



# **BUSINESS REPORT 2014**



**NISSIN CORPORATION**

## ***Basic business policy***

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Based on the meaning of “NISSIN” and our philosophy “day and new improving daily than ever”, Nissin Group is committed to a process of constant renewal. Our basic business policy is to meet the expectations of shareholders and other stakeholders by continually enhancing the corporate value, while contributing to the creation of an affluent society through the provision of safe, fast, high-quality logistics-and travel-related services at a competitive cost.

To adhere to this policy, we seek to operate logistics-and travel-related services globally that are essential for economic and social development, while also fulfilling our corporate social responsibility in terms of compliance with business ethics, laws and regulations and involvement in activities to protect the global environment.

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## *To Our Shareholders*

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We wish to thank all our shareholders for their continuing support and encouragement as we report on the performance of Nissin Corporation for the fiscal year ended March 31, 2014.

An overseas network and international logistics expertise are two of the main strengths of Nissin Group. Leveraging these advantages, we aim to generate sustained future growth by continuing to develop new business models that make full use of the Group's resources.

The Company paid a year-end dividend of ¥4.00 per share for the fiscal year ended March 31, 2014, on June 10. Including an interim dividend of ¥3.50 per share, the annual dividend for the full year amounted to ¥7.50 per share.

We ask your continuing support and encouragement.



Hiroshi Tsutsui

Chairman of the Board and Chief Executive Officer

Masahiro Tsutsui

President and Chief Operative Officer

### ***Company Information:***

*Name:*

Nissin Corporation

*Head Office:*

6-81 Onoe-cho, Naka-ku, Yokohama, Japan

*Tokyo General Office:*

No.5, Sanban-cho, Chiyoda-ku, Tokyo, Japan

*Establishment:*

December 14, 1938

*Capital:*

6,097,263,500 yen (as of March 31, 2014)

*Business Term:*

Commencing April 1 and closing March 31 of the following year

*Regular General Meeting of Shareholders:*

To be held in June

*Web site:*

<http://www.nissin-tw.co.jp/>



## ***Business Activities and Results***

During the fiscal year ended March 31, 2014, the world economy was on a recovery track. Although the growth rate of China's economy and certain other emerging economies in Asia slowed somewhat, recovery of the U.S. economy continued and the European economies bottomed out. In Japan, a moderate economic recovery continued as the yen weakened and share prices increased against the backdrop of the government's monetary and fiscal policies.

In these circumstances, Nissin Group focused on enhancing global logistics services to address customers' needs for global procurement and Supply Chain Management (SCM) by capitalizing on the Group's network covering Japan and 23 other countries and its IT capabilities.

Overseas, the Group constructed warehouses in Mexico and Malaysia for Just-In-Time (JIT) delivery for the automotive industry, enhanced refrigerated transport services in Thailand, and promoted deployment of a logistics network in the Greater Mekong Subregion for Southeast Asia. In China and India, our efforts were focused on strengthening the business structure. In October 2013, Shanghai Gaosin International Logistics Co., Ltd. (Shanghai, China), which was an equity-method affiliate, became a consolidated subsidiary. In the U.S., the Group decided to acquire shares in a local logistics company with the aim of expanding the American customer base.

In Japan, we have launched a new ocean transport service for frozen consolidated cargo dedicated to foods for Southeast Asia as a new product. We also enhanced the efficiency of the Group's cash flow through wider use of the cash management system by Group companies.

Under Japan's Authorized Economic Operator (AEO) program, in December 2013 Nissin Corporation was certified as an authorized AEO Warehouse Operator by Yokohama Customs, which is in addition to the certification as an authorized AEO Customs Broker. Recognized as a warehouse operator with security control and legal compliance systems in place, we are able to offer efficient high-quality logistics services.

In the year under review, the logistics business, which continued to be buoyant in Asia, the Americas, and China, contributed to profit. In Japan, the travel service business was brisk centering on handling of business travel to North America and Asia. The logistics business in Japan, which had been lackluster owing to tension between Japan and China, has been on a recovery track since the summer.

As a result, consolidated net sales increased 10.5% from the previous year to ¥193,709 million. Consolidated operating income increased 18.1% to ¥4,042 million, consolidated ordinary income increased 31.5% to ¥4,681 million, and consolidated net income increased 42.9% to ¥2,624 million.



## Segmental Overview

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### I. Logistics Business

#### Domestic Operations (from April 2013 to March 2014)

In Japan, regarding export ocean freight, handling of finished four-wheel vehicles decreased. However, handling of automobile-related parts for North America and Asia was brisk in line with increased automobile production overseas and the transfer of production overseas. Handling of facilities for Mexico also contributed to profit. Handling of import ocean freight was generally robust, including that of apparel, sundries, and furniture, as well as lumber and plywood.

Regarding export air freight, handling was generally weak, including that of electronic parts and materials, except for brisk handling of automobile-related parts for Asia and North America. However, improvement of operational efficiency offset the decline in profit. With respect to import air freight, handling of automobile-related parts increased, in addition to robust handling of cut flowers and bulbs and apparel.

Regarding warehouses and port operations, in the first half of the year under review, facility utilization rates of certain warehouses decreased and the terminal business remained sluggish, affected by the decrease of trade between Japan and China. However, both warehouses and port operations recovered from the summer onward. Regarding domestic transport, delivery services of solar panels were brisk.

