



October 31, 2013

Summary of Consolidated Financial Statements for the Six Months Ended September 30, 2013

[Prepared under Japanese GAAP, UNAUDITED]

NISSIN FOODS HOLDINGS CO., LTD.

Code number: 2897
 Stock exchange listing: Tokyo
 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 filing of quarterly report: November 11, 2013
 Scheduled date of dividend payment: November 26, 2013
 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 First Half of the Fiscal 2014 (April 1, 2013–September 30, 2013)

(1) Operating Results

(% figures represent year-on-year changes)

First Half of	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Fiscal 2014	193,258	8.3	9,968	12.0	13,586	22.1	8,544	37.7
Fiscal 2013	178,398	(0.9)	8,897	(26.1)	11,124	(15.8)	6,203	(41.6)

Note: Comprehensive income: First Half of Fiscal 2014: ¥18,173 million (up 156.1%) First Half of Fiscal 2013: ¥7,095 million (down 45.8%)

First Half of	Net income per share (primary)	Net income per share (diluted)
	(¥)	(¥)
Fiscal 2014	77.52	77.23
Fiscal 2013	56.30	56.13

(2) Financial Position

As of	Total assets	Net assets	Equity ratio
	(¥ million)	(¥ million)	(%)
Sep. 30, 2013	452,220	327,723	70.3
Mar. 31, 2013	446,132	315,026	68.7

Reference: Shareholders' equity as of Sep. 30, 2013: ¥317,989 million, as of Mar. 31, 2013: ¥306,581 million

2. Details of Dividends

	Cash dividend per share				
	End of the First Quarter	End of the Second Quarter	End of the Third Quarter	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal 2013	—	40.00	—	35.00	75.00
Fiscal 2014 (Forecast)	—	40.00	—	35.00	75.00

Note: Modifications to the dividend forecast published most recently: None

3. Forecasts of Consolidated Results for the Fiscal 2014 (April 1, 2013–March 31, 2014)

(% figures represent changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Fiscal 2014	410,000	7.1	25,500	6.5	30,000	(3.1)	19,200	1.8	174.20

Note: Modifications to the forecast published most recently: None

4. Others

(1) Changes in principal subsidiaries during the First Half of Fiscal 2014 (changes in specified subsidiaries that resulted in changes in scope of consolidation): Yes

Newly consolidated: Nissin Foods Vietnam Co.,Ltd.

Excluded from consolidation: None

(2) Application of special accounting methods for quarterly consolidated financial statements: Yes

(3) 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): Yes

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Number of shares outstanding (common stock)

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

First Half of Fiscal 2014 117,463,685 shares

Fiscal 2013 117,463,685 shares

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

First Half of Fiscal 2014 7,243,891 shares

Fiscal 2013 7,271,935 shares

3) Average number of shares outstanding during the period:

First Half of Fiscal 2014 110,212,012 shares

First Half of Fiscal 2013 110,186,592 shares

*Notes for the implementation status of quarterly review process

This Summary of Consolidated Financial Statements is not subject to the quarterly review process under the Financial Instruments and Exchange Act. As of the day of the disclosure of this release, the review procedures under the Financial Instruments and Exchange Act have 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. Qualitative Information Concerning Quarterly Results

(1) Qualitative Information Concerning Consolidated Business Results

During the first half of the fiscal year under review, the Japanese economy remained on a recovery path, climbing on consumption and exports, as the positive effects brought about by the economic policies of the Abe administration gradually permeated the real economy. Meanwhile, negative aspects such as rising import prices due to a weaker yen and economic unease abroad meant that the economic outlook remained uncertain.

In the food industry, manufacturers were required to respond to consumers' continued high sensitivity about food safety and peace of mind and their deep-seated desire to protect their livelihood and save money on the one hand and the effect of rising raw material prices due to a weaker yen on the other.

In this environment, the NISSIN FOODS Group harnessed its strong technological innovation and marketing capabilities to develop products in line with the group philosophy of being an Earth Food Creator and contributing to society by gratifying people everywhere with the pleasures and delights food can provide, and sought to further enhance its brand value. The Company also laid out its Medium-Term Business Plan 2015, covering the three-year period beginning fiscal 2014 (the year ending March 31, 2014), and pursued a global strategy focusing on emerging countries with high growth potential. It also concentrated on group-wide cost reductions, and worked to establish a strong corporate base capable of adapting to various business environments.

