Translation

May 10, 2011

Consolidated Financial Results for the Fiscal Year Ended March 31, 2011

Name of the Listed Company:	**The Nisshin OilliO Group, Ltd.**
Listing:	Tokyo Stock Exchange and Osaka Securities Exchange
Stock code:	2602
URL:	http://www.nisshin-oillio.com
Representative:	Kazuo Ogome, President
Inquiries:	Takeshi Ootara, Officer General Manager, Financial Dept. TEL: +81-3-3206-5670 (from overseas)

Scheduled date of Ordinary General Meeting of Shareholders: June 28, 2011
Scheduled date to commence dividend payments: June 29, 2011
Scheduled date to file Securities Report: June 28, 2011
Supplementary explanatory materials prepared: Yes
Explanatory meeting: Yes (For analysts and institutional investors)

(Millions of yen with fractional amounts discarded, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2011	305,297	1.3	6,966	(33.2)	6,308	(38.8)	2,122	(58.4)
March 31, 2010	301,299	(10.8)	10,435	26.2	10,302	28.1	5,104	66.5

Note: Comprehensive income
Fiscal year ended March 31, 2011: ¥4,601 million (-49.9%)
Fiscal year ended March 31, 2010: ¥9,184 million (-%)

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2011	12.32	–	2.0	2.8	2.3
March 31, 2010	29.62	–	4.9	4.7	3.5

Reference: Equity in earnings of affiliates:
Fiscal year ended March 31, 2011: ¥134 million Fiscal year ended March 31, 2010: ¥151 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2011	232,310	117,421	46.9	632.46
March 31, 2010	222,357	114,815	48.3	623.10

Reference: Equity:
As of March 31, 2011: ¥108,912 million As of March 31, 2010: ¥107,336 million

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2011	(1,292)	(5,085)	508	15,992
March 31, 2010	11,458	(12,193)	(3,135)	22,665

2. Cash dividends

	Cash dividends per share					Total amount of dividends (annual)	Payout ratio (consolidated)	Dividends on net assets (consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2010	–	5.00	–	5.00	10.00	1,723	33.8	1.7
Fiscal year ended March 31, 2011	–	5.00	–	5.00	10.00	1,722	81.1	1.6
Fiscal year ending March 31, 2012 (Forecasts)	–	5.00	–	5.00	10.00		50.6	

Note: “Payout ratio (consolidated)” above does not include the impact of the May 10, 2011 announcement concerning the repurchase of the Company’s own shares.

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2012 (from April 1, 2011 to March 31, 2012)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2011	164,000	9.8	2,600	(34.6)	2,000	(43.5)	700	(56.3)	4.06
Fiscal year ending March 31, 2012	343,000	12.3	8,000	14.8	7,000	11.0	3,400	60.2	19.74

Note: “Net income per share” above does not include the impact of the May 10, 2011 announcement concerning the repurchase of the Company’s own shares.

4. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

New: - Excluded: -

(2) Changes in accounting policies, procedures, and methods of presentation for preparing the consolidated financial statements

a. Changes due to revisions to accounting standards and other regulations: Yes

b. Changes due to other reasons: Yes

(3) Number of issued shares (common stock)

a. Total number of issued shares at the end of the period (including treasury stock)

As of March 31, 2011 173,339,287 shares

As of March 31, 2010 173,339,287 shares

b. Number of treasury shares at the end of the period

As of March 31, 2011 1,135,118 shares

As of March 31, 2010 1,075,971 shares

c. Average number of shares during the period

As of March 31, 2011 172,233,728 shares

As of March 31, 2010 172,304,331 shares

(Reference) Summary of non-consolidated results

1. Non-consolidated financial results for the fiscal year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2011	175,714	(5.1)	4,388	(34.0)	4,688	(34.3)	2,029	(43.5)
March 31, 2010	185,071	(17.0)	6,650	(4.6)	7,138	2.8	3,591	25.2

	Net income per share	Diluted net income per share
Fiscal year ended	Yen	Yen
March 31, 2011	11.78	–
March 31, 2010	20.84	–

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2011	158,956	92,795	58.4	538.67
March 31, 2010	166,910	92,999	55.7	539.73

Reference: Equity:
As of March 31, 2011: ¥92,795 million As of March 31, 2010: ¥92,999 million

2. Non-consolidated earnings forecasts for the fiscal year ending March 31, 2012 (from April 1, 2011 to March 31, 2012)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2011	95,000	7.7	700	(72.3)	1,000	(67.1)	600	(68.8)	3.48
Fiscal year ending March 31, 2012	195,000	11.0	2,800	(36.2)	3,000	(36.0)	1,500	(26.1)	8.71

Note: "Net income per share" above does not include the impact of the May 10, 2011 announcement concerning the repurchase of the Company's own shares.

* Disclosure of status of review procedure

This report falls outside the scope of quarterly review procedures as laid out in the Financial Instruments and Exchange Act. As of the time of the release of this report, the review of the financial statements, etc., outlined in the Act had not yet concluded.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors.

The Company plans to hold an explanatory meeting for analysts and institutional investors as below.
The Company plans to make available the presentation materials for this explanatory meeting on its website soon after the meeting.
May 16, 2011 (Monday) Explanatory meeting for analysts and institutional investors

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1. Results of Operations

(1) Analysis of operating results

1) Operating results for the fiscal year ended March 31, 2011

During the fiscal year under review, the Japanese economy treaded water. Signs of improvement in corporate earnings and capital investment were negated by persistent deflation and a harsh employment environment, along with weakening exports as overseas economies slowed and the yen appreciated. It was against this backdrop that the Great East Japan Earthquake struck in March 2011, leading to a sharp downturn in economic activity through to the end of the fiscal year. The future of the Fukushima nuclear plant also remains unclear, and may influence the economy further going forward.

In the oils and meal industry, market prices for grain remained high despite the yen remaining relatively strong throughout the year. Prices were supported by strong global demand for food and rose even higher in the second half of the year because of bad weather in grain-producing countries and the inflow of speculative money. Although there was some corrective movement in prices during the second half of the fiscal year, the impact of rising raw materials costs continued to outstrip that of the yen's appreciation. Moreover, the operating environment for the Nisshin OilliO Group remained harsh, with the value of oil in international markets continuing to rise on solid demand for vegetable oils, while deflation in Japan made it difficult to raise sale prices.

In this environment, the Nisshin OilliO Group, during the final year of its medium-term management plan "*GROWTH 10 Phase I*," part of "*GROWTH 10—Generating new value by harnessing the natural power of plants*," made a concerted effort to cut costs throughout the entire Group. It also worked to achieve appropriate selling prices in line with raw material costs and to strengthen sales of high-value-added products grounded on technology. However, consumers in Japan showed a deeply rooted preference for lower-priced products, and sales price rises in line with costs proved to be harder to achieve than initially thought.

Net sales increased 1.3% from the previous fiscal year to ¥305,297 million. However, due in part to the impact of the Great East Japan Earthquake, operating income decreased 33.2% to ¥6,966 million and ordinary income decreased 38.8% to ¥6,308 million. Net income also dropped by 58.4% compared with the previous fiscal year to ¥2,122 million, partly because of a valuation loss on securities held by the Company in line with a slump in the stock market, and also due to extraordinary losses including losses related to the natural disaster.

