ANNUAL REPORT 2012

YEAR ENDED MARCH 31, 2012

Toyo Suisan Kaisha, Ltd.

Smiles for All.

"Food that brings smiles to faces"—
is the message of the Maruchan logo
and what the Toyo Suisan Group is all about:
delivering the finest quality, best-tasting food
to dining tables everywhere.
Delicious food that brings smiles to faces,
and with the same assurance of quality every time.
"Smiles for All" in everything we do —
That's the Toyo Suisan way.

About the Maruchan logo

Since its debut in 1962, the Maruchan logo has become widely recognized and loved as the symbol for Toyo Suisan's processed foods among every Japanese age group ranging from small children to the elderly. In 1972, Toyo Suisan established a local subsidiary in the United States and began manufacturing and selling products for North America. Accordingly, products featuring the Maruchan label are highly acclaimed for their flavor both domestically and overseas.

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Forward-looking Statements

In this annual report, statements other than historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results and achievements to differ materially from those anticipated in these statements.

TO OUR SHAREHOLDERS

I would like to begin by expressing my sincere appreciation for our shareholders' continued support. We are pleased to report the business results for Toyo Suisan Kaisha, Ltd., for fiscal 2012, ended March 31, 2012.

In a severe operating environment, the Toyo Suisan Group seeks to enhance its competitiveness for continued development and to carry out swift reforms. We will also strive to maintain the support and trust of our customers, improve corporate value, and boost shareholder value.

Operating results for the year ended March 2012

The Japanese economy in the consolidated fiscal year under review was marked by a gradual recovery in production activity despite persistently challenging conditions caused by the impact of the Great East Japan Earthquake. However, the economic outlook remains unclear due to concerns over the impact of the downturn in economic conditions overseas precipitated by the European debt crisis and other factors.

In the face of intense sales competition, the Toyo Suisan Group carried out further cost reductions and proactive sales activities. The result was a 4.9% year on year increase in net sales for the consolidated fiscal year under review to ¥320,989 million, a 1.1% year on year decline in operating income to ¥25,515 million, and a 29.8% year on year increase in net income to ¥16,119 million.

June 2012

Kazuo Obata

Kazuo Obata
President

TOYO SUISAN KAISHA, LTD., AND ITS SUBSIDIARIES

Consolidated Financial Highlights

Years ended March 31, 2011 and 2012

	Millions of yen		Thousands of U.S. dollars
	2011	**2012**	**2012**
For the year:			
Net sales	¥ 305,912	**¥ 320,989**	**$ 3,908,304**
Operating income	25,811	**25,515**	**310,666**
Net income	12,416	**16,119**	**196,262**
At year-end:			
Total assets	¥ 232,533	**¥ 251,415**	**$ 3,061,183**
Total net assets	172,808	**186,666**	**2,272,811**
Per share of common stock:			
(in yen and U.S. dollars)			
Net income	¥ 121.5	**¥ 157.7**	**$ 1.92**
Cash dividends	40.0	**40.0**	**0.49**

Dollar amounts represent translations at the rate of ¥82.13 = US$1, the rate prevailing on March 31, 2012.

REVIEW OF OPERATIONS

Domestic Instant Noodles Segment

SALES **106,638** million yen

In domestic instant noodles, core brands in cup-style noodles—*Akai Kitsune Udon* (an udon product line), *Midori-no Tanuki Tensoba* (a product line of buckwheat noodles with tempura), *Men-Zukuri* (non-fried noodle products), and *Mukashi Nagara-no Sauce Yakisoba* (old-fashioned fried yakisoba noodles with sauce)—performed well, as did the *Gotsumori* (literally "Huge Helping") line, which features large portions and open pricing. In packaged noodle products, we launched sales of *Maruchan Seimen* (authentic ramen-style noodles) in November 2011, which uses a new processing technology to preserve the flavor of fresh noodles. Active promotions and sales activities meant that our packaged noodle products sold well. As a result, overall sales in this segment increased 4.8% compared to the previous year to ¥106,638 million. Segment income declined 8.0% year on year to ¥10,707 million due in part to higher prices for raw ingredients like wheat flour and buckwheat flour and to capital investments made in new manufacturing lines.

Frozen and Refrigerated Foods Segment

SALES **63,373** million yen

In frozen and refrigerated foods, market conditions for fresh noodle products remain challenging as the market continues to contract, although conditions did change slightly with more people eating meals at home after the Great East Japan Earthquake. We conducted consumer campaigns, as well as flavor development, for our mainstay three-pack yakisoba noodles, which saw sales surpass the previous year. Three-pack fresh ramen noodles were updated, resulting in strong sales, but three-pack boiled udon noodles and two-pack fresh ramen noodles faced the challenge of price competition from competitors, with sales remaining flat compared to the previous year. In frozen food products, frozen noodle products and frozen vegetables recorded steady sales, but this was not enough to offset a decline in sales of commercial frozen food products caused by such factors as products being discontinued due to the earthquake. As a result, sales in this segment remain the same as the previous year, at ¥63,373 million. Segment income declined by 15.9% year on year to ¥3,607 million due to higher ingredient prices and increased sales promotion expenditure.

Processed Foods Segment

SALES **17,236** million yen

In processed food products, rice sales declined as a result of damage to manufacturing plants in the Great East Japan Earthquake. Freeze-dried products sold steadily as we accommodated demand for convenient, "authentic" products. Seasonings also enjoyed solid sales thanks to the addition of several new products among them. The result was a 6.0% decline in segment sales compared to the previous year to ¥17,236 million, but with a 6.5% year on year increase in segment income to ¥579 million.

Overseas Instant Noodles Segment

SALES **57,559** million yen

In overseas instant noodles, we raised prices between the second half of the second quarter and the third quarter, yet sales volumes increased substantially thanks to ongoing and proactive sales activities, including promotions in partnership with major retailers. The result was a 14.7% year on year increase in segment sales to ¥57,559 million. A worldwide rise in commodity prices last year meant that main ingredient costs, freight charges and other costs increased, but price increases and sales promotions paid dividends, and as a result segment income increased 11.3% year on year to ¥8,286 million.

Seafood Segment

SALES **32,556** million yen

Extremely challenging conditions persisted in the seafood segment due to the ongoing strength of the yen, a stagnant domestic market, and the limited number of subsidiaries that were able to recommence production after suffering major damage in the Great East Japan Earthquake. Amid such conditions, we actively developed and marketed new products, focusing on our specialties: salmon, trout, roe, southern ocean frozen fish, and tuna. As a result, segment sales decreased 2.4% compared to the previous year to ¥32,556 million, and segment income increased 22.2% year on year to ¥865 million.

Cold-Storage Segment

SALES **14,821** million yen

Nationwide handling volume increased due to aggressive sales activities that started the previous year. Goods from the Tohoku region flowed into other regions due to the impact of the Great East Japan Earthquake, and food product manufacturers increased inventories as a measure to conserve electricity during the summer. As a result, inventory levels remained steadily high, and both storage and warehousing revenues exceeded those of the previous year. In addition, the results for Saihoku Toyo K.K., Shonan Toyo K.K., and Suruga Toyo K.K. came to be included in the consolidated fiscal year under review, leading to a 15.4% increase in segment sales compared to the previous year of ¥14,821 million, and a 109.4% year on year increase in segment income of ¥1,152 million.

Other Business Segments

SALES **28,783** million yen

Main among the other business segments are the packed lunch/deli food business and real estate leasing operations. Sales from the other segments increased 10.5% compared to the previous year to ¥28,783 million, and income increased 21.4% year on year to ¥1,461 million.

Net Sales by Segment

1.	Domestic Instant Noodles Segment	33.22 %	106,638 million yen
2.	Frozen and Refrigerated Foods Segment	19.74 %	63,373 million yen
3.	Processed Foods Segment	5.37 %	17,236 million yen
4.	Overseas Instant Noodles Segment	17.93 %	57,559 million yen
5.	Seafood Segment	10.14 %	32,556 million yen
6.	Cold-Storage Segment	4.62 %	14,821 million yen
7.	Other Business Segment	8.98 %	28,783 million yen

FEATURE

CELEBRATING 50 YEARS

The Maruchan logo was unveiled in 1962 to mark the full-fledged start of our instant noodle business and symbolize a brand that aspired to be loved by all, from children to the elderly. We are grateful for being able to welcome in our fiftieth year, and take this opportunity to look back on the history of Maruchan.

01 1962 THE FIRST MARUCHAN

The "Maruto" logo used up until this time became "Marutochan" and then "Maruchan," and a happy, smiling face was created that perfectly matched the name.

02 1970 THE SECOND GENERATION

Maruchan was given a more modern look than the predecessor, and the smiling face design and brand name were integrated onto a red background, with the logo taking the basic look it still has today.

03 1986 THE THIRD GENERATION

NOW

The expression of the eyes and mouth was changed to further accentuate a sense of friendliness and tastiness. The color scheme was also changed to red and yellow to convey warmth, enjoyment and happiness.

MARUCHAN HIGHLIGHTS

1956 MARUCHAN FORERUNNER DEBUTS

In 1956, the company changed its name from Yokosuka Suisan to Toyo Suisan, signaling an ambition to expand beyond the city of Yokosuka and become a leading company in Asia. The "Maruto" logo used at the time was a circle ("Maru") combined with the first character in the company's name ("To").

1980 MARUCHAN VENTURES OVERSEAS

Maruchan, Inc. was established in 1972, meaning that this year, 2012, marks the company's 40th anniversary. Maruchan, Inc. began by selling instant noodles exported from Japan, and then started local manufacturing in 1977 with the establishment of a production facility in Southern California. The Maruchan logo has been used overseas since 1980.

2009 CORPORATE SLOGAN CRAFTED

The Maruchan logo reflects our wish to put smiles on people's faces. Our corporate slogan, "Smiles for All," expresses this desire in a phrase, and indicates that everything we do is to put a smile on the faces of our customers.

CORPORATE GOVERNANCE

Toyo Suisan's Basic Stance Concerning Corporate Governance

Toyo Suisan is highly cognizant of the impact that accurate and rapid decision-making will have on the future growth potential of the Company. Subsequently, management believes that there is a need for clarifying the responsibilities of directors as well as the lines of accountability within each business. In the future, Toyo Suisan plans to develop a more transparent and fluid form of corporate governance to address this need.

Gains in Implementing Corporate Governance

Toyo Suisan employs the auditor system. The managerial decision-making body is the Board of Directors, which comprises 18 members, who are all directors from within the Company. There are also four Corporate Auditors, two of whom are selected from outside the Company, who provide advice and counsel to the Board of Directors.

