

Financial Data Book

For the year ended March 31, 2025



CONSOLIDATED SIX-YEAR SUMMARY OF SELECTED FINANCIAL DATA

Years ended March 31,	IFRS Millions of yen (except per share information)					
	2020	2021	2022	2023	2024	2025
For the year						
Revenue	¥468,879	¥506,107	¥569,722	¥669,248	¥732,933	¥776,594
Cost of sales	301,599	324,350	375,219	448,170	474,303	503,642
Gross profit	167,279	181,756	194,502	221,078	258,630	272,951
Selling, general, and administrative expenses	129,485	136,590	151,518	173,823	197,252	209,270
Gain on investments accounted for using the equity method	4,543	5,435	3,656	7,998	13,038	13,217
Other income (expenses)	(1,085)	4,930	(26)	384	(1,054)	(2,530)
Operating profit	41,252	55,532	46,614	55,636	73,361	74,369
Finance income	1,397	702	2,568	2,313	3,554	2,430
Profit before income tax expenses	42,650	56,233	49,182	57,950	76,915	76,798
Income tax expenses	11,528	12,893	10,927	9,568	18,197	17,904
Profit attributable to noncontrolling interests	1,805	2,511	2,842	3,620	4,547	3,874
Profit attributable to owners of the parent	29,316	40,828	35,412	44,760	54,170	55,019
Comprehensive income	13,355	70,687	58,311	56,310	84,684	53,452
Per share ^{*1}						
Profit attributable to owners of the parent per share - primary	¥93.82	¥130.65	¥114.50	¥146.94	¥178.16	¥184.41
- diluted	93.31	129.90	113.84	146.04	177.04	183.22
Cash dividends ^{*1,2}	110.00	120.00	130.00	140.00	120.00	70.00
Equity ^{*1,3}	1,049.54	1,228.79	1,326.55	1,415.70	1,621.91	1,618.35
At year-end						
Working capital ^{*4}	¥46,103	¥68,467	¥91,664	¥81,404	¥91,351	¥68,750
Property, plant, and equipment, net	240,063	257,135	260,506	265,839	315,573	351,790
Total assets	576,621	663,530	683,423	708,374	812,382	848,461
Noncurrent liabilities	80,877	81,444	70,870	55,665	63,874	116,965
Equity	354,063	421,435	444,590	467,949	535,010	511,901
Research and development ("R&D") expenses	¥7,549	¥7,852	¥10,127	¥11,353	¥10,845	¥11,972
Capital expenditures	39,742	34,032	28,309	32,718	74,968	78,093
Value and Performance Indicators						
Operating margin (%) ^{*5}	8.8	11.0	8.2	8.3	10.0	9.6
Return on assets (%) ^{*6}	5.2	6.6	5.3	6.4	7.1	6.6
Return on equity (%) ^{*7}	9.0	11.5	8.9	10.7	11.7	11.4
Inventory turnover (times) ^{*8}	9.3	8.8	8.5	8.6	7.8	7.5

Note : 1. The Company implemented a three-for-one stock split of its common stock with an effective date of January 1, 2024.

Basic earnings per share and diluted earnings per share have been calculated assuming the stock split was implemented at the beginning of the fiscal year ended March 31, 2020.

2. The Company implemented a three-for-one stock split of its common stock with an effective date of January 1, 2024.

The dividend per share for the fiscal year ended March 31, 2024, was recorded as ¥80 for the interim dividend before the stock split and ¥40 for the year-end dividend after the stock split, resulting in a total annual dividend of ¥120.00 when simply summed up. If the stock split was not considered, the year-end dividend per share for the fiscal year ended March 31, 2024, would be ¥120, and the total annual dividend would be ¥200.

3. Equity per share (IFRS) = (Equity — noncontrolling interests) / Number of shares outstanding as of the year-end (excluding treasury share).

4. Working capital = Total current assets — Total current liabilities.

5. Operating margin (IFRS) = Operating profit / Revenue.

6. Return on assets (IFRS) = Profit attributable to owners of the parent / Average total assets.

7. Return on equity (IFRS) = Profit attributable to owners of the parent / (Average total equity — Average noncontrolling interests).

8. Inventory turnover = Cost of sales / Average total inventory.

9. Amounts presented in this summary (IFRS) are rounded down to the nearest million yen.

1. Consolidated Statement of Financial Position

Consolidated statement of financial position

		(Millions of yen)		(Thousands of U.S. dollars)
	Notes	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Assets				
Current assets				
Cash and cash equivalents	7	96,659	73,036	488,470
Trade and other receivables	8,33	116,407	115,072	769,613
Inventories	9	64,060	70,536	471,752
Income taxes receivable		1,137	465	3,110
Other financial assets	10,33	18,752	16,259	108,743
Other current assets	11	7,832	12,973	86,769
Total current assets		304,849	288,343	1,928,459
Noncurrent assets				
Property, plant, and equipment	12	315,573	351,790	2,352,801
Goodwill and intangible assets	13	12,207	19,245	128,717
Investment property	16	7,231	7,392	49,444
Investments accounted for using the equity method		95,577	112,514	752,503
Other financial assets	10,33	59,228	53,773	359,638
Deferred tax assets	17	16,619	14,278	95,494
Other noncurrent assets	11	1,095	1,122	7,510
Total noncurrent assets		507,533	560,118	3,746,110
Total assets		812,382	848,461	5,674,570
Liabilities and equity				
Liabilities				
Current liabilities				
Trade and other payables	18,33	161,453	144,703	967,788
Borrowings	19,33	12,941	38,039	254,408
Accrued income taxes		7,819	5,667	37,901
Other financial liabilities	19,33	4,905	4,528	30,290
Other current liabilities	21	26,377	26,655	178,270
Total current liabilities		213,498	219,593	1,468,659
Noncurrent liabilities				
Bonds and borrowings	19,33	21,911	77,520	518,464
Other financial liabilities	19,33	17,037	16,007	107,062
Defined benefit liabilities	22	5,293	5,425	36,283
Provisions	20	469	341	2,284
Deferred tax liabilities	17	16,408	14,892	99,602
Other noncurrent liabilities	21	2,753	2,777	18,578
Total noncurrent liabilities		63,874	116,965	782,276
Total liabilities		277,372	336,559	2,250,936
Equity				
Share capital	23	25,122	25,122	168,022
Capital surplus	23	44,054	39,662	265,268
Treasury shares	23	(11,341)	(31,049)	(207,661)
Other components of equity	23	65,570	59,899	400,612
Retained earnings	23	369,779	381,893	2,554,128
Total equity attributable to owners of the parent		493,185	475,528	3,180,370
Noncontrolling interests	35	41,824	36,372	243,264
Total equity		535,010	511,901	3,423,634
Total liabilities and equity		812,382	848,461	5,674,570

2. Consolidated Statement of Income and Comprehensive Income

Consolidated statement of income and comprehensive income

		(Millions of yen)		(Thousands of U.S. dollars)
	Note	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Revenue	25	732,933	776,594	5,193,914
Cost of sales		474,303	503,642	3,368,393
Gross profit		258,630	272,951	1,825,521
Selling, general, and administrative expenses	26	197,252	209,270	1,399,614
Gain on investments accounted for using the equity method	6	13,038	13,217	88,401
Other income	27	2,334	1,830	12,239
Other expenses	27	3,388	4,360	29,163
Operating profit		73,361	74,369	497,385
Finance income	28	4,138	4,190	28,026
Finance costs	28	584	1,760	11,776
Profit before income tax expense		76,915	76,798	513,635
Income tax expense	17	18,197	17,904	119,747
Profit		58,717	58,894	393,888
Profit attributable to				
Owners of the parent		54,170	55,019	367,975
Noncontrolling interests	35	4,547	3,874	25,912
Profit		58,717	58,894	393,888
Earnings per share	31			
Basic earnings per share (yen)		178.16	184.41	1.23
Diluted earnings per share (yen)		177.04	183.22	1.22

Consolidated Statement of Comprehensive Income

		(Millions of yen)		(Thousands of U.S. dollars)
	Note	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Profit		58,717	58,894	393,888
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Net change in equity instruments measured at FVTOCI	30	11,453	(3,475)	(23,247)
Remeasurements of defined benefit plans	30	(3,067)	(28)	(191)
Share of other comprehensive income of investments accounted for using the equity method	30	(7,485)	97	649
Total items that will not be reclassified to profit or loss		900	(3,407)	(22,789)
Items that may be reclassified to profit or loss				
Cash flow hedges	30	6	(27)	(184)
Foreign currency translation differences on foreign operations	30	17,413	(9,485)	(63,440)
Share of other comprehensive income of investments accounted for using the equity method	30	7,647	7,478	50,016
Total items that may be reclassified to profit or loss		25,066	(2,034)	(13,607)
Total other comprehensive income		25,966	(5,441)	(36,396)
Comprehensive income		84,684	53,452	357,492
Comprehensive income attributable to				
Owners of the parent		77,939	49,708	332,454
Noncontrolling interests		6,744	3,743	25,038
Comprehensive income		84,684	53,452	357,492

3. Consolidated Statement of Changes in Equity

Consolidated statement of changes in equity

(Millions of yen)

Note	Equity attributable to owners of the parent						
	Other components of equity						Net change in financial instruments measured at fair value through other comprehensive income
	Share capital	Capital surplus	Treasury shares	Stock acquisition rights to shares	Foreign currency translation differences on foreign operations	Cash flow hedges	
Balance at April 1, 2023	25,122	43,585	(11,431)	2,933	6,655	33	20,796
Profit	-	-	-	-	-	-	-
Other comprehensive income (loss)	30	-	-	-	15,147	5	11,442
Total comprehensive income (loss)		-	-	-	15,147	5	11,442
Acquisition of treasury shares	23	-	(11)	-	-	-	-
Disposal of treasury shares	23	(17)	101	(63)	-	-	-
Share-based payment transactions	32	165	-	-	-	-	-
Cash dividend paid	24	-	-	-	-	-	-
Changes in the ownership interest in subsidiary without a loss of control		321	-	-	-	-	-
Transfer from other components of equity to retained earnings		-	-	-	-	-	(2,629)
Other		-	-	-	-	-	-
Total transactions with owners of the parent		469	89	(63)	-	-	(2,629)
Balance at March 31, 2024	25,122	44,054	(11,341)	2,869	21,802	39	29,609
Profit	-	-	-	-	-	-	-
Other comprehensive income (loss)	30	-	-	-	(9,267)	(28)	(3,473)
Total comprehensive income (loss)		-	-	-	(9,267)	(28)	(3,473)
Acquisition of treasury shares	23	(59)	(40,422)	-	-	-	-
Disposal of treasury shares	23	(16)	46	(27)	-	-	-
Cancellation of treasury shares	23	(135)	20,668	-	-	-	-
Share-based payment transactions	32	157	-	-	-	-	-
Cash dividend paid	24	-	-	-	-	-	-
Changes in the ownership interest in subsidiary without a loss of control		(4,336)	-	-	-	-	-
Transfer from other components of equity to retained earnings		-	-	-	-	-	(409)
Other		-	-	-	-	-	-
Total transactions with owners of the parent		(4,391)	(19,707)	(27)	-	-	(409)
Balance at March 31, 2025	25,122	39,662	(31,049)	2,841	12,535	11	25,727

(Millions of yen)

Note	Equity attributable to owners of the parent						
	Other components of equity						Noncontrolling interests
	Remeasurements of defined benefit plans	Share of other comprehensive income of investments accounted for using the equity method	Total	Retained earnings	Total	Total	
Balance at April 1, 2023	-	3,584	34,003	339,147	430,427	37,522	467,949
Profit	-	-	-	54,170	54,170	4,547	58,717
Other comprehensive income (loss)	30	(2,988)	162	-	23,769	2,197	25,966
Total comprehensive income (loss)		(2,988)	162	54,170	77,939	6,744	84,684
Acquisition of treasury shares	23	-	-	-	(11)	-	(11)
Disposal of treasury shares	23	-	(63)	(19)	0	-	0
Share-based payment transactions	32	-	-	-	165	-	165
Cash dividend paid	24	-	-	(15,709)	(15,709)	(1,095)	(16,804)
Changes in the ownership interest in subsidiary without a loss of control		-	-	-	321	(1,462)	(1,140)
Transfer from other components of equity to retained earnings		2,988	7,502	(7,861)	-	-	-
Other		-	-	52	52	115	167
Total transactions with owners of the parent		2,988	7,502	(23,537)	(15,181)	(2,442)	(17,623)
Balance at March 31, 2024	-	11,249	65,570	369,779	493,185	41,824	535,010
Profit	-	-	-	55,019	55,019	3,874	58,894
Other comprehensive income (loss)	30	(117)	7,575	(5,311)	(5,311)	(130)	(5,441)
Total comprehensive income (loss)		(117)	7,575	55,019	49,708	3,743	53,452
Acquisition of treasury shares	23	-	-	-	(40,482)	-	(40,482)
Disposal of treasury shares	23	-	(27)	-	1	-	1
Cancellation of treasury shares	23	-	-	(20,533)	-	-	-
Share-based payment transactions	32	-	-	-	157	-	157
Cash dividend paid	24	-	-	(22,633)	(22,633)	(1,416)	(24,049)
Changes in the ownership interest in subsidiary without a loss of control		-	-	-	(4,336)	(7,656)	(11,993)
Transfer from other components of equity to retained earnings		117	(40)	(331)	331	-	-
Other		-	-	(70)	(70)	(123)	(194)
Total transactions with owners of the parent		117	(40)	(359)	(67,364)	(9,195)	(76,560)
Balance at March 31, 2025	-	18,784	59,899	381,893	475,528	36,372	511,901

(Thousands of U.S. dollars)

	Note	Equity attributable to owners of the parent					
		Share capital	Capital surplus	Treasury shares	Other components of equity		
					Stock acquisition rights to shares	Foreign currency translation differences on foreign operations	Cash flow hedges
							Net change in financial instruments measured at fair value through other comprehensive income
Balance at March 31, 2024		168,022	294,639	(75,853)	19,188	145,819	262
Profit		-	-	-	-	-	-
Other comprehensive income (loss)	30	-	-	-	-	(61,982)	(187)
Total comprehensive income (loss)		-	-	-	-	(61,982)	(187)
Acquisition of treasury shares	23	-	(401)	(270,347)	-	-	-
Disposal of treasury shares	23	-	(111)	308	(184)	-	-
Cancellation of treasury shares	23	-	(905)	138,231	-	-	-
Share-based payment transactions	32	-	1,052	-	-	-	-
Cash dividend paid	24	-	-	-	-	-	-
Changes in the ownership interest in subsidiary without a loss of control		-	(29,005)	-	-	-	-
Transfer from other components of equity to retained earnings		-	-	-	-	-	(2,735)
Other		-	-	-	-	-	-
Total transactions with owners of the parent		-	(29,371)	(131,808)	(184)	-	(2,735)
Balance at March 31, 2025		168,022	265,268	(207,661)	19,003	83,836	75

(Thousands of U.S. dollars)

	Note	Equity attributable to owners of the parent					
		Other components of equity			Noncontrolling interests	Total	
		Remeasurements of defined benefit plans	Share of other comprehensive income of investments accounted for using the equity method	Retained earnings			
Balance at March 31, 2024		-	75,238	438,539	2,473,108	3,298,456	279,727
Profit		-	-	-	367,975	367,975	25,912
Other comprehensive income (loss)	30	(788)	50,666	(35,521)	-	(35,521)	(874)
Total comprehensive income (loss)		(788)	50,666	(35,521)	367,975	332,454	25,038
Acquisition of treasury shares	23	-	-	-	-	(270,749)	-
Disposal of treasury shares	23	-	-	(184)	-	12	-
Cancellation of treasury shares	23	-	-	-	(137,326)	-	-
Share-based payment transactions	32	-	-	-	-	1,052	-
Cash dividend paid	24	-	-	-	(151,375)	(151,375)	(9,471)
Changes in the ownership interest in subsidiary without a loss of control		-	-	-	-	(29,005)	(51,207)
Transfer from other components of equity to retained earnings		788	(272)	(2,220)	2,220	-	-
Other		-	-	-	(474)	(474)	(822)
Total transactions with owners of the parent		788	(272)	(2,404)	(286,956)	(450,540)	(61,501)
Balance at March 31, 2025		-	125,632	400,612	2,554,128	3,180,370	243,264

4. Consolidated Statement of Cash Flows

Consolidated statement of cash flows

		(Millions of yen)		(Thousands of U.S. dollars)
	Note	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Operating activities				
Profit before tax		76,915	76,798	513,635
Depreciation and amortization		31,262	33,237	222,296
Impairment losses		478	2,841	19,006
Increase (decrease) in defined benefit liabilities		4,505	288	1,930
Finance income and costs		(3,120)	(2,478)	(16,574)
(Gain) loss on investments accounted for using the equity method		(13,038)	(13,217)	(88,401)
(Gain) loss on sales and retirement of property, plant and equipment and others		379	381	2,554
(Increase) decrease in inventories		(3,370)	(7,391)	(49,435)
(Increase) decrease in trade and other receivables		(10,568)	158	1,062
Increase (decrease) in trade and other payables		14,355	(18,908)	(126,461)
Other		2,917	(2,948)	(19,720)
Subtotal		100,716	68,763	459,892
Interest and dividends received		8,064	8,184	54,737
Interest paid		(1,262)	(1,354)	(9,060)
Income taxes paid		(16,688)	(19,818)	(132,547)
Income taxes refunded		3,293	1,283	8,586
Cash flows from operating activities		94,123	57,058	381,608
Investing activities				
Payments into time deposits		(9,513)	(15,531)	(103,873)
Proceeds from redemption of time deposits		3,130	13,855	92,665
Payment for purchases of property, plant and equipment and others		(62,088)	(70,679)	(472,709)
Proceeds from sales of property, plant and equipment and others		87	195	1,310
Payment for acquisition of intangible assets		(478)	(791)	(5,292)
Payment for purchases of investments in securities		(657)	(162)	(1,086)
Proceeds from sales and redemption of investments in securities		8,851	416	2,785
Proceeds from sales of marketable securities		-	4,486	30,005
Payment for purchase of shares of subsidiaries resulting in change in scope of consolidation		-	(8,501)	(56,856)
Payments for acquisition of businesses		(1,254)	-	-
Other		10	2	17
Cash flows from investing activities		(61,912)	(76,708)	(513,033)
Financing activities				
Net increase (decrease) in short-term borrowings	29	(549)	18,711	125,146
Proceeds from long-term borrowings	29	6,876	20,488	137,031
Repayment of long-term borrowings	29	(8,701)	(8,070)	(53,977)
Proceeds from issuance of bonds	29	-	49,829	333,261
Repayments of lease liabilities	29	(5,467)	(5,312)	(35,529)
Net increase in treasury shares		(11)	(40,482)	(270,749)
Cash dividends paid		(15,709)	(22,633)	(151,375)
Cash dividends paid to non-controlling-interest shareholders		(1,095)	(1,416)	(9,471)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation		(1,147)	(11,706)	(78,292)
Other		(517)	0	0
Cash flows from financing activities		(26,323)	(591)	(3,957)
Effect of exchange rate changes on cash and cash equivalents		3,383	(3,381)	(22,613)
Net increase (decrease) in cash and cash equivalents		9,271	(23,623)	(157,995)
Cash and cash equivalents at beginning of the period	7	87,388	96,659	646,466
Cash and cash equivalents at end of the period	7	96,659	73,036	488,470

1. Reporting Entity

Nissin Foods Holdings Company Limited (hereinafter, the "Company") is a stock company domiciled in Japan. The addresses of its registered head office and main offices are disclosed on the Company's website (https://www.nissin.com/en_jp/).