#### International Operations (from January to December 2013)

The business in the Americas was robust, led by stable handling of automobile-related parts. In Europe, handling of automobile-related parts decreased while home appliances-related handling remained lackluster. The Group faced challenges despite its efforts to restructure European operations. In Asia, handling of exports and imports both for air and ocean transport was brisk centering on automobile-related parts. Also, truck transport between Thailand and Malaysia contributed to an increase in profit. In China, in addition to air export and import of electronic parts and materials, which continued to be robust, handling of automobile-related parts contributed to an increase in profit.

As a result, consolidated segment sales increased 7.7% from the previous year to ¥138,439 million and segment income (consolidated operating income) increased 22.4% to ¥2,905 million.

### II. Travel Service Business

While handling of business travel and group travel to China was lackluster, handling of business travel to North America, Central America, and Asia as well as large-group travel was brisk. In addition, consolidation of two non-consolidated affiliates whose significance has increased contributed to profit.

As a result, consolidated segment sales increased 18.7% from the previous year to ¥54,289 million and segment income (consolidated operating income) increased 23.6% to ¥523 million.



## Segmental Overview

### III. Real Estate Business

Leasing of commercial buildings and commercial sites in the Keihin district was robust and the profit stream continued to be stable. However, operations of parking lots were sluggish, partly owing to redevelopment projects.

As a result, consolidated segment sales decreased 1.8% from the previous year to ¥979 million and segment income (consolidated operating income) decreased 0.3% to ¥610 million.

Forecasts of consolidated business results for the year ending March 31, 2015, are as follows:

Forecasts of consolidated business results

Net sales: ¥198,000 million (a year-on-year increase of 2.2%)

Operating income: ¥4,400 million (a year-on-year increase of 8.8%)

Ordinary income: ¥4,700 million (a year-on-year increase of 0.4%)

Net income: ¥2,900 million (a year-on-year increase of 10.5%)

Business Unit	Fiscal 2013		Fiscal 2014	
	Millions of yen	% of total	Millions of yen	% of total
Logistics Business	128,490	73.3	138,439	71.5
Travel Service Business	45,741	26.1	54,289	28.0
Real Estate Business	998	0.6	979	0.5
Total	175,230	100.0	193,709	100.0



## Topics

### **Nissin Transport Singapore Opens Second Warehouse in Tuas**

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Construction of the Tuas No. 2 Warehouse of Nissin Transport Singapore was completed in December 2013 and operation started in January 2014.

Equipped with hub functions as the key base for the Group's strategy in Asia, the new warehouse is supporting logistics as cross-border transactions in ASEAN are becoming increasingly dynamic in line with the development of the East-West Economic Corridor and the North-South Economic Corridor.

The floor space of the new warehouse is 5,800 m<sup>2</sup>. Deploying enlarged warehouse capacity in high-growth Asia has enabled the Group to offer enhanced services for customers' supply chain management. In addition, Nissin Transport Singapore can serve as a hub for emerging economies, including Africa, while supporting various industries based on non-resident stock control.

In order to expand business in the ASEAN region, the Group is endeavoring to enhance the quality of the services it offers.

#### **【Summary of the 2<sup>nd</sup> Warehouse】**

- Building: 3 storied with raised floor
- Warehouse Floor Space: 5,800 m<sup>2</sup>
- Height of Roof / Floor Weighting: Ground Floor  
1<sup>st</sup> Floor = 8.5 M / 2.0 tons.-per m<sup>2</sup>  
2<sup>nd</sup> Floor = 5.0 M / 1.0 ton.-per m<sup>2</sup>
- Number of Docks: 12 (Rainy days-operation possible with the eaves)
- Equipments: 2 lift (5 tons and 4 tons)
- Temperature control: at normal temperature



### **The Certification To Be An AEO Warehouse Operator Was Obtained**

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In December 2013, the Company was certified by Yokohama Customs as an authorized AEO Warehouse Operator with systems ensuring security control and legal compliance.

With the aim of ensuring security and facilitating global trade, the World Customs Organization (WCO) developed an international framework of standards, which includes the Authorized Economic Operator (AEO) concept. Japan's AEO Program is based on WCO's framework.

The scope of operators covered by the AEO Program includes Customs Brokers, Warehouse Operators, and Logistics Operators. Since we gained certification as an authorized AEO Customs Broker in September 2011, we now have certificates in two different categories.

Taking this certification as an opportunity, we are resolved to do our utmost to offer high-quality logistics services and ensure trust in customs brokerage and all other export/import-related operations as a logistics operator capable of executing appropriate freight management and customs procedures.





## Topics

### 5th Mid-term Business Plan Formulated

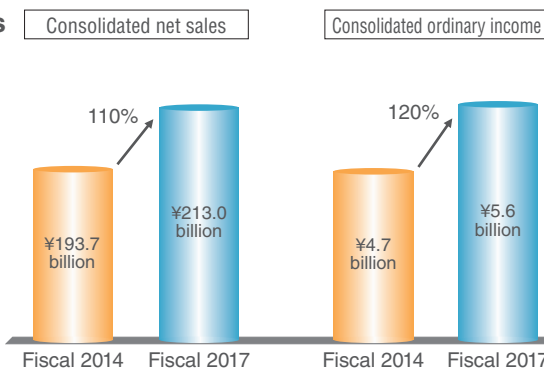
#### Basic Policy

## Flourish as a Global Logistics Service Provider

#### Key strategies

- 1. Strengthen and expand international business**  
Expand revenues and profit, focusing on the automobile industry
- 2. Restructure business in Japan**  
Strengthen cost competitiveness:  
Streamline and enhance operational efficiency
- 3. Establish a robust management foundation**

#### Quantitative targets



Consistent with the 4th mid-term business plan, the main theme of the 5th mid-term business plan is to ensure that Nissin grows and develops as a global logistics service company. While strengthening and expanding international business focusing on automobile-related logistics and promoting reestablishment of the business in Japan where the operating environment is changing greatly, we aim to strengthen international competitiveness by enhancing operational efficiency. Targets for the final year of the mid-term business plan are net sales of ¥213.0 billion, operating income of ¥5.4 billion, ordinary income of ¥5.6 billion, and net income of ¥3.6 billion.

