

Summary of Consolidated Financial Results
For the Nine Months Ended December 31, 2013 (Based on Japanese GAAP)

February 4, 2014

Company name: Fuji Nihon Seito Corporation Listing: Second Section of Tokyo Exchange
Stock code: 2114 <http://www.fnsugar.co.jp>
Company Representative: Yoshikazu Funakoshi President and Chief Executive
Contact person in charge: Hiroshi Fukuda Executive Officer Administrative Headquarters General Manager

TEL.81-3-3667-7811

Planned date for submission of quarterly report: February 13, 2014

Preparation of supplementary material for quarterly financial statements: None

Briefing session for quarterly financial statements: None

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2013 (from April 1, 2013 to December 31, 2013)

(1) Consolidated Results of Operations

(Percentages are year-over-year changes)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|-------------------------------------|-------------|-----|------------------|--------|-----------------|--------|-------------|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended December 31, 2013 | 15,413 | 1.1 | 830 | (14.7) | 951 | (10.0) | 563 | (14.0) |
| Nine months ended December 31, 2012 | 15,242 | 3.7 | 974 | (0.8) | 1,056 | (1.9) | 654 | 17.5 |

Note: Comprehensive income

Nine months ended December 31, 2013: 794 million yen (down 5.2%) Nine months ended December 31, 2012: 837 million yen (up 41.7%)

| | Net income per share | | Diluted net income per share | |
|-------------------------------------|----------------------|--|------------------------------|--|
| | Yen | | Yen | |
| Nine months ended December 31, 2013 | 20.96 | | — | |
| Nine months ended December 31, 2012 | 24.41 | | — | |

(2) Consolidated Financial Position

| | Total assets | | Net assets | | Capital adequacy ratio |
|-------------------------|--------------|--|-------------|--|------------------------|
| | Million yen | | Million yen | | % |
| As of December 31, 2013 | 20,938 | | 14,827 | | 68.9 |
| As of March 31, 2013 | 20,023 | | 14,308 | | 69.3 |

(Reference) Equity capital: As of December 31, 2013: 14,418 million yen As of March 31, 2013: 13,879 million yen

2. Cash Dividends

| | Annual dividend | | | | |
|---------------------------------------|-----------------|-----------|-----------|----------|-------|
| | End of 1Q | End of 2Q | End of 3Q | Year end | Total |
| | Yen | | | | |
| Year ended March 31, 2013 | — | 0.00 | — | 10.00 | 10.00 |
| Year ending March 31, 2014 | — | 0.00 | — | — | — |
| Year ending March 31, 2014 (forecast) | — | — | — | 9.00 | 9.00 |

Note: Revision of the dividend forecast announced most recently: None

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

(Percentages are year-over-year changes)

| | Net sales | | Operating income | | Ordinary income | | Net income | | Net income per share |
|-----------|-------------|-----|------------------|-------|-----------------|-------|-------------|-------|----------------------|
| | Million Yen | % | Million Yen | % | Million Yen | % | Million Yen | % | Yen |
| Full year | 20,000 | 1.2 | 950 | (4.5) | 1,050 | (8.2) | 650 | (9.3) | 24.18 |

Note: Revision of the business forecasts announced most recently: None

※ Notes

- (1) Significant changes in subsidiaries during the nine months of fiscal year 2014
(Change in specified subsidiaries resulting in change of scope of consolidation): None
- (2) Changes in accounting policy and accounting estimates and restatement
- (i) Changes in accounting policy due to any revision of accounting standards: None
 - (ii) Changes in accounting policy other than (i) above: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(3) Number of outstanding shares (common shares)

| | | | | |
|--|-------------------------|-------------------|-------------------------|-------------------|
| (i) Number of outstanding shares at period end (including treasury stock) | As of December 31, 2013 | 29,748,200 shares | As of March 31, 2013 | 29,748,200 shares |
| (ii) Number of treasury stock at period end | As of December 31, 2013 | 2,883,773 shares | As of March 31, 2013 | 2,863,447 shares |
| (iii) Average number of shares during period (from the beginning of fiscal year to period end) | As of December 31, 2013 | 26,880,812 shares | As of December 31, 2012 | 26,828,765 shares |

※ Implementation of quarterly review procedure:

This summary is not subject to quarterly review procedure under the Financial Instruments and Exchange Law. At the time of this document's release, review of the quarterly financial statements under the Financial Instruments and Exchange Law had not been completed.

