Consolidated Financial Results for the Fiscal Year 2009

May 14, 2009

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)
Contact: Akio Miyakawa, General Manager of the Administration Department TEL: 03-3791-3301
Date of annual general meeting of shareholders: June 19, 2009
Date to submit the annual securities report: June 22, 2009
Date to start dividends distribution: June 22, 2009

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

1. Consolidated Financial Results for the Year Ended March 31, 2009 (April 1, 2008 to March 31, 2009)

(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	%
FY2009	21,736	(5.3)	2,890	(29.0)	1,830	(47.6)	789	(57.4)
FY2008	22,961	2.3	4,074	(25.5)	3,493	(34.1)	1,851	(40.5)

	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	%	%	%
FY2009	24.80	–	1.9	3.6	13.3
FY2008	57.65	–	4.3	6.8	17.7

Reference: Investment profit/ loss on equity method: FY2009 ¥ –million FY2008 ¥– million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2009	49,247	41,308	83.4	1,290.55
FY2008	51,416	43,251	84.1	1,349.94

Reference: Equity capital: FY2009 ¥ 41,077 million FY2008 ¥ 42,969 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
FY2009	4,122	(6,098)	(1,291)	8,209
FY2008	4,364	(5,439)	(407)	11,620

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	%	%
FY2008	–	15.00	–	15.00	30.00	959	52.0	2.2
FY2009	–	20.00	–	20.00	40.00	1,273	161.3	3.0
FY2010 (projection)	–	20.00	–	20.00	40.00		68.4	

3. Forecast of the Consolidated Financial Results for the Year Ending March 31, 2010 (April 1, 2009 to March 31, 2010)

(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	11,534	7.6	1,355	6.7	1,338	126.4	611	387.5	19.20
Full-year	26,089	20.0	3,578	23.8	3,522	92.4	1,861	135.8	58.47

4. Other Information

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

(2) Changes in accounting principles, procedures, and method of presentation associated with preparation of the Consolidated Financial Statements (matters to be included in the section, "Change in Basic Conditions to Prepare Consolidated Financial Statements")

1) Changes associated with revisions of accounting standards, or the like: Yes
2) Change other than those included in 1): None
Note: For more details, please refer to Page 20, "Change in Basic conditions to prepare Consolidated Financial Statements."

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at fiscal year-end (including treasury stock):
FY2009 32,808,683 shares FY2008 32,808,683 shares
2) Number of treasury stock at fiscal year-end:
FY2009 979,122 shares FY2008 977,950 shares
Note: For the number of shares that is the basis for the calculation of consolidated net income per share; please see Page 34, "Per share information."

(Reference)

1. Financial Results for the Year Ended March 31, 2009 (April 1, 2008 - March 31, 2009)

(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	%
FY2009	19,258	(3.7)	3,254	(13.4)	2.491	(34.3)	1,428	(35.2)
FY2008	19,990	1.2	3,757	(25.0)	3,795	(23.3)	2,205	(23.2)

	Net income per share	Diluted net income per share
	Yen	Yen
FY2009	44.89	–
FY2008	68.69	–

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2009	47,332	42,749	90.3	1,343.07
FY2008	46,583	42,132	90.4	1,323.64

Reference: Equity capital: FY2009 ¥ 42,749 million FY2008 ¥ 42,132 million

2. Forecast of the Non-Consolidated Financial Results for the Year Ending March 31, 2010 (April 1, 2009 - March 31, 2010)

(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	9,800	4.6	1,706	17.2	1,710	65.4	992	73.7	31.17
Full-year	21,000	9.0	3,900	19.8	3,900	56.5	2,262	58.3	71.07

<u>* Explanation about the proper use of financial projections and other important notes</u>

Forecasts described above have been made based on information available as of the date of announcement and likely include factors which are uncertain. Actual results may be different from these forecasts due to various factors. For more information regarding the forecasts, please refer to pages 4 - 6.

1. Business Results

(1) Analysis of Business Results

1. Business conditions for the Fiscal Year 2009

(Consolidated business results) (Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2009	21,736	2,890	1,830	789	24.80
FY2008	22,961	4,074	3,493	1,851	57.65
Growth Rate	(5.3%)	(29.0%)	(47.6%)	(57.4%)	—

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

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2009	19,258	3,254	2,491	1,428	44.89
FY2008	19,990	3,757	3,795	2,205	68.69
Growth Rate	(3.7%)	(13.4%)	(34.3%)	(35.2 %)	—

1) Overall performance for the Fiscal Year 2009

During the consolidated fiscal year, the Japanese economy rapidly weakened as corporations put off capital investments and adjusted inventories due to uncertainty about the future stemming from hikes in the price of crude oil and commodities and the global financial crisis that originated from the subprime mortgage problem in the U.S.

In the food industry, business conditions were harsh as consumer spending stagnated for several reasons including deterioration in employment and income conditions due to weak corporate earnings.

In this environment, as a leading manufacturer in the field of natural seasonings, the Ariake Group (the Group) is anticipating customer needs and actively working to expand existing businesses both overseas and within Japan and to actively develop new business fields. In addition, the Group is striving to ensure “food safety” and “high quality.”

The Company (Ariake Japan Co., Ltd.) has traditionally built plants not only in Japan but also overseas in order to expand its natural seasonings business throughout the world. In particular, the Company has made around 20 billion yen worth of large-scale capital investments over the past couple of years throughout the world for the construction and expansion of its factories. Last year, operations at two European plants were launched, completing the “global six-pillar system” of production and sales bases, centered on Japan but also including the U.S., China, Taiwan, Belgium, and France. This “global six-pillar system” will result in optimal regional production system that can provide a stable and high-quality supply of products and create a system that can handle all the needs of our many customers.

During the consolidated fiscal year, the Company not only eliminated product lines that were no longer profitable but also coordinated and cooperated with customers, and these efforts included establishing a system that can rapidly and efficiently meet the needs of customers by having the headquarters laboratories conduct some of the R&D that had previously only been carried out at the Kyushu Plant and not raising product prices when the price of crude oil and commodities jumped. In addition to launching operations at the European plants, the Company started marketing new products from Europe in Japan and focused on expanding sales.

Net Sales

For the Company (Ariake Japan Co., Ltd.), net sales shrank 3.7% year on year mainly because of stagnant consumption due to growing defensiveness among Japanese consumers regarding spending and fiercer competition with rival companies. Broken down by segment, the Group recorded year on year growth in sales of 0.8% in the processed food segment as a result of the benefits of a sales strategy for prepared foods but saw sales shrink 4.9% year on year in the instant noodle segment and 6.6% year on year in the restaurant industry as consumers became more thrifty regarding eating out.

As for sales for consolidated subsidiaries, overseas subsidiaries implemented a strategy to increase sales to processed food and instant noodle manufacturers, which resulted in sales decreasing by 17.5% year on year.

Therefore, consolidated net sales decreased by 5.3% (1,225 million yen) year on year, to 21,736 million yen.

In addition, non-consolidated sales fell 3.7% (731 million yen) year on year, to 19,258 million yen.

Operating Income

Operating income for the Company fell 13.4% (502 million yen) year on year to 3,254 million yen because of not only a decline in sales but also an increase in expenses such as for raw materials (by 392 million yen) and energy due to hikes in crude oil prices (by 72 million yen).

In addition, consolidated operating income shrank 29.0% (1,183 million yen) year on year to 2,890 million yen as operating income from the Company declined, operating income from overseas subsidiaries fell as sales shrank, and expenses rose such as those for raw materials used by subsidiaries.

Ordinary Income

Ordinary income for the Company fell 34.3% (1,303 million yen) year on year to 2,491 million yen for various reasons including the decline in operating income and the recording of 827 million yen in loss on valuation of derivatives.

The Company has concluded long-term foreign exchange contracts for ten years or so in order to hedge foreign exchange risk related to imports from overseas subsidiaries. Starting this fiscal year, as there were changes in accounting policies for recording gains and losses, the unrealized losses on these contracts resulted in the recording of the above loss under non-operating expenses.

Consolidated ordinary income declined 47.6% (1,663 million yen) year on year to 1,830 million yen.

Non-consolidated net income declined 35.2% (776 million yen) year on year to ¥1,428 million.

Consolidated net income fell 57.4% (1,061 million yen) to 789 million.

2. Outlook for the Fiscal Year 2010

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

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2010	26,089	3,578	3,522	1,861	58.47
FY2009	21,736	2,890	1,830	789	24.80
Growth Rate	20.0%	23.8%	92.4%	135.8%	–

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

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
FY2010	21,000	3,900	3,900	2,262	71.07
FY2009	19,258	3,254	2,491	1,428	44.89
Growth Rate	9.0%	19.8%	56.5%	58.3%	–

1) Outlook for financial results for the Fiscal Year 2010

As for the economic outlook for the next fiscal year, earnings for Japanese companies will likely remain weak since the downward trend in the global economy will not be easily reversed.

The food industry will likely continue to face difficult business conditions for several reasons including stagnant consumer spending and fiercer corporate competition.

In this environment, the Group will move forward with maintaining and expanding its existing commercial rights and developing new commercial rights and focus on expanding domestic sales by proposing and developing products that meet the needs of customers through the full use of the Company's unique capabilities and promoting coexistence with customers. With the completion of two European plants, the Company has established its "global six-pillar system" and finished building its global strategic foundation. The Company will now develop global markets, centered on this "six-pillar system," and spend all its energy to generate stable earnings.

This year, following developments in Europe, the Chinese subsidiary completed construction of a new plant in March and the U.S. subsidiary is close to finishing construction of a new factory. Launching operations at all these new plants will result in more rapid introduction of businesses.

Therefore, for the full fiscal year, consolidated sales are projected to increase 20.0% year on year to 26,089 million yen and consolidated ordinary income to grow 92.4% year on year to 3,522 million yen.

As for non-consolidated earnings, sales are expected to expand 9.0% year on year to 21,000 million yen and ordinary income to increase 56.5% year on year to 3,900 million yen.

(2) Analysis of Financial Condition

1) Overview of the Fiscal Year 2009

(Millions of yen)

	FY2008	FY2009	Difference
Cash flows from operating activities	4,364	4,122	(241)
Cash flows from investing activities	(5,439)	(6,098)	(658)
Cash flows from financing activities	(407)	(1,291)	(883)
Increase (decrease) in cash and cash equivalents	(1,308)	(3,410)	(2,102)
Balance of cash and cash equivalents at beginning of term	12,928	11,620	(1,308)
Balance of cash and cash equivalents at end of term	11,620	8,209	(3,410)

－Regarding financial conditions at the end of the current fiscal year, as a result of a increase of 589 million yen in cash deposit and an decrease of 2,539 million yen in fixed assets compared to the end of the previous fiscal year, total assets are 49,247 million yen. Shareholders' equity is 41,912 million yen due to 324 million yen decrease in retained earnings.

－Cash flows from operating activities are 4,122 million yen (year on year decrease of 241 million yen).

－Cash flows from investing activities
For the current fiscal year, there was a net outflow of 6,098 million yen (year on year increase in outflow of 658 million yen) as a result of payments of 4,000 million yen into time deposits and outlay of 1,724 million yen for capital expenditures.

－Cash flows from financing activities
For the current fiscal year, there was a net outflow of 1,291 million yen (year on year increase in outflow of 883 million yen) as a result of an outflow of 1,113 million yen for dividends, and a decrease in short-term loans payable of 176 million yen.

2) Outlook for the Fiscal Year 2010
－Cash flows from operating activities
Despite the harsh business environment, 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
With regard to capital investment, expenses of approximately 1,725 million yen would be used for constructions in the U.S., etc.

－Cash flows from financing activities
To improve capital efficiency and provide return to stockholders, we will continue flexible operation by actively acquiring treasury stocks and so on in consideration of the business environment and other factors.

In addition, since it appears that it will be possible to meet earnings targets, we will continue to pay the present common dividends of 40 yen per share annually.
Therefore, we expect the closing balance of cash and cash equivalents for the next fiscal year to slightly increase over the closing balance for this fiscal year.

3) Cash Flow Indicators

	FY2005	FY2006	FY2007	FY2008	FY2009
Equity ratio (%)	89.5	88.6	85.4	84.1	83.4
Equity ratio based on current value (%)	209.2	245.3	153.9	84.5	84.2
Cash flows interest-bearing debts ratio (years)	0.1	0.0	0.4	0.6	0.6
Interest coverage ratio	203.3	304.0	186.6	30.8	47.4

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

* All indexes are calculated using financial figures on a consolidated base.
* Total current stock value is calculated based on final stock price at term end × number of share outstanding at term end (after deduction of treasury stock).
* The “Cash flows from operating activities” and “Interest paid” on the consolidated statements of cash flows were used as operating cash flows and interest payment, respectively.