BOARD OF DIRECTORS AND CORPORATE AUDITORS

As of June 28, 2012

Chairman

Tadasu Tsutsumi

President

Kazuo Obata

Senior Managing Director

Hiroji Yoshino

Executive Directors

Senichi Teshima
Eiji Kondo
Masanari Imamura

Directors

Hiroyuki Minami
Kenji Sugawara
Atsumi Shimoi
Masaharu Oikawa
Tadashi Fujiya
Tsutomu Yoshimura
Kazuo Yamamoto
Hisao Ichishima
Osamu Iizuka
Noritaka Sumimoto
Hitoshi Oki
Tsutomu Toyoda

Corporate Auditors

Toru Yamashita
Moriyuki Minami
Akira Takara
Isamu Mori

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

AS OF MARCH 31, 2011 AND 2012

ASSETS

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2011	2012	2012
Current assets:			
Cash on hand and at banks (Notes 3 and 4)	¥ 34,649	**¥ 43,208**	**$ 526,093**
Notes and accounts receivable-			
Trade (Note 4)	39,784	**48,715**	**593,145**
Unconsolidated subsidiaries and affiliates	169	**234**	**2,849**
Other	1,436	**1,363**	**16,596**
Less: Allowance for doubtful accounts	(524)	**(512)**	**(6,234)**
	40,865	**49,800**	**606,356**
Securities (Notes 3,4 and 5)	23,000	**17,002**	**207,013**
Inventories (Note 13)	16,169	**20,839**	**253,732**
Deferred tax assets (Note 14)	1,926	**1,543**	**18,787**
Other current assets	2,115	**1,805**	**21,977**
Total current assets	118,724	**134,197**	**1,633,958**
Property, plant and equipment (Notes 7,8,12 and 13)**:**			
Buildings and structures	105,285	**109,988**	**1,339,194**
Machinery and equipment	86,033	**86,613**	**1,054,584**
	191,318	**196,601**	**2,393,778**
Less: Accumulated depreciation	(124,797)	**(129,792)**	**(1,580,324)**
	66,521	**66,809**	**813,454**
Land	28,646	**28,595**	**348,168**
Construction in progress	332	**2,177**	**26,507**
Total property, plant and equipment	95,499	**97,581**	**1,188,129**
Intangible assets	1,728	**2,052**	**24,985**
Investments and other assets:			
Investments in unconsolidated subsidiaries and affiliates (Note 4)	4,217	**4,202**	**51,163**
Investments in securities (Notes 4 and 5)	9,944	**10,745**	**130,829**
Deferred tax assets (Note 14)	1,523	**1,742**	**21,210**
Other (Note 4)	899	**896**	**10,909**
Less: Allowance for doubtful accounts	(1)	**–**	**–**
Total investments and other assets	16,582	**17,585**	**214,111**
Total assets	¥232,533	**¥251,415**	**$3,061,183**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

LIABILITIES AND NET ASSETS

	Millions of yen		Thousands of U.S. dollars(Note 1)
	2011	2012	2012
Current liabilities:			
Short-term loans (Notes 4 and 8)	¥ 1,946	¥ 325	$ 3,957
Current portion of long-term debt (Notes 4 and 8)	52	12	146
Notes and accounts payable-			
Trade (Note 4)	18,741	21,273	259,016
Unconsolidated subsidiaries and affiliates	163	860	10,471
Other	897	1,796	21,868
	19,801	23,929	291,355
Deferred tax liabilities (Note 14)	1	4	49
Income taxes payable	2,747	4,541	55,290
Accrued expenses	15,848	17,208	209,522
Other current liabilities	1,601	846	10,301
Total current liabilities	41,996	46,865	570,620
Long-term liabilities:			
Long-term debt (Notes 4 and 8)	12	–	–
Deferred tax liabilities (Note 14)	890	885	10,775
Reserve for retirement benefits			
— for employees (Note 9)	15,051	15,627	190,271
— for officers	119	130	1,583
Negative goodwill	526	375	4,566
Asset retirement obligations	308	311	3,787
Other	823	556	6,770
Total Long-term liabilities	17,729	17,884	217,752
Total liabilities	59,725	64,749	788,372
Contingent liabilities (Note 19)			
Net assets (Notes 15 and 16):			
Shareholders' equity:			
Common stock-			
Authorized: 427,000,000 shares in 2011 and 2012			
Issued: 110,881,044 shares in 2011 and 2012	18,969	18,969	230,963
Capital surplus	22,517	22,517	274,163
Retained earnings	144,769	158,052	1,924,412
Treasury stock at cost			
Held by the Company:			
8,662,297 shares in 2011, 8,671,040 shares in 2012			
Owned by consolidated subsidiaries and affiliates:			
46,886 shares in 2011 and 2012	(8,111)	(8,129)	(98,977)
Total shareholders' equity	178,144	191,409	2,330,561
Accumulated other comprehensive income:			
Net unrealized gain (loss) on investment in securities, net of taxes (Note 5)	(433)	323	3,933
Net unrealized gain on hedging derivatives, net of taxes (Note 6)	169	259	3,153
Adjustment on foreign currency translation	(14,755)	(15,478)	(188,457)
Total accumulated other comprehensive income	(15,019)	(14,896)	(181,371)
Minority interests in consolidated subsidiaries	9,683	10,153	123,621
Total net assets	172,808	186,666	2,272,811
Total liabilities and net assets	¥232,533	¥ 251,415	$ 3,061,183

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED MARCH 31, 2011 AND 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2011	2012	2012
Net sales (Note 21)	¥ 305,912	**¥ 320,989**	**$ 3,908,304**
Cost of sales (Note 11)	191,118	**202,610**	**2,466,943**
Gross profit	114,794	**118,379**	**1,441,361**
Selling, general and administrative expenses (Note 11)	88,983	**92,864**	**1,130,695**
Operating income (Note 21)	25,811	**25,515**	**310,666**
Non-operating income (expenses):			
Interest and dividends income	425	**432**	**5,260**
Interest expenses	(21)	**(9)**	**(110)**
Exchange gain (loss), net	(50)	**240**	**2,922**
Loss on sales or disposal of property, plant and equipment, net	(317)	**(319)**	**(3,884)**
Write-down of investments in securities	(24)	**(131)**	**(1,595)**
Impairment losses on fixed assets (Notes 12 and 21)	(1,841)	**(64)**	**(779)**
Loss on disaster (Note 13)	(3,307)	**(69)**	**(840)**
Subsidy received	169	**39**	**475**
Other, net	883	**796**	**9,692**
Income before income taxes and minority interests	21,728	**26,430**	**321,807**
Income taxes (Note 14)**:**			
Current	9,147	**9,922**	**120,808**
Deferred	(484)	**(134)**	**(1,631)**
	8,663	**9,788**	**119,177**
Income before minority interests	13,065	**16,642**	**202,630**
Minority interests in subsidiaries	649	**523**	**6,368**
Net income	¥ 12,416	**¥ 16,119**	**$196,262**
	Yen		U.S. dollars (Note 1)
Amounts per share of common stock (Note 17)**:**			
Net income	¥ 121.5	**¥ 157.7**	**$1.92**
Cash dividends applicable to the year	40.0	**40.0**	**0.49**

The accompanying notes are an integral part of these consolidated financial statements.

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED MARCH 31, 2011 AND 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2011	2012	2012
Income before minority interests	¥ 13,065	**¥ 16,642**	**$ 202,630**
Other comprehensive income (Note 20):			
Net unrealized gain (loss) on investment in securities, net of taxes	(783)	**739**	**8,998**
Net unrealized gain (loss) on hedging derivatives, net of taxes	(29)	**91**	**1,108**
Adjustment on foreign currency translation	(4,852)	**(723)**	**(8,803)**
Share of other comprehensive income of the affiliate accounted for using equity method	(23)	**22**	**268**
Total other comprehensive income	(5,687)	**129**	**1,571**
Comprehensive income (Note 20)	¥ 7,378	**¥ 16,771**	**$ 204,201**
Total comprehensive income attributable to:			
Owners of parent	¥ 6,738	**¥ 16,241**	**$ 197,748**
Minority shareholders	640	**530**	**6,453**

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

FOR THE YEARS ENDED MARCH 31, 2011 AND 2012

	Millions of yen										
	Shareholders' equity					Accumulated other comprehensive income					
	Common stock	Capital surplus	Retained earnings	Treasury stock at cost	Total shareholders' equity	Net unrealized gain (loss) on investment in securities, net of taxes	Net unrealized gain (loss) on hedging derivatives, net of taxes	Adjustment on foreign currency translation	Total accumulated other comprehensive income	Minority interests in consolidated subsidiaries	Total net assets
Balance at March 31, 2010	¥ 18,969	¥ 22,517	¥ 136,950	¥ (8,086)	¥ 170,350	¥ 364	¥ 198	¥ (9,903)	¥ (9,341)	¥ 9,279	¥ 170,288
Net income	–	–	12,416	–	12,416	–	–	–	–	–	12,416
Cash dividends paid	–	–	(4,597)	–	(4,597)	–	–	–	–	–	(4,597)
Acquisition of treasury stock	–	–	–	(25)	(25)	–	–	–	–	–	(25)
Net changes in items except shareholders' equity	–	–	–	–	–	(797)	(29)	(4,852)	(5,678)	404	(5,274)
Balance at March 31, 2011	**¥ 18,969**	**¥ 22,517**	**¥ 144,769**	**¥ (8,111)**	**¥ 178,144**	**¥ (433)**	**¥ 169**	**¥ (14,755)**	**¥ (15,019)**	**¥ 9,683**	**¥ 172,808**
Net income	–	–	16,119	–	16,119	–	–	–	–	–	16,119
Cash dividends paid	–	–	(4,087)	–	(4,087)	–	–	–	–	–	(4,087)
Acquisition of treasury stock	–	–	–	(18)	(18)	–	–	–	–	–	(18)
Change in scope of consolidaiton	–	–	1,251	–	1,251	–	–	–	–	–	1,251
Net changes in items except shareholders' equity	–	–	–	–	–	756	90	(723)	123	470	593
Balance at March 31, 2012	**¥ 18,969**	**¥ 22,517**	**¥ 158,052**	**¥ (8,129)**	**¥ 191,409**	**¥ 323**	**¥ 259**	**¥ (15,478)**	**¥ (14,896)**	**¥ 10,153**	**¥ 186,666**

	Thousands of U.S. dollars (Note 1)										
	Shareholders' equity					Accumulated other comprehensive income					
	Common stock	Capital surplus	Retained earnings	Treasury stock at cost	Total shareholders' equity	Net unrealized gain (loss) on investment in securities, net of taxes	Net unrealized gain (loss) on hedging derivatives, net of taxes	Adjustment on foreign currency translation	Total accumulated other comprehensive income	Minority interests in consolidated subsidiaries	Total net assets
Balance at March 31, 2011	$ 230,963	$ 274,163	$ 1,762,681	$ (98,758)	$ 2,169,049	$ (5,272)	$ 2,058	$ (179,654)	$ (182,868)	$ 117,898	$2,104,079
Net income	–	–	196,262	–	196,262	–	–	–	–	–	196,262
Cash dividends paid	–	–	(49,763)	–	(49,763)	–	–	–	–	–	(49,763)
Acquisition of treasury stock	–	–	–	(219)	(219)	–	–	–	–	–	(219)
Change in scope of consolidaiton	–	–	15,232	–	15,232	–	–	–	–	–	15,232
Net changes in items except shareholders' equity	–	–	–	–	–	9,205	1,095	(8,803)	1,497	5,723	7,220
Balance at March 31, 2012	**$ 230,963**	**$ 274,163**	**$ 1,924,412**	**$ (98,977)**	**$ 2,330,561**	**$ 3,933**	**$ 3,153**	**$ (188,457)**	**$ (181,371)**	**$ 123,621**	**$ 2,272,811**

