

Launching the FY2014-FY2016 Medium-term Management Plan



President's Message



Armed with strong brand power and original technology, we aim to become a corporate group conducting the oils and fats and related businesses on a global scale.

To our shareholders and investors

The Nisshin OilliO Group is facing increasingly harsh conditions in the business environment in which it operates due to factors such as continuing high prices in grain markets and drawn-out deflation in Japan.

Amid this backdrop, we are implementing a three-year medium-term management plan for the period fiscal 2014–fiscal 2016. Armed with strong brand power and original technology, we aim to become a corporate group conducting the oils and fats and related businesses on a global scale. The Nisshin OilliO Group is involved in the Oils and Meals Business, Processed Oils and Fats Business, the Fine Chemicals Business, and the Healthy Foods Business.

In the domestic Oils and Fats Business, we plan to post steady earnings by expanding sales volume through ongoing product development and the assumption that we can achieve the appropriate selling price. In the Processed Oils and Fats Business, we aim to increase earnings, mainly through the promotion of our Asia strategy, and nurture this business into a key pillar in our business portfolio, alongside the domestic Oils and Fats Business.

We plan to utilize proprietary group technologies and strengths to expand the Fine Chemicals Business, the Healthy Foods Business, and the Medium-Chain Triglyceride (MCT) Business. The MCT Business is currently undergoing consolidation to integrate resources spread through the company. Consequently,

our ultimate goal is to build a sturdy, resilient earnings base for the Nisshin OilliO Group.

Furthermore, we aim to reduce costs by promoting the optimization of our production and distribution systems, which will allow us to flexibly respond to changes in the business environment.

We also plan to deploy a corporate brand strategy to maximize our corporate value and forge ahead with the fortification of our corporate governance, including the reinforcement of our compliance system and the creation and operation of an internal control system.

The Nisshin OilliO Group also aims to improve its corporate value by continuing to carry out key CSR initiatives, including the consistent delivery of safe and sound products and services, engagement in environmental preservation, and proper information disclosure.

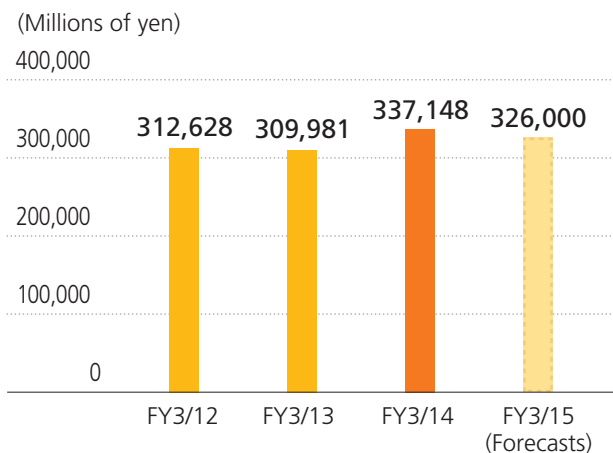
We will continue to work together as a company as a whole to answer the expectations of our stakeholders and ask for the continued support of our shareholders and investors.

June 2014

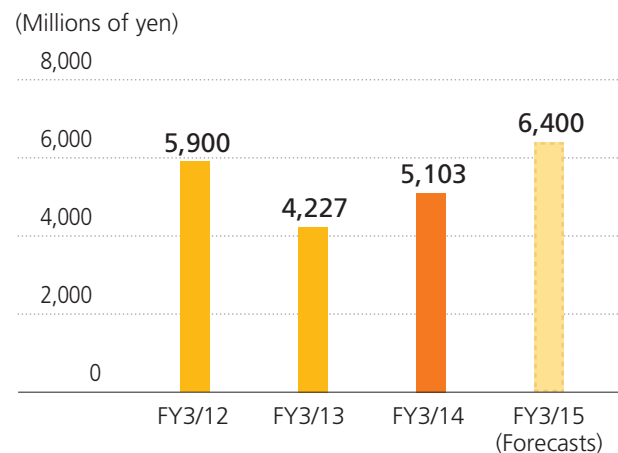
Takao Imamura
President and Representative Director

