Summary of Consolidated Financial Results
For the Year Ended March 31, 2013 (Based on Japanese GAAP)

May 15, 2013

Company name:	Mitsui Sugar Co., Ltd.	Stock exchange listings: Tokyo and Osaka
Stock code:	2109	http://www.mitsui-sugar.co.jp/
Company Representative:	Masaaki Iida President and Chief Executive Officer	
Contact person in charge:	Takuya Tsuda General Manager, Corporate Planning Division	TEL. 81-3-3663-3111

Planned date for ordinary general meeting of shareholders June 27, 2013
Planned date to start dividend payment June 28, 2013
Planned date for submission of annual securities report June 27, 2013
Preparation of supplementary material for financial statements: Yes
Briefing session for financial statements: Yes (For institutional investors and analysts)

(Amounts are rounded down to the nearest 1 million yen)

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

(1) Consolidated Results of Operations (Percentages are year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2013	96,213	20.2	4,106	(8.8)	6,181	(0.5)	4,451	74.6
Year ended March 31, 2012	80,049	(0.8)	4,504	(28.5)	6,209	(10.8)	2,549	(36.8)

Note: Comprehensive income
Year ended March 31, 2013: 5,031 million yen (113.2 %) Year ended March 31, 2012: 2,359 million yen ((42.0) %)

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating margin
	Yen	Yen	%	%	%
Year ended March 31, 2013	33.39	—	8.2	7.4	4.3
Year ended March 31, 2012	19.07	—	4.9	8.6	5.6

(Reference) Equity in earnings of affiliates: Year ended March 31, 2013: 556 million yen
Year ended March 31, 2012: 888 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2013	93,294	60,483	60.4	422.57
As of March 31, 2012	72,815	53,197	71.9	392.53

(Reference) Equity capital As of March 31, 2013: 56,350 million yen As of March 31, 2012: 52,344 million yen

(3) Consolidated Cash Flow

	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 period end
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2013	8,003	(3,667)	(1,533)	7,460
Year ended March 31, 2012	3,117	(5,002)	1,272	4,838

2. Cash Dividends

	Annual dividend					Total dividends (Total)	Dividend payout ratio (Consolidated)	Dividend on equity (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 31, 2012	—	3.00	—	4.00	7.00	934	36.7	1.8
Year ended March 31, 2013	—	3.00	—	4.00	7.00	934	21.0	1.7
Year ending March 31, 2014 (forecast)	—	3.00	—	4.00	7.00		22.0	

3. Consolidated Business Forecasts for the Year Ending March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Percentages are year-over-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2013	49,400	2.3	2,100	27.1	3,160	27.5	1,850	23.9	13.87
Full year	97,800	1.6	4,840	17.9	7,080	14.5	42,250	(4.5)	31.87

* Notes

(1) Significant changes in subsidiaries during period

(Changes in specified subsidiaries resulting in changes of scope of consolidation): Yes
New one company (company name): Hokkaido Sugar Co., Ltd.
Excluded — companies (company name —)

(2) Changes in accounting policy and accounting estimates and restatement

(i) Changes in accounting policy due to any revision of accounting standards: Yes

(ii) Changes in accounting policy other than i) above: Yes

(iii) Changes in accounting estimates: Yes

(iv) Restatement: None

(Note) For details, please refer to (5) Notes on consolidated financial statements (Changes in accounting policy) in “4. Consolidated Financial Statements” on page 17 of the Attachments.

(3) Number of outstanding shares (common shares)

(i) Number of outstanding shares at period end (including treasury stock)	As of March 31, 2013	141,667,400 shares	As of March 31, 2012	141,667,400 shares
(ii) Number of treasury stock at period end	As of March 31, 2013	8,318,092 Shares	As of March 31, 2012	8,314,930 shares
(iii) Average number of shares during period	As of March 31, 2013	133,351,334 shares	As of March 31, 2012	133,696,496 shares

(Reference) Overview of Financial Results on a Non-consolidated Basis

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

(1) Operating Results on a Non-consolidated Basis (Percentages are year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2013	70,775	(5.4)	3,418	(16.3)	6,653	27.7	5,225	190.6
Year ended March 31, 2012	74,835	(0.6)	4,083	(31.0)	5,211	(14.6)	1,798	(46.8)

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended March 31, 2013	39,13	—
Year ended March 31, 2012	13,43	—

(2) Financial Position on a Non-consolidated Basis

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Million yen
Year ended March 31, 2013	60,144	45,048	74.9	337.31
Year ended March 31, 2012	59,002	40,768	69.1	305.26

(Reference) Equity capital As of March 31, 2013: 45,048 million yen As of March 31, 2012: 40,768 million yen

2. Business Forecasts on a Non-consolidated Basis for the Year Ending March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Percentages are year-over-year changes.)

	Net sales		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2013	35,200	(1.2)	3,160	38.9	1,950	41.5	14.60
Full year	70,700	(0.1)	6,710	0.9	4,150	(20.6)	31.07

* Disclosure regarding the status on implementation of audit procedures
This summary of financial results is not subject to audit procedures under the Financial Instruments and Exchange Act, and audit procedures of financial statements under the Act had not yet been completed as of the date of disclosure of this summary of financial results.

* Explanation on appropriate use of business forecasts, and other special notes
Business forecasts and other forward-looking statements contained in this report and supplementary materials are based on information currently available to the Company and on certain assumptions deemed as rational, and are not intended to guarantee the achievements by the Company. Actual results may greatly differ due to various factors. For preconditions for business forecasts and notes in using such forecasts, please see “(1) Analysis of operating results” in “1. Analysis of Operating Results and Financial Position” on page 2 of the appendix.

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1. Analysis of Operating Results and Financial Position

(1) Analysis of operating results

1) Overview of fiscal year 2012

The Japanese economy was gradually recovering in fiscal year 2012, backed by the post-earthquake reconstruction demand, but subsequently showed a downturn due to the effects of overseas economic conditions including the reignited European debt crisis and the worsening relationship between Japan and China. However, the new administration that was formed in late 2012 triggered anticipation for an economic recovery, and signs of improvement such as the correction of excessive strength of the yen and a rise in stock prices began to appear before closing the fiscal year.

Under such circumstances, the Mitsui Sugar Group worked to achieve the objectives set out in the fourth round of its medium-term management plan, "Mitsui Sugar Revolution 2013" (April 2012 to March 2014), which was rolled out in fiscal year 2012. An overview of the results achieved in each business segment is as follows:

(Sugar Business)

The Sugar Business was faced with difficulties as the domestic consumption volume slumped below 2 million tons (consumption volume of refined sugar base in the FY2011 sugar year announced by the Ministry of Agriculture, Forestry and Fisheries). This was due to the effects of a continuous rise in imported sweetened products and other factors. Amid such an environment, we integrated the production function of the Okayama Plant in the Kobe Plant and worked on other priority measures.

We invested a total of 5.8 billion yen for the construction work at the Kobe Plant and built a packaging facility exclusively for granulated sugar, which has become a main product demanded by the market in the last several years, and a packaging facility for the small bag of SPOON Brand superfine sugar, which is our core product. Production operations at the Kobe Plant made a smooth start, including handling of products whose production was transferred from the Okayama Plant. The consolidation of production resulted in reducing fixed costs and generally achieving other objectives as initially planned. On the other hand, expenses to temporarily store finished goods in the course of consolidation along with the rise in energy costs including fuel and electricity expenses were factors that affected the operating income of the Group.

Meanwhile, the overseas crude sugar market continued to decline from early spring based on the forecast for a global oversupply. Taking into account this situation, we lowered the domestic shipping prices by approximately 2% in July while boosting production of liquid sugar for beverages at plants in an effort to respond thoroughly to market conditions both in terms of price and demand.

In the domestic sugar business, Hokkaido Sugar Co., Ltd. was turned into a consolidated subsidiary as of fiscal year 2012. The business remained generally sluggish throughout the fiscal year, affected by the scorching hot summer particularly in Hokkaido until early autumn, damage that Okinawa and Nansei Islands suffered from three major typhoons, and other factors.

Meanwhile, the Company joined Mitsui & Co., Ltd. for a capital participation in Khonburi Sugar Public Company Limited ("Khonburi"), a midsize sugar company in Thailand, as part of its strategic efforts to expand the sugar business segment.

As a result, net sales of the Sugar Business amounted to 85,754 million yen (up 19.5% year on year) and operating income was 2,974 million yen (down 12.8% year on year).

