ANNUAL REPORT 2013

YEAR ENDED MARCH 31, 2013

60th Anniversary

Toyo Suisan Kaisha, Ltd.

60th Anniversary

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.

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.

About the Maruchan logo

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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 2013, ended March 31, 2013.

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 2013

The Japanese economy in the consolidated fiscal year under review showed signs of recovery on improvement in the export environment, the effects of economic and fiscal stimulus measures, and other developments. However, there is still the risk of the economy being held back, specifically by deceleration in overseas economies and the employment situation.

Operating in this environment the Toyo Suisan Group, under its corporate slogan "Smiles for All." worked to fulfill its mission "to contribute to society through foods" and "to provide safe and secure foods and services to customers" and carried out further cost reductions and aggressive marketing activities in response to intense market competition.

As a result of these efforts, net sales increased 7.3% year on year to ¥344,527 million, operating income climbed 16.1% to ¥29,623 million, ordinary income rose 18.6% to ¥31,997 million, and net income increased 7.2% to ¥17,280 million.

June 2013

Kazuo Obata

Kazuo Obata
President

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES

Consolidated Financial Highlights

YEARS ENDED MARCH 31, 2012 AND 2013

		Millions of yen		Thousands of U.S. dollars
		2012	2013	2013
For the year:	Net sales	¥320,989	¥344,528	$3,664,802
	Operating income	25,515	29,624	315,116
	Net income	16,119	17,280	183,810
At year-end:	Total assets	¥251,415	¥274,890	$2,924,050
	Total net assets	186,666	209,173	2,225,008
Per share of common stock:	Net income	¥157.7	¥169.1	$1.80
(in yen and U.S. dollars)	Cash dividends	40.0	50.0	0.43

Dollar amounts represent translations at the rate of ¥94.01 = US$1, the rate prevailing on March 31, 2013.

REVIEW OF OPERATIONS

Domestic Instant Noodles Segment

Sales

116,974

million yen

In domestic instant noodles, cup-style noodles performed well due in part to sales of mainstay Japanese-style noodles and aggressive new product launches that included wontons and other products. We also continued to uncover latent demand and in March 2013 launched *hanauta* (a cup noodle product for women). For *Menzukuri* (non-fried noodle products), we carried out consumer marketing campaigns and renewed the brand. In packaged noodle products, we added a new salt-flavor product to the *Maruchan Seimen* line (authentic ramen-style noodles) in August 2012 and actively ran promotions, which resulted in strong sales. As a result, segment sales increased 9.7% over the previous year to ¥116,974 million. Segment income also increased year on year, by 12.3% to ¥12,022 million, thanks in part to higher production efficiency resulting from increased production and relatively stable raw ingredient costs.

Frozen and Refrigerated Foods Segment

Sales

62,069

million yen

In frozen and refrigerated foods, the market for fresh noodle products continues to contract as conditions have remained challenging. For our mainstay three-meal package of yakisoba noodles, we conducted consumer campaigns and renewed the brand, but sales fell slightly. The new product *Three-meal package of Napolitan Spaghetti* enjoyed steady sales. Sales were also solid in the Japanese-style noodle category, which includes udon and soba products, but fresh ramen noodles faced an uphill battle due to price competition with competitor products, and overall fresh noodle sales fell short of the previous year. In frozen food products, tough market conditions continued for our mainstay commercial frozen noodle products due to the low-price war intensifying, but stepped-up marketing and new customer acquisition in the food services and industrial catering sectors resulted in the category performing well. As a result, segment sales declined by 2.1% year on year to ¥62,069 million. Segment income edged down 1.1% to ¥3,567 million as a result of increased spending on sales promotions.

Processed Foods Segment

Sales

17,746

million yen

In processed food products, rice sales increased from the launch of new products and aggressive marketing activities. Freeze-dried products enjoyed strong sales from cup-type *Nanashu no Yasai o Taberu Soup* (a cup soup product with seven types of vegetables). Sales of fish ham, fish sausages and seasonings declined as low prices made further advances. As a result, segment sales increased 3.0% over last year to ¥17,746 million, but due in part to high prices for rice, dried bonito flakes and minced fish, the segment recorded a loss of ¥85 million, down from income of ¥578 million the previous year.

Overseas Instant Noodles Segment

Sales

70,650

million yen

In overseas instant noodles, prices were raised last fiscal year from the latter half of the second quarter through the third quarter, which proved effective, and we continued to subsequently strengthen partnerships with major retailers. We also conducted aggressive marketing activities for core products and new categories of yakisoba and bowl noodles, and sales volumes increased steadily, particularly in Central and South America. The weak yen also had an impact. As a result of all of these factors, segment sales increased 22.7% year on year to ¥70,650 million. Segment income was affected by increased transport and other costs caused by higher crude oil prices, but some raw ingredient prices stabilized, last year's price increases and sales promotions proved effective, and the weak yen had a positive impact, which resulted in boosting income by 58.8% over last year to ¥13,162 million.

Seafood Segment

Sales

32,361

million yen

The seafood segment continued to fight extremely challenging conditions due to deceleration in the global economy caused by the European debt crisis and other developments, and at home in Japan, to increased competition associated with deflation and soft consumer demand for seafood, among other factors. Amid such conditions, we actively launched and marketed value-added products like our signature lines of roe, tuna and squid. As a result, segment sales declined 0.6% year on year to ¥32,361 million. Segment income faced downward pressure from numerous factors that included deterioration in market conditions for cultured salmon, trout and mackerel, and particularly for Chilean coho salmon, an increase in depreciation expense from restoration of consolidated subsidiaries in the Sanriku region, partial renovations to seafood processing facilities and other factors, and the continued weakness of the yen. As a result, income decreased 94.3% year on year to ¥49 million.

Cold-Storage Segment

Sales

14,918

million yen

In the cold-storage segment, sales increased 0.7% year on year to ¥14,918 million as a result of aggressive efforts to accommodate storage of imported products and products produced by customers ahead of schedule in response to the power supply-and-demand situation. Segment income fell 0.5% year on year to ¥1,146 million despite efforts to conserve energy and cut costs, as power costs rose on higher electricity rates and re-storage costs were incurred to make up for insufficient warehouse capacity against high storage demand.

