

# CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

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

	Millions of yen		Thousands of U.S. dollars
	2004	2005	2005
Net sales	¥124,943	¥140,964	\$1,312,643
Cost of sales	104,187	118,060	1,099,367
Gross profit	20,755	22,903	213,276
Selling, general and administrative expenses	7,442	8,310	77,384
Operating income	13,313	14,593	135,892
Other income (expenses):			
Interest and dividend income	162	226	2,107
Interest expense	(43)	(16)	(153)
Foreign exchange loss, net	(353)	(212)	(1,978)
Gain on sale of securities	–	81	761
Loss on sale of securities	(84)	–	–
Loss on disposal of fixed assets	(235)	(137)	(1,278)
Equity in earnings of affiliates	329	239	2,230
Loss on disposal of inventories	(346)	(111)	(1,036)
Loss on compensation of defective products	(729)	(900)	(8,382)
Prior year's provision for retirement benefits for directors and corporate auditors	–	(129)	(1,204)
Prior year adjustment	–	(153)	(1,430)
Other, net	(43)	166	1,551
Other expenses, net	(1,343)	(946)	(8,812)
Income before income taxes and minority interests	11,969	13,647	127,080
Income taxes			
Current	4,375	3,766	35,071
Refund	–	(275)	(2,569)
Deferred	32	(36)	(341)
Income before minority interests	7,561	10,193	94,919
Minority interests	(2,420)	(3,437)	(32,008)
Net income	¥ 5,141	¥ 6,755	\$ 62,911

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.