Summary of Financial Statements for the Year Ended March 31, 2013 [Japanese Standards]

May 14, 2013

Listed Company Name: Nisshin Seifun Group Inc. Registered on Tokyo Stock Exchange and Osaka Securities Exchange
Code: 2002
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Date to hold the Ordinary General Meeting of Shareholders to approve results: June 26, 2013
Date to start distributing dividends: June 27, 2013
Date to submit the Securities Report: June 26, 2013
Supplementary documents for this summary of financial statements: Yes
Results briefing for financial results: Yes (for analysts and institutional investors)

(Figures shown are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(1) Consolidated Business Results

(The percentages indicate the rates of increase or decrease compared with the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2013	455,566	3.1	21,740	(5.9)	24,742	(5.3)	13,688	2.7
Fiscal 2012	441,963	4.2	23,113	(8.8)	26,132	(6.1)	13,326	(6.1)

(Note) Comprehensive income: Fiscal 2013: ¥23,945 million (up 33.3%)
Fiscal 2012: ¥17,962 million (up 43.7%)

	Net income per share	Fully diluted net income per share	Return on shareholders' equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal 2013	55.09	—	4.6	5.5	4.8
Fiscal 2012	53.63	—	4.7	6.4	5.2

(Reference) Equity in earnings of affiliates: Fiscal 2013: ¥598 million Fiscal 2012: ¥800 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2013	461,851	317,436	66.9	1,243.82
March 31, 2012	431,956	298,798	67.5	1,172.72

(Reference) Equity capital: Fiscal 2013: ¥309,053 million Fiscal 2012: ¥291,390 million

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2013	34,479	(23,854)	(4,587)	53,249
Fiscal 2012	26,078	(15,244)	(6,134)	46,387

2. Dividends

	Dividend per share					Total dividends paid (annual)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1Q End	2Q End	3Q End	Year-End	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2012	—	10.00	—	10.00	20.00	4,970	37.3	1.7
Fiscal 2013	—	10.00	—	10.00	20.00	4,970	36.3	1.7
Fiscal 2014 (forecast)	—	10.00	—	10.00	20.00		31.1	

3. Forecast of Consolidated Business Results for the Year Ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(The full-year percentages indicate the rates of increase or decrease compared with the previous fiscal year; the percentages for the first half are comparisons with the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	238,000	7.3	10,300	3.9	11,700	2.0	6,900	1.0	27.77
Full year	490,000	7.6	23,700	9.0	26,300	6.3	16,000	16.9	64.39

* Notes

(1) Changes in important subsidiaries during the period under review (changes in specified subsidiaries involving a change in the scope of consolidation): Yes

New: 1 company Champion Flour Milling Ltd.

Excluded: —

Note: For details, please refer to “Subsidiaries and Affiliates” on page 14 of the Attachment.

(2) Changes in accounting policies, changes in accounting estimates and revisions restated

1) Changes in accounting policies associated with the revisions of accounting standards, etc.: Yes
2) Changes in accounting policies other than the above: None
3) Changes in accounting estimates: Yes
4) Revisions restated: None

Note: This section provides information stipulated in Article 14-7 of the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements. For details, please refer to (Changes in accounting policy, etc.) of “Basis of Presentation of Consolidated Financial Statements” on pages 26-28 of the Attachment.

(3) Number of shares issued and outstanding (common stock)

1) Number of shares issued and outstanding (including treasury shares)	As of March 31, 2013	251,535,448	As of March 31, 2012	251,535,448
2) Number of treasury shares	As of March 31, 2013	3,064,504	As of March 31, 2012	3,062,310
3) Average number of shares outstanding	Fiscal 2013	248,469,704	Fiscal 2012	248,482,146

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(1) Non-consolidated Business Results

(The percentages indicate the rates of increase or decrease compared with the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2013	32,418	41.6	19,344	85.8	20,981	78.7	20,980	54.2
Fiscal 2012	22,886	(8.6)	10,412	(13.5)	11,739	(10.8)	13,604	5.8

	Net income per share	Fully diluted net income per share
	Yen	Yen
Fiscal 2013	84.42	—
Fiscal 2012	54.74	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2013	278,192	254,095	91.3	1,021.42
March 31, 2012	255,029	233,342	91.4	938.09

(Reference) Equity capital: Fiscal 2013: ¥253,862 million Fiscal 2012: ¥233,154 million

2. Forecast of Non-consolidated Business Results for the Year Ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(The full-year percentages indicate the rates of increase or decrease compared with the previous fiscal year; the percentages for the first half are comparisons with the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	15,000	(43.3)	8,200	(59.2)	9,000	(56.7)	9,200	(55.9)	37.02
Full year	20,500	(36.8)	7,200	(62.8)	8,800	(58.1)	9,200	(56.2)	37.02

* Statement regarding auditing status

This summary of financial statements falls outside the audit requirements of the Financial Instruments and Exchange Act. Audits of both consolidated and non-consolidated financial statements were under way as of the time this summary was disclosed.

* Statement regarding the proper use of financial forecasts and other special remarks

The statements contained in this document are based on various assumptions and do not constitute any guarantee or definite promise that projections of future performance or related business policies will actually be realized. For details of assumptions for financial forecasts and other related matters, please see pages 4 to 5 and page 6 of the Attachment.

ATTACHMENT

Contents

I. Analysis of Business Performance and Financial Position

(1) Analysis of Business Performance

1) Overview of the Period under Review

To achieve long-term growth, in April 2012 Nisshin Seifun Group Inc. (the "Company") launched a medium-term management plan, "NNI-120, Speed, Growth and Expansion," with the priority strategies of top-line (net sales) growth and overseas businesses expansion, starting with aggressive measures in each business.

During the fiscal year ended March 31, 2013, the environment surrounding the Company remained severe under conditions of prolonged weak consumer spending due to an uncertain outlook caused by a slowdown in the global economy and a prolonged deflationary environment, although some segments showed signs of recovery as a result of reconstruction demand following the Great East Japan Earthquake and policy effects and other factors after a change in government. Under these conditions, the Company implemented aggressive promotional efforts to boost the top line (net sales) in each of its businesses. In addition, Miller Milling Company, LLC in the U.S., which was acquired in March 2012, and Nisshin Seifun Premix Inc., which was established in October 2012, both made steady progress. In February 2013, the Company acquired from Goodman Fielder the largest flour milling business in New Zealand and the business got off to a good start as newly established Champion Flour Milling Ltd. Other steps were taken to drive growth, including an investment in Tokatsu Foods Co., Ltd., a general maker of prepared dishes.

The Company has been integrating its flour milling plants as part of efforts to strengthen future cost competitiveness. This included the start of construction of the new Fukuoka Plant in the Kyushu region in May 2012, and a decision in December to add another production line to the Chita Plant in the Chubu region.

Meanwhile, the Company revised its wheat flour prices in response to the government's adjustments to prices for five brands of imported wheat. On average, the price of imported wheat was reduced by 15% in April 2012 and raised by 3% in October 2012.

As a result, consolidated net sales increased 3.1% year on year to ¥455,566 million for the fiscal year under review, reflecting the consolidation of Miller Milling Company, LLC, growth in sales of prepared dishes and other prepared foods and of frozen food products, as well as the start of new shipments of raw materials for pharmaceutical and other products. Meanwhile, due to an increase in sales promotion expenses in the Processed Food Segment and other factors, operating income decreased 5.9% year on year to ¥21,740 million, ordinary income declined 5.3% to ¥24,742 million. Net income rose 2.7% to ¥13,688 million.

[Business Overview by Segment]

(1) Flour Milling Segment

In the flour milling business, market conditions were challenging due to sluggish domestic consumption of wheat flour. However, domestic commercial wheat flour shipments exceeded results of the previous year due to the promotion of value-added services that provide total solutions to customers, as well as efforts to enhance customer relationships. During the period, the government adjusted its prices for five brands of imported wheat, reducing prices on average by 15% in April 2012, and raising them on average by 3% in October 2012. In response, the Company adjusted its prices for commercial wheat flour in July and December 2012.

From the perspectives of production and distribution, we continued to carry out measures to enhance productivity and reduce fixed and other costs. Also, the Company has been integrating its flour milling plants as part of efforts to strengthen future cost competitiveness. This included the start of construction of the new Fukuoka Plant in the Kyushu region in May 2012, and a decision in December to add another production line to the Chita Plant in the Chubu region.

The price of bran, a byproduct of the milling process, remained favorable throughout the period.

In the overseas business, shipments increased compared with the previous year, reflecting the consolidation of Miller Milling Company, LLC in the U.S., which was acquired in March 2012, and efforts to boost sales at Nisshin–STC Flour Milling Co., Ltd. in Thailand, such as exports to surrounding countries. For further business expansion, in February 2013, the Company acquired the New Zealand flour milling business of Goodman Fielder, a major food company in Australia and New Zealand. The business was transferred to a newly established consolidated company called Champion Flour Milling Ltd. In addition, we upgraded our production capacity by about 20% at Nisshin-STC Flour Milling Co., Ltd. in January 2013 and by about 30% at Miller Milling Company, LLC in February 2013.

As a result, net sales of the Flour Milling Segment increased 4.1% from the previous fiscal year to ¥179,127 million, and operating income rose 6.3% to ¥8,504 million.

(2) Processed Food Segment

In the processed food business, the Company launched new household-use products to address needs arising from an increase in eating alone and growing demand for meals that are easy to prepare. It also actively worked to boost sales using TV commercials and consumer campaigns. Although shipments of household-use products stored at room temperature declined year on year, sales in the processed food business expanded on the back of a sharp rise in shipments of frozen food products and other factors. In the commercial prepared mix business, which offers significant growth potential, the Company established a new company called Nisshin Seifun Premix Inc. in October 2012, creating a more dynamic operating system to support business expansion in Japan and overseas. Sales of prepared dishes and other prepared foods business advanced from the previous year as a result of active sales expansion measures. In December 2012, the Company invested in Tokatsu Foods Co., Ltd., a general maker of prepared dishes to aim at further business expansion. Sales of the overseas business increased from a year earlier owing to aggressive product proposals aimed at obtaining new customers, mainly in the ever-growing Chinese and Southeast Asian markets.

In the yeast business, shipments of yeast were flat with the previous year, and sales were steady year on year. Sales in the biotechnology business decreased compared with the year earlier, owing to weak demand in consignment production of feed and testing services and other products.

In the healthcare foods business, sales increased year on year due to the start of shipments of EPA-E, a raw material for pharmaceuticals, and strong sales of consumer products. Growth in consumer products was mainly driven by the creation of a new mail-order sales channel.

As a result, net sales of the Processed Food Segment increased 2.3% from the previous fiscal year to ¥232,867 million, but operating income declined 12.3% to ¥10,411 million.

(3) Others Segment

In the pet food business, sales decreased from a year earlier as the market environment continued to be severe mainly due to sluggish growth across the market and a drop in retail prices, despite aggressive sales promotion measures such as the release of new products to address market needs. In February 2013, we launched the domestically produced "*JP-Style Dietetics*" brand to enter the therapeutic pet foods market.

In the engineering business, sales increased significantly year on year. This reflected a solid performance from the mainstay plant engineering business and strong contracted processing and equipment sales.

In the mesh cloth business, sales surpassed the previous year's level. Although sales of materials for screen-printing applications were below the previous year, sales of forming filters for automobile parts and others expanded.

As a result, net sales of the Others Segment increased 2.9% to ¥43,570 million, but operating income declined 11.8% to ¥2,915 million.

2) Business Outlook

For the Japanese economy, there are some bright signs as the yen depreciated and stock prices advanced since the change of government based on expectations from its economic and monetary measures to counter deflation and other factors. However, a renewed upward trend in international grain prices, an increase in utility charges and other factors due partly to the impact from a depreciating yen will push up costs. Additionally, an increase in the national consumption tax is expected in April 2014. Considering these factors, a severe business environment will continue to surround the Nisshin Seifun Group. Under these circumstances, we will continue to fulfill our mission of securing stable supplies of wheat flour and other staple foods for the Japanese people, and will strive to provide customers with safe products from all of our businesses. Meanwhile, in response to the government's decision to raise the prices of five brands of imported wheat by an average of 9.7% in April 2013, we announced details of a revision to the price of our commercial wheat flour.

From April 2012, we have focused on our medium-term management plan, "NNI-120, Speed, Growth and Expansion," a strategy that prioritizes top-line (net sales) growth and overseas business expansion. In this year, the second year of the medium term management plan, we have set out targets for the next three years through the fiscal year ending March 31, 2016 by properly reviewing the targets to flexibly respond to changes in the business environment and carry out strategic measures in each business.

Considering the aforementioned factors, consolidated net sales for the fiscal year ending March 31, 2014 are forecast to rise 7.6% year on year to ¥490,000 million. From a profit perspective, operating income is projected to climb 9.0% to ¥23,700 million. Ordinary income is expected to rise 6.3% to ¥26,300 million, while net income is expected to increase 16.9% from the fiscal year under review to ¥16,000 million.

(1) Flour Milling Segment

In the flour milling business, we will further increase our market share by continuing efforts to: stably supply products, develop products that accurately address customer needs, capture new customers based on the promotion of value-added services that provide total solutions to customers, further strengthen customer relationships and engage in other aggressive sales promotion activities. From the production and distribution perspectives, we will implement productivity improvement and other cost-cutting measures while striving to secure earnings.

In addition, in response to the government's decision to raise the prices of five brands of imported wheat by an average of 9.7% in April 2013, we announced details of a revision to the price of our commercial wheat flour.

In the overseas business, we will make maximum use of the upgraded production capacity of Nisshin-STC Flour Milling Co., Ltd. in Thailand and Miller Milling Company, LLC in the U.S. and steadily carry on the business of Champion Flour Milling Ltd. in New Zealand to accelerate our efforts at expansion.

(2) Processed Food Segment

In the processed food business, we will launch new products on the market corresponding to changes in the market environment and will work to expand sales by deploying continued advertising campaigns and promotional activities as well as promote cost-cutting measures across each area of our purchase, production and distribution business processes. Nisshin Seifun Premix Inc., which was established in 2012, will promote expansion of the commercial prepared mix business in Japan and overseas. In the prepared dishes and other prepared foods business, we will strive for further sales expansion by harnessing the synergistic effects through our alliance with Tokatsu Foods Co., Ltd. In the overseas business, we will make advancement in capturing new customers mainly in the Chinese and Southeast Asian markets to further expand business.

As for the yeast business of the yeast and biotechnology business, we will promote development of high-value-added products and proposal-based marketing efforts to aim at establishing a firm position in the bakery products markets and also strive to develop new markets other than bakery products. In the biotechnology business, we will focus on bringing new products to market, focusing mainly on diagnostic reagents, and promote sales using overseas bases to conduct active deployment of consistent services that support comprehensive research and development of new drugs.

In the healthcare foods business, we will strengthen the supply system of "EPA-E," a raw material for pharmaceutical products launched in 2012 together with continuing to push for expanding sales of consumer-oriented products, concentrating on sales via mail order.

(3) Others Segment

In the pet food business, we will continue our efforts to become a premium pet food manufacturer, including in the therapeutic pet food market which we recently entered.

In the engineering business, utilizing core technology based on our original powder technology and other technologies, we aim to expand orders in the non-food field in addition to the food field in which we excel to aim at business expansion in each segment of plant engineering, contracted processing and equipment sales.