Review of operations by business segment

[Oils and Meal Business]

(Domestic business)

In the domestic market for home-use edible oils, the Group focused on continuing efforts to expand sales of high-value-added products, including *Nisshin Healthy Resetta* and *Nisshin Healthy Choleste*. As a result, the Group achieved sales volumes that were mostly the same as the previous year. The Group also made efforts to achieve appropriate selling prices, but found that the tough consumer environment made price revisions more difficult than initially thought, so sales prices were lower year on year. In March 2011, the Group also introduced new products such as *Nisshin Karadani Daizu Yasashii Oil,* and *Nisshin Olive & Grape Seed Oil,* as part of efforts to strengthen its lineup of high-value-added products and to stimulate demand for edible oils and invigorate the market.

Gift packages faced a tough business environment since the overall gift market contracted as a result of the prolonged slump in consumption. Sales volume and selling prices were roughly the same as the previous fiscal year.

In edible oils for food services, although sales volumes increased, particularly for premium oil and other high-value-added products, the increase was offset by a decline in general-use products following the earthquake. Accordingly, overall sales volumes were flat year on year. Meanwhile, a strong effort to achieve appropriate prices resulted in steady price revisions through the second half of the fiscal year, but amid a tough consumer environment, the revisions did not penetrate the market as expected.

In edible oils for processed food manufacturers, sales volumes decreased year on year as a result of persistent weakness in the economy, competition in Japan and overseas, and the Company's focus on price revisions. Meanwhile, selling prices increased only slightly in the first half of the fiscal year, but rose steadily in the second.

In processed oils and fats, although sales volume grew steadily, notably in oils and fats for chocolate, selling prices fell slightly year on year due to a higher proportion of low-priced products in the sales mix.

In soybean meal and rapeseed meal, sales volume fell year on year as a decrease in soybean oil demand outweighed an increase in demand for rapeseed oil amid an ongoing shift in edible oil demand from soybean oil to rapeseed and palm oil. Selling prices were also lower year on year despite a rise in the cost of raw materials, as the yen continued to appreciate and global meal value continued to fall.

(Overseas business)

Dalian Nisshin Oil Mills, Ltd. secured earnings by expanding sales to Japan, despite soft domestic markets in China during the first half of the fiscal year. The company recorded significantly higher earnings in the second half compared to the first half due to efforts to improve profitability, and as a result profits finished higher year on year.

Intercontinental Specialty Fats Sdn. Bhd. managed to increase its sales volume and net sales year on year due to the benefits of capital expenditures and strong exports. Profit was lower, however, due to a time lag in the impact of changes in the prices of palm oil.

The above factors resulted in Oils and Meal segment net sales of ¥280,324 million, up 1.5% from the previous fiscal year, and operating income of ¥5,274 million, down 42.3% year on year.

[Healthy Foods & Soy Protein Business]

In foods for coping with lifestyle-related diseases, authorized foods for specified health use, particularly fiber-enriched green tea, enjoyed strong store sales.

In nursing care foods, the *Toromi Up* and *Toromi Perfect* range for people with difficulty swallowing fared well, particularly large-quantity types. Also, sales of the nutrient fortified *Procure* range for the elderly grew.

Dressings and mayonnaise-type dressings recorded a year-on-year decrease in both sales volume and net sales as a result of higher vegetable prices caused by a very hot summer last year, and the impact of the Great East Japan Earthquake in March. Products catering to health-related needs sold well, however, notably *Healthy Resetta Dressing Sauces*, *Dressing Diet* and *Mayodore*.

In soy protein products, sales volume and net sales both increased year on year despite continued consumer preference for lower priced products. This was the result of achieving appropriate selling prices in line with ram material and other costs, and a combined effort in production, sales and technical support to develop the business.

The Healthy Foods & Soy Protein segment recorded a 3.2% year-on-year decrease in net sales to ¥9,376 million, due in part to a change in sales format for products sold by mail-order. However, the segment also reduced its operating loss by ¥253 million year on year to ¥287 million.

[Fine Chemicals Business]

In raw materials for cosmetics, both sales volume and net sales increased year on year. This was a result of steady exports to Europe, the U.S. and Asia following aggressive sales activities targeting overseas users to expand sales channels.

In chemical products, the Company secured sales volumes in line with the previous fiscal year, but net sales fell as the ratio of low-priced products in the sales mix increased.

In medium-chain triglycerides, both sales volume and net sales increased as last year’s unusually hot summer set exports to Asia on a recovery trend, breaking a slump from the previous year.

As a result of the above, Fine Chemicals segment net sales increased 2.1% year on year to ¥5,864 million and operating income jumped 158.2% to ¥428 million.

[Other Business]

Net sales for the Other Business, which includes consolidated subsidiaries in the information systems business and engineering business, decreased 0.6% year on year to ¥9,732 million. Operating income for this segment decreased 7.9% to ¥1,551 million.

[Overseas sales]

Net sales to China, Malaysia and other parts of Asia increased 9.4% year on year to ¥54,361 million due to fluctuation in international prices for primary raw materials. Also, net sales to Europe, the U.S. and other regions rose 15.0% year on year to ¥24,832 million.

2) Earnings forecasts for the fiscal year ending March 31, 2012

Prices for primary raw materials continue to move in a high range due to global growth in demand for grain and inflows of speculative money. Meanwhile, the gradual recovery that had been evident in Japan has been beaten back by continued population aging, stronger consumer preference for lower priced products, and the impact of the Great East Japan Earthquake. The business environment of the Nisshin OilliO Group is therefore extremely difficult. Given this environment, the Group projects consolidated net sales of ¥343,000 million, operating income of ¥8,000 million, ordinary income of ¥7,000 million and net income of ¥3,400 million for the fiscal year ending March 31, 2012.

In the fiscal year ending March 31, 2012, the first year of its medium-term management plan, “*GROWTH 10 Phase II*,” the Nisshin OilliO Group will make a group-wide effort to achieve its targets by reducing costs in all areas while striving to achieve appropriate selling prices in line with raw material costs and strengthening sales of high-value-added products grounded on technology.

(2) Analysis of financial position

1) Assets, liabilities and net assets

Total assets at the end of the fiscal year under review were ¥232,310 million, an increase of ¥9,953 million compared to the end of the previous fiscal year. This was mainly due to an increase of ¥11,162 million in notes and accounts receivable – trade and an increase of ¥5,994 million in inventories.

Total liabilities amounted to ¥114,889 million, a ¥7,347 million increase from the end of the previous fiscal year. This was mainly attributable to increases of ¥7,949 million in notes and accounts payable – trade and ¥10,315 million in short-term loans payable. On the other hand, liabilities were reduced by a decrease of ¥5,010 million in bonds payable and ¥1,201 million in long-term loans payable.

Net assets amounted to ¥117,421 million, representing a year-on-year increase of ¥2,606 million. This was attributable mainly to an increase in other comprehensive income.

2) Cash flows

Cash and cash equivalents (hereafter, “funds”) as of March 31, 2011, totaled ¥15,992 million, a decrease of ¥6,673 million compared to the end of the previous fiscal year.

[Net cash used in operating activities]

Operating activities used net cash of ¥1,292 million. The main contributors to cash were ¥3,087 million in income before income taxes and minority interests, ¥6,267 million from depreciation and amortization and ¥7,075 million from an increase in notes and accounts payable – trade. The main components of cash used were ¥9,269 million for an increase in notes and accounts receivable – trade and ¥5,489 million for an increase in inventories.

[Net cash used in investing activities]

Investing activities used net cash of ¥5,085 million. The main use of cash was ¥4,849 million for the purchase of property, plant and equipment.

