Consolidated Financial Results for the Fiscal Year 2011(J-GAAP)

May 12, 2011

Listed company name: Ariake Japan Co., Ltd.
Code number: 2815 URL: http://www.ariakejapan.com Listing exchange: Tokyo, 1st Section
Representative: Tomoki Tagawa, President (COO)
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Date of annual general meeting of shareholders: June 17, 2011
Date to submit the annual securities report: June 17, 2011
Date to start dividends distribution: June 20, 2011
Supplementary materials prepared: Yes
Results information meeting held: Yes (for financial analysts)

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

1. Consolidated Financial Results for the Year Ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(1) Consolidated Business Results

(Percentage figures represent changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2011	27,051	18.2	3,783	30.3	3,484	17.4	1,716	32.6
FY2010	22,893	5.3	2,902	0.4	2,967	62.1	1,293	63.9

Note: Comprehensive income: FY2011: ¥362 million (-82.3%) FY2010: ¥2,053 million (— %)

	Net income per share	Diluted net income per share	Return on shareholders' equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY2011	53.91	—	4.2	6.7	14.0
FY2010	40.65	—	3.1	5.8	12.7

Reference: Investment profit/ loss on equity method: FY2011: ¥ — million FY2010: ¥ — million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2011	50,793	41,177	80.6	1,286.79
FY2010	52,561	42,088	79.6	1,314.97

Reference: Equity capital: FY2011: ¥40,956 million FY2010: ¥41,854 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2011	2,894	426	(1,746)	10,669
FY2010	4,756	(3,171)	(107)	9,513

2. Dividends

	Dividends per share					Total dividends (Annual)	Dividends payout ratio (Consolidated)	Dividends on shareholders' equity ratio (Consolidated)
(Record date)	1Q-end	2Q-end	3Q-end	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2010	—	20.00	—	20.00	40.00	1,273	98.4	3.1
FY2011	—	20.00	—	20.00	40.00	1,273	74.2	3.1
FY2012 (projection)	—	20.00	—	20.00	40.00		—	

3. Forecast of the Consolidated Financial Results for the Year Ending March 31, 2012 (April 1, 2011 to March 31, 2012)

(Full year percentage figures indicate the rates of changes from the preceding fiscal year, and first half figures indicate the rates of changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	14,464	16.2	1,815	11.4	1,879	56.0	977	102.3	30.70
Full year	31,360	15.9	4,248	12.3	4,366	25.3	2,350	36.9	73.83

4. Other Information

(1) Significant changes in subsidiaries during the year under review (changes in specific subsidiaries involving changes in scope of consolidation): None

Newly included: (Company name:) Removed: None (Company name:)

(2) Changes in accounting principles, procedures, and methods of presentation

1) Changes associated with revisions of accounting standards or the like: Yes

2) Change other than those included in 1): None

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding as of the period-end (including treasury stock)	As of March 31, 2011:	32,808,683 shares	As of March 31, 2010:	32,808,683 shares
2) Number of treasury stock as of the period-end	As of March 31, 2011:	980,283 shares	As of March 31, 2010:	979,644 shares
3) Average number of shares outstanding for the period	FY2011:	31,828,815 shares	FY2010:	31,829,208 shares

(Reference)

1. Financial Results for the Year Ended March 31, 2011 (April 1, 2010 - March 31, 2011)

(1) Non-Consolidated Financial Results

(Percentage figures represent changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2011	22,919	13.6	4,330	12.8	4,116	4.6	2,382	5.6
FY2010	20,183	4.8	3,837	17.9	3,935	57.9	2,255	57.9

	Net income per share	Diluted net income per share
	Yen	Yen
FY2011	74.84	–
FY2010	70.88	–

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2011	51,148	45,096	88.2	1,416.88
FY2010	50,086	44,296	88.4	1,391.70

Reference: Equity capital: FY2011: ¥45,096 million FY2010: ¥44,296 million

2. Forecast of the Non-Consolidated Financial Results for the Year Ending March 31, 2012 (April 1, 2011 - March 31, 2012)

(Full year percentage figures indicate the rates of changes from the preceding fiscal year, and first half figures indicate the rates of changes from the same period of the previous year.)

	Net sales		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	11,795	9.3	2,115	31.7	1,229	34.5	38.61
Full year	25,100	9.5	4,662	13.3	2,708	13.7	85.08

* Implementation status of audit procedures

As of the time this report was disclosed, audit of financial statements based on Financial Instruments and Exchange Act had not completed.

* Explanation regarding the appropriate use of forecast of financial results and other special instructions

Descriptions regarding the future, including the financial forecast contained in this material, are based on certain information currently available to the Company and particular assumptions, which are, at the discretion of the Company, deemed reasonable and actual business results may significantly vary due to various factors.

Contents

1. Business Results

(1) Analysis of Business Results

1. Business conditions for the Fiscal Year 2011

(Consolidated business results) (Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2011	27,051	3,783	3,484	1,716	53.91
FY2010	22,893	2,902	2,967	1,293	40.65
Growth Rate	18.2%	30.3%	17.4%	32.6%	—

(Non-consolidated business results) (Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2011	22,919	4,330	4,116	2,382	74.84
FY2010	20,183	3,837	3,935	2,255	70.88
Growth Rate	13.6%	12.8%	4.6%	5.6%	—

1) Overall performance for the Fiscal Year 2011

During the fiscal year ended March 31, 2011, the Japanese economy showed some signs of hope as consumer spending turned up with the help of government stimulus measures and improvements were seen in corporate earnings. However, with the persistent yen appreciation and deflationary trends, the economy was somewhat lackluster.

Regarding the food industry, purchasing power of consumers did not improve and conditions remained difficult.

Ariake Japan Co., Ltd. (the Company) and its Group companies (the Group) are global enterprise setting up a “global six-pillar system,” with production and sales bases in Japan, the U.S., China, Taiwan, France, and Belgium. Under this system, as leading manufacturers in the field of natural seasonings, the Company and the Group (collectively, the Ariake Group) grasp customer needs early on, expand their existing businesses throughout the world and actively develop new businesses, while strive to pursue their commitments to food safety, good health, and better taste.

As a result of these efforts, the Group and the Company were able to record the following earnings for the fiscal year under review.

<u>Net Sales</u>

Reflecting the unified efforts of the entire Company (Ariake Japan Co., Ltd.), net sales increased by 13.6% (¥2,735 million) year on year to ¥22,919 million. By segment, sales from instant noodles seasonings increased by 5.6%, while sales from seasonings for processed foods and for food service industry seasonings increased by 14.0% and 16.0%, year on year respectively.

Net sales of consolidated subsidiaries increased by 52.5% year on year mainly due to the higher sales at European subsidiaries.

Therefore, consolidated net sales for the fiscal year under review increased by 18.2% (¥4,158 million) year on year to ¥27,051 million.

<u>Operating Income</u>

Offsetting negative factors such as increases in raw material costs (approx. ¥378 million increase) and the labor costs which consist of product cost of manufacture (approx. ¥251 million increase), an increase in operating income associated with an increase in net sales and a decline in depreciation and amortization (¥183 million decrease) allowed the Company’s operating income to increase by 12.8% (¥492 million) year on year to ¥4,330 million.

In addition, consolidated operating income increased by 30.3% (¥880 million) year on year to ¥3,783 million.

<u>Ordinary Income</u>

The Company recorded loss on foreign exchange of ¥488 million (¥345 million increase) as non-operating expenses. However, supported by increased operating income, ordinary income increased by 4.6% (¥180 million) year on year to ¥4,116 million.

Gain on valuation of derivatives came to ¥46 million, ¥26 million less than the previous fiscal year’s gain on valuation of ¥72 million.

Ordinary loss at consolidated subsidiaries came to ¥631 million, a ¥337 million improvement from the previous fiscal year's ordinary loss of ¥968 million.

Consolidated ordinary income increased by 17.4% (¥517 million) year on year to ¥3,484 million.

Net income for the Company increased by 5.6% (¥126 million) year on year to ¥2,382 million.

Consolidated net income increased by 32.6% (¥422 million) to ¥1,716 million.

2. Outlook for the FY 2012

(Forecast for consolidated financial results) (Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2012	31,360	4,248	4,366	2,350	73.83
FY2011	27,051	3,783	3,484	1,716	53.91
Growth Rate	15.9%	12.3%	25.3%	36.9%	-

(Forecast for non-consolidated financial results) (Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2012	25,100	4,500	4,662	2,708	85.08
FY2011	22,919	4,330	4,116	2,382	74.84
Growth Rate	9.5%	3.9%	13.3%	13.7%	-

1) Outlook for financial results for the FY 2012

Amid slow progress toward an economic recovery, the domestic food industry is facing soaring prices of fuel, food product raw materials, and other items. Additionally, the after effects of the earthquake and impacts of the need to reduce electricity consumption have resulted in an economic uncertainty, eliciting anticipatory difficulties in business conditions for the coming fiscal year.

In this environment, the Group, trusting in its strengths, will move ahead with efforts to maintain and expand existing markets and develop a new market to strive to increase sales.

The Company has the following three competitive advantages:

1) It is a global enterprise which has five production bases in overseas countries, including the U.S. and Europe. This makes it possible to procure high-quality, reasonably priced raw materials.

2) The Company has established highly automated large-scale production facilities. The product cost of manufacture decreases in proportion to the scale of the facilities.

3) Having been in operation for 45 years, the Company has benefited from the experience curve effect and skills and processes have undergone repeated rounds of improvement.

With these advantages, we have created a production system that turns out high-quality products at low cost.

Despite the severe conditions it faced during the fiscal year ended March 31, 2011, the Ariake Group still managed to report exceptional net sales growth, which increased 18.2% year on year. We believe that this represents the market again appreciates the outstanding quality of our products, as well as that this is a result of the capital expenditures totaling some ¥20 billion we have made worldwide over the past several years. In the coming fiscal year, the Company will spend all its energy to steadily increase its earnings, by making the most of its facilities it has developed and the above-mentioned characteristics.

Therefore, for the fiscal year 2012, consolidated net sales are projected to increase 15.9% year on year to ¥31,360 million and consolidated ordinary income to grow 25.3% year on year to ¥4,366 million.

As for non-consolidated earnings, net sales are expected to increase 9.5% year on year to ¥25,100 million and ordinary income to increase 13.3% year on year to ¥4,662 million.

(2) Analysis of Financial Position

1) Overview of the Fiscal Year 2011

(Millions of yen)

	FY2010	FY2011	Difference
Cash flows from operating activities	4,756	2,894	(1,861)
Cash flows from investing activities	(3,171)	426	3,597
Cash flows from financing activities	(107)	(1,746)	(1,638)
Increase (decrease) in cash and cash equivalents	1,304	1,155	(148)
Cash and cash equivalents at beginning of term	8,209	9,513	1,304
Cash and cash equivalents at end of term	9,513	10,669	1,155

－Regarding the financial position at the end of the current fiscal year, as a result of a decrease of ¥4,047 million in cash and time deposits and a decrease of ¥45 million in fixed assets compared to the end of the previous fiscal year, total assets were ¥50,793 million. Shareholders' equity was ¥42,374 million mainly due to a ¥442 million increase in retained earnings.

－Net cash provided by operating activities was ¥2,894 million (year on year decrease of ¥1,861 million).

－Cash flows from investing activities

For the current fiscal year, net cash used in investing activities was ¥426 million (year on year decrease in outflow of ¥3,597 million), as a result of ¥5,162 million in proceeds from withdrawal of time deposits, ¥646 million in payments for expenditure for capital investment and ¥3,120 million in payments for acquisition of investment securities, etc.

－Cash flows from financing activities

For the current fiscal year, net cash used in financing activities was ¥1,746 million (year on year increase in outflow of ¥1,638 million) as a result of an outflow of ¥1,273 million for dividend payment, and an increase in short-term and long-term loans payable of ¥472 million, etc.

2) Outlook for the Fiscal Year 2012

－Cash flows from operating activities

We expect to achieve target sales and profits for the next fiscal year, and to see an increase in income as well.

－Cash flows from investing activities

In response to sales increases, approximately ¥2,629 million capital expenditures in total have been predetermined including planned capital expenditures of approximately ¥1,380 million by Ariake Japan Co., Ltd.

－Cash flows from financing activities

To improve capital efficiency and provide return to stockholders, we will continue flexible operation.

3) Cash Flow Indicators

	FY2007	FY2008	FY2009	FY2010	FY2011
Equity ratio (%)	85.4	84.1	83.4	79.6	80.6
Equity ratio based on fair value (%)	153.9	84.5	84.2	82.6	86.0
Cash flows interest-bearing debts ratio (years)	0.4	0.6	0.6	0.8	0.9
Interest coverage ratio	186.6	30.8	47.4	109.6	53.6

Equity ratio: equity capital / total assets
Equity ratio based on fair value: total fair value / total assets
Cash flows interest-bearing liabilities ratio: interest-bearing debts / cash flows
Interest coverage ratio: cash flows / interest payments

* All indicators are calculated using financial figures on a consolidated basis.
* Total fair value is calculated based on Final stock price at term end × Number of shares outstanding at term end (after deduction of treasury stock).
* The "Cash flows from operating activities" on the Consolidated Statements of Cash Flows and all interest-bearing debts on the Consolidated Balance Sheets were used as cash flows and interest-bearing debts, respectively.

(3) Basic Policy Regarding Distribution of Earnings for FY2011 and FY2012

The Company considers that appropriate distribution of earnings to the shareholders is one of the most important management policies. Therefore, the Company has been based on the principle of paying dividends consistent with its business performance. The Company has pursued a policy of paying substantial stable dividends by considering various indicators in proportion to the growth of the business results. At the same time, the Company has paid attention to the anticipated business environment and long-term business development and maintained ample internal reserves to strengthen the business quality.

Specifically, with the objective of achieving a stable distribution of profits, the Company has been paying dividends based on dividend on equity (DOE) for shareholders' capital investments.