In the mesh cloth business, we will continue efforts to strengthen our business structure through cost reduction and other measures together with using our overseas production bases as hubs to focus on sales expansion in growing overseas markets.

(2) Analysis on Financial Position

1) Overview of the Period under Review

The status of assets, liabilities and net assets on a consolidated basis at the end of the year ended March 31, 2013, was as follows.

Current assets climbed ¥5,036 million from the previous fiscal year-end to ¥218,468 million. This mainly reflected a drop in cash and deposits, an increase in short-term investment securities and other factors. Noncurrent assets rose ¥24,857 million to ¥243,382 million, primarily due to increases in property, plant and equipment by the building of the new Nisshin Flour Milling Plant in Fukuoka and increases in investment securities by the acquisition of stocks in Tokatsu Foods Co., Ltd. As a result, total assets stood at ¥461,851 million, up ¥29,894 million from the previous fiscal year-end. Current liabilities grew ¥7,186 million to ¥99,474 million reflecting increases in notes and accounts payable – trade and other factors. Noncurrent liabilities amounted to ¥44,940 million, ¥4,070 million higher than the balance as of March 31, 2012, mainly due to an increase in deferred tax liabilities. Accounting for these factors, total liabilities increased ¥11,257 million from the previous fiscal year-end to ¥144,414 million. Net assets increased ¥18,637 million year on year to ¥317,436 million, chiefly due to a rise in net income for the period, a decrease in the payment of dividends, and an increase in accumulated other comprehensive income.

The status of consolidated cash flows for the fiscal year ended March 31, 2013, was as follows.

Net cash provided by (used in) operating activities

An increase in cash and cash equivalents mainly due to income before income taxes and minority interests of ¥22,438 million and depreciation and amortization of ¥13,749 million exceeded a decrease in cash and cash equivalents largely owing to the payment of income taxes. This led to net cash provided by operating activities of ¥34,479 million for the period under review.

Net cash provided by (used in) investing activities

Although proceeds from the repayment and maturity of time deposits with terms exceeding three months and short-term investment securities surpassed their payments and purchases by ¥6,001 million, the acquisition of tangible and intangible noncurrent assets including building the new Nisshin Flour Milling plant in Fukuoka totaling ¥17,407 million and other cash outflows including strategic investment such as acquiring a stake in Tokatsu Foods Co., Ltd. and the transfer of business involving Champion Flour Milling Ltd. of ¥11,265 million led to net cash used in investing activities of ¥23,854 million.

Subtracting net cash used in investing activities from net cash provided by operating activities, free cash flow came to an inflow of ¥10,625 million.

Net cash provided by (used in) financing activities

To distribute profits to shareholders, the Company paid dividends of ¥4,970 million and undertook other spending for the period, leading to net cash used in financing activities of ¥4,587 million.

As described above, cash provided by operating activities was allocated to strategic capital investment, strategic investment for business expansion, and the payment of dividends as returns to shareholders. Moreover, cash increased as maturities and redemptions of strategic investments including time deposits with terms exceeding three months and sales of short-term investment securities undertaken to enhance the management efficiency of funds exceeded payments and purchases into these investments. At the end of the fiscal year ended March 31, 2013, consolidated cash and cash equivalents totaled ¥53,249 million, an increase of ¥6,862 million from the previous fiscal year-end.

2) Outlook for the Next Fiscal Year

The Company forecasts that cash and cash equivalents as of March 31, 2014, will remain almost unchanged from those as of March 31, 2013 because the increase in funds mainly due to net income of ¥16,000 million will be used for such strategic capital investment as building the new Nisshin Flour Milling Plant in Fukuoka and the return of profits to shareholders.

3) Cash-flow Indicators

The main cash flow indicators for the Nisshin Seifun Group are as follows:

	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013
Equity ratio (%)	68.8	71.6	67.5	66.9
Market value–based equity ratio (%)	75.7	61.2	57.6	68.8
Ratio of interest-bearing debt to operating cash flow (years)	0.1	0.1	0.3	0.2
Interest coverage ratio (times)	488.7	461.6	304.7	207.0

Notes:

Equity ratio = Equity capital / Total assets

Market value–based equity ratio = Market capitalization / Total assets

Ratio of interest-bearing debt to operating cash flow = Interest-bearing debt / Operating cash flow

Interest coverage ratio = Operating cash flow / Interest expense

1. All of the above cash-flow indicators are calculated on a consolidated basis.
2. Market capitalization is calculated by multiplying the closing share price on the final trading day of the fiscal year by the total number of outstanding shares (excluding treasury common stock) as of the corresponding fiscal year-end.
3. Operating cash flow equals net cash provided by operating activities as stated in the consolidated statements of cash flows. Interest-bearing debt refers to bonds and debt as stated in the consolidated balance sheets. Interest expense is equal to interest payments as stated in the consolidated statements of cash flows.

(3) Basic Policy on Profit Distribution and Dividends for Fiscal 2013 and Fiscal 2014

The Company aims to meet the expectations of shareholders to distribute profits, taking into consideration the current and future profitability of its business and financial position, by undertaking the continuous payment of dividends based on a targeted payout ratio of at least 30% on a consolidated basis.

For the fiscal year ended March 31, 2013, the Company intends to maintain the per-share annual ordinary dividend at ¥20, the same amount paid for the previous fiscal year. Accordingly, the Company will submit to the Ordinary General Meeting of Shareholders a proposal for distribution of surplus to pay a year-end dividend of ¥10 per share.

With the aim of raising corporate value, the Company allocates retained earnings for aggressive strategic investment in priority fields that offer the potential for growth and expansion outlined under its medium-term management plan, “NNI-120, Speed, Growth and Expansion.” The Company also adopts a flexible posture on shareholder returns.

Furthermore, the Company operates a system of providing special privileges for shareholders. Under this system, shareholders may request the delivery of certain products of the Nisshin Seifun Group.

For the year ending March 31, 2014, the Company plans to pay an annual dividend of ¥20 per share, in line with the aforementioned policy of profit distribution.

(4) Business Risks

Risks that could have an impact on the business performance, share price and financial position of the Nisshin Seifun Group are outlined below.

All matters relating to the future in the sections below are based on the current views of the Nisshin Seifun Group as of the date of publication of the Summary of Financial Statements (May 14, 2013).

1) Economic conditions and industry environment

The Nisshin Seifun Group continues to work to reinforce its earnings base so as to minimize the impact of economic and industry conditions on business results. However, increased competition in the Japanese domestic market may cause shipment levels to fluctuate or prices of the Company's major products to decline. Other risks include losses caused by the failure of investment or business partners.

2) Progress of International Trade Negotiations, including TPP and wheat policy reform

The Nisshin Seifun Group has undertaken structural reforms in its flour milling and processed food businesses to strengthen itself against risks inherent to these businesses. However, future developments in, the government's response to, and outcomes of international trade negotiations including the Trans-Pacific Partnership (TPP) are expected to significantly impact wheat flour-related industries, which include the Group's flour milling and processed food businesses. In addition, our flour milling and processed food businesses remain vulnerable to risks related to changes in the Japanese government's current trade strategy including the management procedures (purchase, stockpiling and sale, etc.) of wheat and domestic flour and flour-related secondary processing market disruptions and realignment of related industries according to the progress of the government's domestic wheat policy review.

3) Product safety

Growing concerns over food safety put increasing pressure on the food industry to ensure the safety of the food it supplies. The Nisshin Seifun Group continues to upgrade efforts to improve its product quality assurance systems, but group operations are exposed to a variety of safety-related risks due to external and other factors. Events beyond the scope of the Company's projections could lead to product recalls or the discovery of defective items. The Nisshin Seifun Group is exposed to similarly unpredictable risks, which could result in defective items, also on the raw material procurement side.

4) Sharp increases in raw materials prices

The Nisshin Seifun Group continues to aim to develop low-cost operations to ensure that earnings are more resistant to the possibility of future wheat market deregulation. Nevertheless, the Company may not be in a position to achieve cost reductions in the event of fluctuations in raw material market conditions, movements in distribution costs as a result of crude oil price hikes and higher purchasing costs due to increases in the prices of such essential input materials as packaging. In addition, the Group's business performance could be adversely affected if a significant rise in the cost of purchasing raw materials and products due to an increase in imported wheat prices and other reasons was not offset by revisions in the selling prices of wheat flour, processed foods and other products.

5) Foreign exchange movements (principally yen-dollar, yen-euro and yen-baht)

Although the Nisshin Seifun Group uses currency forwards and other hedging tools to minimize the impact of foreign exchange movements on results, the sourcing of some raw materials and other inputs from overseas exposes some Group operations to the risk of variance in purchasing costs due to currency market fluctuations, particularly in processed food. The operational performance and financial position of overseas operations may also vary due to changes in the value of the yen. In the flour milling business, the level of prices for imported bran, which vary according to foreign exchange movements, also affects the price of bran, a milling by-product.

6) Contract manufacturing

The Nisshin Seifun Group contracts out the manufacturing of some products to optimize production efficiency. Although the Company makes strenuous efforts to ensure that contract manufacturers adhere to the same levels of quality control and input purchase stability, the Company remains exposed to the risk of the business failure of subcontractors due to circumstances beyond its control. Any such eventuality could result in higher purchasing costs or an interruption in product supply.

7) Information and system-related risks

The Nisshin Seifun Group has established appropriate levels of management controls for its internal systems. Problems encountered with the operation of these systems have the potential to interrupt supplies to customers or to incur extra costs. Although the Nisshin Seifun Group maintains proper controls to thwart viruses and other computer-related problems and manage IT systems, any unforeseen attacks by viruses or unauthorized access to internal systems have the potential to interrupt supplies to customers. Other information- and system-related risks include the leakage of operationally sensitive data or confidential personal information, which could also result in higher costs or damage to the Company's reputation.

8) Alliances with other companies

The Nisshin Seifun Group maintains alliances with other companies as part of efforts to optimize use of management resources and to maximize the benefits of technology. Disagreements with alliance partners could result in failure to realize such benefits.

9) Facility security and natural disasters

The Nisshin Seifun Group continues to work to upgrade its safety and site management systems to ensure the security of production plants and other facilities and to prevent accidents such as fires or explosions. We are implementing seismic strengthening initiatives and liquefaction countermeasures at our mainstay plants to prevent any injury to personnel or damage to facilities should such natural disasters as earthquakes, storms and floods occur. The Group is also undertaking a review of its capabilities including the additional formulation of a business continuity plan (BCP) in response to the future envisioned incidence of a major earthquake. However, events beyond the scope of the Company's projections, including developments such as epidemics or pandemics of new strains of influenza, could lead to damage or to the interruption of product supplies to customers.

10) Regulatory compliance

Although the Nisshin Seifun Group continues to focus on upgrading legal and regulatory compliance, unforeseen events have the potential to result in higher costs.

11) Overseas incidents

Although the Nisshin Seifun Group makes efforts to prevent accidents at its overseas operations, the performance of these businesses is subject to various economic and political risks, and risks associated with developments such as epidemics or pandemics of new strains of influenza, that could result in a downturn in the overseas business and higher costs.

12) Intellectual property

Notwithstanding ongoing efforts by the Nisshin Seifun Group to protect its intellectual property, the launch and sale of similar products by other firms could be potentially detrimental to the value of the Company's brands. In addition, the Company also faces the risk of possible future claims against it by other companies for intellectual property infringement.

13) Environmental management

The environmental impact of the Nisshin Seifun Group’s businesses is relatively low compared to other industries. Nevertheless, the Company continues to make assiduous efforts to improve the environmental profile of the Nisshin Seifun Group’s business activities in terms of environmental management systems, energy efficiency and waste reduction. Despite such efforts, events beyond the scope of the Company’s projections could force the Company to undertake measures that result in higher costs.

II. Business Group Performance

The Nisshin Seifun Group consists of 50 subsidiaries and 15 affiliates. The following is a description of the businesses of the Group and the relationships among the subsidiaries and affiliates within their respective business segments. Business groupings are the same as those described in "IV. Consolidated Financial Statements (5) Notes to Consolidated Financial Statements [Segment information, etc.]."

(1) Flour Milling Segment

Nisshin Flour Milling Inc., a consolidated subsidiary, produces wheat flour and bran, a by-product, and sells them through sales agents. Fresh Food Service Co., Ltd., a consolidated subsidiary, primarily sells frozen foods and their ingredients and operates restaurants serving food using wheat flour-based commercial ingredients. It purchases wheat flour and other ingredients from Nisshin Flour Milling. Yamajo Shoji Co., Ltd., a consolidated subsidiary, and Ishikawa Co., Ltd., an affiliate accounted for by the equity method, are Nisshin Flour Milling sales agents. Ishikawa also sells packaging materials to Nisshin Flour Milling.

Miller Milling Company, LLC in the U.S., Rogers Foods Ltd. in Canada and Nisshin-STC Flour Milling Co., Ltd. in Thailand, all of which are consolidated subsidiaries, produce wheat flour and sell it in the North American and Asian markets, respectively. Champion Flour Milling Ltd., a consolidated subsidiary in New Zealand, produces and sells wheat flour in New Zealand. Four Leaves Pte. Ltd., an affiliate accounted for by the equity method, operates bakeries, primarily in Singapore. Champion Flour Milling Ltd. became a consolidated subsidiary of the Company following its establishment in December 2012.

(2) Processed Food Segment

Nisshin Foods Inc., a consolidated subsidiary, produces and sells prepared mix and other processed food products. It sells wheat flour for household use purchased from Nisshin Flour Milling and frozen foods and other processed foods procured from companies outside the Nisshin Seifun Group. Nisshin Seifun Premix Inc., a consolidated subsidiary, produces and sells prepared mix. Ma•Ma-Macaroni Co., Ltd., a consolidated subsidiary, produces pasta whose primary ingredient is wheat flour produced by Nisshin Flour Milling and sells the pasta through Nisshin Foods. Initio Foods Inc., a consolidated subsidiary, produces and sells frozen and prepared foods and also directly operates concessions in stores including department stores. Daisen Ham Co., Ltd., also a consolidated subsidiary, produces and sells processed meat products. Nisshin Seifun Premix Inc. became a consolidated subsidiary of the Company following its establishment in October 2012.

Tokatsu Foods Co., Ltd., an affiliate accounted for by the equity method, the shares of which were purchased in December 2012, produces and sells cooked foods, including *bento* lunch boxes, prepared foods and others.

Medallion Foods Inc., a consolidated subsidiary in the U.S., produces pasta and Thai Nisshin Seifun Co., Ltd., a consolidated subsidiary in Thailand, produces pasta sauce and frozen food. Nisshin Foods is the primary importer and seller of these products in Japan. Thai Nisshin Technomic Co., Ltd., a consolidated subsidiary, manufactures prepared mix and sells it in Southeast Asia. Shin Nisshin Seifun Foods (Qingdao) Co., Ltd., a consolidated subsidiary in China, manufactures prepared mix and sells it in mainland China. Nisshin Seifun OYC (Shanghai) Co., Ltd. in China, a consolidated subsidiary, sells commercial bakery materials such as bakery mix and bread improvers to bakery customers in China.

Oriental Yeast Co., Ltd., a consolidated subsidiary, manufactures and sells cake and bread ingredients and biochemical products, as well as operating a life science business.

