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To Shareholders Business Report 2012

(April 1, 2011 to March 31, 2012)



Special Feature

Miller Milling, the ninth largest miller in the U.S., included in the company's scope of consolidation as a wholly owned subsidiary

Communicating with Our Shareholders

Shareholder Plant Tour Report (Higashinada Plant, Nisshin Flour Milling Inc.);
Announcement of Future Plant Tours (Tsurumi Plant, Nisshin Flour Milling Inc.)

A Message from the Management



Before reporting on the company's 168th business term, I would like to take this opportunity to thank all shareholders for their understanding and support.

During fiscal 2012, the year ended March 31, 2012, the Japanese economy showed some signs of recovery owing to increased demands associated with ongoing efforts of reconstruction after the Great East Japan Earthquake. However, the market environment continued to be harsh due to several after effects of the Earthquake and Tsunami. Consumer spending slowed, deflation continued, and the ongoing European debt crisis added additional pressures to fueling deceleration of the Japanese economy. During these difficult times, the company has made the utmost of efforts to ensure the stable supply of wheat flour, an essential staple of our food chain, as well as various other products. We continue to conduct concentrated sales promotions across each of our business units. In addition to our multi business segment expansion efforts, we continue to institute applicable cost-cutting measures throughout our various business operations, including production and distribution. Meanwhile, in response to the government's 18% average increase in prices for five brands of imported wheat in April 2011, with an additional 2% increase in October, we revised our product prices.

As a result, consolidated net sales increased 4.2% year on year to ¥441,963 million for the fiscal year under review. These results are partially

due to the aforementioned revisions of product prices following the rise in the government's prices for imported wheat. Despite positive results from cost cutting efforts, profits in the Flour Milling Segment were negatively affected by a variety of factors including low prices for bran and deterioration in the wheat flour sales environment. Operating income decreased 8.8% year on year to ¥23,113 million, ordinary income declined 6.1% to ¥26,132 million, and net income decreased 6.1% to ¥13,326 million.

In March of 2012, we successfully completed the 100% equity acquisition of the U.S.-based flour milling company: Miller Milling Company, LLC. With this initiative, we entered the U.S. flour milling market in earnest, which is an issue of considerable ongoing importance in our efforts to expand our overseas business.

Despite the difficult business circumstances described above, the company aims to meet the expectations of shareholders to distribute profits, taking into consideration the current and future profitability of its business and financial position, by undertaking to make continued payment of dividends based on a targeted payout ratio of at least 30% on a consolidated basis. For the fiscal year ended March 31, 2012, the company paid an annual ordinary dividend of ¥20 per share.

With a view to the long term growth and success of the Group, we initiated our new medium-term management plan designated as "NNI-120, Speed, Growth and Expansion." This plan covers the three-year period from April 2012 through March 2015. Under this medium-term management plan, we have prioritized the top line (net sales) growth and overseas business expansion as our first order of business. In order to accomplish our established goals, we will upgrade and bolster our internal organization and proactively pursue M&As and alliances here at home and globally.

Naturally, we will continue to engage in both the production and supply of safe and reliable products without compromise. Concurrently, we will put in place a competitive and efficient cost structure that will provide the flexibility for our company to handle the changing pressures of the global trade and economic environment.

With the holding company Nisshin Seifun Group Inc. at its core, our group of companies will work with diligence, global intelligence and dedication to expand our businesses. Every effort will be made to ensure that the Group maintains the confidence of its stakeholders including shareholders, customers, business partners, employees and local communities.

As we work toward achieving our established goals, we kindly request your continued support and understanding.

大枝宏之

Hiroshi Oeda
President

June 2012

Flour Milling Segment

- ▶ Shipments were higher than the level of a year ago mainly due to proactive sales promotion efforts aimed at further strengthening ties with customers.
- ▶ In response to the government's 18% average increase in prices for five brands of imported wheat in April 2011, with a further 2% increase in October, we revised the prices of our commercial wheat flour. As a result, the sales of the business increased.
- ▶ Profits were negatively affected by a variety of factors including low prices for bran, a by-product of the milling process, and deterioration in the wheat flour sales environment.

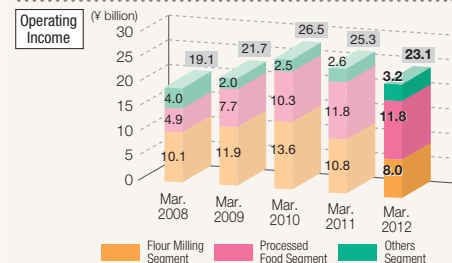
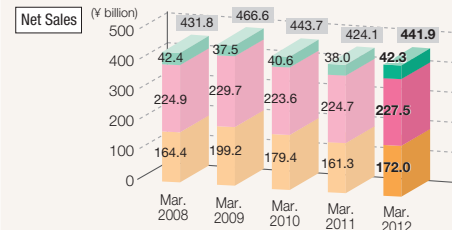
Processed Food Segment

- ▶ Regarding the processed food business, we actively conducted a consumer campaign and in-store promotional activities in addition to other events. In response to the government's increase in prices of imported wheat, we made revisions to the prices of household-use wheat flour and other products, resulting in increased processed food business sales.
- ▶ Sales in the yeast and biotechnology business were higher than the level of a year ago. This was largely attributable to robust yeast shipments and the increase in immunochemical and other products sales. In January 2012, we established a company in India, a market that is expected to grow, with the aim of expanding the biotechnology business and developing the food business.
- ▶ Difficulties in securing sales and an increase in expenses related to improving sales mainly due to deterioration in operating conditions during the second half of the fiscal year under review were offset by successful efforts to reduce costs in the production, purchasing, logistics and other area. As a result, earnings were unchanged from the previous fiscal year.

