

(TRANSLATION)



MEMBERSHIP

May 8, 2006

Condensed Statements of Non-consolidated Financial Results **for the Year Ended March 31, 2006**

Company Name:	NISSIN CO., LTD. (URL: http://www.nisgroup.jp/)
Stock Exchange Listings:	Tokyo Stock Exchange, First Section (Code: 8571) New York Stock Exchange (Trading Symbol: NIS)
Location of Head Office:	Tokyo and Ehime
President:	Kunihiko Sakioka, Representative Director & Executive Officer
Inquiries:	Hitoshi Higaki, Senior Managing Director & Executive Officer (Tel: +81-3-3348-2424)
Date of Board of Directors' Meeting for Approval of the Financial Results:	May 8, 2006
Application of GAAP:	Japanese GAAP
Half-Year Dividend:	Yes
Scheduled Date of Annual Shareholders' Meeting:	June 24, 2006
Date of Year-end Dividend Payment:	From June 27, 2006
Trade Unit:	One Unit is Constituted of 100 Shares

6. SUMMARY OF THE NON-CONSOLIDATED FINANCIAL RESULTS

1. Non-consolidated Financial Results for the Year Ended March 31, 2006

(1) Non-consolidated Operating Results

	Year Ended March 31,			
	2005		2006	
	Amount	Percentage ⁽⁴⁾	Amount	Percentage ⁽⁴⁾
	(in millions except percentages)			
Operating revenues	¥ 32,370	(20.7)%	¥ 34,152	5.5%
Operating income	7,546	(29.3)	7,056	(6.5)
Ordinary income	7,989	(24.6)	8,109	1.5
Net income	6,279	14.5	6,944	10.6

	Year Ended March 31,			
	2005		2006	
	(in yen except percentages)			
Net income per share:				
Basic	¥ 12.21		¥ 5.32	
Diluted	11.20		5.02	
Return on equity (%)	10.6%		9.9%	
Ratio of ordinary income to total assets (%)	3.9		3.2	
Ratio of ordinary income to operating revenues (%)	24.7		23.8	

- Notes: 1. The average numbers of outstanding shares were 508,678,311 shares for the year ended March 31, 2005 and 1,292,467,492 shares for the year ended March 31, 2006.
2. On May 20, 2005, NISSIN completed a 1.2-for-1 stock split and on November 18, 2005, NISSIN completed a 2-for-1 stock split.
3. Changes in accounting policy: None
4. The percentages indicated in the rows for operating revenues, operating income, ordinary income and net income represent the rates of increase (decrease) from the respective figures from the previous year.

(2) Dividends

	Year Ended March 31,	
	2005	2006
Dividends per share (in yen):	¥ 3.875	¥ 2.10
Half-year dividend	1.375	1.00
Year-end dividend	2.50	1.10
Total year dividends payment (in millions)	1,992	2,781
Dividend payout ratio (%)	31.7%	39.5%
Ratio of dividend to shareholders' equity (%)	3.1	3.7

Note: On May 20, 2005, NISSIN completed a 1.2-for-1 stock split and on November 18, 2005, NISSIN completed a 2-for-1 stock split.

(3) Non-consolidated Financial Position

	March 31,	
	2005	2006
	(in millions except percentages and per share data)	
Total assets	¥ 206,782	¥ 300,715
Shareholders' equity	64,861	74,752
Shareholders' equity ratio (%)	31.4%	24.9%
Shareholders' equity per share (in yen)	125.32	54.65

- Notes: 1. There were 516,981,278 outstanding shares as of March 31, 2005 and 1,366,419,607 outstanding shares as of March 31, 2006.
2. The numbers of shares of treasury stock were 27,687,153 shares and 40,051,037 shares as of March 31, 2005 and 2006, respectively.
3. On May 20, 2005, NISSIN completed a 1.2-for-1 stock split and on November 18, 2005, NISSIN completed a 2-for-1 stock split.

2. Non-consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2007

	Six Months Ending September 30, 2006	Year Ending March 31, 2007
	(in millions)	
Operating revenues	¥ 18,200	¥ 37,700
Ordinary income	3,800	8,500
Net income	2,700	5,500
	Dividends Per Share	
	(in yen)	
Half-year dividend for the six months ending September 30, 2006	¥ 0.42	
Year-end dividend for the six months ending March 31, 2007	0.42	
Total dividends for the year ending March 31, 2007	¥ 0.84	

(Reference) Net income per share for the year ending March 31, 2007 is forecasted to be ¥2.01

- Notes: 1. NISSIN conducted a 2-for-1 stock split on April 1, 2006. Net income per share for the year ending March 31, 2007 is calculated by using the number of outstanding shares of common stock on March 31, 2006 adjusted for the stock split (2732,839,214 shares). If the number of outstanding shares of common stock is not adjusted to reflect the stock split, net income per share for the year ending March 31, 2007 would be forecasted to be ¥4.02.
2. Our forecasts reflect our judgment based on the information available at this time. Because actual results may differ from these forecasts, you should not make an investment decision based solely on these forecasts. To read the assumptions used for these forecasts and other related considerations, see pages from 12 to 18 of the Supplementary Materials.