We consider that DOE is an effective method to ensure directly a high dividend rate for our shareholders. Our present target is a DOE of 2.5%, and we are striving to continue to pay greater dividends.

Internal reserves are used for investments and loans to develop the natural seasoning business based on the Company's global strategy, to generate profits, and to expand the scope of business by preparing for situations such as stock price increases through the flexible and agile operation of treasury stock.

Although we did not achieve the consolidated results we had planned to, we managed to report higher income than the previous fiscal year. To show our appreciation for the ongoing support of our shareholders and with hope for their continued support, we intend to propose at the shareholders' meeting to be held in June 2011 that we pay a year-end dividend of ¥20 per share, the same as that for the previous fiscal year.

Therefore, annual dividends will be ¥40 per share, the same amount paid for the previous fiscal year.

Regarding the dividends for FY2012, the Company will strive to continue to pay the present common dividend of ¥40 per share, expecting that we will continue to record stable profits in the long term.

2. Outline of the Business Group

Outline of the Business Group

The Ariake Group (Ariake Japan and its consolidated subsidiaries) is comprised of the Company, seven consolidated subsidiaries, and two non-consolidated subsidiaries. Its main business is the manufacture and sale of natural seasoning products. The Company and three of its subsidiaries are located in Japan, and the remaining six subsidiaries, overseas. The following is an outline of the business operations of the various group companies.

Ariake Japan Co., Ltd. (The Company filing the Consolidated Financial Statements)

The Company manufactures natural seasonings and sells them mainly to domestic customers.

Domestic Subsidiaries

Dear. SOUP Co., Ltd. manufactures natural soups and sells them to domestic customers.

A.C.C. Co., Ltd. leases portions of the headquarters building from the Company and operates a convenience store.

Overseas Subsidiaries

ARIAKE U.S.A., Inc. manufactures natural seasonings and sells them to customers in the U.S. and other countries. It also supplies these seasonings to the Company.

Qingdao Ariake Foodstuff Co., Ltd. manufactures natural seasonings and sells them to customers in China and other countries. It also supplies these seasonings to the Company.

Taiwan Ariake Foods Co., Ltd. manufactures natural seasonings and sells them mainly to customers in Taiwan, China, and Southeast Asia. It also supplies these seasonings to the Company.

F. P. Natural Ingredients S.A.S. manufactures natural seasonings and sells them mainly to customers in Europe. It also supplies these seasonings to the Company.

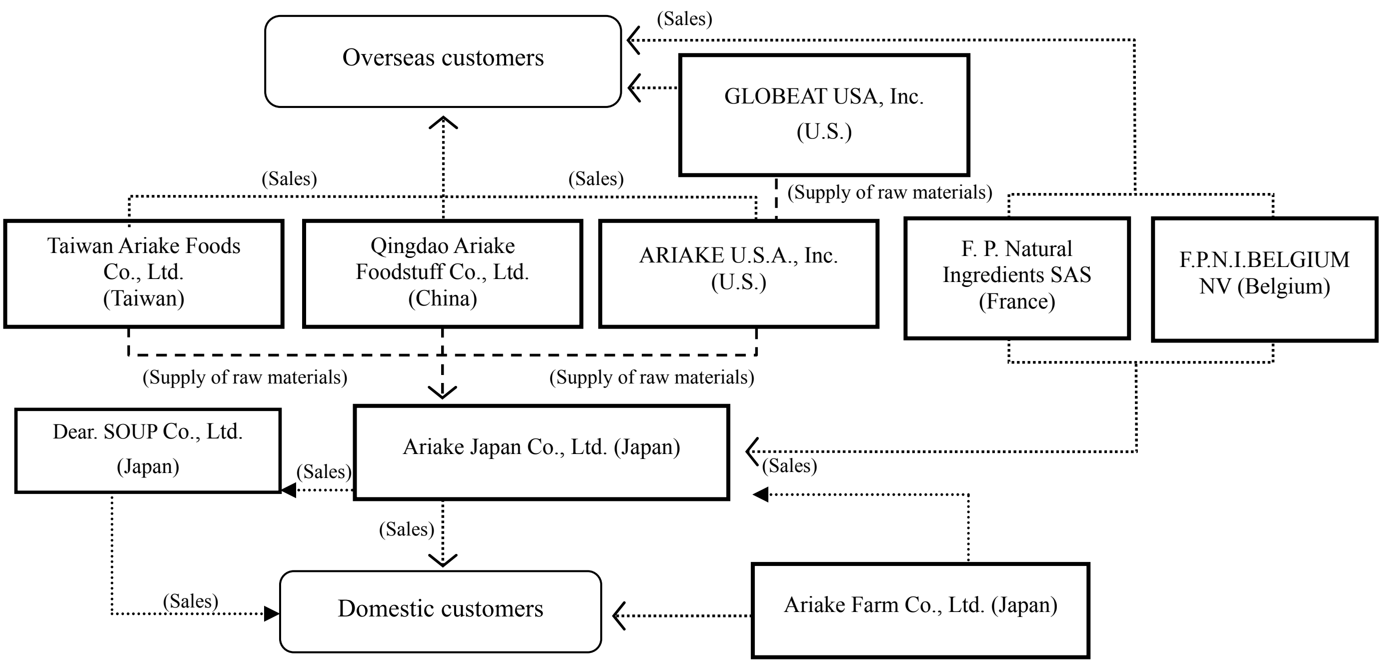
F.P.N.I. BELGIUM N.V. manufactures natural seasonings and sells them mainly to customers in Europe. It also supplies these seasonings to the Company.

Non-consolidated Domestic Subsidiaries

We established Ariake Farm Co., Ltd. capitalized at ¥15 million (9.9% of which was held by the Company) in August 9, 2005 to be engaged in the agricultural business of Ariake Japan Co., Ltd.

The Company became the sole holder of shares in GLOBEAT USA, Inc. as of March 15, 2010. GLOBEAT USA, Inc. is engaged in the food service industry in the U.S.

The major companies of the Group and their relationships as of filing date of the Consolidated Financial Results (May 12, 2011) are shown in the diagram below.



3. Management Policy

(1) Basic Management Policy

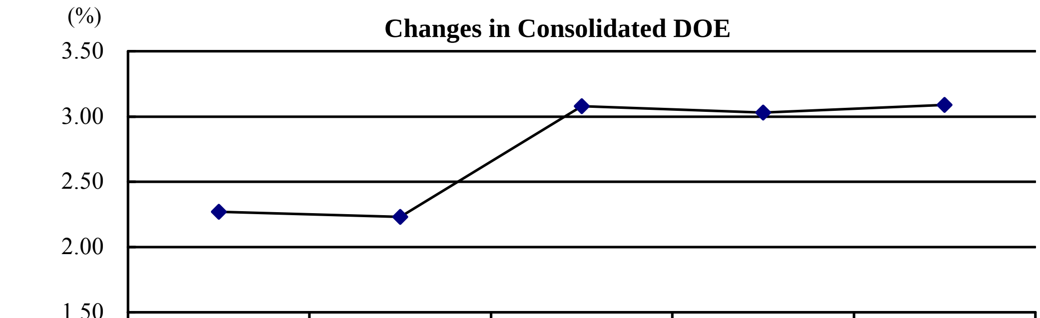
As a leading company in the field of natural seasonings, the Group bases its activities on the following three management concepts:

1. The Group will contribute to the world by supporting healthy and enjoyable food culture through the production of natural seasonings.
2. The Group will quickly and precisely develop businesses that meet the needs of the times, based on the concept of the customer creed.
3. The Group will aim to maximize shareholders' value through businesses to be always attractive to shareholders.

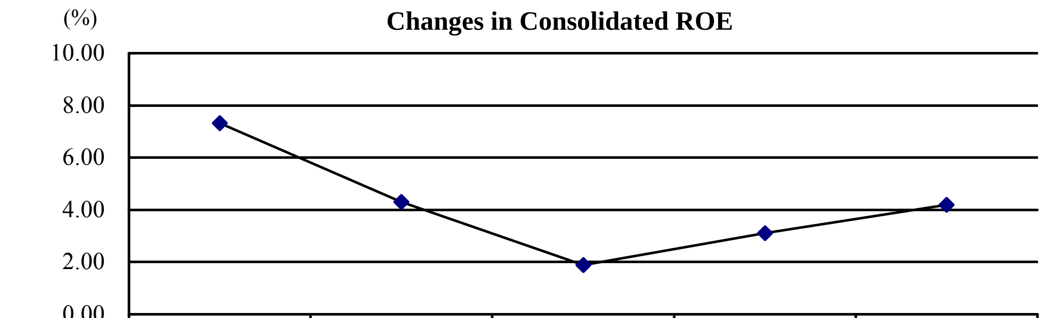
The Group will endeavor to develop and foster the growth of products that take full advantage of the characteristics of natural seasonings, "tasty, healthy and user-friendly" and try hard to improve quality of products by achieving technological reform while ensuring food safety through safety and hygiene control. In this way, the Group will pursue the goal of increasing profitability.

(2) Key Management Indicator

In order to ensure corporate management that is attractive to shareholders by maximizing return on capital investments, the Company uses return on equity (ROE) and dividend on equity (DOE) as its main management indicator for the mid-term. For this reason, the Group will execute stable management based on the long-term management plan and has set a long-term target of 2.5% for DOE and 12.0% for ROE.



	FY2007	FY2008	FY2009	FY2010	FY2011
DOE	2.27	2.23	3.08	3.03	3.09



	FY2007	FY2008	FY2009	FY2010	FY2011
ROE	7.32	4.30	1.88	3.11	4.19

(3) Mid- and Long-term Management Plan

The Group continues to operate on the basis of a mid- and long-term management plan. While the food industry in Japan is a matured market, we have based our management plan on; 1) the anticipation for the expansion of demand for natural seasonings through various measures taken by the Company, 2) the short supply of domestic raw materials relative to anticipated market expansion, and 3) the great potential to develop this business on a global scale.

Based on this plan, the Group added new facilities to the No. 2 Kyushu Plant, and started its operation from April 2007.

The Group has both factories and subsidiaries in the U.S. (Ariake U.S.A., Inc.), China (Qingdao Ariake Foodstuff Co., Ltd.), Taiwan (Taiwan Ariake Foods Co., Ltd.), France (F.P. Natural Ingredients S.A.S.), and Belgium (F.P.N.I. BELGIUM N.V.), and established an optimal regional production system by creating a “global six-pillar system.”

In order to manufacture and sell natural soups, sales of which are rapidly growing not only in Japan but throughout the world, the Group founded Dear. SOUP Co., Ltd., and is working to expand sales to customers within Japan and overseas.

The main points of the mid-term management plan are as follows:

1. Extend our operations from a natural seasonings-specialized manufacturer to a comprehensive seasonings manufacturer in order to increase corporate value.
2. Expand demand by thoroughly pursuing the domestic market and developing the global market.
3. Grow into a world class leading company through technical innovation.

Specifically, this plan involves the following four items.

1) Stimulate domestic demand as a comprehensive seasonings manufacturer in the contracting food market with a declining birthrate and a growing proportion of elderly people.
2) Actively make capital investments through technical innovation, and provide low-cost, high-quality products.
3) Actively promote our overseas strategy.
4) Implement effective capital policies which increased corporate value.

We believe that our responsibility to the investors that have invested in the Company is to increase shareholders’ value through the steady accumulation of results in annual plans based on these long-term visions and the establishment of a profit foundation. This approach represents the essence of our ultimate management policies.

(4) Issues which the Company Needs to Address

Recognizing that the natural seasoning industry will largely grow both in Japan and overseas in the future, the Group has made capital investments worth ¥20 billion throughout the world. The Group meets its capital needs with shareholder’s equity and external loans. We believe that success in the natural seasonings business will contribute broadly to the food market and help to secure steady growth in the Group’s revenue base.

To increase corporate value and conduct stable business operations through these measures, we intend to develop and pursue capital policies that allow us to continuously build a friendly shareholder base.

(5) Other Important Matters Relating to the Company Management

There is nothing to report.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	FY 2010 (As of March 31, 2010)	FY 2011 (As of March 31, 2011)
Assets		
Current assets		
Cash and time deposits	14,716,688	10,669,131
Notes and accounts receivable	4,839,007	5,557,621
Securities	—	1,003,890
Merchandise and finished goods	1,466,383	1,870,095
Work in process	477,646	575,966
Raw materials and supplies	1,523,951	1,540,186
Deferred tax assets	160,229	149,519
Others	153,733	249,032
Allowance for doubtful accounts	(1,747)	(2,180)
Total current assets	23,335,892	21,613,265
Fixed assets		
Tangible fixed assets		
Buildings and structures	19,618,002	19,142,482
Accumulated depreciation	(7,330,835)	(7,866,374)
Buildings and structures (net)	12,287,166	11,276,107
Machines, devices, and delivery equipment	20,105,024	20,106,904
Accumulated depreciation	(13,789,819)	(14,443,995)
Machines, devices, and delivery equipment (net)	6,315,205	5,662,909
Land	4,507,186	4,406,829
Leased assets	6,100	6,100
Accumulated depreciation	(84)	(1,101)
Leased assets (net)	6,015	4,998
Construction in progress	1,099,246	356,820
Others	818,326	798,523
Accumulated depreciation	(710,677)	(715,495)
Others (net)	107,648	83,027
Total tangible fixed assets	24,322,469	21,790,693
Intangible fixed assets	125,598	101,096
Investments and other assets		
Investment securities	*1 3,265,645	*1 5,842,185
Long-term loans receivable	388,245	229,570
Investments in real estates (net)	*2 551,318	*2 545,430
Deferred tax assets	—	137,309
Others	572,664	534,185
Allowance for doubtful accounts	(86)	(75)
Total investments and other assets	4,777,787	7,288,606
Total fixed assets	29,225,855	29,180,396
Total assets	52,561,748	50,793,661

(Thousands of yen)