Others Segment

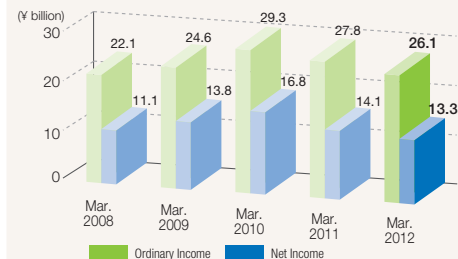
- ▶ Sales of the pet food business decreased due to a continued harsh market environment, despite sales expansion efforts including the aggressive launch of new products.
- ▶ Sales of the mesh cloth business increased owing to strong sales of materials for screen-printing applications driven mainly by the growing demand for stainless mesh cloths for solar cells.
- ▶ Regarding the engineering business, sales rose due to favorable results in the mainstay plant engineering business. In addition, Nisshin Engineering Inc. entered into a business partnership agreement with Hosokawa Micron Corporation in November 2011 with the aim of further developing and growing business. This complemented successful efforts to expand its machinery lineup as well as orders.
- ▶ Earnings increased on the back of higher sales and reduced costs.

Net Sales / Operating Income



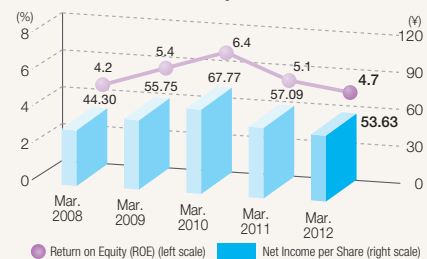
Notes:
 1. The amounts recorded are rounded down to the nearest 100 million yen.
 2. Intersegment transaction eliminations are included in others segment of operating income.

Ordinary Income / Net Income



Note: The amounts recorded are rounded down to the nearest 100 million yen.

Return on Equity (ROE) / Net Income per Share



Hiroshi Oeda, President of Nisshin Seifun Group Inc., was interviewed regarding his thoughts on initiatives under “NNI-120, Speed, Growth and Expansion,” the Group’s medium-term management plan that began in April 2012.

Q How would you assess the past year since assuming the position of president in April 2011?

Against the backdrop of a variety of issues, the past year has allowed us to implement measures that lay a foundation for the future.

The Nisshin Seifun Group confronted a number of issues over the past 1 year. In addition to taking all appropriate first-phase recovery measures in response to the Great East Japan Earthquake, we looked to address such issues as the substantial increase in the price of wheat and shortfalls in the supply of electric power. At the same time, I believe that we were successful in fulfilling our dual missions of securing the stable supply of wheat flour — a staple food — for the Japanese People, and providing customers with safe products from all of our businesses. Moreover, we acquired the U.S.-based flour milling company Miller Milling Company, LLC in March 2012 and kicked off our new medium-term management plan in April 2012. More recently in May 2012, Nisshin Flour Milling Inc. commenced construction of a new plant in Fukuoka. In this manner, we have worked to implement measures that lay a foundation for future growth.

Q Could you please tell us about the background behind “NNI*-120, Speed, Growth and Expansion,” the Group’s medium-term management plan that began in April 2012 and the Group’s aspirations under the plan?
* NNI = New Nisshin Innovation

We will again rally to our basic philosophy and renew our commitment to engaging in NI activities.

From 1987 to 2001, the Nisshin Seifun Group was guided by the following two philosophies, which underpinned its “NI activities.” The first philosophy is that companies can only survive and expect growth by effectively modifying themselves to better adapt to changes in the business environment. The second comprises the aspiration to grow into a robust and innovative

organization. Recognizing that these sentiments are all the more true today, we will again rally around this banner while adding the concepts of “speed, growth and expansion.” As we move toward 2020, the Nisshin Seifun Group is committed to implementing renewed NI activities.



Our basic strategies revolve around growth and expansion.

We have identified four basic strategies under our new medium-term management plan, which we expect will take us through to 2020, the Group’s 120th year of operation.

1. Position top-line (net sales) growth as the first order of business and selectively allocate management resources into priority fields accordingly
2. Upgrade and bolster core business platforms and actively expand growth fields
3. Aggressively pursue M&As and alliances with a heightened sense of urgency
4. Secure the production and supply of safe and reliable products while putting in place and reinforcing a competitive cost structure

By steadfastly carrying out these strategies, we plan to secure growth and expansion.

To this end, we will engage in active investment with the goals of achieving net sales of ¥1 trillion and an overseas sales ratio of at least 30% in the near future. As a steppingstone, we are projecting net sales of ¥600 billion and an overseas sales ratio of 14% in the fiscal year ending March 2015. Conscious of the need to secure the unflinching support of shareholders, we intend to actively return profits. In this regard, we will work as a rule to continuously implement dividends and maintain a dividend payout ratio of at least 30%.

Q Under the medium-term management plan, the Group has indicated that it will focus on expanding its overseas business. Can you please tell us about any recent specific initiatives?

As one example of our efforts to actively promote overseas growth in each business, we acquired Miller Milling Company, LLC in March 2012.

We acquired Miller Milling, a company that ranks ninth in terms of capacity in its industry in the U.S., in March this year. Moreover, we are currently working to boost production capacity by around 30% to accommodate future shipment growth. Construction to augment existing facilities and capacity by around 20% is also underway at Nisshin-STC Flour Milling Co., Ltd. in Thailand to address the increase in shipments. Taking each of these initiatives into consideration in combination with Rogers Foods Ltd. in Canada, the Group’s overseas flour milling capacity on a wheat basis will exceed 3,000 tons per day bringing the overseas ratio in the flour milling business to approximately 30% on a production capacity basis. Oriental Yeast Co., Ltd. established a local company in India in January 2012. This is consistent with the company’s plans to expand shipments in the biotechnology business and further develop the food business. NBC Meshtech Inc., meanwhile, has commenced construction to double the plant production capacity of P.T. NBC Indonesia with an eye to increasing shipments to ASEAN and China, which are exhibiting marked growth.