The Company's consolidated financial statements comprise the Company and its subsidiaries (hereinafter, the "Group") and interests in the Company's associates.

Details of each business and principal activities of the Group are described in Note 6 "Segment Information".

2. Basis of Preparation

(1) Compliance with International Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards.

Since the requirements for "Specified Company of Designated International Accounting Standards" set forth in Article 1-2 of the "Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements" are satisfied, the Group adopted the provisions of Article 312 of the same Ordinance.

The Group's consolidated financial statements were approved by Takashi Yano, Executive Officer and Chief Financial Officer, on September 1, 2025.

(2) Functional currency and presentation currency

The Group's consolidated financial statements are presented in Japanese yen, which is also the Company's functional currency.

Amounts presented in the consolidated financial statements are rounded down to the nearest million yen and thousand dollars.

The translation of the Japanese yen amounts into U.S. dollars is included solely for the convenience of readers outside Japan using the exchange rate of ¥149.52 to \$1.00, the approximate rate of exchange on March 31, 2025.

The convenience translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be converted into U.S. dollars at this or any other rate of exchange.

3. Significant Accounting Policies

(1) Basis of consolidation

The consolidated financial statements include financial statements of the Company and its subsidiaries, and interests in investments in associates.

1) Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group considers that it has control over an entity when it has exposures to variable returns arising from its involvement with the entity, or when it has rights on the returns and has the ability to affect those returns through the exercise of its power over the entity.

The acquisition date of a subsidiary is the date on which the Group obtained control of the subsidiary, and the subsidiary is included in the consolidation from the date of acquisition until the date on which the Group loses control.

In cases where the accounting policies applied by a subsidiary are different from those applied by the Group, adjustments are made to the subsidiary's financial statements, if necessary.

The fiscal year end date of some subsidiaries is different from that of the Group since it is impracticable to unify the fiscal year end date primarily due to local regulations and laws enforced in the regions where the subsidiaries are located.

In such cases, the financial figures of the subsidiaries based on provisional closing on the fiscal year end of the Company are used.

All material intragroup transactions, assets, liabilities, and unrealized gains or losses arising from intragroup transactions are eliminated in consolidation.

Comprehensive income of the subsidiaries is attributed to the owners of the parent and to the noncontrolling interests even if noncontrolling interests have a deficit balance.

Changes in the Company's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. Any difference between the adjustment to the noncontrolling interests and the fair value of the consideration is recognized directly in equity attributable to the owners of the parent.

If the Group loses control over a subsidiary, gains or losses derived from such loss of control of the subsidiary shall be recognized in profit or loss.

2) Associates

An associate is an entity over which the Group has significant influence.

Investments in associates are accounted for using the equity method from the date on which the Group obtained the significant influence until the date on which it ceases to have the influence.

In cases where the accounting policies applied by an associate are different from those applied by the Group, adjustments are made to the associate's financial statements, if necessary.

The fiscal year end date of the associates is different from that of the Group since it is impracticable to unify the fiscal year end date primarily due to local regulations and laws enforced in the regions where the associates are located or where the stocks of the associates are listed or due to relations with other shareholders.

(2) Business combinations

Business combinations are accounted for using the acquisition method. Consideration transferred in a business combination is measured as the sum of the acquisition-date fair value of the assets transferred in exchange for control over an acquiree, the liabilities assumed, and equity interests issued by the Company.

The identifiable assets acquired and the liabilities assumed in the acquiree are measured at their acquisition-date fair values, except:

- 1) Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements, which are recognized and measured in accordance with International Accounting Standard (hereinafter, "IAS") 12 "Income Taxes," and IAS 19 "Employee Benefits", respectively.
- 2) Assets and disposal groups classified as held for sale at the acquisition date in accordance with IFRS 5 "Noncurrent Assets Held for Sale and Discontinued Operations," which are measured in accordance with IFRS 5.
- 3) Liabilities or equity instruments related to share-based payment transactions of the acquiree or share-based payment transactions of the Company entered into to replace such transactions of the acquiree, which are measured in accordance with IFRS 2 "Share-Based Payment."

The excess of the sum of the consideration transferred, the amount recognized for noncontrolling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree over the acquisition-date fair value of the identifiable assets acquired and liabilities assumed is recorded as goodwill in the consolidated statement of financial position.

If the excess is negative, then a gain from a bargain purchase is recognized as profit in the consolidated statement of income.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the items for which the accounting is incomplete are measured by provisional amounts.

Where new information obtained during the measurement period, which shall not exceed one year from the acquisition date, if known, would have affected the measurement of the amounts recognized as of that date, the provisional amounts recognized at the acquisition date are retrospectively adjusted.

Acquisition-related costs are expensed when incurred. The Group accounts for the acquisition of additional noncontrolling interests as an equity transaction and, accordingly, it does not recognize goodwill attributable to such transactions.

(3) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions, or an approximation of the rate. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rates at the end of each reporting period.

Differences arising from the translation and settlement are recognized in profit or loss. However, exchange differences arising from translation or settlement of financial assets measured at fair value through other comprehensive income (hereinafter, "FVTOCI") and cash flow hedges are recognized in other comprehensive income.

The assets and liabilities (including goodwill recognized in acquisition and adjustment of fair values) of foreign operations are translated into Japanese yen using the exchange rates at the end of each reporting period, while income and expenses of foreign operations are translated into Japanese yen using the average exchange rate for the period, unless there was a significant change in the exchange rate during the period. Differences arising from the translation are recognized in other comprehensive income.

On the disposal of the interest in a foreign operation, the cumulative amount of the foreign currency translation difference related to the foreign operation is reclassified to profit or loss in the same period.

(4) Financial instruments

1) Nonderivative financial assets

(A) Classification

The Group classifies financial assets other than derivatives into financial assets measured at amortized cost, financial assets measured at FVTOCI, and financial assets measured at fair value through profit or loss (hereinafter, "FVTPL").

(a) Financial assets measured at amortized cost

Investments in debt instruments with contractual cash flows, which are solely payments of principal and interest on the principal amount outstanding and which are held in order to collect the contractual cash flows are measured at amortized cost.

(b) Debt instruments measured at FVTOCI

Financial assets are classified as debt instruments measured at FVTOCI if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and sell the asset.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Equity instruments measured at FVTOCI

Financial assets, other than those measured at amortized cost or debt instruments at FVTOCI, whose subsequent changes in the fair value were irrevocably designated at initial recognition as measured at FVTOCI, are classified as financial assets measured at FVTOCI.

(d) Financial assets measured at FVTPL

Financial assets, other than those measured at amortized cost or FVTOCI, are classified as financial assets measured at FVTPL. Financial

assets measured at FVTPL are measured at fair value at initial recognition, and transaction costs are recognized in profit or loss when incurred.

(B) Initial recognition and measurement

The Group recognizes financial assets when the Group becomes a party to the contractual provisions for the financial assets.

(C) Subsequent measurement

Financial assets are measured according to their classification after initial recognition.

(a) Financial assets measured at amortized cost

Financial assets measured at amortized cost are measured at amortized cost using the effective interest method. Interest incurred is included in finance income in the consolidated statement of income.

(b) Financial assets measured at FVTOCI

(b-1) Debt instruments measured at FVTOCI

Changes in the fair value of debt instruments measured at FVTOCI are recognized in other comprehensive income, except impairment gain or loss and currency exchange difference, until the instruments are derecognized.

When the asset is derecognized, the amount previously recognized in other comprehensive income is transferred to profit or loss.

(b-2) Equity instruments measured at FVTOCI

Changes in the fair value of equity instruments measured at FVTOCI are recognized in other comprehensive income. When the asset is derecognized, or its fair value declines significantly, the amount previously recognized in other comprehensive income is transferred directly to retained earnings.

Dividends from the financial assets are recognized in profit or loss.

(c) Financial assets measured at FVTPL

Financial assets measured at FVTPL are measured at fair value after initial recognition, and the changes in the fair value are recognized in profit or loss.

(D) Derecognition

Financial assets are derecognized when the contractual rights to the cash flow expire or are transferred or when substantially all the risks and rewards of ownership are transferred. Financial assets are derecognized on the date of the sale when sold in a normal manner.

(E) Impairment loss of financial assets

The Group recognizes an allowance for doubtful accounts on expected credit loss of financial assets measured at amortized cost and debt instruments measured at FVTOCI.

(Determining significant increases in credit risks)

The Group assesses at the end of each reporting period whether the credit risks of financial instruments have significantly increased after initial recognition.

The Group determines whether the credit risk has significantly increased based on changes in the risk of a default occurring after initial recognition, and in assessing whether there is any change in the risk of default, the Group takes into account the following matters:

- Deterioration of the counterparty's financial condition
- Past due information
- Significant changes in credit ratings provided by third-party agencies

(Expected credit loss approach)

Expected credit losses are the present value of the difference between contractual cash flows the Group has a right to receive pursuant to a contract and the cash flows expected to be received by the Group.

If the credit risk on a financial asset has increased significantly after initial recognition, the Group measures the allowance for doubtful accounts for the financial asset at an amount equal to the lifetime expected credit loss.

If the credit risk has not increased significantly, the Group measures the allowance for doubtful accounts for that financial asset at an amount equal to the 12-month expected credit loss.

Notwithstanding the above, the Group measures the allowance for doubtful accounts at an amount equal to lifetime expected credit losses for trade receivables that do not contain a significant financing component.

The provision for the allowance for doubtful accounts for financial assets is recognized in profit or loss.

2) Nonderivative financial liabilities

Financial liabilities are classified into financial liabilities measured at FVTPL or financial liabilities measured at amortized cost at initial recognition.

The Group recognizes financial liabilities measured at amortized cost on the issue date and other financial liabilities on the transaction date when the Group becomes a party to the contractual provisions.

The Group derecognizes financial liabilities when they are extinguished, i.e., when the obligation specified in the contract is discharged, canceled, or expired.

(A) Financial liabilities measured at FVTPL

Financial liabilities measured at FVTPL are measured at fair value at initial recognition and thereafter. The subsequent changes in fair value are recognized in profit or loss.

(B) Financial liabilities measured at amortized cost

Financial liabilities other than those measured at FVTPL are classified as financial liabilities measured at amortized cost. Financial liabilities measured at amortized cost are measured at the fair value, less transaction costs that are directly attributable to the issue of the financial liabilities at initial recognition.

Financial liabilities measured at amortized cost are measured at amortized cost using the effective interest method after initial recognition, and interest incurred is included in finance costs in the consolidated statement of income.

3) Derivatives and hedge accounting

Derivatives are initially measured at fair value at the date the contract is entered into, and are subsequently remeasured at fair value at the end of each reporting period.

The Group utilizes derivatives, including forward foreign exchange contracts and interest rate swap contracts to mitigate risks, such as foreign exchange and interest rate.

If derivatives are designated as hedging instruments, the nature of the hedged item determines how gain or loss resulting from remeasurement is recognized.

The Group designates derivatives as hedging instruments of cash flow hedges (i.e., hedging exposure to changes in cash flows from recognized assets or liabilities, or specific risks related to highly probable forecasted transactions).

At the inception of hedges, the Group documents the hedging relationship between a hedging instrument and hedged item to which hedge accounting is applied and the objectives and strategies of risk management for undertaking the hedge.

When a derivative used for hedging offsets the fair value of a hedged item or changes in cash flows, the Group assesses and documents at the inception of the hedging relationship and on an ongoing basis whether the hedging relationship meets the hedge effectiveness requirements.

The Group performs an ongoing assessment of hedge effectiveness at the end of each reporting period or, if earlier, upon a significant change in circumstances affecting the hedge effectiveness requirements.

Hedges that qualify for stringent requirements for hedge accounting are accounted for as follows:

(A) Fair value hedges

Gains or losses on hedging instruments are recognized in profit or loss. Gains or losses on hedged items are recognized in profit or loss with adjusting carrying amounts of the hedged items.

(B) Cash flow hedges

The effective portion of gain or loss on hedging instruments is recognized in other comprehensive income, while the ineffective portion is recognized immediately in profit or loss.

The amounts of hedging instruments recognized in other comprehensive income are reclassified to profit or loss when the transactions of the hedged items affect profit or loss.

In cases where hedged items result in the recognition of nonmonetary assets or liabilities, the amounts recognized in other comprehensive income are accounted for as adjustments to the original carrying amount of nonmonetary assets or liabilities.

When hedged future cash flow is no longer expected to occur, any related cumulative gain or loss that has been recognized in equity as other comprehensive income is reclassified to profit or loss.

When hedged future cash flow is still expected, any related cumulative gain or loss that has been recognized in equity as other comprehensive income remains in equity until the future cash flow occurs.

4) Offsetting financial assets and financial liabilities

A financial asset and a financial liability are offset and presented as a net amount in the consolidated statement of financial position only when the Group has a legally enforceable right to set off recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5) Fair value of financial instruments

Fair value of financial instruments that are being traded in active financial markets at the end of each reporting period refers to quoted prices or dealer quotations. If there is no active market, fair value of financial instruments is determined using appropriate valuation models.

Determined fair value is classified into three levels according to observability of the inputs of valuation techniques used to measure the fair value.

Level 1 is measured at quoted prices in active markets for identical assets or liabilities.

Level 2 is the fair value of assets or liabilities other than those measured at Level 1, and is measured with inputs that are observable for the asset or liability, either directly or indirectly.

Level 3 is measured with inputs that are unobservable for the asset or liability.

6) Finance income and finance costs

Finance income mainly consists of interest income, dividend income, and derivative gain, excluding gains on hedging instruments, which are recognized in other comprehensive income. Interest income is recognized upon occurrence using the effective interest method.

Finance costs mainly consist of interest expense and derivative loss, excluding losses on hedging instruments, which are recognized in other comprehensive income.

(5) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments that are readily convertible into known amounts of cash and subject to an insignificant risk of change in value, and due within three months from the date of acquisition.

(6) Inventories

The acquisition cost of inventories includes all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition.

Inventories are measured at the lower of acquisition cost or net realizable value, and the costs are determined by primarily using the weighted-average method. Net realizable value is determined as the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

(7) Property, plant, and equipment

Property, plant, and equipment are measured by using the cost model and is stated at cost, less accumulated depreciation and accumulated impairment losses.

The acquisition cost includes any costs directly attributable to the acquisition of the asset; and dismantlement, removal, and restoration costs; as well as borrowing costs eligible for capitalization.

Except for assets that are not subject to depreciation, such as land, assets are depreciated using the straight-line method over their estimated useful lives. The estimated useful lives of major asset items are as follows:

- Buildings and structures: 15 to 50 years
- Machinery: 10 years
- Tools and fixtures: 2 to 22 years

The estimated useful lives and depreciation method are reviewed at each fiscal year end with the effect of any changes in estimate being accounted for on a prospective basis.

Upon derecognition of property, plant, and equipment, net proceeds from disposal or sales, less the carrying amount are recognized in profit or loss.

(8) Investment property

Investment property is property held to earn rentals or for capital appreciation or both.

Investment property is measured by using the cost model for property, plant, and equipment and is stated at cost, less accumulated depreciation and accumulated impairment losses.

Except for land, assets are depreciated using the straight-line method over their estimated useful lives.

(9) Goodwill and intangible assets

1) Goodwill

Goodwill is not amortized and is stated at acquisition cost, less accumulated impairment losses. Goodwill is allocated to assets, cash-generating units, or groups of cash-generating units that are identified according to location and type of business, and tested for impairment annually or more frequently if there is any indication of impairment.

Impairment losses on goodwill are recognized in profit or loss, and no subsequent reversal is made.

2) Intangible assets

Intangible assets are measured by using the cost model and are stated at cost, less accumulated amortization and impairment losses.

Separately acquired intangible assets are measured at cost at initial recognition, and the costs of intangible assets acquired in business combinations are recognized at fair value at the acquisition date.

Intangible assets with finite useful lives are amortized using the straight-line method over their estimated useful lives.

The estimated useful lives of major intangible assets with finite useful lives are as follows:

- Software: 5 years
- Trademark: 10 to 20 years

The estimated useful lives and amortization method of intangible assets are reviewed at each fiscal year end, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives are not amortized, but they are tested for impairment annually or more frequently if there is any indication of impairment.

Expenditures on research activities to obtain new scientific or technical knowledge are recognized as expenses when they are incurred.

Expenditures on development activities are capitalized as intangible assets if, and only if, they are reliably measurable, they are technically and commercially feasible, it is highly probable that they will generate future economic benefits, and the Group intends and has adequate resources to complete their development and use or sell them.

(10) Lease

(Lessee)

Lease liabilities are initially measured at the present value of the accrued lease payments. Right-of-use assets are measured at the initial amount of the lease liabilities adjusted for any initial direct costs and any prepaid lease payments, plus any costs, including restoration obligation and other factors under lease contracts.

The lease term is determined by adjusting an estimated reasonably certain option term to the noncancelable term under the lease agreement.

