

## Consolidated Financial Results for the Six Months Ended September 30, 2009 (2Q FY2009)

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 Stock exchange listing: Tokyo Stock Exchange  
 Osaka Securities Exchange  
 Stock code: 2810  
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Scheduled date of commencement of dividend payment: December 10, 2009

(Amounts of less than one million yen are rounded to the nearest million yen)

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2009 (April 1, 2009 – September 30, 2009)

#### (1) Consolidated Results of Operations (Accumulated Total) (Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended								
September 30, 2009	112,758	(0.6)	6,545	10.1	7,132	9.8	3,829	10.7
September 30, 2008	113,406	–	5,944	–	6,493	–	3,459	–

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Six months ended		
September 30, 2009	34.88	–
September 30, 2008	31.51	–

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of				
September 30, 2009	235,980	183,033	77.4	1,664.59
March 31, 2009	228,226	178,522	78.1	1,623.36

(Reference) Shareholders' equity: As of September 30, 2009: 182,718 million yen

As of March 31, 2009: 178,195 million yen

#### 2. Dividends

(Base date)	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2009	–	11.00	–	11.00	22.00
Year ending March 31, 2010	–	11.00			
Year ending March 31, 2010 (forecast)			–	11.00	22.00

(Note) Revisions to dividend forecasts made during the current quarter: None

#### 3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2010 (April 1, 2009 - March 31, 2010)

(Percentage figures for the fiscal year represent the changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending March 31, 2010	224,600	0.9	11,000	7.8	12,000	9.2	6,200	31.2	56.48

(Note) Revisions to consolidated financial forecasts made during the current quarter: Yes

#### 4. Others

- (1) Changes of important subsidiaries during the period (changes of specific subsidiaries in accordance with changes in the scope of consolidation): None
- (2) Application of concise accounts procedures and particular accounts procedures in the preparation of the quarterly consolidated financial statements: Yes  
Note: For details, please refer to “[Qualitative Information, Financial Statements, etc.] 4. Others” on page 5.
- (3) Changes in accounting principles, procedures, and the method of presentation associated with the preparation of the quarterly consolidated financial statements (matters to be included in the section: “Changes in Basic Important Matters for the Preparation of Quarterly Consolidated Financial Statements”)
  - (i) Changes caused by revision of accounting standards: None
  - (ii) Changes other than (i): None
- (4) Number of shares outstanding (common stock):
  - (i) Number of shares outstanding at end of period (including treasury stock)

As of September 30, 2009:	110,878,734 shares
As of March 31, 2009:	110,878,734 shares
  - (ii) Number of treasury stock at end of period:

As of September 30, 2009:	1,110,902 shares
As of March 31, 2009:	1,109,297 shares
  - (iii) Average number of shares outstanding during the term (consolidated cumulative period)

Six months ended September 30, 2009:	109,768,256 shares
Six months ended September 30, 2008:	109,774,726 shares

#### \*Explanations and other special notes concerning the appropriate use of business performance forecasts

- The consolidated and non-consolidated business performance forecasts given in this document are based on assumptions, prospects, and future business plans, currently available on the date this document was published. Actual results may differ from these forecasts for a variety of reasons.
- For other matters relating to the forecasts, please refer to “[Qualitative Information, Financial Statements, etc.] 3. Qualitative Information Concerning Consolidated Business Performance Forecasts” on page 4.

[Qualitative Information, Financial Statements, etc.]

#### 1. Qualitative Information Concerning the Consolidated Operating Results

During the first half under review, the Japanese economy remained challenging. A stronger yen had substantial repercussions for the overall economy, while deflation gathered strength, spurred by weaker employment conditions and lackluster consumer spending.

In markets related to daily living, consumers became increasingly keen to protect their living standards in a difficult employment and income environment symbolized by record unemployment. Competition among companies remained severe.

Recognizing these circumstances, in its Third Medium-Term Business Plan, which started in April 2009, the House Foods Group has made a clear distinction between businesses that will drive growth and those that will maintain and grow income. Through the appropriate allocation of management resources, the Company is moving ahead with its initiatives to achieve its management targets. In September, the Company announced the launch of *Nutrisystem J-Diet*, a diet program that includes substitute products for foods and user support as a set, to bolster the health foods segment and the mail-order business, both of which are regarded as growth drivers.

Sales of curry roux and retort pouched curry products remained firm, thanks to the active promotion of sales of mainstay products, including the launch of the “Arashi Premium Night Invitation Campaign,” reflecting a strong shift towards home dining over eating out and growing consumer thriftiness in a weak economy. The Company has taken steps to increase the number of outlets selling its spices, and thanks to enhanced lineups, sales of these products increased. However, the functional beverage *C-1000* series of House Wellness Foods Corporation faced a serious challenge, partly because of the effect of the unusually cool summer, normally the peak season. As a consequence, consolidated sales for the first half declined 0.6% year on year, to 112,758 million yen.