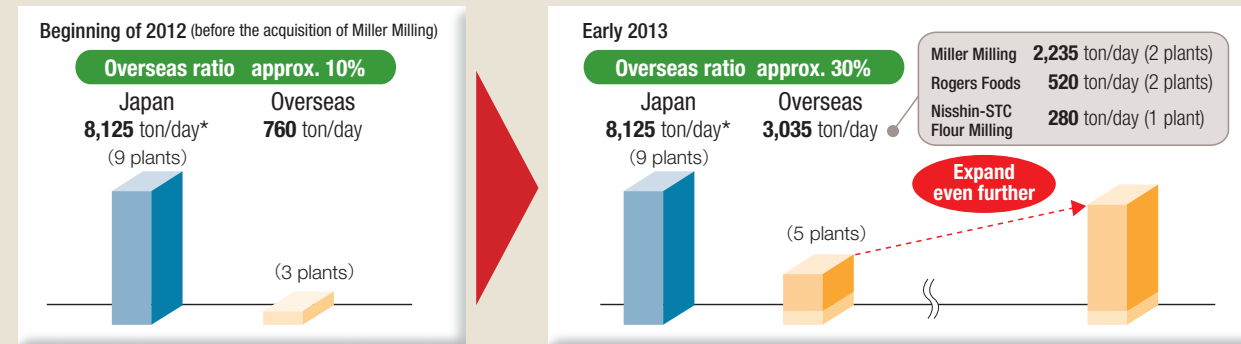
Q What priority themes have you adopted for the fiscal year ending March 2013?

We will focus mainly on forward-looking initiatives such as construction of a new flour milling plant in Fukuoka.

Ground was broken on the construction of the new Nisshin Flour Milling plant in Fukuoka in May 2012. When this plant comes online, plants in Tosu and Chikugo will be closed. This initiative goes a long way to realizing a low-cost structure by increasing productivity and reducing logistics costs in the Kyushu region. Utilizing state-of-the-art manufacturing facilities, this new plant will ensure the supply of safe and reliable wheat flour that maintains a constant quality at low cost.

As we work toward securing top-line growth, our top priority under our medium-term management plan, we will endeavor to become a flour milling company that delivers a level of customer satisfaction that is unmatched anywhere else in the world, expand our market share in Japan and promote sales growth by pursuing a top brand strategy in the processed food business.

Raising the Overseas Ratio in the Flour Milling Business to Approximately 30% on a Production Capacity Basis



Special Feature: Miller Milling, the ninth largest miller in the U.S., included in the company's scope of consolidation as a wholly owned subsidiary

The Nisshin Seifun Group has long had the expansion of its overseas business as a top priority in order to sustain the continued growth of the Group. We acquired a 100% equity interest (management rights) in the U.S.-based flour milling company Miller Milling Company, LLC, the ninth largest miller in the U.S.*, on March 20, 2012. Through this acquisition, we are taking concrete steps to enter the U.S. flour milling market, the largest flour milling market in the developed world.

The company plans to further bolster its presence in North America by leveraging Miller Milling's wealth of experience in the U.S. and harnessing the Group's product development and technological expertise as well as its ability to ensure the stable supply of wheat flour.

* Source: Grain & Milling Annual 2011 published by Sosland Publishing Co.

Attributes that define Miller Milling Company, LLC

- A flour milling company with its core business centered on durum semolina, bakery flour and tortilla flour products
- Maintains a level of shipment growth that outstrips the market average based on strong ties with its customers
- Boasts significant competitive advantage in its cost structure with two plants located in close proximity to raw material production and consumption areas

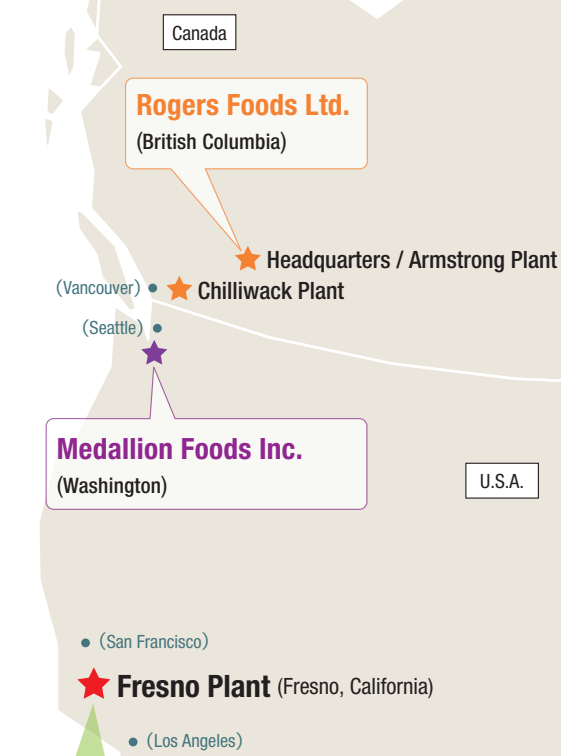



Signing ceremony (March 20, 2012)
Hiroshi Oeda, President of Nisshin Seifun Group Inc. (at right), with John C. Miller, CEO of Miller Milling Company, LLC (at left)

