ANNUAL REPORT 2020

YEAR ENDED MARCH 31, 2020

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.

マルちゃん®

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 the fiscal year ended March 31, 2020.

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 2020

During the fiscal year ended March 31, 2020, the Japanese economy recovered gradually, mainly driven by internal demand reflecting improvements in the employment and income environments, despite weak external demand attributable to a slowdown in overseas economies and other factors. Nevertheless, ample vigilance is needed regarding the risk of a downturn in economies in Japan and overseas due to infectious disease, along with monitoring of the impact of fluctuations in the financial and capital markets, among other factors.

Under these circumstances, the Toyo Suisan Group (hereafter, the "Group"), has remained committed to its mission "to contribute to society through foods" and "to provide safe and secure foods and services to customers" under the corporate slogan of "Smiles for All." The Group continued to implement further cost reductions and promoted aggressive sales activities in its efforts to face an increasingly competitive sales environment.

As a result, net sales were ¥416,032 million (up 3.7% year on year), operating income was ¥28,348 million (up 19.8% year on year), and net income attributable to owners of parent was ¥23,380 million (up 26.8% year on year) for the current fiscal year.

June 2020

Masanari Imamura

Masanari Imamura
Representative Director and President

CONSOLIDATED FINANCIAL HIGHLIGHTS

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES
YEARS ENDED MARCH 31, 2019 AND 2020

		Millions of yen		Thousands of U.S. dollars (Note 1)
		2019	**2020**	**2020**
For the year:	Net sales	¥401,064	**¥416,032**	**$3,823,472**
	Operating income	23,662	**28,348**	**260,528**
	Net income attributable to owners of parent	18,439	**23,380**	**214,870**
At year-end:	Total assets	¥390,191	**¥402,609**	**$3,700,110**
	Total net assets	307,729	**317,994**	**2,922,470**
Per share of common stock:	Net income	¥180.5	**¥228.9**	**$2.10**
(in yen and U.S. dollars)	Cash dividends	70.0	**80.0**	**0.74**

Dollar amounts represent translations at the rate of ¥108.81 = US$1, the rate prevailing on March 31, 2020.

REVIEW OF OPERATIONS

Seafood Segment

Sales

29,862

million yen

In the Seafood Segment, although the Group focused on selling products at reasonable prices to convenience stores and mass retailers amid the effects of market fluctuations for the core products of salmon, trout, fish eggs, etc. and price rises in the cost of fish due to fewer inshore fish caught in Japan and other countries, competition intensified and sales volumes decreased. As a result, segment sales were ¥29,862 million (down 0.5% year on year) while segment loss was ¥672 million (compared with a segment income of ¥158 million in the previous fiscal year).

Overseas Instant Noodles Segment

Sales

88,992

million yen

In the Overseas Instant Noodles Segment, sales increased in the U.S. because of favorable sales of our signature products, the bag-type noodle product *Ramen* series and the cup-type noodle product *Instant Lunch* series, owing to regular sales campaigns to existing customers and sales to new customers, in addition to the implementation of special sales campaigns at each of our leading customers' stores. In Mexico, sales increased thanks to robust trends from cup-type noodles, our signature products, and favorable sales of bag-type noodles, for which we reinforced sales. As a result, segment sales were ¥88,992 million (up 6.2% year on year). Segment income was ¥12,194 million (up 27.2% year on year) mainly due to increased sales volume, the curbing of sales promotion costs, reduced distribution costs, and a decrease in raw material costs due to lower unit cost of main raw materials, despite factors such as an increase in personnel expenses.

Domestic Instant Noodles Segment

Sales

133,302

million yen

In the Domestic Instant Noodles Segment, amid production and supply costs increasing, the Group revised prices from June 2019 in order to steadily deliver quality products that satisfy customers. Under these circumstances, sales increased through efforts to stimulate demand including various promotions and new product launches. In cup noodles, efforts centered on our Japanese-style series such as *Akai Kitsune Udon* and *Midori no Tanuki Ten Soba*, the *Menzukuri* series, the *MARUCHAN QTTA* series, and the *Gotsu Mori* series. In bag-type noodles, efforts centered on the *Maruchan Seimen* series. As a result, segment sales were ¥133,302 million (up 4.5% year on year) and segment income was ¥11,085 million (up 41.0% year on year) due to an increase in sales and the curbing of sales promotion costs, despite factors such as an increase in personnel expenses.

Frozen and Refrigerated Foods Segment

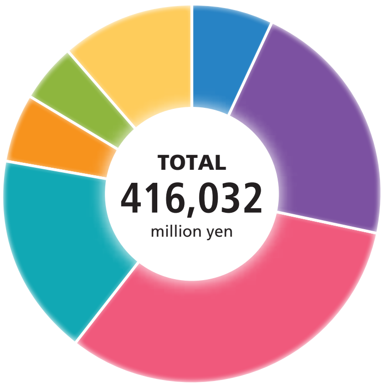
Sales

72,294

million yen

In the Frozen and Refrigerated Foods Segment, amid production and supply costs increasing, the Group revised prices from April 2019 in order to steadily deliver quality products that satisfy customers. Under these circumstances, fresh noodles saw favorable performance of thee-meal type ramen and *udon* noodle category due to consumer budget-consciousness in the wake of the consumption tax increase, with sales growing mainly in the *Maruchan Yakisoba (Three-Meal Package)* series, for which we took initiatives such as sales of products offered for a limited time only and implementation of consumer campaigns. Furthermore, sales also increased in fresh noodles thanks to the significant increases of the *Tsuruyaka* series, whose preparation simply requires separating the noodles by water and whose sales area has increased throughout Japan this fiscal year, and of the *Pari-Pari Mugen* series, which offers a very tasty way to eat vegetables. Sales of frozen and chilled foods decreased due to lower sales volumes of our signature *shumai* (steamed dumpling) and rice burger products following price revisions. As a result, segment sales were ¥72,294 million (up 4.5% year on year) and segment income was ¥5,587 million (up 23.0% year on year) due to an increase in sales, despite increases mainly in personnel expenses and distribution costs.

Net Sales by Segment



1	Seafood Segment	7.2%	29,862 million yen
2	Overseas Instant Noodles Segment	21.4%	88,992 million yen
3	Domestic Instant Noodles Segment	32.0%	133,302 million yen
4	Frozen and Refrigerated Foods Segment	17.4%	72,294 million yen
5	Processed Foods Segment	5.8%	24,185 million yen
6	Cold-Storage Segment	4.9%	20,530 million yen
7	Other Business Segment	11.3%	46,867 million yen

Processed Foods Segment

Sales
24,185
million yen

In the Processed Foods Segment, the Group is working to increase production capacity in packaged cooked rice and freeze-dried products in order to capture market expansion. We worked to introduce new products in addition to promoting sales of our signature products such as, in packaged cooked rice, the *Attaka Gohan* series, an aseptically packaged cooked rice product, and the packaged flavored cooked rice series including *Fukkura Sekihan*, and in freeze-dried products, the *Sozai no Chikara* series, a freeze-dried soup product with five packs in one bag. As a result, segment sales were ¥24,185 million (up 6.7% year on year), and the segment reported a segment loss of ¥1,308 million (compared with a segment loss of ¥978 million in the previous fiscal year) owing to the increases mainly in depreciation associated with the start of operations of the new factories, and rise in raw material prices.

Cold-Storage Segment

Sales
20,530
million yen

In the Cold-Storage Segment, the Group saw robust sales from trade centered on frozen foods and trade in incidental businesses such as customs clearance and transportation, in addition to an effect of increase in warehouse capacity because of the operation of the Saitama Sugito Distribution Center and the Kobe Distribution Center, which began in January 2019. As a result, segment sales were ¥20,530 million (up 11.2% year on year) while segment income was ¥1,263 million (down 21.6% year on year) due to increases in depreciation and personnel expenses associated with the operation of new cold storage facilities, etc.

Other Business Segment

Sales
46,867
million yen

The Other Business Segment consists of mainly the packed lunch/deli food business. Segment sales were ¥46,867 million (down 5.2% year on year) while segment income was ¥872 million (down 41.3% year on year).

ENVIRONMENTAL AND SOCIAL CONTRIBUTION INITIATIVES

Environmental Impact Data (Toyo Suisan Kaisha, Ltd.)

Environmental Responses

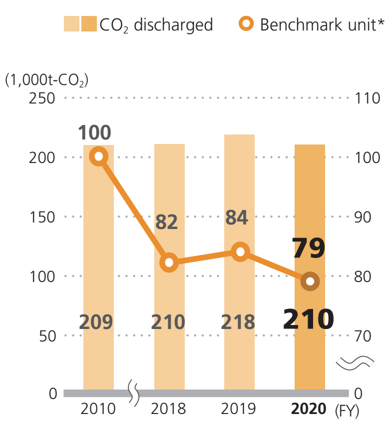
Seeking to reduce the environmental impact of its business activities, the Toyo Suisan Group has taken various steps to promote environmental protection. These include acquiring official certification from third-party organizations and pursuing initiatives that take environmental value into consideration.

Measures to Prevent Global Warming

To minimize environmental impacts related to global warming, we work continuously to reduce the volume of materials used and CO_2 discharged into the atmosphere, not only during production but also in the materials procurement and logistics processes. Other initiatives include converting food residue generated at our factories into fertilizer and feed, taking actions to minimize leakage of chlorofluorocarbons (CFCs) from our refrigerated warehouses, and recycling used packaging materials. In addition, when designing and constructing new facilities, we consider the impact on the environment after operation begins.

Integrated research facility incorporating energy-saving system for all equipment in the building

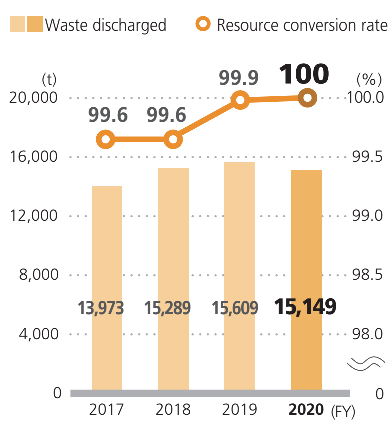
CO_2 discharged and per unit of sales



*Benchmark unit: FY2010=100

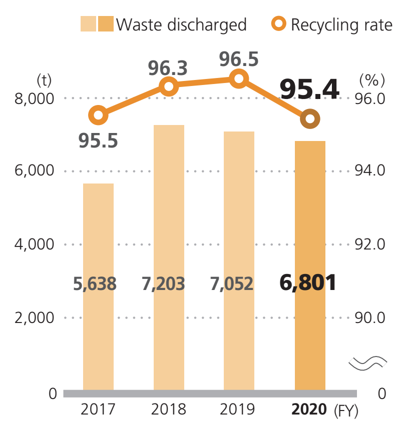
Our efforts to save energy, increase the use of renewable energy, and minimize CFC leakage have led to a decline in CO_2 emissions and improvement in per unit of sales.

Industrial waste discharged and resource conversion rate



Our resource conversion rate has reached 100% thanks to a decrease in waste as a result of yield improvements, promotion of recycling, and the overhaul of our wastewater treatment system.

