

Summary of Consolidated Financial Results
For the Nine Months Ended December 31, 2015 (Based on Japanese GAAP)

February 2, 2016

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 Preparation of supplementary material for quarterly financial statements: None
 Briefing session for quarterly financial statements: None

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2015 (from April 1, 2015 to December 31, 2015)

(1) Consolidated Results of Operations (Percentages are year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2015	14,860	1.6	893	27.4	914	1.6	596	1.9
Nine months ended December 31, 2014	14,626	(5.1)	701	(15.6)	899	(5.4)	584	3.8

Note: Comprehensive income

Nine months ended December 31, 2015: 386 million yen (down 63.5%) Nine months ended December 31, 2014: 1,057 million yen (up 33.1%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2015	22.20	—
Nine months ended December 31, 2014	21.78	—

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of December 31, 2015	23,148	16,250	69.1
As of March 31, 2015	22,963	16,106	68.5

(Reference) Equity capital: As of December 31, 2015: 15,997 million yen As of March 31, 2015: 15,721 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, 2015	—	0.00	—	9.00	9.00
Year ending March 31, 2016	—	0.00			
Year ending March 31, 2016 (forecast)				9.00	9.00

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

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

(Percentages are year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Full year	20,000	5.1	950	47.1	1,000	15.7	600	5.6	22.34

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

※ Notes

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

(Change in specified subsidiaries resulting in change of scope of consolidation): 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

(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 December 31, 2015	29,748,200 shares	As of March 31, 2015	29,748,200 shares
(ii) Number of treasury stock at period end	As of December 31, 2015	2,895,348 Shares	As of March 31, 2015	2,893,848 shares
(iii) Average number of shares during period (from the beginning of fiscal year to period end)	As of December 31, 2015	26,853,262 shares	As of December 31, 2014	26,857,813 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 Nine Months of Fiscal Year 2015" on page 3 of the Appendix.

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

(1) Qualitative information regarding consolidated operating results

During the first nine months of fiscal year 2015, the Japanese economy continued to recover at moderate pace overall, reflecting a recovery in corporate earnings and employment environment by the result of economic and financial policies of the government. However, the outlook had risk of a downturn caused by the slowdown economy in emerging countries including China.

In the sugar refining industry, a number of factors still appear to be continued tough selling environment caused by penetration of pre-mixed sugar, isomerized sugar and other sweeteners.

Under these economic environments, the Group made efforts to maintain strict quality control and improve customer satisfaction, keeping stable supply of sugar, as our main products, and promoting sales of functional food by value added proposal.

As a result, consolidated net sales for the first nine months of fiscal year 2015, increased 1.6 % year on year to 14,860 million yen, operating income increased 27.4 % year on year to 893 million yen, ordinary income increased 1.6 % year on year to 914 million yen, profit attributable to owners of parent increased 1.9 % year on year to 596 million yen.

Operating results of each segment is as follows:

① Sugar Business

Regarding the Sugar Business, under the weather has being bad condition with long rainfall after extremely hot summer season and unseasonable weather with mild winter, sales volume to flavor increased but to confectionery and beverage moved sluggish. Sales volume of soft white sugar and liquid sugar were less than the previous fiscal year. However the company continued to reduce production cost by saving energy cost and working to procure law sugar effectively.

As a result of the above, the Sugar Business reported net sales decreased 2.6 % year on year to 9,264 million yen and operating income increased 19.6 % year on year to 1,113 million yen.

② Functional Materials Business

Sales of the Functional Food” Inulin” decreased because, despite of number of adopted new users were increased, sales volume of big users were stalled. In profit, our subsidiary, Fuji Nihon Thai Inulin Co.,Ltd. shows operating loss due to a time to stabilize quality delayed until the second quarter. However, it has resumed export for Japan since the third quarter. Consolidated subsidiary Unitec Foods Co.,Ltd. shows big increased of sales and profit by the result of sales promotion and adopted new users of main products pectin and gelatin.

As a result, the Functional Materials Business reported net sales of 5,146 million yen (fiscal 2015: increased 10.4 %) and operating loss improved as of 96 million yen (fiscal 2015: 117 million yen loss).