[Net cash provided by financing activities]

Financing activities provided net cash of ¥508 million. This mainly reflected ¥1,723 million used for cash dividends paid, ¥2,074 million for repayment of long-term loans payable, ¥5,220 million for redemption of bonds, and ¥10,068 million from net increase in short-term loans payable.

(Reference)

Trends in cash flow indicators are as shown below:

	Fiscal year ended March 31, 2007	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Equity ratio (%)	55.0	50.7	46.6	48.3	46.9
Market value equity ratio (%)	65.9	32.4	33.8	35.1	29.1
Interest-bearing debt to cash flow ratio (Years)	3.6	–	1.9	4.5	–
Interest coverage ratio (Times)	14.6	–	32.6	11.0	–

Notes: Equity ratio: equity / total assets
Market value equity ratio: market capitalization / total assets
Interest-bearing debt to cash flow ratio: interest-bearing debt / cash flow
Interest coverage ratio: cash flow / paid interest

1. All indicators are calculated using consolidated-based financial figures.
2. Market capitalization is calculated by multiplying the closing share price by the number of issued shares as of the end of the fiscal year (excluding treasury stock) by the share price on the last day of the fiscal year.
3. The figure used for cash flow is "net cash provided by operating activities" on the consolidated statements of cash flows. Interest-bearing debt includes all liabilities recorded on the consolidated balance sheets on which interest was paid. Furthermore, regarding the paid interest, we use "interest expenses paid" recorded on the consolidated statements of cash flows.

(3) Basic policy on profit distribution and dividends for the fiscal year under review and the next fiscal year

The Company regards returning profits to shareholders as one of its most important management priorities. In distributing profits, the Company's basic policy is to pay a continuous, stable dividend, taking into consideration the status of the medium-term management plan, consolidated business results, and the dividend payout ratio. In using retained earnings, the Company will strive to meet the expectations of its shareholders from a long-term perspective by targeting investments that enhance corporate value and by setting aside amounts for necessary profit distribution.

In accordance with this policy, for the year-end dividend for the fiscal year ended March 31, 2011, the Company plans to pay ¥5 per share, as initially planned. Consequently, the Company plans to pay an annual dividend of ¥10 per share, including the interim dividend. For the fiscal year ending March 31, 2012, the Company plans to pay an annual dividend of ¥10 per share.

(4) 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, 2011.

1) 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, the Nisshin OilliO Group 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, the Nisshin OilliO Group uses risk hedge instruments such as forward exchange contracts as necessary to mitigate exchange rate risks.

2) 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. The Nisshin OilliO Group seeks to hedge this risk by purchasing some of its raw materials on the futures market.

3) 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 selling 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 selling prices. These and other changes in domestic and international product markets could affect the Group's operating results. In response, the Nisshin OilliO Group 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.

4) 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.

i. Unforeseen enactment, revision to, or abolishment of laws and other regulations

ii. Unexpected political or economic factors

iii. Social instability arising from terrorist incidents, conflict, natural disasters, the spread of infectious disease or other factors

iv. Issues related to the digitization of information such as computer viruses and the leakage 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.

5) Earthquakes, typhoons and other natural disasters and outbreak of infectious diseases

If a large earthquake, typhoon or other natural disaster were to occur, or a new infectious disease were to proliferate, in the vicinity of the Group's manufacturing and logistics sites in Japan, a suspension of business operations and damage to facilities or inventories may ensue, with a resultant impact on the Group's operating results and financial position.

In readiness for such a situation, the Nisshin OilliO Group is implementing measures to mitigate risks by formulating the following emergency management systems: BCP (Business Continuity Plan) for large earthquakes in June 2009 and BCP for countering the new influenza epidemic in November 2009.

6) 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.

7) 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. The Nisshin OilliO Group 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.

2. Status of the Corporate Group

The “Organizational Chart (Description of Business)” and “Status of Subsidiaries and Affiliates” appearing in the most recent Securities Report (submitted June 25, 2010) are omitted here due to the lack of any significant change.

For changes in the scope of consolidation, refer to “Scope of consolidation” and “Application of the equity method” under “Important matters forming the basis of preparation for the consolidated financial statements.”

3. Management Policies

(1) Basic management policies of the Company

At the Nisshin OilliO Group, we consider it our mission to help make people happy and to continuously contribute to the development of society and the economy as a corporate group that provides value to customers, shareholders and employees, who are its main stakeholders, as well as to society and the environment. Our core concept – the pursuit of “good flavor, health and beauty” – is founded on technology honed through our long-standing involvement in vegetable oils and other food-related areas. As we strive to fulfill our mission and adhere to this concept, we will remain an ever-growing and evolving corporate group by creating and providing new value to society.

The Company wants to fulfill its responsibilities as a member of modern society by tackling environmental problems proactively, promoting CSR activities and adhering to relevant laws and regulations.

(2) Target management indicators

The Nisshin OilliO Group has established its 10-year basic management vision, “*GROWTH 10—Generating new value by harnessing the natural power of plants*,” which started in fiscal 2007. The vision emphasizes optimal allocation of cash flows and management resources, as well as maximizing corporate value. The 3-year medium-term management plan “*GROWTH 10 Phase II*,” which started from April 2011, aims to realize a stable earnings structure and secure growth through business restructuring in response to changes in the business environment. To achieve this, the Group has set targets for net sales, operating income, ordinary income, and net income, and for management indicators such as ROE and overseas sales ratio. The Group is now working hard to achieve them. The Group has not set specific numerical targets for the medium and long terms because the operating environment is changing quickly and becoming increasingly complex. Earnings targets for each single fiscal year will follow management’s consolidated forecasts, and the Group will strive to increase its corporate value over the medium to long term by consistently achieving its single-year targets.

(3) Medium- to long-term management strategy

The goal of the Nisshin OilliO’s 10-year basic management vision *GROWTH 10* is to create “an international corporate group that continually generates new value through the power of plants.” The following are five specific goals:

1) Embody the “natural power of plants”

We aim to be a corporate group that transforms the “*natural power of plants*” into new value using original technologies.

2) Leap to international status

We aim to be an international corporate group with an overseas sales ratio of at least 30% by developing businesses and brands with a global perspective.

3) Contribute to society and the environment

We aim to be a trustworthy and lavishly praised corporate groupｍ through sincere contributions to society and the environment.

4) Constantly taking on challenges and innovating corporate culture

We aim to be a corporate group with a strong will and corporate culture that ceaselessly takes on challenges and innovates in all that we do.

5) Acquire a high earnings structure

We aim to be a corporate group with a high earnings structure.

Within the 10-year basic management vision, the three years from the year ending March 2012 are set as our medium-term management plan “*GROWTH 10 Phase II*.” Under this plan, we intend to restructure our businesses as follows, to enable our swift transformation to an international corporate group that continues to generate new value. .

- In the oils and meal business, we will continue to generate stable earnings irrespective of changes in our operating environment.
- In the processed oils and fats business, we will achieve a level of earnings on a par with the oils and meal business.
- In growth businesses, we will establish new business models that will be core earnings drivers in our next growth phase.

(4) Issues facing the Company

The Nisshin OilliO Group is facing an extremely difficult business environment. Prices for raw materials remain high due to increased global demand for grain and inflows of speculative money. Meanwhile in Japan, after showing some signs of recovery, the Japanese economy is once again weakening due to continued aging of the population and a deeply rooted consumer preference for lower-priced products, along with the impact of the Great East Japan Earthquake in March 2011.

The Group recognizes that high grain prices and the gradual decline in demand in Japan are not temporary issues, but structural issues within the oils and meal industry. In response, the Group will restructure its businesses from the fiscal year ending March 31, 2012 under its medium-term management plan, “GROWTH 10 Phase II.”

