

1st November, 2007

To whom it may concern

Company Name: Nifco Inc.  
Head Office: 184-1 Maioka-cho, Totsuka-ku, Yokohama,  
Kanagawa Pref., Japan  
Comp. Code no. 7988 (1st Board TSE)  
Rep. Director: Ryuji Watanabe, President  
Contact Person: Kenichi Sakurai, Managing Director  
(tel 03-5476-4857)

**Notice concerning the dissolution and liquidation of a subsidiary**

The Company would like to announce that it has been decided to dissolve and liquidate Snipgrove Limited, a subsidiary of the Company.

**Notes**

**1. The circumstances of the liquidation and dissolution.**

The subsidiary outlined below is the holding company of Nifco U.K. Ltd which is the operating company. In order to simplify the investment structure, the investment in Nifco U.K. Ltd. should be held directly by the Company and it has been decided to dissolve the company outlined below.

**2. Outline of the company**

(1) Company name:	Snipgrove Limited
(2) Location:	Yarm Road, Stockton-on-Tees, Cleveland, U.K.
(3) Representative:	Eiji Suzuishi (Senior Executive Officer of Nifco Inc.)
(4) Amount of capital:	£400,000
(7) Shareholdings:	Nifco 100%
(8) Planned liquidation:	before the end of March 2008

**3. Future prospects**

The effect on the business results of the Company for the period ending March 2008 will be slight.

**【 For questions related to this announcement, please contact the following】**

Nifco Inc., Accounting Department at telephone no. 03-5476-4850