③ Real Estate Business

The Real Estate Business reported net sales increased by 0.2 % year on year to 449 million yen, operating decreased 1.5 % year on year to 392 million yen. It contributions of stabilize earning even though maintenance and operation cost increased.

(2) Qualitative information regarding consolidated financial position

Total assets as of December 31, 2015 increased 0.8 % compared to the end of the previous year to 23,148 million yen.

The change situation of financial position of the first nine months of fiscal year 2015 is as follows:

① Assets

Current assets increased 7.3 % compared to the end of the previous fiscal year to 9,455 million yen. This was mainly due to increase of cash and deposits and notes and accounts receivable-trade.

Fixed assets, decreased by 3.2 % compared to the end of the previous fiscal year to 13,703 million yen. This was mainly due to decrease of machinery, equipment and vehicles, net and investment securities and so on.

② Liabilities

Current liabilities increased by 5.2 % compared to the end of the previous fiscal year to 4,169 million yen. This was mainly due to increase of notes and accounts payable trade.

Non-current liabilities decreased by 5.7 % compared to the end of the previous fiscal year to 2,728 million yen. This was mainly due to decrease of long-term loans payable and provision for director's retirement benefits.

③ Net assets

Net assets increased by 0.9 % compared to the end of the previous fiscal year to 16,250 million yen. This was mainly due to increase of retained earnings by recorded profit attributable to owners of parent.

(3) Qualitative information regarding consolidated business forecasts

Business is proceeding largely in line with plans during the fiscal year 2015. There are no changes to full-year forecasts issued on April 30, 2015.

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 nine 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

The Company has applied the “Accounting Standard for Business Combinations” (Accounting Standards Board of Japan (ASBJ) Statement No.21, September 13, 2013) the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22, September 13, 2013), and the “Accounting Standard for Business Divestitures” (ASBJ Statement No.7, September 13, 2013) from the first quarter of the current fiscal year. The presentation method for “net income” was changed, and references to “minority interests” were changed to “non-controlling interests.” To reflect these changes, the Company has reclassified its quarterly and full-year consolidated financial statements for the second quarter of the previous fiscal year and the previous fiscal year.

3. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Thousand yen)

	Fiscal 2014 (As of March 31, 2015)	Third quarter of Fiscal 2015 (As of December 31, 2015)
Assets		
Current assets		
Cash and deposits	1,815,136	2,620,337
Notes and accounts receivable-trade	2,396,935	2,636,821
Short-term investment securities	378,313	323,135
Merchandise and finished goods	1,508,955	1,565,949
Work in process	431,339	209,767
Raw materials and supplies	1,072,632	797,014
Other	1,204,313	1,296,810
Allowance for doubtful accounts	(3,393)	(4,474)
Total current assets	8,804,233	9,445,361
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	1,036,414	949,291
Machinery, equipment and vehicles, net	1,695,551	1,400,564
Land	2,048,834	2,048,834
Other, net	97,462	130,188
Total property, plant and equipment	4,878,263	4,528,879
Intangible assets		
Goodwill	577,809	496,817
Other	87,228	79,838
Total intangible assets	665,037	576,655
Investment and other assets		
Investment securities	6,383,613	6,288,526
Long-term loans receivable from subsidiaries and affiliates	2,009,124	2,069,335
Net defined benefit assets	-	16,636
Other	273,976	267,173
Allowance for doubtful accounts	(50,589)	(44,193)
Total investments and other assets	8,616,124	8,597,477
Total noncurrent assets	14,159,425	13,703,013
Total assets	22,963,658	23,148,375

(Thousand yen)

