Summary of Consolidated Financial Results
For the Year Ended March 31, 2015 (Based on Japanese GAAP)

May 12, 2015

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

Planned date for ordinary general meeting of shareholders: June 23, 2015
Planned date to start dividend payment: June 24, 2015
Planned date for submission of annual securities report: June 23, 2015
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 one million yen.)

1. Consolidated Financial Results for the Year Ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(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, 2015	96,114	(0.8)	3,859	(26.1)	9,516	3.3	5,707	8.5
Year ended March 31, 2014	96,891	0.7	5,220	27.1	9,209	49.0	5,262	18.2

(Note) Comprehensive income
Year ended March 31, 2015: 7,268 million yen (18.0%) Year ended March 31, 2014: 6,158 million yen (22.4%)

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating margin
	Yen	Yen	%	%	%
Year ended March 31, 2015	42.78	—	9.0	8.9	4.0
Year ended March 31, 2014	39.46	—	8.9	9.6	5.4

(Reference) Equity in earnings of affiliates Year ended March 31, 2015: 342 million yen
Year ended March 31, 2014: 330 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, 2015	113,940	71,584	57.6	491.85
As of March 31, 2014	99,115	65,724	61.9	460.29

(Reference) Equity capital As of March 31, 2015: 65,679 million yen As of March 31, 2014: 61,375 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, 2015	8,785	(10,112)	5,462	16,169
Year ended March 31, 2014	12,233	(4,790)	(3,048)	12,034

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, 2014	–	3.00	–	5.00	8.00	1,068	20.3	1.8
Year ended March 31, 2015	–	4.00	–	6.00	10.00	1,335	23.4	2.1
Year ending March 31, 2016 (forecast)	–	6.00	–	6.00	12.00		25.0	

3. Consolidated Business Forecasts for the Year Ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

(Percentages are year-over-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent company		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2015	49,200	6.9	2,000	12.8	5,000	17.8	3,100	19.5	23.21
Full year	100,000	4.0	4,500	16.6	10,500	10.3	6,400	12.1	47.93

*Notes

(1) Significant changes in subsidiaries during period
(Changes in specified subsidiaries resulting in changes of scope of consolidation): None

(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: None
(iii) Changes in accounting estimates: None
(iv) Restatement: None
(Note) For details, please refer to (5) Notes on consolidated financial statements (Changes in accounting policy) in "5. 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, 2015	141,667,400 shares	As of March 31, 2014	141,667,400 shares
(ii) Number of treasury stock at period end	As of March 31, 2015	8,130,929 Shares	As of March 31, 2014	8,327,165 Shares
(iii) Average number of shares during period	Year ended March 31, 2015	133,399,876 shares	Year ended March 31, 2014	133,345,371 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, 2015 (from April 1, 2014 to March 31, 2015)

(1) Non-consolidated Results for 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, 2015	66,602	(4.7)	2,394	(38.4)	8,184	2.1	5,274	11.1
Year ended March 31, 2014	69,851	(1.3)	3,889	13.8	8,016	20.5	4,749	(9.1)

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended March 31, 2015	39.50	–
Year ended March 31, 2014	35.56	–

(2) Financial Position on a Non-consolidated Basis

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2015	77,502	52,134	67.3	390.41
As of March 31, 2014	64,568	48,958	75.8	366.62

(Reference) Equity capital As of March 31, 2015: 52,134 million yen As of March 31, 2014: 48,958 million yen

2. Business Forecasts on a Non-consolidated Basis for the Year Ending March 31, 2016 (from April 1, 2015 to March 31, 2016)
(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, 2015	32,900	0.9	4,300	18.2	2,900	24.2	21.72
Full year	67,000	0.6	9,000	10.0	6,100	15.7	45.68

* 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.

○ Appendix

1. Analysis of Operating Results and Financial Position

(1) Analysis of operating results

1) Overview of fiscal 2014

In fiscal 2014, the Japanese economy recovered at a moderate pace, with production activity and corporate earnings showing signs of improvement on the back of the government's economic stimulus measures and the Bank of Japan's monetary policies.

However the outlook remained uncertain with weak consumer spending due to factors such as a pullback in demand after a spike ahead of the consumption tax hike and weakness in consumer sentiment.

Against this backdrop, the Mitsui Sugar Group focused on implementing its fifth medium-term management plan, "Mitsui Sugar Revolution Phase 2 – The Road to 2022" (April 2014 to March 2016), which was launched in April 2014. Results for the fiscal year under review were as follows.

(Sugar Business)

In the overseas crude sugar market, the sugar price trended near 18 cents per pound in the first half of the fiscal year due to poor weather conditions in Brazil, the world's largest producer and exporter of sugar. However, the price fell steeply in September to as low as 13 cents per pound at one point due to strong milling output in producing regions and a broader decline in commodities prices. Although prices rebounded sharply to around 17 cents in October, the sugar price trended down thereafter, ending the fiscal year at roughly 11 cents per pound amid weakness in global commodity markets and depreciation of the Brazilian real. In Japan, retail prices for superfine sugar trended at around 185-186 yen per kg during the fiscal year, with the impact of the weak yen cancelling out soft crude sugar prices in the second half of the year.

In production activities, operations were stable overall after improvements were made to facilities, but fixed manufacturing expenses increased year on year due to preventative maintenance work at plants that have been operating on a continuous basis.

In sales activities, we worked to attract new users, promoted sales proposals to existing users and launched new products, but sales volume overall declined year on year due to poor summer weather and the impact of the pullback in demand after a spike at the end of the previous fiscal year ahead of the consumption tax hike.

In sales promotion, we held events such as cooking classes run by food experts to promote the goodness of sugar. We also used sports event sponsorship and special features in magazines to raise awareness of our SPOON brand and encourage better understanding about sugar, while also working to stimulate greater demand for our products.

Performance was generally solid at consolidated subsidiaries in the Sugar Business. Although sales volume declined at Hokkaido Sugar Co., Ltd., output at Showa Sugar Co., Ltd. recovered amid relatively mild weather.

As a result, net sales of the Sugar Business amounted to 83,147 million yen (down 3.3% year on year) and operating income was 3,011 million yen (down 28.4% 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)

Year ended March 31, 2015: 185–186 yen

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

Opening price: 17.77 cents, highest price: 18.28 cents, lowest price: 11.91 cents, closing price: 11.93 cents

(Food Science Business)

In the Food Science Business, earnings were largely in line with targets following the transfer of food coloring and agar gel operations to consolidated subsidiary Taisho Technos Co., Ltd. at the beginning of the fiscal year under review. In other categories, performance was firm in the palatinose category amid rising sales in Japan, but palatinit was affected by higher procurement costs caused by the weak yen. Also, profits declined in the sugar cane extract category due to poor sales of existing products.