Point

Benefits to accrue from the acquisition

- ➔ Facilitate entry into the U.S. flour milling market, the largest flour milling market in the developed world which continues to exhibit growth
- ➔ Secure the acquisition of a flour milling business that equates in scale to a major Japanese flour milling company
- ➔ Raise the potential for accumulating know-how and experience in the U.S. where wheat is freely traded
- ➔ Provide opportunities to directly obtain wheat-related information from operations in the U.S. market, which is the largest supplier of wheat to Japan





Miller Milling Company, LLC

Outline * Fiscal 2011 results

With operations already at significantly high levels, efforts undertaken to increase production capacity this fiscal year with the aim of further expanding sales

Plant production capacity (daily production capacity on wheat basis)			
Winchester Plant	1,190 ton/day*	▶	1,640 ton/day (+450 ton)
Fresno Plant	535 ton/day*	▶	595 ton/day (+60 ton)
Total	1,725 ton/day*	Total	2,235 ton/day (+510 ton)

Net sales ¥17,789 million* (US\$223 million*)



Headquarters
(Minneapolis, Minnesota)

- (New York)
- (Philadelphia)

Winchester Plant
(Winchester, Virginia)

External view of Winchester Plant

Initiatives during the year

■ Becomes an official partner of TOKYO SKYTREE®

As a new symbol and beacon that shines a light on Japan's culture and outstanding technology, TOKYO SKYTREE serves as a springboard for a gentle and compassionate future. In sharing the same philosophies and concepts, the Nisshin Seifun Group has given substance to its support by becoming an official TOKYO SKYTREE partner and sponsor.



■ Eurogerm (Shanghai) Trading Co., Ltd., a joint-venture formed with France-based Eurogerm S.A. that handles improvers and related products in China, commences operations in earnest

■ Includes Hanshin Silo Co., Ltd. in the scope of consolidation as a subsidiary

■ Nisshin Engineering Inc. and U.K.-based Matcon Ltd. conclude a distributorship agreement

■ Begins formulating "NNI-120, Speed, Growth and Expansion," the Group's medium-term management plan

■ Nisshin Engineering Inc. and Hosokawa Micron Corporation conclude a business partnership agreement

■ Oriental Yeast Co., Ltd. opens a representative office in Singapore

■ P.T. NBC Indonesia (a subsidiary of NBC Meshtec Inc.) doubles its plant production capacity



■ Oriental Yeast Co., Ltd. newly establishes and commences operations at a filling plant in Tomisato City, Chiba Prefecture



■ Nisshin Flour Milling Inc. announces plans to construct a new state-of-the-art flour milling plant in Chuo-ku, Fukuoka City

Nisshin Flour Milling Inc. to construct a seafront plant that will enable large vessels to berth directly at Suzaki Wharf
 Production capacity: 550 tons/day (two lines on a raw material basis)
 Investment amount (plant construction): ¥9.9 billion
 Construction to commence in May 2012. Production at the Tosu and Chikugo plants will be consolidated into the new plant when it comes online in February 2014. This will enable the Group to reduce logistics and fixed costs and ensure its competitive advantage and ability to succeed in a liberalized market.

■ Decides to increase production capacity at Nisshin-STC Flour Milling Co., Ltd., the Thai-based subsidiary of Nisshin Flour Milling Inc.



Dec.

2012 Jan.

■ Nisshin Seifun Group Inc. and Oriental Yeast Co., Ltd. establish Oriental Yeast India Pvt. Ltd., a local company in India

■ Implements "NNI-120, Speed, Growth and Expansion," the Group's medium-term management plan

The Group put in place a medium-term management plan covering the three-year period from fiscal 2013 to fiscal 2015 taking into consideration a long-term perspective through to 2020, the Group's 120th anniversary.



■ Acquires a 100% equity interest in U.S.-based Miller Milling Company, LLC
 (Please refer to the Special Feature on pages 5 to 6 for details).

Feb.

Mar.

■ Announces the opening of the Nisshin Seifun (Flour Milling) Museum in Tatebayashi City, Gunma Prefecture

The company announced its plan to open a corporate museum around autumn 2012 that would provide invaluable information and first-hand experience on flour milling (wheat and wheat flour), recognized around the world as a precious resource, in Tatebayashi City, Gunma Prefecture, where the company that is currently Nisshin Seifun Group Inc. was founded. The museum is expected to contribute to Tatebayashi City as a major tourist attraction and educational assets.



The Nisshin Seifun (Flour Milling) Museum (a conceptual image on completion)



Kazuo Yasuraoka, Mayor of Tatebayashi City shaking hands with Yasutaka Miyauchi, Vice President, Nisshin Seifun Group Inc. (center left)

■ Participates in FOOD EX JAPAN 2012

The Group participated in the FOOD EX JAPAN 2012 Exhibition with the aim of showcasing the pleasures of dining out and the ever-expanding idea of 100 meals and 100 colors. The food service industry is focusing on such initiatives as "customized meals," which provide customers personalized enjoyment, as well as menus and services that serve as a small special event. Against this backdrop, the Group introduced a series of practical menus and services, and a means to win out over the competition in a fiercely fought food service sector.



An external view of the Group's booth



Visitors participating in a practical food preparation demonstration

Nisshin Foods Inc. | Bread Mix

New Products

Nisshin Home Bakery Series
Funwari-Shiagaru Bread Mix (A soft and light bread mix)
Mocchiri-Shiagaru Bread Mix with rice flour
 (A full sticky texture bread mix with rice flour)

Retains its soft and light texture even through to the next day

Comments from the planners: Keiko Eto (left), Food Research Center and Naoki Maeda (right), Product Development Dept. R&D Division, Nisshin Foods Inc.

