This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Securities Code: 2002)
June 3, 2021

To Those Shareholders with Voting Rights

Nobuki Kemmoku
Director and President
Nisshin Seifun Group Inc.
25, Kanda-Nishiki-cho 1-chome,
Chiyoda-ku, Tokyo JAPAN

CONVOCATION NOTICE OF THE 177th ORDINARY GENERAL MEETING OF SHAREHOLDERS

This is to notify you that the 177th Ordinary General Meeting of Shareholders of Nisshin Seifun Group Inc. (the "Company") will be held as described below.

In order to prevent the spread of COVID-19, we request that shareholders refrain from attending the meeting in person. Instead, to exercise your voting rights, please review the "Reference Documents for the General Meeting of Shareholders," and exercise your voting rights by one of the following methods no later than 5:30 p.m. (JST), Thursday, June 24, 2021.

[Voting in Writing (by Postal Mail)]
Please indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form, and return the form by no later than the aforementioned deadline for the exercise of voting rights.

[Voting Electronically (via the Internet)]
Please refer to the enclosed "The COVID-19 Infection Prevention Measures at the 177th Ordinary General Meeting of Shareholders" and "Guidance of 'Smart Exercise,'" and vote for or against each of the proposals at the voting rights exercise website by no later than the aforementioned deadline for the exercise of voting rights.

1. Date and Time: Friday, June 25, 2021 at 10:00 a.m. (Reception from 9:00 a.m.)
2. Place: Tokyo Marriott Hotel, B1 The GOTENYAMA Ballroom
4-7-36, Kitashinagawa, Shinagawa-ku, Tokyo

If there are any changes to the above times, place, or any other items, as a result of the COVID-19 pandemic, etc., the information will be posted on the Company's website (https://www.nisshin.com/ir/stock/meeting/).

3. Agenda of the Meeting:

Matters to be reported:
1. Business Report and Consolidated Financial Statements for the 177th fiscal term (from April 1, 2020 to March 31, 2021) and results of audits on the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Committee
2. Non-consolidated Financial Statements for the 177th fiscal term (from April 1, 2020 to March 31, 2021)

Proposal to be resolved:

Proposal No. 1: Dividends from Surplus
Proposal No. 2: Election of Ten (10) Directors (Excluding Directors Who Are Members of the Audit & Supervisory Committee)
Proposal No. 3: Election of Four (4) Directors Who Are Members of the Audit & Supervisory Committee
Proposal No. 4: Renewal of the Resolution to Approve Gratis Allotment of Subscription Rights to Shares for Securing and Improving Corporate Value of the Company and the Common Interests of the Shareholders

4. Matters concerning the Exercise of Voting Rights

Handling of multiple voting

(1) If you exercise your voting rights via the Internet more than once, your final vote shall be deemed valid.

(2) If you exercise your voting rights by two different methods, that is, via the Internet as well as by mailing the Voting Rights Exercise Form, the vote via the Internet shall be deemed valid.

5. Other Matters concerning this Convocation Notice

Of the documents to be provided with this Convocation Notice, "Subscription Rights to Shares," "Systems to Ensure Appropriate Business Execution and the Status of Operation of Systems Concerned," and "Basic Policies Regarding Control of the Corporation" in the Business Report, the "Consolidated Statement of Changes in Net Assets," the "Notes to the Consolidated Financial Statements," the "Non-consolidated Statement of Changes in Net Assets" and the "Notes to the Non-consolidated Financial Statements" are provided on the Company's website (https://www.nisshin.com/english/shareholders/meeting.html) in accordance with laws and regulations and Article 15 of the Company's Articles of Incorporation, and they are therefore not attached herewith.

The Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements audited by the Audit & Supervisory Committee, and the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Independent Auditor consist of the items posted on the Company's aforementioned website, as well as the documents included with this Convocation Notice.

- Modifications, if any, to the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders will be posted on the Company's website (https://www.nisshin.com/ir/stock/meeting/).

In order to prevent the spread of COVID-19, **we request that you exercise your voting rights, in writing or via the Internet, and refrain from coming to the meeting in person.**

- Please refer to the enclosed "The COVID-19 Infection Prevention Measures at the 177th Ordinary General Meeting of Shareholders" for points to note regarding attendance in person.
- If you are attending the meeting in person, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting. To conserve paper resources, please bring this Convocation Notice with you.
- If a proxy is attending the meeting on your behalf, the proxy shall present written proof of his/her power of representation and the Voting Rights Exercise Form at the reception desk on arrival at the meeting. You may appoint only one proxy, who shall be a shareholder of the Company with voting rights.
- **Please note that the place, time, operating methods, etc., of the meeting is subject to change depending on the state of the COVID-19 pandemic, etc. If there are any changes, the information will be posted on the Company's website (https://www.nisshin.com/ir/stock/meeting/).**

Business Report

(From April 1, 2020 to March 31, 2021)

1. Overview of the Corporate Group

(1) Business Progress and Results

[1] Business Environment and Performance of the Group

During the fiscal year ended March 31, 2021, as the world continues to grapple with a repeated pattern of expansion and retreat in infections from COVID-19, the global economy, led by the United States and China, turned toward recovery in the second half of 2020. In contrast, the Japanese economy remained shrouded in uncertainty, as notably slow recovery in non-manufacturing sectors countered robust production and exports in the country's manufacturing sector.

Under these conditions, the Group placed highest priority on its corporate mission of ensuring the stable supply of foods involving wheat flour, as well as the safety of the employees who support this mission. In each business, along with stronger measures to target both expansion in demand for at-home dining as new lifestyle patterns and other social changes emerge and growth sales channels, the Group took decisive steps for building the foundation for further growth through initiatives to realize its long-term vision called "NNI 'Compass for the Future'—Toward a New Stage—Maximizing Group-wide Capabilities and Effecting Business Model Change." As one such initiative, in November 2020, the Group entered a business partnership agreement with the National Federation of Agricultural Cooperative Associations designed to ensure the stable supply of domestically produced wheat and other domestic agricultural and livestock products and stable procurement of product ingredients.

With respect to performance, consolidated net sales for the fiscal year ended March 31, 2021, decreased 4.6% year on year to ¥679,495 million. This result primarily reflected a decline in shipments of commercial-use wheat flour in Japan and abroad due to the COVID-19 pandemic, price reductions for wheat flour implemented in the flour milling business in Japan in January 2020, and a decrease in facility construction in the engineering business. These factors outweighed positive effects in the first quarter from the consolidation of Tokatsu Foods Co., Ltd. in July 2019. In terms of profits, operating profit decreased 5.7% year on year to ¥27,197 million, ordinary profit was down 4.9% to ¥29,886 million, and profit attributable to owners of parent declined 15.2% to ¥19,011 million. While profits rose atop performance recovery in the U.S. flour milling business, growth in sales of household-use products driven by effects from the COVID-19 pandemic and brisk sales of raw materials for pharmaceuticals, earnings declined overall primarily due to a downturn in sales revenue in the flour milling business in and outside of Japan from the continuing impact of people avoiding outings, etc., coupled with weaker sales in the prepared dishes and other prepared foods business and a decrease in facility construction. The decline in profit attributable to owners of parent, meanwhile, mainly reflected the absence of extraordinary income posted a year earlier from a gain on step acquisitions accompanying the consolidation of Tokatsu Foods Co., Ltd.

With respect to dividends, one of the Company's basic policies is to maintain a payout ratio of at least 40% on a consolidated basis and to raise dividends on an ongoing basis. Consequently, the Company decided to pay a full-year dividend of ¥37 per share, which includes, in addition to a year-end dividend up ¥1 from the previous fiscal year, a dividend of ¥2 per share commemorating the Company's 120th Anniversary.

[2] Review of Operations of the Group

In the domestic market, the Group strove to strengthen sales promotion activities and enhance productivity in all of its business fields, as well as continuously implementing cost reductions and ensuring appropriate profits commensurate with purchasing costs. The Group aggressively implemented measures to strengthen its business foundations in overseas markets as well.

In new product development, the Group continued to develop high-value-added products that are novel and unique, while also focusing on new market development.

Moreover, in order to deliver high-quality, safe and reliable products, the Group strove for further improvement and enhancement of its quality control systems.

The following is a review of operations by business segment of the Group.

Flour Milling Segment

In the flour milling business in Japan, demand for pasta, instant noodles and similar household-use products rose, lifted by a shift toward at-home dining driven by the COVID-19 pandemic. In contrast, demand for commercial-use products used in bread, sweets and other products for specialty stores and restaurants continued to decline, leading to lower shipments of commercial-use wheat flour in Japan year on year. Also, in June 2020 and again in January 2021, we revised commercial-use wheat flour prices in response to the government's decision to change the prices of five classes of imported wheat. On average, the government's price for imported wheat

rose 3.1% in April 2020 and declined 4.3% in October 2020.

The price of bran, a byproduct of the milling process, remained strong throughout the period.

In the overseas flour milling business, sales were lower year on year due to various factors, including weaker performance for sales of prepared mix and bakery-related ingredients at Australia-based Allied Pinnacle Pty Ltd., and sales of commercial wheat flour in Thailand and New Zealand. This downturn offset firm sales of wheat flour to household-use processed food manufacturers in North America and other markets spurred by the impact of the COVID-19 pandemic.

As a result, net sales of the Flour Milling Segment decreased 6.8% year on year to ¥285,798 million. Operating profit fell 32.3% to ¥6,317 million, as sales revenue deteriorated in Japan mainly due to the spread of COVID-19 leading people to refrain from outings, etc., which altered the composition of product sales, along with deteriorated earnings in Australia due to weak sales of value-added products. These factors outweighed benefits from a recovery in business performance in the United States.

Processed Food Segment

In the processed food business, while shipments of household-use products rose sharply, reflecting growth in demand for at-home dining in response to the COVID-19 pandemic, shipments of commercial-use products were lower due to weak demand for restaurant dining. In this climate, we pushed ahead with the development and launch of high-value-added products tailored to changing consumer needs, while also enacting sales campaigns and digital promotion measures, the latter of which included co-sponsorship of online events. Additionally, we revised prices for household-use wheat flour in September 2020 and again in February 2021, in line with price revisions for commercial-use wheat flour reflecting price changes for imported wheat enacted by the Japanese government. As a result, sales in the processed food business were lower year on year.

In the yeast and biotechnology business, sales were lower year on year, reflecting a decline in shipments of bread making ingredients, etc. Furthermore, a date for the start of operations remains undetermined for a yeast plant in India being developed by local subsidiary Oriental Yeast India Pvt. Ltd. due to a resurgence in the COVID-19 pandemic.

In the healthcare foods business, sales were higher year on year, reflecting growth in shipments of raw materials for pharmaceuticals and consumer products.

As a result, net sales of the Processed Food Segment decreased 1.5% year on year to ¥214,710 million. Operating profit rose 19.0% to ¥15,350 million, reflecting growth in shipments of household-use products and raw materials for pharmaceuticals, as well as a decline in advertising and promotion expenses.

Prepared Dishes and Other Prepared Foods Segment

In the prepared dishes and other prepared foods business, sales were higher year on year, as positive effects in the first quarter from the consolidation of Tokatsu Foods Co., Ltd. in July 2019 outweighed lower sales mainly in urban areas and tourist resorts owing to a rise in the percentage of people working from home and fewer opportunities for outings due to the spread of COVID-19.

As a result, net sales of the Prepared Dishes and Other Prepared Foods Segment increased 9.8% year on year to ¥142,747 million. Operating profit, however, fell 26.4% to ¥1,278 million, reflecting the sizeable impact of lower sales due to the COVID-19 pandemic. This came despite improved production efficiency and higher sales of seasonal New Year dishes.

Others Segment

In the engineering business, sales were lower year on year due to a decline in facility construction.

In the mesh cloths business, sales declined year on year due to lower shipments of chemical products mainly for automotive components, amid a global slump in automobile production volume from the effects of the COVID-19 pandemic. This decline came despite brisk sales of antiviral and related products.

In the pet food business, while we remained involved in the outsourced production of pet food following transfer of the sales business at the end of March 2020, this outsourced production work concluded at the end of March 31, 2021.

As a result, net sales of the Others Segment decreased 37.0% year on year to ¥36,240 million, and operating profit decreased 9.8% to ¥4,240 million.

(2) Issues to be Addressed

[1] Basic Management Policy

The Group has been operating and striving to expand its business under the corporate principle of "contributing to a healthy and fruitful life for all" which is founded on the guiding philosophies of "the basis of business is built on trust" and to be "in tune with the changing business climate." Each of our Group companies endeavors to always provide health-conscious products and services, and is committed to earning customer trust under the corporate slogan of "delivering good health and reliability."

In light of these basic philosophies, the Group makes it a basic management policy to maximize its long-term corporate value, and carries out group management by strategically allocating resources concentrated on our core and growing business.

Furthermore, we pursue self-innovation while fulfilling our social responsibility by implementing internal control systems, reinforcing compliance, ensuring food safety, protecting the environment, and contributing to social activities, etc., and contribute to the realization of a sustainable society. We will continue to strive to gain active support from each of our various stakeholders including shareholders, customers, business partners, employees, and society.

[2] Medium- to Long-term Management Strategies

The Group is striving to achieve the goal set forth in its long-term vision, "NNI 'Compass for the Future' — Toward a New Stage—Maximizing Group-wide Capabilities and Effecting Business Model Change" to be "a globally-operating company that assists 'healthy lifestyles' and plays a critical role in building 'the food infrastructure' of the future," through the promotion of New Nisshin Innovation activities. We will build a system which demonstrates the Group's "comprehensive capabilities." At the same time, we will take this opportunity to emphasize "customer-oriented policy," implement growth strategies based on the pillars of "remodeling existing businesses" and "enhancing the Group business portfolio," and further reinforce management functions which support the aforesaid initiatives.

Furthermore, we will focus on enhancing the stable distribution of profits from a long-term perspective to shareholders who share with us "the values created through generations since the establishment of the Company." We aim for a payout ratio of 40% or more on a consolidated basis and seek to continuously increase the amount of dividends, while intending to repurchase treasury shares in a flexible manner taking into account cash flows and demand for funds for strategic investments.

The Group will execute these strategies developed to realize the long-term vision so as to achieve further growth in earnings per share (EPS) through efforts in both profit growth and capital policy planning. We will also strive to improve our return on equity (ROE) and ensure ROE exceeds capital cost, while striking a balance between capital efficiency and financial stability.

We will further strengthen the link between "the realization of corporate philosophy" and "the maximization of corporate value" by pursuing management in a manner that develops a strong link between our business strategies and contributions to environment (E) and society (S), which are associated with business sustainability, while enhancing governance (G), which serves as a discipline to improve corporate value. We seek to achieve the goal of developing a corporate group blessed with ongoing active support from all stakeholders.

Although the business environment surrounding the Group is undergoing drastic changes due to the impact of COVID-19, the Group will focus on achieving an early recovery in its sales capabilities and earning capacity as a top priority. The Group has decided to give priority to assessing the current business environment first, and has temporarily suspended the formulation of a new medium-term management plan.

[3] Management Environment and Issues to be Addressed, etc.

In the food industries in Japan and overseas, the COVID-19 pandemic has caused drastic changes in people's lifestyles as well as changes in the consumption structure, as demand for eating out has shifted to eating at home. In addition, the pandemic has exerted a tremendous impact on the business environment, including fluctuating exchange rates and prices of cereal and natural resources. The Group's businesses have also been greatly affected by the impact of COVID-19. Although vaccinations have now begun in many countries around the world, the outlook for the future remains uncertain, as COVID-19 is still not expected to be resolved. In addition, the trend in Japan for negotiating free trade agreements is anticipated to accelerate depending on the progress of international trade negotiations.

Under these circumstances, the Group recognizes the growing importance of the fulfillment of its mission to continue to secure the stable supply of foods involving wheat flour, and delivering safe and reliable products in each business, and will strive to ensure the safety of its employees who support these missions. In each of our businesses, we will work to recover profitability by adapting to changes in the business environment and quickly return to a growth trajectory, as our top priorities. At the same time, in order to strengthen our business competitiveness, we will promote digital transformation in an effort to transform operations, and seek to realize our long-term vision by strengthening cooperation among our operating companies in Japan and overseas, which will further generate the Group's "comprehensive capabilities." We will take on the environmental changes being brought about by social issues and technological innovations and achieve sustainable growth. At the same time, we will contribute to the realization of a sustainable society by creating a cycle that contributes to society through the additional value that the Group itself produces. Additionally, although system-related risks such as cyberattacks and unauthorized access are increasing due to the evolution and diversification of the system environment, we are implementing appropriate measures to strengthen risk management.

1. Domestic Business Strategies

Regarding the flour milling business, we will strengthen customer relationships through the development of products that accurately capture customer needs and by promoting value-added services that offer total solutions to customers, and continue our efforts to stably supply safe and reliable products.

In the processed food business, we will pursue measures to boost brand loyalty by launching new products to address customer needs, with the themes of "easy-to-prepare and convenient," "authentic," and "healthy," coupled with aggressive sales promotional efforts. We will also undertake the task of optimizing our business portfolio including the effort to further expand the frozen foods business, which is a growing sector.

In the prepared dishes and other prepared foods business, we will switch to a highly practical business model that strives to provide delicious flavors, by leveraging the Group's R&D capabilities while realizing a high level of production efficiency through the technological capabilities we have cultivated over the years.

In the yeast, biotechnology, healthcare foods, engineering and mesh cloths businesses, etc., our plan is to seek growth by product and technology developments that will culminate in groups of businesses with real presence in their respective industries.

Moreover, we will appropriately address the issue of labor shortage in Japan by using robots and AI, as well as by making improvements to business processes using new technologies such as automation technologies.

In addition, in November of last year, we concluded a business partnership agreement with the National Federation of Agricultural Cooperative Associations, for the purpose of ensuring the stable supply of domestic agricultural and livestock products including domestic wheat, and the stable procurement of raw materials for products, etc.