In international business, we will emphasize allocation of resources to China, other Asian countries, and Mexico, whose economies are expected to grow. By developing human resources with a global perspective, putting in place sales and administrative systems and structures at overseas offices, and improving global capabilities in line with the progress of IT, we intend to strengthen the foundation of the international business with the aim of increasing sales of overseas subsidiaries. Regarding business in Japan, we aim to develop new businesses and reestablish existing businesses. By reviewing business processes and the organizational structure, we will improve operational efficiency and streamline organizations to improve earnings power.





## Offices

### Head Office and Branches

#### Head Office

6-81 Onoe-cho, Naka-ku, Yokohama

#### Tokyo Office

No. 5, Sanban-cho, Chiyoda-ku, Tokyo

#### Osaka Branch

3-4-14 Hiranomachi, Chuo-ku, Osaka

#### Kobe Branch

No. 101, Edomachi, Chuo-ku, Kobe

#### Chiba Branch

1-9-1 Chuo Minato, Chuo-ku, Chiba

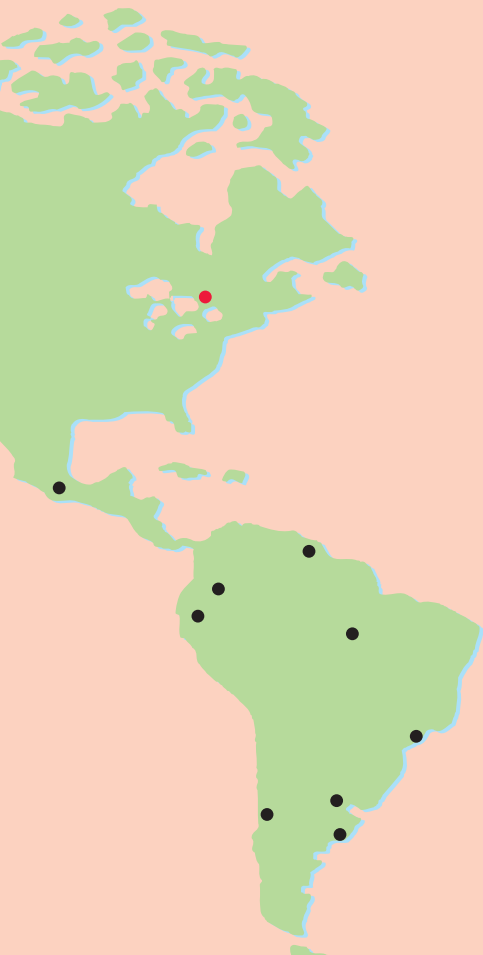
### Domestic Business Network

- |  |  |   |                                  |
|--|--|---|----------------------------------|
| ① Sapporo (Hokkaido Nissin Co.,Ltd.) Head Office | ③⑨ Honmoku Office (Minami Honmoku Distribution Center) | ⑥⑧ Hamamatsu Office                       | ⑨③ Sakai Office                  |
| ② Ebetsu Office (Hokkaido Nissin)                | ④⑩ Honmoku A-7 Terminal Office                         | ⑥⑨ Nagoya Office                          | ⑨④ Sakaihamma Warehouse          |
| ③ Tomakomai Office (Hokkaido Nissin)             | ④① Honmoku (East, West) Warehouse                      | ⑦⑩ Koto Office                            | ⑨⑤ Sakaihamma Office             |
| ④ Hakodate (Hokushin Koun Co., Ltd.) Head Office | ④② Honmoku Pier-C Office                               | ⑦① Suzuka Office                          | ⑨⑥ Kobe Branch Office            |
| ⑤ Shinchitose Airport Office                     | ④③ Honmoku Frozen Cargo Warehouse                      | ⑦② Kyoto Office                           | ⑨⑦ Seishin Office                |
| ⑥ Kakuda Office                                  | ④④ Minami Honmoku Terminal Office                      | ⑦③ Osaka Branch                           | ⑨⑧ Maya Office                   |
| ⑦ Kita Kanto Distribution Center                 | ④⑤ Minami Honmoku Office                               | ⑦④ Nishitanabe Operation Center           | ⑨⑨ Maya Warehouse (Port of Kobe) |
| ⑧ Tochigi Office                                 | ④⑥ Yokohama Air Cargo Terminal Office                  | ⑦⑤ Minami Osaka Cargo Distribution Center | ⑩⑩ Maya West Warehouse           |
| ⑨ Haga Office                                    | ④⑦ Kanagawa Pier Office                                | ⑦⑥ Nanko East Office                      | ⑩① Maya Frozen Cargo Warehouse   |
| ⑩ Takasaki Office                                | ④⑧ Bankokubashi Warehouse                              | ⑦⑦ Nanko Air Cargo Center                 | ⑩② Maya East Distribution Center |
| ⑪ Ohta Office                                    | ④⑨ Yamashita (South, North) Warehouse                  | ⑦⑧ Nanko West Warehouse                   | ⑩③ PIL-13 Office                 |
| ⑫ Isesaki Ota Office                             | ⑤⑩ Daikoku Warehouse (Port of Yokohama)                | ⑦⑨ Nanko Petrochemical Products Center    | ⑩④ PC-14 Office                  |
| ⑬ Ibaraki Office                                 | ⑤① Daikoku (L-2, L-5) Office                           | ⑧① Nanko L-2 Terminal                     | ⑩⑤ K-DIC Office                  |
| ⑭ Saitamafujimino Office                         | ⑤② Daikoku Office                                      | ⑧② Sukematsu Pier Office                  | ⑩⑥ Maniwa Office                 |
| ⑮ Asaka Office                                   | ⑤③ Daikoku Vehicle Terminal Center                     | ⑧③ Sukematsu Distribution Center          | ⑩⑦ Hiroshima Office              |
| ⑯ Chiba Branch                                   | ⑤④ Daikoku Multi-terminal Office                       | ⑧④ Shiomio Pier Office                    | ⑩⑧ Fukuoka Office                |
| ⑰ Chiba Warehouse                                | ⑤⑤ Negishi Office                                      | ⑧⑤ Kansai International Airport Office    | ⑩⑨ Tachiarai Office              |