Nisshin Pharma Inc., a consolidated subsidiary, manufactures and sells healthcare foods and pharmaceuticals.

(3) Others Segment

Nisshin Petfood Inc., a consolidated subsidiary, manufactures and sells pet foods.

Nisshin Engineering Inc., a consolidated subsidiary, undertakes design, contracted construction and management of production and processing facilities for grain, food products, and chemical products. In addition, it manufactures and sells powder-processing machines and engages in powder-processing, as well as engaging in contracted construction for some Nisshin Seifun Group companies.

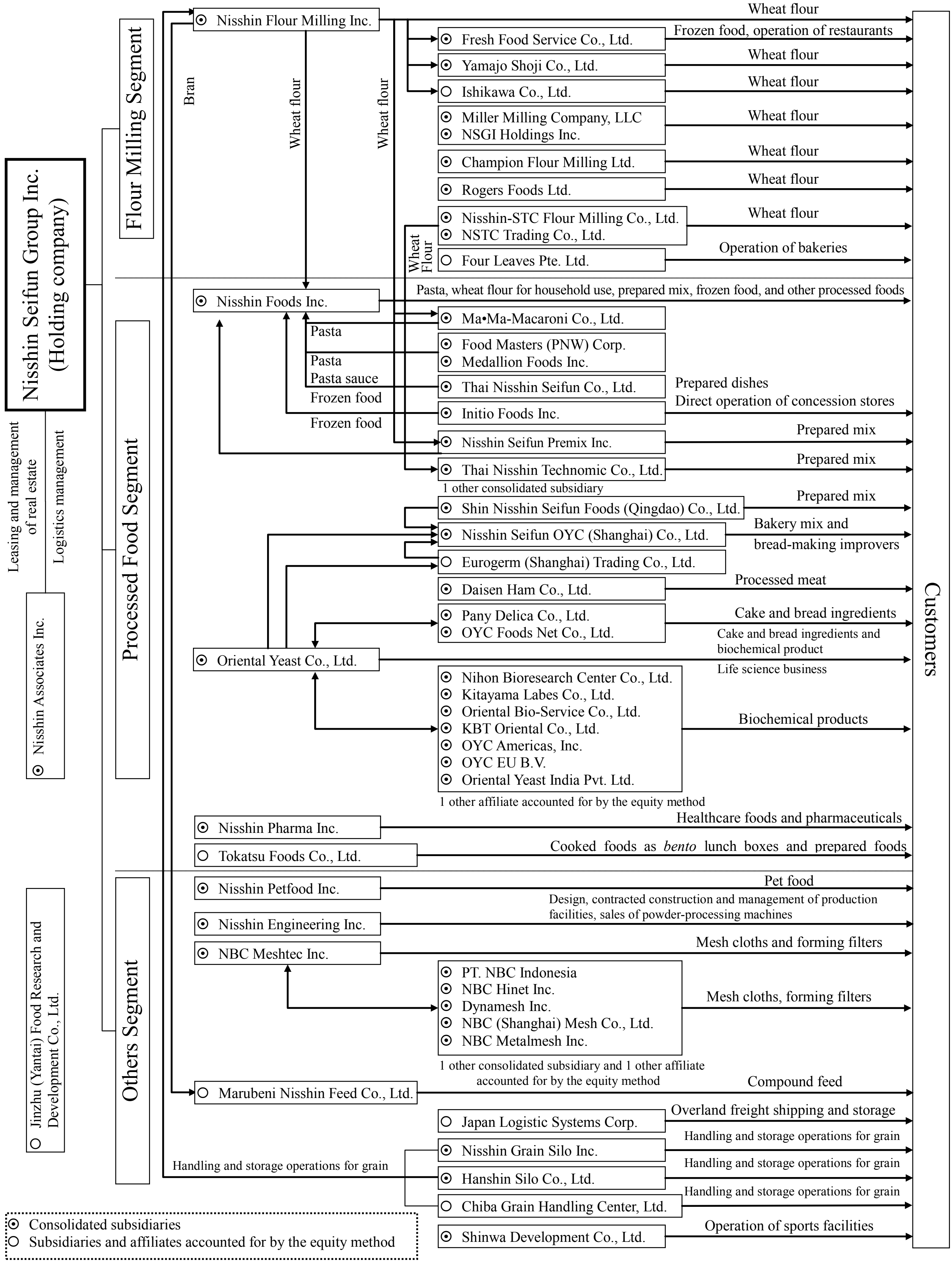
NBC Meshtec Inc., a consolidated subsidiary, manufactures and sells mesh cloths and forming filters.

Marubeni Nisshin Feed Co., Ltd., an affiliate accounted for by the equity method, manufactures and sells compound feed.

Japan Logistic Systems Corp., an affiliate accounted for by the equity method, is engaged in overland freight shipping and storage. It ships and stores some of the Group’s products. Nisshin Grain Silo Inc. and Hanshin Silo Co., Ltd., both consolidated subsidiaries as well as Chiba Grain Handling Center, Ltd., an affiliate accounted for by the equity method, are engaged in handling and storage operations for grain. Shinwa Development Co., Ltd., a consolidated subsidiary, operates sports facilities.

The diagram on the following page illustrates the structure of the Nisshin Seifun Group.

Nisshin Seifun Group Structure



Subsidiaries and Affiliates

Name	Location	Paid-in capital	Main business
Consolidated subsidiaries		Millions of yen	
Nisshin Flour Milling Inc.	Chiyoda-ku, Tokyo	14,875	Production and sales of wheat flour
Miller Milling Company, LLC	Minnesota, U.S.	86	Production and sales of wheat flour
Champion Flour Milling Ltd.	Auckland, New Zealand	3,491	Production and sales of wheat flour
Nisshin Foods Inc.	Chiyoda-ku, Tokyo	5,000	Sales of pasta, wheat flour for consumer use, frozen foods, other products Production and sales of prepared mix
Nisshin Seifun Premix Inc.	Chuo-ku, Tokyo	400	Production and sales of prepared mix
Ma•Ma-Macaroni Co., Ltd.	Utsunomiya-shi, Tochigi	350	Production and sales of pasta
Initio Foods Inc.	Chiyoda-ku, Tokyo	487	Production and sales of frozen foods and prepared dishes Direct operation of concessions in department stores, etc.
Oriental Yeast Co., Ltd.	Itabashi-ku, Tokyo	2,617	Production and sales of cake and bread ingredients and biochemical products, life science business
Nisshin Pharma Inc.	Chiyoda-ku, Tokyo	2,689	Production and sales of healthcare foods and pharmaceuticals, etc.
Nisshin Petfood Inc.	Chiyoda-ku, Tokyo	1,315	Production and sales of pet foods
Nisshin Engineering Inc.	Chuo-ku, Tokyo	107	Design, contracted construction and management of production facilities and other facilities, sales of powder-processing machines
NBC Meshtec Inc.	Hino-shi, Tokyo	1,992	Manufacturing and sales of mesh cloths and forming filters
33 other consolidated subsidiaries			
Affiliates accounted for by the equity method			
Marubeni Nisshin Feed Co., Ltd.	Chuo-ku, Tokyo	5,500	Production and sales of compound feed
Tokatsu Foods Co., Ltd.	Kohoku-ku, Yokohama-shi, Kanagawa	100	Production and sales of such cooked foods as *bento* lunch boxes and prepared foods.
Japan Logistic Systems Corp.	Shinagawa-ku, Tokyo	3,145	Freight shipping and storage
7 other companies			

Notes: 1. Nisshin Seifun Premix Inc. and Champion Flour Milling Ltd. became consolidated subsidiaries of the Company following the establishment in October and December 2012, respectively.

2. Tokatsu Foods Co., Ltd. became an affiliate accounted for by the equity method of the Company following the purchase of an equity interest in December 2012.

3. Nisshin Flour Milling, Inc., Champion Flour Milling Ltd., Nisshin Foods Inc., Oriental Yeast Co., Ltd., Nisshin Pharma Inc., NBC Meshtec Inc., Nisshin-STC Flour Milling Co., Ltd. and PT. NBC Indonesia are specified subsidiaries of Nisshin Seifun Group Inc. Nisshin-STC Flour Milling Co., Ltd. and PT. NBC Indonesia are included in other consolidated subsidiaries.

4. The following company is listed on stock exchanges in Japan:
An affiliate accounted for by the equity method: Japan Logistic Systems Corp. (JASDAQ)

III. Business Policies

(1) Basic Business Policy

The Nisshin Seifun Group espouses two corporate philosophies: “the basis of business is built on trust” and “in tune with the changing business climate.” In combination with the principle “to contribute to a healthy and fruitful life for all,” these philosophies have formed the foundation for the Group to achieve continued growth and expansion of its businesses. In addition, the Group has adopted “Delivering Good Health and Reliability” as its corporate slogan. This expresses the commitment that every Nisshin Seifun Group member firm should strive to deliver products and services that contribute positively to health and build consumer trust.

Based on this philosophy, in its role as the holding company of the Nisshin Seifun Group, the Company specifies long-term maximization of corporate value as the key business goal. Group management prioritizes the investment of resources in core operations and businesses with growth potential.

The Group also promotes internal reform while fulfilling its corporate social responsibilities in terms of enhancing its internal control systems, legal and regulatory compliance, food safety, environmental protection and social contribution. The Nisshin Seifun Group is fully committed to gaining the support of all stakeholders, including shareholders, customers, business partners, employees and local communities.

(2) Medium-to-Long-term Business Strategy and Target Indicators

Taking a long-term perspective focused through 2020, our 120th year of operation, we launched our new medium-term management plan “NNI-120, Speed, Growth and Expansion” in April 2012.

With the goals of achieving net sales of ¥1 trillion and a ratio of overseas sales to total net sales of at least 30% in the near future, the Nisshin Seifun Group will continuously evolve as a robust and innovative organization while pursuing growth and expansion.

Under this medium-term management plan, we have positioned top-line (net sales) growth and overseas business expansion as our first order of business. In order to accomplish our established goals, we will upgrade and bolster our internal organization and proactively pursue M&As and alliances. In addition, we will engage in both the production and supply of safe and reliable products while putting in place a competitive cost structure that is more than capable of confronting the pressures imposed by imported products. In this manner, we will remain competitive in any and all environments.

Based on the Group’s basic strategies, each Group company will carry out its own individual initiatives with a greater sense of urgency. By generating growth and expansion, we will continue our efforts toward becoming a corporate group that is vigorously supported by all stakeholders including customers.

Through the implementation of such strategies, the Group aims to achieve sustained growth in earnings per share (EPS) over the long term, while also greatly raising group value through raising net sales, ordinary income, net income and return on equity (ROE: defined as net income divided by shareholders’ equity).

(3) Issues to be Addressed

The Nisshin Seifun Group will further strengthen its core flour milling and processed food businesses. At the same time, we will proactively expand our activities in such growth fields as prepared dishes and other prepared foods, yeast and biotechnology, healthcare foods, pet foods, engineering and mesh cloths.

The Great East Japan Earthquake in March 2011 has impacted all of Japanese society and had a prolonged effect. In addition, it will be necessary to respond appropriately to potential power shortages and utility charges hikes this year. Also, it can be expected that the current wheat system will undergo significant change depending on the progress of international trade negotiations, including the Trans-

Pacific Partnership (TPP). Further, it is necessary to respond to an increase in the consumption tax, which is expected to take effect in April 2014.

Under these circumstances, the Nisshin Seifun Group will continue to fulfill its mission of securing stable supplies of wheat flour and other staple foods for the Japanese people, and will strive to provide customers with safe products from all of its businesses.

1) Segmental Overview of Business Strategy

Regarding the flour milling business, we will strengthen promotion of value-added services that offer total solutions to customers and realize a further increase in market share. As measures to strengthen future cost competitiveness, we will address enhancing productivity of domestic flour milling plants and promote concentration of production through establishment of the new flour milling plant in Fukuoka and the closing down of both the Chikugo and Tosu Plants (scheduled in 2014), expansion of lines at the Chita Plant and suspension of some lines of the Nagoya Plant (scheduled in 2015).

Regarding the processed food business, we will expand the prepared dishes and other prepared foods business by utilizing our proprietary technologies to actively bring new products to market, along with harnessing synergies such as those with Tokatsu Foods Co., Ltd. We will also expand the prepared mix business of newly established Nisshin Seifun Premix Inc. in Japan and overseas. Regarding the yeast and biotechnology business, with yeast as the source of our business, we will make efforts to develop new products and technologies which support life and the health of people. Regarding the healthcare foods business, we will promote improvement of the production system for raw materials for pharmaceutical products and also expand sales of consumer and other products.

In other businesses which include pet food, engineering and mesh cloths, the Group aims to develop a significant presence and growth within each industry.

2) Business Globalization Strategy

The Group places expansion of overseas business as one of its top priority strategies and will actively promote a business globalization strategy in the future as well.

Regarding the flour milling business, we will promote PMI (Post Merger Integration) at Miller Milling Company, LLC in the U.S. and Champion Flour Milling Ltd. in New Zealand, which were acquired by M&A. We will also strive to expand shipments from Miller Milling Company, LLC and Nisshin-STC Flour Milling Co., Ltd. in Thailand, each of whose production capacity has been enhanced. Regarding the processed foods, yeast and biotechnology, and mesh technology business, we will promote further expansion of our overseas business through utilization of local bases.

Regarding the field of flour milling, processed foods and bakery-related business, we will actively promote development of new global business with a sense of speed both independently and through M&As and alliances.

3) R&D Strategy and Cost Strategy

In addition to developing new products, the Group will continue to seek-out basic and core technologies in new domains. High value-added, next-generation products that are novel and unique will be developed continuously. In research, we will increase efficiency and speed in order to promote the commercialization and practical application of research results. To this end, we will identify key fields and establish research themes closely aligned with business strategies.

Regarding raw material and energy markets, for which significant fluctuations are expected to continue, the Nisshin Seifun Group will work to reduce production and procurement costs and build an operational foundation that is capable of securing earnings that properly reflect changing costs.

4) Measures Addressing Wheat Policy Reforms

As for the agreement details of international trade negotiations, including the Trans-Pacific Partnership (TPP), etc., in which the Japanese government has expressed its commitment to participate, we anticipate the outcomes will have a major impact on wheat-flour-related industries including our flour milling and processed food businesses.

Since the introduction of the market-linked wheat pricing system, the government's sales prices for imported wheat have been repeatedly revised to reflect international wheat market movements, and the Group has revised its relevant product prices accordingly. While vigilantly monitoring conditions including anticipated systemic changes, we will plan to accelerate the evolution of the Nisshin Seifun Group into a strong, globally competitive enterprise.

5) Corporate Social Responsibility (CSR)

The Nisshin Seifun Group has fulfilled its responsibilities as a corporate citizen in all its business activities and aims to retain its status as a corporate entity that plays an increasingly essential role in society. To this end, the Group established a Social Committee to study and develop basic attitudes and tangible actions with regard to all stakeholders.

The Nisshin Seifun Group has positioned implementation of CSR activities, such as quality assurance systems, environmental conservation and enhanced compliance through internal control, as one of its top management priorities and is taking thoroughgoing steps to ensure a Group-wide commitment.

Regarding quality assurance (QA) procedures, the CR (Consumer Relations) Office, which is charged with the responsibilities of identifying consumer mind-sets and social trends while providing timely and appropriate direction as to what actions need to be taken as a group, works closely with Group companies to actively collect relevant consumer administrative information as well as consumer opinion and their needs. In this manner, every effort is made to enhance Group customer relations.