In terms of income, with relatively solid sales of mainstay curry roux products and health foods, as well as continued efforts to cut costs, the Group’s consolidated operating income rose 10.1% year on year, to 6,545 million yen. Consolidated ordinary income climbed 9.8%, to 7,132 million yen, and consolidated net income stood at 3,829 million yen, a 10.7% increase from a year ago.

[Net Sales by Operating Segment]

#### **Foods**

Sales of curry roux products remained robust, partly reflecting the campaign activities for *Vermont Curry*, and sales of *Java Curry* also expanded. Among retort pouched curry products, demand for *Curry Ya Curry* was strong, reflecting the low price orientation of consumers. Sales of *Mezameru Karada Asa Curry*, which was launched in February 2009, also rose as this product found acceptance as a new food proposal.

Sales of spice products rose from a year ago, primarily attributable to strong sales of *Neri Spice* on the back of active sales promotion. Solid sales of standard powder spice products such as *Kosho* and *Yofu Spice* also contributed.

In the cup-type products segment, sales of the *Soup De Okoge* series, which are well received by young women, increased markedly, aided in part by an improved product lineup.

Among packaged noodle products, sales of *Umakacchan*, a long-selling product, rose thanks to the success of the 30<sup>th</sup> anniversary campaign, which was conducted mainly in the Kyushu region.

In the health foods segment, we sought to develop new sales channels for *Ukon No Chikara*, while establishing a product featuring a cassis orange taste for women. *Mega Shaki*, a new functional beverage that uses spices, also achieved steady market penetration. However, sales of *C-1000 Lemon Water*, a product of House Wellness Foods Corporation, a subsidiary of the Company, declined from a year ago, reflecting the harsh competitive climate.

In our food service product business, sales were below the year-ago level because of weak overall demand for eating out, despite the solid performance of roux and flake products and retort pouched products.

In overseas operations, overall sales in the curry roux business in China declined. Although the business enjoyed an expansion in food service product operations, sales promotion was hindered by the relocation of the plant. Sales of the tofu business in the United States were almost on a par with the year-ago level due to the effect of the stronger yen, although the business remained firm in the East and Midwest regions, where the introduction of new business outweighed aggressive pricing by competitors. In the curry restaurant business, we aimed to increase sales and improve profitability through rapid progress in new store openings and the review of unprofitable restaurants in the growth markets of China, Taiwan, and South Korea.

As a result of the above, net food segment sales stood at 106,973 million yen, a year-on-year fall of 0.8%. Operating income increased 8.3% year on year, to 8,308 million yen.

### **Transport and Warehouse Operations**

House Logistics Service Corporation, a subsidiary of the Company, developed distribution facilities and focused on expanding demand for the comprehensive logistics business it offers companies outside the Group. As a result, sales exceeded the year-ago level.

Consequently, sales in the transport and warehouse operations segment rose 3.6% year on year, to 5,785 million yen, while operating income was up 4.6%, to 277 million yen.

## **2. Qualitative Information Concerning the Company's Consolidated Financial Situation**

The consolidated financial situation during the first half of the term under review is set out below.

Total assets were 235,980 million yen, an increase of 7,754 million yen in comparison to the end of the previous consolidated fiscal year.

Current assets increased 8,360 million yen, to 108,276 million yen, primarily attributable to a rise in notes and accounts receivable-trade and short-term investment securities. Noncurrent assets finished at 127,704 million yen, a fall of 606 million yen, due to decreases in goodwill and property, plant and equipment, while investment securities increased with new acquisitions and prepaid pension costs rose, among other factors.

Liabilities were 52,946 million yen, an increase of 3,242 million yen from the end of the previous fiscal year. Current liabilities increased 2,444 million yen, to 42,802 million yen, mainly owing to a rise in notes and accounts payable-trade. Noncurrent liabilities climbed 798 million yen, to 10,145 million yen, primarily reflecting a rise in deferred tax liabilities.

Net assets increased 4,511 million yen from the end of the previous fiscal year, to 183,033 million yen, because of factors such as a rise in valuation differences on available-for-sale securities.

As a result, the equity ratio fell to 77.4%, down from 78.1% at the end of the previous fiscal year. Net assets per share rose to 1,664.59 yen, up from 1,623.36 yen.