2. Overseas Business Strategies

In the flour milling business, we are committed to achieving further growth in local markets via sales expansion measures that leverage the Group's strengths in flour milling technology and proposal capabilities, and will continue to expand our overseas business foundations by proactively making strategic investments.

In the processed food business, we envisage further expansion of the commercial-use prepared mix business given projected growth in the Asian market. In terms of production, along with bolstering cost competitiveness by utilizing our global optimal production system as a base, we are leveraging production technology and expertise in high-level quality control built up by the Group over many years to pursue further expansion in pasta, pasta sauce and frozen foods businesses, etc.

In the yeast and biotechnology business, a yeast production plant is under construction by Oriental Yeast India Pvt. Ltd. to allow us to enter into the Indian market that is experiencing growing demand for yeast used in bread baking. We aim to expand business by supplying our high-quality products locally. Because construction work has been suspended due to the spread of COVID-19, the launch of operations at the plant, which was scheduled for last summer, has not yet been determined.

Moreover, in the flour milling, processed food, and bakery-related businesses in particular, we will move with speed to promote business expansion in new domains, either through the Group's own proprietary efforts or through M&A and alliance opportunities.

3. R&D Strategies and Cost Strategies

The Group takes on the perspective of its customers in the development of new products, and is engaged in the creation of basic and core technologies in new domains. In terms of the development of new products, high value-added products from a customer perspective that are novel and unique will be developed continuously. In research, we will clarify our priority research domains in order to promote the commercialization and practical application of research results. At the same time, we will establish research themes closely aligned with business strategies to increase efficiency and speed. Furthermore, we will examine enhanced efficiency through practical use of automation technology to address issues caused by labor shortage, etc.

Regarding raw material and energy markets, for which significant fluctuations are expected to continue, the Group will work to reduce procurement and production costs and build an operational foundation that properly reflects changing costs.

4. Measures Addressing Systemic Changes in Wheat Policy, and Others

As the result of the taking effect of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (TPP-11 Agreement), the Japan-EU EPA, and the Trade Agreement between Japan and the U.S., markups (gains collected by the government upon import) of wheat from the U.S., Canada, and Australia have begun falling. Meanwhile, in addition to the taking effect of these agreements, international trade agreements are expanding, such as the entry into force of the Japan-UK Comprehensive Economic Partnership Agreement and the signing of the Regional Comprehensive Economic Partnership (RCEP) Agreement, and the Group expects degraded border import control mechanisms for wheat-related products, and for competition with imported products from related countries to intensify. As the trend for negotiating free trade agreements further

accelerates, the Group will take appropriate steps to stay abreast of changes as they emerge, while continuing to develop a robust corporate structure domestically and abroad that will enable it to win out against global competition.

5. Corporate Social Responsibility (CSR)

The Group has fulfilled its corporate social responsibilities (CSR) as a corporate citizen in all its business activities and retains its status as a corporate entity that plays an essential role in society. To this end, the Group established a Social Committee to put its "Nisshin Seifun Group Corporate Code of Conduct and Employee Action Guidelines" into practice and to promote initiatives to facilitate the implementation.

In order to strengthen governance, the Group has built and is maintaining a sound and effective corporate governance system, as a company with an audit & supervisory committee. With respect to compliance, the Group complies with relevant laws and regulations, social norms, and corporate internal rules and regulations, and strives to develop its businesses while being engaged in fair and open competition. For internal control, the Group is doing more than what is required by the Financial Instruments and Exchange Act through extensive maintenance of its internal control systems group-wide. These systems are monitored by a dedicated department to maintain their integrity and work toward further improvements.

The Group has also identified "CSR priorities (materiality)" such as providing safe and healthy food, addressing climate change, and ensuring a fulfilling working environment, and has positioned them as one of its top management priorities, which is being addressed on a Group-wide basis.

With respect to providing safe and healthy food, to ensure the delivery to customers of safe and reliable products, we are strengthening our hand in the areas of food safety and food defense. The CR (Consumer Relations) Office, which is charged with the responsibilities of identifying consumer mindsets and social trends while providing timely and appropriate direction as to what actions need to be taken, actively collects relevant consumer administrative information as well as consumer opinion and their needs. In this manner, every effort is made to enhance Group customer relations. Furthermore, to secure the stable supply of safe and reliable wheat flour and other foods, we have been taking the initiative in enhancing our disaster and pandemic preparations through our business continuity planning (BCP), and activated our BCP at an early stage, to thoroughly implement infection control measures and maintain our business activities in response to COVID-19.

Regarding responses to climate change, we have set Group-wide CO_2 emissions reduction targets to reach by the fiscal year ending March 31, 2031, and we are working to reduce our environmental impact mainly through the introduction of high-energy equipment in plants, and joint deliveries with other companies. In product development, we also engage in environmentally conscious product design, reducing the amount of energy envisioned for use up to and including the cooking stage, reducing plastic usage, and improving recycling performance. Furthermore, we are studying initiatives to achieve carbon neutrality by 2050, including reviewing the current Group-wide CO_2 emissions reduction targets to reach by the fiscal year ending March 31, 2031, in line with the government's policy.

In order to ensure a fulfilling working environment, we are promoting health and productivity management with the President at the top. We are strengthening measures to prevent occupational accidents among our employees through risk assessment, and are also focusing on mental health care and health promotion, in order to realize healthy and active work. In the fiscal year ended March 31, 2021, we were certified as a 2021 Certified Health & Productivity Management Outstanding Organization (White 500) under a certification system established by the Ministry of Economy, Trade and Industry. We are also engaged in efforts to realize a variety of work styles, such as revising systems to allow flexible work styles.

Furthermore, the Group, as a member of society, is widely involved in activities contributing to society. We are engaged in supporting reconstruction of the earthquake-affected areas, and making regional contributions through the Nisshin Seifun (Flour Milling) Museum as a regional tourism resource and an educational asset.

The Group remains committed to fulfilling its corporate social responsibilities.

The Group will steadily tackle the above challenges and ensure the further development of the Group. Our shareholders' continued support is greatly appreciated.

(3) Consolidated Business Results and Summary of Assets (Millions of yen unless otherwise noted)

Fiscal term Fiscal Years ended March 31	174th FY2018	175th FY2019	176th FY2020	177th FY2021 (Current)
Net sales	540,094	565,343	712,180	679,495
Ordinary profit	31,800	32,062	31,434	29,886
Profit attributable to owners of parent	21,339	22,268	22,407	19,011
Earnings per share (¥)	71.47	74.98	75.40	63.95
Total assets	591,512	594,754	666,215	687,415
Net assets	413,794	418,848	409,042	444,774

Note: "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) has been applied from the beginning of the 175th fiscal term and thus the classification method has been modified. Deferred tax assets are disclosed under investment and other assets, and deferred tax liabilities are disclosed under non-current liabilities.
The amount of total assets for the 174th fiscal term shown above is the figure that has been reclassified to reflect this change in presentation.

(4) Capital Expenditures

The capital expenditures for the fiscal year ended March 31, 2021 decreased ¥4,559 million from the previous fiscal year to ¥17,359 million, based on actual expenditures.

The principal capital expenditures were made in the expansion of production capacity.

(5) Financing

The Group did not raise major additional funds in terms of capital increases or bond issues during the fiscal year ended March 31, 2021.

(6) Major Subsidiaries and Acquisition

[1] Major Subsidiaries and Affiliates

Company Name	Capital Stock	Share of Voting Rights	Main Businesses
(Subsidiaries)	¥ million	%	
Nisshin Flour Milling Inc.	14,917	100.0	Production and sales of wheat flour
Miller Milling Company, LLC	86	100.0	Production and sales of wheat flour
Allied Pinnacle Pty Ltd.	9,689	100.0	Production and sales of wheat flour, prepared mix products, bakery-related ingredients, and other products
Champion Flour Milling Ltd.	3,491	100.0	Production and sales of wheat flour
Nisshin Foods Inc.	5,006	100.0	Sales of pasta, wheat flour for household use, frozen foods, and other products; production and sales of prepared mix products
Nisshin Seifun Premix Inc.	400	100.0	Production and sales of prepared mix products
Ma•Ma-Macaroni Co., Ltd.	350	68.8	Production and sales of pasta and frozen foods
Oriental Yeast Co., Ltd.	2,617	100.0	Production and sales of food ingredients for bread, etc., biochemical products and other products; life science business
Nisshin Pharma Inc.	2,689	100.0	Production and sales of healthcare foods, raw materials for pharmaceuticals, and other products
Tokatsu Foods Co., Ltd.	100	100.0	Production and sales of cooked foods such as bento lunch boxes and other prepared foods
Joyous Foods Co., Ltd.	50	85.1	Production and sales of prepared noodle, and other products
Initio Foods Inc.	487	100.0	Production and sales of prepared foods and frozen foods; direct operation of concessions in department stores
Nisshin Engineering Inc.	107	100.0	Design, contracted construction and supervision of food production facilities, etc.; sales of machinery for powder grinding
NBC Meshtec Inc.	1,992	100.0	Production and sales of mesh cloths and forming filters
(Affiliates)			
Marubeni Nisshin Feed Co., Ltd.	5,500	40.0	Production and sales of compound feed

Note: The voting rights in Miller Milling Company, LLC, Allied Pinnacle Pty Ltd., and Nisshin Seifun Premix Inc. are held by subsidiaries of the Company. In addition, the voting rights in Champion Flour Milling Ltd., Ma•Ma-Macaroni Co., Ltd., Joyous Foods Co., Ltd., and Initio Foods Inc., are held by the Company and its subsidiaries.

[2] Status of Significant Acquisition

There are no applicable matters to be reported.

(7) Principal Businesses (As of March 31, 2021)

The following is a description of the businesses and their principal products, etc., of the Group. The Company, as the holding company, controls and manages the Group companies operating these businesses.

Business Segment	Principal Products, etc.
Flour Milling Segment	wheat flour, bran, and wheat flour-related products
Processed Food Segment	prepared mix products, wheat flour for household use, pasta, pasta sauce, frozen foods, food ingredients for bread, etc., biochemical products, life science business, healthcare foods
Prepared Dishes and Other Prepared Foods Segment	cooked foods such as bento lunch boxes, other prepared foods, and prepared noodles
Others Segment	design, supervision and contracted construction of facilities; mesh cloths

(8) Principal Offices (As of March 31, 2021)

[1] The Company

The Company Head Office (Chiyoda-ku, Tokyo)
Institutes and Laboratories (Fujimino)
Research Center for Production and Technology
Research Center for Basic Science Research and Development
QE Center

[2] Flour Milling Segment

Nisshin Flour Milling Inc. Head Office (Chiyoda-ku, Tokyo)
Cereal Science Research Center of Tsukuba (Tsukuba)
Sapporo Sales Department (Sapporo), Sendai Sales Department (Sendai)
Kanto Sales Department (Chuo-ku, Tokyo), Tokyo Sales Department (Chuo-ku, Tokyo)
Nagoya Sales Department (Nagoya), Osaka Sales Department (Osaka)
Chushikoku Sales Department (Okayama), Fukuoka Sales Department (Fukuoka)
Hakodate Plant (Hakodate), Chiba Plant (Chiba), Tsurumi Plant (Kawasaki)
Nagoya Plant (Nagoya), Chita Plant (Chita), Higashinada Plant (Kobe)
Okayama Plant (Okayama), Sakaide Plant (Sakaide), Fukuoka Plant (Fukuoka)
Miller Milling Company, LLC Head Office (Minnesota, U.S.A.)
Winchester Plant (Virginia, U.S.A.), Fresno Plant (California, U.S.A.)
Los Angeles Plant (California, U.S.A.), Oakland Plant (California, U.S.A.)
Saginaw Plant (Texas, U.S.A.)
Allied Pinnacle Pty Ltd. Head Office (New South Wales, Australia)
Kingsgrove Plant (New South Wales, Australia), Picton Plant (New South Wales, Australia)
Tennyson Plant (Queensland, Australia), Altona Plant (Victoria, Australia),
Kensington Plant (Victoria, Australia), Tullamarine Plant (Victoria, Australia),
North Fremantle Plant (Western Australia, Australia)
Champion Flour Milling Ltd. Head Office (New Zealand)
Mt. Maunganui Plant (New Zealand), Christchurch Plant (New Zealand)

[3] Processed Food Segment

Nisshin Foods Inc. Head Office (Chiyoda-ku, Tokyo)
Hokkaido Sales Department (Sapporo), Tohoku Sales Department (Sendai)
Metropolitan Sales Department (Chuo-ku, Tokyo)
Wide Area Sales Department (Chuo-ku, Tokyo)
Chubu Sales Department (Nagoya), Kansai Sales Department (Osaka)
Chushikoku Sales Department (Hiroshima), Kyushu Sales Department (Fukuoka)
Tatebayashi Plant (Tatebayashi)
Nisshin Seifun Premix Inc. Head Office (Chuo-ku, Tokyo)
Nagoya Plant (Nagoya)
Ma•Ma-Macaroni Co., Ltd. Head Office (Utsunomiya)
Utsunomiya Plant (Utsunomiya), Kobe Plant (Kobe)
Oriental Yeast Co., Ltd. Head Office (Itabashi-ku, Tokyo)
Tokyo Plant (Itabashi-ku, Tokyo), Osaka Plant (Suita), Biwa Plant (Nagahama)
Nisshin Pharma Inc. Head Office (Chiyoda-ku, Tokyo)
Health Care Research Center (Fujimino), Ueda Plant (Ueda)

[4] Prepared Dishes and Other Prepared Foods Segment
Tokatsu Foods Co., Ltd. Head Office (Yokohama)
Ashikaga Plant (Ashikaga), Kawaguchi Plant (Kawaguchi)
Sayama Plant (Sayama), Chiba Kashiwa Plant (Kashiwa)
Yachiyo Plant (Yachiyo), Yokohama Tsurumi Plant (Yokohama)
Tsuzuki Plant (Yokohama), Yamakita Plant (Ashigarakami-gun, Kanagawa)
Joyous Foods Co., Ltd. Head Office (Saitama)
Kodama Plant (Kodama-gun, Saitama), Kyoto Plant (Kuse-gun, Kyoto)
Initio Foods Inc. Head Office (Chiyoda-ku, Tokyo)
Kumagaya Plant (Kumagaya), Shiraoka Plant (Shiraoka)
Nagoya Plant (Ichinomiya), Higashi-Osaka Plant (Higashi-Osaka)
Kyushu Plant (Miyaki-gun, Saga)

[5] Others Segment
Nisshin Engineering Inc. Head Office (Chuo-ku, Tokyo)
NBC Meshtec Inc. Head Office (Hino)
Yamanashi Tsuru Plant (Tsuru), Shizuoka Kikugawa Plant (Kikugawa)

(9) Employees of the Group (As of March 31, 2021)

Business Segment	Number of Employees	Year-on-Year Change
Flour Milling Segment	2,583	9
Processed Food Segment	3,518	(14)
Prepared Dishes and Other Prepared Foods Segment	1,570	23
Others Segment	872	(39)
Corporate (Across the Group divisions)	408	10
Total	8,951	(11)

(10) Major Creditors and Loans Payable (As of March 31, 2021)

Creditor	Outstanding balance of loans payable
Nippon Life Insurance Company	¥10,000 million

2. Outline of the Company

(1) Shares (As of March 31, 2021)

[1] Total number of shares authorized to be issued 932,856,000 shares

[2] Total number of shares issued and outstanding 304,357,891 shares
(Including 6,877,204 shares of treasury shares)

[3] Number of shareholders 28,321
(Increased 2,653 from the previous term-end)

[4] Major shareholders (Top 10)

Name	Number of Shares Held	Shareholding Ratio
	(thousands)	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	36,568	12.2
Nippon Life Insurance Company	19,387	6.5
Yamazaki Baking Co., Ltd.	16,988	5.7
Custody Bank of Japan, Ltd. (Trust Account)	14,434	4.8
Mizuho Bank, Ltd.	10,447	3.5
The Norinchukin Bank	6,932	2.3
Marubeni Corporation	6,284	2.1
Sumitomo Mitsui Banking Corporation	5,026	1.6
Mitsubishi Corporation	4,224	1.4
Nisshin Seifun Group Employee Shareholding Association	3,602	1.2

Note: The Company is excluded from the major shareholders listed above although it holds 6,877,204 treasury shares. Treasury shares are not included in shareholding ratio calculation.

[5] Status of shares granted as remuneration for performance of duty to Directors of the Company during the fiscal year ended March 31, 2021

Segment	Number of shares	Number of persons to be granted
Directors (excluding Directors who are members of the Audit & Supervisory Committee and Outside Directors)	14,800 shares of common stock	7
Outside Directors (excluding Directors who are members of the Audit & Supervisory Committee)	1,200 shares of common stock	3

There were no shares granted to Directors (Audit & Supervisory Committee Members) as remuneration for performance of their duties.

(2) Subscription Rights to Shares

The status of subscription rights to shares is provided on the Company's website (https://www.nisshin.com/english/shareholders/meeting.html).