(3) Basic Policy Regarding Distribution of Earnings for FY2009 and FY2010

The Company considers that appropriate distribution of earnings to the shareholders is one of the most important management priorities. 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. 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 have determined that DOE is an effective method to ensure directly a high dividend rate for our shareholders. The present target is a DOE of 2.5%, and management is striving to be able to continually pay greater dividends.

Internal reserves are used for investments 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 prices increases through the flexible purchase and use of treasury stock, such as that undertaken from October 2006.

As for the year-end dividends, although business conditions during the current fiscal year were difficult, concerns about the new European plants have been eliminated with the launch of operations at these plants, and to show our appreciation for the daily support of our shareholders and with hope for their continued support, management plans to consult the shareholders’ meeting to be held in June 2009 regarding the payout of a dividend of 20 yen per share, which is 5 yen greater than the dividends of 15 yen per share paid for the previous fiscal year.

Therefore, annual dividends, will be 40 yen per share, which is 10 yen per share greater than the previous fiscal year dividends of 30 yen per share.

Taking into consideration that healthy profits are recorded in the long term, the Company will strive to continue to pay the present common dividend of 40 yen per share.

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 one non-consolidated company. 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 five remaining subsidiaries, overseas. The following is an outline of the business operations of the various group companies.

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

The Company manufactures the production of natural seasonings and mainly sells these products to domestic customers.

Domestic Subsidiaries

Dear. SOUP Co., Ltd. manufactures natural soup for sales to domestic users.
A.C.C. Co., Ltd. leases portions of building owned by the parent company and operates convenience stores.

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 parent 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 parent company.

Taiwan Ariake Foods Co., Ltd. manufactures natural seasonings for the sales in Taiwan, China, and Southeast Asia and supplies to the parent company.

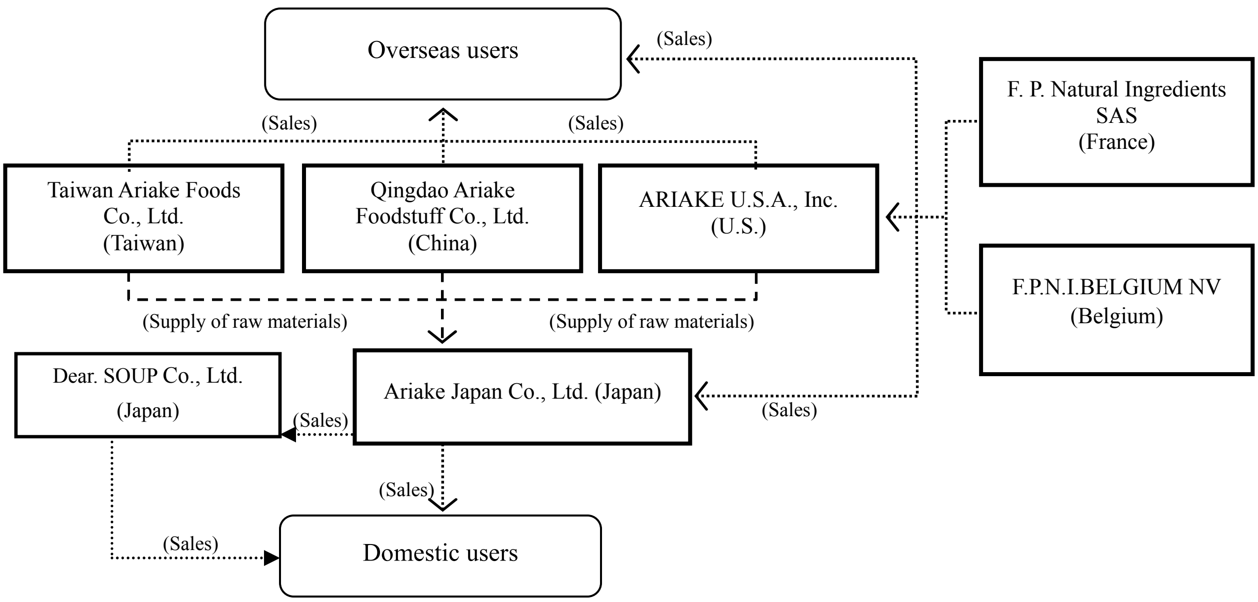
F. P. Natural Ingredients S.A.S. plans to manufacture natural seasonings and sell them mainly to customers in Europe and the U.S.

F.P.N.I. BELGIUM N.V. plans to manufacture natural seasonings and sell them mainly to customers in Europe and the U.S.

Non-consolidated Domestic Subsidiaries

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

As of date that the financial report was submitted (May 14, 2009), the major companies of the Group and the relationships among them are shown in the diagram below.



3. Business Strategy

(1) Basic Business Policy

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

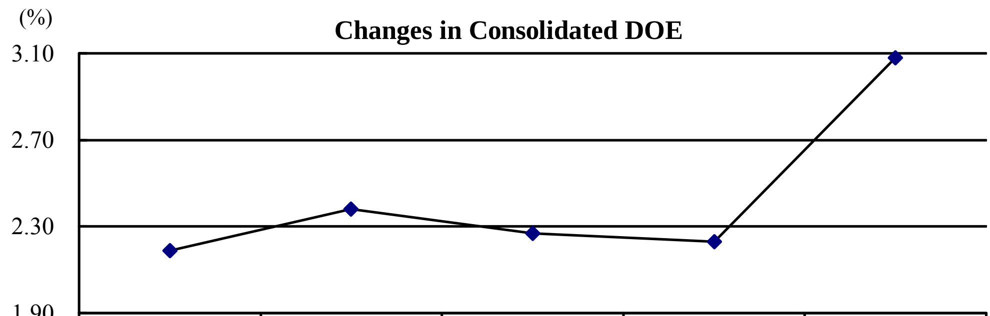
1. The Group will contribute to the world by supporting healthy and enjoyable food culture through the production of natural seasonings.
2. The Group will quickly and precisely develop businesses that meet the needs of the times, based on the concept of the customer creed.
3. The Group will aim to maximize 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 characteristic of natural seasonings, “excellent taste, good for health and easy to use” and try hard to improve quality of products by achieving technological reform while ensuring food safety by control of safety and hygiene. In this way, the Group will advance resolutely toward the goal of increasing profitability.

(2) Key Management Indicator

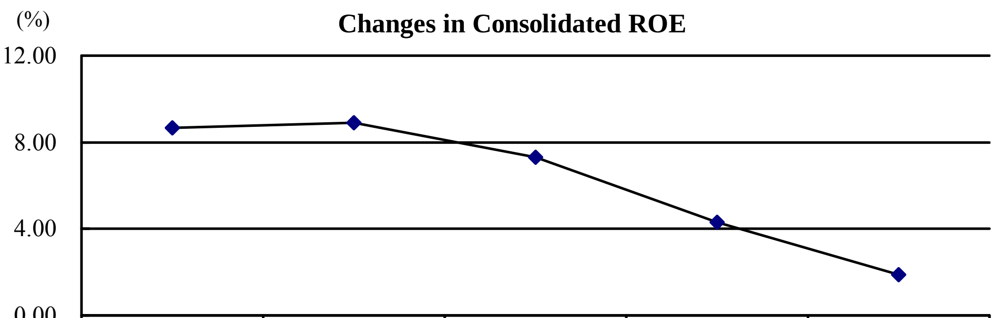
In order to ensure corporate management that is attractive to shareholders by maximizing return on capital investments, the Company uses return on equity (ROE) and Dividend on Equity (DOE) as its main management indicator for the medium term. For this reason, the Group will execute stable management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

Changes in Consolidated DOE



	FY2005	FY2006	FY2007	FY2008	FY2009
DOE	2.19	2.38	2.27	2.23	3.08

Changes in Consolidated ROE



	FY2005	FY2006	FY2007	FY2008	FY2009
ROE	8.66	8.91	7.32	4.30	1.88

(3) Mid- and Long-term Business 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 mature market, the natural seasoning market is expected to expand as a result of various measures taken by the Company. In addition, as part of its basic business strategy, which is founded on the assumptions that there is insufficient domestic supply of raw materials to meet the expected increase in demand and there is a high potential of global expansion of the business, the Group constructed a new plant next to the No. 2 Kyushu Plant which has been operation since 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 is working to establish 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 both within Japan and overseas.

The main points of the mid- and long-term business 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 develop 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 market due to a declining birthrate and a growing proportion of elderly people
2) Achieve high-quality products through aggressive capital investment with technical innovation and low-cost
3) Aggressively 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 with the steady accumulation of results by yearly plans based on this long-term vision and the establishment of a profit foundation. This approach represents the essence of our management policies.

(4) Issues which the Company Needs to Address

Recognizing that the natural seasoning industry will be a growth industry both in Japan and overseas in the future, the Group has made capital investments worth 20.0 billion yen throughout the world. We will consider the details of this required amount such as procurement through shareholder’s equity and capital market depending on the situation. We emphasize that the success in this natural seasoning business will contribute to the broad food market and bring about a stable growth in the revenue base of the Company.

Accordingly, while temporally pressure for the Company’s funds in hand, the Company has placed it as an important management issue to maintain the stock value to be in long-term good quality and high level, and we make efforts to diligently work towards the achievement of this goal.

Also, in order to increase corporate value and simultaneously operate stably, the Company draws up and promotes capital policies to develop continuously a large number of friendly investors.

(5) Other Important Matters Relating to the Business of the Company

There is nothing to report.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	FY 2008 (As of March 31, 2008)	FY 2009 (As of March 31, 2009)
Assets		
Current assets		
Cash and time deposits	11,620,276	12,209,823
Notes and accounts receivable	4,637,999	4,551,662
Securities provided as collateral	126,949	–
Securities	–	87,470
Inventories	3,419,563	–
Merchandise and finished goods	–	1,439,447
Work in process	–	442,564
Raw materials and supplies	–	1,889,528
Deferred tax assets	98,019	105,499
Consumption taxes receivable	342,645	–
Others	278,058	169,686
Allowance for doubtful accounts	(8,232)	(10,022)
Total current assets	20,515,281	20,885,660
Fixed assets		
Tangible fixed assets		
Buildings and structures	18,765,575	17,695,650
Accumulated depreciation	(6,043,107)	(6,569,131)
Buildings and structures (net)	12,722,468	11,126,518
Machines, devices, and delivery equipment	20,019,801	19,373,308
Accumulated depreciation	(12,050,484)	(12,762,939)
Machines, devices, and delivery equipment (net)	7,969,317	6,610,368
Land	4,577,379	4,499,335
Construction in progress	1,767,172	2,365,977
Others	892,950	806,823
Accumulated depreciation	(710,690)	(693,056)
Others (net)	182,259	113,767
Total tangible fixed assets	27,218,597	24,715,967
Intangible fixed assets	116,936	88,427
Investments and other assets		
Investment securities	1,765,954	2,035,486
Long-term loans receivable	97,222	90,009
Investments in real estates	563,656	557,386
Deferred tax assets	487,612	291,678
Others	651,442	583,382
Allowance for doubtful accounts	(272)	(265)
Total investments and other assets	3,565,618	3,557,678
Total fixed assets	30,901,151	28,362,072
Total assets	51,416,433	49,247,733

(Thousands of yen)

	FY 2008 (As of March 31, 2008)	FY 2009 (As of March 31, 2009)
Liabilities		
Current liabilities		
Notes and accounts payable	1,924,413	1,799,221
Short-term loans payable	2,693,236	2,447,666
Income taxes payable	667,008	231,125
Allowance for employee bonuses	143,697	146,800
Allowance for directors' bonuses	59,700	59,700
Others	1,018,342	1,916,545
Total current liabilities	6,506,398	6,601,059
Fixed liabilities		
Allowance for employee retirement benefits	604,370	584,751
Allowance for directors' retirement benefits	263,019	280,355
Deferred tax liabilities	98,796	98,796
Others	691,931	374,535
Total fixed liabilities	1,658,118	1,338,438
Total liabilities	8,164,516	7,939,498
Net assets		
Shareholders' equity		
Common stock	7,095,096	7,095,096
Capital surplus	7,833,869	7,833,869
Retained earnings	29,366,388	29,041,642
Treasury stock	(2,055,864)	(2,057,727)
Total shareholders' equity	42,239,489	41,912,879
Unrealized gains and adjustments		
Unrealized gains (losses) on other securities	(9,228)	70,337
Deferred gains (losses) on hedges	(224,189)	–
Adjustment account for foreign currency exchange	963,503	(905,512)
Total unrealized gains (losses) and adjustments	730,085	(835,175)
Minority interests	282,342	230,531
Total net assets	43,251,917	41,308,234
Total liabilities and net assets	51,416,433	49,247,733