## **3. Qualitative Information Concerning Consolidated Business Performance Forecasts**

Although the completion of inventory adjustment and the effect of the economic stimulus package are likely to provide a boost to the economy, anxiety about the future will remain with little immediate improvement in employment conditions anticipated. In this environment, the operating environment is expected to remain challenging, with ongoing uncertainties over raw materials prices and the foreign exchange trends, as the financial crisis has lasting repercussions.

In light of these factors and the results for the first half of the current fiscal year, we have revised the full year business performance forecasts announced on May 11, 2009, as follows.

#### Revisions to consolidated business performance forecasts

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A)	233,000	11,000	12,000	6,200	56.48
Newly revised forecast (B)	224,600	11,000	12,000	6,200	56.48
Difference (B-A)	(8,400)	–	–	–	–
Increase-decrease rate (%)	(3.6)	–	–	–	–
Actual performance in the previous term (fiscal year ended March 2009)	222,549	10,201	10,993	4,726	43.05

#### Reference: Revisions to non-consolidated business performance forecasts

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A)	167,000	12,400	13,900	8,200	74.70
Newly revised forecast (B)	165,000	12,400	13,900	8,200	74.70
Difference (B-A)	(2,000)	–	–	–	–
Increase-decrease rate (%)	(1.2)	–	–	–	–
Actual performance in the previous term (fiscal year ended March 2009)	161,882	11,952	13,867	7,429	67.68

#### 4. Others

- (1) Transfers in important subsidiaries during the financial period (changes of specific subsidiaries in accordance with changes in the scope of consolidation)

Not applicable.

- (2) Application of concise accounts procedures and particular accounts procedures in the preparation of the quarterly consolidated financial statements

- (i) Method for calculating tax expenses

The Company has adopted a method of calculating tax expenses using a reasonable estimate of the effective tax rate following the application of tax effect accounting on the current term net income before taxes and other adjustments for the consolidated fiscal year, and multiplying quarterly net income before taxes and other adjustments by this estimated effective tax rate.

“Income taxes-current” and “Income taxes-deferred” are unified in “Income taxes.”

- (3) Changes in accounting principles, procedures, and the method of presentation associated with the preparation of the quarterly consolidated financial statements

Not applicable.

## 5. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	End of second quarter of current fiscal year (As of September 30, 2009)	End of previous fiscal year (As of March 31, 2009)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	18,600	16,920
Notes and accounts receivable-trade	42,858	38,511
Short-term investment securities	29,948	28,249
Merchandise and finished goods	7,281	7,019
Work in process	1,157	1,047
Raw materials and supplies	3,261	3,258
Deferred tax assets	3,236	3,050
Other	1,937	1,871
Allowance for doubtful accounts	(3)	(10)
<b>Total current assets</b>	<b>108,276</b>	<b>99,916</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	21,133	21,330
Machinery, equipment and vehicles, net	9,426	9,877
Land	27,307	26,975
Lease assets, net	5,017	5,052
Construction in progress	116	373
Other, net	1,043	1,027
<b>Total property, plant and equipment</b>	<b>64,043</b>	<b>64,634</b>
<b>Intangible assets</b>		
Goodwill	8,244	10,307
Software	2,896	3,152
Software in progress	185	162
Other	238	163
<b>Total intangible assets</b>	<b>11,563</b>	<b>13,784</b>
<b>Investments and other assets</b>		
Investment securities	41,536	39,844
Long-term loans receivable	296	267
Deferred tax assets	298	379
Long-term time deposits	2,100	2,100
Prepaid pension cost	5,157	4,568
Other	2,939	2,926
Allowance for doubtful accounts	(228)	(192)
<b>Total investments and other assets</b>	<b>52,098</b>	<b>49,892</b>
<b>Total noncurrent assets</b>	<b>127,704</b>	<b>128,310</b>
<b>Total assets</b>	<b>235,980</b>	<b>228,226</b>

(Million yen)

	End of second quarter of current fiscal year (As of September 30, 2009)	End of previous fiscal year (As of March 31, 2009)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	22,231	19,839
Short-term loans payable	614	579
Lease obligations	357	335
Accounts payable-other	12,052	12,064
Income taxes payable	3,138	3,128
Provision for directors' bonuses	39	79
Other	4,372	4,333
<b>Total current liabilities</b>	<b>42,802</b>	<b>40,357</b>
<b>Noncurrent liabilities</b>		
Lease obligations	4,644	4,699
Long-term accounts payable-other	925	1,053
Deferred tax liabilities	1,745	625
Provision for retirement benefits	2,267	2,404
Provision for directors' retirement benefits	18	38
Other	546	529
<b>Total noncurrent liabilities</b>	<b>10,145</b>	<b>9,347</b>
<b>Total liabilities</b>	<b>52,946</b>	<b>49,704</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	9,948	9,948
Capital surplus	23,868	23,868
Retained earnings	148,711	146,107
Treasury stock	(1,324)	(1,322)
<b>Total shareholders' equity</b>	<b>181,204</b>	<b>178,602</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	2,665	941
Foreign currency translation adjustment	(1,150)	(1,347)
<b>Total valuation and translation adjustments</b>	<b>1,514</b>	<b>(406)</b>
<b>Minority interests</b>	<b>315</b>	<b>326</b>
<b>Total net assets</b>	<b>183,033</b>	<b>178,522</b>
<b>Total liabilities and net assets</b>	<b>235,980</b>	<b>228,226</b>

