



Representative Board Member,
President & CEO
Naoya Kakizoe



Representative Board Member,
Executive Vice President & CFO
Yasuhisa Sato



Board Member,
Senior Managing Executive Officer
Norio Hosomi



Board Member,
Managing Executive Officer
Kunihiko Koike



Board Member,
Executive Officer
Naoto Ihara



Board Member
(Outside Board Member)
Yoshio Ohsawa



Board Member
(Outside Board Member)
Takaaki Wakasugi

Standing Statutory Auditor
Hiroshi Shibuya

Standing Statutory Auditor
Masahide Koizumi

Statutory Auditor
(Outside Statutory Auditor)
Yoshinori Hosoya

Statutory Auditor
(Outside Statutory Auditor)
Keishiro Kinoshita

Senior Managing Executive Officer
Katsunori Sasao

Managing Executive Officer
Susumu Kaneda

Executive Officer
Kenjiro Fujimoto

Executive Officer
Akiyo Matono

Executive Officer
Yasumasa Yamasaki

Executive Officer
Koki Sato

Executive Officer
Youichi Sekiguchi

Executive Officer
Hisami Sakai

Executive Officer
Junichi Nishida

Executive Officer
Yuichi Makino

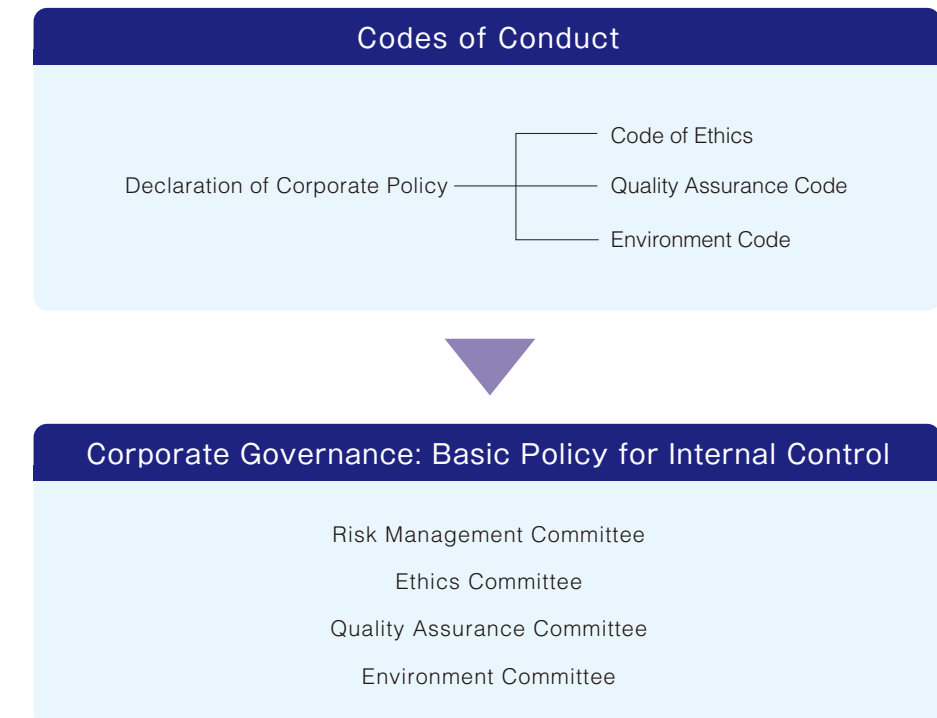
Executive Officer
Eiichiro Yamahashi

Executive Officer
Takeshi Wakisaka

Executive Officer
Seiji Takahashi

Corporate Codes

When pursuing economic rationality as a business, Nissui bases its activities on the idea that it is a public organ, and has put this idea in writing in the form of its Declaration of Corporate Policy and other codes. Nissui will increase the transparency of management by using these codes and the corporate governance mechanism set forth in the basic policies for internal control system, with the goal of becoming a even more trusted and respected company.