| ⑱ Chuoko Office                                  | ⑤⑥ Shinko Warehouse                                    | ⑧⑥ LNG Operation Center                   | ⑩⑩ Omuta Office                  |
| ⑲ Shinko Office                                  | ⑤⑦ Tsurumi Operation Center                            | ⑧⑦ Ittotsu Office                         | ⑩⑪ Miyazaki Office               |
| ⑳ Narashino Office                               | ⑤⑧ Yokohama Hazawa Office                              | ⑧⑧ Minami Osaka Office                    | ⑩⑫ Okinawa Office                |
| ㉑ Ichihara Office                                | ⑤⑨ Higashi Ogishima Office                             | ⑧⑨ Yumeshima Terminal Office              |                                  |
| ㉒ Narita Office                                  | ⑥① Kawasaki Office                                     | ⑨① Izumisano Distribution Center          |                                  |
| ㉓ Narita Logistics Center                        | ⑥② Shiohama Office                                     | ⑨② Sakai Distribution Center              |                                  |
| ㉔ Tokyo General Office                           | ⑥③ Kawasaki (Petrochemical Products) Tank Yard         | ⑨③ Sakai Logistics Center                 |                                  |
| ㉕ Ohi CFS  | ⑥④ Ukishima Office                                     |   |                                  |
| ㉖ Ohi Warehouse                                  | ⑥⑤ Atsugi Office                                       |   |                                  |
| ㉗ Tokyo Frozen Cargo Warehouse                   | ⑥⑥ Omi Office  |   |                                  |
| ㉘ Aomi Warehouse                                 | ⑥⑦ Kanazawa Office                                     |   |                                  |
| ㉙ Aomi Cargo Distribution Office                 |  |   |                                  |
| ⑩① Heiwajima Warehouse                           |  |   |                                  |
| ⑩② Heiwajima Office                              |  |   |                                  |
| ⑩③ Shibaura Office                               |  |   |                                  |
| ⑩④ No. 10 Pier Office                            |  |   |                                  |
| ⑩⑤ Shinkiba Office                               |  |   |                                  |
| ⑩⑥ Tokyo East Office                             |  |   |                                  |
| ⑩⑦ Tokyo West Office                             |  |   |                                  |
| ⑩⑧ Head Office (Yokohama)                        |  |   |                                  |
| ⑩⑨ Detamachi Office                              |  |   |                                  |



## Overseas Network





## Europe

- Nissin Transport GmbH Head Office
- Neuss Branch
- Duesseldorf Airport Office
- Frankfurt Airport Office
- Hamburg European Logistics Center
- Hamburg Airport Office
- Hamburg Parts Center
- Nissin (U.K.) Ltd. Head Office
- Swindon Office
- Rugby Branch
- Nissin Transport Ges. mbH Head Office (Vienna)
- Nissin Transports Espana S.A. Head Office (Barcelona)
- Nissin Transport France S.A.S. Head Office
- Nissin Belgium N.V. Head Office
- Limited Liability Company "Nissin Rus"
- Moscow Rep. Office
- Nissin Logistics Poland Sp. zo. o. Head Office

## Middle East

- Nissin Middle East FZE Head Office (Dubai)

## Asia

- Nissin Transport Singapore Pte. Ltd. Head Office and Tuas Office
- Airport Office
- Siam Nistrans Co., Ltd. Head Office (Bangkok)
- Airport Office
- Laem Chabang Branch
- Cargo Distribution Center Office
- Chiangmai Branch
- Rangsit Branch
- Rojana Branch
- SMTL Factory Office
- Best Cold Chain Co., Ltd. Head Office
- Nistrans (M) SDN. BHD. Head Office
- Airport Office
- Port Klang Office
- DOH Parts Center
- Johor Branch
- Penang Branch
- Melaka Logistics Center
- Nissin Transport Philippines Corporation Head Office (Manila)
- Anchor Logistics Head Office
- Nissin ABC Logistics Private Ltd.
- Haldia Office
- Noida Office
- Mumbai Office
- Gurgaon Office
- Chennai Office
- Bangalore Office
- PT. Nissin Transport Indonesia
- Airport Office
- Nissin Logistics (VN) Co., Ltd.
- Ho Chi Minh Branch
- VSIP Distribution Center
- Da Nang Branch
- NR Greenlines Logistics co., Ltd. Head Office
- Lao Nissin SMT Co., Ltd. Head Office
- Savannakhet Branch
- Almaty Rep. Office
- Yangon Rep. Office
- Asia Representative Office