## (2) Quarterly Consolidated Statements of Income

## a. First six-month period

(Million yen)

	First six-month period of previous fiscal year (April 1, 2008 - September 30, 2008)	First six-month period of current fiscal year (April 1, 2009 - September 30, 2009)
<b>Net sales</b>	113,406	112,758
<b>Cost of sales</b>	61,757	60,615
<b>Gross profit</b>	51,649	52,143
<b>Selling, general and administrative expenses</b>		
Advertising expenses	6,537	6,040
Transportation and warehousing expenses	3,902	3,365
Sales commission	2,487	2,521
Promotion expenses	15,044	15,600
Salaries, allowances and bonuses	6,074	6,034
Provision for directors' bonuses	28	39
Provision for directors' retirement benefits	8	15
Depreciation	549	589
Amortization of goodwill	2,055	2,062
Rent expenses	677	671
Experiment and research expenses	1,857	1,962
Other	6,487	6,699
<b>Total selling, general and administrative expenses</b>	45,704	45,598
<b>Operating income</b>	5,944	6,545
<b>Non-operating income</b>		
Interest income	199	171
Dividends income	209	189
Equity in earnings of affiliates	162	147
Foreign exchange gains	-	35
Other	151	95
<b>Total non-operating income</b>	720	636
<b>Non-operating expenses</b>		
Interest expenses	25	22
Foreign exchange losses	121	-
Other	24	27
<b>Total non-operating expenses</b>	170	49
<b>Ordinary income</b>	6,493	7,132



(Million yen)

	First six-month period of previous fiscal year (April 1, 2008 - September 30, 2008)	First six-month period of current fiscal year (April 1, 2009 - September 30, 2009)
<b>Extraordinary income</b>		
Gain on sales of noncurrent assets	1	3
Reversal of allowance for doubtful accounts	–	4
Gain on sales of investment securities	2	–
Other	2	5
<b>Total extraordinary income</b>	<b>5</b>	<b>13</b>
<b>Extraordinary loss</b>		
Loss on retirement of noncurrent assets	111	161
Loss on valuation of membership	–	46
Impairment loss	–	7
Loss on revision of retirement benefit plan	129	–
Other	37	57
<b>Total extraordinary loss</b>	<b>277</b>	<b>271</b>
<b>Income before income taxes</b>	<b>6,221</b>	<b>6,873</b>
Income taxes	2,792	3,072
Minority interests in income	(30)	(28)
<b>Net income</b>	<b>3,459</b>	<b>3,829</b>

b. Second quarter

(Million yen)

	Second quarter of previous fiscal year (July 1, 2008 - September 30, 2008)	Second quarter of current fiscal year (July 1, 2009 - September 30, 2009)
<b>Net sales</b>	59,495	58,438
<b>Cost of sales</b>	32,443	31,272
<b>Gross profit</b>	27,052	27,166
<b>Selling, general and administrative expenses</b>		
Advertising expenses	3,127	2,989
Transportation and warehousing expenses	2,058	1,715
Sales commission	1,394	1,330
Promotion expenses	8,200	8,418
Salaries, allowances and bonuses	3,018	3,050
Provision for directors' bonuses	14	20
Provision for directors' retirement benefits	8	15
Depreciation	288	305
Amortization of goodwill	1,027	1,031
Rent expenses	332	337
Experiment and research expenses	969	1,024
Other	3,272	3,320
<b>Total selling, general and administrative expenses</b>	23,708	23,555
<b>Operating income</b>	3,345	3,611
<b>Non-operating income</b>		
Interest income	96	77
Dividends income	178	165
Equity in earnings of affiliates	78	81
Other	105	46
<b>Total non-operating income</b>	458	370
<b>Non-operating expenses</b>		
Interest expenses	17	11
Foreign exchange losses	153	124
Other	14	20
<b>Total non-operating expenses</b>	183	155
<b>Ordinary income</b>	3,619	3,826
<b>Extraordinary income</b>		
Gain on sales of investment securities	2	-
Gain on sales of noncurrent assets	-	1
Other	2	1
<b>Total extraordinary income</b>	3	2
<b>Extraordinary loss</b>		
Loss on retirement of noncurrent assets	30	130
Loss on valuation of membership	-	41
Impairment loss	-	7
Other	25	51
<b>Total extraordinary loss</b>	55	230
<b>Income before income taxes</b>	3,568	3,598
Income taxes	1,420	1,449
Minority interests in income	(17)	(19)
<b>Net income</b>	2,165	2,168