Delicious when freshly baked, but dry and hard the following day...It is not uncommon for bread made by home bakeries to quickly lose their soft and light texture with time. To address this



issue and better satisfy consumers, Nisshin Foods developed new products Nisshin Home Bakery *Funwari-Shiagaru* Bread Mix and Nisshin Home Bakery *Mocchiri-Shiagaru* Bread Mix with rice flour. *Funwari-Shiagaru* contains just the right amount of our premium high quality flour brand "Super-King" and *Mocchiri-Shiagaru* contains just the right amount of rice flour to ensure a soft and light texture through to the following day. In addition, Home Bakery *Mocchiri-Shiagaru* Bread Mix with rice flour is ready in a short two hours, and is highly recommended for busy people and people who are averse to using home bakeries late at night.

A soft and light texture



A sticky taste and texture (an exquisite blend of wheat flour and rice flour produced in Japan)

Nisshin Foods Inc. | Frozen foods

New Products

Ma•Ma Cool's Series of cold pasta made using a microwave oven !

Cold pasta made using a microwave oven !!

Comments from the planners: Manabu Nomura (left), Product Development Dept. and Hitomi Yamaguchi (right), Food Research Center, R&D Division, Nisshin Foods Inc.

In recent years, the summer months have brought increasing calls for cold pasta menus reflecting the growing popularity of cold dishes and related menus. With signs that cold pastas are becoming a standard summer menu, we began developing a product from spring of last year. We have tried to bring to the family dining table an easy-to-prepare product that removes the need to boil water. We have combined an exquisite mix of firm and yet soft to the mouth noodles to be used exclusively for cold dishes with a sauce that places considerable emphasis on combination and preparation and is flavorful and relishing even when served cold. After heating in a microwave oven the pasta is cooled using running water. The sauce is also defrosted with running water and simply added for the final product. We strongly recommend that you try the cool and refreshing delight that only cold pasta can provide.



Pomodoro, a pasta dish with shrimp and colorful vegetables



Basil sauce pasta dish with small scallops and black olives

Nisshin Pharma Inc. | Healthcare foods

New Products

Wheat Gluten Hydrolysate (WGH)

WGH supports a full and robust sporting life

Comments from the planners: Toru Tanaka (left), Hirotada Mizushima (middle) and Kenji Kamata (right), Sales & Marketing, Nisshin Pharma Inc.

Drawing on WGH Pro, a wheat-derived glutamine-rich* and peptide compound supplement developed in conjunction with the School of Health and Sports Medicine



of Juntendo University for top athletes in 2006, WGH is a new compound mix with a renewed package design and taste that is easier to drink. Playing an important role in recovery after strenuous exercise, we hope that people who are seeking a higher level and fulfilling sporting life amid the rigors of each busy day will use this product.

* Glutamine-rich: The wheat protein used as the principal raw material in WGH is far richer in glutamine than eggs and milk.

Sales via mail order

Homepage URL:
<http://www.wgh-shop.jp/>
 Free dial
 0120-67-5680
 Order taken from 8:00 to 21:00
 (every day excluding the year-end and New Year period)



Nisshin Petfood Inc. | Dog foods

New Products

JP-Style Pet foods by dog breed groups (dry-type)

Dog foods to help maintain sound health by new dog breed group classification

Comments from the planner: Joseph Ueda, Premium Food Dept., Nisshin Petfood Inc.

Did you know that the health characteristics of dogs differ according to their breed? Nisshin Petfood has classified the various dog breeds into three broad groups and in developing new products focuses on the principal care points of bone and joint health maintenance, skin and fur health maintenance, and weight control. At its Nasu Laboratory, we have developed compound dog foods that balance just the right amount of nutrients for each breed group. Our products are also packaged in a way that clearly identifies the dog breed group to further support our customers. Moving forward, we will continue to develop products that help maintain the health of beloved pet dogs.



Please select products that match the age of each pet dog



Shareholder Plant Tour Report (Higashinada Plant, Nisshin Flour Milling Inc.)

We held our first shareholder plant tour in the Higashinada Plant of Nisshin Flour Milling Inc. on March 13, 2012. A total of 34 shareholders and accompanying persons participated, after being selected by lottery from a large number of applicants. Despite the lingering cold weather, many of those participating commented that they now had a much deeper understanding of the Group company's business after observing first-hand the entire process from receipt of raw materials wheat through wheat flour production to shipment. After the tour, time was allocated for a Q&A session, which was a meaningful opportunity to gather shareholder comments and to enhance communication.

Nisshin Flour Milling Inc.
Higashinada Plant



Comments from shareholders participating in the plant tour (Extracts from questionnaire results)

- Impressed by the plant's cleanliness. Strong impression of the importance placed on safety. Increased confidence in the company's products.
- Impressed by the level of quality control as well as automation. Increased favorable opinion of the company.
- Strong impression of meticulous communication. Expectations that this positive corporate climate will be maintained.
- Expectations that the company will continue to produce safe and reliable products and maintain an unwavering commitment to food and human safety.

Announcement of Future Plant Tours in September 2012

We will hold shareholder tours at the Tsurumi Plant of Nisshin Flour Milling Inc. in September 2012. Tours will be held in both the morning and afternoon in the hope that as many shareholders as possible will be able to attend. Details are presented as follows.

Scheduled date and times for each tour

September 19, 2012 (Wednesday)

- 1) 9:00 to 12:00 (assemble at JR Kawasaki Station at 8:30)
- 2) 14:00 to 17:00 (assemble at JR Kawasaki Station at 13:30)

Place held

Tsurumi Plant, Nisshin Flour Milling Inc.

3-1 Okawa-cho, Kawasaki-ku, Kawasaki City, Kanagawa Prefecture

* Assembly and dispersal at JR Kawasaki Station

Participation fee

Free of charge (However, please be advised that the transportation fee to and from the point of assembly is at the participant's own cost)

Number of participants

A total of 70 participants for each tour (shareholders may be accompanied by one other party)

- * Please be advised that a lottery system shall apply in the selection of participants in the event the number of applicants exceeds the maximum number of permissible participants.
- * Individual shareholders who hold 500 or more of the company's shares as of March 31, 2012 are eligible to attend.
- * Shareholders may be accompanied by one other party. However, the accompanying party shall be a junior high school student or above.