Earnings exceeded targets at NUTRI Co., Ltd., which became a consolidated subsidiary from the fiscal year under review.

As a result, net sales in the Food Science Business increased 20.8% year on year to 11,784 million yen, while operating income declined 19.9% to 333 million yen.

Following the consolidation of NUTRI Co., Ltd., the Food Ingredient Business was renamed the Food Science Business to reflect the addition of nutritional care supplements and nutritional products for patients with dysphagia to the Group's product lineup.

(Real Estate Business)

In the Real Estate Business, sales increased year on year due to the start of leasing activities for newly developed properties in Suginami Ward, Tokyo and in Kawasaki City. However, operating income declined due to the booking of one-time expenses related to the start of leasing activities for new properties and maintenance expenses for existing rental properties. As a result, the

Real Estate Business reported net sales of 1,181 million yen (up 4.9% year on year) and operating income of 513 million yen (down 14.2% year on year).

As a result of the above, net sales in fiscal 2014 declined 0.8% year on year to 96,114 million yen and operating income fell 26.1% to 3,859 million yen. In non-operating income and expenses, we booked royalty income of 5,757 million yen and equity in earnings of affiliates of 342 million yen. As a result, ordinary income rose 3.3% year on year to 9,516 million yen and net income increased 8.5% to 5,707 million yen.

2) Business forecasts of fiscal 2015

For fiscal 2015, ending March 31, 2016, we forecast a continued moderate upturn in the economy, including a recovery in the employment and income environment.

Business forecasts for fiscal 2015 and issues to work on at each segment are as follows:

Net sales	100,000 million yen	(up 4.0% year on year)
Operating income	4,500 million yen	(up 16.6% year on year)
Ordinary income	10,500 million yen	(up 10.3% year on year)
Net income attributable to owners of the parent company	6,400 million yen	(up 12.1% year on year)

(Sugar Business)

The operating environment in the Sugar Business is likely to remain challenging due to a gradual decline in domestic demand and other factors.

Against this backdrop, we will work to boost operating efficiency in the processed sugar business by progressively bringing our production management system on line at our three plants and by centralizing all domestic sales and production activities.

In sales activities, we will develop and launch new products that offer a new perspective on added value, such as Rich Mineral Sugar (mineral-enriched sugar) launched in March 2015, as part of stepped up efforts targeting the sugar market.

In production activities, we will work to achieve efficient and stable operations through the introduction of the production management system and ongoing preventative maintenance. We will also upgrade our quality control system to ensure the supply of safe products that offer peace of mind.

In distribution activities, we aim to cut logistics costs by making effective use of our new product distribution center in Kobe, which was opened in October 2014.

We are also strengthening our alliances with domestic sugar producers such as Hokkaido Sugar Co., Ltd. Overseas, we are engaged in strategic initiatives with affiliates in Thailand (The Kumphawapi Sugar Co., Ltd., and Kaset Phol Sugar Ltd.) and with Khonburi Sugar Public Co., Ltd., while also targeting aggressive business development in China as part of efforts to build a domestic and international operating base for the Sugar Business.

(Food Science Business)

In the Food Science Business, the key challenge is to maintain and increase profits in existing business fields, while also actively working to build our presence in new growth fields. In addition to existing businesses, we will develop new product proposals and use M&A to grow the Food Science Business into the Group's second key earnings pillar after the Sugar Business.

In the palatinose category, we will use the introduction of the functional food labeling system in Japan as an opportunity to further expand and raise awareness about our slow calorie concept, as well as promote the cost and functional advantages of our new production methods to clients. In the sugar cane extract category, we will raise awareness about new flavor improver applications in the domestic market and actively work to expand sales in overseas markets. In the food coloring and agar gel category, we will pursue greater efficiencies and synergies, centered on consolidated subsidiary Taisho Technos Co., Ltd.

In addition, we forecast sales and profit growth at consolidated subsidiary NUTRI Co., Ltd. by using products such as Softia, a food texturizer for people with dysphagia, and nutritional supplement V CRESC, to attract new customers in Japan. We also intend to use capital investment to triple production capacity in response to rising demand in Japan and overseas.

(Real Estate Business)

In the Real Estate Business, we will continue to work on generating stable cash flow from our real estate portfolio, as well as further improve asset efficiency and strengthen earnings capabilities by pushing ahead with new development projects using idle land.

In non-operating income and expenses, we expect to book royalty income in fiscal 2015. As a result, we forecast an increase in net income attributable to owners of the parent company compared with the previous fiscal year.

(2) Analysis of financial position

1) Assets, liabilities and net assets

As of March 31, 2015, total assets were 113,940 million yen, an increase of 14,825 million yen compared with the end of the previous fiscal year.

This mainly reflected an increase in cash and deposits, the acquisition of property, plant and equipment, goodwill, and increases in merchandise and finished goods, raw materials and supplies, and investment securities.

Liabilities totaled 42,356 million yen, an increase of 8,965 million yen compared with the end of the previous fiscal year.

This was mainly attributable to the issue of corporate bonds and an increase in notes and accounts payable – trade, versus a decline in loans payable.

Total net assets increased 5,859 million yen from the end of the previous fiscal year to 71,584 million yen.

This was mainly due to net income of 5,707 million yen and dividends from surplus of 1,201 million yen.

2) Cash flow

Cash and cash equivalents (hereinafter called “funds”) as of March 31, 2015 increased 4,135 million yen from the end of the previous fiscal year to 16,169 million yen. This was because cash from operating activities increased by 8,785 million yen while cash flow from investing and financial activities decreased by 4,650 million yen.

Changes in cash flow for fiscal 2014 and their reasons are as follows.

(Cash flow from operating activities)

The funds acquired from operating activities amounted to 8,785 million yen (fiscal 2013: increase by 12,233 million yen).

This mainly reflected cash provided by income before income taxes of 9,333 million yen and depreciation and amortization of 3,573 million yen, versus cash used for income taxes paid of 3,719 million yen.

(Cash flow from investing activities)

Investing activities caused funds to decrease in the amount of 10,112 million yen (fiscal 2013: decrease by 4,790 million yen).

This mainly reflected cash used of 6,020 million yen for the purchase of property, plant and equipment related to plant facilities and 3,164 million yen for the purchase of investments in subsidiaries.

(Cash flow from financing activities)

Financing activities caused funds to increase in the amount of 5,462 million yen (fiscal 2013: decrease by 3,048 million yen).