(1) Fundamental Philosophy of Corporate Governance

The Directors, who are entrusted by shareowners to manage the Company, endeavor to enhance the functions of the Board of Directors, the decision-making organization of the Company, and ensure efficient decision-making as well as transparency of management information. The Auditors enhance and reinforce the functions to audit the Directors' performance of duties while ensuring the independence of

their status. Based on one of our fundamental management policies—"To behave with integrity as a company as well as an individual"—the Company endeavors to develop and sustain a healthy corporate culture through the thorough activities of the Risk Management Committee and Ethics Committee.

(2) Measures Related to Corporate Governance

① Corporate system

Our company has adopted the system of auditors.

[Board of Directors and Its Meetings]

In principle, the Board of Directors meets at least once a month to decide important matters and supervise the status of execution of operations. For the execution of operations, the Board of Directors' executive functions have been separated and clarified to further enhance the framework of executing operations. To steer operations in a more flexible and efficient manner, the executive officer system was introduced effective June 25, 2009. In principle, executive officers elected by the Board of Directors are required to deliberate and resolve important matters related to operations and report the status of their execution at the Executive Committee convened at least once a month. In conjunction with the introduction of the executive officer system, the number of directors under the Corporate Law has decreased from 17 to 7.

[Board of Auditors and Its Meetings]

The Board of Auditors is comprised of four auditors including two external auditors (as of the end of March 2009), and the Auditors supervise Directors' performance of duties.

② Development status of internal control system and risk management system

(i) System to ensure that business execution by Directors and employees conforms to laws and regulations as well as Articles of Incorporation

(a) The persons who are involved in management take the lead in adhering to the Declaration of Corporate Policy as well as the Code of Ethics, Quality Assurance Code, and Environment Code which have been set forth in line with our business philosophy, and ensure conformity through monthly meetings to which all responsible administrators are called, informal meetings with department chiefs, and management discussions with employees.

(b) To ensure that business activities adhere to laws and regulations as well as company rules, the Ethics Committee, an organization that includes external attorneys and is directly controlled by the President, plans and manages programs seeking thorough compliance through enhancement of staff education and training, and makes final decisions on compliance with various business issues. An officer responsible for risk management reports the detailed activities of the Committee to the Board of Directors.

(c) To deal with doubtful matters on compliance in the Group, the Company establishes an internal reporting system

which allows each administrator to directly inform the Ethics Committee of such matters. The liaison contacts are set both inside and outside the Company, which even receives information from external sources such as business partners. The Company keeps the information secret and does not treat the informing party disadvantageously.

(d) In terms of internal controls to ensure the reliability of financial reporting, the Company has established a dedicated in-house organization that monitors the status of company-level controls, and has performed documentation of significant business processes to build a framework for assessment and remediation of the internal control system on a consolidated basis.

(ii) System for storage and administration of information relating to duties performed by Directors

(a) Minutes of the General Meeting of Shareholders, minutes of the meetings of the Board of Directors, minutes of meetings of various committees chaired by Directors, and approval forms (*ringi-sho*), execution reports, etc., produced in accordance with internal rules (hereinafter referred to as "Documents") shall be properly stored and managed in accordance with laws and regulations as well as internal rules such as the Basic Information Security Policies.

(b) The Directors and Auditors may examine such Documents at any time.