In the oils and meal domain, the Group will focus first and foremost on boosting the earnings capacity of its oils and fats business. This will entail strengthening the Group’s product development capabilities in the home-use market, and realizing competitive pricing and other advantages in the industrial and processing-use markets through extensive cost structure reform. In the processed oils and fats domain, the Group will make full use of the business base it developed during Phase I of the management vision to expand business in and outside of Japan, mainly focused on expanding sales of oils and fats for chocolate, with the aim of establishing a second earnings driver.

The Group has designated the Chinese oils and meal, healthy foods, fine chemicals, and soy products and ingredients businesses as growth businesses. It is working to open new markets for these in Japan and in other countries, too. The strategy is intended to make each business independently profitable, thereby establishing a strong business foundation for launching a leap forward from Phase III of the management vision.

In addition to corporate branding strategies for maximizing enterprise value, the Group will also work to strengthen corporate governance. Specifically, the Group will strengthen its compliance system, and focus on establishing and implementing internal controls.

The Nisshin OilliO Group sees the essence of CSR as being “meeting the expectations of all and any stakeholders.” This means not only diligently upholding legally mandated responsibilities, but also stably providing safe products and reliable services, taking steps to care for the environment, giving back to society, and disclosing information appropriately. Taking a proactive stance in CSR activities is the best way to maintain and build trust and support from our stakeholders, and in doing so we strive to develop our business sustainably, and increase our value as a corporation.

4. Consolidated Financial Statements

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2010		As of March 31, 2011	
Assets				
Current assets				
Cash and deposits		7,542		16,124
Notes and accounts receivable – trade	*5	45,779	*5	56,941
Short-term investment securities		3,919		3,725
Inventories	*1	41,733	*1	47,727
Deferred tax assets		1,574		2,233
Short-term loans receivable		15,498		12
Other		6,585		8,605
Allowance for doubtful accounts		(20)		(14)
Total current assets		122,612		135,356
Noncurrent assets				
Property, plant and equipment				
Buildings and structures, net	*4	27,083	*4	26,569
Machinery, equipment and vehicles, net	*4	16,954	*4	17,170
Land	*4	27,767	*4	27,871
Other, net		3,723		2,249
Total property, plant and equipment	*3	75,528	*3	73,861
Intangible assets				
Goodwill		1,196		266
Other		1,200		1,773
Total intangible assets		2,397		2,040
Investments and other assets				
Investment securities	*2,*4	17,458	*2,*4	15,954
Long-term loans receivable		530		309
Deferred tax assets		614		883
Other		3,697		4,343
Allowance for doubtful accounts		(482)		(438)
Total investments and other assets		21,818		21,052
Total noncurrent assets		99,744		96,954
Total assets		222,357		232,310

(Millions of yen)

		As of March 31, 2010		As of March 31, 2011
Liabilities				
Current liabilities				
Notes and accounts payable – trade	*4	27,509	*4	35,458
Short-term loans payable	*4	10,907	*4,*7	21,222
Current portion of bonds		5,220		5,010
Lease obligations		355		276
Accounts payable – other		9,551		8,542
Accrued expenses		4,020		4,393
Income taxes payable		1,699		289
Deferred tax liabilities		–		425
Provision for directors' bonuses		57		63
Other	*4,*5	5,041	*5	1,365
Total current liabilities		64,363		77,048
Noncurrent liabilities				
Bonds payable		25,010		20,000
Long-term loans payable	*4	9,877	*4	8,676
Lease obligations		473		439
Deferred tax liabilities		5,024		5,226
Provision for retirement benefits		1,149		1,129
Provision for directors' retirement benefits		1,017		1,150
Negative goodwill		30		22
Other		595		1,195
Total noncurrent liabilities		43,179		37,840
Total liabilities		107,542		114,889
Net assets				
Shareholders' equity				
Capital stock		16,332		16,332
Capital surplus		26,072		26,072
Retained earnings		65,830		66,144
Treasury stock		(487)		(508)
Total shareholders' equity		107,747		108,039
Other comprehensive income				
Valuation difference on available-for-sale securities		304		(81)
Deferred gains or losses on hedges		384		2,457
Foreign currency translation adjustment		(1,100)		(1,502)
Total other comprehensive income		(410)		872
Minority interests		7,478		8,508
Total net assets		114,815		117,421
Total liabilities and net assets		222,357		232,310

(2) Consolidated statements of income and consolidated statement of comprehensive income
Consolidated statements of income

(Millions of yen)

		Fiscal year ended March 31, 2010		Fiscal year ended March 31, 2011
Net sales		301,299		305,297
Cost of sales	*1	244,043	*1	254,806
Gross profit		57,255		50,491
Selling, general and administrative expenses	*2	46,819	*2	43,524
Operating income		10,435		6,966
Non-operating income				
Interest income		137		105
Dividends income		209		256
Foreign exchange gains		239		95
Amortization of negative goodwill		21		8
Equity in earnings of affiliates		151		134
Other		493		346
Total non-operating income		1,252		947
Non-operating expenses				
Interest expenses		1,030		1,149
Loss on disposal of inventories		136		229
Other		217		225
Total non-operating expenses		1,384		1,605
Ordinary income		10,302		6,308
Extraordinary income				
Gain on sales of investment securities		5		–
Gain on share exchanges of subsidiaries and affiliates		–		371
Gain on liquidation of subsidiaries and affiliates		3		–
Reversal of allowance for doubtful accounts		–		11
Gain on negative goodwill		–		24
Total extraordinary income		9		408

(Millions of yen)

		Fiscal year ended March 31, 2010		Fiscal year ended March 31, 2011
Extraordinary loss				
Loss on disaster		–	*4	1,300
Loss on retirement of noncurrent assets	*3	320	*3	150
Loss on sale of investment securities		–		29
Loss on valuation of investment securities		11		1,665
Loss on sales of stocks of subsidiaries and affiliates		–		17
Loss on valuation of stocks of subsidiaries and affiliates		2		–
Loss on valuation of investments in capital of subsidiaries and affiliates		80		–
Gain on step acquisitions		–		70
Loss on valuation of other investments		19		5
Loss on liquidation of businesses		–		338
Moving expenses		–		49
Total extraordinary losses		432		3,629
Income before income taxes and minority interests		9,879		3,087
Income taxes – current		3,602		965
Income taxes – deferred		137		(808)
Total income taxes		3,740		157
Income before minority interests		–		2,929
Minority interests in income		1,034		807
Net income		5,104		2,122

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2010		Fiscal year ended March 31, 2011
Income before minority interests	–		2,929
Other comprehensive income	–		
Valuation difference on available-for-sale securities	–		(357)
Deferred gains or losses on hedges	–		2,674
Foreign currency translation adjustment	–		(551)
Share of other comprehensive income of associates accounted for using equity method	–		(93)
Total other comprehensive income	–	*2	1,671
Comprehensive income	–	*1	4,601
(Breakdown)			
Comprehensive income attributable to owners of the parent	–		3,406
Comprehensive income attributable to minority interests	–		1,195

(3) Consolidated statements of changes in net assets

(Millions of yen)