As a result, in the consolidated results for the first half of the fiscal year under review, net sales rose 8.3% year on year, to ¥193,258 million. Operating income increased 12.0% year on year, to ¥9,968 million. Ordinary income climbed 22.1%, to ¥13,586 million. Net income increased 37.7%, to ¥8,544 million.

Consolidated results	(Millions of yen)			
	First half of Fiscal 2013	First half of Fiscal 2014	Year on year	
			Amount	%
Net sales	178,398	193,258	+14,859	+8.3
Operating income	8,897	9,968	+1,071	+12.0
Ordinary income	11,124	13,586	+2,461	+22.1
Net income	6,203	8,544	+2,340	+37.7

The following is an overview of performance by reportable segment:

(i) Nissin Food Products

Turning to the sales of NISSIN FOOD PRODUCTS, in bag-type instant noodles, the *Nissin RAOH* series, which uses the most advanced technologies cultivated in cup-type instant noodles to reproduce the texture and taste of fresh noodles, continued to make a substantial contribution to sales growth. *Nissin RAOH Shio*, released in August, was highly rated for its high quality, flavorsome salt-based soup which combines great tasting ingredients such as seafood, seaweed and pot herbs with a base of slow-cooked chicken breast, and sales were strong.

In cup-type instant noodles, the performance was solid, reflecting sales growth in the *Nissin Chicken Ramen Donburi* series, which was promoted in a campaign alongside bag-type instant noodles, and the *Nissin-no-Donbei* series, with its well-received chewy, thick, straight udon-style noodles made by the Company's triple-layer thick, straight noodle preparation process.

Additionally, the Company released *Nissin Cup Curry Rice*, using technologies cultivated in instant ramen and the *Nissin No Gohan* Series, in September. The "simple preparation", which involves just adding water and heating in a microwave, was well received, and sales got off to a good start.

Also, released in 1958 as the world's first instant noodle, *Chicken Ramen* celebrated its 55th anniversary this year (released August 25, 1958). With *Nissin Yaki Soba* (released July 2, 1963) and *Demae Ichio* (released February 12, 1968) also celebrating their 50th and 45th anniversaries respectively, the Company conducted various campaigns and events in recognition of the many years of support for long-selling bag-type instant noodles, and worked to expand sales.

As a result, net sales in this reportable segment stood at ¥93,255 million, up 5.0% year on year. Segment income came to ¥9,443 million, an increase of 11.6% from the same period in the previous fiscal year.

(ii) Myojo Foods

Moving onto the sales of MYOJO FOODS, intense sales competition with rival companies continued, and sales ended up falling below their year-ago level. In bag-type noodles, improvement on the previous year's sales was achieved thanks to the sales contribution of *MYOJO KIWAMEN*, which was rolled out across the whole of Japan in the first half under review. In the meantime, the *MYOJO IPPEICHAN YOMISE NO YAKISOBA* series continued to perform solidly, and *MYOJO QUICK 1*, which was the focus of efforts aimed at establishing it firmly in the market and developing it into a core product in the future, contributed to sales, but fell short of offsetting declines in other products, resulting in decreased sales.

As a result, net sales in this reportable segment stood at ¥18,719 million, down 1.5% year on year. Segment income came to ¥520 million, a decrease of 9.1% from the same period in the previous fiscal year.

(iii) Chilled and frozen foods

Sales of products of NISSIN CHILLED FOODS declined overall, reflecting continued stagnant demand for chilled noodles in the market. While sales of the cold noodle genre headed by *Chuka-Fu Reimen*, which celebrated their 30th anniversary, and mainstay brand *Tsukemen No Tatsujin* were strong, sales of other genres such as yakisoba and ramen showed slow growth.

Turning to sales of NISSIN FROZEN FOODS products, the *Reito Nissin Spa-O Premium* series continued to find favor with consumers and sold briskly, and the satisfyingly filling *Reito Nissin Spa-O Premium Big* series was well received, and achieved sales growth. Ramen and udon products posted sales results slightly below the year-ago level, but sales of spaghetti products, yakisoba products and snack products such as takoyaki and okonomiyaki grew, *Reito Nissin Capsule-Style Cup Noodle Onigiri*, launched the previous fiscal year, became more established and *Reito Nissin Capsule-Style Chicken Ramen Onigiri*, released in August, also contributed to sales, and overall, sales expanded.

As a result, net sales in this reportable segment stood at ¥27,001 million, up 3.8% year on year. Segment income climbed 51.6% from the same period in the previous fiscal year, to ¥427 million.

