



May 8, 2014

Summary of Consolidated Financial Statements for the year ended March 31, 2014

[Prepared under Japanese GAAP, UNAUDITED]

NISSIN FOODS HOLDINGS CO., LTD.

Stock code: 2897

Stock exchange listing: Tokyo

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Representative: Koki Ando, President and CEO

Contact: Yukio Yokoyama, Director and CFO

Scheduled date of general meeting of shareholders: June 26, 2014

Scheduled date for filing of securities report: June 26, 2014

Scheduled date of dividend payment: June 27, 2014

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 2014 (April 1, 2013–March 31, 2014)

(1) Operating Results

(% figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Fiscal 2014	417,620	9.1	27,705	15.7	34,840	12.5	19,268	2.2
Fiscal 2013	382,793	0.6	23,954	(8.6)	30,964	10.2	18,855	1.7

Note: Comprehensive income: Fiscal 2014: ¥37,410 million (up 7.2%); Fiscal 2013: ¥34,883 million (up 88.1%)

	Net income per share (primary) (¥)	Net income per share (diluted) (¥)	Return on equity (%)	Ordinary income/total assets (%)	Operating income/net sales (%)
Fiscal 2014	174.83	174.13	6.0	7.5	6.6
Fiscal 2013	171.12	170.57	6.4	7.2	6.3

Reference: Equity in earnings of affiliates: Fiscal 2014: ¥2,153 million; Fiscal 2013: ¥1,888 million

(2) Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Equity ratio (%)	Net assets per share (¥)
Fiscal 2014	479,469	342,300	69.4	3,018.82
Fiscal 2013	446,132	315,026	68.7	2,782.25

Reference: Shareholders' equity as of March 31, 2014: ¥332,739 million, as of March 31, 2013: ¥306,581 million

(3) Cash Flows

	Net cash provided by operating activities (¥ million)	Net cash used in investing activities (¥ million)	Net cash used in financing activities (¥ million)	Cash and cash equivalents at end of year (¥ million)
Fiscal 2014	30,213	(9,507)	(8,525)	80,201
Fiscal 2013	32,045	(31,251)	(10,070)	64,014

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 1 st quarter (¥)	End of 2 nd quarter (¥)	End of 3 rd quarter (¥)	Year-end (¥)	Annual (¥)			
Fiscal 2013	—	40.00	—	35.00	75.00	8,264	43.8	2.8
Fiscal 2014	—	40.00	—	35.00	75.00	8,266	42.9	2.6
Fiscal 2015 (Forecast)	—	40.00	—	35.00	75.00		41.3	

3. Forecasts of Consolidated Results for the Fiscal 2015 (April 1, 2014–March 31, 2015)

(% figures represent changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share (¥)
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	
1 st Half of Fiscal 2015	206,000	6.6	8,500	(14.7)	10,500	(22.7)	6,500	(23.9)	58.97
Fiscal 2015	440,000	5.4	26,000	(6.2)	31,000	(11.0)	20,000	3.8	181.45

4. Others

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

Newly consolidated: NISSIN FOODS VIETNAM CO.,LTD. and NISSIN FOODS (THAILAND) CO.,LTD.

Excluded from consolidation: AJI-NO-MINGEI FOOD SERVICE CO.,LTD.

(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): Yes

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 2014 117,463,685 shares

Fiscal 2013 117,463,685 shares

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

Fiscal 2014 7,242,013 shares

Fiscal 2013 7,271,935 shares

3) Average number of shares outstanding during the period:

Fiscal 2014 110,216,350 shares

Fiscal 2013 110,189,329 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 continued to stage a recovery, driven by domestic corporate and household demand, as the policies of the government and the Bank of Japan gradually permeated the real economy.

On the other hand, with the yen's weakness continuing to put upward pressure on raw materials prices, consumers maintained their deep-seated desire to protect their livelihood and save money, leaving no room for optimism. Consumers also continued to demonstrate high sensitivity to food safety and peace of mind, and food manufacturers were once again required to further strengthen their quality assurance systems.

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 and the earth by gratifying people everywhere with the pleasures and delights food can provide, and sought to further enhance its brand value. The Group also pursued a global strategy focusing on emerging countries with high growth potential, and worked to strengthen competitiveness to succeed on the world stage and to develop systems capable of swiftly executing strategies.