Right-of-use assets are depreciated using the straight-line method over their estimated useful lives or the lease term, whichever is shorter.

Lease payments are apportioned between financial costs and the reduction of the outstanding liability using the interest method. Financial costs are recognized in the consolidated statement of income.

The Group does not recognize right-of-use assets and lease liabilities for short-term leases, with a lease term of 12 months or less and leases for which the underlying asset is of low-value assets. The Group recognizes the lease payments associated with these leases as expenses on either a straight-line basis or another systematic basis over the lease term.

(Lessor)

Lease payments under operating leases as income are recognized on a straight-line basis over the lease term. Rent income from subleased property is recognized as income.

(11) Impairment loss of nonfinancial assets

The Group assesses at the end of each fiscal year whether there is any indication that each asset, or the cash-generating unit (or the group of cash-generating units) to which the asset belongs, may be impaired.

When there is any indication of impairment, the recoverable amount of the asset is estimated. The recoverable amount of goodwill and intangible assets with indefinite useful lives and intangible assets not yet available for use are estimated at the same time of every fiscal year.

The recoverable amount of an asset or cash-generating unit is measured at the higher of its fair value, less costs of disposal, or its value in use.

In determining the value in use, estimated future cash flows are discounted to the present value using pretax discount rates that reflect current market assessments of the time value of money and the risks specific to the asset.

In determining the fair value, less costs of disposal, the Group uses an appropriate valuation model supported by available fair value indicators. Only if the recoverable amount of an asset or cash-generating unit falls below its carrying amount, the carrying amount is reduced to its recoverable amount and the impairment loss recognized.

The Group assesses whether there is any indication that an impairment loss recognized for an asset other than goodwill in prior years may no longer exist or may have decreased, such as if there are any changes in assumptions used for the determination of the recoverable amount.

If any such indication exists, the recoverable amount of the asset or cash-generating unit is estimated. In cases where the recoverable amount exceeds the carrying amount of the asset or cash-generating unit, impairment loss is reversed up to the lower of the estimated recoverable amount, or the carrying amount (net of depreciation) that would have been determined if no impairment loss had been recognized in prior years.

(12) Assets held for sale

An asset or asset group that is expected to be recovered through a sale transaction rather than through continuing use is classified as a noncurrent asset or into a disposal group held for sale when the following conditions are met:

It is highly probable that the asset or asset group will be sold within one year, the asset or asset group is available for immediate sale in its present condition, and Group management is committed to the sale plan. In such cases, the noncurrent asset is not depreciated or amortized, and is measured at the lower of its carrying amount and its fair value, less costs of disposal.

(13) Employee benefits

1) Postemployment benefits

The Group has corporate pension fund plans, employee pension fund plans, and lump-sum payment plans as defined benefit pension plans. Also, the Company and certain consolidated subsidiaries have defined contribution plans, in addition to defined benefit pension plans.

Regarding defined benefit plans, current service costs are calculated using the projected unit credit method in actuarial calculations made at the fiscal year end date, and service costs and net interest are recognized in profit or loss when incurred.

As for the discount rate, the discount period is determined based on the period until the expected date of benefit payments in each fiscal year, and the discount rate is determined by reference to market yields on high-quality corporate bonds at the end of the fiscal year corresponding to the discount period.

All of the actuarial gains/losses incurred in the period are recognized in other comprehensive income, and the cumulative amount that is recognized as other components of equity is immediately reclassified to retained earnings. Net retirement benefit liabilities are the present value of defined benefit obligations, less fair value of plan assets.

Regarding defined contribution plans, the amount of contributions by the Group is recognized as expenses at the time employees render services that give entitlement to the benefit.

2) Other employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis, and are recognized as an expense when the related services are rendered.

For bonuses, when there is a present legal or constructive obligation to make payments of bonuses and a reliable estimate of the obligation can be made, the estimated amount to be paid is accounted for as a liability.

For paid absence obligations, when there is a legal or constructive obligation with respect to accumulating paid absence systems and a reliable estimate of the obligation can be made, the estimated amount to be paid based on those systems is accounted for as a liability.

(14) Share-based payments

The Company introduced a framework referred to as Board Benefit Trust (BBT), which is a share-based payment plan for the directors and other executives, in order to increase motivation of directors to enhance the Group's performance and increasing corporate value over the medium to long term. The fair value of equity-settled share-based payment plan on the grant date is recognized as an expense over the vesting period, and the corresponding is recognized as an increase in capital. The fair value of cash-settled share-based payment plan is recognized as an expense over the vesting period, and the corresponding amount is recognized as an increase in liabilities. In addition, the fair value of the liabilities is remeasured at the end of the period and the settlement date, and changes in fair value are recognized as net profit or loss. With the introduction of the share-based payment plan, the stock option plan has been discontinued, except for those already granted.

(15) Provisions

Provisions are recognized if the Group has present obligations (i.e., legal or constructive obligations) as a result of past events, if it is probable that settling the obligations will require outflows of resources embodying economic benefits and if the obligations can be estimated reliably.

Where the effect of the time value of money is material, the amount of provisions is measured at the present value of the expenditures expected to be required to settle the obligations.

In calculating the present value, the Group uses the pretax discount rate reflecting current market assessments of the time value of money and the risks specific to the liability. Increases due to passage of time are recognized as finance costs.

(Asset retirement obligations)

Costs for restoring of leased property used by the Group to its original condition or removal of hazardous materials associated with the property are estimated based on historical experience and recognized as a provision for asset retirement obligations.

While these costs are expected to be incurred after more than one year, they will be affected by future business plans.

(Provision for losses on lawsuits)

For provisions for losses due to payment of compensation for damages that could arise as a result of lawsuits, the estimated loss resulting from the payment of compensation for damages is recognized if a lawsuit is filed and if it is probable that compensation for damages to an outside third party will have to be paid.

(16) Revenue from contracts with customers

The Group recognizes revenue in the amount that reflects a consideration to which the Group expects to be entitled in exchange for the transfer of goods and services to customers, based on the following five-step approach:

Step 1: Identify the contracts with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to separate performance obligations

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Group sells consumer products, including instant noodles, chilled noodles, frozen noodles, confectionery, and beverages. For sales of such products, the performance obligation is judged to have been satisfied upon delivery of the products because the customer obtains control over the products upon delivery. Therefore, the revenue is recognized upon delivery.

Revenue is measured at the consideration promised in a contract with a customer, less discounts, rebates, returned products, and other items.

(17) Government grants

Government grants are recognized at fair value when there is a reasonable assurance that the Group will comply with the conditions attached to them and receive the grants. With regard to government grants related to an acquisition of assets, the amount of grants is deducted from the acquisition cost of the assets.

(18) Income tax expenses

Income tax expenses consist of current income taxes and deferred income taxes. Income tax expenses are recognized in profit or loss, except for taxes related to business combinations and taxes related to items that are recognized directly in equity or in other comprehensive income.

1) Current income tax

Tax expenses for the period are measured at the amount of income taxes payable in respect of the taxable profit for a period. These tax amounts are calculated based on tax rates that have been enacted, or substantially enacted, at the end of the period.

2) Deferred income tax

Deferred income taxes are calculated based on the temporary differences between the tax base of assets and liabilities and the carrying amount at the end of each reporting date.

A deferred tax asset is recognized for deductible temporary differences, carryforward of unused tax losses, and tax credits that will reduce future tax obligations to the extent that it is probable that future taxable profit will be available against which they can be utilized. A deferred tax liability is recognized for all taxable temporary differences in principle.

The deferred tax asset or liability is not recognized for the following temporary differences from:

- (A) Goodwill
- (B) Temporary differences arising from initial recognition of assets and liabilities in transactions, if the transactions are not business combinations, affect neither accounting profit nor taxable profit, and do not give rise to equal taxable and deductible temporary differences

The deferred tax liability for the taxable temporary differences associated with investments in subsidiaries and associates is not recognized to the extent that it is highly probable that the timing of the reversal of the temporary difference is able to be controlled, and the temporary difference will not reverse in the foreseeable future.

The deferred tax asset for the deductible temporary differences arising from investments in subsidiaries and associates is recognized to the extent that it is highly probable that the temporary difference will reverse in the foreseeable future, and there will be sufficient taxable profits against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the fiscal year in which the related temporary differences will reverse based on tax rates that have been enacted or substantially enacted by the fiscal year end.

Deferred tax assets and liabilities are offset if the Group has a legally enforceable right to set off current tax assets against current tax liabilities, and income taxes are levied by the same taxation authority on the same taxable entity, or income taxes are levied on different taxable entities, but these entities intend to settle the current tax assets and liabilities on a net basis or these current tax assets and liabilities will be realized simultaneously.

The Group has adopted exceptions for the recognition and disclosure of deferred tax assets and deferred tax liabilities arising from enacted, or substantively enacted, tax laws in order to implement the Pillar Two model rules published by the Organization for Economic Cooperation and Development (OECD).

(19) Equity

1) Ordinary shares

For ordinary shares, their issue prices are recorded in share capital and share surplus. Cost (net of tax) associated with the issue of ordinary shares is deducted from share capital and capital surplus.

2) Treasury shares

When the Group acquires shares of the Company, the amount of the consideration paid, including transaction costs directly attributable to the acquisition, is deducted from equity. When the Group disposes of treasury shares, the difference between the carrying amount and the consideration received from the disposal is recognized in equity.

(20) Earnings per share

Basic earnings per share are calculated by dividing profit or loss for a period attributable to ordinary shareholders of the parent company by the weighted-average number of ordinary shares issued, adjusted by the number of treasury shares during the period.

Diluted earnings per share are calculated by adjusting the effects of dilutive potential ordinary shares.

4. Significant Accounting Estimates and Judgements on Estimates

In preparing the consolidated financial statements in accordance with IFRS Accounting Standards, management is required to apply accounting policies and make judgements, estimates, and assumptions that affect the amounts of assets, liabilities, income, and expenses.

These estimates and assumptions are reviewed continuously.

The effects of changes in estimates are recognized in the period of the change and in future periods.

The following are significant accounting estimates and judgements associated with estimates in the consolidated financial statements of the Group:

(A) Financial Instruments (3. Significant Accounting Policies (4) Financial Instruments, 10. Other Financial Assets, and 33. Financial Instruments)

(B) Impairment Loss of Nonfinancial Assets (3. Significant Accounting Policies (11) Impairment loss of nonfinancial assets and 14. Impairment Loss of Nonfinancial Assets)

(C) Recoverability of deferred tax assets (3. Significant Accounting Policies (18) Income tax expenses and 17. Income Taxes)

(D) Accounting and valuation of provisions (3. Significant Accounting Policies (15) Provisions and 20. Provisions)

(E) Measurement of defined benefit liabilities (3. Significant Accounting Policies (13) Employee benefits and 22. Employee Benefits)

(F) Estimates of useful life and residual value of property, plant, and equipment and intangible assets (3. Significant Accounting Policies (7) Property, plant, and equipment, (9) Goodwill and Intangible Assets, 12. Property, Plant, and Equipment, and 13. Goodwill and Intangible Assets)

5. New Standards and Interpretations Not Yet Adopted

The following new standard announced by the approval date of the consolidated financial statements is not mandatory as of March 31, 2025 and could have a material impact on the Group's financial statements. The Group did not choose to adopt it before the required adoption date. The impact of the adoption of IFRS 18 on the Group is under assessment and cannot be estimated at this time.

Furthermore, the impact from the adoption of other new or amended standards is immaterial.

Standard	The title of standard	Mandatory application period	The Group's application period	Outline of new standards and amendments
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	FY 3/2028	<ul style="list-style-type: none">• Improvement of comparability in the profit or loss statement.• Enhancement of transparency for management-defined performance measures.• More useful grouping of information in financial statements.

6. Segment Information

(1) Outline of reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available and regular evaluation by the board of directors is performed in order to make decisions about resources to be allocated and assess its performance.

The Group employs a holding company system of eight operating companies in Japan and four overseas business regions as strategy platforms. The reportable segments consist of "NISSIN FOOD PRODUCTS," "MYOJO FOODS," "Chilled and frozen foods and beverages," "Confectionery," "The Americas," and "China."

The segments of "NISSIN FOOD PRODUCTS," "MYOJO FOODS," "The Americas," and "China" are mainly operating the business of manufacturing and selling cup- and bag-type noodles. The "Chilled and frozen foods and beverages" segment is operating the business of manufacturing and selling chilled and frozen foods and beverages.

The "Confectionery" segment is operating the business of manufacturing and selling confectionery.

(2) Revenues and performances of reportable segments

The accounting methods for the operating segments that are reported are generally the same as described in Note 3 "Summary of significant accounting policies."

Reportable segment profit is on an operating profit basis. Intersegment revenue and transfers are based on market prices.

Fiscal Year ended March 31, 2024 (from April 1, 2023, to March 31, 2024)

(Millions of yen)

	Reportable segments							Others (Note 1)	Total	Reconciliations (Note 2)	Consolidated
	NISSIN FOOD PRODUCTS	MYOJO FOODS	Chilled and frozen foods and beverages	Confectionery	The Americas	China	Subtotal				
Revenue											
Sales to external customers	232,221	43,450	95,221	85,150	160,333	66,452	682,830	50,102	732,933	-	732,933
Intersegment sales	1,404	5,853	821	419	54	3,022	11,575	42,191	53,766	(53,766)	-
Total	233,626	49,304	96,043	85,569	160,387	69,474	694,405	92,294	786,699	(53,766)	732,933
Segment profit (operating profit)	29,741	2,818	7,692	4,496	21,486	8,129	74,365	7,146	81,512	(8,151)	73,361
Finance income											4,138
Finance costs											584
Profit before tax											76,915
Other items											
Depreciation and amortization	14,453	2,125	2,585	2,993	2,461	3,340	27,960	3,262	31,222	40	31,262
Impairment losses (nonfinancial assets)	28	-	-	287	-	162	478	-	478	-	478
Gain on investments accounted for using the equity method	-	-	-	-	-	-	-	13,038	13,038	-	13,038
Capital expenditures	23,419	1,384	3,629	5,216	26,377	4,551	64,579	10,437	75,016	(47)	74,968

Note 1: "Others" consist of the business segments not included in reportable segments, such as domestic other business, Europe, Asia and new businesses.

2: Operating profit under "Reconciliations" amounted to minus ¥8,151 million, consisting of minus ¥303 million from elimination of intersegment transactions and minus ¥7,848 million from group expenses.

Fiscal Year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)

(Millions of yen)

	Reportable segments							Others (Note 1)	Total	Reconciliations (Note 2)	Consolidated
	NISSIN FOOD PRODUCTS	MYOJO FOODS	Chilled and frozen foods and beverages	Confectionery	The Americas	China	Subtotal				
Revenue											
Sales to external customers	238,781	45,374	101,349	92,443	168,565	73,474	719,989	56,604	776,594	-	776,594
Intersegment sales	1,571	6,416	915	213	79	3,345	12,542	44,901	57,444	(57,444)	-
Total	240,352	51,791	102,265	92,657	168,645	76,819	732,532	101,506	834,038	(57,444)	776,594
Segment profit (operating profit)	30,877	3,126	8,685	5,392	18,908	5,906	72,898	11,634	84,532	(10,163)	74,369
Finance income											4,190
Finance costs											1,760
Profit before tax											76,798
Other items											
Depreciation and amortization	14,614	2,123	2,753	3,054	3,276	3,474	29,296	3,913	33,209	27	33,237
Impairment losses (nonfinancial assets)	-	26	73	-	-	2,660	2,760	81	2,841	-	2,841
Gain on investments accounted for using the equity method	-	-	-	-	-	-	-	13,217	13,217	-	13,217
Capital expenditures	20,446	2,665	6,079	8,718	28,711	2,816	69,437	8,707	78,144	(50)	78,093

(Thousands of U.S. dollars)

	Reportable segments							Others (Note 1)	Total	Reconciliations (Note 2)	Consolidated
	NISSIN FOOD PRODUCTS	MYOJO FOODS	Chilled and frozen foods and beverages	Confectionery	The Americas	China	Subtotal				
Revenue											
Sales to external customers	1,596,986	303,470	677,834	618,271	1,127,375	491,402	4,815,341	378,573	5,193,914	-	5,193,914
Intersegment sales	10,507	42,913	6,126	1,430	534	22,373	83,886	300,307	384,193	(384,193)	-
Total	1,607,494	346,384	683,960	619,702	1,127,910	513,776	4,899,227	678,880	5,578,108	(384,193)	5,193,914
Segment profit (operating profit)	206,512	20,908	58,088	36,067	126,464	39,505	487,547	77,812	565,359	(67,974)	497,385
Finance income											28,026
Finance costs											11,776
Profit before tax											513,635
Other items											
Depreciation and amortization	97,743	14,204	18,412	20,429	21,910	23,237	195,937	26,172	222,110	186	222,296
Impairment losses (nonfinancial assets)	-	178	488	-	-	17,796	18,463	543	19,006	-	19,006
Gain on investments accounted for using the equity method	-	-	-	-	-	-	-	88,401	88,401	-	88,401
Capital expenditures	136,746	17,826	40,660	58,309	192,023	18,834	464,401	58,234	522,636	(340)	522,295

Note 1: "Others" consist of the business segments not included in reportable segments, such as domestic other business, Europe, Asia and new businesses.

2: Operating profit under "Reconciliations" amounted to minus ¥10,163 million, consisting of minus ¥249 million from elimination of intersegment transactions and minus ¥9,913 million from group expenses.

(3) Information by product and service

Sales to external customers

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Instant noodles and associated businesses	588,213	612,424	4,095,939
Other businesses	144,720	164,169	1,097,974
Total	732,933	776,594	5,193,914

Note 1: Business segments are classified, taking the type, nature, etc., of products into account.

2: Main products in each business

(1) Instant noodles and associated businesses: Bag-type noodles, cup-type noodles, chilled foods, and frozen foods

(2) Other businesses: Cup-type rice, confectionery, and beverages

(4) Geographical Information (Note 1)

Sales to external customers

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Japan	459,486	481,990	3,223,573
The Americas (Note 2)	160,338	168,570	1,127,413
Other areas	113,109	126,034	842,927
Total	732,933	776,594	5,193,914

Note 1: Revenue is based on the location of the customers, classified by country or region.