Food waste discharged and recycling rate (Toyo Suisan Kaisha, Ltd.)

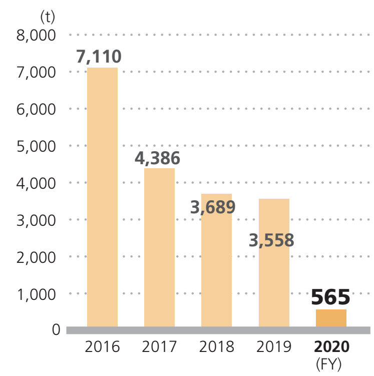


Our efforts to reduce manufacturing problems and modify processing methods at factories led to a decline in food waste discharged in the fiscal year ended March 31, 2020, enabling us to keep the recycling rate above the 95% target stipulated by law.

Reducing CFC Leakage

In the Cold-Storage Segment, we are replacing CFC refrigerants, which have a large greenhouse effect, with natural refrigerants (containing ammonia and CO_2), which have a relatively low impact, in our refrigeration facilities. In the fiscal year ended March 31, 2020, we replaced equipment at our Jonanjima and Maishima cold storage facilities, as well as at Imari Toyo Co., Ltd. We also stepped up inspections and introduced equipment that uses natural refrigerants. As a result, Toyo Suisan Kaisha, Ltd. fell below the standard required for reporting to the national government (1,000 tons of CO_2 equivalent).

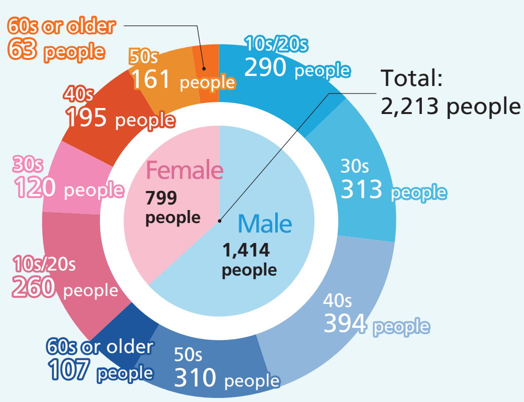
CFCs leakage (CO_2 equivalent)



*Toyo Suisan Kaisha, Ltd.

Employee Data (As of March 31, 2020)

● Employee breakdown



● Average age

41.0 years old

● Average length of service

15.2 years

● Number/ratio of female managers

17 people / **6.4** %

● Number/ratio of employees with disabilities

51 people / **2.08** %

● Parental leave uptake rate

Male: **4** % / Female: **100** %

● Number of diversity study sessions held for managers*

58 times

● Number of compliance study sessions held*

194 times

*Includes those held at Group companies

ENVIRONMENTAL AND SOCIAL CONTRIBUTION INITIATIVES

ESG Initiatives

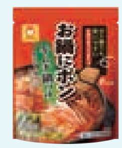
Reducing Food Loss

People are placing more and more attention on issues related to food waste, including food loss. Deeply committed to the effective use of limited resources, the Toyo Suisan Group works hard to lower industrial waste discharged in the manufacturing process, including reducing packaging materials for products, while increasing resource conversion rate. We are also extending the shelf lives of our freeze-dried and chilled noodle products, while offering products designed to be eaten with vegetables and other regular stock foods that tend to get left behind in the refrigerator. In addition, we are collaborating with food banks to reduce food loss. These are specific examples of our initiatives to minimize food loss at the manufacturing, distribution, and consumption stages of our product life cycles.

Examples of Products with Extended Shelf Lives

Taberu Soup Odashi no Kiita Omochi Soup (Rice cake soup with distinctive *dashi* flavor)

Shelf life
6 months ➡ 8 months
2-month extension



Onabe ni Pon Kimuchi Nabe Tsuyu (Stock cubes for kimchee hot pot)

Shelf life
8 months ➡ 10 months
2-month extension

Tsuruyaka inaniwa-fuu hoso-udon Two-Meal Package (Inaniwa-style thin-noodle udon whose preparation simply requires separating the noodles by water)

Shelf life
12 days ➡ 15 days
3-day extension

Contributing to Increased Healthy Longevity

The Toyo Suisan Group is committed to realizing a society of healthy longevity and addressing people's increasing health consciousness against the backdrop of declining birthrates and an aging population. To this end, we will upgrade our lineup of products that meet various consumer needs—including vegetables, basic materials (brown rice, barley, and cereals), foods with function claims, and products that meet special requirements, such as reduced salt, zero additives, and low sugar—while enhancing sales floor development. In addition, we will leverage our Groupwide strengths to develop various new offerings, including healthy seafood products and items that reflect our commitment to *dashi* (Japanese soup stock). In addition to emphasizing delicious taste as a matter of course, we will continue offering products that meet the various needs of health-conscious consumers.

Taberu Soup Chinese soup with seven vegetables and chicken stock

Pari-Pari Mugen Kyabetsu no Moto One-Meal Package (Crispy noodle, to be eaten with cabbage)

Genmai to Mugi no Zosui Mame-Iri (Brown rice and barley porridge with beans)

Umai Tsuyu with reduced salt *Kitsune Udon*

Fish and chicken sausage Set of three

Sanshu no Dashi Shikomi Saba (Mackerel pickled with three types of stock)

Reducing Consumption of Fossil Fuels

We strive to reduce our consumption of fossil fuels and the environmental impact of our CO_2 emissions by transporting our products more efficiently. To this end, we endeavor to place business orders with logistics companies two days before the delivery date, and we are promoting a modal shift that entails switching from individual-lot deliveries to deliveries by chartered automobiles.

Shipping facility

CORPORATE GOVERNANCE

Toyo Suisan's Basic Approach to Corporate Governance

Toyo Suisan Kaisha, Ltd. recognizes that accurate and rapid decision making will affect the future growth of the company. We also recognize how important strengthening and enhancing corporate governance are to management, and think it is important to reinforce compliance and make the responsibilities of directors and the structure of responsibilities for the individual business segments explicit. We will continue to ensure management's transparency and swift decision making and to strengthen and enhance corporate governance in the future as well.

Board of Directors

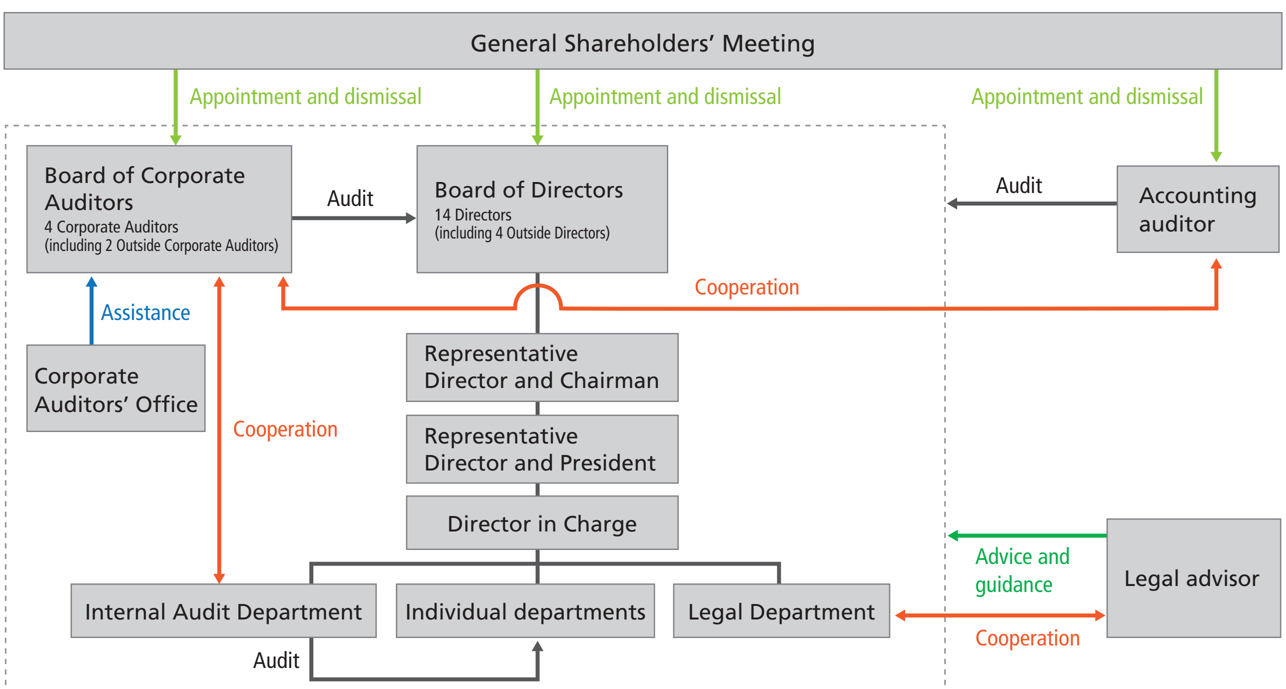
The Board of Directors serves as the Company's decision-making body. The Board of Directors comprises fourteen directors, including four outside directors. The Board of Directors generally convenes once a month, and also as needed. It thoroughly debates issues from the perspective of the group as a whole. The Board of Directors receives reports on the execution of duties, monitors the execution of duties, and decides on matters, including those stipulated in the Companies Act. The term of directors has been set at one year to ensure a management structure that can respond flexibly to changes in the business environment.

Outside directors have knowledge that is beneficial to the Company and fulfill a supervisory role from an independent perspective.

Board of Corporate Auditors

The Company has adopted the corporate auditor system. The Board of Corporate Auditors consists of four auditors, two of whom are outside auditors. Each corporate auditor attends Board of Directors' meetings and other important meetings and monitors the execution of duties by directors through such means as investigating the status of operations and assets, based on the audit policies, audit plans, and division of duties decided at Board of Corporate Auditors' meetings.

CORPORATE GOVERNANCE STRUCTURE



* In addition, we have set up an internal reporting system called "Report Line" aimed at prevention and/or early detection and correction of legal violations and in-house fraud. This system, which is independent from top management, consists of an internal contact line (general inquiries, corporate auditor contact line), and an external contact line (handled by a lawyer).