Consolidated Financial Highlights

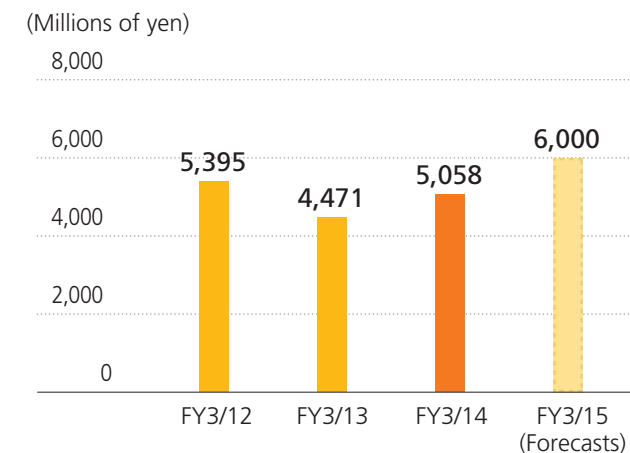
Net sales



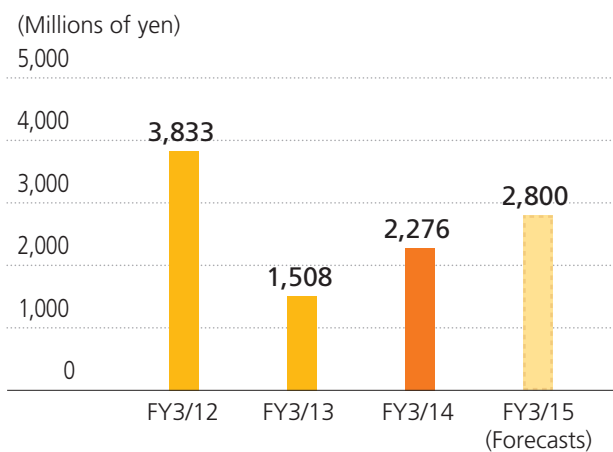
Operating income



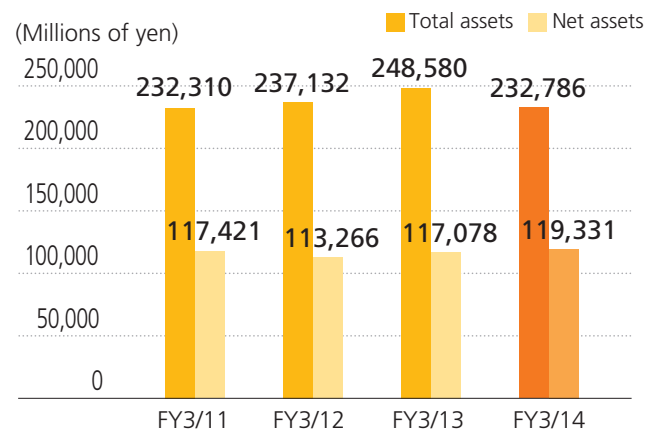
Ordinary income



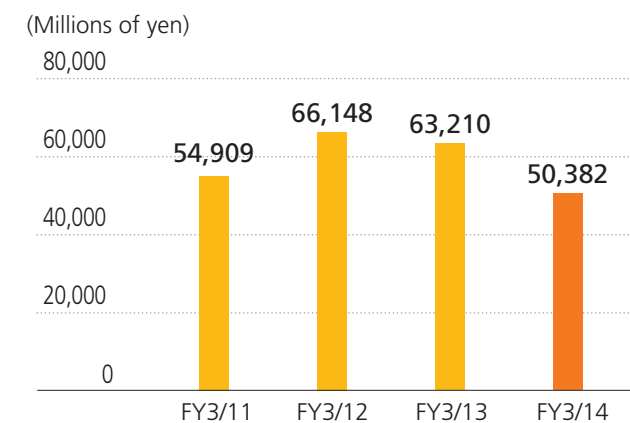
Net income



Total assets/Net assets



Interest-bearing debt



(Note) The monetary figures in this report have been rounded down to the nearest million.

Finalcial Results Summary

Summary of fiscal 2013 earnings results

Japan's economy continues to trend modestly towards recovery, as evidenced in part by an improvement in corporate sector earnings, mainly exporters, thanks to policies being adopted by the government and Bank of Japan. At the same time, grim factors are still present in the market, such as concerns of a recession due to concerns of a slowdown in emerging economies and the upheaval in the Ukraine, and sharply rising energy costs. Meanwhile, the business climate in the oils and meals industry remains bleak. This reflects several factors, such as overall high prices in the soy bean market, and rising raw material costs for soybean, rapeseed, and other oil seed products, which mainly reflects depreciation of the yen's value against major currencies in contrast with a year earlier.