	FY 2010 (As of March 31, 2010)	FY 2011 (As of March 31, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable	2,293,803	2,764,302
Short-term loans payable	3,654,718	2,286,280
Lease liabilities	977	929
Income taxes payable	1,258,123	926,314
Allowance for employee bonuses	152,517	165,441
Allowance for directors' bonuses	52,700	56,000
Others	1,688,315	1,851,440
Total current liabilities	9,101,156	8,050,709
Fixed liabilities		
Allowance for employee retirement benefits	570,552	569,054
Allowance for directors' retirement benefits	281,474	297,906
Long-term loans payable	—	407,450
Lease liabilities	5,386	4,456
Deferred tax liabilities	175,488	41,796
Others	339,454	245,150
Total fixed liabilities	1,372,356	1,565,814
Total liabilities	10,473,513	9,616,523
Net assets		
Shareholders' equity		
Common stock	7,095,096	7,095,096
Capital surplus	7,833,869	7,833,869
Retained earnings	29,062,185	29,505,058
Treasury stock	(2,058,368)	(2,059,110)
Total shareholders' equity	41,932,782	42,374,913
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	635,334	327,657
Foreign currency translation adjustment	(713,897)	(1,746,043)
Total accumulated other comprehensive income	(78,563)	(1,418,385)
Minority interests	234,015	220,611
Total net assets	42,088,234	41,177,138
Total liabilities and net assets	52,561,748	50,793,661

(2) Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Net sales	22,893,078	27,051,444
Cost of sales	*1 15,711,386	*1 18,557,980
Gross profit	7,181,691	8,493,464
Selling, general and administrative expenses	*2, *3 4,278,901	*2, *3 4,710,201
Operating income	2,902,790	3,783,262
Non-operating income		
Interest and dividends income	100,550	90,490
Rent received	26,406	26,355
Gain on valuation of derivatives	72,693	46,319
Gain on sales of securities	14,803	—
Others	170,694	164,588
Total non-operating income	385,148	327,754
Non-operating expenses		
Interest paid	43,404	53,966
Expenses for new overseas businesses	52,818	—
Foreign exchange losses	142,790	514,850
Others	81,459	57,285
Total non-operating expenses	320,472	626,103
Ordinary income	2,967,465	3,484,913
Extraordinary income		
Gain on sale of fixed assets	—	*4 50
Total extraordinary income	—	50
Extraordinary losses		
Loss on retirement of fixed assets	—	*5 8,009
Loss on valuation of investment securities	—	36,617
Total extraordinary losses	—	44,626
Income before income taxes	2,967,465	3,440,337
Income taxes–current	1,732,042	1,754,442
Income taxes–deferred	(59,895)	(37,332)
Income before minority interests	—	1,723,227
Minority interests	1,600	7,196
Net income	1,293,718	1,716,031

(Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Income before minority interests	–	1,723,227
Other comprehensive income		
Valuation difference on available-for-sale securities	–	(307,676)
Foreign currency translation adjustment	–	(1,052,747)
Total other comprehensive income	–	*2 (1,360,423)
Comprehensive income	–	*1 362,804
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	–	376,208
Comprehensive income attributable to minority interests	–	(13,404)

(3) Consolidated Statements of Changes in Shareholders' Equity

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Shareholders' equity		
Common stock		
Balance at the end of previous fiscal year	7,095,096	7,095,096
Amount of fluctuation during the year		
Total amount of fluctuation during the year	—	—
Balance at the end of current fiscal year	7,095,096	7,095,096
Capital surplus		
Balance at the end of previous fiscal year	7,833,869	7,833,869
Amount of fluctuation during the year		
Total amount of fluctuation during the year	—	—
Balance at the end of current fiscal year	7,833,869	7,833,869
Retained earnings		
Balance at the end of previous fiscal year	29,041,642	29,062,185
Amount of fluctuation during the year		
Dividend from retained earnings	(1,273,174)	(1,273,158)
Net income	1,293,718	1,716,031
Total amount of fluctuation during the year	20,543	442,872
Balance at the end of current fiscal year	29,062,185	29,505,058
Treasury stock		
Balance at the end of previous fiscal year	(2,057,727)	(2,058,368)
Amount of fluctuation during the year		
Acquisition of treasury stock	(861)	(1,084)
Disposal of treasury stock	220	342
Total amount of fluctuation during the year	(640)	(741)
Balance at the end of current fiscal year	(2,058,368)	(2,059,110)
Total shareholders' equity		
Balance at the end of previous fiscal year	41,912,879	41,932,782
Amount of fluctuation during the year		
Dividend from retained earnings	(1,273,174)	(1,273,158)
Net income	1,293,718	1,716,031
Acquisition of treasury stock	(861)	(1,084)
Disposal of treasury stock	220	342
Total amount of fluctuation during the year	19,902	442,131
Balance at the end of current fiscal year	41,932,782	42,374,913

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous fiscal year	70,337	635,334
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	564,997	(307,676)
Total amount of fluctuation during the year	564,997	(307,676)
Balance at the end of current fiscal year	635,334	327,657
Foreign currency translation adjustment		
Balance at the end of previous fiscal year	(905,512)	(713,897)
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	191,615	(1,032,145)
Total amount of fluctuation during the year	191,615	(1,032,145)
Balance at the end of current fiscal year	(713,897)	(1,746,043)
Total accumulated other comprehensive income		
Balance at the end of previous fiscal year	(835,175)	(78,563)
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	756,612	(1,339,822)
Total amount of fluctuation during the year	756,612	(1,339,822)
Balance at the end of current fiscal year	(78,563)	(1,418,385)
Minority interests		
Balance at the end of previous fiscal year	230,531	234,015
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	3,484	(13,404)
Total amount of fluctuation during the year	3,484	(13,404)
Balance at the end of current fiscal year	234,015	220,611
Total net assets		
Balance at the end of previous fiscal year	41,308,234	42,088,234
Amount of fluctuation during the year		
Dividend from retained earnings	(1,273,174)	(1,273,158)
Net income	1,293,718	1,716,031
Acquisition of treasury stock	(861)	(1,084)
Disposal of treasury stock	220	342
Amount of fluctuation of items other than shareholders' equity during the year (net)	760,097	(1,353,226)
Total amount of fluctuation during the year	779,999	(911,095)
Balance at the end of current fiscal year	42,088,234	41,177,138

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Cash flows from operating activities		
Income before income taxes	2,967,465	3,440,337
Depreciation and amortization	1,979,106	1,787,705
Amortization of goodwill	19,662	19,662
Increase (decrease) in allowance for doubtful accounts	(8,453)	421
Increase (decrease) in allowance for employee retirement benefits	(14,198)	(1,497)
Increase (decrease) in allowance for directors' retirement benefits	1,119	16,431
Increase (decrease) in allowance for employee bonuses	5,717	13,106
Increase (decrease) in allowance for directors' bonuses	(7,000)	3,300
Interest and dividends received	(100,550)	(90,490)
Interest paid	43,404	53,966
Loss (gain) on foreign exchange	183,447	403,249
Loss (gain) on sales of securities	(14,803)	—
Loss (gain) on valuation of investment securities	—	36,617
Decrease (increase) in accounts receivable	(280,824)	(768,452)
Decrease (increase) in inventories	310,961	(581,674)
Increase (decrease) in accounts payable	518,558	500,832
Increase (decrease) in consumption taxes payable	(257,145)	(48,607)
Decrease (increase) in other assets	(7,265)	86,062
Increase (decrease) in other liabilities	72,213	73,508
Subtotal	5,411,416	4,944,479
Interest and dividend income received	100,550	91,895
Interest expenses paid	(43,404)	(53,966)
Income and other taxes paid	(712,544)	(2,088,251)
Net cash provided by operating activities	4,756,017	2,894,157
Cash flows from investing activities		
Payment into time deposits	(1,202,816)	—
Proceeds from withdrawal of time deposits	—	5,162,232
Payments for acquisition of securities	—	(1,014,760)
Proceeds from sale of securities	102,273	—
Payments for purchase of tangible fixed assets	(1,476,434)	(646,235)
Proceeds from sale of tangible fixed assets	—	—
Payments for acquisition of intangible fixed assets	(5,431)	(12,076)
Payments for acquisition of investment securities	(264,922)	(3,120,582)
Payment for loans receivable	(355,210)	(17,780)
Proceeds from collection of loans receivable	31,265	75,396
Net cash provided by (used in) investing activities	(3,171,275)	426,193
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,167,463	(879,707)
Proceeds from long-term loans payable	—	407,450
Proceeds from sales of treasury stock	145	280
Payments for acquisition of treasury stock	(861)	(1,084)
Dividends paid	(1,274,082)	(1,273,043)
Net cash used in financing activities	(107,334)	(1,746,104)
Exchange difference of cash and cash equivalents	(173,358)	(418,986)
Increase (decrease) in cash and cash equivalents	1,304,049	1,155,259
Cash and cash equivalents at beginning of term	8,209,823	9,513,872
Cash and cash equivalents at end of term	9,513,872	10,669,131

(5) Notes on the Going Concern Assumption

There is nothing to report.

(6) Basic Important Matters to Prepare the Consolidated Financial Statements

Term	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
1. Matters relating to the scope of consolidation	(1) Consolidated subsidiary companies 7: Dear. SOUP Co., Ltd. A.C.C. Co., Ltd. ARIAKE U.S.A., Inc. Qingdao Ariake Foodstuff Co., Ltd. Taiwan Ariake Foods Co., Ltd. F. P. Natural Ingredients S.A.S. F. P. N.I. BELGIUM N.V. (2) Major non-consolidated subsidiaries: Ariake Farm Co., Ltd. GLOBEAT USA, INC. Reason to exclude from the scope of consolidation: The non-consolidated subsidiary Ariake Farm Co., Ltd. and GLOBEAT USA, INC. are small companies, and their total assets, net sales, net income or loss and retained earnings (corresponding to equity) did not have a significant influence on the Consolidated Financial Statements.	(1) Consolidated subsidiary companies 7: Dear. SOUP Co., Ltd. A.C.C. Co., Ltd. ARIAKE U.S.A., Inc. Qingdao Ariake Foodstuff Co., Ltd. Taiwan Ariake Foods Co., Ltd. F. P. Natural Ingredients S.A.S. F. P. N.I. BELGIUM N.V. (2) Major non-consolidated subsidiaries: Ariake Farm Co., Ltd. GLOBEAT USA, INC. Reason to exclude from the scope of consolidation: Same as on the left.
2. Matters relating to subsidiaries and affiliates adopting the equity method	(1) Number and names of companies adopting equity method Non-consolidated subsidiaries: None Affiliated companies: None (2) Non-consolidated subsidiaries that are not using the equity method: Considering the net income or loss (corresponding to equity) and retained earnings (corresponding to equity), Ariake Farm Co., Ltd. and GLOBEAT USA, INC. had an insignificant influence on the Consolidated Financial Statements. Since they were not financially important overall, they were excluded from the scope of application of the equity method.	(1) Number and names of companies adopting equity method Non-consolidated subsidiaries: None Affiliated companies: None (2) Non-consolidated subsidiaries that are not using the equity method: Same as on the left.
3. Matters relating to business year of consolidated subsidiaries	The closing day of ARIAKE U.S.A., Inc., Qingdao Ariake Foodstuff Co., Ltd., F. P. Natural Ingredients S.A.S., F. P. N. I. BELGIUM N.V. and Taiwan Ariake Foods Co., Ltd. was December 31. Although the Company adopted all the subsidiaries' financial statements as of December 31 to prepare for the Consolidated Financial Statements, any significant transactions accrued in the period from that date to the consolidated book closing day were adjusted according to consolidation requirements.	Same as on the left.

4. Matters relating to accounting standards	(1) Valuation standards and methods for important assets (i) Securities 1) Securities for sale Mark-to-market method (costs for sale were computed with the moving average method). Securities purchased on margin were accounted as securities for sale. 2) Other securities (a) Securities with market price Mark-to-market method based on the market price as of the closing day of accounts (All the valuation differences were incorporated directly into the net assets and costs for sale were computed with the moving average method.) (b) Securities without market price Cost method under the moving average method (ii) Derivatives Mark-to-market method (iii) Major inventories (a) Products Mainly, identified cost method (b) Raw materials Mainly, cost method under the moving average method (c) Work in process Mainly, identified cost method (Amounts on the balance sheets were calculated by the method of writing down the book value in accordance with a decline in profitability.) (2) Depreciation method for important depreciable assets (i) Tangible fixed assets (except for leased assets) (a) Domestic companies: Declining balance method However, a straight-line method was used for buildings (except attached equipment) acquired or put into business use after April 1, 1998. Small-amount depreciable assets of which the acquisition price was ¥100,000 or more and less than ¥200,000 were and will be depreciated evenly over 3 years. Useful lives of major assets were as follows: Buildings and structures: 7-50 years Machines, devices and delivery equipment: 4-10 years (b) Overseas subsidiaries: Straight-line method based on the estimated useful life (ii) Intangible fixed assets (except for leased assets): Straight-line method Software for internal use is amortized over its estimated useful life of 5 years, using the straight-line method.	(1) Valuation standards and methods for important assets (i) Securities 1) Securities for sale Same as on the left. 2) Held-to-maturity securities Amortized cost method (straight-line method) 3) Other securities (a) Securities with market price Same as on the left. (b) Securities without market price Same as on the left. (ii) Derivatives Same as on the left. (iii) Major inventories (a) Products Same as on the left. (b) Raw materials Same as on the left. (c) Work in process Same as on the left. Same as on the left. (2) Depreciation method for important depreciable assets (i) Tangible fixed assets (except for leased assets) (a) Domestic companies: Declining balance method Same as on the left. (b) Overseas subsidiaries: Same as on the left. (ii) Intangible fixed assets (except for leased assets) Same as on the left.