As a result, in the consolidated results for the fiscal year under review, net sales rose 9.1% year on year, to ¥417,620 million. Operating income increased 15.7% year on year, to ¥27,705 million. Ordinary income climbed 12.5%, to ¥34,840 million. Net income increased 2.2%, to ¥19,268 million.

Consolidated results	(Millions of yen)			
	Fiscal 2013	Fiscal 2014	Year on year	
			Amount	%
Net sales	382,793	417,620	+34,827	+9.1
Operating income	23,954	27,705	+3,751	+15.7
Ordinary income	30,964	34,840	+3,876	+12.5
Net income	18,855	19,268	+413	+2.2

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, growth of non-fried noodles was remarkable, and the *Nissin RAOH* series, which are just like fresh noodles, continued to sell briskly. *Nissin-No-Donbei Nama Udon Shokkan*, *Nama Soba Shokkan* also tapped into year-end demand, and contributed to sales growth. *Chicken Ramen*, which celebrated its 55th anniversary in August, also sold strongly, reflecting vigorous ongoing marketing activities, including proposing new ways of eating such as noodles dipped in raw egg and chicken ramen simmered in broth.

In cup-type instant noodles, main product lines, the *Cup Noodle* series, *Nissin-No-Donbei* series, *Nissin Yakisoba U.F.O* series and *Chicken Ramen Donburi* series, continued to sell briskly, contributing to sales and income.

As a result, net sales in this reportable segment stood at ¥210,906 million, up 5.0% year on year. Segment income came to ¥25,688 million, an increase of 7.9% from the previous fiscal year.

(ii) MYOJO FOODS

Moving onto the sales of MYOJO FOODS, in bag-type noodles, *MYOJO KIWAMEN*, which claims to have the texture and taste of fresh noodles, was rolled out across the whole of Japan and contributed to sales. In cup noodles, main product lines continued to perform solidly, thanks largely to the sale of variations of products in the *MYOJO IPPEICHAN YOMISE NO YAKISOBA* series, and consequently, instant noodle sales and income both increased overall.

As a result, net sales in this reportable segment stood at ¥39,561 million, up 0.6% year on year. Segment income came to ¥1,963 million, an increase of 14.6% from the previous fiscal year.

(iii) Chilled and frozen foods

Sales of products of NISSIN CHILLED FOODS exceeded the year-ago level, reflecting a solid performance from the fall, amid continued stagnant demand for chilled noodles in the market. In particular, value-added products with a strong commitment to the flavor of chilled noodles sold strongly, and sales of mainstay brands such as *Tsukemen-no-Tatsujin* and *Gyoretsu-no-Dekiru Mise-no-Ramen* grew.

Turning to sales of NISSIN FROZEN FOODS products, performance remained strong, reflecting efforts to expand the line-up and improve the quality of existing mainstay brands, focusing on the *Reito Nissin Spa-O Premium* series. In particular, the satisfyingly filling *Reito Nissin Spa-O Premium Big series* found favor with consumers, and achieved sales growth. The *Reito Nissin Capsule-Style Cup Noodle Onigiri*, which was improved to enhance the softness of the rice, and snack products also contributed to the overall increase of sales. However, Income was below the year-ago level due to higher selling expenses largely as a result of vigorous sales activities.

As a result, net sales in this reportable segment stood at ¥54,789 million, up 4.2% year on year. Segment income fell

42.2% from the previous fiscal year, to ¥472 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 will be a core product in the future, was introduced as a regular product by major retailers, and contributed to sales growth. The long-selling products *Top Ramen* and *Cup Noodles* also maintained solid sales.

As a result, net sales in this reportable segment rose 24.3% year on year, to ¥32,219 million, and segment income climbed 130.0%, to ¥543 million.

(v) China

In China, where the middle-income class continues to grow, both sales and income increased thanks to expansion of the sales network and sales personnel, as well as brand strategy. In particular, sales of cup-type instant noodles grew due to an aggressive sales strategy for high value-added products under the *Hap Mei Do* brand. *Demae Iccho*, manufactured in Hong Kong, also continued to perform strongly.

As a result, net sales in this reportable segment increased 43.4% year on year, to ¥29,903 million, and segment income grew 55.0% from the previous fiscal year, to ¥2,845 million.

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 ¥50,238 million, up 16.1% year on year. Segment income declined ¥674 million from the previous fiscal year, resulting in a segment loss of ¥576 million.

