ANNUAL REPORT 2011

YEAR ENDED MARCH 31, 2011

Toyo Suisan Kaisha, Ltd.

Smiles for All.

The Maruchan logo reflects
the Toyo Suisan Group's goal of providing food
that brings a smile to your face,
and we have long worked to create delicious,
high-quality food products in this spirit.
Delicious food that naturally makes you smile, right on your table.
Safe and healthy products that stand the test of time, for everyone.
"Smiles for All."
Everything we do is to make you smile,
and we intend to continue to honor
this commitment in the years to come.

マルちゃん®

About the Maruchan logo

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

CONTENTS

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

TO OUR SHAREHOLDERS

I would like to begin by expressing my sincere appreciation for our shareholders' continued support. We are pleased to report the business results for Toyo Suisan Kaisha, Ltd., for fiscal 2011, ended March 31, 2011.

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 2011

The Japanese economy in the consolidated fiscal year under review enjoyed a moderate recovery and saw higher corporate earnings as business conditions improved on increased exports and the positive effects of economic stimulus measures. However, the Great East Japan Earthquake has made conditions extremely challenging and will likely have a deep impact on the economy going forward. It is further feared that nationwide power shortages will put significant restrictions on economic activity.

Conditions in the food products industry continued to be extremely challenging. Prices for certain raw materials remained high, forcing cuts to manufacturing costs and spurring even greater competition among companies. In addition, consumer awareness of food safety issues increased still further and fulfilling social responsibilities such as strengthening quality management and addressing environmental issues became even more of an imperative for companies in the industry.

Amid such conditions, the Toyo Suisan Group, guided by our corporate slogan, "Smiles for All," engaged in business activities while recognizing our duty to contribute to society through foodstuffs and provide customers with safe and secure foods and services. Additionally, in order to successfully address intense sales competition, we continued to rebuild the Group's production and distribution systems, further reduced costs and promoted aggressive sales activities.

As a result, in the consolidated fiscal year under review, net sales decreased 3.0% compared to the previous fiscal year to ¥305,911 million, operating income declined 17.1% year on year to ¥25,811 million and ordinary income fell 16.5% year on year to ¥27,191 million. We also stated an extraordinary loss associated with the earthquake, and as a result net income declined 32.9% compared to the previous year to ¥12,415 million.

June 2011

T. Tsutsumi

Tadasu Tsutsumi
President

TOYO SUISAN KAISHA, LTD., AND ITS SUBSIDIARIES

Consolidated Financial Highlights

Years ended March 31, 2010 and 2011

	Millions of yen		Thousands of U.S. dollars
	2010	**2011**	**2011**
For the year:			
Net sales	¥ 315,337	**¥ 305,911**	**$ 3,679,026**
Operating income	31,121	**25,811**	**310,415**
Ordinary income	32,545	**27,191**	**327,011**
Net income	18,506	**12,415**	**149,308**
At year-end:			
Total assets	¥ 229,242	**¥ 232,532**	**$ 2,796,536**
Total net assets	170,288	**172,807**	**2,078,256**
Per share of common stock:			
(in yen and U.S. dollars)			
Net income	¥ 181.3	**¥ 121.5**	**$ 1.46**
Cash dividends	40.0	**40.0**	**0.48**

Dollar amounts represent translations at the rate of ¥83.15 = US$1, the rate prevailing on March 31, 2011.

REVIEW OF OPERATIONS

Domestic Instant Noodles Segment

SALES **101,755** million yen

Sales from domestic instant noodle operations increased owing to higher sales of core Japanese noodle products including *Men-Zukuri* (non-fried noodle products) and to actively launching new brands and new products made with innovative manufacturing techniques. For our mainstay Japanese noodle products, we conducted a 30th anniversary campaign and other activities for *Midori-no Tanuki Tensoba* (a series of buckwheat noodles with tempura). In February, we actively promoted sales of *Mukashi Nagara-no Sauce Yakisoba* (old-fashioned fried yakisoba noodles with sauce), which features glossy, chewy noodles made with a new manufacturing method that vastly improves noodle quality. In addition, the new brand *Shiki-monogatari* (The Tale of the Four Seasons; seasonal cup-style noodle products) launched in March of last year and the *Gotsumori* series of extra large cup-style noodle products contributed to sales, and the overall cup-style noodle segment performed substantially better than the previous year. In packaged noodle products, core products like *Mukashi Nagara-no Chuka Soba* (old-fashioned Chinese-style noodles) put up a solid performance, but due in part to the hot summer weather, the packaged noodle segment fell short of last year's result. As a result of these development, overall sales in this segment increased 4.9% compared to the previous year to ¥101,755 million. Segment income fell 5.7% year on year to ¥11,640 million due to higher sales promotion expenditures and increased depreciation on the Kanto Plant.

Frozen and Refrigerated Foods Segment

SALES **63,378** million yen

In frozen and refrigerated food products, the fresh noodle market continues to contract and conditions remain quite challenging. Seeking to raise product value we ran consumer campaigns and conducted product development aimed at creating new culinary possibilities. However, our core products, three-pack yakisoba noodles and three-pack fresh ramen noodles encountered heated price competition with competitor products, causing sales to fall short of the previous year. In frozen food products, commercial frozen food products and frozen vegetables put up a solid performance, but it was not enough to offset decreased sales of frozen noodle products. As a result, sales in this segment decreased by 2.9% compared to the previous year to ¥63,378 million. Segment income increased by 2.9% year on year to ¥4,287 million thanks to a strong performance from cold ramen products because of record summer heat as well as increased sales of noodles with dipping sauce.

Processed Foods Segment

SALES **18,333** million yen

In processed food products, the rice business saw sales decline due to manufacturing plants being damaged in the earthquake, but for minced fish-based hams and sausages we worked to ensure products were sold at appropriate prices in response to rapidly rising ingredient prices. As a result, sales declined 5.3% compared to the previous year to ¥18,333 million, and segment income fell 14.7% year on year to ¥543 million.

Overseas Instant Noodles Segment

SALES **50,191** million yen

In overseas instant noodles, we achieved sales volumes on par with the previous year as a result of aggressively conducting sales promotions starting in July. However, due to sales promotion measures and the strength of the yen, sales fell 15.3% compared to the previous year to ¥50,191 million. Segment income declined by 38.6% year on year to ¥7,447 million due to cost increases for sales promotions, higher costs for main ingredients caused by increases in commodity prices worldwide, and higher distribution costs, as well as to the impact of the strong yen.

Seafood Segment

SALES **33,355** million yen

In the Seafood Segment, global market conditions made a remarkable recovery, and demand rose overseas, especially in Europe, North America, Russia and China, forcing Japanese trading companies and seafood product manufacturers to import and sell raw materials at high market prices. At the same time, the domestic Japanese market continued to be marked by low prices and heighted sales competition, making it a very challenging year. Operating in these conditions, we actively worked to promote sales, primarily of salmon, trout, roe, tuna, minced fish and other core products, to both existing customers and new customers. As a result, sales dipped 0.1% compared to the previous year to ¥33,355 million. Segment income increased 81.6% year on year to ¥707 million thanks in part to developing new salmon, trout, roe and southern fish products.

Cold-Storage Segment

SALES **12,842** million yen

The Cold-Storage Segment saw a decline in handling volume nationwide due to shippers reducing inventory on the impact of stagnant consumer spending caused by the slumping economy. Handling of ice cream products was brisk due to the hot summer weather, so outbound volume trended at a high level, causing storage revenues to decline. Aggressive sales activities, however, increased inbound volume, so warehousing revenue was steady and underpinned income. As a result, sales edged down 0.8% compared to the previous year to ¥12,842 million, and segment income declined 37.6% year on year to ¥550 million.

Other Business Segment

SALES **26,054** million yen

The Other Business Segment consists primarily of packed lunch/deli food business and real estate leasing operations. Sales from this segment fell 7.4% compared to the previous year to ¥26,054 million, but segment income increased by 12.2% year on year to ¥635 million.

A Note on Segment Classifications and Measurement Methods

The Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No.17, March 27, 2009) and Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No.20, March 21, 2008) have been applied beginning in the consolidated fiscal year under review.

