



Promoting Food and Life for Tomorrow

NOSAN

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Printed in Japan

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Nosan Corporation

2009

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To Our Stakeholders



The Nosan Group has adopted a corporate philosophy of “Promoting Food and Life for Tomorrow.” This philosophy embodies our commitment to health and happiness through life activities.

Consumers have become more attentive to the need for safety and reliability in food due to outbreaks of BSE (“mad cow disease”) and avian flu, as well as a series of food fraud cases. Nosan has always been aware of the importance of providing safe and reliable products, and continues to enhance product quality to meet the highest customer expectations.

Since its establishment in 1931, Nosan has been a leading domestic presence in the livestock and fisheries businesses.

Our Hikari brand of iodine-enriched eggs have maintained their position at the top of the brand egg market since they were launched in 1976. The credibility of the brand in the eyes of customers and our accumulated experience and knowledge of the livestock business have consequently become invaluable assets for the Company. I believe firmly that it is possible for us to achieve even higher levels of corporate performance if we build on our assets and use them effectively.

Our newest businesses in pet food and biotechnology are enjoying smooth growth. We will continue to invest in developing these operations.

In 2007, we expanded our feed business overseas with

two joint venture companies in China, home to a very large and rapidly growing feed market.

The Nosan Group will continue to strengthen its services and step up product development to further enhance customer satisfaction. I am convinced that this will in turn enable the Company to enjoy sustained growth, fulfilling the expectations of all stakeholders, including shareholders, employees, and customers.

A handwritten signature in black ink, appearing to read 'Koji Ono', written in a cursive style.

Koji Ono

President & CEO

Feed Business



Nosan has been consistently committed to contributing to the livestock and fisheries industries as a leading manufacturer of compound feed.

In poultry feed, we are able to provide custom-made feed for each client to respond to individual needs with tailored feed formulations employing special ingredients. For swine feed, we have developed a diverse array feeds based on new concepts, such as the net-energy formula, liquid feeding for the purpose of food recycling, environmentally friendly feed. All help to improve the quality of the meat. And for cattle feed, we have established a new feed mill dedicated to creating a milk replacer for calves in dairy districts (Hokkaido), using safe and competitive ingredients.

Meanwhile, our value-added, fish-feed products, differentiated by growth-activated EP feed, help to improve the quality of fish meat. This branded fish is sold to large retailers, where it enjoys an excellent reputation.

Based on the principles of safety, assurance and health, we make full use of our leading-edge technologies and production systems to produce products of consistently high quality. Concurrently, we support the development of high value-added and competitive livestock and fish-feed products by offering a range of products that comprehensively address the needs of customers.



Food Business

Hikari brand, iodine-enriched eggs—which lead the premium egg market—were first laid in August 1976. The sustained popularity with consumers for more than thirty years clearly demonstrates a powerful argument in favor of the “Food as Medicine” belief, amply supported by research into lifestyle diseases, allergies, and anti-aging.

In our Food business, we will concentrate our resources on egg production, processed food operations incorporating Hikari iodine-enriched eggs, and the Hen Breeding business to bolster our operating performance.

Hikari iodine-enriched eggs are natural eggs laid by hens raised on iodine-blended feed containing powdered seaweed. For many years Nosan and institutions such as universities and hospitals have been conducting scientific research on the various effects of Hikari eggs. This research has clearly revealed that when iodine is combined with the main components of eggs, the effects are vastly superior to those obtained from the iodine in seaweed. It has also shown that iodine-enriched eggs help control lipid and sugar metabolism, and are effective against allergies, diabetes-related diseases, breast cancer and aging.

Complying with the Hazard Analysis and Critical Control Point (HACCP) approved by the Ministry of Health, Welfare and Labor, Hikari eggs are produced on dedicated farms where Nosan’s own certification standards as well as a periodical third-party surveillance system are strictly observed. Special feeds designated by Nosan are used to feed hens on the farms.

Nosan will continue to deliver delicious, safe and reliable premium eggs for the enjoyment and health of our customers.



Life-Tech Business

The Life-Tech Business consists of two areas; pet food & racehorse feed, and biotechnology. In addition, we manufacture and distribute a wide range of products, including special formula feeds for veterinary hospitals and zoo animals. In the biotechnology area, we are working to introduce new technologies and pursue new business growth through a series of alliances with leading-edge biotechnology companies worldwide.



Pet Foods

Nosan Group's Petline brand provides quality pet food for dogs and cats and sanitary products such as flushable paper litter, as well as food for small animals and aquarium fish. We help people enjoy close relationships with their pets by providing products developed with animal well-being firmly in mind, taking advantage of the latest scientific research. Among our products, pet food exclusive to veterinary hospitals is enjoying particularly significant growth. Nosan provides food for healthy pets in addition to special therapeutic food for pets that are overweight or suffering from kidney disease or allergic reactions.

We also provide a range of nutritiously balanced feed for racehorses, as well as for equestrian and leisure riding horses. Among them is our long-selling Ace Series, as well as many other feeds designed for the various stages of a horse's development, from nurturing to racing, and on through the breeding stages.

Biotechnology

The Human Genome Project has been completed, and the post-genome era is now moving towards proteome research to analyze individual genes and the structure and function of the proteins that genes produce.

Nosan is developing a support business related to the creation of drugs by forming partnerships with biotechnology companies engaged in the world's most advanced and innovative research. In seeking drug candidate substances for treating illnesses, this business encompasses a broad range of areas, from ADME/Tox-related commercial materials, recombinant protein expression, the production of antibodies, and developing transgenic animals for effective research to assisted reproductive technology.

To provide even safer and more reliable technologies and commercial materials, we will continue to actively seek domestic and overseas partners in the future.



ADME/Tox : The stages of drug progression in the body are classified as absorption, distribution, metabolism and excretion (called drug kinetics); ADME/Tox is a sequential drug screening process.



R&D

Our research & development activities help us to produce safe meat, eggs, milk and fisheries products through the development of livestock and fish feeds. The Company is also developing pet food and a range of animal feeds. Beginning with feed for laboratory animals, Nosan has been active in the life sciences, using the results of its research into livestock and reproductive technologies. At the same time, we aim to create cutting-edge businesses by partnering with universities, research institutions and the world's most sophisticated companies.

We plan to continue developing new products by continually refining our basic technologies in feed and food, while focusing on new areas that reflect market needs.

Quality Products

All manufacturers focus on the environment, safety and assurance. The emphasis that the Nosan Group has placed on these important concepts have helped it become a leading company in its industry.

In 2006, we set up the Product Assurance Department under the direct supervision of the President's Office, tasking it with all aspects of quality control, including centralized authority and prompt and reliable management. We also established the CSR Department to focus entirely on our social accountability, in areas such as the environment and compliance.

Since we strongly believe in establishing and systemizing the "traceability" of our products to improve safety, assurance, and trust, we have begun to disclose the histories of our Hikari eggs on our website using the QR Code (two-dimensional bar codes).

Meanwhile, we have adopted a policy under which every member of the Nosan Group is expected to protect the environment and practice sustainability. To reinforce this policy, we have obtained the internationally recognized ISO14001 certification for our environmental standards. We are also working to obtain ISO9001 quality control and product assurance certification at our feed mills and subsidiaries, to help instill our quality management systems in all Group members. With these initiatives, we seek to build on the credibility we enjoy with our customers and strengthen their conviction in the safety and reliability of our products.

