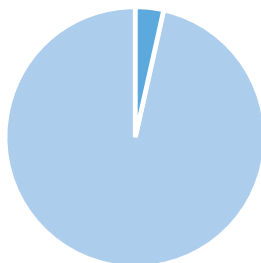


HEALTHY FOODS BUSINESS



Percentage of
Net Sales

3.5%

The Healthy Foods 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 general consumers, foods for the elderly, and therapeutic foods, this business is supporting people's health.



Caesar salad dressing, part of the Resetta lineup



Naruto-kintoki (sweet potato) flavor cookies, part of the Bearded PaPa series of healthy cookies



Mayodore (egg-free mayonnaise-type dressing)



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

PROFILE

The main products in this business segment are dressings and mayonnaise, authorized foods for specified health use (FOSHU) aimed at lifestyle-related diseases, therapeutic foods, soybean products, and functional health foods. In addition to using food retailing channels such as supermarkets, the Healthy Foods Business distributes these products through prescription pharmacies and drug stores, hospitals and nursing care facilities, as well as mail-order and web-based channels.

FISCAL 2006 OPERATING ENVIRONMENT AND RESULTS

In the food field, including dressings and mayonnaise, we continued to boost sales of products in the Dressing Diet line, such as *Resetta Dressing Sauces*, as well as *BOSCO Olive Dressing* and *Mayodore*, due to growing interest in healthy lifestyles. As a result, we achieved substantial growth in both sales volume and value.

In functional healthy foods, FOSHU, such as fiber-enriched green tea, *Kale Green Juice*, and *Marine Peptide*, as well as soymilk, recorded a robust performance. We also added *Healthy Sweet* items and boosted sales. Regarding nursing care and therapeutic foods, various products for the

elderly, including the *Toromi Up* range, which thickens liquids for people with difficulty swallowing, also maintained strong sales.

In fiscal 2005, we transferred the processed soybean products business from the Oils and Meal segment to the Healthy Foods Business, and as Mogi Tofu Co., Ltd. became a consolidated subsidiary from fiscal 2006, it contributed to an improvement in earnings.

FUTURE STRATEGY AND OUTLOOK FOR FISCAL 2007

During *GROWTH 10* Phase 1, we aim to establish a high-earnings structure in this core business through the proactive development of products targeted at the markets for foods for coping with lifestyle-related diseases, therapeutic foods, preventative healthcare foods, and foods for the elderly.

In fiscal 2007, the first year of the plan, we will strive to gain a foothold to ensure business expansion and build a solid business base aimed at achieving profitability on an operating income basis. We are targeting an increase of 18.6% to ¥11,000 million (including intersegment sales) in the Healthy Foods Business.