

The Nisshin OilliO Group, Ltd. and Consolidated Subsidiaries

Consolidated Statements of Income Years Ended March 31, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1.a)
	<u>2011</u>	<u>2010</u>	<u>2011</u>
NET SALES (Note 8)	¥305,298	¥301,299	\$3,678,289
COST OF SALES (Note 8)	<u>254,807</u>	<u>244,044</u>	<u>3,069,964</u>
Gross profit	50,491	57,255	608,325
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 5)	<u>43,525</u>	<u>46,820</u>	<u>524,397</u>
Operating income	<u>6,966</u>	<u>10,435</u>	<u>83,928</u>
OTHER INCOME (EXPENSES):			
Interest and dividend income	362	346	4,361
Interest expense	(1,150)	(1,030)	(13,855)
Gain on exchanges of securities of a subsidiary	372		4,482
Gain on liquidation of a subsidiary		4	
Gain on sales of investment securities		5	
Loss on sales of securities of a subsidiary	(17)		(205)
Loss on write-down of investment securities	(1,666)	(11)	(20,072)
Loss on write-down of an investment of a subsidiary		(80)	
Loss on write-down of securities of a subsidiary		(2)	
Loss on disposition of property, plant and equipment	(151)	(320)	(1,819)
Amortization of negative goodwill	9	22	108
Loss from a natural disaster (Note 13)	(1,301)		(15,675)
Loss on reorganization of business	(339)		(4,084)
Other—net (Note 8)	<u>2</u>	<u>510</u>	<u>24</u>
Other expenses—net	<u>(3,879)</u>	<u>(556)</u>	<u>(46,735)</u>
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	<u>3,087</u>	<u>9,879</u>	<u>37,193</u>
INCOME TAXES (Note 7):			
Current	965	3,603	11,627
Deferred	<u>(808)</u>	<u>137</u>	<u>(9,735)</u>
Total income taxes	<u>157</u>	<u>3,740</u>	<u>1,892</u>
NET INCOME BEFORE MINORITY INTERESTS	2,930		35,301
MINORITY INTERESTS IN NET INCOME	<u>807</u>	<u>1,035</u>	<u>9,723</u>
NET INCOME	<u>¥ 2,123</u>	<u>¥ 5,104</u>	<u>\$ 25,578</u>

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	Yen		U.S. Dollars
	<u>2011</u>	<u>2010</u>	<u>2011</u>
PER SHARE OF COMMON STOCK (Note 1.v):			
Net income	¥12.32	¥29.62	\$0.15
Cash dividends applicable to the year	10.00	10.00	0.12

See notes to consolidated financial statements.

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Consolidated Statement of Comprehensive Income Year Ended March 31, 2011

	<u>Millions of Yen</u>	<u>Thousands of U.S. Dollars (Note 1)</u>
	<u>2011</u>	<u>2011</u>
NET INCOME BEFORE MINORITY INTERESTS	<u>¥2,930</u>	<u>\$35,301</u>
OTHER COMPREHENSIVE INCOME (Note 14):		
Unrealized loss on available-for-sale securities	(358)	(4,313)
Deferred gain on derivatives under hedge accounting	2,675	32,229
Foreign currency translation adjustments	(551)	(6,639)
Share of other comprehensive income in associates	<u>(94)</u>	<u>(1,132)</u>
Total other comprehensive income	<u>1,672</u>	<u>20,145</u>
COMPREHENSIVE INCOME (Note 14)	<u>¥4,602</u>	<u>\$55,446</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Owners of the parent	¥3,406	\$41,036
Minority interests	1,196	14,410

See notes to consolidated financial statements.