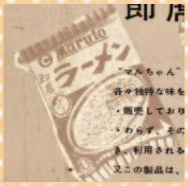
Net Sales by Segment

1.	Domestic Instant Noodles Segment	33.26 %	101,755 million yen
2.	Frozen and Refrigerated Foods Segment	20.72 %	63,378 million yen
3.	Processed Foods Segment	5.99 %	18,333 million yen
4.	Overseas Instant Noodles Segment	16.41 %	50,191 million yen
5.	Seafood Segment	10.90 %	33,355 million yen
6.	Cold-Storage Segment	4.20 %	12,842 million yen
7.	Other Business Segment	8.52 %	26,054 million yen

FEATURE

50th year in the Instant Noodle Business

In 1961 weak winter demand for minced fished-based hams and sausages was cause for concern within the company, because the products were crucial to profits at the time. Demand for ramen on the other hand was high during the winter and ramen could be produced applying the same technologies used for ham and sausage products, so Toyo Suisan made the decision to enter the instant noodle business. The following looks back on the 50-year history of that business.



Toyo Suisan's first instant noodle product (1961): *Marutojirushi Ramen Ajitsuke*

1960's

Steady String of Hit Products Win Customer Loyalty

The very first Maruchan branded product, *Hi Ramen*[1], was a major hit in 1962, and got the instant noodle business off to a good start. A series of new packaged noodle products were to follow. *Tanuki Soba*[2], the original predecessor of *Midori-no Tanuki*, was launched in 1963 and triggered a new Japanese-style noodle trend. *Hiyashi Ramen*[3], well-known even today, was first sold in 1966 and *Shio Ramen* was introduced in 1969. Production sites were expanded during this period to keep up with demand.

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1970's

Huge Hits Propel the Maruchan Brand

Development continued on instant cup-style noodle products, starting with *Hot Ramen*[4] in 1974. *Kitsune Udon*[5] was an industry pioneer and a major hit alongside *Tempura Soba* in 1975. It was a forerunner to later products *Akai Kitsune* and *Midori-no Tanuki*. Put on the market in 1978, *Akai Kitsune*[6] attracted a great deal of attention with its television commercial starring Tetsuya Takeda, a famous Japanese actor. It became the flagship product of the Maruchan brand.

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1980's

Standards Still Loved Today Make Their Debut

In 1980, two years after the launch of *Akai Kitsune*, *Midori-no Tanuki*[7] made its debut. It had a strong presence at stores thanks to impressionable packaging that featured the color red and a complementary green. During this decade we put out cup-style noodle products in various sizes to accommodate various appetites and situations, including the mini-size *Mame Cup Series*[8] in 1985 and large-size *Dekamaru*[9] in 1989.

7

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1990's

Lineup of Non-Fried Noodles Wins Over New Fans

Highly popular non-fried noodle products got their start in the 1990's, including *Men-Zukuri*[10] in 1992 and *Mukashi Nagara-no Chuka Soba*[11] in 1997. Offering a different texture than fried noodles, they won over new fans and grew into one of the major pillars of our instant noodle business. Sleeper hit *Wonton Shoyu-aji*[12] was also launched during this period, in 1993.

10

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2000's

New Ideas in Product Development for Greater Customer Satisfaction

The flavor of *Akai Kitsune* sold in western and eastern Japan has differed from the start, but in order to more precisely accommodate local preferences, we began selling new versions for the Kansai region in 2001 and Hokkaido in 2005. We also developed products based on innovate ideas, including *Majimori*[13] in 2007, which provides convenience in large servings, and *Shiki-monogatari*[14] in 2010, a series of cup-style noodle products that represent Japan's four seasons.

13

14

CORPORATE GOVERNANCE

Toyo Suisan's Basic Stance Concerning Corporate Governance

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

Gains in Implementing Corporate Governance

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

BOARD OF DIRECTORS AND CORPORATE AUDITORS

As of June 28, 2011

President

Tadasu Tsutsumi

Senior Executive Managing Director

Mutsuhiko Oda

Senior Managing Director

Kazuo Obata

Executive Directors

Senichi Teshima
Hiroji Yoshino
Eiji Kondo

Directors

Hiroshi Yamauchi
Hiroyuki Minami
Kenji Sugawara
Atsumi Shimoi
Masaharu Oikawa
Tadashi Fujiya
Tsutomu Yoshimura
Masanari Imamura
Kazuo Yamamoto
Hisao Ichishima
Osamu Iizuka
Noritaka Sumimoto

Corporate Auditors

Toru Yamashita
Moriyuki Minami
Akira Takara
Isamu Mori

TOYO SUISAN KAISHA,LTD.,AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

AS OF MARCH 31, 2010 AND 2011

ASSETS

	Millions of yen		Thousands of U.S. dollars(Note1)
	2010	2011	2011
Current assets:			
Cash on hand and at banks (Notes 4 and 5)	¥ 31,134	**¥ 34,649**	**$ 416,705**
Notes and accounts receivable-			
Trade (Note 5)	38,994	**39,784**	**478,461**
Unconsolidated subsidiaries and affiliates	153	**169**	**2,032**
Other	1,290	**1,436**	**17,270**
Less: Allowance for doubtful accounts	(544)	**(524)**	**(6,302)**
	39,893	**40,865**	**491,461**
Securities (Notes 5 and 6)	16,000	**23,000**	**276,609**
Inventories (Note 14)	17,260	**16,169**	**194,456**
Deferred tax assets (Note 15)	1,651	**1,926**	**23,163**
Other current assets	2,671	**2,115**	**25,435**
Total current assets	108,609	**118,724**	**1,427,829**
Property, plant and equipment (Notes 8,9,13 and 14):			
Buildings and structures	109,772	**105,285**	**1,266,206**
Machinery and equipment	86,012	**86,033**	**1,034,672**
	195,784	**191,318**	**2,300,878**
Less: Accumulated depreciation	(125,645)	**(124,797)**	**(1,500,866)**
	70,139	**66,521**	**800,012**
Land	30,409	**28,646**	**344,510**
Construction in progress	1,162	**332**	**3,993**
Total property, plant and equipment	101,710	**95,499**	**1,148,515**
Intangible assets	2,169	**1,728**	**20,782**
Investments and other assets:			
Investments in unconsolidated subsidiaries and affiliates (Note 5)	3,514	**4,217**	**50,716**
Investments in securities (Notes 5 and 6)	11,176	**9,944**	**119,591**
Deferred tax assets (Note 15)	1,232	**1,523**	**18,316**
Other (Note 5)	833	**899**	**10,811**
Less: Allowance for doubtful accounts	-	**(1)**	**(12)**
Total investments and other assets	16,755	**16,582**	**199,422**
Total assets	¥229,243	**¥232,533**	**$ 2,796,548**

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

CONSOLIDATED BALANCE SHEETS

LIABILITIES AND NET ASSETS

	Millions of yen		Thousands of U.S. dollars(Note1)
	2010	2011	2011
Current liabilities:			
Short-term loans (Notes 5 and 9)	¥ 1,714	**¥ 1,946**	**$ 23,403**
Current portion of long-term debt (Notes 5 and 9)	52	**52**	**625**
Notes and accounts payable-			
Trade (Note 5)	18,563	**18,741**	**225,388**
Unconsolidated subsidiaries and affiliates	135	**163**	**1,960**
Other	994	**897**	**10,788**
	19,692	**19,801**	**238,136**
Deferred tax liabilities (Note 15)	7	**1**	**12**
Income taxes payable	3,180	**2,747**	**33,037**
Accrued expenses	16,451	**15,848**	**190,595**
Other current liabilities	844	**1,601**	**19,255**
Total current liabilities	41,940	**41,996**	**505,063**
Long-term liabilities:			
Long-term debt (Notes 5 and 9)	64	**12**	**144**
Deferred tax liabilities (Note 15)	1,233	**890**	**10,704**
Reserve for retirement benefits			
— for employees (Note 10)	14,240	**15,051**	**181,010**
— for officers	112	**119**	**1,431**
Negative goodwill (Note 11)	676	**526**	**6,326**
Asset Retirement Obligations	–	**308**	**3,704**
Other	690	**823**	**9,898**
Total Long-term liabilities	17,015	**17,729**	**213,217**
Total liabilities	58,955	**59,725**	**718,280**
Contingent liabilities (Note 20)			
Net assets (Note 16):			
Shareholders' equity:			
Common stock-			
Authorized: 427,000,000 shares in 2010 and 2011			
Issued: 110,881,044 shares in 2010 and 2011	18,969	**18,969**	**228,130**
Capital surplus	22,517	**22,517**	**270,800**
Retained earnings	136,950	**144,769**	**1,741,058**
Treasury stock at cost			
Held by the Company:			
8,649,249 shares in 2010, 8,662,297 shares in 2011			
Owned by consolidated subsidiaries and affiliates:			
46,886 shares in 2010 and 2011	(8,086)	**(8,111)**	**(97,547)**
Total shareholders' equity	170,350	**178,144**	**2,142,441**
Accumulated other comprehensive income:			
Net unrealized gain (loss) on investment in securities, net of taxes (Note 6)	364	**(433)**	**(5,207)**
Net unrealized gain on hedging derivatives, net of taxes (Note 7)	198	**169**	**2,032**
Adjustment on foreign currency translation	(9,903)	**(14,755)**	**(177,450)**
Total accumulated other comprehensive income	(9,341)	**(15,019)**	**(180,625)**
Minority interests in consolidated subsidiaries	9,279	**9,683**	**116,452**
Total net assets	170,288	**172,808**	**2,078,268**
Total liabilities and net assets	¥229,243	**¥ 232,533**	**$ 2,796,548**