Regarding protection of the global environment, we have always taken the initiative in working to reduce the environmental burden through resource saving, energy saving, reduction of waste and recycling, and will continue to take measures as the need arises going forward, such as responding to power-related issues.

For internal control, the Group is doing more than what is required by the Financial Instruments and Exchange Act by extensively reconstructing its internal control systems group-wide. These systems are monitored by a dedicated department (the Internal Control Department) to maintain their integrity and seek further improvements.

It is an important social mission of the Group to secure the stable supply of wheat flour and other staple foods for the Japanese people and provide safe products. Utilizing the experience from the recent earthquake disaster, we will improve our BCP for a more effective response and enhance preparation for disasters.

Further, the Nisshin Seifun Group, as a member of society, will make efforts to widen its range of social contribution activities. We will continue to support restoration of the areas affected by the Great East Japan Earthquake, make regional contributions through the Nisshin Seifun (Flour Milling) Museum, which was opened in November 2012 as a regional tourism resources and educational assets, and support the activities of the WFP (World Food Program).

The Nisshin Seifun Group will continue to strive to fulfill its corporate social responsibilities.

IV. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Fiscal 2012 (As of March 31, 2012)		Fiscal 2013 (As of March 31, 2013)	
Assets				
Current assets				
Cash and deposits	*5	59,020		56,722
Notes and accounts receivable – trade	*5, *7	65,015	*7	65,393
Short-term investment securities		16,141		19,433
Inventories	*1, *5	62,283	*1	61,904
Deferred tax assets		4,938		5,501
Other	*5	6,225		9,723
Allowance for doubtful accounts		(194)		(210)
Total current assets		213,431		218,468
Noncurrent assets				
Property, plant and equipment				
Buildings and structures, net	*2, *3, *5	45,329	*2, *3, *5	44,651
Machinery, equipment and vehicles, net	*2, *3, *5	28,816	*2, *3, *5	29,608
Land	*5	35,704	*5	36,152
Construction in progress	*5	2,645		7,735
Other, net	*2, *5	2,873	*2, *5	2,827
Total property, plant and equipment		115,370		120,975
Intangible assets				
Goodwill		9,044		4,373
Other		3,754		8,372
Total intangible assets		12,798		12,746
Investments and other assets				
Investment securities	*4	80,378	*4, *5	100,643
Long-term loans receivable		50		38
Deferred tax assets		3,590		3,219
Other	*4	6,497	*4	5,911
Allowance for doubtful accounts		(161)		(152)
Total investments and other assets		90,355		109,660
Total noncurrent assets		218,525		243,382
Total assets		431,956		461,851

(Millions of yen)

	Fiscal 2012 (As of March 31, 2012)	Fiscal 2013 (As of March 31, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable – trade	*7 50,003	*7 56,309
Short-term loans payable	*5 5,813	*5 5,260
Income taxes payable	5,442	4,844
Accrued expenses	15,692	16,072
Other	15,335	16,988
Total current liabilities	92,287	99,474
Noncurrent liabilities		
Long-term loans payable	*5 2,117	3,207
Deferred tax liabilities	11,814	14,619
Provision for retirement benefits	18,420	18,925
Provision for directors' retirement benefits	371	139
Provision for repairs	1,452	1,559
Long-term deposits received	5,554	5,485
Other	1,139	1,003
Total noncurrent liabilities	40,869	44,940
Total liabilities	133,157	144,414
Net assets		
Shareholders' equity		
Capital stock	17,117	17,117
Capital surplus	9,453	9,460
Retained earnings	247,736	256,453
Treasury stock	(3,186)	(3,188)
Total shareholders' equity	271,120	279,843
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,776	29,894
Deferred gains or losses on hedges	170	148
Foreign currency translation adjustment	(2,677)	(833)
Total accumulated other comprehensive income	20,269	29,209
Subscription rights to shares	188	232
Minority interests	7,220	8,150
Total net assets	298,798	317,436
Total liabilities and net assets	431,956	461,851

(2) Consolidated Statements of Income and Comprehensive Income

[Consolidated Statements of Income]

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Net sales	441,963	455,566
Cost of sales	306,649	316,141
Gross profit	135,313	139,424
Selling, general and administrative expenses	112,200	117,684
Operating income	23,113	21,740
Non-operating income		
Interest income	217	192
Dividends income	1,545	1,629
Equity in earnings of affiliates	800	598
Rent income	335	331
Other	494	539
Total non-operating income	3,394	3,291
Non-operating expenses		
Interest expenses	83	138
Foreign exchange losses	64	–
Expenses concerning quality assurance	50	–
Other	176	150
Total non-operating expenses	375	289
Ordinary income	26,132	24,742
Extraordinary income		
Gain on sales of noncurrent assets	581	187
Gain on sales of investment securities	13	39
Gain on sales of investments in capital of subsidiaries and affiliates	–	47
Insurance income	239	–
Other	54	14
Total extraordinary income	889	289
Extraordinary losses		
Loss on retirement of noncurrent assets	421	524
Impairment loss	462	*1 1,764
Loss on revision of retirement benefit plan	1,290	–
Expenses for improving production systems	228	–
Other	257	303
Total extraordinary losses	2,660	2,592
Income before income taxes and minority interests	24,361	22,438
Income taxes – current	9,468	9,331
Income taxes – deferred	829	(1,301)
Total income taxes	10,297	8,030
Income before minority interests	14,063	14,408
Minority interests in income	736	719
Net income	13,326	13,688

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Income before minority interests	14,063	14,408
Other comprehensive income		
Valuation difference on available-for-sale securities	4,561	7,074
Deferred gains or losses on hedges	80	3
Foreign currency translation adjustment	(672)	2,294
Share of other comprehensive income of affiliates accounted for by the equity method	(71)	164
Total other comprehensive income	*1 3,898	*1 9,536
Comprehensive income	17,962	23,945
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	17,573	22,628
Comprehensive income attributable to minority interests	389	1,317

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	17,117	17,117
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	17,117	17,117
Capital surplus		
Balance at the beginning of current period	9,450	9,453
Changes of items during the period		
Disposal of treasury stock	3	6
Total changes of items during the period	3	6
Balance at the end of current period	9,453	9,460
Retained earnings		
Balance at the beginning of current period	239,380	247,736
Changes of items during the period		
Dividends from surplus	(4,971)	(4,970)
Net income	13,326	13,688
Total changes of items during the period	8,355	8,717
Balance at the end of current period	247,736	256,453
Treasury stock		
Balance at the beginning of current period	(3,171)	(3,186)
Changes of items during the period		
Purchase of treasury stock	(29)	(30)
Disposal of treasury stock	14	29
Total changes of items during the period	(15)	(1)
Balance at the end of current period	(3,186)	(3,188)
Total shareholders' equity		
Balance at the beginning of current period	262,776	271,120
Changes of items during the period		
Dividends from surplus	(4,971)	(4,970)
Net income	13,326	13,688
Purchase of treasury stock	(29)	(30)
Disposal of treasury stock	17	36
Total changes of items during the period	8,344	8,723
Balance at the end of current period	271,120	279,843

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	18,205	22,776
Changes of items during the period		
Net changes of items other than shareholders' equity	4,571	7,117
Total changes of items during the period	4,571	7,117
Balance at the end of current period	22,776	29,894
Deferred gains or losses on hedges		
Balance at the beginning of current period	99	170
Changes of items during the period		
Net changes of items other than shareholders' equity	71	(22)
Total changes of items during the period	71	(22)
Balance at the end of current period	170	148
Foreign currency translation adjustment		
Balance at the beginning of current period	(2,281)	(2,677)
Changes of items during the period		
Net changes of items other than shareholders' equity	(396)	1,844
Total changes of items during the period	(396)	1,844
Balance at the end of current period	(2,677)	(833)
Total accumulated other comprehensive income		
Balance at the beginning of current period	16,023	20,269
Changes of items during the period		
Net changes of items other than shareholders' equity	4,246	8,939
Total changes of items during the period	4,246	8,939
Balance at the end of current period	20,269	29,209
Subscription rights to shares		
Balance at the beginning of current period	138	188
Changes of items during the period		
Net changes of items other than shareholders' equity	49	43
Total changes of items during the period	49	43
Balance at the end of current period	188	232
Minority interests		
Balance at the beginning of current period	6,311	7,220
Changes of items during the period		
Net changes of items other than shareholders' equity	908	930
Total changes of items during the period	908	930
Balance at the end of current period	7,220	8,150
Total net assets		
Balance at the beginning of current period	285,249	298,798
Changes of items during the period		
Dividends from surplus	(4,971)	(4,970)
Net income	13,326	13,688
Purchase of treasury stock	(29)	(30)
Disposal of treasury stock	17	36
Net changes of items other than shareholders' equity	5,204	9,914
Total changes of items during the period	13,548	18,637
Balance at the end of current period	298,798	317,436

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	24,361	22,438
Depreciation and amortization	13,636	13,749
Impairment loss	462	1,764
Amortization of goodwill	24	330
Increase (decrease) in provision for retirement benefits	5,021	494
Decrease (increase) in prepaid pension costs	820	430
Interest and dividends income	(1,763)	(1,822)
Interest expenses	83	138
Equity in (earnings) losses of affiliates	(800)	(598)
Loss (gain) on sales of investment securities	(13)	(38)
Decrease (increase) in notes and accounts receivable – trade	(5,940)	67
Decrease (increase) in inventories	(16,727)	943
Increase (decrease) in notes and accounts payable – trade	12,893	6,183
Other, net	899	251
Subtotal	32,958	44,335
Interest and dividends income received	1,984	2,214
Interest expenses paid	(85)	(166)
Income taxes paid	(8,778)	(11,903)
Net cash provided by (used in) operating activities	26,078	34,479
Net cash provided by (used in) investing activities		
Payments into time deposits	(45,625)	(32,060)
Proceeds from withdrawal of time deposits	46,379	40,042
Purchase of short-term investment securities	(15,176)	(17,964)
Proceeds from sales of short-term investment securities	26,174	15,984
Purchase of property, plant and equipment and intangible assets	(14,755)	(17,407)
Proceeds from sales of property, plant and equipment and intangible assets	521	396
Purchase of investment securities	(2,653)	(1,657)
Proceeds from sales of investment securities	31	200
Purchase of stocks of subsidiaries and affiliates	(0)	(7,700)
Payments for transfer of business	–	*3 (3,564)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	*2 (10,578)	*2 (235)
Payments of long-term loans receivable	(4)	(8)
Collection of long-term loans receivable	8	20
Other, net	434	100
Net cash provided by (used in) investing activities	(15,244)	(23,854)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	–	41
Decrease in short-term loans payable	(396)	(384)
Proceeds from long-term loans payable	–	2,932
Repayment of long-term loans payable	–	(1,523)
Proceeds from sales of treasury stock	17	36
Purchase of treasury stock	(29)	(30)
Cash dividends paid	(4,971)	(4,970)
Other, net	(755)	(688)
Net cash provided by (used in) financing activities	(6,134)	(4,587)

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Effect of exchange rate change on cash and cash equivalents	(400)	823
Net increase (decrease) in cash and cash equivalents	4,299	6,862
Cash and cash equivalents at beginning of period	42,087	46,387
Cash and cash equivalents at end of period	*1 46,387	*1 53,249

(5) Notes to the Consolidated Financial Statements

[Going Concern Considerations]

There are no applicable matters to be reported.

[Basis of Presentation of Consolidated Financial Statements]

1. Scope of consolidation
   (1) Consolidated subsidiaries: 45 companies
      - Names of principal subsidiaries: Nisshin Flour Milling Inc., Miller Milling Company, LLC, Champion Flour Milling Ltd., Nisshin Foods Inc., Nisshin Seifun Premix Inc., Ma•Ma-Macaroni Co., Ltd., Initio Foods Inc., Oriental Yeast Co., Ltd., Nisshin Pharma Inc., Nisshin Petfood Inc., Nisshin Engineering Inc., NBC Meshtec Inc.
      - Of the remaining subsidiaries, Nisshin Managerial Technology Center Co., Ltd. and four other companies are not consolidated. The assets, net sales, net income and retained earnings of each non-consolidated subsidiary are small, and the aggregate effect on the consolidated financial statements is immaterial.

   (2) Changes in the scope of consolidation

      (New) 3 companies
      - Effective from the fiscal year under review, Nisshin Seifun Premix Inc., Champion Flour Milling Ltd., and another company were newly established and included in the scope of consolidation of the Company.

      (Excluded) 3 companies
      - Oriental Bio-Service Kanto Co., Ltd., which was a consolidated subsidiary, was merged into Oriental Yeast Co., Ltd., a consolidated subsidiary, in April 2012. Miller Milling Company, LP and Miller Trading Company, LLC, consolidated subsidiaries, were merged into Miller Milling Company, LLC in January 2013.

2. Scope of the equity method
   (1) Subsidiaries and affiliates accounted for by the equity method: 10 (1 non-consolidated subsidiary and 9 affiliates)
      - Names of principal subsidiaries and affiliates accounted for by the equity method: Marubeni Nisshin Feed Co., Ltd., Tokatsu Foods Co., Ltd., Japan Logistic Systems Corp.
      - The contributions to consolidated net income/loss and consolidated retained earnings and other consolidated financial statements of each of the four non-consolidated subsidiaries and six affiliates not accounted for by the equity method are negligible and immaterial in the aggregate.

   (2) Changes in the scope of the equity method

      (New) 1 company
      - Effective from the fiscal year under review, the Company purchased of an equity interest in Tokatsu Foods Co., Ltd., and was accordingly included in the scope of the equity method.

   (3) The financial statements for the accounting period of the Company concerned are used in the cases of those subsidiaries and affiliates accounted for by the equity method whose accounting period differs from the consolidated accounting period.

3. Accounting periods of consolidated subsidiaries

   The consolidated subsidiaries listed below have accounting periods that differ from the consolidated accounting period. Since the year-end of each of these companies is within three months of the consolidated year-end, the current financial statements at the year-end of each consolidated subsidiary are used. However, necessary adjustments are made for material transactions that occurred during the period between the subsidiary's year-end and the consolidated year-end.

Company name	Year-end
Rogers Foods Ltd.	January 31
Thai Nisshin Seifun Co., Ltd. and 17 others	December 31

4. Significant accounting principles

(1) Valuation standards and methodology for material assets

a. Securities

Held-to-maturity debt securities are stated at amortized cost.

Other securities

Securities with a readily determinable market value are stated at fair market value based on the quoted market price at the fiscal year-end (with any unrealized gains or losses being reported directly as a component of shareholders' equity and the cost of any securities sold being computed by the moving average method).

Securities with no readily determinable market value are stated at cost, with cost being determined by the moving average method.

b. Derivatives

Derivative financial instruments are stated at fair market value.

c. Inventories

Wheat flour and bran are stated at cost, with cost being determined by the retail cost method, with balance sheet values reflecting write downs for decreased profitability; other products are stated at cost, with cost being determined by the periodic average method, with balance sheet values reflecting write downs for decreased profitability.

Raw materials are stated at cost, with cost being determined by the first-in, first-out method, and balance sheet values reflecting write downs for decreased profitability.