2: Major countries of the Americas are the United States and Brazil.

Noncurrent assets (Note 3)

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Japan	223,113	242,515	1,621,957
The Americas (Note 4)	58,125	79,327	530,548
Other areas	54,343	57,342	383,512
Total	335,583	379,185	2,536,018

Note 3: Noncurrent assets are based on the location of the assets and exclude financial instruments, deferred tax assets, and retirement benefit assets.

4: Major countries of the Americas are the United States and Brazil.

(5) Major customers

Major customers accounting for 10% or more of consolidated revenue for the years ended March 31, 2024 and 2025, is as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Main reportable segment	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Mitsubishi Shokuhin Co., Ltd.	NISSIN FOOD PRODUCTS	92,302	91,400
			611,293

7. Cash and Cash Equivalents

The details of cash and cash equivalents are as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)
Cash and deposits	96,659	73,036
Total	96,659	73,036

8. Trade and Other Receivables

The details of trade and other receivables are as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)
Trade accounts receivable	112,099	112,578
Trade notes receivable	40	42
Accounts receivable - other	5,622	3,808
Allowance for doubtful accounts	(1,541)	(1,541)
Others	185	184
Total	116,407	115,072

Note 1: Trade and other receivables are presented net of allowance for doubtful accounts in the consolidated statement of financial position.

2: Trade and other receivables are classified as a financial asset measured at amortized cost.

9. Inventories

The details of inventories are as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)
Merchandise and finished goods	30,025	30,815
Raw materials and supplies	34,034	39,720
Total	64,060	70,536

Note: There is no significant difference between the amount of inventories recognized as expense or cost and cost of sales for the fiscal years ended March 31, 2024 and 2025.

10. Other Financial Assets

(1) Other financial assets

The details of other financial assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Derivative assets	57	17	119
Equity securities	57,167	51,629	345,303
Investment trusts	4,183	431	2,883
Bonds	150	-	-
Deposits	14,400	16,197	108,327
Other	2,022	1,756	11,748
Total	77,980	70,032	468,381
Current assets	18,752	16,259	108,743
Noncurrent assets	59,228	53,773	359,638
Total	77,980	70,032	468,381

Notes: Derivative assets and investment trusts are classified as financial assets measured at FVTPL.

Equity securities and bonds are classified as financial assets measured at FVTOCI.

Deposits are classified as financial assets measured at amortized cost.

(2) Equity instruments measured at FVTOCI

The details of major equity instruments measured at FVTOCI and their fair values are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
ITOCHU Corporation	8,215	8,767	58,639
Mitsubishi Corporation	11,287	8,501	56,861
SAHA PATHANAPIBUL Pub. Co., Ltd.	4,165	4,209	28,155
TBS HOLDINGS, INC.	4,219	4,127	27,605
ONO PHARMACEUTICAL CO., LTD.	4,995	3,261	21,813
HOUSE FOODS GROUP INC.	3,421	2,708	18,114

Note 1: Equity securities are mainly held for strategic purposes, and thus designated as equity financial assets measured at FVTOCI.

2: The Group derecognizes some financial assets measured at FVTOCI by sale for reasons, including asset efficiency and changes in business relationships.

(3) The fair value at the date of sale and cumulative gains or losses on sales of equity instruments sold during the year are as follows:

(Millions of yen)				(Thousands of U.S. dollars)	
FY 3/2024 (From April 1, 2023, to March 31, 2024)		FY 3/2025 (From April 1, 2024, to March 31, 2025)		FY 3/2025 (From April 1, 2024, to March 31, 2025)	
Fair value	Cumulative gains or losses recognized as other comprehensive income (Note)	Fair value	Cumulative gains or losses recognized as other comprehensive income (Note)	Fair value	Cumulative gains or losses recognized as other comprehensive income (Note)
8,804	3,789	943	618	6,308	4,136

Note: The Group transfers the cumulative gains or losses recognized as other comprehensive income in equity to retained earnings.

11. Other Assets

The details of other assets are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Other current assets			
Prepaid expenses	2,683	5,403	36,139
Advance payments	898	2,016	13,486
Consumption tax receivables	40	267	1,788
Other	4,209	5,286	35,354
Total	7,832	12,973	86,769
Other noncurrent assets			
Prepaid expenses	27	46	308
Retirement benefit assets	524	367	2,456
Other	542	709	4,745
Total	1,095	1,122	7,510

12. Property, Plant, and Equipment

(1) Property, Plant, and Equipment

The changes in acquisition costs; accumulated depreciation and accumulated impairment losses; and carrying amounts of property, plant, and equipment are as follows:

	(Millions of yen)						
Acquisition cost	Buildings and structures	Machinery and vehicles	Tools, furniture, and fixtures	Land	Construction in progress	Right-of-use assets	Total
Balance at April 1, 2023	202,246	257,323	21,759	31,295	15,352	35,650	563,627
Additions	3,775	4,254	1,319	16	55,439	7,366	72,172
Reclassifications from construction in progress	8,216	17,496	951	13,733	(40,397)	-	-
Sales and disposals	(1,676)	(7,144)	(1,045)	-	-	(3,128)	(12,995)
Exchange differences on translation of foreign operations	4,931	7,755	712	353	3,136	384	17,274
Other	28	(122)	40	-	(440)	(329)	(823)
Balance at March 31, 2024	217,521	279,563	23,738	45,399	33,090	39,942	639,256
Additions	1,553	4,568	1,320	2,909	64,486	4,153	78,991
Reclassifications from construction in progress	7,734	20,304	1,335	189	(29,563)	-	-
Sales and disposals	(1,290)	(5,056)	(723)	-	(45)	(2,502)	(9,618)
Exchange differences on translation of foreign operations	(3,163)	(5,305)	(322)	(237)	(2,866)	(464)	(12,360)
Other	1,826	291	70	-	(1,996)	(354)	(163)
Balance at March 31, 2025	224,182	294,365	25,418	48,261	63,104	40,773	696,105

	(Millions of yen)						
Accumulated depreciation and accumulated impairment losses	Buildings and structures	Machinery and vehicles	Tools, furniture, and fixtures	Land	Construction in progress	Right-of-use assets	Total
Balance at April 1, 2023	100,394	166,138	16,598	42	-	14,613	297,788
Depreciation	7,149	16,631	1,627	-	-	4,681	30,090
Sales and disposals	(1,444)	(6,726)	(934)	-	-	(2,860)	(11,966)
Impairment losses	118	358	1	-	-	-	478
Exchange differences on translation of foreign operations	2,280	4,659	484	-	-	219	7,644
Other	(0)	(41)	(1)	-	-	(309)	(352)
Balance at March 31, 2024	108,498	181,020	17,776	42	-	16,344	323,682
Depreciation	7,574	17,924	1,761	-	-	4,890	32,150
Sales and disposals	(1,222)	(4,616)	(706)	-	-	(2,263)	(8,809)
Impairment losses	0	1,804	10	-	7	154	1,977
Exchange differences on translation of foreign operations	(992)	(3,224)	(409)	-	-	(125)	(4,751)
Other	91	243	34	-	(7)	(298)	63
Balance at March 31, 2025	113,950	193,152	18,466	42	-	18,702	344,314

	(Millions of yen)						
Carrying amount	Buildings and structures	Machinery and vehicles	Tools, furniture, and fixtures	Land	Construction in progress	Right-of-use assets	Total
Balance at April 1, 2023	101,851	91,184	5,161	31,252	15,352	21,036	265,839
Balance at March 31, 2024	109,022	98,543	5,962	45,357	33,090	23,597	315,573
Balance at March 31, 2025	110,231	101,212	6,952	48,218	63,104	22,071	351,790

(Thousands of U.S. dollars)							
Acquisition cost	Buildings and structures	Machinery and vehicles	Tools, furniture, and fixtures	Land	Construction in progress	Right-of-use assets	Total
Balance at April 1, 2024	1,454,800	1,869,740	158,765	303,637	221,308	267,137	4,275,389
Additions	10,388	30,554	8,830	19,455	431,292	27,776	528,299
Reclassifications from construction in progress	51,726	135,798	8,932	1,268	(197,725)	-	-
Sales and disposals	(8,627)	(33,819)	(4,835)	-	(305)	(16,739)	(64,327)
Exchange differences on translation of foreign operations	(21,154)	(35,486)	(2,159)	(1,587)	(19,171)	(3,108)	(82,669)
Other	12,213	1,947	469	-	(13,349)	(2,371)	(1,090)
Balance at March 31, 2025	1,499,346	1,968,735	170,002	322,774	422,048	272,694	4,655,601

(Thousands of U.S. dollars)							
Accumulated depreciation and accumulated impairment losses	Buildings and structures	Machinery and vehicles	Tools, furniture, and fixtures	Land	Construction in progress	Right-of-use assets	Total
Balance at April 1, 2024	725,647	1,210,677	118,887	286	-	109,314	2,164,813
Depreciation	50,661	119,878	11,779	-	-	32,705	215,025
Sales and disposals	(8,177)	(30,876)	(4,725)	-	-	(15,138)	(58,917)
Impairment losses	3	12,071	72	-	50	1,031	13,228
Exchange differences on translation of foreign operations	(6,636)	(21,563)	(2,738)	-	-	(836)	(31,775)
Other	609	1,630	229	-	(50)	(1,995)	424
Balance at March 31, 2025	762,108	1,291,817	123,505	286	-	125,081	2,302,799

(Thousands of U.S. dollars)							
Carrying amount	Buildings and structures	Machinery and vehicles	Tools, furniture, and fixtures	Land	Construction in progress	Right-of-use assets	Total
Balance at April 1, 2024	729,152	659,063	39,877	303,350	221,308	157,823	2,110,575
Balance at March 31, 2025	737,238	676,918	46,496	322,487	422,048	147,612	2,352,801

13. Goodwill and Intangible Assets

(1) Goodwill and intangible assets

The changes in acquisition costs, accumulated amortization and accumulated impairment losses, and carrying amounts of goodwill and intangible assets are as follows:

(Millions of yen)						
Acquisition cost	Goodwill	Trademarks	Software	Others	Total	
Balance at April 1 2023	34,594	5,693	13,589	5,010	58,888	
Additions	266	690	156	252	1,365	
Sales and disposals	-	-	(119)	(19)	(138)	
Reclassification	-	-	428	(428)	-	
Exchange differences on translation of foreign operations	3,797	378	0	589	4,766	
Other	-	28	61	71	161	
Balance at March 31, 2024	38,658	6,791	14,117	5,476	65,044	
Additions	5,574	1,371	118	1,780	8,845	
Sales and disposals	-	(0)	(127)	(11)	(140)	
Reclassification	-	-	789	(789)	-	
Exchange differences on translation of foreign operations	(4,359)	(424)	0	(49)	(4,832)	
Other	-	(1)	(57)	(705)	(764)	
Balance at March 31, 2025	39,874	7,737	14,841	5,700	68,153	

(Millions of yen)						
Accumulated amortization and accumulated impairment losses	Goodwill	Trademarks	Software	Others	Total	
Balance at April 1, 2023	29,217	2,767	11,257	3,994	47,237	
Amortization	-	47	929	130	1,107	
Sales and disposals	-	-	(106)	-	(106)	
Impairment	-	-	-	-	-	
Exchange differences on translation of foreign operations	3,680	355	0	469	4,505	
Other	-	28	52	12	92	
Balance at March 31, 2024	32,898	3,199	12,133	4,606	52,836	
Amortization	-	70	906	46	1,023	
Sales and disposals	-	(0)	(52)	(4)	(58)	
Impairment	441	-	-	422	864	
Exchange differences on translation of foreign operations	(4,358)	(424)	0	(917)	(5,701)	
Other	-	(1)	(49)	(6)	(57)	
Balance at March 31, 2025	28,980	2,843	12,937	4,146	48,907	

(Millions of yen)						
Carrying amount	Goodwill	Trademarks	Software	Others	Total	
Balance at April 1, 2023	5,377	2,926	2,332	1,015	11,651	
Balance at March 31, 2024	5,760	3,592	1,984	869	12,207	
Balance at March 31, 2025	10,893	4,893	1,904	1,554	19,245	

(Thousands of U.S. dollars)					
Acquisition cost	Goodwill	Trademarks	Software	Others	Total
Balance at March 31, 2024	258,552	45,423	94,421	36,624	435,021
Additions	37,282	9,174	795	11,908	59,160
Sales and disposals	-	(3)	(855)	(77)	(936)
Reclassification	-	-	5,281	(5,281)	-
Exchange differences on translation of foreign operations	(29,154)	(2,838)	2	(327)	(32,317)
Other	-	(9)	(381)	(4,719)	(5,110)
Balance at March 31, 2025	266,680	51,747	99,263	38,126	455,816

(Thousands of U.S. dollars)					
Accumulated amortization and accumulated impairment losses	Goodwill	Trademarks	Software	Others	Total
Balance at March 31, 2024	220,024	21,397	81,146	30,807	353,376
Amortization	-	470	6,065	309	6,845
Sales and disposals	-	(3)	(353)	(33)	(390)
Impairment	2,952	-	-	2,825	5,778
Exchange differences on translation of foreign operations	(29,152)	(2,838)	-	(6,138)	(38,129)
Other	-	(9)	(332)	(40)	(381)
Balance at March 31, 2025	193,825	19,017	86,526	27,730	327,099

(Thousands of U.S. dollars)					
Carrying amount	Goodwill	Trademarks	Software	Others	Total
Balance at March 31, 2024	38,527	24,025	13,274	5,817	81,644
Balance at March 31, 2025	72,854	32,729	12,737	10,396	128,717

Note 1: Amortization of intangible assets is included in cost of sales and selling, general, and administrative expenses in the consolidated statement of income.

2: R&D expenditure expenses for the years ended March 31, 2024 and 2025, are ¥10,845 million and ¥11,972 million (\$80,074 thousand), respectively.

(2) Significant goodwill and intangible assets

Intangible assets included in the consolidated statement of financial position are goodwill (carrying amount: ¥4,447 million (\$29,746 thousand)) and trademarks (carrying amount: ¥2,920 million(\$19,529 thousand)) recognized in connection with the acquisition of KOIKE-YA Inc. in FY 2021.

Trademarks recognized through the acquisition of KOIKE-YA Inc. are deemed to be intangible assets with indefinite useful lives, as there is no foreseeable limit to the period over which intangible assets are expected to generate net cash inflows.

(3) Impairment test of goodwill

In the current fiscal year, the carrying amount of the major goodwill allocated to each cash-generating unit is the goodwill of ¥4,447 million (\$29,746 thousand) recognized through the acquisition of KOIKE-YA Inc. As a result of the impairment test of goodwill, no impairment loss of goodwill was recognized.

Because recoverable amounts are measured at net realizable value based on quoted market prices, the hierarchy of fair value is classified as Level 1.

14. Impairment Loss of Nonfinancial Asset

The Group allocates property, plant, and equipment into cash-generating units based on the smallest identifiable group of assets that generate cash inflows that are largely independent.

The details of impairment losses recognized for assets are as follows:

The impairment losses are included in "Other expenses" in the consolidated statement of income.

FY 3/2024 (from April 1, 2023, to March 31, 2024)

				(Millions of yen)
Segment	Location	Category	Component	FY 3/2024 (From April 1, 2023, to March 31, 2024)
NISSIN FOOD PRODUCTS	Ritto, Shiga prefecture	Business assets	Machinery and equipment	28
Confectionery	Kazo, Saitama prefecture	Business assets	Machinery and equipment	287
			Tools, furniture and fixtures	0
China	Hong Kong	Business assets	Buildings and structures	118
			Machinery and equipment	42
			Tools, furniture and fixtures	1
		Total		478

Details of the impairment losses

The Group's business assets are grouped according to manufacturing unit or usage, and the Group's idle assets are grouped on an individual asset basis.

The carrying amount of the relevant assets was reduced to their net recoverable amounts when it was determined that it was not possible that the carrying amounts of such assets would be recovered due to a downturn in profitability. As a result, the Group recorded loss on impairment in the consolidated statement of income.

The recoverable value of business asset is measured at its fair value, less costs of disposal or value in use.

FY 3/2025 (from April 1, 2024, to March 31, 2025)

				(Millions of yen)	(Thousands of U.S. dollars)
Segment	Location	Category	Component	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
MYOJO FOODS	Kobe, Hyogo prefecture	Business assets	Buildings and structures	0	3
			Machinery and equipment	26	174
Chilled and frozen foods and beverages	Nabari, Mie prefecture	Business assets	Machinery and equipment	62	416
			Tools, furniture and fixtures	10	72
China	China	Business assets	Machinery and equipment	1,642	10,986
			Intangible assets	422	2,825
			Goodwill	441	2,952
			Right-of-use assets	154	1,031
Other	Hungary	Business assets	Machinery and equipment	73	493
			Construction in progress	7	50
		Total	2,841	19,006	

Details of the impairment losses

The Group's business assets are grouped according to manufacturing unit or usage, and the Group's idle assets are grouped on an individual asset basis.

The carrying amount of the relevant assets was reduced to their net recoverable amounts when it was determined that it was not possible that the carrying amounts of such assets would be recovered due to a downturn in profitability. As a result, the Group recorded loss on impairment in the consolidated statement of income.

The recoverable value of business asset is measured at its fair value, less costs of disposal or value in use.

15. Leases

As a lessee, the Group leases assets, including business offices.