	(iii) Leased assets Finance leased assets that do not transfer ownership are depreciated using the straight-line method over the period of the lease with zero residual value. Finance leased assets that do not transfer ownership and were acquired prior to December 31, 2008 are not capitalized but accounted for by a method similar to that applicable to operating leases.	(iii) Leased assets Same as on the left.
	(iv) Investments in real estates: Declining balance method	(iv) Investments in real estates: Same as on the left.
	(3) Standards for significant allowances (i) Allowance for doubtful accounts To prepare against losses from bad debts, the amount estimated based on the actual loss ratio was reserved for ordinary receivables, and the amount of possible losses is included in the reserve considering the collectibility of individual doubtful accounts.	(3) Standards for significant allowance (i) Allowance for doubtful accounts Same as on the left.
	(ii) Allowance for employee bonuses Except for the foreign subsidiaries, the Company has reserved and recorded the estimated amount of the bonuses to prepare for payment to employees.	(ii) Allowance for employee bonuses Same as on the left.
	(iii) Reserve for directors' bonuses The Company has reserved and recorded as the current fiscal year's Company's contribution a part of the estimated amount of directors' bonuses to prepare for payment to directors.	(iii) Reserve for directors' bonuses Same as on the left.
	(iv) Allowance for employee retirement benefits To prepare for payment of benefits to retired employees, the amount of actual payment is reserved based on estimation of retirement benefit liabilities and pension assets regarded as existing at the end of the consolidated fiscal year. Actuarial gains and losses are treated as expenses, and amortized from the following fiscal year in which the gain or loss is recognized using a straight-line method over a certain period (5 years) within the average remaining years of service of the employees. Past employment obligations are treated as expense, using the straight-line method based on a fixed number of years (5 years) within the average remaining service period of employees at the time of accrual.	(iv) Allowance for employee retirement benefits Same as on the left.
	(v) Allowance for directors' retirement benefits To prepare for payment of directors' retirement benefits, the Company has reserved and recorded the required amounts as of the end of the term based on the internal regulations regarding directors' retirement benefits.	(v) Allowance for directors' retirement benefits Same as on the left.

	(4) Standards for converting significant foreign currency denominated assets and liabilities into Japanese yen which was applied to prepare the Consolidated Financial Statements Receivables and payables denominated in foreign currencies were converted to Japanese yen using the spot exchange rate for the closing day of the consolidated period, and differences were recorded as gains or losses. The assets and liabilities, as well as income and expenses, of foreign subsidiaries were converted to Japanese yen using the spot exchange rate for the closing day of the consolidated period and differences were included in the adjustment account for foreign currency exchange or minority interests under net assets. (5) Other important matters to prepare the Consolidated Financial Statements Accounting of the consumption tax The Company applied the tax-exclusion accounting method.	(4) Standards for converting significant foreign currency denominated assets and liabilities into Japanese yen which was applied to prepare the Consolidated Financial Statements Same as on the left. (5) Other important matters to prepare the Consolidated Financial Statements Accounting of the consumption tax Same as on the left.
5. Matters relating to the assessment of assets and liabilities of consolidated subsidiaries	With regard to the assessment of the assets and liabilities of consolidated subsidiaries, the Company adopted the overall fair value assessment method.	Same as on the left.
6. Matters relating to the amortization of goodwill and negative goodwill	A five-year straight-line method was used for amortization of negative goodwill. As for goodwill with no significant value, the entire amount was amortized at the time of accrual.	Same as on the left.
7. Scope of cash in the Consolidated Statements of Cash Flows	Cash (cash and cash equivalents) in the Consolidated Statements of Cash Flows consist of cash on hand, deposits withdrawable at any time and short-term investments convertible easily into cash and repayable within 3 months after acquisition, with little risk for price fluctuation.	Same as on the left.

(7) Change in Basic Important Matters to Prepare the Consolidated Financial Statements

FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
(Allowance for retirement benefits) Since the current consolidated fiscal year, the Company has adopted the Revision to the Accounting Standard for Retirement Benefits (Part 3) (ASBJ Statement No. 19, revised on July 31, 2008). Note that this adoption had no impact on operating income, ordinary income and income before income taxes.	―――――
―――――	(Accounting Standard for Asset Retirement Obligations) Effective from the current consolidated fiscal year, the “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No.18, issued on March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No.21, issued on March 31, 2008) have been applied. Note that this adoption had no impact on operating income, ordinary income and income before income taxes.

(8) Changes in Method of Presentation

FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
―――――	(Consolidated Statements of Income) Following the application of the “Cabinet Office Ordinance for Partial Amendment of the Ordinance on Terminology, Forms, and Preparation Methods of Financial Statements, etc. ” (Cabinet Office Ordinance No.5, issued on March 24, 2009) based on the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22, issued on December 26, 2008), the account item of “income before minority interests” is presented.

(9) Additional Information

FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
―――――	Effective from the current consolidated fiscal year, the “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No.25 issued on June 30, 2010) has been applied. However, account items “accumulated other comprehensive income” and “total accumulated other comprehensive income” present the amount of “unrealized gains (losses) and adjustments” and “total unrealized gains (losses) and adjustments” for the previous fiscal year.

(10) Notes on the Consolidated Financial Statements

(Consolidated Balance Sheets)

FY2010
(As of March 31, 2010)

*1. Items accounted in non-consolidated subsidiaries and affiliated companies are as follows:

Investment securities (stocks) ¥28,202 thousand

*2. Accumulated depreciation of investments in real estates

¥108,464 thousand

*3. Contingent Liabilities

(1) Loan guarantee

The Company guaranteed the following affiliated company's loan from a financial institution.

Guaranteed Company	Amount	Details
Ariake Farm Co., Ltd.	¥510,000 thousand	Loan liability
Total	¥510,000 thousand	—

FY2011
(As of March 31, 2011)

*1. Items accounted in non-consolidated subsidiaries and affiliated companies are as follows:

Investment securities (stocks) ¥28,202 thousand

*2. Accumulated depreciation of investments in real estates

¥114,352 thousand

*3. ______________

(Consolidated Statements of Income)

FY2010
(from April 1, 2009 to March 31, 2010)

*1. Ending inventories were calculated by the method of writing down the book value in accordance with a decline in profitability and the following loss on valuation of inventories was included in cost of sales.

Cost of sales ¥37,652 thousand

*2. Major items accounted in selling, general and administrative expenses are as follows:

	(Thousands of yen)
Salary and bonuses	829,536
Packing and transportation expenses	1,262,887
Depreciation expenses	128,167
Provision for employee bonuses	46,085
Provision for directors' bonuses	52,700
Retirement benefits expenses	13,007
Provision for directors' retirement benefits	16,169

*3. Research and development expenses included in general and administrative expenses

¥299,930 thousand

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FY2011
(from April 1, 2010 to March 31, 2011)

*1. Ending inventories were calculated by the method of writing down the book value in accordance with a decline in profitability and the following loss on valuation of inventories was included in cost of sales.

Cost of sales ¥73,568 thousand

*2. Major items accounted in selling, general and administrative expenses are as follows:

	(Thousands of yen)
Salary and bonuses	850,837
Packing and transportation expenses	1,538,818
Depreciation expenses	124,794
Provision for employee bonuses	55,058
Provision for directors' bonuses	56,000
Retirement benefits expenses	18,792
Provision for directors' retirement benefits	16,431

*3. Research and development expenses included in general and administrative expenses

¥317,071 thousand

*4. Gain on sale of fixed assets are as follows:

Machines, devices and delivery equipment ¥50 thousand

*5. Loss on retirement of fixed assets are as follows:

Restoring expenses to original location ¥8,009 thousand

(Consolidated Statements of Comprehensive Income)
FY2011 (April 1, 2010 to March 31, 2011)

(1) Comprehensive income for FY2010	(Thousands of yen)
Comprehensive income attributable to owners of the parent	2,050,330
Comprehensive income attributable to minority interests	3,484
Total comprehensive income	2,053,815

(2) Other comprehensive income for FY2010	(Thousands of yen)
Valuation difference on available-for-sale securities	564,997
Foreign currency translation adjustment	193,499
Total other comprehensive income	758,496

(Consolidated Statements of Changes in Shareholders' Equity)

FY2010 (from April 1, 2009 to March 31, 2010)

1. Items regarding the type and number of shares outstanding and shares of treasury stock

(Thousands of shares)

	Number of shares as of March 31, 2009	Increased number of shares (April 1, 2009 to March 31, 2010)	Decreased number of shares (April 1, 2009 to March 31, 2010)	Number of shares as of March 31, 2010
Outstanding shares				
Common stock	32,808	—	—	32,808
Total	32,808	—	—	32,808
Treasury stock				
Common stock (Note)	979	0	0	979
Total	979	0	0	979

Note: The share increase in common stock for treasury stock was through purchase of odd-lot shares while the decrease in the stock was due to the sales of odd-lot shares.

2. Matters regarding subscription rights to shares and treasury subscription rights to shares

There is nothing to report.

3. Items regarding dividends

(1) Amount of dividends paid

Resolution	Type of stock	Total amount of dividends (thousand yen)	Dividends per share (yen)	Record date	Effective date
June 19, 2009 Annual meeting of shareholders	Common stock	636,591	20.0	March 31, 2009	June 22, 2009
November 6, 2009 Board of Directors Meeting	Common stock	636,583	20.0	September 30, 2009	December 10, 2009

(2) Dividends for which the record date fell in this consolidated fiscal year and the effective date will fall in the following year

Resolution	Type of stock	Total amount of dividends (thousand yen)	Fiscal resources of dividends	Dividends per share (yen)	Record date	Effective date
June 18, 2010 Annual meeting of shareholders	Common stock	636,580	Retained earnings	20.0	March 31, 2010	June 21, 2010

FY2011 (from April 1, 2010 to March 31, 2011)

1. Items regarding the type and number of shares outstanding and shares of treasury stock

(Thousands of shares)

	Number of shares as of March 31, 2010	Increased number of shares (April 1, 2010 to March 31, 2011)	Decreased number of shares (April 1, 2010 to March 31, 2011)	Number of shares as of March 31, 2011
Outstanding shares				
Common stock	32,808	—	—	32,808
Total	32,808	—	—	32,808
Treasury stock				
Common stock (Note)	979	0	0	980
Total	979	0	0	980

Note: The share increase in common stock for treasury stock was through purchase of odd-lot shares while the decrease in the stock was due to the sales of odd-lot shares.

2. Matters regarding subscription rights to shares and treasury subscription rights to shares

There is nothing to report.

3. Items regarding dividends

(1) Amount of dividends paid

Resolution	Type of stock	Total amount of dividends (thousand yen)	Dividends per share (yen)	Record date	Effective date
June 18, 2010 Annual meeting of shareholders	Common stock	636,580	20.0	March 31, 2010	June 21, 2010
November 10, 2010 Board of Directors Meeting	Common stock	636,577	20.0	September 30, 2010	December 10, 2010

(2) Dividends for which the record date fell in this consolidated fiscal year and the effective date will fall in the following year

Resolution	Type of stock	Total amount of dividends (thousand yen)	Fiscal resources of dividends	Dividends per share (yen)	Record date	Effective date
June 17, 2011 Annual meeting of shareholders	Common stock	636,580	Retained earnings	20.0	March 31, 2011	June 20, 2011

(Consolidated Statements of Cash Flows)

FY2010 (from April 1, 2009 to March 31, 2010)		FY2011 (from April 1, 2010 to March 31, 2011)	
*1 Relation between the ending balance of cash and cash equivalents and the accounts on the Consolidated Balance Sheets		*1 Relation between the ending balance of cash and cash equivalents and the accounts on the Consolidated Balance Sheets	
(As of March 31, 2010)	(Thousands of yen)	(As of March 31, 2011)	(Thousands of yen)
Cash and time deposits	14,716,688	Cash and time deposits	10,669,131
Time deposits with a deposit term exceeding 3 months	(5,202,816)	Time deposits with a deposit term exceeding 3 months	—
Cash and cash equivalents	9,513,872	Cash and cash equivalents	10,669,131

(Lease Transactions)

FY2010
(from April 1, 2009 to March 31, 2010)

1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee
   1) Leased assets
      Television conference system
   2) Depreciation method of leased assets
      As described in "4. Matters relating to accounting standards (2) Depreciation method for important depreciable assets" of Basic Important Matters to Prepare the Consolidated Financial Statements.
      Leases for which the lease transaction had started before March 31, 2008, the conventional method was applied.

(1) Amounts equal to acquisition price, accumulated depreciation, impairment loss and ending balance of leases

(Thousands of yen)

	Amount equal to acquisition price	Amount equal to accumulated depreciation	Amount equal to ending balance
Other tangible fixed assets	40,576	31,049	9,526
Total	40,576	31,049	9,526

(2) Amount equal to balance of unexpired lease charges at end of term

	(Thousands of yen)
Within 1 year	6,686
More than 1 year	3,021
Total	9,708

(3) Lease charges paid, reversal of impairment loss on leased assets, impairment loss, amounts equal to depreciation expense and interest expense

	(Thousands of yen)
Lease charges paid	11,715
Amount equal to depreciation expense	11,591
Amount equal to interest expense	138

(4) Calculation of the amount equal to depreciation expense
   The straight-line method that assumes the lease period as the useful life and sets the residual value to 0 was applied.

(5) Calculation of the amount equal to interest expense
   The difference between the total of lease charges and the amount equal to the purchase price of leases was regarded as the amount equal to interest expense, and the interest method was applied to allocation to each term.

2. Operating lease transactions
   Unexpired lease charges for non-cancelable operating lease transactions

	(Thousands of yen)
Within 1 year	4,186
More than 1 year	3,209
Total	7,396

(Impairment loss)
There was impairment loss attributed to leased assets.

FY2011
(from April 1, 2010 to March 31, 2011)

1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee
   1) Leased assets
      Television conference system
   2) Depreciation method of leased assets
      As described in "4. Matters relating to accounting standards (2) Depreciation method for important depreciable assets" of Basic Important Matters to Prepare the Consolidated Financial Statements.
      Leases for which the lease transaction had started before March 31, 2008, the conventional method was applied.