Application method

Please complete all necessary items of the attached application form and return by postal mail.

Entries close on August 10, 2012

* Please complete the application form following the instructions outlined on the tear-away portion of the form.

Inquiries (plant tour)

Nisshin Flour Milling Inc's Tsurumi Plant Tour Service Representative (Nisshin Seifun Group Inc.)

 **0120-667-994** Weekdays 9:30 to 17:30
(Excluding Saturday, Sunday and public holidays)

* This inquiry telephone line shall be available until September 19, 2012 (Wednesday)

Points to remember when submitting an application (Please take note of the following points when submitting an application)

- * Changes may occur in the plant tour program, or the plant tour may be postponed or cancelled due to weather conditions or other unforeseen circumstances.
- * Tsurumi Plant does not comply with barrier-free standards.
- * The company may use photographs taken during the plant tour in its in-house magazine, business report and other publication.

The handling of personal information

Personal shareholder information and information on individuals accompanying shareholders obtained through the receipt of applications to participate in the plant tour shall not be used for any other purposes.

Consolidated Financial Statements

Consolidated Balance Sheets

As of March 31, 2011 and 2012

(¥ million)

Items	2011	2012	Change
Assets			
Total current assets	195,213	213,431	18,217
Total noncurrent assets	194,204	218,525	24,320
Total assets	389,418	431,956	42,537
Liabilities			
Total current liabilities	74,429	92,287	17,858
Total noncurrent liabilities	29,739	40,869	11,130
Total liabilities	104,168	133,157	28,988
Net Assets			
Total shareholders' equity	262,776	271,120	8,344
Capital stock	17,117	17,117	—
Capital surplus	9,450	9,453	3
Retained earnings	239,380	247,736	8,355
Treasury stock	(3,171)	(3,186)	(15)
Total accumulated other comprehensive income	16,023	20,269	4,246
Valuation difference on available-for-sale securities	18,205	22,776	4,571
Deferred gains or losses on hedges	99	170	71
Foreign currency translation adjustment	(2,281)	(2,677)	(396)
Subscription rights to shares	138	188	49
Minority interests	6,311	7,220	908
Total net assets	285,249	298,798	13,548
Total liabilities and net assets	389,418	431,956	42,537

Note: The amounts recorded are rounded down to the nearest one million yen.

Consolidated Statements of Cash Flows

Years ended March 31, 2011 and 2012

(¥ million)

Items	2011	2012	Change
Cash flows from operating activities	34,856	26,078	(8,777)
Cash flows from investing activities	(16,067)	(15,244)	822
Cash flows from financing activities	(6,373)	(6,134)	239
Effect of exchange rate change on cash and cash equivalents	(302)	(400)	(97)
Net increase (decrease) in cash and cash equivalents	12,112	4,299	(7,812)
Cash and cash equivalents at beginning of period	29,975	42,087	12,112
Cash and cash equivalents at end of period	42,087	46,387	4,299

Note: The amounts recorded are rounded down to the nearest one million yen.

*For details and past data, please refer to the website.

Consolidated Statements of Income

Years ended March 31, 2011 and 2012

(¥ million)

Items	2011	2012	Change
Net sales	424,156	441,963	17,806
Cost of sales	285,700	306,649	20,948
Gross profit	138,455	135,313	(3,141)
Selling, general and administrative expenses	113,120	112,200	(919)
Operating income	25,335	23,113	(2,222)
Non-operating income	2,866	3,394	527
Non-operating expenses	362	375	13
Ordinary income	27,839	26,132	(1,707)
Extraordinary income	4,117	889	(3,228)
Extraordinary loss	6,142	2,660	(3,481)
Income before income taxes and minority interests	25,815	24,361	(1,453)
Income taxes — current	10,889	9,468	(1,420)
Income taxes — deferred	(441)	829	1,270
Total income taxes	10,448	10,297	(150)
Income before minority interests	15,367	14,063	(1,303)
Minority interests in income	1,179	736	(442)
Net income	14,187	13,326	(860)

Note: The amounts recorded are rounded down to the nearest one million yen.

Forecasts for Consolidated Business Performance

Forecasts for Consolidated Business Performance in Fiscal 2013

(¥ million)

	2012	2013 (forecast)	Change	% change
Net sales	441,963	459,100	17,136	3.9%
Operating income	23,113	23,500	386	1.7%
Ordinary income	26,132	26,300	167	0.6%
Net income	13,326	14,600	1,273	9.6%

Notes:

1. The contents of this report are based on various premises and do not constitute a promise or guarantee of the realization of the planned results or policies described herein.