Amid this market environment, we completed business structural reforms for realizing a stable earnings base and secure growth in the final year of our medium-term management plan, GROWTH 10 Phase II. In light of these measures, in the Oils and Meals Business we booked a rise in net sales year-on-year, owing to factors such as the formation of appropriate selling prices

commensurate with raw material costs, and proposal-based sales, mainly for product groups with a high value added. However, profit in this business undershot performance in the previous year.

Meanwhile, net sales and profits outperformed year on year in the domestic Processed Oils and Fats Business and at subsidiary Daito Cacao Co., Ltd. At Intercontinental Specialty Fats Sdn. Bhd. (ISF) in Malaysia, net sales denominated in local currency were down as selling prices were negatively impacted by the palm oil market. However, net sales and profits denominated in yen rose year-on-year owing to an increase in sales volume. In addition, we recorded a rise in net sales and profits in the Processed Oils and Fats Business, owing in part to a growth in sales volume, net sales, and profits at T.&C. Manufacturing Co., Pte. Ltd. (T.&C.) in Singapore.

Extrapolating from this performance, in fiscal 2013 we booked net sales of ¥337,148 million, a growth of 8.8% YoY, operating income of ¥5,103 million, a rise of 20.7%, ordinary income of ¥5,058 million, an increase of 13.1%, and net income of ¥2,276 million, an expansion of 50.9%.

Fiscal 2014 earnings forecasts

Our cost of goods is increasing considerably due in part to high raw material costs, ongoing yen depreciation, and rising energy costs. Meanwhile, although Japan's economy is expected to post modest growth, the environment in which we operate will continue to be harsh due to a deeply-rooted preference among consumers for low-priced daily goods. It is under these conditions we are launching our new medium-term management plan from fiscal 2014. Our goal is to build a solid earnings base, mainly by improving earnings in the group's core Oils and Fats Business.

In fiscal 2014, we estimate net sales of ¥326,000 million, a year-on-year decrease of 3.3%, operating income of ¥6,400 million, a rise of 25.4%, ordinary income of ¥6,000 million, an increase of 18.6%, and net income of ¥2,800 million, an expansion of 23.0%.

Net Sales

+8.8%

Operating Income

+20.7%

Ordinary Income

+13.1%

Net Income

+50.9%

Medium-Term Management Plan

The Nisshin Oillio Group has launched a medium-term management plan covering the three years from fiscal 2014 to fiscal 2016.

Our Desired Vision and Direction

**Armed with strong brand power and original technology,
we aim to become a corporate group conducting the oils and fats
and related businesses on a global scale.**

Basic Policy

**Centered on the improvement of earnings in our core oils and fats business,
we will build a solid earnings base for the future.**

Domestic oils and fats business —Achievement of stable earnings—

We will seek to achieve an ordinary income of ¥6 billion (including cost reductions) through continuous product development and the ensuring of a sales volume of 630,000 tons to expand gross profits and maintain stable earnings.

Processed oils and fats business —Steady expansion of earnings as second pillar after the domestic oils and fats business—

We will seek to achieve an ordinary income of ¥3 billion through expansion of the domestic processed oils and fats business, increase of the earnings of Intercontinental Specialty Fats Sdn. Bhd., and promotion of our Asian strategy.

Fine chemicals business, healthy foods business, medium-chain triglyceride business —Business expansion and growth—

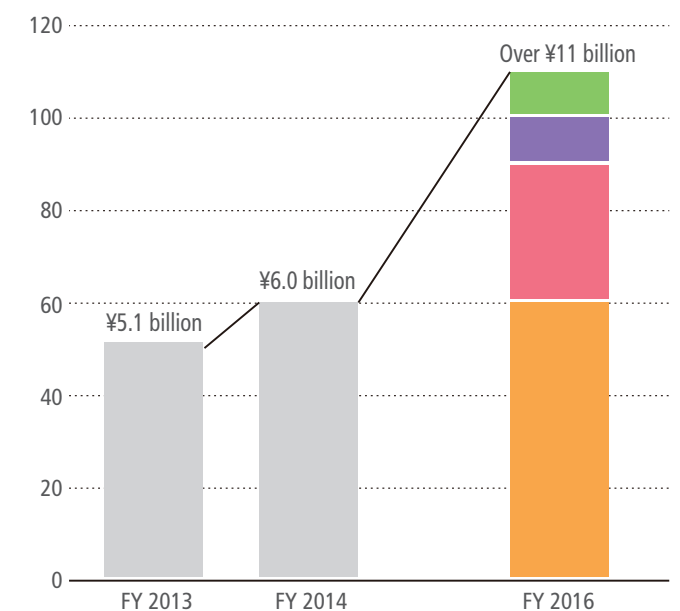
We will seek to expand and grow these businesses to solidify the Group's income base through business development utilizing our original technologies and strengths.