(iii) Rules and other systems for management of risk of loss

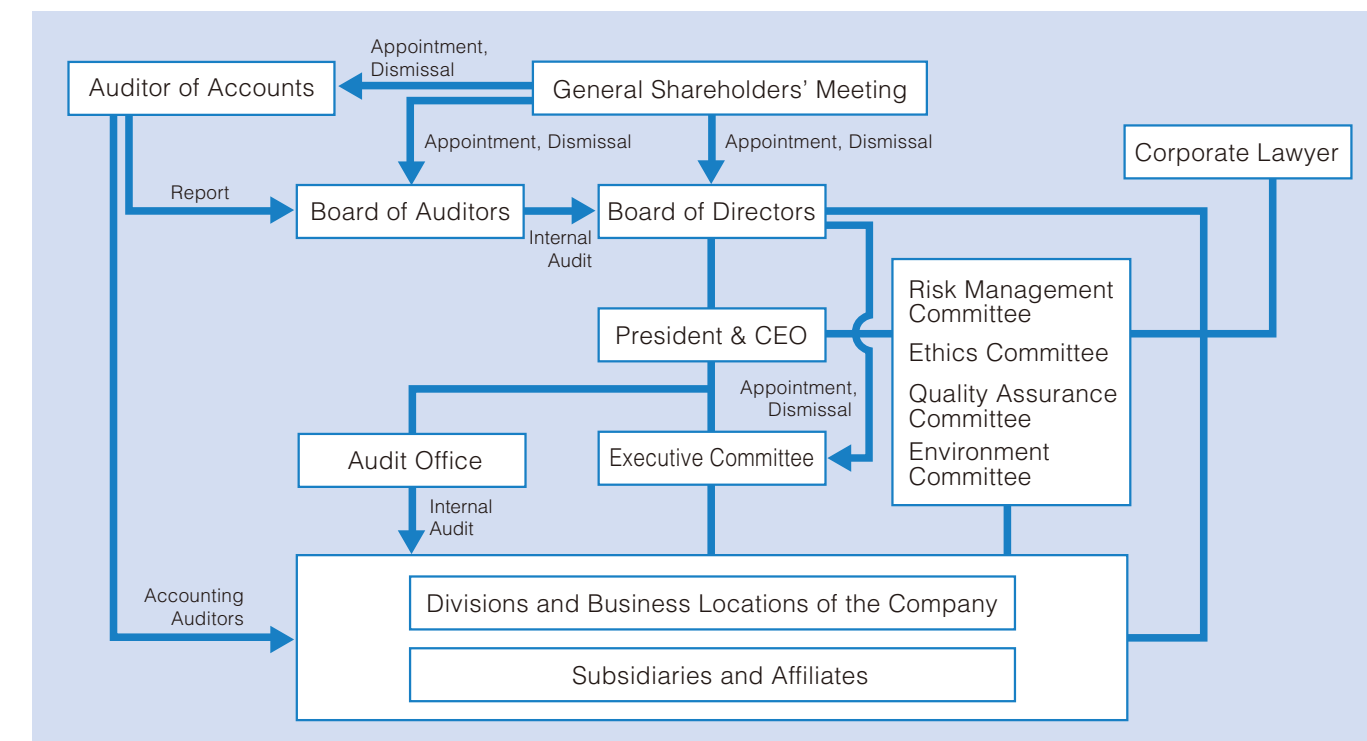
(a) The Risk Management Committee, an organization under the direct control of the President, shall strive to build, maintain and improve the risk management system of the Nissui Group based on the risk management rules. The risk management officer shall periodically report the Risk Management Committee's activities to the Board of Directors.

(b) The respective heads of business divisions shall execute risk management properly in relation to their operations. For high-priority risks, such as those relating to compliance, environment, quality and financial affairs, the organization in charge of such risks shall establish rules and guidelines, conduct training, produce and distribute manuals, etc., for risk management on behalf of the Nissui Group.

The Company's system of corporate governance is as shown on the diagram on the right.

(As of June 25, 2009)

Diagram: System of Corporate Governance



(3) Status of Internal Audits, Audits by Auditors and Accounting Auditing

① Internal Audit

The Audit Office, which is directly controlled by the President, has been established as a division of internal auditing (consisting of four members). The Office conducts internal audits of the Group based on the annual plan, and reports the results of audits to Directors, Auditors and administrators responsible for organization under audit.

② Audits by Auditors

Auditors conduct audits in conformity with the laws, regulations, Articles of Incorporation and guidelines on internal control set forth by the Board of Auditors in order to ensure effectiveness of audits. Auditors regularly receive a report on the audit plan and the audit result from the independent auditor, and partially observe audits of the independent auditor for mutual coordination. In addition, information and opinions are exchanged if necessary between the divisions of internal auditing.