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Shareholders’ equity		
Capital stock		
Balance at the end of previous period	16,332	16,332
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	16,332	16,332
Capital surplus		
Balance at the end of previous period	26,072	26,072
Changes of items during the period		
Disposal of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	26,072	26,072
Retained earnings		
Balance at the end of previous period	62,449	65,830
Changes of items during the period		
Dividends from surplus	(1,723)	(1,723)
Net income	5,104	2,122
Change of scope of consolidation	–	(85)
Total changes of items during the period	3,380	313
Balance at the end of current period	65,830	66,144
Treasury stock		
Balance at the end of previous period	(456)	(487)
Changes of items during the period		
Change in equity in affiliates accounted for by equity method – treasury stock	–	(5)
Purchase of treasury stock	(33)	(16)
Disposal of treasury stock	2	1
Total changes of items during the period	(30)	(21)
Balance at the end of current period	(487)	(508)
Total shareholders’ equity		
Balance at the end of previous period	104,398	107,747
Changes of items during the period		
Dividends from surplus	(1,723)	(1,723)
Net income	5,104	2,122
Change of scope of consolidation	–	(85)
Change in equity in affiliates accounted for by equity method – treasury stock	–	(5)
Purchase of treasury stock	(33)	(16)
Disposal of treasury stock	2	0
Total changes of items during the period	3,349	292
Balance at the end of current period	107,747	108,039

(Millions of yen)

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(570)	304
Changes of items during the period		
Net changes of items other than shareholders' equity	875	(386)
Total changes of items during the period	875	(386)
Balance at the end of current period	304	(81)
Deferred gains or losses on hedges		
Balance at the end of previous period	(1,159)	384
Changes of items during the period		
Net changes of items other than shareholders' equity	1,543	2,072
Total changes of items during the period	1,543	2,072
Balance at the end of current period	384	2,457
Foreign currency translation adjustment		
Balance at the end of previous period	(1,343)	(1,100)
Changes of items during the period		
Net changes of items other than shareholders' equity	243	(402)
Total changes of items during the period	243	(402)
Balance at the end of current period	(1,100)	(1,502)
Total other comprehensive income		
Balance at the end of previous period	(3,073)	(410)
Changes of items during the period		
Net changes of items other than shareholders' equity	2,663	1,283
Total changes of items during the period	2,663	1,283
Balance at the end of current period	(410)	872
Minority interests		
Balance at the end of previous period	6,174	7,478
Changes of items during the period		
Net changes of items other than shareholders' equity	1,304	1,030
Total changes of items during the period	1,304	1,030
Balance at the end of current period	7,478	8,508
Total net assets		
Balance at the end of previous period	107,498	114,815
Changes of items during the period		
Dividends from surplus	(1,723)	(1,723)
Net income	5,104	2,122
Change of scope of consolidation	–	(85)
Change in equity in affiliates accounted for by equity method – treasury stock	–	(5)
Purchase of treasury stock	(33)	(16)
Disposal of treasury stock	2	0
Net changes of items other than shareholders' equity	3,967	2,313
Total changes of items during the period	7,317	2,606
Balance at the end of current period	114,815	117,421

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	9,879	3,087
Depreciation and amortization	6,657	6,267
Amortization of goodwill	924	921
Increase (decrease) in provision for retirement benefits	(56)	(61)
Interest and dividends income	(346)	(362)
Interest expenses	1,030	1,149
Equity in (earnings) losses of affiliates	(151)	(134)
Loss on disaster	–	1,300
Loss (gain) on sales and retirement of noncurrent assets	320	150
Loss (gain) on sales of investment securities	(5)	29
Loss (gain) on valuation of investment securities	11	1,665
Loss (gain) on sales of stocks of subsidiaries and affiliates	–	17
Loss on valuation of stocks of subsidiaries and affiliates	2	–
Gain on share exchanges of subsidiaries and affiliates	–	(371)
Loss on valuation of investments in capital of subsidiaries and affiliates	80	–
Loss (gain) on step acquisitions	–	70
Reversal of allowance for doubtful accounts	–	11
Gain on negative goodwill	–	(24)
Loss on liquidation of businesses	–	338
Moving expenses	–	49
Decrease (increase) in notes and accounts receivable – trade	110	(9,269)
Decrease (increasem) in inventories	(1,268)	(5,489)
Increase (decrease) in notes and accounts payable – trade	894	7,075
Other, net	(1,015)	(4,107)
Subtotal	17,067	2,317
Interest and dividends income received	353	362
Interest expenses paid	(1,044)	(1,167)
Income taxes paid	(4,917)	(2,805)
Net cash provided by (used in) operating activities	11,458	(1,292)
Net cash provided by (used in) investing activities		
Net decrease (increase) in short-term investment securities	(7)	(0)
Purchase of property, plant and equipment	(9,391)	(4,849)
Proceeds from sales of property, plant and equipment	21	73
Purchase of investment securities	(2,571)	(201)
Proceeds from sales of investment securities	20	36
Proceeds from redemption of investment securities	500	200
Proceeds from purchase of investments in subsidiaries and affiliates resulting in change in scope of consolidation	–	271
Purchase of stocks of subsidiaries and affiliates	–	(226)
Proceeds from sales of stocks of subsidiaries and affiliates	–	13
Other, net	(765)	(402)
Net cash provided by (used in) investing activities	(12,193)	(5,085)

(Millions of yen)

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(3,303)	10,068
Proceeds from long-term loans payable	4,509	–
Repayment of long-term loans payable	(1,953)	(2,074)
Redemption of bonds	(20)	(5,220)
Repayments of lease obligations	(498)	(357)
Cash dividends paid	(1,723)	(1,723)
Proceeds from sales of treasury stock	2	1
Purchase of treasury stock	(33)	(16)
Cash dividends paid to minority shareholders	(113)	(168)
Net cash provided by (used in) financing activities	(3,135)	508
Effect of exchange rate change on cash and cash equivalents	60	(306)
Net increase (decrease) in cash and cash equivalents	(3,810)	(6,175)
Cash and cash equivalents at beginning of period	26,475	22,665
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	–	(497)
Cash and cash equivalents at end of period	*1 22,665	*1 15,992

(5) Notes on premise of going concern

No items to report

(6) Important matters forming the basis of preparation for the consolidated financial statements

1) Scope of consolidation

The Group has 26 subsidiaries, of which 17 companies are included in the scope of consolidation. During the consolidated fiscal year ended March 31, 2011, the following changes were made to the scope of consolidation.

(New)

Nisshin Shokai Co., Ltd.: The company was converted from an affiliate under the equity method to a consolidated subsidiary through an additional acquisition of shares.

(Excluded)

Nisshin Marine Tech Co., Ltd.: The company was removed from the scope of consolidation through a transfer of shares.

Nisshin Plant Engineering Co., Ltd.: The company was removed from the scope of consolidation because it was liquidated.

Southern Nisshin Bio-Tech Sdn. Bhd.: The company was removed from the scope of consolidation because it declined in importance.

Principal consolidated subsidiaries:
Settsu Oil Mills Co., Ltd., Nisshin Shoji Co., Ltd., Nisshin Logistics Co., Ltd.,
Daito Cacao Co., Ltd., Dalian Nisshin Oil Mills, Ltd.,
The Nisshin OilliO (China) Investment Co., Ltd. and Intercontinental Specialty Fats Sdn. Bhd.

The nine non-consolidated subsidiaries are all small and not material when measured by the impact of total amounts of assets, net sales, and net income (loss) based on the Company's ownership percentage as well as retained earnings based on the Company's ownership percentage of those companies on the consolidated financial statements. They have therefore been excluded from the scope of consolidation.

2) Application of the equity method

The equity method has been applied to the investments to nine non-consolidated subsidiaries and five companies among 11 affiliates. The reduction in the number of companies accounted for under the equity method is as follows:

(Excluded)

Ten Corporation Co., Ltd.: The company was excluded after an exchange of shares with its parent company, Royal Holdings Co., Ltd.