(2) Consolidated Statements of Income

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
Net sales	22,961,851	21,736,641
Cost of sales	14,765,216	14,781,415
Gross profit	8,196,635	6,955,225
Selling, general and administrative expenses	4,122,583	4,064,603
Operating income	4,074,052	2,890,622
Non-operating income		
Interest and dividends income	77,161	99,629
Foreign exchange gains	–	15,077
House-rent received	30,116	26,732
Gain on sales of securities	28,581	18,542
Others	64,952	119,201
Total non-operating income	200,811	279,184
Non-operating expenses		
Interest paid	141,505	86,937
Loss on derivatives	–	827,718
Expenses for new overseas businesses	557,835	296,550
Others	81,667	128,360
Total non-operating expenses	781,008	1,339,566
Ordinary income	3,493,855	1,830,239
Extraordinary income		
Gain on sale of fixed assets	832	1,898
Gain on change in equity	1,730	–
Subsidy for promotion costs in corporate location	200,000	–
Subsidy for capital investments	33,109	–
Total extraordinary income	235,672	1,898
Extraordinary losses		
Loss on retirement of fixed assets	22,985	15,411
Loss on valuation of investment securities	3,407	44,098
Provision for directors' retirement benefits	246,071	–
Impairment loss	20,043	–
Loss on prior period adjustments	15,982	–
Total extraordinary losses	308,489	59,509
Income before income taxes	3,421,038	1,772,628
Income, inhabitant and business taxes	1,608,293	1,005,839
Income taxes–deferred	(53,297)	(17,763)
Total income taxes	1,554,996	988,076
Minority interests	14,889	(4,833)
Net income	1,851,152	789,385

(3) Consolidated Statements of Changes in Shareholders' Equity

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
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	28,481,472	29,366,388
Amount of fluctuation during the year		
Dividend from retained earnings	(966,232)	(1,114,062)
Net income	1,851,152	789,385
Disposal of treasury stock	(2)	(69)
Total amount of fluctuation during the year	884,916	(324,746)
Balance at the end of current fiscal year	29,366,388	29,041,642
Treasury stock		
Balance at the end of previous fiscal year	(1,284,247)	(2,055,864)
Amount of fluctuation during the year		
Acquisition of treasury stock	(772,422)	(2,083)
Disposal of treasury stock	804	220
Total amount of fluctuation during the year	(771,617)	(1,862)
Balance at the end of current fiscal year	(2,055,864)	(2,057,727)
Total shareholders' equity		
Balance at the end of previous fiscal year	42,126,189	42,239,489
Amount of fluctuation during the year		
Dividend from retained earnings	(966,232)	(1,114,062)
Net income	1,851,152	789,385
Acquisition of treasury stock	(772,422)	(2,083)
Disposal of treasury stock	802	151
Total amount of fluctuation during the year	113,299	(326,609)
Balance at the end of current fiscal year	42,239,489	41,912,879

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
Unrealized gains and adjustments		
Unrealized gains on other securities		
Balance at the end of previous fiscal year	217,960	(9,228)
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	(227,188)	79,565
Total amount of fluctuation during the year	(227,188)	79,565
Balance at the end of current fiscal year	(9,228)	70,337
Deferred gains on hedges		
Balance at the end of previous fiscal year	280,295	(224,189)
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	(504,484)	224,189
Total amount of fluctuation during the year	(504,484)	224,189
Balance at the end of current fiscal year	(224,189)	–
Adjustment account for foreign currency exchange		
Balance at the end of previous fiscal year	577,703	963,503
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	385,799	(1,869,015)
Total amount of fluctuation during the year	385,799	(1,869,015)
Balance at the end of current fiscal year	963,503	(905,512)
Total unrealized gains and adjustments		
Balance at the end of previous fiscal year	1,075,959	730,085
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	(345,874)	(1,565,260)
Total amount of fluctuation during the year	(345,874)	(1,565,260)
Balance at the end of current fiscal year	730,085	(835,175)
Minority interests		
Balance at the end of previous fiscal year	194,187	282,342
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	88,155	(51,811)
Total amount of fluctuation during the year	88,155	(51,811)
Balance at the end of current fiscal year	282,342	230,531
Total net assets		
Balance at the end of previous fiscal year	43,396,336	43,251,917
Amount of fluctuation during the year		
Dividend from retained earnings	(966,232)	(1,114,052)
Net income	1,851,152	789,385
Acquisition of treasury stock	(772,422)	(2,083)
Disposal of treasury stock	802	151
Amount of fluctuation of items other than shareholders' equity during the year (net)	(257,718)	(1,617,072)
Total amount of fluctuation during the year	(144,419)	(1,943,682)
Balance at the end of current fiscal year	43,251,917	41,308,234

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
Cash flows from operating activities		
Income before income taxes	3,421,038	1,772,628
Depreciation and amortization	2,199,880	2,049,797
Amortization of goodwill	19,662	19,662
Impairment loss	20,043	–
Subsidy for promotion costs in corporate location	(200,000)	–
Increase (decrease) in allowance for doubtful accounts	(1,275)	1,783
Increase (decrease) in allowance for employee retirement benefits	(975)	(19,619)
Increase (decrease) in allowance for directors' retirement benefits	263,019	17,336
Increase (decrease) in allowance for employee bonuses	(22,713)	3,102
Increase (decrease) in allowance for directors' bonuses	7,400	–
Interest and dividends received	(77,161)	(99,629)
Interest paid	141,505	86,937
Loss (gain) on foreign exchange	(30,612)	47,481
Loss (gain) on sale of securities	(28,581)	(12,863)
Loss (gain) on sale of tangible fixed assets	–	(1,898)
Loss on retirement of fixed assets	22,985	15,411
Loss (gain) on write-down of securities	9,916	73,271
Loss (gain) on write-down of investment securities	3,407	44,098
Decrease (increase) in accounts receivable	391,856	7,502
Decrease (increase) in inventories	(228,596)	(466,278)
Increase (decrease) in accounts payable	268,087	(75,933)
Increase (decrease) in consumption taxes payable	307,985	358,782
Decrease (increase) in other assets	(343,188)	1,003,885
Increase (decrease) in other liabilities	120,888	718,289
Subtotal	6,264,572	5,543,747
Interest and dividend income received	77,161	99,629
Interest expenses paid	(141,505)	(86,937)
Income and other taxes paid	(1,835,712)	(1,433,598)
Cash provided by operating activities	4,364,515	4,122,841
Cash flows from investing activities		
Payment into time deposits	–	(4,000,000)
Payments for acquisition of securities	(709,661)	(540,969)
Proceeds from sale of securities	680,030	312,934
Payments for purchase of tangible fixed assets	(5,506,975)	(1,724,554)
Proceeds from sale of tangible fixed assets	–	2,048
Payments for acquisition of intangible fixed assets	(3,783)	(5,007)
Payments for acquisition of investment securities	(82,566)	(148,231)
Proceeds from sale of investment securities	389	–
Payment for loans receivable	(50,947)	(2,921)
Proceeds from collection of loans receivable	12,506	8,650
Proceeds from subsidy	296,931	–
Others	(75,730)	(150)
Cash used in investing activities	(5,439,808)	(6,098,200)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,270,015	(176,488)
Proceeds from sales of treasury stock	804	151
Payments for acquisition of treasury stock	(772,422)	(2,083)
Proceeds from issuance of shares to minority shareholders	60,023	–
Dividends paid	(965,955)	(1,113,057)
Cash used in financing activities	(407,532)	(1,291,477)
Exchange difference of cash and cash equivalents	174,708	(143,616)
Increase (decrease) in cash and cash equivalents	(1,308,117)	(3,410,453)
Cash and cash equivalents at beginning of term	12,928,393	11,620,276
Cash and cash equivalents at end of term	11,620,276	8,209,823

Notes on the Going Concern Assumption

There is nothing to report.

Basic Conditions to Prepare Consolidated Financial Statements

Term	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
1. Matters relating to the scope of consolidation	(1) Consolidated subsidiary companies are the following seven: A.C.C. Co., Ltd. ARIAKE U.S.A., Inc. Qingdao Ariake Foodstuff Co., Ltd. F. P. Natural Ingredients S.A.S. F. P. N.I. BELGIUM N.V. Taiwan Ariake Foods Co., Ltd. Dear. SOUP Co., Ltd. (2) Major non-consolidated subsidiaries: Ariake Farm Co., Ltd. Reason excluded from the scope of consolidation: The non-consolidated subsidiary Ariake Farm is a small firm, and their total assets, sales, net income and retained earnings (corresponding to equity) do not have a significant influence on the Consolidated Financial Statements.	(1) Consolidated subsidiary companies are the following seven: A.C.C. Co., Ltd. ARIAKE U.S.A., Inc. Qingdao Ariake Foodstuff Co., Ltd. F. P. Natural Ingredients S.A.S. F. P. N.I. BELGIUM N.V. Taiwan Ariake Foods Co., Ltd. Dear. SOUP Co. Ltd. (2) Major non-consolidated subsidiaries: Ariake Farm Co., Ltd. Reason excluded from the scope of consolidation: Same as on the left
2. Matters related 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 (corresponding to equity) and retained earnings (corresponding to equity), Ariake Farm has an insignificant influence on Consolidated Financial Statements. Since it is not financially important overall, it has been 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. is December 31. Although the Company uses all the subsidiaries' financial statements as of December 31 to prepare the Consolidated Financial Statements, any significant transactions accrued from that date to the consolidated book closing day are adjusted according to consolidation requirements.	Same as on the left
4. Matters relating to accounting standards	(1) Standard and method of evaluating important assets (i) Securities 1) Securities for sale Mark-to-market method (costs for sale are computed with the moving average method). Securities purchased on margin are 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 are incorporated directly into the net assets and costs for sale are computed with the moving average method). (b) Securities without market price Cost method under the moving average method (ii) Derivatives Mark-to-market method	(1) Standard and method of evaluating important assets (i) Securities 1) Securities for sale Same as on the left 2) 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

Term	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
	(iii) Major inventories (a) Products Mainly cost method under the identified cost method (b) Materials Mainly cost method under the moving average method (c) Work in process Mainly cost method under the identified cost method	(iii) Major inventories (a) Products Mainly cost method under the identified cost method (b) Materials Mainly cost method under the moving average method (c) Work in process Mainly cost method under the identified cost method (Book value stated in the balance sheets is written down in accordance with a decline in profitability)
	(2) Important depreciation method for depreciable assets (i) Tangible fixed assets (a) Domestic corporations: Declining balance method As for buildings (except incidental equipment) acquired or put into business use after April 1, 1998, however, straight-line method is available. Small-amount depreciable assets of which the acquisition price is 100,000 yen or more and less than 200,000 yen are depreciated evenly over 3 years. Useful lives of major assets are as follows: Buildings and structures: 7-50 years Machines, devices and delivery equipment: 4-9 years (additional information) Regarding assets acquired on or before March 31, 2007, the Company and domestic consolidated subsidiaries, in accordance with the amendment of the Corporate Tax Law, uniformly amortize the difference between 5% of the acquisition cost and memorandum value over five years from the next consolidated fiscal year of a consolidated fiscal year in which such assets are depreciated to 5% of their acquisition cost by application of the depreciation method based on the Corporate Tax Law before amendments and such expenses are recorded as depreciation expenses. As a result of this, operating income, ordinary income and net income before adjustments for taxes decreased by 45,925 thousand yen respectively. Note that its effect on the data in the segments is marginal. (b) Overseas subsidiaries: Primarily straight-line method, based on the estimated useful life (ii) Intangible fixed assets: Straight-line method As for software for own use, straight-line method for internally available period (5 years) is applied (iii) Investments in real estates: Declining balance method	(2) Important depreciation method for depreciable assets (i) Tangible fixed assets (a) Domestic corporations: Declining balance method As for buildings (except incidental equipment) acquired or put into business use after April 1, 1998, however, straight-line method is available. Small-amount depreciable assets of which the acquisition price is 100,000 yen or more and less than 200,000 yen are depreciated evenly over 3 years. Useful lives of major assets are as follows: Buildings and structures: 7-50 years Machines, devices and delivery equipment: 4-10 years (additional information) The useful life of machinery, which had been 9 years, was changed to 10 years starting from the current fiscal year. The change was made in response to revisions to the "Ministerial Ordinance Concerning the Items Such as the Useful Life of Depreciable Assets." As a result of this, operating income, ordinary income and net income before adjustments for taxes decreased by 82,282 thousand yen respectively. Note that its effect on the data in the segments is marginal. (b) Overseas subsidiaries: Same as on the left (ii) Intangible fixed assets Same as on the left (iii) Investments in real estates: Same as on the left
	(3) Standards for significant allowance (i) Allowance for doubtful accounts To prepare against losses from bad debts, the amount estimated based on the actual loss ratio is reserved for ordinary receivables, and the amount of possible losses is included in the reserve based on consideration of the collectibles of individual doubtful accounts. (ii)Allowance for employee bonuses Except for the overseas subsidiaries, the Company reserves the estimated amount of the bonuses to prepare for payment to employees.	(3) Standards for significant allowance (i) Allowance for doubtful accounts Same as on the left (ii) Allowance for employee bonuses Same as on the left