This mainly reflected cash provided of 10,000 million yen from corporate bond issuance, versus cash used of 3,168 million yen from a net decline in loans payable and 1,199 million yen for cash dividends paid.

(Reference) Changes in cash-flow-related indices

	FY2012	FY2013	FY2014
Capital adequacy ratio (%)	60.4	61.9	57.6
Market-price-based capital adequacy ratio (%)	41.7	53.0	49.5
Debt redemption period (years)	1.9	1.0	2.3
Interest coverage ratio (times)	49.0	75.3	75.6

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 2014 and 2015

The Company's basic policy is to pay stable and continuous dividends to shareholders. Taking into account the need to replenish retained earnings to support future business growth and reinforce the business base, we will determine dividends based on a target dividend payout ratio of roughly 25%, while also considering current business conditions. We will also endeavor to implement a flexible capital policy aimed at increasing corporate value.

In line with this policy, we plan to pay a dividend of 10 yen per share for fiscal 2014 (interim dividend: four yen, year-end dividend: six yen) and a dividend of 12 yen per share for fiscal 2015 (interim dividend: six yen, year-end dividend: six 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, 2015.

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), EPA (Economic Partnership Agreement), and FTA (Free Trade 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 as well as overseas. When a large-scale natural disaster such as an earthquake or any unexpected event occurs, and production and distribution are disrupted for a long time, the operating results and financial position of the Group may be affected.

5) Intellectual property assets

A large proportion of the Group's ordinary income is generated by royalty income from the basic patent for FTY720, a drug for the treatment of multiple sclerosis. Consequently, this earnings structure means the Group's operating results are exposed to changes in business conditions related to this drug. The Group's operating results and financial position may be affected if rival drugs to FTY720 are approved and launched in Japan or overseas.

2. Corporate Group

In fiscal 2014, NUTRI Co., Ltd. became a consolidated subsidiary. As a result, nutritional care supplements and nutritional products for patients with dysphagia were added to the operations of the Group (the Company and its affiliates).

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 responds to the trust from society.

(2) Management benchmark

In order to continue increasing corporate value, the Group is targeting return on equity (ROE) of 8-10% by strengthening earnings capabilities, while also channeling management resources into growth fields.

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

The Sugar Business, which is exposed to changes in Japan's agricultural policies, generates more than 80% of the Group's sales. We forecast a gradual decline in demand for sugar in Japan due to its aging society and declining population. The Mitsui Sugar Group needs to step up its competitiveness amid progress toward the Trans-Pacific Partnership (TPP) and momentum on other economic partnership agreements (EPA). At the same time, the Group will need to restructure its operations over the medium and long term by becoming more global and expanding its business reach into growth fields.

To address these challenges, we are implementing our fifth medium-term management plan, "Mitsui Sugar Revolution Phase 2: The Road to 2022 – Accelerating and Delivering Change" (April 2014 to March 2016). Aiming to build a stronger presence in Asia – our vision for the Group in 2022 – we have formed cross-divisional project teams to implement five key initiatives: (1) Refinery 21, (2) extend the reach of the Sugar Business, (3) broaden the operating base of the Food Science Business, (4) business incubation, and (5) step up efforts targeting the domestic market. Specifically, we will reduce costs and strengthen our technological, product development, R&D and sales proposal capabilities. We will also make effective use of M&A and other approaches to expand existing businesses in China, Thailand and other parts of Asia, and move into new business fields.

Recognizing the vital importance of "human resources" as the driver behind these initiatives, we will work to gradually strengthen our entire team of executives and regular employees. As an additional element of human resources training, we will strive to cultivate an even stronger mindset among our employees, called "Mitsui Sugar Quality." Our goal is to build a new corporate culture that encourages all our executives and employees to take on new challenges by changing the way they approach work, ensuring the Group is more competitive as it moves into global markets.

4. Basic Stance on Selection of Accounting Standards

The Mitsui Sugar Group plans to continue using Japanese accounting standards for the time being, as they facilitate comparison with previous consolidated financial statements and with earnings at other companies. However, the Group intends to respond appropriately to the adoption of International Financial Reporting Standards (IFRS) based on developments in Japan and overseas.

5. Consolidated Financial Statements

(1) Consolidated balance sheets

(Million yen)

		FY2013 (As of March 31, 2014)		FY2014 (As of March 31, 2015)
Assets				
Current assets				
Cash and deposits		12,042		16,178
Notes and accounts receivable-trade		6,695		6,848
Lease investment assets		397		354
Merchandise and finished goods		14,102		15,683
Work in process		1,808		1,878
Raw materials and supplies		3,975		5,352
Deferred tax assets		697		680
Other		953		1,240
Allowance for doubtful accounts		—		(0)
Total current assets		40,672		48,217
Noncurrent assets				
Property, plant and equipment				
Buildings and structures	*2, *5	31,211	*2, *5	34,498
Accumulated depreciation		(20,579)		(20,887)
Buildings and structures, net		10,632		13,610
Machinery, equipment and vehicles	*2, *5	71,050	*2, *5	72,683
Accumulated depreciation		(58,296)		(60,050)
Machinery, equipment and vehicles, net		12,754		12,633
Tools, furniture and fixtures		2,251		2,325
Accumulated depreciation		(1,917)		(2,016)
Tools, furniture and fixtures, net		333		308
Land	*2	18,027	*2	18,435
Lease assets		808		912
Accumulated depreciation		(27)		(118)
Lease assets, net		781		794
Construction in progress		2,654		2,960
Total property, plant and equipment		45,183		48,742
Intangible assets				
Goodwill		162		2,380
Other	*5	512	*5	678
Total intangible assets		675		3,058
Investments and other assets				
Investment securities	*1	10,859	*1	12,055
Long-term loans receivable		45		35
Net defined benefit asset		138		302
Deferred tax assets		784		685
Other		777		867
Allowance for doubtful accounts		(22)		(25)
Total investments and other assets		12,584		13,920
Total noncurrent assets		58,442		65,722
Total assets		99,115		113,940

(Million yen)