Net sales and segment income in reported segments

(Millions of yen)

	Net sales		Change	Segment income or loss		Change
	FY2013	FY2014		FY2013	FY2014	
NISSIN FOOD PRODUCTS	200,841	210,906	+10,064	23,810	25,688	+1,878
MYOJO FOODS	39,335	39,561	+226	1,712	1,963	+250
Chilled and frozen foods	52,565	54,789	+2,224	818	472	(345)
The Americas	25,916	32,219	+6,303	236	543	+306
China	20,848	29,903	+9,055	1,835	2,845	1,009
Other	43,286	50,238	+6,952	98	(576)	(674)
Total	382,793	417,620	+34,827	28,512	30,937	+2,425

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

(Outlook for the Fiscal Year Ending March 31, 2015)

With respect to the operating results for the fiscal year ending March 31, 2015, we forecast a year on year increase of 5.4% in net sales, to ¥440,000 million. With respect to profit, we project a decline of 6.2% in operating income, to ¥26,000 million, a decline of 11.0% in ordinary income, to ¥31,000 million, and an increase of 3.8% in net income, to ¥20,000 million.

Projected exchange rates for major currencies used in results forecasts for overseas subsidiaries are ¥105 to US\$1.00, ¥14 to HK\$1.00, and ¥17 to CNY1.00.

(2) Analysis of Financial Position

(Assets, Liabilities, Net Assets)

The financial position as of March 31, 2014 is as follows:

(Assets)

Total assets increased ¥33,337 million from the end of the previous fiscal year, to ¥479,469 million. This change was mainly attributable to an increase of ¥15,571 million in cash and deposits, a rise of ¥9,880 million in buildings and structures, and expansion of ¥5,660 million in marketable securities.

(Liabilities)

Total liabilities rose ¥6,063 million from the end of the previous fiscal year, to ¥137,168 million. This rise reflected an increase of ¥3,075 million in deferred tax liabilities and expansion of ¥1,990 million yen rise in short-term borrowings.

(Equity)

Net assets increased ¥27,273 million from the end of the previous fiscal year, to ¥342,300 million. This rise chiefly reflects expansion of ¥13,150 million in foreign currency translation adjustments, expansion of ¥6,517 million in retained earnings, and an increase of ¥5,233 million in unrealized gain on available-for-sale securities.

As a result, the equity ratio rose to 69.4%, from 68.7% at the end of the previous fiscal year.

(Cash Flows)

Consolidated cash and cash equivalents (hereinafter called net cash) at the end of the fiscal year under review stood at ¥80,201 million, an increase of ¥16,186 million from the end of the previous fiscal year. Details are presented below:

(Millions of yen)

	Fiscal 2013	Fiscal 2014	Change
Cash flows from operating activities	32,045	30,213	(1,831)
Cash flows from investing activities	(31,251)	(9,507)	+21,744
Cash flows from financing activities	(10,070)	(8,525)	+1,544
Effect of exchange rate changes on cash and cash equivalents	1,550	2,822	+1,271
Net increase (decrease) in cash and cash equivalents	(7,726)	15,003	+22,729
Cash and cash equivalents at beginning of the year	71,740	64,014	(7,726)
Cash and cash equivalents at end of the year	64,014	80,201	+16,186

(Cash Flows from Operating Activities)

Net cash provided by operating activities decreased by ¥1,831 million from the previous fiscal year, to ¥30,213 million. This result mainly reflects the fact that income from operating activities, which is income before income taxes and minority interests adjusted for non-cash expenses such as depreciation and amortization, was less than the decline of ¥2,917 million resulting from a decrease in trade notes and accounts receivable.

(Cash Flows from Investing Activities)

Net cash used in investing activities stood at ¥9,507 million, an increase in net cash of ¥21,744 million from the previous fiscal year. This result mainly reflects increased proceeds of ¥19,251 million from sales and redemption of marketable securities, etc.

(Cash Flows from Financing Activities)

Net cash used in financing activities was ¥8,525 million, an increase in net cash of ¥1,544 million from the previous fiscal year. This result mainly reflects an increase of ¥2,481 million due to a net increase in short-term borrowings, an increase of ¥3,634 million in proceeds from long-term borrowings, and an increase of ¥4,553 million in repayment of long-term borrowings.

