The Nisshin OilliO Group, Ltd.

Annual Report 2008

For the year ended March 31, 2008

NISSHIN OilliO

"The Natural Power of Plants"

HARNESSING THE NATURAL POWER OF PLANTS TO ENRICH HUMAN LIFE

PROCESSED OILS & FATS

Utilizing the Group's distinctive ester-interchange technology and oil and fat separation technology, we are developing oils and fats derived from palm oil for a variety of uses. Both our domestically produced products and those manufactured by Malaysia-based Intercontinental Specialty Fats Sdn. Bhd. (ISF) have won a strong response from customers over a vast area, stretching from Asia in the east to Europe in the west.

ENVIRONMENTAL BUSINESS

Nisshin OilliO is determined to open up new markets by giving full play to "the natural power of plants" in the environmental and other non-food fields.

OILS AND MEAL

Nisshin OilliO makes the most of "the natural power of plants" inherent in oil and meal raw materials to continuously supply high-value-added products to markets in Japan as well as Asia, centered on Dalian, China. Based on proprietary technologies, these products, which include edible oils and meal for livestock feed, contribute to an improvement in daily diet.

SOY PROTEIN

Soy protein is capturing the limelight as a quality source of protein with a low environmental impact. Nisshin OilliO is developing this business based on technology built up over many years.

FINE CHEMICALS

This business provides plant-based raw materials to the cosmetics, food, pharmaceuticals and various other industries that manufacture products we use daily. A current theme is to expand this business by extending the production network offshore.

HEALTHY FOODS

Lying in the business domain between food and medicine, the Healthy Foods Business provides products that help support people's health. Indeed, the keyword "health" is the inspiration for this business, which offers such products as foods for coping with lifestyle-related diseases, foods specifically for the elderly, therapeutic foods and preventative healthcare foods.

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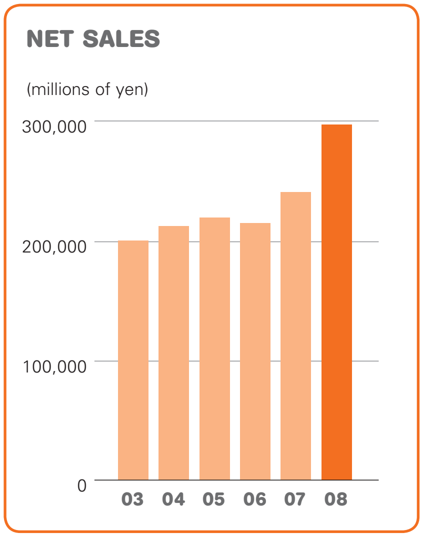
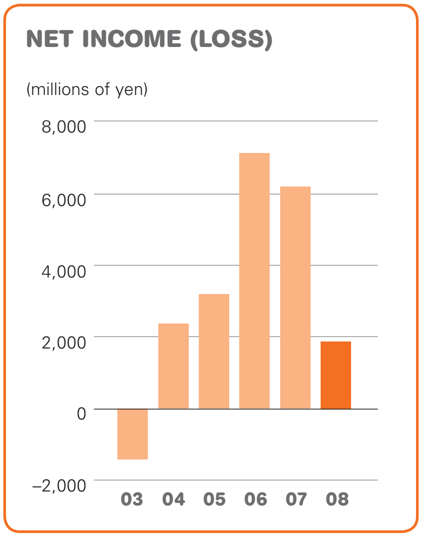
SIX-YEAR SUMMARY

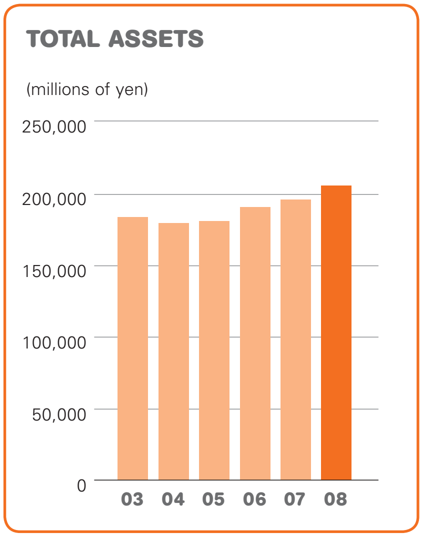
The Nisshin OilliO Group, Ltd. and Consolidated Subsidiaries
Six Years Ended March 31

	Millions of Yen (Except per Share Data)						Thousands of U.S. Dollars (Except per Share Data)
	2008	2007	2006	2005	2004	2003	**2008**
FOR THE YEAR:							
Net sales	**¥298,196**	¥241,668	¥215,479	¥220,204	¥212,820	¥200,908	**$2,981,960**
Oils and Meal	**272,648**	216,334	188,979	192,787	187,454	176,081	**2,726,480**
Healthy Foods & Soy Protein	**8,616**	8,571	6,500	5,814	3,633	3,251	**86,160**
Fine Chemicals	**5,405**	4,878	4,483	4,077	3,791	1,977	**54,050**
Net income (loss)	**1,876**	6,202	7,138	3,202	2,374	(1,423)	**18,760**
AT YEAR-END:							
Total assets	**¥205,824**	¥196,008	¥190,829	¥180,866	¥179,752	¥183,643	**$2,058,240**
Equity	**109,406**	112,282	103,785	94,282	92,149	89,187	**1,094,060**
PER SHARE DATA:							
Net income (loss)	**¥ 10.87**	¥ 35.91	¥ 41.00	¥ 18.20	¥ 13.66	¥ (8.22)	**$ 0.11**
Cash dividends applicable to the year	**10.00**	10.00	7.50	7.00	7.00	7.00	**0.10**
ROA (Ordinary income base)	**2.2%**	5.2%	4.7%	3.4%	1.1%	—	
ROE (Net income base)	**1.8%**	5.7%	6.9%	3.4%	2.6%	—	

Notes: 1. U.S. dollar amounts represent translations of Japanese yen amounts, for convenience only, at the rate of ¥100 to U.S.$1, the approximate rate of exchange at March 31, 2008.
2. Net income (loss) per share is computed based on the weighted-average number of outstanding shares of common stock.
3. Diluted net income per share data is not disclosed in 2008, 2007, 2006, 2005, 2004 and 2003 because it was anti-dilutive.







KAZUO OGOME
President

The Nisshin OilliO Group celebrated its 100th anniversary in 2007. To ensure continued solid growth, we are promoting the 10-year basic management vision *GROWTH 10* and transforming Nisshin OilliO into an international corporate group that can continue to create new value by harnessing the natural power of plants.

OPERATING ENVIRONMENT

In fiscal 2007, the year ended March 31, 2008, the Japanese economy experienced a moderate recovery. However, signs of a slowdown rapidly gained hold following the confusion in financial markets originating from the subprime loan problem and the associated deterioration in corporate earnings. In the oils and meal industry, as in other industries, extremely challenging business conditions prevailed. The steep rise in prices for soybean, rapeseed, palm oil and other major raw materials for oils and meal continued unabated in response to increased demand stemming from economic development in the BRIC countries and other emerging nations, as well as the increasing use of biofuels, and other factors. This was compounded by an increased cost burden for the Group due to higher transportation and material costs accompanying the sharp rise in crude oil prices.

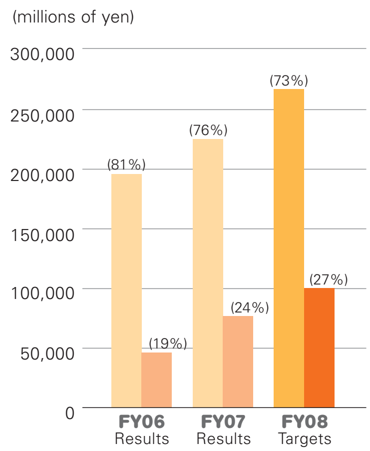
FISCAL 2007 RESULTS

In this environment, the Nisshin OilliO Group progressed steadily toward its target of transforming itself into an international corporate group with an overseas sales ratio of 30% or more, based on the 10-year basic management vision called *GROWTH 10—Generating new value by harnessing the natural power of plants*. At the same time, we worked to realize price adjustments in line with costs and reinforce our cost competitiveness.

As a result, net sales rose 23.4% to ¥298,196 million. However, despite repeatedly raising selling prices for edible oils and other products, we were unable to secure the level of profits we had initially projected due to a continued steep rise in raw material prices. In addition, we posted inventory valuation losses on raw materials based on the lower of cost or market method, reflecting a stronger yen on foreign exchange markets and a phase of adjustment in grain prices. Consequently, operating income fell 47.5% to ¥4,114 million, and net income declined 69.8% to ¥1,876 million.

NET SALES AND OPERATING INCOME BY REGION

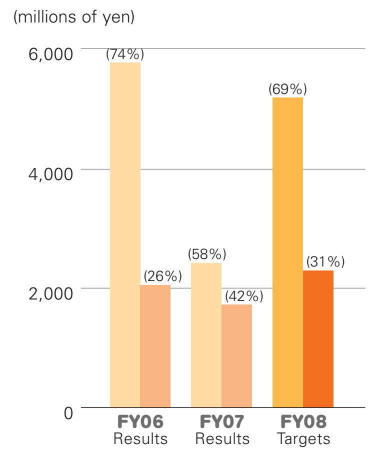
NET SALES



Japan
Asia

* Figures in parentheses indicate percentage of total.

OPERATING INCOME



Japan
Asia

* Figures in parentheses indicate percentage of total.

PROGRESS WITH THE *GROWTH 10* PLAN (PHASE 1)

The operating environment is likely to remain challenging in fiscal 2008 while high prices for grains as well as crude oil continue to dominate. We have positioned the four-year period from fiscal 2007 to fiscal 2010 as Phase 1 of the *GROWTH 10* management plan. The focus during these four years will be to build the foundations for the Group's transformation into an international corporate group. Accordingly, we will promote low-cost operations aimed at strengthening our competitiveness, expand sales of high-value-added products in Japan and overseas, upgrade our overseas bases to raise the ratio of overseas sales, and accelerate efforts aimed at making healthy foods and fine chemicals operations into core businesses. In such ways, we will continue striving to build a solid business foundation that is not vulnerable to changes in the market environment.

WORKING TOGETHER WITH STAKEHOLDERS

The entire Group will work in unison to implement the *GROWTH 10* vision so that we can raise our value as an international foods group with a stable earnings structure and original technologies.

September 2008

K. Ogome

KAZUO OGOME
President

FEATURE: EXPANDING THE OVERSEAS OILS AND FATS BUSINESS

The Nisshin OilliO Group is implementing a variety of measures in various regions of the world, aiming to become a truly international corporate group.

CHINA

Dalian Nisshin Oil Mills

To cater to growing demand in China, Dalian Nisshin Oil Mills, Ltd. took steps to enhance efficiency by concentrating production capacity at its new plant in 2006. In addition, Shanghai Nisshin Oil & Fats, Ltd. has been selling soybean oil as well as products such as salad oil, *Nisshin Canola Oil Healthy Light*, safflower oil, and olive oil. In the Shanghai and Guangzhou regions, where lifestyles have become remarkably more affluent, we are working to expand sales of premium oils and healthy oils by raising awareness of these products. Going forward, we will expand our sales region, and continue preparing for the market launch of *Healthy Resetta*, aiming to sell it as a "Health Food" as prescribed by China's State Food and Drug Administration (SFDA).

Key products for the Chinese market

TAIWAN

Through President Nisshin Corp., a joint venture with Uni-President Enterprises Corp., the largest general food manufacturer in Taiwan, Nisshin OilliO has been manufacturing and selling margarines, shortenings, and processed oils and fats. Moreover, in December 2005, we launched *Healthy Resetta Diet Oil* as the first overseas version of *Healthy Resetta*, based on joint development with Uni-President Enterprises.

REPUBLIC OF KOREA

As a result of joint product development with Lotte Samkang Co., Ltd., a member of the Lotte Group, in July 2007 we launched *LOTTE Healthy Resetta Nisshin OilliO 650ml* in the Republic of Korea. At present, the product is sold mainly at supermarkets and department stores owned by the Lotte Group, which has a strong sales network in the Republic of Korea. This represents the second phase in the overseas development of this product, following on from Taiwan.

UNITED STATES

In August 2007, *Healthy Resetta* received GRAS (Generally Recognized as Safe) certification from the U.S. Food and Drug Administration (FDA). GRAS is an authoritative system for evaluating the safety of foods, and this certification signifies that the safety of *Healthy Resetta* has now been recognized in the United States. We will use this opportunity to accelerate efforts aimed at launching a U.S. version of *Healthy Resetta*.

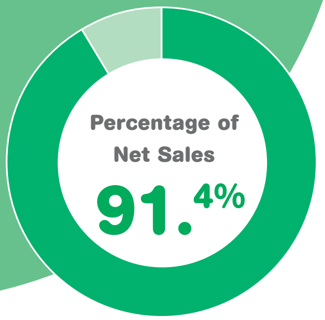
MALAYSIA

Intercontinental Specialty Fats Sdn. Bhd.

As consumption of palm oil grows on a global scale, Intercontinental Specialty Fats Sdn. Bhd. (ISF) has now extended the sale of oils and fats that have undergone advanced processing based on its proprietary technology beyond Asia to Europe. ISF is aiming to boost sales in the cocoa butter substitute market, which is expanding worldwide, by conducting investment in production facilities to expand specialty fats and oils operations.

THE NISSHIN OILLIO GROUP BUSINESSES

OILS AND MEAL BUSINESS



The Oils and Meal Business contributes to an improvement in daily diet through the provision of diverse products that maximize the natural power of plants. Such products include home-use edible oils, edible oils for food services, edible oils for processed food manufacturers, margarines and shortenings, meal, soybean products, and industrial-use oils and fatty acids.

