



ANNUAL REVIEW 2009

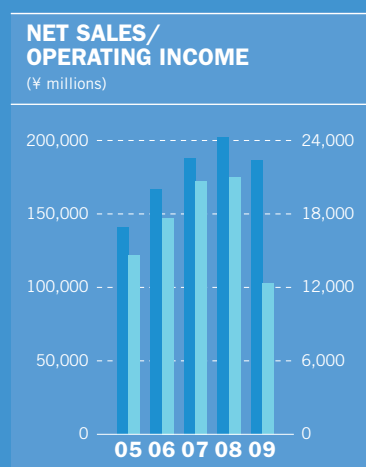
For the year ended March 31, 2009

FINANCIAL HIGHLIGHTS

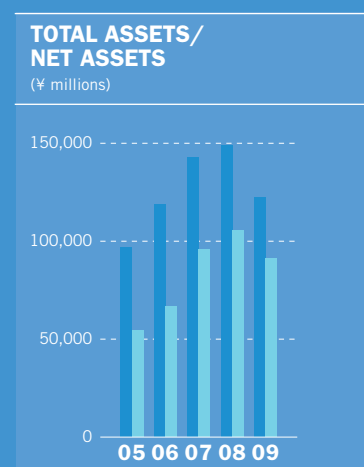
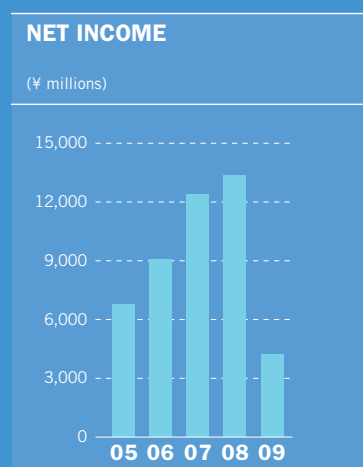
Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
Years ended 31st March, 2008 and 2009

	Millions of yen		Thousands of U.S. dollars
	2008	2009	2009
For the year:			
Net sales	¥202,469	¥186,346	\$1,897,038
Operating income	21,029	12,317	125,389
Income before income taxes and minority interests	22,375	10,602	107,930
Net income	13,348	4,222	42,981
At year-end:			
Total assets	¥148,818	¥122,206	\$1,244,080
Net assets	105,544	91,134	927,761
Per share (Yen and U.S. dollars):			
Net income—primary	¥ 204.03	¥ 64.57	\$ 657.33
Cash dividends paid	36.00	30.00	305.41

Notes: 1. U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥98.23=U.S.\$1, the approximate Tokyo foreign exchange market rate as of March 31, 2009.
2. Nissin Kogyo conducted a 3-for-1 stock split on April 1, 2006.



□ Net Sales (left scale)
■ Operating Income (right scale)



□ Total Assets
■ Net Assets

CONTENTS

00 FINANCIAL HIGHLIGHTS	10 CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
01 MESSAGE FROM THE PRESIDENT	11 CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
02 INTRODUCING CORE PRODUCTS	12 NETWORK
04 CORPORATE GOVERNANCE	13 CORPORATE DATA
05 ENVIRONMENTAL ACTIVITIES	
06 FINANCIAL REVIEW	
08 CONSOLIDATED BALANCE SHEETS (UNAUDITED) CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (UNAUDITED)	

MESSAGE FROM THE PRESIDENT

I would like to take this opportunity to extend warm greetings to all our shareholders and other investors, and to thank them for their steadfast support.

The Nissin Kogyo Group faces a difficult business environment. In response, we will continue to strengthen our broad-ranging manufacturing technologies and brake control technologies, which are our strengths and make full use of our technological capabilities, and we will also step up our global business expansion. By doing so, we will continue to provide attractive products and further enhance our corporate quality.

Overview of Fiscal Year Ended March 31, 2009

—Despite strenuous cost reduction activities, impacts such as soaring raw materials prices lowered revenues and earnings

During the year under review, amid a rapid slowdown in the global economy, the automobile industry was severely impacted and domestic sales of four-wheeled vehicles diminished. Bearing the weight of this impact, the Nissin Kogyo Group was forced to drastically reduce production in Japan and North America. Sales in Asia and Brazil, on the other hand, were strong. As a result, consolidated net sales fell 8.0% year on year to ¥186,346 million.

On the profit front, despite company-wide strenuous cost reduction activities and efforts to further reduce labor costs and business expenses, we were impacted by soaring raw materials prices and the strong yen. Consequently operating income fell 41.4% to ¥12,317 million, ordinary income decreased 51.7% to ¥10,800 million and net income fell 68.4% to ¥4,222 million.

Business Prospects for Fiscal Year Ending March 31, 2010

—Through the development and provision of environmentally-friendly products we shall bolster our foundation for growth and sustain our earnings

Looking at the current state of the automobile industry, we expect that a recovery in demand may require considerable time. Meanwhile, in the current business environment, in addition to flexibly executing production adjustments and conducting thorough business expense reduction activities, the Nissin Kogyo Group is striving to bolster a foundation for growth and sustain earnings by developing and providing environmentally-friendly products. In the fiscal year ending March 31, 2010, we forecast net sales of ¥136 billion, operating income of ¥1 billion, ordinary income of ¥1.8 billion, and net income of ¥500 million.