## China

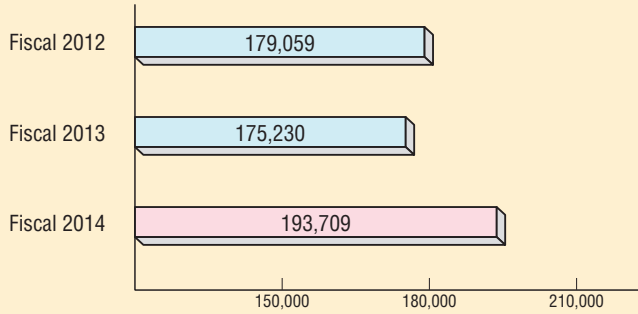
- Nissin Transportation & Warehousing (H.K.) Head Office
- Airport Office
- Shenzhen Office
- Kwai Chung Logistics Division Office
- Nissin Logistics Shenzhen Co., Ltd. Head Office
- Shanghai Gaosin International Logistics Co., Ltd. Head Office
- Ningbo Office
- Airport Office
- Logistics Zone Branch
- Changshu Nissin Sinotrans Transportation Co., Ltd. Head Office
- Development Zone Office
- Jiangsu Nissin Sinotrans International Transportation Co., Ltd. Head Office
- Wuxi Branch
- Suzhou Branch
- Nantong Branch
- Nissin-Sinotrans International Logistics Co., Ltd. Head Office
- Beijing Branch
- Qingdao Branch
- Guanzhou Branch
- Dalian Branch
- Wuhan Branch
- Tianjin Branch
- Zhongshan Branch
- Foshan Branch
- Beijing Rep. Office
- Shanghai Rep. Office

## North America

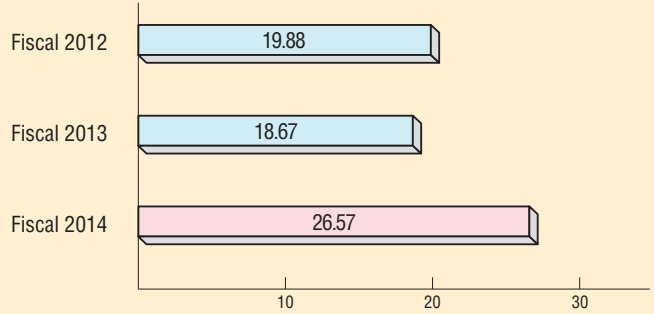
- Nissin International Transport U.S.A., Inc. Head Office
- Los Angeles Branch
- Rancho Cucamonga Branch
- San Francisco Branch
- Seattle Branch
- Portland Branch
- San Diego Branch
- Chicago Branch
- South Chicago Branch
- Columbus Branch
- Indianapolis Branch
- Memphis Branch
- Texas Branch
- Atlanta Branch
- Alabama Office
- New York Branch
- New Jersey Branch
- Miami Branch
- Nissin Transport (Canada) Inc. Head Office
- Vancouver Branch
- Alliston Branch
- Nistrans Internacional De Mexico, S. DE R. L. DE C. V.
- Celaya Branch
- Logistics Center (Rosarito)
- Silao Branch
- Guadalajara Airport Office
- Mexico City Airport Office

## Consolidated Financial Highlights (for the last 3 years)

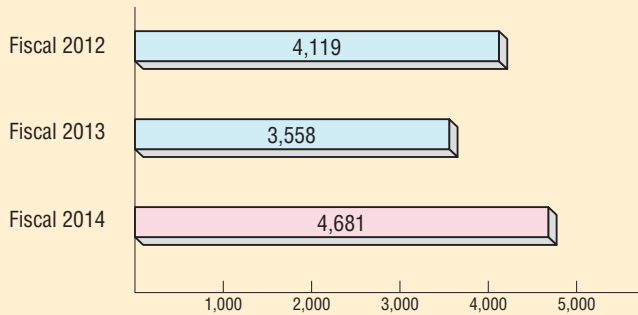
### Net sales (millions of yen)



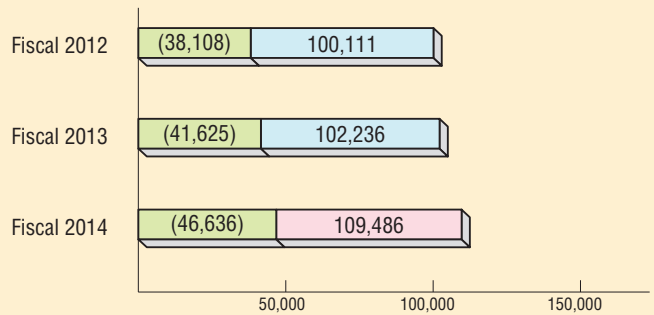
### Earnings per Share (yen)



