

Summary of Consolidated Financial Results
For the Three Months Ended June 30,2014(Based on Japanese GAAP)

July 31, 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: Masahiro Sazuka Managing Executive Officer, Division General Manager of Administrative
 Division, General Manager of Corporate Planning Office
 TEL.81-3-3667-7811
 Planned date for submission of quarterly report: August 8,2014
 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 Three Months Ended June 30,2014 (from April 1,2014 to June 30,2014)

(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	%
Three months ended June 30,2014	4,975	(2.7)	180	(31.7)	231	(22.8)	143	(21.5)
Three months ended June 30,2013	5,111	0.8	264	(0.2)	300	0.2	183	3.8

Note: Comprehensive income

Three months ended June 30,2014: 197 million yen (down 14.4%) Three months ended June 30,2013: 230 million yen (up 142.4%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30,2014	5.36	—
Three months ended June 30,2013	6.82	—

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30,2014	21,600	14,824	67.1
As of March 31,2014	21,370	14,821	67.6

(Reference) Equity capital: As of June 30,2014: 14,482 million yen As of March 31,2014: 14,435 million yen

2. Cash Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31,2014	—	0.00	—	9.00	9.00
Year ending March 31,2015	—	—	—	—	—
Year ending March 31,2015(forecast)	—	0.00	—	9.00	9.00

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

3. Consolidated Business Forecasts for Year Ending March 31,2015 (from April 1,2014 to March 31,2015)

(Percentages are year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Six months ending September 30,2014	10,500	3.2	450	(19.8)	520	(16.5)	320	(15.4)	11.91
Full year	21,000	4.2	850	4.9	960	(3.1)	600	0.9	22.34

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

※ Notes

(1) Significant changes in subsidiaries during the three months of fiscal year 2015

(Change in specified subsidiaries resulting in change of scope of consolidation): None

New —companies (company name —) ,Excluded — companies (company name —)

(2) Application of accounting method unique to preparation of quarterly consolidated financial statements: None

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

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

(ii) Changes in accounting policy other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of outstanding shares (common shares)

(i) Number of outstanding shares at period end (including treasury stock)	As of June 30,2014	29,748,200 shares	As of March 31,2014	29,748,200 shares
(ii) Number of treasury stock at period end	As of June 30,2014	2,889,839 shares	As of March 31,2014	2,889,839 shares
(iii) Average number of shares during period (from the beginning of fiscal year to period end)	As of June 30,2014	26,858,361 shares	As of June 30,2013	26,884,753 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 First Three Months of Fiscal Year 2015" on page 3 of the Appendix.

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1. Qualitative Information Regarding the Results for the First Three Months of Fiscal Year 2015

(1) Qualitative information regarding consolidated operating results

During the three months of fiscal year 2015, the Japanese economy continued modest recovery trend due to the continuance of weak yen and high stock price by the effect of the economic and financial policies by the government although shown the some economic downturn by the consumption tax increase.

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”, especially focused to improve and maintain quality and train the local staff for stable and constant supply.

As a result, consolidated net sales for the three months of fiscal year 2015, decreased 2.7 % year on year to 4,975 million yen, operating income decreased 31.7% year on year to 180 million yen, ordinary income decreased 22.8% year on year to 231 million yen, net income decreased 21.5% year on year to 143 million yen due to recorded an extraordinary loss of 12 million yen by loss on valuation of investment securities.

Operating results of each segment is as follows:

① Sugar Business

Consolidated net sales decreased 4.5% year on year to 3,175 million yen. Operating income decreased 6.4% year on year to 268 million yen. The sales revenue decreased due to decrease of sales volume by the shortage of stock and the result of sales activity focused profit although sales price increased. Operating income decreased due to increase of the purchase cost of raw sugar although decrease of selling expense of logistics cost and others.

② Functional Materials Business

Consolidated net sales increased 0.8% year on year to 1,650 million yen. Operating loss was 40 million yen (previous fiscal year operating income 33 million yen). The sales revenue increased year on year because Unitec Foods Co., Ltd. (consolidated subsidiary) increase sales volume of their main products, gelatin by increase new customers and sales promotion despite decrease of sales volume of functional food “Inulin” by the slugish movement of product. The profit decreased due to the delay of start production by Fuji Nihon Thai Inulin Co., Ltd.(consolidated subsidiary).

③ Real Estate Business

Consolidated net sales decreased 0.3% year on year to 149 million yen, Operating income increased 2.6% year on year to 133 million yen. The rate of operation and maintenance cost of the Division remained same with year on year, contributed to obtaining stable profits.