CONSOLIDATED BALANCE SHEETS

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES
AS OF MARCH 31, 2019 AND 2020

ASSETS

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	2020	2020
Current assets:			
Cash on hand and at banks (Notes 3 and 4)	¥ 86,281	¥112,755	$1,036,256
Notes and accounts receivable - Trade (Note 4)	54,386	57,071	524,501
Amounts due from unconsolidated subsidiaries and affiliates	450	383	3,520
Other	1,440	1,280	11,764
Less: Allowance for doubtful accounts	(629)	(650)	(5,974)
	55,647	58,084	533,811
Securities (Notes 3, 4 and 5)	32,000	23,000	211,378
Inventories (Note 7)	26,224	20,008	183,880
Other	3,147	1,786	16,414
Total current assets	203,299	215,633	1,981,739
Property, plant and equipment (Notes 8, 12 ,18 and 21):			
Buildings and structures	155,031	160,070	1,471,096
Machinery and equipment	129,776	136,144	1,251,209
Leased assets	5,327	5,561	51,107
Other	6,307	6,433	59,122
	296,441	308,208	2,832,534
Less: Accumulated depreciation	(185,010)	(194,237)	(1,785,102)
	111,431	113,971	1,047,432
Land	35,622	34,976	321,441
Construction in progress	5,723	7,234	66,482
Total property, plant and equipment	152,776	156,181	1,435,355
Intangible assets	1,605	1,443	13,261
Investments and other assets:			
Investments in unconsolidated subsidiaries and affiliates (Note 4)	4,565	4,834	44,426
Investment securities (Notes 4 and 5)	25,845	22,185	203,888
Deferred tax assets (Note 14)	1,166	1,378	12,664
Asset for retirement benefits (Note 10)	76	64	588
Other	859	891	8,189
Total investments and other assets	32,511	29,352	269,755
Total assets	¥390,191	¥402,609	$3,700,110

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

LIABILITIES AND NET ASSETS

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	2020	2020
Current liabilities:			
Short-term loans (Notes 4 and 9)	¥ 644	¥ 324	$ 2,978
Lease obligations (Notes 4 and 9)	255	311	2,858
Notes and accounts payable - Trade (Note 4)	25,001	24,206	222,461
Amounts due to unconsolidated subsidiaries and affiliates	1,320	1,325	12,177
Other	2,600	820	7,536
	28,921	26,986	248,010
Income taxes payable	1,910	4,556	41,871
Accrued expenses	21,111	23,247	213,648
Other	1,030	1,867	17,158
Total current liabilities	53,871	56,656	520,687
Non-current liabilities:			
Lease obligations (Notes 4 and 9)	3,665	3,734	34,317
Deferred tax liabilities (Note 14)	3,477	2,186	20,090
Reserve for retirement benefits for directors and other officers	302	326	2,996
Liability for retirement benefits (Note 10)	18,899	20,303	186,591
Asset retirement obligations	217	213	1,958
Other	2,031	1,197	11,001
Total non-current liabilities	28,591	27,959	256,953
Total liabilities	82,462	84,615	777,640
Contingent liabilities (Note 19)			
Net assets (Notes 15 and 16):			
Shareholders' equity:			
Common stock-			
Authorized: 427,000,000 shares in 2019 and 2020			
Issued: 110,881,044 shares in 2019 and 2020	18,969	18,969	174,331
Capital surplus	22,942	22,942	210,845
Retained earnings	252,892	268,101	2,463,937
Treasury stock, at cost			
Held by the Company: 8,703,129 shares in 2019 and 8,703,672 shares in 2020			
Owned by consolidated subsidiaries and affiliates: 49,018 shares in 2019 and 2020	(8,228)	(8,231)	(75,646)
Total shareholders' equity	286,575	301,781	2,773,467
Accumulated other comprehensive income (loss):			
Net unrealized gain on investment securities, net of taxes (Note 5)	9,854	7,373	67,760
Net unrealized gain (loss) on hedging instruments, net of taxes (Note 6)	(2)	12	110
Foreign currency translation adjustments	2,054	37	340
Adjustment for retirement benefits, net of taxes (Note 10)	(1,843)	(2,555)	(23,481)
Total accumulated other comprehensive income	10,063	4,867	44,729
Non-controlling interests	11,091	11,346	104,274
Total net assets	307,729	317,994	2,922,470
Total liabilities and net assets	¥390,191	¥402,609	$3,700,110

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

CONSOLIDATED STATEMENTS OF INCOME

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES
FOR THE YEARS ENDED MARCH 31, 2019 AND 2020

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	2020	2020
Net sales (Note 21)	¥401,064	¥416,032	$3,823,472
Cost of sales (Note 11)	254,754	261,912	2,407,058
Gross profit	146,310	154,120	1,416,414
Selling, general and administrative expenses (Note 11)	122,648	125,772	1,155,886
Operating income (Note 21)	23,662	28,348	260,528
Non-operating income (expenses):			
Interest and dividend income	2,187	2,459	22,599
Interest expenses	(252)	(246)	(2,261)
Equity in earnings of affiliate accounted for under the equity method	143	151	1,388
Gain (Loss) on sales or disposal of property, plant and equipment, net	(300)	346	3,180
Impairment losses on fixed assets (Notes 12 and 21)	(201)	(116)	(1,066)
Subsidy received	811	1,003	9,218
Loss on disaster (Note 13)	(131)	(32)	(294)
Other, net	(13)	688	6,322
Income before income taxes	25,906	32,601	299,614
Income taxes (Note 14):			
Current	6,078	8,853	81,362
Deferred	876	(128)	(1,176)
	6,954	8,725	80,186
Net income	18,952	23,876	219,428
Net income attributable to:			
Non-controlling interests	513	496	4,558
Owners of parent	¥ 18,439	¥ 23,380	$ 214,870

	Yen		U.S. dollars (Note 1)
	2019	2020	2020
Amounts per share of common stock (Note 17):			
Net income	¥180.5	¥228.9	$2.10
Cash dividends applicable to the year	70.0	80.0	0.74

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES
FOR THE YEARS ENDED MARCH 31, 2019 AND 2020

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	**2020**	**2020**
Net income	¥18,952	**¥23,876**	**$219,428**
Other comprehensive income (loss) (Note 20):			
Net unrealized loss on investment securities, net of taxes	(82)	**(2,641)**	**(24,271)**
Net unrealized gain on hedging instruments, net of taxes	38	**14**	**129**
Foreign currency translation adjustments	3,997	**(2,017)**	**(18,537)**
Adjustment for retirement benefits, net of taxes	227	**(704)**	**(6,470)**
Share of other comprehensive income (loss) of affiliate accounted for using the equity method	(7)	**53**	**487**
Total other comprehensive income (loss)	4,173	**(5,295)**	**(48,662)**
Comprehensive income	¥23,125	**¥18,581**	**$170,766**
Total comprehensive income attributable to:			
Owners of parent	¥22,860	**¥18,183**	**$167,108**
Non-controlling interests	265	**398**	**3,658**

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

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES
FOR THE YEARS ENDED MARCH 31, 2019 AND 2020

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 on investment securities, net of taxes	Net unrealized gain (loss) on hedging instruments, net of taxes	Foreign currency translation adjustments	Adjustment for retirement benefits, net of taxes	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance at March 31, 2018	¥18,969	¥22,942	¥240,581	¥(8,227)	¥274,265	¥9,681	¥(40)	¥(1,942)	¥(2,057)	¥ 5,642	¥10,975	¥290,882
Net income attributable to owners of parent	—	—	18,439	—	18,439	—	—	—	—	—	—	18,439
Cash dividends paid	—	—	(6,128)	—	(6,128)	—	—	—	—	—	—	(6,128)
Change in treasury shares of parent arising from transactions with non-controlling shareholders	—	(0)	—	—	(0)	—	—	—	—	—	—	(0)
Acquisition of treasury stock	—	—	—	(1)	(1)	—	—	—	—	—	—	(1)
Net changes in items except shareholders' equity	—	—	—	—	—	173	38	3,996	214	4,421	116	4,537
Balance at March 31, 2019	¥18,969	¥22,942	¥252,892	¥(8,228)	¥286,575	¥9,854	¥ (2)	¥ 2,054	¥(1,843)	¥10,063	¥11,091	¥307,729
Net income attributable to owners of parent	—	—	23,380	—	23,380	—	—	—	—	—	—	23,380
Cash dividends paid	—	—	(8,171)	—	(8,171)	—	—	—	—	—	—	(8,171)
Change in treasury shares of parent arising from transactions with non-controlling shareholders	—	(0)	—	—	(0)	—	—	—	—	—	—	(0)
Acquisition of treasury stock	—	—	—	(3)	(3)	—	—	—	—	—	—	(3)
Net changes in items except shareholders' equity	—	—	—	—	—	(2,481)	14	(2,017)	(712)	(5,196)	255	(4,941)
Balance at March 31, 2020	¥18,969	¥22,942	¥268,101	¥(8,231)	¥301,781	¥7,373	¥ 12	¥ 37	¥(2,555)	¥ 4,867	¥11,346	¥317,994

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 on investment securities, net of taxes	Net unrealized gain (loss) on hedging instruments, net of taxes	Foreign currency translation adjustments	Adjustment for retirement benefits, net of taxes	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance at March 31, 2019	$174,331	$210,845	$2,324,161	$(75,618)	$2,633,719	$90,562	$ (19)	$18,877	$(16,938)	$92,482	$101,930	$2,828,131
Net income attributable to owners of parent	—	—	214,870	—	214,870	—	—	—	—	—	—	214,870
Cash dividends paid	—	—	(75,094)	—	(75,094)	—	—	—	—	—	—	(75,094)
Change in treasury shares of parent arising from transactions with non-controlling shareholders	—	(0)	—	—	(0)	—	—	—	—	—	—	(0)
Acquisition of treasury stock	—	—	—	(28)	(28)	—	—	—	—	—	—	(28)
Net changes in items except shareholders' equity	—	—	—	—	—	(22,802)	129	(18,537)	(6,543)	(47,753)	2,344	(45,409)
Balance at March 31, 2020	$174,331	$210,845	$2,463,937	$(75,646)	$2,773,467	$67,760	$110	$ 340	$(23,481)	$44,729	$104,274	$2,922,470

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES
FOR THE YEARS ENDED MARCH 31, 2019 AND 2020