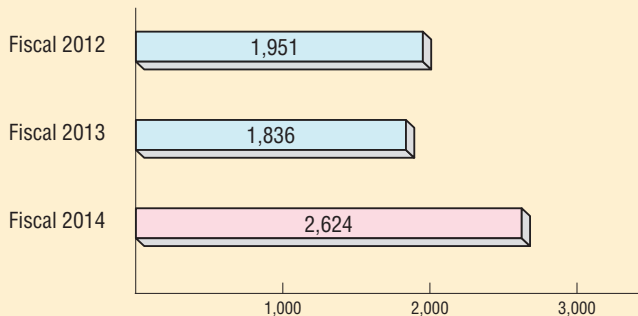
### Ordinary income (millions of yen)



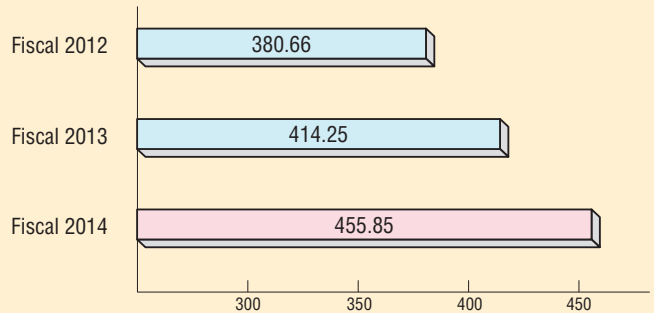
### Shareholders' Equity / Total Assets (millions of yen)



### Net Income (millions of yen)

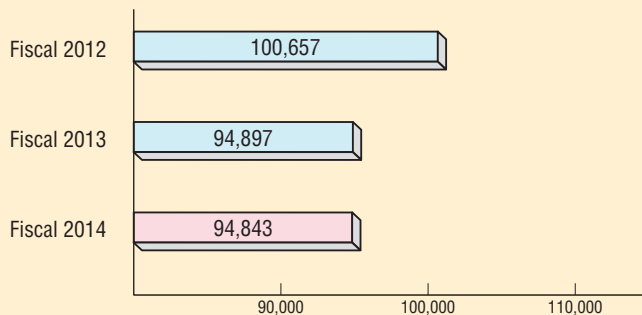


### Book Value per Share (yen)

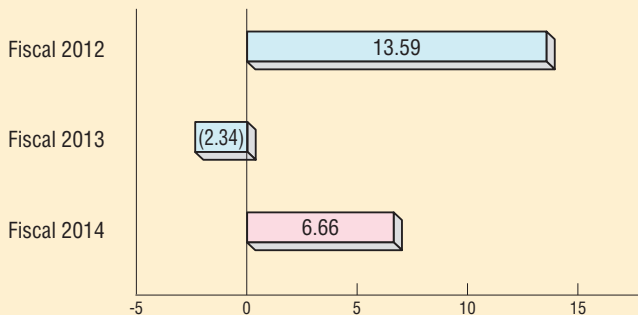


## Non-Consolidated Financial Highlights (for the last 3 years)

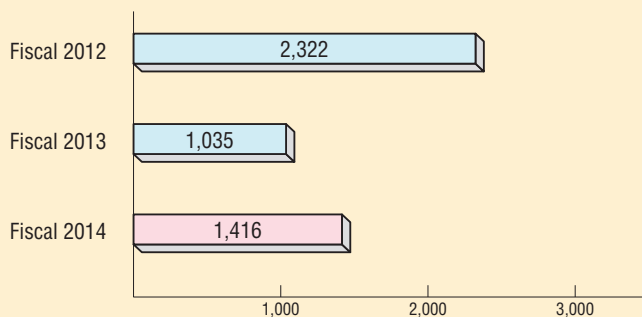
### Net sales (millions of yen)



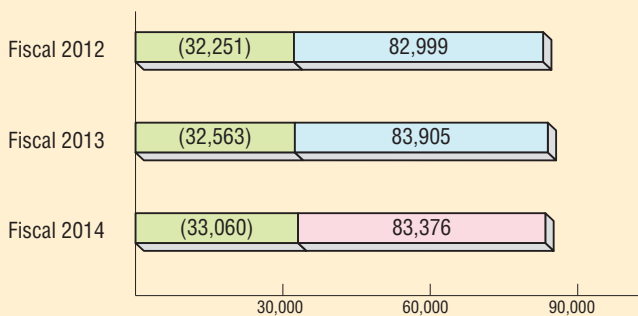
### Earnings per Share (yen)



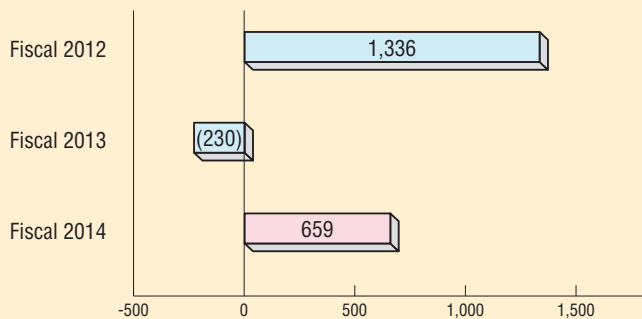
### Ordinary income (millions of yen)



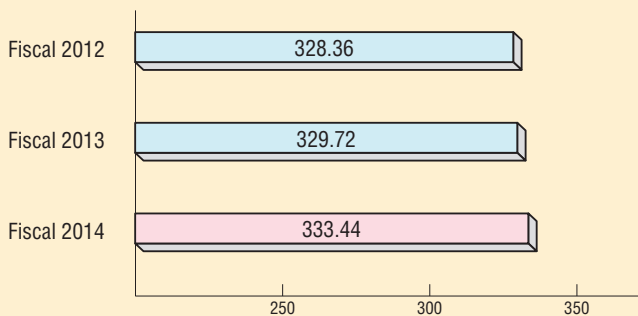
### Shareholders' Equity / Total Assets (millions of yen)