Other Business Segments

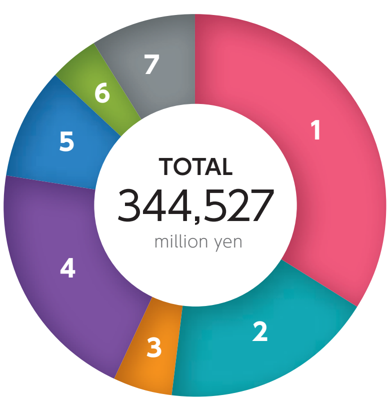
Sales

29,726

million yen

This segment mainly consists of the packed lunch/deli food business and real estate leasing operations. Sales increased 3.3% over the previous year to ¥29,726 million while income declined 6.5% to ¥1,366 million.

Net Sales by Segment



1.	Domestic Instant Noodles Segment	33.95%	116,974 million yen
2.	Frozen and Refrigerated Foods Segment	18.02%	62,069 million yen
3.	Processed Foods Segment	5.15%	17,746 million yen
4.	Overseas Instant Noodles Segment	20.51%	70,650 million yen
5.	Seafood Segment	9.39%	32,361 million yen
6.	Cold-Storage Segment	4.33%	14,918 million yen
7.	Other Business Segments	8.65%	29,726 million yen

FEATURE

This year marks the 60th anniversary of Toyo Suisan. We started out as a small office at the Tsukiji fish market and have since gradually expanded operations to grow into the size we are today. Key points of growth along the way are introduced below.

Celebrating 60 years With You

2011 Began sales of the packaged noodle product *Maruchan Seimen*, which are produced at the Kanto Plant completed in 2010

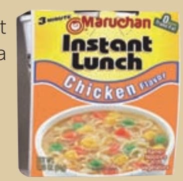
2002 Launched *Shio Yakisoba Sanninmae* to expand our yakisoba lineup (there are currently five flavors)

2001 Commenced sales of *Attaka-Gohan*, a rice product in aseptic packaging, and processed rice becomes the pillar of the processed foods segment

1998 Established second cold-storage facility in Higashi-ogishima; total cold-storage capacity tops 400,000 tons the following year

1993 Launched *Wonton Shoyu-aji*; becomes a hit product and one of the signature products of the Maruchan brand

1992 Acquired top share of the U.S. instant noodle market; established the Laguna Plant the next year, our third in the U.S.



1986 Changed to current (third) Maruchan logo and established TS Mark

1978 Launched *Akai Kitsune Udon* (*Midori-no Tanuki Tensoba* launched in 1980)

1977 Established the Deere Plant of Maruchan, Inc. in the Los Angeles area; began producing instant noodles locally in the U.S.

1975 Began sales of chilled *Yakisoba Sanninmae* and retort *Sekihan*, with *Yakisoba Sanninmae* becoming our best selling individual product

1966 Began seafood business in Alaska (initially produced salmon roe then expanded into crab and herring roe)

1962 After launching first instant noodle product in 1961, began selling *Hi Ramen*, the first Maruchan-branded product, which was a hit

1956 Began producing fish ham and fish sausage made from tuna and other seafood and took initial steps as a food products manufacturer

1955 Acquired cold-storage facility in Kawasaki with 300-ton capacity and commenced cold-storage business

*Shinagawa cold-storage facility connected to head office established in 1957

1953 Commenced business with exports of frozen tuna to the United States

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 17 members, including one outside director. 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 27, 2013

Chairman
Tadasu Tsutsumi

President
Kazuo Obata

Senior Managing Directors
Hiroji Yoshino
Masanari Imamura

Executive Directors
Hiroyuki Minami
Kazuo Yamamoto
Tsutomu Yoshimura

Directors
Kenji Sugawara
Masaharu Oikawa
Tadashi Fujiya
Hisao Ichishima
Osamu Iizuka
Noritaka Sumimoto
Hitoshi Oki
Tsutomu Toyoda
Rieko Makiya

Outside Director
Tomoko Hamada

Corporate Auditors
Toru Yamashita
Moriyuki Minami
Akira Takara
Isamu Mori

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

AS OF MARCH 31, 2012 AND 2013

ASSETS

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2012	2013	2013
Current assets:			
Cash on hand and at banks (Notes 3 and 4)	¥43,208	¥50,497	$537,145
Notes and accounts receivable-			
Trade (Note 4)	48,715	45,897	488,214
Unconsolidated subsidiaries and affiliates	234	240	2,553
Other	1,363	1,275	13,562
Less: Allowance for doubtful accounts	(512)	(507)	(5,393)
	49,800	46,905	498,936
Securities (Notes 3, 4 and 5)	17,002	27,501	292,533
Inventories (Note 12)	20,839	20,175	214,605
Deferred tax assets (Note 13)	1,543	1,737	18,477
Other current assets	1,805	2,547	27,092
Total current assets	134,197	149,362	1,588,788
Property, plant and equipment (Notes 7,8,11,12 and 20):			
Buildings and structures	109,988	112,565	1,197,373
Machinery and equipment	86,613	95,680	1,017,764
	196,601	208,245	2,215,137
Less: Accumulated depreciation	(129,792)	(138,612)	(1,474,439)
	66,809	69,633	740,698
Land	28,595	28,996	308,435
Construction in progress	2,177	3,634	38,655
Total property, plant and equipment	97,581	102,263	1,087,788
Intangible assets	2,052	2,350	24,997
Investments and other assets:			
Investments in unconsolidated subsidiaries and affiliates (Note 4)	4,202	4,202	44,697
Investments in securities (Notes 4 and 5)	10,745	14,184	150,878
Deferred tax assets (Note 13)	1,742	1,818	19,338
Other (Note 4)	896	711	7,564
Total investments and other assets	17,585	20,915	222,477
Total assets	¥251,415	¥274,890	$2,924,050