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED MARCH 31, 2011 AND 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2011	2012	2012
Cash flows from operating activities:			
Income before income taxes and minority interests	¥21,728	**¥26,430**	**$321,807**
Depreciation and amortization	10,634	**10,207**	**124,279**
Loss on adjustment for changes of accounting standard for asset retirement obligations	254	**–**	**–**
Impairment losses on fixed assets	1,841	**64**	**779**
Loss on disaster	3,307	**69**	**840**
Amortization of goodwill	51	**21**	**256**
Amortization of negative goodwill	(150)	**(151)**	**(1,839)**
Equity in gain under the equity method	(67)	**(16)**	**(195)**
Write-down of investments in securities	24	**131**	**1,595**
Increase in reserve for retirement benefits	818	**336**	**4,091**
Increase (decrease) in allowance for bonus to officers	(72)	**48**	**584**
Decrease in allowance for doubtful accounts	(18)	**(14)**	**(170)**
Interest and dividends income	(425)	**(432)**	**(5,260)**
Interest expenses	21	**9**	**110**
Currency exchange (gain) loss, net	50	**(240)**	**(2,922)**
Loss on sales or disposal of property, plant and equipment, net	317	**319**	**3,884**
Increase in notes and accounts receivable, trade	(1,029)	**(8,838)**	**(107,610)**
Increase in inventories	(291)	**(4,678)**	**(56,958)**
Increase in notes and accounts payable, trade	363	**3,109**	**37,855**
Increase (Decrease) in accrued expenses	(1,292)	**2,081**	**25,337**
Other, net	1,239	**(746)**	**(9,083)**
Sub total	37,303	**27,709**	**337,380**
Interest and dividends income received	424	**414**	**5,041**
Interest expenses paid	(22)	**(9)**	**(110)**
Payments for loss on disaster	(4)	**(875)**	**(10,654)**
Income taxes paid	(9,581)	**(7,728)**	**(94,095)**
Net cash provided by operating activities	28,120	**19,511**	**237,562**
Cash flows from investing activities:			
Payment for time deposits	(1,831)	**(19,708)**	**(239,961)**
Proceeds from maturities of time deposits	709	**584**	**7,111**
Payment for purchase of property, plant and equipment	(8,103)	**(11,445)**	**(139,352)**
Proceeds from sales of property, plant and equipment	202	**31**	**377**
Payment for purchase of intangible assets	(409)	**(614)**	**(7,476)**
Proceeds from sales of intangible assets	46	**–**	**–**
Purchase of investments in securities	(711)	**(27)**	**(329)**
Proceeds from sales of investments in securities	27	**3**	**37**
Payment for loans receivable	(1,961)	**(2,131)**	**(25,947)**
Collection of loans receivable	1,742	**2,225**	**27,091**
Other, net	21	**(7)**	**(85)**
Net cash used in investing activities	(10,268)	**(31,089)**	**(378,534)**
Cash flows from financing activities:			
Proceeds from short-term loans	1,944	**1,063**	**12,943**
Repayment of short-term loans	(3,138)	**(1,280)**	**(15,585)**
Repayment of long-term debt	(52)	**(52)**	**(633)**
Cash dividends paid	(4,597)	**(4,087)**	**(49,763)**
Other, net	(345)	**(335)**	**(4,079)**
Net cash used in financing activities	(6,188)	**(4,691)**	**(57,117)**
Effect of exchange rate changes on cash and cash equivalents	(2,256)	**(320)**	**(3,896)**
Net increase (decrease) in cash and cash equivalents	9,408	**(16,589)**	**(201,985)**
Cash and cash equivalents at beginning of year	46,545	**55,953**	**681,274**
Increase in cash and cash equivalents from newly consolidated subsidiaries	–	**39**	**475**
Cash and cash equivalents at end of year (Note 3)	¥55,953	**¥39,403**	**$479,764**

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of presenting the consolidated financial statements:

The accompanying consolidated financial statements of Toyo Suisan Kaisha, Ltd. ("the Company") and its consolidated subsidiaries have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

The accompanying consolidated financial statements have been restructured and translated into English from the consolidated financial statements of the Company prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Japanese Financial Instruments and Exchange Act. Certain supplementary information included in the statutory Japanese language consolidated financial statements is not presented in the accompanying consolidated financial statements.

The translation of the Japanese yen amounts into U.S. dollar is included solely for the convenience of readers outside Japan, using the prevailing exchange rate at March 31, 2012, which was ¥82.13 to U.S. $1. The convenience translation 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. dollar at this or any other rate of exchange.

2 Summary of significant accounting policies:

(1) Scope of consolidation —

The Company has 29 and 27 subsidiaries as of March 31, 2011 and 2012, respectively. The accompanying consolidated financial statements include the accounts of the Company and its 19 and 21 subsidiaries as of March 31, 2011 and 2012, respectively. The subsidiaries that are significant and substantially controlled by the Company are consolidated.

Consolidated subsidiaries as of March 31, 2011 and 2012 are listed as follows:

Name of subsidiary	Equity ownership percentage 2011	Equity ownership percentage 2012
Hachinohe Toyo Co., Ltd.	100.0%	**100.0%**
Kofu Toyo Co., Ltd.	100.0	**100.0**
Fukushima Foods Co., Ltd.	100.0	**100.0**
Toyo Reito Kaisha, Ltd.	100.0	**100.0**
Sanriku Toyo Kaisha, Ltd.	100.0	**100.0**
Shuetsu Co., Ltd.	100.0	**100.0**
Shinto Corporation	100.0	**100.0**
Imari Toyo Co., Ltd.	100.0	**100.0**
Fresh Diner Corporation	100.0	**100.0**
Tokyo Commercial Co., Ltd	100.0	**100.0**
Saihoku Toyo Kaisha, Ltd. (*1)	100.0	**100.0**
Shonan Toyo Kaisha, Ltd. (*1)	100.0	**100.0**
Yutaka Foods Corporation	40.3	**40.3**
Ishikari Toyo Kaisha, Ltd. (*4)	100.0	**–**
Choshi Toyo Kaisha, Ltd.	100.0	**100.0**
Suruga Toyo Kaisha, Ltd. (*1)	100.0	**100.0**
Mitsuwa Daily Co., Ltd	100.0	**100.0**
Maruchan, Inc. (*2)	100.0	**100.0**
Maruchan Virginia, Inc. (*2)	100.0	**100.0**
Maruchan de Mexico, S.A. de C.V. (*3)	100.0	**100.0**
Sanmaru de Mexico, S.A.de C.V. (*3)	100.0	**100.0**
Pac-Maru, Inc. (*2)	100.0	**100.0**

(*1) Saihoku Toyo Kaisha, Ltd., Shonan Toyo Kaisha, Ltd. and Suruga Toyo Kaisha, Ltd. were included in the scope of consolidation from the fiscal year ended March 31, 2012 since they became more significant.
(*2) Incorporated in the U.S.A.
(*3) Incorporated in United Mexican States
(*4) Ishikari Toyo Kaisha, Ltd. was excluded from the scope of consolidation due to merger with the Company on March 1, 2012.

The remaining 10 and 6 unconsolidated subsidiaries as of March 31, 2011 and 2012 respectively, whose combined assets, net sales, net income and retained earnings in the aggregate are not significant compared to those of the consolidated financial statements of the Company and its consolidated subsidiaries, therefore, have not been consolidated with the Company.

Main unconsolidated subsidiaries as of March 31, 2011 and 2012 are listed as follows:

Yaizu Shinto Co., Ltd.
Towa Estate Co., Ltd.

(2) Accounting for investments in unconsolidated subsidiaries and affiliates —

The Company has 4 and 5 affiliates as of March 31, 2011 and 2012, respectively.

The affiliate to which the equity method has been applied for the fiscal years ended March 31, 2011 and 2012 is listed as follows:

Name of affiliate	Equity ownership percentage 2011	Equity ownership percentage 2012
Semba Tohka Industries Co., Ltd.	26.4%	**26.4%**

The investments in the 10 and 6 unconsolidated subsidiaries as of March 31, 2011 and 2012, and 3 affiliates (Irago Institute Co., Ltd., Higashimaru International Corporation and Shimaya Co., Ltd.) and 4 affiliates (Shimodatousui Corp., Irago Institute Co., Ltd., Higashimaru International Corporation and Shimaya Co., Ltd.) as of March 31, 2011 and 2012 respectively are carried at cost since applying the equity method of accounting to these companies would not have had any material effect on net income and retained earnings of the consolidated financial statements of the Company and its consolidated subsidiaries.

(3) Consolidation principles —

The closing dates of all consolidated subsidiaries and the affiliate to which the equity method has been applied are March 31, which is in agreement with the fiscal year end of the Company.

All significant intercompany transactions and account balances are eliminated in consolidation.

Unrealized intercompany profits are entirely eliminated, and the portion thereof attributable to minority interests is charged to minority interests.

Any differences excluding negative goodwill arising after the adoption of the "Accounting standard for Business Combinations" (Accounting Standard Board of Japan ("ASBJ") Statement No. 21, issued on December 26, 2008), which may arise on the acquisition date in elimination of cost of an investment in a subsidiary, and in the application of the equity method, are deferred and amortized on a straight-line basis over a period of five years from the date of acquisition.

(4) Foreign currency translation —

Foreign currency monetary assets and liabilities are translated into Japanese yen at the exchange rates prevailing at the balance sheet date. Resulting gains and losses are included in net profit or loss for the period.

In addition, the assets and liabilities of foreign subsidiaries are translated into Japanese yen at the exchange rates prevailing at the balance sheet date. The shareholders' equity except for net income of the current year is translated into Japanese yen at the historical rates. Profit and loss accounts for the year are translated into Japanese yen using the exchange rates prevailing at the balance sheet date. Differences in yen amounts arising from the use of different rates are presented as adjustment on foreign currency translation in the net assets.

(5) Cash and cash equivalents —

Cash and cash equivalents in consolidated statements of cash flows consist of cash on hand and at banks able to be withdrawn on demand and short-term investments with an original maturity of three months or less and, which hold a minor risk of fluctuations in value.

(6) Securities —

Available-for-sale securities with fair market value are stated at fair market value. Available-for-sale securities without fair market value are mainly stated at moving-average cost.

(7) Derivative financial instruments —

Gains or losses arising from changes in the fair value of those derivatives designated as 'hedging instruments' are deferred in the net assets section, and charged to income when the gains and losses on the hedged items or transactions are recognized.

The Company and its consolidated subsidiaries hold derivative financial instruments in the forms of foreign exchange forward contracts, currency swap transactions and commodity futures contracts to hedge against fluctuations in foreign currency exchange rates and commodity prices. The Company and its consolidated subsidiaries do not hold derivatives for trading purposes and it is the Company's policy to use derivatives only for the purpose of mitigating market risk and financing costs in accordance with internal criteria.

The Company and its consolidated subsidiaries do not anticipate any losses resulting from default by the counter-parties, as these are limited to major domestic financial institutions with sound operational foundations.