### Net Income (millions of yen)



### Book Value per Share (yen)



## Consolidated Balance Sheet

(\* as of March 31, 2014 (Exchange Rate : ¥ 102.92 / USD))

<b>Assets</b>		
	(millions of yen)	(thousands of US dollars)
<b>Current assets</b>	<b>¥ 46,362</b>	<b>\$ 450,470</b>
Cash and deposits	13,949	135,537
Notes and accounts receivable-trade	27,067	262,992
Other current assets	5,610	54,513
Allowance for doubtful accounts	(264)	(2,572)
<b>Noncurrent assets</b>	<b>63,124</b>	<b>613,334</b>
<b>Property, plant and equipment</b>	<b>39,509</b>	<b>383,885</b>
Buildings and structures, net	17,870	173,630
Machinery, equipment and vehicles, net	2,680	26,048
Land	16,802	163,255
Other noncurrent assets	2,156	20,951
<b>Intangible assets</b>	<b>3,239</b>	<b>31,479</b>
<b>Investments and other assets</b>	<b>20,375</b>	<b>197,969</b>
<b>Assets</b>	<b>¥ 109,486</b>	<b>\$ 1,063,805</b>
<b>Liabilities</b>		
	(millions of yen)	(thousands of US dollars)
<b>Current liabilities</b>	<b>¥ 34,016</b>	<b>\$ 330,512</b>
Notes and accounts payable-trade	11,680	113,495
Short-term loans payable	12,421	120,687
Other current liabilities	9,914	96,329
<b>Noncurrent liabilities</b>	<b>28,834</b>	<b>280,160</b>
Bonds payable	1,000	9,716
Long-term loans payable	20,732	201,447
Other noncurrent liabilities	7,101	68,996
<b>Liabilities</b>	<b>¥ 62,850</b>	<b>\$ 610,672</b>
<b>Net assets</b>		
	(millions of yen)	(thousands of US dollars)
<b>Shareholders' equity</b>	<b>¥ 41,751</b>	<b>\$ 405,665</b>
Capital stock	6,097	59,242
Capital surplus	4,393	42,687
Retained earnings	31,769	308,686
Treasury stock	(509)	(4,950)
<b>Accumulated other comprehensive income</b>	<b>3,357</b>	<b>32,619</b>
<b>Minority interests</b>	<b>1,528</b>	<b>14,847</b>
<b>Net assets</b>	<b>¥ 46,636</b>	<b>\$ 453,132</b>
<b>Liabilities and Net assets</b>	<b>¥ 109,486</b>	<b>\$ 1,063,805</b>

## Consolidated Statement of Income

(April 1, 2013 through March 31, 2014)		
	Total Amount	Total Amount
	(millions of yen)	(thousands of US dollars)
Net sales	¥ 193,709	\$ 1,882,131
Cost of sales	163,676	1,590,323
<b>Gross profit</b>	<b>30,032</b>	<b>291,808</b>
Selling, general and administrative expenses	25,990	252,531
<b>Operating income</b>	<b>4,042</b>	<b>39,276</b>
Non-operating income	1,519	14,766
Non-operating expenses	880	8,554
<b>Ordinary income</b>	<b>4,681</b>	<b>45,488</b>
Extraordinary income	171	1,670
Extraordinary loss	623	6,053
<b>Income before income taxes</b>	<b>4,230</b>	<b>41,104</b>
Income taxes-current	1,770	17,207
Income taxes-deferred	(369)	(3,589)
<b>Income before minority interests</b>	<b>2,828</b>	<b>27,486</b>
Minority interests in income	204	1,987
<b>Net income</b>	<b>2,624</b>	<b>25,498</b>

## Consolidated Statements of Cash Flows

(April 1, 2013 through March 31, 2014)		
	(millions of yen)	(thousands of US dollars)
Cash flows from operating activities	¥ 5,970	\$ 58,015
Cash flows from investing activities	(3,807)	(36,990)
Cash flows from financing activities	(1,595)	(15,502)
Effect of exchange rate change on cash and cash equivalents	904	8,792
Net increase (decrease) in cash and cash equivalents	1,473	14,314
Cash and cash equivalents at beginning of year	10,791	104,854
increase in cash and cash equivalents from newly consolidated subsidiary	330	3,211
Cash and cash equivalents at end of year	12,595	122,379

## Non-Consolidated Balance Sheet

(\* as of March 31, 2014 (Exchange Rate : ¥ 102.92 / USD))