2. The amounts recorded are rounded down to the nearest one million yen.

Outline of the Nisshin Seifun Group

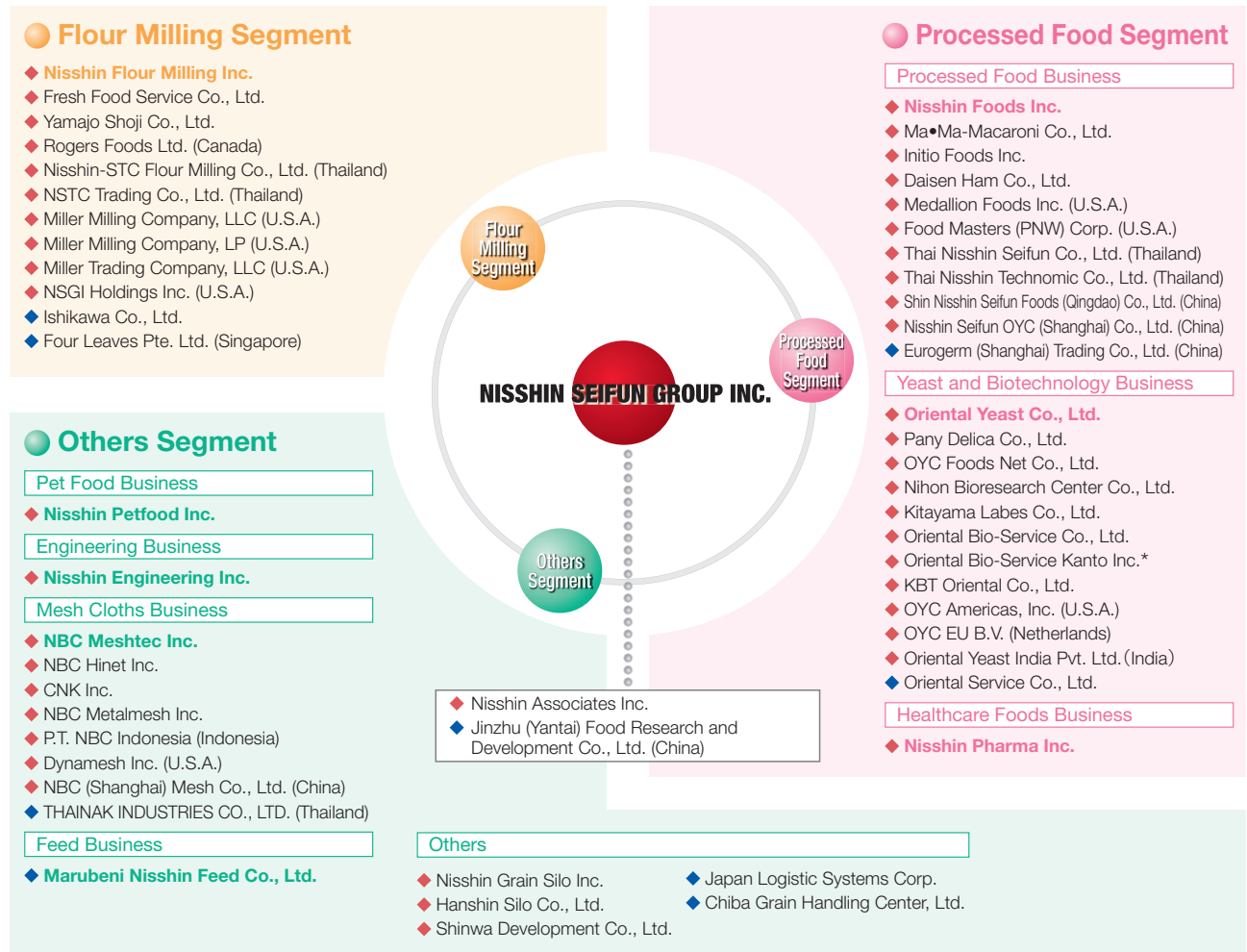
The Nisshin Seifun Group comprises the holding company, the Flour Milling Segment, the Processed Food Segment, and Others Segment. In addition to Nisshin Seifun Group Inc., the Group includes 50 subsidiaries and 16 affiliated companies. Nisshin Seifun Group Inc. and other principal companies are presented in the organizational diagram below.

Employees (As of March 31, 2012)

■ Nisshin Seifun Group Inc.	298
■ Flour Milling Segment	1,326
■ Processed Food Segment	3,185
■ Others Segment etc.	773
Total	5,582

Organization of Nisshin Seifun Group Inc. and its Group Companies (As of March 31, 2012)

- ◆ Consolidated subsidiaries
- ◆ Subsidiaries and affiliated companies accounted for by the equity method



*Oriental Bio-Service Kanto Inc. was merged into Oriental Yeast Co., Ltd. on April 1, 2012.

Stock Information (As of March 31, 2012)

■ Total number of issuable shares:

932,856,000 shares

■ Total number of shares issued and outstanding:

161,535,448 shares

■ Number of shareholders:

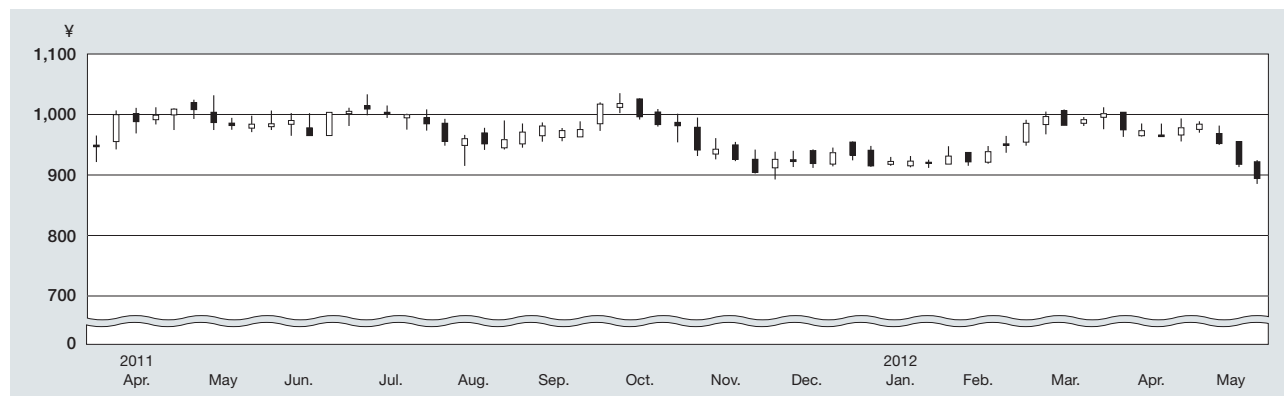
16,148 (an increase of 30 shareholders from the end of the previous fiscal year)