Regretfully, after taking all things into consideration, including the future trend of earnings, our financial standing and funding demands etc., the year-end dividend shall be ¥12 per share, which is ¥6 per share lower than the previous year. This makes the full-year dividend amount ¥30 per share. By continuing to strengthen our global sales activities and develop attractive new products while thoroughly reducing costs, we are striving to sustain earnings. I ask for your continued support and cooperation as we strive to achieve these goals.



Akihiro Kubo
President



INTRODUCING CORE PRODUCTS

Reducing environmental impact and enhancing safety are two universal requirements of the automotive industry. Since its founding as a company manufacturing automotive brake components, Nissin Kogyo has been engaged in research and development activities to satisfy these requirements by leveraging the advanced technologies it has amassed, including aluminum casting and processing technologies, and braking system control technologies.

By making use of its strengths in aluminum casting and processing technologies to deliver lightweight and compact products, Nissin Kogyo has been improving automotive fuel efficiency and contributing to reducing the environmental impact of automobiles by reducing CO₂ emissions. The Company is also making use of another strength, its braking system control technologies, to contribute to the ongoing development of highly intelligent braking systems, and thereby to driving safety and comfort.

Matched precisely to the needs of the current era, Nissin Kogyo's products are finding favor with the Company's customers, automobile manufacturers.

New Adoptions of Our Products

Through its aluminum weight reduction technology and its braking system technology, Nissin Kogyo makes considerable contributions to motorized society in terms of both environment and safety.

Four-wheeled Vehicle Business

The new hybrid car, the Honda Insight, launched in February 2009, has adopted brake products and aluminum products that utilize Nissin Kogyo core technology. Hybrid cars, which are not only safe and comfortable, but also environmentally friendly, have multiple power sources (gasoline engine + electric motor). Considering their superior fuel efficiency and their contribution to reducing CO₂ emissions, demand for these cars is expected to continue growing.



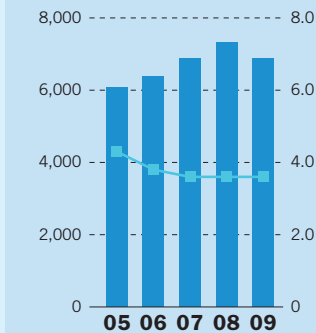
Motorcycle Business

The popular European motorcycle maker Triumph Motorcycles Ltd has adopted single-mold body disc brake calipers. Compared with the two-piece structure they used up until now, more advanced processing technology is required but because they are compact, lightweight and highly rigid, the vehicles adopting this product are expected to expand.



R&D EXPENDITURES/ RATIO TO NET SALES

(¥ millions/%)



■ R&D Expenditures (left scale)
■ Ratio to Net Sales (right scale)

Research and Development Activities

The Nissin Kogyo Group constantly strives to keep one step ahead of changes in the world by conducting research and development activities in order to create new product families that can contribute to safety and the environment while meeting the needs of customers and society.

We aim to raise the levels of safety and comfort and to reduce weight, for motorcycles and four-wheeled vehicles. Placing importance on basic brake and mechatronics automated control system development, aluminum-based weight reduction design technology, materials development and manufacturing process technology development, we are steering research and development in a direction that will facilitate production on a global scale. We are also working jointly with dedicated automakers to develop full braking systems.

Nissin Kogyo's development division is the key driver of the Group's research and development. R&D expenditures in the year under review were ¥6,884 million.

Introducing Core Products

NK15 SERIES

▶ Produced in: Japan



Nissin Kogyo developed the NK15 series brake system specifically for hybrid vehicles. This system adjusts the hydraulic brake volume according to the change in the regenerative brake volume when the brake is operated. The NK15 series has been adopted for use in Honda Motor's Civic Hybrid vehicle.

VSA

▶ Produced in: Japan, the U.S. and China



The Company's VSA (vehicle stability assist) system helps maintain the stability of a vehicle by preventing skidding. The system applies the brakes automatically when the vehicle is cornering if a sensor detects the vehicle is losing stability.

EPB (ELECTRONIC PARKING BRAKE)

▶ Produced in: Japan



The EPB makes driving less of a chore by allowing smooth hill starts and eliminating those times when you forget to disengage the parking brake lever. Mass production has been underway since December 2008 and its adoption is expected to expand.

ALUMINUM ENGINE MOUNT BRACKET

▶ Produced in: Japan, the U.S., China and Thailand



The engine mount bracket is used when attaching the engine to the vehicle chassis. This part was previously made from pressed steel, but in recent years it has been made from aluminum instead of steel to make the part more lightweight, more recyclable and to improve driving comfort.

MOTORCYCLE DISC BRAKES

▶ Produced in: Japan, the U.S., China and other parts of Asia, South America



The motorcycle disc brake operates by pinching a rotating disc together with the front wheel between friction pads.

The Nissin Kogyo Group holds the world's top share in master cylinders used with these brakes.

MOTORCYCLE MASTER CYLINDERS

▶ Produced in: Japan, the U.S., China and other parts of Asia, South America



This component generates hydraulic pressure when a lever is physically operated. The pressure is then conveyed to the disc brake.