(3) Members of the Boards

[1] Directors (As of March 31, 2021)

Title	Name	Position	Significant Positions Concurrently Held
Representative Director and President	Nobuki Kemmoku		Director and Chairman, Nisshin Flour Milling Inc.
Representative Director, Vice President and Executive Officer	Michinori Takizawa	In charge of General Administration Division	
Director and Senior Managing Executive Officer	Akira Mori	In charge of Corporate Planning Division and Finance and Accounting Division	
Director and Managing Executive Officer	Koichi Iwasaki	Division Executive, Business Development Division	Director and Chairman (Representative Director), Tokatsu Foods Co., Ltd.
*Director and Managing Executive Officer	Satoshi Odaka	Division Executive, Technology and Engineering Division	
Director and Managing Executive Officer	Takao Yamada		Director and President (Representative Director), Nisshin Flour Milling Inc.
Director and Managing Executive Officer	Yuji Koike		Director and President (Representative Director), Nisshin Foods Inc.
Director	Akio Mimura		Senior Advisor, Honorary Chairman, Nippon Steel Corporation Chairman, The Japan Chamber of Commerce and Industry Chairman, The Tokyo Chamber of Commerce and Industry Outside Director, Development Bank of Japan Inc. Outside Director, Tokio Marine Holdings, Inc. Outside Director, Japan Post Holdings Co., Ltd. Outside Director, INCJ, Ltd.
Director	Kazuhiko Fushiya		Chairman, The Institute of Internal Auditors – Japan
Director	Motoo Nagai		Outside Director, Nissan Motor Co., Ltd. Outside Director, Organo Corporation
Director (Full-time Audit & Supervisory Committee Member)	Shoh Ohuchi		
Director (Audit & Supervisory Committee Member)	Tetsuo Kawawa		Attorney; Proprietor, Kawawa Law Offices
Director (Audit & Supervisory Committee Member)	Satoshi Ito		Certified Public Accountant; Proprietor, Ito Certified Public Accountant Offices
Director (Audit & Supervisory Committee Member)	Mieko Tomita		Attorney; Senior Partner, Nishi & Partners Attorneys and Counselors at Law Outside Audit & Supervisory Board Member, FANUC CORPORATION

Notes: 1. Three Directors (Akio Mimura, Kazuhiko Fushiya, and Motoo Nagai) and three Directors (Audit & Supervisory Committee Members) (Tetsuo Kawawa, Satoshi Ito, and Mieko Tomita) are Outside Directors.

2. The Company selects all of the Outside Directors as Independent Directors in accordance with its "Independence Standards for Outside Directors" (posted on the Company's website (https://www.nisshin.com/uploads/governance_is.pdf)) formulated pursuant to criteria concerning independence as defined by the Tokyo Stock Exchange, providing the necessary notification thereto.
3. Director (Full-time Audit & Supervisory Committee Member) Shoh Ohuchi has work experience in finance and accounting at the Company and substantial knowledge of finance and accounting.
4. Director (Audit & Supervisory Committee Member) Satoshi Ito, who has the qualification as a Certified Public Accountant, has substantial knowledge of finance and accounting.
5. The Company has elected a full-time Audit & Supervisory Committee Member to enhance the effectiveness of audits.
6. Changes in Directors of the Company and the positions thereof, during the fiscal year ended March 31, 2021, are stated as follows.
   1) Mr. Takashi Harada retired from his position as Director, as of June 25, 2020, due to expiration of his term of office. A Director with an asterisk was newly elected at the 176th Ordinary General Meeting of Shareholders held on the same day and assumed office.
   2) Mr. Akira Mori assumed office of Senior Managing Executive Officer, as of June 25, 2020.
7. The following is a list of changes in significant positions concurrently held in the fiscal year ended March 31, 2021.

Director (Audit & Supervisory Committee Member)	Mieko Tomita	Took office as an Outside Audit & Supervisory Board Member, FANUC CORPORATION (June 26, 2020)

8. The Company has adopted the executive officer system in order to expedite the execution of business operations. As of March 31, 2021, there were fifteen (15) Executive Officers excluding those serving concurrently as Directors.

[2] Outline of liability limitation agreement

The Company has concluded an agreement with each Director (excluding Executive Directors, etc.) which limits the amount of liability for damages set forth in Article 423, Paragraph 1 of the Companies Act to the sum of the amount set forth in each item of Article 425, Paragraph 1 thereof, provided that the duties of each are performed in good faith and without gross negligence on the part thereof.

[3] Remuneration of Directors

1. Matters regarding the policy for the method of determining remuneration for individual Directors (excluding Directors who are members of the Audit & Supervisory Committee)

At the Board of Directors meeting, the Company established a policy for the method of determining remuneration for individual Directors (excluding Directors who are members of the Audit & Supervisory Committee; hereinafter in 1, the same shall apply), after discussions by the Advisory Committee, a body comprised of Independent Outside Directors. An overview of the content of the policy for determination is as follows.

- The remuneration of the Company's Directors was established with reference to three key factors, functioning to 1) retain talented human resources, 2) offer remuneration at levels appropriate to the Company's size and business domains, and 3) to provide a healthy incentive to improve the Company's medium- to long term corporate value. A certain proportion of remuneration consists of variable remuneration reflecting business performance, thus taking into consideration both level of contribution to the Group and level of contribution to medium- to long-term basic Group strategies.
- In order to ensure that remuneration for the Company's Inside Directors functions as a healthy incentive for sustainable growth, it is the Company's policy that such remuneration should comprise a combination of the following components: 1) fixed remuneration paid monthly based on role or position (basic remuneration); 2) variable remuneration reflecting contribution to past business performance (bonus), which is, in principal, paid annually with a fixed timing; and, 3) stock-based remuneration reflecting future business performance, with the objective of promoting management that focuses on shareholder value, which is paid annually with a fixed timing.
- Remuneration for Outside Directors consists primarily of basic remuneration.
- To ensure objectivity and propriety in the amount of remuneration, the remuneration standards for each management class are determined by taking into account factors such as the responsibilities that are specific to the management class and the significance of its impact on Group management, after referencing the results of surveys by external institutions.

For bonus and stock-based remuneration, refer to Notes 2 and 3 in "4. Amounts of remuneration for Directors." In addition, the determination method for remuneration is described in "3. Delegation of

determination of the content of remuneration for individual Directors (excluding Directors who are members of the Audit & Supervisory Committee)."

2. Resolution at the General Meeting of Shareholders regarding remuneration for Directors
   By a resolution at the 175th Ordinary General Meeting of Shareholders held on June 26, 2019, the Company set the maximum annual amount of remuneration for Directors (excluding Directors who are members of the Audit & Supervisory Committee), consisting of basic remuneration and bonus of ¥400 million (of this, maximum annual amount of ¥60 million for Outside Directors), and maximum annual amount of remuneration for Directors who are members of the Audit & Supervisory Committee of ¥90 million. In addition, at the 175th Ordinary General Meeting of Shareholders, the Company, by resolution also established a remuneration framework for the stock-based remuneration plan. Based on the plan, the total number of the Company's shares granted to Directors (excluding Directors who are members of the Audit & Supervisory Committee) of the Company as the stock-based portion of remuneration is capped at 350,000 shares for a fixed consecutive three-fiscal-year period. Additionally, the total amount of the Company's contribution to the trust for these shares, etc., is capped at ¥300 million for the fixed consecutive three-fiscal-year period. Further, for Company shares delivered annually to the Company's Directors (excluding Directors who are members of the Audit & Supervisory Committee), a transfer restriction period (i.e., period prohibiting the transfer, establishment of security interests, and other dispositions) has been established for three years from the date of delivery, and if an illegal act or other misconduct occurs during the transfer restriction period, such Director may be required to make monetary compensation equivalent to the confiscated vested shares that are subject to the transfer restriction. As of the conclusion of the 175th Ordinary General Meeting of Shareholders, there were ten (10) Directors (excluding Directors who are members of the Audit & Supervisory Committee, but including three Outside Directors) and four (4) Directors who are members of the Audit & Supervisory Committee at the Company.

3. Delegation of determination of the content of remuneration for individual Directors (excluding Directors who are members of the Audit & Supervisory Committee)
   A resolution was made at the Board of Directors meeting that the amounts of basic remuneration and bonus and the stock remuneration base amount for individual Directors (excluding Directors who are members of the Audit & Supervisory Committee) shall be determined by the Director and President (Nobuki Kemmoku). In this regard, it is considered to be appropriate that the Director and President, who oversees the execution of duties across the Group, determines each of the above matters, based on factors such as the responsibilities specific to the management class and the significance of its impact on Group management. To enhance both the independence and objectivity of the remuneration decision-making process, the approach regarding remuneration for Directors (excluding Directors who are members of the Audit & Supervisory Committee), including the proportional composition of each remuneration, is discussed by the Advisory Committee, a body comprised of Independent Outside Directors. Tthe Director and President then determines the amounts of basic remuneration and bonuses, and the stock remuneration base amount for individual Directors based on the policy for the method of determining remuneration for individual Directors (excluding Directors who are members of the Audit & Supervisory Committee; hereinafter in 3, the same shall apply), as in 1, above. The Company's Board of Directors received a report from the Director and President regarding the content of remuneration for individual Directors for the fiscal year under review, which he decided in accordance with the policy for determination. Accordingly, the Board of Directors judged that it was in accordance with the policy for determination.

4. Amounts of remuneration for Directors

Total amounts of remuneration for Directors for the fiscal year under review

Segment	Total amounts of remuneration (millions of yen)	Total amounts by segment of remuneration (millions of yen)			Number of eligible executives
		Basic remuneration	Performance-based remuneration (Bonuses)	Non-monetary remuneration (Stock-based remuneration)	
Directors (excluding Directors who are members of the Audit & Supervisory Committee)	280	207	35	37	11
Directors (Audit & Supervisory Committee Members)	43	43	-	-	4
(Outside Directors included in the above)	(60)	(57)	(-)	(3)	(6)

Notes: 1. The above number of Directors (excluding Directors who are members of the Audit & Supervisory Committee) includes one Director who retired from office during the fiscal year ended March 31, 2021.

2. For performance-based remuneration (bonus), consolidated ordinary profit, which reflects the result of the Group's overall business performance is used as a key indicator. For the amount paid, the net increase or decrease from the previous year is determined by the year-on-year percent change in consolidated ordinary profit. For consolidated ordinary profit, including that of the fiscal year ended March 31, 2021, refer to "(3) Consolidated Business Results and Summary of Assets" in "1. Overview of the Corporate Group."

3. For non-monetary remuneration (stock-based remuneration), the number of Company shares calculated based on a set formula according to position, as well as cash (corresponding to tax payment) are delivered and paid to Directors (excluding Directors who are members of the Audit & Supervisory Committee). A fixed transfer restriction period is established for the delivered shares. In addition, the total amount of expenses for the fiscal year ended March 31, 2021 is stated.

[4] Outside Directors

1. Significant positions concurrently held in other companies, etc. and relationship between the Company and said companies, etc.

Significant positions concurrently held in other companies, etc., are mentioned above [1] and there is no significant business relationship or special relationship between the Company and the above-identified companies of concurrently held positions.

2. Principal activities in the fiscal year ended March 31, 2021

1) Director Akio Mimura

Mr. Mimura attended 12 out of 13 meetings of the Board of Directors held in the fiscal year ended March 31, 2021. By making remarks, asking questions, and contributing opinions regarding the purposes and contents of matters resolved and reported as appropriate at the meetings of the Board of Directors, he has appropriately fulfilled the role expected of him, by providing appropriate advice and supervision over the Company's business execution, based on his wealth of experience and broad-based insight as a corporate executive.

2) Director Kazuhiko Fushiya

Mr. Fushiya attended all meetings of the Board of Directors held in the fiscal year ended March 31, 2021. By making remarks, asking questions, and contributing opinions regarding the purposes and contents of matters resolved and reported as appropriate at the meetings of the Board of Directors, he has appropriately fulfilled the role expected of him, by providing appropriate advice and supervision over the Company's business execution, based on a wealth of experience and high-level expertise gained through his career in the Ministry of Finance and other governmental organizations where he

held important positions.

3) Director Motoo Nagai

Mr. Nagai attended 12 out of 13 meetings of the Board of Directors held in the fiscal year ended March 31, 2021. By making remarks, asking questions, and contributing opinions regarding the purposes and contents of matters resolved and reported as appropriate at the meetings of the Board of Directors, he has appropriately fulfilled the role expected of him, by providing appropriate advice and supervision over the Company's business execution, based on his wealth of experience and broad-based insight gained through management of financial institutions.

4) Director (Audit & Supervisory Committee Member) Tetsuo Kawawa

Mr. Kawawa attended all meetings of the Board of Directors and the Audit & Supervisory Committee held in the fiscal year ended March 31, 2021. By making remarks, asking questions, and contributing opinions regarding the purposes and contents of matters resolved and reported as appropriate at the meetings of the Board of Directors and the Audit & Supervisory Committee, he has appropriately fulfilled the role expected of him, by appropriately auditing and supervising the Company as an Outside Director who is a member of the Audit & Supervisory Committee, mainly from the viewpoint of legal compliance, based on his high level of expertise as an attorney and his advanced knowledge of the Companies Act and governance.

5) Director (Audit & Supervisory Committee Member) Satoshi Ito

Mr. Ito attended all meetings of the Board of Directors and the Audit & Supervisory Committee held in the fiscal year ended March 31, 2021. By making remarks, asking questions, and contributing opinions regarding the purposes and contents of matters resolved and reported as appropriate at the meetings of the Board of Directors and the Audit & Supervisory Committee, he has appropriately fulfilled the role expected of him, by appropriately auditing and supervising the Company as an Outside Director who is a member of the Audit & Supervisory Committee, based on his extensive auditing experience as a certified public accountant, and his high-level expertise in finance and accounting.

6) Director (Audit & Supervisory Committee Member) Mieko Tomita

Ms. Tomita attended all meetings of the Board of Directors and the Audit & Supervisory Committee held in the fiscal year ended March 31, 2021. By making remarks, asking questions, and contributing opinions regarding the purposes and contents of matters resolved and reported as appropriate at the meetings of the Board of Directors and the Audit & Supervisory Committee, she has appropriately fulfilled the role expected of her, by appropriately auditing and supervising the Company as an Outside Director who is a member of the Audit & Supervisory Committee, mainly from the viewpoint of legal compliance, based on her high level of expertise as an attorney and her wealth of experience in corporate legal affairs.

(4) Independent Auditor

[1] Name of the Independent Auditor: Deloitte Touche Tohmatsu LLC

[2] Compensation to the Independent Auditor for the fiscal year ended March 31, 2021

1. Compensation paid to the Independent Auditor ¥64 million
2. Total of cash and other financial profits payable by the Company and its subsidiaries ¥210 million

Notes: 1. The audit contract between the Company and the Independent Auditor does not and practically cannot separate the amount of compensation for the audit under the Companies Act from the amount of compensation for the audit under the Financial Instruments and Exchange Act. Therefore, the compensation described in the above 1 is the sum of both amounts.

2. Some subsidiaries of the Company have their financial statements and related documents audited by auditors other than Deloitte Touche Tohmatsu LLC.

[3] Reasons for the Audit & Supervisory Committee's approval on compensation to the Independent Auditor

The Audit & Supervisory Committee has given its approval as prescribed under Article 399, Paragraph 1 and 3 of the Companies Act, as the compensation to the Independent Auditor was considered reasonable based on the verification and review of the relevant matters including details of the audit plan in the fiscal year under review, the status of execution of duties by the Independent Auditor and the basis of calculating the estimated compensation.

[4] Policy for decisions on dismissal or non-reappointment of Independent Auditor

The Audit & Supervisory Committee will dismiss the Independent Auditor in the event that any of the reasons stipulated in each item of Article 340, Paragraph 1 of the Companies Act are deemed applicable to the Independent Auditor and such action is considered necessary, subject to the unanimous consent of the Audit & Supervisory Committee Members.

In addition, the Audit & Supervisory Committee will decide the details of a proposal for the dismissal or non-reappointment of the Independent Auditor to be submitted to the General Meeting of Shareholders, as stipulated in Article 399-2, Paragragh 3, Item 2 of the Companies Act, in the event that any of the reasons stipulated in Article 340 of the Companies Act, or any concomitant reasons, are deemed applicable to the Independent Auditor and such action is considered necessary. Furthermore, the Audit & Supervisory Committee may also decide the details of a proposal for the non-reappointment of the Independent Auditor to be submitted to the General Meeting of Shareholders, as stipulated in Article 399-2, Paragragh 3, Item 2 of the Companies Act, in the event that the non-reappointment of the Independent Auditor is considered appropriate in overall consideration of various factors including the audit quality provided and the status of execution of duties by the Independent Auditor.

3. Systems and Policies of the Company

(1) Systems to Ensure Appropriate Business Execution and the Status of Operation of Systems Concerned

Systems to ensure appropriate business execution and the status of operation of systems concerned are provided on the Company's website (https://www.nisshin.com/english/shareholders/meeting.html).

(2) Basic Policies Regarding Control of the Corporation

Basic policies regarding control of the corporation is provided on the Company's website (https://www.nisshin.com/english/shareholders/meeting.html).

(3) Policy on Dividends from Surplus

The Company aims to meet the expectations of shareholders to distribute profits, taking into consideration the current and future profitability of its business and financial position, by undertaking the payment of dividends based on a targeted payout ratio of at least 40% on a consolidated basis.

As a further return of profits to shareholders, the Company intends to pay a full-year dividend of ¥37 per share, representing an increase in the ordinary dividend of ¥1 from that of the previous fiscal year, and a dividend of ¥2 per share commemorating the Company's 120th Anniversary. Accordingly, the Company will submit a proposal to the Ordinary General Meeting of Shareholders to distribute its surplus to pay a year-end dividend of ¥20 per share. As a result, dividends paid will have increased for eight consecutive terms since the fiscal year ended March 31, 2014, the fiscal year in which total dividends paid were increased by stock split without adjustment to the dividend per share.

We will focus on enhancing the stable distribution of profits from a long-term perspective to shareholders who share with us "the values created down through the generations since the establishment of the Company" based on the policy concerning the long-term vision of "NNI 'Compass for the Future'—Toward a New Stage—Maximizing Group-wide Capabilities and Effecting Business Model Change." More precisely, we aim for a payout ratio of 40% or more on a consolidated basis and seek to continuously increase the amount of dividends, while intending to repurchase treasury shares in a flexible manner taking into account cash flows and strategic needs for investment funds.