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)
	2012	2013	2013
Current liabilities:			
Short-term loans (Notes 4 and 8)	¥325	¥213	$2,266
Current portion of long-term debt (Notes 4 and 8)	12	—	—
Notes and accounts payable-			
Trade (Note 4)	21,273	20,994	223,317
Unconsolidated subsidiaries and affiliates	860	717	7,627
Other	1,796	2,072	22,040
	23,929	23,783	252,984
Deferred tax liabilities (Note 13)	4	4	43
Income taxes payable	4,541	4,109	43,708
Accrued expenses	17,208	17,706	188,341
Provision for removal cost of property, plant and equipment	—	172	1,830
Other current liabilities	846	1,180	12,551
Total current liabilities	46,865	47,167	501,723
Long-term liabilities:			
Deferred tax liabilities (Note 13)	885	1,177	12,520
Reserve for retirement benefits			
— for employees (Note 9)	15,627	16,232	172,662
— for officers	130	141	1,500
Negative goodwill	375	225	2,393
Asset retirement obligations	311	309	3,287
Other	556	466	4,957
Total Long-term liabilities	17,884	18,550	197,319
Total liabilities	64,749	65,717	699,042
Contingent liabilities (Note 18)			
Net assets (Notes 14 and 15):			
Shareholders' equity:			
Common stock-			
Authorized: 427,000,000 shares in 2012 and 2013			
Issued: 110,881,044 shares in 2012 and 2013	18,969	18,969	201,776
Capital surplus	22,517	22,517	239,517
Retained earnings	158,052	171,246	1,821,572
Treasury stock at cost			
Held by the Company:			
8,671,040 shares in 2012, 8,678,089 shares in 2013			
Owned by consolidated subsidiaries and affiliates:			
46,886 shares in 2012 and 2013	(8,129)	(8,146)	(86,650)
Total shareholders' equity	191,409	204,586	2,176,215
Accumulated other comprehensive income:			
Net unrealized gain on investment in securities, net of taxes (Note 5)	323	2,186	23,253
Net unrealized gain on hedging derivatives, net of taxes (Note 6)	259	33	351
Adjustment on foreign currency translation	(15,478)	(8,120)	(86,374)
Total accumulated other comprehensive income	(14,896)	(5,901)	(62,770)
Minority interests in consolidated subsidiaries	10,153	10,488	111,563
Total net assets	186,666	209,173	2,225,008
Total liabilities and net assets	¥251,415	¥274,890	$2,924,050

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED MARCH 31, 2012 AND 2013

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2012	2013	2013
Net sales (Note 20)	¥320,989	¥344,528	$3,664,802
Cost of sales (Note 10)	202,610	214,909	2,286,023
Gross profit	118,379	129,619	1,378,779
Selling, general and administrative expenses (Note 10)	92,864	99,995	1,063,663
Operating income (Note 20)	25,515	29,624	315,116
Non-operating income (expenses):			
Interest and dividends income	432	653	6,946
Interest expenses	(9)	(5)	(53)
Currency exchange gain, net	240	772	8,212
Loss on sales or disposal of property, plant and equipment, net	(319)	(743)	(7,903)
Write-down of investments in securities	(131)	(514)	(5,468)
Impairment losses on fixed assets (Notes 11 and 20)	(64)	(1,706)	(18,147)
Loss on disaster (Note 12)	(69)	—	—
Subsidy received	39	70	745
Compensation income	—	43	457
Provision for removal cost of property, plant and equipment	—	(172)	(1,830)
Other, net	796	915	9,733
Income before income taxes and minority interests	26,430	28,937	307,808
Income taxes (Note 13):			
Current	9,922	12,204	129,816
Deferred	(134)	(1,033)	(10,988)
	9,788	11,171	118,828
Income before minority interests	16,642	17,766	188,980
Minority interests in subsidiaries	523	486	5,170
Net income	¥16,119	¥17,280	$183,810

	Yen		U.S. dollars (Note 1)
	2012	2013	2013
Amounts per share of common stock (Note 16):			
Net income	¥157.7	¥169.1	$1.80
Cash dividends applicable to the year	40.0	50.0	0.43

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED MARCH 31, 2012 AND 2013

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2012	2013	2013
Income before minority interests	¥16,642	¥17,766	$188,980
Other comprehensive income (Note 19):			
Net unrealized gain on investment in securities, net of taxes	739	1,886	20,062
Net unrealized gain (loss) on hedging derivatives, net of taxes	91	(226)	(2,404)
Adjustment on foreign currency translation	(723)	7,358	78,268
Share of other comprehensive income of the affiliate accounted for using equity method	22	36	383
Total other comprehensive income	129	9,054	96,309
Comprehensive income (Note 19)	¥16,771	¥26,820	$285,289
Total comprehensive income attributable to:			
Owners of parent	¥16,241	¥26,274	$279,481
Minority shareholders	530	546	5,808

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

FOR THE YEARS ENDED MARCH 31, 2012 AND 2013

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, 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
Net income	—	—	17,280	—	17,280	—	—	—	—	—	17,280
Cash dividends paid	—	—	(4,086)	—	(4,086)	—	—	—	—	—	(4,086)
Acquisition of treasury stock	—	—	—	(17)	(17)	—	—	—	—	—	(17)
Net changes in items except shareholders' equity	—	—	—	—	—	1,863	(226)	7,358	8,995	335	9,330
Balance at March 31, 2013	¥18,969	¥22,517	¥171,246	¥(8,146)	¥204,586	¥2,186	¥33	¥(8,120)	¥(5,901)	¥10,488	¥209,173

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, 2012	$201,776	$239,517	$1,681,225	$(86,470)	$2,036,048	$3,436	$2,755	$(164,642)	$(158,451)	$107,999	$1,985,596
Net income	—	—	183,810	—	183,810	—	—	—	—	—	183,810
Cash dividends paid	—	—	(43,463)	—	(43,463)	—	—	—	—	—	(43,463)
Acquisition of treasury stock	—	—	—	(180)	(180)	—	—	—	—	—	(180)
Net changes in items except shareholders' equity	—	—	—	—	—	19,817	(2,404)	78,268	95,681	3,564	99,245
Balance at March 31, 2013	$201,776	$239,517	$1,821,572	$(86,650)	$2,176,215	$23,253	$351	$(86,374)	$(62,770)	$111,563	$2,225,008