7. NON-CONSOLIDATED FINANCIAL STATEMENTS

1) Non-consolidated Balance Sheets

	March 31,				Change Amount
	2005		2006		
	Amount	Percentage of Total Assets	Amount	Percentage of Total Assets	
(in millions except percentages)					
ASSETS:					
Current Assets:					
Cash and deposits	¥ 17,686		¥14,332		¥ (3,354)
Notes receivable (Note 5)	145		166		20
Loans receivable (Notes 1, 2, 10 and 11)	145,162		215,056		69,894
Factoring loans	3		-		(3)
Compensation of loans receivable	204		560		356
Interest receivable	830		983		152
Prepaid expenses	332		354		21
Deferred tax assets	469		1,114		645
Accrued income	57		54		(3)
Loans to affiliates	-		5,600		5,600
Other	1,171		1,744		572
Allowance for loan losses	(6,864)		(7,253)		(388)
Total Current Assets	159,199	77.0	232,714	77.4	73,514
Fixed Assets:					
Tangible fixed assets					
Buildings	1,019		1,053		
Accumulated depreciation	573		604		
	445		448		3
Structures	37		37		
Accumulated depreciation	30		31		
	6		5		(0)
Equipments	363		404		
Accumulated depreciation	217		241		
	146		163		16
Land	355		355		-
Total tangible fixed assets	954	0.5	973	0.3	19
Intangible fixed assets					
Software	2,220		1,882		(338)
Telephone rights	130		130		-
Total intangible fixed assets	2,351	1.1	2,013	0.7	(338)
Investments and other assets					
Investment securities (Note 12)	21,368		28,309		6,941
Investment in affiliates	6,109		7,627		1,518
Capital contributions	31		30		(0)
Investment in affiliates (other)	1,050		2,210		1,160
Loans to affiliates	13,634		24,853		11,218
Long-term loans to employees	111		177		65
Bankrupt and delinquent loans receivable (Notes 3 and 10)	3,932		4,251		318
Long-term prepaid expenses	76		50		(26)
Deposit of restricted cash	381		490		108
Other	747		860		113
Allowance for loan losses	(3,167)		(3,847)		(680)
Total investments and other assets	44,276	21.4	65,013	21.6	20,737
Total Fixed Assets	47,582	23.0	68,000	22.6	20,418
Total Assets	¥ 206,782	100.0	¥ 300,715	100.0	¥ 93,932

Japanese GAAP
Non-consolidated Financial Statements

	March 31,				Change Amount
	2005		2006		
	Amount	Percentage of Total Liabilities and Shareholders' Equity	Amount	Percentage of Total Liabilities and Shareholders' Equity	
(in millions except percentages)					
LIABILITIES:					
Current Liabilities:					
Short-term borrowings (Notes 1 and 11)	¥ 7,417		¥ 19,700		¥ 12,283
Current portion of long-term borrowings (Notes 1 and 11)	48,874		47,679		(1,194)
Current portion of bonds	5,000		1,800		(3,200)
Current portion of convertible bonds	-		822		822
Commercial paper	3,500		30,000		26,500
Other payable	688		629		(58)
Accrued expenses	260		322		61
Accrued income taxes	81		4,338		4,256
Deposit received (Note 12)	90		4,650		4,560
Unearned income	22		69		46
Accrued bonuses	616		640		24
Reserve for guarantee losses	349		609		260
Reserve for losses on excess interest repayments	-		540		540
Other (Note 5)	160		220		60
Total Current Liabilities	67,059	32.4	112,020	37.2	44,960
Long-term Liabilities:					
Bonds	9,500		26,200		16,700
Convertible bond	8,942		-		(8,942)
Long-term borrowings (Note 1 and 11)	44,564		64,142		19,578
Asset backed securities (Note 1)	6,672		21,669		14,997
Deferred tax liabilities	4,783		1,535		(3,248)
Accrued retirement benefits - directors and statutory auditors	330		330		0
Other	67		64		(3)
Total Long-term Liabilities	74,861	36.2	113,941	37.9	39,080
Total Liabilities	141,920	68.6	225,962	75.1	84,041
SHAREHOLDERS' EQUITY:					
Common stock (Notes 6 and 7)	7,779	3.8	11,848	3.9	4,069
Additional paid-in capital					
General	10,203		14,253		4,050
Other					
Gains on sales of treasury stock	262		1,266		1,004
Total additional paid-in capital	10,465	5.1	15,519	5.2	5,054
Retained earnings					
Legal reserve	400		400		-
General reserves					
Dividend reserves	1,000		1,000		
Other	34,100		37,900		
Total general reserves	35,100		38,900		3,800
Unappropriated retained earnings	6,240		6,742		502
Total retained earnings	41,740	20.2	46,043	15.3	4,302
Unrealized gains on investment securities (Note 8)	7,913	3.8	3,173	1.1	(4,740)
Treasury stock (Note 9)	(3,037)	(1.5)	(1,833)	(0.6)	1,204
Total Shareholders' Equity	64,861	31.4	74,752	24.9	9,891
Total Liabilities and Shareholders' Equity	¥ 206,782	100.0	¥ 300,715	100.0	¥ 93,932