Production and distribution cost reforms —Cost reductions through implementation of production and distribution optimization plan—

We will seek to build a structure that reduces costs by ¥3 billion in fiscal 2015 compared with fiscal 2012 through enforcement of the production and distribution optimization plan for flexible response to the environment.

Numerical targets

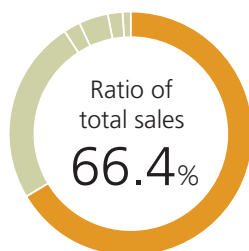
(¥100 million)



- Healthy foods business and other ¥1 billion
- Fine chemicals business ¥1 billion
- Processed oils and fats business ¥3 billion
- Domestic oils and fats business ¥6 billion (including cost reductions)

Operations Review (April 2013–March 2014)

Oils and Meals Business



Net sales
¥223,888 million
(8.2% YoY \uparrow)

Operating income
¥2,541 million
(26.1% YoY \uparrow)

Business segment profile

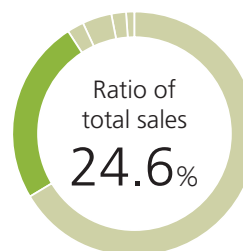
- Edible oils for household use ● Edible oils for commercial use
- Edible oils for food processing ● Oil meals, etc.



Key points

- Raw material costs rose sharply, due in part to depreciation in the yen's value.
- In the domestic Oils and Fats Business, sales volume and net sales increased owing to factors such as the formation of appropriate selling prices, and proposal-based sales mainly for product groups with a high value added, as well as impact from anticipatory demand for edible oils for household use prior to the consumption tax hike.
- Net sales of oil meals rose reflecting an increase in soy meals sales volume, and a rise in selling prices for soybean and rapeseed meals.
- Dalian Nisshin Oil Mills (China) continues to face a grim environment which is putting a strain on profit margins.

Processed Oils and Fats Business



Net sales
¥82,771 million
(10.5% YoY \uparrow)

Operating income
¥2,038 million
(151.7% YoY \uparrow)

Business segment profile

- Margarines ● Shortenings
- Processed oils and fats products ● Specialty fats, etc.

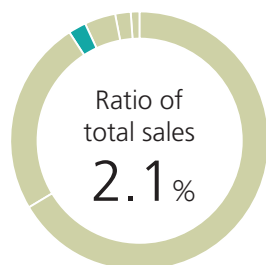


Key points

- In Japan, sales volume, net sales and profit rose owing to demand for shortenings and specialty fats.
- Subsidiary Daito Cacao Co., Ltd. booked an increase in sales volume, net sales, and profits owing to progress in developing new markets and solid sales in existing markets.
- ISF (Malaysia) posted an increase in sales volume and an increase in yen-denominated net sales and profits owing to brisk local sales and other contributing factors such as sales growth in Europe and the development of new markets.

Operations Review (April 2013–March 2014)

Healthy Foods Business



Net sales
¥7,241 million
(2.3% YoY↑)

Operating loss
¥25 million
(an improvement of
¥247 million YoY)

Business segment profile

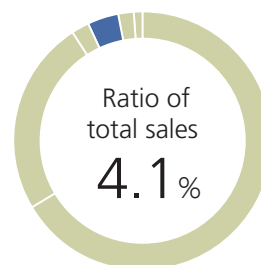
- Dressings and mayonnaise-type dressings
- Foods for preventing Lifestyle-Related Diseases
- Foods for the elderly and for those in Nursing care
- Foods for people receiving medical treatment, etc.