The Nissin Kogyo Group holds the world's top share in master cylinders for motorcycle disc brake systems.

CORPORATE GOVERNANCE

Basic Philosophy

The Nissin Kogyo Group executes its corporate governance based on policies and regulations concerning conduct, placing importance on its basic company philosophy of “warm-heartedness and contribution,” and its credo of “providing superior products, technologies and ideas to meet the needs of customers and society one step ahead of the changes in the world.”

Overview of Nissin Kogyo’s Organization and Development of Internal Control Systems

Nissin Kogyo’s Board of Directors comprises nine Directors and its role is to deliberate upon legal matters and major management issues. The Management Committee comprises seven Directors and its role is to sufficiently deliberate upon important matters of management, share management issues and decide upon measures to solve those issues.

Nissin Kogyo has a Board of Auditors in accordance with the Companies Act. The Board of Auditors comprises four Auditors, two of which are Outside Auditors. Auditors attend meetings of the Board of Directors and the Management Committee and it is their job to audit the status of management’s execution of duties.

Internal Auditing Office appoints four full-time staff members to form an Independent Operation

Auditing Department and it is the job of this department to provide support in the execution of internal auditing and the requests from Auditors. In internal auditing, in addition to the staff of the Internal Auditing Office, two Internal Auditors are elected from each field such as development and accounting. While these Internal Auditors execute internal auditing of all divisions on a twice-yearly basis, they also execute regular audits of overseas bases.

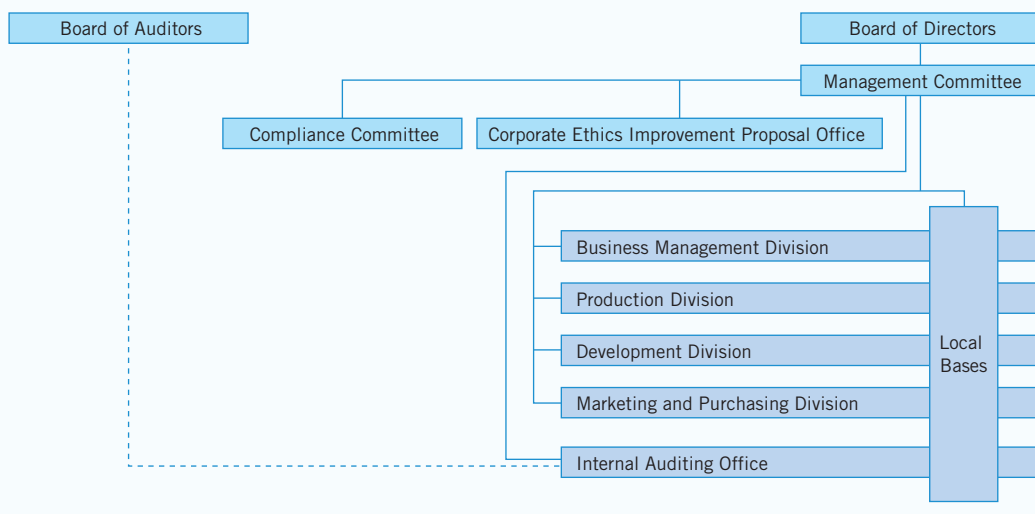
The system for execution of operations is modeled on a high standard of effectiveness and efficiency and utilizes the cooperation of the four functional headquarters and overseas bases.

Details of Director and Auditor Remuneration

Director	16	¥282 million
Auditor (Outside Auditor)	6 (3)	¥41 million (¥6 million)
Total	22	¥323 million

THE CORPORATE GOVERNANCE STRUCTURE

(As of April 1, 2009)



ENVIRONMENTAL ACTIVITIES

Environmental Initiatives

Nissin Kogyo treats environmental issues as the most important challenges of management and energetically conducts environmental protection activities. Not to mention providing customers with resource-saving and energy-saving products, the Nissin Kogyo Group concentrates wholeheartedly on environment and safety, and constructs a framework for further environmental protection.

Environmental Policy of Nissin Kogyo

In June 1998, Nissin Kogyo formulated its Environmental Policy to promote its environmental protection activities. Everyone in the entire group works together toward forming a recycling-oriented society and constructing a sustainable society.

Environmental Protection Activities

Aiming to establish environmentally-friendly plants that contribute to the reduction of CO₂ emissions, Nissin Kogyo is promoting the introduction of a cogeneration facility that uses natural gas. This system generates electricity to be used by factory from natural gas fuel. We also effectively utilize the hot water and heat emissions produced by the system.

The first of our factories to introduce a cogeneration facility was Ueda Factory in July 2004. We then followed this by introducing the same system at the Naoetsu Factory and the Tobu Factory.



Cogeneration facility of Tobu Factory

Not only do we use the electricity generated by these systems for factory operations, we also effectively utilize the hot water and heat emissions in the cooling/heating systems of Corporate Headquarters and Ueda Factory. At the Naoetsu Factory, the generated electricity is used at the new factory for four-wheeled vehicle parts and the hot water and heat emissions are not only utilized in the alumite processing and surface processing processes, they are also used to melt snow in the winter.