2) **Non-consolidated Statements of Income**

	Year Ended March 31,				Change	
	2005		2006			
	Amount	Percentage of Total Operating Revenues	Amount	Percentage of Total Operating Revenues	Amount	Percentage
(in millions except percentages)						
Operating Revenues:						
Interest income from notes and loans receivable	¥ 29,250		¥ 28,472			
Other financial income (Note 1)	0		5			
Other operating income (Note 2)	3,120		5,674			
Total operating revenues	32,370	100.0	34,152	100.0	¥ 1,781	5.5
Operating Expenses:						
Financial costs (Note 3)	2,733		2,382			
Other operating expenses						
Costs of real estate leases and other	148		485			
Advertising expenses	322		612			
Loan losses	100		234			
Provision for loan losses	8,129		8,304			
Provision for guarantee losses	349		609			
Provision for losses on excess interest repayments	-		540			
Salaries for directors and statutory auditors	182		221			
Salaries for employees	4,380		4,587			
Bonuses	403		360			
Provision for bonuses	616		640			
Depreciation and amortization	205		555			
Taxes and duties	589		568			
Lease and rental expenses	1,919		1,649			
Commission fees	799		1,010			
Other	3,943		4,333			
Total operating expenses	24,824	76.7	27,095	79.3	2,271	9.1
Operating Income	7,546	23.3	7,056	20.7	(489)	(6.5)
Other Income: (Note 4)						
Interest income from loans to subsidiaries	246		594			
Interest income from securities	1		1			
Dividends received	27		16			
Dividends received from subsidiaries	-		300			
Dividends from insurance	0		-			
Guarantee fees received	39		20			
Income from investment funds	-		306			
Fees received in connection with sale of loans receivable	392		-			
Fees received from securities loaned	81		74			
Other	36		40			
Total other income	825	2.6	1,354	4.0	529	64.1
Other Expenses:						
Stock issuance costs	104		107			
Bond issuance costs	54		92			
Securitization facility costs	-		54			
Penalty for cancellation of real estate lease contracts	69		-			
Syndicated loan borrowing costs	140		33			
Other	13		13			
Total other expenses	382	1.2	301	0.9	(80)	(21.1)
Ordinary Income	7,989	24.7	8,109	23.8	120	1.5

(Continued)

Japanese GAAP
Non-consolidated Financial Statements

	Year Ended March 31,				Change	
	2005		2006			
	Amount	Percentage of Total Operating Revenues	Amount	Percentage of Total Operating Revenues	Amount	Percentage
(in millions except percentages)						
(Continued)						
Special Gains:						
Gains on sales of investment securities	937		4,246			
Reversal of allowance for loan losses	3,327		-			
Other	0		-			
Total special gains	4,264	13.2	4,246	12.4	(18)	(0.4)
Special Losses:						
Losses on sales of fixed assets	-		0			
Losses on disposal of fixed assets (Note 5)	103		14			
Losses on sales of investment securities	1,552		2			
Impairment of investment securities	35		337			
Impairment of equity interest in affiliates	-		27			
Provision for loan losses (Note 6)	-		289			
Penalty for cancellation of lease contracts	327		9			
Total special losses	2,019	6.3	681	2.0	(1,338)	(66.3)
Income Before Income Taxes	10,234	31.6	11,675	34.2	1,440	14.1
Income Taxes:						
Current	2,290		5,398			
Deferred	1,664		(667)			
Total income taxes	3,954	12.2	4,730	13.9	775	19.6
Net Income	6,279	19.4	6,944	20.3	665	10.6
Retained earnings at beginning of year	660		1,076		416	
Half-year dividend paid	700		1,278		578	
Unappropriated Retained Earnings at End of Year	¥ 6,240		¥ 6,742		¥ 502	

3) Non-consolidated Statements of Appropriation of Earnings

	Year Ended March 31,		Change Amount
	2005 Amount	2006 Amount	
Unappropriated Retained Earnings at End of Year	¥ 6,240	¥ 6,742 (in millions)	¥ 502
Appropriations:			
Cash dividends	1,292	1,503	210
Directors' and statutory auditors' bonuses	70	74	3
of which statutory auditors' bonuses	(3)	(-)	(3)
General reserves			
Other	3,800	3,400	(400)
Total appropriations	5,163	4,977	(186)
Unappropriated Retained Earnings Carried Forward	¥ 1,076	¥ 1,765	¥ 689

- Notes: 1. On December 10, 2004, NISSIN paid half-year dividends in a total amount of ¥700 million at ¥2.75 per share.
2. On December 9, 2005, NISSIN paid half-year dividends in a total amount of ¥1,278 million at ¥2.00 per share.
3. Dividends in the year ended March 31, 2005 were not paid for the 27,687,153 shares of treasury stock.
4. Dividends in the year ended March 31, 2006 were not paid for the 40,051,037 shares of treasury stock.

Details of cash dividends paid per share are as follows:

	Year Ended March 31,					
	2005			2006		
	Per Annum	Half-year	Year-end	Per Annum	Half-year	Year-end
	(in yen)					
Dividends per common stock share	¥ 3.875	¥ 1.375	¥ 2.50	¥ 2.10	¥ 1.00	¥ 1.10
Ordinary dividends	3.625	1.125	2.50	2.10	1.00	1.10
Commemorative dividends	0.25	0.25	-	-	-	-

Note: On May 20, 2005, NISSIN completed a 1.2-for-1 stock split and on November 18, 2005, NISSIN completed a 2-for-1 stock split.

4) Significant Accounting Policies

1. Valuation and Computation of Assets

1) Investment securities

i. Investment in subsidiaries and affiliates

Cost method, cost being determined by the moving average method

ii. Other securities:

Marketable securities

Market value is determined by market price at year end.

(Marketable securities are carried at market value with unrealized gains and losses. The unrealized gains and losses, net of taxes, are reported in a separate component of shareholders' equity. Cost of securities sold is computed using the moving average method.)