1. Items that related to right-of-use assets

Depreciation charges, additions, and carrying amounts of right-of-use assets are as follows:

(Millions of yen)

Depreciation charge	Buildings and structures	Machineries and vehicles	Tools, furniture, and fixtures	Land	Others	Total
FY 3/2024 (From April 1, 2023, to March 31, 2024)	2,939	1,175	163	402	106	4,788
FY 3/2025 (From April 1, 2024, to March 31, 2025)	3,029	1,241	236	381	30	4,920

(Thousands of U.S. dollars)

Depreciation charge	Buildings and structures	Machineries and vehicles	Tools, furniture, and fixtures	Land	Others	Total
FY 3/2025 (From April 1, 2024, to March 31, 2025)	20,263	8,304	1,582	2,553	205	32,909

(Millions of yen)

(Thousands of U.S. dollars)

	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Additions to right-of-use assets	7,367	4,159	27,817

(Millions of yen)

Carrying amount	Buildings and structures	Machineries and vehicles	Tools, furniture, and fixtures	Land	Others	Total
FY 3/2024 (Balance at March 31, 2024)	12,833	4,748	78	5,934	56	23,651
FY 3/2025 (Balance at March 31, 2025)	11,941	4,063	407	5,656	25	22,093

(Thousands of U.S. dollars)

Carrying amount	Buildings and structures	Machineries and vehicles	Tools, furniture, and fixtures	Land	Others	Total
FY 3/2025 (Balance at March 31, 2025)	79,863	27,175	2,723	37,829	173	147,765

2. Expenses relating to leases and cash outflows

Expenses relating to leases are as follows:

(Millions of yen)

(Thousands of U.S. dollars)

	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Interest expenses on lease liabilities	282	297	1,990
Expenses relating to short-term leases accounted for applying the optional recognition exemption	1,606	3,523	23,568
Expenses relating to leases of low-value assets accounted for applying the optional recognition exemption	124	54	366

Total amount of cash outflows incurred by lease are as follows:

(Millions of yen)

(Thousands of U.S. dollars)

	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Total cash outflow for leases	5,467	5,312	35,529

Maturity analysis of lease liabilities is described in "Notes to the consolidated financial statements, 33. Financial instruments (4) Liquidity risks management."

3. Lessor

The Group contracts buildings as operating leases.

Revenues incurred by operating lease contacts are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Lease income (excluding variable leases)	33	33	224
Variable lease payments that do not depend on an index or a rate	-	-	-
Variable lease payments that depend on an index or a rate	-	-	-
Total	33	33	224

Maturity analysis

Due date-wise balances of operating leases at each fiscal year end are as follows:

FY 3/2024 (as of March 31, 2024)

	(Millions of yen)						
	Within 1 year	More than 1 year and within 2 years	More than 2 years and within 3 years	More than 3 years and within 4 years	More than 4 years and within 5 years	More than 5 years	Total
Total undiscounted lease payments	33	33	33	33	33	1,061	1,229

FY 3/2025 (as of March 31, 2025)

	(Millions of yen)						
	Within 1 year	More than 1 year and within 2 years	More than 2 years and within 3 years	More than 3 years and within 4 years	More than 4 years and within 5 years	More than 5 years	Total
Total undiscounted lease payments	33	33	33	33	33	1,027	1,195

FY 3/2025 (as of March 31, 2025)

	(Thousands of U.S. dollars)						
	Within 1 year	More than 1 year and within 2 years	More than 2 years and within 3 years	More than 3 years and within 4 years	More than 4 years and within 5 years	More than 5 years	Total
Total undiscounted lease payments	224	224	224	224	224	6,872	7,996

16. Investment Property

(1) Investment property

The changes in acquisition costs, accumulated depreciation and accumulated impairment losses, and carrying amounts of investment properties are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
Acquisition cost	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Beginning balance	8,497	8,550	57,184
Reclassifications from construction in progress	72	188	1,263
Additions	-	38	256
Disposals	(20)	(80)	(538)
Ending balance	8,550	8,696	58,165

	(Millions of yen)		(Thousands of U.S. dollars)
Accumulated depreciation and impairment losses	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Beginning balance	1,273	1,318	8,818
Depreciation	64	63	425
Disposals	(19)	(78)	(526)
Ending balance	1,318	1,304	8,721

	(Millions of yen)		(Thousands of U.S. dollars)
Carrying amount	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Carrying amount	7,231	7,392	49,444

(2) Fair value

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Investment property	7,080	8,046	53,816

Note 1: Fair value of investment property is mainly determined by external real estate appraisers referring to market prices of similar assets.

2: The fair value is categorized under Level 3 in the fair value hierarchy, as significant unobservable inputs are included.

(3) Income and expense from investment properties

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Rent income	425	432	2,891
Direct expenses	207	231	1,551

17. Income Taxes

(1) Income tax expense

1. Income tax expense

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Current tax expense			
Tax expense in current year	17,065	17,195	115,004
Total current tax expense	17,065	17,195	115,004
Deferred tax expense			
Occurrence and reversal of temporary differences	1,132	804	5,380
Net changes in unrecognized deferred tax assets	-	(95)	(637)
Total deferred tax expense	1,132	709	4,742
Total	18,197	17,904	119,747

2. Reconciliation of effective tax rate

	(%)	
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Effective statutory tax rate	30.62	30.62
Gain on investments accounted for using the equity method	(5.19)	(5.27)
Tax credits	(2.19)	(2.46)
Nondeductible permanent items, such as dividends received	(0.51)	(0.54)
Net changes in unrecognized deferred tax assets	1.27	(0.83)
Other	(0.34)	1.79
Average effective tax rate	23.66	23.31

The "Act for Partial Revision of the Income Tax Act, etc." (Act No. 13 of 2025) was passed by the Diet on March 31, 2025, and the income tax rate, etc. will be changed from the fiscal year beginning on or after April 1, 2026.

In accordance with these changes, the statutory effective tax rate used to calculate deferred tax assets and deferred tax liabilities has been changed from the previous 30.62% to 31.51% for temporary differences, etc. expected to be resolved in or after the fiscal year beginning April 1, 2026.

There is no material impact on the consolidated financial statements due to the change of the statutory effective tax rate.

From the current fiscal year, a global minimum tax rule based on the OECD's Pillar Two Model Rules has been implemented. Under this rule, if the effective tax rate of subsidiaries of parent company located in Japan falls below the minimum rate of 15%, a top-up tax will be levied on the Japanese parent company. There is no material impact on the consolidated financial statements due to the introduction of this tax rule.

(2) Deferred tax assets and deferred tax liabilities

1. Deferred tax assets and deferred tax liabilities

Balances and movements of deferred tax assets and deferred tax liabilities by nature are as follows:

	(Millions of yen)			
	FY 3/2024 (As of April 1, 2023)	Recognized through profit or loss	Recognized in other comprehensive income	FY 3/2024 (As of March 31, 2024)
Deferred tax assets				
Net defined benefit liability	125	(153)	1,346	1,318
Accounts payable	4,414	428	-	4,842
Accrued bonuses	1,821	536	-	2,358
Long-term accounts payable	160	(0)	-	160
Property, plant, and equipment and intangible assets	4,837	81	-	4,919
Lease liabilities	5,709	703	-	6,412
Unused tax losses of subsidiaries	1,240	(1,133)	-	106
Other	8,320	(43)	-	8,276
Total deferred tax assets	26,626	419	1,346	28,392
Deferred tax liabilities				
Property, plant, and equipment and intangible assets	(6,253)	(117)	-	(6,370)
Right-of-use assets	(6,372)	(750)	-	(7,122)
Other financial assets	(9,684)	-	(5,003)	(14,688)
Total deferred tax liabilities	(22,308)	(867)	(5,003)	(28,180)
Net amount	4,318	(448)	(3,657)	211

	(Millions of yen)			
	FY 3/2024 (As of March 31, 2024)	Recognized through profit or loss	Recognized in other comprehensive income	FY 3/2025 (As of March 31, 2025)
Deferred tax assets				
Net defined benefit liability	1,318	277	70	1,667
Accounts payable	4,842	46	-	4,888
Accrued bonuses	2,358	(763)	-	1,595
Long-term accounts payable	160	184	-	344
Property, plant, and equipment and intangible assets	4,919	(107)	-	4,812
Lease liabilities	6,412	(261)	-	6,151
Unused tax losses of subsidiaries	106	(19)	-	87
Other	8,276	(1,785)	-	6,490
Total deferred tax assets	28,392	(2,428)	70	26,033
Deferred tax liabilities				
Property, plant, and equipment and intangible assets	(6,370)	213	-	(6,156)
Right-of-use assets	(7,122)	279	-	(6,843)
Other financial assets	(14,688)	-	1,039	(13,649)
Total deferred tax liabilities	(28,180)	492	1,039	(26,648)
Net amount	211	(1,936)	1,109	(614)

	(Thousands of U.S. dollars)			
	FY 3/2024 (As of March 31, 2024)	Recognized through profit or loss	Recognized in other comprehensive income	FY 3/2025 (As of March 31, 2025)
Deferred tax assets				
Net defined benefit liability	8,817	1,857	474	11,149
Accounts payable	32,386	307	-	32,693
Accrued bonuses	15,773	(5,104)	-	10,668
Long-term accounts payable	1,071	1,231	-	2,302
Property, plant, and equipment and intangible assets	32,896	(715)	-	32,181
Lease liabilities	42,882	(1,746)	-	41,136
Unused tax losses of subsidiaries	714	(131)	-	582
Other	55,350	(11,943)	-	43,407
Total deferred tax assets	189,884	(16,244)	474	174,113
Deferred tax liabilities				
Property, plant, and equipment and intangible assets	(42,600)	1,426	-	(41,179)
Right-of-use assets	(47,631)	1,864	-	(45,767)
Other financial assets	(98,238)	-	6,949	(91,289)
Total deferred tax liabilities	(188,466)	3,290	6,949	(178,226)
Net amount	1,414	(12,946)	7,423	(4,108)

2. Net amounts of deferred tax assets and deferred tax liabilities included in the consolidated statement of financial position

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Deferred tax assets	16,619	14,278	95,494
Deferred tax liabilities	(16,408)	(14,892)	(99,602)
Net amount	211	(614)	(4,108)

(3) Deductible temporary differences and unused tax losses and others for which no deferred tax assets are recognized

Deductible temporary differences and unused tax losses and others for which no deferred tax assets are recognized are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Deductible temporary differences	20,932	21,289	142,386
Carryforwards of unused tax losses	12,746	9,950	66,548
Carryforwards of tax credits	165	163	1,091
Total	33,845	31,403	210,026

Tax loss carryforwards for which no deferred tax assets are recognized will expire as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
1st year	1,226	513	3,434
2nd year	867	382	2,556
3rd year	672	376	2,517
4th year	662	921	6,164
5th year and thereafter	9,317	7,756	51,874
Total	12,746	9,950	66,548

(4) Taxable temporary differences for investments in subsidiaries and affiliates for which no deferred tax liabilities are recognized.

Taxable temporary differences for which no deferred tax liabilities are recognized regarding investments in subsidiaries amount to ¥343,165 million and ¥383,811 million (\$2,566,959 thousand) as of March 31, 2024 and 2025, respectively.

18. Trade and Other Payables

The details of trade and other payables are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Trade payables	79,242	68,991	461,421
Notes payable	1,470	582	3,898
Non-trade payables	70,510	65,514	438,163
Other	10,229	9,614	64,304
Total	161,453	144,703	967,788

Note: Trade and other payables are classified as financial liabilities measured at amortized cost.

19. Bonds, borrowings, and Other Financial Liabilities

(1) Details of financial liabilities

The details of borrowings and other financial liabilities are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)		
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)	Average interest rate	Date of maturity
Derivative liabilities	0	-	-		
Short-term borrowings	4,548	23,254	155,529	1.32%	
Current portion of long-term borrowings	8,393	14,784	98,879	1.70%	
Bonds	-	49,841	333,342	0.83%	2029-2031
Long-term borrowings	21,911	27,679	185,121	2.71%	2026-2034
Lease liabilities	21,285	19,896	133,069	1.45%	2025-2049
Long-term guarantee deposit	657	640	4,283		
Other	-	-	-		
Total	56,796	136,096	910,225		
Current liabilities	17,846	42,568	284,699		
Noncurrent liabilities	38,949	93,528	625,526		
Total	56,796	136,096	910,225		

Note 1: The average interest rate is the weighted-average interest rate on the balance as of March 31, 2025.

2: Derivative liabilities are classified as financial liability measured at FVTPL, and bonds and borrowings are classified as financial liability measured at amortized cost.

3: There are no financial covenants on bonds and borrowings that have a significant effect on the Group's financial activities.

4: The carrying amounts of bonds by issuance name are as follows.

			(Millions of yen)		(Thousands of U.S. dollars)		
Company	Name	Issue date	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)	Interest rate	Redemption date
Nissin Foods Holdings	No.1 Unsecured Bonds	October 17, 2024	-	29,914	200,071	0.76%	October 17, 2029
Nissin Foods Holdings	No.2 Unsecured Bonds	October 17, 2024	-	19,926	133,271	0.93%	October 17, 2031
Total			-	49,841	333,342	-	-

(2) Pledged assets for liabilities

1. Pledged assets

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Land	2,083	2,083	13,934
Building and structure	4,153	4,144	27,720
Machinery and vehicle	0	0	0
Total	6,236	6,228	41,655

2. Liabilities related to the pledged assets

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Current portion of long-term borrowings	1,166	1,064	7,117
Long-term borrowings	3,153	2,268	15,174
Total	4,319	3,333	22,292

20. Provisions

The changes in provisions are as follows:

	(Millions of yen)		
	Provision for asset retirement obligations	Provision for losses on lawsuit	Total
Balance at April 1, 2023	220	264	484
Increase	-	25	25
Decrease (provision used)	-	(50)	(50)
Decrease (provision reversed)	(3)	(25)	(29)
Increase due to passage of time	0	2	2
Exchange differences on translation of foreign operations	-	36	36
Balance at March 31, 2024	216	252	469
Increase	-	91	91
Decrease (provision used)	-	(54)	(54)
Decrease (provision reversed)	-	(140)	(140)
Increase due to passage of time	0	3	3
Exchange differences on translation of foreign operations	-	(28)	(28)
Balance at March 31, 2025	216	124	341

	(Thousands of U.S. dollars)		
	Provision for asset retirement obligations	Provision for losses on lawsuit	Total
Balance at March 31, 2024	1,448	1,689	3,138
Increase	-	612	612
Decrease (provision used)	-	(362)	(362)
Decrease (provision reversed)	-	(936)	(936)
Increase due to passage of time	1	21	22
Exchange differences on translation of foreign operations	-	(189)	(189)
Balance at March 31, 2025	1,450	834	2,284

The following table presents the carrying amount of provisions recognized in the consolidated statement of financial position:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Noncurrent liabilities	469	341	2,284
Total	469	341	2,284

21. Other Liabilities

The details of other liabilities are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Other current liabilities			
Accrued bonuses	6,278	4,755	31,801
Deposits payable	3,303	3,314	22,170
Consumption tax payables	1,767	1,870	12,508
Obligation for unused paid absences	5,516	5,948	39,784
Refund liabilities (accrued rebates)	8,418	9,925	66,380
Other	1,093	841	5,625
Total	26,377	26,655	178,270
Other noncurrent liabilities			
Accrued long-term expenses	2,478	2,634	17,618
Other	275	143	960
Total	2,753	2,777	18,578

22. Employee Benefits

The Group has adopted funded and unfunded defined benefit pension plans and defined contribution plans to cover employee retirement benefits.

Funded defined benefit pension plans have been operated by a corporate pension fund that is legally separated from the Group in accordance with laws and regulations, including the Defined Benefit Corporate Pension Act.

Certain consolidated subsidiaries have adopted lump-sum payment plans.

Additionally, certain consolidated subsidiaries have also adopted corporate defined contribution plans based on the Defined Contribution Pension Act.

The benefits of the plans are determined based on years of service and salary levels of employees.

The Group, the board of representatives of corporate pension fund, and the pension fund management institutions are legally required to act in the best interests of plan participants in executing their responsibilities for managing the plan assets.

The main defined benefit plan of the Group is exposed to the following actuarial risks:

Investment risk	The discount rate used to determine present value of defined benefit plan obligations is based on market yields on instruments of high-quality corporate bonds. If the profit of plan assets is below the market yields, there is a possibility of shortage of funds.
Interest rate risk	Interest rate risk involves the potential for an increase in defined benefit plan obligations if market yields on instruments of high-quality corporate bonds decrease. However, it will be partially offset by the increase in fair values of debt instruments or plan assets.
Longevity risk	The present value of the defined benefit plan obligations is calculated based on the mortality rate based on best estimate of the scheme participants during and after employment. Longer life expectancy for scheme participants will result in an increase in defined benefit plan obligations.

(1) Defined Benefit Plans

1. Defined benefit obligations and plan assets

The details of the retirement benefit liabilities and assets recognized in the consolidated statement of financial position are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Present value of the defined benefit obligations	40,901	38,785	259,399
Fair value of plan assets	(43,595)	(43,929)	(293,806)
Subtotal	(2,693)	(5,144)	(34,406)
Effect of asset ceiling	7,462	10,202	68,233
Net defined benefit liabilities	4,769	5,057	33,827
Amounts recognized in the consolidated statement of financial position			
Retirement benefit liabilities	5,293	5,425	36,283
Retirement benefit assets	524	367	2,456

2. Present value of defined benefit obligations

The changes in the present value of defined benefit obligations are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Balance at the beginning	40,323	40,901	273,552
Current service expense	2,063	1,988	13,302
Past service expense (including loss (gain) related to plan curtailment)	-	-	-
Interest expense	567	654	4,375
Remeasurements			-
Actuarial gains and losses arising from changes in demographic assumptions	26	(52)	(350)
Actuarial gains and losses arising from changes in financial assumptions	(331)	(2,774)	(18,557)
Actuarial gains and losses arising from experience adjustments	131	258	1,727
Benefits paid	(1,846)	(2,069)	(13,842)
Other	(32)	(120)	(807)
Balance at the end	40,901	38,785	259,399

3. Fair values of plan assets

The changes in the fair values of plan assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Balance at the beginning	40,232	43,595	291,568
Interest income	577	718	4,806
Remeasurements			
Return on plan assets (excluding amounts included in interest income)	2,850	(254)	(1,700)
Contributions provided by employer	1,324	1,405	9,400
Contributions by plan participants	159	169	1,131
Benefits paid	(1,548)	(1,704)	(11,400)
Balance at the end	43,595	43,929	293,806

4. Details of effect of asset ceiling

The details of asset ceiling are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Balance at the beginning	172	7,462	49,912
Restrictions on interest income	2	10	71
Remeasurements			
Effect of asset ceiling (excluding amounts included in interest income)	7,288	2,728	18,250
Balance at the end	7,462	10,202	68,233

5. Details of defined benefit cost

The details of defined benefit cost are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Service cost			
Current service cost	2,063	1,988	13,302
Past service expense and settlement gains and losses	-	-	-
Interest expense	567	654	4,375
Interest income	(577)	(718)	(4,806)
Total defined benefit cost recognized in profit or loss	2,053	1,924	12,871
Remeasurements			
Return on plan assets (excluding amounts included in interest income)	(2,850)	254	1,700
Actuarial gains and losses arising from changes in demographic assumptions	26	(52)	(350)
Actuarial gains and losses arising from changes in financial assumptions	(331)	(2,774)	(18,557)
Actuarial gains and losses arising from experience adjustments	131	258	1,727
Adjustment for the restriction on assets related to retirement benefits	7,288	2,728	18,250
Total defined benefit cost recognized in other comprehensive income	4,264	414	2,770
Total	6,317	2,338	15,641

6. Components of plan assets

The details of plan assets by category are as follows:

FY 3/2024 (as of March 31, 2024)

	(Millions of yen)		
	Assets with quoted market prices in an active market	Assets without quoted market prices in an active market	Total
Equity securities (domestic)	4,475	-	4,475
Equity securities (overseas)	4,652	-	4,652
Bonds (domestic)	7,380	-	7,380
Bonds (overseas)	2,914	-	2,914
General account for life insurance companies (Note 1)	353	5,863	6,217
Alternative investments (Note 2)	-	13,728	13,728
Other	4,227	-	4,227
Total	24,003	19,592	43,595

FY 3/2025 (as of March 31, 2025)

	(Millions of yen)			(Thousands of U.S. dollars)		
	Assets with quoted market prices in an active market	Assets without quoted market prices in an active market	Total	Assets with quoted market prices in an active market	Assets without quoted market prices in an active market	Total
Equity securities (domestic)	4,690	-	4,690	31,371	-	31,371
Equity securities (overseas)	4,027	-	4,027	26,936	-	26,936
Bonds (domestic)	9,062	-	9,062	60,608	-	60,608
Bonds (overseas)	3,134	-	3,134	20,963	-	20,963
General account for life insurance companies (Note 1)	358	5,882	6,241	2,400	39,341	41,742
Alternative investments (Note 2)	-	12,619	12,619	-	84,402	84,402
Other	4,153	-	4,153	27,781	-	27,781
Total	25,427	18,502	43,929	170,061	123,744	293,806

Note 1: A certain interest rate and principal for the general account of life insurance are guaranteed by life insurance companies.