ENVIRONMENTALLY-FRIENDLY PRODUCTS

Nissin Kogyo works hard to convert steel materials to aluminum through its aluminum weight reduction technologies. Our aluminum knuckles are a typical example. By switching this product's material from steel to aluminum, we lightened knuckle weight by 4 kg per car, and by doing so contributed to saving energy and reducing CO₂ emissions.



Aluminum Knuckles

FINANCIAL REVIEW

The Nissin Kogyo Group is made up of the parent company and 14 consolidated subsidiaries, as well as 7 affiliates accounted for by the equity method. Group companies are primarily engaged in the manufacture and sale of brake systems and components for automobiles.

Business Results

In the fiscal year ended March 31, 2009, consolidated net sales fell 8.0% year on year to ¥186,346 million. A breakdown of this is as follows. Despite strong sales for four-wheeled vehicle components in China and Thailand and motorcycle components in Indonesia, Vietnam and Brazil, which more than offset the related foreign exchange impact, in Japan and North America there were considerable production cuts for major partners, which was confounded by the related foreign exchange impact.

On the expenses front, the cost of sales fell 4.1% year on year to ¥163,447 million, and the cost of sales ratio increased by 3.5 points. This reflected the impacts of the foreign exchange rate and the soaring raw material prices. Selling, general and administrative (SG&A) expenses decreased 3.8% to ¥10,583 million, and due to cuts in export-related expenses and R&D expenditure, these expenses fell 0.2 of a percentage point as a percentage of net sales. As a result, operating income was ¥12,317 million, down 41.4%.

Other loss, net was ¥1,715 million, compared with the previous year's other income, net of ¥1,345 million, due mostly to the foreign exchange impact. As a result, net income declined 68.4% year on year to ¥4,222 million.

Net income per share fell from ¥204.03 in the previous year to ¥64.57. Nissin Kogyo paid a year-end dividend of ¥12 (full-year dividend of ¥30) per share.

Breakdown by Geographic Segment

Japan—Despite a revenue increase in new acquisitions, net sales declined by 19.2% to ¥64,325 million due to the impact of considerable production cuts by all manufacturers of motorcycles and four-wheeled vehicles in the fourth quarter.

Despite cost-cutting activities, operating loss was ¥170 million. This was largely attributable to the considerable drop in revenues, the soaring raw material prices and the foreign exchange impact.

North America—Despite a revenue increase in new acquisitions, net sales declined by 22.5% to ¥39,623 million due to the impacts of considerable production cuts by all manufacturers of motorcycles and four-wheeled vehicles in the fourth quarter and the foreign exchange rates.

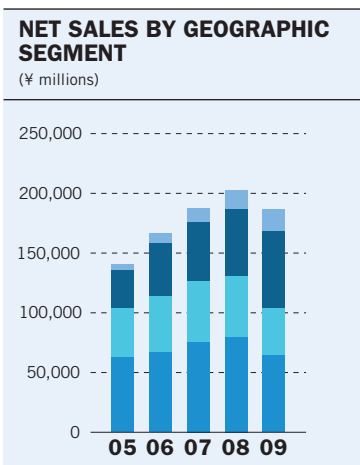
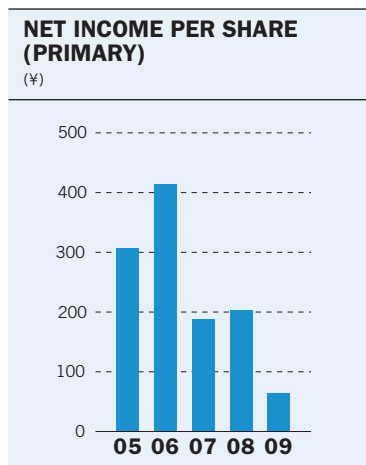
Operating loss was ¥538 million, which was largely attributable to the considerable drop in revenues, the soaring raw material prices and the foreign exchange impact.

Asia—Despite a drop in revenue from the foreign exchange impact, net sales rose 16.2% year on year to ¥64,552 million due to the strong sales in Indonesia, China, Thailand and Vietnam and the start of operations at our new factory in India.

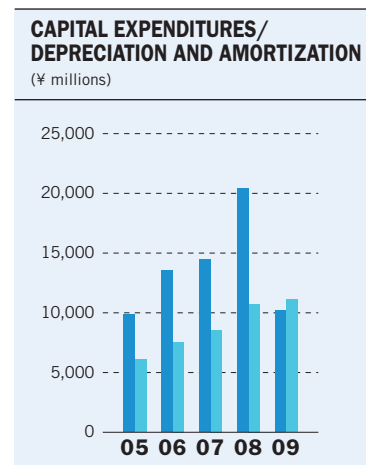
Despite the effect from increased revenues, however, operating income decreased by 3.8% year on year to ¥9,546 million, which was largely attributable to the soaring raw material prices, the foreign exchange impact and the start-up costs at our new factory in India.

Other regions—Despite a drop in revenue from the foreign exchange impact, net sales rose 10.2% year on year to ¥17,846 million due to the strong sales in Brazil.

Despite the effect from increased revenues in Brazil, however, operating income decreased by 21.4% year on year to ¥2,254 million, which was largely attributable to the foreign exchange impact, the addition of various costs and the start-up costs related to a new four-wheeled vehicle factory.