Non-marketable securities

Cost method, cost being determined by the moving average method.

In addition, with respect to capital contribution to limited partnerships which operate as investment funds or similar organizations, NISSIN evaluates based on NISSIN's interest in asset value.

2. Derivatives

Market value method.

3. Depreciation and Amortization of Fixed Assets

1) Tangible fixed assets

Tangible fixed assets are amortized using the declining balance method.

However, depreciation of buildings newly acquired after April 1, 1998, excluding building improvements, is computed using the straight-line method.

2) Intangible fixed assets

Internal-use software costs are amortized using the straight-line method over 5 years, which is the estimated useful life.

3) Long-term prepaid expenses

Long-term prepaid expenses are amortized using the straight-line method.

4. Deferred Assets

The entire amounts of stock issuance costs and bonds issuance costs are treated as expenses for the fiscal year.

5. Allowance for Loan Losses and Accrued Expenses

1) Allowance for loan losses

The allowance for loan losses is maintained at a level that, in management's judgment, is adequate to provide for the amount of loan losses. It is calculated by applying a percentage derived from past collection experience to general loans, and by individually estimating uncollectible amounts with respect to certain doubtful loans.

2) Accrued bonuses

Accrued bonuses are provided for the payment of employees' bonuses based on estimated amounts of future payments attributable to the corresponding year.

3) Reserve for guarantee losses

The reserve for guarantee losses is maintained at a level that is adequate to provide for estimated probable guarantee losses as of March 31, 2006.

4) Reserve for losses on excess interest repayments

Reserve of losses on excess interest repayments are provided, in order to prepare for refund claims of interest in excess of the prescribed rate stipulated by the Interest Rate Restriction Law from borrowers, at the amount based on reasonable estimation with taking into account past experiences and the current conditions.

5) Accrued retirement benefits - directors and statutory auditors

Accrued retirement benefits of NISSIN's directors and statutory auditors are provided at the amount which would have been required if all directors and statutory auditors had terminated their services at the balance sheet date. These amounts are determined in accordance with NISSIN's internal rules.

6. Basis for Revenue Recognition

Interest income from notes and loans receivable:

Interest income from notes and loans receivable is recognized on an accrual basis.

However, accrued interest income is recognized at the lower of the contractual interest rate or the restricted rate stipulated by the Interest Rate Restriction Law in Japan.

7. Accounting for Lease Transactions

Finance leases, except leases for which the ownership of the leased assets is considered to be transferred to the lessee, are accounted for in the same manner as operating leases.

8. Hedging Activities

1) Accounting for hedging activities

Deferred hedge accounting has been adopted.

2) Hedge instruments and hedge items

• Hedge instruments

Interest rate swaps

• Hedge items

Cash flow hedge for interest on borrowing with variable rates

3) Hedging policy

NISSIN utilizes derivative financial instruments in order to reduce its exposure to fluctuations in interest rates on variable rate borrowings.

4) Evaluation of hedge effectiveness

NISSIN determines the effectiveness of its hedging transactions based on the correlation between the indicated rates of the hedge instruments and those of the hedge items.

9. Other Significant Accounting Policies for the Preparation of Financial Statements

1) Accounting treatment of consumption taxes

Consumption taxes are excluded from transaction amounts.

Consumption taxes not subject to the exclusion are treated as expense for the corresponding year.

5) Changes in Presentation

(Non-consolidated Balance Sheets)

1. "Factoring loans", which was classified separately for the year ended March 31, 2005, is included in "Other" of "Current Assets" beginning from the year ended March 31, 2006, as the amount became insignificant. The amount of "Factoring loans" as of March 31, 2006 was ¥0 million.
2. "Loans to affiliates", which were included in "Other" of "Current Assets" for the year ended March 31, 2005, is classified separately beginning from the year ended March 31, 2006, as the amount became more than 1% of the total assets. The amount of "Loans to affiliates" as of March 31, 2005 was ¥372 million.

(Non-consolidated Statements of Income)

1. "Income from investment funds", which were included in "Other" of "Other Income" for the year ended March 31, 2005, is classified separately beginning from the year ended March 31, 2006, as the amount became more than 10% of the total of "Other Income". The amount of "Income from investment funds" as of March 31, 2005 was ¥17 million.
2. "Penalty for cancellation of real estate lease contracts", which was classified separately for the year ended March 31, 2005, is included in "Other" of "Other Expenses" beginning from the year ended March 31, 2006, as the amount became less than 10% of the total of "Other Expenses". The amount of "Penalty for cancellation of real estate lease contracts" as of March 31, 2006 was ¥0 million.

6) Additional Information

(Consolidated Balance Sheets)

As we suppose that reserve for losses on excess interest repayments becomes a firm accounting practice, and in order to further ensure fair appropriation of periodic profit and loss, and fiscal soundness, NISSIN has provided reserve for losses on excess interest repayments from the year ended March 31, 2006. As a result, compared with the previous method, "Operating Income", "Ordinary Income", and "Income Before Income Taxes" decreased by ¥540 million.

In addition, NISSIN changed the presentation of the amount of excess interest repayments from deduction from "Operating Revenues" into addition to selling and general administrative expenses, in accordance with above change. As a result, compared with the previous method, "Operating Revenues" increased by ¥378 million; however, there are no impacts on "Operating Income", "Ordinary Income", and "Income Before Income Taxes".