End

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheet

(As of March 31, 2021)

(Millions of yen)

Item	Amount	Item	Amount
(ASSETS)		**(LIABILITIES)**	
Current assets	**238,674**	**Current liabilities**	**108,740**
Cash and deposits	61,282	Notes and accounts payable – trade	47,946
Notes and accounts receivable – trade	85,483	Short-term loans payable	5,547
Securities	452	Income taxes payable	5,022
Inventories	81,606	Accrued expenses	21,869
Other	10,361	Other	28,353
Allowance for doubtful accounts	(511)		
		Non-current liabilities	**133,900**
Non-current assets	**448,740**	Bonds	20,000
Property, plant and equipment	**215,428**	Long-term loans payable	14,729
Buildings and structures, net	68,269	Lease obligations	36,673
Machinery, equipment and vehicles, net	51,256	Deferred tax liabilities	30,562
Land	45,877	Provision for repairs	1,324
Construction in progress	15,261	Net defined benefit liability	22,533
Right-of-use assets	28,055	Long-term deposits received	5,618
Other, net	6,707	Other	2,458
		Total liabilities	**242,640**
Intangible assets	**73,376**	**(NET ASSETS)**	
Goodwill	45,551	**Shareholders' equity**	**359,990**
Other	27,824	**Capital stock**	**17,117**
		Capital surplus	**12,627**
Investments and other assets	**159,935**	**Retained earnings**	**341,241**
Investment securities	147,168	**Treasury shares**	**(10,997)**
Net defined benefit asset	301		
Deferred tax assets	6,992	**Accumulated other comprehensive income**	**73,098**
Other	5,602	**Valuation difference on available-for-sale securities**	**64,687**
Allowance for doubtful accounts	(128)	**Deferred gains or losses on hedges**	**222**
		Foreign currency translation adjustment	**9,314**
		Remeasurements of defined benefit plans	**(1,125)**
		Subscription rights to shares	**116**
		Non-controlling interests	**11,569**
		Total net assets	**444,774**
Total assets	**687,415**	**Total liabilities and net assets**	**687,415**

Consolidated Statement of Income

(For the Fiscal Year Ended March 31, 2021)

(Millions of yen)

Item	Amount	
Net sales		679,495
Cost of sales		490,410
Gross profit		**189,084**
Selling, general and administrative expenses		161,887
Operating profit		**27,197**
Non-operating income		
Interest income	159	
Dividend income	2,811	
Share of profit of entities accounted for using equity method	1,794	
Rent income	317	
Other	713	5,797
Non-operating expenses		
Interest expenses	2,782	
Other	324	3,107
Ordinary profit		**29,886**
Extraordinary income		
Gain on sales of non-current assets	427	
Gain on sales of investment securities	1,421	1,849
Extraordinary losses		
Loss on retirement of non-current assets	608	
Impairment loss	977	
Business restructuring expenses	388	1,974
Profit before income taxes		**29,762**
Income taxes – current	**10,671**	
Income taxes – deferred	**(863)**	**9,807**
Profit		**19,954**
Profit attributable to non-controlling interests		**943**
Profit attributable to owners of parent		**19,011**

NON-CONSOLIDATED FINANCIAL STATEMENTS

Non-consolidated Balance Sheet

(As of March 31, 2021)

(Millions of yen)

Item	Amount	Item	Amount
(ASSETS)		**(LIABILITIES)**	
Current assets	**35,662**	**Current liabilities**	**41,475**
Cash and deposits	31,955	Lease obligations	169
Accounts receivable – trade	285	Accounts payable – other	628
Prepaid expenses	218	Accrued expenses	2,040
Income taxes receivable	2,435	Deposits received	38,559
Other	767	Provision for directors' bonuses	36
		Other	41
Non-current assets	**366,667**		
Property, plant and equipment	**23,421**	**Non-current liabilities**	**56,128**
Buildings, net	5,181	Bonds	20,000
Structures, net	361	Long-term loans payable	10,000
Machinery and equipment, net	736	Lease obligations	310
Vehicles, net	5	Deferred tax liabilities	21,459
Tools, furniture and fixtures, net	499	Provision for retirement benefits	3,194
Land	16,156	Other	1,164
Leased assets, net	473	**Total liabilities**	**97,604**
Construction in progress	7	**(NET ASSETS)**	
		Shareholders' equity	**256,135**
Intangible assets	**753**	**Capital stock**	**17,117**
Leasehold right	18	**Capital surplus**	**9,690**
Software	501	Legal capital surplus	9,500
Leased assets	174	Other capital surplus	190
Other	58	**Retained earnings**	**240,316**
		Legal retained earnings	4,379
Investments and other assets	**342,492**	Other retained earnings	235,936
Investment securities	89,642	Reserve for dividends	2,000
Shares of subsidiaries and associates	165,262	Reserve for tax purpose reduction entry of non-current assets	2,556
Investments in capital	326	General reserve	170,770
Investments in capital of subsidiaries and associates	1,093	Retained earnings brought forward	60,610
		Treasury shares	**(10,989)**
Long-term loans receivable from subsidiaries and associates	85,534	**Valuation and translation adjustments**	**48,474**
Other	657	**Valuation difference on available-for-sale securities**	**48,474**
Allowance for doubtful accounts	(25)		
		Subscription rights to shares	**116**
		Total net assets	**304,725**
Total assets	**402,329**	**Total liabilities and net assets**	**402,329**

Non-consolidated Statement of Income

(For the Fiscal Year Ended March 31, 2021)

(Millions of yen)

Item	Amount	
Operating revenue		24,335
Operating expenses		13,871
Operating profit		**10,463**
Non-operating income		
Interest income	913	
Dividend income	2,060	
Other	60	3,034
Non-operating expenses		
Interest expenses	166	
Other	10	177
Ordinary profit		**13,320**
Extraordinary income		
Gain on sales of investment securities	595	
Gain on sales of non-current assets	305	901
Extraordinary losses		
Loss on retirement of non-current assets	25	
Impairment loss	977	1,003
Profit before income taxes		**13,219**
Income taxes – current	**344**	
Income taxes – deferred	**(155)**	**188**
Profit		**13,030**

Reference Documents for the General Meeting of Shareholders

Proposal and References

Proposal No. 1: Dividends from Surplus

Regarding dividends from the Company's surplus, the Company wishes to meet shareholders' expectations with dividends based on a dividend payout ratio of at least 40% on a consolidated basis, while taking into account its current and future earnings status and financial position.

With respect to the year-end dividend from the surplus for the fiscal year under review, the Company proposes to pay a commemorative dividend of ¥2 per share for the 120th Anniversary of our founding, on top of an ¥18 per share ordinary dividend, for a total of ¥20 per share, with the details of the payment summarized as follows. This will result in the annual dividend, consisting of the interim and year-end dividends, of ¥37 per share for the fiscal year ended March 31, 2021, an increase of ¥3 from the previous fiscal year.

If this proposal is approved, the Company will have achieved an increase in dividends for eight consecutive fiscal years since the fiscal year ended March 31, 2014, in which an actual increase in dividends was offered through stock split without making adjustment to the dividend per share.

(1) Type of dividend
Cash

(2) Matters related to the allocation of dividend and total amount thereof
¥20 per share of the Company's common stock
Total amount of dividends: ¥5,949,620,680

(3) Effective date of dividend payment
June 28, 2021

Proposal No. 2: Election of Ten (10) Directors (Excluding Directors Who Are Members of the Audit & Supervisory Committee)

At the conclusion of this Ordinary General Meeting of Shareholders, the terms of office of all ten (10) Directors (excluding Directors who are members of the Audit & Supervisory Committee) will expire.

Therefore, we propose that ten (10) Directors (excluding Directors who are members of the Audit & Supervisory Committee) be elected. The Audit & Supervisory Committee has considered this proposal and expressed its opinion that there are no particular matters to be stated.

The candidates for Directors (excluding Directors who are members of the Audit & Supervisory Committee) are as follows.

No.	Name		Current Position and Responsibility in the Company	Attendance at meetings of the Board of Directors (Times)
1	Nobuki Kemmoku	Renomination	Director and President	13/13 (100%)
2	Akira Mori	Renomination	Director, Senior Managing Executive Officer (In charge of Corporate Planning Division and Finance and Accounting Division)	13/13 (100%)
3	Koichi Iwasaki	Renomination	Director, Managing Executive Officer and Division Executive (Business Development Division)	13/13 (100%)
4	Satoshi Odaka	Renomination	Director, Managing Executive Officer and Division Executive (Technology and Engineering Division)	10/10 (100%)
5	Takao Yamada	Renomination	Director and Managing Executive Officer	13/13 (100%)
6	Yuji Koike	Renomination	Director and Managing Executive Officer	13/13 (100%)
7	Akio Mimura	Renomination Outside Director Independent Director	Director	12/13 (92.3%)
8	Kazuhiko Fushiya	Renomination Outside Director Independent Director	Director	13/13 (100%)
9	Motoo Nagai	Renomination Outside Director Independent Director	Director	12/13 (92.3%)
10	Naoto Masujima	New candidate	Managing Executive Officer and Division Executive (General Administration Division)	—

Note: Attendance information for Mr. Satoshi Odaka only includes meetings of the Board of Directors held since his appointment on June 25, 2020.

No.	Name (Date of Birth)	Career Summary, Position and Responsibility in the Company [Significant Positions Concurrently Held]	Number of the Company's Shares Held
1	Renomination Nobuki Kemmoku (February 13, 1961)	April 1984 Joined the Company September 2011 Managing Director, Nisshin Flour Milling Inc. June 2012 Executive Officer June 2013 Director Senior Managing Director, Nisshin Flour Milling Inc. April 2015 Director and President, Nisshin Flour Milling Inc. June 2015 Managing Director April 2017 Director and President (to the present) Director and Chairman, Nisshin Flour Milling Inc. (to the present) [Director and Chairman, Nisshin Flour Milling Inc.]	66,905 shares
	Reason for selecting the candidate for Director The Company selected Mr. Nobuki Kemmoku as candidate for Director as he has a wealth of experience and excellent track record in management of the flour milling business and also has been leading the holding company's management as President of the Company, and thus is considered to possess the requisite skills and qualities for the Company to pursue sustainable growth and medium- to long-term enhancement of corporate value.		
2	Renomination Akira Mori (December 16, 1956)	April 1979 Joined the Company June 2010 General Manager (Finance Department of Finance and Accounting Division) June 2012 Executive Officer and General Manager (Finance Department of Finance and Accounting Division) June 2013 Director and Division Executive (Corporate Planning Division) June 2015 Managing Director and Division Executive (Corporate Planning Division) April 2017 Managing Director and Division Executive (Finance and Accounting Division) June 2019 Director, Managing Executive Officer and Division Executive (Finance and Accounting Division) June 2020 Director, Senior Managing Executive Officer (In charge of Corporate Planning Division and Finance and Accounting Division) (to the present)	39,560 shares
	Reason for selecting the candidate for Director The Company selected Mr. Akira Mori as candidate for Director as he has a wealth of experience and excellent track record in the areas including accounting, finance and corporate planning, and thus is considered to possess the requisite skills and qualities for the Company to pursue sustainable growth and medium- to long-term enhancement of corporate value.		

<table>
<tr><th>No.</th><th>Name
(Date of Birth)</th><th colspan="2">Career Summary, Position and Responsibility in the Company
[Significant Positions Concurrently Held]</th><th>Number of the Company's Shares Held</th></tr>
<tr><td rowspan="2">3</td><td>Renomination

Koichi Iwasaki
(September 12, 1956)</td><td colspan="2">April 1980 Joined the Company
June 2007 Director and Division Executive (Sales Division), Nisshin Foods Inc.
June 2010 Executive Officer
Managing Director and Division Executive (Sales Division), Nisshin Foods Inc.
June 2012 Director
Director and President, Nisshin Foods Inc.
June 2014 Managing Director
June 2015 Director, Tokatsu Foods Co., Ltd.
June 2017 Executive Officer
Director and Vice Chairman, Tokatsu Foods Co., Ltd.
June 2019 Director, Managing Executive Officer and Division Executive (Business Development Division) (to the present)
July 2019 Director and Chairman, Tokatsu Foods Co., Ltd. (to the present)
[Director and Chairman (Representative Director), Tokatsu Foods Co., Ltd.]</td><td>61,200 shares</td></tr>
<tr><td colspan="4">Reason for selecting the candidate for Director

The Company selected Mr. Koichi Iwasaki as candidate for Director as he has a wealth of experience and excellent track record in management of the prepared dishes and other prepared foods business, as well as processed food business, and thus is considered to possess the requisite skills and qualities for the Company to pursue sustainable growth and medium- to long-term enhancement of corporate value.</td></tr>
<tr><td rowspan="2">4</td><td>Renomination

Satoshi Odaka
(November 18, 1958)</td><td colspan="2">April 1983 Joined the Company
June 2007 General Manager (Technology and Engineering Department of Technology and Engineering Division)
April 2012 Director and Division Executive (Production Division), Nisshin Flour Milling Inc.
June 2012 Executive Officer
June 2015 Director and Division Executive (Technology and Engineering Division)
June 2019 Managing Executive Officer and Division Executive (Technology and Engineering Division)
June 2020 Director, Managing Executive Officer and Division Executive (Technology and Engineering Division) (to the present)</td><td>30,291 shares</td></tr>
<tr><td colspan="4">Reason for selecting the candidate for Director

The Company selected Mr. Satoshi Odaka as candidate for Director as he has a wealth of experience and excellent track record in the areas including production management and technology development, and thus is considered to possess the requisite skills and qualities for the Company to pursue sustainable growth and medium- to long-term enhancement of corporate value.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of Birth)</th><th colspan="2">Career Summary, Position and Responsibility in the Company
[Significant Positions Concurrently Held]</th><th>Number of the Company's Shares Held</th></tr>
<tr><td rowspan="2">5</td><td>Renomination

Takao Yamada
(September 27, 1960)</td><td colspan="2">April 1983 Joined the Company
June 2011 Director and General Manager (Tokyo Sales Department), Nisshin Flour Milling Inc.
June 2012 Executive Officer
June 2013 Director
Managing Director and Division Executive (Sales Division), Nisshin Flour Milling Inc.
April 2015 Senior Managing Director and Division Executive (Sales Division), Nisshin Flour Milling Inc.
April 2017 Director and President, Nisshin Flour Milling Inc. (to the present)
June 2019 Director and Managing Executive Officer (to the present)
[Director and President (Representative Director), Nisshin Flour Milling Inc.]</td><td>36,096 shares</td></tr>
<tr><td colspan="4">Reason for selecting the candidate for Director

The Company selected Mr. Takao Yamada as candidate for Director as he has a wealth of experience and excellent track record in management of the flour milling business, and thus is considered to possess the requisite skills and qualities for the Company to pursue sustainable growth and medium- to long-term enhancement of corporate value.</td></tr>
<tr><td rowspan="2">6</td><td>Renomination

Yuji Koike
(January 16, 1960)</td><td colspan="2">April 1983 Joined the Company
June 2014 Executive Officer
Director and President, Nisshin Petfood Inc.
June 2017 Director
Director and President, Nisshin Foods Inc. (to the present)
June 2019 Director and Managing Executive Officer (to the present)
[Director and President (Representative Director), Nisshin Foods Inc.]</td><td>32,331 shares</td></tr>
<tr><td colspan="4">Reason for selecting the candidate for Director

The Company selected Mr. Yuji Koike as candidate for Director as he has a wealth of experience and excellent track record as a business manager, along with extensive expertise in the area of sales operation in the processed food business, and thus is considered to possess the requisite skills and qualities for the Company to pursue sustainable growth and medium- to long-term enhancement of corporate value.</td></tr>
</table>

No.	Name (Date of Birth)	Career Summary, Position and Responsibility in the Company [Significant Positions Concurrently Held]	Number of the Company's Shares Held
7	Renomination Outside Director Independent Director Akio Mimura (November 2, 1940)	April 1963 Joined Fuji Iron & Steel Co., Ltd. June 1993 Director, Nippon Steel Corporation (NSC) April 1997 Managing Director, NSC April 2000 Representative Director and Executive Vice President, NSC April 2003 Representative Director and President, NSC June 2006 Audit & Supervisory Board Member April 2008 Representative Director and Chairman, NSC June 2009 Director (to the present) October 2012 Director and Senior Advisor, Nippon Steel & Sumitomo Metal Corporation (NSSMC) June 2013 Senior Advisor, NSSMC November 2013 Senior Advisor, Honorary Chairman, NSSMC June 2018 Senior Advisor, Honorary Chairman, NSSMC April 2019 Senior Advisor, Honorary Chairman, Nippon Steel Corporation (to the present) [Senior Advisor, Honorary Chairman, Nippon Steel Corporation] [Chairman, The Japan Chamber of Commerce and Industry] [Chairman, The Tokyo Chamber of Commerce and Industry] [Outside Director, Development Bank of Japan Inc.] [Outside Director, Tokio Marine Holdings, Inc.] [Outside Director, Japan Post Holdings Co., Ltd.] [Outside Director, INCJ, Ltd.]	44,370 shares
	Reason for selecting the candidate for Outside Director and a summary of the expected role The Company selected Mr. Akio Mimura as candidate for Outside Director as he currently provides appropriate advice and supervision over the Company's business execution based on his wealth of experience and broad-based insight as corporate executive, and thus is hoped to continue to fulfill the aforementioned expected role, as the Company pursues sustainable growth and medium- to long-term enhancement of its corporate value.		

