaluation reserve	(32)	43
Other increase in retained earnings	6	6
Net increase (decrease) during the year except those included in shareholders' equity	(7,383)	216
Total increase (decrease) during the year	5,644	9,061
Balance at the end of the year	277,595	286,657

#### 4. Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended March 31, 2011	Year ended March 31, 2012
<b>Cash flows from operating activities</b>		
Income before income taxes and minority interests	34,683	31,620
Depreciation and amortization	12,827	14,955
Loss on impairment of fixed assets	151	181
Increase (decrease) in allowance for doubtful receivables	(63)	14
Increase (decrease) in accrued retirement benefits to employees	(5,928)	(6,867)
Interest and dividend income	(2,676)	(2,645)
Interest expenses	214	217
Foreign currency exchange (gain) loss	780	296
Equity in earnings of affiliates	(1,510)	(1,146)
Loss (gain) on disposal and sales of property, plant and equipment	714	757
Loss on reduction of noncurrent assets	—	425
Loss (gain) on sales of marketable securities, investments in securities and other	(848)	(0)
Loss (gain) on revaluation of marketable securities, investments in securities and other	807	406
(Increase) decrease in trade notes and accounts receivable	(4,068)	281
(Increase) decrease in inventories	(190)	(3,449)
Increase (decrease) in trade notes and accounts payable	1,363	3,738
Increase (decrease) in accrued payable	760	606
Other, net	1,509	1,410
Subtotal	38,527	40,803
Interest and dividends received	3,001	3,276
Interest paid	(214)	(217)
Income taxes paid	(13,580)	(12,607)
Income taxes refunded	1,523	1,350
Net cash provided by operating activities	29,258	32,604
<b>Cash flows from investing activities</b>		
Increase in time deposits	(3,351)	(2,572)
Proceeds from redemption of time deposits	4,514	2,029
Payment for purchases of marketable securities	(0)	(0)
Proceeds from sales and redemption of marketable securities	10,805	6,751
Payment for purchases of property, plant and equipment and others	(32,328)	(19,187)
Proceeds from sales of property, plant and equipment and others	53	1,537
Payment for purchases of investments in securities	(17,302)	(5,155)
Proceeds from sales and redemption of investments in securities	5,024	3,245
Payment of loans receivable	(992)	(52)
Collection of loans receivable	136	911
Other, net	—	(340)
Net cash used in investing activities	(33,440)	(12,831)

(Millions of Yen)

	Year ended March 31, 2011	Year ended March 31, 2012
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(280)	104
Proceeds from long-term borrowings	4,650	1,653
Repayment of long-term borrowings	(1,200)	(1,354)
Net increase in treasury stock	(3)	(1,477)
Cash dividends paid	(7,746)	(8,280)
Cash dividends paid to minority shareholders	(18)	(22)
Other, net	(110)	(65)
Net cash used in financing activities	(4,710)	(9,442)
Effect of exchange rate changes on cash and cash equivalents	(1,862)	(547)
Net increase (decrease) in cash and cash equivalents	(10,754)	9,783
Cash and cash equivalents at beginning of the period	72,688	61,957
Increase in cash and cash equivalents arising from merger	23	—
Cash and cash equivalents at end of the period	61,957	71,740

## 5. Additional Information

(Application of Accounting Standard for Accounting Changes and Error Corrections etc.)

Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No.24) and Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No.24) were applied with regards to accounting changes and error corrections performed after the beginning of the fiscal year.

(Exemption from benefit obligations with respect to substitutional portion of governmental welfare pension plans)

On April 1, 2011, the Company and certain of its domestic consolidated subsidiaries have obtained an approval from the Japanese Ministry of Health, Labor and Welfare for exemption from benefit obligations related to past employee services with respect to a substitutional portion of governmental welfare pension plans. Based upon the approval, the Company and certain of its domestic consolidated subsidiaries returned the minimum reserve on March 30, 2012.

The Company and certain of its domestic consolidated subsidiaries have transferred to defined benefits pension system on April 1, 2011.