(Sugar market status during period)

Domestic market price (listed in *Nippon Keizai Shimbun*, per kilogram of a large bag of superfine sugar, Tokyo)

Opening price: 185–186 yen, highest price: 185–186 yen, lowest price: 182–183 yen, closing price: 182–183 yen

Overseas crude sugar price (NY sugar current delivery, per pound)

Opening price: 24.68 cents, highest price: 24.86 cents, lowest price: 17.56 cents, closing price: 17.62 cents

(Food Ingredient Business)

Each of the existing businesses faced difficulties under a tough operating environment. However, the partial transfer of the food business to Taisho Technos Co., Ltd., a consolidated subsidiary, from Mitsubishi Tanabe Pharma Corporation and the incorporation of net sales and operating income of the bio business of Hokkaido Sugar Co., Ltd. after it became a consolidated subsidiary contributed significantly to the overall performance. As a result, net sales were 9,219 million yen (up 32.9% from a year earlier) and operating income increased 22.8% year on year to 435 million yen.

(Real Estate Business)

In the Real Estate Business, we sold some properties for rent during the fiscal year in an effort to rearrange our assets in holding. Consequently, net sales of the Real Estate Business amounted to 1,238 million yen (down 6.6% year on year) and operating income was 696 million yen (down 5.6% year on year).

As a result, net sales in fiscal 2012 totaled 96,213 million yen (up 20.2% year on year) and operating income was 4,106 million yen (down 8.8% from a year earlier).

As for non-operating income and expenses, we recorded a royalty income of 1,990 million yen while steady performance of our affiliate in Thailand contributed to equity in earnings of affiliates in the amount of 556 million yen. As a result, ordinary income totaled 6,181 million yen (down 0.5% year on year).

In terms of extraordinary income/loss, we recognized a gain on negative goodwill of 2,132 million yen and posted a loss on step acquisitions of 2,121 million yen in conjunction with turning Hokkaido Sugar Co., Ltd. into our consolidated subsidiary. In addition, we sold some idle assets such as the former company housing. As a result, net income for fiscal year 2012 was 4,451 million yen, up 74.6% from the previous fiscal year.

2) Business forecasts of fiscal year 2013

Looking at the economic environment for fiscal year 2013, there are some positive factors suggesting that the economy will gradually recover on the back of improvement in the export environment and effects of various measures implemented by the government. However, there are concerns such as risk of a further slowdown in overseas economies and rising raw material and crude oil prices caused by the weaker yen, as the Japanese economy strives to break away from deflation.

Business forecasts for fiscal year 2013 and issues to work on at each segment are as follows:

Net sales	97,800 million yen	(up 1.6% year on year)
Operating income	4,840 million yen	(up 17.9% year on year)
Ordinary income	7,080 million yen	(up 14.5% year on year)
Net income	4,250 million yen	(down 4.5% year on year)

(Sugar Business)

In the Sugar Business, we will respond appropriately to the rise in production costs caused by the effects of high raw material costs resulting from a continuing high level of crude oil prices, an increase in electricity prices and the weaker yen. At the same time, we will exert efforts in making sure we realize positive effects from production plant consolidation as well as from investments made in Japanese and foreign sugar companies in the previous year.

Concerted efforts by production and sales areas will be made as we aim to achieve optimal cost management in terms of variable production expenses and direct sales costs. Specifically, we will implement a uniform order receipt and placement system nationwide while investing in production management systems and taking other BPR initiatives to increase the efficiency of the domestic refined sugar business. We will concurrently take steps to develop a firm sugar business base for the next generation through collaborating with Hokkaido Sugar Co., Ltd. and other domestic sugar business operators and by making use of technical alliances with affiliates and Khonburi in Thailand and pursuing other activities.

(Food Ingredient Business)

In the Food Ingredient Business, pressing issues are to maintain and improve profits of the existing businesses amid an increasingly difficult market environment.

In the Functional Food Ingredient Business, we will promote the palatinose business to clients by examining new production methods and application development. We will also continue to work on sugar cane extracts by developing new materials and rolling out strategies for selling products in China and other overseas markets. As for the Food Additive Business that deals with coloring, agar and other items, we will pursue efficiency and synergistic effects by further enhancing cooperation in areas of development and sales with Taisho Technos Co., Ltd., our consolidated subsidiary.

Activities among our subsidiaries will include ensuring stability of the food business taken over from Mitsubishi Tanabe Pharma Corporation in the previous fiscal year and striving to develop new products. These activities are part of our objective of making the Food Ingredient Business a core segment following the Sugar Business for the Mitsui Sugar Group on the whole.

(Real Estate Business)

In the Real Estate Business, we will continue to work on improving the efficiency and profitability of properties by effectively utilizing the properties owned to generate a stable cash flow while implementing initiatives for new deals.

As for non-operating income and expenses, we project an increase in royalty income. On the other hand, we expect a decline in equity in earnings of affiliates. This is because of the likelihood of a decline in profits of affiliates in Thailand caused by the slump in raw sugar prices overseas and the delayed recovery of harvest of sugar cane in Okinawa and Kagoshima as a result of damage caused by typhoons.

(2) Analysis of financial position

1) Assets, liabilities and net assets

Total assets as of March 31, 2013 increased by 20,479 million yen compared to the end of the previous fiscal year to 93,294 million yen after we acquired additional shares of Hokkaido Sugar Co., Ltd., which was formerly an equity method affiliate, and made it a consolidated subsidiary.

The result was also mainly due to the purchase of property, plant and equipment and an increase in merchandise and finished goods while property, plant and equipment as well as investment securities decreased due to depreciation.

Total liabilities increased by 13,194 million yen compared to the end of the previous fiscal year to 32,811 million yen, after we purchased additional shares of Hokkaido Sugar Co., Ltd., which was formerly an equity method affiliate, and made it a consolidated subsidiary.

The result was also mainly due to a decrease in commercial paper while loans payable increased.

Total net assets increased 7,285 yen from the end of the previous fiscal year to 60,483 million yen.

This was mainly due to net income of 4,451 million yen and dividends from surplus of 934 million yen.

2) Cash flow

Cash and cash equivalents (hereinafter called "funds") as of March 31, 2013 increased 2,802 million yen from the end of the previous fiscal year to 7,640 million yen. This was because cash from operating activities increased by 8,003 million yen while cash flow from investing and financial activities decreased by 5,201 million yen.

Changes in cash flow for fiscal year 2012 and their reasons are as follows.

(Cash flow from operating activities)

The funds acquired from operating activities amounted to 8,003 million yen (fiscal year 2011: increase by 3,117 million yen).

This was mainly due to a gain on negative goodwill of 2,134 million yen, income taxes paid of 1,943 million yen and a gain on sales of property, plant and equipment of 1,223 million yen while funds increased because of income before income taxes of 7,065 million yen, depreciation expenses of 3,564 million yen, loss on step acquisitions of 2,121 million yen, and a decrease in inventories of 1,042 million yen.

(Cash flow from investing activities)

Investing activities caused funds to decrease in the amount of 3,667 million yen (fiscal year 2011: decrease by 5,002 million yen).

This was mainly due to purchase of property, plant and equipment for plant facilities of 4,898 million yen, purchase of investment securities of 583 million yen and payments for transfer of business of 542 million yen while funds increased by sales of property, plant and equipment of 2,376 million yen.

(Cash flow from financing activities)

Financing activities caused funds to decrease in the amount of 1,533 million yen (fiscal year 2011: increase by 1,272 million yen).

This was mainly due to a decrease in the funds because of a payment of dividends of 931 million yen and a net decrease in commercial paper of 500 million yen while funds increased owing to a net increase in loans payable of 63 million yen.

(Reference) Changes in cash-flow-related indices

	Fiscal year 2010	Fiscal year 2011	Fiscal year 2012
Capital adequacy ratio (%)	71.7	71.9	60.4
Market-price-based capital adequacy ratio (%)	65.5	50.5	41.7
Debt redemption period (years)	0.5	1.6	1.9
Interest coverage ratio (times)	187.5	137.0	49.0

Capital adequacy ratio: Equity capital ÷ Total assets

Market-price-based capital adequacy ratio: Value of shares ÷ Total assets

Debt redemption period: Interest-bearing debt ÷ Cash flow

Interest coverage ratio: Cash flow ÷ Interest payment

Notes:

1. Data on a consolidated basis is used for calculation.
2. Value of shares is calculated based on the number of outstanding shares excluding treasury stock.
3. Cash flow used is operating cash flow.
4. Interest-bearing debt includes all the debts recorded in the consolidated balance sheets for which the Company pays interest.

(3) Fundamental policy for profit allocation and dividends for fiscal year 2012 and 2013

It is the basic policy of the Company to pay stable and continuous dividends to shareholders. We determine the amount of dividends to pay based on a comprehensive judgment that takes into account the connection between dividends and operating results while also giving consideration to investing for growth and reproduction toward future business development and enhancing retained earnings for reinforcing financial standing and management foundation. We will also work to implement agile capital policies such as acquisition of treasury stock that help to improve shareholder value and cope with changes in the management environment. We plan to pay dividends of seven yen per share (interim dividend: three yen, year-end dividend: four yen) for fiscal year 2012. For fiscal year 2013, we plan to pay dividends of seven yen per share (interim dividend: three yen, year-end dividend: four yen).

(4) Business risk

The following are matters concerning risks generated in conducting the Group's businesses and others that may have a significant impact on judgments of investors. Descriptions regarding the future are based on the Company's judgments as of March 31, 2013.