PROFILE

The Nisshin OilliO Group fulfills its role as a leading company in the oils and meal business by developing and producing high-value-added products grounded on original technologies.

In home-use edible oils, the Group provides good flavor and good health to households through a wide choice of products, such as *Nisshin Canola Oil*, *BOSCO Olive Oil*, *Nisshin Pure Sesame Oil*, *Nisshin Healthy Resetta*, *Nisshin Healthy Choleste*, and *Nisshin VegeFruit Oil*.

In edible oils for food service and edible oils and fats for processed food manufacturers, Nisshin OilliO brands have earned a high level of trust from customers. This includes the restaurant industry, the ready-to-eat market, including prepared dishes and boxed lunches, the processed foods industry, and the confectionary and bakery sectors, which use edible oils, margarine and shortening.

Soybeans are used as a raw material in the traditional Japanese foods of miso and tofu, while soybean and rapeseed meal from which the fat has been removed after pressing are used as formula feed for livestock and as fertilizer. Moreover, in sectors other than foods, plant oils that are friendly to the environment are widely used in industrial applications such as oils and fats for paints and printing inks.

FISCAL 2007 OPERATING ENVIRONMENT AND RESULTS

In fiscal 2007, the operating environment continued to be very challenging due to several factors. These included sharply higher prices on international markets for major raw materials such as soybean, rapeseed and palm oils, and increases in a broad range of costs triggered by the jump in crude oil prices. However, based on *GROWTH 10* Phase 1, the Nisshin OilliO Group accelerated efforts to improve the ratio of overseas sales, while repeatedly revising prices, especially for edible oils. As a result, the Oils and Meal Business recorded consolidated sales of ¥274,697 million (including intersegment sales), up 25.9% year on year.

In home-use edible oils, sales volume expanded due to efforts to strengthen and broaden sales of high-value-added products, including *Healthy Resetta*, *Healthy Choleste* and *Nisshin Canola Oil*. Along with this, sales exceeded the level in the previous fiscal year as a result of ongoing efforts to revise selling prices proportionally with increases in costs, including sharply higher prices for raw materials. With regard to sales of gift packages, healthy oil and variety gift packages did well, and the business achieved both higher sales volume and sales amid continued contraction in the overall gift market.

In edible oils for food services, we continued the previous fiscal year's efforts to establish appropriate selling prices, and as a result, selling prices increased compared with a year earlier.

Nisshin Canola Oil Healthy Light

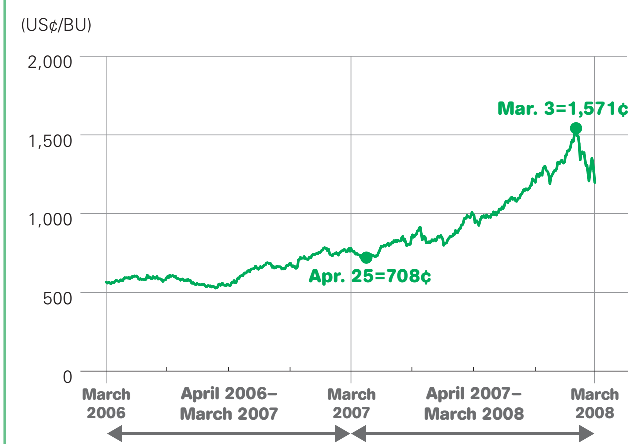
BOSCO Extra Virgin Olive Oil

Fat Spread Resetta Soft

Healthy Resetta for the food service sector

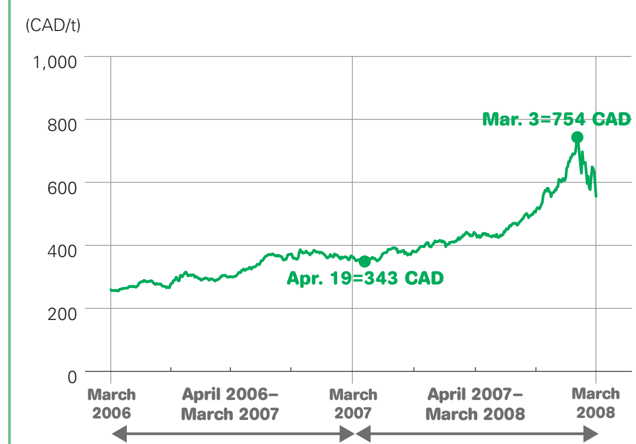
Nisshin Canola Oil for the food service sector

Nisshin Doughnut Pro200M



SOYBEAN MARKET PRICES (CHICAGO)

Source: Bloomberg



RAPESEED MARKET PRICES (WINNIPEG)

Source: Bloomberg

* Prices for soybeans and rapeseed, which are major raw materials for edible oils, continued to rise. The price of palm oil, which is seeing broader application in edible oils and elsewhere, has also been rising.

In fiscal 2007, prices of soybean oil and rapeseed oil reached the highest level in approximately 22 years for small- and medium-lot users. Prices for palm oil, which is used as a raw material in various frying oils, as well as oils and fats used to make chocolate, have risen markedly due to demand for its use as a substitute for other edible oils used in processed foods.

Sales volume fell year on year, partly because of lower shipments of standard oil.

In edible oils for processed food manufacturers, in addition to higher sales volumes to the mayonnaise industry and the processed oils and fats industry, we made progress in revising prices in line with higher costs. Consequently, sales volume and selling prices exceeded levels in the previous fiscal year.

In processed oils and fats, both sales volume and sales value increased year on year, reflecting strong demand for shortening.

In soybean meal, selling prices increased over the previous fiscal year due to higher international prices and sharp increases in maritime freight rates. However, sales volume remained at the level of the previous fiscal year. Meanwhile, rapeseed meal selling prices increased but sales volume declined year on year because of lower production volume.

In overseas businesses, Dalian Nisshin Oil Mills, Ltd. in China achieved higher sales in terms of both volume and value, but earnings struggled due to sharp increases in prices for raw materials, as in Japan, weak domestic demand for soy meal in China, and policies enacted by the Chinese government to curb commodity prices. Intercontinental Specialty Fats Sdn. Bhd. (ISF) recorded year-on-year increases in both sales volume and sales value, reflecting brisk exports to Europe and success in revising selling prices.

Healthy Resetta (FOSHU)

FUTURE STRATEGY AND OUTLOOK FOR FISCAL 2008

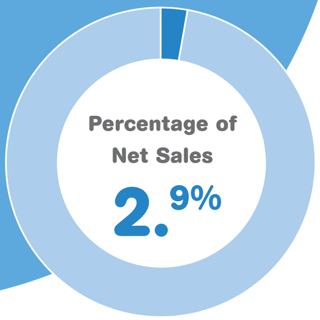
Currently, prices for soybean, rapeseed and palm oil have reached record highs. Moreover, energy costs have risen along with a sharp rise in crude oil prices. As a result, the operating environment for fiscal 2008, ending March 31, 2009, is expected to be more challenging than ever.

VegeFruit Oil

Under the medium-term management plan *GROWTH 10* Phase 1, the Nisshin OilliO Group will strive to set appropriate prices commensurate with costs and supply products and services that engender a sense of safety and security by accelerating the shift toward management grounded on original technologies. Simultaneously, the Group will work to enhance its competitive capabilities by rigorously pursuing efficiency enhancements and by establishing a stable domestic profit framework. Additionally, we will do our utmost to construct the foundation for a 'new' Oils and Meal Business by redoubling efforts to roll out high-value-added products in overseas markets. In processed oils and fats, we aim to expand the specialty fats and oils operation.

By implementing the above initiatives, we aim to increase sales in the Oils and Meal Business in fiscal 2008 by 25.5% to ¥344,800 million (including intersegment sales).

HEALTHY FOODS & SOY PROTEIN BUSINESS



The Healthy Foods & Soy Protein Business combines the Nisshin OilliO Group's diverse resources and expertise. By providing original products in the field that lies between food and medicine, such as health foods for consumers, foods for the elderly, and soy protein foods, this business is supporting people's health.

PROFILE

The main products in this business segment cater to food- and health-related needs, and include dressings and mayonnaise, authorized foods for specified health uses (FOSHU), therapeutic foods, soybean products, and functional health foods. In addition to using food retailing channels such as supermarkets, these products are distributed through hospitals and nursing care facilities, as well as mail-order and online channels.

FISCAL 2007 OPERATING ENVIRONMENT AND RESULTS

In the food field, including dressings and mayonnaise, we continued our efforts aimed at aggressive business expansion. Measures included entering into a capital and business alliance agreement with PIETRO Co., Ltd. in September 2007. As a result, this business segment recorded a strong performance centered on *Resetta Dressing Sauces* and *Dressing Diet*, which led to sales exceeding the previous year's levels in both volume and value.

In foods aimed at preventing lifestyle-related diseases, FOSHU posted strong sales through the mail-order channel, led by fiber-enriched green tea. Consequently, both sales volume and sales value increased substantially from the previous year. Moreover, in nursing care and therapeutic foods, sales of various products for the elderly exceeded the previous year's levels. Representative among these were the *Toromi Up* range, which thickens liquids for people with difficulty swallowing, as well as foods for people suffering from renal failure and urological problems.

In soy protein products, we revised selling prices to cope with soaring raw material costs, and as a result of the higher prices, sales volume declined. In processed soybean products, our sales strategy aimed at maintaining brand value met with success, yielding a solid performance.

As a result of these factors, the Healthy Foods & Soy Protein Business recorded a 0.1% increase in net sales to ¥9,283 million (including intersegment sales).

FUTURE STRATEGY AND OUTLOOK FOR FISCAL 2008

For fiscal 2008, we forecast a 14.2% increase in net sales to ¥10,600 million (including intersegment sales). This reflects measures such as the planned launch of the first product in collaboration with PIETRO Co., Ltd. in the fall. Going forward, we will focus on building up our range of FOSHU targeting various lifestyle-related diseases, and marketing the products in each sales channel.

Note: We changed the name of this segment to the Healthy Foods & Soy Protein Business from fiscal 2007 to coincide with the start of Phase 1 of the *GROWTH 10* medium-term management plan.

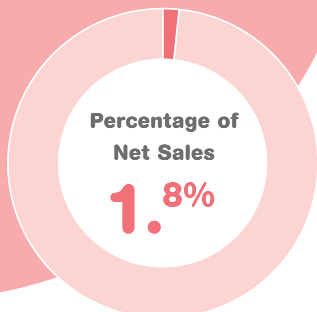
Caesar salad dressing, part of the *Resetta* lineup

Tochi-otome (strawberry) flavor cookies, part of the *Beard Papa* series of healthy cookies

Mayodore (egg-free mayonnaise-type dressing)

Toromi Up-V (thickens liquids for people with difficulty swallowing)

FINE CHEMICALS BUSINESS



Using the Nisshin OilliO Group's distinctive technologies, the Fine Chemicals Business provides materials and additives that use plant resources, thereby contributing to diverse industries such as cosmetics and toiletries, pharmaceuticals, chemicals, foods, and industrial products.

PROFILE

The Fine Chemicals Business uses "the natural power of plants" and links synthesis, refining, extraction, formulation and biotechnology. Through this process, it provides raw materials for cosmetics manufacturers, functional materials and special esters for industrial products, and medium-chain triglycerides for foods. In addition, we are taking an ambitious approach to increasing our manufacturing bases overseas with the aim of expanding the application of these technologies to various industries.

FISCAL 2007 OPERATING ENVIRONMENT AND RESULTS

In the year under review, both the volume and value of sales grew year on year. In the field of raw materials for cosmetics, although shipments of general-purpose products to cosmetics manufacturers in Japan declined, the sales weighting of high-value-added products rose. In addition, exports registered a strong performance, particularly for products supplied to Europe and China. We also made efforts to expand the overseas sales network, securing a new sales base in Guangzhou, China, in August 2007 and establishing Nisshin OilliO Fine Chemicals GmbH as our German sales subsidiary in December.

In chemical products, offerings in the IT-related sector met with robust demand, as did lubricating oils, resulting in a substantial increase in sales volumes and higher sales value than a year earlier.

In medium-chain triglycerides, demand was generally favorable among flavoring and liquid diet manufacturers, and as a result, sales volume rose slightly year on year. In addition, an increase in sales of high-value-added products, and success in raising prices in the second half of the fiscal year, resulted in higher sales value year on year.

As a result of the above, the Fine Chemicals Business posted a 10.8% rise in net sales to ¥6,108 million (including intersegment sales).

FUTURE STRATEGY AND OUTLOOK FOR FISCAL 2008

In fiscal 2008, we will press ahead with constructing a global network for manufacturing, sales, and logistics. Based on this and other measures, we are forecasting an 8.1% increase in net sales to ¥6,600 million (including intersegment sales).

The Nisshin OilliO Group supplies ingredients for a variety of cosmetics.

TOCOPHEROL 80
Natural Vitamin E

COSMOL 222
Cosmetics ingredient

O.D.O
Medium-chain triglyceride

T.I.O
Cosmetics ingredient

CORPORATE GOVERNANCE

Corporate governance is becoming an increasingly important element in enabling companies to maintain and enhance their relationship of trust with society.
We believe that strengthening corporate governance is a vital management issue.