Term	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
	(iii) Reserve for directors' bonus The company has reserved and recorded as this fiscal year's Company's contribution a part of the estimated amount of directors' bonus to prepare for payment to directors.	(iii) Reserve for directors' bonus 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. For the difference in actuarial calculation, the five-year proportionally-divided amount with the straight-line method based on a fixed number of years (five years) within the average remaining service periods of employees at occurrence in each fiscal year shall be reported as expense from the following fiscal year. Past employment obligations are treated as expense, employing periodically fixed amount calculated on the basis of (5) years within average remaining employment period of an employee at the time of accruing.	(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 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 is applied when preparing Consolidated Financial Statements Receivables and payables denominated in foreign currencies are converted to Japanese yen using the spot exchange rate for the closing day of the consolidated period, and differences are recorded as gains or losses. The assets and liabilities, as well as income and expenses, of overseas subsidiaries were converted to Japanese yen using the spot exchange rate for the closing day of the consolidated period and differences are included in the adjustment account for foreign currency exchange or minority interest under net assets.	(4) Standards for converting significant foreign currency denominated assets and liabilities into Japanese yen which is applied when preparing Consolidated Financial Statements Same as on the left
	(5) Accounting of important lease transactions Financial lease transactions are accounted by the method similar to operating lease transactions, excluding financial lease transactions where ownership of the leased property may be transferred to the lessee.	(5) ______________
	(6) Important hedge accounting methods (i) Methods of hedge accounting Deferred hedge accounting is used. Allocation accounting is applied to foreign currency denominated liabilities with exchange contracts (ii) Measures of hedging and targets of hedging Measures of hedging : Currency swaps Targets of hedging: Purchase liabilities following imports of materials from overseas subsidiaries with possible losses due to exchange fluctuations.	(6) ______________

Term	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
	(iii) Policies on hedging Based on the basic policies approved by the Management Committee of the Company, the Management Administration Department is in charge of controlling and executing trading, and regularly reporting to the Management Committee. Counter-parties of trading are limited to high-quality financial institutions. (iv) Methods to assess effectiveness of hedging The accumulated total of price fluctuations or cash flow fluctuations of the targets of hedging is compared with the accumulated total of price fluctuations or cash flow fluctuations of the measures of hedging, and the effectiveness is assessed according to these fluctuations. (7) Other important matters to prepare Financial Statements (i) Accounting of the consumption tax The Company applies the tax-exclusion accounting method.	(7) Other important matters to prepare Financial Statements (i) Accounting of the consumption tax Same as on the left
5. Matters relating to the assessment of the assets and liabilities of consolidated subsidiaries	With regard to the assessment of the assets and liabilities of consolidated subsidiaries, the Company adopts the overall market value assessment method.	Same as on the left
6. Matters relating to the amortization of goodwill and negative goodwill	5 year period fixed amount is used for amortization of negative goodwill. Goodwill with no significant value is amortized entire amount at the time of occurrence.	Same as on the left
7. Scope of cash in consolidated statements of cash flows	Cash (cash and cash equivalents) in Consolidated Statements of Cash Flows consist of cash on hand, deposit which is at any time available for withdrawal 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

Change in Basic Conditions to Prepare Consolidated Financial Statements

FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
(Allowance for retirement benefits for directors) Retirement benefits for directors have traditionally been recorded at the time the payment was made. However, as a result of the release of “Auditing Treatment relating to Reserve defined under the Special Tax Measurement Law, Reserves defined under the Special Law and Reserve for Directors and Corporate Auditor Retirement Benefits” (the JICPA Audit and Assurance Practice Committee Report No. 42) and application of the “Accounting Standard for Directors’ Bonuses,” (ASBJ Statement No. 4, November 29, 2005), when accounting for directors’ bonuses, the amount that must be paid at the end of the fiscal year based on internal rules is recorded as allowance for retirement benefits for directors starting in the present fiscal year. As a result of these changes, operating income and ordinary income declined 16,948 thousand yen and income before taxes fell 263,019 thousand yen. There are only minor effects on the segment information.	―――――――
―――――――	(Inventories) Starting from the current consolidated fiscal year, the Company is applying the “Accounting Standards relating to the Valuation of Inventory Assets” (ASBJ Statement No. 9, July 5, 2006). As a result, operating income, ordinary income and income before taxes have decreased by 28,788 thousand yen, respectively.
―――――――	(Application of the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”) The “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF No. 18, May 17, 2006) is applied from the current fiscal year to make modifications required for consolidated accounting. Please note that this has just a minor impact on the Consolidated Financial Statements.
―――――――	(Accounting standard for lease transactions) Although the Group has previously used lease transaction methods to account for finance and lease transactions not involving transfers of ownership, it has elected to use accounting procedures for normal sales transactions to account for these transactions starting from the current fiscal year by applying the “Accounting Standards for Lease Transactions” (ASBJ Statement No. 13, March 30, 2007) and the “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No. 16, originally issued on January 18, 1994, by the Accounting System Committee of the Japanese Institute of Certified Public Accountants and revised on March 30, 2007). For finance leases without an ownership transfer for which the lease transaction had started before March 31, 2007 when this accounting standard was introduced, the conventional method was applied. Note that this application has just a minor impact on the Financial Statements.
―――――――	(Method of important hedge accounting) With respect to trading in foreign exchange contracts pertaining to foreign currency denominated claims and obligations meeting the requirements of hedge accounting, in the past deferred hedge processing was employed with respect to foreign exchange contracts pertaining to forecasted transactions and designated processing with respect to forward foreign exchange contracts meeting the requirements of designated processing. However, on the basis of a investigation into financial management systems, this has been changed from the current fiscal year to fundamental processing pursuant to the “Accounting Standards Relating to Financial Products” in order to more properly reflect the current state of derivative transactions and foreign currency denominated claims and obligations in the Consolidated Financial Statements. Therefore, ordinary income and income before taxes have each decreased by 827,718 thousand yen.

Changes in Method of Presentation

FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
―――――――――	(Consolidated Balance Sheets) Following the adoption of the “Cabinet Office Ordinance Revising the Regulation for Terminology, Forms and Preparation of Financial Statements” (Cabinet Office Ordinance No. 50, August 7, 2008), items that had been listed as “inventories” were broken down into “merchandise and finished goods,” “work in process,” and “raw materials and supplies” starting this fiscal year. “Merchandise and finished goods,” “work in process,” and “raw materials and supplies” included under “inventories” for the previous fiscal year were 1,639,644 thousand yen, 485,944 thousand yen, and 1,293,974 thousand yen, respectively.

Notes

(On the Consolidated Balance Sheets)

FY2008 (from April 1, 2007 to March 31, 2008)

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

Investment securities (stocks) 1,500 thousand yen

*2. Accumulated amount of depreciation of investments in real estates

96,126 thousand yen

*3. Asset provided as collateral Securities

Securities provided as collateral 126,949 thousand yen
Guarantees 5,113 thousand yen
Corresponding liabilities 76,672 thousand yen

4. Contingent Liabilities

(1) Loan guarantee

The following affiliated company has received loan guarantees from a financial institution.

Guaranteed Company	Amount	Details
Ariake Farm Co., Ltd.	10,000 thousand yen	Loan liability
Total	10,000 thousand yen	—

FY2009 (from April 1, 2008 to March 31, 2009)

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

Investment securities (stocks) 1,500 thousand yen

*2. Accumulated amount of depreciation of investments in real estates

102,396 thousand yen

*3. ______________

4. Contingent Liabilities

(1) Loan guarantee

The following affiliated company has received loan guarantees from a financial institution.

Guaranteed Company	Amount	Details
Ariake Farm Co., Ltd.	244,000 thousand yen	Loan liability
Total	244,000 thousand yen	—

(On the Consolidated Statements of Income)

FY2008 (from April 1, 2007 to March 31, 2008)

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

	(Thousands of yen)
Salary, benefits and bonuses	743,423
Packing and transportation expenses	1,164,317
Depreciation expenses	83,697
Provision for employee bonuses	48,665
Provision for directors' bonuses	59,700
Retirement benefits expenses	12,446
Provision for directors' retirement benefits	16,948

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

313,644 thousand yen

*3. Gain on sales of fixed assets are as follows:

Machines, devices and delivery equipment 258 thousand yen
Others 574 thousand yen

*4. Loss on disposal of fixed assets are as follows:

Buildings 19,965 thousand yen
Machines, devices and delivery equipment 1,871 thousand yen
Others 1,149 thousand yen

FY2009 (from April 1, 2008 to March 31, 2009)

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

	(Thousands of yen)
Salary, benefits and bonuses	731,391
Packing and transportation expenses	1,199,193
Depreciation expenses	107,042
Provision for employee bonuses	42,327
Provision for directors' bonuses	59,700
Retirement benefits expenses	13,602
Provision for directors' retirement benefits	17,336

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

288,740 thousand yen

*3. Gain on sales of fixed assets are as follows:

Machines, devices and delivery equipment 1,898 thousand yen

*4. Loss on disposal of fixed assets are as follows:

Buildings 13,614 thousand yen
Machines, devices and delivery equipment 589 thousand yen
Others 1,206 thousand yen

(On the Consolidated Statements of Changes in Shareholders' Equity)

FY2008 (from April 1, 2007 to March 31, 2008)

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

(Thousands of stocks)

	Previous number of Shares (As of March 31, 2007)	Increased number of Shares (April 1, 2007 to March 31, 2008)	Decreased number of Shares (April 1, 2007 to March 31, 2008)	Current number of Shares (As of March 31, 2008)
Outstanding Shares				
Common Stock	32,808	—	—	32,808
Total	32,808	—	—	32,808
Treasury Stock				
Common Stock	545	432	0	977
Total	545	432	0	977

Note: The increase in treasury stocks in common stock for 432 thousand shares consists of 431 thousand shares through the board of directors' resolved acquisition of treasury stocks and 1 thousand shares through purchase of fractional stock. The decrease in shares of treasury stock for common shares consists of decreases from the sale of shares less than a full unit.

2. Matters regarding new share warrant including new treasury stocks

There is nothing to report.

3. Items regarding dividends

(1) Amount of paid dividends

Resolution	Type of stock	Total amount of dividends (thousand yen)	Dividends per share (yen)	Record date	Effective date
June 15, 2007 annual meeting of shareholders	Common stock	483,950	15.0	March 31, 2007	June 18, 2007
October 31, 2007 Board of Directors Meeting	Common stock	482,282	15.0	September 30, 2007	December 10, 2007

(2) Dividends for which the reference date falls in this consolidated fiscal year and effective date in the following year

Resolution	Type of stock	Total amount of dividends (thousand yen)	Sources of dividends	Dividends per share (yen)	Record date	Effective date
June 19, 2008 annual meeting of shareholders	Common stock	477,460	Retained earnings	15.0	March 31, 2008	June 20, 2008

FY2009 (from April 1, 2008 to March 31, 2009)

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

(Thousands of stocks)

	Previous number of Shares (As of March 31, 2008)	Increased number of Shares (April 1, 2008 to March 31, 2009)	Decreased number of Shares (April 1, 2008 to March 31, 2009)	Current number of Shares (As of March 31, 2009)
Outstanding Shares				
Common Stock	32,808	—	—	32,808
Total	32,808	—	—	32,808
Treasury Stock				
Common Stock	977	1	0	979
Total	977	1	0	979

Note: The increase in treasury stocks in common stock consists of 1 thousand shares through purchase of fractional stock. The decrease in shares of treasury stock for common shares consists of decreases from the sales of shares less than a full unit.

2. Matters regarding new share warrant including new treasury stocks

There is nothing to report.