■ Japan ■ North America ■ Asia
■ Other Regions



■ Capital Expenditures
■ Depreciation and Amortization

Capital Expenditures

Capital expenditures in the year under review was ¥10,206 million. This was mainly attributable to the investment in supply capability expansion and rationalization. There were no sales or retirements of facilities that materially impacted production capacity.

Financial Position

Current assets stood at ¥61,988 million, a decrease of ¥14,879 million, due to a decrease in notes and accounts receivable. Noncurrent assets stood at ¥60,217 million, a decrease of ¥11,733 million due to a decrease in property, plant and equipment. Investments and other assets declined ¥4,359 million to ¥12,154 million, mainly due to a decrease in investment securities. As a result, total assets at the fiscal year-end amounted to ¥122,206 million, down ¥26,612 million from a year earlier.

Current liabilities decreased ¥11,726 million compared to a year ago to ¥26,742 million, due to a decrease in notes and accounts payable. Long-term liabilities were ¥4,330 million, down ¥476 million. As a result, total liabilities at the fiscal year-end amounted to ¥31,072 million, down ¥12,201 million from a year earlier.

Net assets decreased ¥14,411 million compared to a year ago to ¥91,134 million due to a decrease in foreign currency translation adjustments and other factors.

Cash Flows

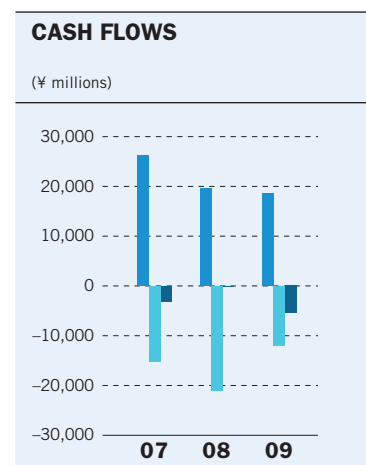
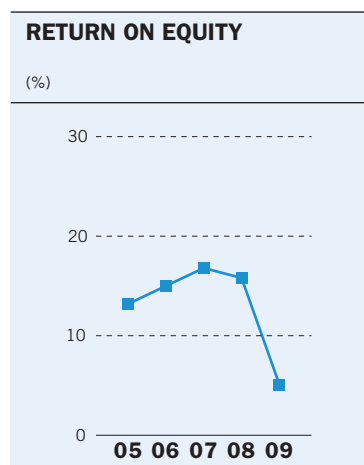
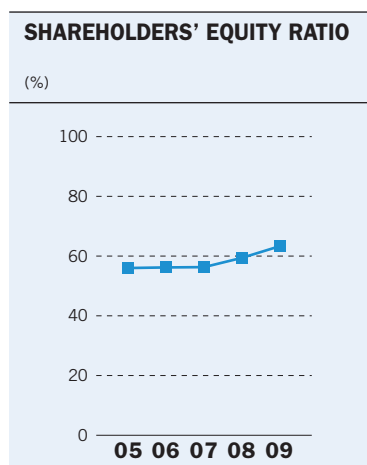
Cash and cash equivalents ("cash") as of March 31, 2009, stood at ¥20,163 million, down ¥3,408 million from the previous fiscal year-end. This reflected an increase in cash due to income before income taxes and minority interests and a decrease in cash mainly due to the purchase of property, plant and equipment.

Net cash provided by operating activities was ¥18,614 million. The main component was income before income taxes and minority interests and depreciation and amortization.

Net cash used in investing activities was ¥11,933 million, mainly due to capital investment.

Net cash used in financing activities was ¥5,433 million, which reflected the payment of dividends.

As of March 31, 2009, cash stood at ¥20,163 million. Nissin Kogyo's internal reserves will be allotted as needed for the product development and business expansion indispensable to future growth.



■ Cash Flows from Operating Activities
 ■ Cash Flows from Investing Activities
 ■ Cash Flows from Financing Activities

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
31st March, 2008 and 2009

ASSETS	Millions of yen		Thousands of U.S. dollars
	2008	2009	2009
Current assets:			
Cash and bank deposits	¥ 24,000	¥ 20,679	\$ 210,516
Marketable securities	–	334	3,400
Notes and accounts receivable	28,472	17,320	176,321
Inventories	19,186	19,296	196,437
Deferred income taxes	1,260	1,019	10,374
Prepaid expenses and other current assets	3,976	3,353	34,134
Allowance for doubtful accounts	(27)	(13)	(132)
Total current assets	76,867	61,988	631,050
Property, plant and equipment:			
Land	3,896	3,641	37,066
Buildings and structures	19,616	19,272	196,193
Machinery and equipment	76,440	73,954	752,866
Vehicles and fixtures	17,118	15,836	161,213
Lease assets	–	585	5,955
Construction in progress	6,625	2,488	25,328
	123,695	115,776	1,178,622
Accumulated depreciation	(69,045)	(68,713)	(699,511)
Property, plant and equipment, net	54,650	47,063	479,110
Investments and other assets:			
Investment securities	14,889	11,064	113
Deferred income taxes	569	112	1
Other assets	1,055	1,013	10
Allowance for doubtful accounts	–	(36)	(0)
Total investments and other assets	16,513	12,154	124
Total assets	¥148,818	¥122,206	\$ 1,244

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥98.23=U.S.\$1, the approximate Tokyo foreign exchange market rate as of March 31, 2009.