<table>
<tr><th>No.</th><th>Name
(Date of Birth)</th><th>Career Summary, Position and Responsibility in the Company
[Significant Positions Concurrently Held]</th><th>Number of the Company's Shares Held</th></tr>
<tr><td rowspan="2">8</td><td>Renomination
Outside Director
Independent Director

Kazuhiko Fushiya
(January 26, 1944)</td><td>April 1967 Joined the Ministry of Finance
July 1999 Commissioner, National Tax Agency
July 2001 Deputy Governor, National Life Finance Corporation
July 2002 Assistant Chief Cabinet Secretary
January 2006 Commissioner, Board of Audit of Japan
February 2008 Commissioner (President), Board of Audit of Japan
January 2009 Retired
June 2009 Audit & Supervisory Board Member
June 2015 Director (to the present)
[Chairman, The Institute of Internal Auditors - Japan]</td><td>4,200 shares</td></tr>
<tr><td colspan="3">Reason for selecting the candidate for Outside Director and a summary of the expected role

The Company selected Mr. Kazuhiko Fushiya as candidate for Outside Director as he currently provides appropriate advice and supervision over the Company's business execution, based on a wealth of experience and high-level expertise gained through his career in the Ministry of Finance and other governmental organizations where he held important positions, and thus is hoped to continue to fulfill the aforementioned expected role, as the Company pursues sustainable growth and medium- to long-term enhancement of its corporate value. Although Mr. Fushiya has no experience in participating directly in corporate management, except by serving as Outside Director or Outside Audit & Supervisory Board Member, he is believed, for the aforementioned reasons, to be capable of adequately fulfilling the duties of Outside Director.</td></tr>
<tr><td rowspan="2">9</td><td>Renomination
Outside Director
Independent Director

Motoo Nagai
(March 4, 1954)</td><td>April 1977 Joined Industrial Bank of Japan, Limited
April 2005 Executive Officer, Mizuho Corporate Bank, Ltd.
April 2007 Managing Executive Officer, Mizuho Corporate Bank, Ltd.
April 2011 Deputy President - Executive Officer, Mizuho Trust & Banking Co., Ltd.
June 2011 Deputy President (Representative Director) and Deputy President - Executive Officer, Mizuho Trust & Banking Co., Ltd.
April 2014 Commissioner, Mizuho Trust & Banking Co., Ltd.
June 2014 Retired as Commissioner, Mizuho Trust & Banking Co., Ltd.
June 2015 Audit & Supervisory Board Member
June 2019 Director (to the present)
[Outside Director, Nissan Motor Co., Ltd.]
[Outside Director, Organo Corporation]</td><td>600 shares</td></tr>
<tr><td colspan="3">Reason for selecting the candidate for Outside Director and a summary of the expected role

The Company selected Mr. Motoo Nagai as candidate for Outside Director as he currently provides appropriate advice and supervision over the Company's business execution, based on his wealth of experience and broad-based insight gained through management of financial institutions, and thus is hoped to continue to fulfill the aforementioned expected role, as the Company pursues sustainable growth and medium- to long-term enhancement of its corporate value.</td></tr>
</table>

No.	Name (Date of Birth)	Career Summary, Position and Responsibility in the Company [Significant Positions Concurrently Held]		Number of the Company's Shares Held
10	New candidate Naoto Masujima (September 11, 1960)	April 1983 June 2009 December 2012 July 2013 June 2014 June 2015 June 2016 June 2017 June 2019	Joined the Company General Manager (Investor Relations Office of Corporate Planning Division) General Manager (GS (Overseas Business Development) of Corporate Planning Division) General Manager (GS (Globalization) of Corporate Planning Division) Executive Officer, GS (Globalization) of Corporate Planning Division and General Manager (China Business Development Office of Corporate Planning Division) Director, General Manager (Corporate Planning Department) and Division Executive (Overseas Business Division), Nisshin Flour Milling Inc. Managing Director, General Manager (Corporate Planning Department) and Division Executive (Overseas Business Division), Nisshin Flour Milling Inc. Director and Division Executive (General Administration Division) Managing Executive Officer and Division Executive (General Administration Division) (to the present)	28,081 shares
	Reason for selecting the candidate for Director The Company selected Mr. Naoto Masujima as candidate for Director as he has a wide range of experience and excellent track record in the areas including general administration, investor relations, corporate planning and overseas business, and thus is considered to possess the requisite skills and qualities for the Company to pursue sustainable growth and medium- to long-term enhancement of corporate value.			

Notes: 1. No actual conflict of interest exists between the Company and any of the above candidates.

2. Under the provision of Article 427, Paragraph 1 of the Companies Act, the Company has concluded liability limitation agreements with Mr. Akio Mimura, Mr. Kazuhiko Fushiya, and Mr. Motoo Nagai which limit the amount of liability for damages set forth in Article 423, Paragraph 1 thereof, to the sum of the amount set forth in each item of Article 425, Paragraph 1 thereof, provided that their duties are performed in good faith and without gross negligence on their parts.

3. The Company has entered into a directors and officers liability insurance contract with an insurance company, as provided in Article 430-3, Paragraph 1 of the Companies Act, under which damages arising from insureds' liability borne from the performance of their duties, or from claims in pursuit of that liability, shall be compensated. Each candidate will be included as the insured under this insurance contract. In addition, the Company plans to renew this insurance contract under similar conditions, at the time of the next renewal.

4. Information on candidates for Outside Directors

(1) Mr. Akio Mimura, Mr. Kazuhiko Fushiya, and Mr. Motoo Nagai are candidates for Outside Directors. The Company has selected them as Independent Directors due to their satisfying the "Independence Standards for Outside Directors," which are stipulated by the Company based on the criteria concerning independence set forth by the Tokyo Stock Exchange (and posted on the Company's website (https://www.nisshin.com/uploads/governance_is.pdf)) with the necessary notification provided thereto.

(2) Mr. Akio Mimura is currently an Outside Director for the Company, whose term in office will be about twelve years at the time of the conclusion of this Ordinary General Meeting of Shareholders. Furthermore, he was an Outside Audit & Supervisory Board Member for the Company before his appointment as an Outside Director and so has been with the Company for about fifteen years since his appointment as an Outside Audit & Supervisory Board Member.

(3) Mr. Kazuhiko Fushiya is currently an Outside Director for the Company, whose term in office will be about six years at the time of the conclusion of this Ordinary General Meeting of Shareholders. Furthermore, he was an Outside Audit & Supervisory Board Member for the Company before his appointment as an Outside Director and so has been with the Company for about twelve years since his appointment as an Outside Audit & Supervisory Board Member.

(4) Mr. Motoo Nagai is currently an Outside Director for the Company, whose term in office will be about two years at the time of the conclusion of this Ordinary General Meeting of Shareholders. Furthermore, he was an Outside Audit & Supervisory Board Member for the Company before his appointment as an Outside Director and so has been with the

Company for about six years since his appointment as an Outside Audit & Supervisory Board Member.

(5) Japan Post Holdings Co., Ltd., for which Mr. Akio Mimura serves as an outside director, received process improvement orders by the Minister for Internal Affairs and Communications and the Financial Services Agency on December 27, 2019, due to improper sales for insurance, etc. by the company's subsidiaries. Mr. Akio Mimura had not been aware of these issues until the underlying causes for the orders became known. However, Mr. Akio Mimura has regularly provided suggestions at meetings of the board of directors and other such meetings from the standpoint of importance of group governance and internal control, and after becoming aware of these issues, he has appropriately fulfilled his duties by providing instructions regarding thorough investigation and prevention of reoccurrence of such misconduct.

(6) Nissan Motor Co., Ltd. ("Nissan"), for which Mr. Motoo Nagai served as an outside audit & supervisory board member (full-time) until June 2019 and serves as an outside director from the same month, received process improvement orders on March 26, 2018 and process improvement directives on December 19, 2018 from the Ministry of Land, Infrastructure, Transport and Tourism related to the company's non-conformities in the final inspection process at its vehicle manufacturing plants in Japan. In addition, Nissan received a surcharge payment order on February 27, 2020 from the Commissioner of the Financial Services Agency for making false disclosures regarding the director's remuneration in annual securities reports submitted in past years, etc. Due to such false disclosures regarding the director's remuneration, Nissan and former directors of Nissan were also indicted on charges of violating the Financial Instruments and Exchange Act (Crime of Submission of False Annual Securities Report). Furthermore, a former director of Nissan was indicted on charges for violating the Companies Act (Crime of an Aggravated Breach of Trust). Mr. Motoo Nagai had not been aware of these issues until the underlying causes for such matters became known. However, Mr. Motoo Nagai has regularly provided suggestions at meetings of the board of directors and other such meetings from the standpoint of compliance with laws and regulations, and after becoming aware of these issues, he has appropriately fulfilled his duties by providing instructions regarding thorough investigation and prevention of reoccurrence of such misconduct.

Proposal No. 3: Election of Four (4) Directors Who Are Members of the Audit & Supervisory Committee

At the conclusion of this Ordinary General Meeting of Shareholders, the term of office of all four (4) Directors who are members of the Audit & Supervisory Committee will expire.

Therefore, we propose that four (4) Directors who are members of the Audit & Supervisory Committee be elected. Furthermore, we have received consent from the Audit & Supervisory Committee concerning this proposal.

The candidates for Directors who are members of the Audit & Supervisory Committee are as follows.

No.	Name		Current Position and Responsibility in the Company	Attendance at meetings of the Board of Directors (Times)
1	Shoh Ohuchi	Renomination	Director (Full-time Audit & Supervisory Committee Member)	13/13 (100%)
2	Tetsuo Kawawa	Renomination Outside Director Independent Director	Director (Audit & Supervisory Committee Member)	13/13 (100%)
3	Satoshi Ito	Renomination Outside Director Independent Director	Director (Audit & Supervisory Committee Member)	13/13 (100%)
4	Mieko Tomita	Renomination Outside Director Independent Director	Director (Audit & Supervisory Committee Member)	13/13 (100%)

<table>
<tr><th>No.</th><th>Name
(Date of Birth)</th><th colspan="2">Career Summary, Position and Responsibility in the Company
[Significant Positions Concurrently Held]</th><th>Number of the Company's Shares Held</th></tr>
<tr><td rowspan="2">1</td><td>Renomination

Shoh Ohuchi
(February 13, 1961)</td><td colspan="2">April 1983 Joined the Company
June 2014 General Manager (Finance Department of Finance and Accounting Division)
June 2015 Executive Officer and General Manager (Finance Department of Finance and Accounting Division)
June 2018 Audit & Supervisory Board Member
June 2019 Director (Full-time Audit & Supervisory Committee Member) (to the present)</td><td>19,740 shares</td></tr>
<tr><td colspan="4">Reason for selecting the candidate for Director who is a member of the Audit & Supervisory Committee

The Company selected Mr. Shoh Ohuchi as candidate for Director who is a member of the Audit & Supervisory Committee, as he has been diligently performing auditing and supervising duties as a Director who is a member of the Audit & Supervisory Committee, drawing on his wealth of experience and excellent track record in accounting, finance, and auditing, and thus is considered to qualify for the office of Audit & Supervisory Committee Member in charge of auditing and supervising the Company's operational execution from an objective standpoint.</td></tr>
<tr><td rowspan="2">2</td><td>Renomination
Outside Director
Independent Director

Tetsuo Kawawa
(June 15, 1947)</td><td colspan="2">April 1975 Qualified as an attorney
April 1996 Proprietor, Kawawa Law Offices (to the present)
August 2002 Member, the Corporation Law (Modernization) Subcommittee, Legislative Council of the Ministry of Justice
September 2002 Member, the Special Commission of the Judicial Advisory Committee of the Japan Federation of Bar Associations
June 2007 Audit & Supervisory Board Member
June 2019 Director (Audit & Supervisory Committee Member) (to the present)
[Attorney; Proprietor, Kawawa Law Offices]</td><td>0 shares</td></tr>
<tr><td colspan="4">Reason for selecting the candidate for Outside Director who is a member of the Audit & Supervisory Committee and a summary of the expected role

The Company selected Mr. Tetsuo Kawawa as candidate for Outside Director who is a member of the Audit & Supervisory Committee, as he has been diligently performing auditing and supervising duties as an Outside Director who is a member of the Audit & Supervisory Committee, mainly from the viewpoint of legal compliance, drawing on his high level of expertise as an attorney and his advanced knowledge of the Companies Act and governance, and thus is hoped to continue to fulfill the aforementioned expected role from an objective standpoint. Although Mr. Kawawa has no experience in participating directly in corporate management except by serving as Outside Director or Outside Audit & Supervisory Board Member, he is believed, for the aforementioned reasons, to be capable of adequately fulfilling the duties of Outside Director who is a member of the Audit & Supervisory Committee.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of Birth)</th><th>Career Summary, Position and Responsibility in the Company
[Significant Positions Concurrently Held]</th><th>Number of the Company's Shares Held</th></tr>
<tr><td rowspan="2">3</td><td>Renomination
Outside Director
Independent Director

Satoshi Ito
(July 25, 1942)</td><td>January 1967 Joined Arthur Andersen & Co., Japan branch
December 1970 Qualified as a Certified Public Accountant
September 1978 Partner, Arthur Andersen & Co.
October 1993 Representative Partner, Asahi & Co. (Currently KPMG AZSA LLC)
August 2001 Proprietor, Ito Certified Public Accountant Offices (to the present)
April 2002 Specially Appointed Professor, Institute of Accounting Research, Chuo University
March 2007 Retirement as a Specially Appointed Professor, Institute of Accounting Research, Chuo University
June 2010 Audit & Supervisory Board Member
June 2019 Director (Audit & Supervisory Committee Member) (to the present)
[Certified Public Accountant; Proprietor, Ito Certified Public Accountant Offices]</td><td>0 shares</td></tr>
<tr><td colspan="3">Reason for selecting the candidate for Outside Director who is a member of the Audit & Supervisory Committee and a summary of the expected role

The Company selected Mr. Satoshi Ito as candidate for Outside Director who is a member of the Audit & Supervisory Committee, as he has been diligently performing auditing and supervising duties as an Outside Director who is a member of the Audit & Supervisory Committee, drawing on his extensive auditing experience as a certified public accountant and his high-level expertise in finance and accounting, and thus is hoped to continue to fulfill the aforementioned expected role from an objective standpoint. Although Mr. Ito has no experience in participating directly in corporate management, except by serving as Outside Director or Outside Audit & Supervisory Board Member, he is believed, for the aforementioned reasons, to be capable of adequately fulfilling the duties of Outside Director who is a member of the Audit & Supervisory Committee.</td></tr>
<tr><td rowspan="2">4</td><td>Renomination
Outside Director
Independent Director

Mieko Tomita
(August 15, 1954)</td><td>April 1980 Qualified as an attorney
Joined Nishi and Iseki Law Office (Currently Nishi & Partners Attorneys and Counselors at Law)
April 2001 Civil Conciliation Commissioner, Tokyo District Court (to the present)
April 2017 Senior Partner, Nishi & Partners Attorneys and Counselors at Law (to the present)
June 2019 Director (Audit & Supervisory Committee Member) (to the present)
[Attorney; Senior Partner, Nishi & Partners Attorneys and Counselors at Law]
[Outside Audit & Supervisory Board Member, FANUC CORPORATION]</td><td>0 shares</td></tr>
<tr><td colspan="3">Reason for selecting the candidate for Outside Director who is a member of the Audit & Supervisory Committee and a summary of the expected role

The Company selected Ms. Mieko Tomita as candidate for Outside Director who is a member of the Audit & Supervisory Committee, as she has been diligently performing auditing and supervising duties as an Outside Director who is a member of the Audit & Supervisory Committee, mainly from the viewpoint of legal compliance, drawing on her high level of expertise as an attorney and her wealth of experience in corporate legal affairs, and thus is hoped to continue to fulfill the aforementioned expected role from an objective standpoint. Although Ms. Tomita has no experience in participating directly in corporate management, except by serving as Outside Director or Outside Audit & Supervisory Board Member, she is believed, for the aforementioned reasons, to be capable of adequately fulfilling the duties of Outside Director who is a member of the Audit & Supervisory Committee.</td></tr>
</table>

Notes: 1. No actual conflict of interest exists between the Company and any of the above candidates.

2. Under the provision of Article 427, Paragraph 1 of the Companies Act, the Company has concluded liability limitation

agreements with Mr. Shoh Ohuchi, Mr. Tetsuo Kawawa, Mr. Satoshi Ito, and Ms. Mieko Tomita which limit the amount of liability for damages set forth in Article 423, Paragraph 1 thereof, to the sum of the amount set forth in each item of Article 425, Paragraph 1 thereof, provided that their duties are performed in good faith and without gross negligence on their parts.

3. The Company has entered into a directors and officers liability insurance contract with an insurance company, as provided in Article 430-3, Paragraph 1 of the Companies Act, under which damages arising from insureds' liability borne from the performance of their duties, or from claims in pursuit of that liability, shall be compensated. Each candidate will be included as the insured under this insurance contract. In addition, the Company plans to renew this insurance contract under similar conditions, at the time of the next renewal.
4. Information on candidates for Outside Directors who are members of the Audit & Supervisory Committee
   (1) Mr. Tetsuo Kawawa, Mr. Satoshi Ito and Ms. Mieko Tomita are candidates for Outside Directors. The Company selects them as Independent Directors due to them satisfying the "Independence Standards for Outside Directors" which are stipulated by the Company based on the criteria concerning independece set forth by the Tokyo Stock Exchange (and posted on the Company's website (https://www.nisshin.com/uploads/governance_is.pdf)) and has provided the necessary notification thereto.
   (2) Mr. Tetsuo Kawawa is currently an Outside Director who is a member of the Audit & Supervisory Committee for the Company, whose term in office will be about two years at the time of the conclusion of this Ordinary General Meeting of Shareholders. Furthermore, he was an Outside Audit & Supervisory Board Member for the Company before his appointment as an Outside Director who is a member of the Audit & Supervisory Committee and so has been with the Company for about fourteen years since his appointment as an Outside Audit & Supervisory Board Member.
   (3) Mr. Satoshi Ito is currently an Outside Director who is a member of the Audit & Supervisory Committee for the Company, whose term in office will be about two years at the time of the conclusion of this Ordinary General Meeting of Shareholders. Furthermore, he was an Outside Audit & Supervisory Board Member for the Company before his appointment as an Outside Director who is a member of the Audit & Supervisory Committee and so has been with the Company for about eleven years since his appointment as an Outside Audit & Supervisory Board Member.
   (4) Ms. Mieko Tomita is currently an Outside Director who is a member of the Audit & Supervisory Committee for the Company, whose term in office will be about two years at the time of the conclusion of this Ordinary General Meeting of Shareholders.
   (5) Ms. Mieko Tomita is scheduled to retire from the office of Outside Audit & Supervisory Board Member of FANUC CORPORATION at the conclusion of its Ordinary General Meeting of Shareholders to be held in June 2021, and assume office of its Outside Director who is an Audit & Supervisory Committee Member.