3. Items regarding dividends

(1) Amount of paid dividends

Resolution	Type of stock	Total amount of dividends (thousand yen)	Dividends per share (yen)	Record date	Effective date
June 19, 2008 annual meeting of shareholders	Common stock	477,460	15.0	March 31, 2008	June 20, 2008
November 11, 2008 Board of Directors Meeting	Common stock	636,601	20.0	September 30, 2008	December 10, 2008

(2) Dividends for which the reference date falls in this consolidated fiscal year and effective date 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 19, 2009 annual meeting of shareholders	Common stock	636,591	Retained earnings	20.0	March 31, 2009	June 22, 2009

(On the Statements of Cash Flows)

FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
*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, 2008) (Thousands of yen)	(As of March 31, 2009) (Thousands of yen)
Cash and time deposits 11,620,276	Cash and time deposits 12,209,823
Time deposits with a deposit term exceeding 3 months —	Time deposits with a deposit term exceeding 3 months 4,000,000
Cash and cash equivalents 11,620,276	Cash and cash equivalents 8,209,823

(On the Lease Transactions)

FY2008 (from April 1, 2007 to March 31, 2008)

1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee

(1)Amount equal to purchase price of, amount equal to accumulated depreciation cost of , and amount equal to balance at end of term of leases

(Thousands of yen)

	Amount equal to purchase price	Amount equal to accumulated depreciation costs	Amount equal to balance at end of term
Other tangible fixed assets	76,128	37,636	38,492
Total	76,128	37,636	38,492

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

(Thousands of yen)

Within 1 year	15,281
More than 1 year	24,401
Total	39,682

(3) Lease charges paid, amount equal to depreciation cost and amount equal to interest expense

(Thousands of yen)

Lease charges paid	16,243
Amount equal to depreciation cost	15,156
Amount equal to interest expense	1,272

(4) Calculation of the amount equal to depreciation cost
The straight-line method is applied by assuming the lease period as the useful life, and setting the residual value to 0.

(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 is regarded as the amount equal to interest expense, and the interest method is applied to allocation to each term.

2. Operating lease transaction
Prepaid lease charges

(Thousands of yen)

Within 1 year	5,136
More than 1 year	14,211
Total	19,348

(Asset impairment losses)
There are no asset impairment losses attributed to leased assets.

FY2009 (from April 1, 2008 to March 31, 2009)

1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee
For finance leases for which the lease transaction had started before March 31, 2008, the conventional method was applied.

(1)Amount equal to purchase price of, amount equal to accumulated depreciation cost of ,and amount equal to balance at end of term of leases

(Thousands of yen)

	Amount equal to purchase price	Amount equal to accumulated depreciation costs	Amount equal to balance at end of term
Other tangible fixed assets	76,128	52,698	23,429
Total	76,128	52,698	23,429

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

(Thousands of yen)

Within 1 year	14,752
More than 1 year	9,649
Total	24,401

(3) Lease charges paid, amount equal to depreciation cost and amount equal to interest expense

(Thousands of yen)

Lease charges paid	16,141
Amount equal to depreciation cost	15,062
Amount equal to interest expense	860

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

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

2. Operating lease transaction
Prepaid lease charges

(Thousands of yen)

Within 1 year	4,096
More than 1 year	7,236
Total	11,333

(Asset impairment losses)
Same as on the left

(On the Securities)

1. Securities for sale

(Thousands of yen)

FY2008 (As of March 31, 2008)		FY2009 (As of March 31, 2009)	
Amount Recorded on Consolidated Balance Sheet	Valuation difference included in profit and loss for the current fiscal year	Amount Recorded on Consolidated Balance Sheet	Valuation difference included in profit and loss for the current fiscal year
126,949	(9,913)	87,470	(73,271)

2. Other securities with market price

(Thousands of yen)

	Item	FY2008 (As of March 31, 2008)			FY2009 (As of March 31, 2009)		
		Acquisition prices	Amount recorded on Consolidated Balance Sheets	Difference	Acquisition prices	Amount recorded on Consolidated Balance Sheets	Difference
Securities of which the amount recorded on the Consolidated Balance Sheets exceeds acquisition cost	(1)Stocks	77,038	194,533	117,495	1,678,160	1,839,001	160,841
	(2)Bonds	–	–	–	–	–	–
	(3)Others	–	–	–	–	–	–
	Sub Total	77,038	194,533	117,495	1,678,160	1,839,001	160,841
Securities of which the amount recorded on the Consolidated Balance Sheet is less than acquisition cost	(1)Stocks	1,652,563	1,519,738	(132,825)	230,652	143,735	(86,917)
	(2)Bonds	–	–	–	–	–	–
	(3)Others	–	–	–	–	–	–
	Sub Total	1,652,563	1,519,738	(132,825)	230,652	143,735	(86,917)
Total		1,729,602	1,714,272	(15,330)	1,908,813	1,982,736	(73,923)

3. Securities without market price

(Thousands of yen)

	FY2008 (As of March 31, 2008)	FY2009 (As of March 31, 2009)
	Amount Recorded on Consolidated Balance Sheet	Amount Recorded on Consolidated Balance Sheet
Other securities		
Unlisted stocks	50,182	51,250

(On the Derivative Transactions)

1. Matters concerning the status of transactions

FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
1. Transaction details Currency swaps are undertaken. 2. Trading Policy The Company has introduced derivative trading to efficiently carry out risk management while hedging the interest rate and foreign exchange risks that arise financially. 3. Objective of Trading The Company utilizes derivative trading with the objective to stabilize raw material costs and to improve the yield on financial assets. Derivative trading is not used for speculative purposes. 4. Nature of the Risks Relating to Trading In order to avoid credit risks to the greatest extent possible, the Company only trades with financial institutions that have high credit ratings. There is a market risk relating to future exchange fluctuations with regard to the currency swaps utilized by the Company. However, all of these transactions aim to hedge risks and the Company does not have any transactions which will have a major impact on the Company's business. 5. Risk Management System relating to Trading The Company has internal rules relating to decision making and reporting on derivative trading. Operations are strictly undertaken in accordance with these rules. 6. Supplemental Explanation concerning Transaction Market Value As the contract price does not necessarily reflect the derivative transaction risk, the notional principle in currency swap transactions does not express the market risk or credit risk.	1. Transaction details Currency swaps and interest rate swaps are undertaken. 2. Trading Policy The Company has introduced derivative trading to efficiently carry out risk management while hedging the interest rate and foreign exchange risks that arise financially. 3. Objective of Trading The Company utilizes derivative trading with the objective to stabilize raw material costs and to improve the yield on financial assets. Derivative trading is not used for speculative purposes. 4. Nature of the Risks Relating to Trading In order to avoid credit risks to the greatest extent possible, the Company only trades with financial institutions that have high credit ratings. The currency swaps that the Company employs entail market risk related to changes in future exchange rates, and interest rate swaps entail risks from changes in market interest rates. However, all of these transactions aim to hedge risks and the Company does not have any transactions which will have a major impact on the Company's business. 5. Risk Management System relating to Trading The Company has internal rules relating to decision making and reporting on derivative trading. Operations are strictly undertaken in accordance with these rules. 6. Supplemental Explanation concerning Transaction Market Value As the contract price does not necessarily reflect the derivative transaction risk, the notional principle in currency swap transactions does not express the market risk or credit risk.

2. Matters concerning the transaction market value

FY2008 (from April 1, 2007 to March 31, 2008)

Hedge accounting is applied to all derivative transactions during previous fiscal year, so reporting has been omitted.

FY2009 (from April 1, 2008 to March 31, 2009)

(1) Currency-related transactions

(Thousands of yen)

		FY2009 (As of March 31, 2009)			
		Contract amount		Estimated amounts	Unrealized gains (losses)
		Total	Over 1 year		
Non-market transactions	Forward exchange contracts Short positions Euro	5,661,900	4,823,100	(549,396)	(549,396)
Total		5,661,900	4,823,100	(549,396)	(549,396)

Notes: 1. Method for calculating market value

The futures price is used as the closing market price.

2. This excludes a derivative trading to which hedge accounting is applied.

(2) Interest-related transactions

(Thousands of yen)

		FY2009 (As of March 31, 2009)			
		Contract amount		Estimated amounts	Unrealized gains (losses)
		Total	Over 1 year		
Non-market transactions	Interest rate swaps Variable-for-fixed	4,731,120	3,032,400	(278,322)	(278,322)
Total		4,731,120	3,032,400	(278,322)	(278,322)

Notes: 1. Method for calculating market value

The market price is calculated based on factors including the price designated by the entity such as counterparty financial institution.

2. This excludes a derivative trading to which hedge accounting is applied.

(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.

Note that from the third year the Company adopted a qualified pension plan applicable only to retirees with more than 3 years of continuous employment, but the system was replaced by a defined benefits pension system in September 2006.

2. Retirement allowance payments and their breakdown

(Thousands of yen)

		FY2008 (As of March 31, 2008)	FY2009 (As of March 31, 2009)
(1)	Retirement benefit obligations	(1,027,594)	(1,104,480)
(2)	Pension assets	585,359	625,156
(3)	Unfunded retirement benefit obligations (1)+(2)	(442,234)	(479,324)
(4)	Unrecognized actuarial gain or loss	(147,743)	(95,246)
(5)	Unrecognized past employment obligations (obligation write down)	(14,392)	(10,179)
(6)	Net amount reported in Consolidated Balance Sheets (3)+(4)+(5)	(604,370)	(584,751)
(7)	Prepaid retirement expenses	–	–
(8)	Accrued retirement costs (6)-(7)	(604,370)	(584,751)

3. Breakdown of retirement benefits expenses

(Thousands of yen)

		FY2008 (As of March 31, 2008)	FY2009 (As of March 31, 2009)
(1)	Employment Expenses	77,429	78,645
(2)	Interest Expenses	21,009	20,551
(3)	Expected Return on Plan Assets	(8,413)	(8,789)
(4)	Amortization of Net Actuarial Gain or Loss	(10,221)	(36,674)
(5)	Amount of which Past Employment Obligations are Amortized	(4,212)	(4,212)
(6)	Retirement Benefits Expenses (1)+(2)+(3)+(4)+(5)	75,592	49,520

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

		FY2008 (As of March 31, 2008)	FY2009 (As of March 31, 2009)
(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)	Years over which Past Employment Obligations are Amortized (Years)	5	5
(5)	Years over which Actuarial Gains or Losses are Amortized (Years)	5	5

(Stock Options)

There is nothing to report.

(On the Tax Effect Accounting)

FY2008 (As of March 31, 2008)

1. Breakdown of the primary causes for deferred tax assets and liabilities

	(Thousands of yen)
Deferred tax assets (current)	
Disallowed accrued income tax	51,230
Excess allowance for employee bonuses	54,030
Others	6,266
	111,528
Deferred tax assets (fixed)	
Amount of loss carried forward	492,549
Excess over allowance for employee retirement benefits	240,539
Allowance for retirement benefits for directors	104,681
Impairment loss	25,982
Deferred gains on hedges	148,218
Unrealized gain on other securities	6,101
Other	14,666
Subtotal	1,032,739
Allowance account	(492,549)
	540,189
Deferred tax liabilities (current)	
Special depreciation reserve	(13,508)
	(13,508)
Deferred tax liabilities (fixed)	
Special depreciation reserve	(51,924)
Valuation reserve for land, net of taxes	(99,449)
	(151,373)
Net deferred tax assets (current)	98,019
Net deferred tax assets (fixed)	388,816

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

	(%)
Statutory effective tax rate (adjustments)	39.8
Non-tax deductible expense	1.8
Unrecognized tax benefits related to losses carried forward	7.8
Difference in tax rate of overseas subsidiaries	(1.1)
Recognition of unrecognized tax benefits at the end of the previous fiscal year	(2.0)
Dividend-received not taxable	(0.3)
Other	(0.5)
Actual effective tax rate	45.5

FY2009 (As of March 31, 2009)

1. Breakdown of the primary causes for deferred tax assets and liabilities

	(Thousands of yen)
Deferred tax assets (current)	
Disallowed accrued income tax	21,859
Excess allowance for employee bonuses	79,524
Others	18,024
	119,407
Deferred tax assets (fixed)	
Amount of loss carried forward	610,254
Excess over allowance for employee retirement benefits	232,730
Allowance for retirement benefits for directors	111,581
Impairment loss	25,982
Other	9,468
Subtotal	990,017
Allowance account	(610,254)
	379,763
Deferred tax liabilities (current)	
Special depreciation reserve	(13,908)
	(13,908)
Deferred tax liabilities (fixed)	
Special depreciation reserve	(40,930)
Unrealized gains on other securities	(46,502)
Valuation reserve for land	(99,449)
	(186,881)
Net deferred tax assets (current)	105,499
Net deferred tax assets (fixed)	192,881

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

	(%)
Statutory effective tax rate (adjustments)	39.8
Non-tax deductible expense	3.7
Unrecognized tax benefits related to losses carried forward	14.6
Tax credit for tests and research	(1.3)
Difference in tax rate of overseas subsidiaries	(0.7)
Dividend-received not taxable	(0.5)
Other	0.1
Actual effective tax rate	55.7

(Business Combinations)

FY2008 (from April 1, 2007 to March 31, 2008)