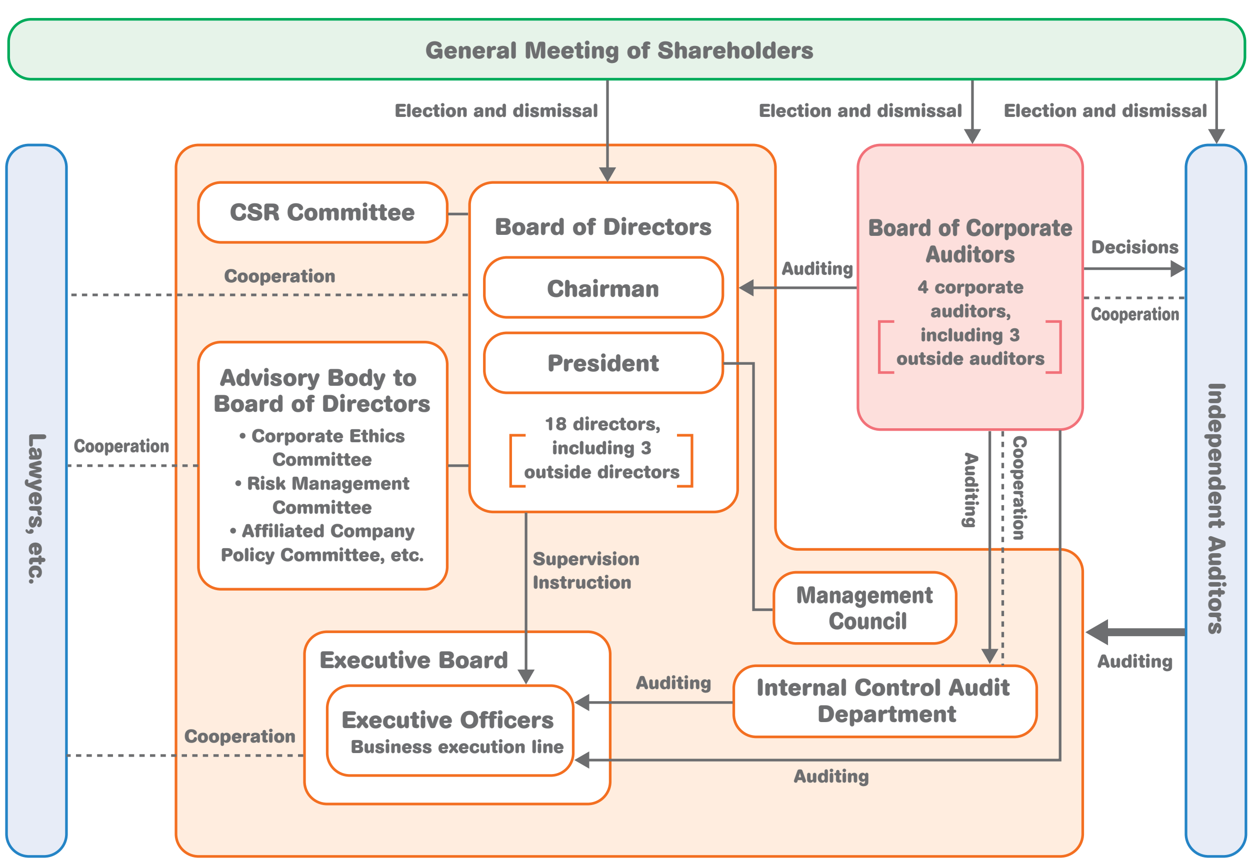
GOVERNANCE SYSTEM AIMED AT HIGHLY TRANSPARENT MANAGEMENT

We have declared our stance on corporate governance in the "Fundamental Policy Concerning the Establishment of Internal Control Systems," which was drafted to coincide with the enactment of the Corporate Law in 2006.

To establish an effective framework for governance, we introduced an executive officer system and established the Management Council as an organization that supports decision-making by the president, in addition to various management committees, which provide advice to the Board of Directors. We also established the Internal Control Audit Department as the entity responsible for auditing business operations. There are three outside directors and three outside corporate auditors. The outside corporate auditors comprise one full-time auditor and two part-time auditors (a lawyer and an accountant).

Since fiscal 2006, the Company has convened the Corporate Governance Council quarterly for the purpose of exchanging

CORPORATE GOVERNANCE SYSTEM OF NISSHIN OILLIO GROUP (as of March 31, 2008)



Note: Besides the above, the Company has a Corporate Governance Council to ensure the regular exchange of information between full-time corporate auditors and the Corporate Staff Division.

information and opinions between full-time corporate auditors and the Corporate Staff Division. Furthermore, in March 2007, we established operating regulations for this council, in addition to provisions under the corporate governance system concerning relationships with the Board of Corporate Auditors and individual corporate auditors, which stipulate the auditing assistance and cooperation required of management.

At the Ordinary General Meeting of Shareholders in June 2007, the Company received approval to amend the Articles of Incorporation in order to change the term of office of Company directors from two years to one year and to conclude limitation of liability agreements with full-time outside corporate auditors. Accordingly, limitation of liability agreements were concluded with the part-time outside auditors.

Moreover, since June 2007, we have more clearly separated management supervision from business execution by making the Company chairman the chairperson of the Board of Directors and making the Company president (the chief executive officer) the chairperson of the Executive Board.

STATUS OF INTERNAL CONTROL SYSTEMS

We regard internal control systems as an important factor in complying with the Financial Instruments and Exchange Law and fulfilling our corporate social responsibility (CSR). Accordingly, we have been working to establish internal control systems in line with our fundamental policy.

We first implemented our internal control systems in April 2007, and since April 2008 we have been conducting the necessary preparation to enable us to comply with the Internal Control Reporting System (requiring the submission of an Internal Control Report and an Internal Control Audit Report).

FUNDAMENTAL POLICY

- By strengthening our internal control systems, we will improve the reliability of financial reports, enhance the enterprise value of the Nisshin OilliO Group, and acquire competitiveness. This includes improving the effectiveness and efficiency of business operations as well as management transparency, compliance, risk management, and Group governance.
- Internal control systems shall be intrinsic to all business activities conducted by the Nisshin OilliO Group and they must be understood and implemented by every single employee. Based on this awareness, every employee shall actively endeavor to put the fundamental policy into practice, ensuring that implementation of the Group's internal control systems is as efficient and effective as possible.

PROMOTION FRAMEWORK

In the fiscal year under review, the Company established the Internal Control Committee to put internal control systems in place and ensure they are effectively implemented throughout the entire Group. The year also saw the establishment of the Internal Control Audit Department, which evaluates and reports on the establishment and operational status of internal controls. Having also appointed divisional directors and representatives of each subsidiary as persons responsible for promoting internal control, we have now established the framework to promote more efficient and effective internal control systems.

EDUCATION AND TRAINING

We are promoting understanding and a common sense of purpose with regard to internal control systems among all employees of the Nisshin OilliO Group. Efforts in this regard include education through evaluation trials, using the internal newsletter to raise awareness of internal control issues, and holding preliminary meetings in preparation for the full implementation of the "Internal Control Reporting System."

CSR AT THE NISSHIN OILLIO GROUP

For the Nisshin OilliO Group, corporate social responsibility (CSR) is synonymous with meeting the expectations—and earning the trust—of all stakeholders by working to bring our corporate philosophy to life.

BASIC POLICY REGARDING CSR INITIATIVES

DEFINITION AND PURPOSE

- In addition to paying close attention to relationships with the range of stakeholders around us and fulfilling our legal responsibilities, CSR requires that we meet the expectations of all stakeholders by supplying safe, dependable products and services in a reliable manner. CSR also demands that we address environmental concerns and promote contributions to society and information disclosure.
- Efforts to realize each core element of our Group Philosophy—"To contribute to the development of people, society and the economy by striving to maximize our corporate value," "To tirelessly develop a creative and growing business through our search for good flavor, health and beauty," and "To ensure that we behave responsibly as a member of society"—have a direct relationship to our CSR initiatives.
- The Nisshin OilliO Group strives for sustainable corporate development and improved corporate value through proactive CSR initiatives designed to engender and improve understanding and trust with all stakeholders.

QUALITY INITIATIVES

Our policy with respect to quality is based on ISO 9001. Guided by these rules, we work to ensure the safety and dependability of the foods we produce through extensive steps to assure quality at every stage, from product development, raw materials procurement and production, to distribution and sales.

DISTRIBUTION AND SALES

Nisshin OilliO has well-defined standards regarding quality assurance in distribution. In following these guidelines, we aim to realize the safe and reliable delivery of products to the customers we supply and achieve complete safety at every point of distribution, including storage, shipping, transport and final delivery. Using simulated examples of potential distribution problems as a point of reference, we are developing a framework that will establish a fast chain of contact should problems arise, as well as rapid responses and countermeasures. We also sponsor cooking classes across Japan, proposing new ways for customers to experience the flavor of edible oils and the fun of cooking.

PRODUCT DEVELOPMENT

In accordance with provisions related to development, design, and management, we promote close ties between our product planning, R&D and material procurement divisions to develop products that reflect feedback from our customers. During this phase, we clarify all applicable laws and regulations, while using the results of feasibility studies and test and inspection data as a basis for evaluating and verifying the legal and regulatory compliance, safety and quality of our products.

PRODUCTION

All Nisshin OilliO plants in Japan have obtained ISO 9001 certification. Consequently, we continue to diligently conduct activities for ensuring the safety and reliability of our food products. Actions include production line engineering for inhibiting the introduction of foreign matter and educational programs for plant workers on proper hygiene when working with food. We also document and manage the work performed at every phase of the production process, from the receipt of ingredients to packaging. Quality inspections are conducted at every phase to check that prescribed standards and criteria are met.

RAW MATERIALS PROCUREMENT

When procuring oils, oilseed and fats used as raw materials, we rate and select potential suppliers based on specific standards governing raw materials procurement. We employ a list of analytic test items and a set of minimum standards to confirm quality, procuring only those materials that pass these strict guidelines. For new types of ingredients, we confirm that such materials are safe to use by acquiring samples in order to evaluate quality, and receiving a written statement of standards from the manufacturer.

IN PARTNERSHIP WITH SHAREHOLDERS AND INVESTORS

At Nisshin OilliO, sound growth and stable business performance underpin efforts to enhance shareholder value and ensure an appropriate level of profit returns. At the same time, we work to forge good relationships with shareholders by promoting two-way communication with them. Communication with the broader investor community, meanwhile, is conducted through proper information disclosure.

Shareholder factory visits

SHAREHOLDER FACTORY VISITS

In September 2007, Nisshin OilliO conducted a factory visit for shareholders at its main Yokohama Isogo Plant. A total of 180 people took part in the visit, including 100 randomly chosen shareholders and their guests. Visitors were given a video presentation introducing them to Nisshin OilliO, as well as a bus tour of the extensive plant site. After the visit, an informal session attended by members of senior management was held, where visitors had a chance to sample foods prepared using Nisshin OilliO products.

IN PARTNERSHIP WITH EMPLOYEES

Nisshin OilliO's energetic worksites offer modern, relaxed working environments allowing room for personal growth, that employees can consider worthwhile places to work.

MANAGEMENT OF SUBSIDIARY EMPLOYING DISABLED PERSONS

Nisshin OilliO actively promotes employment opportunities for disabled persons. In April 2004, we launched Nisshin OilliO Business Staff Co., Ltd., a special subsidiary dedicated to stable employment for the disabled established to fulfill our corporate social responsibility in this area. Support for the skill development of these employees is centered mainly on cleaning work at the Yokohama Isogo Plant.

YOKOHAMA ISOGO PLANT "SAFETY SCHOOL" (HAZARD EXPERIENCE TRAINING)

In fiscal 2007, we began holding regular "Safety School" courses (hazard experience training) designed to prevent work injuries. During these courses, plant employees interact with a variety of equipment as part of hands-on experiments, allowing them to experience firsthand, and in a controlled manner, the dangers present in the work they perform. Course participation is ultimately expected to result in safer employee actions and behaviors by raising the capacity of employees to anticipate hazards through a sharper perception of potential dangers. Nisshin OilliO employees at other plants also take part in hazard training courses offered by outside companies.

COMMUNICATING WITH SOCIETY

Nisshin OilliO contributes to communities and society in Japan as a good corporate citizen. In parallel, the Company strives to develop in tandem with the larger society beyond Japan's borders through positive corporate activities and proactive communication in its capacity as a global citizen.

INITIATIVES TO SUPPORT HEALTHY LIFESTYLES

Nisshin OilliO supports the Kanagawa Marathon by opening up the Yokohama Isogo Plant grounds for the start and finish line. Overseas, Nisshin OilliO was a cosponsor of the Toray Cup Shanghai International Marathon.

The Company also supports a number of other sporting events, including junior soccer matches and swim meets.

Toray Cup Shanghai International Marathon

The Company supports junior soccer matches

DISASTER RELIEF AND DONATIONS

Nisshin OilliO makes donations to the United Nations World Food Programme, the Food and Agriculture Organization of the United Nations and the Japanese Keidanren Nature Conservation Fund, as well as offering assistance in disaster zones. In 2007, the Company also donated relief funds to the areas affected by the Chuetsu earthquake in Niigata Prefecture through a related organization.

INITIATIVES TO SUPPORT DIETARY EDUCATION

Nisshin OilliO offers dietary education for everybody, old and young alike. Initiatives include providing information on food and nutrition, recommending meal ideas, and holding cooking classes. To inform people about the raw materials used in edible oils and the manufacturing process, for example, we offer factory tours and hold cooking classes in collaboration with other companies. Similarly, we collaborate with volume retailers to offer health-oriented cooking classes, and hold seminars at sporting events on themes including nutrition and olive oil.

Cooking classes

Wellness Gallery in Isogo Plant

PROTECTING THE ENVIRONMENT

Using the most advanced technology available, Nisshin OilliO harnesses the natural power of plants to develop products and services that show the Company's concern for the global environment at every stage, from the procurement of ingredients and materials, to production, delivery, use and disposal. In offering these to customers, we hope to help realize a more sustainable society.