## (3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	First six-month period of previous fiscal year (April 1, 2008 - September 30, 2008)	First six-month period of current fiscal year (April 1, 2009 - September 30, 2009)
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes	6,221	6,873
Depreciation and amortization	2,933	2,949
Amortization of goodwill	2,055	2,062
Impairment loss	–	7
Equity in (earning) losses of affiliates	(162)	(147)
Loss (gain) on valuation of investment securities	0	–
Loss on valuation of membership	–	46
Increase (decrease) in allowance for doubtful accounts	(4)	30
Increase (decrease) in provision for directors' bonuses	(47)	(41)
Increase (decrease) in provision for directors' retirement benefits	8	(20)
Increase (decrease) in provision for retirement benefits	(212)	(137)
Interest and dividends income	(408)	(359)
Interest expenses	25	22
Foreign exchange losses (gains)	(18)	84
Loss (gain) on sales of investment securities	(1)	–
Loss (gain) on sales of noncurrent assets	(0)	(3)
Loss on retirement of noncurrent assets	111	161
Decrease (increase) in notes and accounts receivable-trade	(3,491)	(4,317)
Decrease (increase) in inventories	(755)	(360)
Increase (decrease) in notes and accounts payable-trade	3,186	2,378
Increase (decrease) in accounts payable-bonuses	44	33
Decrease (increase) in other assets	(802)	(413)
Increase (decrease) in other liabilities	333	(521)
<b>Subtotal</b>	<b>9,018</b>	<b>8,326</b>
Interest and dividends income received	545	500
Interest expenses paid	(19)	(26)
Income taxes paid	(1,710)	(3,030)
<b>Net cash provided by (used in) operating activities</b>	<b>7,834</b>	<b>5,770</b>
<b>Net cash provided by (used in) investing activities</b>		
Payments into time deposits	–	(784)
Proceeds from withdrawal of time deposits	20	60
Purchase of short-term investment securities	(1,098)	(1,600)
Proceeds from sales of short-term investment securities	3,798	3,200
Purchase of property, plant and equipment	(3,409)	(1,887)
Proceeds from sales of property, plant and equipment	4	23
Purchase of intangible assets	(551)	(312)
Purchase of investment securities	(21)	(1,080)
Proceeds from sales of investment securities	6	100
Purchase of treasury stock of subsidiaries in consolidation	(668)	–
Purchase of stocks of subsidiaries and affiliates	–	(45)
Payments of loans receivable	(120)	(35)
<b>Net cash provided by (used in) investing activities</b>	<b>(2,039)</b>	<b>(2,361)</b>

(Million yen)

	First six-month period of previous fiscal year (April 1, 2008 - September 30, 2008)	First six-month period of current fiscal year (April 1, 2009 - September 30, 2009)
<b>Net cash provided by (used in) financing activities</b>		
Increase in short-term loans payable	657	1,702
Decrease in short-term loans payable	(597)	(1,702)
Repayments of lease obligations	(19)	(177)
Purchase of treasury stock	(6)	(2)
Cash dividends paid	(1,208)	(1,204)
Cash dividends paid to minority shareholders	(17)	(0)
<b>Net cash provided by (used in) financing activities</b>	<b>(1,191)</b>	<b>(1,383)</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>(121)</b>	<b>29</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>4,483</b>	<b>2,055</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>31,389</b>	<b>41,680</b>
<b>Cash and cash equivalents at end of period</b>	<b>35,873</b>	<b>43,735</b>

(4) Notes relating to Assumptions for the Going Concern

Not applicable.