Proposal No. 4: Renewal of the Resolution to Approve Gratis Allotment of Subscription Rights to Shares for Securing and Improving Corporate Value of the Company and the Common Interests of the Shareholders

With the aim of securing and improving the corporate value of the Company and the common interests of the shareholders, the Company has introduced measures using a gratis allotment of subscription rights to shares in line with Article 45 of its Articles of Incorporation and the "Approval of Gratis Allotment of Subscription Rights to Shares for Securing and Improving the Corporate Value of the Company and the Common Interests of the Shareholders", as approved by the 162nd Ordinary General Meeting of Shareholders held on June 28, 2006. Thereafter, in accordance with the approval at the 174th Ordinary General Meeting of Shareholders held on June 27, 2018 (hereinafter referred to as the "2018 Approval Resolution"), a resolution was passed for the renewal of said measures at the Company's Board of Directors Meeting held on the same date. The period for which the 2018 Approval Resolution is in force is stipulated as terminating at the close of the first meeting of the Board of Directors held following the conclusion of this Ordinary General Meeting of Shareholders. Thus, the Company plans to renew the 2018 Approval Resolution, and requests approval for the gratis allotment of subscription rights to shares as stipulated in <Contents of the Approval Resolution> Paragraph 1 with the supplementary conditions contained from Paragraph 2 (1) below, in accordance with Article 45 of the Articles of Incorporation. (Hereinafter, a resolution passed approving this proposal shall be referred to as "the Approval Resolution", and measures employed by the Board of Directors utilizing the gratis allotment of subscription rights to shares in accordance with the contents of the Approval Resolution shall be referred to as "the Plan." For further explanation of the Plan, please refer to the materials entitled "Notice Concerning the Renewal of Proper Countermeasures to Secure and/or Improve Corporate Value and Common Interests of Shareholders (Takeover Defense Measures)" which are attached at the end of this document.)

Any terms used in this Proposal whose definition is dependent upon the provisions of the Financial Instruments and Exchange Act (Act No. 25, April 13, 1948; as amended) shall be interpreted as equivalent terms in accordance with the provisions of any subsequent revisions to the Financial Instruments and Exchange Act.

<Contents of the Approval Resolution>

1. In order to secure and improve the corporate value of the Company and the common interests of the shareholders, the Board of Directors may implement the gratis allotment or shareholder allotment (hereinafter referred to as "Gratis Allotment") of subscription rights to shares of which the exercise is restricted for a Specified Acquirer and Related Parties (see Note) (hereinafter referred to as "Subscription Rights to Shares"), in accordance with the supplementary conditions from Paragraph 2 (1) below. The Board of Directors may stipulate in advance matters pertaining to the Gratis Allotment of Subscription Rights to Shares in case a Specified Acquirer (see Note) appears, and may also stipulate any matters or measures required for the smooth implementation of the Plan, including details pertaining to the procedures contained in Paragraph 2 below.

   A "Specified Acquisition" under Article 45, Paragraph 2 of the Articles of Incorporation shall mean any act described in Items [1] or [2] as follows:

   [1] an act of purchasing the Company's share certificates, etc., (Article 27 (23), Paragraph 1 of the Financial Instruments and Exchange Act) that would result in the ratio of holdings reaching or exceeding 20% of the Company's share certificates, etc. (Article 27 (23), Paragraph 4 of the Financial Instruments and Exchange Act) (including similar acts as specified by the Board of Directors)

   [2] an act of commencing a tender offer on the Company's share certificates, etc. (Article 27 (2), Paragraph 1 of the Financial Instruments and Exchange Act), that would result in the ratio of possessions reaching or exceeding 20% of the Company's share certificates, etc. (Article 27 (2), Paragraph 8 of the Financial Instruments and Exchange Act). However, this refers to the combined possessions of the Company's share certificates of Specified Parties (Article 27 (2), Paragraph 7 of the Financial Instruments and Exchange Act) to the Tender Offeror (Article 27 (3), Paragraph 2 of the Financial Instruments and Exchange Act) after the purchase. (The ratio of possessions of the Company's share certificates, etc., after the purchase shall be judged pursuant to the description in the Tender Offer Registration Statement, and a Specified Acquisition shall be

deemed to have been implemented on the business day following the announcement of a tender offer).

(Note) "Specified Acquirer and Related Parties" is defined as follows: (a) a Specified Large-Scale Owner (referring to the Specified Acquirer implementing a Specified Acquisition as stipulated in [1] above, hereinafter the same shall apply); (b) a joint owner (Article 27 (23), Paragraphs 5 and 6 of the Financial Instruments and Exchange Act) of the Specified Large-Scale Owner; (c) a Specified Tender Offeror (referring to the Specified Acquirer implementing a Specified Acquisition as stipulated in [2] above, hereinafter the same shall apply. A party who comes to fall under the Specified Large-Scale Owner shall be treated thereafter as a Specified Large-Scale Owner.); (d) Specified Parties to the Specified Tender Offeror; and (e) parties that the Board of Directors stipulates to be effectively the same as the above.

"Specified Acquirer" refers to a party implementing a Specified Acquisition which has not obtained a Confirmation Resolution, as described in Paragraph 2 (2) below, at the time when a Specified Acquisition was implemented (defined as the earlier of either [1] or [2] above). However, parties holding 20% or more of the Company's share certificates, etc. shall not be deemed to be a Specified Acquirer where (a) such a party is the Company, the Company's subsidiaries, employee shareholding associations of the Company or any of the Company's subsidiaries, or any other party stipulated by the Board of Directors to be effectively the same as the above, and (b) such a party comes to hold 20% or more of the Company's share certificates, etc., solely because treasury stock is purchased or cancelled by the Company, and other acts stipulated by the Board of Directors are carried out (except in cases when the ratio of holdings of the Company's share certificates, etc. held by said party increases at a later date by 1% or more as a result of acts other than the above).

2. The supplementary conditions shall be stipulated as follows.

(1) The Board of Directors shall pass a resolution establishing a Corporate Value Committee. Members of the Corporate Value Committee shall be selected exclusively from the Independent Outside Directors of the Company, and resolutions of the Corporate Value Committee shall be passed through a majority of the votes of all members of the Corporate Value Committee.

(2) The Board of Directors shall request that parties intending to implement a Specified Acquisition make an advance written submission of a proposal in relation to a Specified Acquisition to the Company (this proposal shall include any information reasonably requested by the Company, including matters related to the party intending to implement a Specified Acquisition (including group companies and other related parties), the aims of said Acquisition, the Company's management policies and business plans after said Acquisition, evidence used to calculate prices, proof of acquisition funds, any possible impact on the Company's stakeholders, and information related to Paragraph (4) Items [1] to [5] below. Hereinafter, a proposal containing the necessary information shall be referred to as an "Acquisition Proposal" and a party making an Acquisition Proposal shall be referred to as the "Proposed Acquirer"), and seek a Confirmation Resolution. Parties intending to implement a Specified Acquisition shall make an advance submission of an Acquisition Proposal, and seek a Confirmation Resolution. In order to implement prompt operation of the Plan, the Board of Directors may establish a reply period, and request the provision of additional information in respect to any parties making a proposal regarding a Specified Acquisition, to the Company. Even in this case, the reply period shall be set with an upper limit of within 60 business days, starting from the day on which the provision of information was requested of the Proposed Acquirer by the Board of Directors, and the Corporate Value Committee shall commence its deliberation and discussion upon the expiry of such reply period.

"Confirmation Resolution" refers to a Board of Directors resolution in response to a Recommendation Resolution made by the Corporate Value Committee as stipulated in Paragraph (3) below that does not implement the Gratis Allotment of Subscription Rights to Shares.

(3) The Board of Directors shall promptly put any Acquisition Proposal received before the Corporate Value Committee. The Corporate Value Committee shall investigate said Acquisition Proposal and discuss whether or not to pass a resolution recommending that the Board of Directors passes a Confirmation Resolution in regard to said Acquisition Proposal (hereinafter referred to as a "Recommendation Resolution"). The results of the Corporate Value Committee's Recommendation Resolution shall be disclosed. The period for such deliberation and discussion by the Corporate Value Committee shall be 60 business days (or 90 business days for Acquisition Proposals other than those that specify only cash in Japanese currency as consideration and set no upper limit on the number of shares to be purchased) after the Acquisition Proposal is received by the Board of Directors. Only when reasonable grounds exist, the period for the deliberation and discussion may be extended by an upper limit of 30 business days. However, in this case, the grounds for the extension and the intended extension period will be disclosed.

(4) Deliberations and discussion regarding the Recommendation Resolution by the Corporate Value Committee shall be made by faithfully forming an accurate judgment as to whether the Acquisition Proposal secures and improves the Company's corporate value and the common interests of the shareholders. The Corporate Value Committee must issue a Recommendation Resolution for an Acquisition Proposal that meets all of the below requirements and secures and improves the Company's corporate value and the common interests of the shareholders.

[1] The acquisition does not fall under any of the following types of action:

(i) Buyout of the Company's shares to demand that the Company or its related party purchase said shares at an inflated price;

(ii) Management that achieves an interest for the Proposed Acquirer (including its group company or other related party, hereinafter the same shall apply) to the detriment of the Company, such as temporary control of the Company's management for transfer of the Company's material assets;

(iii) Diversion of the Company's assets to secure or repay debts of the Proposed Acquirer; and

(iv) Action unjustly causing harm to an important foundation of the creation of the Company's medium- to long-term corporate value, such as the action of taking temporary control of the Company's management to decrease the assets, funds, etc., that are required for the Company's business expansion, product development, etc., for years ahead, and the action of causing harm to the cooperative relations with the Company's shareholders, business partners, customers, employees, etc.

[2] The scheme, content, etc., of the deal proposed by the Acquisition Proposal comply with the relevant laws and regulations.

[3] The scheme and content of the deal proposed by the Acquisition Proposal do not threaten to have the effect of compelling shareholders of the Company to sell their shares.

[4] The true information necessary for deliberations on the Acquisition Proposal is provided in the appropriate timing, such as upon request of the Company, and sincere responses are made in compliance with the procedures specified by the Plan.

[5] The period for the Company to deliberate the Acquisition Proposal is secured (including deliberation and presentation of alternative proposals to the Company's shareholders). This period is 60 business days upon the receipt of the Acquisition Proposal, or 90 business days for Acquisition Proposals other than those that specify only cash in Japanese currency as consideration and set no upper limit on the number of shares to be purchased, and an upper limit extension of 30 business days applies if required on reasonable grounds.

(5) A Confirmation Resolution of the Company's Board of Directors shall be made according to the Recommendation Resolution of the Corporate Value Committee. In case the Corporate Value Committee issues the Recommendation Resolution, the Board of Directors must make the Confirmation Resolution promptly, unless there are particular reasons that are obviously against the directors' duty of care. The Gratis Allotment of Subscription Rights to Shares cannot be taken against the Acquisition Proposal for which the Confirmation Resolution is made.

(6) If there is a situation where a Specified Acquisition is implemented for which a Confirmation Resolution has not been obtained, the Board of Directors shall implement the Gratis Allotment of Subscription Rights to Shares, after passing a resolution to designate a record date for the Gratis Allotment, an effective date for the Gratis Allotment, and other necessary matters in respect to the Gratis Allotment of Subscription Rights to Shares and publicizing the items of the resolution. However, if it is revealed that the ratio of holdings of the Company's share certificates, etc., by the Specified Acquirer falls below 20% by a date that is to be specified elsewhere by the Board of Directors, which shall be earlier than the record date for the Gratis Allotment (including cases where the Board of Directors deems special circumstances to have arisen to this effect), the Board of Directors may choose not to effect a Gratis Allotment of Subscription Rights to Shares.

3. The valid period of the Approval Resolution (equivalent to the valid period stipulated under Article 45, Paragraph (1) of the Articles of Incorporation) shall terminate at the close of the first meeting of the Board of Directors held after the conclusion of the Ordinary General Meeting of Shareholders held in respect to the last business year to end within three years of the Approval Resolution coming into effect (however, in the case that a Specified Acquirer has appeared at this time, the Approval Resolution shall remain effective as a countermeasure to said Specified Acquirer). The Approval Resolution shall also apply to all resolutions of the Board of Directors passed in relation to the Gratis Allotment of Subscription Rights to Shares implemented during the above valid period.

End

<Reference: Published Materials of the Company Dated May 17, 2021 (some parts of the attached materials have been omitted)>

Notice Concerning the Renewal of Proper Countermeasures to Secure and/or Improve Corporate Value and Common Interests of Shareholders (Takeover Defense Measures)

Approvals were given to the Company by a majority at the 162nd Ordinary General Meeting of Shareholders held on June 28, 2006, for Article 45 of the Articles of Incorporation and, under said Article, the "Approval of Gratis Allotment of Subscription Rights to Shares for Securing and Improving the Corporate Value of the Company and the Common Interests of the Shareholders." Accordingly, measures were introduced utilizing the gratis allotment of subscription rights to shares in respect of acquisitions of 20% or more of the Company's shares (defined in (Note 1) below and hereinafter referred to as the "Specified Acquisition"). Thereafter, in accordance with the approval at the 174th Ordinary General Meeting of Shareholders held on June 27, 2018 (hereinafter referred to as the "2018 Approval Resolution"), a resolution was passed for the renewal of said measures at the Company's Board of Directors Meeting held on the same date (the measures implemented as of this date shall be hereinafter referred to as the "Existing Plan").

The Company hereby gives notice that, in response to the fact that the valid period for the 2018 Approval Resolution terminates at the close of the first Board of Directors Meeting, to be held after the 177th Ordinary General Meeting of Shareholders (hereinafter referred to as the "Ordinary General Meeting of Shareholders"), scheduled for June 25, 2021, a resolution was passed at the Company's Board of Directors Meeting on May 17, 2021, to present a proposal (hereinafter referred to as the "Approval Resolution Proposal," and the shareholders' approval thereof shall be hereinafter referred to as the "Approval Resolution") to the Ordinary General Meeting of Shareholders proposing the three-year renewal of the General Meeting of Shareholders' Approval Resolution in accordance with Article 45 of the Articles of Incorporation from the viewpoint of securing and improving corporate value of the Company and the common interests of the shareholders. The contents of the Approval Resolution are composed of the basic content of measures (hereinafter referred to as the "Plan") utilizing the gratis allotment or shareholder allotment (hereinafter referred to as "Gratis Allotment") of subscription rights to shares, as employed by the Board of Directors. The substantial contents have not been changed for this renewal.

The Plan aims to ensure sufficient advance disclosure of information concerning a Specified Acquisition and a reasonable period for deliberations and discussions, thereby securing and improving corporate value of the Company and the common interest of the shareholders. In order to allow the shareholders to reflect their views on this matter, the Company has decided to place the Approval Resolution Proposal before the Ordinary General Meeting of Shareholders seeking prior approval for the Board of Directors to pass a resolution introducing the Plan. Should this be passed, the Board of Directors plans to pass a resolution regarding the gratis allotment of subscription rights to shares in accordance with the contents of the Approval Resolution, and other matters related to the Plan, at the first meeting of the Board of Directors held after the Ordinary General Meeting of Shareholders.

As of this date, the Company has not received any proposals for a Specified Acquisition.

(Note 1)

A "Specified Acquisition" refers to any act applicable under (i) or (ii) as follows:

(i) An act of purchasing the Company's share certificates, etc., (Article 27 (23), Paragraph 1 of the Financial Instruments and Exchange Act) that would result in the ratio of holdings reaching or exceeding 20% of the Company's share certificates, etc. (Article 27 (23), Paragraph 4 of the Financial Instruments and Exchange Act) (including similar acts as specified by the Board of Directors*);

*If the Approval Resolution Proposal is adopted by the Ordinary General Meeting of Shareholders, the Company's Board of Directors intends to stipulate the following cases, which is the same as per the Existing Plan, to be "an act of purchasing the Company's share certificates, etc., that would result in the ratio of holdings reaching or exceeding 20% of the Company's share certificates, etc.," and "similar acts as stipulated by the Board of Directors."

An act falling under any of Items [1] through [4] below. However, regardless of Items [1] through [4] below, the acquisition of the Company's share certificates, etc., through the following means shall not be included: the Company's issuance of share certificates, etc., (Article 27 (23), Paragraph 1 of the Financial Instruments and Exchange Act; hereinafter the same shall apply unless otherwise provided), or the disposition of its own share certificates, etc., (including those in association with mergers, share-exchanges, share-transfers or company splits conducted by the Company).

[1] "Purchase, etc.," defined in Article 27 (2), Paragraph 1 of the Financial Instruments and Exchange Act (purchase of share certificates, etc. (Article 27 (2), Paragraph 1 of the Financial Instruments and Exchange Act) and other fare-paying transfer and similar acts as set forth in Article 6, Paragraph 3 of the Enforcement Order of the Financial Instruments and Exchange Act), which would result in the ratio of holdings reaching or exceeding 20% of the Company's share certificates, etc. (Article 27 (23), Paragraph 4 of the Financial Instruments and Exchange Act);

[2] An act that would result in the ratio of holdings reaching or exceeding 20% of the Company's share certificates, etc., by becoming the "owner" as defined in Article 27 (23), Paragraph 1 or 3 of the Financial Instruments and Exchange Act, in a manner other than Item [1] above;

[3] An act that falls under the "joint owner" defined in Article 27 (23), Paragraph 5 of the Financial Instruments and Exchange Act, which would result in the ratio of holdings reaching or exceeding 20% of the Company's share certificates, etc.; and

[4] An act that would result in the ratio of holdings reaching or exceeding 20% of the Company's share certificates, etc., by having a relationship as defined in Article 27 (23), Paragraph 6 of the Financial Instruments and Exchange Act with an owner of the Company's share certificates, etc.