Impact on consolidated statements of income in the fiscal year is ¥5,452 million and recorded as extraordinary gains.

## 6. Segment Information

### 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, 2012

(Millions of Yen)

	Reportable segment						Others *1	Total	Reconciliation *2 *4	Consolidated *3
	Nissin Food Products	Myojo Foods	Chilled and frozen foods	The Americas	China	Subtotal				
Net sales										
Sales to third party	199,284	42,005	53,434	24,431	18,694	337,849	42,825	380,674	—	380,674
Intersegment sales	302	1,050	577	—	85	2,016	16,620	18,637	(18,637)	—
Total	199,586	43,055	54,012	24,431	18,780	339,866	59,445	399,312	(18,637)	380,674
Segment income	20,516	2,753	1,565	(340)	1,042	25,536	2,058	27,595	(1,383)	26,211
Segment assets	129,793	48,455	28,887	12,275	25,786	245,198	88,111	333,310	81,406	414,717
Other items										
Depreciation and Amortization	8,405	1,039	1,208	752	472	11,878	3,076	14,955	—	14,955
Investment in affiliates	—	—	—	—	—	—	26,399	26,399	—	26,399
Capital Investment	8,573	682	1,556	2,210	755	13,779	5,191	18,970	(33)	18,936

(Notes)

1. “Others” consists of the operating segments not included in reportable segments. It includes domestic confectionary, beverages and food service business and overseas business in Europe and Asia.
2. Operating income under “Reconciliation” amounted to minus ¥1,383 million, consisting of minus ¥577 million from retirement benefit expenses, minus ¥750 million from the amortization of goodwill and minus ¥55 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 “Reconciliation” amounted to ¥81,406 million, consisting of corporate assets. Corporate assets mainly consisted of ¥73,869 million of surplus investment funds, ¥2,648 million of goodwill, and ¥4,888 million of other investments.

Year ended March 31, 2011

(Millions of Yen)

	Reportable segment						Others *1	Total	Reconciliation *2 *4	Consolidated *3
	Nissin Food Products	Myojo Foods	Chilled and frozen foods	The Americas	China	Subtotal				
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" consists of the operating segments not included in reportable segments. It includes domestic confectionary, beverages and food service business and overseas business in Europe and Asia.
2. Operating income under "Reconciliation" amounted to ¥3,408 million, consisting of ¥4,042 million from retirement benefit expenses, minus ¥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 "Reconciliation" 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.

## 7. Subsequent Events

(Investment in the new company of Jinmailang Group)

1. Content and purpose  
On April 17, 2012, in order to accelerate implementation of additional investment in Jinmailang Group, a partner in the business of instant noodles in the People's Republic of China (PRC), the Company has invested in Jinmailang Nissin Foods Co., Ltd. (hereinafter referred to as the "Jinmailang Nissin Foods"), jointly established by Jinmailang Foods Co., Ltd. (hereinafter referred to as the "Jinmailang Foods") and Hebei Jinmailang Paper Products Co., Ltd. (hereinafter referred to as the "Jinmailang Paper Products").
2. Overview of the new company  
Name of the company: Jinmailang Nissin Foods Co., Ltd.  
Primary business: Production, sales, research and development of instant foods etc.  
Capital: CNY 600 million (approximately ¥7.82 billion)
3. The Company's Investment  
Date of investment: April 17, 2012  
Investment amount: CNY 500 million (¥6.52 billion)  
Equity holding after investment 14.29%
4. Investment method  
A Hong Kong-based 100% subsidiary of the Company, Nissin Foods Co., Ltd. (hereinafter referred to as the "Nissin Foods Hong Kong"), is underwriting a third party allotment of Jinmailang Nissin Foods (self-funded).
5. Other  
After relevant investment, important assets of Jinmailang Foods and Jinmailang Paper Products will be transferred to Jinmailang Nissin Foods. During fiscal year 2013, Nissin Foods Hong Kong will subscribe to planned capital increases in the amount of CNY 510 million by Jinmailang Nissin Foods, and percentage of total equity interest of the Company will be 33.4%.