(2) Depreciation methods for material depreciable assets

a. Property, plant and equipment (excluding lease assets)

The Company and domestic consolidated subsidiaries mainly apply the declining balance method. However, for buildings acquired on or after April 1, 1998 (excluding building fixtures), they apply the straight-line method.

Foreign consolidated subsidiaries mainly apply the straight-line method.

(Changes in accounting policy, etc.)

(Changes in accounting policy that are difficult to distinguish from changes in accounting estimates)

Due to the revision of the Corporation Tax Act of Japan, the Company and its domestic consolidated subsidiaries have replaced the method of depreciation for property, plant and equipment obtained on/after April 1, 2012 with the method according to the revised Corporation Tax Act, effective from the fiscal year ended March 31, 2013. The effect of this change on profit/loss is immaterial.

b. Intangible assets (excluding leased assets)

Depreciation is computed by the straight-line method. Software used in-house is depreciated over its estimated useful life (within five years) based on the straight-line method.

c. Lease assets

Lease assets related to finance lease transactions that do not transfer ownership are depreciated using the straight-line method with estimated useful lives equal to lease terms, and zero residual values.

Finance lease transactions that do not transfer ownership and began prior to the year in which the Accounting Standard for Lease Transactions Accounting Standards Board of Japan (Accounting Standards Board of Japan (ASBJ) Statement No. 13, revised on March 30, 2007) was first applied (on March 31, 2008 or earlier) will continue to be accounted for in a manner similar to that for ordinary rental transactions.

(3) Basis of material allowances

a. Allowance for doubtful accounts

The Company and domestic consolidated subsidiaries provide for possible credit losses stemming from monetary receivables. Estimates of irrecoverable amounts are based on historical loan-loss ratios for general receivables, and on a consideration of feasibly recoverable amounts in individual cases of suspected bad debt or other specific dubious accounts. Specific claims are generally deemed irrecoverable in the case of foreign consolidated subsidiaries.

b. Provision for retirement benefits

The Company and domestic consolidated subsidiaries provide for employees and already retired pension recipients based on the estimated amounts of projected benefit obligation and the market value of the pension plan assets at the fiscal year-end.

Prior service cost is amortized on a straight-line basis over a period equaling the average remaining service period of employees expected to receive pension benefits as of the fiscal year-end.

Actuarial differences are amortized on a straight-line basis from the following fiscal year over a period equaling the average remaining service period of employees expected to receive pension benefits as of the consolidated fiscal year-end.

c. Provision for directors' retirement benefits

Eight domestic consolidated subsidiaries provide for the payment of directors' retirement benefits in accordance with internal regulations, based on projected benefits as of the fiscal year-end.

(4) Significant hedging transactions

a. Basis of accounting

Hedging transactions are accounted for on a deferred basis. However, the contracted exchange rates are applied in the case of any monetary receivables denominated in foreign currencies with assigned foreign currency forwards or other hedging instruments.

b. Hedging methods

The Company uses derivative transactions (including forward exchange contracts and currency call options) to hedge currency risk exposure for any monetary receivables and payables and planned trading transactions that are denominated in foreign currencies.

c. Hedging policy

The Company employs derivative financial instruments only for the aforementioned transactions purely to manage fluctuations in foreign currency exchange rates.

d. Hedging evaluation

Since hedging methods and the target of each hedging transaction share the same conditions that apply at the start of hedging activities and throughout subsequent periods, the Company's hedging approach enables exchange rate fluctuations to be offset completely. Hence, the Company considers its hedging method to be highly effective.

(5) Goodwill amortization and amortization periods

Goodwill is amortized using the straight-line method over a period of mainly 10 years beginning with the day on which it is realized. However, when the amount of goodwill is immaterial, it is amortized in total in the year it is realized.

(6) Cash and cash equivalents in the Consolidated Statements of Cash Flows

Cash and cash equivalents as stated in the Consolidated Statements of Cash Flows consist of cash in hand, readily available deposits, and any short-term liquid investments with a maturity not exceeding three months at the time of purchase whose value is not subject to significant fluctuation risk.

(7) Consumption tax

All accounting transactions are booked exclusive of any national or local consumption taxes.

[Consolidated Balance Sheets]

All amounts have been rounded down to the nearest million yen.

1. Components of inventories

	Fiscal 2012	Fiscal 2013
Merchandise and finished goods	¥24,917 million	¥24,316 million
Work in process	¥3,061 million	¥3,592 million
Raw materials and supplies	¥34,304 million	¥33,996 million

2. Accumulated depreciation of property, plant and equipment

Fiscal 2012	Fiscal 2013
¥235,187 million	¥244,383 million

3. Reduction entry of property, plant and equipment purchased with government subsidy and others

	Fiscal 2012	Fiscal 2013
Accumulated reduction entry of property, plant and equipment	¥359 million	¥357 million

4. Amounts corresponding to non-consolidated subsidiaries and affiliates are as follows.

	Fiscal 2012	Fiscal 2013
Investment securities	¥15,995 million	¥23,810 million
Others	¥164 million	¥182 million

5. Assets pledged as collateral

	Fiscal 2012	Fiscal 2013
Assets pledged as collateral		
Notes and accounts receivable – trade	¥1,134 million	-
Inventories	¥2,737 million	-
Buildings and structures	¥2,081 million	¥1,260 million
Machinery, equipment and vehicles	¥2,057 million	¥520 million
Investment securities[Note]	-	¥3,766 million
Other	¥771 million	¥117 million
Secured debts		
Short-term loans payable	¥2,874 million	¥200 million
Long-term loans payable	¥1,582 million	-

(Note) In order to secure loans payable of ¥10,000 million for affiliates, they were pledged as third party guarantee.

6. Warranty liabilities

Fiscal 2012	Fiscal 2013
¥206 million	¥60 million

7. Notes with maturity dates as of the fiscal year-end are settled on subsequent clearance dates. As the fiscal year-end fell on a holiday for financial institutions, notes with maturity dates as of the fiscal year-end were included in the following accounting line items.

	Fiscal 2012	Fiscal 2013
Notes receivable-trade	¥379 million	¥339 million
Notes payable-trade	¥0 million	¥1 million

[Consolidated Statements of Income]

All amounts have been rounded down to the nearest million yen.

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

1. Impairment loss

The Nisshin Seifun Group has recorded for the following asset impairment losses for the fiscal year ended March 31, 2013.

Location	Purpose	Type
Tosu-shi, Saga	Assets for business operations (Flour milling business)	Buildings and structures, Machinery, equipment and vehicles, etc.
Chikugo-shi, Fukuoka	Assets for business operations (Flour milling business)	Buildings and structures, Machinery, equipment and vehicles, etc.

The Nisshin Seifun Group determines asset groupings based on the smallest unit producing cash flow that is largely independent from cash flows for other assets or asset groups.

The Nisshin Seifun Group is building a new plant in Fukuoka City to enhance productivity of the Flour Milling Segment. In connection with operation of the new plant, which is expected to start in February 2014, as production by the above assets for business operations will be completed and the recoverable values from the assets will fall below their book values, the book values have been written down to the recoverable values and impairment loss of ¥1,764 million has been recorded under extraordinary losses. Impairment losses on assets for business operations include ¥1,064 million for buildings and structures, ¥413 million for machinery, equipment and vehicles and ¥286 million for other.

Recoverable values for the asset groups shown above were measured based on value-in-use (at a discount rate of 4%).

[Consolidated Statements of Comprehensive Income]

All amounts have been rounded down to the nearest million yen.

1. Amount for reclassification adjustment pertaining to other comprehensive income and tax effect

	Fiscal 2012	Fiscal 2013
Valuation difference on available-for-sale securities		
Gain in the current period	¥4,640 million	¥10,969 million
Reclassification adjustment	¥(6) million	¥(0) million
Before tax effect adjustment	¥4,634 million	¥10,968 million
Tax effect	¥(73) million	¥(3,893) million
Valuation difference on available-for-sale securities	¥4,561 million	¥7,074 million
Deferred gains or losses on hedges		
Gain in the current period	¥144 million	¥21 million
Reclassification adjustment	¥(21) million	¥(13) million
Before tax effect adjustment	¥122 million	¥8 million
Tax effect	¥(42) million	¥(4) million
Deferred gains or losses on hedges	¥80 million	¥3 million
Foreign currency translation adjustment		
Loss in the current period	¥(672) million	¥2,294 million
Share of other comprehensive income of affiliates accounted for by the equity method		
Gain (Loss) in the current period	¥(71) million	¥164 million
Total other comprehensive income	¥3,898 million	¥9,536 million

[Consolidated Statements of Changes in Net Assets]

All amounts have been rounded down to the nearest million yen.

Fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

1. Type and number of issued shares and treasury stock

(Thousands of shares)

	Number of shares at the beginning of current fiscal year	Increase in shares during the current fiscal year	Decrease in shares during the current fiscal year	Number of shares at the end of current fiscal year
Issued shares Common stock	251,535	—	—	251,535
Treasury stock Common stock	3,045	30	13	3,062

Notes:

1. Portion of the increase in common stock accounted for by treasury stock:
   30 thousand shares, as result of repurchasing sub-MTU (minimum trading unit) shares
2. Portion of the decrease in common stock accounted for by treasury stock:
   4 thousand shares, as result of selling sub-MTU (minimum trading unit) shares, and
   9 thousand shares, as a result of exercise of stock options

2. Subscription rights to shares and treasury subscription rights to shares

Category	Composition of subscription rights to shares	Type of shares to be issued	Number of shares to be issued				Balance at the end of current fiscal year (millions of yen)
			At the beginning of current fiscal year	Increase during the current fiscal year	Decrease during the current fiscal year	At the end of current fiscal year	
Nisshin Seifun Group, Inc. (parent company)	Subscription rights to shares as stock options	—					188
Total		—					188

3. Dividends

(1) Dividends paid

The following resolution was made at the Ordinary General Meeting of Shareholders held on June 28, 2011.

- Dividends on common stock:

i)	Total dividends to be paid	¥2,485 million
ii)	Dividend per share	¥10
iii)	Record date	March 31, 2011
iv)	Effective date	June 29, 2011

The following resolution was made at the meeting of the Board of Directors held on October 28, 2011.

- Dividends on common stock:

i)	Total dividends to be paid	¥2,485 million
ii)	Dividend per share	¥10
iii)	Record date	September 30, 2011
iv)	Effective date	December 5, 2011

(2) Dividends for which the record date came during the year ended March 31, 2012, but for which the effective date will come after said period

The following resolution was made at the Ordinary General Meeting of Shareholders held on June 27, 2012.

- Dividends on common stock:

i)	Total dividends to be paid	¥2,485 million
ii)	Source of dividends	Retained earnings
iii)	Dividend per share	¥10
iv)	Record date	March 31, 2012
v)	Effective date	June 28, 2012

Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)

1. Type and number of issued shares and treasury stock

(Thousands of shares)

	Number of shares at the beginning of current fiscal year	Increase in shares during the current fiscal year	Decrease in shares during the current fiscal year	Number of shares at the end of current fiscal year
Issued shares Common stock	251,535	—	—	251,535
Treasury stock Common stock	3,062	30	27	3,064

Notes:

1. Portion of the increase in common stock accounted for by treasury stock:
   30 thousand shares, as result of repurchasing sub-MTU (minimum trading unit) shares
2. Portion of the decrease in common stock accounted for by treasury stock:
   1 thousand shares, as result of selling sub-MTU (minimum trading unit) shares, and
   26 thousand shares, as result of exercise of stock options

2. Subscription rights to shares and treasury subscription rights to shares

Category	Composition of subscription rights to shares	Type of shares to be issued	Number of shares to be issued				Balance at the end of current fiscal year (millions of yen)
			At the beginning of current fiscal year	Increase during the current fiscal year	Decrease during the current fiscal year	At the end of current fiscal year	
Nisshin Seifun Group, Inc. (parent company)	Subscription rights to shares as stock options	—					232
Total		—					232

3. Dividends

(1) Dividends paid

The following resolution was made at the Ordinary General Meeting of Shareholders held on June 27, 2012.

- Dividends on common stock:

i)	Total dividends to be paid	¥2,485 million
ii)	Dividend per share	¥10
iii)	Record date	March 31, 2012
iv)	Effective date	June 28, 2012

The following resolution was made at the meeting of the Board of Directors held on October 30, 2012.

- Dividends on common stock:

i)	Total dividends to be paid	¥2,485 million
ii)	Dividend per share	¥10
iii)	Record date	September 30, 2012
iv)	Effective date	December 7, 2012

(2) Dividends for which the record date came during the year ended March 31, 2013, but for which the effective date will come after said period

The following resolution will be proposed at the Ordinary General Meeting of Shareholders to be held on June 26, 2013.

- Dividends on common stock:

i)	Total dividends to be paid	¥2,485 million
ii)	Source of dividends	Retained earnings
iii)	Dividend per share	¥10
iv)	Record date	March 31, 2013
v)	Effective date	June 27, 2013

[Consolidated Statements of Cash Flows]

All amounts have been rounded down to the nearest million yen.

1. The reconciliation between year-end balance of cash and cash equivalents and amounts stated in the consolidated balance sheets is as follows.

	Fiscal 2012 (As of March 31, 2012)	Fiscal 2013 (As of March 31, 2013)
Cash and deposits	¥59,020 million	¥56,722 million
Short-term investment securities	¥16,141 million	¥19,433 million
Total	¥75,161 million	¥76,156 million
Time deposits with maturities of more than three months	¥(26,042) million	¥(18,065) million
Debt securities with maturities of more than three months	¥(2,732) million	¥(4,841) million
Cash and cash equivalents at the end of period	¥46,387 million	¥53,249 million

2. Breakdown of main assets and liabilities of companies that became consolidated subsidiaries as a result of the purchase of shares

Fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

A breakdown of the assets and liabilities of Miller Milling Company, LLC, Miller Milling Company, LP and Miller Trading Company, LLC at the time of consolidation as well as the acquisition costs of equity interests and net payments for purchase is presented as follows.

Current assets	¥4,404 million
Noncurrent assets	¥2,482 million
Goodwill	¥8,947 million
Current liabilities	¥(3,528) million
Noncurrent liabilities	¥(1,582) million
Acquisition costs of new consolidated subsidiary equity interests	¥10,722 million
Payable portion	¥(128) million
Cash and cash equivalents	¥(15) million
Payment for the purchase of equity interests	¥(10,578) million

Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)

Accounts payable amount of ¥128 million for acquisition of equity interests in Miller Milling Company, LLC and two other companies that became newly consolidated subsidiaries in the previous fiscal year and additional acquisition cost of ¥106 million, the total ¥235 million was an expenditure.

3. Major breakdown of the assets and liabilities increased by transfer of business

Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)

A breakdown of the assets and liabilities of newly established Champion Flour Milling Ltd. acquired by transfer of the flour milling business of Goodman Fielder in New Zealand, a cost of transfer of business and net payments for transfer of business is presented as follows.

Current assets	¥1,076 million
Noncurrent assets	¥2,466 million
Goodwill	¥263 million
Current liabilities	¥(37) million
Noncurrent liabilities	¥(13) million
Cost of transfer of business	¥3,755 million
Payable portion	¥(190) million
Cash and cash equivalents	-
Payments for transfer of business	¥(3,564) million

[Segment Information, etc.]