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED MARCH 31, 2010 AND 2011

	Millions of yen		Thousands of U.S. dollars (Note1)
	2010	2011	2011
Net sales (Note 22)	¥ 315,338	**¥ 305,912**	**$ 3,679,038**
Cost of sales (Note 12)	195,468	**191,118**	**2,298,473**
Gross profit	119,870	**114,794**	**1,380,565**
Selling, general and administrative expenses (Note 12)	88,748	**88,983**	**1,070,150**
Operating income (Note 22)	31,122	**25,811**	**310,415**
Non-operating income (expenses):			
Interest and dividends income	584	**425**	**5,111**
Interest expense	(28)	**(21)**	**(253)**
Exchange loss	(19)	**(50)**	**(601)**
Loss on sales or disposal of property, plant and equipment, net	(1,424)	**(317)**	**(3,812)**
Write-down of investments in securities	(126)	**(24)**	**(289)**
Impairment loss on fixed assets (Notes 13 and 22)	(320)	**(1,841)**	**(22,141)**
Loss on disaster (Note 14)	–	**(3,307)**	**(39,771)**
Subsidy received	126	**169**	**2,032**
Other, net	888	**883**	**10,620**
Income before income taxes and minority interests	30,803	**21,728**	**261,311**
Income taxes (Note 15)**:**			
Current	11,586	**9,147**	**110,006**
Deferred	(85)	**(484)**	**(5,821)**
	11,501	**8,663**	**104,185**
Income before minority interests	19,302	**13,065**	**157,126**
Minority interests in subsidiaries	(796)	**649**	**7,805**
Net income	¥18,506	**¥ 12,416**	**$149,321**
	Yen		U.S. dollars (Note1)
Amounts per share of common stock (Note 18)**:**			
Net income	¥ 181.3	**¥ 121.5**	**$ 1.46**
Cash dividends applicable to the year	40.0	**40.0**	**0.48**

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

TOYO SUISAN KAISHA, LTD., AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED MARCH 31, 2011

	Millions of yen	Thousands of U.S. dollars (Note1)
	2011	2011
Income before minority interests	**¥ 13,065**	**$ 157,126**
Other comprehensive income (Note 21):		
Net unrealized loss on investment in securities, net of taxes	**(783)**	**(9,417)**
Net unrealized loss on hedging derivatives, net of taxes	**(29)**	**(349)**
Adjustment on foreign currency translation	**(4,852)**	**(58,352)**
Share of other comprehensive income of the affiliate accounted for using equity method	**(23)**	**(277)**
Total other comprehensive income	**(5,687)**	**(68,395)**
Comprehensive income (Note 21)	**¥ 7,378**	**$ 88,731**
Total comprehensive income attributable to (Note 21):		
Owners of parent	**¥ 6,738**	**$ 81,034**
Minority shareholders	**640**	**7,697**

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2011

Millions of yen

	Shareholders' equity					Accumulated other comprehensive income					
	Common stock	Capital surplus	Retained earnings	Treasury stock at cost	Total shareholders' equity	Net unrealized gain (loss) on investment in securities, net of taxes	Net unrealized gain (loss) on hedging derivatives, net of taxes	Adjustment on foreign currency translation	Total accumulated other comprehensive income	Minority interests in consolidated subsidiaries	Total net assets
Balance at March 31, 2009	¥ 18,969	¥ 21,413	¥ 121,502	¥ (7,157)	¥ 154,727	¥ (260)	¥ 0	¥ (7,437)	¥ (7,697)	¥ 11,658	¥ 158,688
Net income	–	–	18,506	–	18,506	–	–	–	–	–	18,506
Cash dividends paid	–	–	(3,058)	–	(3,058)	–	–	–	–	–	(3,058)
Acquisition of treasury stock	–	–	–	(2,021)	(2,021)	–	–	–	–	–	(2,021)
Share exchange	–	1,104	–	1,092	2,196	–	–	–	–	–	2,196
Net changes in items except shareholders' equity	–	–	–	–	–	624	198	(2,466)	(1,644)	(2,379)	(4,023)
Balance at March 31, 2010	¥ 18,969	¥ 22,517	¥ 136,950	¥ (8,086)	¥ 170,350	¥ 364	¥ 198	¥ (9,903)	¥ (9,341)	¥ 9,279	¥ 170,288
Net income	–	–	12,416	–	12,416	–	–	–	–	–	12,416
Cash dividends paid	–	–	(4,597)	–	(4,597)	–	–	–	–	–	(4,597)
Acquisition of treasury stock	–	–	–	(25)	(25)	–	–	–	–	–	(25)
Net changes in items except shareholders' equity	–	–	–	–	–	(797)	(29)	(4,852)	(5,678)	404	(5,274)
Balance at March 31, 2011	¥ 18,969	¥ 22,517	¥ 144,769	¥ (8,111)	¥ 178,144	¥ (433)	¥ 169	¥ (14,755)	¥ (15,019)	¥ 9,683	¥ 172,808

Thousands of U.S. dollars (Note 1)

	Shareholders' equity					Accumulated other comprehensive income					
	Common stock	Capital surplus	Retained earnings	Treasury stock at cost	Total shareholders' equity	Net unrealized gain (loss) on investment in securities, net of taxes	Net unrealized gain (loss) on hedging derivatives, net of taxes	Adjustment on foreign currency translation	Total accumulated other comprehensive income	Minority interests in consolidated subsidiaries	Total net assets
Balance at March 31, 2010	$ 228,130	$ 270,800	$ 1,647,023	$ (97,246)	$ 2,048,707	$ 4,378	$ 2,381	$ (119,098)	$ (112,339)	$ 111,594	$ 2,047,962
Net income	–	–	149,321	–	149,321	–	–	–	–	–	149,321
Cash dividends paid	–	–	(55,286)	–	(55,286)	–	–	–	–	–	(55,286)
Acquisition of treasury stock	–	–	–	(301)	(301)	–	–	–	–	–	(301)
Net changes in items except shareholders' equity	–	–	–	–	–	(9,585)	(349)	(58,352)	(68,286)	4,858	(63,428)
Balance at March 31, 2011	$ 228,130	$ 270,800	$ 1,741,058	$ (97,547)	$ 2,142,441	$ (5,207)	$ 2,032	$ (177,450)	$ (180,625)	$ 116,452	$ 2,078,268