Assets		
	(millions of yen)	(thousands of US dollars)
<b>Current assets</b>	<b>¥ 25,986</b>	<b>\$ 252,493</b>
Cash and deposits	4,622	44,909
Notes receivable-trade	388	3,771
Accounts receivable-trade	16,107	156,504
Other current assets	5,029	48,864
Allowance for doubtful accounts	(160)	(1,556)
<b>Noncurrent assets</b>	<b>57,389</b>	<b>557,614</b>
<b>Property, plant and equipment</b>	<b>28,748</b>	<b>279,327</b>
Buildings, net	13,600	132,142
Structures, net	780	7,582
Machinery and equipment, net	1,374	13,353
Land	12,242	118,955
Other noncurrent assets	750	7,293
<b>Intangible assets</b>	<b>1,365</b>	<b>13,267</b>
<b>Investments and other assets</b>	<b>27,275</b>	<b>265,019</b>
<b>Assets</b>	<b>¥ 83,376</b>	<b>\$ 810,107</b>
Liabilities		
	(millions of yen)	(thousands of US dollars)
<b>Current liabilities</b>	<b>¥ 25,570</b>	<b>\$ 248,454</b>
Accounts payable-trade	8,242	80,087
Short-term loans payable	8,622	83,775
Current portion of long-term loans payable	4,270	41,488
Other current liabilities	4,436	43,103
<b>Noncurrent liabilities</b>	<b>24,745</b>	<b>240,431</b>
Bonds payable	1,000	9,716
Long-term loans payable	19,814	192,519
Other noncurrent liabilities	3,931	38,196
<b>Liabilities</b>	<b>¥ 50,316</b>	<b>\$ 488,886</b>
Net assets		
	(millions of yen)	(thousands of US dollars)
<b>Shareholders' equity</b>	<b>¥ 29,420</b>	<b>\$ 285,853</b>
Capital stock	6,097	59,242
Capital surplus	4,404	42,792
Retained earnings	19,386	188,366
Treasury stock	(468)	(4,548)
<b>Valuation and translation adjustments</b>	<b>3,640</b>	<b>35,367</b>
<b>Net assets</b>	<b>¥ 33,060</b>	<b>\$ 321,221</b>
<b>Liabilities and net assets</b>	<b>¥ 83,376</b>	<b>\$ 810,107</b>



## Non-Consolidated Statement of Income

(April 1, 2013 through March 31, 2014)	Total Amount	Total Amount
	(millions of yen)	(thousands of US dollars)
Net sales	¥ 94,843	\$ 921,521
Cost of sales	82,889	805,377
<b>Gross profit</b>	<b>11,953</b>	<b>116,144</b>
Selling, general and administrative expenses	10,852	105,449
<b>Operating income</b>	<b>1,100</b>	<b>10,695</b>
Non-operating income	911	8,854
Non-operating expenses	595	5,790
<b>Ordinary income</b>	<b>1,416</b>	<b>13,759</b>
Extraordinary income	200	1,949
Extraordinary loss	395	3,845
<b>Income before income taxes</b>	<b>1,220</b>	<b>11,862</b>
Income taxes-current	692	6,725
Income taxes-deferred	(130)	(1,268)
<b>Net income (loss)</b>	<b>659</b>	<b>6,405</b>

## Business Outline

(as of March 31, 2014)

### Stock Information

1. Total number of authorized shares 200,000,000 shares
2. Total number of issued shares 101,363,846 shares  
(Of which treasury stock: 1,219,988 shares)
3. Total number of shareholders 4,748
4. Main shareholders (Top 10 shareholders)

List of Main Shareholders	Investment in Nissin
	No. of shares held*
THE DAI-ICHI MUTUAL LIFE INSURANCE COMPANY	5,135
THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.	4,972
THE BANK OF YOKOHAMA, LTD.	4,890
NISSIN SHOJI CO., LTD.	4,451
NIPPON LIFE INSURANCE COMPANY	4,135
NIPPONKOA INSURANCE CO., LTD.	3,429
SUMITOMO MITSUI BANKING CORPORATION	3,248
Mitsubishi UFJ Trust and Banking Corporation	2,939
Nissin Employee Stock Ownership Association	2,417
Nissin Kyoeikai	2,316

\*in thousands

### Employees

Number of Employees	Average age of employees	Average length of service
1,637	37.17	11.27

\* The number of employees excludes loaned employees working for the Company.

### On a consolidated basis

Business segments	Number of employees
Logistics Business	5,472
Travel Service Business	390
Real Estate Business	5
Total	5,867



## Directors and Auditors

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(as of June 25, 2014)

Chairman of the Board and Chief Executive Officer (Representative Director)	Hiroshi Tsutsui
President and Chief Operative Officer (Representative Director)	Masahiro Tsutsui
Director and Managing Executive Officer	Tetsuo Komaki
Director and Managing Executive Officer	Junichiro Watanabe
Director and Managing Executive Officer	Hideto Sakurai
Director and Managing Executive Officer	Yoshio Akao
Director and Managing Executive Officer	Kenjiro Masuda
Director and Executive Officer	Toshiyoshi Nakagome
Director and Executive Officer	Masahisa Okuaki
Director and Executive Officer	Masataka Tsutui
Standing Auditor	Tsuyoshi Fujine
Auditor	Takeshi Tsuda
Auditor	Osamu Takeda
Executive Officer	Tetsuhiro Onomoto
Executive Officer	Masahiro Fujii
Executive Officer	Yoshio Tsutui
Executive Officer	Seiji Torio
Executive Officer	Shigetaka Jibiki
Executive Officer	Keisuke Ishikawa
Executive Officer	Bunji Nakatani
Executive Officer	Shinichi Umemoto
Executive Officer	Yasushi Kimura
Executive Officer	Yasuhiro Saito
Executive Officer	Kenji Ueno
Executive Officer	Toshifumi Yoshida
Executive Officer	Tomonao Ishiyama

Note: Standing Auditor Tsuyoshi Fujine and Auditors Takeshi Tsuda and Osamu Takeda are Outside Auditors.



**NISSIN CORPORATION**



Eco-friendly vegetable oil ink is used for this report.