2: Alternative investments include hedge funds and others.

7. Matters related to actuarial assumptions

The significant actuarial assumptions used to measure present value of defined benefit obligations are as follows:

	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)
Discount rate (%)	1.7	2.5
Life expectancy (years)	26.7	26.7

8. Sensitivity analysis of actuarial assumptions

With an assumption of all other actuarial assumptions being constant, changes in the defined benefit obligations calculated according to changes in each significant actuarial assumption arising as of March 31, 2024 and 2025, are as follows. Sensitivity analysis results may not actually represent changes accurately in defined benefit obligations since other interrelated actuarial assumptions also change.

	(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)
Discount rate increase by 0.5%	(2,547)	(2,258)
Life expectancy increase by 1 year	500	416

9. Impact on future cash flows

(i) Funding policy for plan assets and expected contributions to plan assets

The funding policies for plan assets of the Group are as follows:

The purpose of the corporate pension fund, which is the major component of the Group's plan, is to secure necessary returns over the long term within limits of acceptable risk in assets management in order to ensure benefit and lump-sum payments in the future.

In particular, the Group sets the target return rate and asset composition ratio by investment asset within the allowable risk range specified by the fiscal year and manages the assets by maintaining that proportion.

For asset composition ratio, the Group discussed the introduction of plan assets highly correlated with changes in the defined benefit obligation when necessary.

Also, when unforeseen circumstances occur in the market environment, it is possible to temporarily adjust the weight of risk assets according to internal regulations.

In relation to funding the corporate pension fund, rules stipulate that the amount of contributions as of the last day of a fiscal year (i.e., reference date) should be recalculated every five years in order to maintain the balance of the pension financing.

Also, as for the corporate pension reserve as of each fiscal year, the amount of premium contribution will be recalculated if the amount of pension fund falls below the reserve fund after deduction of allowable deficiency carried forward.

During the year ended March 31, 2026, ¥1,578 million (\$10,554 thousand) will be paid to plan assets as contributions.

(ii) Maturity analysis for the defined benefit obligations

The weighted-average durations of the defined benefit obligations were 14.6 years and 13.7 years as of March 31, 2024 and 2025, respectively.

(2) Employee benefit expenses

The amounts recognized as cost of sales and selling, general, and administrative expenses related to the employee benefit expenses were ¥110,832 million and ¥117,978 million (\$789,045 thousand) for the years ended March 31, 2024 and 2025, respectively.

23. Equity and Other Equity Items

(1) Equity and treasury shares

1. Shares authorized

	(Shares)
	FY 3/2024 (As of March 31, 2024)
	FY 3/2025 (As of March 31, 2025)
Authorized	
Ordinary shares (Note 2)	1,200,000,000
Issued	
Beginning balance	102,861,500
Change during the year (Note 3)	205,723,000
Ending balance	308,584,500

Note 1: All of the issued shares of the Company are ordinary shares that have no par value.

2: The Company implemented a three-for-one stock split of its common stock with an effective date of January 1, 2024, resulting in an increase of 700,000,000 shares in the total number of authorized shares during the previous fiscal year.

3: The changes in the number of issued shares during the previous fiscal year and the current fiscal year were an increase of 205,723,000 shares due to the above stock split and a decrease of 6,000,000 shares due to the cancellation of treasury shares, respectively.

2. Treasury shares

	(Shares)	
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)
Treasury shares		
Beginning balance	1,515,187	4,507,522
Change during the year (Note 1, 2)	2,992,335	4,241,550
Ending balance (Note 3)	4,507,522	8,749,072

Note 1: The Company adopted share option plans and utilized treasury shares for delivery of shares due to its exercise. Due to the introduction of the equity-settled and cash-settled share-based payment schemes (BBT), share option plans were discontinued except for those already granted. Contract conditions and amounts are described in Note 32. "Share-Based Payments."

2: The Company implemented a three-for-one stock split of its common stock with an effective date of January 1, 2024, resulting in an increase of 3,017,724 shares of treasury shares during the previous fiscal year.

3: The number of treasury shares for the previous fiscal year and the current fiscal year included 233,400 shares and 342,800 shares, respectively, held by the trust account related to the BBT.

(2) Capital surplus

The Companies Act of Japan requires that more than half of the payment or contribution upon issuance of shares must be appropriated as share capital and the rest must be appropriated as capital reserve, which is included in capital surplus.

Capital reserve may be appropriated to share capital by resolution of the general meeting of shareholders.

(3) Retained earnings

The Companies Act of Japan requires that an amount equal to one-tenth of dividends must be appropriated as capital reserve or as legal reserve until the total of the aggregate amount of capital reserve and legal reserve equals a quarter of share capital.

(4) Other components of equity

1. Net gain (loss) on revaluation of financial assets measured at FVTOCI

Net gain (loss) on revaluation of financial assets measured at FVTOCI is the accumulated amount of changes in the fair value of financial assets measured at FVTOCI.

2. Remeasurements of defined benefit plans

Remeasurements of defined benefit plans include the effect of any variances between actuarial assumptions at the beginning of the year and actual results and the effects of changes in actuarial assumptions.

Remeasurements of defined benefit plans are recognized in other comprehensive income and immediately reclassified from other components of equity to retained earnings in the period when they occur.

3. Share of other comprehensive income of investments accounted for using the equity method

Share of other comprehensive income of investments accounted for using the equity method includes net gain (loss) on revaluation of financial assets measured at FVTOCI, remeasurements of defined benefit plans, and exchange differences on translation of foreign operations.

4. Exchange differences on translation of foreign operations

Foreign currency translation differences arise from the translation of financial statements of foreign operations prepared in foreign currencies.

5. Cash flow hedges

Cash flow hedge is the portion of the change in the fair value of the hedging instrument that meets the hedge effectiveness requirements under hedge accounting.

24. Dividends

The details of dividends are as follows:

FY 3/2024 (from April 1, 2023, to March 31, 2024)

1. Dividend paid

Resolution	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
General meeting of shareholders held on June 28, 2023	7,604	75	March 31, 2023	June 29, 2023
Board of directors' meeting held on November 9, 2023	8,114	80	September 30, 2023	November 29, 2023

Note 1: The Company implemented a three-for-one stock split of its common stock with an effective date of January 1, 2024. For the "dividend per share" with a record date before December 31, 2023, the actual amount of the dividend before the stock split is stated.

2: The total amount of dividends based on the annual general meeting of shareholders held on June 28, 2023, includes ¥3 million in dividends for the Company's shares held by the trust account related to the BBT. Additionally, the total amount of dividends based on the board of directors' meeting held on November 9, 2023, includes ¥6 million in dividends for the Company's shares held by the trust account related to the BBT.

2. Dividends with an effective date after the fiscal year end are as follows:

Resolution	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
General meeting of shareholders held on June 26, 2024	12,172	40	March 31, 2024	June 27, 2024

Note 1: The Company implemented a three-for-one stock split of its common stock with an effective date of January 1, 2024. For the "dividend per share" based on the annual general meeting of shareholders held on June 26, 2024, the amount of the dividend after the stock split is stated.

2: The total amount of dividends based on the annual general meeting of shareholders held on June 26, 2024, includes ¥9 million in dividends for the shares of the Company held in the trust account related to the BBT.

FY 3/2025 (from April 1, 2024, to March 31, 2025)

1. Dividends paid

Resolution	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	(Thousands of U.S. dollars)	(U.S. dollars)
General meeting of shareholders held on June 26, 2024	12,172	40	March 31, 2024	June 27, 2024	81,409	0.3
Board of directors' meeting held on November 11, 2024	10,482	35	September 30, 2024	November 29, 2024	70,108	0.2

Note: The total amount of dividends based on the annual general meeting of shareholders held on June 26, 2024, includes ¥9 million (\$62 thousand) in dividends for the Company's shares held by the trust account related to the BBT. Additionally, the total amount of dividends based on the board of directors' meeting held on November 11, 2024, includes ¥11 million (\$80 thousand) in dividends for the Company's shares held by the trust account related to the BBT.

2. Dividends with an effective date after the fiscal year end are as follows:

Resolution	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	(Thousands of U.S. dollars)	(U.S. dollars)
General meeting of shareholders held on June 26, 2025	10,296	35	March 31, 2025	June 27, 2025	68,861	0.2

Note: The total amount of dividends includes ¥11 million (\$80 thousand) in dividends for the shares of the Company held in the trust account related to the BBT.

25. Revenue

The disaggregation of revenue for each product or geographical segment of the Group's reportable segments is as follows:

Reportable segment	Classification	(Millions of yen)		(Thousands of U.S. dollars)
		FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
NISSIN FOOD PRODUCTS	Instant noodles	210,826	217,353	1,453,673
	Other	21,395	21,428	143,313
	Total	232,221	238,781	1,596,986
MYOJO FOODS	Instant noodles	42,885	44,815	299,726
	Chilled and frozen products	564	559	3,743
	Total	43,450	45,374	303,470
Chilled and frozen foods and beverages	Chilled and frozen products	69,775	73,100	488,899
	Beverages	25,350	28,153	188,291
	Other	95	96	643
	Total	95,221	101,349	677,834
Confectionery	Confectionery	85,141	92,439	618,242
	Other	9	4	28
	Total	85,150	92,443	618,271
The Americas	Instant noodles	157,281	165,806	1,108,924
	Chilled and frozen products	3,051	2,758	18,450
	Total	160,333	168,565	1,127,375
China	Hong Kong and other	25,037	27,841	186,208
	Mainland China	41,414	45,632	305,193
	Total	66,452	73,474	491,402
Other	Instant noodles	45,664	51,766	346,220
	Beverages	298	415	2,780
	Confectionery	410	418	2,795
	Other	3,729	4,003	26,775
	Total	50,102	56,604	378,573
Revenue in the consolidated financial statements		732,933	776,594	5,193,914

26. Selling, General, and Administrative Expenses

The details of selling, general, and administrative expenses are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Advertising expenses	23,083	21,790	145,734
Freight and storage charges	56,731	65,000	434,726
Employee salaries	32,303	38,219	255,613
Promotion expenses	17,899	21,769	145,593
Commissions and charges	17,696	17,350	116,044
Other	49,537	45,140	301,902
Total	197,252	209,270	1,399,614

27. Other Income and Other Expenses

The details of other income are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Other income			
Gain on sales of fixed assets	61	94	633
Subsidy	402	413	2,762
Other	1,870	1,322	8,843
Total	2,334	1,830	12,239

The details of other expenses are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Other expenses			
Loss on disposal and sales of fixed assets	441	476	3,188
Impairment losses (Note)	478	2,841	19,006
Waste disposal expenses	558	-	-
Loss on abandonment of inventories	-	325	2,175
Other	1,911	716	4,792
Total	3,388	4,360	29,163

Note: Details of impairment losses are described in Note 14 "Impairment Loss of Nonfinancial Assets."

28. Finance Income and Finance Costs

The details of finance income are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Finance income			
Dividend income			
Financial assets measured at FVTOCI			
Investments derecognized during the year	143	22	148
Investments held at the end of the year	1,146	1,335	8,931
Subtotal	1,289	1,357	9,080
Interest income			
Financial assets measured at amortized cost	2,624	2,823	18,885
Subtotal	2,624	2,823	18,885
Derivative income	218	-	-
Other	6	9	60
Total	4,138	4,190	28,026

The details of finance costs are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Finance costs			
Interest expense			
Bonds and borrowings	302	996	6,666
Lease liabilities	282	297	1,990
Subtotal	584	1,294	8,657
Foreign exchange loss	-	335	2,241
Other	-	131	877
Total	584	1,760	11,776

29. Cash Flow

Reconciliation of liabilities arising from financing activities

The changes in liabilities arising from financing activities are as follows:

FY 3/2024 (from April 1, 2023, to March 31, 2024)

	(Millions of yen)			
	Long-term borrowings (Note)	Short-term borrowings	Lease liabilities	Derivative liabilities (assets)
Balance at April 1, 2023	31,881	4,340	18,877	1
Movement by cash inflow/outflow from financing activities	(1,825)	(549)	(5,467)	-
Acquisition	-	-	7,367	-
Exchange differences on translation of foreign operations	249	757	507	-
Fair value movement	-	-	-	(1)
Balance at March 31, 2024	30,305	4,548	21,285	0

FY 3/2025 (from April 1, 2024, to March 31, 2025)

	(Millions of yen)				
	Bonds	Long-term borrowings (Note)	Short-term borrowings	Lease liabilities	Derivative liabilities (assets)
Balance at April 1, 2024	-	30,305	4,548	21,285	0
Movement by cash inflow/outflow from financing activities	49,829	12,418	18,711	(5,312)	-
Acquisition	-	-	-	4,134	-
Exchange differences on translation of foreign operations	-	(259)	(5)	(210)	-
Fair value movement	-	-	-	-	(13)
Other	12	-	-	-	-
Balance at March 31, 2025	49,841	42,463	23,254	19,896	(13)

	(Thousands of U.S. dollars)				
	Bonds	Long-term borrowings (Note)	Short-term borrowings	Lease liabilities	Derivative liabilities (assets)
Balance at April 1, 2024	-	202,683	30,418	142,358	1
Movement by cash inflow/outflow from financing activities	333,261	83,053	125,146	(35,529)	-
Acquisition	-	-	-	27,649	-
Exchange differences on translation of foreign operations	-	(1,736)	(34)	(1,408)	-
Fair value movement	-	-	-	-	(89)
Other	80	-	-	-	-
Balance at March 31, 2025	333,342	284,001	155,529	133,069	(88)

Note: Long-term borrowings include long-term borrowings due within one year.

30. Other Comprehensive Income

The details of other comprehensive income and the amount arising during the current year, reclassification adjustments to profit or loss, and the related tax effects are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Items that will not be reclassified to profit or loss			
Equity instruments measured at FVTOCI			
Amount arising during the year	16,457	(4,514)	(30,196)
Before income tax effect	16,457	(4,514)	(30,196)
Income tax effect	(5,003)	1,039	6,949
Equity instruments measured at FVTOCI	11,453	(3,475)	(23,247)
Share of other comprehensive income of investments accounted for using the equity method			
Amount arising during the year	(7,485)	97	649
Share of other comprehensive income of investments accounted for using the equity method	(7,485)	97	649
Remeasurements of defined benefit plans			
Amount arising during the year	(4,413)	(99)	(665)
Before income tax effect	(4,413)	(99)	(665)
Income tax effect	1,346	70	474
Remeasurements of defined benefit plans	(3,067)	(28)	(191)
Total items that will not be reclassified to profit or loss	900	(3,407)	(22,789)
Items that may be reclassified to profit or loss			
Foreign currency translation differences on foreign operations			
Amount arising during the year	17,413	(9,485)	(63,440)
Reclassification adjustments	-	-	-
Before income tax effect	17,413	(9,485)	(63,440)
Income tax effect	-	-	-
Foreign currency translation differences on foreign operations	17,413	(9,485)	(63,440)
Cash flow hedges			
Amount arising during the year	(111)	(181)	(1,213)
Reclassification adjustments	120	141	947
Before income tax effect	8	(39)	(265)
Income tax effect	(2)	12	81
Cash flow hedges	6	(27)	(184)
Share of other comprehensive income of investments accounted for using the equity method			
Amount arising during the year	7,647	7,478	50,016
Reclassification adjustments	-	-	-
Share of other comprehensive income of investments accounted for using the equity method	7,647	7,478	50,016
Items that may be reclassified to profit or loss	25,066	(2,034)	(13,607)
Total other comprehensive income	25,966	(5,441)	(36,396)

31. Earnings per Share

(1) Basic earnings per share

(Thousands of U.S. dollars)

	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Profit for the year attributable to owners of the parent (millions of yen)	54,170	55,019	367,975
Weighted-average number of ordinary shares outstanding (one hundred shares)	3,040,594	2,983,485	
Basic earnings per share (yen)	178.16	184.41	1.23

(2) Diluted earnings per share

	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Profit for the year attributable to owners of the parent (millions of yen)	54,170	55,019	367,975
Profit adjustments (millions of yen)	-	-	-
Diluted profit for the year (millions of yen)	54,170	55,019	367,975
Weighted-average number of ordinary shares outstanding (one hundred shares)	3,040,594	2,983,485	
Adjustment due to stock acquisition rights to shares (one hundred shares)	18,534	18,169	
Adjustment of shares related to BBT (one hundred shares)	681	1,323	
Diluted weighted-average number of ordinary shares (one hundred shares)	3,059,811	3,002,978	
Diluted earnings per share (yen)	177.04	183.22	1.22
Outline of dilutive shares without dilutive effect that were not included in the calculation of diluted profit	-	-	-

Note 1: The Company implemented a three-for-one stock split of its common stock with an effective date of January 1, 2024. Basic earnings per share and diluted earnings per share have been calculated assuming the stock split was implemented at the beginning of the previous fiscal year.