(5) Segment Information

[Segment Information by Operating Segment]

First six-month period of consolidated fiscal year under review (April 1, 2009 - September 30, 2009)

(Million yen)

	Foods	Transport and Warehouse Operations	Total	Eliminations and corporate	Consolidated
I. Net sales					
(1) Sales - outside customers	106,973	5,785	112,758	–	112,758
(2) Sales and transfer - inter-segment	0	6,858	6,858	(6,858)	–
Total	106,973	12,642	119,616	(6,858)	112,758
Operating income	8,308	277	8,586	(2,040)	6,545

Second quarter of consolidated fiscal year under review (July 1, 2009 - September 30, 2009)

(Million yen)

	Foods	Transport and Warehouse Operations	Total	Eliminations and corporate	Consolidated
I. Net sales					
(1) Sales - outside customers	55,490	2,948	58,438	–	58,438
(2) Sales and transfer - inter-segment	0	3,546	3,547	(3,547)	–
Total	55,490	6,495	61,985	(3,547)	58,438
Operating income	4,400	167	4,567	(956)	3,611

Notes:

1. Operating segments are classified by product category and product similarity.
2. Major products by operating segment
  - (1) Foods: Food, beverages and restaurants
  - (2) Transport and Warehouse Operations: Transport and warehousing, etc.
3. Because all operating expenses are allocated to each operating segment, there are no undistributed operating expenses.
4. The food analysis and insurance agency businesses, which were previously recognized in the “Other business” segment, are included in the “Transport and Warehouse Operations” operating segment due to their minor significance.

First six-month period of previous consolidated fiscal year (April 1, 2008 - September 30, 2008)

(Million yen)

	Foods	Transport and Warehouse Operations	Total	Eliminations and corporate	Consolidated
I. Net sales					
(1) Sales - outside customers	107,820	5,586	113,406	–	113,406
(2) Sales and transfer - inter-segment	3	6,452	6,455	(6,455)	–
Total	107,823	12,037	119,860	(6,455)	113,406
Operating income	7,674	265	7,939	(1,995)	5,944

Second quarter of previous consolidated fiscal year (July 1, 2008 - September 30, 2008)

(Million yen)

	Foods	Transport and Warehouse Operations	Total	Eliminations and corporate	Consolidated
I. Net sales					
(1) Sales - outside customers	56,716	2,779	59,495	–	59,495
(2) Sales and transfer - inter-segment	2	3,394	3,396	(3,396)	–
Total	56,718	6,172	62,891	(3,396)	59,495
Operating income	4,198	151	4,349	(1,004)	3,345

Notes:

- Operating segments are classified by product category and product similarity.
- Major products by operating segment
  - Foods: Food, beverages and restaurants
  - Transport and Warehouse Operations: Transport and warehousing, etc.
- Because all operating expenses are allocated to each operating segment, there are no undistributed operating expenses.
- The food analysis and insurance agency businesses, which were previously recognized in the “Other business” segment, are included in the “Transport and Warehouse Operations” operating segment due to their minor significance.
- Starting the previous consolidated fiscal year, the Company has applied the “Accounting Standard for Measurement of Inventories.” As a result, operating income in Foods for the first half of the previous consolidated fiscal year declined 160 million yen from the operating income calculated using the conventional method.
- With the revision of the Corporation Tax Act in fiscal 2008 relating to the effective life of depreciable assets, the Company and its domestic consolidated subsidiaries reviewed the effective life of equipment and machinery in the previous consolidated fiscal year and have applied the effective life under the revised Corporate Tax Act. As a result, operating income in Foods for the first half of the previous consolidated fiscal year increased 87 million yen from the operating income calculated based on the conventional durable years.

(6) Notes for Case Where Shareholders' Equity underwent Significant Changes in Value

Not applicable.

## [Reference] Quarterly Non-Consolidated Financial Statements

### (1) Quarterly Non-Consolidated Balance Sheets

(Million yen)

<b>Assets</b>				
Item	End of second quarter of current fiscal year (As of September 30, 2009)		End of previous fiscal year (As of March 31, 2009)	
	Amount	(%)	Amount	(%)
<b>Current assets</b>	85,825	39.2	80,066	37.8
Cash and deposits	10,426		10,023	
Notes receivable-trade	21		23	
Accounts receivable-trade	33,471		30,215	
Short-term investment securities	28,500		27,000	
Merchandise and finished goods	6,100		5,748	
Work in process	1,082		956	
Raw materials and supplies	2,191		2,112	
Deferred tax assets	1,973		1,972	
Other	2,064		2,027	
Allowance for doubtful accounts	(3)		(10)	
<b>Noncurrent assets</b>	133,308	60.8	131,507	62.2
<b>Property, plant and equipment</b>	38,747	17.7	39,361	18.6
Buildings	13,393		13,659	
Structures	670		726	
Machinery and equipment	6,100		6,374	
Vehicles	55		63	
Tools, furniture, and fixtures	599		606	
Land	17,799		17,799	
Lease assets	27		23	
Construction in progress	103		111	
<b>Intangible assets</b>	2,604	1.2	2,834	1.3
Leasehold right	6		6	
Right of trademark	8		8	
Telephone subscription right	45		45	
Right of using facilities	0		0	
Software	2,360		2,613	
Software in progress	185		162	
<b>Investments and other assets</b>	91,957	42.0	89,312	42.2
Investment securities	37,253		35,245	
Stocks of subsidiaries and affiliates	41,480		41,436	
Investments in capital	39		39	
Investments in capital of subsidiaries and affiliates	1,140		1,140	
Long-term loans receivable from employees	8		8	
Long-term loans receivable from subsidiaries and affiliates	3,600		3,600	
Long-term prepaid expenses	273		219	
Guarantee deposits	1,138		1,148	
Long-term time deposits	2,000		2,000	
Prepaid pension cost	5,157		4,568	
Other	63		67	
Allowance for doubtful accounts	(194)		(158)	
<b>Total assets</b>	219,133	100.0	211,573	100.0