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED MARCH 31, 2012 AND 2013

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2012	2013	2013
Cash flows from operating activities:			
Income before income taxes and minority interests	¥26,430	¥28,937	$307,808
Depreciation and amortization	10,207	10,945	116,424
Impairment losses on fixed assets	64	1,706	18,147
Loss on disaster	69	—	—
Amortization of goodwill	21	—	—
Amortization of negative goodwill	(151)	(150)	(1,596)
Equity in gain under the equity method	(16)	(17)	(181)
Write-down of investments in securities	131	514	5,468
Increase in reserve for retirement benefits	336	617	6,563
Increase in allowance for bonus to officers	48	42	447
Decrease in allowance for doubtful accounts	(14)	(5)	(53)
Interest and dividends income	(432)	(653)	(6,946)
Interest expenses	9	5	53
Currency exchange gain, net	(240)	(772)	(8,212)
Loss on sales or disposal of property, plant and equipment, net	319	743	7,903
Provision for removal cost of property, plant and equipment	—	172	1,830
Decrease (Increase) in notes and accounts receivable, trade	(8,838)	3,108	33,060
Decrease (Increase) in inventories	(4,678)	1,085	11,541
Increase (Decrease) in notes and accounts payable, trade	3,109	(544)	(5,787)
Increase in accrued expenses	2,081	384	4,085
Other, net	(746)	(388)	(4,127)
Sub total	27,709	45,729	486,427
Interest and dividends income received	414	661	7,031
Interest expenses paid	(9)	(5)	(53)
Payments for loss on disaster	(875)	—	—
Income taxes paid	(7,728)	(13,017)	(138,464)
Net cash provided by operating activities	19,511	33,368	354,941
Cash flows from investing activities:			
Payment for time deposits	(19,708)	(22,536)	(239,719)
Proceeds from maturities of time deposits	584	19,656	209,084
Payment for purchase of property, plant and equipment	(11,445)	(15,503)	(164,908)
Proceeds from sales of property, plant and equipment	31	66	702
Payment for purchase of intangible assets	(614)	(866)	(9,212)
Purchase of investments in securities	(27)	(1,179)	(12,541)
Proceeds from sales of investments in securities	3	37	394
Payment for loans receivable	(2,131)	(2,063)	(21,944)
Collection of loans receivable	2,225	2,276	24,210
Other, net	(7)	153	1,627
Net cash used in investing activities	(31,089)	(19,959)	(212,307)
Cash flows from financing activities:			
Proceeds from short-term loans	1,063	1,311	13,945
Repayment of short-term loans	(1,280)	(1,431)	(15,222)
Repayment of long-term debt	(52)	(12)	(128)
Cash dividends paid	(4,087)	(4,086)	(43,463)
Other, net	(335)	(347)	(3,691)
Net cash used in financing activities	(4,691)	(4,565)	(48,559)
Effect of exchange rate changes on cash and cash equivalents	(320)	3,094	32,912
Net increase (decrease) in cash and cash equivalents	(16,589)	11,938	126,987
Cash and cash equivalents at beginning of year	55,953	39,403	419,136
Increase in cash and cash equivalents from newly consolidated subsidiaries	39	—	—
Cash and cash equivalents at end of year (Note 3)	¥39,403	¥51,341	$546,123

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, 2013, which was ¥94.01 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 27 and 26 subsidiaries as of March 31, 2012 and 2013, respectively. The accompanying consolidated financial statements include the accounts of the Company and its 21 subsidiaries as of March 31, 2012 and 2013. The subsidiaries that are significant and substantially controlled by the Company are consolidated.

Consolidated subsidiaries as of March 31, 2012 and 2013 are listed as follows:

Name of subsidiary	Equity ownership percentage 2012	2013
Hachinohe Toyo Co., Ltd.	100.0%	100.0%
Kofu Toyo Co., Ltd.	100.0	100.0
Fukushima Foods Co., Ltd.	100.0	100.0
Miyagi Toyo Kaisha, Ltd. (*4)	—	100.0
Toyo Reito Kaisha, Ltd. (*4)	100.0	—
Sanriku Toyo Kaisha, Ltd. (*4)	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
Choshi Toyo Kaisha, Ltd.	100.0	100.0
Yutaka Foods Corporation	40.3	40.3
Mitsuwa Daily Co., Ltd	100.0	100.0
Saihoku Toyo Kaisha, Ltd.	100.0	100.0
Shonan Toyo Kaisha, Ltd.	100.0	100.0
Suruga Toyo Kaisha, Ltd.	100.0	100.0
Maruchan, Inc. (*2)	100.0	100.0
Maruchan Virginia, Inc. (*2)	100.0	100.0
Maruchan Texas, Inc. (*1) (*2)	—	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) Maruchan Texas, Inc. was newly included in the scope of consolidation from the fiscal year ended March 31, 2013 since it was established on July 30, 2012.
(*2) Incorporated in the U.S.A.
(*3) Incorporated in United Mexican States
(*4) Sanriku Toyo Kaisha, Ltd., which was a consolidated subsidiary of the Company operating seafood business, was merged with Toyo Reito Kaisha, Ltd. on July 1, 2012 and was renamed Miyagi Toyo Kiasha, Ltd.

The remaining 6 and 5 unconsolidated subsidiaries as of March 31, 2012 and 2013 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, 2012 and 2013 are listed as follows:

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

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

The Company has 5 affiliates as of March 31, 2012 and 2013.

The affiliate to which the equity method has been applied for the fiscal years ended March 31, 2012 and 2013 is listed as follows:

Name of affiliate	Equity ownership percentage 2012	2013
Semba Tohka Industries Co., Ltd.	26.4%	26.4%

The investments in the 6 and 5 unconsolidated subsidiaries as of March 31, 2012 and 2013, respectively, and 4 affiliates (Shimodatousui Corp., Irago Institute Co., Ltd., Higashimaru International Corporation and Shimaya Co., Ltd.) as of March 31, 2012 and 2013 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 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 instruments and the hedged items are highly effective in offsetting changes in currency exchange rates and commodity prices.

(8) Accrued officers' bonuses —

The Company and its domestic consolidated 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.

(Change in accounting policies)

Change in depreciation method

From the fiscal year ended March 31, 2013, in accordance with the amendment in corporate tax law, the Company and its domestic consolidated subsidiaries have changed its depreciation method for property, plant and equipment. Assets acquired on or after April 1, 2012 are depreciated using the method prescribed in amended corporate tax law. Due to this change in depreciation method, operating income and income before income taxes and minority interests increased by ¥324 million ($3,446 thousand), respectively.

See the note on “20. Segment information”.

(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.

(b) Retirement benefits for officers

The Company’s certain 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) Provision for removal cost of property, plant and equipment —

Provision for removal cost of property, plant and equipment is recorded based on estimated future removal cost of property, plant and equipment at each year end.

(16) 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.

(17) 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 consolidated 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.

(18) Accounting standard issued but not yet adopted —

Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012), and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012)

(a) Summary

Under the amended rule, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss would be recognized within the net asset section, after adjusting for tax effects, and the deficit or surplus would be recognized as a liability or asset without any adjustments. For determining method of attributing expected benefit to periods, the Standard now allows to choose benefit formula basis, as well as straight-line basis. Method for determination of discount rate has also been amended.

(b) Effective dates

Effective for the end of fiscal years ending on or after March 31, 2014. Amendments relating to determination of retirement benefit obligations and current service costs are effective from the beginning of fiscal years ending on or after March 31, 2015. The adjustments are not made retroactively to the prior periods based on transitional measures.

(c) Effect of application of the standard

The Company and its domestic consolidated subsidiaries are currently in the process of evaluating the effects of these new standards on the consolidated financial statements.