※ Explanation on appropriate use of business forecasts, and other special notes:

Business forecasts and other forward-looking statements contained in this report and supplementary materials are based on information currently available to the Company and on certain assumptions deemed as rational, and are not intended to guarantee the achievements by the Company. Actual results may differ significantly from such forecasts due to various factors. For preconditions used for business forecasts and notes in using such forecasts, please refer to "(3) Qualitative information regarding consolidated business forecasts" in "1. Qualitative Information Regarding the Results for the Nine Months of Fiscal Year 2014" on page 3 of the Appendix.

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1. Qualitative Information Regarding the Results for the Nine Months of Fiscal Year 2014

(1) Qualitative information regarding consolidated operating results

During the nine months of fiscal year 2014, the Japanese economy showed the improvement of business climate due to the modification of strong yen and soaring stock price by the expectation of the economic and financial policies by the new regime. However the Japanese economy concerned a bad influence to the economy due to the sluggish of consumer spending by an increase in consumption tax from April, 2014.

Under these economic environments, the Group made efforts to maintain the stable and constant supply as the top priority. Our subsidiary, Fuji Nihon Thai Inulin Co., Ltd., for produce and sell "Inulin", focused to promote the construction of Inulin factory for full operation.

As a result, consolidated net sales for the nine months of fiscal year 2014, increased 1.1% year on year to 15,413 million yen, operating income decreased 14.7% year on year to 830 million yen, ordinary income decreased 10.0% year on year to 951 million yen, net income decreased 14.0% year on year to 563 million yen due to recorded an extraordinary gain of 11 million yen by gain on sales of investment securities and an extraordinary loss of 3 million yen by loss on valuation of investment in securities.

Operating results of each segment is as follows:

① Sugar Business

Consolidated net sales increased 1.6% year on year to 10,272 million yen. Operating income decreased 10.9% year on year to 950 million yen. The sales revenue increased due to strong sales for major customer mainly of liquid sugar and granulated sugar for confectionary, baked goods and beverages and an increase of sales volume year on year despite sales price decreased. Operating income decreased due to declining sales price, an increase of selling expense of logistics cost and an increase of energy cost.

② Functional Materials Business

Consolidated net sales increased 0.3% year on year to 4,690 million yen. Operating income decreased 72.0% year on year to 14 million yen. Sales revenue increased year on year due to increase of sales revenue of Unitec Foods Co., Ltd. (consolidated subsidiary) due to an increase of new customers and sales promotion effect, despite decrease of sales volume of Functional food "Inulin" due to sluggish demand. Operating income decreased due to early stage expense for construction of "Inulin" factory under construction by Fuji Nihon Thai Inulin Co., Ltd. despite each department made effort to reduce the manufacturing cost.

③ Real Estate Business

Consolidated net sales decreased 0.8% year on year to 450 million yen. Operating income decreased 0.0% year on year to 392 million yen. The operating income of the Division ended with a decrease of sales year on year due to a decrease of the rate of operation of a small rental house, but contributed to obtain stable profits.

(2) Qualitative information regarding consolidated financial position

Total assets as of December 31, 2013 increased by 4.6% compared to the end of the previous year to 20,938 million yen. The change situation of financial position of the nine months of fiscal year 2014 is as follows:

① Assets

Current assets decreased by 6.7% compared to the end of the previous fiscal year to 8,092 million yen. This was mainly due to a decrease of cash and deposits and inventories and so on.

Fixed assets, increased by 13.2% compared to the end of the previous fiscal year to 12,845 million yen. This was mainly due to an increase of construction in progress and so on.

②Liabilities

Current liabilities decreased by 10.3% compared to the end of the previous fiscal year to 3,332 million yen. This was mainly due to a decrease of accounts payable and so on.

Non-current liabilities increased by 39.0% compared to the end of the previous fiscal year to 2,777 million yen. This was mainly due to an increase of long-term loans payable and so on.

③Net assets

Net assets increased by 3.6% compared to the end of the previous fiscal year to 14,827 million yen. This was mainly due to an increase of valuation difference on available for sale securities by rising of market value and an increase of retained earnings by net income recorded.

(3) Qualitative information regarding consolidated business forecasts

Business is proceeding largely in line with plans during the nine months of fiscal year 2014, and there are no changes to full-year forecasts issued on April 30, 2013.

The forecasted financial results described in based on information available at the time of announcement. Actual results may differ from such forecasts due to various factors.