③ Audit of Accounts

The Company has signed an audit contract with Ernst & Young ShinNihon. In this fiscal year, 3 certified public accountants of the firm, Mr. Kazumasa SAHARA, Ms. Michiko CHIBA and Mr. Shigehiro KOSHIHARA, are engaged in the procedures of accounting audits with 4 other certified public accountants and 15 assistant accountants. Note: The number of years of continuous auditing service is not indicated above since all three certified public accountants have worked for the Company for not more than 7 years.

(4) Relationships between External Directors and External Auditors

① External Directors

Of the 2 External Directors, one is a former External Auditor (a former Director of a financial institution) and the other is an academic expert. The Company does not have any personal, financial and/or business relationship or any other interest with the External Directors.

② External Auditors

Of the 2 External Auditors, one is an attorney and the other is a former Director of a non-life insurance company. The Company does not have any personal, financial and/or business relationships or other interest with the External Auditors.

(5) Remuneration for Officers for FY 2008

Remunerations paid to Directors and Auditors

Directors 20 members 643 million yen

Auditors 4 members 99 million yen

(Including 31 million yen paid to 2 External Auditors)

(Note) 1. The amount paid to Directors does not include the employee salary portion of the remuneration paid to Directors who have status as employees.
2. The amount includes the 98 million yen in Directors' bonuses for FY 2008.
3. The amount includes the remunerations to the 3 Directors who retired at the conclusion of the 93rd Ordinary General Meeting of Shareholders held on June 26, 2008.

(6) Summary of the limited liability agreement concluded with the External Directors and External Auditors

The Articles of Incorporation stipulate that the Company may conclude agreements with External Directors and External Auditors for limiting liabilities to the level set forth by the laws

and regulations pursuant to Article 427 (1) of the Corporate Law. The Company has concluded such agreements with the External Directors and the External Auditors.

(7) Quorum of Directors

It is set forth in the Articles of Incorporation that the number of the Company's Directors shall be 10 or less

(Amended on June 25, 2009).

(8) Requirement of resolution to select Directors

Nissui defines in the Articles of Incorporation that a resolution for selecting Directors must be approved by a majority of the voting shares represented at the shareholders' meet-

ing where shareholders holding one-third (1/3) or more of the votes entitled to be cast are present, and that a resolution shall not be passed by cumulative voting.

(9) Matters subject to resolution at the General Meeting of Shareholders that can be resolved at the Board of Directors meetings

A. To ensure mobile capital policies and profit distribution policies, the Company sets forth in the Articles of Incorporation that matters defined in each paragraph of Article 459 (1) of the Corporate Law, such as dividends from retained earnings, shall be defined through resolutions at the Board of Directors meetings, instead of resolutions at shareholders' meetings,

unless otherwise provided elsewhere in the laws and regulations.

B. To ensure the execution of mobile capital policies, the Company, pursuant to Article 165 (2) of the Corporate Law, sets forth in the Articles of Incorporation that treasury stock may be acquired through a resolution at the Board of Directors meetings.

(10) Requirement of special resolution at a shareholders' meeting

The Company defines in the Articles of Incorporation that resolutions set forth in Article 309 (2) of the Corporate Law must be approved by at least two-thirds (2/3) of the voting shares represented at the shareholders' meeting where share-

holders holding one-third (1/3) or more of the votes entitled to be cast are present, in order to ensure smooth management of such meetings by relaxing the quorum requirement.

Remuneration for Audit

(1) Details of remuneration paid to certified public accountants, etc. in FY 2008

Category	Remuneration for audit/attestation engagements (million yen)	Non-audit engagements (million yen)
Companies to submit financial statements	66	0
Consolidated subsidiaries	48	—
Total	114	0

(2) Details of other significant remunerations

Nippon Suisan (U.S.A.) Inc., a consolidated subsidiary of the Company, and other overseas subsidiaries undergo audits by Ernst & Young, which belongs to the same network of certified public accountants as the Company's, and pays Ernst & Young 83 million yen in remunerations for audit/attestation engagements.