		FY2013 (As of March 31, 2014)		FY2014 (As of March 31, 2015)
Liabilities				
Current liabilities				
Notes and accounts payable-trade		5,400		6,804
Short-term loans payable		7,700		5,300
Current portion of long-term loans payable	*2, *6	1,868	*2, *6	1,778
Lease obligations		83		93
Accrued expenses		2,753		2,851
Income taxes payable		2,264		1,900
Provision for directors' bonuses		55		59
Other		2,467		3,995
Total current liabilities		22,594		22,783
Noncurrent liabilities				
Bonds payable		—		10,000
Long-term loans payable	*2, *6	3,234	*2, *6	2,555
Lease obligations		739		706
Deferred tax liabilities		1,243		1,326
Provision for directors' retirement benefits		146		218
Net defined benefit liability		2,836		2,886
Asset retirement obligations		375		395
Other		2,221		1,484
Total noncurrent liabilities		10,796		19,572
Total liabilities		33,390		42,356
Net assets				
Shareholders' equity				
Capital stock		7,083		7,083
Capital surplus		1,255		1,291
Retained earnings		55,532		58,665
Treasury stock		(2,919)		(2,895)
Total shareholders' equity		60,951		64,144
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities		397		581
Deferred gains or losses on hedges		4		(1)
Foreign currency translation adjustment		7		690
Remeasurements of defined benefit plans		13		263
Total accumulated other comprehensive income		423		1,535
Minority interests		4,349		5,904
Total net assets		65,724		71,584
Total liabilities and net assets		99,115		113,940

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

(Consolidated statements of income)

(Million yen)

		FY2013 (From April 1, 2013 to March 31, 2014)		FY2014 (From April 1, 2014 to March 31, 2015)
Net sales		96,891		96,114
Cost of sales		75,945		75,184
Gross profit		20,945		20,930
Selling, general and administrative expenses				
Sales commission		1,777		1,801
Distribution expenses		4,314		4,515
Salaries and bonuses	*1	2,739	*1	3,016
Provision for directors’ bonuses		53		61
Retirement benefit expenses	*1	121	*1	145
Other	*1	6,717	*1	7,530
Total selling, general and administrative expenses		15,725		17,070
Operating income		5,220		3,859
Non-operating income				
Interest income		6		5
Dividends income		86		90
Equity in earnings of affiliates		330		342
Royalty income		4,081		5,757
Miscellaneous income		217		170
Total non-operating income		4,721		6,367
Non-operating expenses				
Interest expenses		160		123
Bond issuance cost		—		47
Loss on retirement of noncurrent assets		134		79
Facilities removal expenses		256		160
Miscellaneous loss		182		300
Total non-operating expenses		733		710
Ordinary income		9,209		9,516
Extraordinary income				
Gain on sales of subsidiaries and affiliates’ stocks		27		—
Gain on sales of investment securities		—		9
Subsidy income		266		375
Total extraordinary income		294		385
Extraordinary loss				
Loss on reduction of noncurrent assets		253		359
Loss on retirement of noncurrent assets	*2	453	*2	207
Total extraordinary loss		707		567
Income before income taxes		8,797		9,333
Income taxes-current		3,201		3,192
Income taxes-deferred		131		171
Total income taxes		3,332		3,364
Income before minority interests		5,464		5,969
Minority interests in income		202		262
Net income		5,262		5,707

(Consolidated statements of comprehensive income)

(Million yen)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Income before minority interests	5,464	5,969
Other comprehensive income		
Valuation difference on available-for-sale securities	104	312
Deferred gains or losses on hedges	10	(5)
Remeasurements of defined benefit plans	―	281
Share of other comprehensive income of associates accounted for using equity method	578	710
Total other comprehensive income	693	1,298
Comprehensive income	6,158	7,268
Comprehensive income attributable to:		
Owners of the parent	5,949	6,919
Minority interests	208	348

(3) Consolidated statements of changes in net assets

FY2013 (From April 1, 2013 to March 31, 2014)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of period	7,083	1,255	51,205	(2,916)	56,627
Cumulative effects of changes in accounting policies					
Restated balance	7,083	1,255	51,205	(2,916)	56,627
Change of items during the period					
Dividends from surplus			(934)		(934)
Net income			5,262		5,262
Change of scope of equity method					
Purchase of treasury stock				(3)	(3)
Disposal of treasury stock					
Net changes of items other than shareholders' equity					
Total change of items during the period	—	—	4,327	(3)	4,324
Balance at the end of the period	7,083	1,255	55,532	(2,919)	60,951

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period	282	(5)	(554)	—	(277)	4,133	60,483
Cumulative effects of changes in accounting policies							
Restated balance	282	(5)	(554)	—	(277)	4,133	60,483
Change of items during the period							
Dividends from surplus							(934)
Net income							5,262
Change of scope of equity method							
Purchase of treasury stock							(3)
Disposal of treasury stock							
Net changes of items other than shareholders' equity	115	9	562	13	701	215	916
Total change of items during the period	115	9	562	13	701	215	5,241
Balance at the end of the period	397	4	7	13	423	4,349	65,724

FY2014 (From April 1, 2014 to March 31, 2015)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of period	7,083	1,255	55,532	(2,919)	60,951
Cumulative effects of changes in accounting policies			(172)		(172)
Restated balance	7,083	1,255	55,360	(2,919)	60,779
Change of items during the period					
Dividends from surplus			(1,201)		(1,201)
Net income			5,707		5,707
Change of scope of equity method			(1,200)		(1,200)
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		35		25	61
Net changes of items other than shareholders' equity					
Total change of items during the period	―	35	3,304	24	3,365
Balance at the end of the period	7,083	1,291	58,665	(2,895)	64,144

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period	397	4	7	13	423	4,349	65,724
Cumulative effects of changes in accounting policies							(172)
Restated balance	397	4	7	13	423	4,349	65,552
Change of items during the period							
Dividends from surplus							(1,201)
Net income							5,707
Change of scope of equity method							(1,200)
Purchase of treasury stock							(1)
Disposal of treasury stock							61
Net changes of items other than shareholders' equity	183	(5)	683	250	1,111	1,555	2,667
Total change of items during the period	183	(5)	683	250	1,111	1,555	6,032
Balance at the end of the period	581	(1)	690	263	1,535	5,904	71,584

1,535

(4) Consolidated statements of cash flows

(Million yen)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Net cash provided by (used in) operating activities		
Income before income taxes	8,797	9,333
Depreciation and amortization	3,358	3,573
Loss (gain) on disposal of noncurrent assets	(35)	(14)
Loss on retirement of noncurrent assets	588	287
Loss (gain) on valuation of investment securities	—	10
Loss (gain) on sales of investment securities	(29)	(8)
Equity in losses (earnings) of affiliates	(330)	(342)
Amortization of goodwill	50	224
Increase (decrease) in allowance for doubtful accounts	—	0
Increase (decrease) in provision for directors' bonuses	(0)	4
Increase (decrease) in net defined benefit liability	(334)	(167)
Interest and dividends income	(92)	(95)
Interest expenses	160	123
Bond issuance cost	—	47
Subsidy income	(266)	(375)
Loss on reduction of noncurrent assets	253	359
Decrease (increase) in notes and accounts receivable-trade	(314)	682
Decrease (increase) in inventories	1,844	(2,702)
Increase (decrease) in notes and accounts payable-trade	(493)	902
Increase (decrease) in accrued consumption taxes	236	340
Other, net	870	446
Subtotal	14,259	12,627
Interest and dividends income received	92	96
Proceeds from subsidy income	266	375
Payments for retirement of noncurrent assets	(79)	(477)
Interest expenses paid	(162)	(116)
Income taxes paid	(2,143)	(3,719)
Income taxes refund	0	—
Net cash provided by (used in) operating activities	12,233	8,785