There is nothing to report

FY2009 (from April 1, 2008 to March 31, 2009)

There is nothing to report

(Information by Segment)

a. Information by business segment

FY2008 (from April 1, 2007 to March 31, 2008) and FY2009 (from April 1, 2008 to March 31, 2009)

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

b. Information by geographic segment

FY2008 (from April 1, 2007 to March 31, 2008)

(Thousands of yen)

	Japan	Other areas	Total	Elimination or entire company	Consolidation
I. Net sales and operating income and losses					
Net sales					
(1) Sales to external customers	20,499,908	2,461,942	22,961,851	–	22,961,851
(2) Internal sales or transfers between segments	34,076	1,257,731	1,291,808	(1,291,808)	–
Total	20,533,985	3,719,674	24,253,660	(1,291,808)	22,961,851
Operating expenses	16,608,843	3,562,528	20,171,371	(1,283,572)	18,887,799
Operating income	3,925,142	157,146	4,082,288	(8,236)	4,074,052
II. Assets	38,687,659	13,001,319	51,688,979	(272,546)	51,416,433

Notes: 1. Nations or regions are distinguished based on the similarity of economic activities.
2. Main nations and regions other than Japan
Other areas: U.S., People's Republic of China, Taiwan, France and Belgium

FY2009 (from April 1, 2008 to March 31, 2009)

(Thousands of yen)

	Japan	Other areas	Total	Elimination or entire company	Consolidation
I. Net sales and operating income and losses					
Net sales					
(1) Sales to external customers	19,676,439	2,060,201	21,736,641	–	21,736,641
(2) Internal sales or transfers between segments	16,432	1,435,586	1,452,018	(1,452,018)	–
Total	19,692,872	3,495,787	23,188,660	(1,452,018)	21,736,641
Operating expenses	16,327,947	3,991,698	20,319,645	(1,473,626)	18,846,019
Operating income	3,364,925	(495,910)	2,869,014	21,607	2,890,622
II. Assets	38,113,817	11,270,233	49,384,051	(136,318)	49,247,733

Notes: 1. Nations or regions are distinguished based on the similarity of economic activities.
2. Main nations and regions other than Japan
Other areas: U.S., People's Republic of China, Taiwan, France and Belgium.

c. Overseas sales

FY2008 (from April 1, 2007 to March 31, 2008)

	North America	Asia	Total
I. Overseas sales (thousand yen)	1,187,275	1,458,889	2,646,164
II. Consolidated sales (thousand yen)	–	–	22,961,851
III. Overseas sales /Total Consolidated net sales (%)	5.2	6.4	11.5

Notes:
1. The countries and regions are categorized based on geographical proximity.
2. The followings are the breakdown of the regions in the categories.
   (1) North America: The U.S.
   (2) Asia: People’s Republic of China (including Hong Kong), Taiwan, and South Korea
3. Overseas sales represent the sales of the Company and consolidated subsidiaries in the countries or regions except for home countries of these companies.

FY2009 (from April 1, 2008 to March 31, 2009)

Since the ratio of overseas sales is less than 10% of consolidated sales, description is omitted.

(Transactions with Related Parties)

FY2008 (from April 1, 2007 to March 31, 2008)

Directors, etc.

Position	Name	Address	Capital invested (¥million)	Type of business or job role	Voting rights (Company stake) (%)	Relationship		Nature of business transaction	Transaction value (¥ thousand)	Item	The closing balance of debts and credits (¥ thousand)
						Other directorships	Commercial links				
Companies in which directors or close relatives hold more than 50% of voting rights (including company subsidiaries)	Hill Top Food System Co., Ltd.	Fukuoka-shi, Fukuoka	300	Operation of restaurant	None	—	Supplier of materials	Sales of commodities	295,474	Accounts receivable-trade	15,180
							Landlord of facilities	Receiving of rents	3,600	Advance receivable-trade	—
	Japan Food Business Co., Ltd.	Shibuya-ku, Tokyo	20	Operation of restaurant	(Company stake) Ditrct:16.77	Dual capacity;1	Landlord of facilities	Receiving of rents	2,400	Advance receivable-trade	210

Notes: 1. With regard to the amount listed, unlike the transacted amount for turnover, the closing balance of debts and credits includes consumption tax.

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

Subsidiaries, etc.

Position	Name	Address	Capital invested (¥ thousand)	Type of business or job role	Voting rights (Company stake) (%)	Relationship		Nature of business transaction	Transaction value (¥ thousand)	Item	The closing balance of debts and credits (¥thousand)
						Other directorships	Commercial links				
Subsidiary	Ariake Farm Co., Ltd.	Sasebo-shi, Nagasaki	15,100	Farming	9.9	1 director	Purchaser of materials	Loan guarantee	10,000	Guaranteed loan	—

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

(Information on the Related Parties)

FY2009 (from April 1, 2008 to March 31, 2009)

(Additional information)

Starting this fiscal year, Accounting Standard for Related Party Disclosures (ASBJ Statement No. 11, October 17, 2006) and Guidance on Accounting Standard for Related Party Disclosures (ASBJ Guidance No. 13; October 17, 2006) were adopted.

This has not altered the scope of disclosure.

FY2009 (from April 1, 2008 to March 31, 2009)

Transactions with companies issuing the Consolidated Financial Statements and related parties

Directors, etc.

Position	Name	Address	Capital invested (¥million)	Type of business or job role	Voting rights (Company stake) (%)	Relationship		Nature of business transaction	Transaction value (¥ thousand)	Item	The closing balance of debts and credits (¥ thousand)
						Other directorships	Commercial links				
Companies in which directors or close relatives hold more than 50% of voting rights (including company subsidiaries)	Hill Top Food System Co., Ltd.	Fukuoka-shi, Fukuoka	300	Operation of restaurant	None	—	Supplier of materials	Sales of commodities	272,065	Accounts receivable-trade	15,180
							Landlord of facilities	Receiving of rents	3,600	Advance receivable-trade	—
	Japan Food Business Co., Ltd.	Shibuya-ku, Tokyo	20	Operation of restaurant	(Company stake) Ditrct:16.77	Dual capacity;1	Supplier of materials	Sales of commodities	2,211	Advance receivable-trade	210
							Landlord of facilities	Receiving of rents	2,400	Advance receivable-trade	

Notes: 1. With regard to the amount listed, unlike the transacted amount for turnover, the closing balance of debts and credits includes consumption tax.

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

Subsidiaries, etc.

Position	Name	Address	Capital invested (¥ million)	Type of business or job role	Voting rights (Company stake) (%)	Relationship		Nature of business transaction	Transaction value (¥ million)	Item	The closing balance of debts and credits
						Other directorships	Commercial links				
Subsidiary	Ariake Farm Co., Ltd.	Sasebo-shi, Nagasaki	15,100	Farming	9.9	1 director	Purchaser of materials	Loan guarantee	244,000	Guaranteed loan	—

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

(Per Share Information)

(In yen)

FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
Net assets per share 1,349.94 Net income per share 57.65 Due to absence of residual shares with dilution effects, there is no indication of the net income after residual share adjustment.	Net assets per share 1,290.55 Net income per share 24.80 Due to absence of residual shares with dilution effects, there is no indication of the net income after residual share adjustment.

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

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
Net income	1,851,152	789,385
Amount not attributed to common shareholders	–	–
Net income related to common stocks	1,851,152	789,385
Average number of shares outstanding during the fiscal years (thousand shares)	32,112	31,830

(Important Subsequent Events)

There is nothing to report.

5. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Thousands of yen)

	FY 2008 (As of March 31, 2008)	FY 2009 (As of March 31, 2009)
Assets		
Current assets		
Cash and time deposits	10,502,588	11,373,097
Notes receivable	613,182	518,274
Accounts receivable	3,526,337	3,425,266
Securities provided as collateral	126,949	–
Securities	–	87,470
Merchandise	39,027	–
Finished goods	1,184,631	–
Merchandise and finished goods	–	1,056,648
Raw materials	955,520	–
Work in process	431,399	373,635
Supplies	215,084	–
Raw materials and supplies	–	1,744,229
Advance payments	66,525	84,238
Prepaid expenses	33,691	34,385
Deferred tax assets	98,019	105,499
Short-term loan to affiliated companies	150,000	400,000
Consumption taxes receivable	342,645	–
Others	59,032	76,728
Allowance for doubtful accounts	(7,811)	(7,523)
Total current assets	18,336,826	19,271,952
Fixed assets		
Tangible fixed assets		
Buildings	12,409,552	12,418,290
Accumulated depreciation	(4,843,707)	(5,304,442)
Buildings (net)	7,565,845	7,113,848
Structures	888,913	888,913
Accumulated depreciation	(574,646)	(616,901)
Structures (net)	314,266	272,011
Machines and devices	14,273,439	14,417,476
Accumulated depreciation	(9,623,208)	(10,611,150)
Machines and devices (net)	4,650,231	3,806,326
Ships and vessels	17,344	17,344
Accumulated depreciation	(16,442)	(16,667)
Ships and vessels (net)	902	676
Vehicles and delivery equipment	180,068	181,136
Accumulated depreciation	(148,972)	(156,013)
Vehicles and delivery equipment (net)	31,095	25,123
Tools, furniture and fixtures	693,389	667,187
Accumulated depreciation	(611,985)	(608,176)
Tools, furniture and fixtures (net)	81,404	59,011
Land	3,914,970	3,914,970
Construction in progress	14,227	13,331
Total tangible fixed assets	16,572,944	15,205,299
Intangible fixed assets		
Software	13,480	12,314
Telephone subscription rights	7,139	7,139
Total intangible fixed assets	20,619	19,453

(Thousands of yen)

	FY 2008 (As of March 31, 2008)	FY 2009 (As of March 31, 2009)
Investments and other assets		
Investment securities	1,764,454	2,033,986
Stocks of affiliated companies	7,691,035	8,873,745
Investments in affiliated companies	413,095	413,095
Long-term loans receivable	45,055	44,174
Long-term loans to employees	52,167	45,835
Long-term loans to affiliated companies	65,123	63,849
Long-term prepaid expenses	91,681	60,532
Investments in real estates (net)	563,656	557,386
Insurance reserve	437,289	405,663
Deferred tax assets	482,339	291,678
Others	47,335	46,121
Allowance for doubtful accounts	(272)	(265)
Total investments and other assets	11,652,960	12,835,803
Total fixed assets	28,246,525	28,060,556
Total assets	46,583,351	47,332,508
Liabilities		
Current liabilities		
Notes payable	649,875	601,944
Accounts payable	1,045,993	978,458
Other accounts payable	508,625	366,714
Accrued expenses	132,908	115,105
Income taxes payable	629,415	222,445
Consumption tax payable	–	365,016
Deposits payable	29,056	26,427
Allowance for employee bonuses	135,755	140,109
Allowance for directors' bonuses	59,700	59,700
Derivative liabilities	–	827,718
Others	19,590	14,384
Total current liabilities	3,210,921	3,718,024
Fixed liabilities		
Allowance for employee retirement benefits	604,370	584,751
Allowance for directors' retirement benefits	263,019	280,355
Others	372,467	60
Total fixed liabilities	1,239,857	865,166
Total liabilities	4,450,779	4,583,191

(Thousands of yen)

	FY 2008 (As of March 31, 2008)	FY 2009 (As of March 31, 2009)
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	98,971	82,946
Special reserve fund	7,820,000	7,820,000
Retained earnings carried forward	21,132,918	21,463,797
Total retained earnings	29,492,890	29,807,743
Treasury stock	(2,055,864)	(2,057,727)
Total shareholders' equity	42,365,990	42,678,980
Unrealized gains and adjustments		
Unrealized gains (losses) on other securities	(9,228)	70,337
Deferred gains (losses) on hedges	(224,189)	–
Total unrealized gains (losses) and adjustments	(233,417)	70,337
Total net assets	42,132,572	42,749,317
Total liabilities and net assets	46,583,351	47,332,508