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (UNAUDITED)

	Millions of yen										
	Shareholders' equity					Valuation and translation adjustments					
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain on securities	Gains on deferred hedge	Foreign currency translation adjustments	Total	Minority interests	Total net assets
Balance as of March 31, 2008	¥3,694	¥3,419	¥74,748	¥ (32)	¥81,829	¥ 5,064	¥ 4	¥ 1,462	¥ 6,530	¥17,185	¥105,544
Effect of changes in accounting policies applied to foreign subsidiaries			(84)		(84)						(84)
Changes in the period:											
Dividends			(2,355)		(2,355)						(2,355)
Net income			4,222		4,222						4,222
Acquisition of treasury stock				(69)	(69)						(69)
Change of scope of consolidation			(211)		(211)						(211)
Increase resulting from increase in affiliates accounted for by the equity method			(79)		(79)						(79)
Net changes of items other than stockholders' equity						(1,263)	(8)	(11,180)	(12,451)	(3,385)	(15,836)
Total changes in the period	–	–	1,578	(69)	1,509	(1,263)	(8)	(11,180)	(12,451)	(3,385)	(14,327)
Balance as of March 31, 2009	¥3,694	¥3,419	¥76,242	¥(101)	¥83,254	¥ 3,801	¥(4)	¥ (9,718)	¥ (5,921)	¥13,800	¥ 91,134

LIABILITIES AND NET ASSETS	Millions of yen		Thousands of U.S. dollars
	2008	2009	2009
Current liabilities:			
Short-term borrowings	¥ 4,416	¥ 3,555	\$ 36,191
Notes and accounts payable	29,814	20,617	209,885
Accrued expenses	2,139	1,460	14,863
Accrued income taxes	1,545	392	3,991
Other current liabilities	554	718	7,309
Total current liabilities	38,468	26,742	272,239
Long-term liabilities:			
Deferred income taxes	3,130	2,039	20,757
Accrued retirement benefits	1,223	1,360	13,845
Retirement benefits for directors and corporate auditors	338	303	3,085
Other long-term liabilities	114	177	1,802
Total long-term liabilities	4,806	4,330	44,080
Net assets			
Shareholders' equity:			
Common stock:			
Authorized: 150,000,000 shares			
Issued: 65,452,143 shares in 2008			
Issued: 65,452,143 shares in 2009	3,694	3,694	37,606
Capital surplus	3,419	3,419	34,806
Retained earnings	74,748	76,242	776,158
Treasury stock, at cost;			
24,163 shares in 2008 and 68,398 shares in 2009	(32)	(101)	(1,028)
Total shareholders' equity	81,829	83,254	847,541
Valuation, translation adjustments and others:			
Net unrealized holding gain on investment securities	5,064	3,801	38,695
Deferred gains or losses on hedges	4	(4)	(41)
Foreign currency translation adjustments	1,462	(9,718)	(98,931)
Total valuation, translation adjustments and others	6,530	(5,921)	(60,277)
Minority interests	17,185	13,800	140,487
Total net assets	105,544	91,134	927,761
Total liabilities and shareholders' equity	¥148,818	¥122,206	\$1,244,080

	Thousands of U.S. dollars										
	Shareholders' equity					Valuation and translation adjustments					Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain on securities	Gains on deferred hedge	Foreign currency translation adjustments	Total	Minority interests	
Balance as of March 31, 2008	\$37,606	\$34,806	\$760,949	\$ (326)	\$833,035	\$ 51,552	\$ 41	\$ 14,883	\$ 66,477	\$174,947	\$1,074,458
Effect of changes in accounting policies applied to foreign subsidiaries			(855)		(855)						(855)
Changes in the period:											
Dividends			(23,974)		(23,974)						(23,974)
Net income			42,981		42,981						42,981
Acquisition of treasury stock				(702)	(702)						(702)
Change of scope of consolidation			(2,148)		(2,148)						(2,148)
Increase resulting from increase in affiliates accounted for by the equity method			(804)		(804)						(804)
Net changes of items other than stockholders' equity						(12,858)	(81)	(113,815)	(126,754)	(34,460)	(161,213)
Total changes in the period	-	-	16,064	(702)	15,362	(12,858)	(81)	(113,815)	(126,754)	(34,460)	(145,852)
Balance as of March 31, 2009	\$37,606	\$34,806	\$776,158	\$(1,028)	\$847,541	\$ 38,695	\$(41)	\$ (98,931)	\$ (60,277)	\$140,487	\$ 927,761

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
Years ended 31st March, 2008 and 2009

	Millions of yen		Thousands of U.S. dollars
	2008	2009	2009
Net sales	¥202,469	¥186,346	\$1,897,038
Cost of sales	170,441	163,447	1,663,921
Gross profit	32,028	22,900	233,126
Selling, general and administrative expenses	10,999	10,583	107,737
Operating income	21,029	12,317	125,389
Other income (expenses):			
Interest and dividend income	1,365	1,253	12,756
Interest expense	(51)	(135)	(1,374)
Foreign exchange gain (loss), net	(774)	(2,592)	(26,387)
Gain on sale of securities	26	–	–
Loss on disposal of fixed assets	(20)	(173)	(1,761)
Equity in earnings of affiliates	451	60	611
Loss on disposal of inventories	–	26	265
Loss on compensation of defective products	(23)	(37)	(377)
Prior year adjustment	177	–	–
Other, net	194	(117)	(1,191)
Other income, net	1,345	(1,715)	(17,459)
Income before income taxes and minority interests	22,375	10,602	107,930
Income taxes			
Current	4,398	2,631	26,784
Refund	–	–	–
Deferred	618	335	3,410
Income before minority interests	17,359	7,636	77,736
Minority interests	4,011	3,414	34,755
Net income	¥ 13,348	¥ 4,222	\$ 42,981

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥98.23=U.S.\$1, the approximate Tokyo foreign exchange market rate as of March 31, 2009.