1) Matters regarding food safety

The Group developed a thorough system of production and quality management in order to supply safe products stably. But when a serious quality problem occurs, operating results and the financial position of the Group may be affected; for example we may need to reinforce the management system and consequently there will be related costs.

2) Matters regarding business environment such as agricultural policies

The Sugar Business accounts for more than 80% of the Group's net sales, and therefore financial results of the Group are more exposed to changes in the business environment of the Sugar Business. We operate the Sugar Business under the government's agricultural policies and laws and regulations such as the "Act on Price Adjustment of Sugar and Starch." Therefore, changes in the government's agricultural policies and the progress of TPP (Trans-Pacific Partnership), FTA (Free Trade Agreement) and EPA (Economic Partnership Agreement) may affect the operating results and financial position of the Group.

3) Matters regarding changes in purchase prices of raw materials and selling prices of products

In the Sugar Business, the major business of the Group, the price of crude sugar, the raw material, is determined in the market, and the market conditions may fluctuate significantly. Product prices may also fluctuate due to competition and the market environment, and this may affect the operating results and financial position of the Group.

4) Matters regarding disasters

The Group conducts business activities throughout Japan. When a large-scale natural disaster such as an earthquake or any unexpected event such as new influenza occurs, and production and distribution are disrupted for a long time, the operating results and financial position of the Group may be affected.

2. Corporate Group

There has been no significant change in the businesses of the Group (the Company and its affiliates) in fiscal year 2012. As of June 27, 2012, the Company acquired additional shares of Hokkaido Sugar Co., Ltd., a company engaged mainly in the sugar business and previously an equity method affiliate, and made it a consolidated subsidiary.

3. Management Policy

(1) Fundamental management policy

The Mitsui Sugar Group's fundamental management policy is to satisfy all the stakeholders by implementing our corporate philosophy, "Mitsui Sugar enriches people's life with safe, reliable and natural food ingredients" and continuously improving corporate value. The Group also works on proactively disclosing information by quickly releasing material information and conducting IR activities, aiming for a highly transparent corporate management. It also conducts environmentally friendly corporate activities to become a corporate group and establish the SPOON brand that respond to the trust from society.

(2) Management benchmark

We at the Group continue to work on enhancing profitability with "Maintenance and improvement of ROA (Return on Assets) and ROE (Return on Equity)" as our management benchmark in order to improve corporate value.

(3) Medium- and long-term management strategies and issues to work on

In the Group, the Sugar Business that is highly influenced by agricultural policies accounts for more than 80% of net sales. Demand for sugar in Japan is expected to gradually decrease, due to the low birthrate and longevity and depopulation, and trends of TPP (Trans-Pacific Partnership) negotiations in which the country is scheduled to participate in from July, as well as developments of FTA (Free Trade Agreement) and EPA (Economic Partnership Agreement). Hence, we believe that a reform of the profit structure by expanding business areas and such like while aiming for further improvement of competitiveness is a medium- and long-term issue we are faced with.

In order to deal with such issues, the Group has been implementing steps identified in the Medium-term Management Plan, "Mitsui Sugar Revolution 2013: Innovation, Challenge and Creation toward Future." As the first step to becoming the organization we expect to be 10 years from now, we will develop the next-generation sugar business in all aspects of raw materials, production base, sales system, organization and human resource utilization. In the Food Ingredient Business, all the employees will work hard with a sense of personal transformation and aim to create a new corporate culture by thoroughly strengthening the Functional Food Ingredient Business and Food Additive Business in order to make the Food Ingredient Business a core segment following the Sugar Business.

In order to improve our competitiveness, we will work to enhance our efficiency through automation and BPR by steadily achieving the effects of integrating production of refined sugar at the Okayama Plant to the Kobe Plant implemented in the previous fiscal year and carrying out new projects for production and sales management. In our aim to expand our business areas, we will strengthen our business in Thailand while developing business in China through our Shanghai Representative Office, based on the enhancement of consolidated management with our affiliates in Japan and abroad.

4. Consolidated Financial Statements

(1) Consolidated balance sheets

(Million yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Assets		
Current assets		
Cash and deposits	4,846	7,648
Notes and accounts receivable-trade	*4 4,770	*4 6,380
Lease investment assets	320	247
Merchandise and finished goods	5,538	15,440
Work in process	1,776	1,764
Raw materials and supplies	4,621	4,526
Deferred tax assets	534	601
Other	245	810
Allowance for doubtful accounts	(11)	—
Total current assets	22,643	37,420
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	*5 23,316	*2, *5 32,917
Accumulated depreciation	(15,430)	(21,703)
Buildings and structures, net	7,885	11,213
Machinery, equipment and vehicles	*5 38,887	*2, *5 74,052
Accumulated depreciation	(32,770)	(60,524)
Machinery, equipment and vehicles, net	6,117	13,527
Tools, furniture and fixtures	1,594	2,259
Accumulated depreciation	(1,331)	(1,874)
Tools, furniture and fixtures, net	263	384
Land	18,906	*2, 18,045
Lease assets	55	35
Accumulated depreciation	(25)	(6)
Lease assets, net	29	29
Construction in progress	2,644	87
Total property, plant and equipment	35,846	43,287
Intangible assets	*5 467	*5 780
Investments and other assets		
Investment securities	*1 12,766	*1 9,979
Long-term loans receivable	53	54
Deferred tax assets	129	925
Other	929	868
Allowance for doubtful accounts	(20)	(22)
Total investments and other assets	13,858	11,805
Total noncurrent assets	50,171	55,874
Total assets	72,815	93,294

(Million yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	*4 5,236	*4 5,956
Short-term loans payable	1,000	8,300
Current portion of long-term loans payable	*2 820	*2, *6 2,059
Commercial papers	500	—
Lease obligations	10	4
Accrued expenses	2,552	2,839
Income taxes payable	1,058	1,206
Accrued consumption taxes	104	133
Provision for directors' bonuses	49	57
Asset retirement obligation	24	—
Other	1,278	1,210
Total current liabilities	12,634	21,767
Noncurrent liabilities		
Long-term loans payable	*2 2,765	*2, *6 4,503
Lease obligations	20	24
Deferred tax liabilities	592	1,062
Provision for retirement benefits	1,546	3,069
Provision for directors' retirement benefits	—	121
Asset retirement obligations	32	294
Long-term guarantee deposited	888	809
Other	1,137	1,158
Total noncurrent liabilities	6,982	11,043
Total liabilities	19,617	32,811
Net assets		
Shareholders' equity		
Capital stock	7,083	7,083
Capital surplus	1,255	1,255
Retained earnings	47,688	51,205
Treasury stock	(2,915)	(2,916)
Total shareholders' equity	53,111	56,627
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	228	282
Deferred gains or losses on hedges	2	(5)
Foreign currency translation adjustment	(998)	(554)
Total accumulated other comprehensive income	(766)	(277)
Minority interests	853	4,133
Total net assets	53,197	60,483
Total liabilities and net assets	72,815	93,294

(2) Consolidated statements of income and consolidated statements of comprehensive income

(Consolidated statements of income)

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Net sales	80,049	96,213
Cost of sales	64,891	76,495
Gross profit	15,157	19,718
Selling, general and administrative expenses		
Sales commission	1,610	1,787
Distribution expenses	2,427	4,240
Salaries and bonuses	*1 1,941	*1 2,598
Provision for directors' bonuses	46	54
Provision for retirement benefits	*1 151	*1 161
Other	*1 4,475	*1 6,769
Total selling, general and administrative expenses	10,653	15,611
Operating income	4,504	4,106
Non-operating income		
Interest income	2	2
Dividends income	66	71
Equity in earnings of affiliates	888	556
Royalty income	778	1,990
Miscellaneous income	272	269
Total non-operating income	2,008	2,890
Non-operating expenses		
Interest expenses	22	160
Loss on retirement of noncurrent assets	98	128
Facilities removal expenses	82	151
Miscellaneous loss	99	375
Total non-operating expenses	303	815
Ordinary income	6,209	6,181
Extraordinary income		
Gain on sales of investment securities	6	127
Gain on disposal of noncurrent assets	—	*2 1,222
Subsidy income for streamlining project	61	—
Gain on negative goodwill	—	2,134
Total extraordinary income	68	3,484
Extraordinary loss		
Loss on reduction of noncurrent assets	61	—
Loss on valuation of investment securities	13	18
Impairment loss	*3 2,009	*3 292
Loss on disaster	*4 25	—
Loss on step acquisitions	—	2,121
Retirement benefit expenses	*5 38	—
Compensation expenses	—	105
Other	—	63
Total extraordinary loss	2,148	2,600
Income before income taxes	4,129	7,065
Income taxes-current	2,168	2,027
Income taxes-deferred	(624)	514
Total income taxes	1,543	2,541
Income before minority interests	2,585	4,524
Minority interests in income	36	72
Net income	2,549	4,451