(1) Amounts equal to acquisition price, accumulated depreciation, impairment loss and ending balance of leases

(Thousands of yen)

	Amount equal to acquisition price	Amount equal to accumulated depreciation	Amount equal to ending balance
Other tangible fixed assets	9,050	6,186	2,863
Total	9,050	6,186	2,863

(2) Amount equal to balance of unexpired lease charges at end of term

	(Thousands of yen)
Within 1 year	1,368
More than 1 year	1,654
Total	3,023

(3) Lease charges paid, reversal of impairment loss on leased assets, impairment loss, amounts equal to depreciation expense and interest expense

	(Thousands of yen)
Lease charges paid	6,885
Amount equal to depreciation expense	6,762
Amount equal to interest expense	99

(4) Calculation of the amount equal to depreciation expense
   Same as on the left.

(5) Calculation of the amount equal to interest expense
   Same as on the left.

2. ______________

(Impairment loss)
Same as on the left.

(Financial Instruments)

FY2010 (from April 1, 2009 to March 31, 2010)

1. Matters Related to Financial Instruments

1) Policy for Financial Instruments

The Ariake Group's management of funds is limited to instruments such as short-term deposits, and its fund procurement policy is to rely mainly on bank loans. Derivative transactions are used for stabilization of raw material costs, and not for speculative purposes.

2) Nature and Extent of Risks of Financial Instruments and Risk Management System

With regard to the customer credit risk from trade receivables, the Ariake Group has developed a credit management system and reviews customers' credit status quarterly, both in accordance with credit management rules. Nearly all receivables are due within six months.

Investment securities are comprised of shares of customers and suppliers of the Ariake Group. Trends in the fair values of these shares are reported monthly in the Ariake Group's management meetings.

Nearly all notes and accounts payable included in operating payables are due within one year. Part of notes and accounts payable which are denominated in foreign currencies are exposed to foreign currency exchange fluctuation risk, and forward exchange contracts are being used to hedge this risk.

Borrowings are made mainly for the purpose of procurement of funds necessary for capital investment.

Execution and management of derivative transactions are conducted to the extent of actual need in accordance with internal rules stipulating transaction authority.

2. Fair Values and Other Information of Financial Instruments (As of March 31, 2010)

(Thousands of yen)

	Amount recorded on Consolidated Balance Sheets	Fair value	Difference
(1) Cash and time deposits	14,716,688	14,716,688	—
(2) Notes and accounts receivable	4,839,007	4,839,007	—
(3) Investment securities	3,081,247	3,081,247	—
Total assets	22,636,942	22,636,942	—
(4) Notes and accounts payable	(2,293,803)	(2,293,803)	—
(5) Short-term loans payable	(3,654,718)	(3,654,718)	—
(6) Derivative liabilities	(755,024)	(755,024)	—
Total liabilities	(6,703,546)	(6,703,546)	—

* Items recorded as liabilities are shown in ( ).

(Notes) 1. Calculation method of fair values of financial instruments and matters regarding investment securities and derivative transactions

(1) Cash and time deposits and (2) Notes and accounts receivable

These are recorded using book values because their fair values approximate to book values due to their short-term maturities.

(3) Investment securities

The fair values of these are determined using the price at the stock exchange. For details of investment securities by purpose, see notes for "Securities."

(4) Notes and accounts payable and (5) Short-term loans payable

These are recorded using book values because their fair values approximate to book values due to their short-term maturities.

(6) Derivative liabilities

See notes for "Derivative Transactions."

2. Unlisted shares (with an amount recorded on Consolidated Balance Sheets of ¥184,397,000) do not have fair values and estimating future cash flows for them is impossible. Because it is considered extremely difficult to determine fair values for these shares, they are not included in "(3) Investment securities."

3. Redemptions of estimated amounts of monetary claims and investment securities with maturities after the consolidated closing date

(Thousands of yen)

	Within one year	Due after one year but within five years	Due after five years but within 10 years	More than 10 years
Cash and time deposits	14,716,688	—	—	—
Notes and accounts receivable	4,839,007	—	—	—
Investment securities				
Available-for-sale securities with maturities				
Bonds (Corporate bonds)	—	79,065	—	—
Total	19,555,695	79,065	—	—

(Additional information)
Effective from the current consolidated fiscal year, the “Accounting Standard for Financial Instruments” (ASBJ Statement No.10, revised on March 10, 2008) and the “Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No.19, issued on March 10, 2008) have been applied.

FY2011 (from April 1, 2010 to March 31, 2011)

1. Matters Related to Financial Instruments

1) Policy for Financial Instruments

The Ariake Group’s management of funds is limited to instruments such as short-term deposits, and its fund procurement policy is to rely mainly on bank loans. Derivative transactions are used for stabilization of raw material costs, and not for speculative purposes.

2) Nature and Extent of Risks of Financial Instruments and Risk Management System

With regard to the customer credit risk from trade receivables, the Ariake Group has developed a credit management system and reviews customers’ credit status quarterly, both in accordance with credit management rules. Nearly all receivables are due within six months.

Securities and investment securities are comprised of highly safe financial instruments and shares of customers and suppliers of the Ariake Group. Trends in the fair values of these shares are reported monthly in the Ariake Group’s management meetings.

Nearly all notes and accounts payable included in operating payables are due within one year. Part of notes and accounts payable which are denominated in foreign currencies are exposed to foreign currency exchange fluctuation risk, and forward exchange contracts are being used to hedge this risk.

Borrowings are made mainly for the purpose of procurement of funds necessary for capital investment.

Execution and management of derivative transactions are conducted to the extent of actual need in accordance with internal rules stipulating transaction authority.

2. Fair Values and Other Information of Financial Instruments (As of March 31, 2011)

(Thousands of yen)

	Amount recorded on Consolidated Balance Sheets	Fair value	Difference
(1) Cash and time deposits	10,669,131	10,669,131	—
(2) Notes and accounts receivable	5,557,621	5,557,621	—
(3) Securities and investment securities	6,588,887	6,580,537	(8,350)
Total assets	22,815,641	22,807,289	(8,350)
(4) Notes and accounts payable	(2,764,302)	(2,764,302)	—
(5) Short-term loans payable	(2,286,280)	(2,286,280)	—
(6) Long-term loans payable	(407,450)	(407,450)	—
(7) Derivative liabilities	(708,704)	(708,704)	—
Total liabilities	(6,166,737)	(6,166,737)	—

* Items recorded as liabilities are shown in ( ).

(Notes) 1. Calculation method of fair values of financial instruments and matters regarding investment securities and derivative transactions

(1) Cash and time deposits and (2) Notes and accounts receivable

These are recorded using book values because their fair values approximate to book values due to their short-term maturities.

(3) Investment securities

The fair values of these are determined using the price at the stock exchange, and the fair values of bonds are determined using the quoted price by financial institutions and others with which businesses are conducted. For details of investment securities by purpose, see notes for “Securities.”

(4) Notes and accounts payable and (5) Short-term loans payable

These are recorded using book values because their fair values approximate to book values due to their short-term maturities.

(6) Long-term loans payable

Total amount of principal and interest is determined using the present value discounted by the same interest rate as assumed new borrowing.

(7) Derivative liabilities

See notes for “Derivative Transactions.”

2. Unlisted shares (with an amount recorded on Consolidated Balance Sheets of ¥257,188) do not have fair values and estimating future cash flows for them is impossible. Because it is considered extremely difficult to determine fair values for these shares, they are not included in “(3) Investment securities.”

3. Redemptions of estimated amounts of monetary claims and investment securities with maturities after the consolidated closing date

(Thousands of yen)

	Within one year	Due after one year but within five years	Due after five years but within 10 years	More than 10 years
Cash and time deposits	10,669,131	—	—	—
Notes and accounts receivable	5,557,621	—	—	—
Investment securities				
Held-to-maturity securities	1,003,890	3,000,000	—	—
Other securities with maturities	—	90,000	—	—
Total	17,230,644	3,090,000	—	—

4. Repayments of estimated amounts of long-term loans payable after the consolidated closing date

(Thousands of yen)

	Within one year	Due after one year But within five years	Due after five years But within 10 years	More than 10 years
Long-term loans payable	—	407,450	—	—
Total	—	407,450	—	—

(Securities)

FY2010 (As of March 31, 2010)

1. Other securities

(Thousands of yen)

	Type	Carrying amount on Consolidated Balance Sheets	Acquisition costs	Difference
Securities whose carrying amount on the Consolidated Balance Sheets exceed acquisition costs	(1) Stocks	2,864,446	1,749,185	1,115,261
	(2) Bonds			
	1) Government and municipal bonds	–	–	–
	2) Corporate bonds	–	–	–
	3) Others	–	–	–
	(3) Others	–	–	–
	Subtotal	2,864,446	1,749,185	1,115,261
Securities whose carrying amount on the Consolidated Balance Sheets do not exceed acquisition costs	(1) Stocks	137,735	186,689	(48,953)
	(2) Bonds			
	1) Government and municipal bonds	–	–	–
	2) Corporate bonds	79,065	90,000	(10,934)
	3) Others	–	–	–
	(3) Others	–	–	–
	Subtotal	216,800	276,689	(59,888)
Total		3,081,247	2,025,874	1,055,372

Note: Unlisted shares (with an amount recorded on Consolidated Balance Sheets of ¥184,397,000) do not have fair values and it is considered extremely difficult to determine fair values for these shares. Therefore, they are not included in "Other securities" above.

FY2011 (As of March 31, 2011)

1. Held-to-maturity securities

(Millions of yen)

	Type	Carrying amount on Consolidated Balance Sheets	Fair value	Difference
Securities whose fair value exceed their carrying amount on the Consolidated Balance Sheets	(1) Government and municipal bonds (2) Corporate bonds (3) Others	– – 1,000,000	– – 1,004,000	– – 4,000
	Subtotal	1,000,000	1,004,000	4,000
Securities whose fair value do not exceed their carrying value on the Consolidated Balance Sheets	(1) Government and municipal bonds (2) Corporate bonds (3) Others	– 1,003,890 2,000,000	– 1,003,890 1,987,650	– – (12,350)
	Subtotal	3,003,890	2,991,540	(12,350)
Total		4,003,890	3,995,540	(8,350)

2. Other securities

(Thousands of yen)

	Type	Carrying amount on Consolidated Balance Sheets	Acquisition costs	Difference
Securities whose carrying amount on the Consolidated Balance Sheets exceed acquisition costs	(1) Stocks (2) Bonds 1) Government and municipal bonds 2) Corporate bonds 3) Others (3) Others	2,310,636 – – – – –	1,673,037 – – – – –	637,599 – – – – –
	Subtotal	2,310,636	1,673,037	637,599
Securities whose carrying amount on the Consolidated Balance Sheets do not exceed acquisition costs	(1) Stocks (2) Bonds 1) Government and municipal bonds 2) Corporate bonds 3) Others (3) Others	274,359 – – – –	367,676 – – – –	(93,316) – – – –
	Subtotal	274,359	367,676	(93,316)
Total		2,584,996	2,040,714	544,282

Notes:

1. Unlisted shares (with an amount recorded on Consolidated Balance Sheets of ¥257,188,000) do not have fair values and it is considered extremely difficult to determine fair values for these shares. Therefore, they are not included in "Other securities" above.
2. For the current consolidated fiscal year, write-downs were recorded in the amount of ¥36,617,000 for shares of other securities.
   Regarding the write-downs, all securities for which the fair values as of the end of the fiscal year is 50% or more the acquisition prices are written down.

(Derivative Transactions)

FY2010 (from April 1, 2009 to March 31, 2010)

1. Derivative transactions not applied to hedge accounting

Currency-related

(Thousands of yen)

Category	Type	FY2010 (As of March 31, 2010)			
		Contract amount	Contract price (portion due after one year)	Fair value	Gain/loss on Valuation
Non-market transactions	Forward exchange contracts Short position				
	Euro	4,823,100	3,774,600	(440,304)	(440,304)
	U.S. dollar	3,032,400	1,333,680	(314,720)	(314,720)
Total		7,855,500	5,108,280	(755,024)	(755,024)

Note: Method for calculating fair value

The fair values of these are determined using the quoted price by financial institutions and others with which businesses are conducted.

FY2011 (from April 1, 2010 to March 31, 2011)

1. Derivative transactions not applied to hedge accounting

Currency-related

(Thousands of yen)

Category	Type	FY2011 (As of March 31, 2011)			
		Contract amount	Contract price (portion due after one year)	Fair value	Gain/loss on Valuation
Non-market transactions	Forward exchange contracts Short position				
	Euro	3,774,600	2,097,000	(449,427)	(449,427)
	U.S. dollar	1,746,080	103,100	(259,276)	(259,276)
Total		5,520,680	2,200,100	(708,704)	(708,704)

Note: Method for calculating fair value

The fair values of these are determined using the quoted price by financial institutions and others with which businesses are conducted.

(Retirement Benefits)

1. Outline of the retirement benefits system employed by the Company

The Company uses a lump sum retirement system in combination with a defined benefits pension system.

2. Retirement benefit obligations and their breakdown

(Thousands of yen)

		FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
(1)	Retirement benefit obligations	(1,176,041)	(1,265,425)
(2)	Pension assets	662,126	708,627
(3)	Unfunded retirement benefit obligations (1)+(2)	(513,914)	(556,797)
(4)	Unrecognized actuarial gains or losses	(50,669)	(10,501)
(5)	Unrecognized past employment obligations (obligation write down)	(5,967)	(1,755)
(6)	Net amount reported in Consolidated Balance Sheets (3)+(4)+(5)	(570,552)	(569,054)
(7)	Prepaid pension expenses	—	—
(8)	Allowance for employee retirement benefits (6)-(7)	(570,552)	(569,054)

3. Breakdown of retirement benefits expenses

(Thousands of yen)

		FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
(1)	Employment expenses	78,311	82,409
(2)	Interest expenses	22,089	23,520
(3)	Expected return on plan assets	(9,377)	(9,931)
(4)	Amortization of net actuarial gains or losses	(32,666)	(31,848)
(5)	Amortization of past employment obligations	(4,212)	(4,212)
(6)	Retirement benefits expenses (1)+(2)+(3)+(4)+(5)	54,143	59,937

4. Matters relating to the accounting foundations of retirement benefit obligations

		FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
(1)	Discount rate (%)	2.0	2.0
(2)	Expected return on plan assets (%)	1.5	1.5
(3)	Distribution method and fixed amount standard of anticipated retirement benefits	Periodically fixed amount	Periodically fixed amount
(4)	Amortization of past employment obligations (years)	5	5
(5)	Amortization of actuarial gains or losses (years)	5	5

(Stock Options)

There is nothing to report.