(3) Details of non-audit services by certified public accountants rendered to companies to submit financial statements

The Company pays its certified public accountants remunerations for non-audit services mainly for their advisory services in the development, operation, and assessment of internal controls over financial reporting.

(4) Policy for determining the remuneration for audits

Not applicable.

Basic Policy for the Building of an Internal Control System (As of May 15, 2009)

Pursuant to paragraph 6 of Article 362 (4) of the Japanese Corporate Law (and the Enforcement Regulations of the Corporate Law), the basic policies for the system to properly ensure the appropriateness of the Company's operations (internal control system) shall be as follows:

I. System to ensure that business execution by Directors and employees conforms to laws and regulations as well as Articles of Incorporation and the appropriateness of other operations of the joint-stock company

1. System to ensure that business execution by Directors and employees conforms to laws and regulations as well as Articles of Incorporation (Article 100 (1)-4 of the Enforcement Regulations of the Corporate Law)

(1) The persons who are involved in management take the lead in adhering to the Declaration of Corporate Policy as well as the Code of Ethics, Quality Assurance Code and Environment Code which have been set forth in line with our business philosophy, and ensure conformity through informal meetings with department chiefs and management discussions with employees.

(2) To ensure that business activities adhere to laws and regulations as well as company rules, the Ethics Committee, an organization which includes external attorneys and is directly controlled by the President, plans and manages programs seeking thorough compliance through enhancement of staff education and training, and makes final decisions on compliance with various business issues. An officer responsible for risk management reports the detailed activities of the Committee to the Board of Directors.

(3) To deal with doubtful matters on compliance in the Group, the Company establishes an internal reporting system which allows each administrator to directly inform the Ethics Committee of such matters. The liaison contacts are set both inside and outside the Company, which even receives information from external sources such as business partners. The Company keeps the information secret and does not treat the informing party disadvantageously.

(4) In terms of internal controls to ensure the reliability of financial reporting, the Company has established a dedicated in-house organization that monitors the status of company-level controls, and has performed documentation of significant business processes to build a framework for assessment and remediation of the internal control system on a consolidated basis.

2. System for storage and administration of information relating to duties performed by Directors (Article 100 (1)-1 of the Enforcement Regulations of the Corporate Law)

(1) Minutes of the General Meeting of Shareholders, minutes of the meetings of the Board of Directors, minutes of meetings of various committees chaired by Directors, and approval forms (*ringi-sho*), execution reports, etc., produced in accordance with internal rules (hereinafter referred to as "Documents") shall be properly stored and managed in accordance with laws and regulations as well as internal rules such as the Basic Information Security Policies.

(2) The Directors and Auditors may examine such Documents at any time.

3. Rules and other systems for management of risk of loss (Article 100 (1)-2 of the Enforcement Regulations of the Corporate Law)

(1) The Risk Management Committee, an organization under the direct control of the President, shall strive to build, maintain and improve the risk management system of the Nissui Group based on the risk management rules. The risk management officer shall periodically report the Risk Management Committee's activities to the Board of Directors.

(2) The respective heads of business divisions shall execute risk management properly in relation to their operations. For high-priority risks, such as those relating to compliance, environment, quality and financial affairs, the organization in charge of such risks shall establish rules and guidelines, conduct training, produce and distribute manuals, etc., for risk management on behalf of the Nissui Group.

4. System to ensure the efficient performance of duties by Directors (Article 100 (1)-3 of the Enforcement Regulations of the Corporate Law)

(1) In principle, a meeting of the Board of Directors shall be convened at least once a month. The Board of Directors shall determine the management framework and matters under the control of the Representative Director and Directors in charge of other operations, make decisions on important matters, and oversee the Directors' execution of operations.

(2) For the execution of operations, the President shall govern the Nissui Group, and each Director shall assume executive responsibility over the divisions he/she has control over and/or is in charge of. A management conference attended by all Directors working in Japan shall be held at least once a month to discuss important matters concerning corporate management.