(Consolidated statements of comprehensive income)

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Income before minority interests	2,585	4,524
Other comprehensive income		
Valuation difference on available-for-sale securities	46	39
Deferred gains or losses on hedges	2	(9)
Share of other comprehensive income of associates accounted for using equity method	(275)	477
Total other comprehensive income	(226)	507
Comprehensive income	2,359	5,031
Comprehensive income attributable to:		
Owners of the parent	2,323	4,942
Minority interests	36	89

(3) Consolidated statements of changes in net assets

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	7,083	7,083
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	7,083	7,083
Capital surplus		
Balance at the beginning of current period	1,254	1,255
Changes of items during the period		
Disposal of treasury stock	0	—
Total changes of items during the period	0	—
Balance at the end of current period	1,255	1,255
Retained earnings		
Balance at the beginning of current period	46,081	47,688
Changes of items during the period		
Dividends from surplus	(938)	(934)
Net income	2,549	4,451
Changes of scope of equity method	(3)	—
Total changes of items during the period	1,606	3,517
Balance at the end of current period	47,688	51,205
Treasury stock		
Balance at the beginning of current period	(2,566)	(2,915)
Changes of items during the period		
Purchase of treasury stock	(352)	(0)
Disposal of treasury stock	3	—
Changes of scope of equity method	—	—
Total changes of items during the period	(348)	(0)
Balance at the end of current period	(2,915)	(2,916)
Total shareholders' equity		
Balance at the beginning of current period	51,851	53,111
Changes of items during the period		
Dividends from surplus	(938)	(934)
Net income	2,549	4,451
Purchase of treasury stock	(352)	(0)
Disposal of treasury stock	4	—
Changes of scope of equity method	(3)	—
Total changes of items during the period	1,259	3,516
Balance at the end of current period	53,111	56,627

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From 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	171	228
Changes of items during the period		
Net changes of items other than shareholders' equity	56	53
Total changes of items during the period	56	53
Balance at the end of current period	228	282
Deferred gains or losses on hedges		
Balance at the beginning of current period	0	2
Changes of items during the period		
Net changes of items other than shareholders' equity	2	(8)
Total changes of items during the period	2	(8)
Balance at the end of current period	2	(5)
Foreign currency translation adjustment		
Balance at the beginning of current period	(713)	(998)
Changes of items during the period		
Net changes of items other than shareholders' equity	(284)	443
Total changes of items during the period	(284)	443
Balance at the end of current period	(998)	(554)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(541)	(766)
Changes of items during the period		
Net changes of items other than shareholders' equity	(225)	489
Total changes of items during the period	(225)	489
Balance at the end of current period	(766)	(277)
Minority interests		
Balance at the beginning of current period	821	853
Changes of items during the period		
Net changes of items other than shareholders' equity	31	3,280
Total changes of items during the period	31	3,280
Balance at the end of current period	853	4,133
Total net assets		
Balance at the beginning of current period	52,132	53,197
Changes of items during the period		
Dividends from surplus	(938)	(934)
Net income	2,549	4,451
Purchase of treasury stock	(352)	(0)
Disposal of treasury stock	4	—
Changes of scope of equity method	(3)	—
Net changes of items other than shareholders' equity	(194)	3,769
Total changes of items during the period	1,065	7,285
Balance at the end of current period	53,197	60,483

(4) Consolidated statements of cash flows

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Net cash provided by (used in) operating activities		
Income before income taxes	4,129	7,065
Depreciation and amortization	2,207	3,564
Loss (gain) on disposal of noncurrent assets	(1)	(1,216)
Loss on retirement of noncurrent assets	98	128
Loss (gain) on valuation of investment securities	13	18
Loss (gain) on sales of investment securities	(6)	(126)
Equity in losses (earnings) of affiliates	(888)	(556)
Increase (decrease) in provision for retirement benefits	(246)	(170)
Amortization of goodwill	—	69
Gain on negative goodwill	—	(2,134)
Loss (gain) on step acquisitions	—	2,121
Increase (decrease) in allowance for doubtful accounts	2	(11)
Increase (decrease) in provision for directors' bonuses	(19)	7
Interest and dividends income	(69)	(73)
Interest expenses	22	160
Subsidy income for streamlining project	(61)	—
Impairment loss	2,009	292
Loss on reduction of noncurrent assets	61	—
Compensation expenses	—	105
Decrease (increase) in notes and accounts receivable-trade	(282)	(361)
Decrease (increase) in inventories	(702)	1,042
Increase (decrease) in notes and accounts payable-trade	(1,144)	(419)
Increase (decrease) in accrued consumption taxes	73	29
Other, net	244	606
Subtotal	5,440	10,140
Interest and dividends income received	69	73
Subsidy income for streamlining project received	61	—
Compensation expenses	—	(105)
Interest expenses paid	(22)	(163)
Income taxes paid	(2,437)	(1,943)
Income taxes refund	5	—
Net cash provided by (used in) operating activities	3,117	8,003
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(4,657)	(4,898)
Proceeds from sales of property, plant and equipment	5	2,376
Purchase of investment securities	(8)	(583)
Proceeds from sales of investment securities	16	535
Purchase of intangible assets	(358)	(129)
Payments for transfer of business	—	(542)
Purchase of investments in subsidiaries	—	(391)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	*2 (26)
Other, net	(0)	(8)
Net cash provided by (used in) investing activities	(5,002)	(3,667)

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	3,700	12,500
Decrease in short-term loans payable	(2,700)	(12,200)
Proceeds from issuance of commercial paper	8,000	9,500
Redemption of commercial papers	(7,500)	(10,000)
Proceeds from long-term loans payable	2,400	1,741
Repayment of long-term loans payable	(1,324)	(2,104)
Purchase of treasury stock	(352)	(0)
Cash dividends paid	(936)	(931)
Cash dividends paid to minority shareholders	(5)	(25)
Other, net	(8)	(12)
Net cash provided by (used in) financing activities	1,272	(1,533)
Net increase (decrease) in cash and cash equivalents	(611)	2,802
Cash and cash equivalents at beginning of period	5,450	4,838
Cash and cash equivalents at end of period	*1 4,838	*1 7,640

(5) Notes on consolidated financial statements

(Notes on assumptions of a going concern)

None.

(Important matters concerning preparation of consolidated financial statements)

1. Matters concerning scope of consolidation

I. Number and names of consolidated subsidiaries

Number of consolidated subsidiaries: 5

Names of consolidated subsidiaries:

Hokkaido Sugar Co., Ltd., Spoon Sugar Co., Ltd., Showa Togyo Co., Ltd., Taisho Technos Co., Ltd. and Sanno Unyu Co., Ltd.

Effective fiscal 2012, Hokkaido Sugar Co., Ltd., which was previously an equity method affiliate, has been included in the scope of consolidation as a result of additionally purchasing 19.3% of total shares issued.

II. Names, etc. of unconsolidated subsidiaries

Names of unconsolidated subsidiaries

Hokuseki Co., Ltd.、Hokuee Co., Ltd.、Hokuken Co., Ltd.

Reasons for exclusion from the scope of consolidation

All of these unconsolidated subsidiaries are small in size, and the total assets, net sales, net income (comparable to equity interest), retained earnings (comparable to equity interest) all do not have a significant impact on the consolidated financial statements.

2. Matters concerning application of equity method

I. Names of equity method affiliates and names of major companies

Number of equity method affiliates and names of major companies: 9

Names of equity method affiliates and names of major companies:

Nansei Togyo Co., Ltd., San-ei Sucrochemical Co., Ltd., Hiranoya Co., Ltd., The Kumphawapi Sugar Co., Ltd., and Kaset Phol Sugar Ltd.

Hokkaido Sugar Co., Ltd. has been included in the scope of consolidation and therefore is excluded from the scope of equity method accounting effective fiscal 2012.

II. Name, etc. of unconsolidated subsidiaries and affiliates that are not accounted for by the equity method

Name of equity method affiliates and names of major companies

Unconsolidated subsidiaries: Hokuseki Co., Ltd.、Hokuee Co., Ltd.、Hokuken Co., Ltd.

Affiliates: Ryutou Inc., Shin Chutoh Sangyo Co., Ltd., Seitokogyo-Kaikan Co., Ltd. and Murakami Shouten Co., Ltd.

Reason for not applying the equity method

The influence that affiliates which are out of the scope of equity method accounting have on consolidated financial statements is minimal, and their overall significance is low even if they are excluded from the scope of application of equity method, considering the amount of net income or loss (comparable to equity interest) and retained earnings (comparable to equity interest). Therefore, they are excluded from the scope of equity method accounting.