3 Cash flow information:

Cash and cash equivalents as of March 31, 2012 and 2013 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Cash on hand and at banks	¥43,208	¥50,497	$537,145
Securities with an original maturity of 3 months or less	17,000	27,500	292,522
Time deposits with deposit term of over 3 months	(20,805)	(26,656)	(283,544)
Cash and cash equivalents	¥39,403	¥51,341	$546,123

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).

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, and (ii) 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. 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 36.1% and 31.1% as of March 31, 2012 and 2013, 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, 2012 and 2013 are as follows:

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

2012

Millions of yen

	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

2013

Millions of yen

	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	¥50,497	¥50,497	¥—
(2) Notes and accounts receivable - trade	45,897	45,897	—
(3) Securities	27,501	27,501	—
(4) Investment in unconsolidated subsidiaries and affiliates	2,075	986	(1,089)
(5) Investment in securities			
Available-for-sale securities	13,681	13,681	—
(6) Long-term loans receivable	31	31	(0)
Assets total	¥139,682	¥138,593	¥(1,089)
(1) Notes and accounts payable - trade	¥20,994	¥20,994	¥—
(2) Short-term loans	213	213	—
Liabilities total	¥21,207	¥21,207	¥—
Derivative transactions (*1)	¥53	¥6	¥(47)

2013

Thousands of U.S. dollars

	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	$537,145	$537,145	$—
(2) Notes and accounts receivable - trade	488,214	488,214	—
(3) Securities	292,533	292,533	—
(4) Investment in unconsolidated subsidiaries and affiliates	22,072	10,488	(11,584)
(5) Investment in securities			
Available-for-sale securities	145,527	145,527	—
(6) Long-term loans receivable	330	330	(0)
Assets total	$1,485,821	$1,474,237	$(11,584)
(1) Notes and accounts payable - trade	$223,317	$223,317	$—
(2) Short-term loans	2,266	2,266	—
Liabilities total	$225,583	$225,583	$—
Derivative transactions (*1)	$564	$64	$(500)

(*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 value of marketable equity securities is measured at the quoted market price of stock exchange.

(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 and (2) Short-term loans

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

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
	2012	2013	2013
Unlisted equity securities	¥506	¥503	$5,351
Investments in unconsolidated subsidiaries and affiliates	2,158	2,127	22,625

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, 2012 and 2013

2012

Millions of yen

	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	¥—	¥—

2013

Millions of yen

	Within one year	One to five years	Over five to ten years	Over ten years
Cash on hand and at banks	¥50,497	¥—	¥—	¥—
Notes and accounts receivable - trade	45,897	—	—	—
Securities				
Certificates of deposits	27,500	—	—	—
Available-for-sale securities with contractual maturities (bonds)	1	—	—	—
Long-term loans receivable	—	31	—	—
Total	¥123,895	¥31	¥—	¥—

2013

Thousands of U.S. dollars

	Within one year	One to five years	Over five to ten years	Over ten years
Cash on hand and at banks	$537,145	$—	$—	$—
Notes and accounts receivable - trade	488,214	—	—	—
Securities				
Certificates of deposits	292,522	—	—	—
Available-for-sale securities with contractual maturities (bonds)	11	—	—	—
Long-term loans receivable	—	330	—	—
Total	$1,317,892	$330	$—	$—

(d) The redemption schedule for lease obligations with maturity dates subsequent to March 31, 2013

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, 2012 and 2013 are as follows:

2012 — Millions of yen

	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	¥—

2013 — Millions of yen

	Carrying amount	Fair value	Difference
Securities with fair value exceeding carrying amount:			
Bonds	¥—	¥—	¥—
Securities with fair value not exceeding carrying amount:			
Bonds	1	1	—
	¥1	¥1	¥—

2013 — Thousands of U.S. dollars

	Carrying amount	Fair value	Difference
Securities with fair value exceeding carrying amount:			
Bonds	$—	$—	$—
Securities with fair value not exceeding carrying amount:			
Bonds	11	11	—
	$11	$11	$

(2) Available-for-sale securities with fair market value as of March 31, 2012 and 2013 are as follows:

2012 — Millions of yen

	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

2013 — Millions of yen

	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition costs:			
Equity securities	¥12,558	¥9,246	¥3,312
Securities with carrying amount (fair value) not exceeding acquisition costs:			
Equity securities	1,123	1,263	(140)
Other	27,500	27,500	—
	¥41,181	¥38,009	¥3,172

2013 — Thousands of U.S. dollars

	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition costs:			
Equity securities	$133,581	$98,351	$35,230
Securities with carrying amount (fair value) not exceeding acquisition costs:			
Equity securities	11,946	13,435	(1,489)
Other	292,522	292,522	—
	$438,049	$404,308	$33,741

(3) Details of available-for-sale securities sold during the fiscal years ended March 31, 2012 and 2013 are as follows:

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

2013

Millions of yen

	Sales proceeds	Total gain on sale	Total loss on sale
Equity securities	¥7	¥3	¥0

2013

Thousands of U.S. dollars

	Sales proceeds	Total gain on sale	Total loss on sale
Equity securities	$74	$32	$0

6 Derivative financial instruments:

The contract amounts, fair values of derivative transactions as of March 31, 2012 and 2013 are as follows:

2012

Millions of yen

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

2013

Millions of yen

	Contract amount	Contract amount due over one year	Fair value (a)
Foreign exchange forward contracts:			
Buying U.S. dollar	¥1,347	¥—	¥53
Foreign exchange forward contracts:	219	—	—
Buying U.S. dollar (b)			
Commodity futures contracts (c)	6,959	—	(47)
Total	¥8,525	¥—	¥6

2013

Thousands of U.S. dollars

	Contract amount	Contract amount due over one year	Fair value (a)
Foreign exchange forward contracts:			
Buying U.S. dollar	$14,328	$—	$564
Foreign exchange forward contracts:	2,330	—	—
Buying U.S. dollar (b)			
Commodity futures contracts (c)	74,024	—	(500)
Total	$90,682	$—	$64

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, 2012 and 2013 were ¥111 million and ¥212 million ($2,255 thousand), respectively. Impairment losses for the fiscal year ended March 31, 2013 were ¥31 million ($330 thousand).

In addition, the book value, net changes during the fiscal year and the fair values of such properties as of March 31, 2012 and 2013 are as follows:

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

Millions of yen

		Book value	Fair value
Balance at March 31, 2012	Increase / (Decrease)	Balance at March 31, 2013	Balance at March 31, 2013
¥1,296	¥718	¥2,014	¥4,999

Thousands of U.S. dollars

		Book value	Fair value
Balance at March 31, 2012	Increase / (Decrease)	Balance at March 31, 2013	Balance at March 31, 2013
$13,786	$7,637	$21,423	$53,175

Notes:
(a) Book value is acquisition cost less accumulated depreciation and accumulated impairment losses, if any.
(b) 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 0.677% and 0.579% as of March 31, 2012 and 2013, respectively.