In line with internal risk management policies, for receivables and payables denominated in foreign currencies, the Company and its consolidated subsidiaries enter into forward exchange contracts denominated in the same currency, in the same amount and executed on the same execution day. In addition, overseas consolidated subsidiaries use commodity futures contracts for the purpose of mitigating the market fluctuation risk of commodities. The hedging relationships between the derivative financial instrument and the hedged item are highly effective in offsetting changes in currency exchange rates and commodity prices.

(8) Accrued officers' bonuses —

The Company and consolidated domestic subsidiaries recognize officers' bonuses as expenses when incurred.

(9) Allowance for doubtful accounts —

The allowance for doubtful accounts is mainly calculated based on the aggregate amount of estimated credit losses on doubtful receivables, plus an amount for receivables other than doubtful receivables calculated using a historical write-off ratio during certain prior periods.

(10) Inventories —

Inventories are stated at the lower of principally the monthly moving-average cost or the net realizable value.

(11) Property, plant and equipment —

Depreciation of property, plant and equipment is computed mainly by the declining-balance method at rates based on the estimated useful lives of assets. Buildings excluding leasehold improvement and auxiliary facilities attached to buildings acquired on and after April 1, 1998 owned by the Company and its domestic consolidated subsidiaries are depreciated using the straight-line method.

The ranges of useful lives are summarized as follows:

Buildings and structures	15-50 years
Machinery and equipment	4-12 years

The costs of property, plant and equipment retired or otherwise disposed of and accumulated depreciation in respect thereof are eliminated from the related accounts, and the resulting gain or loss is reflected in income.

Normal repairs and maintenance, including minor renewals and improvements, are charged to income as incurred.

(12) Intangible assets —

Amortization of intangible assets is mainly computed by the straight-line method based on the estimated useful lives of the assets. Software for internal use owned by the Company and its domestic consolidated subsidiaries is amortized over its expected useful life (5 years) by the straight-line method.

(13) Accounting for leases —

Leased property under finance lease arrangements which do not transfer ownership of the leased property to the lessee is capitalized to recognize leased assets and lease obligations in the balance sheets and depreciated over the lease term of the respective assets.

Finance leases which commenced prior to April 1, 2008 and do not transfer ownership of the leased property are accounted for as operating leases, with disclosure of certain "as if capitalized" information as permitted under the accounting standard.

(14) Reserve for retirement benefits and pension plan —

(a) Retirement benefits for employees

The employees of the Company and its domestic consolidated subsidiaries are generally covered by the retirement benefit plans under which the retiring employees are entitled to pension or lump-sum payments determined by reference to the current rates of salary, length of service and conditions under which the retirement occurs.

The balance of the reserve for retirement benefits for employees in the accompanying consolidated balance sheets represents the estimated present value of projected benefit obligations in excess of the fair value of the plan assets. The prior service costs are amortized mainly over ten years, which is within the average remaining service period, using the straight-line method from the time when the difference was generated. The unrecognized actuarial differences are amortized using the straight-line method mainly over ten years from the next year of the year in which they arise.

The Company and some of its domestic consolidated subsidiaries transferred the tax qualified pension plans to the defined benefit pension plans under Defined-Benefit Corporate Pension Act for the fiscal year ended March 31, 2012, and applied “Accounting for Transfer between Retirement Benefit Plans” (ASBJ Guidance No.1, issued on January 31, 2002). The transfer resulted in increase in projected benefit obligations by ¥53 million ($645 thousand) and prior service costs of the same amount were recognized as of March 31, 2012.

(b) Retirement benefits for officers —

The Company’s major domestic consolidated subsidiaries accrue the liabilities for retirement benefits to officers based on an amount equivalent to 100% of such benefits the subsidiaries would be required to pay if all eligible officers retired at the year-end date. The payments of retirement benefits to officers are subject to approval of shareholders’ meetings.

(15) Net income and cash dividends per share of common stock —

Net income per share of common stock is based on the weighted average number of shares of common stock outstanding during each year. Cash dividends per share represent dividends declared as applicable to the respective period.

(16) Accounting for consumption tax —

Consumption tax is levied at the flat rate of 5% on all domestic consumption of goods and services (with certain exemptions). The consumption tax withheld or paid by the Company and its domestic subsidiaries on its sales and purchases is not included in the amounts of the respective accounts in the consolidated statements of income, but is recorded as an asset or a liability as the case may be, and the net balance is included in other current liabilities on the consolidated balance sheets.

(17) Additional information —

The Company and its consolidated subsidiaries adopted “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Statement No. 24, issued on December 4, 2009) and “Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No. 24, issued on December 4, 2009) for accounting changes and corrections of prior period errors which are made from the fiscal year beginning on April 1, 2011.

3 Cash flow information :

Cash and cash equivalents as of March 31, 2011 and 2012 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Cash on hand and at banks	¥ 34,649	**¥ 43,208**	**$ 526,093**
Securities with an original maturity of 3 months or less	23,000	**17,000**	**206,989**
Time deposits with deposit term of over 3 months	(1,696)	**(20,805)**	**(253,318)**
Cash and cash equivalents	¥ 55,953	**¥ 39,403**	**$ 479,764**

4 Financial Instruments :

(1) Outline of financial instruments

(a) Policy for financial instruments

The Company and its consolidated subsidiaries limit its financial investment only to short-term deposits and short-term loans receivable among group companies (cash management system), or similar items. In addition, it has a policy to manage cashflow primarily through short-term borrowings from group companies (cash management system). Derivatives transactions are used for the purpose of hedging against the risks of future fluctuations in foreign exchange rates associated with monetary claims and obligations denominated in foreign currencies, and raw materials prices. The Company and its consolidated subsidiaries do not hold derivatives for speculative purposes.

(b) Details of financial instruments and related risk

Receivables such as trade notes and trade accounts are exposed to customer credit risk. The securities mainly comprise domestic certificates of deposits with short-term maturities. Investment securities are exposed to the market price fluctuation risk. Long-term loans receivable are loans to employees of the Company and its consolidated subsidiaries.

Payment terms of notes and accounts payable, are mostly less than one year. All the short-term loans are short-term loans between Group companies (cash management system). Long-term debt provides the funds for capital investment.

Derivatives transactions include the followings: (i) foreign exchange forward contracts for the purpose of hedging against the foreign currency exchange fluctuation risk associated with trade payables denominated in foreign currencies, (ii) currency swap agreements for the purpose of hedging against the risk of fluctuations in principal amounts and interest expenses on foreign currency-denominated debts, and (iii) commodity futures contracts for the purpose of hedging against raw materials price fluctuation risk associated with the raw materials procurement operations. Information concerning hedge accounting is in “(7) Derivative financial instruments” under “2.Summary of significant accounting policies”.

(c) Risk management system for financial instruments

a. Credit Risk Management (customers’ default risk)

The Company aims to identify and mitigate the default risk of customers due to deterioration of their financial conditions or other factors in the early stage, through bi-annually monitoring principal customers’ financial conditions and managing the payment dates and outstanding balances of each customer’s trade receivables in accordance with internal regulations. The Company’s consolidated subsidiaries follow the same procedures in conformity with the Company’s internal regulations.

The Company and its consolidated subsidiaries enter into derivative contracts only with high credit rated financial institutions, in order to reduce the risk of counterparty default on these contracts.

b. Market Risk Management (foreign currency exchange and market price fluctuation risks)

The Company and part of its consolidated subsidiaries enter into foreign exchange forward contracts for the purpose of hedging against the foreign currency exchange fluctuation risk of their trade payables denominated in foreign currencies. However, the Company carries out currency swap transactions with the object of controlling the risk of fluctuations in principal amounts and interest expenses on foreign currency-denominated debts. With respect to investment securities, the Company is periodically monitoring fair values and financial positions of the related issuers.

In accordance with the Company's internal regulations, each derivatives transaction is conducted by the business unit which needs the relevant transaction: the business unit reviews information regarding transactions such as contractual coverage and balances, and reports it to the general manager of accounting department. Part of the Company's consolidated subsidiaries conduct the same procedures in accordance with the Company's internal regulations.

c. Liquidity Risk Management on Fund Raising

The Company manages its liquidity risk mainly through accounting department's timely short and long-term cash flow projections based on the reports submitted by each business unit, and maintaining sufficient liquidity in hand and others. Its consolidated subsidiaries have implemented the cash management system to facilitate efficient fund administration. This system assists them in controlling the liquidity risk.

(d) Supplementary explanation concerning fair values of financial instruments

The fair values of financial instruments include market prices or reasonably estimated values in case there are no market prices. Because estimation of fair values incorporates variable factors, adopting different assumptions could result in the different values. The contract amounts and other information described in the note of "*6.Derivative financial instruments*" do not indicate the market risk amounts of derivative transactions.

(e) Concentration of credit risk

The trade receivables from the Company's particularly major customer accounted for 36.6% and 36.1% as of March 31, 2011 and 2012 respectively.

(2) Fair values of financial instruments

Carrying amount of the financial instruments included in the consolidated balance sheets and their fair values as of March 31, 2011 and 2012 are as follows:

Certain financial instruments are excluded from the following table as the fair values are not available.

	Millions of yen		
	2011		
	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	¥34,649	¥34,649	¥–
(2) Notes and accounts receivable - trade	39,784	39,784	–
(3) Securities	23,000	23,000	–
(4) Investment in unconsolidated subsidiaries and affiliates	1,863	932	(931)
(5) Investment in securities Available-for-sale securities	9,452	9,452	–
(6) Long-term loans receivable	122	120	(2)
Assets total	¥108,870	¥107,937	¥(933)
(1) Notes and accounts payable - trade	¥18,741	¥18,741	¥–
(2) Short-term loans	1,946	1,946	–
(3) Current portion of long-term debt	52	52	–
(4) Long-term debt	12	12	–
Liabilities total	¥20,751	¥20,751	¥–
Derivative transactions (*1)	¥285	¥406	¥121

	Millions of yen		
	2012		
	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	**¥43,208**	**¥43,208**	**¥–**
(2) Notes and accounts receivable - trade	**48,715**	**48,715**	**–**
(3) Securities	**17,002**	**17,002**	**–**
(4) Investment in unconsolidated subsidiaries and affiliates	**2,044**	**907**	**(1,137)**
(5) Investment in securities Available-for-sale securities	**10,239**	**10,239**	**–**
(6) Long-term loans receivable	**128**	**127**	**(1)**
Assets total	**¥121,336**	**¥120,198**	**¥(1,138)**
(1) Notes and accounts payable - trade	**¥21,273**	**¥21,273**	**¥–**
(2) Short-term loans	**325**	**325**	**–**
(3) Current portion of long-term debt	**12**	**12**	**–**
Liabilities total	**¥21,610**	**¥21,610**	**¥–**
Derivative transactions (*1)	**¥419**	**¥645**	**¥226**

	Thousands of U.S. dollars		
	2012		
	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	**$526,093**	**$526,093**	**$–**
(2) Notes and accounts receivable - trade	**593,145**	**593,145**	**–**
(3) Securities	**207,013**	**207,013**	**–**
(4) Investment in unconsolidated subsidiaries and affiliates	**24,887**	**11,043**	**(13,844)**
(5) Investment in securities Available-for-sale securities	**124,668**	**124,668**	**–**
(6) Long-term loans receivable	**1,559**	**1,547**	**(12)**
Assets total	**$1,477,365**	**$1,463,509**	**$(13,856)**
(1) Notes and accounts payable - trade	**$259,016**	**$259,016**	**$–**
(2) Short-term loans	**3,957**	**3,957**	**–**
(3) Current portion of long-term debt	**146**	**146**	**–**
Liabilities total	**$263,119**	**$263,119**	**$–**
Derivative transactions (*1)	**$5,101**	**$7,853**	**$2,752**

(*1) Receivables/payables arising from derivative transactions are disclosed as the net amount, and the net payable is shown in parenthesis.