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

		Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014
Equity ratio	(%)	66.3	67.6	68.7	69.4
Equity ratio based on market capitalization	(%)	79.2	82.2	108.3	107.0
Net cash interest-bearing liabilities ratio	(years)	0.5	0.5	0.5	0.5
Interest coverage ratio	(times)	136.7	150.0	150.1	120.8

(Notes)

Equity ratio = (Net assets - Minority interests - Stock acquisition rights) / 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, 2014 and Fiscal Year Ending March 31, 2015

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, 2014, 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 2013.

For the year ending March 31, 2015, 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 41.3%.

2. Management Policies

(1) The disclosure of Basic Management Policy 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.nissin.com/en_jp/ir/

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

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

(2) Medium- and Long-Term Management Strategies

The Company announced its medium-term management plan covering the three-year period starting in the fiscal year ending March 31, 2014. Disclosed materials can be viewed on the following websites:

(Homepage of NISSIN FOODS HOLDINGS)

http://www.nissin.com/en_jp/ir/

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

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

(3) Company Initiatives

The Japanese economy is expected to recover on the back of firm domestic demand over the coming fiscal year, with decline following the last-minute surge in demand before the consumption rate hike also likely to be mitigated by economic measures. Yet the outlook remains uncertain, given the upswing in raw materials prices due to the weaker yen.

In this environment, the Group will leverage the newly strengthened product development capabilities of its Global Innovation Research Institute, and focus on developing high added-value products to meet consumer needs and further enhancing brand value. Overseas, global demand for instant noodles is expanding due to population growth and economic development, especially in emerging economies, and the Group will focus on measures in response to market growth.

The Group positions "food safety" as its most important management issue and, in collaboration with the newly opened Global Food Safety Research Institute and FOOD SAFETY EVALUATION & RESEARCH INSTITUTE CO., LTD. in China, will continue strengthening quality assurance systems for the products manufactured at the Group's plants in Japan and overseas.

In terms of CSR activities, the Group is cooperating with the UN World Food Program (Japan Association for the World Food Programme (WFP)) and pursuing initiatives including the Hyakufukushi Project to undertake a total of 100 social contribution activities over the next 50 years and support for sports activities. The Company remains committed to creating a corporate group that people can trust.

3. Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of Yen)

	As of Mar. 31, 2013	As of Mar. 31, 2014
Assets		
Current assets		
Cash and deposits	64,351	79,923
Notes and accounts receivable—trade	47,072	51,298
Marketable securities	6,065	11,725
Finished goods and merchandise	10,022	10,032
Raw materials and supplies	9,329	10,926
Deferred tax assets	4,549	4,513
Other	5,564	6,768
Less: Allowance for doubtful receivables	(280)	(369)
Total current assets	146,674	174,819
Fixed assets		
Tangible fixed assets		
Building and structures, net	35,573	45,453
Machinery, equipment and vehicles, net	36,827	41,462
Tools and fixtures, net	2,407	2,738
Land	52,429	51,063
Leased assets, net	741	1,084
Construction in progress	4,334	4,289
Other, net	1,473	1,527
Total tangible fixed assets	133,787	147,620
Intangible fixed assets		
Goodwill	2,619	1,832
Other	2,057	4,477
Total intangible fixed assets	4,677	6,309
Investments and other assets		
Investments in securities	138,571	131,843
Investments in capital	17,592	14,123
Long-term loans	1,664	1,915
Deferred tax assets	1,421	1,419
Other	2,083	1,745
Less: Allowance for doubtful accounts	(340)	(327)
Total investments and other assets	160,992	150,720
Total fixed assets	299,457	304,650
Total assets	446,132	479,469

(Millions of Yen)