Nisshin Shokai Co., Ltd.: The company was converted from an equity-method affiliate to a consolidated subsidiary through acquisition of additional shares.

Principal affiliates accounted for under the equity method:
PIETRO Co., Ltd., Wakou Shokuhin Co., Ltd. and Saiwai Shoji Co., Ltd.

The nine non-consolidated subsidiaries and six affiliates are all small and not material when measured by the impact of total amounts of net income (loss) and retained earnings based on the Company's ownership percentage of those companies on consolidated financial statements. They have therefore been excluded from the scope of equity method.

3) Closing date (fiscal year closing date) of consolidated subsidiaries

The closing date of the following consolidated subsidiaries is December 31.

Dalian Nisshin Oil Mills, Ltd., Shanghai Nisshin Oil & Fats, Ltd., The Nisshin OilliO (China) Investment Co., Ltd., Intercontinental Specialty Fats Sdn. Bhd., and T.&C. Manufacturing Co., Pte. Ltd.

In preparing the consolidated financial statements, the financial statements of the above companies were used as of their respective balance sheet dates and necessary adjustments were made to the consolidated financial statements for any significant transactions that took place between their respective balance sheet dates and the date of the consolidated financial statements.

(7) Changes in important matters forming the basis of preparation for the consolidated financial statements

(Accounting Standard for Equity Method of Accounting for Investments)

From the fiscal year under review, the Company has applied the "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ [Accounting Standards Board of Japan] Statement No. 16, March 10, 2008) and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (PITF No.24, March 10, 2008).

This change has no impact on profit and loss.

(Accounting Standard for Asset Retirement Obligations)

From the fiscal year under review, the Company has applied the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and the "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008).

This change has had a minor impact on profit and loss.

(Accounting Standard for Business Combinations)

From the fiscal year under review, the Company has applied the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, December 26, 2008), the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008), the "Partial amendments to Accounting Standard for Research and Development Costs" (ASBJ Statement No. 23, December 26, 2008), the "Revised Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, December 26, 2008), the "Revised Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, December 26, 2008), and the "Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, December 26, 2008).

The method used to evaluate the assets and liabilities of consolidated subsidiaries has changed from the partial market value method to the full market value method. This change has had no impact on profit and loss.

Changes in presentation methods

(Note to consolidated statements of income)

From the fiscal year under review, the Company has applied the "Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms and Preparation of Financial Statements" (Cabinet Office Ordinance No. 5, March 24, 2009) based on the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008), and now includes the item "income before minority interests."

Additional information

From the fiscal year under review, the Company has applied the “Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, June 30, 2010)”. However, the amounts listed for the previous consolidated fiscal year under the items “other comprehensive income” and “total other comprehensive income” are the amounts for “valuation and translation adjustments” and “total valuation and adjustments.”

(8) Notes to consolidated financial statements

(Notes to consolidated balance sheets)

*1. Breakdown of inventories

Merchandise and finished goods	¥23,230 million
Work in process	¥240 million
Raw materials and supplies	¥24,255 million

*2. The amount invested in non-consolidated subsidiaries and affiliates is as follows.

(Millions of yen)

Noncurrent assets	Investment securities (Shares)	3,417
	Investment securities (Investments in capital)	751

*3. Accumulated depreciation of property, plant and equipment is ¥122,141 million.

*4. Assets pledged as collateral and liabilities relating to collateral

Amount of assets pledged as collateral (book value)

Investment securities	¥82 million
Buildings and structures	¥1,968 million
Machinery, equipment and vehicles	¥6 million
Land	¥2,184 million
Total	¥4,242 million

Amount of liabilities corresponding to the above

Accounts payable – trade	¥3 million
Short-term loans payable	¥1,894 million
Long-term loans payable	¥1,285 million
Total	¥3,183 million

The following are pledged as a floating mortgage securing the ¥1,894 million in short-term loans payable and ¥1,285 million in long-term loans payable included in the above total.

Buildings and structures	¥1,501 million
Machinery, equipment and vehicles	¥6 million
Land	¥2,093 million
Total	¥3,601 million

*5. Liquidation of notes and accounts receivable – trade

Amounts as of the consolidated accounts settlement date are as follows:

Account receivable transfers	¥2,430 million
Deposits (debt collector portion)	¥591 million

Deposits (debt collector portion) represent the amount transferred to the debt collector that is yet unsettled as of the consolidated accounts settlement date with respect to the factoring company.

Deposits (debt collector portion) are included in other of current liabilities.

6. Contingent liabilities are as follows:

Guarantees bank loans

Employees of the Company	¥416 million

7. The Company and its consolidated subsidiaries (four companies) executed overdraft agreements and commitment line agreements with nine banks to facilitate effective procurement of working capital.

The following is the balance of loans yet to be executed relating to overdraft agreements and commitment line agreements as of the end of the fiscal year under review.

Total amount of overdraft facility limit and commitment line agreement	¥40,089 million
Balance of executed loans	¥(500) million
Difference	¥39,589 million

(Notes to consolidated statements of income)

*1. Cost of sales includes the amount of inventories after devaluating book values of ¥76 million based on lowered profitability.

*2. Major items and amounts of selling, general and administrative expenses are as follows:

Freightage expenses, haulage expenses, warehousing fees	¥11,461 million
Provision of allowance for doubtful accounts	¥35 million
Salaries and wages	¥7,030 million
Retirement benefit expenses	¥750 million
Provision for directors’ retirement benefits	¥194 million
Provision for directors’ bonuses	¥63 million
Advertising expenses	¥3,992 million
Depreciation and amortization	¥1,672 million
Amortization of goodwill	¥930 million

Total research and development expenses are ¥2,226 million, all of which is recorded as general and administrative expenses.

*3. Loss on retirement of noncurrent assets

Buildings and structures	¥88 million
Machinery, equipment and vehicles	¥60 million
Other noncurrent assets	¥2 million
Total	¥150 million

*4. Loss on disaster

Loss on abandonment and valuation of inventories	¥713 million
Repair and restoration expenses	¥267 million
Other	¥320 million
Total	¥1,300 million

(Notes to consolidated statements of comprehensive income)

*1. Comprehensive income for the previous fiscal year ended March 31, 2010

Comprehensive income attributable to owners of the parent	¥7,767 million
Comprehensive income attributable to minority interests	¥1,417 million
Total	¥9,184 million

*2. Other comprehensive income for the previous fiscal year ended March 31, 2010

Valuation difference on available-for-sale securities	¥835 million
Deferred gains or losses on hedges	¥1,856 million
Foreign currency translation adjustment	¥281 million
Share of other comprehensive income of associates accounted for using equity method	¥71 million
Total	¥3,045 million

(Notes to consolidated statements of changes in net assets)

1. Type and total number of issued shares

Type of shares	Number of shares as of March 31, 2010	Increase	Decrease	Number of shares as of March 31, 2011
Common stock (Shares)	173,339,287	–	–	173,339,287

2. Type and total number of treasury stock

Type of shares	Number of shares as of March 31, 2010	Increase	Decrease	Number of shares as of March 31, 2011
Common stock (Shares)	1,075,971	61,801	2,654	1,135,118

(Reasons for the change)
Main reason for the increase is as follows:
Increase due to the purchase of shares less than one unit 61,801 shares
Main reason for the decrease is as follows:
Decrease due to the additional purchase requests of shares less than one unit 2,654 shares