Notes:

(a) Calculation method of fair values of financial instruments and securities, derivative transactions

Assets:

(1) Cash on hand and at banks, (2) Notes and accounts receivable – trade and (3) Securities

The carrying amounts approximate the fair values because of short-term maturities of these instruments. The securities mainly comprise domestic certificates of deposits with short-term maturities.

(4) Investment in unconsolidated subsidiaries and affiliates and (5) Investment in securities

The fair market values and quoted prices are used for shares. The carrying amounts of values of bonds approximate the fair values because of short-term maturities.

(6) Long-term loans receivable

The discounted cash flow method is used to estimate the fair values, based on discount rates calculated as total of appropriate baseline rates and credit risk spreads.

Liabilities:

(1) Notes and accounts payable - trade, (2) Short-term loans and (3) Current portion of long-term debt

The carrying amounts approximate the fair values because of short-term maturities of these instruments.

(4) Long-term debt

The discounted cash flow method is used to estimate the fair values, based on discount rates calculated as totals of appropriate baseline rates and credit risk spreads.

Derivative financial instruments:
See the note on "6.Derivative financial instruments".

(b) Financial instruments with no available fair values

	Millions of yen		Thousands of U.S. dollars
	2011	**2012**	**2012**
Unlisted equity securities	¥492	**¥506**	**$6,161**
Investments in unconsolidated subsidiaries and affiliates	2,354	**2,158**	**26,275**

These items are not included in "(4) Investment in unconsolidated subsidiaries and affiliates and (5) Investment in securities - Available-for-sale securities", because there is no market price and it is very difficult to measure the fair values of these instruments.

(c) The redemption schedule for financial assets with maturity dates subsequent to March 31, 2011 and 2012

Millions of yen

	2011			
	Within one year	One to five years	Five to ten years	Over ten years
Cash on hand and at banks	¥34,649	¥–	¥–	¥–
Notes and accounts receivable - trade	39,784	–	–	–
Securities				
Certificates of deposits	23,000	–	–	–
Investment in securities				
Available-for sale securities with contractual maturities (bonds)	–	–	–	–
Long-term loans receivable	–	122	–	–
Total	¥97,433	¥122	¥–	¥–

Millions of yen

	2012			
	Within one year	One to five years	Over Five to ten years	Over ten years
Cash on hand and at banks	**¥43,208**	**¥–**	**¥–**	**¥–**
Notes and accounts receivable - trade	**48,715**	**–**	**–**	**–**
Securities				
Certificates of deposits	**17,000**	**–**	**–**	**–**
Available-for-sale securities with contractual maturities (bonds)	**2**	**–**	**–**	**–**
Investment in securities				
Available-for sale securities with contractual maturities (bonds)	**–**	**1**	**–**	**–**
Long-term loans receivable	**–**	**128**	**–**	**–**
Total	**¥108,925**	**¥129**	**¥–**	**¥–**

Thousands of U.S. dollars

	2012			
	Within one year	One to five years	Over Five to ten years	Over ten years
Cash on hand and at banks	**$526,093**	**$–**	**$–**	**$–**
Notes and accounts receivable - trade	**593,145**	**–**	**–**	**–**
Securities				
Certificates of deposits	**206,989**	**–**	**–**	**–**
Available-for-sale securities with contractual maturities (bonds)	**24**	**–**	**–**	**–**
Investment in securities				
Available-for sale securities with contractual maturities (bonds)	**–**	**12**	**–**	**–**
Long-term loans receivable	**–**	**1,559**	**–**	**–**
Total	**$1,326,251**	**$1,571**	**$–**	**$–**

(d) The redemption schedule for bonds, long-term debt and lease obligations with maturity dates subsequent to March 31, 2012

See the note on "8.Short-term loans, long-term debt and lease obligations".

5 Securities:

(1) Held-to-maturity securities as of March 31, 2011 and 2012 are as follows:

There was no held-to-maturity security as of March 31, 2011.

Millions of yen

	2012		
	Carrying amount	Fair value	Difference
Securities with fair value exceeding carrying amount: Bonds	**¥–**	**¥–**	**¥–**
Securities with fair value not exceeding carrying amount: Bonds	**3**	**3**	**–**
	¥3	**¥3**	**¥–**

Thousands of U.S. dollars

	2012		
	Carrying amount	Fair value	Difference
Securities with fair value exceeding carrying amount: Bonds	**$–**	**$–**	**$–**
Securities with fair value not exceeding carrying amount: Bonds	**37**	**37**	**–**
	$37	**$37**	**$–**

(2) Available-for-sale securities with fair market value as of March 31, 2011 and 2012 are as follows:

Millions of yen

	2011		
	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition costs: Equity securities	¥3,637	¥2,820	¥817
Securities with carrying amount (fair value) not exceeding acquisition costs: Equity securities	5,815	7,120	(1,305)
Other	23,000	23,000	–
	¥32,452	¥32,940	¥(488)

Millions of yen

	2012		
	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition costs: Equity securities	**¥7,053**	**¥5,682**	**¥1,371**
Securities with carrying amount (fair value) not exceeding acquisition costs: Equity securities	**3,186**	**4,163**	**(977)**
Other	**17,000**	**17,000**	**–**
	¥27,239	**¥26,845**	**¥394**

Thousands of U.S. dollars

	2012		
	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition costs: Equity securities	**$85,876**	**$69,183**	**$16,693**
Securities with carrying amount (fair value) not exceeding acquisition costs: Equity securities	**38,792**	**50,688**	**(11,896)**
Other	**206,989**	**206,989**	**–**
	$331,657	**$326,860**	**$4,797**

(3) Details of available-for-sale securities sold during the fiscal years ended March 31, 2011 and 2012 are as follows:

			Millions of yen
	2011		
	Sales proceeds	Total gain on sale	Total loss on sale
Equity securities	¥27	¥0	¥17

There was no available-for-sale security sold during the fiscal year ended March 31, 2012.

6 Derivative financial instruments:

The contract amounts, fair values of derivative transactions as of March 31, 2011 and 2012 are as follows:

			Millions of yen
	2011		
	Contract amount	Contract amount due over one year	Fair value (a)
Foreign exchange forward contracts: Buying U.S. dollar	¥197	¥–	¥5
Currency swaps: Japanese Yen, U.S. dollar	12,165	–	280
Foreign exchange forward contracts: Buying U.S. dollar (b)	273	–	–
Commodity futures contracts (c)	4,249	–	121
Total	¥16,884	¥–	¥406

			Millions of yen
	2012		
	Contract amount	Contract amount due over one year	Fair value (a)
Foreign exchange forward contracts: Buying U.S. dollar	**¥173**	**¥–**	**¥2**
Currency swaps: Japanese Yen, U.S. dollar	**6,144**	**–**	**417**
Foreign exchange forward contracts: Buying U.S. dollar (b)	**225**	**–**	**–**
Commodity futures contracts (c)	**3,408**	**–**	**226**
Total	**¥9,950**	**¥–**	**¥645**

			Thousands of U.S. dollars
	2012		
	Contract amount	Contract amount due over one year	Fair value (a)
Foreign exchange forward contracts: Buying U.S. dollar	**$2,106**	**$–**	**$24**
Currency swaps: Japanese Yen, U.S. dollar	**74,808**	**–**	**5,077**
Foreign exchange forward contracts: Buying U.S. dollar (b)	**2,740**	**–**	**–**
Commodity futures contracts (c)	**41,495**	**–**	**2,752**
Total	**$121,149**	**$–**	**$7,853**

Notes:

(a) The fair values of derivative transactions are prices provided by applicable financial institutions.
(b) When forward foreign exchange contracts meet certain conditions, their corresponding hedged items are stated at the forward exchange contract rates. Such items are accounts receivable or payable and their fair values are included in those of their hedged items on the notes of "4. Financial Instruments".
(c) The U.S. consolidated subsidiaries account for commodity futures contracts in accordance with the Financial Accounting Standards Board Accounting Standards Codification 815.

7 Investments and Rental Property:

The Company and certain subsidiaries hold some rental properties and idle properties in Tokyo and other areas. Profit from those properties for the fiscal years ended March 31, 2011 and 2012 were ¥285 million and ¥111 million ($1,352 thousand), respectively.

In addition, the book value, net changes during the fiscal year and the fair values of such properties as of March 31, 2011 and 2012 are as follows:

			Millions of yen
		Book value	Fair value
Balance at March 31, 2010	Increase / (Decrease)	Balance at March 31, 2011	Balance at March 31, 2011
¥4,052	¥(209)	¥3,843	¥8,956

			Millions of yen
		Book value	Fair value
Balance at March 31, 2011	**Increase / (Decrease)**	**Balance at March 31, 2012**	**Balance at March 31, 2012**
¥3,843	**¥(2,547)**	**¥1,296**	**¥3,752**

			Thousands of U.S. dollars
		Book value	Fair value
Balance at March 31, 2011	**Increase / (Decrease)**	**Balance at March 31, 2012**	**Balance at March 31, 2012**
$46,792	**$(31,012)**	**$15,780**	**$45,684**

Notes:

(a) Book value is acquisition cost less accumulated depreciation and accumulated impairment losses, if any.
(b) Main decrease, which is ¥2,408 million ($29,319 thousand), is due to change in use of the property resulting from change in the scope of consolidation.
(c) The fair values of properties are mainly calculated internally based on the main-street land prices on a tax basis.

8 Short-term loans, long-term debt and lease obligations:

The average annual interest rate on short-term loans is 0.601% and 0.677% as of March 31, 2011 and 2012, respectively.

Long-term debt as of March 31, 2011 and 2012 consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2011	**2012**	**2012**
Loans from banks and other financial institutions due from 2011 to 2012 with mortgages and collateral, at interest rates averaging 5.600%	¥64	**¥12**	**$146**
Less current portion	(52)	**(12)**	**(146)**
Long-term debt	¥12	**¥–**	**$–**

The assets pledged as collateral and collective mortgages for long-term debt including current portion as of March 31, 2011 and 2012 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	**2012**	**2012**
Property, plant and equipment, net of accumulated depreciation: Buildings and structures	¥41	**¥37**	**$451**
	¥41	**¥37**	**$451**

The aggregate annual maturities of long-term debt as of March 31, 2012 are as follows:

	Millions of yen	Thousands of U.S. dollars
2013	¥12	$146
2014	–	–
2015	–	–
2016	–	–
2017 and thereafter	–	–
Total	¥12	$146

The aggregate annual maturities of lease obligations as of March 31, 2012 are as follows:

	Millions of yen	Thousands of U.S. dollars
2013	¥112	$1,364
2014	103	1,254
2015	81	986
2016	58	706
2017 and thereafter	29	353
Total	¥383	$4,663

9 Reserve for retirement benefits and pension plan:

The Company and some of its domestic consolidated subsidiaries have defined benefit pension plans and lump-sum severance payment plans as defined benefit retirement plans covering substantially all employees. Moreover, the premium retirement payments are sometime paid for the employees who retire under certain circumstances.