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2019	**2020**	**2020**
Cash flows from operating activities:			
Income before income taxes	¥25,906	**¥32,601**	**$299,614**
Depreciation and amortization	13,842	**14,781**	**135,842**
Impairment losses on fixed assets	201	**116**	**1,066**
Equity in earnings of affiliates accounted for under the equity method	(143)	**(151)**	**(1,388)**
Increase in reserve for retirement benefits for directors and other officers	22	**24**	**221**
Increase in allowance for doubtful accounts	226	**21**	**193**
Increase (Decrease) in liability for retirement benefits	(58)	**445**	**4,090**
Interest and dividend income	(2,187)	**(2,459)**	**(22,599)**
Interest expenses	252	**246**	**2,261**
Loss (Gain) on sales or disposal of property, plant and equipment, net	299	**(346)**	**(3,180)**
Increase in notes and accounts receivable - Trade	(127)	**(2,754)**	**(25,310)**
Decrease (Increase) in inventories	(2,253)	**6,140**	**56,429**
Increase (Decrease) in notes and accounts payable - Trade	182	**(733)**	**(6,737)**
Increase (Decrease) in accrued expenses	(79)	**2,175**	**19,989**
Other, net	(686)	**2,175**	**19,989**
Subtotal	35,397	**52,281**	**480,480**
Interest and dividend income received	1,899	**2,593**	**23,830**
Interest expenses paid	(252)	**(246)**	**(2,261)**
Income taxes paid	(6,016)	**(6,935)**	**(63,735)**
Net cash provided by operating activities	31,028	**47,693**	**438,314**
Cash flows from investing activities:			
Payments for time deposits	(63,694)	**(74,482)**	**(684,514)**
Proceeds from maturities of time deposits	57,478	**62,881**	**577,897**
Payments for purchase of securities	(81,000)	**(71,000)**	**(652,514)**
Proceeds from sales and redemption of securities	88,000	**84,000**	**771,988**
Payments for purchase of property, plant and equipment	(27,937)	**(20,632)**	**(189,615)**
Proceeds from sales of property, plant and equipment	24	**1,623**	**14,916**
Payments for purchase of intangible assets	(454)	**(498)**	**(4,577)**
Payments for purchase of investment securities	(29)	**(250)**	**(2,298)**
Proceeds from sales of investment securities	343	**17**	**156**
Payments for loans receivable	(1,324)	**(1,639)**	**(15,063)**
Collections of loans receivable	1,269	**1,643**	**15,100**
Other, net	(34)	**(118)**	**(1,083)**
Net cash used in investing activities	(27,358)	**(18,455)**	**(169,607)**
Cash flows from financing activities:			
Proceeds from short-term loans	1,180	**626**	**5,753**
Repayments of short-term loans	(822)	**(945)**	**(8,685)**
Purchase of treasury stock of subsidiaries	(1)	**(2)**	**(18)**
Cash dividends paid	(6,122)	**(8,165)**	**(75,039)**
Cash dividends paid to non-controlling interests	(146)	**(139)**	**(1,277)**
Other, net	(253)	**(288)**	**(2,647)**
Net cash used in financing activities	(6,164)	**(8,913)**	**(81,913)**
Effect of exchange rate changes on cash and cash equivalents	371	**(215)**	**(1,976)**
Net increase (decrease) in cash and cash equivalents	(2,123)	**20,110**	**184,818**
Cash and cash equivalents at beginning of year	25,410	**23,287**	**214,015**
Cash and cash equivalents at end of year (Note 3)	¥23,287	**¥43,397**	**$398,833**

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

TOYO SUISAN KAISHA, LTD. AND ITS SUBSIDIARIES

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.

In preparing the consolidated financial statements, certain reclassifications and changes in presentation have been made to the consolidated financial statements issued in Japan in order to present them in a form that is more familiar to readers outside Japan. Certain reclassifications have been made to the prior year's consolidated financial statements to conform to the presentation for the current year.

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, 2020, which was ¥108.81 to U.S. $1. This convenience translation should not be construed as a representation 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 had 28 subsidiaries as of March 31, 2019 and 2020. The accompanying consolidated financial statements include the accounts of the Company and 23 subsidiaries as of March 31, 2019 and 2020. The subsidiaries that are significant are consolidated.

Consolidated subsidiaries as of March 31, 2019 and 2020 are as follows:

Equity ownership percentage

Name of subsidiary	2019	2020
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.	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**
Choshi Toyo Kaisha, Ltd.	100.0	**100.0**
Yutaka Foods Corporation	50.9	**50.9**
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. (*1)	100.0	**100.0**
Maruchan Virginia, Inc. (*1)	100.0	**100.0**
Maruchan Texas, Inc. (*1)	100.0	**100.0**
Maruchan de Mexico, S.A. de C.V. (*2)	100.0	**100.0**
Sanmaru de Mexico, S.A.de C.V. (*2)	100.0	**100.0**
Maruchan do Brasil Serviços Ltda. (*3)	100.0	**100.0**
Pac-Maru, Inc. (*1)	100.0	**100.0**
Shimaya Co., Ltd.	61.0	**61.0**

(*1) Incorporated in the U.S.A.
(*2) Incorporated in Mexico
(*3) Incorporated in Brazil

The remaining five unconsolidated subsidiaries as of March 31, 2019 and 2020, whose combined assets, net sales, net income and retained earnings are not significant individually and in the aggregate to the consolidated financial statements, have not been consolidated.

The main unconsolidated subsidiaries as of March 31, 2019 and 2020 are as follows:

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

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

The Company has four affiliates as of March 31, 2019 and 2020.

The affiliate to which the equity method has been applied for the years ended March 31, 2019 and 2020 is as follows:

Equity ownership percentage

Name of affiliate	2019	2020
Semba Tohka Industries Co., Ltd.	26.4%	**26.4%**

The investments in the five unconsolidated subsidiaries as of March 31, 2019 and 2020, and three affiliates (Higashimaru International Corporation and other two affiliates) as of March 31, 2019 and 2020, 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 in the consolidated financial statements.

(3) Consolidation principles —

The closing date of all consolidated subsidiaries and the affiliate to which the equity method has been applied is 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 eliminated, and the portion thereof attributable to non-controlling interests is charged to non-controlling interests.

(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.

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 the profit or loss of the current year, is translated into Japanese yen at the historical rates. Profit or loss for the year is translated into Japanese yen using the exchange rates prevailing at the balance sheet date. Differences arising on translation are presented as foreign currency translation adjustments in net assets.

(5) Cash and cash equivalents —

Cash and cash equivalents in the 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 a market value are stated at fair value based on the market prices as of the balance sheet date with any unrealized gains or losses, net of applicable taxes, reported as a component of accumulated other comprehensive income. The cost of securities sold is stated using the moving average cost. Available-for-sale securities without a 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 as a component of accumulated other comprehensive income in the consolidated balance sheet, 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 form of foreign exchange forward contracts to hedge against fluctuations in foreign currency exchange rates. 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 as the hedged item. The hedging relationships between the derivative financial instruments and the hedged items are highly effective in offsetting changes in foreign currency exchange rates.

(8) Allowance for doubtful accounts —

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

(9) Inventories —

Inventories are stated at the lower of cost, principally calculated based on the monthly moving-average method, and net realizable value.

(10) Property, plant and equipment (excluding leased assets) —

Depreciation of property, plant and equipment (excluding leased assets) is mainly computed using the declining balance method over the estimated useful lives. On the other hand the Company and its domestic subsidiaries use the straight line method for buildings (excluding facilities attached to buildings) which were acquired since April 1, 1998, and for facilities attached to buildings and structures which were acquired since April 1, 2016.

The range 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 included in income.

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

(11) Intangible assets (excluding leased assets) —

Amortization of intangible assets is mainly computed by the straight-line method over 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.

(12) Accounting for leases —

Leased property under finance lease arrangements which transfer ownership of the leased property to the lessee is depreciated by the same method as the one applied to property, plant and equipment owned by the Company.

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 corresponding lease obligations in the consolidated balance sheet. The leased assets are depreciated over the lease term of the respective assets.

(13) Retirement benefits and pension plans —

(a) Retirement benefits for employees

The benefit formula method is used to attribute retirement benefit obligations to the period through the end of the fiscal year. Past service costs that are yet to be recognized are amortized mainly over ten years, which is within the average remaining service period of the scheme participants, using the straight-line method from the year they arose. Actuarial gains and losses that are yet to be recognized are amortized mainly over ten years, which is within the average remaining service period of the scheme participants, using the straight-line method from the year following the year in which they arose. Certain domestic consolidated subsidiaries apply a simplified method in calculating retirement benefit obligations and retirement benefit costs.

(b) Retirement benefits for directors and other officers

Certain domestic consolidated subsidiaries accrue the liabilities for retirement benefits to directors and other officers based on an amount equivalent to 100% of such benefits which would be required to be paid if all eligible directors and other officers retired at the year-end date. The payments of retirement benefits to directors and other officers are subject to approval of shareholders' meetings.

(14) 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.

(15) Accounting for consumption tax —

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 assets or other current liabilities on the consolidated balance sheets.

(16) Change in accounting policies —

(Adoption of Financial Accounting Standards Board Accounting Standards Codification (ASC) No. 606 "Revenue from Contracts with Customers")

Overseas consolidated subsidiaries that adopt US GAAP have applied ASC No. 606 "Revenue from Contracts with Customers" from the fiscal year ended March 31, 2020. Due to this application, the Company has revised the standard for revenue recognition, and recognizes revenue for all contracts at the expected amount of consideration for the promised goods and services at the time of transfer to the customer. The effects of this change on the consolidated financial statements are immaterial.

(17) Standards and guidance not yet adopted —

1. The Company and its domestic consolidated subsidiaries

"Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020)
"Implementation Guidance on Accounting Standard for Revenue Recognition" (ASBJ Guidance No. 30, March 31, 2020)
"Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, March 31, 2020)

(a) Overview

The above standard and guidance provide comprehensive principles for revenue recognition. Under the standard and guidance, revenue is recognized by applying following 5 steps:

Step1: Identify contract(s) with customers.
Step2: Identify the performance obligations in the contract.
Step3: Determine the transaction price.
Step4: Allocate the transaction price to the performance obligation in the contract.
Step5: Recognize revenue when (or as) the entity satisfies a performance obligation.

(b) Effective date

Effective from the beginning of the fiscal year ending March 31, 2022.

(c) Effects of the application of the standards

The Company and its domestic consolidated subsidiaries are currently in the process of determining the effects of this new standard on the consolidated financial statements.

"Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019)
"Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, July 4, 2019)
"Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9, July 4, 2019)
"Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019)
"Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, March 31, 2020)

(a) Overview

In order to enhance comparability with internationally recognized accounting standards, "Accounting Standard for Fair Value Measurement" and "Implementation Guidance on Accounting Standard for Fair Value Measurement" (together, hereinafter referred to as "Fair Value Accounting Standards") were developed and guidance on methods measuring fair value was issued. Fair Value Accounting Standards are applicable to the fair value measurement of the following items:

- Financial instruments in "Accounting Standard for Financial Instruments"; and
- Inventories held for trading purposes in "Accounting Standard for Measurement of Inventories."

(b) Effective date

Effective from the beginning of the fiscal year ending March 31, 2022.

(c) Effects of the application of the standards

The effects of applying the standards on the consolidated financial statements are currently unknown.

2. Overseas consolidated subsidiaries

Standards and guidance issued or revised by March 31, 2020 but not adopted are set out below.

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

Name of the standard and guidance	Overview	Effective date
Leases (Accounting Standards Update 2016-02)	Revision of accounting treatment for lease transactions	Fiscal year ending March 31, 2023

3 Cash flow information:

Cash and cash equivalents as of March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Cash on hand and at banks	¥86,281	¥112,755	$1,036,256
Securities with an original maturity of 3 months or less	—	4,000	36,761
Time deposits with deposit term of over 3 months	(62,994)	(73,358)	(674,184)
Cash and cash equivalents	¥23,287	¥ 43,397	$ 398,833

4 Financial instruments:

(1) Outline of financial instruments

(a) Policy for financial instruments

The Company and its consolidated subsidiaries limit financial investment only to short-term deposits and short-term loans receivable among group companies (cash management system), or similar items. In addition, the Company has a policy to manage cash flow primarily through short-term borrowings from group companies (cash management system). Derivative 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. The Company and its consolidated subsidiaries do not hold derivatives for speculative purposes.

(b) Details of financial instruments and related risks

Trade notes and accounts receivable are exposed to customer credit risk. Securities comprise domestic certificates of deposits with short-term maturities. Investment securities are exposed to market price fluctuation risk.

Payment terms of notes and accounts payable are mostly less than one year. Most short-term loans are short-term loans between Group companies (cash management system). Long-term debt and lease obligations for finance leases are mainly for the purpose of financing capital investments.