Key points

- Although sales volume increased, dressing net sales were down due to a review of rebates and sales cost structure.
- Sales volume and net sales for mayonnaise-type dressings products rose owing to brisk demand.
- Sales volume and net sales for foods for people receiving medical treatment and for the elderly and for those in nursing care rose owing to brisk demand and also due to contribution from an increase in mail-order sales.

Fine Chemicals Business



Net sales
¥13,724 million
(9.9% YoY↑)

Operating income
¥580 million
(45.3% YoY↑)

Business segment profile

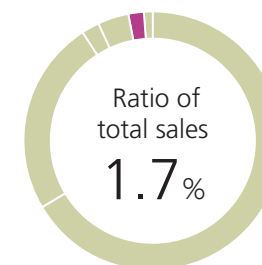
- Raw materials for cosmetics
- Food ingredients
- Medium-Chain Triglyceride (MCT)
- Chemical products, etc.



Key points

- Net sales of raw materials for cosmetics rose reflecting several factors, such as an increase in domestic sales for high-value-added products, an expansion in sales in Asia, including China, and a positive economic turnaround in the US.
- Sales volume and net sales of MCT increased owing to the development of new markets and a growth in sales to existing customers.
- Net sales and profits improved at Industrial Química Lasem, S.A.U. (IQL) reflecting expansion into new fields and an improvement in productivity.

Soy Foods and Materials Business



Net sales
¥5,788 million
(9.5% YoY↑)

Operating income
¥62 million
(39.5% YoY↑)

Business segment profile

- Soy protein
- Soy foods, etc.



Key points

- Soy protein sales were flat versus the previous year thanks in part to our ability to achieve an appropriate level for selling prices.
- Soy food sales volume and net sales also increased reflecting active sales performance on the back of tight supply-demand trends and the depreciation of the yen.

The others segment accounts for 1.1% of total sales.

Topics

Expansion in High Value-added Product Sales

In the Oils and Fats Business, we are pouring energies into the development and sales expansion of value-added products to generate stable earnings.

Demand is brisk for Nisshin Healthy Vege-Oil

—Fast selling Nisshin Healthy Vege-Oil won the Excellent Hit Product award.

In 2013, Nisshin Healthy Vege-Oil was given the Excellent Hit Product award by Japan Food Journal Co. Ltd.. Each year they select and recognize a hit product in the food industry.



Nisshin Healthy Vege-Oil

This oil is made from vegetables (rapeseed, palm, corn).

It works well with all kinds of ingredients and it gives food a nice light taste and crisp texture every time, right out of the frying pan, and even hours later after cooking. Healthy Vege-Oil is rich in vitamin E, an antioxidant, and contains zero cholesterol. It is a healthy oil that is good for the body.



BOSCO Premium Extra Virgin Olive Oil was newly launched

—This high quality olive oil is one rank above conventional products.



BOSCO Premium Extra Virgin Olive Oil was newly added to its lineup along with BOSCO Extra Virgin Olive Oil and BOSCO Olive Oil. This olive oil only uses carefully selected olives from southern Italy and comes from the first pressing. It is recognized by the Italian Association of Quality, which maintains strict quality standards, including low acidity. BOSCO Premium Extra Virgin Olive Oil was Newly Launched. This special BOSCO olive oil is fresh with a heady fragrance and has a spicy flavor that is almost like herbs.



Bosco Premium Extra Virgin Olive Oil 500 ml bottle



BOSCO Extra Virgin Olive Oil



BOSCO Olive Oil



BOSCO Premium Extra Virgin Olive Oil

According to our recent survey, 80% of people in Japan are careful about what and how much they eat. With the steady rise in health conscious eating in recent years, olive oil was ranked No. 4 of "food being consciously chosen for health" in the survey. When the survey was conducted eight years ago, olive oil did not even rank among the top 10.

CSR

"Shokuiku" (food education) Initiatives

We are conveying the importance of a well-balanced dietary lifestyle and the "Joy of Food" using various tools and through different events.



Parents and children pick vegetables together and use them to prepare a meal.



Pamphlet with information on vegetable oils

Topic examples

- Do you know why vegetable oil is good for you?
- When consumed wisely, vegetable oil helps keep you healthy and looking great!
- Getting lots of vitamins from vegetable oil
- Tips for making delicious fried foods

Acquisition of RSPO Supply Chain Certification

We became a member of RSPO (Roundtable on Sustainable Palm Oil) in 2012 to contribute to the healthy development of the palm oil industry. In March 2014, our Yokohama Isogo and Sakai Plants acquired RSPO Supply Chain Certification*.