[Segment information]

1. Outline of reportable segment

   The Nisshin Seifun Group's reportable segments and the other businesses are components of the Group, for which discrete financial information is available and the operating results are regularly reviewed by the Company's Board of Directors to make decisions about resources to be allocated to and assess the performance of the segments.

   The Company, as the holding company of the Group, plans and determines group strategies for, allocates resources to and assesses the performance of each of its businesses, which are classified by type of products and services in Flour Milling, Processed Food and Others.

   The Group designates the Flour Milling and Processed Food segments as its reportable segments. Major products of the reportable segments are as follows.

   Flour Milling: Wheat flour, bran

   Processed Food: Prepared mix, wheat flour for household-use, pasta, pasta sauce, frozen food, chilled food, cake and bread ingredients, biochemical products, life science business, healthcare foods

2. Calculation methods of net sales, profit (loss), assets and other items for each reportable segment

   The accounting methods used for reportable segments are largely the same as those discussed under "Basis of Presentation of Consolidated Financial Statements." Segment income figures are the same as operating income figures. Intersegment sales and transfers are based on market prices.

3. Information about net sales, profit (loss), assets and other items for each reportable segment

   Fiscal Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Carried on consolidated financial statements (Note 3)
	Flour Milling	Processed Food	Total				
Net sales							
Sales to external customers	172,024	227,586	399,611	42,351	441,963	—	441,963
Intersegment sales and transfers	19,380	455	19,835	4,286	24,121	(24,121)	—
Total	191,405	228,041	419,447	46,637	466,084	(24,121)	441,963
Segment income	8,000	11,865	19,865	3,305	23,171	(57)	23,113
Segment assets	141,190	140,323	281,513	64,410	345,923	86,032	431,956
Other items							
Depreciation	6,488	5,673	12,162	1,794	13,956	(319)	13,636
Investment for affiliates accounted for by the equity method	1,702	204	1,906	13,895	15,802	—	15,802
Increase in property, plant and equipment and intangible assets	5,704	7,825	13,530	1,431	14,961	(352)	14,608

Notes:

1. Business segment of "Others" is excluded from reportable segment, which includes pet food, engineering, mesh cloths, handling and storage businesses.
2. Segment income adjustment refers to intersegment transaction eliminations.
   The adjustment in segment assets includes the Group's assets (¥96,764 million): mainly, the Company's surplus operating cash (cash and deposits and short-term investment securities) and investment securities.
3. Segment income has been adjusted for the operating income appearing in the consolidated financial statements.

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Carried on consolidated financial statements (Note 3)
	Flour Milling	Processed Food	Total				
Net sales							
Sales to external customers	179,127	232,867	411,995	43,570	455,566	—	455,566
Intersegment sales and transfers	18,241	469	18,711	4,394	23,105	(23,105)	—
Total	197,369	233,336	430,706	47,965	478,672	(23,105)	455,566
Segment income	8,504	10,411	18,915	2,915	21,831	(91)	21,740
Segment assets	159,052	145,839	304,892	62,270	367,162	94,688	461,851
Other items							
Depreciation	6,337	6,044	12,381	1,641	14,023	(274)	13,749
Investment for affiliates accounted for by the equity method	1,893	7,579	9,472	14,162	23,635	—	23,635
Increase in property, plant and equipment and intangible assets	9,637	6,398	16,036	1,652	17,689	(485)	17,203

Notes:

1. Business segment of "Others" is excluded from reportable segment, which includes pet food, engineering, mesh cloths, handling and storage businesses.
2. Segment income adjustment refers to intersegment transaction eliminations.
   The adjustment in segment assets includes the Group's assets (¥105,067 million): mainly, the Company's surplus operating cash (cash and deposits and short-term investment securities) and investment securities.
3. Segment income has been adjusted for the operating income appearing in the consolidated financial statements.

[Related information]

Fiscal Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

1. Information by geographic segment

(1) Net sales

Sales to external customers in Japan comprise over 90% of net sales reported on the consolidated statements of income, so this information has been omitted.

(2) Property, plant and equipment

Property, plant and equipment located in Japan comprise over 90% of property, plant and equipment reported on the consolidated balance sheets, so this information has been omitted.

2. Information by major customer

(Millions of yen)

Name of customer	Net sales	Related segment name
Mitsubishi Corporation	60,372	Flour milling, Processed food, Others

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

1. Information by geographic segment

   (1) Net sales

   Sales to external customers in Japan comprise over 90% of net sales reported on the consolidated statements of income, so this information has been omitted.

   (2) Property, plant and equipment

(Millions of yen)

Japan	Other regions	Total
108,177	12,798	120,975

2. Information by major customer

(Millions of yen)

Name of customer	Net sales	Related segment name
Mitsubishi Corporation	58,627	Flour milling, Processed food, Others

[Noncurrent asset impairment losses by reportable segment]

Fiscal Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

There are no applicable matters to be reported.

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Flour Milling
Impairment loss	1,764

[Amortization of goodwill and unamortized balance by reportable segment]

Fiscal Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Flour Milling	Others	Total
Amortization for the fiscal year under review	—	24	24
Balance at end of the fiscal year under review	8,947	97	9,044

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Flour Milling	Others	Total
Amortization for the fiscal year under review	306	24	330
Balance at end of the fiscal year under review	4,301	72	4,373

[Tax Effect Accounting]

1. The principal components of deferred tax assets and deferred tax liabilities are as follows.

(Millions of yen)

	Fiscal 2013 (As of March 31, 2013)
Deferred tax assets:	
Provision for retirement benefits	5,429
Provision for bonuses	1,679
Impairment loss on noncurrent assets	1,486
Accrued sales incentives	1,340
Investment securities, etc.	1,020
Unrealized gains (losses) on noncurrent assets	993
Net operating loss carry forwards	970
Provision for repairs	566
Inventories	545
Accrued enterprise tax	421
Depreciation	287
Unrealized gains (losses) on inventories	240
Other	1,591
Gross deferred tax assets	16,572
Amount offset by deferred tax liabilities	(5,734)
Net deferred tax assets	10,838
Valuation allowance	(2,116)
Deferred tax assets, net	8,721
Deferred tax liabilities:	
Valuation difference on available-for-sale securities	(16,516)
Reserve for advanced depreciation of noncurrent assets	(2,248)
Securities returned from employee retirement benefits trust	(1,118)
Other	(472)
Gross deferred tax liabilities	(20,356)
Amount offset by deferred tax assets	5,734
Deferred tax liabilities, net	(14,622)

2. The reconciliation between the statutory effective tax rate and the actual effective tax rate after the application of tax effect accounting is as follows.

	Fiscal 2013 (As of March 31, 2013)
Statutory effective tax rate	37.9%
(Adjustments)	
Non-taxable permanent differences such as dividends income	(1.8)%
Non-deductible permanent differences such as entertainment expenses	2.1%
Income tax deductions	(1.0)%
Valuation allowance	(0.3)%
Equity in earnings of affiliates	(1.0)%
Other	(0.1)%
Actual effective tax rate after adoption of tax effect accounting	35.8%

[Financial Instruments]

1. Status of financial instruments

(1) Policies on financial instruments

The Group observes a fund management policy that standby funds for future strategic investments and temporary surplus funds shall be managed in the form of time deposits with a fixed yield of interest and securities, and it shall not manage these funds to gain marginal gains in trades or for speculative purposes. As for fund procurement, the Group complies with the policy of financing with the most appropriate means, such as bank borrowings for short-term financial requirements, and bank borrowings, the issuance of corporate bonds and an increase in capital for long-term financial requirements, while taking into account market conditions and other factors.

The Group acquires and holds, in principle, shares as investment securities in the counterparties with which the Group has business or capital alliance relationships.

The Group utilizes derivative financial instruments to hedge its exposure to various risks described below and abides by a policy of not using them separately to gain marginal gains in trades or for speculative purposes.

(2) Description of financial instruments, related risks and risk management system

Cash and deposits is mainly managed as term deposits, and securities are mainly operated in the form of bonds. Both cash and securities are exposed to the credit risk of the relevant depository or issuer and the fluctuation risk of market prices.

These risks are intended to be minimized and diversified using internal regulations at the respective Group companies by limiting such items as the target assets of fund management, the depository or the issuer, the period for management and the upper limit for management at each depository or issuer.

Notes and accounts receivable – trade, as operating receivables, are exposed to the credit risk of the respective customers. To cope with this risk, the Group conducts maturity management and balance management by counterparty in accordance with the internal regulations at the respective Group companies and has established a system for periodically measuring the creditworthiness of major counterparties to quickly determine and mitigate any concerns on the collection of claims that might be caused by deteriorated financial conditions at a counterparty.

Investment securities, which primarily consist of the shares relating to business or capital alliance relationships with the counterparties, are exposed to the risk of market price fluctuations. The Group has established a system of periodically measuring their market value.

Although notes and accounts payable – trade, as operating payables, are exposed to liquidity risk, most of them have a maturity for payment within one year. The Group therefore manages them by making each Group company prepare a cash-flow projection.

As for derivative transactions, the Group uses forward foreign exchange contracts, currency options and the like to hedge against the adverse impact of future fluctuations in foreign currency exchange rates on specific foreign currency denominated assets and liabilities including notes and accounts receivable – trade and notes and accounts payable – trade. Meanwhile, some foreign consolidated subsidiaries use commodity futures and other financial instruments targeting wheat to hedge against the risk of future fluctuations in the market for wheat and other risks. These derivative transactions often entail a general market risk due to the fluctuation of rates.

To reduce the exposure to market risk, derivative transactions beyond the targeted, real demand are forbidden by the internal regulations of each Group company, and the regulations set forth a certain percentage of allowable derivative transactions against the total relevant underlying trading amounts. Currency options are limited only to buying call options (long position) in accordance with the respective internal regulations. These transactions are traded by the Finance and Accounting Division of the Company mainly based on the instructions given by the governing department of the operating company that might suffer from the exchange-rate fluctuation risk. At several consolidated subsidiaries, they are traded by the department in charge of financial affairs at each company mainly based on the instructions given by the governing department. In managing the derivative transactions, the aforementioned Finance and Accounting Division of the Company or the department in charge of financial affairs at each company receives a notice of position balances on derivative transactions every month from the correspondent bank, checks how these balances agree with performance figures and reports the monitored results to the Division Executive of the Finance and Accounting Division of the Company or the director of the department in charge of financial affairs at each company and the responsible director of the governing department. The Group believes that the risk that the counterparty to its derivative transactions could default is almost insignificant as the Group enters into derivative transactions only with financial institutions of high caliber.

(3) Supplemental explanation on the market value of financial instruments, etc.

The market value of financial instruments includes the value reasonably calculated for those without market value, in addition to the value based on the market price. As several variable factors are incorporated in calculating the market value, the resulting amount may vary depending on the different preconditions employed. The contract amounts, etc., regarding derivative transactions in “2. Market Value of Financial Instruments, etc.,” are not necessarily indicative of the market risk with regard to derivative transactions.

2. Market value of financial instruments, etc.

Carrying values in the consolidated balance sheets, market values and the unrealized gains (losses) are presented as follows. Assets and liabilities, for which it is deemed difficult to measure the market value, are not included in the following table. (Refer to Note 2.)

Fiscal Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Carrying value	Market value	Unrealized gains (losses)
(1) Cash and deposits	59,020	59,020	—
(2) Notes and accounts receivable – trade	65,015	65,015	—
(3) Short-term investment securities and investment securities			
1) Held-to-maturity debt securities	1,000	1,000	—
2) Other securities	74,710	74,710	—
Total assets	199,747	199,747	—
(1) Notes and accounts payable – trade	50,003	50,003	—
Total liabilities	50,003	50,003	—
Derivative transactions*			
1) Transactions for which hedge accounting has not been adopted	10	10	—
2) Transactions for which hedge accounting has been adopted	227	227	—
Total derivative transactions	237	237	—

* Net receivables and payables, which were derived from derivative transactions, are presented in net amounts, and any item for which the total becomes a net liability is indicated in parentheses.

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Carrying value	Market value	Unrealized gains (losses)
(1) Cash and deposits	56,722	56,722	—
(2) Notes and accounts receivable – trade	65,393	65,393	—
(3) Short-term investment securities and investment securities			
Other securities	91,504	91,504	—
Total assets	213,619	213,619	—
(1) Notes and accounts payable – trade	56,309	56,309	—
Total liabilities	56,309	56,309	—
Derivative transactions*			
1) Transactions for which hedge accounting has not been adopted	(14)	(14)	—
2) Transactions for which hedge accounting has been adopted	236	236	—
Total derivative transactions	221	221	—

* Net receivables and payables, which were derived from derivative transactions, are presented in net amounts, and any item for which the total becomes a net liability is indicated in parentheses.

(Note 1) Calculation method of the market value of financial instruments and matters relating to securities and derivative transactions

Assets

(1) Cash and deposits and (2) Notes and accounts receivable – trade

As these assets are settled within a short time, the market value thereof is almost equal to the carrying value. Accordingly, the calculation of the market value of these assets is based on the carrying value concerned.

(3) Short-term investment securities and investment securities

The calculation of the market value of stocks is based on the prices traded at the stock exchange. The calculation of the market value of bonds is based on the prices traded at the stock exchange or the prices presented by the correspondent financial institution. Refer to the Notes to [Securities] with regard to the notable matters regarding securities held by holding purpose.

Liabilities

(1) Notes and accounts payable – trade

As these liabilities are settled within a short time, the market value is almost equal to the carrying value. Accordingly, the calculation of the market value of these liabilities is based on the carrying value concerned.

Derivative transactions

Refer to the Notes to [Derivative Transactions].

(Note 2) Carrying value of financial instruments for which it is deemed difficult to measure the market value

(Millions of yen)

Classification	Fiscal 2012 (As of March 31, 2012)	Fiscal 2013 (As of March 31, 2013)
Unlisted stocks	18,332	25,981

The above unlisted stocks have no market prices and relevant future cash flows cannot be easily estimated and may require excessive estimation cost, and it is therefore deemed difficult to measure their market value. Accordingly, they are not included in (3) Short-term investment securities and investment securities.

(Note 3) Redemption schedule for monetary receivables and securities with maturity dates after the consolidated closing date (March 31)

Fiscal Year Ended March 31, 2012 (As of March 31, 2012)

(Millions of yen)

	Due within one year	Due after one year but within five years
Cash and deposits	59,020	—
Notes and accounts receivable – trade	65,015	—
Short-term investment securities and investment securities		
Held-to-maturity debt securities	1,000	—
Other securities with maturity dates	15,148	—
Total	140,185	—

Fiscal Year Ended March 31, 2013 (As of March 31, 2013)

(Millions of yen)

	Due within one year	Due after one year but within five years
Cash and deposits	56,722	—
Notes and accounts receivable – trade	65,393	—
Short-term investment securities and investment securities		
Other securities with maturity dates	19,443	—
Total	141,559	—

[Securities]

1. Debt securities classified as held-to-maturity securities

Fiscal Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Item	Carrying value	Market value	Unrealized gains (losses)
Securities whose market value exceeds their carrying value	(1) Government and municipal bonds	—	—	—
	(2) Corporate bonds	—	—	—
	(3) Other	—	—	—
	Subtotal	—	—	—
Securities whose market value does not exceed their carrying value	(1) Government and municipal bonds	—	—	—
	(2) Corporate bonds	—	—	—
	(3) Other	1,000	1,000	—
	Subtotal	1,000	1,000	—
Total		1,000	1,000	—

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

There are no applicable matters to be reported.