REDUCTION OF CARBON DIOXIDE

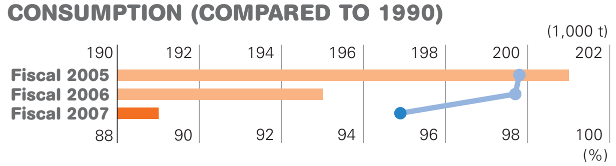
INITIATIVE TARGETS AND ACHIEVEMENTS

We are aiming to reduce the volume of CO_2 emissions per unit of energy consumption in manufacturing processes to 88% of their 1990 level by 2010.

Fiscal 2007 achievement: Reduced the volume of CO_2 emissions per unit of energy consumption to 95% (compared to 1990)

During the fiscal year under review, CO_2 emissions declined by roughly 3,400 tons compared to fiscal 2006, thanks to thorough energy-efficiency programs targeting production facilities. CO_2 emissions per unit of energy consumption, meanwhile, were 2.8 percentage points lower than the previous year.

CO_2 EMISSIONS PER UNIT OF ENERGY CONSUMPTION (COMPARED TO 1990)



■ CO_2 emissions (Top scale)
●– CO_2 emissions per unit of energy consumption (Bottom scale)

(Assumptions for calculating CO_2 emissions per unit of energy consumption)
* Management target: Production processes (Japan)
* The following formula (established by the Nisshin OilliO Group) is used to calculate CO_2 emissions per unit of energy consumption.
CO_2 emissions per unit of energy consumption = [CO_2 equivalent for energy used] / ([volume of ingredients processed] + [volume of refined oil])
Energy used: Energy consumed during manufacturing processes
Volume of ingredients processed: Volume of ingredients input to pressing processes
Volume of refined oil: Volume of intermediate oil input after refining processes
CO_2 equivalent: Sum total for each type of energy used following multiplication by CO_2 conversion coefficients
CO_2 conversion coefficient: Figure derived from "Guidelines to Methods for Calculating Greenhouse Gas Emissions from Enterprises" (Ministry of the Environment) or "The Federation of Electric Power Companies of Japan's CO_2 Emissions Coefficient for Electricity Usage."
* For the volume of energy used in production processes, energy other than that from refining operations is included in the calculation of per unit figures. Going forward, revisions will be made as necessary in certain instances, including cases in which the energy contribution from outside of refining operations has substantially increased.

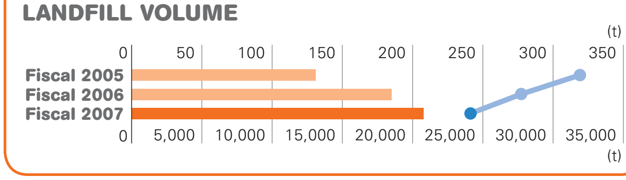
INDUSTRIAL WASTE REDUCTION

INITIATIVE TARGETS AND ACHIEVEMENTS

Nisshin OilliO will achieve "zero emissions" from its production processes by 2010.
Fiscal 2007 Achievement: Recycling rate for industrial waste of 99.1%.
(Zero emissions assumptions of the Nisshin OilliO Group)
Management target: Production processes (Japan)
Definition of zero emissions: Final landfill volume of less than 1%
Subject: Industrial waste generated largely from ordinary production activities and maintenance

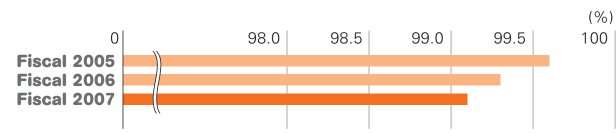
Nisshin OilliO continued to meet its zero emissions target in fiscal 2007, reporting a recycling rate of 99.1%. This success notwithstanding, the volume of waste sent to landfill for final disposal is rising.

VOLUME OF INDUSTRIAL WASTE AND LANDFILL VOLUME



■ Landfill volume (Top scale)
●– Industrial waste (Bottom scale)

WASTE RECYCLING RATE



REDUCTION IN ELECTRICITY USAGE

INITIATIVE TARGETS AND ACHIEVEMENTS

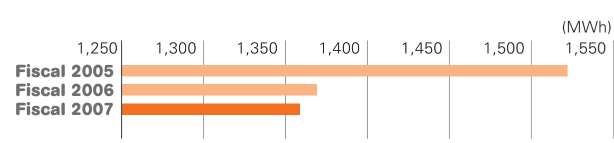
By fiscal 2010, Nisshin OilliO will reduce electricity usage at its offices by 3% compared to fiscal 2006.
Fiscal 2007 Achievement: 1% reduction (compared to fiscal 2006)

REDUCTION ACTIVITIES

- "Cool Biz" initiative (warmer air conditioner settings) during summer months
  Cooler thermostat settings during winter months
- Assessed the energy efficiency of the head office building

Nisshin OilliO successfully reduced electricity usage, the main source of CO_2 emissions, by 1% compared to fiscal 2006. Participation in Japan's "Team Minus 6%" energy reduction program is helping an increasing environmental consciousness to gain a foothold Companywide. We intend to continue promoting energy-saving initiatives at our offices in fiscal 2008.

ELECTRICITY CONSUMPTION BY OFFICES



Head Office and eight branches

FINANCIAL REVIEW

OVERVIEW OF THE NISSHIN OILLIO GROUP

As of March 31, 2008, the Nisshin OilliO Group comprised the parent company, 18 consolidated subsidiaries, eight unconsolidated subsidiaries, and 14 affiliates, including eight equity-method affiliates. The Group's main businesses are Oils and Meal, Healthy Foods & Soy Protein*, and Fine Chemicals, as well as related services and other operations.

* Name changed from the Healthy Foods Business to the Healthy Foods & Soy Protein Business from the fiscal year ended March 31, 2008.

CONSOLIDATED RESULTS

OPERATING ENVIRONMENT AND INITIATIVES

In fiscal 2007, the year ended March 31, 2008, the Japanese economy continued to experience a modest recovery. However, there were growing signs of deceleration toward the end of the fiscal year, including lower mining and manufacturing production and deterioration in corporate earnings.

In the oils and meal industry, grain prices were up sharply overall due to active demand for oils and fats stemming from heavy food-related demand in the BRIC countries and the use of agricultural resources as biofuels. As a result prices moved higher for soybean, rapeseed and palm oil, which are key raw materials. Moreover, crude oil prices remained high, and this pushed up a wide array of costs, including for materials, transportation and fuel. Consequently, the Group's operating environment remained challenging.

Under these conditions, the Nisshin OilliO Group embarked on a 10-year basic management vision called *GROWTH 10—Generating new value by harnessing the natural power of plants*, with the aim of forming an international corporate group underpinned by technology. The first four years of *GROWTH 10* are positioned as Phase 1. During this phase, in addition to developing new technology-driven products and expanding sales of high-value-added products, the Group is working to establish appropriate selling prices commensurate with costs and to improve cost competitiveness, thereby constructing a framework capable of generating stable earnings.

NET SALES

In the year under review, net sales rose 23.4% from the previous fiscal year to ¥298,196 million (US$2,982 million). This increase reflected strong performances overall at Intercontinental Specialty Fats Sdn. Bhd. and other subsidiaries.

COST OF SALES AND GROSS PROFIT

Owing to the impact of such factors as rising fuel prices, the cost of sales increased 31.6% to ¥252,871 million (US$2,529 million). Gross profit declined 8.4% to ¥45,325 million (US$453 million).

OPERATING INCOME

Selling, general and administrative (SG&A) expenses declined 1.0% to ¥41,211 million (US$412 million) due to lower advertising expenses and salaries and wages. Operating income declined 47.5% year on year to ¥4,114 million (US$41 million).

NET INCOME

Net income fell 69.8% to ¥1,876 million (US$19 million), primarily due to losses on disposition and sales of property, plant and equipment.

SEGMENT INFORMATION

SALES AND OPERATING INCOME (LOSS) BY SEGMENT

(¥ million)

	FY2007	FY2006	Change (%)
Oils and Meal	272,648 3,523	216,334 7,100	26.0 –50.4
Healthy Foods & Soy Protein	8,616 (779)	8,571 (666)	0.5 —
Fine Chemicals	5,405 426	4,878 440	10.8 –3.4
Other	11,527 952	11,885 964	–3.0 –1.2

* Top figures are sales to external customers and bottom figures show operating income (loss).

OILS AND MEAL BUSINESS

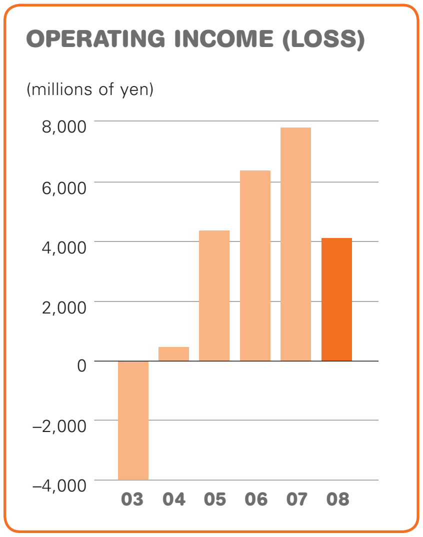
The Oils and Meal Business is the core business of the Nisshin OilliO Group, accounting for 91.4% of consolidated sales.

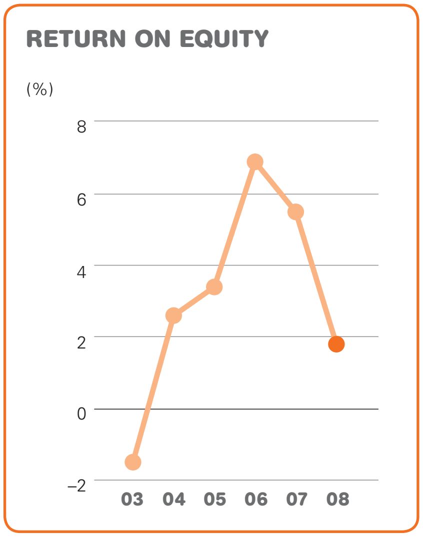
Japan

In the domestic market for home-use edible oils, the Group strived to expand sales of high-value-added products, including *Nisshin Healthy Resetta* and *Nisshin Canola Oil*, in addition to continuing efforts to set selling prices commensurate with higher costs, including those for raw materials. As a result, sales prices increased from the previous fiscal year. In gift packages, sales of edible oils and seasonings gift sets were down year on year, but sales of healthy oil gifts and variety gifts based on combinations with other companies' food products were strong. As a result, sales volume increased over the previous fiscal year, as did sales value, partly because of a higher sales weighting of high-value-added products.

Selling prices of edible oils for food services increased year on year as a result of ongoing price-revision efforts. Sales volume as a whole declined from the previous fiscal year, reflecting higher volume for premium products but lower volume for standard oils.

In edible oils for processed food manufacturers, in addition to higher sales volumes to the mayonnaise and processed oils and fats industries, the Group made progress in resetting selling





prices to higher levels, resulting in sharply higher prices compared with the previous fiscal year. In processed oils and fats, both sales volumes and selling prices were above levels in the previous fiscal year.

In soybean meal, sales volume held steady year on year, while prices were up, reflecting higher prices in international markets and sharply higher marine transport freight rates. Rapeseed meal sales volumes declined from the previous fiscal year alongside reduced production volume, but selling prices rose year on year.

Overseas

In overseas markets, Dalian Nisshin Oil Mills, Ltd. recorded higher sales and sales volume. However, earnings continued to struggle due to sharply higher prices for raw materials, as in Japan, coupled with weak Chinese domestic demand for soybean meal in the first half of the year and policies implemented by the Chinese government to restrain commodity prices during the second half.

Intercontinental Specialty Fats posted both higher sales and sales volume on brisk exports, mainly to Europe, and progress in setting higher selling prices. However, amid sharply higher raw materials prices, earnings were basically unchanged from the previous fiscal year.

The above factors resulted in Oils and Meal segment sales of ¥272,648 million (US$2,726 million), up 26.0% from the previous fiscal year.

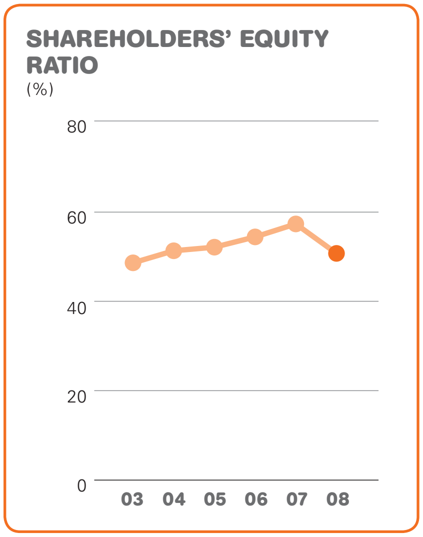
HEALTHY FOODS & SOY PROTEIN BUSINESS

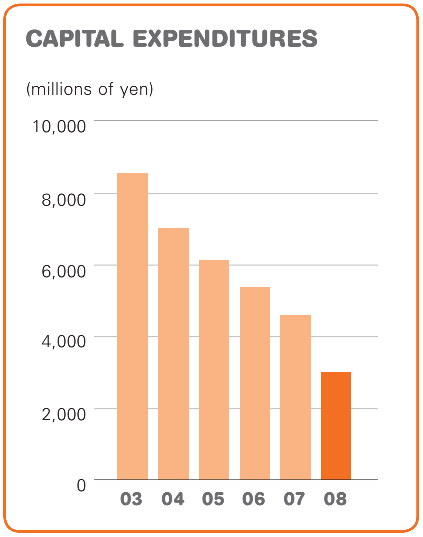
This business accounted for 2.9% of consolidated net sales.