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED MARCH 31, 2010 AND 2011

	Millions of yen		Thousands of U.S. dollars (Note1)
	2010	**2011**	**2011**
Cash flows from operating activities:			
Income before income taxes and minority interests	¥30,803	**¥21,728**	**$261,311**
Depreciation and amortization	8,958	**10,634**	**127,889**
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	**254**	**3,055**
Impairment loss on fixed assets	320	**1,841**	**22,141**
Loss on disaster	–	**3,307**	**39,771**
Amortization of goodwill	51	**51**	**613**
Amortization of negative goodwill	(77)	**(150)**	**(1,804)**
Equity in gain under the equity method	(185)	**(67)**	**(806)**
Write-down of investments in securities	126	**24**	**289**
Increase in reserve for retirement benefits	622	**818**	**9,838**
Decrease in allowance for bonus to officers	(75)	**(72)**	**(866)**
Decrease in allowance for doubtful accounts	(13)	**(18)**	**(216)**
Interest and dividends income	(584)	**(425)**	**(5,111)**
Interest expenses	28	**21**	**253**
Currency exchange loss	19	**50**	**601**
Loss on sales or disposal of property, plant and equipment, net	1,424	**317**	**3,812**
Decrease (Increase) in notes and accounts receivable, trade	83	**(1,029)**	**(12,375)**
Decrease (Increase) in inventories	2,540	**(291)**	**(3,500)**
Increase (Decrease) in notes and accounts payable, trade	(1,629)	**363**	**4,366**
Increase (Decrease) in accrued expenses	636	**(1,292)**	**(15,538)**
Other, net	(909)	**1,239**	**14,900**
Sub total	42,138	**37,303**	**448,623**
Interest and dividends income received	597	**424**	**5,099**
Interest expenses paid	(28)	**(22)**	**(265)**
Payments for loss on disaster	–	**(4)**	**(48)**
Income taxes paid	(13,452)	**(9,581)**	**(115,225)**
Net cash provided by operating activities	29,255	**28,120**	**338,184**
Cash flows from investing activities:			
Payment for time deposits	(514)	**(1,831)**	**(22,020)**
Proceeds from maturities of time deposits	388	**709**	**8,527**
Payment for purchase of property, plant and equipment	(24,550)	**(8,103)**	**(97,450)**
Proceeds from sales of property, plant and equipment	438	**202**	**2,429**
Payment for purchase of intangible assets	(1,096)	**(409)**	**(4,919)**
Proceeds from sales of intangible assets	–	**46**	**553**
Purchase of investments in securities	(69)	**(711)**	**(8,551)**
Proceeds from sales of investments in securities	15	**27**	**325**
Payment for loans receivable	(1,823)	**(1,961)**	**(23,584)**
Collection of loans receivable	1,938	**1,742**	**20,950**
Other, net	0	**21**	**252**
Net cash used in investing activities	(25,273)	**(10,268)**	**(123,488)**
Cash flows from financing activities:			
Proceeds from short-term loans	3,078	**1,944**	**23,379**
Repayment of short-term loans	(3,403)	**(3,138)**	**(37,739)**
Repayment of long-term debt	(82)	**(52)**	**(625)**
Purchase of treasury stock	(2,021)	**(25)**	**(301)**
Cash dividends paid	(3,058)	**(4,597)**	**(55,286)**
Other, net	(238)	**(320)**	**(3,848)**
Net cash used in financing activities	(5,724)	**(6,188)**	**(74,420)**
Effect of exchange rate changes on cash and cash equivalents	(1,251)	**(2,256)**	**(27,131)**
Net increase (decrease) in cash and cash equivalents	(2,993)	**9,408**	**113,145**
Cash and cash equivalents at beginning of year	49,538	**46,545**	**559,771**
Cash and cash equivalents at end of year (Note 4)	¥46,545	**¥55,953**	**$672,916**

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of presenting the consolidated financial statements:

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

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

The translation of the Japanese yen amounts into U.S. dollar is included solely for the convenience of readers outside Japan, using the prevailing exchange rate at March 31, 2011, which was ¥83.15 to U.S. $1. The convenience translation should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollar at this or any other rate of exchange.

2 Summary of significant accounting policies:

(1) Scope of consolidation —

The Company has 30 and 29 subsidiaries as of March 31, 2010 and 2011, respectively. The accompanying consolidated financial statements include the accounts of the Company and its 20 and 19 subsidiaries as of March 31, 2010 and 2011, respectively. The subsidiaries that are significant and substantially controlled by the parent company are consolidated.

Consolidated subsidiaries as of March 31, 2010 and 2011 are listed as follows:

Name of subsidiary	Equity ownership percentage 2010	2011
Hachinohe Toyo Co., Ltd.	100.0%	100.0%
Kofu Toyo Co., Ltd.	100.0	100.0
Fukushima Foods Co., Ltd.	100.0	100.0
Toyo Reito Kaisha, Ltd.	100.0	100.0
Sanriku Toyo Kaisha, Ltd.	100.0	100.0
Shuetsu Co., Ltd.	100.0	100.0
Shinto Corporation	100.0	100.0
Tobu Boeki K.K. (*1)	100.0	–
Imari Toyo Co., Ltd.	100.0	100.0
Fresh Diner Corporation	100.0	100.0
Tokyo Commercial Co., Ltd	100.0	100.0
Choshi Toyo Kaisha, Ltd.	100.0	100.0
Yutaka Foods Corporation	40.3	40.3
Ishikari Toyo Kaisha, Ltd.	100.0	100.0
Mitsuwa Daily Co., Ltd	100.0	100.0
Maruchan, Inc. (*2)	100.0	100.0
Maruchan Virginia, Inc. (*2)	100.0	100.0
Maruchan de Mexico, S.A. de C.V. (*3)	100.0	100.0
Sanmaru de Mexico, S.A.de C.V. (*3)	100.0	100.0
Pac-Maru, Inc. (*2)	100.0	100.0

(*1)Tobu Boeki K.K. was excluded from the scope of consolidation since it was dissolved on September 30, 2010 and the liquidation procedures were completed on December 27, 2010.
(*2)Incorporated in the U.S.A.
(*3) Incorporated in United Mexican States

The remaining 10 unconsolidated subsidiaries, whose combined assets, net sales, net income and retained earnings in the aggregate are not significant compared to those of the consolidated financial statements of the Company and its consolidated subsidiaries, therefore, have not been consolidated with the Company as of March 31, 2010 and 2011.

Main unconsolidated subsidiaries as of March 31, 2010 and 2011 are listed as follows:

Yaizu Shinto Co., Ltd.
Suruga Toyo Kaisha, Ltd.

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

The Company has 3 and 4 affiliates as of March 31, 2010 and 2011, respectively.

The affiliate to which the equity method has been applied for the fiscal years ended March 31, 2010 and 2011 is listed as follows:

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

The investments in the 10 unconsolidated subsidiaries as of March 31, 2010 and 2011, and 2 affiliates (Irago Institute Co., Ltd. and Higashimaru International Corporation) and 3 affiliates (Irago Institute Co., Ltd., Higashimaru International Corporation and Shimaya Co., Ltd.) as of March 31, 2010 and 2011 respectively are carried at cost since applying the equity method of accounting to these companies would not have had any material effect on net income and retained earnings of the consolidated financial statements of the Company and its consolidated subsidiaries.

(3) Consolidation principles —

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

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

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

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

(4) Foreign currency translation —

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

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

(5) Cash and cash equivalents —

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

(6) Securities —

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

(7) Derivative financial instruments —

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

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

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

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

(8) Accrued officers' bonuses —

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

(9) Allowance for doubtful accounts —

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

(10) Inventories —

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

(11) Property, plant and equipment —

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

The ranges of useful lives are summarized as follows:

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

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

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

(12) Intangible assets —

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

(13) Accounting for leases —

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

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

(14) Reserve for retirement benefits and pension plan —

(a) Retirement benefits for employees

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

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

Effective from the fiscal year ended March 31, 2010, the Company and consolidated domestic subsidiaries adopted the "Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)" (ASBJ Statement No. 19 issued on July 31, 2008). The new accounting standard requires domestic companies to use the rate of return on long-term government or gilt-edged bonds as of the end of the fiscal year for calculating the projected benefit obligation of a defined-benefit plan. Previously, domestic companies were allowed to use a discount rate determined by taking into consideration fluctuations in the yield of long-term government or gilt-edged bonds over a certain period. This change had no material impact on the consolidated financial statement for the fiscal year ended March 31, 2010.

(b) Retirement benefits for officers —

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

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

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

(16) Accounting for consumption tax —

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

(17) Reclassification and restatement —

Certain reclassifications have been made in the consolidated financial statements as of March 31, 2010 to conform to the presentation in those as of March 31, 2011. Such reclassifications had no effect on consolidated net income or net assets.

3 Changes in accounting policies

(1) Application of accounting standard for business combinations and others —

Effective from the fiscal year ended March 31, 2011, the Company and its consolidated subsidiaries adopted the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, issued on December 26, 2008), the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, issued on December 26, 2008), the "Partial Amendments to Accounting Standard for Research and Development Costs" (ASBJ Statement No. 23, issued on December 26, 2008), the "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, issued on December 26, 2008), the "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, issued on December 26, 2008), and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, issued on December 26, 2008).