(2) Non-Consolidated Statements of Income

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
Net sales		
Product sales	19,008,528	18,246,174
Merchandise sales	981,690	1,012,825
Total net sales	19,990,219	19,258,999
Cost of sales		
Product inventory at beginning of term	1,061,061	1,184,631
Merchandise inventory at beginning of term	57,532	39,027
Product cost of manufacture of the current term	12,225,787	11,872,457
Cost of merchandise of the current term	782,829	802,048
Total	14,127,211	13,898,163
Product inventory at end of term	1,184,631	1,020,672
Merchandise inventory at end of term	39,027	35,976
Total cost of sales	12,903,553	12,841,515
Gross profit	7,086,666	6,417,484
Selling, general and administrative expenses	3,329,407	3,163,159
Operating income	3,757,258	3,254,324
Non-operating income		
Interest income	32,749	51,647
Dividend income	41,535	47,796
Gain on sale of securities	28,581	5,770
Exchange gain on foreign currency	–	15,077
House-rent received	43,004	37,740
Others	29,215	79,825
Total non-operating income	175,086	237,858
Non-operating expenses		
Exchange loss on foreign currency	17,533	–
Loss on derivatives	–	827,718
Expenses for new overseas business	66,802	61,268
Expenses for new factory	1,509	–
Expenses for industrial waste processing	16,339	–
Cost of rental revenue	14,858	13,914
Others	19,858	97,291
Total non-operating expenses	136,904	1,000,193
Ordinary income	3,795,441	2,491,989
Extraordinary income		
Subsidy for promotion costs in corporate location	200,000	–
Total extraordinary income	200,000	–
Extraordinary losses		
Loss on retirement of fixed assets	6,482	1,547
Loss on valuation of investment securities	3,407	84,098
Impairment loss	20,043	–
Provision for directors' retirement benefits	246,071	–
Total extraordinary losses	276,003	85,645
Income before income taxes	3,719,437	2,406,344
Income, inhabitant and business taxes	1,580,000	995,000
Income taxes–deferred	(66,362)	(17,641)
Total income taxes	1,513,637	977,358
Net income	2,205,799	1,428,985

Breakdown of the Cost of Products Manufactured

(Thousands of yen)

Account	Notes	FY2008 (from April 1, 2007 to March 31, 2008) Amount	Ratio (%)	FY2009 (from April 1, 2008 to March 31, 2009) Amount	Ratio (%)
I. Material costs		6,211,516	50.6	6,249,202	52.7
II. Labor costs		1,710,960	13.9	1,689,166	14.2
(of which are allowance for employee bonus)		(-87,089)		(93,505)	
(of which are retirement benefits expenses)		(57,449)		(35,528)	
III. Expenses		4,353,843	35.5	3,927,403	33.1
(of which are depreciation and amortization)		(1,775,423)		(1,446,306)	
(of which are sub contractor expenses)		(29,793)		(26,774)	
Total manufacturing cost of the current term		12,276,321	100.0	11,865,772	100.0
Work in process inventory at beginning of term		438,368		431,399	
Total		12,714,690		12,297,171	
Subcontract: Work in process inventory at end of term		431,399		373,635	
Subcontract: Transfer to other accounts	*1	57,502		51,078	
Cost of products manufactured of the current term		12,225,787		11,872,457	

Note:

FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
(Cost Accounting Method) Separate cost accounting per individual lots based on actual cost.	(Cost Accounting Method) Same as on the left
*1(Transfer to other accounts) Among the transfer to other accounts, main transfer is recorded in selling, general and administrative expenses (advertising expenses, etc.)	*1(Transfer to other accounts) Same as on the left

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

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
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	71,496	98,971
Amount of fluctuation during the year		
Allowance of special depreciation reserve	47,907	5,011
Withdrawal of special depreciation reserve	(20,432)	(21,036)
Total amount of fluctuation during the year	27,474	(16,025)
Balance at the end of current fiscal year	98,971	82,946
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
Earned surplus carried forward		
Balance at the end of previous fiscal year	19,920,829	21,132,918
Amount of fluctuation during the year		
Allowance of special depreciation reserve	(47,907)	(5,011)
Withdrawal of special depreciation reserve	20,432	21,036
Dividend from retained earnings	(966,232)	(1,114,062)
Net income	2,205,799	1,428,985
Disposal of treasury stock	(2)	(69)
Total amount of fluctuation during the year	1,212,089	330,878
Balance at the end of current fiscal year	21,132,918	21,463,797

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
Total retained earnings		
Balance at the end of previous fiscal year	28,253,326	29,492,890
Amount of fluctuation during the year		
Allowance of special depreciation reserve	–	–
Withdrawal of special depreciation reserve	–	–
Dividend from retained earnings	(966,232)	(1,114,062)
Net income	2,205,799	1,428,985
Disposal of treasury stock	(2)	(69)
Total amount of fluctuation during the year	1,239,564	314,853
Balance at the end of current fiscal year	29,492,890	29,807,743
Treasury stock		
Balance at the end of previous fiscal year	(1,284,247)	(2,055,864)
Amount of fluctuation during the year		
Acquisition of treasury stock	(772,422)	(2,083)
Disposal of treasury stock	804	220
Total amount of fluctuation during the year	(771,617)	(1,862)
Balance at the end of current fiscal year	(2,055,864)	(2,057,727)
Total shareholders' equity		
Balance at the end of previous fiscal year	41,898,043	42,365,990
Amount of fluctuation during the year		
Dividend from retained earnings	(966,232)	(1,114,062)
Net income	2,205,799	1,428,985
Acquisition of treasury stock	(772,422)	(2,083)
Disposal of treasury stock	802	151
Total amount of fluctuation during the year	467,946	312,990
Balance at the end of current fiscal year	42,365,990	42,678,980

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
Unrealized gains and adjustments		
Unrealized gains on other securities		
Balance at the end of previous fiscal year	217,960	(9,228)
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	(227,188)	79,565
Total amount of fluctuation during the year	(227,188)	79,565
Balance at the end of current fiscal year	(9,288)	70,337
Deferred gains on hedges		
Balance at the end of previous fiscal year	280,295	(224,189)
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	(504,484)	224,189
Total amount of fluctuation during the year	(504,484)	224,189
Balance at the end of current fiscal year	(224,189)	–
Total unrealized gains and adjustments		
Balance at the end of previous fiscal year	498,255	(233,417)
Amount of fluctuation during the year		
Amount of fluctuation of items other than shareholders' equity during the year (net)	(731,673)	303,755
Total amount of fluctuation during the year	(731,673)	303,755
Balance at the end of current fiscal year	(233,417)	70,337
Total net assets		
Balance at the end of previous fiscal year	42,396,298	42,132,572
Amount of fluctuation during the year		
Dividend from retained earnings	(966,232)	(1,114,062)
Net income	2,205,799	1,428,985
Acquisition of treasury stock	(772,422)	(2,083)
Disposal of treasury stock	802	151
Amount of fluctuation of items other than shareholders' equity during the year (net)	(731,673)	303,755
Total amount of fluctuation during the year	(263,726)	616,745
Balance at the end of current fiscal year	42,132,572	42,749,317

Notes on the Going Concern Assumption

There is no related information.

Important Accounting Policy

Term	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
1. Standard and method of valuating securities	(1) Securities for sale Mark-to-market method (costs for sale are computed with the moving average method; securities purchased on margin are accounted as securities for sale) (2) Stocks of subsidiaries and affiliated companies Cost method under the moving average method (3) Other Securities Securities with any market price Mark-to-market method based on the market price as of the day of settlement of accounts (all the evaluation differences are incorporated directly into the capital stock and costs for sale are computed with the moving average method) Securities without any 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) Other Securities Securities with any market price Same as on the left Securities without any market price Same as on the left
2. Standard and method of valuating derivatives	(1) Derivatives: Mark-to-market method	(1) Derivatives: Same as on the left
3. Standard and method of valuating inventories	(1) Merchandise: Identified cost method (2) Products: Identified cost method (3) Materials: Cost method under the moving average method (4) Work in process: Identified cost method (5) Supplies: Last cost method	(1) Merchandise: Identified cost method (2) Products: Identified cost method (3) Materials: Cost method under the moving average method (4) Work in process: Identified cost method (5) Supplies: Last cost method (Book value stated in the balance sheets is written down in accordance with a decline in profitability)
4. Method of depreciation of fixed assets	(1) Tangible fixed assets Declining balance method As for buildings (except incidental equipment) acquired or put into business use after April 1, 1998, however, straight-line method is available. Small-amount depreciable assets of which the acquisition price is 100,000 yen or more and less than 200,000 yen are depreciated evenly over three years. Useful lives of major assets are as follows: Buildings: 15 – 50 years Machines and devices: 9 years (Additional information) Regarding assets acquired on or before March 31, 2007, the Company, in accordance with the amendment of the Corporate Tax Law, uniformly amortize the difference between 5% of the acquisition cost and memorandum value over five years from the next consolidated fiscal year of a consolidated fiscal year in which such assets are depreciated to 5% of their acquisition cost by application of the depreciation method based on the Corporate Tax Law before amendments and such expenses are recorded as depreciation expenses. As a result of this, operating income, ordinary income and net income before adjustments for taxes decreased by 45,925 thousand yen respectively. (2) Intangible fixed assets Straight-line method As for software for own use, straight-line method for internally available period (5 years) is applied (3) Long-term prepaid expenses Straight-line method (4) Investments in real estate Declining balance method	(1) Tangible fixed assets (except for lease assets) Declining balance method As for buildings (except incidental equipment) acquired or put into business use after April 1, 1998, however, straight-line method is available. Small-amount depreciable assets of which the acquisition price is 100,000 yen or more and less than 200,000 yen are depreciated evenly over three years. Useful lives of major assets are as follows: Buildings: 15 – 50 years Machines and devices: 10 years (Additional information) The useful life of machinery, which had been 9 years, was changed to 10 years starting from the first quarter of the current fiscal year. The change was made in response to revisions to the "Ministerial Ordinance Concerning the Items Such as the Useful Life of Depreciable Assets." As a result of this, operating income, ordinary income and net income before income taxes increased by 82,282 thousand yen respectively. (2) Intangible fixed assets (except for lease assets) Same as on the left (3) Long-term prepaid expenses Same as on the left (4) Investments in real estate Same as on the left

Term	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
5. Standards for converting significant foreign currency denominated assets and liabilities into Japanese yen	Receivables and payables denominated in foreign currencies are converted to Japanese yen using the spot exchange rate for the final day of the fiscal year, and differences are recorded as gains or losses.	Same as on the left
6. Standards for additions to allowances	(1) Allowance for doubtful accounts To prepare against losses from bad debts, the amount estimated based on the actual loss ratio is reserved for ordinary receivables, and the amount of possible losses is included in the reserve based on consideration of the collectibility of individual doubtful accounts. (2) Allowance for employee bonus The Company reserves the estimated amount of the bonus to prepare for payment to employees. (3) Allowance for directors' bonuses The company has reserved and recorded as this fiscal year's company's contribution a part of the estimated amount of directors' bonus 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 is reserved based on estimation of retirement benefit liabilities and pension assets regarded as existing at the end of the consolidated fiscal year For the difference in actuarial calculation, the five-year proportionally-divided amount with the straight-line method based on a fixed number of years (five years) within the average remaining service periods of employees at occurrence in each fiscal year shall be reported as expense from the following fiscal year. Past employment obligations are treated as expense, employing periodically fixed amount calculated on the basis of (5) years within average remaining employment period of an employee at the time of accruing. (5) Allowance for retirement benefits for directors 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.	(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 (5) Allowance for retirement benefits for directors Same as on the left
7. Accounting for lease transactions	Financial lease transactions are accounted by the method similar to operating lease transactions, excluding financial lease transactions where ownership of the leased property may be transferred to the lessee.	――――――――
8. Hedge accounting methods	(i) Hedge accounting methods Deferred hedge accounting is used. Allocation accounting is applied to foreign-currency-denominated liabilities with exchange contracts. (ii) Measures of hedging and targets of hedging Measures of hedging: Currency swaps Targets of hedging: Purchase liabilities following imports of materials from overseas subsidiaries with possible losses due to currency fluctuations	――――――――

Term	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
	(iii) Policies on hedging Based on the basic policies approved by the Management Committee of the Company, the Management Administration Department is in charge of controlling and executing trading, and regularly reporting to the Management Committee. Counter-parties of trading are limited to high-quality financial institutions. (iv) Methods to assess effectiveness of hedging The accumulated total of price fluctuations or cash-flow fluctuations of the targets of hedging is compared with the accumulated total of price fluctuations or cash-flow fluctuations of the measures of hedging, and the effectiveness is assessed according to these fluctuations	
9. Other important matters to prepare Financial Statements	(1) Accounting of the consumption tax The Company applies the tax-exclusion accounting method.	(1) Accounting of the consumption tax Same as on the left

Change in Accounting Method

FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
(Allowance for retirement benefits for directors) Retirement benefits for directors have traditionally been recorded at the time the payment was made. However, as a result of the release of “Auditing Treatment relating to Reserve defined under the Special Tax Measurement Law, Reserves defined under the Special Law and Reserve for Directors and Corporate Auditor Retirement Benefits” (the Japanese Institute of Certified Public Accountants (“JICPA”) Auditing and Assurance Practice Committee report No. 42) and application of the “Accounting Standard for Directors’ Bonuses,” (ASBJ Statement No. 4, November 29, 2005), when accounting for directors’ bonuses, the amount that must be paid at the end of the fiscal year based on internal rules is recorded as allowance for retirement benefits for directors starting in the present fiscal year. As a result of these changes, operating income and ordinary income declined 16,948 thousand yen and income before taxes fell 263,019 thousand yen.	――――――
――――――	(Inventories) “Accounting Standards relating to the Valuation of Inventory Assets” (ASBJ Statement No. 9, July 5, 2006) is applied from the current fiscal year. As a result, operating income, ordinary income and income before taxes have decreased by 28,788 thousand yen, respectively.
――――――	(Accounting standard for lease transactions) Although the Company has previously used lease transaction methods to account for finance and lease transactions not involving transfers of ownership, it has elected to use accounting procedures for normal sales transactions to account for these transactions starting from the current fiscal year by applying the “Accounting Standards for Lease Transactions” (ASBJ Statement No. 13, June 17, 1993, by the First Committee of the Business Accounting Council and revised on March 30, 2007) and the “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No. 16, originally issued on January 18, 1994, by the Accounting System Committee of the Japanese Institute of Certified Public Accountants and revised on March 30, 2007). For finance leases without an ownership transfer for which the lease transaction had started before March 31, 2008, the conventional method was applied. Note that effect of this adoption in the data is negligible.