3. Matters concerning fiscal year of consolidated subsidiaries

The financial closing date of consolidated financial subsidiaries agrees with the consolidated financial closing date with the exception of Hokkaido Sugar Co., Ltd. (September 30) and Showa Togyo Co., Ltd. (December 31). As for Hokkaido Sugar Co., Ltd., the financial statements prepared as a result of the provisional financial closing process equivalent to the consolidated financial closing conducted as of the consolidated financial closing date are used as the base. Meanwhile, for Showa Togyo Co. Ltd., the financial statements as of the firm's financial closing date are utilized for the consolidated financial closing. However, we make adjustments necessary for consolidation regarding important transactions executed with Showa Togyo Co., Ltd. between January 1 and the consolidated closing date.

4. Matters concerning accounting standard

I. Evaluation standard and evaluation method of important assets

(i) Securities

Available-for-sale securities

Securities with market value

Market value method based on market prices as of the closing date. (Valuation difference is reported as a component of shareholders' equity, and cost of securities sold is calculated by the moving-average method.)

Securities without market value

Cost method based on the moving-average method

(ii) Derivatives

Market value method in principle

(iii) Inventories

Evaluated by the cost method based on the gross average method

Amounts in the balance sheets are calculated by devaluating book values based on a decrease in profitability.

II. Method of depreciation of important depreciable assets

(i) Property, plant and equipment (excluding lease assets)

The Company and its consolidated subsidiaries mainly use the straight-line method.

Useful life of major categories is as follows:

Buildings and structures

15–38 years

Machinery, equipment and vehicles

4–10 years

(ii) Lease assets

Lease period is used as useful life, and the straight-line method is used with zero residual value.

Of non-ownership-transfer finance lease transactions, those that started before March 31, 2008 are depreciated by the method applied to regular lease transactions.

III. Standard to record important allowance and provision

(i) Allowance for doubtful accounts

In preparation for bad debt, for general accounts receivable, a loan loss ratio is taken into account while for certain receivables such as doubtful accounts receivable, collectability of each receivable is considered in recording the estimated uncollectible amount.

(ii) Provision for directors' bonuses

In preparation for payment of directors' bonuses, a provision thereof is recorded based on the estimated amount of payment in this fiscal year.

(iii) Provision for retirement benefits

In preparation for payment of employees' retirement benefits, the Company records provision for retirement benefits based on the estimated retirement benefit obligations as well as pension asset as of the end of this fiscal year.

Past service cost is expensed by the straight-line method over a certain period (five years) up to a ceiling of employees' average remaining service period at the time of accrual.

Actuarial difference is first prorated by the straight-line method over a certain period (10 years) up to a ceiling of employees' average remaining service period in each fiscal year at the time of accrual, and the prorated amount is expensed from the fiscal year after the year of accrual.

Our consolidated subsidiaries use the compendium method.

(iv) Provision for directors' retirement benefits

In preparation for the payment of directors' retirement benefits, some consolidated subsidiaries post 100% of the necessary amount to be paid at the end of the fiscal year in accordance with internal rules.

IV. Standard to record important income and expenses

Standard to record income from finance lease transactions

Net sales and cost of sales are recorded when a lease fee is received.

Of non-ownership-transfer finance lease transactions, income and expenses of those that started before March 31, 2008 are recorded by the method applied to regular lease transactions.

V. Standard to convert important foreign-currency-denominated assets and liabilities into local currency

Foreign currency receivable and payable is converted into yen based on the spot exchange rate as of the consolidated closing date, and translation is recorded as income or expenses.

Assets and liabilities of foreign subsidiaries are converted into yen based on the spot exchange rate as of the consolidated closing date, and translation is included in the foreign currency translation adjustment in the net assets section.

VI. Method of important hedge accounting

(i) Method of hedge accounting

Deferred hedge accounting is adopted. Interest rate swap that meets the requirements of special accounting is recorded based on the special accounting.

(ii) Hedging instruments, hedged items and hedging policy

(Hedging instruments)	(Hedged items)
Foreign exchange forwards	Foreign-currency-denominated forecasted transaction and foreign currency receivable and payable
Interest rate swap	Interest on borrowing
Commodity swap	Commodity forecasted transaction

(Hedging policy)

Foreign exchange forwards are used to hedge the foreign currency risk within the range required based on the sales plan for export and import transactions.

Interest rate swap is used to fix a variable interest rate and hedge the risk of future rising interest rate.

Commodity swaps are used to hedge the commodity price fluctuation risk within the range required based on the sales plan.

(iii) Method to evaluate effectiveness of hedging

We assume that the effectiveness of hedging is secured with respect to foreign exchange forwards since they are used for a single currency and single amount and for commodity swaps as they are transacted for a single product and single period. We do not evaluate the effectiveness of interest rate swaps since they meet the requirement of special accounting.

VII. Scope of funds in the consolidated statements of cash flows

Funds consist of cash on hand, deposits cashable anytime and short-term investments (to be redeemed within three months from the date of acquisition) that are easily realizable and have limited risk of changes in value.

VIII. Other important matters for preparation of consolidated financial statements

Accounting for consumption taxes

Consumption taxes are recorded net of tax.

(Change in accounting policy)

(Change in the inventory valuation method)

In performing valuation of merchandise and finished goods and work in process, the Company, conventionally had adopted the first-in-first-out method. Given that the overseas crude sugar market, which used to be relatively stable, has been extremely volatile in the recent years, the Company decided to adopt the weighted average method effective the fiscal year 2012. This is because the Company determined that under such a management environment, by adopting the weighted average method it can measure in a timely way the effects of price fluctuations and more appropriately value inventory assets and periodically account for profit and loss. It is also a result of the Company's review of the sales and inventory management methods in consideration of renewing the sales and inventory management system on a company-wide basis.

The impact of this change to the accounting policy, though applied retrospectively, is minimal.

(Change in accounting policy, which is difficult to distinguish with changes in accounting estimates)

In conjunction with the revision to the Corporation Tax Act, the Company and its consolidated subsidiaries began adopting the depreciation method based on the revised Corporation Tax Act for property, plant and equipment acquired on or after April 1, 2012 from the fiscal year 2012.

The impact of this change on profit and loss is minimal.

(Consolidated balance sheets)

*1. Item concerning unconsolidated subsidiaries and the affiliates is as follows.

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Investment securities (shares)	11,148 million yen	7,874 million yen

*2. Collateral assets and secured liabilities

Assets pledged as collateral are as follows.

	FY2011 (As of March 31, 2012)		FY2012 (As of March 31, 2013)	
Buildings and structures	－million yen	(－million yen)	2,344 million yen	(2,344 million yen)
Machinery, equipment and vehicles	－	(－)	3,767	(3,767)
Land	－	(－)	734	(734)
Total	－	(－)	6,846	(6,846)

Secured liabilities are as follows.

	FY2011 (As of March 31, 2012)		FY2012 (As of March 31, 2013)	
Current portion of long-term loans payable	－million yen	(－million yen)	1,050 million yen	(1,050 million yen)
Long-term loans payable	－	(－)	1,800	(1,800)
Total	－	(－)	2,850	(2,850)

Of the above, the figures in parentheses represent loans secured by the plant foundation and the respective amount of liability.

3. Guarantee obligation

Joint guaranty for loans from financial institutions of a company other than consolidated subsidiaries

FY2011 (As of March 31, 2012)		FY2012 (As of March 31, 2013)	
The Kumphawapi Sugar Co., Ltd.	39 million yen		8 million yen
Kaset Phol Sugar Ltd.	251		69
Hokuee Co., Ltd.	－		21
Total	290	Total	100

*4. Notes matured at the end of the fiscal year

Notes matured at the end of the fiscal year are settled on the date of clearing. Since March 31, 2013 was a holiday of financial institutions, the following notes matured at the end of the fiscal year are included in the ending balance of fiscal year 2012.

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Notes receivable	92 million yen	103 million yen
Notes payable	29	38

*5. Reduction entry of property, plant and equipment and intangible assets

With the receipt of sugar production promotion subsidy by Showa Togyo Co., Ltd., our consolidated subsidiary, reduction entries made that are deducted from the acquisition prices are as follows:

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Buildings and structures	8 million yen	9 million yen
Machinery, equipment and vehicles	272	310
Intangible assets	2	2

*6 Financial covenants

Financial covenants are contained in loan contracts of part of the loans payable of our consolidated subsidiary Hokkaido Sugar Co., Ltd. Should there be a conflict with any of the following terms, loans are to be repaid in full to the respective lender as per notified by the lender.

(1) The amount in the net assets section at the end of the business year falls below 75% of the larger of either the amount in the net assets section as of the end of the previous business year or as of the end of the business year serving as the basis.

(2) Ordinary loss is posted in the business year for the second consecutive year.

(3) The total amount of interest-bearing liabilities (e.g., short-term loans payable, current portion of long-term loans payable, long-term loans payable and bonds) is more than 1.5 times as the amount in the net assets section.

Loans-payable with financial covenants are as follows.