The Company and some of its domestic consolidated subsidiaries transferred the tax qualified pension plans to the defined benefit pension plans under Defined-Benefit Corporate Pension Act for the fiscal year ended March 31, 2012, and applied “Accounting for Transfer between Retirement Benefit Plans” (ASBJ Guidance No.1, issued on January 31, 2002).

The reserves for retirement benefits as of March 31, 2011 and 2012 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	**2012**	**2012**
Projected benefit obligations	¥28,775	**¥31,362**	**$381,858**
Fair value of pension plan assets	(11,322)	**(11,804)**	**(143,723)**
Unfunded retirement benefit obligations	17,453	**19,558**	**238,135**
Unrecognized actuarial differences	(2,914)	**(4,251)**	**(51,759)**
Unrecognized prior service costs	470	**271**	**3,299**
Prepaid pension costs	42	**49**	**596**
Reserve for retirement benefits	¥15,051	**¥15,627**	**$190,271**

Net costs related to the retirement benefit plans for the fiscal years ended March 31, 2011 and 2012 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	**2012**	**2012**
Service costs	¥1,323	**¥1,321**	**$16,084**
Interest costs	507	**518**	**6,307**
Expected return on pension plan assets	(2)	**(2)**	**(24)**
Amortization of actuarial differences	946	**803**	**9,777**
Amortization of prior service costs	(157)	**(164)**	**(1,997)**
Net pension costs	¥2,617	**¥2,476**	**$30,147**

The assumptions used in accounting for the above plans for the fiscal years ended March 31, 2011 and 2012 are as follows:

	2011	**2012**
Discount rate	1.5%-2.0%	**1.5%**
Expected rate of return on pension plan assets	0.0%-1.0%	**0.0%-1.0%**
Amortization of unrecognized actuarial differences	10 years	**10 years**
Amortization of unrecognized prior service costs	10 years	**10 years**

The estimated amount of all retirement benefits to be paid at the future retirement dates is allocated equally to each service year using the estimated number of total service years.

10 Business combinations:

Details of business combinations during the fiscal year ended March 31, 2012 are as follows:

1. Overview of the transaction

(1) Name of the combined company or the business and its description of the business:

Name: Ishikari Toyo Kaisha, Ltd (hereinafter “ISHIKARI”)

Description of the business: Production of chilled foods (fresh noodle) and processed foods (fish ham and sausage) of the Company

(2) Legal form of the business combination:

Transaction under common control

The merger falls within the scope of a simple merger as defined under article 796, paragraph 3 of the Japanese Corporate law for the Company and a short-form merger as defined under article 784, paragraph 1 of the Japanese Corporate law for ISHIKARI. Therefore, the Company resolved the merger as merging company and ISHIKARI as merged company at the Board of Directors’ meeting held on November 11, 2011 without the approval at the general meeting of shareholders.

(3) Name of the company after business combination:

Toyo Susisan Kaisha, Ltd

(4)Other items concerning the transaction:

Along with Sapporo factory’s relocation to the area adjoining ISHIKARI, the Company intends to review the structure with ISHIKARI to use its human resources and management resources more flexibly, and efficiently and to strengthen the management of the Group with rationalization and efficiency.

(5) Date of the business combination:

March 1, 2012

2. Overview of the accounting method

This merger was accounted for as a transaction under common control in accordance with “Accounting Standard for Business Combinations” (issued by the ASBJ on December 26, 2008) and the “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (issued by the ASBJ on December 26, 2008).

11 Research and development expenses:

Research and development expenses for the fiscal years ended March 31, 2011 and 2012 were ¥1,363 million and ¥1,394 million ($16,973 thousand), respectively.

12 Impairment losses on fixed assets:

For the fiscal years ended March 31, 2011 and 2012, the Company and its consolidated domestic subsidiaries recognized impairment losses on fixed assets on the following groups of assets.

		Millions of yen		Thousands of U.S. dollars
Use	Type of Assets	2011	2012	2012
Business property	Buildings, machinery, equipment and land	¥1,780	¥10	$122
Idle property	Buildings, machinery and equipment	61	54	657
		¥1,841	¥64	$779

The Company and its consolidated subsidiaries classify their fixed assets into groups by the type of respective operations based on the business segment. Their idle properties are individually considered.

The book values of impaired business properties were reduced to recoverable amounts due to lowered profitability. The recoverable value was measured as the higher of (1) their net realizable value based on amounts mainly determined by valuation made in accordance with real estate appraisal standards or the value assessed for property tax purpose or (2) the present value of the expected cash flows from the ongoing utilization and subsequent disposition of the assets discounted at 4% in 2011 and 2012.

The book values of idle properties were reduced to recoverable amounts which were based on net selling prices.

13 Loss on disaster:

Losses on disaster caused by the Great East Japan Earthquake on March 11, 2011 for the fiscal years ended March 31, 2011 and 2012 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Property, plant and equipment	¥1,256	¥12	$146
Inventories	1,116	(57)	(694)
Restoration cost	664	(70)	(852)
Others	271	184	2,240
Total	¥3,307	¥69	$840

14 Income taxes:

The income taxes applicable to the Company and the domestic subsidiaries include (1) corporation taxes, (2) enterprise taxes (excluding the part attributed to added value and capital) and (3) inhabitants' taxes which, in the aggregate, result in the statutory tax rate equal to approximately 40.7% for the fiscal years ended March 31, 2011 and 2012.

The main components of deferred tax assets and liabilities as of March 31, 2011 and 2012 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Deferred tax assets:			
Unrealized gain on fixed assets	¥217	¥216	$2,630
Accrued bonuses	708	726	8,840
Write-down of investments in securities	925	371	4,517
Reserve for retirement benefits	6,043	5,486	66,796
Impairment losses on fixed assets	1,717	1,619	19,713
Tax loss carryforwards	920	1,287	15,670
Other	2,374	2,059	25,070
Gross deferred tax assets	12,904	11,764	143,236
Less: valuation allowance	(4,509)	(4,302)	(52,380)
Total deferred tax assets	8,395	7,462	90,856
Deferred tax liabilities:			
Special reserves for deferred gains on fixed assets	4,790	4,091	49,811
Valuation differences of subsidiaries' assets in consolidation	141	125	1,522
Depreciation at overseas consolidated subsidiaries	803	758	9,229
Net unrealized gain on investment in securities	65	63	767
Other	38	29	354
Total deferred tax liabilities	5,837	5,066	61,683
Net deferred tax assets	¥2,558	¥2,396	$29,173

The following table summarizes the main differences between the statutory tax rate and the effective tax rate for the fiscal year ended March 31, 2012.

	2012
Statutory tax rate	40.7%
Permanently nondeductible expenses, including entertainment expenses	0.6
Permanently nontaxable income, including dividends income	(0.2)
Valuation allowance	(3.0)
Difference in income tax rates applied to overseas consolidated subsidiaries	(2.9)
Other – net	0.3
Decrease of deferred tax assets due to income tax rates change	1.5
Effective tax rate	37.0%

The main differences between the statutory tax rate and the effective tax rate for the fiscal year ended March 31, 2011 are not disclosed because the total difference is less than 5% of the statutory tax rate.

Following the promulgation of the "Act for Partial Amendment of the Income Tax Act, etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures" (Act No. 114, 2011) and the "Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake" (Act No. 117, 2011) on December 2, 2011, the corporate income tax rates will be reduced, and the Restoration Surtax will be imposed from the fiscal years beginning on or after April 1, 2012.

In line with these changes, the statutory tax rate used to calculate deferred tax assets and liabilities will be changed from 40.7% to 38.0% for temporary differences expected to be settled or realized in the fiscal years beginning from April 1, 2012 to April 1, 2014 and to 35.6% for those expected to be settled or realized in the fiscal years beginning from April 1, 2015 and thereafter.

As a result of this change, deferred tax assets (after offsetting against deferred tax liabilities) decreased by ¥384 million ($4,676 thousand), and income taxes – deferred increased by ¥404 million ($4,919 thousand), net unrealized gain (loss) on investment in securities, net of taxes increased by ¥8 million ($97 thousand) and net unrealized gain on hedging derivatives, net of taxes increased by ¥11 million ($134 thousand), respectively.

15 Net assets:

Under Japanese Corporate law ("the law"), the entire amount paid for new shares is required to be designated as common stock. However, a company may, by a resolution of the Board of Directors, designate an amount not exceeding one-half of the price of the new shares as additional paid-in capital, which is included in capital surplus.

The law requires that an amount equal to 10% of dividends must be appropriate as a legal earnings reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus), depending on the equity account charged upon payment of such dividends, until the aggregate amount of the legal earnings reserve and additional paid-in capital equals 25% of common stock.

All additional paid-in-capital and all legal earnings reserve may be transferred to other capital surplus and retained earnings, respectively, which are potentially available for dividends upon resolution of the shareholders.

The maximum amount that the company can distribute as dividends is calculated based on the non-consolidated financial statements of the company in accordance with Japanese laws and regulations.

At the annual shareholders' meeting held on June 28, 2012, the shareholders approved cash dividends amounting to ¥2,043 million ($24,875 thousand). Such appropriations have not been accrued in the consolidated financial statements as of March 31, 2012. Such appropriations are recognized in the period in which they are approved by the shareholders.

16 Notes to the consolidated statement of changes in net assets:

(1) Type and number of shares issued and outstanding for the fiscal years ended March 31, 2011 and 2012

	Thousands of shares	
Common stock outstanding	2011	**2012**
Balance at beginning of the fiscal year	110,881	**110,881**
Balance at end of the fiscal year	110,881	**110,881**

	Thousands of shares	
Treasury stock outstanding	2011	**2012**
Balance at beginning of the fiscal year	8,696	**8,709**
Increase due to purchase of odd stock	13	**9**
Balance at end of the year	8,709	**8,718**

(2) Dividends

(a) Dividends whose record date is attributable to the fiscal year ended March 31, 2011 but to be effective after the fiscal year

The Company resolved dividends at the general meeting of shareholders held on June 28, 2011 as follows:

Dividends on Common stock

a. Total amount of dividends	¥2,043 million
b. Funds for dividends	Retained earnings
c. Dividends per share	¥20.0
d. Record date	March 31, 2011
e. Effective date	June 29, 2011

(b) Dividends whose record date is attributable to the fiscal year ended March 31, 2012 but to be effective after the fiscal year

The Company resolved approval at the general meeting of shareholders held on June 28, 2012 as follows:

Dividends on Common stock

a. Total amount of dividends	¥2,043 million ($24,875 thousand)
b. Funds for dividends	Retained earnings
c. Dividends per share	¥20.0 ($0.24)
d. Record date	March 31, 2012
e. Effective date	June 29, 2012

17 Per share information:

The basis of the calculation of per share data is as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	**2012**	**2012**
Net income	¥12,416	**¥16,119**	**$196,262**
Net income attributable to common stock	12,416	**16,119**	**196,262**
Weighted-average amount of common stock (unit: thousands of shares)	102,178	**102,167**	

18 Leases:

(1) Finance leases

As discussed in Note 2 (13), finance leases commenced prior to April 1, 2008 which do not transfer ownership of leased assets to lessees are accounted for as operating leases.