* The RSPO Supply Chain Certification is a seal of approval for accredited manufacturing processing, and distribution processes. This system describes requirements for certification of RSPO certified palm, palm derivatives and palm products along each step of the supply chain.

World Cocoa Foundation Member

Daito Cacao Co., Ltd., a subsidiary of the Nisshin OilliO Group, became a member of the World Cocoa Foundation (WCF)* in October 2013. It is the first domestic manufacturer specializing in industrial-use chocolate to become a WCF member. In addition to tackling the issues faced by the global cocoa industry, we also aim to support and contribute to the sustainability of cocoa.



* The World Cocoa Foundation (WCF) is an international organization that consists of more than 100 member companies committed to creating a sustainable cocoa economy.

Corporate Data (As of March 31, 2014)

● Corporate Data

Company Name	The Nisshin OilliO Group, Ltd.
Head Office	1-23-1 Shinkawa, Chuo-ku Tokyo 104-8285, Japan
Telephone Number (Main)	+81-3-3206-5005
Date of Establishment	March 7, 1907
Paid-in Capital	¥16,332,128,633
Number of Employees	2,660 (Consolidated)

● Major Business Sites

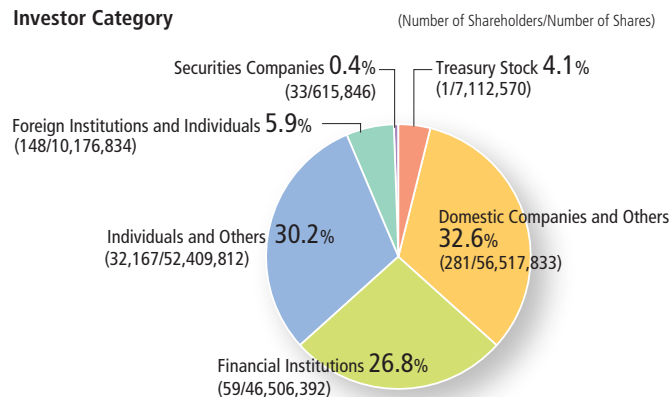
Sapporo Office, Sendai Office, Kanto Shin-etsu Office, Tokyo Office, Nagoya Office, Osaka Office, Hiroshima Office, Fukuoka Office, Yokosuka Administration Dept. (Central Research Laboratory), Yokohama Isogo Plant, Nagoya Plant, Sakai Plant and Mizushima Plant



Yokohama Isogo Plant

● Breakdown of Shareholders

Investor Category



● Stock Information

Number of Shares of Common Stock	Authorized: 388,350,000 shares Issued: 173,339,287 shares (including treasury stock)
Number of Shareholders	32,689

● Consolidated Subsidiaries

Japanese Subsidiaries (11 companies)

Settsu Oil Mill, Inc.
Nisshin Trading Co., Ltd.
Nisshin Logistics Co., Ltd.
NSP Co., Ltd.
Daito Cacao Co., Ltd.
Nisshin Shokai Co., Ltd.
Marketing Force Japan Inc.
Nisshin Finance Co., Ltd.
The Golf Joy Co., Ltd.
Mogi Tofu Co., Ltd.
Yamakiu Transport Co., Ltd.

Overseas Subsidiaries (5 companies)

Shanghai Nisshin Oil & Fats, Ltd.
The Nisshin OilliO (China) Investment Co., Ltd.
Intercontinental Specialty Fats Sdn. Bhd.
Industrial Quimica Lasem, S.A.U.
T.&C. Manufacturing Co., Pte. Ltd.



● Principal Shareholders

Shareholders	Shareholdings (thousands)	Percentage of total shares issued (%)
Marubeni Corporation	26,001	15.00
Mitsubishi Corporation	16,329	9.42
Japan Trustee Services Bank, Ltd. (Trust Account)	6,131	3.54
Sompo Japan Insurance Inc.	6,036	3.48
Aioi Nissay Dowa Insurance Co., Ltd.	4,783	2.76
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,397	1.96
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,313	1.91
Japan Trustee Services Bank, Ltd. (Trust Account No.4)	2,897	1.67
Kikkoman Corporation	2,351	1.36
Taisei Corporation	2,310	1.33