Long-term debt as of March 31, 2012 consisted of the following:

2012	Millions of yen
Loans from banks and other financial institutions due from 2011 to 2012 with mortgages and collateral, at interest rates averaging 5.600%	¥12
Less current portion	(12)
Long-term debt	¥-

There was no long-term debt as of March 31, 2013.

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

2012	Millions of yen
Property, plant and equipment, net of accumulated depreciation:	
Buildings and structures	¥37
	¥37

There were no assets pledged as collateral and collective mortgages for long-term debt including current portion as of March 31, 2013.

The aggregate annual maturities of lease obligations as of March 31, 2013 are as follows:

	Millions of yen	Thousands of U.S. dollars
2014	¥119	$1,266
2015	94	1,000
2016	63	670
2017	41	436
2018 and thereafter	10	106
Total	¥327	$3,478

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 reserves for retirement benefits as of March 31, 2012 and 2013 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Projected benefit obligations	¥31,362	¥31,643	$336,592
Fair value of pension plan assets	(11,804)	(12,022)	(127,880)
Unfunded retirement benefit obligations	19,558	19,621	208,712
Unrecognized actuarial differences	(4,251)	(3,556)	(37,826)
Unrecognized prior service costs	271	117	1,245
Prepaid pension costs	49	50	531
Reserve for retirement benefits	¥15,627	¥16,232	$172,662

Net costs related to the retirement benefit plans for the fiscal years ended March 31, 2012 and 2013 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Service costs	¥1,321	¥1,506	$16,020
Interest costs	518	430	4,574
Expected return on pension plan assets	(2)	(2)	(21)
Amortization of actuarial differences	803	869	9,244
Amortization of prior service costs	(164)	(154)	(1,639)
Net pension costs	¥2,476	¥2,649	$28,178

The assumptions used in accounting for the above plans for the fiscal years ended March 31, 2012 and 2013 are as follows:

	2012	2013
Discount rate	1.5%	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 Research and development expenses:

Research and development expenses for the fiscal years ended March 31, 2012 and 2013 were ¥1,394 million and ¥1,426 ($15,169 thousand), respectively.

11 Impairment losses on fixed assets:

For the fiscal years ended March 31, 2012 and 2013, the Company and its domestic consolidated 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	2012	2013	2013
Business property	Buildings, machinery, equipment and land	¥10	¥1,648	$17,530
Idle property	Buildings, machinery and equipment	54	58	617
		¥64	¥1,706	$18,147

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 2012 and 5% in 2013, respectively.

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

12 Loss on disaster:

Losses on disaster caused by the Great East Japan Earthquake on March 11, 2011 for the fiscal year ended March 31, 2012 were as follows:

2012	Millions of yen
Property, plant and equipment	¥12
Inventories	(57)
Restoration cost	(70)
Others	184
Total	¥69

There were no losses on disaster for the fiscal year ended March 31, 2013.

13 Income taxes:

The income taxes applicable to the Company and its domestic consolidated 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% and 38.0 % for the fiscal years ended March 31, 2012 and 2013, respectively.

The main components of deferred tax assets and liabilities as of March 31, 2012 and 2013 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Deferred tax assets:			
Unrealized gain on fixed assets	¥216	¥214	$2,276
Accrued bonuses	726	756	8,042
Write-down of investments in securities	371	490	5,212
Reserve for retirement benefits	5,486	5,706	60,696
Impairment losses on fixed assets	1,619	2,218	23,593
Tax loss carryforwards	1,287	1,197	12,733
Other	2,059	2,288	24,338
Gross deferred tax assets	11,764	12,869	136,890
Less: valuation allowance	(4,302)	(4,320)	(45,953)
Total deferred tax assets	7,462	8,549	90,937
Deferred tax liabilities:			
Special reserves for deferred gains on fixed assets	4,091	3,505	37,283
Valuation differences of subsidiaries' assets in consolidation	125	125	1,330
Depreciation at overseas consolidated subsidiaries	758	1,059	11,265
Net unrealized gain on investment in securities	63	964	10,254
Other	29	522	5,553
Total deferred tax liabilities	5,066	6,175	65,685
Net deferred tax assets	¥2,396	¥2,374	$25,252

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, 2013 are not disclosed because the total difference is less than 5% of the statutory tax rate.

14 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 27, 2013, the shareholders approved cash dividends amounting to ¥3,066 million ($32,614 thousand). Such appropriations have not been accrued in the consolidated financial statements as of March 31, 2013. Such appropriations are recognized in the period in which they are approved by the shareholders.

15 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, 2012 and 2013

Thousands of shares

Common stock outstanding	2012	2013
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	2012	2013
Balance at beginning of the fiscal year	8,709	8,718
Increase due to purchase of odd stock	9	7
Balance at end of the fiscal year	8,718	8,725

(2) Dividends

(a) 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
b. Funds for dividends .... Retained earnings
c. Dividends per share ¥20.0
d. Record date.. March 31, 2012
e. Effective date .... June 29, 2012

(b) Dividends whose record date is attributable to the fiscal year ended March 31, 2013 but to be effective after the fiscal year

The Company resolved approval at the general meeting of shareholders held on June 27, 2013 as follows:

Dividends on Common stock

a. Total amount of dividends..................... ¥3,066 million ($32,614 thousand)

b. Funds for dividends .... Retained earnings

c. Dividends per share.............................. ¥30.0 ($0.32)

d. Record date.. March 31, 2013

e. Effective date .... June 28, 2013

16 Per share information:

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

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Net income	¥16,119	¥17,280	$183,810
Net income attributable to common stock	16,119	17,280	183,810
Weighted-average amount of common stock (unit: thousands of shares)	102,167	102,161	

17 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, 2012 and 2013 are as follows:

2012

	Millions of yen		
	Acquisition cost	Accumulated depreciation	Book value
Machinery and equipment	¥64	¥40	¥24
Other	20	16	4
	¥84	¥56	¥28

2013

	Millions of yen			Thousands of U.S. dollars		
	Acquisition cost	Accumulated depreciation	Book value	Acquisition cost	Accumulated depreciation	Book value
Machinery and equipment	¥64	¥49	¥15	$681	$521	$160
Other	20	18	2	213	192	21
	¥84	¥67	¥17	$894	$713	$181