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Current portion of long-term loans payable	－million yen (－million yen)	1,050 million yen (1,050 million yen)
Long-term loans payable	－ (－)	1,800 (1,800)
Total	－ (－)	2,850 (2,850)

(Consolidated statements of income)

*1. Research and development expenses included in selling, general and administrative expenses

FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
464 million yen	615 million yen

*2. Gain on disposal of noncurrent assets

FY2012 (From April 1, 2012 to March 31, 2013)

This is mainly due to the sales of land, etc.

*3. Impairment loss

FY2011 (From April 1, 2011 to March 31, 2012)

1) Summary of asset group for which impairment loss is recognized

Location	Usage	Type
Okayama Plant (Minami-ku, Okayama)	White sugar production facilities	Buildings and structures, machinery, equipment and vehicles, tools, furniture and fixtures, land

2) Reason for impairment

Impairment loss is recognized since changes in the white sugar production facilities located at the Okayama Plant (Minami-ku, Okayama) are expected to significantly reduce the recoverable amount of the asset group.

3) Details of impairment loss

Buildings and structures	299 million yen
Machinery, equipment and vehicles	928 million yen
Tools, furniture and fixtures	6 million yen
Land	775 million yen
Total	2,009 million yen

4) Method of grouping

Noncurrent assets are classified into the Sugar Business Group, the Food Ingredient Business Group and the Real Estate Business Group, and the Sugar Business Group is further classified by plant. The Food Ingredient Business Group is mainly categorized into the Palatinose Group, the Pigment Group, the Agar and Gelatinizing Agent Group and the Bio Group. The Real Estate Business Group is classified by rental property. Idle properties are classified by each property.

5) Calculation of recoverable amount

Recoverable amount is based on the utility value and calculated by discounting the future cash flow by 5.0%.

FY2012 (From April 1, 2012 to March 31, 2013)

1) Summary of asset group for which impairment loss is recognized

Location	Usage	Type
Okayama Plant (Minami-ku, Okayama)	Palatinose production facility	Buildings and structures, machinery, equipment and vehicles, tools, furniture and fixtures
The former General Research Center (Chigasaki, Kanagawa)	Assets scheduled for sale	Buildings and structures, land
Eifukucho store (Suginami-ku, Tokyo)	Idle assets	Buildings and structures

2) Reasons for impairment

Impairment loss is recognized for the palatinose production facility at the Okayama Plant located in Minami-ku, Okayama, since operating income/loss deteriorated and no short-term recovery in performance can be expected. Impairment loss is recognized for the former General Research Center in Chigasaki, Kanagawa because of the growing expectation that a loss on sales would be incurred. Impairment loss is also recognized for the Eifukucho store in Suginami-ku, Tokyo, because of the decision to demolish the building.

3) Details of impairment loss

Buildings and structures	78 million yen
Machinery, equipment and vehicles	40 million yen
Tools, furniture and fixtures	1 million yen
Land	172 million yen
Total	292 million yen

4) Method of grouping

Noncurrent assets are classified into the Sugar Business Group, the Food Ingredient Business Group and the Real Estate Business Group, and the Sugar Business Group is further classified by plant. The Food Ingredient Business Group is mainly categorized into the Palatinose Group, the Pigment Group, the Agar and Gelatinizing Agent Group and the Bio Group. The Real Estate Business Group is classified by rental property. Idle properties are classified by each property.

5) Calculation of recoverable amount

Recoverable amount is based on the net sales value in all asset groups. As for the palatinose production facility, the net sales value is assessed as zero due to the difficulty in using the facility for another purpose. With respect to the former General Research Center, the planned sales value is recognized as the net sales value. As for the Eifukucho store, the net sales value is recognized as zero given the decision to demolish it.

*4. Loss on disaster

FY2011 (From April 1, 2011 to March 31, 2012)

Expenses incurred as a result of the Great East Japan Earthquake

*5. Retirement benefit expenses

FY2011 (From April 1, 2011 to March 31, 2012)

Sanno Unyu Co., Ltd., our consolidated subsidiary, participates in the Fukuoka and Saga Truck Industry Pension Fund. It was found that the Fund entrusted part of the management of its pension asset to AIJ Investment Advisors Co., Ltd. and the majority of the entrusted assets were lost. Accordingly, we reasonably estimated an amount of loss to be incurred by additional contribution in the future and recorded 38 million yen of retirement benefit expenses as extraordinary loss.

(Consolidated statements of changes in net assets)

FY2011 (From April 1, 2011 to March 31, 2012)

1. Matters concerning type and total number of outstanding shares as well as treasury stock

	Number of shares at the beginning of FY2011 (in thousand shares)	Number of increased shares during FY2011 (in thousand shares)	Number of decreased shares during FY2011 (in thousand shares)	Number of shares at the end of FY2011 (in thousand shares)
Outstanding shares				
Common shares	141,667	–	–	141,667
Total	141,667	–	–	141,667
Treasury stock				
Common shares	7,323	1,007	15	8,314
Total	7,323	1,007	15	8,314

Notes:

1. 1,007 thousand shares of increase in common shares of treasury stock are as a result of acquisition of treasury stock based on a resolution of the Board of Directors (+ 1,000 thousand shares) and acquisition of fractional shares (+ seven thousand shares).
2. 15 thousand shares of decrease in common shares of treasury stock are as a result of sales of our shares owned by our affiliates.

2. Matters concerning cash dividends

(1) Dividends paid

(Resolution)	Type of shares	Total dividends paid (in million yen)	Dividend per share (in yen)	Base date	Effective date
Ordinary general meeting of shareholders held on June 23, 2011	Common shares	538	4.0	March 31, 2011	June 24, 2011
Board of directors' meeting held on November 7, 2011	Common shares	400	3.0	September 30, 2011	December 2, 2011

(2) Dividends whose base date is in FY2011 and whose effective date falls on FY2012

(Resolution)	Type of shares	Total dividends paid (in million yen)	Dividend resource	Dividend per share (in yen)	Base date	Effective date
Ordinary general meeting of shareholders held on June 26, 2012	Common shares	534	Retained earnings	4.0	March 31, 2012	June 27, 2012

FY2012 (From April 1, 2012 to March 31, 2013)

1. Matters concerning type and total number of outstanding shares and treasury stock

	Number of shares at the beginning of FY2012 (in thousand shares)	Number of increased shares during FY2012 (in thousand shares)	Number of decreased shares during FY2012 (in thousand shares)	Number of shares at the end of FY2012 (in thousand shares)
Outstanding shares				
Common shares	141,667	–	–	141,667
Total	141,667	–	–	141,667
Treasury stock				
Common shares	8,314	3	–	8,318
Total	8,314	3	–	8,318

Notes:

1. Three thousand shares of increase in common shares of treasury stock are as a result of acquisition of fractional shares (+ three thousand shares).

2. Matters concerning cash dividends

(1) Dividends paid

(Resolution)	Type of shares	Total dividends paid (in million yen)	Dividend per share (in yen)	Base date	Effective date
Ordinary general meeting of shareholders held on June 26, 2012	Common shares	534	4.0	March 31, 2012	June 27, 2012
Board of directors' meeting held on October 31, 2012	Common shares	400	3.0	September 30, 2012	December 4, 2012

(2) Dividends whose base date is in FY2012 and whose effective date falls on FY2013

(Resolution)	Type of shares	Total dividends paid (in million yen)	Dividend resource	Dividend per share (in yen)	Base date	Effective date
Ordinary general meeting of shareholders held on June 27, 2013	Common shares	534	Retained earnings	4.0	March 31, 2013	June 28, 2013

(Consolidated statements of cash flows)

*1. Relationship between ending balance of cash and cash equivalents and its amount in the consolidated balance sheets

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Cash and deposits	4,846 million yen	7,648 million yen
Time deposit whose deposit term exceeds three months	(8)	(8)
Cash and cash equivalents	4,838	7,640

*2 Major constituents of assets and liabilities of a company that newly became a consolidated subsidiary in fiscal year 2012
Major constituents of assets and liabilities of Hokkaido Sugar Co., Ltd. when it was newly consolidated through the purchase of shares in fiscal 2012, and the relationship between the stock purchase price and payment (net) for the purchase are as follows.

Current assets	13,358	million yen
Noncurrent assets	9,718	
Current liabilities	(10,440)	
Noncurrent liabilities	(4,245)	
Minority interests	(3,579)	
Stock purchase price	4,811	
Valuation price under the equity method until taking control by purchase	(3,895)	
Gain on negative goodwill	(2,132)	
Loss on step acquisitions	2,121	
Purchase price of additional shares acquired	905	
Cash and cash equivalents of the new consolidated subsidiary	(879)	
Net: Purchase of investments in subsidiaries resulting in change in scope of consolidation	26	

(Segment information, etc.)

a. Segment information

1. Overview of reportable segments

Reportable segments of the Company are structural units of the Company whose separate financial information is available, and which are subject to regular review by the Board of Directors to evaluate a decision on allocation of management resources and financial results.

The Company and its consolidated subsidiaries are engaged in manufacturing and sales of sugar and food ingredients and lease of real estate. Organizations are established based on these products and services.