3. Stock acquisition rights
No items to report

4. Cash dividends
(1) Dividend payments

Resolution	Type of shares	Total amount of dividends (Millions of yen)	Cash dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on June 25, 2010	Common stock	861	5.00	March 31, 2010	June 28, 2010
Board of Directors' Meeting held on November 4, 2010	Common stock	861	5.00	September 30, 2010	December 3, 2010

(2) Dividends whose record dates are in the fiscal year under review but whose effective dates fall in the next fiscal year

Resolution	Type of shares	Source of dividends	Total amount of dividends (Millions of yen)	Cash dividends per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders to be held on June 28, 2011	Common stock	Retained earnings	861	5.00	March 31, 2011	June 29, 2011

(Notes to consolidated statements of cash flows)

Cash and cash equivalents at end of period were reconciled to the accounts reported in the consolidated balance sheets as follows:

Cash and deposits	¥16,124 million
Short-term investment securities	¥3,725 million
Time deposits whose term exceeds three months in cash and deposits	¥(132) million
Stocks and bonds whose term exceeds three months in short-term investment securities	¥(3,725) million
Cash and cash equivalents	¥15,992 million

(Segment information)

[Operations by industry segment]

Fiscal year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

(Millions of yen)

	Oils and Meal	Healthy Foods & Soy Protein	Fine Chemicals	Other	Total	Elimination/ corporate	Consolidated
I. Net sales							
(1) Sales to external customers	276,079	9,685	5,741	9,792	301,299	–	301,299
(2) Intersegment sales or transactions	1,229	77	51	15,224	16,582	(16,582)	–
Total	277,308	9,762	5,793	25,017	317,881	(16,582)	301,299
Operating expenses	268,163	10,303	5,627	23,333	307,428	(16,564)	290,863
Operating income (loss)	9,144	(540)	165	1,684	10,453	(17)	10,435
II. Assets, depreciation and amortization and capital expenditures							
Assets	177,993	6,761	5,312	11,990	202,057	20,300	222,357
Depreciation and amortization	5,826	197	158	475	6,657	–	6,657
Capital expenditures	9,370	309	70	280	10,031	–	10,031

Notes: 1. Operations by industry segment are categorized based on types of products.

2. Major products by industry segment

Oils and Meal	Home-use edible oils, edible oils for food services, edible oils for processed food manufacturers, processed oils and fats (including chocolate-related products), meal and grains
Healthy Foods & Soy Protein	Foods for coping with lifestyle-related diseases, foods for the elderly and nursing care foods, therapeutic foods, foods for special dietary purposes, functional health foods, dressings and mayonnaise, soy protein products, processing soybean products
Fine Chemicals	Raw materials for cosmetics and toiletries, chemical products, medium-chain triglycerides, lecithin, tocopherol
Other	Real estate leasing, packaging services, customs-related business, warehousing, restaurant management, detergent, sports facility management, aquaculture products, sales promotions, engineering, accident and liability insurance, computing-related services

3. For the fiscal year ended March 31, 2011, the amounts of unallocated assets included in “Elimination/corporate” on the “Assets” row are ¥23,430 million. Major components are the surplus funds (cash and deposits and short-term investment securities) and the long-term investment funds (those unable to charge directly to each segment in investment securities).

4. Previously, under the method for converting significant foreign-currency assets or liabilities into Japanese currency, the revenue and expenses of overseas subsidiaries, etc., was, up until the previous consolidated fiscal year, converted to Japanese yen by the spot exchange rate of the day of the consolidated settlement of accounts. As of the fiscal year under review, the revenue and expenses of overseas subsidiaries, etc., is converted to Japanese yen by the average exchange rate of the accounting period. This change was made due to the growing materiality of overseas subsidiaries, etc., in order to appropriately reflect the impact of exchange rates in consolidated operating results. By changing to this accounting method, net sales and operating income in Oils and Meal decreased by ¥62 million and ¥30 million, respectively.

[Operations by geographical segment]

Fiscal year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

(Millions of yen)

	Japan	Asia	Total	Elimination/ corporate	Consolidated
I. Net sales and operating income (loss)					
Net sales					
(1) Sales to external customers	227,722	73,576	301,299	–	301,299
(2) Intersegment sales or transactions	402	4,634	5,036	(5,036)	–
Total	228,124	78,211	306,336	(5,036)	301,299
Operating expenses	220,705	75,191	295,896	(5,033)	290,863
Operating income	7,419	3,019	10,439	(3)	10,435
II. Assets	185,262	37,380	222,642	(285)	222,357

Notes: 1. Method of classifying countries and regions, and countries and regions included in each area

(1) Method of classifying countries and regions:
Countries and regions are classified on the basis of geographic proximity.

(2) Countries and regions included in each area
Asia: China, Malaysia, Singapore

2. There are no assets unallocated into segments in "Elimination/corporate."

3. Previously, under the method for converting significant foreign-currency assets or liabilities into Japanese currency, the revenue and expenses of overseas subsidiaries, etc., was, up until the previous consolidated fiscal year, converted to Japanese yen by the spot exchange rate of the day of the consolidated settlement of accounts. As of the fiscal year under review, the revenue and expenses of overseas subsidiaries, etc., is converted to Japanese yen by the average exchange rate of the accounting period. This change was made due to the growing materiality of overseas subsidiaries, etc., in order to appropriately reflect the impact of exchange rates in consolidated operating results. By changing to this accounting method, net sales and operating income in Asia decreased by ¥62 million and ¥30 million, respectively.

[Overseas sales]

Fiscal year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

(Millions of yen)

	Asia	Other	Total
I. Overseas net sales	49,674	21,602	71,276
II. Consolidated net sales	–	–	301,229
III. Percentage of overseas net sales to consolidated net sales (%)	16.5	7.2	23.7

Notes: 1. Method of classifying countries and regions, and countries and regions included in each area

(1) Method of classifying countries and regions:
Countries and regions are classified on the basis of geographic proximity.

(2) Countries and regions included in each area
Asia: China, Malaysia, Taiwan, Korea
Other: Europe, U.S.A.

2. Overseas net sales are sales of the Company and its consolidated subsidiaries which were transacted in countries or regions outside of Japan.

[Segment information]

1 Overview of reporting segments

The Company’s reporting segments are the compositional units of the Company for which separate financial information is available. They are periodically examined by the board of directors for the purpose of deciding on allocation of management resources and evaluating business results.

The Company’s products are divided between operating divisions at its headquarters, and each operating division formulates comprehensive domestic and overseas strategies for each of its assigned products, and conducts business activities. As a result, the Company is composed of product segments based on the operating divisions, with three reporting segments: “Oils and Meal,” Healthy Foods & Soy Protein,” and “Fine Chemicals.”

Major products for each reporting segment are as follows:

Oils and Meal	Home-use edible oils, edible oils for food services, edible oils for processed food manufacturers, processed oils and fats (including chocolate-related products), meal and grains
Healthy Foods & Soy Protein	Foods for coping with lifestyle-related diseases, foods for the elderly and nursing care foods, therapeutic foods, foods for special dietary purposes, functional health foods, dressings and mayonnaise, soy protein products, processing soybean products
Fine Chemicals	Raw materials for cosmetics and toiletries, chemical products, medium-chain triglycerides, lecithin, tocopherol
Other	Real estate leasing, packaging services, customs-related business, warehousing, restaurant management, detergent, sports facility management, aquaculture products, sales promotions, engineering, accident and liability insurance, computing-related services

2 Calculation methods for net sales, income and loss, assets, liabilities and other items by reporting segments

The accounting methods used for the reported business segments are the same as reported under “Important matters forming the basis of preparation for the consolidated financial statements.”