(Million yen)

<b>Liabilities</b>				
Item	End of second quarter of current fiscal year (As of September 30, 2009)		End of previous fiscal year (As of March 31, 2009)	
	Amount	(%)	Amount	(%)
<b>Current liabilities</b>	31,272	14.3	29,927	14.2
Notes payable-trade	2,166		1,891	
Accounts payable-trade	13,157		11,706	
Accounts payable-other	10,696		10,636	
Accrued expenses	1,951		1,943	
Income taxes payable	2,785		3,003	
Deposits received	113		159	
Provision for directors' bonuses	32		67	
Other	373		521	
<b>Noncurrent liabilities</b>	2,634	1.2	1,531	0.7
Lease obligations	21		18	
Long-term guarantee deposited	268		268	
Long-term accounts payable-other	650		670	
Deferred tax liabilities	1,695		575	
<b>Total liabilities</b>	33,907	15.5	31,458	14.9
<b>Net assets</b>				
<b>Shareholders' equity</b>	182,499	83.3	179,107	84.7
Capital stock	9,948	4.5	9,948	4.7
Capital surplus	23,815	10.9	23,815	11.3
Legal capital surplus	23,815		23,815	
Retained earnings	150,059	68.5	146,665	69.3
Legal retained earnings	2,487		2,487	
Other retained earnings	147,572		144,178	
General reserve	133,900		133,900	
Retained earnings brought forward	13,672		10,278	
Treasury stock	(1,324)	(0.6)	(1,322)	(0.6)
<b>Valuation and translation adjustments</b>	2,728	1.2	1,008	0.5
Valuation difference on available-for-sale securities	2,728	1.2	1,008	0.5
<b>Total net assets</b>	185,227	84.5	180,115	85.1
<b>Total liabilities and net assets</b>	219,133	100.0	211,573	100.0



## (2) Quarterly Non-Consolidated Statements of Income

## a. First six-month period

(Million yen)

Item	First six-month period of previous fiscal year (April 1, 2008 - September 30, 2008)		First six-month period of fiscal year under review (April 1, 2009 - September 30, 2009)		Reference Previous fiscal year (April 1, 2008 - March 31, 2009)	
	Amount	(%)	Amount	(%)	Amount	(%)
	<b>Net sales</b>	79,929	100.0	80,839	100.0	161,882
<b>Cost of sales</b>	39,077	48.9	38,853	48.1	79,685	49.2
<b>Gross profit</b>	40,853	51.1	41,985	51.9	82,196	50.8
<b>Selling, general and administrative expenses</b>	34,916	43.7	35,348	43.7	70,244	43.4
Advertising expenses	5,528		5,201		10,702	
Transportation and warehousing expenses	2,827		2,816		5,575	
Sales commission	2,487		2,521		5,045	
Promotion expenses	11,899		12,520		24,520	
Directors' compensations	131		124		263	
Salaries, allowances and bonuses	4,433		4,066		8,906	
Provision for directors' bonuses	25		32		67	
Retirement benefit expenses	832		992		1,653	
Welfare expenses	858		824		1,826	
Traveling and communication expenses	729		711		1,419	
Depreciation	389		387		822	
Rent expenses	553		571		1,092	
Experiment and research expenses	1,558		1,649		3,026	
Investigation expenses	437		428		822	
Other	2,230		2,508		4,504	
<b>Operating income</b>	5,937	7.4	6,637	8.2	11,952	7.4
<b>Non-operating income</b>	1,380	1.7	1,154	1.4	2,045	1.3
Interest income	105		48		144	
Interest on securities	96		144		268	
Dividends income	898		779		1,103	
Rent income	133		108		263	
Foreign exchange gains	17		–		–	
Other	130		75		268	
<b>Non-operating expenses</b>	67	0.1	164	0.2	130	0.1
Interest expenses	4		4		8	
Rent expenses	47		42		92	
Foreign exchange losses	–		106		5	
Other	15		12		26	
<b>Ordinary income</b>	7,250	9.1	7,627	9.4	13,867	8.6