(2) New accounting standard for asset retirement obligations and its implementation guidance —

Effective from the fiscal year ended March 31, 2011, the Company and its consolidated subsidiaries adopted "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, issued on March 31, 2008) and "Guidance on Accounting Standard for Assets Retirement Obligations" (ASBJ Guidance No. 21, issued on March 31, 2008).

As a result of adopting these standards, operating income decreased by ¥23 million ($277 thousand), and income before income taxes and minority interests decreased by ¥230 million ($2,766 thousand) for the fiscal year ended March 31, 2011.

(3) Application of accounting standard for presentation of comprehensive income —

Effective from the fiscal year ended March 31, 2011, the Company adopted "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, issued on June 30, 2010) and "Revised Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, revised on June 20, 2010).

As a result of the adoption of these standards, the Company has presented the consolidated statement of comprehensive income in the consolidated financial statements for the fiscal year ended March 31, 2011.

The consolidated balance sheet and the consolidated statement of changes in net assets as of and for the fiscal year ended March 31, 2010 have been modified to conform with the new presentation rules of 2011.

4 Cash flow information

Cash and cash equivalents as of March 31, 2010 and 2011 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2011	2011
Cash on hand and at banks	¥ 31,134	¥ 34,649	$ 416,705
Securities with an original maturity of 3 months or less	16,000	23,000	276,609
Time deposits with deposit term of over 3 months	(589)	(1,696)	(20,398)
Cash and cash equivalents	¥ 46,545	¥ 55,953	$ 672,916

Certificates of deposits amounting to ¥16,000 million in 2010 and ¥23,000 million ($276,609 thousand) in 2011 respectively are included in the above table of "Securities with an original maturity of 3 months or less".

5 Financial Instruments

Effective from the fiscal year ended March 31, 2010, the Company and its consolidated subsidiaries adopted the revised Accounting Standard, "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10 revised on March 10, 2008) and the "Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No.19 revised on March 10, 2008).

Information on financial instruments for the fiscal years ended March 31, 2010 and 2011 required pursuant to the revised accounting standards is as follows.

(1) Outline of financial instruments

(a) Policy for financial instruments

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

(b) Details of financial instruments and related risk

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

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

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

(c) Risk management system for financial instruments

a. Credit Risk Management (customers' default risk)

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

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

b. Market Risk Management (foreign currency exchange and interest rate fluctuation risks)

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

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

c. Liquidity Risk Management on Fund Raising

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

(d) Supplementary explanation concerning fair values of financial instruments

The fair values of financial instruments include market prices or reasonably estimated values in case there are no market prices. Because estimation of fair values incorporates variable factors, adopting different assumptions could change the values. The contract amounts and other information described in the note of "7. Derivative financial instruments" do not indicate the market risk amounts of derivative transactions.

(e) Concentration of credit risk

The trade receivables from the Company's particularly major customer accounted for 33.8% and 36.6% as of March 31, 2010 and 2011 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, 2010 and 2011 are as follows:

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

	Millions of yen		
	2010		
	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	¥31,134	¥31,134	¥–
(2) Notes and accounts receivable - trade	38,994	38,994	–
(3) Securities	16,000	16,000	–
(4) Investment in securities			
Available-for-sale securities	10,681	10,681	–
(5) Long-term loans receivable	18	18	(0)
Assets total	¥96,827	¥96,827	¥(0)
(1) Notes and accounts payable - trade	¥18,563	¥18,563	¥–
(2) Short-term loans	1,714	1,714	–
(3) Current portion of long-term debt	52	52	–
(4) Long-term debt	64	65	1
Liabilities total	¥20,393	¥20,394	¥1
Derivative transactions (*1)	¥333	¥438	¥105

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

	Thousands of U.S. dollars		
	2011		
	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash on hand and at banks	$416,705	$416,705	$–
(2) Notes and accounts receivable - trade	478,461	478,461	–
(3) Securities	276,609	276,609	–
(4) Investment in securities			
Investment in affiliates	22,405	11,208	(11,197)
Available-for-sale securities	113,674	113,674	–
(5) Long-term loans receivable	1,467	1,443	(24)
Assets total	$1,309,321	$1,298,100	$(11,221)
(1) Notes and accounts payable - trade	$225,388	$225,388	$–
(2) Short-term loans	23,403	23,403	–
(3) Current portion of long-term debt	625	625	–
(4) Long-term debt	144	144	–
Liabilities total	$249,560	$249,560	$–
Derivative transactions (*1)	$3,428	$4,883	$1,455

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

Notes:

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

Assets:

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

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

(4) Investment in securities

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

(5) Long-term loans receivable

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

Liabilities:

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

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

(4) Long-term debt

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

Derivative financial instruments:
See the note on "7. Derivative financial instruments".

(b) Financial instruments with no available fair values

	Millions of yen		Thousands of U.S. dollars
	2010	2011	2011
Unlisted equity securities	¥495	¥492	$5,917
Investments in unconsolidated subsidiaries and affiliates	1,675	2,354	28,311

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

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

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

	Thousands of U.S. dollars			
	2011			
	Within one year	One to five years	Over Five to ten years	Over ten years
Cash on hand and at banks	$416,705	$–	$–	$–
Notes and accounts receivable - trade	478,461	–	–	–
Securities				
Certificates of deposits	276,609	–	–	–
Investment in securities				
Available-for sale securities with contractual maturities (bonds)	–	–	–	–
Long-term loans receivable	–	1,467	–	–
Total	$1,171,775	$1,467	$–	$–

(d) The redemption schedule for bonds, long-term debt and lease obligations with maturity dates subsequent to March 31, 2011

See the note on "9.Short-term loans, long-term debt and, lease obligations".

6 Securities:

(1) Available-for-sale securities with fair market value as of March 31, 2010 and 2011 are as follows:

	Millions of yen		
	2010		
	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition costs: Equity securities	¥7,343	¥5,878	¥1,465
Securities with carrying amount (fair value) not exceeding acquisition costs: Equity securities	3,318	4,099	(781)
Bonds	20	20	–
Other	16,000	16,000	–
	¥26,681	¥25,997	¥684

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

	Thousands of U.S. dollars		
	2011		
	Carrying amount	Acquisition cost	Difference
Securities with carrying amount (fair value) exceeding acquisition costs: Equity securities	**$43,740**	**$33,915**	**$9,825**
Securities with carrying amount (fair value) not exceeding acquisition costs: Equity securities	**69,934**	**85,628**	**(15,694)**
Other	**276,609**	**276,609**	**–**
	$390,283	**$396,152**	**$(5,869)**

(2) Details of available-for-sale securities sold during the years ended March 31, 2010 and 2011 are as follows:

	Millions of yen		
	2010		
	Sales proceeds	Total gain on sale	Total loss on sale
Equity securities	¥15	¥0	¥7

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

	Thousands of U.S. dollars		
	2011		
	Sales proceeds	Total gain on sale	Total loss on sale
Equity securities	**$325**	**$0**	**$204**

7 Derivative financial instruments:

The contract amounts, fair values of derivative transactions as of March 31, 2010 and 2011 are as follows:

	Millions of yen		
	2010		
	Contract amount	Contract amount due over one year	Fair value (a)
Foreign exchange forward contracts: Buying U.S.$	¥276	¥–	¥11
Currency and interest rate swaps: Receive floating, pay fixed	13,590	–	322
Foreign exchange forward contracts: Buying U.S.$ (b)	158	–	–
Commodity futures contracts	5,314	–	105
Total	¥19,338	¥–	¥438

	Millions of yen		
	2011		
	Contract amount	Contract amount due over one year	Fair value (a)
Foreign exchange forward contracts: Buying U.S.$	**¥197**	**¥–**	**¥5**
Currency and interest rate swaps: Receive floating, pay fixed	**12,165**	**–**	**280**
Foreign exchange forward contracts: Buying U.S.$ (b)	**273**	**–**	**–**
Commodity futures contracts	**4,249**	**–**	**121**
Total	**¥16,884**	**¥–**	**¥406**

	Thousands of U.S. dollars		
	2011		
	Contract amount	Contract amount due over one year	Fair value (a)
Foreign exchange forward contracts: Buying U.S.$	**$2,369**	**$–**	**$61**
Currency and interest rate swaps: Receive floating, pay fixed	**146,302**	**–**	**3,367**
Foreign exchange forward contracts: Buying U.S.$ (b)	**3,284**	**–**	**–**
Commodity futures contracts	**51,100**	**–**	**1,455**
Total	**$203,055**	**$–**	**$4,883**

Notes:

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

(b) When forward foreign exchange contracts meet certain conditions, their corresponding hedged items are stated at the forward exchange contract rates. Such items are accounts receivable or payable and their fair values are included in those of their hedged items on the notes of "5. Financial Instruments".