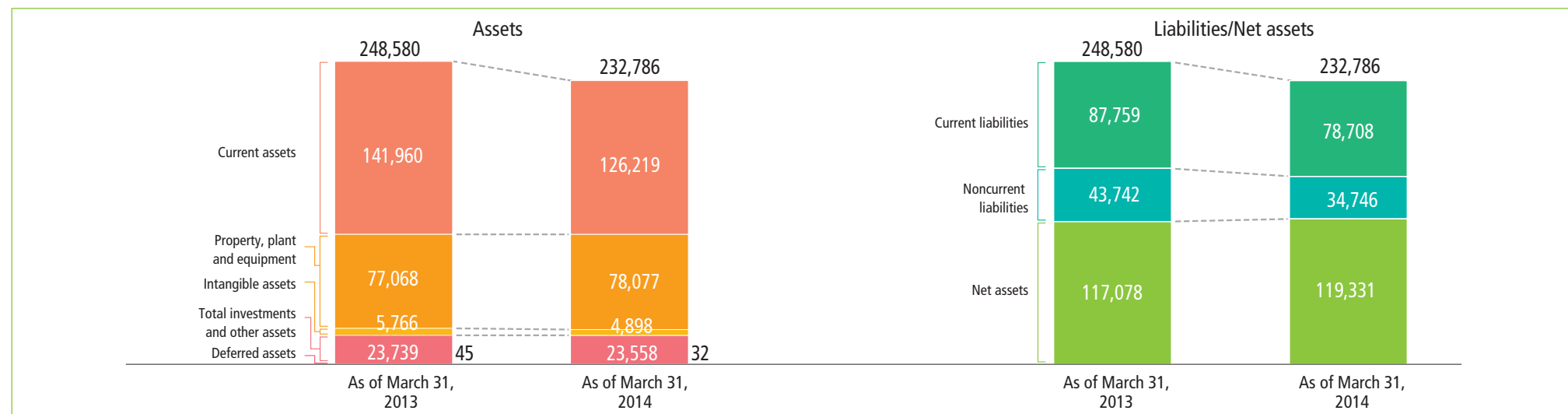
Note 1. In addition to the above, the Company has 7,112,570 shares of treasury stock.
2. The percentage of total shares issued is the ratio of total shares outstanding, including treasury stock.

Consolidated Financial Data at a Glance

Consolidated Financial Statements

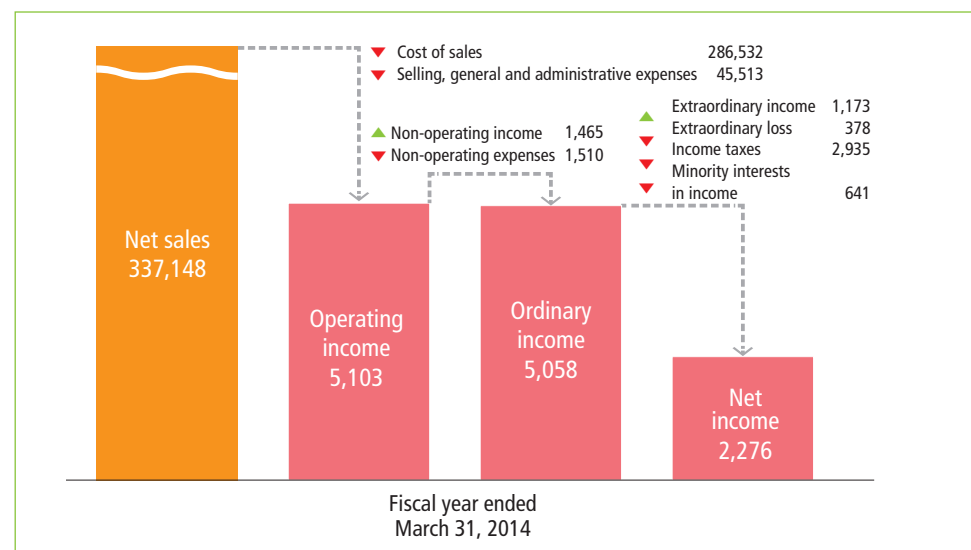
Consolidated balance sheets

(Millions of yen)