2. Short-term investment securities classified as other securities

Fiscal Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Item	Carrying value	Acquisition cost	Unrealized gains (losses)
Securities whose carrying value exceeds their acquisition cost	(1) Equity securities	55,178	19,020	36,158
	(2) Bonds:			
	1) Government and municipal bonds	1,898	1,898	0
	2) Corporate bonds	—	—	—
	3) Other	—	—	—
	(3) Other securities	—	—	—
	Subtotal	57,077	20,918	36,158
Securities whose carrying value does not exceed their acquisition cost	(1) Equity securities	4,390	4,982	(591)
	(2) Bonds:			
	1) Government and municipal bonds	12,242	12,242	(0)
	2) Corporate bonds	—	—	—
	3) Other	—	—	—
	(3) Other securities	1,000	1,000	—
	Subtotal	17,633	18,225	(592)
Total		74,710	39,144	35,566

Note:

The above “other securities” do not include unlisted stocks with a carrying value of ¥4,813 million because they have no market value and may require excessive cost to estimate their future cash flows, and it is therefore regarded as extremely difficult to identify their current market value.

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Item	Carrying value	Acquisition cost	Unrealized gains (losses)
Securities whose carrying value exceeds their acquisition cost	(1) Equity securities	69,422	22,207	47,214
	(2) Bonds:			
	1) Government and municipal bonds	3,999	3,999	0
	2) Corporate bonds	—	—	—
	3) Other	—	—	—
	(3) Other securities	—	—	—
	Subtotal	73,422	26,207	47,214
Securities whose carrying value does not exceed their acquisition cost	(1) Equity securities	2,647	3,327	(679)
	(2) Bonds:			
	1) Government and municipal bonds	15,434	15,434	(0)
	2) Corporate bonds	—	—	—
	3) Other	—	—	—
	(3) Other securities	—	—	—
	Subtotal	18,081	18,762	(680)
Total		91,504	44,969	46,534

Note:

The above “other securities” do not include unlisted stocks with a carrying value of ¥4,762 million because they have no market value and may require excessive cost to estimate their future cash flows, and it is therefore regarded as extremely difficult to identify their current market value.

3. Sale of short-term investment securities classified as other securities

Fiscal Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

Type	Proceeds from sales	Total gain on sales	Total loss on sales
Equity securities	32	13	(0)

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(Millions of yen)

Type	Proceeds from sales	Total gain on sales	Total loss on sales
Equity securities	200	39	(1)

4. Securities for which write downs were recorded

For the fiscal year under review, other securities were written down ¥4 million.

[Derivative Transactions]

1. Derivative transactions for which hedge accounting is not adopted

    (1) Currency-related

    Fiscal Year Ended March 31, 2012 (As of March 31, 2012)

(Millions of yen)

Classification	Type of transactions	Contract amounts	Portion due after one year	Market value	Unrealized gains (losses)
Market transactions	Currency futures:				
	Buy: Canadian dollar	283	—	5	5
Non-market transactions	Forward foreign exchange contracts:				
	Sell: U.S. dollar	178	—	(8)	(8)
	Buy: U.S. dollar	178	—	4	4
	Euro	6	—	(0)	(0)
	Yen	0	—	0	0
Total		646	—	1	1

Note:
Calculation of market value is based on the closing prices of the relevant futures markets and the prices and other information presented by associated financial institutions and others.

Fiscal Year Ended March 31, 2013 (As of March 31, 2013)

(Millions of yen)

Classification	Type of transactions	Contract amounts	Portion due after one year	Market value	Unrealized gains (losses)
Market transactions	Currency futures:				
	Buy: Canadian dollar	446	—	0	0
Non-market transactions	Forward foreign exchange contracts:				
	Sell: U.S. dollar	207	—	(23)	(23)
	Euro	11	—	(0)	(0)
	Buy: U.S. dollar	596	—	(3)	(3)
	Euro	53	—	(0)	(0)
	Yen	1	—	(0)	(0)
Total		1,316	—	(27)	(27)

Note:
Calculation of market value is based on the closing prices of the relevant futures markets and the prices and other information presented by associated financial institutions and others.

(2) Commodity-related

Fiscal Year Ended March 31, 2012 (As of March 31, 2012)

(Millions of yen)

Classification	Type of transactions	Contract amounts	Portion due after one year	Market value	Unrealized gains (losses)
Market transactions	Commodity futures:				
	Sell: Wheat	1,170	—	72	72
	Buy: Wheat	1,418	—	(31)	(31)
	Options:				
	Sell put:				
	Wheat	19	—	14	5
Total		2,608	—	55	46

Note:
Calculation of market value is based on the closing prices of the relevant futures markets.

Fiscal Year Ended March 31, 2013 (As of March 31, 2013)

(Millions of yen)

Classification	Type of transactions	Contract amounts	Portion due after one year	Market value	Unrealized gains (losses)
Market transactions	Commodity futures:				
	Sell: Wheat	1,252	—	65	65
	Buy: Wheat	1,701	—	(65)	(65)
	Options:				
	Sell put:				
	Wheat	8	—	12	(3)
	Sell call:				
	Wheat	0	—	0	0
	Purchase call:				
	Wheat	1	—	0	(1)
Total		2,965	—	12	(4)

Note:
Calculation of market value is based on the closing prices of the relevant futures markets.

(3) Interest rate-related

Fiscal Year Ended March 31, 2012 (As of March 31, 2012)

(Millions of yen)

Classification	Type of transactions	Contract amounts	Portion due after one year	Market value	Unrealized gains (losses)
Non-market transaction	Interest rate swap transaction:				
	Pay fixed / receive floating	3,104	—	(46)	(46)
Total		3,104	—	(46)	(46)

Note:
Calculation of market value is based on the prices and other information presented by associated financial institutions and others.

2. Derivative transactions for which hedge accounting is adopted

(1) Currency-related

Fiscal Year Ended March 31, 2012 (As of March 31, 2012)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Contract amounts	Portion due after one year	Market value
Deferral hedge accounting	Forward foreign exchange contracts: Sell: U.S. dollar	Anticipated foreign currency transactions	405	—	8
	Forward foreign exchange contracts: Buy: U.S. dollar	Accounts payable	2,091	—	125
	Thai baht		933	—	69
	Euro		351	—	20
	Options: Purchase call: U.S. dollar	Accounts payable	1	—	3
Appropriation treatment	Forward foreign exchange contracts: Buy: U.S. dollar	Accounts payable	54	—	—
Total			3,839	—	227

Notes:

1. Calculation of market value is based on the prices and other information presented by associated financial institutions and others.
2. Because forward foreign exchange contracts subject to appropriation are handled as a unit with accounts payable to be hedged, the market value of those is included in the market value of the relevant accounts payable.

Fiscal Year Ended March 31, 2013 (As of March 31, 2013)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Contract amounts	Portion due after one year	Market value
Deferral hedge accounting	Forward foreign exchange contracts: Sell: U.S. dollar	Anticipated foreign currency transactions	238	—	(2)
	Forward foreign exchange contracts: Buy: U.S. dollar	Accounts payable	2,908	—	123
	Thai baht		1,565	—	93
	Euro		636	—	13
	Canadian dollar		53	—	1
	Options: Purchase call: U.S. dollar	Accounts payable	2	—	7
Appropriation treatment	Forward foreign exchange contracts: Buy: U.S. dollar	Accounts payable	78	—	—
Total			5,484	—	236

Notes:

1. Calculation of market value is based on the prices and other information presented by associated financial institutions and others.
2. Because forward foreign exchange contracts subject to appropriation are handled as a unit with accounts payable to be hedged, the market value of those is included in the market value of the relevant accounts payable.

[Retirement Benefits]

Fiscal Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

1. Outline of retirement benefit plans

The Company and its consolidated subsidiaries provide for a lump-sum retirement benefit plan and a defined-contribution pension plan. In addition, the Company and some of its consolidated subsidiaries provide for a defined-benefit corporate pension plan limited to already retired pension recipients. Moreover, employees leaving the Company may in some cases receive an additional severance payment beyond that computed on the basis of the actuarial retirement benefit calculated using the relevant accounting standard.

The Company and certain of its consolidated subsidiaries transferred to a lump-sum retirement benefit plan, a defined-contribution pension plan and a defined-benefit corporate pension plan limited to already retired pension recipients from a tax-qualified pension plan and a lump-sum retirement benefit plan in October 2011.

Regarding the accounting treatment of these transfers as well as other consolidated subsidiary retirement benefit plan transfers, the Guidance on Accounting for Transfers between Retirement Benefit Plans (ASBJ Guidance No. 1, released on January 31, 2002) has been applied and a loss on revisions to retirement benefit plans of ¥1,290 million recorded for the fiscal year under review.

2. Retirement benefit obligation

	As of March 31, 2012 (Millions of yen)
(A) Projected retirement benefit obligation	(31,936)
(B) Market value of plan assets	13,711
(C) Unfunded retirement benefit obligation [(A) + (B)]	(18,224)
(D) Unrecognized actuarial loss	6,360
(E) Unrecognized prior service cost	(2,552)
(F) Net amount recorded on the consolidated balance sheets [(C) + (D) + (E)]	(14,417)
(G) Prepaid pension cost	4,002
(H) Provision for retirement benefits [(F) – (G)]	(18,420)

Notes:

1. Certain subsidiaries adopt a simplified method for calculating the retirement benefit obligation.
2. Plan assets pertain to a defined-benefit corporate pension plan limited to already retired pension recipients.
3. The effect of the Company and its consolidated subsidiaries shifting to a lump-sum retirement benefit plan, a defined-contribution pension plan and a defined-benefit corporate pension plan limited to already retired pension recipients from a tax-qualified pension plan and a lump-sum retirement benefit plan is presented as follows.

	(Millions of yen)
Decrease of projected retirement benefit obligation	14,105
Unrecognized actuarial loss	(4,500)
Unrecognized prior service cost	460
Decrease of market value of plan assets	(20,546)
Decrease of prepaid pension cost	1,778
Increase of provision for retirement benefits	(8,702)

3. Retirement benefit expenses

	Fiscal 2012 (Millions of yen)
(A) Service cost	1,471
(B) Interest cost	768
(C) Expected return on plan assets	(340)
(D) Amortization of actuarial loss	660
(E) Amortization of prior service cost	(221)
(F) Net retirement benefit expenses [(A) + (B) + (C) + (D) + (E)]	2,337
(G) Loss on the transfer to a defined-contribution pension plan	1,290
(H) Other	375
Total	4,003

Notes:

1. The retirement benefit expenses incurred by the consolidated subsidiaries that adopt simplified method are recorded under “(A) Service cost.”
2. “(H) Other” is the amount of contribution payment to a defined contribution pension.

4. Assumptions used in retirement benefit obligation calculations

(A) Method adopted for periodic distribution of projected retirement benefits	Equal amounts per period
(B) Discount rate	Principally 1.7%
(C) Expected rate of return on plan assets	Principally 1.2%
(D) Amortization period of actuarial differences*1	Principally 15 years
(E) Amortization period of prior service cost*2	Principally 15 years

Notes:

1. Actuarial differences are amortized on a straight-line basis from the following fiscal year based on the average remaining service period of employees expected to receive pension benefits as of the consolidated fiscal year-end.
2. Prior service cost is amortized on a straight-line basis over a period equaling the average remaining service period of employees expected to receive pension benefits as of the consolidated fiscal year-end.

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

1. Outline of retirement benefit plans

The Company and its consolidated subsidiaries provide for a lump-sum retirement benefit plan and a defined-contribution pension plan. In addition, the company and some of its consolidated subsidiaries provide for a defined-benefit corporate pension plan limited to already retired pension recipients. Moreover, employees leaving the Company may in some cases receive an additional severance payment beyond that computed on the basis of the actuarial retirement benefit calculated using the relevant accounting standard.

2. Retirement benefit obligation

	As of March 31, 2013 (Millions of yen)
(A) Projected retirement benefit obligation	(30,581)
(B) Market value of plan assets	12,056
(C) Unfunded retirement benefit obligation [(A) + (B)]	(18,524)
(D) Unrecognized actuarial loss	5,479
(E) Unrecognized prior service cost	(2,307)
(F) Net amount recorded on the consolidated balance sheets [(C) + (D) + (E)]	(15,353)
(G) Prepaid pension cost	3,572
(H) Provision for retirement benefits [(F) – (G)]	(18,925)

Notes:

1. Certain subsidiaries adopt a simplified method for calculating the retirement benefit obligation.
2. Plan assets pertain to a defined-benefit corporate pension plan limited to already retired pension recipients.

3. Retirement benefit expenses

	Fiscal 2013 (Millions of yen)
(A) Service cost	1,151
(B) Interest cost	510
(C) Expected return on plan assets	(137)
(D) Amortization of actuarial loss	667
(E) Amortization of prior service cost	(245)
(F) Net retirement benefit expenses [(A) + (B) + (C) + (D) + (E)]	1,947
(G) Other	716
Total	2,664

Notes:

1. The retirement benefit expenses incurred by the consolidated subsidiaries that adopt simplified method are recorded under "(A) Service cost."
2. "(G) Other" is the amount of contribution payment to a defined contribution pension.

4. Assumptions used in retirement benefit obligation calculations

(A) Method adopted for periodic distribution of projected retirement benefits	Equal amounts per period
(B) Discount rate	Principally 1.7%
(C) Expected rate of return on plan assets	Principally 1.0%
(D) Amortization period of actuarial differences*1	Principally 15 years
(E) Amortization period of prior service cost*2	Principally 15 years

Notes:

1. Actuarial differences are amortized on a straight-line basis from the following fiscal year based on the average remaining service period of employees expected to receive pension benefits as of the consolidated fiscal year-end.
2. Prior service cost is amortized on a straight-line basis over a period equaling the average remaining service period of employees expected to receive pension benefits as of the consolidated fiscal year-end.

[M&A Activity]

Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(Business combination through acquisition)

1. Name and business activities of the other company, name of the company after acquisition, rationale for acquisition, date of acquisition and legal form of acquired business

   (1) Name and business activities of the other company

   Goodman Fielder New Zealand Ltd. Flour Milling Segment (Manufacture and sale of wheat flour)

   (2) Name of the company after acquisition

   Champion Flour Milling Ltd.

   (3) Rationale for business combination

   The flour milling business division of Goodman Fielder (hereinafter referred to as "Champion Flour Milling Ltd.") is the largest flour milling manufacturer in New Zealand, accounting for 55% of the domestic market share. The company has a plant on the North and South Islands respectively, procures wheat from New Zealand and Australia, and supplies a wide range of wheat flour, mix, bakery-related commercial ingredients and other ingredients all over New Zealand.

   We aim at further expansion of the business of Champion Flour Milling Ltd. based on the business foundation of the company by applying secondary processing technologies, including bread-making technologies, and the know-how to create new demand which were developed in Japan.

   The acquisition aims at expansion of new overseas business and capturing opportunities for new growth as part of the medium-term management plan of the Nisshin Seifun Group. We will deploy business in Oceania which, after North America, is the major production region of wheat for Japan, engage in the purchase of raw materials in the region, strengthen collection of wheat-related information and build relationships with wheat producers and grain distributors. Through this process, the Group will obtain significant benefits and capabilities for further expansion of its flour milling operations in the global market.