8 Investments and Rental Property:

Effective from the fiscal year ended March 31, 2010, the Company and its consolidated subsidiaries adopted the "Accounting Standard for Disclosures about Fair Value of Investment and Rental Property" (ASBJ Statement No.20 issued on November 28, 2008) and the "Guidance on Accounting Standard for Disclosures about Fair Value of Investment and Rental Property" (ASBJ Guidance No.23 issued on November 28, 2008).

The Company and certain subsidiaries hold some rental properties and idle properties in Tokyo and other areas. Profit from those properties for the fiscal years ended March 31, 2010 and 2011 were ¥323 million and ¥285 million ($3,428 thousand), respectively.

In addition, the book value, changes during the fiscal year and the fair value of such properties for the fiscal years ended March 31, 2010 and 2011 are as follows:

			Millions of yen
		Book value	Fair value
2009	Increase / (Decrease)	2010	2010
¥4,242	¥(190)	¥4,052	¥9,472

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

			Thousands of U.S. dollars
		Book value	Fair value
2010	Increase / (Decrease)	**2011**	**2011**
$48,731	$(2,513)	**$46,218**	**$107,709**

Notes:

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

(b) The fair values of properties represent the value produced with reference to certain appraised amounts and relevant indexes, which are deemed to properly reflect the market price.

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

The average annual interest rate on short-term loans is 0.715% and 0.601% as of March 31, 2010 and 2011 respectively.

Long-term debt as of March 31, 2010 and 2011 consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	**2011**	**2011**
Loans from banks and other financial institutions due from 2010 to 2012 with mortgages and collateral, at interest rates averaging 5.600%	¥116	**¥64**	**$769**
Less current portion	(52)	**(52)**	**(625)**
Long-term debt	¥64	**¥12**	**$144**

The assets pledged as collateral and collective mortgages for long-term debt including current portion as of March 31, 2010 and 2011 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	**2011**	**2011**
Property, plant and equipment, net of accumulated depreciation: Buildings and structures	¥46	**¥41**	**$493**
	¥46	**¥41**	**$493**

The aggregate annual maturities of long-term debt at March 31, 2011 are as follows:

	Millions of yen	Thousands of U.S. dollars
2012	¥52	$625
2013	12	144
2014	–	–
2015	–	–
Total	¥64	$769

The aggregate annual maturities of lease obligations at March 31, 2011 are as follows:

	Millions of yen	Thousands of U.S. dollars
2012	¥97	$1,167
2013	96	1,155
2014	87	1,046
2015	63	758
2016 and thereafter	64	769
Total	¥407	$4,895

10 Reserve for retirement benefits and pension plan:

The Company and some of its domestic consolidated subsidiaries have 1) defined benefit pension plans, 2) tax qualified pension plans and 3) lump-sum severance payment plans as defined benefit retirement plans covering substantially all employees. Moreover, the premium retirement payments are paid for the employees who retire under certain circumstances.

The reserves for retirement benefits as of March 31, 2010 and 2011 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	**2011**	**2011**
Projected benefit obligations	¥28,244	**¥28,775**	**$346,061**
Fair value of pension plan assets	(11,478)	**(11,322)**	**(136,163)**
Unfunded retirement benefit obligations	16,766	**17,453**	**209,898**
Unrecognized actuarial differences	(3,186)	**(2,914)**	**(35,045)**
Unrecognized prior service costs	627	**470**	**5,652**
Prepaid pension costs	33	**42**	**505**
Reserve for retirement benefits	¥14,240	**¥15,051**	**$181,010**

Net costs related to the retirement benefit plans for the fiscal years ended March 31, 2010 and 2011 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	**2011**	**2011**
Service costs	¥1,230	**¥1,323**	**$15,911**
Interest costs	528	**507**	**6,097**
Expected return on pension plan assets	(1)	**(2)**	**(24)**
Amortization of actuarial differences	1,006	**946**	**11,377**
Amortization of prior service costs	(157)	**(157)**	**(1,888)**
Net pension costs	¥2,606	**¥2,617**	**$31,473**

The assumptions used in accounting for the above plans for the fiscal years ended March 31, 2010 and 2011 are as follows:

	2010	**2011**
Discount rate	1.5%-2.0%	**1.5%-2.0%**
Expected rate of return on pension plan assets	0.0%-1.0%	**0.0%-1.0%**
Amortization of unrecognized actuarial differences	10 years	**10 years**
Amortization of unrecognized prior service costs	10 years	**10 years**

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

11 Business combinations:

(For the fiscal year ended March 31, 2010)

(1) Name of combining company, legal form of the business combination, and overview of the transaction

(a) Combining company:

Fukushima Foods Co., Ltd,

(b) Legal form of business combination:

Making Fukushima Foods Co., Ltd. a wholly owned subsidiary of the Company by a share exchange

(c) Overview of the transaction:

The Company and Fukushima Foods Co., Ltd. entered into an agreement on a share exchange, approved by the Board of Directors of both companies held on May 15, 2009. The share exchange made Fukushima Foods Co., Ltd. a wholly owned subsidiary of the Company on October 1, 2009. The purpose of this transaction was to maximize the utilization of management resources of both companies including manufacturing, sales, research and development activities in order to respond to the customers' needs on security and safety of the foods.

(2) Overview of the accounting methods

This share exchange transaction was accounted for as a transaction under common control in accordance with "Accounting Standard for Business Combinations" (issued by the Business Accounting Council on October 31, 2003) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (issued by the ASBJ on November 15, 2007).

(a) Acquisition cost and its breakdown:

	Millions of yen
Consideration for acquisition:	
The Company's share	¥2,196
Expenditure directly required for acquisition:	
Remuneration for valuation of a stock price	60
Acquisition cost	¥2,256

(b) Share exchange ratio by class of stock, its method of calculation, number of shares issued and their valuation:

1) Class of stock and share exchange ratio:

Common stock the Company 1 : Fukushima Foods Co., Ltd 0.7

2) Method for calculation of the share exchange ratio:

Above share exchange ratio was determined after deliberate discussions by both companies based on the values of the shares the independent third party assessed by using the stock market price method and discounted cash flow method.

(3) Number of the granted stock and the amount appraised:

Number of the granted stock	1,088,503 shares
Amount appraised	¥2,196 million

(4) Amount of negative goodwill generated, reason thereof, method and period of amortization

(a) Amount of negative goodwill:

¥750 million

(b) Reason thereof:

As its net asset value at the time of business combination exceeded the acquisition cost, the difference was recognized as negative goodwill.

(c) Method and period of amortization:

Straight-line method over 5 years

12 Research and development expenses:

Research and development expenses for the fiscal years ended March 31, 2010 and 2011 were ¥1,373 million and ¥1,363 million ($16,392 thousand), respectively.

13 Impairment losses on fixed assets:

During the fiscal years ended March 31, 2010 and 2011, the Company and its consolidated domestic subsidiaries recognized impairment losses on fixed assets on the following groups of assets.

		Millions of yen		Thousands of U.S. dollars
Use	Type of Assets	2010	2011	2011
Business property	Buildings, machinery, equipment and land	¥106	¥1,780	$21,407
Idle property	Buildings, machinery and equipment	214	61	734
		¥320	¥1,841	$22,141

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

The book values of impaired business properties were reduced to recoverable amounts due to lowered profitability. The recoverable value is measured as the higher of (1) their net realizable value based on amounts mainly determined by valuation made in accordance with real estate appraisal standards or (2) the present value of the expected cash flows from the ongoing utilization and subsequent disposition of the assets discounted at 4% in 2010 and 2011.