Derivative transactions include foreign exchange forward contracts for the purpose of hedging against the foreign currency exchange fluctuation risk associated with trade payables denominated in foreign currencies. Information concerning hedge accounting is included 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 condition or other factors at an early stage through bi-annually monitoring principal customers' financial condition 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 some of its consolidated subsidiaries enter into foreign exchange forward contracts for the purpose of hedging against the foreign currency exchange fluctuation risk of trade payables denominated in foreign currencies. With respect to investment securities, the Company periodically monitors fair values and the financial position of the issuers.

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

c. Liquidity risk management and fund raising

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

(d) Supplementary explanation concerning fair values of financial instruments

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

(e) Concentration of credit risk

Trade receivables from the Company's major customer accounted for 29.9% and 34.7% of total trade receivables as of March 31, 2019 and 2020, 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, 2019 and 2020 are as follows:

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

2019

	Millions of yen		
	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	¥ 86,281	¥ 86,281	¥ —
(2) Notes and accounts receivable - Trade	54,386	54,386	—
(3) Securities	32,000	32,000	—
(4) Investments in unconsolidated subsidiaries and affiliates	2,624	2,167	(457)
(5) Investment securities Available-for-sale securities	25,176	25,176	—
Assets total	¥200,467	¥200,010	¥(457)
(1) Notes and accounts payable - Trade	¥ 25,001	¥ 25,001	¥ —
(2) Short-term loans	644	644	—
(3) Lease obligations (*1)	3,920	4,031	111
Liabilities total	¥ 29,565	¥ 29,676	¥ 111
Derivative transactions (*2)	¥ (1)	¥ (1)	¥ —

2020

	Millions of yen		
	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	**¥112,755**	**¥112,755**	**¥ —**
(2) Notes and accounts receivable - Trade	**57,071**	**57,071**	**—**
(3) Securities	**23,000**	**23,000**	**—**
(4) Investments in unconsolidated subsidiaries and affiliates	**2,786**	**1,863**	**(923)**
(5) Investment securities Available-for-sale securities	**21,401**	**21,401**	**—**
Assets total	**¥217,013**	**¥216,090**	**¥(923)**
(1) Notes and accounts payable - Trade	**¥ 24,206**	**¥ 24,206**	**¥ —**
(2) Short-term loans	**324**	**324**	**—**
(3) Lease obligations (*1)	**4,045**	**4,090**	**45**
Liabilities total	**¥ 28,575**	**¥ 28,620**	**¥ 45**
Derivative transactions (*2)	**¥ 17**	**¥ 17**	**¥ —**

2020

	Thousands of U.S. dollars		
	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	**$1,036,256**	**$1,036,256**	**$ —**
(2) Notes and accounts receivable - Trade	**524,501**	**524,501**	**—**
(3) Securities	**211,378**	**211,378**	**—**
(4) Investments in unconsolidated subsidiaries and affiliates	**25,604**	**17,122**	**(8,482)**
(5) Investment securities Available-for-sale securities	**196,682**	**196,682**	**—**
Assets total	**$1,994,421**	**$1,985,939**	**$(8,482)**
(1) Notes and accounts payable - Trade	**$ 222,461**	**$ 222,461**	**$ —**
(2) Short-term loans	**2,978**	**2,978**	**—**
(3) Lease obligations (*1)	**37,175**	**37,588**	**413**
Liabilities total	**$ 262,614**	**$ 263,027**	**$ 413**
Derivative transactions (*2)	**$ 156**	**$ 156**	**$ —**

(*1) Current portion of lease obligations is included in (3) Lease obligations.
(*2) Assets/liabilities arising from derivative transactions are disclosed as the net amount, and the net payable is shown in parentheses.

Notes:

(a) Calculation method of fair values of financial instruments

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 the short-term maturities of these instruments. Securities mainly comprise domestic certificates of deposits with short-term maturities.

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

The fair value of marketable equity securities is measured at the quoted market price on stock exchanges.

Liabilities:

(1) Notes and accounts payable – Trade and (2) Short-term loans

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

(3) Lease obligations

The fair values of lease obligations are determined by discounting the aggregated values of the principal and interest using an assumed interest rate for similar lease transactions.

Derivative financial instruments:

See the note "6. Derivative financial instruments".

(b) Financial instruments with no available fair values

	Millions of yen		Thousands of U.S. dollars
	2019	**2020**	**2020**
Unlisted equity securities	¥ 669	**¥ 784**	**$ 7,206**
Investments in unconsolidated subsidiaries and affiliates	1,941	**2,048**	**18,822**

The above items are not included in "(4) Investments in unconsolidated subsidiaries and affiliates and (5) Investment 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) Redemption schedule for financial assets with maturity dates subsequent to the year end

2019 — Millions of yen

	Within one year	One to five years	Over five to ten years	Over ten years
Cash on hand and at banks	¥ 86,281	¥ —	¥ —	¥ —
Notes and accounts receivable - Trade	54,386	—	—	—
Securities Certificates of deposits	32,000	—	—	—
Total	¥172,667	¥ —	¥ —	¥ —

2020 — Millions of yen

	Within one year	One to five years	Over five to ten years	Over ten years
Cash on hand and at banks	**¥112,755**	**¥ —**	**¥ —**	**¥ —**
Notes and accounts receivable - Trade	**57,071**	**—**	**—**	**—**
Securities Certificates of deposits	**23,000**	**—**	**—**	**—**
Total	**¥192,826**	**¥ —**	**¥ —**	**¥ —**

2020 — 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	**$1,036,256**	**$ —**	**$ —**	**$ —**
Notes and accounts receivable - Trade	**524,501**	**—**	**—**	**—**
Securities Certificates of deposits	**211,378**	**—**	**—**	**—**
Total	**$1,772,135**	**$ —**	**$ —**	**$ —**

(d) Redemption schedule for lease obligations with maturity dates subsequent to March 31, 2020

See note "9. Short-term loans and lease obligations".

5 Securities:

(1) There were no held-to-maturity securities as of March 31, 2019 and 2020.

(2) Available-for-sale securities with a market value as of March 31, 2019 and 2020 are as follows:

2019 — Millions of yen

	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition cost: Equity securities	¥24,789	¥10,435	¥14,354
Securities with carrying amount (fair value) not exceeding acquisition cost: Equity securities	387	454	(67)
Other	32,000	32,000	—
	¥57,176	¥42,889	¥14,287

2020

	Millions of yen		
	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition cost: Equity securities	**¥20,915**	**¥10,300**	**¥10,615**
Securities with carrying amount (fair value) not exceeding acquisition cost: Equity securities	**486**	**590**	**(104)**
Other	**23,000**	**23,000**	**—**
	¥44,401	**¥33,890**	**¥10,511**

2020

	Thousands of U.S. dollars		
	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition cost: Equity securities	**$192,215**	**$ 94,660**	**$97,555**
Securities with carrying amount (fair value) not exceeding acquisition cost: Equity securities	**4,467**	**5,422**	**(955)**
Other	**211,378**	**211,378**	**—**
	$408,060	**$311,460**	**$96,600**

(3) Available-for-sale securities sold during the years ended March 31, 2019 and 2020 are as follows:

2019

	Millions of yen		
	Sales proceeds	Total gain on sale	Total loss on sale
Equity securities	¥343	¥232	¥ —

2020

	Millions of yen		
	Sales proceeds	Total gain on sale	Total loss on sale
Equity securities	**¥17**	**¥14**	**¥ —**

2020

	Thousands of U.S. dollars		
	Sales proceeds	Total gain on sale	Total loss on sale
Equity securities	**$156**	**$129**	**$ —**

(4) Loss on write-down of investment securities during the years ended March 31, 2019 and 2020 are as follows:

During the year ended March 31, 2019 and 2020, the Company recorded losses on write-down of investment securities of ¥728 million (including ¥727 million for investments in unconsolidated subsidiaries and affiliates and ¥1 million for available-for-sale securities) and ¥27 million ($248 thousand) for available-for-sale securities, respectively.

The Company recognizes losses on write-down of investment securities based on the following criteria:
(a) All securities whose market value decline by 50% or more from acquisition cost.
(b) Securities whose market value decline between 30% or more and less than 50% from acquisition cost and without expected recoverability considering deviation between the market value and book values referring to the market price trend and considering financial ratios and other factors based on the published financial statements of the issuer.

6 Derivative financial instruments:

Contract amounts and fair values of derivative instruments for which hedge accounting is applied as of March 31, 2019 and 2020 are as follows:

2019

Transaction types	Major hedged items	Contract amount (Millions of yen)	Contract amount due over one year (Millions of yen)	Fair value (a) (Millions of yen)
Foreign exchange forward contracts: Buying U.S. dollar	Future purchase transactions denominated in foreign currency	¥1,090	¥ —	¥(1)
Foreign exchange forward contracts: Buying U.S. dollar (b)	Accounts payable	313	—	—
Total		¥1,403	¥ —	¥(1)

2020

Transaction types	Major hedged items	Contract amount (Millions of yen)	Contract amount due over one year (Millions of yen)	Fair value (a) (Millions of yen)
Foreign exchange forward contracts: Buying U.S. dollar	Future purchase transactions denominated in foreign currency	**¥1,445**	**¥ —**	**¥17**
Foreign exchange forward contracts: Buying U.S. dollar (b)	Accounts payable	**254**	**—**	**—**
Total		**¥1,699**	**¥ —**	**¥17**

2020

Transaction types	Major hedged items	Contract amount (Thousands of U.S. dollars)	Contract amount due over one year (Thousands of U.S. dollars)	Fair value (a) (Thousands of U.S. dollars)
Foreign exchange forward contracts: Buying U.S. dollar	Future purchase transactions denominated in foreign currency	**$13,280**	**$ —**	**$156**
Foreign exchange forward contracts: Buying U.S. dollar (b)	Accounts payable	**2,334**	**—**	**—**
Total		**$15,614**	**$ —**	**$156**

Notes:

(a) The fair values of derivative transactions are based on prices provided by applicable financial institutions.

(b) When foreign exchange forward contracts meet certain conditions, the corresponding hedged items are translated at the forward exchange contract rates. The fair values of such foreign exchange forward contracts are included in the fair value of the hedged accounts receivable or payable in note "4. Financial Instruments".

7 Inventories:

Inventories as of March 31, 2019 and 2020 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	**2020**	**2020**
Merchandise and finished goods	¥19,168	**¥13,598**	**$124,970**
Work in progress	333	**347**	**3,189**
Raw materials and supplies	6,723	**6,063**	**55,721**
Total	¥26,224	**¥20,008**	**$183,880**

8 Investments and rental property:

The Company and certain subsidiaries hold rental properties and idle properties in Tokyo and other areas of Japan. Profit that means rental income less expenses from those properties for the years ended March 31, 2019 and 2020 were ¥283 million and ¥457 million ($4,200 thousand), respectively.

