

August 7, 2006

Dear Sir / Madam,

Nissin Co., Ltd. has been promoting its “total finance” strategy through establishment of subsidiaries, such as a loan servicing company, a leasing company, a real-estate company, and a local company in China, in addition to its tie-up strategy, a “financial version of OEM”.

With the purpose of accelerating these strategies and taking a step forward to the next phase of the growth, Nissin has undertaken personnel changes for representative directors, directors, and executive officers. Additionally, Nissin will be changing its business name to “NIS Group Co., Ltd.” in an effort to strengthen its brand image as a “total financial solutions provider”, utilizing its power as a group.

NIS Group will pursue further development as well as focus on corporate governance, in order to earn the trust of its stakeholders.

1. Operating Results for Q1 Ended June 30, 2006

Operating results for Q1 ended June 30, 2006 were as follows.

Consolidated Operating Results

(In millions of yen)

	FY2005	FY2006	% change
Operating revenue	11,730	15,088	28.6%
Operating income	1,668	2,266	35.9%
Ordinary income	1,775	2,376	33.8%
Net income	1,322	1,645	24.5%

2. Announcement of Change in Title of a Director and Change in an Executive Officer

Nissin Co., Ltd. announced that it has effected a change in title of a director and change in an executive officer as of August 1, 2006, pursuant to a resolution adopted at the meeting of Board of Directors held on July 31, 2006.

(For details, please refer to the press release dated July 31, 2006.)

Nissin Information

3. Participation in “Nikkei IR Fair 2006 Summer”

Nissin Co., Ltd., Nissin Servicer Co., Ltd., and Xinhua Finance Ltd., an investee of Nissin, attended an IR Fair for individual investors, sponsored by Nihon Keizai Shimbun, Inc. held on July 21 and 22, 2006. More than 15,000 investors have participated in the event, and Nissin presented its business strategies to participants.

4. IR Road Show in London and New York

Nissin Co., Ltd. presented its corporate strategy and direction to institutional investors from more than 40 companies during an IR Road Show held from July 5-14, 2006 in London and New York.

5. Announcement of Forming a Business Alliance with USS Support Services Co., Ltd.

Nissin Co., Ltd. and USS Support Services Co., Ltd., a subsidiary of the used-car auction business giant, USS Co., Ltd., announced they had agreed to form a business alliance for “Just & Timely Credit”, a funding assistant service for USS members. By combining the client base and sales force of USS Support Services and the credit provision expertise of Nissin, it enables USS Support Services to provide services with higher settlement amounts and alternatives on terms of payment for USS members. Furthermore, Nissin feels the alliance will contribute to the growth of the number of USS members.

Nissin will continue to construct win-win relationships and contribute to business expansion by business owners and partners, as well as to the development of the economy.

(For details, please refer to “NIS Group Topics” dated June 27, 2006.) *Written in Japanese

6. The 47th Ordinary General Meeting of the Shareholders

Nissin Co., Ltd. held its 47th Ordinary General Meeting of Shareholders on June 24, 2006 at Kiku-no-Ma, 4th Floor, Hilton Tokyo Hotel. More than 660 investors attended, largely surpassing the previous year.

On that day, following proposals were resolved at the meeting:

- | | |
|-----------------|---|
| Proposal No. 1: | Approval of the Proposal for Appropriation of Earnings for the 47 th Fiscal Year |
| Proposal No. 2: | Partial Amendments to the Articles of Incorporation. |
| Proposal No. 3: | Election of Eleven (11) Directors. |
| Proposal No. 4: | Revision of Compensation Amounts for Directors and Statutory Auditors. |
| Proposal No. 5: | Determination of Compensation in the Form of Stock Options for Directors. |
| Proposal No. 6: | Presentation of Retirement Benefits to Retiring Director. |

Nissin Information

7. Notice Regarding the Establishment of an Executive Officers Committee

Nissin Co., Ltd. announced that its Board of Directors resolved at its meeting held on June 24, 2006, to establish an Executive Officers Committee, for the purpose of separating management decision making supervisory functions from operational execution functions, as well as to accelerate operations and clarify duties and authority.

(For details, please refer to the press release dated June 24, 2006.)