(2) Qualitative information regarding consolidated financial position

Total assets as of June 30, 2015 increased by 1.1% compared to the end of the previous year to 21,600 million yen. The change situation of financial position of the first three months of fiscal year 2015 is as follows:

① Assets

Current assets increased by 0.3% compared to the end of the previous fiscal year to 8,606 million yen. This was mainly due to a increase of inventories and so on.

Fixed assets, increased by 1.6% compared to the end of the previous fiscal year to 12,993 million yen. This was mainly due to an increase of investment securities and so on.

②Liabilities

Current liabilities increased by 3.5% compared to the end of the previous fiscal year to 3,866 million yen. This was mainly due to an increase of notes and accounts payable-trade and accounts payable-other including in current liability "Other" and so on.

Non-current liabilities increased by 3.5% compared to the end of the previous fiscal year to 2,909 million yen. This was mainly due to an increase of long-term loans payable and deferred tax liability including in non-current liability "Other" and so on.

③Net assets

Net assets increased by 0.0% compared to the end of the previous fiscal year to 14,824 million yen. This was mainly due to an increase of retained earnings by an increase of valuation difference on available-for-sales securities and net income was recorded although a decrease of retained earnings owing to payment of dividend.

(3) Qualitative information regarding consolidated business forecasts

Business is proceeding largely in line with plans during the first three months of fiscal year 2015, and there are no changes to the consolidated six months ending 30, September and full-year forecasts issued on April 30, 2014.

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 first three months of fiscal year 2015

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

(Changes in accounting policy)

The Company has applied the Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No.26, May 17, 2012; the "Retirement Benefit Accounting Standard") and Guidance on Accounting Standard for Retirement Benefit (ASBJ Guidance No.25, May 17, 2012; the "Retirement Benefit Accounting Guidance"), the stipulations of the body text of Article 35 of the Retirement Benefit Accounting Standard and the body text of Article 67 of the Retirement Benefit Accounting Guidance, from the fiscal year ended June 30, 2014, reconsider the method of calculation of retirement benefit and employment cost, changed period method for retirement benefit from fixed amount standard to benefit formula, changed decision method of discount rate from the decision method of the period of credit basis on discount rate as basis on the year approximation with the average remaining years of service of employees to the method of usage of single weighted average discount rate reflected the amount of estimate payment period of retirement benefit and per amount of estimate payment period of retirement benefit.

In accordance with the transitional treatment stipulated by Article 37 of the Retirement Benefit Accounting Standard, as of June 30, 2014, the amounts of impacts resulting from the application of Retirement Benefit Accounting Standard, etc., were added to, or deducted from, remeasurements of defined benefit plans in accumulated other comprehensive income.

As a result, defined benefit liability for the end of fiscal year 2014 decreased 73,818 thousands yen, retained earnings increased 47,538 thousands yen. The influence of this changes to operating income, ordinary income and net income for the First Three Months of Fiscal Year 2015 was small.

3. Quarterly consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Thousand yen)

	Fiscal 2014 (As of March 31, 2014)	First quarter of Fiscal 2015 (As of June 30, 2014)
Assets		
Current assets		
Cash and deposits	2,111,695	1,588,067
Notes and accounts receivable-trade	2,451,842	2,430,486
Short-term investment securities	385,719	372,513
Merchandise and finished goods	1,279,058	1,467,799
Work in process	109,595	226,030
Raw materials and supplies	1,097,743	1,393,812
Other	1,152,281	1,131,214
Allowance for doubtful accounts	(3,282)	(3,100)
Total current assets	8,584,653	8,606,825
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	679,664	1,020,332
Machinery, equipment and vehicles, net	158,279	1,564,570
Land	2,048,834	2,048,834
Construction in progress	1,658,701	—
Other, net	91,041	96,080
Total property, plant and equipment	4,636,521	4,729,818
Intangible assets		
Goodwill	685,798	658,801
Other	99,888	95,835
Total intangible assets	785,686	754,636
Investments and other assets		
Investment securities	5,153,069	5,303,507
Long-term loans receivable from subsidiaries and affiliates	1,980,852	1,980,852
Other	293,532	288,639
Allowance for doubtful accounts	(64,140)	(64,151)
Total investments and other assets	7,363,312	7,508,848
Total noncurrent assets	12,785,521	12,993,303
Total assets	21,370,175	21,600,128

(Thousand yen)