The book value, net changes during the year and the fair values of such properties as of March 31, 2019 and 2020 are as follows:

			Millions of yen
		Book value	Fair value
Balance at March 31, 2018	Increase / (Decrease)	Balance at March 31, 2019	Balance at March 31, 2019
¥1,700	¥1,721	¥3,421	¥8,835

			Millions of yen
		Book value	Fair value
Balance at March 31, 2019	Increase / (Decrease)	Balance at March 31, 2020	Balance at March 31, 2020
¥3,421	**¥(594)**	**¥2,827**	**¥10,300**

			Thousands of U.S. dollars
		Book value	Fair value
Balance at March 31, 2019	Increase / (Decrease)	Balance at March 31, 2020	Balance at March 31, 2020
$31,440	**$(5,459)**	**$25,981**	**$94,660**

Notes:

(a) Book value represents acquisition cost less accumulated depreciation and accumulated impairment losses, if any.

(b) Increase in the year ended March 31, 2019 is mainly due to an increase in cold storage warehouses with a book value of ¥1,175 million due to an increase in the portion used as rental property. Decrease in the year ended March 31, 2020 is mainly due to sales of idle assets with a book value of ¥829 million ($7,619 thousand).

(c) Fair values of properties are mainly calculated internally based on the main-street land prices for tax purposes.

9 Short-term loans and lease obligations:

The average annual interest rate on short-term loans is 0.475% and 0.465% as of March 31, 2019 and 2020, respectively.

Lease obligations as of March 31, 2019 and 2020 consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2019	**2020**	**2020**
Lease obligations at an average interest rate of 7.392% for 2019 and 2020	¥3,920	**¥4,045**	**$37,175**
Less current portion	(255)	**(311)**	**(2,858)**
Long-term debt and lease obligations	¥3,665	**¥3,734**	**$34,317**

The aggregate annual maturities of lease obligations as of March 31, 2020 are as follows:

	Millions of yen	Thousands of U.S. dollars
2021	**¥ 311**	**$ 2,858**
2022	**280**	**2,573**
2023	**256**	**2,353**
2024	**249**	**2,288**
2025 and thereafter	**2,949**	**27,103**
Total	**¥4,045**	**$37,175**

10 Retirement benefits and pension plans:

The Company and its consolidated subsidiaries have funded and unfunded defined benefit plans covering substantially all employees.

Funded defined benefit pension plans provide lump-sum or pension payments based on the current basic salary and length of service of employees. Unfunded lump-sum severance payment plans provide lump-sum payments based on a point-based plan. Certain domestic consolidated subsidiaries apply a simplified method that uses the amount that would be required to be paid at the year-end for voluntary termination as the retirement benefit obligations in computing liabilities for retirement benefits and retirement benefit costs.

The tables below include plans to which the simplified method is applied.

Movements in retirement benefit obligations for the years ended March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Balance at beginning of the year	¥38,670	**¥39,427**	**$362,347**
Service cost	1,896	**1,938**	**17,811**
Interest cost	83	**84**	**772**
Actuarial losses	105	**1,264**	**11,617**
Benefits paid	(1,327)	**(1,768)**	**(16,249)**
Balance at end of the year	¥39,427	**¥40,945**	**$376,298**

Movements in plan assets for the years ended March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Balance at beginning of the year	¥19,509	**¥20,604**	**$189,358**
Expected return on plan assets	0	**0**	**0**
Actuarial losses	(44)	**(73)**	**(671)**
Employer contributions	2,056	**1,431**	**13,151**
Benefits paid	(917)	**(1,257)**	**(11,552)**
Balance at end of the year	¥20,604	**¥20,705**	**$190,286**

Reconciliations from retirement benefit obligations and plan assets to liability (asset) for retirement benefits as of March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Funded retirement benefit obligations	¥31,696	**¥33,067**	**$303,897**
Plan assets	(20,604)	**(20,705)**	**(190,286)**
	11,092	**12,362**	**113,611**
Unfunded retirement benefit obligations	7,731	**7,877**	**72,392**
Total net liability for retirement benefits on the consolidated balance sheets	¥18,823	**¥20,239**	**$186,003**
Liability for retirement benefits	¥18,899	**¥20,303**	**$186,591**
Asset for retirement benefits	(76)	**(64)**	**(588)**
Total net liability for retirement benefits on the consolidated balance sheets	¥18,823	**¥20,239**	**$186,003**

Retirement benefit costs for the years ended March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Service cost	¥1,896	**¥1,938**	**$17,811**
Interest cost	83	**84**	**772**
Expected return on plan assets	(0)	**(0)**	**(0)**
Net actuarial loss amortization	773	**767**	**7,049**
Past service costs amortization	(344)	**(344)**	**(3,161)**
Total retirement benefit costs	¥2,408	**¥2,445**	**$22,471**

The components of adjustments for retirement benefits (before income tax effects) for the years ended March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Past service costs	¥ 344	**¥344**	**$3,161**
Actuarial losses	(624)	**571**	**5,248**
Total	¥(280)	**¥915**	**$8,409**

The components of accumulated adjustments for retirement benefits (before income tax effects) as of March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Past service costs that are yet to be recognized	¥(1,709)	**¥(1,364)**	**$(12,536)**
Actuarial losses that are yet to be recognized	4,545	**5,115**	**47,009**
Total	¥ 2,836	**¥ 3,751**	**$ 34,473**

The components of plan assets as of March 31, 2019 and 2020 are as follows:

	2019	2020
Cash on hand and at banks	86%	**86%**
Life insurance general accounts	14	**14**
Other	0	**0**
Total	100%	**100%**

Method for determining long-term expected rate of return

The long-term expected rate of return on plan assets is determined considering the current and expected distribution of plan assets and the long-term rate of return derived from the various components of plan assets.

Significant assumptions used in determining the retirement benefit obligations as of March 31, 2019 and 2020 are as follows:

	2019	2020
Discount rate	0.1-0.2%	**0.2%**
Long-term expected rate of return	0-0.3%	**0-0.1%**

*Wage increase index by age, which is calculated based on the level of employees and other factors, is used for the expected wage increase rate.

11 Research and development expenses:

Research and development expenses for the years ended March 31, 2019 and 2020 were ¥1,870 million and ¥1,884 ($17,315 thousand), respectively.

12 Impairment losses on fixed assets:

For the years ended March 31, 2019 and 2020, the Company and its consolidated subsidiaries recognized impairment losses on fixed assets for the following groups of assets.

		Millions of yen		Thousands of U.S. dollars
Use	**Type of Assets**	2019	**2020**	**2020**
Assets for business use	Buildings and structures, Machinery and equipment, Other and Land	¥201	**¥112**	**$1,029**
Idle assets	Buildings and structures	—	**4**	**37**
		¥201	**¥116**	**$1,066**

The Company and its consolidated subsidiaries classify their fixed assets into groups based on the type of respective operations of each business segment for consideration of possible impairment. Idle assets are assessed individually.

The book values of impaired business assets were reduced to the recoverable amounts due to reduced profitability. The recoverable amounts were measured at the present value of the expected cash flows from the ongoing utilization of the assets, which is evaluated at memorandum value since the future cash flows are expected to be negative, or measured at their net realizable value based on the value assessed for property tax purposes.

The book values of idle assets were measured at their memorandum value at March 31, 2020.

13 Loss on disaster:

Loss on disaster of ¥131 million mainly caused by the 21st typhoon of the 2018 season and the 2018 Hokkaido Eastern Iburi earthquake in September 2018 was recognized for the year ended March 31, 2019, based on the restoration cost. Loss on disaster of ¥32 million ($294 thousand) mainly caused by the 19th typhoon of the 2019 season in October 2019 was recognized for the year ended March 31, 2020, based on the restoration cost.

14 Income taxes:

The income taxes applicable to the Company and its domestic consolidated subsidiaries include (1) corporation taxes, (2) enterprise taxes (excluding the elements based on added value and capital) and (3) inhabitants' taxes which, in the aggregate, resulted in a statutory tax rate of approximately 30.6% for the years ended March 31, 2019 and 2020.

The main components of deferred tax assets and liabilities as of March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Deferred tax assets:			
Liability for retirement benefits	¥ 5,817	**¥ 6,176**	**$ 56,759**
Impairment losses on fixed assets	1,502	**1,468**	**13,491**
Tax credits carryforward	955	**1,436**	**13,197**
Accrued bonuses	765	**851**	**7,821**
Tax loss carryforwards (2)	1,040	**794**	**7,297**
Loss on write-down of investments in unconsolidated subsidiaries and affiliates	749	**749**	**6,884**
Unrealized gains and losses on intercompany asset transfers	689	**681**	**6,259**
Other	2,687	**2,753**	**25,301**
Gross deferred tax assets	14,204	**14,908**	**137,009**
Valuation allowance for tax loss carryforwards (2)	(701)	**(631)**	**(5,799)**
Valuation allowance for deductible temporary differences	(4,826)	**(5,216)**	**(47,936)**
Less: Valuation allowance (1)	(5,527)	**(5,847)**	**(53,735)**
Total deferred tax assets	8,677	**9,061**	**83,274**
Deferred tax liabilities:			
Special reserves for deferred gains on fixed assets	(3,614)	**(3,407)**	**(31,311)**
Net unrealized gain on investment securities	(4,170)	**(3,036)**	**(27,902)**
Depreciation of overseas consolidated subsidiaries	(2,169)	**(2,432)**	**(22,351)**
Unrealized gains and losses on intercompany asset transfers	(314)	**(294)**	**(2,702)**
Valuation differences of subsidiaries' assets in consolidation	(116)	**(138)**	**(1,268)**
Reserve for special depreciation	(173)	**(82)**	**(754)**
Other	(432)	**(480)**	**(4,412)**
Total deferred tax liabilities	(10,988)	**(9,869)**	**(90,700)**
Net deferred tax liabilities	¥ (2,311)	**¥ (808)**	**$ (7,426)**

Notes:

(1) The valuation allowance increased by ¥320 million ($2,941 thousand), mainly due to increase in valuation allowance for tax credits carryforward at consolidated subsidiaries.

(2) Gross deferred tax assets, valuation allowances and total deferred tax assets recognized for tax loss carryforwards, broken down by expiration dates are as follows:

Millions of yen

March 31, 2019	Within one year	One to two years	Over two to three years	Over three to four years	Over four to five years	Over five years	Total
Gross deferred tax assets for tax loss carryforwards (*1)	¥378	¥82	¥82	¥96	¥40	¥362	¥1,040
Valuation allowance	268	82	82	95	40	134	701
Total deferred tax assets recognized	110	—	—	1	—	228	(*2) 339

Millions of yen

March 31, 2020	Within one year	One to two years	Over two to three years	Over three to four years	Over four to five years	Over five years	Total
Gross deferred tax assets for tax loss carryforwards (*1)	**¥81**	**¥82**	**¥94**	**¥40**	**¥184**	**¥313**	**¥794**
Valuation allowance	**63**	**81**	**94**	**40**	**40**	**313**	**631**
Total deferred tax assets recognized	**18**	**1**	**—**	**—**	**144**	**—**	**(*2) 163**

Thousands of U.S. dollars

March 31, 2020	Within one year	One to two years	Over two to three years	Over three to four years	Over four to five years	Over five years	Total
Gross deferred tax assets for tax loss carryforwards (*1)	**$744**	**$754**	**$864**	**$368**	**$1,691**	**$2,876**	**$7,297**
Valuation allowance	**579**	**744**	**864**	**368**	**368**	**2,876**	**5,799**
Total deferred tax assets recognized	**165**	**10**	**—**	**—**	**1,323**	**—**	**(*2) 1,498**

(*1) Gross deferred tax assets for tax loss carryforwards are calculated using the enacted statutory tax rates.
(*2) Deferred tax assets of ¥339 million and ¥163 million ($1,498 thousand) are recognized out of gross deferred tax assets for tax loss carryforwards of ¥1,040 million and ¥794 million ($7,297 thousand) (calculated using the enacted statutory tax rates) as of March 31, 2019 and 2020, which are expected to be recoverable based on the estimated future taxable income.