8. Announcement of Organizational Change and Changes in Directors and Executive Officers

Nissin Co., Ltd. announced that it has made organizational changes by introducing a Group System, establishing the “Group Strategy” division and “The Office of the CEO”; and effecting a change in director and executive officers effective June 24, 2006, pursuant to a resolution adopted at the meeting of Board of Directors held on that day.

(For details, please refer to the press release dated June 24, 2006.)

9. Notice Regarding the Establishment of a Compliance Committee

Nissin Co., Ltd. announced that its Board of Directors resolved at its meeting held on June 24, 2006, to establish a Compliance Committee.

(For details, please refer to the press release dated June 24, 2006.)

(The figures herein are based on Japanese GAAP, are unaudited and may be subject to revision.)



NISSIN CO., LTD. (8571)
Monthly Data for June 2006

The figures herein are based on Japanese-GAAP, are unaudited and may be subject to revision.

NIS Group's Main Operating Assets

(amount in thousands of yen)

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Total assets for SMEs	198,480,786	203,556,150	216,686,054									

* Assets for SMEs are the sum of the assets below less total loans to consumers, purchased loans receivable and real estate for sale.

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Total number of accounts	81,438	80,899	80,153									
Total loans to business owners	44,739	44,464	44,055									
Small business owner loans	24,485	24,337	24,159									
Business Timely loans	17,179	17,206	17,114									
Secured loans	701	723	753									
Notes receivable	2,374	2,198	2,031									
Total loans to consumers	36,699	36,435	36,096									
Wide loans	27,321	26,976	26,592									
Consumer loans	9,378	9,459	9,504									

(amount in thousands of yen)

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Total loans receivable	220,621,130	225,335,500	237,107,375									
Total loans to business owners	177,207,008	182,453,046	192,963,004									
Small business owner loans	64,835,006	64,215,134	64,282,372									
Business Timely loans	25,394,619	25,715,112	25,757,876									
Secured loans	84,794,557	90,579,435	103,020,721									
Notes receivable	2,182,825	1,943,364	1,802,034									
Total loans to consumers	43,414,122	42,882,454	42,244,370									
Wide loans	40,412,835	39,854,879	39,211,996									
Consumer loans	3,001,286	3,027,574	3,032,374									

* Bankrupt, delinquent and doubtful loans receivable are included in the balance of loans receivable.

(amount in thousands of yen)

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Assets held for leases and installment loans	9,453,524	9,239,140	9,562,155									

* Assets held for leases and installment loans are mainly assets of NIS Lease Co., Ltd.

* Installment loans represent the amounts of total installment loans less the amounts of unrealized revenue from installment loans.

(amount in thousands of yen)

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Purchased loans receivable and real estate for sale	30,058,095	30,156,162	30,578,222									

* Purchased loans receivable and real estate for sale are mainly assets of Nissin Servicer Co., Ltd.

(amount in thousands of yen)

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Guaranteed borrowings outstanding	11,820,000	11,863,000	12,260,000									
Sanyo Club	6,926,000	7,019,000	7,133,000									
Shinsei Business Finance	3,043,000	2,976,000	2,893,000									
Chuo Mitsui Finance Service	744,000	831,100	1,244,000									
Accounts receivable guaranteed	1,105,000	1,036,000	989,000									

* Amounts for guaranteed borrowings outstanding include accrued interest and are rounded down to the nearest million yen.

Trend in Number of Applications, Number of Approvals and Approval Ratio by Product

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Total
Small business owner loans													
Applications	1,277	1,436	1,328										4,041
Approvals	252	270	288										810
Approval ratio	19.73%	18.80%	21.69%										20.04%
Business Timely loans													
Applications	1,471	1,348	1,239										4,058
Approvals	1,018	925	866										2,809
Approval ratio	69.20%	68.62%	69.90%										69.22%
Secured loans													
Applications	167	162	164										493
Approvals	57	55	64										176
Approval ratio	34.13%	33.95%	39.02%										35.70%
Notes receivable													
Applications	42	71	79										192
Approvals	33	50	56										139
Approval ratio	78.57%	70.42%	70.89%										72.40%
Wide loans													
Applications	4,485	5,896	4,099										14,480
Approvals	259	274	259										792
Approval ratio	5.77%	4.65%	6.32%										5.47%
Consumer loans													
Applications	1,305	2,029	2,321										5,655
Approvals	349	355	349										1,053
Approval ratio	26.74%	17.50%	15.04%										18.62%

*1 The number of approvals of Business Timely and consumer loans includes the number of approved cardholders, which includes credit lines with zero balance

*2 Figures are of non-consolidate bases, and exclude business results of Aprek Co., Ltd.