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

14 Loss on disaster:

Loss on disaster caused by the Great East Japan Earthquake on March 11, 2011 is summarized as follows:

	Millions of yen	Thousands of U.S. dollars
	2011	2011
Property, plant and equipment	¥1,256	$15,105
Inventories	1,116	13,421
Restoration cost	664	7,986
Others	271	3,259
Total	¥3,307	$39,771

15 Income taxes:

The income taxes applicable to the Company and the domestic subsidiaries include (1) corporation taxes, (2) enterprise taxes (excluding the part attributed to added value and capital) and (3) inhabitants' taxes which, in the aggregate, result in the statutory tax rate equal to approximately 40.7% for the fiscal years ended March 31, 2010 and 2011.

The main components of deferred tax assets and liabilities as of March 31, 2010 and 2011 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2011	2011
Deferred tax assets:			
Unrealized gain on fixed assets	¥216	**¥217**	**$2,610**
Accrued bonuses	883	**708**	**8,515**
Write-down of investments in securities	966	**925**	**11,124**
Reserve for retirement benefits	5,768	**6,043**	**72,676**
Impairment losses on fixed assets	1,147	**1,717**	**20,649**
Tax loss carryforwards	1,236	**920**	**11,064**
Other	1,815	**2,374**	**28,551**
Gross deferred tax assets	12,031	**12,904**	**155,189**
Less: valuation allowance	(4,529)	**(4,509)**	**(54,227)**
Total deferred tax assets	7,502	**8,395**	**100,962**
Deferred tax liabilities:			
Reversal of special reserves for deferred capital gains	4,713	**4,790**	**57,607**
Valuation differences of subsidiaries' assets in consolidation	141	**141**	**1,696**
Depreciation at overseas consolidated subsidiaries	829	**803**	**9,657**
Net unrealized gain on other securities	166	**65**	**782**
Other	10	**38**	**457**
Total deferred tax liabilities	5,859	**5,837**	**70,199**
Net deferred tax assets	¥1,643	**¥2,558**	**$30,763**

The following table summarizes the main differences between the statutory tax rate and the effective tax rate for the fiscal year ended March 31, 2010.

	2010
Statutory tax rate	40.7%
Permanent difference - expenses	0.6
Valuation allowance	(0.7)
Equity in gain under the equity method	(0.3)
Difference in income tax rates applied to overseas consolidated subsidiaries	(2.2)
Tax credit	(0.3)
Other – net	(0.5)
Effective tax rate	37.3%

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

16 Net assets:

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

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

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

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

At the annual shareholders' meeting held on June 28, 2011, the shareholders approved cash dividends amounting to ¥2,043 million ($24,570 thousand). Such appropriations have not been accrued in the consolidated financial statements as of March 31, 2011. Such appropriations are recognized in the period in which they are approved by the shareholders.

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

(1) Type and number of shares issued and outstanding for the fiscal years ended March 31, 2010 and 2011

Common stock outstanding	Thousands of shares 2010	2011
Balance at beginning of the fiscal year	110,881	**110,881**
Balance at end of the fiscal year	110,881	**110,881**

Treasury stock outstanding	Thousands of shares 2010	2011
Balance at beginning of the fiscal year	8,951	**8,696**
Increase due to purchase of odd stock	23	**13**
Increase due to purchase of treasury stock based on article 797 paragraph 1 of the corporate law	810	**–**
Decrease due to share exchange for Fukushima Foods Co., Ltd.	(1,088)	**–**
Balance at end of the fiscal year	8,696	**8,709**

(2) Dividends

(a) Dividends whose record date is attributable to the accounting period ended March 31, 2010 but to be effective after the accounting period

The Company resolved dividends at the general meeting of shareholders held on June 25, 2010 as follows:

Dividends on Common stock

a. Total amount of dividends	¥2,555 million
b. Funds for dividends	Retained earnings
c. Dividends per share	¥25.0
d. Record date	March 31, 2010
e. Effective date	June 28, 2010

(b) Dividends whose record date is attributable to the accounting period ended March 31, 2011 but to be effective after the accounting period.

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

Dividends on Common stock

a. Total amount of dividends	¥2,043 million ($24,570 thousand)
b. Funds for dividends	Retained earnings
c. Dividends per share	¥20.0 ($0.24)
d. Record date	March 31, 2011
e. Effective date	June 29, 2011

18 Per share information:

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

	Millions of yen 2010	2011	Thousands of U.S. dollars 2011
Net income	¥18,506	**¥12,416**	**$149,321**
Net income attributable to common stock	¥18,506	**¥12,416**	**$149,321**
Weighted-average amount of common stock (unit: thousands of shares)	102,058	**102,178**	**102,178**

19 Leases:

(1) Finance leases

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

Assumed amounts of acquisition cost, accumulated depreciation and book value as of March 31, 2010 and 2011 are as follows:

	Millions of yen 2010 Cost	Accumulated depreciation	Book value
Machinery and equipment	¥210	¥126	¥84
Other	958	799	159
	¥1,168	¥925	¥243

	Millions of yen			Thousands of U.S. dollars		
	2011					
	Cost	Accumulated depreciation	Book value	Cost	Accumulated depreciation	Book value
Machinery and equipment	**¥160**	**¥110**	**¥50**	**$1,924**	**$1,323**	**$601**
Other	**118**	**100**	**18**	**1,419**	**1,202**	**217**
	¥278	**¥210**	**¥68**	**$3,343**	**$2,525**	**$818**

The scheduled maturities of the above lease contracts subsequent to March 31, 2010 and 2011 are summarized as follows:

	Millions of yen 2010	2011	Thousands of U.S. dollars 2011
Due within one year	¥175	**¥40**	**$481**
Due after one year	68	**28**	**337**
	¥243	**¥68**	**$818**

Lease expenses and assumed amounts of depreciation on such finance lease contracts without ownership-transfer for the fiscal years ended March 31, 2010 and 2011 are as follows:

	Millions of yen 2010	2011	Thousands of U.S. dollars 2011
Lease expenses	¥272	**¥175**	**$2,105**

	Millions of yen 2010	2011	Thousands of U.S. dollars 2011
Assumed amounts of depreciation	¥272	**¥175**	**$2,105**

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

(2) Operating leases

The minimum commitments under noncancelable operating leases as of March 31, 2010 and 2011 are as follows:

	Millions of yen 2010	2011	Thousands of U.S. dollars 2011
Due within one year	¥45	**¥33**	**$397**
Due after one year	110	**93**	**1,118**
	¥155	**¥126**	**$1,515**

20 Contingent liabilities:

Contingent liabilities as of March 31, 2010 and 2011 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2011	2011
Guarantees of indebtedness for employees	¥125	¥103	$1,239

21 Comprehensive income:

Comprehensive income for the fiscal year ended March 31, 2010 is as follows:

	Millions of Yen
	2010
Comprehensive income attributable to:	
Owners of the parent	¥ 16,862
Minority interests	850
Total comprehensive income	¥ 17,712

Other comprehensive income for the fiscal year ended March 31, 2010 is as follows:

	Millions of Yen
	2010
Other comprehensive income:	
Net unrealized gain on investment in securities, net of taxes	¥ 667
Net unrealized gain on hedging derivatives, net of taxes	197
Adjustment on foreign currency translation	(2,465)
Share of other comprehensive income of the affiliate accounted for using equity method	11
Total other comprehensive income	¥(1,590)

22 Segment information:

Effective from the fiscal year ended March 31, 2011, the Company adopted "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, issued on March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Statements of an Enterprise and Related Information" (ASBJ Guidance No. 20, issued on March 21, 2008). The segment information for the fiscal year ended March 31, 2010 under the revised accounting standard is also disclosed.

(1) General information about reportable segments

Reportable segments of Company are the business unit for which separate financial information is available. They are reviewed regularly at the Board of Director's Meeting in order to determine distribution of Management resources and evaluate business performance results.