	As of Mar. 31, 2013	As of Mar. 31, 2014
Liabilities		
Current liabilities		
Notes and accounts payable—trade	43,652	43,461
Short-term borrowings	1,342	3,332
Accrued payables	24,012	24,536
Lease liabilities within one year	97	132
Accrued income taxes	7,143	7,306
Other	21,561	21,398
Total current liabilities	97,809	100,167
Long-term liabilities		
Long-term borrowings	7,612	9,441
Lease liabilities beyond one year	227	533
Asset retirement obligations	120	55
Deferred tax liabilities	12,039	15,115
Deferred tax liabilities on land revaluation	2,919	2,744
Accrued retirement benefits to employees	7,496	—
Liability for retirement benefits	—	6,290
Other	2,878	2,820
Total long-term liabilities	33,296	37,001
Total liabilities	131,105	137,168
Equity		
Shareholders' equity		
Common stock	25,122	25,122
Capital Surplus	48,416	48,416
Retained earnings	257,067	263,585
Less: Treasury stock, at cost	(21,798)	(21,710)
Total shareholders' equity	308,808	315,413
Accumulated other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	12,329	17,562
Deferred hedging gain (loss)	—	38
Land revaluation reserve	(6,619)	(5,898)
Foreign currency translation adjustments	(7,936)	5,214
Accumulated adjustment for retirement benefits	—	408
Total accumulated other comprehensive income (loss)	(2,227)	17,325
Stock acquisition rights	899	1,180
Minority interests	7,546	8,381
Total equity	315,026	342,300
Total liabilities and equity	446,132	479,469

2. Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Millions of Yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Net sales	382,793	417,620
Cost of sales	211,346	231,309
Gross profit	171,446	186,310
Selling, general and administrative expenses	147,492	158,605
Operating income	23,954	27,705
Non-operating income		
Interest income	837	1,084
Dividend income	1,835	1,896
Gain on sales of marketable securities	59	493
Equity in earnings of affiliates	1,888	2,153
Foreign exchange gain	1,538	1,177
Other non-operating income	1,256	773
Total non-operating income	7,415	7,578
Non-operating expenses		
Interest expenses	213	250
Other non-operating expenses	192	193
Total non-operating expenses	405	443
Ordinary income	30,964	34,840
Extraordinary gains		
Gain on sales of fixed assets	348	138
Gain on sales of investments in securities	359	3,329
Subsidy income	17	—
Insurance income	152	23
Other extraordinary gains	—	0
Total extraordinary gains	877	3,492
Extraordinary losses		
Loss on sales of fixed assets	38	220
Loss on disposal of fixed assets	356	727
Loss on impairment of fixed assets	1,275	1,998
Loss on revaluation of investments in capital	—	2,800
Loss from natural disaster	235	45
Loss on cancellation of manufacturing subcontract agreement	310	54
Other extraordinary losses	233	761
Total extraordinary losses	2,449	6,607
Income before income taxes and minority interests	29,392	31,725
Current income taxes	10,221	11,192
Deferred income taxes	(26)	1,243
Total income taxes	10,194	12,435
Net income before minority interests	19,198	19,289
Minority interests in earnings of consolidated subsidiaries	343	20
Net income	18,855	19,268

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Net income before minority interests	19,198	19,289
Other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	7,924	5,257
Deferred gains or losses on hedges	—	38
Foreign currency translation adjustments	3,903	8,636
Share of other comprehensive income of affiliates	3,857	4,035
Adjustment for retirement benefits	—	152
Total other comprehensive income (loss)	15,685	18,120
Comprehensive Income	34,883	37,410
Total comprehensive income attributable to:		
Owners of the parent	34,371	36,787
Minority interests	512	622

3. Consolidated Statements of Changes in Net Assets

(Year ended March 31, 2014)

(Millions of Yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	25,122	48,416	257,067	(21,798)	308,808
Cumulative effect of changes in accounting policies			(2,094)		(2,094)
Restated balance	25,122	48,416	254,972	(21,798)	306,713
Total increase (decrease) during the year					
Cash dividends paid			(8,265)		(8,265)
Net income			19,268		19,268
Acquisition of treasury stock				(6)	(6)
Sales of treasury stock		(10)		94	83
Transfer to capital surplus		10	(10)		—
Reversal of land revaluation reserve			(721)		(721)
Change in scope of consolidation			(1,658)		(1,658)
Net changes of items other than shareholders' equity					—
Total increase (decrease) during the year	—	—	8,612	87	8,700
Balance at the end of the year	25,122	48,416	263,585	(21,710)	315,413