(ii) An act of commencing a tender offer on the Company's share certificates, etc. (Article 27 (2), Paragraph 1 of the Financial Instruments and Exchange Act), that would result in the ratio of possessions reaching or exceeding 20% of the Company's share certificates, etc. (Article 27 (2), Paragraph 8 of the Financial Instruments and Exchange Act). However, this refers to the combined possessions of the Company's share certificates of Specified Parties (Article 27 (2), Paragraph 7 of the Financial Instruments and Exchange Act) to the Tender Offeror (Article 27 (3), Paragraph 2 of the Financial Instruments and Exchange Act) after the purchase. (The ratio of possessions of the Company's share certificates, etc., after the purchase shall be judged pursuant to the description in the Tender Offer Registration Statement, and a Specified Acquisition shall be deemed to have been implemented on the business day following the announcement of a tender offer).

I. Necessity of the countermeasures

1. Measures that contribute to securing and improving corporate value and the common interests of the shareholders

Nisshin Seifun Group Inc. (the "Company") and the Nisshin Seifun Group (the "Group") have developed a variety of businesses in fields such as flour milling, processed foods, healthcare foods, yeast and biotechnology, prepared dishes and other prepared foods, engineering and mesh cloths, with the Company acting as holding company.

As a pure holding company for the Group, the Company plans management strategies for the Group, allocates its managerial resources efficiently, and audits and oversees the Group's business operations. Our operating companies optimize themselves according to the markets in which they operate, and by doing so, they secure high levels of safety and quality, as well as a stable supply for their products, thus mutually improving their corporate value, and, in turn, the corporate value of the entire Group.

Under this structure, the Group aims to secure and enhance its high levels of production technologies, and capacities for development and analysis that underpin the safety and quality of its products. The Group also makes ongoing well-planned capital investments, from a long-term perspective; provides employee education to enhance employees' professional abilities; introduces audit and instructional systems as to quality assurance and production facilities on a continuous basis; builds and enhances systems for internal control and legal compliance; and endeavors to maintain trustful relations with stakeholders, including business partners/customers and local

communities.

The Group has built a system which demonstrates the Group's "comprehensive capabilities" toward our goal set forth in our long-term vision, "NNI 'Compass for the Future'—Toward a New Stage—Maximizing Group-wide Capabilities and Effecting Business Model Change," to be "a globally-operating company that assists 'healthy lifestyles' and plays a critical role in building 'the food infrastructure' of the future." At the same time, we reemphasize "customer-oriented policy," implement growth strategies based on the pillars of "remodeling existing businesses" and "enhancing the Group business portfolio," and further reinforce management functions which support the aforesaid initiatives. We are creating sustainable growth by tackling head-on changes in the business environment caused by social issues, such as environmental problems, and technological innovation. At the same time, by creating a cycle of added value that benefits society as a whole, we are contributing to a more sustainable society.

Through these initiatives, the Group intends to solidify its business platform in line with the basic management policy of maximizing long-term corporate value. Furthermore, as a corporate group involved in food, we are confident that it is the responsibility of the Group as a whole, and also a source and a foundation of corporate value, to guarantee high levels of safety and quality in our products, and to consistently ensure the stable supply of food, including wheat flour and other staple foods for the people, thereby contributing to the Group's sustainable growth, enhancing medium- to long-term corporate value, and securing and improving the common interests of the shareholders.

2. Aims of the introduction and renewal of the Plan

In light of the legal system and corporate culture surrounding corporate takeovers in Japan, and changes in the management environment, large-scale acquisitions with the aim of obtaining a controlling share in the Company or acquisition proposals that will have a serious impact on the Company's basic management policies can be expected in the future.

As a listed company, we are aware that it is the shareholders who ought to make the final decision and judgment as to whether or not an acquisition of the Company's shares should be accepted.

On the other hand, it is also well known that, depending on the conditions, some share acquisitions could cause damage to the Company's corporate value and the common interests of the shareholders. Examples of acquisitions that could damage corporate value or the common interests of the shareholders include acquisitions that aim to achieve temporary control of the management in order to transfer the Company's intellectual property, know-how, confidential business information and major clients or customers, all of which are necessary for the Company's long-term sustainable development, to the acquirer or its group companies, acquisitions which aim to use the Company's assets as repayment resources or loan collateral for the acquirer after control of the Company's management has been gained, acquisitions that unjustly damage an important foundation of the creation of the Company's medium- to long-term corporate value, such as reserve assets and funds to be used in the Company's business expansion, product development, etc., for years ahead, and cooperative relations with the Company's shareholders, business partners, customers, employees, etc., and acquisitions that do not truly intend to participate in management of the Company but which aim to force the Company or related parties to purchase Company shares at high prices (so-called "greenmail"). Other acquisitions initially restrict the number of shares purchased to, for example, 51% and do not invite the acquisition of all shares, but later effectively force the sale of shares by the shareholders by failing to disclose later acquisition terms or by setting unfavorable terms, and consequently damage the profits of any remaining minority shareholders.

As a corporate group involved in food, we guarantee a high level of safety and quality in our products, and consistently ensure the stable supply of food, including wheat flour and other staple foods for the people. The Company believes that these are the responsibilities of the Group as a whole, a source and a foundation of corporate value, and also a contribution to the Group's sustainable growth, creating medium- to long-term corporate value. In particular, wheat flour is used in various foods including breads, noodles, and confectioneries. With a market share of approximately 40%, the Group is the leading company in the domestic wheat flour market, supplying wheat flour to general consumers as well as to food companies, etc. By fulfilling our responsibility to provide a stable supply

of safe, high quality wheat flour, we support food culture and maintain social functions in Japan, and this leads to the Group's sustainable growth and enhances medium- to long-term corporate value. Therefore, from the perspective of our social responsibility, in order to secure and improve the Company's corporate value and the common interests of the shareholders, it is essential that we operate from a stable business base in accordance with planned and continuous management policies from medium- to long-term perspectives and we continue to guarantee a high level of safety and quality in our products, providing a stable supply of products. This is specific to us. Any party which, failing to understand these matters, buys up shares of the Company and acts in a way that goes against a sustainable and systematic medium- to long-term management policy, may damage the Company's corporate value and the common interests of the shareholders. Depending on the conditions, there are other types of share acquisitions that also could damage the Company's corporate value and the common interests of the shareholders. In order to properly manage the above issues, we believe that it is necessary to ensure advance and sufficient disclosure of information concerning the content of any management policies and business plans planned by an acquirer of the Company's shares, the impact of the proposed acquisition on the Company's shareholders and the management of the Group, the impact on the numerous parties affected by the Group, and the acquirer's philosophy regarding social responsibility, including securing stable supplies of wheat flour and other staple foods for the people, and food safety, as well as to ensure a reasonable period of investigation and bargaining power.

In light of the above, the Company regards the renewal of the Plan to be required as a necessary and reasonable measure to secure and improve the corporate value of the Company and the common interests of the shareholders.

II. Outline of the Plan

1. Renewal Procedures

In the case that the "Renewal of the Resolution to Approve Gratis Allotment of Subscription Rights to Shares for Securing and Improving Corporate Value of the Company and the Common Interests of the Shareholders" is approved by the Ordinary General Meeting of Shareholders, the Board of Directors plans to pass a resolution (hereinafter referred to as the "Board of Directors Resolution") in relation to the Plan, including the gratis allotment (please refer to the Appendix for an outline) of subscription rights to shares, with restrictions on the exercise of such rights by Specified Acquirer and Related Parties (please refer to (Note 2)) (hereinafter referred to as "Subscription Rights to Shares"). However, the gratis allotment of Subscription Rights to Shares shall only become effective upon the appearance of a Specified Acquirer (Note 2); meaning that Subscription Rights to Shares will not be issued at the time when the Board of Directors Resolution is passed. We believe that the advance disclosure of the details of any gratis allotment of Subscription Rights to Shares will benefit both shareholders and investors from the point of view of predictability, and as far as possible we intend to resolve on and disclose the contents of any gratis allotment of Subscription Rights to Shares.

(Note 2)

"Specified Acquirer and Related Parties" is defined as follows: (i) a Specified Large-Scale Owner (referring to the Specified Acquirer implementing a Specified Acquisition as stipulated in (Note 1) (i) above, hereinafter the same shall apply); (ii) a joint owner (Article 27 (23), Paragraphs 5 and 6 of the Financial Instruments and Exchange Act) of the Specified Large-Scale Owner; (iii) a Specified Tender Offeror (referring to the Specified Acquirer implementing a Specified Acquisition as stipulated in (Note 1) (ii) above; hereinafter the same shall apply. A party who comes to fall under the Specified Large-Scale Owner shall be treated thereafter as a Specified Large-Scale Owner.); (iv) Specified Parties to the Specified Tender Offeror; and (v) parties that the Board of Directors stipulates to be effectively the same as the above.*

*If the Approval Resolution Proposal is adopted by the Ordinary General Meeting of Shareholders, the Company's Board of Directors intends, in accordance with the Approval Resolution, that "(v) parties that the Board of Directors stipulates to be effectively the same as the above" are stipulated as follows, which is the same as per the Existing Plan.

Parties that the Board of Directors reasonably deems to fall under any of the following items:

(a) A person who has been transferred or succeeded the Subscription Rights to Shares from any party who falls

under any of Items (i) through (iv) above, without obtaining the Company's approval; and

(b) Related Parties to a party who falls under any of Items (i) through (iv) and (v) (a) above. Related Parties refer to persons who substantially control said person, are controlled by said person, are under common control therewith or act in concert with said person. In judging whether or not a partnership or a fund is a Related Party, the substantial identity of the fund manager and/or any other circumstances will be taken into consideration. The Board of Directors may deem persons who have relationships such as name-lending or stock loans regarding the Company's share certificates, etc., or have entered into a special agreement on transfer or a similar act of the Company's share certificates, etc., which will be issued in the future through an exercise or acquisition of the Subscription Rights to Shares, with any party who falls under Item (i) or (ii) above as Related Parties to the party who falls under Item (i) or (ii).

"Specified Acquirer" refers to a party implementing a Specified Acquisition which has not obtained a Confirmation Resolution, as described in Paragraph II. 3. below, at the time when a Specified Acquisition was implemented (defined as the earlier of either (i) or (ii) of (Note 1) above). However, parties holding 20% or more of the Company's share certificates, etc. shall not be deemed to be a Specified Acquirer where (a) such a party is the Company, the Company's subsidiaries, employee shareholding associations of the Company or any of the Company's subsidiaries, or any other party stipulated by the Board of Directors to be effectively the same as the above*, and (b) such a party comes to hold 20% or more of the Company's share certificates, etc., solely because treasury stock is purchased or cancelled by the Company, and other acts stipulated by the Board of Directors* are carried out (except in cases when the ratio of holdings of the Company's share certificates, etc. held by said party increases at a later date by 1% or more as a result of acts other than the above).

*If the Approval Resolution Proposal is adopted by the Ordinary General Meeting of Shareholders, the Company's Board of Directors intends to stipulate "persons who hold the Company's shares on behalf of employee shareholding associations of the Company or any of the Company's subsidiaries" to be "(a) any other party stipulated by the Board of Directors to be effectively the same as the above," the same as per the Existing Plan, and "an act of decreasing the total number of shares issued and outstanding or the total number of voting rights, an exercise of the Subscription Rights to Shares or an act of enforced acquisition by the Company of Subscription Rights to Shares" to be "(b) other acts stipulated by the Board of Directors," in accordance with the contents of the Approval Resolution.

2. Corporate Value Committee

The Corporate Value Committee was established through a resolution of the Board of Directors. The Corporate Value Committee is composed of three or more members, who are selected exclusively from the Independent Outside Directors of the Company. It is planned that the Company's candidates for Independent Outside Directors, Mr. Kazuhiko Fushiya, Mr. Akio Mimura and Mr. Motoo Nagai, and candidates for Independent Outside Directors (Audit & Supervisory Committee Members), Mr. Tetsuo Kawawa, Mr. Satoshi Ito and Ms. Mieko Tomita, shall be appointed as members of the Corporate Value Committee. (Their appointments are dependent upon their selection as Directors during the Ordinary General Meeting of Shareholders.)

3. Appearance of a Proposed Acquirer

The Plan aims to ensure the advanced disclosure of necessary and sufficient information regarding the impact of a Specified Acquisition on the Company's corporate value and the common interests of the shareholders, as well as a reasonable period for investigations and discussions, thereby securing and improving corporate value of the Company and the common interests of the shareholders.

The Board of Directors shall request that parties intending to implement a Specified Acquisition make an advance written submission of a proposal in relation to a Specified Acquisition, to the Company (this proposal shall include any information reasonably requested by the Company, including matters related to the party intending to implement a Specified Acquisition (including group companies and other related parties), the aims of said Acquisition, the Company's management policies and business plans after said Acquisition, evidence used to calculate prices, proof of acquisition funds, any possible impact on the Company's stakeholders, and information related to Items [1] to

[5] below. Hereinafter, a proposal containing the necessary information shall be referred to as an "Acquisition Proposal" and a party making an Acquisition Proposal shall be referred to as the "Proposed Acquirer"), and seek a Confirmation Resolution. Parties intending to implement a Specified Acquisition shall make an advance submission of an Acquisition Proposal, and seek a Confirmation Resolution. The Board of Directors shall disclose the fact that it has received the Acquisition Proposal as required by laws and regulations, as well as the Regulations of the Financial Instruments Exchange.

The "Confirmation Resolution" refers to a Board of Directors resolution in response to a Recommendation Resolution made by the Corporate Value Committee, as described below, which does not implement the Gratis Allotment of Subscription Rights to Shares.

In order to implement prompt operation of the Plan, the Board of Directors may establish a reply period, and request the provision of additional information in respect to any parties making a proposal regarding a Specified Acquisition to the Company.

Even in this case, the reply period shall be set with an upper limit of within 60 business days, starting from the day on which the provision of information was requested of the Proposed Acquirer by the Board of Directors, and the Corporate Value Committee shall commence its deliberation and discussion upon the expiry of such reply period.

The Board of Directors shall promptly put any Acquisition Proposal received before the Corporate Value Committee and disclose the fact that the deliberation and discussion has started as required by laws and regulations, as well as the Regulations of the Financial Instruments Exchange. The Corporate Value Committee shall investigate said Acquisition Proposal and discuss whether or not to pass a resolution recommending that the Board of Directors passes a Confirmation Resolution in regard to said Acquisition Proposal (hereinafter referred to as a "Recommendation Resolution"). The Recommendation Resolution shall be passed by a majority of all members of the Corporate Value Committee, and the results of said Recommendation Resolution shall be disclosed.

The period for such deliberation and discussion by the Corporate Value Committee shall be 60 business days (or 90 business days for Acquisition Proposals other than those that specify only cash in Japanese currency as consideration and set no upper limit on the number of shares to be purchased) after the Acquisition Proposal is received by the Board of Directors. Only when reasonable grounds exist, the period for the deliberation and discussion may be extended by an upper limit of 30 business days. However, in this case, the grounds for the extension and the intended extension period will be disclosed. "Business days" have been used in calculating the period of investigation into the impact of an Acquisition Proposal upon corporate value of the Company and the common interests of the shareholders in light of the circumstances of the Company's business, scale and content, the circumstances of the Company's stakeholders, including the shareholders, and legal amendments.

Deliberations and discussion regarding the Recommendation Resolution by the Corporate Value Committee shall be made by faithfully forming an accurate judgment as to whether the Acquisition Proposal secures and improves the Company's corporate value and the common interests of the shareholders. The Corporate Value Committee must issue a Recommendation Resolution for an Acquisition Proposal that meets all of the below requirements and secures and improves the Company's corporate value and the common interests of the shareholders.

[1] The acquisition does not fall under any of the following types of action:
  (a) Buyout of the Company's shares to demand that the Company or its related party purchase said shares at an inflated price;
  (b) Management that achieves an interest for the Proposed Acquirer (including its group company or other related party, hereinafter the same shall apply) to the detriment of the Company, such as temporary control of the Company's management for transfer of the Company's material assets;
  (c) Diversion of the Company's assets to secure or repay debts of the Proposed Acquirer; and
  (d) Action unjustly causing harm to an important foundation of the creation of the Company's medium- to long-term corporate value, such as the action of taking temporary control of the Company's management to decrease the assets, funds, etc., that are required for the Company's business expansion, product development, etc., for years ahead, and the action of causing harm to the cooperative relations with the Company's shareholders, business partners, customers, employees, etc.

[2] The scheme, content, etc., of the deal proposed by the Acquisition Proposal comply with the relevant laws and regulations.

[3] The scheme and content of the deal proposed by the Acquisition Proposal do not threaten to have the effect of compelling shareholders of the Company to sell their shares.

[4] The true information necessary for deliberations on the Acquisition Proposal is provided in the appropriate timing, such as upon request of the Company, and sincere responses are made in compliance with the procedures specified by the Plan.

[5] The period for the Company to deliberate the Acquisition Proposal is secured (including deliberation and presentation of alternative proposals to the Company's shareholders). This period is 60 business days upon the receipt of the Acquisition Proposal, or 90 business days for Acquisition Proposals other than those that specify only cash in Japanese currency as consideration and set no upper limit on the number of shares to be purchased, and an upper limit extension of 30 business days applies if required on reasonable grounds.