The future minimum payments as of March 31, 2012 and 2013 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Due within one year	¥11	¥5	$53
Due after one year	17	12	128
	¥28	¥17	$181

Lease expenses and assumed amounts of depreciation on such finance lease contracts without ownership-transfer for the fiscal years ended March 31, 2012 and 2013 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Lease expenses	¥40	¥11	$117

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Assumed amounts of depreciation	¥40	¥11	$117

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, 2012 and 2013 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Due within one year	¥60	¥47	$500
Due after one year	113	60	638
	¥173	¥107	$1,138

18 Contingent liabilities:

Contingent liabilities as of March 31, 2012 and 2013 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Guarantees of indebtedness for employees	¥91	¥80	$851

19 Comprehensive income:

(1) Reclassification adjustments on other comprehensive income for the fiscal years ended March 31, 2012 and 2013 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Net unrealized gain (loss) on investment in securities:			
Gains (losses) arising during the year	¥751	¥2,268	$24,125
Reclassification adjustments	131	511	5,436
	882	2,779	29,561
Net unrealized gain (loss) on hedging derivatives:			
Gains (losses) arising during the year	134	(365)	(3,883)
	134	(365)	(3,883)
Adjustment on foreign currency translation:			
Adjustments arising during the year	(723)	7,358	78,268
	(723)	7,358	78,268
Share of other comprehensive income of the affiliate accounted for using equity method:			
Gains (losses) arising during the year	22	36	383
	22	36	383
Amount before income tax effects	315	9,808	104,329
Income tax effects	(186)	(754)	(8,020)
Total other comprehensive income, net of taxes	¥129	¥9,054	$96,309

(2) Income tax effects on other comprehensive income for the fiscal years ended March 31, 2012 and 2013 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Net unrealized gain (loss) on investment in securities:			
Amount before income tax effects	¥882	¥2,779	$29,561
Income tax effects	(143)	(893)	(9,499)
Amount, net of taxes	739	1,886	20,062
Net unrealized gain (loss) on hedging derivatives:			
Amount before income tax effects	134	(365)	(3,883)
Income tax effects	(43)	139	1,479
Amount, net of taxes	91	(226)	(2,404)
Adjustment on foreign currency translation:			
Amount before income tax effects	(723)	7,358	78,268
Income tax effects	—	—	—
Amount, net of taxes	(723)	7,358	78,268
Share of other comprehensive income of the affiliate accounted for using equity method:			
Amount before income tax effects	22	36	383
Income tax effects	—	—	—
Amount, net of taxes	22	36	383
Total other comprehensive income			
Amount before income tax effects	315	9,808	104,329
Income tax effects	(186)	(754)	(8,020)
Amount, net of taxes	¥129	¥9,054	$96,309

20 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.

(Change in depreciation method)

From the fiscal year ended March 31, 2013, in accordance with the amendment in corporate tax law, the Company and its domestic consolidated subsidiaries have changed its depreciation method for property, plant and equipment. Assets acquired on or after April 1, 2012 are depreciated using the method prescribed in amended corporate tax law. Due to this change in depreciation method, segment income increased by ¥27 million ($287 thousand) in "Seafood", ¥222 million ($2,361 thousand) in "Domestic Instant Noodles", ¥29 million ($308 thousand) in "Frozen and Refrigerated Foods", ¥16 million ($170 thousand) in "Processed Foods", ¥15 million ($160 thousand) in "Cold Storage" and ¥15 million ($160 thousand) in "Other", respectively.

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

2012

Millions of yen

	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

2013

Millions of yen

	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	¥32,362	¥70,650	¥116,975	¥62,070	¥17,747	¥14,918	¥314,722	¥29,726	¥344,448	¥80	¥344,528
Intersegment	737	—	20	—	0	923	1,680	563	2,243	(2,243)	—
Total	¥33,099	¥70,650	¥116,995	¥62,070	¥17,747	¥15,841	¥316,402	¥30,289	¥346,691	¥(2,163)	¥344,528
Segment income (loss)	¥50	¥13,163	¥12,022	¥3,567	¥(86)	¥1,147	¥29,863	¥1,366	¥31,229	¥(1,605)	¥29,624
Segment assets	¥19,428	¥60,815	¥55,196	¥23,757	¥10,422	¥27,351	¥196,969	¥12,395	¥209,364	¥65,526	¥274,890
Other items:											
Depreciation and amortization	¥213	¥922	¥4,219	¥1,812	¥578	¥1,826	¥9,570	¥843	¥10,413	¥532	¥10,945
Increase in property, plant and equipment and intangible assets	1,940	4,062	5,736	1,165	701	1,655	15,259	828	16,087	280	16,367

2013

Thousands of U.S. dollars

	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	$344,240	$751,516	$1,244,283	$660,249	$188,778	$158,685	$3,347,751	$316,200	$3,663,951	$851	$3,664,802
Intersegment	7,840	—	213	—	0	9,818	17,871	5,988	23,859	(23,859)	—
Total	$352,080	$751,516	$1,244,496	$660,249	$188,778	$168,503	$3,365,622	$322,188	$3,687,810	$(23,008)	$3,664,802
Segment income (loss)	$532	$140,017	$127,880	$37,943	$(915)	$12,201	$317,658	$14,530	$332,188	$(17,072)	$315,116
Segment assets	$206,659	$646,899	$587,129	$252,707	$110,861	$290,937	$2,095,192	$131,848	$2,227,040	$697,010	$2,924,050
Other items:											
Depreciation and amortization	$2,266	$9,807	$44,878	$19,275	$6,148	$19,423	$101,797	$8,968	$110,765	$5,659	$116,424
Increase in property, plant and equipment and intangible assets	20,636	43,208	61,015	12,392	7,457	17,605	162,313	8,808	171,121	2,978	174,099

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 ¥23 million and ¥80 million ($851 thousand) in net sales for the fiscal years ended March 31, 2012 and 2013 respectively were due to differences in elimination methods used by the reportable segments and the financial statements.
2) The amounts of ¥(1,142) million and ¥(1,605) million ($(17,072) thousand) in segment income for the fiscal years ended March 31, 2012 and 2013 include companywide expenses of ¥(816) million and ¥(940) million ($(9,999) 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 and ¥65,526 million ($697,010 thousand) in segment assets as of March 31, 2012 and 2013 include corporate assets of ¥51,255 million and ¥64,766 million ($688,927 thousand) respectively 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 ¥494 million and ¥532 million ($5,659 thousand) in depreciation and amortization for the fiscal years ended March 31, 2012 and 2013 include companywide expenses of ¥237 million and ¥218 million ($2,319 thousand), respectively.
5) The amount of ¥21 million in amortization of goodwill for the fiscal year ended March 31, 2012 includes companywide expenses of ¥21 million.
6) The amounts of ¥449 million and ¥280 million ($2,978 thousand) in increase in property, plant, and equipment and intangible assets for the fiscal years ended March 31, 2012 and 2013 respectively are 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) Information about geographic areas