7) Notes to Non-consolidated Financial Statements

Non-consolidated Balance Sheets

Note 1. Assets pledged for short and long-term borrowings as collateral as of March 31, 2005 and 2006 are as follows:

	March 31,	
	2005	2006
	(in millions)	
Loans receivable	¥ 18,586	¥ 15,421
Total	¥ 18,586	¥ 15,421

Corresponding borrowings secured by the above collateral as of March 31, 2005 and 2006 are as follows:

	March 31,	
	2005	2006
	(in millions)	
Short-term borrowings	¥ 2,500	¥ -
Current portion of long-term borrowings	6,596	8,624
Long-term borrowings	9,118	4,893
Total	¥ 18,215	¥ 13,517

Loans receivable, other than the above, that will be transferred pursuant to forward contracts and the corresponding long-term borrowings including current portion, as of March 31, 2005 and 2006 are as follows:

	March 31,	
	2005	2006
	(in millions)	
Loans receivable	¥ 1,827	¥ 355
Long-term borrowings	2,097	405
of which current portion	1,692	385

In addition, NISSIN entrusted certain loans outstanding to a trust bank. In order to raise funds, NISSIN sold its senior beneficiary interest in these loans outstanding in trust to a third party. These transactions constitute a legal sale under Japanese law. Since NISSIN reserves an option to repurchase the senior beneficiary interest, NISSIN does not recognize the extinguishment of the aforementioned interest in the financial statements herein, and the funds are recognized as long-term liability related interest. There is no control over the interest by NISSIN except through the above option. Entrusted loans outstanding included in "Loans receivable", and the related long-term liability recorded in "Asset backed securities" as of March 31, 2005 and 2006 are as follows:

	March 31,	
	2005	2006
	(in millions)	
Loans receivable	¥ 9,216	¥ 30,907
Asset backed commercial paper	6,672	21,669

Note 2. Unsecured consumer loans included in loans receivable as of March 31, 2005 and 2006 were ¥2,827 million and 2,994 million, respectively.

Note 3. Loans receivable, with respect to which it is doubtful that all or a portion of principal can be collected, are recognized as bankrupt and delinquent loans receivable. Bankrupt loans receivable included in bankrupt and delinquent loans receivable as of March 31, 2005 and 2006 are as follows:

	March 31,	
	2005	2006
	(in millions)	
Bankrupt loans receivable	¥ 860	¥ 1,002

Note 4. Commitments and contingencies

	March 31,	
	2005	2006
	(in millions)	
Guarantees for loans outstanding of alliance companies	¥7,008	¥11,571
Guarantees for borrowings of subsidiaries and affiliates:		
Shinsei Business Finance Co., Ltd.	3,645	-
Chuo Mitsui Finance Service Co., Ltd.	150	1,920
Aprek Co., Ltd.	-	6,381

Note 5. Rediscounted notes as of March 31, 2005 and 2006 were ¥83 million and ¥128 million, respectively.

Note 6. Total number of authorized and issued shares as of March 31, 2005 and 2006 is as follows:

	March 31,	
	2005	2006
	(shares)	
Total number of authorized shares	1,920,000,000	3,840,000,000
Total number of issued shares	544,668,431	1,406,470,644

However, as stipulated by the Articles of Incorporation, when redemption of stock is executed, the corresponding number of shares must be reduced.

Note 7. Shares issuance

Increases in the number of issued shares that resulted from exercises of warrant rights for the years ended March 31, 2005 and 2006 are as follows:

	Year Ended March 31,	
	2005	2006
Number of issued shares	186,979	-
Exercise price (in yen)	¥288.8	-
of which amount to be credited to common stock account (in yen)	145	-
Total paid-in amount upon exercise (in millions)	53	-
of which total amount credited to common stock (in millions)	27	-

Increases in the number of issued shares that resulted from conversion of convertible bond for the years ended March 31, 2005 and 2006 are as follows:

	Year Ended March 31,			
	2005		2006	
	(Before stock split)	(After stock split)	(Before stock split)	(After stock split)
Number of issued shares	2,547	5,384,611	12,475,533	74,315,344
Conversion price (in yen)	¥392.5	¥196.3	¥163.6	¥81.8
of which amount to be credited to common stock account (in yen)	197	99	82	41
Total conversion amount (in millions)	1,058		8,119	
of which total amount credited to common stock (in millions)	533		4,069	

Increases in the number of issued shares that resulted from stock splits for the years ended March 31, 2005 and 2006 are as follows:

	Year Ended March 31,			
	2005		2006	
	(May 20, 2005)	(November 19, 2005)	(May 20, 2005)	(November 18, 2006)
Stock split ratio	2-for-1	2-for-1	1.2-for-1	2-for-1
Number of issued shares	134,726,192	269,641,910	108,933,686	666,077,650

Note 8. Dividend restriction

Total assets increased by ¥7,913 million and ¥3,173 million due to change of fair value of securities as of March 31, 2005 and 2006, respectively. As stipulated by the Enforcement Regulation 124-3 of the Commercial Code, these amounts are restricted from appropriations of dividends.

Note 9. Treasury stock

The numbers of shares of common stock held by NISSIN as treasury stock as of March 31, 2005 and 2006 were 27,687,153 shares and 40,051,037 shares, respectively.