Therefore, reportable segments of the Company are the "Sugar Business," "Food Ingredient Business" and "Real Estate Business."

The "Sugar Business" manufactures and sells raw sugar, white sugar and sugar-related products. The "Food Ingredient Business" manufactures and sells naturally-derived sweetener, pigments, flavor, sugar cane extract, agar and bio-based products. The "Real Estate Business" mainly leases land, retail premises and offices.

2. Calculation method of net sales, income/loss, assets, liabilities and other items of each reportable segment

Accounting of reportable business segments is basically the same as those described in the "Important matters concerning preparation of consolidated financial statements."

Income of reportable segments is on an operating-income basis.

Intersegment sales and transfer is based on the current market price.

(Change in the inventory valuation method)

In performing valuation of merchandise and finished goods and work in process, the Company, conventionally had adopted the first-in-first-out method. However, the Company began adopting the moving average method from the fiscal year 2012.

The impact of this change in the accounting policy on segment income, though applied retrospectively, is minimal.

(Change in the depreciation method for property, plant and equipment)

In conjunction with the revision to the Corporation Tax Act, the Company and its consolidated subsidiaries began adopting the depreciation method based on the revised Corporation Tax Act for property, plant and equipment acquired on or after April 1, 2012 from the fiscal year 2012.

The impact of this change on segment income is minimal.

3. Information on amounts of net sales, income/loss, assets, liabilities and other items by each reportable segment

FY2011 (From April 1, 2011 to March 31, 2012)

(Million yen)

	Reportable Segment				Adjustments	Amount recorded in consolidated financial statements
	Sugar Business	Food Ingredient Business	Real Estate Business	Total		
Net sales						
Net sales to third-party customers	71,786	6,936	1,326	80,049	—	80,049
Intersegment net sales and transfer	55	—	59	115	(115)	—
Total	71,841	6,936	1,386	80,164	(115)	80,049
Segment profit	3,411	354	737	4,504	—	4,504
Segment assets	49,850	5,749	11,326	66,926	5,888	72,815
Other items						
Depreciation and amortization	1,888	106	193	2,188	18	2,207
Increase of plant, property and equipment and intangible assets	4,168	69	12	4,250	433	4,684

Notes:

1. Some adjustments were made between segment profit and operating income recorded in consolidated statements of income.
2. Adjustments of segment assets of 5,888 million yen indicate assets of the entire Company not allocated to each reportable segment. They consist of invested assets using surplus fund (cash and deposits), long-term investment fund (investment securities) and assets concerning the administration department.

FY2012 (From April 1, 2012 to March 31, 2013)

(Million yen)

	Reportable Segment				Adjustments	Amount recorded in consolidated financial statements
	Sugar Business	Food Ingredient Business	Real Estate Business	Total		
Net sales						
Net sales to third-party customers	85,754	9,219	1,238	96,213	—	96,213
Intersegment net sales and transfer	54	—	56	111	(111)	—
Total	85,809	9,219	1,295	96,324	(111)	96,213
Segment profit	2,974	435	696	4,106	—	4,106
Segment assets	67,094	8,213	10,326	85,634	7,660	93,294
Other items						
Depreciation and amortization	3,195	191	154	3,542	22	3,564
Increase of plant, property and equipment and intangible assets	3,729	252	14	3,996	622	4,619

Notes:

1. Some adjustments were made between segment profit and operating income recorded in consolidated statements of income.
2. Adjustments of segment assets of 7,660 million yen indicate assets of the entire Company not allocated to each reportable segment. They consist of invested assets using surplus fund (cash and deposits), long-term investment fund (investment securities) and assets concerning the administration department.

b. Related information

FY2011 (From April 1, 2011 to March 31, 2012)

1. Information by each product and service

Description is omitted since it is explained in the segment information section.

2. Information by each region

(1) Net sales

Description is omitted since net sales to third party customers account for less than 10% of the consolidated net sales.

(2) Plant, property and equipment

Not applicable since there is no plant, property and equipment located outside Japan.

3. Information by major customer

(Million yen)

Name of customer	Net sales	Relevant segment
Mitsui & Co., Ltd.	46,891	Sugar Business and Food Ingredient Business
Sojitz Corporation	12,456	Sugar Business

FY2012 (From April 1, 2012 to March 31, 2013)

1. Information by each product and service

Description is omitted since it is explained in the segment information section.

2. Information by each region

(1) Net sales

Description is omitted since net sales to third party customers account for less than 10% of the consolidated net sales.

(2) Plant, property and equipment

Not applicable since there is no plant, property and equipment located outside Japan.

3. Information by major customer

(Million yen)

Name of customer	Net sales	Relevant segment
Mitsui & Co., Ltd.	54,883	Sugar Business and Food Ingredient Business
Sojitz Corporation	11,691	Sugar Business

c. Information on impairment loss on noncurrent assets by each reportable segment

FY2011 (From April 1, 2011 to March 31, 2012)

(Million yen)

	Reportable segment				Adjustments	Amount recorded in consolidated financial statements
	Sugar Business	Food Ingredient Business	Real Estate Business	Total		
Impairment loss	2,009	−	−	2,009	−	2,009

FY2012 (From April 1, 2012 to March 31, 2013)

(Million yen)

	Reportable segment				Adjustments	Amount recorded in consolidated financial statements
	Sugar Business	Food Ingredient Business	Real Estate Business	Total		
Impairment loss	−	41	25	67	225	292

(Note) The adjustment of 225 million yen in impairment loss reflects the impairment loss recognized with respect to the former General Research Center located in Chigasaki, Kanagawa due to the heightened expectation that a loss on sales would be incurred.

d. Information on amortization of goodwill and unamortized balance of goodwill by each reportable segment

FY2011 (From April 1, 2011 to March 31, 2012)

None

FY2012 (From April 1, 2012 to March 31, 2013)

	Reportable segment				Adjustments	Amount recorded in consolidated financial statements
	Sugar Business	Food Ingredient Business	Real Estate Business	Total		
Amortization during the period	―	69	―	69	―	69
Balance at the end of current period	―	212	―	212	―	212

e. Information on gain on negative goodwill by each reportable segment

FY2011 (From April 1, 2011 to March 31, 2012)

None

FY2012 (From April 1, 2012 to March 31, 2013)

In conjunction with purchasing additional shares of Hokkaido Sugar Co., Ltd., a gain on negative goodwill of 2,132 million yen is posted under the Sugar Business segment. In addition, in connection with making Sanno Unyu Co., Ltd. a wholly-owned subsidiary, a gain on negative goodwill of 1 million yen is posted under the Sugar Business segment.

(Per-share information)

FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Net assets per share 392.53 yen Net income per share 19.07 yen Diluted net income per share is not mentioned since dilutive shares do not exist.	Net assets per share 422.57 yen Net income per share 33.39 yen Diluted net income per share is not mentioned since dilutive shares do not exist.

Note: The basis of calculation of net assets per share is as follows.

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Total of net assets section (million yen)	53,197	60,483
Amount deducted from total of net assets section (million yen)	853	4,133
(Of the above, minority interests)	(853)	(4,133)
Net assets attributable to common shares at period end (million yen)	52,344	56,350
Number of common shares at period end used in calculating net assets per share (shares)	133,352,470	133,349,308

Note: The basis of calculation of net income per share is as follows.

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Net income (million yen)	2,549	4,451
Amount not attributable to common shareholders	―	―
Net income attributable to common shares (million yen)	2,549	4,451
Average number of shares outstanding (shares)	133,696,496	133,351,334

(Important subsequent events)

None

(Omission of disclosure)

Notes on consolidated statements of comprehensive income, lease transactions, financial instruments, securities, derivatives trading, retirement benefit, tax effect accounting, business combination, etc., asset retirement obligation, real-estate leasing and information on related parties are omitted since the necessity of disclosure in the summary of consolidated financial results is not very high.