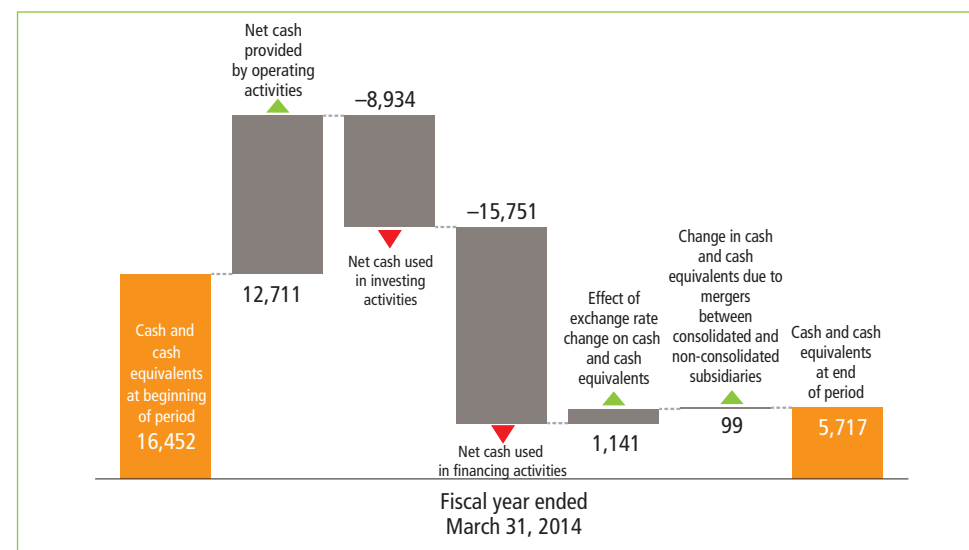
Consolidated statements of income

(Millions of yen)



Consolidated statements of cash flows

(Millions of yen)



Consolidated Financial Statements

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
Assets		
Current assets	141,960	126,219
Noncurrent assets	106,574	106,535
Property, plant and equipment	77,068	78,077
Intangible assets	5,766	4,898
Investments and other assets	23,739	23,558
Deferred assets	45	32
Total assets	248,580	232,786
Liabilities		
Current liabilities	87,759	78,708
Noncurrent liabilities	43,742	34,746
Total liabilities	131,502	113,455
Net assets		
Shareholders' equity	107,751	108,416
Capital stock	16,332	16,332
Capital surplus	26,072	26,072
Retained earnings	68,130	68,799
Treasury stock	-2,783	-2,787
Accumulated other comprehensive income	2,659	3,620
Valuation difference on available-for-sale securities	2,941	3,401
Deferred gains or losses on hedges	-381	-304
Foreign currency translation adjustment	99	3,192
Remeasurements of defined benefit plans	—	-2,669
Minority interests	6,667	7,295
Total net assets	117,078	119,331
Total liabilities and net assets	248,580	232,786

Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Net sales	309,981	337,148
Cost of sales	260,643	286,532
Gross profit	49,337	50,616
Selling, general and administrative expenses	45,110	45,513
Operating income	4,227	5,103
Non-operating income	1,791	1,465
Non-operating expenses	1,546	1,510
Ordinary income	4,471	5,058
Extraordinary income	246	1,173
Extraordinary loss	197	378
Income before income taxes and minority interests	4,520	5,853
Total income taxes	2,419	2,935
Income before minority interests	2,101	2,917
Minority interests in income	593	641
Net income	1,508	2,276

One-point summary

Consolidated balance sheet

- Assets: Total assets shrank ¥15,793 million due in part to a decrease in cash and deposits, inventory assets, and short-term loans receivable (repurchase).
- Liabilities: Total liabilities declined ¥18,047 million. Although we posted liabilities for retirement benefits reflecting a change in accounting rules, we saw a decline in notes and accounts payable and interest-bearing debt.

Consolidated statements of income

- In contrast with the previous fiscal year, fiscal 2013 net sales rose 8.8%, operating income climbed 20.7%, and ordinary income increased 13.1%.

Consolidated statements of cash flows

- Net cash provided by operating activities increased ¥12,711 million. This reflects positive factors such as income before income taxes and minority interests, and a decline in depreciation and amortization and inventories, and negative factors such as a decrease in notes and accounts payable. Meanwhile, net cash used in investing activities decreased ¥8,934 million due to the acquisition of property, plant, and equipment, and net cash used in financing activities decreased ¥15,751 million due to the repayment of long-term loans payable and redemption of corporate bonds.