Newly Contracted Accounts and Loan Amounts by Application Channel

June 2005

(amount in thousands of yen)

Application channel	Small business owner loans		Business Timely loans		Secured loans		Notes receivable		Wide loans		Consumer loans		Total	
	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable
OEM channels	67	366,800	253	282,717	0	0	1	472	0	0	39	11,160	360	661,150
Other	267	2,626,000	379	492,309	21	3,758,500	6	4,686	329	966,700	295	81,783	1,297	7,929,978
Total	334	2,992,800	632	775,026	21	3,758,500	7	5,158	329	966,700	334	92,943	1,657	8,591,128

June 2006

(amount in thousands of yen)

Application channel	Small business owner loans		Business Timely loans		Secured loans		Notes receivable		Wide loans		Consumer loans		Total	
	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable
OEM channels	70	265,400	145	170,450	2	16,600	0	0	0	0	25	6,938	242	459,389
Other	218	1,691,750	277	379,825	62	17,805,279	56	94,274	259	760,550	269	77,762	1,141	20,809,441
Total	288	1,957,150	422	550,276	64	17,821,879	56	94,274	259	760,550	294	84,701	1,383	21,268,831

* "OEM channels" represent referrals from Sanyo Club Co., Ltd., Shinsei Business Finance Co., Ltd., Gulliver International Co., Ltd., USEN Corp. and Chuo Mitsui Finance Service Co., Ltd..

Month-End Number of Accounts and Balance of Loans Receivable by Application Channel

June 2005

(amount in thousands of yen)

Application channel	Small business owner loans		Business Timely loans		Secured loans		Notes receivable		Wide loans		Consumer loans		Total	
	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable
OEM channels	1,739	5,644,632	4,915	7,182,803	9	114,562	4	6,369	8	16,368	1,283	398,228	7,958	13,362,965
Other	22,310	52,598,201	12,904	15,600,543	399	19,739,987	89	160,318	30,498	45,791,519	8,161	2,561,885	74,361	136,452,456
Total	24,049	58,242,833	17,819	22,783,347	408	19,854,550	93	166,687	30,506	45,807,888	9,444	2,960,114	82,319	149,815,421

June 2006

(amount in thousands of yen)

Application channel	Small business owner loans		Business Timely loans		Secured loans		Notes receivable		Wide loans		Consumer loans		Total	
	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable	Number of accounts	Loans receivable
OEM channels	1,829	5,367,799	5,680	10,260,613	9	45,050	1	629	13	25,276	1,151	338,264	8,683	16,037,633
Other	19,865	50,966,419	11,434	15,497,263	617	99,859,203	155	278,334	26,579	39,186,719	8,353	2,694,109	67,003	208,482,049
Total	21,694	56,334,218	17,114	25,757,876	626	99,904,253	156	278,963	26,592	39,211,996	9,504	3,032,374	75,686	224,519,683

* Bankrupt, delinquent and doubtful loans receivable are included in the balance of loans receivable.

* "OEM channels" represent referrals from Sanyo Club Co., Ltd., Shinsei Business Finance Co., Ltd., Gulliver International Co., Ltd., USEN Corp. and Chuo Mitsui Finance Service Co., Ltd.

Delinquent Loans by Default Days as of June 30, 2004, 2005 and 2006

June 30, 2004

(amount in thousands of yen)

	44-66days overdue		67-96days overdue		97days or more overdue		Total		Loans receivable
	Amount	%	Amount	%	Amount	%	Amount	%	
Small business owner loans	508,901	0.90	504,019	0.89	2,046,269	3.61	3,059,190	5.40	56,606,219
Business Timely loans	200,732	1.05	157,156	0.82	284,302	1.48	642,191	3.34	19,204,066
Secured loans	2,683	0.07	25,251	0.66	85,426	2.23	113,360	2.96	3,823,960
Notes receivable	0	0.00	0	0.00	0	0.00	0	0.00	221,370
Wide loans	499,276	0.90	429,429	0.78	1,659,934	3.00	2,588,641	4.68	55,261,698
Consumer loans	25,979	1.33	21,737	1.12	57,798	2.97	105,516	5.42	1,947,388
Total	1,237,574	0.90	1,137,594	0.83	4,133,731	3.02	6,508,900	4.75	137,064,703