	Fiscal 2014 (As of March 31,2014)	First quarter of Fiscal 2015 (As of June 30,2014)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	1,505,769	1,634,397
Short-term loans payable	1,182,696	1,152,696
Income taxes payable	203,136	65,196
Provision for bonuses	110,896	51,910
Provision for directors' bonuses	9,100	—
Other	725,019	961,800
Total current liabilities	3,736,618	3,866,000
Noncurrent liabilities		
Long-term loans payable	1,551,216	1,650,446
Provision for director's retirement benefits	183,175	184,972
Defined benefit liability	203,125	106,187
Asset retirement obligations	66,603	66,759
Other	807,716	900,817
Total noncurrent liabilities	2,811,837	2,909,184
Total liabilities	6,548,455	6,775,184
Net assets		
Shareholders' equity		
Capital stock	1,524,460	1,524,460
Capital surplus	2,530,171	2,530,171
Retained earnings	10,016,829	9,966,461
Treasury stock	(714,805)	(714,805)
Total shareholders' equity	13,356,655	13,306,287
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,020,619	1,122,292
Foreign currency translation adjustment	77,752	72,509
Remeasurements of defined benefit plans	(19,219)	(18,199)
Total accumulated other comprehensive income	1,079,152	1,176,602
Minority interests	385,910	342,053
Total net assets	14,821,719	14,824,943
Total liabilities and net assets	21,370,175	21,600,128

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income
 Quarterly consolidated statements of income
 First three months of fiscal year 2014 and 2015

(Thousand yen)

	First three months of fiscal year 2014 (From April 1,2013 to June 30,2013)	First three months of fiscal year 2015 (From April 1,2014 to June 30,2014)
Net sales	5,111,740	4,975,769
Cost of sales	3,996,804	3,984,747
Gross profit	1,114,935	991,021
Selling, general and administrative expenses	850,388	810,441
Operating income	264,547	180,579
Non-operating income		
Interest income	12,638	10,858
Dividends income	22,565	27,304
Equity in earnings of affiliates	6,842	18,169
Other	3,835	11,658
Total non-operating income	45,881	67,991
Non-operating expenses		
Interest expenses	5,317	8,774
Foreign exchange losses	1,311	7,336
Other	3,665	818
Total non-operating expenses	10,294	16,929
Ordinary income	300,133	231,641
Extraordinary income		
Gain on sales of investment securities	11,540	—
Total extraordinary income	11,540	—
Extraordinary loss		
Loss on retirement of noncurrent assets	21	125
Loss on valuation of investment securities	—	12,443
Total extraordinary loss	21	12,569
Income before income taxes	311,652	219,072
Income taxes-current	89,338	75,086
Income taxes-deferred	45,333	39,377
Total income taxes	134,672	114,463
Income before minority interests	176,979	104,608
Minority interests in loss	(6,296)	(39,209)
Net income	183,276	143,818

Quarterly consolidated statements of comprehensive income
 First three months of fiscal year 2014 and 2015

(Thousand yen)

	First three months of fiscal year 2014 (From April 1, 2013 to June 30, 2013)	First three months of fiscal year 2015 (From April 1, 2014 to June 30, 2014)
Income before minority interests	176,979	104,608
Other comprehensive income		
Valuation difference on available-for-sale securities	64,753	101,673
Foreign currency translation adjustment	(11,480)	(10,328)
Remeasurements of defined benefit plans	—	1,020
Share of associates accounted for using equity method	237	437
Total other comprehensive income	53,511	92,802
Comprehensive income	230,491	197,410
Comprehensive income attributable to:		
Owners of the parent	241,953	241,268
Minority interests	(11,462)	(43,857)

(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 First three months of Fiscal 2014(from April 1, 2013 to June 30, 2013)

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	3,323,596	1,637,994	150,150	5,111,740	—	5,111,740
Intersegment net sales and transfer	3,293	4,084	277	7,654	(7,654)	—
Total	3,326,889	1,642,078	150,427	5,119,395	(7,654)	5,111,740
Segment profit	287,151	33,367	129,691	450,210	(185,662)	264,547

Notes: 1 Adjustment for segment income of (185,662) 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 consolidated income statement.

II First three months of Fiscal 2015(from April 1, 2014 to June 30, 2014)

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	3,175,347	1,650,710	149,710	4,975,769	—	4,975,769
Intersegment net sales and transfer	—	—	413	413	(413)	—
Total	3,175,347	1,650,710	150,124	4,976,182	(413)	4,975,769
Segment profit (loss)	268,868	(40,582)	133,032	361,319	(180,739)	180,579

Notes: 1 Adjustment for segment income of (180,739) 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 consolidated income statement.