■ Major shareholders (top 10):

Name	Number of shares held (thousand)	Ratio of share holdings (%)
Nippon Life Insurance Company	16,022	6.4
Yamazaki Baking Co., Ltd.	14,040	5.6
The Master Trust Bank of Japan, Ltd. (Trust Account)	11,779	4.7
Japan Trustee Services Bank, Ltd. (Trust Account)	10,738	4.3
Mizuho Corporate Bank, Ltd.	9,943	4.0
Mitsubishi Corporation	6,982	2.8
Marubeni Corporation	5,193	2.0
Sumitomo Corporation	5,034	2.0
Sumitomo Mitsui Banking Corporation	4,616	1.8
The Norinchukin Bank	4,489	1.8

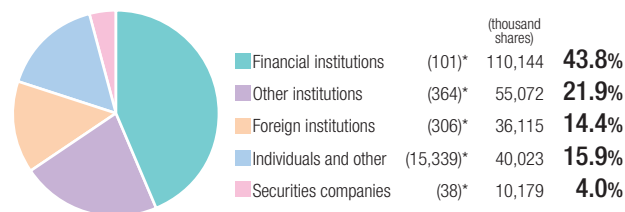
* Holding ratios were calculated by deducting shares of treasury stock (2,995,440 shares)

■ Stock prices

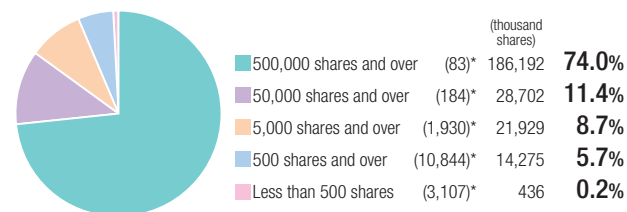


■ Composition of Shareholders

Shareholders by Type



Shareholders by Number of Shares Held



* Number of shareholders

Corporate Data

- Corporate name:** Nisshin Seifun Group Inc.
Head office: 25, Kanda-Nishiki-cho 1-chome,
Chiyoda-ku, Tokyo
Foundation: October 1900
Paid-in capital: ¥17,117,856,746 (As of March 31, 2012)
Main business:
1. Control and management of the operations of segments in the following businesses through stock ownership
 - Flour Milling Segment
 - Processed Food Segment
 - Others Segment (Pet food, Engineering, Mesh cloths, others)
 2. Research and development, surveys
 3. Leasing and management of real estate
 4. Industrial property rights acquisition, preservation, management, usage management and assignment

Board of Directors: (As of June 27, 2012)

President: Hiroshi Oeda

Vice President: Yasutaka Miyauchi

Vice President: Kazuo Ikeda

Managing Director: Toshio Maruo

Managing Director: Masao Nakagawa

Director: Takashi Harada

Director: Izumi Inagaki

Director: Michinori Takizawa

Director: Toshinori Shiragami

Director: Hiromasa Hanafusa

Director: Masashi Nakagawa

Director: Kouichi Iwasaki

Director: Masao Shimosaka

Director: Ariyoshi Okumura

Director: Akio Mimura

Senior Corporate Auditor: Takeo Ito

Corporate Auditor: Makoto Watanabe

Corporate Auditor: Tetsuo Kawawa

Corporate Auditor: Kazuhiko Fushiya

Corporate Auditor: Satoshi Itoh

Offices and Laboratories:

Head Office: Chiyoda-ku, Tokyo

Institutes and Laboratories: Fujimino City, Saitama Prefecture

Research Center for Production and Technology

Research Center for Basic Science Research and Development

QE Center

Investor Information

Fiscal year:

April 1 to March 31 of the following year

Date of record for year-end dividends (profit dividends) on retained earnings:

March 31

Date of record for interim dividends:

September 30

Ordinary general meeting of shareholders:

June

Method of public notice:

The Company posts notices via electronic notification on its website at <http://www.nisshin.com>.

However, if electronic notification is not possible due to an accident or other unavoidable circumstances, notices will be published in the Nikkei newspaper.

Share trading unit:

500 shares

Custodian of shareholder register:

Sumitomo Mitsui Trust Bank, Limited
1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Japan

Contact information:

Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Department
2-8-4 Izumi, Suginami-ku, Tokyo
168-0063, Japan
Tel: 0120-782-031 (toll-free)

Transfer agent's handling office:

Sumitomo Mitsui Trust Bank, Limited,
branches throughout Japan

Notice

● Application for various share-related procedures

Please file applications for various share-related procedures such as change of address, designation of a method to receive dividends, request to purchase shares in less than the allotted trading unit and sale of such additional shares at the following places.

1. Shareholders with an account at a securities company
→ Please contact your securities company.

Note: To apply to receive dividends after the period for dividend distribution, as well as request to purchase shares in less than the allotted trading unit registered at the special account and sale of additional less-than-a-unit shares to those registered at the special account, please contact Sumitomo Mitsui Trust Bank, Limited.

2. Shareholders registered at the special accounts
→ Please contact Sumitomo Mitsui Trust Bank, Limited.

● Dividend Statement

The Dividend Statement that we send you at the time of the dividend payment concurrently serves as the Payment Notification Statement based on a provision of the Act on Special Measures Concerning Taxation. Therefore, you can use it as documentation for filing your income tax return. For shareholders who have chosen to receive their dividend using the Dividend Receipt, effective from the current year, the Dividend Statement is enclosed each time a dividend is paid.

We ask the shareholders who file an income tax return to retain the Statement.