	Accumulated other comprehensive income						Stock acquisition rights	Minority interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gains or losses on hedges	Land revaluation reserve	Foreign currency translation adjustments	Accumulated adjustment for retirement benefits	Total accumulated other comprehensive income			
Balance at the beginning of the year	12,329	—	(6,619)	(7,936)	—	(2,227)	899	7,546	315,026
Cumulative effect of changes in accounting policies					255	255			(1,838)
Restated balance	12,329	—	(6,619)	(7,936)	255	(1,971)	899	7,546	313,188
Total increase (decrease) during the year									
Cash dividends paid									(8,265)
Net income									19,268
Acquisition of treasury stock									(6)
Sales of treasury stock									83
Transfer to capital surplus									—
Reversal of land revaluation reserve									(721)
Change in scope of consolidation									(1,658)
Net changes of items other than shareholders' equity	5,233	38	721	13,150	152	19,296	281	834	20,412
Total increase (decrease) during the year	5,233	38	721	13,150	152	19,296	281	834	29,112
Balance at the end of the year	17,562	38	(5,898)	5,214	408	17,325	1,180	8,381	342,300

(Year ended March 31, 2013)

(Millions of Yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	25,122	48,416	247,138	(21,855)	298,821
Total increase (decrease) during the year					
Cash dividends paid			(8,263)		(8,263)
Net income			18,855		18,855
Acquisition of treasury stock				(3)	(3)
Sales of treasury stock		(9)		60	51
Transfer to capital surplus		9	(9)		—
Reversal of land revaluation reserve			(655)		(655)
Other increase in retained earnings			2		2
Net changes of items other than shareholders' equity					—
Total increase (decrease) during the year	—	—	9,928	57	9,986
Balance at the end of the year	25,122	48,416	257,067	(21,798)	308,808

	Accumulated other comprehensive income				Stock Acquisition rights	Minority interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Land revaluation reserve	Foreign currency translation adjustments	Total accumulated other comprehensive income			
Balance at the beginning of the year	4,385	(7,275)	(15,509)	(18,398)	658	5,575	286,657
Total increase (decrease) during the year							
Cash dividends paid							(8,263)
Net income							18,855
Acquisition of treasury stock							(3)
Sales of treasury stock							51
Transfer to capital surplus							—
Reversal of land revaluation reserve							(655)
Other increase in retained earnings							2
Net changes of items other than shareholders' equity	7,943	655	7,572	16,171	240	1,971	18,383
Total increase (decrease) during the year	7,943	655	7,572	16,171	240	1,971	28,369
Balance at the end of the year	12,329	(6,619)	(7,936)	(2,227)	899	7,546	315,026

4. Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	29,392	31,725
Depreciation and amortization	14,344	14,516
Loss on impairment of fixed assets	1,275	1,998
Increase (decrease) in allowance for doubtful receivables	(1)	30
Increase (decrease) in accrued retirement benefits to employees	(1,950)	(7,496)
Increase (decrease) in liability for retirement benefits	—	3,683
Interest and dividend income	(2,673)	(2,980)
Interest expenses	213	250
Foreign currency exchange (gain) loss	(1,431)	(215)
Equity in earnings of affiliates	(1,888)	(2,153)
Loss (gain) on disposal and sales of property, plant and equipment	46	808
Loss (gain) on sales of marketable securities, investments in securities and other	(419)	(3,822)
Loss (gain) on revaluation of marketable securities, investments in securities and other	84	2,822
(Increase) decrease in trade notes and accounts receivable	599	(2,318)
(Increase) decrease in inventories	(777)	(256)
Increase (decrease) in trade notes and accounts payable	(1,819)	(1,342)
Increase (decrease) in accrued payable	1,552	(507)
Other, net	1,460	1,538
Subtotal	38,009	36,280
Interest and dividends received	3,960	4,699
Interest paid	(213)	(250)
Income taxes paid	(11,663)	(12,184)
Income taxes refunded	1,952	1,668
Net cash provided by operating activities	32,045	30,213
Cash flows from investing activities		
Increase in time deposits	(2,951)	(2,125)
Proceeds from redemption of time deposits	4,580	3,116
Payment for purchases of marketable securities	(500)	(5,703)
Proceeds from sales and redemption of marketable securities	2,581	10,840
Payment for purchases of property, plant and equipment and others	(21,078)	(21,068)
Proceeds from sales of property, plant and equipment and others	2,148	2,282
Payment for purchases of investments in securities	(18,835)	(21,033)
Proceeds from sales and redemption of investments in securities	6,660	25,911
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,903)	—
Proceeds from sales of investments in subsidiaries	—	474
Payment of loans receivable	(246)	(804)
Collection of loans receivable	61	1,154
Other, net	(1,768)	(2,551)
Net cash used in investing activities	(31,251)	(9,507)