Note 10. As required by the Nonbank Bond Issuing Law, bankrupt and delinquent loans receivable as of March 31, 2005 and 2006 are classified as follows:

	March 31,	
	2005	2006
	(in millions)	
(1) Bankrupt loans receivable	¥ 860	¥ 1,002
(2) Delinquent loans receivable	3,072	3,249
(3) Delinquent loans receivable (three months or more)	-	-
(4) Restructured loans receivable	13,874	14,268
Total	¥ 17,807	¥ 18,520

- Notes:
- (1) "Bankrupt loans receivable", for which unreceived interest is not accrued, are loans delinquent for a considerable period of time and for which the principal or interest on such loans is unlikely to be recovered due to the occurrence of events defined in the Japanese Corporation Tax Law (Government Ordinance No. 97, 1965), Regulation 96-1(3) and Regulation 96-1(4).
 - (2) "Delinquent loans receivable" are loans receivable for which unreceived interest is not accrued due to customer delinquency, excluding loans receivable mentioned in (1), (4).
 - (3) "Delinquent loans receivable (three months or more)" are loans receivable for which the payments of principal and interest have been delayed for three months or more, excluding loans receivable mentioned in (1), (2).
 - (4) "Restructured loans receivable" are loans receivable for which NISSIN reached agreement with the debtors on favorable treatments for the debtors such as reduction and exemption of the interest, grace of principal and interest payments, relinquishment of loans receivable, among others, in order to reorganize the borrowing company and support its financial condition, excluding loans receivable mentioned in (1), (2), (3).

Note 11. (1) In order to raise fund efficiently, the Company entered into syndicated loan agreements, overdraft agreements, and loan commitment agreements with several banks. The limits and unused balance of these prescribed limit agreements as of March 31, 2006 are as follows:

	March 31,
	2006
	(in millions)
Total overdraft facilities, loan commitment limits and syndicated loan credit line	¥ 15,937
Outstanding borrowings within the limits	(11,200)
Unused balance	¥ 4,737

- (2) In providing its core business, the integrated financial services, NISSIN contracts credit line agreements with customers of certain services, and these customers are able to borrow as needed within set credit lines. The unfunded credit lines as of March 31, 2005 and 2006 are as follows:

	March 31,	
	2005	2006
	(in millions)	
Total amount of credit line agreements	¥ 70,727	¥ 85,997
Loans outstanding under credit line agreements	(23,736)	(28,319)
Total unfunded credit lines	46,990	57,678
of which unfunded credit lines without loans outstanding	40,804	48,036

Certain portions of these agreements lapse without ever being used. Therefore, the amount of unfunded credit lines will not necessarily affect future cash flows of the Company.

Under these agreements, NISSIN also may discontinue or reduce the credit lines of customers based on the deterioration of their credit status and other substantial reasons. In addition, NISSIN examines the agreements regularly in order to take measures for credit conservation.

Note 12. "Investment Securities" includes securities in the amount of ¥5,944 million loaned under share lending agreement and "Deposit received" of "Current Liabilities" includes the amount of ¥4,500 million received as collateral.

Non-consolidated Statements of Income

Note 1. Details of other financial income for the years ended March 31, 2005 and 2006 are as follows:

	Year Ended March 31,	
	2005	2006
	(in millions)	
Other financial income:		
Interest on deposits	¥ 0	¥ 0
Other	0	5
Total	¥ 0	¥ 5

Note 2. Details of other operating income for the years ended March 31, 2005 and 2006 are as follows:

	Year Ended March 31,	
	2005	2006
	(in millions)	
Other operating income:		
Loan origination fees	¥ 1,367	¥ 2,785
Recovery from loans previously charged off	711	894
Guarantee fees received	790	1,268
Rent revenue from real estate	51	105
Revenue from leases and installment loans	118	404
Other	80	215
Total	¥ 3,120	¥ 5,674

Note 3. Details of financial costs for the years ended March 31, 2005 and 2006 are as follows:

	Year Ended March 31,	
	2005	2006
	(in millions)	
Financial costs:		
Interest expense on borrowings	¥ 2,164	¥ 2,007
Interest expense on bonds	569	375
Total	¥ 2,733	¥ 2,382

Note 4. Other income

Interests and dividends received from investment securities are recorded in other income for the years ended March 31, 2005 and 2006.

Note 5. Details of losses on disposal of fixed assets for the years ended March 31, 2005 and 2006 are as follows:

	Year Ended March 31,	
	2005	2006
	(in millions)	
Losses on disposal of fixed assets:		
Buildings	¥ 25	¥ 9
Equipments	9	1
Software	68	4
Total	¥103	¥14

Note 6. "Provision for loan losses" in "Special Losses" for the year ended March 31, 2006 is provision for loans to affiliates.

Significant Subsequent Events

(April 1, 2004 ~ March 31, 2005)

1. On February 15, 2005, the Board of Directors approved a stock split as follows:

1) Stock split method:	1.2-for-1 stock split for all shares owned by the shareholders of record on March 31, 2005
2) Type of shares subject to be issued:	Common stock
3) Increase in the number of shares:	108,933,686 shares
4) Stock split date:	May 20, 2005
5) Dividend paid for the period from:	April 1, 2005

If the stock split is deemed to have occurred on April 1, 2003, per share data are adjusted retroactively as follows:

	Year Ended March 31,	
	2004	2005
Shareholders' equity per share	¥ 87.62	¥ 104.44
Net income per share:		
Basic	9.06	10.17
Diluted	8.37	9.33

2. The Board of Directors held on April 12, 2005, pursuant to the resolution of the Annual Shareholders' Meeting held on June 22, 2004, approved a special resolution on the issuance of new stock subscription rights as described below, based upon the provisions of Article 280-20 and Article 280-21 of the Commercial Code.