2. Matters Regarding Summary Information (Notes)

(1) Significant changes in subsidiaries during the nine months of fiscal year 2014

None

(2) Application of accounting method unique to preparation of quarterly consolidated financial statements

None

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

None

3. Quarterly consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Thousand yen)

| | Fiscal 2013 (As of March 31, 2013) | Third quarter of Fiscal 2014 (As of December 31, 2013) |
|---|---------------------------------------|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 2,291,486 | 1,873,412 |
| Notes and accounts receivable-trade | 1,993,693 | 2,550,334 |
| Short-term investment securities | 322,085 | 322,095 |
| Merchandise and finished goods | 1,469,940 | 1,430,621 |
| Work in process | 162,901 | 123,314 |
| Raw materials and supplies | 1,246,646 | 677,826 |
| Other | 1,191,729 | 1,118,567 |
| Allowance for doubtful accounts | (2,911) | (3,743) |
| Total current assets | 8,675,571 | 8,092,428 |
| Noncurrent assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 686,222 | 693,746 |
| Machinery, equipment and vehicles, net | 193,074 | 165,058 |
| Land | 2,048,834 | 2,048,834 |
| Construction in progress | 623,883 | 1,613,115 |
| Other, net | 60,463 | 65,881 |
| Total property ,plant and equipment | 3,612,479 | 4,586,637 |
| Intangible assets | | |
| Goodwill | 793,787 | 712,795 |
| Other | 96,618 | 97,391 |
| Total intangible assets | 890,406 | 810,186 |
| Investments and other assets | | |
| Investment securities | 4,671,323 | 5,254,485 |
| Long-term loans receivable from subsidiaries and affiliates | 1,962,552 | 1,982,752 |
| Other | 281,637 | 282,101 |
| Allowance for doubtful accounts | (70,252) | (70,304) |
| Total investments and other assets | 6,845,260 | 7,449,034 |
| Total noncurrent assets | 11,348,146 | 12,845,859 |
| Total assets | 20,023,717 | 20,938,287 |

(Thousand yen)

| | Fiscal 2013 (As of March 31, 2013) | Third quarter of Fiscal 2014 (As of December 31, 2013) |
|---|---------------------------------------|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable-trade | 1,269,306 | 1,098,139 |
| Short-term loans payable | 1,261,196 | 1,172,696 |
| Income taxes payable | 207,760 | 183,886 |
| Provision for bonuses | 120,180 | 60,673 |
| Provision for directors' bonuses | 9,830 | 7,100 |
| Other | 848,824 | 810,172 |
| Total current liabilities | 3,717,097 | 3,332,668 |
| Noncurrent liabilities | | |
| Long-term loans payable | 896,803 | 1,545,459 |
| Provision for retirement benefits | 260,485 | 193,725 |
| Provision for directors' retirement benefits | 164,893 | 176,364 |
| Asset retirement obligations | 53,967 | 66,448 |
| Other | 621,784 | 795,888 |
| Total noncurrent liabilities | 1,997,933 | 2,777,886 |
| Total liabilities | 5,715,031 | 6,110,554 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 1,524,460 | 1,524,460 |
| Capital surplus | 2,530,171 | 2,530,171 |
| Retained earnings | 9,691,308 | 9,985,971 |
| Treasury stock | (706,124) | (712,701) |
| Total shareholders' equity | 13,039,815 | 13,327,902 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 759,331 | 1,007,229 |
| Foreign currency translation adjustment | 80,800 | 82,915 |
| Total accumulated other comprehensive income | 840,131 | 1,090,145 |
| Minority interests | 428,739 | 409,685 |
| Total net assets | 14,308,686 | 14,827,733 |
| Total liabilities and net assets | 20,023,717 | 20,938,287 |

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income

Nine months of fiscal year 2013 and 2014

(Thousand yen)