June 30, 2005

(amount in thousands of yen)

	44-66days overdue		67-96days overdue		97days or more overdue		Total		Loans receivable
	Amount	%	Amount	%	Amount	%	Amount	%	
Small business owner loans	543,823	0.93	365,674	0.63	2,282,988	3.92	3,192,486	5.48	58,242,833
Business Timely loans	216,605	0.95	147,380	0.65	239,122	1.05	603,108	2.65	22,783,347
Secured loans	74,179	0.37	7,795	0.04	464,281	2.34	546,256	2.75	19,854,550
Notes receivable	0	0.00	2,320	1.39	15,058	9.03	17,378	10.43	166,687
Wide loans	365,649	0.80	258,101	0.56	1,390,560	3.04	2,014,311	4.40	45,807,888
Consumer loans	40,743	1.38	36,793	1.24	58,197	1.97	135,734	4.59	2,960,114
Total	1,241,001	0.83	818,064	0.55	4,450,208	2.97	6,509,275	4.34	149,815,421

June 30, 2006

(amount in thousands of yen)

	44-66days overdue		67-96days overdue		97days or more overdue		Total		Loans receivable
	Amount	%	Amount	%	Amount	%	Amount	%	
Small business owner loans	507,498	0.90	769,565	1.37	2,504,594	4.45	3,781,659	6.71	56,334,218
Business Timely loans	246,171	0.96	216,205	0.84	398,128	1.55	860,505	3.34	25,757,876
Secured loans	496,649	0.50	8,422	0.01	642,549	0.64	1,147,621	1.15	99,904,253
Notes receivable	0	0.00	4,000	1.43	14,469	5.19	18,469	6.62	278,963
Wide loans	315,723	0.81	269,642	0.69	1,142,548	2.91	1,727,915	4.41	39,211,996
Consumer loans	54,598	1.80	46,914	1.55	73,430	2.42	174,944	5.77	3,032,374
Total	1,620,641	0.72	1,314,751	0.59	4,775,722	2.13	7,711,115	3.43	224,519,683

* Bankrupt, delinquent and doubtful loans receivable are included in the balance of loans receivable.

Month-End Breakdown of Borrowings and Borrowing Rates

Breakdown of borrowings by lender

(amount in millions of yen)

	June 2005		June 2006		March 2006	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Indirect	92,957	70.14%	146,594	62.01%	131,521	62.03%
Bank	78,047	58.89%	100,459	42.50%	112,946	53.27%
Non-life insurance companies	1,470	1.11%	1,886	0.80%	1,981	0.93%
Other financial institutions	13,440	10.14%	44,249	18.72%	16,592	7.83%
Direct	39,574	29.86%	89,793	37.99%	80,491	37.97%
Total	132,532	100.00%	236,388	100.00%	212,013	100.00%

Borrowings by maturity

(amount in millions of yen)

	June 2005		June 2006		March 2006	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Short-term loan	9,018	7.08%	69,900	29.57%	49,700	23.44%
Long-term loan	123,513	92.92%	166,488	70.43%	162,313	76.56%
Long-term loan within 1year	51,672	40.56%	50,795	21.49%	50,301	23.73%
Long-term loan over 1year	71,841	52.36%	115,693	48.94%	112,012	52.83%
Total	132,532	100.00%	236,388	100.00%	212,013	100.00%

Borrowing rates

(%)

	June 2005	June 2006	Mach 2006
Indirect	1.92	1.47	1.46
Bank	1.85	1.45	1.45
Non-life insurance companies	2.36	1.82	1.84
Other financial institutions	2.26	1.48	1.46
Direct	1.28	0.89	0.90
Total	1.73	1.25	1.28

List of Investment Securities

As of June 30, 2006

(amount: Yen)