(iv) The Americas

In the Americas, the Group aimed to become less susceptible to the effect of price competition and worked to strengthen its high value-added products. *BIG CUP NOODLES*, which was the focus of sales expansion efforts aimed at developing the series into a core product in the future, and the long-selling products *Top Ramen* and *Cup Noodles*, turned in solid sales performances.

As a result, net sales in this reportable segment rose 22.0% year on year, to ¥15,117 million, and segment income climbed 7.1%, to ¥89 million, partly due to the effect of a weaker yen.

(v) China

In China, where the middle-income class continues to grow, both sales and income increased thanks to expansion of the marketing and sales network and sales personnel, and brand strategy. In particular, cup-type instant noodles saw significant expansion in sales owing to the pursuit of aggressive sales strategies including efforts to integrate the two separate brands *Kai Bei Le* (Eastern China) and *Hap Mei Do* (Southern China) into the *Hap Mei Do* brand and unify the brand image.

As a result, net sales in this reportable segment increased 39.5% year on year, to ¥14,150 million, and segment income grew 16.3% from the same period in the previous fiscal year, to ¥1,372 million, in part due to the effect of a weaker yen

Net sales in the Others reportable segment, which includes business segments not included in reportable segments such as domestic confectionary, beverages, food services, Europe and Asia, were ¥25,013 million, up 13.3% year on year. Segment income declined ¥601 million from the same period in the previous fiscal year, resulting in a segment loss of ¥39 million.

(2) Explanation Concerning the Consolidated Financial Position

Total assets of the group at the end of the first half of the fiscal year under review increased ¥6,088 million from the end of the previous fiscal year, to ¥452,220 million. The position with regard to assets, liabilities and equity as of the end of the first half of the fiscal year under review is as follows:

The increase in total assets was mainly attributable to a rise in cash and deposits of ¥5,061 million and expansion in tangible fixed assets of ¥7,650 million.

Total liabilities fell ¥6,608 million from the end of the previous fiscal year, to ¥124,496 million. This drop reflected a decline in notes and accounts payable-trade of ¥5,625 million and a fall in accrued income taxes of ¥2,471 million.

Net assets increased ¥12,696 million from the end of the previous fiscal year, to ¥327,723 million. This increase chiefly reflected an increase in retained earnings of ¥2,038 million and a rise in foreign currency translation adjustments of ¥7,982 million.

As a result, the equity ratio stood at 70.3%.

(3) Explanation Concerning Consolidated Forecasts

The full-year consolidated forecast for the fiscal year ending March 31, 2014, which was announced on April 30, 2013 in the Summary of Consolidated Financial Statements for the Year Ended March 31, 2013 remains unchanged.

Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2013	As of Sept 30, 2013
Assets		
Current assets		
Cash and deposits	64,351	69,412
Notes and accounts receivable-trade	47,072	45,034
Marketable securities	6,065	9,423
Merchandise and finished goods	10,022	10,269
Raw materials and supplies	9,329	10,291
Other	10,114	12,687
Less: Allowance for doubtful receivables	(280)	(291)
Total current assets	146,674	156,826
Fixed assets		
Tangible fixed assets		
Land	52,429	52,413
Other, net	81,358	89,024
Total tangible fixed assets	133,787	141,438
Intangible fixed assets		
Goodwill	2,619	2,213
Other	2,057	3,639
Total intangible fixed assets	4,677	5,853
Investments and other assets		
Investments in securities	138,571	125,663
Other	22,762	22,775
Less: Allowance for doubtful accounts	(340)	(336)
Total investments and other assets	160,992	148,102
Total fixed assets	299,457	295,393
Total assets	446,132	452,220

(Millions of Yen)

	As of March 31, 2013	As of Sept 30, 2013
Liabilities		
Current liabilities		
Notes and accounts payable—trade	43,652	38,027
Short-term borrowings	1,342	2,540
Accrued payables	24,012	21,875
Accrued income taxes	7,143	4,671
Other current liabilities	21,658	21,891
Total current liabilities	97,809	89,006
Long-term liabilities		
Long-term debt	7,612	8,197
Accrued retirement benefits to employees	7,496	—
Liability for retirement benefits	—	8,899
Other long-term liabilities	18,186	18,393
Total long-term liabilities	33,296	35,490
Total liabilities	131,105	124,496
Equity		
Shareholders' equity		
Common stock	25,122	25,122
Capital surplus	48,416	48,416
Retained earnings	257,067	259,105
Less: Treasury stock, at cost	(21,798)	(21,715)
Total shareholders' equity	308,808	310,929
Accumulated other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	12,329	13,505
Land revaluation reserve	(6,619)	(6,619)
Foreign currency translation adjustments	(7,936)	45
Accumulated adjustment for retirement benefit liabilities or assets	—	127
Total accumulated other comprehensive income (loss)	(2,227)	7,059
Stock acquisition rights	899	1,186
Minority interests	7,546	8,548
Total equity	315,026	327,723
Total liabilities and equity	446,132	452,220

2. Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Millions of Yen)

	Six months ended September 30, 2012	Six months ended September 30, 2013
Net sales	178,398	193,258
Cost of sales	100,300	108,450
Gross profit	78,098	84,807
Selling, general and administrative expenses	69,201	74,838
Operating income	8,897	9,968
Non-operating income		
Interest income	422	550
Dividend income	1,031	1,094
Gain on sales of marketable securities	—	412
Equity in earnings of associates	887	1,213
Foreign exchange gain	—	274
Other non-operating income	336	278
Total non-operating income	2,678	3,821
Non-operating expenses		
Interest expense	106	128
Foreign exchange loss	258	—
Other non-operating expenses	85	75
Total non-operating expenses	450	204
Ordinary income	11,124	13,586
Extraordinary gains		
Gain on sales of fixed assets	170	131
Gain on sales of investments in securities	359	398
Insurance income	152	—
Other extraordinary gains	—	0
Total extraordinary gains	682	531
Extraordinary losses		
Loss on disposal of fixed assets	176	437
Loss from natural disaster	126	45
Other extraordinary losses	954	130
Total extraordinary losses	1,256	612
Income before income taxes and minority interests	10,550	13,504
Income taxes	4,267	4,852
Income before minority interests	6,282	8,652
Minority interests in earnings of consolidated subsidiaries	78	108
Net income	6,203	8,544

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	Six months ended September 30, 2012	Six months ended September 30, 2013
Net income before minority interests	6,282	8,652
Other comprehensive income		
Unrealized gain (loss) on available-for-sale securities	(359)	1,177
Foreign currency translation adjustments	347	6,064
Adjustments for retirement benefits	—	127
Share of other comprehensive income (loss) in associates	825	2,150
Total other comprehensive income	813	9,521
Comprehensive income	7,095	18,173
Total comprehensive income attributable to:		
Owners of the parent	7,005	17,612
Minority interests	90	560

3. Segment Information

Net sales and income or loss by reportable segment:

Six months ended September 30, 2013

(Millions of Yen)

	Nissin Food Products	Myojo Foods	Chilled and frozen foods	The Americas	China	Subtotal	Others *1	Total	Reconciliation *2	Consolidated *3
Net sales										
Sales to third party	93,255	18,719	27,001	15,117	14,150	168,244	25,013	193,258	—	193,258
Intersegment sales	1,209	629	594	—	56	2,489	8,179	10,668	(10,668)	—
Total	94,465	19,348	27,595	15,117	14,206	170,734	33,192	203,926	(10,668)	193,258
Segment income (loss)	9,443	520	427	89	1,372	11,853	(39)	11,814	(1,845)	9,968

(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 loss under "Reconciliation" amounted to ¥1,845 million, consisting of ¥197 million from retirement benefit expenses, minus ¥456 million from the amortization of goodwill, ¥76 million from elimination of intersegment transactions and minus ¥1,664 million from group expenses.
- *3. Segment income is reconciled to operating income in the consolidated statement of income.

Six months ended September 30, 2012

(Millions of Yen)

	Nissin Food Products	Myojo Foods	Chilled and frozen foods	The Americas	China	Subtotal	Others *1	Total	Reconciliation *2	Consolidated *3
Net sales										
Sales to third party	88,783	18,996	26,004	12,394	10,143	156,323	22,075	178,398	—	178,398
Intersegment sales	97	564	256	—	43	962	8,002	8,964	(8,964)	—
Total	88,881	19,561	26,260	12,394	10,186	157,285	30,077	187,363	(8,964)	178,398
Segment income (loss)	8,464	572	282	83	1,180	10,583	561	11,145	(2,248)	8,897

(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 loss under "Reconciliation" amounted to ¥2,248 million, consisting of minus ¥365 million from retirement benefit expenses, minus ¥375 million from the amortization of goodwill, ¥15 million from elimination of intersegment transactions and minus ¥1,523 million from group expenses.
- *3. Segment income is reconciled to operating income in the consolidated statement of income.