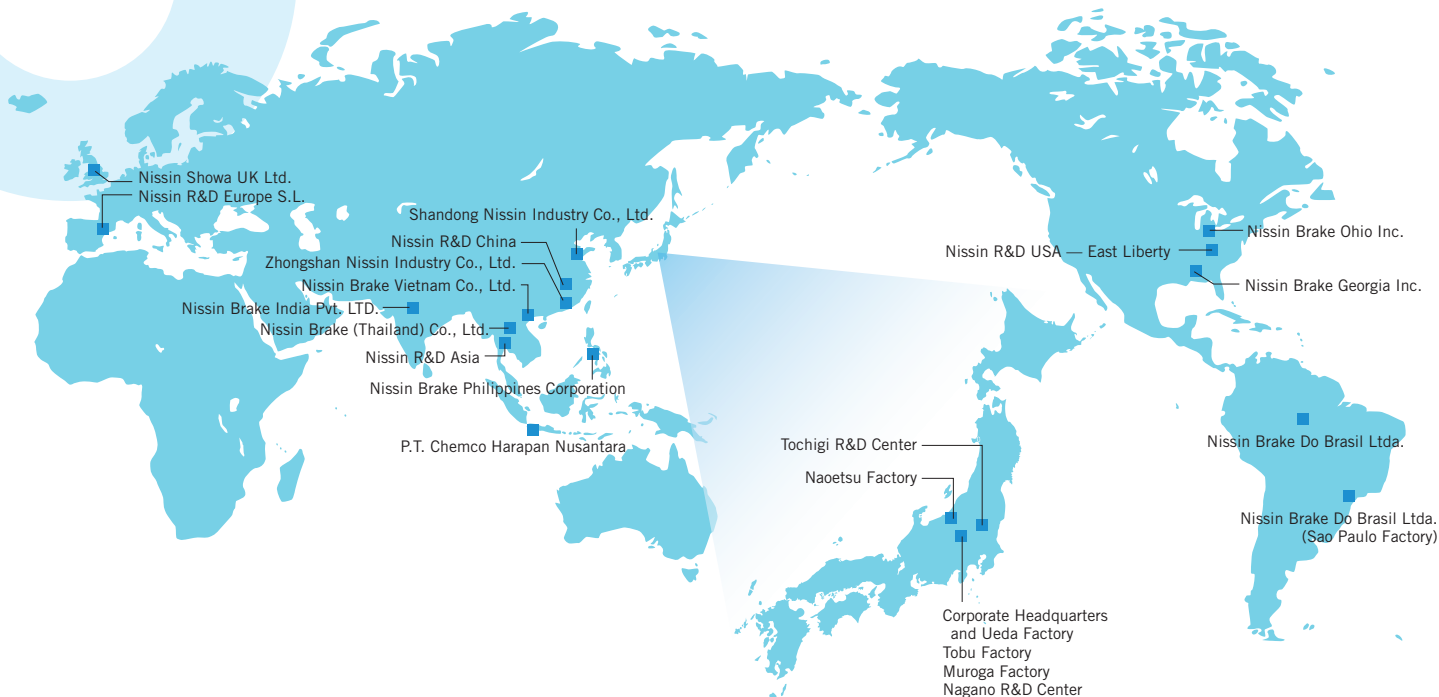
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
Years ended 31st March, 2008 and 2009