Assumed amounts of acquisition cost, accumulated depreciation and book value as of March 31, 2011 and 2012 are as follows:

	Millions of yen		
	2011		
	Acquisition cost	Accumulated depreciation	Book value
Machinery and equipment	¥160	¥110	¥50
Other	118	100	18
	¥278	¥210	¥68

	Millions of yen			Thousands of U.S. dollars		
	2012					
	Acquisition cost	Accumulated depreciation	Book value	Acquisition Cost	Accumulated depreciation	Book value
Machinery and equipment	**¥64**	**¥40**	**¥24**	**$779**	**$487**	**$292**
Other	**20**	**16**	**4**	**244**	**195**	**49**
	¥84	**¥56**	**¥28**	**$1,023**	**$682**	**$341**

The future minimum payments as of March 31, 2011 and 2012 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	**2012**	**2012**
Due within one year	¥40	**¥11**	**$134**
Due after one year	28	**17**	**207**
	¥68	**¥28**	**$341**

Lease expenses and assumed amounts of depreciation on such finance lease contracts without ownership-transfer for the fiscal years ended March 31, 2011 and 2012 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Lease expenses	¥175	¥40	$487

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Assumed amounts of depreciation	¥175	¥40	$487

Assumed amounts of depreciation are calculated using the straight-line method over the lease terms of the leased assets, assuming no residual value except in cases where the residual value is guaranteed in the lease contract.

(2) Operating leases

The minimum commitments under noncancelable operating leases as of March 31, 2011 and 2012 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Due within one year	¥33	¥60	$730
Due after one year	93	113	1,376
	¥126	¥173	$2,106

19 Contingent liabilities:

Contingent liabilities as of March 31, 2011 and 2012 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Guarantees of indebtedness for employees	¥103	¥91	$1,108

20 Comprehensive income:

(1) Reclassification adjustments on other comprehensive income for the fiscal year ended March 31, 2012 is as follows:

	Millions of yen	Thousands of U.S. dollars
	2012	2012
Net unrealized gain (loss) on investment in securities:		
Gains (losses) arising during the year	¥751	$9,144
Reclassification adjustments	131	1,595
	882	10,739
Net unrealized gain (loss) on hedging derivatives:		
Gains (losses) arising during the year	134	1,632
	134	1,632
Adjustment on foreign currency translation:		
Adjustments arising during the year	(723)	(8,803)
	(723)	(8,803)
Share of other comprehensive income of the affiliate accounted for using equity method:		
Gains (losses) arising during the year	22	268
	22	268
Amount before income tax effects	315	3,836
Income tax effects	(186)	(2,265)
Total other comprehensive income, net of taxes	¥129	$1,571

(2) Income tax effects on other comprehensive income for the fiscal year ended March 31, 2012 is as follows:

	Millions of yen		
	2012		
	Amount before income tax effects	Income tax effects	Amount, net of taxes
Net unrealized gain (loss) on investment in securities	¥882	¥(143)	¥739
Net unrealized gain (loss) on hedging derivatives	134	(43)	91
Adjustment on foreign currency translation	(723)	–	(723)
Share of other comprehensive income of the affiliate accounted for using equity method	22	–	22
Total other comprehensive income	¥315	¥(186)	¥129

	Thousands of U.S. dollars		
	2012		
	Amount before income tax effects	Income tax effects	Amount, net of taxes
Net unrealized gain (loss) on investment in securities	$10,739	$(1,741)	$8,998
Net unrealized gain (loss) on hedging derivatives	1,632	(524)	1,108
Adjustment on foreign currency translation	(8,803)	–	(8,803)
Share of other comprehensive income of the affiliate accounted for using equity method	268	–	268
Total other comprehensive income	$3,836	$(2,265)	$1,571

21 Segment information:

(1) General information about reportable segments

Reportable segments of the Company are the business units for which separate financial information is available. They are reviewed regularly at the Board of Directors' meeting in order to determine distribution of management resources and evaluate business performance results.

The Company and its consolidated subsidiaries have business headquarters based on the type of products and services, and each business headquarters plans a comprehensive strategy and engages in business activities relating to the products and services it trades. "Overseas Instant Noodles" business headquarters is composed of overseas subsidiaries that plan a comprehensive strategy and engage in business activities relating to the products and services it handles.

Accordingly, the Company and its consolidated subsidiaries consist of segments classified by product and region based on business headquarters and overseas subsidiaries. The Company has six reportable segments; "Seafood", "Overseas Instant Noodles", "Domestic Instant Noodles", "Frozen and Refrigerated Foods", "Processed Foods", and "Cold-Storage".

"Seafood" processes and sells seafood. "Overseas Instant Noodles" manufactures and sells instant noodles overseas. "Domestic Instant Noodles" manufactures and sells instant noodles in Japan. "Frozen and Refrigerated Foods" manufactures and sells frozen and chilled foods. "Processed Foods" manufactures and sells processed foods (excluding instant noodles, frozen and chilled foods). "Cold-Storage" freezes and stores food in cold warehouses.

(2) Basis of measurement about reported net sales, segment income and other material items

Accounting policies of the reportable segments are almost the same as those described in the notes of "2. Summary of significant accounting policies". Income by the reportable segment is based on operating income.

(3) Information about reported net sales, segment income and other material items

Millions of yen

	2011										
	Reportable segment										
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Total	Other	Total	Adjust-ments	Consolidated
Net sales:											
Outside customer	¥33,355	¥50,191	¥101,756	¥63,379	¥18,333	¥12,843	¥279,857	¥26,037	¥305,894	¥18	¥305,912
Segment income	¥707	¥7,447	¥11,641	¥4,288	¥543	¥550	¥25,176	¥1,203	¥26,379	¥(568)	¥25,811
Other items:											
Depreciation and amortization	¥118	¥1,010	¥3,291	¥2,304	¥652	¥1,779	¥9,154	¥1,106	¥10,260	¥374	¥10,634
Amortization of goodwill	–	–	–	–	–	–	–	–	–	51	51

Millions of yen

	2012										
	Reportable segment										
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Total	Other	Total	Adjust-ments	Consolidated
Net sales:											
Outside customer	¥32,556	¥57,559	¥106,638	¥63,373	¥17,236	¥14,821	¥292,183	¥28,783	¥320,966	¥23	¥320,989
Intersegment	685	-	12	-	0	945	1,642	550	2,192	(2,192)	-
Total	¥33,241	¥57,559	¥106,650	¥63,373	¥17,236	¥15,766	¥293,825	¥29,333	¥323,158	¥(2,169)	¥320,989
Segment income	¥865	¥8,286	¥10,707	¥3,607	¥579	¥1,152	¥25,196	¥1,461	¥26,657	¥(1,142)	¥25,515
Segment assets	¥19,270	¥46,330	¥53,040	¥27,623	¥13,714	¥27,303	¥187,280	¥11,930	¥199,210	¥52,205	¥251,415
Other items:											
Depreciation and amortization	¥101	¥861	¥3,580	¥2,012	¥607	¥1,687	¥8,848	¥865	¥9,713	¥494	¥10,207
Amortization of goodwill	–	–	–	–	–	–	–	–	–	21	21
Increase in property, plant and equipment and intangible assets	340	817	6,676	1,368	484	1,302	10,987	624	11,611	449	12,060

Thousands of U.S. dollars

	2012										
	Reportable segment										
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Total	Other	Total	Adjust-ments	Consolidated
Net sales:											
Outside customer	$396,396	$700,828	$1,298,405	$771,618	$209,862	$180,458	$3,557,567	$350,457	$3,908,024	$280	$3,908,304
Intersegment	8,340	-	146	-	0	11,506	19,992	6,697	26,689	(26,689)	–
Total	$404,736	$700,828	$1,298,551	$771,618	$209,862	$191,964	$3,577,559	$357,154	$3,934,713	$(26,409)	$3,908,304
Segment income	$10,532	$100,889	$130,366	$43,918	$7,050	$14,027	$306,782	$17,789	$324,571	$(13,905)	$310,666
Segment assets	$234,628	$564,106	$645,805	$336,333	$166,979	$332,436	$2,280,287	$145,258	$2,425,545	$635,638	$3,061,183
Other items:											
Depreciation and amortization	$1,230	$10,483	$43,589	$24,498	$7,391	$20,541	$107,732	$10,532	$118,264	$6,015	$124,279
Amortization of goodwill	–	–	–	–	–	–	–	–	–	256	256
Increase in property, plant and equipment and intangible assets	4,140	9,948	81,286	16,656	5,893	15,853	133,776	7,598	141,374	5,466	146,840

Notes:

(a)"Other" incorporates operations not included in reportable segments, mainly including packed lunches/deli foods and real estate rental.

(b)The details of "Adjustments" are as follows:

1) The amounts of ¥18 million and ¥23 million ($280 thousand) in net sales for the fiscal years ended March 31, 2011 and 2012 respectively were due to differences in elimination methods used by the reportable segments and the financial statements.

2) The amounts of ¥(568) million and ¥(1,142) million ($(13,905) thousand) in segment income for the fiscal years ended March 31, 2011 and 2012 include companywide expenses of ¥(680) million and ¥(816) million ($(9,935) thousand) respectively which cannot be allocated to each reportable segment. The companywide expenses are mainly general and administrative expenses which are not attributable to any reportable segment. Other adjustments are mainly foreign currency translation adjustments resulting from eliminations with overseas subsidiaries in consolidation procedures.

3) The amount of ¥52,205 million ($635,638 thousand) in segment assets as of March 31, 2012 includes corporate assets of ¥51,255 million ($624,072 thousand) which cannot be allocated to each reportable segment. Corporate assets are mainly long-term investments (investments in securities) of the Company and assets for administrative departments. Other adjustments are mainly due to application of the equity method.

4) The amounts of ¥374 million and ¥494 million ($6,015 thousand) in depreciation and amortization for the fiscal years ended March 31, 2011 and 2012 include companywide expenses of ¥248 million and ¥237 million ($2,886 thousand), respectively.

5) The amounts of ¥51 million and ¥21 million ($256 thousand) in amortization of goodwill for the fiscal years ended March 31, 2011 and 2012 include companywide expenses of ¥41 million and ¥21 million ($256 thousand), respectively.

6) The amount of ¥449 million ($5,466 thousand) in increase in property, plant, and equipment and intangible assets for the fiscal year ended March 31, 2012 is corporate assets which cannot be allocated to each reportable segment.

(c)Segment income is reconciled with operating income on the consolidated statements of income.

(4) Changes in reportable segment

Effective from the fiscal year ended March 31, 2012, the Company includes the amounts of intersegment sales or transfers in net sales by reportable segment, and discloses the segment assets since the Board of Directors' meeting reviews the amount of intersegment sales or transfers, and segment assets on a regular basis to determine distribution of management resources and evaluate business performance results.