5. Non-consolidated Financial Statements

(1) Balance sheets

(Million yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Assets		
Current assets		
Cash and deposits	3,666	5,219
Notes receivable – trade	86	84
Accounts receivable – trade	3,517	3,117
Lease investment assets	320	247
Merchandise and finished goods	5,263	4,088
Goods in transit	37	37
Work in process	1,412	1,382
Raw materials and supplies	2,580	3,041
Raw materials in transit	1,712	695
Prepaid expenses	49	73
Deferred tax assets	418	412
Current portion of long-term loans receivable from subsidiaries and affiliates	—	180
Other	154	120
Total current assets	19,219	18,700
Noncurrent assets		
Property, plant and equipment		
Buildings	18,742	18,136
Accumulated depreciation	(12,261)	(11,606)
Buildings, net	6,480	6,530
Structures	2,658	2,421
Accumulated depreciation	(1,928)	(1,723)
Structures, net	730	698
Machinery and equipment	34,015	37,748
Accumulated depreciation	(28,912)	(29,299)
Machinery and equipment, net	5,102	8,449
Vehicles	72	42
Accumulated depreciation	(64)	(36)
Vehicles, net	7	6
Tools, furniture and fixtures	1,226	1,227
Accumulated depreciation	(1,009)	(970)
Tools, furniture and fixtures, net	216	257
Land	18,267	17,200
Construction in progress	2,627	7
Total property, plant and equipment	33,432	33,149
Intangible assets	438	448

(Million yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Investments and other assets		
Investment securities	1,609	1,784
Stocks of subsidiaries and affiliates	3,485	4,781
Investments in capital	17	17
Long-term loans receivable from subsidiaries and affiliates	—	720
Long-term prepaid expenses	62	21
Other	754	537
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	5,912	7,845
Total noncurrent assets	39,783	41,443
Total assets	59,002	60,114
Liabilities		
Current liabilities		
Accounts payable - trade	4,205	3,218
Short-term loans payable	1,000	500
Current portion of long-term loans payable	780	929
Commercial papers	500	—
Accounts payable - other	903	407
Accrued expenses	2,363	2,157
Income taxes payable	950	1,113
Accrued consumption taxes	78	118
Advances received	149	98
Deposits received	1,094	77
Provision for directors' bonuses	35	43
Asset retirement obligation	24	—
Other	88	127
Total current liabilities	12,173	8,791
Noncurrent liabilities		
Long-term loans payable	2,745	2,623
Deferred tax liabilities	588	1,062
Provision for retirement benefits	761	708
Asset retirement obligations	32	105
Long-term guarantee deposited	801	701
Long-term lease deposited	1,084	1,054
Other	48	48
Total noncurrent liabilities	6,060	6,304
Total liabilities	18,234	15,096

(Million yen)

	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Net assets		
Shareholders' equity		
Capital stock	7,083	7,083
Capital surplus		
Legal capital surplus	1,177	1,177
Total capital surplus	1,177	1,177
Retained earnings		
Legal retained earnings	1,033	1,033
Other retained earnings		
Reserve for price fluctuation	200	200
Reserve for advanced depreciation of noncurrent assets	3,219	3,666
Reserve for special depreciation	22	18
General reserve	22,680	22,680
Retained earnings brought forward	8,065	11,913
Total retained earnings	35,220	39,511
Treasury stock	(2,889)	(2,890)
Total shareholders' equity	40,591	44,882
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	174	169
Deferred gains or losses on hedges	2	(3)
Total valuation and translation adjustments	176	165
Total net assets	40,768	45,048
Total liabilities and net assets	59,002	60,144

(2) Statements of income

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Net sales		
Net sales of Sugar Business		
Net sales of goods	7,266	6,649
Net sales of finished goods	63,021	59,684
Total	70,287	66,333
Net sales of other businesses	4,548	4,442
Total net sales	74,835	70,775
Cost of sales		
Cost of sales of Sugar Business		
Beginning goods	164	118
Beginning finished goods	2,872	4,547
Purchase of finished goods	7,367	6,752
Cost of products manufactured	52,181	46,184
Transfer to other accounts	160	161
Total	62,426	57,441
Ending goods	118	111
Ending finished goods	4,547	3,359
Cost of sales of Sugar Business	57,759	53,971
Cost of sales of other businesses	2,891	2,905
Total cost of sales	60,651	56,876
Gross profit	14,184	13,899
Selling, general and administrative expenses		
Distribution expenses	2,567	2,539
Loading and unloading expenses	691	855
Sales commission	1,598	1,543
Salaries and bonuses	1,592	1,589
Provision for retirement benefits	133	134
Provision for directors' bonuses	35	43
Experiment and research expenses	34	30
Depreciation	77	167
Advertisement expenses	404	346
Other	2,967	3,230
Total selling, general and administrative expenses	10,101	10,480
Operating income	4,083	3,418

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Non-operating income		
Interest income	2	7
Dividends income	378	1,662
Commission fee	64	—
Royalty income	778	1,990
Miscellaneous income	185	133
Total non-operating income	1,409	3,793
Non-operating expenses		
Interest expenses	22	55
Loss on retirement of noncurrent assets	88	106
Loss on disposal of inventories	9	59
Facilities removal expenses	82	133
Miscellaneous loss	78	204
Total non-operating expenses	281	559
Ordinary income	5,211	6,653
Extraordinary income		
Gain on sales of investment securities	3	127
Gain on disposal of noncurrent assets	—	1,184
Total extraordinary income	3	1,312
Extraordinary loss		
Loss on valuation of investment securities	13	12
Impairment loss	2,009	292
Loss on disaster	25	—
Compensation expenses	—	105
Other	—	32
Total extraordinary loss	2,048	442
Income before income taxes	3,166	7,523
Income taxes-current	1,978	1,823
Income taxes-deferred	(610)	473
Total income taxes	1,367	2,297
Net income	1,798	5,225

(3) Statements of changes in net assets

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	7,083	7,083
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	7,083	7,083
Capital surplus		
Legal capital surplus		
Balance at the beginning of current period	1,177	1,177
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	1,177	1,177
Total capital surplus		
Balance at the beginning of current period	1,177	1,177
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	1,177	1,177
Retained earnings		
Legal retained earnings		
Balance at the beginning of current period	1,033	1,033
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	1,033	1,033
Other retained earnings		
Reserve for price fluctuation		
Balance at the beginning of current period	200	200
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	200	200
Reserve for advanced depreciation of noncurrent assets		
Balance at the beginning of current period	3,085	3,219
Changes of items during the period		
Reversal of reserve for advanced depreciation of noncurrent assets	(106)	(143)
Provision of reserve for advanced depreciation of noncurrent assets	240	591
Total changes of items during the period	133	447
Balance at the end of current period	3,219	3,666
Reserve for special depreciation		
Balance at the beginning of current period	26	22
Changes of items during the period		
Reversal of reserve for special depreciation	(4)	(4)
Provision of reserve for special depreciation	1	—
Total changes of items during the period	(3)	(4)
Balance at the end of current period	22	18

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
General reserve		
Balance at the beginning of current period	22,680	22,680
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	22,680	22,680
Retained earnings brought forward		
Balance at the beginning of current period	7,336	8,065
Changes of items during the period		
Reversal of reserve for advanced depreciation of noncurrent assets	106	143
Provision of reserve for advanced depreciation of noncurrent assets	(240)	(591)
Reversal of reserve for special depreciation	4	4
Provision of reserve for special depreciation	(1)	—
Dividends from surplus	(938)	(934)
Net income	1,798	5,225
Total changes of items during the period	729	3,848
Balance at the end of current period	8,065	11,913
Total retained earnings		
Balance at the beginning of current period	34,361	35,220
Changes of items during the period		
Reversal of reserve for advanced depreciation of noncurrent assets	—	—
Provision of reserve for advanced depreciation of noncurrent assets	—	—
Reversal of reserve for special depreciation	—	—
Provision of reserve for special depreciation	—	—
Dividends from surplus	(938)	(934)
Net income	1,798	5,225
Total changes of items during the period	859	4,291
Balance at the end of current period	35,220	39,511
Treasury stock		
Balance at the beginning of current period	(2,537)	(2,889)
Changes of items during the period		
Purchase of treasury stock	(352)	(0)
Total changes of items during the period	(352)	(0)
Balance at the end of current period	(2,889)	(2,890)
Total shareholders’ equity		
Balance at the beginning of current period	40,084	40,591
Changes of items during the period		
Dividends from surplus	(938)	(934)
Net income	1,798	5,225
Purchase of treasury stock	(352)	(0)
Total changes of items during the period	507	4,290
Balance at the end of current period	40,591	44,882

(Million yen)

	FY2011 (From April 1, 2011 to March 31, 2012)	FY2012 (From April 1, 2012 to March 31, 2013)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	125	174
Changes of items during the period		
Net changes of items other than shareholders' equity	48	(4)
Total changes of items during the period	48	(4)
Balance at the end of current period	174	169
Deferred gains or losses on hedges		
Balance at the beginning of current period	0	2
Changes of items during the period		
Net changes of items other than shareholders' equity	2	(6)
Total changes of items during the period	2	(6)
Balance at the end of current period	2	(3)
Total valuation and translation adjustments		
Balance at the beginning of current period	126	176
Changes of items during the period		
Net changes of items other than shareholders' equity	50	(10)
Total changes of items during the period	50	(10)
Balance at the end of current period	176	165
Total net assets		
Balance at the beginning of current period	40,211	40,768
Changes of items during the period		
Dividends from surplus	(938)	(934)
Net income	1,798	5,225
Purchase of treasury stock	(352)	(0)
Net changes of items other than shareholders' equity	50	(10)
Total changes of items during the period	557	4,279
Balance at the end of current period	40,768	45,048

(4) Note on individual financial statements

(Note on assumptions of a going concern)

None

(Important subsequent events)

None

6. Other

(1) Transfer of directors

For details of the transfer of directors, please refer to the separate disclosure material concerning management appointments released today (May 15, 2013).

(2) Other

None