Sales of foods for coping with lifestyle-related diseases increased significantly both in terms of value and volume on growth in authorized foods for specified health use, centered on fiber-enriched green tea. In nursing care foods, brisk sales were sustained in the *Toromi Up* range for people with difficulty swallowing. In therapeutic foods, sales of products for elderly consumers and products for people suffering from renal failure and urological issues increased from the previous fiscal year.

Dressings and mayonnaise recorded a year-on-year sales increase in both volume and monetary terms as a result of product updates and other ongoing efforts to expand sales.

Soy protein selling prices were above levels in the previous fiscal year as a result of efforts to set higher price points. However, sales volume fell year on year, partly because of weak demand related to continued social concerns about food safety. Processed soybean products posted a steady performance, reflecting a sales strategy oriented toward sustaining brand value.





As a result of the above, segment sales rose 0.5% year on year to ¥8,616 million (US$86 million).

FINE CHEMICALS BUSINESS

This business accounted for 1.8% of consolidated net sales.

In raw materials for cosmetics, sales to major cosmetics makers in Japan declined. However, exports were brisk, particularly to Europe and China, and the weighting of high-value-added products rose. As a result, sales and sales volume both increased year on year.

In chemical products, sales of products for use in the IT field and products for use in various lubricants were strong. Although selling prices were down year on year, sales volumes were up sharply. Consequently, sales increased year on year.

In medium-chain triglycerides, demand from flavoring and liquid diet manufacturers, the main clients for these products, was generally strong. As a result, sales volume was up slightly year on year. Sales prices were also above the level in the previous fiscal year, as a result of an increased weighting of high-value-added products and efforts to revise prices upward in the second half of the fiscal year.

As a result, segment sales grew 10.8% to ¥5,405 million (US$54 million).

OTHER BUSINESSES

Sales in the information systems business were on a par with the previous fiscal year, but sales at consolidated subsidiaries belonging to the engineering business and other businesses declined year on year. As a result, segment sales declined 3.0% year on year to ¥11,527 million (US$115 million).

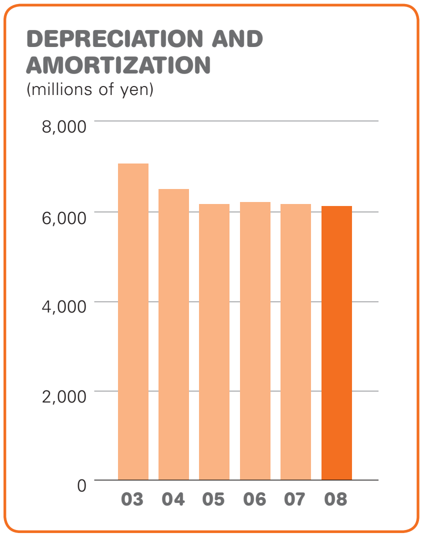
FINANCIAL POSITION

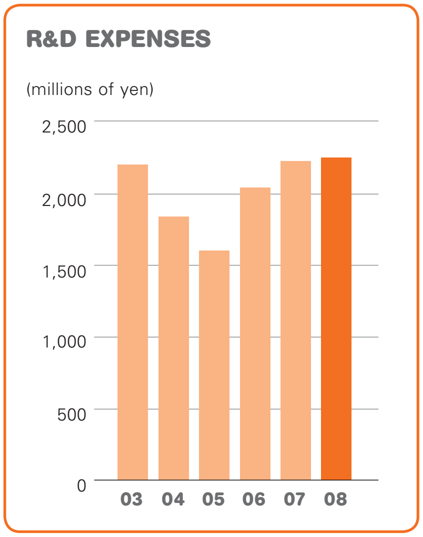
TOTAL ASSETS

As of March 31, 2008, total assets were ¥205,824 million (US$2,058 million), an increase of ¥9,816 million compared to a year earlier. Current assets grew ¥16,107 million, mainly due to an increase in inventories and accounts receivable. However, this was partly offset by a decrease of ¥6,291 million in fixed assets, reflecting a decline in investment securities due to a drop in fair value.

CURRENT LIABILITIES

Total current liabilities increased ¥8,802 million to ¥67,485 million (US$675 million). This mainly reflected a decline of ¥2,790 million in trade payables and the procurement of ¥11,500 million in funds through the issuance of commercial paper.





LONG-TERM LIABILITIES

Long-term liabilities increased ¥3,889 million to ¥28,933 million (US$289 million). The main factor was the new issuance of ¥10,000 million in corporate bonds as part of the redemption of ¥5,000 million in outstanding corporate bonds.

SHAREHOLDERS' EQUITY

Shareholders' equity decreased ¥213 million to ¥103,091 million (US$1,031 million), mainly reflecting a decline in unrealized gain on available-for-sale securities.

CASH FLOWS

Net cash used in operating activities was ¥16,849 million, down ¥23,739 million (US$237 million) from net cash provided by operating activities in the previous fiscal year, mainly due to the following factors. Income before income taxes and minority interests dropped ¥5,234 million, while a larger increase in inventories, combined with a decrease in trade payables had a negative impact of ¥21,495 million.

Net cash used in investing activities decreased ¥3,114 million (US$31 million) compared with the previous fiscal year. This was mainly attributable to a ¥1,858 million decrease in purchases of property, plant and equipment.

Net cash provided by financing activities amounted to ¥16,345 million, an increase of ¥18,530 million (US$185 million) from the net cash used in financing activities in the previous fiscal year, mainly reflecting a ¥19,037 million increase in net interest-bearing debt due to the issuance of commercial paper and the refinancing of corporate bonds with loans.

As a result of the above, cash and cash equivalents as of March 31, 2008 totaled ¥6,166 million (US$62 million), a decrease of ¥4,188 million compared to the end of the previous fiscal year.

BUSINESS RISKS

The operating results, share price and financial position of the Nisshin OilliO Group may be impacted by the risks explained below. Any forward-looking statements in the following section have been made based on management's judgment as of March 31, 2008.

EXCHANGE RATES

As part of its Oils and Meal Business, the Group imports all its soybean, rapeseed and other raw materials from overseas. The Group also conducts business overseas, including in China and other parts of East Asia. Consequently, Nisshin OilliO is exposed to exchange rate risks associated with raw material costs and debt denominated in foreign currencies. As such, any fluctuation in exchange rates could impact the operating results and financial position of the Group. In response, Nisshin OilliO uses risk hedge instruments such as forward exchange contracts as necessary to mitigate exchange rate risks.

INTERNATIONAL PRICES FOR RAW MATERIALS

In addition to exchange rate risks, the purchase of soybean, rapeseed and other raw materials is subject to the risk of fluctuation in international prices for raw materials. This includes fluctuations in transportation costs due to surging prices for crude oil and other raw materials. Because prices for raw materials constitute a significant portion of the Group's costs, any fluctuation in prices could have an impact on the Group's operating results. Nisshin OilliO seeks to hedge this risk by purchasing some of its raw materials on the futures market.

DOMESTIC AND INTERNATIONAL PRODUCT MARKETS

The sales climate for the Oils and Meal Business is affected by changes in domestic and international product markets. On the whole, domestic sales prices for meal and oils for food manufacturers are linked to prices in the international market. In addition, trends in imports from overseas could have an impact on domestic sales prices. These and other changes in domestic and international product markets could affect the Group's operating results. In response, Nisshin OilliO is working to expand sales of high-value-added products, which are more resilient to changes in market conditions, and maintain appropriate prices for its products that reflect their inherent quality and costs.

BUSINESS OPERATIONS

In addition to Japan, the Group conducts its operations in other countries and regions such as East Asia. Although domestic manufacturing and sales sites are also subject to the risks listed below, overseas operations are particularly exposed to these so-called country risks. The Group's operating results could be affected in the event that any of these risks materialize.

- Unforeseen enactment, revision to, or abolishment of laws and other regulations
- Unexpected political or economic factors
- Social instability arising from terrorist incidents, conflict, the spread of infectious disease or other factors
- Natural disasters such as earthquakes and other events
- Issues related to the digitization of information such as computer viruses and the leak of confidential data

In order to minimize the impact of the above risks, the Group works to gather information, which it uses as the basis for responding accurately and rapidly to any situations in its crisis management system.

EARTHQUAKES, TYPHOONS AND OTHER NATURAL DISASTERS

If a large earthquake, typhoon or other natural disaster were to occur in the vicinity of the Group's manufacturing and logistics sites in Japan, these sites could be affected by damage to facilities or inventories, which could have an impact on the Group's operating results and financial position. In readiness for such situations, Nisshin OilliO has established a safety management system, reinforced facilities, taken out insurance to mitigate risk, and implemented other steps.

LAWS AND OTHER REGULATIONS

The Group is subject to a range of laws and regulations, including the Food Sanitation Law, JAS Law, Pharmaceutical Affairs Law, environmental and recycling regulations, customs and import/export rules, the Foreign Exchange Act and the Personal Information Protection Law. Within this context, the Group views efforts to enhance compliance as a matter of priority, and does its utmost to ensure that rights are protected. However, the establishment of any unforeseen new laws in the future could have an impact on the Group's operating results.

FOOD SAFETY

In recent years, companies have been required to adopt increasingly stringent quality control measures against a backdrop of rising public interest in food quality and safety. The Group has established a rigorous quality assurance system, including the adoption of international ISO quality standards. Nisshin OilliO plans to further enhance its quality assurance system going forward to ensure even higher levels of safety. However, the occurrence of any quality issues that exceed the scope of these initiatives could have an impact on the Group's operating results.

CONSOLIDATED BALANCE SHEETS

The Nisshin OilliO Group, Ltd. and Consolidated Subsidiaries
March 31, 2008 and 2007

ASSETS	Millions of Yen 2008	Millions of Yen 2007	Thousands of U.S. Dollars (Note 1.a) 2008
CURRENT ASSETS:			
Cash and cash equivalents	¥ 6,166	¥ 10,354	$ 61,660
Time deposits	370	9	3,700
Marketable securities (Note 2)	3,612	4,665	36,120
Receivables:			
Trade notes	836	799	8,360
Trade accounts (Note 5)	46,780	42,155	467,800
Allowance for doubtful receivables	(23)	(66)	(230)
Inventories:			
Finished goods	22,866	15,429	228,660
Raw materials	23,911	16,973	239,110
Deferred tax assets (Note 4)	1,631	1,330	16,310
Prepaid expenses and other	4,381	2,774	43,810
Total current assets	110,530	94,422	1,105,300
PROPERTY, PLANT AND EQUIPMENT:			
Land	24,746	25,148	247,460
Buildings and structures	64,326	64,244	643,260
Machinery and equipment	81,660	79,731	816,600
Construction in progress	804	577	8,040
Total	171,536	169,700	1,715,360
Accumulated depreciation	(100,772)	(95,906)	(1,007,720)
Net property, plant and equipment	70,764	73,794	707,640
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Note 2)	12,982	17,003	129,820
Investments in and advances to unconsolidated subsidiaries and associated companies	4,582	3,333	45,820
Goodwill	2,575	3,246	25,750
Software	1,003	1,457	10,030
Other (Note 4)	3,388	2,753	33,880
Total investments and other assets	24,530	27,792	245,300
TOTAL	¥ 205,824	¥196,008	$ 2,058,240

See notes to consolidated financial statements.

LIABILITIES AND EQUITY	Millions of Yen 2008	Millions of Yen 2007	Thousands of U.S. Dollars (Note 1.a) 2008
CURRENT LIABILITIES:			
Short-term bank loans (Note 3)	**¥ 9,064**	¥ 6,130	**$ 90,640**
Commercial paper	**11,500**		**115,000**
Current portion of long-term debt (Note 3)	**3,340**	5,191	**33,400**
Payables:			
Trade notes	**138**	480	**1,380**
Trade accounts (Note 5)	**34,973**	38,930	**349,730**
Income taxes payable (Note 4)	**616**	1,449	**6,160**
Accrued expenses	**3,293**	3,824	**32,930**
Other	**4,561**	2,678	**45,610**
Total current liabilities	**67,485**	58,682	**674,850**
LONG-TERM LIABILITIES:			
Long-term debt (Note 3)	**20,040**	13,762	**200,400**
Liability for retirement benefits (Note 7)	**2,256**	2,580	**22,560**
Deferred tax liabilities (Note 4)	**6,150**	8,165	**61,500**
Negative goodwill	**13**	20	**130**
Other	**474**	517	**4,740**
Total long-term liabilities	**28,933**	25,044	**289,330**
COMMITMENTS AND CONTINGENT LIABILITIES (Notes 10 and 11)			
EQUITY (Note 8):			
Common stock—authorized, 388,350,000 shares; issued, 173,339,287 shares in 2008 and 2007	**16,332**	16,332	**163,320**
Capital surplus	**26,072**	26,071	**260,720**
Retained earnings	**61,126**	61,144	**611,260**
Net unrealized gain on available-for-sale securities	**1,237**	4,115	**12,370**
Deferred gain (loss) on derivatives under hedge accounting	**(524)**	159	**(5,240)**
Foreign currency translation adjustments	**633**	289	**6,330**
Treasury stock—at cost, 976,007 shares in 2008 and 626,875 shares in 2007	**(439)**	(242)	**(4,390)**
Total	**104,437**	107,868	**1,044,370**
Minority interests	**4,969**	4,414	**49,690**
Total equity	**109,406**	112,282	**1,094,060**
TOTAL	**¥205,824**	¥196,008	**$2,058,240**