   (4) Date of acquisition

   February 22, 2013

   (5) Legal form of acquisition

   Transfer of business through the payment of cash

2. The period for which acquired business results are included in consolidated financial statements

   The balance sheets as of February 22, 2013, the date of acquisition, have been consolidated.

3. Acquisition costs and their details of the business to be acquired

Compensation for the acquisition	¥3,491 million
Direct costs for acquisition	¥263 million
Acquisition costs	¥3,755 million

4. Amount of goodwill that arose, reasons for incidence and amortization method and period

   (1) Amount of goodwill that arose

   ¥263 million

   (2) Reasons for incidence

   As acquisition costs exceeded the net amount allocated to the acquired assets and assumed liabilities, the excessive amount has been recorded as goodwill. In this regard, the allocation of acquisition costs had not been completed as of the end of the fiscal year under review. As a result, accounting treatment has been undertaken on a provisional basis in accordance with readily available information at that time.

   (3) Amortization method and period

   Amortized using the straight-line method over a period of five years

5. Amounts of assets received and liabilities undertaken on the date of business combination and their breakdown

Current assets	¥1,076 million
Noncurrent assets	¥2,466 million
Total assets	¥3,542 million
Current liabilities	¥37 million

Noncurrent liabilities	¥13 million
Total liabilities	¥51 million

Note: The amount of goodwill identified in 4. (1) above is not included in asset and liability amounts.

6. Allocation of acquisition costs

   The allocation of acquisition costs had not been completed as of the end of the fiscal year under review. As a result, accounting treatment has been undertaken on a provisional basis in accordance with readily available information at that time.

7. The impact of estimated amounts on the consolidated statements of income for the fiscal year under review on the assumption that the business combination was completed on the commencement date of the consolidated fiscal year, and calculation methods

   The difference between net sales calculated on the assumption that the business combination was completed on the commencement date of the consolidated fiscal year and net sales recorded on the Company's consolidated statements of income is about ¥10,000 million. For income, as the estimated amounts are difficult to calculate as it is a transfer of a business division, it has not been described. The note has not been certified by way of audit.

(Completion of allocation of acquisition costs)

While accounting treatment of the acquisition of equity interests in Miller Milling Company, LLC and two other companies was undertaken based on the provisions stipulated under Paragraph 69 of the Guidance on Accounting Standards for Business Combinations and Accounting Standards for Business Divestitures (ASBJ Guidance No. 10) in the previous fiscal year, allocation of acquisition costs was completed in the fiscal year under review.

1. Acquisition costs and their details of the company to be acquired

Compensation for the acquisition	¥10,742 million
Direct costs for acquisition	¥664 million
Acquisition costs	¥11,407 million

2. Amount of goodwill that arose, reasons for incidence and amortization method and period
   (1) Amount of goodwill that arose

       ¥4,238 million

   (2) Reasons for incidence

       The incidence of goodwill is attributable to the rational estimation of excess earnings power anticipated by future business development.

   (3) Amortization method and period

       Amortized using the straight-line method over a period of 10 years

3. Allocation of acquisition costs
   (1) Amounts of assets received and liabilities undertaken on the date of business combination and their breakdown

Current assets	¥3,400 million
Noncurrent assets	¥7,787 million
Total assets	¥11,187 million
Current liabilities	¥2,436 million
Noncurrent liabilities	¥1,582 million
Total liabilities	¥4,018 million

Note: The amount of goodwill identified in 2. (1) above is not included in asset and liability amounts.

(2) Amount, type and depreciation period, which was allocated to intangible assets

Assets related to customers	¥4,448 million
Amortization period	Amortized using the straight-line method over a period of 10 years

[Per Share Information]

(Yen)

Item	Fiscal 2012	Fiscal 2013
Net assets per share	1,172.72	1,243.82
Net income per share	53.63	55.09
Fully diluted net income per share	—	—

Notes

1. The basis of calculation for net assets per share

Item	As of March 31, 2012	As of March 31, 2013
Total net assets, as stated on the consolidated balance sheets (millions of yen)	298,798	317,436
Net assets associated with common stock (millions of yen)	291,390	309,053
Major components of the difference (millions of yen):		
Subscription rights to shares	188	232
Minority interests	7,220	8,150
Number of shares of common stock issued and outstanding (shares)	251,535,448	251,535,448
Number of treasury shares of common stock (shares)	3,062,310	3,064,504
Number of shares of common stock used in the calculation of net assets per share (shares)	248,473,138	248,470,944

2. Fully diluted net income per share data have not been disclosed because there were no potential shares of common stock that had a dilutive effect.

3. The basis of calculation for net income per share and fully diluted net income per share

Item	Fiscal 2012	Fiscal 2013
Net income, as stated on the consolidated statements of income (millions of yen)	13,326	13,688
Amount not attributable to owners of common stock (millions of yen)	—	—
Net income associated with common stock millions of yen)	13,326	13,688
Average number of shares of common stock during the fiscal year (shares)	248,482,146	248,469,704
Adjustment to net income (millions of yen)	—	—
Main components of increase in number of shares of common stock used in calculation of fully diluted net income per share (shares): Subscription rights to shares	—	—
Details of shares not included in calculation of fully diluted net income per share due to non-dilutive effect	• Subscription rights to shares Date of resolution at the General Meeting of Shareholders: June 25, 2004 (31 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 28, 2005 (117 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 27, 2007 (79 subscription rights to shares) (146 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 26, 2008 (80 subscription rights to shares) (173 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 25, 2009 (84 subscription rights to shares) (172 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 25, 2010 (86 subscription rights to shares) (177 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 28, 2011 (93 subscription rights to shares) (258 subscription rights to shares)	• Subscription rights to shares Date of resolution at the General Meeting of Shareholders: June 28, 2005 (68 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 27, 2007 (47 subscription rights to shares) (107 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 26, 2008 (80 subscription rights to shares) (168 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 25, 2009 (80 subscription rights to shares) (172 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 25, 2010 (86 subscription rights to shares) (177 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 28, 2011 (93 subscription rights to shares) (258 subscription rights to shares) Date of resolution at the General Meeting of Shareholders: June 27, 2012 (104 subscription rights to shares) (217 subscription rights to shares) • Preferred stocks issued by an affiliate accounted for by the equity method Tokatsu Foods Co., Ltd. Class B preferred stocks: (Number of shares issued and outstanding: 54,275)

[Notable Subsequent Events]

There are no applicable matters to be reported.

V. Non-consolidated Financial Statements

(1) Balance Sheets

(Millions of yen)

	Fiscal 2012 (As of March 31, 2012)	Fiscal 2013 (As of March 31, 2013)
Assets		
Current assets		
Cash and deposits	28,610	24,022
Accounts receivable – trade	218	210
Short-term investment securities	12,997	15,998
Prepaid expenses	108	102
Deferred tax assets	497	456
Income taxes receivable	2,448	4,255
Other	1,131	878
Total current assets	46,012	45,924
Noncurrent assets		
Property, plant and equipment		
Buildings, net	7,383	7,674
Structures, net	694	722
Machinery and equipment, net	745	621
Vehicles, net	1	1
Tools, furniture and fixtures, net	377	488
Land	13,915	14,015
Lease assets, net	357	253
Construction in progress	711	175
Total property, plant and equipment	24,187	23,954
Intangible assets		
Leasehold right	391	395
Software	195	169
Lease assets	31	27
Other	62	61
Total intangible assets	680	653
Investments and other assets		
Investment securities	47,297	55,576
Stocks of subsidiaries and affiliates	117,536	126,018
Investments in capital	317	317
Investments in capital of subsidiaries and affiliates	547	488
Long-term loans receivable from employees	37	24
Long-term loans receivable from subsidiaries and affiliates	17,701	24,610
Long-term prepaid expenses	368	287
Other	366	362
Allowance for doubtful accounts	(24)	(24)
Total investments and other assets	184,148	207,660
Total noncurrent assets	209,016	232,268
Total assets	255,029	278,192

(Millions of yen)

	Fiscal 2012 (As of March 31, 2012)	Fiscal 2013 (As of March 31, 2013)
Liabilities		
Current liabilities		
Current portion of long-term loans payable	3	2
Lease obligations	185	171
Accounts payable – trade	885	181
Accrued expenses	1,838	1,845
Deposits received	3,623	4,564
Provision for directors' bonuses	70	63
Other	41	42
Total current liabilities	6,647	6,870
Noncurrent liabilities		
Long-term loans payable	33	21
Lease obligations	203	109
Deferred tax liabilities	10,608	13,040
Provision for retirement benefits	4,133	3,996
Other	60	59
Total noncurrent liabilities	15,039	17,226
Total liabilities	21,686	24,097
Net assets		
Shareholders' equity		
Capital stock	17,117	17,117
Capital surplus		
Legal capital surplus	9,500	9,500
Other capital surplus	7	13
Total capital surplus	9,507	9,513
Retained earnings		
Legal retained earnings	4,379	4,379
Other retained earnings		
Reserve for dividends	2,000	2,000
Reserve for advanced depreciation of noncurrent assets	1,969	2,110
Reserve for special account for advanced depreciation of noncurrent assets	171	–
General reserve	140,770	147,770
Retained earnings brought forward	41,914	50,955
Total retained earnings	191,204	207,215
Treasury stock	(3,179)	(3,180)
Total shareholders' equity	214,650	230,666
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	18,503	23,196
Total valuation and translation adjustments	18,503	23,196
Subscription rights to shares	188	232
Total net assets	233,342	254,095
Total liabilities and net assets	255,029	278,192

(2) Statements of Income

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Operating revenue	22,886	32,418
Operating expenses	12,473	13,074
Operating income	10,412	19,344
Non-operating income		
Interest income	275	363
Interest on securities	26	31
Dividends income	1,042	1,164
Other	42	94
Total non-operating income	1,387	1,655
Non-operating expenses		
Interest expenses	5	6
Commitment fee	10	10
Foreign exchange losses	43	–
Other	1	1
Total non-operating expenses	61	18
Ordinary income	11,739	20,981
Extraordinary income		
Gain on sales of noncurrent assets	372	42
Gain on revision of retirement benefit plan	2,421	–
Other	19	2
Total extraordinary income	2,812	44
Extraordinary losses		
Loss on retirement of noncurrent assets	36	45
Loss on valuation of investments in capital of subsidiaries and affiliates	–	72
Other	–	19
Total extraordinary losses	36	137
Income before income taxes	14,514	20,887
Income taxes – current	16	18
Income taxes – deferred	894	(111)
Total income taxes	910	(93)
Net income	13,604	20,980

(3) Statements of Changes in Net Assets

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	17,117	17,117
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	17,117	17,117
Capital surplus		
Legal capital surplus		
Balance at the beginning of current period	9,500	9,500
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	9,500	9,500
Other capital surplus		
Balance at the beginning of current period	3	7
Changes of items during the period		
Disposal of treasury stock	3	6
Total changes of items during the period	3	6
Balance at the end of current period	7	13
Total capital surplus		
Balance at the beginning of current period	9,503	9,507
Changes of items during the period		
Disposal of treasury stock	3	6
Total changes of items during the period	3	6
Balance at the end of current period	9,507	9,513
Retained earnings		
Legal retained earnings		
Balance at the beginning of current period	4,379	4,379
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	4,379	4,379
Other retained earnings		
Reserve for dividends		
Balance at the beginning of current period	2,000	2,000
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	2,000	2,000
Reserve for advanced depreciation of noncurrent assets		
Balance at the beginning of current period	1,385	1,969
Changes of items during the period		
Provision of reserve for advanced depreciation of noncurrent assets	613	177
Reversal of reserve for advanced depreciation of noncurrent assets	(30)	(36)
Total changes of items during the period	583	141
Balance at the end of current period	1,969	2,110

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Reserve for special account for advanced depreciation of noncurrent assets		
Balance at the beginning of current period	496	171
Changes of items during the period		
Provision of reserve for special account for advanced depreciation of noncurrent assets	171	–
Reversal of reserve for special account for advanced depreciation of noncurrent assets	(496)	(171)
Total changes of items during the period	(325)	(171)
Balance at the end of current period	171	–
General reserve		
Balance at the beginning of current period	133,770	140,770
Changes of items during the period		
Provision of general reserve	7,000	7,000
Total changes of items during the period	7,000	7,000
Balance at the end of current period	140,770	147,770
Retained earnings brought forward		
Balance at the beginning of current period	40,539	41,914
Changes of items during the period		
Provision of reserve for advanced depreciation of noncurrent assets	(613)	(177)
Reversal of reserve for advanced depreciation of noncurrent assets	30	36
Provision of reserve for special account for advanced depreciation of noncurrent assets	(171)	–
Reversal of reserve for special account for advanced depreciation of noncurrent assets	496	171
Provision of general reserve	(7,000)	(7,000)
Dividends from surplus	(4,971)	(4,970)
Net income	13,604	20,980
Total changes of items during the period	1,375	9,040
Balance at the end of current period	41,914	50,955
Total retained earnings		
Balance at the beginning of current period	182,571	191,204
Changes of items during the period		
Provision of reserve for advanced depreciation of noncurrent assets	–	–
Reversal of reserve for advanced depreciation of noncurrent assets	–	–
Provision of reserve for special account for advanced depreciation of noncurrent assets	–	–
Reversal of reserve for special account for advanced depreciation of noncurrent assets	–	–
Provision of general reserve	–	–
Dividends from surplus	(4,971)	(4,970)
Net income	13,604	20,980
Total changes of items during the period	8,633	16,010
Balance at the end of current period	191,204	207,215

(Millions of yen)

	Fiscal 2012 (April 1, 2011 to March 31, 2012)	Fiscal 2013 (April 1, 2012 to March 31, 2013)
Treasury stock		
Balance at the beginning of current period	(3,163)	(3,179)
Changes of items during the period		
Purchase of treasury stock	(29)	(30)
Disposal of treasury stock	14	29
Total changes of items during the period	(15)	(1)
Balance at the end of current period	(3,179)	(3,180)
Total shareholders' equity		
Balance at the beginning of current period	206,028	214,650
Changes of items during the period		
Dividends from surplus	(4,971)	(4,970)
Net income	13,604	20,980
Purchase of treasury stock	(29)	(30)
Disposal of treasury stock	17	36
Total changes of items during the period	8,621	16,015
Balance at the end of current period	214,650	230,666
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	14,992	18,503
Changes of items during the period		
Net changes of items other than shareholders' equity	3,510	4,692
Total changes of items during the period	3,510	4,692
Balance at the end of current period	18,503	23,196
Total valuation and translation adjustments		
Balance at the beginning of current period	14,992	18,503
Changes of items during the period		
Net changes of items other than shareholders' equity	3,510	4,692
Total changes of items during the period	3,510	4,692
Balance at the end of current period	18,503	23,196
Subscription rights to shares		
Balance at the beginning of current period	138	188
Changes of items during the period		
Net changes of items other than shareholders' equity	49	43
Total changes of items during the period	49	43
Balance at the end of current period	188	232
Total net assets		
Balance at the beginning of current period	221,159	233,342
Changes of items during the period		
Dividends from surplus	(4,971)	(4,970)
Net income	13,604	20,980
Purchase of treasury stock	(29)	(30)
Disposal of treasury stock	17	36
Net changes of items other than shareholders' equity	3,560	4,736
Total changes of items during the period	12,182	20,752
Balance at the end of current period	233,342	254,095