(Million yen)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(4,793)	(6,020)
Proceeds from sales of property, plant and equipment	68	14
Purchase of investment securities	(10)	(697)
Proceeds from sales of investment securities	42	26
Purchase of intangible assets	(91)	(254)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	*2 (3,164)
Other, net	(7)	(16)
Net cash provided by (used in) investing activities	(4,790)	(10,112)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	10,550	10,500
Decrease in short-term loans payable	(11,150)	(12,900)
Proceeds from issuance of commercial paper	—	5,000
Redemption of commercial papers	—	(5,000)
Proceeds from long-term loans payable	600	1,100
Repayment of long-term loans payable	(2,059)	(1,868)
Proceeds from issuance of bonds	—	9,952
Purchase of treasury stock	(3)	(1)
Cash dividends paid	(931)	(1,199)
Cash dividends paid to minority shareholders	(34)	(40)
Other, net	(20)	(80)
Net cash provided by (used in) financing activities	(3,048)	5,462
Net increase (decrease) in cash and cash equivalents	4,394	4,135
Cash and cash equivalents at beginning of period	7,640	12,034
Cash and cash equivalents at end of period	12,034	16,169

(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 Sugar Co., Ltd., Taisho Technos Co., Ltd., and NUTRI Co., Ltd.

Effective from fiscal 2014, NUTRI Co., Ltd. was included in the scope of consolidation after the Company acquired 51.0% of outstanding shares.

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. Number of equity method affiliates and names of major companies

Number of equity method affiliates: 8

Names of major equity method affiliates:

Nansei Togyo Co., Ltd., Hiranoya Corporation., The Kumphawapi Sugar Co., Ltd., and Kaset Phol Sugar Ltd.

Effective from fiscal 2014, San-ei Sucrochemical Co., Ltd. is no longer an equity-method affiliate following the end of a contract to manufacture products for the Company.

Effective from fiscal 2014, Sakura Shokuhin Kogyo Co., Ltd. has become an equity-method affiliate after increasing its equity ratio in NUTRI Co., Ltd. through the acquisition of shares.

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

Names of major companies

Unconsolidated subsidiaries:	Hokuseki Co., Ltd., Hokuee Co., Ltd., Hokuken Co., Ltd.
Affiliates:	Ryutou Incorporation, 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), NUTRI Co., Ltd. (September 30) and Showa Sugar Co., Ltd. (June 30). As for Hokkaido Sugar Co., Ltd. and NUTRI 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 Sugar Co. Ltd., provisional financial results based on a fiscal year-end of December 31 have been used to prepare the consolidated financial statements. However, we make adjustments necessary for consolidation regarding important transactions executed with Showa Sugar 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

15–47 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 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. 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.

Some consolidated subsidiaries use the compendium method.

V. 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.

VI. 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.

VII. Method of important hedge accounting

(i) Method of hedge accounting

Deferred hedge accounting is adopted. The designation method is applied for foreign exchange contracts which meet the requirements and exceptional accounting is applied for interest rate swaps which meet the requirements.

(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.

VIII. Method and period of goodwill amortization

Goodwill is amortized on a straight-line basis during the designated amortization period. However, immaterial goodwill is amortized in its entirety in the fiscal year of recognition.

IX. 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.

X. Other important matters for preparation of consolidated financial statements

Accounting for consumption taxes

Consumption taxes are recorded net of tax.

(Change in accounting policy)

(Application of “Accounting Standard for Retirement Benefits”, etc.)

Effective from the fiscal year under review, the Company has applied the provisions in paragraph 35 of the “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (“ASBJ”) Statement No.26, May 17, 2012) and in paragraph 67 of the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No.25, March 26, 2015). As a result, the Company has changed the way it calculates retirement benefit liabilities and prior service costs. The method for attributing projected benefits to periods has been changed from the straight-line basis to the benefit formula basis, and the method for determining the discount rate has been changed from a discount rate based on the average remaining working lives of employees to a single weighted-average discount rate that reflects the periods until the expected payment of retirement benefits and the amount of projected benefits for every such period.

In accordance with the transitional treatment provided in paragraph 37 of the “Accounting Standard for Retirement Benefits”, the effect of changing the method for calculating retirement benefit liabilities and prior service costs was recognized by adjusting retained earnings at the beginning of the fiscal year under review.

As a result, at the beginning of the fiscal year under review, net defined benefit liabilities increased 298 million yen and deferred tax assets increased 76 million yen, while net defined benefit assets decreased 60 million yen, deferred tax liabilities decreased 51 million yen and retained earnings decreased 172 million yen. The application of the new accounting standard had an immaterial impact on operating income, ordinary income and net income before income taxes in the fiscal year under review.

(Change in method of presentation)

(Consolidated balance sheets)

In the previous fiscal year, “Goodwill” was included in “Intangible assets.” However, in the fiscal year under review, “Goodwill” has been presented as a separate item, as the carrying amount exceeds 1% of total assets. The financial statements for the previous fiscal year have been adjusted to reflect this change.

As a result, “Intangible assets” shown as 675 million yen in the previous fiscal year are now broken down into “Goodwill” of 162 million yen and “Other” of 512 million yen.

(Consolidated balance sheets)

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

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Investment securities (shares)	8,584 million yen	8,217 million yen

*2. Collateral assets and secured liabilities

Assets pledged as collateral are as follows.

	FY2013 (As of March 31, 2014)		FY2014 (As of March 31, 2015)	
Buildings and structures	2,323 million yen	(2,323 million yen)	2,996 million yen	(2,239 million yen)
Machinery, equipment and vehicles	3,464	(3,464)	3,217	(3,217)
Land	735	(735)	1,011	(730)
Total	6,523	(6,523)	7,226	(6,187)

Secured liabilities are as follows.

	FY2013 (As of March 31, 2014)		FY2014 (As of March 31, 2015)	
Current portion of long-term loans payable	875 million yen	(875 million yen)	875 million yen	(875 million yen)
Long-term loans payable	1,525	(1,525)	1,650	(1,650)
Total	2,400	(2,400)	2,525	(2,525)

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

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Hokuee Co., Ltd.	25 million yen	11 million yen

*4. Repurchase of notes receivable endorsed

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Repurchase of notes receivable endorsed	11 million yen	– million yen

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

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

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Buildings and structures	20 million yen	30 million yen
Machinery, equipment and vehicles	658	746
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.