CONSOLIDATED STATEMENTS OF INCOME

The Nisshin OilliO Group, Ltd. and Consolidated Subsidiaries
Years Ended March 31, 2008 and 2007

	Millions of Yen		Thousands of U.S. Dollars (Note 1.a)
	2008	2007	**2008**
NET SALES (Note 5)	**¥298,196**	¥241,668	**$2,981,960**
COST OF SALES (Note 5)	**252,871**	192,191	**2,528,710**
Gross profit	**45,325**	49,477	**453,250**
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 6)	**41,211**	41,642	**412,110**
Operating income	**4,114**	7,835	**41,140**
OTHER INCOME (EXPENSES):			
Interest and dividend income	**560**	515	**5,600**
Interest expense	**(598)**	(471)	**(5,980)**
Gain on sales of property, plant and equipment	**299**	301	**2,990**
Gain on sales of investment securities	**838**	3	**8,380**
Gain (loss) on sales of securities of a subsidiary	**(4)**	151	
Loss on write-down of investment securities	**(195)**	(26)	**(1,950)**
Loss on disposition of property, plant and equipment	**(128)**	(221)	**(1,280)**
Amortization of negative goodwill	**6**	2,009	**60**
Other—net	**221**	251	**2,210**
Other income—net	**999**	2,512	**9,990**
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	**5,113**	10,347	**51,130**
INCOME TAXES (Note 4):			
Current	**2,648**	3,570	**26,480**
Deferred	**210**	107	**2,100**
Total	**2,858**	3,677	**28,580**
MINORITY INTERESTS IN NET INCOME	**379**	468	**3,790**
NET INCOME	**¥ 1,876**	¥ 6,202	**$ 18,760**

	Yen		U.S. Dollars
	2008	2007	**2008**
PER SHARE OF COMMON STOCK (Note 1.q):			
Net income	**¥10.87**	¥35.91	**$0.11**
Cash dividends applicable to the year	**10.00**	10.00	**0.10**

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

The Nisshin OilliO Group, Ltd. and Consolidated Subsidiaries
Years Ended March 31, 2008 and 2007

	Thousands	Millions of Yen									
	Outstanding Number of Shares of Common Stock	Common Stock	Capital Surplus	Retained Earnings	Net Unrealized Gain (Loss) on Available-for-sale Securities	Deferred Gain (Loss) on Derivatives under Hedge Accounting	Foreign Currency Translation Adjustments	Treasury Stock	Total	Minority Interests	Total Equity
BALANCE, MARCH 31, 2006	172,702	¥16,332	¥26,055	¥56,380	¥ 5,246		¥ 6	¥(234)	¥103,785		¥103,785
Reclassified balance as of April 1, 2006										¥4,230	4,230
Net income				6,202					6,202		6,202
Cash dividends, ¥8.00 per share				(1,381)					(1,381)		(1,381)
Bonuses to directors				(57)					(57)		(57)
Purchase of treasury stock								29	29		29
Disposal of treasury stock	10		16					(37)	(21)		(21)
Net change in the year					(1,131)	¥ 159	283		(689)	184	(505)
BALANCE, MARCH 31, 2007	172,712	16,332	26,071	61,144	4,115	159	289	(242)	107,868	4,414	112,282
Net income				1,876					1,876		1,876
Cash dividends, ¥10.0 per share				(1,900)					(1,900)		(1,900)
Adjustment to retained earnings for change in the number of equity method affiliates				6					6		6
Purchase of treasury stock	(349)							6	6		6
Disposal of treasury stock			1					(203)	(202)		(202)
Net change in the year					(2,878)	(683)	344		(3,217)	555	(2,662)
BALANCE, MARCH 31, 2008	**172,363**	**¥16,332**	**¥26,072**	**¥61,126**	**¥ 1,237**	**¥(524)**	**¥633**	**¥(439)**	**¥104,437**	**¥4,969**	**¥109,406**

	Thousands of U.S. Dollars (Note 1.a)									
	Common Stock	Capital Surplus	Retained Earnings	Net Unrealized Gain (Loss) on Available-for-sale Securities	Deferred Gain (Loss) on Derivatives under Hedge Accounting	Foreign Currency Translation Adjustments	Treasury Stock	Total	Minority Interests	Total Equity
BALANCE, MARCH 31, 2007	$163,320	$260,710	$611,440	$ 41,150	$ 1,590	$2,890	$(2,420)	$1,078,680	$44,140	$1,122,820
Net income			18,760					18,760		18,760
Cash dividends, $0.1 per share			(19,000)					(19,000)		(19,000)
Adjustment to retained earnings for change in the number of equity method affiliates			60					60		60
Purchase of treasury stock							60	60		60
Disposal of treasury stock		10					(2,030)	(2,020)		(2,020)
Net change in the year				(28,780)	(6,830)	3,440		(32,170)	5,550	(26,620)
BALANCE, MARCH 31, 2008	**$163,320**	**$260,720**	**$611,260**	**$ 12,370**	**$(5,240)**	**$6,330**	**$(4,390)**	**$1,044,370**	**$49,690**	**$1,094,060**

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

The Nisshin OilliO Group, Ltd. and Consolidated Subsidiaries
Years Ended March 31, 2008 and 2007

	Millions of Yen		Thousands of U.S. Dollars (Note 1.a)
	2008	2007	2008
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 5,113	¥ 10,347	$ 51,130
Adjustments for:			
Income taxes—paid	(4,096)	(5,608)	(40,960)
Depreciation and amortization	6,132	6,167	61,320
Equity in earnings of associated companies	(54)	(131)	(540)
Amortization of goodwill—net	888	(1,153)	8,880
Gain on sales of investment securities	(838)	(3)	(8,380)
Loss (gain) on sales of securities of a subsidiary	4	(151)	40
Loss (gain) on sales and disposition of property, plant and equipment	95	(58)	950
Loss on write-down of investment securities	195	26	1,950
Increase in trade receivables	(4,494)	(5,013)	(44,940)
Increase in inventories	(14,127)	(4,149)	(141,270)
(Decrease) increase in trade payables	(2,994)	8,524	(29,940)
Decrease in liability for retirement benefits	(489)	(738)	(4,890)
Other—net	(2,184)	(1,170)	(21,840)
Total adjustments	(21,962)	(3,457)	(219,620)
Net cash (used in) provided by operating activities	(16,849)	6,890	(168,490)
INVESTING ACTIVITIES:			
Proceeds from sale of investment securities	1,178	219	11,780
Purchases of investment securities	(852)	(1,476)	(8,520)
Proceeds from sale of property, plant and equipment	570	345	5,700
Purchases of property, plant and equipment	(3,199)	(5,058)	(31,990)
Decrease (increase) in marketable securities—net	381	(644)	3,810
Proceeds from sales of securities of a subsidiary	236	195	2,360
Payment for purchase of consolidated subsidiaries, net of cash acquired	(1,488)		
Other—net	(680)	(549)	(21,680)
Net cash used in investing activities	(3,854)	(6,968)	(38,540)
FINANCING ACTIVITIES:			
Increase in short-term bank loans—net	2,786	1,566	27,860
Repayments of long-term debt	(573)	(1,905)	(5,730)
Proceeds from commercial paper	11,499		114,990
Proceeds from bond issuance	9,935		99,350
Redemption of bonds	(5,000)	(50)	(50,000)
Dividends paid	(1,900)	(1,381)	(19,000)
Dividends paid for minority interests	(206)	(473)	(2,060)
Purchases of treasury stock—net	(196)	57	(1,960)
Net cash provided by (used in) financing activities	16,345	(2,186)	163,450
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	170	103	1,700
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,188)	(2,161)	(41,880)
CASH AND CASH EQUIVALENTS OF NEWLY CONSOLIDATED SUBSIDIARIES, BEGINNING OF YEAR		114	
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	10,354	12,401	103,540
CASH AND CASH EQUIVALENTS, END OF YEAR	¥ 6,166	¥ 10,354	$ 61,660

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Nisshin OilliO Group, Ltd. and Consolidated Subsidiaries
Years Ended March 31, 2008 and 2007

1. SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

The following is a summary of the significant accounting and reporting policies adopted by The Nisshin OilliO Group, Ltd. (the "Company") and consolidated subsidiaries in the preparation of its consolidated financial statements.

***a. Basis of Presenting Financial Statements*—**The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Law (the Japanese Securities and Exchange Law) and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2007 consolidated financial statements to conform to the classifications used in 2008.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥100 to $1, the approximate rate of exchange at March 31, 2008. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

***b. Principles of Consolidation*—**The consolidated financial statements as of March 31, 2008 include the accounts of the Company and its 18 (19 in 2007) significant subsidiaries (together, the "Group").

Under the control or influence concept, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Group has the ability to exercise significant influence are accounted for by the equity method.

Investments in eight (eight in 2007) associated companies are accounted for by the equity method. Investments in the remaining eight unconsolidated subsidiaries and six associated companies (seven subsidiaries and four associated companies in 2007) are stated at cost. If the equity method of accounting had been applied to the investments in these companies, the effect on the accompanying consolidated financial statements would not be material.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary/associated company at the date of acquisition. Goodwill is reported in the consolidated balance sheet as other assets and/or long-term liabilities and is amortized using the straight-line method over five years.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is eliminated.

***c. Translation of Foreign Currency Accounts*—**Foreign currency transactions relate principally to the importation of raw materials through Japanese trading companies, contracted in U.S. dollars, for which the Company is obliged to bear any exchange rate risks involved in such transactions. Foreign currency transactions are translated into Japanese yen using the exchange rate in effect at the date of each transaction or at the applicable exchange rates under forward exchange contracts.

Gains or losses from foreign currency transactions are included in net income or loss.

***d. Foreign Currency Financial Statements*—**The balance sheet accounts of the consolidated foreign subsidiaries are translated into Japanese yen at the current exchange rate as of the balance sheet date except for equity, which is translated at the historical rate.

Differences arising from such translation are shown as "Foreign currency translation adjustments" in a separate component of equity. Revenue and expense accounts of consolidated foreign subsidiaries are translated into yen at the average exchange rate.

***e. Cash Equivalents*—**Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash equivalents include time deposits, certificate of deposits, commercial paper and bond funds, all of which mature or become due within three months of the date of acquisition.

f. Marketable Securities and Investment Securities—All securities are classified as available-for-sale securities and are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity. The cost of securities sold is determined based on the moving-average method. Non-marketable available-for-sale securities are stated at cost determined by the moving-average method. For other than temporary declines in fair value, non-marketable available-for-sale securities are reduced to net realizable value by a charge to income.

g. Allowance for Doubtful Receivables—The allowance for doubtful receivables is stated in amounts considered to be appropriate based on the Company's past credit loss experience and an evaluation of potential losses in the receivables outstanding.

h. Inventories—Finished goods are stated at cost substantially determined by the average method. Raw materials are stated at the lower of cost, determined by the first-in, first-out method, or market.

i. Property, Plant and Equipment—Property, plant and equipment are stated at cost less accumulated depreciation.

Depreciation of property, plant and equipment of the Company and its consolidated domestic subsidiaries is computed by the declining-balance method over the estimated useful lives of the assets, while the straight-line method is applied to the property, plant and equipment of consolidated foreign subsidiaries.

The straight-line method is applied to buildings. Equipment held for lease is depreciated by the straight-line method over the lease periods.

The range of useful lives is from 5 to 50 years for buildings and structures and from 4 to 16 years for machinery and equipment.

Ordinary maintenance and repairs are charged to income as incurred. Major replacements and improvements are capitalized.

j. Long-lived Assets—The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

k. Leases—All leases are accounted for as operating leases. Under Japanese accounting standards for leases, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized, while other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the notes to the lessee's consolidated financial statements.

l. Income Taxes—The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

m. Retirement and Pension Plans—The Company and its domestic consolidated subsidiaries have an unfunded retirement benefit plan for all eligible employees. The amounts of the retirement benefits are, in general, determined on the basis of length of service and conditions under which the termination occurs. In addition to the unfunded plan, the Company has a non-contributory and contributory funded pension plan.

The liability for retirement benefits is based on the projected benefit obligations and plan assets at the balance sheet date. The net periodic benefit costs, based on an actuarial computation of current and future employee benefits, are charged to income.

The transitional obligation determined as of April 1, 2000 amounted to ¥3,621 million. The full amount of the transitional obligation except for that of one domestic subsidiary, amounted to ¥3,423 million and was charged to income for the year ended March 31, 2001. The transitional obligation of one domestic subsidiary of ¥198 million is being amortized over ten years using the straight-line method and annual amortization is presented as other expense in the consolidated statements of income.

Retirement allowances for directors and corporate auditors are recorded to state the liability for retirement benefits at the amount that would be required if all directors and corporate auditors retired at each balance sheet date.

n. Research and Development—Costs relating to research and development activities are charged to income as incurred.

o. Derivatives and Hedging Activities—The Group uses a variety of derivative financial instruments, including foreign currency forward contracts, commodity futures and interest rate swaps as a means of hedging exposure to foreign currency, price and interest rate risks. The Group does not enter into derivatives for trading or speculative purposes.

All derivatives are recognized as either assets or liabilities and measured at fair value, with gains or losses recognized in the consolidated statements of income.

If derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on the derivatives are deferred until maturity of the hedged transactions.

Foreign currency forward contracts are utilized to hedge foreign currency exposures in importation of raw materials from overseas suppliers. Trade payables denominated in foreign currencies are translated at the contracted rates if the forward contracts qualify for hedge accounting.

Commodity futures are utilized to hedge transactions in inventories and trading commitments. These futures which qualify for hedge accounting are measured at market value at the balance sheet date and the unrealized gains or losses are deferred until maturity as other liabilities or assets.