(Tax Effect Accounting)

FY2010 (As of March 31, 2010)		FY2010 (As of March 31, 2010)	
1. Breakdown of the main causes for deferred tax assets and liabilities		1. Breakdown of the main causes for deferred tax assets and liabilities	
Deferred tax assets (current)	(Thousands of yen)	Deferred tax assets (current)	(Thousands of yen)
Disallowed accrued enterprise tax	94,476	Disallowed accrued enterprise tax	71,333
Excess allowance for employee bonuses	57,341	Excess allowance for employee bonuses	62,064
Other	20,779	Other	26,800
	172,597		160,198
Deferred tax assets (fixed)		Deferred tax assets (fixed)	
Loss carried forward	1,212,305	Loss carried forward	1,089,629
Excess allowance for employee retirement benefits	227,079	Excess allowance for employee retirement benefits	226,483
Allowance for directors' retirement benefits	112,026	Allowance for directors' retirement benefits	118,566
Impairment loss	25,982	Impairment loss	25,982
Other	9,048	Other	23,138
Subtotal	1,586,443	Subtotal	1,483,801
Valuation allowance	(1,212,305)	Valuation allowance	(1,089,629)
	374,138		394,171
Deferred tax liabilities (current)		Deferred tax liabilities (current)	
Reserve for special depreciation	(12,367)	Reserve for special depreciation	(10,678)
	(12,367)		(10,678)
Deferred tax liabilities (fixed)		Deferred tax liabilities (fixed)	
Reserve for special depreciation	(30,138)	Reserve for special depreciation	(27,204)
Unrealized gains (losses) on other securities	(420,038)	Unrealized gains (losses) on other securities	(216,624)
Valuation reserve for land	(99,449)	Valuation reserve for land	(41,796)
	(549,626)	Reserve profit of foreign subsidiaries	(13,032)
Net deferred tax assets (current)	160,229		(298,658)
Net deferred tax liabilities (fixed)	(175,488)	Net deferred tax assets (current)	149,519
		Net deferred tax liabilities (fixed)	95,513
2. Breakdown of main items which caused the difference between income tax payable at effective statutory tax rate and that after the application of tax effect accounting	(%)	2. Breakdown of main items which caused the difference between income tax payable at effective statutory tax rate and that after the application of tax effect accounting	(%)
Effective statutory tax rate (Adjustments)	39.8	Effective statutory tax rate (Adjustments)	39.8
Entertainment and other permanently non-deductible expenses	1.7	Entertainment and other permanently non-deductible expenses	1.4
Directors' bonuses	0.8	Directors' bonuses	0.6
Flat-rate inhabitant tax	0.7	Flat-rate inhabitant tax	0.6
Unrecognized tax effects related to losses carried forward	14.2	Unrecognized tax effects related to losses carried forward	9.3
Tax credit for tests and research	(0.8)	Tax credit for tests and research	(0.7)
Difference in tax rate of overseas subsidiaries	(0.7)	Difference in tax rate of overseas subsidiaries	(1.1)
Dividend received and other permanently non-taxable income	(0.5)	Dividend received and other permanently non-taxable income	(0.4)
Other	1.1	Other	0.4
Actual effective tax rate	56.3	Actual effective tax rate	49.9

(Asset Retirement Obligations)

Notes on the asset retirement obligations are omitted because there is little need to disclose on the consolidated financial results.

(Real Estates)

Notes on the real estates are omitted because there is little need to disclose on the Consolidated Financial Results.

(Business Combinations)

FY2010 (from April 1, 2009 to March 31, 2010)

There is nothing to report.

FY2011 (from April 1, 2010 to March 31, 2011)

There is nothing to report.

(Segment Information, etc.)

a. Information by business segment

FY2010 (from April 1, 2009 to March 31, 2010)

Business segment information is omitted because net sales, operating income and assets from the manufacturing and sales of natural seasonings account for more than 90% of total net sales, operating income and assets of all segments.

b. Information by geographic segment

FY2010 (from April 1, 2009 to March 31, 2010)

(Thousands of yen)

	Japan	Other areas	Total	Elimination or entire company	Consolidation
I. Net sales and operating income (loss)					
Net sales					
(1) Sales to external customers	20,574,835	2,318,243	22,893,078	—	22,893,078
(2) Internal sales or transfers between segments	2,796	853,072	855,869	(855,869)	—
Total	20,577,632	3,171,315	23,748,948	(855,869)	22,893,078
Operating expenses	16,610,555	4,168,734	20,779,289	(789,001)	19,990,288
Operating income (loss)	3,967,077	(997,418)	2,969,658	(66,868)	2,902,790
II. Assets	40,855,590	12,079,615	52,935,205	(373,457)	52,561,748

Notes: 1. Countries and regions are categorized based on the similarity of economic activities.
2. Main countries and regions other than Japan
Other areas: the U.S., China, Taiwan, France and Belgium.

c. Overseas sales

FY2010 (from April 1, 2009 to March 31, 2010)

	Asia	Others	Total
I. Overseas sales (thousand yen)	1,531,452	932,910	2,464,362
II. Consolidated net sales (thousand yen)	—	—	22,893,078
III. Overseas sales / consolidated net sales (%)	6.7	4.1	10.8

Notes: 1. Countries and regions are categorized based on geographical proximity.
2. The followings are the breakdown of each region.
(1) Asia: China (including Hong Kong), Taiwan, and South Korea
(2) Others: the U.S., Europe
3. Overseas sales represent the sales of the Company and its consolidated subsidiaries in the countries and regions other than Japan.

d. Segment information

FY2011 (from April 1, 2010 to March 31, 2011)

1. Overview of reportable segments

In accordance with aggregation criteria for reportable segments, the Company's businesses are aggregated into the segment "manufacturing and sales of natural seasonings." Therefore, the Ariake Group has only one reportable segment of a natural seasonings business.

2. Method of calculations of sales, income (loss), assets, liabilities, and other items by reportable segment

The Ariake Group has only one reportable segment of a natural seasonings business, so information is omitted.

3. Information on sales, income (loss), assets, liabilities, and other items by reportable segment

The Ariake Group has only one reportable segment of a natural seasonings business, so information is omitted.

4. Difference between total amount of reportable segment and amount recorded on consolidated financial statements and its details about the difference (matters relating to difference adjustment)

The Ariake Group has only one reportable segment of a natural seasonings business, so information is omitted.

(Additional information)

Effective from April 1, 2010, the Company applied the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17, March 27, 2009) and the Implementation Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20, March 21, 2008).

e. Related information
FY2011 (from April 1, 2010 to March 31, 2011)
1. Information by product and service
Information by product and service is omitted because external sales by products and services account for more than 90% of total net sales stated at consolidated statements of income.

2. Information by geographic segment
(1) Sales

(Thousands of yen)

Japan	North America	Europe	Asia	Total
23,341,544	1,217,373	811,792	1,680,733	27,051,444

(2) Tangible fixed assets

(Thousands of yen)

Japan	North America	Europe	Asia	Total
13,341,300	2,699,540	4,005,171	1,744,680	21,790,693

3. Information by major client

(Thousands of yen)

Name	Sales	Segment name
Vendor Services Co., Ltd.	2,928,254	Natural seasonings business

f. Information on impairment loss of fixed assets by reportable segment
FY2011 (from April 1, 2010 to March 31, 2011)
There is nothing to report.

g. Information on amortization and unamortization of goodwill by reportable segment
FY2011 (from April 1, 2010 to March 31, 2011)

h. Information on accrual profit of negative goodwill by reportable segment
FY2011 (from April 1, 2010 to March 31, 2011)

(Information on the Related Parties)

FY2010 (from April 1, 2009 to March 31, 2010)

Transaction with related parties

Transaction between the Company and related parties

a) Non-consolidated subsidiaries and affiliated companies, etc. of the Company

Position	Name	Address	Capital or investment (thousand yen)	Type of business or job role	Voting rights (Company stake) (%)	Relationship with related parties	Nature of business transaction	Transaction value (thousand yen)	Item	Ending balance of debts and credits (thousand yen)
Subsidiary	Ariake Farm Co., Ltd.	Sasebo City, Nagasaki	15,100	Farming	9.9	–	Loan guarantee	–	–	–
						Purchaser of materials	Purchase of raw materials	38,197	Accounts payable	7,317

Note: 1. The loan guarantee for Ariake Farm Co., Ltd., which is for bank loans, is provided by the Company.

2. With regard to the amounts above, the ending balances of debts and credits include consumption taxes while the transaction values do not include them.

3. The same terms and conditions as those for general clients are applied.

b) Directors, major shareholders, etc. of the Company

Position	Name	Address	Capital or investment (million yen)	Type of business or job role	Voting rights (Company stake) (%)	Relationship with related parties	Nature of business transaction	Transaction value (thousand yen)	Item	Ending balance of debts and credits (thousand yen)
Companies in which directors or close relatives hold more than 50% of voting rights (including company subsidiaries)	Hill Top Food System Co., Ltd.	Fukuoka City, Fukuoka	300	Operation of restaurants	None	Supply of materials	Sales of merchandise	244,491	Accounts receivable-trade	13,880
						Leasing of facilities	Receiving of facility usage fees	3,600	Advances received	315
	Japan Food Business Co., Ltd.	Shibuya-ku, Tokyo	20	Operation of assets	(Company stake) 16.77	Supply of materials	Sales of merchandise	1,477	Accounts receivable-trade	90
						Leasing of facilities	Receiving of facility usage fees	2,400	Advances received	210
						Purchase of fixed assets	Purchasing o f machinery equipment	27,431	–	–

Notes: 1. With regard to the amounts above, the ending balances of debts and credits include consumption taxes while the transaction values do not include them.

2. The same terms and conditions as those for general clients are applied.

FY2011 (from April 1, 2010 to March 31, 2011)

Transaction with related parties

Transactions between the Company and related parties

a) Non-consolidated subsidiaries and affiliated companies, etc. of the Company

Position	Name	Address	Capital or investment (thousand yen)	Type of business or job role	Voting rights (Company stake) (%)	Relationship with related parties	Nature of business transaction	Transaction value (thousand yen)	Item	Ending balance of debts and credits (thousand yen)
Subsidiary	Ariake Farm Co., Ltd.	Sasebo City, Nagasaki	15,100	Farming	9.9	Purchaser of materials	Purchase of raw materials	89,881	Accounts payable – trade	6,783
						Purchase of merchandise	Purchase of shareholder benefits	27,112	–	–
						Lending of loans	Lending of loans	15,000	Short-term loans payable	15,000

Note: 1. With regard to the amounts above, the ending balances of debts and credits include consumption taxes while the transaction values do not include them.

2. The same terms and conditions as those for general clients are applied.

3. Market interest is considered in determining interest on loans.

b) Directors, major shareholders, etc. of the Company

Position	Name	Address	Capital or investment (million yen)	Type of business or job role	Voting rights (Company stake) (%)	Relationship with related parties	Nature of business transaction	Transaction value (thousand yen)	Item	Ending balance of debts and credits (thousand yen)
Companies in which directors or close relatives hold more than 50% of voting rights (including company subsidiaries)	Hill Top Food System Co., Ltd.	Fukuoka City, Fukuoka	300	Operation of restaurants	None	Supply of materials	Sales of merchandise	238,098	Accounts receivable – trade	16,009
						Leasing of facilities	Receiving of facility usage fees	3,600	Advances received	315
	Japan Food Business Co., Ltd.	Shibuya-ku, Tokyo	20	Management of assets	(Company stake) 16.77	Supply of materials	Sales of merchandise	1,130	Accounts receivable – trade	126
						Leasing of facilities	Receiving of facility usage fees	2,400	Advances received	210

Notes: 1. With regard to the amounts above, the ending balances of debts and credits include consumption taxes while the transaction values do not include them.

2. The same terms and conditions as those for general clients are applied.

(Per Share Information)

(Yen)

FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Net assets per share 1,314.97 Net income per share 40.65 Diluted net income per share is not reported because these are not residual securities.	Net assets per share 1,286.79 Net income per share 53.91 Diluted net income per share is not reported because these are not residual securities.

Note: Bases for calculation of net income per share are as follows:

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Net income	1,293,718	1,716,031
Amount not attributed to common shareholders	—	—
Net income related to common stocks	1,293,718	1,716,031
Average number of shares outstanding during the fiscal years (thousand shares)	31,829	31,828

(Important Subsequent Events)

There is nothing to report.

5. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Thousands of yen)

	FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
Assets		
Current assets		
Cash and time deposits	13,982,899	8,438,295
Notes receivable	457,515	529,092
Accounts receivable	*2 3,792,874	*2 4,182,455
Securities	—	1,003,890
Merchandise and finished goods	1,137,748	1,486,879
Work in process	386,879	430,977
Raw materials and supplies	1,387,524	1,405,622
Advance payments	80,955	154,757
Prepaid expenses	36,232	26,586
Short-term loan to subsidiaries and affiliated companies	329,086	2,417,729
Deferred tax assets	160,229	149,519
Short-term loans receivable	—	87,500
Other	64,740	44,070
Allowance for doubtful accounts	(909)	(1,379)
Total current assets	21,815,777	20,355,998
Fixed assets		
Tangible fixed assets		
Buildings	12,426,057	12,430,151
Accumulated depreciation	(5,726,801)	(6,123,886)
Buildings (net)	6,699,256	6,306,265
Structures	888,913	888,913
Accumulated depreciation	(652,514)	(683,312)
Structures (net)	236,398	205,600
Machines and devices	14,489,086	14,690,668
Accumulated depreciation	(11,398,427)	(11,911,427)
Machines and devices (net)	3,090,658	2,779,241
Ships and vessels	17,344	17,344
Accumulated depreciation	(16,879)	(17,079)
Ships and vessels (net)	465	264
Vehicles and delivery equipment	170,219	183,005
Accumulated depreciation	(139,276)	(142,619)
Vehicles and delivery equipment (net)	30,943	40,385
Tools, furniture and fixtures	673,235	661,508
Accumulated depreciation	(625,700)	(627,763)
Tools, furniture and fixtures (net)	47,535	33,745
Land	3,914,970	3,914,970
Leased assets	6,100	6,100
Accumulated depreciation	(84)	(1,101)
Leased assets (net)	6,015	4,998
Construction in progress	73,691	27,843
Total tangible fixed assets	14,099,933	13,313,314
Intangible fixed assets		
Software	12,385	13,350
Telephone subscription rights	7,139	7,139
Total intangible fixed assets	19,524	20,489

(Thousands of yen)

	FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
Investments and other assets		
Investment securities	3,237,442	5,813,982
Stocks of subsidiaries and affiliated companies	8,900,448	9,688,128
Investments in subsidiaries and affiliated companies	413,095	413,095
Long-term loans receivable	350,000	196,875
Long-term loans to employees	38,245	32,695
Long-term loans to subsidiaries and affiliated companies	210,476	150,000
Long-term prepaid expenses	29,505	42,392
Investments in real estates (net)	*1 551,318	*1 545,430
Insurance reserve	429,788	415,844
Deferred tax assets	—	171,383
Other	43,661	42,216
Allowance for doubtful accounts	(53,086)	(53,075)
Total investments and other assets	14,150,894	17,458,967
Total fixed assets	28,270,352	30,792,772
Total assets	50,086,130	51,148,770
Liabilities		
Current liabilities		
Notes payable	696,810	798,866
Accounts payable	*2 1,241,539	*2 1,575,149
Lease liabilities	977	929
Other accounts payable	447,938	681,142
Accrued expenses	127,069	180,585
Income taxes payable	1,229,789	878,769
Consumption tax payable	109,190	57,848
Deposits payable	30,589	34,551
Allowance for employee bonuses	144,073	155,940
Allowance for directors' bonuses	52,700	56,000
Derivative liabilities	755,024	708,704
Other	41,380	51,902
Total current liabilities	4,877,083	5,180,390
Fixed liabilities		
Lease liabilities	5,386	4,456
Allowance for employee retirement benefits	570,552	569,054
Allowance for directors' retirement benefits	281,474	297,906
Deferred tax liabilities	55,178	—
Other	60	60
Total fixed liabilities	912,651	871,477
Total liabilities	5,789,735	6,051,867

(Thousands of yen)

	FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
Net assets		
Shareholders' equity		
Common stock	7,095,096	7,095,096
Capital surplus		
Capital reserve	7,833,869	7,833,869
Total capital surplus	7,833,869	7,833,869
Retained earnings		
Legal reserve of retained earnings	441,000	441,000
Other retained earnings		
Reserve for special depreciation	64,294	57,301
Special reserve fund	7,820,000	7,820,000
Retained earnings carried forward	22,465,169	23,581,088
Total retained earnings	30,790,464	31,899,389
Treasury stock	(2,058,368)	(2,059,110)
Total shareholders' equity	43,661,060	44,769,244
Unrealized gains and adjustments		
Unrealized gains (losses) on other securities	635,334	327,657
Total unrealized gains (losses) and adjustments	635,334	327,657
Total net assets	44,296,395	45,096,902
Total liabilities and net assets	50,086,130	51,148,770

(2) Non-Consolidated Statements of Income

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Net sales		
Product sales	19,206,324	22,105,073
Merchandise sales	977,444	814,315
Total net sales	20,183,769	22,919,389
Cost of sales		
Product inventory at beginning of term	1,020,672	1,094,020
Merchandise inventory at beginning of term	35,976	43,728
Product cost of manufacture of the current term	12,351,411	14,534,463
Cost of merchandise of the current term	788,436	724,217
Total	14,196,496	16,396,430
Product inventory at end of term	1,094,020	1,380,260
Merchandise inventory at end of term	43,728	106,618
Total cost of sales	*1 13,058,747	*1 14,909,550
Gross profit	7,125,021	8,009,838
Selling, general and administrative expenses	*2, *3 3,287,784	*2, *3 3,679,636
Operating income	3,837,237	4,330,202
Non-operating income		
Interest income	47,485	40,186
Interest on securities	1,338	22,962
Dividend income	67,616	62,419
Gain on sale of securities	14,803	—
Rent received	35,934	35,883
Gain on valuation of derivatives	72,693	46,319
Other	95,924	92,086
Total non-operating income	335,796	299,858
Non-operating expenses		
Interest paid	20	225
Exchange loss on foreign currency	142,790	488,454
Expenses for new overseas businesses	52,818	—
Cost of rental revenue	19,092	16,577
Other	22,825	8,540
Total non-operating expenses	237,547	513,797
Ordinary income	3,935,486	4,116,263
Extraordinary losses		
Provision of allowance for doubtful accounts	53,000	—
Loss on valuation of investment securities	—	36,617
Total extraordinary losses	53,000	36,617
Income before income taxes	3,882,486	4,079,646
Income taxes–current	1,708,000	1,710,000
Income taxes–deferred	(81,409)	(12,438)
Total income taxes	1,626,590	1,697,561
Net income	2,255,895	2,382,084

Breakdown of the Product Cost of Manufacture

(Thousands of yen)

Account	Notes	FY2010 (from April 1, 2009 to March 31, 2010) Amount	Ratio (%)	FY2011 (from April 1, 2010 to March 31, 2011) Amount	Ratio (%)
I. Material costs		6,971,885	56.0	8,538,471	58.4
II. Labor costs		1,731,166	13.9	1,991,615	13.6
(of which, provision for employee bonuses)		(94,778)		(100,881)	
(of which, retirement benefits expenses)		(36,772)		(42,647)	
III. Expenses		3,738,705	30.1	4,102,135	28.0
(of which, depreciation expenses)		(1,229,316)		(1,045,782)	
(of which, sub contractor expenses)		(31,911)		(39,824)	
Total manufacturing cost of the current term		12,441,757	100.0	14,632,223	100.0
Work in process inventory at beginning of term		373,635		386,879	
Total		12,815,393		15,019,102	
Subtract: Work in process inventory at end of term		386,879		430,977	
Subtract: Transfers to other accounts	*1	77,103		53,660	
Product cost of manufacture of the current term		12,351,411		14,534,463	

Note

FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
(Cost accounting method) Separate cost accounting per individual lots based on actual cost. *1 (Transfers to other accounts) Of the transfers to other accounts, main ones are recorded in selling, general and administrative expenses (advertising expenses, etc.).	(Cost accounting method) Same as on the left. *1 (Transfers to other accounts) Same as on the left.

(3) Non-Consolidated Statements of Changes in Shareholders' Equity

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Shareholders' equity		
Common stock		
Balance at the end of previous fiscal year	7,095,096	7,095,096
Amount of fluctuation during the year		
Total amount of fluctuation during the year	—	—
Balance at the end of current fiscal year	7,095,096	7,095,096
Capital surplus		
Capital reserve		
Balance at the end of previous fiscal year	7,833,869	7,833,869
Amount of fluctuation during the year		
Total amount of fluctuation during the year	—	—
Balance at the end of current fiscal year	7,833,869	7,833,869
Total capital surplus		
Balance at the end of previous fiscal year	7,833,869	7,833,869
Amount of fluctuation during the year		
Total amount of fluctuation during the year	—	—
Balance at the end of current fiscal year	7,833,869	7,833,869
Retained earnings		
Legal reserve of retained earnings		
Balance at the end of previous fiscal year	441,000	441,000
Amount of fluctuation during the year		
Total amount of fluctuation during the year	—	—
Balance at the end of current fiscal year	441,000	441,000
Other retained earnings		
Reserve for special depreciation		
Balance at the end of previous fiscal year	82,946	64,294
Amount of fluctuation during the year		
Provision of reserve for special depreciation	3,100	12,157
Withdrawal of reserve for special depreciation	(21,752)	(19,150)
Total amount of fluctuation during the year	(18,651)	(6,992)
Balance at the end of current fiscal year		
Special reserve fund		
Balance at the end of previous fiscal year	7,820,000	7,820,000
Amount of fluctuation during the year		
Total amount of fluctuation during the year	—	—
Balance at the end of current fiscal year	7,820,000	7,820,000
Retained earnings carried forward		
Balance at the end of previous fiscal year	21,463,797	22,465,169
Amount of fluctuation during the year		
Provision of reserve for special depreciation	(3,100)	(12,157)
Withdrawal of reserve for special depreciation	21,752	19,150
Dividend from retained earnings	(1,273,174)	(1,273,158)
Net income	2,255,895	2,382,084
Disposal of treasury stock	—	—
Total amount of fluctuation during the year	1,001,372	1,115,918
Balance at the end of current fiscal year	22,465,169	23,581,088

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Total retained earnings		
Balance at the end of previous fiscal year	29,807,743	30,790,464
Amount of fluctuation during the year		
Provision of reserve for special depreciation	—	—
Withdrawal of reserve for special depreciation	—	—
Dividend from retained earnings	(1,273,174)	(1,273,158)
Net income	2,255,895	2,382,084
Disposal of treasury stock	—	—
Total amount of fluctuation during the year	982,720	1,108,925
Balance at the end of current fiscal year	30,790,464	31,899,389
Treasury stock		
Balance at the end of previous fiscal year	(2,057,727)	(2,058,368)
Amount of fluctuation during the year		
Acquisition of treasury stock	(861)	(1,084)
Disposal of treasury stock	220	342
Total amount of fluctuation during the year	(640)	(741)
Balance at the end of current fiscal year	(2,058,368)	(2,059,110)
Total shareholders' equity		
Balance at the end of previous fiscal year	42,678,980	43,661,060
Amount of fluctuation during the year		
Dividend from retained earnings	(1,273,174)	(1,273,158)
Net income	2,255,895	2,382,084
Acquisition of treasury stock	(861)	(1,084)
Disposal of treasury stock	220	342
Total amount of fluctuation during the year	982,080	1,108,184
Balance at the end of current fiscal year	43,661,060	44,769,244

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Unrealized gains and adjustments		
Unrealized gains on other securities		
Balance at the end of previous fiscal year	70,337	635,334
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	564,997	(307,676)
Total amount of fluctuation during the year	564,997	(307,676)
Balance at the end of current fiscal year	635,334	327,657
Total unrealized gains and adjustments		
Balance at the end of previous fiscal year	70,337	635,334
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	564,997	(307,676)
Total amount of fluctuation during the year	564,997	(307,676)
Balance at the end of current fiscal year	635,334	327,657
Total net assets		
Balance at the end of previous fiscal year	42,749,317	44,296,395
Amount of fluctuation during the year		
Dividend from retained earnings	(1,273,174)	(1,273,158)
Net income	2,255,895	2,382,084
Acquisition of treasury stock	(861)	(1,084)
Disposal of treasury stock	220	342
Amount of fluctuation of items other than shareholders' equity during the year (net)	564,997	(307,676)
Total amount of fluctuation during the year	1,547,077	800,507
Balance at the end of current fiscal year	44,296,395	45,096,902

(4) Notes on the Going Concern Assumption

There is no related information.

(5) Important Accounting Policy

Term	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
1. Valuation standard and method for securities	(1) Securities for sale Mark-to-market method (costs for sale were computed with the moving average method.) Securities purchased on margin were accounted as securities for sale. (2) Stocks of subsidiaries and affiliated companies Cost method under the moving average method (3) Other securities Securities with market price Mark-to-market method based on the market price as of the closing day of accounts (All the valuation differences were incorporated directly into the net assets and costs for sale were computed with the moving average method.) Securities without market price Cost method under the moving average method	(1) Securities for sale Same as on the left. (2) Stocks of subsidiaries and affiliated companies Same as on the left. (3) Held-to-maturity securities Amortized cost method (straight-line method) (4) Other securities Securities with market price Same as on the left. Securities without market price Same as on the left.
2. Valuation standard and method for derivatives	(1) Derivatives: Mark-to-market method	(1) Derivatives: Same as on the left.
3. Valuation standard and method for inventories	(1) Merchandise: Identified cost method (2) Products: Identified cost method (3) Raw materials: Cost method under the moving average method (4) Work in process: Identified cost method (5) Supplies: Last cost method (Amounts on the balance sheets were calculated by the method of writing down the book value in accordance with a decline in profitability.)	(1) Merchandise: Same as on the left. (2) Products: Same as on the left. (3) Raw materials: Same as on the left. (4) Work in process: Same as on the left. (5) Supplies: Same as on the left. Same as on the left.
4. Depreciation method for fixed assets	(1) Tangible fixed assets (except for leased assets) Declining balance method However, a straight-line method was used for buildings (except attached equipment) acquired or put into business use after April 1, 1998. Small-amount depreciable assets of which the acquisition price was ¥100,000 or more and less than ¥200,000 were and will be depreciated evenly over 3 years. Useful lives of major assets were as follows: Buildings: 15 – 50 years Machines and devices: 10 years	(1) Tangible fixed assets (except for leased assets) Same as on the left.