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Current portion of long-term loans payable	875 million yen	875 million yen
Long-term loans payable	1,525	650
Total	2,400	1,525

(Consolidated statements of income)

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

FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
671 million yen	630 million yen

*2. Loss on retirement of noncurrent assets

FY2013 (From April 1, 2013 to March 31, 2014)

Expenses incurred as a result of the removal of raw sugar production facilities at Okayama Plant which ended production at the end of September 2012.

FY2014 (From April 1, 2014 to March 31, 2015)

Expenses incurred as a result of the removal of raw sugar production facilities at Okayama Plant which ended production at the end of September 2012.

(Consolidated statements of changes in net assets)

FY2013 (From April 1, 2013 to March 31, 2014)

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

	Number of shares at the beginning of FY2013 (Thousand shares)	Number of increased shares during FY2013 (Thousand shares)	Number of decreased shares during FY2013 (Thousand shares)	Number of shares at the end of FY2013 (Thousand shares)
Outstanding shares				
Common shares	141,667	–	–	141,667
Total	141,667	–	–	141,667
Treasury stock				
Common shares	8,318	9	–	8,327
Total	8,318	9	–	8,327

Note: Nine thousand shares of increase in common shares of treasury stock are as a result of acquisition of fractional shares (+ nine thousand shares).

2. Matters concerning cash dividends

(1) Dividends paid

(Resolution)	Type of shares	Total dividends paid (Million yen)	Dividend per share (Yen)	Base date	Effective date
Ordinary general meeting of shareholders held on June 27, 2013	Common shares	534	4.0	March 31, 2013	June 28, 2013
Board of directors' meeting held on October 30, 2013	Common shares	400	3.0	September 30, 2013	December 4, 2013

(2) Dividends whose base date is in fiscal 2013 and whose effective date falls on fiscal 2014

(Resolution)	Type of shares	Total dividends paid (Million yen)	Dividend resource	Dividend per share (Yen)	Base date	Effective date
Ordinary general meeting of shareholders held on June 24, 2014	Common shares	667	Retained earnings	5.0	March 31, 2014	June 25, 2014

FY2014 (From April 1, 2014 to March 31, 2015)

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

	Number of shares at the beginning of FY2014 (Thousand shares)	Number of increased shares during FY2014 (Thousand shares)	Number of decreased shares during FY2014 (Thousand shares)	Number of shares at the end of FY2014 (Thousand shares)
Outstanding shares				
Common shares	141,667	–	–	141,667
Total	141,667	–	–	141,667
Treasury stock				
Common shares	8,327	3	199	8,130
Total	8,327	3	199	8,130

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. The decrease of 199 thousand common shares of treasury stock is due to the sale of 199 thousand shares of common stock held by an equity-method affiliate and a request of purchase for less than one thousand fractional shares.

2. Matters concerning cash dividends

(1) Dividends paid

(Resolution)	Type of shares	Total dividends paid (Million yen)	Dividend per share (Yen)	Base date	Effective date
Ordinary general meeting of shareholders held on June 24, 2014	Common shares	667	5.0	March 31, 2014	June 25, 2014
Board of directors' meeting held on October 31, 2014	Common shares	534	4.0	September 30, 2014	December 3, 2014

(2) Dividends whose base date is in fiscal 2014 and whose effective date falls on fiscal 2015

(Resolution)	Type of shares	Total dividends paid (Million yen)	Dividend resource	Dividend per share (Yen)	Base date	Effective date
Ordinary general meeting of shareholders held on June 23, 2015	Common shares	801	Retained earnings	6.0	March 31, 2015	June 24, 2015

(Consolidated statements of cash flows)

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

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Cash and deposits	12,042 million yen	16,178 million yen
Time deposit whose deposit term exceeds three months	(8)	(8)
Cash and cash equivalents	12,034	16,169

*2. Major constituents of assets and liabilities of a company that newly became a consolidated subsidiary in fiscal 2014
Major constituents of assets and liabilities of NUTRI Co., Ltd. when it was newly consolidated through the purchase of shares in the fiscal year under review, and the relationship between the stock purchase price and payment (net) for the purchase are as follows.

Current assets	1,914	million yen
Noncurrent assets	1,919	
Goodwill	2,442	
Current liabilities	(1,011)	
Noncurrent liabilities	(154)	
Minority interests	(1,306)	
Stock purchase price	3,802	
Cash and cash equivalents of the new consolidated subsidiary	(638)	
Net: Purchase of investments in subsidiaries resulting in change in scope of consolidation	3,164	

(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 Science Business" and "Real Estate Business."

The "Sugar Business" manufactures and sells raw sugar, white sugar and sugar-related products. The "Food Science 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.

NUTRI Co., Ltd. was made a consolidated subsidiary during the third quarter of the fiscal year under review and is now classified in the Food Science Business segment.

Due to this consolidation, the name of the reportable segment has been changed from the Food Ingredient Business to the Food Science Business. This change of name has no impact on monetary amounts.

The new reportable segment name has been used for segment information for the previous fiscal year.

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.

(Application of Accounting Standard for Retirement Benefits, etc.)

Effective from the fiscal year under review, the Company has applied the provisions in paragraph 35 of the "Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan ("ASBJ") Statement No.26, May 17, 2012) and in paragraph 67 of the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No.25, March 26, 2015). As a result, the Company has changed the way it calculates retirement benefit liabilities and prior service costs. The method for attributing projected benefits to periods has been changed from the straight-line basis to the benefit formula basis, and the method for determining the discount rate has been changed from a discount rate based on the average remaining working lives of employees to a single weighted-average discount rate that reflects the periods until the expected payment of retirement benefits and the amount of projected benefits for every such period.

The application of the new accounting standard had an immaterial impact on segment profit.

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

FY2013 (From April 1, 2013 to March 31, 2014)

(Million yen)

	Reportable Segment				Adjustments	Amount recorded in consolidated financial statements
	Sugar Business	Food Science Business	Real Estate Business	Total		
Net sales						
Net sales to third-party customers	86,012	9,751	1,126	96,891	—	96,891
Intersegment net sales and transfer	39	—	53	93	(93)	—
Total	86,052	9,751	1,180	96,984	(93)	96,891
Segment profit	4,205	416	598	5,220	—	5,220
Segment assets	66,798	8,044	10,734	85,577	13,537	99,115
Other items						
Depreciation and amortization	3,009	186	144	3,340	17	3,358
Increase of plant, property and equipment and intangible assets	4,840	142	679	5,661	131	5,793

Notes:
1. Some adjustments were made between segment profit and operating income recorded in consolidated statements of income.
2. Adjustments of segment assets of 13,537 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.