Change in Method of Presentation

FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
(On the Balance Sheets) "Notes payable related to capital investments," which were listed separately until last fiscal year, are included in "Others" under current liabilities since they accounted for less than 1% of total liabilities and net assets. For the present fiscal year, notes payable related to capital investments totaled 11,494 thousand yen.	(On the Balance Sheets) ――――――――
(On the Statements of Income) "Expenses for industrial waste processing," which were, in the previous fiscal year, included in "Others" under non-operating expenses are listed separately since they account for more than 10% of total non-operating expenses. For the previous fiscal year, "Expenses for industrial waste processing" and "Cost of Rental revenue" were 7,059 thousand yen and 16,611 thousand yen, respectively.	(On the Statements of Income) "Expenses for industrial waste processing," which were listed separately for the previous fiscal year, are included in "Others" under non-operating expenses since they account for less than 10% of total non-operating expenses.

Notes

(On the Non-Consolidated Balance Sheets)

<table>
<tr><th>FY2008
(from April 1, 2007 to March 31, 2008)</th><th>FY2009
(from April 1, 2008 to March 31, 2009)</th></tr>
<tr><td>*1. Accumulated amount of depreciation of investments in real estates
96,126 thousand yen
*2. Major assets in and liabilities to affiliated companies are as follows. Accounts independently posted on the Balance Sheets are excluded.
Accounts receivable 19,369 thousand yen
Accounts payable 311 thousand yen

*3. Asset provided as collateral Securities
Securities 126,949 thousand yen
Guarantees 5,113 thousand yen
Corresponding liabilities 76,672 thousand yen

*4. Contingent liabilities
(1) Guarantees for liabilities
The following affiliated companies have received loan guarantees 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>4,350 thousand EUR</td><td>Loan liability</td></tr>
<tr><td>Ariake Farm Co., Ltd.</td><td>10,000 thousand yen</td><td>Loan liability</td></tr>
<tr><td>Total</td><td>4,350 thousand EUR
10,000 thousand yen</td><td>—</td></tr>
</table>
</td><td>*1. Accumulated amount of depreciation of investments in real estates
102,396 thousand yen
*2. Major assets in and liabilities to affiliated companies are as follows. Accounts independently posted on the Balance Sheets are excluded.
Accounts receivable 13,374 thousand yen
Accounts payable 2,271 thousand yen

*3. ______________

*4. Contingent liabilities
(1) Guarantees for liabilities
The following affiliated companies have received loan guarantees 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>454,440 thousand yen
(3,500 thousand EUR)</td><td>Loan liability</td></tr>
<tr><td>F.P. Natural Ingredients S.A.S.</td><td>71,412 thousand yen
(550 thousand EUR)</td><td>Loan liability</td></tr>
<tr><td>ARIAKE. U.S.A Inc.</td><td>123,769 thousand yen
(1,260 thousand EUR)</td><td>Loan liability</td></tr>
<tr><td>Qingdao Ariake Foodstuff Co, Ltd.</td><td>823,405 thousand yen
(57,260 thousand Yuan)</td><td>Loan liability</td></tr>
<tr><td>Ariake Farm Co., Ltd.</td><td>244,000 thousand yen</td><td>Loan liability</td></tr>
<tr><td>Total</td><td>1,717,027 thousand yen</td><td>—</td></tr>
</table>
</td></tr>
</table>

(On the Non-Consolidated Statements of Income)

FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
*1. Major items accounted in selling, general and administrative expenses are as follows: (Thousands of yen) Packing and transportation expenses 1,062,906 Warehousing costs 146,113 Salary, benefits and bonuses 418,330 Depreciation expenses 67,429 Provision for employee bonuses 41,013 Provision for directors' bonuses 59,700 Retirement benefits expenses 12,446 Provision for retirement benefits for directors 16,948 Expenses included in selling expenses 37% Expenses included in general and administrative expenses 63% *2.Research and development expenses including general and administrative expenses 311,451 thousand yen *3. Losses on disposal of fixed assets are as follows: Buildings 3,461 thousand yen Machinery and equipment 1,610 thousand yen Automobiles and transportation equipment 260 thousand yen Tools, furniture and fixtures 1,149 thousand yen	*1. Major items accounted in selling, general and administrative expenses are as follows: (Thousands of yen) Packing and transportation expenses 1,067,062 Warehousing costs 146,416 Salary, benefits and bonuses 390,600 Depreciation expenses 70,965 Provision for employee bonuses 39,933 Provision for directors' bonuses 59,700 Retirement benefits expenses 13,602 Provision for retirement benefits for directors 17,336 Expenses included in selling expenses 39% Expenses included in general and administrative expenses 61% *2.Rresearch and development expenses including general and administrative expenses 280,555 thousand yen *3. Losses on disposal of fixed assets are as follows: Machinery and equipment 337 thousand yen Automobiles and transportation equipment 252 thousand yen Tools, furniture and fixtures 957 thousand yen

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

FY2008 (from April 1, 2007 to March 31, 2008)

Items regarding the type and number of shares of treasury stock

(Thousands of yen)

	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)	545	432	0	977
Total	545	432	0	977

Note: The number of common share treasury stock rose 432 thousand shares, which consisted of 431 thousand shares purchased based on a board of directors resolution and the purchase of 1 thousand odd-lot shares. The decrease in the number of common share treasury stock was the result of the sale of odd-lot shares.

FY2009 (from April 1, 2008 to March 31, 2009)

Items regarding the type and number of shares of treasury stock

(Thousands of yen)

	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)	977	1	0	979
Total	977	1	0	979

Note: The increase in the number of common share treasury stock was the result of the purchase of odd-lot shares. The decrease in the number of common share treasury stock was the result of the sale of odd-lot shares.

(On the Lease Transactions)

FY2008
(from April 1, 2007 to March 31, 2008)

1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee

(1) Amounts equal to purchase price, accumulated depreciation costs and balance at end of term

(Thousands of yen)

	Amount equal to purchase price	Amount equal to accumulated depreciation costs	Amount equal to balance at end of term
Tools, furniture and fixtures	76,128	37,636	38,492
Total	76,128	37,636	38,492

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

(Thousands of yen)

Within 1 year	15,281
More than 1 year	24,401
Total	39,682

(3) Lease charges paid, amount equal to depreciation cost and amount equal to interest expense

(Thousands of yen)

Lease charges paid	16,243
Amount equal to depreciation cost	15,156
Amount equal to interest expense	1,272

(4) Calculation of the amount equal to depreciation cost

The straight-line method is applied by assuming the lease period as the useful life, and setting the residual value to 0.

(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 is regarded as the amount equal to interest expense, and the interest method is applied to allocation to each term.

2. Operating lease transaction

Prepaid lease transaction

(Thousands of yen)

Within 1 year	5,136
More than 1 year	14,211
Total	19,348

(Asset impairment losses)

There are no asset impairment losses attributed to leased assets.

FY2009
(from April 1, 2008 to March 31, 2009)

1. Finance lease transactions except those transactions where ownership of the leased property may be transferred to the lessee

For finance leases without an ownership transfer for which the lease transaction had started before March 31, 2008, the conventional method was applied.

(1) Amounts equal to purchase price, accumulated depreciation costs and balance at end of term

(Thousands of yen)

	Amount equal to purchase price	Amount equal to accumulated depreciation costs	Amount equal to balance at end of term
Tools, furniture and fixtures	76,128	52,698	23,429
Total	76,128	52,698	23,429

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

(Thousands of yen)

Within 1 year	14,752
More than 1 year	9,649
Total	24,401

(3) Lease charges paid, amount equal to depreciation cost and amount equal to interest expense

(Thousands of yen)

Lease charges paid	16,141
Amount equal to depreciation cost	15,062
Amount equal to interest expense	860

(4) Calculation of the amount equal to depreciation cost

Same as on the left

(5) Calculation of the amount equal to interest expense

Same as on the left

2. Operating lease transaction

Prepaid lease transaction

(Thousands of yen)

Within 1 year	4,096
More than 1 year	7,236
Total	11,333

(Asset impairment losses)

Same as on the left

(On the Securities)

There are no stocks of affiliates with market value for FY2008 (from April 1, 2007 to March 31 2008) and FY2009 (from April 1, 2008 to March 31 2009)

(On the Matters Related to Deferred Tax Accounting)

FY2008 (As of March 31, 2008)		FY2009 (As of March 31, 2009)	
1. Breakdown of deferred tax assets and liabilities		1. Breakdown of deferred tax assets and liabilities	
Deferred tax assets	(Thousands of yen)	Deferred tax assets	(Thousands of yen)
Disapproval of accrued enterprise tax	51,230	Disapproval of accrued enterprise tax	21,859
Excess over allowance for employee bonuses	54,030	Excess over allowance for employee bonuses	55,763
Excess over allowance for employee retirement benefits	240,539	Allowance for directors' bonuses	23,760
Allowance for retirement benefits for directors	104,681	Excess over allowance for employee retirement benefits	232,730
Asset impairment losses	25,982	Allowance for retirement benefits for directors	111,581
Disapproval of loss on revaluation of golf-club memberships	8,815	Asset impairment losses	25,982
Unrealized gains on other securities	6,101	Disapproval of loss on revaluation of golf-club memberships	8,815
Deferred gains on hedges	148,218	Loss on valuation of inventories	11,457
Others	6,190	Others	6,566
Total deferred tax assets	645,791	Total deferred tax assets	498,518
Deferred tax liabilities		Deferred tax liabilities	
Reserve for special depreciation	(65,432)	Reserve for special depreciation	(54,838)
Total deferred tax liabilities	(65,432)	Unrealized gains on other securities	(46,502)
Net deferred tax assets	580,358	Total deferred tax liabilities	(101,340)
		Net deferred tax assets	397,178
2. The breakdown of main items which caused the difference between income tax payable at legal effective tax rate and that after the application of the tax effect accounting Note is omitted, as the difference between income tax payable at legal effective tax rate and that after the application of the tax effect accounting is smaller than five hundredth of legal effective tax rate.		2. The breakdown of main items which caused the difference between income tax payable at legal effective tax rate and that after the application of the tax effect accounting Same as on the left	

(On the Matters Related to Business Combinations)

FY2008 (from April 1, 2007 to March 31, 2008)

There is nothing to report.

FY2009 (from April 1, 2008 to March 31, 2009)

There is nothing to report.

(Per Share Data)

(In yen)

FY2008 (from April 1, 2007 to March 31, 2008)		FY2009 (from April 1, 2008 to March 31, 2009)	
Net assets per share	1,323.64	Net assets per share	1,343.07
Net income per share	68.69	Net income per share	44.89
Due to absence of residual shares with dilution effects, there is no indication of the net income after residual share adjustment.		Due to absence of residual shares with dilution effects, there is no indication of the net income after residual share adjustment.	

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

(Thousands of yen)

	FY2008 (from April 1, 2007 to March 31, 2008)	FY2009 (from April 1, 2008 to March 31, 2009)
Net income	2,205,799	1,428,985
Amount not attributed to common shareholders	—	—
Net income related to common stocks	2,205,799	1,428,985
Average number of shares outstanding during the fiscal years (thousand shares)	32,112	31,830

(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

- Resigning Director

  Sueo Kikushima, Senior Managing Director and General Manager of General Affairs Department

  (to be assigned as Executive Operating Director and Deputy General Manager of Sales Division)

3) Planned date of assignment

June 19, 2009

(2) Others

There is nothing to report.