Information about reported net sales, segment income and loss, and segment assets after the change for the fiscal year ended March 31, 2011 is as follows:

Millions of yen

	2011										
	Reportable segment										
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Total	Other	Total	Adjust-ments	Consolidated
Net sales:											
Outside customer	¥33,355	¥50,191	¥101,756	¥63,379	¥18,333	¥12,843	¥279,857	¥26,037	¥305,894	¥18	¥305,912
Intersegment	785	-	12	-	31	1,081	1,909	425	2,334	(2,334)	-
Total	¥34,140	¥50,191	¥101,768	¥63,379	¥18,364	¥13,924	¥281,766	¥26,462	¥308,228	¥(2,316)	¥305,912
Segment income	¥707	¥7,447	¥11,641	¥4,288	¥543	¥550	¥25,176	¥1,203	¥26,379	¥(568)	¥25,811
Segment assets	¥14,906	¥35,848	¥46,874	¥24,870	¥12,459	¥27,450	¥162,407	¥12,292	¥174,699	¥57,834	¥232,533
Other items:											
Depreciation and amortization	¥118	¥1,010	¥3,291	¥2,304	¥652	¥1,779	¥9,154	¥1,106	¥10,260	¥374	¥10,634
Amortization of goodwill	–	–	–	–	–	–	–	–	–	51	51
Increase in property, plant and equipment and intangible assets	250	564	4,928	1,375	559	533	8,209	301	8,510	2	8,512

Notes:

(a)"Other" incorporates operations not included in reportable segments, mainly including packed lunches/deli foods and real estate rental.
(b)The details of "Adjustments" are as follows:

1) The amount of ¥18 million in net sales for the fiscal year ended March 31, 2011 was due to differences in elimination methods used by the reportable segments and the financial statements.
2) The amount of ¥(568) million in segment income for the fiscal year ended March 31, 2011 includes companywide expenses of ¥(680) million which have not been allocated to each reportable segment. The companywide expenses are mainly general and administrative expenses which are not attributable to any reportable segment. Other adjustments are mainly foreign currency translation adjustments resulting from eliminations with overseas subsidiaries in consolidation procedures.
3) The amount of ¥57,834 million in segment assets as of March 31, 2011 includes corporate assets of ¥56,971 million which cannot be allocated to each reportable segment. Corporate assets are mainly long-term investments (investments in securities) of the Company and assets for administrative departments. Other adjustments are mainly due to application of the equity method.
4) The amount of ¥374 million in depreciation and amortization for the fiscal year ended March 31, 2011 includes companywide expenses of ¥248 million.
5) The amount of ¥51 million in amortization of goodwill for the fiscal year ended March 31, 2011 includes companywide expenses of ¥41 million.
6) The amount of ¥2 million in increase in property, plant, and equipment and intangible assets for the fiscal year ended March 31, 2011 is corporate assets which cannot be allocated to each reportable segment.

(c)Segment income is reconciled with operating income on the consolidated statements of income.

(5) Information about geographic areas

Millions of yen

	2011			
	Japan	North America	Other	Consolidated
Net sales	¥255,589	¥50,195	¥128	¥305,912

Millions of yen

	2012			
	Japan	North America	Other	Consolidated
Net sales	**¥263,250**	**¥57,564**	**¥175**	**¥320,989**

Thousands of U.S. dollars

	2012			
	Japan	North America	Other	Consolidated
Net sales	**$3,205,284**	**$700,889**	**$2,131**	**$3,908,304**

Notes:

(a)Net sales are classified by countries or regions based on location of customers.
(b)The major countries or regions in each classification are as follows:

North America ………… U.S.A., United Mexican States
Others …………………… People's Republic of China, Taiwan, Republic of Korea

(6) Information about major customers

	Sales (Millions of yen)	
Name of major customers	2011	Related reportable segment
MITSUI & CO., LTD.	¥86,462	Domestic Instant Noodles Segment

	Sales		
	Millions of yen	Thousands of U.S. dollars	
Name of major customers	**2012**		Related reportable segment
MITSUI & CO., LTD.	**¥85,885**	**$1,045,720**	Domestic Instant Noodles Segment

(7) Information about impairment

Millions of yen

2011	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Impairment loss	¥6	¥–	¥41	¥0	¥261	¥3	¥1,530	¥–	¥1,841

Millions of yen

2012	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Impairment loss	**¥1**	**¥–**	**¥50**	**¥3**	**¥10**	**¥–**	**¥–**	**¥–**	**¥64**

Thousands of U.S. dollars

2012	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Impairment loss	**$12**	**$–**	**$609**	**$36**	**$122**	**$–**	**$–**	**$–**	**$779**

(8) Information about amortization and unamortized balance of goodwill and negative goodwill by reportable segment

Millions of yen

2011	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Goodwill:									
Amortization	¥–	¥–	¥–	¥–	¥–	¥–	¥–	¥51	¥51
Unamortized balance	¥–	¥–	¥–	¥–	¥–	¥–	¥–	¥21	¥21
Negative goodwill:									
Amortization	¥–	¥–	¥–	¥–	¥–	¥–	¥–	¥150	¥150
Unamortized balance	¥–	¥–	¥–	¥–	¥–	¥–	¥–	¥526	¥526

Millions of yen

2012	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Goodwill:									
Amortization	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥21**	**¥21**
Unamortized balance	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**
Negative goodwill:									
Amortization	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥151**	**¥151**
Unamortized balance	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥–**	**¥375**	**¥375**

Thousands of U.S. dollars

2012	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Goodwill:									
Amortization	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**	**$256**	**$256**
Unamortized balance	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**
Negative goodwill:									
Amortization	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**	**$1,839**	**$1,839**
Unamortized balance	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**	**$–**	**$4,566**	**$4,566**

22 Subsequent events:

The Company's shareholders approved appropriation of retained earnings at the general meeting of shareholders held on June 28, 2012 as follows:

	Millions of yen	Thousands of U.S. dollars
Cash dividends (¥20.0 per share)	¥2,043	$24,875

INDEPENDENT AUDITOR'S REPORT

KPMG

Independent Auditor's Report

To the Board of Directors of Toyo Suisan Kaisha, Ltd.:

We have audited the accompanying consolidated financial statements of Toyo Suisan Kaisha, Ltd. and its consolidated subsidiaries, which comprise the consolidated balance sheets as at March 31, 2012 and 2011, and the consolidated statements of income, statements of comprehensive income, statements of changes in net assets and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Toyo Suisan Kaisha, Ltd. and its consolidated subsidiaries as at March 31, 2012 and 2011, and their financial performance and cash flows for the years then ended in accordance with accounting principles generally accepted in Japan.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2012 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

KPMG AZSA LLC

June 28, 2012
Tokyo, Japan

CORPORATE DATA

As of March 31, 2012

Head Office	13-40, Konan 2-chome, Minato-ku, Tokyo 108-8501, Japan Tel.: +81-3-3458-5111
Date of Establishment	March 25, 1953
Number of Plants	8
Number of Sales Offices	28
Number of Refrigerated Warehouses	14
Number of Subsidiaries and Affiliates	32
Number of Employees	2,027
Common Stock	**Total Number of Shares Issuable:** 427,000,000 shares **Total Number of Shares Issued and Outstanding:** 110,881,044 shares **Paid-in Capital:** ¥18,969 million
Number of Shareholders	5,980
Stock Exchange Listing	Tokyo (#2875)
Stock Transfer Agent	Sumitomo Mitsui Trust Bank, Limited, in Tokyo
Annual Meeting	The annual meeting of shareholders is usually held before the end of June in Tokyo.

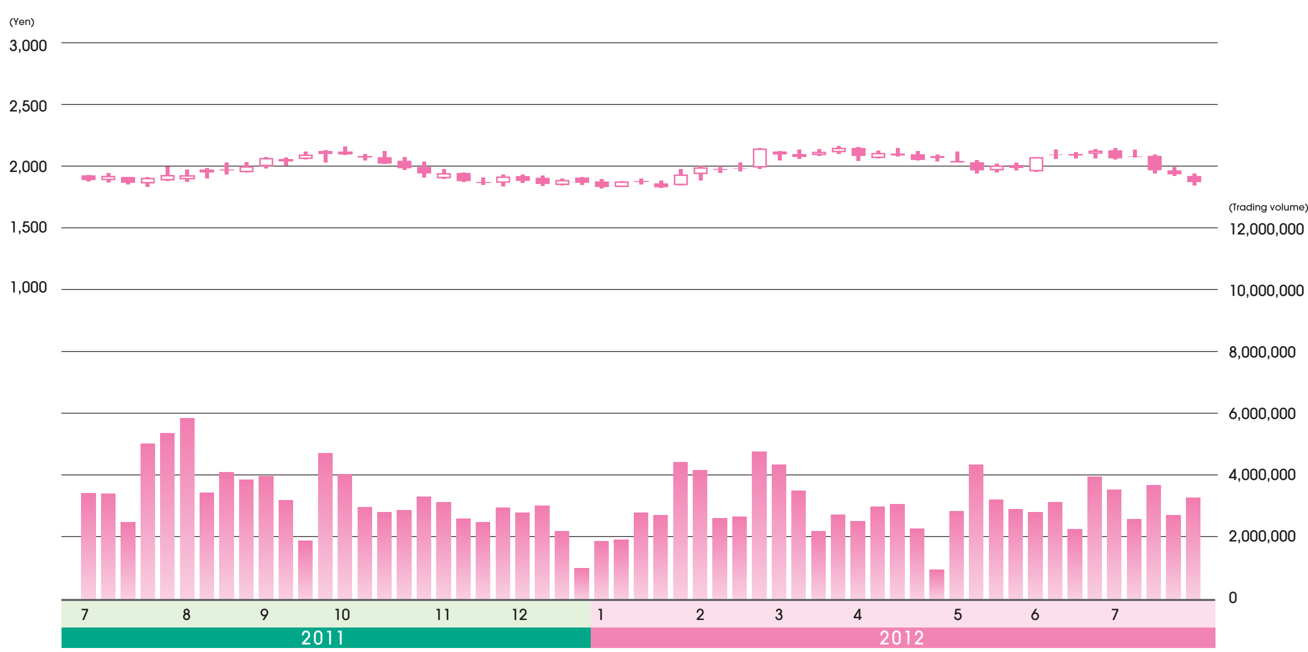
CORPORATE PROFILE

Toyo Suisan Kaisha, Ltd. ("the Company"), was established in 1953 as a seafood exporter, domestic buyer and distributor. The Company entered the cold-storage business in 1955 and began producing and selling such processed seafood products as fish sausage in 1956.

Toyo Suisan and its consolidated subsidiaries ("the Group") subsequently expanded operations into such other business fields as instant noodles, fresh noodles and frozen foods. At present, besides consumer foods for home use, we also provide a diverse range of delicious, easy preparation food products for the commercial food service industry, including restaurants, specialty stores and industrial food services.

Based on Toyo Suisan's corporate stance of "striving to deliver the most wholesome bounty of the earth to the dining table," the Company undertakes to ensure careful selection of only the choicest foods and to create products that preserve the flavor of the ingredients. We are also striving to build an optimally functional logistics system, achieve consistent quality and sanitation controls and undertake R&D efforts to develop new flavors in response to next-generation needs.

Common Stock Price Range and Trading Volume



TOYO SUISAN