2: The Company's shares held by the trust accounts related to the BBT are included in the treasury shares deducted in the calculation of the average number of common shares during the period for the purpose of calculating earnings per share. In the calculation of earnings per share, the average number of such treasury shares deducted during the period is 197,400 shares and 297,566 shares for the years ended March 31, 2024 and 2025, respectively.

32. Share-Based Payments

(1) Stock options

1. Outline of share-based payments

The Company issues stock acquisition rights as stock options to directors, executive officers, and employees in order to motivate and inspire the recipients to enhance the Company's results and value of shares.

Exercise periods are defined in allocation contracts, and options expire if they are not exercised within the period.

The options will also be forfeited if a person granted options retires from the Company, unless permitted in allocation contracts (e.g., expiration of the term).

The options granted are accounted for as equity-settled share-based payments.

At the annual general meeting of shareholders held on June 28, 2022, a resolution that the Company discontinued the stock option plan was made and no new stock options were granted to directors, executive officers and employees as remuneration for execution of duties.

The details of the Group's stock option plan are as follows:

	Grant date	Options granted (Shares)	Due date for exercise	Exercise price (Yen)	Fair value at grant date (Yen)	Fair value at grant date (U.S. dollars)
2nd	June 26, 2009	222,900	June 26, 2049	1	775	5
3rd	June 26, 2009	9,465	June 26, 2049	1	892	5
4th	June 26, 2009	33,852	June 26, 2049	1	892	5
6th	June 29, 2010	219,600	June 29, 2050	1	872	5
7th	June 29, 2010	17,130	June 29, 2050	1	1,001	6
8th	June 29, 2010	63,987	June 29, 2050	1	1,001	6
9th	June 29, 2011	219,600	June 29, 2051	1	714	4
10th	June 29, 2011	33,147	June 29, 2051	1	871	5
11th	June 29, 2011	68,031	June 29, 2051	1	871	5
13th	June 28, 2012	257,700	June 28, 2052	1	748	5
14th	June 28, 2012	25,998	June 28, 2052	1	903	6
15th	June 28, 2012	79,431	June 28, 2052	1	903	6
17th	June 26, 2013	240,000	June 26, 2053	1	1,001	6
18th	June 26, 2013	23,970	June 26, 2053	1	1,154	7
19th	June 26, 2013	80,742	June 26, 2053	1	1,154	7
21st	June 26, 2014	169,500	June 26, 2054	1	1,441	9
22nd	June 26, 2014	21,537	June 26, 2054	1	1,602	10
23rd	June 26, 2014	59,511	June 26, 2054	1	1,602	10
24th	June 25, 2015	156,900	June 25, 2055	1	1,564	10
25th	June 25, 2015	21,852	June 25, 2055	1	1,721	11
26th	June 25, 2015	51,423	June 25, 2055	1	1,721	11
28th	June 28, 2016	118,500	June 28, 2056	1	1,610	10
29th	June 28, 2016	12,747	June 28, 2056	1	1,774	11
30th	June 28, 2016	28,881	June 28, 2056	1	1,774	11
33rd	June 28, 2017	106,500	June 28, 2057	1	2,009	13
34th	June 28, 2017	33,144	June 28, 2057	1	2,280	15
35th	June 28, 2017	32,679	June 28, 2057	1	2,280	15
36th	June 27, 2018	100,800	June 27, 2058	1	2,416	16
37th	June 27, 2018	30,021	June 27, 2058	1	2,699	18
38th	June 27, 2018	28,131	June 27, 2058	1	2,699	18
40th	June 26, 2019	89,100	June 26, 2059	1	1,923	12
41st	June 26, 2019	21,360	June 26, 2059	1	2,250	15
42nd	June 26, 2019	22,611	June 26, 2059	1	2,250	15
43rd	June 25, 2020	90,000	June 25, 2060	1	2,732	18
44th	June 25, 2020	15,756	June 25, 2060	1	3,045	20
45th	June 25, 2020	22,443	June 25, 2060	1	3,045	20
48th	June 25, 2021	76,500	June 25, 2061	1	2,338	15
49th	June 25, 2021	12,165	June 25, 2061	1	2,629	17
50th	June 25, 2021	17,418	June 25, 2061	1	2,629	17
51st	June 28, 2022	86,100	June 28, 2062	1	2,677	17
52nd	June 28, 2022	11,811	June 28, 2062	1	2,984	19
53rd	June 28, 2022	17,229	June 28, 2062	1	2,984	19

Note: The Company implemented a three-for-one stock split of its common stock with an effective date of January 1, 2024.

Accordingly, the number of shares and the fair value at the grant date have been stated to reflect the converted figures after the stock split.

2. Number of stock options and weighted-average exercise price

	FY 3/2024		FY 3/2025	
	(From April 1, 2023, to March 31, 2024)		(From April 1, 2024, to March 31, 2025)	
	Number of shares (Shares)	Weighted-average exercise price (Yen)	Number of shares (Shares)	Weighted-average exercise price (Yen)
Beginning balance of outstanding shares	1,875,768	1	1,835,172	1
Granted	-	-	-	-
Exercised	40,596	1	17,766	1
Expired	-	-	-	-
Expired at maturity	-	-	-	-
Ending balance of outstanding shares	1,835,172	1	1,817,406	1
Ending balance of exercisable shares	1,835,172	1	1,817,406	1

As of March 31, 2024, the exercise price of outstanding stock options was ¥1, and the weighted-average remaining contractual life was 31.20 years.

The weighted-average share price on the date of exercise for the fiscal year ended March 31, 2024, was ¥4,155.75 (\$27.79).

As of March 31, 2025, the exercise price of outstanding stock options was ¥1, and the weighted-average remaining contractual life was 30.23 years.

The weighted-average share price on the date of exercise for the fiscal year ended March 31, 2025, was ¥4,102.21 (\$27.43).

The Company implemented a three-for-one stock split of its common stock with an effective date of January 1, 2024.

The number of shares and the weighted-average exercise prices at the date of exercise for stock options have been stated to reflect the converted figures after the stock split.

(2) Equity-settled and cash-settled share-based payment plan (BBT)

The Company introduced a framework referred to as BBT, which is a share-based payment plan for the directors and other executives, in order to increase motivation of directors to enhance the Group's performance and increasing corporate value over the medium to long term.

1. Outline of share-based payment plan

This is a share-based payment plan in which the Company's shares are acquired through a trust using the funds contributed by the Company, and the Company's shares and cash equivalent to the market value of the Company's shares (hereinafter referred to as "Company Shares, etc.") are granted to the Company's directors and executive officers, as well as certain directors of subsidiaries designated by the Company's board of directors, excluding outside directors of the Company and such subsidiaries (hereinafter referred to as "Eligible Officers") in accordance with the share grant regulations for officers established by the Company and its subsidiaries. The initial performance measurement period is set to be three fiscal years starting from April 1, 2022, to April 1, 2024, and from April 1, 2023, each fiscal year will be considered the first year of a three-year performance measurement period. Eligible Officers, excluding those who do not concurrently serve as the Company's directors or executive officers will be paid performance-linked and share-based payment linked to the achievement ratio of the Company's consolidated performance indicators during each of the eligible periods, while those who do not serve as the Company's directors or executive officers will be paid fixed share-based payment according to their position, not linked to the Company's consolidated performance. The timing of distribution of Company Shares, etc., to the Eligible Officers is basically at their retirement.

2. Share-based compensation expense

Expenses arising from the share-based payment plan recorded in selling, general, and administrative expenses of the consolidated statement of income amounted to ¥235 million and ¥197 million (\$1,320 thousand) for the years ended March 31, 2024 and 2025, respectively.

3. Fair value of granted points

There is no information to be reported as no points have been granted at the end of the current fiscal year and the previous fiscal year.

4. Change in the number of points during the period

There is no information to be reported as no points have been granted at the end of the current fiscal year and the previous fiscal year.

33. Financial Instruments

(1) Capital management

The Group manages its capital in accordance with a finance policy focused on financial health, equity profitability, and equity efficiency in order to maximize enterprise value with continuous growth as a going concern.

Comparison between net liabilities and equity of the Group is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Interest-bearing debts	56,138	135,456	905,942
Cash and cash equivalents	96,659	73,036	488,470
Deposits	14,400	16,197	108,327
Interest-bearing debts (net)	(54,920)	46,223	309,143
Equity (equity attributable to owners of the parent)	493,185	475,528	3,180,370

Note: The Company has changed its calculation method of interest-bearing debt (net) from the current fiscal year and restated the balance of the previous fiscal year.

(2) Financial risk management

The Group is exposed to a variety of risks, such as credit risk, liquidity risk, and market risk (foreign exchange risk and interest rate risk).

The Group utilizes derivatives, including forward foreign exchange contracts and interest rate swap contracts, to hedge market risk.

Derivative transactions are used according to the authorization policy set by the Group, and the Group does not have a policy to execute speculative transactions by utilizing derivative assets.

The Group funds required capital (mainly by bank loan and bonds) in accordance with the capital expenditure plan. Temporary surplus cash is invested in highly secured financial instruments, and short-term working capital is funded by bank loan.

The Group is always exposed to financial risks during corporate operation. The Group enters into risk management in order to minimize financial risks. The Group prevents the sources of the risks and tries to minimize risks when they are not avoidable.

(3) Credit risk management

Credit risk is the financial loss risk that a customer or counterparty of financial instruments will default on contractual obligations.

The Group is exposed to credit risks of customers associated with trade accounts receivable, trade notes receivable, and other receivables (loan receivables to customers).

The sales management and accounting departments of the Group monitor the financial situations of major customers on a regular basis in accordance with the Group's policy for trade receivables and also control due dates and outstanding balances for each customer.

The Group also identifies indications of concern regarding collections from the parties whose financial situations worsen and minimizes such risks. Concentration of credit risks on specific customer does not exist.

There is counterparty risk when the Group utilizes derivative transactions. The Group enters into derivative transactions generally with highly rated financial institutions in order to reduce credit risk.

For financial assets, the maximum exposure of the Group is the total carrying amount after impairment disclosed in the consolidated financial statements and the balance of guarantee liabilities.

There is no material balance of overdue receivables, which has not been impaired.

Receivables with carrying amounts that are expected to be difficult to collect are recognized as impairment loss for the amount between the carrying and recoverable amounts.

The changes in allowance for doubtful accounts are as follows:

	(Millions of yen)				
	Expected credit losses in 12 months	Expected credit losses in lifetime			Total
		Trade receivables	Financial assets whose credit losses increased significantly	Credit-impaired financial assets	
Balance at April 1, 2023	3	1,021	121	112	1,258
Increase	7	187	-	-	194
Decrease	(0)	(82)	-	-	(82)
Direct write-offs	-	(7)	-	-	(7)
Foreign exchange	0	99	-	16	116
Other	0	1	-	60	61
Balance at March 31, 2024	10	1,220	121	189	1,541
Increase	6	121	-	-	127
Decrease	(6)	(94)	(6)	-	(107)
Direct write-offs	-	(82)	-	-	(82)
Foreign exchange	(0)	(11)	-	(24)	(35)
Other	(0)	46	-	52	98
Balance at March 31, 2025	9	1,199	114	217	1,541

(Thousands of U.S. dollars)

	Expected credit losses in 12 months	Expected credit losses in lifetime			Total
		Trade receivables	Financial assets whose credit losses increased significantly	Credit-impaired financial assets	
Balance at March 31, 2024	68	8,164	809	1,264	10,308
Increase	40	810	-	-	850
Decrease	(45)	(634)	(42)	-	(721)
Direct write-offs	-	(551)	-	-	(551)
Foreign exchange	(0)	(74)	-	(160)	(236)
Other	(2)	309	-	350	657
Balance at March 31, 2025	61	8,022	767	1,454	10,306

(4) Liquidity risk management

Liquidity risk is the risk that the Group will encounter troubles in cash control due to changes in the market environment or deterioration of financial results of the subsidiaries of the Group, or that the Group will have no alternative but to raise funds with costs substantially higher than usual.

Trade and other payables, interest-bearing debts, and other noncurrent payables are exposed to liquidity risk. The Group controls the risk by preparing and updating its cash flow plans on a timely basis and maintaining enough liquidity.

Maturity analysis of financial liabilities (including derivative financial instruments) is as follows:

FY 3/2024 (as of March 31, 2024)

(Millions of yen)

	Carrying amount	Contractual cash flow	Within 1 year	More than 1 year and within 2 years	More than 2 years and within 3 years	More than 3 years and within 4 years	More than 4 years and within 5 years	More than 5 years
Nonderivative financial liabilities:								
Trade and other payables	161,453	161,453	161,453	-	-	-	-	-
Borrowings	34,853	34,935	12,941	8,184	9,863	1,873	676	1,395
Lease liabilities	21,285	25,813	4,862	3,448	2,396	2,274	2,138	10,692
Noncurrent guarantee deposit received	657	657	-	2	2	-	-	652
Other financial liabilities	-	-	-	-	-	-	-	-

(Millions of yen)

	Carrying amount	Contractual cash flow	Within 1 year	More than 1 year
Derivative financial liabilities:				
Interest rate swap contracts	0	0	-	0

FY 3/2025 (as of March 31, 2025)

(Millions of yen)

	Carrying amount	Contractual cash flow	Within 1 year	More than 1 year and within 2 years	More than 2 years and within 3 years	More than 3 years and within 4 years	More than 4 years and within 5 years	More than 5 years
Nonderivative financial liabilities:								
Trade and other payables	144,703	144,703	144,703	-	-	-	-	-
Bonds and borrowings	115,559	115,900	38,039	19,447	2,228	2,161	31,870	22,154
Lease liabilities	19,896	23,980	4,438	2,787	2,392	2,289	2,138	9,935
Noncurrent guarantee deposit received	640	640	-	2	0	-	-	637
Other financial liabilities	-	-	-	-	-	-	-	-

(Millions of yen)

	Carrying amount	Contractual cash flow	Within 1 year	More than 1 year
Derivative financial liabilities:				
Interest rate swap contracts	-	-	-	-

(Thousands of U.S. dollars)

	Carrying amount	Contractual cash flow	Within 1 year	More than 1 year and within 2 years	More than 2 years and within 3 years	More than 3 years and within 4 years	More than 4 years and within 5 years	More than 5 years
Nonderivative financial liabilities:								
Trade and other payables	967,788	967,788	967,788	-	-	-	-	-
Bonds and borrowings	772,873	775,152	254,408	130,064	14,902	14,453	213,152	148,171
Lease liabilities	133,069	160,385	29,683	18,641	16,002	15,309	14,303	66,446
Noncurrent guarantee deposit received	4,283	4,283	-	16	1	-	-	4,264
Other financial liabilities	-	-	-	-	-	-	-	-

(Thousands of U.S. dollars)

	Carrying amount	Contractual cash flow	Within 1 year	More than 1 year
Derivative financial liabilities:				
Interest rate swap contracts	-	-	-	-

(5) Market risk management

Market risk is the risk that fair value of financial instruments or future cash flows will fluctuate due to changes in market prices. Market risk consists of foreign exchange risk, interest rate risk, and other price risk.

1. Foreign exchange risk control

Foreign exchange risk is the risk that fair values of financial instruments or future cash flows will fluctuate due to changes in foreign exchange rates.

In terms of imports in foreign currencies, the Group utilizes forward foreign exchange contracts to reduce risk. However, cost fluctuations greater than those expected may temporarily occur due to foreign exchange rate fluctuations.

The principal foreign exchange risk of the Group is the rise of purchase prices due to fluctuations in foreign exchange rates.

Sensitive analysis of foreign exchange rates

Assuming that the Japanese yen depreciates by 1% against the U.S. dollar, the effect on income before tax is as follows:

The effects of translation of financial instruments based on functional currency and assets, liabilities, income, and expenses of foreign operations are not included.

It is assumed that other currencies that are not used in this calculation remain constant.

	(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Income before tax	(3)	(87)
		(586)

2. Interest rate risk management

Interest rate risk is the risk that fair values of financial instruments or future cash flows will fluctuate due to changes in market interest rate.

The Group is exposed to interest rate risk due to borrowing funds from financial institutions.

The Group is exposed to interest rate risk because the Group borrows funds and bonds with fixed interest rates and variable interest rates.

The Group reduces such risk by maintaining a balance of borrowings with fixed interest rates and variable interest rates and also utilizes interest rate swap contracts.

Sensitivity analysis of interest rates

Assuming that interest rates increase by 1% for the borrowings with variable interest rates and the expected original principal remains constant, the effect on income before tax of the Group is as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Income before tax	118	(67)
		(453)

(6) Fair value of financial instruments

1. Measurement of fair value of financial instruments

The measurements of major financial instruments are as follows:

(a) Equity securities

Marketable securities are measured using market prices at the end of each fiscal year.

Nonmarketable securities are measured in accordance with valuation techniques, including the net assets approach, market comparable approach, and the discounted cash flow approach.

The market comparable approach calculates the share value of the investee by selecting listed companies that belong to similar industries and analyzing their financial indicators.

Under the discounted cash flow approach, the fair value is calculated by capital cost and earnings.

(b) Investment trusts and bonds

Investment trusts and bonds are calculated based on the quoted price obtained from the financial institutions with which the Company has transactions.

(c) Derivatives

Derivatives are calculated based on the quoted price obtained from the financial institutions with which the Company has transactions.

(d) Bonds

Bonds are calculated based on the market prices.

(e) Borrowings

Borrowings with variable interest rates are stated at their carrying amounts because the carrying amounts approximate fair value.

The fair value of borrowings is the present value of the remaining principal and interest discounted using a deemed interest rate on equivalent new borrowings.