The purpose of the issuance of stock options is to further increase the desire and motivation of individuals to improve operating results, as well as to attract and retain superior human resources.

(1) Issue date of stock option:	April 21, 2005
(2) Number of stock option (units):	7,440 (Number of shares subject to the stock options shall be 240 shares per unit)
(3) Issue price of the stock options;	Free of charge
(4) Type of shares:	Common stock
(5) Number of shares of common stock:	Up to a maximum total of 1,785,600 shares
(6) Grant for:	A total of 120 NISSIN's employees, corporate advisors, persons with short-term contracts, employees and temporary employees with tenure of over one year, and NISSIN's subsidiaries directors and employees.
(7) Amount to be paid in upon stock option exercise (in yen per share):	¥268
(8) Exercise period:	From May 1, 2005 to April 30, 2008

3. Based upon approval by the Board of Directors on May 17, 2005, NISSIN will issue its 7th series of unsecured bonds.

Total amount of issue:	¥7,500 million
Issue price:	At par (¥100)
Payment date:	June 20, 2005
Maturity:	June 20, 2008
Interest rate:	1.17% per annum
Use of proceeds:	Funds for operating activities and repayment of borrowings

(April 1, 2005 ~ March 31, 2006)

1. On December 20, 2005, the Board of Directors approved a stock split as follows:

1) Stock split method:	2-for-1 stock split for all shares owned by the shareholders of record on March 31, 2006
2) Type of shares subject to be issued:	Common stock
3) Increase in the number of shares:	1,406,470,644 shares
4) Stock split date:	April 1, 2006
5) Dividend paid for the period from:	April 1, 2006

If the stock split is deemed to have occurred on April 1, 2004, per share data are adjusted retroactively as follows:

	Year Ended March 31,	
	2005	2005
	(in yen)	
Shareholders' equity per share	¥ 26.11	¥ 27.33
Net income per share:		
Basic	2.54	2.66
Diluted	2.33	2.51

8) Lease

Finance leases, except leases for which the ownership of the leased assets is transferred to the lessee, are as follows:

- (1) Equivalents of acquisition costs, accumulated amortization and book value as of March 31, 2005 and 2006 are as follows:

	March 31,	
	2005	2006
	(in millions)	
Equipments:		
Acquisition costs equivalent	¥ 2,335	¥ 2,210
Accumulated amortization equivalent	(1,050)	(1,253)
Book value equivalent	1,285	956
Software:		
Acquisition costs equivalent	625	267
Accumulated amortization equivalent	(460)	(157)
Book value equivalent	165	109
Other:		
Acquisition costs equivalent	4	4
Accumulated amortization equivalent	(2)	(3)
Book value equivalent	2	1
Total:		
Acquisition costs equivalent	2,965	2,482
Accumulated amortization equivalent	(1,512)	(1,415)
Book value equivalent	¥ 1,452	¥ 1,067

- (2) The amounts of outstanding future minimum lease payments as of March 31, 2005 and 2006 are as follows:

	March 31,	
	2005	2006
	(in millions)	
Due within one year	¥ 522	¥ 540
Due after one year	950	548
Total	¥ 1,473	¥ 1,088

- (3) Lease payments, amortization expense equivalent, interest expense equivalent for the years ended March 31, 2005 and 2006 are as follows:

	Year Ended March 31,	
	2005	2006
	(in millions)	
Lease payments	¥ 801	¥ 568
Amortization expense equivalent	767	545
Interest expense equivalent	38	24

- (4) The method used to calculate amortization expense equivalent and interest expense equivalent of leased property is as follows:
- Amortization expense equivalent is calculated by using the straight-line method over the respective lease terms with no residual value.
 - Interest expense equivalent of lease obligation is calculated as the difference between the total lease payments and the acquisition cost equivalent of the leased property, with the amount allocated to each relevant accounting period using the interest method.

(Impairment of Fixed Assets)

There is no impairment loss allocated to leased assets.

9) Investment Securities

Information regarding investments in subsidiaries and affiliates with market quotation available as of March 31, 2005 and 2006 is as follows:

	March 31,					
	2005			2006		
	Carrying Value	Market Value	Differences	Carrying Value	Market Value	Differences
	(in millions)					
Investment in subsidiaries	¥ 500	¥ 25,200	¥ 24,700	¥ 1,946	¥ 67,552	¥ 65,605
Total	¥ 500	¥ 25,200	¥ 24,700	¥ 1,946	¥ 67,552	¥ 65,605

Note: There were no affiliates with market quotation available as of March 31, 2005 and 2006.

10) Deferred Income Taxes

(1) Significant components of deferred tax assets and liabilities as of March 31, 2005 and 2006 are as follows:

	March 31,	
	2005	2006
	(in millions)	
Deferred tax assets:		
Loan losses	¥ 15	¥ 17
Allowance for loan losses	165	196
Reserve for guarantee losses	141	246
Accrued local taxes	13	322
Accrued retirement benefits - directors and statutory auditors	133	133
Accrued bonuses	249	259
Reserve for losses on interest repayments	-	218
Impairment of fixed assets	239	239
Other	112	105
Total deferred tax assets	1,071	1,739
Deferred tax liabilities:		
Unrealized gains on investment securities	(5,386)	(2,160)
Total deferred tax liabilities	(5,386)	(2,160)
Net deferred tax liabilities	¥ (4,314)	¥ (420)

(2) The reconciliation of the difference between statutory tax rate and the effective income tax rate for the years ended March 31, 2005 and 2006 is omitted as the total of these differences is less than 5% of statutory tax rate.

