

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

Nissin Kogyo Co., Ltd. and Consolidated Subsidiaries
Years ended 31st March, 2005 and 2006

	Millions of yen		Thousands of U.S. dollars
	2005	2006	2006
Net sales	¥140,964	¥166,796	\$1,419,901
Cost of sales	118,060	139,723	1,189,437
Gross profit	22,903	27,073	230,464
Selling, general and administrative expenses	8,310	9,411	80,116
Operating income	14,593	17,661	150,348
Other income (expenses):			
Interest and dividend income	226	332	2,828
Interest expense	(16)	(33)	(278)
Foreign exchange gain (loss), net	(212)	442	3,759
Gain on sale of securities	81	37	318
Loss on disposal of fixed assets	(137)	(66)	(558)
Equity in earnings of affiliates	239	187	1,595
Loss on disposal of inventories	(111)	(129)	(1,101)
Loss on compensation of defective products	(900)	(177)	(1,506)
Prior year's provision for retirement benefits for directors and corporate auditors	(129)	-	-
Prior year adjustment	(153)	(57)	(486)
Other, net	166	(82)	(696)
Other income (expenses), net	(946)	455	3,875
Income before income taxes and minority interests	13,647	18,117	154,223
Income taxes			
Current	3,766	5,370	45,710
Refund	(275)	-	-
Deferred	(36)	(317)	(2,702)
Income before minority interests	10,193	13,064	111,215
Minority interests	(3,437)	(4,019)	(34,210)
Net income	¥ 6,755	¥ 9,046	\$ 77,005

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥117.47=U.S.\$1, the approximate Tokyo foreign exchange market rate as of March 31, 2006.