2. Financial instruments measured at fair value on a recurring basis

The fair value hierarchy of financial instruments measured at fair value on a recurring basis in the consolidated statement of financial position is as follows:

FY 3/2024 (as of March 31, 2024)

	(Millions of yen)			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Derivative assets	-	57	-	57
Equity securities	52,857	-	4,309	57,167
Investment trusts	184	3,998	-	4,183
Bonds	50	100	-	150
Total	53,092	4,156	4,309	61,558
Financial liabilities:				
Derivative liabilities	-	0	-	0
Other	-	-	-	-
Total	-	0	-	0

FY 3/2025 (as of March 31, 2025)

	(Millions of yen)			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Derivative assets	-	17	-	17
Equity securities	47,166	-	4,463	51,629
Investment trusts	255	175	-	431
Bonds	-	-	-	-
Total	47,421	193	4,463	52,078
Financial liabilities:				
Derivative liabilities	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

	(Thousands of U.S. dollars)			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Derivative assets	-	119	-	119
Equity securities	315,453	-	29,850	345,303
Investment trusts	1,706	1,176	-	2,883
Bonds	-	-	-	-
Total	317,160	1,295	29,850	348,306
Financial liabilities:				
Derivative liabilities	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

There were no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2024 and 2025.

The changes in financial instruments categorized as Level 3 are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Beginning balance	3,645	4,309	28,824
Gains and losses			-
Other comprehensive income (Note)	352	146	979
Purchases	539	-	-
Sales and settlements	(165)	(3)	(21)
Others	(62)	10	68
Ending balance	4,309	4,463	29,850

Note: The gains and losses included in other comprehensive income related to financial assets measured at FVTOCI at the consolidated statement of financial position date. These gains and losses are included in "Financial assets measured at FVTOCI" and "Foreign currency translation differences on foreign operations" in the consolidated statement of comprehensive income.

The changes in financial liabilities categorized as Level 3 are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Beginning balance	314	-	-
Gains and losses (Note)	202	-	-
Settlements	(517)	-	-
Ending balance	-	-	-

Note: The gains and losses included in profit or loss relate to financial liabilities measured at FVTPL at the consolidated statement of financial position date. These gains and losses are included in "Other income" or "Other expenses" in the consolidated statement of income.

If the unobservable inputs have been changed to reflect reasonably possible alternative assumptions, the effect is expected to be insignificant.

3. Financial instruments measured at amortized cost

The carrying amount and fair value of major financial instruments measured at amortized cost are as follows:

	(Millions of yen)				(Thousands of U.S. dollars)	
	FY 3/2024 (As of March 31, 2024)		FY 3/2025 (As of March 31, 2025)		FY 3/2025 (As of March 31, 2025)	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities						
Bonds (Note1)	-	-	49,841	48,673	333,342	325,528
Borrowings (Note 2)	30,305	29,920	42,463	42,539	284,001	284,509
Total	30,305	29,920	92,305	91,212	617,343	610,038

Note 1: The fair value of bonds is calculated based on market value and classified into Level 2.

Note 2: Borrowings, including current portion of long-term borrowings, are mainly classified into Level 2 and Level 3. The fair value of borrowings is the present value of the remaining principal and interest discounted using a deemed interest rate on equivalent new borrowings.

4. Valuation process

Fair values of financial instruments are measured in accordance with valuation policies and procedures approved by appropriate authorities, and the valuation method for each asset and liability is determined by the appraiser in the Group.

(7) Offsetting financial assets and financial liabilities

The following table presents the amounts of financial assets and liabilities offset in the consolidated statement of financial position and the amounts of financial assets and liabilities that are under enforceable master netting arrangements or similar agreements, but are not offset because they do not meet a part or all criteria for offsetting:

Rights to offset based on enforceable master netting arrangements or similar agreements are enforceable only in certain circumstances, such as default on obligations by counterparties due to bankruptcy or other reasons.

FY 3/2024 (as of March 31, 2024)

(Millions of yen)

	Gross amount of financial assets	Gross amount of financial assets and liabilities offset in the consolidated statement of financial position	Net amount of financial assets presented in the consolidated statement of financial position	Financial instruments not offset in the consolidated statement of financial position	Net amount
Financial assets:					
Trade and other receivables	2,022	116	1,906	-	1,906
Total	2,022	116	1,906	-	1,906

(Millions of yen)

	Gross amount of financial liabilities	Gross amount of financial assets and liabilities offset in the consolidated statement of financial position	Net amount of financial liabilities presented in the consolidated statement of financial position	Financial instruments not offset in the consolidated statement of financial position	Net amount
Financial liabilities:					
Trade and other payables	117	116	1	-	1
Total	117	116	1	-	1

FY 3/2025 (as of March 31, 2025)

(Millions of yen)

	Gross amount of financial assets	Gross amount of financial assets and liabilities offset in the consolidated statement of financial position	Net amount of financial assets presented in the consolidated statement of financial position	Financial instruments not offset in the consolidated statement of financial position	Net amount
Financial assets:					
Trade and other receivables	1,203	79	1,123	-	1,123
Total	1,203	79	1,123	-	1,123

(Thousands of U.S. dollars)

	Gross amount of financial assets	Gross amount of financial liabilities offset in the consolidated statement of financial position	Net amount of financial assets presented in the consolidated statement of financial position	Financial instruments not offset in the consolidated statement of financial position	Net amount
Financial assets:					
Trade and other receivables	8,049	533	7,515	-	7,515
Total	8,049	533	7,515	-	7,515

(Millions of yen)

	Gross amount of financial liabilities	Gross amount of financial assets and liabilities offset in the consolidated statement of financial position	Net amount of financial liabilities presented in the consolidated statement of financial position	Financial instruments not offset in the consolidated statement of financial position	Net amount
Financial liabilities:					
Trade and other payables	145	79	66	-	66
Total	145	79	66	-	66

(Thousands of U.S. dollars)

	Gross amount of financial liabilities	Gross amount of financial assets offset in the consolidated statement of financial position	Net amount of financial liabilities presented in the consolidated statement of financial position	Financial instruments not offset in the consolidated statement of financial position	Net amount
Financial liabilities:					
Trade and other payables	975	533	442	-	442
Total	975	533	442	-	442

(8) Derivatives and hedge accounting

The Company designates forward foreign exchange contracts as hedging instruments to hedge the variability of cash flows concerning foreign currency-denominated liabilities or forecasted transactions in foreign currencies, and designates interest rate swap contracts as hedging instruments to hedge fluctuations in cash flows related to borrowings with variable interest rates. Derivatives are managed according to the Company's internal rules, which stipulate authorization and limitation of transactions.

In order to reduce credit risk, the counterparties to these derivatives are limited to highly rated financial institutions.

Carrying amount and changes in fair values of hedging instruments by type of hedge accounting are as follows:

FY 3/2024 (as of March 31, 2024)				(Millions of yen)	
Hedge type	Risk type	Hedging instrument	Notional amount	Carrying amount (fair value) (Note)	
				Assets	Liabilities
Cash flow hedges	Foreign exchange risk	Forward exchange transactions			
		Buying contracts			
		USD	757	54	-
	Interest rate risk	Interest rate swaps			
		Fixed-rate payment and variable rate receipt	861	3	0
		Total	1,618	57	0

The average rate applied to the forward foreign exchange contracts is ¥130.5 per U.S. dollar. The average interest rate applied to the interest rate swap contracts is 0.7%.

FY 3/2025 (as of March 31, 2025)				(Millions of yen)	
Hedge type	Risk type	Hedging instruments	Notional amount	Carrying amount (fair value) (Note)	
				Assets	Liabilities
Cash flow hedges	Foreign exchange risk	Forward exchange transactions			
		Buying contracts			
		USD	1,599	4	-
	Interest rate risk	Interest rate swaps			
		Fixed-rate payment and variable rate receipt	748	13	-
Total			2,348	17	-

				(Thousands of U.S. dollars)	
Hedge type	Risk type	Hedging instruments	Notional amount	Carrying amount (fair value)	
				Assets	Liabilities
Cash flow hedges	Foreign exchange risk	Forward exchange transactions			
		Buying contracts			
		USD	10,700	31	-
	Interest rate risk	Interest rate swaps			
Fixed-rate payment and variable rate receipt		5,007	88	-	
Total			15,707	119	-

The average rate applied to the forward foreign exchange contracts is ¥143.2 per U.S. dollar. The average interest rate applied to the interest rate swap contracts is 0.7%.

Note: The amounts in the consolidated statement of financial position of current and noncurrent assets and liabilities are recorded in "Other financial assets" or "Other financial liabilities" based on their maturity dates.

The cash flows in cash flow hedges are expected to be generated in one month to one year for the forward foreign exchange contracts and one month to 8 years for interest rate swap contracts and are expected to have an effect on profit or loss in the same period.

The changes in cash flow hedges arising from hedge instruments designated as cash flow hedge are as follows:

FY 3/2024 (from April 1, 2023, to March 31, 2024)				(Millions of yen)	
	Foreign exchange risk	Interest rate risk	Total		
Balance at April 1, 2023	34	(0)	33		
Amount arising during the year (Note 1)	(111)	0	(111)		
Reclassification adjustments (Note 2)	116	3	120		
Income tax effect	(1)	(1)	(2)		
Balance at March 31, 2024	37	2	39		

FY 3/2025 (from April 1, 2024, to March 31, 2025)

	(Millions of yen)			(Thousands of U.S. dollars)		
	Foreign exchange risk	Interest rate risk	Total	Foreign exchange risk	Interest rate risk	Total
Balance at April 1, 2024	37	2	39	253	13	266
Amount arising during the year (Note 1)	(190)	9	(181)	(1,274)	61	(1,213)
Reclassification adjustments (Note 2)	140	1	141	940	7	947
Income tax effect	15	(3)	12	102	(20)	81
Balance at March 31, 2025	3	9	12	21	61	82

Note 1: Changes in fair value of hedged items used as the basis for recognition of the ineffective portion of hedges match with the changes in fair value of hedged instruments.

2: Reclassification adjustments attributed to the effects of hedged items on profit or loss are recognized under finance income or costs in the consolidated statement of income.

34. Related-Party Transactions

(1) Related-party transactions

FY 3/2024 (from April 1, 2023, to March 31, 2024)

Type	Name	Transaction	Transaction amount (Millions of yen)	Account	Outstanding balance (Millions of yen)
Other related party	Intech Lease K.K.	Lease of vending machines	390	Lease liabilities	108

FY 3/2025 (from April 1, 2024, to March 31, 2025)

						(Thousands of U.S. dollars)	
Type	Name	Transaction	Transaction amount (Millions of yen)	Account	Outstanding balance (Millions of yen)	Transaction amount	Outstanding balance
Other related party	Intech Lease K.K.	Lease of vending machines	393	Lease liabilities	117	2,629	783

Note: Leases are executed after comparing quotations on general lease operations with other lease companies.

(2) Compensation of key management personnel

Compensation for the Group's directors and other executives is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Remuneration and bonuses	1,379	1,536	10,275
Performance-based stock compensation	210	135	904
Total	1,589	1,671	11,179

35. Subsidiaries and Associates

(1) The Company does not own the majority of voting rights of KOIKE-YA Inc. However, the Company determined that it has control over KOIKE-YA Inc. and included it in the scope of consolidation, considering the fact that the Company holds 45.12% of the voting rights of KOIKE-YA Inc., the dispersion of voting rights in KOIKE-YA Inc., and the voting patterns exercised in KOIKE-YA Inc.'s past shareholders' meetings.

(2) Consolidated subsidiaries with material noncontrolling interests

Summarized financial information in the consolidated subsidiary with material noncontrolling interests is as follows:

Summarized financial information is based on amounts before elimination in consolidation.

NISSIN FOODS CO., LTD. (NISSIN FOODS CO., LTD. and its group companies)

1. General information

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Noncontrolling interests held by noncontrolling owner (%)	27.95	27.95	27.95
Accumulated noncontrolling interests of the subsidiary	22,257	21,700	145,136

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Profit allocated to the noncontrolling interests of the subsidiary	1,783	1,158	7,745

2. Summarized statements of financial position

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Current assets	51,096	46,259	309,383
Noncurrent assets	39,637	43,976	294,116
Current liabilities	15,070	15,851	106,017
Noncurrent liabilities	2,479	2,604	17,421
Equity	73,184	71,778	480,061

3. Summarized statements of income and comprehensive income

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Revenue	69,474	76,819	513,776
Profit	6,213	3,871	25,895
Comprehensive income	4,890	2,463	16,473

4. Summarized statements of cash flows

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (From April 1, 2023, to March 31, 2024)	FY 3/2025 (From April 1, 2024, to March 31, 2025)	FY 3/2025 (From April 1, 2024, to March 31, 2025)
Net cash from operating activities	12,531	10,548	70,549
Net cash from investing activities	(9,088)	(7,287)	(48,736)
Net cash from financing activities	(4,408)	(3,912)	(26,169)
Effect of exchange rate changes on cash and cash equivalents	625	(1,467)	(9,817)
Net decrease in cash and cash equivalents	(339)	(2,119)	(14,174)

36. Commitments

Commitments on payment after the end of each reporting period are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	FY 3/2024 (As of March 31, 2024)	FY 3/2025 (As of March 31, 2025)	FY 3/2025 (As of March 31, 2025)
Commitments to purchase property, plant, and equipment	36,494	46,991	314,281

37. Subsequent events

(1) Acquisition of the Company's own shares

Pursuant to Article 156 of the Companies Act of Japan as modified by the provision of Article 165, Paragraph 3 of the same Act, the Company resolved the acquisition of the Company's own shares at the meeting of the board of directors held on May 8, 2025.

1) Reason for acquisition of treasury shares

In Mid-to Long-Term Growth Strategy 2030, we have set four Economic Value Targets for Creating Shared Value (CSV) management: "Sustainable profit growth" "Efficient use of capital" "Safe use of debt" and "Stable shareholder returns". We have determined that maintaining financial discipline while enhancing shareholder returns and improving capital efficiency would contribute to improvement in our corporate values. Consequently, we have decided to purchase our shares as treasury shares.

2) Details of the acquisition

(i) Type of shares to be acquired	Shares of common stock of the Company
(ii) Total number of shares to be acquired	9,500,000 shares (maximum) (3.22% of the total number of shares outstanding (excluding treasury shares))
(iii) Total amount of acquisition price	¥20,000,000,000 (maximum)
(iv) Period	From May 9, 2025 to November 28, 2025
(v) Method of acquisition	Market transactions on the Tokyo Stock Exchange

(2) Cancellation of treasury shares

The Company resolved to cancel treasury shares pursuant to Article 178 of the Companies Act at the meeting of the board of directors held on May 8, 2025.

1) Type of shares to be canceled: Common stock of the Company

2) Total number of shares to be canceled: 5,000,000 shares

(This number represents 1.65% of total outstanding shares before cancellation)

3) Scheduled date of cancellation: May 30, 2025

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
NISSIN FOODS HOLDINGS CO., LTD.:

<Audit of Consolidated Financial Statements>

Opinion

We have audited the consolidated financial statements of NISSIN FOODS HOLDINGS CO., LTD. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as of March 31, 2025, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, all expressed in Japanese yen.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 1 to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

Revenue recognition (Note 6. Segment Information and Note 25. Revenue)	
Key Audit Matter Description	How the Key Audit Matter Was Addressed in the Audit
<p>As disclosed in Note 6. "Segment Information" and Note 25. "Revenue" to the consolidated financial statements, revenue recognized for the NISSIN FOOD PRODUCTS segment amounted to ¥238,781 million for the year ended March 31, 2025, which accounted for 30% of the Group's total consolidated revenue.</p> <p>The NISSIN FOOD PRODUCTS segment mainly consists of NISSIN FOOD PRODUCTS CO., LTD. ("Nissin Food Products"), which manufactures a wide variety of bag-type and cup-type noodles in its five domestic factories and sells to both wholesalers and retailers through Japanese trading companies.</p> <p>The revenue is calculated by multiplying the unit price registered in the Enterprise Resource Planning ("ERP") system by the sales quantities entered into the ERP system based on orders received and fixed upon shipment. Nissin Food Products constantly launches new products, requiring frequent registration of new unit prices in the ERP system. Additionally, Nissin Food Products also sells a wide variety of products in large quantities on a daily basis, generating a high volume of shipment and sales data.</p> <p>There are automated internal controls in place to mitigate the risks of material misstatements in the sales process such as order receipt, shipping, recording of sales, billing and cash collection, all of which are processed in the same ERP system. However, the Nissin Food Product's revenue process also includes manual controls. As such, as more unit prices are registered in the ERP system and shipping volumes increase, the possibility of revenue being inaccurately recognized due to inappropriate unit prices and sales quantities entered into the system also increases.</p> <p>Accordingly, we determined the accuracy of revenue recognition to be a key audit matter.</p>	<p>In order to evaluate the accuracy of revenue recognition, we performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> • We tested the design and operating effectiveness of controls over sales processes related to order receipt, shipping, billing and recording of sales, specifically focusing on processes to ensure that the sales information was complete and accurate in the ERP system. • With the assistance of our Information Technology ("IT") specialists, we tested the effectiveness of general IT controls such as access controls, change management controls and IT operation controls of the ERP system that support the sales processes. • We analyzed revenues by department and by customer in order to identify unusual transactions or trends, such as unexpected achievement of profit targets, significant fluctuations and high-margin transactions. • We analyzed revenues by product brand based on sales quantities in order to identify unusual transactions or trends. • We selected samples of revenue transactions using a non-statistical method and inspected supporting documents, such as details of payments issued by customers and bank statements in order to test the accuracy of revenue.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in Financial Data Book, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with IFRS Accounting Standards as issued by the IASB and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with IFRS Accounting Standards as issued by the IASB, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit & Supervisory Board members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Fee-Related Information>

Fees for audit and other services for the year ended March 31, 2025, which were charged by us and our network firms to NISSIN FOODS HOLDINGS CO., LTD. and its subsidiaries were ¥300 million and ¥174 million, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Masato Shoji

Designated Engagement Partner
Certified Public Accountant

Osamu Hattori

Designated Engagement Partner
Certified Public Accountant

Deloitte Touche Tohmatsu LLC
September 1, 2025