(a) Net sales

2012 — Millions of yen

	Japan	Americas	Other	Consolidated
Net sales	¥263,250	¥57,564	¥175	¥320,989

2013 — Millions of yen

	Japan	Americas	Other	Consolidated
Net sales	¥273,720	¥70,651	¥157	¥344,528

2013 — Thousands of U.S. dollars

	Japan	Americas	Other	Consolidated
Net sales	$2,911,605	$751,526	$1,671	$3,664,802

Note:

1) Net sales are classified by countries or regions based on location of customers.
2) The major countries or regions in each classification are as follows:
   Americas.....................U.S.A., United Mexican States
   Others.........................People's Republic of China, Taiwan, Republic of Korea

(b) Property, plant and equipment

Geographic information about property, plant and equipment is omitted since the amount of property, plant and equipment located in Japan accounts for more than 90% of the total amount of property, plant and equipment on the consolidated balance sheet as of March 31, 2012.

2013 — Millions of yen

	Japan	Americas	Consolidated
Property, plant and equipment	¥89,195	¥13,068	¥102,263

2013 — Thousands of U.S. dollars

	Japan	Americas	Consolidated
Property, plant and equipment	$948,782	$139,006	$1,087,788

(5) Information about major customers

2012

	Sales (Millions of yen)	
Name of major customers		Related reportable segment
MITSUI & CO., LTD.	¥85,885	Domestic Instant Noodles Segment

2013

	Sales		
	Millions of yen	Thousands of U.S. dollars	
Name of major customers			Related reportable segment
MITSUI & CO., LTD.	¥89,494	$951,963	Domestic Instant Noodles Segment

(6) Information about impairment

2012

Millions of yen

	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

2013

Millions of yen

	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Impairment loss	¥—	¥—	¥—	¥70	¥1,262	¥374	¥—	¥—	¥1,706

2013

Thousands of U.S. dollars

	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Impairment loss	$—	$—	$—	$745	$13,424	$3,978	$—	$—	$18,147

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

2012

Millions of yen

	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

2013

Millions of yen

	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Negative goodwill:									
Amortization	¥—	¥—	¥—	¥—	¥—	¥—	¥—	¥150	¥150
Unamortized balance	¥—	¥—	¥—	¥—	¥—	¥—	¥—	¥225	¥225

2013

Thousands of U.S. dollars

	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Negative goodwill:									
Amortization	$—	$—	$—	$—	$—	$—	$—	$1,596	$1,596
Unamortized balance	$—	$—	$—	$—	$—	$—	$—	$2,393	$2,393

21 Subsequent events:

The Company's shareholders approved appropriation of retained earnings at the general meeting of shareholders held on June 27, 2013 as follows:

	Millions of yen	Thousands of U.S. dollars
Cash dividends (¥30.0 per share)	¥3,066	$32,614

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, 2013 and 2012, 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.

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, 2013 and 2012, 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, 2013 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 27, 2013
Tokyo, Japan

KPMG AZSA LLC, a limited liability audit corporation incorporated under the Japanese Certified Public Accountants Law and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

CORPORATE DATA

As of March 31, 2013

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	31
Number of Employees	2,137
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	5,811
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.

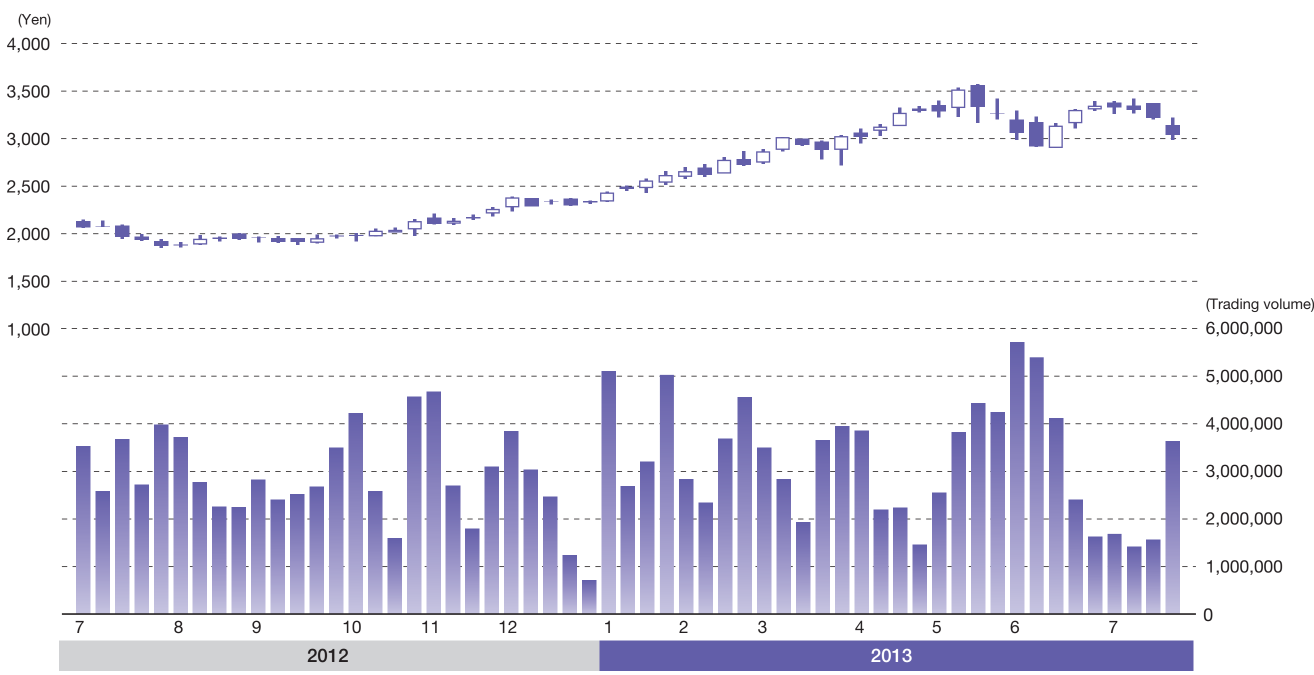
CORPORATE PROFILE

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