(Millions of Yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(452)	2,029
Proceeds from long-term borrowings	399	4,033
Repayment of long-term borrowings	(1,640)	(6,194)
Net increase in treasury stock	(2)	(6)
Cash dividends paid	(8,263)	(8,265)
Cash dividends paid to minority shareholders	(17)	(30)
Other, net	(92)	(91)
Net cash used in financing activities	(10,070)	(8,525)
Effect of exchange rate changes on cash and cash equivalents	1,550	2,822
Net increase (decrease) in cash and cash equivalents	(7,726)	15,003
Cash and cash equivalents at beginning of the year	71,740	64,014
Increase in cash and cash equivalents arising from initial consolidation of subsidiaries	—	1,183
Cash and cash equivalents at end of the year	64,014	80,201

5. Segment Information

a) Overview of reportable segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the Board of Directors is being performed in order to decide how resources are allocated among the Group. According to the operating unit strategy of seven operating companies in Japan and four overseas business regions, the reportable segments consist of "Nissin Food Products," "Myojo Foods," "Chilled and frozen foods," "The Americas" and "China". The segments of "Nissin Food Products," "Myojo Foods," "The Americas" and "China" are operating the business of manufacturing and selling Cup- and bag-type noodles. The "Chilled and frozen foods" is operating the business of manufacturing and selling chilled and frozen foods.

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

Year ended March 31, 2014

(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	210,906	39,561	54,789	32,219	29,903	367,381	50,238	417,620	—	417,620
Intersegment sales	3,186	1,708	1,229	—	127	6,250	18,407	24,658	(24,658)	—
Total	214,092	41,269	56,018	32,219	30,031	373,632	68,646	442,279	(24,658)	417,620
Segment income	25,688	1,963	472	543	2,845	31,513	(576)	30,937	(3,232)	27,705
Segment assets	140,085	50,653	29,594	15,926	38,770	275,030	114,843	389,873	89,596	479,469
Other items										
Depreciation and Amortization	7,225	1,062	1,138	1,315	860	11,602	2,913	14,516	—	14,516
Investment in affiliates	—	—	—	—	—	—	38,191	38,191	—	38,191
Capital Investment	7,433	5,539	1,751	715	1,633	17,074	10,785	27,860	(386)	27,473

(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 ¥3,232 million, consisting of ¥677 million from retirement benefit expenses, minus ¥804 million from the amortization of goodwill, ¥222 million from elimination of intersegment transactions and minus ¥3,328 million from group expenses.
3. Segment income is adjusted to operating income of Consolidated Statements of Income.
4. Segment assets under "Reconciliation" include the assets which cannot be allocated to any particular segment amounting to ¥89,596 million. The amount mainly consists of ¥83,983 million of surplus investment funds, ¥1,832 million of goodwill, and ¥3,781 million of other investments.

Year ended March 31, 2013

(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	200,841	39,335	52,565	25,916	20,848	339,506	43,286	382,793	—	382,793
Intersegment sales	190	1,137	552	—	96	1,977	16,525	18,503	(18,503)	—
Total	201,032	40,473	53,118	25,916	20,944	341,484	59,812	401,296	(18,503)	382,793
Segment income	23,810	1,712	818	236	1,835	28,413	98	28,512	(4,558)	23,954
Segment assets	134,628	47,987	28,226	13,279	31,361	255,482	107,365	362,847	83,284	446,132
Other items										
Depreciation and Amortization	7,624	1,049	1,249	1,011	553	11,488	2,856	14,344	—	14,344
Investment in affiliates	—	—	—	—	—	—	33,316	33,316	—	33,316
Capital Investment	11,141	1,320	1,283	883	2,819	17,447	4,160	21,608	(26)	21,582

(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 ¥4,558 million, consisting of minus ¥507 million from retirement benefit expenses, minus ¥1,044 million from the amortization of goodwill, ¥39 million from elimination of intersegment transactions and minus ¥3,046 million from group expenses.
3. Segment income is adjusted to operating income of Consolidated Statements of Income.
4. Segment assets under "Reconciliation" include the assets which cannot be allocated to any particular segment amounting to ¥83,284 million. The amount mainly consists of ¥79,634 million of surplus investment funds, ¥2,619 million of goodwill, and ¥1,030 million of other investments.