The following table summarizes the main differences between the statutory tax rate and the effective tax rate for the years ended March 31, 2019 and 2020.

	2019	2020
Statutory tax rate	30.6%	**30.6%**
Permanently non-deductible expenses, including entertainment expenses	0.2	**0.3**
Permanently non-taxable income, including dividend income	(0.2)	**(0.1)**
Per capita inhabitants' taxes	0.4	**0.3**
Special deduction for corporation tax	(1.9)	**(0.7)**
Changes in valuation allowance	1.3	**1.0**
Difference in income tax rates applied to overseas consolidated subsidiaries	(4.1)	**(4.5)**
Other- net	0.5	**(0.1)**
Effective tax rate	26.8%	**26.8%**

15 Net assets:

Under the 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 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 appropriated 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 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 25, 2020, the shareholders approved cash dividends amounting to ¥4,087 million ($37,561 thousand). These cash dividends have not been accrued in the consolidated financial statements as of March 31, 2020 because 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 years ended March 31, 2019 and 2020

Thousands of shares

Common stock outstanding	2019	2020
Balance at beginning and end of the year	110,881	110,881

Thousands of shares

Treasury stock outstanding	2019	2020
Balance at beginning of the year	8,752	8,752
Increase due to purchase of odd stock	0	1
Increase due to change in equity in an affiliate accounted for using the equity method	—	—
Balance at end of the year	8,752	8,753

(2) Dividends

(a) Dividends paid in the current fiscal year

The Company resolved approval at the general meeting of shareholders held on June 27, 2019 as follows:

Dividends on Common stock

a. Total amount of dividends .... ¥4,087 million
b. Dividends per share ¥40.0
c. Record date .... March 31, 2019
d. Effective date.................................... June 28, 2019

The Company resolved approval by the board of directors meeting held on October 31, 2019 as follows:

Dividends on Common stock

a. Total amount of dividends .... ¥4,087 million
b. Dividends per share ¥40.0
c. Record date .... September 30, 2019
d. Effective date.................................... December 5, 2019

(b) Dividends with record date during the current fiscal year but to be effective in the following fiscal year

The Company resolved approval at the general meeting of shareholders held on June 25, 2020 as follows:

Dividends on Common stock

a. Total amount of dividends .... ¥4,087 million ($37,561 thousand)
b. Funds for dividends .... Retained earnings
c. Dividends per share ¥40.0 ($0.37)
d. Record date .... March 31, 2020
e. Effective date.................................... June 26, 2020

17 Per share information:

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

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Net income attributable to owners of parent	¥18,439	**¥23,380**	**$214,870**
Net income attributable to owners of parent related to common stock	18,439	**23,380**	**214,870**

	2019	2020
Weighted-average number of common stock (unit: thousands of shares)	102,129	**102,128**

Information on diluted net income per share is not disclosed because no potentially dilutive shares of common stock were issued or outstanding for the years ended March 31, 2019 and 2020.

Cash dividends per share are dividends applicable to the respective years, including dividends to be paid after the end of the year.

18 Leases:

(1) Finance leases

(a) Finance leases which transfer ownership of leased assets to the lessee

Leased assets include warehouse facilities (buildings and structures, machinery and equipment) for cold storage.

(b) Finance leases which do not transfer ownership of leased assets to the lessee

Leased assets mainly consist of communication devices and office equipment.

(2) Operating leases

The minimum commitments under non-cancelable operating leases as of March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Due within one year	¥ 70	**¥ 45**	**$ 414**
Due after one year	312	**296**	**2,720**
	¥382	**¥341**	**$3,134**

19 Contingent liabilities:

Contingent liabilities as of March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Guarantees for indebtedness of employees	¥11	**¥6**	**$55**

20 Comprehensive income:

(1) Reclassification adjustments on other comprehensive income for the years ended March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Net unrealized gain on investment securities:			
Gains arising during the year	¥ 31	¥(3,789)	$(34,822)
Reclassification adjustments	(231)	13	119
	(200)	(3,776)	(34,703)
Net unrealized gain (loss) on hedging instruments:			
Gains (losses) arising during the year	49	18	166
	49	18	166
Foreign currency translation adjustments:			
Adjustments arising during the year	3,997	(2,017)	(18,537)
	3,997	(2,017)	(18,537)
Adjustments for retirement benefits:			
Adjustments arising during the year	(149)	(1,338)	(12,297)
Reclassification adjustments	429	423	3,888
	280	(915)	(8,409)
Share of other comprehensive income of affiliate accounted for using the equity method:			
Gains (losses) arising during the year	(7)	53	487
	(7)	53	487
Amount before income tax effects	4,119	(6,637)	(60,996)
Income tax effects	54	1,342	12,334
Total other comprehensive income (loss), net of taxes	¥4,173	¥(5,295)	$(48,662)

(2) Income tax effects on other comprehensive income for the years ended March 31, 2019 and 2020 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
Net unrealized gain (loss) on investment securities: Amount before income tax effects	¥ (200)	**¥(3,776)**	**$(34,703)**
Income tax effects	118	**1,135**	**10,432**
Amount, net of taxes	(82)	**(2,641)**	**(24,271)**
Net unrealized gain (loss) on hedging instruments: Amount before income tax effects	49	**18**	**166**
Income tax effects	(11)	**(4)**	**(37)**
Amount, net of taxes	38	**14**	**129**
Foreign currency translation adjustments: Amount before income tax effects	3,997	**(2,017)**	**(18,537)**
Income tax effects	—	**—**	**—**
Amount, net of taxes	3,997	**(2,017)**	**(18,537)**
Adjustments for retirement benefits: Amount before income tax effects	280	**(915)**	**(8,409)**
Income tax effects	(53)	**211**	**1,939**
Amount, net of taxes	227	**(704)**	**(6,470)**
Share of other comprehensive income of affiliate accounted for using the equity method: Amount before income tax effects	(7)	**53**	**487**
Income tax effects	—	**—**	**—**
Amount, net of taxes	(7)	**53**	**487**
Total other comprehensive income (loss) Amount before income tax effects	4,119	**(6,637)**	**(60,996)**
Income tax effects	54	**1,342**	**12,334**
Amount, net of taxes	¥4,173	**¥(5,295)**	**$(48,662)**

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, which are reviewed regularly at the Board of Directors' meeting in order to determine distribution of management resources and evaluate business performance.

The Company and its consolidated subsidiaries have business units 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. "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.

Accordingly, the Company and its consolidated subsidiaries consist of segments classified by product and region based on business units 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 of reportable segment net sales, income or loss and other material items

Accounting policies for the reportable segment information are substantially the same as those described in note "2. Summary of significant accounting policies". Income or loss by reportable segment is based on operating income on the consolidated statements of income.

(3) Information on reportable segment net sales, income or loss and other material items

2019

Millions of yen

	Reportable segment										
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Subtotal	Others	Total	Adjustments	Consolidated
Net sales: Outside customers	¥29,999	¥ 83,787	¥127,571	¥69,189	¥22,667	¥18,463	¥351,676	¥49,388	¥401,064	¥ —	¥401,064
Intersegment	1,049	—	—	—	—	1,060	2,109	90	2,199	(2,199)	—
Total	¥31,048	¥ 83,787	¥127,571	¥69,189	¥22,667	¥19,523	¥353,785	¥49,478	¥403,263	¥ (2,199)	¥401,064
Segment income (loss)	¥ 158	¥ 9,583	¥ 7,860	¥ 4,544	¥ (978)	¥ 1,610	¥ 22,777	¥ 1,485	¥ 24,262	¥ (600)	¥ 23,662
Segment assets	¥19,181	¥106,467	¥ 64,644	¥21,608	¥20,762	¥48,286	¥280,948	¥18,467	¥299,415	¥90,776	¥390,191
Other items: Depreciation and amortization	¥ 211	¥ 2,855	¥ 3,831	¥ 1,130	¥ 1,525	¥ 2,496	¥ 12,048	¥ 972	¥ 13,020	¥ 822	¥ 13,842
Increase in property, plant and equipment and intangible assets	¥ 309	¥ 4,288	¥ 1,085	¥ 554	¥ 6,747	¥13,166	¥ 26,149	¥ 735	¥ 26,884	¥ 3,507	¥ 30,391

2020

Millions of yen

	Reportable segment										
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Subtotal	Others	Total	Adjustments	Consolidated
Net sales: Outside customers	**¥29,862**	**¥ 88,992**	**¥133,302**	**¥72,294**	**¥24,185**	**¥20,530**	**¥369,165**	**¥46,867**	**¥416,032**	**¥ —**	**¥416,032**
Intersegment	**926**	**—**	**—**	**1**	**—**	**1,210**	**2,137**	**29**	**2,166**	**(2,166)**	**—**
Total	**¥30,788**	**¥ 88,992**	**¥133,302**	**¥72,295**	**¥24,185**	**¥21,740**	**¥371,302**	**¥46,896**	**¥418,198**	**¥ (2,166)**	**¥416,032**
Segment income (loss)	**¥ (672)**	**¥ 12,194**	**¥ 11,085**	**¥ 5,587**	**¥ (1,308)**	**¥ 1,263**	**¥ 28,149**	**¥ 872**	**¥ 29,021**	**¥ (673)**	**¥ 28,348**
Segment assets	**¥15,412**	**¥112,465**	**¥ 64,182**	**¥22,378**	**¥22,307**	**¥50,369**	**¥287,113**	**¥17,810**	**¥304,923**	**¥97,686**	**¥402,609**
Other items: Depreciation and amortization	**¥ 258**	**¥ 2,919**	**¥ 3,544**	**¥ 962**	**¥ 1,951**	**¥ 3,223**	**¥ 12,857**	**¥ 978**	**¥ 13,835**	**¥ 946**	**¥ 14,781**
Increase in property, plant and equipment and intangible assets	**¥ 1,471**	**¥ 4,859**	**¥ 1,992**	**¥ 724**	**¥ 3,560**	**¥ 5,122**	**¥ 17,728**	**¥ 1,380**	**¥ 19,108**	**¥ 584**	**¥ 19,692**

2020

Thousands of U.S. dollars

	Reportable segment										
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Subtotal	Others	Total	Adjustments	Consolidated
Net sales: Outside customers	**$274,442**	**$ 817,866**	**$1,225,089**	**$664,406**	**$222,268**	**$188,678**	**$3,392,749**	**$430,723**	**$3,823,472**	**$ —**	**$3,823,472**
Intersegment	**8,511**	**—**	**—**	**9**	**—**	**11,120**	**19,640**	**266**	**19,906**	**(19,906)**	**—**
Total	**$282,953**	**$ 817,866**	**$1,225,089**	**$664,415**	**$222,268**	**$199,798**	**$3,412,389**	**$430,989**	**$3,843,378**	**$ (19,906)**	**$3,823,472**
Segment income (loss)	**$ (6,176)**	**$ 112,067**	**$ 101,875**	**$ 51,347**	**$ (12,021)**	**$ 11,607**	**$ 258,699**	**$ 8,014**	**$ 266,713**	**$ (6,185)**	**$ 260,528**
Segment assets	**$141,641**	**$1,033,591**	**$ 589,854**	**$205,661**	**$205,009**	**$462,908**	**$2,638,664**	**$163,680**	**$2,802,344**	**$897,766**	**$3,700,110**
Other items: Depreciation and amortization	**$ 2,371**	**$ 26,827**	**$ 32,571**	**$ 8,841**	**$ 17,930**	**$ 29,620**	**$ 118,160**	**$ 8,988**	**$ 127,148**	**$ 8,694**	**$ 135,842**
Increase in property, plant and equipment and intangible assets	**$ 13,519**	**$ 44,656**	**$ 18,307**	**$ 6,654**	**$ 32,718**	**$ 47,072**	**$ 162,926**	**$ 12,683**	**$ 175,609**	**$ 5,367**	**$ 180,976**

Notes:

(a) "Others" includes operations not included in reportable segments, mainly packed lunches/deli foods business.