Listed Companies	Code	# of Shares	Share Price	Book Value	Share Price	Carrying Value	Difference
Venture Link Co., Ltd.	9609	12,285,400	200	2,457,080,000	372	4,570,168,800	2,113,088,800
Xinhua Finance Ltd.	9399	114,717	63,281	7,259,474,257	76,500	8,775,850,500	1,516,376,243
Raccoon Co., Ltd.	3031	500	17,204	8,602,428	1,580,000	790,000,000	781,397,572
IDU Co.	8922	5,200	198,758	1,033,544,000	333,000	1,731,600,000	698,056,000
Axell Corp.	6730	600	41,666	25,000,000	404,000	242,400,000	217,400,000
Risk Monster Co., Ltd.	3768	1,500	83,333	125,000,000	194,000	291,000,000	166,000,000
Yume no Machi Souzou Inkai Co., Ltd.	2484	200	9,585	1,917,000	709,000	141,800,000	139,883,000
Cyber Communications Inc.	4788	500	102,532	51,266,250	261,000	130,500,000	79,233,750
Gulliver International Co., Ltd.	7599	10,000	5,530	55,306,639	10,330	103,300,000	47,993,361
SBI Holdings, Inc.	8473	970	2,144	2,079,680	50,500	48,985,000	46,905,320
Tokushima Bank Ltd.	8561	122,971	592	72,895,869	851	104,648,321	31,752,452
Tosei Fudosan Co., Ltd.	8923	1,500	82,176	123,264,000	99,300	148,950,000	25,686,000
Fujitsu Business Systems Ltd.	8092	17,300	1,401	24,237,300	1,736	30,032,800	5,795,500
Gamepot Inc.	3792	30	24,335	730,050	203,000	6,090,000	5,359,950
Tenpos Busters Co., Ltd.	2751	496	136,742	67,824,245	138,000	68,448,000	623,755
The Bank of Kochi, Ltd.	8416	60,000	269	16,140,000	269	16,140,000	0
MOC Corp.	2363	800	76,500	61,200,000	76,500	61,200,000	0
Shinsei Bank Ltd.	8303	100,000	739	73,939,500	725	72,500,000	-1,439,500
Aeria Inc.	3758	90	501,866	45,168,000	396,000	35,640,000	-9,528,000
Kosaido Co., Ltd.	7868	1,887,000	1,060	2,000,220,000	1,003	1,892,661,000	-107,559,000
Shinyei Kaisha	3004	7,275,000	400	2,912,774,646	307	2,233,425,000	-679,349,646
Subtotal	-	-	-	16,417,663,864	-	21,495,339,421	5,077,675,557

Non-listed Companies and Others	Book Value	Carrying Value	Difference
Number of individual issues: 159	14,761,159,525	14,761,159,525	0

*Deemed securities are included.

Total	31,178,823,389	-	36,256,498,946	5,077,675,557
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*Above data represent investment securities held by Nissin Co., Ltd., except shares of Venture Link Co., Ltd. held by NIS Lease Co., Ltd.

Affiliates and Subsidiaries

(amount: Yen)

Consolidated Subsidiaries (Listed)	Code	# of Shares	Share Price	Book Value	Share Price	Carrying Value	Difference
Nissin Servicer Co., Ltd.	8426	800,000	625	500,000,000	54,300	43,440,000,000	42,940,000,000
Aprek Co., Ltd.	8489	3,132,000	462	1,446,417,900	710	2,223,720,000	777,302,100
Total	-	-	-	1,946,417,900	-	45,663,720,000	43,717,302,100

Consolidated Subsidiaries (Non-listed)	Code	# of Shares	Share Price	Book Value	Share Price	Carrying Value	Difference
NIS Lease Co., Ltd.	-	18,000	50,000	900,000,000	-	-	-
NIS Property Co., Ltd.	-	2,200	50,000	110,000,000	-	-	-
Nissin Leasing (China) Co., Ltd.*	-	-	-	2,210,311,000	-	-	-
NIS Securities Co., Ltd.	-	7,036	541,606	3,810,739,920	-	-	-
Other subsidiaries	-	-	-	177,623,711	-	-	-

* Beginning book value (US\$20,000,000) of Nissin Leasing (China) Co., Ltd. is converted into yen.

Affiliates	Code	# of Shares	Share Price	Book Value	Share Price	Carrying Value	Difference
Webcashing.com Co., Ltd.	-	2,280	141,667	323,000,000	-	-	-
Chuo Mitsui Finance Service Co., Ltd.	-	3,000	50,000	150,000,000	-	-	-
Nippon Real Estate Rating Services Co., Ltd.	-	400	50,000	20,000,000	-	-	-