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

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

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

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

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

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

Millions of yen

	2010										
	Reportable segment										
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Total	Other	Total	Adjust-ments	Consolidated
Net sales Outside customer	¥33,376	¥59,225	¥97,031	¥65,254	¥19,352	¥12,950	¥287,188	¥28,103	¥315,291	¥47	¥315,338
Segment income	¥390	¥12,128	¥12,350	¥4,169	¥637	¥882	¥30,556	¥1,363	¥31,919	¥ (797)	¥31,122
Other items:											
Depreciation and amortization	¥150	¥1,162	¥1,825	¥1,895	¥690	¥1,567	¥7,289	¥1,206	¥8,495	¥463	¥8,958
Amortization of goodwill	–	–	–	–	–	–	–	–	–	51	51

Millions of yen

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

Thousands of U.S. dollars

	2011										
	Reportable segment										
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Total	Other	Total	Adjust-ments	Consolidated
Net sales Outside customer	**$401,143**	**$603,620**	**$1,223,764**	**$762,225**	**$220,481**	**$154,456**	**$3,365,689**	**$313,133**	**$3,768,822**	**$216**	**$3,679,038**
Segment income	**$8,503**	**$89,561**	**$140,000**	**$51,569**	**$6,530**	**$6,615**	**$302,778**	**$14,468**	**$317,246**	**$(6,831)**	**$310,415**
Other items:											
Depreciation and amortization	**$1,419**	**$12,147**	**$39,579**	**$27,709**	**$7,841**	**$21,395**	**$110,090**	**$13,301**	**$123,391**	**$4,498**	**$127,889**
Amortization of goodwill	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**613**	**613**

Notes:

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

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

1) The amounts of ¥47 million and ¥18 million ($216 thousand) in net sales for the fiscal years ended March 31, 2010 and 2011 respectively were due to differences in elimination methods used by the reportable segments and the financial statements.

2) The amounts of ¥(797) million and ¥(568) million ($(6,831) thousand) in segment income for the fiscal years ended March 31, 2010 and 2011 include companywide expenses of ¥(879) million and ¥(680) million ($(8,178) thousand) which have not been allocated to each reportable segment, respectively. The companywide expenses are mainly general and administrative expenses which are not attributable to any reportable segment. Other adjustments are mainly foreign currency translation adjustments resulting from eliminations with overseas subsidiaries in consolidation procedures.

3) The amounts of ¥463 million and ¥374 million ($4,498 thousand) in depreciation and amortization for the fiscal years ended March 31, 2010 and 2011 include companywide expenses of ¥267 million and ¥248 million ($2,983 thousand), respectively.

4) The amounts of ¥51 million and ¥51 million ($613 thousand) in amortization of goodwill for the fiscal years ended March 31, 2010 and 2011 include companywide expenses of ¥41 million and ¥41 million ($493 thousand), respectively.

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

(4) Information about geographic areas

Millions of yen

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

Thousands of U.S. dollars

	2011			
	Japan	North America	Other	Consolidated
Net sales	**$3,073,830**	**$603,669**	**$1,539**	**$3,679,038**

Notes:

(a) Net sales are classified by countries or regions based on location of customers.

(b) The major countries or regions in each classification are as follows:

North America ...............U.S.A., United Mexican States

Others ....People's Republic of China, Taiwan, Republic of Korea

(5) Information about major customers

Name of major customers	Sales: Millions of yen	Sales: Thousands of U.S. dollars	Related reportable segment
	2011		
MITSUI & CO., LTD.	**¥86,462**	**$1,039,832**	Domestic Instant Noodles Segment

(6) Information about impairment

Millions of yen

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

Thousands of U.S. dollars

	2011								
	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Impairment losses on fixed assets	$72	$–	$493	$0	$3,139	$36	$18,401	$–	$22,141

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

Millions of yen

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

Thousands of U.S. dollars

	2011								
	Reportable segment								
	Seafood	Overseas Instant Noodles	Domestic Instant Noodles	Frozen and Refrigerated Foods	Processed Foods	Cold-Storage	Other	Adjust-ments	Consolidated
Goodwill:									
Amortization	$–	$–	$–	$–	$–	$–	$–	$613	$613
Unamortized balance	$–	$–	$–	$–	$–	$–	$–	$253	$253
Negative goodwill:									
Amortization	$–	$–	$–	$–	$–	$–	$–	$1,804	$1,804
Unamortized balance	$–	$–	$–	$–	$–	$–	$–	$6,326	$6,326

23 Subsequent events:

The Company's shareholders approved appropriation of retained earnings at the general meeting of shareholders held on June 28, 2011 as follows:

	Millions of yen	Thousands of U.S. dollars
Cash dividends (¥20.0 per share)	¥2,043	$24,570

INDEPENDENT AUDITORS' REPORT

KPMG

Independent Auditors' Report

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

We have audited the accompanying consolidated balance sheets of Toyo Suisan Kaisha, Ltd. ("the Company") and its consolidated subsidiaries as of March 31, 2011 and 2010, the related consolidated statements of income and comprehensive income for the year ended March 31, 2011, statement of income for the year ended March 31, 2010, and statements of changes in net assets and cash flows for each of the years then ended expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to independently express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Toyo Suisan Kaisha, Ltd. and its consolidated subsidiaries as of March 31, 2011 and 2010, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in Japan.

Without qualifying our opinion, we draw attention to Note 21 to the consolidated financial statements, in which the comprehensive income for the year ended March 31, 2010 is disclosed.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2011 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

KPMG AZSA LLC

Tokyo, Japan
June 28, 2011

CORPORATE DATA

As of March 31, 2011

Head Office	13-40, Konan 2-chome, Minato-ku, Tokyo 108-8501, Japan Tel.: +81-3-3458-5111
Date of Establishment	March 25, 1953
Number of Plants	8
Number of Sales Offices	28
Number of Refrigerated Warehouses	14
Number of Subsidiaries and Affiliates	33
Number of Employees	1,909
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	6,469
Stock Exchange Listing	Tokyo (#2875)
Stock Transfer Agent	The Chuo Mitsui Trust and Banking Company, Limited, in Tokyo
Annual Meeting	The annual meeting of shareholders is usually held before the end of June in Tokyo.

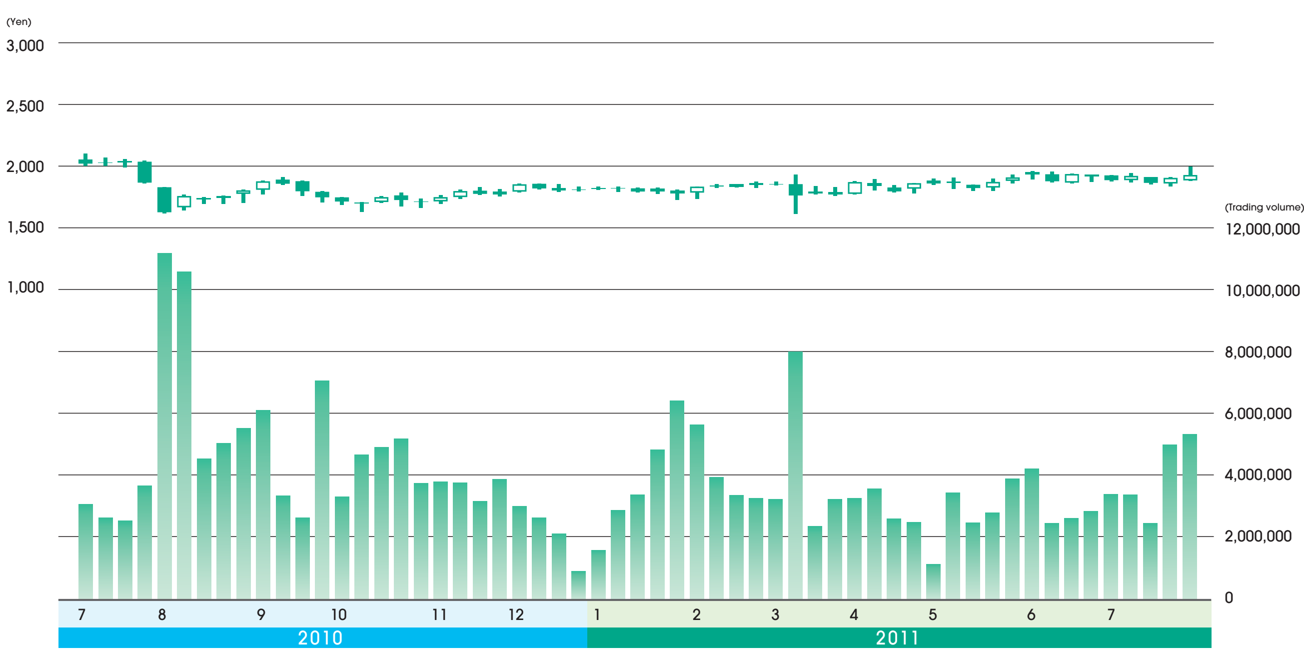
CORPORATE PROFILE

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

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

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

Common Stock Price Range and Trading Volume



TOYO SUISAN