3 Information on net sales, income and loss, assets, liabilities and other items by reporting segment

Fiscal year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reporting segments				Other*1	Total	Adjustments*2	Amounts in the consolidated financial statements*3
	Oils and Meal	Healthy Foods & Soy Protein	Fine Chemicals	Total				
Net sales								
Sales to external customers	280,324	9,376	5,864	295,564	9,732	305,297	–	305,297
Intersegment sales or transactions	1,626	96	68	1,792	14,394	16,187	(16,187)	–
Total	281,950	9,473	5,933	297,357	24,127	321,484	(16,187)	305,297
Segment income (loss)	5,274	(287)	428	5,415	1,511	6,966	(0)	6,966
Segment assets	198,696	6,629	5,136	210,462	11,806	222,269	10,041	232,310
Other items								
Depreciation and amortization	5,495	203	113	5,812	454	6,267	–	6,267
Increase in property, plant and equipment and intangible assets	5,221	114	30	5,365	281	5,646	–	5,646

Notes: 1. The Other category is for business segments that are not included in reporting segments, such as the information systems business and the engineering business.

2. Adjustments are as follows:

(1) Adjustment for segment income of -¥0 million for elimination of intersegment transactions.

(2) Adjustment for segment assets of ¥10,041 million comprises elimination of intersegment transactions of -¥2,926 million and unallocated assets of ¥12,968 million. Major components of the unallocated assets are the surplus funds (cash and deposits and short-term investment securities) and the long-term investment funds (those that cannot be charged directly to each segment in investment securities).

3. Segment income is adjusted against the operating income recorded in the consolidated income statement.

(Additional information)

From fiscal year ended March 31, 2011, the Company has applied the “Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related information” (ASBJ Statement No. 17, March 27, 2009) and the “Accounting Standard for Disclosures about Segments of an Enterprise and Related information” (ASBJ Guidance No. 20, March 21, 2008).

[Related information]

Fiscal year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

1 Information by products and services

This information is omitted because it is the same as is recorded for segment information.

2 Information by countries and regions

(1) Net sales

(Millions of yen)

	Japan	Asia	Other	Total
Net sales	226,103	54,361	24,882	305,297
Share of net sales	74.1%	17.8%	8.1%	100.0%

Note: Sales are classified into countries or regions based on customer’s locations.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia	Other	Total
62,036	11,824	–	73,861

3 Information by principle customers

(Millions of yen)

Name	Net sales	Related segments
Mitsubishi Corporation	46,223	Oils and Meal, Healthy Foods & Soy Protein, and Fine Chemicals

[Information on impairment loss on noncurrent assets by reporting segments]

Fiscal year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

No items to report

[Information on amortization of goodwill and unamortized amounts by reporting segments]

Fiscal year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reporting segments				Other	Corporate/ Elimination	Total
	Oils and Meal	Healthy Foods & Soy Protein	Fine Chemicals	Total			
(Goodwill)							
Amortized during the period	839	90	–	930	0	–	930
Balance at the end of current period	200	66	–	266	–	–	266
(Negative goodwill)							
Amortized during the period	6	–	–	6	2	–	8
Balance at the end of current period	15	–	–	15	6	–	22

(Per share information)

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Net assets per share	¥623.10	¥632.46
Net income per share	¥29.62	¥12.32
Diluted net income per share	–	–
	Diluted net income per share is not disclosed because the Company does not issue dilutive shares.	Diluted net income per share is not disclosed because the Company does not issue dilutive shares.

Notes: Basis for calculating per share is shown below.

1. Net assets per share

	As of March 31, 2010	As of March 31, 2011
Total net assets (Millions of yen)	114,815	117,421
Amount deducted from total net assets		
Minority interests (Millions of yen)	7,478	8,508
Net assets related to common shares (Millions of yen)	107,336	108,912
Number of common shares issued (1,000 shares)	173,339	173,339
Number of common shares owned by the Company (1,000 shares)	1,075	1,135
Number of common shares used to calculate net assets per share (1,000 shares)	172,263	172,204

2. Net income per share

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Net income (Millions of yen)	5,104	2,122
Amounts not attributable to common shareholders (Millions of yen)	–	–
Net income related to common shares (Millions of yen)	5,104	2,122
Average number of common shares during the period (1,000 shares)	172,304	172,233

(Important subsequent events)

(Resolution of acquiring treasury stocks)

At a Board of Directors' meeting held on May 10, 2011, the Company resolved to acquire treasury stock under the provisions of Article 156 of the Companies Act applied in an alternative reading allowed under Article 165, Section 3 of the same act.

1. Reason for acquisition

The purpose of the acquisition is to increase capital efficiency and further return profits to shareholders.

2. Details for acquisition

(1) Type of shares to be acquired: Common shares in the Company

(2) Number of shares that can be acquired: 10,000,000 shares (maximum)

(Ratio of 5.80% to the total number of issued shares, excluding treasury stock)

(3) Total price of the acquisition: ¥5,000 million (maximum)

(4) Acquisition period: May 11, 2011 to March 31, 2012

(5) Acquisition method: The acquired shares are to be purchased on the market.

Disclosures of notes on lease transactions, related party transactions, tax effect accounting, financial instruments, marketable and investment securities, derivatives, retirement and pension plans, stock options, business combination, etc., asset retirement obligations, and real estate for rent are omitted because their disclosures in these consolidated financial results are deemed to be immaterial.

5. Other

Transfer of Directors and Corporate Auditors

1. Transfer of Representative Directors

Details are as reported in the press release dated March 25, 2011 “Notification of Appointment of New Chairman and New President”

2. Transfer of other Directors (scheduled on June 28, 2011)

1) Candidates for new directors

Director (part-time)	Takashi Narusawa	**(**Currently**,** director, vice chairman, Nomura Research Institute, Ltd.
	*Mr. Narusawa is a candidate for outside director	
Director (part-time)	Toshio Uehara	(Currently, a professor at Graduate School of Law, Meiji University)
	*Mr. Uehara is a candidate for outside director	

2) Retiring directors

	Hidetoshi Ogami	(Currently, director)
	*To continue as executive officer (To be promoted to senior executive officer)	
	Sadayuki Yoshida	(Currently, director)
	*To be appointed President, Nisshin Shoji Co., Ltd.	
	Shoji Kayanoma	
	* To continue as executive officer	
	Mitsuo Minami	(Currently, outside director (part-time))
	Takehiko Kakiuchi	(Currently, outside director (part-time))
	Daisuke Okada	(Currently, outside director (part-time))

3) Directors scheduled to be transferred

Representative director	Fumio Imokawa	(Currently, representative director, senior managing director)
Representative director	Toru Morino	(Currently, representative director, senior managing director)
Representative director	Susumu Watanabe	(Currently, representative director, senior managing director)
Director	Yoshihito Tamura	(Currently, senior managing director)
Director	Akira Seto	(Currently, managing director)

3. Transfer of Corporate Auditors (scheduled on June 28, 2011)

1) Candidates for new corporate auditors

Standing corporate auditor	Akio Kimura	(Currently, general manager, Overseas Department)
Corporate auditor	Kenichi Araya	Lawyer

* Mr. Araya is a candidate for outside corporate auditor.

5) Retiring corporate auditors

Shigeru Nakadai	(Currently, standing corporate auditor)
Kiyoshi Matsuo	(Currently, outside corporate auditor)