A Confirmation Resolution of the Company's Board of Directors shall be made according to the Recommendation Resolution of the Corporate Value Committee. If the Corporate Value Committee issues the Recommendation Resolution, the Board of Directors must make the Confirmation Resolution promptly, unless there are particular reasons that are obviously against the directors' duty of care. The Gratis Allotment of Subscription Rights to Shares cannot be taken against the Acquisition Proposal for which the Confirmation Resolution is made.

4. Action Taken Upon the Appearance of a Specified Acquirer

If a Specified Acquirer appears (determining appearance shall be judged based on a Large-Scale Shareholding Report or a Tender Offer Registration Statement, or by any other appropriate means), or if there is a situation where a Specified Acquisition is implemented for which a Confirmation Resolution has not been obtained, the Board of Directors shall, in addition to disclosing the fact that a Specified Acquirer has appeared, implement the Gratis Allotment of Subscription Rights to Shares, after passing a resolution to designate a record date for the Gratis Allotment, an effective date for the Gratis Allotment, and other necessary matters in respect to the Gratis Allotment of Subscription Rights to Shares and publicizing the items of the resolution.

However, if it is revealed that the ratio of holdings of the Company's share certificates, etc., by the Specified Acquirer falls below 20% (including cases where the Board of Directors deems special circumstances to have arisen to this effect**) by a date that is to be specified elsewhere by the Board of Directors, which shall be earlier than the record date for the Gratis Allotment*, the Board of Directors may choose not to effect a Gratis Allotment of Subscription Rights to Shares.

*If the Approval Resolution Proposal is adopted by the Ordinary General Meeting of Shareholders, in accordance with the contents of the Approval Resolution, the Company's Board of Directors intends to stipulate that "The Company cannot set a day on or later than three business days prior to the record date for a Gratis Allotment" with regard to "a date that is to be specified elsewhere by the Board of Directors, which shall be earlier than the record date for the Gratis Allotment.", which is the same as per the Existing Plan.

**If the Approval Resolution Proposal is adopted by the Ordinary General Meeting of Shareholders, the Company's Board of Directors intends to stipulate the following cases in accordance with the contents of the Approval Resolution, which is the same as per the Existing Plan, to be the case "where the ratio of holdings of the Company's share certificates, etc., by the Specified Acquirer falls below 20% (including cases where the Board of Directors deems special circumstances to have arisen to this effect)." These are:

[1] If a Large-Scale Shareholding Report to the effect that the holding ratio of the Company's share certificates, etc., of a Specified Acquirer falls below 20% has been submitted by the Specified Acquirer;

[2] In the case where a tender offer, which falls under the Specified Acquisition, was commenced, if said tender offer has been completed or withdrawn, thereby resulting in no appearance of an owner of the Company's share certificates, etc. whose ratio of holdings of share certificates, etc. is 20% or more, not later than four business days prior to the record date for the Gratis Allotment; or

[3] Aside from cases [1] and [2] above, if the Board of Directors reasonably confirms that any threat attributable to the Specified Acquisition has disappeared.

5. Valid Period of the Approval Resolution and the Plan

The valid period of the Approval Resolution shall terminate at the close of the first meeting of the Board of Directors held after the ordinary General Meeting of Shareholders held in 2024. The valid period of the Plan introduced in response to the Approval Resolution shall terminate at the end of the first meeting of the Board of Directors held after the ordinary General Meeting of Shareholders held the following year. However, in the case that a Specified Acquirer has appeared at the time the valid period of the Approval Resolution or the Plan is due to terminate, said Approval Resolution or the Plan shall continue to be effective as a countermeasure to said Specified Acquirer.

The confirmation or recognition to be made by the Company on necessary matters ― including the ratio of holdings of share certificates, etc., the owner, the joint owner, the ratio of possessions of share certificates, etc., the Specified Parties, the Specified Acquirer and Related Parties, the Related Parties and substantive holdings ― in operating the Plan may be conducted by drawing on the information reasonably available to the Company at the time when such confirmation or recognition is required.

Any terms used in the Plan for which the definition is dependent on the provisions of the Financial Instruments and Exchange Act (Act No. 25, April 13, 1948; as amended) shall be interpreted as equivalent terms in accordance with the provisions of any subsequent revisions to the Financial Instruments and Exchange Act. In addition, the provisions of the laws and regulations that are referred to in the Plan are assumed to be those in effect as of May 17, 2021. Consequently, should the need arise to modify or revise any relevant articles and/or terms that are set forth in the above provisions due to the revision to or abolishment of laws and regulations on and after the aforementioned date, the Company's Board of Directors may interpret, as required, said articles and terms to the extent reasonably allowed taking into consideration the intent of the revision or abolition.

6. Methods for Increasing the Rationality of the Plan (such as special measures to reflect the views of shareholders)

The Plan is to be introduced and renewed in order to secure and improve the corporate value of the Company and the common interests of the shareholders, and the following special methods are to be implemented as a way of increasing its rationality.

(1) Approval Resolution by the General Meeting of Shareholders for introduction and renewal of the Plan

In order to reflect the views of the shareholders, the Company has put an Approval Resolution Proposal for the introduction and renewal of the Plan before the Ordinary General Meeting of Shareholders. The contents of the Ordinary General Meeting of Shareholders' Approval Resolution, including supplementary conditions, forms the key content of the Plan, and the Board of Directors will stipulate matters regarding the Gratis Allotment of Subscription Rights to Shares, and matters and measures required for the smooth implementation of the Plan, in accordance with the contents of the Approval Resolution.

(2) The Plan may be abolished through a resolution at a single General Meeting of Shareholders

The term of office of the Company's Directors (excluding Directors who are members of the Audit & Supervisory Committee) is one year, and the timing of reelection is concurrent among all Directors. In addition, a resolution on dismissal of Directors may be passed by an ordinary resolution at a General Meeting of Shareholders. Therefore, the Plan can be abolished by a resolution of the Board of Directors through the election or dismissal of Directors, by an ordinary resolution at a single General Meeting of Shareholders, thereby reflecting the views of the shareholders.

(3) Binding recommendations from a Corporate Value Committee composed of independent outside Directors

To secure the neutrality of judgment relating to the Plan, the Corporate Value Committee, composed only of the Company's Independent Outside Directors, shall deliberate the Acquisition Proposal, under legal obligations as the Directors of the Company, to determine if the proposal secures and improves the Company's corporate value and the common interests of the shareholders.

It is also required that the Board of Directors make a Confirmation Resolution, upon receipt of a Recommendation Resolution to that effect from the Corporate Value Committee, unless there are particular reasons that are obviously against the directors' duty of care.

(4) Requirements enhancing objectivity

To enhance the objectivity of judgment relating to the Plan, the Plan specifies when the Corporate Value Committee must issue a Recommendation Resolution, as stated in Paragraph II. 3. above.

(5) Yearly revision of the Plan

Subject to Approval Resolution, the Plan can be revised every year by a resolution of the Board of Directors. This allows the Plan to adjust itself to the development of the related laws and regulations, and various other business circumstances surrounding the Company.

(6) Establishment of a valid period for the Approval Resolution

As stated in Paragraph II. 5. above, the validity of an Approval Resolution is three years from the date of the Ordinary General Meeting of Shareholders. Upon the passage of three years, the Board of Directors will present a Plan that reflects any revisions, including reflection of its supplementary conditions, for approval by the shareholders. However, as stated in Paragraph II. 6. (2) above, notwithstanding the valid period, the Plan can be abolished by a resolution of the Board of Directors through the election or dismissal of Directors by an ordinary resolution of the General Meeting of Shareholders.

(7) The Plan satisfies all requirements for legality and rationality under government policies

The Plan satisfies all of the requirements for legality (to avoid suspension of the issuance of subscription rights to shares, etc.) and rationality (to gain the understanding of shareholders, investors and other stakeholders) specified in the "Securing and/or Improving Corporate Value and Common Interests of Shareholders: Takeover Defense Guidelines" released on May 27, 2005, by the Ministry of Economy, Trade and Industry and the Ministry of Justice. Moreover, the Plan is in accordance with the recommendations of the June 30, 2008 report of the Ministry of Economy, Trade and Industry's Corporate Value Study Group, entitled "Takeover Defense Measures in Light of Recent Environmental Changes."

III. Impact on shareholders and investors

1. Impact upon shareholders and investors

As described in Paragraph I. above, the Plan aims to secure and improve the Company's corporate value and the common interests of the shareholders, and the Company believes that the Plan will benefit shareholders and investors in the Company. Moreover, subscription rights to shares will not be issued at the time the Plan is introduced or renewed, meaning there will be no impact on the rights of shareholders and investors.

Even in the case that a Specified Acquirer appears, in other words a Specified Acquisition is implemented without obtaining a Confirmation Resolution, as described in Paragraph II. 4. above, the Gratis Allotment of Subscription Rights to Shares shall result in the automatic allotment of Subscription Rights to Shares to all shareholders, meaning that no party will lose rights to the allotment of subscription rights to shares. Moreover, it shall be possible to enforce acquisition by the Company of all Subscription Rights to Shares and to issue shares in the Company in respect to any Subscription Rights to Shares that satisfy the exercise conditions. Furthermore, the Company does not plan to cancel any Gratis Allotment of Subscription Rights to Shares or make an acquisition of Subscription Rights to Shares without consideration later than three business days prior to the record date for a Gratis Allotment from the standpoint of avoiding circumstances where shareholders and/or investors, who have purchased or sold the Company's shares on the premise of an expected dilution of the per share value of the Company's shares, might suffer from unforeseen losses. Even before four business days prior to the record date for a Gratis Allotment, the Board of Directors shall not pass a resolution not to effect a Gratis Allotment of Subscription Rights to Shares except for the cases described in Paragraph II. 4. above.

As the Gratis Allotment of Subscription Rights to Shares will not be made to a Specified Acquisition that has obtained a Confirmation Resolution, the Specified Acquisition can be executed without being exposed to any impact from the Gratis Allotment of Subscription Rights to Shares.

2. Procedures required of shareholders and investors

There are no procedures required of shareholders or investors when the Plan is introduced or renewed.

As described in Paragraph II. 4. above, in the case where a Specified Acquirer appears, the Board of Directors shall publicize this fact and pass a resolution for a record date for the Gratis Allotment of the Subscription Rights to Shares. Shareholders will automatically be allotted the Subscription Rights to Shares free of charge upon the record date for the Gratis Allotment, and the Company requests that in such a case the shareholders carry out the prescribed procedures in accordance with the guidance provided by the Company at the time of the above publication.

If a Gratis Allotment of Subscription Rights to Shares is implemented, shareholders shall be able to exercise their Subscription Rights to Shares by payment of one yen for each share acquired upon submission of the application to exercise the Subscription Rights to Shares and other documentation prescribed by the Company. However, as described in Paragraph III. 1. above, if an enforced acquisition of the Subscription Rights to Shares is implemented, shares in the Company shall automatically be allotted in exchange for the Subscription Rights to Shares that satisfy the exercise conditions, and in this case there will be no need for shareholders to carry out exercise procedures for the Subscription Rights to Shares. The Company plans to implement rational procedures to confirm that a shareholder's status is not Specified Acquirer and Related Parties.

IV. Other

The approval of all Directors (including Directors who are members of the Audit & Supervisory Committee) was obtained at the Company's Board of Directors Meeting held on May 17, 2021 to place the Approval Resolution Proposal of the Plan before the Ordinary General Meeting of Shareholders.

End

Outline of Gratis Allotment of Subscription Rights to Shares

I. Main details concerning Subscription Rights to Shares

1. Type of shares for which Subscription Rights to Shares are to be allotted
   Common stock of the Company

2. Number of shares underlying Subscription Rights to Shares
   The number of shares to be issued per one Subscription Right to Shares will not exceed two and will be determined elsewhere by the Board of Directors.

3. Value of assets contributed to exercise the Subscription Rights to Shares
   The exercise of the Subscription Rights to Shares is by means of investment of money consideration, and the value thereof shall be one yen, multiplied by the number of shares to be issued per one Subscription Right to Shares.

4. Period during which Subscription Rights to Shares may be exercised
   A fixed period beginning on the day after the Gratis Allotment of Subscription Rights to Shares becomes effective to be determined elsewhere by the Board of Directors. In case the last day of such exercise period falls on a holiday of the office for handling payments for the money paid in exercising the Subscription Rights to Shares, the preceding business day shall be the last day for payments.

5. Exercise conditions for the Subscription Rights to Shares
   (1) The Subscription Rights to Shares held by a Specified Acquirer and Related Parties (including Subscription Rights to Shares deemed to be held substantively by a Specified Acquirer and Related Parties) may not be exercised.
   (2) Rights holders may exercise the Subscription Rights to Shares only when documentation that includes a representations and warranties clause in respect to the satisfaction of the condition under 5. (1) above (including the satisfaction of the above condition by a third party in case of the exercise on behalf of the said third party), an indemnification clause and other matters specified by the Company; materials that satisfy the conditions required by the Company within a reasonable scope; and the documents required by the relevant laws and regulations are submitted to the Company.
   (3) When the execution of prescribed procedures or the satisfaction of prescribed conditions are required under applicable overseas laws governing securities and other laws in respect of the exercise of Subscription Rights to Shares by a party residing in the region over which said laws have jurisdiction, said party may exercise the Subscription Rights to Shares only when the Company deems said procedures or conditions to have been implemented or satisfied in full. Even in cases where the implementation or satisfaction of certain procedures or conditions by the Company would allow said party to exercise the Subscription Rights to Shares, the Company shall bear no responsibility for said implementation or satisfaction.
   (4) The confirmation of the satisfaction of the conditions specified in 5. (3) above shall be as stipulated by the Board of Directors pursuant to the procedure similar to that set forth in 5. (2) above.

6. Exercise procedures for the Subscription Rights to Shares
   (1) The Subscription Rights to Shares shall be exercised in the following manner: First, a person who wishes to exercise the Subscription Rights to Shares shall enter the necessary items including the number of the Subscription Rights to Shares to be exercised, the number of shares underlying the Subscription Rights to Shares and his/her address and other items stipulated otherwise by a resolution of the Board of Directors onto the application to exercise the Subscription Rights to Shares. After signing and sealing the application, the

person shall then submit the application, together with other necessary documents, which are stipulated otherwise by a resolution of the Board of Directors, to the office for handling payments, which is stipulated otherwise by a resolution of the Board of Directors, and pay the full amount of the value stated in 3. above to said office for handling payments.

(2) The application to exercise the Subscription Rights to Shares shall become effective when the application to exercise the Subscription Rights to Shares, together with the attached documents, arrives at the office for handling payments in accordance with 6. (1) above. The exercise of the Subscription Rights to Shares shall become effective when the application to exercise the Subscription Rights to Shares becomes effective, and an amount that corresponds to the full amount of the exercise price of the shares underlying the Subscription Rights to Shares is paid.

7. Transfer approval

The acquisition of subscription rights to shares via transfer requires the approval of the Board of Directors (or an organization stipulated by the Board of Directors in accordance with the provisions of the proviso to Article 265, Paragraph 1 of the Companies Act).

8. Acquisition clauses

(1) On a day to be determined elsewhere by the Board of Directors, which shall be on or later than the Gratis Allotment of Subscription Rights to Shares becomes effective, the Company may acquire all exercisable Subscription Rights to Shares (this includes Subscription Rights to Shares held by parties mentioned under the provisions of 5. (3) above. This shall be referred to as Exercisable Subscription Rights to Shares in 8. (2) below) that satisfy the provisions of 5. (1) and (2) above (in other words, Subscription Rights to Shares held by a party other than "Specified Acquirer and Related Parties") but which have yet to be exercised, in exchange for common shares of the Company of a number equal to the integral part of the number of said Subscription Rights to Shares multiplied by the number of shares to be issued per Subscription Right to Shares.

(2) On a day to be determined elsewhere by the Board of Directors, which shall be on or later than the Gratis Allotment of Subscription Rights to Shares becomes effective, the Company may acquire all Subscription Rights to Shares other than Exercisable Subscription Rights to Shares which are unexercised in exchange for subscription rights to shares the exercise of which by a Specified Acquirer and Related Parties shall be restricted (and with the condition of transfer restriction and other stipulations of the Board of Directors) of a number equal to the number of said Subscription Rights to Shares. Cash will not be exchanged for said acquisition.

(3) The confirmation of the satisfaction of the conditions with regard to the enforced acquisition of the Subscription Rights to Shares by the Company shall be as stipulated by the Board of Directors pursuant to the similar procedure set forth in 5. (2) above.

9. Increase in capital stock and legal capital surplus

Matters regarding the capital stock and legal capital surplus that increase upon the exercise of the Subscription Rights to Shares and the acquisition thereof pursuant to the acquisition clauses shall be determined in accordance with the relevant laws and regulations.

10. Fractional amounts

Should a fractional amount below one share exist among the shares to be issued to a party exercising Subscription Rights to Shares, this amount shall be rounded down. However, in cases when a party holding Subscription Rights to Shares exercises multiple Subscription Rights to Shares simultaneously, the Company may calculate fractional amounts by adding the total number of shares issued through each exercise of Subscription Rights to Shares.

11. Issuance of share certificates for subscription rights to shares

The Company will not issue share certificates for Subscription Rights to Shares.

II. Main details concerning the Gratis Allotment of Subscription Rights to Shares

1. Number of Subscription Rights to Shares allotted to each shareholder

Subscription Rights to Shares shall be allotted at a ratio of one Subscription Right to Shares for every one share of the Company's common stock held (excluding common stock held by the Company). The total number of Subscription Rights to Shares to be allotted shall be equal to the final total number of shares issued and outstanding of the Company on the record date for a Gratis Allotment (excluding the number of common stock held by the Company).

2. Shareholders to whom Gratis Allotment of Subscription Rights to Shares are made

All common shareholders listed in the final shareholder register on the record date for a Gratis Allotment (excluding the Company).

3. Effective date for Gratis Allotment of Subscription Rights to Shares

A date on and after the record date for the Gratis Allotment to be determined elsewhere by the Board of Directors.

End