

# FOR THE NEXT STAGE OF GROWTH

## STEADY PROMOTION OF GROWTH STRATEGIES: INITIATIVES TO EXPAND THE PALM OIL BUSINESS

The Nisshin OilliO Group is working to both establish a stable revenue base and achieve future business growth. As part of these efforts, the Group is earnestly cultivating the palm oil business as a pillar of future growth. In fiscal 2008, initiatives to build up the base of the palm oil business included expanding domestic sales of palm oil-related products, maintaining stable earnings power through capital investment in Intercontinental Specialty Fats Sdn. Bhd. (ISF), and capital participation in Daito Cacao Co., Ltd. Going forward, Nisshin OilliO will continue to pursue business expansion, both in Japan and overseas.

## STRONG SALES OF NISSHIN VEGEFRUIT OIL



Nisshin VegeFruit Oil is a palm oil-based home-use edible oil. It has been praised for its special ability to retain a light crispness in fried foods even after they have been left sitting for some time, and sales have been growing steadily. Conventional palm fruit oil has characteristically solidified even at room temperature, making it difficult to use in home cooking. The Nisshin OilliO Group, however, has stepped to the forefront of the industry by using advanced fractionation technology to solve this problem of palm oil solidification at low temperatures. The result of our efforts is Nisshin VegeFruit Oil, which has received positive feedback from consumers. The Group is selling this product to the foodservice sector as well as the home-use sector, and hopes to achieve synergies by cross-promotion between volume-retailers' prepared-foods sales counters and home-use products.

## MAKING CAPITAL INVESTMENTS IN OILS AND FATS FOR CHOCOLATE

In order to respond to the growing global demand for palm oil, the Nisshin OilliO Group is planning focused capital investments in the palm oil business. In fiscal 2009, it plans to boost the production capacity of oils and fats for making chocolates at ISF. The company refines and sells palm oil, and manufactures specialty fats using proprietary oil and fat fractionation technologies. ISF has implemented various capital investments to maintain stable earnings, and will now expand business by enhancing production capacity with a view to increasing its share in the market for oils and fats for making chocolates.



The ISF company building

## EQUITY PARTICIPATION IN DAITO CACAO

In March 2009, Nisshin OilliO took an equity participation in Daito Cacao Co., Ltd. Daito Cacao is a well-established foodservice-use chocolate manufacturer with 85 years of history. The company primarily manufactures and sells chocolate ingredients, confectionary and bread ingredients, and other processed food products to commercial cake and confectionary manufacturers. This equity participation will bring together the oils and fats processing technology of the Nisshin OilliO Group, the fractionation technology of ISF, and the chocolate manufacturing technology of Daito Cacao with the goal of developing new palm-oil products and technologies, and maximizing synergies for business expansion both in Japan and overseas.