11) Retroactive Adjustments of Per Share Data

The summary of per share data with retroactive adjustments for the past five years is as follows:

(1) Before retroactive adjustments

Consolidated:

Per share data	Year Ended March 31,				
	2002	2003	2004	2005	2006
	(in yen)				
Net income per share	¥ 146.13	¥ 79.63	¥ 49.04	¥ 12.67	¥ 6.91
Shareholders' equity per share	1,310.62	708.98	425.90	127.11	58.35
Dividends per share	25.00	15.00	8.50	3.875	2.10
Half-year dividend	12.50	6.50	3.75	1.375	1.00
Year-end dividend (scheduled)	12.50	8.50	4.75	2.50	(1.10)

	March 31,				
	2002	2003	2004	2005	2006
	(shares)				
Number of shares outstanding at end of year	32,955,278	63,229,770	126,228,167	516,981,278	1,366,419,607

Non-consolidated:

Per share data	Year Ended March 31,				
	2002	2003	2004	2005	2006
	(in yen)				
Net income per share	¥ 151.02	¥ 75.85	¥ 43.49	¥ 12.21	¥ 5.32
Shareholders' equity per share	1,317.86	708.95	420.58	125.32	54.65
Dividends per share	25.00	15.00	8.50	3.875	2.10
Half-year dividend	12.50	6.50	3.75	1.375	1.00
Year-end dividend (scheduled)	12.50	8.50	4.75	2.50	(1.10)

	March 31,				
	2002	2003	2004	2005	2006
	(shares)				
Number of shares outstanding at end of year	32,955,278	63,229,770	126,228,167	516,981,278	1,366,419,607

If the per share data figures for the year ended March 31, 2006 presented in the Condensed Statements of Financial Results are set as 100, the figures retroactively adjusted for the dilutions caused by the stock splits are presented below.

(2) After retroactive adjustments

Consolidated:

Per share data	Year Ended March 31,				
	2002	2003	2004	2005	2006
	(in yen)				
Net income per share	¥ 3.81	¥ 4.15	¥ 5.11	¥ 5.28	¥ 6.91
Shareholders' equity per share	34.13	36.93	44.37	52.96	58.35
Dividends per share	0.65	0.78	0.89	1.62	2.10
Half-year dividend	0.33	0.34	0.39	0.57	1.00
Year-end dividend (scheduled)	0.33	0.44	0.50	1.04	(1.10)

	March 31,				
	2002	2003	2004	2005	2006
	(shares)				
Number of shares outstanding at end of year	1,265,482,675	1,214,011,584	1,211,790,403	1,240,755,067	1,366,419,607

Non-consolidated:

Per share data	Year Ended March 31,				
	2002	2003	2004	2005	2006
	(in yen)				
Net income per share	¥ 3.93	¥ 3.95	¥ 4.53	¥ 5.09	¥ 5.32
Shareholders' equity per share	34.32	36.93	43.81	52.22	54.65
Dividends per share	0.65	0.78	0.89	1.62	2.10
Half-year dividend	0.33	0.34	0.39	0.57	1.00
Year-end dividend (scheduled)	0.33	0.44	0.50	1.04	(1.10)

	March 31,				
	2002	2003	2004	2005	2006
	(shares)				
Number of shares outstanding at end of year	1,265,482,675	1,214,011,584	1,211,790,403	1,240,755,067	1,366,419,607

- Notes:
- 1 On May 21, 2002, NISSIN completed a 2-for-1 stock split.
 - 2 On May 20, 2003, NISSIN completed a 2-for-1 stock split.
 - 3 On each of May 20, 2004 and November 19, 2004, NISSIN completed a 2-for-1 stock split.
 - 4 On May 20, 2005, NISSIN completed a 1.2-for-1 stock split and on November 18, 2005, NISSIN completed a 2-for-1 stock split.
 - 5 Net income per share is calculated by assuming that all the stock splits occurred at the beginning of their respective fiscal years.
 - 6 The per share data are adjusted retroactively, applying the Accounting Standards Board Statement (ASB Statement) No.2 of "Accounting Standard Concerning Net Income Per Share", issued by the Accounting Standards Board of Japan (ASBJ) on September 25, 2002.

8. REASSIGNMENT OF DIRECTORS AND STATUTORY AUDITORS (TO BE EFFECTIVE ON JUNE 24, 2006)

(1) Changes in Representative Directors

New Title	Name	Current Title
Director and Advisor	Hideo Sakioka	Chairman and Representative Director
Chairman, Representative Director and Co-CEO	Kunihiko Sakioka	President, Representative Director and Executive Officer

(2) Candidate for the Representative Director to be Newly Appointed

New Title	Name	Current Title
President, Representative Director and Co-CEO	Shinsuke Amiya	Special Advisor

(3) Directors to be Retired

Current Title	Name
Director and Executive Officer	Hiroshi Akuta
Director and Executive Officer	Hidenobu Sasaki

Note: Hiroshi Akuta, a director to be retired, is the President and Representative Director of Aprek Co., Ltd., a consolidated subsidiary.