	Millions of yen		Thousands of U.S. dollars
	2008	2009	2009
Cash flows from operating activities			
Income before income taxes and minority interests	¥ 22,375	¥ 10,602	\$ 107,930
Depreciation and amortization	10,733	11,098	112,980
Amortization of consolidation goodwill differences	9	8	81
Increase (decrease) in allowance for doubtful accounts	(47)	26	265
Increase in allowance for directors' bonuses	(3)	(69)	(702)
Increase (decrease) in accrued retirement benefits	(20)	185	1,883
Increase in retirement benefits for directors and corporate auditors	(90)	(32)	(326)
Interest and dividend income	(1,365)	(1,253)	(12,756)
Interest expense	51	135	1,374
Foreign exchange gain, net	60	0	0
Equity in earnings of affiliates	(451)	(60)	(611)
Gain on sale of property, plant and equipment	(84)	-	-
Loss on sale of property, plant and equipment	14	-	-
Loss (gain) on sales of property, plant and equipment	-	(66)	(672)
Loss on disposal of property, plant and equipment	20	173	1,761
Gain on sale of investment securities	(26)	-	-
Loss (gain) on valuation of short-term and long-term investment securities	-	3	31
Increase in notes and accounts receivable—trade	(232)	7,674	78,123
Increase in inventories	(3,620)	(3,770)	(38,379)
Increase in notes and accounts payable—trade	(867)	(2,127)	(21,653)
Increase in accounts payable	(921)	(1,707)	(17,378)
Other, net	(1,399)	526	5,355
Subtotal	24,228	21,346	217,306
Interest and dividends received	1,385	1,271	12,939
Interest paid	(51)	(135)	(1,374)
Income taxes paid	(6,058)	(3,869)	(39,387)
Net cash provided by operating activities	19,504	18,614	189,494
Cash flows from investing activities			
Increase in time deposits	(630)	(915)	(9,315)
Purchases of property and equipment	(20,423)	(10,206)	(103,899)
Proceeds from sale of property and equipment	347	234	2,382
Purchase of intangible assets	-	(252)	(2,565)
Purchases of investment securities	(1,251)	(23)	(234)
Proceeds from sale of investment securities	421	-	-
Purchase of investments in subsidiaries	-	(895)	(9,111)
Collection of loans receivable	-	5	51
Other, net	(169)	119	1,211
Net cash used in investing activities	(20,966)	(11,933)	(121,480)
Cash flows from financing activities			
Decrease in short-term borrowings	3,999	(796)	(8,103)
Repayments of finance lease obligations	-	(21)	(214)
Dividends paid	(2,290)	(2,355)	(23,974)
Dividends paid to minority shareholders	(1,799)	(2,212)	(22,519)
Other, net	52	(49)	(499)
Net cash used in financing activities	(39)	(5,433)	(55,309)
Effect of exchange rate changes on cash and cash equivalents	(215)	(5,083)	(51,746)
Net increase in cash and cash equivalents	(1,715)	(3,835)	(39,041)
Cash and cash equivalents at beginning of year	25,286	23,571	239,957
Cash and cash equivalents of newly consolidated subsidiaries	-	427	4,347
Cash and cash equivalents at end of year	¥ 23,571	¥ 20,163	\$ 205,263

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥98.23=U.S.\$1, the approximate Tokyo foreign exchange market rate as of March 31, 2009.

NETWORK



[DOMESTIC]

Corporate Headquarters and Ueda Factory

840 Kokubu, Ueda-city,
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Tobu Factory

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Nagano 389-0514, Japan
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Muroga Factory

1687 Shimomuroga, Ueda-city,
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Naoetsu Factory

4370 Kamichihara, Jyoetsu-city,
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Nagano R&D Center

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[OVERSEAS]

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Zhongshan "Torch" Hi-Tech Industrial
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Rajasthan - 301705, India
Tel: +91-124-4748205 Fax: +91-124-4748206

CORPORATE DATA

(As of 31st March, 2009)

NAME: Nissin Kogyo Co., Ltd.

ESTABLISHED: October 1953

PAID-IN CAPITAL: ¥3,694 million

EMPLOYEES: 8,389

DIRECTORS AND AUDITORS:

(As of June 19, 2009)

President

Akihiro Kubo

Senior Managing Director

Katsutoshi Ueda

Managing Directors

Hiroyuki Suganuma

Hideaki Yanagisawa

Keiji Himori

Directors

Kimio Koyano

Junichi Beppu

Akihiko Kishimoto

Masahiro Himura

Statutory Auditors

Hidenori Misaizu

Kimio Oshimori

Auditors

Atsushi Totsune

Norimasa Oguchi

TOTAL SHARES ISSUED AND OUTSTANDING:

65,452,143

NUMBER OF SHAREHOLDERS: 22,342

STOCK LISTING: Tokyo Stock Exchange, First Section

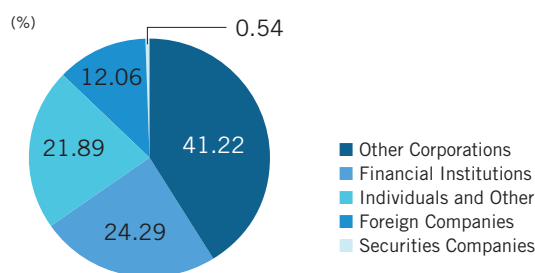
STOCK CODE: 7230

TRANSFER AGENT:

Mitsubishi UFJ Trust and Banking Corporation

4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan

SHAREHOLDINGS BY SHAREHOLDER TYPE:



PRINCIPAL SHAREHOLDERS:

Name	Holdings (Thousands of Shares)	Voting Rights (%)
Honda Motor Co., Ltd.	22,682	34.65
Japan Trustee Services Bank, Ltd. (Trust Account)	4,273	6.52
Daishin Sangyo Co., Ltd.	3,368	5.14
Japan Trustee Services Bank, Ltd. (Trust Account 4G)	2,395	3.66
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,327	3.55
Naoya Miyashita	1,864	2.84
NikkoCiti Trust and Banking Corporation	1,052	1.60
Mizuho Corporate Bank, Ltd.	1,000	1.52
Nissin Kogyo Employee Shareholding Association	755	1.15
National Mutual Insurance Federation of Agricultural Cooperatives	716	1.09



Nissin Kogyo Co., Ltd.

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<http://www.nissinkogyo.co.jp>