(3) The Board of Directors shall resolve medium-term management plans and the budget for each fiscal year. Each Director shall determine measures to be taken by the divisions under his/her control in concrete terms, as well as an efficient operation system including the delegation of authority, strictly carry out progress management to achieve goals, and periodically report the progress to the Board of Directors.

5. System to ensure the appropriateness of operations in the enterprise group consisting of the Company and its subsidiaries (Article 100 (1)-5 of the Enforcement Regulations of the Corporate Law)

The Nissui Group shall set forth measures to ensure that its operations are executed in compliance with laws and regulations as well as the Articles of Incorporation, and build the system described below.

(1) A Group Management Conference attended by representatives of Group companies shall be held periodically (quarterly in Japan and semiannually overseas) and shall report and discuss important matters concerning the execution of operations. As a function to assist Directors, an officer shall be appointed in each field to enhance the management functions of the Nissui Group as a whole.

(2) While respecting the autonomy of management of Group companies, the Company shall prepare various rules for the management of Group companies and enhance governance within the Nissui Group.

- (3) Group companies shall promote compliance activities by appointing a compliance officer and by establishing a compliance-promoting organization based on self-imposed internal rules, etc., such as the Code of Ethics. The Ethics Committee of the Company shall support such activities.
- (4) In the case of overseas, each Director shall assume executive responsibility over businesses associated with the division he/she has control over and/or is in charge of. Especially in South America and North America, a Commissioned American Business Operations Officer, a Business Supervisor in South America and a Business Supervisor in North America shall be appointed, respectively.
- (5) The internal audit division, an organization under the direct control of the President, shall conduct an internal audit on the Nissui Group based on an annual plan, report the audit results to the Directors, Auditors and the head of the audited organization, and periodically report the summary of the results to the Board of Directors.

6. The basic policy and preparation towards the expulsion of antisocial forces

The Nissui Group's basic policy is to refuse any undue claims or other requests from antisocial forces or organizations that pose a threat to civic order and safety. As preparation, the Group has drawn the attention of its employees to its policy to have no relationship with antisocial forces by clearly articulating it in its "Code of Ethics" and its "Ethical Behavior Standards". The Group has also established a system to appropriately deal with this issue whereby information from related governmental agencies are collected on an ongoing basis, responsible divisions are immediately reported to and consulted in the event of incidents and close liaison is maintained with related governmental agencies and legal experts.

II. System to ensure that Auditors' audit is conducted effectively

1. Employee-related matters in cases where an employee is appointed by an Auditor to serve as his/her assistant (Article 100 (3)-1 of the Enforcement Regulations of the Corporate Law)

Employees of the internal audit division, the Secretarial Office and other divisions shall assist the duties of an Auditor upon the Auditor's request.

2. Matters relating to independence of employees referred to in preceding paragraph from Directors (Article 100 (3)-2 of the Enforcement Regulations of the Corporate Law)

An employee who assists the duties of an Auditor as referred to in the preceding paragraph shall not be subject to instructions or orders from Directors, etc.

3. System for Directors and employees to report to Auditors and other systems to report to Auditors (Article 100 (3)-3 of the Enforcement Regulations of the Corporate Law)

- (1) Directors and employees shall promptly pass on the prepared documents, etc. (referred to in Section 2 of I. above) to Auditors, and shall provide an explanation in a prompt and precise fashion when so requested.
- (2) The internal audit division shall report Nissui Group's operational audit results to Auditors.
- (3) Auditors shall examine the deliberations, resolutions and reports of the Board of Directors, and as necessary, enhance the system to interview and confirm with Directors about the status of execution of operations.

4. Other systems to ensure that Auditors' audit is conducted effectively (Article 100 (3)-4 of the Enforcement Regulations of the Corporate Law)

- (1) Auditors shall conduct audits according to the implementation procedures relating to internal control established by the Board of Auditors for the purpose of ensuring the effectiveness of audits, and whenever necessary, discuss with Directors and enhance the effectiveness of audits.
- (2) The Independent Auditor shall periodically report the audit plans and audit results to Auditors, and as necessary, Auditors shall exchange information and opinions with the internal audit division.