	Fiscal 2014 (As of March 31, 2015)	Third quarter of Fiscal 2015 (As of December 31, 2015)
Liabilities		
Current liabilities		
Accounts payable-trade	1,324,447	1,511,328
Short-term loans payable	1,360,947	1,390,322
Income taxes payable	209,316	247,961
Provision for bonuses	99,733	50,045
Other	969,359	969,800
Total current liabilities	3,963,805	4,169,458
Noncurrent liabilities		
Long-term loans payable	1,466,481	1,317,238
Provision for director's retirement benefits	183,039	166,282
Net defined benefit liability	6,018	-
Asset retirement obligations	64,051	64,528
Other	1,174,119	1,180,388
Total noncurrent liabilities	2,893,710	2,728,437
Total liabilities	6,857,515	6,897,896
Net assets		
Shareholders' equity		
Capital stock	1,524,460	1,524,460
Capital surplus	2,530,171	2,530,171
Retained earnings	10,391,064	10,745,483
Treasury stock	(716,247)	(716,813)
Total shareholders' equity	13,729,448	14,083,301
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,827,960	1,794,552
Foreign currency translation adjustment	152,501	107,364
Remeasurements of defined benefit plans	11,803	12,466
Total accumulated other comprehensive income	1,992,264	1,914,383
Non-controlling interests	384,430	252,793
Total net assets	16,106,143	16,250,478
Total liabilities and net assets	22,963,658	23,148,375

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

Quarterly consolidated statements of income

The nine months of fiscal year 2014 and 2015

	(Thousand yen)	
	The nine months of fiscal year 2014 (From April 1, 2014 to December 31, 2014)	The nine months of fiscal year 2015 (From April 1, 2015 to December 31, 2015)
Net sales	14,626,881	14,860,213
Cost of sales	11,532,228	11,512,336
Gross profit	3,094,652	3,347,877
Selling, general and administrative expenses	2,393,497	2,454,692
Operating income	701,154	893,184
Non-operating income		
Interest income	32,542	31,668
Dividends income	49,869	54,317
Foreign exchange gains	57,083	-
Equity in earnings of affiliates	58,701	763
Other	31,728	27,513
Total non-operating income	229,925	114,262
Non-operating expenses		
Interest expenses	28,327	27,111
Foreign exchange losses	-	53,253
Other	3,034	12,870
Total non-operating expenses	31,361	93,235
Ordinary income	899,719	914,211
Extraordinary income		
Gain on sales of investments securities	-	1,770
Total extraordinary income	-	1,770
Extraordinary loss		
Loss on retirement of noncurrent assets	125	159
Loss on valuation on investment securities	445	-
Total extraordinary loss	570	159
Income before income taxes	899,148	915,821
Income taxes-current	319,683	432,678
Income taxes-deferred	47,888	(14,499)
Total income taxes	367,572	418,179
Net income	531,576	497,642
Loss attributable to non-controlling interests	(53,260)	(98,464)
Profit attributable to owners of parent	584,836	596,107

Quarterly consolidated statements of comprehensive income

The nine months of fiscal year 2014 and 2015

(Thousand yen)

	First nine months of fiscal year 2014 (From April 1, 2014 to December 31, 2014)	First nine months of fiscal year 2015 (From April 1, 2015 to December 31, 2015)
Net Income	531,576	497,642
Other comprehensive income		
Valuation difference on available-for-sale securities	396,572	(33,408)
Foreign currency translation adjustment	125,103	(73,715)
Remeasurements of defined benefit plans	3,060	663
Share of associated accounted for using equity method	1,435	(4,592)
Total other comprehensive income	526,170	(111,052)
Comprehensive income	1,057,746	386,590
Comprehensive income attributable to:		
Owners of the parent	1,054,710	518,226
Non-controlling interests	3,036	(131,636)

(3) Notes on 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 The first nine months of fiscal 2014 (From April 1, 2014 to December 31, 2014)

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	9,515,982	4,662,544	448,353	14,626,881	—	14,626,881
Intersegment net sales and transfer	—	—	1,240	1,240	(1,240)	—
Total	9,515,982	4,662,544	449,594	14,628,122	(1,240)	14,626,881
Segment profit (loss)	930,962	(117,686)	398,797	1,212,074	(510,919)	701,154

Note 1 Adjustment for segment income of (510,919) 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 The first nine months of fiscal year 2015 (From April 1, 2015 to December 31, 2015)

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

(Thousand yen)

	Reportable Segment				Adjustment ※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	9,264,740	5,146,297	449,175	14,860,213	—	14,860,213
Intersegment net sales and transfer	—	—	1,240	1,240	(1,240)	—
Total	9,264,740	5,146,297	450,416	14,861,454	(1,240)	14,860,213
Segment profit (loss)	1,113,720	(96,341)	392,878	1,410,257	(517,072)	893,184

※1 Adjustment for segment income of (517,072) 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.