FY2014 (From April 1, 2014 to March 31, 2015)

(Million yen)

	Reportable Segment				Adjustments	Amount recorded in consolidated financial statements
	Sugar Business	Food Science Business	Real Estate Business	Total		
Net sales						
Net sales to third-party customers	83,147	11,784	1,181	96,114	—	96,114
Intersegment net sales and transfer	37	—	45	82	(82)	—
Total	83,184	11,784	1,226	96,196	(82)	96,114
Segment profit	3,011	333	513	3,859	—	3,859
Segment assets	69,642	14,630	11,499	95,773	18,167	113,940
Other items						
Depreciation and amortization	3,129	241	190	3,561	11	3,573
Increase of plant, property and equipment and intangible assets	4,644	152	1,232	6,029	298	6,328

Notes:
1. Some adjustments were made between segment profit and operating income recorded in consolidated statements of income.
2. Adjustments of segment assets of 18,167 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.
3. In the fiscal year under review, assets in the Food Science Business reportable segment increased 6,244 million yen compared with the end of the previous fiscal year due to the consolidation of NUTRI Co., Ltd in the third quarter.

b. Related information

FY2013 (From April 1, 2013 to March 31, 2014)

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 outside Japan 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.	55,002	Sugar Business and Food Science Business
Sojitz Corporation	11,397	Sugar Business

FY2014 (From April 1, 2014 to March 31, 2015)

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 outside Japan 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.	53,165	Sugar Business and Food Science Business
Sojitz Corporation	10,797	Sugar Business

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

FY2013 (From April 1, 2013 to March 31, 2014)

None

FY2014 (From April 1, 2014 to March 31, 2015)

None

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

FY2013 (From April 1, 2013 to March 31, 2014)

(Million yen)

	Reportable segment				Corporate and eliminations	Amount recorded in consolidated financial statements
	Sugar Business	Food Science Business	Real Estate Business	Total		
Amortization during the period	–	50	–	50	–	50
Balance at the end of current period	–	162	–	162	–	162

FY2014 (From April 1, 2014 to March 31, 2015)

(Million yen)

	Reportable segment				Corporate and eliminations	Amount recorded in consolidated financial statements
	Sugar Business	Food Science Business	Real Estate Business	Total		
Amortization during the period	–	224	–	224	–	224
Balance at the end of current period	–	2,380	–	2,380	–	2,380

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

FY2013 (From April 1, 2013 to March 31, 2014)

None

FY2014 (From April 1, 2014 to March 31, 2015)

None

(Per-share information)

FY2013 (From April 1, 2013 to March 31, 2014)		FY2014 (From April 1, 2014 to March 31, 2015)	
Net assets per share	460.29 yen	Net assets per share	491.85 yen
Net income per share	39.46 yen	Net income per share	42.78 yen
Diluted net income per share is not mentioned since dilutive shares do not exist.		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.

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Total of net assets section (million yen)	65,724	71,584
Amount deducted from total of net assets section (million yen)	4,349	5,904
(Of the above, minority interests)	(4,349)	(5,904)
Net assets attributable to common shares at period end (million yen)	61,375	65,679
Number of common shares at period end used in calculating net assets per share (shares)	133,340,235	133,536,471

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

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Net income (million yen)	5,262	5,707
Amount not attributable to common shareholders	—	—
Net income attributable to common shares (million yen)	5,262	5,707
Average number of shares outstanding (shares)	133,345,371	133,399,876

(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.

6. Non-consolidated Financial Statements

(1) Balance sheets

(Million yen)

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Assets		
Current assets		
Cash and deposits	9,457	12,900
Notes receivable – trade	40	2
Accounts receivable – trade	3,497	2,944
Lease investment assets	397	354
Merchandise and finished goods	3,780	3,571
Goods in transit	20	140
Work in process	1,473	1,428
Raw materials and supplies	2,947	2,215
Raw materials in transit	—	1,619
Prepaid expenses	49	42
Deferred tax assets	438	414
Short-term loans receivable from subsidiaries and affiliates	—	3,100
Current portion of long-term loans receivable from subsidiaries and affiliates	180	180
Other	144	155
Total current assets	22,426	29,069
Noncurrent assets		
Property, plant and equipment		
Buildings	16,354	18,416
Accumulated depreciation	(10,285)	(10,091)
Buildings, net	6,069	8,325
Structures	2,368	2,468
Accumulated depreciation	(1,685)	(1,680)
Structures, net	683	788
Machinery and equipment	34,655	35,350
Accumulated depreciation	(26,605)	(27,242)
Machinery and equipment, net	8,050	8,108
Vehicles	41	40
Accumulated depreciation	(37)	(38)
Vehicles, net	4	2
Tools, furniture and fixtures	1,223	1,212
Accumulated depreciation	(1,003)	(1,021)
Tools, furniture and fixtures, net	220	191
Land	17,182	17,182
Lease assets	765	765
Accumulated depreciation	(14)	(91)
Lease assets, net	750	674
Construction in progress	988	222
Total property, plant and equipment	33,948	35,493
Intangible assets	427	594
Investments and other assets		
Investment securities	1,931	2,993
Stocks of subsidiaries and affiliates	4,762	8,427
Investments in capital	17	17
Long-term loans receivable from subsidiaries and affiliates	540	360
Long-term prepaid expenses	1	50
Other	530	513
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	7,765	12,344
Total noncurrent assets	42,141	48,433
Total assets	64,568	77,502

(Million yen)

	FY2013 (As of March 31, 2014)	FY2014 (As of March 31, 2015)
Liabilities		
Current liabilities		
Accounts payable – trade	2,585	3,660
Short-term loans payable	500	500
Current portion of long-term loans payable	933	863
Lease obligations	76	77
Accounts payable – other	687	411
Accrued expenses	2,138	2,236
Income taxes payable	1,961	1,608
Advances received	95	96
Deposits received	30	180
Provision for directors' bonuses	45	46
Other	424	763
Total current liabilities	9,479	10,443
Noncurrent liabilities		
Bonds payable	—	10,000
Long-term loans payable	1,689	825
Lease obligations	714	637
Deferred tax liabilities	1,266	1,247
Provision for retirement benefits	691	719
Asset retirement obligations	198	199
Other	1,570	1,294
Total noncurrent liabilities	6,130	14,924
Total liabilities	15,609	25,367
Net assets		
Shareholders' equity		
Capital stock	7,083	7,083
Capital surplus		
Legal capital surplus	1,177	1,177
Other capital surplus	—	0
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	3,537	3,602
Reserve for special depreciation	12	8
General reserve	22,680	22,680
Retained earnings brought forward	15,863	18,801
Total retained earnings	43,326	46,325
Treasury stock	(2,893)	(2,895)
Total shareholders' equity	48,693	51,690
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	261	444
Deferred gains or losses on hedges	4	(0)
Total valuation and translation adjustments	265	443
Total net assets	48,958	52,134
Total liabilities and net assets	64,568	77,502