Interest rate swaps are utilized to hedge interest rate exposures of long-term debt. These swaps, which qualify for hedge accounting, are measured at market value at the balance sheet date and the unrealized gains or losses are deferred until maturity as other liabilities or assets.

p. Presentation of Equity—On December 9, 2005, the ASBJ published a new accounting standard for presentation of equity. Under this accounting standard, certain items which were previously presented as liabilities or assets, as the case may be, are now presented as components of equity. Such items include stock acquisition rights and any deferred gain or loss on derivatives accounted for under hedge accounting. This standard was effective for fiscal years ending on or after May 1, 2006. The balances of such items as of March 31, 2006 were reclassified as separate components of equity as of April 1, 2006 in the consolidated statement of changes in equity.

q. Per Share Data—Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

Diluted net income per share is not disclosed because the Company does not issue dilutive securities.

Cash dividends per share shown in the consolidated statements of income have been presented on an accrual basis and include, in each fiscal year ended March 31, dividends approved or to be approved after March 31, but applicable to the year then ended.

r. Appropriations of Retained Earnings—Appropriations of retained earnings are reflected in the consolidated financial statements for the following year on shareholders' approval.

s. Bonuses to Directors and Corporate Auditors—Bonuses to directors and corporate auditors are accrued at the year end to which such bonuses are attributable.

t. New Accounting Pronouncements

Measurement of Inventories—Under Japanese GAAP, inventories are currently measured either by the cost method, or at the lower of cost or market. On July 5, 2006, the Accounting Standards Board of Japan (the "ASBJ") issued ASBJ Statement No. 9, "Accounting Standard for Measurement of Inventories," which is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted. This standard requires that inventories held for sale in the ordinary course of business be measured at the lower of cost or net selling value, which is defined as the selling price less additional estimated manufacturing costs and estimated direct selling expenses. The replacement cost may be used in place of the net selling value, if appropriate. The standard also requires that inventories held for trading purposes be measured at the market price.

Lease Accounting—On March 30, 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions," which revised the existing accounting standard for lease transactions issued on June 17, 1993.

Under the existing accounting standard, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized, however, other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the note to the lessee's financial statements.

The revised accounting standard requires that all finance lease transactions should be capitalized. The revised accounting standard for lease transactions is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted for fiscal years beginning on or after April 1, 2007.

Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements—Under Japanese GAAP, a company currently can use the financial statements of foreign subsidiaries which are prepared in accordance with generally accepted accounting principles in their respective jurisdictions for its consolidation process unless they are clearly unreasonable. On May 17, 2006, the ASBJ issued ASBJ Practical Issues Task Force (PITF) No. 18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements." The new task force prescribes: (1) the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should in principle be unified for the preparation of the consolidated financial statements, (2) financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States tentatively may be used for the consolidation process, (3) however, the following items should be adjusted in the consolidation process so that net income is accounted for in accordance with Japanese GAAP unless they are not material;

(1) Amortization of goodwill
(2) Actuarial gains and losses of defined benefit plans recognized outside profit or loss
(3) Capitalization of intangible assets arising from development phases
(4) Fair value measurement of investment properties, and the revaluation model for property, plant and equipment, and intangible assets
(5) Retrospective application when accounting policies are changed
(6) Accounting for net income attributable to a minority interest

The new task force is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted.

2. MARKETABLE AND INVESTMENT SECURITIES

Marketable and investment securities as of March 31, 2008 and 2007 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	**2008**
Current:			
Government and corporate bond	**¥ 3,294**	¥ 3,235	**$ 32,940**
Trust fund investments and other	**318**	1,430	**3,180**
Total	**¥ 3,612**	¥ 4,665	**$ 36,120**
Non-current:			
Marketable equity securities	**¥10,100**	¥13,667	**$101,000**
Government and corporate bonds	**2,077**	2,530	**20,770**
Trust fund investments and other	**805**	806	**8,050**
Total	**¥12,982**	¥17,003	**$129,820**

The carrying amounts and aggregate fair values of marketable and investment securities at March 31, 2008 and 2007 were as follows:

	Millions of Yen			
	2008			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as available-for-sale:				
Equity securities	**¥6,001**	**¥3,993**	**¥388**	**¥9,606**
Debt securities	**6,093**	**4**	**869**	**5,228**
Other	**749**		**288**	**461**

	Millions of Yen			
	2007			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as available-for-sale:				
Equity securities	¥5,682	¥7,732	¥195	¥13,219
Debt securities	5,709	23	209	5,523
Other	1,755		82	1,673

	Thousands of U.S. Dollars			
	2008			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as available-for-sale:				
Equity securities	**$60,010**	**$39,930**	**$3,880**	**$96,060**
Debt securities	**60,930**	**40**	**8,690**	**52,280**
Other	**7,490**		**2,880**	**4,610**

Available-for-sale securities whose fair value is not readily determinable as of March 31, 2008 and 2007 were as follows:

	Carrying Amount		
	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	**2008**
Available-for-sale:			
Equity securities	**¥1,293**	¥1,248	**$12,930**
Other		5	
Total	**¥1,293**	¥1,253	**$12,930**

Proceeds from sales of available-for-sale securities for the years ended March 31, 2008 and 2007 were ¥1,167 million ($11,670 thousand) and ¥731 million, respectively. Gross realized gains and losses on these sales, computed on the moving average cost basis, were ¥838 million ($8,380 thousand) and ¥0 million, respectively, for the year ended March 31, 2008 and ¥5 million and ¥1 million, respectively, for the year ended March 31, 2007.

The carrying values of debt securities by contractual maturities for securities classified as available-for-sale at March 31, 2008 are as follows:

	Millions of Yen	Thousands of U.S. Dollars
Due in one year or less	**¥3,612**	**$36,120**
Due after one year through five years	**847**	**8,470**
Due after five years through ten years	**300**	**3,000**
Due after ten years	**931**	**9,310**
Total	**¥5,690**	**$56,900**

As of March 31, 2008, the following assets were pledged as collateral to secure trade accounts of ¥38 million ($380 thousand):

	Millions of Yen	Thousands of U.S. Dollars
Equity securities	**¥106**	**$1,060**

3. SHORT-TERM BANK LOANS AND LONG-TERM DEBT

Short-term bank loans at March 31, 2008 and 2007 consisted of bank overdrafts, loans on deed and notes to banks. The average interest rates applicable to the short-term bank loans as of March 31, 2008 and 2007 were 3.8% and 2.8%, respectively.

Long-term debt as of March 31, 2008 and 2007 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	2008
2.1% unsecured bonds due 2007		¥ 5,000	
1.0% unsecured bonds due 2010	¥ 5,000	5,000	$ 50,000
1.4% unsecured bonds due 2012	5,000	5,000	50,000
1.8% unsecured bonds due 2014	10,000		100,000
Loans from banks, due through 2016 with interest rates ranging from 0.8% to 5.9% (2008) and from 0.8% to 4.4% (2007) —Unsecured	3,380	3,953	33,800
Total	23,380	18,953	233,800
Less current portion	(3,340)	(5,191)	(33,400)
Long-term debt, less current portion	¥20,040	¥13,762	$200,400

The aggregate annual maturities of long-term debt as of March 31, 2008 were as follows:

Year Ending March 31	Millions of Yen	Thousands of U.S. Dollars
2009	¥ 3,340	$ 33,400
2010	5	50
2011	5,035	50,350
2012		
2013	5,000	50,000
2014 and thereafter	10,000	100,000
Total	¥23,380	$233,800

4. INCOME TAXES

The Company and its domestic consolidated subsidiaries are subject to Japanese national and local income taxes, which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 40.6% for the years ended March 31, 2008 and 2007.

The tax effects of significant temporary differences and tax loss carryforwards, which resulted in deferred tax assets and liabilities at March 31, 2008 and 2007 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	2008
Deferred tax assets:			
Liability for retirement benefits	¥ 2,788	¥ 2,933	$ 27,880
Tax loss carryforwards	1,240	1,194	12,400
Accrued expenses	1,031	1,227	10,310
Unrealized profits on sales of fixed assets	105	137	1,050
Inventories	48	28	480
Impairment loss on long-lived assets	319	342	3,190
Other	1,188	742	11,880
Less valuation allowance	(2,030)	(1,951)	(20,300)
Total	4,689	4,652	46,890

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	**2008**
Deferred tax liabilities:			
Gain on securities transferred of the retirement benefit trust fund	**¥ 1,325**	¥ 1,325	**$ 13,250**
Property, plant and equipment	**4,889**	5,461	**48,890**
Unrealized gain on available-for-sale securities	**928**	2,934	**9,280**
Other	**1,604**	1,281	**16,040**
Total	**8,746**	11,001	**87,460**
Net deferred tax liabilities	**¥(4,057)**	¥ (6,349)	**$(40,570)**

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statements of income for the years ended March 31, 2008 and 2007 is as follows:

	2008	2007
Normal effective statutory tax rate	**40.6%**	40.6%
Expenses not deductible for income tax purposes	**6.8**	2.2
Per capita levy of corporate tax	**1.0**	0.5
Elimination of intercompany dividends	**6.3**	1.8
Amortization of goodwill	**7.0**	(4.5)
Difference from effective statutory tax rate of consolidated subsidiaries	**1.5**	0.4
Equity in earnings of associated companies	**(0.4)**	(0.5)
Temporary difference due to not unrecognized deferred taxes	**(3.6)**	(1.0)
Research and development expenses deductible for income taxes	**(1.7)**	(0.9)
Other—net	**(1.6)**	(3.1)
Actual effective tax rate	**55.9%**	35.5%

5. RELATED PARTY TRANSACTIONS

Transactions of the Company with affiliated companies for the years ended March 31, 2008 and 2007 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	**2008**
Sales	**¥59,030**	¥49,636	**$590,300**
Purchases	**78,660**	53,591	**786,600**

The balances due to or from these affiliated companies at March 31, 2008 and 2007 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	**2008**
Trade accounts receivable	**¥12,448**	¥11,613	**$124,480**
Trade accounts payable	**7,708**	7,274	**77,080**

6. RESEARCH AND DEVELOPMENT COSTS

Research and development costs charged to income were ¥2,254 million ($22,540 thousand) and ¥2,228 million for the years ended March 31, 2008 and 2007, respectively.

7. RETIREMENT AND PENSION PLANS

The Company and its domestic consolidated subsidiaries have severance payment plans for employees, directors and corporate auditors. The contributory funded defined benefit plan, which is established under the Japanese Welfare Pension Insurance Law, covers a substitutional portion of the governmental pension program managed by the Company on behalf of the government and a corporate portion established at the discretion of the Company. According to the enactment of the Defined Benefit Pension Plan Law in April 2002, the Company applied for an exemption from obligation to pay benefits for future employee services related to the substitutional portion which would result in the transfer of pension obligations and related assets to the government by another subsequent application, and also applied for transfer of the substitutional portion of past pension obligations to the government and obtained approval by the Ministry of Health, Labour and Welfare.

The Company thereafter transferred the substitutional portion of the pension obligations and related assets to the government on February 6, 2006 and recognized ¥79 million as other income for the difference between the balance of the retirement benefit liabilities brought forward and the amount actually transferred for the year ended March 31, 2006.

The liability (assets) for employees' retirement benefits at March 31, 2008 and 2007 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	**2008**
Projected benefit obligation	**¥ 18,358**	¥ 18,159	**$ 183,580**
Fair value of plan assets	**(14,211)**	(17,109)	**(142,110)**
Unrecognized prior service cost	**1,454**	1,578	**14,540**
Unrecognized actuarial loss	**(4,774)**	(1,227)	**(47,740)**
Unrecognized transitional obligation	**(40)**	(59)	**(400)**
Prepaid pension expense	**156**	90	**1,560**
Net liability	**¥ 943**	¥ 1,432	**$ 9,430**

The components of net periodic benefit costs for the years ended March 31, 2008 and 2007 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	**2008**
Service cost	**¥ 670**	¥ 776	**$ 6,700**
Interest cost	**358**	362	**3,580**
Expected return on plan assets	**(810)**	(919)	**(8,100)**
Amortization of prior service cost	**(124)**	(124)	**(1,240)**
Recognized actuarial loss	**185**	121	**1,850**
Amortization of transitional obligation	**20**	20	**200**
Payment of the retirement bonus		6	
Net periodic benefit costs	**¥ 299**	¥ 242	**$ 2,990**

Assumptions used for the years ended March 31, 2008 and 2007 are set forth as follows:

	2008	2007
Discount rate	**2.2%**	2.2%
Expected rate of return on plan assets	**4.9%**	5.2%
Amortization period of prior service cost	**14–17 years**	14–17 years
Recognition period of actuarial gain	**14–17 years**	14–17 years
Amortization period of transitional obligation:		
The Company and the other subsidiaries	**1 year**	1 year
One subsidiary (Settsu Oil Mills Co., Ltd.)	**10 years**	10 years

Retirement allowances for directors and corporate auditors are paid subject to approval of the shareholders.

The Group recorded a liability for its unfunded retirement allowance plan covering all of its directors and corporate auditors for the years ended March 31, 2008 and 2007 of ¥1,313 million ($13,130 thousand) and ¥1,148 million, respectively.

8. EQUITY

Since May 1, 2006, Japanese companies have been subject to the Corporate Law of Japan (the "Corporate Law"), which reformed and replaced the Commercial Code of Japan. The significant provisions in the Corporate Law that affect financial and accounting matters are summarized below:

a. Dividends—Under the Corporate Law, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders meeting. For companies that meet certain criteria such as; (1) having the Board of Directors, (2) having independent auditors, (3) having the Board of Corporate Auditors, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. The Company meets all the above criteria.