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

1) The adjustment of ¥(600) million and ¥(673) million ($(6,185) thousand) in segment income for the years ended March 31, 2019 and 2020, respectively, include corporate expenses of ¥(1,138) million and ¥(1,237) million ($(11,369) thousand), respectively, which cannot be allocated to each reportable segment. The corporate 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 elimination of know-how payments or other transactions with overseas subsidiaries for the years ended March 31, 2019 and 2020.
2) The adjustment of ¥90,776 million and ¥97,686 million ($897,766 thousand) in segment assets as of March 31, 2019 and 2020, respectively, include corporate assets of ¥90,694 million and ¥97,328 million ($894,476 thousand), respectively, which cannot be allocated to each reportable segment. Corporate assets are mainly long-term investments (investment securities) of the Company and assets of administrative departments. Other adjustments are mainly due to application of the equity method.
3) The adjustments of ¥822 million and ¥946 million ($8,694 thousand) in depreciation and amortization for the years ended March 31, 2019 and 2020, respectively, include corporate expenses of ¥806 million and ¥913 million ($8,391 thousand), respectively.
4) The adjustments of ¥3,507 million and ¥584 million ($5,367 thousand) in increase in property, plant, and equipment and intangible assets for the years ended March 31, 2019 and 2020, 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 by geographic area

(a) Net sales

2019 — Millions of yen

	Japan	Americas (U.S.A)	Others	Consolidated
Net sales	¥316,434	¥83,796 (¥54,984)	¥834	¥401,064

2020 — Millions of yen

	Japan	Americas (U.S.A)	Others	Consolidated
Net sales	**¥326,136**	**¥89,023 (¥59,416)**	**¥873**	**¥416,032**

2020 — Thousands of U.S. dollars

	Japan	Americas (U.S.A)	Others	Consolidated
Net sales	**$2,997,298**	**$818,151 ($546,053)**	**$8,023**	**$3,823,472**

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., Mexico
   Others…………………… Thailand, China, Taiwan, Korea

(b) Property, plant and equipment

2019 — Millions of yen

	Japan	Americas (U.S.A)	Consolidated
Property, plant and equipment	¥124,253	¥28,523 (¥28,517)	¥152,776

2020 — Millions of yen

	Japan	Americas (U.S.A)	Consolidated
Property, plant and equipment	**¥126,222**	**¥29,959 (¥29,953)**	**¥156,181**

2020

	Japan	Americas (U.S.A)	Consolidated
			Thousands of U.S. dollars
Property, plant and equipment	**$1,160,022**	**$275,333 ($275,278)**	**$1,435,355**

(5) Information about major customers

2019

Name of major customer	Sales (Millions of yen)	Related reportable segment
MITSUI & CO., LTD.	¥100,570	Domestic Instant Noodles Segment

2020

Name of major customer	Sales (Millions of yen)	Sales (Thousands of U.S. dollars)	Related reportable segment
MITSUI & CO., LTD.	**¥109,068**	**$1,002,371**	Domestic Instant Noodles Segment

(6) Information about impairment loss on fixed assets

2019 (Millions of yen)

	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Others	Adjustments	Consolidated
Impairment loss	¥169	¥ —	¥ —	¥ —	¥21	¥ —	¥11	¥ —	¥201

2020 (Millions of yen)

	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Others	Adjustments	Consolidated
Impairment loss	**¥ —**	**¥ —**	**¥ —**	**¥4**	**¥4**	**¥ —**	**¥108**	**¥ —**	**¥116**

2020 (Thousands of U.S. dollars)

	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Others	Adjustments	Consolidated
Impairment loss	**$ —**	**$ —**	**$ —**	**$37**	**$37**	**$ —**	**$992**	**$ —**	**$1,066**

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

There was no amortization nor unamortized balances of goodwill and negative goodwill as of and for the years ended March 31, 2019 and 2020.

22 Additional information:

(Accounting estimates relating to the spread of the novel coronavirus (COVID-19))

It is extremely difficult to estimate the impact of the spread of COVID-19 on the Company's business results because there is no unified expertise regarding the spread of infection and the timing of the return to normal in the future.

Accordingly, the Company prepared its accounting estimates based on the assumption that the impact of the spread of COVID-19 on the Company's business results would be limited because the impact was immaterial.

Independent auditor's report

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

Opinion

We have audited the accompanying consolidated financial statements of Toyo Suisan Kaisha, Ltd. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), which comprise the consolidated balance sheets as at March 31, 2020 and 2019, the consolidated statements of income, comprehensive income, changes in net assets and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies, other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2020 and 2019, and its consolidated financial performance and cash flows for the years then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

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

Responsibilities of Management and Corporate auditors and the board of corporate auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 misstatement, whether due to fraud or error.

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

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2020 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.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

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

Terukazu Nagamine
Designated Engagement Partner
Certified Public Accountant

Yoshichika Kaneko
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
June 25, 2020

Notes to the Reader of Independent Auditor's Report:
This is a copy of the Independent Auditor's Report and the original copies are kept separately by the Company and KPMG AZSA LLC.

CORPORATE DATA

AS OF MARCH 31, 2020

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	16
Number of Subsidiaries and Affiliates	32
Number of Employees (Consolidated)	4,791
Consolidated Net Sales	¥416,032 million
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	11,185
Stock Exchange Listing	Tokyo (#2875)
Stock Transfer Agent	Sumitomo Mitsui Trust Bank, Limited, in Tokyo
General Shareholders' Meeting	The General Shareholders' Meeting is usually held before the end of June in Tokyo.

CORPORATE PROFILE

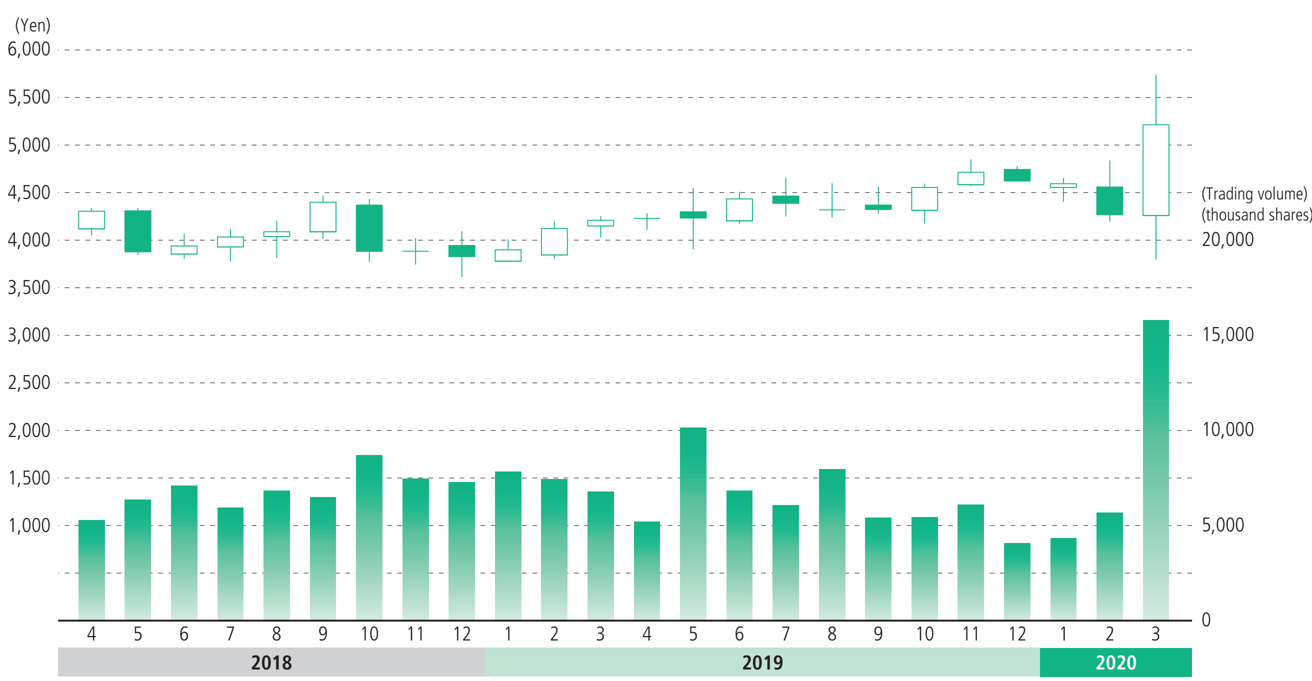
Since its beginnings at Tokyo's Tsukiji Market in 1953, where Toyo Suisan began its business of exporting frozen tuna, the company has grown into a diversified food products manufacturer, currently engaged not only in the business of seafood products, but in cold-storage and food processing businesses as well. We have always striven to generate new value.

We have created many long-selling products such as *Maruchan Yakisoba* chilled noodles, launched in 1975; *Akai Kitsune Udon*, launched in 1978; and *Midori no Tanuki Ten Soba*, launched in 1980. *Maruchan Seimen*, which was launched in 2011, has received high acclaim for creating new value in bag-type noodles.

In 1972, we established Maruchan, Inc. in Los Angeles, U.S.A. as our local subsidiary and today have four plants in the U.S. that produce instant noodles and a structure to supply North America.

We formulated the slogan "Smiles for All. Everything for a smile." in 2009, in the course of our development. The Toyo Suisan Group remains united in wanting to put a smile on the face of each of our shareholders and stakeholders through providing safe and delicious products and impeccable service.

Common Stock Price Range and Trading Volume



TOYO SUISAN