(2) Statements of income

(Million yen)

	FY2013 (From April 1, 2013 to March 31, 2014)	FY2014 (From April 1, 2014 to March 31, 2015)
Net sales	69,851	66,602
Cost of sales	55,699	53,991
Gross profit	14,151	12,610
Selling, general and administrative expenses	10,261	10,216
Operating income	3,889	2,394
Non-operating income		
Interest and dividend income	414	417
Interest on securities	—	1
Royalty income	4,081	5,757
Other	162	88
Total non-operating income	4,658	6,265
Non-operating expenses		
Interest expenses	45	40
Interest on bonds	—	8
Bond issuance cost	—	47
Facilities removal expenses	202	119
Other	283	258
Total non-operating expenses	531	475
Ordinary income	8,016	8,184
Extraordinary income		
Gain on sales of investment securities	—	9
Gain on sales of subsidiaries and affiliates' stocks	49	—
Total extraordinary income	49	9
Extraordinary loss		
Loss on retirement of noncurrent assets	453	207
Total extraordinary loss	453	207
Income before income taxes	7,612	7,985
Income taxes – current	2,738	2,717
Income taxes – deferred	124	(6)
Total income taxes	2,863	2,711
Net income	4,749	5,274

(3) Statements of changes in net assets

FY2013 (From April 1, 2013 to March 31, 2014)

(Million yen)

	Shareholders' equity								
		Capital surplus		Retained earnings					
					Other retained earnings				
	Capital stock	Legal capital surplus	Total capital surplus	Legal retained earnings	Reserve for price fluctuation	Reserve for advanced depreciation of noncurrent assets	Reserve for special depreciation	General reserve	Retained earnings brought forward
Balance at the beginning of current period	7,083	1,177	1,177	1,033	200	3,666	18	22,680	11,913
Changes of items during the period									
Reversal of reserve for advanced depreciation of noncurrent assets						(129)			129
Reversal of reserve for special depreciation							(5)		5
Dividends from surplus									(934)
Net income									4,749
Purchase of treasury stock									
Net changes of items other than shareholders' equity									
Total changes of items during the period	—	—	—	—	—	(129)	(5)	—	3,949
Balance at the end of current period	7,083	1,177	1,177	1,033	200	3,537	12	22,680	15,863

	Shareholders' equity			Valuation and translation adjustments			Total net assets
	Retained earnings						
	Total retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at the beginning of current period	39,511	(2,890)	44,882	169	(3)	165	45,048
Changes of items during the period							
Reversal of reserve for advanced depreciation of noncurrent assets	—		—				—
Reversal of reserve for special depreciation	—		—				—
Dividends from surplus	(934)		(934)				(934)
Net income	4,749		4,749				4,749
Purchase of treasury stock		(3)	(3)				(3)
Net changes of items other than shareholders' equity				91	7	99	99
Total changes of items during the period	3,814	(3)	3,811	91	7	99	3,910
Balance at the end of current period	43,326	(2,893)	48,693	261	4	265	48,958

FY2014 (From April 1, 2014 to March 31, 2015)

(Million yen)

	Shareholders' equity								
		Capital surplus			Retained earnings				
						Other retained earnings			
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Reserve for price fluctuation	Reserve for advanced depreciation of noncurrent assets	Reserve for special depreciation	General reserve
Balance at the beginning of current period	7,083	1,177	—	1,177	1,033	200	3,537	12	22,680
Cumulative effects of changes in accounting policies									
Restated balance	7,083	1,177	—	1,177	1,033	200	3,537	12	22,680
Changes of items during the period									
Reversal of reserve for advanced depreciation of noncurrent assets							(109)		
Adjustment to reserve due to change in tax rate							174	0	
Reversal of reserve for special depreciation								(5)	
Dividends from surplus									
Net income									
Decrease by corporate division - split-off type									
Purchase of treasury stock									
Disposal of treasury stock			0	0					
Net changes of items other than shareholders' equity									
Total changes of items during the period	—	—	0	0	—	—	65	(4)	—
Balance at the end of current period	7,083	1,177	0	1,177	1,033	200	3,602	8	22,680

	Shareholders' equity				Valuation and translation adjustments			Total net assets
	Retained earnings Treasury stock		Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Other retained earnings	Total retained earnings						
	Retained earnings brought forward							
Balance at the beginning of current period	15,863	43,326	(2,893)	48,693	261	4	265	48,958
Cumulative effects of changes in accounting policies	(93)	(93)		(93)				(93)
Restated balance	15,770	43,233	(2,893)	48,600	261	4	265	48,865
Changes of items during the period								
Reversal of reserve for advanced depreciation of noncurrent assets	109	—		—				—
Adjustment to reserve due to change in tax rate	(175)	—		—				—
Reversal of reserve for special depreciation	5	—		—				—
Dividends from surplus	(1,201)	(1,201)		(1,201)				(1,201)
Net income	5,274	5,274		5,274				5,274
Decrease by corporate division - split-off type	(980)	(980)		(980)				(980)
Purchase of treasury stock			(1)	(1)				(1)
Disposal of treasury stock			0	0				0
Net changes of items other than shareholders' equity					183	(4)	178	178
Total changes of items during the period	3,031	3,091	(1)	3,090	183	(4)	178	3,268
Balance at the end of current period	18,801	46,325	(2,895)	51,690	444	0	443	52,134

(4) Note on individual financial statements

(Note on assumptions of a going concern)

None

(Important subsequent events)

None

7. Other

(1) Transfer of directors

1) New director candidates (resolution to be submitted to the General Meeting of Shareholders on June 23, 2015)

Name	New position	Current position
Masahiko Ohe	Director (Outside)	President, Representative Director, San-ei Sucrochemical Co., Ltd.
Junichi Handa	Director (Outside)	Global Human Resources, Takeda Pharmaceutical Co., Ltd.

2) Retiring director (effective June 23, 2015)

Name	New position	Current position
Hidehiro Shoji	Retiring	Director (Outside)

(2) Other

None