Term	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
	(2) Intangible fixed assets (except for leased assets) Software for internal use is amortized over its estimated useful life of 5 years, using the straight-line method. (3) Leased assets Finance leased assets that do not transfer ownership are depreciated using the straight-line method over the period of the lease with zero residual value. Finance leased assets that do not transfer ownership and were acquired prior to December 31, 2008 are not capitalized but accounted for by a method similar to that applicable to operating leases. 31, 2008, the conventional method was applied. (4) Long-term prepaid expenses Straight-line method (5) Investments in real estates Declining balance method	(2) Intangible fixed assets (except for leased assets) Same as on the left. (3) Leased assets Same as on the left. (4) Long-term prepaid expenses Same as on the left. (5) Investments in real estates Same as on the left.
5. Standards for converting foreign currency denominated assets and liabilities into Japanese yen	Receivables and payables denominated in foreign currencies were converted to Japanese yen using the spot exchange rate for the closing day of the fiscal year, and differences were recorded as gains or losses.	Same as on the left.
6. Standards for allowances	(1) Allowance for doubtful accounts To prepare against losses from bad debts, the amount estimated based on the actual loss ratio was reserved for ordinary receivables, and the amount of possible losses was included in the reserve considering the collectibility of individual doubtful accounts. (2) Allowance for employee bonuses The Company reserved and recorded the estimated amount of the bonuses to prepare for payment to employees. (3) Allowance for directors' bonuses The Company reserved and recorded as the current fiscal year's Company's contribution a part of the estimated amount of directors' bonuses to prepare for payment to directors. (4) Allowance for employee retirement benefits To prepare for payment of benefits to retired employees, the amount of actual payment was reserved based on estimation of retirement benefit obligations and pension assets regarded as existing at the end of the current fiscal year. Actuarial gains and losses are treated as expenses, and amortized from the following fiscal year in which the gain or loss is recognized using a straight-line method over a certain period (5 years) within the average remaining years of service of the employees. Past employment obligations were treated as expense, using the straight-line method based on a fixed number of years (5 years) within average	(1) Allowance for doubtful accounts Same as on the left. (2) Allowance for employee bonus Same as on the left. (3) Allowance for directors' bonuses Same as on the left. (4) Allowance for employee retirement benefits Same as on the left.

	remaining service period of employees at the time of accrual.	

Term	FY2009 (from April 1, 2008 to March 31, 2009)	FY2010 (from April 1, 2009 to March 31, 2010)
	(5) Allowance for directors' retirement benefits To prepare for payment of directors' retirement benefits, the Company reserved and recorded the required amounts as of the end of the fiscal year based on the internal regulations regarding directors' retirement benefits.	(5) Allowance for directors' retirement benefits Same as on the left.
7. Other important matters to prepare financial statements	(1) Accounting of the consumption tax The Company applied the tax-exclusion accounting method.	(1) Accounting of the consumption tax Same as on the left.

(6) Changes in Accounting Method

FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
(Allowance for employee retirement benefits) The Company has adopted the Accounting Standard for Retirement Benefits (Part 3) (ASBJ Statement No. 19, revised on July 31, 2008) from the current fiscal year. Note that this application had no impact on operating income, ordinary income and income before income taxes.	――――――
――――――	(Accounting Standard for Asset Retirement Obligations) Effective from the current fiscal year, the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18 issued on March 31, 2008) and the "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No.21 issued on March 31, 2008) have been applied. Note that this application had no impact on operating income, ordinary income and income before income taxes.

(7) Notes on the Non-Consolidated Financial Statements

(Non-Consolidated Balance Sheets)

<table>
<tr><th>FY2010
(As of March 31, 2010)</th><th>FY2011
(As of March 31, 2011)</th></tr>
<tr><td>
*1. Accumulated depreciation of investments in real estates
¥108,464 thousand
*2. Major assets in and liabilities to subsidiaries and affiliated companies are as follows. Accounts independently posted on the Balance Sheets were excluded.
Accounts receivable ¥11,478 thousand
Accounts payable ¥17,798 thousand

*3. Contingent liabilities
(1) Loan guarantee
The Company guaranteed the following subsidiaries and affiliated companies' loans from a financial institution.
<table>
<tr><th>Guaranteed Company</th><th>Amount</th><th>Details</th></tr>
<tr><td>F.P.N.I. BELGIUM N.V.</td><td>¥961,884 thousand (€7,700 thousand)</td><td>Loan liability</td></tr>
<tr><td>F.P. Natural Ingredients S.A.S.</td><td>¥218,610 thousand (€1,750 thousand)</td><td>Loan liability</td></tr>
<tr><td>Qingdao Ariake Foodstuff Co., Ltd.</td><td>¥487,848 thousand (35,792 thousand yuan)</td><td>Loan liability</td></tr>
<tr><td>Ariake Farm Co., Ltd.</td><td>¥510,000 thousand</td><td>Loan liability</td></tr>
<tr><td>Total</td><td>¥2,178,342 thousand</td><td>—</td></tr>
</table>
</td><td>
*1. Accumulated depreciation of investments in real estates
¥114,352 thousand
*2. Major assets in and liabilities to subsidiaries and affiliated companies are as follows. Accounts independently posted on the Balance Sheets were excluded.
Accounts receivable ¥21,873 thousand
Accounts payable ¥7,843 thousand

*3. Contingent liabilities
(1) Loan guarantee
The Company guaranteed the following subsidiaries and affiliated companies' loans from a financial institution.
<table>
<tr><th>Guaranteed Company</th><th>Amount</th><th>Details</th></tr>
<tr><td>F.P.N.I. BELGIUM N.V.</td><td>¥352,710 thousand (€3,000 thousand)</td><td>Loan liability</td></tr>
<tr><td>Qingdao Ariake Foodstuff Co., Ltd.</td><td>¥146,212 thousand (11,530 thousand yuan)</td><td>Loan liability</td></tr>
<tr><td>ARIAKE U.S.A., Inc.</td><td>¥831,500 thousand (10,000 thousand dollars)</td><td>Loan liability</td></tr>
<tr><td>Total</td><td>¥1,330,422 thousand</td><td>—</td></tr>
</table>
</td></tr>
</table>

(Non-Consolidated Statements of Income)

FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
*1. Ending inventories were calculated by the method of writing down the book value in accordance with a decline in profitability and the following loss on valuation of inventories was included in cost of sales. Total cost of sales ¥ 24,506 thousand	*1. Ending inventories were calculated by the method of writing down the book value in accordance with a decline in profitability and the following loss on valuation of inventories was included in cost of sales. Total cost of sales ¥ 22,958 thousand
*2. Major items accounted in selling, general and administrative expenses are as follows: (Thousands of yen) Packing and transportation expenses 1,155,666 Warehousing costs 128,252 Salary 408,854 Depreciation expenses 66,715 Provision for employee bonuses 41,961 Provision for directors' bonuses 52,700 Retirement benefits expenses 13,007 Provision for directors' retirement benefits 1 6,169 Expenses included in selling expenses 40% Expenses included in general and administrative expenses 60%	*2. Major items accounted in selling, general and administrative expenses are as follows: (Thousands of yen) Packing and transportation expenses 1,393,414 Warehousing costs 184,853 Salary 453,571 Depreciation expenses 65,785 Provision for employee bonuses 47,480 Provision for directors' bonuses 56,000 Retirement benefits expenses 15,426 Provision for directors' retirement benefits 16,431 Expenses included in selling expenses 44% Expenses included in general and administrative expenses 56%
*3.Rresearch and development expenses included in general and administrative expenses ¥ 286,267 thousand	*3.Rresearch and development expenses included in general and administrative expenses ¥303,654 thousand

(Non-Consolidated Statements of Changes in Shareholders' Equity)

FY2010 (from April 1, 2009 to March 31, 2010)

Items regarding the type and number of shares of treasury stock

(Thousands of shares)

	Number of shares at the previous year-end	Increased number of shares during the year	Decreased number of shares during the year	Number of shares at the year-end
Common Stock (Note)	979	0	0	979
Total	979	0	0	979

Note: The increase in common stock for treasury stock was through purchase of odd-lot shares while the decrease in the stock was due to the sales of odd-lot shares.

FY2011 (from April 1, 2010 to March 31, 2011)

Items regarding the type and number of shares of treasury stock

(Thousands of shares)

	Number of shares at the previous year-end	Increased number of shares during the year	Decreased number of shares during the year	Number of shares at the year-end
Common Stock (Note)	979	0	0	980
Total	979	0	0	980

Note: The increase in common stock for treasury stock was through purchase of odd-lot shares while the decrease in the stock was due to the sales of odd-lot shares.

(Lease Transactions)

FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee 1) Leased assets Television conference system 2) Depreciation method of leased assets As described in "4. Matters relating to accounting standards (2) Depreciation method for important depreciable assets" of Basic Important Matters to Prepare the Consolidated Financial Statements. Among non-ownership transfer finance lease transactions, leases for which the lease transaction had started before March 31, 2008, the conventional lease transaction method was applied. (1) Amounts equal to purchase price, accumulated depreciation, impairment loss and ending balance of leases	1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee 1) Leased assets Television conference system 2) Depreciation method of leased assets As described in "4. Matters relating to accounting standards (2) Depreciation method for important depreciable assets" of Basic Important Matters to Prepare the Consolidated Financial Statements. Among non-ownership transfer finance lease transactions, leases for which the lease transaction had started before March 31, 2008, the conventional lease transaction method was applied. (1) Amounts equal to purchase price, accumulated depreciation, impairment loss and ending balance of leases

FY2010 (Thousands of yen)

	Amount equal to purchase price	Amount equal to accumulated depreciation	Amount equal to ending balance
Tools, furniture and fixtures	40,576	31,049	9,526
Total	40,576	31,049	9,526

FY2011 (Thousands of yen)

	Amount equal to purchase price	Amount equal to accumulated depreciation	Amount equal to ending balance
Tools, furniture and fixtures	9,050	6,186	2,863
Total	9,050	6,186	2,863

(2) Amount equal to balance of unexpired lease charges at end of term

(Thousands of yen)

	FY2010	FY2011
Within 1 year	6,686	1,368
More than 1 year	3,021	1,654
Total	9,708	3,023

(3) Lease charges paid, reversal of impairment loss on leased assets, impairment loss, amounts equal to depreciation expense and interest expense

(Thousands of yen)

	FY2010	FY2011
Lease charges paid	11,715	6,885
Amount equal to depreciation expense	11,591	6,762
Amount equal to interest expense	138	99

FY2010	FY2011
(4) Calculation of the amount equal to depreciation expense The straight-line method that assumes the lease period as the useful life and sets the residual value to 0 was applied.	(4) Calculation of the amount equal to depreciation expense Same as on the left.
(5) Calculation of the amount equal to interest expense The difference between the total of lease charges and the amount equal to the purchase price was regarded as the amount equal to interest expense, and the interest method was applied to allocation to each term.	(5) Calculation of the amount equal to interest expense Same as on the left.
2. Operating lease transactions Unexpired lease charges (Thousands of yen) Within 1 year 4,186 More than 1 year 3,209 Total 7,396	2. ―――――
(Impairment loss) There was impairment loss attributed to leased assets.	(Impairment loss) Same as on the left.

(Securities)

FY2010 (As of March 31, 2010)
Subsidiary shares (with the amount recorded on balance sheets of ¥8,900,448 million) do not have fair values and it is considered extremely difficult to determine fair values. Therefore, they are not reported.

FY2011 (As of March 31, 2011)
Subsidiary shares (with the amount recorded on balance sheets of ¥9,688,128 million) do not have fair values and it is considered extremely difficult to determine fair values. Therefore, they are not reported.

(Tax Effect Accounting)

1. Breakdown of main causes for deferred tax assets and liabilities

(Thousands of yen)

	FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
Deferred tax assets		
Disapproval of accrued enterprise tax	94,476	71,333
Excess allowance for employee bonuses	57,341	62,064
Excess allowance for employee retirement benefits	227,079	226,483
Allowance for directors' retirement benefits	112,026	118,566
Allowance for doubtful accounts	21,094	21,064
Impairment loss	25,982	25,982
Disapproval of loss on evaluation of golf-club memberships	8,815	8,815
Other	20,779	41,100
Total deferred tax assets	567,596	575,411
Deferred tax liabilities		
Reserve for special depreciation	(42,506)	(37,883)
Unrealized gains on other securities	(420,038)	(216,624)
Total deferred tax liabilities	(462,545)	(254,508)
Net deferred tax assets	105,051	320,903

2. Breakdown of main items which caused the difference between income tax payable at effective statutory tax rate and that after the application of tax effect accounting

	FY2010 (As of March 31, 2010)	FY2011 (As of March 31, 2011)
Effective statutory tax rate (Adjustments)	39.8%	39.8%
Entertainment and other permanently non-deductible expenses	1.3	1.2
Directors' bonuses	0.6	0.5
Flat-rate inhabitant tax	0.5	0.4
Tax credit for tests and research	(0.6)	(0.6)
Dividend received and other permanently non-taxable income	(0.3)	(0.3)
Other	0.6	0.6
Actual effective tax rate	41.9	41.6

(Business Combinations)

FY2010 (from April 1, 2009 to March 31, 2010)
There is nothing to report.

FY2011 (from April 1, 2010 to March 31, 2011)
There is nothing to report.

(Asset Retirement Obligations)

Notes on the asset retirement obligations are omitted because there is little need to disclose on the consolidated financial results.

(Per Share Information)

(Yen)

FY2010 (from April 1, 2009 to March 31, 2010)		FY2011 (from April 1, 2010 to March 31, 2011)	
Net assets per share	1,391.70	Net assets per share	1,416.88
Net income per share	70.88	Net income per share	74.84
Due to absence of residual shares with dilution effects, net income per share after residual share adjustment is not reported.		Due to absence of residual shares with dilution effects, net income per share after residual share adjustment is not reported.	

Note: Bases for calculation of net income per share are as follows:

(Thousands of yen)

	FY2010 (from April 1, 2009 to March 31, 2010)	FY2011 (from April 1, 2010 to March 31, 2011)
Net income	2,255,895	2,382,084
Amount not attributed to common shareholders	—	—
Net income related to common stocks	2,255,895	2,382,084
Average number of shares outstanding during the fiscal years (thousand shares)	31,829	31,828

(Important Subsequent Events)

There is nothing to report.

6. Others

(1) Changes in Directors

1) Changes in Representative Director

There is nothing to report.

2) Changes in other directors

There is nothing to report.

(2) Others

There is nothing to report.