

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
31st March, 2004 and 2005

| ASSETS | Millions of yen | | Thousands of U.S. dollars |
|---|-----------------|-----------------|------------------------------|
| | 2004 | 2005 | 2005 |
| Current assets: | | | |
| Cash and bank deposits | ¥ 11,073 | ¥ 13,950 | \$ 129,902 |
| Marketable securities | 291 | 517 | 4,823 |
| Notes and accounts receivable | 20,088 | 22,092 | 205,722 |
| Inventories | 9,030 | 11,505 | 107,141 |
| Deferred income taxes | 1,664 | 1,671 | 15,564 |
| Prepaid expenses and other current assets | 475 | 1,813 | 16,887 |
| Allowance for doubtful accounts | (1) | (24) | (228) |
| Total current assets | 42,622 | 51,526 | 479,811 |
| Property, plant and equipment: | | | |
| Land | 3,437 | 3,362 | 31,307 |
| Buildings and structures | 12,966 | 13,621 | 126,846 |
| Machinery and equipment | 39,269 | 44,822 | 417,382 |
| Vehicles and fixtures | 11,129 | 12,064 | 112,343 |
| Construction in progress | 2,363 | 2,457 | 22,880 |
| | 69,166 | 76,328 | 710,758 |
| Accumulated depreciation | (41,499) | (45,225) | (421,131) |
| Property, plant and equipment, net | 27,666 | 31,103 | 289,627 |
| Investments and other assets: | | | |
| Investment securities | 11,728 | 12,064 | 112,339 |
| Deferred income taxes | 490 | 647 | 6,025 |
| Other assets | 1,733 | 1,603 | 14,936 |
| Allowance for doubtful accounts | (41) | (47) | (440) |
| Total investments and other assets | 13,910 | 14,267 | 132,860 |
| Total assets | ¥ 84,199 | ¥ 96,897 | \$ 902,298 |

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥107.39=U.S.\$1, the approximate Tokyo foreign exchange market rate as of March 31, 2005.

| LIABILITIES AND SHAREHOLDERS' EQUITY | Millions of yen | | Thousands of U.S. dollars |
|--|-----------------|----------------|------------------------------|
| | 2004 | 2005 | 2005 |
| Current liabilities: | | | |
| Short-term borrowings | ¥ 762 | ¥ 1,797 | \$ 16,742 |
| Notes and accounts payable | 19,663 | 22,892 | 213,170 |
| Accrued expenses | 906 | 2,383 | 22,192 |
| Accrued income taxes | 1,749 | 1,777 | 16,556 |
| Other current liabilities | 1,810 | 533 | 4,968 |
| Total current liabilities | 24,892 | 29,384 | 273,628 |
| Long-term liabilities: | | | |
| Deferred income taxes | 2,726 | 3,001 | 27,953 |
| Accrued retirement benefits | 775 | 1,016 | 9,462 |
| Retirement benefits for directors and corporate auditors | – | 193 | 1,800 |
| Other long-term liabilities | 17 | 17 | 160 |
| Total long-term liabilities | 3,519 | 4,228 | 39,375 |
| Minority interests | 7,511 | 8,988 | 83,702 |
| Contingent liabilities | | | |
| Shareholders' equity: | | | |
| Common stock: | | | |
| Authorized: 40,000,000 shares | | | |
| Issued: 21,817,381 shares in 2004 | | | |
| 21,817,381 shares in 2005 | 3,693 | 3,693 | 34,398 |
| Capital surplus | 3,419 | 3,419 | 31,840 |
| Retained earnings | 39,992 | 45,208 | 420,978 |
| Net unrealized holding gain on investment securities | 4,218 | 4,737 | 44,119 |
| Foreign currency translation adjustments | (3,029) | (2,744) | (25,553) |
| | 48,294 | 54,315 | 505,782 |
| Less treasury common stock, at cost; | | | |
| 6,099 shares in 2004 and 6,949 shares in 2005 | (17) | (20) | (189) |
| Total shareholders' equity, net | 48,276 | 54,295 | 505,593 |
| Total liabilities and shareholders' equity | ¥84,199 | ¥96,897 | \$902,298 |