(Million yen)

Item	First six-month period of previous fiscal year (April 1, 2008 - September 30, 2008)		First six-month period of fiscal year under review (April 1, 2009 - September 30, 2009)		Reference Previous fiscal year (April 1, 2008 - March 31, 2009)	
	Amount	(%)	Amount	(%)	Amount	(%)
<b>Extraordinary income</b>	2	0.0	8	0.0	13	0.0
Gain on sales of noncurrent assets	0		3		10	
Reversal of allowance for doubtful accounts	–		4		–	
Gain on sales of investment securities	2		–		2	
<b>Extraordinary loss</b>	474	0.6	211	0.3	1,420	0.9
Loss on retirement of noncurrent assets	95		126		219	
Loss on sales of investment securities	–		–		46	
Loss on valuation of investment securities	–		–		26	
Loss on valuation of stocks of subsidiaries and affiliates	246		–		388	
Loss on valuation of membership	–		46		2	
Loss on revision of retirement benefit plan	129		–		129	
Impairment loss	–		7		606	
Other	4		32		4	
<b>Income before income taxes</b>	6,778	8.5	7,424	9.2	12,460	7.7
Income taxes	2,655	3.3	2,822	3.5	5,030	3.1
<b>Net income</b>	4,123	5.2	4,602	5.7	7,429	4.6

Notes:

1. The quarterly non-consolidated financial statements are not subject to review in legal disclosure.
2. The company prepares the quarterly non-consolidated financial statements based on the “Regulations for Quarterly Financial Statements.”
3. “Income taxes-deferred” is presented including “Income taxes.”

b. Second quarter

(Million yen)

Item	Second quarter of previous fiscal year (July 1, 2008 - September 30, 2008)		Second quarter of fiscal year under review (July 1, 2009 - September 30, 2009)	
	Amount	(%)	Amount	(%)
<b>Net sales</b>	42,001	100.0	42,371	100.0
<b>Cost of sales</b>	20,570	49.0	20,239	47.8
<b>Gross profit</b>	21,431	51.0	22,132	52.2
<b>Selling, general and administrative expenses</b>	18,223	43.4	18,378	43.4
Advertising expenses	2,800		2,633	
Transportation and warehousing expenses	1,523		1,473	
Sales commission	1,394		1,330	
Promotion expenses	6,424		6,783	
Directors' compensations	62		58	
Salaries, allowances and bonuses	2,177		2,060	
Provision for directors' bonuses	13		16	
Retirement benefit expenses	414		496	
Welfare expenses	516		420	
Traveling and communication expenses	339		349	
Depreciation	199		198	
Rent expenses	270		283	
Experiment and research expenses	826		873	
Investigation expenses	244		227	
Other	1,023		1,179	
<b>Operating income</b>	3,209	7.6	3,754	8.9
<b>Non-operating income</b>	435	1.0	342	0.8
Interest income	54		24	
Interest on securities	47		64	
Dividends income	177		164	
Rent income	66		56	
Other	91		35	
<b>Non-operating expenses</b>	55	0.1	109	0.3
Interest expenses	2		2	
Rent expenses	23		20	
Foreign exchange losses	20		76	
Other	10		11	
<b>Ordinary income</b>	3,589	8.5	3,987	9.4

(Million yen)

Item	Second quarter of previous fiscal year (July 1, 2008 - September 30, 2008)		Second quarter of fiscal year under review (July 1, 2009 - September 30, 2009)	
	Amount	(%)	Amount	(%)
	<b>Extraordinary income</b>	2	0.0	1
Gain on sales of noncurrent assets	–		1	
Gain on sales of investment securities	2		–	
<b>Extraordinary loss</b>	270	0.6	188	0.4
Loss on retirement of noncurrent assets	21		108	
Loss on valuation of stocks of subsidiaries and affiliates	246		–	
Loss on valuation of membership	–		41	
Impairment loss	–		7	
Other	3		32	
<b>Income before income taxes</b>	3,321	7.9	3,799	9.0
Income taxes	1,347	3.2	1,396	3.3
<b>Net income</b>	1,974	4.7	2,402	5.7

Notes:

1. The quarterly non-consolidated financial statements are not subject to review in legal disclosure.
2. The company prepares the quarterly non-consolidated financial statements based on the “Regulations for Quarterly Financial Statements.”
3. “Income taxes-deferred” is presented including “Income taxes.”