| | Nine months of fiscal year 2013 (From April 1, 2012 to December 31, 2012) | Nine months of fiscal year 2014 (From April 1, 2013 to December 31, 2013) |
|--|---|---|
| Net sales | 15,242,226 | 15,413,163 |
| Cost of sales | 11,759,335 | 12,029,060 |
| Gross profit | 3,482,890 | 3,384,102 |
| Selling, general and administrative expenses | 2,508,359 | 2,553,123 |
| Operating income | 974,531 | 830,979 |
| Non-operating income | | |
| Interest income | 38,028 | 35,613 |
| Dividends income | 45,444 | 47,619 |
| Equity in earnings of affiliates | - | 34,894 |
| Other | 23,286 | 20,126 |
| Total non-operating income | 106,760 | 138,254 |
| Non-operating expenses | | |
| Interest expenses | 20,716 | 16,134 |
| Equity in losses of affiliates | 2,155 | - |
| Other | 2,248 | 2,099 |
| Total non-operating expenses | 25,120 | 18,233 |
| Ordinary income | 1,056,170 | 951,000 |
| Extraordinary income | | |
| Gain on sales of investment securities | - | 11,540 |
| Total extraordinary income | - | 11,540 |
| Extraordinary loss | | |
| Loss on retirement of noncurrent assets | 4,841 | 2,091 |
| Loss on redemption of investment securities | 5,455 | - |
| Loss on valuation of investment securities | 2,438 | 3,739 |
| Total extraordinary loss | 12,735 | 5,830 |
| Income before income taxes | 1,043,435 | 956,710 |
| Income taxes-current | 343,027 | 362,483 |
| Income taxes-deferred | 48,598 | 49,709 |
| Total income taxes | 391,626 | 412,192 |
| Income before minority interests | 651,809 | 544,517 |
| Minority interests in loss | (3,107) | (18,993) |
| Net income | 654,917 | 563,511 |

Quarterly consolidated statements of comprehensive income

Nine months of fiscal year 2013 and 2014

(Thousand yen)

| | Nine months of fiscal year 2013 (From April 1, 2012 to December 31, 2012) | Nine months of fiscal year 2014 (From April 1, 2013 to December 31, 2013) |
|---|---|---|
| Income before minority interests | 651,809 | 544,517 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 121,686 | 247,898 |
| Deferred gains or losses on hedges | 1,283 | — |
| Foreign currency translation adjustment | 61,900 | (132) |
| Share of associates accounted for using equity method | 1,233 | 2,187 |
| Total other comprehensive income | 186,102 | 249,953 |
| Comprehensive income | 837,912 | 794,471 |
| Comprehensive income attributable to: | | |
| Owners of the parent | 813,164 | 813,524 |
| Minority interests | 24,747 | (19,053) |

(3) Notes to consolidated financial statements

(Notes on assumptions of a going concern)

None

(Note on occurrence of significant changes to shareholder's equity)

None

(Segment information)

I Nine months of Fiscal 2013(from April 1, 2012 to December 31, 2012)

1. Information on net sales, income/loss by each reportable segment

(Thousand yen)

| | Reportable Segment | | | | Adjustments ※1 | Amount recorded in quarterly consolidated income statements ※2 |
|--|--------------------|-------------------------------------|-------------------------|------------|-------------------|--|
| | Sugar Business | Functional Materials Business | Real Estate Business | Total | | |
| Net sales | | | | | | |
| Net sales to third-party customers | 10,113,539 | 4,674,745 | 453,941 | 15,242,226 | — | 15,242,226 |
| Intersegment net sales and transfer | 9,966 | 1,941 | 832 | 12,740 | (12,740) | — |
| Total | 10,123,506 | 4,676,687 | 454,773 | 15,254,967 | (12,740) | 15,242,226 |
| Segment profit | 1,066,520 | 50,191 | 392,130 | 1,508,842 | (534,311) | 974,531 |

Notes: 1 Adjustment for segment income of (534,311) thousand yen is general and administrative expenses of administrative department and research and development department which do not belong to the report segment.

2 Segment incomes are adjusted against the operating income recorded in the quarterly consolidated income statement.

II Nine months of Fiscal 2014(from April 1, 2013 to December 31, 2013)

1. Information on net sales, income/loss by each reportable segment

(Thousand yen)

| | Reportable Segment | | | | Adjustments ※1 | Amount recorded in consolidated income statements ※2 |
|--|--------------------|-------------------------------------|-------------------------|------------|-------------------|---|
| | Sugar Business | Functional Materials Business | Real Estate Business | Total | | |
| Net sales | | | | | | |
| Net sales to third-party customers | 10,272,027 | 4,690,885 | 450,249 | 15,413,163 | — | 15,413,163 |
| Intersegment net sales and transfer | 6,582 | 7,146 | 832 | 14,561 | (14,561) | — |
| Total | 10,278,610 | 4,698,032 | 451,082 | 15,427,725 | (14,561) | 15,413,163 |
| Segment profit | 950,235 | 14,040 | 392,106 | 1,356,382 | (525,402) | 830,979 |

Notes: 1 Adjustment for segment income of (525,402) thousand yen is general and administrative expenses of administrative department and research and development department which do not belong to the report segment.

2 Segment incomes are adjusted against the operating income recorded in the quarterly consolidated income statement.