

24th April, 2008

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: Junji Honda
Senior Executive Officer
General Manager, Accounting
Department
(tel 03-5476-4850)

Notice concerning the issuance of a bond

The Company fixed the terms of issuance of one tranche of straight bonds as detailed below in accordance with the registration documents for these bond (amount to be issued ¥25,000,000,000, period of issuance to 15th April, 2010)

Notes

1. Tranche to be issued: ¥15,000,000,000
2. Unit of issue: ¥100 million
3. Rate of interest: 1.38%
4. Purchase terms: ¥100 per ¥100 of face value
5. Redemption terms: ¥100 per ¥100 of face value
6. Maturity date: 7th May, 2013
7. Payment dates: 7th May and 7th November each year
8. Security: No security or guarantee is offered in relation to these bonds nor is any lien placed over any assets.
9. Special conditions: Limitations are placed on the use of these bonds as security.
10. Application period: To Thursday, 24th April, 2008
11. Payment period: To 7th May, 2008
12. Solicitation method: General release
13. Lead agent: Mitsubishi UFJ Securities Co., Ltd.
14. Lead bank, issuing agent & manager: Bank of Tokyo-Mitsubishi UFJ, Ltd.
15. Escrow agent: Japan Securities Depository Center Inc.
16. Ratings: A (single A)
Rating and Investment Information, Inc.
A (single A)
Japan Credit Rating Agency, Ltd.
17. Use of funds: Investment in plant and equipment in Nifco and its group companies