The Corporate Law permits companies to distribute dividends-in-kind (non-cash assets) to shareholders subject to a certain limitation and additional requirements.

Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Corporate Law provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

b. Increases/Decreases and Transfer of Common Stock, Reserve and Surplus—The Corporate Law requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Corporate Law, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Corporate Law also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

c. Treasury Stock and Treasury Stock Acquisition Rights—The Corporate Law also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by specific formula. Under the Corporate Law, stock acquisition rights, which were previously presented as a liability, are now presented as a separate component of equity. The Corporate Law also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

9. LEASES

The Group leases certain machinery, computer equipment and other assets.

Total lease payments under finance leases for the years ended March 31, 2008 and 2007 were ¥491 million ($4,910 thousand) and ¥542 million, respectively.

Pro forma information of leased property such as acquisition cost, accumulated depreciation, impairment loss, obligations under finance leases, depreciation expense and interest expense of finance leases that do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis for the years ended March 31, 2008 and 2007 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
Machinery and Equipment	**2008**	2007	**2008**
Acquisition cost	**¥ 2,250**	¥ 2,440	**$ 22,500**
Accumulated depreciation	**(1,306)**	(1,293)	**(13,060)**
Impairment loss	**(1)**	(3)	**(10)**
Net leased property	**¥ 943**	¥ 1,144	**$ 9,430**

Lease payments relating to finance leases:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	**2008**
Due within one year	**¥409**	¥ 445	**$4,090**
Due after one year	**534**	699	**5,340**
Total	**¥943**	¥1,144	**$9,430**

The amount of obligations under finance leases includes the imputed interest expense portion.

Depreciation expense, which is not reflected in the accompanying consolidated statements of income computed by the straight-line method, was ¥491 million ($4,910 thousand) and ¥542 million for the years ended March 31, 2008 and 2007, respectively.

The Group also leases certain machinery, equipment and other assets to customers.

Total lease receipts under finance leases for the years ended March 31, 2008 and 2007 were ¥1 million ($10 thousand) and ¥13 million, respectively.

Total lease receipts include interest revenue of ¥1 million ($1 thousand) and ¥2 million for the years ended March 31, 2008 and 2007, respectively.

Pro forma information on leased property such as obligations under finance leases that do not transfer ownership of leased property to the lessor on an "as if capitalized" basis for the years ended March 31, 2008 and 2007 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
Machinery and Equipment	**2008**	2007	**2008**
Acquisition cost		¥ 59	
Accumulated depreciation		(56)	
Net leased property		¥ 3	

Future lease income relating to finance leases:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2007	**2008**
Due within one year		¥ 1	
Due after one year			
Total		¥ 1	

The imputed interest expense portion, which is computed using the interest method, is excluded from the above obligations under finance leases.

Depreciation expense is ¥2 million ($21 thousand) and ¥2 million for the years ended March 31, 2008 and 2007, respectively.

10. COMMITMENTS AND CONTINGENT LIABILITIES

The Group was contingently liable at March 31, 2008, for guarantees of employee's housing loans, guarantees of assigned lease liability and associated companies' bank borrowings, totaling ¥623 million ($6,230 thousand), ¥0 million ($0 thousand) and ¥3 million ($30 thousand), respectively.

The Group executed a ¥27,875 million ($278,750 thousand) committed borrowing facility with a domestic banking group during the fiscal year ended March 31, 2008.

11. DERIVATIVES

The Group enters into foreign exchange forward contracts to hedge foreign exchange risk associated with certain assets and liabilities denominated in foreign currencies. Forward exchange contracted amounts which are assigned to associated assets and liabilities and are reflected on the consolidated balance sheet at year end are not subject to the disclosure of market value information.

The Group has purchased currency options, as a whole, to reduce the purchase price associated with foreign currency transactions. The Group enters into commodity futures in the normal course of business to determine the cost corresponding to the selling price, which is based on the forward delivery contract. The Group enters into interest rate swap agreements as a means of managing their interest rate exposure and profit or loss on redemption of bonds.

The Group also enters into agreements for certain derivative financial instruments as a part of their trading activities.

Derivatives are subject to market risk and credit risk. Market risk is the exposure created by potential volatility in market conditions, including interest and foreign exchange rates. Credit risk is the possibility that a loss may result from a counter party's failure to perform according to terms and conditions of the contract.

Derivative transactions entered into by the Group have been made in accordance with internal policies, which regulate limits of positions, and establishment of the opposite position to reduce risk. Derivative transactions in a loss position that exceed certain predetermined thresholds will be reversed. The execution of these transactions is reviewed by the internal audit department.

Foreign currency forward contracts which qualify for hedge accounting for the years ended March 31, 2008 and 2007 are excluded from the disclosure of market value information.

12. SUBSEQUENT EVENT

The following appropriation of retained earnings at March 31, 2008 was approved at the Company's shareholders meeting held on June 26, 2008:

	Millions of Yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥5.00 ($0.5) per share	¥862	$8,620

13. SEGMENT INFORMATION

The Group operates in the following segments:

Oils and meal consists of food products for home and food service use, as well as edible oils and fats for processed food manufacturers.

Healthy foods & soy protein consists of therapeutic foods, health foods and foods taken in liquid form.

Fine chemicals consist of cosmetics and toiletries, chemical products, middle chain fatty acids, lecithin and tocopherol (Vitamin E).

Other consists of real estate leasing, management and mediation services, pharmaceuticals, packaging services, customs-related business, warehousing, restaurant management, sports facility management, marine products, sales promotions, engineering, accident and liability insurance, computing-related services and garden supplies.

Information about industry segments and geographical segments of the Group for the years ended March 31, 2008 and 2007 is as follows:

(1) Industry Segments

a. Sales and Operating Income (Loss)

	Millions of Yen					
	2008					
	Oils and Meal	Healthy Foods & Soy Protein	Fine Chemicals	Other	Eliminations	Consolidated
Sales to customers	¥272,648	¥ 8,616	¥5,405	¥11,527		¥298,196
Intersegment sales	2,049	667	703	14,087	¥(17,506)	
Total sales	274,697	9,283	6,108	25,614	(17,506)	298,196
Operating expenses	271,174	10,062	5,682	24,662	(17,498)	294,082
Operating income (loss)	¥ 3,523	¥ (779)	¥ 426	¥ 952	¥ (8)	¥ 4,114

b. Total Assets, Depreciation and Capital Expenditures

	Millions of Yen					
	2008					
	Oils and Meal	Healthy Foods & Soy Protein	Fine Chemicals	Other	Eliminations/ Corporate	Consolidated
Total assets	¥177,338	¥6,260	¥5,533	¥13,166	¥3,527	¥205,824
Depreciation and amortization	5,305	160	162	505		6,132
Capital expenditures	2,618	223	31	142		3,014

a. Sales and Operating Income (Loss)

	Thousands of U.S. Dollars					
	2008					
	Oils and Meal	Healthy Foods & Soy Protein	Fine Chemicals	Other	Eliminations	Consolidated
Sales to customers	$2,726,480	$ 86,160	$54,050	$115,270		$2,981,960
Intersegment sales	20,490	6,670	7,030	140,870	$(175,060)	
Total sales	2,746,970	92,830	61,080	256,140	(175,060)	2,981,960
Operating expenses	2,711,740	100,620	56,820	246,620	(174,980)	2,940,820
Operating income (loss)	$ 35,230	$ (7,790)	$ 4,260	$ 9,520	$ (80)	$ 41,140

b. Total Assets, Depreciation and Capital Expenditures

	Thousands of U.S. Dollars					
	2008					
	Oils and Meal	Healthy Foods & Soy Protein	Fine Chemicals	Other	Eliminations/ Corporate	Consolidated
Total assets	$1,773,380	$62,600	$55,330	$131,660	$35,270	$2,058,240
Depreciation and amortization	53,050	1,600	1,620	5,050		61,320
Capital expenditures	26,180	2,230	310	1,420		30,140

a. Sales and Operating Income (Loss)

	Millions of Yen					
	2007					
	Oils and Meal	Healthy Foods	Fine Chemicals	Other	Eliminations	Consolidated
Sales to customers	¥216,334	¥8,571	¥4,878	¥11,885		¥241,668
Intersegment sales	1,886	702	637	14,215	¥(17,440)	
Total sales	218,220	9,273	5,515	26,100	(17,440)	241,668
Operating expenses	211,120	9,939	5,075	25,136	(17,437)	233,833
Operating income (loss)	¥ 7,100	¥ (666)	¥ 440	¥ 964	¥ (3)	¥ 7,835

b. Total Assets, Depreciation and Capital Expenditures

	Millions of Yen					
	2007					
	Oils and Meal	Healthy Foods	Fine Chemicals	Other	Eliminations/ Corporate	Consolidated
Total assets	¥163,288	¥5,235	¥5,725	¥14,218	¥7,542	¥196,008
Depreciation and amortization	5,253	180	128	606		6,167
Capital expenditures	2,862	1,302	274	176		4,614

(2) Geographical Segments

The geographical segments of the Company and its subsidiaries for the years ended March 31, 2008 and 2007 are summarized as follows:

	Millions of Yen			
	2008			
	Japan	Asia	Eliminations/ Corporate	Consolidated
Sales to customers	**¥225,293**	**¥72,903**		**¥298,196**
Interarea transfer	**638**	**3,597**	**¥(4,235)**	
Total sales	**225,931**	**76,500**	**(4,235)**	**298,196**
Operating expenses	**223,505**	**74,776**	**(4,199)**	**294,082**
Operating income	**¥ 2,426**	**¥ 1,724**	**¥ (36)**	**¥ 4,114**
Total assets	**¥174,028**	**¥34,424**	**¥(2,628)**	**¥205,824**

	Thousands of U.S. Dollars			
	2008			
	Japan	Asia	Eliminations/ Corporate	Consolidated
Sales to customers	**$2,252,930**	**$729,030**		**$2,981,960**
Interarea transfer	**6,380**	**35,970**	**$(42,350)**	
Total sales	**2,259,310**	**765,000**	**(42,350)**	**2,981,960**
Operating expenses	**2,235,050**	**747,760**	**(41,990)**	**2,940,820**
Operating income	**$ 24,260**	**$ 17,240**	**$ (360)**	**$ 41,140**
Total assets	**$1,740,280**	**$344,240**	**$(26,280)**	**$2,058,240**

	Millions of Yen			
	2007			
	Japan	Asia	Eliminations/ Corporate	Consolidated
Sales to customers	¥195,711	¥45,957		¥241,668
Interarea transfer	136	3,101	¥(3,237)	
Total sales	195,847	49,058	(3,237)	241,668
Operating expenses	190,053	47,002	(3,222)	233,833
Operating income	¥ 5,794	¥ 2,056	¥ (15)	¥ 7,835
Total assets	¥171,066	¥25,237	¥ (295)	¥196,008

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Nisshin OilliO Group, Ltd.:

We have audited the accompanying consolidated balance sheets of The Nisshin OilliO Group, Ltd. (the "Company") and consolidated subsidiaries as of March 31, 2008 and 2007, and the related consolidated statements of income, changes in equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Nisshin OilliO Group, Ltd. and consolidated subsidiaries as of March 31, 2008 and 2007, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1.a. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 26, 2008

Member of
Deloitte Touche Tohmatsu

CORPORATE DATA

Board of Directors and Corporate Auditors

President
Kazuo Ogome*

Executive Vice-Presidents
Shunji Takase*
Shuzo Yamada*

Senior Managing Directors
Fumio Imokawa*
Takao Imamura*
Tadashi Suzuki

Managing Directors
Yoshihito Tamura
Kenji Gokyu
Tsutomu Usui
Akira Seto

Directors
Takashi Fujii
Yoshiharu Ninomiya
Hidetoshi Ogami
Sadayuki Yoshida
Shoji Kayanoma
Mitsuo Minami
Takehiko Kakiuchi
Daisuke Okada

Standing Corporate Auditors
Shigeru Nakadai
Kyouji Nishizaki

Corporate Auditors
Kiyoshi Matsuo
Shuichiro Sekine

*Representative Director
(As of June 26, 2008)

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Date of Establishment
March 7, 1907

Paid-in Capital
¥16,332 million

Number of Shares of Common Stock Authorized
388,350,000 shares

Number of Shares of Common Stock Issued
173,339,287 shares

Number of Shareholders
17,859

Consolidated Subsidiaries
Settsu Oil Mills Co., Ltd.
Nisshin Shoji Co., Ltd.
Nisshin Logistics Co., Ltd.
NSP Co., Ltd.
Marketing Force Japan, Inc.
Nisshin Plant Engineering Co., Ltd.
The Golf Joy Co., Ltd.
Nisshin Science Co., Ltd.
Nisshin Marine Tech Co., Ltd.
Dalian Nisshin Oil Mills, Ltd.
Shanghai Nisshin Oil & Fats, Ltd.
Southern Nisshin Bio-Tech Sdn. Bhd.
The Nisshin OilliO (China) Investment Co., Ltd.
Intercontinental Specialty Fats Sdn. Bhd.
Nisshin Finance Co., Ltd.
Yamakiu Transport Co., Ltd.
Yoko Engineering Co., Ltd.
Mogi Tofu Co., Ltd.

Equity-method Affiliates
PIETRO Co., Ltd.
Wakou Shokuhin Co., Ltd.
Ten Corporation Co., Ltd.
Saiwai Shoji Co., Ltd.
Nisshin Shokai Co., Ltd.
Nikko Express Co., Ltd.
President Nisshin Corp.
Zhang Jia Gang President Nisshin Food Corp.

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